15 February 2008

TATE & LYLE PLC

INTERIM MANAGEMENT STATEMENT

Tate & Lyle PLC issues the following management statement covering the period from 1 October 2007 to 31 January 2008.

Profit before tax for the continuing operations for the period was marginally ahead of our expectations. This has reinforced the Board's overall expectations as set out at the presentation of our interim results, that the outturn for our continuing operations in the second half of the year to 31 March 2008 will be broadly similar to that of the first six months[1].

Key points for the four months ended January 2008 are:

- Good performance in our Americas ingredients operations, somewhat ahead of our expectations, in particular benefiting from improved by-product pricing.
- At constant exchange rates sucralose sales grew compared with the prior year period but profits were lower due to higher patent defence and Singapore plant fixed costs.
- The EU sugar market remains difficult, but news of beet production quota surrender demonstrates the determination of the EU Commission and the industry to ensure a positive outcome to the Sugar Regime reform.

1 The profit before tax for the first six months of the year ending 31 March 2008 from continuing operations, after adjusting for exceptional items and the amortisation of acquired intangible assets and the reclassification of the profit before tax for Occidente from continuing operations to discontinued operations, was £117 million.

TRADING PERFORMANCE

The **Food & Industrial Ingredients, Americas** division continues to perform well and was somewhat ahead of our expectations with further strong performances from both value added food ingredients and commodity products, which benefited from firmer by-product revenues. Strong demand from feed compounders in the USA, who are using higher incorporation rates of the by-product corn gluten feed as a replacement for higher priced corn, has decreased the reliance on exports. After a weak summer, the HFCS market improved in the period. As expected, ethanol returns were lower in the four months to the end of January 2008 than in the comparative period of the prior year, but prices have improved following the December 2007 passage of the Energy Bill, requiring the use in the USA of 9 billion gallons of ethanol in 2008 and 15 billion gallons by 2015. New food ingredient capacity at the Sagamore plant in Lafayette, Indiana is on stream and will further benefit our value added performance. The sale of an investment in the Chicago Mercantile Exchange, which was anticipated at the time of the announcement of our interim results, contributed a one-off £4 million (US$7 million) to profit.

Initial proceeds of £197 million from the sale of five starch plants from the **Food & Industrial Ingredients, Europe** division were received in October 2007 and a further

£17 million was received in December 2007. The separation of the continuing operations and the closure of the Aalst, Belgium head office were completed successfully in the period. In the recent pricing round, the continuing operations recovered, where possible, higher net corn costs through selling price increases. However margins on sweetener products, the price of which is capped by the regulated price of sugar, remained under pressure. Corn has been purchased for the remainder of the financial year. Good progress continued in food ingredients, including the recently acquired GC Hahn business, whose performance over the four months to January 2008 continues to be in line with expectations, and where integration with the Group is progressing well. As stated in the interim results announcement, profits in the second six months of the year for the continuing operations, including GC Hahn and Cesalpinia, will be modest, although in line with our expectations.

Sucralose sales at constant exchange rates for the period improved compared with the prior year. Sales growth continues across all territories. With the successful start-up of the Singapore plant, ahead of schedule, we have seen customer de-stocking and anticipate this will largely be complete by the end of the financial year. However profits for the period, after taking into account the legal costs incurred in patent defence and the higher fixed costs due to the Singapore plant, were lower than in the prior year at constant exchange rates, and this trend is expected to continue for the rest of the financial year. The trial in our US International Trade Commission (ITC) litigation against a number of Chinese manufacturers and distributors concerning alleged infringement of certain of our patents is in court later this month. The judge’s initial determination is expected in June 2008, leading to a final ruling by the ITC in October 2008.

