

Interim Results Presentation

3 November 2005

**Interim Results Presentation
Iain Ferguson
Chief Executive**

3 November 2005

Good morning ladies and gentlemen and thank you for coming here today for our half-year results.

I'd also like to welcome our Chairman Sir David Lees and the other Non-Executive Directors here today. I trust you had an opportunity to meet them over coffee.

Key Highlights

- Profit before tax, exceptional items and amortisation of patents up 7% at £136m
- SPLENDA® Sucralose sales growth of 19%
- Food & Industrial Ingredients Americas PBI* up 20%
- Strong balance sheet and financial ratios
- £100m expansion in US Loudon and Sagamore facilities announced
- Interim dividend increased by 3.5% (0.2p) to 5.9p per share



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* Before exceptional items and amortisation of patents

I'm sure that most of you will have already seen our press release this morning. Simon will take you through the financials in detail, so I won't dwell on these key highlights. However, I would like to start today's presentation by telling you that we have made a good start to the year with profit before tax, exceptional items and amortisation of patents up 7.1% at £136m. We also continue to make good progress in SPLENDA® Sucralose and our other value added food ingredients.

I will now hand you over to Simon...

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**Interim Results Presentation
Simon Gifford
Group Finance Director**

3 November 2005

The results have been prepared for the first time under IFRS and the comparative figures have been restated to reflect this. This has resulted in the restatement of some of our key financial ratios. Some figures are quoted in this presentation before amortisation. This amortisation, unless otherwise stated, relates solely to patent amortisation with other amortisation, such as that on development expenditure being deducted in arriving at the profit figure quoted. This is also the first set of results under our new segmental reporting.

Financial Highlights

- Progress in profit before tax
- Strong balance sheet
- Healthy interest cover and net debt/EBITDA
- Comparative figures restated for IFRS



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This year, as you know, is one of consolidation as we invest for future growth. Despite higher interest costs there has been progress in the profit before tax for the six months to September 2005 and the balance sheet remains strong with healthy interest cover and net debt to EBITDA multiples.

Income Statement

Six Months to September

HALF YEAR FIGURES

| £m | 2005 | 2004 | |
|--------------------------------|------------|------------|------------|
| Sales | 1,868 | 1,665 | +12% |
| Profit before interest* | 153 | 140 | +9% |
| Interest | (17) | (13) | -31% |
| Profit before taxation* | 136 | 127 | +7% |
| PBI*/Sales margin | 8.2% | 8.4% | |
| Interest cover* | 9.0 x | 10.8 x | |

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* Before exceptional items and amortisation of patents

If we look at the income statement:

Sales increased by £203m with exchange translation contributing £17m of that increase.

Profit before interest, amortisation and exceptional items at £153m was £13m above the comparative period.

Exchange translation increased profit before interest by £2m.

The net interest charge was £4m higher than in the comparative period.

The annualised total net interest charge, excluding the finance cost of pensions and charge for interest related derivatives, as a percentage of average net debt has increased from 3.7%, under UK GAAP, to 5.2%. The increased interest charge was primarily due to higher rates.

Exchange translation increased profit before tax by £2m.

At £136m, profit before tax, amortisation and exceptional items was 7% above that achieved in the comparative period.

The profit before interest over sales margin was 8.2% against 8.4% in the comparable period and 8.3% for the 2005 financial year. The reduction is principally due to the increase in low margin sugar trading sales.

Interest cover before amortisation and exceptional items, as expected, remains strong at 9.0 times.

Income Statement

Six Months to September

HALF YEAR FIGURES

| £m | 2005 | 2004 |
|--|------|------|
| Profit before taxation* | 136 | 127 |
| Amortisation of patents | (2) | (2) |
| Exceptional items | 1 | (42) |
| Taxation | (39) | (21) |
| Minority interests | (2) | (3) |
| Profit for the period – equity holders | 94 | 59 |
| Effective tax rate for the year (%) | 29.0 | 28.4 |
| Dividend per share (pence) | 5.9 | 5.7 |
| Diluted earnings per share* (pence) | 19.5 | 18.2 |

* Before exceptional items and amortisation of patents

Amortisation of patents was £2m.

Net exceptional items, which under IFRS are included within operating profit, were £1m income compared to a £42m net charge in the comparative period, which mainly related to the settlement of the high fructose corn syrup civil anti-trust case.

The effective tax rate before amortisation and exceptional items was 29.0% and I forecast a similar tax rate for the year. This compares to 28.4% in the 2005 financial year.

Overall, profit for the period attributed to equity holders of the Company increased by £35m to £94m.

The interim dividend has been increased by 0.2 pence to 5.9 pence.

