



*Tongaat Hulett*

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HALF-YEAR 2009



# FINANCIAL RESULTS

# Half-year to 30 June 2009

- Revenue of R3,9 billion (2008: R3,1 billion)
- Profit from operations of R864 million (2008: R443 million)
- Headline earnings of R440 million (2008: R252 million)
- Consolidation of Zimbabwe operations
- Interim dividend of 100 cents per share (2008: 160 cents per share)

# Profit from Operations

R million	H1 2009	H1 2008
<b>Sugar operations</b>		
Zimbabwe (2008 dividends)	305	35
Swaziland	34	29
Mozambique	134	77
SA agriculture, milling and refining	77	37
Downstream value added activities	94	75
<b>Starch operations</b>	112	103
<b>Land and property developments</b>	64	115
<b>Centrally accounted and consolidation items</b>	44	(28)
	<u>864</u>	<u>443</u>



# Zimbabwe Sugar Operations

- Profit from operations: R305 million (2008: R35 million dividends)
  - Separate from consolidation balance sheet take-on gain in income statement
- Other income statement effects
  - Interest paid: R1 million
  - Tax: R95 million
  - Minorities: R47 million
- Cash flow in H1: + R80 million

## Swaziland - Tambankulu Estate

- Operating profit increased to R34 million (2008: R29 million)
- Increased realisations within the Swaziland industry

# Mozambique Sugar Operations

- Profit from operations: R134 million (2008: R77 million)
- Growth in agricultural activities - Mafambisse and Xinavane
- Mafambisse
  - Expansion completed in 2008
  - Mill: TH owns 85%
  - Agriculture: TH owns 100%
- Xinavane
  - Mill: TH owns 88% after major expansion
  - Agriculture: TH owns 100%
- Seasonal nature of cane growing:
  - Operating profit in first half includes increased value from growth in cane crop
  - Cash inflow in second half

# South African Sugar Agriculture, Milling and Refining

- Profit from operations: R77 million (2008: R37 million)
- Higher export and domestic sugar volumes and realisations

## Downstream and Sugar Value Added Activities

- Profit from operations: R94 million (2008: R75 million)

Generated from:

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



# Starch Operations

- Operating profit: R112 million (2008: R103 million)
- Margin improvement
  - Local maize prices trading close to world prices
    - 11,6 million ton SA crop for 2009 season (2008: 12,7 million tons)
    - Second season of surplus maize production
- Domestic sales volume decline by 4,3%
  - Growth of volumes in coffee creamer and confectionary sectors offset by declines in alcoholic beverage and paper making sectors
- Co-product revenues decreased
  - Lower prices for edible oils and animal feeds

# Agricultural Land Conversion and Developments

- Operating profit: R64 million (2008 H1: R115 million, 2007 FY: R428 million)
- Capital profit: R2 million (2008 H1: R15 million, 2007 FY: R48 million)
- Sales of 95 developable hectares (183 gross hectares)
  - 93 hectares for affordable housing – Cornubia
- Upward trend in value of land - eThekweni dynamics

# Income Statement

- **Centrally accounted and consolidation items**
  - Recognition of pension fund 2007 employer surplus account allocation - unconditional entitlement in 2009: R82 million
- **Taxation**
  - Effective tax rate: 29%

- **Finance costs**

Interest costs on debt

**153**

Interest on maize obligation

**14**

BEE SPV interest

**39**

Interest paid

**206**

Interest capitalised on expansion projects

**- 55**

Income Statement

**151**

# Cash Flow and Balance Sheet

	<u>H1 2009</u>	<u>H1 2008</u>
• Cash inflow from operations:		
Cash from operating profit after tax	R420 million	R253 million
Working capital	- R167 million	- R73 million
	<u>R253 million</u>	<u>R180 million</u>

At 30 June 2009

- Tongaat Hulett net debt: R 3 064 million
  - Partial utilisation of established facilities of R3,7 billion
- Net debt as % of equity is approximately 50%

# Consolidation of Zimbabwe Operations

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

# Consolidation of Zimbabwe Operations (cont.)

## Consolidation : Balance Sheet effect at 30 June 2009

	R million	
- Fixed assets	2 797	Depreciated (consolidation take-on was US\$373 million)
- Growing crops	527	IAS 41 Agriculture: growing crop valuation (consolidation take-on was US\$40 million)
- Working capital	148	Consolidation take-on at fair value was US\$14 million
- Cash on hand	97	Debt free
- Goodwill	164	Upon consolidation
- Foreign Currency Translation Reserve	399	On consolidation – stronger Rand
- Deferred tax	(896)	30,9% tax rate
- Provisions	(198)	
- Minority interest	(642)	



# Summary

- **2009 - 6<sup>th</sup> consecutive year of growing profit from operations**
- **Significant cash inflow to commence in the latter part of 2009 and early 2010**
- **Well positioned moving into 2010**

# An integrated Agriculture and Agric-processing Business



# Capitalise on the Changing World of Agriculture



- Food consumption per capita rising
- > 960 million people undernourished
- Renewable energy adding a new dimension to agriculture
- Increased competition for limited land and water





- **Land and Water**

**Tongaat Hulett > 264 000 hectares**

- Under cane > 65 000 hectares
  - Urban expansion > 13 900 hectares
  - Eco-tourism > 80 000 hectares
- **Regional integration**

# Renewable Energy



- Global climate change
- Energy market poised for substantial shift worldwide
- Bio-mass predicted to be 10% of fast growing market

