BRANDYWINE REALTY TRUST
Form 424B5
October 15, 2003

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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-56237

PROSPECTUS SUPPLEMENT
(to Prospectus Dated February 9, 1999)

2,250,000 Shares
Brandywine Realty Trust
Common Shares of Beneficial Interest

We are selling 2,250,000 common shares in this offering. We have granted the underwriters an option to purchase up to 337,500 additional common shares to cover over-allotments.

Our common shares are traded on the New York Stock Exchange under the symbol "BDN." The last reported sale price on October 14, 2003 was $25.98 per share.

The underwriters have agreed to purchase the common shares from us at a price of $24.77 per share, which will result in aggregate net proceeds to us, less estimated expenses, of $55,582,500. The underwriters propose to offer the common shares offered by this prospectus supplement from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market or otherwise, at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, subject to prior sale when, as and if delivered to and accepted by the underwriters. See "Underwriting."

Delivery of the common shares will be made on or about October 20, 2003.

Investing in our common shares involves risks. See "Risk Factors" beginning on page S-3 of this prospectus supplement.

Neither of the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book Running Managers

October 14, 2003

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The terms Company, we, our and us refer to Brandywine Realty Trust and its consolidated subsidiaries, unless the context suggests otherwise. The term you refers to a prospective investor.

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ABOUT THIS PROSPECTUS SUPPLEMENT

We are providing information to you about this offering of our common shares in two parts. The first part is this prospectus supplement, which provides the specific details regarding this offering. The second part is the accompanying base prospectus, which provides general information. Generally, when we refer to this “prospectus,” we are referring to both documents combined. Some of the information in the base prospectus may not apply to this offering. If information in this prospectus supplement is inconsistent with the accompanying base prospectus, you should rely on this prospectus supplement.

FORWARD-LOOKING STATEMENTS

Some of the information included or incorporated by reference in this prospectus supplement and the accompanying base prospectus contains forward-looking statements, including statements that are not historical or factual. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and we are including this paragraph for purposes of complying with these safe harbor provisions. The forward-looking statements include statements regarding our intent, belief or expectations. You can identify these statements by the use of terminology such as “may,” “will”, “expect,” “believe,” “intend,” “plan,” “estimate,” “should” and other comp terms. In addition, we, through our senior management, from time to time make forward-looking oral and written public statements concerning our expected future operations and other developments.

Although forward-looking statements reflect our good faith beliefs and best judgment based upon current information, they are not guarantees of future performance and are subject to known and unknown risks and uncertainties. Actual results may differ materially from the expectations contained in the forward-looking statements as a result of various factors. Such factors include, but are not limited to, the risks identified under the caption “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2002.

RISK FACTORS

You should carefully consider the “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2002 before deciding to invest in our Common Shares. These Risk Factors update and replace the Risk Factors identified in the accompanying base prospectus under the caption “Risk Factors.”

THE COMPANY

We are a self-administered and self-managed real estate investment trust (“REIT”) active in acquiring, developing, redeveloping, leasing and managing office and industrial properties. As of September 30, 2003, we owned 207 office properties, 25 industrial facilities and one mixed-use property containing an aggregate of approximately 16.0 million net rentable square feet. We were also performing management and leasing services for 39 properties owned by third parties and containing an aggregate of three million net rentable square feet. In addition, as of September 30, 2003, we held economic interests in ten unconsolidated real estate ventures that were formed with third parties to develop commercial properties. The real estate ventures own eight office buildings that contain approximately 1.2 million net rentable square feet. As of June 30, 2003, we had an aggregate investment in the real estate ventures of approximately $14.6 million (net of returns of investment received by us). As of September 30, 2003, we also owned approximately 425 acres of undeveloped land and held options to purchase approximately 61 additional acres. Our properties are located in the office and industrial markets in and surrounding Philadelphia, Pennsylvania, New Jersey and Richmond, Virginia.

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We were organized and commenced operations in 1986 as a Maryland real estate investment trust. We own our assets and conduct our operations through Brandywine Operating Partnership, L.P., a Delaware limited partnership, and subsidiaries of our operating partnership. As of June 30, 2003, our ownership interest in our operating partnership entitled us to approximately 95.6% of the operating partnership's distributions after distributions by the operating partnership to holders of its preferred units.

Our executive offices are located at 401 Plymouth Road, Suite 500, Plymouth Meeting, Pennsylvania 19462 and our telephone number is (610) 325-5600. We have an internet website at www.brandywinerealty.com.

USE OF PROCEEDS

We intend to contribute to our operating partnership the net proceeds from the sale of the common shares, expected to be approximately $55,582,500 (approximately $63,942,375 if the underwriters exercise their over-allotment option in full) after deducting estimated expenses. Our operating partnership intends to use the net proceeds as follows: (i) approximately $46.1 million to fund the purchase of an office property located in Wayne, Pennsylvania containing approximately 248,000 net rentable square feet and having, as of October 1, 2003, an occupancy rate of approximately 95.0%, for which we expect to enter into a purchase agreement and (ii) the balance for working capital purposes. No assurance can be given that the transaction for the purchase of the office property will be consummated, or, if consummated, that the terms of the transaction will not be different than currently expected.

Pending application of the net proceeds of the offering, we will apply the net proceeds to reduce the outstanding balance under our revolving credit facility. Borrowings under our revolving credit facility bear interest at a variable rate equal to LIBOR plus 1.50% (2.62% as of October 14, 2003). Our revolving credit facility matures in June 2004, subject to our right to extend the maturity date for one year upon payment of a fee equal to .25% of the amount of the facility at the time of the extension.

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SELECTED FINANCIAL DATA

The historical selected financial data presented below for the fiscal year ended December 31, 2002 are derived from, and are qualified by reference to, the financial statements that have been audited by KPMG LLP (KPMG), independent public accountants, as indicated in their report dated February 26, 2003, except as to notes 9, 12, 13, and 21, which are as of June 30, 2003, incorporated by reference in this prospectus. In addition, the following table sets forth selected financial data for the Company as of June 30, 2003 and for the six months ended June 30, 2003 and 2002, which information is derived from the unaudited financial statements of the Company. Certain amounts for the year ended December 31, 2002 have been reclassified to conform with the presentation for the six months ended June 30, 2003 and 2002. This is a direct result of seven additional properties that were identified as held for sale or sold during the six month period ended June 30, 2003 and, as a result, their operations have been reclassified to discontinued operations from continuing operations for all periods presented.

	Year Ended December 31,	Six Months Ended June 30,	
	2002	2003	2002
Operating Results			
Total revenue	$ 292,661	$ 150,528	$ 142,359
Income from continuing operations	48,419	25,683	22,915
Net income	62,984	27,441	36,269
Income allocated to Common Shares	51,078	21,489	30,315
Income from continuing operations per common share			
Basic	$ 0.99	$ 0.54	$ 0.46
Diluted	$ 0.98	$ 0.53	$ 0.45
Earnings per Common Share			
Basic	$ 1.40	$ 0.59	$ 0.83
Diluted	$ 1.39	$ 0.58	$ 0.82
Cash distributions declared per Common Share	$ 1.76	$ 0.88	$ 0.88
Balance Sheet Data			
Real estate investments, net of accumulated depreciation	$ 1,745,981	$ 1,720,631	$ 1,714,181
Total assets	1,919,288	1,886,795	1,925,028
Total indebtedness	1,004,729	939,839	1,000,425
Total liabilities	1,097,793	1,024,539	1,078,718
Minority interest	135,052	133,468	137,285
Beneficiaries equity	686,443	728,788	709,025
Other Data			
Cash flows from:			
Operating activities	118,684	59,211	53,078
Investing activities	5,038	(19,793)	8,452
Financing activities	(110,380)	(58,699)	(50,513)

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DESCRIPTION OF SHARES OF BENEFICIAL INTEREST

The following paragraphs summarize provisions of our shares of beneficial interest. This is a summary, and does not completely describe our shares of beneficial interest. For a complete description, we refer you to our Declaration of Trust and Bylaws. This summary replaces the summary under the caption Description of Shares of Beneficial Interest in the accompanying base prospectus.

General

Our Declaration of Trust provides that we are authorized to issue up to 110,000,000 shares of beneficial interest, referred to in this prospectus supplement as Shares, consisting of 100,000,000 common shares and 10,000,000 preferred shares, par value $.01 per share. Of the preferred shares, 750,000 have been designated as 7.25% Series A Cumulative Convertible Preferred Shares and are referred to in this prospectus supplement as the Series A Preferred Shares. An additional 4,375,000 preferred shares have been designated as 8.75% Series B Senior Cumulative Convertible Preferred Shares and are referred to in this prospectus supplement as the Series B Preferred Shares. Our Declaration of Trust may generally be amended by our Board of Trustees, without shareholder approval, to increase or decrease the aggregate number of authorized Shares of any class except for the Series A Preferred Shares and Series B Preferred Shares. The authorized common shares and undesignated preferred shares are generally available for future issuance without further action by our shareholders, unless such action is required by applicable law, the rules of any stock exchange or automated quotation system on which our securities may be listed or traded or pursuant to the preferential rights of the Series A Preferred Shares or Series B Preferred Shares. Holders of Series A Preferred Shares and Series B Preferred Shares have the right to approve certain additional issuances of preferred shares, such as shares that would rank senior to the Series A or Series B Preferred Shares as to dividends or liquidation preference.

Both Maryland statutory law governing real estate investment trusts organized under Maryland law (the Maryland REIT Law) and our Declaration of Trust provide that none of our shareholders will be personally liable, by reason of status as a shareholder, for any of our obligations. Our Bylaws further provide that we will indemnify any shareholder or former shareholder against any claim or liability to which such shareholder may become subject by reason of being or having been a shareholder, and that we shall reimburse each shareholder who has been successful, on the merits or otherwise, in the defense of a proceeding to which the shareholder has been made a party by reason of status as such for all reasonable expenses incurred by the shareholder in connection with any such claim or liability.

Our Declaration of Trust provides that, subject to the provisions of any class or series of preferred shares then outstanding and to the mandatory provisions of applicable law, our shareholders are entitled to vote only on the following matters: (i) election or removal of trustees; (ii) amendment of the Declaration of Trust (other than an amendment to increase or decrease the aggregate number of authorized Shares of any class); (iii) a determination by the Trust to invest in commodities contracts (other than interest rate futures intended to hedge us against interest rate risk), engage in securities trading (as compared to investment) activities or hold properties primarily for sale to customers in the ordinary course of business; and (iv) our merger with another entity. Except with respect to these matters, no action taken by our shareholders at any meeting shall in any way bind our Board of Trustees.

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Shares

Common Shares of Beneficial Interest
Each outstanding common share entitles the holder to one vote on all matters submitted to a vote of shareholders, including the election of trustees. There is no cumulative voting in the election of trustees. Subject to (i) the preferential rights of the Series A Preferred Shares and Series B Preferred Shares and (ii) such preferential rights as may be granted by our Board of Trustees in future issuances of additional series of preferred shares, holders of common shares are entitled to such distributions as may be authorized and declared from time to time by our Board of Trustees out of funds legally available therefor.

Holders of common shares have no conversion, exchange or redemption rights or preemptive rights to subscribe to any of our securities. All outstanding common shares are fully paid and nonassessable. In the event of any liquidation, dissolution or winding-up of our affairs, subject to (i) the preferential rights of the Series A Preferred Shares and Series B Preferred Shares and (ii) such preferential rights as may be granted by our Board of Trustees in connection with the future issuances of additional series of preferred shares, holders of common shares will be entitled to share ratably in any of our assets remaining after provision for payment of liabilities to creditors. All common shares have equal dividend, distribution, liquidation and other rights.

The transfer agent and registrar for the common shares is currently EquiServe.

Preferred Shares of Beneficial Interest
The preferred shares authorized by our Declaration of Trust may be issued from time to time in one or more series. Prior to the issuance of preferred shares of each such series, our Board of Trustees is required by the Maryland REIT Law and our Declaration of Trust to set for each series the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms or conditions of redemption, as are permitted by the Maryland REIT Law. These rights, powers, restrictions and limitations could include the right to receive specified distributions and payments on liquidation prior to any such payments being made to the holders of common shares. Under certain circumstances, the issuance of preferred shares could have the effect of delaying, deferring or preventing a change of control of the Company and may adversely affect the voting and other rights of the holders of common shares. See “Provisions of Maryland Law and of Our Declaration of Trust and Bylaws — Control Share Acquisitions.”

Our Declaration of Trust authorizes the trustees to classify or reclassify, in one or more series, any unissued preferred shares by setting or changing the number of preferred shares constituting such series and the designation, preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications or terms or conditions of redemption of such preferred shares.

Series A Preferred Shares. We currently have 750,000 Series A Preferred Shares issued and outstanding. Each Series A Preferred Share has a stated value (the “Stated Value”) of $50.00 and is convertible into common shares at the option of the holder at a conversion price (the “Conversion Price”) of $28.00. The Conversion Price will be reduced to $26.50 if the average closing price of the Common Shares during the 60-trading day period ending on December 31, 2003 is $23.00 or lower. At any time that the average market price of the common shares is equal to or greater than 120% of the Conversion Price for 60 consecutive trading days, we have the right to redeem all or any part of the outstanding Series A Preferred Shares for an amount in cash equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed (plus accrued and unpaid distributions) or for a number of common shares equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed divided by the Conversion Price (plus accrued and unpaid distributions). In addition, at any time on or after January 2, 2004, we have the right to redeem all or any part of the outstanding Series A Preferred Shares for an amount in cash equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed (plus accrued and unpaid distributions) or, in the event that the average closing price of the common shares is equal to or greater than 110% of the Conversion Price for 60 consecutive trading days, for a number of common shares equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed divided by the Conversion Price (plus accrued and unpaid distributions). Each Series A Preferred Share accrues distributions, payable in cash and prior to the payment of any distribution on the common shares, in an amount equal to the greater of (i) $0.9063 per quarter (equivalent to $3.625 per annum) or (ii) the cash distributions paid or payable for the most recent quarter on the number of common shares into which a Series A Preferred Share is convertible. The holders of Series A Preferred Shares have no voting rights except (i) with respect to actions which would have a material and adverse effect on the rights of such holders and (ii) in the event quarterly distributions on the Series A Preferred Shares are in arrears for six or more quarters. In the event the quarterly distributions are so in arrears, the holders of the Series A Preferred Shares have the right, voting together as a single class with any other class of our preferred shares ranking on a parity with the Series A Preferred Shares, to elect two additional members to our Board of Trustees. In the event of any liquidation, dissolution or winding-up of our affairs, the holders of the Series A Preferred Shares are entitled to receive from our assets remaining after provision for payment of liabilities to creditors an amount equal to the aggregate Stated Value of the Series A Preferred Shares then outstanding together with any accrued and unpaid distributions thereon prior to the distribution of any such assets to the holders of the common shares.

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Series B Preferred Shares. We currently have 4,375,000 Series B Preferred Shares issued and outstanding. Distributions on the Series B Preferred Shares are cumulative from the date of issuance and are payable quarterly at the greater of (i) $0.525 per share and (ii) the amount of the quarterly distribution payable on the number of common shares into which a Series B Preferred Share is convertible. The Series B Preferred Shares rank pari passu as to distributions with the Series A Preferred Shares. We may not pay distributions on the common shares, or other shares that rank junior to the Series B Preferred Shares as to distributions, until we have paid distributions on the Series B Preferred Shares. A holder of a Series B Preferred Share may convert the share into one common share at a conversion price of $24.00 per common share. The liquidation value of each Series B Preferred Share equals $24.00 plus accrued and unpaid distributions. The Series B Preferred Shares rank pari passu upon liquidation with the Series A Preferred Shares. At any time on or after April 19, 2004, we may require the conversion of the Series B Preferred Shares into common shares if the common shares have traded, during any consecutive 90-day period following such date, at a price in excess of 130% of the conversion price and the common shares to be issued are freely transferable and listed on the New York Stock Exchange. We may redeem all of the outstanding Series B Preferred Shares at any time on or after April 19, 2007 for $24 per share plus accrued and unpaid distributions. If we experience a change of control, become closely-held or a pension-held REIT, or fail to qualify as a REIT, other than through action of Five Arrows Realty Securities III L.L.C., Five Arrows may require us to purchase the outstanding Series B Preferred Shares for $24.48 per share plus accrued and unpaid distributions. Under certain circumstances, we may, in lieu of making such payment, revise the conversion ratio so that, based on the then-current market price of the common shares, each Series B Preferred Share will thereafter be convertible into that number of common shares having an aggregate market value equal to at least $28.80. In certain transactions involving a merger or consolidation as to which holders of Series B Preferred Shares have a separate voting right, holders who do not vote in favor of the transaction may require us to redeem their shares for $24.96 per share plus accrued and unpaid distributions. Five Arrows has the right to vote on all matters as a single class with holders of common shares, and as a separate class on certain matters affecting the rights of the Series B Preferred Shares. So long as Five Arrows beneficially owns at least 50% of the outstanding Series B Preferred Shares, Five Arrows may appoint one trustee to our Board of Trustees. If we (i) fail to pay distributions on common shares equal to at least $0.32 for two consecutive quarters, (ii) reduce the annual distribution on our common shares to below $1.28 per share, (iii) fail to pay timely distributions on the Series B Preferred Shares, (iv) are in material default of our credit facility or (v) fail to maintain a debt service coverage ratio of at least 1.25 or a debt to market capitalization ratio no higher .70, then Five Arrows will have the right to appoint a second trustee to our Board.

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Restrictions on Transfer

For us to qualify as a REIT under the Internal Revenue Code, not more than 50% in value of our outstanding Shares may be owned, directly or indirectly, by five or fewer individuals (defined in the Internal Revenue Code to include certain entities such as qualified pension plans) during the last half of a taxable year and Shares must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of twelve months (or during a proportionate part of a shorter taxable year).

Because our Board of Trustees believes it is at present important for us to continue to qualify as a REIT, our Declaration of Trust, subject to certain exceptions, contains provisions that restrict the number of Shares that a person may own and that are designed to safeguard us against an inadvertent loss of REIT status. In order to prevent any shareholder from owning Shares in an amount that would cause more than 50% in value of the outstanding Shares to be held by five or fewer individuals, our Board of Trustees, pursuant to authority granted in our Declaration of Trust, has passed a resolution that, subject to certain exceptions, provides that no person may own, or be deemed to own by virtue of the attribution provisions of the Internal Revenue Code, more than 9.8% in value of the outstanding Shares. This limitation is referred to in this prospectus as the Ownership Limit. Our Board of Trustees, subject to limitations, retains the authority to effect additional increases to, or establish exemptions from, the Ownership Limit. Our Board of Trustees, pursuant to authority granted in our Declaration of Trust, has passed resolutions that exempt the initial holders of the Series A Preferred Shares and Series B Preferred Shares and Cohen & Steers Capital Management, Inc. and related persons from the Ownership Limit, on the condition that, and for so long as, such holders comply with certain representations, warranties and agreements intended to ensure that no direct or indirect owner of any of such holders owns more than 9.8% in value of the outstanding Shares.

In addition, pursuant to our Declaration of Trust, no purported transfer of Shares may be given effect if it would result in ownership of all of the outstanding Shares by fewer than 100 persons (determined without any reference to the rules of attribution) or result in our being "closely held" within the meaning of Section 856(h) of the Internal Revenue Code. These restrictions are referred to in this prospectus as the Ownership Restrictions. In the event of a purported transfer or other event that would, if effective, result in the ownership of Shares in violation of the Ownership Limit or the Ownership Restrictions, such transfer would be deemed void and such Shares automatically would be exchanged for "Excess Shares" authorized by our Declaration of Trust, according to rules set forth in our Declaration of Trust, to the extent necessary to ensure that the purported transfer or other event does not result in the ownership of Shares in violation of the Ownership Limit or the Ownership Restrictions.

Holders of Excess Shares are not entitled to voting rights (except to the extent required by law), dividends or distributions. If, after the purported transfer or other event resulting in an exchange of Shares for Excess Shares and prior to the discovery by us of such exchange, dividends or distributions are paid with respect to Shares that were exchanged for Excess Shares, then such dividends or distributions would be repayable to us upon demand. While outstanding, Excess Shares would be held in trust by us for the benefit of the ultimate transferee of an interest in such trust, as described below. While Excess Shares are held in trust, an interest in that trust may be transferred by the purported transferee or other purported holder with respect to such Excess Shares only to a person whose ownership of the Shares would not violate the Ownership Limit or the Ownership Restrictions, at which time the Excess Shares would be exchanged automatically for Shares of the same type and class as the Shares for which the Excess Shares were originally exchanged. Our Declaration of Trust contains provisions that are designed to ensure that the purported transferee or other purported holder of the Excess Shares may not receive in return for such a transfer an amount that reflects any appreciation in the Shares for which such Excess Shares were exchanged during the period that such Excess Shares were outstanding. Any amount received by a purported transferee or other purported holder in excess of the amount permitted to be received would be required to be turned over to us.

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Our Declaration of Trust also provides that Excess Shares shall be deemed to have been offered for sale to us, or our designee, which shall have the right to accept such offer for a period of 90 days after the later of: (i) the date of the purported transfer or event which resulted in an exchange of Shares for such Excess Shares; and (ii) the date our Board of Trustees determines that a purported transfer or other event resulting in an exchange of Shares for such Excess Shares has occurred if we do not receive notice of any such transfer. The price at which we may purchase such Excess Shares would be equal to the lesser of: (i) in the case of Excess Shares resulting from a purported transfer for value, the price per share in the purported transfer that caused the automatic exchange for such Excess Shares or, in the case of Excess Shares resulting from some other event, the market price of such Shares on the date of the automatic exchange for Excess Shares; or (ii) the market price of such Shares on the date that we accept the Excess Shares. Any dividend or distribution paid to a proposed transferee on Excess Shares prior to the discovery by us that such Shares have been transferred in violation of the provisions of our Declaration of Trust shall be repaid to us upon our demand. If the foregoing restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee or holder of any Excess Shares may be deemed, at our option, to have acted as our agent and on our behalf in acquiring or holding such Excess Shares and to hold such Excess Shares on our behalf.

Our trustees may waive the Ownership Restrictions if evidence satisfactory to the trustees and our tax counsel or tax accountants is presented showing that such waiver will not jeopardize our status as a REIT under the Internal Revenue Code. As a condition of such waiver, our trustees may require that an intended transferee give written notice to us, furnish such undertakings, agreements and information as may be required by our trustees and/or an undertaking from the applicant with respect to preserving our status. Any transfer of Shares or any security convertible into Shares that would create a direct or indirect ownership of Shares in excess of the Ownership Limit or result in the violation of the Ownership Restrictions will be void with respect to the intended transferee and will result in Excess Shares as described above.

Neither the Ownership Restrictions nor the Ownership Limit will be removed automatically even if the REIT provisions of the Internal Revenue Code are changed so as no longer to contain any ownership concentration limitation or if the ownership concentration limitation is increased. Except as described above, any change in the Ownership Restrictions would require an amendment to our Declaration of the Trust. Amendments to our Declaration of Trust generally require the affirmative vote of holders owning not less than a majority of the outstanding Shares entitled to vote thereon. In addition to preserving our status as a REIT, the Ownership Restrictions and the Ownership Limit may have the effect of precluding an acquisition of control of us without the approval of our Board of Trustees.

All persons who own, directly or by virtue of the applicable attribution provisions of the Internal Revenue Code, more than 4.0% of the value of any class of outstanding Shares, must file an affidavit with us containing the information specified in our Declaration of Trust by January 31 of each year. In addition, each shareholder shall upon demand be required to disclose to us in writing such information with respect to the direct, indirect and constructive ownership of Shares as our trustees deem necessary to comply with the provisions of the Internal Revenue Code applicable to REITs, to comply with the requirements of any taxing authority or governmental agency or to determine any such compliance.

The Ownership Limit could have the effect of delaying, deferring or preventing a transaction or a change in our control that might involve a premium price for the common shares or otherwise be in the best interest of our shareholders.

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All certificates representing Shares that are hereafter issued will bear a legend referring to the restrictions and limitations described above.

PROVISIONS OF MARYLAND LAW AND OF OUR DECLARATION OF TRUST AND BYLAWS

The following paragraphs summarize provisions of Maryland law, our Declaration of Trust and our Bylaws. These paragraphs are a summary, and do not completely describe Maryland law, our Declaration of Trust or our Bylaws. For a complete description, we refer you to the Maryland statutes applicable to REITs, our Declaration of Trust and our Bylaws. This summary replaces the summary under the caption "Provisions of Maryland Law and of the Company's Declaration of Trust and Bylaws" in the accompanying base prospectus.

Duration

Under our Declaration of Trust, we have a perpetual term of existence and will continue perpetually subject to the authority of our Board of Trustees to terminate our existence and liquidate our assets and subject to termination pursuant to the Maryland REIT Law.

Board of Trustees

Our Declaration of Trust provides that the number of our trustees shall not be less than three nor more than 15. Any vacancy, including a vacancy created by an increase in the number of trustees, may be filled by a majority of our trustees.

Our trustees generally will each serve for a one-year term. In connection with a transaction that included issuance of the Series A Preferred Shares, we granted to the initial purchaser of Series A Preferred Shares a right to designate an individual for election to the Board. We have also granted to the holder of Series B Preferred Shares a right to elect a trustee as well as the right to elect an additional trustee if we fail to comply with certain agreements. See "Description of Shares of Beneficial Interest — Preferred Shares of Beneficial Interest — Series B Preferred Shares."

Our Declaration of Trust generally provides that a trustee may be removed from office only at a meeting of shareholders. However, a trustee elected solely by holders of a series of Preferred Shares may be removed only by the affirmative vote of a majority of the Preferred Shares of that series voting as a single class.

Business Combinations

Under Maryland law, as applicable to Maryland real estate investment trusts, certain "business combinations" (including certain mergers, consolidations, share exchanges, or, in certain circumstances, asset transfers or issuances or reclassifications of equity securities) between a Maryland real estate investment trust and an "interested shareholder" or an affiliate of the interested shareholder are prohibited for five years after the most recent date on which the interested shareholder becomes an interested shareholder. An interested shareholder includes a person who beneficially owns, and an affiliate or associate (as defined under Maryland law) of the trust who, at any time during the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of the trust's then outstanding voting shares. Thereafter, any such business combination must be recommended by the trustees of such trust and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest of the trust, voting together as a single voting group; and

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- two-thirds of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest other than shares held by the interested shareholder with whom or with whose affiliate the business combination is to be effected or by the interested shareholders affiliates or associates, voting together as a single voting group.

These super-majority voting requirements do not apply if the trusts common shareholders receive a minimum price (as defined under Maryland law) for their shares and the consideration is received in cash or in the same form as previously paid by the interested shareholder for its shares. These provisions also do not apply to business combinations that are approved or exempted by the Board of Trustees of the trust prior to the time that the interested shareholder becomes an interested shareholder. An amendment to a Maryland REITs declaration of trust electing not to be subject to the foregoing requirements must be approved by the affirmative vote of at least 80% of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest of the trust, voting together as a single voting group, and two-thirds of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest other than shares of beneficial interest held by interested shareholders. Any such amendment shall not be effective until 18 months after the vote of shareholders and does not apply to any business combination of the trust with an interested shareholder that has such status on the date of the shareholder vote. Our Board of Trustees has previously exempted any business combinations involving Safeguard Scientifics, Inc., Pennsylvania State Employees Retirement System, LF Strategic Realty Investors L.P., Morgan Stanley Asset Management Inc., Five Arrows Realty Securities III L.L.C. and Gerard H. Sweeney and their respective affiliates and associates from the business combination provisions summarized above and, consequently, the five-year prohibition and the super-majority vote requirements will not apply to business combinations between us and any of them.

The business combination statute could have the effect of delaying, deferring or preventing offers to acquire us and of increasing the difficulty of consummating any such transaction.

Control Share Acquisitions

Under Maryland law, as applicable to Maryland real estate investment trusts, control shares of a Maryland real estate investment trust acquired in a control share acquisition have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter by shareholders, excluding shares owned by the acquiror, by officers or by trustees who are employees of the trust in question. Control shares are voting shares of beneficial interest which, if aggregated with all other shares previously acquired by such acquiror or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise the voting power in the election of trustees within one of the following ranges of voting power:

- one-tenth or more but less than one-third,
- one-third or more but less than a majority, or
- a majority or more of all voting power.

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Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained shareholder approval. A "control share acquisition" means the acquisition of control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition, upon satisfaction of certain conditions (including an undertaking to pay expenses), may compel the trust's board of trustees to call a special meeting of shareholders to be held within 50 days of demand to consider the voting rights of the shares. If no request for a meeting is made, the trust may itself present the question at any shareholders meeting.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the statute, then, subject to certain conditions and limitations, the trust may redeem any or all of the control shares, except those for which voting rights have previously been approved, for fair value determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquiror or of any meeting of shareholders at which the voting rights of such shares are considered and not approved. If voting rights for control shares are approved at a shareholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. The fair value of the shares as determined for purposes of such appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition, and certain limitations and restrictions otherwise applicable to the exercise of dissenters' rights do not apply in the context of a control share acquisition.

Our bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of our shares. There can be no assurance that this provision will not be amended or eliminated at any time in the future.

Amendment to the Declaration of Trust

Our Declaration of Trust may be amended only by the affirmative vote of the holders of not less than a majority of the Shares then outstanding and entitled to vote thereon, except for the provisions of our Declaration of Trust relating to (i) increases or decreases in the aggregate number of Shares of any class (other than the Series A Preferred Shares and Series B Preferred Shares), which may generally be made by our Board of Trustees without shareholder approval and (ii) the Maryland General Corporation Law provisions on business combinations, amendment of which requires the affirmative vote of the holders of not less than 80% of the Shares then outstanding and entitled to vote. In addition, if our Board of Trustees determines, with the advice of counsel, that any one or more of the provisions of our Declaration of Trust conflict with the Maryland REIT Law, the Internal Revenue Code or other applicable Federal or state law(s), the conflicting provisions of our Declaration of Trust shall be deemed never to have constituted a part of our Declaration of Trust, even without any amendment thereof.

Termination of the Company and REIT Status

Subject to the rights of any outstanding Preferred Shares and to the provisions of the Maryland REIT Law, our Declaration of Trust permits our Board of Trustees to terminate our existence and to discontinue our election to be taxed as a REIT.

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Transactions Between the Company and its Trustee or Officers

Our Declaration of Trust provides that any contract or transaction between us and one or more of our trustees, officers, employees or agents must be approved by a majority of our trustees who have no interest in the contract or transaction.

Limitation of Liability and Indemnification

The Maryland REIT Law permits a Maryland real estate investment trust to include in its Declaration of Trust a provision limiting the liability of its trustees and officers to the trust and its shareholders for money damages. However, a Maryland real estate investment trust may not eliminate liability resulting from actual receipt of an improper benefit or profit in money, property or services. Also, liability resulting from active and deliberate dishonesty may not be eliminated if a final judgment establishes that the dishonesty is material to the cause of action. Our Declaration of Trust contains such a provision which eliminates such liability to the maximum extent permitted by the Maryland REIT Law.

