

# OLAM INTERNATIONAL LIMITED

## Financial Statements for the Fourth Quarter and Full Year Ended 30<sup>th</sup> June 2011

### **PART I:** Information required for announcements of Quarterly (Q1, Q2, Q3 & Q4), Half-Year and Full Year Results.

1(a)(i) An income statement for the ("Group") - Olam International Limited ("Company") and its subsidiaries together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### **Profit & Loss Statement - Fourth Quarter and Full Year FY2011: Group**

(in S\$'000)	Group			Group		
	Twelve Months Ended			Three Months Ended		
	30 Jun 11	30 Jun 10	%change	30 Jun 11	30 Jun 10	%change
<b>Revenue</b>						
- Sale of goods	15,734,945	10,455,032	50.5%	4,522,535	3,133,798	44.3%
- Sale of services	68,442	47,354		41,928	25,748	
Other income	124,751	139,897		51,638	-	
	<b>15,928,138</b>	<b>10,642,283</b>	<b>49.7%</b>	<b>4,616,101</b>	<b>3,159,546</b>	<b>46.1%</b>
<b>Costs and expenses</b>						
Cost of goods sold	(13,126,857)	(8,465,913)		(3,691,931)	(2,519,586)	
Shipping and logistics	(1,230,110)	(1,012,091)		(452,783)	(351,050)	
Commission and claims	(135,361)	(97,157)		(52,461)	(28,005)	
Net gain from changes in fair value of biological assets	80,365	53,989		34,577	53,989	
Employee benefit expenses	(341,106)	(238,553)		(98,967)	(69,209)	
Depreciation	(91,471)	(68,530)		(32,293)	(24,703)	
Net measurement of derivative instruments	28,117	77,915		8,647	42,239	
Other operating expenses	(285,260)	(257,197)		(83,458)	(100,147)	
Finance costs	(344,358)	(227,475)		(99,717)	(35,926)	
	(15,446,041)	(10,235,012)		(4,468,386)	(3,032,398)	
Share of results from jointly controlled entities / associates	28,168	12,924		15,676	4,448	
	<b>(15,417,873)</b>	<b>(10,222,088)</b>	<b>50.8%</b>	<b>(4,452,710)</b>	<b>(3,027,950)</b>	<b>47.1%</b>
<b>Profit before taxation</b>	510,265	420,195	21.4%	163,391	131,596	24.2%
Taxation	(65,697)	(60,446)		(20,541)	(39,026)	
<b>Profit for the period</b>	<b>444,568</b>	<b>359,749</b>	<b>23.6%</b>	<b>142,850</b>	<b>92,570</b>	<b>54.3%</b>
<b>Attributable to:</b>						
Equity holders of the Parent	429,841	359,469		127,399	92,285	
Non-controlling interests	14,727	280		15,451	285	
	<b>444,568</b>	<b>359,749</b>		<b>142,850</b>	<b>92,570</b>	

#### **Notes:**

(in S\$'000)	Group		
	Twelve Months Ended		
	30 Jun 11	30 Jun 10	%change
<b>Profit for the period attributable to equity holders of the Parent</b>	<b>429,841</b>	<b>359,469</b>	<b>19.6%</b>
Less: Exceptional items			
- Negative goodwill	(79,794)	(118,200)	
- Gain on remeasurement of investment upon business combination	(11,994)	-	
- Non operational gain on biological assets	(9,542)	-	
- Acquisition expenses	8,673	29,159	
- Impairment of investment / asset	35,596	1,403	
<b>Operational Net Profit After Tax</b>	<b>372,780</b>	<b>271,831</b>	<b>37.1%</b>

- 1(a)(ii) A statement of comprehensive income for the ("Group") - Olam International Limited ("Company") and its subsidiaries together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Statement of Comprehensive Income – Fourth Quarter and Full Year FY2011: Group**

(in S\$'000)	<b>Group</b>		<b>Group</b>	
	<b>Twelve Months Ended</b>		<b>Three Months Ended</b>	
	<b>30 Jun 11</b>	<b>30 Jun 10</b>	<b>30 Jun 11</b>	<b>30 Jun 10</b>
<b>Profit for the period</b>	<b>444,568</b>	<b>359,749</b>	<b>142,850</b>	<b>92,570</b>
<b>Other Comprehensive Income:</b>				
Net loss on fair value changes during the period	(444,726)	(88,352)	(100,346)	(69,039)
Recognised in the profit and loss account on occurrence of hedged transactions	370,392	19,880	55,358	88,349
Foreign currency translation adjustment	(204,793)	(81,417)	(55,818)	(106,986)
Share of other comprehensive income of jointly controlled entities and associates	(7,580)	-	(7,580)	-
<b>Other comprehensive loss</b>	<b>(286,707)</b>	<b>(149,889)</b>	<b>(108,386)</b>	<b>(87,676)</b>
<b>Total Comprehensive Income</b>	<b>157,861</b>	<b>209,860</b>	<b>34,464</b>	<b>4,894</b>
<b>Attributable to:</b>				
Equity holders of the Parent	143,134	209,580	19,013	4,609
Non-controlling interests	14,727	280	15,451	285
	<b>157,861</b>	<b>209,860</b>	<b>34,464</b>	<b>4,894</b>

1(b)(i) A Balance Sheet (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

(in S\$'000)	Group		Company	
	30 Jun 11	30 Jun 10	30 Jun 11	30 Jun 10
<b>Non-current assets</b>				
Property, plant and equipment	1,576,715	1,054,166	2,279	4,673
Intangible assets	485,938	341,586	24,050	19,456
Biological assets	453,168	181,883	-	-
Investment in subsidiary companies	-	-	810,805	789,954
Interests in jointly controlled entities and associates	411,819	467,237	353,847	442,402
Long term investments	-	18,752	-	18,752
Deferred tax assets	43,053	63,978	8,542	9,697
Other non current assets	10,004	4,161	-	-
	<b>2,980,697</b>	<b>2,131,763</b>	<b>1,199,523</b>	<b>1,284,934</b>
<b>Current assets</b>				
Amounts due from subsidiary companies	-	-	1,945,035	1,340,165
Trade receivables	1,595,446	976,781	446,340	275,388
Margin accounts with brokers	457,133	152,815	444,978	165,164
Inventories	3,584,144	2,584,046	648,073	461,731
Advance payments to suppliers	222,207	237,784	65,060	85,824
Advance payments to subsidiary companies	-	-	1,215,058	1,415,482
Other current assets	558,118	392,656	65,610	85,200
Cash and short-term fixed deposits	872,247	671,543	502,050	388,657
Derivative financial instruments	2,310,144	657,270	1,499,233	595,022
	<b>9,599,439</b>	<b>5,672,895</b>	<b>6,831,437</b>	<b>4,812,633</b>
<b>Current liabilities</b>				
Trade payables and accruals	(1,095,603)	(648,391)	(378,328)	(330,343)
Other current liabilities	(112,306)	(98,651)	(56,371)	(56,982)
Borrowings	(3,610,043)	(2,295,568)	(1,936,127)	(1,560,631)
Provision for taxation	(24,762)	(34,920)	(15,608)	(16,319)
Derivative financial instruments	(2,287,250)	(608,046)	(2,026,427)	(562,004)
	<b>(7,129,964)</b>	<b>(3,685,576)</b>	<b>(4,412,861)</b>	<b>(2,526,279)</b>
<b>Net current assets</b>	2,469,475	1,987,319	2,418,576	2,286,354
<b>Non-current liabilities</b>				
Deferred tax liabilities	(177,283)	(140,861)	-	-
Borrowings	(2,970,527)	(2,207,436)	(1,829,569)	(2,014,917)
	<b>(3,147,810)</b>	<b>(2,348,297)</b>	<b>(1,829,569)</b>	<b>(2,014,917)</b>
<b>Net assets</b>	<b>2,302,362</b>	<b>1,770,785</b>	<b>1,788,530</b>	<b>1,556,371</b>
<b>Equity attributable to equity holders of the Parent</b>				
Share capital	1,577,110	1,201,581	1,577,110	1,201,581
Reserves	668,232	570,348	211,420	354,790
	2,245,342	1,771,929	1,788,530	1,556,371
Non-controlling interests	57,020	(1,144)	-	-
<b>Total equity</b>	<b>2,302,362</b>	<b>1,770,785</b>	<b>1,788,530</b>	<b>1,556,371</b>

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

**Amounts repayable in one year or less or on demand**

	30 Jun 11		30 Jun 10	
	Secured	Unsecured	Secured	Unsecured
	(in S\$'000)	(in S\$'000)	(in S\$'000)	(in S\$'000)
Overdrafts	-	437,169	-	167,611
Loans	-	2,972,006	11,276	2,116,681
Medium Term Notes	-	199,443	-	-
Finance Lease	1,425	-	-	-
<b>Total</b>	<b>1,425</b>	<b>3,608,618</b>	<b>11,276</b>	<b>2,284,292</b>

**Amounts repayable after one year**

	30 Jun 11		30 Jun 10	
	Secured	Unsecured	Secured	Unsecured
	(in S\$'000)	(in S\$'000)	(in S\$'000)	(in S\$'000)
Medium / Long Term Loans	-	1,713,917	-	1,228,312
Medium Term Notes	-	349,717	-	249,016
Convertible Bonds	-	539,909	-	730,108
Other Bonds	-	345,429	-	-
Finance Lease	21,555	-	-	-
<b>Total</b>	<b>21,555</b>	<b>2,948,972</b>	<b>-</b>	<b>2,207,436</b>

