

Production and sales metrics for the year ended 30 June

		% change 2018 vs 2017	Full year 2018	Full year 2017	Full year 2016
Mining					
Production					
Saleable production ¹	mm tons	3	37,2	36,0	40,3
External purchases					
	mm tons	(16)	6,7	8,0	5,0
Internal sales					
Energy	mm tons	(5)	22,6	23,8	24,9
Base Chemicals	mm tons	1	13,0	12,9	12,6
Performance Chemicals	mm tons	(4)	4,6	4,8	4,6
External sales					
International and other domestic	mm tons	7	3,2	3,0	3,2
Exploration and Production International					
Production					
Natural gas - Canada ²	bscf	(12)	19,2	21,9	20,7
Condensate - Canada ²	m bbl	(10)	76,7	85,6	143,7
Natural gas - Mozambique (Sasol's 70% share) ³	bscf	(1)	115,9	116,6	114,4
Condensate - Mozambique (Sasol's 70% share) ⁴	m bbl	(18)	266	325	324
Crude oil Gabon (after royalties) ⁵	m bbl	(12)	1 126	1 279	1 553
External sales					
Natural gas - Canada ²	bscf	(12)	19,2	21,9	20,7
Condensate - Canada ²	m bbl	(10)	76,7	85,6	143,7
Natural gas - Mozambique ⁶	bscf	(9)	14,8	16,2	16,4
Condensate - Mozambique ⁴	m bbl	(18)	270	328	324
Crude oil Gabon (after royalties) ⁵	m bbl	(14)	1 115	1 293	1 529
Internal sales					
Natural gas - Mozambique to Energy	bscf	(2)	53,7	54,7	55,1
Natural gas - Mozambique to Base Chemicals	bscf	(2)	20,3	20,8	19,7
Natural gas - Mozambique to Performance Chemicals	bscf	9	27,1	24,9	23,2
Energy					
Production					
Synfuels refined product (white product) ^{7,8}	mm bbl	(3)	31,5	32,5	33,2
Natref⁹					
Crude oil (processed)	mm bbl	(9)	18,5	20,3	21,2
White product yield	%		88,6	89,3	91,1
Total yield	%		97,1	96,9	97,7
Production	mm bbl	(9)	18,0	19,7	20,7
ORYX GTL¹⁰					
Production	mm bbl	1	5,53	5,49	4,72
Utilisation rate of nameplate capacity	%		95	95	81
Escravos GTL (EGTL)¹¹					
Production (Sasol's 10% share)	mm bbl	>100	0,65	0,16	0,47
External purchases					
White product ¹²	mm bbl	27	8,5	6,7	6,3
Natural gas*	bscf	(2)	23,0	23,4	23,6
Internal purchases					
Coal (Mining)	mm tons	(5)	22,6	23,8	24,9
Natural gas (EPI)	bscf	(2)	53,7	54,7	55,1
Sales					
Liquid fuels - white product ¹³	mm bbl	(2)	56,3	57,4	58,8
Liquid fuels - black product ¹³	mm bbl	(8)	2,4	2,6	2,5
Natural gas	bscf	-	33,6	33,5	33,4
Methane rich gas ¹⁴	bscf	(7)	21,7	23,3	24,7
Retail convenience centres (RCCs)¹⁵					
	number	1	399	397	388

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

		% change 2018 vs 2017	Full year 2018	Full year 2017	Full year 2016
Base Chemicals					
External purchases					
Natural gas*	bscf	(2)	8,7	8,9	8,4
Internal purchases					
Coal (Mining)	mm tons	1	13,0	12,9	12,6
Natural gas (EPI)	bscf	(2)	20,3	20,8	19,7
Sales¹⁶					
Polymers	kt	(2)	1 642	1 669	1 644
Solvents	kt	(2)	962	982	942
Fertilizers	kt	(2)	429	437	454
Explosives	kt	1	330	325	327
	kt	(1)	3 363	3 413	3 367
Normalised total (asset disposals & business changes and planned shutdowns)					
	kt	(2)	3 363	3 436	3 441
Base Chemicals average sales basket price¹⁷					
	US\$/ton	12	890	793	742
Performance Chemicals					
External purchases					
Natural gas*	bscf	8	11,6	10,7	9,9
Internal purchases					
Coal (Mining)	mm tons	(4)	4,6	4,8	4,6
Natural gas (EPI)	bscf	9	27,1	24,9	23,2
Total feedstock cost** *¹⁸					
	R/ton	12	7 341	6 542	6 807
Total feedstock cost** *¹⁸					
	EUR/ton	9	479	441	444
Sales					
Organics ¹⁹	Rm	5	49 261	46 972	47 959
Waxes	Rm	2	8 462	8 260	10 183
Other	Rm	4	10 275	9 915	10 384
	Rm	4	67 998	65 147	68 526
Sales volumes					
Organics ²⁰	kt	1	2 065	2 040	1 964
Waxes ²¹	kt	3	495	482	528
Other	kt	(2)	696	711	626
		1	3 257	3 233	3 118

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

** Includes feedstock cost of natural gas, coal and foreign currency denominated feed streams. The cost is therefore impacted by currency fluctuations of the rand against major currencies.

