

TATE & LYLE

**RESULTS FOR THE YEAR ENDED
31 March 2018**





SHARPEN

ACCELERATE

SIMPLIFY



Nick Hampton, Chief Executive

Chris McLeish, Group VP Finance and Control

AGENDA

Financial Review

Outlook

Accelerating Business Performance

Questions

Simplifying presentation

Two divisions

- Divisions renamed to reflect business fundamentals
 - Food & Beverage Solutions (includes Sucralose)
Formerly Speciality Food Ingredients
 - Primary Products
Formerly Bulk Ingredients

Three reporting segments

- Food & Beverage Solutions
- Sucralose
- Primary Products



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Year of progress

YEAR ENDED
31 MARCH 2018

Commercial

Food & Beverage Solutions
volume momentum

Sucralose
margin improvement

Primary Products
delivers strong results

Operational

Consistent execution

Building
commercial capabilities

Investing in applications
infrastructure

Financial

Earnings growth

Strong
cash generation

Robust
balance sheet

Final dividend increased by 0.5p to 20.3p per share

Financial Highlights

YEAR ENDED
31 MARCH 2018

SALES

£2.7bn

(1)%*

ADJUSTED PROFIT BEFORE TAX

£301m

+13%*

ADJUSTED DILUTED EPS

50.1p

+7%*

ADJUSTED FREE CASH FLOW

£196m

+£22m

NET DEBT

£392m

£60m lower

RETURN ON CAPITAL EMPLOYED

16.2%

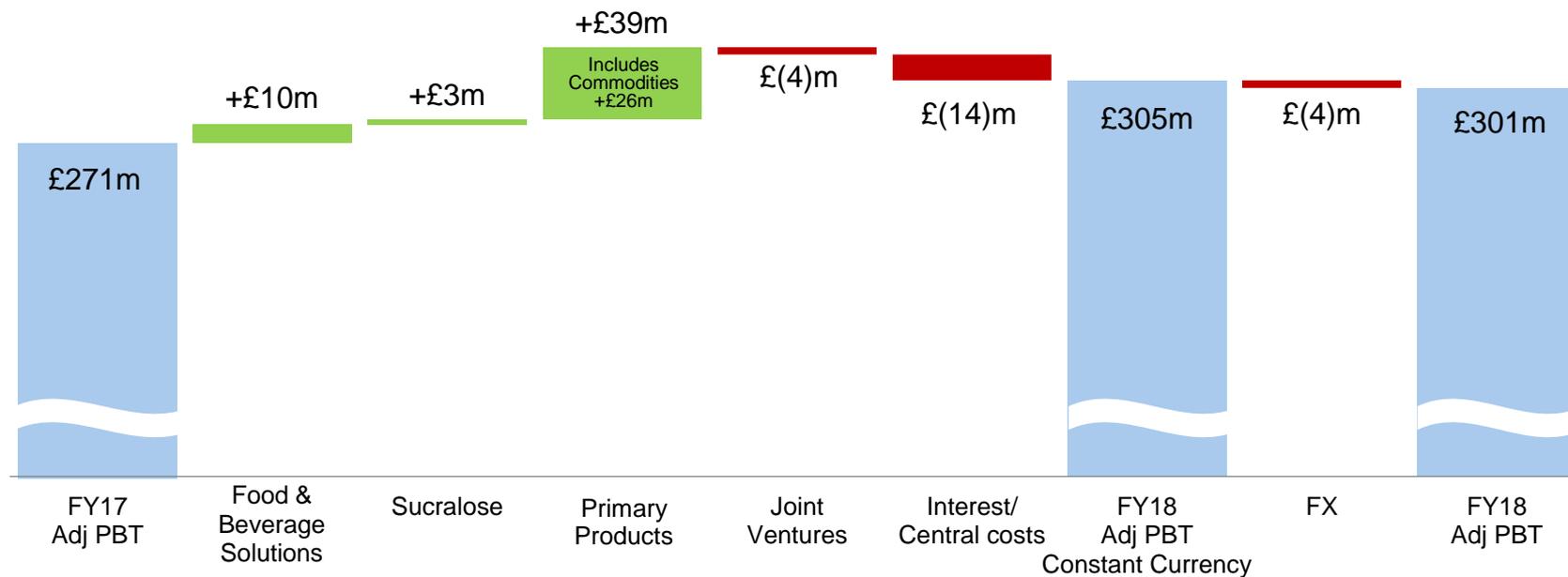
+190 bps

Adjusted results and a number of other terms and performance measures used in this presentation are not defined within accounting standards. See descriptions of these items and, where relevant, ratio calculations in Note 3, on pages 25 to 27, and "Ratio Analysis" on page 43 of the Full Year Results for the year ended 31 March 2018 available on the Company's website

* Percentage changes are in constant currency

Adjusted Profit Before Tax

YEAR ENDED
31 MARCH 2018



See descriptions of adjusted results in Note 3 of Statement of Full Year Results for year ended 31 March 2018 on the Company's website

