FINAL RESULTS ANNOUNCEMENT

MONDAY, 12 SEPTEMBER 2016 AT 10H00

JOHANNESBURG

SASOL CFO

PAUL VICTOR

SLIDE 11: TITLE SLIDE

Thank you Steve and Bongani, and good morning ladies and gentlemen.

It is my pleasure to present our 2016 results to you today. Our results are well within the earnings range provided in our recent trading statement and ahead of market consensus.

Strong overall performances from our global assets set the base for our results despite what has been a continued highly volatile and uncertain macroeconomic environment.
This was largely evidenced in a 25% decrease in rand oil prices for the period under review.

We delivered a stellar cost performance and have also increased our cost and cash savings targets to drive further savings that will enable us to mitigate the challenges of the current macro-economic environment.

We remain confident that under our new leadership and given the strength of our diversified asset base, we will continue to deliver maximum sustainable shareholder value by focusing on:

- volume and margin expansion,
- effective cost management
- and lastly, strategy and quality driven capital allocation.

SLIDE 12: CHALLENGING MACROECONOMIC ENVIRONMENT CONTINUES

As Bongani mentioned, in 2016, we saw oil prices drop to as low as US$27 per barrel in January 2016 and somewhat recovering to US$48 per barrel by June 2016.
Commodity chemical prices also followed the declining trend of global oil prices. We continued to adapt to this tough operating environment and remain focused on delivering on the factors within our control, which is what today's results will highlight.

Oil prices averaged $43 per barrel on concerns of global oil over- supply, as well as a lack of clear signals from OPEC in rebalancing the global oil market.

Our commodity chemicals basket price, measured in dollar terms, declined by 22%, relative to the 41% drop in the dollar oil price. The average margins of our specialty chemicals continue to remain resilient.

The rand/US dollar exchange rate weakened by 27% due to negative market sentiment on the South African economy, coupled with continued dollar strength. The weaker rand provided a partial buffer against lower oil and commodity chemical prices.

The Sasol business remains highly sensitive to significant movement in the rand/US dollar exchange rate and oil prices. We estimate that a 10 cents change in the annual average rand/US dollar exchange rate will affect our profit from global operations by approximately R650 million, while a US$1 dollar change in the crude oil price, will have an impact of approximately R820 million.

SLIDE 13: GROUP PROFITABILITY | STRONG OPERATIONAL PERFORMANCE SUPPORTED BY DELIVERING COST AND CASH INITIATIVES

Sasol undertook a large-scale restructuring programme in 2012 to reposition the company and this, coupled with our Response Plan, has proved invaluable in making our business more resilient in the current operating environment.

Overall, we delivered a solid operational performance through most of the value chain with record production volumes being achieved in Secunda Synfuels and from our European assets. We are seeing improved stability in production volumes a key outcome of the capital investments made in the last few years.

Profit from operations of R24,2 billion was down 48%, largely as a result of the lower average Brent crude oil price and the negative impact of once-off items of R11 billion. This was partially offset by the weaker rand.

Headline earnings per share decreased by 17% to R41.40 despite a 25% decline in the rand oil price per barrel.

A total dividend of R14.80 has been declared in line with our current dividend cover of 2,2 to 2,8 times headline earnings per share.

Capital expenditure, dominated by spend on the LCCP, increased to R70,4bn, which is below our market guidance of R74 billion due to our cash conservation initiatives and actively managing the capital portfolio.

SLIDE 14: OPERATING PROFIT | IMPACTED BY VOLATILE MACRO ENVIRONMENT AND ONCE-OFF ITEMS

I will now be taking you through the items impacting the change in operating profit compared to the previous financial year.

The weaker rand/US dollar exchange rate increased profitability by 51%.
This benefit was negated by lower crude oil and product prices, which adversely affected profit by 68%.
Profit from operations was further adversely impacted by 32%, as a result of the following once-off items and period-end adjustments.

These items can be summarised as follow:

- a further partial impairment of our Canadian shale gas assets totalling R9,9bn or CAD880 million;
- a R370 million cash settled share-based payment expense in the current period, compared to a credit of R1,4 billion last year, on the back of a 29% decrease in the share price;
- an increase in the rehabilitation provision of R1,9 billion, following a credit adjustment of R1,7 billion in the previous year, mainly as a result of the implementation of the 2050 strategy.
- These once-off items were partly negated by the R2,3 billion reversal of the Nigerian tax provision.

Contributions from our cost and cash saving initiatives of R6,1 billion positively impacted profit.
This benefit was partly negated by higher depreciation charges in respect of new plants and inflation.

