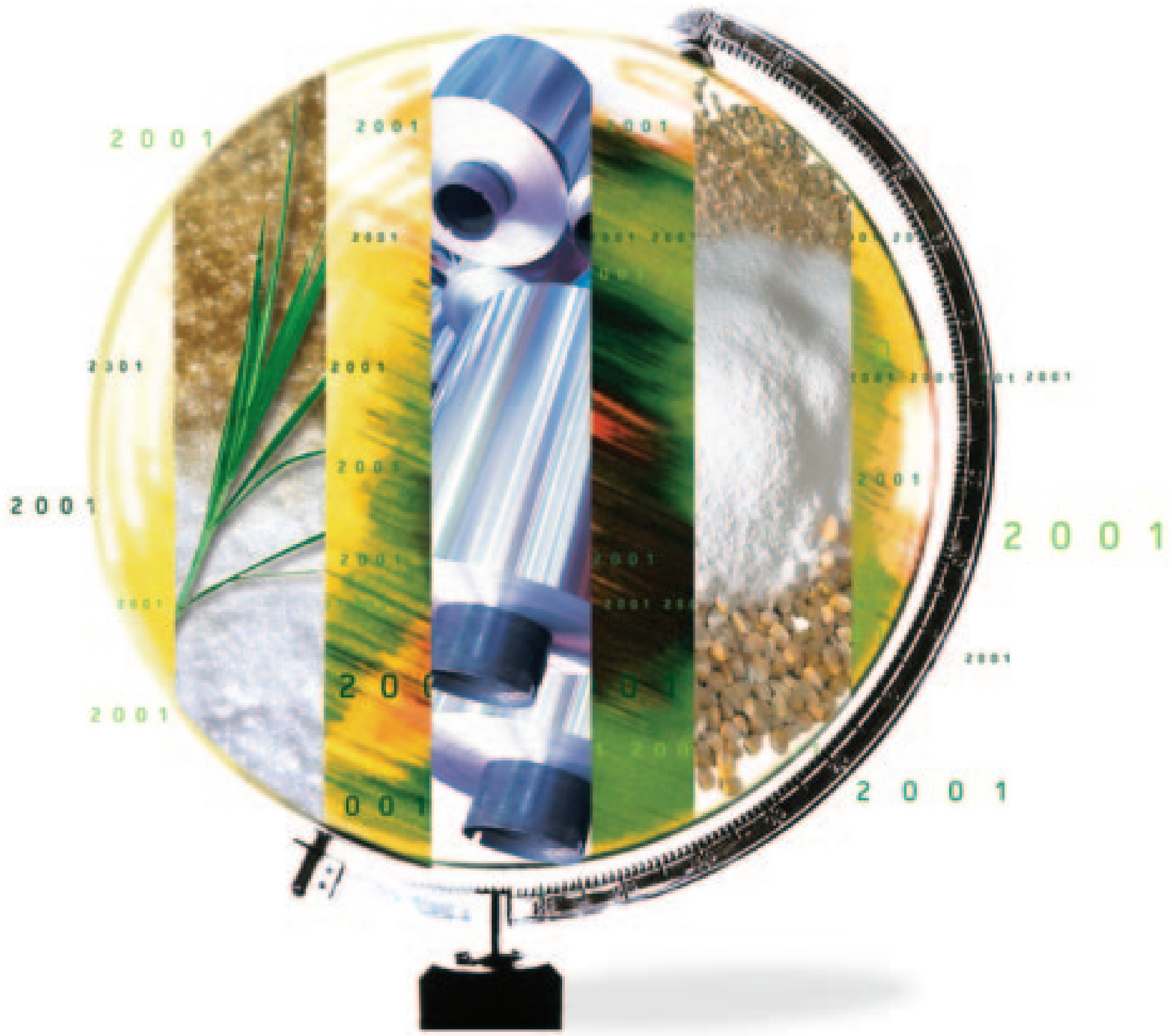
THE TONGAAT-HULETT GROUP LIMITED ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

Internationally cost competitive Group

delivering world class product, quality and service



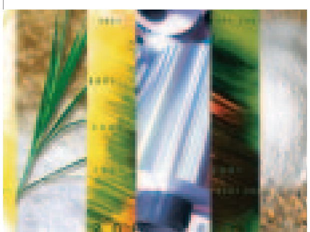
2001

The Tongaat-Hulett Group Limited

Annual Report for the financial year ended 31 December 2001

The Prime Objective of the Group

is to sustain real growth in earnings per share



In achieving the prime objective, the Group is committed to:

Act with integrity, purpose and responsibility to all stakeholders

Satisfy customer needs through quality and service excellence

Develop a dynamic enterprise with a balanced and attractive portfolio of operating businesses

Invest in the development of its people, recognising that they are the Group's greatest source of competitive advantage

Follow enlightened employment practices leading to equal opportunity for all employees

Perform responsibly in relation to the physical and social environment

The Tongaat-Hulett Group Limited

Registration No. 1892/000610/06

GROUP PROFILE

The Tongaat-Hulett Group Limited is a major South African company with three internationally competitive businesses, sugar, starch & glucose and aluminium. In addition it has a land development operation.

It employs some 9 100 people, has annual revenue from continuing operations of approximately R5,1 billion and capital employed of R7,0 billion. Its shares are listed on the JSE Securities Exchange and the London Stock Exchange.

CONTENTS

HIGHLIGHTS

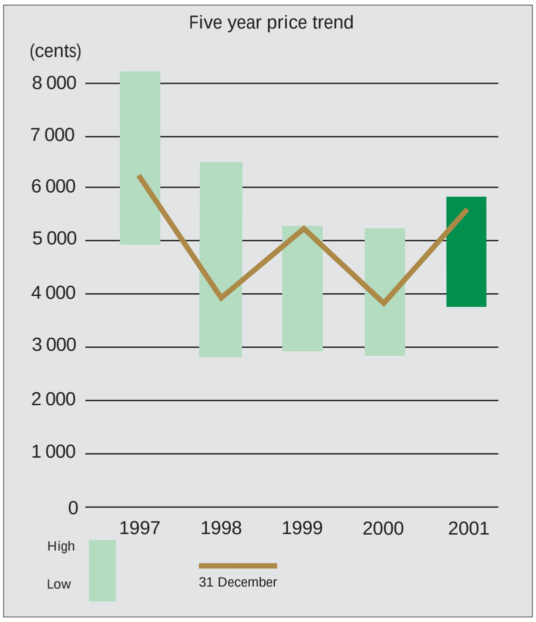
Operating earnings from continuing operations	R584 million
Headline earnings	R604 million
Headline earnings per share	598,4 cents
Dividends per share	270,0 cents

Additional information about the Group is available at our website: www.tongaat.co.za

SHAREHOLDERS' DIARY

Financial year end		31 December
Annual general meeting		May
Reports and profit statements:		
Interim report		August
Profit announcement and final dividend declaration		February
Annual report		March
Dividends:		
Interim	Declared	August
	Paid	September
Final	Declared	February
	Paid	March

SHARE PRICE PERFORMANCE



SHARE OWNERSHIP ANALYSIS

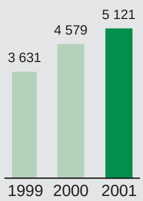
at 31 December 2001

Number of shareholders	Spread	Shares held	% held
3 313	1 - 500 shares	608 847	0,60
1 883	501 - 2 500 shares	2 245 825	2,22
456	2 501 - 5 000 shares	1 635 021	1,62
229	5 001 - 10 000 shares	1 685 714	1,67
307	more than 10 000 shares	94 949 490	93,89
6 188	Total	101 124 897	100,00
	Category		
4 225	Individuals	4 542 016	4,49
54	Insurance & assurance companies	9 562 258	9,46
115	Pension & provident funds	4 874 930	4,82
168	Banks & nominee companies	10 088 712	9,98
1 625	Investment trusts & other companies	20 775 633	20,54
1	Anglo American plc group	51 281 348	50,71
6 188	Total	101 124 897	100,00
	Shareholdings over five percent:		
	Anglo South Africa (Pty) Limited	51 281 348	50,71
	Public Investment Commissioner	9 351 336	9,25

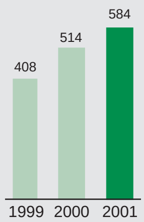
COMPARATIVE HIGHLIGHTS

		2001	2000
Capital employed	(Rmillion)	**7 044**	6 413
Equity	(Rmillion)	**4 389**	4 038
Market capitalisation	(Rmillion)	**5 461**	3 848
Revenue – continuing operations	(Rmillion)	**5 121**	4 579
Operating earnings – continuing operations	(Rmillion)	**584**	514
Total net earnings	(Rmillion)	**609**	368
Headline earnings	(Rmillion)	**604**	502
Headline earnings per share	(Cents)	**598,4**	498,0
Dividends per share	(Cents)	**270,0**	212,0
Dividend cover	(Times)	**2,2**	2,3
Return on capital employed	(%)	**15,1**	14,1
Return on equity	(%)	**14,3**	12,9
Net debt to equity	(%)	**7,1**	15,1
Net asset value per share	(Cents)	**4 340**	4 003
Share price – 31 December	(Cents)	**5 400**	3 815
– high	(Cents)	**5 790**	5 190
– low	(Cents)	**3 770**	2 840
Shares – issued	(Million)	**101**	101
– weighted	(Million)	**101**	101
Number of shareholders		**6 188**	3 591
Permanent employees – at year end			
South Africa (continuing operations)		**4 932**	5 167
Other (excluding Triangle)		**4 204**	4 311

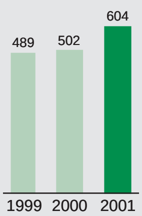
GROUP PERFORMANCE



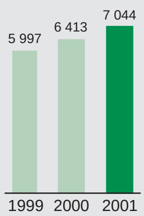
Revenue –
continuing operations
Rmillion



Operating earnings –
continuing operations
Rmillion



Headline earnings
Rmillion



Capital employed
Rmillion

DIRECTORATE

EXECUTIVE DIRECTORS

C M L Savage (63)
Executive Chairman
Employed 1977,
Appointed director 1981,
chief executive 1991
and executive chairman 2000

D G Aitken (59)
Group Financial Director
Employed 1969,
Appointed director 1996

B G Dunlop (48)
Managing Director
Sugar Division
Employed 1980,
Appointed director 1997

G R Hibbert (55)
Managing Director
Property Division
Employed 1972,
Appointed director 1998

G P N Kruger (44)
Managing Director
Starch & Glucose Division
Employed 1982,
Appointed director 1997

J B Magwaza (59)
Group Executive Director
Employed 1975,
Appointed director 1994

S J Saunders (42)
Chairman
Sugar and Property Divisions
Employed 1986,
Appointed director 1991

M Serfontein (49)
Group Human Resources
Director
Employed 1983,
Appointed director 1996

P H Staude (48)
Managing Director
Aluminium Division
Employed 1978,
Appointed director 1997

NON-EXECUTIVE DIRECTORS

D D Barber (49)
Finance Director
Anglo American Corporation
of South Africa Limited
Appointed director 2002

L Boyd (65)
Director of Companies
Appointed director 1989

E le R Bradley (63)
Executive Chairman
Wesco Investments Limited
Appointed director 1987

E K Diack (44)
Chief Executive Officer
Anglo Industries and Anglo Ferrous
Metals Division
Appointed director 1997

E S C Garner (62)
Director of Companies
Appointed director 1978

M W King (64)
Director of Companies
Appointed director 1980

M Mia (54)
Director of Companies
Appointed director 1996

T H Nyasulu (47)
Director of Companies
Appointed director 2000

R H J Stevens (61)
Director of Companies
Appointed director 1977

A J Trahar (52)
Chief Executive Officer
Anglo American plc
Appointed director 1992

ALTERNATE DIRECTORS

J A Thomas (33)
Corporate Financier
Anglo American Corporation
of South Africa Limited
Appointed alternate 2001

G F Young (31)
Senior Divisional Manager
Anglo Operations Limited
Appointed alternate 2001

CORPORATE INFORMATION

GROUP SECRETARY

M A Kennedy (60)
Employed 1973,
Appointed group secretary 1995

BUSINESS AND POSTAL ADDRESS

Amanzimnyama Hill
Tongaat
KwaZulu-Natal
P O Box 3
Tongaat 4400

Telephone (032) 439 4000
Facsimile (032) 945 3333
Website: www.tongaat.co.za
E-mail: info@tongaat.co.za

BANKERS

First National Bank
of Southern Africa Limited
Nedcor Bank Limited
The Standard Bank
of South Africa Limited

ATTORNEYS

Cox Yeats
Deneys Reitz
Garlicke & Bousfield
Shepstone & Wylie
Taback & Associates

AUDITORS

Deloitte & Touche

TRANSFER SECRETARIES

South Africa:
Computershare Services Limited
P O Box 61051
Marshalltown 2107

United Kingdom:
Capita IRG plc
Bourne House
34 Beckenham Road
Kent BR3 4TU

EXECUTIVE COMMITTEE OF THE BOARD

Seated left to right: S J Saunders, M Serfontein, D G Aitken, C M L Savage, P H Staude, E K Diack, G R Hibbert.
Standing left to right: B G Dunlop, J B Magwaza, G P N Kruger.

GROUP ACTIVITIES

The Tongaat-Hulett Group Limited

SUGAR DIVISION
Tongaat-Hulett Sugar Limited

Tongaat-Hulett Sugar owns and operates five mills, a central refinery and extensive sugar cane estates in South Africa. It also has various sugar milling and cane growing interests in neighbouring states. It produces raw, refined and speciality sugars for local and export markets, non-caloric sweeteners and also animal feeds under the Voermol brand name. Its main sugar products under the Huletts label include refined, castor, icing, cube, rainbow crystals, treacle, caramel and yellow sugars.

KEY STATISTICS

Rmillion	2001	2000
Revenue	**2 631**	2 528
EBITDA	**376**	376
EBIT	**320**	319
Capital employed	**1 800**	1 630
Number of employees	**7 313**	7 624

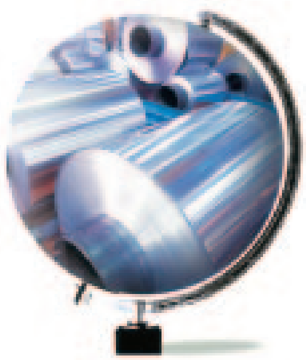
STARCH & GLUCOSE DIVISION
African Products (Pty) Limited

African Products is a wet-miller of maize with mills at Kliprivier, Germiston and Meyerton in Gauteng and Bellville in the Western Cape. Its products include modified and unmodified starches, glucose, maltose and dextrose syrups, glucose powders, caramel colour, sorbitol, maize germ, high protein gluten meal, gluten feed and corn steep liquor.

KEY STATISTICS

Rmillion	2001	2000
Revenue	**1 085**	899
EBITDA	**213**	158
EBIT	**148**	100
Capital employed	**1 208**	1 266
Number of employees	**697**	693

ALUMINIUM DIVISION
Hulett Aluminium (Pty) Limited (50%)



Hulett Aluminium's principal business is the manufacture and sale of aluminium plate, sheet, foil, extrusions and value added products to a customer base spread throughout the world. Its products include can stock, heat treated and precision plate, tread products, lithographic sheet and coil, painted coil, flat sheet and coil, foil and foil products, circles, clad products, composite panels and architectural and general extrusions. Its head office and main plant is based in Pietermaritzburg.

KEY STATISTICS*

Rmillion	2001	2000
Revenue	**2 540**	2 030
EBITDA	**324**	224
EBIT	**267**	204
Capital employed	**5 160**	4 568
Number of employees	**1 933**	1 933

* The Group's proportionate share is 50 percent of the above numbers.

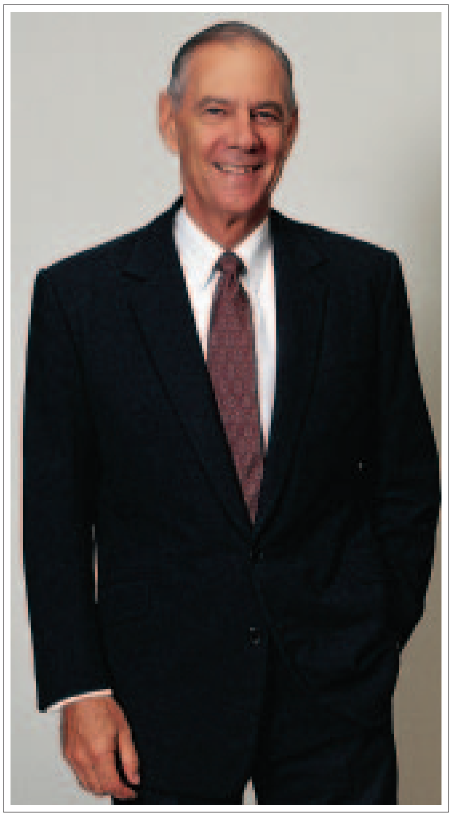
PROPERTY DIVISION
Moreland Estates (Pty) Limited

Moreland's land development activities include commercial, industrial, residential and resort projects principally at La Lucia, Umhlanga, Mount Edgecombe and Zimbali in the northern Durban metropolitan area. It has recently been appointed by the eThekwini Municipality (Durban) to direct the development of its uShaka Island Marine Theme Park project and to jointly develop the Effingham/Phoenix South Business Estates.

KEY STATISTICS

Rmillion	2001	2000
Revenue	**135**	137
EBITDA	**28**	23
EBIT	**28**	23
Capital employed	**351**	315
Number of employees	**45**	46

EXECUTIVE CHAIRMAN'S REVIEW



It is pleasing to report that earnings for the year to 31 December 2001 were ahead of expectations and better than last year.

