TONGAAT HULETT
AUDITED RESULTS FOR THE
YEAR ENDED 31 MARCH 2017

- Revenue of R17,915 billion (2016: R16,676 billion) +7,4%
- Operating profit of R2,333 billion (2016: R1,669 billion) +39,8%
- Headline earnings of R982 million (2016: R679 million) +44,6%
- Operating cash flow (after working capital) of R3,176 billion (2016: R1,863 billion) +70,5%
- Annual dividend of 300 cents per share (2016: 230 cents per share) +30,4%

COMMENTARY

The results for the year ended 31 March 2017 show a 39,8% increase in operating profit to R2,3 billion. This reflects an improvement in sugar revenue and operating profit under difficult conditions. The starch operations were negatively impacted by maize costs that traded at import parity levels as a result of the past season's drought. Sales concluded in land conversion and developments in these twelve months were lower than the prior year. Operating cash flow, after working capital movements, has also advanced substantially.

The various sugar operations generated operating profit of R1,271 billion (2016: loss of R15 million). This is reflective of more effective import protection dynamics, improved local market prices and higher prices realised for exports, especially into regional African markets and the EU. Sugar production totaled 1 056 000 tons (2016: 1 023 000 tons), with volumes impacted by low cane yields due to the drought experienced in KwaZulu-Natal and poor growing conditions with low rainfall and restricted irrigation levels in Mozambique and Zimbabwe as a result of low dam levels. The momentum established to reduce costs has been maintained across all operations.

The South African sugar operations, including various downstream activities, produced operating profit of R390 million (2016: loss of R85 million). Sugar production started to recover, amounting to 353 000 tons (2016: 323 000 tons), costs were well contained and Tongaat Hulett increased its share of total industry production to 22% (2016: 19,5%), leading to an increased proportion of local market sales. The local market saw significantly better pricing and sales mix dynamics. The higher value of standing cane is reflective of the yield recovering in the next crop following the good summer rainfall in the past six months. Voermol animal feeds has contributed well, with increased margins.

The Mozambique sugar operating profit improved to R308 million (2016: R25 million). Sugar production was 198 000 tons (2016: 232 000 tons). Domestic market sales of locally produced sugar increased by 21%, for the whole industry, as a result of better protection against imports and improved sugar distribution and availability in more remote areas. Local market price increases and higher export prices positively impacted revenue and cane valuations. The Metical weakened substantially against the Rand and the US dollar, benefitting the operations with sizeable Metical based costs and revenue linked to the US dollar.

The Zimbabwe sugar operating profit increased to R504 million (2016: R9 million). Sugar production increased by 10% to 454 000 tons (2016: 412 000 tons). Local market sales volumes and mix improved due to there being lower imports into the market. Exports increased on the back of higher production and prices realised into the EU and regional markets were some 20% above the previous year. As part of an ongoing process, involving Government and farmers, to review the division of proceeds, an upward adjustment to the milling portion was made in the past year, with the commensurate recovery for sugar milling.

The starch and glucose operation recorded an operating profit of R510 million (2016: R658 million). Margins were negatively impacted in the second half of the year by maize costs which were at import parity levels following the drought of the past season and by lower co-product revenues. An improved sales mix was achieved during the period due to the successful replacement of imported volumes with local production and ongoing market development for modified starches and powdered glucose. This was offset by lower volumes as the prevailing economic climate led to lower consumer demand.

Land conversion and development activities recorded operating profit of R641 million (2016: R1,115 billion). The major contributors were Sibaya (high-end residential, retirement and school – 57 developable hectares sold), the industrial area of Cornubia (6 hectares), high intensity mixed use areas of Umhlanga Ridgeside (2 hectares) and Umhlanga Ridge Town Centre (1 hectare), integrated affordable residential at Bridge City (3 hectares) and further high end residential at Izinga (4 hectares) and Kindlewood (2 hectares), totaling 75 developable hectares compared to 121 developable hectares sold in the prior year. Revenue, costs and profit recorded per developable hectare vary, reflective of the degree of enhancement through urban planning, land use integration and density, location and the intensity of infrastructure investment and are in line with the value ranges communicated previously. During the year, the remaining interests in the Zimbali properties were disposed of to IFA for a cash component and in exchange for their joint venture share of the Westbrook/Zimbali South Banks land, resulting in some R24 million being recognised in operating profit.

