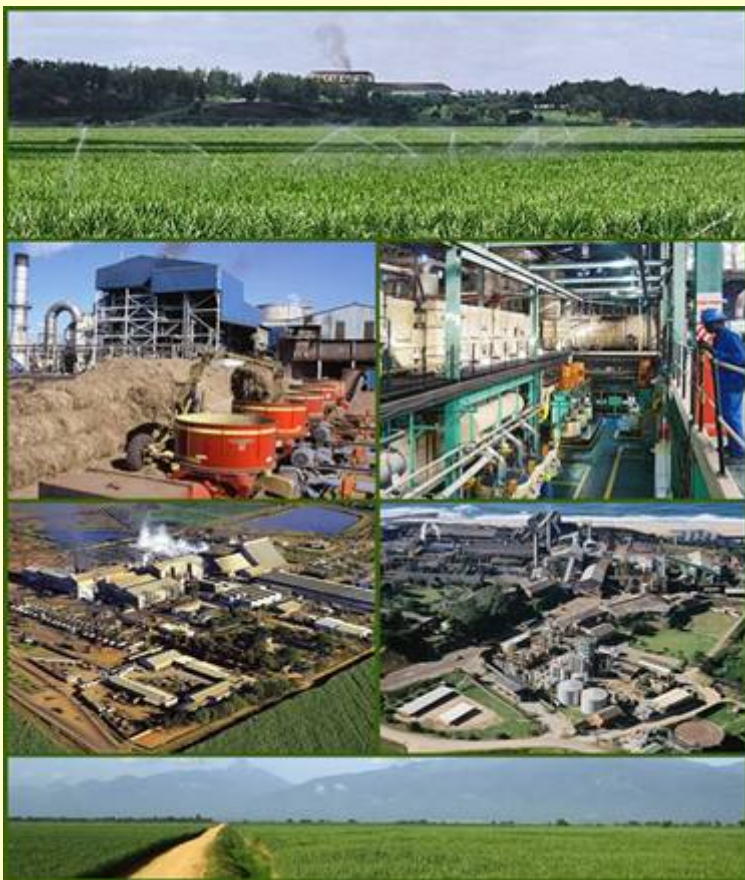


FINANCIAL RESULTS PRESENTATION



MAY 2009

HIGHLIGHTS

- **Headline earnings growth 24%**
- **Sugar production 1.83 million tons**
- **Strong cash flows maintained**
- **Improved dividend**
- **Share price remains resilient**
- **Growth strategy continues – Zambia expansion completed**
- **Funding secure**
- **Illovo rights issue proposed**

PRODUCTION – CANE AND SUGAR

	2008		2009	
Tons 000's	Own cane	Sugar	Own cane	Sugar
South Africa	448	868	464	804
Malawi	1 910	266	2 122	304
Zambia	1 088	234	722	194
Swaziland	769	222	741	210
Tanzania	614	127	555	118
Mozambique	460	75	450	76
Umfolozi				118
	5 289	1 792	5 054	1 824

PRODUCTION - DOWNSTREAM

	2008	2009
Furfural (tons)	20 049	20 371
Furfuryl alcohol (tons)	11 282	11 040
Lactulose (tons)	4 647	6 323
Ethyl alcohol (kl)	55 069	52 911
Syrup (tons)	6 271	5 932

SUGAR MARKETS

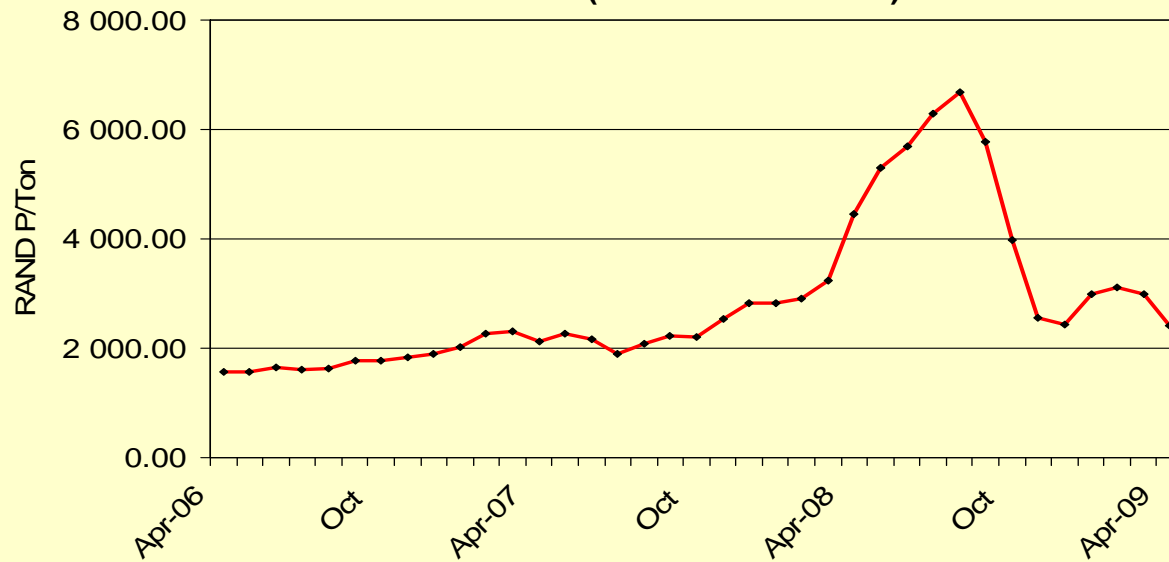
Tons '000	2008	2009
Domestic markets	1 085	1 172
Preferential markets	263	211
Regional exports	141	109
World Market	312	326
	1 801	1 818

