



Tongaat Hulett

MAY 2012





FINANCIAL RESULTS

FOR THE YEAR ENDED

31 MARCH 2012

Tongaat Hulett Earnings

R million	12 months to 31 March 2012	12 months to 31 March 2011	% Change
Revenue	12 081	9 681	+25%
Profit from Operating Areas	2 006	1 309	+53%
Headline Earnings	891	806	+11%

Annual Dividends per share	290 cents	250 cents	+16%
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Tongaat Hulett		Profit from Operations		Revenue	
R million	12 months to 31 March 2012	12 months to 31 March 2011	12 months to 31 March 2012	12 months to 31 March 2011	
Sugar operations					
Zimbabwe	621	454	2 266	1 646	
Swaziland	51	17	163	126	
Mozambique	402	135	1 437	715	
SA agriculture, milling, refining and downstream value added activities	354	234	5 269	4 630	
Starch operations	363	303	2 580	2 357	
Land conversion and developments	215	166	366	207	
Total of Operating Areas	2 006	1 309	12 081	9 681	
Centrally accounted and consolidation items	(85)	29	-	-	
Total	1 921	1 338	12 081	9 681	

Starch Operations

- Operating profit: R363 million (2010/11: R303 million) +20%
- Margins benefitted from higher co-product revenues and maize costs previously contracted below Chicago (CBOT) levels
- Improved manufacturing plant performance
- Starch and glucose sales volumes 1,4% higher than prior year
 - Growth in confectionary, pharmaceutical, paper making and converting sectors



Land Conversion and Development

- **Revenue generated from 42 developable hectares sold**
 - Umhlanga Ridge Town Centre, Zimbali, Izinga, Kindlewood, Bridge City, Mount Moriah and Cornubia industrial
- **Financial results for the year to 31 March 2012**
 - Profit from operations: R215 million (2010/11: R166 million) **+30%**
 - Capital profit: R3 million (2010/11: R23 million)
- **Offers for bulk and semi-bulk land sales that did not represent the best value option were turned down**



Mozambique Sugar Operations

- Profit from operations: R402 million (2010/11 R135 million) +198%

Metical 1,493 billion (2010/11 Metical 628 million)

- Increased sugar production and sales volumes: +42%

Zimbabwe Sugar Operations

- Profit from operations: R621 million (2010/11 R454 million) +37%

US\$ 84 million (2010/11 US\$ 63 million)

- Increased sugar production and sales volumes: +12%

South African Sugar and Downstream Operations

Profit from operations: R354 million (2010/11: R234 million) +51%

- **Agriculture, sugar milling and refining: R93 million (2010/11: loss of R7 million)**
 - Higher sugar production volumes: +7%
 - Tongaat Hulett share of industry: 26% (up from 23%)
 - Lower cost per ton of sugar produced
 - Higher average domestic sugar prices
- **Downstream sugar value added activities: R261 million (2010/11: R241 million)**
 - Voermol animal feeds - pressure on volumes and margins
 - Refined exports from South Africa
 - South African domestic marketing sales and distribution - Hulett's brand
 - Botswana and Namibia sugar packing and distribution - Blue Crystal and Marathon brands

Cash Flow (R million)

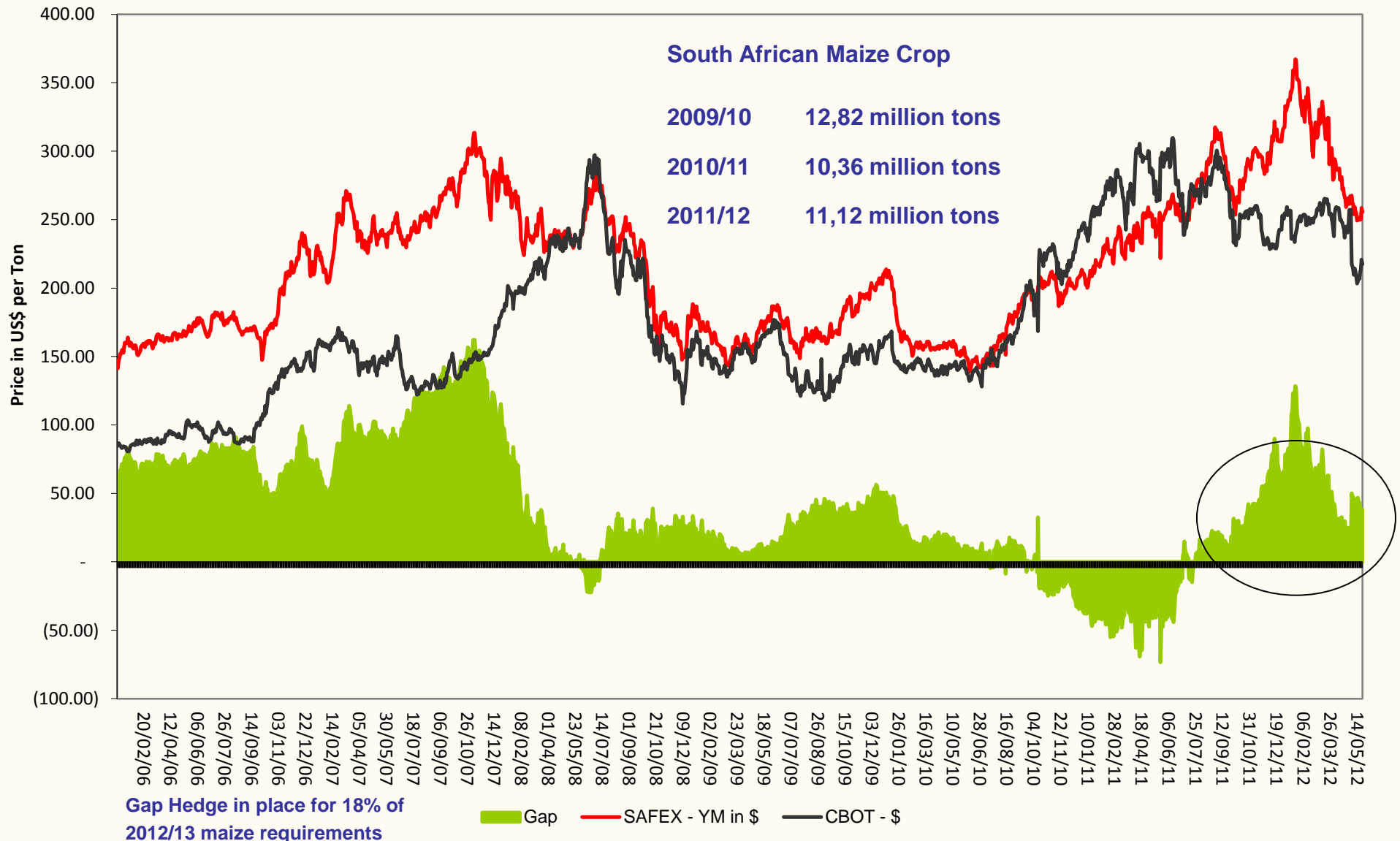
	12 months to 31 March 2012	12 months to 31 March 2011
<ul style="list-style-type: none"> Operating cash flow - IFRS format (before working capital and interest, after tax) <ul style="list-style-type: none"> R863 million improvement 	1 757	894
<ul style="list-style-type: none"> Operating cash flow - before root planting (before working capital, interest and tax) <ul style="list-style-type: none"> R964 million improvement 	2 258	1 294
<ul style="list-style-type: none"> Capital and sugar root investment <ul style="list-style-type: none"> Expenditure on plant and equipment Root planting expenditure 	674 433	806 332
<ul style="list-style-type: none"> Tongaat Hulett net debt <ul style="list-style-type: none"> R750 long-term debt bond issuance 	4 404	3 925



