

Production and sales metrics for the period ended 31 March

		% change 2018 vs 2017	YTD March 2018	YTD March 2017	Full year 2017
Mining					
Production					
Saleable production ¹	mm tons	3	27,2	26,3	36,0
External purchases					
	mm tons	(18)	5,1	6,2	8,0
Internal sales					
Energy	mm tons	(5)	17,0	17,9	23,8
Base Chemicals	mm tons	-	9,9	9,9	12,9
Performance Chemicals	mm tons	(6)	3,3	3,5	4,8
External sales					
International and other domestic	mm tons	9	2,4	2,2	3,0
Exploration and Production International^a					
Production					
Natural gas - Canada ²	bscf	(11)	14,9	16,8	21,9
Condensate - Canada ²	m bbl	(18)	58,7	72,0	85,6
Natural gas - Mozambique (Sasol's 70% share)	bscf	-	86,7	86,9	116,6
Condensate - Mozambique (Sasol's 70% share) ³	m bbl	(22)	200	255	325
Crude oil Gabon (after royalties) ⁴	m bbl	(13)	858	991	1 279
External sales					
Natural gas - Canada	bscf	(11)	14,9	16,8	21,9
Condensate - Canada	m bbl	(18)	58,7	72,0	85,6
Natural gas - Mozambique ⁵	bscf	(8)	11,1	12,1	16,2
Condensate - Mozambique	m bbl	(20)	202	253	328
Crude oil Gabon (after royalties)	m bbl	(10)	849	946	1 293
Internal sales					
Natural gas - Mozambique to Energy	bscf	(2)	40,4	41,2	54,7
Natural gas - Mozambique to Base Chemicals	bscf	(3)	14,8	15,3	20,8
Natural gas - Mozambique to Performance Chemicals	bscf	11	20,4	18,3	24,9
Energy^{b,c}					
Production					
Synfuels refined product (white product)⁶	mm bbl	(4)	23,4	24,5	32,5
Natref⁷					
Crude oil (processed)	mm bbl	(15)	13,3	15,6	20,3
White product yield	%		89,2	89,5	89,3
Total yield	%		97,1	96,8	96,9
Production	mm bbl	(15)	12,9	15,1	19,7
ORYX GTL⁸					
Production	mm bbl	(5)	3,97	4,18	5,49
Utilisation rate of nameplate capacity	%		91	96	95
Escravos GTL (EGTL)⁹					
Production (Sasol's 10% share)	mm bbl	>100	0,44	0,02	0,16
External purchases					
White product	mm bbl	44	6,9	4,8	6,7
Natural gas*	bscf	(2)	17,3	17,7	23,4
Internal purchases					
Coal (Mining)	mm tons	(5)	17,0	17,9	23,8
Natural gas (EPI)	bscf	(2)	40,4	41,2	54,7
Sales					
Liquid fuels - white product ¹⁰	mm bbl	(1)	41,9	42,4	57,4
Liquid fuels - black product ¹⁰	mm bbl	(6)	1,7	1,8	2,6
Natural gas	bscf	(1)	24,8	25,0	33,5
Methane rich gas ¹¹	bscf	(12)	16,3	18,6	23,3
Retail convenience centres (RCCs)¹²					
	number	1	397	394	397

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

		% change 2018 vs 2017	YTD March 2018	YTD March 2017	Full year 2017
Base Chemicals^{b,d}					
External purchases					
Natural gas*	bscf	(3)	6,4	6,6	8,9
Internal purchases					
Coal (Mining)	mm tons	–	9,9	9,9	12,9
Natural gas (EPI)	bscf	(3)	14,8	15,3	20,8
Sales¹³					
Polymers	kt	(2)	1 246	1 276	1 669
Solvents	kt	–	729	728	982
Fertilizers	kt	(1)	352	356	437
Explosives	kt	1	247	245	325
	kt	(1)	2 574	2 605	3 413
Normalised total (asset disposals & business changes and planned shutdowns)					
	kt	(1)	2 574	2 605	3 436
Base Chemicals sales basket price¹⁴					
	\$/ton	12	869	774	793
Performance Chemicals^{b,e}					
External purchases					
Natural gas*	bscf	12	8,7	7,8	10,7
Internal purchases					
Coal (Mining)	mm tons	(6)	3,3	3,5	4,8
Natural gas (EPI)	bscf	11	20,4	18,3	24,9
Total feedstock cost**¹⁵					
	R/ton	7	7 155	6 657	6 542
Total feedstock cost**¹⁵					
	EUR/ton	4	464	446	441
Sales					
Organics ¹⁶	Rm	4	36 609	35 097	46 972
Waxes	Rm	5	6 427	6 101	8 260
Other	Rm	2	7 441	7 298	9 915
	Rm	4	50 477	48 496	65 147
Sales volumes					
Organics ¹⁷	kt	3	1 549	1 511	2 040
Waxes ¹⁸	kt	5	379	360	482
Other	kt	(1)	524	527	711
		2	2 452	2 398	3 233

* 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.