OPERATING COSTS

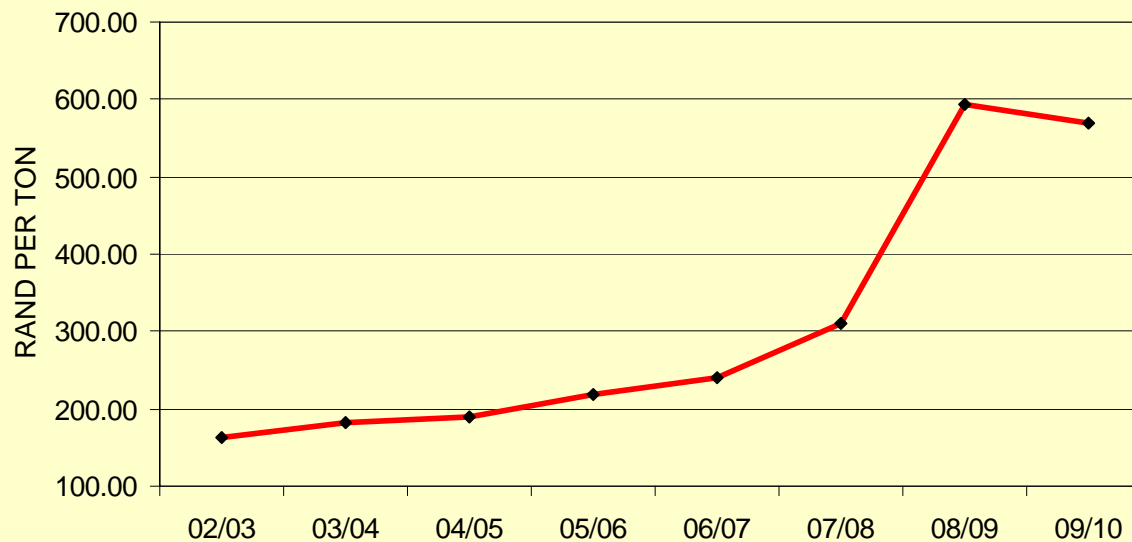
- **Early season increases in all major input costs**
 - **Fertiliser, coal, steel, oil products, packaging & chemicals**
- **Stringent cost controls adopted – cost reduction programme**
- **Commodity price reduction – late season**
- **Improved operating margin**

OPERATING COSTS

UREA RAND (FOB MIDDLE EAST)



COAL PRICE - AVERAGE



ZAMBIAN EXPANSION

2008/09

- Exceptionally heavy rains Jan / Feb '08
- Late commissioning of Phase 1 plant
- Late start-up of factory
- Electrical disruptions / commissioning problems
- Early rains Nov'08 – unable to complete harvest
- Cane carried over to 2009/10 season
- Reduced sugar production 40 000 tons
- Operating costs reduced – operating margin increases



ZAMBIAN EXPANSION

- **Project completion**
- **Commissioned on schedule – 1 April 2009**
- **Good start up**
- **Excellent cane yields from new area**
- **New equipment settling well**
- **Sugar production \pm 420 000 tons expected**
- **Final project cost 2% above budget**





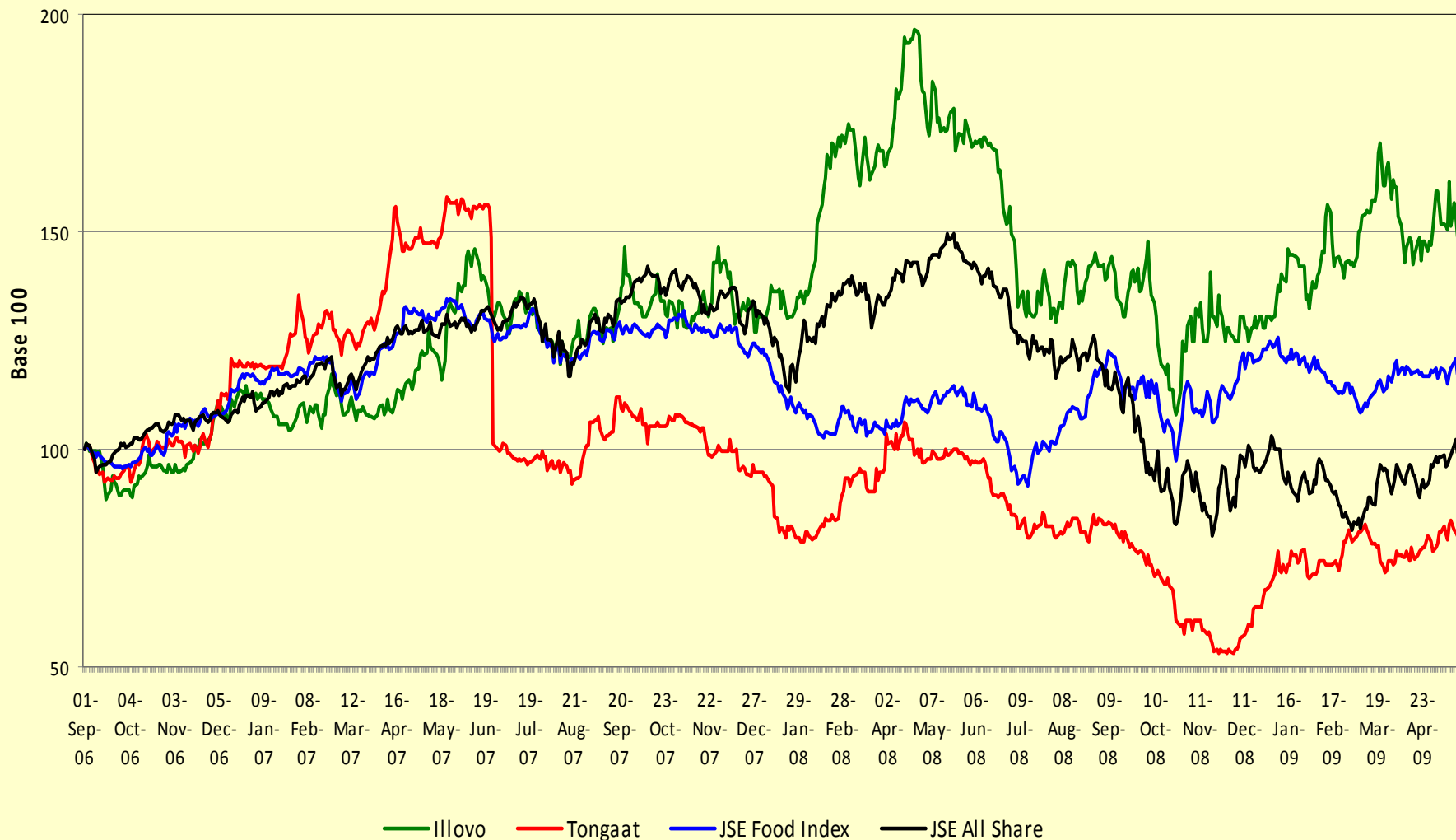




FUNDING THE BUSINESS

- **Base facilities adequate and secure**
- **Holding company support**
- **Appropriate project finance identified**
- **Zambian rights issue announced**
- **Illovo rights issue proposed**
 - **Terms being confirmed**
 - **Strong holding company support**
 - **Pricing at or around prevailing share price**
 - **Secures medium / longer-term growth plans**

