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TATE + LYLE

Tate & Lyle PLC is a global sugar, cereal sweetener and starch processing group. The Group is a world leader in its chosen field.

Tate & Lyle is committed to growth through constant improvements in processing methods, product and market innovation and geographical expansion by acquisition and investment. The Group extends its interests through an international network of subsidiaries, partnerships and affiliations.

Contents

Strong cashflows for future growth

Message to Shareholders from the Chairman, Neil Shaw

I am pleased to report improved profitability for the year. Our increasingly global spread enabled us to deliver strong cash flows despite tough market conditions in the United States and in European starch operations. Foundations for continued profit growth were laid.

Tate & Lyle's profit before tax was £222.5 million, an increase of 17% from the previous year. On a fully diluted basis earnings per share rose by 25% from 26.2p to 32.7p. Your Board is committed to dividend growth and recommends a final dividend of 8.7p, bringing the total for the year to 13.0p, an increase of 8%, to be paid on 8th February 1994 to shareholders registered on 15th December 1993.

Food-processing businesses are inherently subject to strong external influences. Weather may affect demand or processing costs; crop size or industry capacity may affect supply; the ebb and flow of currency markets or changes in the regulatory environment may influence our results. Our ability to achieve consistent and improving profit depends on our skill in anticipating and reacting intelligently

Divisional Directors Paul Mirsky, John Walker, Stuart Strathdee and Larry Pillard (rear) and Paul Lewis, Deputy Chairman and Finance Director with Neil Shaw, Chairman (front) make up the Group's Executive Committee.

Message to Shareholders

Financial Highlights	1993 £m	1992 £m
Turnover	3,817.3	3,366.3
Profit before interest	269.6	237.4
Profit before taxation	222.5	189.5
Dividend per share	13.0p	12.0p
Fully diluted earnings per share	32.7p	26.2p

to these exposures and in managing our facilities effectively worldwide. Recently, commodity-type influences have been important to understanding our results, for example:

- A record beet crop in the US led to an oversupplied market and pressure on margins, particularly in the industrial sector, reduced profits at Domino and Western Sugar. Nonetheless, cash flow at Domino was strong thanks to good working capital control, while at Western start-up difficulties in the new molasses desugarisation plant were largely overcome and this project, which lost $7 million in the year, is now contributing to profitability.
- Devaluation of sterling led to price increases for UK sugar producers. A stock gain of £4.6 million was less important to our long term position, however, than the continuing investment in higher productivity and more flexible working practices, in which we acknowledge the participation of the entire workforce.
- Good crops at Bundaberg increased mill throughput by 22% and world prices for raw sugar were also higher, producing a good result. Our newly-expanded refinery in

Australia has achieved market share objectives in a highly competitive market.

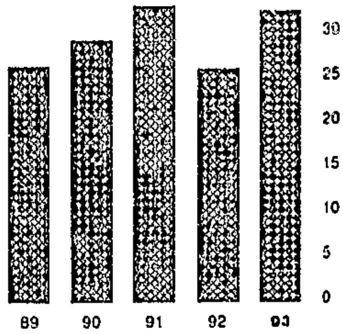
- Continuing pressure on margins at Staley because of underutilisation of industry capacity restricted profit recovery in our sweetener business. Efforts to reduce our cost base at Decatur continued and $12.2 million was provided for plant rationalisation. We are determined that efficiences at this key plant will match or exceed industry norms already achieved at our other major plants.
- A glut of potato starch depressed starch prices in Europe. The new Prignitz potato starch plant in eastern Germany was successfully commissioned but did not contribute to profit this year. Prices for sweeteners were maintained and Tunnel Refineries benefited from currency movements.

The above factors illustrate the pressures, sometimes favourable, sometimes not, which influence Tate & Lyle worldwide. The major considerations driving our business decisions, however, are:

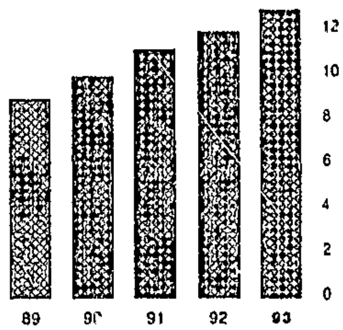
- Long term growth in the world market for nutritive sweeteners remains strong. Independent estimates put it at 2% annually. Much of this is in emerging markets but there is notable growth also, for instance, in the US. We believe that the recently-passed North American Free Trade Agreement will be helpful both to our sugar businesses and to Staley.
- World demand for starch-based products will continue to increase. We will share in this growth in demand from the animal feed, food processing, paper, adhesive and building industries either through our direct investment in process capacity or through joint ventures with other specialist processors.
- Trends towards increasing international transfers of technology, greater use of renewable resources and pressures for more environmentally friendly products all favour growth in the cereal wet milling markets.

In response to trends in sugar we expanded our interests in central Europe. In a joint venture with Générale Sucrière we acquired a 51% interest in a beet sugar operation in Slovakia. In October we announced a £38.1 million offer for two cane milling cooperatives in northern Queensland, Australia. If successful, this acquisition will increase our sugar production in Australia, one of the world's most efficient sources, to over one million tonnes.

Fully Diluted Earnings per Share pence

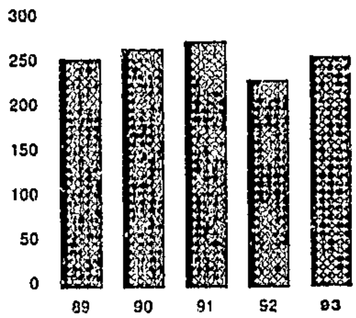


Dividends per Share pence



Message to Shareholders

Operating profit £million



In Bulgaria Amylum has acquired, in partnership with US-based Archer Daniels Midland Company, 81% of Tsarevichni Produkti which has an almost-completed maize processing plant at Razgrad. The partnership will complete and commission this plant which complements existing central European investments in Hungary and Slovakia.

The Board Paul Lewis was appointed Deputy Chairman in March and remains Group Finance Director. Group operations other than the Amylum Group, which is unaffected, are now headed by four chief executives as follows: John Walker (49), Managing Director, European Sugar; Paul Mirsky (47), Managing Director, North American and Australian Sugar; Larry Pillard (46), President, Staley; and Stuart Strathdee (42), Managing Director, International Division. John Walker and Paul Mirsky joined the Board in March.

Two long-serving Directors have left the Board, Lord Jellicoe after 19 years, five as Chairman, and Murray McEwen after 17 years with the Group. To each we offer our warm thanks for their important contributions to the Group's development and our best wishes for a long and happy retirement. Stephen Brown, the former Chief Executive, left the Company by mutual consent.

The Future As always, we depend on the enthusiastic contribution of our people throughout the Group. Our successes are due to their initiative and energy and we thank them. Tate & Lyle faces the future in good heart. We have identified growth opportunities in sugar and in cereal starch, not only where we are already represented but also in new and emerging markets. Our continuing strong cash flows will be invested to ensure our position as a low-cost producer, to develop new products, particularly in cereal starch businesses, and to expand in selected areas of the world. We are dedicated to delivering quality products at competitive prices to consumers and end-users worldwide. Through reinvestment in the business and a progressive dividend policy we are confident that we can continue to provide above average growth in shareholder value.

23rd November 1993

Main Operating Businesses

CEREAL SWEETENERS AND STARCHES NORTH AMERICA
L G Pillard

EUROPEAN SUGAR DIVISION
J H W Walker

NORTH AMERICAN AND AUSTRALIAN SUGAR DIVISIONS
E I Mirsky

INTERNATIONAL DIVISION
S Strathdee

90%
A E Staley Manufacturing Company
Decatur, Illinois, US
L G Pillard
PRESIDENT

100%
Tate & Lyle Sugars
London, England
J H W Walker
MANAGING DIRECTOR

100%
Domino Sugar Corporation
New York, US
E Makin
PRESIDENT AND CHIEF EXECUTIVE

100%
United Molasses
London, England
T Holderness-Roddam
MANAGING DIRECTOR

100%
Alcântara
Lisbon, Portugal
F J Pereira Do Valle
MANAGING DIRECTOR

100%
The Western Sugar Company
Denver, Colorado, US
T F Chandler
PRESIDENT

50%
Booker Tate Ltd
Thame, England
B Newton
CHIEF EXECUTIVE

CEREAL SWEETENERS AND STARCHES EUROPE

EUROPEAN BEET INVESTMENTS
C Laur
MANAGING DIRECTOR
28.5% Juhocukor AS
17.3% Kaba Sugar Factory
6.4% S G Azucarera

100%
Redpath Sugars
Toronto, Canada
R F Satola
PRESIDENT

50.1%
Zimbabwe Sugar Refineries Ltd
Harare, Zimbabwe
C W B Fryer
CHAIRMAN
S H Musesengwa
MANAGING DIRECTOR

63.4%
Amylum Group
Aalst, Belgium

100%
PM Ag Products Inc
Chicago, Illinois, US
M A Reed
PRESIDENT

100%
Bundaberg Sugar Company
Brisbane, Australia
G E Mitchell
MANAGING DIRECTOR

Group Executives

R F Booth GROUP EXECUTIVE (CHAIRMAN'S OFFICE) D R Creed GROUP TREASURER
P C Eatherley MANAGING DIRECTOR, SPECIALITY SWEETENERS S Gifford COMPANY SECRETARY
J H Metcalf GROUP FINANCIAL CONTROLLER D A Tate DIRECTOR, CORPORATE AFFAIRS S Tedbury GROUP STRATEGIC PLANNER

Report on Operations

Record year for Tate & Lyle Sugars

Tate & Lyle in Europe

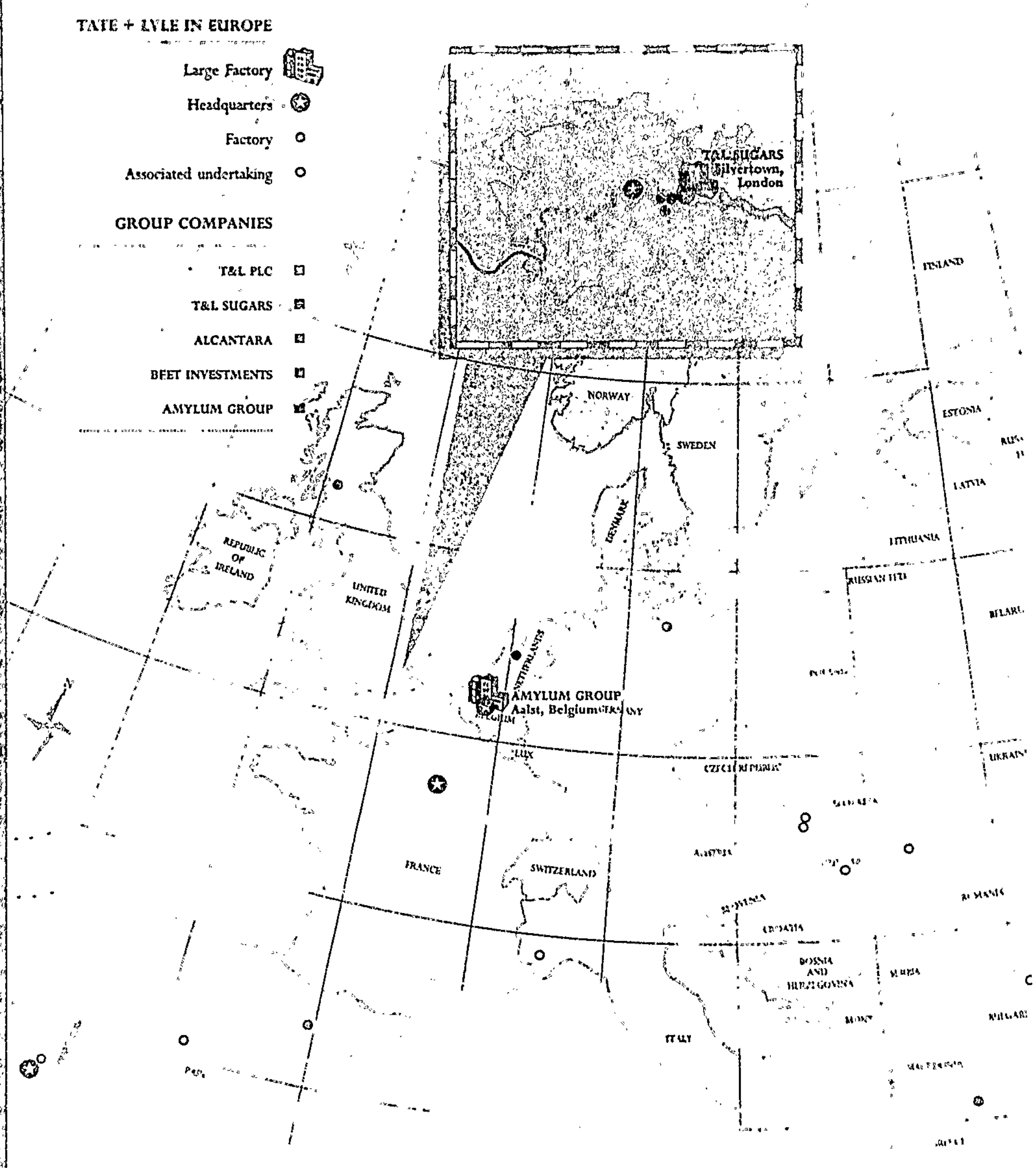
The map shows the principal activities of the European Sugar Division and the Amylum Group

Tate & Lyle Sugars Despite a domestic market weakened by the recession, TLS had a record year with a successful cost-reduction programme complementing the benefits of the devaluation of the green pound.

Retail market share was maintained and a new pack design reinforced Tate & Lyle's strong brand image across the range of granulated and speciality products. Lyle's Golden Syrup in its familiar green can remained dominant in its market. Reductions in deliveries to the UK industrial market were offset by increased export sales.

A pay and productivity deal for all TLS employees was negotiated and implemented, and the management structure reorganised to improve efficiency and reduce costs. Productivity in tonnes per employee rose a further 10% to reach a cumulative productivity improvement of 46% over five years. Thames Refinery won the British Safety Council National Award for an accident record more than 20% better than the food industry average.

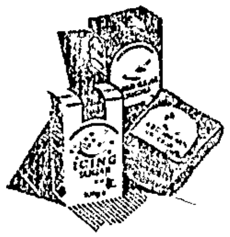
The continuing programme of major plant replacement further improved efficiency, with £20 million invested during the year. A modern,


TATE + LYLE IN EUROPE
Large Factory
Headquarters
Factory
Associated undertaking
GROUP COMPANIES
T&L PLC
T&L SUGARS
ALCANTARA
BEET INVESTMENTS
AMYLUM GROUP
T&L SUGARS
Silvertown,
London
FINLAND
NORWAY
SWEDEN
ESTONIA
LATVIA
DENMARK
LITHUANIA
REPUBLIC OF IRELAND
UNITED KINGDOM
NETHERLANDS
AMYLUM GROUP
Aalst, Belgium
LUX
FRANCE
SWITZERLAND
ITALY
BOSNIA AND HERZEGOVINA

Report on Operations

energy-saving carbonatation process was commissioned in the spring. A new landmark in east London was established with the topping out of the new bulk sugar conditioning silo. This, and a new boiler house, will be fully operational in 1994.

Alcântara The sugar market in Portugal was reduced by cereal sweetener penetration and by the transfer of some food processing activities out of Portugal. Nevertheless refining profits remained strong and investments to improve production facilities continued.



NEW PACK DESIGNS REINFORCE TATE & LYLE'S STRONG BRAND IMAGE ACROSS THE RANGE OF GRANULATED AND SPECIALITY SUGARS

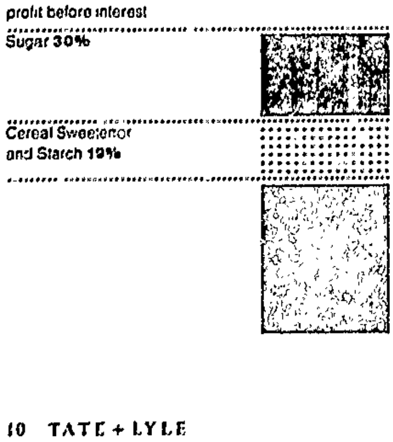
Central Europe and Spain In Hungary **Kabo** accomplished a significant turn around from loss to profit as the company focused exclusively on its domestic market. Processing costs and overheads were reduced, with productivity per employee coming closer to Western European standards. Prices were increased, based on quality and improved customer service.

