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NEWS RELEASE

OLAM INTERNATIONAL TO ACQUIRE SUGAR MILL ASSETS OF GIRIDHARILAL SUGAR AND ALLIED INDUSTRIES IN INDIA FOR US\$9.9M

Singapore, November 3, 2008 – Olam International (“Olam” or “the Company”), a leading global integrated supply chain manager of agricultural products and food ingredients, today announced that it will acquire the sugar milling complex from Giridharilal Sugar and Allied Industries Ltd (“GSIL”) in India for a total consideration of about US\$9.9 million. The acquisition is an all-cash transaction and will be funded by a combination of existing loans and internal accruals.

Olam’s Group Managing Director and CEO Sunny Verghese said: “GSIL is an attractive proposition given its superior, central location in the state of Madhya Pradesh. The crop size of Indian sugar cane has been growing and we have found GSIL to be an opportunity for us to participate in the growing sugar milling sector in India. GSIL would provide us an entry into the sugar business in India and enable us to execute our strategy of building sugar milling assets in key producing countries with comparative advantage.”

Investment Rationale and Strategic Fit

Olam’s President and head of sugar business, Devashish Chaubey, explained: “Olam currently exports raw and white sugar from producing countries such as India, Thailand, Brazil and Poland and imports this into Indonesia, the Middle East, Africa and Russia. Our strategic plan is to expand our value chain participation by building a configuration of sugar milling and refining assets globally. For milling assets, our first priority is to look at assets located in large sugar producing countries that have a comparative cost advantage.”

India is the world’s second largest sugar producer and by far the largest consumer. It is estimated to consume over 22.0 million tonnes of sugar annually and consumption

has been growing at a compound annual growth rate of 3.0 per cent over the last three years.

Mr Chaubey added: "In the largely deficit Asian sugar market, India is one of the cheaper producers of sugar. We believe with our choice of superior and energy efficient technology, we will be able to set up a milling operation with a better cost and yield advantage. We will therefore focus on extracting all efficiencies in crushing and energy utilisation."

GSIL Sugar Complex

The GSIL sugar complex is one of the nine active sugar mills located in the central state of Madhya Pradesh with an annual capacity of 400,000 metric tonnes of cane. The sugar mill is located strategically close to the Narmada river, one of the major perennial rivers of India, due to which the irrigation potential of the cane catchment area of the mill is high.

The mill has been operating at an annual capacity utilisation of between 250,000 and 275,000 metric tonnes. Given the significant potential for improving cane production in the mill catchment area and the scope for improving efficiencies, the mill offers an attractive opportunity for Olam.

In addition, there is only one other mill located in the vicinity making competitive intensity low compared to other areas in the country.

The mill is also situated in District Barwani around 100 kilometres away from the Central Indian city of Indore on the highway to Mumbai, providing good access to distributing the white sugar to wholesalers throughout India.

The mill is expected to crush approximately 250,000 metric tonnes of cane in FY2009 and will be earnings accretive in the first year, reaching maximum operating capacity in FY2011 with an expected steady-state net profit of US\$2.0 million.

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About Olam International

Olam is a leading global integrated supply chain manager of agricultural products and food ingredients, sourcing 20 products with a direct presence in 60 countries and supplying them to over 6,500 customers. 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 40 largest listed companies in Singapore in terms of market capitalisation and is a component stock in the Straits Times Index (STI), MSCI Singapore Free, S&P Agribusiness Index and the DAXglobal Agribusiness Index. More information on Olam can be found at www.olamonline.com.

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