## CO<sub>2</sub> Emission Saving

Ethanol vs petrol                      60-90%

Electricity  
Bagasse vs Coal                      > 95%

## 10% Blending Regime

Equivalent to 3 million tons raw sugar

## Tongaat Hulett bagasse

Equivalent to 2 million tons coal

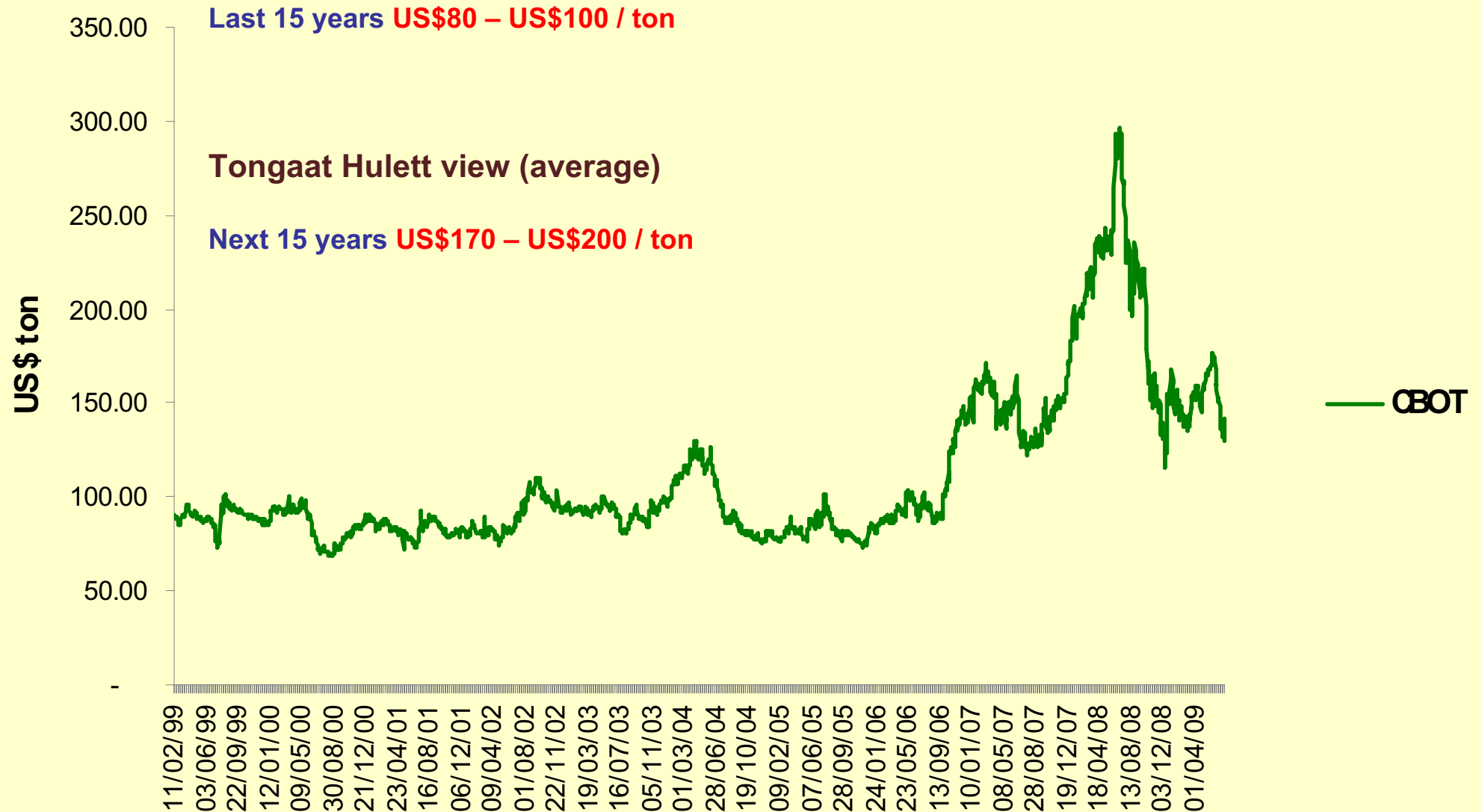


# Maize / Starch





# International Maize price



# Regional Maize (Production and Usage)

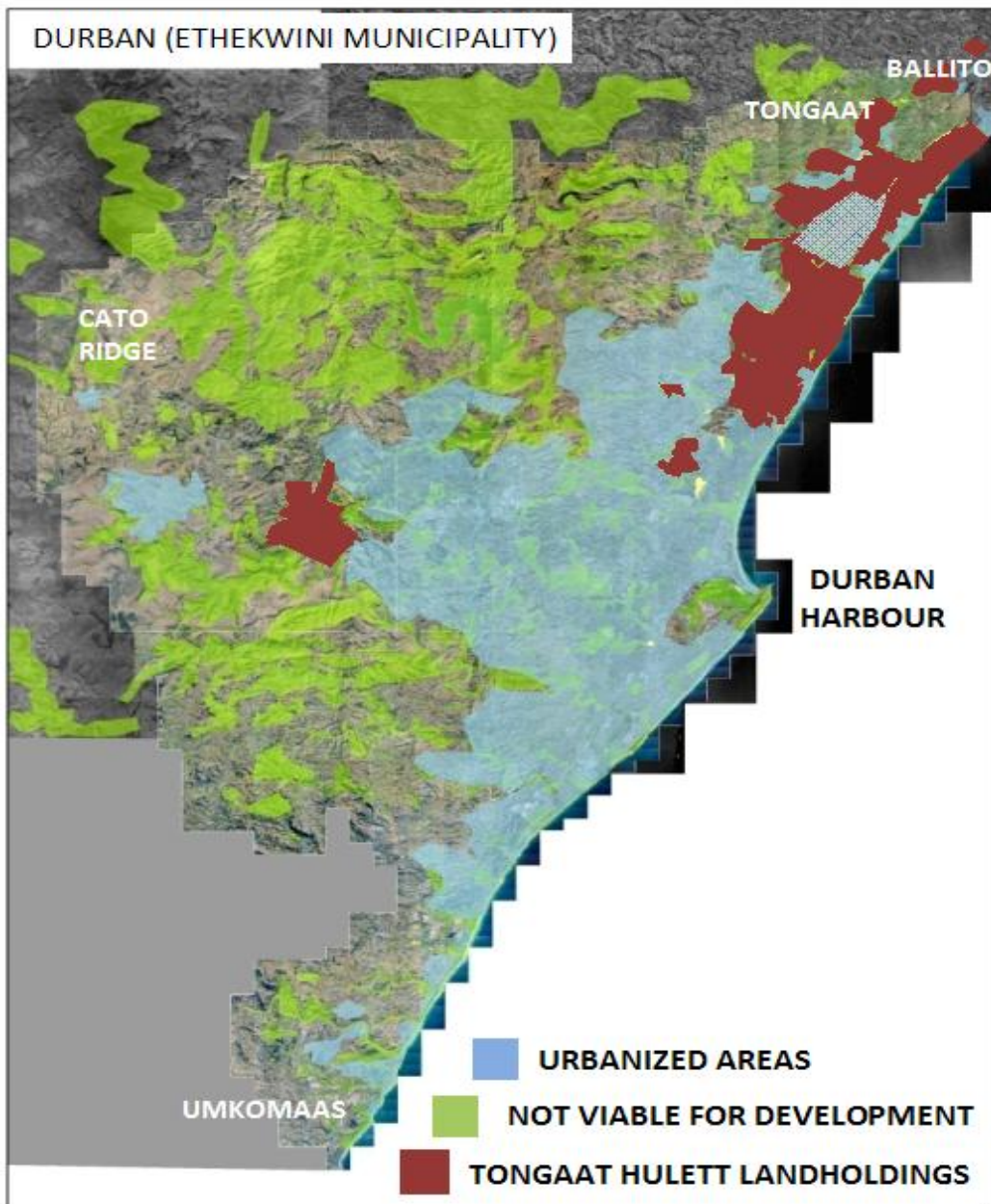
2008/2009		
Country	Production (000 tons)	Consumption (000 tons)
South Africa	11 605	9 630
Malawi	2 789	2 353
Mozambique	1 709	1 480
Zimbabwe	647	1 646
Tanzania	3 594	3 911
Zambia	1 212	1 318
Other	853	1 460
Total	22 409	21 798

# Starch

- **One of nature's most versatile products with multiple applications, inter alia**
  - **Fermentation (beer, ethanol, pharmaceuticals)**
  - **Binder, adhesives (confectionary, paper sacks)**
  - **Thickener (food applications)**
  - **Sweeteners (soft drinks)**
- **Growth**
- **Outlook 2009/2010**



# Agricultural Land Conversion - KZN



**Total of 13 961 ha (8 996 developable ha)**

- **West of eThekweni**

2 050 gross ha (975 developable ha)

- **Coastal corridor**

6 005 gross ha (3 976 developable ha)

- **eThekweni growth corridor**

5 906 gross ha (4 045 developable ha)



# Increasing the value of land holdings



## Value benchmarks (Cash profit 2008/09)

- Higher value land - > R8 million / developable hectare
- Lower value land - R725 000 / developable hectare

