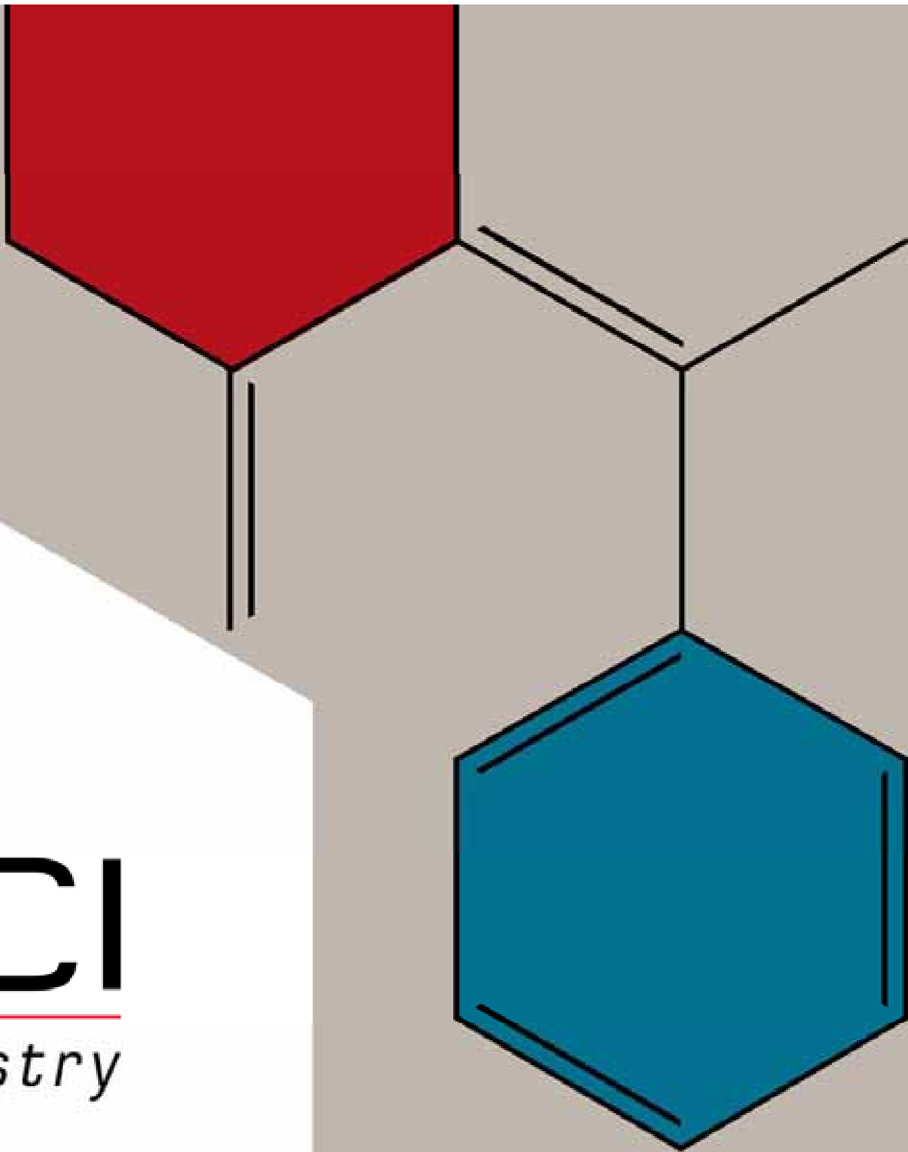

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Credit Suisse Standard Securities

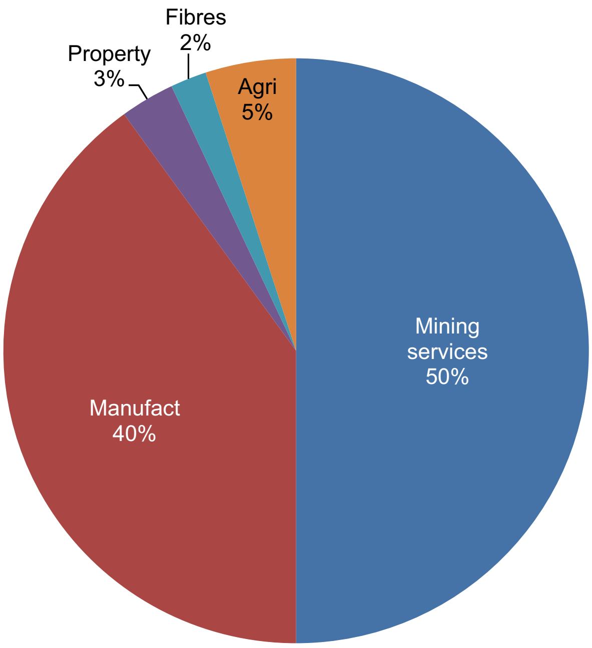
SA Industrial Conference

28 September 2010

Summary: a chemicals, explosives and property company focused on specialty products and services in Africa

- Chemicals, explosives and land assets
- Specialty product and services group of companies
- Value-adding solutions through science, technology, industry knowledge
- 6 750 employees
- Domiciled in SA; JSE Limited-listed
- Active throughout Africa and other developing countries
- Revenue ’09: R10,7bn (1H10: R5,4bn)
- Market cap: R8,2bn (Sept ’10)
- Major capital expenditure cycle nearing completion

1H10 revenue split



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Structure of presentation

- Brief history of AECI
- AECI today
- Portfolio and strategies
  - AEL Mining Services: Africa's leading explosives supplier
  - Specialty chemicals cluster: 17 value-adding specialty chemicals and services businesses
  - Heartland: embedded value in land holding
- Outlook

Brief history

Brief history

- Roots to 1894 - a Nobel dynamite company at Modderfontein, near Johannesburg
- Listed since 1966; majority ownership/control by ICI and Anglo American for most of its existence
- Evolved into typical chemical conglomerate:

  ammonia, phosphates, fertilizers, cyanide, fibres, paints, specialties, chlorine, plastics, soda ash, titanium dioxide, biochemistry and more
- Found wanting in focus after SA’s readmission to global economy in 1994

Brief history cont.

