FILE NAME: Cape Asbestos (CAPE)

DATE: 1983 Mar

DOC#: CAPE186

DOCUMENT DESCRIPTION: Annual Financial Statements - Anglo American Corp of South Africa Ltd. [Legal - Tibbs Case Exhibit 84]

Balance sheets at March 31 1983

Figures in R million

Corporation 1982	Corporation 1983		Notes	Group 1983	Group 1982
		Ordinary shareholders' equity			
22,6	22,7	Ordinary share capital	1	22,7	22,6
20,9	33,0	Share premium	2	33,0	20,9
351,9	351,9	Non-distributable reserve	3	1 696,7	1 342,0
304,0	307,9	Distributable reserves	4	1 471,5	1 205,0
699,4	715,5			3 223,9	2 590,5
		Preferred stock and preference shares			
4,8	4,8	Preferred stock	1	4,8	4,8
1,0	1,0	Preference share capital	1	1,0	1,0
39,0	39,0	Preference share premium		39,0	39,0
44,8	44,8			44,8	44,8
744,2	760,3			3 268,7	2 635,3
		Outside shareholders' interests in subsidiary companies	5	480,2	415,0
		Life assurance funds	6	1 376,1	1 022,0
—	—	**Deferred taxation**		201,7	138,4
42,3	33,6	**Loan capital**	7	214,9	196,2
445,5	501,6	**Loans from** – Associated companies		521,1	480,1
575,7	921,0	– Others		987,7	618,3
1 021,2	1 422,6			1 508,8	1 098,4
		Other liabilities			
53,8	75,3	Creditors, taxation and provisions		264,3	259,5
170,5	171,3	Shareholders for dividends		171,3	170,5
—	—	Bank overdrafts		11,4	11,3
224,3	246,6			447,0	441,3
2 032,0	2 463,1			7 497,4	5 946,6
		Represented by:			
		Investments			
334,0	332,0	Investment in associated companies	8	2 783,0	2 331,5
57,9	80,0	General investments	9	392,0	336,4
391,9	412,0			3 175,0	2 667,9
		Life assurance investments	10	1 391,0	1 050,0
659,1	621,2	**Investment in subsidiary companies**	11		
		Investment in subsidiary companies not consolidated	12	30,4	30,0
7,0	13,4	**Fixed assets**	13	1 050,6	867,7
		Other assets			
—	—	Stocks, stores and township property	14	69,4	68,4
77,2	83,8	Debtors		390,4	335,2
270,2	74,1	Loans to – Associated companies		91,5	261,4
14,8	8,2	– Others		4,7	13,4
285,0	82,3			96,2	274,8
611,8	1 250,4	Cash on deposit, at call and short notice		1 294,4	652,6
974,0	1 416,5			1 850,4	1 331,0
2 032,0	2 463,1			7 497,4	5 946,6

Income statements for the year ended March 31 1983

Figures in R million

Corporation 1982	Corporation 1983		Notes	Group 1983	Group 1982
93,8	90,8	Dividends from associated companies	16	316,6	330,6
18,2	15,8	Dividends from general investments	16	132,6	142,0
130,7	202,0	Interest earned and fee income less expenses		217,7	142,9
—	—	Trading profits		262,0	253,7
0,5	15,0	Surplus on realisation of investments		23,4	6,5
		Surplus from life assurance		10,3	7,8
242,8	172,6	Income from subsidiary companies	17	2,1	7,6
486,0	496,2			964,7	891,1
146,4	183,5	Interest paid		187,5	146,9
30,2	37,5	Costs of prospecting	18	39,5	35,6
176,6	221,0			227,0	182,5
309,4	275,2	**Profit before taxation**		737,7	708,6
(0,1)	16,1	Taxation	19	121,3	96,8
309,5	259,1	**Profit after taxation**	20	616,4	611,8
		Outside shareholders' interests in profits of subsidiary companies		105,1	104,5
4,5	4,5	Preferred stock and preference share dividends	21	4,5	4,5
				109,6	109,0
		Group attributable profit – before share of retained profits of associated companies		506,8	502,8
		Share of retained profits of associated companies		137,7	265,4
305,0	254,6	**Profit before extraordinary items**		644,5	768,2
14,0	1,0	Extraordinary items	22	14,1	33,7
291,0	253,6			630,4	734,5
248,5	249,7	Ordinary dividends	21	249,7	248,5
42,5	3,9	**Retained profit**		380,7	486,0
0,5	1,0	Unappropriated profit, March 31 1982		145,2	88,2
		Adjustment thereto for changes in exchange rates		2,0	17,7
				147,2	105,9
43,0	4,9			527,9	591,9
		Appropriations to reserves:			
—	—	Non-distributable reserve	3	117,3	243,0
42,0	—	General reserve	4	215,3	203,7
42,0	—			332,6	446,7
1,0	4,9	**Unappropriated profit, March 31 1983**	4	195,3	145,2
		Earnings per share – cents			
		Excluding share of retained profits of associates	23	223,3	222,5
		Including share of retained profits of associates	23	283,9	339,9

Source and application of funds statements

for the year ended March 31 1983

Figures in R million

Corporation 1982	Corporation 1983		Group 1983	Group 1982
		SOURCE OF FUNDS		
		Funds generated		
309,4	275,2	Profit before taxation, outside shareholders' interests in profits of subsidiary companies and retained profits of associated companies . .	737,7	708,6
		Adjustments for items not involving movements of funds:		
2,5	3,0	Depreciation, provisions and changes in exchange rates	46,5	19,1
			784,2	727,7
		Life assurance funds	354,1	198,5
311,9	278,2	Total funds generated from operations	1 138,3	926,2
		Funds from other sources		
3,2	12,2	Shares issued, and premium thereon, under share incentive and share option schemes and in respect of convertible bonds issued by a subsidiary company	12,2	3,2
(12,5)	(10,[illegible])	Loan capital	17,0	(15,7)
		Net increase in outside shareholders' interests	18,3	0,4
—	—	Extraordinary sharedealing profits	8,5	—
302,6	280,0		1 194,3	914,1
		APPLICATION OF FUNDS		
		Funds were applied towards		
59,9	(1,9)	Cost of investments acquired less cost of investments sold	129,3	171,7
(75,9)	22,0	Long term loans to associated companies and others	36,7	61,4
7,0	8,9	Fixed assets	215,0	116,9
		Subsidiary companies not consolidated	0,4	(0,9)
		Increase in assets of life assurance companies	341,0	210,3
(9,0)	29,0		722,9	559,4
1,8	0,8	Investment in subsidiary companies – shares		
(87,1)	(39,5)	– loans		
(85,3)	(38,7)			
		Dividends and taxation:		
248,5	249,7	Interim ordinary dividend paid and final dividend declared	249,7	248,5
4,5	4,5	Preferred stock and preference dividends	4,5	4,5
253,0	254,2		254,2	253,0
		Dividends paid to outside shareholders in subsidiary companies	58,2	65,0
(0,1)	16,1	Taxation	121,3	96,8
252,9	270,3		433,7	414,8
205,9	(401,4)	(Increase) Reduction in loans from associated companies and others .	(410,4)	270,4
278,3	(202,1)	(Reduction) Increase in loans to associated companies and others . . .	(178,6)	131,8
—	—	Increase in stocks, stores and township property	1,0	10,6
(1,2)	(22,3)	Increase in creditors and deferred taxation	(71,2)	(114,1)
(4,2)	6,6	Increase (Decrease) in debtors	55,2	6,1
(334,8)	638,6	Increase (Decrease) in cash balances	641,7	(364,9)
144,0	19,4		37,7	(60,1)
302,6	280,0		1 194,3	914,1

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Anglo American Corporation of South Africa Limited

Incorporated in the Republic of South Africa
Company Registration No. 01 05309 06

Containing the annual financial statements for the year ended March 31 1983

Directors	**Alternate directors**
G W H Relly (Chairman)*	D B Hoffe
J Ogilvie Thompson (Deputy Chairman)*	A D Deuchar (Australian)
N F Oppenheimer (Deputy Chairman)*	Dr L G Murray
Sir Keith Acutt, KBE (British)	M C O'Dowd
R I J Agnew (British)	
W G Boustred*	R J Hedley (British)
G A Carey-Smith (British)*	P J R Leyden (British)
J N Clarke (British)*	P C D Burnell (British)
Dr Z J de Beer*	J L P Mackenzie
D A Etheredge, OBE*	G S Young
Dr E M A F Ferreira (Portuguese)*	D Rankin
G C Fletcher, MC	Dr H B Dyer
C J L Griffith*	O P Koevort
R N Hambro (British)	R A Hambro (British)
M B Hofmeyr*	V I Webber, CBE (British)
J A Holmes (British)*	B E Bullett (British)
M W King*	J M P Desmidt
G Langton*	W R Lawrie
D G Nicholson (British)*	
Sir Philip Oppenheimer (British)	T L Pretorius
J G Richardson (British)	A B McKerron
Sir Albert Robinson (British)*	F J A Howard
C J Saunders	
H R Slack (USA)	
Dr J G van der Horst	
Dr A L Vilakazi (USA)	
G H Waddell*	
W D Wilson	Dr M G M Atmore

*Member of the Executive Committee of the Board

Aandeelhouers wat 'n Afrikaanse vertaling van hierdie verslag verlang, word versoek om met die oordragsekretarisse in verbinding te tree.

Year in brief

Profits

Group profit was R506,8 million, R4 million higher than last year, excluding retentions of associated companies. On an equity accounted basis earnings were R644,5 million (R768,2 million), 16,1 per cent lower. The dividend was unchanged at 110 cents a share, being 49,3 per cent of earnings excluding retentions of associates which are transferred to non-distributable reserve.

Investments

The market value of listed investments stood at a record R7 323,8 million at the year-end, an increase of R3 081,3 million and the directors' valuation of unlisted investments was R466,6 million (R534,5 million) with net asset value per share of 3 321 cents (2 031 cents), a 63,5 per cent increase.

A further 11 million shares in De Beers were acquired to bring the holding to 34,2 per cent (31,1 per cent), of which the 52,2 per cent subsidiary Anglo American Investment Trust has 27,3 per cent. Sigma Motor Corporation is now 50 per cent held (37 per cent), the other 50 per cent being owned by Amic. The formation of The Tongaat-Hulett Group resulted in the Corporation holding an 11,2 per cent interest.

In May 1983 a consortium led equally by JCI and Liberty Life, in which the Corporation is participating, agreed to buy, subject to certain conditions, 52 per cent of the Premier Group from Associated British Foods for R337,2 million. The consortium agreed to exchange its combined shareholding of 34 per cent in South African Breweries for approximately 32 million new shares in Premier. The Corporation's participation will not exceed 20 per cent.

Finance companies

Amgold's earnings declined by 20,6 per cent to R195,6 million and the dividend totalled 860 cents (1 000 cents). The value of investments increased by R1 109,6 million to R3 001,7 million.

Anamint, whose principal investment is in De Beers, earned 1 351 cents a share on an equity accounted basis compared with 1 867 cents, and 594 cents (702 cents) excluding its share of the retained profit of De Beers, and its dividend of 590 cents was 16 per cent lower. The value of investments was R930,3 million (R587,7 million) at the year-end.

Total assets of Amlife now stand at R1 460 million (R1 100 million) with premium income at R246 million and investment income at R112 million exceeding R200 million and R100 million respectively for the first time. Disclosed earnings increased to R10,3 million (R7,8 million) and the dividend to R7 million (R5,3 million).

Amaprop increased profits by R5,1 million to R14,7 million.

Gold

The average gold price dropped 19,7 per cent to $375 an ounce during 1982. In rand terms the price increased 1,5 per cent to R412 an ounce (R13 254 a kilogram), reflecting a further depreciation of the rand against the dollar. Gold mining contributed 41 per cent to investment earnings (40 per cent). Administered mines increased gold production by 1,6 per cent, being 36,4 per cent (36,2 per cent) of the industry total. Working profit decreased by 12,4 per cent to R1 569 million, capital expenditure dropped slightly to R562 million, and dividends paid were down 16,4 per cent at R511,6 million.

Diamonds

Sales by the Central Selling Organisation were 15 per cent less at $1 257 million, although in rand terms they were nine per cent higher at R1 360 million because of the rand weakening. De Beers' profit after tax in 1982 was R443 million compared with the previous year's R628 million, and the dividend was 37,5 cents (50 cents).

Stocks at the end of 1982 stood at R1 832 million, an increase of R429 million of which a third was attributable to the lower rand.

Coal

Sales by administered mines fell by seven per cent to 35,6 million tons, being 27 per cent (29 per cent) of the national total. Amcoal earned profits of R113,4 million, and paid a dividend of 145 cents. Its capital expenditure programme totals R1 310 million, of which about 60 per cent will be for three collieries to supply new Escom power stations. Amcoal was awarded a further provisional four million tons under the first part of the Phase IV exports programme.

Industry and commerce

Industrial, commercial, finance and insurance interests contributed 34 per cent (37 per cent) to investment earnings. Amic's earnings were 4,5 per cent higher at R186,8 million with the dividend up 9,1 per cent to 180 cents a share. Earnings per share decreased 37,1 per cent to 416,6 cents. Its capital expenditure commitments at the end of 1982 stood at R677,3 million, mainly for the Richards Bay pulp mill for Mondi. Highveld Steel reported earnings of R69,1 million for the 18 months to December 31 1982. AECI, in which Amic holds 39,5 per cent, increased sales in 1982 to R1 550 million, but trading profit of R221 million was 7,5 per cent down and the dividend was maintained.

ANALYSIS OF THE VALUE OF INVESTMENTS AND INVESTMENT EARNINGS

	Value of Investments* percentage		Investment Earnings*† percentage	
	1983	1982	1983	1982
By prime source				
Gold	49	44	41	40
Diamonds	6	6	6	7
Coal	6	8	12	9
Platinum	4	3	2	3
Other mining	4	4	—	1
Finance & insurance	9	10	10	11
Industrial and commercial	19	22	24	26
Oil and gas	1	1	1	1
Property	2	2	4	2
	100	100	100	100

	Value of Investments* percentage		Investment Earnings*† percentage	
	1983	1982	1983	1982
Geographical				
South Africa	84	83	80	80
South West Africa/Namibia	1	1	1	1
Rest of Africa south of the Equator	1	2	2	2
North America	6	6	—	4
Europe and UK	4	4	14	11
Elsewhere	4	4	3	2
	100	100	100	100

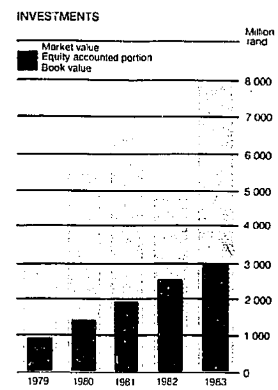
* Excludes outside shareholders' interests in subsidiary companies.

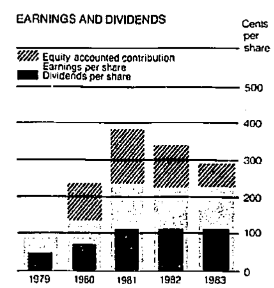
† Includes investment income, trading profits after tax, and share of retained profits of associated companies.

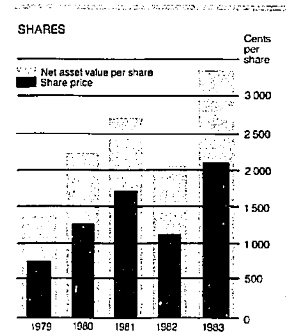
The above analysis is intended to give an indication of the diversity of the Group. A strictly accurate analysis is not possible because of the complex spread of the underlying investments.

Five-year summary

		1983	1982	1981	1980	1979
Equity capital						
Issued ordinary capital and reserves	R millions	3 223,9	2 590,5	2 010,5	1 325,8	955,2
Associates and general investments						
Book value	R millions	1 789,5	1 674,1	1 285,5	1 130,3	878,9
Carrying value	R millions	2 985,5	2 515,5	1 895,4	1 346,7	
Market value[1]	R millions	7 790,4	4 777,0	6 444,2	5 423,0	3 385,9
Earnings attributable to ordinary shareholders						
Excluding share of retained profit of associates	R millions	506,8	502,8	527,0	306,6	202,0
	cents a share	223,3	222,5	233,4	136,1	90,2
Including share of retained profit of associates	R millions	644,5	768,2	866,0	525,3	
	cents a share	283,9	339,9	383,6	233,1	
Dividends						
Ordinary dividend	R millions	249,7	248,5	248,3	157,7	103,0
	cents a share	110	110	110	70	46
Dividend cover[2]		2,03	2,02	2,12	1,94	1,96
Shares						
Number in issue	millions	227,0	226,0	225,7	225,3	224,0
Net asset value per share	cents	3 321	2 031	2 697	2 184	1 357
Share prices	cents					
	year-end	2 065	1 090	1 700	1 300	755
	high	2 550	1 850	2 230	1 830	770
	low	885	1 085	1 233	700	490







[1] Includes unlisted investments at directors' valuation and outside shareholders' interest in surplus of market value and directors' valuation over book value.
[2] Excludes share of retained profit of associated companies.

Profile of the Corporation

Anglo American Corporation, directly and indirectly, develops and holds investments in mining, financial, industrial and commercial companies on a world-wide basis but principally in southern Africa. In common with other mining-finance houses in South Africa, the Corporation operates a system whereby it not only administers companies that are not necessarily subsidiaries but provides them with a full range of technical and other services and is able, by virtue of its financial strength and standing, to assist them in raising capital for expansion and development.

More than 51 per cent, by value, of the Corporation's investments and interests in associated companies is in these administered finance and operating companies. A large portion of the remainder is in two major associates: De Beers Consolidated Mines and Minerals and Resources Corporation (Minorco) based in Bermuda, which has significant investments in mining, mineral processing, financial services and commodity trading companies in North America and in mining, finance and investment companies elsewhere. Though these major associates have their own management, they have close and historical ties with the Corporation and draw upon its technical advice. Hence the relationship between them and the Corporation is broader than a purely financial one, and serves to strengthen and enhance the contribution that each can make to mining and industrial ventures on an international scale.

In mining, the Corporation and its associates have important investments in companies engaged in the production of gold and uranium, diamonds, coal, platinum, copper, nickel, oil and gas, tin, potash, iron ore, vanadium, lead, zinc, manganese and wolfram. Investments in industry range from companies engaged in the manufacturing of steel and ferro-alloys and heavy engineering to construction and shaft sinking, motor vehicles, timber and paper, textiles, chemicals, electrical equipment, drilling tools, refractories and foodstuffs, including sugar. The principal commercial interests are in insurance and property, banking, freight and travel, and computer services.

The significant shareholdings of the Corporation in the principal finance and regional companies and in the two associates, De Beers and Minorco, are shown in the chart. The percentage interest held is shown outside each figure. Each of the South African-based finance companies has a specialised portfolio: there is Anglo American Gold Investment Company, Anglo American Investment Trust for diamond mining and marketing investments, Anglo American Coal Corporation, Anglo American Industrial Corporation, Anglo American Life Assurance, Anglo American Properties and Anglo American Farms. On a regional basis there is Anglo American Corporation Zimbabwe, Anglo American Corporation do Brasil, Australian Anglo American, Anglo American Corporation (Central Africa) in Zambia and Anglo American Corporation Botswana. The valuations given in the chart are calculated as at March 31 1983.

Not shown in the chart are the large number of operating mining and industrial companies, again generally not subsidiaries, with which the Corporation has a special relationship through its provision of administrative and technical services and financial support, both as investor and as underwriter of new capital issues. Finally, there are other associated companies and companies in which the Corporation holds portfolio investments.

To illustrate the scale of their mining operations, in 1982 companies administered by the Corporation produced more than 36 per cent of South Africa's gold, equivalent to about 24 per cent of world production (excluding communist countries), 26 per cent of South Africa's coal and 44 per cent of its uranium.

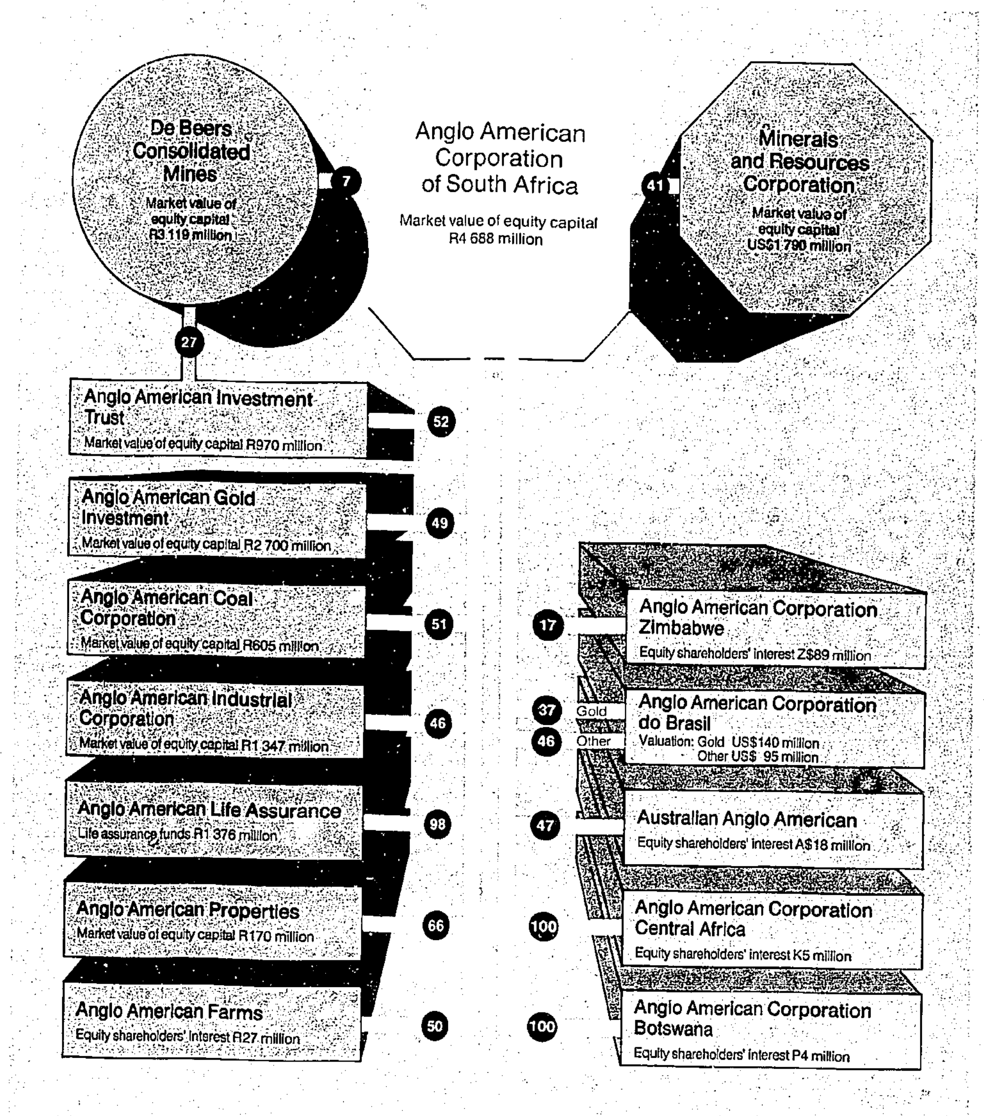
The overall equity value of companies administered by the Corporation and of the investments held by the Corporation and its administered finance companies at March 31 1983 is set out below:

	Rm
1. Total value of the companies administered by the Corporation	10 700
2. Interests in (1) of the Corporation and its administered finance companies	4 600
3. Interests of the Corporation and its administered finance companies in the value of non-administered companies	6 300
4. Overall value of (2) and (3)	10 900
5. Total of the value of the companies administered by the Corporation (1) and its interests and those of its administered finance companies in the non-administered companies (3)	17 000

The Corporation's original capital in 1917 was £1 million which was raised from British, American and South African sources – hence the title 'Anglo American Corporation of South Africa'. The present capital and reserves at book value exceed R3 200 million and the net interest of ordinary shareholders based on current values is over R7 500 million. Ownership is widely spread, there being more than 24 500 registered ordinary shareholders. The majority of the share capital, about 85 per cent, is held in South Africa and the balance abroad.

In all about 254 000 persons are employed by Anglo American Corporation and the South African gold, coal, industrial and commercial companies which obtain administrative and technical services from it.

The Corporation has had only three Chairmen, the founder, Sir Ernest Oppenheimer, from 1917 to 1957, his son, Mr Harry Oppenheimer, from 1957 to 1982, and the present Chairman, Mr Gavin Relly. This has brought a continuity of policy to the activities of the Corporation, whose aim is to earn profits for its shareholders, but to do so in such a way as to make a real and lasting contribution to the welfare of the people in the countries in which it operates.


De Beers Consolidated Mines
Market value of equity capital R3 119 million
7
Anglo American Corporation of South Africa
Market value of equity capital R4 688 million
41
Minerals and Resources Corporation
Market value of equity capital US$1 790 million
27
Anglo American Investment Trust
Market value of equity capital R970 million
52
Anglo American Gold Investment
Market value of equity capital R2 700 million
49
Anglo American Coal Corporation
Market value of equity capital R605 million
51
Anglo American Industrial Corporation
Market value of equity capital R1 347 million
46
Anglo American Life Assurance
Life assurance funds R1 376 million
98
Anglo American Properties
Market value of equity capital R170 million
66
Anglo American Farms
Equity shareholders' interest R27 million
50
17
Anglo American Corporation Zimbabwe
Equity shareholders' interest Z$89 million
37 Gold
46 Other
Anglo American Corporation do Brasil
Valuation: Gold US$140 million
Other US$ 95 million
47
Australian Anglo American
Equity shareholders' interest A$18 million
100
Anglo American Corporation Central Africa
Equity shareholders' interest K5 million
100
Anglo American Corporation Botswana
Equity shareholders' interest P4 million

Mr Gavin Relly who became Chairman of Anglo American Corporation upon the retirement of Mr Harry Oppenheimer in December 1982

Directors' review

FINANCE AND INVESTMENT

Group results

Group profit was R506,8 million, R4 million higher than last year, excluding retentions of associated companies. On an equity accounted basis earnings were R644,5 million (R768,2 million), 16,1 per cent lower. Dividend receipts from gold and diamond investments were marginally lower but were more than offset by higher earnings from interest and fee income, surpluses on investment realisations and trading profits, in turn leading to a higher tax charge. The drop of R127,7 million in the retained profits of associated companies largely reflects the lower earnings of Minerals and Resources Corporation and De Beers Consolidated Mines, and the loss incurred by Sigma Motor Corporation.

Dividend income at R449,2 million (R472,6 million), was five per cent lower. Interest earned and fee income less expenses totalled R217,7 million (R142,9 million), 52,3 per cent higher than last year, while interest paid increased to R187,5 million from R146,9 million, up by 27,6 per cent. Trading profits rose R8,3 million to R262 million, the surplus on realisation of investments was R16,9 million higher at R23,4 million and the disclosed surplus of the life assurance group increased by R2,5 million to R10,3 million. Prospecting costs were R39,5 million, or R3,9 million higher, and the tax charge rose R24,5 million to R121,3 million, partly because of the increased company tax rate.

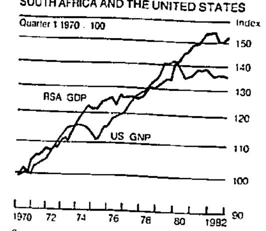
Outside shareholders' interest in the profits of subsidiary companies was virtually unchanged at R105,1 million. The Group's share of the retained profits of associated companies fell by 48,1 per cent to R137,7 million, and was transferred to non-distributable reserve in accordance with the Corporation's accounting policies.

Dividends totalled R249,7 million (R248,5 million) or 110 cents a share (110 cents), being 49,3 per cent (49,4 per cent) of earnings excluding the retained earnings of associates.

Extraordinary items totalled R14,1 million, comprising principally extraordinary charges of associated companies of R22,9 million less extraordinary sharedealing profits of R8,5 million.

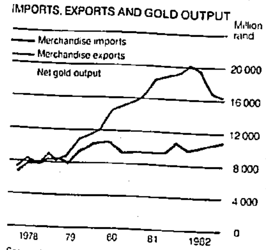
The South African economy – adjustment to world recession

COMPARATIVE REAL GROWTH SOUTH AFRICA AND THE UNITED STATES



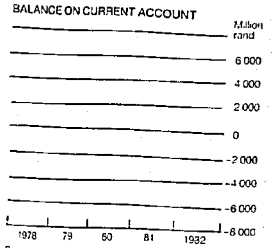
Seasonally adjusted annual rates

IMPORTS, EXPORTS AND GOLD OUTPUT



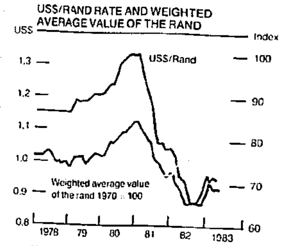
Seasonally adjusted annual rates

BALANCE ON CURRENT ACCOUNT



Seasonally adjusted annual rates

US$/RAND RATE AND WEIGHTED AVERAGE VALUE OF THE RAND



Monthly averages

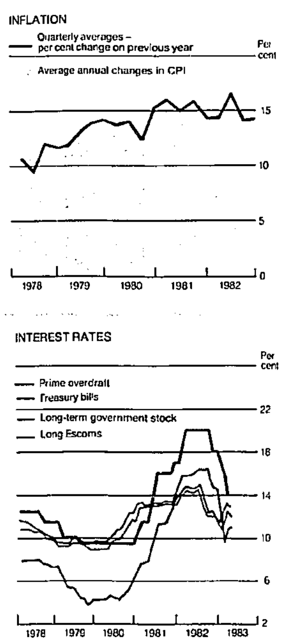
Inflationary pressures continue

These results were achieved in a flagging economy. South Africa's real gross domestic product fell in 1982 for the first time since World War II. Although the economic performance of the major trading nations was extremely poor for the third successive year, to make it the most protracted recessionary period for several decades, South Africa during 1981 had been able to avoid the worst of these conditions because of a favourable gold price, and so real growth remained relatively strong. However, declining export volumes and weak commodity prices, particularly for gold, finally forced an adjustment to international realities.

Excessive domestic demand in 1981 and the first half of 1982 led to a growing current account deficit, as well as to continuing inflationary pressures. As a result, both monetary and fiscal policies, reflecting an enhanced flexibility, were tightened significantly, hastening a downward adjustment in domestic demand on the one hand, while on the other, a depreciation of the rand simultaneously sheltered certain sectors from the full impact of the world recession and discouraged imports. Consumer spending was curtailed, and against this background – and under the impact of interest rates which had soared to record levels – private sector fixed investment declined rapidly, with every effort being made to reduce stocks. Public sector activity was similarly severely curtailed with few exceptions.

Towards the year-end and into early 1983 a sharp decline in imports, together with a marked fall-off in domestic expenditure and an improved gold price, resulted in a pronounced improvement in the current account of the balance of payments. Interest rates were allowed to decline significantly. However, the more recent fall in the gold price following reduced crude oil prices is a reminder of the relatively depressed economic circumstances which continue to prevail throughout the western world, although medium-term prospects for recovery have improved. Yet the short-term outlook is not favourable as circumstances have been against an overall fiscal stimulus to the South African economy, while the relaxation of

Inflation and interest rates in South Africa



exchange controls on non-residents was among a number of measures introduced recently to enhance monetary controls. But it is reasonable to hope that improved trading conditions against a background of substantially flexible South African monetary and fiscal policies will gradually alleviate conditions and so allow growth into 1984. The effect of the nation-wide drought will, however, be a retarding factor.

Principal changes in investments

Share investments acquired less disposals amounted to R115,4 million at cost. The carrying value of investments in associated companies excluding loans stood at R2 681,2 million at the year-end compared with R2 235,2 million, and the book cost of general investments was R304,3 million (R280,3 million).

Strong demand on The Johannesburg Stock Exchange saw the listed holdings increase by R3 081,3 million to a record year-end market value of R7 323,8 million. Unlisted investments excluding loans stood at carrying value or book cost of R280,5 million (R332,2 million) compared with directors' valuation of R466,6 million (R534,5 million). Total value of investments was thus R7 790,4 million (R4 777 million) having a carrying value or book cost of R2 985,5 million (R2 515,5 million). The value of associated companies comprised 77,9 per cent (75,8 per cent) of the total value of investments.

After adjusting for the outside shareholders' interest in the excess of the market value and the directors' valuation over book and carrying values of investment holdings the net asset value per share was 3 321 cents (2 031 cents), an increase of 63,5 per cent.

The Corporation has taken the opportunity to acquire a further 10 954 400 shares in De Beers Consolidated Mines, of which 879 100 were purchased from Luxaf SA, one of the holding companies jointly held with the French banking group Parisbas until March 1983 when the arrangement was terminated. The holding in De Beers is thus 34,2 per cent (31,1 per cent), of which the 52,2 per cent subsidiary, Anglo American Investment Trust, has 27,3 per cent. As part of the arrangements with Parisbas, a further 259 400 shares in Anglo American Industrial Corporation (Amic) were bought by the Corporation which now holds 46,4 per cent (45,8 per cent).

Turnstone Holdings Limited, previously an associated company, jointly held with De Beers, became a 59,5 per cent subsidiary during the year holding 11 377 104 South African Breweries shares. In May this year the Corporation agreed to participate in a consortium, led equally by Johannesburg Consolidated Investment Company Limited and Liberty Life Association of Africa Limited, to purchase 13 486 564 ordinary shares or 52 per cent in The Premier Group Limited from Associated British Foods Limited for R337,2 million, subject to certain conditions. The consortium agreed to pool their present shareholdings of approximately 34 per cent of the ordinary capital of South African Breweries, of which the Corporation's interest forms part, at a price of R8,85 a share ex the company's 1983 final dividend of 25 cents a share, the combined holding being exchanged for approximately 32 million new shares in Premier at R25 a share. Premier will become an investment holding company after transferring its trading interests to a subsidiary company. The Corporation's participation will not exceed 20 per cent.

Acquisitions of 1 608 250 shares in Samancor brought the holding of the Corporation and associates in that company to 31,7 per cent, and R15 million was subscribed to make the 29 947 200 12 per cent debentures of R1 each in Western Deep Levels Limited fully paid.

The Corporation's effective interest in Sigma Motor Corporation (Proprietary) Limited has increased from 37 per cent to 50 per cent as a result of a further acquisition of shares in that company and indirectly through the acquisition of Stanley Motors Limited. Amic owns the other 50 per cent.

The holding of 414 060 shares in Tiger Oats and National Milling Company Limited was disposed of, and there were purchases and sales of small interests in various gold mining companies.

As a result of the merger of The Tongaat Group Limited with Huletts Corporation Limited, to form The Tongaat-Hulett Group Limited, on the basis of 117 Hulett shares for every 100 Tongaat shares, the Corporation holds 11,2 per cent in the new group.

Results of major South African finance companies

The earnings of Anglo American Gold Investment Company Limited (Amgold), in which the Corporation has a 48,6 per cent interest, declined by 20,6 per cent from R246,3 million (or 1 122,2 cents a share) to R195,6 million (890,9 cents) for the year ended February 28 1983, mainly because of lower dividends declared by the gold mining companies during 1982. Amgold's ordinary dividends totalled R188,8 million or 860 cents a share (1 000 cents), a relatively high distribution made possible by the group's limited commitments in the year ahead and by the completion of the redemption of the preference shares. The value of Amgold's investments increased by R1 109,7 million to R3 001,7 million, and the net asset value rose to 13 770 cents a share from 8 712 cents, taking the quoted investments at market value and the unquoted investments at directors' valuations.

Anglo American Investment Trust Limited (Anamint), a 52,2 per cent subsidiary, earned 1 351 cents a share on an equity accounted basis compared with 1 867 cents in the year to March 31 1982. Excluding its share of the retained profit of De Beers, its associated company and principal investment, earnings were 594 cents a share, and dividends paid were 590 cents (700 cents) or R59 million (R70 million), some 16 per cent lower. De Beers, in which Anamint holds a 27,3 per cent interest, paid dividends totalling 37,5 cents a share (50 cents), a drop of 25 per cent on last year. At the year-end the value of Anamint's investments was R930,3 million (R587,7 million) and the net asset value was 9 269 cents a share (5 906 cents).

Anglo American Coal Corporation Limited (Amcoal), a 50,9 per cent subsidiary, earned profits of R113,4 million compared with R105 million, on an annualised basis, in the 15 months to March 31 1982, an increase of eight per cent. The dividend paid was 145 cents a share, amounting to R35,4 million (132,8 cents and R32,5 million annualised). The company's net capital expenditure programme totals R1 310 million, of which approximately 60 per cent will be spent on the construction of the three collieries which are to supply coal for Escom's new 3 600 MW power stations, Tutuka, Lethabo and Lekwe.

Anglo American Industrial Corporation Limited (Amic), in which the Corporation has a 46,4 per cent interest, reported equity accounted earnings of R186,8 million for the year to December 31 1982. Although this was 4,5 per cent higher than the previous year, earnings per share on the increased share capital, arising from the merger with De Beers Industrial Corporation Limited and related acquisitions, decreased by 37,1 per cent to 416,6 cents. However, the higher proportion of group earnings now derived from dividend income from associated companies and investments enabled Amic to increase its dividend by 9,1 per cent from 165 cents to 180 cents a share. Capital expenditure commitments at December 31 1982 totalled R677,3 million, principally for the construction of Mondi Paper Company Limited's pulp mill complex at Richards Bay, which is expected to be commissioned in October 1984. Arrangements have been made for Mondi shareholders to provide R150 million of loan and equity finance, with an additional R450 million from outside facilities.

The Corporation's life assurance interests are held through its 97,7 per cent subsidiary Anglo American Life Assurance Company Limited, which in turn holds 100 per cent of African Life Assurance Company Limited and Southampton Assurance Company of Zimbabwe Limited. Anglo American Life also wholly owns First Consolidated Holdings (Proprietary) Limited, a leasing and finance company, and during the year acquired the 28,2 per cent of the equity not already held in the listed investment company, Metals and Minerals Investment Corporation Limited, at a cost of R12 million. Total assets of Anglo American Life and its subsidiaries now amount to R1 460 million compared with R1 100 million last year. Total premium income at R246 million exceeded R200 million for the first time. New life assurance business written increased 50 per cent and totalled R113 million. Recurring premium income increased by 24 per cent to R200 million and investment income exceeded R100 million for the first time, increasing by 27 per cent to R112 million. The disclosed earnings of the group after transfers to inner reserves were R10,3 million (R7,8 million). The dividend for the year was increased from R5,3 million to R7 million.

Anglo American Properties Limited, a 65,6 per cent subsidiary, increased profits by R5,1 million to R14,7 million (34,6 cents a share) from R9,6 million (22,5 cents) last year. Of this increase, 3,3 cents arises from a change in the basis of accounting. Dividends paid were 18 cents (14 cents). The group's properties are valued at some R409 million (R365 million) and the capital expenditure programme totals R67,7 million (R83,3 million).

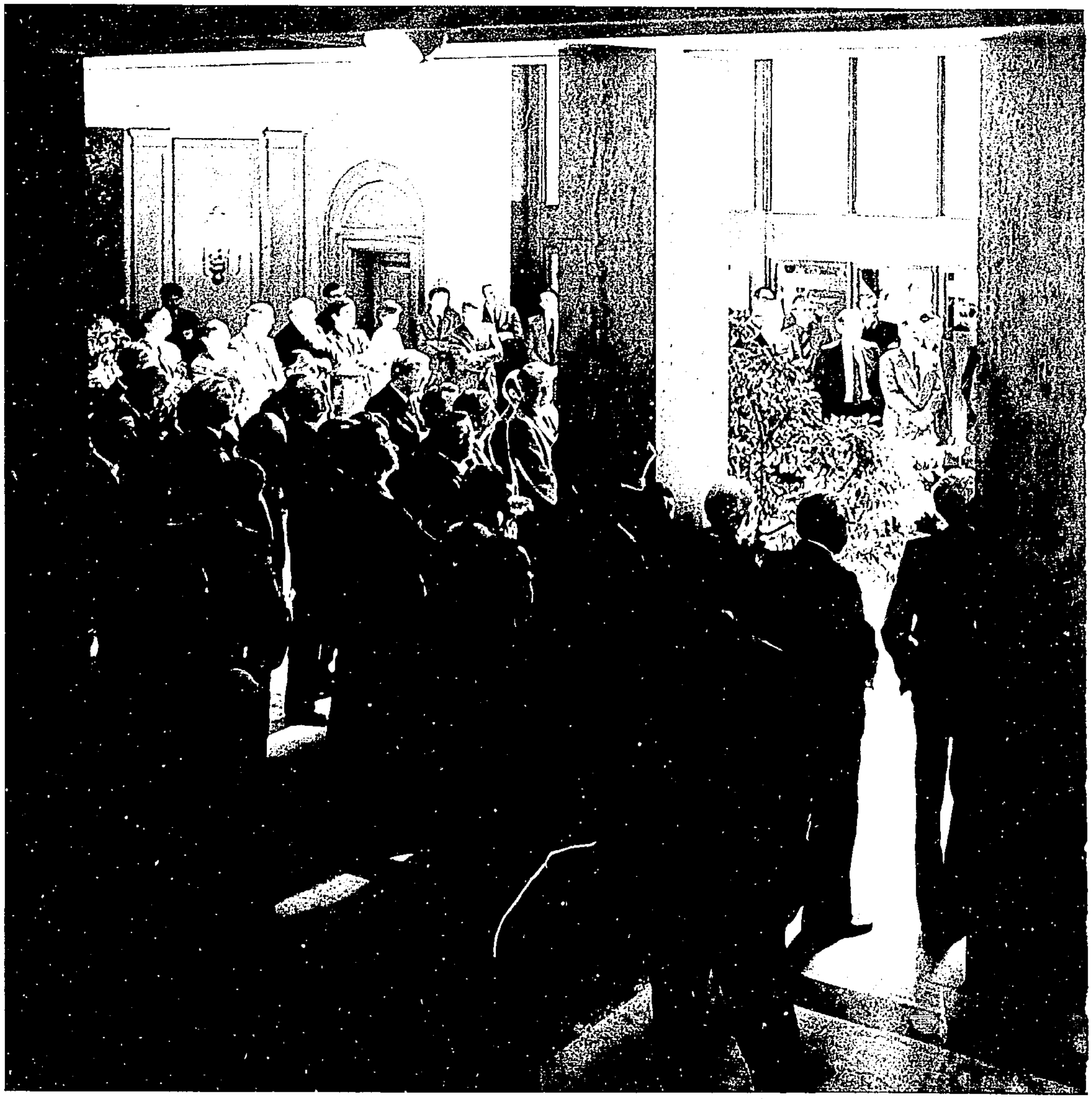
Johannesburg Consolidated Investment Company Limited, in which the Corporation's total investment is 40,2 per cent, reported net earnings of R86,1 million for the year ended June 30 1982, compared with R98 million the previous year, reflecting lower dividends from gold and diamond investments and higher interest rates and exploration expenditure. The company's dividend distribution remained unchanged at 600 cents a share. Net earnings for the six months to December 31 1982 remained virtually unchanged at R48,7 million and the interim dividend of 130 cents was the same as the last year.

