Building Relevant Scale

Delivering the Olam Strategy

First Quarter FY2013 Results Briefing

14th November 2012 Singapore

Notice

This presentation should be read in conjunction with Olam International Limited's First Quarter (FY2013) Financial Results for the period ended 30 September 2012 statement lodged on SGXNET on 14 November 2012.

Cautionary note on forward-looking statements

This presentation may contain statements regarding the business of Olam International Limited and its subsidiaries ('Group') that are of a forward looking nature and are therefore based on management's assumptions about future developments.

Such forward looking statements are intended to be identified by words such as 'believe', 'estimate', 'intend', 'may', 'will', 'expect', and 'project' and similar expressions as they relate to the Group. Forward-looking statements involve certain risks and uncertainties because they relate to future events. Actual results may vary materially from those targeted, expected or projected due to several factors.

Potential risks and uncertainties includes such factors as general economic conditions, foreign exchange fluctuations, interest rate changes, commodity price fluctuations and regulatory developments. Such factors that may affect Olam's future financial results are detailed in our listing prospectus, listed in this presentation, or discussed in today's press release and in the management discussion and analysis section of the company's First Quarter FY2013 results report and filings with SGX. The reader and/or listener is cautioned to not unduly rely on these forward-looking statements. We do not undertake any duty to publish any update or revision of any forward looking statements.

Q1 FY2013 Results Briefing: **Agenda**

- **First Quarter FY2013 Results**
  - Consolidated P&L Analysis
  - Segmental Analysis
  - Balance Sheet Analysis

Consolidated P&L Analysis

Summary

(in S$ million)	Q1 FY2013	Q1 FY2012	% Change
Sales Volume (MMT)	3.681	1.862	97.7
Sales Value	4,689.1	3,229.4	45.2
Net Contribution (NC)	311.5	251.9	23.6
NC/ton	85	135	(37.4)
Profit For the Period	**41.8**	**33.3**	**25.7**
(-) Non-controlling interests	(1.3)	(0.9)	n.m.
Profit After Tax and Minority Interest (PATMI)	**43.1**	**34.2**	**26.2**

Sales Volume

- **Sales Volume: 3.681 million metric tons**
  - Volume grew by 1.818 million metric tons
  - 97.7% growth over Q1 FY2012
  - Volume growth across all 4 segments