1(c) A Cash Flow Statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year is as follows:

(in S\$'000)	Group		Group	
	Twelve Months Ended		Three Months Ended	
	30 Jun 11	30 Jun 10	30 Jun 11	30 Jun 10
<b>Cash flow from operating activities</b>				
<b>Profit before taxation</b>	<b>510,265</b>	<b>420,195</b>	<b>163,391</b>	<b>131,596</b>
Adjustments for:				
Allowance for doubtful debts written down	7,420	10,064	7,420	-
Amortisation of intangible assets and depreciation of property, plant and equipment	107,568	71,803	44,327	26,353
Cost of share-based payment	23,991	12,438	4,776	3,741
Fair value of biological assets	(80,365)	(53,989)	(34,577)	(53,989)
Gain on disposal of property, plant and equipment	(1,038)	(320)	(4,778)	-
Impairment of investment in associate	35,596	-	35,596	-
Impairment of fixed assets & intangible assets	-	4,796	-	1,403
Interest income	(12,375)	(21,689)	-	(8,397)
Interest expense	344,358	227,475	99,717	35,926
Inventories written down / (written back)	23,746	(405)	23,746	-
Net measurement of derivative instruments	(28,117)	(77,915)	(8,647)	(42,239)
Negative goodwill arising from acquisition of subsidiaries / assets	(79,794)	(118,200)	(37,962)	7,567
Share of results from jointly controlled entities and associates	(28,168)	(12,924)	(15,676)	4,448
Gain on remeasurement of investment upon business combination	(11,994)	-	(11,994)	-
<b>Operating cash flow before reinvestment in working capital</b>	<b>811,093</b>	<b>461,329</b>	<b>265,339</b>	<b>106,409</b>
(Increase) / decrease in inventories	(1,152,830)	(621,073)	14,051	22,343
(Increase) / decrease in receivables and other current assets	(866,612)	(359,142)	261,291	(738,410)
(Increase) / decrease in advance payments to suppliers	(11,089)	29,386	244,811	189,682
Increase in margin account with brokers	(360,071)	(90,141)	(614,740)	(59,365)
Increase / (decrease) in payables and other current liabilities	295,736	(58,363)	79,565	374,511
<b>Cash flow (used in) / generated from operations</b>	<b>(1,283,773)</b>	<b>(638,004)</b>	<b>250,317</b>	<b>(104,830)</b>
Interest income received	12,375	21,741	-	21,689
Interest expense paid	(306,605)	(200,766)	(75,963)	(39,661)
Tax paid	(45,118)	(36,554)	(20,038)	(26,296)
<b>Net cash flow (used in) / generated from operating activities</b>	<b>(1,623,121)</b>	<b>(853,583)</b>	<b>154,316</b>	<b>(149,098)</b>
<b>Cash flow from investing activities</b>				
Proceeds from disposal of property, plant and equipment	11,092	8,091	-	-
Purchase of property, plant and equipment	(333,830)	(171,223)	(31,441)	78,581
Purchase of intangibles assets	(26,817)	(10,882)	(26,817)	-
Acquisition of subsidiaries / assets, net of cash acquired	(555,163)	(533,752)	(143,533)	19,019
Investment in associate	-	(94,348)	-	-
Acquisition of non controlling interest	(13,635)	-	(13,635)	-
Equity contribution by non-controlling interest	17,810	-	17,810	-
Long term investment	-	(18,752)	-	-
<b>Net cash flow (used in) / generated from investing activities</b>	<b>(900,543)</b>	<b>(820,866)</b>	<b>(197,616)</b>	<b>97,600</b>
<b>Cash flow from financing activities</b>				
Dividends paid on ordinary shares by the Company	(53,139)	(96,054)	-	-
Proceeds / (repayment) from borrowings	1,836,114	864,642	(369,925)	90,720
Proceeds from issuance of shares on exercise of share options	39,467	11,031	16,626	2,601
Proceeds from issuance of bonds	328,750	684,780	-	-
Proceeds from issuance of shares for cash	241,779	437,389	241,779	-
<b>Net cash flow provided by / (used in) financing activities</b>	<b>2,392,971</b>	<b>1,901,788</b>	<b>(111,520)</b>	<b>93,321</b>
<b>Net effect of exchange rate changes on cash and cash equivalents</b>	<b>61,839</b>	<b>7,916</b>	<b>4,559</b>	<b>42,966</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(68,854)</b>	<b>235,255</b>	<b>(150,261)</b>	<b>84,789</b>
Cash and cash equivalents at the beginning of the period	503,932	268,677	585,339	419,143
<b>Cash and cash equivalents* at the end of the period</b>	<b>435,078</b>	<b>503,932</b>	<b>435,078</b>	<b>503,932</b>

\*Cash and cash equivalents include cash and bank balances, fixed deposits less overdrafts.

1(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity, or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

12 months Group	Attributable to owners of the Parent								Non- Controlling Interests	Total Equity
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2011:</b>										
<b>At 1 July 2010</b>	<b>1,201,581</b>	<b>145,688</b>	<b>(166,452)</b>	<b>(248,415)</b>	<b>30,203</b>	<b>809,324</b>	<b>570,348</b>	<b>1,771,929</b>	<b>(1,144)</b>	<b>1,770,785</b>
Profit for the period						429,841	429,841	429,841	14,727	444,568
<b>Other comprehensive income</b>										
Net loss on fair value changes during the financial year	-	-	-	(444,726)	-	-	(444,726)	(444,726)	-	(444,726)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	370,392	-	-	370,392	370,392	-	370,392
Foreign currency translation adjustment	-	-	(204,793)	-	-	-	(204,793)	(204,793)	-	(204,793)
Share of other comprehensive income of jointly controlled entities and associates	-	-	(7,580)	-	-	-	(7,580)	(7,580)	-	(7,580)
<b>Other comprehensive income for the financial year, net of tax</b>	<b>-</b>	<b>-</b>	<b>(212,373)</b>	<b>(74,334)</b>	<b>-</b>	<b>-</b>	<b>(286,707)</b>	<b>(286,707)</b>	<b>-</b>	<b>(286,707)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(212,373)</b>	<b>(74,334)</b>	<b>-</b>	<b>429,841</b>	<b>143,134</b>	<b>143,134</b>	<b>14,727</b>	<b>157,861</b>
<b>Contributions by and distributions to owners</b>										
Issue of shares for cash	241,779	-	-	-	-	-	-	241,779	-	241,779
Issue of shares upon conversion of bonds	94,283	(15,811)	-	-	-	-	(15,811)	78,472	-	78,472
Issue of shares on exercise of share option	39,467	-	-	-	-	-	-	39,467	-	39,467
Share-based expense	-	-	-	-	23,991	-	23,991	23,991	-	23,991
Dividends on ordinary shares	-	-	-	-	-	(53,139)	(53,139)	(53,139)	-	(53,139)
Acquisition of subsidiary company	-	-	-	-	-	-	-	-	39,262	39,262
<b>Total contributions by and distributions to owners</b>	<b>375,529</b>	<b>(15,811)</b>	<b>-</b>	<b>-</b>	<b>23,991</b>	<b>(53,139)</b>	<b>(44,959)</b>	<b>330,570</b>	<b>39,262</b>	<b>369,832</b>
<b>Changes in ownership interests in subsidiaries that do not result in a loss of control</b>										
Acquisition of / equity contribution by non-controlling interests	-	(291)	-	-	-	-	(291)	(291)	4,175	3,884
<b>Total changes in ownership interests in subsidiaries</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(291)</b>	<b>(291)</b>	<b>4,175</b>	<b>3,884</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>375,529</b>	<b>(16,102)</b>	<b>-</b>	<b>-</b>	<b>23,991</b>	<b>(53,139)</b>	<b>(45,250)</b>	<b>330,279</b>	<b>43,437</b>	<b>373,716</b>
<b>At 30 June 2011</b>	<b>1,577,110</b>	<b>129,586</b>	<b>(378,825)</b>	<b>(322,749)</b>	<b>54,194</b>	<b>1,186,026</b>	<b>668,232</b>	<b>2,245,342</b>	<b>57,020</b>	<b>2,302,362</b>

