SUGAR ILLOVO LIMITED

INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

CONTENTS

BASIS OF PREPARATION

This report incorporates financial statements which reflect both actual results based on accounting policies and methods of computation which are based on International Financial Reporting Standards ("IFRS") and those determined on a sugar season basis which, in the directors' opinion, provide a better basis for evaluating the financial performance of the company.

The sugar industry is a seasonal agricultural-based business and the payment processes are such that cash flows throughout the season, which runs from 1 April to 31 March, are derived from the expected tonnages and prices that will be achieved for the season as a whole. The effect of this is that product sales tonnages and prices received, and raw material prices paid, are provisional in nature until the conclusion of the season. For this reason the directors consider that profit figures based on actual cash flows may not represent the best basis for evaluating the performance and the results for the period. In respect of the sugar season basis results, operational profits for cane growing and sugar production comprise the company's view of the position at 30 September 2011 as it relates to the season as a whole. All other results are based on actual performance. The amounts disclosed in respect of cane growing and sugar production operations are based on a profit forecast for the year ending 31 March 2012 which has been examined by our auditors, Deloitte & Touche. Their unmodified accountants' report is available for inspection at the company's registered office.

The unaudited actual results for the six months ended 30 September 2011 have been prepared using accounting policies and methods of computation that comply with IFRS and are prepared in accordance with IAS 34 (Interim Financial Reporting). The accounting policies adopted are consistent with those of the previous financial period.

REVIEW

Actual operating profit for the six months ended 30 September 2011 reflected a moderate improvement of 5% compared to the corresponding period last year. This result was negatively impacted by the knock-on consequences of the 2010 drought in South Africa which severely retarded cane growth and caused cane quality to decline to very poor levels. This was offset by increased cane production elsewhere in the group, although the sucrose content in cane generally ran well below normal expectations. Profit after tax rose from R725.9 million to R747.2 million, resulting in a 5% improvement in headline earnings.

On a seasonal basis, operating profit increased by 19% from R522.9 million to R620.2 million, reflecting the benefits of favourable exchange rates, good cost control and better market conditions than in the previous year. Production, however, has been negatively affected by the drought conditions in South Africa which depressed sugar production and will result in a second year of lower year-on-year output. Elsewhere, cane production was higher than in the previous year although significantly lower sucrose levels moderated increased sugar production which in total was insufficient to offset the decline in South Africa.

The contributions to operating profit were sugar production 56%, cane growing 31%, downstream 11% and power co-generation 2%. By country, contributions were Malawi 45%, Zambia 33%, Tanzania 13%, Mozambique 4%, Swaziland 3% and South Africa 2%.

In general, although cane quality has been poor, the group's sugar factories have operated well. The expanded factory in Zambia has demonstrated its ability to run at design capacity and also achieved acceptable sugar recoveries. In Mozambique, the factory is now operating at its increased throughput level, whilst in Swaziland, despite early season expansion-related commissioning difficulties, the plant has achieved rated performance and is now stabilising. The power co-generation facility which was part of the expansion project at Ubombo in Swaziland was successfully commissioned in the period and has run very well. The export of electricity to the national grid in Swaziland has commenced and to-date volumes are already in excess of the annual minimum contractual commitment.

In South Africa, the diversion of cane to the Sezela factory has ensured that the downstream products plant located at that site has operated consistently at capacity throughout the period. Both distilleries in South Africa have also operated well. Approval was granted by the Board to commence with the construction of a new potable alcohol distillery at Kilombero in Tanzania. This plant, with a capacity of 12 million litres of potable alcohol per annum, will utilise all of the molasses produced at Kilombero and supply high quality alcohol into the East African market. The plant is scheduled to be commissioned in mid 2013.

Furfural and furfuryl alcohol prices climbed to record levels in the period as demand outpaced global supply and advantage was taken of pricing opportunities. Sales of the furfural-based nematicide now registered in the United States for use on golf courses and in turf farms has commenced and initial market reaction has been positive. Follow-up orders are now being supplied and effective promotion of the product should boost future sales.

