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NEWS RELEASE

OLAM INTERNATIONAL PARTNERS LABABIDI GROUP IN 80/20 JOINT VENTURE TO SET UP A US\$200M PORT-BASED SUGAR REFINERY IN NIGERIA

Singapore, December 3, 2010 – Olam International Limited (“Olam” or “the Company”), a leading global, integrated supply chain manager and processor of agricultural products and food ingredients, today announced that it has entered into an 80/20 joint venture with the Lababidi Group (LG) to set up a port-based sugar refinery in Nigeria. The total project cost amounts to approximately US\$200 million, which is expected to be phased over three years from FY2011 to FY2013.

The project cost is expected to be funded by 50% of equity (US\$100 million) and 50% of debt (US\$100 million). Olam’s equity contribution for its share of investment would be approximately US\$80 million. LG will contribute about US\$20 million in equity investment.

LG is one of Sub-Saharan Africa’s major diversified business groups with interests in wheat milling, telecommunications and port real estate. The group was formerly one of top three wheat millers in Nigeria until it divested Crown Flour Mills to Olam in January 2010. It continues to operate wheat mills in Guinea Conakry and controls Starcomms, Nigeria’s fourth largest telecommunications operator and West Africa’s largest fixed and wireless telecommunications provider.

Sunny Verghese, Olam’s Group Managing Director and CEO, said: “In September 2008, Olam had indicated its intention to set up a sugar refinery in Lagos to access the large and growing demand for sugar in Nigeria. Olam has developed capabilities in the sugar value chain by investing in sugar milling in India and sugar refining in Indonesia in the last few years. We are now excited to have this opportunity to enter into a joint venture with LG to set up a port-based sugar refinery in Nigeria.”



LG's Chairman Chief Maan Lababidi said: "Olam is today the largest non-oil exporter out of Nigeria and one of the most diversified global agri-companies in terms of product portfolio, geographical spread and value chain participation. We believe that Olam's global network in sourcing, procurement, extensive marketing and distribution within Nigeria, strong risk management culture and sugar refining expertise will be critical to the success of our sugar refinery project in Nigeria."

The joint venture combines the complementary strengths of Olam and LG in global sourcing and origination, pan-Africa distribution, systems and risk management, port land access and deep operating experience in the local environment, to create a sustainable competitive advantage for sugar in Nigeria.

Sugar Refinery Overview

The proposed sugar refinery will be located in Tincan Island, Lagos on a site adjacent to the port, leveraging LG's port land leasehold rights. A port-based sugar refinery enjoys costs and logistics advantages as compared to an in-land facility, as well as superior access to importing markets in ECOWAS and the rest of Africa.

The sugar refinery, which will have a rated capacity of 1,500 metric tonnes per day, is expected to be one of the most efficient refiners in Africa in terms of operating costs and capital expenditure per tonne of refined sugar.

Financial Impact

The refinery is expected to commence operations by mid-2013 and produce 450,000 metric tonnes of white sugar during its first full year of operations in FY2014. The operation is expected to generate an EBITDA margin of approximately 27% and deliver an Equity IRR of about 38%.

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Note:

This release should be read and understood only in conjunction with the Olam International Limited's presentation slides on the same subject lodged on SGXNET on December 3, 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 11,100 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 and 2010 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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