

Glossary of terms and acronyms

Anglo American plc	Anglo American plc (registration number 3564138), a public company duly registered and incorporated with limited liability in accordance with the company laws of England and Wales, the ordinary shares of which are listed on the London Stock Exchange plc (primary listing), the JSE, the SWX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange. Anglo American plc is the majority shareholder in Kumba Iron Ore (64,1 percent)
Anglo American plc group	Anglo American plc and all of its subsidiaries whether direct or indirect
Arcelor Mittal	Mittal Steel Company N.V. (NYSE: MT). Also see Mittal
Articles	The articles of association of Kumba Iron Ore Limited
Basic Conditions of Employment Act (1997)	To give effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International Labour Organisation; and to provide for matters connected therewith
BEE	Black economic empowerment
Broad-based Socio-economic Charter for the Mining Industry	The <i>Mining Charter</i> provides for HDSA empowerment in South African mining industry in accordance with the objectives of the MRDPA
Cash and cash equivalents	Comprise cash on hand and current accounts in bank, net of bank overdrafts together with any highly liquid investments readily convertible to known amounts of cash and not subject to significant risk of changes in value
CEO	Chief executive officer
CFO	Chief financial officer
CGU	Cash generating unit
CGT	Capital gains tax
CIS	Commonwealth of independent states
Computershare or transfer secretaries	Computershare Investor Services 2004 (Pty) Limited (registration number 2004/003647/07, a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa and the transfer secretaries and registrar of Kumba Iron Ore
Companies Act	The Companies Act, No 61 of 1973, as amended
CSD	Central securities depository
CVRD	Companhia Vale do Rio Doce
DME	Department of Minerals and Energy
DMS	Dense Medium Separation

EBIT	Net operating profit before interest and tax
EBITDA	Net operating profit before interest, tax, depreciation and amortisation
Employment Equity Act (1998)	Applies to all employers and workers and protects workers and job seekers from unfair discrimination, and also provides a framework for implementing affirmative action
EMPR	Environmental management programme report
Basic earnings basis	Earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year
Headline earnings basis	Earnings attributable to ordinary shareholders adjusted for profits and losses on items of a capital nature recognising the taxation and minority impacts on these adjustments divided by the weighted average number of ordinary shares in issue during the year
Diluted earnings basis	Earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year increased by the number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares
Euro or €	The currency of the Euro zone countries
Exchange Control	The Exchange Control Department of the South African Reserve Bank
Exchange Control Regulations	Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the Currency and Exchanges Act, No 9 of 1933
Exxaro	The former Kumba Resources Limited. Its name was changed to Exxaro Resources Limited in November 2006, following the listing of Kumba Iron Ore Limited on the JSE
Fe	Iron
FECs	Forward exchange contracts
FIFR	Fatal injury frequency rate – number of deaths per million man hours worked
FOB	Free on board
GRI	Global Reporting Initiative
HDSA	Historically disadvantaged South African, being any natural person, a category or community of persons, an unincorporated entity or association, a trust, a company or a corporate entity (other than a trust) disadvantaged in law by unfair discrimination before the Constitution of the Republic of South Africa Act, No 200 of 1993, came into operation
IDC	The Industrial Development Corporation of South Africa Limited (registration number 1940/014201/06), a body corporate created under section 2 of the Industrial Development Act, No 22 of 1940
Income Tax Act	The Income Tax Act, No 58 of 1962, as amended

Glossary of terms and acronyms

continued

IRM	Integrated risk management
Iscor	Iscor Limited – refer to the definition of Mittal Steel below
ISO	International Standards Organisation
ISO 9001	A family of ISO (the International Organisation for Standardisation) standards for quality management systems
ISO 14000/14001	Environmental standards issued by the International Standards Organisation – to implement sound environmental management systems
JSE	The JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, licensed as an exchange under the Securities Services Act, No 36 of 2004
King II	The King Report on Corporate Governance for South Africa, 2002
Kumba International BV	Kumba International BV (registration number 34218341), an unlisted public company duly registered and incorporated with limited liability in accordance with the company laws of the Netherlands and an indirect wholly-owned subsidiary of SIOC
Kumba Iron Ore or the company	Kumba Iron Ore Limited (formerly Vicva 177 (Pty) Limited) (registration number 2005/015852/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa
Kumba Iron Ore board or the board	The board of directors of Kumba Iron Ore
Kumba Iron Ore directors or the directors	The directors of Kumba Iron Ore
Kumba Iron Ore group or the group	Kumba Iron Ore and all of its subsidiaries whether direct or indirect
Kumba Iron Ore Scheme	The Kumba Iron Ore Management Share Purchase and Option Scheme
Kumba Iron Ore shareholders	Holders of Kumba Iron Ore shares
Kumba Iron Ore shares	Ordinary shares having a par value of one cent each in the issued share capital of Kumba Iron Ore
Kumba Resources	Kumba Resources Limited (registration number 2000/011076/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, the ordinary shares of which are listed on the JSE and which was renamed Exxaro
Kumba Iron Ore Scheme	The Kumba Iron Ore Management Share Purchase and Option Scheme
Life of mine (LOM)	The number of years that an operation is planning to mine and treat ore, taken from the current mine plan
LTI	Lost time injury
LTIFR	Lost time injury frequency rate, quoted in million man hours

Mining Charter	The Broad-based Socio-economic Empowerment Charter for the South African mining industry, developed under section 100 of the Mineral and Petroleum Resources Development Act, 2002 together with the Charter Scorecard, and any amended or replacement Mining Charter and/or Charter Scorecard from time to time
MPRDA	Mineral and Petroleum Resource Development Act 28 of 2002
Mittal	Mittal Steel South Africa Limited (registration number 1989/002164/06), formerly Ispat Iscor, formerly Iscor, a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, the ordinary shares of which are listed on the JSE
Mt	Million metric tonnes
Mtpa	Million metric tonnes per annum
Net assets	Total assets less current and non-current liabilities less minority interest which equates to ordinary shareholders' equity
NIHL	Noise induced hearing loss
Pangolin	The name given to the project of unbundling Kumba Resources Limited into two separately listed companies
Rand or R	The currency of South Africa
RC drilling	Reverse cycle drilling
Register	The register of shareholders of Kumba Iron Ore
ROM	Run of mine
SEP	Sishen Expansion Project – SEP1 and SEP2
SIOC	Sishen Iron Ore Company (Pty) Limited (registration number 2000/011085/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa and a subsidiary of Kumba Iron Ore
SIOC Community Development Trust	SIOC Community Development Trust, masters reference number IT10454/06, a trust established for the ultimate benefit of communities and community-based projects in the Northern Cape and Limpopo Provinces, and potentially in other areas in which SIOC conducts mining operations
SIOC ESPS	Two consecutive Employee Share Participation Schemes of five years each have been established for the benefit of participating employees of SIOC and whose beneficiaries will be mainly HDSAs. It is named Envision.
SIOC ESPS Trust	SIOC Employee Share Participation Scheme Trust, masters reference number it IT10288/06, a trust established for the purpose of holding SIOC shares for the benefit of participating employees
SHE	Safety, Health and Environmental

Glossary of terms and acronyms

continued

South Africa	The Republic of South Africa
Stakeholder	Any person or body with a direct or indirect interest in Kumba Iron Ore operations, or with the ability to affect Kumba Iron Ore operations, or who is required to be informed of our operations
STC	Standard tax on companies
Subsidiary	A subsidiary as defined in the Companies Act
TIFR	Total injury frequency rate
UK	United Kingdom
US	United States of America
US\$	The currency of the United States of America
ZAR	South African rand