TONGAAT HULETT
AUDITED RESULTS FOR THE YEAR ENDED 31 MARCH 2012

- Revenue of R12,081 billion (2011: R9,681 billion) +24,8%
- Sugar production of 1,150 million tons (2011: 1,006 million tons) +14,3%
- Profit from operations of R1,921 billion (2011: R1,338 billion) +43,6%
- Headline earnings of R891 million (2011: R806 million) +10,5%
- Annual dividend of 290 cents per share (2011: 250 cents per share) +16,0%

COMMENTARY

Tongaat Hulett's total sugar production for the 2011/12 year grew by 14% to 1,150 million tons. This included increases of 42% in Mozambique, 12% in Zimbabwe and 7% in South Africa. The cane supplied to all the sugar mills grew to 9,6 million tons, with significant momentum building in the various on-going cane supply initiatives. The starch operations benefitted from world competitive maize costs and improved co-product recoveries. An increasing number of hectares of land are moving towards becoming active developments, with the first sales of industrial land in Cornubia having been concluded in March 2012.

Revenue for the year of R12,081 billion was 24,8% above the prior year, mainly as a result of increased sugar production together with improved realisations in the regional and European Union sugar markets. The total profit from the various operating areas grew by 53% and exceeded R2 billion for the first time. Headline earnings grew to R891 million (2011: R806 million).

Good progress is being made across all the sugar operations to drive growth in future cane supply (including hectares under cane, cane yields and cane quality) in order to fully utilise the existing sugar milling capacity and reduce unit costs as volumes increase. New plantings in the past year increased the area under cane by some 13 520 hectares and the replanting of existing roots is being accelerated for the benefit of future milling seasons. The many initiatives underway to improve root age, farming practices and crop positioning are aimed at improving cane yields and sucrose content.

Profit from the Mozambique sugar operations grew by 198% to R402 million (2011: R135 million), with sugar production having grown by 42% to 233 000 tons (2011: 164 000 tons). Following the previous expenditure on establishing the cane, it is now being harvested and the sugar produced and sold, with the operating cash flow in Mozambique having increased by more than R400 million over the previous year. Both the Mozambique and Zimbabwe operations benefitted from higher export realisations and domestic prices in line with regional pricing levels. The Zimbabwe sugar operations generated profit of R621 million (US$84 million) compared to the previous year of R454 million (US$63 million). Sugar production in Zimbabwe increased by 12% to 372 000 tons (2011: 333 000 tons), with the majority of the increase coming from Hippo Valley.

Operating profit from the South African sugar operations including the downstream sugar value added activities increased by 51% to R354 million (2011: R234 million). Raw sugar production increased by 7% to 486 000 tons (2011: 455 000 tons). The gap between the hectares under cane and the hectares milled was unusually large as a result of the substantial cane root planting following the drought in the previous two years and the approximate 15 month lead time required from planting to first harvesting. New cane planting driven by Tongaat Hulett in the last year totalled 8 687 hectares, following the 9 696 hectares planted in the previous two years. Sales by Tongaat Hulett into the local market increased by 10%. Tongaat Hulett's share of industry production increased from 23% to 26%. Operating profit in the South African agriculture, sugar milling and refining operations started recovering and improved to R93 million (2011: loss of R7 million). The various downstream sugar value added activities recorded profit of R261 million (2011: R241 million). The Voermol animal feeds operation experienced pressure on sales volumes and margins.

In Swaziland, the Tambankulu sugar estate's operating profit recovered to R51 million (2011: R17 million), returning to 2009/10 levels. The raw sugar equivalent production increased to 59 000 tons (2011: 54 000 tons), with higher cane yields and sucrose content being achieved. Export pricing levels improved, as did exchange rates.

