

Illovo Sugar Limited - Trading Statement

ILLOVO SUGAR LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1906/000622/06)

Share Code: ILV

ISIN: ZAE000083846

("Illovo" or "the company")

TRADING STATEMENT

This statement is issued in compliance with the Listings Requirements (Section 3.4(b)) of the JSE Limited.

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.

Earnings are being positively impacted by rand realisations, higher world and regional sugar prices, improved domestic sales and good results from the downstream operations, offset by decreases in the production estimates in South Africa and Zambia. Consequently, shareholders are advised that it is anticipated that both actual and sugar season basis headline earnings per share ("heps") and earnings per share ("eps") for the six months ended 30 September 2008 will be between 25% and 35% higher than the equivalent results in the corresponding period last year.

For the full year to 31 March 2009, however, it is presently anticipated that heps and eps will be between 15% and 25% higher than in the previous financial year. This assumes that the value of the rand, the world sugar price and production estimates remain at around their present levels. (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

4 November 2008

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J P Morgan Equities Limited