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NEWS RELEASE

OLAM TO RAISE S\$437.5 MILLION BY WAY OF A SUBSCRIPTION OF 273.46 MILLION NEW ORDINARY SHARES BY TEMASEK HOLDINGS FOR A STAKE OF APPROXIMATELY 13.76%

- **Temasek Holdings to become the second largest shareholder after main sponsor (Kewalram Chanrai Group)**
- **This capital raising is to further Olam's strategy to accelerate its growth both through organic and inorganic options.**

Singapore, 1st June 2009 – Olam International Limited ("**Olam**" or the "**Company**"), a leading global, integrated supply chain manager of agricultural products and food ingredients, today announced that the company has entered into a subscription agreement (the "**Subscription Agreement**") with Breedens Investments Pte Ltd and Aranda Investments Pte Ltd (collectively, the "**Investors**"), both wholly-owned subsidiaries of Temasek Holdings (Pte) Limited ("**Temasek**"). Subject to the terms and upon the conditions of the Subscription Agreement, the Company proposes to raise additional equity capital by issuing an aggregate of 273.46 million new ordinary shares (the "**New Shares**") to the above Investors at an issue price of S\$1.60 per New Share (the "**Issue Price**") to raise gross proceeds of approximately S\$437.5 million with the New Shares representing approximately 13.76% of the enlarged issued and paid up share capital of the Company after completion of the subscription.

The Issue Price was arrived at following negotiations and having taken into account the weighted average price of Olam's shares of S\$1.649 for the 60 trading days up to and including 29th May 2009. The Issue Price represents a discount of approximately 17.4% to the weighted average price of S\$1.937 for trades done on the Shares on the SGX-ST on 29th May 2009. The terms of the subscription followed an extensive review of other capital-raising options, none of which would have assured the Company of the quantum of funds available through this subscription.



Today's announcement builds on the actions that Olam has taken over the last 12 to 15 months, proactively managing its capital base and to position itself for the future. With this, the Company has both the financial strength and flexibility that will allow it to leverage its unique competitive position and pursue profitable growth, while taking advantage of the structural market developments in the global agricultural sector. In an uncertain environment, these actions put Olam on the 'front foot' focused on capturing opportunities in the global agri business sector that will earn attractive returns for its shareholders.

Mr. Sunny Verghese, Group Managing Director and CEO of Olam said "Temasek is a widely respected, long-term oriented investor with an excellent track record, which is also known for actively contributing towards helping their investee companies to realise their full potential. We are pleased to welcome them back on to our shareholder register (having previously held a 4.9% stake in Olam between 2002 to 2006). We are delighted that they have again decided to make a significant investment in Olam to support our long-term growth. This investment from a discerning investor like Temasek is a clear vote of confidence in Olam's competitive position, strong supplier and customer franchise and its future prospects."

Mr. David Heng, Managing Director-Investments, Temasek said "We are investing in Olam because it fits well with our investment theme of supporting emerging global champions. Olam is a Singapore-based global market leader with a strong presence in the supply chain management of agricultural products and food ingredients. With a robust business model, Olam has the competitive edge to benefit from the long-term growth potential of the agricultural sector. We have confidence in the Management Team and aim to support them as they strive to expand and profitably grow their business".

Building a Resilient Business Model

Over the last 20 years, Olam has succeeded in building a business model that has enabled it to perform across different economic cycles as well as commodity cycles. The Company's ability to deliver a 21.4% growth in its core earnings for 9M FY2009 is a testament to the strength of its business model. In volatile and tough markets such as these, it would be quite easy to get locked into short-term thinking. At Olam, the Company is well prepared to deal with adverse conditions in down cycles while at the same time looking to take advantage of opportunities presented by dislocated markets. The strengthened capital base through the subscription announced today will provide the Company with a strong platform to accelerate both its organic and inorganic growth opportunities.



The Company's integrated business model (farm to factory gate), diverse revenue mix (20 agricultural commodities, 60 countries), strong supplier and customer franchise (over 200,000 suppliers and 6,500 customers), strong operating systems, strong control and risk management systems, and above all, a proven and deep management team (over 400 global assignee talent pool) provides the Company with the competitive advantage, the intellectual and financial capital to continue its track record of outperformance.

Temasek's involvement in the Company at a time when it is embarking on its next phase of growth would provide it with a significant tailwind to execute its key strategic priorities. Growth initiatives have been carefully chosen such that they provide excess returns that will build significant intrinsic shareholder value. The Company remains intent on having a strong presence in the high growth emerging economies where the Company's extensive on-the-ground presence and local expertise bodes well for our prospects in these markets.

This investment by Temasek will help Olam catalyse its ability to realise this strategy.

Note:

This press release should be read and understood only in conjunction with the full text of Olam International Limited's announcement on this same transaction lodged on the SGXNET on 1st June, 2009.

About Olam International Limited

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, peanuts, sesame, rice, cotton and wood products. 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.



About Temasek Holdings

Incorporated in 1974, Temasek Holdings is an Asia investment company headquartered in Singapore. It currently has offices in China, India, Vietnam, Brazil and Mexico. Temasek owns a diversified S\$185 billion (US\$134 billion) portfolio of blue-chip companies and investments as at 31 March 2008, concentrated principally in Singapore, Asia and the OECD economies.

Temasek's investment strategies centre on four themes – Transforming Economies, Growing Middle Class, Deepening Comparative Advantages and Emerging Champions. Its portfolio of companies covers nine major sectors: financial services; telecommunications and media; transportation and logistics; real estate; infrastructure, industrial and engineering; energy and resources; technology; life sciences; and consumer and lifestyle.

Total shareholder return for Temasek since its inception in 1974 has been more than 18% compounded annually in Singapore dollars. It has a corporate credit rating of AAA/Aaa by rating agencies Standard & Poor's and Moody's respectively since 2005.

For further information on Temasek, please visit www.temasek.com.sg.

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