

Sasol

Company Profile



SASOL
reaching new frontiers



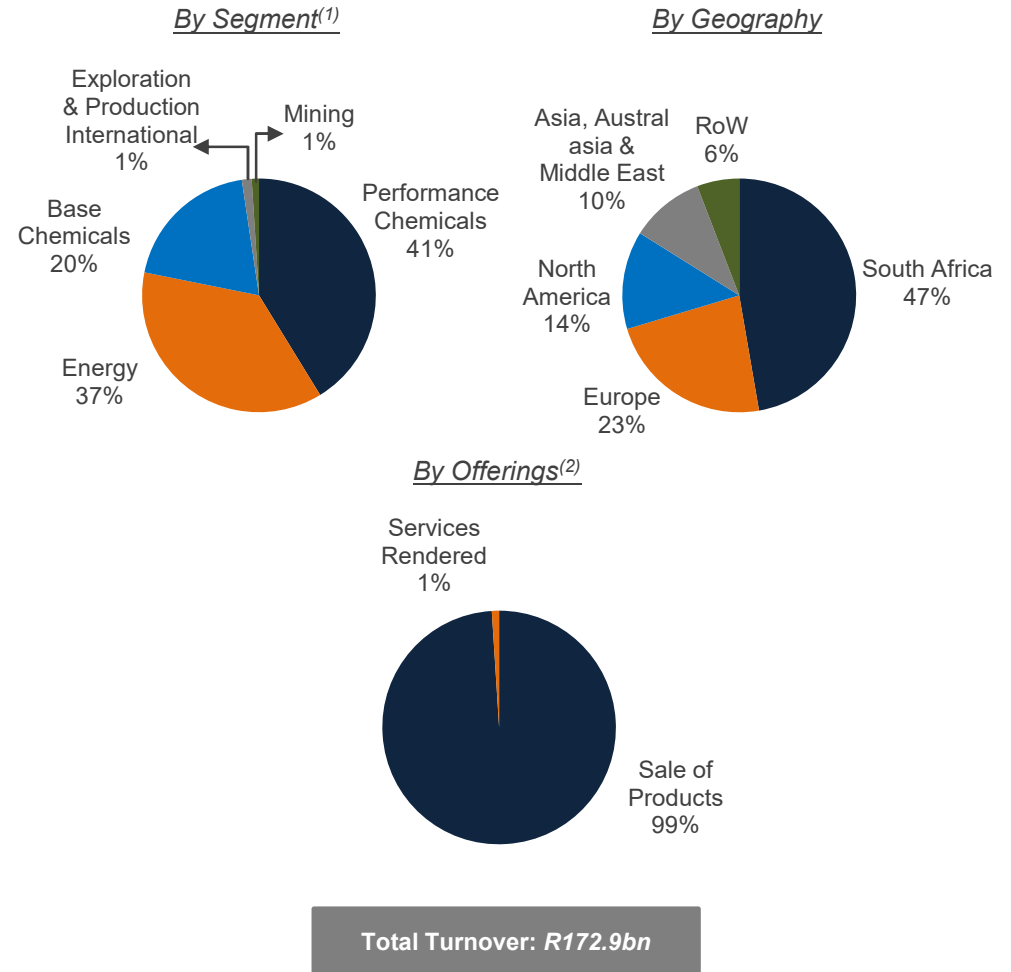
Company Overview



Business Description

- Sasol is an international integrated chemicals and energy company
- Operates facilities to produce a range of product stream, including liquid fuels, chemicals and low-carbon electricity
- Major reportable segments:
 - Mining:** The segment is responsible for securing the coal feedstock for the Southern African value chain, mainly for gasification, but also to generate electricity and steam; the coal is sold for gasification to Secunda Synfuels, for utility purposes to Sasolburg Operations; and to third parties in the export market
 - Exploration & Production International:** Develops and manages the Group's upstream interests in oil & gas exploration as well as production in Mozambique, South Africa, Australia, Canada and Gabon
