TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

29 May 2014

ACCOUNTING FOR JOINT VENTURES

With effect from 1 April 2014, Tate & Lyle adopted IFRS 11 'Joint Arrangements' which will change significantly the basis of accounting for its interests in joint ventures.

Previously, the Group's interests in joint ventures were accounted for by proportionate consolidation, whereby the Group's share of the income and expenses, assets and liabilities and cash flows of joint ventures was combined on a line-by-line basis with those of Tate & Lyle PLC and its subsidiaries. IFRS 11 prohibits the use of proportionate consolidation and requires that joint ventures are accounted for using the equity method of accounting. Under the equity method of accounting, the Group's share of the after tax profits and losses of the joint ventures are shown on one line of the consolidated income statement, its share of their net assets are shown on one line of the consolidated statement of financial position and the consolidated statement of cash flows reflects cash flows between the Group and the joint ventures (investments in and dividends received from joint ventures) within cash flows from investing activities.

The Group's results announcements in respect of the year ending 31 March 2015 will include comparative amounts for the year ended 31 March 2014 restated in accordance with IFRS 11. In order to assist users in understanding the effect of this change, we publish today reconciliations showing the effect of IFRS 11 on the Group's statutory results, financial position and cash flows for the year ended 31 March 2014 ('FY14') and for the six months ended 30 September 2013 ('HY14').

SUMMARY OF EFFECT

Whilst these changes do not affect the Group's earnings or its net assets, they affect many of the individual line items presented in the Group's financial statements. Going forward, however, the Group will present segment and adjusted financial information on a proportionate consolidation basis since this reflects the management of our joint ventures on an integrated basis with the Group's subsidiaries. Accordingly, performance measures such as adjusted operating profit, adjusted profit before tax and adjusted diluted earnings per share will be unaffected by these changes. We summarise below the effect of the changes using the usual format for our presentation of the Group's headline results.

	Year ended 31 March 2014		Six months ended 30 September 2013	
Continuing operations **£m unless stated otherwise**	**Restated**	Previously reported	**Restated**	Previously reported
Adjusted results[1]				
Adjusted sales	**3 147**	3 147	**1 737**	1 737
Adjusted operating profit[2]	**349**	349	**187**	187
Adjusted profit before tax[3]	**322**	322	**173**	173
Adjusted diluted earnings per share[4]	**55.7p**	55.7p	**29.9p**	29.9p
Adjusted free cash flow[5]	**227**	227	**239**	239
Adjusted net debt	**353**	353	**336**	336
Statutory results				
Sales	**2 754**	3 147	**1 516**	1 737
Operating profit	**251**	325	**139**	176
Profit before tax	**277**	290	**150**	158
Profit for the year (on total operations)	**273**	273	**130**	130
Diluted earnings per share (on total operations)	**58.0p**	58.0p	**27.6p**	27.6p
Free cash flow[5]	**141**	227	**193**	239
Net debt	**385**	353	**374**	336
Dividend per share	**27.6p**	27.6p	**7.8p**	7.8p

1 Adjusted results include the Group's share of the results of joint ventures on a proportionate consolidation basis.
2 Adjusted operating profit for FY14 is before the amortisation of acquired intangible assets of £10 million (HY14 – £5 million) and a net exceptional charge of £14 million (HY14 – £6 million).
3 Adjusted profit before tax for FY14 is further adjusted for the Group's share of the income tax expense of joint ventures of £13 million (HY14 – £8 million) and the net retirement benefit interest expense of £8 million (HY14 – £4 million).
4 Adjusted earnings per share for FY14 is based on earnings after the adjustments made in arriving at adjusted profit before tax and is further adjusted to deduct the tax credit on those adjustments of £15 million (HY14 – £4 million).
5 Free cash flow represents cash generated from operating activities, less net interest paid, less tax paid, less capital expenditure.

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RESTATED FINANCIAL INFORMATION

Reconciliations showing the effect of IFRS 11 on the Group's primary financial statements are presented on the following pages:

	Year ended 31 March 2014	At 31 March 2014	Six months ended 30 September 2013	At 30 September 2013	At 31 March 2013
Consolidated income statement	Page 3		Page 8		
Consolidated statement of comprehensive income	Page 4		Page 9		
Consolidated statement of financial position		Page 5		Page 10	Page 13
Consolidated statement of cash flows	Page 6		Page 11		
Consolidated statement of changes in equity	Page 7		Page 12		

ELIMINATION OF PROPORTIONATE CONSOLIDATION

In the attached reconciliations, the amounts described as the elimination of proportionate consolidation comprise the elimination of the Group's share of the income and expenses, assets and liabilities, and cash flows of joint ventures and the reversal of the elimination of the Group's share of transactions, balances and cash flows with joint ventures recognised by the Group's subsidiaries.