Starch Operations

Tongaat Hulett Starch

Maize





Land Conversion and Developments

8 600 developable hectares
13 607 gross hectares

Increasing the Pace of Land Conversion

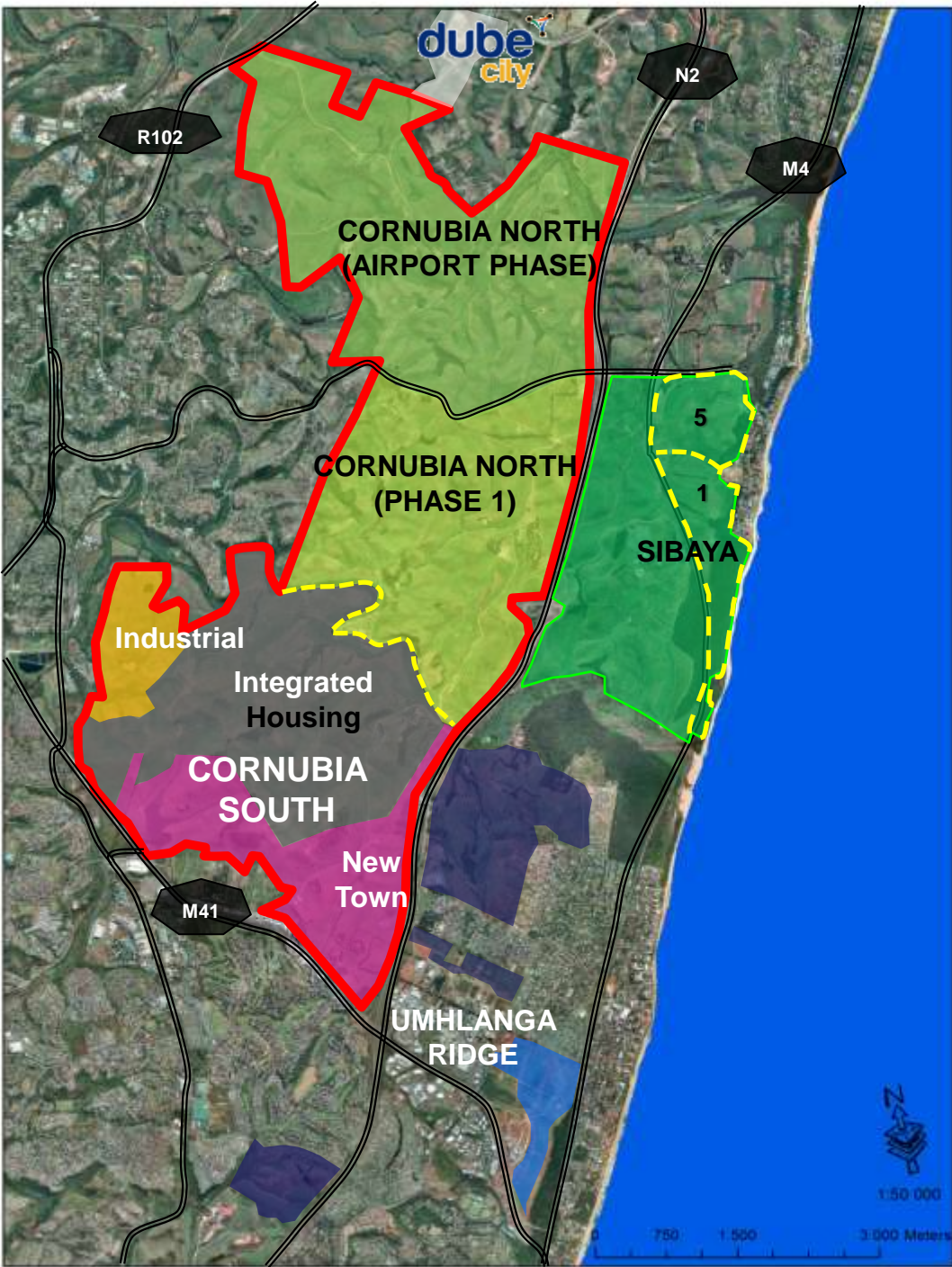
Area	Status - Developable hectares sold	Developable hectares to sell	Expected cash realisation# (R m/developable hectare)
Umhlanga Ridge Town Centre	122 ha sold (3 ha this period)	20	16,0
Ridgeside	42 ha sold	62	15,1
Izinga / Kindlewood	35 ha sold (12 ha this period)	193 72 121	3,6
Other 5 active developments	166 ha sold (5 ha this period)	68	2,8
Cornubia industrial	22 ha sold (March 2012)	80	Commercially sensitive (CS)
Sibaya Node 1	Available for bulk or own development sales	49	CS Bulk sale > R5,4 m

