3 November 2011

TATE & LYLE PLC
STATEMENT OF HALF YEAR RESULTS
For the six months to 30 September 2011

Continuing operations[1] £m unless stated otherwise	Six months to 30 September (Unaudited) 2011	2010	% change in constant currency[3]
Sales	**1 540**	1 348	+ 19%
Adjusted results[2]			
Adjusted operating profit	**194**	170	+ 19%
Adjusted profit before tax	**180**	136	+ 38%
Adjusted diluted earnings per share	**31.5p**	23.5p	+ 41%
Statutory results			
Operating profit	**255**	138	+ 93%
Profit before tax	**241**	104	+ 143%
Profit for the period (on total operations)	**177**	73	+ 172%
Diluted earnings per share (on total operations)	**37.0p**	15.1p	+ 178%
Net debt	**410**	540	
Dividend per share	**7.1p**	6.8p	+ 4.4%

Javed Ahmed, Chief Executive, said:
"Tate & Lyle delivered an encouraging performance during the first half with solid demand in a number of our markets. In Speciality Food Ingredients, we delivered good profit growth driven by increased sales volumes across the product portfolio and stable operating margins. Within Bulk Ingredients, we experienced firm demand for corn sugars in the US and Mexico and improved industrial starch margins particularly in Europe. During the first half we experienced exceptionally strong co-product returns as a result of tight market conditions."

Highlights

- Sales in Speciality Food Ingredients up 9% (12% in constant currency)
- Adjusted operating profit up 14% at £194 million (19% in constant currency)
- Adjusted diluted earnings per share up 34% at 31.5p (41% in constant currency)
- Focus, Fix, Grow programme:
  - New Commercial and Food Innovation Centre in Chicago to open in first quarter of 2012
  - Global Shared Service Centre in Lodz, Poland now operational
  - Common global IS/IT platform into build phase
- SPLENDA® Sucralose volumes particularly strong, up 17%; McIntosh facility on track to restart production in first half of next financial year

Outlook

Within Speciality Food Ingredients, we expect to deliver good profit growth for the full year driven by higher volumes and sales growth across all product categories. Profits are expected to be weighted towards the first half as a result of SPLENDA® Sucralose volumes reverting to more normal levels and the costs associated with restarting the McIntosh facility in the second half.

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. Industrial starch, particularly in Europe, is expected to perform better than the prior year. As usual, the outcome of the 2012 calendar year sweetener pricing rounds will influence performance in the final quarter of the financial year.

Profits for the Group for the full year are expected to be more heavily weighted towards the first half than usual, mainly due to the exceptionally strong performance from co-products during the first half.

Overall, we expect the Group to deliver a good performance for the full year as a result of a solid operational performance and lower net interest expense.

1 Excluding the results of discontinued operations in both periods.
2 Before net exceptional credits of £66 million (2010 – charge of £25 million) and amortisation of intangible assets acquired through business combinations of £5 million (2010 – £7 million).
3 Changes in constant currency are calculated by retranslating comparative period results at current period exchange rates.

Dr Barry Zoumas

The Board was very sad to announce the passing away of Dr Barry Zoumas, a non-executive director of the Company and Chairman of the Company's Research Advisory Group, on 14 August 2011. Barry made an invaluable contribution to the Board and the Company and is sorely missed.

A process is underway to find a new non-executive director.

Cautionary statement

This Statement of Half Year Results 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. Nothing in this Statement of Half Year Results should be construed as a profit forecast.

A copy of this Statement of Half Year Results for the six months ended 30 September 2011 can be found on our website at www.tateandlyle.com. A hard copy of this statement is also available from The Company Secretary, Tate & Lyle PLC, Sugar Quay, Lower Thames Street, London EC3R 6DQ.

SPLENDA® is a trademark of McNeil Nutritionals, LLC

Webcast and conference call

A presentation of the results by Chief Executive, Javed Ahmed and Chief Financial Officer, Tim Lodge will be audio webcast live at 10.00 (UKT) today. To view and/or listen to a live audiocast of the presentation, visit http://www.media-server.com/m/p/p49sskt5. Please note that remote listeners will not be able to ask questions during the Q&A session. A webcast replay of the presentation will be available within two hours of the end of the live broadcast for six months, on the link above.

For those unable to view the webcast, there will also be a teleconference facility for the presentation. Details are given below:

UK dial in number: +44 (0)20 3364 5381
US dial in number: +1 347 366 9565
Confirmation Code: 8092048#

7 day conference call replay:

UK replay number: +44 (0)20 7111 1244
US replay number: +1 347 366 9565
Replay Access code: 8092048#

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STATEMENT OF HALF YEAR RESULTS FOR THE SIX MONTHS TO 30 SEPTEMBER 2011

Results for the continuing operations are adjusted to exclude exceptional items and amortisation of acquired intangible assets. Except where specifically stated to the contrary, this commentary relates only to the adjusted results for the continuing operations. A reconciliation of statutory and adjusted information is included at note 16.

Tate & Lyle delivered an encouraging performance during the first half with solid demand in a number of our markets. Sales in the first half of the year increased by 14% (19% in constant currency) to £1,540 million (2010 – £1,348 million) as a result of higher volumes within Speciality Food Ingredients and, within Bulk Ingredients, the passing through of higher corn costs and subsequent higher co-product values. Adjusted operating profit also increased by 14% (19% in constant currency) to £194 million (2010 – £170 million). Adjusted profit before tax increased by 32% (38% in constant currency) to £180 million (2010 – £136 million) while statutory profit before tax increased by £137 million to £241 million (2010 – £104 million).

In May 2010, we announced that we would report a set of Key Performance Indicators (KPIs) to measure our performance. The Return on Capital Employed (ROCE) and Safety Index will be provided annually. The other KPIs for the first half are as follows:

KPI	Measure	First Half 2011	First Half 2010	Change†
Growth in SFI sales	Sales	**£450m**	£414m	+ 12%
Profitability	Adjusted operating profit	**£194m**	£170m	+ 19%
Working capital efficiency	Cash conversion cycle*	**35 days**	37 days	Improvement of 2 days
Financial strength	Net debt/EBITDA**	**0.9x**	1.4x	
Financial strength	Interest cover**	**8.3x**	6.8x	

† Sales and operating profit growth are shown in constant currency
* Defined as controllable working capital divided by quarterly sales, multiplied by number of days in quarter on a four quarter rolling basis (a reduction in the number of days represents an improvement)
** These ratios have been calculated under the Group's bank covenant definitions. Net debt is calculated using average rates of exchange. Pre-exceptional EBITDA is the EBITDA for the six months ended 30 September 2011 plus the amount for the six months ended 31 March 2011; the comparative for 30 September 2010 is calculated on a consistent basis.

DIVISIONAL OPERATING PERFORMANCE

Speciality Food Ingredients

	Six months to 30 September		Change	
	2011 **£m**	2010 £m	**Reported**	**Constant currency**
Sales	**450**	414	+ 9%	+ 12%
Adjusted operating profit	**116**	108	+ 7%	+ 11%
Margin	**25.8%**	26.1%	- 0.3ppts	- 0.1ppts

Within Speciality Food Ingredients, volumes increased by 8% with volume growth across all major product categories. Sales increased by 9% (12% in constant currency) to £450 million (2010 – £414 million). Adjusted operating profit increased by 7% (11% in constant currency) driven by increased sales volumes and stable operating margins. The effect of exchange translation was to decrease sales by £11 million and adjusted operating profit by £4 million compared to the first half last year.

The Speciality Food Ingredients segment comprises three broad product categories namely: starch-based speciality ingredients; high intensity sweeteners; and food systems.

Starch-based speciality ingredients

In starch-based speciality ingredients, volumes increased by 8% and sales by 12% (16% in constant currency) to £244 million (2010 – £217 million). While overall operating profit was higher and unit margins were held constant, percentage margins were lower than the comparative period as a result of higher corn costs. This category also benefited from its share of higher co-product returns generated during the first half.

In modified food starches, sales volume increases were driven by rising demand for packaged foods in emerging markets and a continuation of the high levels of demand and innovation within the snacks segment, particularly in Europe. In Latin America, the recruitment of additional sales resource resulted in a number of new customer wins and increased volumes.

In addition to a general tightening in industrial markets, demand for corn-based starches was boosted by the shortage of potato-based starches in Europe as a result of the poor 2010 potato harvest. Furthermore, European customers are starting to switch into corn-based starches in anticipation of the potato regime change in 2012.

Global sugar prices remained high during the first half leading to an increase in the demand for speciality corn sweeteners, where we continue to see an increase in the number of cost-optimisation projects with our customers. In Brazil, we generated higher volumes from new business within the beverage segment where we were able to use our expertise to help customers reformulate using our corn-based speciality sweeteners.

Our speciality fibres offering continues to benefit from the Health & Wellness trend and we saw good levels of growth in Europe, Asia and Latin America. In the first half, we generated good volume growth for polydextrose fibre in Asia as a result of winning new customers within the dairy sector in China. After the period end we announced an extension of our PROMITOR™ dietary fibre product range with the launch of PROMITOR™ Soluble Gluco Fibre in Europe.

High intensity sweeteners

Within high intensity sweeteners, volumes were particularly strong increasing 17% over the comparative period. As expected, average selling prices for SPLENDA® Sucralose were lower reflecting the impact of our strategy of securing long-term customer contracts with volume incentive arrangements. Sales by value increased by 5% (10% in constant currency) to £108 million (2010 – £103 million) with profits ahead of the comparative period. While we continue to expect average selling prices to reduce, as anticipated, the rate of price decline slowed during the first half.

During the first half, volumes grew across all regions with particularly strong demand in both Asia and Latin America to support new customer product launches within the beverage sector. We also generated additional new volumes in the dairy segment in China during the period. SPLENDA® Sucralose volumes are expected to revert to more normal levels during the second half.

In May 2011 we announced that we would restart production at our mothballed SPLENDA® Sucralose facility in McIntosh, Alabama. We have made good progress re-commissioning the facility including the recruitment of a large number of former employees and the testing of equipment and we remain on track to restart production during the first half of next financial year. The cost associated with restarting McIntosh and the associated reduction in profits for the current financial year is expected to be £3 million. We still expect to incur around £13 million of capital expenditure in the current financial year to bring the facility back into operation.

Following its launch earlier this year, we have started to develop the market for PUREFRUIT™, our new fruit-based calorie-free sweetening ingredient, and this process is proceeding as planned.

Food systems

During the first half, Food Systems volumes increased by 3% and sales by 4% (3% in constant currency) to £98 million (2010 – £94 million). We saw good volume growth in Asia, the Middle East and southern Africa while volume growth in Eastern Europe was below our expectations as a result of tougher trading conditions in some markets.

Despite an overall increase in volumes and sales growth, as a result of the tougher trading conditions and the lag in recovering higher input costs, profits were in line with the comparative period.

Outlook

Within Speciality Food Ingredients, we expect to deliver good profit growth for the full year driven by higher volumes and sales growth across all product categories. Profits are expected to be weighted towards the first half as a result of SPLENDA® Sucralose volumes reverting to more normal levels and the costs associated with restarting the McIntosh facility in the second half.

Bulk Ingredients

	Six months to 30 September		Change	
	2011	2010	**Reported**	**Constant currency**
	£m	£m		
Sales	**1,090**	934	+ 17%	+ 22%
Adjusted operating profit	**96**	85	+ 13%	+ 17%
Margin	**8.8%**	9.1%	- 0.3ppts	- 0.3ppts

Within Bulk Ingredients, while volumes were 1% lower, sales increased by 17% (22% in constant currency) to £1,090 million (2010 – £934 million) on the back of higher corn and co-product values. Adjusted operating profit increased by 13% (17% in constant currency) to £96 million (2010 – £85 million) driven by very strong levels of co-product income and an improved performance from industrial starches. The effect of exchange translation was to decrease sales by £39 million and operating profit by £3 million.

This division comprises three broad product categories namely: sweeteners; industrial starches, acidulants and ethanol; and co-products.

Sweeteners

In North America, bulk corn sweetener volumes were 1% lower than the comparative period and sales increased by 9% (16% in constant currency) to £441 million (2010 – £403 million) reflecting the pass-through of higher corn costs to customers. During the period we experienced strong seasonal demand for corn sugars in the US and continued growth in sales to Mexico. Operating profits within this category were lower than the prior year, driven by the lower volumes.

In Europe, bulk corn sweetener volumes increased by 3% during the first half as a result of higher quotas for the current year in Bulgaria and Hungary with sales increasing by 13% (11% in constant currency) to £76 million (2010 – £67 million). As anticipated, the relatively larger rise in corn prices compared with sugar at the end of last year squeezed isoglucose margins in the period, despite steps taken to mitigate price volatility through the shortening of isoglucose customer contracts.

Operating profits from Almex, our Mexican joint venture, were up on the comparative period, reflecting higher volumes and improved pricing.

Industrial starches, acidulants and ethanol

Sales of industrial starches, acidulants and ethanol increased by 16% (23% in constant currency) to £322 million (2010 – £277 million).

Industrial starch volumes were lower overall as a result of a small proportion of corn grind in the US being switched from producing industrial starches to food starches in Speciality Food Ingredients. In the US, volumes were lower than the comparative period with slightly higher margins on the back of an improved pricing environment and tighter industry capacity overall. In Europe, tighter market conditions and a reduced supply of alternative starches as a result of the poor potato harvest in the prior year resulted in an increase in demand for corn-based starches and an increase in industrial starch margins overall. While industrial starches performed better during the first half, the performance of this part of the business remains sensitive to changes in the macro-economic environment.

Within our acidulants business, citric acid volumes and profits were lower than the comparative period as a result of increased competition in the US and from imports into Latin America. In US ethanol, although volumes declined during the first half, sales increased on the back of higher prices resulting in an improved performance at the operating profit level. The Bio-PDO™ joint venture made a small loss during the first half.

Co-products

Sales of co-products increased by 34% (36% in constant currency) to £251 million (2010 – £187 million).

We generated £19 million of additional income during the first half which is higher than our expectations and ahead of the guidance issued at the time of our pre close trading update towards the end of September. In the event, we had an exceptionally strong performance in September where, despite the big fall of 17% in the US corn price from the last week in August to the last week in September, we were able to price some good feed volumes at high prices and benefited from a mark to market movement in the corn oil price.

The main drivers of the exceptionally strong co-product performance in the first half are as follows:

- Corn prices in the US remained high during the first half and on average well above the price at which we contracted for the 2011 calendar year. In addition, the corn price was extremely volatile reflecting uncertainty about the quantity of this year's corn harvest with the price trading within a broad range and a spread of around $2 per bushel from peak to trough;

- As a result of high corn prices and high levels of demand, co-product prices remained very firm throughout the period. Prices for animal feed in the US were further strengthened by the impact of the severe drought in Texas and the renewed access to European markets. Prices of corn oil were high due to concerns about supply and the market for corn gluten meal remained firm; and

- The tight demand/supply situation led to some changes in our customers' buying behaviour, with what is traditionally a short-term market seeing customers wanting to secure volumes several months in advance. At certain times in the period, we decided to take advantage of this opportunity and fix longer-term sales at favourable pricing to the extent that, for some co-products, we have contracted a significant proportion of our full year volumes during the first half.

We mark to market all of our open co-product positions in the US at the end of each month and a mark to market gain is included within the £19 million of additional co-product income in the first half. As such, should market conditions differ from those at the end of September, resulting in changed expectations for co-product pricing, this would be reflected in further gains or losses in the second half.

Since over 80% of our US corn grind is utilised to produce Bulk Ingredients, the majority of this impact is recorded within this segment. During the period, sales of European co-products also rose on the back of the continuing high corn prices.

Outlook

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. Industrial starch, particularly in Europe, is expected to perform better than the prior year. As usual, the outcome of the 2012 calendar year sweetener pricing rounds will influence performance in the final quarter of the financial year.

BUSINESS TRANSFORMATION UPDATE

Focus, Fix, Grow

Tate & Lyle's strategy is to grow its Speciality Food Ingredients business supported by cash generated from Bulk Ingredients. To deliver on this strategy, we have taken a number of steps to 'focus, fix, grow' our business.

<u>Focus</u>

Following the sales of EU Sugars, Molasses and Fort Dodge in the last financial year, Tate & Lyle is now a more focused, less complex business with a reduced exposure to commodity markets. We expect that the conditional sale of our Vietnam sugar interests, which was announced in April 2011, will complete during the second half of the year.

<u>Fix</u>

In June 2011, we completed the design phase of our new global IS/IT platform. The build phase for this project is now underway. In September, our new Global Shared Services Centre in Lodz, Poland became operational. The process to migrate the various services to be provided by the new Centre, which will occur in a phased process over the next 15 months, has now started. We continue to recruit new staff both to fill skills gaps and to refresh the talent base, particularly in key customer facing and innovation-related areas.

<u>Grow</u>

Work to fit out our new Commercial and Food Innovation Centre in Chicago, Illinois is progressing well. The Centre, which is due to be operational in early 2012, will be the global headquarters of Tate & Lyle's Innovation and Commercial Development group (ICD) and the regional headquarters for the Speciality Food Ingredients business in North America. It will enable our scientists, marketing, sales and technical experts to work more closely with our customers and to respond rapidly to their needs for innovative food ingredient solutions. The Centre will feature research and application laboratories as well as a demonstration kitchen, sensory testing, analytical and pilot plant facilities.

ICD continues to work with customers on product development and innovation initiatives. The increased focus and alignment of ICD with the business is beginning to show encouraging progress with the number of projects in the innovation pipeline about a third higher than in the comparative period last year, albeit from a relatively small base.

In emerging markets, the strengthening of our sales, technical and applications expertise is beginning to gain some traction. In China, new customer accounts have been secured, particularly in the dairy segment, resulting in an increase in polydextrose and SPLENDA® Sucralose volumes during the period, while in Latin America, new customers have increased the demand for modified food starches.

In May 2011 we announced our decision to restart of production at our mothballed SPLENDA® Sucralose facility in McIntosh, Alabama. We remain on track to restart production during the first half of the next financial year.

<u>Business transformation costs</u>

During the first half, £8 million of capital and £6 million of exceptional costs were incurred and we continue to expect the total expenditure of these projects to be around £94 million.

FINANCIAL PERFORMANCE

Overview of Group financial performance

Tate & Lyle delivered an encouraging performance during the first half with solid demand in a number of our markets. Sales in the first half of the year increased by 14% (19% in constant currency) to £1,540 million (2010 – £1,348 million). Adjusted operating profit increased by 14% (19% in constant currency) to £194 million (2010 – £170 million). Adjusted profit before tax increased by 32% (38% in constant currency) to £180 million (2010 – £136 million) while statutory profit before tax increased by £137 million to £241 million (2010 – £104 million).

Central costs

Central costs, which include head office, treasury and reinsurance activities, decreased by 22% to £18 million (2010 – £23 million). During the comparative period we incurred £6 million of one-off costs relating to the review of the Group's activities.

Net finance expense

Net interest expense of £14 million was well below the charge in the comparative period of £34 million. As announced in the interim management statement on 28 July 2011, we repaid our US$300 million bond at its maturity in June which was the principal driver of a £5 million reduction in our underlying interest charge in the period. The credit within interest relating to post-retirement benefit plans was £3 million which compares with a charge of £2 million in the comparative period. A further £7 million reduction is attributable to the charge we took in the comparative period in relation to the unwind of cash flow hedges which will continue to reverse gradually over the period to maturity in June 2012. The effect of exchange translation and interest rate hedging gains together was to decrease interest expense by £3 million.

Exceptional items

During the period, we recognised a net exceptional credit of £66 million. On 27 May 2011, we announced our decision to restart production of SPLENDA® Sucralose at our facility in McIntosh, Alabama. The decision resulted in the reversal of £53 million of impairment charges and £20 million of obligations relating to the original mothballing of the plant that were no longer required. During the period, we also recognised a charge of £7 million in relation to costs associated with our business transformation projects and the restructuring of our Food Systems business. The exceptional charge in the comparative period of £25 million related to the decision to mothball our plant in Fort Dodge, Iowa which was subsequently sold in March 2011.

The tax impact on continuing operations of net exceptional items was a £28 million charge (30 September 2010 – £10 million credit).

There were no exceptional items during the period in relation to our discontinued operations. In the comparative period we took an exceptional charge of £55 million representing the loss on disposal of our EU Sugar refining operations. The tax impact on discontinued operations in the comparative period was a £22 million credit. As previously announced, an independent adjudication process has commenced in respect of the EU Sugars disposal completion statement items, which total £54 million. This process is expected to complete in the second half of the financial year. The Group continues to believe that its position is fully supported and as such will be robustly defended. No provision in respect of outstanding items has been recorded.

Taxation

The effective tax rate on adjusted profit from continuing operations is 17.1% (2010 – 20.4%) based on expectations of the rate for the full year. The reduction reflects the expected change in the geographic mix of profits compared to the prior year, particularly the lower level of costs incurred in the UK as a result of the lower interest charge. The effective tax rate remains sensitive to the geographic mix of profits going forward.

Earnings per share

Adjusted diluted earnings per share on continuing operations increased by 34% (41% in constant currency) to 31.5p (2010 – 23.5p) while statutory diluted earnings per share on continuing operations increased by 86% to 38.9p (2010 – 20.9p).

Cash flow

Free cash flow of £128 million was below the comparative level of £164 million. This reduction reflects a working capital outflow of £30 million (2010 – inflow of £22 million), an outflow of £39 million (2010 – £18 million) relating to payments made into the Group's main pension schemes and higher levels of capital expenditure, partially offset by higher operating profits and the receipt of £24 million in relation to the recovery of tax as a result of the sale of Fort Dodge. Operating cash inflows from discontinued operations totalled £24 million (£65 million outflow in the comparative period).

While our average four quarter cash conversion cycle for the period ended 30 September 2011 improved by 2 days compared with the prior year period, it deteriorated by 1 day when compared to the result for the year ended 31 March 2011, reflecting higher levels of working capital.

Capital expenditure of £45 million, including £10 million investment in intangible assets mainly related to the global IS/IT system, was slightly lower than the depreciation and amortisation charge for the period of £46 million. Including the investments we will be making in growth and business transformation, we would expect capital expenditure to be approximately 1.4 times depreciation in the current financial year.

In June, the former owner of G.C. Hahn & Co, which makes up the majority of our Food Systems operations in Europe, exercised their option to sell their remaining 5% shareholding to Tate & Lyle for a total cost of £7 million. As a result, Tate & Lyle now owns 100% of this company.

Net debt and financing profile

Net debt at 30 September 2011 was £410 million, a decrease of £54 million since 31 March 2011. The effect of exchange translation since 31 March 2011 was to increase net debt by £13 million. The ratio of net debt to EBITDA for our banking covenants was 0.9 times, comfortably within our internal target of not more than 2.0 times.

In June 2011, at its maturity, the Group repaid its US$300 million bond (£185 million). In July 2011, we concluded the refinancing of the Group's US$1 billion revolving credit facility by signing a new, US$800 million five year revolving credit facility.

The average maturity of gross debt is 5.3 years, and we continue to have significant undrawn committed bank facilities. On 15 July 2011, Standard & Poor's upgraded Tate & Lyle's credit rating to "BBB/A-2 (stable outlook)" from "BBB-/A-3 (stable outlook)". On 11 August 2011, Moody's changed the outlook on Tate & Lyle's Baa3 long term rating to positive from stable.

Balance sheet

The Group's net assets decreased by £11 million to £962 million at 30 September 2011 from £973 million at 31 March 2011. Profit for the period (including non-controlling interests) of £177 million was partially offset by dividend payments of £79 million. Actuarial losses on the Group's retirement benefit schemes in the period were £128 million, and were driven by reductions in discount rates mainly in the US and a decrease in plan assets. After a positive impact from net investment hedging, balance sheet translation reduced net assets by £14 million during the period. The Group purchased 700,000 shares into treasury at a cost of £4 million to satisfy awards made under performance share plans. The net credit impact of tax movements in the statement of comprehensive income totalled £36 million.

Dividend

The Board has approved an interim dividend of 7.1p, an increase of 4.4% on the prior year (2010 – 6.8p). This will be paid on 6 January 2012 to shareholders on the register on 2 December 2011. As for the final dividend last financial year, in addition to the cash dividend option, shareholders will also be offered a Dividend Reinvestment Plan (DRIP) alternative.

Discontinued operations

Discontinued activities generated an adjusted operating profit of £3 million in the first half compared to a profit of £10 million in the comparative period. International Sugar Trading and Israel made a small operating loss, offset by a profit from our Vietnamese sugar operations. In addition, the Group has recognised a tax charge of £9 million in respect of its former European starch business.

Operating cash inflows from discontinued operations totalled £24 million compared with an outflow of £65 million in the comparative period. The inflow resulted from the unwinding of working capital from our legacy Sugar Trading contracts and our business in Israel ahead of the cessation of its operations.

After the period end, the Group received £18 million cash consideration in respect of the sale of its minority holdings in Egypt and Saudi Arabia relating to the former International Sugar Trading business. We expect to report an exceptional gain of £11 million within discontinued operations in the second half.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the consolidated financial statements of the Group.

Risks and uncertainties

The principal risks and uncertainties affecting the business activities of the Group remain those detailed on pages 19 to 21 in the Report and Accounts for the year ended 31 March 2011, a copy of which is available on the Company's website at www.tateandlyle.com. In the view of the Board, other than as referred to elsewhere in this statement, there is no material change in these risks in respect of the remaining six months of the year.

These risks are: failure to act safely and to maintain the continued safe operation of our facilities and quality of our products; failure to attract, develop and retain key personnel; non-compliance with legislation and regulation; fluctuations in prices, offtake and availability of raw materials, energy, freight and other operating inputs; failure to protect intellectual property; failure to implement the Group's programme to transform its operational capabilities; failure to counter negative perceptions of the Group's products; failure to identify important consumer trends and innovate; failure to manage capital expenditure and working capital, and to deliver key projects; failure to maintain an effective system of internal financial controls; and competitors achieving significant advantage.

Impact of changes in exchange rates

Our reported financial performance has been negatively impacted during the period by exchange rate translation, in particular due to the weakening of the average US dollar exchange rate against sterling. The movement in exchange rates led to decreased profits and an increase in net debt as a result of the translation of accounts recorded in foreign exchange. The principal average and closing exchange rates used to translate reported results were as follows:

	Six months to 30 September			
	Average rates		**Closing rates**	
	2011	2010	**2011**	2010
US dollar:sterling	**1.62**	1.52	**1.56**	1.57
Euro:sterling	**1.14**	1.19	**1.16**	1.15

Statement of Directors' responsibilities

The Directors confirm that this condensed set of consolidated financial information has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by the Disclosure Rules and Transparency Rules of the Financial Services Authority, paragraphs DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of consolidated financial information;
- a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report.

The Directors are responsible for the maintenance and integrity of the Company's website. UK legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors of Tate & Lyle PLC are listed in the Tate & Lyle Annual Report for the year ended 31 March 2011. In the period Dr Barry Zoumas ceased to be a Director of the Company on 14 August 2011 and this was the only change to the Board.

For and on behalf of the Board of Directors:

Javed Ahmed
Chief Executive

Tim Lodge
Chief Financial Officer

2 November 2011

Independent review report to Tate & Lyle PLC

Introduction

We have been engaged by the Company to review the condensed set of consolidated financial information in the Statement of Half Year Results for the six months ended 30 September 2011, which comprises the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, consolidated statement of changes in shareholders' equity and related notes. We have read the other information contained in Statement of Half Year Results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of consolidated financial information.

Directors' responsibilities

The Statement of Half Year Results is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Statement of Half Year Results in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The condensed set of consolidated financial information included in this Statement of Half Year Results has been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of consolidated financial information in the Statement of Half Year Results based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the United Kingdom. A review of the interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial information in the Statement of Half Year Results for the six months ended 30 September 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
London
2 November 2011

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Notes	**Six months to 30 September 2011 £m**	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Continuing operations				
Sales	2	**1 540**	1 348	2 720
Operating profit	2	**255**	138	303
Finance income	4	**5**	1	3
Finance expense	4	**(19)**	(35)	(61)
Profit before tax		**241**	104	245
Income tax expense	5	**(57)**	(8)	(49)
Profit for the period from continuing operations		**184**	96	196
Loss for the period from discontinued operations	8	**(7)**	(23)	(29)
Profit for the period		**177**	73	167
Profit for the period attributable to:				
Owners of the Company		**175**	70	163
Non-controlling interests		**2**	3	4
Profit for the period		**177**	73	167
Earnings per share attributable to the owners of the Company from continuing and discontinued operations	6	**Pence**	Pence	Pence
– Basic		**37.6**	15.2	35.3
– Diluted		**37.0**	15.1	34.7
Earnings per share attributable to the owners of the Company from continuing operations	6	**Pence**	Pence	Pence
– Basic		**39.5**	21.0	42.6
– Diluted		**38.9**	20.9	41.9
Dividends per share	7	**Pence**	Pence	Pence
– Proposed at the end of the period		**7.1**	6.8	16.9
– Paid in the period		**16.9**	16.1	22.9

Analysis of adjusted profit before tax from continuing operations		**£m**	£m	£m
Profit before tax		**241**	104	245
Adjustments for:				
Exceptional items	3	**(66)**	25	5
Amortisation of acquired intangible assets		**5**	7	13
Adjusted profit before tax, exceptional items and amortisation of intangible assets acquired through business combinations		**180**	136	263

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Six months to 30 September 2011 £m	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Profit for the period	**177**	73	167
Actuarial (losses)/gains in post-employment benefit plans	**(128)**	(74)	58
Net (losses)/gains on cash flow hedges, net of recycling	**(7)**	14	18
Valuation gains on available-for-sale financial assets	**–**	–	1
Net exchange differences	**(14)**	(28)	(37)
Items recycled to income statement on disposal	**–**	(14)	(23)
Deferred tax relating to the above components	**36**	25	–
Other comprehensive (expense)/income for the period, net of tax	**(113)**	(77)	17
Total comprehensive income/(expense) for the period	**64**	(4)	184
Attributable to:			
Owners of the Company	**61**	(6)	181
Non-controlling interests	**3**	2	3
	64	(4)	184

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Notes	**30 September 2011 £m**	30 September 2010 £m	31 March 2011 £m
ASSETS				
Non-current assets				
Intangible assets		**328**	322	320
Property, plant and equipment		**904**	895	855
Investments in associates		**5**	7	5
Available-for-sale financial assets		**22**	14	19
Derivative financial instruments		**61**	74	48
Deferred tax assets		**63**	174	74
Trade and other receivables		**–**	2	1
Retirement benefit surplus		**85**	22	103
		1 468	1 510	1 425
Current assets				
Inventories		**343**	358	454
Trade and other receivables		**329**	323	291
Current tax assets		**4**	2	25
Derivative financial instruments		**106**	117	135
Cash and cash equivalents	9	**531**	586	654
		1 313	1 386	1 559
Assets held for sale	10	**72**	141	67
		1 385	1 527	1 626
TOTAL ASSETS		**2 853**	3 037	3 051
SHAREHOLDERS' EQUITY				
Capital and reserves attributable to the owners of the Company:				
Share capital		**117**	116	117
Share premium		**406**	405	406
Capital redemption reserve		**8**	8	8
Other reserves		**155**	190	175
Retained earnings		**250**	59	244
		936	778	950
Non-controlling interests		**26**	28	23
TOTAL SHAREHOLDERS' EQUITY		**962**	806	973
LIABILITIES				
Non-current liabilities				
Trade and other payables		**–**	–	1
Borrowings	9	**822**	916	887
Derivative financial instruments		**25**	61	56
Deferred tax liabilities		**27**	34	30
Retirement benefit deficit		**318**	326	242
Provisions for other liabilities and charges		**21**	57	21
		1 213	1 394	1 237
Current liabilities				
Trade and other payables		**336**	388	406
Current tax liabilities		**49**	48	33
Borrowings and bank overdrafts	9	**141**	231	227
Derivative financial instruments		**129**	103	126
Provisions for other liabilities and charges		**16**	29	44
		671	799	836
Liabilities held for sale	10	**7**	38	5
		678	837	841
TOTAL LIABILITIES		**1 891**	2 231	2 078
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2 853**	3 037	3 051

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Notes	**Six months to 30 September 2011 £m**	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Cash flows from operating activities				
Profit before tax from continuing operations		**241**	104	245
Adjustments for:				
Depreciation and impairment of property, plant and equipment		**42**	48	91
Exceptional items	3	**(66)**	25	5
Amortisation of intangible assets		**9**	9	18
Share-based payments charge		**5**	4	9
Finance income	4	**(5)**	(1)	(3)
Finance expense	4	**19**	35	61
Changes in working capital		**(30)**	22	(55)
Changes in net retirement benefit obligations		**(39)**	(18)	(46)
Cash generated from continuing operations		**176**	228	325
Interest paid		**(24)**	(24)	(49)
Net income tax received/(paid)		**19**	(18)	(31)
Net cash generated from/(used in) discontinued operations	8	**24**	(65)	(100)
Net cash generated from operating activities		**195**	121	145
Cash flows from investing activities				
Proceeds on disposal of property, plant and equipment		–	–	37
Interest received		**2**	2	3
Purchase of available-for-sale financial assets		**(3)**	(2)	(5)
Acquisition of businesses, net of cash acquired		**(7)**	–	–
Disposal of businesses, net of cash disposed		–	207	280
Purchase of property, plant and equipment		**(35)**	(21)	(58)
Purchase of intangible assets and other non-current assets		**(10)**	(3)	(12)
Net cash generated from/(used in) investing activities in discontinued operations	8	**1**	(5)	(5)
Net cash (used in)/generated from investing activities		**(52)**	178	240
Cash flows from financing activities				
Proceeds from issuance of ordinary shares		**1**	1	2
Repurchase of ordinary shares		**(4)**	–	–
Cash outflow from repayment of borrowings		**(185)**	(133)	(129)
Cash outflow from repayment of capital element of finance leases		**(2)**	(2)	(2)
Dividends paid to the owners of the Company	7	**(79)**	(48)	(70)
Net cash used in financing activities in discontinued operations	8	–	(17)	(18)
Net cash used in financing activities		**(269)**	(199)	(217)
Net (decrease)/increase in cash and cash equivalents	9	**(126)**	100	168
Cash and cash equivalents:				
Balance at beginning of period		**654**	504	504
Effect of changes in foreign exchange rates		**3**	(18)	(18)
Net (decrease)/increase in cash and cash equivalents		**(126)**	100	168
Balance at end of period	9	**531**	586	654

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

	Share capital & share premium	Capital redemption reserve	Other reserves	Retained earnings	Attributable to the owners of the Company	Non-controlling interests	Total shareholders' equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 April 2010	520	8	220	79	827	27	854
Other comprehensive expense for the period	–	–	(30)	(46)	(76)	(1)	(77)
Profit for the period	–	–	–	70	70	3	73
Share-based payments charge, including tax	–	–	–	4	4	–	4
Proceeds from shares issued	–	–	–	1	1	–	1
Dividends paid	–	–	–	(74)	(74)	(1)	(75)
Scrip issue of shares for dividend	1	–	–	25	26	–	26
Balance at 30 September 2010	**521**	**8**	**190**	**59**	**778**	**28**	**806**
Balance at 1 April 2010	520	8	220	79	827	27	854
Other comprehensive (expense)/income for the year	–	–	(45)	63	18	(1)	17
Profit for the year	–	–	–	163	163	4	167
Share-based payments charge, including tax	–	–	–	10	10	–	10
Proceeds from shares issued	1	–	–	1	2	–	2
Dividends paid	–	–	–	(105)	(105)	(2)	(107)
Scrip issue of shares for dividend	2	–	–	33	35	–	35
Non-controlling interests disposed	–	–	–	–	–	(5)	(5)
Balance at 31 March 2011	**523**	**8**	**175**	**244**	**950**	**23**	**973**
Balance at 1 April 2011	**523**	**8**	**175**	**244**	**950**	**23**	**973**
Other comprehensive (expense)/income for the period	**–**	**–**	**(20)**	**(94)**	**(114)**	**1**	**(113)**
Profit for the period	**–**	**–**	**–**	**175**	**175**	**2**	**177**
Share-based payments charge, including tax	**–**	**–**	**–**	**7**	**7**	**–**	**7**
Share repurchase	**–**	**–**	**–**	**(4)**	**(4)**	**–**	**(4)**
Proceeds from shares issued	**–**	**–**	**–**	**1**	**1**	**–**	**1**
Dividends paid	**–**	**–**	**–**	**(79)**	**(79)**	**–**	**(79)**
Balance at 30 September 2011	**523**	**8**	**155**	**250**	**936**	**26**	**962**

1. Presentation of half year financial information

General information

The principal activities of Tate & Lyle PLC are the development, manufacture and marketing of food and industrial ingredients that have been made from renewable resources. The Group operates over 30 production facilities globally through its subsidiary companies, partnerships and joint ventures.

The Company is a public limited company incorporated and domiciled in the United Kingdom. The address of its registered office is Sugar Quay, Lower Thames Street, London EC3R 6DQ. The Company has its primary listing on the London Stock Exchange.

Basis of preparation

This condensed set of consolidated financial information for the six months ended 30 September 2011 has been prepared on a going concern basis in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 *Interim Financial Reporting* as adopted by the European Union. The condensed set of consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2011, which have been prepared in accordance with IFRSs as adopted by the European Union.

Having reviewed the Group's latest projected results, cash flows, liquidity position and borrowing facilities, the Directors have a reasonable expectation that the Group has adequate resources to continue in existence for the foreseeable future. Accordingly, it is appropriate to continue to adopt the going concern basis in preparing the condensed set of consolidated financial information.

In the prior year, following the disposal of the EU Sugar Refining operations to American Sugar Refining, Inc and the announcement of the proposed sale of Molasses and Vietnamese Sugars, the Sugars segment was reclassified as discontinued operations. In the current period, the assets and liabilities of the remaining Sugars businesses have been included within assets and liabilities held for sale (note 10).

The condensed set of consolidated financial information is unaudited, but has been reviewed by the external auditors. The condensed set of consolidated financial information in the Statement of Half Year Results does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The Group's published consolidated financial statements for the year ended 31 March 2011 were approved by the Board of Directors on 26 May 2011 and filed with the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain an emphasis of matter paragraph or a statement under Section 498 (2) or (3) of the Companies Act 2006. The condensed set of consolidated financial information for the six months ended 30 September 2011 on pages 14 to 34 was approved by the Board of Directors on 2 November 2011.

Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the condensed set of consolidated financial information are consistent with those of the Group's Annual Report and Accounts for the year ended 31 March 2011, other than the adoption, with effect from 1 April 2011, of new or revised accounting standards, as set out below:

- Amendment to IAS 24 *Related Party Disclosures*
- Amendment to IAS 32 *Financial Instruments*
- Amendments to IFRIC 14 *Prepayments of a Minimum Funding Requirement*
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*
- IFRS Annual Improvements 2010
- Amendment to IFRS 7 *Financial Instruments: Disclosures on fair value hierarchy*

The adoption of these standards and interpretations has not had a material effect on the results or financial position of the Group.

1. Presentation of half year financial information (continued)

Changes in accounting policy and disclosures (continued)

The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 April 2011 and have not been early adopted:

- Amendment to IAS 12 *Income Taxes*
- Amendment to IAS 1 *Presentation of Financial Statements*
- IFRS 9 *Financial Instruments*
- IFRS 10 *Consolidated Financial Statements*
- IFRS 11 *Joint Arrangements*
- IFRS 12 *Disclosure of Interest in Other Entities*
- IFRS 13 *Fair Value Measurement*
- Amendment to IAS 19 *Employee Benefits*
- IAS 27 *Separate Financial Statements*
- IAS 28 *Investments in Associates and Joint Ventures*

The Group is continuing to assess the impact of IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities* which are all effective for accounting periods beginning on or after 1 January 2013. Initial assessments suggest that while net profit and net assets will remain unchanged, the presentation of the Consolidated Income Statement and Consolidated Statement of Financial Position will change as IFRS 11 prohibits the proportional consolidation of certain joint arrangements.

Use of adjusted measures

Tate & Lyle presents adjusted operating profit, profit before tax and earnings per share information. These measures are used by Tate & Lyle for internal performance analysis and incentive compensation arrangements for employees. The terms ‘adjusted’ and ‘exceptional items’ are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, GAAP measurements of profit. The term ‘adjusted’ refers to the relevant measure being reported excluding exceptional items and amortisation of intangible assets acquired through business combinations. A reconciliation to reported information is provided in note 16.

Seasonality

The Group's principal exposure to seasonality is in relation to working capital. The Group's inventories are subject to seasonal fluctuations reflecting crop harvesting and purchases. Inventory levels typically increase progressively from September to November and gradually reduce in the first six months of the calendar year.

2. Segment information

The continuing operations of the Group consist of three distinct segments: Speciality Food Ingredients, Bulk Ingredients and Central costs.

Central costs, which include head office, treasury and reinsurance activities, does not meet the operating segment definition under IFRS 8 but has been disclosed as a reportable segment in the tables below to be consistent with internal management reporting.

Discontinued operations (note 8) comprise International Sugar Trading, Eastern Sugar and the former Sugars division in both the current and comparative periods.

The segment results for the six months to 30 September 2011 were as follows:

	Continuing operations					
	Speciality Food Ingredients £m	Bulk Ingredients £m	Central Costs £m	Total £m	Discontinued operations (note 8) £m	Total operations £m
Sales						
Total sales	**505**	**1 130**	**–**	**1 635**	**50**	**1 685**
Inter-segment sales	**(55)**	**(40)**	**–**	**(95)**	**–**	**(95)**
External sales	**450**	**1 090**	**–**	**1 540**	**50**	**1 590**
Operating profit/(loss)						
Before exceptional items and amortisation of acquired intangible assets	**116**	**96**	**(18)**	**194**	**3**	**197**
Exceptional items (note 3)	**70**	**–**	**(4)**	**66**	**–**	**66**
Amortisation of intangible assets acquired through business combinations	**(5)**	**–**	**–**	**(5)**	**–**	**(5)**
Operating profit/(loss)	**181**	**96**	**(22)**	**255**	**3**	**258**
Net finance expense				**(14)**	**–**	**(14)**
Profit before tax				**241**	**3**	**244**
Adjusted operating margin	**25.8%**	**8.8%**	**–**	**12.6%**	**6.0%**	**12.4%**
Operating margin	**40.2%**	**8.8%**	**–**	**16.6%**	**6.0%**	**16.2%**

2. Segment information (continued)

The comparative segment results for the six months to 30 September 2010 were as follows:

	Continuing operations					
	Speciality Food Ingredients £m	Bulk Ingredients £m	Central costs £m	Total £m	Discontinued operations (note 8) £m	Total operations £m
Sales						
Total sales	466	970	–	1 436	482	1 918
Inter-segment sales	(52)	(36)	–	(88)	–	(88)
External sales	414	934	–	1 348	482	1 830
Operating profit/(loss)						
Before exceptional items and amortisation of acquired intangible assets	108	85	(23)	170	10	180
Exceptional items (note 3)	–	(25)	–	(25)	(55)	(80)
Amortisation of intangible assets acquired through business combinations	(7)	–	–	(7)	–	(7)
Operating profit/(loss)	101	60	(23)	138	(45)	93
Net finance (expense)/income				(34)	1	(33)
Profit/(loss) before tax				104	(44)	60
Adjusted operating margin	26.1%	9.1%	–	12.6%	2.1%	9.8%
Operating margin	24.4%	6.4%	–	10.2%	(9.3%)	5.1%

2. Segment information (continued)

The segment results for the year to 31 March 2011 were as follows:

	Continuing operations					
	Speciality Food Ingredients £m	Bulk Ingredients £m	Central costs £m	Total £m	Discontinued operations (note 8) £m	Total operations £m
Sales						
Total sales	916	1 987	–	2 903	590	3 493
Inter-segment sales	(111)	(72)	–	(183)	–	(183)
External sales	805	1 915	–	2 720	590	3 310
Operating profit/(loss)						
Before exceptional items and amortisation of acquired intangible assets	206	157	(42)	321	(2)	319
Exceptional items (note 3)	(7)	9	(7)	(5)	(43)	(48)
Amortisation of intangible assets acquired through business combinations	(13)	–	–	(13)	–	(13)
Operating profit/(loss)	186	166	(49)	303	(45)	258
Net finance expense				(58)	–	(58)
Profit/(loss) before tax				245	(45)	200
Adjusted operating margin	25.6%	8.2%	–	11.8%	(0.3%)	9.6%
Operating margin	23.1%	8.7%	–	11.1%	(7.6%)	7.8%

3. Exceptional items

	Six months to 30 September 2011 £m	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Continuing			
Reversal of fixed asset impairment – McIntosh (a)	**53**	–	–
Reversal of provision – McIntosh (a)	**20**	–	–
Business transformation costs (b)	**(7)**	–	(15)
Gain on disposal, net of pre-disposal costs – Fort Dodge (c)	**–**	(25)	10
	66	(25)	(5)
Discontinued			
Loss on disposal – EU Sugars (d)	**–**	(55)	(55)
Gain on disposal – Molasses (e)	**–**	–	12
	–	(55)	(43)
Total	**66**	(80)	(48)

(a) On 26 May 2011, the Group took the decision to re-open the mothballed facility in McIntosh, Alabama and restart the production of sucralose. This decision has resulted in the reversal of £53 million of the impairment charge previously recognised against property, plant and equipment. In addition, £20 million of the provision in respect of obligations relating to the mothballed facility was no longer required and has also been reversed. These exceptional items are reported within the Speciality Food Ingredients segment.

(b) The Group has recognised an exceptional charge of £7 million in relation to business transformation costs. The Group incurred £4 million (year to 31 March 2011 – £6 million) of charges in relation to the implementation of a common global IS/IT platform and Global Shared Services Centre, £2 million (year to 31 March 2011 – £4 million) in relation to the relocation of employees and restructuring associated with the new Commercial and Food Innovation Centre in Chicago, Illinois, and £1 million (year to 31 March 2011 – £5 million) of closure and other restructuring costs relating to the Food Systems business. In the current period, these costs are reported in the Speciality Food Ingredients segment (£3 million) and within Central costs (£4 million).

(c) In the year to 31 March 2011, the Group recorded a net exceptional gain of £10 million in respect of the previously impaired ethanol facility at Fort Dodge, Iowa. The facility was sold for cash consideration of £36 million resulting in a gain on disposal of £15 million. An exceptional charge of £25 million had previously been booked in the six months to 30 September 2010 in respect of onerous contracts relating to future obligations of the plant. As a result of the disposal, £20 million of this provision was no longer required and was reversed. This exceptional item was reported in the Bulk Ingredients segment.

(d) The Group recorded a loss of £55 million in relation to the disposal of EU Sugars. Further details are set out in Note 8.

(e) The Group recorded a gain of £12 million in relation to the disposal of Molasses. Further details are set out in Note 8.

The tax impact on continuing net exceptional items is a £28 million charge (30 September 2010 - £10 million credit; 31 March 2011 - £10 million charge). The tax impact on discontinued net exceptional items for the period to 30 September 2010 was a £22 million credit and for the year to 31 March 2011 was a £19 million credit. Tax credits on exceptional costs are only recognised to the extent that losses incurred will result in tax recoverable in the future.

In addition, there was an exceptional tax credit of £8 million (see note 5) in the six months to 30 September 2010 and year to 31 March 2011 in respect of the recognition of a deferred tax asset on unrealised profit in inventory following the restructuring of the business organisation.

4. Finance income and finance expense

Continuing	**Six months to 30 September 2011 £m**	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Finance income			
Interest receivable on cash deposits	**2**	1	3
Net finance income arising on defined benefit retirement schemes:			
– expected return on plan assets	**39**	–	–
– interest cost	**(36)**	–	–
Total finance income	**5**	1	3
Finance expense			
Interest payable on bank and other borrowings	**(18)**	(26)	(45)
Net finance expense arising on defined benefit retirement schemes:			
– interest cost	–	(38)	(76)
– expected return on plan assets	–	36	72
Finance lease charges	**(1)**	(1)	(1)
Unwinding of discounts in provisions	**–**	–	(2)
Fair value gain/(loss) on interest-related derivative instruments:			
– interest rate swaps – fair value hedges	**21**	22	7
– derivatives not designated as hedges	**(1)**	(1)	(3)
Fair value adjustment of borrowings attributable to interest rate risk	**(20)**	(21)	(7)
Recycle of cash flow hedge reserve in respect of borrowings repaid	**–**	(6)	(6)
Total finance expense	**(19)**	(35)	(61)
Net finance expense	**(14)**	(34)	(58)

Discontinued
Included within the loss for the six months to 30 September 2011 in relation to discontinued operations (note 8) is net finance income of £nil (six months to 30 September 2010 – £1 million; year to 31 March 2011 – £nil).

5. Income tax expense

Continuing	**Six months to 30 September 2011 £m**	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Current tax:			
In respect of the current period			
– UK taxation	**–**	–	–
– Overseas taxation	**8**	30	3
Adjustments in respect of previous years	**–**	(2)	(10)
	8	28	(7)
Deferred tax	**49**	(12)	64
Exceptional tax credit	**–**	(8)	(8)
Income tax expense	**57**	8	49

Details of the exceptional tax credit in the comparative periods are set out in note 3.

Discontinued	**Six months to 30 September 2011 £m**	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Current tax:			
– Overseas taxation	**10**	1	2
	10	1	2
Deferred tax	**–**	(22)	(18)
Income tax expense/(credit)	**10**	(21)	(16)

Within discontinued operations, overseas taxation includes a £9 million charge relating to outstanding tax matters associated with starch facilities which formed part of the former Food & Industrial Ingredients, Europe segment. These facilities were disposed of by the Group in the year ended 31 March 2008.

6. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Company and held in the employee share ownership trust or in treasury.

	Six months to 30 September 2011			Six months to 30 September 2010		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit/(loss) attributable to owners of the Company (£m)	**184**	**(9)**	**175**	96	(26)	70
Weighted average number of ordinary shares in issue (millions)	**465.9**	**465.9**	**465.9**	459.1	459.1	459.1
Basic earnings/(loss) per share	**39.5p**	**(1.9)p**	**37.6p**	21.0p	(5.8)p	15.2p

	Year to 31 March 2011		
	Continuing operations	Discontinued operations	Total
Profit/(loss) attributable to owners of the Company (£m)	196	(33)	163
Weighted average number of ordinary shares in issue (millions)	461.5	461.5	461.5
Basic earnings/(loss) per share	42.6p	(7.3)p	35.3p

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all potential dilutive ordinary shares. Potential dilutive ordinary shares arise from share options, and the Group's long term share incentive plans. For non-performance related share plans, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. For performance related share plans, a calculation is performed to determine the satisfaction or otherwise, of the forecast performance conditions at the end of the reporting period, and the number of shares which would be issued based on the forecast status at the end of the reporting period.

	Six months to 30 September 2011			Six months to 30 September 2010		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit/(loss) attributable to owners of the Company (£m)	**184**	**(9)**	**175**	96	(26)	70
Weighted average number of diluted shares in issue (millions)	**473.9**	**473.9**	**473.9**	463.1	463.1	463.1
Diluted earnings/(loss) per share	**38.9p**	**(1.9)p**	**37.0p**	20.9p	(5.8)p	15.1p

	Year to 31 March 2011		
	Continuing operations	Discontinued operations	Total
Profit/(loss) attributable to owners of the Company (£m)	196	(33)	163
Weighted average number of diluted shares in issue (millions)	468.8	468.8	468.8
Diluted earnings/(loss) per share	41.9p	(7.2)p	34.7p

The adjustment for the dilutive effect of share options at 30 September 2011 was 8.0 million (30 September 2010 – 4.0 million; 31 March 2011 – 7.3 million).

6. Earnings per share (continued)

Adjusted earnings per share

Adjusted earnings per share is stated excluding exceptional items and amortisation of intangible assets acquired through business combinations, as follows:

Continuing operations	**Six months to 30 September 2011**	Six months to 30 September 2010	Year to 31 March 2011
Profit attributable to owners of the Company (£m)	**184**	96	196
Adjustments for:			
– exceptional items (note 3)	**(66)**	25	5
– amortisation of intangible assets acquired through business combinations	**5**	7	13
– tax effect on the above adjustments	**26**	(12)	8
– exceptional tax credit	**–**	(8)	(8)
Adjusted profit (£m)	**149**	108	214
Adjusted basic earnings per share from continuing operations	**32.1p**	23.7p	46.5p
Adjusted diluted earnings per share from continuing operations	**31.5p**	23.5p	45.7p

7. Dividends

The Directors have declared an interim dividend of 7.1p per share for the six months to 30 September 2011 (30 September 2010 – 6.8p per share), payable on 6 January 2012.

The final dividend for the year to 31 March 2011 of £79 million, representing 16.9p per share, was paid during the six months to 30 September 2011.

8. Discontinued operations

In the prior year, the Group announced its intention to sell all of the remaining businesses within the former Sugars segment. Accordingly, the results of these Sugars businesses are presented as discontinued operations in both the current and comparative periods.

On 30 September 2010, the Group completed the disposal of its EU Sugar Refining Operations to American Sugar Refining, Inc ('ASR'). The disposal comprised an asset sale of the Thames Sugar Refinery and its associated businesses in London and a share sale of Alcantara Empreendimentos SGPS, SA (Portugal), Tate & Lyle Norge AS (Norway) and Eridania Tate & Lyle SpA (Italy). Total consideration was £227 million and a loss on disposal of £55 million was recorded. The sale remains subject to agreement of completion statements (note 12).

On 3 December 2010, the Group completed the disposal of its Molasses business to W&R Barnett Ltd. Total consideration was £66 million and a gain on disposal of £12 million was recorded. Completion accounts for the business were agreed during the six months to 30 September 2011. A former Molasses property, currently reported as an asset held for sale, is expected to result in a gain on disposal.

On 20 April 2011, the Group announced that it had entered into a conditional contract to dispose of the Vietnam Sugar to TH Milk Food Joint Stock Company for cash consideration of approximately £34 million at period end exchange rates together with the Group's proportionate share of cash and working capital. The sale is expected to complete in the second half of the year.

The results of the Israeli operations, which ceased trading in the first half of the year, and the Vietnam Sugar operations are presented within the Other category. Other also includes £9 million of income tax expense (note 5) in respect of outstanding tax matters associated with the starch facilities that formed part of the former Food & Industrial Ingredients, Europe segment. These facilities were disposed of by the Group in the year ended 31 March 2008.

	Six months to 30 September 2011				
	EU Sugars £m	**Molasses £m**	**International Sugar Trading £m**	**Other £m**	**Total £m**
Sales	–	–	**17**	**33**	**50**
Operating (loss)/profit	–	–	**(2)**	**5**	**3**
(Loss)/profit before tax	–	–	**(2)**	**5**	**3**
Income tax expense (note 5)	–	–	–	**(10)**	**(10)**
Loss for the period	–	–	**(2)**	**(5)**	**(7)**
Non-controlling interests	–	–	–	**(2)**	**(2)**
Loss attributable to owners of the Company	–	–	**(2)**	**(7)**	**(9)**

	Six months to 30 September 2010				
	EU Sugars £m	Molasses £m	International Sugar Trading £m	Other £m	Total £m
Sales	330	96	–	56	482
Operating profit/(loss) before exceptional items	4	7	(5)	4	10
Exceptional items	(55)	–	–	–	(55)
Operating (loss)/profit	(51)	7	(5)	4	(45)
Finance income	1	–	–	–	1
(Loss)/profit before tax	(50)	7	(5)	4	(44)
Income tax credit/(expense) (note 5)	22	(1)	–	–	21
(Loss)/profit for the period	(28)	6	(5)	4	(23)
Non-controlling interests	–	(1)	–	(2)	(3)
(Loss)/profit attributable to owners of the Company	(28)	5	(5)	2	(26)

8. Discontinued operations (continued)

	Year to 31 March 2011				
	EU Sugars £m	Molasses £m	International Sugar Trading £m	Other £m	Total £m
Sales	330	141	18	101	590
Operating (loss)/profit before exceptional items	(2)	7	(11)	4	(2)
Exceptional items (note 4)	(55)	12	–	–	(43)
Operating (loss)/profit	(57)	19	(11)	4	(45)
Finance income	–	–	–	1	1
Finance expense	–	–	(1)	–	(1)
(Loss)/profit before tax	(57)	19	(12)	5	(45)
Income tax credit /(expense)	22	(1)	–	(5)	16
(Loss)/profit for the year	(35)	18	(12)	–	(29)
Non-controlling interests	–	(1)	–	(3)	(4)
(Loss)/profit attributable to owners of the Company	(35)	17	(12)	(3)	(33)

Net cash flows from discontinued operations are as follows:

	Six months to 30 September 2011				
	EU Sugars £m	**Molasses £m**	**International Sugar Trading £m**	**Other £m**	**Total £m**
Net cash generated from operating activities	**–**	**–**	**7**	**17**	**24**
Net cash generated from investing activities	**–**	**–**	**–**	**1**	**1**

	Six months to 30 September 2010				
	EU Sugars £m	Molasses £m	International Sugar Trading £m	Other £m	Total £m
Net cash (used in)/generated from operating activities	(84)	(10)	9	20	(65)
Net cash used in investing activities	(4)	(1)	–	–	(5)
Net cash used in financing activities	(16)	–	–	(1)	(17)

	Year to 31 March 2011				
	EU Sugars £m	Molasses £m	International Sugar Trading £m	Other £m	Total £m
Net cash (used in)/generated from operating activities	(85)	(11)	(17)	13	(100)
Net cash (used in)/generated from investing activities	(5)	(1)	–	1	(5)
Net cash used in financing activities	(16)	(1)	–	(1)	(18)

9. Net debt

The components of the Group's net debt profile are as follows:

	30 September 2011 £m	30 September 2010 £m	31 March 2011 £m
Non-current borrowings	**(822)**	(916)	(887)
Current borrowings and overdrafts	**(141)**	(231)	(227)
Debt-related derivative instruments	**22**	21	(4)
Cash and cash equivalents	**531**	586	654
Net debt	**(410)**	(540)	(464)

Derivative financial instruments presented within assets and liabilities in the statement of financial position of £13 million net asset (30 September 2010 – £27 million; 31 March 2011 – £1 million) comprise net debt-related instruments of £22 million asset (30 September 2010 – £21 million asset; 31 March 2011 – £4 million liability) and non net debt-related instruments of £9 million liability (30 September 2010 – £6 million asset; 31 March 2011 – £5 million asset). Additional net non-debt related instruments of £16 million asset are included in assets and liabilities held for sale (note 10).

Movements in the Group's net debt profile are as follows:

	Six months to 30 September 2011 £m	Six months to 30 September 2010 £m	Year to 31 March 2011 £m
Balance at beginning of period	**(464)**	(814)	(814)
(Decrease)/increase in cash and cash equivalents in the period	**(126)**	100	168
Net repayments of borrowings	**187**	151	147
Debt transferred on disposal of subsidiaries	**–**	5	8
Fair value and other movements	**6**	(5)	–
Exchange differences	**(13)**	23	27
Decrease in net debt in the period	**54**	274	350
Balance at end of the period	**(410)**	(540)	(464)

10. Assets and liabilities classified as held for sale

On 20 April 2011, the Group entered into a conditional contract to dispose of Vietnam Sugar to TH Milk Food Joint Stock Company. The Group expects the sale to complete in the second half of the current financial year.

The Group is committed to the disposal of its other remaining businesses within the legacy Sugars division, principally its liquid sugar manufacturing operations in Israel, which ceased operations during the period, and its remaining contracts relating to the former International Sugar Trading business. These businesses have been disclosed as discontinued operations (note 8) and the assets and liabilities as at 30 September 2011 are shown in the table below.

The sale of the non-controlling interests relating to the Group's former International Sugar Trading business completed on 12 October 2011 (note 14). These available for sale financial assets have been classified as held for sale as at 30 September 2011.

10. Assets and liabilities classified as held for sale (continued)

Assets and liabilities as at 30 September 2011 are shown as held for sale as follows:

	30 September 2011 £m	30 September 2010 £m	31 March 2011 £m
Assets			
Property, plant and equipment	**21**	37	22
Intangible assets	**2**	3	2
Inventories	**6**	33	17
Trade and other receivables	**9**	41	9
Derivative financial instruments	**16**	9	–
Available-for-sale financial assets	**18**	18	17
Total assets held for sale	**72**	141	67
Liabilities			
Trade and other payables	**(7)**	(35)	(5)
Derivative financial instruments	–	(3)	–
Total liabilities held for sale	**(7)**	(38)	(5)

11. Capital expenditure

In the six months to 30 September 2011, there were additions to intangible assets of £13 million (30 September 2010 – £3 million; 31 March 2011 – £12 million) and additions to property, plant and equipment of £35 million (30 September 2010 – £26 million; 31 March 2011 – £67 million).

	30 September 2011 £m	30 September 2010 £m	31 March 2011 £m
Commitments for the acquisition of property, plant and equipment	**41**	14	15
Commitments for the acquisition of intangible assets	**11**	–	9
Total commitments	**52**	14	24

12. Contingent liabilities

The Group is subject to claims and litigation generally arising in the ordinary course of its business, some of which are for substantial amounts. All such actions are strenuously defended but provision is made for liabilities that are considered likely to arise on the basis of current information and legal advice and after taking into account the Group's insurance arrangements. While there is always uncertainty as to the outcome of any claim or litigation, it is not expected that claims and litigation existing at the balance sheet date will have a material adverse effect on the Group's financial position.

There have been no material changes to the Group's contingent liabilities since 31 March 2011. An independent adjudication process has commenced in respect of the outstanding EU Sugars disposal completion statement items, which total £54 million. This process is expected to complete in the second half of the financial year. The Group continues to believe that its position is fully supported and as such will be robustly defended. No provision in respect of outstanding items has been recorded.

13. Related party disclosures

The Group's significant related parties are its associates and joint ventures as disclosed in the Tate & Lyle Annual Report for the year ended 31 March 2011. There were no material differences in related parties or in the nature of related party transactions during the period.

14. Post balance sheet events

On 12 October 2011, the Group completed the sale of its minority holdings in Eqypt and Saudi Arabia relating to the former International Sugar Trading business and received £18 million in cash consideration. After recycling revaluation gains to the income statement, the Group expects to record an exceptional gain of £11 million within discontinued operations during the second half of the financial year.

15. Foreign exchange rates

The following exchange rates have been applied to translate the financial statements of the Group's principal overseas operations**:**

Average exchange rates		**Six months to 30 September 2011**	Six months to 30 September 2010	Year to 31 March 2011
US Dollar	£1 = $	**1.62**	1.52	1.55
Euro	£1 = €	**1.14**	1.19	1.19

Period end exchange rates		**30 September 2011**	30 September 2010	31 March 2011
US Dollar	£1 = $	**1.56**	1.57	1.60
Euro	£1 = €	**1.16**	1.15	1.13

16. Reconciliation of adjusted financial information

Adjusted information is presented as it provides both management and investors with valuable additional information on the performance of the business. The following items are excluded from adjusted information:

- discontinued operations;
- exceptional items including losses on disposal of businesses, and closure and restructuring provisions; and
- amortisation of intangible assets acquired through business combinations.

The following table shows the reconciliation of the statutory information presented in the income statement to the adjusted information:

	Six months to 30 September 2011			Six months to 30 September 2010		
	Reported £m	**Exceptional/ amortisation £m**	**Adjusted £m**	Reported £m	Exceptional/ amortisation £m	Adjusted £m
Continuing operations						
Sales	**1 540**	–	**1 540**	1 348	–	1 348
Operating profit	**255**	**(61)**	**194**	138	32	170
Net finance expense	**(14)**	–	**(14)**	(34)	–	(34)
Profit before tax	**241**	**(61)**	**180**	104	32	136
Income tax (expense)/credit	**(57)**	**26**	**(31)**	(8)	(20)	(28)
Profit attributable to the owners of the Company	**184**	**(35)**	**149**	96	12	108
Basic earnings/(loss) per share (pence)	**39.5**	**(7.4)**	**32.1**	21.0	2.7	23.7
Diluted earnings/(loss) per share (pence)	**38.9**	**(7.4)**	**31.5**	20.9	2.6	23.5
Tax rate	**23.5%**		**17.1%**	7.9%		20.4%
Discontinued operations						
Sales	**50**	–	**50**	482	–	482
Operating profit/(loss)	**3**	–	**3**	(45)	55	10
Net finance income	–	–	–	1	–	1
Profit/(loss) before tax	**3**	–	**3**	(44)	55	11
Income tax (expense)/credit	**(10)**	–	**(10)**	21	(22)	(1)
Non-controlling interests	**(2)**	–	**(2)**	(3)	–	(3)
(Loss)/profit attributable to the owners of the Company	**(9)**	–	**(9)**	(26)	33	7
Basic (loss)/earnings per share (pence)	**(1.9)**	–	**(1.9)**	(5.8)	7.0	1.2
Diluted (loss)/earnings per share (pence)	**(1.9)**	–	**(1.9)**	(5.8)	7.0	1.2
Total operations						
Sales	**1 590**	–	**1 590**	1 830	–	1 830
Operating profit	**258**	**(61)**	**197**	93	87	180
Net finance expense	**(14)**	–	**(14)**	(33)	–	(33)
Profit/(loss) before tax	**244**	**(61)**	**183**	60	87	147
Income tax (expense)/credit	**(67)**	**26**	**(41)**	13	(42)	(29)
Non-controlling interests	**(2)**	–	**(2)**	(3)	–	(3)
Profit attributable to the owners of the Company	**175**	**(35)**	**140**	70	45	115
Basic earnings/(loss) per share (pence)	**37.6**	**(7.4)**	**30.2**	15.2	9.7	24.9
Diluted earnings/(loss) per share (pence)	**37.0**	**(7.4)**	**29.6**	15.1	9.6	24.7
Tax rate	**27.3%**		**22.4%**	(20.3%)		19.9%

ADDITIONAL INFORMATION
For the six months to 30 September 2011

Ratio analysis

	As at 30 September 2011	As at 30 September 2010	Year to 31 March 2011
Net debt to EBITDA [a]			
= Net debt	397	555	474
Pre-exceptional EBITDA	445	405	426
	= 0.9 times	= 1.4 times	= 1.1 times
Interest cover [a]			
= Operating profit before amortisation of acquired intangible assets and exceptional items	349	336	329
Net interest and finance expense	42	49	48
	= 8.3 times	= 6.8 times	= 6.9 times
Earnings dividend cover			
= Adjusted basic earnings per share from continuing operations	32.1	23.7	46.5
Dividend per share	7.1	6.8	23.7
	= 4.5 times	= 3.5 times	= 2.0 times
Cash dividend cover [b]			
= Free cash flow from continuing operations	128	164	178
Cash dividends	33	31	110
	= 3.9 times	= 5.3 times	= 1.6 times
Gearing			
= Net debt	410	540	464
Total shareholders' equity	962	806	973
	= 43%	= 67%	= 48%
Cash conversion cycle [c]			
Last quarter cash conversion cycle	31 days	33 days	34 days
Average four quarter cash conversion cycle	35 days	37 days	34 days

(a) These ratios have been calculated under the Group's bank covenant definitions. Net debt is calculated using average rates of exchange. Pre-exceptional EBITDA is the EBITDA for the six months ended 30 September 2011 plus the amount for the six months ended 31 March 2011; the comparative for 30 September 2010 is calculated on a consistent basis.

(b) Free cash flow is defined as cash generated from continuing operating activities, less net interest paid, less income tax paid, less the purchase of property, plant and equipment, less the purchase of intangible and other non-current assets. Cash dividends refer to dividends paid or proposed in respect of the reporting period, excluding the impact of any scrip issues.

(c) Defined as controllable working capital divided by quarterly sales, multiplied by number of days in quarter.