

Agusto & Co assigns a rating of “Aa+” to Dangote Sugar Refinery Plc

Agusto & Co has assigned a rating of “Aa+” to Dangote Sugar Refinery Plc (“the Company” or “DSR”). The rating is supported by DSR’s low leverage, good profitability, strong cash flows, adequate working capital and an experienced & qualified management team.

The company is a dominant player in the Nigerian Sugar Industry, operating the largest sugar refinery in Nigeria (1.44 million metric tonnes installed capacity). DSR has the leading market share, accounting for approximately 70% of the industry’s turnover.

Dangote Sugar Refinery Plc is primarily engaged in the processing and marketing of refined sugar for household and industrial consumption. As at 30 September 2009, DSR had total assets of N71.3 billion. The Company generated N59.4 billion turnover during the 9 months period to 30 September 2009 and recorded a N15.9 billion profit before tax.

DSR was formerly a division of Dangote Industries Limited (DIL), which commenced its sugar business in 1978. In 2006, DIL’s sugar division’s assets and liabilities were transferred to DSR through a scheme of arrangement. In March 2007 DSR was listed on the Nigerian Stock Exchange. DIL remains the majority shareholder with a 69% stake in the company.

Notes to release

A credit rating of “Aa+” indicates a company that possesses very strong financial condition and very strong capacity to meet obligations as and when they fall due.

The opinions expressed in this rating release do not represent investment or other advice and should therefore not be construed as such. Visit www.agusto.com for further information