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NEWS RELEASE

OLAM INTERNATIONAL REPORTS 17.0% GROWTH IN PATMI TO S\$305.8 MILLION FOR 9M FY2013

9M FY2013: Financial Highlights

- Sales Volume of 11.7 million metric tonnes, up 61.5%
- Sales Revenue of S\$14.3 billion, up 19.7%
- Net Contribution (NC) of S\$1,157.1 million, up 22.9%
- Profit After Tax and Minority Interest (PATMI) at S\$305.8 million, up 17.0%
- Excluding exceptional items, PATMI at S\$300.7 million, a growth of 15.0%
- Food category Sales Volume up 70.6%, NC up 22.0%
- Industrial Raw Materials Sales Volume up 12.5%, NC up 42.0%
- EPS of 12.2 cents/share, up 14.6%

Q3 Key Highlights

- Opened a A\$60 million 40,000 MT Almond hulling and processing plant in Australia that meets all upstream orchard volumes and positions Company to capture rapid growth in demand in India, China, Southeast Asia and Middle Eastern countries.
- Announced the sale of non-core basmati rice milling facility in India to Ebro Foods for US\$14.5 million.
- Completed rights issue of US\$750 million 6.75% Bonds due 2018 with 387,365,079 free detachable warrants.
- Updated market on outcome of the Company's comprehensive Strategic Review to rebalance profitable growth and cash flow generation.
- On May 9, 2013, the Company announced that it has sold a 25.5% stake in its instant noodles business in Nigeria to Sanyo Foods of Japan for US\$20 million and that it will form a JV with Sanyo Foods to manufacture and distribute instant noodles in Nigeria and across sub-Saharan Africa.



Consolidated Financial Results Ended 31 Mar 2013	Nine Months			Third Quarter		
	9M FY2013	9M FY2012	Change	Q3 FY2013	Q3 FY2012	Change
Sales Volume (MMT)	11.655	7.219	61.5%	3.883	2.696	44.0%
Sales Revenue (S\$ million)	14,306.8	11,947.7	19.7%	4,717.3	4,231.3	11.5%
NC (S\$ million)	1,157.1	941.7	22.9%	422.8	334.6	26.4%
PAT (S\$ million)	308.4	289.0	6.7%	115.3	102.3	12.7%
Exceptional Items (S\$ million)	5.1 [^]	-	n.m.	(13.0) ^{^^}	-	n.m.
PATMI (S\$ million)	305.8	261.4	17.0%	108.5	98.7	10.0%
PATMI (Excluding Exceptional Items) (S\$ million)	300.7	261.4	15.0%	121.5	98.7	23.1%
EPS (cents/share)	12.2 [*]	10.6 [*]	14.6%	4.3 ^{**}	4 ^{**}	9.2%

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

^{^^} S\$(13.0) m comprises expenses of S\$19.0 m incurred on termination of the announced sugar refinery projects in Nigeria and Brazil, net of gain of S\$6.0 m on the buyback of bonds issued by NZFSU.

^{*} Based on weighted average number of shares of 2,390,213,869 for 9M FY2013 (compared to weighted average number of shares of 2,442,323,758 for 9M FY2012)

^{**} Based on weighted average number of shares of 2,390,213,869 for Q3 FY2013 (compared to weighted average number of shares of 2,442,409,869 for Q3 FY2012)

Singapore, May 15, 2013 – Olam International Limited (“Olam” or “the Company”), a leading global, integrated supply chain manager and processor of agricultural products and food ingredients, today reported a 17.0% growth in Profit After Tax and Minority Interest (PATMI) of S\$305.8 million for 9M FY2013 compared to S\$261.4 million in 9M FY2012.

Excluding exceptional items, PATMI increased by 15.0% to S\$300.7 million in 9M FY2013. Sales Revenue increased by 19.7% to S\$14.31 billion as Sales Volume grew 61.5% to 11.7 million metric tonnes. Overall NC grew 22.9% to S\$1,157.1 million.

The Food category, which accounted for 89.0% of total volumes, 77.7% of total revenue and 88.8% of total NC, saw Sales Volume increase by 70.6% and NC by 22.0% compared to 9M FY2012. Sales Volume for the Non-food category improved by 12.5% and NC increased by 30.0% as the Industrial Raw Materials segment reported a 42.0% growth in NC which was partially offset by the decline in NC from the Commodity Financial Services segment.

Olam’s Group MD & CEO, Sunny Verghese said: “The overall results continued to demonstrate the strength and resilience of the Olam business model. We are confident that the well differentiated and defensible competitive position that we have built across multiple platforms will continue to deliver profitable growth.



“Our focus on portfolio optimisation and positive cash flow achieved during the quarter were consistent with our recently updated strategy of pursuing ongoing profitable growth with an increased emphasis on productivity improvements and accelerated cash generation.”

In Q3 FY2013 PATMI grew by 10% over the same quarter last year to S\$108.5 million. PATMI before exceptional items grew 12.7% to S\$115.3 million. Sales Revenue grew to S\$4.72 billion, an increase of 11.5% compared with Q3 FY2012 off the back of a 44% increase in Sales Volume to 3.9 million metric tonnes. The quarter included the opening of a A\$60 million almond hulling and processing facility in Australia and announcement of the divestment of a non-core basmati rice milling facility in India.

The Q3 FY2013 results included a net exceptional loss of S\$13.0 million mainly from the recognition of costs incurred on the termination of the proposed sugar refinery projects in Nigeria following regulatory changes and in Brazil as a result of closing conditions not being met, as previously announced. This was offset by gains on the buyback of bonds issued by NZFSU.

