

Illovo Sugar Limited - Trading Statement

ILLOVO SUGAR LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1906/000622/06)

Share Code: ILV

ISIN: ZAE000003547

TRADING STATEMENT

This statement is issued in compliance with the revised Listings Requirements (Section 3.4(b)) of the JSE Securities Exchange South Africa, which became effective on 1 December 2004.

Shareholders are advised that Illovo's headline earnings and earnings per share for the year ending 31 March 2005 are now expected to be between 50% and 60% lower than the previous year.

The lower forecast results, compared to those anticipated in the interim report, have been negatively impacted by the much stronger rand compared to levels at the end of September 2004 and the continuing strong performance of the currencies in the other countries of operation compared to the US dollar. These factors have severely reduced proceeds from exports, whilst the stronger rand has also negatively affected the translation of profits. In addition, sugar production is now estimated to be 1,78 million tons which is 50 000 tons below the previous forecast, largely due to the greater than expected impact of the drought in South Africa and Swaziland.

The forecast financial information on which this trading statement is based has not been reviewed or reported on by the company's auditors.

Mount Edgecombe

20 January 2005