

DKIB Consumer Staples Conference

Tim Lodge, Director of Investor Relations

Frankfurt, 4 April 2008

Who is Tate & Lyle?

Tate & Lyle is a world-leading manufacturer of renewable food and industrial ingredients. We use innovative technology to transform corn and sugar into value added ingredients for customers in the food, beverage, pharmaceutical cosmetic, paper, packaging and building industries.

Raw Materials

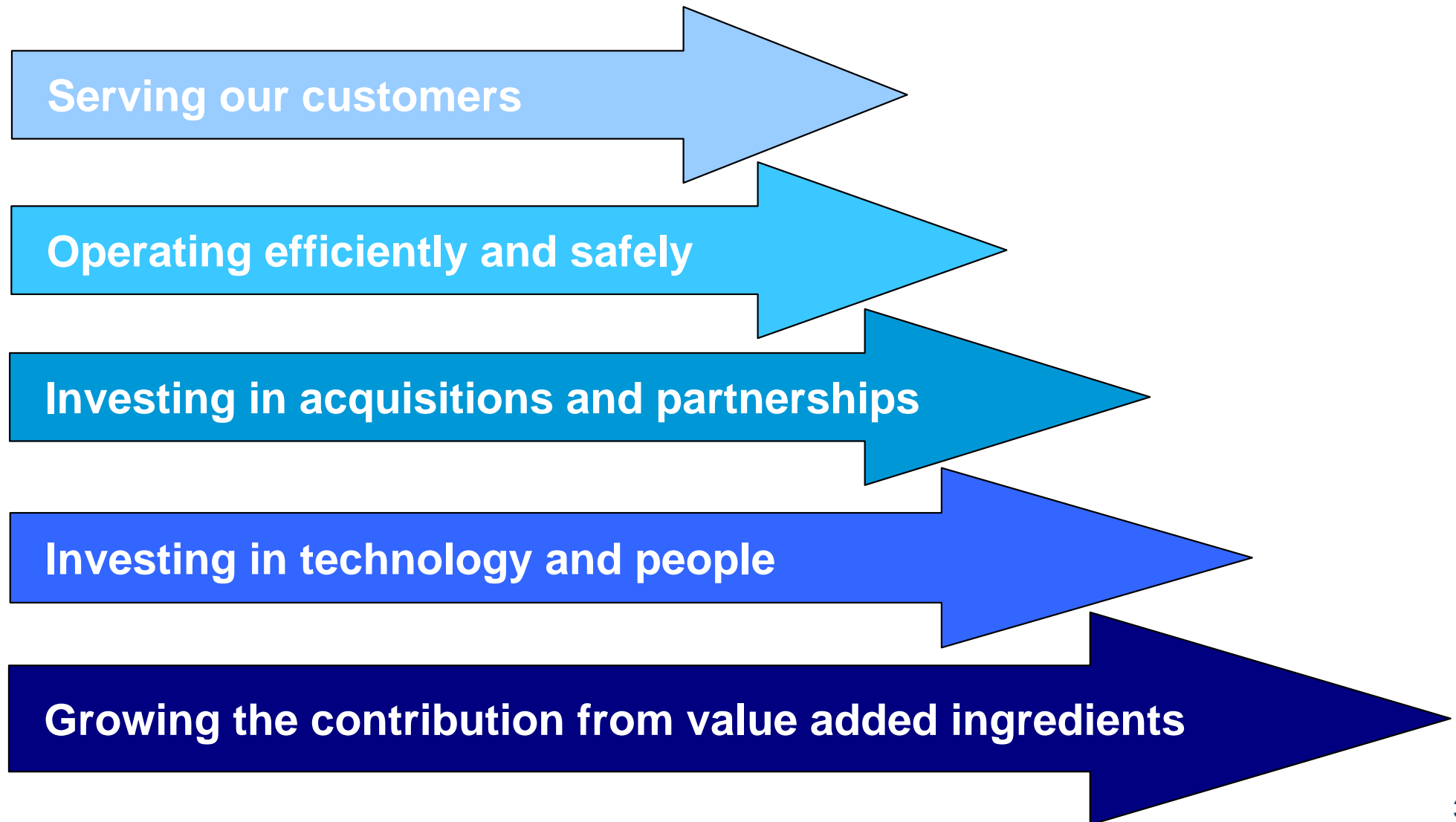


End products



Strategic Vision

To grow our business and create long term value for our shareholders. We focus on five key business objectives:

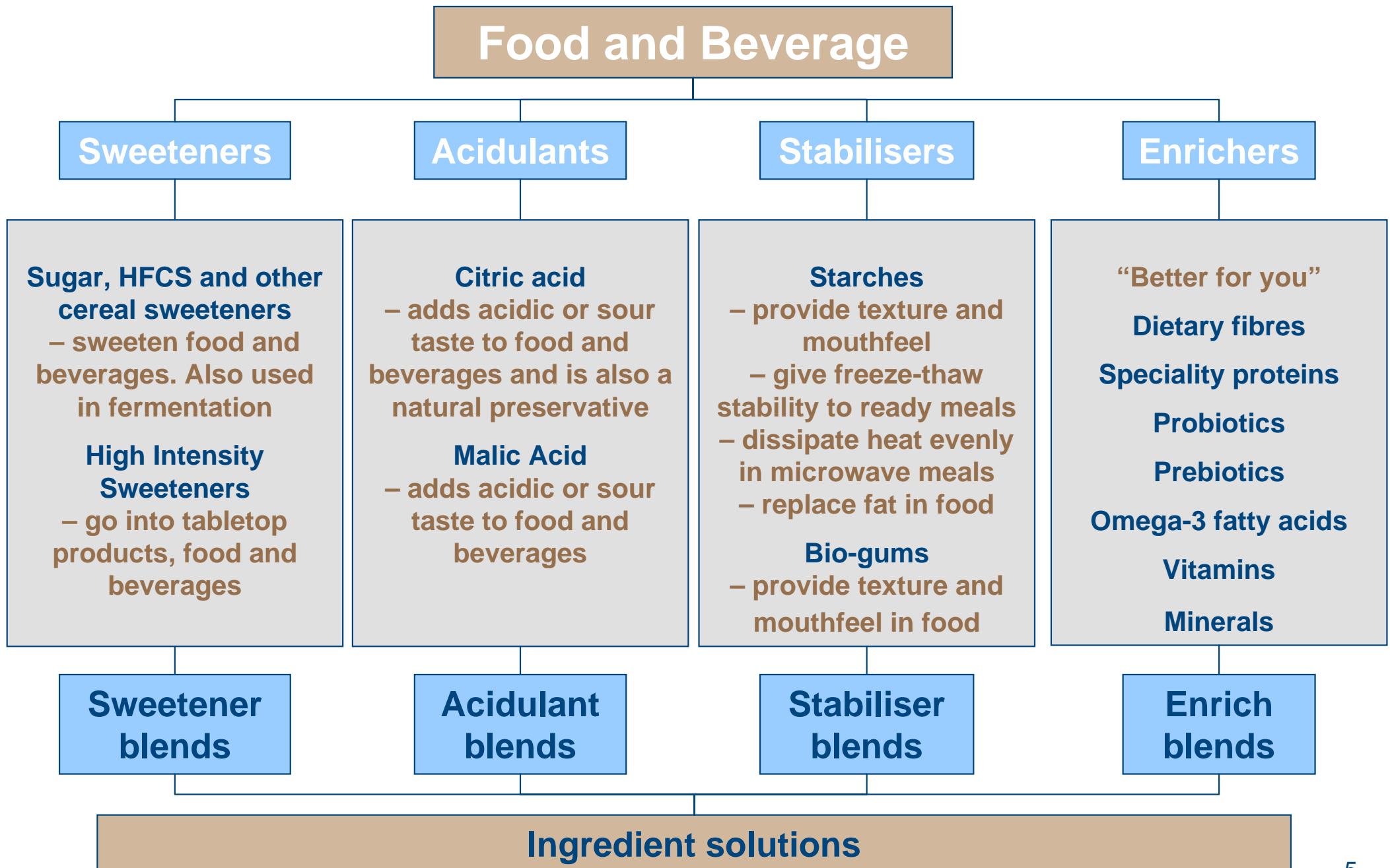


What are value added ingredients?

Those ingredients that utilise technology or intellectual property enabling our customers to produce distinctive products and Tate & Lyle to obtain a price premium and / or sustainable higher margins.

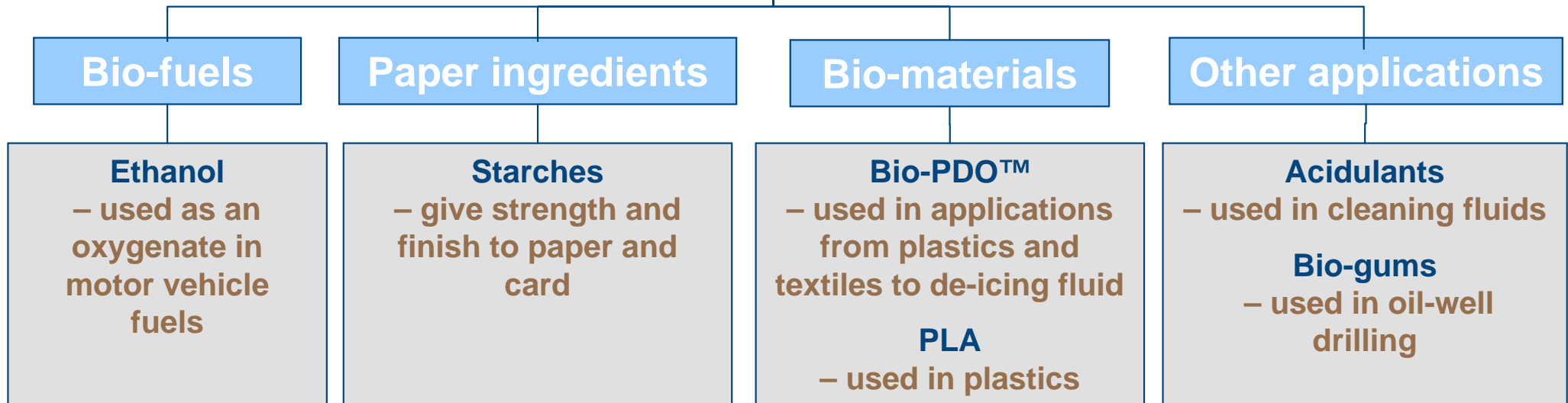


Where we compete

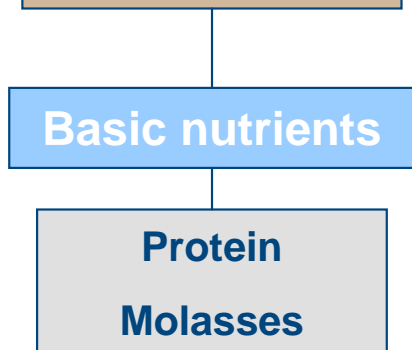


Where we compete

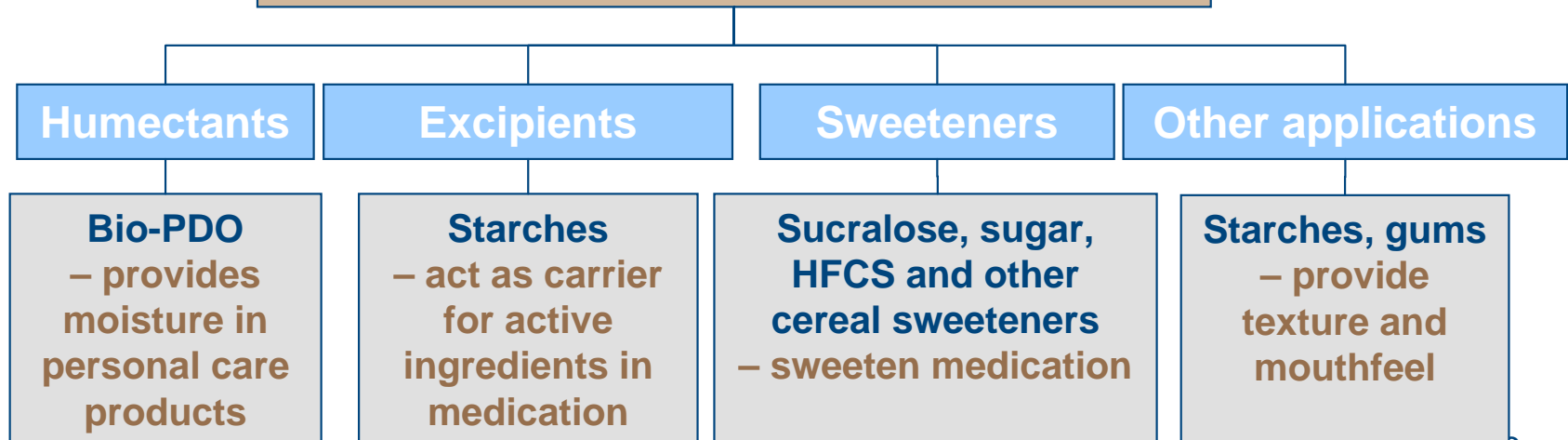
Industrial



Animal feed



Pharmaceutical and personal care



Nearing the end of a year of transition

Reducing exposure to regulated markets in NAFTA

Redpath

Sale completed in April 2007



£8m profit in FY2007
£131m consideration

Occidente

Agreement reached for sale of 49% shareholding



£6m profit in FY2007
(Tate & Lyle's share)
£46m consideration

Reducing exposure to regulated markets in Europe

European starches

Sale of 5 starch plants in Western Europe in September 2007



£38m profit in FY2007
£209m consideration

Eastern Sugar

Surrender of 280k tonnes of sugar beet quota



£10m profit in 2007
(Tate & Lyle's share)
£51m cash receivable in two tranches FY2009

Value added bolt-on acquisition


G.C. Hahn & Co.

