



**sasol**



# VALUE THROUGH FOCUS AND DISCIPLINE

## SASOL LIMITED

Additional Analyst Information  
for the six months ended 31 December 2018



# Interim Financial Results

for the six months ended 31 December 2018

Sasol is a global integrated chemicals and energy company. Through our talented people, we safely and sustainably create superior value for our customers, shareholders and other stakeholders. We integrate sophisticated technologies in world-scale operating facilities to produce and commercialise commodity and specialised chemicals, gaseous and liquid fuels, and lower-carbon electricity.

## SALIENT FEATURES



### SAFETY

Safety Recordable Case Rate (RCR), excluding illnesses, improved to **0,26**, regrettably two fatalities



### FINANCIAL PERFORMANCE

- Earnings per share up 112% to **R23,92**
- EBITDA up **10%** to R27 billion
- Core headline earnings per share up 18% to **R21,45**
- Normalised cash fixed costs **contained to below inflation** target
- Dividend per share\* **R5,90** (3,6x CHEPS)

\* Our dividend policy is to pay dividends with a dividend cover on core headline earnings per share (CHEPS)



### ADVANCING US OPERATIONS AND LCCP\*

- Delay and cost overrun disappointing
- Cost estimate revised to US\$11,6 – US\$11,8 billion
- LLDPE\*\* producing products since February 2019
- HDPE\*\*\* ramping up, targeting 80% utilisation for full year

\* Lake Charles Chemicals Project (LCCP)

\*\* Linear low-density polyethylene plant

\*\*\* High density polyethylene plant



### SOCIAL VALUE AND TRANSFORMATION

- Achieved **Level 4** contributor status
- **R9,4 billion** in procurement from SA Black-owned businesses
- Invested **R918 million** in skills and socio-economic development
- Sasol South Africa declared first dividend of **R11,44** per share, thereby benefitting our Khanyisa shareholders



### OPERATIONAL PERFORMANCE

- Extended shutdown at SSO impacted production and sales volumes, run-rate post the shutdown averaging **7,8 mt**
- Mining productivity up **8%**
- Liquid fuels sales volumes up **4%**, due to strong SSO and Natref performance
- ORYX GTL utilisation at **99%**
- Ethylene supply constraints result in **3%** decrease in Performance Chemicals sales volumes
- Base Chemicals volumes down **11%**, impacted by SSO shutdown



**Joint President and Chief Executive Officer,  
Bongani Nqwababa said:**

"We recorded a satisfactory operational and financial performance against the backdrop of a volatile macroeconomic environment and an uncertain geo-political climate, which impacted global demand growth. Our production and sales performance was mixed with largely lower than expected production in the first half of the financial year, mainly as a result of the longer than planned total shutdown at our Secunda Synfuels Operations (SSO). However, our operational performance was enhanced by management interventions in previous periods resulting in improved performances at Natref and Sasol Mining. Post the shutdowns, we are pleased to see steady progress across our value chains.

As always, we remain focused on our key controllable factors, with safety, reliability of operations and cost control being paramount. Our Continuous Improvement (CI) programme will be a key feature to deliver future value to shareholders and improve our cost competitive advantage. This initiative is driven with the same discipline and rigour that allowed us to deliver, and exceed expectations, on our Business Performance Enhancement Programme and Response Plan targets."

**Joint President and Chief Executive Officer,  
Stephen Cornell said:**

"While the Lake Charles Chemicals Project (LCCP) fundamentals remain firmly intact, we acknowledge the disappointing cost and schedule overrun. The project was impacted by several challenges, within and beyond our control, in the fourth quarter of the previous calendar year. Despite incremental cash flows from the project being deferred due to a schedule delay, we remain confident that the project will deliver the steady EBITDA<sup>1</sup> run-rate of US\$1,3 billion in financial year 2022. While this update will have an impact on our cash flow inflection point and gearing, we continue to proactively protect our balance sheet, while managing the capital structure and gearing during these turbulent times. Our short-term focus remains on productivity in the field, process safety and progressing units to mechanical completion followed by beneficial operation. The linear low-density polyethylene (LLDPE) unit achieved beneficial operations on 13 February 2019, and is the first of seven LCCP production units to come online.

Our commitment to sustainable value creation for all our stakeholders, is underpinned by driving our roadmap to deliver on our financial and sustainability goals, as well as contributing meaningfully to inclusive growth and development of our fenceline communities.

We are mindful of the challenges we face, however, our management team is fully committed to ensuring Sasol is a credible stakeholder partner with a compelling investment proposition that will deliver value to all stakeholders."

## COMPELLING INVESTMENT CASE

WITH CLEAR FOCUS AREAS TO...

- **Improve our safety performance** in pursuit of achieving zero harm
- **Delivery of LCCP** commissioning, operations and business readiness
- **Drive reliable and stable** operations
- Maintain **low cost** and **working capital competitiveness** through CI<sup>6</sup>
- **Balance sheet management** while maintaining investment grade ratings and positioning the **company for growth**

LEADS TO

EBIT<sup>2</sup>  
GROWTH  
>5%  
CAGR<sup>3</sup>  
through the cycle

ROIC<sup>4</sup>  
(US\$)  
>12%  
through the cycle

FCF<sup>5</sup> per share  
>US\$6  
in 2022

Dividend returns  
40% by 2022  
45% thereafter

1. EBITDA – Earnings before interest, tax, depreciation and amortisation 2. EBIT – Earnings before interest and tax 3. CAGR – Compound annual growth rate 4. ROIC – Return on invested capital 5. FCF – Free cash flow 6. CI – Continuous Improvement programme

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# Financial results, ratios and statistics for the six months ended 31 December 2018

		% change	Half year	Half year	Full year
		2019 vs 2018	2019	2018	2018
<b>Sasol Group</b>					
<b>Financial results</b>					
Turnover	R million	17	<b>102 944</b>	88 153	181 461
EBITDA	R million	10	<b>26 655</b>	24 178	52 413
Free cash flow before growth capital (calculation on page 46)	R million	>100	<b>9 605</b>	968	14 557
Free cash flow inflection point (calculation on page 46)	R million	43	<b>(14 489)</b>	(25 549)	(30 262)
Earnings before interest and tax (EBIT)	R million	76	<b>20 791</b>	11 786	17 747
Attributable earnings	R million	>100	<b>14 740</b>	6 901	8 729
Enterprise value	R million	6	<b>387 168</b>	365 781	413 496
Total assets	R million	16	<b>472 461</b>	406 877	439 235
Net debt (calculation on page 46)	R million	44	<b>115 472</b>	80 128	94 550
Capital expenditure (cash flow)	R million	10	<b>30 433</b>	27 734	53 384
<b>Profitability</b>					
Gross profit margin <sup>1</sup>	%		<b>52,6</b>	56,6	54,9
EBIT margin	%		<b>20,2</b>	13,4	9,8
EBIT margin before remeasurements and Khanyisa SBP	%		<b>19,6</b>	18,2	16,8
Return on invested capital (excluding AUC) <sup>2</sup>	%				7,8
Effective tax rate <sup>3</sup>	%		<b>24,1</b>	31,6	35,4
Adjusted effective tax rate <sup>4</sup>	%		<b>29,0</b>	26,4	27,3
<b>Shareholders' returns</b>					
Core headline earnings per share <sup>5</sup>	Rand	18	<b>21,45</b>	18,22	36,03
Headline earnings per share	Rand	32	<b>23,25</b>	17,67	27,44
Attributable earnings per share	Rand	>100	<b>23,92</b>	11,29	14,26
Dividend per share <sup>6,7</sup>	Rand	18	<b>5,90</b>	5,00	12,90
Dividend cover <sup>6</sup>	times		<b>3,6</b>	3,6	2,8
Dividend pay out ratio <sup>7</sup>	%		<b>27,5</b>	27,4	35,8
Net asset value per share	Rand	10	<b>379,70</b>	346,10	359,60
Free cash flow before growth capital per share	Rand	>100	<b>15,59</b>	1,58	23,78
Price to net asset value	:1		<b>1,10</b>	1,24	1,40
<b>Debt leverage</b>					
Net debt to shareholders' equity (gearing) <sup>8</sup>	%		<b>48,9</b>	38,0	42,4
Net debt to EBITDA (annualised) <sup>8</sup>	times		<b>2,2</b>	1,7	1,8
Total borrowings to shareholders' equity	%		<b>55,8</b>	45,6	50,0
Total liabilities to shareholders' equity	%		<b>97,6</b>	90,0	94,5
Finance costs cover	times		<b>8,5</b>	7,0	4,1
<b>Liquidity</b>					
Current ratio	:1		<b>1,6</b>	1,6	1,4
Quick ratio	:1		<b>1,0</b>	1,0	0,9
Cash ratio	:1		<b>0,3</b>	0,3	0,3
Net trading working capital to turnover (annualised)	%		<b>17,7</b>	19,9	18,8
Average debtor days	days		<b>46</b>	49	52
Average inventory days	days		<b>117</b>	139	132
Average creditor days	days		<b>78</b>	84	95
<b>Productivity</b>					
Employee costs to turnover (excluding amounts capitalised to assets under construction)	%		<b>14,4</b>	15,4	15,1
Cash fixed costs to turnover	%		<b>26,8</b>	28,4	27,8
Depreciation and amortisation to external turnover	%		<b>8,2</b>	9,4	9,1

1 Gross margin percentage negatively impacted by higher crude oil and other feedstock prices, cost inflation and the impact of exchange rates. Further, the decrease in Synfuels production impacted conversion efficiencies.

2 Ratios only calculated and disclosed at year end.

3 The decrease in the effective tax rate is due to the reversal of the Sasol Oil tax provision.

4 Effective tax rate adjusted for equity accounted earnings, remeasurement and once-off items. The increase results mainly from lower energy efficiency allowances in the current period.

5 Core headline earnings are calculated by adjusting headline earnings with once-off items, period close adjustments, depreciation and amortisation of significant capital projects, exceeding R4 billion which have reached beneficial operation and are still ramping up and share-based payments on implementation of B-BBEE transactions.

6 Dividends comprise the interim and final dividends paid in that calendar year.

7 With effect from 23 February 2018, the Board approved a change in the base of the dividend policy from HEPS to CHEPS.

8 Increase results from higher LCCP capital (2%), a weaker closing exchange rate (2%) and lower production volumes (1%). Net debt to EBITDA for the same reasons increased to 2,17 times. While above our internal target of 2,0 times and previous market guidance, our investment grade credit ratings remain intact.

		Half year 2019	Half year 2018	Full year 2018
<b>Sasol Group</b>				
<b>Stock exchange performance</b>				
Market capitalisation				
Sasol ordinary shares	R million	<b>265 455</b>	279 602	313 323
Sasol BEE ordinary shares <sup>1</sup>	R million	<b>1 302</b>	1 107	1 918
Premium over shareholders' funds	R million	<b>29 458</b>	68 652	90 347
Price to book	:1	<b>1,12</b>	1,33	1,41
<b>Share performance</b>				
Total shares in issue	million	<b>630,9</b>	681,4	645,6
Sasol ordinary shares in issue	million	<b>624,6</b>	653,0	623,1
Sasol BEE ordinary shares in issue <sup>1</sup>	million	<b>6,3</b>	2,8	6,4
Sasol preferred ordinary shares in issue <sup>2</sup>	million	<b>–</b>	25,6	16,1
Shares repurchased	million	<b>–</b>	8,8	–
Sasol Foundation	million	<b>9,5</b>	9,5	9,5
Sasol Inzalo share transaction	million	<b>–</b>	53,6	16,1
Weighted average shares in issue <sup>3</sup>	million	<b>616,2</b>	611,5	612,2
Total shares in issue	million	<b>630,9</b>	681,4	645,6
Shares repurchased	million	<b>–</b>	(8,8)	–
Treasury shares (Inzalo share transaction)	million	<b>–</b>	(50,8)	(16,1)
Sasol Foundation	million	<b>(9,5)</b>	(9,5)	(9,5)
Weighting of shares issued with Sasol Khanyisa transaction	million	<b>(4,5)</b>	–	(7,2)
Weighting of long-term incentive scheme vested during the period	million	<b>(0,7)</b>	(0,8)	(0,6)
Weighted average number of shares for DEPS <sup>4</sup>	million	<b>620,5</b>	613,8	615,9
Weighted average shares in issue	million	<b>616,2</b>	611,5	612,2
Potential dilutive effect of long-term incentive scheme	million	<b>4,3</b>	2,3	3,7
<b>JSE Limited statistics</b>				
Shares traded <sup>5</sup>	million	<b>218,5</b>	188,0	376,8
Traded to issued	%	<b>34,3</b>	27,6	58,4
Value of share transactions	R million	<b>109 407</b>	75 262	157 930
Market price per share - Sasol ordinary shares				
period end	Rand	<b>425,00</b>	428,18	502,86
high	Rand	<b>578,68</b>	442,71	502,86
low	Rand	<b>404,32</b>	366,98	366,98
Market price per share - Sasol BEE ordinary shares				
period end	Rand	<b>205,47</b>	390,00	299,99
high	Rand	<b>300,00</b>	400,00	434,00
low	Rand	<b>195,00</b>	320,00	299,99
<b>NYSE statistics<sup>6</sup></b>				
Shares traded	million	<b>25,2</b>	28,0	57,4
Value of share transactions	US\$ million	<b>880</b>	836	1 873
Market price per share				
period end	US\$	<b>29,29</b>	34,21	36,54
high	US\$	<b>39,61</b>	34,21	38,21
low	US\$	<b>27,62</b>	27,26	27,26
<b>Economic indicators</b>				
Average crude oil price (Brent) <sup>7</sup>	US\$/bbl	<b>71,33</b>	56,74	63,62
Average Rand per barrel <sup>7</sup>	R/bbl	<b>1 012,89</b>	760,32	817,52
Average gas price (Henry Hub)	US\$/mmbt	<b>3,36</b>	2,93	2,95
Average ethane price (US - Mont Belvieu)	US\$/gal	<b>38,56</b>	25,45	26,25
Rand/US dollar exchange rate <sup>7</sup>	- closing US\$1 = R	<b>14,36</b>	12,37	13,73
Rand/US dollar exchange rate <sup>7</sup>	- average US\$1 = R	<b>14,20</b>	13,40	12,85
Rand/Euro exchange rate <sup>7</sup>	- closing €1 = R	<b>16,47</b>	14,84	16,04
Rand/Euro exchange rate <sup>7</sup>	- average €1 = R	<b>16,35</b>	15,77	15,34

1 Sasol BEE ordinary shares have been listed on JSE Limited's BEE segment of the main board since 7 February 2011.

2 Sasol repurchased 16 085 199 million preferred ordinary shares from Sasol Inzalo Public Funding (RF) (Pty) Ltd on 7 September 2018.

3 Including Sasol BEE ordinary shares after the share repurchase programme and excluding other shares issued as part of the Sasol Inzalo share transaction.

4 Potential dilution relates to the group's long-term incentive scheme.

5 Includes share repurchase programme.

6 As quoted on NYSE (American Depositary Shares) since 9 April 2003.

7 Exchange rates are determined as the mid-closing interbank rate of South African banks daily as published by Thomson Reuters. The average rate for the period is determined as an arithmetic average of the mid-closing interbank rates for each of the South African business days for the financial period under review.

Brent crude oil prices are determined from the quoted market prices of Brent North Sea crude oil as published by Platts-Global Alert. The average price is calculated as an arithmetic average of the daily published prices.

# Key sensitivities

for the six months ended 31 December 2018

## Exchange rates

The majority of our turnover is denominated in US dollars or significantly influenced by the rand/US dollar exchange rate. This turnover is derived either from exports from South Africa, businesses outside of South Africa or South African sales, which comprise mainly petroleum and chemical products that are based on global commodity and benchmark prices quoted in US dollars.

Therefore, the average exchange rate for the year has a significant impact on our turnover and earnings before interest and tax. For forecasting purposes, we estimate that a 10c change in the annual average rand/US dollar exchange rate will impact earnings before interest and tax by approximately R790 million (US\$56 million) in 2019. This excludes the effect of our hedging programme and is based on an average oil price assumption of US\$67/barrel.