Sales Volume - **Segmental**

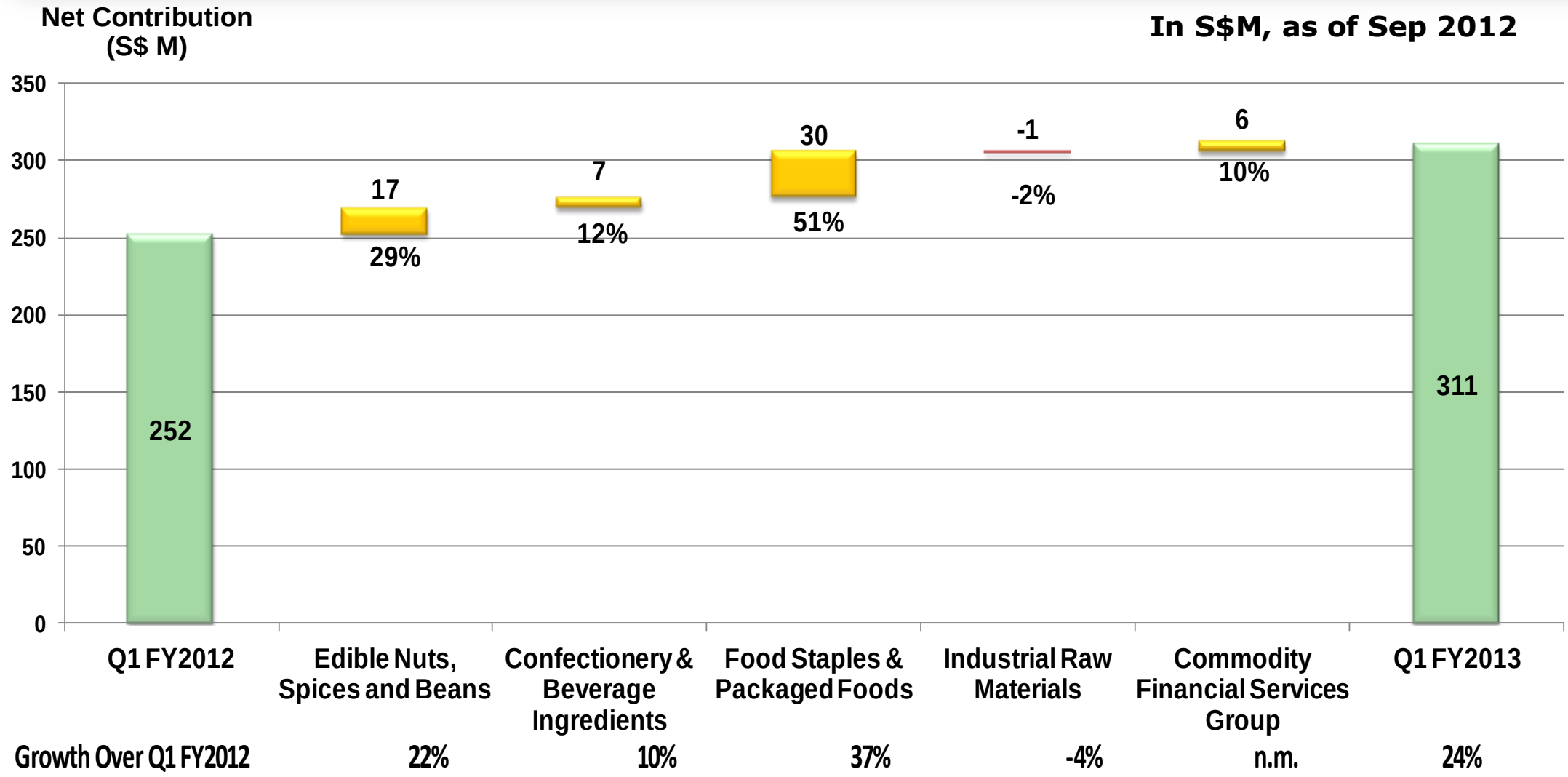
Segments	Q1 FY2013 (MT/'000)	Q1 FY2012 (MT/'000)	% Change
Edible Nuts, Spices & Beans	420	366	14.8
Confectionery & Beverage Ingredients	310	286	8.4
Food Staples & Packaged Foods	2,597	897	189.5
Food Category Total	**3,327**	**1,549**	**114.8**
Industrial Raw Materials	354	313	13.1
Consolidated Total	**3,681**	**1,862**	**97.7**

Net Contribution

Net Contribution (NC): S$ 311.5 million

- 23.6% growth over Q1 FY2012. Food Category's NC increased by 24.2%
- NC per ton decreased from S$135/ton in Q1 FY2012 to S$85/ton in Q1 FY2013

Net Contribution Growth: **Segmental Share**



Overhead Expenses

Overhead Expenses increased by 15.8% to S$210.3 million in Q1 FY2013

	Q1 FY2013	Q1 FY2012	Change
Overhead Expenses(S$m)	210.3	181.7	15.8%
Overhead/ Sales Ratio	4.5%	5.6%	-

Key **Earnings** Metrics

Profit for the Period: S$41.8 m

- **25.7% growth over Q1 FY2012**

Earnings per Share (EPS)

- **1.6 cents/share in Q1 FY2013 vs 1.4 cents/share in Q1 FY2012**

Net Asset Value (NAV before fair value adjustment)

- **141.26 cents/share in Q1 FY2013 vs 144.56 cents/share in FY2012**

Segmental Analysis

Segmental Analysis: **Summary**

Olam Consolidated

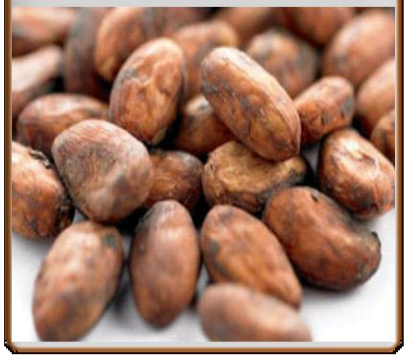
- Turnover S$4689 m
- Volume 3.681 mmts
- NC S$311.5 m
- NPAT *S$41.8 m*