80% investment in European leader in dairy stabiliser systems completed in June 2007 for £79m



Tate & Lyle Today

Pro Forma Continuing[#] Sales £1,622m, Operating Profit* £142m
 in Six Months To September 2007

<p>Food & Industrial Ingredients, Americas (TALFIIA)</p>	<p>Food & Industrial Ingredients, Europe (TALFIIIE)</p>	<p>Sucralose</p>	<p>Sugars</p>
<p>Sales £671m Profit £84m</p> <p>Ingredients, Americas Citric Acid Custom Ingredients DuPont Tate & Lyle</p> 	<p>Sales £208m Profit £26m</p> <p>Ingredients, Europe Cesalpinia G C Hahn</p> 	<p>Sales £70m Profit £32m</p> <p>SPLENDA® Sucralose</p> 	<p>Sales £713m Profit £14m</p> <p>London Lisbon Trading (Sugar / Molasses) Vietnam</p> 

[#] Excluding Redpath, Eastern Sugar and TALFIIIE (disposed plants)

*Before exceptional items and amortisation of intangible assets

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Key Results

Six months to 30 September 2007

Continuing business*	vs six months to 30 September 2006	
Profit Before Tax ¹	£120m	Down 14%
Margin ¹	8.5%	Down 1.7 % points
Core Value-Added Food Ingredient Operating Profit	£45m	Up 18%
} Constant currency		
Diluted EPS ¹	15.8p	Down 23%
Dividend	6.5p	Up 0.3p, 5%

*Continuing business excludes Redpath, Eastern Sugar, TALFIIE (disposed plants)

¹ Before exceptional items and amortisation of acquired intangibles

Key Factors

Six Months To 30 September 2007

Ingredients, Americas

- Strong performance in US value-added food ingredients – profit up 17%
- Normalisation of US ethanol prices and margins
- Weaker HFCS volume offset by price increases

Ingredients, Europe

- Good first half but increasing European cereal prices going forward

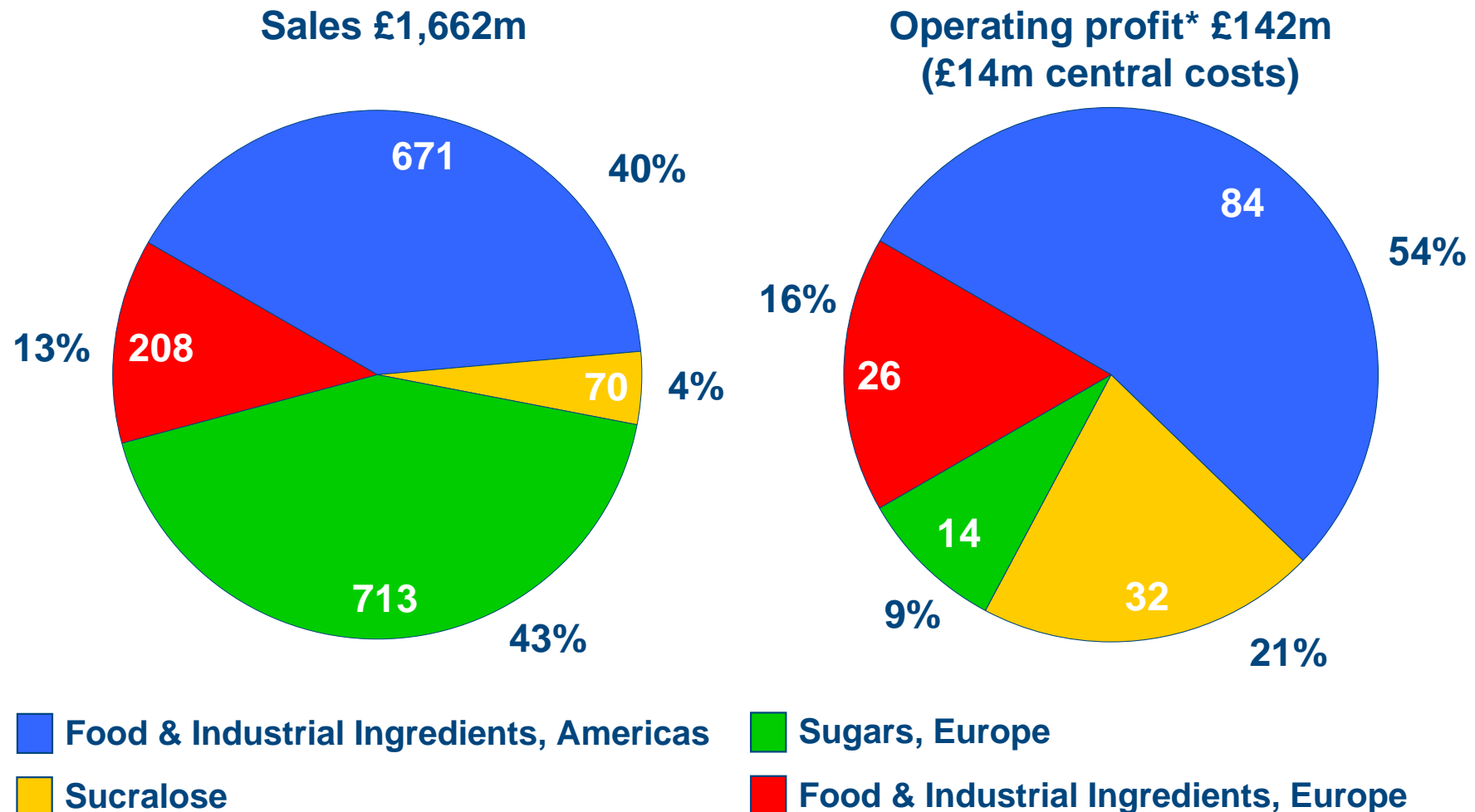
Sugars

- Difficult EU sugar market conditions continue
- Sugar trading loss

Group

- Increased tax rate
- Weaker US\$

Pro Forma Continuing Operations Sales & Operating Profit by Division Six Months to September 2007