Notwithstanding the slowing world economy and tough domestic trading conditions, the divisions did well to increase revenue from continuing operations by 12 percent to R5,1 billion and operating earnings by 14 percent to R584 million. These results were boosted by exchange rate gains of R255 million on translation of strategic cash resources offset by net interest payable of R75 million. Total net earnings for the year amounted to R609 million compared to R368 million last year and headline earnings per share increased by 20 percent from 498,0 cents to 598,4 cents.

The Group's balance sheet remains strong. Shareholders' equity has increased to R4 389 million and net asset value per share to R43,40. Net borrowings have reduced from R723 million to R377 million, which represents a net debt to equity ratio of 7,1 percent.

A final dividend of 208 cents per share has been declared, which, together with the interim dividend of 62 cents amounts to a total dividend of 270 cents per share compared with 212 cents per share for last year.

The Group's strategy of creating three internationally competitive businesses growing through exports, supported by the substantial investment of some R4 billion over the past few years, has proved to be well timed in the light of recent events. The substantially enhanced capacity has provided a platform for growth driven by exports which now account for some 35 percent of total revenue, and the softening rand has also had a beneficial effect. The increased production capacity, backed by the existing technological and human resource skills, has created the potential to grow earnings in real terms without any further major capital investment.

In November 2001, President Thabo Mbeki awarded Hulett Aluminium the President's award for overall export achievement. This was most gratifying as it was achieved within only one year of the completion of the R2,4 billion rolled products expansion project.

Whilst on the allied theme of the Group's investment in production capacity and exports, special mention should be made of the work being done by the President and his cabinet ministers, particularly the Minister of Trade & Industry, in their initiatives to liberalise and reform international trade. The influential role of South African leaders in NEPAD and at the WTO has become widely recognised throughout the world, and their efforts to address the imbalances that currently exist in the unfair subsidisation of agricultural products in the developed countries are highly commended.

The review of the Group's strategy was completed during the year and the board reaffirmed its continued focus on growing the Group's three core businesses in the pursuit of sustaining international competitiveness. The decision taken to exit from the remaining non-core activities culminated in the disposal of the building materials division, effective 31 May 2001, and the textiles division effective 30 September 2001. Throughout the period under review, the Group has worked closely with Anglo American plc regarding the proposed disposal of its 51 percent shareholding through its representatives on the board, but to date no formula has been found that is suitable to all stakeholders.

Even though its South African sugar production reduced to 756 000 tons, the sugar division maintained earnings before interest at R320 million, largely as a result of a recovery in world raw sugar prices and the weak rand. In addition, the white sugar premium in US dollar terms improved in the second half of the year and the division's other Southern African operations also performed well.

The performance of the starch & glucose division improved substantially, supplemented by increased exports, resulting in total revenue exceeding R1 billion for the first time, and earnings before interest growing 48 percent to R148 million. The R800 million investment at Kliprivier some three years ago has been justified and the major cost impact of this investment has been absorbed, placing the division firmly into a growth phase. The emphasis on the export of value added products, which grew by more than 80 percent, resulted in export revenue doubling.

The aluminium division achieved an important benchmark by generating a substantial positive cash flow against a background of difficult and turbulent market conditions. Total revenue of Hulett Aluminium increased by 25 percent to R2,5 billion, and operating earnings grew by 31 percent to R267 million, 50 percent of which accrues to the Group. These results were achieved against a decline in the US dollar margins of a range of products. The division has demonstrated its ability to adapt quickly to changing market conditions by developing new higher value added products and has shifted its targeted sales and geographic mix in line with market dynamics. During the period, it concentrated on establishing and maintaining its growing international presence through increased sales and market share in more than 45 countries. Its drive to stimulate domestic downstream aluminium production is producing pleasing results.

The property division's earnings before interest increased by 22 percent to R28 million. The year was characterised by firmer demand in commercial, residential and resort portfolios. Substantial investments were undertaken in the Umhlanga Ridge New Town Centre and La Lucia Ridge areas. The division's private/public partnership with the eThekwini Municipality will progress further in the current year with the commencement of the uShaka Island Marine Theme Park and the Effingham-Avoca developments.

Triangle, the Group's sugar operation in Zimbabwe, which is accounted for to the extent that dividends are received, continues to operate satisfactorily in an extremely difficult economic and business environment. Dividends received during 2001 of R76 million are 23 percent up on last year, largely due to currency fluctuations. The economic environment in Zimbabwe remains volatile and difficult trading conditions are likely to persist during 2002.

While the prime objective of the Group remains the achievement of real growth in earnings per share, management has been equally committed to the issues of social investment, employment equity, development and training and black economic empowerment.

The Group has set about transforming its workforce through self-imposed employment equity targets and, in the process, is unlocking the considerable capacity of previously disadvantaged employees. In this regard each division has met the requirements of the Employment Equity Act and new targets have been set for 2004. The Group's track record was publicly recognised by President Mbeki in parliament in June 2001, when he referred to the Group as one of the South African companies that had made impressive strides in achieving the goals of black economic empowerment and employment equity.

As an internationally competitive Group it attracts, develops and retains people of high calibre by offering them constructive and challenging careers.

This is underpinned by focused development and training programmes entailing expenditure of as much as R16 million a year over and above the normal on-the-job training.

The need to support and develop black business is a continuing activity of the Group and some R395 million was channelled into such businesses during the year. Notable achievements were the successful planning of the second phase of the medium scale farmer project, that will establish a further 24 black farmers on 1 800 hectares of land, and black participation in the sale of the building materials division, where an empowerment consortium acquired 30 percent of the company. Education continued to be the beneficiary of the Group's social investment projects within the communities in which it operates.

PROSPECTS

In the year ahead, the Group expects strong growth in volumes, revenue and operating earnings from its divisions. The attainment of the prime objective of real growth in earnings per share in 2002, taking into consideration last year's currency boost, will depend mainly on the relative strength of the rand. Cash flows will however remain positive and the Group is well placed to deliver increased shareholder value.

DIRECTORATE

Peter Staude, currently managing director of Hulett Aluminium, will assume the position of Group chief executive officer from 10 May 2002, when I am due to retire from my executive responsibilities. He will also become chairman of Hulett Aluminium. I would like to take this opportunity to congratulate him and wish him the greatest success in his well deserved appointments. He has played a crucial role in the management and development of Hulett Aluminium and has contributed to the Group's activities, as a director on the board since 1996, and the board's executive committee since 1997. Alan Fourie, currently financial director at Hulett Aluminium, has been appointed to succeed Peter Staude as managing director of that division.

I have pleasure in welcoming David Barber, finance director of Anglo American Corporation of South Africa Limited, to the board with effect from 8 March 2002.

In conclusion I wish to pay tribute to the many people with whom I have worked since my appointment as an executive director of the Group 21 years ago. I have had the privilege of leading the executive team over the past 11 years and in the last two years have combined that role with chairman of the board.

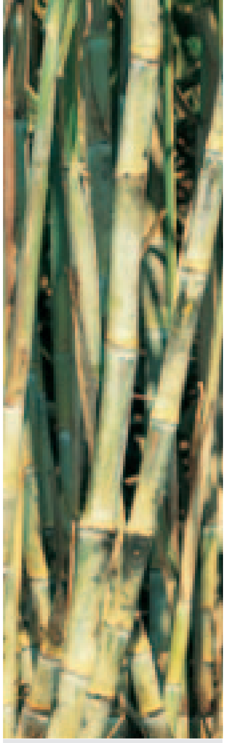
During my time with the Group, I have had the opportunity to be part of a process of considerable change through team effort, which has led ultimately to the Group comprising three large internationally competitive manufacturing and marketing businesses, and the property division, which protects and adds value to the Group's extensive land holdings. I am pleased to report that each division is being led by competent and focused management of the highest calibre, and this comment applies equally to the Group's central support functions.

I would like to express my sincere appreciation to an excellent executive team, members of the board, and all employees for their loyalty, efficiency and dedication to duty. I thank the board for its wise counsel and advice and feel confident that I am leaving the management of the Group in the most capable hands.

C M L Savage
Executive Chairman

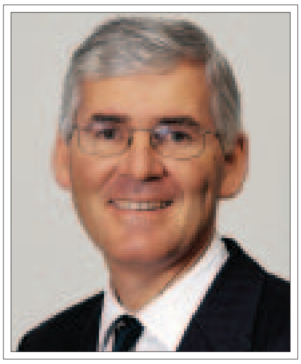
Amanzimnyama
Tongaat, KwaZulu-Natal

8 March 2002



SUGAR DIVISION

Tongaat-Hulett Sugar Limited



B G Dunlop (Managing Director)

Directors:
S J Saunders (Chairman),
B G Dunlop (Managing Director),
D G Aitken,
S J M Cleasby,
J M Clelland,
D F M Gass,
M S Greenfield,
G P N Kruger,
M M Kumalo,
J B Magwaza,
P D McKerchar,
T H Nyasulu,
P A Prince,
M R D Robert,
C M L Savage,
P H Staude,
P T Varty.

DIVISIONAL REVIEW *Higher returns from sugar exports and increased contributions from the division's Swaziland and Mozambique operations enabled the division to maintain earnings before interest at R320 million for the year to 31 December 2001, despite difficult South African cane growing and milling conditions.*

The five South African mills crushed a total of 6,9 million tons of cane to produce 756 000 tons of sugar, compared to the 969 000 tons of sugar in the previous season. Adverse weather conditions were the major contributor to a disappointing year for raw sugar production and with the resultant poor cane quality, the mills were not able to repeat the excellent production and technical efficiencies achieved last year.

A recovery in the world raw sugar price and the devaluation of the rand resulted in improved export realisations which in rand per ton terms were 39 percent up on last year. In addition, the white sugar premium in US dollar terms improved in the second half of the year, impacting positively on contributions. This helped to offset a 20 percent reduction in the cane crop.

The Huletts sugar brand performed well in the domestic market. The brand remains the market leader in all of its product categories within the retail and wholesale trade. Trust and confidence as well as top-of-mind awareness remain the cornerstone of the brand's platform.

In Swaziland, Tambankulu Estates produced the raw sugar equivalent of approximately 43 000 tons compared to 41 000 tons in the previous season, reflecting generally improved cane growing conditions in north eastern Swaziland. A stronger euro relative to the emalangeni positively impacted Swaziland's preferential market realisations.

The division's two Mozambique mills produced 36 000 tons of sugar compared to 39 000 tons in the previous season. At Mafambisse, sugar production totalled 34 000 tons compared to last year's 31 000

tons. The mill performed at record levels in terms of a number of technical benchmarks whilst the cane-to-sugar ratio improved to 8,4 reflecting better cane quality. At Xinavane, the delayed commissioning of the rehabilitated mill saw the crushing season get underway during September 2001. This resulted in only 2 000 tons of sugar being produced before the close of the season with 100 000 tons non-harvested cane being carried over for crushing in the 2002 season.

Although sales volumes were satisfactory, Voermol Feeds, the division's molasses and bagasse-based animal feeds operation, experienced difficult trading conditions and its contribution was lower than that of last year.

The Department of Trade and Industry is reviewing the South African sugar industry's regulatory framework following a notice to this effect promulgated in the Government Gazette on 12 January 2000. This will be undertaken within the accepted framework of Government's strategies for the sugar sector in the Southern African Customs Union and Southern African Development Community. The review will be undertaken in consultation with the industry, amongst others, and it is not anticipated that any changes will be implemented before the start of the 2003/04 season.

Employment equity as well as safety, health and the environment continue to be given close attention and good progress is being made with these programmes. The division's employment equity performance with 30 percent of senior management, 44 percent of middle management and over 69 percent of skilled employees in designated groups, is noteworthy, particularly against a background of lower complements and a low staff turnover ratio. Training and development have a high priority both as business imperatives and part of the overall employment equity drive.

PROSPECTS

Crop prospects for 2002 are encouraging following

good rainfall during spring and early summer and sugar production should show an increase on 2001.

International raw sugar prices have been trading below the average achieved in 2001, although this is expected to be offset in the current year by the depreciating rand. The white sugar premium in US dollar terms has been trading well above the levels achieved in 2001 boding well for contributions from refined sugar exports in the year ahead. Demand for sugar within the Southern African Customs Union is expected to reflect the growth in gross domestic product and the Huletts brand should maintain its existing brand share in all its respective markets.

In Swaziland, cane production will increase following the conversion of the citrus orchards to cane, while realisations from Swaziland's preferential markets will benefit from the weaker emalangeni. With an additional 1 800 hectares under cane, and improved yields from existing estates, production in Mozambique in 2002 is expected to exceed 75 000 tons of sugar.

Continued focus on cost reduction in all aspects of the business will help to ensure that the division remains amongst the lowest-cost millers in the region and the world.

KEY STATISTICS

Rmillion	2001	2000
Revenue	**2 631**	2 528
Earnings before interest, tax and depreciation	**376**	376
Earnings before interest and tax	**320**	319
Capital employed	**1 800**	1 630
Number of employees	**7 313**	7 624

STARCH & GLUCOSE DIVISION

African Products (Pty) Limited

GPN Kruger (Managing Director)

Directors:
P H Staude (Chairman),
G P N Kruger (Managing Director),
D G Aitken,
A J Brady,
B G Dunlop,
E S C Garner,
B R Gumede,
P J Henning,
S J Krook,
V C Macu,
M N Mohale,
M H Munro,
A T Potgieter,
J W Sanetra,
S J Saunders,
C M L Savage,
R H J Stevens.

DIVISIONAL REVIEW *There was a turnaround in business during 2001, which highlights the justification for the division's R800 million investment at Kliprivier over three years ago. The major cost impact of the investment has now been absorbed and the division has moved firmly into a growth phase. Revenue increased by 21 percent exceeding R1 billion for the first time, and earnings before interest grew by 48 percent to R148 million, largely as a result of increased exports.*

Continued emphasis on the export of value added products, which grew by more than 80 percent, resulted in export revenue doubling. This improvement was achieved over a range of markets, with value added products being particularly strong in Australasia and Europe, and with strong demand for commodity products in Nigeria. The restructuring of the export marketing department to improve its effectiveness, as noted last year, became fully operational and yielded significant improvements in service levels to export customers.

The strategy for developing value added exports continued with the approval of two expansion projects during the year. The Maltodextrins (spray dried glucose powders) and Dextrose Monohydrate (crystallised dextrose) projects are expected to begin production in the last quarter of 2002. The Dow Chemicals sorbitol plant, which produces 10 000 tons of sorbitol per annum, was purchased and integrated into the division. Demand for sorbitol has

been high and improvements and modifications are being planned to take advantage of market opportunities.

Demand from customers in most sectors of the domestic market held up well compared to the previous year and overall volume growth of 3,2 percent in prime products was achieved. The confectionery, brewing and paper converting products sectors showed modest improvement, while new business developments in the general food sector provided good growth in that sector. However, the paper making sector experienced lower volumes, because of reduced demand in world market.

On-going attention to improving operating efficiencies generated significant savings in many areas and the Kliprivier plant set new standards in performance, operating at times above its initial throughput design. Benefits of the fixed cost savings arising out of the restructuring exercise undertaken in 2000 were fully realised during the year.

A strong commitment to quality as an important component of company strategy has seen the division grow and develop in the face of strong international competition. This, together with the success of the Kliprivier expansion and the export drive, has enabled the division to become a world class player.

PROSPECTS

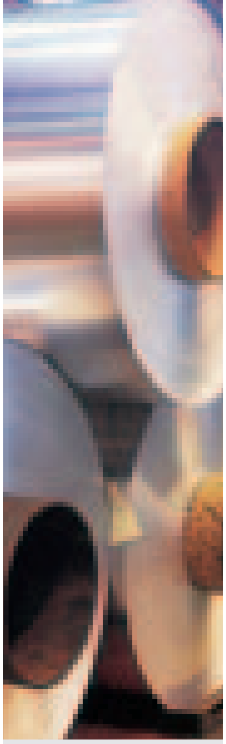
The weak rand improves the division's ability to maintain commodity export markets and to export value added products more profitably.

The substantial increase in the maize price is of concern for longer term prospects as prices at current levels would result in product price increases substantially above the inflation rate. To manage this rise in raw material prices, the division secured its requirements to May 2002 during the 2001 planting season, and as much as 80 percent of its requirements for the year June 2002 to May 2003 at prices significantly lower than the ruling market price. Nevertheless, it is expected that the division's raw material costs will be up sharply on those of 2001. As a result, the division has taken the unusual step of implementing a January price increase, which will be followed by further increases as the harvesting season unfolds and new season maize prices stabilise.

Despite the difficult position on raw material input costs, the division is planning to maintain and improve its strong position in exports and to continue to strive for growth in the domestic market.

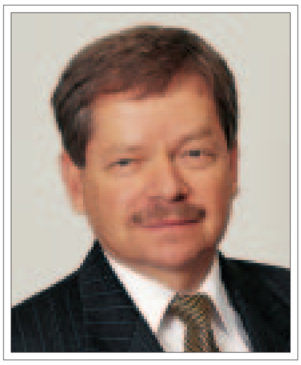
KEY STATISTICS

Rmillion	2001	2000
Revenue	**1 085**	899
Earnings before interest, tax and depreciation	**213**	158
Earnings before interest and tax	**148**	100
Capital employed	**1 208**	1 266
Number of employees	**697**	693



ALUMINIUM DIVISION

Hulett Aluminium (Pty) Limited



PH Staude (Managing Director)

Directors:
C M L Savage (Chairman),
P H Staude (Managing Director),
D G Aitken,
E K Diack,
A Fourie,
C A P Galego,
T E Jones,
L W J Matlhape,
D H Webster.

