

# ANALYSIS OF SHAREHOLDERS

An analysis of the register of members as at 31 March 2005 revealed the following categories of membership -

## Individuals

	Number of ordinary shares held	% of shares issued	Number of shareholders
1 – 1 000	1 074 525	0.3	2 734
1 001 – 10 000	6 706 607	2.0	1 770
10 001 – 100 000	16 104 522	4.8	515
100 001 – 1 000 000	77 268 464	22.9	227
Over 1 000 000	236 040 382	70.0	66
	337 194 500	100.0	5 312

Of the total number of shareholders, 4 115 hold their shares in dematerialised form whilst 1 197 remain as certificated holders. Of the total number of shares in issue, 99.6% have been dematerialised.

A further analysis of the register reveals the following categories of members -

● Pension funds	138 984 560	41.2
● Unit trusts	58 365 412	17.3
● Insurance companies	39 694 362	11.8
● Banks	34 022 008	10.1
● Individuals	15 013 700	4.4
● Other corporate bodies	51 114 458	15.2
	337 194 500	100.0

## Disclosures by nominee shareholders

Pursuant to the provisions of Section 140A of the Companies Act, 1973, the following beneficial shareholdings equal to or exceeding 5% of the total issued shares in the company have been determined from an analysis of the statutory disclosures submitted by nominee companies -

● Allan Gray Limited	99 215 616	29.4
● Old Mutual Asset Management	55 975 671	16.6
● Investec Asset Management	29 576 304	8.8
● RMB Asset Management	26 817 941	8.0

A further analysis of the holdings of these asset management companies revealed that the Public Investment Commissioner held 35 513 756 shares (10.5%) and Old Mutual Life Assurance Company Limited held 31 716 515 shares (9.4%).

## Shareholder spread

Non-public shareholders -

● Directors	881 780	
● Employees and former employees holding shares in terms of the Illovo Sugar 1992 Share Option Scheme	1 108 484	
● Trustees of the Illovo Sugar Employees' Share Purchase Trust	180 703	
	2 170 967	0.6
Public shareholders	335 023 533	99.4
	337 194 500	100.0

# NOTICE OF MEETING

Notice is hereby given that the 90th annual general meeting of the members of the company will be held in the Boardroom, Illovo Sugar Park, 1 Montgomery Drive, Mount Edgecombe on Wednesday, 13 July 2005 at 14:00 to transact the following business -

## 1. FINANCIAL STATEMENTS

To receive and adopt the annual financial statements for the year ended 31 March 2005.

## 2. ELECTION OF DIRECTORS

To re-elect Messrs M I Hlatshwayo, D G MacLeod, P M Madi, J T Russell and Dr D Konar who retire by rotation, in terms of the articles of association, and who, being eligible, offer themselves for re-election.

The credentials of these directors are provided in the appendix to this notice; page 90 of the Annual Report.

## 3. SPECIAL BUSINESS

### 3.1 Ordinary resolutions

To consider and, if deemed fit, to pass with or without modification the following ordinary resolutions -

#### 1. Allotment and issue of option shares to directors

That, the directors referred to below having been granted options on 2 June 2004, in terms of the Illovo Sugar 1992 Share Option Scheme, at a price of 770 cents per share, being the closing market price on the JSE Securities Exchange South Africa on 1 June 2004, the company hereby approves, in terms of Section 222(1)(a) of the Companies Act, 1973, as amended, the allotment and issue to such directors of up to the number of ordinary shares set out against their respective names as and when they exercise their options in respect of those shares from time to time -

G J Clark	94 000
N M Hawley	42 000
M I Hlatshwayo	36 000
D G MacLeod	215 000
J T Russell	87 000
B M Stuart	94 000

#### 2. Amendment to the rules of the Illovo Sugar Employees' Share Purchase Scheme

That, subject to the prior approval of the JSE Securities Exchange South Africa, the rules of the Illovo Sugar Employees' Share Purchase Scheme ("the Scheme") be and they are hereby amended by removing the restrictions whereby for a period of 12 months after the acquisition of shares through the Scheme, a participating employee is prevented from transferring such shares into his/her own name and from disposing of such shares.

