

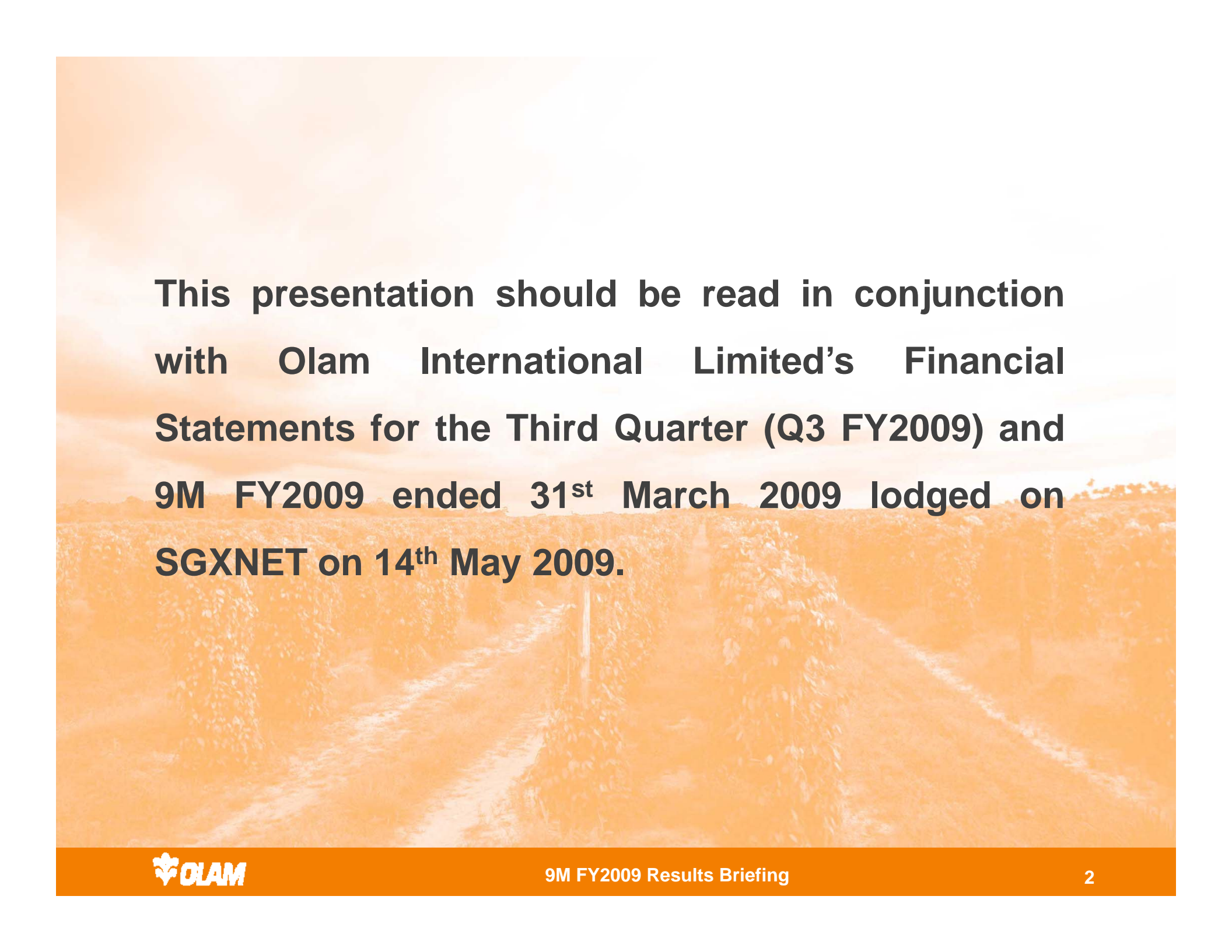


Olam International Limited

9M FY2009 Results Briefing

14th May 2009 | Singapore





This presentation should be read in conjunction with Olam International Limited's Financial Statements for the Third Quarter (Q3 FY2009) and 9M FY2009 ended 31st March 2009 lodged on SGXNET on 14th May 2009.

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 9M FY2009 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.