In June the joint venture with Générale Sucrière took a 51% stake in **Juhocukor,** which operates Slovakia's largest and most modern beet factory at Dunajska Streda, near Bratislava. Juhocukor operates in an unstructured market and will seek an increased supply of beets in order to improve its market share significantly.

In Spain **Azucarera** had to import sugar to maintain its market share after adverse weather conditions reduced the beet crop. The resulting loss of margin was partially offset by the beneficial effects of the continuing restructuring of the business.

Amylum Group (formerly the CST Group). The decline in Amylum Group profits resulted from difficult market conditions and currency turmoil. Sales demand in the European markets was static with many regions continuing to be affected by the recession. The high volume of potato-based starches following a second consecutive large potato crop caused a sharp reduction in starch selling prices. However, the Amylum Group was successful in developing its non-EC markets and export sales exceeded 1992 levels. Lower by-product selling prices caused reduced margins. Vital wheat gluten selling prices, on average, also showed a decline compared with 1992 but there was a marked increase in the second half of the year.

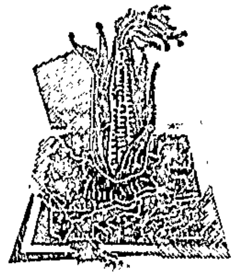
European Contribution to Group profit
profit before interest



The newly constructed Prignitz-Stärke potato starch plant in Dallmin, Germany completed its initial campaign successfully, achieving target production.

During the year Amylum complemented its Central European investments by acquiring an interest in Tsarevichni Produkti in Bulgaria, a new maize-based sweetener and starch plant with a grind capacity of 600 tonnes per day. Commissioning of part of the plant will take place in 1994.

In a joint venture with Invergordon, a new £10 million distillery was built and commissioned next to Tunnel Refineries' site in London. The new distillery was operating by the year end, producing white spirit for European markets.



AMYLUM ACQUIRES AN INTEREST IN A NEW MAIZE BASED SWEETENER AND STARCH PLANT IN BULGARIA

Allocations imposed as heavy beet crop hits prices

Tate & Lyle in North America and Australia

The map shows the principal activities of Staley and the North American and Australian Sugar Division

The record US beet crop had a significant effect on sugar businesses. Prices fell and the US Department of Agriculture (USDA) finally reacted by imposing marketing allocations on domestic sugar producers at the end of June. Both Domino and Western Sugar were affected by lower prices and Western also had to hold back one-eighth of its production for sale in subsequent years. The imposition of marketing allocations for the first time indicates that the 1990 Farm Bill will be managed effectively by the USDA.

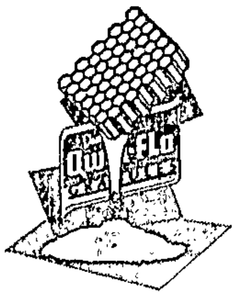
Domino Sugar The intense pressure on volume and margins severely reduced profits. However, a reduced beet crop and lower demand will give Domino an opportunity to position itself better for next year.

Domino's grocery brand remained the largest sugar brand in the US. Opportunities to extend the brand to new regional markets are being pursued.

Domino's three-refinery operation was a key competitive advantage, enabling customer needs to be serviced despite a labour disruption at Brooklyn.

A depressed world white sugar premium severely curtailed export operations, essentially limiting Domino's


TATE + LYLE
IN NORTH AMERICA
AND AUSTRALIA
Large Factory
Headquarters
Factory
Associated undertaking
GROUP COMPANIES
STALEY
DOMINO
WESTERN
REDPATH
BUNDABERG
PM AG
CANADA
MANITOBA
ONTARIO
UNITED STATES
MONTANA
NORTH DAKOTA
SOUTH DAKOTA
MINNESOTA
WYOMING
NEBRASKA
IOWA
UTAH
COLORADO
KANSAS
MISSOURI
ARIZONA
NEW MEXICO
OKLAHOMA
ARKANSAS
TEXAS
TENNESSEE
ALABAMA
GEORGIA
SOUTH CAROLINA
VERMONT
REDPATH
Toronto, Ontario
DOMINO
Brooklyn, New York
STALEY
Lafayette, Indiana
STALEY
Decatur, Illinois
DOMINO
Baltimore, Maryland
STALEY
Loudon, Tennessee
DOMINO
Chalmette, Louisiana
MEXICO
COAHUILA
DURANGO
OAXACA
CHIAPAS
AUSTRALIA
SOUTH
AUSTRALIA



QWIK-FLO HONEY POWDER
ANOTHER NEW PRODUCT
FROM DOMINO

operations to North America for the first time for several years.

Domino is on schedule to achieve registration under the quality standard ISO 9002 by the end of 1994 and has also embarked on a total quality management (TQM) programme. Domino's workforce was introduced to the principles of world class manufacturing through training 'workshops' at all locations. TQM, when combined with a vigorous capital programme, will ensure high product and service quality well into the future. This programme includes a new decolourisation process at Baltimore to be operational by September 1995.

Two new sugar products, Qwik-Flo Honey Powder and Glaz-Sure Donut glaze were introduced. The former is part of the highly successful co-crystallised product line and further extensions to this line are in progress.

Western Sugar Despite low selling prices, higher yields improved Western's performance. The new molasses desugarisation plant experienced start-up problems which limited its output. Most of these issues are now resolved. A new packing line at Billings, Montana was installed to meet increased demand for 4lb consumer packages. Through the efforts of the whole workforce an excellent safety record was achieved.

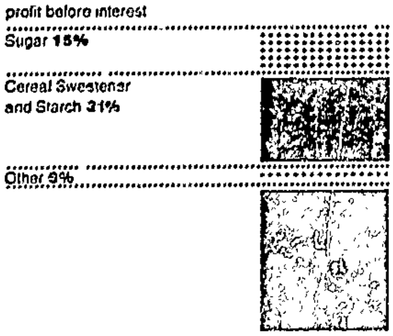
Redpath Sugars Redpath Sugars' operating profits went up, with increased sales volume and stable refining margins.

Several new value-added sugar products were launched to both consumer and industrial markets. These included a demerara-style soft sugar for the retail trade and a 570g sugar canister for the food service sector. Redpath now distributes a wide range of Domino speciality products in Canada.

The capacity expansion project made good progress, with melt rate improvements realised throughout the year. Cost savings will be maximised when the project is completed at the beginning of 1994. Two other major projects were undertaken to reduce energy consumption.

Bundaberg Sugar In July, Bundaberg's sugar mills in Australia started processing their 1993 season cane crop, which is again expected to exceed 5 million tonnes in total.

North American and Australian Contribution to Group profit
profit before interest



World sugar prices rose sharply during the early part of the season and, despite subsequent weakening, are expected to provide a reasonable return for the crop. Sugar analysts are forecasting that world consumption will exceed production for the second consecutive year and demand should maintain price levels.

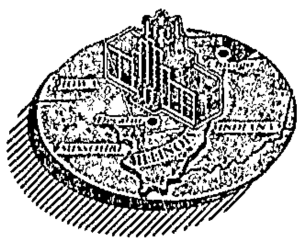
Bundaberg's recently expanded sugar refining business has achieved an ISO 9002 quality standard certification and increased its market penetration. The extended range of branded and other retail products has achieved a 20% market share.

Demand for Bundaberg molasses is growing rapidly in response to marketing initiatives including year-round contracted supplies to the developing feedlot industry.

A £38.1 million cash offer for two cane milling cooperatives in northern Queensland was announced in October 1993. These mills would combine well with Bundaberg's existing mills at Babinda and Mourilyan, and their acquisition would increase annual sugar production to over one million tonnes.

Staley

In a challenging year, new production records were set, new products introduced, improvements made in the company's ability to compete and plans for future expansion implemented – despite staff reductions, a labour dispute and weather-related disasters in the American midwest. The underutilisation of industry capacity put pressure on margins but sales of sweeteners increased.



IMPROVED EFFICIENCY AND FLEXIBILITY AT DECATUR

A voluntary severance programme for salaried staff begun in 1992 was completed in 1993. Numbers were reduced by 30% and reorganisation of job functions and responsibilities brought greater efficiency and flexibility to operations, particularly in Decatur. The corn oil refinery and related operations at Decatur were closed in August.

In June a new five-year collective bargaining contract was negotiated at Sagamore, Indiana. The new agreement, which provides for increased benefits and annual adjustments to wage rates, was approved three months before the previous contract's expiration, affirming that labour and management can work together toward common goals.

Efforts to negotiate a new contract with the Decatur plant's unionised employees were less successful. The high cost of running the Decatur plant put it out of step with other Staley plants and well behind the competition. For the Decatur plant to be competitive, major changes were needed: costs had to be reduced, operations needed to be streamlined and outdated work practices eliminated. Negotiations which began in August 1992 were stalled by early 1993 despite the involvement of federal mediators. The situation deteriorated even further when acts of sabotage and vandalism escalated in the plant. The resulting lockout of union employees in June was a drastic step but necessary to protect the environment, company employees and property and to ensure the integrity of product sent to customers.

The situation provided management with an uncommon opportunity. Salaried personnel and supervisory staff from Decatur and other Staley plants worked alongside newly-hired workers in the plant, repeatedly setting production records with a third fewer people. The Decatur plant is fully operational with this workforce.

Disastrous summer floods in the midwest disrupted transportation, interrupted utilities and shut down many businesses including some competitors' plants. Staley facilities and services were only minimally affected and the company continued to supply customers with quality product and service, confirming its position as a reliable supplier.

KRYSTAR IS A CRYSTALLINE FRUCTOSE USED IN MANY MAINSTREAM FOODS AND BEVERAGES

In February, Staley's position as a leading supplier of fat-replacing ingredients was strengthened by a new joint venture with ConAgra to manufacture, market and distribute TrimChoice, a new versatile oat-based fat replacer.

An instant, easy-to-use version of Stellar, the premium corn-based fat replacer launched in 1991, is being introduced. In July, production of Sta-Lite polydextrose began at the Decatur plant. Polydextrose is a low-calorie bulking agent used in many reduced-calorie and reduced-fat foods.

Demand for Staley's unique granular instant starches and for the Star-Dri line of maltodextrins continued to be strong. Traditionally, corn-based maltodextrins have been widely used to improve the taste and texture of a variety of foods. Today, these ingredients are finding new uses in reduced-fat and reduced-calorie foods and beverages; they provide a good source of complex carbohydrates and help improve the texture and eating qualities of foods made with less fat. To meet the increased demand, maltodextrin capacity was expanded in October 1993 at Loudon, Tennessee.

Krystar crystalline fructose has become recognised as an alternative sweetener, used in many mainstream foods and beverages. Staley's success in developing the market for crystalline fructose was recognised by Food & Beverage Marketing magazine which gave its 1992 "Innovator Award" to Staley for its work with Krystar.

Staley's dedication to being the first choice for customers was rewarded when it was recognised by Coca-Cola as "Top HFCS Supplier" for 1992. Also in 1992 the Dial Corporation named Staley its "Supplier of the Year" for the second consecutive year.

Staley is the only company in North America providing the paper industry with a full line of starch products for wet-end, size press and coating applications. Staley's waxy cationic starch output, used in the manufacture of paper to increase strength and retention, was at full capacity.

The market for Staley's Ethylex line of hydroxyethylated starch products continues to grow with record sales achieved this year. Ethylex capacity in Decatur was expanded during the year and a further expansion is in progress. Hydroxyethylated starches are used in the manufacture of paper, textiles and adhesives to provide product and processing improvements.

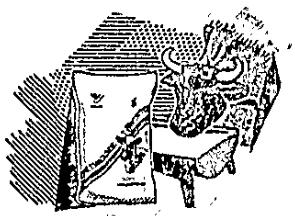
The company's dedication to product development continues as shown by the successful growth of several new products. Attention is also focused on technological research into both new processing efficiencies and improved cost effectiveness of product applications for customers.

PM Ag Products

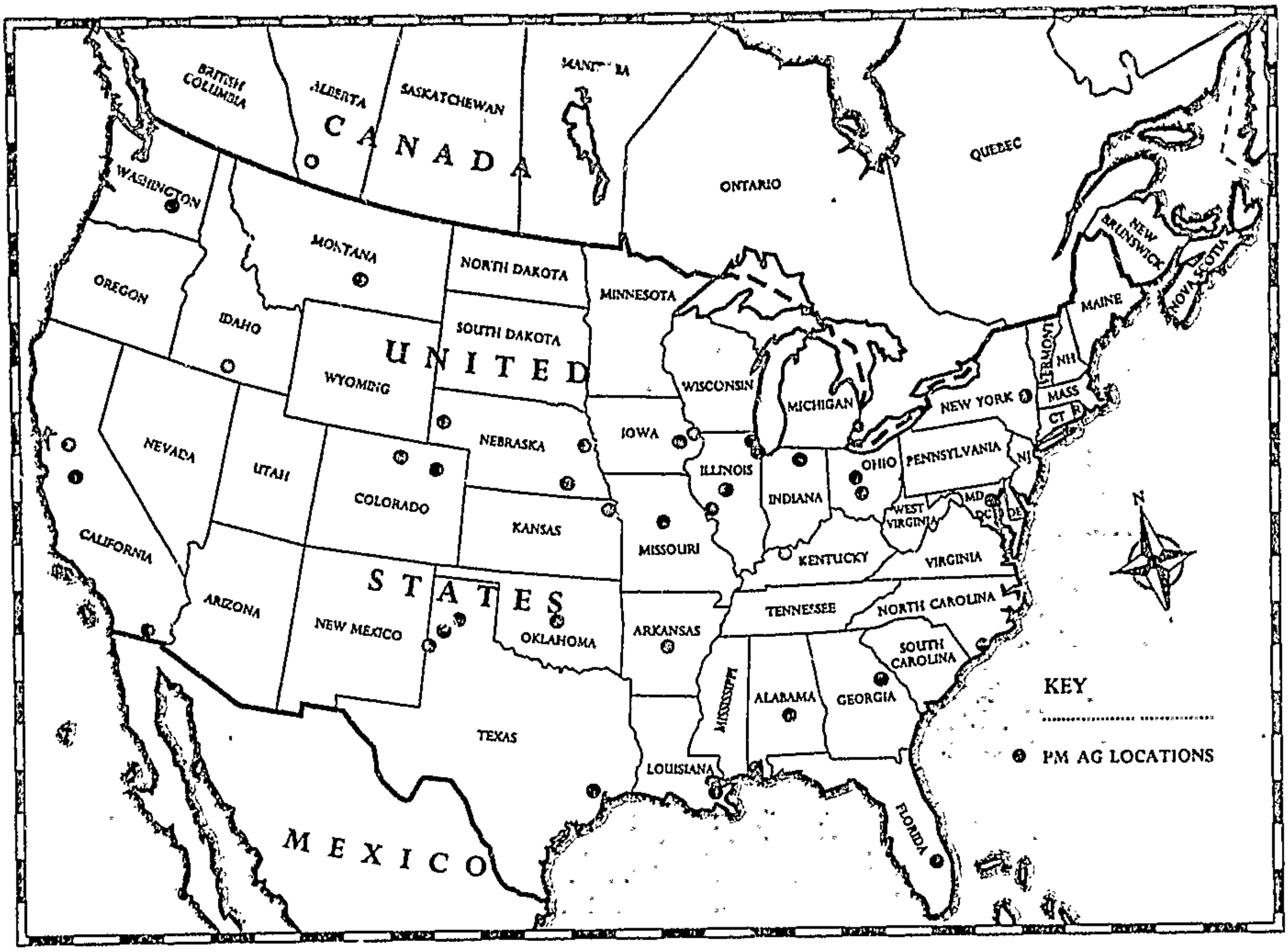
PM Ag Products completed an eighth consecutive year of earnings growth, with all core businesses contributing to improved performance. PM is now the fourth largest US manufacturer of livestock feeding supplements.

Vigortone set all time records for sales volume and earnings. The recently expanded Fremont, Nebraska plant became Vigortone's largest manufacturing location, building new business with range beef and swine producers.

Sweetlix block sales attained new records, with strongest growth in En-Pro-Al molasses blocks. The new Bovalyx block line was successfully introduced in the north western states and a second manufacturing location was established in Bremen, Indiana.



PM AG PRODUCTS IS NOW THE FOURTH LARGEST US MANUFACTURER OF LIVESTOCK FEEDING SUPPLEMENTS



P.M.Ag operates from locations across North America.

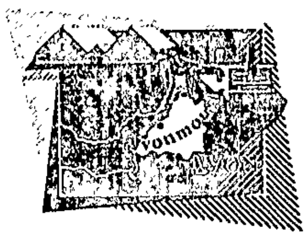
The Liquid Division enjoyed a year of steady growth, highlighted by Loomix and Pure Gro, both acquired in 1991. Major expansion undertaken in Stockton, California will make it the premier liquid feed plant in the US.