In response to the volatile macroeconomic environment, Sasol has implemented a number of initiatives to mitigate specific financial risks. In particular, we have entered into hedges against the rand strengthening against major currencies to increase the stability and predictability of our cash flows. In respect of 2019, we have hedged 70% of our net US dollar exposure which equates to US\$4 billion. We are currently executing on our hedging programme for FY20 with US\$613 million of our exposure to the rand/US dollar exchange rate already hedged as at 31 December 2018. In January 2019, we hedged an additional US\$87 million, thereby increasing our total cover to US\$700 million.

Should the rand fall below the hedge floor, the zero-cost collar instruments will reduce the impact of a stronger rand on earnings and will enable the group to offset the balance sheet exposure, specifically our net debt to equity (gearing) ratio.

For forecasting purposes, we estimate that a 10c strengthening in the average rand/US dollar exchange rate below the average contractual floor will increase earnings before interest and tax by approximately R260 million (US\$18 million) in 2019 for open hedges at 31 December 2018. Similarly, should the rand increase above the average contractual cap, it will reduce earnings before interest and tax by approximately R260 million (US\$18 million) in 2019 for open hedges at 31 December 2018.

This calculation is done at a point in time and is based on a 12-month average exchange rate. It may be used as a general rule but the sensitivity is not linear over large absolute changes in the exchange rate and hence applying it to these scenarios may lead to an incorrect reflection of the change in earnings before interest and tax.

## Crude oil and fuel product prices

Market prices for crude oil fluctuate because they are subject to international supply, demand and political factors. Our exposure to the crude oil price relates mainly to crude oil related raw materials used in our Natref refinery and certain of our offshore operations, as well as on the selling price of fuel marketed by our Energy Business which is governed by the Basic Fuel Price (BFP) formula.

For forecasting purposes, a US\$1/barrel change in the average annual crude oil price will impact earnings before interest and tax by approximately R860 million (US\$61 million) in 2019. This excludes the effect of our hedging programme and is based on an average rand/US dollar exchange rate assumption of R14,10.

Key factors in the BFP are the Mediterranean and Singapore or Mediterranean and Arab Gulf product prices for petrol and diesel (fuel price differentials), respectively. For forecasting purposes, a US\$1/barrel change in the average annual fuel price differential of the Sasol group will impact earnings before interest and tax by approximately R572 million (US\$41 million) in 2019. This is based on an average rand/US dollar exchange rate assumption of R14,10.

Given the current low oil price environment, Sasol has entered into hedges against the downside risk in the crude oil price covering approximately 80% of the group's liquid fuel sales for 2019. For forecasting purposes, we estimate that a US\$1/barrel change in the average crude oil price below the average contractual oil price floor will impact earnings before interest and tax by approximately R338 million (US\$24 million) in 2019 for open hedges at 31 December 2018.

This calculation is done at a point in time and is based on a 12-month average oil price. It may be used as a general rule but the sensitivity is not linear over large absolute changes in the oil price and hence applying it to these scenarios may lead to an incorrect reflection of the change in earnings before interest and tax.

## Gearing

For forecasting purposes, we estimate that the sensitivity of the group's gearing to earnings and capital expenditure is:

- for every R1 billion change in earnings attributable to owners of Sasol Limited, the group's gearing is impacted by 0,6%; and
- for every R1 billion change in capital expenditure, the group's gearing is impacted by 0,4% assuming all other assumptions remain constant.

## Capital expenditure sensitivity to rand/US dollar exchange rate

A significant proportion of our capital expenditure is US dollar-linked and is significantly impacted by the rand/US dollar exchange rate. For forecasting purposes, we estimate that a 10c change in the average rand/US dollar exchange rate will impact capital expenditure by R250 million.

## Credit ratings

Our credit rating is influenced by some of our more significant risks which include crude oil price volatility, movements in the sovereign credit rating of the Republic of South Africa, our investments in developing countries and their particular associated economic risks, the potential for significant debt increase and the execution challenges associated with a number of our planned growth projects if they materialise simultaneously, as well as the risks arising from potential increases in capital costs associated with these projects.

In November 2017, S&P Global Ratings (S&P) lowered its long-term foreign currency sovereign credit rating on the Republic of South Africa to 'BB' from 'BB+' and affirmed the 'B' short-term foreign currency sovereign credit rating. The outlook is stable.

In December 2018, S&P affirmed Sasol's ratings at a BBB-/A-3 with a stable outlook. This is two notches above the sovereign credit rating and is at investment grade.

In March 2018 Moody's affirmed South Africa's Baa3 investment grade ratings and revised its credit outlook to stable from negative. In September 2018, Moody's affirmed Sasol's long-term issuer ratings of Baa3 with a stable outlook. At the same time, Sasol's national scale long-term rating was affirmed at Aaa.za.

The interim financial statements are presented on a summarised consolidated basis.

## Income statement

### for the period ended

Full year 30 Jun 18 Audited US\$m*	Half year 31 Dec 17 Reviewed US\$m*	Half year 31 Dec 18 Reviewed US\$m*		Notes	Half year 31 Dec 18 Reviewed Rm	Half year 31 Dec 17 Reviewed Rm	Full year 30 Jun 18 Audited Rm
14 121	6 579	<b>7 250</b>	<b>Turnover</b>		<b>102 944</b>	88 153	181 461
(5 961)	(2 678)	<b>(3 237)</b>	Materials, energy and consumables used	1	<b>(45 960)</b>	(35 887)	(76 606)
(549)	(253)	<b>(267)</b>	Selling and distribution costs		<b>(3 794)</b>	(3 388)	(7 060)
(713)	(330)	<b>(329)</b>	Maintenance expenditure		<b>(4 676)</b>	(4 424)	(9 163)
(2 138)	(1 013)	<b>(1 042)</b>	Employee-related expenditure	2	<b>(14 789)</b>	(13 574)	(27 468)
(27)	(16)	<b>(12)</b>	Exploration expenditure and feasibility costs		<b>(167)</b>	(213)	(352)
(1 278)	(619)	<b>(591)</b>	Depreciation and amortisation	8	<b>(8 392)</b>	(8 301)	(16 425)
(1 192)	(530)	<b>(412)</b>	Other expenses and income	3	<b>(5 850)</b>	(7 102)	(15 316)
(1)	(89)	<b>32</b>	Translation gains/(losses)	5	<b>454</b>	(1 190)	(11)
(1 191)	(441)	<b>(444)</b>	Other operating expenses and income	3	<b>(6 304)</b>	(5 912)	(15 305)
112	57	<b>62</b>	Equity accounted profits, net of tax	9	<b>876</b>	766	1 443
2 375	1 197	<b>1 422</b>	<b>Operating profit before remeasurement items and once-off Sasol Khanyisa share-based payment</b>		<b>20 192</b>	16 030	30 514
(771)	(317)	<b>42</b>	Remeasurement items	4	<b>599</b>	(4 244)	(9 901)
(223)	-	-	Sasol Khanyisa once-off share-based payment		-	-	(2 866)
1 381	880	<b>1 464</b>	<b>Earnings before interest and tax (EBIT)</b>		<b>20 791</b>	11 786	17 747
133	89	<b>30</b>	Finance income <sup>1</sup>		<b>420</b>	1 192	1 716
(292)	(126)	<b>(18)</b>	Finance costs <sup>2</sup>		<b>(252)</b>	(1 689)	(3 759)
1 222	843	<b>1 476</b>	<b>Earnings before tax</b>		<b>20 959</b>	11 289	15 704
(432)	(266)	<b>(356)</b>	Taxation		<b>(5 057)</b>	(3 562)	(5 558)
790	577	<b>1 120</b>	<b>Earnings for the period</b>		<b>15 902</b>	7 727	10 146
			<b>Attributable to</b>				
679	515	<b>1 038</b>	Owners of Sasol Limited		<b>14 740</b>	6 901	8 729
111	62	<b>82</b>	Non-controlling interests in subsidiaries		<b>1 162</b>	826	1 417
790	577	<b>1 120</b>			<b>15 902</b>	7 727	10 146
US\$	US\$	<b>US\$</b>			<b>Rand</b>	Rand	Rand
			<b>Per share information</b>				
1,11	0,84	<b>1,68</b>	Basic earnings per share		<b>23,92</b>	11,29	14,26
1,10	0,84	<b>1,67</b>	Diluted earnings per share		<b>23,76</b>	11,25	14,18

\* Supplementary non-IFRS information. US dollar convenience translation, converted at average exchange rate of R14,20/US\$1 (31 December 2017 –R13,40/US\$1; 30 June 2018 – R12,85/US\$1).

The income statement has been translated from rand to US dollar for convenience purposes in order to enable offshore shareholders to interpret the financial performance in a universally measured currency.

1 Finance income decreased due to lower dividend income. This is mainly due to the divestment from Petronas Chemicals Olefins Sdn Bhd in March 2018.

2 Finance costs decreased due to the adoption of the amendment to IAS 23 'Borrowing Costs' on 1 July 2018, which resulted in a higher capitalisation of costs.



# Statement of financial position

at

Full year 30 Jun 18 Audited US\$m*	Half year 31 Dec 17 Reviewed US\$m*	Half year 31 Dec 18 Reviewed US\$m*		Notes	Half year 31 Dec 18 Reviewed Rm	Half year 31 Dec 17 Reviewed Rm	Full year 30 Jun 18 Audited Rm
<b>Assets</b>							
12 196	13 446	<b>12 643</b>	Property, plant and equipment	8	<b>181 552</b>	166 331	167 457
12 044	10 945	<b>12 814</b>	Assets under construction	8	<b>184 007</b>	135 399	165 361
196	190	<b>194</b>	Goodwill and other intangible assets		<b>2 792</b>	2 355	2 687
801	782	<b>763</b>	Equity accounted investments	9	<b>10 961</b>	9 679	10 991
109	49	<b>90</b>	Post-retirement benefit assets		<b>1 292</b>	612	1 498
298	276	<b>300</b>	Deferred tax assets		<b>4 302</b>	3 414	4 096
429	312	<b>503</b>	Other long-term assets***		<b>7 223</b>	3 857	5 888
26 073	26 000	<b>27 307</b>	<b>Non-current assets</b>		<b>392 129</b>	321 647	357 978
8	154	<b>9</b>	Assets in disposal groups held for sale	6	<b>136</b>	1 904	113
6	-	<b>-</b>	Short-term investments		<b>-</b>	-	85
2 139	2 337	<b>2 173</b>	Inventories	10	<b>31 203</b>	28 903	29 364
2 406	2 668	<b>2 125</b>	Trade and other receivables	11	<b>30 515</b>	32 996	33 031
112	399	<b>181</b>	Short-term financial assets		<b>2 602</b>	4 934	1 536
1 247	1 334	<b>1 106</b>	Cash and cash equivalents	13	<b>15 876</b>	16 493	17 128
5 918	6 892	<b>5 594</b>	<b>Current assets</b>		<b>80 332</b>	85 230	81 257
31 991	32 892	<b>32 901</b>	<b>Total assets</b>		<b>472 461</b>	406 877	439 235
<b>Equity and liabilities</b>							
16 240	17 053	<b>16 434</b>	Shareholders' equity		<b>235 997</b>	210 950	222 985
410	483	<b>435</b>	Non-controlling interests		<b>6 241</b>	5 972	5 623
16 650	17 536	<b>16 869</b>	<b>Total equity</b>		<b>242 238</b>	216 922	228 608
6 512	6 015	<b>7 940</b>	Long-term debt	7	<b>114 013</b>	74 402	89 411
530	345	<b>502</b>	Finance leases	7	<b>7 216</b>	4 273	7 280
1 104	1 352	<b>1 088</b>	Long-term provisions	15	<b>15 621</b>	16 725	15 160
867	919	<b>845</b>	Post-retirement benefit obligations		<b>12 141</b>	11 374	11 900
64	71	<b>59</b>	Long-term deferred income		<b>850</b>	879	879
10	38	<b>30</b>	Long-term financial liabilities		<b>433</b>	475	133
1 887	2 208	<b>2 004</b>	Deferred tax liabilities		<b>28 773</b>	27 312	25 908
10 974	10 948	<b>12 468</b>	<b>Non-current liabilities</b>		<b>179 047</b>	135 440	150 671
3	14	<b>3</b>	Liabilities in disposal groups held for sale	6	<b>44</b>	178	36
1 071	1 397	<b>713</b>	Short-term debt**		<b>10 243</b>	17 278	14 709
140	77	<b>88</b>	Short-term financial liabilities		<b>1 264</b>	948	1 926
3 147	2 907	<b>2 753</b>	Other current liabilities		<b>39 519</b>	35 945	43 196
6	13	<b>7</b>	Bank overdraft	13	<b>106</b>	166	89
4 367	4 408	<b>3 564</b>	<b>Current liabilities</b>		<b>51 176</b>	54 515	59 956
31 991	32 892	<b>32 901</b>	<b>Total equity and liabilities</b>		<b>472 461</b>	406 877	439 235

\* Supplementary non-IFRS information. US dollar convenience translation, converted at a closing exchange rate of R14,36/US\$1 (31 December 2017 – R12,37/US\$1; 30 June 2018 – R13,73/US\$1).

The Statement of financial position has been translated from rand to US dollar for convenience purposes in order to enable offshore shareholders to interpret the financial performance in a universally measured currency.

\*\* The Sasol Inzalo Public preference share debt was settled in September 2018. Included in short-term debt is an additional draw on the Revolving Credit and other loan facilities.

\*\*\* Includes the US investment tax credits receivable of R1,5 billion (US\$104 million).

# Statement of changes in equity

## for the period ended

	Half year 31 Dec 18 Reviewed Rm	Half year 31 Dec 17 Reviewed Rm	Full year 30 Jun 18 Audited Rm
<b>Balance at beginning of period*</b>	<b>228 608</b>	217 234	217 234
Movement in share-based payment reserve	<b>681</b>	505	3 942
Share-based payment expense	<b>327</b>	453	823
Deferred tax	<b>(122)</b>	52	166
Sasol Khanyisa transaction**	<b>476</b>	–	2 953
Total comprehensive income for the period	<b>19 775</b>	4 392	16 160
Transactions with non-controlling shareholders	–	–	(51)
Dividends paid to shareholders	<b>(4 897)</b>	(4 836)	(7 952)
Final distribution to Sasol Inzalo Public Shareholders	<b>(1 372)</b>	–	–
Dividends paid to non-controlling shareholders in subsidiaries	<b>(557)</b>	(373)	(725)
<b>Balance at end of period</b>	<b>242 238</b>	216 922	228 608
<b>Comprising</b>			
Share capital***	<b>9 888</b>	29 282	15 775
Share repurchase programme	–	(2 641)	–
Retained earnings	<b>195 789</b>	179 306	184 352
Share-based payment reserve***	<b>(424)</b>	(12 551)	(4 021)
Foreign currency translation reserve	<b>32 653</b>	19 940	28 500
Remeasurements on post-retirement benefit obligations	<b>(1 846)</b>	(1 928)	(1 844)
Investment fair value reserve	<b>105</b>	45	43
Cash flow hedge accounting reserve	<b>(168)</b>	(503)	180
<b>Shareholders' equity</b>	<b>235 997</b>	210 950	222 985
Non-controlling interests in subsidiaries	<b>6 241</b>	5 972	5 623
<b>Total equity</b>	<b>242 238</b>	216 922	228 608

\* On 1 July 2018, the group adopted IFRS 9 'Financial Instruments'. The new accounting standard has been applied prospectively. The impact of the adoption of the new standard is a reduction of R121 million on the opening shareholders' equity position. This was adjusted for in the current year as the impact is immaterial.

\*\* A non-controlling interest has not been recognised on the Sasol Khanyisa transaction as the accounting for the transaction is similar to an option over Sasol shares granted for no consideration. Any ultimate value created for participants in the Khanyisa transaction will be granted in the form of SOLBE1 shares.

\*\*\* The Sasol Inzalo transaction was terminated in September 2018 and as such the share capital relating to the transaction was cancelled and the share-based payment reserve was reclassified to retained earnings in accordance with IFRS. In addition, on 7 September 2018, 16 085 199 Sasol Limited preferred ordinary shares were repurchased from Sasol Inzalo Public Funding (RF) (Pty) Ltd at a purchase price of R542,11 per share as per the shareholders authorisation obtained at the Annual General Meeting held on 17 November 2017.

