

Forward looking statements

This presentation may contain statements regarding the business of Olam International Limited ('Olam') and its subsidiaries ('Group') and Queensland Cotton Holdings Limited ('QCH') that are of a forward looking nature and are therefore based on management's assumptions about future developments.

Such forward looking statements are intended to be identified by words such as 'believe', 'estimate', 'intend', 'may', 'will', 'expect', and 'project' and similar expressions as they relate to the Group and QCH. Forward-looking statements involve certain risks and uncertainties because they relate to future events. Actual results may vary materially from those targeted, expected or projected due to several factors.

Potential risks and uncertainties includes such factors as general economic conditions, foreign exchange fluctuations, interest rate changes, commodity price fluctuations and regulatory developments. The reader and/or listener is cautioned to not unduly rely on these forward-looking statements. We do not undertake any duty to publish any update or revision of any forward looking statements.

Presentation Outline

✦ Transaction Overview

✦ Overview of QCH

✦ Transaction Rationale

✦ Financial Parameters

✦ Summary

✦ Q&A



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A landmark transaction for Olam

Create a
top 3 global
cotton player

- Unmatched breadth and depth in origins, products and markets
- A “Universal supplier” – full product range to meet the most diverse of cotton customer requirements
- Significant scope to accelerate growth through cross-selling, given complementarities in products, markets and customers

Consistent with
cotton strategy

- Expand product range/increase share in high/fine segment and entry into the PIMA cotton segment
- Expand into Australia & increase sourcing share in US and Brazil
- Deepen penetration in key end markets and enhance value added service capabilities

Consistent with
M&A policy

- Accelerated access into Australia - a new geography
- String of pearls approach - transaction size right in our sweet spot (<5% of current market capitalisation)
- Acquisitions throughout the cycle
- Acquire controlling stake

Marks entry into
Australia

- One of the most significant origins globally for agricultural commodities and food ingredients (grains, dairy and edible nuts)
- Offers a robust platform for future expansion

Transaction Overview

Transaction

- Offer to acquire 100% of the outstanding shares of QCH
- Friendly and agreed transaction with full QCH board support, in the absence of a superior proposal
- To be implemented through an off-market takeover process in Australia

Consideration

- Two tier pricing structure:
 - Threshold Price: A\$4.75 per share subject to 50% minimum acceptance condition – implies total consideration of A\$134m (US\$103m)
 - Compulsory Acquisition Price: If Olam receives greater than 90% acceptances, it will increase its offer price to A\$5.05 per share – implies total consideration of A\$142m (US\$110m)

Financing

- Internal accruals and borrowings

Timing

- Offer targeted to open late March

Other terms and conditions

- Australian Foreign Investment Review Board (“FIRB”) and HSR approval
- Break fee of A\$1.34m payable to Olam in certain circumstances
- Olam undertakes not to enter into any arrangement with the major shareholder or make a subsequent takeover offer for 6 months after the end of this offer, except with the consent of the independent directors

Outcomes of the Offer

Depending on the level of shareholder acceptances, the offer could result in

Less than 50% acceptance

- The offer will lapse with Olam having no ownership interest in QCH, unless the 50% minimum acceptance condition is waived
- This is consistent with our M&A policy of doing deals to either acquire a controlling stake or management control

50 – 90% acceptance

- QCH to continue operating as is with appropriate Olam board representation
- QCH to continue to be run by the current strong and experienced management team

Greater than 90% acceptance

- Compulsory acquisition of QCH
- QCH to be delisted and operated as a 100% owned subsidiary of Olam
- QCH to continue to be run by the current strong and experienced management team with appropriate integration into the wider Olam network and system

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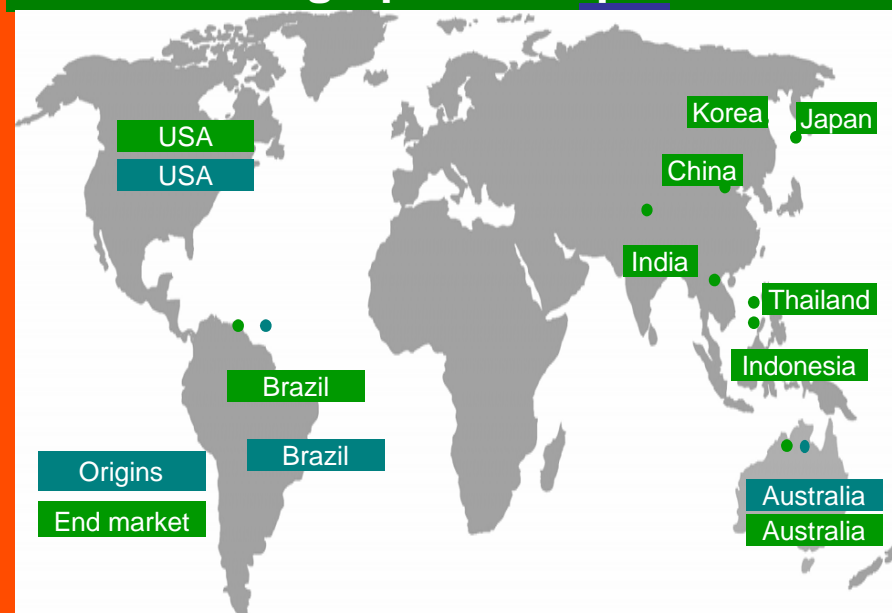


