Olam International Limited
9 Temasek Boulevard
#11-02 Suntec Tower Two
Singapore 038989
telephone 65 63394100
facsimile 65 63399755
Website www.olamonline.com
Regn no. 199504676-H

NEWS RELEASE

OLAM ACHIEVES 55.9% GROWTH IN NET PROFIT (EXCLUDING EXCEPTIONAL GAIN*) TO S$265.9 MILLION AND A 12.9% GROWTH IN NET PROFIT (INCLUDING EXCEPTIONAL GAIN) TO 301.7 MILLION IN 9M FY2011

- **Olam's Net Profit grew 48.0% to S$ 124.0 million (excluding exceptional gain*) and 41.4% to S$ 126.2 million (including exceptional gain) in Q3 FY2011.**

9M FY2011 : Financial Highlights

- Sales **Volume** of **6.2 million tonnes**, **up 19.3%**
- Sales **Revenue** of **S$11.21 billion**, **up 53.1%**
- **Net Contribution** (NC) **up 43.9%** to **S$815.1 million**, **NC per tonne up 20.6% to S$132**
- **Broad-based growth** in **NC** and **NC per tonne**
- **Net Profit After Tax (excluding exceptional gain*) up 55.9%** to **S$265.9 million**
- **Net Profit After Tax (including exceptional gain*) up 12.9%** to **S$301.7 million**
- **EPS (excluding exceptional gain*) up 48.5%** to **12.65 cents; EPS (including exceptional gain*) up 7.6%** to **14.35 cents**

Consolidated Financial Results Ended March 31	Nine Months			Quarter 3		
	FY2011	FY2010	Change	FY2011	FY2010	Change
Sales Volume *(metric tonnes)*	6,158,311	5,161,117	19.3%	2,253,502	1,815,158	24.1%
Sales Revenue (S$m)	11,212.41	7,321.23	53.1%	4,735.74	2,711.52	74.7%
Net Contribution (NC) (S$m)	815.1	566.5	43.9%	305.3	205.4	48.6%
Net Profit After Tax (S$m) (excluding exceptional gain*)	265.9	170.6	55.9%	124.0	83.8	48.0%
Net Profit After Tax (S$m) (including exceptional gain*)	301.7	267.2	12.9%	126.2	89.3	41.4%
EPS (cents) (excluding exceptional gain*)	12.65**	8.52**	48.5%	5.88***	4.15***	41.7%
EPS (cents) (including exceptional gain*)	14.35**	13.34**	7.6%	5.98***	4.42***	35.3%

* *Negative goodwill on acquisitions (net of transaction costs).*

** *Based on weighted average number of shares of 2,107,606,654 shares for 9M FY2011 and 2,003,170,717 shares for 9M FY2010.*

*** *Based on weighted average number of shares of 2,127,411,533 for Q3 FY2011 (compared to weighted average number of shares of 2,018,781,314 for Q3 FY2010).*

Singapore, May 12, 2011 – Olam International Limited ("Olam" or the "Group"), a leading global, integrated supply chain manager and processor of agricultural products and food ingredients, today reported a Net Profit After Tax (excluding exceptional gain) of S$265.9 million for the nine months ended March 31, 2011 ("9M FY2011"), a growth of 55.9% compared to S$170.6 million achieved in the previous corresponding period ("9M FY2010"). Net Profit After Tax (including exceptional gain) for 9M FY2011 was S$301.7 million, 12.9% higher compared to S$267.2 million achieved in 9M FY2010.

The 9M FY2011 results included an exceptional gain amounting to S$35.9 million, arising from the negative goodwill (net of transaction costs) of NZ Farming Systems Uruguay (NZFSU) during the year. In the previous corresponding period (9M FY2010) the Group recorded exceptional gain of S$96.6 million for the acquisition of tomato processing assets in California.

Net Profit After Tax (excluding exceptional gain) in Q3 FY2011 grew by 48.0% to S$124.0 million from S$83.8 million in Q3 FY2010. Net Profit after Tax (including exceptional gain) for the third quarter ended March 31, 2011("Q3 FY2011") was S$126.2 million, 41.4% higher compared to S$89.3 million reported in the previous corresponding quarter ("Q3 FY2010").

Olam's Group CFO, Krishnan Ravikumar explained the results: "The strong growth of 55.9% in operational net profits (excluding exceptional gain) in 9M FY2011 was driven by a 19.3% increase in Sales Volume and a 20.6% rise in Net Contribution per tonne. This is one of the strongest periods of growth in Net Contribution per tonne that we have achieved in the last five years. This reflects the effectiveness of our margin enhancing growth initiatives. All five business segments, namely Edible Nuts, Spices & Beans, Confectionery & Beverage Ingredients, Food Staples & Packaged Foods, Industrial Raw Materials and Commodity Financial Services, contributed to the growth in NC.

