



 *Tongaat Hulett*
MARCH 2010

FINANCIAL RESULTS

Results for 12 months to 31 December 2009

- Revenue of R9,1 billion (2008: R7,1 billion)
- Profit from operations of R1,555 billion (2008: R1,132 billion)
- Headline earnings of R839 million (2008: R583 million)
- Recent substantial expansion of operations has been funded
- Significantly improved global sugar dynamics - beginning to be reflected in the financial results
- Market conditions for sale of development land remained depressed

	Profit from Operations		Revenue	
R million	2009	2008	2009	2008
Sugar operations				
Zimbabwe (2008 dividends)	548	35	1 457	-
Swaziland	43	44	137	137
Mozambique	185	250	629	527
SA agriculture, milling and refining	159	73	3 138	2 424
Downstream value added activities	209	204	1 321	1 456
Starch operations	256	240	2 231	2 150
Land conversion and development	148	263	197	412
Centrally accounted and consolidation items	7	23	-	-
	<u>1 555</u>	<u>1 132</u>	<u>9 110</u>	<u>7 106</u>

Zimbabwe Sugar Operations

- Profit from operations: R548 million
 - Relevant fundamentals for a sugar business re-introduced
 - Local market prices restored to regional levels
 - Sugar production volumes affected by conditions in 2008
 - Profit from operations is separate from consolidation balance sheet take-on gain in income statement
 - 2008: R35 million dividend
- Other income statement effects
 - Interest paid: R4 million
 - Tax: R36 million
 - (R132 million deferred tax release → after minorities = R96 million change in tax rate from 30% to 25% at end of 2009)
- Cash positive in 2009 - including cane replanting and recovery activities

Mozambique Sugar Operations

- Profit from operations: R185 million (2008: R250 million)
- R122 million currency gain in 2008 (when financial structures were finalised) not repeated in 2009
- **Xinavane**
 - mill start-up problems overcome
 - limited production in 2009
 - portion of expanded crop carried over
- **Mafambisse**
 - young cane in new areas
 - overcoming irrigation bottlenecks

Swaziland - Tambankulu Estate

- Operating profit R43 million (2008: R44 million)

South African Sugar Agriculture, Milling and Refining

- Profit from operations: R159 million (2008: R73 million)
- Higher export and domestic sugar sales volumes and realisations
- Lower sugar production volumes

Downstream and Sugar Value Added Activities

- Profit from operations: R209 million (2008: R204 million)

Generated from:

- Refined exports from South Africa
- South African domestic marketing sales and distribution - Hulett's brand
- Botswana and Namibia sugar packing and distribution
- Voermol animal feeds

Starch Operations

- Operating profit: R256 million (2008: R240 million)
- Domestic sales volumes of starch and glucose declined by 5,5%
 - Contraction in consumer spending – alcoholic beverage, paper and coffee creamer sectors
- Margin improvement
 - Local maize prices trading close to world prices
- Export sales volumes increased to 34 648 out of total sales of 591 176 tons
- Co-product revenues decreased
 - Lower prices for edible oils and animal feeds

Land Conversion and Development

- 13 895 gross hectares (8 821 developable hectares) for development in SA
- Sales of 150 developable hectares (247 gross hectares) in 2009
 - 144 hectares in eThekweni growth corridor north of Durban, including around new international airport
 - 108 hectares: profit of R725 000 per developable hectare
 - 36 hectares: profit of R3,4 million per developable hectare
 - 6 hectares in prime coastal locations
- Financial results in 2009
 - Operating profit: R148 million (2008: R263 million)
 - Capital profit: R57 million (2008: R22 million)

Income Statement

- Centrally accounted and consolidation items
 - Recognition of pension fund 2007 employer surplus account allocation - unconditional entitlement in 2009: R82 million

Finance costs	R million
Interest costs on debt	321
Interest on maize obligation	34
BEE SPV interest	78
Interest paid	433
Interest capitalised on expansion projects	- 90
Income Statement	343

Cash Flow and Balance Sheet

- Cash inflow from operations:**

Cash from operating profit before tax and working capital

Working capital

Cash inflow from operations before tax

Tax

2009 (R million)	2008 (R million)
R1 686	R1 045
- R296	R83
<hr/> R1 390	<hr/> R1 128
- R227	- R163
<hr/> R1 163	<hr/> R965

At 31 December 2009

R 3 370 million

- Tongaat Hulett net debt:**

- Established facilities exceed R4 billion

- Net debt as % of equity is approximately**

52%

Change in Financial Year-end

- Financial year-end change to 31 March 2010

15 months results will include

- Revenue from single sugar production season
- Costs for a 15 month period, including costs incurred from January to March in the off crop period that are required to be expensed in the income statement
- The final dividend declaration will coincide with 31 March 2010 financial year-end

Creating Stakeholder Value



Conversion of Developable Land in South Africa

- 13 895 gross hectares
- 8 821 developable hectares



Bulk Land Sales vs

Smaller land parcels sold from within a Tongaat Hulett development

- **Ridgeside development -**
R9,9 million per developable hectare
- **108 hectares located in the North West
of Cornubia -**
R725 000 per developable hectare
- **36 hectares North East of the airport -**
R3,4 million per developable hectare