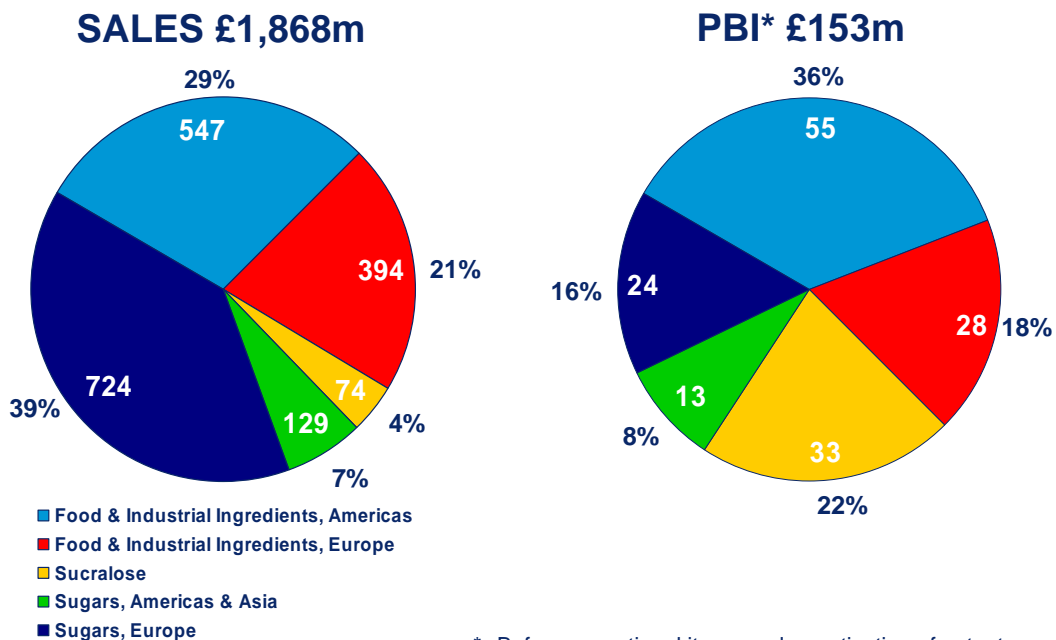
Earnings per share before amortisation of patents and exceptional items was 1.3 pence higher at 19.5 pence.

Turning now to the segmental analysis.

Segmental Analysis

Six Months to September 2005

HALF YEAR FIGURES

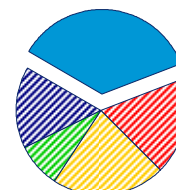


Profits in this part of the presentation are before amortisation of patents and the exceptional items. These pie charts show the split of sales and profit before interest. The next few slides will examine each segment in detail.

| £m | 2005 | 2004 | | 29% Group Sales |
|-------------------------|-------|------|----------|-----------------|
| Sales | 547 | 539 | +1% | |
| Profit before interest* | 55 | 46 | +20% | |
| Margin* | 10.1% | 8.5% | +1.6 pts | |

- Good growth in value added food ingredients
- Value added industrial ingredients gross margins higher
- Commodity product volumes and gross margins increased
- Net corn costs lower, ethanol still strong
- Improved citric acid profitability, small loss at astaxanthin plant
- Higher energy and transport costs

36% Group PBI*



* Before exceptional items and amortisation of patents

In the first of our new segments, Food and Industrial Ingredients – Americas, profit increased by £9m or 20%.

Those of you who attended our site visit to Decatur two weeks ago will have seen at first hand how our US business is growing its value added portfolio.

It has been a consistent feature of these preliminary and interim results presentations that I report good growth in value added food ingredients and this half-year has been no exception with volume growth exceeding 5% and higher total gross margins.

Value added industrial ingredients volumes and total gross margins were also higher.

Turning to commodity products, over the six month period we have achieved increased volume and higher total gross margins.

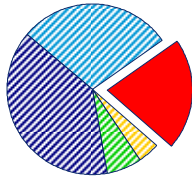
Lower corn costs resulted in a reduction in net corn costs. Ethanol continued to perform strongly.

The citric acid product line increased its profitability but the astaxanthin plant made a small loss in the period.

Inevitably, the cost of energy and associated transport costs increased. We will look to recover these in the commodity sweetener 2006 calendar year pricing round.

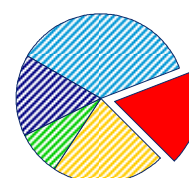
In Mexico, our starch business Almex made a small profit.

The growth in value added products has helped the total profit before interest, amortisation and exceptional items over sales margin for the segment to increase from 8.5% to 10.1%.

| £m | 2005 | 2004 | | 21% Group Sales |
|-------------------------|------|------|----------|---|
| Sales | 394 | 387 | +2% |  |
| Profit before interest* | 28 | 22 | +27% | |
| Margin* | 7.1% | 5.7% | +1.4 pts | |

- Good growth in value added food ingredients and alcohol
- Commodity sweetener selling prices significantly lower than 2004
- By-product prices generally higher
- Joint venture performance in line with comparative period
- Increased energy and transport costs

18% Group PBI*



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* Before exceptional items and amortisation of patents

At Food and Industrial Ingredients – Europe, profit increased by £6m.