Money of today

Increasing the Pace of Land Conversion

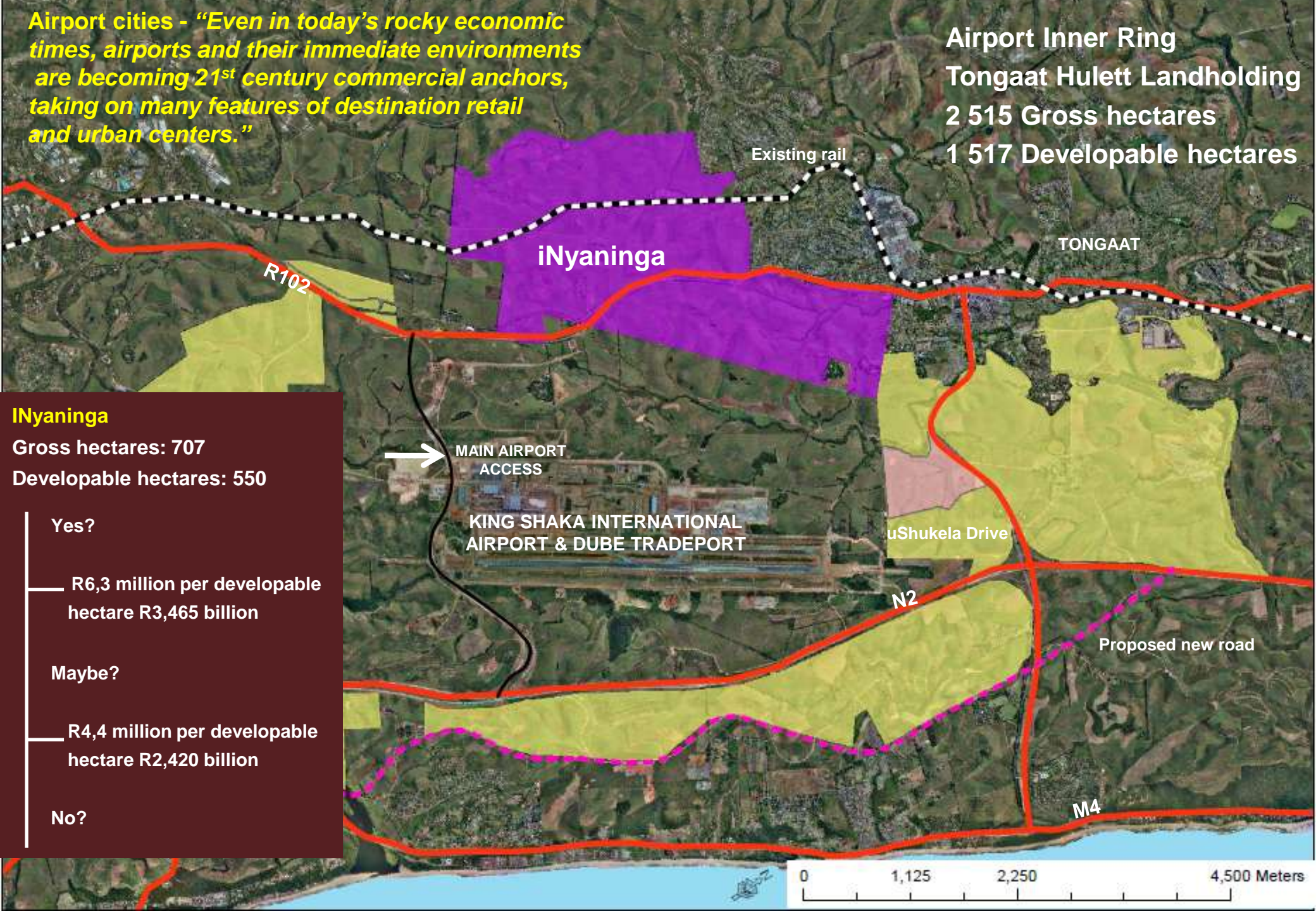
Area	Ready for Development ^	Developable hectares to sell
Cornubia New Town - Phase 1	Expect first sales year by March 2014	26
Cornubia New Town - Phase 2	Expect first sales year by December 2014	252
Sibaya Node 5	By March 2014	76
iNyaninga	By March 2014	550
uShukela Drive	By March 2014	49
Compensation (East)	By March 2014	71
Ntshongweni Phase 1	By March 2014	33 ?

^ Estimate a 70% success rate for target date



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



iNyanninga
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?

0 1,125 2,250 4,500 Meters



Sugar Operations

Grow Sugar Production

Tons Raw Sugar	2010/11 Actual	2011/12 Actual	2012/13 Estimate #	2014/15 Plan #	Sugar Production at Capacity #	Previously Achieved (Year)
South Africa	455 000	486 000 (7%)	537 000 - 610 000	801 000 (65%)	> 1 000 000 (106%)	977 000 (2000/01)
Zimbabwe Hippo Triangle	333 000	372 000 (12%)	450 000 - 500 000	558 000 (50%)	> 640 000 (72%)	599 000 284 000 (2002/03) 315 000 (1999/00)
Mozambique	164 000	233 000 (42%)	240 000 - 264 000	313 000 (34%)	> 330 000 (42%)	233 000 (2011/12)
Swaziland RSE	54 000	59 000 (9%)	56 000 - 60 000	60 000 (2%)	> 60 000 (2%)	59 000 (2011/12)
Total	1 006 000	1 150 000 (14%)	1 283 000 (12%) to 1 434 000 (25%)	1 732 000 (51%)	> 2 030 000 (77%)	



Assumes average weather conditions



RSE – Raw Sugar Equivalent



Increase in Hectares Under Cane

Hectares	1 April 2009 Actual	1 April 2010 Actual	1 April 2011 Actual	1 April 2012 Actual	1 April 2013 Estimate ^	1 April 2014 Estimate ^
South Africa	119 817	123 907	129 513	137 652 #	147 158	159 259
Zimbabwe	37 815	37 815	38 626	43 185	45 069	46 348
Mozambique	23 253	25 272	26 513	26 789	27 711	28 243
Total	180 885	186 994	194 652	207 626	219 938	233 850
Growth in hectares over previous season		6 109 (3%)	7 658 (4%)	12 974 (7%) #	12 312 (6%)	13 912 (6%)

- New planting in South Africa 2011/12 - 8 687 hectares
 - Small-scale farmers - 4 411 hectares
 - Commercial and medium scale farmers - 1 831 hectares
 - Tongaat Hulett leased land - 2 445 hectares
- New planting in Zimbabwe 2011/12 - 4 559 hectares (private farmers)
 - EU funded planting - 874 hectares
 - SusCo project - 2 602 hectares
 - Private farmers funded - 1 083 hectares



Includes a net loss of 548 hectares for growers transferred to other mills and excludes 3 034 hectares on a 1 year contract

^ Assumes normal weather conditions

Mathonsi July 2011



Mathonsi May 2012



Movements of Cane Between Sugar Mills Within Close Proximity – 2012/13 Season

- **Zimbabwe**
 - **Chisumbanje Estate**
 - **30 000 - 60 000 tons sugar**
- **South Africa**
 - **1 year contract, for cane from south of Durban**
 - **12 000 - 15 000 tons sugar**



Increasing Yields, Root Age, Root Replacement and Impact on Hectares Milled versus Hectares Under Cane

Tons cane per hectare	2010/11 Actual	2011/12 Actual	2012/13 Estimate ^	2014/15 Plan ^
South Africa *	38,5	47,3	47,0 - 49,8@	55,9
Zimbabwe	76,3@	86,6	91,9 - 94,6@	101,8
- Tongaat Hulett	86,3	95,9	102,4 - 105,4	108,8
- Private Farmers	47,6	59,3	67,3 - 69,2	90,0
Mozambique #	89,2	91,6	92,2 - 98,7	99,5