• Before exceptional items and amortisation of acquired intangible assets

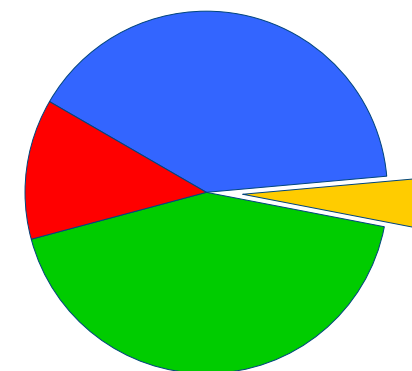
Excluding Redpath, Eastern Sugar and TALFIE (disposed plants)

Sucralose

Six Months to September

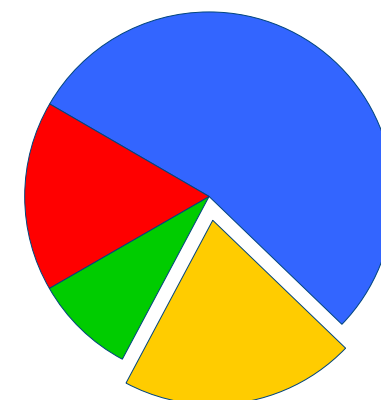
£m	2007	2006	At reported rates	At constant currency
Sales	70	73	-4%	+4%
Profit before interest*	32	34	-6%	0%
Margin*	45.7%	46.6%	-90pts	

4% Sales



- Successful Singapore plant start up - better rate of ramp-up than planned
- Proved capacity of both Singapore and expanded Alabama
- Customer inventory levels yet to stabilise in two plant environment.
- Now able to flex production over both plants to optimise efficiency
- Higher depreciation costs of £13m in this financial year
- Patent estate remains robust

21% PBI*



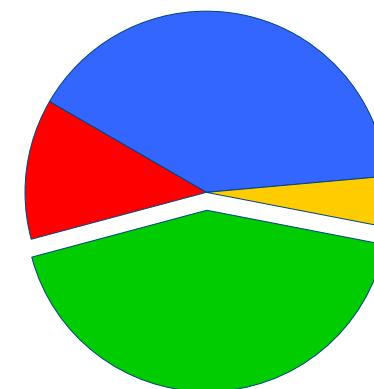
* Before exceptional items and amortisation of acquired intangible assets

Sugars

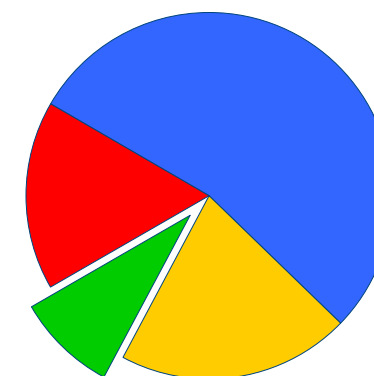
Six Months to September

£m	2007	2006	At reported rates	At constant currency
Sales	713	800	-11%	-5%
Profit before interest* - Products	14	16	-13%	
-Trading	-	18	-100%	
-Total	14	34	-59%	-56%
Margin*	2.0%	4.3%	-230pts	

43% Sales



9% PBI*



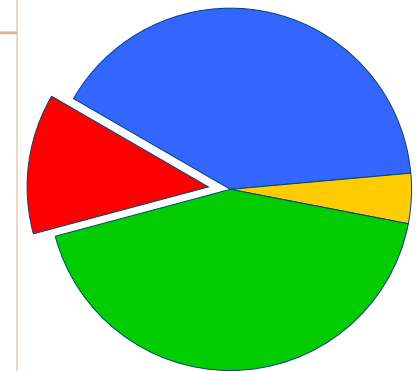
- Positive reaction to repair of EU Sugar Regime reforms
- Difficult EU sugar market conditions continue
- Sugars and Molasses trading down £18m
- Transitional aid received £72m cash, £8.5m P&L
- Capex investment for efficiency – cranes, biomass boiler
- Cost reductions of £7m pa identified
- Cane sugar refining remains a strong economic model

Food & Industrial Ingredients, Europe

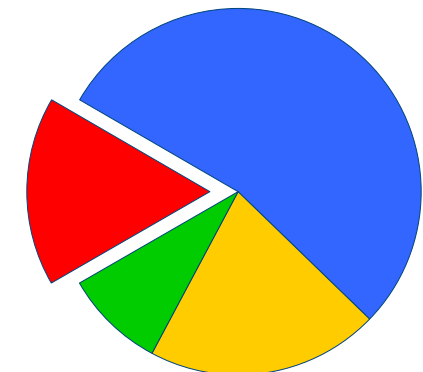
Six Months to September Continuing business

£m	2007	2006	At reported rates	At constant currency
Sales	208	157	+32%	+37%
Profit before interest*	26	23	+13%	+13%
Margin*	12.5%	14.6%	-210pts	

13% Sales



16% PBI*



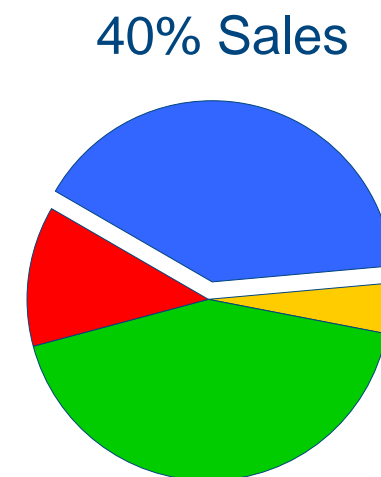
- EU Sugar Regime impacts sweetener commodity pricing price cap
- High cereal costs endorse strategy to dispose business
- Corn prices up dramatically. 2008 pricing round uncertain
- Business now centred on low cost production and in developing markets
- Preference was sale of whole business. Constructive dialogue with JV partner on strategy for Eaststarch
- Speciality starch plant in Netherlands retained – important contributor to value added

* Before exceptional items and amortisation of acquired intangible assets

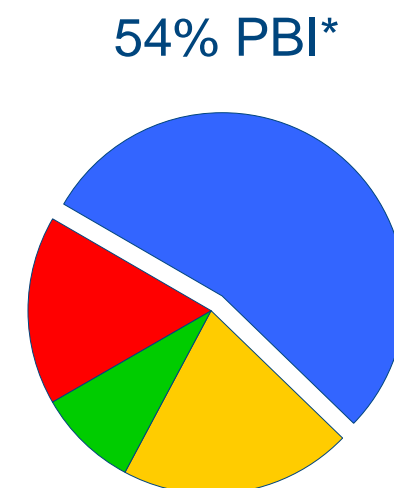
Food & Industrial Ingredients, Americas

Six Months to September

£m	2007	2006	At reported rates	At constant currency
Sales	671	615	+9%	+18%
Profit before interest*	84	93	-10%	-2%
Margin*	12.5%	15.1%	-260pts	