Higher volumes overall were achieved with good growth in value added food ingredients and alcohol.

As expected selling prices were significantly lower following the 2005 commodity sweetener calendar pricing round.

By-product prices were generally higher but vital wheat gluten prices, although resilient given surplus stocks, were lower.

The joint-venture, Eaststarch, performed well with profits in line with the comparative period.

Increased energy and transport costs were incurred. These higher costs in the second half of the year will impact the quarter ending December 2005 and need to be recovered in selling price increases in the 2006 commodity sweetener calendar pricing round. This, together with the reduction in EU isoglucose quotas, is likely to result in second half profits in this segment to be below the level in the first half and the strong comparative in the second half of last year.

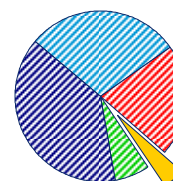
Sucralose

Six Months to September

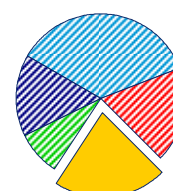
HALF YEAR FIGURES

| £m | 2005 | 2004 | |
|-------------------------|-------|-------|---------|
| Sales | 74 | 62 | +19% |
| Profit before interest* | 33 | 26 | +27% |
| Margin* | 44.6% | 41.9% | +2.7pts |

4% Group Sales



22% Group PBI*



- Underlying profit up £3m
- Forecast start-up costs for full year £7m
- Small profit improvement anticipated in H2 over H1
- Alabama expansions on schedule and on budget
- Singapore plant expected to be commissioned early 2007
- Further progress anticipated in 2007

* Before exceptional items and amortisation of patents

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SPLENDA® Sucralose increased profits by £7m. £4m of the increase was due to an IFRS stock adjustment in the comparative period.

Sales of £74m represented an increase of 19% over the comparative period, benefiting from an increase in capacity from part of the first expansion at the Alabama US plant. Production capacity, however, continued to restrict sales. Profit increased to £33m which was a good performance given that profitability in the comparative period benefited from reducing inventory levels to enable customers to launch new products.

Start-up costs this financial year are expected to be slightly lower than I anticipated at £7m. We incurred £2m in the first half.

Despite these costs we anticipate some small improvement in profit in the second half compared to the first half as the remainder of the first expansion is gradually brought on stream.

The two projects to double the initial capacity of the Alabama plant are on schedule and on budget to be completed by April 2006 as is the new Singapore plant which is due to be commissioned in early 2007. By then the initial capacity acquired will have been tripled.

In the 2007 financial year, with the benefit of both the expansion projects at Alabama, we expect further progress.

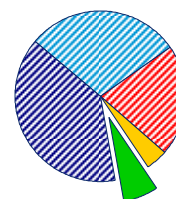
Sugars, Americas & Asia

Six Months to September

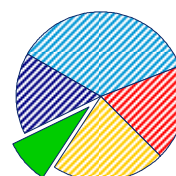
HALF YEAR FIGURES

| £m | 2005 | 2004 | |
|-------------------------|-------|-------|----------|
| Sales | 129 | 120 | +8% |
| Profit before interest* | 13 | 14 | -7% |
| Margin* | 10.1% | 11.7% | -1.6 pts |

7% Group Sales



8% Group PBI*



- Canada
 - lower volumes
 - inventory mark to market gain £2m
- Vietnam and Mexico profits in line with comparative period

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* Before exceptional items and amortisation of patents

In Sugars, Americas and Asia profit was down by £1m.

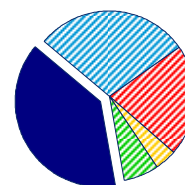
The largest contribution to this segment is our cane sugar refining business in Canada.

Imports from the US caused both industry and our own volumes to decline, resulting in slightly lower profits. The inventory mark to market gain during the period was £2m; the same as in the comparative period.

Profits from our Vietnamese and Mexican sugar operations were in line with the comparative period.

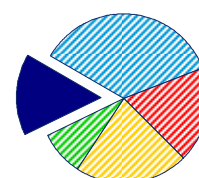
| £m | 2005 | 2004 | |
|-------------------------|------|------|----------|
| Sales | 724 | 557 | +30% |
| Profit before interest* | 24 | 32 | -25% |
| Margin* | 3.3% | 5.7% | -2.4 pts |

39% Group Sales



- UK adversely affected by higher cost of export licences
- Over-supply of sugar in EU caused selling price pressure
- Eastern Sugar – higher profits
- Strong profits from sugar and molasses trading

16% Group PBI*



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* Before exceptional items and amortisation of patents

Profit in the Sugars, Europe segment declined by £8m.

Our sugar refining business in the UK was adversely affected as expected, by the higher cost of export licences. Whilst the price of these reduced from their peak levels during the latter part of the period, the additional cost amounted to £8m compared to the first half of the March 2005 financial year.

Additionally, oversupply of sugar in the EU market caused selling price pressure at both the UK and Portuguese refineries.

