

## **29 July 2015 – Tate & Lyle PLC**

### **TRADING STATEMENT**

This Trading Statement covers the period from 1 April 2015 to 30 June 2015, which is the first quarter of the financial year.

The Group's trading performance in the first quarter was in line with our expectations and guidance for the full year remains unchanged.

Speciality Food Ingredients made an encouraging start to the year and performed ahead of the comparative period. SLENDA<sup>®</sup> Sucralose performed solidly as we continued to pursue volume only where we see value. The consolidation of sucralose manufacturing into our facility in Alabama, USA, is progressing as planned supported by good customer engagement. Volume growth for Food Systems was ahead of the comparative period benefitting from the acquisition, last year, of Gemacom in Brazil. Volume across the balance of the Speciality Food Ingredients business was slightly behind the comparative period, with volume improving as we exited the quarter. We continued to take steps to address the impacts of the supply chain disruption experienced last year and we expect volume growth to strengthen through the remainder of the year as the additional capacity comes on-line in the second half. The volume of new products grew strongly in the quarter.

Bulk Ingredients, excluding commodities (ethanol and co-products), performed steadily and slightly ahead of the comparative period supported by solid sweetener demand. However, this was more than offset by the impact of commodities, including the continuation of low US ethanol margins.

The process of obtaining regulatory approval for the re-alignment of the Eaststarch joint venture in Europe is progressing well and we expect to complete this transaction around the end of the second quarter of the financial year.

### **SALE OF EU SUGARS; UPDATE ON LITIGATION**

As previously announced and disclosed in our 2015 Annual Report, American Sugar Holdings (ASR) raised a number of claims totalling in the region of £40 million relating to its acquisition of the Group's EU Sugars business in September 2010. A trial of these proceedings was held in the Commercial Court in London in early May 2015, with the judge's verdict expected later in the year.

### **FINANCIAL POSITION AND BALANCE SHEET**

Net debt was slightly lower than the position at 31 March 2015 aided by the translation effects of a stronger sterling.

Following the quarter end, on 21 July 2015, we priced a US\$400 million debt private placement with notes to be issued maturing in 8, 10 and 12 years, extending the average maturity of our debt by approximately 2 years. The transaction is expected to complete on 29 October 2015.

## **OUTLOOK**

Overall, before the impact of exchange rate movements<sup>1</sup> and the final timing of the completion of the Eaststarch transaction, expectations for the Group's full year performance remain unchanged from our guidance in May.

## **END**

A conference call will be held today at 08.00am BST, hosted by Javed Ahmed, Chief Executive and Nick Hampton, Chief Financial Officer. Participants are requested to dial in at least 10 minutes before the commencement of the call. Dial in details are as follows:

Standard International Access: +44 (0) 20 3003 2666

Password: Tate & Lyle

UK replay number: +44 (0) 20 8196 1998

Replay access PIN: 1391453

A replay of this call will be available after the end of the live call for 14 days until 11 August 2015.

### **For more information contact Tate & Lyle PLC:**

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### **About Tate & Lyle:**

Tate & Lyle is a global provider of ingredients and solutions to the food, beverage and other industries, with operations in over 30 locations worldwide.

Tate & Lyle operates through two global divisions, Speciality Food Ingredients and Bulk Ingredients, supported by our Innovation and Commercial Development and Global Operations groups. The Group's strategy is to become a leading global provider of Speciality Food Ingredients through a disciplined focus on growth, and by driving Bulk Ingredients for sustained cash generation to fuel this growth.

Speciality Food Ingredients consists of three platforms: Texturants, which includes speciality starches and stabilisers; Sweeteners, which comprises nutritive sweeteners and our range of no-calorie sweeteners including SPLENDA<sup>®</sup> Sucralose; and our Health and Wellness portfolio

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<sup>1</sup> Guidance assumed exchange rate of GBP: USD £1.00:\$1.54.

which includes speciality fibres and our salt-reduction offering. Additionally, our Food Systems business provides a wide variety of blended ingredient solutions.

Tate & Lyle Bulk Ingredients includes bulk sweeteners, industrial starches and fermentation products (primarily acidulants). Corn co-products from both divisions are primarily sold as animal feed.

Tate & Lyle is listed on the London Stock Exchange under the symbol TATE.L. American Depositary Receipts trade under TATYY. In the year to 31 March 2015, Tate & Lyle sales totalled £2.7 billion. For more information, please visit <http://www.tateandlyle.com>. SPLENDA<sup>®</sup> is a trademark of McNeil Nutritionals, LLC.