* The South African operations are predominantly rainfed

^ Assumes normal weather conditions

Excludes the Mafambisse Home Estate

@ Excludes cane received from Chisumbanje Estate (Zimbabwe) and South Coast (South Africa)

South Africa - Increasing Sugar Production

Cane Milled & Sugar produced	Actual 2011/12 Season	Estimate 2012/13 Season ^		Plan 2014/15 ^
Total hectares under cane as at 1 April (beginning of the season)	129 513	137 652		159 259
% Hectares under cane milled	74,0%	74,7%		76,3%
Hectares milled	95 815	102 779		121 542
Cane yield (tcphm)	47,32	46,99	49,79	55,94
Cane tons '000	4 534	4 830	5 117	6 799
Cane to Sugar ratio	9,32	9,20	8,60	8,49
Sugar from 1 year contract #		12 000	15 000	
Sugar production - raw (tons)	486 000	537 000	610 000	801 000

tcphm – tons cane per hectare milled

^ Assumes normal weather conditions

Excluded from yields, hectares farmed & milled, tons cane and cane to sugar ratio

Zimbabwe - Increasing Sugar Production

Cane Milled & Sugar produced	Actual 2011/12 Season	Estimate 2012/13 Season ^		Plan 2014/15 ^
Total hectares under cane as at 1 April (beginning of the season)	38 626	43 185		46 348 *
% Hectares under cane milled	91,4%	87,0%		94,6%
Hectares milled	35 307	37 577		43 836
Cane yield (tcphm)	86,63	91,95	94,61	101,78
Cane tons '000	3 059	3 455	3 555	4 462
Cane to Sugar ratio	8,21	8,23	8,08	8,00
Chisumbanje Estate #		30 000	60 000	
Sugar production - raw (tons)	372 000	450 000	500 000	558 000

tcphm – tons cane per hectare milled ^ Assumes normal weather conditions * Location of additional 1 296 hectares to be decided

Excluded from yields, hectares farmed & milled, tons cane and cane to sugar ratio

Mozambique - Increasing Sugar Production

Cane Milled & Sugar produced	Actual 2011/12 Season	Estimate 2011/12 Season ^		Plan 2014/15 ^
Total hectares under cane as at 1 April (beginning of the season)	26 513	26 789		28 243
% Hectares under cane milled	92,6%	92,9%		95,1%
Hectares milled	24 555	24 886		26 849
Cane yield (tcphm)	80,36	81,66	87,45	93,59 *
Cane tons '000	1 973	2 032	2 176	2 513
Sugar production - raw (tons)	233 000	240 000	264 000	313 000
Cane to Sugar ratio	8,47	8,47	8,24	8,02

tcphm – tons cane per hectare milled

^ Assumes normal weather conditions

* Includes Mafambisse Home Estate @ 68,68 tcphm

Volume/Yield Cost Relationship

Milling costs (85% - 90% fixed)

- Human resources 39%
- Maintenance & consumables 40%
- Other 21%
- Total 100%

Agricultural costs

- Harvesting (per ton cane) 7%
- Farming costs (per ha) 78%
- Other (fixed) 15%
- Total 100%

Loading and Transport

Dependant on distance
from mill

Cost Pressures

- Impact of wage increases across operations
 - Zimbabwe 18% increase
 - Mozambique 11% increase
 - South Africa 8,5% increase for mill and refinery employees



South African Sugar Sales

	2011/12 Actual	2012/13 Estimate
Saleable sugar production		
- Total Industry sugar production (tons)	1,822 million	2,205 million @
- Tongaat Hulett share of Industry	26%	?
Tongaatt Hulett raw sugar production (tons)	486 000	537 000 - 610 000
Local sales (including SACU) - tons		
- Average notional price	1,685 million 32 US c/lb @ average of R7,47	> 1,7 million ? ?
Export Sales (FOB Durban) - tons		
- USA (tons) #	137 000 38 000 (36 US c/lb) ^	505 000* ? 34 000 (30 US c/lb)
- World Market (tons) #	99 000 (25 US c/lb) ^	165 000 (23 US c/lb)
- World market – unpriced	Nil	306 000 ?

@ Information released every 2/3 months on the SASA website

* US \$58 million covered year to date at an average rate of R7,98

Hedged to date by the South African Sugar Association

^ Average R/US\$ rate R7,47

Increasing Sugar Production

Investment Required Next 3 Years

Greenfield irrigated - Africa 200 000 tons			Tongaat Hulett 2011/12 1,150 mt —————> 1,835 mt 2015/16 Additional 685 000 tons tons/year ^		
	Total	R/ton	Next 3 years	Total	R/ton
Agriculture	R1,3 billion	R6 500	Agriculture	R1,2 billion	R1 752
			Tongaat Hulett	R390 million	R570
			3 rd Parties	R810 million	R1 182
Infrastructure	R300 million	R1 500	Infrastructure	R50 million	R72
Mill (limited power)	R3,2 billion	R16 000	Mill (limited power)	R550 million	R803
Total	R4,8 billion	R24 000	Total	R1,8 billion	R2 627



ADDITIONAL INFORMATION



Starch Information

Starch Operations

Financial Data

R millions	12 months to March 2012	12 months to March 2011
Revenue	2 580	2 357
Domestic	1 865	1 782
Exports	259	222
Co-Products	456	353
Operating Profit	363	303

Volume Data

Volume (tons)	12 months to March 2012	12 months to March 2011
Local Starch	90 361	92 350
Local Glucose	332 264	324 927
Total Local	422 625	417 277
Export Starch	36 240	36 557
Export Glucose	12 294	12 033
Total Exports	48 534	48 590
Co-Products	158 111	155 680
Total	629 270	621 547

Co-product Pricing

Co-product	Price movement March 2012 over Comparative Period	Major price drivers
Germ	Up 33,6%	50%: International edible oil price and local oil seeds 50%: Local maize
Gluten-60	Up 4,4%	International protein (Soya, fishmeal) prices
Gluten-20	Up 49,2%	Local maize price / hominy chop

Tongaat Hulett Starch

Outlook for South African maize

	1979/80	2008/09	2009/10	2010/11	2011/12 Forecast
Hectares Planted (000 ha)	4 031	2 428	2 742	2 372	2 699
Yield (t/ha)	3,37	4,96	4,67	4,37	4,12
Production (000 tons)	13 583	12 050	12 815	10 360	11 121

Outlook for World maize

- 2012/13 - Highest planting intentions in the US since 1944 and high yield expectations
- Demand remains firm and stock to use ratios only show small recovery for 2012/13
- Planting in US progressed rapidly in current year due to favourable planting conditions
- World prices remain high and supply shocks could result in prices returning to record highs

International Starch and Glucose prices remain firm

- US producers confronted with increasing maize and energy costs
- China remains net importer of corn
- Improved cassava crops have resulted in lower prices