- Since 1998 it has:
- – Sold its commodity businesses
- – Closed/exited underperforming assets, and
- – Bought out Anglo American after ICI's exit
- Property business was initiated in the late '90s to sell excess land previously used for explosives operations
- Now 100% free float, focused, specialised businesses and expanding
- AECI embarked on a R2bn capital expenditure programme in '07. New plants being brought into full production
- Restructured in '10: 21 businesses report into a single Executive Committee, and ultimately to the AECI Board
- AECI and CSL head offices consolidated
- AECI brand revamped and relaunched

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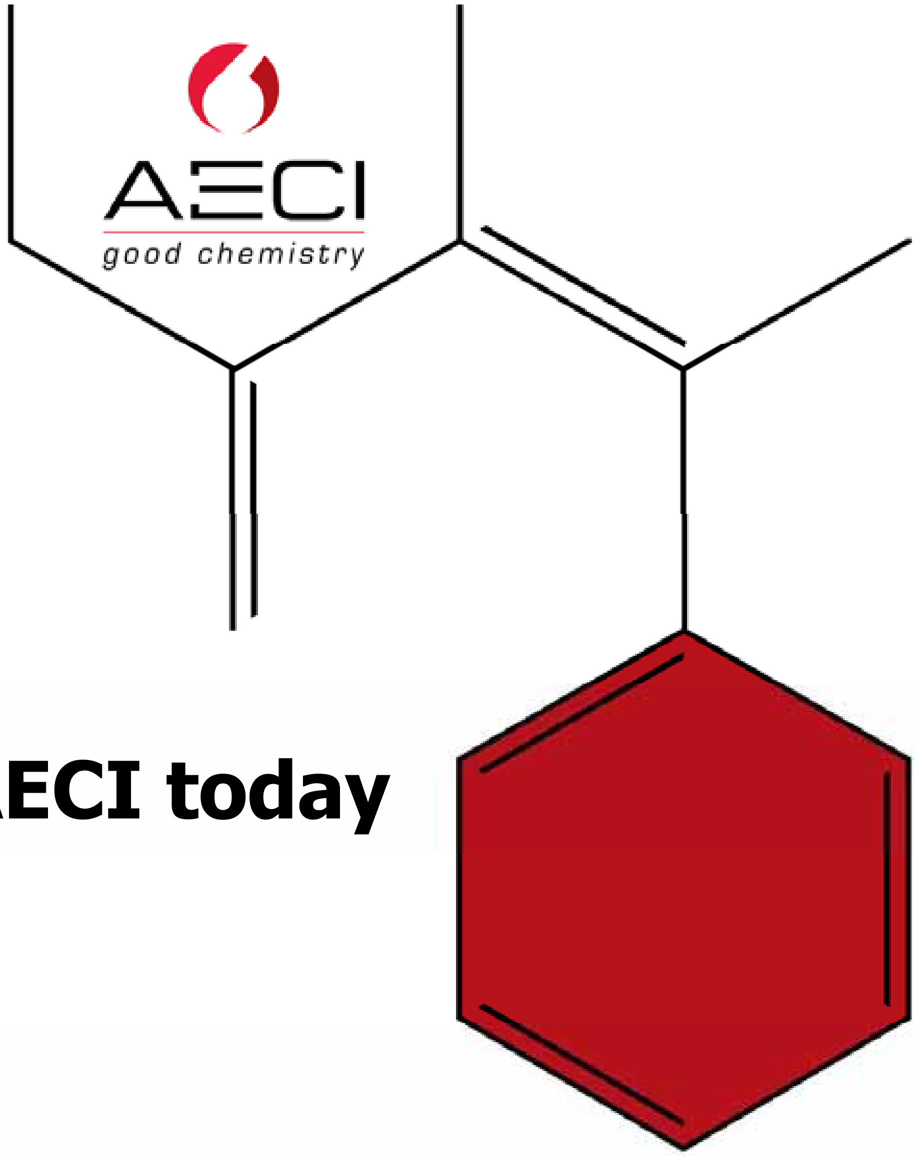
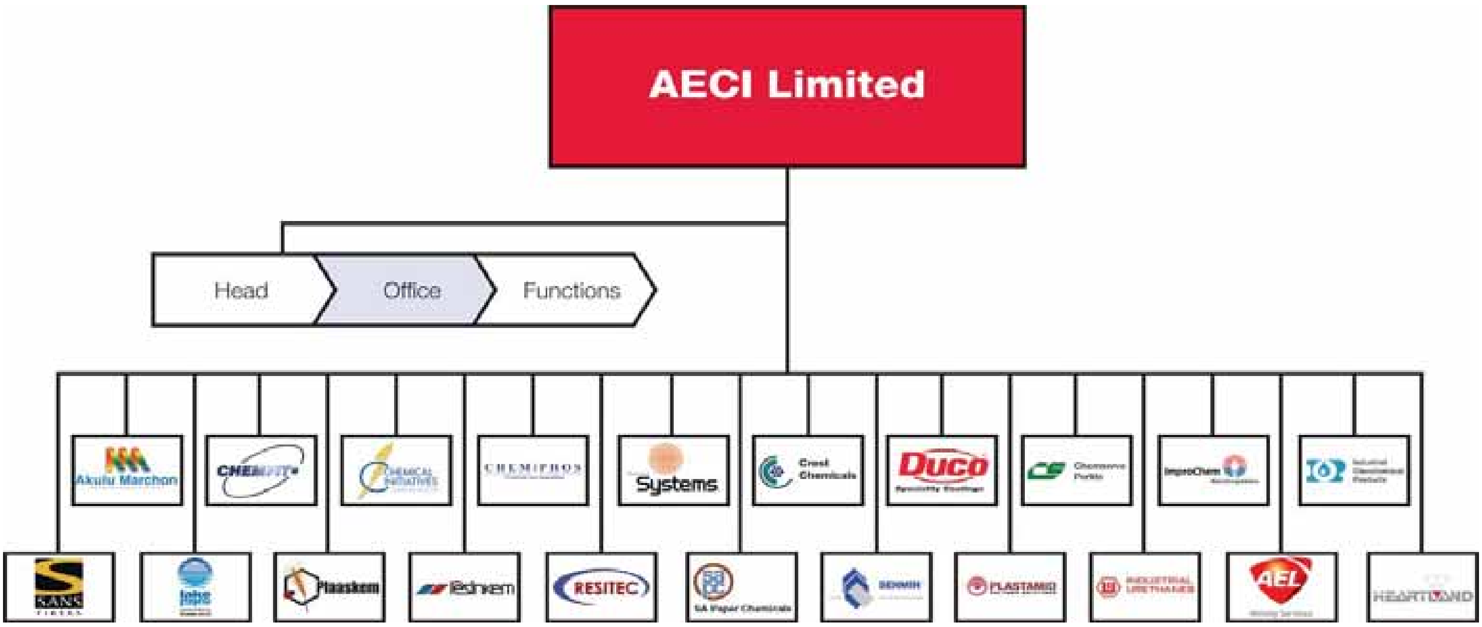