Food & Beverage Solutions

YEAR ENDED
31 MARCH 2018

TOTAL VOLUME

+3%

SALES

£850m

+2%*

ADJUSTED OPERATING PROFIT

£137m

+8%*

NEW PRODUCTS SALES

+15%

US\$121m

VOLUME MOMENTUM

- Volume growth in all regions
 - North America +1%
 - Asia Pacific and Latin America +7%
 - Europe, Middle East and Africa +6%
- +8%* adjusted operating profit growth
 - After investment to grow business
 - 60 bps operating margin improvement
- New Products sales +15%

See descriptions of adjusted results in Note 3 of Statement of Full Year Results for year ended 31 March 2018 on the Company's website

* Percentage changes in constant currency

Sucralose

YEAR ENDED
31 MARCH 2018

TOTAL VOLUME

(12)%

SALES

£146m

(9)%*

ADJUSTED OPERATING PROFIT

£55m

+5%*

OPERATING MARGIN

+560 bps

STRATEGY DELIVERING

- Volume 12% lower
 - Lapped FY17 excess inventory sell-down
- Adjusted Operating Profit +5%*
 - Lower cost of single source production in US

See descriptions of adjusted results in Note 3 of Statement of Full Year Results for year ended 31 March 2018 on the Company's website

* Percentage changes in constant currency

Primary Products

YEAR ENDED
31 MARCH 2018

TOTAL VOLUME

+1%

NORTH AMERICAN
SWEETENER VOLUME

+3%

ADJUSTED OPERATING PROFIT
SWEETENERS AND STARCHES

£134m

+11%*

ADJUSTED OPERATING
PROFIT COMMODITIES

£32m

+£24m

STRONG PERFORMANCE

- North American Sweeteners volume
 - +3% higher on robust demand and consistent execution
- Industrial starch volume flat
- Sweeteners and Starches adjusted operating profit +11%*
 - Firm margins
 - Product line focus
- Commodities profits £24m higher
- 2018 calendar year contracting
 - Margins broadly in line

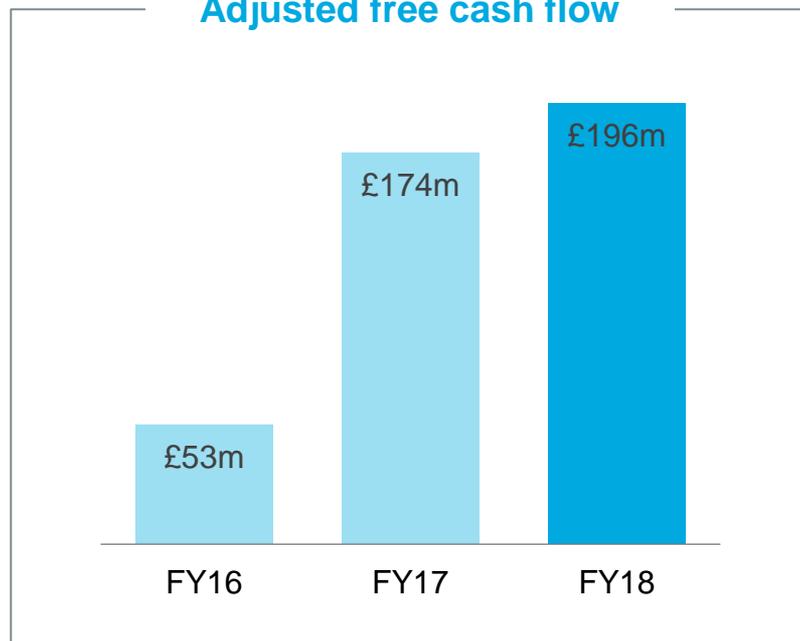
See descriptions of adjusted results in Note 3 of Statement of Full Year Results for year ended 31 March 2018 on the Company's website

* Percentage changes in constant currency

Strong cash generation and robust balance sheet

YEAR ENDED
31 MARCH 2018

Adjusted free cash flow



	2016	2017	2018
Cash dividend cover	0.4x	1.3x	1.5x
Net debt (£m)	434	452	392
Leverage (Net debt/EBITDA)	1.2x	0.9x	0.8x
Return on Capital Employed (%)	11.3	14.3	16.2

- FY18 adjusted free cash flow excludes accelerated US pension contribution of £56m

Year of progress: profit and cash delivery

YEAR ENDED
31 MARCH 2018

- Volume momentum in Food & Beverage Solutions
- Strong performance in Primary Products
- Adjusted profit before tax 13%* higher
- Adjusted diluted earnings per share 7%* higher
- Adjusted free cash flow up £22m at £196m
- Net debt £60m lower at £392m
- Final dividend up 0.5p to 20.3p per share