Customer service centres were established across the US to improve response to customer enquiries and streamline administration. Consolidated information and financial systems produced operating efficiencies.

PM substantially increased its return on assets through improved earnings, rationalisation of inventory and consolidation of manufacturing facilities.

Good results in all sectors

Tate & Lyle International Division



A NEW £5.5 MILLION, DRY BULK FEEDSTUFFS IMPORT AND STORAGE FACILITY WAS BUILT AT AVONMOUTH

United Molasses The animal feed industry which the United Molasses Group serves throughout Europe continued to experience recession driven rationalisation. However, United Molasses, with its commitment to quality and service, saw good levels of demand in its European markets. The investment and expansion of recent years is also bearing fruit with much improved performance from storage and engineering operations in Europe and Africa.

Investments completed included the new, £5.5 million, dry bulk feedstuffs import and storage facility at Avonmouth, operated through a joint venture with the Bristol Port Company. It is planned that the facility's superior efficiencies and hygiene standards will eventually attract over one-third of all animal feedstuffs imported into the UK.

The animal feed engineering business, Robinson Milling Systems, was acquired in June. This acquisition expanded United Molasses' existing product range and significantly strengthened its position in mainland Europe.

In an exchange of business interests in October 1993, after the year end, the ruminant specialities business of Colborn Dawes Nutrition was acquired, and the

Report on Operations

premix business of Four F Nutrition sold. The new acquisition complements **Rumenco's** existing operations.

Although world sugar prices remain on the defensive despite encouraging world supply/demand fundamentals, sugar trading had an active and largely satisfactory year with the sugar economies of the former Eastern Block countries again providing major challenges and opportunities.

In a year of change and rationalisation for the world's sugar industries, **Tate & Lyle Process Technology** produced another good performance, encouraged by the trend towards privatisation.

BOOKER TATE'S
NEW BUSINESS INITIATIVES
CONTINUE WORLDWIDE

Zimbabwe Sugar Refineries As a result of the 1992 drought, which destroyed nearly the whole cane crop in Zimbabwe's sugar-growing lowveld area, the two refineries relied entirely on imported raw sugar totalling 232,000 tonnes. The refineries operated at full capacity, achieving record production, so that the domestic market was fully supplied throughout the year. Following good rains during the 1992/93 season, the local sugar industry is expected to be back in full production during 1993/94.

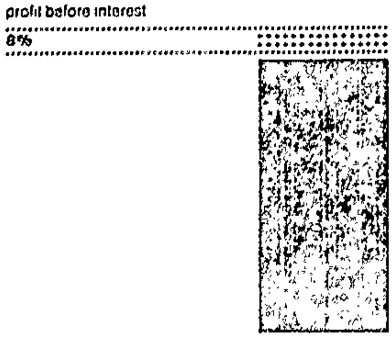
Sugar prices in Zimbabwe were decontrolled in June, after several years of price control.

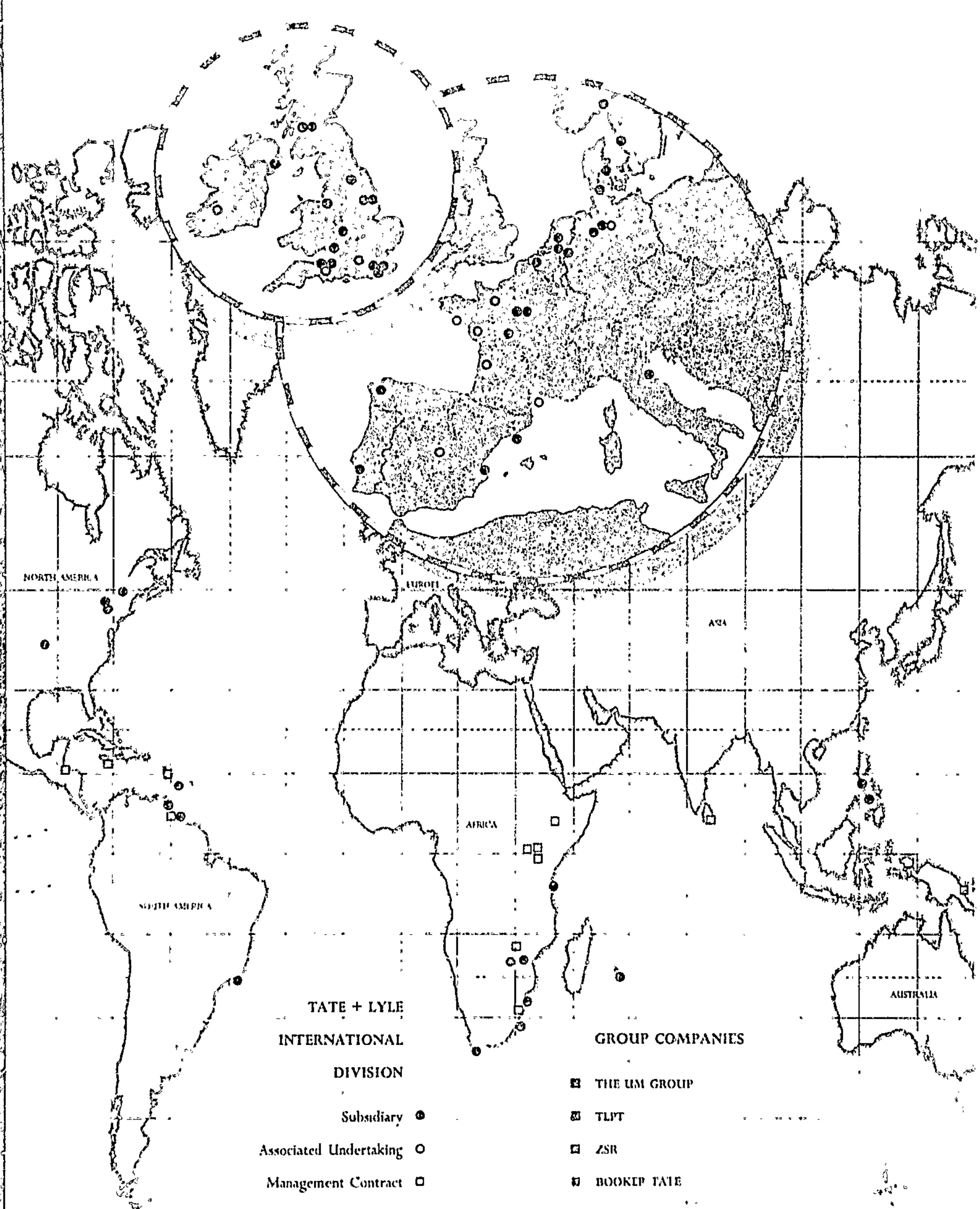
ZSR invested Z$20 million (£2 million) on capital projects aimed at modernising the refineries and further improving efficiency and quality of products.

Booker Tate Profit and cash generation were significantly improved, reflecting good operating performances in client businesses, with record sugar production in Swaziland and Zambia. Guyana also continued to perform strongly but new investment is required to sustain the recovery achieved since Booker Tate took over management responsibility in 1990.

New business secured included a five year contract for the management of the Barbados sugar industry; a contract for the rationalisation of the Mumias factory in Kenya; and technical management contracts for a planned 500,000 tonne refinery in Saudi Arabia. Initiatives also continued in Russia, the Ukraine, China and Vietnam as well as in traditional areas in Africa and the Caribbean.

International Division
Contribution to Group profit
profit before interest

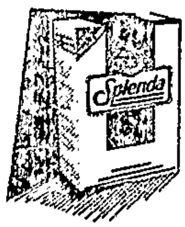



NORTH AMERICA
SOUTH AMERICA
EUROPE
AFRICA
ASIA
AUSTRALIA
TATE + LYLE
INTERNATIONAL
DIVISION
Subsidiary
Associated Undertaking
Management Contract
GROUP COMPANIES
THE UM GROUP
TLPT
ZSR
BOOKER TATE

Report on Operations

OTHER BUSINESSES

Speciality Sweeteners In Canada, Tate & Lyle's new low-calorie sweetener sucralose is steadily increasing sales with over a hundred food and beverage products now sweetened with SPLENDA Brand Sweetener. A successful marketing campaign has resulted in SPLENDA being recognised in Canadian households as a high quality sweetening ingredient. SPLENDA has also made important progress in the home-use market as a low-calorie spoon-for-spoon alternative to sugar.



OVER A HUNDRED FOOD AND BEVERAGE PRODUCTS IN CANADA ARE NOW SWEETENED WITH SPLENDA BRAND SWEETENER

More recently, Tate & Lyle has gained approval for sucralose in Russia and first sales are expected during 1994. Sucralose was also approved in Australia in October 1993, shortly after the year end.

In the US and Europe the Group continues to seek approval for this versatile low calorie sweetener and remains committed to gaining worldwide approval.

Richards (Shipbuilders) A large passenger and vehicle ferry was delivered in August to Caledonian MacBrayne in Scotland. There are currently very few enquiries for new tonnage.

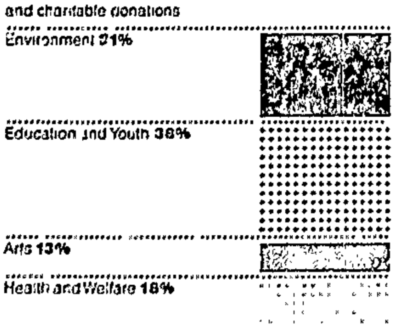
Tate & Lyle Reinsurance A modest underwriting profit was achieved, reversing the trend of the previous two years. Exposure to third party risks arising from major catastrophes has been substantially reduced. Net premium income from third party exposures was held to 64% of total net premium income and the business will continue to benefit from the hardening premium rates now evident in the reinsurance market.

Bundaberg Foundry and Bundaberg Rum Exports of engineered products from Bundaberg Foundry now account for over half of the output of this long established business, which achieved record sales and profits in the year. The importance accorded to markets in Asia has been recognised in the establishment of a representative office in Singapore.

Rum sales by the joint venture were maintained in a difficult consumer market. The launch, in July, of new product "Dark & Stormy", a blend of rum and brewed ginger beer, will further strengthen Bundaberg Rum's position.

Tate & Lyle in the Community

Donations Worldwide
Tate & Lyle's worldwide community and charitable donations



Earlier this year the Tate & Lyle Board set up a committee to take an overview of corporate affairs. This committee has reviewed and refined the strategic thrust of our programmes and will ensure that the exercise of community responsibilities is being successfully carried out, taking into consideration the geographic and cultural background of each individual part of the Group. New initiatives and programmes will also be introduced to reinforce Tate & Lyle's belief in the importance of the contribution which can be made to the community's prosperity through involvement in education, health, the environment and the arts.

Worldwide contributions to community activities amounted to £1,290,000 during the year. £690,000 of this was spent in the UK, of which £300,000 was paid to UK charities.

Major UK support continued for Business in the Community and the Per Cent Club, as well as for the Prince's Youth Business Trust and LEntA (London Enterprise Agency). Tate & Lyle Sugars raised £20,000 for St. John's Ambulance in a special Golden Syrup promotion in association with Safeways.

Employees at all levels assisted the valuable work performed by the East London Partnership, and we were delighted that our efforts towards the establishment of a new centre for Community Links in Canning Town, London were recognised by the receipt of a special prize in the Lord Mayor of London's Dragon Awards.

After a successful pilot scheme, the Group recently launched a UK-wide initiative to encourage Volunteers in the Community. Twenty-six are already in place and there has been an encouraging response to this initiative across the country, including Liverpool where United Molasses supports Fairbridge, an organisation which helps young people at risk.

Overseas, and particularly in North America, the greater proportion of donations have been in support of educational and youth orientated schemes in the localities of our plants. Many operating units have their own scholarship schemes which include the Western Safety Scholarships, Domino's significant support of the United Negro College, and Zimbabwe Sugar Refineries' Gold Star awards. Worldwide some 38% of our contributions are dedicated to this vital sector.

Board of Directors

EXECUTIVE DIRECTORS

N M Shaw CHAIRMAN (64) has over 37 years' experience in sugar and sweetener businesses. He has held a wide variety of management positions in the Group, including that of Chief Executive Officer, Redpath Industries. He joined the Tate & Lyle Board in 1975, becoming Group Managing Director in 1980 and Chairman in March 1986. He became Chairman of Business in the Community in June 1991.

P S Lewis ‡ ¤ DEPUTY CHAIRMAN AND GROUP FINANCE DIRECTOR (56) joined the Group in 1986. He was appointed Deputy Chairman in March 1993. He is a Chartered Accountant with extensive international professional and business experience in Europe and the US and is also a member of the Quotations Committee of the London Stock Exchange and a non-executive director of Dairy Crest Ltd. He served as Chief Financial Officer for the RACAL data communications group and before that as Group Finance Director of Bestobell.

J H W Walker MANAGING DIRECTOR, EUROPEAN SUGAR (49) joined the Group in 1966. He has held a range of executive positions including Managing Director of United Molasses and more recently Managing Director of Tate & Lyle Sugars. He joined the Tate & Lyle Board in March 1993.

P J Miraky MANAGING DIRECTOR, NORTH AMERICAN AND AUSTRALIAN SUGAR (47) has over 20 years experience in the Group. He has served in a variety of management positions in North America and the UK and prior to his appointment was Chief Executive, Europe, Africa & Pacific Sugar Division. He joined the Tate & Lyle Board in March 1993.

NON-EXECUTIVE DIRECTORS

P M E Callebaut † (64) has long experience in the cereal sweetener and starch industries. Chairman and Managing Director of the Amylum Group (formerly CST), he joined the Tate & Lyle Board in 1988. He was a Director of Staley prior to its acquisition by Tate & Lyle and continues in that capacity. He is also Chairman and Managing Director of CIP, a Luxembourg investment company.

Sir Brian Hayes *†‡ (64) joined the Board in 1989. He was formerly Permanent Secretary both at the Department of Trade and Industry and the Ministry of Agriculture Fisheries and Food.

R M Powers ¤ (62) joined Staley in 1958. He became Vice President Research and Development in 1971 and latterly was President and Chief Executive Officer of A E Staley Manufacturing. Following his retirement from executive office in December 1988 he continued as a Director of Staley, becoming Chairman of Staley in June 1992. He joined the Tate & Lyle Board in 1989.

Lady Prior ‡ ¤ (63) joined the Tate & Lyle Board in 1985. She is also a member of the Board of TSB Group and has a number of public interests.

H S Tate *† (61) served in executive positions throughout the Group from 1952 to 1981 when he became Chairman and Chief Executive of the Northern Ireland Development Board. From 1985 to 1991 he was Chairman of the London Commodity Exchange. He joined the Tate & Lyle Board in 1957.

J F Taylor † ¤ (58) was appointed Chairman of Booker plc in 1993 having served as Chief Executive since 1984. He brings many years' experience in international food businesses to the Board of Tate & Lyle which he joined in 1988.

Lord Walker *‡ (61) has considerable business experience and a wide knowledge of international agriculture and food businesses. He served as a UK Government Minister in five departments between 1970 and July 1990. He joined the Tate & Lyle Board in 1990.

L R Wilson *† (53) is Chairman, President and Chief Executive Officer of BCE Inc, a Montreal based telecommunications conglomerate. He joined the Board of Tate & Lyle in 1984 and until 1989 had responsibility for the Group's North American operations.

* *Remuneration and Appointments Committee*
† *Audit Committee*
‡ *Corporate Affairs Committee*
¤ *Pension Fund Committee*

Directors' Report

Principal activities of the Group The activities of Tate & Lyle Public Limited Company are described on pages 8 to 22 in the Report on Operations. They principally comprise:

- Cane and beet sugar production
- Cereal sweeteners and starch production
- Animal feed and bulk storage

Likely future developments are also described in the Report on Operations.

Share Capital – *Ordinary Shares* – The Company issued 2,960,573 ordinary shares during the year of which 980,537 were issued on the conversion of preference shares, 461,701 as share alternative dividends and 1,518,335 on the exercise of employee share options. The total value of ordinary shares issued at the issue price was £4.9 million.

Details of substantial interests in Tate & Lyle are given on page 59. Apart from these holdings, the directors have not been notified of any material interest of 3% or more or any non-material interest exceeding 10% of the issued voting capital of the Company.

So far as the directors are aware, the Company is not a close company for taxation purposes.

The Company has not acquired any of its shares during the year.