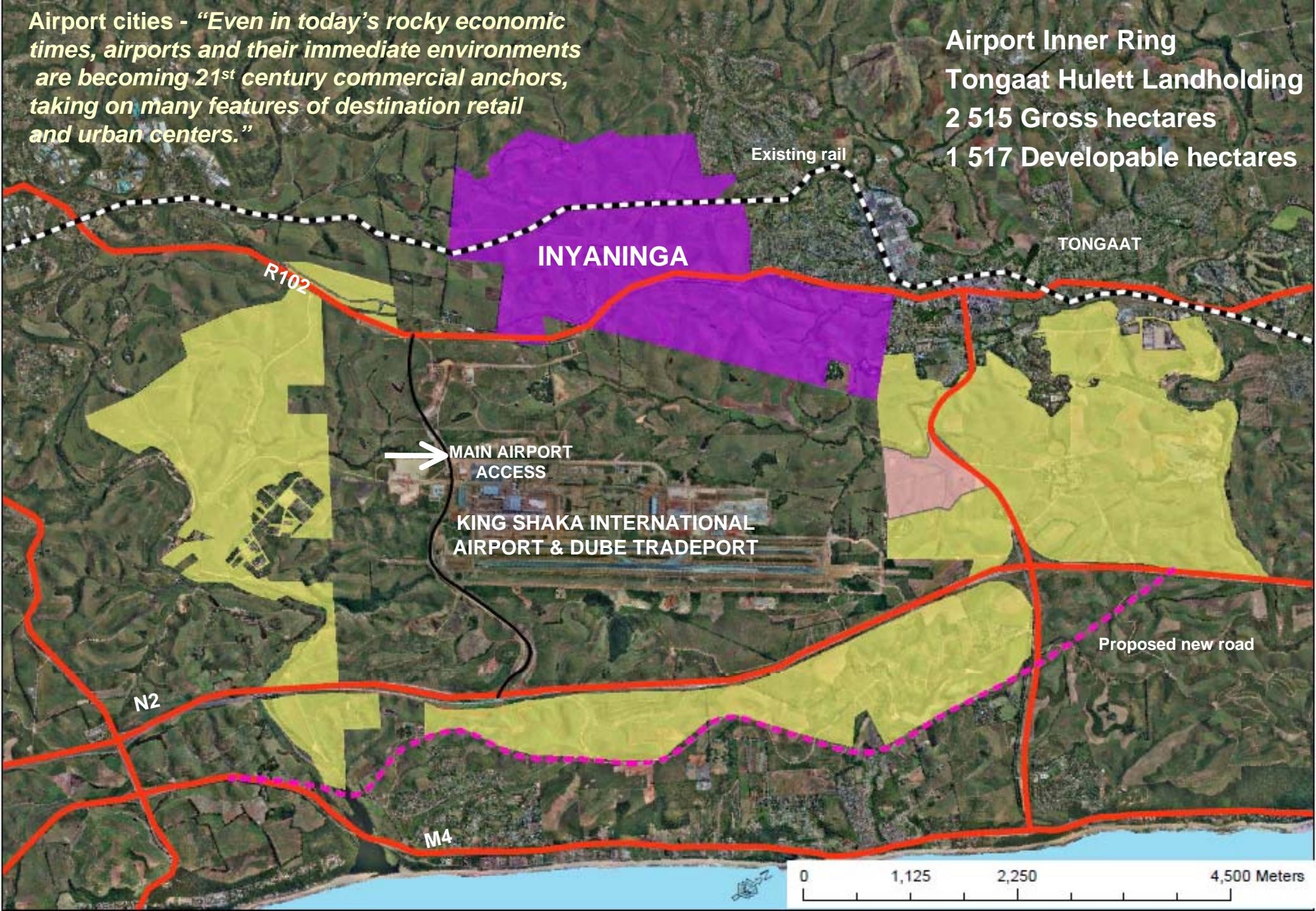
Umhlanga - Ridgeside

Gross hectares	: 128
Developable hectares	: 106
Sold to date	: 44 developable hectares
Targeted cash profit (today's money)	: > R9,9 million per developable hectare : R1,049 billion



Airport cities - "Even in today's rocky economic times, airports and their immediate environments are becoming 21st century commercial anchors, taking on many features of destination retail and urban centers."

Airport Inner Ring
Tongaat Hulett Landholding
2 515 Gross hectares
1 517 Developable hectares



Inyaninga: Bulk Land Sale / TH Development / Partnership

Gross hectares : 707
Developable hectares : 550



Yes?