The stronger Rand exchange rate at the year-end against the US dollar in respect of Zimbabwe and the Metical in respect of Mozambique has led to a reduction in the foreign currency translation reserve on consolidation into Rands of these operations' balance sheets, which is reflected in the statement of changes in equity and other comprehensive income.

Operating cash flow (after working capital movements) was R3,176 billion which is a R1,3 billion increase over the R1,863 billion of last year. Sugar cash flows improved as a result of higher revenue and operating profits, as well as lower root planting costs and capital expenditure during the past drought. The land conversion and development activities generated stronger operating cash flow, with significant proceeds being received and after development expenditure related payments being made. In total, after taking into account capex and root planting costs which totaled

R1,2 billion (2016: R1,9 billion), there was a net cash inflow (after dividend payments) of R544 million, compared to a net cash outflow of R1,278 billion last year. Tongaat Hulett's net debt at 31 March 2017 was R4,780 billion, compared to R5,101 billion at March 2016. Finance costs of R810 million (2016: R680 million) were commensurate with the borrowing levels during the period and the higher interest rates.

Taking all of the aforementioned into account, headline earnings for the year increased by 44,6% to R982 million (2016: R679 million).

A final dividend of 200 cents per share (2016: 60 cents per share) has been declared bringing the annual dividend to 300 cents per share (2016: 230 cents per share).

LOOKING AHEAD

Tongaat Hulett will continue to enhance its strategic positioning, focusing on multiple strategic thrusts, with a positive impact on earnings and cash flow.

Increasing Returns from the Sugar Asset Base – Recovering Cane Yields, Growing Sugar Production, Utilising Existing Capacity, with Low Incremental Costs

Weather and growing conditions over the past two years have masked the substantial progress that is being made with intensive agricultural improvement programmes, increased hectares under cane, irrigation efficiency and power reliability. The estimated impact is some 500 000 tons of annual sugar production. The existing sugar cane footprint, with regular growing conditions, the agricultural improvement programmes and the completion of the few new planting partnership initiatives underway should produce some 1 650 000 tons of sugar. Tongaat Hulett's objective is to continue with these actions until it fully utilises its installed milling capacity of more than 2 000 000 tons per annum. The recent completion in Zimbabwe of the Tokwe-Mukorsi dam and, in Mozambique (Xinavane), the raising of the Corumana dam wall and the construction of the new Moamba dam on the Incomati river, will diversify the water catchment area and provide increased stability in future water supply.

An early season estimate for total sugar production in 2017/18 is between 1 176 000 tons and 1 278 000 tons, compared to 1 056 000 tons in 2016/17. The good rainfall of the 2016/17 summer in the coastal areas of KwaZulu-Natal is positive for the 2017/18 crop yield and more hectares are to be harvested. The 2017/18 crop in Zimbabwe and Mozambique will be impacted to some extent by the reduced irrigation and limited replanting that was necessary during 2016. The current dam levels following the good rains at the end of 2016 into 2017 will provide full irrigation during 2017/18 leading to a significant crop recovery by 2018/19. Total sugar production is expected to recover over 2 years, to between some 1 485 000 and 1 588 000 tons in 2018/19. Tongaat Hulett's marginal cost of additional sugar production is currently some US$100 per ton from own cane (40%) and US$280 per ton from third party cane (60%). Realisations, ex-mill, based on current regional and EU market dynamics are approximately US$390 per ton.