# Statement of cash flows

## for the period ended

	Notes	Half year 31 Dec 18 Reviewed Rm	Half year 31 Dec 17 Reviewed Rm	Full year 30 Jun 18 Audited Rm
Cash receipts from customers		103 145	86 844	178 672
Cash paid to suppliers and employees		(78 377)	(72 834)	(135 795)
<b>Cash generated by operating activities</b>	14	<b>24 768</b>	14 010	42 877
Dividends received from equity accounted investments	9	1 423	1 052	1 702
Finance income received		343	1 106	1 565
Finance costs paid		(2 494)	(1 864)	(4 797)
Tax paid		(1 339)	(4 070)	(7 041)
<b>Cash available from operating activities</b>		<b>22 701</b>	10 234	34 306
Dividends paid		(4 897)	(4 836)	(7 952)
Dividends paid to non-controlling shareholders in subsidiaries		(557)	(373)	(725)
<b>Cash retained from operating activities</b>		<b>17 247</b>	5 025	25 629
Total additions to non-current assets		(31 736)	(30 574)	(55 891)
Additions to non-current assets	8	(30 433)	(27 734)	(53 384)
Decrease in capital project related payables		(1 303)	(2 840)	(2 507)
Additional cash contributions from/(to) equity accounted investments		54	(76)	(164)
Proceeds on disposals and scrappings		53	8	2 316
Purchase of investments		(167)	(57)	(124)
Other net cash flow from investing activities		114	(37)	(116)
<b>Cash used in investing activities</b>		<b>(31 682)</b>	(30 736)	(53 979)
Final settlement to Sasol Inzalo Public Shareholders		(1 372)	–	–
Proceeds from long-term debt		20 470	18 746	24 961
Repayment of long-term debt		(12 478)	(3 151)	(9 199)
Proceeds from short-term debt		7 827	29	1 957
Repayment of short-term debt		(1 629)	(2 636)	(2 607)
<b>Cash generated by financing activities</b>		<b>12 818</b>	12 988	15 112
Translation effects on cash and cash equivalents		348	(256)	954
<b>Decrease in cash and cash equivalents</b>		<b>(1 269)</b>	(12 979)	(12 284)
Cash and cash equivalents at the beginning of period		17 039	29 323	29 323
Reclassification to held for sale		–	(17)	–
<b>Cash and cash equivalents at the end of the period*</b>	13	<b>15 770</b>	16 327	17 039

\* Includes bank overdraft.

## Geographic segment information

External turnover*	Mining			Exploration and Production International			Energy			Base Chemicals			Performance Chemicals			Group Functions			Total			
	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	
	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	
Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
■ South Africa	–	–	–	–	–	–	<b>40 228</b>	30 706	65 827	<b>11 661</b>	10 323	21 296	<b>503</b>	793	1 337	–	–	–	<b>52 392</b>	41 822	88 460	
■ Rest of Africa	–	–	–	<b>320</b>	175	341	<b>1 995</b>	1 742	3 282	<b>1 244</b>	1 693	2 789	<b>562</b>	48	143	<b>11</b>	–	–	<b>4 132</b>	3 658	6 555	
■ Europe	<b>1 475</b>	1 205	2 691	<b>436</b>	346	985	<b>965</b>	1	1	<b>3 186</b>	3 545	6 956	<b>17 016</b>	16 355	33 089	–	–	–	<b>23 078</b>	21 452	43 722	
■ North America	–	–	–	<b>131</b>	160	284	–	–	–	<b>3 546</b>	3 020	6 202	<b>9 649</b>	8 298	16 618	–	–	–	<b>13 326</b>	11 478	23 104	
■ South America	–	–	–	–	–	–	–	–	–	<b>284</b>	243	410	<b>745</b>	580	1 518	–	–	–	<b>1 029</b>	823	1 928	
■ Asia, Australasia and Middle East	<b>351</b>	673	755	–	–	–	–	–	–	<b>2 747</b>	2 810	5 586	<b>5 874</b>	5 430	11 311	<b>15</b>	7	40	<b>8 987</b>	8 920	17 692	
<b>Total operations</b>	<b>1 826</b>	1 878	3 446	<b>887</b>	681	1 610	<b>43 188</b>	32 449	69 110	<b>22 668</b>	21 634	43 239	<b>34 349</b>	31 504	64 016	<b>26</b>	7	40	<b>102 944</b>	88 153	181 461	

\* The analysis of turnover is based on the location of the customer.

The financial results have been restated for the transfer of the Phenolics, Ammonia and Specialty Gases businesses from Performance Chemicals to Base Chemicals.

Earnings before interest and tax*	Mining			Exploration and Production International			Energy			Base Chemicals			Performance Chemicals			Group Functions			Total			
	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	Half year	Half year	Full year	
	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	
Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
■ South Africa	<b>1 795</b>	2 113	3 796	<b>999</b>	661	1 008	<b>8 416</b>	6 119	13 064	<b>2 923</b>	1 309	(2 599)	<b>179</b>	504	933	<b>919</b>	(398)	(7 617)	<b>15 231</b>	10 308	8 585	
■ Rest of Africa	–	–	–	<b>(79)</b>	238	(1 282)	<b>344</b>	317	926	<b>94</b>	96	350	<b>147</b>	22	88	<b>3</b>	(11)	553	<b>509</b>	662	635	
■ Europe	<b>700</b>	482	1 131	<b>207</b>	(324)	194	<b>40</b>	(1)	–	<b>293</b>	379	722	<b>1 643</b>	1 859	3 620	<b>221</b>	(137)	345	<b>3 104</b>	2 258	6 012	
■ North America	–	–	–	<b>(363)</b>	(3 212)	(3 595)	–	(1 106)	(1 010)	<b>(637)</b>	211	531	<b>738</b>	781	1 708	<b>(20)</b>	(20)	50	<b>(282)</b>	(3 346)	(2 316)	
■ South America	–	–	–	–	–	–	–	–	–	<b>41</b>	31	61	<b>87</b>	75	218	–	–	–	<b>128</b>	106	279	
■ Asia, Australasia and Middle East	<b>166</b>	269	317	–	(12)	(8)	<b>765</b>	419	1 101	<b>362</b>	515	1 853	<b>805</b>	648	1 286	<b>3</b>	(41)	3	<b>2 101</b>	1 798	4 552	
<b>Total operations</b>	<b>2 661</b>	2 864	5 244	<b>764</b>	(2 649)	(3 683)	<b>9 565</b>	5 748	14 081	<b>3 076</b>	2 541	918	<b>3 599</b>	3 889	7 853	<b>1 126</b>	(607)	(6 666)	<b>20 791</b>	11 786	17 747	

\* Includes equity accounted profits/ (losses), remeasurement items and once-off share-based payment expenses

The financial results have been restated for the transfer of the Phenolics, Ammonia and Specialty Gases businesses from Performance Chemicals to Base Chemicals.

# Segmental analysis

for the six months ended 31 December 2018

	Mining	Exploration and Production International	Performance Chemicals	Base Chemicals	Energy	Group Functions	Total operations
	Rm	Rm	Rm	Rm	Rm	Rm	Rm
<b>Turnover</b>							
External	1 826	887	34 349	22 668	43 188	26	102 944
Intersegment	8 080	1 791	420	343	435	–	11 069
<b>Total turnover</b>	<b>9 906</b>	<b>2 678</b>	<b>34 769</b>	<b>23 011</b>	<b>43 623</b>	<b>26</b>	<b>114 013</b>
<b>EBITDA</b>	<b>3 675</b>	<b>1 552</b>	<b>5 438</b>	<b>4 430</b>	<b>12 450</b>	<b>(890)</b>	<b>26 655</b>
Depreciation of PPE	(859)	(763)	(1 668)	(2 006)	(2 615)	(256)	(8 167)
Amortisation of intangible assets	(3)	(10)	(42)	(27)	(33)	(110)	(225)
Share-based payments	(145)	(8)	(44)	(141)	(115)	(126)	(579)
Unrealised hedging gains	–	–	–	–	–	2 508	2 508
Remeasurement items	(7)	(7)	(85)	820	(122)	–	599
<b>Earnings before interest and tax (EBIT)</b>	<b>2 661</b>	<b>764</b>	<b>3 599</b>	<b>3 076</b>	<b>9 565</b>	<b>1 126</b>	<b>20 791</b>
Remeasurement items	7	7	85	(820)	122	–	(599)
Translation (gains)/losses of closing exchange rate	(5)	39	(67)	7	226	(654)	(454)
Mark-to-market valuation of hedges	–	–	6	–	(1)	(413)	(408)
Khanyisa share-based payments	136	2	30	126	99	83	476
LCCP ramp-up depreciation	–	–	68	68	–	–	136
<b>Normalised EBIT</b>	<b>2 799</b>	<b>812</b>	<b>3 721</b>	<b>2 457</b>	<b>10 011</b>	<b>142</b>	<b>19 942</b>
<b>Statement of financial position</b>							
Property, plant and equipment	22 640	7 950	44 729	53 547	49 390	3 296	181 552
Assets under construction	2 455	6 396	83 056	84 841	6 614	645	184 007
Goodwill and other intangible assets	104	27	1 174	596	121	770	2 792
Other non-current assets <sup>1</sup>	571	28	2 545	2 519	10 757	1 764	18 184
Current assets <sup>1,2</sup>	2 714	2 203	25 019	16 310	21 298	11 368	78 912
<b>Total external assets<sup>1</sup></b>	<b>28 484</b>	<b>16 604</b>	<b>156 523</b>	<b>157 813</b>	<b>88 180</b>	<b>17 843</b>	<b>465 447</b>
Non-current liabilities <sup>1,4</sup>	1 652	6 106	22 731	23 246	11 567	84 972	150 274
Current liabilities <sup>1</sup>	1 539	1 012	11 946	9 088	12 924	13 728	50 237
<b>Total external liabilities<sup>1</sup></b>	<b>3 191</b>	<b>7 118</b>	<b>34 677</b>	<b>32 334</b>	<b>24 491</b>	<b>98 700</b>	<b>200 511</b>
<b>Cash flow information</b>							
Cash flow from operations	3 679	1 084	4 942	4 149	12 565	453	26 872
Additions to non-current assets <sup>3</sup>	1 324	618	10 713	13 008	4 400	370	30 433
<b>Capital commitments</b>							
Subsidiaries and joint operations	3 089	20 160	10 912	14 362	9 332	785	58 640
Equity accounted investments	–	–	–	20	998	–	1 018
<b>Total capital commitments</b>	<b>3 089</b>	<b>20 160</b>	<b>10 912</b>	<b>14 382</b>	<b>10 330</b>	<b>785</b>	<b>59 658</b>
<b>Number of employees<sup>5</sup></b>	<b>7 436</b>	<b>424</b>	<b>5 522</b>	<b>8 002</b>	<b>5 081</b>	<b>4 965</b>	<b>31 430</b>

<sup>1</sup> Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.

<sup>2</sup> Included in current assets for Group Functions is R6,0 billion which relates to our central treasury function of which R3,4 billion relates to cash holdings and R2,4 billion to our derivative and hedging activities.

<sup>3</sup> Includes project related capital payables.

<sup>4</sup> Includes bonds issued by Sasol Financing USA in September 2018 amounting to US\$2,25 billion.

<sup>5</sup> Includes permanent and non-permanent employees.

# Segmental analysis

for the six months ended 31 December 2017

	Mining Rm	Exploration and Production International Rm	Performance Chemicals Rm	Base Chemicals Rm	Energy Rm	Group Functions Rm	Total operations Rm
<b>Turnover</b>							
External	1 878	681	31 504	21 634	32 449	7	88 153
Intersegment	8 137	1 277	473	383	297	–	10 567
<b>Total turnover</b>	10 015	1 958	31 977	22 017	32 746	7	98 720
<b>EBITDA</b>							
Depreciation of PPE	3 791	1 091	5 507	5 006	9 399	(616)	24 178
Amortisation of intangible assets	(901)	(870)	(1 483)	(2 245)	(2 347)	(262)	(8 108)
Share-based payments	(2)	(11)	(40)	(12)	(17)	(111)	(193)
Unrealised hedging gains	(31)	(24)	(102)	(52)	(38)	(343)	(590)
Remeasurement items	–	–	–	–	–	743	743
	7	(2 835)	7	(156)	(1 249)	(18)	(4 244)
<b>Earnings before interest and tax (EBIT)</b>	2 864	(2 649)	3 889	2 541	5 748	(607)	11 786
Remeasurement items	(7)	2 835	(7)	156	1 249	18	4 244
Translation losses/(gains) of closing exchange rate	29	(138)	158	204	77	860	1 190
Mark-to-market valuation of hedges	–	–	1	–	191	(858)	(666)
<b>Normalised EBIT</b>	2 886	48	4 041	2 901	7 265	(587)	16 554
<b>Statement of financial position</b>							
Property, plant and equipment	21 902	8 299	37 508	50 328	44 890	3 404	166 331
Assets under construction	1 463	7 595	58 829	61 444	5 716	352	135 399
Goodwill and other intangible assets	44	43	875	432	104	857	2 355
Other non-current assets <sup>1</sup>	592	71	1 624	1 602	9 143	504	13 536
Current assets <sup>1,2</sup>	2 613	2 088	22 430	16 950	20 990	16 114	81 185
<b>Total external assets<sup>1</sup></b>	26 614	18 096	121 266	130 756	80 843	21 231	398 806
Non-current liabilities <sup>1</sup>	1 824	6 113	32 828	33 012	9 172	25 179	108 128
Current liabilities <sup>1</sup>	2 419	1 874	10 263	9 275	10 837	17 990	52 658
<b>Total external liabilities<sup>1</sup></b>	4 243	7 987	43 091	42 287	20 009	43 169	160 786
<b>Cash flow information</b>							
Additions to non-current assets <sup>3</sup>	1 461	1 218	9 925	11 363	3 538	229	27 734
<b>Capital commitments</b>							
Subsidiaries and joint operations	3 104	17 643	18 690	21 005	8 675	696	69 813
Equity accounted investments	–	–	–	30	687	–	717
<b>Total capital commitments</b>	3 104	17 643	18 690	21 035	9 362	696	70 530
<b>Number of employees<sup>4</sup></b>	7 446	417	5 947	7 182	4 983	5 025	31 000

<sup>1</sup> Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.

<sup>2</sup> Included in current assets for Group Functions is R12,5 billion which relates to our central treasury function of which R5,5 billion relates to cash holdings and R4,9 billion to our derivative and hedging activities.

<sup>3</sup> Includes project related capital payables.

<sup>4</sup> Includes permanent and non-permanent employees.

The financial results have been restated for the transfer of the Phenolics, Ammonia and Specialty Gases businesses from Performance Chemicals to Base Chemicals.

