



Re-balancing Profitable Growth and Cash Flow

Nine Months FY2013 Results Briefing
15 May 2013 Singapore

This presentation should be read in conjunction with Olam International Limited's Third Quarter and Nine Months (9M FY2013) Financial Results for the period ended 31 March 2013 statement lodged on SGXNET on 15 May 2013.

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 Third Quarter and Nine Months 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.

9M FY2013 Results Briefing: Agenda

Nine Months FY2013 Results

-  Consolidated P&L Analysis
-  Segmental Analysis
-  Balance Sheet Analysis



Consolidated P&L Analysis


Summary

(in S\$ million)	9M FY2013	9M FY2012	% Change
Sales Volume (MMT)	11.655	7.219	61.5
Sales Value	14,306.8	11,947.7	19.7
Net Contribution (NC)	1,157.1	941.7	22.9
Profit for the Period	308.4	289.0	6.7
(-) Minority Interest	2.6	27.6	n.m.
Profit After Tax and Minority Interest (PATMI)	305.8	261.4	17.0
(-) Exceptional Items*	5.1	-	n.m.
Operational Profit for the Period	300.7	261.4	15.0

* S\$5.1 m comprises: i) gain of 27.9 m on sale of US Almond Orchard land, ii) gain of S\$6.0 m on buyback of bonds issued by NZFSU, iii) net of expenses of S\$19.0 m incurred on termination of the announced sugar refinery projects in Nigeria and Brazil and iv) net of tax of S\$9.8 m pertaining to the sale of Almond orchard land.

Sales and Net Contribution

Sales Volume: 11.655 million metric tons

-  Volume grew by 4.436 million metric tons


-  61.5% growth over 9M FY2012

Sales Value: S\$14.3 billion

-  Revenue grew by S\$2.36 billion

-  19.7% growth over 9M FY2012

Net Contribution (NC): S\$ 1157.1 million

-  22.9% growth over 9M FY2012. Food Category's NC increased by 22%



Segmental Analysis

Segmental Analysis: Summary

Olam Consolidated

- Turnover **S\$14307 m**
- Volume **11.655 mmts**
- NC **S\$1157.1 m**
- PATMI **S\$305.8 m**

Edible Nuts, Spices & Beans

- Turnover **S\$2051 m**
- Volume **1.084 mmts**
- NC **S\$270 m**
- NC Share **23.3%**



Confectionery & Beverage Ingredients

- Turnover **S\$3684 m**
- Volume **1.191 mmts**
- NC **S\$265.4 m**
- NC Share **22.9%**



Food Staples & Packaged Foods

- Turnover **S\$5375 m**
- Volume **8.095 mmts**
- NC **S\$492.4 m**
- NC Share **42.6%**



Industrial Raw Materials

- Turnover **S\$3196 m**
- Volume **1.285 mmts**
- NC **S\$140.1 m**
- NC Share **12.1%**