Dividends A final dividend of 8.7p (1992 – 8.0p) per ordinary share is being recommended making a total for the year of 13.0p (1992 – 12.0p). After payment of dividends, £88.9 million of 1993 profits attributable to ordinary shareholders have been retained in reserves.

Changes The Report on Operations describes the changes and events of the year.

The changes in fixed assets are shown in notes 10 and 11 on pages 43 to 45 and further details are given in the Report on Operations and Financial Review.

The Group spent £22.2 million on research and development in the year.

Corporate Governance The Remuneration and Appointments Committee is appointed from amongst the non-executive directors and is responsible for recommendations to the Board on corporate governance.

The company has complied, since 30th June 1993, with the Code of Best Practice published by the Committee on Financial Aspects of Corporate Governance, apart from the provisions relating to the reports by directors on internal control and going concern. The Code notes that companies will not be able to comply with these provisions until the necessary guidance has been developed as recommended in the Committee's report.

Other Board Committees include the Audit Committee (drawn from non-executive directors), Pension Fund Committee, Banking Committee and Corporate Affairs Committee.

Directors The directors who served during the year were those listed on page 24 together with Lord Jellicoe,

Directors' Report

Mr M D McEwen and Mr S R Brown who left the Board during the year.

At the Annual General Meeting Lady Prior, Lord Walker and Mr L R Wilson are retiring by rotation and, being eligible, offer themselves for re-election under Article 84.

Mr P J Mirsky and Mr J H W Walker became directors on 1st March 1993. They retire under Article 90 and being eligible, offer themselves for re-election.

Mr P J Mirsky and Mr J H W Walker are employed under service contracts terminable at 104 weeks notice.

The other directors retiring do not have service contracts.

Directors' Interests At no time during the year has any director had any material interest in a contract with the Company, being a contract of significance in relation to the Company's business. A statement of directors' interests in shares of the Company is set out on page 52.

The Company maintains directors' and officers' liability insurance which provides insurance cover for directors and other officers of Group companies, including those of the Company, against liabilities which they may incur personally as a consequence of claims made against them alleging breach of duty or other wrongful acts or omissions in their capacity as directors or officers.

Executive Remuneration Tate & Lyle operates Executive Incentive Bonus schemes for its executive directors and senior managers throughout the Group, numbering about 220 in all. The philosophy behind the schemes, which were first introduced more than 13 years ago, is that the basic salary is the reward for the job and bonus is given for superior performance achieved.

Actual bonus paid is directly related to the results of the Tate & Lyle Group or of the relevant operating unit, as appropriate, and is expressed as a percentage of base salary.

For Tate & Lyle PLC, objectives are set each year in terms of earnings per share and profit before tax, and are agreed by the Remuneration and Appointments Committee.

Maximum bonuses paid are around the median for similar companies in similar industries in the country concerned, and range for managers in the UK from 10% to 40% of base salary. Executive directors of the Company are currently entitled to maximum bonuses of 50% of salary.

Employment The Group employs 15,800 people. 6,800 are employed in North America and 3,170 in the UK.

Group companies operate within prescribed broad personnel policies, but establish personnel procedures for their own market sector. The Group develops effective policies and procedures to promote equality of opportunity regardless of sex, marital status, religion, colour, race, ethnic or national origin, or disability. The aim of these policies, covering recruitment, career development and promotion opportunities, is to ensure that all employees have the opportunity to develop as fully as possible in accordance with their individual abilities and the needs of the Group.

Each operating company is implementing action plans to increase the participation of women throughout the organisation as part of the Opportunity 2000 initiative. This continues as a priority of senior management as the Group is determined that the career development of women is an integral part of normal succession planning. Ultimately, the goal is to make every employee in the organisation responsible for equal opportunities.

Training Training has increasingly concentrated on multi-skilling, and the additional knowledge necessary for more flexibility in working practices. The emphasis on quality, safety and the environment has continued. In-house training programmes remain much in demand. Management courses in particular benefit from the cross-fertilisation of ideas arising from the many countries in which the Group operates.

Community An account of Tate & Lyle's contribution to the community appears on page 23. Donations of £1.3 million were made during the year. A political donation of £25,000 was made during the year to the Conservative Party.

Employee Share Option Schemes
Offers made under the executive share option schemes, together with offers made under the UK savings-related share option scheme resulted in the grant of 1,177 options to buy 1,920,846 shares. 65% of UK employees who are eligible to hold share options now do so. More information about options granted under the schemes is given on page 52.

Pensions The Group provides pension and other retirement benefits for its employees in the UK and overseas. These benefits are secured by funds set aside and held separately from Group funds, except where tax laws and other relevant legislation make pre funding financially inappropriate. Entry qualifications, benefit structures, administration and the periods between formal actuarial valuations vary from scheme to scheme but each scheme operates in accordance with good local practice. A thorough review of these schemes was recently completed and confirmed that existing arrangements, in terms of benefit security and the procedures in place for the authorisation of changes in scheme design or financing, are satisfactory. As a result, the Group is well placed to implement changes arising from amendments to legislation affecting benefit provision in the UK and overseas. The information collected during this review will be used to ensure effective control of the Group's pension liabilities.

Annual General Meeting – Thursday 27th January 1994 The Notice convening the Annual General Meeting at the Barbican Hall is set out on page 60. Shareholders' consent will be sought to renew the Board's authority to allot shares. The stated limits reflect recommendations by the Investment Committees of the Association of British Insurers and the National Association of Pension Funds.

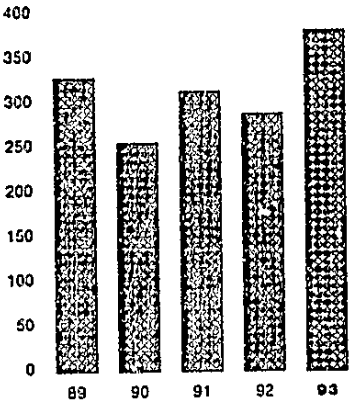
Auditors The Auditors, Coopers & Lybrand, have expressed their willingness to continue to act and a resolution for their reappointment will be submitted to the Annual General Meeting.

S Gifford

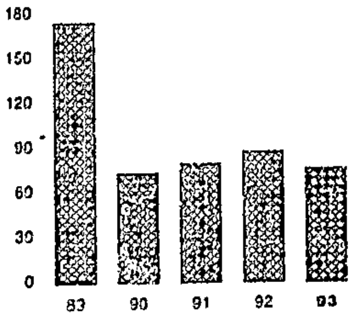
By order of the Board
S Gifford, SECRETARY
23rd November 1993

Financial Review

Cash Flow from Operating Activities £million
Cash generated in the year that is available for paying interest, tax and dividends, and for investing in fixed assets.



Gearing per cent
Net borrowings as a percentage of net assets. Net assets equal shareholders' funds plus the minority shareholders' interests



Profit and Earnings per share
Improved performances in the UK and profit recovery in Staley and Western led to an 11% improvement in operating profit, in spite of reductions in Domino and in European cereal sweeteners and starches. Profits at Staley were impacted by restructuring costs of $12.2 million.

The stronger dollar and continental European currencies benefited profit before tax. A lower taxation rate and a reduction in profit attributable to minority interests contributed to a 25% increase in fully diluted earnings per share.

A revaluation of land and buildings at major UK sites was carried out, resulting in a £20.8 million charge to reserves.

Cash and Funding Cash flow from operating activities reached £382.4 million in the year (1992 – £290.1 million). £102.4 million was paid to providers of finance – both equity and debt – as dividend and interest. Taxation paid amounted to £49.8 million.

A total of £139.0 million was invested in plant replacement, improvement and expansion, and in further investments to increase and consolidate European operations. The principal investments comprised: Tsarevichni Produkti, a Bulgarian corn wet mill; Juhocukor, a Slovakian beet sugar factory; the acquisition of Robinson Milling Systems, a feed mill engineering group; and the completion of the acquisition of the outstanding minority in Alcântara of Portugal.

Major capital projects included vacuum pan, silo and boiler projects at Thames refinery, improvements to production facilities in Portugal and various projects in European corn wet mills.

Disposals of fixed assets and investments contributed £15.2 million to cash. Before allowing for an increase in short-term investments of £52.1 million, free cash flow for the year amounted to £106.4 million.

Long- and short- term borrowings were reduced by £184.8 million. This reduction and the increase of £52.1 million in short-term investments were funded by free cash flow, new borrowings (£97.7 million), cash on hand and the issue of shares (£2.9 million).

The Group benefits from strong, stable cash flows in its businesses. Over the past three years, the net cash inflow from operating activities has been £315.2 million, £290.1 million and £382.4 million, respectively. This cash flow readily permits the servicing of borrowings incurred by the Group in its investing activities over the past several years. By reducing reliance on equity finance, particularly during a period of relatively low interest rates, shareholders retain the major part of the benefit from any increases in operating profits in the form of increased earnings per share.

The reliance on debt financing, reflected in a debt to equity ratio of 78% (1992 – 89%) requires increased emphasis on debt structure and management. Accordingly, Group Treasury focuses on the sourcing, maturity profile and currency spread of debt to ensure future availability of funds for refinancing debt as it matures

New long term finance drawn by the Group was limited to US$135 million of medium term private funding, as foreshadowed in last year's Annual Report. The Group repaid £151.5 million of its long-term debt during the year, including the US$100 million Eurobond 1992 and a US$50 million variable bond due in 1996. Liquidity is maintained through current asset investments and cash of £180.3 million (1992 – £207.9 million) and by undrawn committed multicurrency facilities of £215.9 million (1992 – £189.7 million). These act as a standby source of funds to meet seasonal working capital demands as well as debt re-financing requirements which may arise. The maturity profile of borrowings and standby facilities is shown on page 48 and the currency exposure for net borrowings is shown on page 54.

Interest Rates and Exchange Rates
Management of interest cost is an integral part of the management of the Group's overall debt position. Interest cover of 5.7 times (1992 – 5.0 times) shows that operating earnings were comfortably able to service overall debt levels.

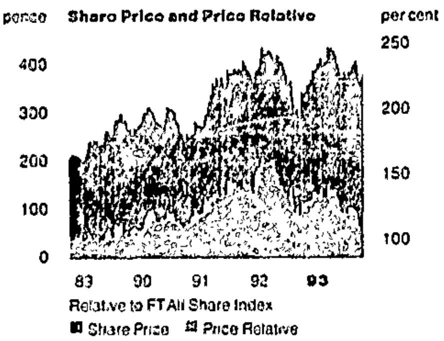
The major part of the Group's debt is in US dollars, which, together with other debt in Australian and Canadian dollars which are broadly linked to the US dollar, amounted to 98% of the total Group net debt at the year end. Interest rates on these currencies fell sharply during the year and are expected to remain relatively low during 1994.

This enabled the Group to benefit from significantly lower short term rates available in the market. Our dollar interest rate hedging policy is to maintain fixed rates on 30% – 50% of US dollar debt for three to five years. This policy is reviewed annually and is dependent on the perception of likely rate increases. In order to lock-in currently favourable medium-term rates, interest rate 'caps' were purchased, allowing the Group to benefit from the current lower rates but offering protection should rates firm in the near to medium-term. Rates are otherwise hedged by the use of interest rate swaps to convert floating rate debt to fixed rate. Details of the Group's year end interest rate exposure are shown on page 54.

Foreign Currency Group policy is to translate the profit and loss account using average exchange rates and the balance sheet at year end rates. Foreign currency exposure management policy requires subsidiaries to hedge transactional currency exposures back into the currency in which their results are measured.

Net assets are held in a number of currencies which give rise to the balance sheet currency translational exposures shown on page 55. These exposures are managed by selecting the currencies in which the Group borrows and by currency swaps which change both the interest cost of debt and the translational exposure. The objectives are to maintain a low cost of debt coupled with a balanced portfolio of net assets by currency which retains some potential for currency-related appreciation while partially hedging against currency depreciation.

Financial Review



The weighted average exchange rate of US$1.54 (1992 – $1.82) was close to the year end rate of US$1.50 (1992 – $1.72). Average exchange rates for ERM currencies dropped following sterling's departure from the ERM in September 1992. Compared with last year's rates a translational gain of £19.1 million arose on profits before tax. At the previous year end rates Group debt would have been £74.0 million lower.

Control of Treasury Group financing, including debt, interest cost and foreign exchange matters, is managed (with the exception of certain matters controlled by the Amylum Group and relating to that group) by the Group Treasury company, whose operations are controlled by its Board. This is chaired by the Deputy Chairman and Group Finance Director, and operates within written policies established by the Board of Tate & Lyle PLC.

Taxation The Group taxation charge for the year was 24.7% of pre-tax profits (1992 – 26.3%).

A favourable settlement of some major prior year issues with the US Internal Revenue Service is reflected in the comparatively low annual charge. Additionally, some provisions for possible UK liabilities have been released following the agreement of 1990 chargeable gains.

The reduction in the rate of advance corporation tax, introduced in the 1993 Finance Act, has helped to defer the onset of surplus ACT and it is now estimated that full recovery against mainstream corporation tax will be maintained until 1996.

During the year the Group continued to support lobbying organisations in expressing its concern about the adverse effects on UK industry of aggressive US approaches to unitary tax and transfer pricing matters.

Dividend The Board is recommending a final dividend of 8.7p per share making a total for the year of 13.0p, an increase of 1.0p or 8% on last year. We will again be giving ordinary shareholders an opportunity to accept new ordinary shares in place of their cash dividend. The compound growth rate of the dividend over the last five years has been 12%. Dividend cover remains satisfactory at 2.9 times.

P S Lewis DEPUTY CHAIRMAN AND GROUP FINANCE DIRECTOR

23rd November 1993

Five Year Review

Share Information	1989	1990	1991	1992	1993
Pence per 25p ordinary share					
Closing share price	266.0	237.0	396.0	342.0	380.0
Earnings – basic	30.9	46.8	38.9	29.3	38.0
– basic, excluding exceptional item	30.9	34.4	38.9	29.3	38.0
Earnings – fully diluted	26.4	38.0	33.0	26.2	32.7
– fully diluted, excluding exceptional item	26.4	29.1	33.0	26.2	32.7
Dividend payments	9.0	10.0	11.2	12.0	13.0
% Growth in share price – average annual					
compound rate since 1988	32.5%	8.7%	25.4%	14.2%	13.6%
Growth relative to All-Share Index					
– basis 1988 = 100	106.2	115.1	147.1	130.1	118.8
Closing market capitalisation £m	1138	1011	1697	1507	1687
including convertible redeemable preference shares £m	288	247	377	293	327

Business Ratios	1989	1990	1991	1992	1993
Interest cover	3.8	5.3	5.6	5.0	5.7
Profit before interest divided by net interest charge					
Gearing	176%	74%	81%	89%	78%
Net borrowing as a percentage of net assets					
Net margin	7.7%	7.9%	8.6%	7.1%	7.1%
Profit before interest and exceptional items as a percentage of turnover					
Return on net operating assets	22.8%	23.6%	24.0%	17.4%	18.5%
Profit before interest and exceptional items as a percentage of average net operating assets					
Dividend cover – times	3.4	4.7	3.5	2.4	2.9
Earnings per share divided by dividends per share					

The exceptional profit in 1990 arises from the reclassification, in accordance with FRS3, of the profit on disposal of businesses, previously described as extraordinary.

Five Year Review

Employment of Capital	1989 £million	1990 £million	1991 £million	1992 £million	1993 £million
Fixed assets	1 061.3	936.5	1 159.7	1 250 1	1 351.3
Working capital	218.3	94.7	144.0	168.9	142.6
Net operating assets	1 279.6	1 031.2	1 303 7	1 419.0	1 493.9
Net borrowings	(770.5)	(403.2)	(552 7)	(641.9)	(626.6)
Net liabilities for dividends and tax	(71.7)	(86.4)	(65.1)	(56.5)	(59.7)
Total net assets	437.4	541.6	685.9	720.6	807.6

Capital Employed					
Called up share capital	109.1	109.8	112.4	114.9	115.4
Reserves	703.9	793.7	940.2	1 017.1	1 101.3
Goodwill	(430.1)	(432.0)	(448.2)	(502.1)	(506.6)
	382.9	471.5	604.4	629.9	710.1
Minority interests	54.5	70.1	81.5	90 7	97.5
	437.4	541.6	685.9	720.6	807.6

Profit summary					
Turnover	3 465.5	3 445.2	3 262.5	3 366.3	3 817.3
Operating profit	257.4	268.5	276.8	233.1	259.3
Exceptional item	-	51.0	-	-	-
Share of profits of associated undertakings	9.4	3.9	3.7	4.3	10.3
Profit before interest	266.8	323.4	280.5	237.4	269.6
Net interest	(70.2)	(61.3)	(49.7)	(47.9)	(47.1)
Profit before taxation	196.6	262.1	230.8	189.5	222.5
Taxation	(63.7)	(72.8)	(64.8)	(49.8)	(55.0)
Profit after taxation	132.9	189.3	166.0	139.7	167.5
Minority interests	(21.9)	(23.5)	(22.3)	(23.6)	(18.3)
Profit for the period	111.0	165.8	143.7	116.1	149.2
Dividends	44.0	48.3	53.9	56.8	60.3
Retained profit	67.0	117.5	89.8	59.3	88.9

The exceptional profit in 1990 arises from the reclassification, in accordance with FRS3, of the profit on disposal of businesses, previously described as extraordinary.