R6,3 million per developable hectare
R3,465 billion

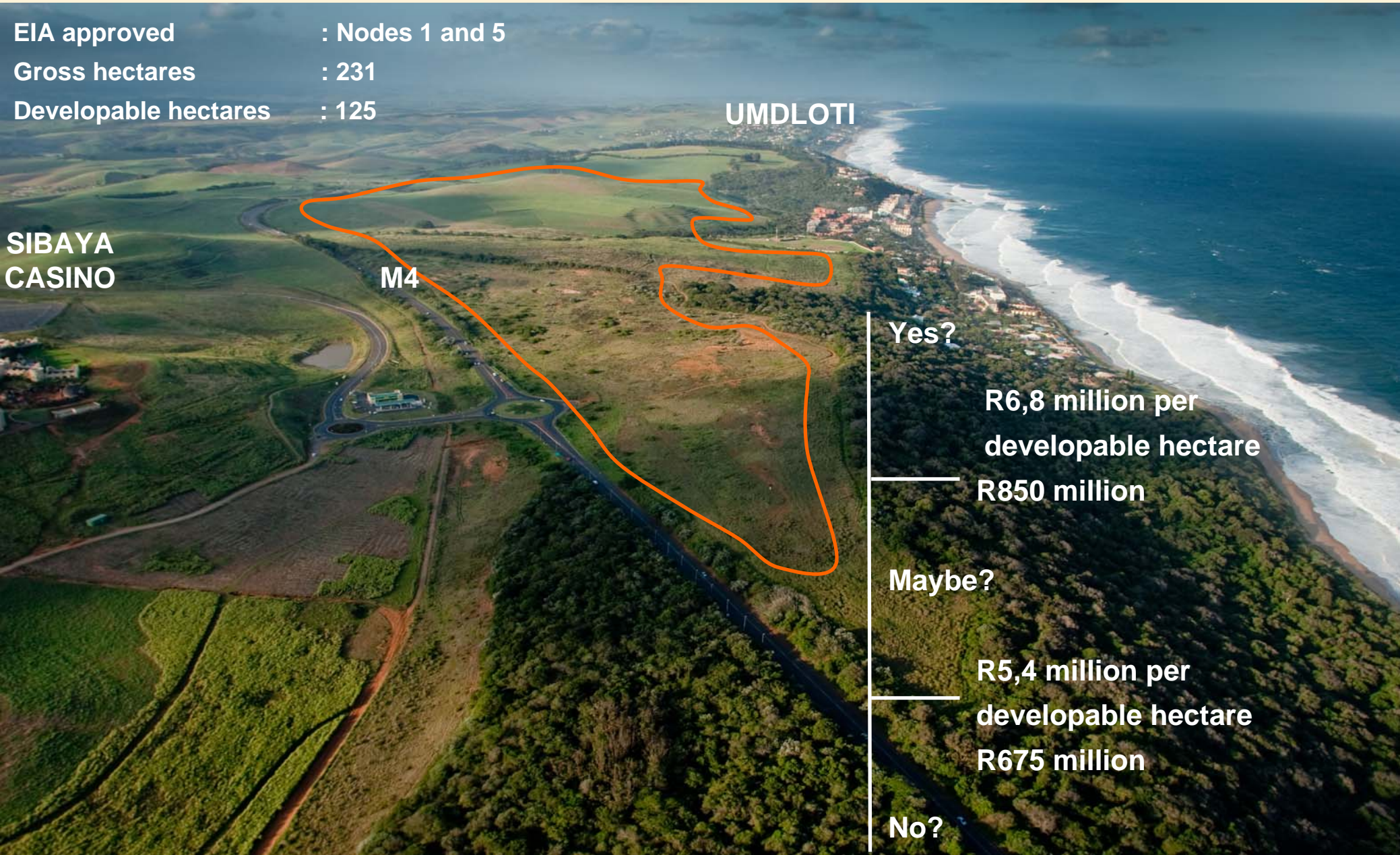
Maybe?

R4,4 million per developable hectare
R2,420 billion

No?

Sibaya (nodes 1 and 5):