SEGMENT INFORMATION

For the purposes of allocating resources and assessing the performance of the Group's businesses the Board will continue to receive financial information that reflects the Group's interests in joint ventures accounted for by proportionate consolidation. Accordingly, the measures of segment revenue (sales) and segment profit or loss (adjusted operating profit) that are presented in the consolidated financial statements will continue to be prepared on the proportionate consolidation basis. Similarly, segment net working capital information will continue to be presented to the Board on a proportionate consolidation basis. Segment information is presented on pages 14 and 15.

FREE CASH FLOW AND NET DEBT

We will present adjusted free cash flow and adjusted net debt on a proportionate consolidation basis. On pages 16 and 17, we present the Group's free cash flow, net debt and the reconciliation of reported cash flow to the movement in net debt for the above periods.

ADDITIONAL INFORMATION

We focus on a number of key financial performance indicators to measure the value generated by the Group's operations and to assess its financial strength. Our measures of financial strength, net debt to EBITDA and interest cover, are defined under the Group's banking covenants and are unchanged as a result of the adoption of IFRS 11. We also continue to calculate the other key performance indicators on a proportionate consolidation basis. On page 18, we present each of the Group's key financial performance measures for the above periods.

INVESTOR AND MEDIA CONTACTS

A copy of this announcement can be found on our website at www.tateandlyle.com. A hard copy of this announcement is also available from the Company Secretary, Tate & Lyle PLC, 1 Kingsway, London WC2B 6AT.

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TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
YEAR ENDED 31 MARCH 2014

	Previously reported £m	Adoption of IFRS 11: Elimination of proportionate consolidation £m	Adoption of IFRS 11: Adoption of equity accounting £m	**Restated £m**
Continuing operations				
Sales	3 147	(393)	–	**2 754**
Operating profit	325	(74)	–	**251**
Finance income	2	–	–	**2**
Finance expense	(37)	–	–	**(37)**
Share of profit after tax of joint ventures	–	–	61	**61**
Profit before tax	290	(74)	61	**277**
Income tax expense	(45)	13	–	**(32)**
Profit for the year from continuing operations	245	(61)	61	**245**
Profit for the year from discontinued operations	28	–	–	**28**
Profit for the year	273	(61)	61	**273**
Profit for the year attributable to:				
– Owners of the Company	273	(61)	61	**273**
– Non-controlling interests	–	–	–	**–**
Profit for the year	273	(61)	61	**273**

Earnings per share	Pence	Pence	Pence	**Pence**
Continuing operations:				
– Basic	52.8p	(13.1)p	13.1p	**52.8p**
– Diluted	52.1p	(13.0)p	13.0p	**52.1p**
Continuing and discontinued operations:				
– Basic	58.8p	(13.1)p	13.1p	**58.8p**
– Diluted	58.0p	(13.0)p	13.0p	**58.0p**

Analysis of adjusted profit before tax from continuing operations	£m	£m	£m	**£m**
Profit before tax	290	(74)	61	**277**
Adjusted for:				
Exceptional items	14	–	–	**14**
Amortisation of acquired intangible assets	10	–	–	**10**
Net retirement benefit interest	8	–	–	**8**
Share of tax of joint ventures	–	–	13	**13**
Adjusted profit before tax	322	(74)	74	**322**