# Segmental analysis

## for the year ended 30 June 2018

	Mining Rm	Exploration and Production International Rm	Performance Chemicals Rm	Base Chemicals Rm	Energy Rm	Group Functions Rm	Total operations Rm
<b>Turnover</b>							
External	3 446	1 610	64 016	43 239	69 110	40	181 461
Intersegment	16 351	2 588	992	740	663	12	21 346
<b>Total turnover</b>	19 797	4 198	65 008	43 979	69 773	52	202 807
<b>EBITDA</b>	7 060	2 086	11 554	10 048	20 045	1 620	52 413
Depreciation of PPE	(1 673)	(1 444)	(3 230)	(4 385)	(4 790)	(524)	(16 046)
Amortisation of intangible assets	(4)	(21)	(80)	(26)	(27)	(221)	(379)
Share-based payments (SBP)	(105)	(63)	(288)	(207)	(176)	(3 592)	(4 431)
Unrealised hedging losses	–	–	–	–	–	(3 909)	(3 909)
Remeasurement items	(34)	(4 241)	(103)	(4 512)	(971)	(40)	(9 901)
<b>Earnings before interest and tax (EBIT)</b>	5 244	(3 683)	7 853	918	14 081	(6 666)	17 747
Remeasurement items	34	4 241	103	4 512	971	40	9 901
Translation losses/(gains) of closing exchange rate	18	(289)	(47)	7	45	277	11
Mark-to-market valuation of hedges	–	–	–	–	34	3 206	3 240
Sasol Khanyisa SBP	25	1	6	24	16	2 881	2 953
LCCP ramp-up depreciation	–	–	22	23	–	–	45
<b>Normalised EBIT</b>	5 321	270	7 937	5 484	15 147	(262)	33 897
<b>Statement of financial position</b>							
Property, plant and equipment	22 584	7 646	39 300	46 848	47 743	3 336	167 457
Assets under construction	2 095	6 457	74 595	75 648	5 993	573	165 361
Goodwill and other intangible assets	47	35	1 172	509	106	818	2 687
Other non-current assets <sup>1</sup>	471	79	1 924	1 775	10 684	1 946	16 879
Current assets <sup>1,2</sup>	2 547	2 339	24 921	17 128	20 657	10 363	77 955
<b>Total external assets<sup>1</sup></b>	27 744	16 556	141 912	141 908	85 183	17 036	430 339
Non-current liabilities <sup>1</sup>	1 629	5 684	37 154	38 133	11 616	30 547	124 763
Current liabilities <sup>1</sup>	2 801	2 371	11 468	10 999	11 462	18 537	57 638
<b>Total external liabilities<sup>1</sup></b>	4 430	8 055	48 622	49 132	23 078	49 084	182 401
<b>Cash flow information</b>							
Cash flow from operations	6 877	2 665	12 243	9 077	17 158	(1 382)	46 638
Additions to non-current assets <sup>3</sup>	3 729	2 525	19 406	20 277	6 650	797	53 384
<b>Capital commitments</b>							
Subsidiaries and joint operations	2 640	18 811	13 242	17 664	10 320	599	63 276
Equity accounted investments	–	–	–	4	889	–	893
<b>Total capital commitments</b>	2 640	18 811	13 242	17 668	11 209	599	64 169
<b>Number of employees<sup>4</sup></b>	7 471	430	6 070	7 254	5 069	4 976	31 270

1 Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.

2 Included in current assets for Group Functions is R5,2 billion which relates to our central treasury function of which R2,9 billion relates to cash holdings and R1,5 billion to our derivative and hedging activities.

3 Includes project related capital payables.

4 Includes permanent and non-permanent employees.

The financial results have been restated for the transfer of the Phenolics, Ammonia and Specialty Gases businesses from Performance Chemicals to Base Chemicals.

# Operating activities

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>1 Materials, energy and consumables used</b>			
Cost of raw materials*	40 490	30 991	66 928
Cost of electricity and other consumables used in production process**	5 470	4 896	9 678
	<b>45 960</b>	35 887	76 606

\* The increase is due to higher brent crude oil prices, higher crude purchases to support our Energy sales volumes, higher ethane prices in the US and ethylene feedstock prices in Europe.

\*\* The increase is due to a higher natural gas prices in Europe used for utilities and growth cost in the US after the LCCP steam unit reached beneficial operation.

Costs relating to items that are consumed in the manufacturing process, including changes in inventories and distribution costs up until the point of sale.

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>2 Employee-related expenditure</b>			
<b>Analysis of employee costs</b>			
Labour	15 483	14 304	28 448
salaries, wages and other employee-related expenditure*	15 035	13 807	26 388
post-employment benefits	448	497	2 060
Share-based payment expenses	579	590	1 565
equity-settled	803	453	910
cash-settled	(224)	137	655
<b>Total employee-related expenditure</b>	<b>16 062</b>	14 894	30 013
Less: costs capitalised to projects	(1 273)	(1 320)	(2 545)
<b>Total employee cost</b>	<b>14 789</b>	13 574	27 468

\* LCCP and HDPE plants in the US added R330 million (2,4%) to our operating labour cost base in HY19.

The total number of permanent and non-permanent employees, in approved positions, including the group's share of employees within joint operation entities and excluding contractors, joint ventures' and associates' employees, is analysed below:

	Half year 2019 Number	Half year 2018 Number	Full year 2018 Number
Permanent employees	31 153	30 747	31 020
Non-permanent employees	277	253	250
	<b>31 430</b>	31 000	31 270

Included in our employee numbers is 653 employees relating to the LCCP in the US.



	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>3 Other operating expenses and income</b>			
Rentals	<b>889</b>	760	1 497
Insurance	<b>233</b>	172	432
Computer costs	<b>1 010</b>	1 078	2 042
Hired labour	<b>446</b>	434	838
Audit remuneration	<b>34</b>	27	88
Derivative (gains)/losses (including foreign exchange contracts) <sup>1</sup>	<b>(1 026)</b>	(319)	3 876
Professional fees	<b>962</b>	915	1 971
Changes in rehabilitation provisions	<b>(7)</b>	(265)	(804)
Other expenses <sup>2</sup>	<b>4 533</b>	3 706	6 775
Other operating income	<b>(770)</b>	(596)	(1 410)
	<b>6 304</b>	5 912	15 305
Translation (gains)/losses	<b>(454)</b>	1 190	11
	<b>5 850</b>	7 102	15 316

<sup>1</sup> Relates mainly to the group's hedging activities, refer to page 34.

<sup>2</sup> Increase relates to growth cost relating to the LCCP and HDPE plants, environmental project costs and continuous improvement (CI) / digital enablement costs.

## Once-off items

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>4 Remeasurement items affecting EBIT</b>			
<b>Effect of remeasurement items for subsidiaries and joint operations</b>			
Impairment of	2	2 780	9 115
property, plant and equipment	2	2 715	7 623
assets under construction	–	50	1 492
equity accounted investments	–	15	–
Reversal of impairment of	(957)	(69)	(354)
property, plant and equipment*	(658)	–	–
assets under construction*	(299)	(10)	(14)
goodwill and other intangible assets	–	(59)	(56)
equity accounted investments	–	–	(269)
other assets	–	–	(15)
Loss/(profit) on	349	1 500	828
disposal of property, plant and equipment	(27)	(27)	(3)
disposal of goodwill and other intangible assets	–	–	11
disposal of other assets	–	(9)	(1)
disposal of businesses	–	83	(833)
scrapping of property, plant and equipment	241	225	454
disposal and scrapping of assets under construction	135	1 228	1 200
Write-off of unsuccessful exploration wells	7	36	312
Realisation of foreign currency translation reserve	–	(3)	–
<b>Remeasurement items per income statement</b>	<b>(599)</b>	4 244	9 901
Tax effect	169	(339)	(1 834)
Non-controlling interest effect	(1)	–	(9)
<b>Total remeasurement items for subsidiaries and joint operations, net of tax</b>	<b>(431)</b>	3 905	8 058
<b>Effect of remeasurement items for equity accounted investments</b>	<b>15</b>	(1)	11
<b>Total remeasurement items for the group, net of tax</b>	<b>(416)</b>	3 904	8 069

### \*Base Chemicals – Chlor Vinyls value chain

As part of the South African value chain useful life assessment in 2014, the increase in the useful life of Sasolburg Operations was limited to 2034 due to natural gas reserves being assessed to only be probable until 2034 and the full Sasolburg site being dependent on natural gas as a feedstock. A sustainability review of the Sasolburg Operations assets was completed in the second half of calendar year 2018, finding that the Sasolburg Operations assets that are integrated with Secunda are essentially natural gas independent. Around two thirds of the assets in Sasolburg are vital to the Secunda business model and should therefore be maintained at the same level of life expectancy as Secunda (i.e. 2050). This impacts the Chlor Vinyls value chain as the feedstock is obtained from Secunda. An impairment test was performed at 31 December 2018 which indicated that the value in use exceeds the carrying value by R949 million. This has been recognised as a partial reversal of the previous impairment.

	Half year 2019		Half year 2018	
	Income statement	Equity	Income statement	Equity
	Rm	Rm	Rm	Rm
<b>5 Translation (gains)/losses</b>				
<b>Assets</b>				
Property, plant and equipment	–	(1 319)	–	1 411
Assets under construction	–	(6 674)	–	6 523
Equity accounted investments	–	(570)	–	465
Inventories	(1)	(464)	1	520
Trade and other receivables	(199)	(417)	439	260
Cash and cash equivalents	(193)	(349)	460	255
<b>Liabilities</b>				
Long-term debt	(445)	4 379	631	(4 609)
Long-term provisions	237	97	(318)	(87)
Retirement benefit obligations	–	231	–	(67)
Trade and other payables	189	708	(50)	(558)
<b>Other</b>	<b>(42)</b>	<b>209</b>	<b>27</b>	<b>(768)</b>

	Half year	Half year	Full year
	2019	2018	2018
	Rm	Rm	Rm
<b>6 Disposal groups held for sale</b>			
<b>Assets in disposal groups held for sale</b>			
Base Chemicals - Investment in Petronas Chemicals LDPE Sdn Bhd	–	617	–
Base Chemicals - Investment in Petronas Chemicals Olefins Sdn Bhd	–	953	–
Performance Chemicals - Investment in Alexandria Wax Products Company	–	147	–
Performance Chemicals - Heat Transfer Fuels (HTF) business	134	–	110
Energy – Property and mineral rights in the US	–	173	–
Other	2	14	3
	<b>136</b>	<b>1 904</b>	<b>113</b>
<b>Liabilities in disposal groups held for sale</b>			
Performance Chemicals - Investment in Alexandria Wax Products Company	–	(178)	–
Performance Chemicals - Heat Transfer Fuels (HTF) business	(44)	–	(36)
	<b>(44)</b>	<b>(178)</b>	<b>(36)</b>

## Funding activities and facilities

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>7 Long-term debt</b>			
Total long-term debt	<b>123 300</b>	95 629	109 454
Short-term portion	<b>(2 071)</b>	(16 954)	(12 763)
	<b>121 229</b>	78 675	96 691
<b>Analysis of long-term debt</b>			
<b>At amortised cost</b>			
Secured debt <sup>1</sup>	<b>32 548</b>	53 475	62 601
Preference shares <sup>2</sup>	–	12 087	7 493
Finance leases	<b>7 688</b>	4 401	7 624
Unsecured debt <sup>3</sup>	<b>36 568</b>	14 174	18 705
US Dollar bonds <sup>4</sup>	<b>47 275</b>	12 445	13 808
Unamortised loan costs	<b>(779)</b>	(953)	(777)
	<b>123 300</b>	95 629	109 454
<b>Maturity profile</b>			
Within one year	<b>2 071</b>	16 954	12 763
One to five years	<b>43 643</b>	71 622	72 899
More than five years	<b>77 586</b>	7 053	23 792
	<b>123 300</b>	95 629	109 454

<sup>1</sup> A portion of the outstanding LCCP project asset finance facility was repaid with the proceeds from the US dollar bonds issued in September 2018.

<sup>2</sup> The A, B and C preference share debt relating to the Sasol Inzalo Public share transaction was settled on 10 September 2018.

<sup>3</sup> The increase mainly relates to a draw down on the revolving credit facility (RCF) of R20,2 billion (US\$1,4 billion) during the period.

<sup>4</sup> In November 2012 Sasol Financing International Limited issued a bond to the value of US\$1,0 billion. In September 2018 Sasol Financing USA issued bonds to the value of US\$1,5 billion and US\$0,75 billion respectively. Sasol Limited has fully and unconditionally guaranteed these bonds. Includes accrued interest of R0,6bn at 31 December 2018.

31 December 2018	Expiry date	Currency	Contract amount million	US dollar facilities available US\$m	Total Rand equivalent Rm	Utilised facilities Rm	Available facilities Rm
<b>Banking facilities and debt arrangements</b>							
<b>Group treasury facilities</b>							
Commercial paper (uncommitted)	None	Rand	8 000	–	8 000	–	8 000
Commercial banking facilities	Various	Rand	6 400	–	6 400	3 517	2 883
Revolving credit facility	November 2024	US dollar	3 900	1 225	56 013	38 419	17 594
<b>Debt arrangements</b>							
US Dollar Bond	November 2022	US dollar	1 000	–	14 362	14 362	–
US Dollar Bond <sup>1</sup>	March 2024	US dollar	1 500	–	21 543	21 543	–
US Dollar Bond <sup>1</sup>	September 2028	US dollar	750	–	10 772	10 772	–
<b>Other Sasol businesses</b>							
<b>Specific project asset finance</b>							
US Operations (funding of LCCP) <sup>1</sup>	December 2021	US dollar	1 755	–	25 209	25 209	–
US Operations (Letter of credit for LCCP)	December 2021	US dollar	45	45	646	–	646
Energy – Republic of Mozambique Pipeline Investments Company (Rompc)	June 2022	Rand	2 511	–	2 511	2 511	–
Energy – Republic of Mozambique Pipeline Investments Company (Rompc)	December 2019	Rand	533	–	533	533	–
Base Chemicals – High-density polyethylene plant	July 2028	US dollar	197	–	2 829	2 829	–
Energy – Clean Fuels II (Natref)	Various	Rand	2 085	–	2 085	2 085	–
<b>Finance leases</b>	Various	Various	7 448	–	7 448	7 448	–
<b>Other debt arrangements</b>	Various	Various	–	–	–	2 024	–
						131 252	29 123
Available cash						14 516	
Total funds available for use						43 639	
Total utilised facilities						131 252	
Accrued interest						1 105	
Unamortised loan cost						(779)	
Total debt including accrued interest and unamortised loan cost						131 578	
<b>Comprising</b>							
Long-term debt						121 229	
Short-term debt						10 243	
Short-term debt						8 172	
Short-term portion of long-term debt						2 071	
Bank overdraft						106	
						131 578	

<sup>1</sup> In September 2018 Sasol Financing USA issued bonds to the value of US\$1,50 billion and US\$0,75 billion respectively. The net proceeds from the bonds of US\$2,24 billion were used to partially repay the US\$4,0 billion LCCP project asset finance facility.

## Investing activities

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>8 Fixed assets</b>			
<b>Property plant and equipment</b>			
<b>Comprising</b>			
Land*	3 249	2 561	2 744
Buildings and improvements (including retail convenience centres)	9 824	8 306	8 537
Plant, equipment and vehicles	139 206	126 410	127 336
Mineral assets	29 273	29 054	28 840
	<b>181 552</b>	166 331	167 457
<b>Assets under construction</b>			
<b>Comprising</b>			
Property, plant and equipment under construction	182 378	133 951	163 783
Other intangible assets under development	1 207	1 008	1 125
Exploration and evaluation assets	422	440	453
	<b>184 007</b>	135 399	165 361
<b>Total fixed assets</b>	<b>365 559</b>	301 730	332 818

\*Increase relates to LCCP land transferred from AUC to PPE relating to units in operation.

Assets under construction capitalised to property, plant and equipment, of which R10 017 million (US\$ 697 million) relates to the LCCP, amounted to R19 945 million for the period (31 December 2017: R16 934 million; 30 June 2018: R25 769 million).

Assets under construction includes R3 440 million of capitalised interest (31 December 2017: R1 634 million; 30 June 2018: R3 568 million). Interest capitalised increased due to the adoption of the amendment to IAS 23 'Borrowing Costs' on 1 July 2018.