In the land conversion and development activities, various sales strategies (bulk sale, partnership or own development) are constantly reviewed for each land holding and implemented as appropriate. Offers for bulk and semi-bulk land sales received over the past two years that did not represent optimal value were turned down. Revenue was generated from 22 developable hectares sold in Cornubia and a further 20 developable hectares that were sold primarily in the Umhlanga Ridge, Zimbali, Bridge City and Izinga areas. Operating profit grew by 30% to R215 million (2011: R166 million) with a further R3 million in capital profits (2011: R23 million) being realised.

Profit from the starch operations increased by 20% to R363 million, compared to R303 million last year. Improved co-product revenues and local maize costs that were previously contracted below Chicago (CBOT) prices resulted in an improvement in starch and glucose processing margins. Manufacturing plant performance has continued to improve and sales volumes in the local market were 1,4% above last year.

The "centrally accounted and consolidation items" component of the income statement reflects the effect of the pension fund employer surplus account allocation of 2010/11 not being repeated in 2011/12. Profit from operations, after centrally accounted items, grew by 43,6% to R1,921 billion.

Finance costs increased to R507 million from R472 million in the 2011/12 year and are commensurate with the level of borrowings.

Operating cash flow, before working capital, improved by R863 million to R1,757 billion for the year. This follows the previous absorption of cash in the various expansion and on-going sugar cane establishment programs. The net cash outflow, after dividends, of R293 million reflected an improvement of R534 million over the prior year. Tongaat Hulett's net debt at 31 March 2012 was R4,404 billion. A first long-term bond issuance of R750 million was successfully concluded.

Total net profit was R1,021 billion (2011: R871 million). The gain in respect of the pension fund accounting of R288 million and the R129 million employer surplus account allocation in the prior year did not arise again in the current year. The minority shareholders' interests increased to R132 million (2011: R38 million) as a result of higher profits at the sugar milling operations in Mozambique and at Hippo Valley in Zimbabwe. Headline earnings were R891 million, compared to the R806 million earned in the prior year.

The Board has declared a final dividend of 170 cents per share, bringing the annual dividend to 290 cents per share (2011: 250 cents per share).

OUTLOOK

Tongaat Hulett's drive to increase the cane available for its mills is continuing to build momentum (including hectares under cane, yields and cane quality), towards fully utilising its existing milling capacity of more than 2 million tons of sugar. At full capacity utilisation, sugar production would increase by more than 75% over the 1,150 million tons of the 2011/12 season. Unit costs will benefit substantially from increasing volumes and yields, as milling costs are mostly fixed and many of the agricultural costs are fixed per hectare, countering the effect of current cost pressures including wage increases.

The strategy to increase cane supply in South Africa is focused on commercial farmers, small scale farmers and increasing Tongaat Hulett's influence in cane development through leasing additional land and collaborating with Government to rehabilitate cane supply on land reform farms that have gone out of cane. The gap between hectares under cane and hectares milled will remain a feature of the next three years as a result of accelerated root replanting to improve cane age, generate better yields and increase the crop's ability to withstand variable weather conditions. Hectares available for milling in 2012/13 will increase as a result of the 9 696 hectares which were planted in the 2009/10 and 2010/11 years. The additional 8 687 hectares that were planted in the 2011/12 season in the catchment areas of Tongaat Hulett's South African mills will largely be harvested for the first time in the 2013/14 season.

Co-operation between the Zimbabwe Government, the eastern lowveld communities and Tongaat Hulett is focused on the "Successful Rural Sugar Cane Farming Community" project. Some 15 900 hectares have been allocated to approximately 870 indigenous farmers. In this past season, these farmers delivered 532 000 tons of cane (equivalent to 65 000 tons of sugar) from some 9 000 hectares. The target is to uplift this to over 1,4 million tons of cane (equivalent to 180 000 tons of sugar) from the available hectares, with the pace of planting new roots being targeted to average some 4 000 hectares per annum. It is thus pleasing that some 6 000 hectares were planted in the 2011/12 year. This, together with Tongaat Hulett's improvement of its own agricultural yields, is key to achieving the target of increasing sugar production in Zimbabwe to full milling capacity of some 640 000 tons per annum.