12 months Group	Attributable to owners of the Parent								Non- Controlling Interests	Total Equity
	Share Capital	Capital Reserve	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total		
	\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2010:</b>										
<b>At 1 July 2009</b>	<b>708,586</b>	<b>24,450</b>	<b>(85,035)</b>	<b>(179,943)</b>	<b>17,765</b>	<b>560,023</b>	<b>337,260</b>	<b>1,045,846</b>	<b>46</b>	<b>1,045,892</b>
Profit for the period						359,469	359,469	359,469	280	359,749
<b>Other comprehensive income</b>										
Net loss on fair value changes during the financial year	-	-	-	(88,352)	-	-	(88,352)	(88,352)	-	(88,352)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	19,880	-	-	19,880	19,880	-	19,880
Foreign currency translation adjustment	-	-	(81,417)	-	-	-	(81,417)	(81,417)	-	(81,417)
<b>Other comprehensive income for the financial year, net of tax</b>	<b>-</b>	<b>-</b>	<b>(81,417)</b>	<b>(68,472)</b>	<b>-</b>	<b>-</b>	<b>(149,889)</b>	<b>(149,889)</b>	<b>-</b>	<b>(149,889)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(81,417)</b>	<b>(68,472)</b>	<b>-</b>	<b>359,469</b>	<b>209,580</b>	<b>209,580</b>	<b>280</b>	<b>209,860</b>
<b>Contributions by and distributions to owners</b>										
Issue of shares for cash	437,389	-	-	-	-	-	-	437,389	-	437,389
Issue of shares upon conversion of bonds	30,461	(3,149)	-	-	-	-	(3,149)	27,312	-	27,312
Issue of shares under the Scrip Dividend Scheme	14,114	-	-	-	-	-	-	14,114	-	14,114
Issue of shares on exercise of share option	11,031	-	-	-	-	-	-	11,031	-	11,031
Share-based expense	-	-	-	-	12,438	-	12,438	12,438	-	12,438
Dividends on ordinary shares	-	-	-	-	-	(110,168)	(110,168)	(110,168)	-	(110,168)
Equity portion of convertible bonds	-	124,387	-	-	-	-	124,387	124,387	-	124,387
Acquisition of subsidiary company	-	-	-	-	-	-	-	-	(1,470)	(1,470)
<b>Total contributions by and distributions to owners</b>	<b>492,995</b>	<b>121,238</b>	<b>-</b>	<b>-</b>	<b>12,438</b>	<b>(110,168)</b>	<b>23,508</b>	<b>516,503</b>	<b>(1,470)</b>	<b>515,033</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>492,995</b>	<b>121,238</b>	<b>-</b>	<b>-</b>	<b>12,438</b>	<b>(110,168)</b>	<b>23,508</b>	<b>516,503</b>	<b>(1,470)</b>	<b>515,033</b>
<b>At 30 June 2010</b>	<b>1,201,581</b>	<b>145,688</b>	<b>(166,452)</b>	<b>(248,415)</b>	<b>30,203</b>	<b>809,324</b>	<b>570,348</b>	<b>1,771,929</b>	<b>(1,144)</b>	<b>1,770,785</b>

12 months Company	Attributable to owners of the Parent							
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2011:</b>								
<b>At 1 July 2010</b>	<b>1,201,581</b>	<b>145,688</b>	<b>(80,321)</b>	<b>(264,403)</b>	<b>30,203</b>	<b>523,623</b>	<b>354,790</b>	<b>1,556,371</b>
Profit for the period						171,070	171,070	171,070
<b>Other comprehensive income</b>								
Net (loss) on fair value changes during the financial year	-	-	-	(476,461)	-	-	(476,461)	(476,461)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	417,597	-	-	417,597	417,597
Foreign currency translation adjustment	-	-	(210,617)	-	-	-	(210,617)	(210,617)
<b>Other comprehensive income for the financial year, net of tax</b>	<b>-</b>	<b>-</b>	<b>(210,617)</b>	<b>(58,864)</b>	<b>-</b>	<b>-</b>	<b>(269,481)</b>	<b>(269,481)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(210,617)</b>	<b>(58,864)</b>	<b>-</b>	<b>171,070</b>	<b>(98,411)</b>	<b>(98,411)</b>
<b>Contributions by and distributions to owners</b>								
Issue of shares for cash	241,779	-	-	-	-	-	-	241,779
Issue of shares upon conversion of bonds	94,283	(15,811)	-	-	-	-	(15,811)	78,472
Issue of shares on exercise of share option	39,467	-	-	-	-	-	-	39,467
Share-based expense	-	-	-	-	23,991	-	23,991	23,991
Dividends on ordinary shares	-	-	-	-	-	(53,139)	(53,139)	(53,139)
<b>Total contributions by and distributions to owners</b>	<b>375,529</b>	<b>(15,811)</b>	<b>-</b>	<b>-</b>	<b>23,991</b>	<b>(53,139)</b>	<b>(44,959)</b>	<b>330,570</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>375,529</b>	<b>(15,811)</b>	<b>-</b>	<b>-</b>	<b>23,991</b>	<b>(53,139)</b>	<b>(44,959)</b>	<b>330,570</b>
<b>At 30 June 2011</b>	<b>1,577,110</b>	<b>129,877</b>	<b>(290,938)</b>	<b>(323,267)</b>	<b>54,194</b>	<b>641,554</b>	<b>211,420</b>	<b>1,788,530</b>

12 months Company	Attributable to owners of the Parent							
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2010:</b>								
<b>At 1 July 2009</b>	<b>708,586</b>	<b>24,450</b>	<b>(41,562)</b>	<b>(220,167)</b>	<b>17,765</b>	<b>440,779</b>	<b>221,265</b>	<b>929,851</b>
Profit for the period						193,012	193,012	193,012
<b>Other comprehensive income</b>								
Net (loss) on fair value changes during the financial year	-	-	-	(101,681)	-	-	(101,681)	(101,681)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	57,445	-	-	57,445	57,445
Foreign currency translation adjustment	-	-	(38,759)	-	-	-	(38,759)	(38,759)
<b>Other comprehensive income for the financial year, net of tax</b>	<b>-</b>	<b>-</b>	<b>(38,759)</b>	<b>(44,236)</b>	<b>-</b>	<b>-</b>	<b>(82,995)</b>	<b>(82,995)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(38,759)</b>	<b>(44,236)</b>	<b>-</b>	<b>193,012</b>	<b>110,017</b>	<b>110,017</b>
<b>Contributions by and distributions to owners</b>								
Issue of shares for cash	437,389	-	-	-	-	-	-	437,389
Issue of shares upon conversion of bonds	30,461	(3,149)	-	-	-	-	(3,149)	27,312
Issue of shares under the Scrip Dividend Scheme	14,114	-	-	-	-	-	-	14,114
Issue of shares on exercise of share option	11,031	-	-	-	-	-	-	11,031
Share-based expense	-	-	-	-	12,438	-	12,438	12,438
Dividends on ordinary shares	-	-	-	-	-	(110,168)	(110,168)	(110,168)
Equity portion of convertible bonds	-	124,387	-	-	-	-	124,387	124,387
<b>Total contributions by and distributions to owners</b>	<b>492,995</b>	<b>121,238</b>	<b>-</b>	<b>-</b>	<b>12,438</b>	<b>(110,168)</b>	<b>23,508</b>	<b>516,503</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>492,995</b>	<b>121,238</b>	<b>-</b>	<b>-</b>	<b>12,438</b>	<b>(110,168)</b>	<b>23,508</b>	<b>516,503</b>
<b>At 30 June 2010</b>	<b>1,201,581</b>	<b>145,688</b>	<b>(80,321)</b>	<b>(264,403)</b>	<b>30,203</b>	<b>523,623</b>	<b>354,790</b>	<b>1,556,371</b>



3 months Group	Attributable to equity holders of the Parent								Non- Controlling Interests	Total Equity
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2011:</b>										
<b>At 1 April 2011</b>	1,318,705	129,877	(315,427)	(277,761)	49,418	1,058,627	644,734	1,963,439	54,443	2,017,882
Profit for the period						127,399	127,399	127,399	15,451	142,850
<b>Other comprehensive income</b>										
Net loss on fair value changes during the financial year	-	-	-	(100,346)	-	-	(100,346)	(100,346)	-	(100,346)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	55,358	-	-	55,358	55,358	-	55,358
Foreign currency translation adjustment	-	-	(55,818)	-	-	-	(55,818)	(55,818)	-	(55,818)
Share of other comprehensive income of jointly controlled entities and associates	-	-	(7,580)	-	-	-	(7,580)	(7,580)	-	(7,580)
<b>Other comprehensive income for the financial year, net of tax</b>	-	-	(63,398)	(44,988)	-	-	(108,386)	(108,386)	-	(108,386)
<b>Total comprehensive income for the year</b>	-	-	(63,398)	(44,988)	-	127,399	19,013	19,013	15,451	34,464
<b>Contributions by and distributions to owners</b>										
Issue of shares for cash	241,779	-	-	-	-	-	-	241,779	-	241,779
Issue of shares on exercise of share option	16,626	-	-	-	-	-	-	16,626	-	16,626
Share-based expense	-	-	-	-	4,776	-	4,776	4,776	-	4,776
Acquisition of subsidiary company	-	-	-	-	-	-	-	-	(17,049)	(17,049)
<b>Total contributions by and distributions to owners</b>	258,405	-	-	-	4,776	-	4,776	263,181	(17,049)	246,132
<b>Changes in ownership interests in subsidiaries that do not result in a loss of control</b>										
Acquisition of / contribution by non-controlling interests	-	(291)	-	-	-	-	(291)	(291)	4,175	3,884
<b>Total changes in ownership interests in subsidiaries</b>	-	(291)	-	-	-	-	(291)	(291)	4,175	3,884
<b>Total transactions with owners in their capacity as owners</b>	258,405	(291)	-	-	4,776	-	4,485	262,890	(12,874)	250,016
<b>At 30 June 2011</b>	1,577,110	129,586	(378,825)	(322,749)	54,194	1,186,026	668,232	2,245,342	57,020	2,302,362