Edible Nuts, Spices & Beans

- Turnover S$585 m
- Volume 0.42 mmts
- NC S$97.7 m
- NC Share *31.4%*

Confectionery & Beverage Ingredients

- Turnover S$1262 m
- Volume 0.31 mmts
- NC S$69.8 m
- NC Share *22.4%*



Food Staples & Packaged Foods

- Turnover S$1915 m
- Volume 2.597 mmts
- NC S$111 m
- NC Share *35.6%*

Industrial Raw Materials

- Turnover S$927 m
- Volume 0.354 mmts
- NC S$29.1 m
- NC Share *9.3%*

Commodity Financial Services Group

- Turnover S$0.4 m
- NC S$3.9 m
- NC Share *1.3%*

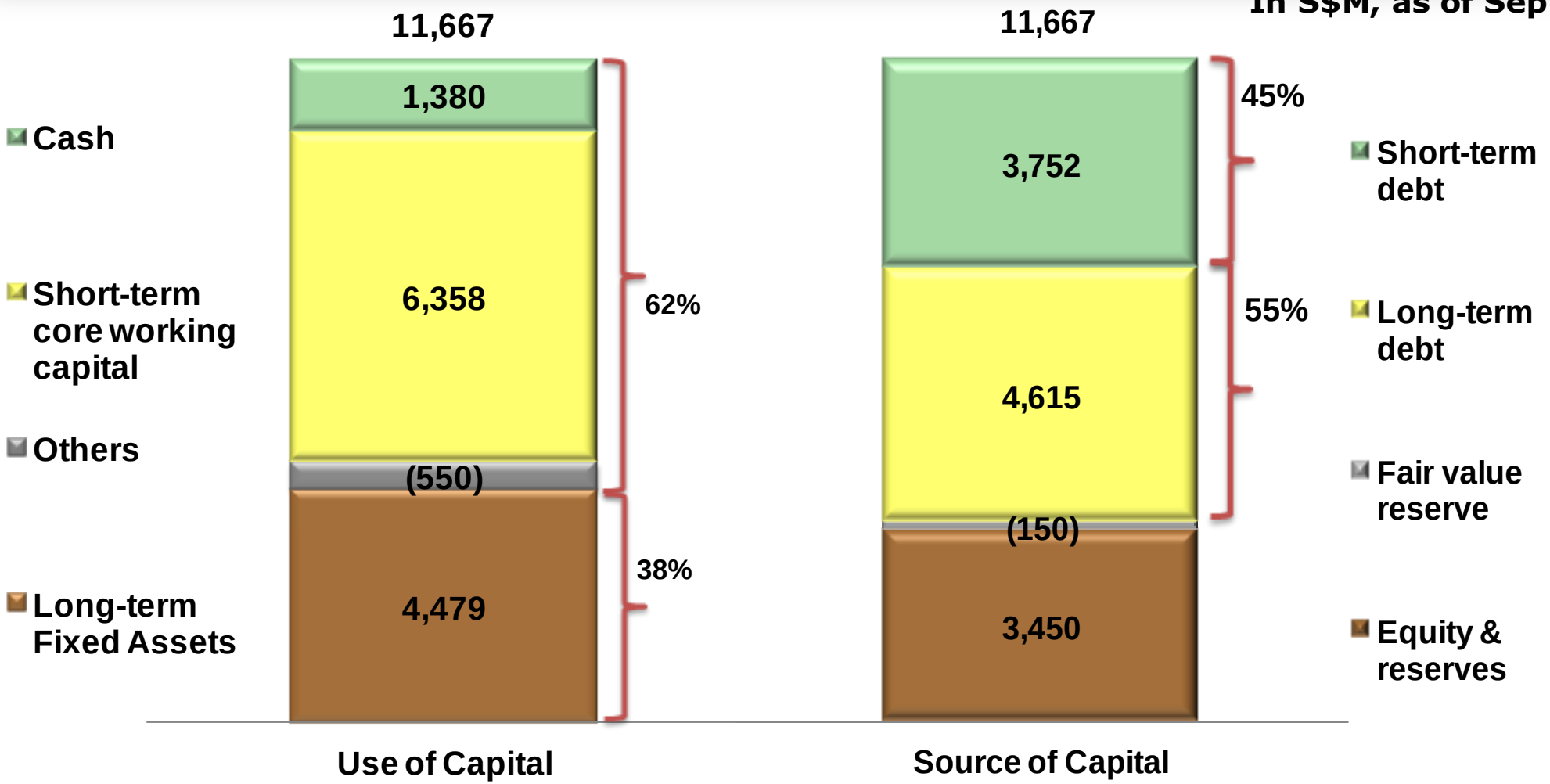
Net Contribution & NC/ MT Growth: **Segmental**