A fire in our Portuguese refinery resulted in some damage and business interruption. This cost has been recovered but will result in a small loss in our in-house re-insurance company.

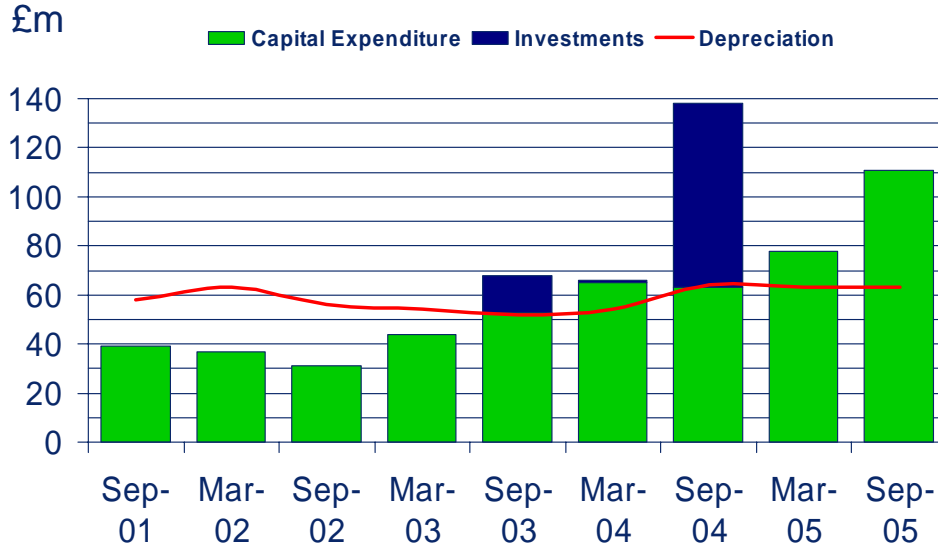
Eastern Sugar, our European sugar beet joint venture, improved profitability benefiting from putting some sugar to intervention. We therefore expect profits to be lower in the second half.

Sugar and molasses trading achieved good profits albeit lower than the strong performance in the second half of the last financial year.

As I have gone through the segmental analysis, you will have seen that energy costs are a recurrent theme. In the year ending March 2006, we expect these to have increased by £30m for the Group as a whole over 2005 and, at current rates, to increase by a further £40m in the year to March 2007. We aim to recover this through product pricing.

Turning now to capital expenditure.

Capital Expenditure & Investments



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Figures up to and including Mar 04 are stated under UK GAAP

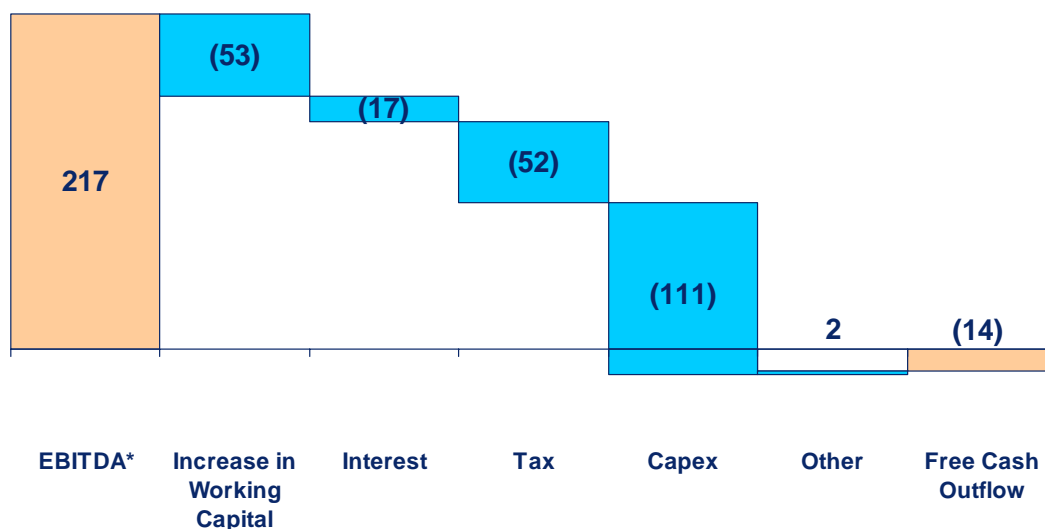
As expected, capital expenditure at £111m outpaced depreciation of £63m as we invest for growth. Both these figures include our share of our joint-venture companies as we are proportionally consolidating under IFRS.

I still expect capital expenditure for the year ending March 2006 to be around double the depreciation charge. With expenditure occurring in the 2007 financial year on the completion of the sucralose plant in Singapore and the value-added product expansions at Loudon and Sagamore that we announced in July, I now expect capital expenditure for that year also to be double depreciation.