Commodity Financial Services Group

- Turnover **S\$1.1 m**
- NC **S\$-10.7 m**
- NC Share **-0.9%**



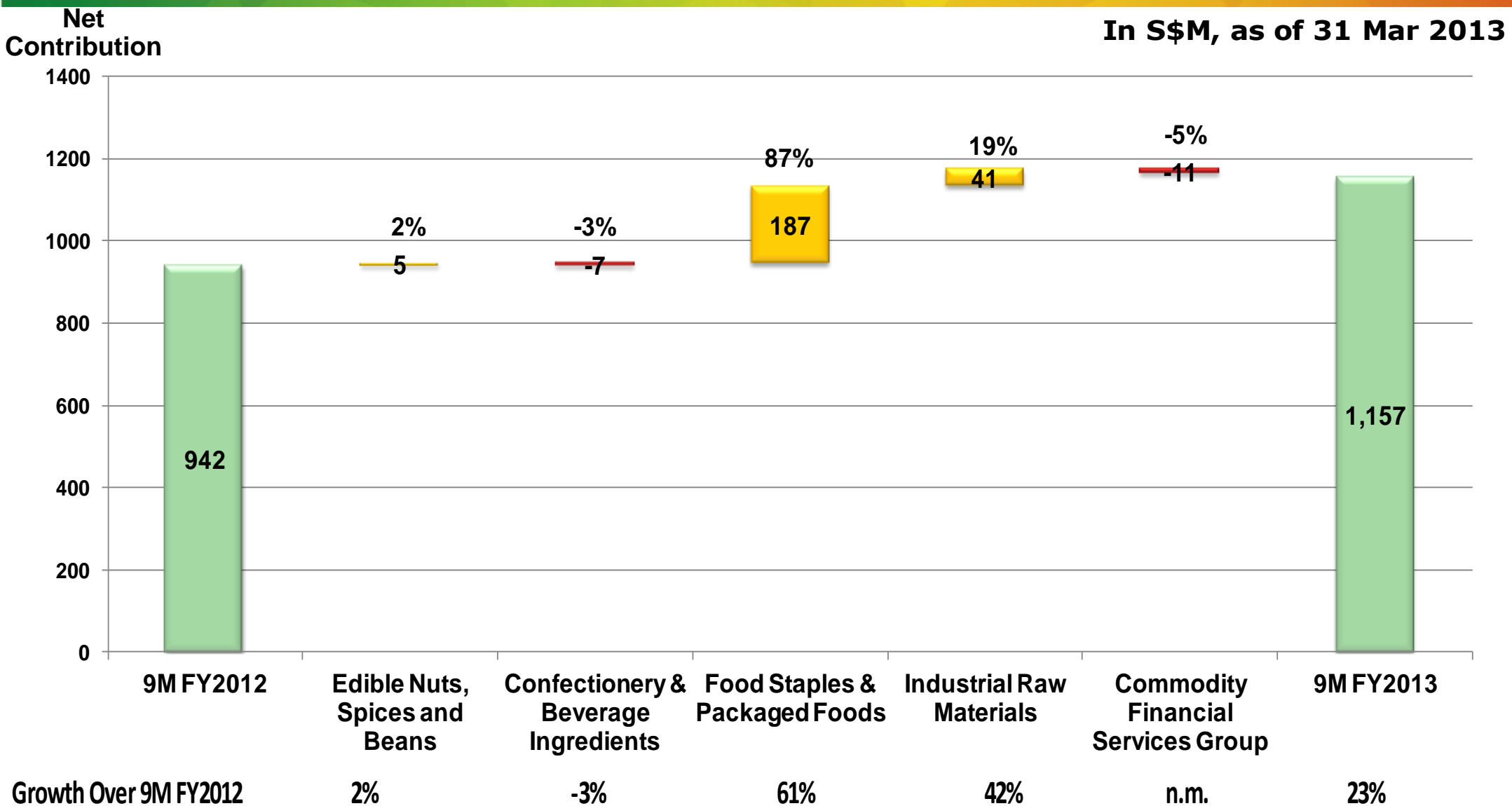
Sales Volume - Segmental

Segments	9M FY2013 (’000 MT)	9M FY2012 (’000 MT)	% Change
Edible Nuts, Spices & Beans	1,084	1,034	4.8
Confectionery & Beverage Ingredients	1,191	1,267	(6.0)
Food Staples & Packaged Foods	8,095	3,776	114.4
Food Category Total	10,370	6,077	70.6
Industrial Raw Materials	1,285	1,142	12.5
Consolidated Total	11,655	7,219	61.5


Net Contribution & NC/ MT Growth: Segmental

Segments	Net Contribution		
	9M FY2013	9M FY2012	% change
	S\$million	S\$million	
Edible Nuts, Spices & Beans	270.0	264.1	2.2
<i>NC/MT (S\$ / ton)</i>	<i>249.0</i>	<i>255.3</i>	<i>-2.5</i>
Confectionery & Beverage Ingredients	265.4	272.4	-2.6
<i>NC/MT (S\$ / ton)</i>	<i>222.8</i>	<i>215.1</i>	<i>3.6</i>
Food Staples & Packaged Foods	492.4	305.7	61.1
<i>NC/MT (S\$ / ton)</i>	<i>60.8</i>	<i>80.9</i>	<i>(24.8)</i>
Food Category Total	1,027.8	842.2	22.0
<i>NC/MT (S\$ / ton)</i>	<i>99.1</i>	<i>138.5</i>	<i>(28.4)</i>
Industrial Raw Materials	140.1	98.6	42.0
<i>NC/MT (S\$ / ton)</i>	<i>108.9</i>	<i>86.3</i>	<i>26.2</i>
Commodity Financial Services	(10.7)	0.8	n.m.
Consolidated Total	1,157.1	941.7	22.9
<i>NC/MT (S\$ / ton)</i>	<i>99.2</i>	<i>130.4</i>	<i>(23.9)</i>

Net Contribution Growth: Segmental Share



Overhead Expenses

 **Overhead Expenses increased by 19.8%
to S\$647.8* million in 9M FY2013**

	9M FY2013	9M FY2012	Change
Overhead Expenses(S\$m)	647.8	540.9	19.8%
Employee Benefit expenses	330.1	246.1	34.1%
Depreciation	111.3	89.4	24.6%
Other operating expenses	206.4	205.4	0.4%
Overhead/ Sales Ratio (%)	4.5%	4.5%	-

* S\$647.8 m excludes the 'one-off' expense of S\$19.0 m incurred on termination of the announced sugar refinery projects in Nigeria and Brazil.