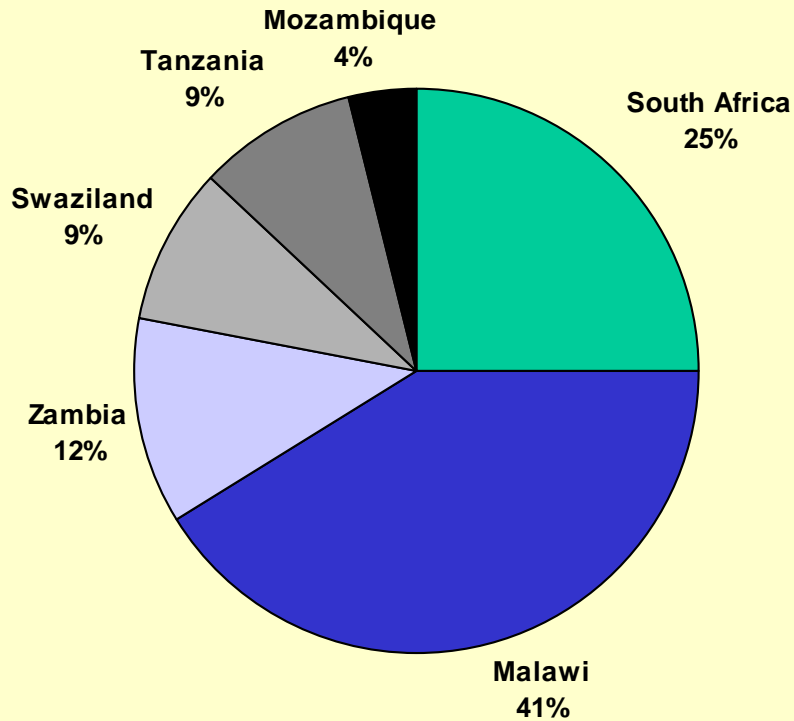
COMPARATIVE SHARE PRICES



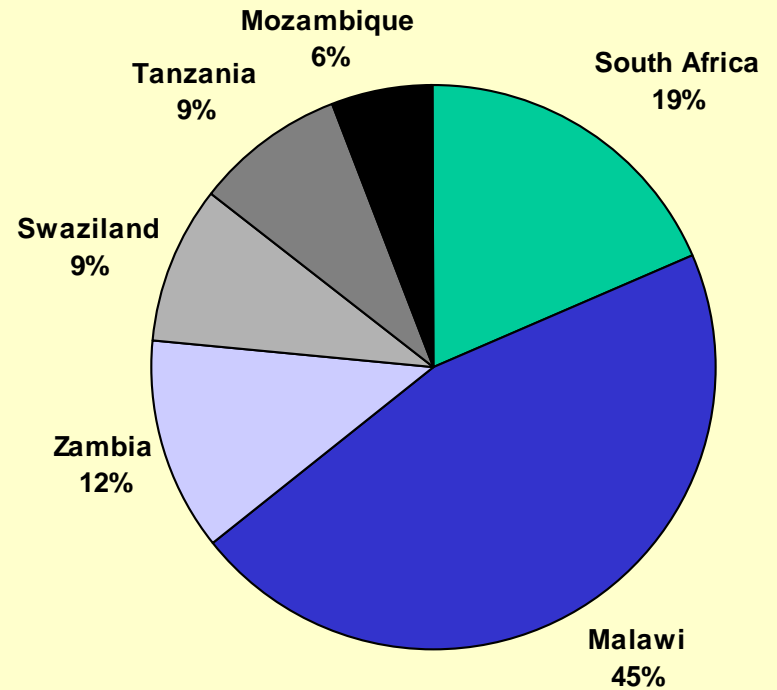
INCOME STATEMENT

Rm	2008	2009	Change %
Revenue	6 794.1	8 601.7	27
Operating profit	1 064.5	1 386.2	30
Net financing costs	170.4	183.7	
Profit before taxation	894.1	1 202.5	34
Taxation	140.7	238.9	
Profit after taxation	753.4	963.6	28
Attributable to minorities	153.5	224.8	
Profit before material items and adjusted for headline earnings	599.9	738.8	23
Material items & adjustments to headline earnings	(0.3)	3.0	
Headline earnings	599.6	741.8	24
Headline earnings per share (cents)	171.6	211.6	23
Effective tax rate (%)	15.7	19.9	
Dividend per share (cents)	85.5	106.0	24
Operating margin (%)	15.7	16.1	