Free Cash Flow

Six Months to September 2005 in £m

HALF YEAR FIGURES



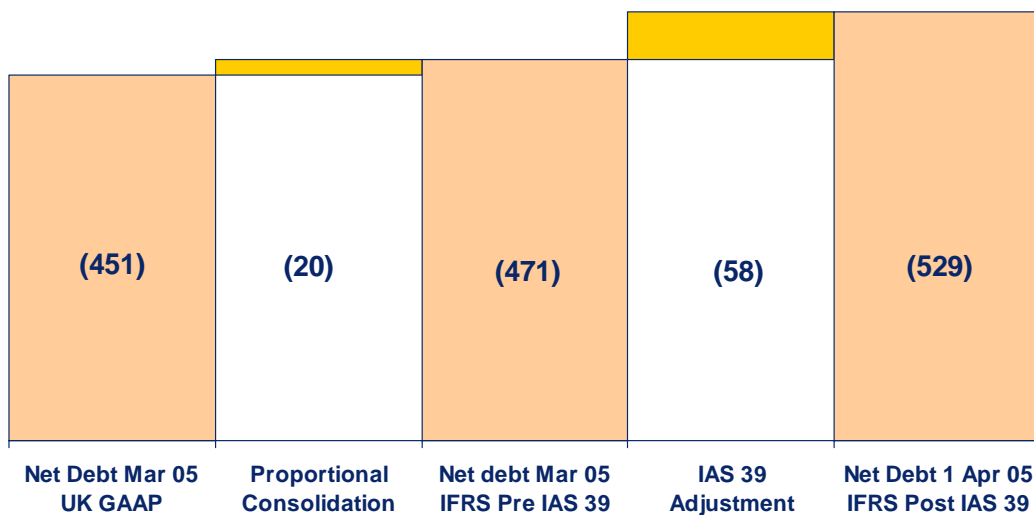
15

* Before exceptional items and total amortisation

Operating profit before depreciation, total amortisation and exceptional items was £217m. The working capital outflow was £53m mainly due to an increase in receivables. After net payments for interest and tax, free cash outflow amounted to £14m.

Net Debt
UK GAAP to IFRS in £m

HALF YEAR FIGURES



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Net debt at 31 March 2005 has been restated due to the proportional consolidation of joint ventures which brings £20m of their debt on to the balance sheet.

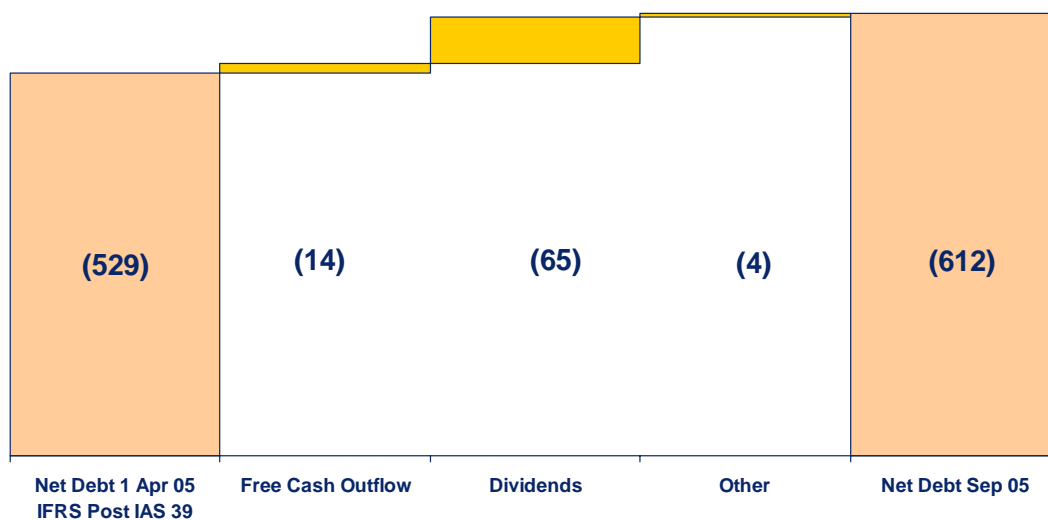
The effect of IAS 39 is to increase net debt at 1 April 2005 by £58m, representing receivables securitisation of £45m and other items totalling £13m mainly the accrual of interest.

The total effect of IFRS was, therefore, to increase net debt by £78m.