 - Performance Chemicals:** Comprises of Performance Chemicals markets commodity and differentiated performance chemicals; the key product lines are organics, inorganics and wax value chains
 - Base Chemicals:** Based on the group's upstream Fischer-Tropsch, ethylene, propylene and ammonia value chains; the key product lines are polymers, solvents and ammonia-based fertilisers
 - Energy:** Includes sales and marketing of liquid fuels, pipeline gas and electricity
- The company is listed on the JSE in South Africa and on the New York Stock Exchange in the US
- Key Management:** Bongani Nqwababa (Joint President & CEO), Stephen Cornell (Joint President & CEO), Paul Victor (CFO)
- Founded:** 1950; **Headquarters:** Johannesburg, South Africa
Employs: 30,100

FY16 Revenue Breakdown



Source: Company reports.

(1) Excludes revenue from Group Functions (R108m).

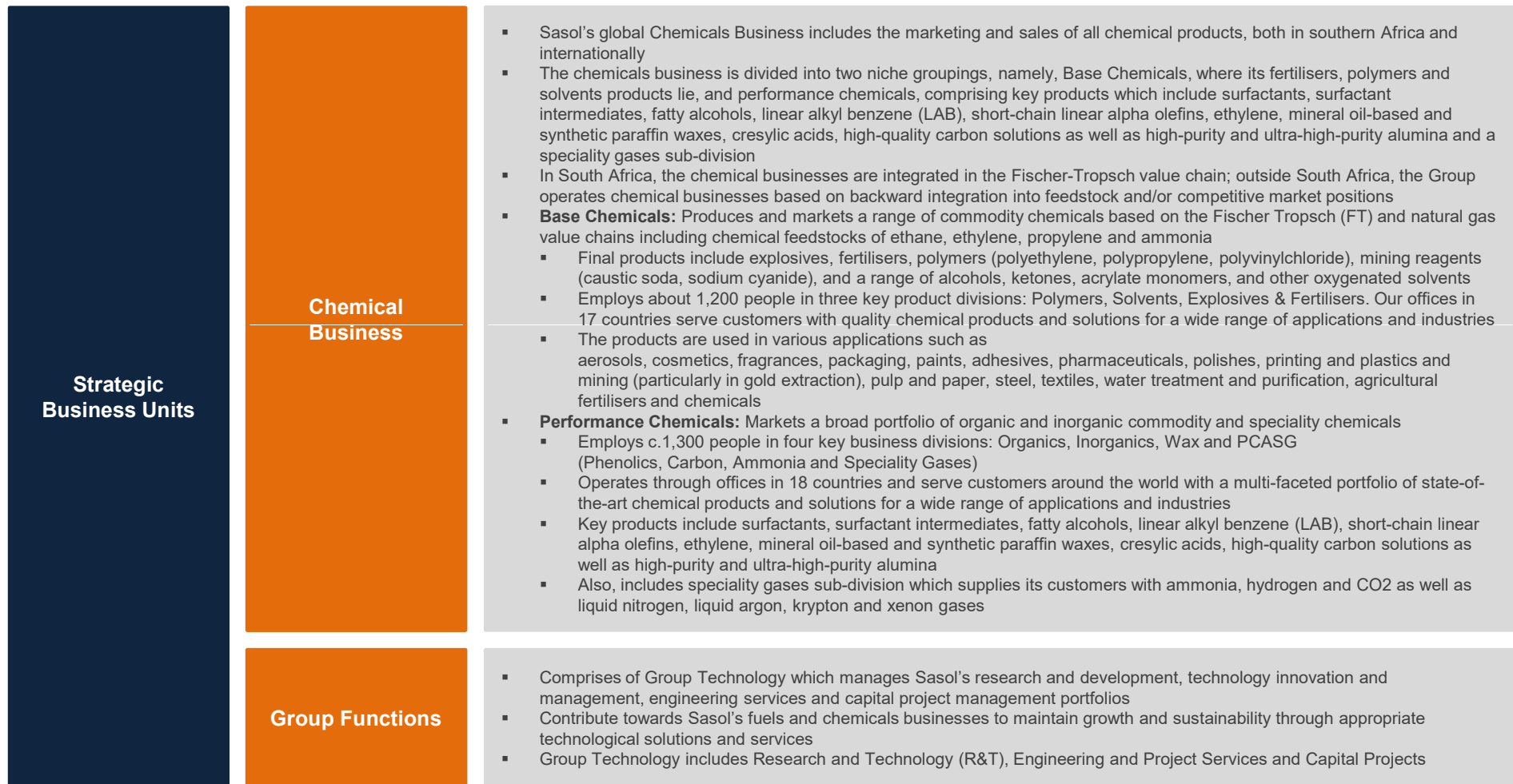
(2) Excludes Other Trading Income (R417m).