Land Conversion and Development Information

Ridgeside



Infrastructure

- M41 Interchange, Office park infrastructure and Phase one and two of Precinct one infrastructure complete
- Major electrical sub station to service entire development completed by Municipality and is being commissioned

Development status and progress

- One hotel and seventeen office buildings completed and occupied making up 61 630 m² of bulk
- Currently four buildings under construction making up 15 600 m² of bulk
- Land use mix and phasing being reassessed to accelerate sales in current market



Umhlanga Ridge Town Centre



- 2 Mixed use sites left to sell in Commercial phase
- Residential Phase of 2 800 high density units commenced
- 4 High density residential sites sold to date
- The first developer's building is nearing completion
- Services installation virtually completed in the commercial phase
- Civil services installation contract is well underway in servicing sold sites in the residential phase

Izinga

- **Medium/low density residential suburb**
- **Open suburb with cameras and visible street security patrols**
- **Appropriate indigenous landscaping**
- **280 Potential dwelling units to be developed in the current phase (Phase 1)**
- **Sites sold to date 124 SR's and 3 PUD sites, only 7 sites left to sell**
- **3 PUDs and 112 SR sites transferred to date**
- **Currently 25 building contractors on-site and 3 homes occupied**
- **Civil infrastructure installation for Phase 1 is virtually complete**



Cornubia South



Industrial

- Permissions to sell - March 2012
- 22 hectares sold by end March 2012
- 80 developable ha (60 ha industrial platform) left – substantial demand, subject to infrastructural agreement being reached
- Civils contract to commence in June 2012

New Town

- Destination retail precinct to be developed near Mt Edgecombe - EIA to commence next 2 months
- New Town EIA commenced - approval possible by end 2013

Integrated Housing

- Pilot project progressing well - occupation of first 486 homes by March 2013
- Contract for second phase housing pending award - 2 500 homes
- Inter-governmental and public/private partnerships progressing well

Kindlewood



- 573 units gated estate development
- Comprises
 - Special residential
 - Maisonette
 - Planned unit developments
- 188 units have been sold
- 66 families are living in the estate
- 20 new structures are under construction
- Phase 3 to be launched in May 2012



Bridge City



- **Successful PPP with eThekweni Municipality**
- **New mixed use, high density Town Centre and Business Estate in a previously disadvantaged area/township**
- **Regional 500 bed public hospital**
 - **Building construction to commence September 2012**
 - **Up to 60 000 m² to be developed**
- **48 000 m² shopping centre with 13 000 m² second phase and 45 000 m² residential to be built**

- **Regional Magistrates court building complete – awaiting official opening**
- **Rail public transport: station completed. Rail line construction to be completed Q2 2013**
- **Bus-taxi intermodal facility completed by Municipality to open 2013. BRT route in planning**
- **Second Phase Lower Platform: 13 ha Business Estate including warehouse retail and office sites available to the market - 4 sites sold to date**

Sibaya



Node 1

- Zoning approval received
- Permission to sell received

Node 5

- EIA approved
- Zoning and subdivisional applications underway
- Ready for development before March 2014

Node 4

- Office/commercial node
- Excellent location relative to Umhlanga Ridge and airport
- Preparatory work for EIA underway

Inyaninga: Bulk land sale/Partnership/ TH development



- Aligned with Municipal plans for North Urban development Corridor
- EIA process underway – planned date of approval of development March 2014
- Phase 1 – envisaged around existing rail – opportunity for multi-modal logistics hub

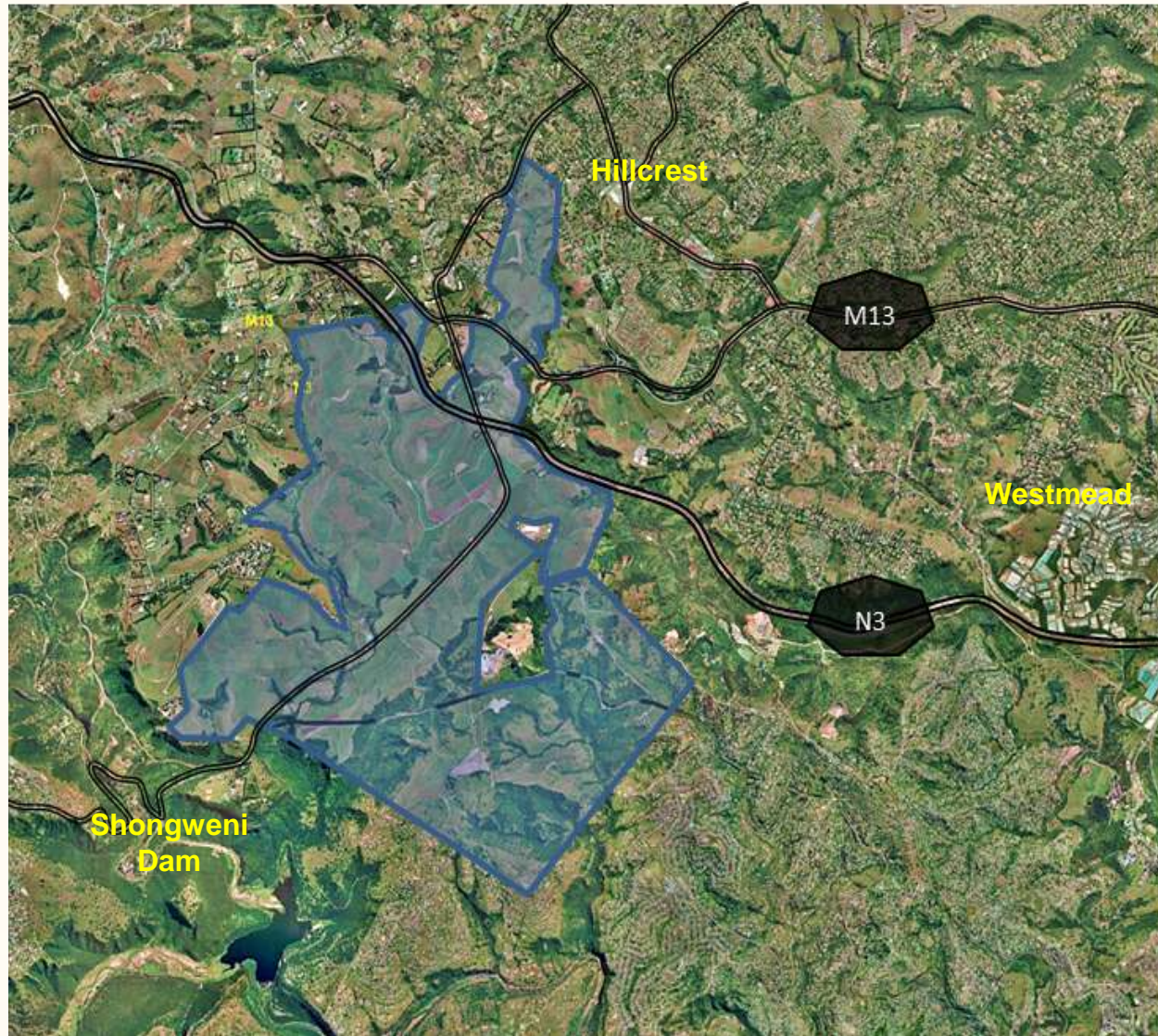
uShukela Drive: Bulk Sale Opportunity



- Total Gross Extent – 137 ha comprising 57 ha DTP and 80 ha Tongaat Hulett
- Formalised joint planning agreement with DTP for EIA and PDA processes
- Business Park, Logistics and Trade Zone extension
- Frontage on N2 and M43. DTP Link Road construction to commence mid 2012
- EIA process underway – expected date of approval of development rights – before March 2014