#### 3. Determination of directors' fees

That unless otherwise determined by the company in general meeting, the basic fee payable to non-executive directors of the company be increased

from R100 000 to R105 000 per annum; the fee payable to the chairman of the Audit Committee be increased from R75 000 to R90 000 per annum; and the fee payable to the chairman of the Remuneration / Nomination Committee be increased from R60 000 to R70 000 per annum; payable quarterly in arrears, with effect from 1 April 2005.

### 3.2. Special resolutions

To consider and, if deemed fit, to pass the following special resolution -

#### **Special Resolution No. 1**

"RESOLVED THAT the directors of the company be and they are hereby authorised by way of a general authority, up to and including the date of the following annual general meeting of the company, to approve the purchase by the company of its own shares;

subject to the provisions of the Companies Act, No. 61 of 1973, as amended, and the rules and requirements of the JSE Securities Exchange South Africa ("the JSE") and/or any other recognised stock exchange on which the shares of the company may be listed from time to time, and subject to such other conditions as may be imposed by any other relevant authority, and provided that -

- (i) the general authority shall only be valid until the next annual general meeting, but in any event shall not extend beyond 15 months from the date of this resolution;
- (ii) the general authority may be varied or revoked by special resolution at any general meeting of the company at any time prior to the next annual general meeting;
- (iii) the general authority to repurchase be limited to a maximum of 20 percent of the company's issued share capital of that class at the date the transaction is agreed;
- (iv) repurchases shall not be made at a price more than five percent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is agreed;
- (v) an announcement will be published as soon as the company has acquired ordinary shares constituting, on a cumulative basis, three percent of the number of ordinary shares in issue prior to such acquisition, which announcement shall contain full details of such acquisition;
- (vi) the repurchase shall be effected through the order book operated by the JSE trading system, but subject to the company's sponsor having furnished the JSE with prior, written confirmation of the company's working capital adequacy; and
- (vii) after completion of the repurchase, the company will remain in compliance with the JSE's requirements in respect of shareholder spread."

### **Reason for and effect of Special Resolution No. 1**

The reason for and effect of Special Resolution No.1 will be that the directors will, up to and including the date of the following annual general meeting, be entitled to approve the purchase by the company of its own shares, provided that the general authority shall only be valid until the next annual general meeting but in any event shall not extend beyond 15 months from the date of this resolution; the general authority to repurchase shall be limited to a maximum of 20 percent of the company's issued share capital of that class at the date the transaction is agreed; the repurchases will not be made at a price more than five percent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is agreed; and shall be subject to the provisions of the Companies Act, No. 61 of 1973, as amended, and the rules and requirements of any recognised stock exchange on which the shares of the company may be listed.

It is the intention of the directors that they may use such authority should the prevailing circumstances (including the tax dispensation and market conditions) in their opinion warrant it. As a prerequisite to the use of such authority, the directors will be of the opinion, after considering the effect of such acquisition of shares, that for a period of 12 months following a decision to use this authority -

- (i) the company and the group will be able, in the ordinary course of business, to pay their debts;
- (ii) the consolidated assets of the company, fairly valued in accordance with Generally Accepted Accounting Practice, will be in excess of the consolidated liabilities of the company;
- (iii) the company and the group will have adequate capital and reserves for purposes of their business for the foreseeable future; and
- (iv) the working capital of the company and the group will be adequate.

Pursuant to the JSE's Listings Requirements relative to Special Resolution No. 1, it is noted that –

- (i) the following general information is included in the Annual Report –

- Directors and management (pages 6 to 9);
- Major shareholders (page 87);
- Directors' interests in securities (page 51);
- Share capital of the company (page 73);

- (ii) there have been no material changes since 31 March 2005;
- (iii) the company is not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months,

a material effect on the financial position of the group;

- (iv) as pertaining to Special Resolution No. 1, the directors whose names appear on pages 6 and 7 of the Annual Report collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that Special Resolution No. 1 contains all information required by law and the JSE's Listings Requirements.

