



## **Notification of Results Release**

Olam International Limited (the “Company”) wishes to announce that the Company will be releasing its financial results for the first quarter ended 30 September 2013 on Thursday, 14 November 2013 after trading hours. The results will also be posted on the Company’s website at [www.olamonline.com](http://www.olamonline.com).

## **Changes to Reporting Format**

One of the strategic priorities identified in the recent strategy review was to promote a better understanding of Olam’s business by **enhancing stakeholder communication**.

As a part of that initiative, we have been taking steps towards **simplifying investor communication** and also providing **relevant disclosure** in line with what the users of financial statements require.

With the above objective in mind, we will be introducing a **quarterly Management Discussion and Analysis (“MD&A”)** statement from Q1 FY2014 onwards which will include business commentary, key operational and financial highlights as well as a detailed review of the financial performance.

In order to track and measure progress against our targets as stated in the strategy review, we will use **EBITDA** as the key financial metric and **EBITDA on average Invested Capital (EBITDA/IC)** as the key return metric.

### **EBITDA as the key financial metric**

In line with the increasing fixed asset intensity of the business, it was felt that Net Contribution (“NC”) and NC per tonne did not adequately capture or communicate the underlying financial performance, particularly for the upstream and midstream segments. Accordingly, we will discontinue the reporting of Gross Contribution (GC) and Net Contribution (NC) metrics from Q1 FY2014 onwards.

The MD&A will feature **EBITDA on a quarterly basis** as the main metric of financial performance and this will be presented for **all five business segments** (Edible Nuts, Spices and Vegetable Ingredients, Confectionery and Beverage Ingredients, Food Staples and Packaged Foods, Industrial Raw Materials and Commodity Financial Services). In addition, **EBITDA by value chain** steps (Upstream, Supply Chain and Mid/Downstream) will be presented on an **annual** basis. Absolute EBITDA as a metric is also a good indicator to track our **progress towards** our goal of generating **free cash flows** on a sustainable basis.



**EBITDA to Average Invested Capital (“IC”) as the key return metric**

In order to provide a better visibility and link between the growth in earnings (as reflected by the growth in EBITDA), and the capital invested in each segment and value chain, we have already announced the use of EBITDA to IC as the key return metric. The IC captures both the fixed and working capital directly attributed to the business segments / value chain and hence is a close proxy for Return on Invested Capital (ROIC).

The MD&A will henceforth provide the **IC on a quarterly basis** for **all five business segments**. In addition, **IC by value chain steps** (Upstream, Supply Chain and Mid/Downstream) will be presented on an **annual basis**.

Given the impact of seasonality on our business, as well as the fact that the working capital component of IC can vary significantly across quarters, we believe that tracking **EBITDA to IC %** on a quarterly basis might not provide a meaningful analysis. Hence, the EBITDA/IC might be of better value if analysed on **an annual basis for both business segments and value chain steps**.

In order to facilitate the transition from NC to EBITDA, we are providing **historical EBITDAs, IC and EBITDA/IC** for the **last four financial years** from FY2010 to FY2013 as well as **EBITDA and IC by business segment for the four quarters of FY 2013**. This information is included in this note and an electronic version of the same can be downloaded from our website [www.olamonline.com](http://www.olamonline.com)

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**Historical information by Business Segment (1/2)**

	MT / S\$ '000							
<b>Edible Nuts, Spices and Vegetable Ingredients</b>	<b>Q1 FY13</b>	<b>Q2 FY13</b>	<b>Q3 FY13</b>	<b>Q4 FY13</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	419,915	300,901	363,418	556,901	1,641,135	1,570,197	1,274,241	1,107,875
Revenue	585,424	760,199	704,999	1,154,505	3,205,127	2,562,755	2,183,158	1,489,434
EBITDA	79,349	58,875	66,261	104,908	309,392	265,470	189,874	138,574
Fixed Capital	1,594,084	1,657,389	1,789,690	1,732,172	1,732,172	1,588,094	1,309,317	885,312
Working Capital	1,379,937	1,391,826	1,552,059	1,643,625	1,643,625	1,221,364	1,120,252	785,907
Invested Capital	2,974,021	3,049,216	3,341,749	3,375,798	3,375,798	2,809,458	2,429,569	1,671,219
<b>Confectionery and Beverage Ingredients</b>	<b>Q1 FY13</b>	<b>Q2 FY13</b>	<b>Q3 FY13</b>	<b>Q4 FY13</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	309,776	391,563	489,424	421,655	1,612,418	1,608,560	1,483,994	1,287,957
Revenue	1,262,025	1,079,702	1,342,031	1,589,481	5,273,239	5,902,203	6,361,459	4,080,307
EBITDA	46,427	88,449	70,771	53,714	259,362	288,704	215,475	141,771
Fixed Capital	285,917	298,507	374,782	470,542	470,542	286,136	179,165	130,343
Working Capital	1,320,163	1,615,392	1,704,067	1,670,550	1,670,550	1,431,502	1,604,600	1,505,056
Invested Capital	1,606,080	1,913,899	2,078,849	2,141,092	2,141,092	1,717,638	1,783,765	1,635,399
<b>Food Staples and Packaged Foods</b>	<b>Q1 FY13</b>	<b>Q2 FY13</b>	<b>Q3 FY13</b>	<b>Q4 FY13</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	2,597,317	2,868,506	2,628,739	2,659,043	10,753,605	5,844,984	4,101,979	3,207,224
Revenue	1,914,763	1,773,074	1,687,085	2,345,990	7,720,912	4,586,435	3,466,623	2,589,545
EBITDA	82,299	138,366	166,154	28,457	415,276	278,412	201,585	143,727
Fixed Capital	1,920,547	2,020,346	2,170,206	2,417,034	2,417,034	1,863,839	982,596	692,361
Working Capital	1,557,739	1,670,906	1,401,027	890,973	890,973	1,221,900	741,902	283,969
Invested Capital	3,478,286	3,691,252	3,571,233	3,308,007	3,308,007	3,085,739	1,724,498	976,330