Segments	Net Contribution		
	Q1 FY2013 S$million	Q1 FY2012 S$million	% change
Edible Nuts, Spices & Beans	**97.7**	**79.9**	**22.3**
NC/MT (S$ / ton)	*232.5*	*218.2*	*6.6*
Confectionery & Beverage Ingredients	**69.8**	**63.2**	**10.5**
NC/MT (S$ / ton)	*225.4*	*220.9*	*2.0*
Food Staples & Packaged Foods	**111.0**	**81.2**	**36.7**
NC/MT (S$ / ton)	*42.7*	*90.4*	*-52.8*
Food Category Total	**278.5**	**224.3**	**24.2**
NC/MT (S$ / ton)	*83.6*	*144.7*	*(42.2)*
Industrial Raw Materials	**29.1**	**30.4**	**(4.2)**
NC/MT (S$ / ton)	*82.3*	*97.2*	*(15.3)*
Commodity Financial Services	**3.9**	**(2.8)**	**(240.9)**
Consolidated Total	**311.5**	**251.9**	**23.6**
NC/MT (S$ / ton)	*84.6*	*135.2*	*(37.4)*

Balance Sheet Analysis

Balance Sheet Summary: **Strong** and **resilient** Balance Sheet

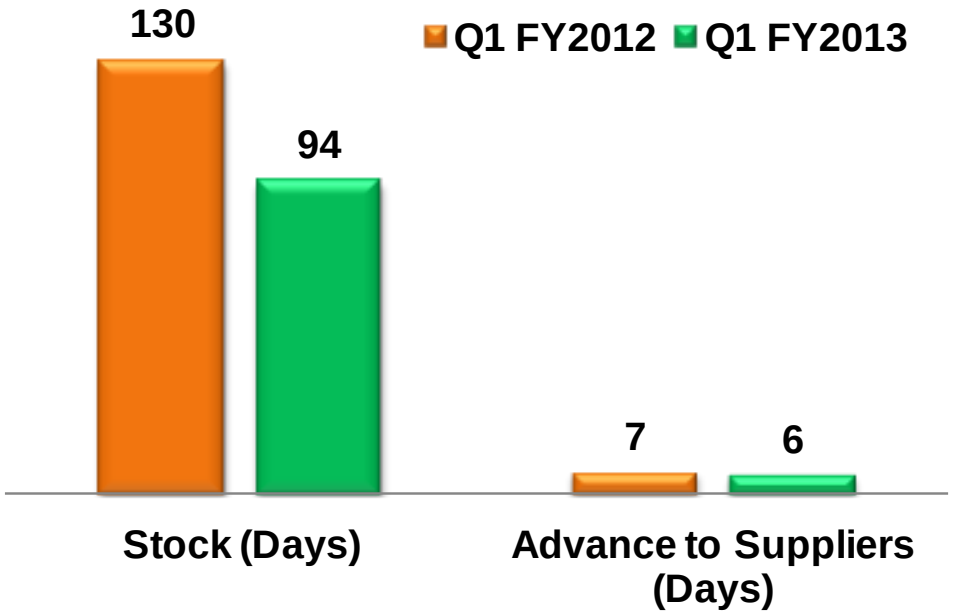
In S$M, as of Sep 2012



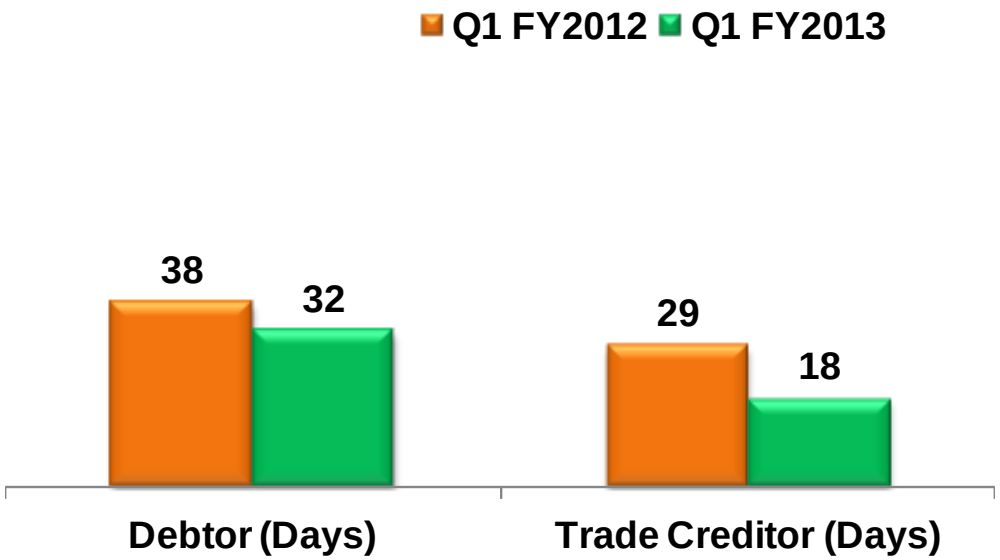
- Investment in fixed term assets funded through permanent capital
- Investment in working capital funded through a combination of long term and short-term debt

Working capital Analysis

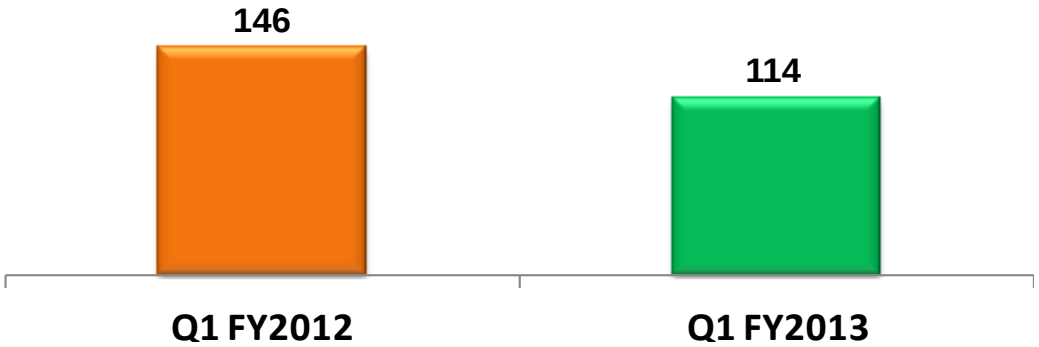
Stock (days) and Advance to Suppliers (days)



Debtor (days) and Trade Creditor (days)



Cash-to-cash cycle (days)



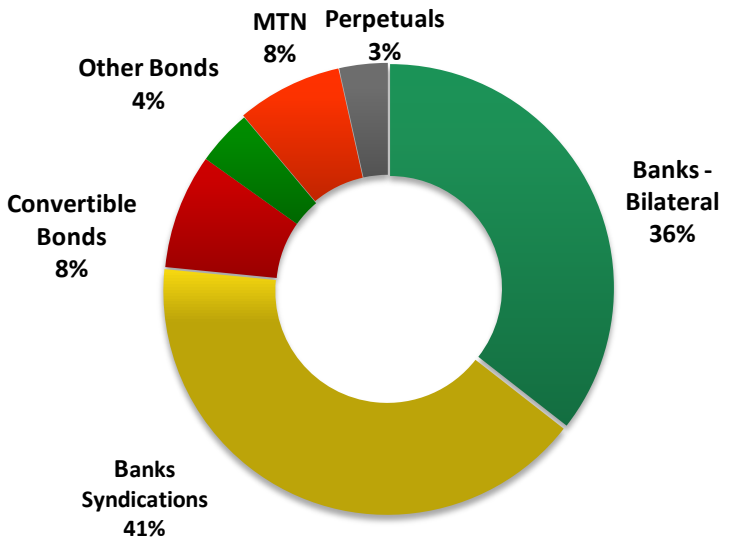
Inventory Analysis

(in S$ million)	Q1 FY2013	FY2012	Increase / Decrease
Edible Nuts, Spices & Beans	1,206	1,085	121
Confectionery & Beverage Ingredients	993	1,079	(86)
Food Staples & Packaged Foods	1,422	1,223	199
Industrial Raw Materials	852	1,023	(171)
Total	**4,473**	**4,410**	**63**