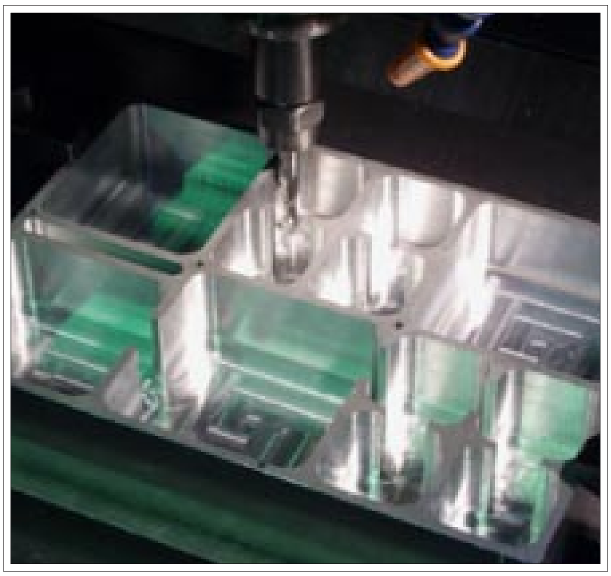
Alternates:
F B Bradford,
W F E Bragg,
A Harris,
C J Little,
M Z Mkhize,
T K Mshengu,
M H Munro,
S J Saunders,
D F Timmerman.

DIVISIONAL REVIEW *Hulett Aluminium achieved good results against a background of difficult and turbulent market conditions. Revenue increased by 25 percent to R2,5 billion and EBITDA grew by 45 percent to R324 million. Increased depreciation following completion of the expansion project limited the growth in earnings before interest and tax to 31 percent. An important benchmark was the generation of a substantial positive cash flow.*

The performance during the year reflected the division's ability to adapt quickly to changing circumstances and indicates its significant future potential. The new plant is performing well and is progressing steadily towards designed capacity and performance levels.

The global market for aluminium semi-fabricated products weakened during the year with demand in some sectors falling by more than 30 percent. Having secured forward sales at previous prevailing margins the division was shielded until the second quarter of 2001 from the sharp reduction in dollar margins which occurred late in 2000 after a long period of stability. In response to changing market conditions, the division significantly reduced its presence in some of the low margin sectors and changed its targeted sales and geographic mix. This necessitated the accelerated development of new higher value added products. As a consequence the lead time involved in securing orders, together with these higher value added products having slower throughput rates, resulted in sales volumes being lower than originally expected. This was compensated by the higher margins which enabled the division to exceed its projected earnings.

The widening of the division's product and customer base reduced the dependence on the US market with sales into the US declining from 66 percent of exports in 2000 to a current level of approximately 45 percent. The events of September 11 in the US impacted on the division with delays being experienced in receiving final product specifications from customers for confirmed orders.



Hulett Aluminium continues to establish and maintain a growing international customer base and has achieved increased sales and market share in a number of international market sectors, which is particularly encouraging at a time when global demand has been falling and competitors have been closing plants. The division also demonstrated its ability to identify market opportunities both in developed and developing markets, and its ability to capitalise on the many benefits of being located in South Africa. Product quality is continually subject to scrutiny and again the division has proved its ability to meet the demanding requirements of its chosen markets. The division presently has a customer base located in more than 45 countries and was the overall winner of the State President's Award for Export Achievement.

Sales in the domestic market decreased, particularly in the building sector where a number of major capital projects were delayed until 2002. The support and encouragement of downstream export-based industry remains a high priority and the success of First Graphics in this regard is a good example of what can be achieved. Downstream exports in the foil sector have grown from negligible levels to 20 percent of local foil sales in the past two years. A number of promising opportunities are being pursued in the automotive industry and local market sales are expected to increase in the year ahead.

There was some rationalisation in the extrusion industry during the year which alleviated some of that sector's difficulties. Increased domestic sales together with growth of exports into niche markets enabled Hulett-Hydro Extrusions to improve its financial performance.

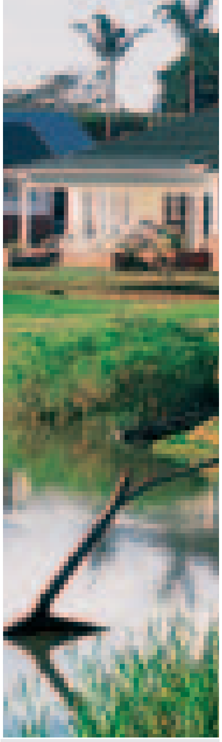
PROSPECTS

It is expected that international rolling margins will remain under pressure in the year ahead. Sales are expected to increase both in existing markets and in new market positions which are established in tandem with the growth and development of the division's manufacturing capability and flexibility. It is expected that this growth in sales will be achieved with a limited increase in the cost base and will contribute to significant growth in earnings.

KEY STATISTICS*

Rmillion	2001	2000
Revenue	**2 540**	2 030
Earnings before interest, tax and depreciation	**324**	224
Earnings before interest and tax	**267**	204
Capital employed	**5 160**	4 568
Number of employees	**1 933**	1 933

* The Group's proportionate share is 50 percent of the above numbers.



PROPERTY DIVISION

Moreland Estates (Pty) Limited

GR Hibbert (Managing Director)

Directors:
S J Saunders (Chairman),
G R Hibbert (Managing Director),
D G Aitken,
C P Brink,
B G Dunlop,
K J Forbes,
E S C Garner,
I P Hunter,
D T Jollands,
J B Magwaza,
C M L Savage,
J P Thessal.

Alternates:
T Chetty,
P Mnganga.

DIVISIONAL REVIEW *The division had a satisfactory year and although revenue of R135 million was slightly lower than 2000, earnings before interest and tax of R28 million for the year to 31 December 2001 were up 22 percent.*

The year was characterised by substantial investment in Umhlanga and La Lucia Ridge, particularly in infrastructure to service the Old Mutual Gateway Theatre of Shopping Complex and the Umhlanga Ridge New Town Centre. Recognition for the quality of the infrastructure was received through the award winning design of the Moreland Millennium Bridge spanning the Mount Edgecombe Highway.

Of significance was the private/public partnership agreements entered into with the eThekwini Municipality (Durban) to fast track the development of the city's uShaka Island Marine Theme Park and to jointly convert some 280 hectares of land to industrial, commercial and residential usage in

the Effingham-Avoca area, estimated to create 13 500 permanent jobs and provide about 1 000 housing sites.

Enquiries for land in the commercial portfolio were strong. Sales in the Umhlanga Ridge New Town Centre included a site for a 25 000 square metre shopping centre and several sites to the retail motor industry. Since the launch of the La Lucia Ridge Office Estate in 1997, more than 300 000 square metres of commercial space has been built or is under construction on the "Ridge" and the Business Park was sold out in less than 12 months from its introduction in November 2000.

There was keen interest in the residential projects at Mount Edgecombe Country Club Estate, where sites were released throughout the year to meet demand, and in a new phase of the Somerset Park residential development which was sold out within a month of being launched in September 2001. As many as 3 500 housing units have been built by purchasers

on land developed and sold by Moreland over the past ten years.

The division benefited from improved sales in the Zimbali Coastal Resort as well as from fees earned through the appointment by the eThekwini Municipality to direct the development of the Point Marine Theme Park.

PROSPECTS

The substantial progress of the Durban Economic Growth Initiative, the establishment of the Durban Investment Promotion Agency, and the eThekwini Municipality again being voted the best managed local Government in South Africa further enhances the outlook for investment in the greater Durban area. An area of concern however, is the large increase in property rates on vacant land imposed by the Municipality which is a threat to new development in the city, and the division continues to address this issue with the Municipality.

The division's private/public partnerships with the eThekwini Municipality will progress further in the current year, with the commencement of both the Point Marine Theme Park and the Effingham-Avoca developments.

The continued market interest in property investment in north Durban has entrenched this region as KwaZulu-Natal's leading development node. Given the prevailing economic conditions and with a relatively stable interest rate environment, the division expects to continue to maintain profit growth and generate positive cash flows.

KEY STATISTICS

Rmillion	2001	2000
Revenue	**135**	137
Earnings before interest, tax and depreciation	**28**	23
Earnings before interest and tax	**28**	23
Capital employed	**351**	315
Number of employees	**45**	46

Triangle Sugar Corporation Limited in Zimbabwe is wholly-owned, reports directly to the group office and is accounted for to the extent that dividends are received. It is one of the lowest cost sugar producers in the world and its export focus provides a partial hedge against Zimbabwe market conditions. In addition to its cane growing and sugar milling interests, Triangle has a white-end refinery, an alcohol distillery capable of producing 38 million litres of industrial grade alcohol per annum, a third-share in a Botswana sugar packing operation and extensive ranching operations with some 8 000 head of cattle.

The prevailing economic environment in Zimbabwe during the year was characterised by hyperinflation, foreign exchange shortages, an overvalued currency fixed against the US dollar since August 2000, and extremely difficult trading conditions. In spite of the challenging year, Triangle's total net earnings in South African rand, accounted for at the official rate of exchange, increased 42 percent to R189 million. Dividends received from Triangle of R76 million, net of withholding tax, represents a 23 percent increase on last year.

Raw sugar production for the year of 264 000 tons was six percent lower than the prior year's tonnage, primarily as a result of the unprecedented levels of flowering in cane during the second half of the season, caused by the significantly higher than normal rainfall on the estate in February and March 2001.

Production of refined sugar was 54 000 tons (2000 – 39 000 tons). Additional export markets into Angola and Kenya for Triangle refined sugar were developed and the Huletts brand of refined sugar was successfully introduced into the Zimbabwe domestic market.

The Zimbabwe sugar industry was able to effect regular price increases on the domestic market up until August 2001, when price controls were re-introduced. An application for a 55 percent increase in the domestic market price of sugar was submitted to the Zimbabwe Government in January 2002, based on cost increases to 31 December 2001. The industry, whilst benefiting from preferential quota exports to the European Union and the United States of America, was required to sell 40 percent of export earnings to the Government at the official rate of exchange.

As a result of higher than normal rainfall in the catchment areas of dams supplying irrigation water to Triangle, all dams are presently full, thereby ensuring the potential for normal sugar production over the next four years. It is anticipated that raw sugar production at Triangle will approximate 300 000 tons for the 2002 season.

Triangle's ability to retain 60 percent of its foreign exchange earnings from the export of raw and refined sugar and industrial grade alcohol provides it with the opportunity to secure all essential inputs to enable normal operations to continue.

The economic environment in Zimbabwe remains volatile and difficult trading conditions are likely to persist during 2002.

Financial Statistics

(Including discontinuing operations)		**31 December 2001 12 months Actual**	31 December 2000 12 months Actual	31 December 1999 12 months Actual	31 December 1998 12 months Pro forma	31 March 1998 12 months Actual
TRADING RESULTS (Rmillion)						
Revenue		**5 593**	5 365	4 399	4 554	4 824
Operating earnings		**580**	544	438	424	525
Triangle dividend		**76**	62	51	44	49
Net interest		**(82)**	(6)	61	164	173
Exchange rate translation gain		**255**	54	34	33	23
Exceptional items		**(5)**	(138)	(189)	14	29
Earnings before tax		**824**	516	395	679	799
Tax		**(196)**	(145)	(71)	(168)	(210)
Share of associate company's loss		**(20)**	(15)	(11)		
Minority shareholders' share of loss		**1**	12		1	
Total net earnings		**609**	368	313	512	589
Headline earnings		**604**	502	489	480	545
SOURCE OF CAPITAL (Rmillion)						
Equity		**4 389**	4 038	3 743	3 635	3 398
Minority interests in subsidiaries		**5**	6	19	13	21
Deferred tax		**923**	762	662	655	533
Borrowings		**1 502**	1 422	1 427	1 218	1 143
Provisions		**225**	185	146	146	146
Total capital employed		**7 044**	6 413	5 997	5 667	5 241
EMPLOYMENT OF CAPITAL (Rmillion)						
Property, plant, equipment and investments		**4 185**	3 831	2 398	2 221	1 339
Capital work in progress		**152**	354	1 611	1 303	1 550
Long-term receivable		**210**	210	210	245	245
Inventories and receivables		**2 574**	2 220	2 070	2 268	1 707
Cash resources and deposits		**1 125**	699	810	924	1 443
Total assets		**8 246**	7 314	7 099	6 961	6 284
Current liabilities		**1 202**	901	1 102	1 294	1 043
		7 044	6 413	5 997	5 667	5 241

Ratios and Statistics

EARNINGS						
Headline earnings per share (cents)		**598,4**	498,0	486,7	483,8	560,1
Dividends per share (cents)		**270,0**	212,0	207,0	160,0*	207,0
Dividend cover (times)		**2,2**	2,3	2,4	2,7*	2,7
PROFITABILITY						
Operating margin		**10,4%**	10,1%	10,0%	9,3%	10,9%
Pre-tax return on capital employed		**15,1%**	14,1%	14,0%	15,5%	20,5%
Return on equity		**14,3%**	12,9%	13,3%	13,7%	17,4%
FINANCE						
Net debt to equity		**7,1%**	15,1%	14,0%	6,9%	–
Current ratio		**2,40**	2,29	2,26	2,28	2,73
Liquidity ratio		**1,85**	1,63	1,56	1,71	2,03
SHARES						
Shares in issue (millions)	– issued	**101**	101	101	101	98
	– weighted	**101**	101	101	99	97
Net asset value per share	– (cents)	**4 340**	4 003	3 714	3 617	3 454
Share price (cents)	– balance sheet date	**5 400**	3 815	5 200	3 850	4 850
	– high	**5 790**	5 190	5 220	6 450	8 200
	– low	**3 770**	2 840	2 970	2 800	4 350
Annual volume of shares traded	– (millions)	**26**	37	35	30	16
PERMANENT EMPLOYEES – at year end		**9 136**	12 279	12 244	10 618	11 998

* Actual for nine months to 31 December 1998 based on results for that period.
Note: Only comparative figures for the year ended 31 December 2000 have been restated for the changes in accounting policies.

DEFINITIONS

EBITDA
Earnings before net interest, tax, depreciation and amortisation.

EBIT
Earnings before net interest and tax.

HEADLINE EARNINGS
Total net earnings excluding exceptional items.

HEADLINE EARNINGS PER SHARE
Headline earnings divided by the weighted average number of shares in issue.

OPERATING MARGIN
Operating earnings expressed as a percentage of revenue.

PRE-TAX RETURN ON CAPITAL EMPLOYED
Earnings before interest paid, tax and exceptional items as a percentage of average total capital employed, excluding capital work in progress.

RETURN ON EQUITY
Headline earnings expressed as a percentage of average equity.

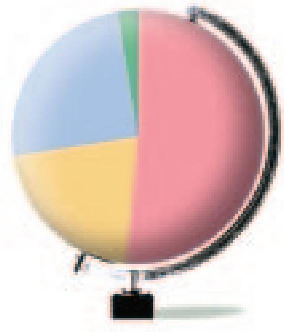
NET DEBT TO EQUITY
Borrowings less cash resources divided by total equity plus deferred tax.

CURRENT RATIO
Current assets divided by current liabilities plus short-term borrowings.

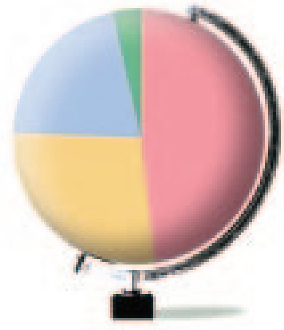
LIQUIDITY RATIO
Current assets, excluding inventories, divided by current liabilities plus short-term borrowings.

NET ASSET VALUE PER SHARE
Equity divided by the number of ordinary shares at year end.

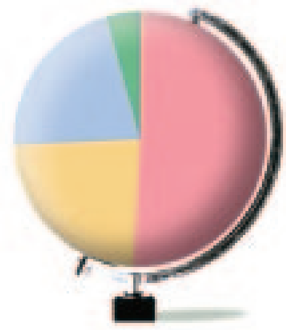
TOTAL CAPITAL EMPLOYED
Equity, minority interests, deferred tax, long and short-term borrowings and provisions.



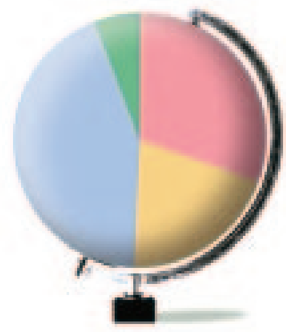
REVENUE	
Sugar	51,4%
Starch & glucose	21,2%
Aluminium	24,8%
Property	2,6%



DIVISIONAL EBITDA	
Sugar	48,3%
Starch & glucose	27,3%
Aluminium	20,8%
Property	3,6%



DIVISIONAL EBIT	
Sugar	50,8%
Starch & glucose	23,5%
Aluminium	21,3%
Property	4,4%



CAPITAL EMPLOYED	
Sugar	30,3%
Starch & glucose	20,3%
Aluminium	43,5%
Property	5,9%

SEGMENTAL ANALYSIS

BUSINESS SEGMENT ANALYSIS

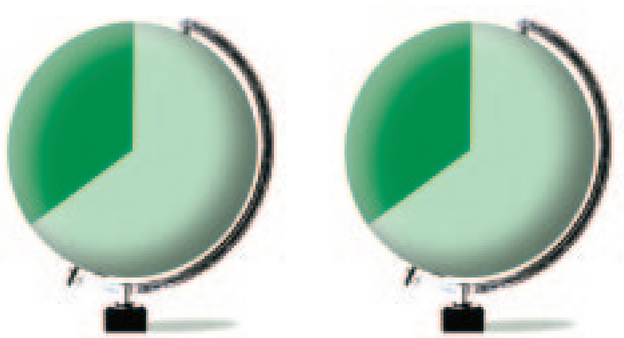
Rmillion	Revenue	Earnings before Interest and Tax	Total Assets	Capital Employed	Capital Expenditure	Depreciation
For the year ended 31 December 2001						
Sugar	2 631	320	2 208	1 800	116	56
Starch & glucose	1 085	148	1 467	1 208	52	65
Aluminium (50%)	1 270	134	2 864	2 580	107	28
Property	135	28	456	351	1	
Triangle dividend		76				
Group		(46)	1 153	1 105	2	1
Exchange rate translation gain		255				
Continuing operations	5 121	915	8 148	7 044	278	150
Discontinuing operations	472	(4)				9
Group total	5 593	911	8 148	7 044	278	159
For the year ended 31 December 2000						
Sugar	2 528	319	1 955	1 630	81	57
Starch & glucose	899	100	1 391	1 266	45	58
Aluminium (50%)	1 015	102	2 502	2 284	261	10
Property	137	23	437	315		
Triangle dividend		62				
Group		(30)	805	788	1	1
Exchange rate translation gain		54				
Continuing operations	4 579	630	7 090	6 283	388	126
Discontinuing operations	786	30	224	130	5	16
Group total	5 365	660	7 314	6 413	393	142

The aggregate effect of intra-group transactions is immaterial.