Bulk Land Sale / Semi Bulk Land Sales / Own Development



Tongaat South West

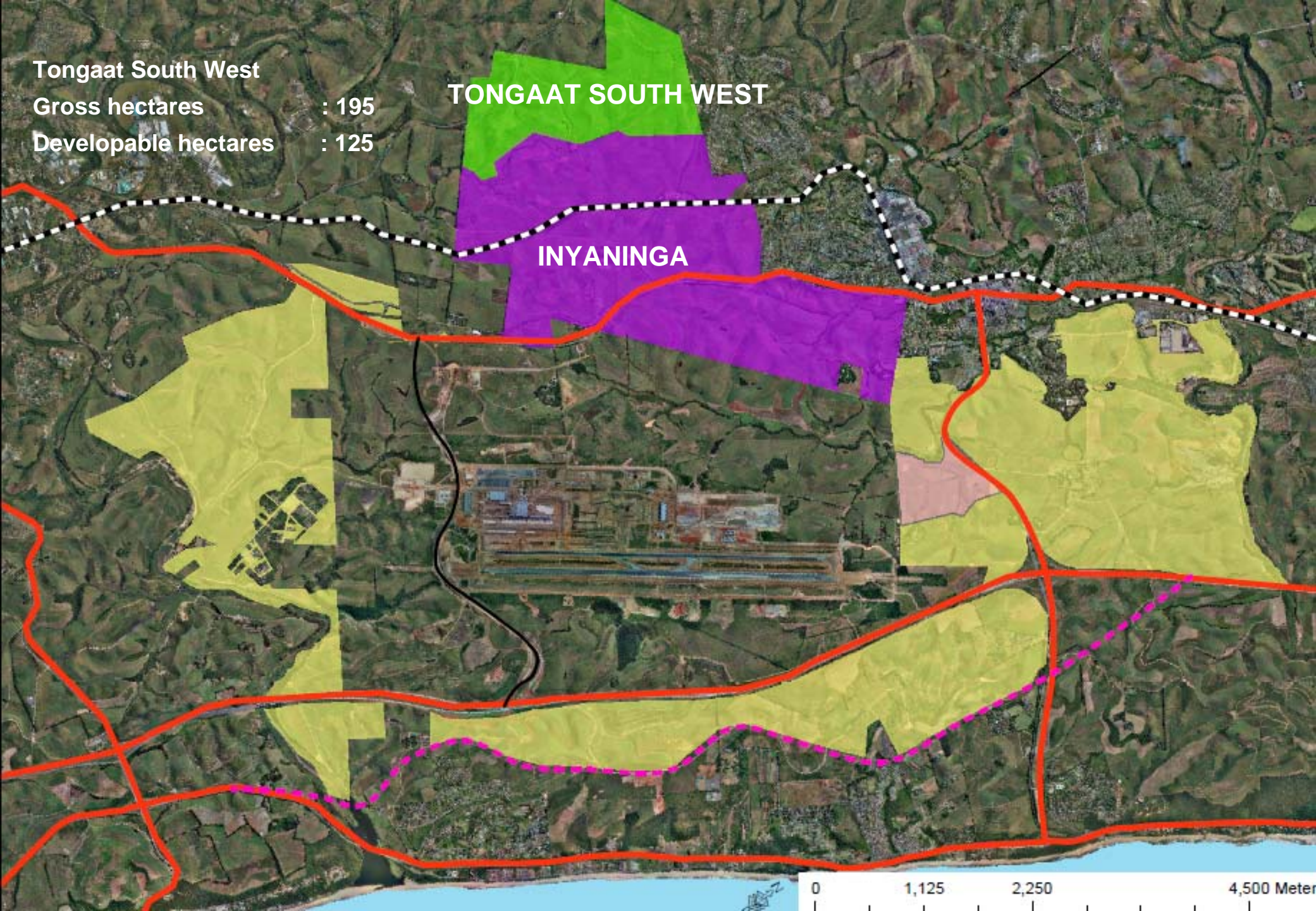
Gross hectares : 195

Developable hectares : 125

TONGAAT SOUTH WEST

INYANINGA

0 1,125 2,250 4,500 Meter



Climate Change, CO₂ Emissions, World/Regional Sugar and Maize Prices, EU Sugar Pricing, Ethanol and Power from Sugar Cane



Early CO₂ emission reduction targets

	2020 Target	Baseline
EU	20%	1990
USA	17%	2005
South Africa	34%*	"Business as usual" 2020

Limit global temperature rise to 2°C

45% deviation below the "Business as usual" emissions growth trajectory by 2030

* Conditional

Low Carbon Energy markets worldwide

“Under Construction”

- Potential carbon credit market for electricity produced by Tongaat Hulett - including tops and trash from current milling capacity
 - R1,7 billion per annum (€40/ton Carbon Dioxide)
- 60% of fuel in Brazil in 2009 - ethanol
- Every 10% of South Africa's fuel blend
 - 1,5 billion litres ethanol equivalent to 2,2 million tons sugar
 - 110 000 additional direct jobs
 - Additional 1 500 MW electricity or 30% of a mega coal based power plant

World Sugar Price Dynamics

- Current usage 166 million tons per annum
- Deficit for the past 2 years of 26 million tons
- Brazil
 - State owned development finance company
 - Ceased to finance greenfield sugar - 3 years ago
 - Increased finance for ethanol and electricity
 - Ethanol production increased from 47% of all sugar cane in 2004/5 to 57% in 2008/9

Who will Invest in New Sugar Production?

Annual growth estimated at 3 million tons per annum

Sugar Production by Country	Produced million tons	Consumed million tons
Brazil	35	13
India	13-30	25
European Union	17	20
United States	7	11,4
Rest of Asia	21-29	45
Thailand	7-8	2,6
Africa	11	16