The decrease in costs achieved over the past four years (equivalent to some R1,45 billion in real terms) provides good momentum for the ongoing cost reduction process. The objective is to further reduce the cost of sugar production, from cane growing to the delivery of sugar to the customer. The nature of sugar milling and cane growing is such that there is a high proportion of fixed costs and a low variable or incremental portion. Unit costs of sugar production will reduce further with the benefit of future volume increases. The ongoing cost reduction process is focused on bought-in goods, services, transport, marketing, salaries and wages.

The domestic markets in countries where Tongaat Hulett produces sugar remain a key focus area. There has been some progress in South Africa and significant success in Zimbabwe and Mozambique with the required protection from imports, with Government support, given the high rural job impact of these industries and being in line with international norms. In South Africa, discussions are underway between the South African Sugar Association and the relevant SA government departments, to increase the level of the reference price used for the import tariff determination. The current import tariff level is the lowest in the region and with the volatility of the Rand against the US dollar, a risk exists of increased imports from overseas sources into the SACU market. In Zimbabwe and Mozambique, sugar refining matters are being addressed, which should lead to the replacement of imported industrial white sugar. Growth is expected in consumption per capita, off a low base, particularly in Mozambique and partly in Zimbabwe, supported by distribution, industrialisation and marketing initiatives. Tongaat Hulett has the leading sugar brands in South Africa, Zimbabwe, Botswana and Namibia. The proposed sugar sweetened beverage tax in South Africa and its socio impact is being assessed and debated. It is likely to have a limited effect on total local sugar demand and the financial impact would inter alia depend on the level of the prevailing world sugar price.

Tongaat Hulett has key market positions and experience in both the region (southern and eastern Africa) and the EU for the sale of its additional sugar. It is developing and expanding its positions in regional deficit markets, where a premium is earned over world market prices as well as broadening its footprint in key value-add markets in the EU where it enjoys preferential access.

The price of raw sugar in the world market, having traded in a wide range of some 14,0 to 23,8 US cents per pound in the 12 months to March 2017 (13,2 to 16,7 US cents per pound in the prior year), has come under pressure over the past six months from emerging forecasts for a global supply surplus in the 12 months to September 2018. Of late, it is trading in the region of 16,5 US cents per pound. The price of raw sugar is currently expected in the coming year to trade in a broad range of 14 to 18 US cents per pound, impacted by supply prospects over the coming 15 months in the major sugar producing countries. The sugar/ethanol mix in Brazil is expected to increasingly impact on world sugar prices. In the medium term, there continue to be concerns of the ability of global supply to match demand at prevailing price levels. Global sugar consumption is predicted to continue to grow at a rate of some 1,5% per annum, with most of this growth coming from low per capita consumption developing countries.

Starch and Glucose – More Competitive Maize and Better Volume Prospects

The starch and glucose operation is well positioned strategically and is focused on growing its sales volume, as it consolidates its gains from replacement of imports in the coffee/creamer and other sectors, continued enhancement of its product mix and developing opportunities which have been identified and targeted for growth through exports. Working together with customers, further opportunities are being targeted for growth through customer exports. Market development to increase the production of value added modified starches is progressing. This is all underpinned by improving the use of the available capacity and the efficiency of operations.

Following the drought of the past year, high maize prices led to a significant increase in maize plantings and combined with good summer rainfall conditions are expected to yield a crop of 14,5 million tons (2016/17: 7,5 million tons). New season maize prices have moved close to export parity levels and will benefit operating margins in the second half of the new financial year. Co-product revenues are expected to remain under significant pressure in the first half of the year. A recovery in sales volumes is anticipated during the coming year as customers' import contracts expire and are replaced with local production. Further volume growth is expected to be supported by some recovery in consumer demand and increased export sales as the benefits of lower maize prices materialise.