GEOGRAPHICAL ANALYSIS OF REVENUE FROM CONTINUING OPERATIONS

Rmillion	2001	2000
South Africa	**3 346**	3 310
Rest of Africa	**755**	535
Australasia	**385**	235
North America	**377**	299
Europe	**121**	56
South America	**86**	51
Asia and other	**51**	93
	5 121	4 579

2001 2000



Export revenue **34,7%** (27,7%)
Domestic revenue **65,3%** (72,3%)
(Brackets denote comparative figures)

As an internationally competitive Group it recognises the need to employ people capable of world class performance. Accordingly its employment policies and practices aim to attract, develop and retain people of high calibre, by offering them constructive and challenging careers. This investment in its people recognises that they are the Group's most sustainable source of competitive advantage.

The Group's human resources development and employment equity policies and programmes are driven by ongoing initiatives aimed at improving and managing the performance of individuals and teams in the Group's businesses for the benefit of all stakeholders. These initiatives continue to feature prominently and ensure that the Group's employees are competent and able to link their day-to-day activities to specific business objectives.

EMPLOYMENT EQUITY

The Group recognises that optimum performance in the South African context requires continuous effort to transform its employee base so as to become more representative of the demographic realities of the country. While targets are important for progress and have been implemented, the Group seeks to look beyond these by creating an environment that places a high value on cultural diversity. This approach, together with the objectives of employment equity and skills development and continued proactive diversity management, has resulted in the Group successfully transforming its workforce and empowering its people.

Each division met the requirements of the Employment Equity Act and it is gratifying that the Group's commitment and track record was publicly recognised by President Thabo Mbeki. In a speech in parliament during June 2001, the Group was identified as one of those companies in South Africa that had made great strides in achieving the goals of employment equity.

The Group's racial mix for the year ending 31 December 2001 was 17 percent Africans, Coloureds and Indians in top management, 30 percent in senior management, 45 percent in middle management and 71 percent as supervisors and skilled employees.

During the year the Group's employment equity programme consolidated the gains achieved from the December 2000 targets set in 1994, and developed new strategies and benchmarks for December 2004 for the advancement of blacks, women and people with disabilities. Although significant progress has been made in respect of black representation within the Group, specific benchmarks intended to improve the African component have been developed. In addition, gender benchmarks, coupled with strategies to ensure a gender-friendly environment have been set.

DEVELOPMENT AND TRAINING

Development and training initiatives that focus on the critical skills required by operations will

continue and, where appropriate, be accelerated. The need to develop high calibre managers and employees has resulted in a focused training and development mix, which includes coaching, mentoring, diversity management training, technical training, leadership development and management/ supervisory training.

The Group-sponsored study aid scheme is currently assisting 261 employees studying for tertiary level qualifications. A further 140 bursary holders are studying on a full-time basis at South African universities and technikons. A highlight has been the successful introduction of a facilitated computer based training initiative. The International Computer Driving Licence was implemented in all divisions to improve computer skills and create a platform for further e-learning.

INDUSTRIAL RELATIONS

The Group's ongoing endeavours to build and maintain constructive relationships with employees and unions resulted in a relatively peaceful year. Although there was industrial action of short duration in the aluminium division during the annual wage negotiations this coincided with a nationwide industry strike, and was not company specific.

The objective of the Group's Black Economic Empowerment Programme is to stimulate economic growth and make a substantial contribution to the creation and support of black business. Emphasis is placed on initiatives that ensure the meaningful participation and enhancement of black involvement in the mainstream of the economy.

The black economic empowerment process is driven through formally established committees both at divisional and Group level, which meet quarterly to review performance in relation to agreed annual spend targets. Expenditure on black economic empowerment during the year was R394 million compared to R289 million spent in 2000 by the Group as presently structured, and represents close to ten percent of the value of bought-in materials and services.

Notable achievements for the year were the successful planning of the second phase of the medium scale farmer project that is to be launched in April 2002 as well as the black participation in the sale of the building materials division, where an empowerment consortium acquired 30 percent of the company.

The sugar division spent approximately 18 percent more on black economic empowerment during 2001 compared to the previous year. Following the successful conclusion of the first phase of the medium scale farmer project, a further 20 sugar cane farmers will be established on 1 800 hectares of land. This will bring the total area sold to black farmers, who supply 15 percent of the cane required by the sugar division's mills, to 5 800 hectares.

During the year the starch & glucose division awarded a contract valued at approximately R15 million for the supply of coal to its mills, helping to improve black economic empowerment expenditure by some 177 percent.

The aluminium division's black economic empowerment strategy is to increase the use of aluminium and the number of black-owned businesses in the economy. This is achieved by offering professional support to small and medium sized black-owned enterprises in the aluminium industry and by focusing on building the number of empowerment businesses that supply the company with goods and services. The division saw an increase in expenditure of approximately 62 percent compared to the previous year.

The property division saw an increase in expenditure of approximately 104 percent compared to the previous year. Major contributions according to agreed criteria for black economic empowerment are envisaged by the division for the uShaka Island Marine Theme Park and Effingham-Avoca developments.

The Corporate Social Investment Programme of the Group includes direct investment of R3 million a year. The major thrust of investments is education with an orientation towards science, maths and English. In addition the Group has committed a total of R5 million through the Business Trust, payable over five years.

During the year, the Group built 16 classrooms in four schools in KwaZulu-Natal. Renovations were done to ten classrooms in a school at Ndwedwe. Provision of infrastructure continues to be a major request.

The Group supplied 15 water tanks to an area that was affected by cholera in the Mahlabathini area. The significance of this project is that it was run by the Group's employees from that area.

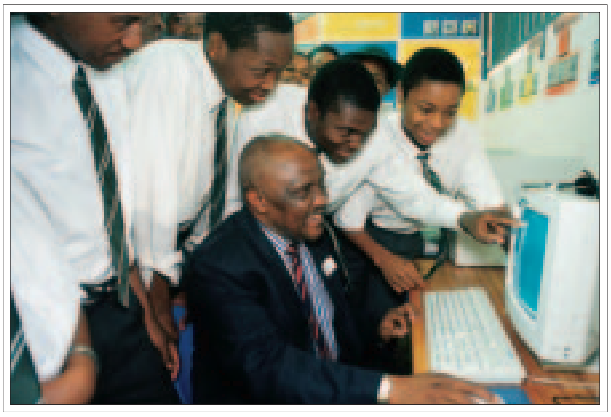
Education projects in the areas of science and technology, through the Programme for Technological Careers (PROTEC) was again a key focus of corporate social investment programmes. The objective of the programme, which caters for disadvantaged learners from grade 10 (standard 8) to grade 12 (matric), is to develop their technical, business management and leadership skills. The Group is able to draw from the PROTEC learners. Individual divisions support tertiary education programmes in their particular market areas.

The Group continues to support the Education Quality Improvement Programme (EQUIP) project in four Tongaat based schools. EQUIP is a partnership undertaking with the National Business Initiative (NBI) and the schools themselves. It involves an ongoing interaction and a mentoring relationship between the Group's people, NBI, learners, parents and teachers. Together they formulate education related development plans for the schools. The four schools supported by the Group have all shown significant improvements in their academic results, administrative systems and the culture of learning and teaching.

The Group has long recognised the serious socio-economic consequences of HIV/AIDS and supports initiatives and projects in its communities. In addition, it has renewed its pledge of financial support to the SA Council on HIV/AIDS. An AIDS awareness campaign, with the aim of reinforcing the message of responsible future planning, was embarked on amongst primary and secondary schools during the year. This entailed distributing pocket-sized HIV/AIDS education calendars and posters to the schools' learners and will be followed with the distribution of learner diaries in the current year. Teachers in the relevant schools have used these resources to support HIV/AIDS education initiatives.

Business Against Crime was supported by the Group both at a national and local level. The Tongaat local police reported a 60 percent reduction in the incidence of crime.

In all these ways, the Group's commitment to transformation, as expressed through the personal involvement of its people, including top management and the expenditure of significant resources, contributes substantially to the economic and social development of South Africa and its people.



A cornerstone underpinning the Group's prime objective is to perform responsibly in relation to the physical and social environment, with particular emphasis on the health and safety of its workforce. This commitment goes beyond compliance with legislation.

ENVIRONMENT

Conscious of its responsibility to the community, the Group manages its operations and resources so as to minimise any adverse impact on the environment. As part of its environmental management activities the Group seeks to develop cleaner and safer production processes with improved effluent disposal systems in its factories and world class living environments attuned to the biosphere in its property developments. The Group participates in the affairs of the Industrial Environmental Forum in relation to national environmental issues, while the Group Environmental Forum (GEF) oversees issues directly connected with the Group's divisional operations. The GEF has participated in the Consultative National Environmental Policy Process, the Coastal Management Policy Process and the KwaZulu-Natal Waste Management and Integrated Pollution Control Policy Process.

The sugar division adheres to the SA Sugar Association's cane burning code of practice, which is implemented in sensitive areas adjacent to residential, industrial and tourism facilities. Its agricultural specialists are members of the conservation committees promoting modern conservation practices and sustainable stewardship. The division's activity promotes the establishment of bio-diversity corridors in its canefields through indigenous tree planting programmes and the removal of invader species along watercourses. The division also leads the industry on mill effluent treatment and management with its Zero Effluent philosophy.

The starch & glucose division's mills are ISO 9000 certified with two of these attaining ISO 14000 environmental certification. Using the ISO 14001 system, mills have identified and prioritised environmental impacts, and have set objectives and targets for improvement. Progress has been made in

reducing the impact of noise, odour, dust, storm water effluent and energy use on the environment.

The aluminium division invested some R3 million on improving environmental controls, which include storm water pollution and noise abatement measures. Environmental risks are continually monitored and managed with potentially hazardous chemical situations identified and accident prevention measures implemented.

HEALTH

The HIV/AIDS epidemic and its impact on the Group and the community has received serious consideration since the late 1980s. The Group has a comprehensive HIV/AIDS policy and is currently devising strategies that reflect the latest thinking for the prevention and management of the effects of the disease. Guidelines for the practical co-ordination and implementation of HIV/AIDS programmes at operational level are aimed at:

- monitoring the impact of HIV/AIDS on employees and operations,
- contributing to the prevention of HIV/AIDS infection amongst employees and the community through integrated education programmes and other relevant interventions,

- encouraging voluntary counselling and testing as well as the provision of appropriate primary treatment and care for infected employees,
- providing support and assistance for infected employees through wellness programmes in the form of advice and counselling on diet and lifestyle, and
- participating in programmes which are aimed at addressing the HIV/AIDS epidemic in the wider community.

Occupational health targets are supported by Group clinics and first aid centres, with qualified medical staff and visiting part-time doctors co-ordinated by a full-time medical consultant. Medical surveillance programmes appropriate to the occupational health risks of employees and contractors are carried out and all operations are staffed with employees trained in first aid.

SAFETY

The past five years has seen a trend towards improved safety performance and the Group's current overall Lost Time Injury Frequency Rate is 1,45. A further reduction to a rate below 1,00 is targeted.

Regrettably six incident-related fatalities occurred within the Group's Southern African operations during the past year. The board deeply regrets this tragic loss of life and extends its condolences to the families. Most of the Group's South African mills and factories have satisfactory safety records and are regularly monitored by the National Occupational Safety Association (NOSA). Increasing attention is being directed towards improving the safety standards of the Group's operations in neighbouring states.

During the year the sugar and aluminium divisions converted to the new integrated NOSA Safety Health and Environment Management System. This includes the completion of Hazard Identification and Risk Assessments, updating written standards as well as a comprehensive update of legal compliance registers. A programme of audits under the new system is scheduled to begin during 2002.

The starch & glucose division follows a programme in accordance with the requirements of the Occupational Health and Safety Assessment Series (OHSAS 18001) which has proved effective in preventing accidents. The Bellville mill completed one million man hours without a lost time injury and the Meyerton mill completed the year without an injury.

The Group's operating divisions each have a high degree of autonomy while enjoying the support of key services which are centralised for the benefit of the Group as a whole.

These centralised services include finance and strategy, internal audit, property administration, information technology, procurement, human resources, the environment, health and safety, insurance and corporate affairs.

FINANCE AND STRATEGY

Group management is responsible for the application of Group financial policy and strategy. This includes overall strategic planning, monitoring divisional strategic plans and results, identification and evaluation of new investment opportunities and the treasury function. In addition to the day-to-day management of short-term borrowings and cash resources, the treasury function is responsible for securing and structuring long and short-term finance.

PROPERTY ADMINISTRATION

The Group's extensive South African agricultural and industrial land holdings, which total approximately 36 000 hectares, are administered by Tongaat-Hulett Properties Limited. This company provides a comprehensive property management service to operating divisions and is responsible for the realisation of redundant or surplus property assets.

INFORMATION TECHNOLOGY

The Group and its divisions are increasingly dependent on sophisticated computer systems and telecommunication for efficiency and responsiveness to changing customer and business needs. The Group information technology department is responsible for the appropriate use of computer and communication technology throughout the Group. Its staff provides leadership in identifying areas where business operations can be improved through application of information technology, and manages the Group's shared telecommunications infrastructure.

PROCUREMENT

The Group's purchasing department co-ordinates and regulates procurement policies so that purchasing opportunities can be translated into competitive advantage while maintaining the Group's reputation for integrity and fairness.

INSURANCE

The insurance requirements of the Group are administered centrally. Comprehensive risk management and loss control evaluation programmes are undertaken regularly to ensure that all assets are safeguarded, potential liabilities covered and earnings protected by the most appropriate cover for catastrophic risks. A degree of self-insurance is also undertaken, commensurate with the risks involved.

CORPORATE AFFAIRS

Group corporate affairs is responsible for external communication to a wide range of stakeholders, promotion of the Group's corporate image and fostering communication among staff within the Group and its divisions.

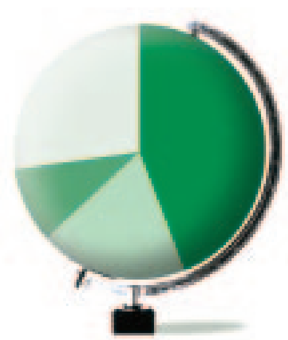
VALUE ADDED ANALYSIS

The following statement shows how value added, or wealth created, by the Group has been applied, first to reward those responsible for its achievement, secondly in payments to the providers of the Group's capital, thirdly in the payment of taxes, and finally, the amount re-invested in the business to finance replacement and growth.

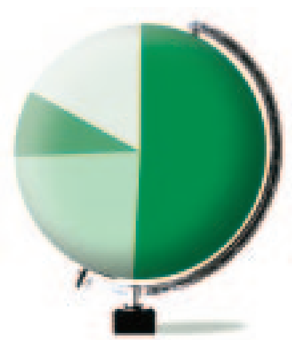
Rmillion	**2001**	2000
Revenue	**5 593**	5 365
Bought-in materials and services	**(4 221)**	(3 965)
VALUE ADDED BY OPERATIONS	**1 372**	1 400
Dividends and other income	**419**	383
Exchange rate translation gain	**255**	54
Exceptional items	**(5)**	(138)
TOTAL VALUE ADDED	**2 041**	1 699
Applied as follows:		
TO PAY EMPLOYEES		
Salaries, wages and benefits	**901**	862
TO PAY PROVIDERS OF CAPITAL	**391**	403
Interest on borrowings	**177**	194
Distributions to ordinary shareholders	**214**	209
TAX	**196**	145
RE-INVESTED IN BUSINESS	**553**	289
Depreciation	**159**	142
Retained earnings	**394**	147
	2 041	1 699

DISTRIBUTION OF VALUE ADDED

2001



2000



Employees	**44,1%**	(50,8%)
Providers of capital	**19,2%**	(23,7%)
Tax	**9,6%**	(8,5%)
Re-invested in business	**27,1%**	(17,0%)

(Brackets denote comparative figures)

The Group is committed to the principles of openness, integrity and accountability and has incorporated these principles in its Prime Objective Statement.

The board endorses the Code of Corporate Practices and Conduct as advocated by the King Report on Corporate Governance and believes that, in all material respects, the Group complies with the recommendations thereof. The independent auditors have confirmed that in their opinion the directors' statement of compliance is appropriate. The recommendations of the second King Report issued in July 2001 for public comment, are under consideration with the intention of appropriate compliance in due course.

Fundamental to the fulfilment of corporate responsibilities and the achievement of financial objectives is an effective system of corporate governance. In line with the Code of Corporate Practices and Conduct contained in the King Report on Corporate Governance, the board has ensured that the Group's policies continue to meet current requirements. These policies relate, inter alia, to the duties of the board and to the delegation of powers to the various board committees and specify responsibilities and levels of authority.

ACCOUNTABILITY AND CONTROL

The directors are required by the Companies Act to prepare financial statements which fairly present the state of affairs of the company and the Group as at the end of the financial year and the results of its operations for that year, in conformity with South African Statements of Generally Accepted Accounting Practice. The financial statements are the responsibility of the directors and it is the responsibility of the independent auditors to report thereon.