- Ethanol profit decline
- Astaxanthin loss of £5m (including closure costs)
- Value added continues to progress well – 11% growth in first half (exc Astaxanthin), value added food ingredients 17% growth
- Additional capacity available in second half
- HFCS fundamentals sound; 2008 calendar pricing round complete



* Before exceptional items and amortisation of acquired intangible assets

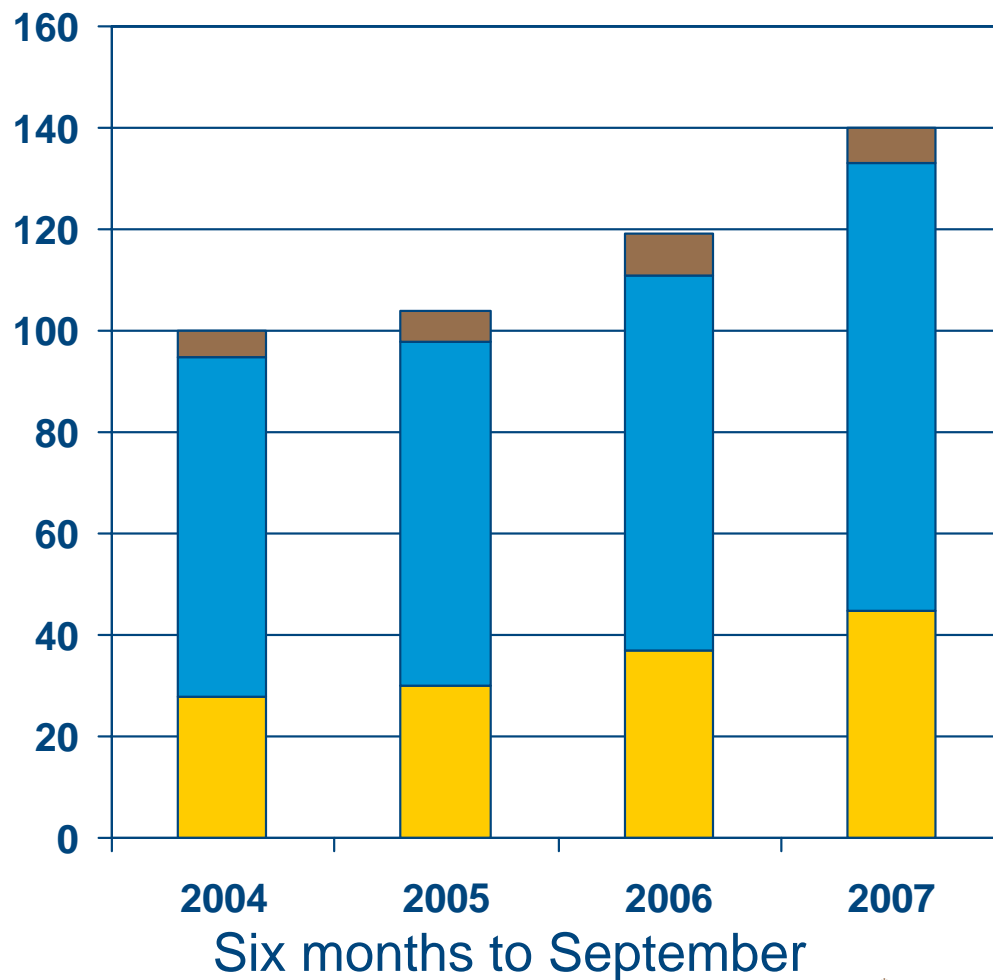
Food & Industrial Ingredients, Americas

Value added continues to progress well

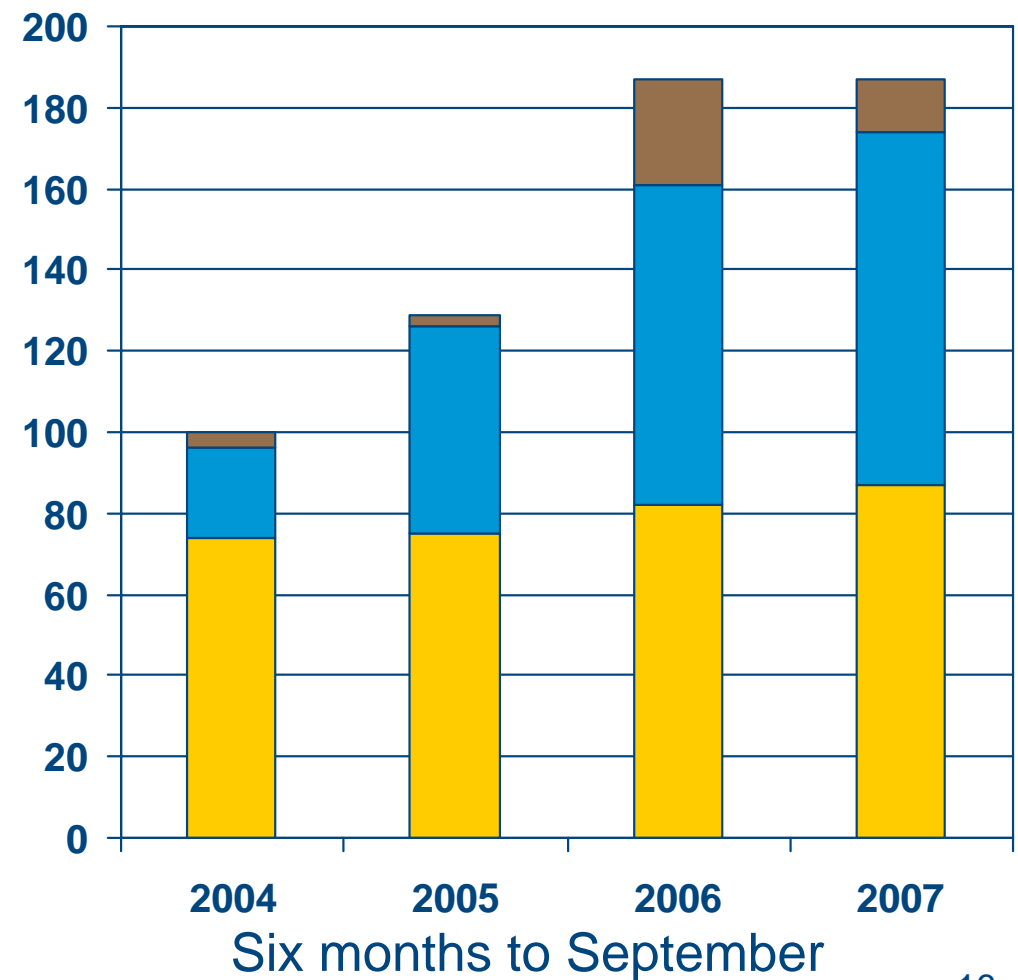
Sales* (rebased to 100 in 2004)

Operating profit* (rebased to 100 in 2004)

Value added Commodity Ethanol



Value added Commodity Ethanol

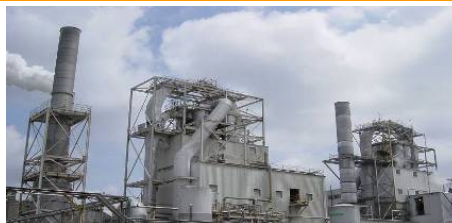


* Excluding Astaxanthin

Major Investments – Ingredients, Americas

Organic investments

Sagamore £60m
On stream



Expansion to increase capacity for value added food starches.
Will see benefit in 2H08.

