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NEWS RELEASE

OLAM INTERNATIONAL TO ACQUIRE tt TIMBER INTERNATIONAL FROM DALHOFF LARSEN HORNEMAN A/S GROUP (“DLH”)

- **The acquisition will provide Olam with 1.6 million hectares of natural hardwood forest concessions in the Republic of Congo (“RoC”) and the Republic of Gabon (“RoG”).**
- **The acquired operations in RoC are regarded as a benchmark for Sustainable Forestry Management (“SFM”) practices and Olam will be amongst the largest Forest Stewardship Council (“FSC”) certified tropical hardwood suppliers globally.**

Singapore, December 15, 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 acquired 100% of the equity share capital of tt Timber International (“tt Timber”), a subsidiary of Dalhoff Larsen Horneman A/S Group (“DLH”), for a total consideration of €29.6 million (US\$39.4 million) on a cash and debt free basis including an estimated amount of €11 million (US\$14.6 million) of working capital, subject to customary closing conditions. The proposed acquisition would be funded through internal accruals and is expected to close by the mid of January 2011.

DLH is a 100-year-old Danish owned group quoted on the Copenhagen Stock Exchange and is one of the leading suppliers of timber and timber products manufactured from sustainably produced raw materials. tt Timber owns forest concessions rights for 1.3 million hectares of natural tropical hardwood forest in the Republic of Congo (Congo-Brazzaville or “RoC”) and 300,000 hectares in the Republic of Gabon (“RoG”) respectively. The 1.6 million hectares of forest concessions in both



countries are managed based on Sustainable Forestry Management (“SFM”) practices as prescribed by Forest Stewardship Council (“FSC”). 40% of these forest areas (650,000 hectares) are already FSC certified and an additional 34% (550,000 hectares) would receive FSC certification by February 2011. Plans are in place for the remaining forests to be certified in due course. The operation in RoC is considered the industry benchmark for FSC certification and SFM practices, and these concessions will be amongst the largest contiguous FSC certified tropical hardwood forests globally.

The concessions together will have an annual harvesting capacity of 750,000 cubic metres (“cbm”) of primary and secondary species of which the currently marketable species are estimated at approximately 300,000 cbm. Based on the current export regulations, the log export potential is estimated at 60,000 cbm per annum. The assets acquired also include sawing capacity to process over 350,000 cbm of logs per annum in seven saw mills across five locations in RoC and RoG.

In addition to owning concession rights to these forests, tt Timber and its subsidiaries have constructed in excess of 1,000 km of roads and built a self-contained timber processing estate and township with housing, schools, clinics and other social infrastructure for its employees.

Sridhar Krishnan, Olam’s Executive Director, said: “The key strategic thrust for the Wood Products business is to secure a sustainable supply of tropical hardwoods through the accumulation of Sustainably Managed forestry concessions in select geographies in Africa, and to process these logs at the origins to meet the value-added requirements for export to end-markets. We believe tt Timber is an attractive and strategic fit to Olam given its sizeable, contiguous tracts of sustainable tropical forests in Congo and Gabon and a strong operational and experienced management team, with significant experience in Sustainable Forestry Management and processing.

“Gaining access to these forest resources in the Congo Basin countries, which have the largest tropical hardwood cover in Africa, enables Olam to build scale and global leadership in sustainable and certified hardwoods,” he added.

Consequent to the acquisition, Olam would be amongst the largest and leading tropical hardwoods and teak players globally.



Investment Rationale

The proposed acquisition of tt Timber is “on-strategy, on-plan”, consistent with Olam’s stated approach to grow the Wood Products business.

Robert Hunink, President and Global Head of Olam’s Wood Products business said: “The global tropical wood products business is fast changing from a predominantly log trading model to processing and value addition at the origins with a growing demand for certified and traceable lumber from markets in Europe and the United States. FSC certified lumber is beginning to command premium prices in these markets, resulting in better margins. We would expect markets to also respond favourably to the availability of FSC certified products in so-called “lesser known species”. tt Timber therefore represents a one-step, product and value-chain adjacency growth complementary with our existing plantation, forestry and processing operations in Côte d’Ivoire, Cameroon, Gabon, Mozambique, Tanzania and Latin America, underpinning the potential for Olam to realise higher margins as a result of an enhanced upstream and midstream presence.”

In addition, this acquisition offers the potential of obtaining additional revenues through innovative Reducing Emissions from Deforestation and Forest Degradation (“REDD+”) and Clean Development Mechanism (“CDM”) projects.

Financial Impact

The acquisition will be both value and earnings accretive from the first full year after consolidation. Steady state revenues and EBITDA margins are expected to be €80-100 million (US\$106-133 million) and 16-19% respectively by FY2014 with equity IRR of over 40% and projected ROE at 50%.

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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 15, 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.

About DLH

DLH is a Danish owned group quoted on the Copenhagen Stock Exchange and since 1908 trading in timber and wood products all over the world. DLH is one of the world's major timber wholesalers with sales and procurement offices in more than 30 countries. The group celebrated its 100th anniversary in 2008. For more information, please visit www.dlh-group.com.



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