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) YEAR ENDED 31 MARCH 2014

	Previously reported £m	Adoption of IFRS 11: Elimination of proportionate consolidation £m	Adoption of IFRS 11: Adoption of equity accounting £m	**Restated £m**
Profit for the year	273	(61)	61	**273**
Other comprehensive (expense)/income				
Items that may be reclassified to profit or loss				
Fair value loss on cash flow hedges	(1)	(1)	–	**(2)**
Loss on currency translation of foreign operations	(130)	23	–	**(107)**
Fair value gain on net investment hedges	50	–	–	**50**
Share of other comprehensive expense of joint ventures	–	–	(22)	**(22)**
	(81)	22	(22)	**(81)**
Items that will not be reclassified to profit or loss				
Retirement benefit plans:				
– Actual return lower than interest on plan assets	(29)	–	–	**(29)**
– Net actuarial gain	19	–	–	**19**
Tax expense relating to the above items	(22)	–	–	**(22)**
	(32)	–	–	**(32)**
Total other comprehensive expense	(113)	22	(22)	**(113)**
Total comprehensive income	160	(39)	39	**160**
Analysed by:				
– Continuing operations	132	(39)	39	**132**
– Discontinued operations	28	–	–	**28**
Total comprehensive income	160	(39)	39	**160**
Attributable to:				
– Owners of the Company	160	(39)	39	**160**

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED) AT 31 MARCH 2014

		Adoption of IFRS 11		
	Previously reported £m	Elimination of proportionate consolidation £m	Adoption of equity accounting £m	**Restated £m**
ASSETS				
Non-current assets				
Goodwill and other intangible assets	389	–	(82)	**307**
Property, plant and equipment	865	(133)	–	**732**
Investments in joint ventures	–	–	308	**308**
Investments in associates	6	–	(2)	**4**
Available-for-sale financial assets	28	–	–	**28**
Derivative financial instruments	23	–	–	**23**
Deferred tax assets	7	(3)	–	**4**
Trade and other receivables	1	(1)	–	**–**
	1 319	(137)	224	**1 406**
Current assets				
Inventories	418	(46)	–	**372**
Trade and other receivables	314	(49)	–	**265**
Current tax assets	1	–	–	**1**
Derivative financial instruments	79	(1)	–	**78**
Cash and cash equivalents	396	(50)	–	**346**
	1 208	(146)	–	**1 062**
TOTAL ASSETS	2 527	(283)	224	**2 468**
EQUITY				
Capital and reserves				
Share capital	117	–	–	**117**
Share premium	406	–	–	**406**
Capital redemption reserve	8	–	–	**8**
Other reserves	58	1	(1)	**58**
Retained earnings	460	(225)	225	**460**
Equity attributable to owners of the Company	1 049	(224)	224	**1 049**
Non-controlling interests	1	–	–	**1**
TOTAL EQUITY	1 050	(224)	224	**1 050**
LIABILITIES				
Non-current liabilities				
Trade and other payables	2	–	–	**2**
Borrowings	439	(2)	–	**437**
Derivative financial instruments	2	–	–	**2**
Deferred tax liabilities	45	(3)	–	**42**
Retirement benefit deficits	220	–	–	**220**
Provisions for other liabilities and charges	10	(1)	–	**9**
	718	(6)	–	**712**
Current liabilities				
Trade and other payables	315	(32)	–	**283**
Current tax liabilities	40	(2)	–	**38**
Borrowings and bank overdrafts	339	(16)	–	**323**
Derivative financial instruments	50	(1)	–	**49**
Provisions for other liabilities and charges	15	(2)	–	**13**
	759	(53)	–	**706**
TOTAL LIABILITIES	1 477	(59)	–	**1 418**
TOTAL EQUITY AND LIABILITIES	2 527	(283)	224	**2 468**

TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
YEAR ENDED 31 MARCH 2014

	Previously reported £m	Adoption of IFRS 11: Elimination of proportionate consolidation £m	Adoption of IFRS 11: Adoption of equity accounting £m	**Restated £m**
Cash flows from operating activities				
Profit before tax from continuing operations	290	(74)	61	**277**
Adjustments for:				
– Depreciation of property, plant and equipment	97	(14)	–	**83**
– Amortisation of intangible assets	21	(1)	–	**20**
– Share-based payments	8	–	–	**8**
– Other non-cash items	(6)	–	–	**(6)**
– Finance income	(2)	–	–	**(2)**
– Finance expense	37	–	–	**37**
– Share of profit after tax of joint ventures	–	–	(61)	**(61)**
Change in working capital	38	(23)	–	**15**
Change in net retirement benefit obligations	(43)	–	–	**(43)**
Cash generated from continuing operations	440	(112)	–	**328**
Interest paid	(33)	–	–	**(33)**
Income tax paid	(23)	14	–	**(9)**
Net cash generated from operating activities	384	(98)	–	**286**
Cash flows from investing activities				
Purchase of intangible assets	(45)	–	–	**(45)**
Purchase of property, plant and equipment	(114)	12	–	**(102)**
Proceeds on disposal of property, plant and equipment	34	(1)	–	**33**
Acquisitions of businesses, net of cash acquired	(15)	–	–	**(15)**
Disposal of businesses, net of cash disposed	3	–	–	**3**
Purchase of available-for-sale financial assets	(4)	–	–	**(4)**
Disposal of available-for-sale financial assets	2	–	–	**2**
Interest received	2	–	–	**2**
Dividends received from joint ventures	–	105	–	**105**
Net cash used in investing activities	(137)	116	–	**(21)**
Cash flows from financing activities				
Purchase of own shares	(29)	–	–	**(29)**
Cash inflow from additional borrowings	4	4	–	**8**
Cash outflow from repayment of borrowings	(46)	(4)	–	**(50)**
Repayment of capital element of finance leases	(2)	–	–	**(2)**
Dividends paid to the owners of the Company	(124)	–	–	**(124)**
Net cash used in financing activities	(197)	–	–	**(197)**
Net increase in cash and cash equivalents	50	18	–	**68**
Cash and cash equivalents				
Balance at beginning of year	379	(74)	–	**305**
Net increase in cash and cash equivalents	50	18	–	**68**
Currency translation differences	(33)	6	–	**(27)**
Balance at end of year	396	(50)	–	**346**

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
YEAR ENDED 31 MARCH 2014

	Share capital and share premium	Capital redemption reserve	Other reserves	Retained earnings	Attributable to the owners of the Company	Non-controlling interests (NCI)	Total equity
	£m	£m	£m	£m	£m	£m	£m
At 31 March 2013	**523**	**8**	**139**	**366**	**1 036**	**–**	**1 036**
Year ended 31 March 2014							
Profit for the year	**–**	**–**	**–**	**273**	**273**	**–**	**273**
Other comprehensive expense	**–**	**–**	**(81)**	**(32)**	**(113)**	**–**	**(113)**
Total comprehensive (expense)/income	**–**	**–**	**(81)**	**241**	**160**	**–**	**160**
Share-based payments	**–**	**–**	**–**	**8**	**8**	**–**	**8**
Purchase of own shares	**–**	**–**	**–**	**(29)**	**(29)**	**–**	**(29)**
NCI in subsidiaries acquired	**–**	**–**	**–**	**–**	**–**	**1**	**1**
Initial recognition of put option on NCI	**–**	**–**	**–**	**(2)**	**(2)**	**–**	**(2)**
Dividends paid	**–**	**–**	**–**	**(124)**	**(124)**	**–**	**(124)**
At 31 March 2014	**523**	**8**	**58**	**460**	**1 049**	**1**	**1 050**

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CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
SIX MONTHS ENDED 30 SEPTEMBER 2013

		Adoption of IFRS 11		
	Previously reported £m	Elimination of proportionate consolidation £m	Adoption of equity accounting £m	**Restated £m**
Continuing operations				
Sales	1 737	(221)	–	**1 516**
Operating profit	176	(37)	–	**139**
Finance income	1	–	–	**1**
Finance expense	(19)	–	–	**(19)**
Share of profit after tax of joint ventures	–	–	29	**29**
Profit before tax	158	(37)	29	**150**
Income tax expense	(28)	8	–	**(20)**
Profit for the period from continuing operations	130	(29)	29	**130**
Profit for the period from discontinued operations	–	–	–	**–**
Profit for the period	130	(29)	29	**130**
Profit for the period attributable to:				
– Owners of the Company	130	(29)	29	**130**
– Non-controlling interests	–	–	–	**–**
Profit for the period	130	(29)	29	**130**

Earnings per share	Pence	Pence	Pence	**Pence**
Continuing operations:				
– Basic	28.0p	(6.3)p	6.3p	**28.0p**
– Diluted	27.6p	(6.2)p	6.2p	**27.6p**
Continuing and discontinued operations:				
– Basic	28.0p	(6.3)p	6.3p	**28.0p**
– Diluted	27.6p	(6.2)p	6.2p	**27.6p**

Analysis of adjusted profit before tax from continuing operations	£m	£m	£m	**£m**
Profit before tax	158	(37)	29	**150**
Adjusted for:				
Exceptional items	6	–	–	**6**
Amortisation of acquired intangible assets	5	–	–	**5**
Net retirement benefit interest	4	–	–	**4**
Share of tax of joint ventures	–	–	8	**8**
Adjusted profit before tax	173	(37)	37	**173**