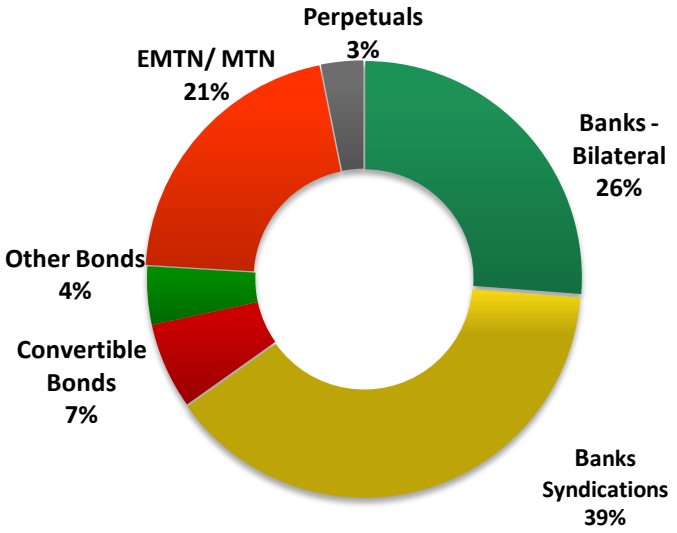
82.9% of inventories sold forward or hedged

Well diversified loan book

Borrowing Mix as of 30 June 2012



Borrowing Mix as on 30 September 2012



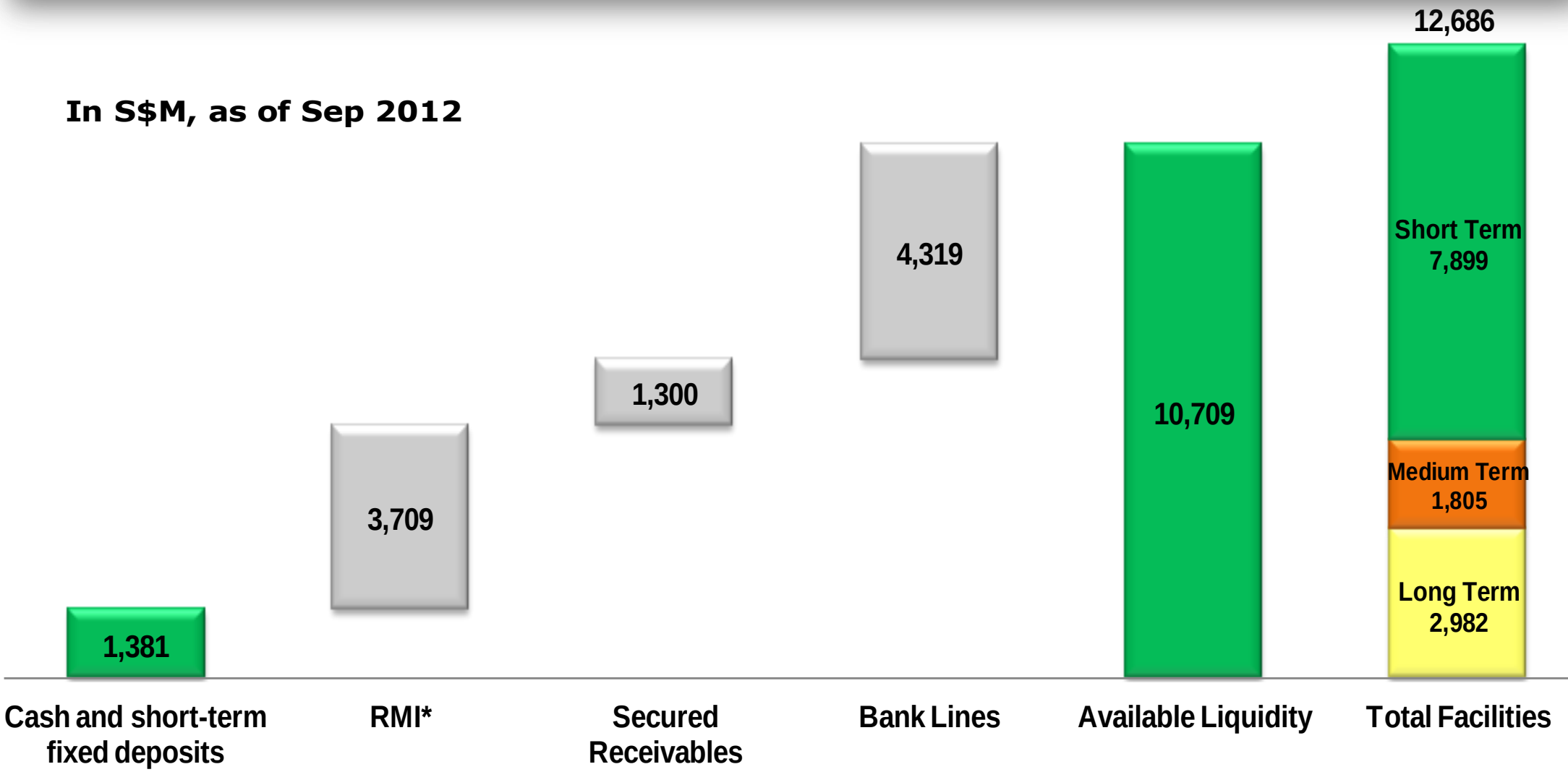
Summary of New Issuances from 1 July 2012