3 months Group	Attributable to equity holders of the Company								Non- Controlling Interests	Total Equity
	Share Capital	Capital Reserve	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2010:</b>										
<b>At 1 April 2010</b>	1,198,948	145,688	(59,466)	(267,725)	26,462	717,039	561,998	1,760,946	41	1,760,987
Profit for the period						92,285	92,285	92,285	285	92,570
<b>Other comprehensive income</b>										
Net loss on fair value changes during the financial year	-	-	-	(69,039)	-	-	(69,039)	(69,039)	-	(69,039)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	88,349	-	-	88,349	88,349	-	88,349
Foreign currency translation adjustment	-	-	(106,986)	-	-	-	(106,986)	(106,986)	-	(106,986)
<b>Other comprehensive income for the financial year, net of tax</b>	-	-	(106,986)	19,310	-	-	(87,676)	(87,676)	-	(87,676)
<b>Total comprehensive income for the year</b>	-	-	(106,986)	19,310	-	92,285	4,609	4,609	285	4,894
<b>Contributions by and distributions to owners</b>										
Issue of shares upon conversion of bonds	32	-	-	-	-	-	-	32	-	32
Issue of shares on exercise of share option	2,601	-	-	-	-	-	-	2,601	-	2,601
Share-based expense	-	-	-	-	3,741	-	3,741	3,741	-	3,741
Acquisition of subsidiary company	-	-	-	-	-	-	-	-	(1,470)	(1,470)
<b>Total contributions by and distributions to owners</b>	2,633	-	-	-	3,741	-	3,741	6,374	(1,470)	4,904
<b>Total transactions with owners in their capacity as owners</b>	2,633	-	-	-	3,741	-	3,741	6,374	(1,470)	4,904
<b>At 30 June 2010</b>	1,201,581	145,688	(166,452)	(248,415)	30,203	809,324	570,348	1,771,929	(1,144)	1,770,785

3 months Company	Attributable to equity holders of the Parent							
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2011:</b>								
<b>At 1 April 2011</b>	<b>1,318,705</b>	<b>129,877</b>	<b>(249,720)</b>	<b>(293,620)</b>	<b>49,418</b>	<b>640,793</b>	<b>276,748</b>	<b>1,595,453</b>
Profit for the period						761	761	761
<b>Other comprehensive income</b>								
Net gain on fair value changes during the financial year	-	-	-	(136,661)	-	-	(136,661)	(136,661)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	107,014	-	-	107,014	107,014
Foreign currency translation adjustment	-	-	(41,218)	-	-	-	(41,218)	(41,218)
<b>Other comprehensive income for the financial year, net of tax</b>	<b>-</b>	<b>-</b>	<b>(41,218)</b>	<b>(29,647)</b>	<b>-</b>	<b>-</b>	<b>(70,865)</b>	<b>(70,865)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(41,218)</b>	<b>(29,647)</b>	<b>-</b>	<b>761</b>	<b>(70,104)</b>	<b>(70,104)</b>
<b>Contributions by and distributions to owners</b>								
Issue of shares for cash	241,779	-	-	-	-	-	-	241,779
Issue of shares on exercise of share option	16,626	-	-	-	-	-	-	16,626
Share-based expense	-	-	-	-	4,776	-	4,776	4,776
<b>Total contributions by and distributions to owners</b>	<b>258,405</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,776</b>	<b>-</b>	<b>4,776</b>	<b>263,181</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>258,405</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,776</b>	<b>-</b>	<b>4,776</b>	<b>263,181</b>
<b>At 30 June 2011</b>	<b>1,577,110</b>	<b>129,877</b>	<b>(290,938)</b>	<b>(323,267)</b>	<b>54,194</b>	<b>641,554</b>	<b>211,420</b>	<b>1,788,530</b>

3 months Company	Attributable to equity holders of the Parent							
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 30 June 2010:</b>								
<b>At 1 April 2010</b>	<b>1,198,948</b>	<b>145,688</b>	<b>(86,158)</b>	<b>(267,915)</b>	<b>26,462</b>	<b>531,635</b>	<b>349,712</b>	<b>1,548,660</b>
Profit for the period						(8,012)	(8,012)	(8,012)
<b>Other comprehensive income</b>								
Net loss on fair value changes during the financial year	-	-	-	(53,933)	-	-	(53,933)	(53,933)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	57,445	-	-	57,445	57,445
Foreign currency translation adjustment	-	-	5,837	-	-	-	5,837	5,837
<b>Other comprehensive income for the financial year, net of tax</b>	<b>-</b>	<b>-</b>	<b>5,837</b>	<b>3,512</b>	<b>-</b>	<b>-</b>	<b>9,349</b>	<b>9,349</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>5,837</b>	<b>3,512</b>	<b>-</b>	<b>(8,012)</b>	<b>1,337</b>	<b>1,337</b>
<b>Contributions by and distributions to owners</b>								
Issue of shares upon conversion of bonds	32	-	-	-	-	-	-	32
Issue of shares on exercise of share option	2,601	-	-	-	-	-	-	2,601
Share-based expense	-	-	-	-	3,741	-	3,741	3,741
<b>Total contributions by and distributions to owners</b>	<b>2,633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,741</b>	<b>-</b>	<b>3,741</b>	<b>6,374</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>2,633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,741</b>	<b>-</b>	<b>3,741</b>	<b>6,374</b>
<b>At 30 June 2010</b>	<b>1,201,581</b>	<b>145,688</b>	<b>(80,321)</b>	<b>(264,403)</b>	<b>30,203</b>	<b>523,623</b>	<b>354,790</b>	<b>1,556,371</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Apr - Jun 11	Apr - Jun 10
Issue of Shares for cash	94,408,000	-
Issue of Shares upon conversion of Bonds	-	31,524
Issue of shares on exercise of share options	10,746,660	1,580,200

	Jun 11	Jun 10
<b>Shares to be issued upon exercise of:</b>		
Conversion right of convertible bonds	240,123,414	335,082,514
Share options	93,313,000	112,241,316
<b>Total no. of shares to be issued as at the end of period</b>	<b>333,436,414</b>	<b>447,323,830</b>

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Jun 11	Jun 10
<b>Issued, fully paid share capital :</b>		
Balance no. of shares as at the beginning of period	2,020,759,705	1,715,894,324
Issue of Shares for cash	94,408,000	273,459,000
Issue of Shares under Scrip Dividend Scheme	-	5,633,004
Issue of Shares on conversion of Bonds	94,959,097	18,911,168
Issue of Shares on exercise of share options	25,382,116	6,862,209
<b>Total no. of shares outstanding as at the end of period</b>	<b>2,235,508,918</b>	<b>2,020,759,705</b>

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

N/A

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The financial statements presented above have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

N/A

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The adoption of the new and revised accounting standards that became applicable from 1 July 2010 did not result in substantial changes to the Group accounting policies, which are consistent with those used in the audited financial statements as at 30 June 2010.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the changes.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial

statements as at 30 June 2010 except for the adoption of new or revised FRS that are mandatory for financial years beginning on or after 1 July 2010. The adoption of these FRS has no significant impact to the Group.

6. Earnings per ordinary share of the Group for the current financial period reported and for the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

**Reported earnings per ordinary share<sup>#</sup>**

	Group			
	Twelve Months Ended		Three Months Ended	
	30 Jun 11	30 Jun 10	30 Jun 11	30 Jun 10
(a) Based on weighted average no. of shares (cents/share)	20.27	17.89	5.91	4.58
(b) Based on fully diluted basis (cents/share)	18.66	14.79	5.66	3.16
Weighted average no. of shares applicable to basic earnings per share	2,120,460,030	2,009,002,290	2,153,964,290	2,021,691,667
Weighted average no. of shares based on fully diluted basis	2,419,565,520	2,319,828,961	2,438,103,656	2,391,705,956

**Operational earnings\* per ordinary share<sup>#</sup>**

Operational EPS	Group			
	Twelve Months Ended		Three Months Ended	
	30 Jun 11	30 Jun 10	30 Jun 11	30 Jun 10
(a) Based on weighted average no. of shares (cents/share)	17.58	13.53	4.93	5.02
(b) Based on fully diluted basis (cents/share)	16.30	11.01	4.79	3.53

\*Reported Earnings net of exceptional items

<sup>#</sup>For EPS calculations as per FRS 33, outstanding shares have been multiplied using an "Adjustment Factor" calculated by taking the difference in the price at which Preferential Offering was made (S\$ 2.61) and the price on the last day of exercise of entitlements (S\$ 2.56) and as a result, prior year earnings per share figures have been adjusted for.

7. Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	Group		Company	
	As at 30 Jun 11	As at 30 Jun 10	As at 30 Jun 11	As at 30 Jun 10
<b>(In cents per share)</b>				
Net asset value (NAV) per ordinary share based on issued share capital as at end of the period	78.70	70.78	78.93	76.06

The NAV for the Group before fair value adjustment reserve, goodwill and other intangibles increased from 99.98 cents/share in June 2010 to 114.88 cents/share in June 2011.

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

## **Introduction**

Today, Olam is a leading global integrated supply chain manager of agricultural products and food ingredients, with operations in 65 countries. As supply chain managers, we are engaged in the sourcing of a wide range of agricultural commodities from the producing countries and processing, warehousing, transporting, shipping, distributing and marketing of these products right up to the factory gate of our customers in the destination markets. We also manage risk at each stage of the supply chain. From our founding in 1989, the Company has evolved from a single country, single product trader to a multi-country, multi-product supply chain manager.