Net Debt Increased to £612m

Six Months to September 2005 in £m

HALF YEAR FIGURES



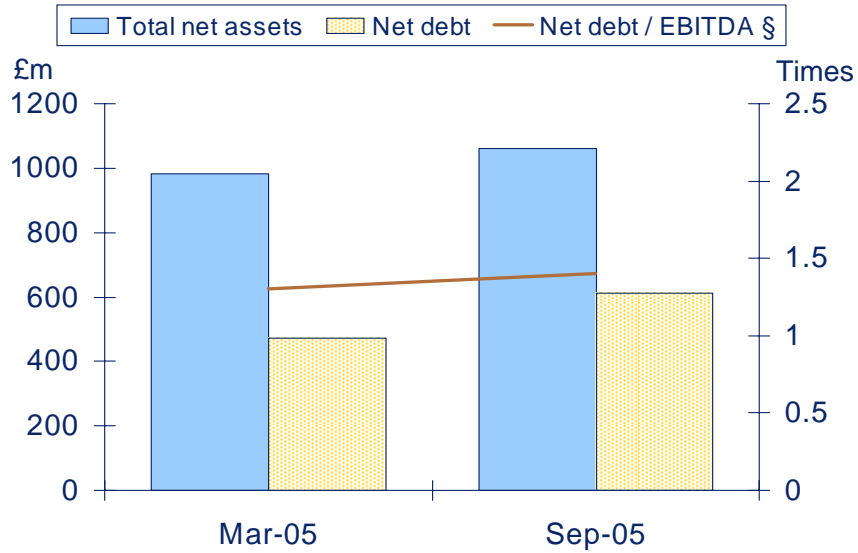
17

Net dividend payments totalled £65m.

There was an unfavourable movement on Other of £4m, which contained a £12m unfavourable movement on exchange.

Therefore, in addition to the IFRS effect of £78m shown on the previous slide, net debt increased by £83m.

Summary Balance Sheet



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§ annualised, before exceptional items and total amortisation

With net debt at September 2005 being £612m, the annualised net debt/pre-exceptional EBITDA multiple as shown by the graph on this slide was 1.4 times. This multiple is calculated before total amortisation of £3m.

Moving now to retirement benefits.

Retirement Benefits

Income Statement Charge & Pension Cash Contributions

- Income statement charge
 - First half charge of £9m to operating profit and £2m net finance charge in line with prior year

- Pension cash contributions
 - First half year contributions of £16m (2004: £19m)

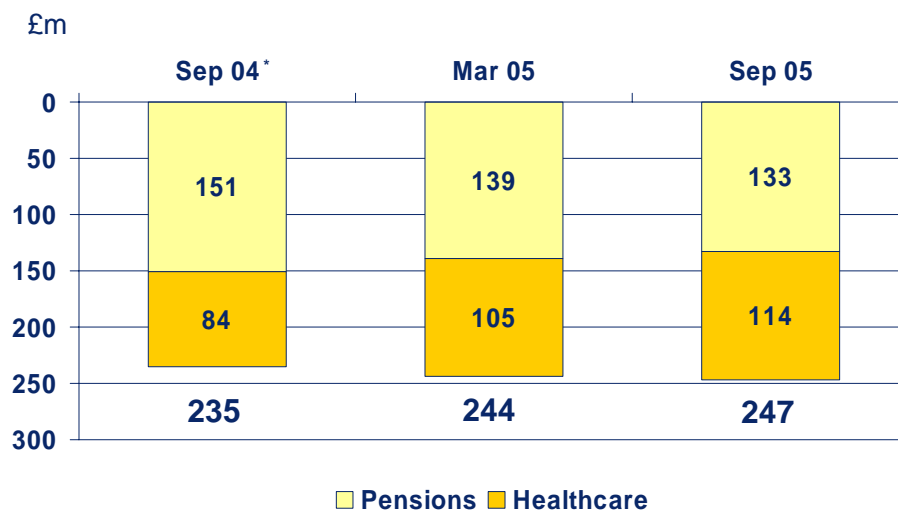
19

The charge for retirement benefits under IFRS was £9m to operating profit and £2m to interest giving a total charge of £11m, the same as in the comparative period.

Pension cash contributions were £16m compared to £19m.

Retirement Benefits (IAS 19)

Gross Deficit



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* Sep 04 numbers are shown under FRS 17

This slide shows the deficit for pensions and healthcare liabilities. The March and September 2005 figures are under IFRS; the September 2004 deficit is shown under FRS 17.

Since 31 March 2005 the pension deficit has reduced by £6m, and the healthcare liability has increased by £9m resulting in a net increase of £3m. The underlying movement was a £8m improvement in the deficit more than offset by £11m adverse exchange translation.

Key Financial Ratios

Six Months to September

HALF YEAR FIGURES

| | 2005 | 2004 |
|--------------------------------|-------|--------|
| Interest cover* | 9.0 x | 10.8 x |
| Net debt / EBITDA [§] | 1.4 x | 1.3 x |
| Gearing ^τ | 58% | 58% |
| RONOA [Ⓞ] | 18.4% | 18.7% |

* Before exceptional items and amortisation of patents
[§] Annualised, before exceptional items and total amortisation
^τ Gearing for 2004 does not reflect the impact of IAS 39
[Ⓞ] Annualised, before exceptional items

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This slide shows the key financial ratios. I have already mentioned interest cover, and the net debt/pre-exceptional EBITDA multiple.

The net debt to net assets gearing ratio was 58%.

The annualised return on net operating assets of 18.4% for the period has been calculated after adjusting for the impact of IAS39 on 1 April 2005. If the return had been calculated on the net operating assets at 31 March 2005 before the IAS39 adjustment, the return would have been 18.8%.