### Analysis of property, plant and equipment, intangible assets and assets under construction

#### Additions and depreciation

	December 2018						Total operations Rm
	Exploration and Production Mining Rm	International Rm	Performance Chemicals Rm	Base Chemicals Rm	Energy Rm	Group Functions Rm	
<b>Additions</b>	<b>1 324</b>	<b>618</b>	<b>10 713</b>	<b>13 008</b>	<b>4 400</b>	<b>370</b>	<b>30 433</b>
To sustain operations	1 324	461	1 765	4 888	4 288	370	13 096
To expand operations	–	157	8 948	8 120	112	–	17 337
<b>Depreciation and amortisation</b>	<b>(862)</b>	<b>(773)</b>	<b>(1 710)</b>	<b>(2 033)</b>	<b>(2 648)</b>	<b>(366)</b>	<b>(8 392)</b>

			Half year 2019	Half year 2018	Full year 2018	Full year 2019
			Rm	Rm	Rm	Rm
<b>Capital expenditure</b>						
<b>Assets under construction</b>						
<b>Projects to expand operations comprise of:</b>						
Project	Project location	Business segment	Actual	Actual	Actual	Forecast
Lake Charles Chemicals Project	United States	Base and Performance Chemicals	<b>16 024</b> <b>(\$1,1bn)</b>	16 710 (\$1,2bn)	30 100 (\$2,3bn)	27 228 (\$1,9bn)
Mozambique exploration and development	Mozambique	Exploration and Production International	<b>114</b>	803	1 002	381
China Ethoxylation plant	China	Performance Chemicals	<b>298</b>	131	398	606
Canadian shale gas asset	Canada	Exploration and Production International	<b>32</b>	75	101	106
Other projects to expand operations	Various	Various	<b>848</b>	675	1 909	1 179
			<b>17 316</b>	18 394	33 510	29 500

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm	Full year 2019 Rm
<b>Capital expenditure</b>				
<b>Assets under construction</b>				
<b>Projects to sustain operations comprise of:</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Forecast</b>
<b>Secunda Synfuels Operations</b>	<b>6 722</b>	4 957	8 608	9 922
Shutdown and major statutory maintenance <sup>1</sup>	<b>3 525</b>	2 438	3 775	4 687
Renewals	<b>1 064</b>	665	1 481	1 982
Oxygen train 17 (Outside Battery Limits portion)	<b>47</b>	335	417	51
Sixth fine ash dam (environmental)	<b>820</b>	723	1 353	1 410
Volatile organic compounds abatement programme (environmental)	<b>32</b>	115	137	56
Coal tar filtration east project (safety)	<b>260</b>	97	294	390
Other environmental related expenditure <sup>2</sup>	<b>122</b>	104	133	266
Other safety related expenditure <sup>3</sup>	<b>358</b>	188	362	463
Other sustain	<b>494</b>	292	656	617
<b>Mining (Secunda and Sasolburg)</b>	<b>1 324</b>	1 459	3 720	3 021
Shondoni Colliery to maintain Middlebult Colliery operations	<b>40</b>	215	318	72
Impumelelo Colliery to maintain Brandspruit Colliery operations	<b>106</b>	126	258	143
Acquisition of mineral rights	<b>16</b>	–	650	16
Refurbishment of equipment	<b>366</b>	419	867	869
Mine geographical expansion	<b>289</b>	–	449	863
Other environmental related expenditure	<b>27</b>	1	–	36
Other safety related expenditure	<b>136</b>	97	196	411
Other sustain	<b>344</b>	601	982	611
<b>Other (in various locations)</b>	<b>4 373</b>	2 681	6 797	9 557
Expenditure related to environmental obligations <sup>4</sup>	<b>346</b>	206	476	714
Expenditure incurred relating to safety regulations	<b>240</b>	88	409	667
Other sustain <sup>5</sup>	<b>3 787</b>	2 387	5 912	8 176
	<b>12 419</b>	9 097	19 125	22 500

1 HY19 includes the planned total west factory shutdown at Secunda Synfuels Operations.

2 Capital expenditure is higher in HY19 and FY19 compared to FY18, due to the Secunda Landfill Optimisation and Storm Water Management project.

3 Increase in HY19 and FY19 is due to higher capital expenditure in respect of the Coal Tar Filtration West project.

4 Increase in FY19 relates to costs of the effluent treatment plant at the Secunda Chemical Operations and compliance projects in the Sasolburg Operations, such as Steam Station 1 Air Quality compliance to Minimum Emission Standards and Steam Station 2 NOX Abatement.

5 Other capital to sustain operations increases in FY19 due to statutory shutdown costs in Secunda Chemical Operations, Sasolburg Operations and in European Operations.

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>Capital commitments (excluding equity accounted investments)</b>			
Capital commitments, excluding capitalised interest, include all projects for which specific board approval have been obtained. Projects still under investigation for which specific board approvals have not yet been obtained are excluded from the following:			
Authorised and contracted for	<b>187 515</b>	150 520	179 172
Authorised but not yet contracted for	<b>40 555</b>	46 322	40 687
<i>Less:</i> Expenditure to the end of period	<b>(169 430)</b>	(127 029)	(156 583)
	<b>58 640</b>	69 813	63 276
to sustain existing operations	<b>25 752</b>	22 001	26 925
to expand operations	<b>21 964</b>	47 812	36 351
<b>Estimated expenditure</b>			
Within one year	<b>33 240</b>	42 727	38 150
One to five years	<b>25 400</b>	27 086	25 126
	<b>58 640</b>	69 813	63 276



## Key projects approved (FID)

which were not completed at 31 December 2018

Project	Project related information and notes	Sasol's effective share (%)	Business segment	December 2018 (HYE19)					
				Amount approved by Sasol board	Amount contracted to date	Estimated end of job cost	Estimated beneficial operation (BO) (calendar year)		
<b>South Africa - Projects to sustain our business</b>									
Coal tar filtration east project	Ensures adherence to environmental, health and emissions limits. The project will increase the tar processing capacity in order to avoid tar dumping.	Note 1	100	Secunda Synfuels Operations	Rm	3 803	3 626	3 803	2019
Sixth fine ash dam - phase one	Construction of an additional environmental and sustainable fine ash slurry disposal site.	Note 2	100	Secunda Synfuels Operations	Rm	6 000	5 297	6 000	2019
Clean Fuels 2 project*	To meet the fuel specifications as per legislation published by the Department of Energy.	Note 3	100 and 63,64	Secunda Synfuels Operations & Natref Operations	Rm	1 150	924	1 150	2024
<b>International - Projects to grow our business</b>									
Lake Charles Chemicals Project (United States)	Ethane cracker and derivatives complex that will produce ethylene and ethylene derivatives (Linear Low Density Polyethylene (LLDPE), Low Density Polyethylene (LDPE), Ethylene Glycol, Ziegler alcohols and alcohol related derivatives) and infrastructure to enable the project.	Note 4	100	US Operations (Base and Performance Chemicals)	US\$m	11 600 - 11 800	10 975	11 600 - 11 800	2019/2020
Mozambique Production Sharing Agreement (PSA)	Development of further hydrocarbon resources to support our Southern Africa growth strategy.	Note 5	100	Exploration and Production International	US\$m	1 433	301	1 433	2020
China Ethoxylation plant	To expand the existing ethoxylation capacity in China to 105 ktpa.	Note 6	100	Performance Chemicals	US\$m	100	66	90	2019
Canadian shale gas asset*	12 month work programme budget to December 2018 approved by the Sasol Board for the Montney shale asset in Western Canada.	Note 7	50	Exploration and Production International	CADm	22	22	22	Various
Exploration costs*	Approved exploration cost for E&PI. This amount relates to more than one geographic area.	Note 8	Various	Exploration and Production International	US\$m	106	1	106	Various

1 BO is expected in the second half of calendar year (CY) 2019.

2 The project is expected to reach BO in December 2019. Cost and schedule remains within our estimates.

3 The scope of the project is currently being reassessed and further announcements will be made once approved by the Board. Project implementation is still expected by CY2024.

4 As at the end of December 2018, engineering and procurement activities were substantially complete and construction progress was at 84%. Our overall project completion was 94% and capital expenditure amounted to US\$10,9 billion. The first derivative unit, linear low-density polyethylene (LLDPE), produced first product in January 2019 and reached beneficial operation on 13 February, approximately two months behind schedule. Utilities to support the early process units were fully operational by end November 2018. These utilities together with LLDPE comprised ~40% of the LCCP existing total cost. During the last quarter of CY2018, several factors within and beyond our control impacted the completion schedule and associated cost for the remaining units resulting in the overall project capital cost estimate being revised from US\$11,13 billion to a range of US\$11,6 - 11,8 billion. The difference between the upper end and lower end of the range represents a contingency and weather provision of US\$200 million.

5 In Mozambique, the PSA Phase 1, Tranche 1 activities have been completed. In total, 9 wells were drilled comprising of 7 oil wells and 2 gas wells. The Inhassoro oil reservoirs have proved more complex than expected and, with the reduced expectation of recoverable volumes as well as remaining uncertainty coupled with a lower-for-longer forecast on oil price, we are looking to minimise upfront capital investment and maximise the use of existing processing facilities in the adjacent Petroleum Production Agreement (PPA) facilities. Phase 1 gas results confirm gas resources cover for Central Térmica de Temane (CTT), formerly Mozambique Gas to Power Project (MGtP). A PSA Phase 1 project re-sanction decision is planned for the last quarter of CY2019 and a Field Development Plan amendment is expected to be submitted by December 2019.

6 The project was approved in February 2017 and is expected to reach BO in April 2019. Construction is currently 95% complete. We expect our end of job cost to be lower than our Board approval due to efficiencies gained during project execution.

7 In order to manage the Canadian Montney shale gas assets through the low gas price environment, the partnership agreed to slow down the pace of the appraisal and development and significantly reduce activities with a reduction in drilling. During November 2017, the Sasol Limited Board approved the commencement of the disposal process for these assets.

8 Approved exploration cost for E&PI (exploration drilling). Includes Mozambique licenses awarded for offshore Block A5-A and onshore Block PT5-C.

\* Only reflects Sasol's portion.

### Framework for inclusion of projects in this report:

(a) Only projects that have been approved by the Sasol Limited Board (wholly or largely in part) are included.

(b) All projects with an estimated end of job cost exceeding R1 billion approved are included (or the equivalent thereof when in foreign currency).

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>9 Equity accounted investments</b>			
<b>Amounts recognised in the statement of financial position:</b>			
Investments in joint ventures and associates	10 961	9 679	10 991

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>Amounts recognised in the income statement:</b>			
Share of profits of equity accounted investments, net of tax	876	766	1 443
share of profits	861	765	1 454
remeasurement items	15	1	(11)
<b>Amounts recognised in the statement of cash flows:</b>			
Dividends received from equity accounted investments	1 423	1 052	1 702

At 31 December, the group's interest in equity accounted investments and the total carrying values were:

Name	Country of incorporation	Nature of activities	Half year		Half year 2018 Rm	Full year 2018 Rm
			Interest %	2019 Rm		
<b>Joint ventures</b>						
ORYX GTL Limited	Qatar	GTL plant	49	8 227	7 227	8 179
Sasol Huntsman GmbH & Co KG	Germany	Manufacturing of chemical products	50	864	911	893
Sasol Dyno Nobel (Pty) Ltd	South Africa	Manufacturing and distribution of explosives	50	267	263	271
Sasol Chevron Holdings Limited	Bermuda	Marketing of Escravos GTL products	50	308	301	311
<b>Associates</b>						
Escravos GTL (EGTL)*	Nigeria	GTL plant	10	970	680	1 027
<b>Other equity accounted investments</b>						
			Various	325	297	310
<b>Carrying value of investments</b>				<b>10 961</b>	9 679	10 991

\* Although the group holds less than 20% of the voting power of EGTL, the group has significant influence with regards to the management and technical support to the plant.

## Equity accounted investments continued

### Summarised financial information for the group's material equity accounted investments

In accordance with the group's accounting policy, the results of joint ventures and associates are equity accounted. The information provided below represents the group's material joint venture. The financial information presented includes the summarised financial position and results of the joint venture and includes intercompany transactions and balances.

	Joint venture		
	ORYX GTL Limited		
	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>Summarised statement of financial position</b>			
Non-current assets	12 350	11 440	12 202
Current assets	7 173	5 264	6 640
<b>Total assets</b>	<b>19 523</b>	<b>16 704</b>	<b>18 842</b>
Other non-current liabilities	375	328	360
Deferred tax liability	–	20	9
Other current liabilities	1 357	1 178	1 036
Tax payable*	1 002	268	436
<b>Total liabilities</b>	<b>2 734</b>	<b>1 794</b>	<b>1 841</b>
<b>Net assets</b>	<b>16 789</b>	<b>14 910</b>	<b>17 001</b>
<b>Summarised income statement</b>			
Turnover	6 548	4 998	10 159
Depreciation and amortisation	(734)	(630)	(1 190)
Other operating expenses	(2 799)	(2 946)	(5 313)
Operating profit before interest and tax	3 015	1 422	3 656
Finance income	21	5	11
Finance costs	(1)	–	(1)
Earnings before tax	3 035	1 427	3 666
Taxation*	(531)	(245)	(628)
<b>Earnings and total comprehensive income for the period</b>	<b>2 504</b>	<b>1 182</b>	<b>3 038</b>
<b>The group's share of profits of equity accounted investment</b>	<b>956</b>	<b>454</b>	<b>1 168</b>
49% share of earnings before tax	1 487	699	1 796
Taxation*	(531)	(245)	(628)
<b>Reconciliation of summarised financial information</b>			
Net assets at the beginning of the period	17 001	15 334	15 334
Earnings before tax for the period	3 035	1 427	3 666
Taxation*	(531)	(245)	(628)
Foreign exchange differences	823	(796)	839
Dividends paid	(3 539)	(810)	(2 210)
<b>Net assets at the end of the period</b>	<b>16 789</b>	<b>14 910</b>	<b>17 001</b>
Adjustment for distribution to shareholder	–	(161)	(309)
<b>Adjusted net assets at the end of the period</b>	<b>16 789</b>	<b>14 749</b>	<b>16 692</b>
<b>Carrying value of equity accounted investment</b>	<b>8 227</b>	<b>7 227</b>	<b>8 179</b>

\* With effect from 29 April 2017 as a result of change in tax regulations, tax is levied only on Sasol's share of profits.

The year-end for ORYX GTL Limited is 31 December.

The carrying value of the investment represents the group's interest in the adjusted net assets thereof.

## Interest in joint operations

The information provided is Sasol's share of joint operations (excluding unincorporated joint operations) and includes intercompany transactions and balances.

	Sasol Canada Rm	Natref Rm	Other* Rm	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>Statement of financial position</b>						
External non-current assets	3 187	3 251	6 532	<b>12 970</b>	12 864	13 055
External current assets	338	264	1 230	<b>1 832</b>	2 002	1 503
Intercompany current assets	2	31	81	<b>114</b>	249	1 146
<b>Total assets</b>	<b>3 527</b>	<b>3 546</b>	<b>7 843</b>	<b>14 916</b>	15 115	15 704
Shareholders' equity	2 548	211	2 418	<b>5 177</b>	5 847	5 389
Long-term liabilities	827	2 845	4 170	<b>7 842</b>	5 835	7 710
Interest-bearing current liabilities	–	296	550	<b>846</b>	1 322	1 408
Non-interest-bearing current liabilities	152	152	254	<b>558</b>	517	771
Intercompany current liabilities	–	42	451	<b>493</b>	1 594	426
<b>Total equity and liabilities</b>	<b>3 527</b>	<b>3 546</b>	<b>7 843</b>	<b>14 916</b>	15 115	15 704
<b>Income statement</b>						
<b>Turnover</b>	131	1 060	916	<b>2 107</b>	1 837	3 660
<b>EBIT</b>	(366)	231	22	<b>(113)</b>	(2 983)	(3 089)
Net finance costs	(7)	(107)	(195)	<b>(309)</b>	(205)	(438)
<b>Earnings/(loss) before tax</b>	(373)	124	(173)	<b>(422)</b>	(3 188)	(3 527)
Taxation	–	(40)	14	<b>(26)</b>	25	(49)
<b>Attributable earnings/(loss)</b>	<b>(373)</b>	<b>84</b>	<b>(159)</b>	<b>(448)</b>	(3 163)	(3 576)

\* Includes our high-density polyethylene (HDPE) plant in North America, Central Térmica de Ressano García (CTRG) and Sasol Wilmar Alcohol Industries (Lianyungang) Co Ltd.

## Working capital

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>10 Inventories<sup>1</sup></b>	<b>31 203</b>	28 903	29 364

<sup>1</sup> Increase is mainly due to higher crude oil prices which impacted the valuation of inventory. Our average inventory days decreased by 15 days compared to 30 June 2018.

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>11 Trade and other receivables<sup>2</sup></b>			
Trade receivables*	26 032	23 675	25 898
Other receivables**	4 483	9 321	7 133
	<b>30 515</b>	32 996	33 031

<sup>2</sup> Decrease in other receivables is largely due to refunds received from the South African Revenue Services of R3 billion.

\* Trade receivables includes value added tax, duties recoverable from customers, impairment of trade receivables and related party receivables.

\*\* Other receivables include short-term portion of long-term receivables, receivables related to exploration activities, prepaid expenses, tax receivable and employee-related receivables.