QCH: Australia's largest cotton company, a global top 10 player

Overview

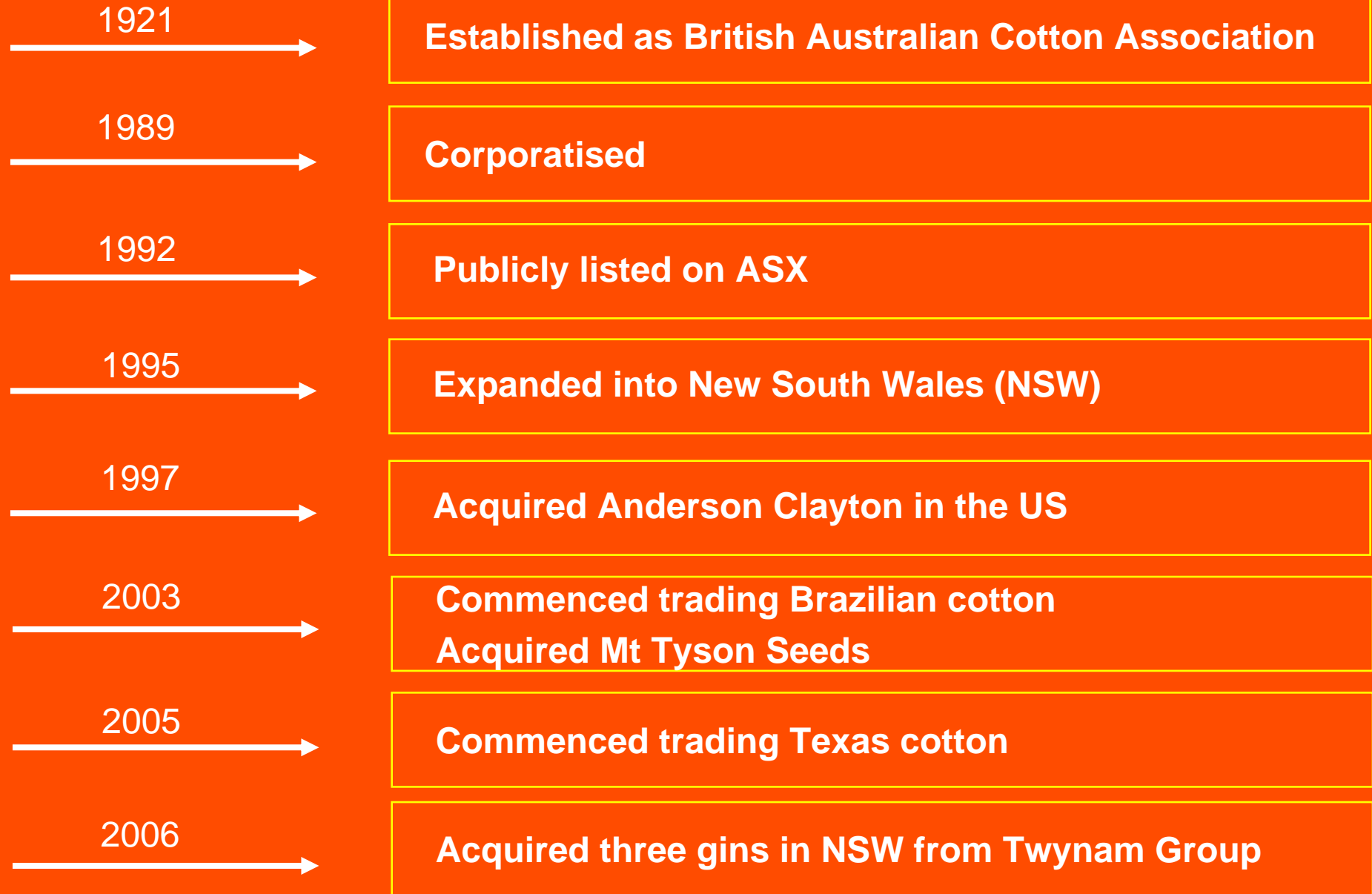
- Australia's largest and oldest cotton company
- One of the top ten cotton marketing companies globally
- Provides integrated services to the cotton industry as well as the trading of pulse crops
- Operations in Australia, United States and Brazil
- 300 employees
- Listed on the Australian Stock Exchange in 1992
- Operations comprise:
 - Global ginning: 11 gins in Australia (8 in Queensland and 3 in New South Wales) and 12 gins in USA (California and Arizona)
 - Global marketing: procurement and sale of cotton to global textile markets
 - Global logistics: warehousing and shipping of cotton to customers around the world