Urbanisation

Income / Holding cost

Planning

Critical mass /  
Anchor investment

Development rights

Bulk infrastructure

Partnerships

# Development rights - Sibaya



## Nodes 1 and 5

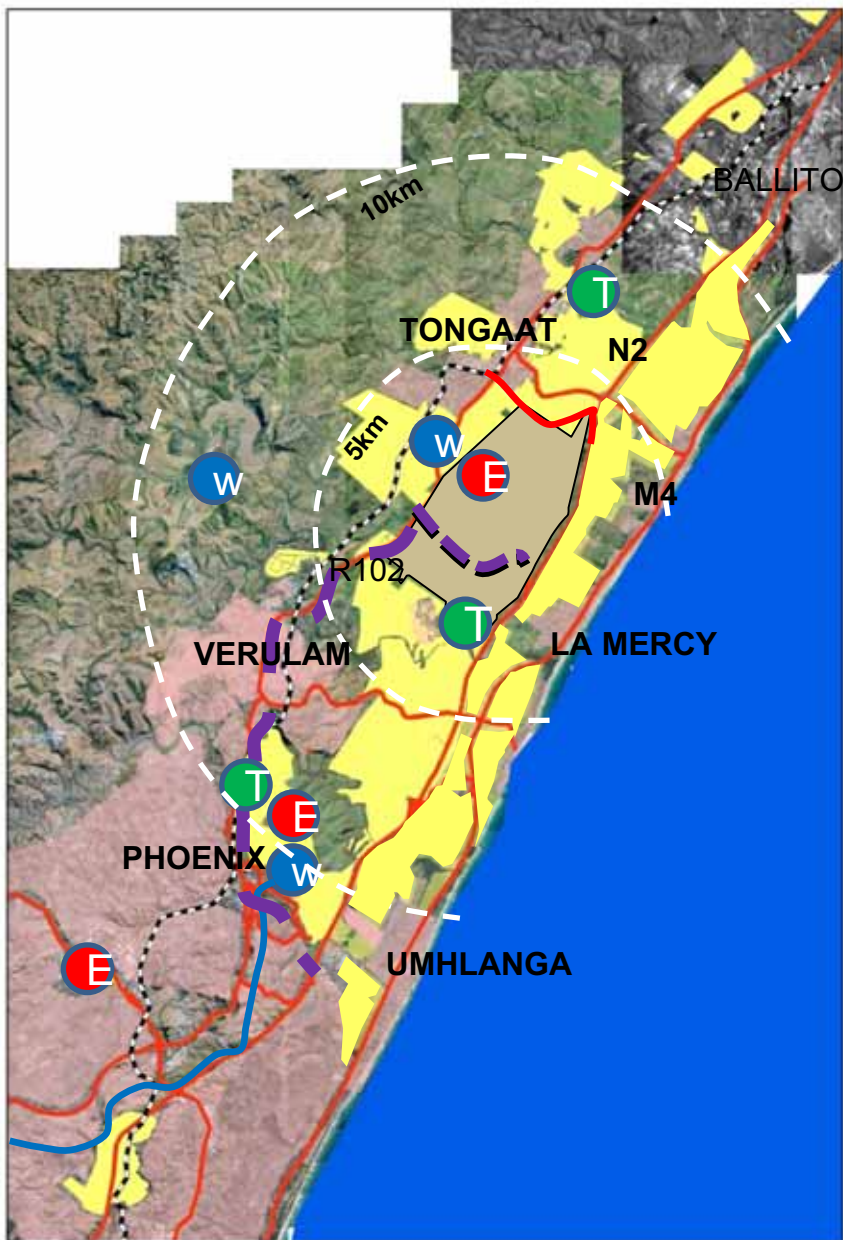
- EIA approved
- 125 ha (developable)

## Node 1

- First phase of Sibaya – 49 ha
- Saleable and developable before end of year
- 65 000 bulk sq.m. of commercial space + 1 200 residential units + 2 Hotels (250 hotel rooms)