- 1 year S$250mm 2.5% fixed rate notes due 2013
- 5 year US$500 million 5.75% fixed rate notes due 2017
- 7 year S$350 million 5.80% fixed rate notes due 2019

New Issuances post 30 September 2012

- 10 year S$400 million 6.00% Fixed Rates Notes due 2022
- Tap of S$100 million Fixed Rates Notes due 2022 at 100.25% of their principal amount

Strong liquidity profile



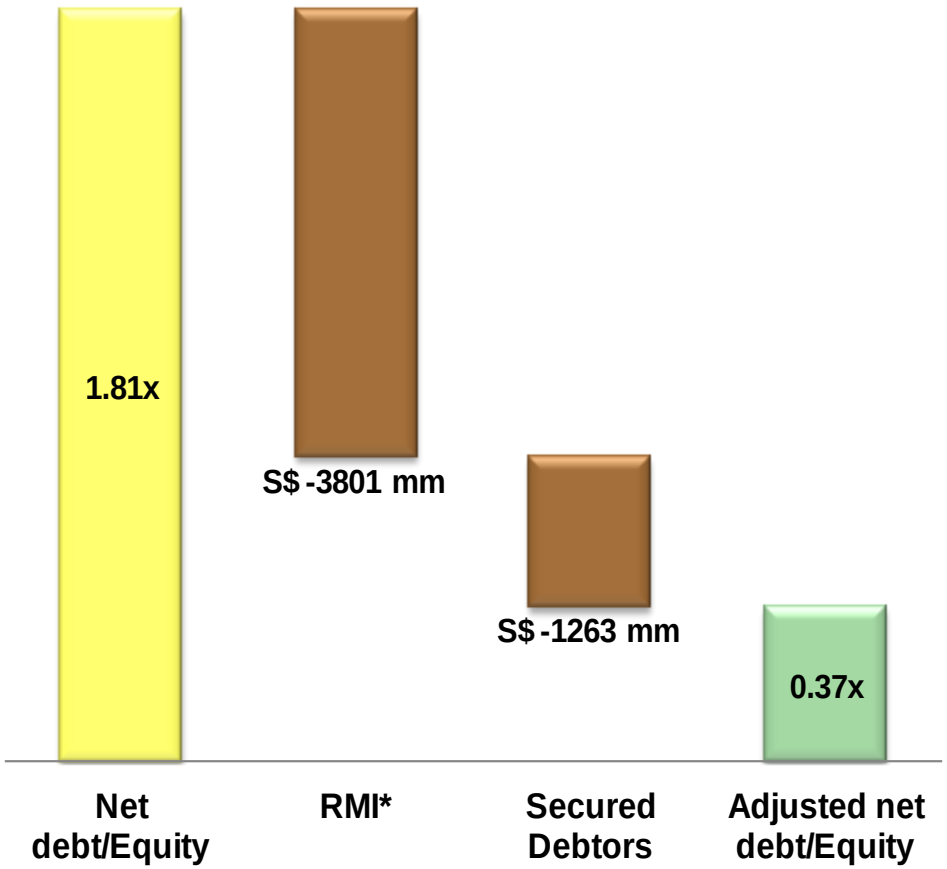
*RMI: inventories that are liquid, hedged, or sold forward