Geographic Footprint



- An established Australian base
- Efficient US operations in California, Arizona and Texas
- A small but growing base in Brazil consisting of marketing and warehousing activities
- Increasing market presence in key growth markets such as China

A long and rich history



Present across the cotton supply chain

QCH's involvement in the value chain



❖ Cotton activities include:

- Processing or ginning of seed cotton
- Marketing and warehousing of cotton
- Provision of seed cotton module cartage services

❖ QCH is not a cotton grower and derives its income from fees and margins charged from providing the activities outlined above

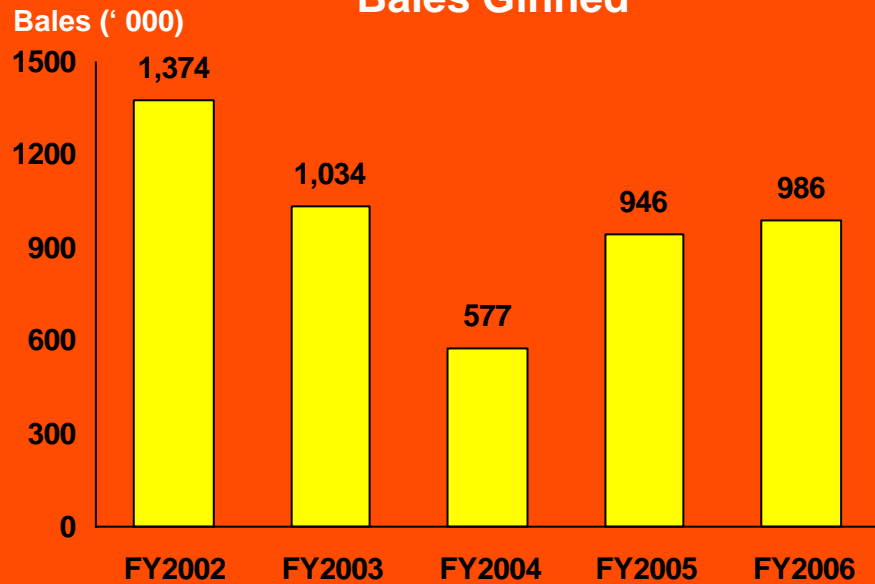
❖ QCH's customer base comprises primarily cotton spinning and weaving mills

❖ Other activities include:

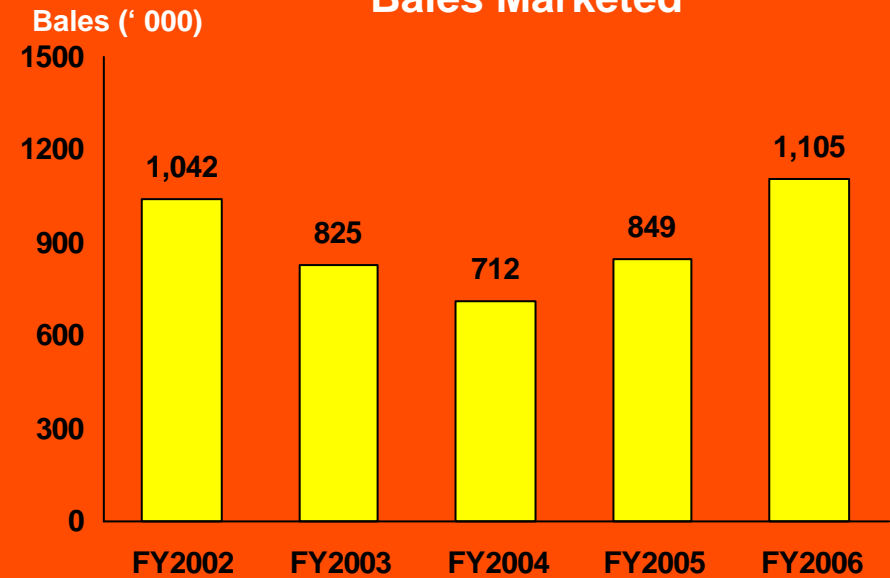
- Pulse crop activities including the accumulation of pulse crops and the cleaning, dressing, grading and distribution of these crops
- Farmer input services