Business Units Overview



Operating Business Units	Mining	<ul style="list-style-type: none"> Sasol Mining operates six coal mines that supply feedstock for Secunda (Sasol Synfuels) and Sasolburg (Sasolburg Operations) complexes in South Africa The coal supplied to the Sasolburg Operations is used to generate electricity and steam; also export coal from the Twistdraai Export Plant to international power generation customers Underground mining operations are at Bosjesspruit, Brandspruit, Middelbult, Syferfontein and Twistdraai (all in the Secunda area) and Sigma (near Sasolburg) Extracts about 40Mt of saleable coal per annum, which is primarily used as gasification feedstock for Sasol Synfuels in Secunda and utilities coal for the Sasolburg Operations Also exports some 2.8Mt of coal per annum to Europe, the Far East and other international customers
	Exploration & Production International	<ul style="list-style-type: none"> Sasol Exploration and Production International (SEPI) develops and manages the group's upstream interests in oil and gas exploration and production in Mozambique, South Africa, Canada, Gabon and Australia In Gabon SEPI has a 27.75% interest in the Etame Marin Permit, operated by Houston-Based VAALCO Energy; gross oil production of sweet crude oil of about 20 000 barrels per day is realised from the Etame, Ebouri and Avouma oil fields In the exploration licence AC/P 52 (SEPI – 45% interest) in the Browse Basin offshore north-western Australia, SEPI and partners have completed a partial farm-out to Shell, who is now the new operator of the license, prior to the drilling of the Cronus prospect In December 2010, SEPI acquired a 50% stake in the Farrell Creek shale gas assets and the associated gas-gathering systems and processing facility of Talisman Energy in the Montney Basin in British Columbia, Canada In March 2011, SPI acquired a 50% stake in Talisman's high-quality Cypress A shale gas assets; however, in November 2013, Talisman, announced that they would be selling a portion of their Montney acreage to Progress Energy Canada Ltd (Progress) Product line includes Natural gas and Oil
Strategic Business Units	Energy Business	<ul style="list-style-type: none"> The Energy Business manages the marketing and sales of all oil, gas and electricity products in Southern Africa, which have been consolidated under a single umbrella In addition, this cluster oversees Sasol's international GTL (gas to liquid) ventures in Qatar and Nigeria It is key to Sasol's growth aspirations inside and outside South Africa and includes <ul style="list-style-type: none"> Southern Africa Energy: Focused on Sasol's commercial as well as research and development activities in the energy arena; the marketing & sales activities for gas, electricity and liquid fuels products across Southern Africa are housed in Southern Africa Energy Business International Energy: Responsible for developing, implementing and managing international ventures based on Sasol's proprietary technology; current primary focus is on securing opportunities to advance the group's gas-to-liquids (GTL) and coal-to-liquids (CTL) ambitions; progressing GTL projects in Canada, (feasibility), the US (feasibility), Nigeria (SOBO) and have achieved stable operations at ORYX GTL in Qatar; International energy is also involved in pre-feasibility studies for a GTL project in Mozambique and for a CTL project in India