AECI today

New corporate structure



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Vision

To be the chemical and mining services supplier of choice for the customers in our chosen markets

- Africa’s leading specialty chemicals, explosives and mining services Group
- Flat structure, diversified portfolio
- World class technology
- International reach
- Excellent land assets

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AECI today

	'06	'07#	'08#	'09#	1H10
Revenue	R10,2bn*	R8,5bn	R12,9bn	R10,7bn	R5,4bn
Profit from ops	R1 102m*	R807m	R1 035m	R767m	R484m
RONA (%)	24,8	16,5	20,3	17,7	20,3
Employees	7 700	7 120	6 450	6 330	6 750
Market cap	R8,2bn	R9,5bn	R6,1bn	R7,4bn	R8,2bn (Sept. '10)

*Includes unusually large disposal of property
#Excludes discontinued operations

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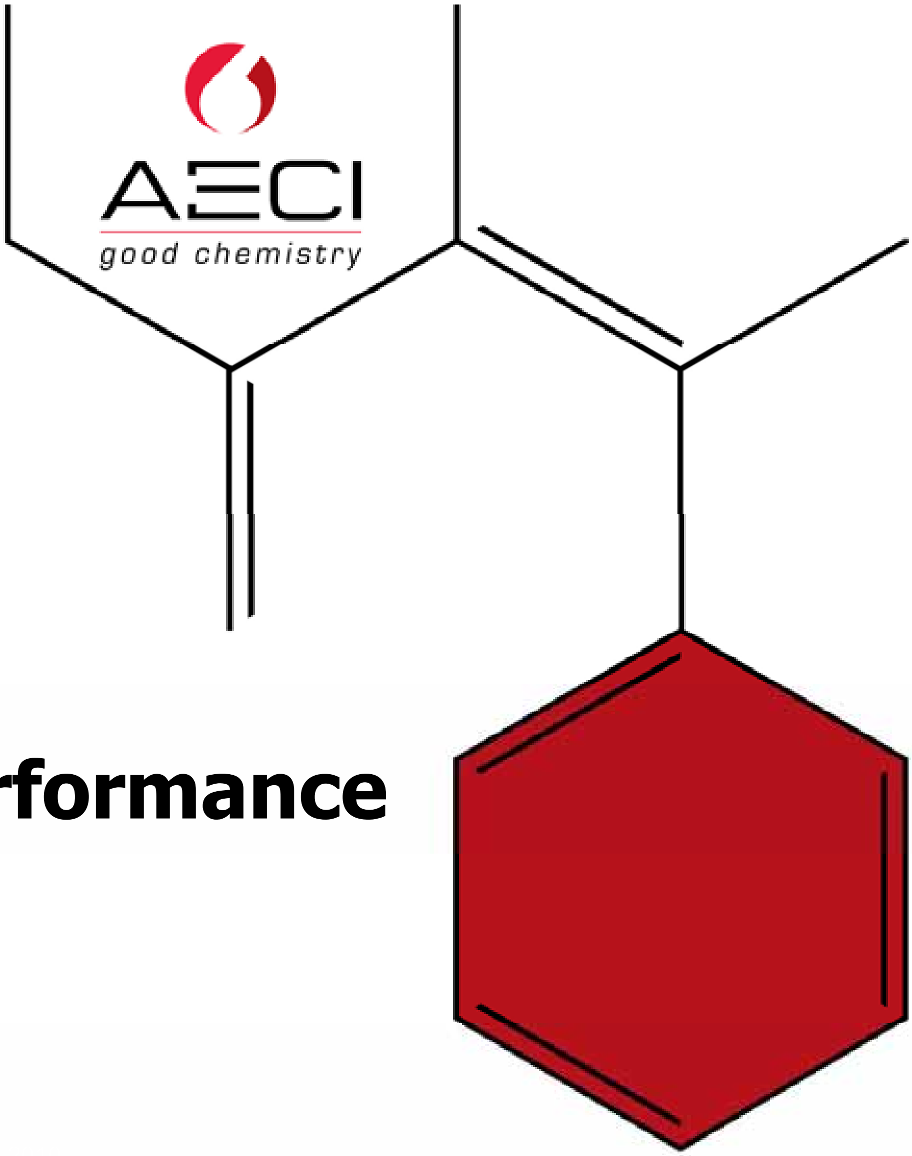
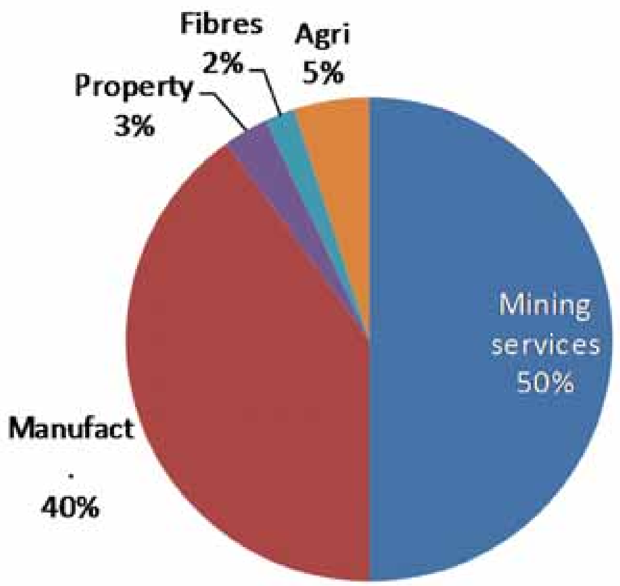
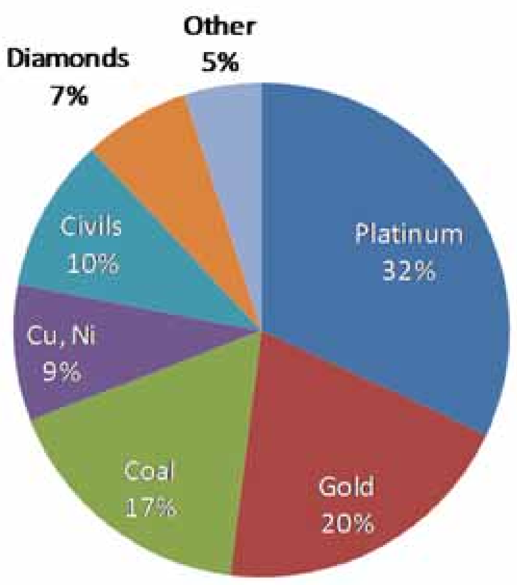