Our Bylaws require us to indemnify, without requiring a preliminary determination of the ultimate entitlement to indemnification, (a) any present or former trustee, officer or shareholder who has been successful, on the merits or otherwise, in the defense of a proceeding to which he was made a party by reason of such status, against reasonable expenses incurred by him in connection with the proceeding; (b) any present or former trustee or officer against any claim or liability to which he may become subject by reason of such status unless it is established that (i) his act or omission was committed in bad faith or was the result of active and deliberate dishonesty, (ii) he actually received an improper personal benefit in money, property or services or (iii) in the case of a criminal proceeding, he had reasonable cause to believe that his act or omission was unlawful; and (c) each shareholder or former shareholder against any claim or liability to which he may be subject by reason of such status as a shareholder or former shareholder. However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that the act or omission was material to the matter and was committed in bad faith, the result of active and deliberate dishonesty or a personal benefit was improperly received, or, if in a criminal proceeding, there was reasonable cause to believe the act or omission was unlawful. In addition, our Bylaws require us to pay or reimburse, in advance of final disposition of a proceeding, reasonable expenses incurred by a present or former trustee, officer or shareholder made a party to a proceeding by reason of his status as a trustee, officer or shareholder provided that, in the case of a trustee or officer, we shall have received (i) a written affirmation by the trustee or officer of his good faith belief that he has met the applicable standard of conduct necessary for our indemnification as authorized by the Bylaws and (ii) a written undertaking by him or on his behalf to repay the amount paid or reimbursed by us if it shall ultimately be determined that the applicable standard of conduct was not met. Our Bylaws also (i) permit us, with the approval of our trustees, to provide indemnification and payment or reimbursement of expenses to a present or former trustee, officer or shareholder who served our predecessor in such capacity, and to any of our employees or agents or our predecessors, (ii) provide that any indemnification or payment or reimbursement of the expenses permitted by our Bylaws shall be furnished in accordance with the procedures provided for indemnification and payment or reimbursement of expenses under Section 2-418 of the Maryland General Corporation Law for directors of Maryland corporations and (iii) permit us to provide such other and further indemnification or payment or reimbursement of expenses as may be permitted by the Maryland General Corporation Law for directors of Maryland corporations.

The limited partnership agreement of our operating partnership also provides for indemnification by the operating partnership of us, as general partner, and our trustees and officers for any costs, expenses or liabilities incurred by us or them by reason of any act performed by us or them for or on behalf of the operating partnership or us; provided that such person's actions were taken in good faith and in the belief that such conduct was in the best interests of the operating partnership and that such person was not guilty of fraud, willful misconduct or gross negligence.

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Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our trustees and officers pursuant to the foregoing provisions or otherwise, we have been advised that, although the validity and scope of the governing statute has not been tested in court, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In addition, indemnification may be limited by state securities laws.

FEDERAL INCOME TAX CONSIDERATIONS

For a discussion of the taxation of us and the tax consequences relevant to shareholders generally, see the discussion under the heading Material Federal Income Tax Consequences in our Current Report on Form 8-K filed with the Securities and Exchange Commission on June 12, 2003, which is incorporated by reference into this prospectus supplement and the accompanying base prospectus.

UNDERWRITING

Subject to the terms and conditions stated in the underwriting agreement dated as of the date of this prospectus supplement, each underwriter named below has agreed to purchase, and we have agreed to sell to each underwriter, the number of our common shares set forth opposite that underwriter's name.

Underwriters	Number of Shares
Legg Mason Wood Walker, Incorporated	1,125,000
McDonald Investments Inc., a KeyCorp Company	1,125,000
Total	2,250,000

The underwriting agreement provides that the obligation of the underwriters to purchase the common shares included in this offering is subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all of the common shares (other than those covered by the over-allotment option described below) if they purchase any of the common shares.

The underwriters propose to offer the common shares offered by this prospectus supplement from time to time for sale in one or more transactions (which may include block transactions) to purchasers directly, through agents or through brokers in brokerage transactions on the New York Stock Exchange, in the over-the-counter market or to dealers in negotiated transactions or otherwise, or in a combination of such methods, at market prices prevailing at the time of the sale, at prices related to prevailing market prices or at negotiated prices, subject to prior sale when, as and if delivered to and accepted by the underwriters. In connection with the sale of the common shares offered by this prospectus supplement, the underwriters may be deemed to have received compensation from us in the form of underwriting discounts. The underwriters may effect these transactions by selling common shares to or through dealers, and these dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or the purchasers of the common shares for whom they may act as agents or to whom they sell as principal.

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We have granted to the underwriters the option, exercisable for 30 days from the date of this prospectus supplement, to purchase up to 337,500 additional common shares at the price set forth on the cover of this prospectus supplement. The underwriters may exercise the option solely for the purpose of covering over-allotments, if any, in connection with the offering. To the extent the option is exercised, each underwriter must purchase a number of additional common shares approximately proportionate to that underwriter's initial purchase commitment. If any additional common shares are purchased, the underwriters will offer the additional common shares on the same terms as those on which the 2,250,000 common shares are being offered.

We have agreed that, for a period of 45 days from the date of this prospectus supplement, we will not, without the consent of the underwriters, offer, sell, contract to sell, pledge, hedge or otherwise dispose of any common shares or any securities convertible into or exchangeable for our common shares other than sales by us pursuant to any employee or trustee option or long-term incentive plan, share ownership plan or dividend purchase or reinvestment plan.

Additionally, our trustees and officers have agreed that, for a period of 45 days from the date of this prospectus supplement, they will not, without the consent of the underwriters, offer, sell, contract to sell, pledge, hedge or otherwise dispose of any common shares or any securities convertible into or exchangeable for common shares held directly by them (or publicly announce an intention to effect any such transaction) other than common shares disposed of as bona fide gifts and approved by the underwriters. The underwriters, in their sole discretion, may release any of the securities subject to these lock-up agreements at any time without notice.

Our common shares are listed on the New York Stock Exchange under the symbol "BDN."

In connection with this offering, the underwriters may purchase and sell common shares in the open market. These transactions may include short sales, syndicate covering transactions and stabilizing transactions. Short sales involve sales of common shares in excess of the number of common shares to be purchased by the underwriters in this offering, which creates a syndicate short position. "Covered" short sales are sales of common shares made in an amount up to the number of common shares represented by the underwriters' over-allotment option. In determining the source of common shares to close out the covered short position, the underwriters will consider, among other things, the price of common shares available for purchase in the open market as compared to the price at which they may purchase common shares through the over-allotment option. Transactions to close out the covered syndicate short position involve either purchases in the open market after the distribution has been completed or the exercise of the over-allotment option. The underwriters may also make " naked" short sales of common shares in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing common shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of bids for, or purchases of, common shares in the open market while the offering is in progress.

Any of these activities may have the effect of preventing or retarding a decline in the market price of common shares. They may also cause the price of the common shares to be higher than the price that would otherwise exist on the open market in the absence of these transactions. The underwriters may conduct these transactions on the New York Stock Exchange or in the over-the-counter market, or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

We estimate that our portion of the total expenses of this offering will be $150,000.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

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The underwriters and their affiliates have performed investment banking and advisory services for us from time to time for which they have received customary fees and expenses and may, in the future, engage in transactions with and perform services for us in the ordinary course of their business. KeyCorp, an affiliate of McDonald Investments Inc., one of the underwriters, is a participating lender under our unsecured revolving credit facility and one of our construction loans. A portion of the net proceeds from the sale of common shares may be used to reduce borrowings under our revolving credit facility.

NOTE REGARDING OUR INDEPENDENT AUDITORS

Arthur Andersen LLP was our previous independent auditors. On June 15, 2002, Arthur Andersen LLP was convicted of obstruction of justice by a federal jury in Houston, Texas. On September 15, 2002, a federal judge upheld this conviction. Arthur Andersen LLP ceased its audit practice before the SEC on August 31, 2002. Effective May 23, 2002, we terminated the engagement of Arthur Andersen LLP as our independent auditors and engaged KPMG to serve as our independent auditors.

Following our engagement of KPMG as our independent auditors we engaged KPMG to audit our consolidated financial statements for the period ending December 31, 2000 and December 31, 2001. KPMG's report, which is dated February 26, 2003, except as to notes 9, 12, 13, and 21, which are as of June 30, 2003, is incorporated by reference into the registration statement of which this prospectus supplement and the accompanying prospectus are a part, which includes our consolidated balance sheets as of December 31, 2002 and 2001, and the related consolidated statements of operations, beneficiaries' equity and comprehensive income and cash flows for each of the years in the three year period ended December 31, 2002, and related financial statement schedules.

Effective June 19, 2003, we terminated the engagement of KPMG as our independent auditors and engaged PricewaterhouseCoopers LLP ("PWC") to serve as our independent auditors. The audit report of KPMG on our consolidated financial statements for the years ended December 31, 2002 and December 31, 2001, did not contain an adverse opinion or a disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles, except that effective January 1, 2002, we adopted Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." Further, KPMG's report refers to the fact that effective January 1, 2003, we adopted Statement of Financial Accounting Standards No. 145, "Rescission of No. 4, 44, and 64, Amendment of FASB No. 13, and Technical Corrections." During its audit for the fiscal years ended December 31, 2002 and December 31, 2001, and for the subsequent interim period through June 19, 2003, (i) there were no disagreements with KPMG on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to KPMG's satisfaction, would have caused KPMG to make reference to the subject matter of such disagreements in their reports, and (ii) there have been no reportable events as defined in Item 304(a)(1)(v) of Regulation S-K. During our two most recent fiscal years, and for the subsequent interim period through June 19, 2003, neither we nor anyone acting on our behalf engaged PWC regarding any of the items described in Item 304(a)(2) of Regulation S-K.

LEGAL MATTERS

The validity of the common shares offered hereby, as well as certain legal matters relating to us, will be passed upon for us by Pepper Hamilton LLP, Philadelphia, Pennsylvania. Certain legal matters related to the offering will be passed upon for the underwriters by Proskauer Rose LLP.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports and other information with the SEC. You may read and copy materials that we have filed with the SEC, including the registration statement, at the following locations:

Public Reference Room 450 Fifth Street, N.W. Room 1024 Washington, D.C. 20549	New York Regional Office 233 Broadway New York, NY 10279	Chicago Regional Office Citicorp Center 500 West Madison Street Suite 1400 Chicago, IL 60661-2511

You may obtain information on the operation of the SEC's Public Reference Rooms by calling the SEC at 1-800-SEC-0330.

The SEC also maintains an Internet web site that contains reports, proxy statements and other information regarding issuers, including Brandywine Realty Trust, that file electronically with the SEC. The address of that site is http://www.sec.gov. Further, you may inspect reports, proxy statements and other information concerning us at the offices of the New York Stock Exchange, which are located at 20 Broad Street, New York, New York 10005.

The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this prospectus, and information we file later with the SEC will be deemed to automatically update and supersede this information. We incorporate by reference the documents listed below, which we have previously filed with the SEC and which are considered part of this prospectus, and any future filings made with the SEC prior to completion of this offering under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934. These filings contain important information about us.

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Report Filed	Date of Filing
File No. 1-9106:	
Annual Report on Form 10-K for the year ended December 31, 2002	Filed on March 27, 2003
Annual Report on Form 10-K/A-1 for the year ended December 31, 2002	Filed on October 14, 2003
Quarterly Report on Form 10-Q for the quarter ended March 31, 2003	Filed on May 14, 2003
Quarterly Report on Form 10-Q for the quarter ended June 30, 2003	Filed on August 13, 2003
Current Report on Form 8-K	Filed on February 28, 2003
Current Report on Form 8-K	Filed on April 25, 2003
Current Report of Form 8-K	Filed on June 12, 2003
Current Report on Form 8-K	Filed on June 13, 2003
Current Report on Form 8-K	Filed on June 25, 2003
Current Report on Form 8-K	Filed on July 25, 2003
Current Report on Form 8-K	Filed on September 18, 2003
Current Report on Form 8-K	Filed on October 14, 2003
Form 8-A	Filed on October 14, 1997

You can obtain copies of any of the documents incorporated by reference in this prospectus from us or through the SEC or the SEC□s web site described above. Documents incorporated by reference are available from us, without charge, excluding all exhibits unless specifically incorporated by reference as an exhibit to this prospectus. You may obtain documents incorporated by reference in this prospectus by writing us at the following address or calling us at the telephone number listed below:

BRANDYWINE REALTY TRUST
401 Plymouth Road
Suite 500
Plymouth Meeting, PA 19462
Attention: General Counsel
Telephone: (610) 325-5600

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BRANDYWINE REALTY TRUST

$663,129,026

Preferred Shares, Common Shares, Depositary Shares and Warrants

We will provide specific terms of these securities in supplements to this prospectus.

You should read this prospectus and any supplement carefully before you invest.

See Risk Factors beginning on page 5 of this prospectus for certain factors relevant to an investment in these securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 9, 1999.

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ABOUT THIS PROSPECTUS

This prospectus (this Prospectus) is part of a registration statement that we filed with the Securities and Exchange Commission (the SEC) utilizing a shelf registration process. Under the shelf process, we may sell any combination of certain securities in one or more offerings. This Prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this Prospectus. Before you invest, you should read both this Prospectus and any prospectus supplement together with the additional information described under the next heading.

WHERE YOU CAN FIND MORE INFORMATION

Brandywine Realty Trust (collectively with its subsidiaries, the Company) files annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SECs web site at http://www.sec.gov. You may also photocopy any document we file at the SECs public reference rooms in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms.

The registration statement on Form S-3 of which this Prospectus is a part contains important additional information not included in this Prospectus. Statements in the registration statement summarizing other documents are qualified by reference to such documents which have been filed as exhibits to the registration statement or other filings made with the SEC. The registration statement is available at the SECs web site and public reference rooms.

The SEC allows us to incorporate by reference the information which we file with them, which means we can disclose important information to you by referring to those documents. The information incorporated by reference is an important part of this Prospectus and information which we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities.

- The Companys Annual Report on Form 10-K for the year ended December 31, 1997, as amended by a Form 10-K/A No. 1;
- The Companys Quarterly Reports on Form 10-Q for the quarters ended March 31, 1998, June 30, 1998 and September 30, 1998;
- The combined statements of revenues and certain expenses of the Green Hills Properties for the year ended December 31, 1996; the combined statements of revenues and certain expenses of Berwyn Park Properties for the year ended December 31, 1996; and the reports thereon of the Companys independent public accountants included in the Companys Quarterly Report on Form 10-Q for the quarter ended June 30, 1997;
- The Companys Current Reports on Form 8-K/A No. 1 dated February 13, 1997; Form 8-K/A No. 2 dated February 24, 1997; Form 8-K/A No. 1 dated April 29, 1997; Form 8-K dated June 9, 1997; Form 8-K dated June 26, 1997; Form 8-K dated September 10, 1997; Form 8-K dated October 30, 1997; Form 8-K dated December 17, 1997; Form 8-K dated January 9, 1998; Form 8-K dated January 27, 1998; Form 8-K dated January 30, 1998; Form 8-K dated February 13, 1998; Form 8-K dated February 23, 1998; Form 8-K dated February 25, 1998; Form 8-K dated March 17, 1998; Form 8-K dated April 13, 1998; Form 8-K/A dated April 16, 1998; Form 8-K dated April 17, 1998; Form 8-K dated May 14, 1998; Form 8-K dated June 3, 1998; Form 8-K/A No. 1 dated July 30, 1998; Form 8-K dated July 30, 1998; Form 8-K dated October 13, 1998; Form 8-K/A No. 1 dated October 21, 1998; and Form 8-K dated January 20, 1999; and

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- The description of the Common Shares contained in the Company's Registration Statement on Form 8-A dated October 14, 1997 and any other reports or amendments filed for the purpose of updating such description.

You may request a copy of these filings (not including the exhibits to such filings unless such exhibits are specifically incorporated by reference therein) at no cost, by writing or telephoning us at the following address:

Brandywine Realty Trust
14 Campus Boulevard
Newtown Square
Pennsylvania 19073
Attention: Brad A. Molotsky, Secretary
(610) 325-5600

You should rely only on the information provided or incorporated by reference in this Prospectus or any prospectus supplement. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this Prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents.

SUMMARY

The following summary is qualified in its entirety by the more detailed descriptions and the financial information and statements appearing elsewhere and incorporated by reference in this Prospectus.

The Company

The Company is a self-administered and self-managed real estate investment trust ("REIT") active in acquiring, developing, redeveloping, leasing and managing office and industrial properties. As of December 1, 1998, the Company's portfolio included 199 office properties, 70 industrial facilities and one mixed use property (collectively, the "Properties") that contained an aggregate of approximately 18.5 million net rentable square feet. As of December 1, 1998, the Company also owned or held options to purchase approximately 457.0 acres of land for future development.

In addition, as of December 1, 1998, the Company owned economic interests, ranging from 35% to 65%, in ten office real estate ventures (the "Real Estate Ventures"). Four of the Real Estate Ventures own eight suburban office buildings that contain an aggregate of approximately 451,000 net rentable square feet. A fifth Real Estate Venture is in the process of redeveloping an existing suburban building into an office building that is expected to contain approximately 72,000 net rentable square feet upon completion in early 1999. As of December 1, 1998, the Real Estate Ventures also owned or held options to purchase approximately 46.8 acres of land for future development.

The Company owns its assets and conducts its operations through Brandywine Operating Partnership, L.P. (the "Operating Partnership") and subsidiaries of the Operating Partnership. The Company is the sole general partner of the Operating Partnership and, as of December 1, 1998, held an approximately 88.6% interest in the Operating Partnership and was entitled to approximately 94.8% of the Operating Partnership's income after the payment of preferred distributions on the Operating Partnership's Series B Preferred Units.

The Company provides real estate management services through a management company (the "Management Company"). As of December 1, 1998, the Management Company managed approximately 16.9 million net rentable square feet, of which 16.7 million net rentable square feet related to the Properties. Through its ownership of securities of the Management Company, the Operating Partnership is entitled to receive 95% of amounts paid as dividends by the Management Company.

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The Company was organized as a Maryland real estate investment trust in 1986. The Company's principal executive offices are located at 14 Campus Boulevard, Newtown Square, Pennsylvania 19073 and its telephone number is (610) 325-5600.

Securities Offered

Pursuant to this Prospectus, the Company may offer any combination of the following securities (the "Securities") with an aggregate public offering price of up to $663,129,026:

- common shares of beneficial interest, $0.01 par value per share ("Common Shares");
- one or more series of preferred shares of beneficial interest, $0.01 par value per share ("Preferred Shares");
- one or more series of Preferred Shares represented by depositary shares ("Depositary Shares"); and
- warrants to purchase Preferred Shares, Common Shares or Depository Shares ("Warrants").

RISK FACTORS

This Prospectus contains forward-looking statements. These statements are identified by words such as "expect," "anticipate," "should," "pro forma" and words of similar import. Actual results may differ significantly from those expressed or implied by the forward-looking statements. Factors that might cause such a difference include the various risks stated below that we believe are material to investors who purchase or own our securities. Before deciding to purchase the securities offered, prospective investors should carefully consider the following information together with the other information contained in this Prospectus.

There can be no assurance that we will effectively manage our rapid growth

We have been growing rapidly. Since August 1, 1996, we have acquired or developed 266 of the 270 Properties owned by us on December 1, 1998. We plan on managing this growth by applying our experience to newly acquired properties and expect to be successful in that effort. No assurances can be given, however, that we will succeed in our integration efforts or that newly acquired properties will perform as we expect.

We depend on the performance of our primary markets, and changes in such markets may adversely affect our financial condition

Most of our Properties are currently located in suburban markets in Pennsylvania, New Jersey, New York, Virginia and Delaware. Like other real estate markets, these commercial real estate markets have experienced economic downturns in the past, and future declines in any of these real estate markets could adversely affect our operations or cash flow and ability to make distributions to shareholders. Our financial performance will be particularly sensitive to the economic conditions in these markets. Our revenues and the value of our Properties may be adversely affected by a number of factors, including the economic climate in these markets (which may be adversely impacted by business layoffs, industry slowdowns, changing demographics and other factors) and real estate conditions in these markets (such as oversupply of or reduced demand for office and industrial properties). These factors, when and if they occur in the area in which our Properties are located, would adversely affect our cash flow and ability to make distributions to shareholders.

Our ability to make distributions is subject to various risks

We pay regular distributions to our shareholders. Our ability to make distributions in the future will depend upon:

- the performance of our Properties;

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- expenditures with respect to existing and newly acquired properties;
- the amount of, and the interest rates on, our debt;
- the absence of significant expenditures relating to environmental or other regulatory matters; and
- future sales of Common Shares.

Certain of these matters are beyond our control and any significant difference between our expectations and actual results could have a material adverse effect our cash flow and our ability to make or sustain distributions.

We may be unable to renew leases or relet space as leases expire

If our tenants fail to renew their leases upon expiration, we may be unable to relet the subject space. Even if the tenants do renew their leases or we can relet the space, the terms of renewal or reletting (including the cost of required renovations) may be less favorable than current lease terms. Certain leases grant the tenants an early termination right upon payment of a termination penalty. While we have estimated the necessary expenditures for new and renewal leases for 1999 and 2000, no assurances can be given as to the accuracy of such estimates.

Financially distressed tenants may limit our ability to realize the value of our investments

Following a tenant's lease default, we may experience delays in enforcing our rights as a landlord and may incur substantial costs in protecting our investment. In addition, a tenant may seek bankruptcy law protection which could relieve the tenant from its obligation to make lease payments.

We face significant competition from other real estate developers

We compete with a number of real estate developers, operators and institutions for tenants and acquisition opportunities. Some of these competitors have significantly greater resources than we do. No assurances can be given that this competition will not adversely affect our cash flow and ability to make distributions to shareholders.

Because real estate is illiquid, we may not be able to sell properties when appropriate

Real estate investments generally cannot be sold quickly. We may not be able to vary our portfolio promptly in response to economic or other conditions. In addition, the Internal Revenue Code (the "Code") limits our ability to sell properties held for fewer than four years. Purchase options and rights of first refusal held by certain tenants may limit our ability to sell certain properties. Any of these factors could adversely affect our cash flow and ability to make distributions to shareholders as well as the ability of someone to purchase us, even if a purchase were in our shareholders' best interests.

We have agreed not to sell certain of our properties

We have agreed with the sellers of certain of our properties not to sell certain properties for varying periods of time in any transaction that would trigger taxable income, subject to certain exceptions. Some of these agreements are with current trustees of our company. In addition, we may enter into similar agreements with future sellers of properties. These agreements generally provide that we may dispose of the applicable properties in transactions that qualify as tax-free exchanges under Section 1031 of the Code. Therefore, without suffering adverse tax consequences, we may be precluded from selling certain properties other than in transactions that would qualify as tax-free exchanges for federal income tax purposes.

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Changes in the law may adversely affect our cash flow

Because increases in income and service taxes are generally not passed through to tenants under leases, such increases may adversely affect our cash flow and ability to make expected distributions to shareholders. The Properties are also subject to various regulatory requirements, such as those relating to fire and safety. Our failure to comply with these requirements could result in the imposition of fines and damage awards. While we believe that the Properties are currently in material compliance with all such requirements, there can be no assurance that these requirements will not change or that newly imposed requirements will not require significant unanticipated expenditures.

By holding properties through the Operating Partnership and various joint ventures, we are exposed to certain additional risks

We own our Properties and our interests in the Real Estate Ventures through the Operating Partnership. In the future, we expect to continue to participate with other entities in property ownership through joint ventures or partnerships. Partnership or joint venture investments may, under certain circumstances, involve risks not otherwise present in direct investments. Such risks include:

- the potential bankruptcy of our partners or co-venturers;
- a conflict between our business goals and those of our partners or co-venturers; and
- actions taken by our partners or co-venturers contrary to our instructions or objectives, including our policy of maintaining our REIT qualification.

We will, however, seek to maintain sufficient control of such partnerships and joint ventures to enable us to achieve our business objectives. Investors should be aware that there is no limitation under our organizational documents as to the amount of funds which we may invest in partnerships or joint ventures.

Future acquisitions may fail to perform in accordance with our expectations and may require development and renovation costs exceeding our estimates

We intend to continue acquiring office and industrial properties. Changing market conditions, however, including competition from others, may diminish our opportunities for making attractive acquisitions. Once made, our investments may fail to perform in accordance with our expectations. In addition, the estimated renovation and improvement costs incurred in bringing an acquired property up to market standards may exceed our estimates. We anticipate financing future acquisitions and renovations through a combination of advances under lines of credit and other forms of secured or unsecured financing. If new developments are financed through construction loans, there is a risk that, upon completion of construction, permanent financing for newly developed properties may not be available or may be available only on disadvantageous terms.

In addition to acquisitions, we periodically consider developing, redeveloping and constructing office buildings and other commercial properties. Risks associated with development, redevelopment and construction activities include:

- the unavailability of favorable financing;
- the abandonment of such activities prior to completion;
- construction costs exceeding original estimates;
- construction and lease-up delays resulting in increased debt service expense and construction costs; and
- insufficient occupancy rates and rents at a newly completed property causing a property to be unprofitable.

Development and redevelopment activities are subject to risks relating to our inability to obtain, or delays in obtaining, all necessary zoning, land-use, building, occupancy and other required governmental and utility company authorizations.

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Our indebtedness subjects us to additional risks

Debt Financing and Existing Debt Maturities. We are subject to risks normally associated with debt financing, such as the insufficiency of cash flow to meet required payment obligations and the inability to refinance existing indebtedness. If our debt cannot be paid, refinanced or extended at maturity, in addition to our failure to repay our debt, we may not be able to make distributions to shareholders at expected levels or at all. Furthermore, if any refinancing is done at higher interest rates, the increased interest expense could adversely affect our cash flow and ability to make distributions to shareholders. In addition, if we do not meet our mortgage financings obligations, any properties securing such indebtedness could be foreclosed on, which would have a material adverse effect our cash flow and ability to make distributions and, depending on the number of properties foreclosed on, could threaten our continued viability.

Risk of Rising Interest Rates and Variable Rate Debt. Increases in interest rates on variable rate indebtedness would increase our interest expense, which could adversely affect our cash flow and ability to make distributions to shareholders.

No Limitation on Debt. Our organizational documents do not contain any limitation on our debt-to-total market capitalization ratio. Accordingly, our Board of Trustees could increase the Company's leverage without restriction. The increased debt service could adversely affect our cash flow and ability to make distributions and could increase the risk of default on our indebtedness.

Our status as a REIT is dependent on compliance with federal income tax requirements

Our failure to qualify as a REIT would have serious adverse consequences to our shareholders. We believe that, since 1986, we have qualified for taxation as a REIT for federal income tax purposes. We plan to continue to meet the requirements for taxation as a REIT. Many of these requirements, however, are highly technical and complex. The determination that we are a REIT requires an analysis of various factual matters and circumstances that may not be totally within our control. For example, to qualify as a REIT, at least 95% of our gross income must come from certain sources that are itemized in the REIT tax laws. We are also required to distribute to shareholders at least 95% of our REIT taxable income (excluding capital gains). The fact that we hold our assets through the Operating Partnership and its subsidiaries further complicates the application of the REIT requirements. Even a technical or inadvertent mistake could jeopardize our REIT status. Furthermore, Congress and the IRS might change the tax laws and regulations, and the courts might issue new rulings that make it more difficult, or impossible, for the Company to remain qualified as a REIT. We do not believe, however, that any pending or proposed tax law changes would jeopardize our REIT status.

To maintain REIT status, a REIT may not own more than 10% of the voting stock of any corporation, except for a qualified REIT subsidiary (which must be wholly-owned by the REIT) or another REIT. In order to comply with this rule, the Operating Partnership owns 5% of the voting common stock and all of the non-voting preferred stock of the Management Company. The Internal Revenue Service ("IRS"), however, could contend that the Operating Partnership's ownership of all of the non-voting preferred stock of the Management Company should be viewed as voting stock because of the Operating Partnership's substantial economic position in the Management Company. If successful in such a contention, the Company's status as a REIT would be lost and the Company would be subject to the consequences summarized below.

Arthur Andersen LLP, special tax advisor to the Company, has given us an opinion to the effect that, beginning with our taxable year ended December 31, 1986, we have been organized and have operated in conformity with the requirements for qualification and taxation as a REIT under the Code for each of our taxable years and that our current method of organization and operation will enable us to continue to so qualify. See "Federal Income Tax Considerations — General." The opinion of Arthur Andersen LLP is based on assumptions and factual representations made by us regarding our ability to meet the requirements for qualification as a REIT and the opinion of Pepper Hamilton LLP that the shares of preferred stock issued by the Management Company to the Operating Partnership do not constitute voting securities for purposes of the Investment Company Act of 1940. Such opinion is not binding on the IRS or any court. Moreover, Arthur Andersen LLP does not review or monitor our compliance with the requirements for REIT qualification on an ongoing basis. We cannot guarantee that we will be qualified and taxed as a REIT, because our qualification and taxation as a REIT will depend upon our ability to meet, on an ongoing basis, the requirements imposed under the Code.

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If we fail to qualify as a REIT, we would be subject to federal income tax at regular corporate rates. Also, unless the IRS granted us relief under certain statutory provisions, we would remain disqualified as a REIT for four years following the year we first failed to qualify. If we failed to qualify as a REIT, we would have to pay significant income taxes and would therefore have less money available for investments or for distributions to shareholders. This would likely have a significant adverse affect of the value of our securities. In addition, we would no longer be required to make any distributions to shareholders. See Federal Income Tax Considerations Failure to Qualify.

In order to make the distributions required to maintain our REIT status, we may need to borrow funds. To obtain the favorable tax treatment associated with REIT qualification, we generally will be required to distribute to shareholders at least 95% of our annual REIT taxable income (excluding net capital gain). In addition, we will be subject to tax on our undistributed net taxable income and net capital gain and a 4% nondeductible excise tax on the amount, if any, by which certain distributions paid by us with respect to any calendar year are less than the sum of 85% of our ordinary income plus 95% of our capital gain net income for the calendar year, plus certain undistributed amounts from prior years.

We intend to make distributions to shareholders to comply with the distribution provisions of the Code and to avoid income and other taxes. Our income will consist primarily of our share of the income of the Operating Partnership and our cash flow will consist primarily of our share of distributions from the Operating Partnership. Differences in timing between the receipt of income and the payment of expenses in arriving at taxable income (of the Company or the Operating Partnership) and the effect of required debt amortization payments could require us to borrow funds on a short-term basis or liquidate funds on adverse terms to meet the REIT qualification distribution requirements.

The failure of the Operating Partnership (or a subsidiary partnership) to be treated as a partnership would have serious adverse consequences to our shareholders. If the IRS were to successfully challenge the tax status of the Operating Partnership or any of its subsidiary partnerships for federal income tax purposes, the Operating Partnership or the affected subsidiary partnership would be taxable as a corporation. In such event, we would cease to qualify as a REIT and the imposition of a corporate tax on the Operating Partnership or a subsidiary partnership would reduce the amount of cash available for distribution from such partnership to us and our shareholders. See Federal Income Tax Considerations Income Taxation of the Operating Partnership, the Title Holding Partnerships and Their Partners.