Results of major international associates

Minerals and Resources Corporation Limited (Minorco) in which the Corporation holds 40,7 per cent, reported equity accounted earnings before extraordinary items of $135,3 million for the year to June 30 1982 ($186,4 million) reflecting the world-wide economic down-turn. However, earnings from operations increased by 65 per cent from $28,2 million to $46,7 million with investments acquired in 1981 making a significant contribution, particularly Consolidated Gold Fields PLC (Gold Fields), in which Minorco holds 29 per cent. The dividend was maintained at 22 cents a share. In the six months to December 31 Minorco's unaudited equity accounted earnings before extraordinary items were $27,7 million, with an unchanged six cent interim dividend. Extraordinary losses totalled $40,9 million of which $40,7 million was the company's share of an extraordinary provision of £87 million by Gold Fields in the six months to December 31, referred to below.

Hudson Bay Mining and Smelting Co., Limited (Hudbay), in which Minorco holds 44 per cent, incurred a C$64,2 million loss (C$10,8 million loss) in the year to December 31 1982, before an extraordinary gain of C$55,5 million from the disposal of a power plant. Minorco and Hudbay recently announced a proposed re-organisation and financing involving Hudbay and Plateau Holdings Inc. (Plateau), which is jointly owned by Hudbay and Minorco, in order to pool the joint US investments of Minorco and Hudbay in a listed US company, Plateau, to be re-named Inspiration Resources Limited, which will have a Canadian subsidiary, Hudbay, owning the present Canadian investments. This will simplify the corporate and management structures within a single entity and enable better access to capital markets both in Canada and the US. While Minorco will hold about 60 per cent of the equity, it has agreed to restrict its voting rights to less than 50 per

Mr Harry Oppenheimer delivers his last informal chairman's talk to the senior staff of Anglo American Corporation in the foyer of 44 Main Street after the annual general meeting of the Corporation in August 1982



cent of Plateau. It is proposed that, after completion of the re-organisation and subject to market conditions, there will be public offerings of additional equity, and Minorco has agreed to participate in this financing to the extent of $50 million.

Engelhard Corporation, in which Minorco holds 28 per cent, earned profits of $64,8 million in the year to December 31 1982 ($66,4 million) and again declared dividends of 56 cents a share. Some $84 million has been earmarked by the group for expansion projects.

Net earnings of Phibro-Salomon Inc. for the year to December 31 1982 increased by 17 per cent to $337,3 million on revenues of $26 703 million, up from $25 655 million in 1981. Phibro Corporation acquired Salomon Brothers in October 1981 to form Phibro-Salomon Inc., in which Minorco's interest is 28 per cent. Total dividends were unchanged at 94 cents a share.

Charter Consolidated P.L.C., in which Minorco holds 36 per cent, reported equity earnings for the year to March 31 1982 of £37,6 million (£32,6 million) and paid dividends of 11p a share (10p).

In the six months to September 30 1982 earnings were £16 million (15,2p a share), compared with £21 million (20p) in 1981 which included a large abnormal gain from the sale of Charter's holding in Haw Par Brothers International Limited. Trading profit of operating subsidiaries of £8,3 million was slightly below the previous £8,8 million, with the recession continuing to affect almost every sector. Income from investments was little changed at £8,1 million (£7,9 million). Retained earnings of associates declined from £9,2 million to £6,5 million, because Malaysia Mining Corporation ceased to be an associate, when it merged with Malayan Tin Dredging Limited.

In late 1982 Charter made two purchases – a 60 per cent stake in South Crofty, the principal asset of which is a Cornish tin mining operation; and, through its subsidiary Alexander Shand Holdings, the entire equity of B and LS Contracting, which is engaged in open-cast coal mining operations in Indiana, USA. In March 1983, Charter renewed its offer to acquire the outstanding share capital of Anderson Strathclyde PLC and, as a result, now controls more than 98 per cent of its capital. Andersons is one of Europe's largest makers of underground coal mining equipment and recently acquired a 51 per cent stake in the US mining equipment company, National Mine Service Company. Charter has sold its four per cent interest in The Rio Tinto-Zinc Corporation PLC for £57 million and the after-tax proceeds of not less than £38,6 million will be used to reduce borrowings and finance new investment.

Net earnings of Gold Fields for the year to June 30 1982 fell 34 per cent to £72,9 million, and earnings per share were down 39 per cent at 39p. The dividend remained unchanged at 24,5p. The main reasons for the fall were lower gold and base metal prices, the impact of the US recession on the company's industrial activities in that country, lower profits from investment realisations and higher interest charges. For the six months to December 31 1982 net earnings fell to £13,9 million (£42,3 million), caused largely by losses on commercial and manufacturing operations and lower investment realisations and other net revenue, as well as higher interest charges. In addition, the company made an extraordinary provision of £87 million against possible losses on its US oil drill rig manufacturing operations, intended to cover fully inventory and other anticipated losses from November 1982 onwards.

Anglo American Corporation do Brasil Limitada (Ambras), in which the Corporation has an effective 37 per cent interest in its gold mining investments and an effective 46 per cent interest in its other investments, received dividends of nearly $4,5 million from its major investment in Mineração Morro Velho (MMV) which has gold mines near Belo Horizonte, in the state of Minas Gerais. MMV has successfully commissioned a 20 000 tons a month treatment plant at Jacobina, its new mine in the state of Bahia, and is now expanding its main activities in the state of Minas Gerais with the first phase of the Cuiaba-Raposos project that will ultimately double production capacity to 100 000 tons a month.

During the year Ambras increased its interest in Banco Bozano Simonsen de Investimento S.A. (BBSI), an investment bank, and continues to hold a significant interest in Cia Bozano Simonsen (CBS), the holding company of the Bozano Simonsen group. Dividends paid to Ambras from BBSI and CBS totalled $1,6 million.

Ambras' investment in MMV is partly direct and partly through Cia. Siderurgica Hime (Hime), in which it holds 49 per cent and CBS 51 per cent. In contrast to a favourable year for the financial activities of the Bozano Simonsen group, Hime's activities were adversely affected by Brazil's general economic slow-down, which impacted particularly on heavy industry and which coincided with the completion of Hime's expansion programme for an additional annual production of 150 000 tons of rolled steel.

Codemin ferro-nickel mine, in which Ambras holds 35 per cent, was commissioned successfully in the third quarter of 1982 within the budgeted capital cost of approximately $100 million.

Iracema cashew nut processing company in Ceara had a most successful year. In addition to repaying in advance the remaining instalment on a $7 million foreign loan, it also paid a $1,9 million dividend, with Ambras' share amounting to $1,1 million.

Ambras declared dividends of $5,5 million for the year and is continuing to prospect for base metals and, through MMV, for gold.

The Corporation also has a significant investment in a diversified South American group, through its 18 per cent interest in Empresas, which complements its existing activities in South America. Empresas holds extensive mining and industrial interests in South America, its major operations being Mantos Blancos copper mine in Chile, Codemin ferro-nickel mine in Brazil, Arcata silver mine in Peru, and Petrosur, an Argentinian fertiliser producer. Other activities include the mining of niobium, phosphates and tungsten as well as the manufacture of industrial furnaces, all in Brazil, and cement production in Peru. Mantos Blancos intends to expand its sulphide copper production at an estimated cost of $71 million and the necessary financial facilities are being negotiated. Empresas has recently acquired a 69,7 per cent interest in Copebras, a major Brazilian producer of carbon black, fertilisers, industrial phosphates and gypsum.

Anglo American Corporation Zimbabwe Limited (Amzim) in which the Corporation has a 16,6 per cent interest, holds a diversified portfolio of investments, principally in Bindura Nickel Corporation Limited, Border Timbers Limited, Hippo Valley Estates Limited, Zimbabwe Alloys Limited and Wankie Colliery Company Limited. It also has important investments in the iron and steel and grain milling industries, in citrus production and general agriculture and in property and banking. Net earnings for the financial year ended June 30 1982 were Z$11,6 million (Z$10,4 million).

Australian Anglo American Limited is continuing to explore for minerals and to seek involvement in mining business in Australia and New Zealand. It has a 40 per cent interest in an operation to treat gold-bearing tailings at Peko-Wallsend's Mount Morgan mine, Queensland, where production commenced towards the end of 1982.

Further details of the principal finance and investment companies in which the Corporation holds a significant interest are given on pages 65 to 70.

MANPOWER RESOURCES

The Corporation's philosophy

The Corporation believes that all workers have the right to join or form trade unions of their choice and is committed to the development of constructive relations with these unions both at enterprise and industry level.

The Corporation favours industrial council systems to provide effective structures which can involve all representative unions in a co-ordinated and orderly process of collective bargaining.

The Corporation also believes that consultation between management and employees as well as regular and effective dissemination of relevant information is vital to the creation of constructive management-employee relationships.

The Corporation is committed to achieving non-racial manning, with all recruitment, selection, training, development and staffing on merit only. Subsidiary and administered companies conduct regular audits in order to measure progress in this area.

Regular audits are also conducted to ensure that employees enjoy an adequate quality of life in cases where companies administered by the Corporation are responsible for both the living and the work environment of employees.

Black trade unions recognised

The most important development in trade union affairs has been the further recruitment by unions of black workers in the mining industry. Last year's report referred to the agreement concluded between the De Beers' Kimberley division and the multiracial SA Boilermakers' Society which extended bargaining rights to black workers on the Kimberley mines, and in the year under review three unions gained access to recruit black mine workers on mines that are members of the Chamber of Mines, the employer organisation for the gold and coal mining industries. Two of them are independent, black-initiated unions, the Black Mineworkers' Union and the National Union of Mineworkers (NUM) and the third, the Federated Mining Union (FMU), previously the Federated Mining Explosives and Chemical Employees' Union, is a union associated with the SA Boilermakers' Society. To date, the FMU has obtained collective bargaining recognition for certain categories of workers at two mines, one being Vaal Reefs which is administered by the Corporation. In addition, the NUM is in the process of being recognised for a range of occupations on three other Corporation-administered mines, Elandsrand, President Brand and the Welkom and Saaiplaas divisions of Western Holdings. These unions will participate in this year's annual mining industry wage review by direct negotiations with the Chamber of Mines. Although negotiations will inevitably be difficult at times, it is to be welcomed that black workers are well on their way to having a formal leadership, such as that enjoyed by their white counterparts, with whom employers can negotiate.

Union membership among all South African population groups is on the increase in secondary industry. A particularly welcome move is the decision of the black-initiated Metal and Allied Workers' Union to apply to join the Industrial Council for the metal industries. Progress has also been made through procedural agreements to regulate relations with representative unions at company level. Managements of subsidiary and administered companies

Science class at a Soweto technical high school financed by The Anglo American Corporation and De Beers Chairman's Fund

are increasing their efforts to consult workers and share relevant information, recognising that these activities can create a healthy environment within which bargaining and negotiation can take place. Grievance and disciplinary procedures which exist throughout these subsidiary and administered companies require constant attention to ensure that there is fair discipline and that grievances are quickly and effectively resolved.

Meanwhile, the Corporation and its subsidiary and administered companies continued their efforts to ensure fair reward for all their employees. Progress was, of course, restricted by prevailing economic circumstances. Many companies are now paying a basic wage which meets the objective of the Corporation's manpower philosophy; however, some have still to reach this target. Wages of black workers, particularly those of the less skilled, have risen dramatically in the last 10 years. Improved efficiency and productivity is now essential if a real improvement in reward is to be maintained, and it is hoped that both parties to the bargaining process will recognise that increased efficiency at work is a shared responsibility and should be a common interest uniting management and workers.

Training and non-racial manning

In furtherance of the commitment to non-racial manning every effort has been made whenever possible to maintain training initiatives in the face of the economic down-turn. A further step to alleviate the skills shortage was taken when the engineering unions agreed to indenture the first black apprentices on both gold and coal mines. It is, however, disappointing to find that although significant numbers of blacks presented themselves for apprenticeship, only a few met the educational requirements. This is possibly not surprising in view of the general quality of black education.

Social responsibility

The Chairman's Fund, which is financed by the Corporation and its administered companies and by the De Beers group, supports a wide variety of projects. The year has been a particularly significant one for the Fund. In April 1982 Mr H F Oppenheimer opened the main buildings of the Mangosuthu Technikon, the Fund's most ambitious special project to have been completed, and Chief Gatsha

Buthelezi, Chief Minister of KwaZulu, simultaneously announced his government's decision to grant the Mangosuthu Technikon autonomous status under its own governing council. By the year-end the Technikon, which has been operating since 1979, had produced its first diplomate.

Amendments to South Africa's Income Tax Act introduced in 1981 extended the range of educational institutions' donations that may be deducted from taxable income, so as to encourage greater private sector contributions to education. The Corporation and its subsidiary and administered companies accordingly have passed on to the Chairman's Fund the accruing tax benefits and this has led to a considerable expansion of the Fund's resources and to the establishment of The Chairman's Fund Educational Trust to handle tax-deductible donations to educational institutions. As a result, total spending was increased by 40 per cent to R14 million.

Several important new projects were initiated during the year. In education, two well-established private schools, Inanda Seminary, primarily for black children, and Little Flower School, primarily for coloured children, received substantial grants to enable them to expand and up-grade the quality of their residential accommodation for pupils. Continuing its long-standing support for teacher education, particularly among the black community, the Fund is to convert an existing building in Umlazi, KwaZulu, at a cost of nearly R500 000 for use as a distance teaching centre to upgrade under-qualified teachers. A further venture in technical education has been launched on the West Rand where the Wedela Technical and Vocational High School is to be built by The Chairman's Fund Educational Trust this year.

Three years ago the Fund supported an investigation by the University of the Witwatersrand into problems arising from the change in the medium of instruction in Soweto schools from the vernacular to English, from standard three. A pilot project in English language teaching in the early standards of the secondary schools is complete and the materials developed will shortly be published commercially for use throughout South Africa. A similar project in primary schools is nearing completion. New projects have also been initiated to address the problems of the teachers' own command of English, and to

(1) A model of the new technical high school that is to be built at Wedela, the black residential area for married employees of Western Deep Levels and Elandsrand mines. The high school, which is being financed by the Chairman's Fund, will cater for 285 pupils in the first phase. (2) Boilermakers undergoing instruction and (4) a typists' class at the existing technical high school at Western Deep Levels mine. (3) A sophisticated audio-visual unit at Vaal Reefs is used to produce training and safety films for the Corporation's gold mines

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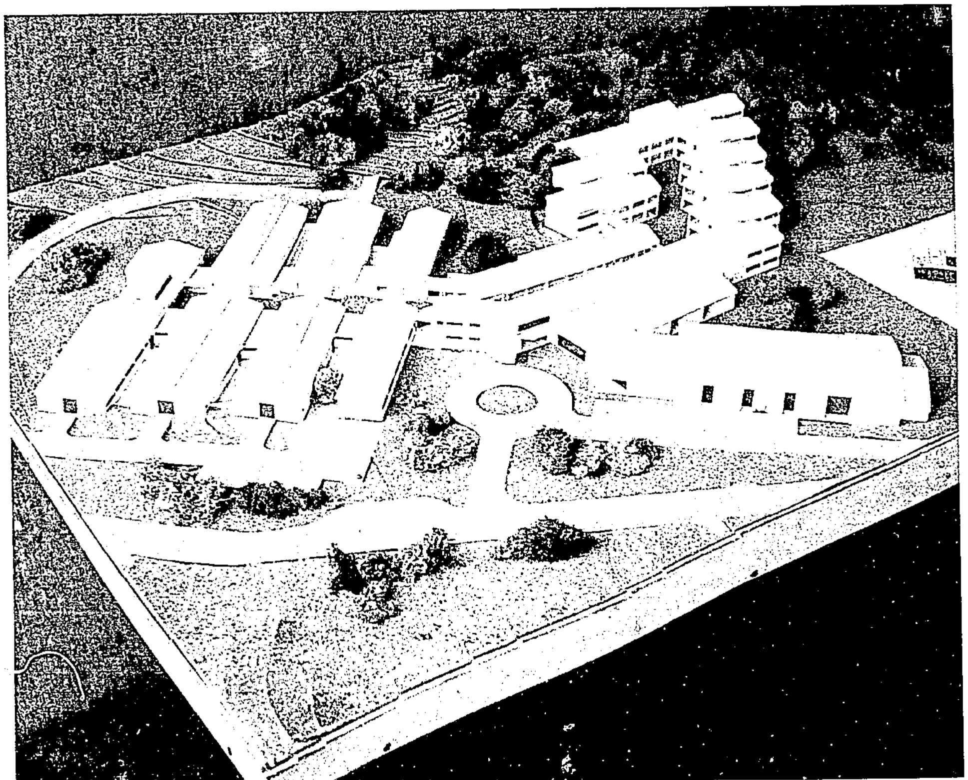

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improve pupils' competence in the language through the development of new approaches to the teaching of English literature. All these projects are supported by the Fund which will have invested more than R1,5 million in this important area by the end of 1984.

In addition to its programme to build clinics in rural areas of KwaZulu, the Fund has extended its commitment to improving health care by supporting a large research and development project which will be run by the Department of Community Health at the University of the Witwatersrand in conjunction with the government of Gazankulu, in eastern Transvaal. This Health Services Development Unit will analyse the use of both physical and human resources in health care and will make recommendations to improve the use of facilities and to employ staff more efficiently, based on appropriate training programmes. A start has already been made to train primary health care nurses who will be able to relieve very significantly the burden presently falling on medical doctors, who are chronically scarce in South Africa's rural areas.

The Corporation and its associates have supported The Urban Foundation with substantial contributions since it was started in 1976. The Foundation aims to improve the quality of life principally in black urban communities by way of housing schemes, and industrial, educational, health and other facilities as well as by negotiating with government departments and agencies and mobilising expert opinion.

Labour Intensive Industries

The year was primarily one of consolidation for Labour Intensive Industries Trust Limited (Litet), a vehicle owned and funded jointly by the Corporation and De Beers to create employment opportunities in southern Africa by initiating or expanding labour-intensive industries. During the year an additional R1,5 million was committed to new and existing investments. Development problems were encountered which made it necessary for Litet to become more involved in management to safeguard its investments and this, added to the strengthening of the Litet board, has placed the group on a sound footing to offer further employment opportunities. In all, Litet has created or preserved about 1 500 jobs, including 150 this year.

GOLD AND URANIUM

Exchange rate underpins gold revenue.

The average gold price fixed on the London Gold Market during the year ended March 31 1983 declined by five per cent to $401 an ounce from $420 the previous year. However, this fall was more than compensated for by further depreciation of the rand against the dollar resulting in an increase of 14 per cent in the rand price, to R445 an ounce from R390.

As in the previous two years, economic and financial considerations dominated the gold markets, with price movements exaggerated by short-term speculative position-taking and covering, while the fundamental factors of supply and demand for physical bullion were at times largely ignored, particularly by the futures markets. Furthermore, there seemed little further investment in gold as an asset of last resort. As a result of the major structural change in the gold market there is greater emphasis on investment demand and less on industrial and fabrication offtake. Investor sentiment, and more especially its highly-geared speculative element, has been extremely volatile and the resulting large and rapid price fluctuations hinder the industrial sector's orderly development and growth, and tend also to lessen gold's attraction for the more cautious investor.

The financial year began with the gold price at $326, high and rising real interest rates in the US and a strengthening dollar. Although the price rose rapidly by some $40 in April, largely because of a temporary fall in interest rates and to a lesser extent because of the Falklands crisis, the bear trend of the previous two years continued and the price drifted downwards to reach a low point below $300 in June after a further rise in interest rates and enhanced perceptions of restrictive US monetary policies. At these prices there was strong physical demand, mainly from investors in the East, from the jewellery manufacturing industry and from certain central banks.

By the end of June the US Federal Reserve Board appeared to have adopted a less restrictive monetary stance with the result that the bearish mood of the market altered. Interest rates fell sharply and investors came to realise that gold futures had been oversold relative to physical demand. At the same time, with the collapse of certain regional banks, there were fears of further banking failures flowing from excessive corporate and sovereign debt, and of possible defaults. The gold price advanced rapidly as speculators rushed to cover their short positions and in early September, shortly after the nationalisation of the Mexican banks, it reached over $500. It halted as soon as the short positions had been covered as physical demand had fallen markedly and widespread dishoarding had developed. Widespread concern over the newly exposed fragility of the international banking system because of global debt led to the swift re-scheduling of loans to prevent defaults and an immediate crisis was averted. There was some concern that certain central banks would dispose of part of their gold holdings so as to defend their weak currencies as the dollar strengthened once more. This led investors to move back to high-yielding dollar-denominated monetary assets and the gold price fell to below $400 at the beginning of October.

There were further declines in interest rates with the deepening US recession, and when the Federal Reserve confirmed its shift of policy investor interest in gold revived at what appeared to be attractive prices and there was renewed industrial demand. The price was again over $500 by the end of January and remained there for most of February. Faced with prospects of an oil price war with possible lower inflation and a stronger dollar, poor physical offtake and a weak chart outlook, investors took fright and depressed the price sufficiently to trigger major successive stop-loss selling orders. By the end of the month gold briefly traded below $400. Since then gold has fluctuated within a trading range of $400-$450 with no clear indication of a major change.

Immediate prospects for the gold price are somewhat mixed. Its apparent inability to move upwards out of that trading range is detracting from investor confidence and real interest rates remain attractive. Should US interest rates firm, as seems possible and the dollar strengthen further, the price may decline despite relatively strong physical demand at lower prices. The outlook for the year as a whole, however, is positive. It seems likely that the world recession will be seen to have come to an end during 1983, led by renewed economic growth in the US, and this will be reflected in additional industrial demand for gold. Moreover, the strains within the international banking system have not yet been overcome, and as it becomes clear that gold is unlikely to become significantly cheaper investors could again find it attractive as the most secure form of financial asset, particularly if renewed inflationary pressures are expected. Nevertheless, with the price being dominated by short-term traders acting on chart signals it is very probable that it will continue to be highly volatile.

Uranium

The overall uranium market remains depressed though spot prices have recovered significantly since August last year.

For the first few months of the year under review, when interest rates remained high, electric utility companies, particularly in the US, were faced with heavy carrying costs of uranium stocks. With the worsening economic recession reducing expected demand for electricity, and so involving further delays and the cancellation of reactor construction programmes, increasing proportions of these inventories were regarded as surplus to requirements and attempts were made to dispose of the excess.

As selling pressures mounted so prices declined and, with increasing costs, additional producers became uneconomic. These producers then became buyers of stock in order to meet their supply contracts.

In September, however, market sentiment altered appreciably. Inventory carrying costs fell markedly with the decline in US interest rates and with the possibility of a renewed limitation on US uranium imports, selling pressure lessened. Inoperative producers continued to buy where possible and certain utilities revised their strategies, buying very cheap uranium for inventory in anticipation of higher prices later in the decade.

Despite production cut-backs, a substantial imbalance remains between projected uranium supply and demand. This situation is likely to persist at least until 1987 and although inventories should then begin to decline there will still be a considerable overhang of uranium on the market. While spot prices may continue to improve, long-term contractual prices, being very much less volatile, will at best show only a marginal improvement over the next few years.

Industry production

The industry produced 664 218 kilograms of gold in 1982, which was 7 276 kilograms, or 1,1 per cent, more than in 1981, the first increase since 1978. Tonnage milled rose by 3,1 million tons to 95 million tons, which offset the decline in the average recovery grade from 6,92 grams to 6,76 grams a ton. The average gold price received in 1982 was R13 254 a kilogram ($375 an ounce) as against R13 054 a kilogram ($467 an ounce) in 1981, the increase in the rand price reflecting the fall in the rand/dollar exchange rate during 1982. Unit costs increased on average by R5,68, or 13,7 per cent, to R47,25 a ton milled. Working profits fell by R416,8 million, or 9,5 per cent, to R3 966,4 million. Capital expenditure on producing mines was R1 258,1 million compared with R1 221,9 million in 1981. Taxation and State's share of profits absorbed an estimated R1 771,6 million or 44,7 per cent of working profits, compared with R2 025,4 million or 46,2 per cent in 1981. Dividend declarations totalled R1 371,6 million, which was R312,9 million or 18,6 per cent less than in 1981.

Labour

Shortages in certain categories of skilled underground workers during the early part of the year resulted in the industry recruiting artisans and experienced miners overseas. However, the availability of artisans improved during the last quarter as the economy deteriorated. The first black and coloured apprentices have now been indentured.

Wages of black employees increased by an average of 19 per cent in 1982 (22 per cent) and of whites by 12 per cent (15 per cent).

Meanwhile, among the important developments in the field of industrial relations was the further amendment of the Chamber of Mines' criteria for the recognition of trade unions so as to place less significance on the need for registration. The first union representing coloureds has been recognised and it is expected that recognition of at least one black union will follow in the near future. Some of these new unions will for the first time represent categories of workers in the central wage negotiations with the Chamber this year.

Discussions between the Chamber and the Underground Officials' Association, aimed at the cancellation of the only job reservation determination (No. 27) left in South Africa, are progressing very well.

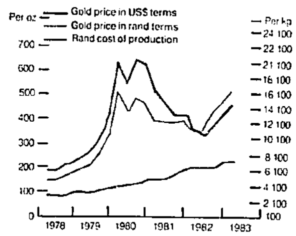
Administered mines

The tonnage milled by the producing mines administered by Anglo American Corporation in 1982 rose by 7,6 per cent, or 2 346 000 tons, to 33 157 000 tons, and although lower recovery grades were recorded by all mines except President Steyn and Elandsrand, gold output increased by 3 843 kilograms, or 1,6 per cent, to 241 965 kilograms. This represents 36,4 per cent (36,2 per cent) of the industry's total production of 664 218 kilograms (656 942 kilograms).

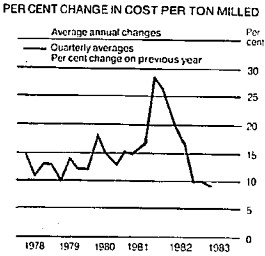
Unit costs increased by R6,23 or 14,6 per cent to R48,79 a ton milled. Expressed in rand per kilogram of gold produced, unit costs increased from R5 506 to R6 686, or 21,4 per cent. Working revenue increased by 2,7 per cent to R3 186,5 million as a result of the higher average price received of R13 169 a kilogram. Working profits decreased by R221,7 million, or 12,4 per cent, to R1 568,7 million. Capital expenditure on mining assets decreased slightly from R566,9 million in 1981 to R561,9 million. Taxation and State's share of profits absorbed R582,8 million, which was R121,6 million less than in 1981. Dividends paid totalled R511,6 million, which was R100,7 million, or 16,4 per cent, less than in 1981.

Uranium production by administered companies was down from 3 301 tons in 1981 to 3 034 tons, being 44 per cent (47 per cent) of all uranium produced in South Africa during 1982.

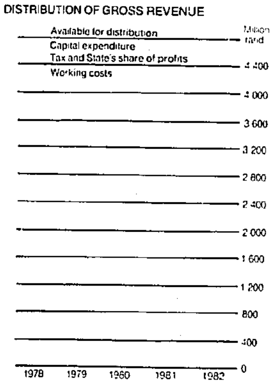
Administered gold mines – costs and revenue



PER CENT CHANGE IN COST PER TON MILLED



DISTRIBUTION OF GROSS REVENUE



OFS mines

President Brand, held 11,1 per cent by the Corporation and 20 per cent by Amgold, had a satisfactory year. Tons milled at 3 464 000 tons was a record for the second consecutive year. Recovered grade was slightly down at 7,42 grams a ton and gold production fell six per cent to 25 113 kilograms. As a result of lower gold production and higher working costs working profit fell 21 per cent to R167,7 million. No. 5 shaft project is proceeding satisfactorily despite persistent intersections of water fissures which have caused delays. Station cutting and equipping continue underground while surface installations are almost complete. The shaft had reached a depth of 1 564 metres below collar at May 31 1983, and when complete it will have a hoisting capacity of about 150 000 tons a month. Another major project is the sinking of No. 1A shaft. Apart from assisting with the ventilation of the northern area of the mine and thus enabling remnants and leader reef to be extracted, it will also be equipped with a sub-vertical hoist so that the high-grade No. 1 shaft pillar can be extracted earlier than originally planned.

President Steyn, in which the Corporation holds 16 per cent and Amgold 20,6 per cent, recorded a drop of 10 per cent in working profit to R146,7 million. Operations at the mine were satisfactory and the 3 957 000 tons milled was a new record. Recovered grade was slightly higher at 6,4 grams a ton and gold production increased by 433 kilograms to 24 934 kilograms. Operations in the Video area continued to produce good results. Tons milled at 655 000 tons was about 130 per cent up and gold output more than doubled to 5 883 kilograms, contributing about 24 per cent to total gold production.

The working profit of Free State Geduld, held 2,2 per cent by the Corporation and 20,2 per cent by Amgold, fell 43 per cent as a result of a slightly lower gold price received, and an abnormally high increase in unit working costs arising from the high rate of development at Nos 5, 7 and 9 shafts and the establishment of stopes in those areas. A seismic event which occurred on April 13 1982 caused considerable damage to Nos 1 and 4 shafts and their associated underground workings. Both shafts were back in full production by mid-May and the loss in tonnage from these high-grade areas was made up from the low-grade shafts, causing a drop in grade to 8,4 grams a ton. Tonnage milled increased by 7,5 per cent to 3 193 000 tons, but overall gold production fell by 2 088 kilograms to 25 402 kilograms. The No. 5 shaft system, commissioned in mid-1982 and which has an ultimate capacity of about 280 000 tons a month, continues to dominate the capital projects of this mine. During the build-up of at least two years of ore reserves certain major items are being completed, such as the construction of dams and settlers, pumping facilities, refrigeration plants, No. 4 village of the shaft's hostel, change houses and offices. Feasibility studies on a possible No. 10 shaft are continuing.

At Western Holdings, in which the Corporation holds 3,3 per cent, Amgold 10,9 per cent and Welkom Gold Mining Company 47,7 per cent, working profit declined by 27 per cent to R195,2 million. Tons milled increased slightly to 8 038 000 tons, but recovered grade fell 10 per cent to 4,91 grams a ton with a consequent fall of 1 525 kilograms to 40 152 kilograms in gold production. Development of the new mine at Erfdeel is progressing satisfactorily. The sinking of No. 1 main shaft commenced in December 1982 and this shaft, which will have a capacity of about 150 000 tons a month, is now 720 metres below collar, while the ventilation shaft had reached a depth of 1 648 metres at May 31 1983. All current infrastructural requirements are complete and production is expected to commence in 1987. At Saaiplaas division a 30 000 tons a month run-of-mine mill extension was satisfactorily commissioned in July 1982, while the twin-streaming of the reduction plant at Holdings division was commissioned in late 1982 and is working well. This modification is to improve gold recovery and to allow high-grade uranium residues to be stockpiled for future treatment. The RK3 borehole near the previously abandoned RK2 hole has been completed without confirming the existence of the steeply-dipping Ada May reef on the west side of the division's lease area. At Welkom division the viability of the area along the eastern boundary has been assessed, and at the current gold price is incapable of supporting either

(1) Stoping underground; (3) crew descending for sinking of sub-vertical shaft and (6) cutting a shaft station at Elandsrand. (2) At Vaal Reefs No. 7 shaft run-of-mine autogenous mill was commissioned in September, while a new type of mechanised rock drill (4) is significantly improving productivity in stopes. (5) The 150 000 tons a month Simmergo treatment plant officially opened on June 21 this year: in the background is the old Simmer and Jack plant

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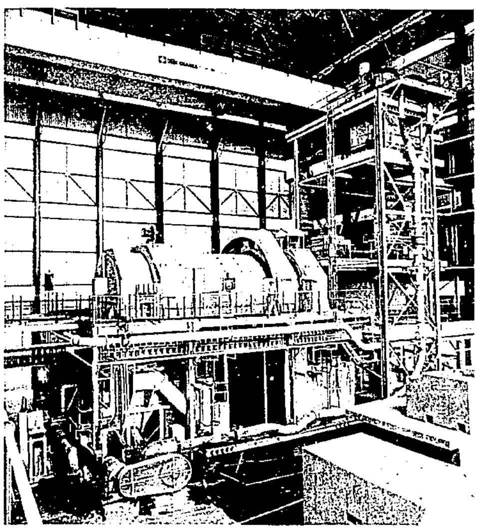

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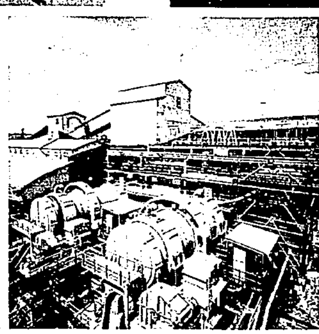

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a major shaft system from surface or a sub-vertical shaft servicing No. 2 shaft. However, limited exploitation of the area is possible through existing facilities.

During the year to December 1982 the Joint Metallurgical Scheme of the Orange Free State mines, which recovers uranium, gold and sulphuric acid from residues, increased its profit by 5,5 per cent to R46,5 million despite a small drop in slimes throughput. In the last quarter of the year a revised feed sources scheme reduced the supply of material to the high-grade section of the plant. This resulted in a 21 per cent drop in uranium production to 863 361 kilograms and a six per cent drop in sulphuric acid production, whereas gold production increased by 70 kilograms to 3 576 kilograms.

Transvaal mines

Vaal Reefs, held 10,0 per cent by the Corporation and 16,6 per cent by Amgold, set a new record by producing 78 750 kilograms of gold in 1982. This output is the best ever from a gold mine anywhere in the world and resulted in the company's total revenue exceeding R1 000 million for the third successive year. The average rand gold price received was virtually unchanged at R13 036 a kilogram. However, in view of the price being much lower during the first half of the year, a contingency plan was introduced to increase gold production and restrict capital expenditure. The fact that management was able to switch operations successfully illustrates the flexibility inherent in an operation the size of Vaal Reefs. No. 9 ventilation shaft at Vaal Reefs South lease area reached its final depth of 2 338 metres early in 1982; progress on the main shaft is behind schedule. Planned commissioning dates are now July 1983 for the main shaft and November 1983 for the ventilation shaft. Meanwhile, access development from other shafts to No. 9 shaft is on schedule. Production from the Vaal Reef horizon, primarily from No. 9 shaft, is to be increased and the 120 000 tons a month run-of-mine mill and carbon-in-pulp treatment plant at No. 9 shaft, shelved because of the low gold price early in 1982, is to be erected by the end of 1984.

Shaft sinking and prospect development at the Afrikander Lease division ceased in July 1982 in view of the continuing weakness of the uranium market. The mine can be brought back into full production of 50 000 tons a month within two years. While commissioning of the gold treatment section of the 50 000 tons a month metallurgical plant was completed in October 1981, final commissioning of the uranium section of the plant was deferred and it has been placed on a care and maintenance basis. Vaal Reefs has obtained the right from the Afrikander Lease company, in which 44,6 per cent is held by the Corporation and 17,5 per cent by Amgold, to mine for gold in the old Afrikander mine and adjoining areas. With access development having commenced in August 1982, the first gold was produced in December and estimated production is 15 000 tons a month, the life of the project being estimated at seven years. All aspects of the project to mine the Ventersdorp Contact reef have proceeded satisfactorily, with the run-of-mine autogenous mill at No. 7 shaft adjacent to the West gold plant being commissioned in September 1982.

At Western Deep Levels, held 29,3 per cent by the Corporation and 13,2 per cent by Amgold, both gold production and the average gold price received increased slightly. However, these improvements were outweighed by a sharp increase in costs, partly due to a 3,7 per cent increase in the area mined, and pre-tax profit earned by the company declined. Good progress was made in sinking No. 1 main shaft. The first blast took place in March 1982 and 1 040 metres were sunk during the year. Problems were encountered with the service shaft on July 9 when there was a major inrush of water at a depth of 970 metres, flooding the shaft to 420 metres from surface. An under-water plug was cast on the shaft bottom and shaft sinking recommenced in January 1983. The disruption will delay the initial production build-up but all steps are being taken to accelerate the programme and so minimise the time loss. While the weak gold market of the first part of the year resulted in a re-scheduling of capital expenditure, most of the projects then deferred have been re-started. The policy of leaving stabilising pillars continued in 1982, leading to a significant reduction in the impact of seismic events. Initial results were very promising of the waste-fill project in which waste rock is placed in mined-out areas to provide additional support in order to reduce rockbursts and ventilation requirements. Underground refrigeration was also improved during 1982. A project to determine the suitability of rubber-tyred equipment for certain areas has been successfully carried out and it appears that maximum benefit will be obtained only when such a system of handling reef and materials is extended into the stope. A test will be put into limited operation during the course of the year.

Gold production at Elandsrand, in which the Corporation holds 49 per cent and Amgold 23,3 per cent, increased by more than 50 per cent to 8 138 kilograms in 1982, and with the up-swing coinciding with the gold price rise at mid-year, earnings improved markedly. A maiden dividend of 15 cents a share was declared. There was a significant improvement in grade when it became possible to extend mining operations to the 70 and 73 levels in the area immediately adjacent to the shaft pillar. Now that there is production on all operating levels, management is better placed to maintain target production. There was also excellent progress in sinking the sub-vertical shaft and this project is now running well ahead of schedule, with two permanent kibble winders available for sinking operations. All sinking has been completed to 94 level and mid-shaft loading facilities have been installed on 80 and 88 levels. The depth of the sub-vertical shaft is to be restricted to allow faster access to the high-grade ore in the south-west area. The rock/ventilation sub-shaft will be converted into a rock/man sub-shaft and a seven-metre diameter up-cast shaft is to be developed. The combined system will operate to 98 level, instead of 118 level as originally planned, which should make it possible to mine the entire pool of high-grade ore. Sub-shaft commissioning is scheduled for April 1984 and extensions to the plant to increase capacity to 200 000 tons a month started in January this year.

The South African Land & Exploration Company Limited (Sallies), held 26,4 per cent by the Corporation and 17,7 per cent by Amgold, operated its enlarged plant for a full year during 1982 and throughput exceeded two million tons for the first time.

(1) A rotary bucketwheel excavator at work in open-cast alluvial diamond mining operations in the western block of CDM. The mining operations extend 100 kilometres north of the Orange river in the coastal area of South West Africa/Namibia. (2) The new Jwaneng diamond mine in southern Botswana which yielded 2.6 million carats in 1982, its first year of operation. (3) Finsch mine, South Africa's largest single source of rough diamonds, produces about 3.8 million carats a year.

(4) Diamonds from the De Beers Botswana Mining Company's three mines are sorted and valued in Orapa House in the Botswana Diamond Valuing Company's new building in Gaborone, before being sold to the Central Selling Organisation in London. (5) The Kimberley Mine Museum, rich in relics and souvenirs of the pioneering diamond days, is a De Beers-sponsored project and a major tourist attraction

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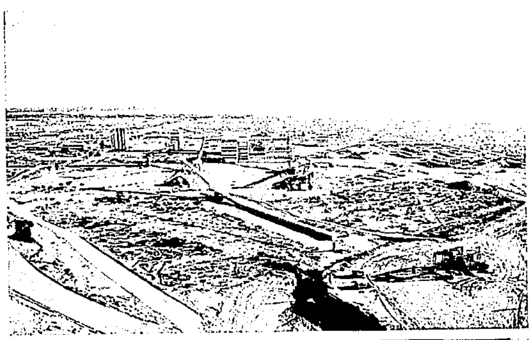

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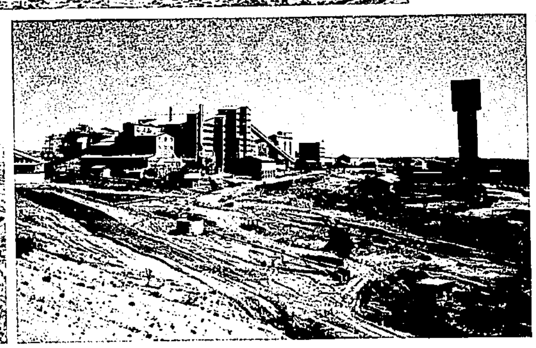

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The increase in tonnage was partly offset by a decline in the grade of material delivered to Sallies, but it enabled Sallies to keep its operating costs constant and so reduce the impact on profits. A comprehensive sampling programme of the area around No. 5 shaft of the defunct Van Dyk Consolidated mine was suspended during the third quarter because of the low gold price. This, as well as the decision to construct a plug to prevent flooding from the north on 188 level, delayed the programme by three months. The sub-vertical hoists and pump stations for de-watering of the sub-vertical shaft were commissioned before the year-end. Results from initial sampling are expected towards the end of the year.

East Rand Gold and Uranium Company Limited (Ergo), in which 35,9 per cent is held by the Corporation and 20,5 per cent by Amgold, produced 5 829 kilograms of gold, three per cent less than last year. Pump stations for the recovery of the Brakpan and Government Gold Mining Areas slimes dams were constructed during the year and the 150 000 tons a month plant at the Simmergo division began treating Simmer and Jack's dumps on a royalty basis in March 1983. Meanwhile, the Simmer and Jack South Deep shaft was re-opened and a sampling and prospect development programme is being undertaken. The surface drilling programme to determine whether to mine the orebody below the deepest workings of the old Simmer and Jack mine continued. This programme is being conducted by the Corporation and its associates, the holders of the mining rights at this depth.

Meanwhile, Ergo is considering erecting a carbon-in-leach plant to improve its gold and uranium recoveries by treating its flotation tailings. The possibility of pooling resources on the Far East Rand with those of East Daggafontein Mines Limited is also being considered to enable their combined material to be treated initially in a carbon-in-leach plant and, at a later date, in a flotation plant.

Safety

The reportable accident rate for administered mines decreased to 32,91 from 34,65 per thousand employees per annum and the disabling injury rate to 21,43 from 23,42. The fatality rate was reduced to 1,33 from 1,39 per thousand employees per annum.

The programme to improve safety and reduce accidents continued and the Chairman's Safety Shield competition was won by President Brand. Western Holdings – Welkom division, President Brand and President Steyn were awarded the Chamber of Mines Millionaire Shield for working a million consecutive fatality-free shifts each. President Brand, President Steyn and Western Holdings – Holdings division retained their five-star ratings in the International Mine Safety Rating System and Free State Geduld was awarded five stars for the first time.

Detailed operating results of gold mines administered by Anglo American Corporation and those in which the Corporation holds a significant interest are given on pages 70 to 74.

DIAMONDS

Downward trend reversed

While diamond sales by the Central Selling Organisation (CSO) at $1 257 million were $215 million or 15 per cent less than in 1981, sales in the second half of 1982 were higher than in the first six months of the year or the last six months of 1981. Expressed in rand, sales in 1982 rose nine per cent from R1 249 million to R1 360 million because of the progressive weakening of the rand against the US dollar, the currency of sale, during most of the year.

The reversal of the downward trend reflected a significant improvement in demand for the smaller sizes and cheaper qualities of rough gem diamonds; in September 1982 and again in March 1983 the CSO was able to increase its prices in these qualities, resulting in overall increases of 2,5 and 3,5 per cent respectively. Since January, demand has expanded to some extent into the higher qualities, although the market remains depressed for the larger sizes and top qualities. Retail sales of diamonds in jewellery in 1982 were within three per cent of the record levels of the previous two years. There have also been further reductions of stocks of diamonds in the cutting centres and this, coupled with lower interest rates and the continued strength of retail demand, has led to greater confidence in the market place.

The improved prospects may be attributed in large measure to the CSO's ability to support the trade by reducing its offerings to the market and accumulating stocks, and to its continuing world-wide advertising and promotional programmes for diamonds in jewellery, where new emphasis has been placed on the promotion of the larger, better quality diamonds. Stocks held by the De Beers group at the end of 1982 stood at R1 832 million, an increase of R429 million over the year, although approximately one-third is attributable to the effect of the lower rand/dollar exchange rate on conversion of the cost of the opening stocks into rand.