Results Presentation : Outline

- ✿ **Results: 9M FY2009 - Consolidated P&L Analysis**
- ✿ **Results: 9M FY2009 - Segmental Analysis**
- ✿ **Results: 9M FY2009 - Balance Sheet Analysis**
- ✿ **Summary & Guidance**
- ✿ **Q&A**

Results: 9M FY2009

Consolidated P&L Analysis



Summary

- ❖ Strong top line (volume) growth
 - ❖ Food segments growth of 18.5% (or 20.2% with associates' share)
 - ❖ Fibre and Wood products growth of 1.2% (or 3.2% with associates' share)
 - ❖ **Total growth of 14.8% (or 16.6% with associates' share)**
- ❖ Strong bottom line (PAT) growth
 - ❖ PAT growth of 99.8% (or 21.4% excluding CB gain)
 - ❖ Gain from CB buy-back of S\$102.0 (P&L: S\$80.5m, Equity: S\$21.5m)
- ❖ EPS grown to 11.99 cents from 6.46 cents (85.6% growth).
- ❖ Total equity (before fair value adjustment) grown to S\$1,235 million.
- ❖ Strong cashflow from operations of S\$108.1 million.

Commodity Returns: 2009

Commodity Index	April 09	3 mths	YTD
JPMCCI	0.2%	0.6%	(4.8%)
S&P GSCI	(0.9%)	(2.8%)	(11.5%)
DJ-AIGCI	(0.7%)	(0.3%)	(5.6%)
JPMCCI Agriculture	2.9%	0.8%	(1.0%)
Specialty Funds-Agriculture	4.4%	3.1%	(2.0%)
Specialty ETP's-Agriculture	5.0%	3.6%	(0.7%)






Commodity Funds saw another month of strong inflows with US\$2.4 billion of fresh funds flowing in for April 2009. This puts YTD net inflows at US\$18.7 billion exceeding the total annual net inflows of 2007 and approaching the record 2006 figure of US\$20 billion.

Source: Bloomberg & JP Morgan

Consolidated P&L Analysis: 9M FY2009

Sales Volume: 4.310 million metric tons

-  Volume grew by 0.556 million metric tons (or 0.622 million metric tons including share of associates' volume)
-  14.8% growth over 9M FY2008 (or 16.6% including share of associates' volume)
-  Volume growth across all 4 segments

Volumes

Without Associates

	9M FY2009 (MT/'000)	9M FY2008 (MT/'000)	% Change
Edible Nuts, Spices & Beans	618	501	23.2
Confectionery & Beverages Ingredients	965	800	20.7
Food Staples & Packaged Foods	1,907	1,643	16.1
TOTAL FOOD CATEGORY	3,490	2,944	18.5
Fibre & Wood Products	819	810	1.2
Consolidated Total	4,310	3,754	14.8