GROUP OPERATING PROFIT BY COUNTRY

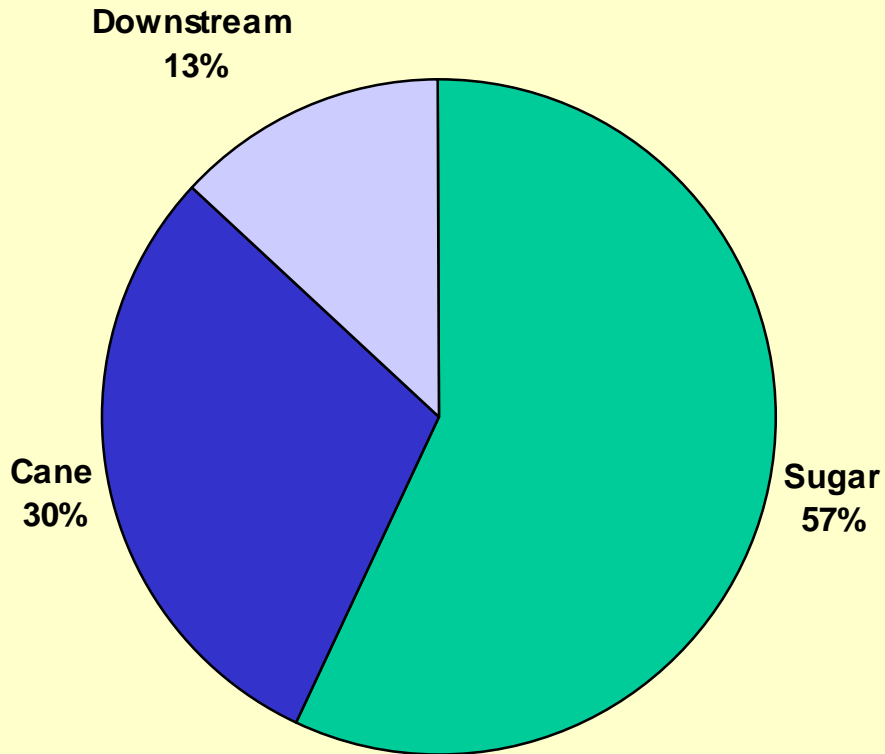


2008 – R1.065bn

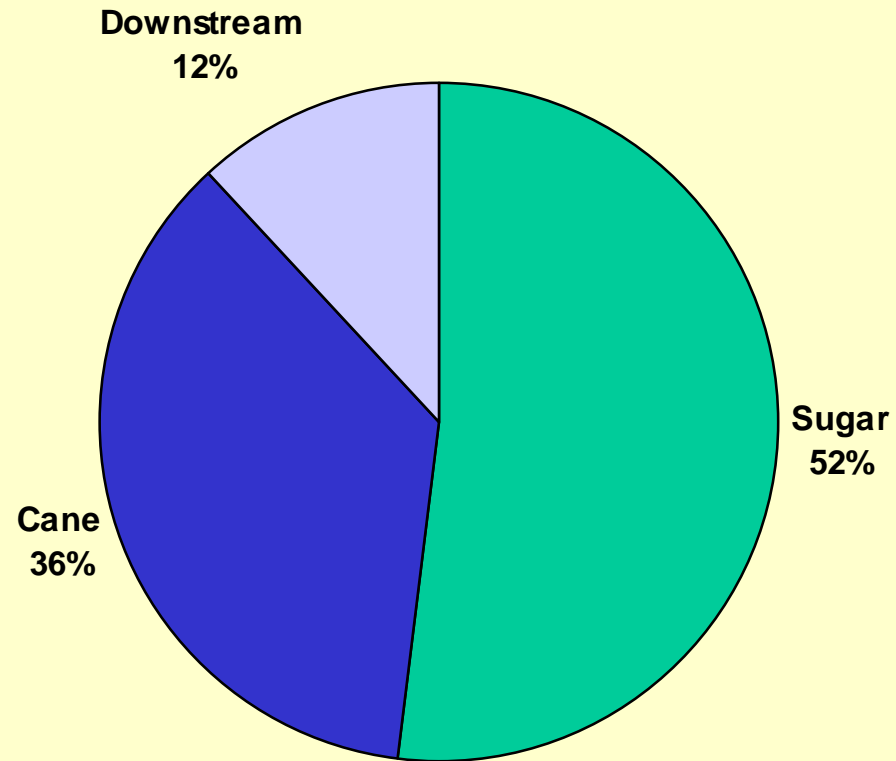


2009 – R1.386bn

GROUP OPERATING PROFIT BY ACTIVITY



2008 – R1.065bn



2009 – R1.386bn

OPERATING MARGIN

%	2008	2009
South Africa	8.5	6.6
Malawi	37.3	36.4
Zambia	11.6	14.6
Swaziland	14.2	16.2
Tanzania	19.5	17.8
Mozambique	18.0	20.9
Group	15.7	16.1

BALANCE SHEET

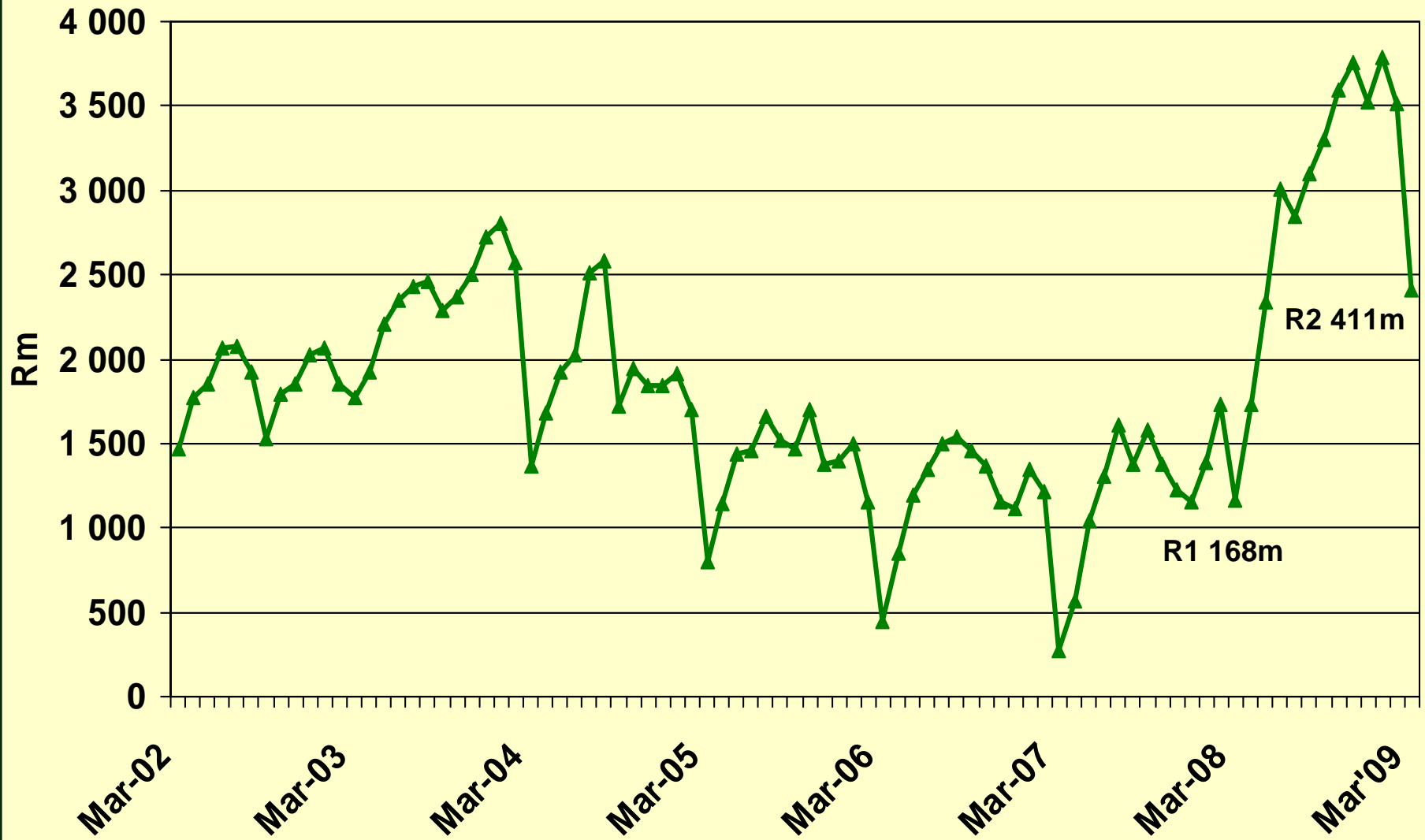
Rm	31 March	
	2008	2009
ASSETS		
Non-current assets	3 926.5	5 370.2
Property, plant and equipment	3 014.5	4 087.7
Cane roots	821.7	1 132.3
Investments	90.3	150.2
Net current assets	809.7	1 187.0
	4 736.2	6 557.2
EQUITY AND LIABILITIES		
Capital and reserves	2 373.3	2 773.8
Interest of outside shareholders in subsidiaries	555.6	671.2
Deferred taxation	639.0	701.1
Net borrowings	1 168.3	2 411.1
	4 736.2	6 557.2
Gearing (%)	28.5	41.2
RONA	24.1	22.0