Sugar sales have been constrained by lower production volumes, but all markets have been adequately supplied. Domestic market growth continues in Zambia and Tanzania and prospects for increased sales are good. However, difficult economic circumstances have depressed demand in Malawi and Mozambique. In South Africa and Swaziland domestic sales volumes will be lower due to reduced market share in each country, caused by lower production relative to other producers. Regional exports have been strong from Malawi and Zambia and bulk raw sugar exports to the European Union (EU) have moved well, although price realisations have been negatively impacted by lower EU sugar prices early in the year and a weaker Euro. Prospects for improved EU prices are promising as raw sugar shortages in the EU continue.

Net financing costs of R89.0 million were significantly higher than in the previous equivalent period, reflecting the full cost of servicing the group's expansion-related debt in Zambia and Swaziland. In addition, working capital requirements were higher due to an adverse sales mix in the first six months of the year. The group tax charge increased from R149.1 million to R165.2 million as a result of expansion related adjustments to deferred taxation in Zambia and Swaziland.

Headline earnings for the period rose by 12% compared to the same period last year.

Financing for the construction of the integrated Markala sugar factory in Mali has been secured and is now subject to finalisation of loan documentation. Completion of the financing of the agricultural component of the project is complex and requires bi-lateral concessional lenders to disburse funds via the Government of Mali. Good progress has been made towards securing this funding, which is expected to be finalised in 2012. Project commencement also remains dependent upon the Government of Mali fulfiling certain undertakings which is in progress.

Capital reduction distribution out of share premium in lieu of dividend

Notice is hereby given that an interim capital reduction distribution out of share premium of 23.0 cents per share has been declared, in lieu of a dividend, on the ordinary shares of the company in respect of the six months ended 30 September 2011. The directors have determined that the capital reduction distribution shall be paid out of qualifying contributed tax capital as contemplated in the definition of "contributed tax capital" in section 1 of the Income Tax Act, 1962.

In accordance with the settlement procedures of Strate, the company has determined the following salient dates for the payment of the capital distribution:

Last day to trade cum the capital distribution	Thursday, 29 December 2011
Shares commence trading ex the capital distribution	Friday, 30 December 2011
Record date	Friday, 6 January 2012
Payment of interim capital distribution	Monday, 9 January 2012

Share certificates may not be dematerialised/rematerialised between Friday, 30 December 2011 and Friday, 6 January 2012, both days inclusive.

Prospects

Group sugar production for the full year is likely to fall by up to 10% compared to the tonnages produced in the previous year. This is due to the severe impact of the 2010 drought in South Africa where, as a consequence, sugar production will fall for a second year in succession and is likely to be more than 25% lower in 2011/12 than in 2010/11. The severity of this fall is greater than was previously anticipated and will not be fully mitigated by increased production elsewhere in the group.

Modest sugar production increases are likely in Malawi, Mozambique, Swaziland and Tanzania. Reduced sucrose in cane at Nchalo in Malawi limited production growth at that operation, and a record low sucrose content in Zambia will cause sugar production to be below the output of the previous year.

Looking forward, rainfall has returned to normal in South Africa and a marked recovery is anticipated in 2012/13. Elsewhere, better growing conditions have been experienced and this, along with improved cane varieties and upgraded irrigation and drainage will result in an increase in cane yields in 2012/13. Sucrose levels across the group are anticipated to return to more normal levels in 2012/13.

The lower sugar production will result in reduced sales volumes for the full year, but better market conditions and favourable exchange rates will have a positive impact on revenue. A programme to enhance revenue and reduce costs is anticipated to improve operating margins. Net financing costs will, however, increase due to a higher interest charge in Zambia, whilst the effective tax rate is expected to normalise at around 30%. Cash generation remains strong and gearing is anticipated to remain low.