LDC countries - unlimited access to EU market

- Only 2 greenfield projects with 200 000 tons capacity

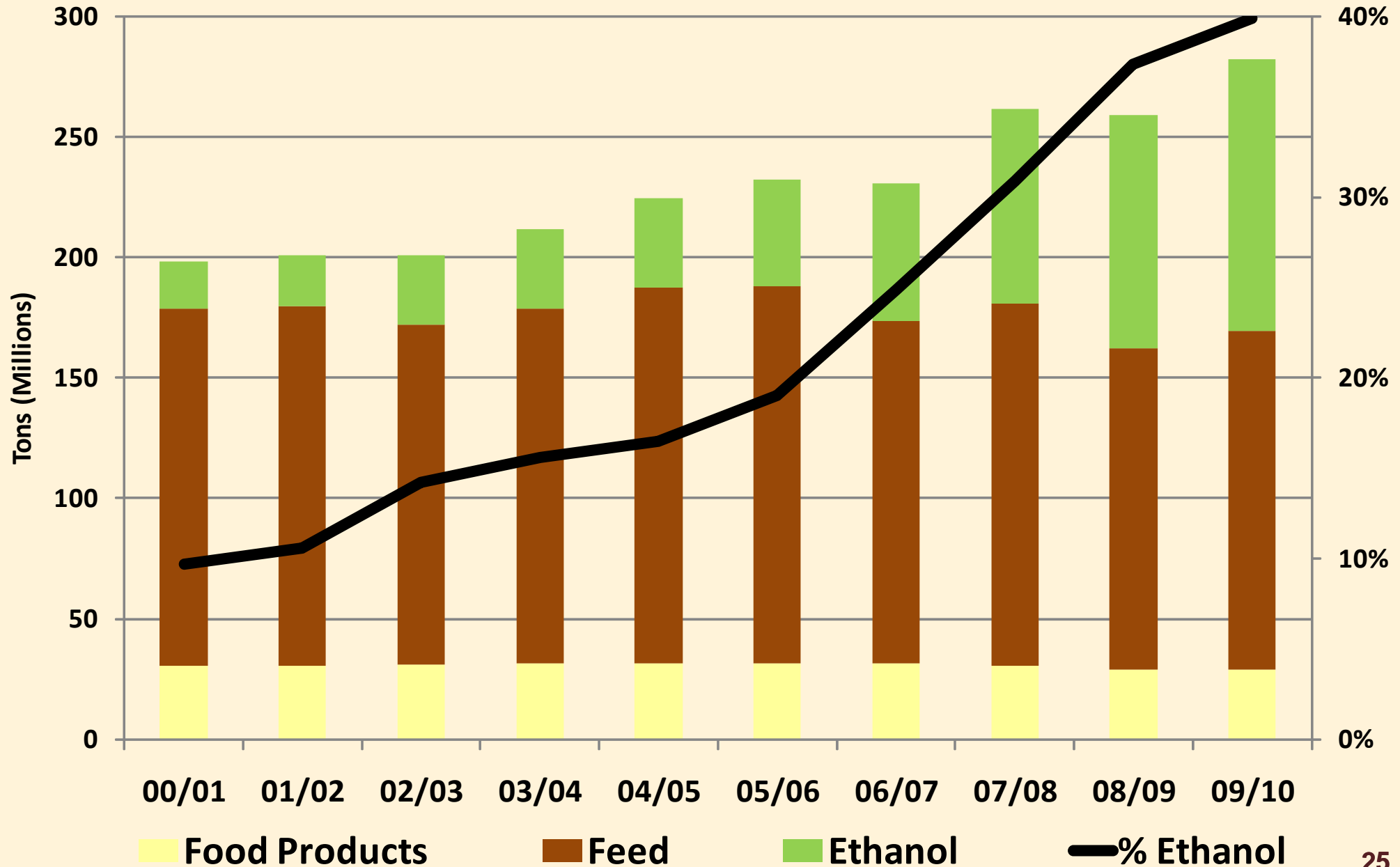
Maize Price Dynamics

- Maize and sugar cane's interrelationship is becoming increasingly important
- US maize crop expected to be largest recorded crop (334 million tons)
 - 42% of global production
- Current maize price: US\$145 - US\$170 per ton
- Long-term average (last 15 years): US\$80 - US\$100 per ton



Consumption of Corn in the US

Source: USDA



Update on Tongaat Hulett Starch

- Outlook for South African maize

	1979/80	2008/09	2009/10 Forecast
Hectares Planted ('000 ha)	4 031	2 428	2 756
Yield (t/ha)	3,37	4,96	4,67
Production ('000 tons)	13 583	12 050	12 876*

- Volumes



* Maize stocks at the end of 2009/10 after exporting 1,8 million tons will be 3,55 million tons

Substantially Increase Sugar Production Reduce the Unit Cost of Production

Utilising Available Milling Capacity



Growth in Sugar Production

Zimbabwe, Mozambique Swaziland* and South Africa	2009	Target	% Increase
Sugar Production - tons	1 010 955	1 987 000*	97%
Cane harvested - tons	8 985 694	16 445 000	83%
Hectares under cane			
Own	63 839	68 375	7%
3 rd Parties / own	127 665	169 614	33%

- 7% improvement in cane quality and sugar recovery (cane to sugar ratio)
- 37% improvement in harvested cane yields

* Raw sugar equivalent

Costs

- Aggressive organisational focus to reduce costs
- Replanting
 - Cane replanted on average every 9 years
 - R7 000 to R11 000 per hectare
- Farming (input costs per hectare)
 - Fertiliser/chemicals, manpower, equipment and irrigation
- Harvesting and delivery of cane to the mill
 - Average cost based on 15 km haul - 2,3 USc/lb
- Milling and indirect overheads
 - > 92% of costs fixed (not related to volume)



South Africa

2009

- Sugar production: 564 000 tons
- Sold within SACU: 545 000 tons
- Refined sugar production: 611 000 tons



Hectares Harvested Supplying TH SA Mills

- 52% projected cane price (RV) increase in 2010 season versus cane price paid in 2007 season

	Hectares harvested*	Net Growth
Hectares harvested in 2008	119 891	1 683
Hectares harvested in 2009	111 005	(8 886)
Targeted hectares to be harvested 2012	123 715	12 710

- 2012 forecast sugar production - 835 000 tons
- Small scale grower cane expansion
 - 2 153 new hectares planted in 2009
 - 6 477 hectares planned for planting in 2010 and 2011 - funding obtained for 3 300 hectares
- Commercial/other grower cane expansion
 - 2 360 new hectares planted in 2009
 - 6 401 hectares planned for planting in 2010 and 2011

* 85% of the area under cane is harvested each year

Cane Yields - South Africa

- **Harvested cane yields**

- 2000 - 63,8 tcph
- 2008 - 46,6 tcph
- 2009 - 44,8 tcph
- 2012 - 60,1 tcph



- **Cane replanting**

- Replanting on average lags by 2 years

- **Farming practice**

- Fertilizer sales at Tongaat Hulett depot for small/medium scale growers in **2009 up 19% on 2008**
- Largest fertilizer supplier sales to commercial growers in **2009 up 50% on 2008**

Zimbabwe

- Political and socio economic issues
- Sugar production 2009/2010: 258 965 tons **versus** target 600 000 tons

	2009	Target
Own hectares under cane	29 000	29 000*
Own yields (tcph)	92	>112
Outgrower hectares under cane	4 700	15 800*
Outgrower yields (tcph)	78	>100

* Examining how much by outgrowers versus own expansion

Mozambique

	2009 Actual	2010 Estimate	2011 Estimate
Sugar production (tons)	133 802	230 000 - 250 000	290 000 - 310 000

- Hectares under cane
 - Current - 24 931
 - Target - 27 791
- Yields
 - Current - 76 tcph
 - Forecast 2010 - 87 tcph
 - Target - > 100 tcph



Mozambique



- **Cofamosa expansion**
 - **Next phase of the Xinavane expansion**
 - **Increase area under cane by 11 280 hectares**
 - **Project to commence in late 2011**
 - **First production 2014**



ADDITIONAL INFORMATION

Starch Operations

Financial Data

R millions	2009	2008
Revenue	2 231	2 150
Domestic	1 693	1 553
Exports	150	131
Co-Products	388	466
Operating Profit	256	240