So, as I said earlier, our balance sheet is strong, evidenced by these ratios and we are in a position to continue to invest for the future and grow the value-added portfolio.

I will now hand over to Iain.

Interim Results Presentation
Iain Ferguson
Chief Executive

3 November 2005

Thank you Simon.

As Simon has demonstrated in his presentation, we have made good progress in the six months to 30 September.

Before I tell you about how we are continuing to drive value added growth, no presentation would be complete without mention of the EU Sugar Regime.

EU Sugar Regime

Nothing new to report

- Reform date 1 July 2006
- Current proposals
 - Sugar selling price reduced by 39%, EU beet sugar production reduced by 4m tonnes, Beet refiners' margin reduced by 44%, Cane refiners' margin reduced by 77%
- Potential impact on Tate & Lyle operating results¹:
 - -£20m in FY 2007, -£60m in FY 2008, -£85m in FY 2009
- **BUT** targeted improvement in value added will at least offset the impact
- Tate & Lyle position
 - Proposals are inequitable, discriminating and disproportionate
 - We are lobbying for a fairer and more satisfactory outcome.
- Once the final reforms are known, we will respond in a timely manner



²³ ¹ From changes to institutional framework excluding the effect of market forces and the benefit of mitigating actions.

We are expecting to see the final proposals for reform of the sugar regime from the European Commission in late November. Before then, there is really nothing new that I can say to you on this topic. This slide summarises what we have said so far, so I won't repeat it.

I would like to take the opportunity to stress once again that we continue to actively lobby for a fairer and more satisfactory outcome for cane refiners and isoglucose producers.

Once the Commission has announced the final proposals for reform of the sugar regime, it is our intention to publish our quantification of the potential impact upon our businesses and the mitigating actions we will take. We appreciate that the market will be keen to know our response on this topic, and we will again seek to make an announcement in a timely manner. It will all depend on the degree of variance from the last announcement from the Commission and the depth and detail of their announcement.

I would now like to recap on some of the things we have been doing in the last six months to drive our value added growth. In doing this I will be including just a few of the slides we showed in Decatur a couple of weeks ago, so bear with me if you made that trip!

Let me start by telling you what is driving the demand for value added ingredients.

Macro Trends

- Health & Wellness
 - Obesity
 - Aging boomers
 - Awareness
- Convenience
 - Active lifestyles
 - Disposable income
- Indulgent
 - I deserve...
- Value
 - Trade up...trade down
- Taste
 - No compromise



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Our approach today is customer and consumer orientated. Everything we do starts with understanding the needs of our customers and in turn the needs of their customers, often referred to as consumers. We have, therefore, initiated programmes of bespoke consumer research to better understand the ever-changing demands of the consumer.

You will be aware of the major macro trends shown on this slide:

Health & wellness tops the list due to the ever-growing issue of obesity throughout the Western world.

Convenience has been a trend in the United States for some time but it has now extended to other countries.

Consumers feel they deserve to treat themselves and occasionally enjoy a luxury, so indulgence is still seen as important.

Value has always been prevalent but consumers are challenging what they are getting for their money and increasingly will make a value choice.

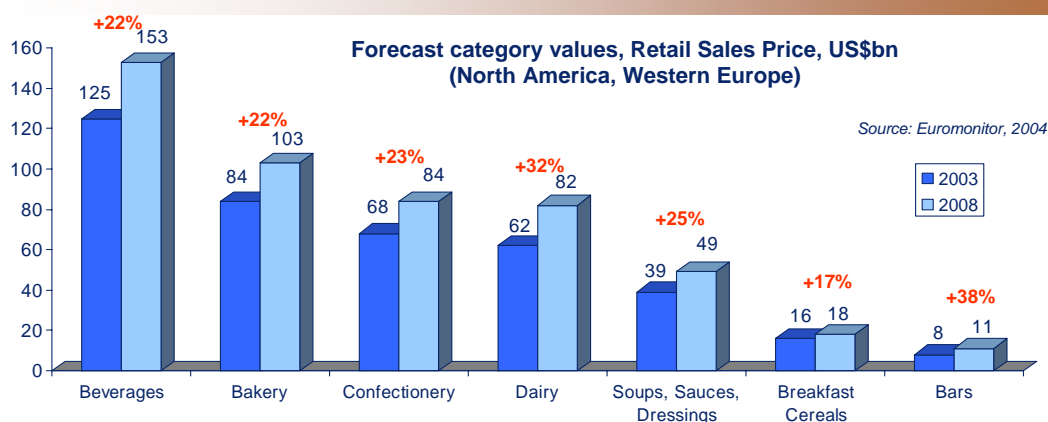
Taste also has always been important but it is becoming increasingly clear that we want all of the benefits above, even though they are conflicting, but will not compromise on taste.

To help us respond to these trends in the most efficient manner, we have established a new Global Food Ingredients Group.