Balance sheet Analysis: **Gearing**

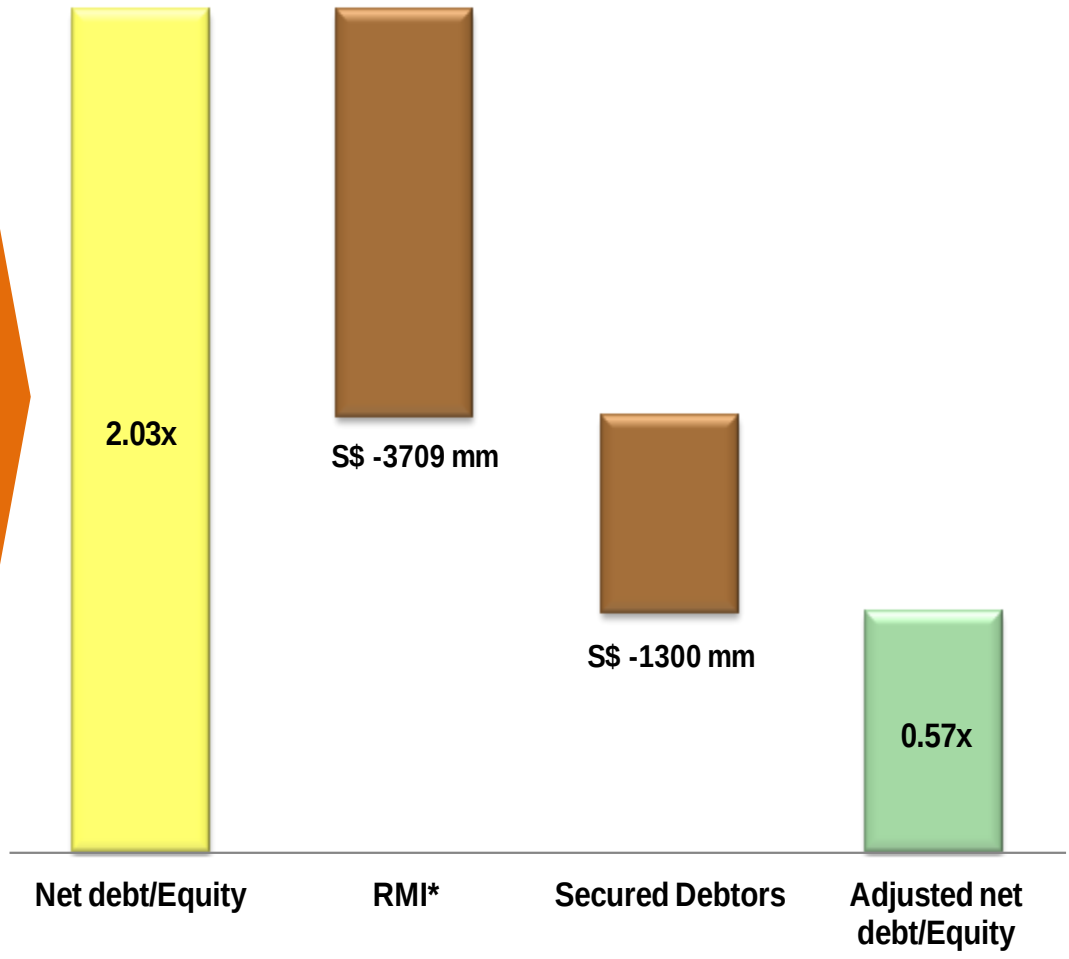
	Q1 FY2013	FY2012	Change
Leverage (x)			
Gross Debt to Equity	2.43	2.12	0.30
Net Debt to Equity	2.03	1.81	0.22
Adjusted Net Debt to Equity	0.57	0.37	0.2
Liquidity			
Cash to Sales (%)	7.36%	6.50%	-
Cash & short-term fixed deposits (S$ m)	1,380.2	1,110.9	269.4
Margin Deposit (S$ m)	234.5	(140.6)	375.1

Adjusted Net Gearing

Net debt/Equity as of June 30, 2012 (x)



Net debt/Equity as of September 30, 2012 (x)



*RMI: inventories that are liquid, hedged, or sold forward

Summary: **Q1 FY2013**

- **Volume grew** by **97.7%** to **3.681 million MT**
- **Net Contribution grew** by **23.6%** to **S$ 311.5 million. NC/ ton declined 37.4%** to **S$ 85**
- **Profit for the period increased** by **25.7%** to **S$ 41.8 million**
- **Strong liquidity** profile and a **resilient balance sheet**

Thank You