Business Units Overview



Recent News



- **12-Sep-16:** Released its full year financial results for the year ended 30 June 2016. Earnings attributable to shareholders decreased by 55% to R13.2bn from R29.7bn in the prior year. HEPS decreased by 17% to R41.40 and EPS decreased by 56% to R21.66 compared to the prior year. The Sasol Limited Board declared a final gross dividend of R9.10 per share (21% lower compared to the prior year). Operational highlights include Secunda Synfuels Operations (SSO) increased production volumes by 1%, or 97 kilo tons (kt), compared to the prior year, to a record 7,8 million tons; Production volumes at our Eurasian Operations increased by 4% compared to the prior year; Total liquid fuels production for the Energy business increased by 1% (0,6 million barrels) compared to the prior year; The average utilisation rate of ORYX GTL facility in Qatar was impacted by a planned extended statutory shutdown in the third quarter of the financial year; Secunda Chemical Operations' production volumes were 1% higher than in the prior year; Sales volumes from Base Chemicals business decreased by 8%
- **26-May-16:** Sasol's field development plan (FDP) for the Production Sharing Agreement (PSA) licence in Inhambane province, Mozambique, reached an important milestone with the commencement of the drilling of the first well; this first phase of the PSA Development is anticipated to cost c.US\$1.4bn
- **11-Dec-15:** The Sasol Limited Board of Directors announced the appointment of Bongani Nqwababa and Stephen Russell Cornell as Joint-President & CEO ("Joint-CEOs") of the Company, with effect from 1 July 2016, the beginning of the Company's next financial year
- **30-Nov-15:** ROMPCO, a joint venture between Sasol, Companhia Mocambiçana de Gasoduto S.A. and South African Gas Development Company (SOC) Limited (iGas), announced that it will expand the capacity of the existing 865 km of gas pipeline from the Central Processing Facility (CPF) at Temane in Mozambique to Secunda in South Africa. The project involves the installation of a pipeline parallel to the existing pipeline, from scraper station 1 (STS1), which is about 128 km from the CPF, over a length of 127 km where it connects back into the main pipeline at scraper station 2. Named Loop Line 2 (LL2), the US\$210m expansion project further increases ROMPCO's gas transmission capacity

Subsidiaries Overview



Sasol Limited is the ultimate parent of the Sasol group of companies

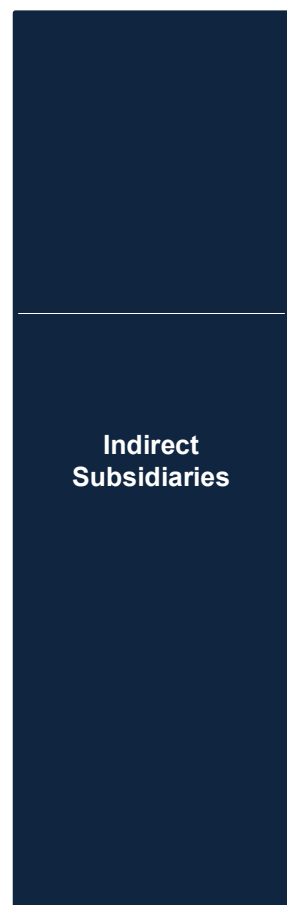
	<u>Name</u>	<u>Nature of Activities</u>	<u>Country of Incorporation</u>	<u>% of Equity Owned</u>
Direct Subsidiaries	Sasol Mining Holdings (Pty) Ltd	Holding company of the group's mining interests	Republic of South Africa	100%
	Sasol Technology (Pty) Ltd	Engineering services, research and development and technology transfer	Republic of South Africa	100%
	Sasol Financing (Pty) Ltd	Management of cash resources, investment and procurement of loans (for South African operations)	Republic of South Africa	100%
	Sasol Investment Company (Pty) Ltd	Holding company for foreign investments	Republic of South Africa	100%
	Sasol South Africa (Pty) Ltd ⁽¹⁾	Integrated petrochemicals and energy company	Republic of South Africa	100%
	Sasol Gas (Pty) Ltd ⁽²⁾	Marketing, distribution and transportation of pipeline gas and the maintenance of pipelines used to transport gas	Republic of South Africa	100%
	Sasol Oil (Pty) Ltd	Marketing of fuels and lubricants	Republic of South Africa	75%
	Sasol New Energy Holdings (Pty) Ltd	Developing lower-carbon energy solutions	Republic of South Africa	100%