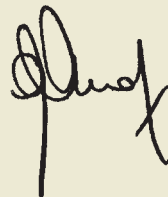
### **4. OTHER BUSINESS**

To transact such other business as may be transacted at an annual general meeting of members.

Members holding certificated shares and members that have dematerialised their shares and have elected own name registration in the sub-register maintained by a Central Securities Depository Participant (CSDP), may attend, speak and vote at the annual general meeting or may appoint one or more proxies (who need not be members of the company) to attend, speak and vote at the annual general meeting on behalf of such member. A proxy form is attached to this notice of meeting. Duly completed proxy forms must be returned to the transfer secretaries, Ultra Registrars (Proprietary) Limited (P O Box 4844, Johannesburg, 2000 or 5th Floor, 11 Diagonal Street, Johannesburg, 2001) by no later than 14:00 on Monday, 11 July 2005.

Shareowners who have dematerialised their shares through a CSDP or a broker and who have not elected own name registration in the sub-register maintained by the CSDP and who wish to attend the annual general meeting, should instruct their CSDP/broker to issue them with the necessary authority to attend. Shareowners who are unable or do not intend to attend the meeting, but wish to be represented at the meeting, may provide their CSDP/broker with their voting instructions in terms of the custody agreement entered into between such shareowners and their CSDP/broker.

By order of the board.



**G D Knox**  
Company Secretary

Mount Edgecombe  
17 June 2005

# APPENDIX TO NOTICE OF MEETING

## ELECTION OF DIRECTORS

### *Curricula vitae*

**1. M I (Mandla) Hlatshwayo** (47), *B.A. (Law)*

Obtained his law degree from the University of Swaziland in 1986. Joined Ubombo Sugar Limited in 1987 as a Personnel Officer, thereafter progressing to the position of Human Resources Manager and being appointed as Assistant General Manager in 2001. He was appointed to the board as Corporate Affairs Director in March 2003. He has held positions on and has represented a number of business associations, including being President of the Federation of Swaziland Employers and Chamber of Commerce & Industry, a representative of Business Swaziland, and representing Swaziland on several SADC regional initiatives.

**2. D (Len) Konar (Dr)** (51), *C.A. (S.A.), M.A.S. (Illinois, USA), D.Com.*

Appointed to the Board in 1995 and as chairman of the Audit Committee in 1997. He is a chartered accountant and was previously executive director of the Independent Development Trust where he was, amongst other activities, responsible for the internal audit and investments portfolios. He is the past patron of the Institute of Internal Auditors South Africa, and a member of the King Committee on Corporate Governance, the Securities Regulation Panel, the Corporate Governance Forum and the Institute of Directors. Dr Konar is also a non-executive director of Old Mutual South Africa, The South African Reserve Bank, J D Group, Sappi, Kumba Resources and Steinhoff International Holdings. He was recently appointed as an external audit committee member of the International Monetary Fund in Washington.

**3. D G (Don) MacLeod** (58), *B.Com., A.M.P. (Oxford)*

Joined the sugar industry in 1971 and became part of the Illovo group in 1973. Spent 10 years in various management positions before being appointed to the board in 1983. Was previously Finance Director and was appointed Managing Director in 1992 and became chief executive in 1997. He is a past Chairman of the South African Sugar Association and the South African Sugar Millers' Association.

**4. P M (Phinda) Madi** (41), *B.Proc., E.D.P.*

Appointed to the board in November 2002. Obtained his law degree from the University of Zululand in 1987. Joined the French Bank of South Africa in 1987 as corporate banking and legal officer and from 1992 to 1994 as an in-house consultant on employment equity for the Standard Bank group. He is founder of several consulting and publishing companies and author of three books on business strategy and transformation. In 2001 he was appointed Visiting Professor of Business Leadership Studies at Rhodes University and currently is Executive Chairman of one of South Africa's major medical aid companies, Allcare Medical Aid. He is also a non-executive director of The Spar Group.