Within the **Sugars** division, our EU sugar refineries continued to operate within a challenging market and, in the four months to January 2008, performed in line with the first half year. Profits excluding transitional aid were slightly higher in the period than the prior year. We welcome the recent announcements of quota surrender by some of the major EU beet sugar producers. We are encouraged by the initial reaction to the measures announced in September 2007 by the EU Commission to repair and strengthen the EU Sugar Regime reforms with the aim of removing a further 3.8 million tonnes of production to bring supply of sugar in line with EU demand. Quota surrendered for the sugar year starting 1 October 2008 will be published by the Commission in April. If supply and demand are brought into balance the impact will be felt in the market only towards the end of the next financial year, so market conditions can be expected to remain difficult in the short term. International sugar trading has made a small loss in the period due to lower volumes. A similar pattern is expected for the remainder of the year and international sugar trading is therefore now likely to show a loss for the full year. As discussed at the presentation of our interim results, we regard international sugar trading as a valuable activity and we are examining ways to ensure more stable results in future. We will provide an update at the presentation of our full year results in May. Molasses trading continued its good performance, and the combined molasses and international sugar trading operations were profitable in the period.

The sale of our 49% stake in Occidente, the Mexican joint venture, completed in December 2007 and proceeds of £47 million have been received. The results of Occidente were recorded within continuing operations in the interim results. Following the disposal the results (sales of £29 million and operating profit of £3 million for the six months to September 2007) will be reclassified as discontinued.

The review of our **Central Costs** following recent changes to the composition of the Group is largely complete and we will report further in May.

TAXATION

We expect the effective tax rate for the continuing operations to be in line with the 34.4% applied to the interim results. The precise final rate will depend on the geographic mix of profits.

RETURN OF CAPITAL

Following approval from shareholders at the AGM in July 2007, we had acquired by the close of business on 14 February 33.6 million shares (6.9% of the issued share capital at the time of the AGM) for a total cash consideration of £159 million. The Company holds 2,908,135 ordinary shares in Treasury and has 456,856,886 ordinary shares in issue (excluding Treasury shares).

EXCHANGE RATES

If the sterling : US dollar exchange rate continues at the assumed level of 1.96 for the remainder of the financial year the average rate for the second six months would be 2.00, compared with the average rate of 2.04 assumed at the time of the interim results announcement. On this basis, we would now anticipate a reduction in profit before tax of £14 million for the year as a whole (£16 million reduction anticipated at the time of the interim results announcement) from exchange translation by comparison with the prior year.

NET DEBT

Net debt at the end of January 2008 was £982 million compared with £840 million at 30 September 2007. Movements in exchange rates contributed approximately £30 million to the increase in debt. During the period, £94 million was spent on the repurchase of our own shares and £31 million on the payment of the interim dividend.

SENIOR MANAGEMENT CHANGE

D. Lynn Grider, President, Food & Industrial Ingredients, Americas and a member of the Tate & Lyle Group Management Committee is retiring from the Group in July 2008. Lynn has made a huge contribution to Tate & Lyle over his 35 years with the Group. Matthew Wineinger has been appointed to succeed Lynn. Matt will be joining Tate & Lyle on 3 March 2008 to ensure a smooth handover. Matt has had a distinguished career with a number of major companies in the food sector, including Swift, Cargill, Monsanto and Novartis.

OUTLOOK

Profit before tax for the continuing operations for the four months from 1 October 2007 to 31 January 2008 was marginally ahead of our expectations. Taking into account the above exchange rate assumptions, this has reinforced the Board's overall expectations as set out at the presentation of our interim results, that the expected outturn for our continuing operations in the second half of the year to 31 March 2008 will be broadly similar to that of the first six months.

END

A conference call will be held today at 8.30am, hosted by Iain Ferguson, Chief Executive and John Nicholas, Group Finance Director. Participants are requested to dial in at least 5 minutes before the commencement of the call. Dial in details are as follows:

Participant dial in number:	+ 44(0) 20 7138 0820
Replay telephone number:	+ 44 (0)20 7806 1970
Replay passcode:	5844714

The replay of this call will be available for 7 days until 21 February 2008.

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