Sales of industrial diamonds again declined marginally because of the continued economic recession in the US, Western Europe and Japan. The sharp down-turn in oil drilling and mining activity particularly affected sales of drilling material and to a greater degree than those of grit in sizes used in manufacturing.

An agreement was concluded in December 1982 under which the CRA Limited and Ashton Mining N.V. groups are marketing through the CSO their 95 per cent interest in the gem and 75 per cent of their 'cheap gem' and 'industrial' production from the new Argyle mine in Western Australia. In March 1983 the government of Zaïre signed an agreement renewing its old-established relationship with the CSO for the marketing of the production of Miba mine. These agreements are seen as further signs of confidence in the CSO and in the efficacy of its co-operative marketing system.

De Beers group results

The consolidated net diamond account of De Beers was R287,5 million, or R73 million less than in 1981, reflecting the impact of depressed sales. Mining operations were further curtailed during 1982, with mining expenditure reduced by

	Metric tons treated		Carats recovered		Carats per 100 metric tons	
	1982	1981	1982	1981	1982	1981
Kimberley pool	4 419 600	4 421 900	1 204 025	1 136 688	27,24	25,71
Finsch mine	4 253 600	4 845 500	3 850 463	4 463 944	90,52	92,13
Koffiefontein mine	951 500	3 263 500	108 693	322 635	11,42	9,89
Kimberley Division total	9 624 700	12 530 900	5 163 181	5 923 267		
Namaqualand mines	4 462 000	6 537 000	951 216	1 214 077	21,32	18,57
Premier mine	6 578 000	6 810 700	2 459 996	2 039 811	37,40	29,95
CDM	10 018 000	12 544 000	1 014 464	1 247 960	10,13	9,95
Orapa mine	7 751 000	7 402 000	4 677 110	4 530 720	60,34	61,21
Letlhakane mine	2 248 000	2 229 000	470 086	429 532	20,91	19,27
Jwaneng mine	3 331 000	—	2 621 643	—	78,70	—
Letseng-la-Terai mine	1 430 000	1 889 000	42 119	52 921	2,95	2,80
Total	45 442 700	49 942 600	17 399 815	15 438 288		

R70 million to R362 million. Advertising expenditure in US dollar terms again increased, being substantially higher in rand because of its relative decline in value.

Income from investments outside the diamond industry fell by R31 million to R149 million. In part this is because of arrangements governing the merger of Amic with De Beers Industrial Corporation (Debincor), under which only the interim dividend from Amic and a special Debincor dividend of 70 cents a share were included in De Beers' 1982 investment income, the Amic final dividend of 125 cents being payable in the 1983 year. In addition, interest earned at R49,5 million was some R13 million lower.

Expenditure on prospecting and research was R3,5 million lower at R59 million, while general charges rose marginally to R16 million. Interest payable was R56,5 million higher at R95 million, reflecting the higher level of borrowings. Taxation, at R89 million, was some R12 million less than the year before. Consolidated net profit attributable to De Beers on an equity accounted basis, before taking account of the group's share of extraordinary losses of associated companies, amounted to R443 million compared with R628 million the year before.

Earnings were 56,3 cents (101,1 cents) a share excluding, and 123 cents (174,6 cents) including, retained earnings of associates. Dividends of 37,5 cents (50 cents) absorbed R135 million (R180 million), and R255 million (R289 million), including De Beers' share of retained profits of associates, was transferred to reserves.

The carrying value of listed investments increased from R1 376 million to R1 613 million. The increase comprises mainly the higher share of retained profits of associates attributable to De Beers as a result of its increased 25 per cent interest in Amic, which is now an associated company. Taking market value for listed and directors' valuation for unlisted investments and loans at book cost, the overall value of the De Beers group's investments and long-term loans outside the diamond business at the end of 1982 was R3 381 million (R3 016 million), or 84 per cent above the carrying value.

Reflecting the rise in diamond stocks to R1 832 million already referred to, current liabilities exceeded current assets by R172 million, up from R86 million, while outside shareholders' interests in subsidiaries increased by R161 million, mainly because of the issue of redeemable preference shares by these companies. The net increase in preference shares, with accrued dividends, and in long-term and net current liabilities, was R283 million. De Beers has short- and medium-term facilities adequate for its overall needs.

Production

Diamond production from the De Beers group's mines in South Africa, South West Africa/Namibia, Botswana and Lesotho amounted to 17 400 000 carats compared with 15 438 000 carats in 1981, an increase of nearly 2 000 000 carats or 13 per cent. Of the 1982 total, 2 622 000 carats were from the new Jwaneng mine in Botswana, which was brought into production during the year. Excluding this new production, there was a four per cent reduction in group output to 14 778 000 carats. This resulted from efforts to tailor production so far as possible to market needs. Operations at Koffiefontein, a producer of high-quality diamonds, were suspended while those at Finsch, which produces smaller and lower-quality diamonds, were restored to full capacity. At Premier mine, production increased by 21 per cent to 2 460 000 carats through improvements in the efficiency of mining and metallurgical controls. In Namaqualand, the Tweepad plant, which had been closed in 1981 shortly after its completion, was re-opened and the Annex Kleinzee plant temporarily closed, the overall effect being a 22 per cent reduction in divisional output. Production at CDM, at slightly over 1 000 000 carats, was 19 per cent lower, reflecting the continued suspension of operations at certain of the production units and economies in the remaining plant areas. At Orapa and Letlhakane mines in Botswana production was some four per cent higher at 5 147 000 carats. Operations at Letseng-la-Terai mine, which had become uneconomic, ceased in October, and production for the 10 months was 42 000 carats compared with 53 000 carats in 1981.

Capital expenditure on expansion projects by De Beers group mining companies totalled R27 million compared with R116 million the year before. This was almost entirely on bringing into production the new Jwaneng mine, and largely completes the programme, announced in 1979, of bringing the group's productive capacity to about 19 million carats a year.

Diamond synthesis factories in South Africa and Sweden performed well, as did the Irish plant in particular, where the technical problems of 1981 were overcome. An expansion of the Swedish factory enabled it to add Amborite, an ultra-hard polycrystalline tool material, to its range of products, while commercial production of ABN 600, an entirely new form of cubic boron nitride grit, began at the South African factory during the year following its development at the De Beers Diamond Research Laboratory. Improved synthesis techniques, and conversion to larger and more effective pressure systems, have lowered production costs and increased capacity, and De Beers is well placed to take advantage of any up-turn in demand for synthetic diamond products as the world economy improves.

Prospecting in southern Africa, parts of central Africa and on other continents cost R43 million compared with R47 million in 1981. At the group of kimberlite pipes on the farm Venetia in northern Transvaal, sampling continued with much work still to be done before the results can be assessed.

In the field of industrial relations, black employees in the Kimberley division mines were for the first time directly represented in the annual wage negotiations for employees of the De Beers mines in South Africa. The minimum wage for unskilled employees on these mines increased in June 1982 from R228 to R257 a month, while over the year the average wage in the unskilled band, including overtime and allowances, amounted to R402 a month compared with R315 a month in 1981.

Despite the curtailment of production and capital expenditure programmes on the De Beers mines, the company's commitment to training remained unaltered; various courses were held for the full range of mine employees, and adult education programmes were available on all the mines. The company's objective of achieving equal employment and advancement opportunities for employees of all races on its South African mines took a small but significant step forward when four black apprentices were signed on at Kimberley and Premier. The number of De Beers Botswana Mining Company-sponsored students attending courses in Botswana, Swaziland, the United Kingdom and Canada now stands at 125.

Further details of the De Beers group are given on pages 69 and 74.

COAL

World coal demand still low

Sales output by South African collieries increased during calendar 1982 by six per cent to 134 million tons, with 106 million tons going to the domestic market and the balance to exports. Growing requirements for the new Sasol synthetic fuel installations and further growth in demand for coal at Escom's new eastern Transvaal power stations accounted for the increase in domestic sales.

The Richards Bay Coal Terminal (RBCT) handled 26,1 million tons of the total of 28 million tons sold on the export market and the overall export programme earned R1 158 million (R977 million) in foreign exchange, an increase of 19 per cent. There was further progress in RBCT's Phase III expansion programme which will enable exports through Richards Bay progressively to increase to 44 million tons a year by 1987. In mid-1982 the government, in line with its announcement in 1981 that coal exports would be increased to 80 million tons a year, made further provisional export allocations to 40 potential exporters for another 27 million tons a year, representing the first part of the Phase IV export programme.

Sales by South African mines administered by the Corporation during the 12 months ended March 1983 fell by seven per cent to 35,6 million tons, being about 27 per cent of the national total compared with 29 per cent the previous calendar year.

The Corporation's major interest in the South African coal industry is held through Amcoal. Its sales for the financial year ended March 31 1983 totalled 34 million tons, which was five per cent below the annualised tonnage achieved during the previous 15 month financial period.

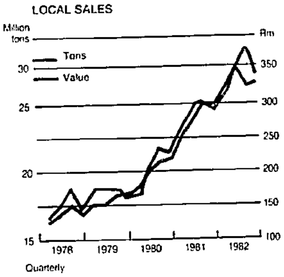
Sales to Escom of 22,2 million tons were marginally higher but exports decreased by nine per cent to 7,2 million tons, reflecting weak international demand.

Average unit working costs increased by 14,4 per cent. Profit attributable to Amcoal shareholders was R113,4 million, eight per cent more than the annualised earnings of the previous financial period, and dividends were declared of 145 cents (132,8 cents annualised) a share.

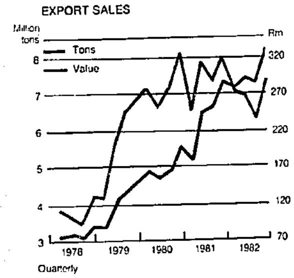
The first coal from Amcoal's new export colliery, Goedehoop, was processed in March this year and as the tonnage of coal railed to RBCT builds up – in accordance with the programme of the South African Transport Services (SATS) – so the colliery will increase its production. That output, together with that from Kleinkopje

South African coal sales

LOCAL SALES



EXPORT SALES



The new Goedehoop Colliery processed its first coal and commissioned its rapid loading facility for export coal early this year. Coal arriving at the stockpile (1) and (2), the central control room (3), and (4) surface works at the mine

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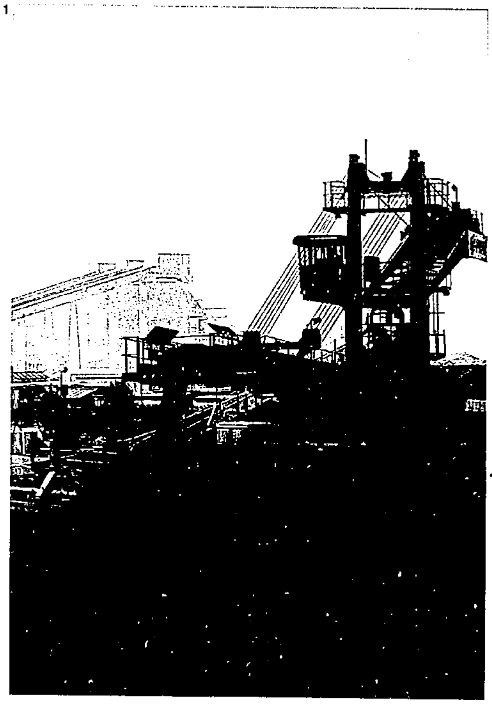

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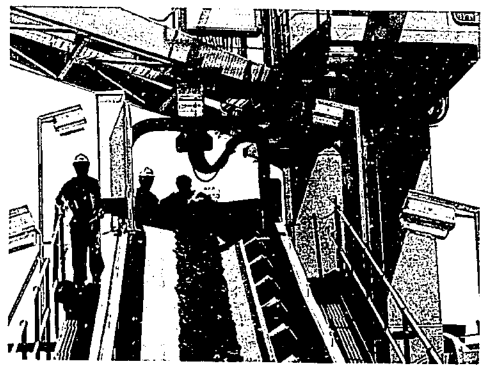

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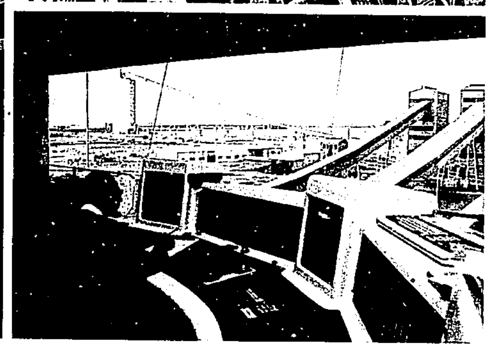

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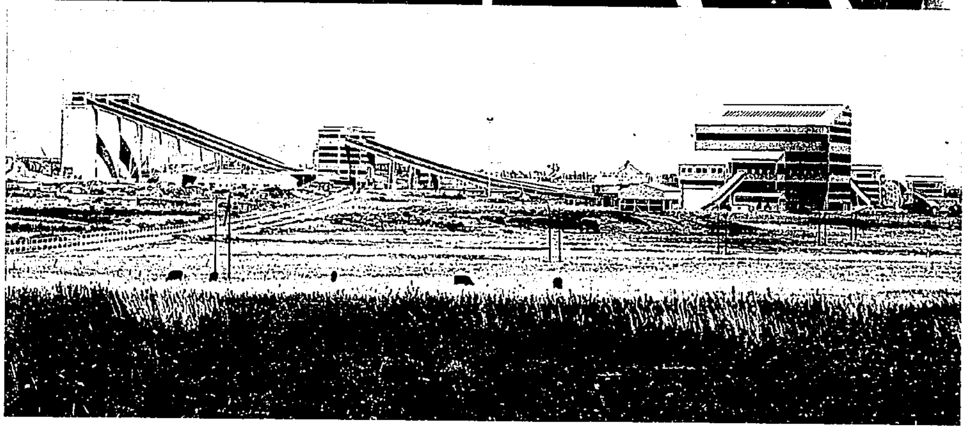


Colliery, will enable Amcoal to meet its full Phase III export entitlement of six million tons a year. The further provisional tonnage awarded to Amcoal under the first part of the Phase IV export programme was four million tons, and this will result in the company's overall beneficial allocation in South Africa's export programme increasing in time to 15 million tons a year.

Further progress was made on the three new collieries which Amcoal is developing as part of Escom's future expansion programme. At New Denmark Colliery, which is to supply Escom's new 3 600 MW Tutuka power station near Standerton, sales started in the last quarter of the financial year, and these deliveries will build up progressively ahead of the planned commissioning of the first generating set early in 1985.

Production at New Vaal Colliery is due to commence at the beginning of 1985, about nine months ahead of the scheduled commissioning of the first set of the 3 600 MW Lethabo power station. New Vaal is to be an open-cast operation ultimately employing four draglines. Further mine planning was undertaken on the South Cornelia Colliery, to supply Escom's Lekwe power station (previously Station 'E'), where the impact of current economic circumstances on load growth has caused Escom to delay the commissioning of the first set for at least a year beyond the initial date of September 1989.

Indumeni Limited's wholly-owned subsidiary, Indumeni Coal Mines Limited, ceased mining operations on October 31 1982, after negotiations with the South African Iron and Steel Corporation (Iscor), which paid R2 million in compensation to the company. Dividends totalling 70 cents a share have been declared out of retained earnings as at March 31 1983 and, subject to the consent of shareholders and of the Supreme Court, a further distribution of 90 cents a share will be made by way of a capital reduction. Indumeni Limited is continuing to investigate the possibility of turning provisional export allocations awarded to the company under the first part of Phase IV of the export programme to account, but as yet no viable project has been identified.

Vierfontein Colliery Limited changed its year-end to March 31 and in the 15 month period to March 31 1983 reported after-tax profits of R688 000 compared with R490 000 in calendar 1981. Dividends for the 15 months totalled 15,5 cents a share (12 cents).

Wankie Colliery Company Limited in Zimbabwe reported net earnings of Z$1 734 000 for the six months ended February 28 1982 and Z$2 011 000 for the year ended February 28 1983 compared with Z$937 000 for the year ended August 31 1981. Although coal and coke sales during these 18 months were consistent with previous overall performances, a sharp down-turn in the last six months of the period saw this trend continue. Meanwhile, the new open-cast mine is proceeding on schedule and should be in full production by the end of 1983. In terms of a resolution passed at an extraordinary meeting of shareholders held on November 24 1982, the board of directors was empowered to issue to the Government of Zimbabwe 16 882 992 new 'A' ordinary shares carrying full voting rights. As a result, 40 per cent of the voting shares are now held by the government and the shareholding of Anglo American Corporation Zimbabwe has been reduced to 19,6 per cent.

Morupule Colliery (Proprietary) Limited, a 93 per cent subsidiary of the Corporation, operates a colliery with a capacity of 480 000 tons a year near Palapye in Botswana to supply coal to the Botswana Power Corporation and to BCL Limited. In the year ended March 31 1983, Morupule reported after-tax profits of P382 000, some 20 per cent above the P316 000 earned in the previous year.

Swaziland Collieries Limited, of which 48,3 per cent is held by the Corporation, achieved an after-tax profit of E196 343 compared with the previous loss of E31 459. The company's mining lease expires on July 3 1983 and the company has entered into negotiations with the Swaziland Government for the disposal to the Swazi nation of its assets.

Further details of coal mines administered by Anglo American Corporation and those in which the Corporation holds a significant interest are given on page 75.

Construction of incline shaft at New Denmark Colliery

OTHER MINING

Metal markets await economic up-turn

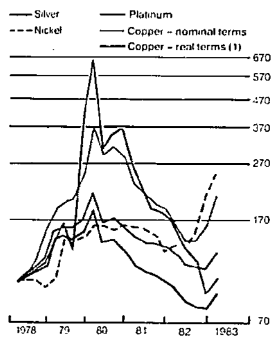
The economic slow-down throughout the western world in 1982 saw a steady decline in consumption of metals during the first half, with stocks tending to rise despite numerous mine closures. As a result, the price of many metals fell to a post-war low in real money terms. Copper prices were particularly depressed as were those for lead, while there was an exceptional fall in the nickel price because major producers liquidated stocks in the last quarter of 1982. However, there have recently been signs of some recovery in the US and metal prices, particularly copper and nickel, have risen steadily this year.

During the first half of 1982 the copper price slumped on the London Metal Exchange (LME) from £876 a ton to £684 a ton on June 21, a four-year low and, in real terms, its lowest level for more than 50 years, reflecting depressed physical demand and selling by speculators. As a result, most North American producers announced cut-backs and mine closures. By mid-July, however, a sharp decline in US interest rates prompted renewed speculative and other buying, and prices improved rapidly to around £850 a ton. The price advanced again in the fourth quarter, and by end-1982 had risen to £933; it broke through £1 000 a ton early in the year, reached a three-year high of £1 126 a ton by the end of February, and has remained in that region up to the end of May. The recent fall in oil prices has enhanced growth prospects in the major industrial countries, and it is to be hoped that an improved industrial offtake will soon provide a more substantial basis for the price advances which have occurred.

The protracted weakness in the cobalt market continued throughout the year, the free market price ranging from $10,80 a pound at the beginning of April 1982 to a low of $3,70 a pound by the end of October. Estimated total consumption of primary cobalt in the western world in 1982 was approximately 13 000 tons, representing a fall of about 13 per cent over 1981.

The decline in copper and cobalt prices adversely affected the operations of

INDICES OF SELECTED METAL PRICES
Quarter I 1978 100



US$ terms quarterly averages.
(1) Deflated by the US GNP deflator.

Zambia Consolidated Copper Mines Limited (ZCCM), in which Minorco has an effective 13,7 per cent equity interest.

In an effort to improve its critical financial situation ZCCM implemented wide-ranging cost-cutting measures in all sectors of its operations. The company incurred an after-tax loss of K150,7 million for the nine months to December 31 1982, when 424 358 tons of copper were produced, compared with a loss of K89,1 million during the same period in 1981 (432 244 tons) and a loss of K173,6 million for the financial year ended March 31 1982 when 591 853 tons were produced. The January 1983 devaluation of the Zambian kwacha by 20 per cent against the Special Drawing Right has provided an immediate increase of 25 per cent in kwacha sales proceeds, but this will largely be offset by higher costs of inputs and the company's repayment obligations towards foreign loans which have correspondingly increased.

Rustenburg Platinum Holdings Limited (RPH), held 23,8 per cent by the Corporation, owns Rustenburg Platinum Mines Limited and Atok Platinum Mines (Proprietary) Limited. RPH reported consolidated profits after tax of R41 million for the year ended August 31 1982 compared with R120 million the previous year. Lower market prices and sales volumes were partially offset by the more favourable prevailing dollar/rand exchange rate. Dividends were reduced by 10 cents to 35 cents a share. The free market platinum price oscillated between $455 and $247 an ounce, though the company maintained its published price at $475 throughout the financial year and until mid-January 1983, when it adopted a new policy of moving its price more frequently and more closely in line with the prevailing free market price. As a result of higher prices for platinum and palladium and an increase in the sales volume of rhodium, RPH declared net operating profits of R66,8 million (R53,3 million) before provisions for the six months to February 28 1983. After-tax profits, however, fell by 7,1 per cent from R28,1 million to R26,1 million because of higher taxation partly as a result of lower capital expenditure. The interim dividend was unchanged at 12,5 cents a share.

SA Manganese Amcor Limited (Samancor), a major producer of manganese ore and ferro-alloys, in which the Corporation and associates hold a 31,7 per cent interest following the sale of Middelplaats Manganese Limited to Samancor last year, earned profits from operations of R14,7 million (R40,3 million) and paid dividends of five cents a share (10 cents) in the year to February 20 1983. However, the company has raised an extraordinary provision of R34,5 million against its ferro-alloy plant in Tennessee in the US, which has been mothballed. More than 70 per cent of Samancor's products are exported to world steel markets, which sharply declined last year.

Botswana RST Limited has an 85 per cent interest in BCL Limited which operates a nickel/copper mine at Selebi-Phikwe in Botswana and which produced 45 685 tons of matte in 1982 (46 565 tons). Yet in spite of maintaining high production and keeping operating cost increases to within five per cent of 1981 costs, a marked deterioration in both nickel and copper prices led to BCL operating at a loss of P8,7 million in 1982 compared with a P13,0 million profit the previous year. The free market nickel price dropped from $2,65 a pound to $1,65 a pound and the copper price from $0,73 a pound to $0,67 a pound. After providing for loan interest of P81 million (P68 million), and losses on currency exchange fluctuations of P39,7 million (P8 million) following the depreciation of the pula against those currencies in which certain loans are denominated, the year's loss was P129,5 million (P62,6 million). The accumulated deficit at December 31 1982 was P273,3 million.

Financial difficulties facing BRST/BCL necessitated reaching accommodation with its creditors and in June 1982 negotiations were concluded which provided for a substantial re-structuring of the BRST group's debts and deferment of most of its financial obligations for a four-year period. Notwithstanding these arrangements, BCL required funds to continue operating and during 1982 and up to January 31 1983 the Corporation, its associates and the Government of Botswana provided P13,2 million as emergency finance and, with Amax Inc., have agreed to provide a further $18 million this year. BCL's financial position remains precarious and metal prices must improve considerably for it to have any chance of meeting even its re-structured financial obligations during the next few years.

The Corporation and Charter Consolidated each hold 50 per cent of the equity of Cleveland Potash Limited which owns and operates a potash mine in the United Kingdom. Operations continued satisfactorily although the potash market remained depressed world-wide. To reduce stock levels the company shut down operations for a month early in the year, and consequently 1982 production totalled 401 000 tons (466 000 tons). Additional revenue was generated from sales of salt and handling coal and soda ash at the shipping loading terminal, but with reduced potash realisations in real terms the company nevertheless incurred an operating loss of £1,9 million in 1982.

The Bindura Nickel group in Zimbabwe produced 10 311 tons (9 645 tons) of refined nickel in 1982. However, a loss of Z$6,3 million was incurred compared with a previous profit of Z$3,6 million as a result of weak international demand for nickel and higher interest charges. Zimbabwe Alloys Limited incurred a loss of Z$9,4 million (Z$0,9 million loss) during the year ended March 31 1983 because of depressed prices, higher costs and interest charges.

Further details of mines in which the Corporation holds a significant interest are given on pages 75 and 76.

INDUSTRY AND COMMERCE

Substantially weaker demand

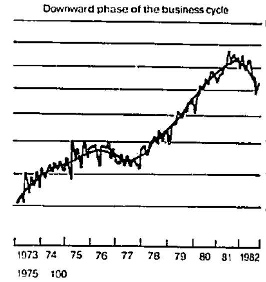
Export performance in 1982 was poor, having fallen in real terms to a level more than five per cent lower than the peak reached in 1979. This was in addition to the depressed domestic markets. Real gross domestic product in South Africa declined for the first time in more than 40 years.

As for domestic markets, consumer spending remained reasonably strong early in the year, but then weakened significantly as purchasing power was eroded by a stubbornly high inflation rate, increased fiscal deductions from pay packages, more moderate wage settlements, increased mortgage payments and the high cost of credit generally, and growing redundancies. Typically, durable and semi-durable goods markets were most affected, with sales of foodstuffs remaining relatively stable.

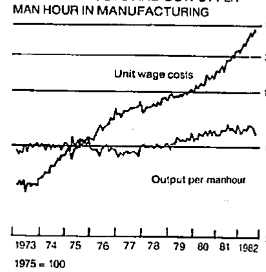
In fixed investment, the impact of deteriorating conditions was even more severe. Faced with weakening internal and external markets and exceptionally high financing costs, private sector activity was sharply curtailed, especially during the second half of the year. A similar trend emerged in total public sector capital spending, ameliorated by relatively high expenditure during the first half of the year by the South African Transport Services, although a significant proportion of this was on imported aircraft, and by growing outlays by Escom.

A decline in total manufacturing output in 1982 was, therefore, inevitable. Indeed, the drop of just over two per cent for the year as a whole masked an even more rapid deterioration during the second half. Most categories reflected substantially weaker demand, although food manufacturers experienced growth, albeit at a slower rate. Average wage and salary settlements remained relatively high and, with a rapid decline in output, resulted in a marked surge in unit labour costs. Other cost pressures, notably administered price increases, aggravated the situation and productivity remained at disappointing levels and so profits declined significantly.

VOLUME OF MANUFACTURING OUTPUT
Downward phase of the business cycle



UNIT WAGE COSTS AND OUTPUT PER MAN HOUR IN MANUFACTURING



In the year ahead industrialists will undoubtedly strive to contain cost pressures, particularly in the sphere of labour. However, it is generally anticipated that these will only be moderately alleviated, substantial administered price increases having already limited prospects for improvement. The short-term outlook for demand is not good. Despite the lifting of last year's loan levy, total fiscal demands on individuals have not lessened. With more modest wage settlements this year, continued high inflation and the effects of the drought, real disposable income is likely to drop further, and relief during the year will depend on the direct and indirect effects of improved exports. Overall, 1983 is likely to be another difficult year for industry and commerce, but it is to be hoped that there will be a renewed basis for growth thereafter.

The investments of the Corporation, its administered finance companies and its associated companies in industry and commerce cover a wide range of activities,

(1) The Tongaat-Hulett Group's Felixton II sugar mill under construction on the Natal north coast; in the background are the old Felixton mill and the Mondi board mill. The new mill is scheduled to crush its first cane supplies in late 1983. (2) A Boart Drilling Inclined rig at an Orange Free State gold mine. This type of rig is used because of the deep dip of the strata and the need to drill as closely as possible at right angles to it. (3) A control room operator at Scaw Metals' modern bar and section mill monitors the progress of a white-hot steel bar. (4) A large transformer being assembled at the Pretoria plant of Asea, which produces the widest range of locally-manufactured power, distribution and instrument transformers in South Africa. (5) The main Mondi Timber sawmill, at Sabie in the eastern Transvaal. Mondi's 12 sawmills and one plywood plant use about 1.1 million cubic metres of logs a year, 60 per cent of them from its own forests

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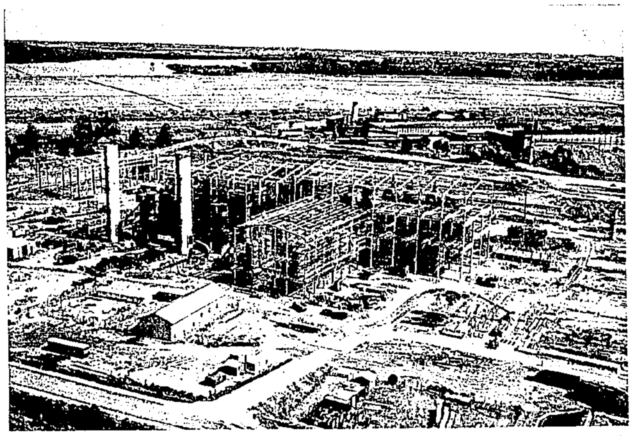

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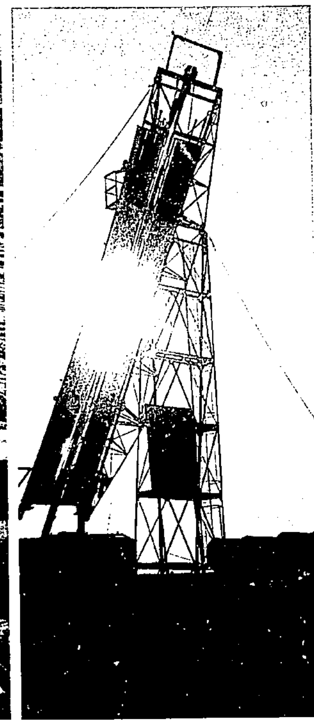

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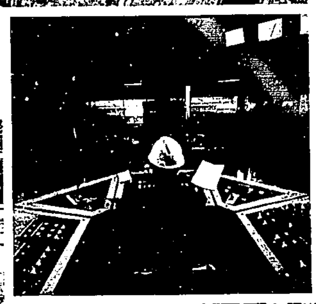

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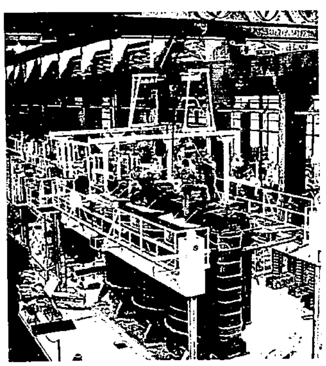

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including iron, steel, alloys, chemicals and explosives, civil engineering and construction, drilling tools, coal mining equipment, refractory and other structural clay products, textiles, plastics, paper and paper board, timber, tanning extract, agricultural products and foodstuffs (including sugar), industrial equipment, motor vehicles and components, railway locomotives and coaches, shipping, forwarding and clearing, electrical engineering, electronics and computer services. This wide spread of industrial interests is held both directly and through its 46,4 per cent investment in Amic. There are also industrial interests in Zimbabwe through Amzim, in Zambia through Minorco and its subsidiary Zamanglo Industrial Corporation Limited, as well as a significant interest in Barlow Rand Limited.

Iron, steel and engineering

Highveld Steel and Vanadium Corporation Limited became a 50,1 per cent subsidiary of Amic in January 1982 and the financial year-end changed from June 30 to December 31. Earnings for the 18 months to December 31 1982 were R69,1 million. On an annualised basis, this was a reduction of 5,4 per cent on the previous year's R48,7 million, entirely because of a down-turn in local and overseas markets in the second half of 1982. However, export revenue for the year 1982 at R154,4 million was a record.

Overseas markets became increasingly difficult and by the last quarter sales of all products were down substantially. Domestic sales of the group's steel, ferro-alloys and associated products were also significantly down in the last six months. As a result it was necessary, for the first time since the iron and steel works were commissioned in 1968, to make major production cut-backs and by end-1982 all operations were running well below capacity.

The continuing crisis in the world steel industry found North American and Western European producers most adversely affected. Apparent steel consumption for 1982, compared with the 1979 record, dropped by 30 per cent in North America, 16 per cent in the EEC, 10 per cent in Japan and in the world including the communist bloc by 11 per cent, whereas world consumption compared with 1981 was down five per cent. However, the International Iron and Steel Institute has forecast a 10 per cent growth in apparent US steel consumption in 1983 and this is expected slightly to increase world-wide steel consumption over 1982.

World-wide vanadium consumption held up reasonably well until mid-1982, when a progressive deterioration became apparent. The resulting over-supply of raw material saw prices halved by the end of the year and Highveld reduced its production by 33 per cent in the final quarter. The Vantra division continues, as it has since October 1980, to operate only one of its eight roasting units.

Both the Rand Carbide and Transalloys divisions operated at full capacity until January 1982, but by the end of the year operations were well below capacity because their markets had also deteriorated.

Highveld's R60 million reversing hot strip mill commissioned in November 1982 is fully operational and temper rolling and sheet cutting facilities are to be installed. The first furnace and three pre-reduction kilns in the second iron plant are ready for commissioning but, because of market conditions, will probably not be brought into operation until 1984. Highveld has the weakest order book in its history and with both domestic and export demand remaining weak, earnings for 1983 are expected to be down substantially.

The group continues to recruit and train apprentices in anticipation of a shortage of skilled labour when the economy recovers. Black apprenticeship in particular is developing – 41 of 300 apprentices in the group are black and their acceptance in the work place has been most encouraging.

In common with the rest of the iron and steel industry, Scaw Metals Limited, wholly owned by Amic, was adversely affected by market conditions and the group's earnings in 1982 declined by 20,1 per cent to R36,6 million. Scaw's major activities – the manufacture of a wide range of ferrous castings, rolled steel products in the merchant bar range and grinding media for the mining and cement industry – all suffered, with rolled steel tonnage declining by 16 per cent and the tonnage of grinding media sold down 20 per cent. Haggie Limited, in which Scaw has a 36,1 per cent interest, also reported lower earnings and its contribution to Scaw's results declined by 13,8 per cent to R11,2 million. The major portion of Haggie's profit continues to be derived from its traditional business as a manufacturer of steel wire and wire rope. However, its dependence on these sectors is steadily being reduced as contributions have increased from its diversified interests in crushing, screening and milling equipment; high-speed twist drills and cutting tools; industrial and automotive batteries; non-ferrous metals; and engineering and conveyor systems.

Commissioning of Scaw's direct reduction iron plant, which will ensure that raw material supplies are more reliable, is scheduled for about mid-1983. The group's pre-tax earnings for 1983 are expected to decline but, with tax allowances which will follow commissioning of the new plant, profits should be similar to those of 1982.

Boart International Limited, wholly owned by Amic, had a very difficult year in 1982. The world-wide recession severely depressed demand for metals, minerals and mining-related materials, with a consequent decline in sales of approximately 19 per cent after allowing for inflation, acquisitions and disposals. Net earnings declined by 57 per cent to R16,8 million. Demand for exploration drilling equipment and contracting services also fell very sharply, although sales of percussion drilling equipment and tools provided some stability to group turnover and earnings, particularly as the gold price firmed towards the end of 1982. The coal mining equipment sub-group had an extremely poor year in a depressed industry.

International Pipe and Steel Investments South Africa (Proprietary) Limited (IPSA), in which Amic has a 31,3 per cent interest and the Corporation 5,7 per cent, is the holding company of the listed Dorbyl Limited, a diversified heavy engineering group, and Stewarts & Lloyds of South Africa Limited, with engineering-related activities, in which IPSA holds approximately 51 and 52 per cent respectively. Dorbyl earned profits for the year ended September 30 1982 of R35,9

A paper machine at Mondi Paper's Merebank, Durban mill

million, a 43 per cent increase, while Stewarts & Lloyds' profits for the same period rose by 6,5 per cent to R18 million.

Union Carriage & Wagon Company (Proprietary) Limited, in which the Corporation holds 18 per cent directly and indirectly, is a major designer and builder of locomotives and railway passenger coaches, which are supplied to the South African Transport Services and to industry. Earnings for the year ended June 30 1982 increased by 10,3 per cent over the previous year although earnings for the current year are expected to decline.

Net earnings of Vereeniging Refractories Limited, a 51,7 per cent subsidiary of Amcoal, were R6,6 million for the year to March 31 1983, compared with R13 million for the 15 months to March 31 1982. Dividends for the year totalled 50 cents a share compared with 81 cents for the 15 months. The current world-wide recession seriously affected the refractories and mining divisions because they are largely dependent on the iron and steel and other hot metal industries where there has been a substantially reduced output. The economic recession did not affect the building industry to the degree previously forecast and although volumes were lower in certain product lines, the building products division achieved satisfactory results. The joint venture between Iscor and Cullinan Holdings which will become effective in July 1983 is expected to result in the refractories division losing a major portion of its traditional sales to Iscor, the largest consumer of refractories in South Africa. Demand for refractories and minerals will remain depressed until there is a world-wide revival in the iron and steel industry and it is forecast that the year will be equally difficult.

The company purchased Elgin Refractories in May 1983 for a consideration of R7,5 million. The increased refractory product range available as a result is expected to bring benefits in the medium and longer term.

Civil engineering and construction

Net earnings of the LTA Limited group for the year ended March 31 1982 totalled R13,2 million (R10,7 million), or 101 cents a share (83 cents) with the dividend increasing by five cents to 35 cents a share. The Corporation holds 28,7 per cent and Amic 35,7 per cent of LTA. For the six months to September 30 1982 net earnings were R6,3 million (R6 million), or 48 cents a share (46 cents). Work in hand at September 30 1982 was valued at R745 million compared with R885 million at March 31 1982. Profits for the second half of the 1983 financial year are likely to be lower than those for the first half.

Paper, timber and board mill interests

The Corporation holds a 29,9 per cent interest in Mondi Paper Company Limited which is a 62,7 per cent subsidiary of Amic. Equity earnings decreased in 1982 to R32,2 million (R36,9 million) largely because of higher interest rates and difficult market conditions. Satisfactory progress is being made with the establishment of the Richards Bay pulp mill complex which is expected to cost about R600 million. Negotiations for the purchase of the ordinary share capital of the Usutu Pulp Company Limited in Swaziland have been discontinued.

Mondi's operations were rationalised last year into three operating divisions, each concerned with a major product, namely paper, board and timber. The paper division operates the Merebank mill near Durban – comprising a groundwood mill, two thermo-mechanical pulping plants, five high-speed paper machines and a finishing department – and a forestry unit with headquarters in Pietermaritzburg. The short-term outlook for paper exports is not favourable and the strong competition of 1982 is expected to continue with severe pressure on prices. The board mills division, with headquarters at Umgeni, Durban, now operates five mills, at Felixton, Piet Retief, Umgeni, Springs and Bellville. The mills at Felixton and Piet Retief manufacture liner board and fluting medium for corrugated boxes, while the other mills manufacture paper board for the packaging, printing and stationery industries. The timber division, with headquarters at Sabie in eastern Transvaal, operates the largest integrated softwood forestry and sawmilling undertaking in southern Africa, having a total afforested area of some 90 000 hectares. Timber from these and other forests supplies the group's 12 sawmills and a plywood plant.

Bruynzeel Holdings Limited (Bruhold), a wholly-owned Amic subsidiary, has a 100 per cent interest in Bruynzeel Plywoods Limited (Bruply) which manufactures a wide range of timber-based products, and holds a 50,01 per cent interest in Spankor Limited, producing raw and veneered board. The general economic slow-down, more pronounced in the second half of 1982, had adverse effects on sales volumes and profits. This affected both the structural and industrial timber markets and caused severe price competition for certain other products. Residential building activity showed negligible growth, while the number of building plans passed declined noticeably. The Bruhold group's net earnings fell 15,2 per cent to R10,6 million in 1982 and are expected to drop further this year.

Notwithstanding lower international demand and consequent reduced volumes, The Natal Tanning Extract Company Limited's sales value of wattle extract increased because of higher prices and favourable exchange rates, although wattle bark production decreased. Earnings of the company, a 62,7 per cent subsidiary of Amic, with the Corporation holding the remaining 37,3 per cent, dropped by 20 per cent to R2 million as a result of the high cost of increased borrowings required to finance long-term capital expenditure.

Motor and transport

The motor industry experienced a record year in 1981 and the buoyant market conditions continued into the first half of 1982. The expected down-turn that followed in the second half saw retail sales decline 15,3 per cent compared with the same period the previous year. Sigma Motor Corporation (Proprietary) Limited, now 50 per cent held by the Corporation and 50 per cent by Amic, felt the impact of high inflation rates, rising interest charges and the effect of the rand's weakness against the US dollar and the yen. Intense market competition also affected profit margins and the group incurred a loss of R55 million for the year. Some R40 million of this was attributable to losses on uncovered dollar loans and the higher cost of imports from Japan. New management has implemented steps to remedy Sigma's difficulties and expects profitability to be restored in 1984.

The Mazda 323 retained its exceptional popularity in South Africa; it remained the best-selling model for the first seven months of 1982 and was the first model range to sell more than 4 000 units in one month. Two new car lines, together with additional light commercial vehicles, will be introduced during 1983 and it is expected that the heavy commercial vehicle range will be expanded in 1984.

McCarthy Group Limited, 12,9 per cent held by the Corporation and 24,6 per cent by Amic, is the largest motor vehicle retail organisation in South Africa. Group net earnings for the year ended June 30 1982, were R12,4 million (R20,3 million).

Freight Services Holdings Limited, in which Amic has an effective 40,3 per cent holding, experienced depressed trading conditions in 1982. Both imports and exports, the predominant business of this group, were low at the beginning of the year compared with 1981 and declined further in the second half. However, unaudited net attributable earnings for the 12 month period ended December 31 1982 increased by 14,6 per cent from R12,3 million to R14,1 million. This resulted from tighter expenditure control and includes profits earned by SA Containers (Proprietary) Limited (Saftainer), acquired during the year from South African Marine Corporation Limited (Safmarine) for R12 million by way of an issue of four million new ordinary shares in Freight Services. Although this issue increases Safmarine's holding in Freight Services, Redbury Holdings Limited, controlled equally by Amic and Safmarine, continues to be Freight Services' controlling shareholder. On August 1 1982 the stevedoring operations of Rennies Grindrod Cotts Stevedoring (Proprietary) Limited were merged with those of the group, which has 50 per cent of this combined operation.

Chemicals and explosives

AECI Limited, in which Amic has a 39,5 per cent interest, is a major industrial group in South Africa and one of the largest in the chemical sector, with capital employed of some R1 170 million. The group manufactures and sells a wide range of industrial explosives for mining and other commercial uses, general chemicals, plastics, vinyl products, paints, synthetic fibres, fertiliser and agricultural products. Sales in 1982 increased to R1 550,4 million. However, trading profits, at R221 million, were 7,5 per cent down on 1981, mainly because of the recession, severe competition from imports and increases in the cost of imported raw materials caused by the weakening in the value of the rand. With interest and tax rates both having risen during the year, earnings per share fell by 12,9 per cent, though the dividend was maintained.

Production and sales of high-quality explosives and accessories to the mining industry commenced in 1982 at AECI's new factory at Mogwase in Bophuthatswana. The new linear low-density polyethylene plant at Sasolburg and a new carbide furnace at Ballengeich near Newcastle were also brought into operation. A further cyanide plant, also situated at Sasolburg, was sanctioned and is under construction. Major projects under investigation include a chloralkali plant at Richards Bay in association with Mondi Paper, a soda ash plant also at Richards Bay in conjunction with the Industrial Development Corporation of South Africa Limited and a plant at Bellville to produce stabilised polyester filament yarns for industrial use. In addition, the rights to mine salt at Commissioner's Pan in the north-western Cape were recently acquired and the economics of substantially expanding its small output at an early date are being evaluated. Meanwhile, development work in alternative fuels and chemical feedstocks continues. The government statement on the desired degree of self-sufficiency in the fuel sector in South Africa is still awaited and an indication of policy towards alternative fuel projects remains vital.