BALANCE SHEET NOTES

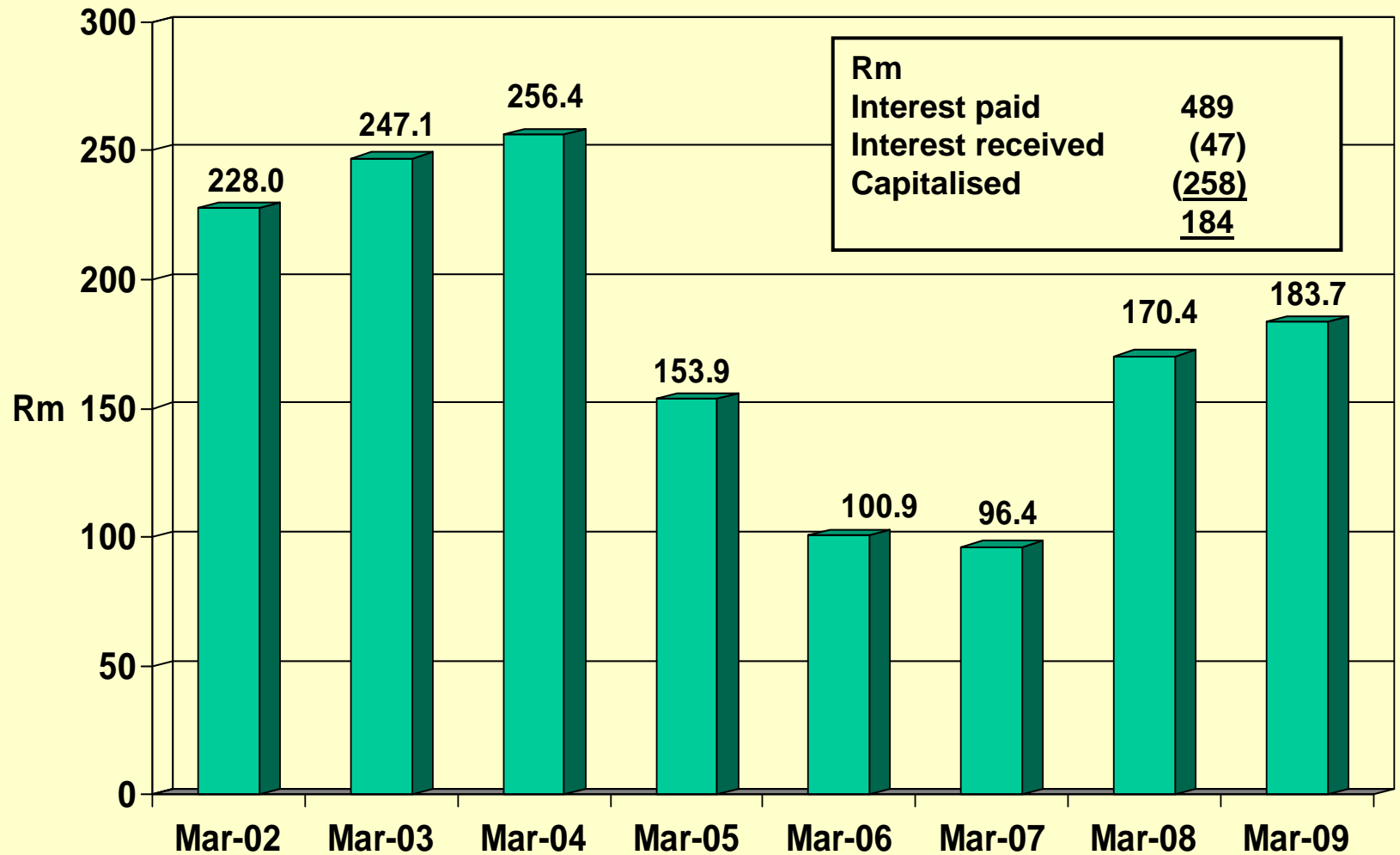
NET CURRENT ASSETS

Rm	31 March	
	2008	2009
Current assets	2 354.5	2 894.2
Inventories	407.2	513.8
Growing cane	948.5	1 222.9
Accounts receivable	782.7	756.3
Factory overhaul costs	197.9	212.0
Financial instruments	18.2	189.2
Current liabilities	1 544.8	1 707.2
Accounts payable	1 194.1	1 310.9
Financial instruments	8.6	5.2
Taxation	102.3	114.5
Leave / retirement benefits	239.8	276.6
Net current assets	809.7	1 187.0