Sugar production in Mozambique is expected to grow by a further 30% over the next three years to above 310 000 tons per annum together with a reduction in unit costs.

High levels of South African maize exports in the past season and dry weather conditions during the current maize season have resulted in local maize prices rising to levels slightly above international maize prices and this is expected to place some pressure on starch margins. Exposure to future movements of the maize price in the forthcoming year has been reduced with 59% of maize requirements having been priced with customers or hedged below the international maize price.

Tongaat Hulett has targeted some 8 600 developable hectares (13 607 gross hectares) for development in South Africa. There are on-going processes on most of the developable land to enhance its usage and value to all stakeholders. The extent and pace of planning, in collaboration with Government, has increased substantially. Cornubia industrial (80 hectares still to be sold) and Sibaya node 1 (49 hectares) have recently become available for sale. Tongaat Hulett continues to explore bulk land sale opportunities within its land holdings. The exact timing of land sales, including bulk sales, remains variable in the current economic climate.

Overall, as one of the main drivers of revenue and earnings, sugar production is expected to increase by between 12% and 25% in the 2012/13 season. It is anticipated that regional sugar prices will be stable and export realisations into the European Union should remain attractive, with the business's direct exposure to the more volatile world sugar market being of the order of 10%. Tongaat Hulett's financial results remain sensitive to movements in exchange rates, which impact particularly on export realisations and the conversion of profits from Zimbabwe and Mozambique into Rands.

The future revenue stream would benefit significantly from electricity and ethanol developments. Tongaat Hulett continues to interface with Government towards establishing an appropriate regulatory framework for both electricity generation and ethanol production from sugar cane.

For and on behalf of the Board

J B Magwaza
Chairman

Peter Staude
Chief Executive Officer

Amanzimnyama
Tongaat, KwaZulu-Natal

24 May 2012

TONGAAT HULETT LIMITED

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

AUDITED RESULTS

for the year ended 31 March 2012

Income Statement

Condensed consolidated Rmillion	**Audited 2012**	Audited 2011
Revenue	**12 081**	9 681
Profit from operations	**1 921**	1 338
Bulk sales / capital profit on land	**3**	23
Capital profit on other items		4
BEE IFRS 2 charge and transaction costs	**(48)**	(46)
Defined benefit pension fund asset recognition		288
Valuation adjustments	**2**	(1)
Operating profit	**1 878**	1 606
Share of associate company's profit / (loss)	**1**	(2)
Net financing costs (note 1)	**(507)**	(472)
Profit before tax	**1 372**	1 132
Tax (note 2)	**(351)**	(261)
Net profit for the year	**1 021**	871
Profit attributable to:		
Shareholders of Tongaat Hulett	**889**	833
Minority (non-controlling) interest	**132**	38
	1 021	871
Headline earnings attributable to Tongaat Hulett shareholders (note 3)	**891**	806
Earnings per share (cents)		
Net profit per share		
Basic	**837.0**	786.0
Diluted	**817.6**	764.3
Headline earnings per share		
Basic	**838.9**	760.5
Diluted	**819.4**	739.6
Dividend per share (cents)	**290.0**	250.0
Currency conversion		
Rand/US dollar closing	**7.67**	6.80
Rand/US dollar average	**7.44**	7.19
Rand/Metical average	**0.27**	0.21
Rand/Euro average	**10.24**	9.49
US dollar/Euro average	**1.38**	1.32

Segmental Analysis

Condensed consolidated Rmillion	**Audited** **2012**	Audited 2011
REVENUE		
Starch operations	**2 580**	2 357
Land Conversion and Developments	**366**	207
Sugar		
Zimbabwe operations	**2 266**	1 646
Swaziland operations	**163**	126
Mozambique operations	**1 437**	715
SA agriculture, milling and refining	**3 465**	2 991
Downstream value added activities	**1 804**	1 639
Consolidated total	**12 081**	9 681
PROFIT FROM OPERATIONS		
Starch operations	**363**	303
Land Conversion and Developments	**215**	166
Sugar		
Zimbabwe operations	**621**	454
Swaziland operations	**51**	17
Mozambique operations	**402**	135
SA agriculture, milling and refining	**93**	(7)
Downstream value added activities	**261**	241
Profit from the operating areas	**2 006**	1 309
Centrally accounted and consolidation items	**(85)**	29
Consolidated total	**1 921**	1 338