Value Creation from Land Conversion and Development

Tongaat Hulett is focused on creating stakeholder value through converting prime land near Durban and Ballito to enable investors, developers and end users to access bankable, shovel-ready real estate investment projects that yield the best possible urban use. Over the past three years 304 developable hectares, from the portfolio of some 7 709 developable hectares, have been converted to such projects. Simultaneously, Tongaat Hulett drives rural development in the cane catchment area of its sugar mills and over the past five years 24 560 hectares of new cane land have been planted, mainly in communal areas. The value creating capability of the land conversion activities continues to increase, with good progress in the important value drivers. These include nurturing sound relationships with key stakeholders; growing demand in selected usage areas; increasing the supply of shovel-ready land through planning processes and unlocking infrastructure; and transferring land to others through sales that include structuring selected transactions that are appropriate to unlock targeted demand drivers and that deliver specific progress in transformation of ownership and participation in the real estate value chain. Further Act 70 of 1970 approvals were received in the period, taking the total to some 3 582 developable hectares. These approvals are being consolidated through further planning. A total of 962 developable hectares achieved EIA approval in the period, bringing the total of land with EIA approvals in the portfolio to 1 314 developable hectares, with a further 1 100 developable hectares being well advanced in EIA processes.

Negotiations on some 233 developable hectares are currently underway, representing profit potential of around R1,58 billion. These reflect diverse current demand, covering affordable residential, mid-to-upper market residential, retirement, offices, warehousing and logistics, resort/hotel, a range of urban amenities, and educational uses. The nature of the transactions being negotiated is selected to suit the demand sector, optimise value created and achieve transformation objectives and accelerated investment into the region. Geographically, these negotiations include Umhlanga Ridge Town Centre (Commercial and Residential), Ridgeside Precincts 1 and 2, Sibaya Nodes 1, 5 and 4, Kindlewood, Bridge City, various Precincts in Cornubia (Cornubia Town Centre, Marshall Dam Residential, Umhlanga Hills and Blackburn Extension) and Tinley Manor. In addition, increasing enquiries are being received at Ntshongweni, west of Durban, and in the airport region. A detailed update on the portfolio and the process and progress of creating value through land conversion in KwaZulu-Natal is available on the www.tongaat.com website.

The Year Ahead

Tongaat Hulett's profit for the 2017/18 year will continue to be influenced by a number of substantial and varying dynamics, both positive and negative. Overall, there is a positive outlook for the full year with earnings growth expected to continue and the cash flow momentum expected to be maintained.

Tongaat Hulett strives to be a proactive and resilient organisation working in collaboration with all its stakeholders in a focused, constructive, mutual value-adding and developmental manner. It has operations in six countries in SADC, significant sugar cane and maize processing facilities, a unique land conversion platform, a sizeable animal feeds thrust and possibilities to further grow ethanol and electricity generation.

For and on behalf of the Board

Bahle Sibisi	Peter Staude
Chairman	Chief Executive Officer

Amanzimnyama
Tongaat, KwaZulu-Natal

25 May 2017

TONGAAT HULETT LIMITED

Registration number: 1892/000610/06 JSE share code: TON ISIN: ZAE000096541

AUDITED RESULTS
for the year ended 31 March 2017

Income Statement

Summarised consolidated Rmillion	**Audited 2017**	Audited 2016 (restated - note 10)
Revenue	**17 915**	16 676
Operating profit	**2 333**	1 669
Net financing costs (note 1)	**(810)**	(680)
Profit before tax	**1 523**	989
Tax (note 2)	**(428)**	(326)
Profit for the year	**1 095**	663
Profit attributable to:		
Shareholders of Tongaat Hulett	**983**	716
Minority (non-controlling) interest	**112**	(53)
	1 095	663
Earnings per share (cents)		
Basic	**853.6**	620.1
Diluted	**853.6**	620.1

Headline earnings attributable to Tongaat Hulett shareholders (note 3)	**982**	679
Headline earnings per share (cents)		
Basic	**852.7**	588.0
Diluted	**852.7**	588.0
Dividend per share (cents)	**300.0**	230.0
Currency conversion		
Rand/US dollar closing	**13.38**	14.84
Rand/US dollar average	**14.09**	13.81
Rand/Metical average	**0.22**	0.35
Rand/Euro average	**15.45**	15.20
US dollar/Euro average	**1.10**	1.10