Food

This year the South African maize crop is expected to total less than five million tons, whereas last year it was 8,3 million tons as against the record of 14,6 million tons in 1981. As the country's requirements are more than 6,5 million tons a year it will be necessary to import maize. A second year of drought, the worst in 30 years, has also had a serious impact on the meat industry, with a drop in net proceeds to farmers. The Soetvelde division of Anglo American Farms Limited (Amfarms), which is 50 per cent held by the Corporation, has accordingly had a difficult year and the short-term outlook does not look much better.

Amfarms' Cape operation continued to feel the effects of closing its fruit cannery in 1981, with the annual crop of about 10 000 tons of deciduous and citrus fruits now marketed locally and overseas as fresh fruit. However, jams and vegetables continue to be canned and juice concentrates and purées produced. The area planted to grapes has been expanded and production of, and demand for, Boschendal high-quality wines has increased.

Amic's wholly-owned subsidiary, African Products (Proprietary) Limited (Afprod), is a major processor of maize for industrial use and operates maize wet mills at Germiston, Meyerton and Bellville. During the year Afprod extended its agreements with CPC International Inc. (CPC) to include access to CPC's advanced technology in refinery products. With technical assistance from CPC, Afprod is modernising and expanding its Germiston mill to achieve greater manufacturing efficiencies and more productive capacity. Afprod also has a 50 per cent interest in OKK Foods Limited which prepares, stores and distributes meat and dairy products. Notwithstanding increased demand for Afprod's products, rising costs, high interest rates and increased taxation contributed to a 14 per cent decline in Afprod's earnings to R7 million for the year ended December 31 1982.

The Tongaat Group Limited and Huletts Corporation Limited merged with effect from April 1 1982, to form The Tongaat-Hulett Group Limited (Tongaat-Hulett) in which the Corporation and Amic have interests of 11,2 per cent and 28,1 per cent respectively. This large and diversified group's activities include sugar cane cultivation, raw sugar milling and refining, aluminium semi-fabrication, the production of various agricultural crops, the production and distribution of building materials, textiles, foodstuffs, and interests in transport, property, timber plantations and electronics and general engineering. Tongaat-Hulett's earnings for the year ended March 31 1983 of R66,3 million (116,6 cents a share) compared with the pro forma earnings for the merged group for the year ended March 31 1982 of R78,5 million (138,2 cents). This reduction reflects significantly lower contributions from the sugar division, which has been seriously affected by sugar's world-wide slump as well as by delays in a domestic price increase; from the textiles division, which has been hard hit by the economic down-turn; as well as increased interest charges and the higher tax rate.

Hippo Valley Estates Limited in Zimbabwe produced another record of 251 000 tons of sugar in the year ended March 31 1982. The mill achieved the distinction of being the most efficient in Africa with an overall recovery of sugar from cane of 88 per cent. Profit for the year amounted to Z$8 million out of which dividends totalling Z$3,1 million were declared. With the continuing decline in world sugar prices throughout 1982, the company is expected only to break even this year.

Other commercial interests

Computer Sciences (Proprietary) Limited, in which the Corporation and associates hold 75,3 per cent continues to offer a range of remote computing services, computer hardware products and customer support to South African commerce and industry, through eight operating divisions. In 1982 turnover rose to R38 million, a slower rate of growth because of adverse economic conditions in the latter half of the year. This, together with higher interest rates, resulted in reduced net profit.

Zinchem and Industrial Mineral Resources (Proprietary) Limited (Zimro), a 76,3 per cent subsidiary of the Corporation, produces base and industrial minerals, tin metal, rolled zinc and zinc products and chrome sands. Exports during the year were lower, in line with the recession in western world economies, while local sales were similarly affected by reduced activity in the motor, foundry and building industries and reduced offtake by the ferro-metal industry, as well as the drought-affected agricultural sector. Difficulties were initially experienced in commissioning a new plant at the Zaaiplaats Tin Mining Company, now a 65,4 per cent subsidiary of Zimro, but by the year-end these had been overcome and the projected benefits should be evident in the coming year. Although experiencing a particularly difficult year the group's earnings were much the same as the previous year through strict control of costs and inventory management.

Further details of the principal industrial and commercial companies in which the Corporation holds a significant interest are given on pages 76 to 80.

PROPERTY

Sound portfolios continue to grow

The Corporation holds substantial property investments through Anglo American Properties Limited (Amaprop), a 65,6 per cent subsidiary, and Anglo American Life Property Holdings Limited, the property-holding subsidiary of Anglo American Life Assurance Company Limited, which is 97,7 per cent held by the Corporation. These interests include 775 000 square metres of retail and office accommodation located in prime central city and suburban office and shopping complexes and well-situated residential, commercial and industrial township land.

The rise in rentals which became evident during the previous year continued strongly for the first six months of this financial year and these increased revenues, coupled with well-contained expenditure, have led to sound increases in net profits earned. Rent levels in retail premises still reflect satisfactory growth, Anglo American Life Assurance head office, Johannesburg

but for office premises have remained static for the last few months. Until the next significant rise in rent levels, which should follow in the wake of any favourable economic revival, increased profits will be derived from lease renewals and rent escalations.

During the year Amaprop successfully completed the Carlton Court project, comprising 70 luxury hotel rooms adjoining The Carlton hotel, as well as the Garden Plaza and 11 Wellington Road office projects, all in Johannesburg, and Durban's Pine Parkade. Progress on the 11 Diagonal Street office project is well advanced and a start has been made on another Parktown office project to be called 9 Wellington Road. Anglo American Life's office development in Pretoria was completed and there is satisfactory progress on its Johannesburg and Cape Town office and retail schemes. A bold new R40 million office tower is to be built in Durban. For the year to March 31 1983, Amaprop recorded a profit of R14,7 million (34,6 cents a share) against R9,5 million (22,5 cents). Of this increase, 3,3 cents arises from a change in the basis of accounting. Dividends of 18 cents a share (14 cents) have been declared.

Carlton Centre Limited, 80,0 per cent held by the Corporation and Amaprop, earned R9,9 million for the year compared with R8,7 million the previous year. Dividends paid amounted to R4,5 million. There has been a sharp fall in the contribution to the Carlton Centre's profits from the hotel component but this has been compensated for by increased earnings from the retail, office and parking components. A major up-grading of the retail space is to be implemented over the next two years at a cost of R26 million.

Further details of Amaprop and Carlton Centre appear on page 80.

EXPLORATION AND RESEARCH

Gold emphasis in Orange Free State

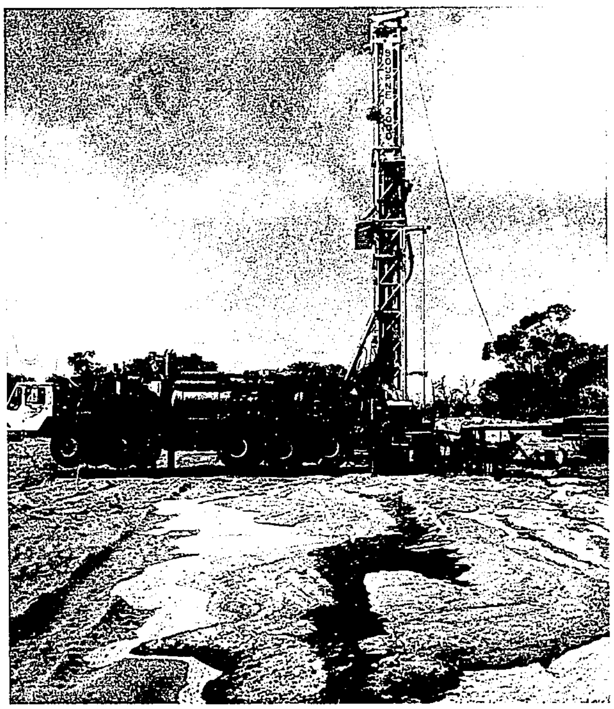
Exploration activity for base metals in South Africa and South West Africa/ Namibia was slightly reduced compared with previous years. Work at the Skorpion lead/zinc prospect in the Sperrgebiet in SWA/Namibia which initially appeared encouraging was terminated because of the excessive depth of oxidation. However, a limited number of prospects in the Republic have yielded encouraging results although considerably more work will be required to determine whether they are viable.

Gold exploration was concentrated mainly in the Transvaal and Orange Free State in the search for Witwatersrand-type deposits. A major emphasis has been placed on the area to the south of the OFS gold field where detailed drilling is nearing completion in one area. In a second area to the north of Beatrix mine results have been sufficiently encouraging to justify continuing exploration and to start a joint drilling programme with General Mining Union Corporation. However, in the new area referred to in last year's report results have been mixed. Evaluation of a structurally complex block of ground to the south of Vaal Reefs continued and recent intersections of the Vaal reef have returned high gold and uranium values. Exploration completed in the vicinity of the old Afrikander, Babrosco and Wolverand mines north of Klerksdorp has delineated a shallow orebody with limited reserves, while the programme to evaluate deep reefs to the south of Western Areas has been encouraging. In other areas results are not sufficient to comment on the potential of these ventures. Exploration continues at Barberton and has recently commenced in the Pietersburg gold field but results so far have been disappointing in both areas.

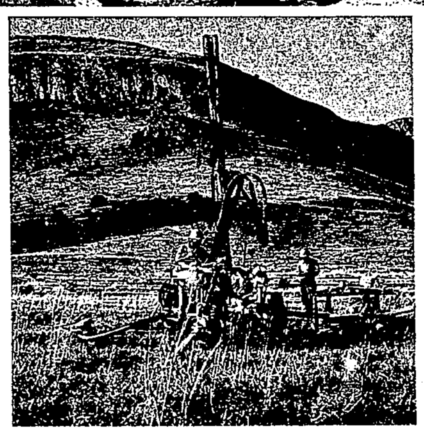
Coal exploration was undertaken in traditional coal areas of south-eastern Transvaal, Natal and Orange Free State as well as in parts of northern Transvaal and the south-eastern area of SWA/Namibia.

(1) A large drill uses chemical foam to penetrate difficult sand conditions in South Australia. (2) In South Africa the Corporation's exploration activities focus on the search for base metals in regions such as the northern Transvaal

1



2



During the year options were negotiated over some 100 000 hectares of new ground and coal rights to 8 681 hectares were purchased.

Australian Anglo American remained active in Australia, New Zealand and Fiji, with continued emphasis on gold and tin, although activities in Fiji are to cease. Compared with previous years, research and early-stage prospecting have been reduced and emphasis placed on more advanced prospects, particularly those in Western Australia and Tasmania. Greater attention is also being given to possible acquisition opportunities.

In Brazil, Ambras continued to be involved in exploration through its interests in Unigeo Geologia e Mineração and Mineração Morro Velho (MMV). Unigeo is preparing for drill evaluation of three advanced projects with polymetallic sulphides, lead-zinc-silver and gold, respectively, in Goias and Parana. MMV has concentrated on gold exploration, with some encouraging results from its extensive holdings adjoining Morro Velho mine and further west, at Pitangui.

In the Chilean Andes, adits were developed on two of the promising gold/silver areas and a joint venture entered into with Compania Minera San Jose Limitada on their Nevada prospect. Empresas has taken up 20 per cent of the interest of the Corporation and its associates in certain of these prospects.

In Spain, joint evaluation with Charter Consolidated of the Salave gold prospect continued with a drilling programme to define potential tonnage and grade.

In addition, the Corporation participated in other projects that are being undertaken by Charter in Spain and the United Kingdom. The acquisition by Charter of the South Crofty group of companies which, in addition to existing mining operations, owns mineral rights to considerable areas in Cornwall, has considerably reinforced Charter's involvement in exploration for tin in the United Kingdom.

Research

Research into ways of improving gold extraction continues to receive priority at Anglo American Research Laboratories. Several of the Corporation's administered mines are now using fixed beds of activated carbon to recover small quantities of gold from waste solutions – a method developed at the research laboratories. Four on-stream gold analysers, developed jointly by the research laboratories and Anglo American Electronics Laboratory, are successfully monitoring and controlling gold precipitation on administered mines' gold plants, and five further units have been ordered. A method of improving flotation from gold residues has been confirmed in trials at President Brand, while improved methods of contacting activated carbon with pulp are being developed to optimise economies of recovery of gold from low-grade sources. A method for extracting more than 95 per cent of the gold from refractory gold ores using pressure leaching techniques was also developed and pilot plant tests are under consideration.

The involvement of the research laboratories in assessing new ventures, particularly in Australia and South America, increased. A pilot plant is to be constructed in Johannesburg to investigate recovery of metals from sulphide concentrates, using the Dextec process.

Assistance to the prospecting companies continues to be a major portion of the laboratories' activities. Automation of multi-elemental analysis is still being refined for direct linking to computers, and the geology laboratory has improved its service to the field exploration teams by regular staff visits.

Applied research at the electronics laboratory has resulted in a number of successful developments reaching the production stage. In addition to the on-stream gold analysers mentioned earlier, these include:

A mine fire detection system already in wide use.

A fire monitoring system which enables the earliest possible opening-up and re-entry into a sealed area. Six of these systems have been delivered.

A slack-rope warning device to indicate when a cage is jammed in a shaft. Installation of the first unit will be in 1983.

An analogue/digital rock stress simulation technique which allows measurement of probable associated rock stresses in the vicinity of mining operations.

An electronic batch weighing and loading system to control ore loading. Assizing, in conjunction with the Department of Trade and Industries, has been completed, with an accuracy achieved for a train of 50 ton railway trucks of the order of 0,02 per cent.

An electronic call-bell system which is integrated with the lock-bell signalling system.

Research continued into applying state-of-the-art computer and telemetering techniques to existing instrumentation and to instrumentation under development so as to improve performance significantly. For example, the electronics laboratories' maximum demand equipment has evolved into a comprehensive microprocessor-based energy monitoring and control system, and several comprehensive shaft monitoring systems have been commissioned. Further refinement of the laboratories' telemetry system also continues.

Sales of equipment developed by the electronics laboratory continue at a high rate. Services and advice are also provided for rope testing (2,5 million metres are tested annually), instrument maintenance, borehole logging, aerial prospecting, decelerometry and many other matters relating to the use of electronics in mining.

Shareholders' information

Shareholders' diary

Financial year-end		March 31
Annual general meeting		August 25
Preliminary results	published	June
Annual financial statements	published	June
Half-yearly interim report	published	November

Dividends

1. On ordinary shares:

Interim	declared	November
	paid	January
Final	declared	June
	paid	July

2. On preference shares:

Interim	declared	June
	paid	June
Final	declared	November
	paid	December

3. On preferred stock:

Interim	declared	June
	paid	August
Final	declared	November
	paid	February

A final dividend of 75 cents per ordinary share was declared on June 1 1983 and is payable on or about July 22 1983 to shareholders registered on June 17 1983.

Currency conversion guide

The following currency conversion guide is provided for the information of shareholders:

At March 31 one rand was equal to:

	1983	1982
US dollars	0,91	0,95
Pounds sterling	0,62	0,53
Swiss francs	1,89	1,84
Deutschemarks	2,21	2,29
French francs	6,65	5,92
Japanese yen	218,60	232,85

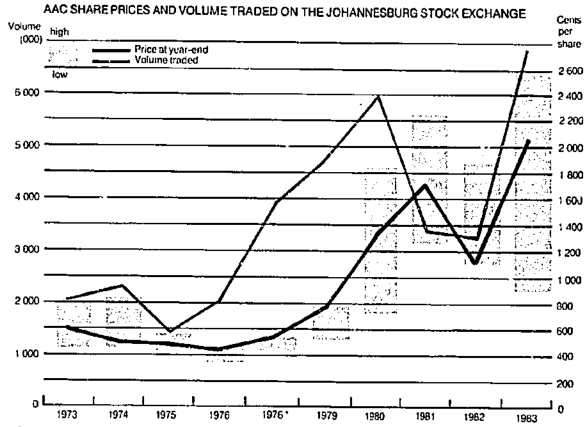
Head office

44 Main Street Johannesburg 2001
South Africa
(P O Box 61587 Marshalltown 2107)

London office

40 Holborn Viaduct London EC1P 1AJ
England

AAC SHARE PRICES AND VOLUME TRADED ON THE JOHANNESBURG STOCK EXCHANGE



*The 1978 financial year was a 15 month period

Analysis of shareholders as at March 31 1983

SHAREHOLDINGS

SHARE-HOLDER CLASSIFI-CATION	1 – 5 000		Over 5 000		Total			
	Holders	Shares	Holders	Shares	Holders	Per cent	Shares	Per cent
Individuals	21 439	13 883 312	576	7 348 084	22 015	88,40	21 231 396	9,35
Insurance companies	38	73 527	71	25 101 416	109	0,44	25 174 943	11,09
Pension funds	123	262 154	179	15 135 937	302	1,21	15 398 091	6,78
Nominee companies	394	446 854	174	105 622 315	568	2,28	106 069 169	46,73
Other corporate bodies	1 638	1 967 241	271	57 157 351	1 909	7,67	59 124 592	26,05
	23 632	16 633 088	1 271	210 365 103	24 903	100,00	226 998 191	100,00

Share Transfer Secretaries

Consolidated Share Registrars Limited
First Floor Edura
40 Commissioner Street
Johannesburg 2001 South Africa
(P O Box 61051 Marshalltown 2107)

Charter Consolidated P.L.C.
P O Box 102 Charter House
Park Street Ashford Kent TN24 8EQ
England

Stock exchange listings

The Corporation's shares are listed on the stock exchanges in Johannesburg, London, Paris, Brussels, Antwerp, Frankfurt, Zurich, Geneva and Basle.

Notice to members

Annual general meeting

Notice is hereby given that the sixty-sixth annual general meeting of members of Anglo American Corporation of South Africa Limited will be held at 44 Main Street, Johannesburg, on Thursday, August 25 1983, at 09h30, for the following business:

1. To receive and consider the annual financial statements for the year ended March 31 1983.
2. To elect directors in accordance with the provisions of the Corporation's articles of association.
3. To consider and, if deemed fit, to pass with or without modification, the following resolution as an ordinary resolution, namely:

   'That the directors be and they are hereby authorised:

   (i) To allot and issue all or any portion of the 9 650 000 unissued redeemable cumulative preference shares of 2,5 cents each in the capital of the Corporation and, after providing for the allotment and issue of the ordinary shares in terms of the Share Incentive Scheme and any shares which shall have been set aside for allotment in substitution for shares in Rand Selection Corporation Limited arising on conversion of bonds of US$1 000 each representing the Rand Selection US$30 million 6½ per cent convertible loan 1986, all or any portion of the remaining 11 786 834 unissued ordinary shares of 10 cents each in the capital of the Corporation, together with any shares in respect of which options under the former Staff Share Option Scheme might not have been exercised by the expiry date of July 31 1983, at such time or times to such person or persons, company or companies, and upon such terms and conditions as they may determine.

   (ii) To make arrangements on such terms and conditions as they may deem fit for the subscription by underwriters of:

   (a) any shares offered by way of rights issues but not taken up by the persons entitled thereto; and

   (b) any shares resulting from the consolidation of any fractional entitlements in respect of any shares issued in pursuance of a rights issue, provided that any rights to such shares which can be sold in nil-paid form on the Johannesburg and/or London Stock Exchanges during the period which they are quoted on such stock exchanges may be sold by the underwriters, and the net proceeds of any sale of such rights shall be paid to the Corporation.'

Holders of share warrants to bearer who wish to attend in person or by proxy or to vote at any general meeting of the Corporation must comply with the regulations of the Corporation under which share warrants to bearer are issued.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his stead. A proxy need not be a member of the Corporation.

By order of the board
C L MALTBY
Secretary

June 28 1983

Registered office
44 Main Street, Johannesburg
2001

Ten-year summary

Year-end	Number of issued ordinary shares	Issued ordinary capital and reserves	Shares in associated companies and general investments			Net asset value per share	Equity earnings, after tax		Equity earnings, after tax, per share		Ordinary dividend per share	Total ordinary dividend
			Book value	Carrying value	Market† value		Excluding associates' retentions	Including associates' retentions	Excluding associates' retentions	Including associates' retentions		
	million	R million	R million	R million	R million	cents	R million	R million	cents	cents	cents	R million
Dec. 31												
1973	129,9	353,7	468,6		1 231,3	841	58,0		44,6		24,0	31,2
1974	131,4	397,2	449,7		1 276,6	923	75,5		57,4		29,0	38,1
1975	131,7	447,8	518,8		1 233,1	864	84,4		64,1		33,0	43,4
1976	131,7	469,7	525,7		1 102,3	784	86,0		65,3		33,0	43,5
March 31												
1978*	223,0	858,3	835,6		2 269,0	905	195,0		89,9		45,25	99,1
1979	224,0	955,2	878,9		3 385,9	1 357	202,0		90,2		46,0	103,0
1980	225,3	1 325,8	1 130,3	1 346,7	5 423,0	2 184	306,6	525,3	136,1	233,1	70,0	157,7
1981	225,7	2 010,5	1 285,5	1 895,4	6 444,2	2 697	527,0	866,0	233,4	383,6	110,0	248,3
1982	226,0	2 590,5	1 674,1	2 515,5	4 777,0	2 031	502,8	768,2	222,5	339,9	110,0	248,5
1983	227,0	3 223,9	1 789,5	2 985,5	7 790,4	3 321	506,8	644,5	223,3	283,9	110,0	249,7

*Effective January 1 1977, Rand Selection Corporation Limited became a subsidiary of the Corporation, which issued 91,1 million new shares as consideration. The Corporation also changed its year-end from December 31 to March 31, the 1978 financial year being a 15 month period.

†1973: Includes unlisted investments at book value and outside shareholders' interest in surplus of market value of listed investments over book value. 1974 to 1983: Includes unlisted investments at directors' valuation and outside shareholders' interest in surplus of market value and directors' valuation over book value.

Annual financial statements

for the year ended March 31 1983

The annual financial statements which appear on pages 40 to 63 were approved by the board of directors on June 9 1983 and are signed on its behalf.

Directors:
G W H Relly
J Ogilvie Thompson
N F Oppenheimer

C L Maltby, Secretary
G A Chalmers, Group Accountant

Auditors' report

To the members,

Anglo American Corporation of South Africa Limited

We have examined the annual financial statements and group annual financial statements set out on pages 40 to 63. In our opinion they fairly present, in the manner required by the Companies Act, the financial position of the Corporation and of the Group at March 31 1983 and the results of their operations for the year ended on that date.

ALEX. AIKEN & CARTER
PIM GOLDBY
Chartered Accountants (S.A.)

Johannesburg
June 9 1983

Directors' report

The directors have pleasure in submitting the annual financial statements of the Corporation for the year ended March 31 1983.

Group results

This report relates to the consolidated income statement and balance sheet of the Corporation and its subsidiary companies. The financial statements of certain foreign subsidiary companies have not been consolidated this year, because, in the opinion of the directors, due to the restriction on the transfer of funds and other factors, there is uncertainty as to the remittability of profits – see accounting policy 1. The comparative figures at March 31 1982 have been adjusted accordingly.

Profit and appropriations

The Group profit after taxation for the year under review was dealt with as follows:

	1983 R million	1982 R million
Profit after taxation	616,4	611,8
Outside shareholders' interests in profits of subsidiary companies	105,1	104,5
Preferred stock and preference share dividends	4,5	4,5
	109,6	109,0
Group attributable profit before share of retained profits of associated companies	506,8	502,8
Share of retained profits of associated companies	137,7	265,4
Profit before extraordinary items	644,5	768,2
Extraordinary items	14,1	33,7
Ordinary dividends	249,7	248,5
	263,8	282,2
Retained profit	380,7	486,0
Unappropriated profit, March 31 1982	145,2	88,2
Adjustments thereto	2,0	17,7
	147,2	105,9
	527,9	591,9
Appropriations to reserves	332,6	446,7
Unappropriated profit, March 31 1983	195,3	145,2
Earnings per share before extraordinary items:		
Excluding share of retained profits of associates – cents	223	222
Including share of retained profits of associates – cents	284	340

Dividends

The dividends shown above comprise the following:

	1983 R million	1982 R million
Preferred stock:		
Nos. 106 and 107, each of 3 per cent, declared June 1 and November 25 1982	0,3	0,3
Preference shares:		
Nos. 8 and 9, each of 5,25 per cent, declared June 1 and November 25 1982	4,2	4,2
	4,5	4,5
Ordinary shares:		
No. 93 (interim) of 35 cents a share (1982: 35 cents) declared November 25 1982	79,4	79,0
No. 94 (final) of 75 cents a share (1982: 75 cents) declared June 1 1983	170,3	169,5
	249,7	248,5

Investments

At March 31 1983 the investments in associated companies excluding loans had a carrying value of R2 681,2 million (1982: R2 235,2 million). The market or directors' valuation of these investments totalled R6 065,9 million (1982: R3 623,1 million) while the Corporation's general investments excluding loans had a book value of R304,3 million (1982: R280,3 million) and market or directors' valuation totalled R1 724,5 million (1982: R1 153,9 million).

During the year, changes in investments included the purchase of a further 3,1 per cent in De Beers Consolidated Mines Limited, an investment in South African Breweries Limited, further shares in S.A. Manganese Amcor Limited, Sigma Motor Corporation (Proprietary) Limited and Anglo American Industrial Corporation Limited as well as payment of the final subscription on the Western Deep Levels Limited 12 per cent debentures. The holding of 414 060 shares in Tiger Oats and National Milling Company Limited was disposed of, and there were purchases and sales of small interests in various gold mining companies.

Capital

Authorised

At March 31 1983 the authorised capital of the Corporation remained unchanged at R30 000 000, divided into:
240 000 000 ordinary shares of 10 cents each, R4 758 750 six per cent cumulative preferred stock, and
49 650 000 redeemable cumulative preference shares of 2,5 cents each.

Issued

Ordinary shares

	No. of shares
Shares in issue at April 1 1982	226 020 156
Allotted during the year:	
Conversion of Rand Selection Corporation Limited (RSC) 6,5 per cent convertible loan	57 135
Exercise of share options granted to senior employees	9 500
Issued in terms of the share incentive scheme	911 400
Shares in issue at March 31 1983	226 998 191
Allotted since April 1 1983:	
Conversion of RSC loan	2 917
Exercise of share options	3 500
Shares qualifying for final dividend No. 94, and also being the number in issue at date of this report	227 004 608

Preference shares and preferred stock

The number of preference shares and the amount of the preferred stock in issue remains unchanged.

Unissued

Of the 12 995 392 ordinary shares which were unissued on June 9 1983, specific authority has been granted to the directors to allot and issue up to 20 700 shares in respect of the share option scheme, the last options in terms of which expire on July 31 1983 and up to 981 900 shares under the share incentive scheme as well as 205 958 shares in respect of the RSC US$1 694 008 6,5 per cent Convertible Loan 1986. The remaining 11 786 834 unissued ordinary shares, together with 9 650 000 unissued redeemable cumulative preference shares, are the subject of a general authority granted to the directors in terms of Section 221(3) of the Companies Act, 1973, as amended. This general authority remains valid only until the next annual general meeting which is to be held on August 25 1983, and members will be asked at that meeting to consider an ordinary resolution placing the then remaining unissued ordinary and preference shares under the control of the directors.

The full text of the proposed resolution is set out in the notice convening the annual general meeting.

Share premium
During the year, the share premium account increased as a result of premiums totalling R12,1 million arising from the issue of 978 035 ordinary shares under the share option and incentive schemes and upon conversion of RSC bonds.

Associated companies
Details of associated companies of the Group appear on pages 57 to 59.

Subsidiary companies
Details of principal subsidiary companies in which the Corporation has a direct or indirect interest are given on pages 62 and 63. Particulars of resolutions passed by subsidiaries during the period under review appear on page 84 of this report.

Directorate
On December 31 1982 Mr H F Oppenheimer retired as Chairman of the Corporation and resigned from the board of directors. On the same day Sir Keith Acutt retired as a Deputy Chairman but remained on the board. Mr G W H Relly was appointed Chairman and Mr J Ogilvie Thompson and Mr N F Oppenheimer were appointed Deputy Chairmen with effect from January 1 1983.

In addition, Mr H R Slack was appointed to the board with effect from January 1 1983 and Mr F J A Howard who had been Mr H F Oppenheimer's alternate was appointed alternate to Sir Albert Robinson with effect from January 1 1983.

Mr N F Oppenheimer, Mr W G Boustred, Mr D A Etheredge, Dr E M A F Ferreira, Mr C J L Griffith, Mr M W King, Mr D G Nicholson, Mr J G Richardson and Dr J G van der Horst retire from the board by rotation. In addition, Mr H R Slack retires in terms of the Corporation's Articles of Association at the forthcoming annual general meeting. All the retiring directors are eligible for re-election.

Details of the interests of the directors are given on page 84. There are no service contracts granted by the Corporation, or any of its subsidiaries, to any director of the Corporation which need to be disclosed in terms of the requirements of The Stock Exchange in London.

Accounting policies

The financial statements, prepared on the historical cost basis, subject to the revaluation of land and buildings, incorporate the following principal accounting policies which are consistent with those of the previous year.

1. Consolidation

The consolidated financial statements comprise the annual financial statements of the Corporation and its subsidiary companies other than certain foreign subsidiary companies where, in the opinion of the directors, due to restrictions on the transfer of funds and other factors, there is uncertainty as to the remittability of profits. The investment in such subsidiary companies is shown at cost, less provision where necessary, and their results are accounted for only to the extent of dividends received.

Premiums or discounts on the acquisition of subsidiaries are brought to account as extraordinary items in the income statement and transfers from or to non-distributable reserve are made in respect thereof.

Provision is not made for withholding taxes payable in the event of distribution of the retained profits of certain foreign subsidiary companies.

2. Associated companies

An associated company is one in which the group holds as a long-term investment 20 per cent to 50 per cent of the equity capital.

The equity method of accounting for investments in, and the income of, associated companies is adopted in the group annual financial statements.

The share of the associated companies' retained profits and reserves is generally determined from their latest audited annual financial statements but, in some instances, unaudited interim results are used. An adjustment is made for the effect of cross holdings where an associated company itself deals with its investment in the Corporation by the equity method.

In applying the equity method, account is taken of the group's share of accumulated retained profits only from April 1 1979, the date from which the equity accounting method was first applied, or the subsequent date on which an investment first becomes an associated company. The group's share of a current loss incurred by an associated company is charged against income only to the extent that retained profits of that company have previously been brought to account. Such retained profits are also utilised where, in the opinion of the directors, provision for a permanent diminution in the value of an investment in an associated company is required. Any additional provision required is treated as an extraordinary item; similar treatment is adopted on a major disposal of an investment in an associated company.

The annual retained profits of associated companies attributable to the group are transferred to the non-distributable reserve. No account is taken of the withholding taxes which might be payable in the event of the distribution of such profits by foreign companies.

Exceptions to the policy of accounting for investments in associated companies by the equity method are:

2.1 where, in the opinion of the directors, due to restrictions on the transfer of funds and other factors, there is uncertainty as to the remittability of dividends, the results of these associates are accounted for only to the extent of dividends received;

2.2 where the investment is in a mining company and its assets are of a wasting nature and its accounting policy is to appropriate from profits within the lifetime of the mine, such amounts which, together with the share capital and reserves, will equal the expenditure on mining assets; profits so appropriated are therefore not available for distribution to shareholders, while over the life of the mine the balance of distributable profits is declared as dividends.

3. Investments

3.1 Investments, other than investments in associated companies, are reflected at cost less amounts written off and provisions. Where, in the opinion of the directors, a permanent diminution in value has occurred, provision for such diminution is charged against current profits unless it flows from an occurrence which, in the opinion of the directors, is of an extraordinary nature; profits and losses on disposal are treated similarly.

3.2 Life assurance investments include expenditure, together with interest where applicable, relating to the development of land and buildings up to the time the development is available for occupation.

4. Fixed assets and depreciation

4.1 *Land and buildings*

Land and buildings, excluding leasehold properties, are revalued every three years or at shorter intervals if it is considered that significant changes in values have occurred. The group's share of the net surplus arising is credited to the non-distributable reserve, and the portion attributable to outside shareholders is credited to them. If there is any decline in values which, in the opinion of the directors, is of a permanent nature, an appropriate write down is made. Surpluses and deficits on disposals are transferred to and from non-distributable reserve. Expenditure, including interest where applicable, relating to the development of land and buildings up to the time the development is available for occupation, is capitalised.

4.2 *Mining assets*

Mining assets are amortised over the lives of the respective mines or 30 years, whichever is the lesser. The assets are stated at cost less sales, recoupments and amounts written off; cost includes pre-production interest paid on borrowings to finance major capital projects.

4.3 *Mineral rights*

Mineral rights and investments in and loans to companies holding mineral rights are maintained at cost, but are written down to nominal value when there is little likelihood of the particular rights being exploited. When the value of an exploitable mineral right is considered to be below cost a write down is effected. Amounts written off mineral rights are included in the costs of prospecting.

A royalty received in consideration for the exploitation of a mineral right is set off against its cost.

4.4 *Depreciation*

Investment properties including installed plant are not depreciated, other buildings are depreciated on appropriate bases. Leasehold land and buildings are amortised over their useful lives.

Other depreciable assets are depreciated on straight line or diminishing value bases to reduce their book values to estimated residual values over their effective lives.

5. Stocks, stores and township property

Stocks of raw materials and finished products are valued at the lower of cost and net realisable value. Cost is determined on the last-in, first-out and average cost bases; the cost of finished products includes direct costs and, in certain instances, overheads.

Mine and consumable stores are valued at cost less appropriate provisions for redundant and slow moving items. Cost is determined mainly on the first-in, first-out basis.

Township property is valued at the lower of cost, which includes development and interest expense, and net realisable value.

6. Foreign currencies

Assets, liabilities and results of foreign operations are expressed in South African rand as follows:

Assets – investments and fixed assets financed by share capital or pre-acquisition reserves are maintained at original cost; those financed by post-acquisition profits and other assets are expressed at rates of exchange ruling at the year end.

Liabilities – are expressed at the rates of exchange ruling at the year end except where covered by forward exchange contracts.

Income statement – is converted at the rates of exchange ruling at the year end.

Post acquisition reserves and retained profits are individually adjusted to reflect their amounts at the rates of exchange ruling at the year end.

The rand value of investments, acquired from the proceeds of foreign loans not covered by forward exchange contracts, is adjusted for any change in the rand liability of the loan.

Gains or losses arising from currency transactions during the year are included in the income statement.

7. Life assurance subsidiaries

The information shown in the consolidated financial statements in respect of subsidiary life assurance companies complies with the provisions of the Companies Act relating to assurance companies.

In particular:

7.1 The market value of listed life assurance investments is not disclosed; the bases of valuation are stated in note 10.

7.2 Contingency reserves and movements therein are not separately disclosed and surpluses are stated after transfers to or from such reserves.

7.3 Individual items of income and expenditure and taxation, other than those required to be disclosed in terms of the Companies Act, are not separately stated.

Additional transfers to contingency reserves may be made as an appropriation of assurance surpluses.

8. Loan capital

Repayments due within one year of the financial year end are included in loans from associated companies and others.

9. Turnover

Due to the nature of the group's income, the directors are of the opinion that the disclosure of a turnover figure would be meaningless.

10. Costs of prospecting

Prospecting expenditure is written off in the year in which it is incurred.

11. Pension funds

All eligible employees are members of pension funds administered by the group, or are members of funds within the various industries in which they are employed. Funds are valued actuarially at intervals of not more than three years using a projected benefit method, and any deficits are funded to ensure the on-going financial soundness of the funds.

12. Deferred taxation

Deferred taxation is provided by mining subsidiaries on the deferral method and arises from timing differences where expenditure on certain assets is deductible in full for tax purposes in the year in which it is incurred, but is amortised on the basis set out in 4.2 above. Deferred taxation is also provided in respect of other timing differences.

Balance sheets at March 31 1983

Figures in R million

Corporation 1982	Corporation 1983		Notes	Group 1983	Group 1982
		Ordinary shareholders' equity			
22,6	22,7	Ordinary share capital	1	22,7	22,6
20,9	33,0	Share premium	2	33,0	20,9
351,9	351,9	Non-distributable reserve	3	1 696,7	1 342,0
304,0	307,9	Distributable reserves	4	1 471,5	1 205,0
699,4	715,5			3 223,9	2 590,5
		Preferred stock and preference shares			
4,8	4,8	Preferred stock	1	4,8	4,8
1,0	1,0	Preference share capital	1	1,0	1,0
39,0	39,0	Preference share premium		39,0	39,0
44,8	44,8			44,8	44,8
744,2	760,3			3 268,7	2 635,3
		Outside shareholders' interests in subsidiary companies	5	480,2	415,0
		Life assurance funds	6	1 376,1	1 022,0
—	—	**Deferred taxation**		201,7	138,4
42,3	33,6	**Loan capital**	7	214,9	196,2
445,5	501,6	**Loans from** – Associated companies		521,1	480,1
575,7	921,0	– Others		987,7	618,3
1 021,2	1 422,6			1 508,8	1 098,4
		Other liabilities			
53,8	75,3	Creditors, taxation and provisions		264,3	259,5
170,5	171,3	Shareholders for dividends		171,3	170,5
—	—	Bank overdrafts		11,4	11,3
224,3	246,6			447,0	441,3
2 032,0	2 463,1			7 497,4	5 946,6
		Represented by:			
		Investments			
334,0	332,0	Investment in associated companies	8	2 783,0	2 331,5
57,9	80,0	General investments	9	392,0	336,4
391,9	412,0			3 175,0	2 667,9
		Life assurance investments	10	1 391,0	1 050,0
659,1	621,2	**Investment in subsidiary companies**	11		
		Investment in subsidiary companies not consolidated	12	30,4	30,0
7,0	13,4	**Fixed assets**	13	1 050,6	867,7
		Other assets			
—	—	Stocks, stores and township property	14	69,4	68,4
77,2	83,8	Debtors		390,4	335,2
270,2	74,1	Loans to – Associated companies		91,5	261,4
14,8	8,2	– Others		4,7	13,4
285,0	82,3			96,2	274,8
611,8	1 250,4	Cash on deposit, at call and short notice		1 294,4	652,6
974,0	1 416,5			1 850,4	1 331,0
2 032,0	2 463,1			7 497,4	5 946,6

Income statements for the year ended March 31 1983

Figures in R million

Corporation 1982	Corporation 1983		Notes	Group 1983	Group 1982
93,8	90,8	Dividends from associated companies	16	316,6	330,6
18,2	15,8	Dividends from general investments	16	132,6	142,0
130,7	202,0	Interest earned and fee income less expenses		217,7	142,9
—	—	Trading profits		262,0	253,7
0,5	15,0	Surplus on realisation of investments		23,4	6,5
		Surplus from life assurance		10,3	7,8
242,8	172,6	Income from subsidiary companies	17	2,1	7,6
486,0	496,2			964,7	891,1
146,4	183,5	Interest paid		187,5	146,9
30,2	37,5	Costs of prospecting	18	39,5	35,6
176,6	221,0			227,0	182,5
309,4	275,2	**Profit before taxation**		737,7	708,6
(0,1)	16,1	Taxation	19	121,3	96,8
309,5	259,1	**Profit after taxation**	20	616,4	611,8
		Outside shareholders' interests in profits of subsidiary companies		105,1	104,5
4,5	4,5	Preferred stock and preference share dividends	21	4,5	4,5
				109,6	109,0
		Group attributable profit – before share of retained profits of associated companies		506,8	502,8
		Share of retained profits of associated companies		137,7	265,4
305,0	254,6	**Profit before extraordinary items**		644,5	768,2
14,0	1,0	Extraordinary items	22	14,1	33,7
291,0	253,6			630,4	734,5
248,5	249,7	Ordinary dividends	21	249,7	248,5
42,5	3,9	**Retained profit**		380,7	486,0
0,5	1,0	Unappropriated profit, March 31 1982		145,2	88,2
		Adjustment thereto for changes in exchange rates		2,0	17,7
				147,2	105,9
43,0	4,9			527,9	591,9
		Appropriations to reserves:			
—	—	Non-distributable reserve	3	117,3	243,0
42,0	—	General reserve	4	215,3	203,7
42,0	—			332,6	446,7
1,0	4,9	**Unappropriated profit, March 31 1983**	4	195,3	145,2
		Earnings per share – cents			
		Excluding share of retained profits of associates	23	223,3	222,5
		Including share of retained profits of associates	23	283,9	339,9

Source and application of funds statements

for the year ended March 31 1983

Figures in R million

Corporation 1982	Corporation 1983		Group 1983	Group 1982
		SOURCE OF FUNDS		
		Funds generated		
309,4	275,2	Profit before taxation, outside shareholders' interests in profits of subsidiary companies and retained profits of associated companies	737,7	708,6
		Adjustments for items not involving movements of funds:		
2,5	3,0	Depreciation, provisions and changes in exchange rates	46,5	19,1
			784,2	727,7
		Life assurance funds	354,1	198,5
311,9	278,2	Total funds generated from operations	1 138,3	926,2
		Funds from other sources		
3,2	12,2	Shares issued, and premium thereon, under share incentive and share option schemes and in respect of convertible bonds issued by a subsidiary company	12,2	3,2
(12,5)	(10,4)	Loan capital	17,0	(15,7)
		Net increase in outside shareholders' interests	18,3	0,4
—	—	Extraordinary sharedealing profits	8,5	—
302,6	280,0		1 194,3	914,1
		APPLICATION OF FUNDS		
		Funds were applied towards		
59,9	(1,9)	Cost of investments acquired less cost of investments sold	129,8	171,7
(75,9)	22,0	Long term loans to associated companies and others	36,7	61,4
7,0	8,9	Fixed assets	215,0	116,9
		Subsidiary companies not consolidated	0,4	(0,9)
		Increase in assets of life assurance companies	341,0	210,3
(9,0)	29,0		722,9	559,4
1,8	0,8	Investment in subsidiary companies – shares		
(87,1)	(39,5)	– loans		
(85,3)	(38,7)			
		Dividends and taxation:		
248,5	249,7	Interim ordinary dividend paid and final dividend declared	249,7	248,5
4,5	4,5	Preferred stock and preference dividends	4,5	4,5
253,0	254,2		254,2	253,0
		Dividends paid to outside shareholders in subsidiary companies	58,2	65,0
(0,1)	16,1	Taxation	121,3	96,8
252,9	270,3		433,7	414,8
205,9	(401,4)	(Increase) Reduction in loans from associated companies and others	(410,4)	270,4
278,3	(202,1)	(Reduction) Increase in loans to associated companies and others	(178,6)	131,8
—	—	Increase in stocks, stores and township property	1,0	10,6
(1,2)	(22,3)	Increase in creditors and deferred taxation	(71,2)	(114,1)
(4,2)	6,6	Increase (Decrease) in debtors	55,2	6,1
(334,8)	638,6	Increase (Decrease) in cash balances	641,7	(364,9)
144,0	19,4		37,7	(60,1)
302,6	280,0		1 194,3	914,1

Notes to the financial statements

Figures in R million unless otherwise stated

1. Capital

	1983	1982
Authorised		
240 000 000 ordinary shares of 10 cents	24,0	24,0
R4 758 750 six per cent cumulative preferred stock	4,8	4,8
49 650 000 redeemable cumulative preference shares of 2,5 cents	1,2	1,2
	30,0	30,0
Issued		
226 998 191 (1982: 226 020 156) ordinary shares of 10 cents	22,7	22,6
R4 758 750 six per cent cumulative preferred stock	4,8	4,8
40 000 000 redeemable cumulative preference shares of 2,5 cents	1,0	1,0
	28,5	28,4
Unissued		
13 001 809 (1982: 13 979 844) ordinary shares of 10 cents	1,3	1,4
9 650 000 redeemable cumulative preference shares of 2,5 cents	0,2	0,2
	1,5	1,6

Reserved ordinary shares

1.1 Share option scheme:
Options granted and outstanding under a scheme which was discontinued in 1974:

	Number of shares			
	Changes during year			
	Lapsed	Exercised	Outstanding at 31.3.83	Outstanding at 31.3.82
700 cents per share on August 1 1973	2 000	9 500	24 200	35 700

Options were granted for 10 years or until two years after retirement of the option holder, whichever is the earlier.