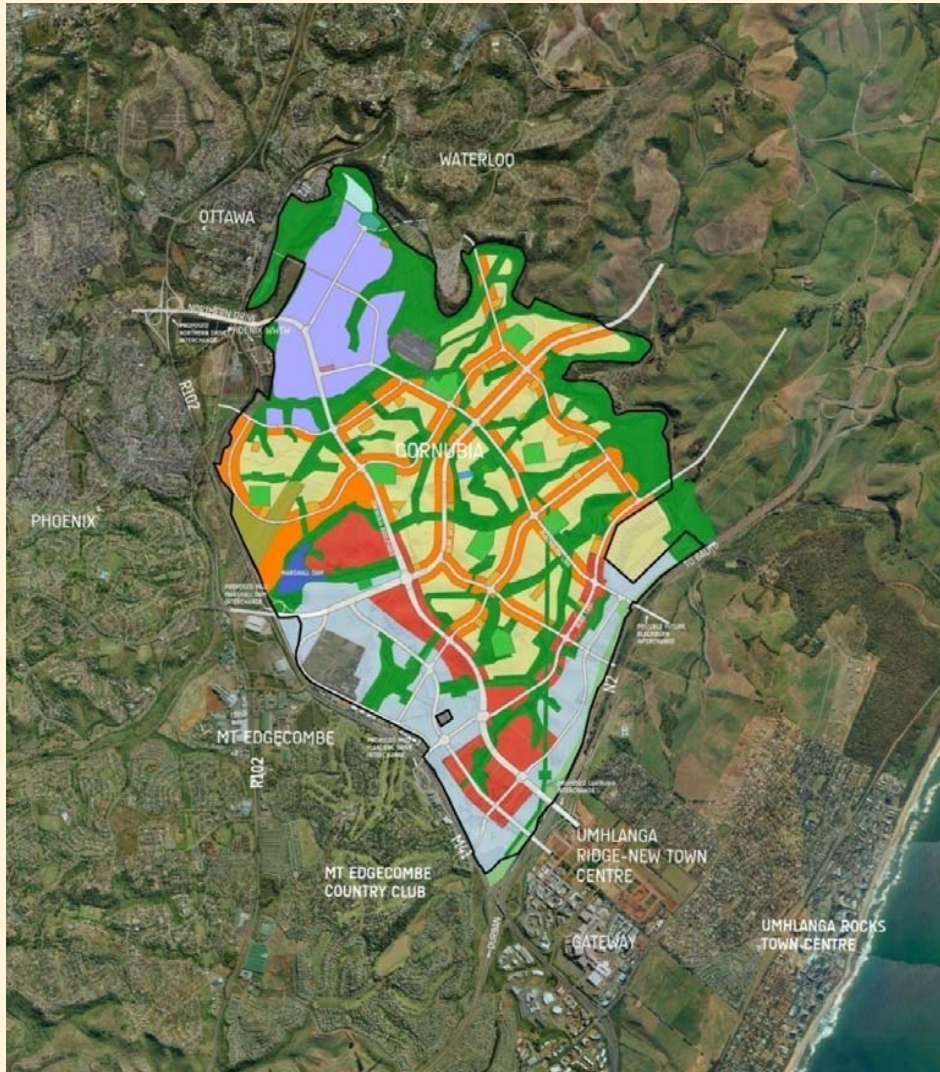
Volume Data

Volume (tons)	2009	2008
Local Starch	84 082	96 720
Local Glucose	325 376	336 539
Total Local	409 458	433 259
Export Starch	25 485	18 823
Export Glucose	9 163	8 199
Total Exports	34 648	27 022
Co-Products	147 070	157 222
Total	591 176	617 503

Co-product Pricing

Co-product	Price movement 2009 on 2008	Major price drivers
Germ	Down 27,8%	50%: International edible oil price 50%: Local maize
Gluten-60	Up 17,7%	International protein (Soya, fishmeal) prices
Gluten-20	Down 17,8%	Local maize price/hominy chop surplus

Cornubia



- Ministerial priority project
- 1 200 ha mixed use, mixed income development
- 517 gross hectares sold to eThekweni Municipality
- Over 19 000 subsidised homes by Government
- Total planned yields
 - 40 000 homes
 - 1,5 million square metres commercial bulk
 - 1 million square metres industrial platform
- EIA underway – Tongaat Hulett and eThekweni as joint applicants
- Cooperation agreement with eThekweni signed – further partnership being discussed

Bridge City



- PPP with eThekweni Municipality
- A new Town Centre in a previously disadvantaged area / township
- Mixed use high density town centre
- Regional 450 bed public hospital
- 48 000 m² shopping centre opened October 2009
- Phase 2: 13 000 m² retail scheduled for 2012
- Regional Magistrate court opening mid 2011
- Train line and station to open end 2011
- Bus/taxi intermodal facility under construction by Municipality
- Main arterial infrastructure completed including new access from M25

Umhlanga Ridge Town Centre



- Only 1 commercial site remaining for sale
- Infrastructure installation for sold sites complete
- Chris Saunders Park construction complete
- Liberty Life - occupation of regional head office in March 2010
- Residential phase – 3 000 units with limited commercial approved and now selling

Umhlanga Ridgeside



- **M41 interchange under construction – completion October 2010**
- **Office Park Precinct contract to be completed May 2010 and Mixed Use Precinct Phase 1 April 2010**
- **Holiday Inn Express hotel in Mixed Use Precinct to open May 2010**
- **New office for Nedbank in the Mixed Use Precinct completion December 2010**
- **Five office buildings (Investec, Vodacom, BDO, Shepstone & Wylie, Cox Yeats) under construction in the Office Park Precinct**
- **Vodacom office completed February 2010**

