

OUR STRATEGY IN ACTION

→ Deep customer engagement



We continued to see an increase in customer interaction through our global Commercial and Food Innovation Centre in Chicago, USA and our global network of applications and technical services facilities.

Customer visits to the Centre increased by 10% in the year, while just under one-fifth of all customer visits to our six main customer-facing laboratories took place in the emerging markets. We also saw an increase in the number of visitors from the key areas of marketing, R&D and senior management leading to growth in the number of customer projects being generated.

As the level of customer interaction has increased so too has customers' perception of our capabilities, with the results from a survey carried out during the year revealing that 63% of our customers believe we are 'exceeding their expectations'. This level of satisfaction is approaching 'best in class' and is a positive lead indicator for future growth.

Impact of visiting Commercial and Food Innovation Centre in Chicago, USA on customer satisfaction*



* Survey conducted between October and December 2012, and March and April 2013.

→ Innovation

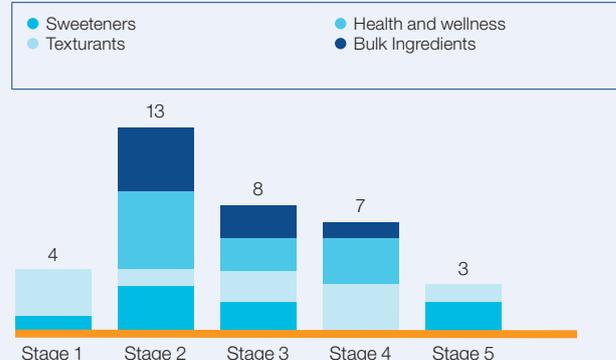


Our innovation pipeline remains strong, and as at 31 March 2014 comprised a total of 35 projects, including ten in the final stages. The composition of the pipeline is well balanced across our three Speciality Food Ingredients platforms, including 36% in health and wellness, reflecting our focus on increasing our presence in this area.

During the year, we brought PULPIZ® Pulp Extender to market, a texturant used to replace tomato paste in a range of applications. In May 2013, we acquired Biovelop, the manufacturer of PromOat® Beta Glucan, which has also brought a new, high value, speciality fibre PrOatein™ Oat Protein into our portfolio.

We continue to see strong customer interest in our novel salt-reduction ingredient SODA-LO® Salt Microspheres with our focus now turning to converting customer projects into sales and broadening the range of applications in which SODA-LO® Salt Microspheres can be used.

Innovation pipeline by stage of development (number of projects) At 31 March 2014



→ New markets and customer channels



Tate & Lyle Howbetter's Food Systems blending facility

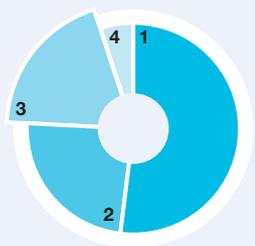
We delivered another strong performance in the emerging markets of Asia Pacific and Latin America with double-digit volume growth in the period. The investment we have made to increase sales coverage and in our applications and technical services facilities in these regions, including the opening of a new facility in Singapore during the year, is providing an excellent platform to attract new customers and engage directly with them in the local market, share ideas and develop new projects.

The creation of Tate & Lyle Howbetter and the agreement to acquire Winway Biotechnology, a manufacturer of polydextrose speciality fibre, strengthens our presence in Asia Pacific as we continue to invest in growing our speciality food ingredients business in these faster growing markets.

As envisaged when we started our business transformation programme four years ago, we are developing a more geographically diverse company with a reduced reliance on the developed markets and an improved risk profile.

SFI sales by region 2014*

1 52% North America	3 19% Emerging markets
2 24% Europe & Middle East	4 5% Rest of world



* Calculated based on SFI's Latin America and Asia Pacific sales of single ingredients (excluding Japan, Australia and New Zealand).

→ Sustained cash generation



Grain elevator at Fowler, Indiana, USA

While a number of challenges held back the performance of our Bulk Ingredients division during the year, including the very cold spring and extremely cold and prolonged winter in the US, overall we have delivered a steady performance from this part of the business over the last four years.

This has been achieved against a backdrop of very significant volatility in the corn market through:

- a relentless focus on efficiency and cost reduction
- trading up to higher margin products
- diverting the corn that we grind to new areas like green chemistry
- investing in projects to help dampen risk within the division, such as expanding our network of corn elevators to enhance the security of supply.

We will maintain this same disciplined approach as we look to deliver a steady performance from this division and to ensure it continues to generate a sustained source of cash to grow our Speciality Food Ingredients division.

Bulk Ingredients adjusted operating profit (£m)