Key Earnings Metrics

PATMI: S\$305.8 m

- 17% over 9M FY2012

PATMI (excluding exceptional items): S\$300.7 m

- 15% growth over 9M FY2012

Earnings per Share (EPS)

- 14.6% growth over 9M FY2012
- 12.19 cents/share in 9M FY2013 vs 10.64 cents/share in 9M FY2012

Net Asset Value (NAV before fair value adjustment)

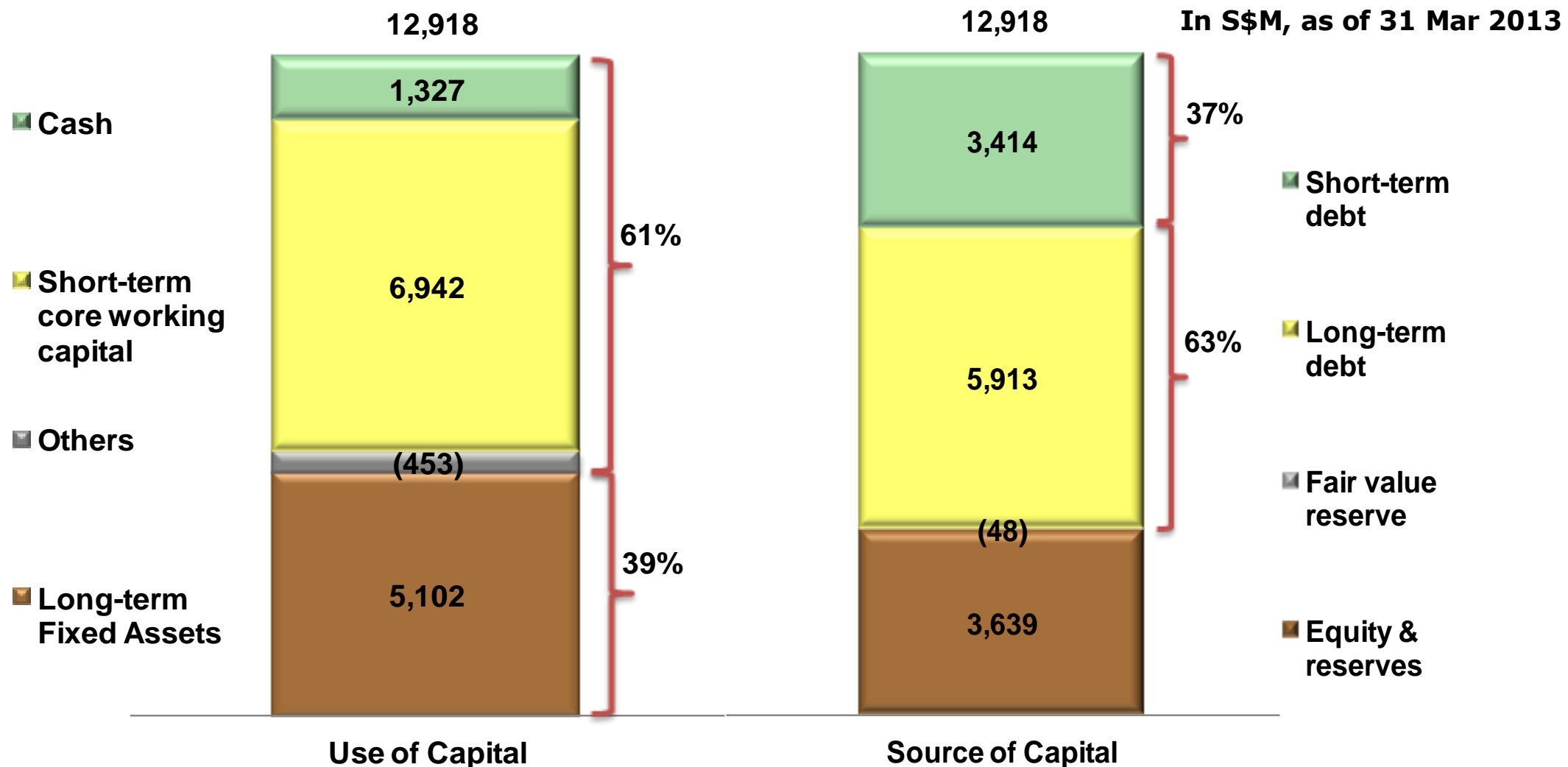
- 148.99 cents/share in 9M FY2013 vs 144.56 cents/share in FY2012



Balance Sheet Analysis

Balance Sheet Summary:

Strong and resilient Balance Sheet



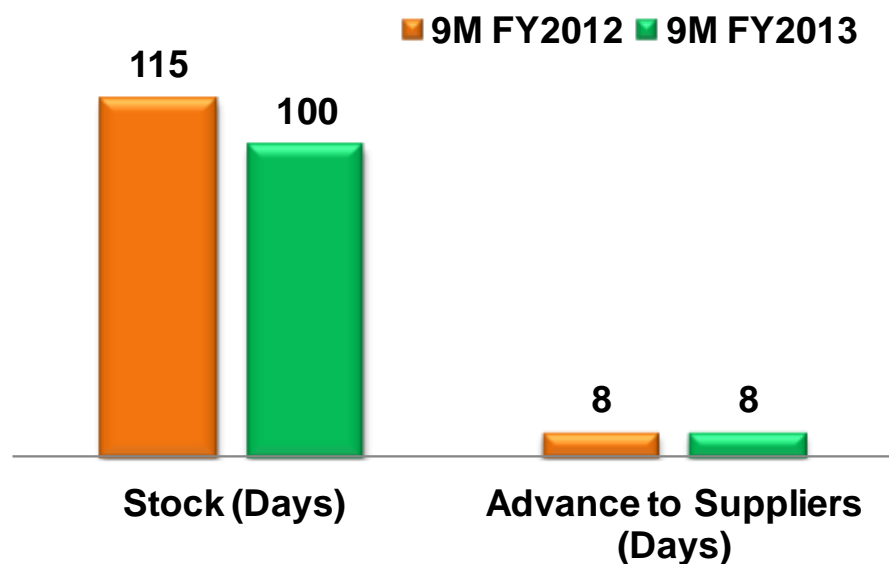
- Investment in fixed term assets funded through equity capital and long term debt
- Investment in working capital funded through a combination of long term and short-term debt

Balance Sheet Analysis: Gearing

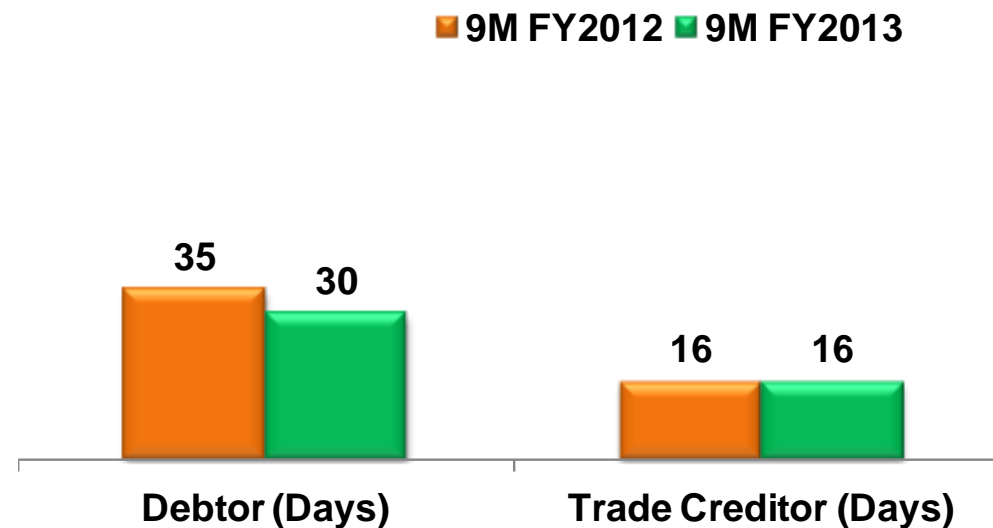
	9M FY2013	9M FY2012	Change
Leverage (x)			
Gross Debt to Equity	2.56	2.22	0.34
Net Debt to Equity	2.20	1.89	0.31
Adjusted Net Debt to Equity	0.77	0.42	0.35
Liquidity			
Cash to Sales (%)	6.96%	7.22%	-0.26%
Cash & short-term fixed deposits (S\$ m)	1,327.7	1,150.3	177.4
Margin Deposit (S\$ m)	355.9	(30.3)	386.2

Working Capital Analysis

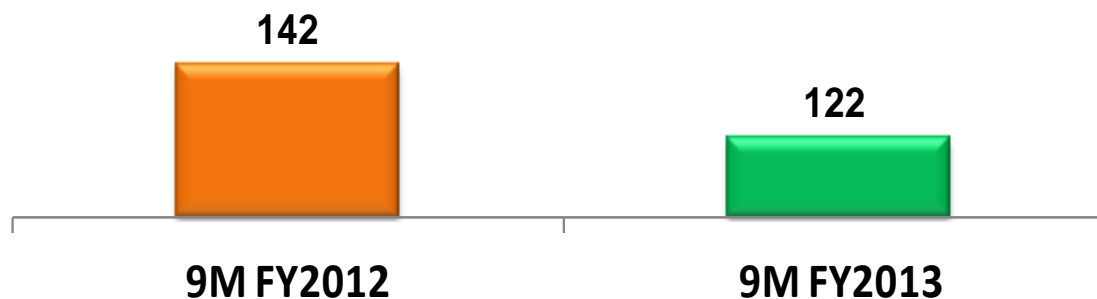
Stock (days) and Advance to Suppliers (days)