Key Performance Metrics

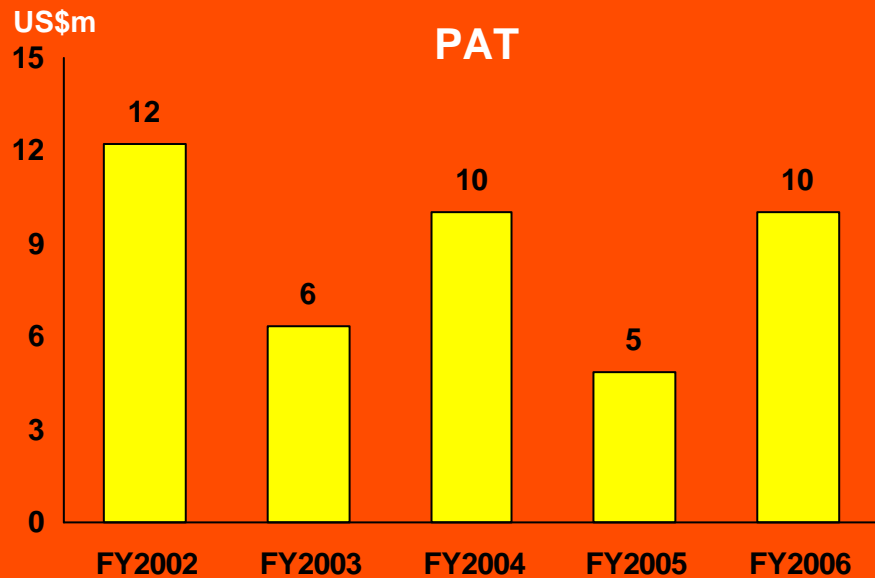
Bales Ginned



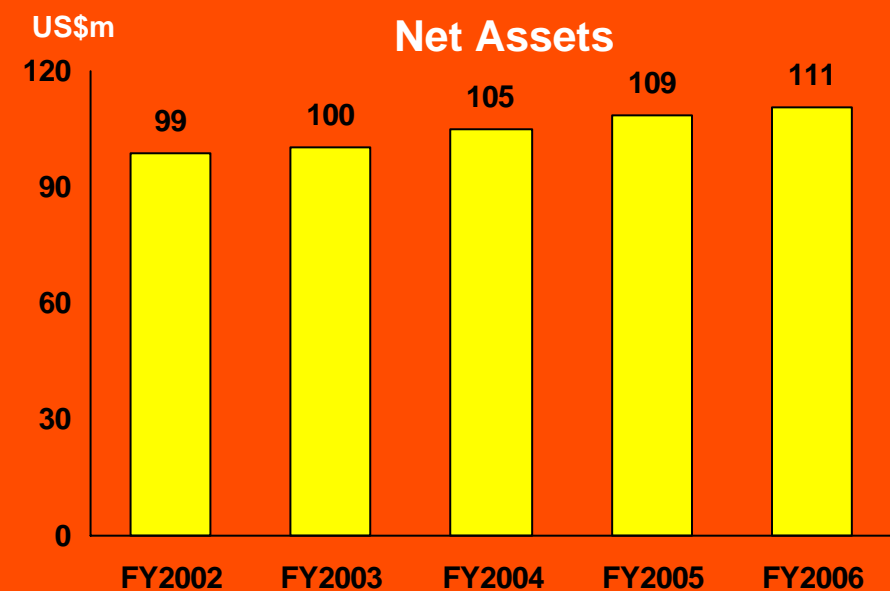
Bales Marketed



PAT



Net Assets



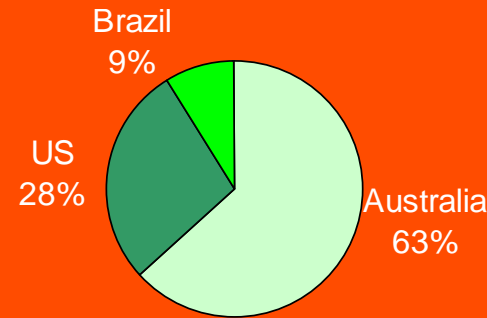
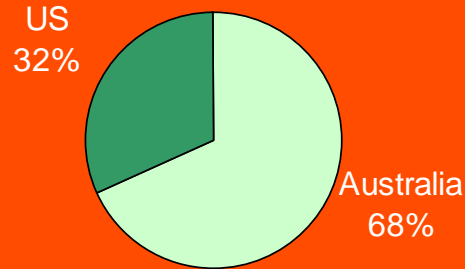
Source: company data