Directors' Responsibilities

The directors have a specific responsibility for reporting to shareholders and for the assets of the Group. The directors are required to present for each period financial statements which comply with the provisions of the Companies Act 1985 in respect of the state of affairs of the Group as at the end of the accounting period and of the profit or loss for that period. In preparing the financial statements, suitable accounting policies, framed by reference to reasonable and prudent judgements and estimates, have to be used and applied consistently. Applicable accounting standards have been followed and the accounts have been prepared on a going concern basis. The directors are responsible for ensuring that arrangements are made for the maintenance of adequate accounting records, for safeguarding the assets of the Group, and for ensuring that steps are taken with a view t preventing and detecting fraud and other irregularities.

Auditors' Report to the Members of Tate & Lyle Public Limited Company

We have audited the financial statements on pages 34 to 57.

Respective responsibilities of directors and auditors As described above the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group at 25th September 1993 and of the profit, total recognised gains and cash flows of the Group for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers Lybrand
Coopers Lybrand

Coopers & Lybrand
Chartered Accountants and Registered Auditors
1 Embankment Place
London WC2N 6NN
23rd November 1993

FINANCIAL CONTENTS

Group Profit and Loss Account

For the 52 weeks to 2[illegible]th September 1993

Profit and Loss Account	Notes	1993 £million	19[illegible] £million
Turnover		3 817.3	3 366.3
Less share of turnover of associated undertakings		119.2	72.3
Net turnover		3 698.1	3 294.0
Operating profit	2	259.3	233.1
Share of profits of associated undertakings		10.3	4.3
Profit before interest		269.6	237.4
Interest receivable and similar income		38.8	34.9
Interest payable and similar charges	4	85.9	82.8
Profit before taxation		222.5	189.5
Taxation	5	55.0	49.8
Profit after taxation		167.5	139.7
Minority interests		18.3	23.6
Profit for the period		149.2	116.1
Dividends paid and proposed	6	60.3	56.8
Retained profit		88.9	59.3

Earnings per Share			
Basic	7	38.0p	29.3p
Fully diluted	7	32.7p	26.2p

The results of acquisitions and discontinued operations are not material to the results of the Group. Historical cost profits and losses are not materially different from those shown above.

Balance Sheets

At 25th September 1993

Employment of Capital	Notes	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
Fixed assets					
Tangible assets	*10*	1 266.4	1 187.7	3.4	4.3
Investments	*11*	84.9	62.4	1 044.4	999.5
		1 351.3	1 250.1	1 047.8	1 003.8
Current assets					
Stocks	*12*	346.1	327.8	–	–
Debtors – due within one year	*13*	385.6	351.5	6.2	6.9
– due after more than one year	*13*	80.0	66.6	10.9	13.5
Investments	*14*	223.6	217.4	6.0	0.1
Cash at banks and in hand		48.1	33.2	0.1	0.1
		1 083.4	996.5	23.2	20.6
Creditors – due within one year					
Borrowings	*15*	(375.6)	(365.5)	(342.1)	(95.4)
Other	*16*	(541.5)	(481.7)	(59.2)	(46.9)
Net current assets/(liabilities)		166.3	149.3	(378.1)	(121.7)
Total assets less current liabilities		1 517.6	1 399.4	669.7	882.1
Creditors – due after more than one year					
Borrowings	*17*	(522.7)	(527.0)	(1.7)	(252.4)
Other	*16*	(17.6)	(5.8)	–	–
Provisions for liabilities and charges	*18*	(169.7)	(146.0)	–	–
Total net assets		807.6	720.6	668.0	629.7
Capital Employed					
Capital and reserves					
Called up share capital	*22*	115.4	114.9	115.4	114.9
Share premium account	*23*	329.3	325.1	329.3	325.1
Revaluation reserve	*23*	45.0	67.6	–	–
Other reserves	*23*	41.9	48.0	25.4	27.3
Profit and loss account	*23*	685.1	576.4	197.9	162.4
		1 216.7	1 132.0	668.0	629.7
Goodwill	*23*	(506.6)	(502.1)	–	–
Shareholders' funds		710.1	629.9	668.0	629.7
Minority interests		97.5	90.7	–	
		807.6	720.6	668.0	629.7

The financial statements were approved by the Board at a meeting on 23rd November 1993.

DIRECTORS { N M Shaw
P S Lewis

Registered no. 76535

N. M. Shaw

P. S. Lewis

Statement of Cash Flows

For the 52 weeks to 25th September 1993

	Notes	1993 £million	1993 £million	1992 £million	1992 £million
Net cash inflow from operating activities	25		382.4		290.1
Returns on investment and servicing of finance					
Interest paid		(87.1)		(81.9)	
Interest received		40.7		24.3	
Interest element of finance leases		(0.1)		(0.3)	
Dividends received from associated undertakings		7.1		4.0	
Dividends paid – parent company		(55.7)		(51.9)	
– minority interests in subsidiary undertakings		(7.3)		(6.7)	
			(102.4)		(112.5)
Taxation paid			(49.8)		(55.9)
Investing activities					
Purchase of tangible fixed assets		(117.4)		(175.0)	
Sale of tangible fixed assets		5.4		2.5	
Purchase of fixed asset investments		(5.6)		(10.5)	
Sale of fixed asset investments		4.4		20.6	
(Increase)/reduction in short term investments		(52.1)		19.2	
Purchase of businesses and subsidiaries (net of cash acquired)		(6.4)		(33.4)	
Sale of businesses		5.4		-	
Purchase of interests in associated undertakings		(9.6)		(21.6)	
Net cash outflow from investing activities			(175.9)		(198.2)
Net cash inflow/(outflow) before financing			54.3		(76.5)
Financing					
Issue of shares		(2.9)		(17.8)	
Repayment of borrowings		151.5		99.6	
New borrowings		(97.7)		(59.9)	
Reduction/(increase) in short term borrowings		33.0		(21.3)	
Capital element of finance lease payments		0.3		3.0	
Net cash outflow from financing	28		84.2		3.6
Reduction in cash and cash equivalents	27		(29.9)		(80.1)
			54.3		(76.5)

Segmental Analysis

For the 52 weeks to 25th September 1993

Net Operating Assets and Profit Before Interest	1993 Net operating assets £million	1992 Net operating assets £million	1993 Profit before interest £million	1992 Profit before interest £million
Cane and beet sugar				
– North America	282.2	235.2	28.0	39.6
– Europe, Africa and Pacific	302.3	329.4	94.8	71.2
Cereal sweeteners and starches				
– North America	478.6	455.0	84.7	65.3
– Europe	305.4	278.4	51.4	54.0
Animal feed and bulk storage	90.7	86.2	25.1	20.1
Other businesses and activities	34.7	34.8	(14.4)	(12.8)
	1 493.9	1 419.0	269.6	237.4
Unallocated liabilities (dividend and tax)	(59.7)	(56.5)		
Net borrowings	(626.6)	(641.9)		
Total net assets	807.6	720.6		

Turnover and Employees	1993 Turnover £million	1992 Turnover £million	1993 Employees	1992 Employees
Cane and beet sugar				
– North America	714.6	633.4	3 413	3 700
– Europe, Africa and Pacific	1 021.7	932.9	4 563	4 761
Cereal sweeteners and starches				
– North America	729.2	625.0	2 510	3 230
– Europe	550.3	475.3	1 929	1 965
Animal feed and bulk storage	438.9	374.1	2 078	1 940
Other businesses and activities	362.6	325.6	1 341	1 408
	3 817.3	3 366.3	15 834	17 004

The above table shows only third party turnover. Inter segment turnover totalled £5.1 million (1992 – £88.3 million).

An average exchange rate of $1.54 has been used to translate the profits of US subsidiary companies (1992 – $1.82). The period end exchange rate used to translate the balance sheet was $1.50 (1992 – $1.72).

Employee numbers are based on average weekly figures and exclude employees within associated undertakings.

Other Statements

Statement of Recognised Gains and Losses

	1993 £million	1992 £million
Profit for the period	149.2	116.1
Unrealised loss on revaluation of properties	(20.8)	(12.2)
	128.4	103.9
Currency difference on foreign currency net investments	13.8	11.3
Total recognised gains for the period	142.2	115.2

The movement on Group reserves is shown in note 23.

Reconciliation of Movements in Shareholders' Funds

	1993 £million	1992 £million
Total recognised gains and losses for the year	142.2	115.2
Dividends	(60.3)	(56.8)
Issue of shares	4.7	22.2
Goodwill written off on acquisition	(4.3)	(53.9)
Other	(2.1)	(1.2)
Net increase in shareholders' funds	80.2	25.5
At 26th September 1992	629.9	604.4
At 25th September 1993	710.1	629.9

Notes to the Financial Statements

1 Accounting Policies

Basis of accounting

These financial statements are prepared under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, and in accordance with the Companies Act 1985 and applicable accounting standards.

Basis of consolidation

The accounts of all subsidiary undertakings are consolidated from the date of their acquisition up to the date of sale.

At acquisition, fair values are attributed to the assets and liabilities of the company acquired. Any excess of consideration given over these fair values is transferred to the goodwill reserve.

As permitted by Section 230 of the Companies Act 1985, a profit and loss account is not presented for Tate & Lyle PLC.

Associated undertakings and joint ventures are accounted for by the equity method from the date of their acquisition up to the date of sale. A fair value is attributed to the investment acquired and any excess of consideration given over this fair value is transferred to the goodwill reserve.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling on the last day of the financial period (the closing rate) except when covered by an open foreign exchange contract in which case the rate of exchange specified in the contract is used.

The profits of overseas companies are translated at the average of daily rates and the difference when compared to that arising from the use of closing rates is dealt with through distributable reserves.

Differences on exchange arising from the translation of the opening balance sheets of overseas companies at year-end rates, and on foreign currency borrowings used to finance long term foreign equity investments, are taken direct to reserves.

Other profits and losses on exchange are credited or charged to operating profit.

Turnover

Turnover comprises the amount receivable in the ordinary course of business, net of valued added and sales taxes, for goods and services provided.

Stock

Stock is valued at the lower of direct cost together with attributable overheads and net realisable value.

Hedging of commodity transactions

Certain commodities are purchased or sold on futures markets in order to fix the price of the underlying raw material or product. The profit or loss on such futures contracts is matched to the cost of the raw material or sales proceeds for the product concerned.

Depreciation

The depreciation charge is calculated so as to allocate the cost or revalued amount of tangible fixed assets systematically over their remaining useful economic lives. These asset lives are reviewed regularly. The following asset lives are used:

Freehold land	:	No depreciation
Freehold buildings	:	20 to 50 years
Leasehold property	:	Period of the lease
Plant and machinery	:	3 to 28 years

Notes to the Financial Statements

1 Accounting Policies (continued)

Leased assets
Tangible fixed assets held under finance leases are capitalised and depreciated in accordance with the Group's depreciation policy. Operating lease charges are charged to profit as incurred.

Research and development
All expenditure on research and development is charged to profit as incurred.

Post-retirement benefits
The Group operates a number of defined benefit pension schemes and, in North America, some post-retirement healthcare and life assurance schemes. The expected cost of post retirement benefits is charged to the profit and loss account, on the advice of actuaries, so as to accrue the cost over the service lives of employees on the basis of a constant percentage of earnings. Variations from the regular cost are spread over the expected remaining service lives of current employees in the scheme.

Deferred taxation
Deferred taxation is recognised at the anticipated tax rate using the liability method on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements, to the extent that it is probable that a liability or asset will crystallise. Deferred tax on post-retirement benefits is recognised in full.

Discounted Bonds
The discount to face value is amortised over the life of the bond using the actuarial method. Annual amortisation is written off to profit and loss. The balance sheet liability comprises the bond issue proceeds together with the amortised discount.

Cash equivalents
Cash equivalents are highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance.

2 Operating Profit

	1993 £ million	1992 £ million
The following have been charged or credited in arriving at operating profit:		
Raw materials and consumables	2 491.8	2 290.2
Staff costs	376.7	339.5
Depreciation of tangible fixed assets	103.8	84.2
Operating lease rentals and other hire charges – Plant and machinery	29.6	21.1
– Other	7.8	7.0
Auditors' fees and expenses – Audit	1.4	1.4
– Non-audit (UK only)	0.2	0.1
Exchange gains	(1.8)	(2.0)
Loss on sale of tangible fixed assets	0.4	2.5
Income from fixed asset investments	(2.0)	(3.9)
Provisions against fixed asset investments	2.7	(0.2)
Profit on sale of business and associated undertaking	(2.5)	–
Other operating charges	444.4	334.1
Other operating income	(13.7)	(13.1)
	3 438.8	3 060.9

The Group spent £22.2 million on research and development during the year.

3 Staff Costs

	1993 £ million	1992 £ million
Wages and salaries	318.3	291.5
Social security costs	32.9	30.3
Pension costs	12.8	9.5
Other post-retirement benefits	12.7	8.2
	376.7	339.5

Emoluments of directors of Tate & Lyle PLC, contained within staff costs were:

Duties discharged wholly or mainly:	1993 In the UK £thousand	1993 Overseas £thousand	1992 In the UK £thousand	1992 Overseas £thousand
Fees	63	20	70	20
Salaries	981	246	993	299
Bonuses	191	166	–	–
Pension fund contributions	705	907	919	357
Compensation on termination of contract	1 082[1]	–	559[1]	–
	3 022	1 339	2 541	676

[1] £567,000 paid by Tate & Lyle PLC; £515,000 paid by subsidiary undertakings (1992 – £559,000 paid by Tate & Lyle PLC).

Six directors waived their fees of £10,000 per annum (1992 – four directors waived £10,000).

The remuneration of the chairman, who is also the highest-paid director, was as follows:

	1993 £'000	1992 £'000
Salary	261	375
Bonus	100	–
	361	375

In addition, pension fund contributions of £672,000 were paid.

The remuneration (including performance-related bonuses but excluding pension fund contributions) of the individual directors whose duties were discharged wholly or mainly in the UK was as follows:

Directors	1993 Number	1992 Number		1993 Number	1992 Number
£ 5 001 to £ 10 000	1	–	£185 001 to £190 000	2	–
£ 15 001 to £ 20 000	6	6	£250 001 to £255 000	1	–
£ 20 001 to £ 25 000	–	2	£360 001 to £365 000	1	–
£130 001 to £135 000	1	–	£365 001 to £370 000	–	1
£170 001 to £175 000	–	1	£375 001 to £380 000	–	1

Share options granted to directors during the year are described in note 22.

4 Interest Payable and Similar Charges

	1993 £ million	1992 £ million
On sums wholly repayable within five years – by instalments	11.0	14.7
– not by instalments	55.4	55.2
On all other loans	15.1	11.2
Amortisation of bond discount	5.0	4.4
	86.5	85.5
Interest capitalised as part of tangible fixed asset additions	(0.6)	(2.7)
	85.9	82.8

Interest costs include aggregate finance charges in respect of leases amounting to £0.1 million (1992 – £0.2 million).