In that process of evolution and development, the Olam business model has grown both in depth as well as breadth, pursuing selected value chain adjacencies which both complement and enhance our core supply chain model.

The evolution of our business model over recent years has led us to develop new competencies as we have pursued our strategic goals, including the capabilities to identify, execute and integrate attractive acquisition opportunities in selected countries and within or adjacent to our core value chain activities. Successfully completed transactions have addressed opportunities in both the upstream (plantation and farming) and midstream (manufacturing/ processing) parts of the value chain.

Building on existing and new capabilities has included careful expansion upstream into plantation ownership and management (perennial crops), farming (annual crops), dairy farming and forest concessions management. These opportunities, both organic and inorganic, have been pursued in countries that have a comparative advantage to produce these commodities relatively better and at relatively lower costs on a sustainable basis. Pursuit of the more interesting opportunities in the upstream segment has led us to complete transactions in palm and rubber plantations in Africa, almond plantations in Australia, coffee plantation in Laos, peanut, soyabean and corn farming in Argentina, rice farming in Nigeria and Mozambique, cotton farming in Mozambique, dairy farming in Uruguay and the development of tropical forest concessions in The Republic of Congo (ROC), Gabon and Mozambique.

Similarly, in the midstream part of the value chain, we have pursued initiatives in value added processing and manufacturing activities. We have committed investments in wheat milling in Nigeria and Ghana, sugar milling and refining in India and Indonesia, cocoa processing in Cote d'Ivoire and Nigeria, tomato paste manufacturing in California, dehydrates manufacturing in USA and China, peanut ingredient manufacturing in USA, palmoil refining in the Cote d'Ivoire, mechanical processing of cashews in Cote d'Ivoire and Nigeria, cashew ingredients manufacturing in Vietnam and the USA, spice grinding in Vietnam and sawmilling in ROC and Gabon amongst others.

Another area covers the manufacturing earmarked for future entry and distribution of fertilizer, which will capitalize further on our extensive grower and supplier base in various producing countries.

In addition, Olam has also diversified into two new businesses which build on latent assets and capabilities developed over the last 20 years:

- i) The Commodity Financial Services business (CFS), which benefits from our deep understanding of both commodity and financial markets, as well as our capabilities and knowledge in leading-edge risk management practices; and
- ii) Packaged Foods distribution in West Africa, building our own consumer brands in the food category which capitalize on our existing knowledge of African markets and operations, brands, and consumers. The foundation for this downstream activity is our knowledge and capabilities related to the management of food supply chains and the common distribution pipeline that we have built for related commodity products (including rice, sugar, wheat flour and dairy products) in West Africa.

## **Business Segmentation and Reporting**

We organize the products into 4 reporting segments. In addition to the products, a 5<sup>th</sup> segment is reported for activities related to CFS. The segmental reporting is described below:

<b>Business Segment</b>	<b>Products</b>
<b>Edible Nuts, Spices &amp; Beans</b>	Cashews Peanuts Almonds Spices & Vegetable Ingredients Sesame Beans (Pulses, Lentils & Peas)
<b>Confectionery &amp; Beverage Ingredients</b>	Cocoa Coffee Sheanuts
<b>Food Staples &amp; Packaged Foods</b>	Rice Sugar Grains (Wheat, Barley, Corn) Palm Products Dairy Products Packaged Foods
<b>Industrial Raw Materials</b> (Earlier called the Fibre & Wood Products segment)	Cotton Wool Wood Products Rubber Agri Inputs (Fertiliser) Special Economic Zone Project (SEZ)
<b>Commodity Financial Services (CFS)</b>	Market Making Risk Management Solutions Commodity Funds Management

We have provided on an annual basis, additional information on the progress we are making on our various value chain initiatives across the three parts of the value chain as follows:

<b>Value Chain Segment</b>	<b>Value Chain Activity</b>
<b>Supply Chain &amp; Value Added Services (VAS)</b>	This segment will include all activities connected with Origination, Sourcing, Primary processing, Logistics and Trading Marketing (including VAS) and risk management of agricultural products and the CFS business
<b>Upstream</b>	This segment will include all activities relating to Farming (annual row crops), Plantations (perennial tree crops), Dairy Farming and Forest Concessions.
<b>Midstream &amp; Downstream</b>	This segment will include all activities relating to secondary processing, contract manufacturing and branded distribution and private label activities

## Background to analysing our Financial Statements

### Profitability

- a. **Inclusion of results of companies acquired by the Group:** The FY2011 results include the consolidated results of Gilroy Foods and Flavours (GFF), tt Timber International (tt Timber), Britannia Food Ingredients Holdings Limited (BFIHL), US Almonds and NZ Farming Systems Uruguay (NZFSU), the acquisition of which was completed during the year. As a result of the financial impact of these acquisitions, the consolidated results for FY2011 are not strictly comparable to the results of FY2010.
- b. **Gross and Net Contribution:** We measure and track our profitability in terms of Gross Contribution (GC) and Net Contribution (NC) per ton of product supplied. For every transaction, we target a minimum dollar net contribution per ton of product supplied based on the investment, risks, complexities and value added services that we provide to our customers to meet their specific requirements. We are focused on enhancing these margins by providing value added services such as vendor managed inventory solutions (VMI), organic certification, traceability guarantees, fair trade produce certification (FTP), customised grades and quality, processed ingredients supply, proprietary market intelligence and risk management solutions.

GC is calculated as the revenue from the sale of goods plus other income, less the cost of goods sold (raw material costs plus other direct costs, including packing costs etc.), shipping and logistics expenses, claims and commissions, net gain/ (loss) from changes in fair value of biological assets, net measurement of derivative instruments and share of gain/loss from jointly controlled entities/associates. For the purposes of determining Net Contribution, finance costs excluding interest on debt for fixed capital investments, net of interest income are reduced from the GC. For analyzing the performance of the group, share of jointly controlled entities/associates has been included in the GC and NC. The proportionate share of volumes has also been included for calculation of GC and NC/ ton. Due to the changes in the segmental reporting, the previous year numbers have been reclassified appropriately.

The computation for GC and NC, together with a comparative statement for the corresponding period of the immediately preceding financial year is as under:

(in S\$'000)	Group			Group		
	Twelve Months Ended			Three Months Ended		
	30 Jun 11	30 Jun 10	% change	30 Jun 11	30 Jun 10	% change
<b>Total Revenue</b>	<b>15,928,138</b>	<b>10,642,283</b>		<b>4,616,101</b>	<b>3,159,546</b>	
<b>Add:</b>						
- Share of results from jointly controlled entities / associates	28,168	12,924		15,676	4,448	
<b>Less:</b>						
- Interest income	(12,375)	(21,689)		-	(8,397)	
- Cost of goods sold, shipping and logistics, commissions and claims net gain / (loss) from changes in fair value of biological assets	(14,411,963)	(9,521,172)		(4,162,598)	(2,844,652)	
- Net measurement of derivative instruments, gain / (loss) on foreign exchange, bank charges	55,663	66,137		88,227	41,437	
- Negative goodwill on acquisitions, non-operational gain on biological assets & gain on remeasurement of investment upon business combination	(101,330)	(118,200)		(59,498)	380	
- Non-controlling Interests	(14,727)	(280)		(15,451)	(285)	
<b>Gross Contribution (GC)</b>	<b>1,471,574</b>	<b>1,060,003</b>	<b>38.8%</b>	<b>482,457</b>	<b>352,477</b>	<b>36.9%</b>
<b>GC per Ton</b>	<b>174</b>	<b>151</b>	<b>15.1%</b>	<b>210</b>	<b>191</b>	<b>10.1%</b>
<b>Less:</b>						
- Net interest on working capital	(248,735)	(159,300)		(75,392)	(18,306)	
<b>Net Contribution (NC)</b>	<b>1,222,839</b>	<b>900,703</b>	<b>35.8%</b>	<b>407,065</b>	<b>334,171</b>	<b>21.8%</b>
<b>NC per Ton</b>	<b>145</b>	<b>129</b>	<b>12.6%</b>	<b>178</b>	<b>181</b>	<b>-2.0%</b>



- c. **Volumes:** Volume is one of the key drivers to our profitability. Given our integration and end-to-end supply chain capabilities, we seek to match the supply of our products with demand from our customers. The volume of agricultural products that we supply is largely within our control and is a function of the strength of our supply chain infrastructure in the origins (producing countries) and the markets (consuming countries).
- d. **Seasonality:** The production of agricultural products is seasonal in nature. The seasonality of the products in our global portfolio depends on the location of the producing country. The harvesting season for most of the agricultural products for countries situated in the northern hemisphere generally falls between October and March. Countries in the southern hemisphere have harvesting seasons between April and September. It is also not unusual to experience both delays as well as early starts to the harvesting seasons in these countries based on actual weather patterns in a particular year. In addition to an early or delayed harvesting season, the precise timing and size of arrivals of these products can also vary based on the farmer's selling decisions; these are mainly a function of the farmer's view on prices and inventory holding capacity. The majority of our origins are located in the northern hemisphere. Consequently, our earnings tend to be relatively higher in the Second Half of the Financial Year (January to June) compared to the First Half of the Financial Year (July to December).