1.2 Share incentive scheme: During the year 911 400 (1982: 167 200) shares were issued under the scheme, leaving available for issue	981 900	1 893 300
At March 31 1983 R18 620 000 (1982: R7 625 000) had been advanced to the trustees of the scheme.		
1.3 Conversion rights: Shares reserved to cover the conversion rights of holders of the six-and-a-half per cent convertible loan raised in 1971 by a subsidiary company (see note 7.5)	208 875	266 018
	1 214 975	2 195 018

Preference shares

The 40 000 000 redeemable cumulative preference shares of 2,5 cents each were issued at a premium of 97,5 cents per share and are redeemable at the issue price in four equal half-yearly instalments commencing July 1 1985. The rate of dividend is 10,5 per cent per annum calculated on the issue price of R1 per share.

Remaining unissued shares

The remaining 11 786 834 ordinary and 9 650 000 redeemable cumulative preference shares are under the control of the directors until the forthcoming annual general meeting.

2. Share premium

Ordinary shares:	1983	1982
Balance at March 31 1982	20,9	17,7
Premium on 920 900 (1982: 222 700) shares issued under the share incentive and share option schemes	11,8	2,9
Premium on 57 135 (1982: 54 458) shares issued in respect of the convertible loan	0,3	0,3
	33,0	20,9

3. Non-distributable reserve

Corporation 1982	Corporation 1983		Group 1983	Group 1982
351,9	351,9	Balance at March 31 1982	1 342,0	1 031,4
		Adjustment thereto for changes in exchange rates	—	0,6
			1 342,0	1 032,0
		Revaluation surpluses on land and buildings	(2,4)	70,3
		Group's share of retained profits of associated companies	114,8	236,7
		Changes in non-distributable reserves of associated companies	239,8	(3,3)
		Other	2,5	6,3
351,9	351,9		1 696,7	1 342,0
		The non-distributable reserve comprises:		
		Surplus on revaluation of land and buildings	125,9	128,3
		Associated companies' net retained profits and reserves	1 196,4	841,8
351,9	351,9	Other items	374,4	371,9
351,9	351,9		1 696,7	1 342,0

4. Distributable reserves

Corporation General reserve	Corporation Unappropriated profit	Corporation Total		Group Total	Group General reserve	Group Unappropriated profit
303,0	1,0	304,0	Balance at March 31 1982	1 205,0	1 059,8	145,2
			Adjustment thereto for changes in exchange rates	3,1	1,1	2,0
	3,9	3,9	Retained profit	380,7		380,7
—	—	—	Appropriations	(117,3)	215,3	(332,6)
303,0	4,9	307,9		1 471,5	1 276,2	195,3

5. Outside shareholders' interests

The interests of the outside shareholders in subsidiary companies amounted to R480,2 million at March 31 1983 (1982: R415,0 million). At March 31 1983 there was also attributable to the outside shareholders their interest of R490,4 million (1982: R261,1 million) in the excess of market value and directors' valuation of associated companies and general investments over their book values.

6. Life assurance funds

The life assurance funds at March 31 1983, which include additional inner reserves and unallocated surpluses, exceed the actuarial valuation of liabilities under assurance policies and contracts at that date.

7. Loan capital

	1983	1982
Secured loans		
7.1 *Debentures*		
7.1.1 The 10% debentures 1983/1998 are repayable as to R7 000 000 in annual instalments of R500 000 on February 28 each year and the balance of R7 500 000 on February 28 1998	14,5	15,0
7.1.2 The 10% debentures 1986/1996 are repayable as to R228 000 in annual instalments of R22 800, commencing December 31 1986 and the balance of R228 000 on December 31 1996	0,5	0,5
7.1.3 The 8,75% debentures 1983/1996 are repayable in annual instalments of R25 000 plus the annual interest saved by the redemption of debentures in previous years with full and final payment on December 31 1996	0,8	1,0

	1983	1982
7.1.4 The 6,5% debentures 1983/1987, are repayable in annual instalments of R50 000 on December 31 of each year and the balance of R1 300 000 on December 31 1987	1,5	1,6
7.1.5 The 13,375% debentures 1991/2001 are repayable as to R5 000 000 in annual instalments of R500 000 commencing on December 20 1991 and the balance of R5 000 000 on December 14 2001	10,0	10,0
7.1.6 The 10% debentures 1986/2001 are repayable as to R7 500 000 in annual instalments of R500 000 commencing on December 29 1986 and the balance of R7 500 000 on December 31 2001	15,0	15,0
7.1.7 The 9,2% debentures 1983/2005 are repayable as to R3 960 000 in annual instalments of R180 000 on June 30 each year and the balance of R4 500 000 on June 30 2005	8,4	8,6
7.1.8 The 8,25% debentures 1983/2003 are repayable as to R6 000 000 in annual instalments of R300 000 each on June 30 of each year and the balance of R7 500 000 on June 30 2003	13,5	13,8
7.1.9 The 9,25% debentures 1983/1991 are repayable as to R180 000 in annual instalments of R20 000 on June 30 each year and the balance of R300 000 on June 30 1991, but may be repaid in full on giving three months' notice to the debenture holders	0,5	0,5
7.1.10 The 9,0% debentures 1983/2003 are repayable as to R1 720 000 in annual instalments of R86 000 on December 31 each year and the balance of R2 150 000 on December 31 2003	3,9	4,0
7.1.11 The 6,25% debentures 1983/1991 are repayable in annual instalments of R57 500 on June 30 each year and the balance of R1 150 000 on June 30 1991, but may be repaid in full on giving three months' notice to the debenture holders	1,7	1,7
7.1.12 The 8,125% First Mortgage debentures may be purchased on the open market or by private treaty at such prices and on such conditions as may be thought fit but not above par. Any debentures so purchased are cancelled and may not be reissued. Annual redemptions are reduced by any purchases. In this way the obligation for redemptions has been fulfilled to June 30 1984, and the obligation at June 30 1985 has been reduced by R1 008. Annual redemptions at par thereafter are in instalments of R735 394 each June 30 up to June 30 1995 and the balance outstanding will be redeemed on June 30 1996	25,6	26,0
7.1.13 The 7,5% Second Mortgage debentures 1983/2001 carry the same terms and conditions in respect of purchases as in 7.1.12 above. The obligation has been fulfilled in respect of redemptions to June 30 1984 as a result of purchases and the obligation to redeem on June 30 1985 has been reduced by R9 100. Annual redemptions at par thereafter are in instalments of R400 000 each June 30 to June 30 2001	6,8	7,3
7.2 *Mortgage loan*		
The loan is secured by mortgage and bears interest at the rate of 6,25% per annum. It is repayable in half-yearly instalments of R5 000 until December 22 1984 and the balance of R259 000 on June 22 1985	0,3	0,3
	103,0	105,3
Unsecured loans		
7.3 *Swiss francs 50 000 000*		
The loan bears interest at the rate of 5,75% per annum and is repayable by November 15 1987, subject to the undertaking that the Corporation will, if possible, purchase in the market for cancellation up to Swiss francs 7 500 000 of the loan at prices not exceeding par in each of the four 60-day periods prior to November 15 in the years 1983 to 1986. The Corporation has the right to redeem the full loan earlier, at par on any annual interest payment date. The servicing and repayment of the loan are covered by forward exchange contracts with the South African Reserve Bank	8,6	8,6

	1983	1982
7.4 *US$32 000 000*		
The loan bears interest at the rate of 7,5% per annum and is repayable at par in instalments of $8 000 000 on March 1 in each of the years 1984 to 1987 inclusive. The Corporation may, in certain circumstances, make repayment earlier	35,0	42,1
7.5 *US$1 718 000*		
The loan bears interest at the rate of 6,5% per annum. Holders have the right until January 31 1986 to convert the loan into ordinary shares of the Corporation at a price of R5,875 per share calculated at an exchange rate of R1 equals US$1,40. The balance of the loan then outstanding will be redeemed at par on March 1 1986, but may be repaid in full at par on giving no less than 90 days' notice. The loan may be purchased at any time and at any price in the open market or any price not exceeding 103 per cent, plus accrued interest, by private treaty. Bonds purchased may be reissued or surrendered for cancellation. The interest and repayment of the loan are covered by forward exchange contracts with the South African Reserve Bank at a rate of R1 equals US$1,41	1,2	1,5
7.6 *Registered rand debentures*		
The 10% debentures are repayable in 14 equal annual instalments by drawings on the last Friday of March in each year with the final redemption on March 28 1997. The debentures may be purchased and if so are cancelled and may not be reissued and shall be applied in reducing the next redemption or redemptions. At March 31 the obligation in respect of the 1984 redemption has been reduced by R84 000	27,9	28,4
7.7 *Debentures*		
The 13,375% debentures are repayable in five annual instalments of R3 400 000 commencing the last Friday in June 1987	17,0	17,0
7.8 *Project loan*		
Loan facility of R66 000 000 carrying an interest rate of 10% per annum until the project is completed and thereafter 10,6% per annum. Repayable over thirty five years from completion of project	35,4	3,4
7.9 *US$2 856 000*		
This is the participation of the Corporation in a loan raised by an associated company. The loan was repaid during the year	—	3,0
7.10 *US$110 000*		
The loan was repaid during the year	—	0,1
	125,1	104,1
Total loan capital	228,1	209,4
Deduct: Amounts payable before March 31 1984	13,2	13,2
	214,9	196,2
Of the above loans the following relate to the Corporation itself:		
Unsecured loans 7.3	8,6	8,6
7.4	35,0	42,1
7.9	—	3,0
	43,6	53,7
Deduct: Amounts payable before March 31 1984	10,0	11,4
	33,6	42,3

The borrowings of the Corporation by way of loan capital may not exceed R1 946,4 million (1982: R1 665,2 million) in terms of clause 59 of its Articles of Association.

8. Investment in associated companies

Corporation 1982	Corporation 1983		Group 1983	Group 1982
		Listed:		
181,6	216,6	Shares, at cost less amounts written off and provisions	1 376,2	1 247,8
		Share of retained profits and reserves	1 119,6	762,8
			2 495,8	2 010,6
775,8	1 414,4	Market value	5 780,8	3 279,8
		Unlisted:		
62,3	26,2	Shares, at cost less amounts written off and provisions	109,0	146,0
		Share of retained profits and reserves	76,4	78,6
			185,4	224,6
123,2	76,6	Directors' valuation	285,1	343,3
243,9	242,8	Carrying value	2 681,2	2 235,2
90,1	89,2	Long-term loans, less provisions	101,8	96,3
334,0	332,0		2 783,0	2 331,5

A list of the holdings is on page 57.

9. General investments

At cost less amounts written off and provisions:

Corporation 1982	Corporation 1983		Group 1983	Group 1982
18,3	17,4	Shares – listed	209,2	172,7
7,4	7,5	– unlisted	95,1	107,6
25,7	24,9		304,3	280,3
32,2	55,1	Long-term loans	87,7	56,1
57,9	80,0		392,0	336,4
159,6	223,6	Market value – listed	1 543,0	962,7
14,6	16,7	Directors' valuation – unlisted	181,5	191,2
174,2	240,3		1 724,5	1 153,9

A list of the holdings is on page 60.

10. Life assurance investments

Fixed interest securities and listed equities, held in respect of unit linked investment portfolios, are valued at market price while mutual fund units are valued at repurchase price. Subject to the foregoing, investments are shown in the consolidated balance sheet on the following bases after making allowance for diminution in value when applicable:

	Group 1983	Group 1982
Government and public authority stocks, debenture stocks and all dated fixed interest stocks including redeemable preference shares, which are normally held to redemption, are reflected at amounts related to their redemption value and consist of:		
Government and public authority stocks	490,1	312,4
Debentures and other loan stocks	57,7	66,9
Funds on deposit and treasury bills	79,2	136,2
	627,0	515,5
Property investments are reflected at cost or amounts based on periodic valuations of the respective underlying freehold land and buildings	424,5	304,0
Listed and unlisted equities (other than in property owning companies) are reflected at cost or revalued amounts based on periodic valuations of the respective equities and consist of:		
Listed equities and mutual fund units	264,6	171,6
Unlisted equities	6,0	5,8
	270,6	177,4

	1983	1982
Mortgage and other loans and all other investments including funds on deposit are shown at par or at redemption value and consist of:		
Mortgages secured over fixed property	19,6	14,5
Loans secured against group life assurance companies' policies	28,5	25,2
Other loans and investments	20,8	13,4
	68,9	53,1
	1 391,0	1 050,0

11. Investment in subsidiary companies

	Corporation	
	1983	1982
Shares at cost, less amounts written off and provisions	572,9	574,7
Loans, less provisions	642,5	567,2
Dividends accrued	—	17,8
	1 215,4	1 159,7
Less: Loans from subsidiary companies	593,3	499,7
	622,1	660,0
Included in mineral rights	0,9	0,9
	621,2	659,1

12. Investment in subsidiary companies not consolidated

	Group	
	1983	1982
Unlisted shares, at cost less provision	34,7	34,7
Loans	0,1	0,1
	34,8	34,8
Less: Loans from subsidiary companies	4,4	4,8
	30,4	30,0

13. Fixed assets

	1983			1982		
	Cost or valuation	Deprecia-tion	Book value	Cost or valuation	Deprecia-tion	Book value
Group:						
Land and buildings – Investment properties	466,6	—	466,6	408,0	—	408,0
– Other	61,0	3,0	58,0	59,2	1,7	57,5
Mining assets	651,7	206,4	445,3	514,6	192,0	322,6
Plant, machinery, motor vehicles and equipment	102,1	54,8	47,3	97,4	47,9	49,5
	1 281,4	264,2	1 017,2	1 079,2	241,6	837,6
Mineral rights at cost, less amounts written off			28,7			26,5
Life assurance:						
Furniture, motor vehicles and equipment at cost, less accumulated depreciation and amounts written off			4,7			3,6
			1 050,6			867,7
Corporation:						
Motor vehicles and equipment	8,4	1,3	7,1	—	—	—
Mineral rights:						
Mineral rights at cost, less amounts written off			5,4			6,1
Subsidiary companies – Shares and loans			0,9			0,9
			13,4			7,0

Land and buildings are included at group cost or at valuation. Other fixed assets are included at cost or valuation reflected in the subsidiary companies' financial statements, and depreciation, which includes amounts written off, is stated without adjustment for accumulated depreciation provided at the dates of acquisition of the subsidiary companies.

At March 31 1982, the land and buildings were revalued on "an existing use" basis by Anglo American Property Services (Pty) Limited, property investment managers to the group.

Land and buildings held by subsidiary companies, included at cost or valuation of R341 300 000 (1982: R341 300 000) have been hypothecated to secure loan capital of R103 000 000 (1982: R105 236 000) and loans from others of R6 502 000 (1982: R5 363 000).

A register of land and buildings is open for inspection at the registered office of the Corporation by members or their duly authorised representatives.

14. Stocks, stores and township property

	Group 1983	Group 1982
Raw materials	20,7	24,0
Finished products	13,3	7,6
Mine and consumable stores	27,0	29,5
Township property	8,4	7,3
	69,4	68,4

15. Contingent liabilities and commitments

15.1 There are contingent liabilities in various currencies in respect of:

Corporation 1982	Corporation 1983		Group 1983	Group 1982
33,1	41,9	15.1.1 Guarantees, with another, to certain lenders to BCL Limited, to the extent of the equivalent of	41,9	33,1
(6,8)	(6,8)	In respect of which provision has been made	(10,2)	(10,2)
26,3	35,1		31,7	22,9
10,8	9,8	A guarantee, with another, of a loan to the Government of the Republic of Botswana equivalent to	9,8	10,8
(2,9)	(2,9)	In respect of which provision has been made	(4,4)	(4,4)
7,9	6,9		5,4	6,4
34,2	42,0		37,1	29,3
(32,5)	(37,7)	Less counter guarantees	(32,8)	(27,0)
1,7	4,3		4,3	2,3
26,4	12,2	15.1.2 Other guarantees	10,1	16,7
(1,8)	(1,4)	Which have been counter guaranteed	(1,3)	(1,5)
24,6	10,8		8,8	15,2

There are further guarantees by subsidiary companies:

15.1.3 Given to the Transvaal Coal Owners Association (1923) (Pty) Limited regarding the viability of a section of railway line, the maximum liability being R502 000 (1982: R588 000).

15.1.4 Given to the Richards Bay Coal Terminal Company Limited (RBCT) regarding certain loans, the maximum liability being R15 894 000 (1982: R16 107 000) plus unpaid interest.

15.1.5 Arising under the loan agreement dated December 5 1980 between Barclays National Bank Limited, RBCT and others for financing the Phase III expansion of the coal terminal. Joint liability has been accepted with certain other parties for drawings under the loan facility, the maximum liability being 17,9 per cent of the aggregate of R300 000 000 plus finance charges incurred and sales tax as applicable. At the year end, R197 394 000 (1982: R69 196 000) had been drawn by RBCT against this facility.

15.2 There are commitments in respect of:

The support of the obligations of a company in Brazil whereby that company will provide funds to Empresa de Desenvolvimento de Recursos Minerais "Codemin" S.A. (Codemin) (a company developing a nickel mine in Brazil) until certain physical completion tests for the Codemin project have been met and certain financial tests have been satisfied, as follows:

provide 38,88 per cent of such monies as Codemin may require to enable it to pay when due all amounts under a loan agreement under which facilities of US$59 000 000 (R64 634 000) (1982: US$59 000 000, R62 135 000) have been granted to Codemin, against which US$22 939 000 (R25 130 000) (1982: US$20 260 000, R21 125 000) had been drawn at March 31 1983;

provide or procure 38,88 per cent of any funds in excess of US$98 400 000 (R107 796 000) (1982: US$98 400 000, R103 626 000) which may be required to complete the Codemin project.

Other companies have undertaken responsibility for 55 per cent of these support commitments.

15.3 Capital expenditure authorised by the boards of subsidiary companies:

15.3.1 contracted for – R138 804 000 (1982: R206 846 000)

15.3.2 not contracted for – R1 406 182 000 (1982: R1 528 463 000)

Finance for the above expenditure will be provided from internal cash flow and loans. An estimated R494 million (1982: R540 million) will be recovered from customers. R196 million is estimated to be expended in the next 12 months.

15.4 There are no material finance leases for the hire of fixed assets.

16. Dividend income

Corporation 1982	Corporation 1983		Group 1983	Group 1982
		Associated companies:		
79,2	74,5	Listed	282,0	305,0
14,6	16,3	Unlisted	34,6	25,6
93,8	90,8		316,6	330,6
		General investments:		
17,4	15,0	Listed	103,2	117,8
0,8	0,8	Unlisted	29,4	24,2
18,2	15,8		132,6	142,0
112,0	106,6		449,2	472,6

17. Income from subsidiary companies

	Corporation 1983	Corporation 1982
Dividends	147,0	225,0
Fees	19,8	14,1
Interest	5,8	3,7
	172,6	242,8

	Group 1983	Group 1982
Subsidiary companies not consolidated		
Dividends	2,1	7,7
Interest	—	(0,1)
	2,1	7,6

18. Costs of prospecting

Costs of prospecting include the following charges relating to mineral rights:

Corporation 1982	Corporation 1983		Group 1983	Group 1982
—	1,1	Mineral rights written off	1,6	0,1
5,0	—	Provision against investments	3,7	5,0
0,7	1,8	Provision against loans	1,8	0,7

19. Taxation

Corporation 1982	Corporation 1983		Group 1983	Group 1982
—	5,4	South African – current	44,0	56,9
(9,7)	9,7	– deferred	74,3	28,4
(9,7)	15,1		118,3	85,3
—	—	Foreign	1,9	1,8
(9,7)	15,1		120,2	87,1
(0,1)	—	Net adjustment in respect of prior year	0,1	—
(9,8)	15,1		120,3	87,1
		Dealt with as follows in the income statement:		
(0,1)	16,1	Taxation	121,3	96,8
(9,7)	(1,0)	Extraordinary items	(1,0)	(9,7)
(9,8)	15,1		120,3	87,1

South African income tax is not payable by companies on dividend receipts. As the major portion of the income of the Corporation and its finance subsidiary companies is comprised of dividends, the provision for South African taxation is significantly disporportionate to profit before taxation.

20. Profit after taxation

The profits of the Corporation and the Group have been arrived at after taking into account the following:

Corporation 1982	Corporation 1983		Group 1983	Group 1982
2,6	3,5	Administration and professional fees	4,3	4,0
		Amortisation of mining assets	14,8	11,8
0,2	0,2	Audit fees	1,4	1,1
9,8	0,9	Depreciation and amounts written off plant, machinery, motor vehicles and equipment	7,7	16,6
4,1	3,6	Grants for educational and community development purposes	4,5	4,7
0,7	0,7	Leasing charges	2,9	1,7
9,1	11,7	Pension fund costs	22,8	18,4
—	0,6	Surplus on disposal of fixed assets	1,9	—
		The emoluments of the Corporation's directors and alternate directors from the Corporation and its subsidiary companies are as follows:		
		Directors' fees	0,2	0,2
		Other emoluments	3,6	3,6
		Pensions of past directors for services in a managerial capacity	0,1	0,1

21. Dividends

	1983	1982
On preferred stock		
No. 106 and 107 of 3 per cent each declared June 1 1982 and November 25 1982	0,3	0,3
On preference shares		
No. 8 of 5,25 per cent declared June 1 1982	2,1	2,1
No. 9 of 5,25 per cent declared November 25 1982	2,1	2,1
	4,2	4,2
On ordinary shares		
No. 93 (interim) of 35 cents per share (1982: 35 cents) declared November 25 1982	79,4	79,0
No. 94 (final) of 75 cents per share (1982: 75 cents) declared June 1 1983	170,3	169,5
	249,7	248,5

22. Extraordinary items

Corporation 1982	Corporation 1983		Group 1983	Group 1982
—	—	Provision against investments	—	0,3
0,6	1,5	Provision against loans	2,1	0,8
—	0,5	Provision against investment in subsidiary company		
—	—	Extraordinary sharedealing profits	(8,5)	—
23,1	—	Loss on disposal of loan	—	23,1
(9,7)	(1,0)	*Less* Taxation	(1,0)	(9,7)
13,4	(1,0)		(1,0)	13,4
		Extraordinary items of associated companies	22,9	29,1
		Net surplus arising on consolidation	—	(9,9)
—	—	Other items	(1,4)	—
14,0	1,0		14,1	33,7

23. Earnings per share

The earnings per share is based on the number of ordinary shares in issue at the end of the financial year.

Associated companies

at March 31 1983

	Group								Corporation			
	Units held		Percentage held		Market value R million		Financial year	Year for equity accounting purposes	Units held		Market value R million	
LISTED	1983	1982	1983	1982	1983	1982			1983	1982	1983	1982
Mining finance and investment					**2 492,5**	**1 448,2**					**704,3**	**419,3**
Anglo American Gold Investment Company Limited ..	10 662 578	10 662 578	48,6	48,6	1 311,5	791,7	28 Feb	28.2.83	5 335 175	5 335 175	656,2	396,1
Johannesburg Consolidated Investment Company Limited ..	2 900 176	2 900 176	39,7	39,7	365,1	171,0	30 Jun	31.12.82	380 114	380 114	48,1	23,2
Minerals and Resources Corporation Limited	66 349 987	67 849 987	40,7	41,6	808,5	480,3	30 Jun	31.12.82	—	—	—	—
New Central Witwatersrand Areas Limited	707 233	668 400	40,0	37,8	7,4	5,2	30 Sept	31.3.83	—	—	—	—
Gold and uranium mining					**1 162,0**	**574,4**					**506,0**	**224,5**
Witwatersrand and East Rand					**149,1**	**113,3**					**26,8**	**21,8**
East Rand Gold and Uranium Company Limited*	14 734 069	15 424 158	35,9	37,6	131,9	104,9	—	—	1 711 000	2 378 089	15,3	16,2
The South African Land & Exploration Company Limited* .	2 427 565	2 427 565	26,4	26,4	17,2	8,4	—	—	1 615 103	1 615 103	11,5	5,6
West Rand					**1 012,9**	**461,1**					**479,2**	**202,7**
The Afrikander Lease Limited . .	2 998 162	2 998 162	44,6	44,6	10,5	4,2	31 Dec	31.12.82	1 235 234	1 235 234	4,3	1,7
Elandsrand Gold Mining Company Limited*	47 363 134	47 872 972	49,0	49,5	509,2	217,9	—	—	31 610 000	32 119 838	339,8	146,1
Western Deep Levels Limited*												
– ordinary	7 479 655	7 023 077	29,3	28,1	436,3	217,5	—	—	1 467 663	1 467 663	85,9	46,2
– options	792 630	792 630			15,5	6,7			457 083	457 083	8,9	3,9
– debentures	‡47 557 800	17 610 600			41,4	14,8			‡46 286 400	5 717 580	40,3	4,8
Diamonds					**1 066,3**	**588,1**					**72,9**	**44,1**
De Beers Consolidated Mines Limited†	122 994 727	112 040 327	34,2	31,1	1 066,3	588,1	31 Dec	31.12.82	8 407 841	8 407 841	72,9	44,1
Platinum					**231,0**	**108,4**					**38,5**	**18,2**
Rustenburg Platinum Holdings Limited	29 808 432	29 808 432	23,8	23,8	231,0	108,4	31 Aug	31.8.82	4 974 305	4 974 305	38,5	18,2
Copper and other mining					**189,8**	**86,2**					—	—
SA Manganese Amcor Limited§	44 657 650	34 476 900	29,8	24,6	189,8	86,2	20 [illegible]	20.2.83	—	—	—	—
Industrial and commercial					**639,2**	**474,5**					**92,7**	**69,7**
Anglo American Industrial Corporation Limited	20 790 751	20 507 955	46,4	45,8	613,3	451,2	31 Dec	31.12.82	2 728 507	2 728 507	80,5	60,0
Cullinan Holdings Limited	2 395 557	2 395 557	23,0	23,0	8,6	9,6	30 Jun	31.12.82	3 737	3 737	—	—
LTA Limited	3 758 709	3 758 709	28,7	28,7	17,3	13,7	31 Mar	30.9.82	2 653 081	2 653 081	12,2	9,7
					5 780,8	**3 279,8**					**1 414,4**	**775,8**

* Not included in equity method of accounting for the reasons stated in accounting policy (2).
† Interest after minority 21,1% (1982 18,2%)
‡ Refer unlisted associated companies
§ Interest after minority 17,9% (1982 12,3%)

	Group								Corporation			
	Units held		Percentage held		Directors' valuation R million		Financial year	Year for equity accounting purposes	Units held		Directors' valuation R million	
UNLISTED	1983	1982	1983	1982	1983	1982			1983	1982	1983	1982
Mining finance and investment					**75,0**	**47,3**					—	—
Anglo American Corporation do Brasil Limitada												
– 'A' quotas	37 717 187	36 577 087	29,8	29,8			31 Mar	31.3.83	—	—		
– 'F' quotas	—	—	45,0	45,0			31 Mar	31.3.83	—	—		
– 'G' quotas	110 282 502	44 219 942	45,0	45,0			31 Mar	31.3.83	—	—		
– 'M' quotas	37 206 619	35 983 188	46,5	45,0			31 Mar	31.3.83	—	—		
Australian Anglo American Limited	16 800 000	16 800 000	46,7	46,7			30 Jun	31.12.82	—	—		
Gold					—	**12,6**					—	**9,1**
Eastern Gold Holdings Limited*	403 630	403 630	40,4	40,4			—	—	361 270	361 270		
Western Deep Levels Limited												
– debentures, partly paid†	—	29 947 200	—	—					—	21 707 400		
Diamonds					**0,4**	**0,4**					—	—
Smade Holdings (Pty) Limited	50	50	50,0	50,0			31 Dec	31.12.82	—	—		
Coal					**7,8**	**11,1**					**0,3**	**0,4**
Blinkpan Koolmyne Beperk*	1 400 000	1 400 000	35,0	35,0			—	—	—	—		
Mooihoek Colliery Limited*	200	200	20,0	20,0			—	—	—	—		
Swaziland Collieries Limited*	610 542	610 542	48,3	48,3			—	—	577 106	577 106		
Copper and other mining					**5,8**	**27,4**					**3,5**	**24,5**
Cleveland Potash Limited												
– ordinary	3 500 000	3 500 000	50,0	50,0			31 Dec	31.12.82	—	—		
– preference	15 000 000	15 000 000	—	—					—	—		
– 25% loan stock 1987	£12 000 000	£12 000 000	—	—					—	—		
– 25% loan stock 1987	US$15 320 762	US$15 320 762	—	—					—	—		
– 25% loan stock 1988	£200 273	£200 273	—	—					—	—		
– 25% loan stock 1988	US$738 242	US$530 788	—	—					—	—		
Gamsberg Zinc Corporation Limited – 'B'	3 334 005	3 334 005	33,3	33,3			31 Dec	31.12.82	2 223 000	2 223 000		
Marico Chrome Corporation (Pty) Limited	1 000 000	1 000 000	50,0	50,0			31 Dec	31.12.82	—	—		
Mopani Magnesite (Pty) Limited*	2 000	2 000	50,0	50,0			—	—	—	—		
SA Manganese Amcor Limited – L/As	—	8 572 500	—	—					—	8 572 500		
General Finance					**36,0**	**65,6**					**26,4**	**28,0**
Epoch Investments Limited												
– ordinary	250 000	250 000	50,0	50,0			31 Dec	31.12.82	227 500	227 500		
– preference	50 000	50 000	—	—					50 000	50 000		
Flotsam Investments Limited	868 512	868 512	35,6	46,7			30 Jun	31.12.82	—	—		
Luxaf S.A.	—	285 000	—	50,0			—	—	—	—		
Société Financière Louis Le Grand	279 300	279 300	49,0	49,0			31 Dec	31.12.82	—	—		
Tarl Investments Limited – 'A'	5 000	5 000	50,0	50,0			31 Dec	31.12.82	5 000	5 000		
Turnstone Holdings Limited‡	—	100	—	50,0			—	—	—	100		
Banking					**17,1**	**10,4**					**1,3**	**1,4**
Anglo American Corporation do Brasil Limitada												
– 'J' quotas	19 213 164	16 014 398	47,7	45,0			31 Mar	31.3.83	—	—		
Central Reserves (Pty) Limited	50	50	50,0	50,0			31 Dec	31.12.82	50	50		
Industrial and commercial					**136,7**	**162,4**					**39,8**	**55,0**
Anglo American Corporation do Brasil Limitada												
– 'H' quotas	6 516 194	6 516 194	45,0	45,0			31 Mar	31.3.83	—	—		
– 'L' quotas	51 983 049	51 983 049	45,0	45,0			31 Mar	31.3.83	—	—		

* Not included in equity method of accounting for the reasons stated in accounting policy (2).
† Now listed on becoming fully paid.
‡ Now a subsidiary company.

	Group								Corporation			
	Units held		Percentage held		Directors' valuation R million		Financial year	Year for equity accounting purposes	Units held		Directors' valuation R million	
	1983	1982	1983	1982	1983	1982			1983	1982	1983	1982
Anglo American Farms Limited	4 899 998	4 899 998	50,0	50,0			30 Sept	30.9.82	—	—		
Anglo American Industrial Investments Limited – Preference	1 100 000	1 100 000	—	—					1 100 000	1 100 000		
Bowring Barclays and Associates Holdings (South Africa) Limited	50 002	50 002	33,3	33,3			31 Dec	31.12.82	50 001	50 001		
Cardium Holdings Limited	3 735	3 735	37,3	37,3			31 Dec	31.12.82	—	—		
Clay Products Limited	—	307 500	—	30,8			—	—	—	—		
Computer Sciences (Pty) Limited	2 235 985	1 920 642	26,3	22,6			31 Dec	31.12.82	315 343	—		
Consolidated Share Registrars Limited	19 500	19 370	50,0	49,7			31 Dec	31.12.82	19 500	19 370		
Eastern Transvaal Timber Company (Pty) Limited	7 750	7 750	50,0	50,0			31 Dec	31.12.82	—	—		
Erbon Holdings (Pty) Limited – 'A'	—	50 000	—	50,0			—	—	—	45 511		
G & W Industrial Minerals (Private) Limited	—	78 750	—	21,0			—	—	—	—		
Mainstraat Beleggings (1965) Beperk	547 500	547 500	30,0	30,0			30 June	31.12.82	365 000	365 000		
Mondi Paper Company Limited	14 211 941	14 111 941	29,9	29,7			31 Dec	31.12.82	610 983	610 983		
Shaft Sinkers (Pty) Limited	3 000 000	3 000 000	50,0	50,0			31 Mar	31.3.83		—		
Sigma Motor Corporation (Pty) Limited – 'A'	8 319 165	8 202 697	37,5	37,0			31 Dec	31.12.82	8 213 913	8 097 445		
Stanley Motors Limited	725 000	—	50,0	—			31 Dec	31.12.82	725 000	—		
St. Lucia Sugar Farms (Pty) Limited	25 000	25 000	50,0	50,0			30 April	30.4.82	25 000	25 000		
Zimro Macdem Holdings (Pty) Limited – 'B'†	—	49	—	50,0			—	—	—	—		
Property					**1,0**	**1,2**					**—**	**—**
Botsalano Properties (Pty) Limited	75	75	37,5	37,5			31 Dec	31.12.82	—	—		
Creative Homes Limited	505 352	505 352	28,7	28,7			30 June	30.6.82	100 000	100 000		
Isipingo Property Investments Limited	1 000	1 000	50,0	50,0			28 Feb	28.2.83	—	—		
Main Place Holdings Limited	559	559	27,9	27,9			30 Jun	30.6.82	368	368		
MGA Investments (Pty) Limited	104	104	26,0	26,0			28 Feb	28.2.83	—	—		
Sundry					**5,3**	**4,9**					**5,3**	**4,8**
Labour Intensive Industries Trust Limited	4	4	50,0	50,0			31 Dec	31.12.82	4	4		
Lucas Block Minerals Limited	100	100	25,0	25,0			30 Jun	30.6.82	100	100		
Protec (Pty) Limited	33 000	33 000	30,0	30,0			31 Mar	31.3.83	—	—		
Zaire Consortium Services Limited – 'A' voting	500	500	50,0	50,0			31 Dec	31.12.82	—	—		
– 'B' non-voting	1 000	1 000	—	—					—	—		
					285,1	**343,3**					**76,6**	**123,2**

Aggregate after tax profits and losses for the year attributable to the group from its associated companies amount to:

	1983 R million	1982 R million
Profits (audited R107,6 million (1982: R152,9 million))	146,5	236,2
Losses (audited R31,0 million (1982: nil))	40,3	—
	106,2	236,2

† Now a subsidiary company.

General investments

at March 31 1983

	Group				Corporation			
	Units held		Market value R million		Units held		Market value R million	
LISTED	1983	1982	1983	1982	1983	1982	1983	1982
Mining finance and investment			**210,8**	**121,7**			**13,4**	**7,2**
General Mining Union Corporation Limited	5 160 538	5 160 538	138,0	89,0	200 675	200 675	5,4	3,6
Gold Fields of South Africa Limited	539 010	539 010	72,8	32,7	59 199	59 199	8,0	3,6
Gold and uranium mining			**923,1**	**584,5**			**154,6**	**108,2**
Witwatersrand and East Rand			**42,9**	**32,6**			**3,7**	**1,8**
Bracken Mines Limited	24 012	24 012	0,1	0,1	—	—	—	—
East Daggafontein Mines Limited	—	496 497	—	0,8	—	—	—	—
Kinross Mines Limited	323 268	323 268	7,4	3,6	161 478	161 478	3,7	1,8
Winkelhaak Mines Limited	983 800	983 800	35,4	28,1	—	—	—	—
West Rand			**603,1**	**354,4**			**135,8**	**93,6**
Buffelsfontein Gold Mining Company Limited	956 067	966 100	52,6	37,2	—	10 033	—	0,4
Deelkraal Gold Mining Company Limited	1 014 186	1 385 843	4,8	4,6	—	371 657	—	1,2
Driefontein Consolidated Limited	2 581 379	2 660 349	89,1	73,2	2 165 840	2 244 840	74,7	61,7
Elsburg Gold Mining Company Limited	1 868 160	2 344 147	7,5	5,2	—	—	—	—
Hartebeestfontein Gold Mining Company Limited	833 118	830 484	65,4	40,7	—	7 366	—	0,4
Randfontein Estates Gold Mining Company Witwatersrand Limited	9 500	—	1,4	—	—	—	—	—
Southvaal Holdings Limited	2 316 223	2 308 723	143,0	68,1	637 931	637 931	39,4	18,8
Vaal Reefs Exploration and Mining Company Limited	1 939 076	1 896 076	217,2	110,0	191 815	191 815	21,5	11,2
Western Areas Gold Mining Company Limited	896 334	1 384 466	5,1	4,7	—	—	—	—
Zandpan Gold Mining Company Limited	1 182 792	1 182 792	17,0	10,7	10 967	10 967	0,2	0,1
Orange Free State			**277,1**	**197,5**			**15,1**	**12,6**
Free State Geduld Mines Limited	226 650	226 650	10,0	6,7	—	—	—	—
President Brand Gold Mining Company Limited	1 569 527	1 558 527	76,1	58,8	—	—	—	—
President Steyn Gold Mining Company Limited	2 328 204	2 328 204	114,7	74,5	—	—	—	—
Welkom Gold Mining Company Limited	3 639 133	3 614 133	50,9	36,1	—	—	—	—
Western Holdings Limited	479 894	479 894	25,4	21,4	284 370	284 370	15,1	12,6
Coal			**3,8**	**5,6**			—	—
Apex Mines Limited	86 485	86 485	2,2	3,5	1 687	1 687	—	—
Vierfontein Colliery Limited	305 604	305 604	0,2	0,2	—	—	—	—
Witbank Colliery Limited	33 000	33 000	1,4	1,9	—	—	—	—
Platinum			**2,2**	**1,0**			—	—
Lydenburg Platinum Limited	342 000	342 000	2,2	1,0	—	—	—	—
Copper and other mining			**0,8**	**0,7**			**0,5**	**0,5**
Botswana RST Limited	2 166 171	2 166 171	0,8	0,7	1 444 114	1 444 114	0,5	0,5
Zambia Copper Investments Limited	39 809	39 809	—	—	—	—	—	—
Banking			**99,0**	**55,8**			—	—
Barclays National Bank Limited	7 074 699	6 974 699	99,0	55,8	—	—	—	—
Industrial and commercial			**300,4**	**192,1**			**55,1**	**43,7**
AECI Limited	962 087	962 087	7,9	6,6	962 087	962 087	7,9	6,6
Barlow Rand Limited	8 856 023	8 856 023	106,3	77,9	2 544 277	2 544 277	30,5	22,4
British Petroleum Company Limited	—	2 280 168	—	12,3	—	—	—	—
Gallo (Africa) Limited	211 569	211 569	1,2	0,9	134 615	134 615	0,8	0,6
McCarthy Group Limited	2 205 544	2 205 544	6,3	4,9	—	—	—	—
Messina Limited	1 466 933	1 466 933	6,8	7,4	—	—	—	—
Sasol Limited	6 250 000	6 250 000	26,4	19,1	3 750 000	3 750 000	15,9	11,5
The South African Breweries Limited								
– preference	200 100	200 100	0,1	0,1	—	—	—	—
– ordinary†	11 377 104	—	85,3	—	—	—	—	—
Stewarts & Lloyds of South Africa Limited	932 362	932 362	3,8	4,1	—	—	—	—
The Tongaat-Hulett Group Limited	6 340 994	5 419 654	55,8	49,9	—	—	—	—
Tiger Oats and National Milling Company Limited	—	414 060	—	8,3	—	127 840	—	2,6
The Union Steel Corporation (of South Africa) Limited	606 194	606 194	0,5	0,6	—	—	—	—
Insurance			**1,2**	**0,7**			—	—
South African Eagle Insurance Company Limited	152 800	152 800	1,2	0,7	—	—	—	—
Sundry			**1,7**	**0,6**			—	—
Other minor holdings			1,7	0,6			—	—
			1 543,0	962,7			223,6	159,6

†After minority 6 763 702 shares effectively held.