Investment to increase the group's production has been significant over the past three to four years, and the operations are well placed to maximise plant utilisation in the coming and future seasons. Growth in cane supply will continue from the group's own operations and from outgrowers in order to utilise the increased factory capacity.

The group continues to progress its initiatives for growth, including its objective to utilise renewable resources to move towards self-sufficiency in electricity, and to export into the national grid where a surplus of electricity is produced. The Ubombo facility is a case in point and provides the model for the future. In addition, and in order to leverage its intention to maximise the value from every stick of cane crushed, the group continues to progress initiatives to utilise molasses for the production of ethanol for both potable use and fuel blending. In addition to the approved potable alcohol project in Tanzania, investigations in this regard are being progressed in Zambia and Malawi.

On behalf of the Board

D G MacLeod	**G J Clark**	Mount Edgecombe
Chairman	*Managing Director*	22 November 2011

CORPORATE INFORMATION

DIRECTORS

D G MacLeod *(Chairman)**, G J Clark *(Managing Director)* (Australian), M H Abdool-Samad, M I Carr#*, G B Dalgleish, M J Hankinson*, D Konar*, P A Lister#*, P M Madi*, C W N Molope*, A R Mpungwe (Tanzanian)*, T S Munday*, R N Pike #*, L W Riddle, B M Stuart

*#British *Non-executive*

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AUDITORS

Deloitte & Touche

TRANSFER SECRETARIES

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PO Box 4844, Johannesburg, 2000

SPONSOR

J P Morgan Equities Limited

CORPORATE INFORMATION

Company registration number: 1906/000622/06
Share code: ILV
ISIN: ZAE000083846

ABRIDGED GROUP INCOME STATEMENT

	Notes	Actual Unaudited Six months ended 30 September 2011 Rm	Actual Unaudited Six months ended 30 September 2010 Rm	Sugar season basis Unaudited Six months ended 30 September 2011 Rm	Sugar season basis Unaudited Six months ended 30 September 2010 Rm	Change %	Actual Audited Year ended 31 March 2011 Rm
Revenue		**4 094.4**	3 968.5	**4 556.7**	4 257.3	7	8 107.9
Operating profit		**1 080.4**	1 025.8	**620.2**	522.9	19	1 029.3
Dividend income		**–**	–	**–**	–		2.1
Net financing costs	1	**89.0**	35.5	**89.0**	35.5		95.5
Profit before non-trading items		**991.4**	990.3	**531.2**	487.4		935.9
Share of profit/(loss) from associates		**1.0**	(2.2)	**1.0**	(2.2)		(3.6)
Material items	2	**4.3**	19.8	**4.3**	19.8		30.2
Profit before taxation		**996.7**	1 007.9	**536.5**	505.0		962.5
Taxation		**249.5**	282.0	**165.2**	149.1		248.6
Profit for the period		**747.2**	725.9	**371.3**	355.9		713.9
Attributable to:							
Shareholders of Illovo Sugar Limited		**604.1**	594.0	**289.2**	278.4	4	546.2
Non-controlling interest		**143.1**	131.9	**82.1**	77.5		167.7
		747.2	725.9	**371.3**	355.9		713.9
Determination of headline earnings:							
Profit attributable to shareholders		**604.1**	594.0	**289.2**	278.4	4	546.2
Adjusted for:							
– Profit on disposal of business	2	**–**	(19.8)	**–**	(19.8)		(19.8)
– Profit on disposal of property	2	**(4.3)**	–	**(4.3)**	–		(10.4)
– Loss/(profit) on disposal of plant and equipment		**4.4**	–	**4.4**	–		(0.9)
Total tax effect of adjustments		**–**	–	**–**	–		1.0
Total non-controlling interest effect of adjustments		**–**	–	**–**	–		–
Headline earnings		**604.2**	574.2	**289.3**	258.6	12	516.1
Number of shares in issue (millions)		**459.8**	459.4	**459.8**	459.4		459.8
Weighted average number of shares on which headline earnings per share are based (millions)		**459.8**	460.0	**459.8**	460.0		459.8
Headline earnings per share (cents)		**131.4**	124.8	**62.9**	56.2	12	112.2
Diluted headline earnings per share (cents)		**131.2**	124.6	**62.9**	56.2		112.1
Basic earnings per share (cents)		**131.4**	129.1	**62.9**	60.5		118.8
Diluted basic earnings per share (cents)		**131.2**	128.9	**62.8**	60.5		118.6
Distribution per share (cents)	3	**23.0**	22.0	**23.0**	22.0	5	56.0