New Global Food Ingredients Group

Changing what we take to market, and how we take to market

TATE & LYLE
CONSISTENTLY FIRST IN RENEWABLE INGREDIENTS



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Mark White, previously Chief Executive of Sugars, Europe, is now leading this group as President, Global Food Ingredients.

The graph on this slide demonstrates the opportunities for growth in various food categories within North America and Western Europe. The new Global Food Ingredients Group will help us to exploit these opportunities.

This change to the structure and leadership of Tate & Lyle's food and industrial ingredients businesses reflects the acceleration of the Group's growth strategy and continuing commitment to delivering excellence in customer service. Only by providing our customers with a first class service and by offering them distinctive propositions based on the combined knowledge and expertise of our people across the business, will we make Tate & Lyle their partner of choice across the world.

We have initiated new advertising which we believe is creative, well placed and informative. It helps us brand Tate & Lyle while explaining the features and benefits of our new products and services. Also, we have supported the approach with substantial marketing material which provides important general and technical information about how to use our products and services.

A selection of this material is available here, for those of you who didn't get a pack in Decatur.


Organic growth has been the main driver of Tate & Lyle's growth in the last few years. However, we recognise that there are still gaps in our portfolio. Small bolt-on acquisitions will help us to fill these gaps and grow the business further. We are therefore actively seeking acquisition opportunities where we see strong strategic fit with the rest of the business.

Let me now give you an example of where we are growing organically...

Sagamore and Loudon Expansions

Growing the base for value added

TATE & LYLE
CONSISTENTLY FIRST IN RENEWABLE INGREDIENTS



| Sagamore | Loudon |
|---|---|
| <ul style="list-style-type: none">• c£60m expansion will:<ul style="list-style-type: none">– increase capacity for food ingredient products– include investment in substantial environmental improvement | <ul style="list-style-type: none">• c£40m expansion will:<ul style="list-style-type: none">– increase production of value added– supply substrate for Bio-PDO™ JV– increase ethanol capacity– include substantial investment in environmental improvements |

In July, we announced the expansion of our Sagamore and Loudon facilities.

We are spending around £60 million on the expansion of our Sagamore facility in Lafayette, Indiana. The Sagamore plant is Tate & Lyle's primary US production site for value added food starches which are used in a wide array of dairy, beverage, baking, snacks and dressings. This project will increase capacity for food ingredient products and also includes investment in substantial environmental improvements. Construction is due to begin later this financial year and the new capacity is scheduled to be operational by January 2007.

We are also spending around £40 million on expanding our facility in Loudon, Tennessee. This expansion will again enable Tate & Lyle to increase production of value added products and will also supply substrate for our joint venture with DuPont to produce Bio-PDO™. Ethanol capacity will also be increased by 37 million gallons per year. This project also includes investment in substantial environmental improvements and will reduce per unit energy consumption whilst allowing significantly higher starch yields – a good example of our commitment to a sustainable environment through innovation. Construction has now begun and the new capacity is scheduled to be operational in October 2007.

The investments in both Sagamore and Loudon reflect our firm commitment to deliver against our strategy to grow our business, and in particular to grow the contribution from value added products. The expansions will increase the corn grind and demand for locally sourced crops, whilst the environmental improvements are designed to reduce emissions and reflect Tate & Lyle's commitment to environmental performance and to the surrounding community.

The Sagamore and Loudon expansions are part of responding to customers' demands by producing food ingredients which cater for their needs.

Let me now give you a quick update on SPLEND® Sucralose.



McIntosh

- £40m expansion programme:
 - First phase debottlenecking
 - Second phase further expansion
 - On track and on budget
 - Minimal impact from hurricane



Singapore

- £100m construction:
 - On track and on budget
 - Training of Singapore employees underway
 - Hurricane-free zone!

Our expansion of the McIntosh plant continues to progress well. We have already brought on some of this new capacity through our initial debottlenecking programme.

We experienced minimal impact from Hurricane Katrina and our project continues to be on track and on budget.

We are also pleased with the progress of our plant construction in Singapore. Again, we are on track and on budget. We have already recruited some of our Singapore employees and training of these employees is underway at our McIntosh plant. I would also like to add that we are confident that the Singapore plant is in a hurricane-free zone – touch wood!

So, to summarise...



- Good start to the year
- Continued progress in value added
- All expansion projects on track
- Strong balance sheet
- We expect results for the full year to show satisfactory progress

We have made a good start to the year, with continued progress in value added growth.

And, as we have demonstrated in Loudon and Sagamore, we have opportunities to invest in organic growth.

SPLENDA® Sucralose has again produced a good performance, despite the tough comparison with last year when we were reducing inventory.

All of our key expansion projects, including SPLENDA® Sucralose and the Bio-PDO™ joint venture with DuPont, are on track.

We have a strong balance sheet and are well positioned for growth.

Despite significantly higher energy costs we expect the result for the full year to show satisfactory progress.

With that I would like to open up the floor to questions.

Please wait for the
microphone and state
your name and that of
your organisation.