Performance

Revenue by sector (1H10)



1H10 revenue split



1H10 mining revenue split

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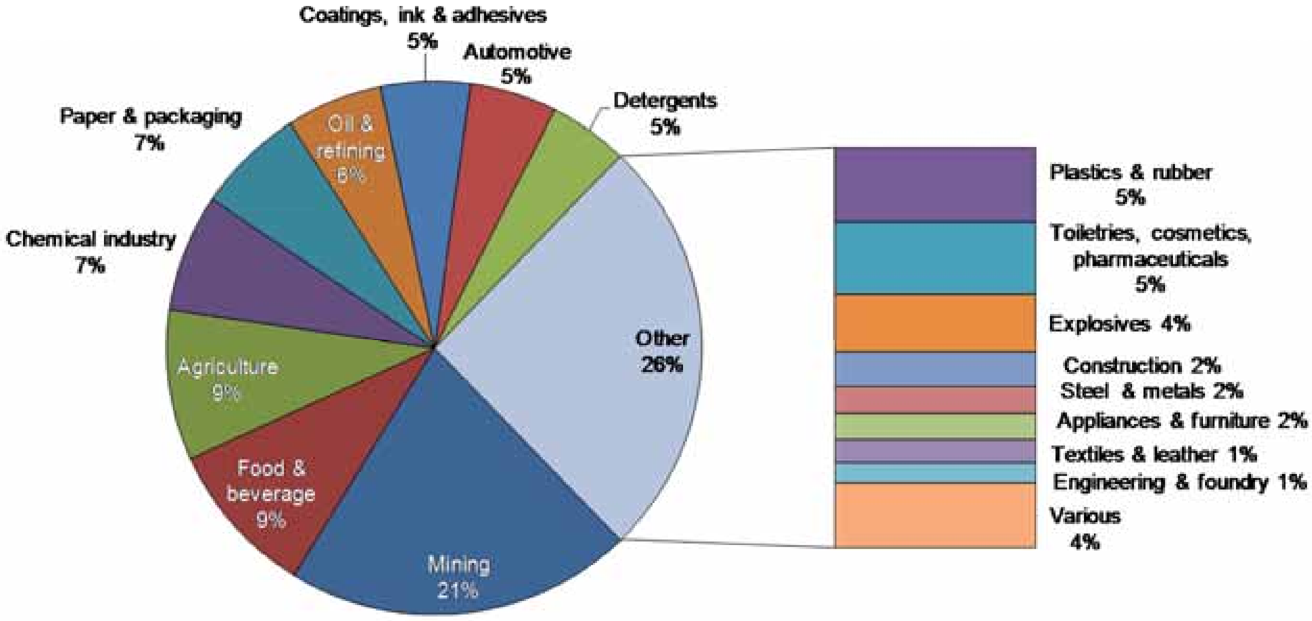
Specialty chemicals: 1H10 sales by sector