Based on this seasonality, we have observed the phasing and range of our earnings to be as follows:

Q1 July - Sept	Q2 Oct - Dec	1 <sup>st</sup> Half July – Dec	Q3 Jan - March	Q4 Apr – June	2 <sup>nd</sup> Half Jan – June
5 – 10%	25 – 30%	30 – 40%	35 – 40%	25 – 30%	60 – 70%

### **Balance Sheet and Cash Flow Statement**

Working capital is deployed to fund inventories, trade and other receivables, margin accounts with brokers, advance payments to suppliers, trade payables and accruals. Working capital needs fluctuate constantly due to changes in the volume and prices of agricultural products. This may cause either an increase or decrease in funds allocated to operations. In FY2011 prices across our portfolio had seen very sharp increase which in turn has resulted in higher working capital investment during this period. A large part (around 85%) of working capital is used to fund the liquid hedged inventories that meet four qualifying conditions:

- 1) *non-perishability* (all commodities in Olam's portfolio are non perishable with a shelf life of minimum 2 years or above);
- 2) *limited obsolescence risk* (not easily substitutable or not likely to go out of style or fashion),
- 3) *hedged or sold forward* (no inventory value erosion risk as the inventory is hedged), and
- 4) *liquid* (can be converted into cash at short notice).

These inventories and secured receivables are therefore liquid assets and are regarded as near cash. Changes in working capital are therefore not permanent deployment of funds as this capital gets converted into cash when goods are delivered to customers or tendered on the Exchange and monies are collected.

### **Profit and Loss Statement**

Olam International Limited is pleased to report a Net Profit After Tax (including exceptional items) of S\$444.6 million for the twelve months ended 30 June 2011 ("FY2011"), a growth of 23.6% compared to S\$359.7 million achieved in FY2010.

The FY2011 results include gain from exceptional items amounting to S\$57.1 million compared to a gain of S\$87.6 million from exceptional items in the previous corresponding period (FY2010).

Net Profit After Tax (excluding exceptional items and non-controlling interests) grew 37.1% to S\$372.8 million compared to S\$271.8 million achieved in the previous corresponding period ("FY2010").



Net Profit After Tax in Q4 FY2011 grew by 54.3% to S\$142.9 million compared to S\$92.6 million reported in the previous corresponding quarter (Q4 FY2010). Net Profit After Tax (excluding exceptional items) in Q4 FY2011 grew by 4.9% to S\$106.2 million from S\$101.3 million in Q4 FY2010.

FY2011 was marked by significant volatility in commodity markets. The first nine months saw a significant rally in prices across commodity asset classes. This was followed by a weakening of prices during the last quarter, particularly towards the end of June.

Despite this high volatility and challenging trading conditions, the company has achieved record growth in volumes, revenue and Net Contribution (NC) in FY2011. The Company grew its sales volume by 20.6% in FY2011 compared to FY2010. In FY2011, Revenue grew by 50.5% to S\$ 15.73 billion and NC grew by 35.8% to S\$1222.8 million. Sales volume growth, NC growth and NC per ton growth were achieved across all four business segments.

NC per ton has grown from S\$129 per ton in FY2010 to S\$145 in FY2011 (12.5% improvement in NC margin per ton). Margin growth, driven by both increased provision of value added services as well as selective integration across the value chain, accounted for 51% growth in overall NC, Volume growth accounted for the balance of the 49% growth in NC.

We classify gain or loss on our biological assets valuation in two categories: 1) Operational biological assets gain or loss; and 2) Non-operational biological assets gain or loss. Operational biological assets gain or loss refers to gains or losses resulting from changes in productive capacity or costs of the underlying biological asset. Non operational biological assets gain or loss refer to changes in biological asset values resulting from changes in valuation assumptions including price, discounting rates etc. The results include a gain on fair valuation of Biological Assets of S\$80.4 million (S\$54.0 in FY2010) pertaining to the Edible Nuts, Spices and Beans, and Food Staples and Packaged Foods segments. All operational costs attributable to these biological assets have been charged to the profit and loss account as period costs. On this basis, for FY2011, biological assets valuation gains of S\$70.8 million are considered to be operational, and S\$9.5 million is classified as non-operational and included as exceptional items.

Other income includes exceptional items of S\$101.3 million (including negative goodwill of S\$79.8 million, gain on remeasurement of investments of S\$12.0 million and Non operational gain on Biological assets of S\$9.5 million) in FY2011 compared to S\$118.2 million in FY2010.

The food category is made up of three segments including Edible Nuts, Spices and Beans, Confectionery and Beverage Ingredients, and Food Staples and Packaged Foods. These segments accounted for 76.3% of our revenue in FY2011. Sales Volume for the Food category increased by 22.4% in FY2011 compared to FY2010. Net contribution (NC) for this segment increased by 36.8% in FY2011 compared to FY2010. NC per ton also increased by 11.8% to S\$ 133.1 per ton in FY2011 from S\$ 119.1 per ton in FY2010.

The Industrial Raw Materials category includes four agri-commodities, namely Cotton and Wool (together, our Natural Fibres business), Rubber and Wood Products. This category accounted for the remaining 23.7% of revenue in FY2011. Sales Volume for this category grew by 13.4% in FY2011 compared to FY2010. Net Contribution for this category increased by 36.4% in FY2011 compared to FY2010; NC per ton grew by 20.3% to S\$ 178.3 per ton from S\$ 148.2 per ton in FY2011.

The Company in the last four years has completed 27 acquisitions of which 25 are performing well. In all of these cases the performance of the business post acquisition has met or exceeded initial expectations and contributed directly to the strengthening of our core supply chain business. The exception to this overall picture are two minority investments in PureCircle and OCDL where, the performance issues are being addressed by the management. These 27 acquisitions combined in FY2011 delivered an ROE of 25.1% and ROIC of 13.2% on a substantial basis of activity.

## Business Segmental Analysis

The following table provides the segmental<sup>#</sup> breakdown on Sales Volume, Sales Revenue, Gross Contribution (GC) and Net Contribution (NC) for FY2011:

### Cumulative

	Sales Volume (in Metric Tons)		Sales Revenue (in S\$'000)		Gross Contribution (GC) (in S\$'000)		Net Contribution (NC) (in S\$'000)	
Segment	Jun 11	Jun 10	Jun 11	Jun 10	Jun 11	Jun 10	Jun 11	Jun 10
Edible Nuts, Spices & Beans	1,274,240	1,107,875	2,183,158	1,489,434	323,348	228,684	296,641	210,853
Per ton (S\$)					254	206	233	190
Confectionery & Beverage Ingredients	1,483,995	1,287,957	6,361,459	4,080,307	414,690	290,364	314,374	222,817
Per ton (S\$)					279	225	212	173
Food Staples & Packaged Foods	4,101,979	3,207,224	3,460,279	2,589,545	345,993	260,062	302,539	233,898
Per ton (S\$)					84	81	74	73
Industrial Raw Materials*	1,591,372	1,403,422	3,730,049	2,295,746	361,529	255,412	283,853	208,053
Per ton (S\$)					227	182	178	148
Commodity Financial Services	-	-	-	-	26,014	25,481	25,432	25,082
Total	8,451,586	7,006,478	15,734,945	10,455,032	1,471,574	1,060,003	1,222,839	900,703
Per ton (S\$)					174	151	145	129

### Quarter

	Sales Volume (in Metric Tons)		Sales Revenue (in S\$'000)		Gross Contribution (GC) (in S\$'000)		Net Contribution (NC) (in S\$'000)	
Segment	Jun 11	Jun 10	Jun 11	Jun 10	Jun 11	Jun 10	Jun 11	Jun 10
Edible Nuts, Spices & Beans	369,803	340,021	496,469	478,731	112,046	82,579	103,818	80,543
Per ton (S\$)					303	243	281	237
Confectionery & Beverage Ingredients	328,475	274,324	1,632,312	1,123,384	128,976	89,735	103,870	86,229
Per ton (S\$)					393	327	316	314
Food Staples & Packaged Foods	1,121,742	794,471	1,110,554	536,225	78,931	48,276	63,257	41,710
Per ton (S\$)					70	61	56	53
Industrial Raw Materials*	473,255	436,546	1,283,200	995,458	159,032	129,153	131,782	123,055
Per ton (S\$)					336	296	278	282
Commodity Financial Services	-	-	-	-	3,472	2,734	4,338	2,634
Total	2,293,275	1,845,362	4,522,535	3,133,798	482,457	352,477	407,065	334,171
Per ton (S\$)					210	191	178	181

# excluding non controlling interests

\*Sales volume for Wood Products is measured in cubic meters.

The **Edible Nuts, Spices & Beans segment** registered volume growth of 15.0%, revenue growth of 46.6%, GC growth of 41.4% and NC growth of 40.7% compared to FY2010. NC per ton in this segment grew 22.3% from S\$ 190.3 to S\$ 232.7. The growth in NC per ton was mainly driven by initiatives to integrate the business upstream (plantations and farming) and in midstream processing activities. The results in this segment were significantly bolstered by the performance of the edible nuts business (cashews, peanuts and almonds) and the Spices and Vegetable Ingredients (SVI) business (inclusive of Gilroy acquisition). The Almond business in Australia and US, in particular, performed strongly. The integration of the acquired companies in the SVI business (namely Gilroy, SK Foods and KFI) has been completed successfully and these businesses have been combined into one operating unit. They have now been co-located together in Fresno California to better extract synergies. This integration will also enable us to serve customers better by enhancing the product offering and providing higher value added customised products and ingredients to their combined customer base. In addition, we have been able to extract synergies in the farm management services, procurement and logistics operations of these entities.