Statement of Financial Position

Condensed consolidated Rmillion	**Audited 2012**	Audited 2011
ASSETS		
Non-current assets		
Property, plant and equipment	**9 026**	7 665
Growing crops	**3 575**	2 608
Defined benefit pension fund asset	**294**	294
Long-term receivable	**115**	135
Goodwill	**260**	230
Intangible assets	**65**	32
Investments	**12**	7
	13 347	10 971
Current assets	**4 435**	3 520
Inventories	**1 483**	1 365
Trade and other receivables	**1 976**	1 457
Major plant overhaul costs	**380**	331
Derivative instruments	**4**	11
Tax		6
Cash and cash equivalents	**592**	350
TOTAL ASSETS	**17 782**	14 491
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	**140**	140
Share premium	**1 528**	1 524
BEE held consolidation shares	**(799)**	(868)
Retained income	**5 888**	5 305
Other reserves	**(48)**	(1 301)
Shareholders' interest	**6 709**	4 800
Minority interest in subsidiaries	**1 087**	840
Equity	**7 796**	5 640
Non-current liabilities	**4 706**	3 981
Deferred tax	**1 663**	1 365
Long-term borrowings	**1 732**	1 345
Non-recourse equity-settled BEE borrowings	**737**	761
Provisions	**574**	510
Current liabilities	**5 280**	4 870
Trade and other payables (note 4)	**1 997**	1 938
Short-term borrowings	**3 264**	2 930
Derivative instruments	**1**	2
Tax	**18**	
TOTAL EQUITY AND LIABILITIES	**17 782**	14 491
Number of shares (000)		
– in issue	**105 143**	105 014
– weighted average (basic)	**106 209**	105 986
– weighted average (diluted)	**108 739**	108 984

Statement of Cash Flows

Condensed consolidated Rmillion	**Audited 2012**	Audited 2011
Operating profit	**1 878**	1 606
Profit on disposal of property, plant and equipment	**(10)**	(35)
Depreciation	**366**	344
Growing crops and other non-cash items	**(352)**	(622)
Defined benefit pension fund asset recognition		(288)
Tax payments	**(125)**	(111)
Operating cash flow	**1 757**	894
Change in working capital	**(519)**	(212)
Cash flow from operations	**1 238**	682
Net financing costs	**(507)**	(472)
Cash flow from operating activities	**731**	210
Expenditure on property, plant and equipment:		
New	**(329)**	(396)
Replacement and plant overhaul	**(345)**	(410)
Expenditure on intangible assets	**(20)**	(26)
Capital expenditure on growing crops	**(57)**	(43)
Proceeds on disposal of property, plant and equipment	**19**	41
Investments	**(4)**	(5)
Net cash flow before dividends and financing activities	**(5)**	(629)
Dividends paid	**(288)**	(198)
Net cash flow before financing activities	**(293)**	(827)
Borrowings raised	**516**	1 103
Non-recourse equity-settled BEE borrowings	**(24)**	(26)
Shares issued	**4**	6
Settlement of share-based payment awards	**(29)**	(27)
Net increase in cash and cash equivalents	**174**	229
Balance at beginning of year	**350**	140
Foreign exchange adjustment	**68**	(18)
Exchange rate translation loss		(1)
Cash and cash equivalents at end of year	**592**	350