Loudon £40m
On stream February 2008



Expansion to increase capacity for value added ingredients and ethanol. Will see benefit in 1H09.

Fort Dodge £140m
Mechanically complete by March 2009



1st phase of new corn wet mill (for cationic starches & ethanol).
Will see benefit in 1H10.

Partnerships

Bio-PDO™ JV £30m
In proving phase



Sales to several categories including textiles, de-icing fluid and personal care.

Major Investments – Sugars and Sucralose

Organic investments

Thames £26m cranes
& biomass boiler
Full capacity by March 2009



Boiler reduces carbon emissions
from energy use at Thames refinery
by 70%

SPLENDA® Sucralose
Alabama plant
expansion £40m
Completed end March 2007



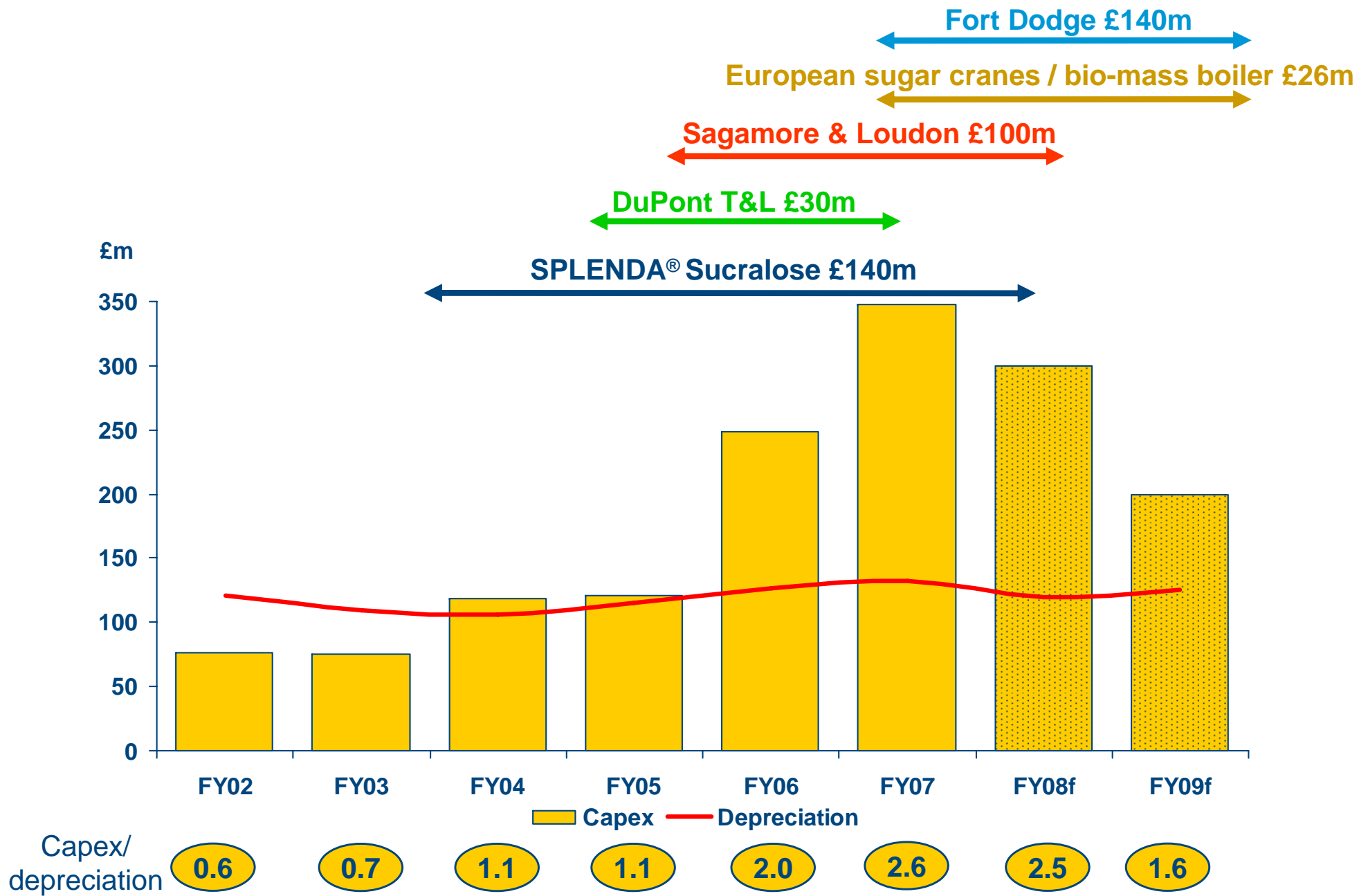
Doubled capacity at McIntosh,
Alabama

SPLENDA® Sucralose
New Singapore plant
£100m
Completed end Autumn 2008



Successful start up, better rate of
ramp up than expected.

Capital Expenditure vs Depreciation



Outlook for year to 31 March 2008

Sugars

- Continuing oversupply of sugar in the EU market but latest EU moves positive

Ingredients, Europe

- Good results from Hahn and Cesalpinia but high European corn prices squeeze second half Ingredients, Europe margins

Ingredients, Americas

- Further progress in core value added products
- Further US food ingredient capacity coming on stream in second half
- Improved margins in US sweetener pricing round fully in line with expectations

SPLENDA® Sucralose

- Modest growth in SPLENDA® Sucralose as we continue to develop the business for long-term growth

Group

- US\$/£ exchange rate critical as c80% profits in \$

Outlook

- Second half outturn broadly similar to first half
- Strategy to focus on value-added leaves us well placed to create value



Appendices

Income Statement

Six Months to September

Continuing business

£m	2007 (£1=\$2.00)	2006 (£1=\$1.85)	At reported rates	At constant currency
Continuing operations:				
Sales	1,662	1,645	+1%	+8%
Adjusted operating profit*	142	168	(15)%	(10)%
Net finance costs	(22)	(19)	(16)%	(22)%
Adjusted profit before tax*	120	149	(19)%	(14)%
Exceptional items	(30)	-		
Intangible asset amortisation	(6)	(4)		
Profit before tax	84	145	(42)%	
Tax	(41)	(47)	13%	
Profit from continuing operations	43	98	(56)%	
Diluted earnings per share from continuing operations*	15.8p	20.4p	(23)%	