	Group				Corporation			
	Units held		Directors valuation R million		Units held		Directors valuation R million	
UNLISTED	1983	1982	1983	1982	1983	1982	1983	1982
Mining finance and investment			**61,6**	**74,3**			—	—
Empresas Sudamericanas Consolidadas S.A.								
– ordinary	69 300	69 300			—	—		
– preference	45 000	45 000			—	—		
Diamonds			**78,9**	**77,7**			—	—
Abrasive Grit Sales Limited	21 600	21 600			—	—		
Cymberline (Pty) Limited								
– ordinary	100	100			—	—		
– variable rate cumulative preference	39 000	39 000			—	—		
The Diamond Purchasing and Trading Company (Pty) Limited	461 756	461 756			—	—		
The Diamond Trading Company (Pty) Limited	185 000	185 000			—	—		
Industrial Distributors (1946) (Pty) Limited								
– ordinary	330 000	330 000			—	—		
– participating preference	150 000	150 000			—	—		
Industrial Grit Distributors (Shannon) Limited								
– ordinary	28 000	28 000			—	—		
– 'A'	3 200	3 200			—	—		
Copper and other mining			**1,3**	**1,1**			**0,4**	**0,4**
Beisa Mines Limited	380 952	380 952			380 952	380 952		
Tsumeb Corporation Limited	210 000	105 000			—	—		
General finance			**6,0**	**5,7**			—	—
Management and Technical Services Limited								
– 'A' voting	250	250			—	—		
– 'B' non-voting	100	100			—	—		
– 'D' non-voting	100	100			—	—		
– 'H' non-voting	100	100			—	—		
Banking			**5,2**	**5,6**			**5,1**	**5,3**
Bahamas International Trust Company Limited								
– 'B'	1 900	1 900			—	—		
The Discount House of South Africa Limited	217 500	217 500			217 500	217 500		
National Finance Corporation of South Africa Limited	873 600	873 600			873 600	873 600		
Industrial and commercial			**19,0**	**20,2**			**3,4**	**3,4**
Altemor Footwear (Pty) Limited	39 000	—			—	—		
J. L. Clark and Company Limited	—	38 094			—	25 396		
Consolidated Metallurgical Industries Limited								
– ordinary	3 511 905	3 511 905			1 923 077	1 923 077		
– convertible loan stock	—	R576 922			—	—		
Conway Johnson Limited	492 000	492 000			—	—		
Hall Longmore and Company (Pty) Limited	147	147			—	—		
International Pipe and Steel Investments S.A. (Pty) Limited	4 019 197	4 019 197			820 156	820 156		
McCarthy Main Holdings Limited	730	730			730	730		
Middelburg Steel and Alloys Holdings (Pty) Limited	1 905 257	1 905 257			—	—		
Union Carriage and Wagon Company (Pty) Limited	454 776	454 776			111 192	111 192		
Property			**5,7**	**3,0**			**5,5**	**2,8**
Anglo American (O.F.S.) Housing Company Limited	637 500	637 500			615 131	615 131		
Sundry			**3,8**	**3,6**			**2,3**	**2,7**
Edesa Société Anonyme Holding A.G.	2 400	2 400			1 600	1 600		
Small Business Development Corporation Limited	1 500 000	1 000 000			1 500 000	1 000 000		
			181,5	**191,2**			**16,7**	**14,6**

Principal subsidiary companies

at March 31 1983

	Issued share capital		Interest in share capital				Book value – Corporation R million			
			Direct		Indirect		Shares		Loans	
	1983	1982	1983 %	1982 %	1983 %	1982 %	1983	1982	1983	1982
Incorporated in South Africa	R000	R000								
Finance and investment										
African and European Investment Company Limited									16,7	22,1
– ordinary	4 180	4 180	80	80	20	20	20,9	20,9		
– preference	3 500	3 500	—	—	—	—	—	—		
Anglo American Investment Trust Limited									—	—
– ordinary	5 000	5 000	37	37	15	15	3,8	3,8		
– preference	5 000	5 000	—	—	—	—	—	—		
Delaunay Limited									48,7	47,8
– 'A' shares	4	1	50	50	—	—	•	•		
– 'B' shares	•	—	100	—	—	—	•	—		
Delaunay Two Limited	•	—	—	—	100	—	—	—	25,9	—
Euranglo Limited	•	•	22	22	41	41	0,8	0,8	—	—
First Consolidated Holdings (Pty) Limited	400	400	—	—	100	100	—	—	—	—
Marjoram Holdings Limited	2	2	—	—	100	100	—	—	102,0	121,3
Metals and Minerals Investment Corp. Limited	6 906	6 906	—	—	100	71	—	—	—	—
Numitor Investment Holdings Limited									56,1	—
– 'A' shares	•	—	100	—	—	—	•	—		
– 'B' shares	•	—	100	—	—	—	•	—		
The New Era Consolidated Limited	550	550	100	100	—	—	3,1	3,1	—	—
Rand Selection Corporation Limited	33 625	33 625	8	8	92	92	298,9	298,9	3,8	4,6
Rhochar Holdings Limited	27	27	18	18	82	82	5,5	5,5	—	—
South African Mines Selection Limited	5 000	5 000	100	100	—	—	8,6	8,6	—	—
South African Townships Mining and Finance Corporation Limited	4 460	4 460	—	—	100	100	—	—	—	—
Tarchon Investment Holdings Limited	•	•	100	100	—	—	•	•	61,6	70,6
Turnstone Holdings Limited									10,6	—
– 'A' shares	1	1	50	50	—	—	•	—		
– 'B' shares	•	—	100	—	—	—	•	—		
Turnstone Two Limited	•	—	—	—	100	—	—	—	10,8	—
Western Ultra Deep Levels Limited	1 500	1 500	44	44	16	16	0,5	0,5	—	—
Zinchem and Industrial Mineral Resources (Pty) Limited	2 096	2 096	6	6	71	71	0,4	0,4	•	—
Life assurance										
Anglo American Life Assurance Company Limited	3 263	3 283	—	—	98	100	—	—	•	•
African Life Assurance Company Limited	1 375	1 375	—	—	98	100	—	—	—	—
Mining and processing										
Amcoal Collieries Limited	3 702	3 702	—	—	51	51	—	—	0,2	0,6
Anglo American Coal Corporation Limited	12 220	12 220	2	2	49	49	1,4	1,4	—	—
Vereeniging Refractories Limited									0,1	5,1
– ordinary	2 552	2 552	—	—	26	26	—	—		
– preference	1 000	1 000	—	—	1	1	—	—		
Zaaiplaats Tin Mining Company Limited	268	268	—	—	49	49	—	—	—	—
Property owning										
Anglo American Properties Limited	85 234	85 031	—	—	66	66	—	—	•	—
Anmercosa Land and Estates Limited	3 460	3 460	100	100	—	—	4,2	4,2	47,9	44,5
Carlton Centre Limited	14 190	14 190	—	—	62	62	—	—	5,7	5,7
Carlton Hotels Limited	436	436	—	—	55	55	—	—	—	—
Incorporated in Australia	A$000	A$000								
Finance and investment										
Angborne Investments Australia Proprietary Limited	1	1	—	—	100	100	—	—	—	—
Managerial services										
Australian Anglo American Services Limited	1 000	1 000	—	—	100	100	—	—	•	—
Incorporated in Botswana	P000	P000								
Managerial services										
Anglo American Corporation Botswana (Services) (Pty) Limited	•	•	100	100	—	—	•	•	0,2	0,1

•Nominal amount

"

	Issued share capital		Interest in share capital				Book value – Corporation R million			
			Direct		Indirect		Shares		Loans	
	1983	1982	1983 %	1982 %	1983 %	1982 %	1983	1982	1983	1982
Incorporated in Liberia	US$000	US$000								
Finance and investment										
Anglo European Holdings Limited	6	6	95	95	—	—	*	*	*	*
Benarn Investments Limited	2	2	—	—	45	45	—	—	—	—
Codemin Holdings Limited									—	—
– 'A' shares	*	*	100	100	—	—	6,1	4,6		
Falcon Investments Limited									—	—
– 'A' voting	1	1	—	—	100	100	—	—		
– 'B' non-voting	116	116	100	100	—	—	47,0	41,9		
Hime Holdings Limited									—	—
– 'A' shares	*	*	100	100	—	—	8,7	7,2		
Raglan Investments Limited									—	—
– 'A' shares	*	*	100	100	—	—	27,2	20,9		
Revetment Holdings Limited									240,8	238,2
– A, B, D, F, I, J stocks	6	6	—	—	100	100	—	—		
– C, E, G, H, K stocks	5	7	100	100	—	—	118,4	124,7		
Incorporated in Luxembourg	US$000	US$000								
Finance and investment										
Anglo Australia S.A.									1,0	1,5
– 'A' shares	2 050	2 050	100	100	—	—	1,8	1,8		
– 'B' shares	660	660	—	—	100	100	—	—		
Anglo Rand Holdings S.A.									0,3	0,4
– 'A' shares	3 000	3 000	100	100	—	—	2,6	2,6		
– 'B' shares	1 500	1 500	—	—	100	100	—	—		
Axalux Holdings Limited	1 631	1 631	100	100	—	—	0,7	0,7	—	—
Incorporated in Zambia	K000	K000								
Finance and investment										
Anglo American Corporation (Central Africa) Limited	2 500	2 500	—	—	100	100	—	—	—	—
Incorporated in Zimbabwe	Z$000	Z$000								
Finance and investment										
RIL Limited	12 100	12 100	—	—	100	100	—	—	—	—
Life assurance										
Southampton Assurance Company of Zimbabwe Limited	1 000	1 000	—	—	98	100	—	—	—	—
Other							12,3	22,2	10,1	4,7
							572,9	574,7	642,5	567,2

In the opinion of the directors, the publication of information on the principal subsidiary companies of the group is more meaningful for a proper appreciation of the affairs of the group than publication of such information on all the subsidiaries. Accordingly, with the necessary consent in terms of the Companies Act 1973, the names of various subsidiaries have been excluded, all of which, however, are included in the consolidated annual financial statements as set out in accounting policy 1. Shareholders may obtain a copy of the list of all subsidiaries at the financial year-end on request to the registered office of the Corporation.

Aggregate after-tax profits and losses attributable to Anglo American Corporation of South Africa Limited from its subsidiaries amount to:

	R million	
	1983	1982
Profits	409,9	435,0
Losses	0,9	2,8

*Nominal amount

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Interests of the Corporation

Anglo American Corporation and its subsidiaries (AAC) have interests in a wide range of financial, mining, industrial, prospecting, insurance and other companies. In many cases, additional interests are held by finance and investment companies administered by, or associated with, AAC. Information on the principal interests follows.

Unless otherwise stated, all monetary amounts are expressed in South African currency.

Companies administered by the Corporation are shown by ★

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Principal finance and investment companies

★Anglo American Coal Corporation Limited (Amcoal)

AAC equity interest – 50,9 per cent

AAC's major investment in coal is represented by its interest in Amcoal, one of the largest privately-owned coal mining groups in the world, having a substantial investment in the South African coal industry through its 12 operating collieries which mine coal and anthracite sold on domestic and export markets. The Amcoal group owns property, mineral and coal rights in the Transvaal, Natal and Orange Free State and participates in the coal prospecting programme of AAC and its associates.

Amcoal holds a 52 per cent interest in Vereeniging Refractories Ltd, a major producer of refractories and allied products in South Africa.

	Year ended March 31 1983 R000	15 months ended March 31 1982 R000
Issued capital		
24 439 890 50c shares	12 220	12 220
Total shareholders' funds	299 019	221 026
Long- and medium-term loans	19 326	19 417
Fixed assets less depreciation	40 251	43 245
Mining assets at cost less amortisation	445 836	322 187
Equity earnings	113 444	131 251
per share	464,2c	537,0c
Dividends	35 438	40 570
per share	145c	166c

Details of Amcoal's principal operating interests appear on page 75 of this report.

★Anglo American Corporation do Brasil Limitada (Ambras)

Ambras is the vehicle for investment by AAC, De Beers and Minorco and their associated companies within Brazil and is so structured that investors may participate in different proportions in its various spheres of activity. Ambras' main investments are in gold and nickel, exploration, banking, the food industry and steel. AAC holds an effective 37 per cent in Ambras' gold investments and 46 per cent in its other investments.

Ambras' major gold investment is its interest in Mineração Morro Velho S.A. (MMV) which operates the biggest Brazilian underground gold mine and other gold mines near Belo Horizonte, in the state of Minas Gerais. The first phase of the Cuiaba-Raposos project, an expansion programme for doubling MMV's production capacity to 100 000 tons a month, was approved in the last quarter of 1982. A 20 000 tons a month treatment plant at the company's new mine in Jacobina, in the state of Bahia, was commissioned in the third quarter of 1982.

Ambras increased its interest in Banco Bozano de Investimento S.A. (BBSI), a leading investment bank, during the year and continues to hold a significant interest in Cia Bozano Simonsen (CBS), the holding company of the Bozano Simonsen group.

Cia Siderurgica Hime (Hime), in which Ambras holds 49 per cent and CBS the balance, has recently commissioned a new steel plant with an annual capacity of 150 000 tons of rolled steel. Hime also operates a second plant for the production of light steel shapes and bars, forgings and foundry products.

The Codemin ferro-nickel mine, in which Ambras holds 35 per cent, was successfully commissioned during 1982. Ambras has a majority interest in the Iracema cashew nut processing company in Ceara, which has a capacity for 20 000 tons of raw seed a year.

★Anglo American Corporation Zimbabwe Limited (Amzim)

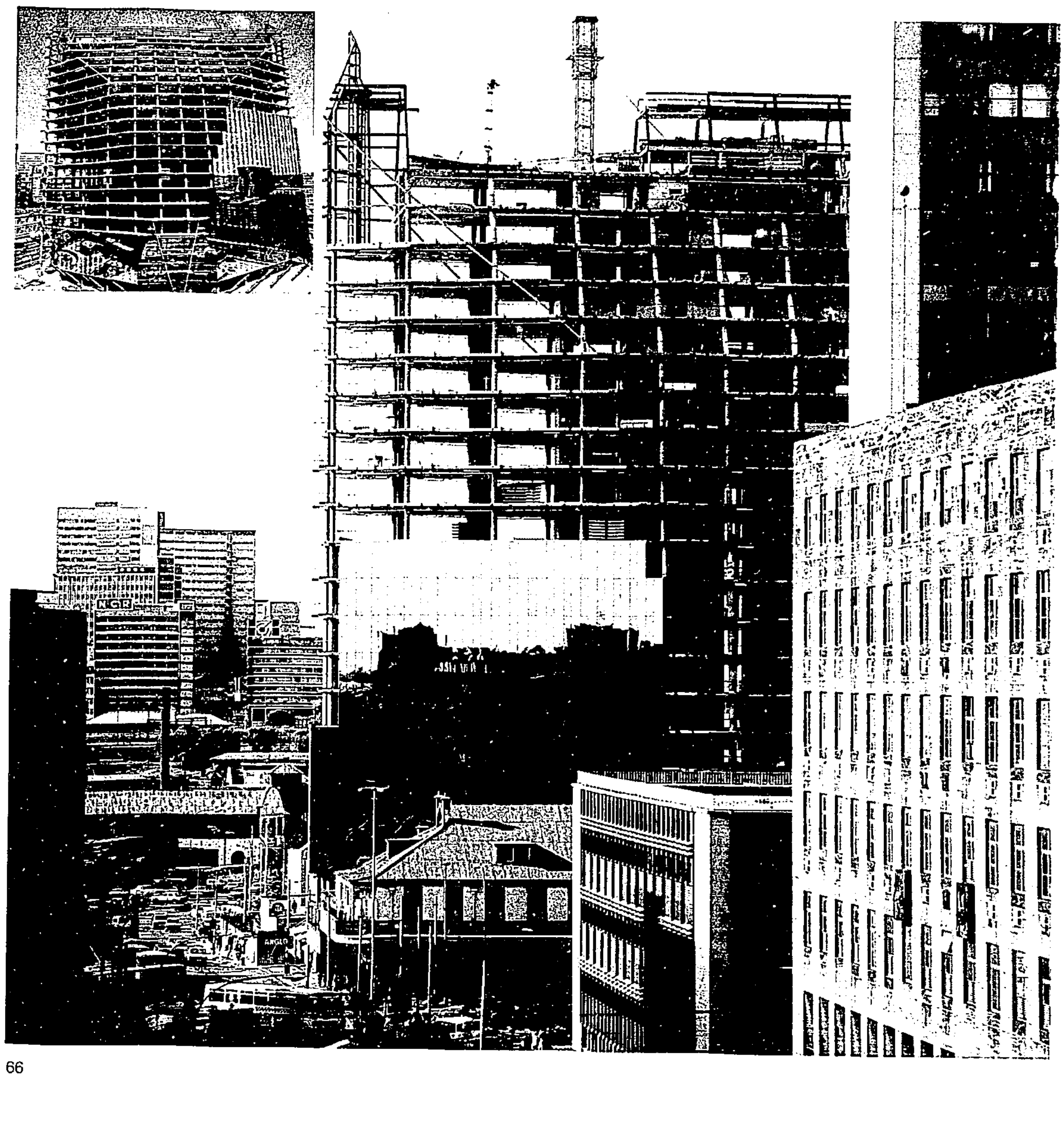
AAC equity interest – 16,6 per cent

Amzim, in conjunction with certain associated companies, holds the interests in Zimbabwe of AAC and Minorco and has a widely diversified portfolio which includes major investments in coal, nickel and copper mining, iron, steel, ferrochrome and allied engineering industries, citrus, sugar, general agriculture, forestry and timber processing, flour milling, rolling stock hire, property, merchant banking and finance.

Year ended June 30 1982

	1982 Z$000	1981 Z$000
Issued capital		
56 709 212 $1 shares	56 709	56 709
Total shareholders' funds	75 591	69 651
Investments		
Listed – book value	26 932	26 698
– market value	18 248	50 405
Unlisted – book value	30 864	34 324
Equity earnings	11 611	10 410
per share	20,5c	18,4c

Glass cladding being applied to 11 Diagonal Street, Amaprop's dramatic office development in the financial area of central Johannesburg. The building is by US architect Helmut Jahn who is also designing another for Amaprop in central Durban



Major investments of Amzim at June 30 1982 were:

	Effective percentage interest
Bindura Nickel Corp. Ltd	63,1
Border Timbers Ltd	53,1
Hippo Valley Estates Ltd	29,5
National Foods Holdings Ltd	18,2
RAL Holdings Ltd	38,8
Wankie Colliery Co. Ltd	19,6
Zimbabwe Alloys Ltd	55,6

★Anglo American Gold Investment Company Limited (Amgold)

AAC equity interest – 48,6 per cent

Amgold is an investment company with substantial interests in South African gold and gold/uranium mines, an interest in a group of gold mines in Brazil, and in a gold recovery operation in Australia. The company also participates in gold and uranium prospecting programmes in southern Africa, Australia, South America, including Brazil, and Spain and in the ownership of mineral rights in South Africa.

Year ended February 28 1983

	1983 R000	1982 R000
Issued capital		
21 952 012 R1 ordinary shares	21 952	21 952
Ordinary shareholders' funds	291 896	285 250
Investments		
Listed – book value	265 460	252 283
– market value	2 946 648	1 858 247
Unlisted – book value	5 401	12 618
– directors' valuation	55 011	33 771
Loans	16 930	10 221
Equity earnings	195 562	246 347
per share	891c	1122c
Dividends	188 787	219 520
per share	860c	1 000c

The principal investments of Amgold and its subsidiary company, Orange Free State Investment Trust Ltd, at February 28 1983 were:

	Percentage interest
Anglo American Corporation do Brasil Ltda (indirect)	20,0
Blyvooruitzicht GM Co. Ltd	6,8
Buffelsfontein GM Co. Ltd	20,2
Deelkraal GM Co. Ltd	8,6
Doornfontein GM Co. Ltd	7,0
Driefontein Consolidated Ltd	12,4
Eastern Gold Holdings Ltd	9,5
East Rand Gold and Uranium Co. Ltd	20,5
Elandsrand GM Co. Ltd	23,3
Free State Geduld Mines Ltd	20,2
Gold Fields of South Africa Ltd	10,9
Hartebeestfontein GM Co. Ltd	15,5
Kloof GM Co. Ltd	8,0
Loraine GM Ltd	12,2
President Brand GM Co. Ltd	20,0
President Steyn GM Co. Ltd	20,6
St. Helena GM Ltd	18,6
Southvaal Holdings Ltd	13,3
The S.A. Land & Exploration Co. Ltd	17,7
The Afrikander Lease Ltd	17,5
Vaal Reefs Exploration and Mining Co. Ltd	16,6
Welkom GM Co. Ltd	19,0
Western Deep Levels Ltd	13,2
Western Holdings Ltd	10,9
Western Ultra Deep Levels Ltd	28,9
Zandpan GM Co. Ltd	13,2

Details of the operations of certain of these companies appear in the section on gold mining companies on pages 70 to 74.

★Anglo American Industrial Corporation Limited (Amic)

AAC equity interest – 46,4 per cent

The Amic group is invested primarily in the fields of iron, steel and engineering; industrial explosives and chemicals; mining and construction tools, equipment and contracting services; paper, packaging, forestry, sawmilling and timber processing; sugar, maize and starch processing and food; motor assembly and distribution; freight and travel; building and construction; and electrical engineering and electronics.

Year ended December 31 1982

	1982 R millions	1981 R millions
Issued capital		
45 676 782 R1 ordinary shares	45,7	27,0
1 000 000 5,625 per cent cum. first pref. shares of R2	2,0	—
13 499 403 12,375 per cent cum. red. second pref. shares of R1	13,5	—
Ordinary shareholders' funds	1 368,6	623,1
Long- and medium-term loans	196,0	154,6
Associated companies		
Carrying value – excluding loans	701,2	182,3
Market or directors' valuations	760,3	281,1
Investments		
Book value	25,4	31,0
Market or directors' valuations	47,6	99,2
Equity accounted earnings	186,8	178,7
per share	416,6c	662,6c
Ordinary dividends	80,7	44,5
per share	180c	165c

The principal operating subsidiaries, principal associated companies and major investments of the Amic group at December 31 1982 were:

	Percentage interest
Principal operating subsidiaries	
African Products (Pty) Ltd	100,0
Boart International Ltd	100,0
Bruynzeel Holdings Ltd	100,0
Control Logic (Pty) Ltd	80,0
Highveld Steel and Vanadium Corp. Ltd	50,1
Mondi Paper Co. Ltd	62,7
The Natal Tanning Extract Co. Ltd	62,7
Scaw Metals Ltd	100,0
Principal associated companies	
AECI Ltd	39,5
Asea Electric S.A. Ltd	49,8
Freight Services Holdings Ltd	40,3
Haggie Ltd	36,1
Industex (Pty) Ltd	37,5
International Pipe and Steel Investments SA (Pty) Ltd	31,3
LTA Ltd	35,7
McCarthy Group Ltd	24,6
Sigma Motor Corp. (Pty) Ltd	*38,0
The Tongaat Hulett Group Ltd	28,1
Major investments	
Barlow Rand Ltd	1,0
The Union Steel Corp. (of SA) Ltd	13,1
Vereeniging Refractories Ltd	15,4

*Subsequent to the year end, Amic and AAC acquired the 25 per cent interest in Sigma previously held by subsidiaries of the Chrysler group. Amic and AAC now each have a 50 per cent interest in Sigma.

Details of the operations of certain of these companies appear in the section on industrial companies on pages 76 to 79.

★Anglo American Investment Trust Limited (Anamint)

AAC equity interest – 52,2 per cent

Anamint is an investment company, the principal holding of which is a 27,3 per cent investment in De Beers' deferred shares that contributes over 60 per cent of its investment income. Information on De Beers, in which AAC holds a further 6,9 per cent, appears elsewhere. Anamint's other investments are in certain unlisted diamond trading companies.

Year ended March 31 1983

	1983 R000	1982 R000
Issued capital		
10 000 000 50c ordinary shares	5 000	5 000
2 500 000 6 per cent cum. pref. shares of R2	5 000	5 000
Total shareholders' funds	89 709	89 298
Ordinary shareholders' funds	84 709	84 298
Interest in associated company		
Carrying value	515 294	436 890
Market value	851 394	510 001
Other investments		
Book value	11 656	11 656
Directors' valuation	78 923	77 666
Equity earnings		
excluding retained profits of associated company	59 411	70 217
per share	594c	702c
including retained profits of associated company	135 148	186 677
per share	1 351c	1 867c
Ordinary dividends	59 000	70 000
per share	590c	700c

★Anglo American Properties Limited (Amaprop)

AAC equity interest – 65,6 per cent

Amaprop is a property finance company with a diversified spread of investments, mainly in the major cities of South Africa. It has interests in city centre and suburban office and shopping complexes, hotels, medical suites and parking garages. In addition, it has land holdings and township developments in the Transvaal, Natal and Cape Province.

Year ended March 31 1983

	1983 R000	1982 R000
Issued capital		
42 617 104 R2 ordinary shares	85 234	85 031
Non-distributable reserves	113 196	116 276
Retained profit	12 737	5 611
Total shareholders' funds	211 167	206 918
Outside shareholders' interest	66 968	64 195
Long-term liabilities	156 956	135 365
Properties and equipment	414 506	370 116
Township properties and debtors	14 685	10 794
Profit for the year	14 707	9 548
Dividends paid	7 671	5 952
per share	18c	14c

Details of Amaprop's interests may be found on page 80 of this report.

★Australian Anglo American Limited

AAC equity interest – 46,7 per cent

Issued capital A$18 000 000 in 50c shares.

The company was formed to investigate the establishment of mining activities in Australia and neighbouring regions, which it is now doing through exploration, investment and acquisition of joint venture interests in developing properties. The company is participating in a gold tailings re-treatment operation in Queensland, has a small investment in an oil and gas exploration company and is conducting active exploration programmes in Australia and New Zealand.

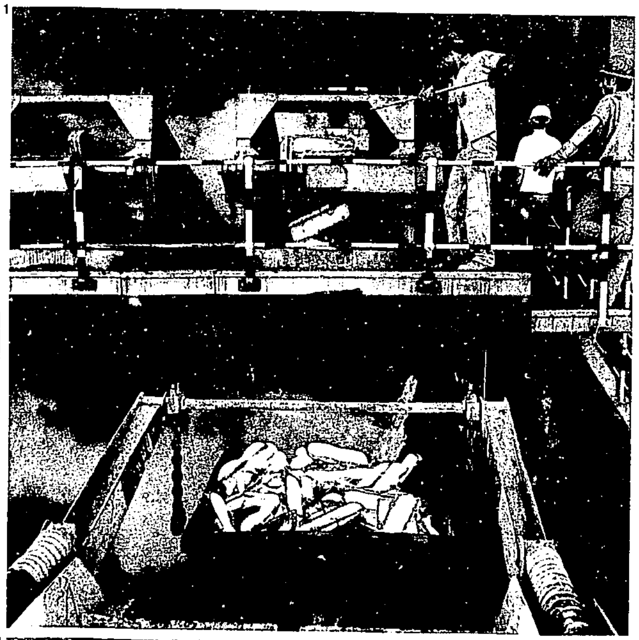
Barlow Rand Limited

AAC equity interest – 6,1 per cent

A South African industrial, mining finance and investment company which heads a large and diversified group which operates in southern Africa, the United Kingdom, the United States and continental Europe.

The principal interests and activities of the group include mining; manufacturing; building and construction supplies; electronics and general engineering; heavy equipment; packaging, paper and appliances; sugar, food and textiles.

In Brazil, Ambras is expanding its production of minerals. (1) Nickel bars are cast at Codemin ferro-nickel mine, in which Ambras holds a 35 per cent interest. (2) A new incline shaft at Jacobina mine in Bahia, where a 20 000 tons a month gold treatment plant (3) has also been commissioned

1


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3


Year ended September 30 1982

	1982 R millions	1981 R millions
Issued capital		
144 130 666 10c ordinary shares	14.4	12,6
375 000 6 per cent cum. pref. shares of R2	0.8	0,8
Ordinary shareholders' funds	1 294,4	1 013,7
Long-term liabilities	793.6	440,7
Book value of fixed assets	2 377,8	1 522,9
Excess of market value of listed investments and of directors' valuation of unlisted investments over book value	280.5	181,6
Equity earnings	245.9	257,3
per share	175.1c	204,2c
Ordinary dividends	99,1	88,4
per share	70c	70c

De Beers Consolidated Mines Limited (De Beers)

AAC equity interest – 34,2 per cent

(Interest after minorities – 21,1 per cent)

The principal activities of the De Beers group are the mining of natural diamonds, the manufacture of synthetic diamond and related hard material, the marketing of diamonds produced by the group and by other producers, and the management of a portfolio of investments outside the diamond industry. Details of the operations of the De Beers group may be found on page 74 of this report.

Year ended December 31 1982

	1982 R millions	1981 R millions
Issued capital		
800 000 40 per cent cum. pref. shares of R5	4.0	4,0
2 866 929 8 per cent cum. second pref. shares of R1	2.8	2,8
359 789 042 5c deferred shares	18.0	18,0
Total shareholders' funds	3 930,9	3 565,7
(Deferred shareholders' funds)	(3 924,1)	(3 558,9)
Long-term liabilities	53,2	64,0
Minority interests	220.5	59,7
	4 204,6	3 689,4
Diamond mining and trading assets, stores and materials	585,0	538,3
Diamond stocks	1 832,3	1 403,1
Investments		
Listed – carrying value	1 612,7	1 376,2
– (market value)	(3 059,9)	(2 292,4)
Unlisted – carrying value	129,3	161,7
– (directors' valuation)	(223,8)	(566,1)
Long-term loans	96,8	156,0
Other assets	120,7	140,2
Net current liabilities	(172,2)	(86,1)
	4 204,6	3 689,4
Diamond account including trade investment income	287,5	360,3
Interest and dividend income	198,5	242,3
Other	11,8	3,2
	497,8	605,8
Less:		
Prospecting, interest and other charges	171,7	116,5
Consolidated profit before tax	326,1	489,3
Taxation and State's share of profits under mining leases	89.0	101,1
Consolidated profit after tax	237,1	388,2
Minority interests	32,8	22,6
	204,3	365,6
Share of retained profits of associated companies	240,0	264,5
Net profit	444,3	630,1
Deduct:		
Preference dividends	1,8	1,8
Net profit attributable to deferred shareholders	442,5	628,3
Deduct:		
Share of extraordinary losses of associated companies	14,9	—
	427,6	628,3

	1982 R millions	1981 R millions
Deduct:		
Transfers to reserves including share of retained profits of associated companies	254,7	288.5
Deferred dividends	134,9	179,9
	389,6	468,4
Increase in unappropriated profit	38,0	159,9
Earnings per deferred share		
excluding retained profits of associates	56.3c	101,1c
including retained profits of associates	123.0c	174,6c
Dividends per deferred share	37,5c	50c

Empresas Sudamericanas Consolidadas S.A. (Empresas)

AAC equity interest – 18,0 per cent

AAC and associates hold a 40 per cent equity interest in Empresas, the remaining 60 per cent being held by Consolidated Mining and Industries S.A. Empresas has extensive mining and industrial interests in South America. Its major operations are Mantos Blancos copper mine in Chile, Codemin nickel mine in Brazil, Arcata silver mine in Peru and Petrosur, an Argentinian fertilizer producer. Other activities include mining of niobium, phosphates and tungsten as well as the manufacture of industrial furnaces in Brazil and the production of cement in Peru. Empresas has recently acquired a 69,7 per cent interest in Copebras, a major Brazilian producer of carbon black, fertilizers, industrial phosphates and gypsum.

General Mining Union Corporation Limited (Gencor)

AAC equity interest – 6,5 per cent

Gencor is a mining finance company that has substantial interests in companies producing gold and uranium, platinum, chrome ore, ferrochrome, asbestos, coal and base metals. It holds a wide range of interests in both light and heavy engineering, in paper production, packaging and printing, farming and food, shipping, construction, steel production, foundry products, concrete, steel and asbestos-cement pipes, pipeline construction, re-refining of oil, and marketing of petroleum products and mining equipment.

Year ended December 31 1982

	1982 R000	1981 R000
Issued capital		
79 778 823 40c ordinary shares	31 912	31 912
250 000 6 per cent cum. pref. shares of R2	500	500
Long-term liabilities	748 366	269 702
Ordinary shareholders' funds	1 239 351	1 101 063
Investments		
Listed – book value	307 075	330 692
– market value	2 140 908	1 601 503
Unlisted – book value	202 609	199 038
– directors' valuation	339 651	330 566
Equity earnings	267 430	319 791
per share	335c	401c
Ordinary dividends	139 613	139 613
per share	175c	175c

Gold Fields of South Africa Limited

AAC equity interest – 3,3 per cent

Gold Fields of SA is a South African mining and finance house which has a substantial portfolio of investments, principally in gold mining companies and in companies engaged in mining and processing of coal and base metals, in finance, industry and property. In addition, it controls a number of exploration and development companies.

Year ended June 30 1982

	1982 R000	1981 R000
Issued capital		
16 335 477 25c ordinary shares	4 084	4 081
Total shareholders' funds	398 082	348 263
Loans received	19 390	20 510
Investments		
Listed – book value	258 584	225 394
– market value	1 301 022	1 391 016
Unlisted – book value	33 494	23 971
– directors' valuation	69 331	73 384
Equity earnings	131 781	166 611
per share	807c	1021c
Dividends	81 677	81 622
per share	500c	500c

Johannesburg Consolidated Investment Company, Limited (JCI)

AAC equity interest – 39.7 per cent

JCI is a mining finance company with substantial investments in gold, platinum, diamonds, coal, copper and other minerals, and in mining finance, industrial, property and financial investment companies.

Year ended June 30 1982

	1982 R millions	1981 R millions
Issued capital		
7 299 600 R2 ordinary shares	14,6	14,3
34 500 000 fixed rate red. cum. pref. shares of 10c each issued at 100 cents per share yielding 11,25c per share per annum	3,5	3,5
5 500 000 variable rate red. cum. pref. shares of 10c each issued at 100 cents per share	0,5	0,5
40 000 000 'A' variable rate red. cum. pref. shares of 10c each issued at 100 cents per share	4,0	4,0
Total shareholders' funds	387,1	331,2
Ordinary shareholders' funds	307,1	251,2
Long-term liabilities	62,0	39,4
Investments		
Listed – book value	186,5	143,5
– market value	473,3	542,5
Unlisted – book value	38,6	41,5
– directors' valuation	99,0	112,1
Equity earnings	86,1	98,0
per share	1189c	1376c
Dividends paid	43,8	42,8
per share	600c	600c

At June 30 1982, the principal investments of JCI were as follows:

	Percentage interest
Gold	
Elsburg GM Co. Ltd	25,4
The Randfontein Estates GM Co., Witwatersrand, Ltd	24,0
Western Areas GM Co. Ltd	6.3
Platinum	
Rustenburg Platinum Holdings Ltd	32,9
Mining finance	
Free State Development and Investment Corp. Ltd	49,9
Diamonds	
De Beers Consolidated Mines Ltd	0,9
Other mining	
Bindura Nickel Corp. Ltd	8,7
Consolidated Murchison Ltd (antimony, gold)	25,2
Otjihase Mining Co. Ltd (copper)	49,7
Palabora Mining Co. Ltd (copper)	4,5
Tavistock Collieries Ltd	100,0
Industry	
The Argus Printing and Publishing Co. Ltd	17,9
Consolidated Metallurgical Industries Ltd	46,2
Lennings Ltd	94,3
Shaft Sinkers (Pty) Ltd	20,0
The South African Breweries Ltd	20,4
Toyota South Africa Ltd	18,9
Wesco Investments Ltd	4,4

Property	Percentage interest
Downtown Real Estate Corp. Ltd	28,7
Main Place Holdings Ltd	61,2
Milpark Investments (Pty) Ltd	66,7

Minerals and Resources Corporation Limited (Minorco)

AAC equity interest – 40,7 per cent

Minorco, originally incorporated in London in 1928, has been domiciled in Bermuda since 1970. Over the last 13 years Minorco's interests have been rapidly expanded from early dependence on the Zambian copper mining industry to their present diversity, now encompassing major investments in companies operating in six continents across a broad spectrum of natural resource and related industries. These companies are principally engaged in the marketing of commodities; financial services; the mining and marketing of precious and base metals and diamonds; industrial operations; and the coal and petroleum industries.

Year ended June 30 1982

	1982 US$000	1981 US$000
Issued capital		
162 919 774 BD$1,40 ordinary shares	228 088	222 768
8 572 BD$1,40 deferred shares	12	12
Total shareholders' funds	1 637 050	1 516 114
Investments		
Listed – carrying value	1 317 783	1 294 457
– market value	1 084 873	1 522 917
Unlisted – carrying value	230 306	211 031
Net earnings on equity basis	128 204	171 768
per share	$0,80	$1,43
Dividends paid	35 842	31 447
per share	$0,22	$0,22

Minorco's principal investments at June 30 1982 were:

	Percentage interest
Anglo American Corp. do Brasil Ltda	Gold – 20
	Other – 25
Anglo American Investment Trust Ltd	10
Anglo American Corp. Zimbabwe Ltd	47
Australian Anglo American Ltd	Gold – 24
	Other – 30
Charter Consolidated P.L.C.	36
Consolidated Gold Fields P.L.C.	29
Empresas Sudamericanas Consolidadas S.A.	10
Engelhard Corporation	28
Hudson Bay Mining and Smelting Co., Ltd	44
Imetal S.A.	6
Inspiration Consolidated Copper Co.	50
Inspiration Coal Inc.	50
Phibro-Salomon Inc.	28
Terra Chemicals International, Inc.	50
Trend International Ltd	43
Zambia Copper Investments Ltd	50

Further details regarding certain of these investments follow, or may be found elsewhere in this report.

Charter Consolidated is an investment holding and finance company with substantial mining and industrial interests. The principal mining interests are in coal, tin, wolfram and potash. Industrial interests include railway track components and mining equipment. Earnings for the year to March 31 1982 increased to £37,6 million from the previous year's earnings of £32,6 million.

Consolidated Gold Fields is a UK-based natural resource group with major interests in mining, construction materials, manufacturing, industry and commerce. The largest contribution to earnings is from gold mining. The company has a 48 per cent interest in Gold Fields of South Africa Ltd. Net earnings for the year to June 30 1982 declined from the previous year's record of £110,2 million to £72,9 million.

Engelhard Corporation operates on a world-wide basis through two divisions, the Engelhard Industries Division, which manufactures precious metal products and refines secondary materials containing precious metals, and the Minerals & Chemicals Division, which manufactures performance products and speciality chemicals based on non-metallic minerals. Net earnings in 1982 were $64,8 million compared with $66,4 million in 1981.

Hudson Bay Mining and Smelting Co., Ltd is a diversified Canadian natural resource company with interests in base and precious metal exploration, mining and metallurgical extraction and marketing and related industrial operations; oil and gas exploration and exploration and development; fertilizer and agricultural chemical production and marketing; and coal mining, processing and marketing. A significant part of the group's business is through its interests in Inspiration Consolidated Copper Company, Inspiration Coal Inc., Terra Chemicals International, Inc., and Trend International Ltd. Hudbay incurred a net loss of C$8,7 million in the year to December 31 1982 after taking account of an extraordinary gain of C$55,5 million on sale of a power plant, compared with a net loss of C$10,8 million in 1981. The company and Minorco recently announced a proposed reorganisation and financing of their interests.

Phibro-Salomon operates on a world-wide basis through its two autonomous subsidiaries, Philipp Brothers, Inc., which markets a wide range of commodities, and Salomon Brothers Inc., which provides investment banking services. Net earnings in 1982 increased to $337 million from $289 million.

★New Central Witwatersrand Areas Limited (NCW)

AAC equity interest – 40,0 per cent

NCW is an investment company, its main interests being in South African mining finance and mining companies.

	13 months ended September 30 1982 R000	Year ended August 31 1981 R000
Issued capital		
1 766 396 50c shares	883	883
Total shareholders' funds	1 746	1 729
Investments		
Listed – at cost	1 693	1 693
– market value	17 312	18 847
Equity earnings	1 271	1 432
per share	72c	81,1c
Dividends paid	1 254	1 413
per share	71c	80c

★Western Ultra Deep Levels Limited

AAC equity interest – 60,3 per cent

This subsidiary holds investments in gold mining companies and mineral rights over portions of various farms in the Potchefstroom district of Transvaal. The portfolio comprises investments in the Driefontein Consolidated, Elandsrand and Western Deep Levels mines, having a market value at March 31 1983 of R88,2 million. Borehole U.D. 33 was drilled for account of Western Deep Levels Ltd to intersect the Ventersdorp Contact reef in that company's extension to its lease area and south of its new No. 1 shaft system. The hole was then deepened from 3 200 metres from surface to intersect the Carbon Leader reef, the final depth being 4 294 metres. In addition, borehole U.D.34, drilled on portion 6 of the farm Kraalkop, district Potchefstroom, reached a final depth of 4 346 metres. In terms of a participation agreement 22,5 per cent of prospecting expenditure is borne by Witwatersrand Deep Ltd.

Gold and uranium

Far West Rand and Klerksdorp

Buffelsfontein Gold Mining Company Limited

AAC equity interest – 8,7 per cent

Year ended June 30 1982

	1982	1981
Issued capital		
11 000 000 R1 shares	R11 000 000	R11 000 000
Area mined – square metres	927 679	887 678
Gold: tons milled	3 262 000	3 372 000
yield – kilograms/ton	8,54	8,16
produced – kilograms	27 844	27 517
Uranium: tons treated	3 100 000	3 137 000
yield – kilograms/ton	0,195	0,196
produced – kilograms	603 850	615 100
Cost per square metre mined	R201,28	R177,70
Cost per ton milled	R57,24	R46,78
Working profit		
gold, silver, pyrite and acid	R158 211 000	R239 832 000
uranium	R16 216 000	R17 446 000
Capital expenditure appropriated	R40 943 000	R39 690 000
Taxation and lease payments	R72 993 000	R125 665 000
Dividends	R59 400 000	R78 100 000
per share	540c	710c

Planned capital expenditure for the year ending June 30 1983: R50 000 000.

Driefontein Consolidated Limited (Formerly East Driefontein Gold Mining Company Limited)

AAC equity interest – 2,6 per cent

	Year ended June 30 1982
Issued capital	
102 000 000 R1 shares	R102 000 000
Area mined – square metres	1 203 623
Tons milled	5 695 000
Yield – grams/ton	13,46*
Gold produced – kilograms	76 655,5
Cost per square metre mined	R221,43
Cost per ton milled	R46,80*
Working profit	R684 075 000
Capital expenditure	R122 935 000
Taxation and State's share of profit	R397 488 000
Dividends	R239 700 000
per share	235c

*Average for East and West Driefontein mines.

As this is the first financial year following the merger of the mining assets of West Driefontein Gold Mining Company Ltd with those of the company, no comparative figures have been shown for the previous period.

★Elandsrand Gold Mining Company Limited

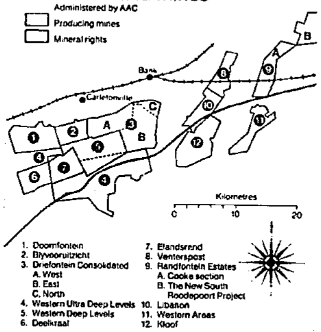
AAC equity interest – 49,0 per cent

Year ended December 31 1982

	1982	1981
Issued capital		
96 619 825 20c shares	R19 323 965	R19 323 965
Area mined – square metres	292 000	256 000
Tons milled	1 531 000	1 214 000
Yield – grams/ton	5,32	4,29
Gold produced – kilograms	8 138	5 204
Cost per square metre mined	R247,03	R237,92
Cost per ton milled	R47,11	R50,17
Working profit	R39 353 000	R6 629 000
Capital expenditure	R25 761 000	R28 769 000
Dividend	R14 493 000	—
per share	15c	—

Planned production for the year ending December 31 1983: Tonnage milled 1 680 000; Grade 5,7 grams a ton. Planned capital expenditure: R57 000 000.

Far West Rand mines



Hartebeestfontein Gold Mining Company Limited

AAC equity interest – 7,3 per cent

Year ended June 30 1982

	1982	1981
Issued capital		
11 200 000 R1 shares	R11 200 000	R11 200 000
Area mined – square metres	758 000	804 000
Gold: tons milled	2 950 000	2 994 000
yield – grams/ton	10,2	10,5
produced – kilograms	30 094	31 426
Uranium: tons treated	2 950 000	3 297 000
yield – kilograms/ton	0,14	0,15
produced – kilograms	427 206	485 949
Cost per square metre mined	R225,87	R187,62
Cost per ton milled	R58,04	R50,38
Working profit		
gold	R197 022 000	R302 854 000
uranium, pyrite and sulphuric acid	R13 479 000	R14 093 000
Capital expenditure	R29 379 000	R16 834 000
Taxation and State's share of profit	R122 819 000	R190 985 000
Dividends	R72 800 000	R114 800 000
per share	650c	1025c

Zendpan GM Co. Ltd, in which AAC has a 9,1 per cent interest, owns 19,6 per cent of the equity of Hartebeestfontein.

***Southvaal Holdings Limited**

AAC equity interest – 9,6 per cent

Southvaal's income is derived from royalties receivable from Vaal Reefs Exploration and Mining Co. Ltd in respect of that company's mining operations south of the Vaal river, and from interest on loans.

Year ended December 31 1982

	1982 R000	1981 R000
Issued capital		
26 000 000 50c shares	13 000	13 000
Distributable reserves	8 664	8 333
Royalty received	157 029	158 152
Profit after taxation	86 131	93 098
Dividends	85 800	92 300
per share	330c	355c

***The Afrikander Lease Limited**

AAC equity interest – 44,6 per cent

The company owns certain freehold and mineral rights over uranium-bearing areas in the Klerksdorp district of Transvaal and has leased its main block of mineral rights to Vaal Reefs Exploration and Mining Co. Ltd.