Notes to the Financial Statements

5 Taxation	1993 £million	1992 £million
On profit of the Company and subsidiaries for the period		
UK corporation tax at 33% (1992 – 33%)	32.7	25.2
Double taxation relief	(3.3)	(4.0)
	29.4	21.2
Deferred taxation	0.3	(1.8)
On Group share of profits of associated undertakings	0.4	0.3
Adjustments to previous years – corporation tax	(3.8)	(0.1)
– deferred taxation	(0.7)	0.2
UK Companies	25.6	19.8
Corporate taxation	33.0	30.0
Deferred taxation	(0.4)	2.4
On Group share of profits of associated undertakings	3.7	1.8
Adjustments to previous years – corporate taxation	(6.2)	(2.4)
– deferred taxation	(0.7)	(1.8)
Overseas Companies	29.4	30.0
Group Taxation charge	55.0	49.8

6 Dividends Paid and Proposed

Preference	13.8	14.2
Ordinary	46.5	42.6
	60.3	56.8

The total ordinary dividend is 13.0p made up as follows:
Interim dividend paid 20th July 1993 – 4.3p (1992 – 4.0p)
Final dividend proposed payable 8th February 1994 – 8.7p (1992 – 8.0p)

7 Earnings per Share

The basic earnings per share are calculated by dividing profit after taxation less minority interests and preference dividend of £135.4 million (1992 – £101.9 million), by the weighted average number of ordinary shares in issue during the period, 356,480,621 (1992 – 348,189,677)

The fully diluted earnings per share are calculated on the basis of the following assumptions:

(a) that the outstanding options over 8,815,482 shares had been exercised and that the funds so generated would give rise to net earnings of £1.6 million;

(b) that the issued share capital had been increased by 32,215,200 ordinary shares on exercise of outstanding equity warrants and that the funds so generated would give rise to net earnings of £7.3 million;

(c) that the issued share capital had been increased by 84,900,269 ordinary shares on conversion of the convertible cumulative redeemable preference shares.

8 Turnover by Geographical Market	1993 £million	1992 £million
United Kingdom	814.5	836.4
Other European countries	931.7	792.7
USA	1 562.5	1 276.1
Rest of the world	508.6	461.1
	3 817.3	3 366.3

9 Profit Before Interest by Geographical Base

	1993 £ million	1992 £ million
United Kingdom	76.5	47.[illegible]
Other European countries	53.1	63.4
USA	110.8	107.9
Rest of the world	29.2	18.6
	269.6	237.4

10 Tangible Fixed Assets

	Total £ million	Land and buildings £ million	Plant and machinery £ million	Assets in course of construction £ million
Gross book value				
At 26th September 1992	1 752.0	472.3	1 196.9	82.8
Differences on exchange	123.3	32.3	85.3	5.7
Businesses acquired	2.4	1.4	1.0	–
Businesses sold	(8.3)	(0.6)	(7.5)	(0.2)
Additions	120.7	5.8	34.3	80.6
Transfers on completion	–	12.1	106.1	(118.2)
Revaluation	(32.5)	(32.5)	-	-
Disposals	(68.7)	(7.1)	(61.6)	-
At 25th September 1993	1 888.9	483.7	1 354.5	50.7
Depreciation				
At 26th September 1992	564.3	70.1	494.2	-
Differences on exchange	26.7	3.5	23.2	-
Businesses sold	(3.5)	(0.1)	(3.4)	-
Charge for period	103.8	13.9	89.9	-
Transfers	5.3	3.0	2.3	-
Revaluation	(11.7)	(11.7)	-	-
Disposals	(62.4)	(5.7)	(56.7)	-
At 25th September 1993	622.5	73.0	549.5	-
Net book value				
At 25th September 1993	1 266.4	410.7	805.0	50.7
At 26th September 1992	1 187.7	402.2	702.7	82.8
Analysis of gross book value				
Cost	1 744.7	372.5	1 321.5	50.7
1976 valuation	5.1	-	5.1	-
1977 valuation	14.4	0.5	13.9	-
1981 valuation	8.3	-	8.3	-
1985 valuation	10.8	5.1	5.7	-
1988 valuation	0.7	0.7	-	-
1989 valuation	67.8	67.8	-	-
1993 valuation	37.1	37.1	-	-
At 25th September 1993	1 888.9	483.7	1 354.5	50.7

Certain UK properties were revalued during the period by Hillier Parker May & Rowden, an independent firm of valuers, on the basis of depreciated replacement cost (subject to adequate potential profitability) or open market value for existing use as appropriate. The deficit arising has been charged to revaluation reserve.

Notes to the Financial Statements

10 Tangible Fixed Assets (continued)

Original cost of fixed assets

	Land and buildings £million	Plant and machinery £million
Cost (or earliest ascribed value)	430.4	1,349.7
Related depreciation	(69.1)	(544.7)
At 25th September 1993	**361.3**	**805.0**

Assets in course of construction are held at cost.

Analysis of land and buildings	Total £million	Freehold Land £million	Freehold Buildings £million	Leasehold Long £million	Leasehold Short £million	Bulk Liquid storage £million
Gross book value	483.7	82.0	349.8	0.1	15.0	36.8
Depreciation	(73.0)	-	(52.0)	-	(3.6)	(17.4)
Net book value						
At 25th September 1993	**410.7**	**82.0**	**297.8**	**0.1**	**11.4**	**19.4**
At 26th September 1992	402.2	95.2	276.3	0.1	11.8	18.8

Leased assets

Included in the tangible fixed assets are the following capitalised values and related accumulated depreciation for assets being acquired under finance leases:

	Land and buildings £million	Plant and machinery £million
Capitalised value	1.4	17.7
Depreciation	(0.7)	(7.7)
Net book value at 25th September 1993	**0.7**	**10.0**

Tate & Lyle PLC	Total £million	Land and buildings £million	Plant and machinery £million
Cost	5.9	2.1	3.8
Depreciation	(2.5)	(0.1)	(2.4)
Net book value at 25th September 1993	**3.4**	**2.0**	**1.4**
At 26th September 1992	4.3	2.6	1.7

Expenditure in the period amounted to £0.4 million and depreciation charged was £0.5 million. The net book value of disposals was £0.8 million, of which £0.1 million related to plant and machinery and £0.7 million to land and buildings.

11 Fixed Asset Investments

	1993 £million	1992 £million
Group		
Associated undertakings – unlisted	63.8	44.0
Other fixed asset investments:		
Listed on overseas exchanges at cost[1]	7.6	3.2
Unlisted – at cost less amounts provided of £7.0 million (1992 – £4.9 million)[2]	13.5	15.2
Total	84.9	62.4

[1] Market value £8.4 million (1992 – £3.1 million)
[2] Directors' valuation £14.8 million (1992 – £15.3 million).

Tate & Lyle PLC	1993 £million	1992 £million
Shares in Group undertakings at cost or earliest ascribed value	205.5	205.5
Revaluation additions	7.2	7.2
	212.7	212.7
Loans to Group undertakings less amounts provided of £9.3 million (1992 – £9.3 million)	826.3	781.4
Shares in associated undertakings at cost less acquisition goodwill of £4.8 million written off (1992 – £4.8 million)	3.1	3.1
Other	2.3	2.3
	1 044.4	999.5

Movement in book value	Associated Undertakings: Cost less acquisition goodwill £ million	Associated Undertakings: Share of post acquisition reserves £ million	Other investments £ million	1993 Group £ million	1993 Tate & Lyle PLC £ million
At 26th September 1992	53.8	(9.8)	18.4	62.4	999.5
Differences on exchange	1.8	(3.4)	0.6	(1.0)	78.6
Additions	9.6	–	5.7	15.3	–
Disposals	(0.7)	–	(0.9)	(1.6)	–
Decrease in loans to Group undertakings	–	–	–	–	(33.7)
Retained profits of associated undertakings	–	1.2	–	1.2	–
Movement in provisions	–	–	(2.7)	(2.7)	–
Reduction in interest in subsidiary	15.5	(4.2)	–	11.3	–
At 25th September 1993	80.0	(16.2)	21.1	84.9	1 044.4

Notes to the Financial Statements

12 Stocks	1993 Group £million	1992 Group £million
Raw materials, consumables and in-process stocks	161.8	158.0
Contract work in progress	3.0	2.3
Finished goods and goods held for resale	166.1	155.3
New crop expenditure	15.2	12.2
	346.1	327.8

Contract work in progress is stated after deduction of progress payments received and receivable of £nil million (1992 - £4.1 million).

13 Debtors	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
Due within one year				
UK taxation	–	–	1.7	–
Overseas taxation	0.6	–	–	–
Trade debtors	306.4	287.0	–	–
Owed by subsidiary undertakings	–	–	1.6	–
Owed by associated undertakings	6.9	3.3	–	–
Other debtors	43.0	36.5	1.0	5.8
Prepayments and accrued income	28.7	24.7	1.9	1.1
	385.6	351.5	6.2	6.9
Due after one year				
Overseas taxation	–	0.7	–	–
Deferred taxation	39.6	35.0	10.9	13.5
Owed by associated undertakings	0.6	1.5	–	–
Other debtors	39.8	29.4	–	–
	80.0	66.6	10.9	13.5

Other debtors due after one year include a prepayment for sucralose production totalling £14.7 million (1992 – £12.8 million).

14 Current Asset Investments				
Listed on overseas exchanges	75.0	34.9	–	–
Unlisted investments	16.7	1.2	–	–
Loans, short term deposits and unlisted fixed interest securities	131.9	181.3	6.0	0.1
	223.6	217.4	6.0	0.1

15 Creditors – borrowings

	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
Due within one year				
Current portion of long term creditors	111.8	91.3	64.9	58.3
Other bank loans and overdrafts – secured	23.8	1.8	–	
– unsecured	185.3	263.5	0.8	0.7
Short term loans – unsecured	54.7	8.9	–	
Owed to subsidiary undertakings	–	–	276.4	36.4
	375.6	365.5	342.1	95.4

Lenders of £17.2 million secured loans have a charge over certain current asset investments; other lenders of secured loans have a charge over certain tangible fixed assets.

16 Creditors – other

	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
Due within one year				
Trade creditors	263.0	226.1	–	–
Accruals and deferred income	145.6	145.3	2.7	9.2
Owed to subsidiary undertakings	–	–	17.4	0.5
Payments received on account	1.0	2.4	–	–
Other creditors	31.0	17.9	2.2	0.6
Social security	13.4	10.4	1.1	1.0
Owed to associated undertakings	1.1	0.4	–	–
	455.1	402.5	23.4	11.3
Overseas taxation	22.2	21.1	–	–
UK taxation	26.3	23.0	–	2.6
Proposed dividends				
– holders of Tate & Lyle PLC shares	35.8	33.0	35.8	33.0
– minority interests in subsidiary undertakings	2.1	2.1	–	–
	86.4	79.2	35.8	35.6
	541.5	481.7	59.2	46.9
Due after more than one year				
Accruals and deferred income	13.7	–	–	–
Other	3.9	5.8	–	–
	17.6	5.8	–	–

Notes to the Financial Statements

17 Borrowings – due after more than one year

	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
Debentures, loans and overdrafts				
4¼% bonds 1993 (Swiss Francs 140,000,000)	64.9	63.0	64.9	63.0
Industrial revenue bonds 1993/2005 (US$40,910,000)[1]	27.2	24.4	–	–
12⅛% medium term notes 1993/95 (US$21,650,000)	14.4	20.4	–	–
9⅜% Eurobond 1992 (US$100,000,000)	–	58.3	–	58.3
Variable unsecured bond 1996 (US$50,000,000)	–	29.2	–	29.2
6.43% notes 1997 (US$50,000,000)	33.3	–	–	–
7.96% notes 1999 (US$50,000,000)	33.3	29.2	–	–
7.02% notes 1999 (US$65,000,000)	43.3	–	–	–
5¾% Guaranteed Bonds 2001 (£190,500,000)	123.1	118.1	–	–
Other secured loans	–	2.3	–	2.0
Other variable unsecured loans	0.5	0.9	–	–
Other fixed unsecured loans	22.9	21.6	1.7	1.7
Obligations under finance leases	0.5	0.4	–	–
	363.4	367.8	66.6	154.2
Bank loans and overdrafts				
Variable unsecured 1995 (US$50,000,000)	33.3	29.2	–	–
Variable unsecured 1995 (US$75,000,000)	50.0	43.7	–	–
Fixed secured other	–	1.3	–	–
Variable unsecured other	151.7	136.8	–	–
Fixed unsecured other	36.2	39.5	–	–
	271.2	250.5	–	–
Owed to subsidiary undertakings	–	–	–	156.5
Less portion of borrowings due within one year	(111.9)	(91.3)	(64.9)	(58.3)
	522.7	527.0	1.7	252.4
Maturity of borrowings				
One to two years	32.9	117.2	–	219.4
Two to five years	232.2	200.5	–	31.2
Over five years	257.6	209.3	1.7	1.8
	522.7	527.0	1.7	252.4

[1] $23.7 million held at variable interest rates, the balance is held at fixed interest rates from 5.875% to 13.0%.

Redemption of the 5¾% Guaranteed Bonds is at the option of the issuer from 21st March 1996. The redemption price from that date is £163.8 million increasing in annual increments to the par value of £190.5 million.

The Group has undrawn committed multicurrency facilities of £215.9 million. Of these facilities £111.6 million expires between March 1994 and July 1994, £16.7 million in October 1994, £33.3 million in April 1995, £16.7 million in September 1995, £4.4 million in January 1996 and the remainder in September 1996. Debentures, loans and overdrafts of £3.0 million at 25th September 1993 are secured against certain tangible fixed assets. Finance lease obligations are secured against the assets concerned.

18 Provisions for Liabilities and Charges

	Total £million	Deferred taxation £million	Insurance funds £million	Pensions £million	Other post-retirement benefits £million	Other £million
Group						
At 26th September 1992	146.0	13.0	19.0	10.5	85.5	18.0
Differences on exchange	15.4	(0.1)	2.6	0.9	12.8	(0.8)
Acquisitions	2.4	0.5	–			1.9
Transfers	(0.2)	(0.2)	–	(0.3)		0.3
Utilised in period	(14.0)	–	(0.2)	(3.2)	(5.0)	(5.6)
Profit and loss account	18.9	(0.9)	1.7	5.0	12.7	0.4
Advance Corporation Tax	1.2	1.2	–	–	–	–
At 25th September 1993	**169.7**	**13.5**	**23.1**	**12.9**	**106.0**	**14.2**

Of the provisions set up on the acquisition of subsidiary companies, £9.7 million has been utilised in the year. £2.9 million has been released to the profit and loss account. Depending on their nature, acquisition provisions are classified as creditors (note 16) or as provisions for liabilities and charges.

	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
Analysis of Deferred Taxation				
Provided Liabilities				
UK – capital allowances	5.6	5.5	–	–
– other timing differences	10.6	11.1	–	–
Overseas – capital allowances	17.8	17.1	–	–
– other timing differences	4.8	5.8	–	–
Assets				
UK – other timing differences	–	–	(0.4)	(2.5)
– Advance Corporation Tax recoverable	(11.0)	(11.0)	(10.5)	(11.0)
Overseas – post-retirement benefits	(36.9)	(33.2)	–	–
– other timing differences	(17.0)	(17.3)	–	–
	(26.1)	(22.0)	(10.9)	(13.5)
Assets included as debtors in note 13	39.6	35.0	10.9	13.5
Deferred taxation liabilities provided	**13.5**	**13.0**	–	–
Potential Liabilities				
UK – capital allowances	31.2	28.9	–	–
– other timing differences	10.6	11.1	–	–
Overseas – on fixed assets	184.3	150.5	–	–
– other timing differences	6.1	7.1	–	–
Assets				
UK – other timing differences	(7.2)	(1.3)	(0.5)	(2.5)
– Advance Corporation Tax recoverable	(11.0)	(11.0)	(10.5)	(11.0)
Overseas – post-retirement benefits	(37.6)	(33.7)	–	–
– other timing differences	(32.7)	(32.6)	–	–
Potential full deferred taxation provision	**143.7**	**119.0**	**(11.0)**	**(13.5)**

Deferred tax is not provided on earnings to be retained overseas as there is no intention to remit them in the foreseeable future.

Notes to the Financial Statements

19 Post-retirement benefits

The Group operates a number of pension schemes of the defined benefit type throughout the world. The assets of the schemes are held in separate trustee administered funds. The schemes are funded in line with local practice and contributions are assessed in accordance with the advice of the local actuary in each case.

The schemes operated by the Group are subject to actuarial valuation at regular intervals using consistent assumptions appropriate to conditions prevailing in the relevant country.

The main scheme is the Tate & Lyle Group Pension Scheme with benefits related to service and final salary. A valuation was made as at 31st March 1993 by a qualified independent actuary using the projected unit method. The principal actuarial assumptions made were that, over the long term, the investment return will exceed the increase in remuneration by 2½% per annum and the increase in present and future pensions by 5% per annum. On the actuary's recommendation, contributions to the Scheme have temporarily ceased in order to reduce the surplus. The regular pension cost of £9.5 million is eliminated by the amortisation of the previous surplus. A significant proportion of the 1994 regular pension cost is expected to be charged to the profit and loss account.