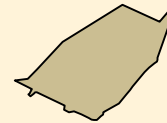


# Bulk Infrastructure



- **Infrastructural investment**

- **Airport and Dube Tradeport - R8 billion**



**International airport and Dube Tradeport**

- **Road upgrades - R700 million**



**Upgrade to R102 and M41**

- **Wastewater treatment - R400 million**



**Upgraded & new waste water treatment works**

- **Electrical supply - R150 million**



**New electrical sub stations**

- **Water supply infrastructure – R80 million**

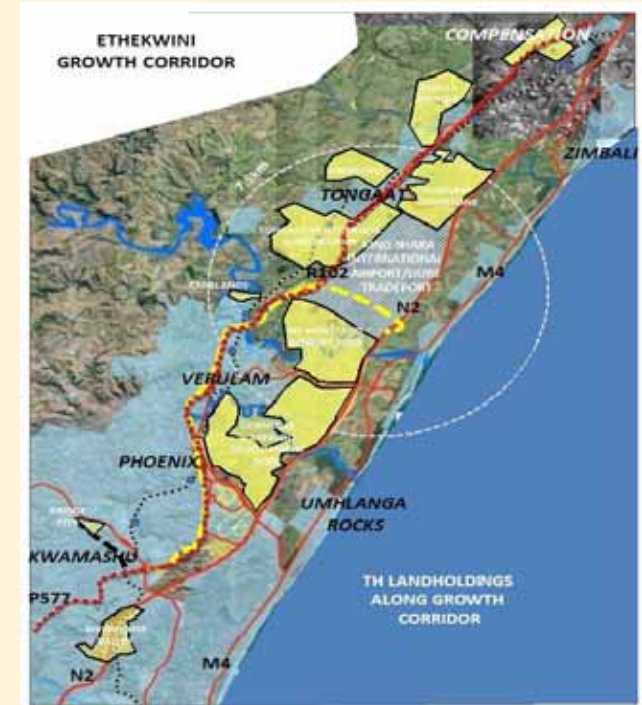


**New /upgraded water reservoirs/works**



**Western aqueduct from Midmar**

# eThekweni Growth Corridor



Canelands

Riverhorse Valley Business Estate

Bridge City

Cornubia

Sibaya West/Waterloo

Inyaninga

Watson Highway

Amanzimnyama

Dudley Pringle

Mount Moriah

Mt Moreland

Aberfoyle

Compensation Flats

**4 045 developable hectares**

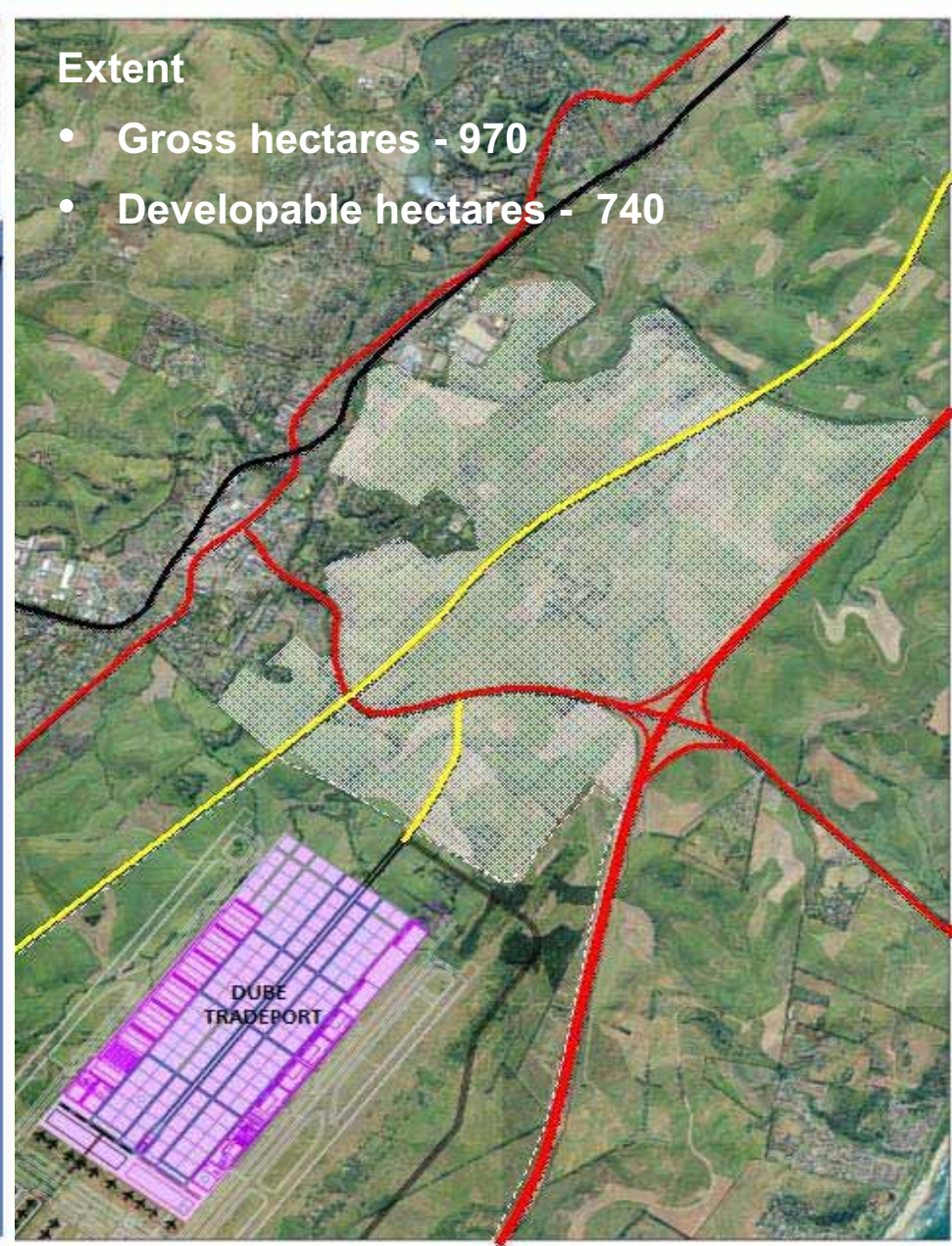


## ETHEKWINI GROWTH CORRIDOR



## Extent

- Gross hectares - 970
- Developable hectares - 740





# Sugar



# Regional Sugar Dynamics

2009/10 thousand ton sugar p.a.	Imports outside SADC	Total Prod.	TH Prod. 2009	TH Milling Capacity 2009	Domestic Mkt.	Pref. Export	World Mkt. Export	Local raw sugar Price (c/lb)
Malawi		310			200	110		30
Mozambique		400	240	300	180	220		25
Tanzania	50	320			360	20		
Zambia		470			160	250		30
Zimbabwe		290	290	600	210	50		28
Swaziland		640	60*	60*	30	310		23
South Africa	140	2 380	640	1 000	1 740	20	790	23
Other SADC	470	550			870	500		
<b>SADC</b>	<b>660</b>	<b>5 360</b>	<b>1 230</b>	<b>1 960</b>	<b>3 750</b>	<b>1 480</b>	<b>790</b>	

- **Raw sugar prices**
  - EU ex works October 2009 - US\$19 c/lb
  - World market ex works - US\$17 c/lb
- **No renewable energy regime**

\* Raw sugar equivalent (RSE)

# Strategic Overview – Sugar in South Africa





# Cane in South Africa - update

- **Grower viability improving**
  - 44% increase in price per ton cane paid to growers since 2007/08
- **Estimated price to be paid to growers for 2009/10 season**
  - R282,28 per ton cane
- **Cane supply (Tongaat Hulett mills full at 8,4 million tons cane)**
  - 2009/10 cane supply – 5,7 million tons
  - Average yields - 2008 47 tcp hectare
    - 2000 64 tcp hectare
- **Currently mills competing for cane**





# Zimbabwe



# Zimbabwe Sugar Operations

- Capacity
  - 600 000 tons sugar - 4,8 million tons cane
    - 140 000 tons refined sugar
    - 460 000 tons raw/brown sugar
- 2002
  - 580 000 tons sugar - 4,6 million tons cane
- 40 million litre alcohol/ethanol capacity
- Replacement value – R5,7 billion (Tongaat Hulett share)



# Sugar Cane

- **Own estates - yields**
  - 28 000 hectares (yield improvement)
    - 2,2 million tons cane (2009)
    - 3,3 million tons cane (2011/12)
- **Outgrower cane**
  - 15 720 hectares
    - 304 000 tons cane (2009)
    - 1,5 million tons cane (2012/13)
  - Re-establishment cost R300 - R350 million
  - Socio-political challenges - land tenure
- **EU Adaptation funding**
  - €2,7 million released - total €45 million