Izinga – Umhlanga Ridge



- Medium to low density residential suburb
- Open suburb with cameras and visible street security patrols
- Indigenous landscaping
- 280 homes in first phase
- First phase of civil infrastructure (portion of Campbell drive) completed January 2010
- Second phase of civil infrastructure (portion of Mahogany and Wager Avenue) commenced February 2010 to service sites for transfer in August 2010
- Sales of R27 million finalised

Kindlewood



- 550 Unit gated estate development
- Comprises
 - Special residential
 - Maisonette
 - Planned unit developments
- Phase 1: sold out
- Phase 2: 53% sold
- Total 178 units sold
- 22 homes occupied
- 5 new structures started in January 2010

Sibaya – Mdloti (first phase)



- 1,6 km coastal frontage
- EIA approved for Nodes 1 and 5
- Extents:

Extents	Node 1	Node 5
Gross Ha	125	106
Dev Ha	49	76
Forest /Open Space Ha	76	30

- ROD Rights approved:

Node	Commercial bulk (m2)	Hotel Rooms	Res Units
1	65,800	241	1,140
5	37,914	267	1,184

Zimbali South & West



- Additional recreational resident's facility handed over December 2009
- Final few sites remaining
- Heritage Place of the Fairmont Hotel opened December 2009
- Well established Zimbali brand being extended to the Lakes

Zimbali Lakes



- Office Park civils infrastructure completed and sites transferred
- Sales being progressed in Phases 1 and 2
- Mixed-use resort node with golf course, beach access and man-made lake adjacent to river

Tinley Manor



- Largest consolidated property surrounding a river on north coast
- Full coastal frontage (3,9km) and access to both sides of Umhlali Lagoon and River Basin
- New Waste Water Treatment works recently completed
- Inland Marina potential
- Tinley Manor launch site license issued to Tongaat Hulett

Sugar Production

Tons '000	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
South Africa	969	755	860	652	723	753	666	604	644	564
Mozambique	39	36	71	82	85	115	106	108	108	134
Swaziland RSE	41	45	50	54	50	56	55	58	56	54
Zimbabwe *	282	264	296	264	222	236	240	349	298	259
Total	1 331	1 100	1 277	1 052	1 080	1 160	1 067	1 119	1 106	1 011
Capacity	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 785	1 785	1 987
% of Capacity	89%	73%	85%	70%	72%	77%	71%	63%	62%	51%

* Triangle only up to 2006

Expanded Sugar Production

Tons Per Annum	2009 Production	Capacity
South Africa	564 000	> 1 000 000
Zimbabwe	259 000	> 600 000
Mozambique	134 000	> 327 000
Swaziland RSE	54 000	> 60 000
Total	1 011 000	> 1 987 000

EU Sugar Market Update

- Long-term supply agreement signed
 - 100 000 tons per annum from Mozambique and Zimbabwe
 - 6-year agreement
 - Price guaranteed above reference price
- Reference price per ton
 - Raw €335,2 (US\$ 21,3c/lb)
 - Refined €404,4 (US\$ 25,7c/lb)

Supply Balance (million tons)		
Season	2005/2006	2009/2010
Production EU	20,1	13,0
Exports	5,2	0
Imports (LDC/ACP)	1,6	3,5

Mozambique Sugar Operations

- **Mafambisse**

- Expansion completed in 2008
- Mill: Tongaat Hulett owns 85%
- Agriculture: Tongaat Hulett owns 100%

- **Xinavane**

- Mill: Tongaat Hulett owns 88% after major expansion
- Agriculture: Tongaat Hulett owns 100%



LDC Countries

- 50 LDC countries
- 22 sugar producing LDC countries
- Countries that have exported into EU

Ethiopia

Tanzania

Togo

Senegal

Nepal

Malawi

Mozambique

Zambia

Sierra Leone

Sudan

DRC

Benin

Bangladesh

- LDC criteria
 - Gross national income per capita < US\$750
 - Human asset index based on nutrition, health, education & adult literacy
 - Economic vulnerability – 5 indicators
 - Population < 75 million

Consolidation of Zimbabwe Operations

- Triangle Sugar is 100% owned and Hippo Valley is 50,3% owned
- Consolidation followed macroeconomic changes
 - Zimbabwe moved to a US\$ and Rand based economy
 - Restored relevant key fundamentals, domestic market sales prices
- Commencement of consolidation: balance sheet take-on gain of R1,969 billion recognised in income statement
 - Excluded from Profit from Operations
 - Excluded from Headline Earnings
- Balance sheet take-on values at commencement of consolidation were at fair value as required by IFRS

Consolidation of Zimbabwe Operations (cont.)

Consolidation : Balance Sheet effect at 31 December 2009

	R million	
- Fixed assets	2 623	Depreciated (consolidation take-on was US\$373 million)
- Growing crops	574	IAS 41 Agriculture: growing crop valuation (consolidation take-on was US\$40 million)
- Working capital	248	Consolidation take-on at fair value was US\$14 million
- Net Cash on hand	150	Debt free
- Goodwill	179	Upon consolidation
- Foreign Currency Translation Reserve	497	On consolidation – stronger Rand
- Deferred tax	(731)	25,75% tax rate
- Provisions	(216)	
- Minority interest	(684)	