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>12 Trade and other payables<sup>3</sup></b>			
Trade payables*	20 681	17 456	21 182
Capital project related payables	8 879	8 664	9 780
Other payables <sup>3**</sup>	4 689	3 448	6 188
	<b>34 249</b>	29 568	37 150

<sup>3</sup> Decrease compared to 30 June 2018 is mainly attributable to lower project related payables in the US.

\* Trade payables includes accrued expenses, value added tax, duties payable to revenue authorities and related party payables.

\*\* Other payables includes employee-related payables.

## Cash management

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>13 Cash and cash equivalents</b>			
Cash restricted for use*	1 254	1 950	1 408
Cash held by joint operations	397	88	572
Cash	14 225	14 455	15 148
<b>Cash and cash equivalents</b>	<b>15 876</b>	16 493	17 128
Bank overdraft	(106)	(166)	(89)
Per the statement of cash flows	15 770	16 327	17 039
<b>Cash by currency</b>			
Rand	2 874	5 077	3 982
Euro	672	1 337	2 855
US Dollar	11 026	8 338	9 040
Other currencies	1 198	1 575	1 162
	15 770	16 327	17 039

\*Includes cash held for the rehabilitation of various sites, decommissioning of pipelines as well as cash deposits serving as collateral for bank guarantees.

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>14 Cash generated by operating activities</b>			
Earnings before interest and tax (EBIT)	20 791	11 786	17 747
Adjusted for			
share of profits of equity accounted investments	(876)	(766)	(1 443)
equity-settled share-based payment expense	803	453	3 776
depreciation and amortisation	8 392	8 301	16 425
effect of remeasurement items	(599)	4 244	9 901
movement in long-term provisions			
income statement charge	(449)	17	(596)
utilisation	(920)	(247)	(729)
movement in short-term provisions	1 087	1 086	25
movement in post-retirement benefits	283	178	(561)
translation effects	58	629	(121)
write-down of inventories to net realisable value	398	81	234
movement in financial assets and liabilities	(1 656)	(2 395)	2 415
movement in other receivables and payables	(1 127)	(2 890)	(244)
movement in working capital	(2 104)	(6 105)	(3 761)
increase in inventories	(1 800)	(4 132)	(3 413)
decrease/(increase) in trade receivables	200	(1 309)	(2 789)
(decrease)/increase in trade payables	(504)	(664)	2 441
other non-cash movements	687	(362)	(191)
	24 768	14 010	42 877

## Provisions and reserves

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>15 Long-term provisions</b>			
<b>Comprising</b>			
Environmental	15 856	15 811	14 933
Share-based payments	532	859	1 101
Other	1 020	2 227	1 693
<b>Total long-term provisions</b>	<b>17 408</b>	18 897	17 727
Short-term portion	(1 787)	(2 172)	(2 567)
	<b>15 621</b>	16 725	15 160
<b>Analysis of long-term provisions</b>			
Balance at beginning of period	17 727	18 779	18 779
Capitalised in property, plant and equipment and assets under construction	313	593	350
Reduction in rehabilitation provision capitalised	(31)	(212)	(1 433)
Per the income statement*	(449)	17	(596)
additional provisions and changes to existing provisions	(451)	226	401
reversal of unutilised amounts	(229)	(15)	(194)
effect of change in discount rate	231	(194)	(803)
Notional interest	434	402	962
Utilised during year (cash flow)	(920)	(247)	(729)
Translation of foreign operations and foreign exchange differences	334	(435)	394
	<b>17 408</b>	18 897	17 727

\* The impact on the income statement in the current period relates to a decrease in the share appreciation rights provision (SARS) as a result of a lower closing share price as compared to 30 June 2018.

	Half year 2019 Rm	Half year 2018 Rm	Full year 2018 Rm
<b>16 Share-based payments</b>			
During the period, the following share-based payment expenses were recognised in the income statement relating to cash-settled and equity-settled arrangements:			
<b>Cash-settled - recognised in long-term provisions</b>			
Sasol Share Appreciation Rights Scheme	(224)	137	655
Share Appreciation Rights with no corporate performance targets (CPTs)	(2)	69	117
Share Appreciation Rights with corporate performance targets (CPTs)	(222)	68	538
<b>Equity-settled - recognised directly in equity</b>			
Sasol Share Incentive Scheme	803	453	3 776
Sasol Inzalo share transaction	–	19	34
Sasol Khanyisa share transaction	476	–	2 953
Long-term incentives	327	434	789
	<b>579</b>	590	4 431

Sasol's share price decreased by 15% (31 December 2017 – 17% increase; 30 June 2018 – 37% increase) over the past six months to a closing price of R425,00 (31 December 2017 – R428,18; 30 June 2018 – R502,86). This has resulted in a lower charge of R579 million (31 December 2017 – R590 million; 30 June 2018 – R4 431 million) being recognised in the current period.

## Financial instruments

In the normal course of business, the group enters into various derivative transactions to mitigate our exposure to the rand/US dollar exchange rate, oil price, the price of ethane and coal price. Derivative financial instruments are entered into over foreign exchange, interest rate and commodity exposures. Derivative instruments used by the group in hedging activities include swaps, options, forwards and other similar types of instruments based on foreign exchange rates, interest rates and the prices of commodities.

<b>Income statement impact</b>	<b>Half year 2019 Rm</b>	Half year 2018 Rm	Full year 2018 Rm
<b>Financial instruments</b>			
Net gain/(loss) on derivative instruments			
Foreign exchange contract (losses)/gains	<b>(660)</b>	66	121
Revaluation of put option crude oil derivatives	<b>1 525</b>	(2 502)	(3 303)
Revaluation of zero-cost collar foreign exchange derivatives	<b>(599)</b>	3 901	936
Revaluation of coal swaps	<b>91</b>	(777)	(1 024)
Revaluation of ethane swaps	<b>50</b>	(14)	29
Crude oil futures	<b>510</b>	(371)	(687)
Interest rate swaps in respect of US debt	<b>57</b>	16	52
Other derivatives	<b>52</b>	–	–
	<b>1 026</b>	319	(3 876)

<b>Statement of financial position impact</b>	<b>Half year 2019 Rm</b>	Half year 2018 Rm	Full year 2018 Rm
<b>Financial instruments</b>			
<b>Derivative financial assets</b>			
Foreign exchange contracts	<b>80</b>	98	42
Crude oil options	<b>2 048</b>	461	482
Zero-cost collar	<b>268</b>	4 365	979
Ethane swaps	<b>33</b>	–	33
Crude oil futures	<b>173</b>	10	–
Interest rate swap in respect of US debt	<b>–</b>	–	291
	<b>2 602</b>	4 934	1 827
<b>Derivative financial liabilities</b>			
Foreign exchange contracts	<b>(251)</b>	(133)	(45)
Zero-cost collar	<b>(952)</b>	–	(1 317)
Coal swaps	<b>–</b>	(484)	(414)
Ethane swaps	<b>(8)</b>	(13)	–
Crude oil futures	<b>(17)</b>	(97)	(91)
Interest rate swap in respect of US debt	<b>(222)</b>	(692)	(45)
Other derivatives	<b>(32)</b>	–	–
	<b>(1 482)</b>	(1 419)	(1 912)
<b>Non-derivative financial liabilities</b>			
Financial guarantees	<b>(215)</b>	(4)	(147)
	<b>(1 697)</b>	(1 423)	(2 059)



## Financial instruments continued

In addition to foreign exchange contracts utilised in normal operating activities, the following derivatives were entered into to mitigate the risks associated with the crude oil price, the rand/US dollar exchange rate, ethane price and the coal price.

		Half year 2019	Half year 2018	Full year 2018
<b>Brent crude oil - Put options</b>				
Premium paid on open and settled positions	US\$m	131	188	207
Number of barrels	million	48	75	98
Open positions	million	24	50	48
Settled	million	24	25	50
Average Brent crude oil price floor of open positions, net of costs	US\$/bbl	55,20	49,20	53,36
Realised losses recognised in the income statement	Rm	(890)	(658)	(1 605)
Unrealised gains/(losses) recognised in the income statement	Rm	2 415	(1 844)	(1 698)
Amount included in the statement of financial position	Rm	2 048	461	482
<b>Rand/US dollar currency - Zero-cost collar instruments</b>				
US\$ exposure - open positions	US\$bn	2,60	4,10	4,00
Annual average floor	R/US\$	13,26	13,73	13,14
Annual average cap	R/US\$	15,46	15,84	15,14
Realised (losses)/gains recognised in the income statement	Rm	(273)	756	2 772
Unrealised (losses)/gains recognised in the income statement	Rm	(326)	3 145	(1 836)
Amount included in the statement of financial position	Rm	(684)	4 365	(338)
<b>Export coal - Swaps</b>				
Number of tons	million	1,40	4,20	4,20
Open positions	million	–	2,80	1,40
Settled	million	1,40	1,40	2,80
Average coal swap price on open positions	US\$/ton	–	78,59	81,82
Realised losses recognised in the income statement	Rm	(337)	(233)	(618)
Unrealised gains/(losses) recognised in the income statement	Rm	428	(544)	(406)
Amount included in the statement of financial position	Rm	–	(484)	(414)
<b>Ethane purchases - Ethane swap</b>				
Number of barrels	million	8,20	0,90	5,80
Open positions	million	7,50	0,90	3,50
Settled	million	0,70	–	2,30
Average ethane swap price on open positions	US\$ c/gal	30	28	27
Realised gains/(losses) recognised in the income statement	Rm	59	–	(1)
Unrealised (losses)/gains recognised in the income statement	Rm	(9)	(14)	30
Amount included in the statement of financial position	Rm	25	(13)	33

# Business performance metrics

for the period ended 31 December

		% change 2019 vs 2018	Half year 2019	Half year 2018	Full year 2018
<b>Sasol Group</b>					
<b>Cash cost</b>					
Cash fixed cost	Rm	(10)	27 629	25 053	50 403
Variable cost	Rm	(28)	48 743	38 110	81 426
<b>Total cash cost</b>	Rm	(21)	<b>76 372</b>	63 163	131 829
<b>Capital cash flow<sup>1</sup></b>	Rm	(10)	<b>30 433</b>	27 734	53 384
<b>Capital expenditure<sup>1</sup></b>	Rm	7	<b>29 125</b>	31 323	59 935
<b>Variance analysis on earnings before interest and tax</b>	%		<b>76,4</b>		
Impact of exchange rates	%		29,6		
Impact of crude oil and product prices	%		42,8		
Once-off and period end adjustments <sup>2</sup>	%		45,3		
Cost and other <sup>3</sup>	%		(18,4)		
Lower sales volumes	%		(22,9)		
<b>Variance analysis on total cash fixed costs</b>	%		<b>(10,3)</b>		
Growth and once-off costs	%		(4,6)		
Growth cost (mainly US growth)	%		(5,1)		
Business establishment cost <sup>5</sup>	%		0,5		
Cost, volume and macro impact	%		(5,7)		
Inflation <sup>4</sup>	%		(6,0)		
Impact of exchange rates	%		(1,4)		
Other net savings <sup>6</sup>	%		1,7		
<b>Variance analysis on variable costs</b>	%		<b>(27,9)</b>		
Higher crude oil and feedstock prices	%		(16,1)		
Higher crude oil purchases for Natref refinery	%		(7,0)		
Growth cost (US HDPE)	%		(0,8)		
Lower volumes from production interruptions and stock effects	%		5,2		
Inflation <sup>4</sup>	%		(6,0)		
Impact of exchange rates	%		(3,2)		
<b>Reconciliation of employee numbers</b>					
Employees at 30 June 2018	number		31 270		
Business growth	number		136		
Hired labour conversion to permanent employees	number		123		
Vacancies not filled	number		(99)		
<b>Employees at 31 December 2018</b>	number		<b>31 430</b>		

<sup>1</sup> R16,0 billion (USD1,1bn) of the half year 2019 capital expenditure relates to the LCCP, including the associated capital project related payables.

<sup>2</sup> Half year 2019 includes partial reversal of impairment of our South African Chlor Vinyls cash generating unit (R0,9 bn) compared to the prior year partial impairment of our Canada Shale gas assets (R2,8bn) and scrapping of US GTL assets (R1,1bn).

<sup>3</sup> Includes cost inflation (R1,5 billion) and US and other growth costs (R1,0bn) partly offset by lower electricity consumption after start-up of Oxygen Train 17 at Synfuels (R0,4bn) and lower professional fees (R0,1bn).

<sup>4</sup> The South African producer price index release in January 2019 was 5,2%. Sasol target cost inflation remains at 6,0%.

<sup>5</sup> Lower electricity consumption following the start-up of Oxygen Train 17 (R263m), partly offset by higher study cost of R148m (LCCP - R70m, Clean fuels - R22m and new business development studies at PC - R25m)

<sup>6</sup> Includes early savings realised as a result of Continuous Improvement & Digitisation efforts as well as tight management control over cost activities during the first half of FY19

## Abbreviations

Rm - Rand millions

		% change	Half year	Half year	Full year
		2019 vs 2018	2019	2018	2018
<b>Mining</b>					
Internal sales	mm tons	(9)	<b>18,5</b>	20,3	40,2
External sales - international and other domestic	mm tons	(6)	<b>1,6</b>	1,7	3,2
Saleable production	mm tons	(3)	<b>18,3</b>	18,9	37,2
External purchases	mm tons	-	<b>2,6</b>	2,6	6,7
<b>Cash cost<sup>1</sup></b>					
Cash fixed cost <sup>2</sup>	Rm	(8)	<b>3 409</b>	3 159	6 326
Variable cost	Rm	7	<b>2 857</b>	3 085	6 604
<b>Total cash cost</b>	Rm	-	<b>6 266</b>	6 244	12 930
<b>Cost per unit</b>					
Total cost per sales ton (excluding unrealised profit in inventory)	R/ton	(12)	<b>364</b>	326	338
Normalised Mining unit cost per production ton <sup>3,4</sup>	R/ton	(5)	<b>299</b>	284	284
<b>Effective tax rate</b>	%		<b>28</b>	28	28
<b>Variance analysis on total costs per sales ton</b>					
Cost, volume and macro impact	%		<b>(11,7)</b>		
Inflation	%		<b>(5,2)</b>		
Effect of stock build	%		<b>4,4</b>		
Lower sales volumes <sup>5</sup>	%		<b>(9,0)</b>		
Khanyisa BBBEE share-based payment <sup>6</sup>	%		<b>(1,9)</b>		

1 Includes intersegment.

2 The increase is mainly related to above inflation labour increases per the negotiated multi-year wage agreement and higher transport cost driven by fuel cost increases.

3 Own mining production cost to produce one ton of coal. Excludes external coal purchases, cost of the beneficiation plant, the marketing and distribution costs of the export business and group allocated costs. The unit cost has been normalised for the impact of fatalities, security incidents, the SSO extended shutdown which resulted in lower sales volumes of 9% and the Business Improvement Programme consultant costs.

4 Normalised unit cost of production increased in line with inflation.

5 Sales volumes reduced by 9% due to lower internal customer demand.

6 Share-based payment charge on the implementation of the Khanyisa BBBEE transaction in June 2018.

Detailed production summary and key business performance metrics for half year 2019 are available on our website, [www.sasol.com](http://www.sasol.com).

