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NEWS RELEASE

OLAM INTERNATIONAL REPORTS 30.1% INCREASE IN NET PROFIT FOR 9M FY2010 TO S\$267.2 MILLION

- Excluding exceptional gains, 9M FY2010 net profit grew 36.7% to S\$170.6 million.
- Excluding exceptional gains, Q3 FY2010 net profit grew 34.2% to S\$83.8 million.

9M FY2010: Financial Highlights	
▪	Sales Volumes up 19.8% to 5.2 million tons
▪	Sales Revenue up 19.1% to S\$7.3 billion
▪	Net Contribution (NC) up 29.2% to S\$566.5 million, with NC/ton up 7.8% to S\$110
▪	Broad based growth with all four business segments contributing to the growth in Sales Volume and NC
▪	Net Profit After Tax up 30.1% to S\$267.2 million. Excluding exceptional gains, it is up 36.7% to S\$170.6 million.

Consolidated Financial Results Ended March 31, 2010	9 Months (9M)			Quarter 3 (Q3)		
	FY2010	FY2009	Change (%)	FY2010	FY2009	Change (%)
<i>Sales Volume (metric tons)</i>	5,161,117	4,309,863	19.8	1,815,157	1,500,407	21.0
Sales Revenue (S\$ million)	7,321.2	6,149.0	19.1	2,711.5	2,289.4	18.4
Gross Contribution (GC) (S\$ million)	707.5	591.0	19.7	248.9	209.2	18.9
Net Contribution (NC) (S\$ million)	566.5	438.5	29.2	205.5	157.6	30.4
Net Profit After Tax (S\$ million)	267.2	205.3	30.1	89.3	87.0	2.6
Earnings Per Share (cents)	13.34 *	11.99	11.3	4.42 **	5.08	(13.0)

* Based on weighted average number of shares of 2,003,170,717 for 9M FY2010 (compared to weighted average number of shares of 1,713,297,963 for 9M FY2009).

** Based on weighted average number of shares of 2,018,781,314 for Q3 FY2010 (compared to weighted average number of shares of 1,713,212,824 for Q3 FY2009).



Singapore, May 13, 2010 – Olam International Limited (“Olam” or “the Group”), a leading global, integrated supply chain manager and processor of agricultural products and food ingredients, today reported a 30.1% increase in Net Profit After Tax to S\$267.2 million for the nine months ended March 31, 2010 (“9M FY2010”). Excluding exceptional gains recorded in both the comparative periods, net profit grew 36.7% to S\$170.6 million.

Net Profit After Tax for the three months ended March 31, 2010 (“Q3 FY2010”) was S\$89.3 million, an increase of 2.6% when compared to Q3 FY 2009, a quarter in which Olam recorded significant exceptional gains. Without these exceptional gains in both periods, net profit grew 34.2% to S\$83.8 million in Q3 FY2010.

Olam’s Group CFO, Krishnan Ravikumar said: “Net Profit growth of 36.7% for 9M FY2010 and 34.2% for Q3 FY2010 (excluding exceptional gains in both comparative periods) is strong evidence of the effectiveness of our new corporate strategy. More importantly, excluding exceptional gains, our Net Profit Margins have improved by 30 basis points from 2.03% to 2.33% in 9M FY2010 indicating that our selective upstream and midstream integration strategy is paying off.”

He added: “We recorded S\$96.6 million as exceptional gains for 9M FY2010. This was essentially on account of negative goodwill arising from the completion of the Purchase Price Allocation for the tomato processing assets in the US and the almond orchards in Australia.”

Olam’s Group Managing Director and CEO, Sunny Verghese remarked: “Our strong 9M FY2010 results provide demonstrable evidence of the effective execution of our corporate strategy that we announced in August 2009. We have executed 15 of the top 20 initiatives identified in that plan and have achieved early success. We executed on our plan to selectively integrate upstream into plantations (Almonds in Australia, Coffee in Laos), farming of select annual crops (Peanuts and Beans in Argentina, Rice in Nigeria and Mozambique) and Dairy farming (through New Zealand Farming Systems Uruguay. Similarly, we have also executed on our plan to selectively invest in value-added midstream processing initiatives (Wheat milling in Nigeria and Ghana, Tomato Paste Manufacturing in the US, Mechanical Cashew Processing in Nigeria and Cote d’Ivoire and Sweet & Condensed Milk and Evaporated Milk Manufacturing in Cote d’Ivoire). These initiatives will enable us to improve our Net Profit Margins over the course of our next two three-year planning cycles.”



Group Financial Review

During 9M FY2010, Sales Volume rose 19.8% to 5.2 million metric tons while Sales Revenue increased 19.1% to reach S\$7.3 billion. NC grew 29.2% to S\$566.5 million as a result of higher Sales Volume and margin per ton. NC per ton increased 7.9% from S\$102 to S\$110. Food Staples & Packaged Foods and Edible Nuts, Spices & Beans segments led the growth in Sales Volume and NC during this period.

Sales Volume in Q3 FY2010 increased 21.0%, leading to an 18.4% rise in Sales Revenue during the period. With higher Sales Volume, NC grew 30.4% as per ton margin improved significantly from S\$105 to S\$113. While Food Staples & Packaged Foods and Industrial Raw Materials led the growth in Sales Volume, NC growth was broad-based across all four business segments.