# Cost Competitiveness

- **Mills**
  - Capable of full crushing capacity by 2011
  - Capital cost - R70 million
- **Cane haulage/transport**
  - Capital required – R75 million
- **Cost competitiveness**
  - Internationally competitive at 600 000 tons per annum
    - Cash cost < US\$11 c/lb
    - Second lowest cost producer in the world behind Brazil per LMC International\*
- **Milling**
  - Large mills = economies of scale
  - Extended crushing season
  - High technical performance
- **Cane growing**
  - Excellent agro-climatic conditions
  - Yields > 115 tons cane per hectare



\* The LMC Worldwide Survey of Sugar and HFCS Production Costs

# Profit Potential

600 000 tons per annum (no renewable energy)

- Realisations
  - Domestic market (40% of production)
  - EU market (60% of production)
  - Ex factory realisations > US\$20 c/lb
- EBITDA - > US\$110 million
- Cash generator





# Expansion Opportunity

- Sugar production increased to 820 000 tons
  - Milling capacity expanded from 940 tcph to 1 350 tcph
- Additional 17 000 hectares to be planted to cane
- Water from Tokwe Mukorsi dam



# Xinavane Expansion

- **Agricultural irrigated cane expansion**
  - Additional 6 982 hectares planted to date
  - Further planting
    - 2009 H2 – 377 hectares
    - 2010 H1 – 757 hectares
- **Mill expansion**
  - Major equipment tested in May
  - Commenced crushing mid June
  - Reach design capacity in August
  - Maximise season-end cane crush
    - Weather dependant
- **Sugar production in 2010**
  - 208 000 tons





# Mozambique Sugar Operations

- **Capacity**
  - 2,4 million tons cane
  - 300 000 tons sugar
- **Own estates**
  - 21 928 hectares
    - > 2 million tons cane
- **Outgrower cane**
  - 4 279 hectares
    - > 400 000 tons cane
- **Renewable Energy**
  - 720 000 tons bagasse
  - 88 000 tons molasses





***Tongaat Hulett is one of the few Agric-businesses in sub Saharan Africa that has the organisational capability and capacity to  
make it happen***



# ADDITIONAL INFORMATION

# Starch Operations

## Financial Data

R millions	H1 2009	H1 2008
Revenue:	1 085	999
Domestic	810	743
Exports	73	50
Co-Products	202	206
Operating Profit	112	103



# Volume Data

Volume (tons)	H1 2009	H1 2008
Local Starch	39 903	47 348
Local Glucose	161 520	163 198
Total Local	201 423	210 546
Export Starch	11 827	6 612
Export Glucose	3 688	3 967
Total Exports	15 515	10 579
Co-Products	72 072	76 302
Total	289 010	297 427

# Co-product Pricing

Co-product	Price movement 2009 on 2008	Major price drivers
Germ	Down 18,5%	50%: International edible oil price 50%: Local maize
Gluten-60	Up 31,0%	International protein (Soya, fishmeal) prices
Gluten-20	Down 7,3%	Local maize price

# Outlook for RSA Maize : 2008/09 Season

	2007/08	2008/09 Forecast
Hectares Planted ('000 ha)	2 799	2 428
Yield (t/ha)	4,54	4,78
Opening Stocks	1 066	1 615
Production ('000 tons)	12 700	11 605
Consumption – Market	(8 843)	(8 830)
Consumption – On farm	(1 082)	(800)
Exports	(2 226)	(2 100)
Ending Stocks	1 615	1 490

Final Outcome Yield: Unlikely to differ materially - second season of surplus production

# Bridge City



- PPP with eThekweni Municipality
- A new Town Centre in a previously disadvantaged area / township
- Mixed use high density town centre
- Train, bus and taxi inter-modal transport hub
- Regional 450 bed public hospital
- Significant trigger: 40 000m<sup>2</sup> shopping centre – opening late October 2009
- Significant public infrastructure - rail line and station, bus / taxi ranks, key access roads and electricity substation
- Regional Magistrate court (opening late 2010)



# Umhlanga Ridge Town Centre



- Only 2 sites remaining for sale
- Increasingly important regional centre role
- High density and critical mass
- Catalyst for development on surrounding land

# Umhlanga Ridgeside



- Commercial bulk 250 000m<sup>2</sup>
- 3 000 Residential units
- Resort hotel 80 000m<sup>2</sup>
- Total bulk sold to date 271 377m<sup>2</sup>
- The M41 interchange is under construction - May 2010
- The contract for the Office Park Precinct is progressing well and is anticipated to be complete in March 2010
- The first phase of infrastructure in Precinct 1 has commenced to accommodate the Holiday Inn Express Hotel which will be open for the 2010 World Cup
- The Investec and Vodacom office buildings have commenced in Precinct 3 with occupation expected in February 2010

# Izinga – Umhlanga Ridge



- Medium to low density of 146 ha residential suburb of Umhlanga Ridge
- 250 Potential dwelling units to be developed in first phase
- 58 ha of open space including wetlands and buffer corridors
- Visible street security patrols
- Appropriate indigenous landscaping in the public spaces
- Use of earthy African colours in the architectural code
- Development commencement expected 4<sup>th</sup> quarter 2009



# Kindlewood



- 550 unit gated estate development
  - Comprises:
    - Special residential
    - Maisonette
    - Planned unit developments
  - Phase 1 (of 5) sold out
  - Phase 2 – 52% sold out
  - Successful Decorator's on Display
- Exhibition held in May 2009



# Sibaya – Mdloti (first phase)



- The EIA approved for Nodes 1 and 5 in March 2009 - 125 developable hectares
- Rezoning and subdivision processes are underway
- “One Planet Living” sustainability principles
- Anticipated 2010 sales on Nodes 1 and 5
- Immediate access to new La Mercy airport