		Full year 2018	Full year 2017	Full year 2016
Lake Charles Chemicals Project²²				
Cumulative capital expenditure to date	US\$m	9 846	7 500	4 798
Percentage of completion	%	88	74	50

		Full year 2018	Full year 2019
Significant hedges - Sasol group²³			
Brent oil - put options			
Number of barrels hedged	mm bbl	50,25	48,00
Average Brent crude oil price floor, net of costs	US\$/bbl	47,82	53,36
Rand/US dollar currency - zero-cost collar instruments			
US\$ exposure hedged	US\$bn	4,00	4,00
Annual average floor	R/US\$	13,46	13,14
Annual average cap	R/US\$	15,51	15,14
Export coal - swaps			
Number of tons hedged	mm tons	2,80	1,40
Average coal swap price	US\$/ton	76,11	81,82
Ethane gas - swaps			
Number of barrels hedged	mm bbl	2,30	3,50
Average ethane gas swap price	US\$ c/gal	27,54	27,30

Overview

Sasol experienced some challenges with regards to our operational and cost performance during the year, largely due to planned and unplanned production interruptions at Natref and a safety related stoppage at Mining in the first half of the year, which significantly impacted sales and cost across the value chain. Despite two additional safety related stoppages at Mining and unplanned electricity outages in Secunda, we managed to claw back and deliver a stronger operational performance in the second half of the year through focused interventions and management actions. Our Eurasian operations increased production volumes by 3% due to stronger product demand and increased plant availability. In the last quarter, we have seen considerably higher yields and production volumes across the value chain which are more closely aligned to our internal targets. We are well positioned to continue with this improved operational performance into FY19.