We do pay some taxes. Even if we qualify as a REIT, we are required to pay certain federal, state and local taxes on our income and property. In addition, the Management Company is subject to federal, state and local income tax at regular corporate rates on its net taxable income derived from its management, leasing and related service business. If we have net income from a prohibited transaction, such income will be subject to a 100% tax. See Federal Income Tax Considerations Taxation of the Company as a REIT.

We own a subsidiary REIT. One of our subsidiaries, Atlantic American Properties Trust (AAPT), that indirectly holds approximately 35 of the Properties, elected to be taxed as a REIT for the tax year ended December 31, 1997. So long as we seek to maintain AAPTs REIT status, AAPT will be subject to all the requirements and risks associated with maintaining REIT status summarized above, including the limitation on the ownership of more than 10% of the voting securities of any corporation (other than a qualified REIT subsidiary or another REIT). AAPT indirectly owns non-voting common stock issued by a corporation which is neither a qualified REIT subsidiary nor a REIT.

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Environmental problems are possible and may be costly

Federal, state and local laws, ordinances and regulations may require a current or previous owner or operator of real estate to investigate and clean up hazardous or toxic substances or releases at such property. The owner or operator may be forced to pay for property damage and for investigation and clean-up costs incurred by others in connection with environmental contamination. Such laws typically impose clean-up responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the contaminants. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for all of the clean-up costs incurred. In addition, third parties may sue the owner or operator of a site for damages and costs resulting from environmental contamination emanating from that site. These costs may be substantial and the presence of such substances may adversely affect the owner's ability to sell or rent such property or to borrow using such property as collateral.

Independent environmental consultants have conducted a standard Phase I or similar general environmental site assessment ("ESA") of each of our Properties to identify potential sources of environmental contamination and assess environmental regulatory compliance. For a number of the Properties, the Phase I ESA either referenced a prior Phase II ESA obtained on such Property or prompted us to have a Phase II ESA of such Property conducted. A Phase II ESA generally involves invasive procedures, such as soil sampling and testing or the installation and monitoring of groundwater wells. While the ESAs conducted have identified environmental contamination on a few of the Properties, they have not revealed any environmental contamination, liability or compliance concern that we believe would have a material adverse effect on our cash flow or ability to make distributions to shareholders.

It is possible that the existing ESAs relating to the Properties do not reveal all environmental contaminations, liabilities or compliance concerns which currently exist. In addition, future properties which we acquire may be subject to environmental conditions.

Some potential losses are not covered by insurance

We carry comprehensive liability, fire, extended coverage and rental loss insurance on all of our Properties. We believe the policy specifications and insured limits of these policies are adequate and appropriate. There are, however, certain types of losses, such as lease and other contract claims, that generally are not insured. Should an uninsured loss or a loss in excess of insured limits occur, we could lose all or a portion of the capital we have invested in a property, as well as the anticipated future revenue from the property. In such an event, we might nevertheless remain obligated for any mortgage debt or other financial obligations related to the property.

We do not control the Management Company

While we own substantially all (95%) of the economic interest in the Management Company, to maintain our REIT qualification, certain of the executive officers of the Company indirectly hold 95% of the voting common stock of the Management Company. Therefore, we do not control the timing or amount of distributions by, or the management and operation of, the Management Company. As a result, decisions relating to the payment of distributions by, and the business policies and operations of, the Management Company could be adverse to our interests.

The Board of Trustees may change our policies without shareholder approval

The Board of Trustees controls our policies concerning investment, financing, borrowing and distribution, as well as, our operational and growth activities. The Board of Trustees may amend or revise such policies or activities without notice to, or a vote of, our shareholders. Such amendments or revisions may not fully serve the interests of all shareholders and could adversely affect our distributions, financial condition, results of operations or the market price of the Common Shares.

We are dependent upon our key personnel

We are dependent upon the efforts of our executive officers, particularly Anthony A. Nichols, Sr. and Gerard H. Sweeney. The loss of their services could have an adverse affect on our operations. Although we have employment agreements with Messrs. Nichols and Sweeney, such agreements do not restrict their ability to become employed by a competitor following the termination of their employment with us.

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Certain limitations exist with respect to a third partys ability to acquire us or effectuate a change in control

Limitations imposed to protect our REIT status. In order to protect us against loss of our REIT status, our Declaration of Trust limits any shareholder from owning more than 9.8% in value of our outstanding shares, subject to certain exceptions. If you or anyone else acquires shares in excess of the ownership limit, we may:

- consider the transfer to be null and void;
- not reflect the transaction on our books;
- institute legal action to stop the transaction;
- not pay dividends or other distributions with respect to those shares;
- not recognize any voting rights for those shares; and
- consider the shares held in trust for the benefit of a person to whom such shares may be transferred.

Limitation due to our ability to issue preferred shares. Our Declaration of Trust authorizes the Board of Trustees to issue Preferred Shares. The Board of Trustees may establish the preferences and rights of any Preferred Shares issued which could have the effect of delaying or preventing someone from taking control of us, even if a change in control were in our shareholders best interests.

Limitations imposed by the Business Combination Law. The Maryland General Corporation Law (the MGCL), as applicable to Maryland real estate investment trusts, establishes special restrictions against business combinations between a Maryland real estate investment trust and interested shareholders or their affiliates unless an exemption is applicable. An interested shareholder includes a person who beneficially owns, and an affiliate or associate of the trust who, at any time within the two-year period prior to the date in question, was the beneficial owner of, ten percent or more of the voting power of our then-outstanding voting shares. Among other things, the law prohibits (for a period of five years) a merger and certain other transactions between the trust and an interested shareholder unless the board of trustees approved the transaction before the party became an interested shareholder. The five-year period runs from the most recent date on which the interested shareholder became an interested shareholder. Thereafter, any such business combination must be recommended by the board of trustees and approved by two super-majority shareholder votes unless, among other conditions, the trusts common shareholders receive a minimum price for their shares and the consideration is received in cash or in the same form as previously paid by the interested shareholder for its shares or unless the board of trustees approved the transaction before the party in question became an interested shareholder. The business combination statute could have the effect of discouraging offers to acquire us and of increasing the difficulty of consummating any such offers, even if our acquisition would be in our shareholders best interests.

We have exempted any business combination involving SSI, The Nichols Company (TNC), the Commonwealth of Pennsylvania State Employees Retirement System (SERS) and a voting trust established for its benefit (the SERS Voting Trust), Morgan Stanley Asset Management Inc. and two funds (the Morgan Stanley Funds) managed by it, Lazard Freres Real Estate Investors, L.L.C. (Lazard), Gerard H. Sweeney (the Companys President and Chief Executive Officer) and any of their respective affiliates or associates. As a result, these entities and Mr. Sweeney and their affiliates and associates (including Anthony A. Nichols, Sr., the Companys Chairman of the Board) may be able to enter into business combinations with the Company which may not be in the best interest of the shareholders.

Limitations imposed by the Maryland Control Share Statute. The Maryland General Corporation Law provides that control shares of a Maryland real estate investment trust acquired in a control share acquisition have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter, excluding shares of beneficial interest owned by the acquiror, by officers or by trustees who are employees of the trust. If voting rights are not approved at a meeting of shareholders or if the acquiring person does not deliver an acquiring person statement as required by the statute, then, subject to certain conditions and limitations, the trust may redeem any or all of the control shares (except those for which voting rights have previously been approved) for fair value. If voting rights for control shares are approved at a shareholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. The control share statute could have the effect of discouraging offers to acquire us and of increasing the difficulty of consummating any such offers, even if our acquisition would be in our shareholders best interests.

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We have exempted acquisitions by SSI, TNC, SERS, the SERS Voting Trust, Morgan Stanley Asset Management Inc., the Morgan Stanley Funds and any current of future affiliate or associate of theirs from the control shares statute. As a result, these entities will be able to possess voting power not generally available to other persons.

Sales of a substantial number of Common Shares, or the perception that such sales could occur, could adversely affect prevailing prices for the Common Shares

As of December 1, 1998, we had reserved: (i) 4,955,107 Common Shares for issuance upon redemption of Operating Partnership Units, (ii) 3,005,808 Common Shares for issuance upon exercise of outstanding options and warrants and (iii) 1,415,094 Common Shares for issuance upon the conversion or redemption of the Company's Series A Preferred Shares. Our Declaration of Trust permits the Board of Trustees to increase the aggregate number of authorized shares of any class without shareholder approval. We cannot predict the effect that future sales of Company securities, or the perception that such sales could occur, will have on the market price of the Common Shares.

The Issuance of Preferred Shares may adversely affect the rights of holders of Common Shares

Because the Board of Trustees has the power to establish the preferences and rights of each class or series of Preferred Shares, it may afford the holders in any series or class of Preferred Shares preferences, distributions, powers and rights, voting or otherwise, senior to the rights of holders of Common Shares.

RATIOS OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED SHARE DISTRIBUTIONS

The following table sets forth the ratios of earnings to combined fixed charges and preferred share distributions for the Company for each of the five years ended December 31, 1997, 1996, 1995, 1994 and 1993 and for the nine months ended September 30, 1998 and 1997.

Brandywine Realty Trust
Computation of Ratio of Earnings to Combined Fixed Charges
and Preferred Share Distributions
(in thousands)

	For the years ended December 31,					For the nine months ended September 30,	
	1993	**1994**	**1995**	**1996**	**1997**	**1997**	**1998**
Fixed Charge Coverage Ratio (1)	N/A(2)	(3)	(3)	(3)	2.71	2.53	2.36

(1) The fixed charge coverage ratio represents the number of times fixed charges were covered by earnings. The ratio is computed by dividing fixed charges and preferred share distributions into earnings before extraordinary items, plus fixed charges. Fixed charges include interest expense and amortization of debt issuance costs.
(2) Ratio cannot be computed as there were no fixed charges during fiscal year 1993.

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(3) Ratio calculated to be less than one-to-one coverage. The amount of the deficiency to cover fixed charges is $563,000, $824,000 and $1,841,000 for the years 1996, 1995 and 1994, respectively.

USE OF PROCEEDS

Unless otherwise indicated in the accompanying prospectus supplement, the Company will contribute or otherwise transfer the net proceeds of any sale of any of its securities hereunder to the Operating Partnership in exchange for additional partnership interests in the Operating Partnership, the economic terms of which will be substantially identical to the Securities sold. The Operating Partnership will use such net proceeds for general business purposes including, without limitation, the repayment of certain outstanding debt and the acquisition of office and industrial properties.

DESCRIPTION OF SHARES OF BENEFICIAL INTEREST

The following summary of the terms of the shares of beneficial interest of the Company does not purport to be complete and is subject to and qualified in its entirety by reference to the Declaration of Trust and Bylaws of the Company, as amended, which are incorporated by reference into the Registration Statement of which this Prospectus is a part.

General

The Declaration of Trust of the Company provides that the Company is authorized to issue up to 105,000,000 shares of beneficial interest of the Company (“Shares”), consisting of 100,000,000 Common Shares and 5,000,000 Preferred Shares. Seven hundred and fifty thousand of the Preferred Shares are designated as 7.25% Series A Cumulative Convertible Preferred Shares and are referred to in this Prospectus as the Series A Preferred Shares. The Declaration of Trust may be amended by the Board of Trustees, without shareholder approval, to increase or decrease the aggregate number of authorized Shares of any class except for the Series A Preferred Shares. The authorized Common Shares and undesignated Preferred Shares are available for future issuance without further action by the Company’s shareholders, unless such action is required by applicable law, the rules of any stock exchange or automated quotation system on which the Company’s securities may be listed or traded or pursuant to the preferential rights of Series A Preferred Shares.

Both Maryland statutory law governing real estate investment trusts organized under Maryland law (the “Maryland REIT Law”) and the Company’s Declaration of Trust provide that no shareholder of the Company will be personally liable, by reason of his status as a shareholder of the Company, for any obligation of the Company. The Company’s Bylaws further provide that the Company shall indemnify any shareholder or former shareholder against any claim or liability to which such shareholder may become subject by reason of his being or having been a shareholder, and that the Company shall reimburse each shareholder who has been successful, on the merits or otherwise, in the defense of a proceeding to which he has been made a party by reason of his status as such for all reasonable expenses incurred by him in connection with any such claim or liability. In addition, it is a requirement of the Declaration of Trust that all written contracts to which the Company is a party shall include a provision to the effect that shareholders shall not be personally liable thereon.

The Declaration of Trust provides that, subject to the provisions of any class or series of preferred shares then outstanding (including the Series A Preferred Shares) and to the mandatory provisions of applicable law, the shareholders are entitled to vote only on the following matters: (i) election or removal of Trustees; (ii) amendment of the Declaration of Trust (other than an amendment to increase or decrease the aggregate number of authorized Shares of any class); (iii) a determination by the Trust to invest in commodities contracts (other than interest rate futures intended to hedge the Company against interest rate risk), engage in securities trading (as compared to investment) activities or hold properties primarily for sale to customers in the ordinary course of business; and (iv) a merger of the Company with another entity. Except with respect to the foregoing, no action taken by the shareholders of the Company at any meeting shall in any way bind the Board of Trustees. For a description of the rights and preferences of the Series A Preferred Shares, see “— Classification or Reclassification of Preferred Shares — Series A Preferred Shares.”

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Transfer Agent and Registrar

The transfer agent and registrar for the Common Shares is The Bank of New York.

Shares

Common Shares of Beneficial Interest

Each outstanding Common Share entitles the holder thereof to one vote on all matters submitted to a vote of shareholders, including the election of Trustees. There is no cumulative voting in the election of Trustees, which means that, subject to (i) the voting rights of the Series A Preferred Shares and (ii) such voting rights as may be granted by the Board of Trustees in connection with the issuances of additional classes of Preferred Shares, the holders of a majority of the outstanding Common Shares can elect all of the Trustees then standing for election. Subject to (i) the preferential rights of the Series A Preferred Shares and (ii) such preferential rights as may be granted by the Board of Trustees of the Company in connection with the future issuances, of additional classes of Preferred Shares, holders of Common Shares are entitled to such distributions as may be authorized and declared from time to time by the Board of Trustees out of funds legally available therefor.

Holders of Common Shares have no conversion, exchange, redemption or preemptive rights to subscribe to any securities of the Company. All outstanding Common Shares will be fully paid and nonassessable. In the event of any liquidation, dissolution or winding-up of the affairs of the Company, subject to (i) the preferential rights of the Series A Preferred Shares and (ii) such preferential rights as may be granted by the Board of Trustees of the Company in connection with the future issuances of additional classes of Preferred Shares, holders of Common Shares will be entitled to share ratably in the assets of the Company remaining after provision for payment of liabilities to creditors. All Common Shares have equal dividend, distribution, liquidation and other rights.

Preferred Shares of Beneficial Interest

The Preferred Shares authorized by the Company's Declaration of Trust may be issued from time to time in one or more series. Prior to the issuance of Preferred Shares of each such series, the Board of Trustees is required by the Maryland REIT Law and the Company's Declaration of Trust to set for each series the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms or conditions of redemption, as are permitted by the Maryland REIT Law. Such rights, powers, restrictions and limitations could include the right to receive specified distributions and payments on liquidation prior to any such payments being made to the holders of Common Shares. Under certain circumstances, the issuance of Preferred Shares could have the effect of delaying, deferring or preventing a change of control of the Company and may adversely affect the voting and other rights of the holders of the Common Shares.

Classification or Reclassification of Preferred Shares

The Declaration of Trust authorizes the Trustees to classify or reclassify, in one or more series, any unissued Preferred Shares by setting or changing the number of Preferred Shares constituting such series and the designation, preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications or terms or conditions of redemption of such Preferred Shares.

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Series A Preferred Shares. The Company currently has 750,000 Series A Preferred Shares issued and outstanding. Each Series A Preferred Share has a stated value (the Stated Value) of $50.00 and is convertible into Common Shares at the option of the holder at a conversion price (the Conversion Price) of $28.00. The Conversion Price will be reduced to $26.50 if the average closing price of the Common Shares during the 60-trading day period ending on December 31, 2003 is $23.00 or lower. At any time that the average market price of the Common Shares is equal to or greater than 120% of the Conversion Price for 60 consecutive trading days, the Company has the right to redeem all or any part of the outstanding Series A Preferred Shares for an amount in cash equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed (plus accrued and unpaid distributions) or for a number of Common Shares equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed divided by the Conversion Price (plus accrued and unpaid distributions). In addition, at any time on or after January 2, 2004, the Company has the right to redeem all or any part of the outstanding Series A Preferred Shares for an amount in cash equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed (plus accrued and unpaid distributions) or, in the event that the average closing price of the Common Shares is equal to or greater than 110% of the Conversion Price for 60 consecutive trading days, for a number of Common Shares equal to the aggregate Stated Value of the Series A Preferred Shares to be redeemed divided by the Conversion Price (plus accrued and unpaid distributions). Each Series A Preferred Share accrues distributions, payable in cash and prior to the payment of any distribution on the Common Shares, in an amount equal to the greater of (i) $0.9063 per quarter (equivalent to $3.625 per annum) or (ii) the cash distributions paid or payable for the most recent quarter on the number of Common Shares into which a Series A Preferred Share is convertible. The holders of Series A Preferred Shares have no voting rights except (i) with respect to actions which would have a material and adverse effect on the rights of such holders and (ii) in the event quarterly distributions on the Series A Preferred Shares are in arrears for six or more quarters. In the event the quarterly distributions are so in arrears, the holders of the Series A Preferred Shares have the right, voting together as a single class with any other class of the Companys Preferred Shares ranking on a parity with the Series A Preferred Shares, to elect two additional members to the Board of Trustees. In the event of any liquidation, dissolution or winding-up of the affairs of the Company, the holders of the Series A Preferred Shares are entitled to receive from the assets remaining after provision for payment of liabilities to creditors an amount equal to the aggregate Stated Value of the Series A Preferred Shares then outstanding together with any accrued and unpaid distributions thereon prior to the distribution of any such assets to the holders of the Common Shares.

Preferred Shares

The prospectus supplement relating to any Preferred Shares offered thereby will contain the specific terms thereof, including, without limitation:

(1) The title and stated value of such Preferred Shares;

(2) The number of such Preferred Shares offered, the liquidation preference per share and the offering price of such Preferred Shares;

(3) The distribution rate(s), period(s) and /or payment date(s) or method(s) of calculation thereof applicable to such Preferred Shares;

(4) The date from which distributions on such Preferred Shares shall accumulate, if applicable;

(5) The procedures for any auction and remarketing, if any, for such Preferred Shares;

(6) The provision for a sinking fund, if any, for such Preferred Shares;

(7) The provision for redemption, if applicable, of such Preferred Shares;

(8) Any listing of such Preferred Shares on any securities exchange;

(9) The terms and conditions, if applicable, upon which such Preferred Shares will be convertible into Common Shares of the Company, including the conversion price (or manner of calculation thereof);

(10) Whether interests in such Preferred Shares will be represented by Depositary Shares;

(11) Any other specific terms, preferences, rights, limitations or restrictions of such Preferred Shares;

(12) A discussion of all material federal income tax considerations, if any, applicable to such Preferred Shares that are not discussed in this Prospectus;

(13) The relative ranking and preferences of such Preferred Shares as to distribution rights and rights upon liquidation, dissolution or winding up of the affairs of the Company;

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(14) Any limitations on issuance of any series of Preferred Shares ranking senior to or on a parity with such series of Preferred Shares as to distribution rights and rights upon liquidation, dissolution or winding up of the affairs of the Company; and

(15) Any limitations on direct or beneficial ownership and restrictions on transfer, in each case as may be appropriate to preserve the status of the Company as a REIT.

Restrictions on Transfer

For the Company to qualify as a REIT under the Code, not more than 50% in value of its outstanding Shares may be owned, directly or indirectly, by five or fewer individuals (defined in the Code to include certain entities such as qualified pension plans) during the last half of a taxable year and Shares must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of twelve months (or during a proportionate part of a shorter taxable year).

Because the Board of Trustees believes it is at present essential for the Company to continue to qualify as a REIT, the Declaration of Trust, subject to certain exceptions, contains provisions that restrict the number of Shares that a person may own and that are designed to safeguard the Company against an inadvertent loss of REIT status. In order to prevent any shareholder from owning Shares in an amount that would cause more than 50% in value of the outstanding Shares to be held by five or fewer individuals, the Board, pursuant to authority granted in the Declaration of Trust, has passed a resolution that, subject to certain exceptions described below, provides that no person may own, or be deemed to own by virtue of the attribution provisions of the Code, more than 9.8% in value of the outstanding Shares, except for Safeguard Scientifics, Inc. (“SSI”) which, pursuant to a separate agreement with the Company, may own no more than 14.75% in value of the outstanding Shares (the “Ownership Limit”). The Board of Trustees, subject to limitations, retains the authority to effect additional increases to, or establish exemptions from, the Ownership Limit. The Board of Trustees, pursuant to authority granted in the Declaration of Trust, has passed resolutions that provide that, (i) for purposes of determining applicable ownership limitations (a) the beneficiaries of SERS (in accord with their actuarial interests therein), and not SERS or the SERS Voting Trust, shall be deemed the direct owners of Shares held by the SERS Voting Trust and, (b) the owners of the Morgan Stanley Funds (in proportion to their ownership therein), and not such Morgan Stanley Funds nor a related entity, shall be deemed the direct owners of Shares held by such Morgan Stanley Funds and (ii) exempt Lazard (and their permitted transferees) from the Ownership Limit, on the condition that, and for so long as, such holders comply with certain representations, warranties and agreements intended to ensure that no direct or indirect owner of Lazard owns more than 9.8% in value of the outstanding Shares.

In addition, pursuant to the Declaration of Trust, no purported transfer of Shares may be given effect if it would result in ownership of all of the outstanding Shares by fewer than 100 persons (determined without any reference to the rules of attribution) or result in the Company being “closely held” within the meaning of Section 856(h) of the Code (the “Ownership Restrictions”). In the event of a purported transfer or other event that would, if effective, result in the ownership of Shares in violation of the Ownership Limit or the Ownership Restrictions, such transfer would be deemed void ab initio and such Shares would automatically be exchanged for “Excess Shares” authorized by the Declaration of Trust, according to rules set forth in the Declaration of Trust, to the extent necessary to ensure that the purported transfer or other event does not result in the ownership of Shares in violation of the Ownership Limit or the Ownership Restrictions.

Holders of Excess Shares are not entitled to voting rights (except to the extent required by law), dividends or distributions. If, after the purported transfer or other event resulting in an exchange of Shares for Excess Shares and prior to the discovery by the Company of such exchange, dividends or distributions are paid with respect to Shares that were exchanged for Excess Shares, then such dividends or distributions would be repayable to the Company upon demand. While outstanding, Excess Shares would be held in trust by the Company for the benefit of the ultimate transferee of an interest in such trust, as described below. While Excess Shares are held in trust, an interest in that trust may be transferred by the purported transferee or other purported holder with respect to such Excess Shares only to a person whose ownership of the Shares would not violate the Ownership Limit or the Ownership Restrictions, at which time the Excess Shares would be automatically exchanged for Shares of the same type and class as the Shares for which the Excess Shares were originally exchanged. The Declaration of Trust contains provisions that are designed to ensure that the purported transferee or other purported holder of the Excess Shares may not receive in return for such a transfer an amount that reflects any appreciation in the Shares for which such Excess Shares were exchanged during the period that such Excess Shares were outstanding. Any amount received by a purported transferee or other purported holder in excess of the amount permitted to be received would be required to be turned over to the Company.

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The Declaration of Trust also provides that Excess Shares shall be deemed to have been offered for sale to the Company, or its designee, which shall have the right to accept such offer for a period of 90 days after the later of: (i) the date of the purported transfer or event which resulted in an exchange of Shares for such Excess Shares; and (ii) the date the Board of Trustees determines that a purported transfer or other event resulting in an exchange of Shares for such Excess Shares has occurred if the Company does not receive notice of any such transfer. The price at which the Company may purchase such Excess Shares would be equal to the lesser of: (i) in the case of Excess Shares resulting from a purported transfer for value, the price per share in the purported transfer that caused the automatic exchange for such Excess Shares or, in the case of Excess Shares resulting from some other event, the market price of such Shares on the date of the automatic exchange for Excess Shares; or (ii) the market price of such Shares on the date that the Company accepts such Excess Shares. Any dividend or distribution paid to a proposed transferee on Excess Shares prior to the discovery by the Company that such Shares have been transferred in violation of the provisions of the Declaration of Trust shall be repaid to the Company upon demand. If the foregoing restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee or holder of any Excess Shares may be deemed, at the option of the Company, to have acted as an agent on behalf of the Company in acquiring or holding such Excess Shares and to hold such Excess Shares on behalf of the Company.

The Trustees may waive the Ownership Restrictions if evidence satisfactory to the Trustees and the Company's tax counsel or tax accountants is presented showing that such waiver will not jeopardize the Company's status as a REIT under the Code. As a condition of such waiver, the Trustees may require that an intended transferee give written notice to the Company, furnish such opinions of counsel, affidavits, undertakings, agreements and information as may be required by the Trustees and/or an undertaking from the applicant with respect to preserving the status of the Company. The Ownership Restrictions will not apply if the Company determines that it no longer will attempt to qualify, or continue to qualify, as a REIT. Any transfer of Shares, or any security convertible into Shares that would: (i) create a direct or indirect ownership of Shares in excess of the Ownership Limit; or (ii) result in the violation of the Ownership Restrictions will be void with respect to the intended transferee and will result in Excess Shares as described above.

Neither the Ownership Restrictions nor the Ownership Limit will be automatically removed even if the REIT provisions of the Code are changed so as no longer to contain any ownership concentration limitation or if the ownership concentration limitation is increased. Except as otherwise described above, any change in the Ownership Restrictions would require an amendment to the Declaration of the Trust. Amendments to the Declaration require the affirmative vote of holders owning not less than a majority of the outstanding Shares entitled to vote thereon. In addition to preserving the Company's status as a REIT, the Ownership Restrictions and the Ownership Limit may have the effect of precluding an acquisition of control of the Company without the approval of the Board of Trustees.

All persons who own, directly or by virtue of the applicable attribution provisions of the Code, more than 4.0% of the value of any class of outstanding Shares, must file an affidavit with the Company containing the information specified in the Declaration by January 31 of each year. In addition, each shareholder shall upon demand be required to disclose to the Company in writing such information with respect to the direct, indirect and constructive ownership of Shares as the Trustees deem necessary to comply with the provisions of the Code applicable to REITs, to comply with the requirements of any taxing authority or governmental agency or to determine any such compliance.

The Ownership Limit could have the effect of delaying, deferring or preventing a transaction or a change in control of the Company that might involve a premium price for the Common Shares or otherwise be in the best interest of the shareholders of the Company.

All certificates representing Shares that are hereafter issued will bear a legend referring to the restrictions and limitations described above.

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DESCRIPTION OF DEPOSITARY SHARES

General

The Company may issue receipts (Depositary Receipts) for the Depository Shares, each of which will represent a fractional interest of a share of a particular series of Preferred Shares, as specified in the applicable prospectus supplement. Preferred Shares of each series represented by Depositary Shares will be deposited under a separate Deposit Agreement (each, a Deposit Agreement) among the Company, the depositary named therein (the Preferred Share Depositary) and the holders from time to time of the Depositary Receipts. Subject to the terms of the Deposit Agreement, each owner of a Depositary Receipt will be entitled, in proportion to the fractional interest of a share of a particular series of Preferred Shares represented by the Depositary Shares evidenced by such Depositary Receipt, to all the rights and preferences of the Preferred Shares represented by such Depositary Shares (including distribution, voting, conversion, redemption and liquidation rights).

The Depositary Shares will be evidenced by Depositary Receipts issued pursuant to the applicable Deposit Agreement. Immediately following the issuance and delivery of the Preferred Shares by the Company to the Preferred Share Depositary, the Company will cause the Preferred Share Depositary to issue, on behalf of the Company, the Depositary Receipts. Copies of the applicable form of Deposit Agreement and Depositary Receipt may be obtained from the Company upon request, and the following summary of the form thereof filed as an exhibit to the Registration Statement of which this Prospectus is a part is qualified in its entirety by reference to these documents.

Distributions

The Preferred Share Depositary will distribute all cash distributions received in respect of the Preferred Shares to the record holders of Depositary Receipts evidencing the related Depositary Shares in proportion to the number of such Depositary Receipts owned by such holders, subject to certain obligations of holders to file proofs, certificates and other information and to pay certain charges and expenses to the Preferred Share Depositary.

In the event of a distribution other than in cash, the Preferred Share Depositary will distribute property received by it to the record holders of Depositary Receipts entitled to such distributions, subject to certain obligations of holders to file proofs, certificates and other information and to pay certain charges and expenses to the Preferred Share Depositary, unless the Preferred Share Depositary determines that it is not feasible to make such distribution, in which case the Preferred Share Depositary may, with the approval of the Company, sell such property and distribute the net proceeds from such sale to such holders.

No distribution will be made in respect of any Depositary Share to the extent that it represents any Preferred Shares converted into Excess Shares.

Withdrawal of Shares

Upon surrender of the Depositary Receipts at the corporate trust office of the Preferred Share Depositary (unless the related Depositary Shares have previously been called for redemption or converted into Excess Shares), the holders thereof will be entitled to delivery at such office, to or upon such holders order, of the number of whole or fractional Preferred Shares and any money or other property represented by the Depositary Shares evidenced by such Depositary Receipts. Holders of Depositary Receipts will be entitled to receive whole or fractional shares of the related Preferred Shares on the basis of the proportion of the Preferred Shares represented by each Depositary Share as specified in the applicable prospectus supplement, but holders of such Preferred Shares will not thereafter be entitled to receive Depositary Shares therefor. If the Depositary Receipts delivered by the holder evidence a number of Depositary Shares in excess of the number of Depositary Shares representing the number of Preferred Shares to be withdrawn, the Preferred Share Depositary will deliver to such holder at the same time a new Depositary Receipt evidencing such excess number of Depositary Shares.

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Redemption of Depositary Shares

Whenever the Company redeems Preferred Shares held by the Preferred Share Depositary, the Preferred Share Depositary will redeem as of the same redemption date the number of Depositary Shares representing the Preferred Shares so redeemed, provided the Company shall have paid in full to the Preferred Share Depositary the redemption price of the Preferred Shares to be redeemed plus an amount equal to any accrued and unpaid distributions thereon to the date fixed for redemption. The redemption price per Depositary Share will be equal to the redemption price and any other amounts per share payable with respect to the Preferred Shares. If fewer than all the Depositary Shares are to be redeemed, the Depositary Shares to be redeemed will be selected pro rata (as nearly as may be practicable without creating fractional Depositary Shares) or by any other equitable method determined by the Company that will not result in the issuance of any Excess Shares.

From and after the date fixed for redemption, all distributions in respect of the Preferred Shares so called for redemption will cease to accrue, the Depositary Shares so called for redemption will no longer be deemed to be outstanding and all rights of the holders of the Depositary Receipts evidencing the Depositary Shares so called for redemption will cease, except the right to receive any monies payable upon such redemption and any money or other property to which the holders of such Depositary Receipts were entitled upon such redemption upon surrender thereof to the Preferred Share Depositary.