The **Confectionery & Beverage Ingredients segment** registered volume growth of 15.2%, 42.8% growth in GC and 41.1% growth in NC compared to FY2010. More importantly, this segment grew its NC per ton by 22.5% from S\$ 172.9 in FY2010 to S\$ 211.8 in FY2011. The cocoa business has rebounded strongly on the back of normalcy returning to Cote d'Ivoire after a long period of disruption and political stalemate. All pending shipments of cocoa stored in our warehouses during the crisis in Cote d'Ivoire has now been completed. The coffee business continues to perform well across its key origins in West and East Africa and Asia. Our new operations in Mexico have got off to a good start. Trading conditions for coffee in our South and Central American operations have been mixed in FY2011. The soluble coffee operations in Vietnam have performed well. As a result, we have approved the phase 2 capacity expansion at a cost of US\$ 38 million, which will double existing capacity.

The **Food Staples & Packaged Foods segment** achieved volume growth of 27.9%, GC growth of 33.0%, and NC growth of 29.3% respectively compared to FY2010. This strong volume growth was led by the grains business, with strong market share growth in the African markets. NC per ton grew by 1.1% from S\$72.9 in FY2010 to S\$ 73.7 in FY2011. NC for Q4 FY2011 registered strong growth, primarily on account of strong performance from our joint venture investment in SIFCA, and broad based performance from the grains business as well as operational biological asset gains in NZFSU being booked this quarter. Based on the actions that Management has taken, the performance of NZFSU continues to improve on a month on month basis and is tracking ahead of our investment thesis. As a result of the second takeover offer that was launched in May 2011, we now own 86% (previously 77%) of this company. The two acquisitions that are underperforming the initial investment thesis out of the 27 acquisitions done so far are our dairy processing investment in New Zealand (OCDL) and our high intensity natural sweetener investment in Malaysia (Pure Circle). In view of the uncertainty of whether the high milk prices announced by Fonterra for the 2011 season are cyclical (shorter term) or structural (longer term), we have decided to take a prudent one-off impairment of S\$35.6 million of our original investment in OCDL in FY2011.

The **Industrial Raw Materials segment** saw volume growth of 13.4%, GC growth of 41.5%, and NC growth of 36.4% compared to FY2010. This segment constituted 18.8% of the Company's volumes, 23.7% of its revenues, 24.6% of its GC and 23.2% of its NC. NC per ton in this segment grew by 20.3% from S\$ 148.2 in FY2010 to S\$ 178.3 in FY2011. The cotton business had an outstanding year despite volatile market conditions. However, due to lower global growth expectations, cotton demand has contracted sharply during the last quarter. This is expected to pose some challenges in the business for the first half of FY2012. The Wool business has turned in a strong performance in FY2011. The Wood Products business has performed below expectation due to sluggish demand in Europe and Asia. The integration of its Timber assets acquired earlier this year has progressed smoothly. The business has been profitable and has delivered in line with our investment thesis. The Group's expansion into South America (Costa Rica, Panama and El Salvador) to source plantation teak has also been successful during this period.

The **Commodity Financial Services (CFS) business** continued to invest in building capacity and scaling its operations. This segment registered a growth in NC of 1.4% for FY2011 and contributed 2.1% of the Company's Net Contribution. The key activities of the CFS business, namely market making in commodity options and risk management solutions, continue to develop well in line with our business plans.

## Value Chain Segmental Analysis

As outlined in page 11, we provide on an annual basis, a segmental analysis based on the value chain the we have invested in. the relative share and contribution from the three value chain initiatives is given below:

Value Chain initiatives	Sales Revenue (in S\$'000)		Growth %	Net Contribution (NC) (in S\$'000)		Growth %	EBITDA (in S\$'000)		Growth %
	FY2011	FY2010		FY2011	FY2010		FY2011	FY2010	
<b>Supply Chain &amp; VAS*</b>	13,784,322	9,162,602	50.4%	863,943	634,790	36.1%	572,378	403,491	41.9%
Per Ton				121	109		80	70	
Margin (%)				6.3%	6.9%		4.2%	4.4%	
Share (%)	87.6%	87.6%		70.7%	70.5%		66.3%	66.4%	
<b>Upstream</b>	305,697	219,084	39.5%	170,266	110,344	54.3%	154,251	98,824	56.1%
Per Ton				633	453		573	406	
Margin (%)				55.7%	50.4%		50.5%	45.1%	
Share (%)	1.9%	2.1%		13.9%	12.3%		17.9%	16.3%	
<b>Midstream &amp; Downstream</b>	1,644,926	1,073,346	53.3%	188,630	155,569	21.3%	136,417	105,541	29.3%
Per Ton				176	161		127	109	
Margin (%)		53.3%		11.5%	14.5%		8.3%	9.8%	
Share (%)	10.5%	10.3%		15.4%	17.3%		15.8%	17.4%	
<b>Total</b>	<b>15,734,945</b>	<b>10,455,032</b>	<b>50.5%</b>	<b>1,222,839</b>	<b>900,703</b>	<b>35.8%</b>	<b>863,046</b>	<b>607,856</b>	<b>42.0%</b>
Per Ton				145	129		102	87	
Margin (%)				7.8%	8.6%		5.5%	5.8%	

\* Supply Chain & VAS includes earnings from CFS business

In the last two years, the Company has developed two additional cores including; 1) selective integration upstream into plantations and farming, and 2) investing in midstream processing, in addition to its original core business of supply chain management of agricultural commodities. This selective integration in the agribusiness supply chain has been extremely successful and has exceeded all the milestones that the Company had set in this regard.

The **Supply Chain & Value Added Services (VAS)** part of the value chain contributed 84.1% of the Company's volumes, 87.6% of its Sales, 70.7% of its NC and 66.3% of its EBITDA in FY2011. Revenues in FY2011 grew by 50.4% compared to FY2010, while NC grew by 36.1% and NC per ton grew by 11.0%.

The **Upstream** part of our business has performed strongly in FY2011, with NC growing by 54.3% to S\$170.3 million and EBITDA by 56.1% to S\$154.3 million. NC per ton improved to S\$632.9 from S\$453.4 . EBITDA per ton also increased from S\$406.0 to S\$573.4 . We achieved EBITDA margins of 50.5% in the upstream activities in FY2011 as against 45.1% in the previous year.

Our selective strategy of only investing upstream in plantations or farming in products and countries that have a comparative advantage to produce these commodities, more cheaply or relatively better over the long term, is allowing us to generate excess returns. This performance strongly reaffirms our strategy to focus only on upstream initiatives which offer excess returns.

With the investment in Almonds in the US, increasing the stake in NZFSU to 86% and acquisition of tt Timber with FSC certified forest concessions in ROC and Gabon in FY2011, we have now expanded our upstream participation through 21 plantation and farming investments made so far across 10 business units. 12 of these investments are already earnings accretive and contributing, while a further 8 are still in earlier development phases.

The **Midstream & Downstream** operations had an NC of S\$188.6 million, an increase of 21.3% over the previous year, and EBITDA of S\$136.4 million, an increase of 29.3% over the previous year. Midstream contributed 15.4% of NC and 15.8% of EBITDA of the company. NC per ton improved from S\$161.1 in FY2010 to S\$176.1 in FY2011. However the ratio of EBITDA to sales dropped from 9.83% in FY2010 to 8.29% in FY2011, largely on account of higher commodity prices. A total of 17 initiatives in the midstream have been executed, of which 12 are contributing while 3 are still in early stages of planning phase and a final 2 are trending below plan.

Strong contributors to the FY2011 performance in the midstream and downstream area include the Spices and Dehydrates facilities in US, China and Vietnam, Peanuts Ingredients Manufacturing in USA, Wheat Milling and Cocoa Processing in Nigeria and Soluble Coffee manufacturing in Vietnam. The performance of Open Country Dairy Limited (OCDL), Pure Circle and New Zealand Farming Systems Uruguay (NZFSU) were in more negative circumstances for the reasons explained in the segmental results.

### **Costs and Expenses**

Q4 FY2011: Overhead expenses at S\$249.1 million for Q4 FY2011 were 34.9% higher than the corresponding quarter in FY2010, mainly on account of increased overheads for recently acquired businesses and for the provision of additional performance incentives in Q4 FY2011 compared to Q4 FY2010.

FY2011: Overhead expenses at S\$701.1 million for FY2011 were 34.3% higher than FY2010 for the reasons cited above. However, the overhead to sales ratio has improved from 5.0% in FY2010 to 4.5% in FY2011.

### **Taxation**

Q4 FY2011: Income Tax provisions have decreased to S\$20.5 million for Q4 FY2011 as compared to S\$39.0 million for Q4 FY2010.

FY2011: There has been a significant increase in Income Tax provisions to S\$65.7 million for FY2011 as compared to S\$60.4 million for FY2010 due to our growing earnings contribution from higher tax jurisdictions, including Australia and the USA.