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
SIX MONTHS ENDED 30 SEPTEMBER 2013

	Previously reported £m	Adoption of IFRS 11: Elimination of proportionate consolidation £m	Adoption of IFRS 11: Adoption of equity accounting £m	**Restated £m**
Profit for the period	130	(29)	29	**130**
Other comprehensive (expense)/income				
Items that may be reclassified to profit or loss				
Fair value gain on cash flow hedges	1	(1)	–	**–**
Fair value gain on cash flow hedges transferred to the income statement	(1)	–	–	**(1)**
Net currency translation differences	(59)	14	–	**(45)**
Share of other comprehensive expense of joint ventures	–	–	(13)	**(13)**
	(59)	13	(13)	**(59)**
Items that will not be reclassified to profit or loss				
Re-measurement of retirement benefit plans	(2)	–	–	**(2)**
Tax expense relating to the above item	(16)	–	–	**(16)**
	(18)	–	–	**(18)**
Total other comprehensive expense	(77)	13	(13)	**(77)**
Total comprehensive income	53	(16)	16	**53**
Analysed by:				
– Continuing operations	53	(16)	16	**53**
– Discontinued operations	–	–	–	**–**
Total comprehensive income	53	(16)	16	**53**
Attributable to:				
– Owners of the Company	53	(16)	16	**53**

TATE & LYLE PLC
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AT 30 SEPTEMBER 2013

		Adoption of IFRS 11		
	Previously reported £m	Elimination of proportionate consolidation £m	Adoption of equity accounting £m	**Restated £m**
ASSETS				
Non-current assets				
Goodwill and other intangible assets	370	–	(83)	**287**
Property, plant and equipment	897	(138)	–	**759**
Investments in joint ventures	–	–	331	**331**
Investments in associates	6	–	(2)	**4**
Available-for-sale financial assets	28	–	–	**28**
Derivative financial instruments	39	(1)	–	**38**
Deferred tax assets	1	–	–	**1**
Trade and other receivables	2	(1)	–	**1**
	1 343	(140)	246	**1 449**
Current assets				
Inventories	320	(51)	–	**269**
Trade and other receivables	339	(58)	–	**281**
Current tax assets	3	–	–	**3**
Derivative financial instruments	108	(8)	–	**100**
Cash and cash equivalents	449	(56)	–	**393**
	1 219	(173)	–	**1 046**
TOTAL ASSETS	2 562	(313)	246	**2 495**
EQUITY				
Attributable to owners of the Company				
Share capital	117	–	–	**117**
Share premium	406	–	–	**406**
Capital redemption reserve	8	–	–	**8**
Other reserves	80	(8)	8	**80**
Retained earnings	376	(238)	238	**376**
TOTAL EQUITY	987	(246)	246	**987**
LIABILITIES				
Non-current liabilities				
Borrowings	769	(3)	–	**766**
Derivative financial instruments	11	–	–	**11**
Deferred tax liabilities	48	(3)	–	**45**
Retirement benefit deficits	232	–	–	**232**
Provisions for other liabilities and charges	10	(1)	–	**9**
	1 070	(7)	–	**1 063**
Current liabilities				
Trade and other payables	319	(36)	–	**283**
Current tax liabilities	55	(1)	–	**54**
Borrowings and bank overdrafts	52	(15)	–	**37**
Derivative financial instruments	57	(6)	–	**51**
Provisions for other liabilities and charges	22	(2)	–	**20**
	505	(60)	–	**445**
TOTAL LIABILITIES	1 575	(67)	–	**1 508**
TOTAL EQUITY AND LIABILITIES	2 562	(313)	246	**2 495**

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
SIX MONTHS ENDED 30 SEPTEMBER 2013