* Before exceptional items and amortisation of acquired intangible assets

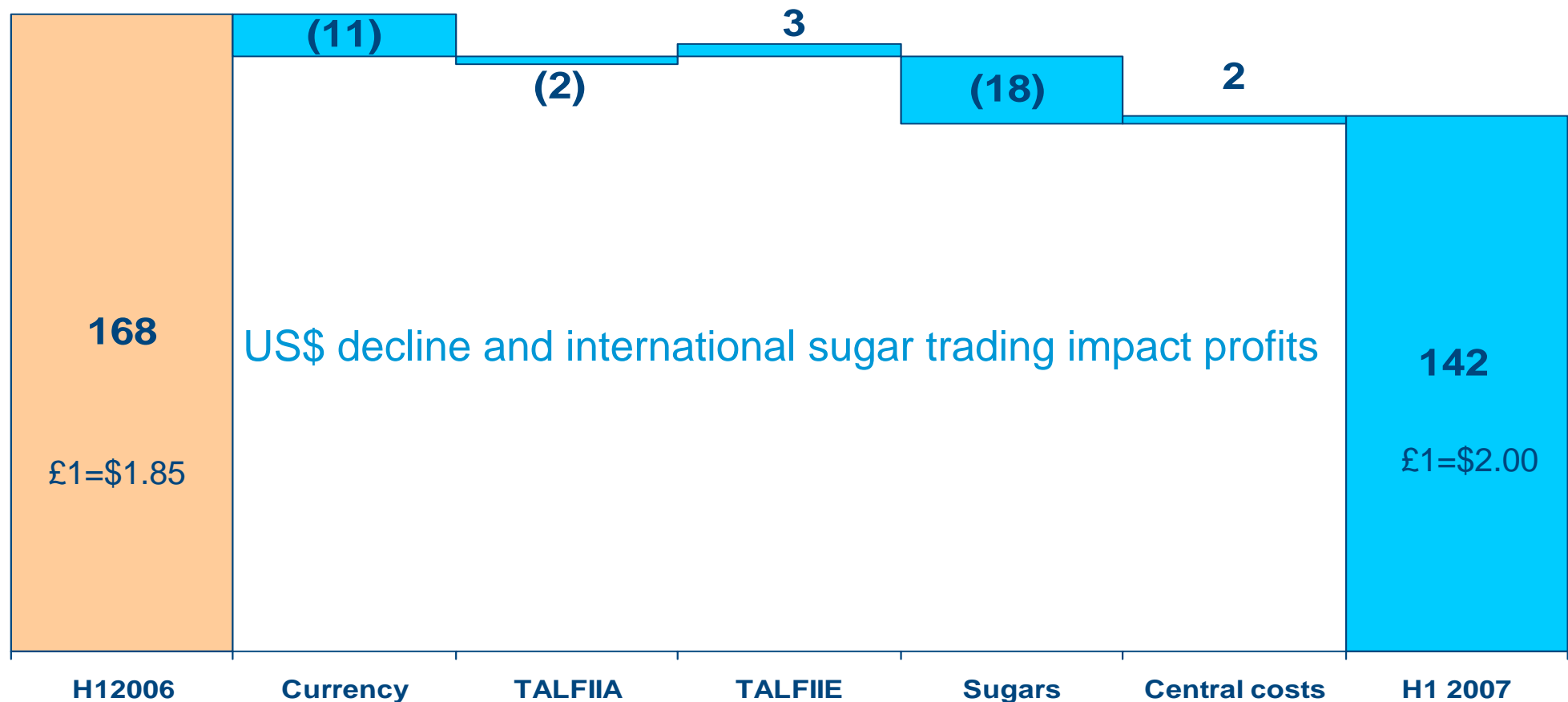
Excluding Redpath, Eastern Sugar and TALFIIE (disposed plants)

Operating profit*

Six Months to September

Continuing business

£m



* Adjusted operating profit before exceptional items and amortisation of acquired intangibles

Product Analysis – Operating profit

Six Months to September

Continuing operations (at actual 2007 rates)

Operating Profit		2007			2006		
		Primary	Value added	Total	Primary	Value added	Total
£m							
Sugars	- Products	11	3	14	13	3	16
	- Trading	0	-	0	16	-	16
Ingredients	- Food	46	45	91	44	38	82
	- Industrial	21	(2)	19	23	4	27
Global Sucralose		-	32	32	-	32	32
Total		78	78	156	96	77	173
Exchange				-			11

* Profit before interest, exceptional items and amortisation of acquired intangible assets

Cash Flow

Six Months to September

£m

	2007 (£1=\$2.00)	2006 (£1=\$1.85)
Operating Profit*	142	168
Depreciation / Amortisation	50	41
Working Capital	71	70
Net interest	(25)	(12)
Share based payments	2	3
Tax	(32)	(36)
Capex	(135)	(134)
Free Cash Flow/(Outflow) (continuing ops) #	73	100
Net disposals/(acquisitions)	63	-
Dividends	(74)	(68)
Share buyback	(49)	-
Issue of own shares	7	12
Other (including exchange)	13	18
Discontinued operations	27	33
Movement in Net Debt	60	95