Statement of Changes in Equity

Condensed consolidated Rmillion	**Audited 2012**	Audited 2011
Balance at beginning of year	**4 800**	4 573
Total comprehensive income for the year	**2 125**	358
Retained earnings	**889**	833
Movement in hedge reserve	**(2)**	(3)
Foreign currency translation	**1 238**	(472)
Dividends paid	**(279)**	**(191)**
Share capital issued - ordinary	**4**	**6**
BEE held consolidation shares	**42**	**42**
Share-based payment charge	**47**	**42**
Settlement of share-based payment awards	**(30)**	**(27)**
Reallocation		**(3)**
Shareholders' interest	**6 709**	4 800
Minority interest in subsidiaries	**1 087**	840
Balance at beginning of year	**840**	870
Total comprehensive income for the year	**256**	(29)
Retained earnings	**132**	38
Foreign currency translation	**124**	(67)
Dividends paid to minorities	**(9)**	(7)
Loan account movement		2
Reallocation		3
Consolidation of subsidiaries		1
Equity	**7 796**	5 640

Statement of Other Comprehensive Income

Condensed consolidated Rmillion	**Audited 2012**	Audited 2011
Profit for the year	**1 021**	871
Other comprehensive income	**1 360**	(542)
Movement in non-distributable reserves:		
Foreign currency translation	**1 362**	(539)
Hedge reserve	**(3)**	(4)
Tax on movement in hedge reserve	**1**	1
Total comprehensive income for the year	**2 381**	329
Total comprehensive income attributable to:		
Shareholders of Tongaat Hulett	**2 125**	358
Minority (non-controlling) interest	**256**	(29)
	2 381	329

Notes		
Condensed consolidated Rmillion	**Audited 2012**	Audited 2011
1. Net financing costs		
Interest paid	**(528)**	(491)
Interest capitalised	**1**	7
Interest received	**20**	12
	(507)	(472)
2. Tax		
Normal	**(112)**	(72)
Deferred	**(187)**	(160)
Rate change adjustment - deferred	**(16)**	
Secondary tax on companies	**(36)**	(29)
	(351)	(261)
3. Headline earnings		
Profit attributable to shareholders	**889**	833
Less after tax effect of:		
Capital profit on disposal of land		(23)
Capital profit on other items		(4)
Fixed assets and other disposals	**2**	
	891	806

4. Trade and other payables

Included in trade and other payables is the maize obligation (interest bearing) of R161 million (2011: R173 million).

5. Capital expenditure commitments		
Contracted	**132**	134
Approved	**210**	51
	342	185
6. Operating lease commitments	**95**	42
7. Guarantees and contingent liabilities	**24**	35

8. Basis of preparation

The condensed financial information has been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the AC 500 standards as issued by the Accounting Practices Board, the information as required by International Accounting Standard 34 Interim Financial Reporting and the requirements of the Companies Act of South Africa. The report has been prepared using accounting policies that comply with IFRS which are consistent with those applied in the financial statements for the year ended 31 March 2011. These financial statements were prepared under the supervision of the Chief Financial Officer, M H Munro CA (SA).

9. Audited results

These condensed financial statements, which have been derived from the audited annual financial statements and with which they are consistent in all material respects, have been audited by Deloitte & Touche. Their unmodified audit opinion on the annual financial statements is available for inspection at the registered office of the company.

DIVIDEND DECLARATION

Notice is hereby given that the Board has declared a final gross cash dividend (number 169) of 170 cents per share for the year ended 31 March 2012 to shareholders recorded in the register at the close of business on Friday 13 July 2012.

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

Last date to trade ordinary shares "CUM" dividend	Friday	6 July 2012
Ordinary shares trade "EX" dividend	Monday	9 July 2012
Record date	Friday	13 July 2012
Payment date	Thursday	19 July 2012

Share certificates may not be dematerialised or re-materialised, nor may transfers between registers take place between Monday 9 July 2012 and Friday 13 July 2012, 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 Friday 6 July 2012.

The dividend has been declared from income reserves. There are no STC credits available for utilisation. A net dividend of 144,5 cents per share will apply to shareholders liable for the local 15% dividend withholding tax and 170 cents per share for shareholders exempt from paying the new dividend tax. The issued ordinary share capital as at 24 May 2012 is 105 143 181 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

24 May 2012