ABRIDGED GROUP STATEMENT OF FINANCIAL POSITION

	Note	Actual Unaudited 30 September 2011 Rm	Actual Unaudited 30 September 2010 Rm	Sugar season basis Unaudited 30 September 2011 Rm	Sugar season basis Unaudited 30 September 2010 Rm	Actual Audited 31 March 2011 Rm
ASSETS						
Non-current assets		**6 795.2**	5 676.7	**6 795.2**	5 676.7	6 409.4
Property, plant and equipment		**5 199.5**	4 246.7	**5 199.5**	4 246.7	4 984.5
Cane roots		**1 164.7**	1 080.3	**1 164.7**	1 080.3	1 087.9
Intangible assets		**181.4**	174.4	**181.4**	174.4	174.0
Investments		**249.6**	175.3	**249.6**	175.3	163.0
Current assets		**5 629.2**	5 002.5	**5 629.2**	5 002.5	3 396.3
Inventories		**2 196.2**	2 506.5	**2 196.2**	2 506.5	739.1
Growing cane		**1 216.7**	1 032.8	**1 216.7**	1 032.8	1 155.8
Trade and other receivables		**1 245.5**	902.4	**1 245.5**	902.4	768.5
Financial instruments		**33.9**	3.0	**33.9**	3.0	15.1
Cash and cash equivalents		**936.9**	557.8	**936.9**	557.8	717.8
Total assets		**12 424.4**	10 679.2	**12 424.4**	10 679.2	9 805.7
EQUITY AND LIABILITIES						
Total equity		**6 818.0**	6 343.6	**6 442.1**	5 973.6	5 975.3
Equity holders' interest		**5 921.5**	5 493.4	**5 606.6**	5 177.8	5 191.2
Non-controlling interest		**896.5**	850.2	**835.5**	795.8	784.1
Non-current liabilities		**2 724.7**	914.9	**2 724.7**	914.9	960.2
Long-term borrowings		**1 865.5**	318.9	**1 865.5**	318.9	235.3
Deferred taxation		**723.6**	596.0	**723.6**	596.0	687.6
Other liabilities		**135.6**	–	**135.6**	–	37.3
Current liabilities		**2 881.7**	3 420.7	**3 257.6**	3 790.7	2 870.2
Short-term borrowings		**698.5**	1 156.1	**698.5**	1 156.1	994.7
Trade and other payables		**2 170.6**	2 246.9	**2 546.5**	2 616.9	1 871.5
Financial instruments		**12.6**	17.7	**12.6**	17.7	4.0
Total equity and liabilities		**12 424.4**	10 679.2	**12 424.4**	10 679.2	9 805.7