Segmental Review

Olam’s Executive Director of Finance and Business Development, Shekhar Anantharaman said: “Segment performance overall met our expectations. The Food Staples & Packaged Goods and Industrial Raw Materials segments both continued to perform strongly this quarter as they have over the Financial Year to date.

“A positive performance in Edible Nuts, Spices & Beans was diluted by lower capacity utilisation and continuing margin pressures in our industrial tomato paste business as we work to reduce the impact of high carry-over inventory from the previous year. We continue to closely monitor the impact of coffee rust disease on our coffee origination and shipment volumes from Central and South America,” he said.

Edible Nuts, Spices & Beans	Nine Months			Third Quarter		
	9M FY2013	9M FY2012	Change	Q3 FY2013	Q3 FY2012	Change
Sales Volume (metric tonnes)	1,084,234	1,034,384	4.8%	363,418	393,694	-7.7%
Sales Revenue (S\$m)	2,050.6	1,714.8	19.6%	705.0	571.3	23.4%
NC (S\$m)	270.0	264.1	2.2%	89.5	111.7	-19.9%
NC Per Tonne (S\$)	249	255	-2.5%	246	284	-13.2%



The **Edible Nuts, Spices & Beans** segment grew Sales Volume by 4.8% and NC by 2.2% during 9M FY2013. The edible nuts business platform continued to register growth in volume and NC during this period. The onion, spices and garlic dehydrates business performed on plan. However, the industrial tomato paste business faced margin pressures in Q3 FY2013 on account of lower capacity utilisation due to higher carry over inventory from the previous year.

Confectionery & Beverage Ingredients	Nine Months			Third Quarter		
	9M FY2013	9M FY2012	Change	Q3 FY2013	Q3 FY2012	Change
Sales Volume (metric tonnes)	1,190,763	1,266,532	-6.0%	489,423	536,715	-8.8%
Sales Revenue (S\$m)	3,683.8	4,597.1	-19.9%	1,342.0	1,716.4	-21.8%
NC (S\$m)	265.4	272.4	-2.6%	94.9	109.1	-13.0%
NC Per Tonne (S\$)	223	215	3.6%	194	203	-4.6%

The **Confectionery & Beverage Ingredients** segment registered an NC decline of 2.6% and a volume decline of 6.0% in 9M FY2013 due to an epidemic of La Roya (coffee rust disease) affecting the coffee industry across Central and South America. This impacted Olam's coffee origination and shipment volumes and margins. The continuation of export tax on cocoa beans in Indonesia also adversely impacted cocoa volumes and margins during the period.

Food Staples & Packaged Foods	Nine Months			Third Quarter		
	9M FY2013	9M FY2012	Change	Q3 FY2013	Q3 FY2012	Change
Sales Volume (metric tonnes)	8,094,562	3,775,863	114.4%	2,628,738	1,385,392	89.7%
Sales Revenue (S\$m)	5,374.9	3,053.4	76.0%	1,687.1	1,090.9	54.7%
NC (S\$m)	492.4	305.7	61.1%	194.2	80.2	142.2%
NC Per Tonne (S\$)	61	81	-24.8%	74	58	27.7%

The **Food Staples & Packaged Foods** segment's Sales Volume and NC rose 114.4% and 61.1% respectively in 9M FY2013. The Grains business continued to drive strong volume growth from higher origination and milling volumes. The Rice and Packaged Food businesses also contributed to higher NC/tonne during the period. The Dairy and Sugar businesses were behind plan and are undergoing some targeted restructuring.



Industrial Raw Materials	Nine Months			Third Quarter		
	9M FY2013	9M FY2012	Change	Q3 FY2013	Q3 FY2012	Change
Sales Volume (metric tonnes)	1,285,439	1,142,139	12.5%	401,036	380,603	5.4%
Sales Revenue (S\$m)	3,196.4	2,581.2	23.8%	982.8	852.3	15.3%
NC (S\$m)	140.1	98.6	42.0%	45.2	33.2	36.1%
NC Per Tonne (S\$)	109	86	26.2%	113	87	29.3%

The **Industrial Raw Materials** (IRM) segment recorded a Sales Volume growth of 12.5% and a growth of 42.0% and 26.2% in NC and NC per tonne respectively in 9M FY2013. The Cotton business continued to register volume growth at stable margins during the period. The Wool and Rubber businesses were on track while Wood Products remained flat. The SEZ business had a lower contribution in 9M FY 2013 compared to the prior corresponding period.

The **Commodity Financial Services** (CFS) segment reported a loss at NC level of S\$10.7 million in 9M FY2013 compared to a gain of S\$0.8 million in 9M FY2012. Low historical volatilities across the agri-commodities complex led to reduced market-making volumes which adversely impacted performance.

Outlook and Prospects

The Company operates in the attractive agri-sector with strong growth prospects and a leadership position in many of its segments. Olam is well positioned to capitalise on the major secular trends that favour the continuing growth and upside possibilities of the industry given its uniquely diversified portfolio.

The strategy announced on April 25, 2013 is being implemented and is expected to generate shareholder value through continued profitable growth, and enhanced cash flow generation in the coming quarters.

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Note:

This release should be read and understood only in conjunction with the full text of Olam International Limited's 9M FY2013 Financial Statements lodged on SGXNET on May 15, 2013.



About Olam International Limited

Olam International is a leading global integrated supply chain manager and processor of agricultural products and food ingredients, supplying various products across 16 platforms to over 12,300 customers worldwide. From a direct presence in more than 65 countries with sourcing and processing in most major producing countries, Olam has built a global leadership position in many of its businesses, including Cashew, Spices & Vegetable Ingredients, Cocoa, Coffee, Rice, Cotton and Wood Products. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 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, 2010 and 2012 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.

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