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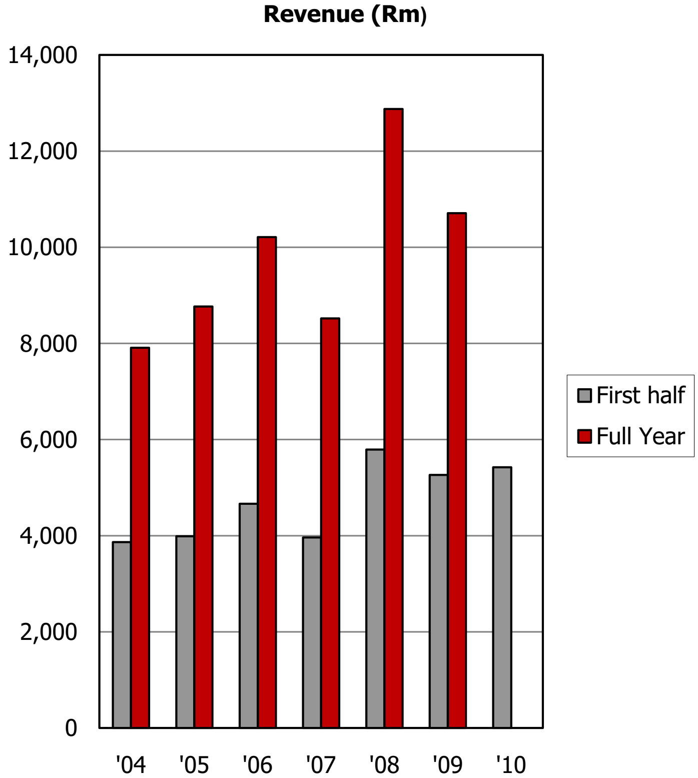
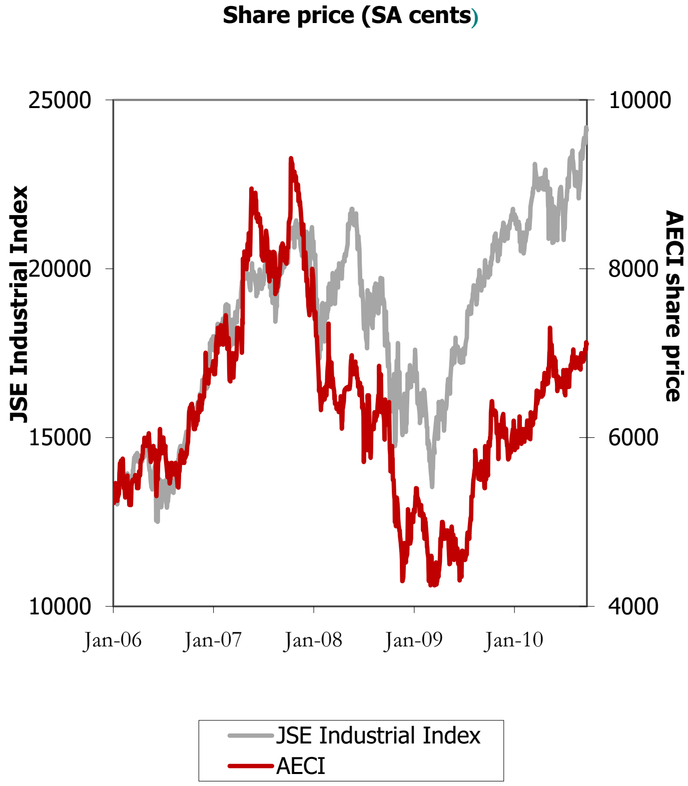
Revenue and share price performance





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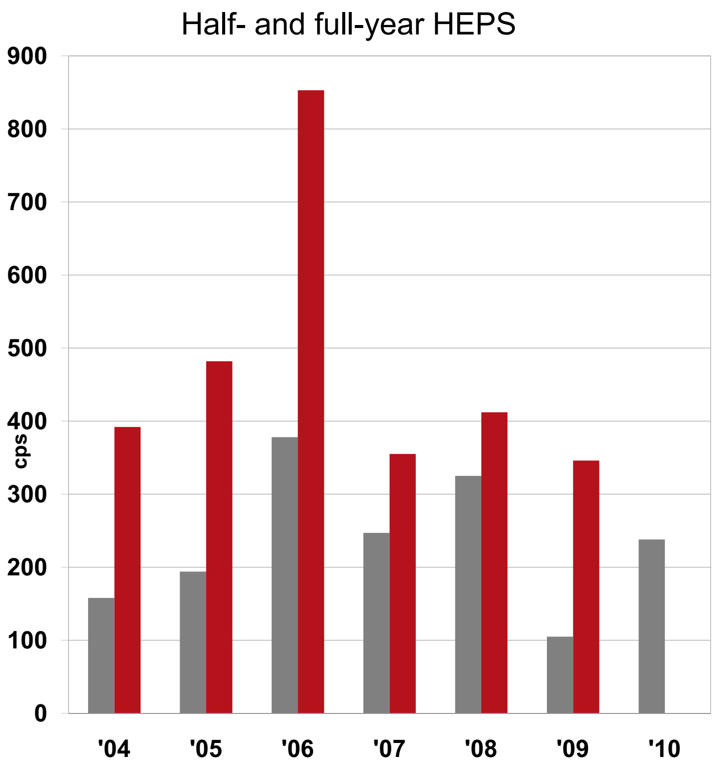
HEPS

- HEPS up 127% in 1H10
- No significant "non-trading" effects
- Operating profit from continuing operations up 48%



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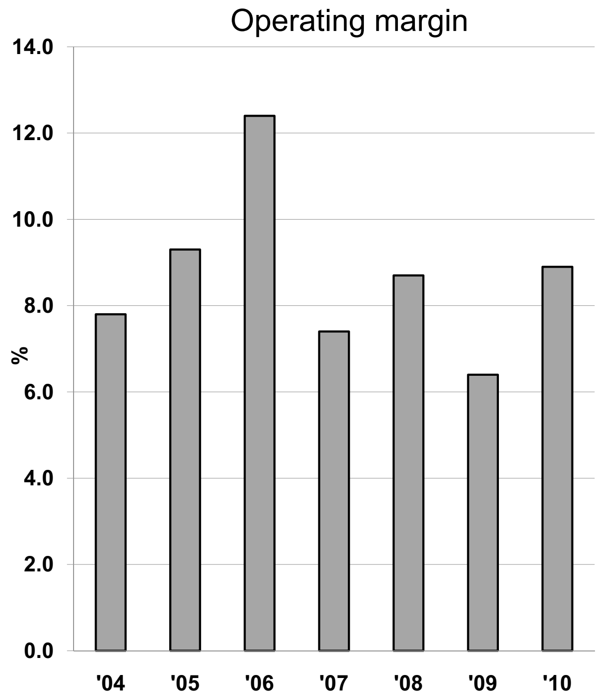
Results 1H10: operating margin and volumes