Segmental Analysis

Summarised consolidated Rmillion	**Audited 2017**	Audited 2016 (restated - note 10)
REVENUE		
Sugar		
Zimbabwe	**4 399**	3 549
Swaziland	**236**	205
Mozambique	**1 723**	1 664
South Africa	**6 405**	5 964
Sugar operations - total	**12 763**	11 382
Starch operations	**4 172**	3 640
Land Conversion and Developments	**980**	1 654
Consolidated total	**17 915**	16 676
OPERATING PROFIT		
Sugar		
Zimbabwe	**504**	9
Swaziland	**69**	36
Mozambique	**308**	25
South Africa	**390**	(85)
Sugar operations - total	**1 271**	(15)
Starch operations	**510**	658
Land Conversion and Developments	**641**	1 115
Centrally accounted and consolidation items	**(74)**	(70)
BEE IFRS 2 charge and transaction costs	**(15)**	(19)
Consolidated total	**2 333**	1 669
FURTHER ANALYSIS OF SUGAR OPERATING PROFIT		
Sugar operations - before cane valuations	**1 128**	(156)
Zimbabwe	**748**	138
Swaziland	**67**	26
Mozambique	**168**	(94)
South Africa	**145**	(226)
Cane valuations - income statement effect	**143**	141
Zimbabwe	**(244)**	(129)
Swaziland	**2**	10
Mozambique	**140**	119
South Africa	**245**	141
Sugar operations - after cane valuations	**1 271**	(15)
Zimbabwe	**504**	9
Swaziland	**69**	36
Mozambique	**308**	25
South Africa	**390**	(85)

Segmental Analysis continued

Detailed below is a revenue and cost analysis of the Zimbabwe, Mozambique and South Africa sugar operations which is provided in the respective currencies of each country and is unaudited.

ZIMBABWE	2017 US$ million	2016 US$ million Restated - note 10	2015 US$ million	2014 US$ million	2013 US$ million
Revenue	312	257	314	286	380
Sugar sales	287	233	292	260	360
Other activities	25	24	22	26	20
Sugar stock movement	(5)	6	(28)	35	10
Revenue adjusted for stock movements	307	263	286	321	390
Less Costs					
Payments for 3rd party cane	62	58	70	76	92
Goods/services/transport/marketing, salaries/wages	145	141	135	146	186
Offcrop costs carried in	20	20	14	20	16
Depreciation/amortisation	15	16	17	19	19
Profit before root depreciation, replant costs and cane valuations	65	28	50	60	77
Root depreciation/replant costs #	(12)	(18)	(21)	(3)	(12)
Cane valuations - income statement effect	(17)	(9)	6	(24)	9
Operating profit	**36**	**1**	**35**	**33**	**74**
Raw sugar production (tons)	454 000	412 000	445 000	488 000	475 000
Sugar sales (tons)	463 000	403 000	491 000	426 000	456 000

MOZAMBIQUE	2017 Metical million	2016 Metical million Restated - note 10	2015 Metical million	2014 Metical million	2013 Metical million
Revenue	7 711	4 790	5 171	5 035	5 644
Sugar sales	7 288	4 405	4 943	4 857	5 452
Other activities	423	385	228	178	192
Less Costs					
Payments for 3rd party cane	750	363	402	318	350
Goods/services/transport/marketing, salaries/wages	4 444	2 948	2 887	2 785	3 052
Offcrop costs carried in	506	542	429	466	421
Depreciation/amortisation	502	520	522	495	442
Profit before root depreciation, replant costs and cane valuations	1 509	417	931	971	1 379
Root depreciation/replant costs #	(756)	(688)	(313)	(167)	(339)
Cane valuations - income statement effect	627	345	(245)	(308)	368
Operating profit	**1 380**	**74**	**373**	**496**	**1 408**
Raw sugar production/sales (tons)	198 000	232 000	271 000	249 000	235 000