The company suffered a loss of R43 000 in the year to December 31 1982. As a result of the additional tributing agreement with Vaal Reefs whereby that company is to mine the old Afrikander Mine and adjoining areas for gold, the minimum annual royalties receivable by the company now total R125 000. Unless there is an appreciable increase in the gold price, the company will only receive the minimum royalty over the next two years, in view of Vaal Reefs' initial capital expenditure programme. The mining for gold is a relatively short-term operation and high investment returns should not be expected at this time.

The uranium section of the mine is geared to be brought back into production at short notice should there be indications of an up-turn in the market.

***Vaal Reefs Exploration and Mining Company Limited**

AAC equity interest – 10,0 per cent

Year ended December 31 1982

	1982	1981
Issued capital		
19 000 000 50c shares	R9 500 000	R9 500 000
Area mined – square metres	1 970 000	1 872 000
Gold: tons milled	9 205 000	8 502 000
yield – grams/ton	8,56	8,65
produced – kilograms	78 750	73 507
Uranium: tons treated	8 100 000	8 502 000
yield – kilograms/ton	0,21	0,20
produced – kilograms	1 721 782	1 693 569
Cost per square metre mined	R222,81	R194,57
Cost per ton milled	R47,68	R42,31
Working profit		
gold	R592 247 000	R591 416 000
uranium oxide and sulphuric acid	R30 290 000	R42 524 000
Royalty payments to:		
Southvaal Holdings Ltd	R157 029 000	R158 152 000
The Afrikander Lease Ltd	R81 250	R50 000
Capital expenditure	R129 694 000	R136 612 000
Taxation and State's share of profit	R231 532 000	R218 481 000
Dividends	R178 600 000	R186 200 000
per share	940c	980c

Planned production for the year ending December 31 1983:
Gold: Tonnage milled 9 250 000; Grade 8,0 grams a ton.
Uranium: Tonnage treated 7 969 000; Grade 0,20 kilograms a ton.
Planned capital expenditure: R145 000 000, which includes R74 000 000 to be spent on the South Lease area (including R51 800 000 on No. 9 shaft system), R5 000 000 at Afrikander Lease and R66 000 000 in the North area.

Western Areas Gold Mining Company Limited

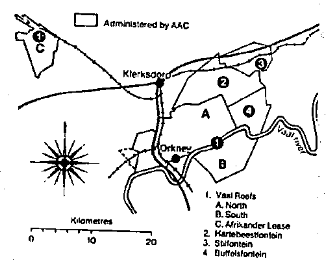
AAC equity interest – 2,4 per cent

Year ended December 31 1982

	1982	1981
Issued capital		
40 306 950 R1 stock units	R40 307 000	R40 307 000
Tons milled	3 768 000	4 291 000
Yield – grams/ton	4,5	4,1
Gold produced – kilograms	16 923	17 706
Cost per ton milled	R52,44	R41,80
Operating profit	R22 658 000	R51 685 000
Capital expenditure	R20 368 000	R40 217 000
Taxation	—	R2 398 000
Dividends	R4 031 000	R16 123 000
per stock unit	10c	40c

Elsburg GM Co. Ltd, in which AAC holds 6,4 per cent, owns 48,7 per cent of the equity of Western Areas.

Klerksdorp area mines



***Western Deep Levels Limited**

AAC equity interest – 29,3 per cent

Year ended December 31 1982

	1982	1981
Issued capital		
25 550 000 R2 shares	R51 100 000	R50 000 000
Area mined – square metres	774 000	746 000
Gold: tons milled	3 499 000	3 156 000
yield – grams/ton	11,28	12,36
produced – kilograms	39 476	39 013
Uranium: tons treated	2 272 000	2 331 000
yield – kilograms/ton	0,08	0,09
produced – kilograms	183 394	212 484
Cost per square metre mined	R282,46	R234,94
Cost per ton milled	R62,48	R55,53
Working profit		
gold	R304 206 000	R331 630 000
uranium	R2 214 000	R5 072 000
Capital expenditure	R122 955 000	R121 530 000
Taxation and State's share of profit	R108 329 000	R126 360 000
Dividends	R100 923 000	R101 250 000
per share	395c*	405c

*On increased share capital

Planned production for the year ending December 31 1983:
Gold: Tonnage milled 3 300 000; Grade 11,8 grams a ton.
Uranium: Tonnage treated 1 680 000; Grade 0,126 kilograms a ton.
Planned capital expenditure: R145 000 000.

East Rand

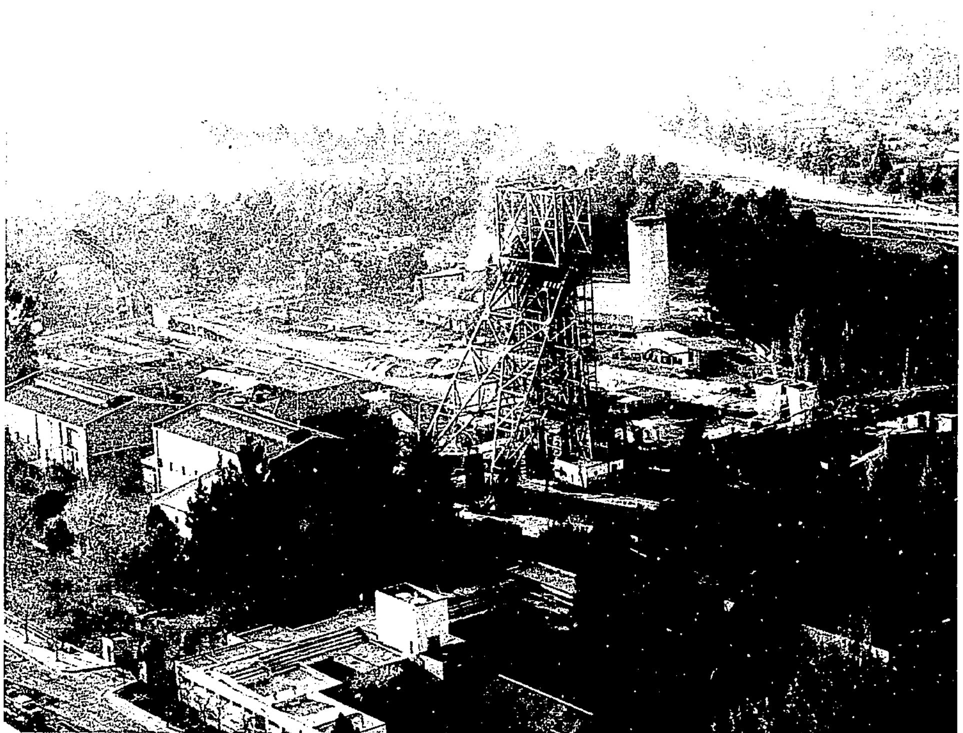
***East Rand Gold and Uranium Company Limited (Ergo)**

AAC equity interest – 35,9 per cent

Ergo operates a treatment plant in Brakpan for the purpose of recovering gold, uranium, sulphuric acid and oleum from old mining slimes dams on the East Rand. Final commissioning of the Simmergo plant in Germiston, which treats dump material and ore mined underground at the Simmer and Jack mine, was carried out in the quarter ended March 31 1983.

(1) The No. 2 shaft at Holdings division – Western Holdings where work has been completed on a washing and screening plant to re-treat the shaft's waste rock dump; the town of Welkom is in the background. (2) Shaft equipping at No. 5 shaft of Free State Geduld. Major construction expenditure remains before the shaft, commissioned in mid-1982, reaches its design capacity of 280 000 tons a month. (3) Main and ventilation shafts at No. 1 shaft Erfdeel division – Western Holdings. The main shaft has now reached a depth of more than 720 metres, and the ventilation shaft, 1 648 metres, below collar

1



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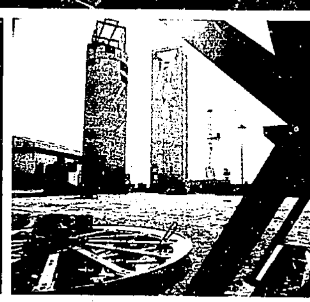
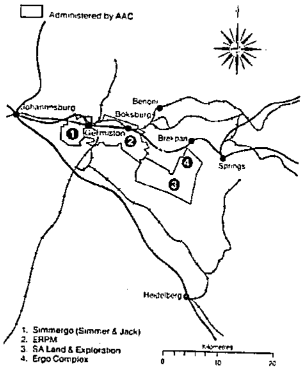


East Rand mines



Year ended March 31 1983

	1983	1982
Issued capital		
41 000 000 50c shares	R20 500 000	R20 500 000
Slimes treated – tons	18 953 000	19 205 000
Uranium oxide produced		
– kilograms	261 955	296 259
Sulphuric acid produced		
– tons	458 612	454 954
Oleum produced – tons	25 632	25 502
Gold produced – kilograms	5 854	6 008
Operating profit	R73 127 000	R66 697 000
Capital expenditure	R47 830 000	R22 454 000
Taxation	R10 175 000	R6 673 000
Dividends	R25 625 000	R45 100 000
per share	62,5c	110c

Production targets for the year ending March 31 1984:
Ergo: gold 5 300 kilograms; uranium 200 000 kilograms; sulphuric acid and oleum 500 000 tons.
Simmergo: gold 1 200 kilograms; sulphuric acid 33 000 tons.

★The South African Land & Exploration Company Limited

AAC equity interest – 26,4 per cent

Year ended December 31 1982

	1982	1981
Issued capital		
9 182 700 35c shares	R3 213 945	R3 213 945
Tons milled from dumps	2 069 000	1 514 000
Yield – grams/ton	0,85	0,98
Gold produced – kilograms	1 752	1 478
Operating profit	R3 349 000	R4 918 000
Net sundry income	R2 768 000	R1 752 000
Taxation	R426 000	R610 000
Capital expenditure	R5 830 000	R4 277 000
Dividends	R6 887 000	R3 673 000
per share	75c	40c

The company continued treating waste rock and crushing plant slimes from various locations on the East Rand. The programme to de-water Van Dyk No. 5 shaft, to permit sampling in selected areas in order to determine whether a viable mining operation can be established in this area, was continued.

Planned production for the year ending December 31 1983:
Tonnage milled 2 160 000; Grade 0,85 grams a ton.
Planned capital expenditure: R4 400 000.

Orange Free State

★Eastern Gold Holdings Limited (East Hold)

AAC equity interest – 40,4 per cent

East Hold was incorporated on February 19 1981, to finance the cost of establishing the Erfdeel gold mine in the Orange Free State. Mining operations at the Erfdeel mine will be conducted by Western Holdings Ltd (West Hold), and East Hold will be allocated 85 per cent of gross revenue and will bear 85 per cent of gross expenditure, while the remaining 15 per cent of each will be for West Hold's account.

East Hold advances loans to West Hold to finance the after-tax cost of capital expenditure incurred by West Hold in developing the mine. The amount of these loans is limited to advances made up to the end of the quarter in which full production is reached. The mine is expected to start normal stoping operations in 1988 and build up production to full capacity of 225 000 tons a month over a period thereafter.

Details of West Hold may be found on page 74 of this report.

Year ended September 30 1982

	1982 R000	1981 R000
Issued capital		
1 000 000 shares of no par		
value (one cent paid)	10	10
Shareholders' loans to		
East Hold	65 000	65 000
Loan to West Hold	29 968	11 813
Capital expenditure at Erfdeel	55 439	25 897

Planned capital expenditure at Erfdeel in 1983: R38 000 000.

★Free State Geduld Mines Limited

AAC equity interest – 2,2 per cent

Year ended September 30 1982

	1982	1981
Issued capital		
10 440 000 50c shares	R5 220 000	R5 220 000
Area mined – square metres	589 000	555 000
Tons milled	3 065 000	2 978 000
Yield – grams/ton	8,41	9,34
Gold produced – kilograms	25 776	27 813
Cost per square metre mined	R324,51	R246,22
Cost per ton milled	R62,38	R45,88
Working profit	R132 288 000	R243 242 000
Joint Metallurgical Scheme		
attributable profit	R4 957 000	R5 929 000
Capital expenditure		
including JMS	R111 197 000	R96 240 000
Taxation and State's		
share of profit	R7 417 000	R98 501 000
Dividends	R32 364 000	R63 684 000
per share	310c	610c

Planned production for the year ending September 30 1983:
Tonnage milled 3 500 000; Grade 7,5 grams a ton. Planned capital expenditure: R68 000 000.

★President Brand Gold Mining Company Limited

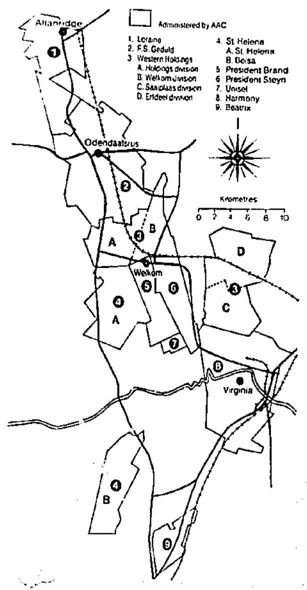
AAC equity interest – 11,1 per cent

Year ended September 30 1982

	1982	1981
Issued capital		
14 040 000 50c stock units	R7 020 000	R7 020 000
Area mined – square metres	609 000	622 000
Tons milled	[illegible]3 000	3 344 000
Yield – grams/ton	7,42	8,19
Gold produced – kilograms	25 456	27 397
Cost per square metre mined	R256,86	R211,62
Cost per ton milled	R45,62	R39,36
Working profit	R165 178 000	R240 361 000
Joint Metallurgical Scheme		
attributable profit	R17 421 000	R25 391 000
Capital expenditure		
including JMS	R45 717 000	R55 426 000
Taxation and State's		
share of profit	R80 523 000	R123 043 000
Dividends	R61 074 000	R83 538 000
per unit of stock	435c	595c

Planned production for the year ending September 30 1983:
Tonnage milled 3 300 000; Grade 6,9 grams a ton. Planned capital expenditure: R66 000 000.

Orange Free State mines



★President Steyn Gold Mining Company Limited

AAC equity interest – 16,0 per cent

Year ended September 30 1982

	1982	1981
Issued capital		
14 566 400 50c shares	R7 283 200	R7 283 200
Area mined – square metres	708 000	734 000
Tons milled	3 877 000	3 859 000
Yield – grams/ton	6,40	6,35
Gold produced – kilograms	24 827	24 503
Cost per square metre mined	R250,57	R205,05
Cost per ton milled	R45,76	R39,00
Working profit	R138 487 000	R182 170 000
Joint Metallurgical Scheme		
attributable profit	R19 841 000	R14 544 000
Capital expenditure		
including JMS	R44 781 000	R37 885 000
Taxation and State's		
share of profit	R73 243 000	R96 264 000
Dividends	R55 352 000	R75 017 000
per share	380c	515c

Planned production for the year ending September 30 1983:
Tonnage milled 3 960 000; Grade 6,5 grams a ton. Planned capital expenditure: R42 000 000.
The above results relate to the company and its wholly-owned subsidiary, Video Mining Co. Ltd.

★Welkom Gold Mining Company Limited

AAC equity interest – 13,7 per cent

The company was incorporated in 1947 and, until June 1981, conducted gold mining operations in the Welkom district of the Orange Free State.

On July 1 1981 the company and Free State Saaiplaas GM Co. Ltd (FSS) became investment holding companies, having sold their respective undertakings as going concerns to Western Holdings Ltd (West Hold) in exchange for 3 185 000 and 3 653 000 West Hold shares, respectively. FSS subsequently became a wholly-owned subsidiary of this company on August 10 1981 by an exchange of shares.

Year ended September 30 1982

	1982 R000	1981 R000
Issued capital		
26 300 000 50c shares	13 150	13 150
Profit after taxation (and State's share of profit for 1981)	32 505	46 925
Dividends	32 481	42 658
per share	123,5c	155c on 12 250 000 shares 90c on 26 300 000 shares

★Western Holdings Limited

AAC equity interest – 3,3 per cent

The Western Holdings complex consists of four mining divisions: the Holdings and Welkom divisions, together mining the Western lease, and the Saaiplaas and Erfdeel divisions, together mining the Eastern lease.

Although the establishment of the complex took effect only on July 1 1981, the figures shown with an asterisk for 1981 represent synthesised consolidated statistics relating to all the divisions as if the complex had been in operation for the whole of that year.

Year ended September 30 1982

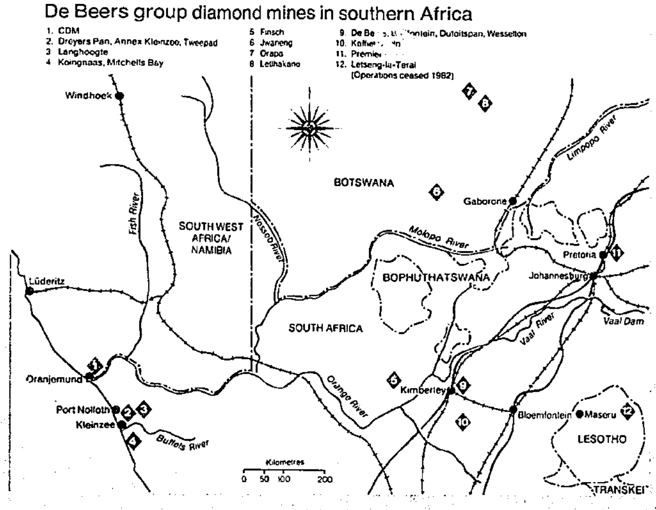
	1982	1981
Issued capital		
14 334 376 50c shares	R7 167 188	R7 167 188
Area mined – square metres	1 503 600	*1 475 300
Tons milled	8 134 000	*7 902 000
Yield – grams/ton	4,91	*5,45
Gold produced – kilograms	39 917	*43 039
Cost per square metre mined	R215,25	*R175,76
Cost per ton milled	R39,77	*R32,82
Working profit	R182 662 000	*R324 396 000
Joint Metallurgical Scheme attributable profit	R4 452 000	*R4 372 000
Capital expenditure including JMS	R107 370 000	*R87 599 000
Taxation and State's share of profit	R45 332 000	R82 285 000
Dividends	R68 805 000	R102 645 000
per share	480c	700c on 7 500 000 shares 350c on 14 334 376 shares

Planned production for the year ending September 30 1983: Tonnage milled 8 800 000; Grade 4,7 grams a ton. Planned capital expenditure: R73 000 000, of which R38 000 000 will be for further development of the Erfdeel division.

★Orange Free State Joint Metallurgical Scheme

The mines administered by AAC in the Orange Free State, Free State Geduld, President Brand, President Steyn and Western Holdings, participate in a major metallurgical scheme for the recovery of uranium, gold and sulphuric acid from current and deposited slimes.

De Beers group diamond mines in southern Africa



Year ended September 30 1982

	1982	1981
Pyrite flotation plants slimes treated – tons	18 416 000	18 649 000
Uranium plant slimes treated – tons	5 210 000	6 166 000
Concentrate treated – tons	451 652	436 808
Uranium oxide produced – kilograms	976 668	1 080 310
Acid plant acid produced – tons	343 954	343 414
Gold plant calcine treated – tons	314 587	325 148
Gold produced – kilograms	3 706	3 109
Capital expenditure	R3 159 000	R6 225 000
Profit	R46 671 000	R48 236 000

Planned capital expenditure for 1983: R3 400 000.

Evander

Winkelhaak Mines Limited

AAC equity interest – 8,1 per cent

Year ended September 30 1982

	1982	1981
Issued capital		
12 180 000 R1 shares	R12 180 000	R12 180 000
Tons milled	2 095 000	2 140 000
Yield – grams/ton	6,38	6,55
Gold produced – kilograms	13 358	14 019
Cost per ton milled	R30,59	R25,16
Working profit	R106 045 000	R136 907 000
Capital expenditure	R10 766 000	R5 176 000
Taxation and lease consideration	R66 579 000	R85 557 000
Dividends	R38 123 000	R49 938 000
per share	313c	410c

Diamonds

De Beers Consolidated Mines Limited (De Beers)

AAC equity interest – 34,2 per cent

(Interest after minorities – 21,1 per cent)

Financial details of De Beers may be found on page 69 of this report.

Principal interests at December 31 1982 (all wholly-owned subsidiaries unless otherwise indicated):

1. The Kimberley Division of De Beers operates the De Beers, Dutoitspan, Bultfontein and Wesselton mines at Kimberley, the Finsch mine north-west of Kimberley and the Koffiefontein mine in the Orange Free State. In June 1982 operations at Koffiefontein were temporarily suspended. The Division also re-treats material from mine dumps in the Kimberley area. The Namaqualand Division is currently mining alluvial deposits on the farms Koingnaas, Langhoogte, Tweepad and Karreedoornvlei. De Beers also operates the Premier mine at Cullinan in the Transvaal.

2. CDM (Pty) Ltd conducts alluvial mining operations along the southern portion of the coast of South West Africa/Namibia.

3. De Beers Botswana Mining Co. (Pty) Ltd (50 per cent owned) operates the Orapa and Letlhakane mines in central Botswana and the large new mine at Jwaneng in southern Botswana which was brought into production in January 1982.

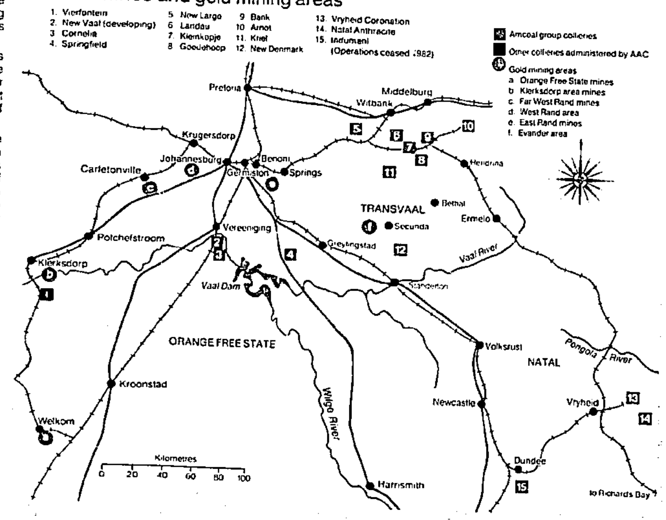
4. De Beers Lesotho Mining Co. (Pty) Ltd (75 per cent owned), at present in liquidation, operated the Letseng-la-Terai diamond mine in Lesotho until a decision was taken during 1982 to close the mine, which had been operating at a loss.

5. De Beers Industrial Diamond Division (Pty) Ltd, through companies under its management, is a leading manufacturer of synthetic diamond and related hard materials and is the outlet for the sale of De Beers natural diamond drilling materials and boart. It also administers the De Beers Diamond Research Laboratory.

6. The Diamond Corporation (Pty) Ltd and its subsidiaries contract with various producers who are not members of The Diamond Producers Association for the purchase of their production. The Diamond Corporation group has important financial resources which facilitate the holding of stocks of diamonds, thereby stabilising the trade.

7. De Beers and its subsidiaries hold 38,2 per cent of the issued ordinary share capital of Anglo American Corporation and a 22 per cent interest in Minerals and Resources Corporation Ltd. Through the merger at the beginning of 1982 of De Beers Industrial Corporation Ltd, the main investment of which is 39,5 per cent in AECI Ltd, with Anglo American Industrial Corporation Ltd (Amic), De Beers now holds 25 per cent in Amic, a major industrial group in South Africa. The De Beers group also has direct interests in gold and uranium, diamond, copper and other base metals, coal, industrial and commercial banking, and property companies.

Coal mines and gold mining areas



Coal

★Anglo American Coal Corporation Limited (Amcoal)

AAC equity interest – 50,9 per cent

Financial details of the Amcoal group are given on page 65.

Group coal and coke sales comprise the following:

	Year ended March 31 1983 Tons million	15 months ended March 31 1982 (Annualised) Tons million
Power generation		
Escom	22,2	21,8
Trade		
Export	7,2	8,0
Domestic	1,7	2,1
Metallurgical		
Iscor	1,4	1,7
Other	0,3	0,4
Coke	0,5	0,5
Anthracite		
Export	0,3	0,9
Domestic	0,4	0,4
	34,0	35,8

The principal interests of the group are as follows:

Collieries (owned by wholly owned subsidiary Amcoal Collieries Ltd)

Arnot	Natal Anthracite
Bank	New Denmark
Cornelia	New Largo
Goedehoop	New Vaal
Kleinkopje	Springfield
Kriel	Vryheid Coronation
Landau	

Industrial

Vereeniging Refractories Ltd (52 per cent owned)
Vitro Clay Pipes Ltd (52 per cent owned)
Coverland Roof Tiles (Pty) Ltd (17 per cent owned)

Blinkpan Koolmyne Beperk

AAC equity interest – 35,0 per cent

This company, which is a subsidiary of Trans-Natal Coal Corporation Ltd, operates two mines, Blinkpan colliery and Haasfontein colliery, in the Middelburg district of the Transvaal.

Coal sales by both collieries to Escom, Iscor and to the general trade during the year ended June 30 1982 totalled 3 093 000 tons (1981: 2 960 000 tons).

★Morupule Colliery (Proprietary) Limited

AAC equity interest – 93,0 per cent

The company operates a colliery near Palapye in Botswana the production of which is sold principally to the Botswana Power Corporation for use in its power stations. The colliery's productive capacity is 480 000 tons a year.

★Indumeni Limited

AAC equity interest – 57.6 per cent

The company owns the entire issued share capital of Indumeni Coal Mines Ltd. For the period to October 31 1982, Indumeni Coal Mines operated a colliery near Dundee, Natal, producing coking coal for supply to Iscor. At the request of Iscor, this mining operation was discontinued from November 1 1982 because of the economic recession in the steel industry in South Africa and world-wide. R2 million compensation has been received from Iscor.

	Year ended March 31 1983	15 Months ended March 31 1982
Issued capital		
1 400 000 50c shares	R700 000	R700 000
Coking coal sales – tons	180 000	403 000
Consolidated loss/(profit) after taxation	R564 000	(R920 000)
Dividends	R980 000	R840 000
per share	70c	60c

★Vierfontein Colliery Limited

AAC equity interest – 7,6 per cent

The company's colliery, which is situated in the Viljoenskroon district of the northern Orange Free State, produces bituminous coal for sale under contract to Escom's Vierfontein power station.

	15 Months ended March 31 1983	Year ended December 31 1981
Issued capital		
4 000 000 50c shares	R2 000 000	R2 000 000
Coal sales – tons	1 947 000	1 655 000
Profit after taxation	R688 000	R490 000
Dividends	R620 000	R480 000
per share	15,5c	12c

Other mining

Botswana RST Limited

AAC equity interest – 12,0 per cent

This company has an interest of 85 per cent in BCL Ltd, a company conducting a nickel/copper mining operation at Selebi-Phikwe in the Republic of Botswana. The remaining 15 per cent interest in BCL is held by the Government of Botswana.

The production of high-grade matte in 1982 was 45 685 tons compared with 46 565 tons in 1981. Contained metals, comprising 17 756 tons of nickel, 18 375 tons of copper and 254 tons of cobalt, showed an increase of 34 tons over 1981, the previous best year. Record metal production in 1982 reflected improved recoveries in the surface plants. In common with other base metal producing companies, the operating profits of BCL continued to be adversely affected by the rapid decline in metal prices. The company's results were also adversely affected by continuing high interest rates and foreign currency movements.

Year ended December 31 1982

	1982 P000	1981 P000
Issued capital		
17 979 282 P2 shares	35 959	35 959
Long-term liabilities	540 250	400 725
Mining assets and other capitalised expenditure	324 091	296 257
Total sales revenue	64 173	80 276
Net loss on current operations	129 458	62 602
Accumulated deficit	273 307	143 849

Cleveland Potash Limited

AAC equity interest – 50,0 per cent

The company operates a potash mine in the United Kingdom. The depressed state of the potash market continued, and the company incurred an operating loss of £1,9 million in 1982. Sales of salt as a by-product and handling of material through a shipping loading terminal are helping to reduce operating losses.

Gamsberg Zinc Corporation Limited

AAC equity interest – 33,3 per cent

The Corporation and associates hold 45 per cent in Gamsberg, while Newmont Mining Corporation, USA, and its associates hold the remaining 55 per cent. The company owns mineral rights over farms in the north western Cape. At December 31 1982 ore reserves totalled 152,6 million metric tons, containing 7,1 per cent zinc and 0,55 per cent lead. A detailed re-evaluation of the project is currently being undertaken, the results of which are expected towards the end of 1983.

Rustenburg Platinum Holdings Limited

AAC equity interest – 23,8 per cent

The company holds the entire issued share capital of Rustenburg Platinum Mines Ltd, which operates three major platinum mines in the Transvaal and Bophuthatswana and is the non-communist world's largest primary producer of platinum. The company also owns Atok Platinum Mines (Pty) Ltd. Other platinum group metals, as well as nickel, copper and cobalt sulphate, are important contributors to total revenue.

Year ended August 31 1982

	1982 R millions	1981 R millions
Issued capital		
125 320 431 10c ordinary shares	12,5	12,5
Ordinary shareholders' funds	592,4	527,3
Mining assets, at cost less recoupments	387,1	377,2
Unlisted investments	58,6	44,8
Equity earnings	41,0	120,0
per share	32,7c	95,8c
Dividends	43,9	56,4
per share	35c	45c

S A Manganese Amcor Limited (Samancor)

AAC equity Interest – 29,8 per cent

(Interest after minorities – 17,9 per cent)

Samancor is one of the world's largest integrated producers of manganese ore and ferro-alloys and exports more than 70 per cent of its products to the world's steel producers. Manganese, chrome ore and quartz are converted into ferro-manganese, silico manganese, ferrochrome, ferrosilicon and premium grade silicon. Other products include dolomite, serpentine, phosphorus, phosphoric acid, fertilizers, sodium tripolyphosphate and graphite electrodes.

Year ended February 20 1983

	1983 R000	1982 R000
Issued capital		
149 635 500 4c shares fully paid	5 985	5 616
270 500 4c shares 0,4c paid	1	1
Ordinary shareholders' funds	273 565	265 660
Book value of fixed assets	194 049	169 231
Investments	45 181	48 283
Net current assets	175 382	142 036
Equity earnings	14 694	40 312
per share	9,9c	28,7c
Dividends	7 482	14 054
per share	5c	10c

Tsumeb Corporation Limited

AAC equity interest – 2,6 per cent

The company is engaged in the mining and treatment of copper and lead in South West Africa/Namibia.

Year ended December 31 1982

	1982 R000	1981 R000
Issued capital		
8 000 000 50c shares	4 000	2 000
Total shareholders' funds	41 098	29 961
Long-term debt	1 604	6 650
Inventories and fixed assets	66 688	72 593
Metal sales	105 604	86 780
Net loss	8 835	3 439
Sales		
Blister copper – tons	36 494	25 935
Lead – tons	37 804	36 667
Silver – kilograms	87 478	85 090

Industry and commerce

★Anglo American Farms Limited

AAC equity interest – 50,0 per cent

The company's business includes summer and winter grain crops, cattle ranching, livestock breeding and fattening, game farming, the production and processing of vegetables and deciduous and sub-tropical fruits and trading in fruit, vegetables and meat. It also produces a range of estate wines – marketed under the name Boschendal – table grapes and pure fruit juice concentrates.

The company's livestock section consists of five piggeries, three dairies and a sheep and cattle feed lot. The company also produces sisal from its farms in eastern Transvaal and northern Zululand.

★Anglo American Industrial Corporation Limited (Amic)

AAC equity interest 46,4 per cent

Financial and other details of Amic may be found on page 67 of this report. Operating subsidiaries at December 31 1982 (all wholly owned unless otherwise stated), not referred to elsewhere in this section of the report, were:

1. African Products (Pty) Ltd
The company's three maize wet mills produce a wide range of specialty starches and glucose syrups, dextrins and other maize-based products for both local and export markets. In addition to these activities the company holds a 50 per cent interest in OKK Foods Ltd. It has extended its 'know how' agreement with CPC International Inc., one of the world's largest maize processing and starch producing companies. Group net earnings declined by 13,6 per cent to R7,0 million in 1982.

2. Boart International Ltd
Boart, through its subsidiary companies operating world-wide, is variously engaged in exploration drilling, in the manufacture and marketing of rotary and percussion drilling equipment and tools, coal and gold mining machinery and consumables, conveyor and vibrating equipment and engineered systems, underground mine supports, specialised grinding machinery, impregnated diamond and tungsten carbide engineering tools, cutting and drilling equipment and diamond tools for construction applications, steel castings and precision parts, and in industrial and project engineering. Sales declined by approximately 19 per cent while group net earnings for the year declined by 57 per cent to R16,8 million.

3. Bruynzeel Holdings Ltd (Bruhold)
Bruhold has a 100 per cent equity interest in Bruynzeel Plywoods Ltd (Bruply) and a 50,01 per cent interest in Spankor Ltd. Bruply owns plantations and sawmills and manufactures a wide range of timber-based products including structural and industrial lumber, laminated timber beams, shelving and container floors, treated and untreated fencing and transmission poles, doors, plywoods and veneers. The Spankor group operates particle board plants in the Transvaal, Natal and Cape Province and a medium-density fibre board plant has been commissioned, thus adding an important new product to its range. Equity earnings of the group for 1982 amounted to R10,6 million compared with R12,5 million in 1981.

4. Control Logic (Pty) Ltd (80,0 per cent interest)
The company manufactures electronic control systems, industrial instrumentation and electronic equipment for cars and commercial vehicles and a range of emergency lights and electronic ballasts. A loss of R2,5 million was incurred in 1982, compared with a profit of R0,8 million in the previous year.

5. Highveld Steel and Vanadium Corporation Ltd (50,1 per cent interest)
Highveld, which became a subsidiary of Amic on January 1 1982, operates an iron, steel and vanadium complex at Witbank, Transvaal. The full ore requirements of both the steel works and the Vantra division, which produces vanadium pentoxide for the export market, are supplied by Highveld's Mapochs mine. A subsidiary, Transalloys (Pty) Ltd produces manganese and silicon ferro-alloys for both local and export markets, while the Rand Carbide division produces ferrosilicon metallurgical char, soderberg electrode paste and other products associated with the steel and ferro-alloy industries. Highveld's group net earnings for the 18 months ended December 31 1982 amounted to R69,1 million. Export earnings at R242,1 million were at a record level.

6. Scaw Metals Ltd
Scaw's three major fields of operation are the manufacture of a wide range of ferrous castings, particularly railway components such as rolling stock wheels and bogie castings, rolled steel products in the merchant bar range and grinding media for the mining and cement industries. Haggie Ltd, in which Scaw has an effective 36,1 per cent interest, is a major manufacturer of wire and wire rope and provides a wide range of equipment for the mining and other industries. Net earnings of the Scaw group decreased by 20 per cent from R45,8 million to R36,6 million in 1982.

Important associated companies and investments of Amic not referred to elsewhere in this section of the report are:

1. AECI Ltd (39,5 per cent interest)
AECI manufactures and sells a wide range of industrial explosives for mining and other commercial uses, general chemicals, plastics, vinyl products, paints, synthetic fibres, fertilizer and agricultural products. Sales for 1982 increased to R1 550,4 million but trading profits, at R221,0 million, showed a 7,5 per cent decrease.

2. Asea Electric South Africa Ltd (49,8 per cent interest)
Asea operates the largest transformer factories in South Africa and produces the widest range of power, distribution and instrument transformers available from local manufacture. The group offers a complete range of associated products, including mini sub-stations, capacitors, circuit breakers, surge arresters, disconnectors and relay systems. Group net earnings increased by 5,0 per cent to R8,0 million for the year to December 31 1982.

3. Freight Services Holdings Ltd (40,3 per cent interest)
The group operates internationally, with interests in a wide variety of diverse traffic activities, including specialised international buying and trade finance for imports and exports; travel agency and ancillary services; surface forwarding, airfreight, warehousing, bulk cargo and project services for imports and exports world-wide; stevedoring, chandling, ships' maintenance, seamen's transport and off-shore services; agency representation and marketing services for shipping principals and container unpacking, storage and management. Group net earnings for 1982 increased by 14,6 per cent from R12,3 million to R14,1 million.

4. Industex (Pty) Ltd (37,5 per cent interest)
Industex manufactures various industrial textiles for the tyre, rubber and other manufacturing industries and spins cotton and synthetic yarns. Its two wholly-owned subsidiaries, Wellington Industries (Pty) Ltd and Union Cotton Mills (Pty) Ltd, produce towelling products and household textiles as well as yarns for the hosiery and sewing thread trades. Group net earnings for the year to June 30 1982 decreased by 25,5 per cent because of slack demand for certain products and a change in the basis of stock valuation.

5. International Pipe and Steel Investments South Africa (Pty) Ltd (31,3 per cent interest)
IPSA is the holding company of Dorbyl Ltd and Stewarts & Lloyds of South Africa Ltd in which companies it has a 51,0 per cent and a 51,8 per cent interest, respectively.

The Dorbyl group has diversified interests and is involved in heavy engineering, general fabrication, ship building and ship repair, structural steel construction, manufacture of rolling stock, locomotives and automotive components, bus and commercial vehicle body building as well as the erection and installation of mechanical and electrical equipment and project engineering. Net earnings of Dorbyl for the year to September 30 1982 increased by 43,0 per cent to R35,9 million.

The Stewarts & Lloyds group manufactures and distributes a wide range of products to the mining, agricultural and industrial markets and to the public sector. The product range includes metal tubing and allied products, mild steel sheets, plates and sections, iron castings, centrifugal pumps, diesel engines, generating plants, irrigation equipment, windmills, air conditioning units and refrigeration components and mining machinery. Net earnings of Stewarts & Lloyds for the year to September 30 1982 increased by 6,5 per cent to R18,0 million.

6. The Union Steel Corporation (of South Africa) Ltd (USCO) (13,1 per cent interest)
USCO, which is controlled by South African Iron and Steel Industrial Corp Ltd (Iscor), is engaged in the manufacture and sale of various types of steel, castings, copper cable and wire, aluminium conductor and cable, and agricultural implements. USCO also has investments in steel merchants and suppliers of copper and aluminium rod and in manufacturers of copper wire and allied products. Group net earnings for the year to September 30 1982 were R5,5 million compared with R10,0 million for the nine months to September 30 1981.

★Computer Sciences (Proprietary) Limited

AAC equity interest – 26,3 per cent

The company offers a wide range of data processing products and services, including the Infonet remote processing service and computer equipment from various manufacturers such as Datapoint, Northern Telecom, NCR-Comten, NSC-Hyperchannel, ITT Courier, Printronix, Epic, Texas Instruments, Recognition Equipment and ISC Pinnacle, as well as a locally designed and manufactured intelligent terminal. All of this equipment is supported by a country-wide customer service division.

Consolidated Metallurgical Industries Limited (CMI)

AAC equity interest – 15,6 per cent

CMI, a member of the Johannesburg Consolidated Investment Company, Ltd group of companies, was formed in 1975 to produce and market ferrochrome. The company operates a ferrochrome plant in the eastern Transvaal comprising two production streams with a total design capacity of 140 000 tons of alloy a year. The company's entire output is exported to consumers in the USA, Canada, Japan and Europe.

Recessionary conditions in overseas markets which first became evident in mid-1980 continued throughout 1982 and resulted in a decrease in the demand for ferrochrome. The company accordingly reduced production to levels more suited to market requirements.

Despite recent indications of a modest upturn in demand in the USA, sales are likely to remain at low levels in the near term and, consequently, output will continue at its present rate until there are more definite signs of improvement in export markets.

Cullinan Holdings Limited

AAC equity interest – 23,0 per cent

Cullinan controls and manages trading divisions and subsidiaries engaged in the manufacture of refractories, mining and beneficiation of clays and ceramic minerals, production of building bricks, township and property development, and the manufacture of PTFE industrial plastic products. Cullinan also has a 70 per cent interest in Cullinan Electrical – a partnership with Blue Circle Ltd – which manufactures and markets a wide range of industrial electrical products and is engaged in electrical contracting operations.

Year ended June 30 1982

	1982 R000	1981 R000
Issued capital		
10 437 581 50c ordinary shares	5 219	4 929
500 000 5,5 per cent cum. pref shares of R2 each	1 000	1 000
Ordinary shareholders' funds	51 893	40 364
Loans and deferred liabilities	55 211	37 774
Book value of fixed assets	59 958	47 036
Equity earnings	8 760	10 801
per share	83,9c	109,6c
Ordinary dividends	2 958	3 549
per share	27c	36c

LTA Limited

AAC equity interest – 28,7 per cent

The LTA group is one of the largest building and civil engineering construction finance groups in southern Africa. The activities of the companies in which it is interested cover the full building and civil engineering spectrum, from small works through to major projects, turnkey projects, involving the complete design, engineering and construction of plant and buildings, and also industrialised buildings, technical design and management, mechanical and electrical engineering, the manufacture of prefabricated buildings and building components, steel reinforcing and structural steel construction.

Year ended March 31 1982

	1982 R000	1981 R000
Issued capital		
13 078 240 R1 ordinary shares	13 078	13 062
20 784 10 per cent cum. red. pref. shares of R1 each	21	26
Ordinary shareholders' funds	77 263	51 775
Long-term liabilities	31 731	7 403
Equity earnings	13 228	10 683
per share	101c	83c
Ordinary dividends	4 578	3 919
per share	35c	30c

★Mainstraat Beleggings (1965) Beperk

AAC equity interest – 30,0 per cent

Mainstraat was formed to hold certain joint interests of AAC and the Federale Mynbou/General Mining Union Corporation group in the heavy engineering and steel industries. The company has interests in Highveld Steel and Vanadium Corporation Ltd, Hall Longmore and Company (Pty) Ltd, International Pipe and Steel Investments SA (Pty) Ltd, Stewarts & Lloyds of SA Ltd and Union Carriage and Wagon Company (Pty) Ltd.

Mainstraat's net earnings for the year ended June 30 1982 were R5,09 million compared with R4,88 million the previous year.

McCarthy Group Limited

AAC equity interest – 12,9 per cent

The group is the largest motor vehicle retail organisation in South Africa. Trading subsidiaries operate vehicle franchises throughout the Republic. More than 5 500 people are employed and in the year to June 30 1982 vehicle sales exceeded 75 000 units. Certain subsidiary companies import and distribute motorcycles and industrial engines, and lease premises occupied by the trading divisions.

Year ended June 30 1982

	1982 R000	1981 R000
Issued capital		
17 066 415 50c ordinary shares	8 533	8 533
150 000 5,5 per cent cum. pref. shares of R2 each	300	300
Ordinary shareholders' funds	69 941	51 631
Long-term liabilities	8 860	8 192
Equity earnings	12 371	20 344
per share	72,5c	119,6c
Ordinary dividends	5 120	7 168
per share	30c	42c

Middelburg Steel & Alloys Holdings (Proprietary) Limited

AAC equity interest – 13,4 per cent

The company, which is part of the Barlow Rand Ltd group, owns the entire issued share capital of Middelburg Steel & Alloys (Pty) Ltd which produces and markets stainless steel, ferrochrome and other ferro-alloys. The year to September 30 1982 was another generally difficult year, reflecting the recession in the world steel industry, and group results were only marginally better than those of 1981 when net earnings were R2,1 million. The alloys division achieved a marked improvement in profitability over the previous year, more than offsetting losses incurred by the steel division during final commissioning of a R150 million expansion project. However, in the six months to March 31 1983, Middelburg Steel incurred a loss of R8 million.