OTHER SALIENT FEATURES

	Note	Actual Unaudited 30 September 2011	Actual Unaudited 30 September 2010	Sugar season basis Unaudited 30 September 2011	Sugar season basis Unaudited 30 September 2010	Actual Audited 31 March 2011
Operating margin (%)		**26.4**	25.8	**13.6**	12.3	12.7
Interest cover (times)		**12.1**	28.9	**7.0**	14.7	10.8
Effective tax rate (%)		**25.2**	28.5	**31.1**	30.6	26.6
Net debt:equity ratio	4	**23.9**	14.5	**25.3**	15.4	8.6
Net asset value per share (cents)		**1 482.8**	1 380.8	**1 401.1**	1 300.2	1 299.6
Depreciation		**141.6**	188.6	**141.6**	188.6	188.1
Capital expenditure		**137.4**	483.1	**137.4**	483.1	1 474.3
– Expansion capital		**48.3**	373.4	**48.3**	373.4	1 262.9
– Replacement capital		**87.0**	107.9	**87.0**	107.9	199.8
		135.3	481.3	**135.3**	481.3	1 462.7
– Expansion of area under cane		**–**	–	**–**	–	8.2
– Product registration costs		**2.1**	1.8	**2.1**	1.8	3.4
Capital commitments		**2 692.3**	3 639.1	**2 692.3**	3 639.1	2 606.4
– Contracted		**121.3**	559.1	**121.3**	559.1	63.2
– Approved but not contracted		**2 571.0**	3 080.0	**2 571.0**	3 080.0	2 543.2
Lease commitments		**371.4**	248.8	**371.4**	248.8	300.3
Contingent liabilities		**155.9**	49.2	**155.9**	49.2	175.0

ABRIDGED GROUP STATEMENT OF CASH FLOWS

	Actual Unaudited Six months ended 30 September 2011 Rm	Actual Unaudited Six months ended 30 September 2010 Rm	Sugar season basis Unaudited Six months ended 30 September 2011 Rm	Sugar season basis Unaudited Six months ended 30 September 2010 Rm	Actual Audited Year ended 31 March 2011 Rm
Cash flows from operating and investing activities					
Cash operating profit	**1 168.2**	1 316.4	**708.0**	813.5	1 132.9
Working capital requirements	**(1 620.9)**	(1 582.8)	**(1 160.7)**	(1 079.9)	146.3
Cash (utilised by)/generated from operations	**(452.7)**	(266.4)	**(452.7)**	(266.4)	1 279.2
Replacement capital expenditure	**(87.0)**	(107.9)	**(87.0)**	(107.9)	(199.8)
Financing costs, taxation and distributions	**(433.8)**	(507.9)	**(433.8)**	(507.9)	(735.7)
Net investment in future operations	**(50.4)**	(375.2)	**(50.4)**	(375.2)	(1 274.5)
Other movements	**49.9**	35.0	**49.9**	35.0	92.3
Net cash outflows before financing activities	**(974.0)**	(1 222.4)	**(974.0)**	(1 222.4)	(838.5)
Borrowings raised	**1 146.8**	481.1	**1 146.8**	481.1	263.0
Other financing activities	**0.3**	(29.0)	**0.3**	(29.0)	(26.7)
Net increase/(decrease) in cash and cash equivalents	**173.1**	(770.3)	**173.1**	(770.3)	(602.2)

STATEMENT OF OTHER COMPREHENSIVE INCOME

Profit for the period	**747.2**	725.9	**371.3**	355.9	713.9
Other comprehensive income					
Foreign currency translation differences	**310.9**	(168.6)	**310.9**	(168.6)	(482.7)
Adjustments in respect of cash flow hedges, net of tax	**15.6**	(13.1)	**15.6**	(13.1)	10.1
Actuarial gains on post-retirement obligations, net of tax	**–**	–	**–**	–	3.2
Hedge of net investment in foreign subsidiaries	**(9.8)**	(37.7)	**(9.8)**	(37.7)	(2.1)
Total comprehensive income for the period	**1 063.9**	506.5	**688.0**	136.5	242.4
Attributable to:					
Shareholders of Illovo Sugar Limited	**886.3**	356.9	**571.4**	41.3	155.0
Non-controlling interest	**177.6**	149.6	**116.6**	95.2	87.4
	1 063.9	506.5	**688.0**	136.5	242.4