GROUP BORROWINGS



FINANCE COSTS



ANALYSIS OF NET BORROWINGS

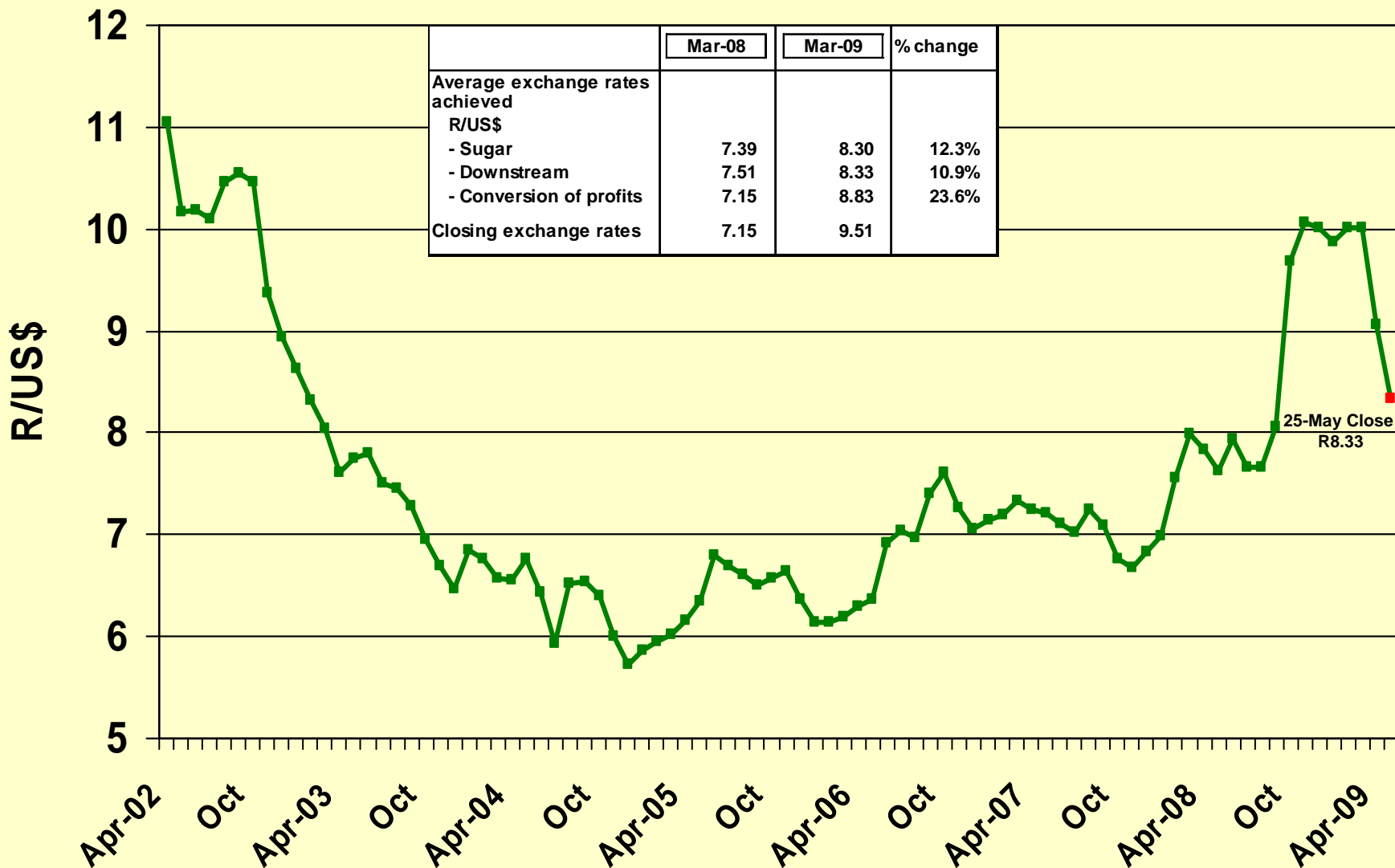
Rm	2008	2009
Short term		
Short term loans	83	580
ABF Loan	977	1 139
Long Term		
Zambian expansion loan (Kw)	1 009	1 087
Other external loans (\$ & €)	257	261
Cash on hand	(1 158)	(656)
Net borrowings	1 168	2 411

AVAILABLE FACILITIES

- **Illovo Sugar rights issue**
- **Zambia Sugar rights issue**
- **Holding company loans**
- **Bank financing for Maragra factory expansion**
- **DFI project financing for Mali**
- **Existing bank facilities across group**
 - **Committed facilities of R2.7bn (R2.4bn draw-down)**
 - **Uncommitted facilities R2.5bn**

EXCHANGE RATES – R/US\$

MONTHLY AVERAGES



CASH FLOW

Rm	<u>MARCH</u>	
	<u>2008</u>	<u>2009</u>
Cashflows from operating activities	1 055	1 207
Working capital	46	363
Taxation	(152)	(230)
Net finance costs	(172)	(185)
Dividends	(387)	(449)
Capital expenditure - ongoing	(155)	(170)
- expansion	(870)	(1 746)
Other movements	(10)	83
Net cash outflow before financing	(645)	(1 127)
Cash inflow from financing	738	659
Net increase / (decrease) in cash	93	(468)