To enable the directors to meet these responsibilities, standards have been set and systems of internal control implemented to reduce the risk of error or loss in a cost effective manner. These controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties. They are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring that the Group's business practices are conducted in a manner which, in all reasonable circumstances, is above reproach. The ethical standards under which the Group operates are embodied in its Prime Objective Statement.

The Group's internal audit function operates independently in all divisions to appraise, evaluate and, where necessary, make recommendations for improvements in the systems of internal control and accounting practice, based on audit plans which take cognisance of relative degrees of risk of each function or aspect of business.

BOARD AND COMMITTEE STRUCTURES

The board comprises executive and non-executive directors and is chaired by Mr C M L Savage who retires from his executive duties on 10 May 2002. The non-executive directors have a wide range of differing skills and significant commercial and other interests that enable them to bring independent judgement and experience to board deliberations and decisions. All directors are subject to retirement and re-election by shareholders every three years. The directors have access to the group secretary and independent professional advice is available to directors in appropriate circumstances at the company's expense. The board meets at least five times a year.

The executive committee comprises ten members and is currently chaired by the executive chairman. It is responsible to the board for recommending the Group's policies and strategies, and for their subsequent implementation. It deals with all executive business of the Group not specifically reserved to the board and co-ordinates and monitors the use of resources to achieve the aims of the Group. It meets on a monthly basis.

The Group audit and compliance committee comprises of non-executive directors with other Group executives attending by invitation. It is responsible for monitoring the adequacy of the Group's financial controls, accounting policies, financial reporting and risk management. It provides a forum through which the independent and internal auditors report to the board of directors and meets at least three times a year.

The remuneration committee, chaired by a non-executive director, comprises a majority of non-executive directors. It approves the remuneration of executive directors and senior executives and reviews general salary increases. Independent external studies and comparisons are used to ensure that compensation is market related and linked to both individual performance and the performance of the Group. It meets at least twice a year.

The employment equity committee comprises 12 members and is chaired by the executive chairman. It meets at least twice a year to give direction to, and monitor the implementation of the Group's employment equity policies.

COMMITTEES OF THE BOARD OF DIRECTORS

Executive Committee: C M L Savage (Chairman), D G Aitken, E K Diack, B G Dunlop, G R Hibbert, G P N Kruger, J B Magwaza, S J Saunders, M Serfontein, P H Staude. M A Kennedy (Secretary).

Audit and Compliance Committee: E le R Bradley (Chairman), E K Diack, M W King, M Mia.
By Invitation: D G Aitken, R A S Cassels. M A Kennedy (Secretary).

Remuneration Committee: L Boyd (Chairman), E le R Bradley, E K Diack, C M L Savage, M Serfontein.

Employment Equity Committee: C M L Savage (Chairman), J Bhana, M M Kumalo, C V Macu, J B Magwaza, M Mia, P Mnganga, T K Mshengu, M P Msimanga, R Nyandeni, S J Saunders, M Serfontein.

EMPLOYMENT EQUITY

The Group is committed to creating work places in which individuals of ability and application can develop rewarding careers at all levels, regardless of their background, race or gender.

To this end, employment equity policies continue to be implemented which are directed and monitored by the employment equity committee. These policies emphasise opportunity for all and seek to identify, develop and reward each Group employee that demonstrates the qualities of individual initiative, enterprise and hard work. These policies include appropriate educational support programmes, recruitment targets, development and training programmes and innovative management development practices.

These programmes, targets and practices enjoy priority as a key business objective and constitute an integral part of management's performance assessment. Management effort in achieving results in this area will be necessary until the diversity of our population is so evident at all levels of the Group that any concern with racial and gender profiles will be unnecessary.

REMUNERATION POLICY

Executive and non-executive directors receive fees for their services on the board and only non-executive directors receive fees for their services on board committees and divisional boards. Remuneration levels are set at a realistic level in order to attract and retain the directors and executives needed to run the Group successfully. A proportion of executive directors' remuneration is structured so as to link corporate and individual performance. There are no contracts of service between any directors and the company or any of its subsidiaries.

Executive directors and senior management participate in the Group's share incentive scheme, which is designed to enable these executives to participate in the growth, as reflected in the share price, which they helped to create for the Group's shareholders. Share options are allocated to executive directors within the limits imposed by the Group's shareholders in relation to their contribution to the business and their seniority. Options are allocated at the market price ruling at the date of issue, vest after stipulated periods and are exercisable up to a maximum of ten years from the date of issue.

THIRD-PARTY MANAGEMENT

No part of the company's business was managed during the year by any third party in which any director had an interest.

INSIDER TRADING

No director, officer or employee may deal either directly or indirectly in the company's shares on the basis of unpublished price-sensitive information regarding its business or affairs. In addition, no director or officer may trade in its shares during closed periods. A list of persons regarded as officers for this purpose has been approved by the board and is revised from time to time. Closed periods are from the end of the interim and annual reporting periods to the announcement of financial and operating results for the respective periods. A register of directors and officers is available for inspection at the company's registered office.

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2001

CONTENTS

CURRENCY CONVERSION GUIDE

APPROXIMATE VALUES OF R1,00

	Closing rate at 31 December		Average rate for year	
	2001	2000	2001	2000
US dollar	0,08	0,13	0,12	0,13
UK pound	0,06	0,09	0,08	0,10
Euro	0,09	0,14	0,13	0,16
Swiss franc	0,14	0,21	0,20	0,24
Zimbabwe dollar (official rate)	4,64	7,27	6,38	6,28

REPORT OF THE INDEPENDENT AUDITORS

to the members of The Tongaat-Hulett Group Limited

We have audited the annual financial statements and Group annual financial statements of The Tongaat-Hulett Group Limited set out on pages 35 to 61 for the year ended 31 December 2001. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

SCOPE

We conducted our audit in accordance with Statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

AUDIT OPINION

In our opinion, the financial statements fairly present, in all material respects, the financial position of the company and the Group at 31 December 2001 and the results of their operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act.

Deloitte & Touche

Registered Accountants and Auditors
Chartered Accountants (SA)

Durban, KwaZulu-Natal

8 March 2002

CERTIFICATE BY COMPANY SECRETARY

I certify that the company has lodged with the Registrar of Companies all returns that are required of a public company in terms of the Companies Act in respect of the year ended 31 December 2001 and that all such returns are true, correct and up to date.

M A Kennedy
Company Secretary

Amanzimnyama
Tongaat, KwaZulu-Natal

8 March 2002

DIRECTORS' APPROVAL OF ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2001

The directors are responsible for the preparation and integrity of the annual financial statements of the company and the Group and other information included in this report which has been prepared in accordance with South African Statements of Generally Accepted Accounting Practice.

The directors, supported by the audit and compliance committee, are of the opinion, based on the information and explanations given by management and the internal auditors and on comment by the independent auditors on the results of their statutory audit, that the Group's internal accounting controls are adequate, so that the financial records may be relied upon for preparing the financial statements and maintaining accountability for assets and liabilities. The directors believe that the Group's assets are protected and used as intended in all material respects with appropriate authorisation. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year.

In preparing the financial statements, the Group has used appropriate accounting policies, supported by reasonable and prudent judgements and estimates, and has complied with all applicable accounting standards. The directors are of the opinion that the financial statements fairly present the financial position of the company and the Group at 31 December 2001 and the results of their operations for the year then ended. The directors are also of the opinion that the Group will continue as a going concern in the year ahead.

The independent auditors concur with the above statements by the directors.

The annual financial statements were approved by the board of directors on 8 March 2002 and are signed on their behalf by:

C M L Savage
Executive Chairman

D G Aitken
Group Financial Director

Amanzimnyama
Tongaat, KwaZulu-Natal

8 March 2002

The directors have pleasure in submitting the annual financial statements of the company and of the Group for the year ended 31 December 2001.

HOLDING COMPANY

The company's holding company is Anglo South Africa (Pty) Limited and its ultimate holding company is Anglo American plc, a company incorporated in England.

NATURE OF BUSINESS

The Group comprises four operating divisions: sugar, starch & glucose, aluminium and property. Their activities are dealt with in the separate divisional reviews. Disposal of non-core operations since 31 December 2000 include the building materials division, effective 31 May 2001, and the textiles division, effective 30 September 2001. These operations are therefore treated as discontinuing operations in the financial statements.

FINANCIAL RESULTS

Total net earnings of the Group for the year ended 31 December 2001 amounted to R609 million (2000 – R368 million). This translates into headline earnings per share of 598,4 cents (2000 – 498,0 cents) after adjusting for exceptional items and based on the increased weighted average number of shares in issue during the year.

DIVIDENDS

An interim dividend No. 148 of 62 cents per share was paid on 17 August 2001. A final dividend No. 149 of 208 cents per share was declared on 8 March 2002 and is payable on 15 April 2002 to shareholders registered at the close of business on 5 April 2002.

SHARE CAPITAL

There was no change in the authorised share capital of the company. During the year 259 780 ordinary shares were allotted (including 26 800 shares to directors) in respect of options exercised in terms of the Group's employee share incentive scheme for a total consideration of R9 million. Details of the unissued ordinary shares, share options granted and exercised and the Group's share incentive schemes are set out in note 22.

Shareholders will be asked to consider an ordinary resolution at the forthcoming annual general meeting to place the unissued shares of the company under the control of the directors until the following annual general meeting.

At the previous annual general meeting, a general authority was granted by shareholders for the company to acquire its own shares in terms of the Companies Act. The directors consider that it will be advantageous for the company were this general authority to continue. Such authority will be used if the directors consider that it is in the best interests of the company and shareholders to effect any such acquisitions having regard to prevailing circumstances and the cash resources of the company at the relevant time. Shareholders will be asked to consider a special resolution to this effect at the forthcoming annual general meeting.

In compliance with the listings requirements of the JSE Securities Exchange South Africa ("JSE"), the acquisition of shares or debentures ("securities") pursuant to a general authority may only be made by a company subject to such acquisitions:

- being implemented on the JSE;
- being authorised thereto by the company's articles of association;
- being authorised by the shareholders of the company in terms of a special resolution of the company in general meeting which will be valid only until the next annual general meeting of the company; provided that such authority will not extend beyond 15 months from the date of the resolution;
- not being made at a price greater than ten percent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction was agreed.

Further, in terms of the listings requirements of the JSE:

- the acquisition by a company of its own securities may not, in the aggregate, in any one financial year exceed 40 percent of that company's issued share capital of that class; provided that any acquisition pursuant to a general authority may not exceed 20 percent of that company's issued share capital of that class in any one financial year.
- the directors consider that in their opinion, taking into account the effect of the maximum acquisition by the company of shares issued by it as referred to above:

(a) the company and its subsidiaries (together "the Group") will be able, in the ordinary course of business, to pay its debts for a period of 12 months from 8 March 2002;

(b) the assets of the company and of the Group will be in excess of the liabilities of the company and the Group for a period of 12 months from 8 March 2002. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the company's latest audited Group annual financial statements;

(c) the ordinary capital and reserves of the company and the Group will be sufficient for the company's and the Group's present requirements for 12 months from 8 March 2002;

(d) the working capital of the company and the Group for a period of 12 months from 8 March 2002 will be adequate for the company's and the Group's requirements.

SUBSIDIARY COMPANIES AND JOINT VENTURES

Details of the business and operations of each division are fully covered in the divisional reviews and the principal operating subsidiaries and joint ventures of the Group are reflected on page 61.

The attributable interest of the company in the results of its consolidated subsidiaries and joint ventures for the year ended 31 December 2001 is as follows:

	2001	2000
In the aggregate amount of:		
Net earnings (Rmillion)	574	482
Net losses (Rmillion)	63	38

LITIGATION

The claim of US$74 million against Tongaat-Hulett Sugar Limited, referred to in the Annual Report 2000, has been withdrawn by the claimant following a number of court hearings with costs awarded in favour of the Group.

DIRECTORATE

The names of the directors and alternate directors of the company in office at the date of this report are reflected on page 4.

On 11 May 2001, Mr R S R Armstrong, who had served on the board for 43 years, retired as a director. On the same day, Messrs P C du Trevou, D B Pfaff, J D Ralph and T D Rye resigned as alternate directors and Mr G F Young was appointed an alternate director. On 1 September 2001, Mr G R Pardoe resigned as a director. On 8 March 2002 Mr D D Barber was appointed as a director.

Directors retiring at the annual general meeting in accordance with the articles of association are Messrs D G Aitken, D D Barber, G R Hibbert, M W King, J B Magwaza, M Serfontein and A J Trahar. These directors are all eligible and offer themselves for re-election.

DIRECTORS' SHAREHOLDINGS

At 31 December 2001, the present directors and alternate directors of the company beneficially held a total of 990 443 ordinary shares equivalent to one percent in the company (2000 – 988 148 shares equivalent to one percent) and held unexercised options to acquire a total of 1 165 360 ordinary shares in the company (2000 – 946 160). There has been no material change in these holdings between 31 December 2001 and 8 March 2002.

POST BALANCE SHEET EVENTS

There were no material events between the balance sheet date and the date of this report.

BALANCE SHEETS

as at 31 December 2001

Company 2000 Restated	Company 2001	Rmillion	Note	Group 2001	Group 2000 Restated
		ASSETS			
		Non-current assets			
1 935	**1 901**	Property, plant and equipment	1	**4 239**	4 118
210	**210**	Long-term receivable	2	**210**	210
		Goodwill	3	**42**	45
3	**2**	Investments	4	**56**	22
921	**799**	Subsidiaries and joint ventures	5		
3 069	**2 912**			**4 547**	4 395
1 238	**1 327**	**Current assets**		**3 699**	2 919
220	**196**	Inventories	6	**859**	844
923	**1 013**	Accounts receivable	7	**1 715**	1 376
95	**118**	Cash resources and deposits		**1 125**	699
4 307	**4 239**	**TOTAL ASSETS**		**8 246**	7 314
		EQUITY AND LIABILITIES			
		Capital and reserves			
101	**101**	Share capital	8	**101**	101
711	**720**	Share premium		**720**	711
29	**(17)**	Non-distributable reserves		**46**	67
1 882	**1 814**	Retained income		**3 522**	3 159
2 723	**2 618**	**Equity**		**4 389**	4 038
		Minority interests in subsidiaries		**5**	6
311	**320**	**Deferred tax**	9	**923**	762
572	**404**	**Borrowings**	10	**1 502**	1 422
163	**197**	**Provisions**	11	**225**	185
538	**700**	**Current liabilities**		**1 202**	901
538	**700**	Accounts payable		**1 200**	898
		Tax		**2**	3
4 307	**4 239**	**TOTAL EQUITY AND LIABILITIES**		**8 246**	7 314

INCOME STATEMENTS

for the year ended 31 December 2001

Company 2000 Restated	Company 2001	Rmillion	Note	Group 2001	Group 2000 Restated
3 247	**3 473**	**Revenue** – continuing operations		**5 121**	4 579
		Earnings for the year			
37	**154**	Operating earnings from continuing operations		**584**	514
144	**87**	Dividends received	12	**76**	62
(4)	**(19)**	Net interest	13	**(75)**	9
		Exchange rate translation gain		**255**	54
177	**222**	**Earnings from continuing operations**		**840**	639
14	**(12)**	Earnings from discontinuing operations	14	**(11)**	15
191	**210**	**Earnings before exceptional items**	15	**829**	654
(118)	**7**	Exceptional items	16	**(5)**	(138)
73	**217**	**Earnings before tax**		**824**	516
		Tax	17		
(16)	**(41)**	Earnings before exceptional items		**(206)**	(149)
5	**9**	Exceptional items		**10**	4
62	**185**	**Earnings after tax**		**628**	371
		Share of associate company's loss	4	**(20)**	(15)
62	**185**			**608**	356
		Minority shareholders' share of loss		**1**	12
62	**185**	**Total net earnings**		**609**	368
		Headline earnings	18	**604**	502
		Earnings per share (cents)	19		
		Total net earnings			
		Basic		**603,4**	365,0
		Diluted		**597,4**	363,3
		Headline earnings		**598,4**	498,0
		Dividends per share (cents)	20	**270,0**	212,0

CASH FLOW STATEMENTS

for the year ended 31 December 2001

Company 2000 Restated	Company 2001	Rmillion	Group 2001	Group 2000 Restated
		Revenue account		
210	**235**	Earnings before interest and tax	**911**	660
(19)	**(25)**	Net interest	**(82)**	(6)
191	**210**	Earnings for the year	**829**	654
114	**112**	Depreciation	**159**	142
	34	Provisions	**40**	8
(3)	**(7)**	Surplus on disposal of plant and equipment	**(7)**	(5)
		Exchange rate translation gain	**(255)**	(54)
(17)	**8**	Other non-cash items	**(24)**	(2)
(25)	**(5)**	Tax payments	**(19)**	(38)
260	**352**	Revenue inflows	**723**	705
		Working capital account		
18	**(54)**	Inventories	**(107)**	(74)
(55)	**(218)**	Accounts receivable	**(273)**	(204)
(91)	**225**	Accounts payable	**424**	(47)
(128)	**(47)**	Decrease/(increase) in working capital	**44**	(325)
		Dividend account		
(146)	**(151)**	Previous year final	**(151)**	(146)
(63)	**(63)**	Current year interim	**(63)**	(63)
(209)	**(214)**	Dividends paid	**(214)**	(209)
(77)	**91**	**Cash flows from operating activities**	**553**	171
		Cash flows from investing activities		
		Property, plant and equipment		
(78)	**(89)**	New project expenditure	**(232)**	(349)
(35)	**(35)**	Replacement expenditure	**(46)**	(44)
		Proceeds on disposal of property,		
81	**26**	plant and equipment	**33**	68
5	**1**	Investments	**(60)**	(7)
	111	Disposal of subsidiaries	**111**	
(27)	**14**	Net cash (used in)/from investing activities	**(194)**	(332)
(104)	**105**	**Net cash flow before financing activities**	**359**	(161)
		Cash flows from financing activities		
201	**(207)**	Borrowings repaid	**(242)**	(5)
1	**9**	Shares issued	**9**	1
(230)	**116**	Inter-group loans		
(28)	**(82)**	Net cash used in financing activities	**(233)**	(4)
(132)	**23**	**Net increase/(decrease) in cash resources**	**126**	(165)
227	**95**	Cash resources at beginning of year	**699**	810
		Exchange rate translation gain	**255**	54
		AC 133 adjustment	**45**	
95	**118**	**Cash resources at end of year**	**1 125**	**699**

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2001

Rmillion	Share Capital	Share Premium	Capital Redemption Reserve Funds	Hedging and Valuation Reserves	Retained Income	Total
Group						
Balance at 1 January 2000	101	710	33	26	2 873	3 743
Effect of changes in accounting policies (note 29)					127	127
Restated balance	101	710	33	26	3 000	3 870
Share capital issued		1				1
Currency exchange rate changes				8		8
Total net earnings for the year					368	368
Dividends					(209)	(209)
Balance at 31 December 2000	101	711	33	34	3 159	4 038
AC 133 adjustment (note 29)				37	(39)	(2)
Share capital issued		9				9
Currency exchange rate changes				(16)		(16)
Losses from cash flow hedges				(41)		(41)
Gains on available-for-sale assets				13		13
Share of associate company's reserves				(7)		(7)
Subsidiaries sold				(7)	7	
Total net earnings for the year					609	609
Dividends					(214)	(214)
Balance at 31 December 2001	101	720	33	13	3 522	4 389
Company						
Balance at 1 January 2000	101	710	29		1 895	2 735
Effect of changes in accounting policies (note 29)					134	134
Restated balance	101	710	29		2 029	2 869
Share capital issued		1				1
Total net earnings for the year					62	62
Dividends					(209)	(209)
Balance at 31 December 2000	101	711	29		1 882	2 723
AC 133 adjustment (note 29)					(39)	(39)
Share capital issued		9				9
Losses from cash flow hedges				(46)		(46)
Total net earnings for the year					185	185
Dividends					(214)	(214)
Balance at 31 December 2001	101	720	29	(46)	1 814	2 618

The annual financial statements are prepared in accordance with the historical cost convention. The principal accounting policies of the Group conform with South African Statements of Generally Accepted Accounting Practice and, except for the new statements adopted as set out below, are consistent with those applied in the previous year.