Debtor (days) and Trade Creditor (days)



Cash-to-cash cycle (days)



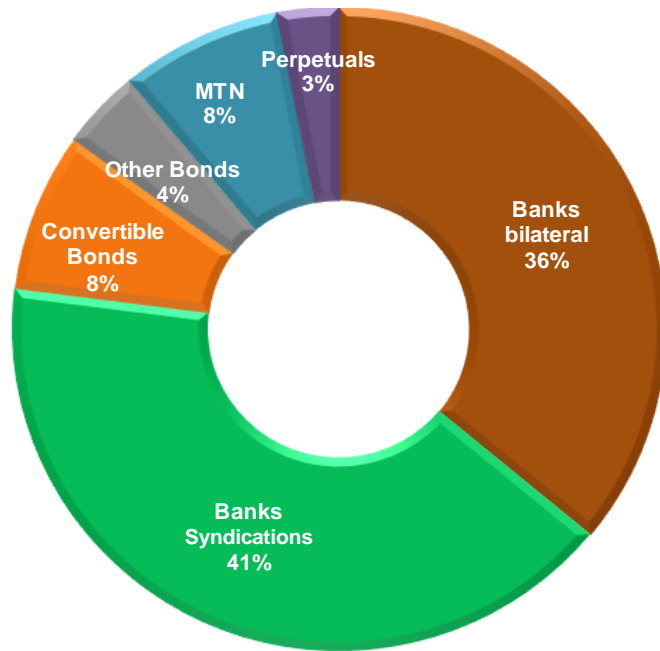
Inventory Analysis

(in S\$ million)	9M FY2013	FY2012	Inc/ (Dec) vs FY2012	9M FY2012	Inc/ (Dec) vs 9M FY2012
Edible Nuts, Spices & Beans	1,193	1,085	108	1,066	127
Confectionery & Beverage Ingredients	1,252	1,079	173	1,478	(226)
Food Staples & Packaged Foods	1,419	1,223	196	904	515
Industrial Raw Materials	866	1,023	(157)	1,089	(223)
Total	4,730	4,410	320	4,537	193

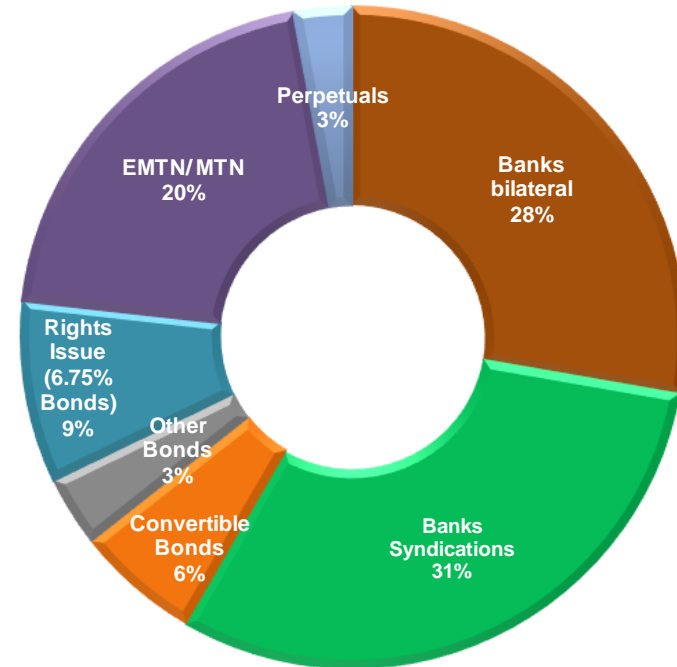
83.1% of inventories liquid, sold forward or hedged