Voting of the Preferred Shares

Upon receipt of notice of any meeting at which the holders of the Preferred Shares are entitled to vote, the Preferred Share Depositary will mail the information contained in such notice of meeting to the record holders of the Depositary Receipts evidencing the Depositary Shares which represent such Preferred Shares. Each record holder of Depositary Receipts evidencing Depositary Shares on the record date (which will be the same date as the record date for the Preferred Shares) will be entitled to instruct the Preferred Share Depositary as to the exercise of the voting rights pertaining to the amount of Preferred Shares represented by such holder’s Depositary Shares. The Preferred Share Depositary will vote the amount of Preferred Shares represented by such Depositary Shares in accordance with such instructions, and the Company will agree to take all reasonable action which may be deemed necessary by the Preferred Share Depositary in order to enable the Preferred Share Depositary to do so. The Preferred Share Depositary will abstain from voting the amount of Preferred Shares represented by such Depositary Shares to the extent it does not receive specific instructions from the holders of Depositary Receipts evidencing such Depositary Shares. The Preferred Share Depositary shall not be responsible for any failure to carry out any instruction to vote, or for the manner or effect of any such vote made, as long as any such action or non-action is in good faith and does not result from negligence or willful misconduct of the Preferred Share Depositary.

Liquidation Preference

In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of each Depositary Receipt will be entitled to the fraction of the liquidation preference accorded each Preferred Share represented by the Depositary Share evidenced by such Depositary Receipt, as set forth in the applicable prospectus supplement.

Conversion of Preferred Shares

The Depositary Shares, as such, are not convertible into Common Shares or any other securities or property of the Company, except in connection with certain conversions in connection with the preservation of the Company’s status as a REIT. Nevertheless, if so specified in the applicable prospectus supplement relating to an offering of Depositary Shares, the Depositary Receipts may be surrendered by holders thereof to the Preferred Share Depositary with written instructions to the Preferred Share Depositary to instruct the Company to cause conversion of the Preferred Shares represented by the Depositary Shares evidenced by such Depositary Receipts into whole Common Shares, other Preferred Shares (including Excess Shares) of the Company or other shares of beneficial interest, and the Company has agreed that upon receipt of such instructions and any amounts payable in respect thereof, it will cause the conversion thereof utilizing the same procedures as those provided for delivery of Preferred Shares to effect such conversion. If the Depositary Shares evidenced by a Depositary Receipt are to be converted in part only, a new Depositary Receipt or Receipts will be issued for any Depositary Shares not to be converted. No fractional Common Shares will be issued upon conversion, and if such conversion will result in a fractional share being issued, an amount will be paid in cash by the Company equal to the value of the fractional interest based upon the closing price of the Common Shares on the last business day prior to the conversion.

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Amendment and Termination of the Deposit Agreement

The form of Depositary Receipt evidencing the Depositary Shares which represent the Preferred Shares and any provision of the Deposit Agreement may at any time be amended by agreement between the Company and the Preferred Share Depositary. However, any amendment that materially and adversely alters the rights of the holders of Depositary Receipts or that would be materially and adversely inconsistent with the rights granted to the holders of the related Preferred Shares will not be effective unless such amendment has been approved by the existing holders of at least a majority of the Depositary Shares evidenced by the Depositary Receipts then outstanding. No amendment shall impair the right, subject to certain exceptions in the Depositary Agreement, of any holder of Depositary Receipts to surrender any Depositary Receipt with instructions to deliver to the holder the related Preferred Shares and all money and other property, if any, represented thereby, except in order to comply with law. Every holder of an outstanding Depositary Receipt at the time any such amendment becomes effective shall be deemed, by continuing to hold such Depositary Receipt, to consent and agree to such amendment and to be bound by the Deposit Agreement as amended thereby.

The Deposit Agreement may be terminated by the Company upon not less than 30 days prior written notice to the Preferred Share Depositary if: (i) such termination is necessary to assist in maintaining the Company's status as a REIT or (ii) a majority of each series of Preferred Shares affected by such termination consents to such termination, whereupon the Preferred Share Depositary shall deliver or make available to each holder of Depositary Receipts, upon surrender of the Depositary Receipts held by such holder, such number of whole or fractional Preferred Shares as are represented by the Depositary Shares evidenced by such Depositary Receipts together with any other property held by the Preferred Share Depositary with respect to such Depositary Receipts. The Company has agreed that if the Deposit Agreement is terminated to assist in maintaining the Company's status as a REIT, then, if the Depositary Shares are listed on a national securities exchange, the Company will use its best efforts to list the Preferred Shares issued upon surrender of the related Depositary Shares on a national securities exchange. In addition, the Deposit Agreement will automatically terminate if: (i) all outstanding Depositary Shares shall have been redeemed, (ii) there shall have been a final distribution in respect of the related Preferred Shares in connection with any liquidation, dissolution or winding up of the Company and such distribution shall have been distributed to the holders of Depositary Receipts evidencing the Depositary Shares representing such Preferred Shares or (iii) each share of the related Preferred Shares shall have been converted into shares of beneficial interest of the Company not so represented by Depositary Shares.

Charges of Preferred Share Depositary

The Company will pay all transfer and other taxes and governmental charges arising solely from the existence of the Deposit Agreement. In addition, the Company will pay the fees and expenses of the Preferred Share Depositary in connection with the performance of its duties under the Deposit Agreement. However, holders of Depositary Receipts will pay certain other transfer and other taxes and governmental charges as well as the fees and expenses of the Preferred Share Depositary for any duties requested by such holders to be performed which are outside of those expressly provided for in the Deposit Agreement.

Resignation and Removal of Depositary

The Preferred Share Depositary may resign at any time by delivering to the Company notice of its election to do so, and the Company may at any time remove the Preferred Share Depositary, any such resignation or removal to take effect upon the appointment of a successor Preferred Share Depositary. A successor Preferred Share Depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50,000,000.

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Miscellaneous

The Preferred Share Depositary will forward to holders of Depositary Receipts any reports and communications from the Company which are received by the Preferred Share Depositary with respect to the related Preferred Shares.

Neither the Preferred Share Depositary nor the Company will be liable if it is prevented from or delayed in, by law or any circumstances beyond its control, performing its obligations under the Deposit Agreement. The obligations of the Company and the Preferred Share Depositary under the Deposit Agreement will be limited to performing their duties thereunder in good faith and without negligence (in the case of any action or inaction in the voting of Preferred Shares represented by the Depositary Shares), gross negligence or willful misconduct, and the Company and the Preferred Share Depositary will not be obligated to prosecute or defend any legal proceeding in respect of any Depositary Receipts, Depositary Shares or Preferred Shares represented thereby unless satisfactory indemnity is furnished. The Company and the Preferred Share Depositary may rely on written advice of counsel or accountants, or information provided by persons presenting Preferred Shares represented thereby for deposit, holders of Depositary Receipts or other persons believed in good faith to be competent to give such information, and on documents believed in good faith to be genuine and signed by a proper party.

In the event the Preferred Share Depositary shall receive conflicting claims, requests or instructions from any holders of Depositary Receipts, on the one hand, and the Company, on the other hand, the Preferred Share Depositary shall be entitled to act on such claims, requests or instructions received from the Company.

DESCRIPTION OF WARRANTS

The Company may issue Warrants to purchase of Preferred Shares, Depositary Shares or Common Shares. Warrants may be issued independently or together with any Securities and may be attached to or separate from such securities. Each series of Warrants will be issued under a separate warrant agreement (each, a Warrant Agreement) to be entered into between the Company and a specified warrant agent (Warrant Agent). The Warrant Agent will act solely as an agent of the Company in connection with the Warrants of such series and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of Warrants.

The applicable prospectus supplement will describe the following terms, where applicable, of the Warrants in respect of which this Prospectus is being delivered: (i) the title of such Warrants; (ii) the aggregate number of such Warrants; (iii) the price or prices at which such Warrants will be issued; (iv) the currencies in which the price or prices of such Warrants may be payable; (v) the designation, amount and terms of the Securities purchasable upon exercise of such Warrants; (vi) the designation and terms of the other Securities with which such Warrants are issued and the number of such Warrants issued with each such security; (vii) if applicable, the date on and after which such Warrants and the Securities purchasable upon exercise of such Warrants will be separately transferable; (viii) the price or prices at which and currency or currencies in which the Securities purchasable upon exercise of such Warrants may be purchased; (ix) the date on which the right to exercise such Warrants shall commence and the date on which such right shall expire; (x) the minimum or maximum amount of such Warrants which may be exercised at any one time; (xi) information with respect to book-entry procedures, if any; (xii) a discussion of certain Federal income tax considerations; and (xiii) any other material terms of such Warrants, including terms, procedures and limitations relating to the exchange and exercise of such Warrants.

CERTAIN PROVISIONS OF MARYLAND LAW AND OF THE COMPANYS DECLARATION OF TRUST AND BYLAWS

The following summary of certain provisions of Maryland law and of the Declaration of Trust and Bylaws does not purport to be complete and is subject to and qualified in its entirety by reference to Maryland law and to the Declaration of Trust and Bylaws of the Company, as amended, which are incorporated by reference into this Registration Statement.

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Duration

Under the Company's Declaration of Trust, the Company has a perpetual term and will continue perpetually subject to the authority of the Board of Trustees to terminate the Company's existence and liquidate its assets and subject to termination pursuant to the Maryland REIT Law.

Board of Trustees

The Company's Declaration of Trust provides that the number of Trustees of the Company shall not be less than three nor more than 15. Any vacancy (including a vacancy created by an increase in the number of Trustees) will be filled, at any regular meeting or at any special meeting called for that purpose, by a majority of the Trustees (although less than a quorum). The Trustees will each serve for a term of one year (except that an individual who has been elected to fill a vacancy will hold office only until the next annual meeting of shareholders and until his successor has been duly elected and qualified).

The Declaration of Trust provides that a Trustee may be removed from office only at a meeting of the shareholders called for that purpose, by the affirmative vote of the holders of not less than a majority of the Shares entitled to vote in the election of Trustees; provided, however, that in the case of any Trustees elected solely by holders of a series of Preferred Shares, such Trustees may be removed by the affirmative vote of a majority of the Preferred Shares of that series then outstanding and entitled to vote in the election of Trustees, voting together as a single class.

Meetings of Shareholders

The Declaration of Trust requires the Company to hold an annual meeting of shareholders for the election of Trustees and the transaction of any other proper business. Special meetings of shareholders may be called upon the written request of shareholders holding at least 10% of the Common Shares. Special meetings of shareholders may also be called by the holders of Preferred Shares to the extent, if any, determined by the Board of Trustees in connection with the establishment of a class or series of Preferred Shares. Any action required or permitted to be taken by shareholders must be taken at a duly called annual or special meeting of shareholders and may not be effected by any consent in writing of shareholders.

Business Combinations

Under the MGCL, as applicable to Maryland real estate investment trusts, certain "business combinations" (including certain mergers, consolidations, share exchanges, or, in certain circumstances, asset transfers or issuances or reclassifications of equity securities) between a Maryland real estate investment trust and an "interested shareholder" or an affiliate of the interested shareholder are prohibited for five (5) years after the most recent date on which the interested shareholder becomes an interested shareholder. An interested shareholder includes a person who beneficially owns, and an affiliate or associate of the trust who, at any time within the two-year period prior to the date in question, was the beneficial owner of, ten percent or more of the voting power of our then-outstanding voting shares. Thereafter, any such business combination must be:
(a) recommended by the trustees of such trust and (b) approved by the affirmative vote of at least: (i) 80% of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest of the trust; and (ii) two-thirds of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest other than shares held by the interested shareholder with whom (or with whose affiliate or associate) the business combination is to be effected, unless, among other conditions, the trust's common shareholders receive a minimum price (as defined in the MGCL) for their shares and the consideration is received in cash or in the same form as previously paid by the interested shareholder for its shares. These provisions of the MGCL do not apply, however, to business combinations that are approved or exempted by the board of trustees of the trust prior to the time that the interested shareholder becomes an interested shareholder. An amendment to a Maryland REIT's declaration of trust electing not to be subject to the foregoing requirements must be approved by the affirmative vote of at least 80% of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest of the trust, voting together as a single voting group, and two-thirds of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest other than shares of beneficial interest held by interested shareholders. Any such amendment shall not be effective until 18 months after the vote of shareholders and does not apply to any business combination of the trust with an interested shareholder on the date of the shareholder vote. The Board of Trustees has exempted any business combinations involving SSI, TNC, SERS, the SERS Voting

Trust, Morgan Stanley Asset Management Inc., the Morgan Stanley Funds, Lazard, Gerard H. Sweeney and their respective affiliates and associates from the business combination provisions of the MGCL and, consequently, the five-year prohibition and the super-majority vote requirements will not apply to business combinations between any of them and the Company. As a result, they may be able to enter into business combinations that may not be in the best interest of the shareholders without compliance by the Company with the super-majority vote requirements and the other provisions of the statute.

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The business combination statute could have the effect of delaying, deferring or preventing offers to acquire the Company and of increasing the difficulty of consummating any such offer.

Control Share Acquisitions

The MGCL, as applicable to Maryland real estate investment trusts, provides that "control shares" of a Maryland real estate investment trust acquired in a "control share acquisition" have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter by shareholders, excluding shares owned by the acquiror, by officers or by trustees who are employees of the trust in question. "Control shares" are voting shares of beneficial interest which, if aggregated with all other shares previously acquired by such acquiror or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise the voting power in the election of trustees within one of the following ranges of voting power: (a) one-fifth or more but less than one-third, (b) one-third or more but less than a majority, or (c) a majority or more of all voting power. Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained shareholder approval. A "control share acquisition" means the acquisition of control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition, upon satisfaction of certain conditions (including an undertaking to pay expenses), may compel the trust's board of trustees to call a special meeting of shareholders to be held within 50 days of demand to consider the voting rights of the shares. If no request for a meeting is made, the trust may itself present the question at any shareholders meeting.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the statute, then, subject to certain conditions and limitations, the trust may redeem any or all of the control shares, except those for which voting rights have previously been approved, for fair value determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquiror or of any meeting of shareholders at which the voting rights of such shares are considered and not approved. If voting rights for control shares are approved at a shareholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. The fair value of the shares as determined for purposes of such appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition, and certain limitations and restrictions otherwise applicable to the exercise of dissenters' rights do not apply in the context of a control share acquisition.

The control share acquisition statute does not apply to shares acquired in a merger, consolidation or share exchange if the trust is a party to the transaction, or to acquisitions approved or exempted by the declaration of trust or bylaws of the trust. Pursuant to the statute, the Company has exempted any and all acquisitions of Shares by SSI, TNC, SERS, SERS Voting Trust, Morgan Stanley Asset Management, Inc., the Morgan Stanley Funds and any current or future affiliate or associate of theirs from the control share provisions of the MGCL. As a result, they will be able to possess voting power not generally available to other persons and the effect may be to further enhance their ability to control the Company.

The control share acquisition statute could have the effect of delaying, deferring or preventing offers to acquire the Company and of increasing the difficulty of consummating any such offer.

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Amendment to the Declaration of Trust

The Company□s Declaration of Trust may be amended only by the affirmative vote of the holders of not less than a majority of the Shares then outstanding and entitled to vote thereon, except for the provisions of the Declaration of Trust relating to (i) increases or decreases in the aggregate number of Shares of any class (other than the Series A Preferred Sharetyle="position:absolute;top:772;left:565">

24,239
23,825
20,375
Current liabilities
Trade, other payables and deferred income
2,711
2,735
2,629
Current portion of borrowings
1,190
991
1,800
Derivatives
6,814
4,218
3,007
Taxation
710
304
368
11,425
8,248
7,804
Total liabilities
35,664
32,072
28,179
TOTAL EQUITY AND LIABILITIES
52,622
51,110
46,296
Net asset value - cents per share
6,401
7,191
6,850
Rounding of figures may result in computational discrepancies.

Group
balance sheet
As at
As at
As at
December
September
December
2005
2005
2004
Restated
Restated
US Dollar million
Notes
Unaudited
Unaudited
Unaudited
ASSETS
Non-current assets
Tangible assets
5,905
5,843
5,888
Intangible assets
399
409
435
Investments in associates
35
37
8
Other investments
102
91
107
Inventories
186
121
35
Derivatives
38
49
187
Trade and other receivables
20
18
10
Deferred taxation
44
37

-
Other non-current assets
16
24
18
6,745
6,629
6,688
Current assets
Inventories
384
412
406
Trade and other receivables
250
236
302
Derivatives
675
497
490
Current portion of other non-current assets
7
-
1
Cash restricted for use
8
14
26
Cash and cash equivalents
209
231
289
1,533
1,391
1,514
Non-current assets held for sale
16
16
-
1,549
1,406
1,514
TOTAL ASSETS
8,294
8,035
8,202
EQUITY AND LIABILITIES
Share capital and premium
12
3,002

2,991
3,364
Retained earnings and other reserves
13
(388)
(57)
(213)
Shareholders' equity
2,614
2,934
3,151
Minority interests
14
59
59
58
Total equity
2,673
2,993
3,209
Non-current liabilities
Borrowings
1,706
1,712
1,286
Environmental rehabilitation and other provisions
356
284
230
Provision for pension and post-retirement benefits
197
160
197
Trade, other payables and deferred income
14
10
4
Derivatives
388
330
537
Deferred taxation
1,159
1,250
1,356
3,820
3,746
3,610
Current liabilities
Trade, other payables and deferred income
427

430
466
Current portion of borrowings
188
156
319
Derivatives
1,074
663
533
Taxation
112
48
65
1,801
1,297
1,383
Total liabilities
5,621
5,042
4,993
TOTAL EQUITY AND LIABILITIES
8,294
8,035
8,202
Net asset value - cents per share
1,009
1,130
1,214
Rounding of figures may result in computational discrepancies.

Group
cash flow statement
Quarter
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
December
September
December
December
December
2005
2005
2004
2005
2004
Restated
Restated
Restated
SA Rand million
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Cash flows from operating activities
Receipts from customers
4,818
4,098
4,010
17,189
15,368
Payments to suppliers and employees
(3,588)
(2,913)
(3,115)
(12,756)
(11,846)
Cash generated from operations
1,230
1,185
895
4,433
3,522
Cash utilised by discontinued operations

(23)
(51)
(16)
(188)
(12)
Environmental, rehabilitation and other expenditure
(48)
(27)
(80)
(104)
(113)
Termination of employee benefit plan
-
(61)
-
(61)
-
Taxation paid
(48)
(45)
(25)
(188)
(218)
Net cash inflow from operating activities
1,110
1,000
774
3,892
3,179
Cash flows from investing activities
Capital expenditure
(1,283)
(1,385)
(1,181)
(4,600)
(3,764)
Proceeds from disposal of tangible assets
37
16
20
53
69
Proceeds on disposal of discontinued assets
18
8
-
27
-
Other investments acquired
(67)
(4)

(26)
(83)
(196)
Associate acquired
(1)
(1)
-
(93)
-
Proceeds from disposal of investments
6
1
-
7
-
Acquisition disposal of subsidaries
-
-
(40)
-
(1,523)
Cash in the subsidiary acquired
-
-
-
-
384
Cash restricted for use
33
105
-
112
(45)
Loans advanced
(2)
-
(13)
(45)
(13)
Repayment of loans advanced
23
2
412
38
539
Utilised in hedge restructure
-
-
(703)
(415)
(703)

Net cash outflow from investing activities
(1,235)
(1,258)
(1,531)
(4,999)
(5,252)
Cash flows from financing activities
Proceeds from issue of share capital
25
17
6
60
22
Share issue expenses
-
-
-
-
(1)
Proceeds from borrowings
154
926
90
4,194
7,236
Repayment of borrowings
(141)
(148)
(477)
(2,183)
(5,348)
Interest received
20
21
50
113
236
Finance costs
(45)
(135)
(23)
(471)
(465)
Dividends paid
(26)
(507)
(52)
(1,051)
(1,322)
Proceeds from hedge restructure
-

-
228
-
228
Net cash (outflow) inflow from financing activities
(12)
175
(178)
662
586
Net decrease in cash and cash equivalents
(137)
(83)
(935)
(445)
(1,487)
Translation
(4)
(92)
(153)
143
(186)
Cash and cash equivalents at beginning of year
1,469
1,644
2,718
1,630
3,303
Net cash and cash equivalents at end of year
1,328
1,469
1,630
1,328
1,630
Cash generated (utilised) from operations
(Loss) profit before taxation
(1,487)
(319)
(44)
(1,117)
745
Adjusted for:
Non-cash movements
70
105
96
267
6
Movement on non-hedge derivatives
1,257
244

440
1,744
1,055
Amortisation of tangible assets
900
784
718
3,203
2,423
Deferred stripping costs
(140)
(39)
(14)
(153)
(144)
Interest receivable
(28)
(34)
(74)
(155)
(318)
Operating special items
416
(17)
(24)
444
(80)
Finance costs and unwinding of decommissioning and
restoration obligations
216
166
143
690
563
Amortisation of intangible assets
3
3
54
13
208
Fair value adjustment on option component of convertible bond
271
135
(94)
211
(160)
Movement in working capital
1,230 1,185 895
4,433 3,522
Movement in working capital
(Increase) decrease in inventories (186) 6 122

(1,086) (1)

(Increase) decrease in trade and other receivables	(66)	252	(22)	(46)	1
Increase (decrease) increase in trade and other payables	5	(102)	(406)	418	(776)
	(248)	157	(306)	(714)	(776)

Rounding of figures may result in computational discrepancies.

(248)
157
(306)
(714)

(776)

Group
cash flow statement
Quarter
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
December
September
December
December
December
2005
2005
2004
2005
2004
Restated
Restated
Restated
US Dollar million
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Cash flows from operating activities
Receipts from customers
741
633
676
2,710
2,393
Payments to suppliers and employees
(551)
(453)
(505)
(2,011)
(1,805)
Cash generated from operations
190
180
171
699
588
Cash utilised by discontinued operations

(4)
(8)
(3)
(31)
(2)
Environmental, rehabilitation and other expenditure
(8)
(4)
(14)
(16)
(18)
Termination of employee benefit plan
-
(10)
-
(10)
-
Taxation paid
(7)
(7)
(5)
(30)
(34)
Net cash inflow from operating activities
171
151
149
612
534
Cash flows from investing activities
Capital expenditure
(197)
(215)
(192)
(722)
(585)
Proceeds from disposal of tangible assets
6
2
3
8
10
Proceeds on disposal of discontinued assets
3
1
-
4
-
Other investments acquired
(10)
(1)

(5)
(11)
(30)
Associate acquired
-
-
-
(15)
-
Proceeds from disposal of investments
-
-
-
-
-
Acquisition disposal of subsidaries
-
-
(6)
-
(227)
Cash in the subsidiary acquired
-
-
-
-
56
Cash restricted for use
5
16
-
17
(6)
Loans advanced
-
-
(2)
(7)
(2)
Repayment of loans advanced
4
-
66
6
85
Utilised in hedge restructure
-
-
(123)
(69)
(123)

Net cash outflow from investing activities
(189)
(195)
(259)
(789)
(822)
Cash flows from financing activities
Proceeds from issue of share capital
4
3
-
9
3
Share issue expenses
-
-
-
-
-
Proceeds from borrowings
19
139
16
659
1,077
Repayment of borrowings
(19)
(19)
(82)
(343)
(818)
Interest received
3
3
9
18
37
Finance costs
(6)
(21)
(5)
(74)
(72)
Dividends paid
(4)
(78)
(8)
(169)
(198)
Proceeds from hedge restructure
-

-
40
-
40
Net cash (outflow) inflow from financing activities
(4)
28
(30)
100
69
Net decrease in cash and cash equivalents
(22)
(16)
(140)
(77)
(219)
Translation
-
1
12
(3)
13
Cash and cash equivalents at beginning of year
231
246
417
289
495
Net cash and cash equivalents at end of year
209
231
289
209
289
Cash generated (utilised) from operations
(Loss) profit before taxation
(233)
(58)
(21)
(160)
97
Adjusted for:
Non-cash movements
10
15
12
41
4
Movement on non-hedge derivatives
199
46

85
262
181
Amortisation of tangible assets
138
121
121
503
380
Deferred stripping costs
(22)
(6)
(2)
(24)
(21)
Interest receivable
(4)
(5)
(12)
(25)
(49)
Operating special items
64
(2)
(4)
68
(12)
Finance costs and unwinding of decommissioning and
restoration obligations
33
26
24
108
87
Amortisation of intangible assets
-
-
8
2
32
Fair value adjustment on option component of convertible bond
42
21
(17)
32
(27)
Movement in working capital
(37)
22
(23)
(108)

	(84)				
	190	180	171	699	588
Movement in working capital					
Increase in inventories	(31)	(25)	(27)	(123)	(56)
(Increase) decrease in trade and other receivables	(11)	26	(36)	23	(40)
Increase (decrease) increase in trade and other payables	5	21	40	(8)	12
	(37)	22	(23)	(108)	(84)

Rounding of figures may result in computational discrepancies.

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Statement of **recognised income and expense**
for the year ended 31 December 2005

	Year ended ended December 2005 Unaudited	**Year ended ended December 2004 Unaudited**
Actuarial gains and losses on defined benefit retirement plans	(173)	(15)
Net loss on cash flow hedges removed from equity and reported in income	391	867
Net (loss) gain on cash flow hedges	(1,281)	236
Net gain on available for sale financial assets	24	12
Share based payment expenses	15	-
Deferred taxation on items above	445	(286)
Net exchange translation differences	(146)	183
Net (expense) income recognised directly in equity	(725)	997
(Loss) profit for the period	(1,116)	851
Total recognised income and expense for the period	(1,841)	1,848
Attributable to:		
Equity shareholders of the parent	(1,982)	1,825
Minority interest	141	23
	(1,841)	1,848

Actuarial gains and losses on defined benefit retirement plans
(27)
(3)
Net loss on cash flow hedges removed from equity and reported in income
18
134
Net (loss) gain on cash flow hedges
(202)
48
Net gain on available for sale financial assets
3
2
Share based payment expenses
2
-
Deferred taxation on items above
69
(42)
Net exchange translation differences
45
(20)
Net (expense) income recognised directly in equity
(92)
119
(Loss) profit for the period
(160)
127
Total recognised income and expense for the period
(252)
246
Attributable to:
Equity shareholders of the parent
(274)
227
Minority interest
22
19
(252)
246
Rounding of figures may result in computational discrepancies.
SA Rand million
US Dollar million

Notes
for the quarter and year ended 31 December 2005

1.
Basis of preparation

The financial statements in this quarterly report have been prepared in accordance with the historic cost convention except for certain financial instruments which are stated at fair value. The group's accounting policies used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2004 except for the new and revised International Financial Reporting Standards (IFRS) statements which are effective 1 January 2005, where applicable and where indicated.

The financial statements of AngloGold Ashanti have been prepared in compliance with IAS34, in compliance with the JSE Listings Requirements and in the manner required by the South African Companies Act, 1973 for the preparation of financial information of the group for the quarter and year ended 31 December 2005.

Changes to comparative information: During the year, AngloGold Ashanti adopted various accounting policies relating to the convertible bond and the method of accounting for its post-retirement medical and pension obligations, and has complied with IFRS statements for the accounting for the Ergo discontinuance, which details have been fully disclosed in prior quarterly reports. As part of the year-end process and in compliance with disclosures for the year ended 31 December 2005, certain amounts have been reclassified to agree with current disclosures. Full details of all changes will be presented in the 2005 annual report which is expected to be distributed to shareholders during March 2006.

2.
Revenue

	Quarter ended		**Year ended**		**Quarter ended**		**Year ended**	
	Dec 2005	**Sept 2005**	**Dec 2005**	**Dec 2004**	**Dec 2005**	**Sept 2005**	**Dec 2005**	**Dec 2004**
	Restated		Restated		Restated		Restated	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	SA Rand million				US Dollar million			
Gold income	**4,337**							

4,151
16,750
14,788
665
638
2,629
2,309
Sale of uranium, silver and sulphuric
acid
112
147
483
486
17
23
76
76
Interest receivable
28
34
155
318
4
5
25
49
4,478
4,332
17,388
15,592
687
666
2,730
2,434
3.
Cost of sales
Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept

2005
Dec
2005
Dec
2004
Restated
Restated
Restated
Restated
Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited
SA Rand million
US Dollar million
Cash operating costs
2,676
2,757
10,828
9,572
410
423
1,703
1,495
Other cash costs
116
104
412
342
18
16
65
54
Total cash costs
2,792
2,861
11,240
9,914
428
439
1,768
1,549
Retrenchment costs
62
60
168
52
9
9
26
7
Rehabilitation & other non-cash costs
207
67

368
136
31
10
57
22
Production costs
3,061
2,988
11,776
10,102
468
459
1,851
1,578
Amortisation of tangible assets
900
784
3,203
2,423
138
121
503
380
Amortisation of intangible assets
3
3
13
8
–
–
2
1
Total production costs
3,965
3,775
14,992
12,533
607
580
2,356
1,959
Inventory change
(35)
(28) (279) (228) **(5)**
(4) (45) (35)
3,929
3,748
14,713
12,305
602

576
2,311
1,924

Rounding of figures may result in computational discrepancies.

4.
Operating special items
Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Restated
Restated
Restated
Restated
Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited
SA Rand million
US Dollar million
Contract termination fee at Geita
–
(55)
(55)
–
–
(9)
(9)
–
Underprovision of indirect taxes
(27)
–
(27)
–
(4)
–
(4)
–
Impairment of intangible assets
(125)
–
(125)

–
(20)
–
(20)
–
Impairment of tangible assets
(255)
–
(300)
(8)
(38)
–
(44)
(1)
(Loss) profit on sale and abandonment
of assets
(9)
17
8
88
(2)
2
–
13
(416)
(38) (499) 80
(64)
(7) (77) 12
5. Taxation
Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Restated
Restated

Restated
Restated
Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited
SA Rand million
US Dollar million
Current taxation
(121)
–
(184)
(229)
(19)
–
(30) (40)
Under provision prior year
(347)
(36) (347) (169) **(52)**
(6) (52) (26)
Total current taxation
(468)
(36) (531) (398) **(71)**
(6) (82) (66)
Deferred taxation
4
(35) (244) (215) **(1)**
(5) (36) (32)
Deferred taxation – impairment of
tangible assets
64
–
79
–
10
–
12
–
Deferred taxation – change in
estimated deferred taxation
74
–
74
566
12
–
12
99
Deferred taxation – contract
termination expenditure at Geita
–
19
19
–

–
3
3
–
Deferred taxation effect on change in
tax rate
302
–
695
–
48
–
106
–
Deferred taxation on unrealised non-
hedge derivatives
133
42
128
226
21
6
21
40
Total deferred taxation
577
26
751
577
90
4
118
107
Total taxation
109
(10)
220
179
19
(2) 36
41
Rounding of figures may result in computational discrepancies.