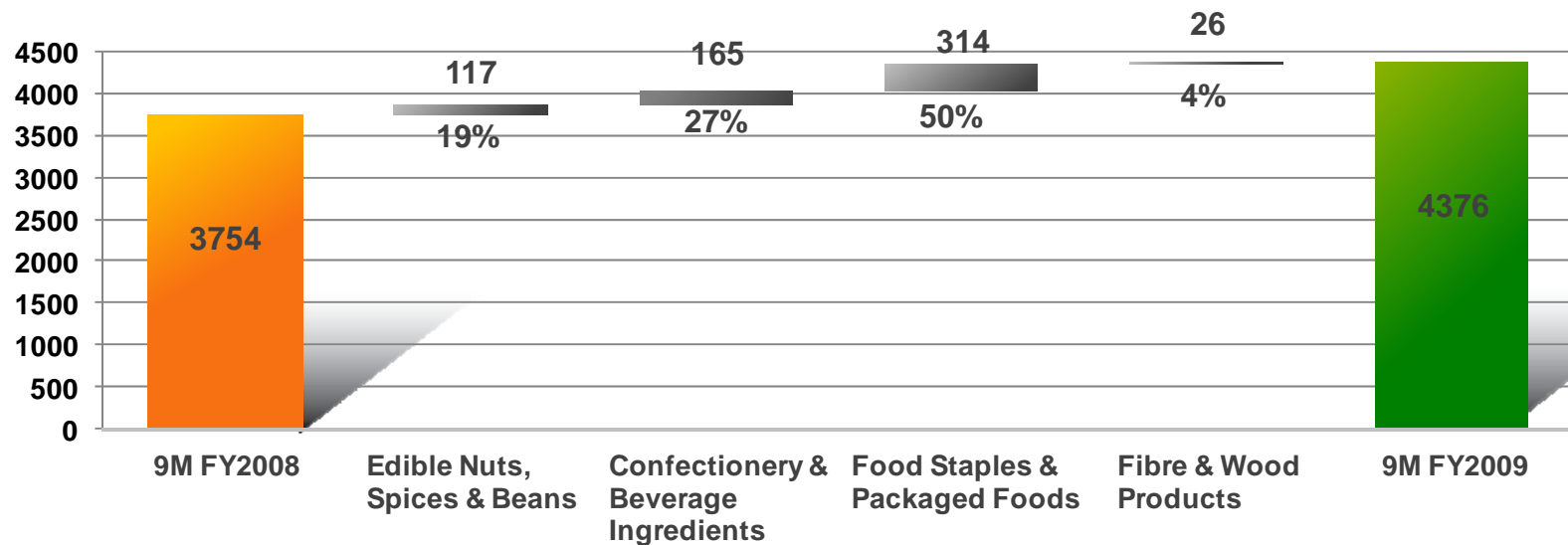
With Associates

	9M FY2009 (MT/'000)	9M FY2008 (MT/'000)	% Change
Edible Nuts, Spices & Beans	618	501	23.2
Confectionery & Beverages Ingredients	965	800	20.7
Food Staples & Packaged Foods	1,957	1,643	19.1
TOTAL FOOD CATEGORY	3,540	2,944	20.2
Fibre & Wood Products	836	810	3.2
Consolidated Total	4,376	3,754	16.6

Sales Volume Growth: Segmental Contribution

Sales Volume
(1,000 Mts)

