

Tiger Brands Limited
 (Registration number 1944/017881/06)
 (Incorporated in the Republic of South Africa)
 Share code: TBS
 ISIN: ZAE000071080
 ("Tiger Brands" or "the Company")

DECLARATION BY TIGER BRANDS LIMITED OF A CAPITAL REDUCTION OUT OF SHARE PREMIUM IN RESPECT OF THE YEAR ENDED 30 SEPTEMBER 2009

At the general meeting of shareholders of the Company held on 12 October 2009, the board of directors was given the general authority to make payments to shareholders out of the Company's share premium account. Pursuant to this authority, the directors have decided to make a cash distribution (in lieu of the final dividend) by way of a reduction of capital out of share premium of 459 cents per share, for the year ended 30 September 2009, to Tiger Brands shareholders recorded in the register on Friday, 15 January 2010 ("the Distribution").

In compliance with the requirements of Strate, the electronic settlement and custody system used by the JSE Limited, the Company has determined the following salient dates for the payment of the Distribution:

Last day to trade cum the Distribution Friday, 8 January 2010
 Shares commence trading ex the Distribution Monday, 11 January 2010

Record date Friday, 15 January 2010
 Payment date Monday, 18 January 2010

Tiger Brands ordinary shareholders will not be permitted to dematerialise/rematerialise their shares between Monday, 11 January 2010 and Friday, 15 January 2010, both days inclusive. The illustrative pro forma financial effects of the Distribution set out below have been prepared to assist Tiger Brands shareholders in assessing the impact of the distribution of capital out of share premium on the Net Asset Value per share ("NAV") and Tangible Net Asset Value per share ("TNAV").

The material assumptions are set out in the notes following the table. The pro forma financial effects are the responsibility of the directors and are provided for illustrative purposes only.

	Actual before the Phase II BEE Transaction and the Distribution(i)	Impact of the Phase II BEE Transaction(ii) & (iii)
Assets		
Cash and cash equivalents(iii) & (iv) (Rm)	506,2	13,4
Equities and liabilities		
Equity attributable to ordinary shareholders(iii), (iv)	6 983,7	48,0

& (v) (Rm)	
NAV(vi) (cents per share)	4 438,7
TNAV(vi) (cents per share)	3 377,9

	Impact of the Distribution of 459 cents per share(iv)	Pro forma after the Phase II BEE Transaction and the Distribution
Assets		
Cash and cash equivalents(iii) & (iv) (Rm)	(725,8)	(206,2)
Equities and liabilities		
Equity attributable to ordinary shareholders(iii), (iv) & (v) (Rm)	(725,8)	6 305,9
NAV(vi) (cents per share)		3 987,8
TNAV(vi) (cents per share)		2 932,3

Notes:

(i)As per the published reviewed results of Tiger Brands for the year ended 30 September 2009.

(ii)The second phase of the Company's Broad-based Black Economic Empowerment initiative approved by shareholders at the general meeting held on 12 October 2009, and implemented on 20 October 2009 ("the Phase II BEE Transaction").

(iii)Adjustments to cash & cash equivalents and equity attributable to ordinary shareholders were made on the assumption that the Phase II BEE Transaction was implemented with effect from 30 September 2009.

(iv)Adjustments to cash & cash equivalents and equity attributable to ordinary shareholders were made on the assumption that the Distribution was paid on 30 September 2009.

(v)Equity attributable to ordinary shareholders comprises the following line items:

(Rm)	Actual before the Phase II BEE Transaction and the Distribution	Impact of the Phase II BEE Transaction
Ordinary share capital	17,4	1,6
Share premium	53,4	1 746,7
Non-distributable reserves	788,7	
Accumulated profits	7 309,8	(160,8)
Tiger Brands Limited shares held by subsidiary	(817,7)	
Tiger Brands Limited shares held by empowerment entities	(502,2)	(1 611,2)
Share-based payment reserve	134,3	71,7
Total equity attributable to ordinary shareholders	6 983,7	48,0

Impact of the Distribution	Pro forma after the Phase II BEE Transaction

(Rm)	of 459 cents per share	and the Distribution
Ordinary share capital		19,0
Share premium	(871,6)	928,5
Non-distributable reserves		788,7
Accumulated profits		7 149,0
Tiger Brands Limited shares held by subsidiary	47,4	(770,3)
Tiger Brands Limited shares held by empowerment entities	98,4	(2 015,0)
Share-based payment reserve		206,0
Total equity attributable to ordinary shareholders	(725,8)	6 305,9

(vi) The calculation of NAV per share and TNAV per share as at 30 September 2009 before the Phase II BEE Transaction and the Distribution has been based on 157 336 454 ordinary shares in issue (which excludes the 10 326 758 treasury shares held by a wholly-owned subsidiary of Tiger Brands as well as 5 896 140 shares held by various empowerment entities - in terms of the Phase I BEE Transaction - which are consolidated for accounting purposes). The calculation of NAV per share and TNAV per share after implementation of the Phase II BEE Transaction and the Distribution has been based on 158 128 254 ordinary shares in issue (which excludes the 10 326 758 treasury shares held by a wholly-owned subsidiary of Tiger Brands as well as 21 426 860 shares held by various empowerment entities - in terms of the Phase I and Phase II BEE Transactions - which are consolidated for accounting purposes).

For income tax purposes, shareholders are advised that the Distribution will be regarded as a return of capital and therefore consideration should be given to the potential capital gains tax consequences. Tiger Brands shareholders are, therefore, advised to consult their tax advisors with regard to how they may be impacted by the Distribution.

On behalf of the Board
I W M Isdale
Group Secretary
Sandton
23 November 2009