ADOPTION OF NEW ACCOUNTING STATEMENTS

The following new accounting statements were adopted during the year: AC 105 (Leases), AC 107 (Events After the Balance Sheet Date), AC 116 (Employee Benefits), AC 133 (Financial Instruments: Recognition and Measurement) and AC 135 (Investment Property).

BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the company and of its subsidiaries, except those foreign subsidiaries where, in the opinion of the directors, there is uncertainty as to the recovery of profits or remittance of dividends. The investment in such foreign subsidiaries is included at cost less provisions and amounts written off, and results are accounted for only to the extent that dividends, net of any withholding taxes, are received. The results of all other subsidiaries are included from the dates effective control was acquired and up to the dates effective control ceased. Investments in joint ventures are accounted for on the proportionate consolidation method from the effective dates of acquisition and up to the effective dates of disposal. All material intra-group balances and transactions are eliminated.

DISCONTINUING OPERATIONS

Discontinuing operations are significant, distinguishable components of the Group that have been sold, abandoned or are the subject of formal plans for disposal or discontinuance. Once an operation is identified as discontinuing it is treated as such.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Interest and other costs incurred on major capital projects are capitalised until all the activities necessary to prepare assets for their intended use are substantially complete.

Assets held under finance lease agreements are capitalised at fair value and the corresponding liabilities to the lessor are raised. Lease finance charges are charged to earnings over the term of the relevant lease using the effective interest rate method.

Land, growing crops, and capital work in progress are not depreciated. Major capital projects when brought into use are depreciated using the units of production method until 80 percent of design capacity is achieved. All other fixed assets are depreciated on the straight line basis, over their expected useful lives to estimated residual values at rates appropriate to their use.

GOODWILL

Goodwill represents the excess of the cost of acquisition of subsidiaries and joint ventures over the Group's share of the fair value of the net assets at the date of acquisition. Only goodwill occurring on or after 1 January 1999 is reported in the balance sheet. Goodwill is amortised over its estimated useful life up to a maximum of 20 years.

ASSOCIATE COMPANIES

Associates are those companies, which are not subsidiaries or joint ventures, over which the Group exercises significant influence. Results of associates are equity accounted. Any losses of associates are brought to account until the investment in, and loans to, such associates are written down to a nominal amount. Thereafter losses are accounted for only insofar as the Group is committed to providing financial support to such associates. The carrying value of investments in associates represents the cost of each investment including unamortised goodwill, the share of post acquisition retained earnings or losses and other movements in reserves.

INVENTORIES

Inventories are valued at the lower of cost or net realisable value determined in general on the first-in-first-out and average methods. The cost of finished goods and work in progress comprises direct materials, labour and a portion of manufacturing overhead costs. Progress payments are deducted from work in progress where applicable. Development properties comprise land valued at cost and development expenditure attributable to unsold properties.

Obsolete and slow moving inventories are identified and suitable reductions in value are made where necessary.

DEFERRED TAX

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction, which does not affect either taxable profit or accounting earnings.

IMPAIRMENT

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset, being the higher of its net selling price and its value in use, is assessed in order to determine the extent of the impairment loss, if any.

If the recoverable amount of an asset is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately and are treated as exceptional items.

REVENUE

Revenue comprises sales arising from normal trading activities excluding intra-group transactions and is recognised when the significant risks and rewards of the goods are transferred to the buyer and includes sugar revenue determined on a seasonal basis. In the determination of revenue VAT is excluded.

SUGAR OPERATIONS

Southern African sugar seasons run generally from 1 April to 31 March the year following, however the harvesting and production cycles are effectively completed by 31 December each year. Earnings from the Group's South African sugar operations are brought to account on a seasonal basis. These are determined by bringing to account seasonal production at the latest sugar industry price estimates for the season as a whole, recognising actual costs of production. The seasonal accrual is included in accounts receivable.

RESEARCH AND DEVELOPMENT

Expenditure on research is charged to earnings in the year in which it is incurred. Development costs are reviewed annually and are expensed if they do not qualify for capitalisation. The amount of development cost recognised as an asset is amortised over the estimated useful life of the related development but not exceeding five years.

FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded at the rates of exchange ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange ruling at the year end. Gains or losses arising on translation of foreign currency transactions are included in earnings. The financial statements of consolidated foreign subsidiaries are translated as follows:

- In the case of those subsidiaries classified as independent foreign entities, assets and liabilities are translated at rates of exchange ruling at the year end. Income, expenditure and cash flow items are translated using the average rate for the year. Differences arising on translation of these entities are reflected in non-distributable reserves.

- In the case of subsidiaries classified as integrated foreign operations, non-monetary assets are translated at rates of exchange ruling at the time of acquisition, whereas monetary assets and liabilities are translated at rates of exchange at the year end. Income, expenditure and cash flow items are translated using the average rate for the year. Differences arising on translation of these operations are included in earnings.

FINANCIAL INSTRUMENTS

A financial asset or financial liability is recognised on the balance sheet for as long as the Group is a party to the contractual provisions of the instrument. Gains or losses on derecognition of financial assets or liabilities are recognised in earnings.

Measurement

Financial instruments are initially measured at cost, including directly attributable transaction costs. Subsequent to initial recognition these instruments are measured as follows:

- Trade and other receivables originated by the Group are held at amortised cost, using the effective interest rate method, after deducting accumulated impairment losses. Receivables with no fixed maturity are held at cost.

- Held-to-maturity investments are held at amortised cost using the effective interest method after deducting accumulated impairment losses.

- Held-for-trading and available-for-sale financial assets are held at fair value.

- Financial liabilities are measured at amortised cost, except for held-for-trading financial liabilities and derivatives, which are held at fair value.

Gains or losses on subsequent measurement

Gains or losses on subsequent measurement of financial instruments that are carried at fair value, and are not part of a hedging relationship, are accounted for as follows:

- Held-for-trading financial assets are recognised in earnings for the year.

- Available-for-sale financial assets are taken to equity until the financial asset is disposed of, or determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in earnings for the year.

For the purposes of hedge accounting, hedges are classified into two categories:

- Fair value hedges, which hedge the exposure to changes in the fair value of a recognised asset or liability; and

- Cash flow hedges, which hedge exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a forecasted transaction.

In relation to fair value hedges, which meet the conditions for hedge accounting, any gain or loss from remeasuring the hedging instrument to fair value is recognised in earnings for the period. Any gain or loss on the hedged item attributable to the hedged risk is adjusted against the carrying amount of the hedged item and recognised in earnings for the period.

In relation to cash flow hedges, which meet the conditions for hedge accounting, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in shareholders' equity and the ineffective portion is recognised in earnings for the period. For cash flow hedges affecting future transactions, the gains or losses, which are recognised in shareholders' equity, are transferred to earnings in the same period in which the hedged transaction affects earnings. Where the hedged transaction results in the recognition of an asset or a liability, then at the time the asset or liability is recognised, the associated gains or losses that had previously been recognised in shareholders' equity are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability.

Set-off

Where the redemption of debt, raised for major capital projects, is provided for by sinking funds or financial instruments which allow for the contractual right of set-off against the debt on the repayment date, and it is expected that the debt will be settled in this way, the related income statement, cash flow statement and balance sheet items are set off.

EMPLOYEE BENEFITS

Retirement funds

The assets of the Group's defined benefit scheme and defined contribution schemes are held separately from those of the Group and are administered and controlled by trustees.

Surpluses arising in the defined benefit scheme are not recognised on the balance sheet of the Group because of the uncertainty as to the entitlement thereto. Employer contributions to the scheme are therefore charged against earnings when incurred.

Contributions to defined contribution schemes are charged against earnings when incurred.

Post-retirement medical aid benefits and retirement gratuities

Provision is made for post-retirement medical aid benefits and gratuities payable on retirement and is based on the present value of those liabilities for services rendered to date as determined by independent actuaries.

1. PROPERTY, PLANT AND EQUIPMENT (Rmillion)

Group	Total	Land, crops and buildings	Plant and equipment	Vehicles and other	Capitalised leased assets	Capital work in progress
Carrying value at beginning of year as previously reported	4 130	798	2 784	182	12	354
Backlog depreciation (note 29)	(12)	(12)				
Restated carrying value at beginning of year	4 118	786	2 784	182	12	354
Additions	278	44	58	20	2	154
Subsidiaries disposed	(28)	(11)	(13)	(4)		
Disposals	(17)	(8)	(7)	(2)		
Depreciation	(159)	(8)	(126)	(23)	(2)	
Transfers		12	329	14	1	(356)
Currency alignment	47	34	11	1	1	
Carrying value at end of year	4 239	849	3 036	188	14	152
Comprises:						
Cost	5 318	961	3 808	348	49	152
Accumulated depreciation	1 079	112	772	160	35	
	4 239	849	3 036	188	14	152

Company	Total	Land, crops and buildings	Plant and equipment	Vehicles and other	Capitalised leased assets	Capital work in progress
Carrying value at beginning of year as previously reported	1 940	367	1 352	134	9	78
Backlog depreciation (note 29)	(5)	(5)				
Restated carrying value at beginning of year	1 935	362	1 352	134	9	78
Additions	124	9	36	13		66
Disposals	(46)	(18)	(23)	(4)	(1)	
Depreciation	(112)	(3)	(90)	(19)		
Transfers		9	48	4		(61)
Carrying value at end of year	1 901	359	1 323	128	8	83
Comprises:						
Cost	2 660	407	1 892	249	29	83
Accumulated depreciation	759	48	569	121	21	
	1 901	359	1 323	128	8	83

The register of land and buildings is available for inspection at the company's registered office.

2. LONG-TERM RECEIVABLE (Rmillion)

	Group		Company	
	2001	2000	**2001**	2000
Advances to an export partnership	**210**	210	**210**	210

The company participates in an export partnership engaged in the construction of luxury vessels in order to foster the use of aluminium plate in marine applications.

3. GOODWILL (Rmillion)

	Group 2001	Group 2000
Cost	**49**	49
Amortisation		
Carrying value at beginning of year	**4**	2
Current charge	**3**	2
Accumulated amortisation	**7**	4
Carrying value at end of year	**42**	45

4. INVESTMENTS (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Associate:				
The carrying value of the Group's 49% interest in Açucareira de Xinavane, SARL (Mozambique) comprises:				
Unlisted shares	**20**	20		
Loan	**84**	22		
Cumulative share of post-acquisition deficits	**(53)**	(26)		
Book value	**51**	16		
Directors' valuation	**51**	16		
Net assets and results of associate:				
Property, plant and equipment	**582**	200		
Current assets	**28**	10		
Current liabilities	**(76)**	(45)		
Borrowings	**(515)**	(155)		
	19	10		
Other shareholders' interest	**32**	6		
Group interest	**51**	16		
Revenue	**9**	25		
Operating loss	**(15)**	(19)		
Interest paid	**(26)**	(12)		
Loss for the year	**(41)**	(31)		
Other shareholders' interest	**21**	16		
Group share of loss	**(20)**	(15)		
Other investments:				
Unlisted shares at fair value	**2**	2		
Loans	**3**	4	**2**	3
Book value	**5**	6	**2**	3
Carrying value of investments	**56**	22	**2**	3

A schedule of unlisted investments is available for inspection at the company's registered office.

5. SUBSIDIARIES AND JOINT VENTURES (Rmillion)

	Company 2001	Company 2000
Shares at cost, less amounts written off	**409**	386
Indebtedness by	**711**	766
Indebtedness to	**(321)**	(231)
	799	921

The Group's proportionate share of the assets, liabilities and post-acquisition reserves of joint ventures, which comprise in the main, Hulett Aluminium, is included in the consolidated financial statements as follows:

	2001	2000
Property, plant, equipment and investments	**1 989**	1 911
Current assets	**909**	596
Less: Current liabilities	**(315)**	(198)
Capital employed	**2 583**	2 309
Less: Borrowings	**(871)**	(742)
Post-acquisition reserves	**(1 099)**	(909)
Deferred tax	**(456)**	(370)
Minority interests	**(6)**	(10)
Interest in joint ventures	**151**	278

The Group's proportionate share of the trading results of the joint ventures is as follows:

	2001	2000
Revenue	**1 270**	1 016
Earnings for the year	**77**	92
Tax	**(31)**	(23)
Minority interests	**4**	2
Total net earnings	**50**	71

The Group's proportionate share of cash flows of the joint ventures is as follows:

	2001	2000
Cash flows from operating activities	**149**	(23)
Net cash used in investing activities	**(106)**	(259)
Movement on borrowings and cash	**43**	(282)

The aggregate values as at 31 December 2001 attributable to subsidiaries not included in the consolidated financial statements, which relate in the main to Triangle, translated at the official Zimbabwe dollar exchange rate, are as follows:

	2001	2000
Equity	**356**	149
Minority interests	**34**	14
Deferred tax	**63**	26
Borrowings	**4**	4
	457	193
Revenue	**1 246**	752

	2001	2000
Property, plant and equipment	**294**	154
Current assets	**711**	294
Current liabilities	**(548)**	(255)
	457	193
Total net earnings	**189**	133

6. INVENTORIES (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Raw materials	**226**	205	**82**	84
Work in progress	**92**	118	**7**	46
Finished goods	**173**	155	**53**	28
Consumable stores	**84**	91	**54**	62
Development properties	**284**	275		
	859	844	**196**	220

7. ACCOUNTS RECEIVABLE

Included in accounts receivable are the seasonal accrual relating to sugar revenue of R667 million (2000 – R539 million) and the fair value of financial instruments of R224 million.

8. SHARE CAPITAL (Rmillion)

	2001	2000
Authorised:		
150 000 000 ordinary shares of R1 each	**150**	150
Issued and fully paid:		
101 124 897 (2000 – 100 865 117)	**101**	101

Unissued:

Under option to employees, for a period of ten years from date granted, to subscribe for 4 868 300 shares at an average price of R36,55 per share (2000 – 3 744 460 shares at R34,98 per share).

Reserved in terms of the company's existing share incentive scheme – 5 244 189 shares (2000 – 111 780 shares).

Under control of directors in terms of a shareholders' resolution – 38 762 614 shares (2000 – 45 278 643 shares).

Details of share options are set out in note 22.

9. DEFERRED TAX (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Opening balance as previously reported	**771**	662	**320**	335
Effect of change in accounting policy (note 29)	**(9)**	(9)	**(9)**	(9)
Restated opening balance	**762**	653	**311**	326
Adjusted for:				
AC 133 (note 29)	**2**			
Foreign tax rate change	**(2)**			
Prior years	**16**	(1)	**(4)**	(2)
Currency alignment	**3**			
Accounted for in equity	**(22)**		**(20)**	
Current year:				
Earnings before exceptional items	**173**	115	**42**	(8)
Exceptional items	**(9)**	(5)	**(9)**	(5)
Balance at end of year	**923**	762	**320**	311
Comprising temporary differences relative to:				
Property, plant and equipment	**875**	809	**372**	396
Export partnership	**210**	210	**210**	210
Current assets	**121**	89	**62**	43
Current liabilities	**(124)**	(86)	**(121)**	(83)
Tax losses	**(241)**	(288)	**(209)**	(258)
Other	**82**	28	**6**	3
	923	762	**320**	311

10. BORROWINGS (Rmillion)

		Group		Company	
		2001	2000	**2001**	2000
Long-term		**1 165**	1 047	**242**	362
Short-term		**288**	324	**162**	172
Bank overdraft		**49**	51		38
		1 502	1 422	**404**	572
Long-term borrowings comprise:					
	Effective interest rate (%)				
Secured:					
SA rand					
Finance leases (note 25)	9,0-15,1	**19**	43	**5**	9
Unsecured:					
SA rand					
Repayable 2003	10,3	**60**	50	**60**	50
Repayable 2002/2004	15,0	**252**	313	**252**	313
Repayable 2002/2008	12,5	**206**	181		
Repaid			56		56
Foreign					
Repayable 2002/2011	Libor + 0,4	**530**	331		
Repayable 2002/2023	2,8-7,7	**282**	197		
		1 330	1 128	**312**	419
Total secured and unsecured borrowings		**1 349**	1 171	**317**	428
Less: current portion included in short-term borrowings		**184**	124	**75**	66
		1 165	1 047	**242**	362

Plant and equipment with a book value of R31 million (2000 – R32 million) are variously encumbered as security for the secured finance lease obligations.