6.
Headline (loss) earnings
Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Restated
Restated
Restated
Restated
Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited
SA Rand million
US Dollar million
(Loss) profit attributable to equity
shareholders has been adjusted
by the following to arrive at headline
earnings:
(Loss) profit attributable to equity
shareholders
(1,463)
(415) (1,262)
728
(227)
(73) (183) 108
Amortisation of intangible assets
–
–
–
200
–
–
–
31
Impairment of tangible assets (note 4)
255

–
300
8
38
–
44
1
Impairment of intangible assets
(note 4)
125
–
125
–
20
–
20
–
(Profit) on disposal of assets (note 4)
(22)
(17) (39) (88) **(4)**
(2) (5) (13)
Impairment of associate
11
–
11
–
2
–
2
–
Taxation on items above – current
portion
4
(1)
2
16
1
–
–
3
Taxation on items above – deferred
portion
(64)
–
(79)
–
(10)
–
(12)
–

Net loss from discontinued operations
(note 9)
56
42
219
73
9
7
36
11
Headline (loss) earnings
(1,097)
(390) (723) 937
(171)
(69) (98) 141
Cents per share
(1)
Headline (loss) earnings
(414)
(147) (273) 373
(65)
(26) (37) 56
(1)
Calculated on the basic weighted average number of ordinary shares.
7.
Headline earnings adjusted for the effect of unrealised non-hedge derivatives, fair value gain (loss) on convertible bond and interest rate swaps
Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Restated
Restated
Restated
Restated

Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited
SA Rand million
US Dollar million
Headline (loss) earnings (note 6)
(1,097)
(390) (723) 937
(171)
(69) (98) 141
Unrealised non-hedge derivatives
1,210
435
1,900
1,146
191
76
286
198
Deferred taxation on unrealised non-
hedge derivatives (note 5)
(133)
(42) (128) (226) **(21)**
(6) (20) (40)
Fair value gain (loss) on convertible
bond
271
135
211
(160)
42
21
32
(27)
Fair value gain (loss) on interest rate
swap
–
–
5
(10)
–
1
(2)
Deferred tax on interest rate swap
–
–
–
4
–
–
1
Headline earnings before unrealised
non-hedge derivatives, fair value

gain (loss) on convertible bond
and interest rate swaps **250**
138
1,265
1,691
41
22
200
271

Rounding of figures may result in computational discrepancies.

Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Restated
Restated
Restated
Restated
Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited
SA Rand million
US Dollar million
Cents per share
(1)
Headline earnings adjusted for the
effect of unrealised non-hedge
derivatives, fair value gain (loss)
on convertible bond and interest
rate swaps
94
52
478
673
15
8
76
108
(1)
Calculated on the basic weighted average number of ordinary shares.
(2)
Non-hedge derivatives in the income statement comprise the change in fair value of all non-hedge derivatives as follows:
-
Open positions: The change in fair value from the previous reporting date or date of recognition (if later) through to the current
reporting date; and

-
Settled positions: The change in fair value from the previous reporting date or date of recognition (if later) through to the date of settlement.

Headline (loss) earnings adjusted for the effect of unrealised non-hedge derivatives, fair value gain (loss) on convertible bond and interest rate swaps, is intended to illustrate earnings after adjusting for:

-
The unrealised fair value change in contracts that are still open at the reporting date, as well as, the unwinding of the historic marked-to-market value of the positions settled in the period; and

-
Investment in hedge restructure transaction: During the hedge restructure in the quarter ended 31 December 2004 and the quarter ended 31 March 2005, $83m and $69m in cash was injected into the hedge book in these quarters to increase the value of long-dated contracts. The entire investment in short-dated derivatives (certain of which have now matured) and investment in long-dated derivatives (all of which have not yet matured), for the purposes of the adjustment to earnings, will only be taken into account when the realised portion of long-dated non-hedge derivatives are settled, and not when the short-term contracts are settled.

-
The unrealised fair value change on the option component of the convertible bond.

8.

Gross profit adjusted for the effect of unrealised non-hedge derivatives

Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Restated
Restated
Restated
Restated
Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited

SA Rand million
US Dollar million
Reconciliation of gross profit to gross
profit adjusted for the effect of
unrealised non-hedge derivatives:
Gross profit
(340)
243
1,088
1,697
(57)
29
183
243
Unrealised non-hedge derivatives
1,210
435
1,900
1,147
191
76
286
197
Gross profit adjusted for the effect
of unrealised non-hedge
derivatives
(1)
870
678
2,988
2,844
134
105
469
441
Rounding of figures may result in computational discrepancies.

(1)
Non-hedge derivatives in the income statement comprise the change in fair value of all non-hedge derivatives as follows:

-
Open positions: The change in fair value from the previous reporting date or date of recognition (if later) through to the current reporting date; and

-
Settled positions: The change in fair value from the previous reporting date or date of recognition (if later) through to the date of settlement.

Gross (loss) profit adjusted for the effect of unrealised non-hedge derivatives, is intended to illustrate earnings after adjusting for:

-
The unrealised fair value change in contracts that are still open at the reporting date, as well as, the unwinding of the historic marked-to-market value of the positions settled in the period; and

-
Investment in hedge restructure transaction: During the hedge restructure in the quarter ended 31 December 2004 and the quarter ended 31 March 2005, $83m and $69m in cash was injected into the hedge book in these quarters to increase the value of long-dated contracts. The entire investment in short-dated derivatives (certain of which have now matured) and investment in long-dated derivatives (all of which have not yet matured), for the purposes of the adjustment to earnings, will only be taken into account when the realised portion of long-dated non-hedge derivatives are settled, and not when the short-term contracts are settled.

9. Discontinued operations

The Ergo surface dump reclamation, which forms part of the South African operations, has been discontinued as the operation has reached the end of its useful life. The results of Ergo are presented below:

Quarter ended
Year ended
Quarter ended
Year ended
Dec
2005
Sept
2005
Dec
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2005
Dec
2004

Restated
Restated
Restated
Restated
Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited
SA Rand million
US Dollar million
Gold income
12
4
111
560
2
1
18
87
Retrenchment, rehabilitation and other
costs
(7)
(13) (417) (628) **(1)**
(2) (66) (98)
Gross profit (loss)
5
(9) (307) (68)
1
(1) (48) (11)
Impairment loss reversed
–
–
115
–
–
–
17
–
Profit (loss) before taxation from
discontinued operations
5
(9) (192) (68)
1
(1) (31) (11)
Deferred taxation
(61)
(34) (27) (5) **(9)**
(5) (5) –
Net loss attributable to discontinued
operations
(56)
(42) (219) (73) **(9)**
(7) (36) (11)
10. Capital commitments

Dec
2005
Sept
2005
Dec
2004
Dec
2005
Sept
2005
Dec
2004
Restated
Restated Restated
Restated
Unaudited
Unaudited
Unaudited Unaudited
Unaudited
Unaudited
SA Rand million
US Dollar million
Orders placed and outstanding on
capital contracts at the prevailing
rate of exchange
1,181
1,753
835
186
276
148

Rounding of figures may result in computational discrepancies.

Liquidity and capital resources*:*

To service the above capital commitments and other operational requirements, the group is dependant upon cash generated from the South African operations, borrowing facilities and cash distributions from offshore operations.

Cash generated from the South African operations fund to a large extent the capital expenditure to maintain and expand those operations in South Africa. Consequently other funding requirements are serviced from borrowing facilities and offshore distributions which are subject to market and other risks. The credit facilities and other financing arrangements contain financial covenants and other similar undertakings.

The distributions from offshore operations are subject to foreign investment and exchange control laws and regulations and the quantity of foreign exchange available in offshore countries. In addition offshore distributions from joint venture partners are subject to consent and co-operation from those joint venture partners.

The group's current covenant performance, cash and liquidity funds from the various resources available are within the required limits which will meet its obligations and capital commitments.

11. Shares

	Quarter ended			**Year ended**	
	Dec 2005	Sept 2005	Dec 2004	Dec 2005	Dec 2004
		Restated	Restated		Restated
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Authorised shares:					
Ordinary shares of 25 SA cents each	**400,000,000**	400,000,000	400,000,000	**400,000,000**	400,000,000
A redeemable preference shares of 50 SA cents each	**2,000,000**	2,000,000	2,000,000	**2,000,000**	2,000,000
B redeemable preference shares of 1 SA cent each	**5,000,000**	5,000,000	5,000,000	**5,000,000**	5,000,000

Issued shares:
Ordinary shares
264,938,432
264,749,794 264,462,894 **264,938,432**
264,462,894
A redeemable preference shares
2,000,000
2,000,000 2,000,000 **2,000,000**
2,000,000
B redeemable preference shares
778,896
778,896 778,896 **778,896**
778,896
Weighted average number of ordinary
shares for the period
Basic ordinary shares
264,851,516
264,642,218 264,415,225 **264,635,634**
251,352,552
Diluted number of ordinary shares
265,416,952
265,224,451 265,085,959 **265,236,949**
252,048,301
During the quarter, 188,638 ordinary shares were allotted in terms of the AngloGold Share Incentive Scheme. All the preference shares are held by a wholly-owned subsidiary company.

12.
Ordinary share capital and premium
As at
As at
As at
As at
Dec
2005
Dec
2004
Dec
2005
Dec
2004
Restated
Restated
Unaudited Unaudited Unaudited
Unaudited
SA Rand million
US Dollar million
Balance at December
18,987
9,669
3,364
1,450
Ordinary shares issued

60
9,318
9
1,369
Translation –
–
(371)
545
Balance at December
19,047
18,987
3,002
3,364
Rounding of figures may result in computational discrepancies.

13.
Retained earnings and other reserves
Retained
Earnings
(1)
Non-
distributable
reserves
(2)
Foreign
currency
translation
reserve
Other
Comprehen-
sive
income
(3)
Total
SA Rand million
Balance at December 2003 as previously reported
3,848
138
(755)
(2,047)
1,184
Change in accounting policy for defined
benefit retirement plans
(112) (112)
As restated
3,848
138
(755)
(2,159)
1,072
Actuarial gains and losses recognised
(4)
(15)
(15)
Deferred taxation recognised directly in equity
5
5
Net loss on cash flow hedges removed from equity
and reported in income
864
864
Net gain on cash flow hedges
239
239
Deferred taxation on cash flow hedges
(291) (291)

Net gain on available for sale financial assets
12
12
Exchange translation differences
(2,797)
183
(2,614)
Profit attributable to equity shareholders
728
728
Dividends
paid
(1,197)
(1,197)
Balance at December 2004 (restated)
3,379
138
(3,552)
(1,162)
(1,197)
Actuarial gains and losses recognised
(4)
(173)
(173)
Deferred taxation recognised directly in equity
68
68
Net loss on cash flow hedges removed from equity
and reported in income
387
387
Net loss on cash flow hedges
(1,272)
(1,272)
Deferred taxation on cash flow hedges
377 377
Net gain on available for sale financial assets
24
24
Exchange translation differences
1,642
(146)
1,496
Share based payment expenses
15
15
Loss attributable to equity shareholders
(1,262)
(1,262)
Dividends
paid

(926)
(926)
Balance at December 2005
1,191
138
(1,910)
(1,882)
(2,463)
US Dollars million
Balance at December 2003 as previously reported
577
21
(113)
(307)
178
Effects of changes in foreign exchange rates (IAS21)
revised
(220)
220
Change in accounting policy for defined
benefit retirement plans
(18)
(18)
As restated
357
21
107
(325)
160
Actuarial gains and losses recognised
(4)
(3)
(3)
Deferred taxation recognised directly in equity
1
1
Net loss on cash flow hedges removed from equity
and reported in income
134
134
Net gain on cash flow hedges
48
48
Deferred taxation on cash flow hedges
(43) (43)
Net gain on available for sale financial assets
2
2
Exchange translation differences
3
(424)

(20)
(441)
Profit attributable to equity shareholders
108
108
Dividends
paid
(179)
(179)
Balance at December 2004 (restated)
286
24
(317)
(206)
(213)
Actuarial gains and losses recognised
(4)
(27)
(27)
Deferred taxation recognised directly in equity
11
11
Net loss on cash flow hedges removed from equity
and reported in income
17
17
Net loss on cash flow hedges
(200) (200)
Deferred taxation on cash flow hedges
58
58
Net gain on available for sale financial assets
3
3
Exchange translation differences
(2)
250
45
293
Share based payment expenses
2
2
Loss attributable to equity shareholders
(183)
(183)
Dividends
paid
(149)
(149)
Balance at December 2005
(46)

22
(67)
(297)
(388)

(1) The 2004 opening balances and comparative amounts have been restated in terms of the effects of changes in foreign exchange rates (IAS21)
revised.
(2) Non-distributable reserves comprise a surplus on disposal of company shares of $22m, R138m (2004: $24m, R138m).
(3) Other comprehensive income represents the effective portion of fair value gains or losses in respect of cash flow hedges until the underlying
transaction occurs, upon which the gains or losses are recognised in earnings.
(4) With the adoption of IAS 19 revised, actuarial gain and loss movements are accounted through equity reserves. Actuarial gains and losses arise from
a change in assumption parameters and the difference between the actual and expected return on plan assets.
Rounding of figures may result in computational discrepancies.

14. Minority interests

	As at Dec 2005	**As at Dec 2004**	**As at Dec 2005**	**As at Dec 2004**
		Restated		Restated
	Unaudited	Unaudited	Unaudited	Unaudited
	SA Rand million		US Dollar million	
Balance at December	**327**	354	**58**	53
Attributable profit	**146**	124	**23**	19
Dividends paid	**(125)**	(125)	**(20)**	(19)
At acquisition of subsidiaries	**–**	18	**–**	3
Net loss on cash flow hedges removed from equity and reported in income	**4**	3	**1**	–
Net loss on cash flow hedges	**(9)**	(3)	**(2)**	–
Exchange translation differences	**31**			

(43)
(1)
2
Balance at December
374
327
59
58

15. Exchange rates

	Dec 2005	Sept 2005	Dec 2004
			Restated
	Unaudited	Unaudited	Unaudited
Rand/US dollar average for the period	**6.37**	6.31	6.44
Rand/US dollar average for the quarter	**6.53**	6.51	6.05
Rand/US dollar closing	**6.35**	6.36	5.65
Rand/Australian dollar average for the period	**4.85**	4.85	4.82
Rand/Australian dollar average for the quarter	**4.86**	4.95	4.58
Rand/Australian dollar closing	**4.65**	4.85	4.42

Rounding of figures may result in computational discrepancies.

16. Contingent liabilities

AngloGold Ashanti's contingent liabilities at 31 December 2005, are detailed below:

Water pumping cost – South Africa – The South African Department of Water Affairs and Forestry issued a new directive on 1 November 2005 ordering the four mining groups, Simmer and Jack Investments (Proprietary) Limited, Simmer and Jack Mines Limited (collectively known as Simmers who have purchased Buffelsfontein shafts from DRDGold Limited), Harmony Gold Mining Company Limited, AngloGold Ashanti and Stilfontein Gold Mining Company to share equally, the costs of pumping water at Stilfontein's Margaret Shaft. This follows an interdict application made by AngloGold Ashanti in response to DRDGold's threat to cease funding the pumping of water at the Margaret and Buffelsfontein shafts, after placing Buffelsfontein, its subsidiary that operated the North West operations, into liquidation on 22 March 2005. Simmers have purchased the Buffelsfontein shafts from DRDGold and have assumed the water management liabilities associated with the Buffelsfontein shafts. The directive also orders the mining companies to submit an agreement and a joint proposal towards the long-term sustainable management of water arising from the mining activities in the area. AngloGold Ashanti believes that it is not liable to fund these pumping costs but cannot provide any assurances regarding the ultimate result until the matter has been settled.

Groundwater pollution – South Africa – AngloGold Ashanti has identified a number of groundwater pollution sites at its currently operations in South Africa, and has investigated a number of different technologies and methodologies that could possibly be used to remediate the pollution plumes. The viability of the suggested remediation techniques in the local geological formation in South Africa is however unknown. No sites have been remediated and present research and development work is focused on several pilot projects to find a solution that will in fact yield satisfactory results in South African conditions. Subject to the technology being developed as a remediation technique, no reliable estimate can be made for the obligation.

Retrenchment costs – South Africa – Following the decision to discontinue operations at Ergo in 2005, employees surplus to requirements have been terminated and retrenchment packages settled. Ergo continues to retain various staff members to complete the discontinuance and the attendant environmental obligations which are expected to be completed by 2012. The retained employees may resign, be transferred within the Group, attain retirement age or be retrenched as their current position is made redundant. AngloGold Ashanti is currently unable to determine the effect, if any, of any potential retrenchment costs.
Re-export arrangements of artifacts – South Africa – AngloGold Ashanti has undertaken to re-export certain gold artefacts, temporarily imported into South Africa, for which custom and value added tax was waived to the amount of $3m.
Provision of surety – South Africa – AngloGold Ashanti has provided sureties in favour of a lender on a Gold loan facility with its affiliate Oro Africa (Pty) Ltd and one of its subsidiaries to a maximum value of R100m ($16m). The suretyship agreements have a termination notice period of 90 days.
AngloGold Ashanti Pension Fund – South Africa – A statutory valuation of the defined benefit pension fund was performed as at 31 December 2002, which showed that the fund was in deficit. To fund the shortfall, the rate of the company contribution was reviewed and increased during 2004. In addition, a formal additional funding plan was submitted to and approved by the Financial Services Board. According to the plan, the company funded R34m ($5m) in 2005, R31m ($5m) in 2004 and a further R259m ($35m) will be funded during the years 2006 to 2011. The plan is evaluated by independent actuaries on an annual basis as at 31 December of each year, and a formal statutory valuation as at 31 December 2005 will be completed during the first six months of 2006. In arriving at their conclusions, the actuaries took into account, reasonable long-term estimates of inflation, increases in wages, salaries and pension, as well as returns on investment. A preliminary valuation for December 2005 indicates that the funding plan will no longer be effected.
Exploration and development tenements – Australia – AngloGold Ashanti stands collateral to certain bankers for the satisfactory contract performance in relation to exploration and development tenements and mining operations in Australia, amounting to $15m.
Sales tax on gold deliveries – Brazil – Mineração Serra Grande S.A., the operator of the Crixas mine in Brazil, has received assessments from the State of Goias Tax Inspection related to payments of sales taxes on gold deliveries for export. The Serra Grande Joint Venture is co-owned with Kinross Gold Corporation. The company manages the operation and its attributable share of the assessment is approximately $29 million. The company believes the assessments are in violation of Federal legislation on sales taxes and that there is a remote chance of success for the State of Goias. The assessment has been appealed.
Litigation with mining contractor and non-payment of receivable – Ghana

- A group of employees of Mining and Building Contractors (MBC), the Obuasi underground developer, are claiming to be employees of the group. If successful, there is a risk of some employees claiming rights to share options;
- Bayswater Construction and Mining Limited (BCM) have instituted court proceedings against the Bibiani mine (AGBL), claiming $4.66m pertaining to a contractual dispute. This matter is currently stayed on technical grounds to the effect that the litigation cannot commence until arbitration has been concluded. The potential liability amounts to $3m;
- BCM has instituted a claim against the Bibiani mine relating to a wall slip to which BCM considered that they had an exclusive right under their contract to repair. AGBL awarded the repair to a third party. The potential liability amounts to $1m.

Capital cost of water pipelines and electricity supply – Namibia – A potential liability of $1m exists at Navachab in Namibia to pay the outstanding capital cost of the water pipeline and electricity supply in the event of mine closure prior to 2019.

Federal violations – USA – Sierra Club and Mineral Policy Center filed two lawsuits against Cripple Creek & Victor Gold Mining Company, AngloGold Ashanti (Colorado) Corp., AngloGold Ashanti North America Inc., and Golden Cycle Gold Corporation alleging various past and ongoing violations of the federal Clean Water Act at the Cresson Project near Victor, Colorado. The Defendants dispute that there have been or that there are ongoing violations of the Clean Water Act, and have been vigorously defending themselves in the ensuing years. The trial is scheduled February 2006. Without conceding any liability but in an attempt to resolve these matters without the cost and expense of trial the parties have held settlement discussions and the Defendants have offered approximately $500,000 to conduct on-the-ground activities and pay some of Plaintiffs costs. At this time, no settlement has been reached. The potential liability amounts to $1m.

Obligations pertaining to a lease agreement – USA – Pursuant to the assignment of equipment leases to Queenstake Resources USA Inc., as a result of the sale of Jerritt Canyon effective 30 June 2003, AngloGold Ashanti USA has become secondarily liable in the event of a default by Queenstake Resources USA Inc. in performance of any of the lessee's obligations arising under the Lease. These agreements have a remaining term of 1 year.

17.

Concentration of risk

There is a concentration of risk in respect of reimbursable value added tax and fuel duties from the Malian government:

- Reimbursable value added tax due from the Malian government, for the company amount to an attributable $25m at 31 December 2005 (31 December 2004: attributable $14m). The last audited value added tax return was for the period ended 30 June 2005 and at that date an attributable $12m was still outstanding and an attributable $6m is still subject to audit. The accounting processes for the unaudited amount are in accordance with the processes advised by the Malian government in terms of the previous audits.
- Reimbursable fuel duties from the Malian government, for the company amount to an attributable $13m at 31 December 2005 (31 December 2004: attributable $13m). Fuel duties are required to be submitted before 31 January of the following year and are subject to authorisation by firstly the Department of Mining and secondly the Custom and Excise authorities. The Customs and Excise authorities have approved an attributable $7m which is still outstanding, whilst an attributable $6m is still subject to authorisation. The accounting processes for the unauthorised amount are in accordance with the processes advised by the Malian government in terms of the previous authorisations.

The government of Mali is a shareholder in all the Malian entities and has promised to provide a repayment plan for the amounts due.

18. Attributable interest

Although AngloGold Ashanti holds a 66.7% interest in Cripple Creek & Victor Gold Mining Company Limited, it is currently entitled to receive 100% of the cash flows from the operation until the loan, extended to the joint venture by AngloGold Ashanti USA Inc., is repaid.

19. Borrowings

AngloGold Ashanti's borrowings are interest bearing.

20. Announcements

On 26 October 2005, AngloGold Ashanti announced that it welcomed the announcement by Anglo American that it intended to provide AngloGold Ashanti with greater flexibility to pursue its strategy by deciding to reduce its shareholding in the company, whilst still intending to remain a significant shareholder in the medium term.

21. Dividend

The directors have today declared Final Dividend No. 99 of 62 (Final Dividend No. 97: 180) South African cents per ordinary share for the six months ended 31 December 2005. In compliance with the requirements of STRATE, given the company's primary listing on the JSE Limited (formerly JSE Securities Exchange South Africa), the salient dates for payment of the dividend are as follows:

To holders of ordinary shares and to holders of CHESS Depositary Interests (CDIs)

Each CDI represents one-fifth of an ordinary share.

2006

Currency conversion date for UK pounds, Australian dollars and Ghanaian cedis
Thursday, 23 February
Last date to trade ordinary shares cum dividend
Thursday, 23 February
Last date to register transfers of certificated securities cum dividend
Thursday, 23 February
Ordinary shares trade ex dividend
Friday, 24 February
Record date
Friday, 3 March
Payment date
Friday, 10 March

On the payment date, dividends due to holders of certificated securities on the South African share register will either be electronically transferred to shareholders' bank accounts or, in the absence of suitable mandates, dividend cheques will be posted to such shareholders.

Dividends in respect of dematerialised shareholdings will be credited to shareholders' accounts with the relevant CSDP or broker.

To comply with the further requirements of STRATE, between Friday, 24 February 2006 and Friday, 3 March 2006, both days inclusive, no transfers between the South African, United Kingdom, Australian and Ghana share registers will be permitted and no ordinary shares pertaining to the South African share register may be dematerialised or rematerialised.

To holders of American Depositary Shares

Each American Depositary Share (ADS) represents one ordinary share.

2006

Ex dividend on New York Stock Exchange
Wednesday, 1 March
Record date
Friday, 3 March
Approximate date for currency conversion
Friday, 10 March
Approximate payment date of dividend
Monday, 20 March

Assuming an exchange rate of R6.18/$1, the dividend payable on an ADS is equivalent to 10 US cents. This compares with the final dividend of 30.37 US cents per ADS paid on 7 March 2005. However, the actual rate of payment will depend on the exchange rate on the date for currency conversion.

To holders of Ghanaian Depositary Shares (GhDSs)

100 GhDSs represent one ordinary share.

2006

Last date to trade and to register GhDSs cum dividend
Friday, 24 February
GhDSs trade ex dividend
Monday, 27 February
Record date

Friday, 3 March
Approximate payment date of dividend
Monday, 13 March

Assuming an exchange rate of R1/¢1,472 the dividend payable per GhDS is equivalent to 9.13 cedis. This compares with the final dividend of 26.830 cedis per GhDS paid on 28 February 2005. However, the actual rate of payment will depend on the exchange rate on the date for currency conversion. In Ghana, the authorities have determined that dividends payable to residents on the Ghana share register be subject to a final withholding tax at a rate of 10%, similar to the rate applicable to dividend payments made by resident companies which is currently at 10%.

By order of the Board

R P EDEY
R M GODSELL
Chairman
Chief Executive Officer
9 February 2006

Price and unit cost calculation
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December September
December
December
December September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
Restated
Restated
Restated
Restated
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Price received
Gold income per income statement
4,337
4,151
16,750
14,788
665
638

2,629
2,309
Adjusted for minority interests
(165)
(135)
(566)
(432)
(25)
(21)
(89)
(68)
4,173
4,017
16,184
14,356
640
617
2,540
2,241
Realised non-hedge derivatives
462
274
951
362
71
43
151
57
4,634
4,291
17,135
14,718
711
660
2,691
2,298
Attributable gold sold - kg / - oz (000)
46,445
47,449
190,767
181,585
1,493
1,526
6,133
5,838
Revenue price per unit - R/kg / -$/oz
99,780
90,440
89,819
81,051
476

433
439
394
Total costs
Total cash costs (note 3)
2,792
2,861
11,240
9,914
428
439
1,768
1,549
Adjusted for minority interests and non-gold producing companies
(80)
(24)
(219)
(73)
(12)
(4)
(35)
(11)
Total cash costs
2,712
2,837
11,021
9,841
415
436
1,733
1,538
Retrenchment costs (note 3)
62
60
168
52
9
9
26
7
Rehabilitation and other non-cash costs (note 3)
207
67
368
136
31
10
57
22
Amortisation of tangible assets (note 3)

900
784
3,203
2,423
138
121
503
380
Amortisation of intangible assets (note 3)
3
3
13
8
-
-
2
1
Adjusted for minority interests and non-gold producing companies
(34)
(25)
(102)
(91)
(5)
(4)
(16)
(14)
Total production costs
3,850
3,726
14,671
12,369
590
573
2,305
1,934
Gold produced - kg / - oz (000)
46,460
47,723
191,783
181,311
1,494
1,534
6,166
5,829
Total cash cost per unit - R/kg / -$/oz
58,367
59,453
57,465
54,276
278

284
281
264
Total production cost per unit - R/kg / -$/oz
82,873
78,082
76,495
68,221
395
373
374
332
Rounding of figures may result in computational discrepancies.
SA Rand / Metric
US Dollar / Imperial

Development
Development values represent actual results of sampling, no allowances having been made for adjustments necessary in estimating ore reserves.
Quarter ended December 2005
Statistics are shown in metric units
Advanced
Sampled
metres
Sampled
Ave. channel
gold
uranium
(total)
metres
width (cm)
Ave. g/t
Ave. cm.g/t
Ave. kg/t
Ave. cm.kg/t
VAAL RIVER
Great Noligwa Mine
Vaal reef
3,379
834
120.2
28.19
3388
0.91
109.86
Kopanang Mine
Vaal reef
6,161
1,064
11.6
161.29
1871
12.23
141.89
Tau Lekoa Mine
Ventersdorp Contact reef
2,922
886
110.5
11.22
1240
-
0.03
Moab Khotsong Mine
Vaal reef
4,098
130

98.9
13.28
1313
1.63
161.00
WEST WITS
Tau Tona Mine
Ventersdorp Contact reef
103
-
-
-
-
-
-
Carbon Leader reef
3,943
16
9.1
164.94
1501
-
-
Savuka Mine
Ventersdorp Contact reef
-
-
-
-
-
-
-
Carbon Leader reef
94
-
-
-
-
-
-
Mponeng Mine
Ventersdorp Contact reef
3,912
714
79.5
26.30
2091
-
-
AUSTRALIA
Sunrise Dam

230
230
-
4.18
-
-
-
BRAZIL
AngloGold Ashanti Mineração
Mina de Cuiabá
969
891
-
8.14
-
-
-
Córrego do Sitio
358
200
-
7.63
-
-
-
Lamego
308
10
-
7.50
-
-
-
Serra Grande
Mina III
933
169
-
10.72
-
-
-
Mina Nova
-
-
-
-
-
-
-

GHANA
Obuasi
6,603
1,477
460.0*
8.46
-
-
-
Statistics are shown in imperial units
Advance
Sampled
feet
Sampled
Ave. channel
gold
uranium
(total)
feet
width (inches)
Ave. oz/t
Ave. ft.oz/t
Ave. lb/t
Ave. ft.lb/t
VAAL RIVER
Great Noligwa Mine
Vaal reef
11,087
2,736
47.32
0.82
3.23
1.82
7.18
Kopanang Mine
Vaal reef
20,215
3,491
4.57
4.70
1.79
24.46
9.32
Tau Lekoa Mine
Ventersdorp Contact reef
9,588
2,907
43.50
0.33
1.20
-

-
Moab Khotsong Mine
Vaal reef
13,446
427
38.94
0.39
1.27
3.26
10.58
WEST WITS
Tau Tona Mine
Ventersdorp Contact reef
339
-
-
-
-
-
-
Carbon Leader reef
12,935
52
3.58
4.81
1.43
-
-
Savuka Mine
Ventersdorp Contact reef
-
-
-
-
-
-
-
Carbon Leader reef
308
-
-
-
-
-
-
Mponeng Mine
Ventersdorp Contact reef
12,833
2,343
31.30
0.77

2.01
-
-
AUSTRALIA
Sunrise Dam
755
755
-
0.12
-
-
-
BRAZIL
AngloGold Ashanti Mineração
Mina de Cuiabá
3,179
2,923
-
0.24
-
-
-
Córrego do Sitio
1,175
656
-
0.22
-
-
-
Lamego
1,010
33
-
0.22
-
-
-
Serra Grande
Mina III
3,061
554
-
0.31
-
-
-
Mina Nova
-
-
-

-
-
-
-
GHANA
Obuasi
21,663
4,845
181.1*
0.25
-
-
-
* Average ore body width

Segmental reporting
for the quarter and year ended 31 December 2005
Quarter
Quarter
Quarter
Year
Year
Quarter
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
December
September
December
December
December
2005
2005
2004
2005
2004
2005
2005
2004
2005
2004
Restated
Restated
Restated
Restated
Restated
Restated
Unaudited
Unaudited
Unaudited

Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
SA Rand million
US Dollar million
Gold income
South Africa
1,926
1,833
1,791
7,359
7,189
295
282
297
1,153
1,118
Argentina
173
151
207
617
620
26
23
34
97
97
Australia
287
312
293
1,349
1,099
44
48
49
213
172
Brazil
312
265
240
1,094
1,014
48
41

40
172
158
Ghana
516
442
376
1,821
1,257
79
68
62
286
198
Guinea
206
205
111
759
259
32
31
18
118
41
Mali
435
382
410
1,508
1,192
67
59
69
236
188
Namibia
71
57
44
230
176
11
9
7
36
27
Tanzania
266
298
412

1,352
1,285
41
46
68
214
201
USA
147
205
169
661
671
23
31
28
104
105
Zimbabwe
-
-
-
-
26
-
-
-
-
4
4,337
4,151
4,054
16,750
14,788
665
638
672
2,629
2,309
Gross profit (loss) adjusted for the effect of unrealised non-hedge derivatives
South Africa
548
383
312
1,480
1,462
84
59
52

230
228
Argentina
61
37
103
203
202
9
6
17
32
32
Australia
44
32
124
288
390
7
5
20
46
61
Brazil
147
124
125
543
547
23
19
21
86
85
Ghana
(107)
(70)
(134)
(191)
(130)
(16)
(11)
(23)
(29)
(22)
Guinea
6
6
(67)
98

(93)
1
1
(11)
15
(16)
Mali
137
106
141
443
306
21
16
24
69
49
Namibia
46
23
(9)
64
11
7
4
(2)
10
1
Tanzania
43
(9)
27
49
150
7
(1)
5
9
23
USA
23
27
(4)
107
43
4
4
(1)
17
7
Zimbabwe

-
-
-
-
(9)
-
-
-
-
(1)
Other
(78)
19
(8)
(96)
(35)
(13)
3
(1)
(16)
(6)
870
678
610
2,988
2,844
134
105
101
469
441
Cash gross profit (loss)
2
South Africa
910
613
514
2,562
2,193
138
94
86
399
342
Argentina
96
81
143
354
370
15

12
23
56
58
Australia
90
79
173
494
555
14
12
28
78
87
Brazil
187
163
158
687
685
29
25
26
108
107
Ghana
19
38
(27)
249
128
3
6
(6)
40
19
Guinea
68
56
(51)
258
(81)
10
9
(9)
40
(13)
Mali
209
186

196
732
503
32
29
34
115
80
Namibia
74
30
(4)
110
28
12
5
(1)
17
4
Tanzania
51
54
130
289
372
8
9
22
47
58
USA
87
99
53
363
300
13
15
8
57
47
Zimbabwe
-
-
-
-
-
-
-
-
-

-
Other
(56)
36
14
(24)
39
(7)
5
4
(3)
4
1,735
1,435
1,299
6,074
5,092
267
221
215
954
793
1
Restated to reflect Ergo as a discontinued operation
2
Gross profit (loss) adjusted for the effect of unrealised non-hedge derivatives plus amortisation of tangible and intangible assets, less non-cash revenues.
Rounding of figures may result in computational discrepancies.
Based on risks and returns the directors consider that the primary reporting format is by business segment. The directors consider that there is only one business segment being
mining, extraction and production of gold. Therefore the disclosures for the primary segment have already been given in the abbreviated financial statements. The secondary
reporting format is by geographical analysis by origin.