In aggregate at the date of the most recent actuarial valuation, the market value of assets of the schemes which were in surplus was £615.2 million and of those schemes in deficit was £108.2 million. Respectively the actuarial value of the assets was sufficient to cover 108% and 77% of the benefits accrued to members, after allowing for future salary increases.

The Group's subsidiaries in the United States provide healthcare and life assurance benefits to their employees. The principal actuarial assumptions were that medical inflation would increase by 10% in 1993 reducing to 7% by 1997; a discount rate of 8% was used.

20 Contingent Liabilities	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
Guarantees of loans and overdrafts of subsidiaries and former subsidiaries[1]	–	–	568.5	362.7
Trade guarantees	20.6	3.8	–	–

[1] £nil million has been advanced (1992 – £nil million); Tate & Lyle PLC £568.5 million (1992 – £362.7 million).

Other trade guarantees have been given in the normal course of business by the Group and by Tate & Lyle PLC at both 25th September 1993 and 26th September 1992. These are excluded from the figures given above and are in respect of Customs and Excise and Intervention Board for Agricultural Produce bonds, FCGD recourse agreements, letters of credit and tender and performance bonds.

21 Financial Commitments	1993 Group £million	1992 Group £million	1993 Tate & Lyle PLC £million	1992 Tate & Lyle PLC £million
(a) Operating leases				
Annual commitments in respect of plant and machinery operating leases which expire:				
– within one year	1.9	2.6	–	–
– between two and five years	7.3	6.3	–	–
– over five years	7.5	7.6	–	–
	16.7	16.5	–	–
Annual commitment in respect of land and buildings operating leases which expire:				
– within one year	1.2	0.8	–	–
– between two and five years	1.6	2.3	–	–
– over five years	4.2	4.0	1.6	1.6
	7.0	7.1	1.6	1.6
(b) Contracts for capital expenditure				
Expenditure contracted for but not provided for in the financial statements is estimated at	13.1	11.9	–	–
Expenditure authorised by the directors but not contracted for is estimated at	116.5	36.5	–	–
	129.6	48.4	–	–

22 Share Capital	1993 £million	1992 £million
Authorised share capital of Tate & Lyle PLC		
2,394,000 6½% Cumulative preference shares of £1 each[1]	2.4	2.4
603,057,915 Ordinary shares of 25p each	150.8	150.8
214,732,170 7.25p (net) dividend convertible cumulative redeemable preference shares of 12.5p each	26.8	26.8
	180.0	180.0
Allotted and fully paid		
2,394,000 6½% cumulative preference shares of £1 each[1] (1992 – 2,394,000)	2.4	2.4
357,908,564 Ordinary shares of 25p each (1992 – 354,947,991)	89.5	88.7
187,849,079 7.25p (net) dividend convertible cumulative redeemable preference shares of 12.5p each (1992 – 190,018,601)	23.5	23.8
	115.4	114.9

[1] Now 4.55% plus tax credit.

Details of shares allotted during the year are given in the Directors' Report.

In 1991 the Company issued 37,200 warrants to acquire shares. The proceeds were credited to a non-distributable reserve. This is being released to the Profit and Loss account during the life of the warrants. At 25th September 1993 all such warrants were still outstanding; each of which entitled the holders to subscribe for 866 ordinary shares during the period to March 2001. The exercise price per warrant is £4,070.30 until 20th March 1994, increasing in annual increments to £5,143.75 from 21st March 2000. Alternatively, a warrant may be exercised by the surrender of one 5¾% Guaranteed Bond 2001 with a principal amount of £5,000. The maximum number of shares that could be issued under these warrants is 32,215,200.

Notes to the Financial Statements

22 Share Capital (continued)

The convertible preference shares may be converted into fully paid ordinary shares of 25p each on 28th February in any of the years 1994 to 2008 on the basis of 11.299 ordinary shares for every 25 convertible preference shares. The Company will be entitled at any time after 1st September 2008, and will be obliged on 28th February 2013, to redeem at £1 per share any convertible preference shares then in issue.

At 25th September 1993, options had been granted and were still outstanding under the Company's share option schemes. These options are exercisable for a total of 8,815,482 ordinary shares in periods between now and 2003 at prices ranging from 107.75p to 422p per share. The number of shares issuable and the subscription prices have been adjusted in accordance with the rules of each scheme to take account of the rights issue made in May 1988 and the share split in January 1989. During the year, options for 923,470 shares were granted under the executive share option schemes and for 997,376 shares under the SAYE share option scheme.

Directors' Interests	Ordinary Shares 1993	Ordinary Shares 1992	Preference Shares[1] 1993	Preference Shares[1] 1992	Share Options 1993	Share Options 1992
P M E Callebaut	2 301	2 229	–	–	–	–
Sir Brian Hayes	1 113	1 078	–	–	–	–
P S Lewis	2 228	2 158	–	–	163 731	114 931
P J Mirsky	1 824	–[2]	–	–[2]	130 000	120 324[2]
R M Powers	3 500	2 000	–	–	–	–
Lady Prior	5 809	5 624	300	300	–	
N M Shaw	27 701	22 386	–	–	355 600	355 008
H S Tate	47 795	47 756	15 186	15 186	–	–
J F Taylor	5 693	5 575	–	–	–	–
Lord Walker	10 000	10 000	–	–	–	–
J H W Walker	2 800	1 800[2]	3 200	3 200[2]	97 333	67 333[2]
L R Wilson	102 036	102 036	–		–	–

[1] 7.25p (net) dividend convertible cumulative redeemable preference shares.

[2] Holding at date of appointment.

Included in the interests of Mr H S Tate is a holding of 25,999 ordinary shares which is classed as a trustee interest.

All other directors' interests are beneficially held.

There were no changes in directors' interests in the period from 25th September 1993 to 23rd November 1993.

Options granted to, or exercised by, directors during the year ended 25th September 1993 were as follows:

	Options Granted	Options Exercised
P S Lewis	48 800[3]	–
P J Mirsky	30 000[3]	20 324
N M Shaw	5 600[4]	5 008
J H W Walker	30 000[3]	–

[3] Options granted under the executive share option scheme at 385p per share (save for 8,800 options which were granted to P S Lewis at 390p per share). Up to one quarter of these options may be exercised at 85% of the option price after the fifth anniversary of the date of grant subject to the rules of the scheme.

[4] Options granted under the SAYE share option scheme at 308p per share.

23 Reserves

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Group						
At 26th September 1992	325.1	67.6	576.4	48.0	(502.1)	515.0
Differences on exchange		3.3	15.5	(3.0)		13.8
Issue of shares	4.2					4.2
Arising on valuations		(20.8)				(20.8)
Retained profit			88.9			88.9
Acquisitions					(4.3)	(4.3)
Transfers	-	(5.1)	4.3	(1.2)		
Transfer to profit and loss account	-		-	(1.9)	(0.2)	(2.1)
At 25th September 1993	**329.3**	**45.0**	**685.1**	**41.9**	**(506.6)**	**594.7**
Company						
At 26th September 1992	325.1	-	162.4	27.3	-	514.8
Issue of shares	4.2	-	-	-	-	4.2
Retained profit	-	-	35.5	-		35.5
Transfer to profit and loss account	-	-	-	(1.9)	-	(1.9)
At 25th September 1993	**329.3**	**-**	**197.9**	**25.4**	**-**	**552.6**

The profit dealt with in Tate & Lyle PLC was £95.9 million.

The amount of depreciation provided in the period on the book value of tangible fixed assets which represents revaluation surpluses has been transferred from revaluation reserve to profit and loss account.

The revaluation reserve arises as a consequence of carrying certain tangible fixed assets of subsidiaries in the balance sheet at valuations determined in years up to 1993.

Other reserves are non-distributable and include statutory reserves of overseas subsidiaries amounting to £9.4 million; cumulative post acquisition retained losses of associated undertakings amounted to £9.1 million (1992 – losses of £4.5 million). The goodwill reserve includes £5.2 million (1992 £5.2 million) within the reserves of associated undertakings.

24 Working Capital

	1993 Group £million	1992 Group £million
Increase in stocks *(Note 12)*	18.3	16.6
Increase/(reduction) in debtors due within one year *(Note 13)*	33.5	(3.6)
Increase in debtors due after more than one year *(Note 13)*	9.5	1.1
(Increase)/reduction in creditors *(Note 16)*	(64.4)	19.8
Increase in provisions for liabilities and charges *(Note 18)*	(23.2)	(9.0)
Movement over period	(26.3)	24.9
Differences on exchange	(0.5)	(7.9)
Acquisitions and disposals during period	12.6	
Other	(5.8)	11.2
	(20.0)	28.2

Working capital includes provisions and excludes taxation, dividends and items affecting total Group borrowings.

25 Net Cash Inflow from Operating Activities

Operating profit	259.3	233.1
Depreciation of tangible fixed assets	103.8	84.2
Change in working capital	20.0	(28.2)
Other	(0.7)	1.0
	382.4	290.1

Notes to the Financial Statements

26 Analysis of cash, cash equivalents, investments and borrowings

	1993 Cash and cash equivalents £ million	1993 Investments borrowings and finance leases £ million	1992 Cash and cash equivalents £ million	1992 Investments borrowings and finance leases £ million
Cash at banks and in hand	48.1	-	33.2	-
Current asset investments *(Note 14)*	132.2	91.4	174.7	42.7
	180.3	91.4	207.9	42.7
Borrowings due within one year *(Note 15)*	(173.6)	(202.0)	(168.7)	(196.8)
Borrowings due after more than one year *(Note 17)*	-	(522.7)	-	(527.0)
	(173.6)	(724.7)	(168.7)	(723.8)
	6.7	(633.3)	39.2	(681.1)
Net borrowings		(626.6)		(641.[illegible])

27 Analysis of changes in cash and cash equivalents during the year

	1993 Group £ million	1992 Group £ million
Balance at 26th September 1992	39.2	111.5
Differences on exchange	(2.6)	7.8
Net cash outflow	(2[illegible].9)	(80.1)
Balance at 25th September 1993	[illegible].7	39.2

28 Analysis of changes in financing during the year

	1993 Share Capital and premium £ million	1993 Borrowings and finance leases £ million	1992 Share Capital and premium £ million	1992 Borrowings and finance leases £ million
Balance at 26th September 1992	440.0	723.8	417.6	721.6
Differences on exchange	-	82.6	-	19.2
Share alternative dividend	1.8	-	2.7	-
Cash inflows/(outflows) from financing	2.9	(87.1)	17.8	(21.4)
Other	-	5.4	1.9	4.4
Balance at 25th September 1993	444.7	724.7	440.0	723.8

29 Currency and Interest Rate Exposure of Borrowings

After taking into account the various interest rate and currency swaps entered into by the Group, the currency and interest rate exposure of the borrowings of the Group as at 25th September 1993 was:

	Total net borrowings £ million	Fixed rate net borrowings £ million	Fixed rate gross borrowings £ million	Average interest rate (%) of fixed rate gross borrowings	Average Years to maturity of fixed rate gross borrowings
Sterling	(6.2)	52.5	52.5	12.8	7.2
United States Dollars	578.0	268.5	286.0	7.5	2.8
Canadian Dollars	15.2	-	-	-	-
Australian Dollars	20.4	-	-	-	-
Exchange Rate Mechanism currencies	15.2	15.0	21.5	8.2	5.9
Others	4.0	-	-	-	-
Total/average	626.6	336.0	360.0	8.3	3.6

The analysis of average interest rates and years to maturity is on fixed rate gross borrowings and after adjustments for interest rate swaps. The interest rate exposure is further protected by interest rate caps on US$50 million at 6.72% until July 1999 and US$28.5 million at 6.65% until December 1999.

30 Currency Analysis of Net Assets

After taking into account the various borrowings and currency swaps entered into by the Group, the percentage of net assets by currency of the Group, which totalled £807.6 million as at 25th September 1993, was:

	1993 %
Pounds Sterling	24
United States Dollars	28
Canadian Dollars	4
Australian Dollars	11
EC currencies excluding Sterling	29
Others	4
Total	100

31 Changes in Group Interests

The principal changes in Group interests during the year were:

- the 3.3% minority interest in Alcântara was acquired
- on 31st May 1993 the Group's interest in Almidones Mexicanos was reduced from 90% to 45% following an issue of shares
- On 7th June 1993 the Robinson Milling Systems group was acquired.

Also during the year investments in Juhocuk... and Tsarevichni Produkti, both associated undertakings, were acquired for £1.7m and £6.2m respectively.

The effect of these and other changes in Group interests was as follows:

	Acquisitions £ million	Reduction in Interest in Almidones Mexicanos £ million	Disposals £ million	1993 Total £ million
Consideration				
Cash paid/(received)	13.3	–	(3.3)	10.0
Net borrowings of subsidiaries acquired/ disposed of	2.7	(4.3)	–	(1.6)
	16.0	(4.3)	(3.3)	8.4
Net assets acquired/disposed of				
Tangible fixed assets	2.4	(4.8)	–	(2.4)
Fixed asset investments	10.0	11.3	(0.7)	20.6
Working capital	(1.5)	(10.8)	(0.3)	(12.6)
Tax balances	(0.4)	–	–	(0.4)
Goodwill	–	–	0.2	0.2
Minority interests	1.2	–	–	1.2
	11.7	(4.3)	(0.8)	6.6
Goodwill arising on consolidation	4.3			
Profit on disposal of business and associated undertaking			(2.5)	

32 Transactions involving directors

The residential property jointly purchased by the Company and Mr S R Brown in June 1992 for £900,000 was sold for £950,000 in July 1993 after Mr S R Brown left the Company, the proceeds of sale being distributed to the Company and Mr S R Brown in proportion to their respective contributions to the purchase of the property.

33 Post Balance Sheet Events

There are no material post balance sheet events.

Main Subsidiaries and Investments

at 25th September 1993

Particulars of other subsidiaries and associated undertakings which are either not material or are dormant will be included in the forthcoming Annual Return.

The percentage of equity attributable to Tate & Lyle PLC is shown in brackets where it is different from the proportion of shares held by Tate & Lyle PLC, its subsidiaries and associates.

The year end date is 30th June for Prignitz-Stärke and 31st March for The Mauritius Molasses Company Limited and the results are consolidated up to those dates. The accounts of Zimbabwe Sugar Refineries have been consolidated on the basis of management accounts for the 12 month period to 31st August 1993. To avoid delay in the presentation of group financial statements it is impracticable to make up financial statements to 25th September.

There are shareholders' agreements made in September 1988 involving Amylum NV, CIP (the other shareholder in Amylum NV and Tunnel Refineries Limited) and Tate & Lyle. These agreements provide for CIP and Amylum to sell, at their options, their minority stakes in Staley, Tunnel and Amylum to Tate & Lyle. They also provide for them to buy, again at their options, a further 16.7% of Amylum and Tunnel in which case Tate & Lyle has the option to buy the minority stakes in Staley. In all cases the exercise price is fair market value.

Subsidiaries based in the UK[1]	Type of business	[illegible] capital held %
The Molasses Trading Company Limited	*Holding company*	100
Richards (Shipbuilders) Limited	*Shipbuilding*	100
Tate & Lyle Holdings Limited[2,3]	*Holding company*	100
Tate & Lyle Industries Limited[2]	*See below*	100
Tate & Lyle International Finance PLC[2]	*In-house banking*	100
Tate & Lyle Investments Limited[2]	*Holding company*	100
Tunnel Refineries Limited[3]	*Cereal sweeteners & starches*	(63.3) 66.7
United Molasses (Ireland) Ltd	*Molasses*	50

[1] Registered in England, except United Molasses (Ireland) Ltd, which is registered in Northern Ireland.

[2] Direct subsidiaries of Tate & Lyle PLC.

[3] Tate & Lyle PLC holds directly 78.5% of Tate & Lyle Holdings Limited and 33⅓% of Tunnel Refineries Limited.