Sales Volume growth 14.8%, 0.622 mmts

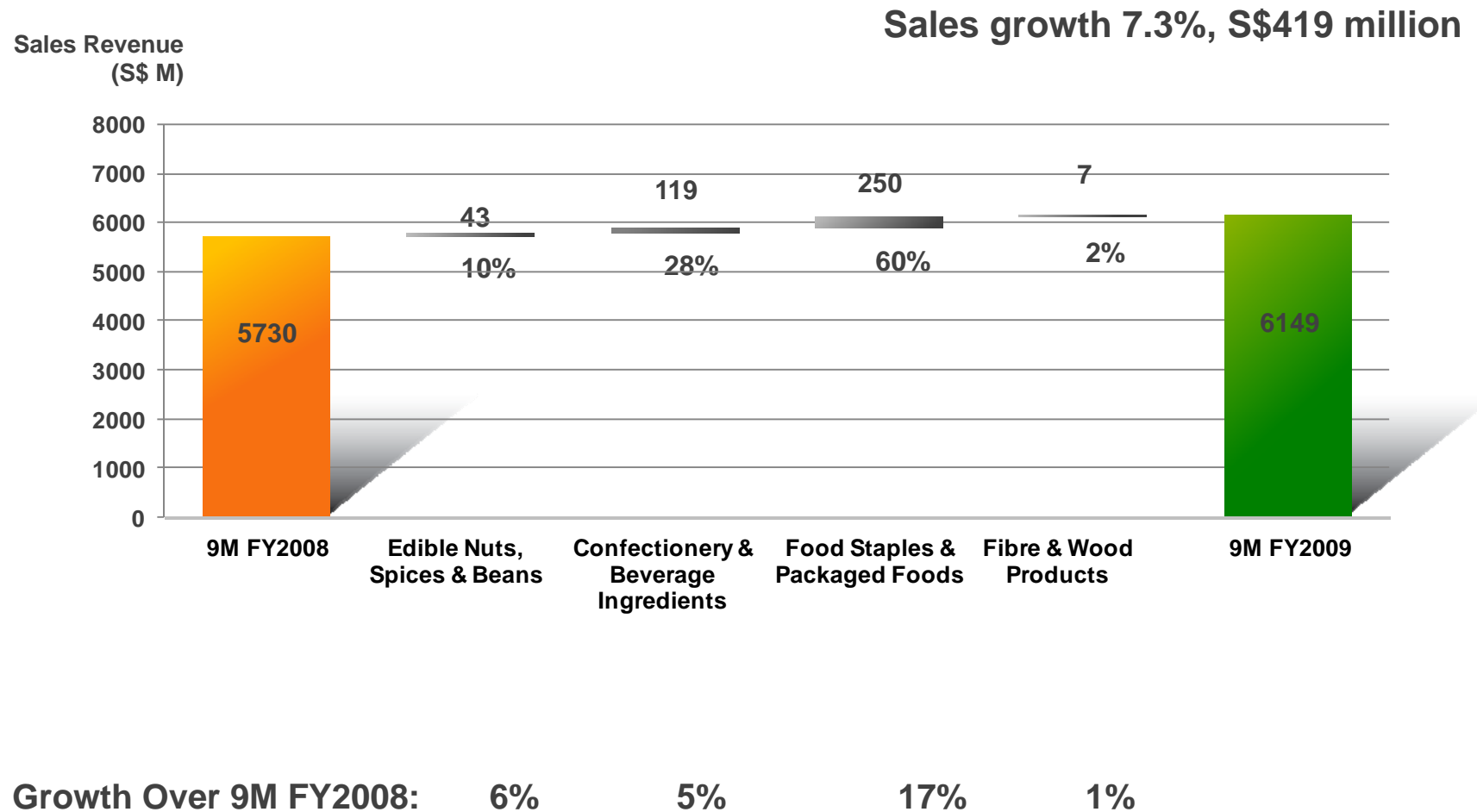


Growth Over 9M FY2008: 23% 21% 19% 3%

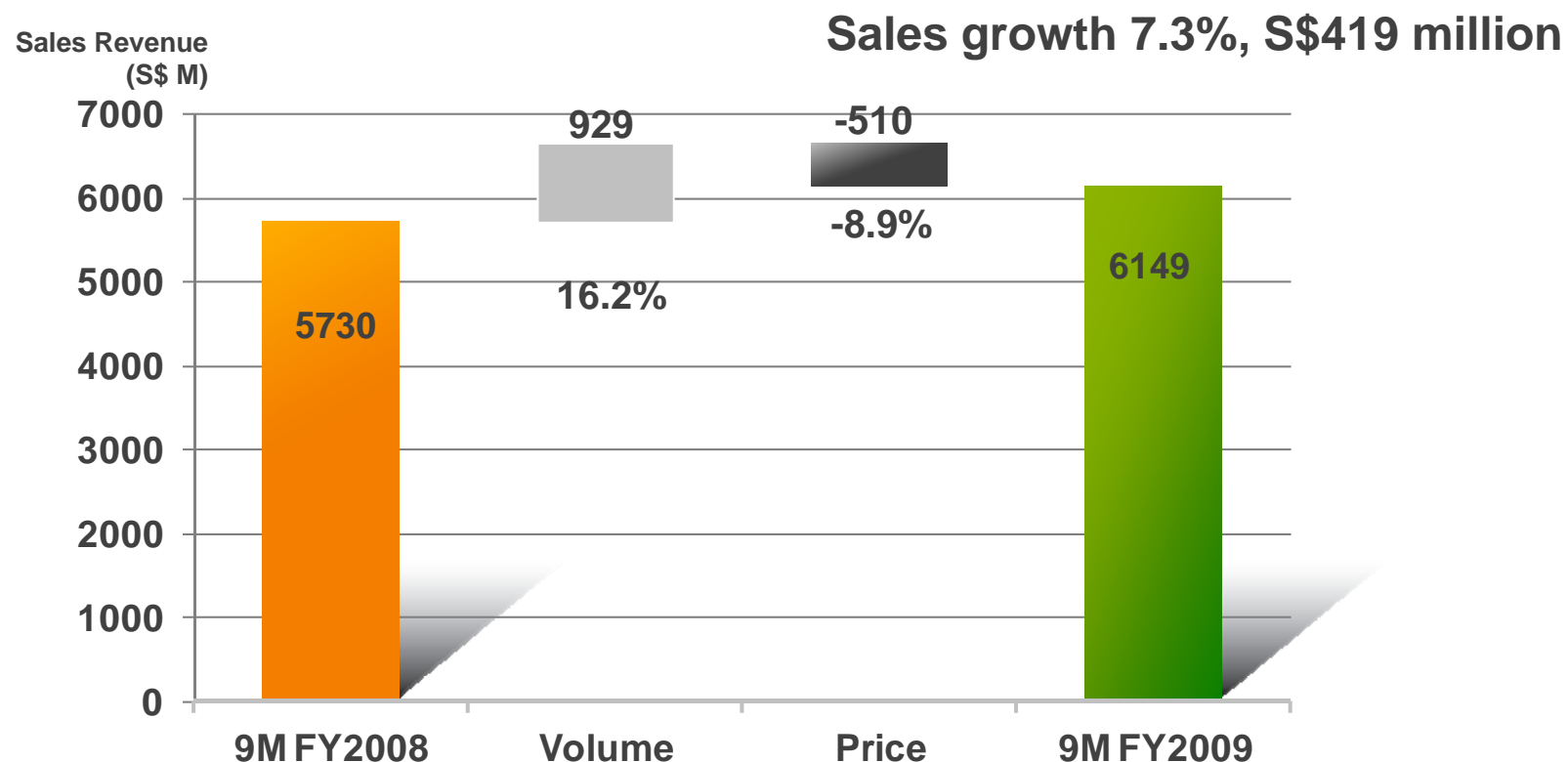
Consolidated P&L Analysis: 9M FY2009

- ✿ **Total Sales Revenue: S\$6,149 million**
- ✿ 7.3% growth over 9M FY2008
- ✿ Revenue growth across all 4 segments
- ✿ Revenue growth mainly on account of volume growth