Ntshongweni

- Development supported by Municipal SDP and LAP's
- 3 major uses
 - Residential infill developments
 - Mixed use centre
 - Business Park and logistics
- Regional shopping centre as a proposed catalytic development on the N3 growth corridor
 - EIA processes under way
 - Considering bulk sale/ partnership
- Important logistics location



Zimbali & Zimbali Lakes

- Last few Zimbali sites being marketed
- Zimbali Lakes
- Golf Course construction delayed while EIA amendments being processed
- Alternate models/layouts are being assessed to optimize value
- Application to phase the Resort Node and increase the number of residential opportunities approved in March 2012
- Potential Retirement Village opportunities being considered by converting some of the residential portions of the development



Tinley Manor

Bulk Land Sales / Partnership / Own Development

- Largest consolidated property surrounding a river on North Coast
- 882 developable hectares
1 042 gross hectares
- Full coastal frontage (3,9 km) and access to both sides of Umhlali Lagoon and River Basin
- Tinley Manor ski boat launch site license issued to Tongaat Hulett
- EIA commenced on South Bank
- Setback lines established in terms of the Coastal Management Act



Sugar Information

Cane Ownership Mix

Supply of Cane to Tongaat Hulett South Africa Sugar Mills

SA Cane Supply Hectares Under Cane	Actual on 1 April 2010	Actual on 1 April 2011	Actual 1 April 2012	Plan 1 April 2014 ^	% Change from 2010 to 2014
Tongaat Hulett owned	7 745	7 745	7 803	7 468	- 4%
Tongaat Hulett leased/co-managed	7 090	11 114	15 760	30 367	+ 328%
Tongaat Hulett supported - small scale / community farmers	21 996	25 610	30 021	36 342	+ 65%
Commercial and Medium Scale	87 076	85 044	84 068	85 082	- 2%
Total	123 907	129 513	137 652	159 259	+ 29%
Net growth in area (hectares)	4 090	5 606	8 139#	21 607	

^ Assumes normal weather conditions

Includes a net loss of 548 hectares, who have transferred to other mills and excludes 3 034 hectares for a 1 year contract

New Plantings - South Africa

Categories - new hectares	Actual 2009/10	Actual 2010/11	Actual 2011/12	Target 2012/13 #
Small scale farmers	1 636	3 689	4 411	4 320
Commercial and medium scale farmers	630	371	1 831	1 180
Tongaat Hulett leased land	1 824	1 546	2 445	4 006
Total	4 090	5 606	8 687	9 506



Assumes normal weather conditions

Yield Improvement - Commercial and Medium Scale Farmers in South Africa

- Root age is fundamental to good yields
- Yields for old roots are significantly impacted by drought conditions
- To date 8 000 hectares identified where roots > 10 years old
- 2011/12 season: R11,3 million spent equivalent to 1 612 hectares of roots replanted
- Similar scheme is planned for the 2012/13 season
 - R32 million allocated to replant 4 266 hectares



Government Partnerships with Tongaat Hulett

Cane Development in South Africa

Type of Funding	Govt. Grant (R million)	Beneficiary	Term	Application of Grant
Comprehensive agricultural support program (CASP)	R38 m	<ul style="list-style-type: none"> 84 beneficiaries 	<ul style="list-style-type: none"> 3 year partnership 2008/9, 2009/10, 2010/11 	Planting, replanting, ratoon management, irrigation and infrastructure repairs
Recapitalisation and Development Program (RECAP)	R70 m	<ul style="list-style-type: none"> Currently 57 commercial land reform beneficiaries. Likely to increase with additional funding 17 000 hectares 	<ul style="list-style-type: none"> 3 year strategic partnership between National Department of Land Reform and TH 2011/12, 2012/13, 2013/14 	Planting, infrastructure and farm equipment
Vuselela	R51,8 m	<ul style="list-style-type: none"> 3 534 hectares of communal land 	<ul style="list-style-type: none"> 4-year partnership between KZN Dep. Of Economic Development and TH 2009/10, 2010/11, 2011/12, 2012/13 	<ul style="list-style-type: none"> Planting and new cane establishment TH to contribute R12,3 million for seed cane costs
Fertilizer Assistance	R23,5 m	<ul style="list-style-type: none"> 8 884 hectares of communal land 	<ul style="list-style-type: none"> A one year agreement to provide small scale farmers with a fertilizer grant 	Fertilizer inputs to existing communal land
Total	R183,3 m			

Zimbabwe - Private Farmers

- **15 880 hectares**
 - 2011/12 season produced 531 990 tons cane
 - Plan to increase to > 1,4 million tons in the 2014/15 season
- **Funding**
 - EU funding for replanting of 1 200 hectares
 - BancABC 4-year revolving \$30 million financing scheme
 - Tongaat Hulett \$3 million initial funding

From 1 April 2011 to 31 March 2012 - 6 264 new/replant hectares*

EU funded Caneland Trust	874 hectares
Private farmer replant	1 914 hectares
SusCo project	3 476 hectares

* 4 559 Hectares of new root planting and 1 705 of replant hectares

Zimbabwe - Private Farmers

	Actual 2011/12	Estimate 2012/13 ^	Plan 2014/15 ^
Total hectares allocated to cane farmers	15 880	15 880	15 880
Total hectares under cane as at 1 April	9 501	14 060	15 880
Total hectares milled	8 966	11 184	15 880
Cane yield tcphm	59,33	68,26	90,00
Total cane crush (tons)	531 990	763 384	1 429 200
Root replant / New plantings (hectares) #	6 264	4 469 @	1 588