# Zimbali South & West



- Additional recreational facility complete by June 2009
- Final few sites remaining
- 7-star Fairmont Zimbali Hotel opening on track for October 2009
- Well established Zimbali brand being extended to Zimbali lakes



# Zimbali Lakes



- IFA's construction of 18-hole Gary Player Golf course to commence by October 2009
- Mixed-use Resort node with beach access and man-made lake adjacent to river
- Office Park to be completed in September – 8 out of 15 sites sold
- Sales being progressed in Phases 1 and 2

# Tinley Manor



- 6 km coastal frontage / North and South bank of Mhlali River
- N2 accessibility – convenience of new airport
- Preparation for EIA and zoning under way
- Hotel, residential and retail
- Golf course, small craft harbour potential



# EU Sugar Market Update

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

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



# Sugar Production

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

\* Triangle only up to 2006

# Zimbabwe Replacement Value (TH Holding\*)

	R million
<b>Cane Growing</b>	
Triangle	1 446
Hippo	697
<b>Sugar Milling</b>	
Triangle	2 014
Hippo	931
<b>Refining and Packing</b>	
Triangle	308
Hippo	86
<b>Ethanol Plant</b>	247
<b>Total</b>	<b>5 729</b>



\*TH Holding - Triangle 100%, Hippo 51%



# Zimbabwe - Production History

<b>Tons Cane</b>	<b>2002</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Triangle	2 301 000	1 943 000	1 977 000	1 617 000	1 515 000
Hippo	2 320 000	1 590 000	1 705 000	1 280 000	1 086 000
<b>Total</b>	<b>4 621 000</b>	<b>3 533 000</b>	<b>3 682 000</b>	<b>2 897 000</b>	<b>2 601 000</b>

<b>Tons Sugar</b>	<b>2002</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Triangle	296 000	236 000	240 000	193 000	181 000
Hippo	284 000	194 000	207 000	156 000	117 000
<b>Total</b>	<b>580 000</b>	<b>430 000</b>	<b>447 000</b>	<b>349 000</b>	<b>298 000</b>

<b>Tons Refined</b>	<b>2002</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Triangle	61 000	61 000	61 000	51 000	34 000
Hippo	33 000	25 000	23 000	15 000	0
<b>Total</b>	<b>94 000</b>	<b>86 000</b>	<b>84 000</b>	<b>66 000</b>	<b>34 000</b>

# Zimbabwe - Water

- Annual evaporation – 1 730 mm per hectare
- Effective rainfall – 60% of 550 mm per hectare
- Supplementary irrigation to meet peak demand of 1 500 mm per hectare
- Water allocation required in storage – 2 100 mm per hectare

Location	Mega Litres
Triangle & Mutirikwe	280 000
Hippo Valley	208 000
Mkwesine Estate	65 000
Mwenezana Estate	78 000
Total	631 000

# Expanded Sugar Production

<b>Tons Per Annum</b>	<b>2008 Production</b>	<b>2009 Capacity</b>
<b>South Africa</b>	<b>644 000</b>	<b>&gt; 1 000 000</b>
<b>Zimbabwe</b>	<b>298 000</b>	<b>&gt; 600 000</b>
<b>Mozambique</b>	<b>108 000</b>	<b>&gt; 300 000</b>
<b>Swaziland RSE</b>	<b>56 000</b>	<b>&gt; 60 000</b>
<b>Total</b>	<b>1 106 000</b>	<b>&gt; 1 960 000</b>