Commentary

- 1 In the first half of the year, our mining operations were focused on ramping up their production volumes post the labour strike in the previous financial year. However, in the period December 2017 to February 2018 we experienced three tragic work-related fatalities which significantly slowed us in ramping up our operational performance and resulted in lower than expected production volumes.
We are committed to ensuring that our operations remain safe and have implemented a number of initiatives to restore our safety performance. Since February 2018, we have no fatalities. We have also implemented a Business Improvement Programme (BIP), aimed at increasing productivity and achieving cost efficiency. The programme was refocused post the stabilisation of our safety performance in March 2018 and to date we have seen some positive results.
Our production run rate over the past quarter has improved by more than 20% compared to the previous quarter and is representative of a run rate to achieve 40 million tons per year and match pre strike production rates. Our cost performance is also in line with the 2018 interim results' market guidance (Market Guidance). At 30 June 2018, our coal stockpiles were fully restored through own production and additional external coal purchases.
- 2 Lower gas and liquids volumes produced due to a reduction in the number of new wells completed.
- 3 Gas production volumes decreased slightly by 1% mainly due to lower Mozambique market demand. Notwithstanding, we achieved our Market Guidance of 114 — 118 bscf of gas production.
- 4 Decrease is due to higher dry gas production from the Pande gas wells, which resulted in lower condensate production rates.
- 5 Lower production is due to the natural decline of the wells, which is in line with expectation and Market Guidance provided.
- 6 Volumes decreased due to lower demand in Mozambique.
- 7 Secunda Synfuels Operations (SSO) total production volumes decreased by 3% to 7,6 mm tons, mainly as a result of unplanned Eskom supply interruptions (1%) and internal outages (2%) during the year. Notwithstanding, we continued to improve operational processes and plant efficiencies to realise better production yields. Our production run-rates achieved during May and June 2018, supports a full year production of approximately 7,8 million tons.
- 8 The operational challenges at SSO reduced the production of refined products by 3%. Excluding the impact of the Eskom supply interruptions, production of refined products are 2% lower than prior year.
- 9 Natref delivered a strong performance during the second half of FY18 with an improved production run rate of 624m³/h (FY18 — 536m³/h; FY17 — 592m³/h) despite a planned shutdown in quarter four. The increased volumes in the second half of FY18 partially offsets the lower production volumes recorded in the first half of the year. We expect the positive production run rate to continue in FY19.
- 10 ORYX GTL production achieved an average utilisation rate of 95% exceeding our Market Guidance of 92%.
- 11 At EGTL, optimisation efforts to reduce costs and improve plant efficiency are progressing well, with a marked improvement on average utilisation rates resulting in 75% higher production in quarter four compared to quarter three.
- 12 External purchases increased in FY18 due to lower production from SSO and Natref.
- 13 Liquid fuels sales volumes decreased by 2% due to lower production volumes from SSO and lower production from Natref. Our sales performance for the second half of FY18 improved by 5% compared to the first half. Our total liquid fuels sales volumes of 59 million barrels exceeded our updated Market Guidance of 58 million barrels.
- 14 Methane rich gas sales volumes decreased by 7% due to lower market demand. The gas was however re-routed and utilised in our integrated value chain.
- 15 We opened 12 new Retail Convenience Centres (RCCs) and divested from 10 non-operating RCCs.
- 16 Our Base Chemicals sales volumes decreased by 1%, in line with our Market Guidance, mainly due to production interruptions at SSO and an initial stock build for our high density polyethylene (HDPE) joint venture in the US. Excluding the impact of the Eskom supply interruptions, sales volumes increased 1% compared to the prior year. Our HDPE joint venture plant ramped up production during quarter four and is performing to expectations. We have successfully completed all guarantee runs and transitioned to bimodal production.
- 17 Our US dollar basket sales price of US\$890/ton has increased due to higher crude oil prices and favourable conditions prevailing in certain of our Solvents markets. We have also benefitted from sales of high value HDPE from our new facility in the US.
- 18 Increase in feedstock cost per ton is mainly as a result of higher Brent crude oil prices.
- 19 Sales includes revenue from kerosene in our alkylates business of R4,0bn (FY17 — R3,3bn, FY16 — R6,2bn) that is sold back to third parties after paraffin is extracted from it. The sale back is recorded as revenue but is not included in production or sales volumes.
- 20 Sales volumes increased by 1% as product demand remained strong across most applications. Total sales volumes increased by 1% despite the production interruptions at SSO and the impact of Hurricane Harvey in the US. Excluding the impact of the Eskom supply interruptions, sales volumes increased by 2% compared to the prior year.
- 21 Sales volumes increased by 3%, with our FTWEP wax plant performing well, achieving production of 114 thousand tons of hard wax for the year, which is line with Market Guidance.
- 22 We are making steady progress with our LCCP project in Lake Charles. The total forecasted capital cost for the project remains within Market Guidance of US\$11,13 billion and project progress is tracking the approved schedule. Engineering and procurement is substantially complete and construction has progressed to 68% completion at the end of June 2018. Steam availability is forecasted to be online during Q1 of FY19.
- 23 Our hedging programme for FY19 has been completed, with 70% of our exposure to the Rand/US dollar exchange rate and 80% of our oil exposure hedged. The FY18 results includes the mark-to-market valuation of all hedging instruments entered into by 30 June 2018. The total premiums paid for Brent oil put options amounted to \$125 million and \$131 million for FY18 and FY19, respectively.

Abbreviations

m bbl - thousand barrels	kt - thousand tons
mm bbl - million barrels	Rm - Rand millions
mm tons - million tons	\$/ton - US dollar per ton
bscf - billion standard cubic feet	R/ton - Rand per ton
EUR/ton - Euro per ton	R/US\$ - Rand/US dollar currency
US\$/bbl - US dollar per barrel	US\$bn - US dollar billions
US\$/ton - US dollar per ton	US\$m - US dollar millions
US\$ c/gal - US dollar cent per gallon	

The preliminary production and sales metrics for the period ended 30 June 2018 and forward looking statements on FY19 have not been reviewed and reported on by our external auditors.