Source: Company reports.

(1) Sasol Limited holds 97% interest in Sasol South Africa (Pty) Ltd. The remaining 3% interest is held by other subsidiaries in the group.

(2) This investment was previously an indirect subsidiary of Sasol Limited.

Subsidiaries Overview



<u>Name</u>	<u>Nature of Activities</u>	<u>Country of Incorporation</u>	<u>% of Equity Owned</u>
The Republic of Mozambique Pipeline Investment Company (Pty) Ltd ⁽¹⁾	Owning and operating of the natural gas transmission pipeline between Temane in Mozambique and Secunda in South Africa for the transportation of natural gas produced in Mozambique to markets in Mozambique and South Africa	Republic of South Africa	50%
Sasol Financing International Limited	Management of cash resources, investment and procurement of loans (for our foreign operations)	Republic of South Africa	100%
Sasol Gas (Pty) Ltd ⁽²⁾	Marketing, distribution and transportation of pipeline gas and the maintenance of pipelines used to transport gas	Republic of South Africa	-
Sasol Germany GmbH	Production, marketing and distribution of chemical products	Germany	100%
Sasol Italy SpA	Trading and transportation of oil products, petrochemicals and chemical products and derivatives	Italy	100%

Source: Company reports.

(1) Through contractual arrangements Sasol exercises control over the relevant activities of Rompco.

(2) This investment is now a direct subsidiary of Sasol Limited with effect from 21 June 2016.

Subsidiaries Overview



**Indirect
Subsidiaries**

<u>Name</u>	<u>Nature of Activities</u>	<u>Country of Incorporation</u>	<u>% of Equity Owned</u>
Sasol Mining (Pty) Ltd	Coal mining activities	Republic of South Africa	90%
Sasol Africa (Pty) Ltd	Exploration, development, production, marketing and distribution of natural oil and gas and associated products	Republic of South Africa	100%
Sasol Canada Holdings Limited	Exploration, development, production, marketing and distribution of natural oil and gas and associated products in Canada	Canada	-
Sasol Chemicals (USA) LLC	Production, marketing and distribution of chemical products	US	100%

Outlook for 2017



Expect an overall strong production performance for the 2017 financial year

- Liquid fuels sales volumes for the Energy business in Southern Africa to be c.61 million barrels
- Base Chemicals and Performance Chemicals sales volumes to be higher than the prior year
- A higher average utilisation rate at ORYX GTL in Qatar of c.90%
- Improved utilisation rate at EGTL in Nigeria due to a steady ramp-up
- Normalised cash fixed costs to remain in line with SA PPI
- The RP cash flow contribution to range between R15bn and R20bn
- BPEP cash cost savings to achieve an annual run rate of R5.4bn by financial year 2018
- Capital expenditure, including capital accruals, of R75bn for 2017 and R60bn in 2018
- Balance sheet gearing up to a level of between 25% and 35%
- Average Brent crude oil prices to remain between US\$40 and US\$50
- Ongoing rand/US dollar volatility due to various factors, including the pending outcome of the next review of the South African sovereign credit rating and increased capital inflows resulting from investors seeking higher yields globally, including South Africa