- Operating margin improved to 8,9%
  - Volumes +15%
  - Product mix improvements
- Chemicals volumes +16,8%
  - Manufactured volumes +12,7 %
  - Traded volumes +22,8%
- Explosives volumes +10,7% due to foreign expansion
- Foreign sales +17,7% in rand terms largely due to improved explosives volumes outside SA
- In general, market share maintained or improved



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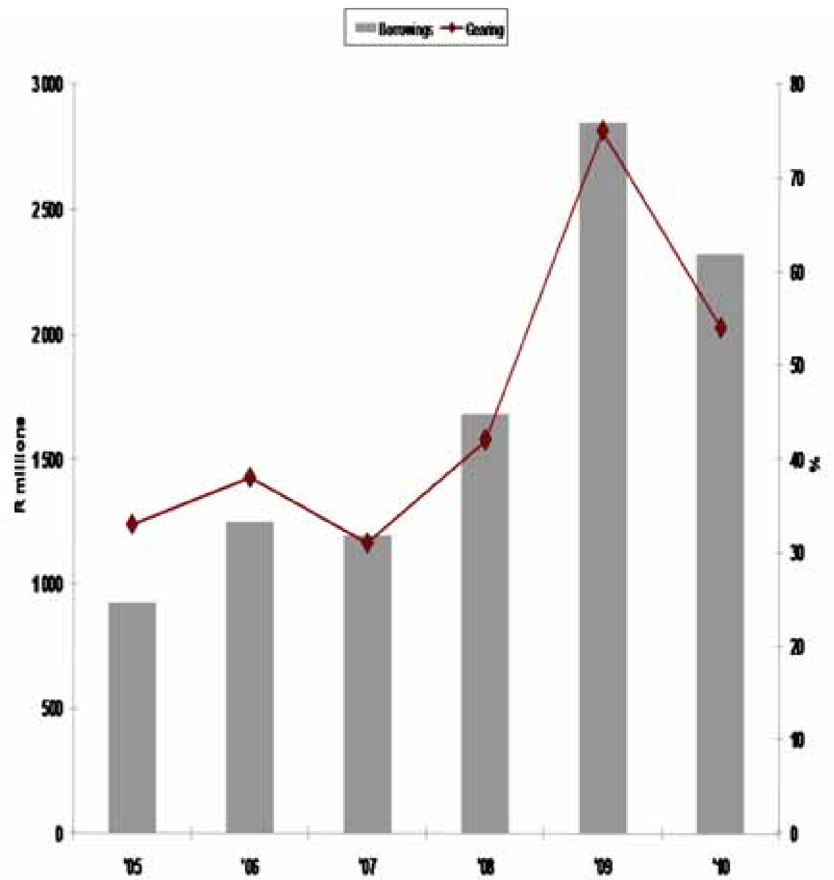
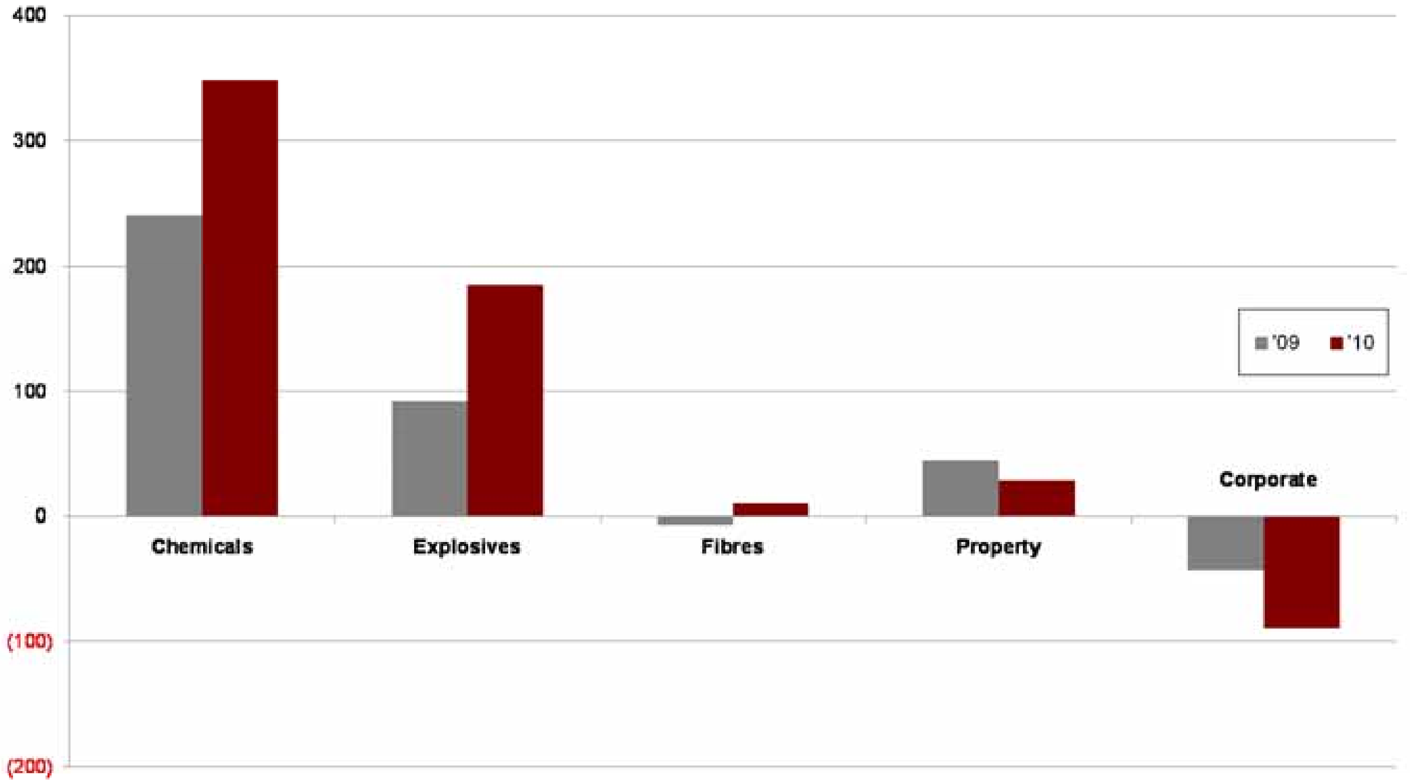
Statement of financial position: 1H10