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Actual Unaudited Six months ended 30 September		Sugar season basis Unaudited Six months ended 30 September		Actual Audited Year ended 31 March
	2011	2010	**2011**	2010	2011
	Rm	Rm	**Rm**	Rm	Rm
Share capital and share premium					
Balance at beginning of the period	**2 791.5**	3 075.7	**2 791.5**	3 075.7	3 075.7
Issue/(repurchase) of share capital	**0.3**	(29.0)	**0.3**	(29.0)	(26.7)
Transfer to distribution reserve	**(106.9)**	(101.2)	**(106.9)**	(101.2)	(257.5)
Balance at end of the period	**2 684.9**	2 945.5	**2 684.9**	2 945.5	2 791.5
Share-based payments reserve					
Balance at beginning and end of the period	**13.1**	13.1	**13.1**	13.1	13.1
Non-distributable reserves					
Balance at beginning of the period	**154.0**	224.7	**154.0**	224.7	224.7
Realised profit on disposal of property	**–**	–	**–**	–	9.9
Transfer of foreign currency translation reserve	**(271.9)**	187.1	**(271.9)**	187.1	403.8
Transactions with non-controlling shareholders	**–**	(88.5)	**–**	(88.5)	(90.0)
Total comprehensive income:					
– Foreign currency translation	**281.7**	(187.1)	**281.7**	(187.1)	(401.7)
– Cash flow hedges	**10.3**	(12.3)	**10.3**	(12.3)	9.4
– Hedge of net investment in foreign subsidiaries	**(9.8)**	(37.7)	**(9.8)**	(37.7)	(2.1)
Balance at end of the period	**164.3**	86.2	**164.3**	86.2	154.0
Retained earnings					
Balance at beginning of the period	**2 076.3**	1 940.6	**2 076.3**	1 940.6	1 940.6
Realised profit on disposal of property	**–**	–	**–**	–	(9.9)
Transfer of foreign currency translation reserve	**271.9**	(187.1)	**271.9**	(187.1)	(403.8)
Total comprehensive income:					
– Profit for the period	**604.1**	594.0	**289.2**	278.4	546.2
– Actuarial gains on post-retirement obligations	**–**	–	**–**	–	3.2
Balance at end of the period	**2 952.3**	2 347.5	**2 637.4**	2 031.9	2 076.3
Distribution reserve					
Balance at beginning of the period	**156.3**	248.5	**156.3**	248.5	248.5
Transfer from share premium	**106.9**	101.2	**106.9**	101.2	257.5
Distributions paid	**(156.3)**	(248.6)	**(156.3)**	(248.6)	(349.7)
Balance at end of the period	**106.9**	101.1	**106.9**	101.1	156.3
Equity holders' interest	**5 921.5**	5 493.4	**5 606.6**	5 177.8	5 191.2
Non-controlling interest					
Balance at beginning of the period	**784.1**	812.1	**784.1**	812.1	812.1
Distributions paid	**(65.2)**	(103.9)	**(65.2)**	(103.9)	(106.2)
Change in shareholding	**–**	(7.6)	**–**	(7.6)	(9.2)
Total comprehensive income:					
– Foreign currency translation	**29.2**	18.5	**29.2**	18.5	(81.0)
– Cash flow hedges	**5.3**	(0.8)	**5.3**	(0.8)	0.7
– Profit for the period	**143.1**	131.9	**82.1**	77.5	167.7
Balance at end of the period	**896.5**	850.2	**835.5**	795.8	784.1
Total equity	**6 818.0**	6 343.6	**6 442.1**	5 973.6	5 975.3