#### Abbreviations

mm tons	-	million tons
Rm	-	Rand millions
R/ton	-	Rand per ton

		% change 2019 vs 2018	Half year 2019	Half year 2018	Full year 2018
<b>Exploration and Production International</b>					
<b>Internal sales</b>					
Natural gas	bscf	(1)	51,4	51,7	101,1
<b>External sales</b>					
Natural gas	bscf	(9)	16,2	17,8	34,0
Crude oil and condensate	m bbl	14	793	694	1 461
<b>Depreciation and amortisation</b>					
	Rm	(12)	773	881	1 465
Canada	Rm		400	524	895
Mozambique	Rm		268	279	466
Other	Rm		105	78	104
<b>Cash fixed cost<sup>1</sup></b>	Rm	(19)	1 042	874	1 810
<b>Remeasurement items</b>					
	Rm	(>100)	7	(2 835)	(4 241)
Impairment of non current assets <sup>2</sup>	Rm		-	(2 754)	(3 893)
Loss in exiting exploration licences	Rm		-	(51)	12
Other remeasurement items	Rm		7	(30)	(360)
<b>Exploration cost<sup>3</sup></b>	Rm	(3)	79	77	92
<b>Production</b>					
Natural gas	bscf		67,6	69,5	135,1
Crude oil and condensate	m bbl		769	762	1 469
<b>Proved developed reserves</b>					
<b>Crude oil and condensate</b>					
Canada	mm bbl				0,3
Mozambique	mm bbl				2,4
Other	mm bbl				1,8
<b>Natural gas</b>					
Canada	bscf				63,2
Mozambique	bscf				821,1
<b>Effective tax rate<sup>4</sup></b>	%		52	(9)	(12)
<b>Capital commitments</b>					
	Rm	(14)	20 160	17 643	18 811
Canada	Rm		233	97	70
Mozambique <sup>5</sup>	Rm		19 368	17 383	18 645
Gabon and other <sup>6</sup>	Rm		559	163	96
<b>Capital cash flow</b>					
	Rm	49	618	1 218	2 525
Canada	Rm		29	75	106
Mozambique	Rm		327	1 109	2 194
Other	Rm		262	34	225
<b>Variance analysis on cash fixed cost</b>					
			(19,2)		
Growth and once-off costs	%		(0,8)		
Business establishment cost	%		1,6		
Higher professional fees	%		(2,4)		
Cost and macro impact	%		(18,4)		
Inflation	%		(3,7)		
Impact of exchange rates	%		(5,4)		
Take-or-pay contract in Canada <sup>7</sup>	%		(7,7)		
Other net costs	%		(1,6)		

1 Includes intersegment.

2 HY18 includes the partial impairment of our shale gas assets in Canada (R2,8 billion) due to further decline in gas prices and FY18 further includes the partial impairment of the Mozambique PSA (R1,1 billion) largely driven by weaker macro environment and lower than expected oil volumes.

3 Exploration costs mainly consists of geological and geophysical (G&G) costs incurred in developing the E&PI upstream portfolio.

4 The effective tax rate for Mozambique was 34%, Gabon 45% and Canada nil% (due to assessed losses carried forward). This resulted in a consolidated effective tax rate of 52%.

5 Forecasted capital expenditure of R564 million for FY19, R1 714 million for FY20 and R17 090 million thereafter. The PSA project concept review is underway and the capital expenditure has been rephased to reflect the current preferred concept.

6 Cost incurred in the current period relates mainly to the long-term extension of the Gabon Production Sharing Contract.

7 Cost associated with take or pay contract on gas pipeline with external parties.

Detailed production summary and key business performance metrics for half year 2019 are available on our website, [www.sasol.com](http://www.sasol.com).

#### Abbreviations

bscf	-	billion standard cubic feet
m bbl	-	thousand barrels
mm bbl	-	million barrels
Rm	-	Rand millions

		% change 2019 vs 2018	Half year 2019	Half year 2018	Full year 2018
<b>Performance Chemicals*</b>					
<b>External sales</b>	Rm	9	<b>34 349</b>	31 504	64 016
<b>Sales volumes</b>	kt	(3)	<b>1 323</b>	1 365	2 760
<b>External purchases</b>					
Natural gas**	bscf	(31)	<b>2,8</b>	4,1	7,5
<b>Internal purchases</b>					
Coal (Mining)	mm tons	(9)	<b>1,4</b>	1,6	3,3
Natural gas (E&PI) (Sasol's 70% share)	bscf	(31)	<b>6,5</b>	9,5	17,6
<b>International operations feedstock cost</b>	R/ton	(5)	<b>9 760</b>	9 320	10 222
<b>Cash cost<sup>1</sup></b>					
Cash fixed cost	Rm	(11)	<b>7 204</b>	6 476	12 974
Variable cost	Rm	(10)	<b>22 277</b>	20 198	41 696
<b>Total cash cost</b>	Rm	(11)	<b>29 481</b>	26 674	54 670
<b>Earnings before interest and tax (EBIT)</b>	Rm		<b>3 599</b>	3 889	7 853
<b>EBIT margin</b>	%		<b>10</b>	12	12
<b>Effective tax rate</b>	%		<b>28</b>	(1)	11
<b>Variance analysis on cash fixed cost</b>	%		<b>(11,2)</b>		
Growth and once-off costs	%		<b>(4,8)</b>		
Growth costs (LCCP and market expansion in Eurasia)	%		<b>(3,2)</b>		
Business establishment cost	%		<b>(1,6)</b>		
Cost and macro impact	%		<b>(6,4)</b>		
Inflation	%		<b>(3,4)</b>		
Impact of exchange rates	%		<b>(3,4)</b>		
Decrease in cost allocations from SSO - volume related	%		<b>0,3</b>		
Other net savings	%		<b>0,1</b>		
<b>Variance analysis on variable cost</b>	%		<b>(10,3)</b>		
Higher feedstock prices	%		<b>(7,6)</b>		
Lower volumes due to production interruptions	%		<b>5,3</b>		
Impact of exchange rates	%		<b>(3,9)</b>		
Inflation	%		<b>(3,4)</b>		
Other net costs	%		<b>(0,7)</b>		

<sup>1</sup> Includes intersegment.

\* Includes Performance Chemicals' share of the regional operating hubs.

\*\* Reflects natural gas purchases from the 30% JV partners in Mozambique.

The financial results have been restated for the transfer of the Phenolics, Ammonia and Specialty Gases business from Performance Chemicals to Base Chemicals. Management of the Ammonia and Specialty Gases is housed in the Energy Strategic Business Unit.

Detailed production summary and key business performance metrics for half year 2019 are available on our website, [www.sasol.com](http://www.sasol.com).

#### Abbreviations

mm tons	-	million tons
bscf	-	billion standard cubic feet
kt	-	thousand tons
Rm	-	Rand millions
R/ton	-	Rand per ton

		% change	Half year	Half year	Full year
		2019 vs 2018	2019	2018	2018
<b>Base Chemicals*</b>					
<b>Sales volumes</b>	kt	(11)	<b>1 799</b>	2 013	3 859
<b>Base Chemicals sales basket price<sup>1</sup></b>	\$/ton	10	<b>861</b>	785	851
<b>External purchases</b>					
Natural gas**	bscf	(1)	<b>6,5</b>	6,6	12,8
<b>Internal purchases</b>					
Coal (Mining)	mm tons	(15)	<b>6,2</b>	7,3	14,3
Natural gas (E&PI) (Sasol's 70% share)	bscf	(1)	<b>15,3</b>	15,4	29,8
<b>Cash cost<sup>2</sup></b>					
Cash fixed cost	Rm	(14)	<b>8 817</b>	7 756	15 631
Variable cost	Rm	(10)	<b>9 897</b>	9 038	18 204
<b>Total cash cost</b>	Rm	(11)	<b>18 714</b>	16 794	33 835
<b>Earnings before interest and tax (EBIT)</b>	Rm		<b>3 076</b>	2 541	918
<b>EBIT margin</b>	%		<b>13</b>	12	2
<b>Effective tax rate</b>	%		<b>13</b>	13	90
<b>Variance analysis on cash fixed cost</b>					
			<b>(13,7)</b>		
Growth and once-off costs	%		<b>(13,1)</b>		
Growth costs (LCCP and US HDPE plant)	%		<b>(13,8)</b>		
Business establishment cost <sup>3</sup>	%		<b>0,7</b>		
Cost and macro impact	%		<b>(0,6)</b>		
Inflation	%		<b>(5,0)</b>		
Impact of exchange rates	%		<b>(0,4)</b>		
Decrease in cost allocations from SSO - volume related	%		<b>2,7</b>		
Other net savings <sup>4</sup>	%		<b>2,1</b>		
<b>Variance analysis on variable cost</b>					
			<b>(9,5)</b>		
Growth costs (HDPE plant)	%		<b>(3,2)</b>		
Higher feedstock prices	%		<b>(7,9)</b>		
Lower volumes due to production interruptions	%		<b>10,2</b>		
Impact of exchange rates	%		<b>(2,1)</b>		
Inflation	%		<b>(5,0)</b>		
Lower volumes and other net savings	%		<b>(1,5)</b>		

<sup>1</sup> Our US dollar basket sales price at US\$861/ton increased by 10% following an increase in crude oil prices. Our value enhancing HDPE investment has supported the overall Base Chemicals basket price improvement, with our foundation business basket price reflecting a 5% growth y-o-y, and the US business showing a 95% price improvement following the shift in sales from merchant Ethylene to HDPE.

<sup>2</sup> Includes intersegment.

<sup>3</sup> Includes lower electricity cost due to lower consumption after start-up of Oxygen Train 17 of RO,1bn.

<sup>4</sup> Includes lower cost associated with production interruptions and benefits from digital initiatives.

\* Includes Base Chemicals' share of the regional operating hubs.

\*\* Reflects natural gas purchases from the 30% JV partners in Mozambique.

The financial results have been restated for the transfer of the Phenolics, Ammonia and Specialty Gases business from Performance Chemicals to Base Chemicals. Management of the Ammonia and Specialty Gases is housed in the Energy Strategic Business Unit.

Detailed production summary and key business performance metrics for half year 2019 are available on our website, [www.sasol.com](http://www.sasol.com).

#### Abbreviations

mm tons	-	million tons
bscf	-	billion standard cubic feet
kt	-	thousand tons
Rm	-	Rand millions
\$/ton	-	US Dollar per ton

		% change 2019 vs 2018	Half year 2019	Half year 2018	Full year 2018
<b>Energy*</b>					
<b>Southern Africa sales</b>					
Liquid fuels <sup>1</sup>	mm bbl	4	29,7	28,6	58,7
Natural and methane rich gas <sup>2</sup>	bscf	4	28,7	27,6	55,3
<b>Internal purchases</b>					
Coal (Mining)	mm tons	(4)	10,9	11,4	22,6
Natural gas (E&PI) (Sasol's 70% share)	bscf	10	29,6	26,8	53,7
<b>External purchases</b>					
White product <sup>3</sup>	mm bbl	51	2,6	5,3	8,5
Natural gas**	bscf	(10)	12,7	11,5	23,0
<b>Cash cost<sup>4</sup></b>					
Cash fixed cost	Rm	(7)	7 146	6 695	13 434
Variable cost	Rm	(51)	25 118	16 581	37 058
<b>Total cash cost</b>	Rm	(39)	32 264	23 276	50 492
<b>Synfuels refined product (white product)<sup>5</sup></b>	mm bbl	(7)	14,8	15,9	31,5
<b>Natref production<sup>6</sup></b>	mm bbl	43	11,0	7,7	18,0
<b>ORYX GTL production<sup>7</sup></b>	mm bbl	1	2,91	2,89	5,53
<b>Escravos GTL (EGTL) production<sup>8</sup></b>	mm bbl	(25)	0,24	0,32	0,65
<b>Electricity production<sup>9</sup></b>					
Total SA Operations average annual requirement	MW		1 538	1 619	1 612
Own capacity	%		72	69	68
Own production	%		52	49	48
<b>Retail convenience centres (RCCs)<sup>10</sup></b>	number		400	394	399
<b>Earnings before interest and tax</b>	Rm		9 565	5 748	14 081
<b>EBIT margin</b>	%		22	21	20
<b>Effective tax rate<sup>11</sup></b>	%		15	31	24
<b>Variance analysis on cash fixed cost</b>	%		(6,7)		
Growth and once-off costs	%		1,9		
Business establishment cost <sup>12</sup>	%		1,9		
Cost and macro impact	%		(8,6)		
Inflation	%		(5,5)		
Increase in cost allocations from SSO - volume related	%		(3,5)		
Other net savings <sup>13</sup>	%		0,4		
<b>Variance analysis on variable cost</b>	%		(51,4)		
Higher crude and feedstock prices	%		(26,1)		
Higher crude oil purchases for Natref refinery	%		(18,2)		
Lower external purchases	%		12,4		
Stock effects	%		(8,0)		
Inflation	%		(2,6)		
Impact of exchange rates	%		(4,9)		
Impact of Oxygen train 17 and other	%		(4,0)		

- 1 Liquid fuels sales increased by 4% due to higher wholesale and commercial sales on the back of higher Natref production. The higher sales to wholesale and commercial resulted in lower margins relative to the retail channel which was impacted by poor market conditions in South Africa. We are on track to achieve our previous market guidance sales volumes of approximately 57 - 58 million barrels.
- 2 Natural gas and Methane rich gas sales volumes for the first half increased by 5% and 2% respectively, due to higher market demand.
- 3 External purchases decreased during the first half of FY19 as a result of the strong performance from Natref and SSO post the shutdown.
- 4 Includes intersegment.
- 5 SSO improved its throughput by 18% compared to Q1 FY19 and achieved run-rates comparable to Q4 FY18. Total SSO production increased by 20% compared to Q1 FY19 which supports a normalised annual run-rate of 7,8 mt per annum. The impact of the extended total West factory shutdown, as reported previously, resulted in a 6% decrease compared to the previous half year.
- 6 Natref continued with its improved performance and achieved a production run rate of 641m<sup>3</sup>/h for the first half of FY19. We expect the production run rate to remain above 600m<sup>3</sup>/h for the remainder of the year.
- 7 ORYX GTL production volumes were strong. During December 2018, a leak was discovered in the waste heat boiler of one of the reformer reactors. We expect to have an extended shutdown whilst the leak is being repaired. We anticipate an average utilisation rate of 90% for the full year.
- 8 EGTL production was impacted by an unplanned shutdown. Maintenance activities have since been completed and the plant is back in production.
- 9 Lower electricity demand after start-up of Oxygen Train 17.
- 10 During the period we opened four new Retail Convenience Centres (RCCs) and divested from three sites as part of our original strategic site divestment program. We continue to target 15 new RCCs for the financial year.
- 11 Lower effective tax rate due to the reversal of the tax provision relating to the SISL/SOIL matter.
- 12 Lower electricity cost due to lower consumption after start-up of Oxygen Train 17 of RO,2bn.
- 13 Lower cost associated with production interruptions.
- \* Includes Energy's share of the regional operating hubs.
- \*\* Reflects natural gas purchases from the 30% JV partners in Mozambique.

