We saw a strong volume performance and margin expansion from the Chemical cluster, which contributed 29% to group operating profit.

Performance from existing operations delivers results. All our business clusters have delivered strong performances, as reflected in healthy, double digit operating margins. In particular, we saw a strong volume performance and margin expansion from the Chemical cluster, which contributed 29% to group operating profit.

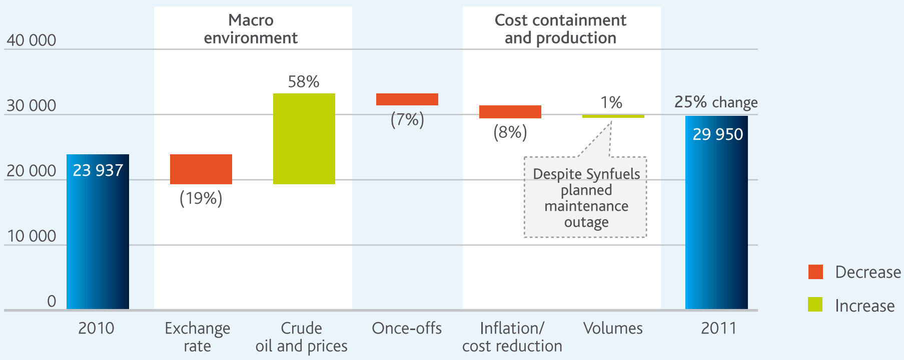
South African energy cluster. The cluster continues to produce robust results, contributing two thirds to group profitability. Compared with the previous year, operating profit increased by 12%. Sasol Synfuels remained the largest contributor to the group operating profit, contributing half of the total operating profit, with an operating margin of 41%. Higher average crude oil prices and improved sales volumes at both Sasol Oil and Sasol Gas contributed to the operating profit in this cluster, however, the positive impact was partially offset by the strong rand/US dollar exchange rate and lower refining margins at Sasol Oil. Production volumes were adversely affected by the Sasol Synfuels' major planned maintenance outage, which was the largest in Sasol Synfuels' history.

International energy cluster. Our investment in growth is delivering value, as reflected in the improved profitability of the International energy cluster, which has trebled its operating profit from last year. The increase is underpinned by 31% increased production at the Oryx GTL plant in Qatar, endorsing the commercial viability of our GTL technology. The current year includes the once-off partial impairment of EGTL amounting to R123 million and dry well write offs of R441 million relating to Papua New Guinea and Mozambique.

Chemical cluster. The favourable chemical industry conditions, combined with successful cost control and improved margin optimisation, contributed to a strong performance by the Chemical cluster, with operating profit increasing by 59%. Sasol Olefins & Surfactants (Sasol O&S) was as strong performer, contributing almost half of the Chemical cluster's operating profit and delivering a 13% operating margin. Favourable market conditions and the successful turnaround of this business, supported the reversal of the impairment of Sasol O&S Italy of R491 million. Sasol Solvents grew margins on the back of strong demand and through continued focus on cost containment and business improvement plans. Sasol Polymers remained resilient due to the positive contribution of ASPC, where production volumes increased by 20%. The current year includes the once-off competition related administrative penalty incurred by Sasol Polymers of R112 million. ASPC has again performed well during this period and contributed positively to the Sasol Polymers business.

The increase in operating profit over the last year can be depicted as follows:

Operating profit – price volume variance analysis (R million)



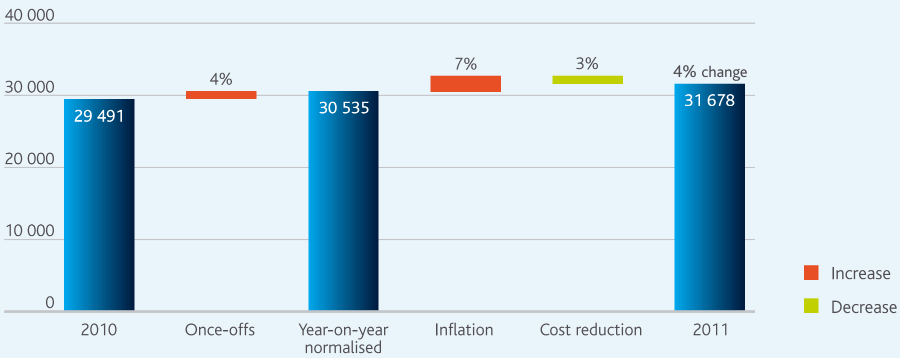
Cost containment remains a focus area. Our cash fixed costs increased by 7% to R31,7 billion compared with R29,5 billion in 2010. Included in cash fixed costs is R1 954 million related to once-off items and growth initiatives for 2011. We have contained our cash fixed costs to within inflation, excluding the effects of once-off costs and growth initiatives. Increases in labour, electricity and other operating costs which escalate beyond inflation levels, negatively impact our operating profit. Cost control is underpinned by strategic group initiatives such as operations excellence, functional excellence, business improvement plans and increased electricity generation.

At our South African operations, the cost of electricity has seen abnormal increases above inflation levels during the past two years which has impacted our cash fixed costs. We are able to generate nearly half of our electricity requirements and aim to increase internal electricity generation to up to 60% of our requirements, however, these increases will continue to have a material adverse effect on our cash fixed costs in the future. We have been able to mitigate this risk to some extent by entering into a Power Purchase Agreement with Eskom following the construction of our power generation facility in Secunda. In addition, Sasol New Energy will construct a 140 megawatt electricity generation plant in Sasolburg, South Africa.

One of our most significant costs is labour. More than 60% of our employees are members of trade unions and/or covered by collective agreements entered into with the trade unions. We have concluded wage negotiations for 2012 for increases between 8,0% and 8,5%.

Over the last three years, the group has invested a total of R52,4 billion in capital projects, with R20,7 billion being invested in 2011.

Cash fixed cost – price volume variance analysis (R million)



Capital expenditure and cash flow. Cash flow generated by operating activities was R38,6 billion compared with R27,3 billion in the prior year. This was mainly due to increased operating profits and increased working capital, both as a result of price and volume effects. The group made good progress on growth projects, as reflected in capital expenditure of R20,7 billion for the year, in addition to the cash consideration of R3,8 billion related to the Canada shale gas asset acquisitions.

Over the last three years, the group has invested a total of R52,4 billion in capital projects, with R20,7 billion being invested in 2011, including capital development expenditure of R1,2 billion related to our Canadian shale gas assets.

Free cash flow

49%

One of the most important drivers to sustain and increase shareholder value is free cash flow generation. To maximise our free cash flow generation across our global and diversified group, our business unit management is required to continuously improve operating profits as well as optimise working capital and our capital investment programme. All these actions are underpinned by the group strategy to deliver value to our stakeholders.

Capital investments (R billion)