Well diversified sources of funds

Borrowing Mix as of 30 June 2012



Borrowing Mix as of 31 March 2013

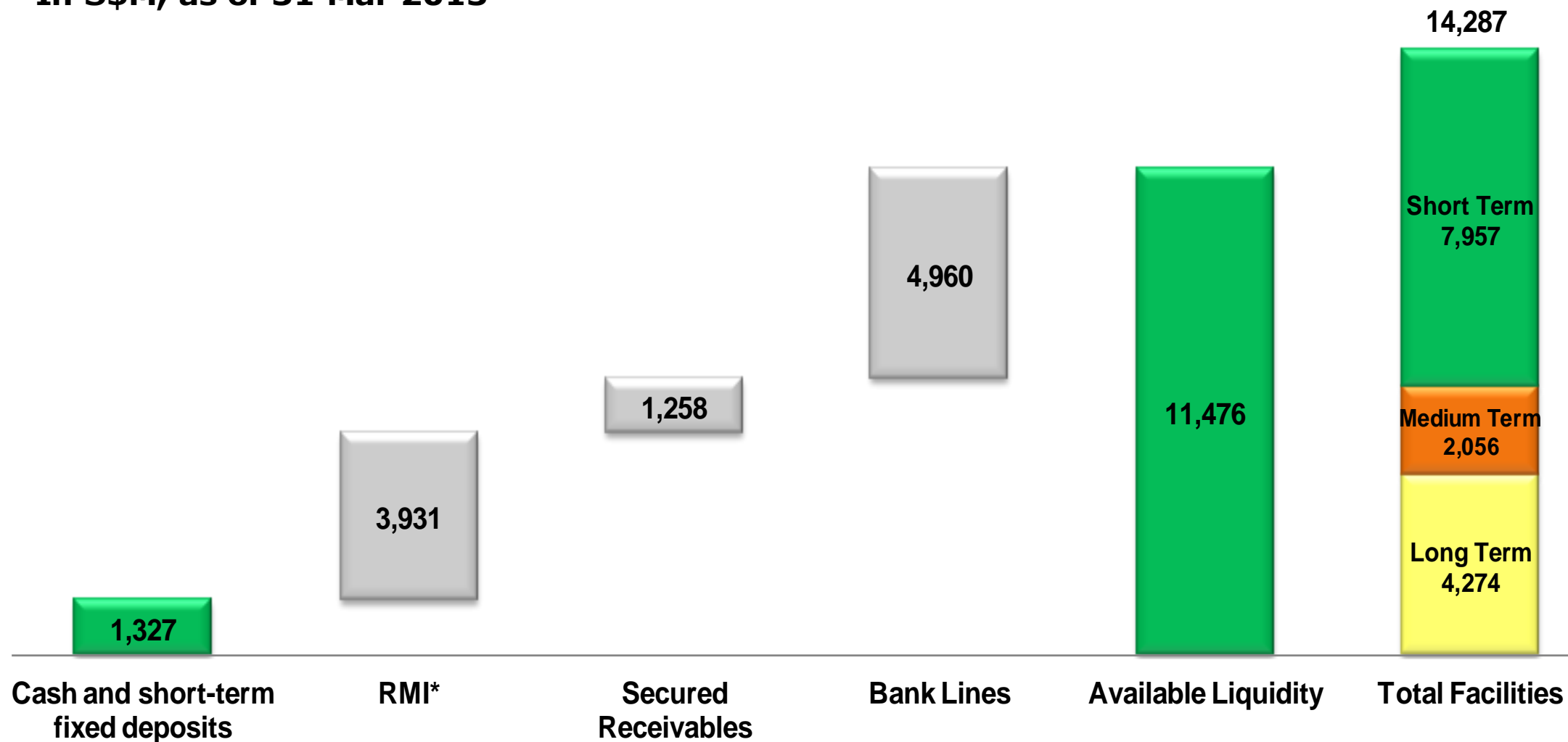


Summary of New Issuances from 1 July 2012 to 31 March 2013

- 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
- 10 year S\$500 million 6.00% fixed rate notes due 2022
- Rights issue of 5 year US\$750 million 6.75% bonds due 2018 at 95% of their principal amount