## Historical information by Business Segment (2/2)

								MT / S\$ '000
<b>Industrial Raw Materials</b>	<b>Q1 FY13</b>	<b>Q2 FY13</b>	<b>Q3 FY13</b>	<b>Q4 FY13</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	353,559	530,844	401,036	660,868	1,946,307	1,650,838	1,591,371	1,403,422
Revenue	926,584	1,287,047	982,795	1,404,670	4,601,096	4,040,810	3,790,018	2,295,746
EBITDA	12,714	46,060	40,265	108,091	207,130	157,808	263,596	165,454
Fixed Capital	617,002	686,172	698,881	726,294	726,294	597,031	456,131	355,608
Working Capital	1,261,192	1,507,700	1,533,257	1,376,873	1,376,873	1,360,449	1,372,984	764,270
Invested Capital	1,878,194	2,193,873	2,232,137	2,103,167	2,103,167	1,957,480	1,829,115	1,119,878
<b>Commodity Financial Services</b>	<b>Q1 FY13</b>	<b>Q2 FY13</b>	<b>Q3 FY13</b>	<b>Q4 FY13</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)								
Revenue	350	359	345	369	1,423	1,548	2,129	
EBITDA	1,937	(18,732)	(3,187)	(372)	(20,354)	279	22,226	20,622
Fixed Capital	1,061	966	963	1,653	1,653	357	432	
Working Capital	37,610	16,419	21,174	(102)	(102)	44,920	1,447	65,025
Invested Capital	38,670	17,385	22,137	1,551	1,551	45,277	1,879	65,025
<b>Consolidated (Excluding Fertiliser)</b>	<b>Q1 FY13</b>	<b>Q2 FY13</b>	<b>Q3 FY13</b>	<b>Q4 FY13</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	3,680,567	4,091,814	3,882,617	4,298,467	15,953,465	10,674,579	8,451,585	7,006,478
Revenue	4,689,146	4,900,381	4,717,255	6,495,015	20,801,797	17,093,751	15,803,387	10,455,032
EBITDA	222,726	313,018	340,264	294,798	1,170,806	990,674	892,756	610,148
Fixed Capital	4,418,610	4,663,380	5,034,520	5,347,695	5,347,695	4,335,458	2,927,642	2,063,626
Working Capital	5,556,640	6,202,244	6,211,584	5,581,920	5,581,920	5,280,134	4,841,184	3,404,225
Invested Capital	9,975,251	10,865,624	11,246,104	10,929,615	10,929,615	9,615,592	7,768,826	5,467,851
Fertiliser Fixed Capital	59,900	62,792	68,285	106,034	106,034	59,900		



## Historical information by Value Chain

	MT / S\$ '000			
<b>Upstream</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	368,031	289,782	269,031	243,397
Revenue	619,230	376,046	305,697	219,084
EBITDA	198,001	159,395	141,915	98,824
Fixed Capital	2,237,447	1,979,561	1,420,062	753,557
Working Capital	276,679	300,619	214,147	195,145
Invested Capital	2,514,126	2,280,179	1,634,209	948,702
<b>Supply Chain</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	14,002,196	9,137,688	7,111,221	5,797,232
Revenue	17,077,081	14,825,260	13,852,766	9,162,603
EBITDA	691,871	627,687	601,270	405,503
Fixed Capital	721,016	623,470	512,842	485,222
Working Capital	4,213,290	3,774,128	3,795,405	2,775,200
Invested Capital	4,934,305	4,397,597	4,308,248	3,260,422
<b>Mid/Downstream</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	1,583,240	1,247,108	1,071,333	965,851
Revenue	3,105,488	1,892,447	1,644,926	1,073,346
EBITDA	280,930	203,592	149,572	105,821
Fixed Capital	2,389,232	1,732,427	994,737	824,847
Working Capital	1,091,951	1,205,388	831,631	433,880
Invested Capital	3,481,183	2,937,815	1,826,369	1,258,727
<b>Consolidated (Excluding Fertiliser)</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>FY 2010</b>
Volume (MT)	15,953,467	10,674,579	8,451,585	7,006,479
Revenue	20,801,799	17,093,752	15,803,389	10,455,032
EBITDA	1,170,803	990,674	892,756	610,148
Fixed Capital	5,347,695	4,335,458	2,927,642	2,063,626
Working Capital	5,581,920	5,280,134	4,841,184	3,404,225
Invested Capital	10,929,615	9,615,592	7,768,826	5,467,851
Fertiliser Fixed Capital	106,034	59,900		