**5. J T (John) Russell** (56), *A.C.M.A*

Joined the Illovo group in 1978 and spent nine years as General Manager – Finance. Joined the South African Sugar Association in 1987 in its London office, working in export marketing. Subsequently returned to Durban to the position of Export Manager and then Finance Director. Rejoined Illovo in 1993 as Financial Director. He qualified in the United Kingdom as an A.C.M.A.

## SHAREHOLDERS' DIARY

Financial year end		March
Annual general meeting		July
<b>Reports and profit statements</b>		
Interim report		November
Profit statement for the year		May
Annual report and financial statements		June
<b>Dividends</b>		
Interim	Declaration	November
	Payment	January
Final	Declaration	May
	Payment	July

Shareholders are reminded to notify the transfer secretaries of any change in address.

# FORM OF PROXY

for the 90th Annual General Meeting

For completion only by members holding certificated shares, and members that have dematerialised their shares and have elected "own name" registration.



I/We \_\_\_\_\_  
(Name/s in block letters)

of \_\_\_\_\_  
(address)

Number of votes

being the shareholder/member of the abovenamed company and entitled to

(1 share = 1 vote)

do hereby appoint

1 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

2 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

3 the chairman of the meeting

as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the annual general meeting of the company to be held in the Boardroom, Illovo Sugar Park, 1 Montgomery Drive, Mount Edgecombe, KwaZulu-Natal on Wednesday, 13 July 2005 at 14:00 and at any adjournment thereof as follows -

Resolution No.	Agenda Item	Mark with X where applicable		
		For	Against	Abstain

1	Adoption of 2005 annual financial statements			
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2	<b>Re-election of directors</b>			
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2.1	M I Hlatshwayo			
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2.2	D Konar			
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2.3	D G MacLeod			
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2.4	P M Madi			
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2.5	J T Russell			
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**Ordinary Resolutions**

1	Allotment and issue of option shares to directors			
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2	Amendment to rules of Illovo Sugar Employees' Share Purchase Scheme			
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3	Determination of directors' fees			
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**Special Resolutions**

1	General authority for the repurchase of shares			
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Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2005

Signature \_\_\_\_\_

Assisted by me (where applicable) (see note 4) \_\_\_\_\_

Full name/s of signatory/ies if signing in a representative capacity (see note 5)

NB Please refer to the notes on the reverse of this Form of Proxy

## NOTES TO THE FORM OF PROXY

- 1 A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.
- 2 This proxy form is not for completion by those shareholders who have dematerialised their shares (other than those whose shareholding is recorded in their own name in the sub-register maintained by their Central Securities Depository Participant [CSDP] ). Such shareowners should provide their CSDP / broker with their voting instructions.
- 3 If this proxy form is returned without any indication as to how the proxy should vote, the proxy will be entitled to vote or abstain from voting as he/she thinks fit.
- 4 A minor must be assisted by his/her guardian.
- 5 The authority of a person signing a proxy in a representative capacity must be attached to the proxy unless that authority has already been recorded by the company.
- 6 In order to be effective, proxy forms must reach the transfer secretaries, Ultra Registrars (Proprietary) Limited (P O Box 4844, Johannesburg, 2000 or 5th Floor, 11 Diagonal Street, Johannesburg, 2001) no later than 14:00 on Monday, 11 July 2005.
- 7 The delivery of the duly completed proxy form shall not preclude any member or his/her duly authorised representative from attending the meeting, speaking and voting instead of such duly appointed proxy.
- 8 If two or more proxies attend the meeting, then that person attending the meeting whose name appears first on the proxy form, and whose name is not deleted, shall be regarded as the validly appointed proxy.