Shareholding Pattern



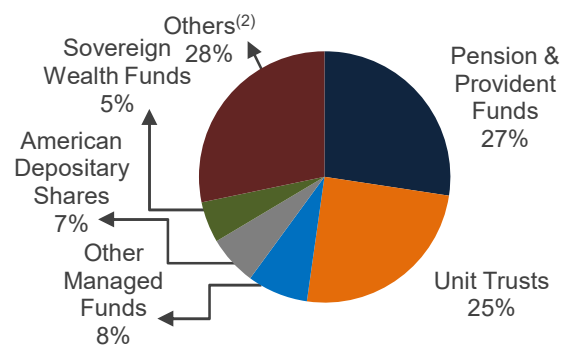
The top 20 shareholders collectively own more than 60% of outstanding shares

- Shareholder base primarily consists of large institutional shareholders, as well as a significant number of value investors
- Approximately two-thirds of shareholder base is in South Africa, with the rest outside South Africa

Top Shareholders

	<u>Number of Shares</u>	<u>% of Total Issued Securities</u>
1. Government Employees Pension Fund	84,121,005	12.9%
2. PIC Equities ⁽¹⁾	78,745,570	12.1%
3. Industrial Development Corporation of South Africa Limited	53,266,887	8.2%
4. Allan Gray Investment Counsel	52,950,786	8.1%
5. Old Mutual Asset Managers	20,986,728	3.2%
6. Black Rock Incorporated	19,015,271	2.9%
7. The Vanguard Group Incorporated	18,003,377	2.8%
8. Sanlam Investment Management	17,786,564	2.7%
9. Prudential Investment Managers	15,338,466	2.4%
10. Dimensional Fund Advisors	15,076,157	2.3%
11. Investec Asset Management	15,003,730	2.3%
12. Harding Loevner LLC	13,636,487	2.1%

Major Categories of Shareholders



Source: Company reports.

(1) Included in this portfolio are 74,6 million shares managed on behalf of the Government Employees Pension Fund.

(2) Others also include Employees, Insurance companies and Black public (Sasol Inzalo BEE transaction).

Key Management



Bongani Nqwababa
*Executive Director, Joint
President & CEO*

- Before joining Sasol, served as Financial Director of Anglo American Platinum Limited
- Also, served as Finance Director of Eskom Holdings Limited and CFO of Shell Southern Africa
- Previously held positions including Non-executive Director and Member of the Nomination, Audit and Remuneration Committees of Old Mutual plc and Chairman of the Audit Committee of the South African Revenue Services
- He resigned as a Non-executive Director of Sasol on 26 September 2014 and was appointed as Executive Director & CFO of Sasol with effect from 1 March 2015 and as Joint President & CEO with effect from 1 July 2016
- Education: BAcc (Honours), CA(Z), MBA



Stephen Cornell
*Executive Director, Joint
President & CEO*

- Appointed as Joint President & CEO of the Company with effect from 1 July 2016.
- Previously served as Sasol's EVP, International Operations and COO for US Fuels and Global Head of Major Projects at BP plc
- Has extensive US domestic and international experience in petrochemicals, refining and logistics, having worked in the industry in the US, Europe, the Middle East and Asia
- Also, has significant business improvement experience, having reshaped BP's US fuels business over a six-year period, through improved work processes, divestiture of key assets and by driving the significant expansion of the 413 000 barrels per day BP Whiting refinery
- Education: BSc Eng (Chem)