Production and sales metrics quarterly overview

		% change Q4 vs Q3	Quarter 4 2018	Quarter 3 2018	Quarter 2 2018	Quarter 1 2018
Mining						
Production						
Saleable production	mm tons	20	10,0	8,3	8,9	10,0
External purchases						
	mm tons	(36)	1,6	2,5	1,0	1,6
Internal sales						
Energy	mm tons	–	5,6	5,6	5,9	5,5
Base Chemicals	mm tons	(6)	3,1	3,3	3,3	3,3
Performance Chemicals	mm tons	18	1,3	1,1	1,2	1,0
External sales						
International and other domestic	mm tons	14	0,8	0,7	1,0	0,7
Exploration and Production International						
Production						
Natural gas - Canada	bscf	(10)	4,3	4,8	4,8	5,3
Condensate - Canada	m bbl	8	18,0	16,7	20,8	21,2
Natural gas - Mozambique (Sasol's 70% share)	bscf	7	29,2	27,3	29,8	29,6
Condensate - Mozambique (Sasol's 70% share)	m bbl	–	66	66	69	65
Crude oil Gabon (after royalties)	m bbl	(1)	268	272	301	285
External sales						
Natural gas - Canada	bscf	(10)	4,3	4,8	4,8	5,3
Condensate - Canada	m bbl	8	18,0	16,7	20,8	21,2
Natural gas - Mozambique	bscf	9	3,7	3,4	3,8	3,9
Condensate - Mozambique	m bbl	(1)	68	69	66	67
Crude oil Gabon (after royalties)	m bbl	(19)	266	330	236	283
Internal sales						
Natural gas - Mozambique to Energy	bscf	(2)	13,3	13,6	13,5	13,3
Natural gas - Mozambique to Base Chemicals	bscf	17	5,5	4,7	5,1	5,0
Natural gas - Mozambique to Performance Chemicals	bscf	20	6,7	5,6	7,4	7,4
Energy						
Production						
Synfuels refined product (white product)						
Natref						
Crude oil (processed)	mm bbl	(4)	5,2	5,4	3,0	4,9
White product yield	%		87,2	88,3	90,3	90,1
Total yield	%		97,2	97,1	92,9	97,8
Production	mm bbl	(2)	5,1	5,2	2,9	4,8
ORYX GTL						
Production	mm bbl	44	1,56	1,08	1,44	1,45
Utilisation rate of nameplate capacity	%		108	77	98	99
Escravos GTL (EGTL)						
Production (Sasol's 10% share)	mm bbl	>100	0,21	0,12	0,17	0,15
External purchases						
White product	mm bbl	–	1,6	1,6	2,2	3,1
Natural gas*	bscf	(2)	5,7	5,8	5,8	5,7
Internal purchases						
Coal (Mining)	mm tons	–	5,6	5,6	5,9	5,5
Natural gas (EPI)	bscf	(2)	13,3	13,6	13,5	13,3
Sales						
Liquid fuels - white product	mm bbl	1	14,4	14,3	13,6	14,0
Liquid fuels - black product	mm bbl	–	0,7	0,7	0,5	0,5
Natural gas	bscf	11	8,8	7,9	8,1	8,8
Methane rich gas	bscf	(4)	5,4	5,6	5,4	5,3
Retail convenience centres (RCCs)						
	number	1	399	397	394	398

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

		% change Q4 vs Q3	Quarter 4 2018	Quarter 3 2018	Quarter 2 2018	Quarter 1 2018
Base Chemicals						
External purchases						
Natural gas*	bscf	10	2,3	2,1	2,2	2,1
Internal purchases						
Coal (Mining)	mm tons	(6)	3,1	3,3	3,3	3,3
Natural gas (EPI)	bscf	17	5,5	4,7	5,1	5,0
Sales¹⁵						
Polymers	kt	2	396	389	422	435
Solvents	kt	(9)	233	257	220	252
Fertilizers	kt	(20)	77	96	140	116
Explosives	kt	6	83	78	81	88
	kt	(4)	789	820	863	891
Base Chemicals average sales basket price						
	US\$/ton	-	957	961	810	839
Performance Chemicals						
External purchases						
Natural gas*	bscf	21	2,9	2,4	3,1	3,2
Internal purchases						
Coal (Mining)	mm tons	18	1,3	1,1	1,2	1,0
Natural gas (EPI)	bscf	20	6,7	5,6	7,4	7,4
Total feedstock cost**	R/ton	(2)	7 461	7 595	7 565	6 745
Total feedstock cost**	EUR/ton	(1)	486	492	480	435
Sales						
Organics	Rm	1	12 652	12 518	12 331	11 760
Waxes	Rm	3	2 035	1 977	2 233	2 217
Other	Rm	5	2 834	2 710	2 507	2 224
	Rm	2	17 521	17 205	17 071	16 201
Sales volumes						
Organics	kt	(4)	516	539	488	522
Waxes	kt	(8)	116	127	123	129
Other	kt	7	172	161	189	174
		(3)	805	827	800	825

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

** Includes feedstock cost of natural gas, coal and foreign currency denominated feed streams. The cost is therefore impacted by currency fluctuations of the rand against major currencies.