SOUTH AFRICA SUGAR (including downstream activities)	2017 Rand million	2016 Rand million Restated - note 10	2015 Rand million	2014 Rand million	2013 Rand million
Revenue *	5 082	4 279	5 229	5 265	4 467
Sugar sales	4 074	3 285	4 138	4 206	3 554
Other activities	1 008	994	1 091	1 059	913
Less Costs					
Payments for 3rd party cane/SASA levies	2 080	1 631	2 102	2 194	1 809
Goods/services/transport/marketing, salaries/wages	2 418	2 475	2 658	2 558	2 325
Offcrop costs carried in	193	169	139	182	131
Depreciation/amortisation	116	93	101	125	85
Profit before root depreciation, replant costs and cane valuations	275	(89)	229	206	117
Root depreciation/replant costs #	(130)	(137)	(94)	(44)	(74)
Cane valuations - income statement effect	245	141	126	178	265
Operating profit/(loss)	**390**	**(85)**	**261**	**340**	**308**
Raw sugar production (tons)	353 000	323 000	541 000	634 000	486 000

Root depreciation in 2017 and 2016 and root replant costs in prior years

* Revenue net of industry redistribution/sugar purchases

Statement of Financial Position

Summarised consolidated Rmillion	Audited 2017	Audited 2016 (restated - note 10)
ASSETS		
Non-current assets		
Property, plant and equipment	**13 688**	16 415
Long-term receivable	**619**	564
Goodwill	**382**	438
Intangible assets	**366**	212
Investments	**28**	26
	15 083	17 655
Current assets	**12 871**	13 037
Inventories	**2 949**	2 866
Growing crops	**2 549**	2 914
Trade and other receivables	**4 070**	4 738
Major plant overhaul costs	**562**	642
Cash and cash equivalents	**2 741**	1 877
TOTAL ASSETS	**27 954**	30 692
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	**135**	135
Share premium	**1 544**	1 544
BEE held consolidation shares	**(642)**	(625)
Retained income	**9 044**	8 191
Other reserves	**700**	4 028
Shareholders' interest	**10 781**	13 273
Minority (non-controlling) interest	**1 957**	2 152
Equity	**12 738**	15 425
Non-current liabilities	**8 296**	8 086
Deferred tax	**2 537**	2 864
Long-term borrowings	**4 975**	3 791
Non-recourse equity-settled BEE borrowings		605
Provisions	**784**	826
Current liabilities	**6 920**	7 181
Trade and other payables (note 5)	**3 598**	3 897
Short-term borrowings	**2 546**	3 187
Non-recourse equity-settled BEE borrowings	**623**	
Tax	**153**	97
TOTAL EQUITY AND LIABILITIES	**27 954**	30 692

Number of shares (000)		
– in issue	**135 113**	135 113
– weighted average (basic)	**115 158**	115 471
– weighted average (diluted)	**115 158**	115 471

Statement of Cash Flows

Summarised consolidated Rmillion	**Audited 2017**	Audited 2016 (restated - note 10)
Operating profit	**2 333**	1 669
Surplus on disposal of property, plant and equipment	**(42)**	(84)
Depreciation	**1 027**	1 231
Growing crops valuation and other non-cash items	**(38)**	36
Operating cash flow	**3 280**	2 852
Change in working capital	**(104)**	(989)
Cash flow from operations	**3 176**	1 863
Tax payments	**(482)**	(221)
Net financing costs	**(810)**	(680)
Cash flow from operating activities	**1 884**	962
Expenditure on property, plant and equipment:		
New	**(423)**	(488)
Replacement and plant overhaul	**(202)**	(634)
Root planting costs	**(418)**	(668)
Intangible assets	**(166)**	(123)
Other capital items	**59**	109
Net cash flow before dividends and financing activities	**734**	(842)
Dividends paid	**(190)**	(436)
Net cash flow before financing activities	**544**	(1 278)
Borrowings raised	**680**	1 273
Non-recourse equity-settled BEE borrowings	**18**	(49)
Settlement of share-based payment awards	**(65)**	(39)
Net increase / (decrease) in cash and cash equivalents	**1 177**	(93)
Balance at beginning of year	**1 877**	1 668
Currency alignment	**(313)**	302
Cash and cash equivalents at end of year	**2 741**	1 877