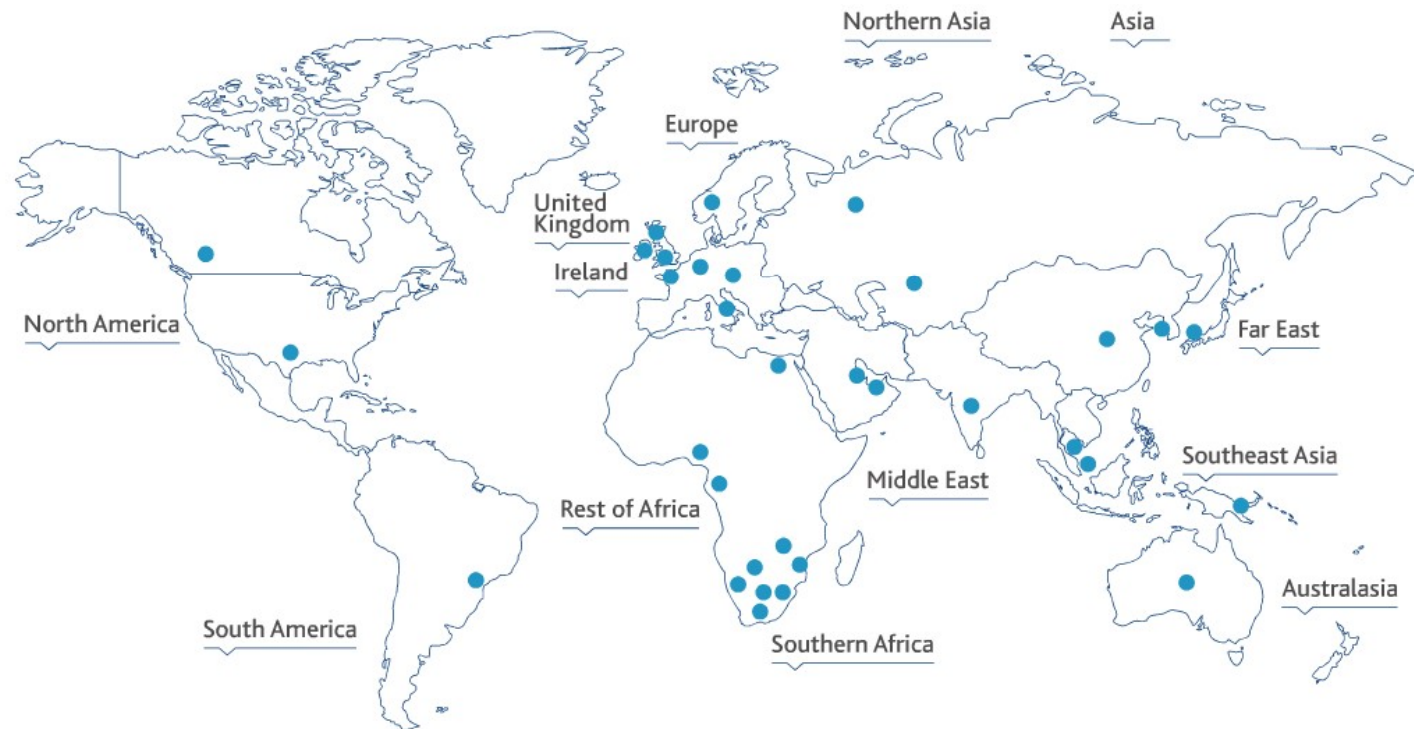
Paul Victor
Executive Director & CFO

- Appointed as Executive Director & CFO with effect from 1 July 2016
- Previously served as Executive Director & acting CFO of Sasol from 10 September 2013 to 28 February 2015
- In 2011, he served as Group Executive, Finance: Sasol Group Finance, reporting to Sasol's CFO, with responsibility for the Sasol Group's financial reporting function
- Joined the Sasol group in 2000, first as a Financial Manager and later as the CFO of Sasol Synfuels, a position he held until 2011
- Education: BCompt (Hons), CA (SA), International Tax Law (Hons)

Geographic Presence⁽¹⁾



Sasol is an international integrated chemicals and energy company that leverages technologies and expertise of 30,100 people working in 33 countries



Source: Company reports.

(1) The map is a broad indication of Sasol's global presence and of its continuing operations, but is not location-specific.

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