

29 September 2011 - Tate & Lyle PLC

Trading Update

Tate & Lyle issues the following trading update for the six months ending 30 September 2011 ahead of the announcement of the Half Year Results on Thursday 3 November 2011.

Javed Ahmed, Chief Executive, said: *“The encouraging start to the financial year has continued during the second quarter with solid demand within a number of our markets in both Speciality Food Ingredients and Bulk Ingredients, assisted by strong co-product returns.”*

OPERATING PERFORMANCE - CONTINUING OPERATIONS *

In Speciality Food Ingredients, corn-based speciality sweetener and starch volumes grew in line with the market. Sucralose volume growth was particularly strong with increased demand to support new customer product launches albeit, as expected, at lower average selling prices. Sucralose volumes are expected to revert to more normal levels during the second half. In our Food Systems business, volumes were lower than our expectations due to tough trading conditions in Russia.

Within Bulk Ingredients, US corn sweeteners benefited from good domestic demand and a continuing firm market for corn sugar in Mexico. In Europe the anticipated squeeze in sweetener margins from higher corn prices has been partially offset by higher volumes. Industrial starch volumes in both the Americas and Europe are broadly in line with the prior year although we have improved margins in Europe against a market backdrop of higher demand for corn starches. We expect citric acid sales to be somewhat lower in the first half than the prior year as a result of a more competitive environment, particularly in Latin America.

* The comments on operating performance exclude the unfavourable impact of currency movements on the translation of first half profits.

CORN PRICES AND CO-PRODUCTS

For the previous full financial year (ended 31 March 2011), we reported £16 million of additional income from co-products following a significant increase in the US corn price, with around two-thirds of this benefit accruing during the second half.

During the first half of this financial year, we have seen a continuation of favourable market conditions for co-products and in the US we have locked in sales further forward to take advantage of unusually strong demand. In the first

half, we anticipate that the additional income from co-products will contribute around double the benefit in the comparative period last year.

Since over 80% of the corn grind is utilised to produce Bulk Ingredients, the majority of this effect is recorded within this segment.

DEBT MANAGEMENT

In August we paid £79 million in respect of the final dividend for the year ended 31 March 2011 and received £24 million in relation to the recovery of tax losses that crystallised as a result of the sale of our ethanol facility in Fort Dodge. As reported in July, we have agreed to make a payment of £45 million into the main UK pension scheme this financial year, half of which has been paid.

OUTLOOK

In Speciality Food Ingredients, we expect to achieve steady volume growth within both Sucralose and starch-based speciality ingredients for the remainder of the financial year. Overall within Speciality Food Ingredients, we expect to deliver a year of good sales and profit growth although as previously reported, the level of profit growth is expected to be more modest than the strong result achieved in the prior financial year.

In Bulk Ingredients, we expect the firm demand for corn sugars in the US and Mexico to continue, subject to normal seasonal patterns, and stable demand in our other food markets. As usual, the outcome of the 2012 calendar year sweetener pricing rounds will influence performance in the final quarter of the financial year. Industrial starch, particularly in Europe, is expected to perform better than the prior year as a result of higher demand for corn-based starches.

Overall, and before the gains made during the first half from co-products and any impact from currency movements, our expectations for the full year remain unchanged and we continue to anticipate another year of profitable growth.

END

A conference call will be held today at 8.00am BST, hosted by Javed Ahmed, Chief Executive and Tim Lodge, Chief Financial Officer. Participants are requested to dial in at least 5 minutes before the commencement of the call. Dial in details are as follows:

Participant dial in number: +44 (0) 1452 555 566 (UK freephone 0800 694 0257)

Conference ID: 13873930

Replay dial in number: +44 (0) 1452 55 00 00 (UK freephone 0800 953 1533)

Replay passcode: 13873930#

A replay of this call will be available from two hours after the end of the live call for 7 days until 5 October 2011.

For more information contact Tate & Lyle PLC:

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