		YTD March 2018	Full year 2017
Lake Charles Chemicals Project¹⁹			
Cumulative capital expenditure to date	US\$m	9 190	7 500
Percentage of completion	%	85	74

		Full year 2018	Full year 2019
Significant open hedges - Sasol group²⁰			
Brent oil - put options			
Number of barrels hedged	mm bbl	12,75	30,00
Average Brent crude oil price floor, net of costs	US\$/bbl	47,01	51,88
Rand/US dollar currency - zero-cost collar instruments			
US\$ exposure hedged	US\$bn	1,00	2,25
Annual average floor	R/US\$	13,32	14,01
Annual average cap	R/US\$	15,38	16,17
Export coal - swaps			
Number of tons hedged	mm tons	0,70	1,40
Average coal swap price	US\$/ton	75,84	81,82
Ethane gas - swaps			
Number of barrels hedged	mm bbl	1,40	1,50
Average ethane gas swap price	US\$ c/gal	27,41	27,68

Commentary

- 1 We are still ramping up towards targeted productivity levels. However, since December 2017, our mining operations were significantly impacted by four tragic fatalities at different mines which resulted in lower than expected production volumes. Safety remains a top priority and we are taking action to restore the safety focus at our operations. Our business improvement programme (BIP), aimed at increasing productivity and achieving cost efficiency, is currently underway and has already yielded higher productivity rates since March 2018.
- 2 Lower gas volumes produced due to a reduction in the number of new wells completed.
- 3 Decrease due to higher dry gas production from Pande gas wells, which results in lower condensate.
- 4 Lower production during Q3 due to the natural decline of the wells.
- 5 Volumes decreased due to lower market demand in Mozambique.
- 6 Secunda Synfuels Operations (SSO) total production volumes decreased by 3% mainly as a result of an unexpected Eskom supply interruption and internal outages. This, as well as a higher portion of the production volumes being allocated to our chemical businesses, reduced the production of refined products by 4%.
- 7 Through our focused efforts and management actions, Natref delivered a strong performance during Q3FY18 with an improved production run rate of 639m³/h. The increased volumes in Q3 FY18, partially offsets the lower production volumes recorded in the first half of the year. We are of the view that this positive trend will continue in the ensuing months.
- 8 ORYX GTL production achieved an average utilisation rate of 91% due to planned plant shutdowns during the period. The plant remains on track to achieve the market guidance of a 92% utilisation rate for the full year.
- 9 At EGTL, optimisation efforts to reduce costs and improve plant efficiency are progressing well. Planned maintenance work is underway to ramp up the plant towards design capacity.
- 10 Overall, liquid fuels sales volumes decreased by 1% due to lower allocated volumes from SSO. Our sales performance in Q3 FY18 improved, despite challenging South African liquid fuels market conditions.
- 11 Methane rich gas sales volumes decreased by 12% mainly due to lower market demand. The gas was however re-routed and utilised in our integrated value chain.
- 12 During the period, we opened six new retail convenience centres (RCCs) and divested from six non-operating RCCs. A further six RCCs are planned to come on-stream by the end of FY18.
- 13 Our Base Chemicals sales volumes decreased by 1% mainly due to an initial stock build for our high density polyethylene joint venture in the US that reached beneficial operation during November 2017. Base Chemicals sales volumes for our foundation businesses were marginally higher due to improved propylene production, partially offset by unplanned interruptions at SSO affecting the ethylene value chain.
- 14 Our US dollar basket sales price of US\$869/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 high density polyethylene from our new facility in the US.
- 15 Increase in feedstock cost per ton is mainly as a result of higher Brent crude oil prices.
- 16 Sales includes revenue from kerosene in our alkylates business of R2,9bn (March YTD 2017 — R2,6bn; FY17 — R3,3bn) 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.
- 17 Production volumes increased by 3% due to stronger product demand and increased plant availability.
- 18 Sales volumes increased by 5%, with our FTWEP facility performing well ahead of expectations.
- 19 We are making steady progress with our LCCP project in Lake Charles. The total forecasted capital cost for the project remains within the previous 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 61% completion at the end of March 2018.
- 20 We are currently executing on our hedging programme for FY19 with 40% of our exposure to the Rand/US dollar exchange rate and 50% of our oil exposure (based on our annualised production) already hedged. Our hedging programme for FY18 has been completed, with 70% of our exposure to the Rand/US dollar exchange rate and 84% of our oil exposure hedged.

Production and Sales Outlook

- a We remain on track to achieve the upper end of our market guidance for gas production of 114 - 118 bscf.
- b SSO total production is expected to be 7,6 - 7,7 million tons mainly due to unexpected Eskom supply interruptions and internal outages in April 2018. We remain focused on maximising production over the remaining quarter.
- c Following the plant interruptions at SSO, we expect to achieve liquid fuels sales volumes of 58 million barrels. Natref average run rates are expected to improve over the next three months, averaging between 610 and 620m³/per hour, taking into account the planned hydrocracker block shutdown in May 2018.
- d Our Base Chemicals sales volumes for our South African assets are expected to be slightly lower from the previous year following the recent SSO plant interruptions. Further, due to ethylene prices trading at historical lows in the US, we have opted to rather build inventories to support our downstream derivative units as they reach beneficial operation.
- e Performance Chemicals sales volumes are expected to remain within the previous market guidance of 2 - 3% higher than prior year.

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

The preliminary production and sales metrics for the period ended 31 March 2018 have not been reviewed and reported on by our external auditors.

Disclaimer - Forward-looking statements

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