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## ANNOUNCEMENT

### PROPOSED ISSUE OF BONDS

#### 1. INTRODUCTION

Olam International Limited (the "**Company**") refers to its earlier announcement dated 4 August 2010 relating to its proposed issue (the "**Proposed Issue**") of United States dollar denominated bonds (the "**Bonds**").

The Company wishes to announce that it has on 6 August 2010, entered into a subscription agreement (the "**Subscription Agreement**") with The Hongkong and Shanghai Banking Corporation Limited and J.P. Morgan (S.E.A.) Limited, as joint lead managers and joint bookrunners (collectively, the "**Joint Lead Managers**") in connection with the Proposed Issue.

Under the terms of the Subscription Agreement, the Company has agreed to issue as issuer, and the Joint Lead Managers have severally agreed to subscribe and/or procure subscriptions for an aggregate of US\$250 million in principal amount of the Bonds at an issue price of 100% of their principal amount.

The Bonds will be constituted by a trust deed to be executed by the Company and a trustee for the holders of the Bonds (the "**Trust Deed**").

#### 2. PRINCIPAL TERMS OF THE BONDS

The principal terms and conditions of the Bonds are summarised as follows:

Issue Size	:	US\$250 million in principal amount of the Bonds.
Issue Price	:	100 per cent. of the principal amount of the Bonds.
Issue Date	:	12 August 2010.
Form and Denomination	:	The Bonds will be issued in registered form in denominations of U.S.\$ 100,000 each and in integral multiples of U.S.\$ 1,000 in excess thereof.
Interest	:	The Bonds will bear interest at the rate of 7.5 per cent. per annum, payable semi-annually.



- Status of the Bonds : The Bonds will constitute direct, unconditional, unsubordinated and (subject to the negative pledge described in the terms and conditions of the Bonds ("**Conditions**")) unsecured obligations of the Company and will at all times rank *pari passu* among themselves and (subject to the negative pledge described in the Conditions), at least *pari passu* in the right of payment with all other present and future unsecured obligations of the Company, save for such obligations as may be preferred by provisions of law that are mandatory.
- Final Redemption : Unless previously redeemed, or purchased and cancelled in the circumstances referred to in Conditions, the Bonds will be redeemed at 100 per cent. of their principal amount, together with unpaid accrued interest (if any) on the Maturity Date (as defined below).
- Maturity Date : On or about 12 August 2020 (the "**Maturity Date**").
- Redemption upon Change of Control : Following the occurrence of a Change of Control (as defined in the Conditions), each Bondholder (as defined in the Conditions) will have the right at its option, to require the Company to redeem all or some only of the Bonds held by such Bondholder on the Change of Control Redemption Date (as defined in the Conditions) at 100 per cent. of their principal amount together with unpaid accrued interest calculated up to but excluding the date fixed for redemption, subject to certain conditions.
- Redemption for Taxation Reasons : In the event of certain changes in the laws and regulations relating to taxation in Singapore, the Company may, subject to certain conditions being satisfied, give notice to redeem the Bonds in whole but not in part at 100 per cent. of their principal amount together with unpaid accrued interest calculated up to but excluding the date fixed for redemption.
- Governing Law : English law.

### 3. USE OF PROCEEDS

The estimated net proceeds from the Proposed Issue (after the deduction of fees and commission) are expected to be approximately US\$248.125 million. Such net proceeds will be used by the Company for general corporate purposes and to finance capital expenditure and potential acquisition opportunities which the Company may pursue in the future as part of its strategic objectives.



#### **4. CONDITIONS**

The Proposed Issue is conditional upon, *inter alia*, the approval in-principle of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of the Bonds.

#### **5. CLOSING DATE**

The closing date ("**Closing Date**") of the Proposed Issue is expected to be on or about 12 August 2010.

#### **6. LOCK-UP AGREEMENT**

The Company has agreed with the Joint Lead Managers that neither the Company nor any of its subsidiaries or other affiliates over which they exercise management or voting control, nor any person acting on its or their behalf will, for a period from the date of the Subscription Agreement until 90 days after the Closing Date, without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld), issue, offer, sell, contract to sell, pledge or otherwise dispose of (or publicly announce any such issuance, offer, sale or disposal) debt securities issued by the Company and having a maturity of more than one year from the date of issue save for any securities which are to be issued pursuant to the Company's S\$800,000,000 Multicurrency Medium Term Note Programme and which have a maturity of not more than three years.

#### **7. LISTING**

Approval in-principle has been obtained for the listing and quotation of the Bonds on the Official List of the SGX-ST. The approval in-principle of the SGX-ST for the listing and quotation of the Bonds is not to be taken as an indication of the merits of the Bonds, the Company and/or its subsidiaries.

#### **8. OTHER INFORMATION**

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

By Order of the Board

Sunny George Verghese  
Group Managing Director and CEO  
7 August 2010



## **About Olam International Limited**

Olam International is a leading global integrated supply chain manager and processor 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](http://www.olamonline.com).