* Before exceptional items and amortisation of acquired intangible assets

Including net debt divested on disposal

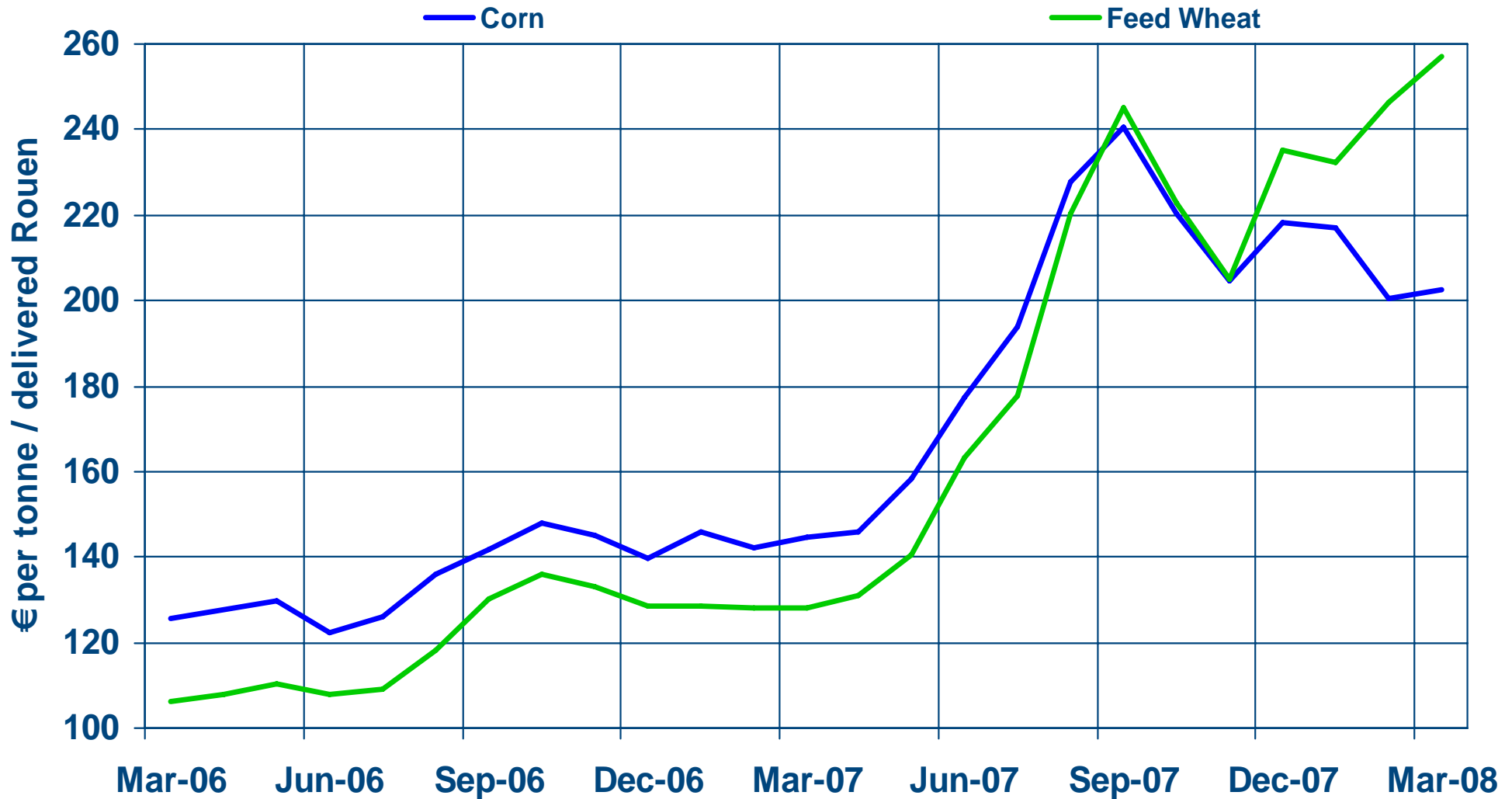
Balance Sheet

£m	As at 30 Sep 2007	As at 31 Mar 2007
Property, Plant & Equipment	1,123	1,217
Intangible Assets	298	232
Other Net Assets	477	385
Net Assets Held for Sale	-	61
	1,898	1,895
Net Debt	840	900
Shareholders' Funds	1,058	995
	1,898	1,895

Food & Industrial Ingredients, Europe

European Grain Prices

Spot Prices 24 months to End March 2008



Food & Industrial Ingredients, Americas

US corn prices

Nearby Futures Prices 24 months to End March 2008

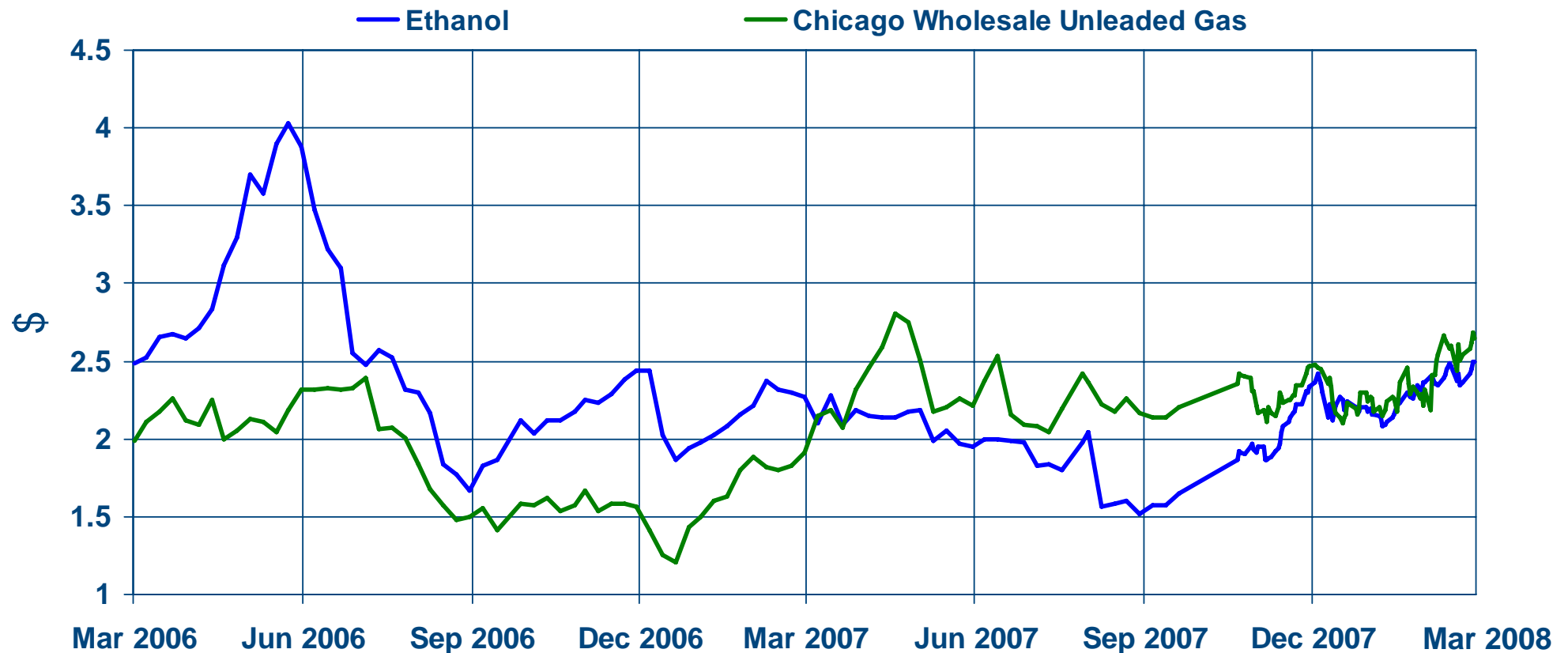


Source: Chicago Board of Trade

Food & Industrial Ingredients, Americas

Ethanol profits still generate good returns

Spot Prices 24 months to End March 2008



- Last year's "supra-normal" profits back down to more normal levels, but still good returns.
- Current economics continue to support investments in Loudon and Fort Dodge.

The Corn Wet Milling Process