Strong liquidity profile

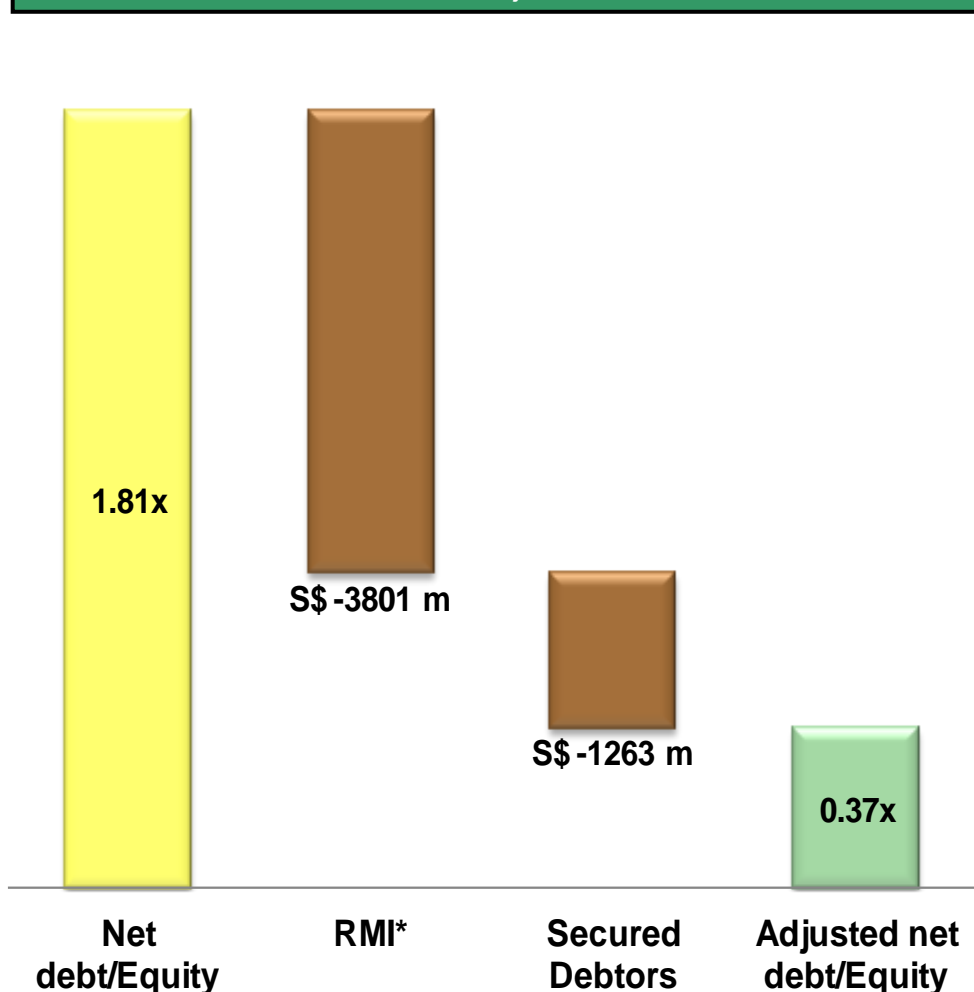
In S\$M, as of 31 Mar 2013



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

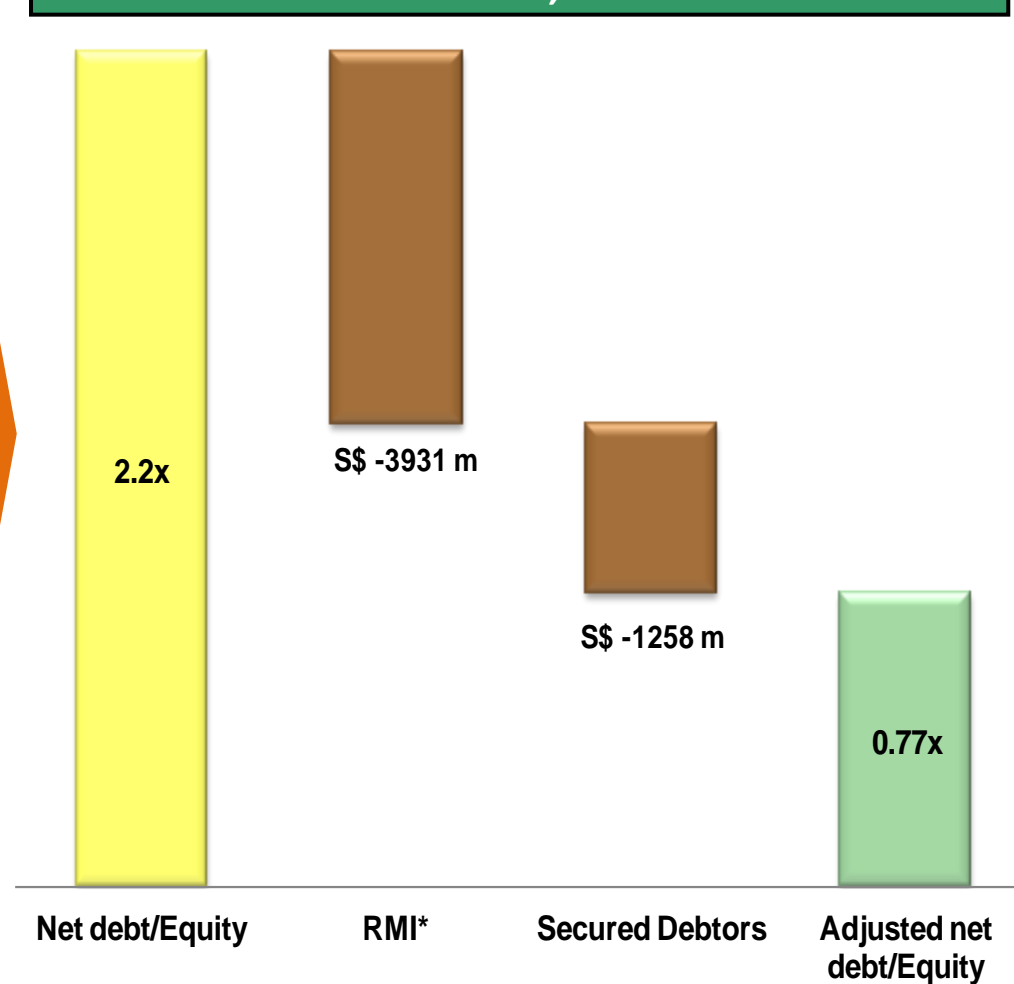
Adjusted Net Gearing

Net debt/Equity as of
June 30, 2012



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

Net debt/Equity as of
March 31, 2013



Strategic Plan Recap: Four priorities and six pathways established

This year's Strategy Review and stakeholders consultation have established 4 additional priorities:

1

Accelerate free cash flow generation

2

Reduce gearing

3

Reduce complexity

4

Promote better understanding of Olam's business

... 6 pathways were developed to realise these 4 priorities:

1

Recalibrate pace of investments

2

Optimise Balance Sheet

3

Pursue opportunities for unlocking Intrinsic Value

4

Reshape portfolio and reduce complexity

5

Improve operating efficiencies

6

Enhance stakeholder communication

Executing Strategic Plan: Pathway 2 – Optimise Balance Sheet

2

Optimize Balance Sheet

Sale and Leaseback of upstream assets to reduce asset intensity, generate cash flow and improve overall returns

(Actioned: Proof of concept already established with US Almond orchards)

Fixed asset securitization to generate cash, reduce asset intensity and improve returns

(Underway: Manufacturing assets)

Working capital optimization

(Ongoing: Factoring of receivables, release of working capital from closing sub-scale profit centers and countries)

*Release an
estimated
~\$500M
of cash*

Executing Strategic Plan: Pathway 3 – Pursue opportunities for unlocking Intrinsic Value

3

Pursue opportunities for unlocking Intrinsic Value

Pursue JV / strategic alliances in select platforms
(Actioned PFB: Noodles, Nigeria)

Assess value impact of equity 'carve-out' via minority stake sale or flotation
(Underway: Grow to full potential; generate cash; illuminate value)

Divest non-core assets
(Actioned: Basmati Rice, India)

Review options to co-share investments, enhance execution effectiveness of large capex and long gestation investments
(Underway: e.g. Fertiliser, SEZ in Gabon)

*Release an
estimated
~S\$1B
of cash*

Packaged foods JV in Nigeria for Noodles