"We are particularly pleased to have improved our cash-to-cash cycle materially during this period, which helped mitigate an increase in working capital requirements resulting from sharply rising commodity prices. We continue to be disciplined and balanced in our capital allocation decisions to strengthen our portfolio and enhance our margins." he added.

Olam's Group Managing Director and CEO, Sunny Verghese said: "We continue to execute well on our Six Year Corporate Strategic Plan (FY2010-2015). The results that we have announced today exceed the milestones that we had set for this stage of the plan. Our 9M FY2011 interim results provide further evidence of the full effectiveness and potential of our growth strategy. We have now built a differentiated and unique business portfolio by investing selectively in attractive-return upstream (plantations) and midstream (value-added processing) growth initiatives, which has helped us to enhance margins and strengthen returns."

Group Financial Review

The Group has had a strong 9M FY2011 with record growth (up 55.9%) in Net Profit (excluding exceptional gain). The period was characterised by sharply rising commodity prices, with several agricultural commodities reaching historical highs. In addition to rising prices, there was a substantial increase in volatility across the global agricultural sector.

Olam's diversified product portfolio, origination and distribution reach, and selective integration across the agri-business value chain, combined with strong risk management capabilities, has allowed the Group to grow profitably under these market conditions. Strong execution of the Group's strategy by expanding upstream selectively to include plantations (perennial plantation crop investments, include palm, rubber, almonds and coffee), farming (annual crop investments include peanuts, soyabean, cotton and rice), hardwood forest concessions and dairy farming, as well as selective integration into midstream value-added processing activities (including cocoa processing, soluble coffee manufacturing, tomato paste manufacturing, peanut paste manufacturing, spice grinding, dehydrates manufacturing), have all contributed to generating solid returns and enhancing the Group's margins in 9M FY2011.

During 9M FY2011, Sales Volume rose 19.3% to 6.2 million metric tonnes. Sales Revenue grew 53.1% to S$11.21 billion as commodity prices increased substantially during the period. NC surged 43.9% to S$815.1 million as a result of both higher Sales Volume and enhanced margin per tonne, with NC margins increasing 20.6% from S$110 to S$132 per tonne. Edible Nuts, Spices & Beans, Confectionery & Beverage Ingredients, Food Staples & Packaged Foods and Industrial Raw Materials segments all contributed strongly to the growth in Sales Volume and NC during this period.

Q3 FY2011 registered a 24.1% increase in Sales Volume; higher commodity prices supported the rise in Sales Revenue by 74.7%. NC grew 48.6% as per tonne NC margin improved 19.8% from S$113 to S$136.

Segmental Review

Edible Nuts, Spices & Beans	Nine Months			Quarter 3		
	FY2011	FY2010	Change	FY2011	FY2010	Change
Sales Volume (metric tonnes)	904,438	767,853	17.8%	343,743	256,844	33.8%
Sales Revenue (S$m)	1,686.69	1,010.70	66.9%	671.85	311.02	116.0%
NC (S$m)	192.8	130.3	48.0%	81.0	56.7	42.7%
NC Per Tonne (S$)	213.1	169.7	25.6%	235.5	220.9	6.6%

The **Edible Nuts, Spices & Beans** segment recorded Sales Volume and NC growth of 17.8% and 48.0% in 9M FY2011 and 33.8% and 42.7% in Q3 FY2011 respectively. During this period, the Group successfully integrated the Gilroy acquisition whose results have tracked above our investment thesis. In line with our strategy, Olam also acquired additional almond orchard plantations in California during this quarter. In addition, the Group also scaled up its peanut farming operations in Argentina during this period.

Confectionery & Beverage Ingredients	Nine Months			Quarter 3		
	FY2011	FY2010	Change	FY2011	FY2010	Change
Sales Volume (metric tonnes)	1,155,520	1,013,633	14.0%	509,822	426,821	19.4%
Sales Revenue (S$m)	4,729.15	2,956.92	59.9%	2,308.76	1,305.76	76.8%
NC (S$m)	210.5	136.6	54.1%	87.3	50.0	74.7%
NC Per Tonne (S$)	182.1	134.7	35.2%	171.2	117.0	46.3%

The **Confectionery & Beverage Ingredients** segment grew its Sales Volume by 14.0% and 19.4% in 9M FY2011 and Q3 FY2011 respectively. NC grew by 54.1% and 74.7% in 9M FY2011 and Q3 FY2011 respectively. The call for a ban on exports from Cote d'Ivoire by the European Union had impacted exports of cocoa beans during the quarter. However this led to an increase in selling differentials, resulting in better margins for the business. The political situation in Cote d'Ivoire has finally stabilised and normal business activities have already resumed. We have successfully integrated the Britannia Foods acquisition with the rest of the cocoa business and expect this to further strengthen our competitive position in the cocoa industry.