### **Net profit after tax**

Q4 FY2011: Excluding exceptional item in both periods, operational profit after tax increased by 4.9% to S\$106.2 million from S\$101.3 million in Q4 FY2010. Reported Net Profit increased by 54.3% to S\$142.9 million for Q4 FY2011 from S\$92.6 million in Q4 FY2010.

FY2011: Excluding the exceptional items in both periods, operational profit after tax increased by 37.1% to S\$372.8 million from S\$271.8 million in FY2010. Reported Net Profit increased by 23.6% to S\$444.6 million for FY2011 from S\$359.7 million in FY2010.

### **Balance Sheet & Cash Flow**

During FY2011, the industry continued to experience significant increases in the prices of various commodities. The application of provisions under FRS39 affects equity and fair value of derivative financial instruments in the Balance Sheet. As a result, there has been a significant increase in "Fair value of derivative financial instruments" under current assets and current liabilities of S\$2,310.1 million and S\$2,287.3 million respectively. Since we participate in this industry as supply chain managers and not as positional / directional traders, market volatility, as in past periods, has had limited impact on the profitability of the Group during this period.

### **Property, plant and equipment**

During FY2011, property, plant and equipment increased from S\$1,054.2 million to S\$1,576.7 million. The increase of S\$522.5 million was mainly on account of the acquisition of Gilroy Foods and Flavours, US Almonds and NZ Farming Systems Uruguay (NZFSU), coffee operations in Mexico and Organic capex investments in Ghana Wheat Milling, Dairy Plant in Cote d'Ivoire and Nigeria Sugar Refinery.

## **Current Assets**

### ***Debtors Analysis***

Debtor days as at 30 June 2011 increased to 37 days as compared to 34 days as at 30 June 2010.

### ***Stocks***

Stock turnover days decreased to 91 days as at 30 June 2011, as compared to 101 days as at 30 June 2010. Stock value increased by S\$1,000.1 million to S\$3,584.1 million, from S\$2,584.0 million as on 30 June 2010 mainly due to higher prices of the commodities.

### ***Advance to Suppliers***

Advance to Suppliers days decreased to 5 days as at 30 June 2011 from 9 days as at 30 June 2010. The advances decreased from S\$237.8 million as at 30 June 2010 to S\$222.2 million as at 30 June 2011.

Overall, the cash to cash cycle came down from 119 days as at 30 June 2010 to 105 days as at 30 June 2011.

### ***Cash and Fixed Deposits***

Cash and Fixed Deposits increased by 29.9% to S\$872.2 million as on 30 June 2011 from S\$671.5 million as on 30 June 2010.

### ***Borrowings***

Borrowings increased to S\$6,580.6 million as of 30 June 2011 from S\$4,503.0 million as of 30 June 2010. This increase was mainly on account of a significant increase in working capital requirements arising from an increase in commodity prices. The borrowings, net of cash and cash equivalents, amounted to S\$5,708.3 million as compared to S\$3,831.5 million as at 30 June 2010.

### ***Non-current liabilities - Convertible Bonds***

The amount in the balance sheet represents the debt component along with accrued interest for both the outstanding Convertible Bonds of principal value US\$18.7 million issued in FY2009 and Convertible Bonds issued in Q1 FY2011 with a principal value of US\$500 million.

### ***Equity***

Total share capital and reserves (before Fair Value Adjustment Reserves and Non-controlling interest) increased by 27.1% from S\$2,020.3 million as of 30 June 2010 to S\$2,568.1 million as of 30 June 2011. Fair Value Adjustment Reserves increased from (S\$248.4) as of 30 June 2010 to (S\$322.7) million as of 30 June 2011.

During FY2011, the Company issued 214,749,213 shares for cash, on conversion of bonds and the exercise of share options.

On 6 June 2011, we launched an equity fund raising exercise to raise a total of approximately S\$740 million through a combination of 3 equal tranches of approximately S\$250 million each, comprising of (i) a private placement of up to 94,408,000 new ordinary shares in the capital of the Company to institutional and other investors (ii) a pro rata and non-renounceable preferential offering of up to 97,292,951 new ordinary shares in the capital of the Company to entitled shareholders, and (iii) the proposed subscription of up to 94,408,000 new ordinary shares in the capital of the Company by Breedens, an indirect wholly-owned subsidiary of Temasek Holdings (Private) Limited. While the placement tranche was completed before 30<sup>th</sup> June 2011, the other two tranches were completed and settled on 5<sup>th</sup> July 2011 and 11<sup>th</sup> July 2011 respectively. This equity raising resulted in a dilution of 11.7% on the shares outstanding on the date of the issue and positions the company very strongly for future growth. The equity of the company now stands at S\$ 3,063 million, amounting to 52% growth over the previous year. With this equity raising, the net debt to equity ratio comes down to 1.86 and the adjusted net debt to equity ratio to 0.45 .

## Presentation Changes

For better presentation we have reclassified the following:

### 1. Profit and Loss Statement

#### a. Other Income

"Other income" has been split into separate line items as shown below:

- "Sale of services"
- "Net gain/ (loss) from changes in fair valuation of biological assets"
- "Other Income" which mainly consists of interest income and exceptional items like negative goodwill from acquisitions.

#### b. Gain/ (loss) on foreign exchange

"Gain/ (loss) on foreign exchange" has been included under "Other operating expenses".

#### c. Impairment of Assets

"Impairment of Assets" has been included under "Other operating expenses".

### 2. Balance Sheet

#### a. Non current Assets

"Interest in jointly controlled entities" and "Investment in associates" have been included under "Interests in jointly controlled entities and associates".

#### b. Current Assets

"Cash and bank balances" and "Fixed deposits" have been included under "Cash and short-term fixed deposits".

#### c. Current liabilities

"Amounts due to bankers" and "Medium term notes" have been included under "Borrowings".

#### d. Non current liabilities

"Amounts due to bankers", "Medium term notes" and "Convertible bonds" have been included under "Borrowings".

### 3. Cash Flow Statement

Any presentation changes made in Balance Sheet have been accordingly reflected in Cash flow Statement.

Prior year numbers (wherever applicable) have been accordingly changed in the Announcement.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast made by the Company.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The Group constantly reviews corporate development opportunities which are in line with our corporate growth strategy. Some of these are in the nature of acquisitions and joint ventures. The Group is currently in discussions with various parties on such opportunities. If any of these opportunities were to materialize these may have an effect on the financials of the Group.

Given the strong performance recorded by the Group in FY2011 and the continued execution of our long term strategic growth plans, the Group continues to be positive about its prospects for FY2012.

11. Dividend

(a) Current Financial Period Reported on 30 June 2011

Any dividend recommended for the current financial period reported on?

Name of Dividend	First & Final Dividend
Dividend Type	Cash
Dividend rate (in cents)	5.00
Tax rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year.

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	Interim Dividend	Second & Final Dividend
Dividend Type	Cash	Cash
Dividend rate (in cents)	2.00	2.50
Tax rate	One-tier tax exempt	One-tier tax exempt

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

N.A

(d) Date payable

N.A

(e) Books closure date

**NOTICE IS HEREBY GIVEN** that the Share Transfer Books and Register of Members of OLAM INTERNATIONAL LIMITED (the "Company") will be closed at **5.00 pm on 9th November 2011** for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services (Pte) Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on **9 November 2011** will be registered to determine shareholders' entitlements to the said dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on **9 November 2011** will be entitled to the proposed dividend.

Payment of the dividend, if approved by the members at the Annual General Meeting to be held on 28 October 2011, will be made on **18 November 2011**.

12. If no dividend has been declared/recommended, a statement to that effect.

N.A.



**PART II: Additional information required for Full Year announcement**  
**(This part is not applicable to Q1, Q2, Q4 or Half Year Results)**

13. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(in S\$000's)	Edible Nuts, Spices & Beans		Confectionery & Beverage Ingredients		Food Staples & Packaged Foods		Industrial Raw Materials		Commodity Financial Services		Consolidated	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Segmental Revenue	2,183,158	1,489,434	6,361,459	4,080,307	3,460,279	2,589,545	3,730,049	2,295,746	-	-	15,734,945	10,455,032
Segmental Results	163,314	109,548	204,409	132,416	157,656	111,386	210,734	151,448	20,906	20,622	757,019	525,420
Finance Cost - Net of Interest Income											(331,983)	(205,786)
Other income											57,061	87,637
Share of result from jointly controlled entities											28,168	12,924
Profit before tax, attributable to equity holder of the Parent											510,265	420,195
Tax (expense)											(65,697)	(60,446)
Profit after tax											444,568	359,749

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

N.A

15. A breakdown of sales.

	FY 2011	FY 2010	% Increase / (Decrease)
Sales for 1st Half	6,476,672	4,609,714	40.5%
Net Profit 1st Half	175,500	177,900	-1.3%
Sales for 2nd Half	9,258,273	5,845,318	58.4%
Net Profit 2nd Half	269,068	181,849	48.0%

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Full year 30 June 2011	Full year 30 June 2010
Ordinary	111,775	90,934
Preference	-	-
Total	111,775	90,934

On behalf of the Board of Directors

R. Jayachandran  
Chairman

Sunny George Verghese  
Group Managing Director & CEO

29 August 2011