Transaction	<ul style="list-style-type: none">❖ Olam sells 25.5% stake of its instant noodles business in Nigeria to Sanyo Foods of Japan for US\$20 million, forms a JV to manufacture and distribute instant noodles in Nigeria and across sub-Saharan Africa.❖ Olam will hold the balance majority ownership of 74.5% in the JV and retain management control
Rationale	<ul style="list-style-type: none">❖ Sanyo Foods is a global leader and Japan's third largest player in the instant noodles business❖ Olam is now amongst the top 4 players in instant noodles in Nigeria with a turnover of US\$24 million in FY2012❖ The JV will leverage Olam's expanding marketing and distribution network across Nigeria and its pan-Africa presence and Sanyo's world-class and innovative technology in the development and manufacturing of instant noodle products, and new market development experience
Valuation	<ul style="list-style-type: none">❖ Transaction values JV at an Enterprise Value (EV) of US\$78 million❖ The noodles business was a part of Crown Flour Mills (CFM) which was acquired in Jan 2010 at an EV of US\$87.6 million, and consisted of Wheat milling and noodles businesses
Closing	<ul style="list-style-type: none">❖ Transaction expected to close by June 2013

Summary: 9M FY2013

- ❖ Our results to 9M and for Q3 FY2013 show **encouraging momentum** for our business on many fronts
- ❖ The results demonstrate the **strength of our differentiated business model** and show that we can continue to deliver **growth** while **enhancing positive cash flow**
- ❖ **Progress already made** on specific initiatives for **optimising our balance sheet** and **unlocking value**. The Board and management continue to take action to improve portfolio performance.
- ❖ We will continue to back **selective investments and acquisitions** which are in line with our strategy to pursue profitable growth
- ❖ Implementing this strategic plan will considerably **strengthen** the company, resulting in a **stronger balance sheet, improved operating performance, sustained positive free cash flows** and **enhanced stakeholder communication**
- ❖ These results reinforce our confidence that we are on a well-mapped out path to **continued value creation for shareholders**

Thank You