QCH: Segmental Analysis

2002

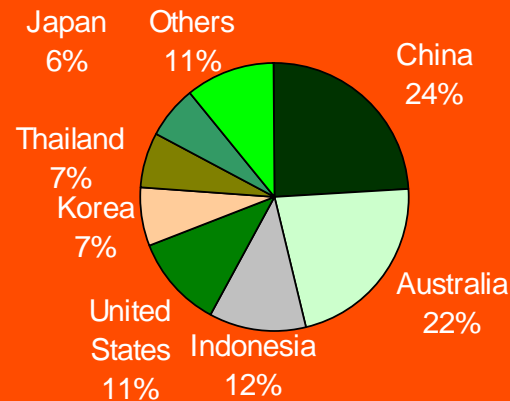
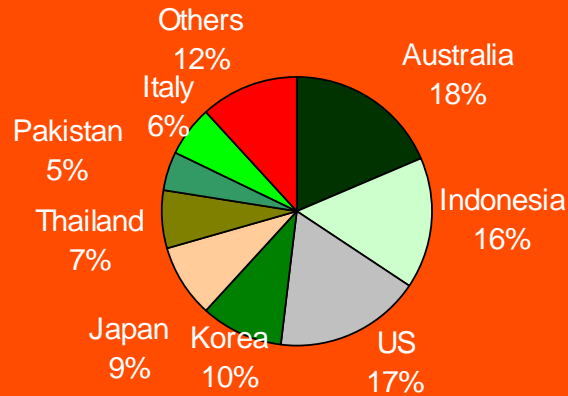
2006

Geography - Origins



✦ Commencing in 2003, trading in Brazilian cotton already contributes close to 10% of revenues

Geography - Customers



✦ Contributing almost a quarter of revenues, China now is the largest end market for QCH

A very experienced management team

Personnel	Date Joined	
Richard Haire Executive Director, CEO	1989	<ul style="list-style-type: none"> • More than 26 years of experience in the international cotton industry, with 24 years in agricultural commodity trading and banking • CEO of the Company since 1990 and was appointed to the Board in 1991
Frank Terranova Executive General Manager – Finance/CFO	2006	<ul style="list-style-type: none"> • Qualified chartered accountant with experience in corporate finance and financial risk management predominantly in mining and manufacturing
Robert A Dall’Alba Executive General Manager - Marketing	1988	<ul style="list-style-type: none"> • More than 30 years experience in agribusiness in Australia and South East Asia
David DeFrank Senior Vice President, Operations (US)	2004	<ul style="list-style-type: none"> • More than 22 years experience with QCH’s United States business, Anderson Clayton
Jeff Ballentine Executive General Manager – Operations (Australia)	1997	<ul style="list-style-type: none"> • 28 years in the cotton industry almost exclusively focused on gin operations • Joined as part of the Anderson Clayton acquisition where he had been working since 1978

Dominant Australian player with a growing global footprint

Leadership position

- Australia's largest and oldest cotton company
- Top 10 global player

Strong growth potential

- Rapidly growing origination operations in Brazil & US
- Focused on Asian end user markets

Broadest ginning footprint

- Broadest ginning footprint in Australia with 11 gins plus 12 gins in the US



Strong management team

- An experienced world class management team

Premium focus

- Clear sustained focus on premium varieties of cotton (high medium, fine and ELS grades)