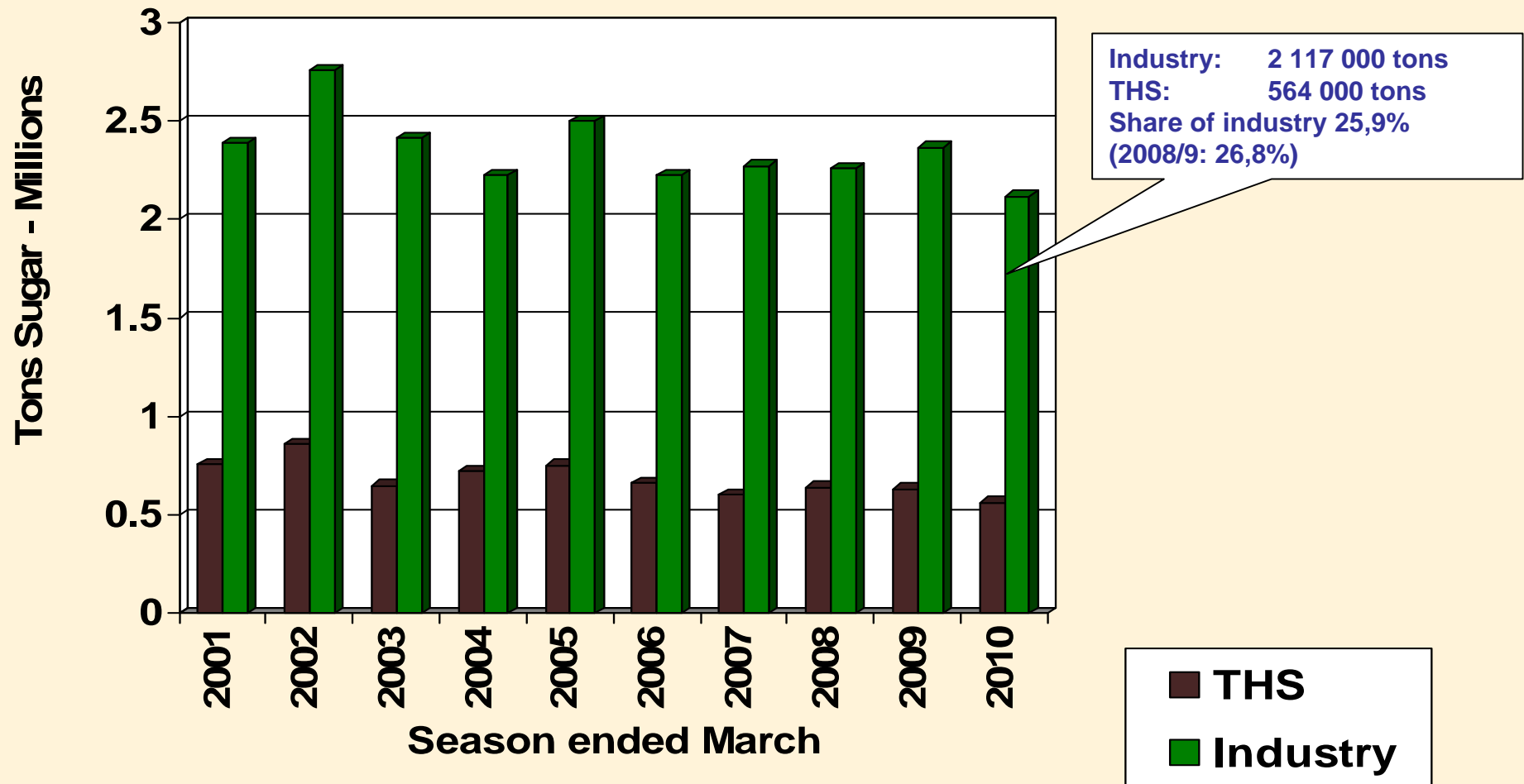
Zimbabwe Replacement Value (TH Holding*)

	R million
Cane Growing	
Triangle	1 534
Hippo	737
Sugar Milling	
Triangle	2 134
Hippo	987
Refining and Packing	
Triangle	327
Hippo	91
Ethanol Plant	261
General Infrastructure	
Triangle	219
Hippo	110
Total	6 400



*TH Holding - Triangle 100%, Hippo 51%

Sugar Production - SA



Total Volumes – Sugar SA

Tons sugar	2009	2008
Opening stock	261 473	206 493
Production	563 710	644 173
Prior season adjustment	(1 372)	(577)
Sugar purchased in	143 574	87 172
Sales	(777 219)	(675 848)
Closing Stock	190 166	261 473

Local Market Volumes – Sugar SA

Tons sugar	2009	2008
Opening stock	172 667	144 397
Production	360 443	407 970
Prior season adjustment	944	(474)
Sugar purchased in	143 574	87 172
Sales	(544 980)	(466 398)
Closing Stock	132 648	172 667

Export Volumes – Sugar SA

Tons sugar	2009	2008
Opening stock	88 806	62 096
Production	203 267	236 203
Prior season adjustment	(2 316)	(43)
Sales	(232 239)	(209 450)
Closing stock	57 518	88 806

Raw Export Realizations: Sugar SA

Raw Sugar	2009	2008
Price in US c/lb*	14,96	12,12
Average Rand/US\$ realisation	R8,19	R8,05
Average Rand realisations per ton	R2 893	R2 316

- Table includes raw sugar for refined exports
- * Excludes preferential markets and premiums

Value-adding Activities

- Animal feeds in South Africa and Zimbabwe
- Livestock in Zimbabwe - 9 000 head of cattle
- Retail packing operations in South Africa, Mozambique, Zimbabwe, Namibia and Botswana
- Refined and direct consumption raw sugar exports from South Africa and Zimbabwe
- Speciality sugars and high intensity sweeteners in South Africa
- Alcohol production in Zimbabwe
- Technology and royalty revenue in South Africa
- Co-generation of electricity in South Africa and Zimbabwe