		Adoption of IFRS 11		
	Previously reported £m	Elimination of proportionate consolidation £m	Adoption of equity accounting £m	**Restated £m**
Cash flows from operating activities				
Profit before tax from continuing operations	158	(37)	29	**150**
Adjustments for:				
– Depreciation of property, plant and equipment	49	(7)	–	**42**
– Amortisation of intangible assets	8	–	–	**8**
– Share-based payments	5	–	–	**5**
– Finance income	(1)	–	–	**(1)**
– Finance expense	19	–	–	**19**
– Share of profit after tax of joint ventures	–	–	(29)	**(29)**
Change in working capital	114	(14)	–	**100**
Change in net retirement benefit obligations	(23)	–	–	**(23)**
Cash generated from continuing operations	329	(58)	–	**271**
Interest paid	(15)	–	–	**(15)**
Income tax paid	(12)	7	–	**(5)**
Cash used in discontinued operations	(1)	–	–	**(1)**
Net cash generated from operating activities	301	(51)	–	**250**
Cash flows from investing activities				
Purchase of intangible assets	(23)	–	–	**(23)**
Purchase of property, plant and equipment	(41)	5	–	**(36)**
Acquisitions of businesses, net of cash acquired	(12)	–	–	**(12)**
Disposal of businesses, net of cash disposed	3	–	–	**3**
Purchase of available-for-sale financial assets	(2)	–	–	**(2)**
Disposal of available-for-sale financial assets	1	–	–	**1**
Interest received	1	–	–	**1**
Dividends received from joint ventures	–	60	–	**60**
Net cash used in investing activities	(73)	65	–	**(8)**
Cash flows from financing activities				
Purchase of own shares	(16)	–	–	**(16)**
Cash outflow from repayment of borrowings	(32)	(1)	–	**(33)**
Repayment of capital element of finance leases	(1)	–	–	**(1)**
Dividends paid to the owners of the Company	(88)	–	–	**(88)**
Net cash used in financing activities	(137)	(1)	–	**(138)**
Net increase in cash and cash equivalents	91	13	–	**104**
Cash and cash equivalents				
Balance at beginning of period	379	(74)	–	**305**
Net increase in cash and cash equivalents	91	13	–	**104**
Currency translation differences	(21)	5	–	**(16)**
Balance at end of period	449	(56)	–	**393**

TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
SIX MONTHS ENDED 30 SEPTEMBER 2013

	Share capital and share premium	Capital redemption reserve	Other reserves	Retained earnings	Attributable to the owners of the Company
	£m	£m	£m	£m	£m
At 31 March 2013	**523**	**8**	**139**	**366**	**1 036**
Six months ended 30 September 2013					
Profit for the period	**–**	**–**	**–**	**130**	**130**
Other comprehensive expense	**–**	**–**	**(59)**	**(18)**	**(77)**
Total comprehensive income	**–**	**–**	**(59)**	**112**	**53**
Share-based payments	**–**	**–**	**–**	**2**	**2**
Purchase of own shares	**–**	**–**	**–**	**(16)**	**(16)**
Dividends paid	**–**	**–**	**–**	**(88)**	**(88)**
At 30 September 2013	**523**	**8**	**80**	**376**	**987**

TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED) AT 31 MARCH 2013

		Adoption of IFRS 11		
	Previously reported £m	Elimination of proportionate consolidation £m	Adoption of equity accounting £m	**Restated £m**
ASSETS				
Non-current assets				
Goodwill and other intangible assets	356	(1)	(85)	**270**
Property, plant and equipment	958	(146)	–	**812**
Investments in joint ventures	–	–	377	**377**
Investments in associates	6	–	(2)	**4**
Available-for-sale financial assets	27	–	–	**27**
Derivative financial instruments	54	–	–	**54**
Deferred tax assets	8	–	–	**8**
Trade and other receivables	3	(3)	–	**–**
Retirement benefit surplus	12	–	–	**12**
	1 424	(150)	290	**1 564**
Current assets				
Inventories	510	(72)	–	**438**
Trade and other receivables	383	(62)	–	**321**
Current tax assets	4	(1)	–	**3**
Derivative financial instruments	86	(2)	–	**84**
Cash and cash equivalents	379	(74)	–	**305**
	1 362	(211)	–	**1 151**
Assets held for sale	1	–	–	**1**
	1 363	(211)	–	**1 152**
TOTAL ASSETS	2 787	(361)	290	**2 716**
EQUITY				
Attributable to owners of the Company				
Share capital	117	–	–	**117**
Share premium	406	–	–	**406**
Capital redemption reserve	8	–	–	**8**
Other reserves	139	(21)	21	**139**
Retained earnings	366	(269)	269	**366**
TOTAL EQUITY	1 036	(290)	290	**1 036**
LIABILITIES				
Non-current liabilities				
Trade and other payables	3	–	–	**3**
Borrowings	821	(5)	–	**816**
Derivative financial instruments	21	–	–	**21**
Deferred tax liabilities	24	(3)	–	**21**
Retirement benefit deficits	277	–	–	**277**
Provisions for other liabilities and charges	15	–	–	**15**
	1 161	(8)	–	**1 153**
Current liabilities				
Trade and other payables	382	(38)	–	**344**
Current tax liabilities	53	(1)	–	**52**
Borrowings and bank overdrafts	75	(17)	–	**58**
Derivative financial instruments	60	(5)	–	**55**
Provisions for other liabilities and charges	20	(2)	–	**18**
	590	(63)	–	**527**
TOTAL LIABILITIES	1 751	(71)	–	**1 680**
TOTAL EQUITY AND LIABILITIES	2 787	(361)	290	**2 716**

TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

SEGMENT INFORMATION (UNAUDITED)

(a) Segment sales

	Year ended 31 March 2014 £m	Six months ended 30 September 2013 £m
External sales		
Speciality Food Ingredients	983	519
Bulk Ingredients	2 164	1 218
Total sales	3 147	1 737
Elimination of proportionate consolidation	(393)	(221)
Group sales	2 754	1 516

(b) Segment results

	Year ended 31 March 2014 £m	Six months ended 30 September 2013 £m
Adjusted operating profit		
Speciality Food Ingredients	213	112
Bulk Ingredients	172	92
Central	(36)	(17)
Total adjusted operating profit	349	187
Elimination of proportionate consolidation	(74)	(37)
Group adjusted operating profit	275	150
Adjusting items:		
– Exceptional items	(14)	(6)
– Amortisation of acquired intangibles	(10)	(5)
Group operating profit	251	139
Finance income	2	1
Finance expense	(37)	(19)
Share of profit after tax of joint ventures	61	29
Group profit before tax	277	150

Adjusted operating margin		
Speciality Food Ingredients	21.7%	21.5%
Bulk Ingredients	7.9%	7.5%
Central	n/a	n/a
Total	11.1%	10.8%

SEGMENT INFORMATION (UNAUDITED) continued

(c) Segment assets/(liabilities)

	At 31 March 2014		
	Assets £m	Liabilities £m	Net £m
Net working capital			
Speciality Food Ingredients	242	(94)	148
Bulk Ingredients	447	(181)	266
Central	44	(42)	2
Total working capital	733	(317)	416
Elimination of proportionate consolidation	(96)	32	(64)
Group working capital	637	(285)	352
Other assets/(liabilities)	1 831	(1 133)	698
Group assets/(liabilities)	2 468	(1 418)	1 050

	At 31 March 2013		
	Assets £m	Liabilities £m	Net £m
Net working capital			
Continuing operations:			
Speciality Food Ingredients	304	(115)	189
Bulk Ingredients	566	(223)	343
Central	23	(46)	(23)
	893	(384)	509
Discontinued operations	3	(1)	2
Total working capital	896	(385)	511
Elimination of proportionate consolidation	(137)	38	(99)
Group working capital	759	(347)	412
Other assets/(liabilities)	1 957	(1 333)	624
Group assets/(liabilities)	2 716	(1 680)	1 036

TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

ANALYSIS OF FREE CASH FLOW (UNAUDITED)

	Group (Equity accounted) £m	Effect of proportionate consolidation £m	Total (Proportionate consolidation) £m
Year ended 31 March 2014			
Cash generated from continuing operations	328	112	440
Purchase of property, plant and equipment	(102)	(12)	(114)
Purchase of intangible assets	(45)	–	(45)
Operating cash flow less capital expenditure	181	100	281
Interest paid	(33)	–	(33)
Interest received	2	–	2
Income tax paid	(9)	(14)	(23)
Free cash flow	141	86	227

	Group (Equity accounted) £m	Effect of proportionate consolidation £m	Total (Proportionate consolidation) £m
Six months ended 30 September 2013			
Cash generated from continuing operations	271	58	329
Purchase of property, plant and equipment	(36)	(5)	(41)
Purchase of intangible assets	(23)	–	(23)
Operating cash flow less capital expenditure	212	53	265
Interest paid	(15)	–	(15)
Interest received	1	–	1
Income tax paid	(5)	(7)	(12)
Free cash flow	193	46	239

TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

ANALYSIS OF NET DEBT (UNAUDITED)