Integrated business model

- Present across the cotton supply chain from crop inputs to marketing

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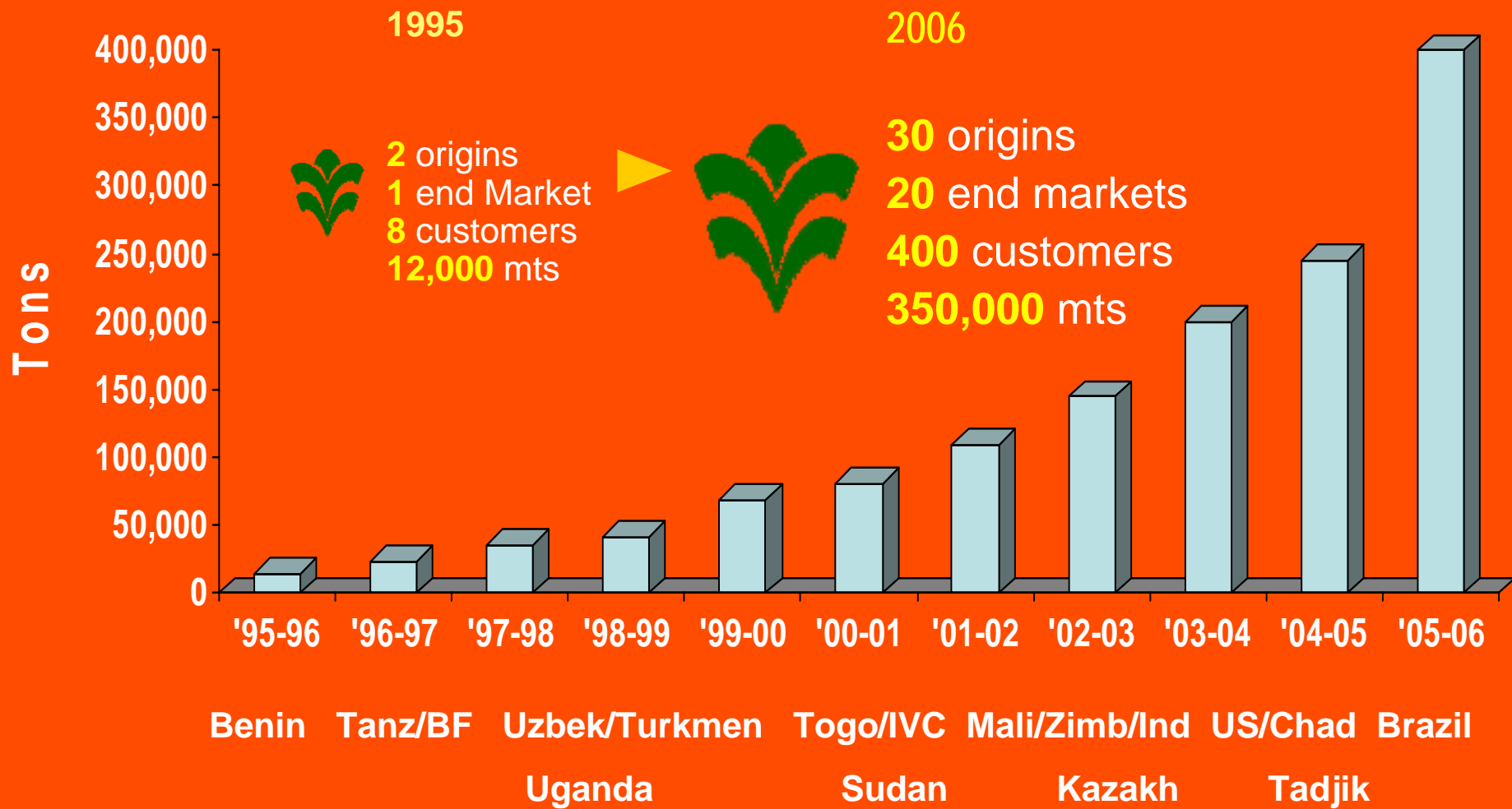
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Olam cotton has been a key driver of growth for the group



This transaction can make us a top 3 global cotton player

- ❖ Provides accelerated entry into the premium cotton segment
 - Organic initiatives to expand our presence into the premium market have yielded mixed results
- ❖ Little overlap in terms of product range and origin presence
 - Significant scope to accelerate growth through cross-selling, given complementarities in products, markets and customers
- ❖ Larger size provides greater ability to support necessary investments in value chain activities and marketing
 - Ginning investments in the US/Brazil
 - Marketing investments in China/India

Olam Cotton: Key Strengths

Origination

East Africa

- Leadership position with significant ginning investments in Tanzania, Uganda & Zimbabwe

Central Asia

- Top three player with primary operations in Kazakhstan, Turkmenistan & Uzbekistan

West Africa

- Top three player with innovative financing structures in Ivory Coast & Ghana

India

- A differentiated strategy with integrated domestic presence

Olam Cotton: Key Strengths

Marketing

China

- Direct marketing infrastructure created to serve over a hundred customers across 7 locations

Turkey

- Acquisition of a leading domestic brokerage house to propel growth

Bangladesh

- Second largest player with dominant position in ELS cotton

B(R)IC

- Actively participate in the domestic market opportunities

Olam Cotton: Key Strengths

Value Added Services

- ❖ Traceability and Organic Cotton
- ❖ Risk Management Solutions
- ❖ Vendor Managed Inventory
- ❖ Crop Input Financing
- ❖ HVI based selection for ELS Cotton

A top 3 cotton player with a strong competitive position

- ❖ Quicken the pace and improve the odds of success in key origins and markets
 - US (Texas) and Brazil: enhance ability to compete with home giants
 - China: improve odds of success in a difficult, competitive market
 - India: expand market share in a growing market
- ❖ Pooling of expertise to generate greater efficiencies
 - Brings together QCH's inland logistics strength and Olam strength in ocean logistics

Unmatched breadth and depth in origins, products & markets



Olam + QCH = top 3 global cotton player

Scale will become increasingly important in light of market developments which we believe will promote further consolidation

Rank & Company
1. Allenberg Cotton Co. (Dreyfus)
2. Cargill Cotton
3. Dunavant Enterprise
4. Paul Reinhart AG
5. Olam
6. Weil Brothers
7. Chinatex Corporation
8. Plexus Cotton
9. Ecom
10. QCH

Source: International Cotton Advisory Committee, Vol 60 - No. 3 (Jan-Feb 2007)