The Coffee business also performed well due to a good Robusta crop in Vietnam and improved market shares in Africa, Asia and South and Central America. The soluble coffee business in Vietnam had stabilised and operated near full capacity during this period. The upstream initiative in setting up coffee plantations in Laos is progressing as planned. Our new coffee operations in Mexico have got off to a good start.

Food Staples & Packaged Foods	Nine Months			Quarter 3		
	FY2011	FY2010	Change	FY2011	FY2010	Change
Sales Volume (metric tonnes)	2,980,236	2,412,754	23.5%	990,724	799,153	24.0%
Sales Revenue (S$m)	2,349.73	2,053.32	14.4%	726.81	689.88	5.4%
NC (S$m)	239.3	192.2	24.5%	67.1	63.6	5.5%
NC Per Tonne (S$)	80.2	79.6	0.8%	67.6	79.5	-15.0%

The **Food Staples & Packaged Foods** segment achieved volume growth of 23.5%, GC growth of 26.1% and NC growth of 24.5% respectively compared to 9M FY2010. This strong volume growth was led by the wheat business with strong market share growth in the African markets. NC per ton grew by 0.8% from S$79.6 in 9M FY2010 to S$80.2 in 9M FY2011. The Grains and Packaged Foods businesses performed in line with expectations. However, the Dairy business had to contend with difficult trading conditions and lower industry margins and the consolidation of operating losses from NZFSU. Upon assuming control of NZFSU, Olam had taken significant steps to reshape strategy and revamp the management of the company. Olam expects these efforts to start producing more positive results over the next few years. Our investment in OCDL, the dairy processing operation in New Zealand underperformed during the period on account of the surprisingly high milk price announced by Fonterra in February for the FY2011 season which led to poor performance for most dairy processors during this period.

Industrial Raw Materials	Nine Months			Quarter 3		
	FY2011	FY2010	Change	FY2011	FY2010	Change
Sales Volume (metric tonnes)	1,118,115	966,876	15.6%	409,213	332,340	23.1%
Sales Revenue (S$m)	2,446.85	1,300.29	88.2%	1,028.31	404.86	154.0%
NC (S$m)	151.3	85.0	78.1%	65.1	26.3	147.9%
NC Per Tonne (S$)	135.3	87.9	53.9%	159.2	79.0	101.5%

The **Industrial Raw Materials** segment saw volume growth of 15.6%, GC growth of 59.8% and NC growth of 78.1% compared to 9M FY2010. This segment constituted 18.2% of the Group's volumes, 21.8% of its revenues, 20.4% of its GC and 18.6% of its NC. NC per ton in this segment grew by 53.9% from S$88 in 9M FY2010 to S$135 in 9M FY2011. Cotton prices which peaked in March have retraced down from their historical highs. This should release working capital invested in the business post the end of Q3 FY2011. The impact of unprecedented floods in Queensland is not likely to have any material impact on our cotton operations for this year. The cotton business has seen strong improvement in margins during this period. The Wood Products business has performed slightly below expectation due to very sluggish demand conditions in Europe as well as Asia. The integration of TT Timber assets acquired earlier this year has progressed smoothly. 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)** segment had a difficult quarter due to volatility in commodity prices and contributed to 2.6% of the Group's NC with S$21.1 million as against an NC of S$22.4 million in 9M FY2010. However, the key activities of the group namely market making of commodity options and risk management solutions continue to develop in line with our business plans.

Outlook and Prospects

Given the strong performance recorded by the Group in 9M FY2011 and the continued execution of its long term strategic growth plans, the Group continues to be positive about its prospects for the remainder of FY2011.

***Note**:*

This release should be read and understood only in conjunction with the full text of Olam International Limited's 9M FY2011 and Q3 FY2011 Financial Statements lodged on SGXNET on May 12, 2011.

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 65 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.

ISSUED ON BEHALF OF	:	Olam International Limited	
BY	:	Citigate Dewe Rogerson, i.MAGE Pte Ltd 1 Raffles Place #26-02 OUB Centre Singapore 048616	
For Olam			
CONTACT	:	Ms Chow Hung Hoeng Associate General Manager, Investor Relations	
DURING OFFICE HOURS	:	+ 65 6317-9471	(Office)
AFTER OFFICE HOURS	:	+ 65 9834-6335	(Mobile)
EMAIL	:	chow.hunghoeng@olamnet.com	
For CDRi.MAGE			
CONTACT	:	Ms Dolores Phua / Ms Andrea Low	
DURING OFFICE HOURS	:	6534-5122	(Office)
AFTER OFFICE HOURS	:	9750-8237 / 9667-5837	(Mobile)
EMAIL	:	dolores.phua@citigatedrimage.com / andrea.low@citigatedrimage.com	