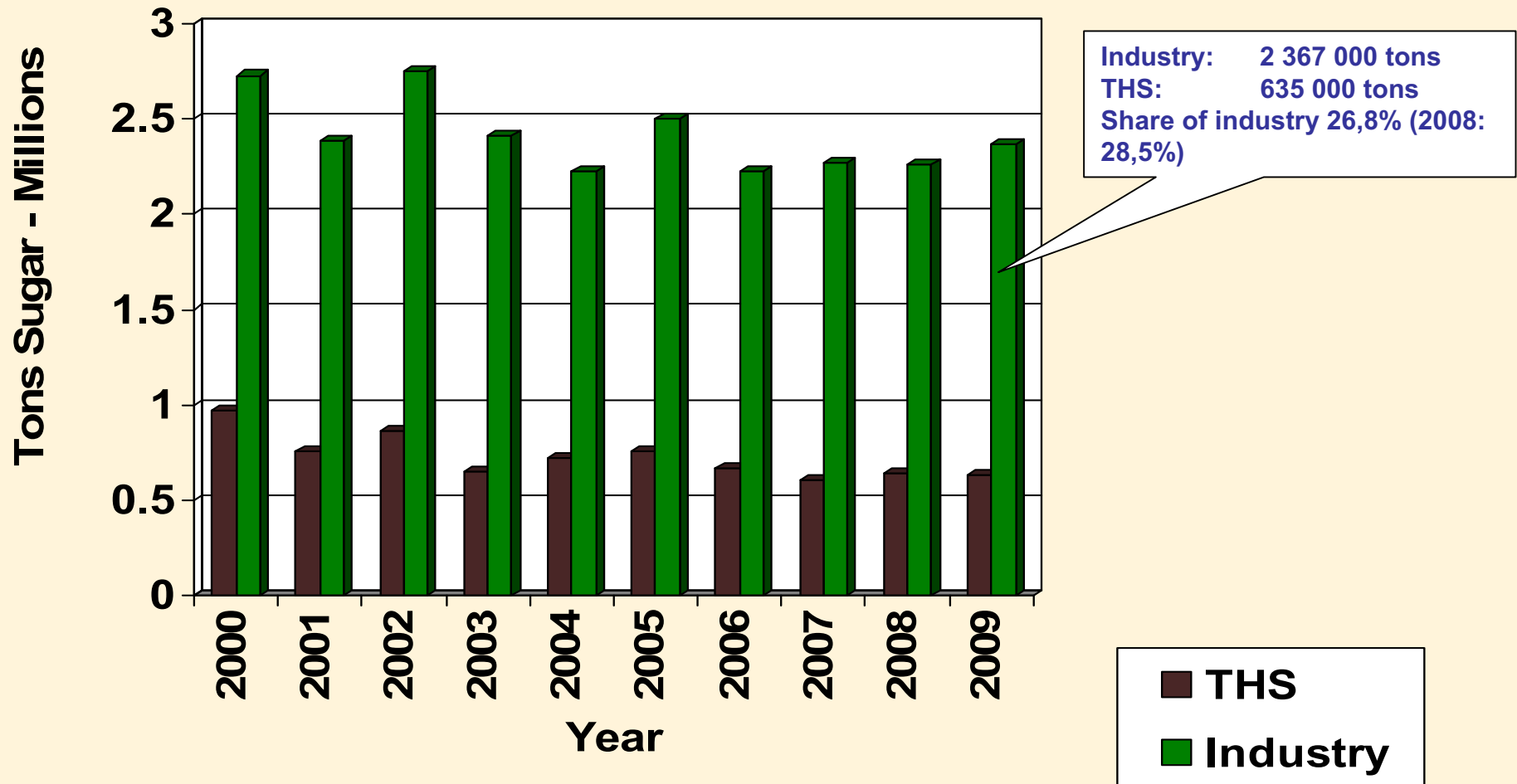


# Hectares under Cane

	<b>Tongaat Hulett</b>	<b>Outgrowers</b>	<b>Total</b>
<b>South Africa (2008)</b>	<b>11 417</b>	<b>137 204</b>	<b>148 621</b>
<b>Mozambique (2010)</b>	<b>21 928</b>	<b>4 279</b>	<b>26 207</b>
<b>Zimbabwe (current)</b>	<b>27 900</b>	<b>15 720</b>	<b>43 620</b>
<b>Swaziland (current)</b>	<b>3 750</b>	<b>-</b>	<b>3 750</b>
<b>TOTAL</b>	<b>64 995</b>	<b>157 203</b>	<b>222 198</b>

- To date 11 700 hectares transferred to new black farmers in South Africa

# Sugar Production - SA



# Total Volumes – THS (SA)

<b>Tons sugar</b>	<b>H1 2009</b>	<b>H1 2008</b>	<b>FY 2008</b>
<b>Opening stock</b>	<b>261 473</b>	<b>206 493</b>	<b>206 493</b>
<b>Production</b>	<b>169 288</b>	<b>196 156</b>	<b>644 173</b>
<b>Prior season adjustment</b>	<b>( 1 372)</b>	<b>(517)</b>	<b>(517)</b>
<b>Sugar purchased in</b>	<b>40 842</b>	<b>57 532</b>	<b>87 172</b>
<b>Sales</b>	<b>(332 669)</b>	<b>(296 374)</b>	<b>(675 848)</b>
<b>Closing Stock</b>	<b>137 562</b>	<b>163 290</b>	<b>261 473</b>

# Local Market Volumes – THS (SA)

<b>Tons sugar</b>	<b>H1 2009</b>	<b>H1 2008</b>	<b>FY 2008</b>
<b>Opening stock</b>	<b>172 667</b>	<b>144 397</b>	<b>144 397</b>
<b>Production</b>	<b>108 325</b>	<b>110 607</b>	<b>407 970</b>
<b>Prior season adjustment</b>	<b>944</b>	<b>(474)</b>	<b>(474)</b>
<b>Sugar purchased in</b>	<b>40 842</b>	<b>57 532</b>	<b>87 172</b>
<b>Sales</b>	<b>(240 118)</b>	<b>(230 030)</b>	<b>(466 398)</b>
<b>Closing Stock</b>	<b>82 660</b>	<b>82 032</b>	<b>172 667</b>



# Export Volumes – THS SA

<b>Tons sugar</b>	<b>H1 2009</b>	<b>H1 2008</b>	<b>FY 2008</b>
<b>Opening stock</b>	<b>88 806</b>	<b>62 096</b>	<b>62 096</b>
<b>Production</b>	<b>60 963</b>	<b>85 549</b>	<b>236 203</b>
<b>Prior season adjustment</b>	<b>(2 316)</b>	<b>(43)</b>	<b>(43)</b>
<b>Sales</b>	<b>(92 551)</b>	<b>(66 344)</b>	<b>(209 450)</b>
<b>Closing stock</b>	<b>54 902</b>	<b>81 258</b>	<b>88 806</b>

# Raw Export Realizations: South Africa

Raw Sugar	H1 2009	H1 2008	FY 2008
Price in US c/lb*	12,95	10,82	12,12
Average Rand/US\$ realisation	R8,34	R7,50	R8,05
Average Rand realisations per ton	R2 517	R1 950	R2 316

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

# LDC Countries

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

Ethiopia

Tanzania

Togo

Senegal

Nepal

Malawi

Mozambique

Zambia

Sierra Leone

Sudan

DRC

Benin

Bangladesh

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

# Value-adding Activities

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