- ❖ There are 470 cotton companies globally, of which 24 are Govt. organisations, 9 co-operatives and 437 private companies
- ❖ There are 4 co-operatives and 5 Govt. companies in the top 20 cotton players globally
- ❖ The top 20 companies handled volume of 10.3 million mts or 41% of total world production
- ❖ The top 3 companies are US based companies
- ❖ With WTO initiated dismantling of trade subsidies, trade flows are shifting & we expect this to change the competitive structure going forward

QCH's origin markets of Australia, USA and Brazil are all of global significance

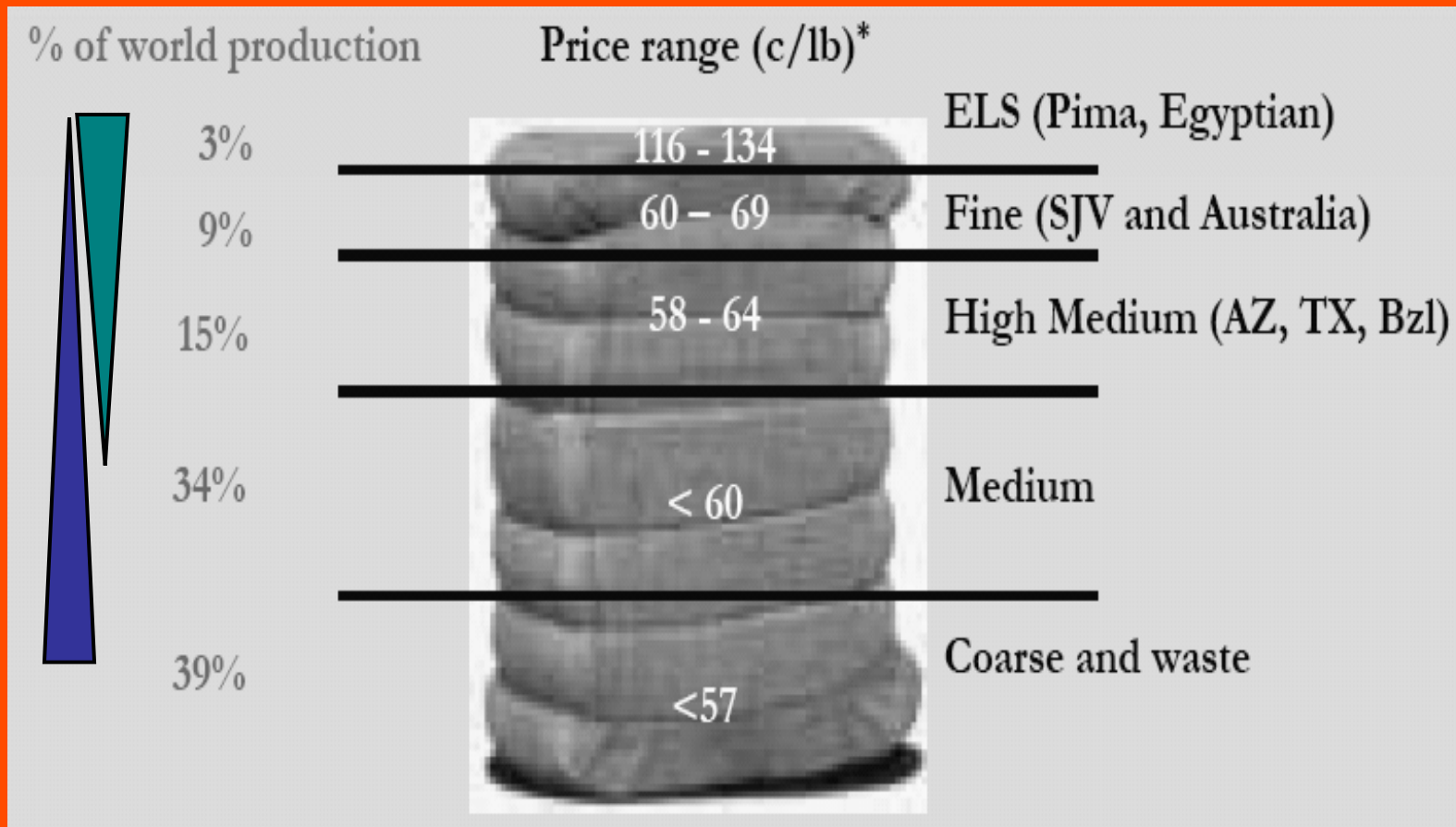
Olam is currently present in all these countries except Australia

Origins (2005/06)	Production (in Million Metric Tons)
China (mainland)	5.70
USA	5.20
India	4.15
Pakistan	2.10
Uzbekistan	1.21
Brazil	1.04
Australia	0.65
Others	4.80
World Total	24.85

Origins (2005/06)	Exports (in Million Metric Tons)
USA	3.82
CFA Zone	1.01
Uzbekistan	1.02
India	0.80
Australia	0.63
Brazil	0.43
Others	1.96
World Total	9.67