Statement of Changes in Equity

Summarised consolidated Rmillion	**Audited 2017**	Audited 2016 (restated - note 10)
Balance at beginning of year	**13 273**	11 889
Total comprehensive income for the year	**(2 324)**	1 763
Retained earnings	**1 012**	698
Movement in hedge reserve	**(5)**	7
Foreign currency translation	**(3 331)**	1 058
Dividends paid	**(176)**	(417)
BEE share-based payment charge	**13**	17
Share-based payment charge	**60**	60
Settlement of share-based payment awards	**(65)**	(39)
Shareholders' interest	**10 781**	13 273
Minority (non-controlling) interest	**1 957**	2 152
Balance at beginning of year	**2 152**	1 887
Total comprehensive income for the year	**(181)**	284
Retained earnings	**112**	(53)
Foreign currency translation	**(293)**	337
Dividends paid to minorities	**(14)**	(19)
Equity	**12 738**	15 425

Statement of Other Comprehensive Income

Summarised consolidated Rmillion	**Audited 2017**	Audited 2016 (restated - note 10)
Profit for the year	**1 095**	663
Other comprehensive income	**(3 600)**	1 384
Items that will not be reclassified to profit or loss:		
Foreign currency translation	**(3 624)**	1 395
Actuarial gain/(loss) on post-retirement benefits	**40**	(24)
Tax on actuarial gain/(loss)	**(11)**	6
Items that may be reclassified subsequently to profit or loss:		
Hedge reserve	**(7)**	10
Tax on movement in hedge reserve	**2**	(3)
Total comprehensive income for the year	**(2 505)**	2 047
Total comprehensive income attributable to:		
Shareholders of Tongaat Hulett	**(2 324)**	1 763
Minority (non-controlling) interest	**(181)**	284
	(2 505)	2 047

Notes		
Summarised consolidated Rmillion	**Audited 2017**	Audited 2016 (restated - note 10)
1. Net financing costs		
Interest paid	**(973)**	(778)
Interest capitalised	**34**	28
Interest received	**129**	70
	(810)	(680)
2. Tax		
Normal	**(549)**	(277)
Deferred	**121**	(49)
	(428)	(326)
3. Headline earnings		
Profit attributable to shareholders	**983**	716
Adjusted for:		
Capital profit on disposal of land and buildings	**(12)**	(42)
(Surplus)/loss on other capital items	**(4)**	4
Minority (non-controlling) interest	**1**	(1)
Tax on the above items	**14**	2
	982	679

4. Growing crops

Growing crops, comprising standing cane, is measured at fair value which is determined using an estimate of cane yields and prices which are unobservable inputs and, in accordance with IFRS, categorised as level 3 under the fair value hierarchy. Changes in fair value are recognised in profit or loss. A change in yield of one ton per hectare on the estimated yield of 76 tons cane per hectare (2016: 73 tons per hectare) would result in a R35 million (2016: R37 million) change in fair value while a change of one percent in the cane price would result in a R32 million (2016: R33 million) change in fair value.

5. Trade and other payables

Included in trade and other payables is the maize obligation (interest bearing) of R509 million (2016: R376 million).