Includes replant of existing roots and fallow land

@ Excludes land that private farmers may plant themselves

tcphm – tons cane per hectare milled

^ Assumes normal weather conditions

Zimbabwe - Own Estates

	Actual 2011/12	Estimate 2012/13 ^	Plan 2014/15 ^
Total hectares under cane	29 122	29 125	29 172
Total hectares milled	26 341	26 393	26 660
Cane yield tcphm	95,92	103,88	108,80
Total cane crush (tons)	2 526 517	2 741 800	2 900 625
Root replant (hectares)	5 439	4 197	2 660



tcphm – tons cane per hectare milled

^ Assumes normal weather conditions

Cane Yields - Tons cane per hectare milled

Tongaat Hulett hectares	Actual 2011/12	Estimate 2012/13 ^	Plan 2014/15 ^	Hectares to be Harvested 2014/15 ^
Xinavane	96,84	102,00	105,10	11 623
Mafambisse	55,27	65,10	75,92	8 526
Home Estate	48,15	54,87	68,68	6 075
Lamego Estate	73,34	91,75	93,85	2 451
Total	78,58	86,02	92,75	20 149

Tongaat Hulett leased and Private Farmers	Actual 2011/12	Estimate 2012/13 ^	Plan 2014/15 ^	Hectares to be harvested 2014/15 ^
Tongaat Hulett Leased Land	92,44	97,27	103,13	3 758
Private Farmers	84,32	90,59	87,09	2 942

^ Assumes normal weather conditions

Mozambique

Cane Yield and Sucrose Content Improvement Plans

Field condition / Drainage

- **Positive drainage pumps**
- **Renewal of one-way floodgates on dykes**
- Field layouts and row spacing
- Upgrading of drainage systems

Root / cane condition and replanting

- **Gapping up poorly germinated areas**
- **Ripening and dry-off regimes**
- **Pest and disease controls**
- **Focus on crop positioning and cane age**
- Crop positioning
- Variety selection and seed cane quality
- Replanting of under performing fields
- Decommissioning of fields not performing to minimum yield criteria
 - Mafambisse Home Estate

Irrigation / Power Supply

- **Improved irrigation control**
- **Improved bulk water supply from pump stations**
- **20 MVA sub station (Xinavane)**
- Upgrading main power lines to irrigation pump stations
- Upgrading of electrical reticulation
- Conversion of fields from 2 mm per day to 8 mm per day
 - Mafambisse Home Estate

Estate organisational structures

- **Agricultural and supervisory training**
- **Reduced size of sections**
- Improved equipment availability
- Labour productivity

^ Update to information presented at the May 2011 results presentation

Red - completed

Brown – in progress

Raw Sugar Production

	Milling Season											
Tons '000	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
South Africa	977	762	868	659	731	760	674	612	652	573	455	486
Mozambique	39	36	71	82	85	115	106	108	108	134	164	233
Swaziland RSE	41	45	50	54	50	56	55	58	56	54	54	59
Zimbabwe *	282	264	296	264	222	236	240	349	298	259	333	372
Total	1 339	1 107	1 285	1 059	1 088	1 167	1 075	1 127	1 114	1 020	1 006	1 150
Capacity	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 820	1 820	2 030	2 030	2 030
% of Capacity	89%	74%	86%	71%	73%	78%	72%	62%	61%	50%	50%	57%

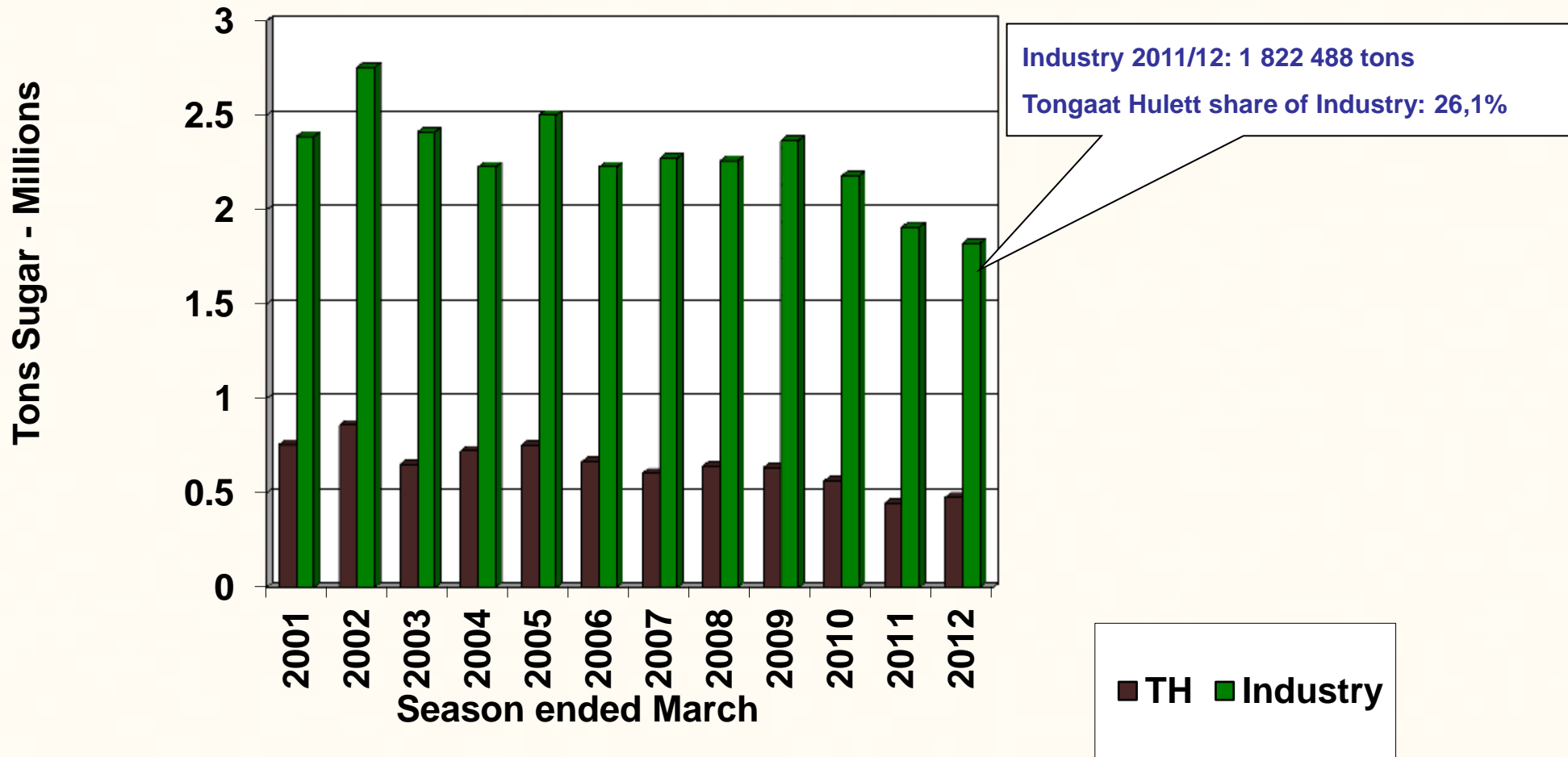
* Hippo Valley acquired in December 2006. Production for Hippo included from the 2007/08 season