- Capex R305m – incl. R213m for expansion projects
- NWC at 18,7% slightly outside target range
  - Inventories and debtors on target
  - Creditors: early payment benefits utilised
- Borrowings at R2 321m
- Gearing 54%
- Cash interest cover 4,8x
- All loan covenants met
- Cash dividend 70cps

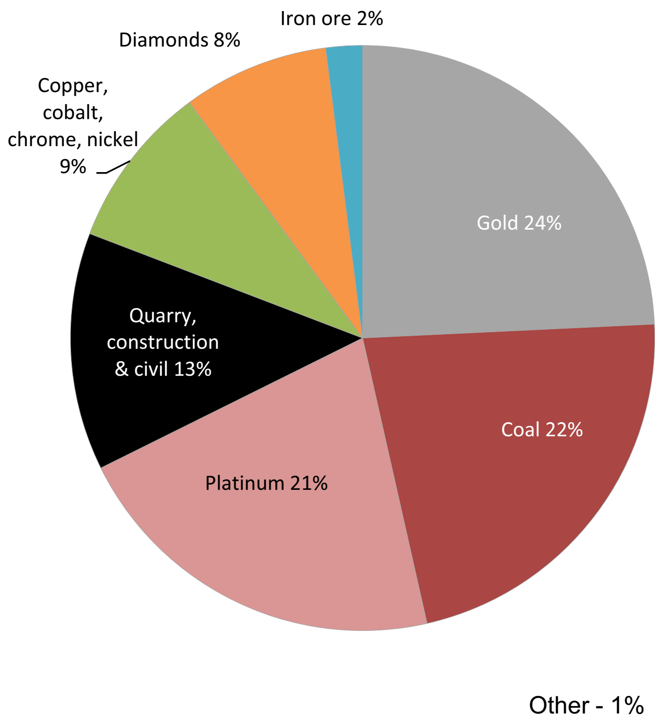


Results 1H10: profit from continuing operations (Rm)



Portfolio and strategies

Mining services: sales by sector



- Africa's leading supplier of explosives, initiating systems and value-adding services
- Bulk explosives plants – Africa and Indonesia
  - presence in 23 countries
  - throughout African continent
  - expanding into selected developing markets
  - DetNet: global JV in electronic detonators with Dyno Nobel

Mining services cont.

- Strategy: develop, manufacture, supply value-adding services, initiating systems and explosives to mining, quarrying and allied industries in Africa and selected developing markets
- Leading supplier in Africa - market share around 55%, hub explosives plants in 6 countries and distribution to others
- World class product and service offering with leading initiating system products
- AEL embarked on major (approx. R800m) capital programme to facilitate production of leading edge quality and cost shocktube, and international expansion
- Projects being ramped-up in ’10
- Pleasing progress in international expansion

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Specialty chemicals

- A portfolio of autonomous businesses (currently 18) based on chemistry and strong service element
- Strengths: value-add service models, appetite for growth, successful acquisition history, attraction to global alliances, regional knowledge, and world-class technology licences
- Currently expanding out of Southern Africa, with technology unrestricted by licences; strong focus on mining chemicals; Brazil country strategy
- Additional growth strategy by embarking on major capital investment programme to support mining chemicals thrust
- Major capital projects (R1 200m)

– Mining chemicals: carbon disulphide, xanthates upgrade and PAM facility

– Plants started coming on line in '09, now in ramp-up phase

– Expanding in oleo chemistry in Brazil and investigating further acquisitions

Property

- Strategy: manage the realisation of land and related assets that have become surplus to the Group’s operational requirements in a responsible and controlled way
- Develop long-term plans for land in prime locations at Modderfontein (Johannesburg) and at Somerset West (Cape Town)
- 1 500ha of the original 3 770ha of excess land available sold by December ’08
- Independent valuation of land at Modder and SW surplus to requirements
- Old Mutual Investment Group Property Investments performed valuation
- 15 year cash flow of sales and costs
- 25% real discount rate applied
- Value of R2,5bn (at July ’08)
- Current carrying value in books is R430m
- Does not take into account remediation spend or other AECI properties