Sales Revenue Growth: Segmental Contribution






Sales Revenue Growth: Sources

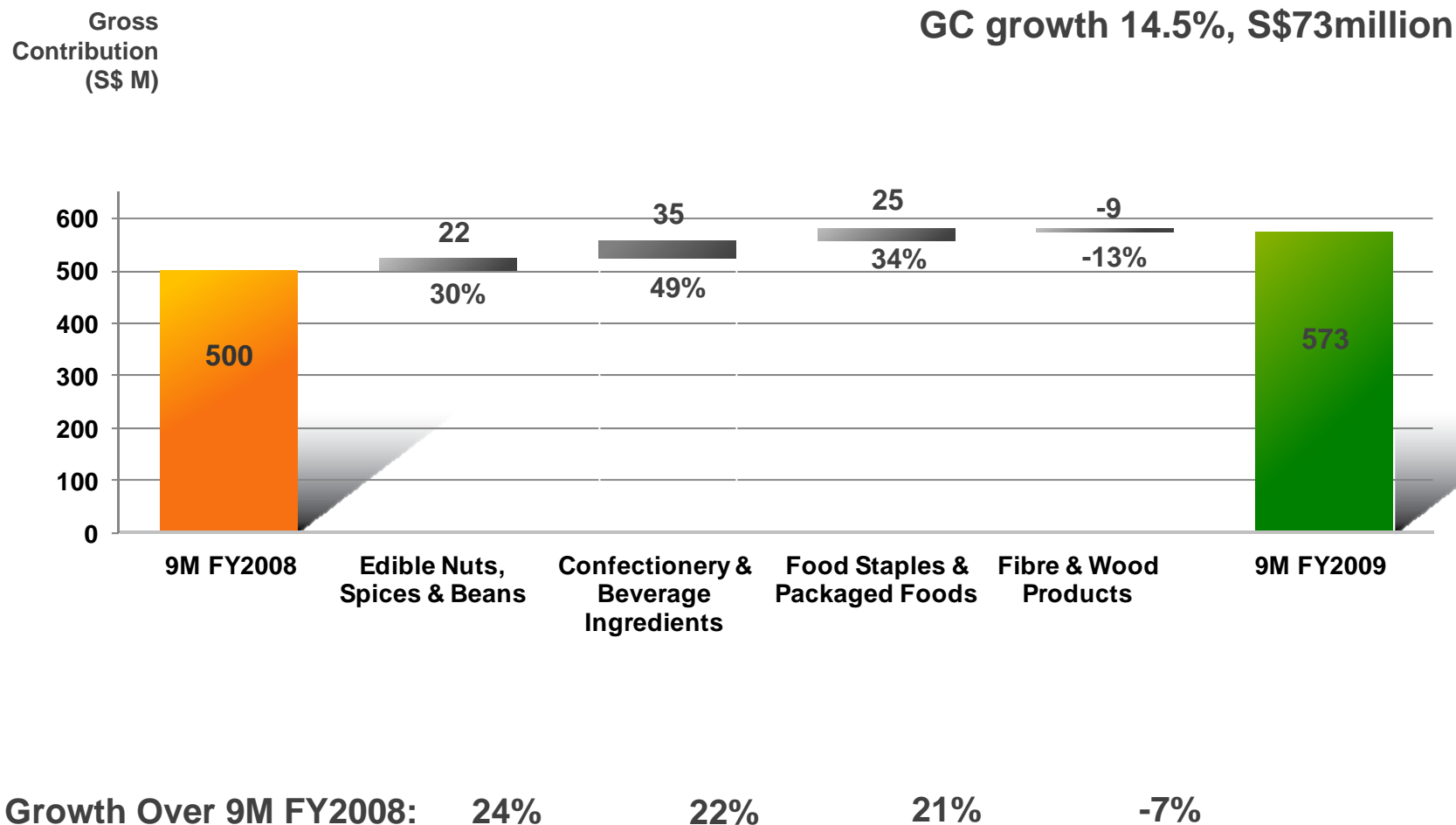


Consolidated P&L Analysis: 9M FY2009

Gross Contribution (GC): S\$573 million

-  14.5% growth over 9M FY2008
-  GC growth across all segments except Fibre & Wood
-  GC per ton remained at S\$133/ton

