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## ANNOUNCEMENT

### AMENDMENTS TO TRUST DEED RELATING TO OLAM INTERNATIONAL LIMITED'S S\$800,000,000 MULTI-CURRENCY MEDIUM TERM NOTE PROGRAMME (THE "MTN PROGRAMME")

1. Olam International Limited (the "**Issuer**") had entered into a Trust Deed dated 9 March 2004 as issuer with British and Malayan Trustees Limited as trustee (the "**Trustee**"), as amended and restated by an Amendment and Restatement Deed dated 24 June 2005 made between the same parties (the "**Trust Deed**"), in relation to the MTN Programme which was established on 9 March 2004.

Except as otherwise provided, all undefined capitalised terms used in this announcement shall bear the meanings ascribed to them in the Trust Deed as supplemented or amended by the Supplemental Trust Deed (as defined below).

2. The Board of Directors of the Issuer wishes to announce that, at the request of the Issuer, the Trustee has concurred with the Issuer in making amendments to the Trust Deed (and such other consequential amendments as may be necessary) (collectively, the "**Amendments**") by entering into a Supplemental Trust Deed dated 26 January 2010 (the "**Supplemental Trust Deed**"). The Amendments include:

- (i) changes in the financial covenants in Clause 7.2 of, as well as in Part II of Schedule 1 to, the Trust Deed. Under the terms of the new financial covenants, the Issuer has undertaken to ensure that:
  - (a) Consolidated Shareholders' Equity on each Test Date (beginning with 30 June 2010) shall not be less than S\$900,000,000;
  - (b) the ratio of Consolidated Net Debt to Consolidated Shareholders' Equity on each Test Date shall not exceed 4.5:1; and
  - (c) the Interest Coverage Ratio for each Test Period ending on a Test Date shall not be less than 1.5:1.

Consolidated Shareholders' Equity, Consolidated Net Debt and Interest Coverage Ratio shall be calculated and interpreted on a consolidated basis by reference to the audited and unaudited financial statements of the Issuer and its subsidiaries (the "**Group**") and the compliance certificate delivered under Clause 16.23 of the Trust Deed.

For the purposes of this announcement:



- (1) **“Cash”** means, at any time, cash at bank credited to an account in the name of the Issuer with a reputable financial institution to which the Issuer is alone beneficially entitled and for so long as:
- (aa) that cash is repayable on demand;
  - (bb) repayment of that cash is not contingent on the prior discharge of any other indebtedness of the Issuer or of any other person whatsoever or on the satisfaction of any other condition;
  - (cc) it is not a balance standing to the credit of margin accounts with brokers in its business;
  - (dd) there is no mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect over that cash; and
  - (ee) such cash is freely and immediately available to be applied in repayment or redemption of the liabilities of the Issuer under the Trust Deed and the Notes;
- (2) **“Consolidated Shareholders’ Equity”** means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles, standards and practices in Singapore, equal to the aggregate of:
- (aa) the nominal capital of the Issuer for the time being issued and paid up;
  - (bb) the amounts standing to the credit of the capital and revenue reserves (including share premium account, capital redemption reserve fund and profit and loss account) of the Group on a consolidated basis; and
  - (cc) the aggregate of all Subordinated Debt made to the Issuer by its shareholders,
- all as shown in the then latest audited or unaudited consolidated balance sheet of the Group but after:
- (1) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraph (bb) above of the Group since the date of the latest audited consolidated balance sheet of the Group;
  - (2) excluding any sums representing fair value adjustment reserves;
  - (3) excluding any sums set aside for future taxation; and
  - (4) deducting:

- (A) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group;
  - (B) intangible assets excluding intangible assets arising due to business combinations and goodwill;
  - (C) the minority interests in the subsidiaries of the Issuer;
  - (D) any debit balances on consolidated profit and loss account; and
  - (E) any amounts arising from a writing-up after the date of the Supplemental Trust Deed of the book value of any property of the Group (any increases in the book value of property which results from its transfer being deemed for this purpose to have arisen from a writing-up);
- (3) **“Consolidated Net Debt”** means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles, standards and practices in Singapore, equal to the aggregate of:
- (aa) bank overdrafts and all other indebtedness in respect of any borrowings;
  - (bb) the principal amount of any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;
  - (cc) the liabilities of the Issuer under the Trust Deed and the Notes; and
  - (dd) any redeemable preference shares issued by any member of the Group,
- but deducting the aggregate amount of freely available Cash held by any member of the Group at such time;
- (4) **“Financial Indebtedness”** means any indebtedness for or in respect of:
- (aa) moneys borrowed;
  - (bb) any amount raised by acceptance under any acceptance credit facility;



- (cc) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
  - (dd) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted accounting principles, standards and practices in Singapore, be treated as a finance or capital lease;
  - (ee) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
  - (ff) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
  - (gg) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (any, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
  - (hh) shares which are expressed to be redeemable;
  - (ii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
  - (jj) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (aa) to (ii) above;
- (5) **“Guarantee”** means any guarantee, bond, indemnity, counter-indemnity or similar instrument howsoever described issued by any person in respect of any obligation of any other person;
- (6) **“Interest Coverage Ratio”** means the ratio of EBITDA to Interest Expense all as shown in the latest audited or unaudited consolidated profit and loss statement of the Group where:
- (aa) **“EBITDA”** means, in relation to any period, the aggregate of the net earnings of the Group on its ordinary activities during such period before taking into account Interest Expense and income tax expense but making adjustments thereto by adding back depreciation charged and amount attributable to amortisation of goodwill and other intangibles to the extent deducted in arriving at such earnings on ordinary activities during such period; and
  - (bb) **“Interest Expense”** means, in relation to any period, the aggregate amount of interest and Guarantee fees paid or



payable by the Group in connection with all indebtedness during that period;

- (7) **“Subordinated Creditor”** means any shareholder, subsidiary or any other related corporation of the Issuer;
  - (8) **“Subordinated Debt”** means all present and future unsecured Financial Indebtedness due, owing or incurred by the Issuer (including, without limitation, under any shares which are expressed to be redeemable (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise)) to any Subordinated Creditor which has been subordinated to the Trust Deed and the Notes under a subordination agreement between the Issuer, the Trustee and the relevant Subordinated Creditor, in form and substance satisfactory to the Trustee, and the Issuer shall provide to the Trustee all such legal opinions, consents, assurances, resolutions, amendments to the Trust Deed and other documents as the Trustee may reasonably request in connection with that subordination agreement;
  - (9) **“Test Date”** means 30 June and 31 December; and
  - (10) **“Test Period”** means each period of 6 months ending on the last day of each of the Issuer’s financial half-years;
  - (ii) an update in the address of Standard Chartered Bank, as the Issuing and Paying Agent and as the Agent Bank in Parts I to IV, Schedule 1 of the Trust Deed to “Securities Services, Plaza By The Park, 51 Bras Basah Road #08-01, Singapore 189554”; and
  - (iii) changes in the screen page references in Part II, Schedule 1 of the Trust Deed.
3. The Amendments take effect on and from 26 January 2010 and shall henceforward in relation to the Notes issued after 26 January 2010 have effect as so amended.

Except to the extent expressly amended by the provisions of the Supplemental Trust Deed, all other provisions of the Trust Deed (including the Terms and Conditions of the Notes) will remain in full force and effect.

By Order of the Board

Sunny George Verghese  
Group Managing Director and CEO

27 January 2010

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### **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 10,600 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 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. Olam is the only Singapore firm to be named in the 2009 Forbes Asia Fabulous 50, an annual list of 50 big-cap and most profitable firms in the region. It is also the first and only Singapore company to be named in the 2009 lists for the Global Top Companies for Leaders and the Top Companies for Leaders in the Asia Pacific region. More information on Olam can be found at [www.olamonline.com](http://www.olamonline.com).