

29 March 2006 - Trading Update prior to Closed Period

Before entering its closed period for the year ending 31 March 2006 and prior to meeting with stockbrokers' analysts, Tate & Lyle issues the following routine trading update. The preliminary announcement of results for the year ending 31 March 2006 will be made on 25 May 2006.

OVERVIEW

Since the update on 25 January 2006 Tate & Lyle's trading performance has been generally encouraging.

MAJOR BUSINESS UNITS

Food & Industrial Ingredients, Americas has performed strongly, benefiting from higher selling prices since the beginning of the calendar year (across all major product groups in both the US and Mexico), and from volume growth in value added food ingredients. All major capital expansion projects are on schedule. Construction continues to progress satisfactorily at the Bio-PDO™ plant in Loudon, Tennessee, and where expansion of the value added facilities is taking place at Loudon and Sagamore.

Favourable raw material costs and improved selling prices for value added and most other products in **Food & Industrial Ingredients, Europe** only partially mitigated the impact of higher energy costs and significantly lower sweetener prices. These lower prices were caused by an oversupply of sugar in the market and impending changes to the EU sugar regime, as reported in our November 2005 and January 2006 trading updates.

SPLENDA® Sucralose has continued to perform well although manufacturing costs to date in the second half year are higher, mainly due to increased energy and ingredient costs, and expansion related operational constraints. The first phase of the plant expansion at McIntosh, Alabama is now in the final stages of commissioning. The second phase is on schedule for mechanical completion and the start of commissioning in April 2006. These two expansions will result in a doubling of the McIntosh capacity compared with the capacity when the plant was acquired in April 2004. The new Singapore facility is also on schedule and is expected to be fully commissioned in 2007.

The decline in earnings for **Sugars, Europe** has continued due to higher energy costs and, as previously reported, pressure on selling prices caused by an oversupply of sugar and impending changes to the EU sugar regime. This has been offset by a strong performance from Tate & Lyle Sugar Trading.

Our sugar operations in **Sugars, Americas and Asia** continue to perform in line with our expectations. At the year end the Canadian sugar business is likely to benefit from a more substantial mark-to-market gain on raw sugar inventory than in recent years due to the prevailing world sugar price.

IMPAIRMENT OF ASSETS

As stated in the Tate & Lyle announcement dated 25 November 2005 regarding the reform of the EU sugar regime, "The changes to the profitability of individual operating units will give rise to a review of the carrying value of the assets concerned and is likely to result in an impairment of assets which cannot be quantified at this time." The fixed assets and goodwill of those business units affected by the EU sugar regime are expected to total approximately £750 million at 31 March 2006, before any impairment. The review is likely to result in a substantial impairment of these assets, the

quantification of which will be contained in the preliminary announcement of results on 25 May 2006.

The detailed implementation legislation relating to changes to the EU sugar regime, previously anticipated in early 2006, is not now expected to be available until around the time of the preliminary announcement of results.

TAXATION

The increased proportion of profits derived from the US, together with a small charge relating to prior years, is expected to increase the effective tax rate for the full year to between 30% and 31%, this compares to our estimate at the time of the interim results of 29%.

NET DEBT

Net debt at 31 March 2006 is expected to be significantly higher than the £612 million reported at the half year. This is due to continuing high levels of capital expenditure in excess of depreciation as we invest for growth, and a further increase in the working capital outflow relating to sugar trading activity and increased world sugar prices. The working capital movement relating to sugar trading is expected to reverse in the financial year to 31 March 2007.

END

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About Tate & Lyle:

Tate & Lyle is a world leading manufacturer of renewable food and industrial ingredients. It uses innovative technology to transform corn, wheat and sugar into value-added ingredients for customers in the food, beverage, pharmaceutical, cosmetic, paper, packaging and building industries. The Company is a leader in cereal sweeteners and starches, sugar refining, value added food and industrial ingredients, and citric acid. Tate & Lyle is the world number-one in industrial starches and is the sole manufacturer of SPLENDA[®] Sucralose.

Headquartered in London, Tate & Lyle is listed on the London Stock Exchange under the symbol TATE.L. In the US its ADRs trade under TATYY. The Company operates more than 60 production facilities in 28 countries, throughout Europe, the Americas and South East Asia. It employs 6,700 people in its subsidiaries with a further 4,500 employed in joint ventures. Sales in the year to 31 March 2005 totalled £3.3 billion. Additional information can be found on www.tateandlyle.com. SPLENDA[®] and the SPLENDA[®] logo are trademarks of McNeil Nutritionals, LLC