Segmental Review

Edible Nuts, Spices & Beans	9 Months (9M)			Quarter 3 (Q3)		
	FY2010	FY2009	Change (%)	FY2010	FY2009	Change (%)
Sales Volume (metric tons)	767,853	617,742	24.3	256,843	223,623	14.9
Sales Revenue (S\$ million)	1,010.7	802.6	25.9	311.0	277.6	12.1
NC (S\$ million)	130.3	97.6	33.5	56.7	44.2	28.4
NC Per Ton (S\$)	170	158	7.6	221	198	11.6

The **Edible Nuts, Spices & Beans** segment grew Sales Volume by 24.3% and NC by 33.5% during 9M FY2010. In Q3 FY2010, Sales Volume increased 14.9% and NC rose 28.4%. The growth came largely from Spices & Dehydrates, Edible Nuts and Sesame. The strong performance by Spices & Dehydrates was mainly due to Olam Tomato Processing in the US performing better than expectations. The commissioning of the cashew pre-cleaning line in the US in Q3 FY2010 also supported margin growth in this segment.



Confectionery & Beverage Ingredients	9 Months (9M)			Quarter 3 (Q3)		
	FY2010	FY2009	Change (%)	FY2010	FY2009	Change (%)
Sales Volume (metric tons)	1,013,633	965,375	5.0	426,821	409,828	4.1
Sales Revenue (S\$ million)	2,956.9	2,584.9	14.4	1,305.8	1,139.9	14.6
NC (S\$ million)	146.8	123.5	18.9	50.8	42.0	20.7
NC Per Ton (S\$)	145	128	13.3	119	103	15.5

The **Confectionery & Beverage Ingredients** segment registered single-digit growth in Sales Volume for both 9M FY2010 and Q3 FY2010 as a result of the continued short crop in Cocoa and Coffee in Cote d'Ivoire and Colombia respectively. Differentials for near-term supply of Cocoa and Coffee stayed firm on account of the short crop and sustained market demand.. This, coupled with an increased provision of value-added solutions, including value-added cocoa processing in Nigeria and Spain, helped improve NC per ton by 13.3% and 15.5% in 9M FY2010 and Q3 FY2010 respectively.

Food Staples & Packaged Foods	9 Months (9M)			Quarter 3 (Q3)		
	FY2010	FY2009	Change (%)	FY2010	FY2009	Change (%)
Sales Volume (metric tons)	2,412,754	1,907,354	26.5	799,153	612,465	30.5
Sales Revenue (S\$ million)	2,053.3	1,679.8	22.2	689.9	570.2	21.0
NC (S\$ million)	192.2	139.5	37.8	63.5	46.8	35.9
NC Per Ton (S\$)	80	73	9.6	80	76	5.3

Sales Volume and NC for the **Food Staples & Packaged Foods** segment rose 26.5% and 37.8% respectively in 9M FY2010 as Q3 FY2010 recorded strong Sales Volume and NC growth at 30.5% and 35.9% respectively. All products within this segment experienced growth during this period, including Dairy Products which continued to see improvement in demand. Crown Flour Mills, the wheat processing facility which was acquired in Nigeria in January 2010, also contributed to the growth in Sales Volume during Q3 FY2010. The Sugar business encountered some headwinds in India and to a lesser extent in Indonesia as a result of a sharp correction in prices during Q3 FY2010.



Industrial Raw Materials	9 Months (9M)			Quarter 3 (Q3)		
	FY2010	FY2009	Change (%)	FY2010	FY2009	Change (%)
Sales Volume (metric tons)	966,876	819,392	18.0	332,340	254,491	30.6
Sales Revenue (S\$ million)	1,300.3	1,081.7	20.2	404.9	301.7	34.2
NC (S\$ million)	97.2	77.9	24.8	34.5	24.6	40.1
NC Per Ton (S\$)	101	95	6.3	104	97	7.2

The **Industrial Raw Materials** segment sustained its strong recovery into Q3 FY2010 as the pick-up in demand for cotton continued even as prices rallied. The exit of a few major competitors in the cotton industry helped Olam secure higher market share across several markets, including China, Turkey, Bangladesh, Thailand and Vietnam, leading to higher sales volumes. In addition, Wool exports from Australia improved during this quarter. Wood Products continued to see a revival in demand in Asia although demand for the housing market in China has softened a little with recent government measures to cool down the property market. Olam also started exporting teak wood from Costa Rica, a new origin for Wood Products. As a result, Sales Volume and NC increased 30.6% and 40.1% during this period with NC per ton rising 7.2% from S\$97 to S\$104. For 9M FY2010, Sales Volume grew 18.0% and NC improved 24.8%. Margin per ton recovered 6.3% from S\$95 to S\$101.

Outlook and Prospects

Given the results achieved in 9M FY2010 and the continued effective execution of its long term strategic growth plan, the Group is well on track towards meeting its growth targets for FY2010.

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Note:

This release should be read and understood only in conjunction with the full text of Olam International Limited's 9M FY2010 and Q3 FY2010 Financial Statements lodged on SGXNET on May 13, 2010.



About Olam International Limited

Olam International is a leading global integrated supply chain manager of agricultural products and food ingredients, sourcing 20 products with a direct presence in 64 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 by Hewitt Associates, the RBL Group and Fortune. More information on Olam can be found at www.olamonline.com.

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