See descriptions of adjusted results in Note 3 of Statement of Full Year Results for year ended 31 March 2018 on the Company's website

* Percentage changes are in constant currency



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Outlook and calendar

Outlook

For year ending 31 March 2019

- We expect growth in earnings per share¹ in constant currency to be in a mid-single digit range, albeit towards the lower end due to energy and transport cost inflation in North America and a strong year of Commodities performance in fiscal 2018.
- Includes effective tax rate guidance of 20% to 22%

Timetable

- No Q1 Trading Statement
- Capital Markets Day to be held on 12 and 13 September 2018 in Chicago and Lafayette, USA

¹ Adjusted diluted earnings per share from continuing operations in constant currency



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1

BUSINESS

2

PRIORITIES

3

INVESTMENT CASE

An integrated business

Two important divisions



Innovation | Global Operations | Support Functions

Managed together to optimise overall return

- Shared assets
- Common customers

Strong value propositions

FOOD & BEVERAGE SOLUTIONS

Value proposition

- Growing, global market
- Provide solutions:
 - Lower sugar, calories and fat
 - Add fibre
 - Clean label
- Category expertise
- Innovation
- Local labs for local tastes

Shared assets



Shared customers

PRIMARY PRODUCTS

Value proposition

- Stable North American market
- Strong positions
 - Sweeteners
 - Industrial starches
- Scale, cost competitive assets
- Trusted supplier

Three key priorities

Areas of focus

- Grow Food & Beverage Solutions
 - Accelerate volume growth
 - Margin accretion
 - Expand portfolio
- Value from Primary Products
 - Steady volume and profit
 - Mix management
 - Cash generation



1

**Sharpen
Focus on
Customer**

2

**Accelerate
Portfolio
Development**

3

**Simplify
and Drive
Productivity**

Sharpen Focus on Customer

Focus

Selected categories

Solutions approach

Partner for growth

Global and local



Actions

- Move focus: product to category
 - Global categories: beverages, dairy and soups, sauces and dressings
 - Regional categories: 2 to 3 per region where we have expertise
 - Implement category-led teams
- Integrated Food Systems
- Labs expanded in Shanghai, Singapore and Mexico City

Solutions in local markets



- Sugar reduction initiative
- Solutions based on PROMITOR® fibre
- Delivered 30-40% sugar reduction
- Multiple support provided:
 - Applications
 - Analytical
 - Regulatory
 - Nutrition
 - Logistics
 - Quality

Accelerate Portfolio Development

Focus

New product development

Open Innovation

New partnerships

Acquisitions and joint ventures



Actions

- Accelerating pipeline development
- Increasing focus on Open Innovation
- Building partnership with Codexis
- Acquired minority stake in Sweet Green Fields (stevia)

Simplify and Drive Productivity

Focus

Simplify business

Re-deploy resources

Increase efficiency

Reduce costs



Actions

- US\$100m productivity programme over 4-year period
- Reinvest in business to underpin growth and cash generation

Well-balanced business

Investment case

Primary Products	Food & Beverage Solutions	Sucralose
Manage for stable earnings; cash generation	Growth driver; top and bottom line growth	Manage for cash; high return on assets
EARNINGS PER SHARE ¹ – Accelerate growth		
ORGANIC RETURN ON CAPITAL EMPLOYED ² – Improve returns		
DIVIDEND – Maintain progressive dividend policy		

1 Adjusted diluted earnings per share from continuing operations in constant currency

2 In constant currency

Clear capital allocation framework

Capital allocation priorities to maintain investment grade credit rating

Invest in organic growth (capex £130-£170m p.a.)

Acquisitions, joint ventures, partnerships

Progressive dividend policy

Return surplus capital to shareholders

Balance Sheet

Strong returns on capital employed

Forward leverage¹ range of 1x to 2x

Attractive shareholder returns

¹ Net debt:EBITDA on a financial covenant basis

Summary

- Integrated business managed to optimise overall return
- Strong value propositions
 - Food & Beverage Solutions aligned to growing global consumer trends
 - Primary Products operates in large, stable markets
- Three programmes underway to realise growth potential
 - **Sharpen** focus on customer
 - **Accelerate** portfolio development
 - **Simplify** business and deliver US\$100m productivity benefits
- As programmes gather momentum, we expect
 - Growth in earnings per share¹ to accelerate
 - Organic return on capital employed² to improve
 - Strong cash generation to support progressive dividend policy

¹ Adjusted diluted earnings per share from continuing operations in constant currency

² In constant currency



A bowl of asparagus soup is the central focus, with several stalks of asparagus in the background. Three semi-transparent colored circles are overlaid on the image: an orange circle on the left, a blue circle in the middle, and a purple circle on the right. Each circle contains a white text label.

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Cautionary Statement

This presentation for the Full Year Results for the year ended 31 March 2018 contains certain forward-looking statements with respect to the financial condition, results, operations and businesses of Tate & Lyle PLC. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts.