November 6, 2014

TATE & LYLE PLC
STATEMENT OF HALF YEAR RESULTS
For the six months to September 30, 2014 (Unaudited)

	2014 £	2014 $[8]	2013 (restated) £	2013 (restated) $[8]	% change	% change in constant currency[4]
Adjusted results						
Adjusted sales[1]	**1 380**	**2 313**	1 737	2 911	(21)%	(13)%
Adjusted operating profit[2]	**117**	**196**	187	313	(37)%	(31)%
Adjusted profit before tax[3]	**104**	**174**	173	290	(40)%	(34)%
Adjusted diluted earnings per share[3]	**17.3p**	**29.0¢**	29.9p	50.1¢	(42)%	(36)%
Statutory results[5]						
Sales	**1 200**	**2 011**	1 516	2 541	(21)%	(14)%
Operating profit	**68**	**114**	139	233	(51)%	(46)%
Profit before tax	**79**	**132**	150	251	(47)%	(44)%
Profit for the period	**68**	**114**	130	218	(47)%	(42)%
Diluted earnings per share	**14.6p**	**24.5¢**	27.6p	46.3¢	(47)%	(42)%
Net debt[6]	**383**	**642**	353	592		
Dividend per share	**8.2p**	**13.7¢**	7.8p	13.1¢	+ 5.1%	

Javed Ahmed, Chief Executive, said:

"As we announced on September 23, the Group's performance in the first half has been significantly held back by operational and supply chain disruption and an increasingly competitive market for SPLENDA® Sucralose. Notwithstanding these factors, the fundamentals of our business are robust with particularly strong growth in the emerging markets for our Speciality Food Ingredients business excluding SPLENDA® Sucralose, a high quality innovation pipeline and a resilient, cash generative Bulk Ingredients business. We are firmly focused on taking the necessary steps to work through the issues we face and improve the Group's performance."

Key points

- Group adjusted profit before tax 34% lower in constant currency at £104m, $174m (2013 – £173m, $290m):
  - Operational and supply chain disruption costs of £31m, $52m
  - The effect of price erosion for SPLENDA® Sucralose of £18m, $30m
- Group reported sales 21% lower at £1,200m, $2,011m (2013 – £1,516m, $2,541m) largely due to:
  - Pass through of lower corn prices and price erosion for SPLENDA® Sucralose
  - Adverse impact of the strength of sterling against the US dollar and other currencies
- Speciality Food Ingredients adjusted operating profit 37% lower in constant currency at £66m, $111m (2013 – £112m, $188m)
- Bulk Ingredients adjusted operating profit 10% lower in constant currency at £76m, $127m (2013 – £92m, $154m)
- 5.1% increase in interim dividend to 8.2p, 13.7¢ (2013 – 7.8p, 13.1¢)
- Appointment of Joan Braca as President, Speciality Food Ingredients

Outlook

Our outlook for the full year to March 31, 2015 remains unchanged from our trading statement on September 23, 2014. For the second half, we expect Speciality Food Ingredients excluding SPLENDA® Sucralose and Bulk Ingredients to continue to perform solidly, but this will be more than offset by a softer performance in SPLENDA® Sucralose and additional supply chain costs. This, together with the first half performance, leads us to expect Group adjusted profit before tax[7] for the full year to be in the range of £230 million, $386 million to £245 million, $411 million.

As usual, performance in the final quarter of the financial year will be influenced by the outcome of the calendar year pricing round, and also assumes normal weather patterns.

1 Including proportionate consolidation of sales of joint ventures of £180 million, $302 million (2013 - £221 million, $370 million).
2 Including proportionate consolidation of operating profit of joint ventures of £36 million, $60 million (2013 - £37 million, $62 million) and before an exceptional charge of £9 million, $15 million (2013 - £6 million, $10 million) and amortisation of acquired intangible assets of £4 million, $7 million (2013 - £5 million, $8 million)
3 Before proportionate consolidation of tax charge of joint ventures of £8 million, $13 million (2013 - £8 million, $13 million), and adjusted for the exceptional charge, amortisation of acquired intangible assets in adjusted operating profit in (2) above and retirement benefit interest and, for adjusted diluted earnings per share, the tax effect of these items.
4 Changes in constant currency are calculated by retranslating comparative period results at current period exchange rates.
5 Prior period restated for the adoption of IFRS 11 'Joint Arrangements'
6 Net debt includes share of net cash in joint ventures, comparative information stated is for March 31, 2014
7 Based on forecast foreign exchange rates of GBP:USD £1/$1.69. Profit before tax adjusted for full year effect of the adjustments described in (3) above.
8 All US Dollar conversions are provided at the average rate for the six months ending September 30, 2014 of 1.67609=£1 and represents a convenience translation.

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.

A copy of this Statement of Half Year Results for the six months ended September 30, 2014 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, 1 Kingsway, London WC2B 6AT.

SPLENDA® is a trademark of McNeil Nutritionals, LLC.

Webcast and Conference Call Details

A presentation of the results by Chief Executive, Javed Ahmed and Chief Financial Officer, Nick Hampton will be audio webcast live at 10.00 (UKT) on Thursday November 6, 2014. To view and/or listen to a live audio-cast of the presentation, visit http://view-w.tv/p/797-1031-15045/en. 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 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:

Dial in details:
UK dial in number: +44 (0)20 3003 2666
US dial in number: +1 212 999 6659
Password: Tate & Lyle

14 day conference call replay:
UK replay number: +44 (0)20 8196 1998
US replay number: +1 866 583 1035
Replay Access code: 4028758

For more information contact Tate & Lyle PLC:

Christopher Marsh, Group VP, Investor and Media Relations
Tel: +44 (0) 20 7257 2110 or Mobile: +44 (0) 7796 192 688

Andrew Lorenz, FTI Consulting (Media)
Tel: +44 (0) 20 3727 1323 or Mobile: +44 (0) 7775 641 807

STATEMENT OF HALF YEAR RESULTS FOR THE SIX MONTHS TO SEPTEMBER 30, 2014

The results for the six months ended September 30, 2014 have been adjusted to include the proportionate consolidation of joint ventures and exclude exceptional items, net retirement benefit interest and amortisation of acquired intangible assets. The Group's statutory results are presented in accordance with International Financial Reporting Standards as adopted by the European Union. Except where specifically stated to the contrary, this commentary relates only to the adjusted results.

Overview

The Group's results for the first half of the year were significantly held back by operational and supply chain disruption and an increasingly competitive market for SPLENDA® Sucralose. Adjusted sales of £1,380 million, $2,313 million (2013 – £1,737 million, $2,911 million) were 21% lower (13% in constant currency). Adjusted operating profit of £117 million, $196 million (2013 – £187 million, $313 million) was 37% lower (31% in constant currency) with adjusted profit before tax of £104 million, $174 million (2013 – £173 million, $290 million) 40% lower (34% in constant currency). On a statutory basis, profit before tax decreased by £71 million, $119 million to £79 million, $132 million (2013 – £150 million, $251 million).

Net debt at September 30, 2014 increased by £30 million, $50 million to £383 million, $642 million (March 31, 2014 – £353 million, $592 million), driven by the payment of the final dividend of £92 million, $154 million and lower earnings. The average four quarter cash conversion cycle for the period ended September 30, 2014 increased by 2 days to 41 days (March 31, 2014 – 39 days), resulting primarily from higher receivables, but partially offset by higher payables, following the deployment of our upgraded IS/IT platform in North America.

Key challenges in the first half

i) Operational and supply chain disruption

The unusually prolonged and severe winter in the US caused operational difficulties in our US plants and led us to enter the 2015 financial year with much lower inventories than usual. Then, in the first quarter of the financial year, following an industrial accident, our SPLENDA® Sucralose facility in Singapore had to take an extended shutdown. These events materially disrupted our supply chain as we had to manage a combination of operational challenges in our plant network, low absolute levels of inventory, and misalignments between customer demand and inventory location (particularly in the emerging markets). To ensure we could service our customers' requirements, we incurred significant incremental costs in areas such as air freight, buying-in additional product from the market and having to make some sub-optimal production runs. Some sales were also lost due to product unavailability. The total cost of the operational and supply chain disruption in the first half was £31 million, $52 million (this includes the £3 million, $5 million of Singapore costs communicated in our July Interim Management Statement). As stated on September 23, we anticipate further supply chain related costs of around £10 million, $17 million in the second half of the financial year.

The process of re-building inventories and bringing our global supply chain back into balance is underway. We have initiated a comprehensive end-to-end review of our global supply chain, led by Nick Hampton, Chief Financial Officer. This review will evaluate all aspects of our demand, supply and planning processes, and will ensure they fully reflect our future needs as we continue our transition into a more speciality focused and geographically diverse business. We expect to reach our preliminary findings in the early part of next year.

ii) SPLENDA® Sucralose

Operating profit from SPLENDA® Sucralose in the first half was significantly lower than the comparative period. This decrease was caused by a combination of supply constraints following the extended shutdown of the Singapore facility, and price erosion which impacted profit by £18 million, $30 million in the first half. For the full 2015 financial year, we expect the average level of pricing to be around 25% lower than in the prior year.

Sucralose is a highly functional and widely used ingredient, and continues to be incorporated in more new product launches than any other high intensity sweetener. However, as we said in our trading statement on September 23, 2014, the global market for sucralose continues to be extremely competitive and we are evaluating how best to maximise returns from this product.

Strategic progress

The strength of Tate & Lyle's business derives from four main areas: (1) the attractiveness of our global markets; (2) the strong platform for growth in Speciality Food Ingredients we have built over the past four years; (3) a more resilient, cash generative Bulk Ingredients business; and (4) strong financial discipline.

Despite the challenges we have experienced in the first half, we are confident in our strategic direction and in our ability to grow our Speciality Food Ingredients business steadily over time. The $42 billion global market for speciality food ingredients continues to grow at around 4-5% annually, and has attractive economics. This growth is underpinned by long term, structural global consumer trends such as: consumer demand for convenience food and growth in packaged food particularly in the emerging markets; a focus on health and wellness in light of the rising incidence of obesity and diabetes worldwide; and an increasing preference for natural, 'cleaner label' foods.

When we established our strategic direction in May 2010, we chose to focus our resources and investment on three foundational platforms – texturants, sweeteners and health and wellness – where we had the capability to provide high value solutions for our customers to address these global consumer trends. We focused on these three platforms due to the competitive advantage we derived from a unique combination of: deep relevant scientific and technical knowledge; a portfolio of very high quality products with market leading positions; an efficient and scale manufacturing asset base; and long-standing customer relationships with some of the largest global and regional food companies.

Over the last four years we have built on these strong foundations through investments in our innovation capabilities, in establishing a meaningful presence and creating solid infrastructure in the emerging markets, and significantly strengthening our customer facing and go-to-market capabilities. In the first half of the 2015 financial year, we continued to take steps to build our business in line with our strategic focus, and to create further opportunities for long term growth.

On August 1, 2014, we completed the acquisition of Winway Biotechnology Nantong Co., Ltd, a leading producer of polydextrose dietary fibre based in Nantong, China. This acquisition provides an excellent platform to accelerate the growth of our fibres business in Asia Pacific. We will be investing in the Nantong facility over the next two years to expand capacity and enhance its speciality fibre product offering. Nantong becomes our third polydextrose facility globally, in addition to existing lines in the Netherlands and the US. We continue to actively explore further acquisition and partnership opportunities to extend our speciality food ingredients business in line with our strategy.

In August, we also successfully implemented our global IS/IT platform in our North American business and in Singapore. This follows the deployment of this platform across our European business in May. We are now focused on fully embedding the new processes and systems, and on driving the benefits from the enhanced capabilities now available to better understand and serve our customers, and the greater transparency and insight into our operations.

We have continued to invest in developing a high quality and robust innovation pipeline. A good example of our innovation expertise was the launch on September 30 of our new CLARIA® line of functional clean-label starches. CLARIA® starches provide food manufacturers with functionality similar to modified food starches but with the benefits of a cleaner colour and a cleaner taste, and a 'clean label' (i.e. they label simply as 'starch'). CLARIA® is just one line in a portfolio of high value products we have been building over the past few years through a combination of in-house innovation, Open Innovation and acquisition, specifically designed to meet our customers' need for more label-friendly solutions. Our other ingredients in the 'clean label' space include SODA-LO® Salt Microspheres, TASTEVA® Stevia Sweetener, PUREFRUIT™ Monk Fruit Extract, PROMITOR® Soluble Gluco Fibre and PromOat® Beta Glucan, all of which are growing strongly. We expect to add more label-friendly and wellness ingredients to our portfolio over time, and expect to launch more new products in the next 12 months.

Bulk Ingredients is a more resilient, cash generative business, benefiting from large and mature markets (e.g. sweeteners, industrial starches), efficient manufacturing assets, and long-standing customer relationships. While Bulk Ingredients has successfully managed the commodities volatility inherent in its business over the past few years, we continue to look at ways we can dampen volatility and further reduce our exposure to regulated markets.

Executive management appointment

Joan Braca was appointed as President, Speciality Food Ingredients with effect from November 1, 2014. Joan joined Tate & Lyle in January 2013 as Senior Vice President & General Manager, Asia Pacific, Speciality Food Ingredients, and has been responsible for our materially increased presence and significant growth in that region. Prior to joining Tate & Lyle, Joan spent nearly 20 years in the speciality chemicals industry mainly with Rohm and Haas Company (part of the Dow Chemical Company since 2009). Joan has joined the Group's Executive Committee and reports directly to Javed Ahmed, Chief Executive.

Board changes

On October 29, 2014 it was announced that Paul Forman has been appointed as a Non-Executive Director and a member of the Audit, Remuneration and Nominations Committees with effect from January 1, 2015. Paul is Group Chief Executive of Coats plc, a leading industrial thread and consumer textile crafts business. Prior to joining Coats in 2009, he was Group Chief Executive of Low & Bonar PLC, a global performance materials group, and was previously Managing Director at Unipart International, a leading European automotive aftermarket supplier. Paul also served as a non-executive director at Brammer PLC from 2006 to 2010.

It was also announced that Liz Airey, currently Chairman of the Audit Committee, will become Senior Independent Director and Anne Minto will assume the chairmanship of the Remuneration Committee with effect from January 1, 2015, after Robert Walker steps down from the Board following the completion of his term of appointment on December 31, 2014. Douglas Hurt will succeed Liz Airey as Chairman of the Audit Committee with effect from March 1, 2015 and will also replace her as a member of the Corporate Responsibility Committee from that date.

Key performance indicators

Our Key Performance Indicators (KPIs) are as follows:

KPI	**Measure**	**First Half 2014**	First Half 2013	Change[2]
Growth in SFI sales	Adjusted sales	**£446m / $748m**	£519m / $870m	(7)%
Profitability	Adjusted operating profit	**£117m / $196m**	£187m / $313m	(31)%
Working capital efficiency	Cash conversion cycle[3]	**41 days**	39 days[1]	Lengthened by 2 days
Financial strength	Net debt/EBITDA[4]	**0.9x**	0.8x	
Financial strength	Interest cover[4]	**10.6x**	10.9x	

Safety

The Corporate Responsibility KPIs relating to safety are measured annually and therefore are not included in the half year results. In June, one of our employees died in a tractor accident at one of our Bulk Ingredients' sites in the US. In addition, in May another of the contractors involved in the previously reported accident at our Singapore facility in April passed away from his injuries. As stated in the 2014 Annual Report, we are taking significant steps to strengthen our safety programme and these efforts are being overseen by the Corporate Responsibility Committee.

1 The comparative measure for the cash conversion cycle is for the four quarters ended March 31, 2014.
2 Adjusted sales and adjusted operating profit growth are shown in constant currency.
3 Defined as controllable working capital divided by quarterly adjusted sales, multiplied by number of days in quarter on a four quarter rolling basis (a reduction in the number of days represents an improvement).
4 These ratios have been calculated under the Group's bank covenant definitions.