Main Operating Units of Tate & Lyle Industries Limited	
Charles E Ford	*Animal feeds*
Four-F Nutrition	*Animal feeds*
Kentships	*Shipping agents*
Micronized Food Products	*Animal feeds*
Milltech	*Feed mill engineering*
Robinson Milling Systems	*Feed mill engineering*
Rumenco	*Animal feeds*
Speciality Sweeteners	*High intensity sweeteners*
Tate & Lyle International	*Sugar trading*
Tate & Lyle Process Technology	*Sugar technology*
Tate & Lyle Sugars	*Sugar refining*
United Molasses	*Molasses and bulk storage*

Subsidiaries operating overseas		Type of business	Proportion of share capital held %
Australia	Babinda Sugar Limited	*Raw sugar manufacture*	100
	Bundaberg Foundry Engineers Ltd	*Sugar mill engineering*	100
	Bundaberg Molasses Company Limited	*Molasses*	100
	Bundaberg Sugar Company Limited	*Raw sugar manufacture*	100
	Bundaberg Sugars Pty Ltd	*Sugar refining*	100
	Gibson and Howes Pty Limited	*Raw sugar manufacture*	100
	Millaquin Sugar Company Pty Limited	*Raw sugar manufacture*	100
	Moreton Sugar Company Limited	*Raw sugar manufacture*	100
	Tate & Lyle Holdings (Australia) Pty Ltd	*Holding company*	100
Barbados	Caribbean Antilles Molasses Company Limited	*Molasses*	100
Belgium	Amylum NV	*Cereal sweeteners & starches*	(63.3) 66.7
	Tameco NV	*Molasses*	100
Bermuda	Tate & Lyle Management & Finance Limited	*Management & Finance*	100
	Tate & Lyle Reinsurance Limited	*Reinsurance*	100
Brazil	Tate & Lyle do Brasil Serviços e Participações Ltda	*Sugar trading*	100
Canada	Redpath Industries Limited	*Sugar refining*	100
Denmark	Nordisk Melasse A/S	*Molasses*	100
France	Robinson Milling Systems SA	*Feed mill engineering*	100
	Schouten France SARL	*Feed mill engineering*	100
	Société Européenne des Mélasses SA	*Molasses*	50
Germany	Hansa Melasses Handelsgesellschaft mbH	*Molasses*	100
	Prignitz-Stärke GmbH	*Cereal sweeteners & starches*	(63.3) 100
Greece	Biamyl SA	*Cereal sweeteners & starches*	(62.4) 98.6
Guyana	Caribbean Molasses Company Limited	*Molasses*	100
Italy	Melassa Italiana (Melitalia) SpA	*Molasses*	100
Kenya	East African Storage Company Limited	*Bulk storage*	100
Mauritius	The Mauritius Molasses Company Limited	*Molasses*	66.7
Mozambique	Companhia Exportadora de Melaços	*Molasses*	100

Subsidiaries operating overseas (continued)

		Type of business		Proportion of share capital held %
Netherlands	Nederlandsche Melasse Handel Maatschappij BV	*Molasses*		100
	Robinson Milling Systems BV	*Feed mill engineering*		100
	Tate & Lyle Holland BV	*Holding company*		100
	Technostaal Schouten BV	*Feed mill engineering*		100
	Zetmeelbedrijven de Bijenkorf BV	*Cereal sweeteners & starches*	(63.3)	100
Norway	Tate & Lyle Norge A/S	*Sugar distribution*		100
Portugal	Alcântara Sociedade de Empreendimentos Açucareiros, SA	*Sugar refining*		100
	Tate & Lyle (Portugal) Importaçao e Exportaçao Lda	*Molasses*		100
South Africa	The Pure Cane Molasses Company (Durban) (Pty) Ltd	*Molasses*		100
Spain	Campo Ebro Industrial SA	*Cereal sweeteners & starches*	(61.4)	97
	United Molasses (España) SA	*Molasses*		100
Sweden	Nordisk Melass AB	*Molasses*		100
Trinidad	Caribbean Bulk Storage and Trading Company Ltd	*Molasses*		100
USA	A E Staley Manufacturing Company	*Cereal sweeteners & starches*	(90.0)	100
	Domino Sugar Corporation	*Sugar refining*		100
	PM Ag Products Inc	*Animal feeds & molasses*		100
	Staley Grain Inc	*Cereal sweeteners & starches*	(90.0)	100
	Staley Holdings Inc	*Holding company*	(90.0)	92.7
	Tate & Lyle Inc	*Holding company*		100
	Technostaal Schouten Inc	*Feed mill engineering*		100
	United Molasses Inc	*Molasses*		100
	The Western Sugar Company	*Sugar beet processing*		100
Zimbabwe	Zimbabwe Sugar Refineries Ltd	*Sugar refining*		50.1

The share capital held is of ordinary shares, except for Bundaberg Rum Company, Mountain Lake and Midwest PMS, which are unincorporated partnerships.

Associated Undertakings

		Type of business		Proportion of ordinary share capital held %
Australia	Bundaberg Rum Company	*Alcohol marketing*		50
	Bundaberg Distilling Company Pty Limited	*Alcohol distillation*		50
Bulgaria	Tsarevichni Produkti OOD	*Cereal sweeteners & starches*	(25.6)	40.5
England	Agricultural Bulk Services (Bristol) Ltd	*Bulk storage*		50
	Booker Tate Limited	*Agribusiness*		50
	Fletcher Smith Limited	*Agribusiness*		35
	Greenwich Distillers Limited	*Alcohol distillation*	(31.6)	50
Germany	Biolinol Futterfette GmbH	*Fats and oils trading*		50
Ireland	Premier Molasses Company Ltd	*Molasses*		50
Italy	Sedamyl SpA	*Cereal sweeteners & starches*	(31.6)	50
Mexico	Almidones Mexicanos SA	*Cereal sweeteners & starches*	(45.0)	50
Netherlands	Eastern Sugar BV	*Holding company*		50
	owning 34.6% of Kabai Cukorgyar of **Hungary**	*Sugar beet processing*		
	and 51% of Juhocukor as of **Slovakia**	*Sugar beet processing*		
	Eaststarch CV	*Holding company*	(31.6)	50
	owning 50% of Hungrana kft of **Hungary**	*Cereal sweeteners & starches*		
	and 50% of Slovamyl Sp of **Slovakia**	*Cereal sweeteners & starches*		
	Talres Development BV	*Holding company*		30
	owning 21.3% of SG Azucarera of **Spain**	*Sugar beet processing*		
Spain	Compania de Melazas SA	*Molasses*		50
Switzerland	Fluntera AG	*Cereal sweeteners & starches*	(15.8)	25
Thailand	Tapioca Development Corporation	*Starch production*	(25.6)	33.3
USA	Midwest PMS	*Speciality feeds*		50
	Mountain Lake	*Cereal sweeteners & starches*		50

Shareholder Information

Financial Calendar

Results

Results for the first six months announced	5th May 1993
Results for full year announced	24th November 1993
Annual Report 1993 issued	23rd December 1993
Annual General Meeting	27th January 1994

Dividends on Ordinary Shares

Interim dividend declared	5th May 1993
Interim dividend paid	20th July 1993
Proposed final dividend announced	24th November 1993
Record date	15th December 1993
Deadline for election for share alternative dividend	18th January 1994
Final dividend (if approved) payable to shareholders registered on the record date	8th February 1994

Preference Shares

6½% cumulative preference shares (Now 4.55% plus tax credit)	Dividends paid 31st March and 30th September
7.25p (net) dividend convertible cumulative redeemable preference shares	Dividends paid 30th November and 31st May

General Information

Share Alternative Scheme

During 1993 the Company offered a share alternative dividend option in respect of the 1992 final dividend paid in February 1993 and the 1993 interim dividend paid in July 1993.

The cash equivalent values per share were as follows:

Final dividend 1992 *(paid 9th February 1993)*	376.0p
Interim dividend 1993 *(paid 20th July 1993)*	382.7p

Details of the principal tax consequences of electing to take the share alternative are described in the letters sent to shareholders in December 1992 and June 1993. Copies of the letters are available on request from the Company Secretary.

Reclaiming Income Tax on Dividends by UK shareholders

Dividends to shareholders registered with UK addresses are paid with income tax deducted at the basic rate. The amount is shown on the dividend tax voucher as 'Tax Credit'. If your total income is less than your tax allowance you can claim back all the tax from the Inland Revenue. For 1993-94 all UK resident individuals and certain non-UK residents have a tax allowance of at least £3,445. If your income is more than your allowance, only the amount in excess of the allowance is liable to tax. Those most likely to be entitled to a repayment of tax are: married women not in employment, pensioners and children. If you think you can make a claim, ask your local Tax Office for leaflet IR112. The address is in the telephone book under 'Inland Revenue'.

Capital Gains Tax

The market values on 6th April 1965 for the purposes of capital gains tax of Tate & Lyle PLC shares then in issue were:

Ordinary shares of £1 each	*156.25p*
6½% cumulative preference shares (Now 4.55% plus tax credit)	*90.0p*

The market values on 31st March 1982 for the purposes of indexation in relation to capital gains tax of Tate & Lyle PLC shares then in issue were:

Ordinary shares of £1 each	*201.00p*
6½% cumulative preference shares (Now 4.55% plus tax credit)	*43.50p*

General Information (continued)

Corporate Personal Equity Plans

The Tate & Lyle Corporate Personal Equity Plan and the Tate & Lyle Single Company PEP are open to existing and prospective shareholders in Tate & Lyle.

Further information concerning the Tate & Lyle Corporate Personal Equity Plans is available from the Plan Manager, Bradford & Bingley (PEPs) Limited, PO Box 50, Main Street, Bingley, West Yorkshire BD16 2LW. Telephone 0274 555677.

Share Dealing Service

Hoare Govett, the Company's stockbrokers, operate a low cost share dealing service for ordinary and convertible preference shares in Tate & Lyle PLC. This provides for the sale or purchase of shares at a commission rate of 1% with no minimum charge and also for regular monthly saving. Further information is available from Hoare Govett Corporate Finance Limited, 4 Broadgate, London EC2M 7LE. Telephone 071 601 0101.

Company Secretary and Registered Office

S Gifford
Sugar Quay, Lower Thames Street, London EC3R 6DQ.
Telephone 071 626 6525.

Registrar and Transfer Office

Lloyds Bank Plc, Lloyds Bank Registrars, The Causeway, Worthing,
West Sussex BN99 6DA
Telephone 0903 833361.
Correspondence should be marked for the attention of the Registrar, Tate & Lyle PLC.

Dividend Mandates

If you wish dividends to be paid directly into a bank or building society account please contact the Registrar at the above address for a dividend mandate form.

Annual Report

Further copies of the Annual Report can be obtained from the Company Secretary.

Analysis of Ordinary Shareholders	No of holdings	%	Total shares thousands	%
At 25th September 1993 by size of holding				
Up to 1999 shares of 25p each	19 688	67.4	16 921	4.7
2 000 – 4 000	5 861	20.1	16 062	4.5
4 001 – 10 000	2 272	7.8	13 598	3.8
10 001 – 200 000	1 153	3.9	51 814	14.5
200 001 – 400 000	95	0.3	27 068	7.6
Above 400 000	144	0.5	232 446	64.9
	29 213	100.0	357 909	100.0

Substantial Interests in Share Capital

The following notification of significant shareholders' interests had been received by 23rd November 1993 under the provisions of the Companies Act 1985.

	Number of shares	% of ordinary issued share capital notified
Archer-Daniels-Midland International Limited	26 267 173	7.34

Notice of Annual General Meeting

Notice is hereby given that the ninety-first Annual General Meeting of Tate & Lyle Public Limited Company will be held at the Barbican Hall, Barbican Centre, London EC2Y 8DS on Thursday 27th January 1994 at eleven-thirty a.m. for the following purposes:

Ordinary Business

1 To receive the Company's financial statements for the period ended 25th September 1993 together with the reports of the Directors and Auditors thereon and to declare a final dividend on the Ordinary shares of the Company.

2 To re-elect Lady Prior, a Director retiring under Article 84.

3 To re-elect Lord Walker, a Director retiring under Article 84.

4 To re-elect Mr L R Wilson, a Director retiring under Article 84.

5 To re-elect Mr P J Mirsky, a Director retiring under Article 90.

6 To re-elect Mr J H W Walker, a Director retiring under Article 90.

7 To re-appoint Coopers & Lybrand as Auditors and to authorise the Directors to set their remuneration.

Special Business

To consider and, if thought fit, pass the following resolution which will be proposed as a Special Resolution:–

8 That the authority and power conferred on the Directors by Article 11 of the Company's Articles of Association be renewed for the period ending on the date of the Annual General Meeting in 1995 or on 27 April 1995, whichever is the earlier, and that for such period:–

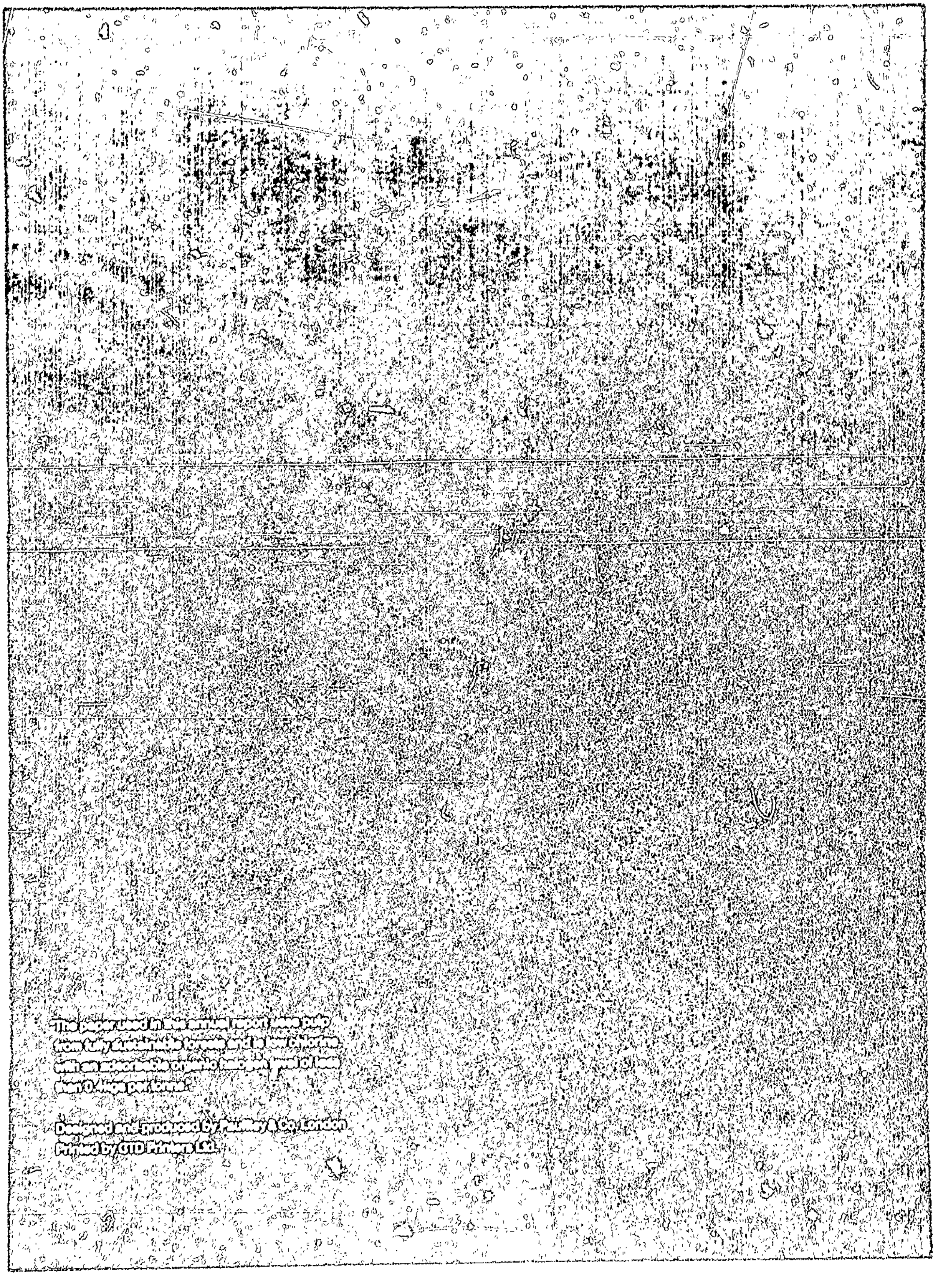
a) the Section 80 amount shall be £27,277,342; and

b) the Section 89 amount shall be £4,473,857.

Any member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company. A form of proxy is enclosed. Completion and return of the proxy will not preclude a member from attending and voting in person.

By Order of the Board
S Gifford, SECRETARY
Sugar Quay
Lower Thames Street
London EC3R 6DQ
23rd December 1993

Copies of Directors' service contracts (other than contracts expiring or determinable within one year by the Company without payment of compensation) will be open for inspection at the registered office of the Company during usual business hours from the 23rd December 1993 until the date of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting from 11.15 a.m. until the close of the meeting.



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TATE & LYLE

ANNUAL REPORT 1993

A World Leader
in Sweeteners & Starches