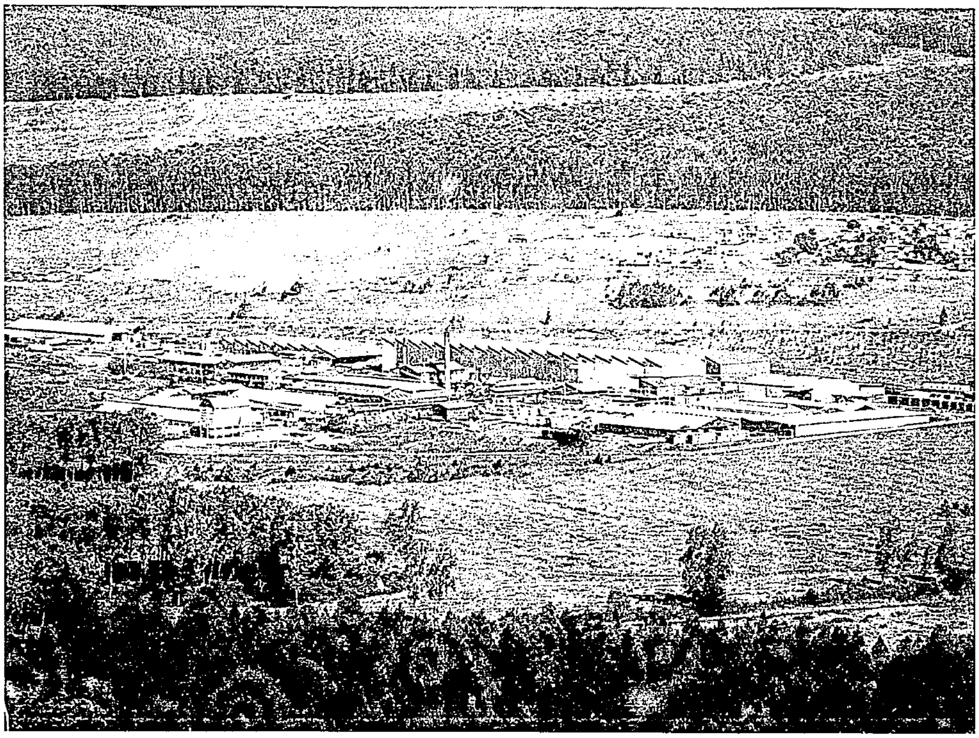
★Mondi Paper Company Limited

AAC equity interest – 29,9 per cent

A programme of rationalisation of the Mondi group of companies was carried out during 1982 with the formation of three operating divisions, each concerned with a major product, namely, paper, board and timber. On April 1 1982 Mondi acquired the ordinary share capital of Huletts Paper Ltd at a cost of R32 million. The two mills operated by that company, at Felixton and Piet Retief, have been integrated into the Board Mills division. The company's interest in the timber business of Hunt Leuchars & Hepburn Ltd was increased from 10 per cent to 20 per cent on February 28 1982 in accordance with the agreement whereby Mondi will acquire a 49 per cent interest in HL & H Timber Holdings Ltd over a three-year period ending March 1 1984, at a cost of R26,95 million. Negotiations for the purchase of the ordinary share capital of the Usutu Pulp Company Ltd, of Swaziland, were discontinued.

(1) Mondi Timber's headquarters, main sawmill and plywood plant set amidst one of the world's largest plantation blocks, at Sabie, eastern Transvaal. (2) Mondi Board Mills' Springs mill, a major manufacturer of carton board, has rebuilt certain machines and modified others to increase its capacity significantly. (3) One of three pre-production rotary kilns of Highveld Steel's No. 2 iron plant which will take Highveld's steel-making capacity to 1,1 million tons. (4) Aluminium sheeting being manufactured at Huletts Aluminium, Pietermaritzburg, part of the large and diversified Tongaat-Hulett group

1



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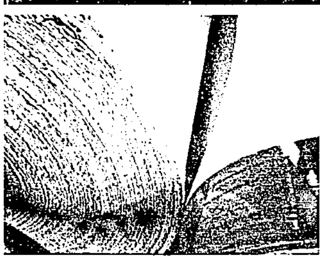

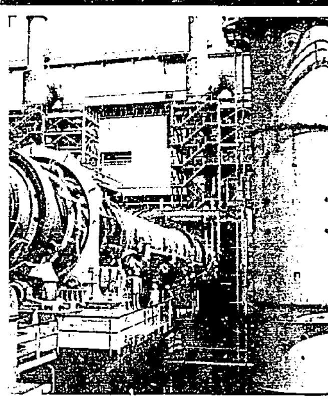

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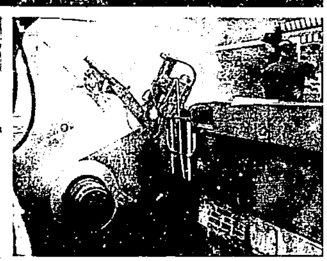


4

Satisfactory progress is being made with the establishment of a pulp mill complex at Richards Bay and present indications are that the original October 1984 target date for commissioning of the mill will be achieved.

The Paper division comprises the Merebank paper mill near Durban and a forestry unit with headquarters in Pietermaritzburg. The Merebank mill is made up of a groundwood mill, two thermo-mechanical pulping plants, five high-speed paper machines and a finishing department. Bowater Paper Company (Pty) Ltd, a wholly-owned subsidiary, stocks and distributes a wide range of paper products and manufactures disposable paper and plastic containers.

The Board Mills division, with headquarters at Umgeni, Durban, now consists of five mills, at Felixton, Piet Retief, Umgeni, Springs and Bellville. The mills at Felixton and Piet Retief manufacture liner board and fluting medium used in the production of corrugated boxes while the other mills manufacture paper board for the packaging, printing and stationery industries.

The Timber division, with headquarters at Sabie in eastern Transvaal, operates the largest integrated softwood forestry and sawmilling operation in southern Africa, with a total afforested area of some 90 000 hectares. Timber from these forests is supplied to the group's 12 sawmills and a plywood plant.

All three divisions encountered difficult trading conditions during 1982 and this, combined with the very high cost of money, caused earnings to fall this year.

In the Paper division domestic demand was not much higher than the previous year but exports were severely depressed by the world recession, with stiff competition in the market place leading to low prices. The weakening of the rand against the US dollar helped to cushion this effect to some extent.

The Board Mills division was the best placed of the three divisions and the inclusion of the former Huletts Paper mills from April 1 1982 helped to keep the division's results at a reasonable level.

The results of the Timber division were adversely affected by de-stocking by merchants and declining demand for structural and re-worked timber products.

Timbrik (Pty) Ltd, which is a wholly-owned subsidiary of Mondi, manufactures industrialised building panels, pallets and furniture.

Mondi Paper Company Ltd received the State Award for Export Achievement in 1982.

Group net earnings for 1982 were R32,2 million compared with R30,9 million in the previous year.

★The Natal Tanning Extract Company Limited (NTE)

AAC equity interest – 37,3 per cent

NTE owns or leases 76 000 hectares of forest land in south-eastern Transvaal and Natal. The land is planted mainly to wattle and pine with smaller areas under gum, poplar and sugar cane. The principal operation is production of tanning extract from wattle bark and two factories are operated for this purpose. The value of wattle extract exported during 1982 was R20,4 million and NTE produced 382 000 tons of timber, 35 400 tons of wattle bark and 130 000 tons of sugar cane.

Net earnings of NTE for the year ended December 31 1982 decreased by 20,0 per cent to R2,0 million.

Shaft Sinkers (Proprietary) Limited

AAC equity interest – 50,0 per cent

Shaft Sinkers and its wholly-owned subsidiaries provide an integrated design and construction service to the mining and civil engineering industries for shaft sinking, tunneiling, high-speed development, raiseboring and underground excavations.

Major contracts completed during 1982, included the Main shaft at Finsch Diamond Mine, Free State Geduld No. 5 shaft, Cooke 2A ventilation shaft, President Steyn No. 4 sub-vertical shaft and the shaft systems at New Denmark Central Mine.

During 1982, work commenced on the shaft systems for the New Denmark North Mine, Kloof No. 4 ventilation shaft, President Brand No. 1A shaft, and the sliping of Raposos No. 4 shaft at Nova Lima in Brazil.

Group earnings before tax for the year ended March 31 1983 were R6,3 million compared with R10,2 million the previous year.

Sigma Motor Corporation (Proprietary) Limited

AAC equity interest – 50,0 per cent

Sigma is jointly held by AAC and Amic following the recent acquisition by these companies of the 25 per cent held by Chrysler Corporation of the USA. The Sigma group assembles and markets Mazda, Mitsubishi, Peugeot and Citroën ranges of passenger vehicles together with a wide range of Mazda and Mitsubishi commercial vehicles. A wholly-owned subsidiary, Sigma Power Corporation (Pty) Ltd, markets Komatsu and Ameise earth-moving and materials handling equipment and holds the Michelin tyre franchise for equipment, trucks and cars. Financing services are provided by Sigma Finance Corporation (Pty) Ltd. The group employs about 5 700 people, and vehicle sales to the dealer network during 1982 were approximately 57 000 units.

The profitability of the group was severely affected by the tightening of trading conditions during the year and by the decline of the rand against the US dollar and Japanese yen. A loss of R55,0 million was incurred in 1982 compared with net earnings of R23,2 million in 1981. With the commissioning of an expanded production facility at Pretoria, and with significant new model introductions planned for 1983, Sigma's management is confident that the group can regain its leading position in the automotive industry.

The South African Breweries Limited

AAC equity interest – 4,5 per cent

(Interest after minorities – 2,7 per cent)

The South African Breweries Limited was incorporated in 1895 and was the first industrial company to be listed on The Johannesburg Stock Exchange. Until 1960 it was basically a one product (beer) company, but then began diversifying into the wine and spirit industry, retailing, hotels and selected manufacturing activities until today about 55 per cent of net earnings are from beverages and 45 per cent from its diversified interests. It controls the quoted Amalgamated Retail Ltd (Amrel), Associated Furniture Companies Ltd (Afcol), Edgars Consolidated Investments Ltd (Edcon), O.K. Bazaars (1929) Ltd and Southern Suns Hotel Holdings Ltd and holds 30 per cent of Cape Wine and Distillers Ltd and 22 per cent of Romatex Ltd.

Year ended March 31 1982

	1982 R000	1981 R000
Issued capital		
249 252 667 20c ordinary shares	49 850	44 481
1 000 000 6,2 per cent cum. pref. shares of R2 each	2 000	2 000
42 630 618 7 per cent conv. red. cum. pref. shares of R1 each	42 631	42 631
2 475 000 7 per cent cum. pref. shares of R1 each	2 475	2 475
800 000 8 per cent red. cum. pref. shares of R1 each	800	1 200
Ordinary shareholders' funds	666 619	510 663
Long-term liabilities	356 733	239 876
Current value of fixed assets	785 867	609 038
Investments		
Listed – carrying value	63 053	89 997
– market value	90 320	101 883
Unlisted – carrying value	35 042	29 679
– directors' valuation	62 520	55 401
Equity earnings	167 022	120 729
per share	75,1c*	54,3c
Ordinary dividends paid	82 971	60 048
per share	34c	27c

*Excludes 26 847 497 shares issued during March 1982 in part settlement of interest in Edcon.

The Tongaat-Hulett Group Limited

AAC equity interest – 11,2 per cent

During 1982 the Tongaat Group Limited merged with Huletts Corporation to become one of the world's largest sugar producers. The group has substantial interests in aluminium semi-fabrication; maize and wheat milling; cotton ginning; the production and distribution of building materials, textiles, animal feeds, edible oil and margarine, breakfast cereals, pet foods, mushrooms, asparagus, eggs and pullets; transport; property; timber plantations; electronics and general engineering.

Year ended March 31 1983

	1983 R millions	1982 R millions (pro forma)
Issued capital		
56 825 740 R1 ordinary shares	56,8	56,8
Ordinary shareholders' funds	685,5	617,7
Book value of fixed assets	704,8	649,7
Turnover	1 284,2	1 251,4
Profit before tax	116,9	141,3
Taxation	33,6	45,2
Equity earnings	66,3	78,5
per share	116,6c	138,2c
Dividend paid	33,0	
per share	58c	

To make comparisons meaningful, the pro forma 1982 figures have been shown on the basis that the merger had been effective from April 1 1981.

Union Carriage and Wagon Company (Proprietary) Limited

AAC equity interest – 2,8 per cent

The company manufactures electric, diesel electric and diesel hydraulic locomotives and railway passenger coaches which are supplied mainly to the South African Transport Services and to industry. There is a high level of local content in this rolling stock. Its one operating subsidiary, Unionmod Buildings (Pty) Ltd, manufactures factory-built modular buildings.

During the year ended June 30 1982, group earnings increased by 10,3 per cent over the previous year.

Mainstraat Beleggings (1965) Bpk, in which AAC holds 30 per cent, owns 47,7 per cent of the equity of Union Carriage.

★Vereeniging Refractories Limited

AAC equity interest – 51,7 per cent

Vereeniging Refractories manufactures a wide variety of refractory bricks and materials which are used in high temperature applications in the iron and steel, ferro-alloy and other industries; acid-resistant bricks and mortar for the chemical industry and high alumina refractories and dolomite-based products. Subsidiary and associated companies are involved in the manufacture of building bricks, Stalton pre-stressed beams, lintels, floor systems, concrete roof tiles and vitrified clay pipes and fittings for house drainage and sewers, while others mine raw materials that are used by the group and sold outside it.

	Year ended March 31 1983 R000	15 months ended March 31 1982 R000
Issued capital		
5 103 000 50c ordinary shares	2 552	2 552
500 000 5,5 per cent cum. non-red. pref. shares of R2 each	1 000	1 000
Ordinary shareholders' funds	53 664	49 734
Long-term liabilities	2 217	2 218
Book value of fixed assets	39 468	41 482
Net current assets	25 818	18 024
Equity earnings	6 541	13 009
per share	128,2c	259,4c
Dividends	2 551	4 113
per share	50c	81c

Zinchem & Industrial Mineral Resources (Proprietary) Limited (Zimro)

AAC equity interest – 76,3 per cent

Zimro is an investment holding company the major subsidiaries of which operate in mining, processing and marketing a wide range of industrial and base minerals; in zinc chemicals; tin mining and production and metal rolling and metal chemicals.

A controlling interest in African Zinc Mills (Pty) Ltd was acquired during 1982. This company is engaged in the rolling of zinc sheet, the manufacture of calots and zinc-based alloys.

As a result of general recessionary conditions during the past year, net earnings for the year ended March 31 1983 were marginally below the previous year's level. An extensive productivity improvement programme has been implemented, together with a cost reduction campaign, in an endeavour to contain expenses during an expected difficult 1983.

Zaaiplaats Tin Mining Company Ltd, 65,4 per cent owned by Zimro, reported net earnings for the year to March 31 1983 of R312 000, compared with R106 000 in the eight months ended March 31 1982. Capital expenditure amounted to R425 000 for the year compared with R512 000 in the previous eight-month period and ore milled, on the completion of Phase II of the company's new mill programme, totalled 72 919 tons (60 270 tons in the eight-month period).

Property

★Anglo American Properties Limited (Amaprop)

AAC equity interest – 65,6 per cent

Financial details of Amaprop may be found on page 67 of this report. The company's major property interests are as follows:

	Percentage interest
Anglo American Life Centre, Durban	100
Anglo American Life Centre, Cape Town	100
Anglo American Life Centre, Krugersdorp	100
Anglo American Life Centre, Port Elizabeth	100
Brickhill Road Parkade, Durban (leasehold)	100
Carlton Centre and Carlton Hotel, Johannesburg	51
Checkers Store, Benoni	100
Civic Towers/ICL House, Johannesburg	100
Devonshire House and Hotel, Johannesburg	100
11 Diagonal Street, Johannesburg (leasehold)	100
Dovehouse Township, Gillitts, Natal	100
Durdoc Centre and Provincial House, Durban	53
(100 per cent acquired subsequent to year end)	
Edura, Johannesburg	100
Garden Plaza, Johannesburg	50
Gardens Centre, Cape Town	100
Highpoint, Hillbrow, Johannesburg	100
His Majesty's, Johannesburg	100
Jet Park Industrial Township, Boksburg	100
Killarney Mall, Johannesburg	100
La Lucia Township, Umhlanga Rocks	100
Linwood Villa Building, Durban	100
Lloyds Hotel, Johannesburg	26
Lymepark Township, Sandton	100
Marina da Gama, Muizenberg	100
McCarthy Chrysler Building, Durban	100
Norscott Slopes Township, Sandton	100
Parktown office park land, Johannesburg	100
Pine Parkade, Durban (leasehold)	100
Samancor House, Johannesburg (leasehold)	100
Shaka's Rock Township, Shaka's Rock, Natal	100
Sunninghill Extension 2 Township, Sandton	100
Sunnypark, Pretoria	100
Transvaal House, Pretoria	100
Twentieth Century, Johannesburg	100
9 Wellington Road, Johannesburg (leasehold)	100
11 Wellington Road, Johannesburg (leasehold)	100
Wesbank House, Johannesburg (leasehold)	100

★Carlton Centre Limited

AAC equity interest – 80,0 per cent
(Interest after minorities – 62,5 per cent)

The company owns and operates the Carlton Centre in the central business district of Johannesburg. The Centre comprises a 50-storey office tower, the 30-storey international class Carlton Hotel, two department stores, approximately 170 retail shops and restaurants, an ice rink and covered parking facilities for 2 000 cars. The Carlton Hotel, in which the company has an 89 per cent interest, is managed by Westin Hotels of Seattle, USA.

Year ended March 31 1983

	1983 R000	1982 R000
Issued capital		
28 380 410 50c ordinary shares	14 190	14 190
Total shareholders' funds	128 144	122 524
Secured long-term liabilities	34 874	35 771
Unsecured liabilities	6 404	6 324
Book value of fixed assets	175 117	168 752
Equity earnings	9 883	8 657
per share	34,8c	30,5c
Dividends	4 541	4 257
per share	16c	15c

Main Place Holdings Limited

AAC equity interest – 27,9 per cent

Main Place, administered by JCI, owns a 4,8-hectare site adjacent to the financial district of Johannesburg. The land is being held for future development.

Banking and insurance

★Anglo American Life Assurance Company Limited

AAC equity interest – 97,7 per cent

Anglo American Life is one of the largest life assurance companies in South Africa. The company offers a comprehensive range of life assurance products including policies linked to managed, property, equity, fixed interest and cash portfolios. The company has been an important innovator in the field of updateable life assurance which enables policy holders to adjust their premium contributions and life cover to help keep pace with inflation. Its Masterplan and Masterseries range of products are market leaders and extremely well known within the life assurance industry. It is also a leading underwriter in the group pensions market. Subsidiary life companies are African Life Assurance Company Ltd and Southampton Assurance Company of Zimbabwe Ltd. Other major subsidiaries are Anglo American Life Property Holdings Ltd, which holds and develops a large portfolio consisting chiefly of prime office and shopping properties, First Consolidated Holdings Ltd, a leasing and finance company and Metals and Minerals Investment Corporation Ltd, the remaining 30 per cent not already held having been acquired during the year.

Anglo American Life has assets in excess of R1 460 million and paid dividends of R7,00 million (1982: R5,25 million) from disclosed earnings of R10,25 million (1982: R7,75 million) in the year to March 31 1983.

Barclays National Bank Limited

AAC equity interest – 13,3 per cent

Barclays National Bank Ltd, the largest banking group in southern Africa, is engaged in banking in all its aspects and in the provision of related services. It comprises the commercial bank with a widespread network of branches, Barclays National Merchant Bank Ltd and the general banks: Barclays Western Bank Ltd, which, with its wholly-owned subsidiary, Barclays Western Credit Ltd, concentrates mainly on hire-purchase vehicle sales and consumer finance, and Barclays National Industrial Bank Ltd which arranges or provides medium-, long-term and project finance mainly for corporate customers by way of leasing, suspensive sale, discounting and factoring facilities.

Year ended December 31 1982

	1982 R000	1981 R000
Issued capital		
53 234 011 R1 ordinary shares	53 234	53 234
Total shareholders' funds	462 616	408 564
Total assets	13 132 003	10 795 222
Total deposits	8 748 124	6 909 506
Advances and other accounts	7 920 905	6 190 513
Equity earnings	101 455	80 582
per share	190,6c	151,4c
Dividends	39 925	33 537
per share	75c	63c

Bowring Barclays and Associates Holdings (South Africa) Limited

AAC equity interest – 33,3 per cent

The insurance broking interests of C.T. Bowring and Associates Holdings (South Africa) Ltd and Barclays Insurance Brokers (South Africa) Ltd were merged on January 1 1981. The issued share capital of the merged company is owned as to one third each by AAC, Barclays Bank and Marsh & McLennan, New York (through C.T. Bowring, U.K.).

Through various subsidiaries and associated companies, the company conducts insurance broking operations in all fields of insurance in southern Africa.

Year ended December 31 1982

	1982 R000	1981 R000
Issued capital		
150 006 R1 ordinary shares	150	150
Total shareholders' funds	4 735	4 265
Equity earnings	4 712	3 778
per share	R31,41	R25,18
Dividends	4 242	3 568
per share	R28,28	R23,78

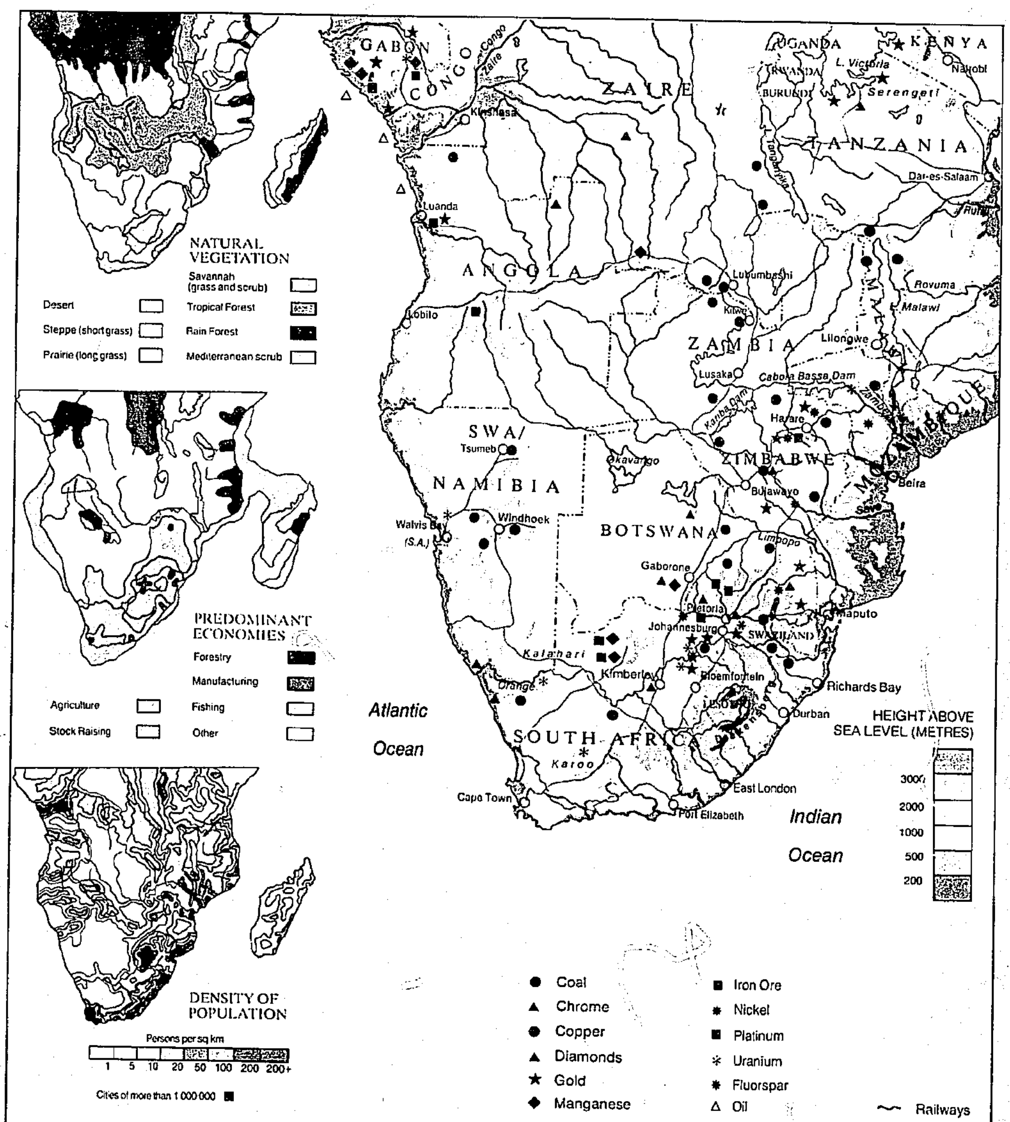
The Discount House of South Africa Limited

AAC equity interest – 17,5 per cent

As a discount house, registered in terms of the Banks Act 1965, the company negotiates call loans from banking institutions and building societies, which may regard the loans as liquid assets for statutory purposes, and from mining houses. The funds borrowed are invested in a range of domestic, negotiable, risk-free, mainly short-term securities, principally treasury bills, bank acceptances, negotiable certificates of deposit and stocks and debentures of the government, local authorities, public corporations, the Reserve Bank and the Land Bank. The company makes active markets in the various securities in which it invests, trades high levels of these securities with a wide range of the financial institutions and other investors, and offers portfolio management services. The company, in association with Harlow Meyer Savage of London, has established Cheetah International Money Brokers Ltd, South Africa's first foreign exchange broking company.

Net earnings for the year ended December 31 1982 were R2,64 million, compared with R1,60 million the previous year.

Mineral resources and mining



Administration

CHAIRMAN'S OFFICE

SECRETARY TO EXECUTIVE COMMITTEE
C L Sunter

ECONOMIC CONSULTANT
A B Dickman

PUBLIC RELATIONS CONSULTANT
B R Mortimer

LEGAL SERVICES MANAGER
D L Titlestad

SECURITY CONSULTANT
F A J van Zijl

SECRETARY
C L Maltby

CORPORATE SERVICES MANAGER
E Langston

PURCHASING MANAGER
D W Darke

Chairman's Fund

DIRECTOR
M C O'Dowd

Finance Office

DIRECTOR
M W King

MANAGER
J M P Desmidt

FINANCE MANAGERS
G M Holford
A W Lea
A J Trahar
P von Backström

ACCOUNTING CONSULTANT
G C Leeman

GROUP ACCOUNTANT
G A Chalmers

TAX CONSULTANT
C R Frame

GROUP INTERNAL AUDIT MANAGER
R R D Duncan Anderson

CORPORATE FINANCE CONSULTANT
C W P Yates

Manpower Resources Office

MANAGER
J F Drysdale

PERSONNEL CONSULTANTS
W G Mitchell
N D Morgan
F J Worth

SENIOR MEDICAL CONSULTANT
Dr J G D Laing

MEDICAL CONSULTANTS
Dr I Potgieter
Dr C H C Thomas

CONSULTING ACTUARY
D M Brown

INDUSTRIAL RELATIONS CONSULTANT
R M Godsell

TRAINING CONSULTANT
R J B Spence

Technical Office

DIRECTOR
J A Holmes

DEPUTY TECHNICAL DIRECTORS
Dr M G M Atmore
A D Deuchar
J L P Mackenzie
Dr L G Murray
T L Pretorius

CONSULTING ENGINEERS
A K Chant
J C Martens
H J Stucke
M P O'Connor

CONSULTING ARCHITECT
D R Yetton

CONSULTING CIVIL ENGINEER
J M Evans

CONSULTING ELECTRICAL ENGINEER
H M Brown

CONSULTING GEOLOGIST
Dr F W D Cornwall

CONSULTING GEOPHYSICIST
K Biesheuvel

CONSULTING MECHANICAL ENGINEER
T C de K Kuun

CONSULTING METALLURGISTS
Dr M I Brittan
L N Stewart

TECHNICAL SERVICES CONSULTANT
Dr L C Browne

MINING VALUATION CONSULTANT
H M MacLeod

TECHNICAL CONSULTANT
J Dyer

HEAD OF METAL STUDIES
J F C Fisher

DIVISIONAL MANAGERS
Dr R H T Garnett
F R Sergiades

MANAGERS, RESEARCH
Dr B K Loveday
J Tumilty
N T van der Walt

CONSULTING MINING ENGINEER
V R Symons

GROUP COMPUTER CONSULTANT
B J Shaul

COMPUTER SERVICES MANAGER
P H Williams

OPERATING DIVISIONS

Coal

CHAIRMAN
W G Boustred

MANAGING DIRECTOR
D Rankin

DEPUTY MANAGING DIRECTOR
D F Rogans

CONSULTING ENGINEERS
P P Coetser
J D Flint
G O Parnell
C Sutherland

CONSULTING GEOLOGIST
R R L G Whittaker

CONSULTING MECHANICAL AND ELECTRICAL ENGINEERS
G Burrage
J M Kinghorn
B P Smith
E B Smith

CONSULTING METALLURGISTS
J A Crichton
D W Horsfall

CONSULTING MINING ENGINEERS
L F Baars
M T Brett
I F Buchan
P D Dickson
R A Laybourne
G J Livingstone-Blevins
W C Mather
R B Watson

ENERGY CONSULTANT
R L Cohen

FINANCIAL DIRECTOR
K M Hosking

MARKETING AND SALES DIRECTOR
D J Ritson

MARKETING MANAGERS
Dr J W Campbell
H B Stacey
K H Williams

PERSONNEL CONSULTANT
D B Wiggill

Diamond Services

CHAIRMAN
J Ogilvie Thompson

MANAGERS
Dr H B Dyer
P J R Leyden

FINANCIAL DIRECTOR
L A Lincoln

DEPUTY MANAGERS
R M Crawford
N A D Campbell

CONSULTING ENGINEERS
A P Britz
T Lee-Jones
J O Richards

CONSULTING GEOLOGISTS
Dr L G Murray
C B Edwards
J B Hawthorne

CONSULTING MECHANICAL AND ELECTRICAL ENGINEERS
I A MacKinnon
Dr M G Rees

CONSULTING METALLURGISTS
G Schwartz
J F Slabbert

ORE VALUATION CONSULTANT
M M Oosterveld

PERSONNEL CONSULTANT
C N Cross

Food and Agriculture

CHAIRMAN
M B Holmeyr

Gold and Uranium

CHAIRMAN
D A Etheredge

MANAGING DIRECTOR AND CHIEF EXECUTIVE
G Langton

DEPUTY MANAGING DIRECTORS
W R Lawrie
G S Young

CONSULTING ENGINEERS
F J Bayley
E C W Brereton
L Hewitt
D M Rood
E Schmid
R P G Steyn
J A Waddams
R G Williams

CONSULTING GEOLOGIST
Dr P J Pienaar

CONSULTING MECHANICAL AND ELECTRICAL ENGINEERS
A P de Klerk
M K Glover
G D Griesel
K N Love
K J Trueman
A S Webster

CONSULTING METALLURGISTS
W A Kretschmer
V J Moore
P J Mostert

CONSULTING MINING ENGINEER
W H Farthing

FINANCIAL DIRECTOR
F Bentley

DIRECTOR – MANPOWER
S W van der Colf

PERSONNEL CONSULTANTS
P J J Botha
F J Marneweck

INFOGOLD MANAGER
A J Davies

MARKETING MANAGER
Dr R M Weinberg

DIVISIONAL MANAGER – ADMINISTRATION
P J Eustace

Industry and Commerce

CHAIRMAN
C J L Griffith

MANAGER
O P Koevort

FINANCIAL DIRECTOR
W G Boyd

Insurance and Property

CHAIRMAN
Dr Z J de Beer

New Mining Business

CHAIRMAN
A B McKerron

PROSPECTING MANAGER
R A A Gower

CONSULTING ENGINEER
N J Keys

CONSULTING GEOLOGIST
Dr G L Coetzee

CONSULTING MECHANICAL AND ELECTRICAL ENGINEER
J L Grubb

CONSULTING METALLURGIST
G A Brown

FINANCIAL DIRECTOR
P Scott

Steel and Engineering

CHAIRMAN
W G Boustred

ASSOCIATE AND REGIONAL OFFICES

Argentina and Chile

DIRECTOR
P C D Burnell

Australia

GENERAL MANAGER
G R Appleyard

Botswana

CHAIRMAN
L G Nchindo

Brazil

CHAIRMAN
Dr E M A F Ferreira

MANAGING DIRECTOR
P C D Burnell

CONSULTING GEOLOGIST
Dr F D M Horscroft

South West Africa/Namibia

DIRECTOR
D B Hoffe

United Kingdom

LONDON COMMITTEE
J N Clarke
F J A Howard
Sir Philip Oppenheimer
J G Richardson

CONSULTING ENGINEER
J V Cleasby

Zambia

MANAGING DIRECTOR
V I Webber

MANAGER
O T Phillips

Zimbabwe

CHIEF EXECUTIVE
G A Carey-Smith

MANAGERS
B E Bullett
R J Hedley
R P Lander

TECHNICAL DIRECTOR
T C A Wadeson

CONSULTING MECHANICAL AND ELECTRICAL ENGINEERS
J H Moll
J R Taylor

CONSULTING METALLURGIST
N H Jackson

CONSULTING MINING ENGINEER
J M Pryor

INTERNATIONAL OFFICES

Argentina
Anglo American Corporation Argentina Holdings Limited
Corrientes 316, 6° Piso, Oficina 655,
1314 Buenos Aires,
Argentina
Telex 22752 DABIN AR
Telephone 32-6475
Administrative Manager: H O Dominguez

Australia
Australian Anglo American Limited
581 Little Collins Street, Melbourne, Victoria 3000
Telex 30728
Telephone 622141
Secretary: J E Clark

Botswana
Anglo American Corporation Botswana (Services) (Proprietary) Limited
Botsalano House, The Mall, Gaborone
Telex 2410 Ambot BD
Telephone 51131
Secretary: H J Crankshaw

Brazil
Anglo American Corporation do Brasil Limitada
Rua Araujo Porto Alegre, 36-8 Andar
CEP-20016, Rio de Janeiro, RJ
Telex 2121723 AAC B BR
Telephone 210-1224
Secretary: R N Lima

Chile
Minera Anglo American Chile Limitada
Clasificador 31-Correo 9, Europa 1969
Providencia, Santiago
Telex 94375
Telephone 465799
Administrative Manager: C E Corthorn

Luxembourg
Anglo Rand Holdings S.A.
50 Route D'Esch (BP 459)
Telex 2234 CENTOL LU
Telephone 443002
Secretary: D F Ellis

Netherlands
Anglo American Services (Netherlands) BV
Prinsengracht 783
1017 JZ Amsterdam
Telex 16762 Erabs NL
Telephone 020-252863
Secretary: J R Roynon

Portugal
Anglo American Corporation de Portugal Limitada
244 Avenida Da Liberdade, Lisbon 1200
Telex 18316 AAC P
Telephone 561126
Secretary: A Costa Cabral

South West Africa/Namibia
PO Box 1906
Tenth Floor, CDM Centre
10 Bülow Street, Windhoek 9000
Telex 56658
Telephone (061) 35061
Office Manager: S M Jackson

United Kingdom
40 Holborn Viaduct, London EC1P 1AJ, England
Telex 264791
Telephone 3531545
London Secretary: D S Booth

Zambia
Anglo American Corporation (Central Africa) Limited
PO Box 31986
74 Independence Avenue, Lusaka
Telex ZA41190
Telephone 212323
Group Secretary: J W Fanning

Zimbabwe
Anglo American Corporation Services Limited
PO Box 1108
70 Samora Machel Avenue, Harare C4
Telex 4113
Telephone 704461
Secretary: W N Bray

SHARE TRANSFER SECRETARIES
Consolidated Share Registrars Limited
First Floor, Edura, 40 Commissioner Street
Johannesburg 2001
(PO Box 61051, Marshalltown 2107)

Charter Consolidated P.L.C.
PO Box 102
Charter House
Park Street, Ashford
Kent TN24 8EQ, England

Members of the Corporation who wish to receive copies of the annual reports of the Corporation and its listed administered companies may obtain them upon application to the Secretary or to the London Secretary of the Corporation. Changes of address should be notified to the Corporation's transfer secretaries.

Statutory and other information

Resolutions adopted by subsidiaries in general meeting

Adoption of new Articles of Association

Anmines Investments Limited
Eria Limited
Laelia Limited
Martingale Investments Limited
Meadow Investments Limited
Raglan Investments Limited
Redan Investments Limited

Adoption of Share Incentive Scheme

Anglo American Life Assurance Company Limited

Amendments to Articles of Association

Amalgamated Collieries of South Africa Limited
Amaprop Townships Limited
Amcoal Collieries Limited
Anglo Power Collieries (Proprietary) Limited
Anmercosa Anderson Limited
Anmercosa Avonlea Limited
Anmercosa Marshall Limited
Anmercosa Unitas Limited
Anmercosa 9 West Limited
Anmercosa 47 Main Limited
Balgray Collieries Limited
Blesbok Colliery Limited
Carotol Holdings (Proprietary) Limited
City Developments Limited
Delaunay Limited
Drumlin Holdings (Proprietary) Limited
East City Centre (Proprietary) Limited
Hedge Investments (Proprietary) Limited
Leibtown Investments (Proprietary) Limited
McCarthy Brickhill Properties (Proprietary) Limited
McCarthy Property Investments Limited
Metals and Minerals Investment Corporation Limited
Muckleneuk Properties (Proprietary) Limited
Natal Anthracite Colliery Limited
New Largo Colliery Limited
Prestin Holdings (Proprietary) Limited
Progress Investment Company (Proprietary) Limited
Scylla Investments (Proprietary) Limited
Springbok Colliery Limited
Springfield Collieries Limited
The Coronation Collieries Limited
Vryheid Coronation Limited

Amendments to Memorandum of Association

First Stage Investments (Proprietary) Limited
Guarantee Life Property Holdings (Proprietary) Limited
Leibtown Investments (Proprietary) Limited
Amcoal Export Services Limited
Anglo American Coal Corporation Limited
Anmercosa 47 Main Limited

Change of capital structure

Central Reserves (Private) Limited
Delaunay Limited
Greenfield Shopping Centre (Proprietary) Limited
Maudsley Holdings Limited
Metals and Minerals Investment Corporation Limited
Northmead Centre Properties (Proprietary) Limited
Prestin Holdings (Proprietary) Limited
Sorec Properties (Waterkant Street) (Proprietary) Limited

Change of name

Amcoal Export Services Limited
(from Wyandot Holdings Limited)
Amlife Holdings Limited
(from Kirchmann-Hurry Holdings Limited)

Conversion of company from private to public status

Anglo American International Services Limited
Anmercosa Anderson Limited
Anmercosa Avonlea Limited
Anmercosa Marshall Limited
Anmercosa Unitas Limited
Anmercosa 9 West Limited
Anmercosa 47 Main Limited
Eria Limited
Laelia Limited
Longmeadow Home Farm Limited
Mbulwa Estate Limited
Risana Estates Limited
Serpollet Holdings Limited
Zaaiwater Limited

Deregistration of company

City Developments Limited
Leibtown Investments (Proprietary) Limited
Muckleneuk Properties (Proprietary) Limited
Prestin Holdings (Proprietary) Limited

Disposal of assets

Amcoal Exploration and Finance Limited
Barbara Investments (Proprietary) Limited
Esray Investments (Proprietary) Limited
First Stage Investments (Proprietary) Limited
K.S.J. Properties (Proprietary) Limited
Natal Anthracite Collieries Limited
New Largo Colliery Limited
PLG Investments (Proprietary) Limited
Springfield Collieries Limited
Sydray Investments (Proprietary) Limited
Vryheid Coronation Limited

Liquidation of company

Perdix Investment Holdings (Proprietary) Limited
Swaziland Iron Ore Development Company Limited

Shareholdings over five per cent

According to the register of members of the Corporation, the following are registered as holding five per cent or more of the ordinary share capital of the Corporation:

	Holding	Percentage of equity
De Beers Holdings (Proprietary) Limited	15 072 601	6,64
Fermain Nominees Limited	19 789 334	8,72
Petard Nominees Limited	13 056 400	5,75
Resident Nominees Limited	24 745 575	10,90
South African Mutual Life Assurance Society	16 374 312	7,21

However, according to the annual report of De Beers Consolidated Mines Limited for the year ended December 31 1982, that company (the holding company of De Beers Holdings (Proprietary) Limited) was at that date the beneficial owner directly and indirectly of 86 705 527 ordinary shares. Since its year-end, De Beers has announced the purchase of a further 568 660 ordinary shares in the Corporation.

Directors' shareholdings

The interests of the present directors and alternate directors in the shares of the Corporation at March 31 1983 appearing in the register of the interests of the directors in the shares of the Corporation are set out below. There have been no changes between that date and May 28 1983.

	Beneficial	Non-beneficial	Option to acquire
Sir Keith Acutt	—	42 600	—
R I J Agnew	100	—	—
Dr M G M Atmore	*10 000	100	—
W G Boustred	*20 000	100	—
	20 600		
B E Bullett	*13 000	—	—
P C D Burnell	*25 000	1 000	—
G A Carey-Smith	*23 000	100	—
	7 000		
J N Clarke	*20 500	100	—
Dr Z J de Beer	*50 000	100	—
	†2 772		
	828		
J M P Desmidt	*25 000	100	—
A D Deuchar	*18 000	100	—
Dr H B Dyer	*10 000	1 000	—
	8 500		
D A Etheredge	*20 000	100	—
	5 000		
Dr E M A F Ferreira	*26 000	100	—
	8 500		
G C Fletcher	*20 000	4 500	—
C J L Griffith	*20 000	1 000	—
R A Hambro	—	—	—
R N Hambro	100	—	—
R J Hedley	*13 000	—	—
D B Holfe	1 300	1 000	—
M B Hofmeyr	*25 000	1 000	—
	10 000		
J A Holmes	*35 000	100	2 000
F J A Howard	100	100	—
M W King	*50 000	1 000	—
	54		
O P Koevort	*10 000	100	—
G Langton	*20 000	100	—
W R Lawrie	*10 000	100	—
	16 000		
P J R Leyden	*10 000	—	—
J L P Mackenzie	*10 000	100	—
	9 500		
A B McKerron	*10 000	100	—
Dr L G Murray	*10 000	—	2 000
	8 600		
D G Nicholson	*20 000	100	—
	20 000		
M C O'Dowd	*10 000	1 000	—
	4 000		
N F Oppenheimer	‡18 743 943 (includes 100 registered)	—	—
Sir Philip Oppenheimer	3 200	1 000	—
	†7 195		
	¶430		
T L Pretorius	*11 000	100	—
D Rankin	*10 000	100	—
	20 000		
G W H Relly	*55 000	1 000	5 000
	23 000		
J G Richardson	—	100	—
Sir Albert Robinson	—	1 000	—
C J Saunders	100	—	—
H R Slack	‡18 743 943 (includes 1 000 registered)	1 000	—
J Ogilvie Thompson	*65 000	1 000	4 000
Dr J G van der Horst	500	—	—
Dr A L Vilakazi	—	100	—
G H Waddell	‡18 743 943 (includes 1 000 registered)	—	—
V I Webber	*10 000	—	—
W D Wilson	*30 000	10 000	—
	‡1 000		
G S Young	*19 800	100	—
	800		

The Corporation is not aware of the extent, if any, of the directors' family interests.

*Shares held under a share incentive scheme
†Indirect
‡Indirect partial
¶Sole beneficiary of a trust