CAPITAL EXPENDITURE

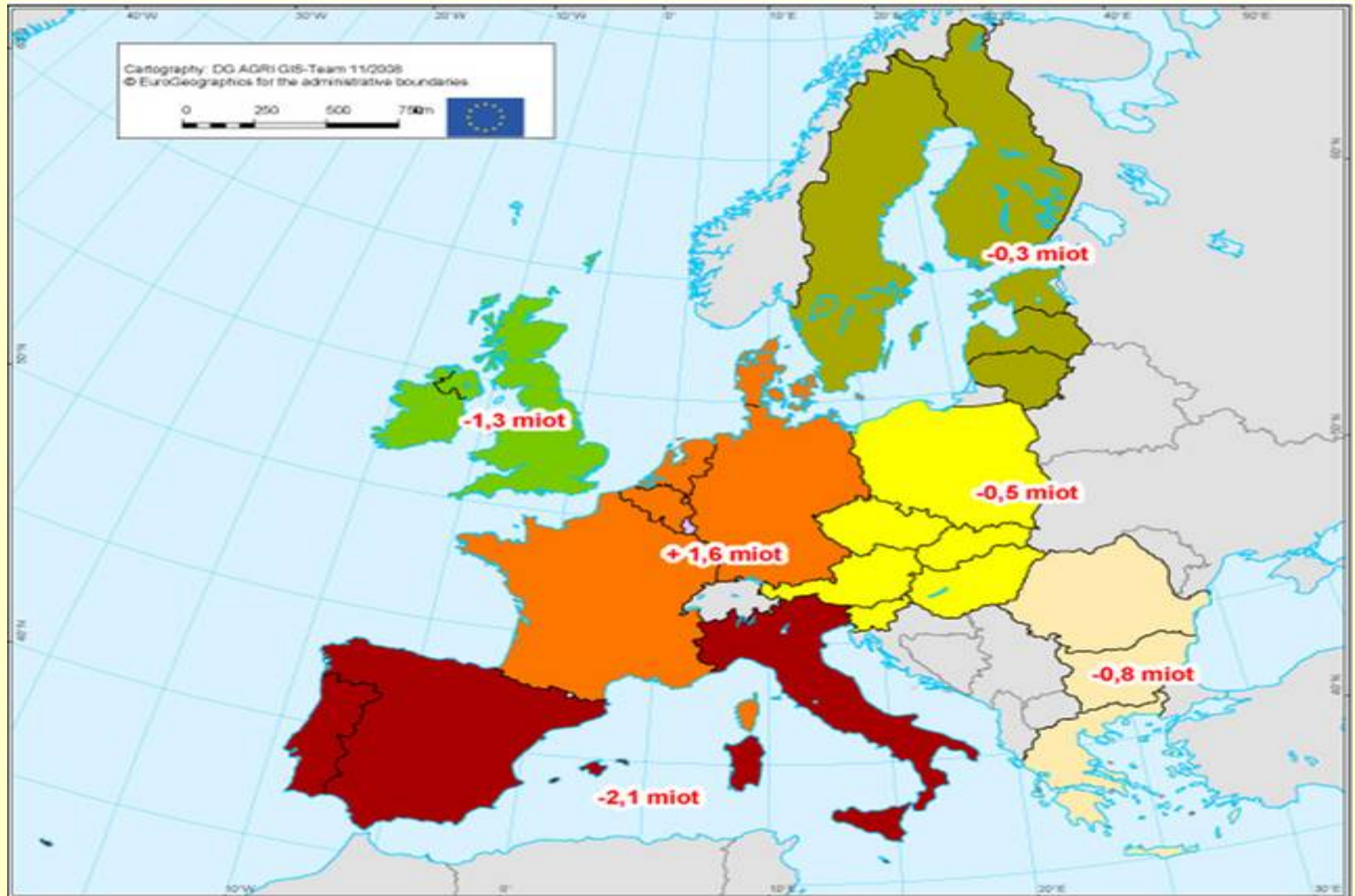
Rm	2008		2009
Depreciation	152		245
Replacement	155		170
Expansion	837		1 697
Product registration	12		15
	1 004		1 882
Commitments			2 331

EU SUGAR REFORM

- **Adjustment process nearing completion (Sept'09)**
- **Domestic targets achieved – 6m tons removed**
- **EU market forced into deficit – demand > production**
- **Space created for imports – 3.5m to 4.0m tons (duty-free, quota-free 1/10/09)**

- **Export subsidies reduced and domestic support lowered**
- **Market equilibrium achieved**
- **Although base (support) prices reduced, market premiums returning**
- **Producer margins improving = commercial premiums for imports**