- ✦ Expansion of origin coverage to Australia is significant given it is one of the world's largest producer of premium cotton

Creates a Universal supplier with presence spanning the entire product chain



Olam QCH

❖ QCH's strong presence in the premium segment complements Olam's current product portfolio

In summary, QCH fits well with our cotton strategy

Issues	Strategic Thrusts	This Transaction
Product range	<ul style="list-style-type: none"> Expand product range to get into the fine/long staple segment & increase share in the high/medium segment 	✓
Origination	<ul style="list-style-type: none"> Increase sourcing market share in existing origins, CFA Zone, East Africa & CIS 	
	<ul style="list-style-type: none"> Commence domestic operations in China including ginning 	
	<ul style="list-style-type: none"> Increase sourcing market share in US, Brazil & India (including ginning) 	✓
	<ul style="list-style-type: none"> Expand into Australia (including ginning) 	✓
Marketing	<ul style="list-style-type: none"> Deepen penetration into China, Turkey, Pakistan, India & S.E. Asia 	✓
Value added services	<ul style="list-style-type: none"> Develop organic cotton, first from East Africa 	
	<ul style="list-style-type: none"> Enhance focus on value added services like VMI and customised cotton 	✓
	<ul style="list-style-type: none"> Continue to develop innovative financial & risk management solutions for growers & spinners 	✓

QCH is also in line with our inorganic growth strategy

	This Transaction
Strategic Objectives	<ul style="list-style-type: none"> ▪ Accelerated entry into identified new product adjacency ▪ Accelerated access into a new geography ✓ ▪ Reduce timing to impact for a new value chain expansion initiative ✓ ▪ Overcome industry barriers ▪ Maintain industry attractiveness ▪ Taking advantage of favourably priced targets with high overlap with Olam ✓
Policy Framework	<ul style="list-style-type: none"> ▪ String of Pearls approach ✓ ▪ Size of deals: <ul style="list-style-type: none"> – Sweet spot: 5-10% of market cap ✓ – Maximum size: 10% of market cap – Aggregate deal size p.a: 15% of market cap ▪ Make acquisitions throughout the economic cycle - do not time ✓ ▪ Do deals to either acquire a controlling stake or management control ✓ ▪ Do not enter into opportunities purely based on P/E arbitrage ✓

Australia – a significant global origin

- ❖ Australia is relevant to many product segments that Olam participates in
- ❖ Australia's total agricultural production amounts to approximately A\$30 billion in gross value per annum

Edible Nuts, Spices & Beans

- Macadamia nuts - largest producer and exporter in the world
- High quality almonds – leading global exporter

Confectionery & Beverage Ingredients

- Food and beverage is Australia's largest manufacturing industry
- Trend leader in development of new formats

Food Staples and Packaged Foods

- Sugar - third largest exporter in the world
- Wheat - third largest exporter in the world
- Dairy - together with New Zealand forms the largest exporting region in the world

Fibre & Wood Products

- Cotton – one of the largest producers of premium cotton
- High quality wool - world leader
- Forestry and wood products - Australia's second largest manufacturing industry

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Pricing parameters – Implied Premium/(Discount)%

- ❖ Consideration in line with average takeover premium⁽¹⁾ of 37% paid over 12 month VWAP in Australia
- ❖ NTA of A\$4.66 per share confirms the sound fundamentals of the business

Price parameter (A\$)	Price (A\$)	Threshold Price (A\$4.75)	Compulsory Acquisition Price (A\$5.05)
12 month VWAP	3.62	31%	40%
NTA	4.66	1.9%	8.4%
Current Share price ⁽²⁾	3.35	42%	51%
1 month VWAP	3.33	43%	52%
6 month VWAP	3.37	41%	50%
Historical High	6.57	(28%)	(23%)

(1) Based on successful takeovers over past 5 years in Australia; Excludes resources, property, banking transactions and two outliers

(2) Closing share price on 6 March 2007, the day before the announcement of the offer

Transaction is value accretive

- ❖ Assuming a normal crop, transaction will be accretive from FY2009 onwards
- ❖ Combination offers significant synergy potential:
 - Leveraging Olam marketing infrastructure
 - Sharing of origin overheads of Olam
 - Sharing of marketing infrastructure of pulses
 - New markets and additional volumes

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Summary

- ❖ Olam announces an agreed friendly offer to acquire 100% of the outstanding shares of QCH
- ❖ QCH is Australia's largest cotton company and a significant global player in the premium cotton market
- ❖ The transaction fits well with Olam cotton strategy and M&A policy
- ❖ The transaction if successful will:
 - Create a top 3 global cotton player with unmatched breadth and depth in origins, products and markets
 - Mark Olam' entry into Australia – a significant origin for many Olam products
 - Generate substantial synergies

Thank You

Q&A