Unfortunately, sales volumes were down 3% due to lower volumes in our chemicals businesses.
This was a result of planned extended shutdowns, subdued demand and lastly, building inventory in areas focussed at improving customer supplies.

SLIDE 15: CASH FIXED COSTS DOWN 8,1% IN REAL TERMS | PROACTIVE CASH AND COST SAVINGS INITIATIVES DRIVE COSTS DOWN

We continue to drive our cost and cash containment programmes, which underpinned our outstanding cost performance.

Normalised cash fixed costs were down 8,1% in real terms for the financial year. Savings, in excess of our targets, from our Business Performance Enhancement Programme and Response Plan, resulted in this reduction in our cash fixed cost base.

Restructuring costs and other once-off costs in the prior period resulted in a decrease in cash fixed costs by 1,9%.

On a macro level, South African producer price inflation increased costs by 5,6%. Although overall we benefited from a weaker exchange rate, the impact of a weaker rand did add 4,6% to total cash fixed costs.

I would like to sincerely thank the entire organisation for the role they played in contributing to this solid cost performance.
We have sustainably reduced the global Sasol cost base over the past three years to levels which makes us highly competitive in a sustained low oil price environment.

SLIDE 16: MINING AND EPI OPERATING BUSINESS UNITS | MINING'S STRONG OPERATIONAL PERFORMANCE CONTINUES

Now Focusing on our Operating Business Units:

Profit from operations in Mining increased by 9% to R4,7 billion, mainly as a result of a continued strong and sustainable cost performance, as well as stable mining operations delivery.

Meaningful contributions were made from our Business Performance Enhancement Programme and Response Plan. This resulted in normalised unit costs from our Mining operations being contained at 5% below inflation for a second consecutive year.

Exploration and Production International recorded a loss from operations of R11,7 billion, largely due to the R9,9 billion impairment of our Canadian assets that I referred to earlier. Excluding the Canadian impairment, this business still suffered a loss of R1,1 billion, on the back of mostly lower oil and gas prices.

Our Mozambican operations recorded a profit of R1,1 billion compared to R1,8 billion in the prior year. The decrease was mainly as a result of translation losses. However, successful debottlenecking of the production facility resulted in a 5% increase in volumes.

The lower oil price continues to have a significant impact on our assets in Gabon. It is encouraging to note that production was up 15%.

Lastly, With regards to our Canadian assets, we have concluded an agreement with our partner to settle the outstanding funding commitment
that will enable better strategic alignment through the low gas price environment.

We have agreed a revised 18 month drilling programme with our partner that results in reduced drilling activity until we see a sustainable increase in gas prices.

SLIDE 17: CHEMICALS | PC BUSINESS REMAINS RESILIENT BC MARGINS UNDER PRESSURE

The chemical businesses contributed 64% to group profits and continue to provide resilience to the overall group's earnings in a low oil price environment.

The average dollar basket price of commodity chemicals decreased by only 22%, despite the 41% drop in oil prices.
Average margins for speciality chemicals remained resilient despite global market volatility.

Performance Chemicals continues to deliver strong results, underpinned by resilient average gross margins.
On a normalised basis, profit from operations increased by 5%.
This robust performance is largely as a result of the weaker rand coupled with the strong margins in the surfactant and alcohol businesses. Our US value chain has been negatively impacted by lower US ethylene prices.

Record production volumes at our Brunsbuttel and Marl facilities resulted in our Eurasian operations reporting an exceptional performance with a 4% improvement in production volumes.
Our US production volumes remained flat mainly as a result of an extended planned shutdown.

Profit from operations in Base Chemicals decreased by 56% to R4,5 billion, largely due to the 22% decrease in the average chemicals basket price and lower sales volumes.

Normalised Sales volumes were 2.6% down, as a result of an extended planned shutdown to enable commissioning activities related to the C3 expansion project.
Volumes were also lower due to softer demand for explosives and fertilisers and a planned stock build to improve stability of customer supplies.

Cash fixed costs were 1,5% down in nominal terms, mainly through the benefits of our cost and cash savings initiatives.

SLIDE 18: ENERGY SBU | RECORD PRODUCTION VOLUMES AND A STRONG COST PERFORMANCE

Underpinned by record production and a solid cost performance, our Energy business delivered a fair set of results, relative to the current macroeconomic environment.
Secunda Synfuels and Natref increased liquid fuels production by 1%.