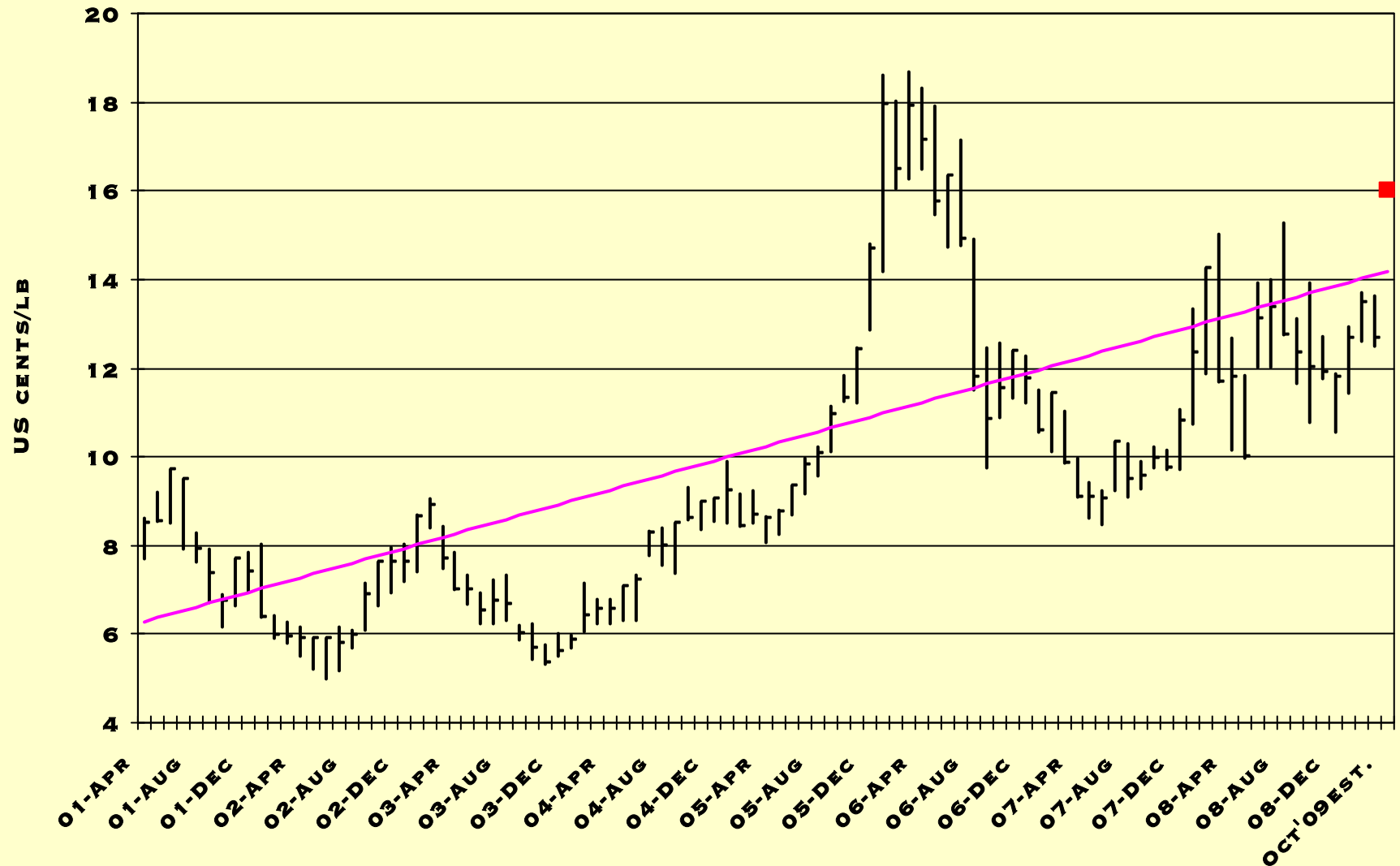
THE NEW EU SUGAR LANDSCAPE



MITRA SUGAR LIMITED

- **EU marketing vehicle – J/V with British Sugar**
- **Conduit for Illovo exports to deficit regions**
- **Commercial contracts concluded – Italy / Spain / Portugal / Poland / UK**
- **Access to market premiums via participation formula**
- **Office established / staffing underway**
- **Ready for business from 1 October 2009**

WORLD RAW SUGAR PRICE



WORLD SUGAR PRICE

- **Global demand still increasing**
- **Financial stress in Brazil - despite increased production**
- **New Brazilian factory capacity – ethanol only**
- **50% reduction in Indian production – ±14.8m tons**
- **Indian imports for next two years**
- **EU no longer major world market exporter**

REGIONAL MARKETS

- Responding to world market price increases
- Tight regional supply – lower production in Zimbabwe / Zambia last season
- Offset lower Brazilian freight rates
- Demand constrained by economic slowdown – DRC mining sector
- Logistics challenges

DOWNSTREAM INITIATIVES

- **Furfural**

- Nematicide registration ongoing in USA
- New registrations sought in EU
- Registrations elsewhere : RSA / Syria / East Africa
- Major interest in turf / golf courses



- **BioMass Sugar**

- Liquid organic fertiliser – molasses-based
- Launched in Spain / Holland – market gardening / cut flowers
- Growing interest in Australia / Asia

- **Lactulose**

- New capacity = $\pm 20\%$ of world supply
- Natural laxative demand increasing

POWER CO-GENERATION

Objective: electrical self-sufficiency and export of excess to national grid

- **Commercialisation of cane biomass (leaves / tops / trash) after harvest**
- **Coal substitution proven – use with bagasse**
- **Project under evaluation for export to grid**



SOUTH AFRICAN CONSOLIDATION

Objective: To establish a profitable, stand alone entity with the capacity to achieve acceptable group returns

- Umfolozi disposal completed 31/3/09**
- Pongola disposal to TSB underway**
- Acquisition of 30% of Gledhow milling / refining facility**
- Transfer of remaining assets to Illovo South Africa Ltd by 1/4/10**

MOZAMBIQUE EXPANSION

- **Factory expansion at Maragra underway to double capacity – 150 000 tons sugar p.a.**
- **J/V cane development with local community to plant 4 000 ha to cane**
- **Local grower expansion - 1 100ha underway**
- **Option secured to assess and progress rehabilitation at Buzi (near Beira) – 150 000 tons p.a.**



SWAZILAND EXPANSION

- **Current production - 225 000tons**
- **LUSIP – 12 000ha (irrigated) small-holder scheme**
- **Expand factory from 410tch to 500tch**
- **Sugar production**
 - **By 2013 - 325 000tons**
 - **Future potential - 375 000tons**



ZAMBIA

- **Purchase of equity control of Nanga Farms PLC (8 000ha)**
- **Produces 325 000 tons cane adjacent to Nakambala Estate**
- **Potential for future expansion**
- **Secured control over >60% of Zambian cane supply**
- **Excellent farming operation**

A map of West Africa with Mali highlighted in green. The word 'MALI' is written in large green letters over the highlighted area. Surrounding countries like Morocco, Algeria, Mauritania, Niger, Burkina Faso, Guinea, Sierra Leone, Liberia, Côte d'Ivoire, Nigeria, and Cameroon are labeled in red. Major cities like Marrakech, Agadir, Tiznit, Guelmim, Niamey, Bamako, and Accra are marked. The Sahara Desert and Tuareg regions are also labeled. The Atlantic Ocean and Gulf of Guinea are visible at the bottom.

MALI

- On-going in pre-project mobilisation mode
- Detailed ESIA completed – World Bank requirements
- Mali Govt. / Bi-lateral Govt. funder approval
- Project approval by financiers – Oct'09
- In-country management team
- Factory tenders December'09
- Cane planting commences April 2010
- Factory commissioning December 2011

THE YEAR AHEAD

- **Zambian production : ±420 000 tons**
- **Unrestricted EU market access from 1/10/09**
- **Improved world / regional prices, lower EU prices**
- **Margin pressure : cost inflation / downstream products**
- **Rand strength – currency volatility**
- **Finance costs no longer capitalised**
- **Tax normalising**

MEDIUM TERM

- **Increased production target:**
 - 8.1m tons cane
 - 2.6m tons sugar
- **Power co-generation**
- **Downstream product expansion / commercialisation**
- **Increased EU exports**