Segmental reporting (continued)
Quarter
Quarter
Quarter
Year
Year
Quarter
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
December
September
December
December
December
2005
2005
2004
2005
2004
2005
2005
2004
2005
2004
Restated
Restated
Restated
Restated
Restated
Restated
Unaudited
Unaudited
Unaudited
Unaudited

Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Gold production
South Africa
20,818
21,070
22,214
83,223
88,860
669
677
714
2,676
2,857
Argentina
1,577
1,616
2,135
6,564
6,575
51
52
68
211
211
Australia
2,866
3,146
3,554
14,139
12,762
92
101
114
455
410
Brazil
2,808
2,759
2,575
10,756
10,382
90
89
83
346
334

Ghana
5,256
5,260
5,142
21,170
15,041
169
169
166
680
485
Guinea
1,936
1,907
1,325
7,674
2,565
62
61
43
246
83
Mali
4,112
4,190
5,145
16,421
14,789
132
135
165
528
475
Namibia
696
657
535
2,510
2,070
22
21
17
81
66
Tanzania
3,730
4,247
5,915
19,074
17,740
120

137
190
613
570
USA
2,659
2,871
2,820
10,252
10,234
85
92
91
330
329
Zimbabwe
-
-
-
-
293
-
-
-
-
9
46,460
47,723
51,360
191,783
181,311
1,494
1,534
1,651
6,166
5,829
Quarter
Quarter
Quarter
Year
Year
Quarter
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended

ended
ended
ended
ended
ended
December
September
December
December
December
December
September
December
December
December
2005
2005
2004
2005
2004
2005
2005
2004
2005
2004
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
SA Rand million
US Dollar million
Capital expenditure
South Africa
651
549
712
2,208
2,159
100
84
115
347
335
Argentina
21

17
20
98
83
3
3
3
15
13
Australia
69
69
42
244
182
11
11
7
38
28
Brazil
200
144
73
540
261
31
22
12
85
40
Ghana
208
142
98
574
269
32
22
16
90
42
Guinea
21
47
114
229
366
3
7
19

36
57
Mali
14
18
20
75
67
2
3
4
12
11
Namibia
12
3
16
33
134
2
-
3
5
21
Tanzania
45
372
41
496
81
6
59
7
78
13
USA
16
14
20
53
103
3
2
3
8
16
Zimbabwe
-
-
-
-

9
-
-
-
-
1
Other
22
10
25
46
50
3
1
3
8
8
1,279
1,385
1,181
4,596
3,764
196
215
192
722
585
As at
As at
As at
As at
As at
As at
December
September
December
December
September
December
2005
2005
2004
2005
2005
2004
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited

SA Rand million
Total assets
South Africa
15,554
14,866
15,039
2,451
2,337
2,664
Argentina
1,635
1,818
1,784
258
286
316
Australia
4,738
4,608
4,062
747
724
720
Brazil
2,449
2,326
1,962
386
366
348
Ghana
11,419
11,538
10,016
1,800
1,814
1,774
Guinea
1,735
1,740
1,366
273
274
242
Mali
2,007
2,081
1,820
316
327
322

Namibia
289
224
216
46
35
38
Tanzania
7,924
7,207
6,233
1,249
1,133
1,107
USA
2,734
2,770
2,311
431
435
409
Other
2,138
1,931
1,487
337
304
262
52,622
51,110
46,296
8,294
8,035
8,202
1
Restated to reflect Ergo as a discontinued operation
Rounding of figures may result in computational discrepancies.
US Dollar million
kg
oz (000)

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
SA Rand / US Dollar
Capital expenditure - Rm
Capital expenditure - $m
SOUTH AFRICA
651
549
2,208
2,159
100
84
347
335
Vaal River
Great Noligwa Mine
124
47

275
235
19
7
43
36
Kopanang Mine
69
70
264
244
11
11
41
38
Tau Lekoa Mine
24
20
93
160
4
3
15
25
Surface Operations
66
53
170
135
10
8
27
21
Moab Khotsong
142
168
600
513
22
26
94
80
West Wits
Mponeng Mine
81
76
301
402
12
12
47

62
Savuka Mine
2
8
38
54
-
1
6
8
TauTona Mine
143
108
468
416
22
17
74
65
ARGENTINA
21
17
98
83
3
3
15
13
Cerro Vanguardia - Attributable 92.50%
20
16
90
77
3
2
14
12
Minorities and exploration
1
1
8
6
-
1
1
1
AUSTRALIA
69
69
244
182

11
11
38
28
Sunrise Dam
60
60
214
161
9
9
34
25
Exploration
9
9
30
21
2
2
4
3
BRAZIL
200
144
540
261
31
22
85
40
AngloGold Ashanti Mineração
176
122
455
204
27
19
71
32
Serra Grande - Attributable 50%
12
11
42
23
2
2
7
4
Minorities and exploration
12

11
43
34
2
1
7
4
GHANA
208
142
574
269
32
22
90
42
Bibiani
4
10
44
43
1
2
7
7
Iduapriem - Attributable 85%
8
8
23
20
1
1
4
3
Obuasi
193
120
495
203
30
19
78
32
Minorities and exploration
3
4
12
3
-
-
1

-
GUINEA
21
47
229
366
3
7
36
57
Siguiri - Attributable 85%
18
40
194
311
3
6
31
48
Minorities and exploration
3
7
35
55
-
1
5
9
MALI
14
18
75
67
2
3
12
11
Morila - Attributable 40%
6
2
11
10
1
-
2
2
Sadiola - Attributable 38%
8
12
48
39

1
2
7
6
Yatela - Attributable 40%
1
3
15
18
-
1
2
3
NAMIBIA
12
3
33
134
2
-
5
21
Navachab
12
3
33
134
2
-
5
21
TANZANIA
45
372
496
81
6
59
78
13
Geita - Attributable 100% May 2004
45
372
496
81
6
59
78
13
USA
16

14
53
103
3
2
8
16
Cripple Creek & Victor J.V.
16
14
53
102
3
2
8
16
Minorities and exploration
-
-
-
1
-
-
-
-
ZIMBABWE
-
-
-
9
-
-
-
1
Freda-Rebecca
-
-
-
9
-
-
-
1
OTHER
22
10
46
50
3
1
8

8
ANGLOGOLD ASHANTI
1,279
1,385
4,596
3,764
196
215
722
585

Rounding of figures may result in computational discrepancies.

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
Metric
Yield - g/t
Gold produced - kg
SOUTH AFRICA
1
20,818
21,070
83,223
88,860
Vaal River
Great Noligwa Mine
8.54
9.03
9.30
10.38
5,274

5,275
21,547
24,728
Kopanang Mine
7.27
7.85
7.38
7.37
3,664
3,933
14,993
15,104
Tau Lekoa Mine
3.52
4.20
3.96
3.87
1,904
2,195
8,253
9,122
Surface Operations
0.55
0.53
0.51
0.60
800
757
2,952
3,698
West Wits
Mponeng Mine
9.77
9.01
9.15
8.14
4,436
3,946
15,921
13,634
Savuka Mine
9.68
8.01
6.80
6.19
770
1,121
3,930
4,903
TauTona Mine
5

8.90
9.91
9.62
10.88
3,970
3,843
15,627
17,671
ARGENTINA
1,577
1,616
6,564
6,575
Cerro Vanguardia - Attributable 92.50%
7.49
7.26
7.70
7.60
1,577
1,616
6,564
6,575
AUSTRALIA
2,866
3,146
14,139
12,762
Sunrise Dam
2.69
3.24
3.68
3.46
2,866
3,146
14,139
12,751
Union Reefs
-
-
-
-
-
-
-
11
BRAZIL
2,808
2,759
10,756
10,382
AngloGold Ashanti Mineração

2
7.16
7.08
7.27
7.85
2,068
2,011
7,763
7,473
Serra Grande - Attributable 50%
7.67
8.00
7.93
7.80
741
748
2,993
2,909
GHANA
5,256
5,260
21,170
15,041
Bibiani
3
1.28
1.43
1.45
1.93
768
860
3,578
3,253
Iduapriem
3
- Attributable 85%
1.63
1.70
1.71
1.72
1,381
1,355
5,422
3,846
Obuasi
5
4.87
4.64
4.77
5.27
3,107

3,045
12,169
7,942
GUINEA
1,936
1,907
7,674
2,565
Siguiri
3
- Attributable 85%
1.12
1.17
1.21
1.10
1,936
1,907
7,674
2,565
MALI
4,112
4,190
16,421
14,789
Morila - Attributable 40%
4.80
5.33
5.41
4.44
1,817
2,151
8,139
6,358
Sadiola - Attributable 38%
2.63
2.66
2.73
2.77
1,323
1,373
5,223
5,421
Yatela
4
- Attributable 40%
3.73
3.08
2.99
3.41
972
666

3,060
3,010
NAMIBIA
696
657
2,510
2,070
Navachab
2.30
2.00
2.05
1.59
696
657
2,510
2,070
TANZANIA
3,730
4,247
19,074
17,740
Geita - Attributable 100% May 2004
2.41
2.72
3.14
3.74
3,730
4,247
19,074
17,740
USA
2,659
2,871
10,252
10,234
Cripple Creek & Victor J.V.
4
0.62
0.62
0.62
0.61
2,659
2,871
10,252
10,234
ZIMBABWE
-
-
-
293
Freda-Rebecca

-
-
-
1.66
-
-
-
293
ANGLOGOLD ASHANTI
46,460
47,723
191,783
181,311
Underground Operations
7.23
7.38
7.31
7.50
25,412
25,387
100,858
101,717
Surface and Dump Reclamation
0.57
0.57
0.52
0.60
1,161
1,154
4,228
4,279
Open-pit Operations
2.21
2.48
2.74
3.21
15,767
17,028
69,871
58,572
Heap leach Operations
6
0.87
0.78
0.83
0.84
4,119
4,154
16,826
16,743
46,460

47,723
191,783
181,311

1
Attributable year to date production at Moab Khotsong yielded 929 kilograms which
4
Yatela and Cripple Creek & Victor Joint Venture operations yield reflects gold
will be capitalised against pre-production costs.
placed/tonnes placed.
2
The yield of AngloGold Ashanti Mineração represents underground operations.
5
The yield of Tau Tona and Obuasi represents underground operations.
3
The yield of Bibiani, Siguiri and Iduapriem represents open-pit operations.
6
The yield is calculated on gold placed into leach pad inventory / tonnes placed on to leach pad.
Rounding of figures may result in computational discrepancies.

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
Metric
Productivity per employee - g
Gold sold - kg
SOUTH AFRICA
266
256
252
249
20,800
21,109
83,212
88,854
Vaal River
Great Noligwa Mine
265
263

266
288
5,270
5,279
21,544
24,727
Kopanang Mine
239
256
240
225
3,662
3,936
14,991
15,103
Tau Lekoa Mine
156
180
168
185
1,902
2,196
8,252
9,122
Surface Operations
956
835
791
939
799
757
2,951
3,698
West Wits
Mponeng Mine
318
284
283
241
4,433
3,949
15,919
13,633
Savuka Mine
215
159
146
129
770
1,135
3,931

4,902
TauTona Mine
318
301
310
310
3,965
3,856
15,624
17,669
ARGENTINA
924
978
900
885
1,596
1,543
6,422
6,694
Cerro Vanguardia - Attributable 92.50%
924
978
900
885
1,596
1,543
6,422
6,694
AUSTRALIA
2,229
2,395
2,776
2,592
2,856
3,148
14,123
12,775
Sunrise Dam
2,552
2,696
3,143
2,989
2,856
3,148
14,123
12,764
Union Reefs
-
-
-
123

-
-
-
12
BRAZIL
726
712
692
668
2,782
2,476
10,347
10,389
AngloGold Ashanti Mineração
664
641
618
602
2,037
1,845
7,445
7,488
Serra Grande - Attributable 50%
982
1,015
999
926
745
632
2,902
2,901
GHANA
274
265
273
293
5,532
5,131
21,172
15,048
Bibiani
707
510
521
670
768
860
3,578
3,253
Iduapriem - Attributable 85%
648

628
635
663
1,515
1,366
5,423
3,853
Obuasi
195
190
196
196
3,248
2,906
12,171
7,942
GUINEA
534
565
592
340
1,936
2,067
7,674
2,716
Siguiri - Attributable 85%
534
565
592
340
1,936
2,067
7,674
2,716
MALI
1,731
2,014
1,946
1,603
4,284
4,143
16,450
14,717
Morila - Attributable 40%
2,051
3,409
3,097
1,953
1,916
2,166
8,148

6,304
Sadiola - Attributable 38%
1,629
1,792
1,719
1,952
1,370
1,378
5,250
5,418
Yatela - Attributable 40%
1,434
975
1,103
943
997
599
3,052
2,994
NAMIBIA
758
702
664
687
698
621
2,512
2,121
Navachab
758
702
664
687
698
621
2,512
2,121
TANZANIA
920
1,049
1,195
1,262
3,398
4,339
18,701
17,674
Geita - Attributable 100% May 2004
920
1,049
1,195
1,262

3,398
4,339
18,701
17,674
USA
2,878
3,003
2,728
2,726
2,563
2,872
10,154
10,305
Cripple Creek & Victor J.V.
2,878
3,003
2,728
2,726
2,563
2,872
10,154
10,305
ZIMBABWE
-
-
-
98
-
-
-
293
Freda-Rebecca
-
-
-
98
-
-
-
292
ANGLOGOLD ASHANTI
381
396
388
368
46,445
47,449
190,767
181,585
Rounding of figures may result in computational discrepancies.

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
SA Rand / Metric
Total cash costs - R/kg
Total production costs - R/kg
SOUTH AFRICA
56,198
59,053
59,343
58,630
76,024
75,532
75,434
68,357
Vaal River
Great Noligwa Mine
50,311
56,203

53,868
47,820
73,628
68,992
67,024
53,781
Kopanang Mine
55,227
53,142
56,427
58,220
70,300
70,869
69,594
65,460
Tau Lekoa Mine
92,559
78,182
83,885
76,428
119,704
95,657
103,932
89,168
Surface Operations
51,135
59,142
58,636
51,662
51,135
59,142
58,636
51,662
West Wits
Mponeng Mine
51,902
57,014
57,084
66,437
64,155
79,527
74,309
79,718
Savuka Mine
62,419
79,484
87,200
94,036
87,574
95,304
105,194

108,457
TauTona Mine
52,087
54,202
52,158
50,531
79,572
71,140
74,418
64,085
ARGENTINA
37,261
42,746
35,698
32,325
58,910
67,818
57,543
56,773
Cerro Vanguardia - Attributable 92.50%
36,290
42,180
35,035
32,188
57,810
67,116
56,756
56,501
AUSTRALIA
52,105
69,032
56,904
55,720
95,049
85,550
78,313
70,196
Sunrise Dam
48,903
67,566
54,924
53,488
81,376
83,882
74,065
67,039
BRAZIL
42,781
39,079
37,709
26,835

54,081
52,434
49,123
38,200
AngloGold Ashanti Mineração
39,945
36,065
34,619
27,547
50,386
50,595
46,446
39,417
Serra Grande - Attributable 50%
36,418
33,207
32,414
27,774
49,378
42,700
42,027
36,818
GHANA
76,525
71,666
69,504
59,286
113,316
96,971
97,018
83,551
Bibiani
69,913
64,529
62,273
50,921
128,268
97,587
98,650
74,906
Iduapriem - Attributable 85%
83,222
77,230
71,330
61,219
107,588
98,025
92,403
85,029
Obuasi
75,184

71,204
70,817
61,776
112,164
96,328
98,595
86,376
GUINEA
72,822
64,817
62,009
88,884
106,570
88,239
85,331
106,970
Siguiri - Attributable 85%
72,822
64,817
62,009
88,884
106,570
88,239
85,331
106,970
MALI
49,504
44,963
45,135
43,358
67,484
64,663
63,108
57,685
Morila - Attributable 40%
47,734
40,511
39,083
37,565
70,011
69,496
60,147
53,829
Sadiola - Attributable 38%
59,678
50,341
54,377
49,856
72,230
62,898
68,784

62,086
Yatela - Attributable 40%
43,556
59,688
53,754
52,627
60,795
63,983
69,469
66,511
NAMIBIA
54,386
56,025
65,300
71,118
33,958
56,659
66,354
79,673
Navachab
54,386
56,025
65,300
71,118
33,958
56,659
66,354
79,673
TANZANIA
68,370
74,172
61,182
51,200
100,414
87,353
79,377
67,072
Geita - Attributable 100% May 2004
68,370
74,172
61,182
51,200
100,414
87,353
79,377
67,072
USA
52,406
49,274
48,356
46,187

74,369
71,681
69,581
62,852
Cripple Creek & Victor J.V.
50,297
48,304
47,124
45,158
72,260
70,711
68,349
61,824
ZIMBABWE
-
-
-
86,529
-
-
-
121,825
Freda-Rebecca
-
-
-
86,529
-
-
-
121,825
ANGLOGOLD ASHANTI
58,367
59,453
57,465
54,276
82,873
78,082
76,495
68,221
Rounding of figures may result in computational discrepancies.

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
SA Rand
SOUTH AFRICA
910
613
2,562
2,193
548
383
1,480
1,462
Vaal River
Great Noligwa Mine
274
175
768
861

164
137
556
758
Kopanang Mine
162
123
476
383
118
93
347
294
Tau Lekoa Mine
19
18
59
60
(30)
(12)
(84)
(40)
Surface Operations
42
27
105
122
42
27
105
122
West Wits
Mponeng Mine
212
124
553
239
162
59
318
70
Savuka Mine
9
8
(6)
(66)
7
(2)
(46)
(117)
TauTona Mine

192
138
607
594
85
81
284
375
ARGENTINA
96
81
354
370
61
37
203
202
Cerro Vanguardia - Attributable 92.50%
91
76
332
344
58
36
193
189
Minorities and exploration
5
5
22
26
3
1
10
13
AUSTRALIA
90
79
494
555
44
32
288
390
Sunrise Dam
90
79
494
561
44
32

288
396
Union Reefs
-
-
-
(6)
-
-
-
(6)
BRAZIL
187
163
687
685
147
124
543
547
AngloGold Ashanti Mineração
99
100
389
374
78
75
304
291
Serra Grande - Attributable 50%
49
35
165
138
39
29
137
112
Minorities and exploration
39
28
133
173
30
20
102
144
GHANA
19
38
249

128
(107)
(70)
(191)
(130)
Bibiani
(29)
1
15
56
(36)
(23)
(66)
(9)
Iduapriem - Attributable 85%
(9)
5
52
23
(30)
(12)
(16)
(29)
Obuasi
56
28
165
35
(36)
(33)
(104)
(92)
Minorities and exploration
1
4
17
14
(5)
(2)
(5)
-
GUINEA
68
56
258
(81)
6
6
98
(93)
Siguiri - Attributable 85%

55
45
211
(78)
3
4
81
(84)
Minorities and exploration
13
11
47
(3)
3
2
17
(9)
MALI
209
186
732
503
137
106
443
306
Morila - Attributable 40%
91
108
413
248
52
47
245
150
Sadiola - Attributable 38%
64
60
205
167
47
43
131
105
Yatela - Attributable 40%
54
18
114
88
38
16

68
51
NAMIBIA
74
30
110
28
46
23
64
11
Navachab
74
30
110
28
46
23
64
11
TANZANIA
51
54
289
372
43
(9)
49
150
Geita - Attributable 100% May 2004
51
54
289
372
43
(9)
49
150
USA
87
99
363
300
23
27
107
43
Cripple Creek & Victor J.V.
87
99
363

300
23
27
107
43
ZIMBABWE
-
-
-
-
-
-
-
(9)
Freda-Rebecca
-
-
-
-
-
-
-
(9)
OTHER
(56)
36
(24)
39
(78)
19
(96)
(35)
ANGLOGOLD ASHANTI
1,735
1,435
6,074
5,092
870
678
2,988
2,844
1
Gross profit (loss) adjusted for the effect of unrealised non-hedge derivatives plus amortisation of tangible and intangible assets, less non-cash revenues.
Rounding of figures may result in computational discrepancies.
Gross profit (loss) adjusted for the effect of
unrealised non-hedge derivatives - Rm
Cash gross profit (loss) - Rm
1

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
Imperial
Yield - oz/t
Gold produced - oz (000)
SOUTH AFRICA
1
669
677
2,676
2,857
Vaal River
Great Noligwa Mine
0.249
0.263
0.271
0.303
170

170
693
795
Kopanang Mine
0.212
0.229
0.215
0.215
118
126
482
486
Tau Lekoa Mine
0.103
0.123
0.116
0.113
61
71
265
293
Surface Operations
0.016
0.016
0.015
0.018
26
24
95
119
West Wits
Mponeng Mine
0.285
0.263
0.267
0.237
143
127
512
438
Savuka Mine
0.282
0.234
0.198
0.181
25
36
126
158
TauTona Mine
5

0.260
0.289
0.281
0.317
128
124
502
568
ARGENTINA
51
52
211
211
Cerro Vanguardia - Attributable 92.50%
0.218
0.212
0.225
0.222
51
52
211
211
AUSTRALIA
92
101
455
410
Sunrise Dam
0.078
0.095
0.107
0.101
92
101
455
410
BRAZIL
90
89
346
334
AngloGold Ashanti Mineração
2
0.209
0.206
0.212
0.229
66
65
250
240

Serra Grande - Attributable 50%
0.224
0.233
0.231
0.228
24
24
96
94
GHANA
169
169
680
485
Bibiani
3
0.037
0.042
0.042
0.056
25
28
115
105
Iduapriem
3
- Attributable 85%
0.048
0.050
0.050
0.050
44
44
174
125
Obuasi
5
0.142
0.135
0.139
0.154
100
98
391
255
GUINEA
62
61
246
83
Siguiri

3
- Attributable 85%
0.033
0.034
0.035
0.032
62
61
246
83
MALI
132
135
528
475
Morila - Attributable 40%
0.140
0.155
0.158
0.130
58
69
262
204
Sadiola - Attributable 38%
0.077
0.078
0.080
0.081
43
44
168
174
Yatela
4
- Attributable 40%
0.109
0.090
0.087
0.099
31
21
98
97
NAMIBIA
22
21
81
66
Navachab
0.067

0.058
0.060
0.046
22
21
81
66
TANZANIA
120
137
613
570
Geita - Attributable 100% May 2004
0.070
0.079
0.092
0.109
120
137
613
570
USA
85
92
330
329
Cripple Creek & Victor J.V.
4
0.018
0.018
0.018
0.018
85
92
330
329
ZIMBABWE
-
-
-
9
Freda-Rebecca
-
-
-
0.048
-
-
-
9
ANGLOGOLD ASHANTI

1,494
1,534
6,166
5,829
Underground Operations
0.211
0.215
0.213
0.219
817
816
3,243
3,270
Surface and Dump Reclamation
0.016
0.017
0.015
0.018
37
37
136
138
Open-pit Operations
0.065
0.072
0.080
0.094
507
547
2,246
1,883
Heap leach Operations
6
0.025
0.023
0.024
0.024
132
134
541
538
1,494
1,534
6,166
5,829
1
Attributable year to date production at Moab Khotsong yielded 29,862 oz which will be
4
Yatela and Cripple Creek & Victor Joint Venture operations yield reflects gold
capitalised against pre-production costs.
placed/tonnes placed.

2
The yield of AngloGold Ashanti Mineração represents underground operations.
5
The yield of Tau Tona and Obuasi represents underground operations
3
The yield of Bibiani, Siguiri and Iduapriem represents open-pit operations.
6
The yield is calculated on gold placed into leach pad inventory / tonnes placed on to leach pad.
Rounding of figures may result in computational discrepancies.

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
Imperial
Productivity per employee - oz
Gold sold - oz (000)
SOUTH AFRICA
8.55
8.24
8.11
7.99
669
679
2,675
2,857
Vaal River
Great Noligwa Mine
8.52
8.47

8.55
9.28
169
170
693
795
Kopanang Mine
7.70
8.23
7.71
7.25
118
127
482
486
Tau Lekoa Mine
5.01
5.78
5.41
5.95
61
71
265
293
Surface Operations
30.74
26.85
25.44
30.19
26
24
95
119
West Wits
Mponeng Mine
10.22
9.12
9.10
7.75
143
127
512
438
Savuka Mine
6.91
5.10
4.70
4.16
25
36
126

158
TauTona Mine
10.24
9.67
9.97
9.98
127
124
502
568
ARGENTINA
29.70
31.44
28.95
28.46
51
50
206
216
Cerro Vanguardia - Attributable 92.50%
29.70
31.44
28.95
28.46
51
50
206
216
AUSTRALIA
71.68
77.01
89.27
83.34
92
101
454
410
Sunrise Dam
82.06
86.67
101.06
96.10
92
101
454
411
BRAZIL
23.33
22.90
22.23
21.47

89
80
333
334
AngloGold Ashanti Mineração
21.34
20.61
19.88
19.37
65
59
239
241
Serra Grande - Attributable 50%
31.58
32.64
32.12
29.79
24
20
93
93
GHANA
8.82
8.52
8.78
9.43
178
165
681
484
Bibiani
22.75
16.41
16.75
21.54
25
28
115
105
Iduapriem - Attributable 85%
20.85
20.19
20.43
21.33
49
44
174
124
Obuasi
6.26

6.12
6.30
6.29
104
93
391
255
GUINEA
17.17
18.16
19.03
10.92
62
66
247
87
Siguiri - Attributable 85%
17.17
18.16
19.03
10.92
62
66
247
87
Minorities and exploration
MALI
55.65
64.77
62.56
51.55
138
133
529
473
Morila - Attributable 40%
65.94
109.61
99.57
62.80
62
70
262
203
Sadiola - Attributable 38%
52.38
57.62
55.27
62.76
44
44

169
174
Yatela - Attributable 40%
46.11
31.36
35.48
30.31
32
19
98
96
NAMIBIA
24.37
22.58
21.36
22.10
22
20
81
68
Navachab
24.37
22.58
21.36
22.10
22
20
81
68
TANZANIA
29.58
33.74
38.41
40.58
109
139
601
568
Geita - Attributable 100% May 2004
29.58
33.74
38.41
40.58
109
139
601
568
USA
92.52
96.54
87.71

87.65
82
92
326
331
Cripple Creek & Victor J.V.
92.52
96.54
87.71
87.65
82
92
326
331
ZIMBABWE
-
-
-
3.16
-
-
-
9
Freda-Rebecca
-
-
-
3.16
-
-
-
9
ANGLOGOLD ASHANTI
12.25
12.74
12.48
11.84
1,493
1,526
6,133
5,838
Rounding of figures may result in computational discrepancies.

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
US Dollar / Imperial
Total cash costs - $/oz
Total production costs - $/oz
SOUTH AFRICA
268
282
291
284
363
361
369
331
Vaal River
Great Noligwa Mine
240
269

264
231
353
330
329
260
Kopanang Mine
263
254
277
281
335
339
341
317
Tau Lekoa Mine
441
374
410
370
571
457
509
432
Surface Operations
244
283
287
250
244
283
287
250
West Wits
Mponeng Mine
247
272
279
322
305
380
363
386
Savuka Mine
297
379
430
455
416
455
517

523
TauTona Mine
248
259
256
245
380
339
364
311
ARGENTINA
177
205
174
157
280
323
281
275
Cerro Vanguardia - Attributable 92.50%
173
202
171
156
275
320
277
274
AUSTRALIA
246
330
279
271
449
409
383
341
Sunrise Dam
231
323
269
260
384
401
363
326
BRAZIL
204
187
184
130

258
251
239
185
AngloGold Ashanti Mineração
190
173
169
133
240
242
226
191
Serra Grande - Attributable 50%
174
159
158
134
236
204
205
178
GHANA
364
343
339
293
540
464
473
413
Bibiani
334
308
305
251
608
467
482
369
Iduapriem - Attributable 85%
397
369
348
303
513
468
451
423
Obuasi
357

341
345
305
535
461
481
426
GUINEA
341
310
301
443
502
422
414
534
Siguiri - Attributable 85%
341
310
301
443
502
422
414
534
MALI
236
215
220
211
322
309
308
281
Morila - Attributable 40%
227
194
191
184
333
333
293
263
Sadiola - Attributable 38%
284
240
265
242
344
300
336

301
Yatela - Attributable 40%
208
285
263
255
290
305
340
323
NAMIBIA
259
268
321
348
156
271
326
389
Navachab
259
268
321
348
156
271
326
389
TANZANIA
326
353
298
250
478
416
387
328
Geita - Attributable 100% May 2004
326
353
298
250
478
416
387
328
USA
249
236
236
225

354
343
339
305
Cripple Creek & Victor J.V.
239
231
230
220
344
338
333
300
ZIMBABWE
-
-
-
417
-
-
-
589
Freda-Rebecca
-
-
-
417
-
-
-
589
ANGLOGOLD ASHANTI
278
284
281
264
395
373
374
332
Rounding of figures may result in computational discrepancies.