The Southern Africa Energy portfolio benefitted by a weaker rand/US dollar exchange rate.
However, the impact of the 41% lower oil price negated these gains. Operating margins held firm at 22% as a result of record volumes and higher liquid fuel sales margins by consciously targeting higher yielding marketing channels.

Liquid fuels sales remained flat year on year on the back of challenging market and trading conditions experienced during the first half of the year.

I am extremely proud to announce that as a result of the attractive returns generated by Sasol Oil (Pty) Ltd over many years, our BEE partner, Tshwarisano, settled the remaining portion of their debt in February 2016. This milestone is just one of our key objectives as we deliver on our transformation commitments.

Gas sales were 1% higher, mainly due to higher methane-rich gas sales to commercial customers.

Our ORYX GTL venture contributed R462 million to the Energy business. The plant achieved an average utilisation rate of 81% due to the guided planned shutdown.

The volume decrease, coupled with the significant drop in oil prices, resulted in our share of profit from the joint venture decreasing by 75% compared to the prior year.

In Nigeria, our EGTL plant is still in its ramp up phase towards design capacity and stable operation.

SLIDE 19: CAPITAL PORTFOLIO PRIORITISED FOR THE ADVANCEMENT OF OUR GROWTH PROJECTS IN SOUTHERN AFRICA AND NORTH AMERICA

Our 2016 actual capital expenditure decreased by R4 billion compared to previous guidance due to our cash conservation initiatives and actively managing the capital portfolio. The capital expenditure of the LCCP amounted to R42 billion or US$2,9 billion for financial year 2016

Our 2017 capex estimate has increased by R2 billion to R75 billion and our 2018 forecast now stands at R60 billion, as a result of the increased LCCP capital estimate and the impact of the weakening rand.

We estimate the capital expenditure of the LCCP to be approximately US$3,4bn for FY17 and US$2,2bn for FY18.

We have based our forecast on a R15 to the dollar exchange rate.
Any further exchange rate volatility will affect this forecast, as the bulk of the expenditure over the next two years is dollar based relating to the LCCP and the PSA in Mozambique.

While we continue the execution of these projects, our other projects such as FTWEP Phase 2, our HDPE JV investment with Ineos, only to name a few, are currently underway or nearing the end of construction.
This will provide us with the incremental volumes and margin improvement to enable sustained earnings growth in real terms over the next couple of years prior to the LCCP reaching beneficial operation.

SLIDE 20: BALANCE SHEET GEARING UP, BUT LIQUIDITY REMAINS STRONG

Our balance sheet will become increasingly geared as we continue to execute the LCCP, Mozambique PSA and other projects in our portfolio.
However, through the continued contribution of our response plan, business performance enhancement programmes as well as, the sustained performance of our diversified global assets
We do foresee that it will enable us to effectively manage the balance sheet going forward.

Our current net debt to equity, which increased to 14,6% - well below our 20 to 30% range provides us with more headroom compared to what we estimated. We remain confident that we will not exceed our self-imposed gearing ceiling of 44% and manage the net debt to EBITDA to below 2 times. This remains well below any covenant triggers which currently sit at 2.5 times.

We have also secured sufficient facilities and funding to provide us with the necessary liquidity to continue executing our growth strategy despite a challenging macro-economic environment in which we operate.

Our current credit ratings remain a critical focus area and we will strive to maintain them at the current investment grade levels.

We remain confident that the interventions already in place will ensure that we navigate a volatile and constraint economic environment safely, while continuing to deliver value to our shareholders aligned with our current dividend policy.

SLIDE 21: FY17 OUTLOOK | MAINTAIN MOMENTUM DESPITE MACROECONOMIC CHALLENGES

Even though we anticipate continued oil price and exchange rate volatility, we expect an overall strong operational performance to continue for the 2017 financial year.

We project South African liquid fuels sales volumes to be approximately 61 million barrels with ORYX GTL's utilisation rate averaging approximately 90%, Base Chemicals and Performance Chemical's sales volumes and margins are expected to be higher than the prior year.

We expect cost and cash savings contributions from the Response Plan to deliver towards the upper end of the R15 to 20 billion range.

Sustainable cost savings of our targeted R5,4 billion by FY18 will continue to drive normalised cash fixed costs to remain in line with inflation.

We expect our balance sheet to reach gearing levels of between 25 to 35%, and a net debt to EBITDA between of 0.8 to 1.5 times.

In closing, we are well positioned to continue delivering strong operational performance despite the volatile macroeconomic environment.

We continue to focus on the factors within our control as we gear up the balance sheet and execute our growth plans in pursuit of delivering maximum sustainable value to our shareholders

On that note, I will hand back to Steve and Bongani.