	Group (Equity accounted) £m	Effect of proportionate consolidation £m	Total (Proportionate consolidation) £m
At 31 March 2014			
Non-current borrowings	(437)	(2)	(439)
Current borrowings and bank overdrafts	(323)	(16)	(339)
Debt-related derivatives	29	–	29
Cash and cash equivalents	346	50	396
Net debt	(385)	32	(353)
At 30 September 2013			
Non-current borrowings	(766)	(3)	(769)
Current borrowings and bank overdrafts	(37)	(15)	(52)
Debt-related derivatives	36	–	36
Cash and cash equivalents	393	56	449
Net debt	(374)	38	(336)
At 31 March 2013			
Non-current borrowings	(816)	(5)	(821)
Current borrowings and bank overdrafts	(58)	(17)	(75)
Debt-related derivatives	38	–	38
Cash and cash equivalents	305	74	379
Net debt	(531)	52	(479)

MOVEMENT IN NET DEBT (UNAUDITED)

	Group (Equity accounted) £m	Effect of proportionate consolidation £m	Total (Proportionate consolidation) £m
Year ended 31 March 2014			
Increase/(decrease) in cash and cash equivalents	68	(18)	50
Net decrease in borrowings	44	–	44
Decrease/(increase) in net debt resulting from cash flows	112	(18)	94
Debt in subsidiary acquired	(3)	–	(3)
Currency translation differences	37	(2)	35
Decrease in net debt/(funds) in the year	146	(20)	126
Net (debt)/funds at beginning of year	(531)	52	(479)
Net (debt)/funds at end of year	(385)	32	(353)
Six months ended 30 September 2013			
Increase/(decrease) in cash and cash equivalents	104	(13)	91
Net decrease in borrowings	34	(1)	33
Decrease/(increase) in net debt resulting from cash flows	138	(14)	124
Debt in subsidiary acquired	(3)	–	(3)
Fair value and other movements	(4)	1	(3)
Currency translation differences	26	(1)	25
Decrease in net debt/(funds) in the period	157	(14)	143
Net (debt)/funds at beginning of period	(531)	52	(479)
Net (debt)/funds at end of period	(374)	38	(336)

TATE & LYLE PLC
EFFECT OF ADOPTION OF IFRS 11 'JOINT ARRANGEMENTS'

RATIO ANALYSIS (UNAUDITED) [a]

		Year ended 31 March 2014	Six months ended 30 September 2013
Net debt to EBITDA [b]			
=	Net debt	373	351
	Pre-exceptional EBITDA	467	463
		= 0.8 times	= 0.8 times
Interest cover [b]			
=	Operating profit before exceptional items and amortisation of intangible assets	359	351
	Net finance expense	31	32
		= 11.6 times	= 10.9 times
Earnings dividend cover			
=	Adjusted basic earnings per share from continuing operations	56.5	n/a
	Dividend per share	27.6	
		= 2.0 times	
Cash dividend cover [c]			
=	Free cash flow from continuing operations	227	239
	Cash dividends	128	37
		= 1.8 times	= 6.5 times
Return on capital employed			
=	Profit before interest, tax and exceptional items from continuing operations	339	n/a
	Average invested operating capital of continuing operations [d]	1 770	
		= 19.2%	
Average quarterly cash conversion cycle [e]		39 days	43 days

		At 31 March 2014	At 30 September 2013
Gearing			
=	Net debt	353	336
	Total equity	1 050	987
		= 34%	= 34%

Each of the ratios shown above is calculated based on the proportionate consolidation of the results, assets and liabilities and cash flows of the Group's interests in joint ventures.

Notes:

(a) All ratios are calculated based on unrounded figures.

(b) Net debt to EBITDA and interest cover are defined under the Group's banking covenants. For the purpose of these ratios, the effect of new or revised accounting standards adopted by the Group subsequent to 1 April 2012 are ignored and net debt is calculated using average currency exchange rates.

(c) Free cash flow represents cash generated from continuing operations, less net interest paid, less income tax paid, less capital expenditure. Cash dividends represent dividends on ordinary shares paid or proposed in respect of the reporting period, excluding dividends reinvested in shares through the DRIP scheme.

(d) Average invested operating capital represents the average at the beginning and end of the period of shareholders' equity excluding net debt, net tax assets/liabilities and net retirement benefit obligations.

(e) Average quarterly cash conversion represents controllable net working capital at the end of the quarter divided by sales in the quarter, multiplied by the number of days in the quarter and is calculated on a four-quarter rolling basis (a reduction in the number of days represents an improvement).