Key
operating results
PER REGION & OPERATION
Quarter
Quarter
Year
Year
Quarter
Quarter
Year
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2005
2004
2005
2005
2005
2004
US Dollar
Cash gross profit (loss) - $m
1
SOUTH AFRICA
138
94
399
342
84
59
230
228
Vaal River
Great Noligwa Mine
42
27

120
134
25
21
87
118
Kopanang Mine
25
19
74
60
18
14
54
46
Tau Lekoa Mine
3
3
9
10
(5)
(2)
(14)
(6)
Surface Operations
6
4
16
19
6
4
16
19
West Wits
Mponeng Mine
32
19
86
37
25
9
49
11
Savuka Mine
1
1
(1)
(10)
1
-
(8)

(18)
TauTona Mine
29
21
95
92
13
12
44
58
ARGENTINA
15
12
56
58
9
6
32
32
Cerro Vanguardia - Attributable 92.50%
14
12
52
54
9
5
31
30
Minorities and exploration
1
-
4
4
-
1
1
2
AUSTRALIA
14
12
78
87
7
5
46
61
Sunrise Dam
14
12
78
88

7
5
46
62
Union Reefs
-
-
-
(1)
-
-
-
(1)
BRAZIL
29
25
108
107
23
19
86
85
AngloGold Ashanti Mineração
15
15
61
58
12
12
48
45
Serra Grande - Attributable 50%
8
5
26
22
6
4
22
18
Minorities and exploration
6
5
21
27
5
3
16
22
GHANA
3

6
40
19
(16)
(11)
(29)
(22)
Bibiani
(4)
-
3
8
(6)
(4)
(10)
(2)
Iduapriem - Attributable 85%
(1)
1
9
4
(5)
(2)
(2)
(5)
Obuasi
9
4
26
5
(5)
(5)
(16)
(15)
Minorities and exploration
(1)
1
2
2
-
-
(1)
-
GUINEA
10
9
40
(13)
1
1
15

(16)
Siguiri - Attributable 85%
8
7
33
(13)
1
1
12
(14)
Minorities and exploration
2
2
7
-
-
-
3
(2)
MALI
32
29
115
80
21
16
69
49
Morila - Attributable 40%
14
17
65
40
8
7
39
25
Sadiola - Attributable 38%
10
9
32
26
7
7
20
16
Yatela - Attributable 40%
8
3
18
14

6
2
11
8
NAMIBIA
12
5
17
4
7
4
10
1
Navachab
12
5
17
4
7
4
10
1
TANZANIA
8
9
47
58
7
(1)
9
23
Geita - Attributable 100% May 2004
8
9
47
58
7
(1)
9
23
USA
13
15
57
47
4
4
17
7
Cripple Creek & Victor J.V.
13

15
57
47
4
4
17
7
ZIMBABWE
-
-
-
-
-
-
-
(1)
Freda-Rebecca
-
-
-
-
-
-
-
(1)
OTHER
(7)
5
(3)
4
(12)
3
(16)
(6)
ANGLOGOLD ASHANTI
267
221
954
793
134
105
469
441
1
Gross profit (loss) adjusted for the effect of unrealised non-hedge derivatives plus amortisation of tangible and intangible assets, less non-cash revenues.
Rounding of figures may result in computational discrepancies.
Gross profit (loss) adjusted for the effect of unrealised
non-hedge derivatives - $m

South Africa
VAAL RIVER
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
GREAT NOLIGWA MINE
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Area mined
- 000 m²
/
- 000 ft²
104
104
115
418
1,116
1,115
1,236
4,503

Milled
- 000 tonnes
/
- 000 tons
617
584
618
2,317
681
644
682
2,554
Yield
- g / t
/
- oz / t
8.54
9.03
10.21
9.30
0.249
0.263
0.298
0.271
Gold produced
- kg
/
- oz (000)
5,274
5,275
6,314
21,547
170
170
203
693
Gold sold
- kg
/
- oz (000)
5,270
5,279
6,318
21,544
169
170
203
693
Price received
- R / kg
/

- $ / oz
- sold
102,524
94,376
83,526
92,643
488
452
430
453
Total cash costs
- R
/
- $
- ton milled
430
508
465
501
60
71
70
72
- R / kg
/
- $ / oz
- produced
50,311
56,203
45,517
53,868
240
269
234
264
Total production costs
- R / kg
/
- $ / oz
- produced
73,628
68,992
52,305
67,024
353
330
269
329
PRODUCTIVITY PER EMPLOYEE
Target
- g

/
- oz
302
303
300
297
9.72
9.73
9.65
9.55
Actual
- g
/
- oz
265
263
306
266
8.52
8.47
9.84
8.55
Target
- m²
/
- ft²
5.45
5.52
5.17
5.27
58.68
59.44
55.70
56.78
Actual
- m²
/
- ft²
5.21
5.17
5.57
5.16
56.04
55.69
59.93
55.58
FINANCIAL RESULTS (MILLION)
Gold income
488
458
511

1,896
75
70
84
298
Cost of sales
377
361
332
1,440
58
56
54
227
Cash operating costs
265
295
285
1,153
41
45
47
182
Other cash costs
-
2
3
8
-
-
-
1
Total cash costs
265
296
288
1,161
41
46
47
183
Retrenchment costs
11
11
4
35
2
2
-
6
Rehabilitation and other non-cash costs

2
18
9
36
-
3
2
6
Production costs
278
326
301
1,232
43
50
49
194
Amortisation of tangible assets
110
38
30
212
17
6
5
33
Inventory change
(12)
(3)
1
(4)
(2)
-
-
(1)
112
97
179
456
17
15
30
71
Realised non-hedge derivatives
52
41
17
100
8
6
3

16
Gross profit excluding the effect of unrealised non-hedge derivatives
164
137
196
556
25
21
33
87
Capital expenditure
124
47
74
275
19
7
12
43
Rounding of figures may result in computational discrepancies.

South Africa
VAAL RIVER
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
KOPANANG MINE
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Area mined
- 000 m²
/
- 000 ft²
120
118
128
482
1,293
1,269
1,383
5,193

Milled
- 000 tonnes
/
- 000 tons
504
501
529
2,031
556
553
583
2,239
Yield
- g / t
/
- oz / t
7.27
7.85
7.23
7.38
0.212
0.229
0.211
0.215
Gold produced
- kg
/
- oz (000)
3,664
3,933
3,825
14,993
118
126
123
482
Gold sold
- kg
/
- oz (000)
3,662
3,936
3,828
14,991
118
127
123
482
Price received
- R / kg
/

- $ / oz
- sold
102,370
94,150
83,570
92,752
488
450
431
453
Total cash costs
- R
/
- $
- ton milled
402
417
401
417
56
58
60
60
- R / kg
/
- $ / oz
- produced
55,227
53,142
55,491
56,427
263
254
285
277
Total production costs
- R / kg
/
- $ / oz
- produced
70,300
70,869
64,467
69,594
335
339
332
341
PRODUCTIVITY PER EMPLOYEE
Target
- g

/
- oz
221
221
207
219
7.09
7.11
6.67
7.05
Actual
- g
/
- oz
239
256
227
240
7.70
8.23
7.30
7.71
Target
- m²
/
- ft²
7.09
7.09
6.67
7.00
76.32
76.28
71.74
75.39
Actual
- m²
/
- ft²
7.85
7.67
7.63
7.72
84.51
82.61
82.11
83.10
FINANCIAL RESULTS (MILLION)
Gold income
338
342
309

1,324
52
53
51
208
Cost of sales
257
278
248
1,044
39
43
41
164
Cash operating costs
202
207
210
840
31
32
35
132
Other cash costs
-
2
2
6
-
-
-
1
Total cash costs
202
209
212
846
31
32
35
133
Retrenchment costs
8
10
2
26
1
2
-
4
Rehabilitation and other non-cash costs

3
30
7
43
-
5
2
7
Production costs
213
249
221
914
33
38
37
144
Amortisation of tangible assets
44
30
26
129
7
5
4
20
Inventory change
(1)
(1)
1
-
-
-
-
-
81
64
61
281
12
10
10
43
Realised non-hedge derivatives
37
29
11
66
6
4
2

11
Gross profit excluding the effect of unrealised non-hedge derivatives
118
93
72
347
18
14
12
54
Capital expenditure
69
70
78
264
11
11
13
41
Rounding of figures may result in computational discrepancies.

South Africa
VAAL RIVER
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
TAU LEKOA MINE
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Area mined
- 000 m²
/
- 000 ft²
99
104
112
399
1,067
1,118
1,202
4,299

Milled
- 000 tonnes
/
- 000 tons
540
522
603
2,082
596
576
665
2,295
Yield
- g / t
/
- oz / t
3.52
4.20
3.87
3.96
0.103
0.123
0.113
0.116
Gold produced
- kg
/
- oz (000)
1,904
2,195
2,335
8,253
61
71
75
265
Gold sold
- kg
/
- oz (000)
1,902
2,196
2,336
8,252
61
71
75
265
Price received
- R / kg
/

- $ / oz
- sold
102,339
94,110
83,603
93,113
488
450
433
455
Total cash costs
- R
/
- $
- ton milled
326
329
299
333
45
46
45
47
- R / kg
/
- $ / oz
- produced
92,559
78,182
77,233
83,885
441
374
397
410
Total production costs
- R / kg
/
- $ / oz
- produced
119,704
95,657
91,876
103,932
571
457
473
509
PRODUCTIVITY PER EMPLOYEE
Target
- g

/
- oz
223
221
218
218
7.16
7.10
7.01
7.02
Actual
- g
/
- oz
156
180
191
168
5.01
5.78
6.16
5.41
Target
- m²
/
- ft²
9.71
9.73
9.20
9.66
104.55
104.76
99.00
104.00
Actual
- m²
/
- ft²
8.12
8.51
9.15
8.14
87.38
91.55
98.53
87.61
FINANCIAL RESULTS (MILLION)
Gold income
176
191
188

731
27
29
31
114
Cost of sales
225
219
217
852
34
34
36
134
Cash operating costs
176
171
179
688
27
26
30
108
Other cash costs
-
1
1
4
-
-
-
1
Total cash costs
176
172
180
692
27
26
30
109
Retrenchment costs
4
5
2
16
1
1
-
2
Rehabilitation and other non-cash costs

(2)
4
5
6
-
1
1
1
Production costs
178
180
187
714
27
28
31
112
Amortisation of tangible assets
49
30
28
143
8
5
5
23
Inventory change
(3)
9
2
(5)
-
1
-
(1)
(49)
(28)
(29)
(122)
(8)
(4)
(5)
(20)
Realised non-hedge derivatives
19
16
8
38
3
2
2

6
Gross loss excluding the effect of unrealised non-hedge derivatives
(30)
(12)
(21)
(84)
(5)
(2)
(3)
(14)
Capital expenditure
24
20
46
93
4
3
8
15
Rounding of figures may result in computational discrepancies.

South Africa
VAAL RIVER
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
SURFACE OPERATIONS
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
Milled
- 000 tonnes
/
- 000 tons
1,442
1,422
1,594
5,845
1,589
1,567
1,757
6,443
Yield

- g / t
/
- oz / t
0.55
0.53
0.55
0.51
0.016
0.016
0.016
0.015
Gold produced
- kg
/
- oz (000)
800
757
880
2,952
26
24
28
95
Gold sold
- kg
/
- oz (000)
799
757
880
2,951
26
24
28
95
Price received
- R / kg
/
- $ / oz
- sold
102,243
94,492
83,675
93,285
487
453
431
455
Total cash costs
- R
/

- $
- ton milled
28
31
33
30
4
4
5
4
- R / kg
/
- $ / oz
- produced
51,135
59,142
58,950
58,636
244
283
302
287
Total production costs
- R / kg
/
- $ / oz
- produced
51,135
59,142
58,950
58,636
244
283
302
287
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
733
704
765
727
23.57
22.64
24.59
23.38
Actual
- g
/

- oz
956
835
902
791
30.74
26.85
29.00
25.44
FINANCIAL RESULTS (MILLION)
Gold income
74
66
71
261
11
10
12
41
Cost of sales
40
45
52
170
6
7
9
27
Cash operating costs
41
45
52
173
6
7
9
27
Other cash costs
-
-
-
-
-
-
-
-
Total cash costs
41
45
52
173

6
7
9
27
Retrenchment costs
-
-
-
-
-
-
-
-
Rehabilitation and other non-cash costs
-
-
-
-
-
-
-
-
Production costs
41
45
52
173
6
7
9
27
Amortisation of tangible assets
-
-
-
-
-
-
-
-
Inventory change
(1)
-
-
(3)
-
-
-
-
34
21

19
91
5
3
3
14
Realised non-hedge derivatives
8
6
2
14
1
1
1
2
Gross profit excluding the effect of unrealised non-hedge derivatives
42
27
21
105
6
4
4
16
Capital expenditure
66
53
71
170
10
8
11
27
Rounding of figures may result in computational discrepancies.

South Africa
WEST WITS
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
MPONENG MINE
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Area mined
- 000 m²
/
- 000 ft²
93
88
89
351
1,000
947
961
3,776

Milled
- 000 tonnes
/
- 000 tons
454
438
451
1,739
500
483
497
1,917
Yield
- g / t
/
- oz / t
9.77
9.01
7.71
9.15
0.285
0.263
0.225
0.267
Gold produced
- kg
/
- oz (000)
4,436
3,946
3,477
15,921
143
127
112
512
Gold sold
- kg
/
- oz (000)
4,433
3,949
3,477
15,919
143
127
112
512
Price received
- R / kg
/

- $ / oz
- sold
101,950
94,544
83,118
93,766
486
453
431
457
Total cash costs
- R
/
- $
- ton milled
507
514
501
523
70
72
75
75
- R / kg
/
- $ / oz
- produced
51,902
57,014
64,994
57,084
247
272
334
279
Total production costs
- R / kg
/
- $ / oz
- produced
64,155
79,527
79,277
74,309
305
380
409
363
PRODUCTIVITY PER EMPLOYEE
Target
- g

/
- oz
281
260
259
256
9.02
8.35
8.32
8.22
Actual
- g
/
- oz
318
284
246
283
10.22
9.12
7.90
9.10
Target
- m²
/
- ft²
5.90
5.84
5.68
5.67
63.52
62.85
61.19
61.02
Actual
- m²
/
- ft²
6.65
6.32
6.31
6.23
71.61
68.05
67.92
67.10
FINANCIAL RESULTS (MILLION)
Gold income
410
343
279

1,417
63
53
46
222
Cost of sales
290
314
276
1,175
44
48
46
185
Cash operating costs
230
223
224
902
35
34
37
142
Other cash costs
1
2
2
6
-
-
-
1
Total cash costs
230
225
226
909
35
35
37
143
Retrenchment costs
6
7
1
21
1
1
-
3
Rehabilitation and other non-cash costs

(2)
17
4
18
-
3
1
3
Production costs
235
249
231
948
36
38
38
149
Amortisation of tangible assets
50
65
45
236
8
10
8
37
Inventory change
5
-
-
(8)
1
-
-
(1)
120
29
3
242
18
4
-
37
Realised non-hedge derivatives
42
31
10
76
7
5
2

12
Gross profit excluding the effect of unrealised non-hedge derivatives
162
59
13
318
25
9
2
49
Capital expenditure
81
76
112
301
12
12
18
47
Rounding of figures may result in computational discrepancies.

South Africa
WEST WITS
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
SAVUKA MINE
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Area mined
- 000 m²
/
- 000 ft²
17
30
45
125
187
325
485
1,341

Milled
- 000 tonnes
/
- 000 tons
80
140
198
578
88
154
219
637
Yield
- g / t
/
- oz / t
9.68
8.01
6.56
6.80
0.282
0.234
0.191
0.198
Gold produced
- kg
/
- oz (000)
770
1,121
1,302
3,930
25
36
42
126
Gold sold
- kg
/
- oz (000)
770
1,135
1,303
3,931
25
36
42
126
Price received
- R / kg
/

- $ / oz
- sold
102,344
94,223
82,709
92,916
487
450
427
454
Total cash costs
- R
/
- $
- ton milled
604
637
584
593
84
89
88
85
- R / kg
/
- $ / oz
- produced
62,419
79,484
88,981
87,200
297
379
458
430
Total production costs
- R / kg
/
- $ / oz
- produced
87,574
95,304
92,917
105,194
416
455
476
517
PRODUCTIVITY PER EMPLOYEE
Target
- g

/
- oz
149
147
142
148
4.80
4.72
4.55
4.76
Actual
- g
/
- oz
215
159
143
146
6.91
5.10
4.58
4.70
Target
- m²
/
- ft²
4.99
5.02
4.85
5.04
53.75
54.08
52.17
54.29
Actual
- m²
/
- ft²
4.84
4.27
4.93
4.63
52.13
45.97
53.06
49.87
FINANCIAL RESULTS (MILLION)
Gold income
72
99
105

348
11
15
17
55
Cost of sales
71
109
125
411
11
17
21
65
Cash operating costs
48
88
115
339
7
14
19
54
Other cash costs
-
1
1
3
-
-
-
1
Total cash costs
48
89
116
343
7
14
19
54
Retrenchment costs
19
16
-
39
3
3
-
6
Rehabilitation and other non-cash costs

(1)
(8)
(7)
(8)
-
(1)
(1)
(1)
Production costs
66
97
109
374
10
15
18
59
Amortisation of tangible assets
1
10
12
40
-
2
2
6
Inventory change
4
2
4
(3)
1
-
1
-
-
(10)
(20)
(63)
-
(2)
(4)
(10)
Realised non-hedge derivatives
7
8
3
17
1
1
-

3
Gross profit (loss) excluding the effect of unrealised non-hedge derivatives
7
(2)
(17)
(46)
1
-
(4)
(8)
Capital expenditure
2
8
13
38
-
1
2
6
Rounding of figures may result in computational discrepancies.

South Africa
WEST WITS
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
TAUTONA MINE
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Area mined
- 000 m²
/
- 000 ft²
72
63
67
273
779
674
721
2,935

Milled
- 000 tonnes
/
- 000 tons
442
388
405
1,620
487
427
446
1,786
Yield
- g / t
/
- oz / t
8.90
9.91
10.08
9.62
0.260
0.289
0.294
0.281
Gold produced
- kg
/
- oz (000)
3,929
3,843
4,081
15,586
126
124
131
501
SURFACE AND DUMP RECLAMATION
Treated
- 000 tonnes
/
- 000 tons
75
-
-
75
83
-
-
83
Yield
- g / t

/
- oz / t
0.54
-
-
0.54
0.016
-
-
0.016
Gold produced
- kg
/
- oz (000)
41
-
-
41
1
-
-
1
TOTAL
Yield
1
- g / t
/
- oz / t
8.90
9.91
10.08
9.62
0.260
0.289
0.294
0.281
Gold produced
- kg
/
- oz (000)
3,970
3,843
4,081
15,627
128
124
131
502
Gold sold
- kg
/

- oz (000)
3,965
3,856
4,081
15,624
127
124
131
502
Price received
- R / kg
/
- $ / oz
- sold
102,120
94,078
82,874
92,799
486
449
428
453
Total cash costs
- R
/
- $
- ton milled
400
537
544
481
56
75
82
69
- R / kg
/
- $ / oz
- produced
52,087
54,202
54,011
52,158
248
259
278
256
Total production costs
- R / kg
/
- $ / oz

- produced
79,572
71,140
70,613
74,418
380
339
364
364
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
336
339
344
331
10.82
10.89
11.06
10.64
Actual
- g
/
- oz
318
301
285
310
10.24
9.67
9.15
9.97
Target
- m²
/
- ft²
5.30
5.24
5.17
5.17
57.09
56.41
55.60
55.69
Actual
- m²
/
- ft²
5.81

4.90
4.67
5.41
62.50
52.77
50.28
58.23
FINANCIAL RESULTS (MILLION)
Gold income
368
336
329
1,381
56
51
54
217
Cost of sales
319
282
291
1,166
49
43
48
183
Cash operating costs
206
207
219
809
32
32
36
128
Other cash costs
1
1
3
6
-
-
-
1
Total cash costs
207
208
222
815
32
32

36
129
Retrenchment costs
5
10
1
22
1
2
-
3
Rehabilitation and other non-cash costs
(3)
(2)
5
4
-
-
2
1
Production costs
209
216
228
840
32
33
38
133
Amortisation of tangible assets
107
57
61
322
16
9
10
51
Inventory change
4
9
2
3
1
1
-
-
48
54
38
216

7
8
6
33
Realised non-hedge derivatives
37
27
10
69
6
4
2
11
Gross profit excluding the effect of unrealised non-hedge derivatives
85
81
48
284
13
12
8
44
Capital expenditure
143
108
150
468
22
17
24
74
Rounding of figures may result in computational discrepancies.
1
Total yield excludes the surface and dump reclamation.

Argentina
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
CERRO VANGUARDIA - Attributable 92.50%
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
OPEN-PIT OPERATION
Mined
- 000 tonnes
/
- 000 tons
4,875
4,433
4,163
18,507
5,374
4,886
4,588
20,401
Treated

- 000 tonnes
/
- 000 tons
211
223
238
853
232
245
262
940
Stripping ratio
- t (mined total - mined ore) / t mined ore
22.30
20.13
14.92
19.06
22.30
20.13
14.92
19.06
Yield
- g / t
/
- oz / t
7.49
7.26
8.99
7.70
0.218
0.212
0.262
0.225
Gold in ore
- kg
/
- oz (000)
1,677
1,667
2,210
6,833
54
54
71
220
Gold produced
- kg
/
- oz (000)
1,577
1,616

2,135
6,564
51
52
68
211
Gold sold
- kg
/
- oz (000)
1,596
1,543
2,177
6,422
51
50
70
206
Price received
- R / kg
/
- $ / oz
- sold
90,615
83,691
80,928
81,617
432
400
415
399
Total cash costs
- R / kg
/
- $ / oz
- produced
36,290
42,180
25,172
35,035
173
202
130
171
Total production costs
- R / kg
/
- $ / oz
- produced
57,810
67,116

43,617
56,756
275
320
225
277
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
818
854
1,225
817
26.30
27.45
39.37
26.25
Actual
- g
/
- oz
924
978
1,068
900
29.70
31.44
34.35
28.95
FINANCIAL RESULTS (MILLION)
Gold income
160
140
191
571
24
21
32
90
Cost of sales
96
101
93
365
15
16
16
57
Cash operating costs

43
56
39
180
7
9
6
28
Other cash costs
14
12
15
50
2
2
3
8
Total cash costs
57
68
54
230
9
10
9
36
Rehabilitation and other non-cash costs
1
-
2
2
-
-
1
-
Production costs
58
68
56
232
9
10
10
36
Amortisation of tangible assets
32
40
37
139
5
6

6
22
Inventory change
5
(7)
-
(6)
1
(1)
-
(1)
64
39
98
206
10
6
16
33
Realised non-hedge derivatives
(5)
(3)
(2)
(13)
(1)
-
-
(2)
Gross profit excluding the effect of unrealised non-hedge derivatives
58
36
96
193
9
5
16
31
Capital expenditure
20
16
18
90
3
2
3
14
Rounding of figures may result in computational discrepancies.

Australia
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
SUNRISE DAM
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
OPEN-PIT OPERATION
Volume mined
- 000 bcm
/
- 000 bcy
2,938
2,723
2,916
11,050
3,843
3,562
3,814
14,454
Treated

- 000 tonnes
/
- 000 tons
934
913
940
3,625
1,030
1,006
1,037
3,996
Stripping ratio
- t (mined total - mined ore) / t mined ore
5.40
6.63
4.02
5.33
5.40
6.63
4.02
5.33
Yield
- g / t
/
- oz / t
2.69
3.24
3.73
3.68
0.078
0.095
0.109
0.107
Gold produced
- kg
/
- oz (000)
2,866
3,146
3,554
14,139
92
101
114
455
Gold sold
- kg
/
- oz (000)
2,856
3,148

3,547
14,123
92
101
114
454
Price received
- R / kg
/
- $ / oz
- sold
107,342
93,455
84,140
94,716
515
447
433
464
Total cash costs
- R / kg
/
- $ / oz
- produced
48,903
67,566
54,649
54,924
231
323
282
269
Total production costs
- R / kg
/
- $ / oz
- produced
81,376
83,882
68,925
74,065
384
401
356
363
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
2,112

2,577
2,838
2,709
67.89
82.86
91.26
87.11
Actual
- g
/
- oz
2,552
2,696
3,313
3,143
82.06
86.67
106.50
101.06
FINANCIAL RESULTS (MILLION)
Gold income
287
312
293
1,349
44
48
49
213
Cost of sales
262
262
174
1,050
40
40
30
165
Cash operating costs
132
205
186
744
20
32
31
117
Other cash costs
8
7
8

33
1
1
2
5
Total cash costs
140
213
194
777
21
33
33
122
Rehabilitation and other non-cash costs
47
5
2
65
7
1
1
10
Production costs
187
218
196
842
28
33
34
132
Amortisation of tangible assets
46
46
49
205
7
7
8
32
Inventory change
29
(2)
(71)
2
5
-
(12)
-
25

50
119
300
4
8
19
48
Realised non-hedge derivatives
19
(18)
5
(12)
3
(3)
1
(2)
Gross profit excluding the effect of unrealised non-hedge derivatives
44
32
124
288
7
5
20
46
Capital expenditure
60
60
36
214
9
9
6
34
Rounding of figures may result in computational discrepancies.

Brazil
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
ANGLOGOLD ASHANTI MINERAÇÃO
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Mined
- 000 tonnes
/
- 000 tons
212
222
233
859
233
245
257
947
Treated

- 000 tonnes
/
- 000 tons
237
226
216
900
261
249
238
992
Yield
- g / t
/
- oz / t
7.16
7.08
7.58
7.27
0.209
0.206
0.221
0.212
Gold produced
- kg
/
- oz (000)
1,696
1,600
1,635
6,542
55
51
53
210
SURFACE AND DUMP RECLAMATION
Treated
- 000 tonnes
/
- 000 tons
37
57
-
105
41
63
-
116
Yield
- g / t
/

- oz / t
2.30
2.53
-
2.39
0.067
0.074
-
0.070
Gold produced
- kg
/
- oz (000)
85
145
-
250
3
5
-
8
OPEN-PIT OPERATION
Mined
- 000 tonnes
/
- 000 tons
-
-
-
-
-
-
-
-
Treated
- 000 tonnes
/
- 000 tons
-
-
-
-
-
-
-
-
Stripping ratio
- t (mined total - mined ore) / t mined ore
-
-
-

-
-
-
-
-
Yield
- g / t
/
- oz / t
-
-
-
-
-
-
-
-
Gold in ore
- kg
/
- oz (000)
-
-
-
-
-
-
-
-
Gold produced
- kg
/
- oz (000)
-
-
-
-
-
-
-
-
HEAP LEACH OPERATION
Mined
- 000 tonnes
/
- 000 tons
846
1,291
536
3,984
933

1,423
591
4,392
Placed
1
- 000 tonnes
/
- 000 tons
68
79
37
249
74
87
41
275
Stripping ratio
- t (mined total - mined ore) / t mined ore
11.40
15.57
13.45
15.00
11.40
15.57
13.45
15.00
Yield
2
- g / t
/
- oz / t
4.38
2.69
5.66
3.43
0.128
0.078
0.165
0.100
Gold placed
3
- kg
/
- oz (000)
296
211
209
853
10
7
7

27
Gold produced
- kg
/
- oz (000)
287
267
202
971
9
9
6
31
TOTAL
Yield
4
- g / t
/
- oz / t
6.51
6.16
7.58
6.76
0.190
0.180
0.221
0.197
Gold produced
- kg
/
- oz (000)
2,068
2,011
1,837
7,763
66
65
59
250
Gold sold
- kg
/
- oz (000)
2,037
1,845
1,827
7,445
65
59
59
239

Price received
- R / kg
/
- $ / oz
- sold
94,047
88,652
70,724
87,643
451
422
365
427
Total cash costs
- R / kg
/
- $ / oz
- produced
39,945
36,065
26,356
34,619
190
173
135
169
Total production costs
- R / kg
/
- $ / oz
- produced
50,386
50,595
40,132
46,446
240
242
207
226
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
562
547
536
535
18.06
17.60
17.23

17.21
Actual
- g
/
- oz
664
641
610
618
21.34
20.61
19.62
19.88
FINANCIAL RESULTS (MILLION)
Gold income
171
156
128
598
26
24
21
94
Cost of sales
114
88
67
348
17
14
11
54
Cash operating costs
80
71
47
262
12
11
8
41
Other cash costs
2
2
2
7
-
-
-
1
Total cash costs

83
73
49
269
13
11
8
42
Rehabilitation and other non-cash costs
1
4
5
7
-
1
1
1
Production costs
84
77
54
275
13
12
9
43
Amortisation of tangible assets
21
25
20
85
3
4
3
13
Inventory change
9
(13)
(7)
(12)
1
(2)
(1)
(2)
58
67
61
250
9
10
10

39
Realised non-hedge derivatives
20
8
1
54
3
1
-
9
Gross profit excluding the effect of unrealised non-hedge derivatives
78
75
62
304
12
12
10
48
Capital expenditure
176
122
64
455
27
19
10
71
1
Tonnes / Tons placed on to leach pad.
2
Gold placed / tonnes (tons) placed.
3
Gold placed into leach pad inventory.
4
Total yield excludes the heap leach operation.
Rounding of figures may result in computational discrepancies.