Unsecured SA rand denominated long-term borrowings totalling R1 325 million (2000 – R1 274 million) have been reduced by the set-off of related investments totalling R867 million (2000 – R780 million).

The foreign Libor linked unsecured loans are repayable in US dollars and amount to US$44 million. The other unsecured foreign loans, repayable in Mozambique meticais, are designated in units of account weighted as to US dollars (44 percent), Euro (31 percent), Japanese yen (14 percent) and UK pounds (11 percent).

Group short-term borrowings include an amount of R17 million (2000 – R75 million) from a subsidiary of the company's ultimate holding company to a joint venture of the Group.

Summary of future loan repayments by financial year:

Year	2003	2004	2005	2006	2007	2008	Thereafter
Rmillion	259	228	130	126	135	99	188

In terms of the company's articles of association the borrowing powers of the Group are limited to R6 591 million.

11. PROVISIONS (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Post-retirement medical aid obligations	**185**	154	**160**	134
Retirement gratuities	**37**	31	**34**	29
Other	**3**		**3**	
	225	185	**197**	163

12. DIVIDENDS RECEIVED (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Triangle	**76**	62		
Other subsidiaries			**87**	144
	76	62	**87**	144

13. NET INTEREST (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Interest paid	**(304)**	(315)	**(204)**	(181)
Financial instrument income	**127**	121	**127**	121
Interest capitalised	**27**	113		
Interest received	**68**	75	**52**	41
	(82)	(6)	**(25)**	(19)
Comprising:				
Continuing operations	**(75)**	9	**(19)**	(4)
Discontinuing operations	**(7)**	(15)	**(6)**	(15)
	(82)	(6)	**(25)**	(19)

14. DISCONTINUING OPERATIONS (Rmillion)

Discontinuing operations comprise the building materials division which was disposed of with effect from 31 May 2001 and the textiles division which was disposed of with effect from 30 September 2001. The results of the operations of these divisions are included up to the respective dates of disposal and are as follows:

	Group 2001	Group 2000
Income statement		
Revenue	**472**	786
Earnings before interest and tax	**(4)**	30
Interest paid	**(7)**	(15)
Earnings from discontinuing operations	**(11)**	15
Tax		(4)
Earnings after tax	**(11)**	11
Cash flow statement		
Cash flows from operating activities	**23**	(1)
Net cash used in investing activities	**(14)**	(7)
Cash flows from financing activities	**(9)**	(13)
Net movement in cash resources	**0**	(21)
Balance sheet		
Property, plant and equipment	**28**	150
Current assets	**274**	351
Current liabilities	**(198)**	(94)
Borrowings		(34)
Group investment	**104**	373
Surplus on disposal	**7**	
Proceeds on disposal	**111**	

15. EARNINGS BEFORE EXCEPTIONAL ITEMS (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Revenue	**5 593**	5 365	**3 770**	3 974
Cost of sales	**(4 189)**	(3 971)	**(2 846)**	(2 975)
Administration expenses	**(799)**	(746)	**(515)**	(510)
Marketing and selling expenses	**(292)**	(251)	**(196)**	(180)
Other income/(expenses)	**522**	201	**(65)**	(243)
Earnings from operations	**835**	598	**148**	66
Dividends received	**76**	62	**87**	144
Net interest paid	**(82)**	(6)	**(25)**	(19)
Earnings before exceptional items	**829**	654	**210**	191
Disclosable items:				
Income from unlisted investments	**2**	2	**2**	2
Surplus on disposal of plant and equipment	**7**	5	**7**	3
Income from subsidiaries				
– Interest			**29**	25
– Dividends	**76**	62	**87**	144
Foreign exchange gains				
– Translation	**255**	54		
– Operations	**104**	21	**24**	5
Depreciation charged	**159**	142	**112**	114
Management fees paid to subsidiaries			**25**	22
Technical fees paid	**11**	14	**11**	10
Operating lease charges (plant, equipment and vehicles)	**18**	29	**15**	25
Auditors' remuneration paid				
– Fees	**4**	4	**2**	3
– Other services		1		1
Remuneration of directors and alternate directors				
Executives				
– Fees	**0,3**	0,2	**0,3**	0,2
– Salaries, benefits and other emoluments	**15,2**	15,8		
– Performance related payments	**7,0**	4,1		
– Gains on share options exercised	**0,6**	0,2	**0,6**	0,2
Non-executives				
– Fees	**0,3**	0,6	**0,3**	0,6
– Other emoluments	**0,3**	0,3	**0,3**	0,3

16. EXCEPTIONAL ITEMS (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Surplus on sale of property held as fixed assets	**9**	19	**2**	38
Surplus on disposal of subsidiaries	**7**		**20**	
Loss on disposal/closure of operations	**(8)**	(13)	**(5)**	(12)
Goodwill amortised	**(3)**	(2)		
Impairment of assets	**(8)**	(147)	**(8)**	(147)
Other	**(2)**	5	**(2)**	3
Exceptional items before tax	**(5)**	(138)	**7**	(118)
Tax (note 17)	**10**	4	**9**	5
Exceptional items after tax	**5**	(134)	**16**	(113)

17. TAX (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Tax on earnings before exceptional items:				
Current	**17**	10		
Deferred	**173**	115	**42**	(8)
Secondary tax on companies	**9**	24	**9**	24
Prior years	**9**		**(10)**	
Foreign tax rate change	**(2)**			
	206	149	**41**	16
Tax on exceptional items:				
Current	**(1)**	1		
Deferred	**(9)**	(5)	**(9)**	(5)
	(10)	(4)	**(9)**	(5)
Tax for the year	**196**	145	**32**	11
Foreign tax included above	**12**	5		
Normal rate of South African tax	**30,0%**	30,0%	**30,0%**	30,0%
Adjusted for:				
Non-taxable income	**(12,0)**	(17,2)	**(19,6)**	(112,4)
Assessed losses	**2,7**	1,4		
Non-allowable expenditure	**1,2**	0,8	**4,8**	3,9
Secondary tax on companies	**1,0**	4,6	**4,1**	32,9
Prior years	**0,9**		**(4,6)**	
Impairment adjustment		8,5		60,7
Effective rate of tax	**23,8%**	28,1%	**14,7%**	15,1%

The Group's estimated tax losses of R947 million (2000 – R1 090 million) have been utilised to the extent of R782 million (2000 – R961 million) to reduce deferred tax, leaving R165 million (2000 – R129 million) available for future use.

18. HEADLINE EARNINGS (Rmillion)

	Group 2001	Group 2000
Total net earnings	**609**	368
Add/(less) after tax effect of:		
Surplus on sale of property held as fixed assets	**(9)**	(19)
Surplus on disposal of subsidiaries	**(16)**	
Loss on disposal/closure of operations	**7**	9
Goodwill amortised	**3**	2
Impairment of assets	**8**	147
Other	**2**	(5)
Headline earnings	**604**	502

19. EARNINGS PER SHARE

Earnings per share are calculated using the weighted average number of ordinary shares in issue during the year. In the case of basic and headline earnings per share the weighted average number of shares in issue during the year is 100 934 342 (2000 – 100 809 326) and in respect of diluted earnings per share the weighted average number of shares is 101 945 498 (2000 – 101 289 766).

20. DIVIDENDS (Rmillion)

	2001	2000
Paid:		
Final for previous year, paid April 2001 – 150 cents (2000 – 145 cents)	**151**	146
Interim for current year, paid August 2001 – 62 cents (2000 – 62 cents)	**63**	63
	214	209

The final dividend for the year ended 31 December 2001 of 208 cents per share declared on 8 March 2002 and payable on 15 April 2002 has not been accrued.

21. RETIREMENT BENEFITS

Pension and Provident Fund Schemes
The Group contributes towards retirement benefits for substantially all permanent employees who, depending on preference or local legislation, are required to be a member of either a Group implemented scheme or a member of various designated industry or state schemes. Contributions to fund obligations for the payment of retirement benefits are currently charged against earnings when due. The assets of Group schemes are held in administered trust funds, separate from Group assets. Scheme assets primarily consist of listed shares, fixed income securities, property investments and money market instruments.

Defined Benefit Scheme
There is one defined benefit scheme which is actuarially valued at intervals of not more than three years using the projected unit credit method. The last statutory actuarial valuation of the scheme was carried out at 31 December 1998, and the scheme was certified by the reporting actuary to be in a sound financial position. At that date, the actuarial fair value of the assets of the defined benefit scheme amounted to R1 751 million, which exceeded the actuarial present value of accrued benefit obligations of R1 678 million. The main long-term actuarial assumptions used in this actuarial valuation were: a discount rate and expected rate of return on assets of 14 percent per annum and an expected rate of salary and pension escalation of 9,5 percent per annum. The next statutory actuarial valuation of the scheme, as at 31 December 2001 will only be completed in April 2002. Interim reviews conducted by the scheme's actuary at the end of each of the intervening years show the scheme to have remain fully funded. Contributions of R31 million were expensed during the year (2000 – R31 million). No assets of the scheme have been recognised on the Group's balance sheet due to the uncertainty regarding the entitlement to any surplus which might exist.

Defined Contribution Schemes
There are four Group defined contribution schemes, one of which is located in Swaziland. The latest audited financial statements of these schemes all reflect a satisfactory state of affairs. Contributions of R15 million were expensed during the year (2000 - R17 million).

Post-Retirement Medical Aid Benefits
The obligation of the Group to pay medical aid contributions after retirement is no longer part of the conditions of employment for employees engaged after 30 June 1996. A number of pensioners and current employees, however, remain entitled to this benefit. Entitlement to this benefit for current employees is dependent upon the employee remaining in service until retirement age and completing a minimum service period.

The Group provides for post-retirement medical aid benefits on the accrual basis determined actuarially each year. A provision of R154 million was established in prior years and a further R31 million has been provided in the current year. The current year movement comprises service costs of R6 million, interest costs of R23 million and actuarial losses of R2 million. The main actuarial assumptions in the latest valuation were health care cost inflation of 1,65 percent per annum over the consumer price index and a discount rate of 11 percent per annum.

Retirement Gratuities
The Group has in the past made payments, on retirement, to eligible employees who have remained in service until retirement age, and have completed a minimum service period. A provision in respect of retirement gratuities at 1 January 2001 of R31 million has been brought to account as a prior year adjustment and a further R6 million has been expensed in the current year comprising service costs of R2 million and interest costs of R4 million. The main actuarial assumptions in the latest valuation were salary inflation of 8 percent per annum and a discount rate of 11,5 percent per annum.

22. SHARE OPTIONS

In terms of a members' resolution dated 11 May 2001, establishing The Tongaat-Hulett Group Limited 2001 Share Option Scheme, the directors are authorised to allot and issue ordinary shares in the company. The aggregate number of shares available under the scheme is ten percent of the company's issued share capital from time to time or 10 086 500 whichever is the greater, less the number of shares over which unexercised options have been granted in terms of the previous share incentive scheme. The previous scheme will continue to remain in existence but no further options will be granted under that scheme.

The following options granted are unexercised:

Option price Rand	Expiring ten years from	Number of options at 31 Dec 2000	Options granted in 2001	Options exercised in 2001	Options forfeited in 2001	Number of options at 31 Dec 2001	Options time constrained
18,33	16 June 1993	176 660		51 000	4 320	121 340	
28,33	4 March 1994	29 200		10 000		19 200	
40,50	20 June 1994	695 400		123 360	9 280	562 760	
40,00	24 March 1995	106 400		9 000		97 400	
33,25	3 November 1998	267 400		12 500	12 500	242 400	145 440
32,90	5 March 1999	1 549 000		44 000	21 200	1 483 800	1 187 040
40,10	7 May 1999	688 400		9 920	26 580	651 900	521 520
30,00	19 May 2000	209 700			3 000	206 700	206 700
29,40	26 July 2000	22 300				22 300	22 300
39,85	12 January 2001		134 600			134 600	134 600
40,00	16 May 2001		1 259 900			1 259 900	1 259 900
42,00	15 August 2001		66 000			66 000	66 000
		3 744 460	1 460 500	259 780	76 880	4 868 300	3 543 500

23. DIRECTORS' REMUNERATION AND INTERESTS

Directors' remuneration (R000)

The directors' remuneration for the year ended 31 December 2001 was as follows:

Name	Fees	Salary	Bonus	Retirement and medical contributions	Other benefits	Share option gains	Total
Executive directors:							
D G Aitken	30	882	604	119	309		1 944
B G Dunlop	30	934	626	128	292		2 010
G R Hibbert	30	756	520	100	98		1 504
G P N Kruger	30	913	619	120	474	101	2 257
J B Magwaza	30	864	579	115	245		1 833
S J Saunders	30	966	652	132	314		2 094
C M L Savage	60	2 026	1 350	248	567	158	4 409
M Serfontein	30	749	515	102	253	93	1 742
P H Staude	30	1 221	812	147	410		2 620
Directors retired/resigned		1 257	697	97	403	249	2 703
	300	10 568	6 974	1 308	3 365	601	23 116

	Fees	Other	Total
Non-executive directors:			
L Boyd	30	30	60
E le R Bradley	30	64	94
E K Diack	30	46	76
E S C Garner	30	38	68
M W King	30		30
M Mia	30	65	95
T H Nyasulu	30	35	65
R H J Stevens	30	40	70
A J Trahar	30		30
Directors retired/resigned	35	26	61
	305	344	649

23. DIRECTORS' REMUNERATION AND INTERESTS (continued)

Interest of directors of the company in share capital

The aggregate beneficial holdings as at 31 December 2001 of those directors of the company holding issued ordinary shares of the company are detailed below:

	2001		2000	
Name	Direct shares	Indirect shares	Direct shares	Indirect shares
Executive directors:				
D G Aitken		52 500		52 500
G R Hibbert	20 562		18 162	
G P N Kruger	100		205	
S J Saunders		750 017		750 017
C M L Savage	24 003	73 225	24 003	73 225
M Serfontein	500	8 000	500	8 000
P H Staude	7 249		7 249	
Non-executive directors:				
E le R Bradley		17 669		17 669
E S C Garner		36 000		36 000
R H J Stevens	618		618	
	53 032	937 411	50 737	937 411

Interest of directors of the company in share options

The interest of the directors in share options of the company are shown in the table below:

Name	Number of shares at 31 Dec 2000	Options granted during the year	Options exercised during the year	Number of shares at 31 Dec 2001	Average price Rand
Executive directors:					
D G Aitken	83 400	26 000		109 400	35,91
B G Dunlop	89 440	39 000		128 440	36,69
G R Hibbert	72 600	20 000		92 600	35,10
G P N Kruger	89 960	25 000	3 360	111 600	35,96
J B Magwaza	98 560	24 000		122 560	36,60
S J Saunders	93 960	23 000		116 960	34,97
C M L Savage	128 000	30 000	18 000	140 000	36,98
M Serfontein	86 440	20 000	5 440	101 000	37,12
P H Staude	98 800	39 000		137 800	34,79
Non-executive director:					
E S C Garner	105 000			105 000	34,70
	946 160	246 000	26 800	1 165 360	

24. GUARANTEES AND CONTINGENT LIABILITIES (Rmillion)

	Group		Company	
	2001	2000	**2001**	2000
Guarantees in respect of obligations of the Group and third parties	**11**	20	**4**	5
Contingent liabilities	**1**	18		13
	12	38	**4**	18

25. LEASES (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Amounts payable under finance leases:				
Minimum lease payments due:				
Within one year	**13**	31	**6**	5
Within two to five years	**9**	16		6
After five years	**2**	2		
	24	49	**6**	11
Less: future finance charges	**(5)**	(6)	**(1)**	(2)
Present value of lease obligations	**19**	43	**5**	9
Analysed as follows:				
Within one year	**12**	28	**5**	4
Within two to five years	**7**	14		5
After five years		1		
	19	43	**5**	9
Operating lease commitments, amounts due:				
Within one year	**6**	7	**4**	5
Within two to five years	**18**	78	**16**	67
After five years	**4**	21	**4**	15
	28	106	**24**	87

26. CAPITAL EXPENDITURE COMMITMENTS (Rmillion)

	Group 2001	Group 2000	Company 2001	Company 2000
Contracted	**75**	46	**42**	26
Approved but not contracted	**67**	106	**37**	38
	142	152	**79**	64

Funds to meet this future expenditure will be provided from retained net cash flows and established facilities.

27. RELATED PARTY TRANSACTIONS (Rmillion)

During the year the Group, in the ordinary course of business, entered into various sales, purchases and investment transactions, in the main, with companies in the Anglo American plc group. These transactions occurred under terms that are no less favourable than those arranged with third parties.

	Group 2001	Group 2000	Company 2001	Company 2000
The outstanding balances at year end are as follows:				
Included in:				
Accounts receivable	**5**	5	**5**	
Accounts payable		2		
Borrowings	**23**	75		

28. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist primarily of cash deposits with banks, unlisted investments, derivatives, accounts receivable and payable, and loans to and from associates and others. Derivatives and investments, other than investments which are accounted for as subsidiaries, joint ventures and associates, are carried at fair value. All other financial instruments are carried at cost or amortised cost.

In the normal course of its operations, the Group is inter alia exposed to credit, foreign currency, interest rate, liquidity and commodity price risk. In order to manage these risks, the Group may enter into transactions which make use of derivatives. They include forward exchange contracts (FEC) and options, interest rate swaps and commodity futures and options. Separate committees are used to manage the risks and the hedging activities of the Group. The Group does not speculate in or engage in the trading of derivatives. Since the Group utilises derivative instruments for risk management, market risk relating to derivative instruments will be offset by changes in the valuation of the underlying assets, liabilities or transactions being hedged.

Credit risk

The Group's financial instruments do not represent a concentration of credit risk because the Group deals with a variety of major banks, and its debtors and loans are spread among a number of major industries, customers and geographic areas. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. In addition, appropriate credit committees review significant credit transactions before consummation. An appropriate level of provision is maintained.

Foreign currency risk

In the normal course of business, the Group enters into transactions denominated in foreign currencies. As a result, the Group is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates. The Group uses a variety of instruments to minimise foreign currency exchange rate risk in terms of its risk management policy. In principle it is the Group's policy to cover its foreign currency exposure in respect of liabilities and purchase commitments and to cover up to 50 percent of its foreign currency exposure on receivables. There were no speculative positions in foreign currencies at year end. The Group is not reliant on imported raw materials to any significant extent.

The Group's forward foreign exchange contracts that constitute designated hedges of currency risk at year end are summarised as follows:

	Group			Company		
	Average contract rate	Commitment (Rmillion)	Fair value of FEC (Rmillion)	Average contract rate	Commitment (Rmillion)	Fair value of FEC (Rmillion)
Imports						
Euro	7,24	11	1			
UK pounds	15,86	2				
Swiss francs	7,08	4				
US dollars	10,01	5	1			
		22	2			
Exports						
US dollars	10,63	565	(91)	10,37	316	(66)
Loan capital payments and interest						
US dollars	9,15	444	195			
Net total		1 031	106		316	(66)

The hedges in respect of imports and exports mature within one year and in relation to exports relate, in the main, to orders for future sales. The hedges in respect of the capital payments and interest on the loan will mature during 2002 except for US$10 million which matures in March 2003.

The fair value is the estimated amount that the Group would pay or receive to terminate the forward exchange contracts at the balance sheet date.

28. FINANCIAL RISK MANAGEMENT (continued)

The Group's forward foreign exchange contracts that do not constitute designated hedges of currency risk at year end are summarised as follows:

	Group			Company		
	Average contract rate	Commitment (Rmillion)	Fair value of FEC (Rmillion)	Average contract rate	Commitment (Rmillion)	Fair value of FEC (Rmillion)
Imports						
Australian dollars	5,13	3		5,13	3	
Euro	9,28	2		9,28	2	
Swiss francs	5,20	2	1	5,20	2	1
US dollars	9,94	12	3	9,94	12	3
		19	4		19	4
Exports						
Australian dollars	6,13	3		6,13	3	
US dollars	10,61	10	1	10,61	10	1
		13	1		13	1
Net total		32	5		32	5

The Group has the following uncovered export trade debtors:

	Group			Company		
	Foreign amount (million)	**2001 (Rmillion)**	2000 (Rmillion)	Foreign amount (million)	**2001 (Rmillion)**	2000 (Rmillion)
UK pounds	0,5	**10**	5			
US dollars	1,4	**16**	49	0,4	**5**	7
Other currencies			3			2
		26	57		**5**	9

Commodity price risk

Commodity price risk arises from the risk of an adverse effect on current or future earnings resulting from fluctuations in the prices of commodities. To hedge prices for the Group's substantial commodity requirements, commodity futures and options are used, including fixed and spot-defined forward sales contracts and call and put options.

The sugar division secures the premium on refined sugar exports from fluctuating international prices by using commodity futures.

The starch & glucose division has secured its maize requirements for the current maize season to 31 May 2002 and as much as 80 percent of its requirements for the year ending 31 May 2003 by means of fixed price contracts, futures and options where delivery is taken.

The aluminium division purchases its aluminium raw material at prices that fluctuate with movements in the London Metal Exchange price for aluminium and foreign exchange rates. The Group hedges exposure to movements in the price of aluminium arising from fixed price sales contracts by entering into fixed price purchase contracts with suppliers and by futures and options contracts.

At the year end the futures and options contracts where delivery will not be taken were:

	Group			Company		
Options:	Tons	Strike price per ton (US$)	Fair value (Rmillion)			
Aluminium puts	4 650	1 694	18			
Aluminium calls	1 250	1 575	1			
			19			

	Group			Company		
Futures:	Tons	Contract value (Rmillion)	Fair value (Rmillion)	Tons	Contract value (Rmillion)	Fair value (Rmillion)
Raw sugar futures purchased	148 748	272	(5)	148 748	272	(5)
Refined sugar futures sold	149 185	381	(2)	149 185	381	(2)
Aluminium futures sold	1 950	35	3			
			(4)			(7)

28. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk
The Group is exposed to interest rate price risk on its fixed rate loan liabilities and accounts receivable and payable, which can impact on the fair value of these instruments. The Group is exposed to interest rate cash flow risk in respect of its variable rate loans and short term cash investments, which can impact on the cash flows of these instruments. The exposure to interest rate risk is managed using derivatives, where it is considered appropriate, and through the Group cash management system, which enables the Group to maximise returns while minimising risks.

Liquidity risk
The Group manages its liquidity risk by monitoring forecast cash flows on a weekly basis. The Group has unutilised committed banking facilities of R940 million.

Fair value of financial instruments (Rmillion)
The fair value of derivative instruments at 31 December 2001 was:

	Group	Company
Forward exchange contracts – hedge accounted	106	(66)
Forward exchange contracts – not hedge accounted	5	5
Options	19	
Futures	(4)	(7)
	126	(68)
Included in:		
Accounts receivable	224	5
Accounts payable	(98)	(73)
	126	(68)

The book value of other financial instruments approximates fair value with the exception of the fixed rate debt of R1 035 million (2000 – R984 million) which will only be discharged during 2004. The value of this fixed rate debt is R1 243 million (2000 – R1 254 million) which has been determined using a discounted cash flow calculation that uses current market interest rates charged for loans with similar terms and credit risk.

29. CHANGES IN ACCOUNTING POLICIES (Rmillion)

Restatement of comparatives
The adoption of AC 107, AC 116 and AC 135 has resulted in comparative figures being adjusted to reflect the changes to the Group's accounting policies adopted during the year. The effect on the figures for the prior year is as follows:

Balance sheet	Group	Company
Equity as previously reported	3 743	2 735
Effect of changes in accounting policies	127	134
AC 107 – Events after the balance sheet date		
Reversal of proposed dividend	146	146
Reversal of STC	15	15
AC 116 – Employee benefits		
Provision for retirement gratuity obligations	(31)	(31)
Deferred tax	9	9
AC 135 – Investment property		
Building depreciation	(12)	(5)
Adjusted equity at 1 January 2000	3 870	2 869

Income statement		
Total net earnings as previously reported	378	72
STC	(10)	(10)
Other	1	1
Deferred tax	(1)	(1)
Adjusted total net earnings	368	62

29. CHANGES IN ACCOUNTING POLICIES (Rmillion) (continued)

AC 133 adjustment

The adoption of AC 133 was implemented prospectively and the effect on the current year's opening balances is as follows:

	Group	Company
Assets		
Accounts receivable increased	59	
Cash resources and deposits increased	32	
Liabilities		
Borrowings increased	(89)	(39)
Accounts payable increased	(2)	
Deferred tax increased	(2)	
Equity		
Reserves decreased	2	39

The effect on the current year's closing balances and results is as follows:

BALANCE SHEET

	Group	Company
Assets		
Accounts receivable increased	235	5
Fair value of derivatives instruments	224	5
Trade receivables	11	
Cash resources and deposits increased	45	
Liabilities		
Borrowings increased	(266)	(39)
Accounts payable increased	(45)	(73)
Fair value of derivatives instruments	(98)	(73)
Other payables	53	
Deferred tax decreased	20	20
Equity		
Reserves decreased	11	87

INCOME STATEMENT

	Group	Company
Earnings after tax increased/(decreased)	21	(1)

DETAILS OF PRINCIPAL OPERATING SUBSIDIARY COMPANIES AND JOINT VENTURES (Rmillion)

	Interest of Holding Company			
	Shares		Indebtedness	
	2001	2000	**2001**	2000
SUGAR DIVISION	**333**	280	**(41)**	(34)
Tongaat-Hulett Sugar Limited				
Tambankulu Estates Limited (Swaziland)				
Açucareira de Moçambique, SARL (Mozambique) (75%)				
STARCH & GLUCOSE DIVISION	**15**	15	**(15)**	(15)
African Products (Pty) Limited				
ALUMINIUM DIVISION	**7**	7	**222**	389
* Hulett Aluminium (Pty) Limited (50%)				
PROPERTY DIVISION			**235**	212
Moreland Estates (Pty) Limited				
GROUP ADMINISTRATION	**54**	84	**(11)**	(17)
Tongaat-Hulett Properties Limited				
+ Triangle Sugar Corporation Limited (Zimbabwe)				
	409	386	**390**	535

* Joint venture
+ Not consolidated

Except where otherwise indicated, effective participation is 100 percent.
A full list of all subsidiaries and joint ventures is available from the group secretary on request.

Notice is hereby given that the one hundred and tenth annual general meeting of shareholders will be held at the Group Office, Amanzimnyama Hill, Tongaat, on Friday 10 May 2002 at 10:30 for the following purposes:

1. To receive and consider the annual financial statements of the company and of the Group for the year ended 31 December 2001.

2. To elect directors in place of Messrs D G Aitken, D D Barber, G R Hibbert, M W King, J B Magwaza, M Serfontein and A J Trahar who retire in accordance with the articles of association and who, being eligible, offer themselves for re-election.

3. To consider and, if deemed fit, to pass, with or without modification, the following special and ordinary resolutions:

SPECIAL RESOLUTION NUMBER 1

"Resolved as a special resolution that:

(a) the acquisition by the company of shares or debentures ("securities") issued by it on such terms and conditions as the directors of the company may deem fit; and

(b) the acquisition by any subsidiary of the company of securities issued by the company on such terms and conditions as the directors of any such subsidiary may deem fit;

be and it is hereby approved as a general approval in terms of sections 85 and 89 of the Companies Act, 1973 (Act 61 of 1973), as amended and in terms of the listing requirements of the JSE Securities Exchange South Africa; provided that:

(1) such general approval shall be valid only until the next annual general meeting of the company or the expiry of a period of 15 months from the date of this resolution, whichever occurs first, or until varied or revoked prior thereto by special resolution at any general meeting of the company;

(2) such acquisitions may not be made at a price greater than ten percent above the weighted average of the market value for the securities on the JSE Securities Exchange South Africa for the five business days immediately preceding the date on which the transaction for the acquisition was agreed; and

(3) when the company has cumulatively repurchased three percent of the initial number (the number of that class of shares in issue at the time that general authority from shareholders is granted) of the relevant class of securities, and for each three percent in aggregate of the initial number of that class acquired thereafter, a press announcement must be made giving the details required in terms of the listing requirements of the JSE Securities Exchange South Africa, in respect of such acquisitions."

The reason for special resolution number 1, if passed, is to provide a general approval in terms of sections 85 and 89 of the Companies Act and the listings requirements of the JSE Securities Exchange South Africa for the acquisition by the company and its subsidiaries of shares issued by the company. The effect of special resolution number 1 is to provide a general authority for the company and its subsidiaries to acquire shares issued by it in accordance with the provisions of sections 85 and 89 of the Companies Act.

ORDINARY RESOLUTION NUMBER 1

"Resolved as an ordinary resolution that the directors be and they are hereby authorised and empowered to do all such things and sign all such documents and procure the doing of all such things and the signature of all such documents as may be necessary or incidental to give effect to the approval granted in terms of special resolution number 1."

ORDINARY RESOLUTION NUMBER 2

"Resolved as an ordinary resolution that the unissued shares in the capital of the company (other than the shares reserved for the purposes of The Tongaat-Hulett Employees Share Incentive Scheme and The Tongaat-Hulett Group Limited 2001 Share Option Scheme) be and they are hereby placed under the control of the directors of the company who are hereby authorised to allot and issue such shares at their discretion upon such terms and conditions as they may determine, subject to the provisions of the Companies Act 1973, as amended, and the rules and regulations of the JSE Securities Exchange South Africa."

ORDINARY RESOLUTION NUMBER 3

"Resolved as an ordinary resolution that subject to the passing of ordinary resolution number 2 and the approval of a 75 percent majority of the votes cast by shareholders present in person or represented by proxy at the annual general meeting at which this resolution is proposed and the requirements of the JSE Securities Exchange South Africa, the directors of the company be and are hereby authorised and empowered to allot and issue for cash, without restriction, all or any of the unissued shares in the capital of the company placed under their control in terms of ordinary resolution number 2 as they in their discretion may deem fit; provided that:

(a) this authority shall not extend beyond 15 months from the date of this annual general meeting;

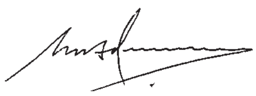
(b) a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one year, five percent or more of the number of ordinary shares of the company's issued ordinary share capital in issue prior to such issues provided further that such issues shall not in any one year period exceed 15 percent of the company's issued ordinary share capital; and

(c) in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted shall be ten percent of the weighted average traded price of the shares in question over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors."

4. To transact such other business as may be transacted at a general meeting.

Any shareholder entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, to vote in his stead. The proxy so appointed need not be a shareholder. Duly completed forms of proxy should be forwarded to reach the transfer secretaries by not less than 48 hours before the commencement of this meeting.

By order of the board



M A Kennedy
Group Secretary

Amanzimnyama
Tongaat, KwaZulu-Natal

8 March 2002

SENIOR MANAGEMENT

GROUP

ADMINISTRATION:
Executive Chairman: C M L Savage
Group Financial Director: D G Aitken
Group Executive Director: J B Magwaza
Group Executive Director: S J Saunders
Group Human Resources Director: M Serfontein
Group Secretary: M A Kennedy
Group Treasury Accountant: M Angel
Group Systems Consultant: R A S Cassels
Group Information Technology Manager: R C Duckworth
Group Accountant: D J Ebenezer
Group Office Accountant: B H Florence
Group Strategic Planning Co-ordinator: Z A Mahomed
Group Human Resources Development Manager: P Mnganga
Manager – Group Purchasing: C C Nel
Group Horticultural Manager: C W H Pellew
Group Tax Manager: M J Sandiford

SUGAR

TONGAAT-HULETT SUGAR:
Managing Director: B G Dunlop
Financial Director: P T Varty
Operations Director: P A Prince
Business Development Director: D F M Gass
Commercial Director: P D McKerchar
Technical Director: M S Greenfield
Human Resources Director: M M Kumalo
Company Secretary: J E Smith

ADMINISTRATION:
Financial Manager: S L Slabbert
Information Technology Manager: B S Snelling
Administration Manager Refinery: E F Lawson

OPERATIONS:
General Manager Amatikulu: R Carr
General Manager Darnall: D M van den Berg
General Manager Entumeni: R Rambaram
General Manager Felixton: R P Scott
General Manager Maidstone: E L Muller
General Manager Refinery: D M Meadows
General Manager Agriculture: J P Boyce
Business Manager: M R Fell

MARKETING:
Warehousing and Distribution Manager: S L Paul

SWAZILAND – TAMBANKULU ESTATES:
General Manager: G C White

MOZAMBIQUE:
General Manager – Mozambique: M R D Robert
Marketing Manager: D S Wilkes
General Manager – Mafambisse: J Clark
General Manager – Xinavane: E C Gilfillan
Project Director – Xinavane: R D Archibald

VOERMOL FEEDS:
Managing Director: J M Clelland
Sales and Marketing Director: P T Strydom
Technical Director: J Coetzee

STARCH & GLUCOSE

AFRICAN PRODUCTS:
Managing Director: G P N Kruger
Operations Director: P J Henning
Financial Director: A T Potgieter
Human Resources Director: B R Gumede
Marketing Director: S J Krook
Technical Director: A J Brady
Operations Director Cape: M N Mohale
Operations Director Germiston: V C Macu
Operations Director Kliprivier: J W Sanetra
Operations Manager Meyerton: D M Loubser
New Business Development Manager: D Botha
Maize and Co-products Manager: W A Olivier
Information Technology Manager: J E Hogarth
National Sales Manager: R Lal Beharie
Environment, Quality and Risk Manager: J C Pratten

ALUMINIUM

HULETT ALUMINIUM:
Managing Director: P H Staude
Financial Director: A Fourie
Human Resources Director: T K Mshengu

ROLLED PRODUCTS:
Managing Director: P H Staude
Operations Director: D F Timmerman
Director Packaging and Automotive Markets: F B Bradford
Director General Engineering and Building Markets: M H Munro
Project Director: M Freire
Director of Technology: D Rumelin
Director: R C Stone
Director: R Govender
Manager – Building and Painted Products: R G Jacob

FOIL:
Managing Director: M Z Mkhize
Marketing Director: R N Nyandeni

EXTRUSIONS:
Managing Director: C J Little
Commercial Director: I W Reuning

PROPERTY

MORELAND ESTATES:
Managing Director: G R Hibbert
Resorts and Development Co-ordination Director: C P Brink
Industrial and Commercial Development Director: K J Forbes
Residential Development Director: D T Jollands
Financial Director: J P Thessal
Property Management Director: I P Hunter
Planning Manager: T Chetty

TRIANGLE

Managing Director: S J M Cleasby
Financial Director: S G Potts

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ANNUAL REPORT

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The Tongaat-Hulett Group Limited

THE TONGAAT-HULETT GROUP LIMITED ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2001