SEGMENTAL ANALYSIS

	Actual Unaudited Six months ended 30 September		Sugar season basis Unaudited Six months ended 30 September				Actual Audited Year ended 31 March
	2011	2010	**2011**		2010		2011
	Rm	Rm	**Rm**	**%**	Rm	%	Rm
BUSINESS SEGMENTS							
Revenue							
Sugar production	**2 162.1**	2 266.8	**2 949.8**	**65**	2 948.4	69	5 543.9
Cane growing	**1 510.6**	1 337.5	**1 159.4**	**25**	946.1	22	1 779.3
Downstream	**405.3**	364.2	**435.4**	**10**	362.8	9	784.7
Co-generation	**16.4**	–	**12.1**	**–**	–	–	–
	4 094.4	3 968.5	**4 556.7**		4 257.3		8 107.9
Operating profit							
Sugar production	**490.1**	638.2	**347.3**	**56**	371.8	71	742.8
Cane growing	**513.5**	321.3	**191.4**	**31**	116.9	22	193.9
Downstream	**62.4**	66.3	**69.1**	**11**	34.2	7	92.6
Co-generation	**14.4**	–	**12.4**	**2**	–	–	–
	1 080.4	1 025.8	**620.2**		522.9		1 029.3
Total assets							
Sugar production	**6 852.3**	6 334.7	**6 852.3**	**60**	6 334.7	63	4 595.7
Cane growing	**3 697.4**	3 371.4	**3 697.4**	**32**	3 371.4	33	3 708.1
Downstream	**477.1**	412.3	**477.1**	**4**	412.3	4	360.8
Co-generation	**426.8**	–	**426.8**	**4**	–	–	408.2
	11 453.6	10 118.4	**11 453.6**		10 118.4		9 072.8

Note: *Total assets excludes cash and cash equivalents and financial instruments.*

	2011 Rm	2010 Rm	**2011 Rm**	**%**	2010 Rm	%	2011 Rm
GEOGRAPHICAL SEGMENTS							
Revenue							
Malawi	**719.8**	809.3	**815.8**	**18**	788.7	19	1 447.8
Zambia	**1 036.2**	859.2	**1 135.7**	**25**	998.2	23	1 829.9
South Africa	**1 158.3**	1 336.2	**1 575.4**	**35**	1 644.1	39	3 219.2
Tanzania	**303.8**	249.8	**338.0**	**7**	314.5	7	626.1
Swaziland	**573.4**	519.5	**469.2**	**10**	356.9	8	738.0
Mozambique	**302.9**	194.5	**222.6**	**5**	154.9	4	246.9
	4 094.4	3 968.5	**4 556.7**		4 257.3		8 107.9
Operating profit							
Malawi	**469.2**	381.2	**282.4**	**45**	245.6	47	430.1
Zambia	**306.1**	235.3	**201.7**	**33**	147.0	28	242.4
South Africa	**97.6**	233.0	**10.4**	**2**	38.3	7	148.0
Tanzania	**66.4**	57.6	**83.6**	**13**	63.7	12	128.0
Swaziland	**56.3**	99.3	**18.8**	**3**	20.0	4	78.2
Mozambique	**84.8**	19.4	**23.3**	**4**	8.3	2	2.6
	1 080.4	1 025.8	**620.2**		522.9		1 029.3

NOTES TO THE FINANCIAL STATEMENTS

		Unaudited Six months ended 30 September 2011 Rm	Unaudited Six months ended 30 September 2010 Rm	Audited Year ended 31 March 2011 Rm
1.	**Net financing costs**			
	Interest paid	**124.4**	79.0	144.0
	Less: capitalised	**–**	(8.4)	(26.1)
		124.4	70.6	117.9
	Interest received	**(8.8)**	(35.2)	(25.0)
	Foreign exchange (gains)/losses	**(26.6)**	0.1	2.6
		89.0	35.5	95.5
2.	**Material items**			
	Profit on disposal of business	**–**	19.8	19.8
	Profit on disposal of property	**4.3**	–	10.4
	Material profit before taxation	**4.3**	19.8	30.2
	Taxation	**–**	–	(0.7)
	Material profit attributable to shareholders of Illovo Sugar Limited	**4.3**	19.8	29.5

3. Distribution per share

The distribution per share of 23.0 cents represents an interim capital distribution declared out of share premium (2010: interim distribution of 22.0 cents).

4. Net debt:equity ratio

The net debt:equity ratio is calculated as interest-bearing liabilities, net of cash and cash equivalents, divided by total equity.


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