

## 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

(“Illovo” or “the company”)

### **TRADING STATEMENT**

This statement is issued in compliance with the Listings Requirements (Section 3.4(b)) of the JSE Securities Exchange South Africa.

In terms of established practice, Illovo issues financial statements for the first six months of its financial year which reflect both actual results based on International Financial Reporting Standards and, because the sugar industry is a seasonal agriculturally based business, results which are determined on a sugar season basis. It is the directors’ opinion that the results determined on a sugar season basis provide a better basis for evaluating the financial performance of the company.

Illovo’s results are considerably impacted by the level of the rand compared to other currencies, particularly the US dollar, and by the world price of sugar.

Shareholders are advised that due to a number of factors, including rand realisations to-date, the marked improvement in the world sugar price, increased sugar production (after taking account of the sale of the Umfolozi sugar factory), improved domestic sales, and the positive impact of restructuring of the South African operations, it is anticipated that actual headline earnings per share (“heps”) and earnings per share (“eps”) for the six months ending 30 September 2005 will be between 190% and 210% higher than for the corresponding period last year.

However, this forecast of very strong growth in actual earnings for the first six months is due largely to certain unique circumstances pertaining to the relevant periods, and the directors are of the opinion that the forecast increase in earnings on a sugar season basis provides a better basis for evaluating the financial performance of the company.

On a sugar season basis, after taking into account the improved world sugar market, the increased production, the restructuring benefits, and the present rand realisations and forward cover arrangements, and assuming the value of the rand continues at around its present level, heps and eps for the six months ending 30 September 2005 are expected to be between 85% and 105% above those achieved in last year's corresponding period.

For the full year to 31 March 2006, subject to the value of the rand continuing at around its present level, a reasonable degree of certainty exists that heps and eps will be between 60% and 80% higher than in the previous financial year. (It should be noted that for the full year, there is no difference between actual results and those determined on a sugar season basis.)

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

Mount Edgecombe

14 September 2005