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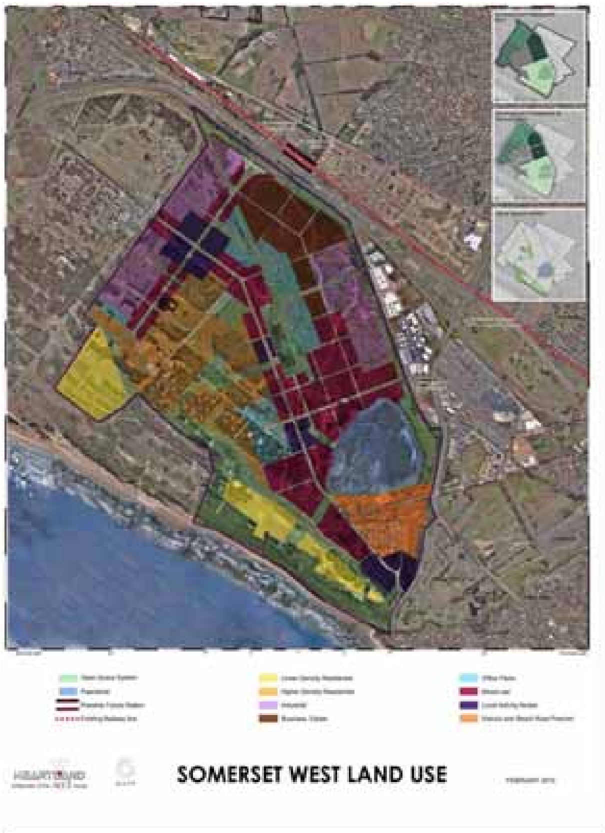
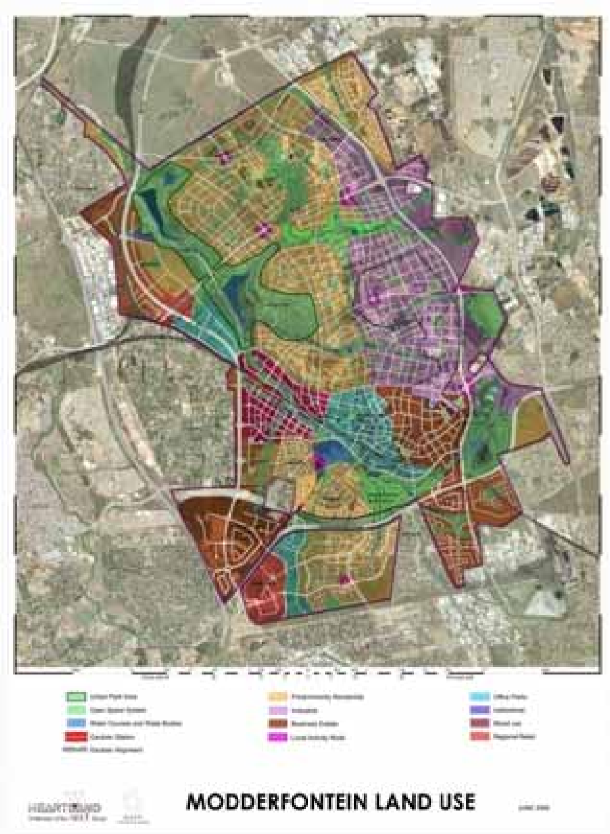
Property: development sites





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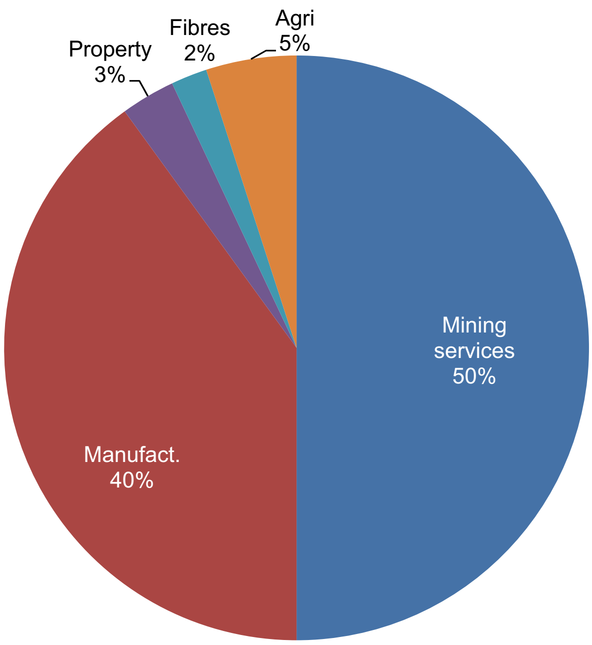
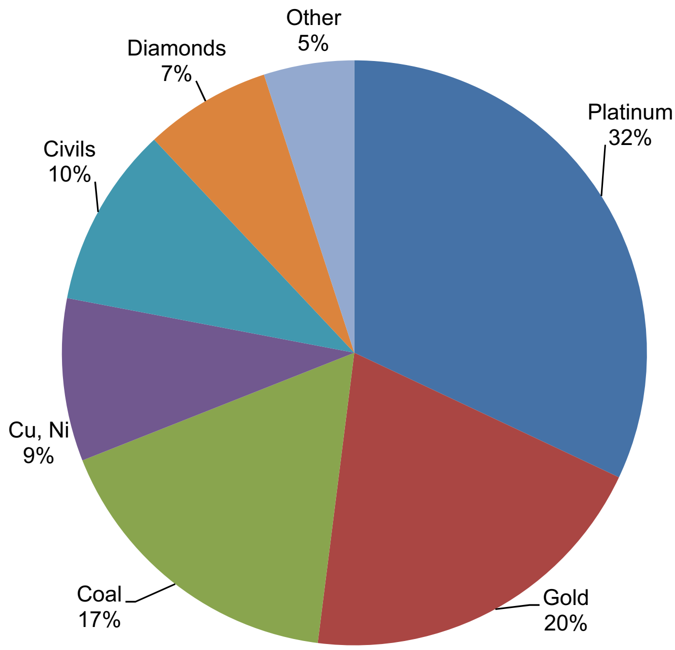
Outlook

Markets 1H10: revenue split



1H10 revenue split



1H10 mining revenue split

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Positioning, growth drivers and outlook

- Phase of consolidation and transformation complete
- Now in growth phase
- Seeking selective international growth opportunities for mining services and specialty chemicals
- Business model of margin management offsets input (raw material, currency) volatility in the long term
- Mining and manufacturing volumes appear to have stabilised
- R/US$ rate remains a challenge for further growth
- Property unlikely to recover significantly in next 12 months
- Businesses well positioned to take advantage of market growth
- Ramp-up of new plants will have positive impact on margins and revenue

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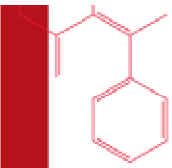

Thank you

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