Brazil
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
SERRA GRANDE - Attributable 50%
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Mined
- 000 tonnes
/
- 000 tons
96
97
96
378
105
107
106
417
Treated

- 000 tonnes
/
- 000 tons
97
94
93
378
106
103
103
416
Yield
- g / t
/
- oz / t
7.67
8.00
7.91
7.93
0.224
0.233
0.231
0.231
Gold produced
- kg
/
- oz (000)
741
748
738
2,993
24
24
24
96
Gold sold
- kg
/
- oz (000)
745
632
726
2,902
24
20
23
93
Price received
- R / kg
/
- $ / oz

- sold
99,723
87,425
70,233
88,345
479
417
362
432
Total cash costs
- R / kg
/
- $ / oz
- produced
36,418
33,207
28,505
32,414
174
159
147
158
Total production costs
- R / kg
/
- $ / oz
- produced
49,378
42,700
37,159
42,027
236
204
191
205
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
839
827
824
832
26.98
26.58
26.49
26.76
Actual
- g
/

- oz
982
1,015
978
999
31.58
32.64
31.43
32.12
FINANCIAL RESULTS (MILLION)
Gold income
65
52
51
232
10
8
8
37
Cost of sales
35
27
27
120
5
4
4
19
Cash operating costs
26
24
20
94
4
4
3
15
Other cash costs
1
1
1
3
-
-
-
-
Total cash costs
27
25
21
97

4
4
3
15
Rehabilitation and other non-cash costs
-
-
-
1
-
-
-
-
Production costs
27
25
21
98
4
4
3
15
Amortisation of tangible assets
10
7
6
28
1
1
1
4
Inventory change
(2)
(5)
-
(6)
-
(1)
-
(1)
30
25
24
113
5
4
4
18
Realised non-hedge derivatives
9
4

-
24
1
1
-
4
Gross profit excluding the effect of unrealised non-hedge derivatives
39
29
24
137
6
4
4
22
Capital expenditure
12
11
5
42
2
2
1
7
Rounding of figures may result in computational discrepancies.

Ghana
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
BIBIANI
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Mined
- 000 tonnes
/
- 000 tons
-
-
2
6
-
-
2
6
Treated

- 000 tonnes
/
- 000 tons
-
-
2
5
-
-
2
6
Yield
- g / t
/
- oz / t
-
-
0.13
4.83
-
-
0.004
0.141
Gold produced
- kg
/
- oz (000)
-
-
6
26
-
-
-
1
OPEN-PIT OPERATION
Mined
- 000 tonnes
/
- 000 tons
304
1,193
1,192
4,342
335
1,315
1,314
4,786
Treated
- 000 tonnes
/

- 000 tons
601
601
584
2,444
663
663
644
2,694
Stripping ratio
- t (mined total - mined ore) / t mined ore
5.46
9.28
2.80
6.76
5.46
9.28
2.80
6.76
Yield
- g / t
/
- oz / t
1.28
1.43
1.79
1.45
0.037
0.042
0.052
0.042
Gold in ore
- kg
/
- oz (000)
104
422
861
2,168
3
14
28
70
Gold produced
- kg
/
- oz (000)
768
860
1,043
3,552

25
28
34
114
TOTAL
Yield
- g / t
/
- oz / t
1.28
1.43
1.79
1.46
0.037
0.042
0.052
0.043
Gold produced
- kg
/
- oz (000)
768
860
1,048
3,578
25
28
34
115
Gold sold
- kg
/
- oz (000)
768
860
1,048
3,578
25
28
34
115
Price received
- R / kg
/
- $ / oz
- sold
98,691
89,597
61,728
89,302
469

430
310
438
Total cash costs
- R / kg
/
- $ / oz
- produced
69,913
64,529
55,161
62,273
334
308
283
305
Total production costs
- R / kg
/
- $ / oz
- produced
128,268
97,587
79,398
98,650
608
467
408
482
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
268
420
486
373
8.61
13.50
15.63
11.99
Actual
- g
/
- oz
707
510
526
521
22.75

16.41
16.92
16.75
FINANCIAL RESULTS (MILLION)
Gold income
73
75
73
309
11
12
12
49
Cost of sales
112
100
85
386
17
15
14
61
Cash operating costs
50
51
54
207
8
8
9
33
Other cash costs
4
4
4
15
1
1
1
2
Total cash costs
54
55
58
223
8
9
10
35
Rehabilitation and other non-cash costs
37

2
1
43
6
-
-
7
Production costs
91
58
59
266
14
9
10
42
Amortisation of tangible assets
10
26
25
88
1
4
4
14
Inventory change
12
16
1
31
2
2
-
5
(39)
(25)
(12)
(77)
(6)
(4)
(2)
(12)
Realised non-hedge derivatives
3
2
(8)
10
-
-
(2)
2

Gross (loss) excluding the effect of unrealised non-hedge derivatives
(36)
(23)
(20)
(66)
(6)
(4)
(4)
(10)
Capital expenditure
4
10
17
44
1
2
3
7
Rounding of figures may result in computational discrepancies.

Ghana
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
IDUAPRIEM - Attributable 85%
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
OPEN-PIT OPERATION
Mined
- 000 tonnes
/
- 000 tons
4,580
5,492
4,292
22,453
5,049
6,053
4,731
24,750
Treated

- 000 tonnes
/
- 000 tons
846
795
707
3,163
933
877
779
3,487
Stripping ratio
- t (mined total - mined ore) / t mined ore
4.40
4.55
4.33
5.46
4.40
4.55
4.33
5.46
Yield
- g / t
/
- oz / t
1.63
1.70
1.81
1.71
0.048
0.050
0.053
0.050
Gold in ore
- kg
/
- oz (000)
1,576
1,664
1,302
6,533
51
54
42
210
Gold produced
- kg
/
- oz (000)
1,381
1,355

1,278
5,413
44
44
41
174
HEAP LEACH OPERATION
Mined
- 000 tonnes
/
- 000 tons
-
-
-
-
-
-
-
-
Placed
1
- 000 tonnes
/
- 000 tons
-
-
-
-
-
-
-
-
Gold produced
- kg
/
- oz (000)
-
-
25
9
-
-
1
-
TOTAL
Yield
4
- g / t
/
- oz / t
1.63

1.70
1.84
1.71
0.048
0.050
0.054
0.050
Gold produced
- kg
/
- oz (000)
1,381
1,355
1,302
5,422
44
44
42
174
Gold sold
- kg
/
- oz (000)
1,515
1,366
1,302
5,423
49
44
42
174
Price received
- R / kg
/
- $ / oz
- sold
95,533
86,247
61,568
88,812
457
411
315
435
Total cash costs
- R / kg
/
- $ / oz
- produced
83,222
77,230

68,199
71,330
397
369
354
348
Total production costs
- R / kg
/
- $ / oz
- produced
107,588
98,025
99,780
92,403
513
468
520
451
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
708
775
676
728
22.77
24.92
21.73
23.40
Actual
- g
/
- oz
648
628
618
635
20.85
20.19
19.86
20.43
FINANCIAL RESULTS (MILLION)
Gold income
133
111
90
438
20

17
15
69
Cost of sales
175
130
123
498
27
20
21
78
Cash operating costs
108
99
83
363
17
15
14
57
Other cash costs
7
6
6
24
1
1
1
4
Total cash costs
115
105
89
387
18
16
15
61
Rehabilitation and other non-cash costs
9
2
1
13
1
-
-
2
Production costs
124
106

90
400
19
16
15
63
Amortisation of tangible assets
29
24
37
97
4
4
6
15
Inventory change
22
-
(4)
1
3
-
-
-
(42)
(19)
(33)
(59)
(6)
(3)
(6)
(9)
Realised non-hedge derivatives
12
7
(10)
43
2
1
(1)
7
Gross (loss) excluding the effect of unrealised non-hedge derivatives
(30)
(12)
(43)
(16)
(5)
(2)
(7)
(2)
Capital expenditure

8
8
9
23
1
1
1
4
1
Tonnes / Tons placed on to leach pad.
2
Gold placed / tonnes (tons) placed.
3
Gold placed into leach pad inventory.
4
Total yield excludes the heap leach operation.
Rounding of figures may result in computational discrepancies.

Ghana
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
OBUASI
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
UNDERGROUND OPERATION
Mined
- 000 tonnes
/
- 000 tons
568
546
519
2,187
626
602
572
2,411
Treated

- 000 tonnes
/
- 000 tons
543
548
494
2,156
598
604
545
2,376
Yield
- g / t
/
- oz / t
4.87
4.64
5.02
4.77
0.142
0.135
0.147
0.139
Gold produced
- kg
/
- oz (000)
2,644
2,541
2,484
10,280
85
82
80
331
SURFACE AND DUMP RECLAMATION
Treated
- 000 tonnes
/
- 000 tons
502
529
439
2,036
553
583
484
2,244
Yield
- g / t
/

- oz / t
0.47
0.48
0.45
0.48
0.014
0.014
0.013
0.014
Gold produced
- kg
/
- oz (000)
236
253
198
985
8
8
6
32
OPEN-PIT OPERATION
Mined
- 000 tonnes
/
- 000 tons
339
634
821
2,844
374
699
904
3,135
Treated
- 000 tonnes
/
- 000 tons
256
190
44
492
282
210
49
543
Stripping ratio
- t (mined total - mined ore) / t mined ore
4.37
9.18
24.04

10.06
4.37
9.18
24.04
10.06
Yield
- g / t
/
- oz / t
0.89
1.32
2.47
1.84
0.026
0.039
0.072
0.054
Gold in ore
- kg
/
- oz (000)
-
17
196
241
-
1
6
8
Gold produced
- kg
/
- oz (000)
227
252
110
904
7
8
4
29
TOTAL
Yield
- g / t
/
- oz / t
2.39
2.40
2.85
2.60
0.070

0.070
0.083
0.076
Gold produced
- kg
/
- oz (000)
3,107
3,045
2,792
12,169
100
98
90
391
Gold sold
- kg
/
- oz (000)
3,248
2,906
2,792
12,171
104
93
90
391
Price received
- R / kg
/
- $ / oz
- sold
95,609
85,876
61,596
89,176
457
412
314
435
Total cash costs
- R / kg
/
- $ / oz
- produced
75,184
71,204
62,061
70,817
357
341

320
345
Total production costs
- R / kg
/
- $ / oz
- produced
112,164
96,328
86,814
98,595
535
461
448
481
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
347
357
200
349
11.17
11.49
6.43
11.21
Actual
- g
/
- oz
195
190
193
196
6.26
6.12
6.20
6.30
FINANCIAL RESULTS (MILLION)
Gold income
283
234
194
986
43
36
32
155
Cost of sales

346
283
240
1,190
53
43
40
187
Cash operating costs
219
204
162
811
33
31
27
127
Other cash costs
15
12
11
51
2
2
2
8
Total cash costs
234
217
173
862
36
33
29
135
Retrenchment costs
-
-
1
-
-
-
-
-
Rehabilitation and other non-cash costs
8
-
-
8
1
-

-
1
Production costs
241
217
174
869
37
33
29
136
Amortisation of tangible assets
111
77
68
334
17
12
11
52
Inventory change
(6)
(11)
(2)
(14)
(1)
(2)
-
(2)
(64)
(49)
(46)
(203)
(10)
(7)
(8)
(32)
Realised non-hedge derivatives
28
16
(22)
99
4
2
(4)
16
Gross loss excluding the effect of unrealised non-hedge derivatives
(36)
(33)
(68)
(104)

(5)
(5)
(12)
(16)
Capital expenditure
193
120
72
495
30
19
12
78
Rounding of figures may result in computational discrepancies.

Guinea
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
SIGUIRI - Attributable 85%
Rand / Metric
Dollar / Imperial
OPEN-PIT OPERATION
Mined
- 000 tonnes
/
- 000 tons
5,827
3,783
-
13,694
6,423
4,170
-
15,095
Treated
- 000 tonnes

/
- 000 tons
1,548
1,329
-
4,249
1,706
1,465
-
4,684
Stripping ratio
- t (mined total - mined ore) / t mined ore
1.69
1.77
-
1.40
1.69
1.77
-
1.40
Yield
- g / t
/
- oz / t
1.12
1.17
-
1.21
0.033
0.034
-
0.035
Gold produced
- kg
/
- oz (000)
1,736
1,556
-
5,140
56
50
-
165
HEAP LEACH OPERATION
Mined
- 000 tonnes
/
- 000 tons
-
-

4,587
3,678
-
-
5,057
4,054
Placed
1
- 000 tonnes
/
- 000 tons
-
-
1,674
1,575
-
-
1,846
1,736
Stripping ratio
- t (mined total - mined ore) / t mined ore
-
-
1.59
1.68
-
-
1.59
1.68
Yield
2
- g / t
/
- oz / t
-
-
1.09
1.16
-
-
0.032
0.034
Gold placed
3
- kg
/
- oz (000)
-
-
1,820
1,835

-
-
59
59
Gold produced
- kg
/
- oz (000)
201
351
1,325
2,534
6
11
43
81
TOTAL
Yield
4
- g / t
/
- oz / t
1.12
1.17
1.09
1.21
0.033
0.034
0.032
0.035
Gold produced
- kg
/
- oz (000)
1,936
1,907
1,325
7,674
62
61
43
246
Gold sold
- kg
/
- oz (000)
1,936
2,067
1,325
7,674
62

66
43
247
Price received
- R / kg
/
- $ / oz
- sold
96,234
87,127
60,987
89,678
460
415
310
435
Total cash costs
- R / kg
/
- $ / oz
- produced
72,822
64,817
83,828
62,009
341
310
434
301
Total production costs
- R / kg
/
- $ / oz
- produced
106,570
88,239
100,252
85,331
502
422
520
414
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
959
945
690
1,048

30.82
30.38
22.18
33.71
Actual
- g
/
- oz
534
565
494
592
17.17
18.16
15.87
19.03
FINANCIAL RESULTS (MILLION)
Gold income
171
172
91
635
26
26
16
99
Cost of sales
183
176
143
607
28
27
25
95
Cash operating costs
124
117
107
442
19
18
18
69
Other cash costs
14
6
4
31
2
1

1
5
Total cash costs
138
124
111
473
21
19
19
74
Rehabilitation and other non-cash costs
(3)
(6)
5
3
-
(1)
1
1
Production costs
135
118
116
476
21
18
20
75
Amortisation of tangible assets
62
49
20
166
9
8
3
26
Inventory change
(14)
9
7
(34)
(2)
1
2
(6)
(12)
(5)
(52)
27

(2)
(1)
(9)
4
Realised non-hedge derivatives
15
8
(10)
54
2
1
(2)
8
Gross profit (loss) excluding the effect of unrealised non-hedge derivatives
3
4
(62)
81
1
1
(11)
12
Capital expenditure
18
40
97
194
3
6
16
31
1
Tonnes / Tons placed on to leach pad.
2
Gold placed / tonnes (tons) placed.
3
Gold placed into leach pad inventory.
4
Total yield excludes the heap leach operation.
Rounding of figures may result in computational discrepancies.

Mali
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
MORILA - Attributable 40%
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
OPEN-PIT OPERATION
Volume mined
- 000 bcm
/
- 000 bcy
1,176
732
1,025
4,231
1,538
958
1,340
5,535
Mined

- 000 tonnes
/
- 000 tons
2,719
1,190
2,556
9,821
2,997
1,312
2,818
10,826
Treated
- 000 tonnes
/
- 000 tons
378
404
430
1,505
417
445
475
1,659
Stripping ratio
- t (mined total - mined ore) / t mined ore
2.09
1.49
2.60
2.49
2.09
1.49
2.60
2.49
Yield
- g / t
/
- oz / t
4.80
5.33
6.56
5.41
0.140
0.155
0.191
0.158
Gold produced
- kg
/
- oz (000)
1,817
2,151

2,825
8,139
58
69
90
262
Gold sold
- kg
/
- oz (000)
1,916
2,166
2,861
8,148
62
70
92
262
Price received
- R / kg
/
- $ / oz
- sold
101,211
92,706
79,377
91,188
483
443
416
445
Total cash costs
- R / kg
/
- $ / oz
- produced
47,734
40,511
28,795
39,083
227
194
150
191
Total production costs
- R / kg
/
- $ / oz
- produced
70,011
69,496

39,269
60,147
333
333
204
293
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
2,115
2,270
3,141
2,212
68.00
72.98
101.00
71.13
Actual
- g
/
- oz
2,051
3,409
3,118
3,097
65.94
109.61
100.24
99.57
FINANCIAL RESULTS (MILLION)
Gold income
194
201
225
743
30
31
38
116
Cost of sales
142
154
116
498
22
24
19
78
Cash operating costs

73
73
65
266
11
11
11
42
Other cash costs
14
14
16
52
2
2
3
8
Total cash costs
87
87
81
318
13
13
14
50
Rehabilitation and other non-cash costs
1
1
2
3
-
-
-
-
Production costs
88
88
83
321
13
14
14
50
Amortisation of tangible assets
40
62
28
168
6
9

5
26
Inventory change
15
5
5
9
2
1
-
1
52
47
109
245
8
7
19
39
Realised non-hedge derivatives
-
-
2
-
-
-
-
-
Gross profit excluding the effect of unrealised non-hedge derivatives
52
47
111
245
8
7
19
39
Capital expenditure
6
2
5
11
1
-
1
2
Rounding of figures may result in computational discrepancies.

Mali
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
SADIOLA - Attributable 38%
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
OPEN-PIT OPERATION
Volume mined
- 000 bcm
/
- 000 bcy
978
680
893
3,671
1,279
890
1,168
4,802
Mined

- 000 tonnes
/
- 000 tons
2,013
1,413
1,814
7,344
2,219
1,557
2,000
8,095
Treated
- 000 tonnes
/
- 000 tons
502
515
517
1,910
554
568
570
2,106
Stripping ratio
- t (mined total - mined ore) / t mined ore
1.52
2.45
3.19
2.47
1.52
2.45
3.19
2.47
Yield
- g / t
/
- oz / t
2.63
2.66
2.81
2.73
0.077
0.078
0.082
0.080
Gold produced
- kg
/
- oz (000)
1,323
1,373

1,454
5,223
43
44
47
168
Gold sold
- kg
/
- oz (000)
1,370
1,378
1,429
5,250
44
44
46
169
Price received
- R / kg
/
- $ / oz
- sold
101,716
91,834
80,957
92,180
485
439
419
448
Total cash costs
- R / kg
/
- $ / oz
- produced
59,678
50,341
49,309
54,377
284
240
255
265
Total production costs
- R / kg
/
- $ / oz
- produced
72,230
62,898

60,630
68,784
344
300
313
336
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
2,192
2,157
2,030
1,896
70.47
69.34
65.26
60.95
Actual
- g
/
- oz
1,629
1,792
2,174
1,719
52.38
57.62
69.89
55.27
FINANCIAL RESULTS (MILLION)
Gold income
139
127
117
484
21
19
20
76
Cost of sales
92
84
99
353
14
13
17
55
Cash operating costs

69
60
63
250
11
9
11
39
Other cash costs
10
9
9
34
1
1
1
5
Total cash costs
79
69
72
284
12
11
12
45
Rehabilitation and other non-cash costs
-
-
1
1
-
-
-
-
Production costs
79
69
73
285
12
11
12
45
Amortisation of tangible assets
17
18
16
74
3
3

3
12
Inventory change
(3)
(3)
10
(6)
(1)
-
2
(1)
47
43
18
131
7
7
3
20
Realised non-hedge derivatives
-
-
(2)
-
-
-
-
-
Gross profit excluding the effect of unrealised non-hedge derivatives
47
43
16
131
7
7
3
20
Capital expenditure
8
12
11
48
1
2
2
7
Rounding of figures may result in computational discrepancies.

Mali
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
YATELA - Attributable 40%
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
HEAP LEACH OPERATION
Mined
- 000 tonnes
/
- 000 tons
1,265
1,111
2,187
5,754
1,394
1,225
2,410
6,342
Placed

1
- 000 tonnes
/
- 000 tons
328
289
331
1,259
362
318
365
1,388
Stripping ratio
- t (mined total - mined ore) / t mined ore
4.97
9.58
3.64
6.94
4.97
9.58
3.64
6.94
Yield
2
- g / t
/
- oz / t
3.73
3.08
2.95
2.99
0.109
0.090
0.086
0.087
Gold placed
3
- kg
/
- oz (000)
1,225
888
977
3,759
39
29
31
121
Gold produced
- kg
/

- oz (000)
972
666
866
3,060
31
21
28
98
Gold sold
- kg
/
- oz (000)
997
599
810
3,052
32
19
26
98
Price received
- R / kg
/
- $ / oz
- sold
102,055
91,129
83,576
92,211
487
438
438
449
Total cash costs
- R / kg
/
- $ / oz
- produced
43,556
59,688
53,355
53,754
208
285
276
263
Total production costs
- R / kg
/
- $ / oz

- produced
60,795
63,983
67,381
69,469
290
305
348
340
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
1,127
1,161
898
1,115
36.24
37.32
28.86
35.86
Actual
- g
/
- oz
1,434
975
1,192
1,103
46.11
31.36
38.32
35.48
FINANCIAL RESULTS (MILLION)
Gold income
102
55
68
281
16
8
11
44
Cost of sales
64
39
54
214
10
6

9
34
Cash operating costs
35
36
41
144
5
5
7
23
Other cash costs
7
4
5
20
1
1
1
3
Total cash costs
42
40
46
164
7
6
8
26
Rehabilitation and other non-cash costs
-
-
1
1
-
-
-
-
Production costs
43
40
47
166
7
6
8
26
Amortisation of tangible assets
16
3
11

47
3
-
2
7
Inventory change
5
(4)
(4)
1
1
(1)
(1)
-
38
16
14
68
6
2
2
11
Realised non-hedge derivatives
-
-
-
-
-
-
-
-
Gross profit excluding the effect of unrealised non-hedge derivatives
38
16
14
68
6
2
2
11
Capital expenditure
1
3
4
15
-
1
1
2
1
Tonnes / Tons placed on to leach pad.

2
Gold placed / tonnes (tons) placed.
3
Gold placed into leach pad inventory.
Rounding of figures may result in computational discrepancies.

Namibia
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
NAVACHAB
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
OPEN-PIT OPERATION
Volume mined
- 000 bcm
/
- 000 bcy
295
296
358
1,161
386
387
468
1,518
Mined

- 000 tonnes
/
- 000 tons
922
966
1,159
3,744
1,016
1,065
1,278
4,127
Treated
- 000 tonnes
/
- 000 tons
303
328
292
1,222
334
361
321
1,347
Stripping ratio
- t (mined total - mined ore) / t mined ore
1.66
1.15
1.52
1.56
1.66
1.15
1.52
1.56
Yield
- g / t
/
- oz / t
2.30
2.00
1.83
2.05
0.067
0.058
0.053
0.060
Gold produced
- kg
/
- oz (000)
696
657

535
2,510
22
21
17
81
Gold sold
- kg
/
- oz (000)
698
621
536
2,512
22
20
17
81
Price received
- R / kg
/
- $ / oz
- sold
101,269
91,856
82,765
91,635
482
440
428
447
Total cash costs
- R / kg
/
- $ / oz
- produced
54,386
56,025
89,009
65,300
259
268
462
321
Total production costs
- R / kg
/
- $ / oz
- produced
33,958
56,659

99,489
66,354
156
271
516
326
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
763
741
546
720
24.52
23.81
17.54
23.14
Actual
- g
/
- oz
758
702
558
664
24.37
22.58
17.95
21.36
FINANCIAL RESULTS (MILLION)
Gold income
71
57
44
230
11
9
7
36
Cost of sales
25
34
53
166
4
5
9
26
Cash operating costs

38
37
47
163
6
6
8
26
Other cash costs
-
-
1
1
-
-
-
-
Total cash costs
38
37
48
164
6
6
8
26
Rehabilitation and other non-cash costs
(42)
(6)
-
(43)
(7)
(1)
-
(7)
Production costs
(4)
31
48
121
(1)
5
8
19
Amortisation of tangible assets
28
7
5
45
4
1

1
7
Inventory change
1
(3)
-
(1)
-
-
-
-
46
23
(9)
64
7
4
(2)
10
Realised non-hedge derivatives
-
-
-
-
-
-
-
-
Gross profit (loss) excluding the effect of unrealised non-hedge derivatives
46
23
(9)
64
7
4
(2)
10
Capital expenditure
12
3
16
33
2
-
3
5
Rounding of figures may result in computational discrepancies.

Tanzania
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
GEITA - Attributable 100% May 2004
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
OPEN-PIT OPERATION
Volume mined
- 000 bcm
/
- 000 bcy
4,799
4,836
4,629
20,007
6,277
6,326
6,055
26,169
Mined

- 000 tonnes
/
- 000 tons
13,108
13,792
11,859
54,109
14,449
15,203
13,072
59,645
Treated
- 000 tonnes
/
- 000 tons
1,545
1,561
1,424
6,078
1,703
1,720
1,570
6,699
Stripping ratio
- t (mined total - mined ore) / t mined ore
8.53
8.09
9.95
8.49
8.53
8.09
9.95
8.49
Yield
- g / t
/
- oz / t
2.41
2.72
4.15
3.14
0.070
0.079
0.121
0.092
Gold produced
- kg
/
- oz (000)
3,730
4,247

5,915
19,074
120
137
190
613
Gold sold
- kg
/
- oz (000)
3,398
4,339
6,039
18,701
109
139
194
601
Price received
- R / kg
/
- $ / oz
- sold
104,922
84,645
68,534
81,124
503
407
352
398
Total cash costs
- R / kg
/
- $ / oz
- produced
68,370
74,172
51,479
61,182
326
353
264
298
Total production costs
- R / kg
/
- $ / oz
- produced
100,414
87,353

69,023
79,377
478
416
354
387
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
800
1,031
911
1,023
25.73
33.15
29.30
32.90
Actual
- g
/
- oz
920
1,049
1,452
1,195
29.58
33.74
46.68
38.41
FINANCIAL RESULTS (MILLION)
Gold income
266
298
412
1,351
41
46
68
214
Cost of sales
313
376
388
1,468
48
58
64
230
Cash operating costs

240
297
282
1,095
37
45
47
172
Other cash costs
13
18
19
61
2
3
3
10
Total cash costs
253
315
301
1,156
39
48
50
181
Rehabilitation and other non-cash costs
113
(5)
2
113
17
(1)
-
17
Production costs
365
309
303
1,269
56
47
50
199
Amortisation of tangible assets
7
61
102
234
1
9

17
37
Inventory change
(59)
5
(17)
(36)
(9)
1
(3)
(5)
(48)
(78)
24
(116)
(7)
(12)
4
(17)
Realised non-hedge derivatives
91
69
3
166
14
11
1
26
Gross profit (loss) excluding the effect of unrealised non-hedge derivatives
43
(9)
27
49
7
(1)
5
9
Capital expenditure
45
372
41
496
6
59
7
78
Rounding of figures may result in computational discrepancies.

USA
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
December
September
December
December
December
September
December
December
2005
2005
2004
2005
2005
2005
2004
2005
CRIPPLE CREEK & VICTOR J.V.
Rand / Metric
Dollar / Imperial
OPERATING RESULTS
HEAP LEACH OPERATION
Mined
- 000 tonnes
/
- 000 tons
13,015
11,186
11,624
47,676
14,346
12,330
12,814
52,554
Placed

1
- 000 tonnes
/
- 000 tons
4,731
4,932
4,335
19,194
5,215
5,437
4,779
21,157
Stripping ratio
- t (mined total - mined ore) / t mined ore
1.84
1.45
1.74
1.62
1.84
1.45
1.74
1.62
Yield
2
- g / t
/
- oz / t
0.62
0.62
0.60
0.62
0.018
0.018
0.018
0.018
Gold placed
3
- kg
/
- oz (000)
2,922
3,036
2,602
11,953
94
98
84
384
Gold produced
- kg
/

- oz (000)
2,659
2,871
2,820
10,252
85
92
91
330
Gold sold
- kg
/
- oz (000)
2,563
2,872
2,821
10,154
82
92
91
326
Price received
- R / kg
/
- $ / oz
- sold
83,972
80,137
61,364
79,562
399
383
317
388
Total cash costs
4
- R / kg
/
- $ / oz
- produced
50,297
48,304
46,411
47,124
239
231
240
230
Total production costs
- R / kg
/

- $ / oz
- produced
72,260
70,711
62,791
68,349
344
338
324
333
PRODUCTIVITY PER EMPLOYEE
Target
- g
/
- oz
2,725
2,692
2,822
2,709
87.62
86.55
90.72
87.09
Actual
- g
/
- oz
2,878
3,003
3,032
2,728
92.52
96.54
97.49
87.71
FINANCIAL RESULTS (MILLION)
Gold income
147
205
169
661
23
31
28
104
Cost of sales
192
203
177
701
29

31
29
110
Cash operating costs
159
148
131
573
24
23
22
90
Other cash costs
9
7
11
30
1
1
1
5
Total cash costs
168
155
142
603
26
24
23
95
Rehabilitation and other non-cash costs
7
3
(7)
17
1
-
(1)
3
Production costs
175
158
135
620
27
24
22
97
Amortisation of tangible assets
63
72

57
255
10
11
9
40
Inventory change
(46)
(27)
(15)
(174)
(7)
(4)
(2)
(27)
(46)
2
(8)
(39)
(7)
-
(1)
(6)
Realised non-hedge derivatives
69
25
4
146
10
4
-
23
Gross profit (loss) excluding the effect of unrealised non-hedge derivatives
23
27
(4)
107
4
4
(1)
17
Capital expenditure
16
14
20
53
3
2
3
8
1

Tonnes / Tons placed onto leach pad.
2
Gold placed / tonnes (tons) placed.
3
Gold placed into leach pad inventory.
4
Total cash cost calculation includes inventory change.
Rounding of figures may result in computational discrepancies.

Certain statements contained in this document, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices and production, the completion and commencement of commercial operations of certain of AngloGold Ashanti's exploration and production projects, and its liquidity and capital resources and expenditure, contain certain forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in gold prices and exchange rates, and business and operational risk management. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of the annual report on Form 20-F or to reflect the occurrence of unanticipated events. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein. For a discussion on such risk factors, refer to AngloGold Ashanti's annual report on Form 20-F for the year ended 31 December 2004, which was filed with the Securities and Exchange Commission (SEC) on 14July 2005.

Administrative information

A
NGLO
G
OLD
A
SHANTI
L
IMITED

Registration No. 1944/017354/06
Incorporated in the Republic of South
Africa

Share codes:

ISIN: ZAE000043485
JSE:
ANG
LSE:
AGD
NYSE:
AU
ASX:
AGG
GhSE (Shares):
AGA
GhSE (GhDS):
AADA
Euronext Paris:
VA
Euronext Brussels:

ANG
JSE Sponsor:
UBS
Auditors:
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R Carvalho Silva !
N F Nicolau
S Venkatakrishnan *
K H Williams
Non-Executive
R P Edey * (Chairman)
Dr T J Motlatsi (Deputy Chairman)
F B Arisman
#
Mrs E le R Bradley
C B Brayshaw
Dr S E Jonah KBE**
R Médori ~ (Alternate: P G Whitcutt)
W A Nairn (Alternate: A H Calver *)
S R Thompson *
A J Trahar

P L Zim (Alternate: D D Barber)
* British
#
American
**Ghanaian
~ French
! Brazilian
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Company Secretary: C R Bull
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The Bank of New York ("BoNY")
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E-mail: shareowners@bankofny.com
Website: http://www.stockbny.com
Global BuyDIRECT
SM
BoNY maintains a direct share purchase and dividend reinvestment plan for ANGLOGOLD ASHANTI
.
Telephone: +1-888-BNY-ADRS

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AngloGold Ashanti Limited
Date: February 10, 2006
By:
/s/ C R Bull
Name: C R Bull
Title: Company Secretary