6. Capital expenditure commitments		
Contracted	**104**	196
Approved	**250**	213
	354	409
7. Operating lease commitments	**60**	75
8. Guarantees and contingent liabilities	**96**	101

Notes (continued)

9. Basis of preparation

The summarised consolidated financial statements for the year ended 31 March 2017 have been prepared in accordance with the JSE Limited Listings Requirements for provisional reports, the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and as a minimum, contains the information as required by International Accounting Standard 34: Interim Financial Reporting and the requirements of the Companies Act of South Africa. This announcement does not include the information required pursuant to paragraph 16A(j) of IAS 34 which is available on the website, at the registered office and upon request. Except as described below, the summarised financial statements have been prepared using accounting policies that comply with IFRS which are consistent with those applied in the consolidated annual financial statements for the year ended 31 March 2016 and were prepared under the supervision of the Chief Financial Officer, M H Munro CA (SA).

10. Adoption of new or revised accounting standards

Tongaat Hulett has adopted all the new or revised accounting pronouncements as issued by the IASB which were effective for Tongaat Hulett from 1 January 2016. The adoption of these standards had no recognition and measurement impact on the financial results, other than for the compulsory adoption of the revised IAS 16 and IAS 41 which has resulted in cane roots being reclassified from growing crops to property, plant and equipment in the statement of financial position, root planting costs being capitalised to the cost of the roots and thereafter the roots depreciated over their estimated useful lives. Standing cane is now disclosed as a current asset.

Comparative figures have been restated. The effect of the adoption of the revised IAS 16 and IAS 41 on profit or loss for the year ended 31 March 2016 was a decrease in operating profit of R139 million, deferred tax relief of R32 million and a decrease in net profit for the year of R107 million. The effect on earnings per share and headline earnings per share (basic and diluted) was a decrease of 90,1 cents per share. There was a R2 million decrease in other comprehensive income (foreign currency translation). The effect on the statement of financial position was the reclassification of cane roots of R3 234 million from growing crops to property, plant and equipment, a decrease of R137 million in the carrying value of cane roots, and decreases in equity and deferred tax of R105 million and R32 million respectively.

11. Audited results

These summarised consolidated financial statements, which have been derived from the audited consolidated financial statements for the year ended 31 March 2017 and with which they are consistent in all material respects, have been audited by Deloitte & Touche. Their unmodified audit opinions on the consolidated financial statements and on the summarised consolidated financial statements are available for inspection at the registered office of the company. The auditor's report does not necessarily report on all of the information contained in this announcement and any reference to future financial performance included in this announcement has not been audited or reported on. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the registered office of Tongaat Hulett.

12. Subsequent events

There were no material events between 31 March 2017 and the date of this report.

DIVIDEND DECLARATION

Notice is hereby given that the Board has declared a final gross cash dividend (number 179) of 200 cents per share for the year ended 31 March 2017 to shareholders recorded in the register at the close of business on Friday 23 June 2017.

The salient dates of the declaration and payment of this final dividend are as follows:

Last date to trade ordinary shares "CUM" dividend	Tuesday	20 June 2017
Ordinary shares trade "EX" dividend	Wednesday	21 June 2017
Record date	Friday	23 June 2017
Payment date	Thursday	29 June 2017

Share certificates may not be dematerialised or re-materialised, nor may transfers between registers take place between Wednesday 21 June 2017 and Friday 23 June 2017, both days inclusive.

The dividend is declared in the currency of the Republic of South Africa. Dividends paid by the United Kingdom transfer secretaries will be paid in British currency at the rate of exchange ruling at the close of business on Tuesday 20 June 2017.

The dividend has been declared from income reserves. A net dividend of 160 cents per share will apply to shareholders liable for the local 20% dividend withholding tax and 200 cents per share to shareholders exempt from paying the dividend tax. The issued ordinary share capital as at 25 May 2017 is 135 112 506 shares. The company's income tax reference number is 9306/101/20/6.

For and on behalf of the Board

M A C Mahlari
Company Secretary

Amanzimnyama
Tongaat, KwaZulu-Natal

25 May 2017