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NEWS RELEASE

OLAM INTERNATIONAL ANNOUNCES PREFERENTIAL OFFERING TO RAISE UP TO APPROXIMATELY S\$307 MILLION

- Preferential Offering priced at S\$1.97 per share
- New Shares to be offered on the basis of 1 New Share for every 10 existing Shares held by eligible shareholders of the Company as at the Book Closure Date
- Books Closure Date on April 8th 2008
- Guaranteed take-up of no less than 70% of the Preferential Offering based on undertakings given by Kewalram Singapore Limited (“KSL”) and Sunny George Verghese

Singapore, March 28th 2008 – The Board of Directors of Olam International Limited (“Olam”) is pleased to announce that the Company will undertake an equity fund raising exercise by way of a non-renounceable, non-transferable preferential offering of 155,628,689 New Shares (the “Preferential Offering”) to raise up to approximately S\$307 million. Approval In-Principle for the equity fund raising exercise was granted by the Singapore Exchange Securities Trading Limited (the “SGX”) today.

The Preferential Offering Issue Price of S\$1.97 per New Share is at a discount of approximately 4.8% to the last traded price of S\$2.07 and a discount of approximately 8.6% to the volume weighted average price per Share for trades done on the SGX for the 30 market days period from February 15th 2008 to the last trade done on March 28th 2008, both dates inclusive.

The Preferential Offering will be made on the basis of 1 New Share for every 10 Shares held by eligible shareholders of the Company whose names are on the shareholder register of Olam as at the Books Closure Date on April 8th 2008.

The Company has appointed J.P. Morgan (S.E.A.) Limited and Macquarie Capital (Singapore) Pte. Limited as the Joint Lead Managers in relation to the Preferential Offering.



Use of Proceeds

Assuming the Preferential Offering is fully taken up, the equity fund raising exercise will raise gross proceeds of up to approximately S\$307 million.

The net proceeds of the Preferential Offering will be used to finance investments, joint ventures, mergers and acquisitions in relation to the expansion of the Group's business, to discharge, reduce or retire certain bank borrowings and loans, and/or for general working capital and general corporate purposes. The net proceeds will be deployed having regard to the availability and size of investment and acquisition opportunities, the relative timing of various requirements for funds, and the Company's overall objective of achieving an optimal cost of capital to fund its growth initiatives.

Furthermore, the equity fund raising would increase Olam's equity base from S\$558 million (before fair value adjustment reserves) as at December 31st 2007 by 55.0% to S\$865 million. This will materially enhance Olam's debt capacity and provide significant headroom to support its future growth.

Sunny George Verghese, Group Managing Director and CEO of Olam, said: "As we have previously indicated to the market, we have been planning this capital raising exercise to raise funds for the next phase of our growth. With the successful completion of this Preferential Offering, we are confident that our present growth plans for the medium term will be appropriately funded."

Undertakings in Support of the Preferential Offering

The Company has today received irrevocable and unconditional undertakings (the "Undertakings") from KSL and Sunny George Verghese who collectively hold 31.9% of the current issued share capital of Olam, in support of the Preferential Offering.

KSL will irrevocably and unconditionally undertake to, inter alia, subscribe for all of its entitlements under the Preferential Offering and to apply by way of excess application for the maximum number of additional New Shares that, when aggregated with its current shareholding and its entitlements under the Preferential Offering, will not



exceed such number of Shares representing not more than 29.99% of the resultant enlarged issued share capital of the Company following the Preferential Offering

Sunny George Verghese will irrevocably and unconditionally undertake to, inter alia, subscribe for all of his entitlements under the Preferential Offering and to apply by way of excess application for a maximum number of 18,343,000 additional New Shares that, when aggregated with his current shareholding and his entitlements under the Preferential Offering, amounts to 26,395,263 New Shares.

As a result of the Undertakings, Olam will achieve a take-up rate of no less than 70% of the Preferential Offering, in the event that no other shareholder of Olam takes up its entitlements or applies for excess shares.

Said R Jayachandran, Chairman of Olam's Board of Directors: "Notwithstanding current volatile equity market conditions, the Board, management team and founding sponsor shareholder of Olam are unanimous in our support for this Preferential Offering. The undertakings received from the respective shareholders reflect our confidence in the Company's prospects and our desire to ensure that this Preferential Offering is successfully carried out in order to set the stage for Olam's next phase of growth. Furthermore, we expect that members of our management team who have a combined shareholding of approximately 10% would also support the capital raising."

Offer Information Statement

Further details of the Preferential Offering can be found in the Offer Information Statements which will be lodged with the Monetary Authority of Singapore and despatched to shareholders shortly after the Books Closure Date.

Note:

This release should be read and understood only in conjunction with the full text of Olam International Limited's announcements lodged on SGXNET on March 28th 2008 on the same subject.



About Olam International Limited

Olam is a leading global integrated supply chain manager of agricultural products and food ingredients, sourcing 14 products with a direct presence in 56 countries and supplying them to over 4,000 customers in more than 60 destination markets. With direct sourcing and processing in most major producing countries for its various products, Olam has built a global leadership position in many of its businesses, including cocoa, coffee, cashew, sesame, rice, cotton and teak wood. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 largest listed companies in Singapore in terms of market capitalisation and is now a component stock in the revamped Straits Times Index (STI). Olam received three prestigious honours at the Singapore Corporate Awards 2007 and the “Most Transparent Company” Award (Commerce) at the SIAS Investors’ Choice Awards 2007. It was also named one of Singapore’s top 10 globalised companies by International Enterprise (“IE”) Singapore in its third annual Singapore International 100 Ranking 2007. More information on Olam can be found at www.olamonline.com.

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