#### Abbreviations

bscf	-	billion standard cubic feet
mm bbl	-	million barrels
mm tons	-	million tons
MW	-	Megawatt
Rm	-	Rand millions

		% change 2019 vs 2018	Half year 2019	Half year 2018	Full year 2018
<b>Production mass balancing</b>					
<b>Production - Secunda Synfuels Operations<sup>1</sup></b>					
	kt	(6)	<b>3 614</b>	3 856	7 587
Refined product	kt		<b>1 745</b>	1 873	3 696
Heating fuels	kt		<b>342</b>	303	618
Alcohols/ketones	kt		<b>289</b>	319	618
Other chemicals	kt		<b>890</b>	987	1 921
Gasification	kt		<b>286</b>	304	589
Other	kt		<b>62</b>	70	145
<b>Synfuels refined product<sup>2</sup></b>					
	mm bbl	(7)	<b>14,8</b>	15,9	31,5

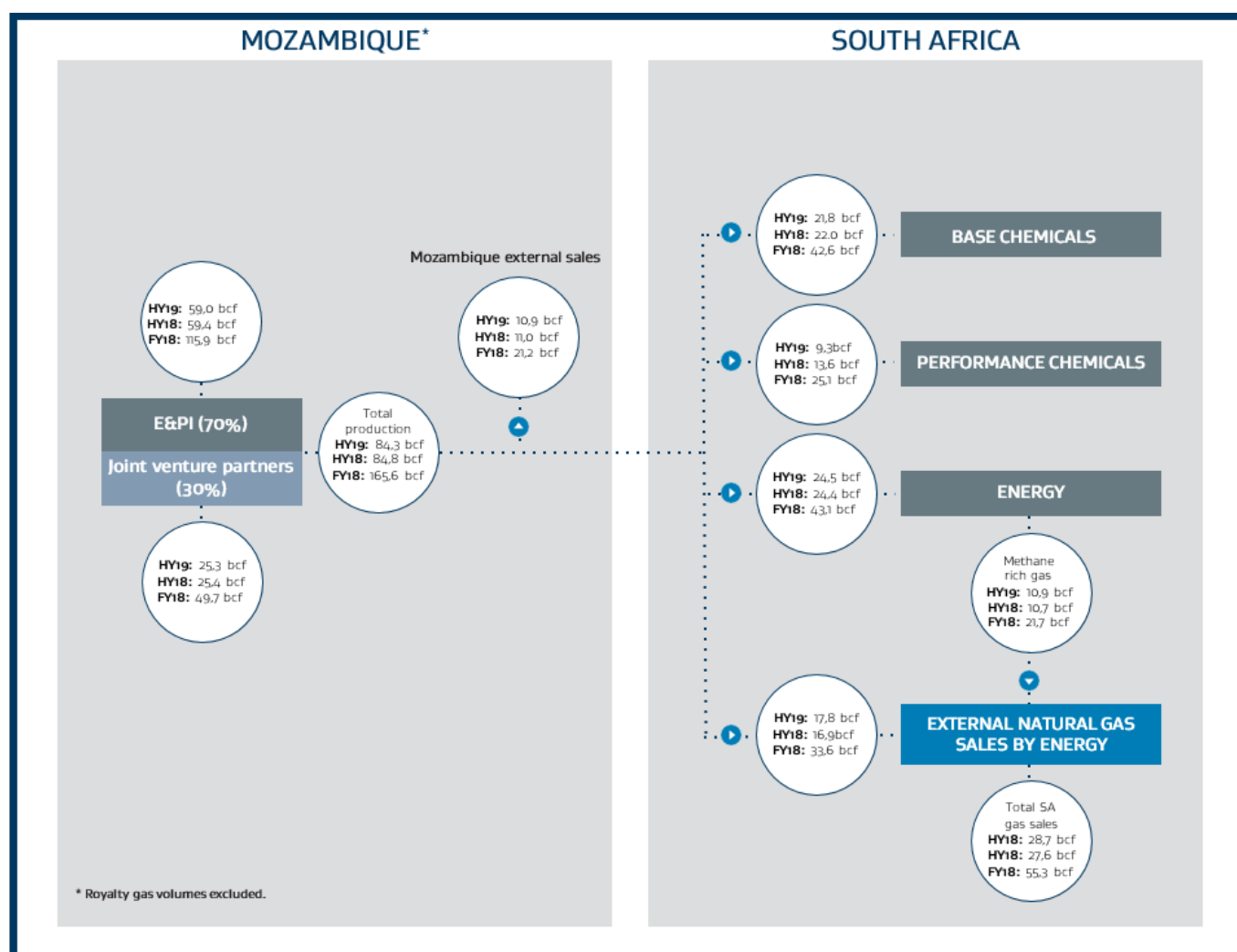
<sup>1</sup> Production volumes decreased by 6% due to a planned shutdown. Secunda Synfuels Operations (SSO) forecast volumes of 7,5 - 7,6mt for the financial year.

<sup>2</sup> The impact of the extended total West factory shutdown, as reported previously, resulted in a 6% decrease compared to the previous half year.

**Abbreviations**

kt - thousand tons  
mm bbl - million barrels

**Natural gas mass balance**





# Sasol South Africa Group

## for the six months ended 31 December 2018

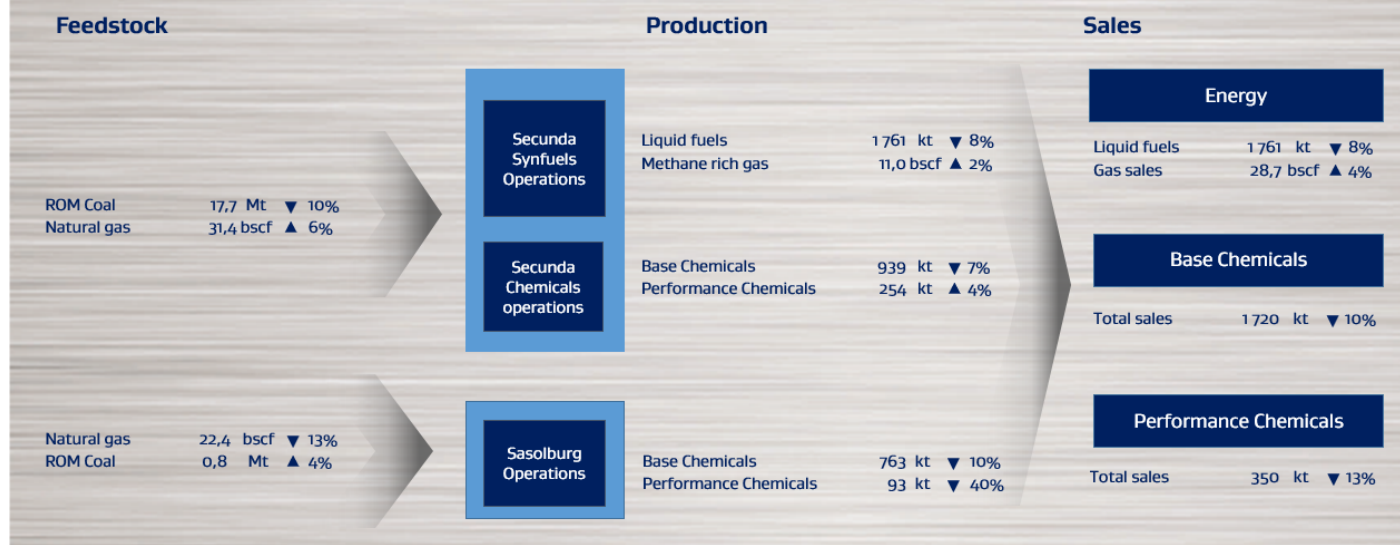
		Chemicals	Energy	Other	Total Operations
<b>Financial results</b>					
Turnover	Rm	25 766	20 662	26	<b>46 454</b>
Earnings before interest, tax and remeasurement items	Rm	4 382	5 774	(571)	<b>9 585</b>
Depreciation of property, plant and equipment	Rm	1 625	2 310	256	<b>4 191</b>
Amortisation of intangibles	Rm	802	418	115	<b>1 335</b>
<b>Cash cost</b>					
Cash fixed cost	Rm	8 784	5 784	5 694	
Variable cost	Rm	10 508	6 184	17	
<b>Total Cost</b>	Rm	<b>19 292</b>	<b>11 968</b>	<b>5 711</b>	
<b>Statement of financial position</b>					
Property, plant and equipment	Rm	36 464	41 394	3 287	<b>81 145</b>
Assets under construction	Rm	8 461	6 578	808	<b>15 847</b>
Goodwill and other intangible assets	Rm	17 759	17 548	777	<b>36 084</b>
Other non-current assets	Rm	488	146	106	<b>740</b>
Current assets	Rm	21 058	12 338	3 947	<b>37 343</b>
<b>Total assets</b>	Rm	<b>84 230</b>	<b>78 004</b>	<b>8 925</b>	<b>171 159</b>
Non-current liabilities	Rm	26 085	27 652	49 525	<b>103 262</b>
Current liabilities	Rm	6 083	9 169	3 524	<b>18 776</b>
<b>Total liabilities</b>	Rm	<b>32 168</b>	<b>36 821</b>	<b>53 049</b>	<b>122 038</b>
Capital expenditure (cash flow)	Rm	5 491	4 195	286	<b>9 972</b>
expenditure to sustain operations	Rm	5 368	4 121	286	<b>9 775</b>
expenditure to expand operations	Rm	123	74	-	<b>197</b>
Capital commitments	Rm	9 281	7 237	785	<b>17 303</b>
Number of employees	Number	8 676	3 761	4 988	<b>17 425</b>
<b>Profitability</b>					
Gross profit margin	%	60,1	70,1		
Earnings before interest and tax margin	%	17,0	27,9		
Effective tax rate	%				<b>23,9</b>
<b>Sales volume performance</b>					
Fuel components	ktpa		1 774		<b>1 774</b>
Natural and methane rich gas	bscf		28,7		<b>28,7</b>
Chemicals	ktpa	2 028			<b>2 028</b>

# Sasol South Africa Group

## for the year ended 30 June 2018

		Chemicals	Energy	Other	Total Operations
<b>Financial results</b>					
Turnover	Rm	50 156	37 915	52	<b>88 123</b>
Earnings before interest, tax and remeasurement items	Rm	7 144	11 578	(1 794)	<b>16 928</b>
Remeasurement items	Rm	9 695	195	63	<b>9 953</b>
Earnings before interest and tax	Rm	(2 551)	11 383	(1 857)	<b>6 975</b>
Depreciation of property, plant and equipment	Rm	4 558	4 074	514	<b>9 146</b>
Amortisation of intangibles	Rm	1 130	835	232	<b>2 197</b>
<b>EBITDA</b>	Rm	<b>3 137</b>	<b>16 292</b>	<b>(1 111)</b>	<b>18 318</b>
<b>Cash cost</b>					
Cash fixed cost	Rm	17 274	10 907	10 653	
Variable cost	Rm	20 970	10 851	249	
<b>Total Cost</b>	Rm	<b>38 244</b>	<b>21 758</b>	<b>10 902</b>	
<b>Statement of financial position</b>					
Property, plant and equipment	Rm	34 775	39 532	3 326	<b>77 633</b>
Assets under construction	Rm	7 305	5 291	821	<b>13 417</b>
Goodwill and other intangible assets	Rm	18 519	17 953	830	<b>37 302</b>
Other non-current assets	Rm	492	147	107	<b>746</b>
Current assets	Rm	18 070	13 024	4 861	<b>35 955</b>
<b>Total assets</b>	Rm	<b>79 161</b>	<b>75 947</b>	<b>9 945</b>	<b>165 053</b>
Non-current liabilities	Rm	25 726	26 428	49 298	<b>101 452</b>
Current liabilities	Rm	4 640	8 453	7 133	<b>20 226</b>
<b>Total liabilities</b>	Rm	<b>30 366</b>	<b>34 881</b>	<b>56 431</b>	<b>121 678</b>
Capital expenditure (cash flow)	Rm	6 707	5 455	1 041	<b>13 203</b>
expenditure to sustain operations	Rm	6 505	5 383	1 041	<b>12 929</b>
expenditure to expand operations	Rm	202	72	–	<b>274</b>
Capital commitments	Rm	10 621	9 131	600	<b>20 352</b>
Number of employees	Number	8 633	3 743	5 141	<b>17 517</b>
<b>Profitability</b>					
Gross profit margin	%	59,2	71,4		
Earnings before interest and tax margin	%	14,2	30,5		
Return on invested capital (including AUC)	%				<b>4,1</b>
Effective tax rate	%				<b>28,5</b>
<b>Sales volume performance</b>					
Fuel components	ktpa		3 771		<b>3 771</b>
Natural and methane rich gas	bscf		55,3		<b>55,3</b>
Chemicals	ktpa	4 336			<b>4 336</b>

## Sasol South Africa mass balance – HYE19 vs HYE18



## Khanyisa B-BBEE transaction

		Khanyisa net value 31 December 2018 R'million
Fair value of SSA Group after share issue to participants		89 779
Attributable to Khanyisa participants	18,38%	16 502
Vendor funding <sup>1</sup>		16 502
Net value <sup>2</sup>		–
		<b>Rand</b>
Khanyisa ESOP - approximate net value per employee (1 240 vested rights)		–
Khanyisa Public - approximate net value per Khanyisa share		–

Oil price and exchange rate assumptions underpinning the valuation of SSA are largely aligned to a market view of macro economic assumptions, referencing a panel of externally forecasted assumptions.

1 This includes R8,25 billion notional vendor funding in relation to the Khanyisa ESOP, and R8,25 billion preference share subscription in relation to Khanyisa FundCo.

2 Net value is expected to accrue over the term of the transaction.

# Financial ratios – calculations

for the six months ended 31 December

		Half year 2019	Half year 2018	Full year 2018
<b>Market capitalisation – Sasol ordinary shares</b>				
Number of shares at end of period	millions	624,6	653,0	623,1
Closing share price at end of period (JSE)	Rand	425,00	428,18	502,86
<b>Market capitalisation (Rand)</b>	Rm	265 455	279 602	313 323
Closing share price at end of period (NYSE)	US dollar	29,29	34,21	36,54
<b>Market capitalisation (US\$)</b>	US\$m	18 295	22 339	22 768
<b>Premium over shareholders' funds</b>				
Market capitalisation (SOL & SOLBE1)	Rm	265 455	279 602	313 323
Shareholders' equity	Rm	235 997	210 950	222 985
<b>Premium</b>	Rm	29 458	68 652	90 338
<b>Price to book</b>				
Market capitalisation (SOL & SOLBE1)	Rm	265 455	279 602	313 323
Shareholders' equity	Rm	235 997	210 950	222 985
<b>Price to book</b>	times	1,12	1,33	1,41
<b>Enterprise value (EV)</b>				
Market capitalisation (SOL & SOLBE1)	Rm	265 455	279 602	313 323
Plus:				
non-controlling interest		6 241	5 972	5 623
Liabilities				
long-term debt	Rm	121 229	78 675	96 691
short-term portion of long-term debt	Rm	2 071	16 954	12 763
short-term debt	Rm	8 172	324	1 946
bank overdraft	Rm	106	166	89
Less: Cash	Rm	(16 106)	(15 912)	(16 939)
<b>Enterprise value (Rand)</b>	Rm	387 168	365 781	413 496
<b>Market capitalisation (NYSE prices) – Total Sasol shares</b>				
US dollar conversion of above adjustments*	US\$m	18 295	22 339	22 768
<b>Enterprise value (US\$)</b>	US\$m	8 865	6 599	6 810
<b>Enterprise value (US\$)</b>	US\$m	27 159	28 938	29 578
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>				
Earnings before interest and tax (EBIT)	Rm	20 791	11 786	17 747
Depreciation of property, plant and equipment	Rm	8 167	8 108	16 046
Amortisation of intangible assets	Rm	225	193	379
Share-based payments	Rm	579	590	4 431
Remeasurement items	Rm	(599)	4 244	9 901
Unrealised hedging (gains)/ losses	Rm	(2 508)	(743)	3 909
<b>EBITDA</b>	Rm	26 655	24 178	52 413
<b>Free cash flow</b>				
Cash available from operating activities	Rm	22 701	10 234	34 306
sustenance capital	Rm	(13 096)	(9 266)	(19 749)
<b>Free cash flow before growth</b>	Rm	9 605	968	14 557
growth capital	Rm	(17 337)	(18 468)	(33 635)
movement in capital accruals	Rm	(1 303)	(2 840)	(2 507)
dividends paid	Rm	(5 454)	(5 209)	(8 677)
<b>Free cash flow inflection point</b>	Rm	(14 489)	(25 549)	(30 262)
<b>Gearing calculation</b>				
<b>Net debt</b>	Rm	115 472	80 207	94 550
long-term debt	Rm	121 229	78 675	96 691
short-term debt	Rm	10 243	17 278	14 709
bank overdraft	Rm	106	166	89
cash at bank	Rm	(14 622)	(14 543)	(15 720)
equity accounted JVs cash at bank	Rm	(1 484)	(1 369)	(1 219)
<b>Shareholders equity</b>	Rm	235 997	210 950	222 985
<b>Gearing</b>	%	48,9	38,0	42,4

\* Conversion at 31 December 2018 closing rate of US dollar/rand R14,36 (31 December 2017 – R12,37; 30 June 2018 – R13,73).

## Forward-looking statements

Sasol may, in this document, make certain statements that are not historical facts and relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, developments and business strategies. Examples of such forward-looking statements include, but are not limited to, statements regarding exchange rate fluctuations, volume growth, increases in market share, total shareholder return, executing our growth projects, (including LCCP), oil and gas reserves, cost reductions, our Continuous Improvement (CI) initiative and business performance outlook. Words such as “believe”, “anticipate”, “expect”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour”, “target”, “forecast”, “project” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors are discussed more fully in our most recent annual report on Form 20-F filed on 28 August 2018 and in other filings with the United States Securities and Exchange Commission. The list of factors discussed therein is not exhaustive; when relying on forward-looking statements to make investment decisions, you should carefully consider both these factors and other uncertainties and events.

Forward-looking statements apply only as of the date on which they are made, and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Please note: A billion is defined as one thousand million. All references to years refer to the financial year ended 30 June. Any reference to a calendar year is prefaced by the word “calendar”.

Comprehensive additional information is available on our website: [www.sasol.com](http://www.sasol.com).

