

SAPPI LIMITED

Registration number: 1936/008963/06

JSE code: SAP

ISIN code: ZAE000006284

Issuer code: SAVVI

Investing in growth

Second quarter results for the period ended March 2018

2nd quarter results

Sappi is a global diversified woodfibre company focused on providing dissolving wood pulp, specialities and packaging

papers, printing and writing papers as well as biomaterials and biochemicals to our direct and indirect customer base

across more than 150 countries.

Notes to the condensed group results

#### 1. Basis of preparation

The condensed consolidated interim financial statements for the quarter and half-year ended March 2018 are prepared

in accordance with International Financial Reporting Standards, IAS 34 Interim Financial Reporting, the SAICA Financial

Reporting Guides as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of

South Africa. The accounting policies applied in the preparation of these interim financial statements are in terms of

International Financial Reporting Standards and are consistent with those applied in the previous annual financial statements.

#### 4. Earnings per share

	Reviewed					
	Quarter ended	Half-year ended				
US\$ million	Mar 2018	Mar 2017	Mar 2018	Mar 2017		
Basic earnings per share (US cents)		19	16	31	33	
Headline earnings per share (US cents)		18	16	30	33	
EPS excluding special items (US cents)		17	17	31	33	
Weighted average number of shares in issue (millions)			538.7	534.5	537.2	
533.0						
Diluted earnings per share (US cents)		19	16	30	33	
Diluted headline earnings per share (US cents)			17	16	29	33
Weighted average number of shares on fully diluted basis (millions)			549.4	548.0	549.2	
545.9						
Calculation of headline earnings						
Profit for the period	102	88	165	178		
Profit on disposal of property, plant and equipment		(9)	-	(9)	-	
Tax effect of above items	3	-	3	-		
Headline earnings	96	88	159	178		
Calculation of earnings excluding special items						
Profit for the period	102	88	165	178		
Special items after tax	(8)	3	(16)	(2)		
Special items	(12)	3	(23)	(4)		
Tax effect	4	-	7	2		

Tax special items	-	-	19	-
Earnings excluding special items		94	91	168
				176

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Sappi website: [www.sappi.com](http://www.sappi.com)

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