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%

Sugar Production - SA





Financial Information

Sugar Cane Growing Crops

- Accounted for in terms of International Accounting Standard - IAS 41: Agriculture
 - Measured and recognised at fair value
 - Changes in fair value are included in the income statement
- Replanting and agricultural costs actually incurred are charged to the income statement in the period
- The fair value elements are a “zero sum equation” over time in the income statement

Tongaat Hulett: Cane Grower and Sugar Miller

- Southern Africa - today:
 - South Africa cane supply initiatives
 - Mozambique expansion
 - Zimbabwe consolidation and recovery
 - Growing crops consolidated balance sheet value: R3,575 billion
 - Growing with new root planting and replanting
 - Increases as cane yields, sugar content and prices rise

Sugar Industry - Time Lags

What you do today with its cash outflows

➔

Impacts sugar production and cash inflows approximately 18 months later

- New planting / replanting of roots
- Cane growth: approximately 12 months
- Off crop work on mills between December and March

Hectares under cane	31 March 2012	31 March 2011
Mozambique	24 675	24 664
Zimbabwe	28 432	28 494
South Africa	25 013	18 859
Swaziland	3 840	3 838
Total	81 960	75 855

Accounting for Sugar Cane Growing Crops

International Accounting Standards - IAS 41: Agriculture

- Sugar cane growing crops are accounted for as biological assets
 - Measured and recognised at fair value
- Changes in the fair value are included in the income statement
 - The fair value of roots is determined on a current amortised cost basis
 - Specific costs in each estate
 - Adjusted for cost increases
 - Amortisation takes place over the life of the roots (range 6 to 12 years)
 - The fair value of standing cane is determined by
 - Growth of the cane, yield, sucrose content
 - Selling prices (including specifics such as European Union exports)
 - Less costs to harvest, transport and costs into the market
- Replanting and agricultural operating costs actually incurred
 - Charged to the income statement in the period



Accounting for Sugar Cane Growing Crops (cont.)

- **Fair Value adjustments - over time: zero sum equation in the Income Statement**
 - At time of cane establishment / expansion: costs incurred, cash outflow and fair value gain
 - Approximately 18 months later: standing cane harvested, sugar produced and sold → cash inflow and standing cane sees negative fair value adjustment
 - Roots value is amortised over time
- **Operating profit generated from sales is recognised when standing cane is harvested for sugar production and sold**
- **Over time: operating profit = cash net inflow**

Growing Crops on the Tongaat Hulett Balance Sheet

	31 March 2011	31 March 2012				
	Total	Total	South Africa	Swaziland	Zimbabwe	Mozambique
<u>Roots</u>						
Hectares	75 855	81 960	25 013	3 840	28 432	24 675
Amortised root value (Rands per hectare)	15 540	20 355	14 682	11 997	18 155	29 941
<u>Standing Cane</u>						
Hectares for harvest	73 079	77 739	21 529	3 741	28 432	24 037
Standing cane value (Rands per hectare)	19 552	24 522	11 399	28 947	29 877	29 254
Yield (tons cane per hectare)	85	86	57	127	104	86
<u>Balance Sheet</u>						
Roots (R million)	1 179	1 668	367	46	516	739
Standing cane (R million)	1 429	1 907	246	108	850	703
Total (R million)	2 608	3 575	613	154	1 366	1 442

March 2011 (R million)	2 608	Cane Root Amortisation Profile at Present
Change in fair value	465	<ul style="list-style-type: none">• Ranges from 54% to 75% unamortised in the different countries• Average: 70% unamortised
Foreign Currency Translation	445	
Other	57	
March 2012 (R million)	3 575	

Growing Crops - Income Statement

- IAS 41 Fair Value Change included in the Income Statement: Year to 31 March 2012

	R million
Roots	201
Standing cane	264
Change in fair value	465

	R million
South Africa	192
Swaziland	20
Zimbabwe	214
Mozambique	39
Change in fair value	465

- Comparative IAS 41 Fair Value Change 31 March 2011: + R662 million
- Roots change in Fair Value:
 - + Hectares replanted and fallow land planted
 - + Change in fair value costing
 - Amortisation of roots
- Standing cane change in Fair Value:
 - + Cane growth on new areas planted
 - + Change in sucrose or sugar pricing
 - +/- Change in quantity of standing cane (+ growth and - harvested)
- All agricultural costs are charged to the income statement as operating costs



Cash Flow : Cane Valuations, Root Planting and Off Crop costs highlighted in a Sugar Business

R millions	12 months 2011/12	12 months 2010/11	
Operating profit	+ 1 878	+ 1 606	Includes all agricultural costs
Growing crop fair value adjustment	- 465	- 662	As per Income Statement
Root planting costs (direct planting, excluding other agricultural costs) charged to operating profit	+ 376	+ 289	Included # below
Other non-cash items	+ 469	+ 61	Includes depreciation etc.
	+ 2 258	+ 1 294	R964 million improvement
Working capital	- 519	- 212	
Capital Expenditure - Plant & Equipment and other capital	- 679	- 796	
Root planting costs	- 433	- 332	Incl. operating costs # above and capex items
	627	- 46	
Interest and tax	- 632	- 583	
Net cash flow before dividends	- 5	- 629	

Exchange Rates

More Favourable in 2011/12 than in 2010/11

Average	2011/12	2010/11	% Change
Rand/US\$	7,44	7,19	+3%
Rand/Euro	10,24	9,49	+8%
Rand/Metical	0,27	0,21	+29%
US\$/Euro	1,38	1,32	+5%



- **Export proceeds: US\$ and Euro**
(exchange rates at time of export)
- **Earnings conversion on consolidation**
(at average exchange rates)
 - Zimbabwe : US\$ → Rands
 - Mozambique : Metical → Rands



Exchange Rates

	Currency Exchange Rates		Prices	Costs
Zimbabwe	Export proceeds	Euro → US\$	<ul style="list-style-type: none"> • EU exports: Euro • USA quota: US\$ • Local market: US\$ 	<ul style="list-style-type: none"> • US\$ • Zim inflation
	Earnings conversion on consolidation	US\$ → Rands		
Mozambique	Export proceeds	US\$ → Metical Euro → Metical	<ul style="list-style-type: none"> • USA quota: US\$ • EU exports: Euro • Local market: Metical 	<ul style="list-style-type: none"> • Rands • US\$ • Metical • Moz inflation
	Earnings conversion on consolidation	Metical → Rands		
South Africa	Export proceeds	US\$ → Rands	<ul style="list-style-type: none"> • USA quota: US\$ • World market prices: US\$ • Local price: Rands 	<ul style="list-style-type: none"> • Rands • Maize has a US\$ link



Thank You