Gross Contribution Growth: Segmental Share



Consolidated P&L Analysis: 9M FY2009

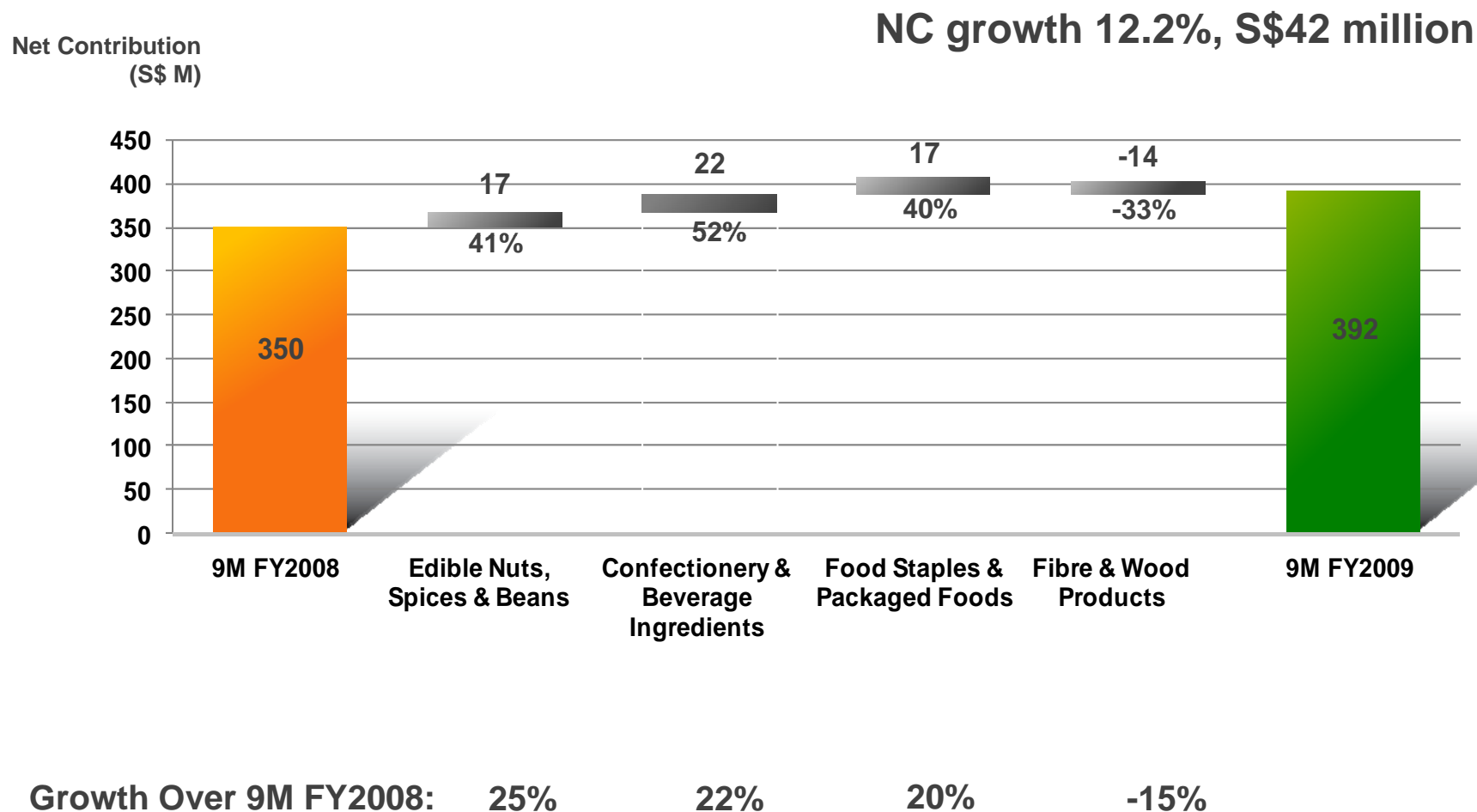
✿ Net Contribution (NC): S\$392 million

- ✿ 12.2% growth over 9M FY2008
- ✿ NC growth across all segments except Fibre & Wood
- ✿ NC per ton decreased to S\$91/ton in 9M FY2009 from S\$93/ton in 9M FY2008

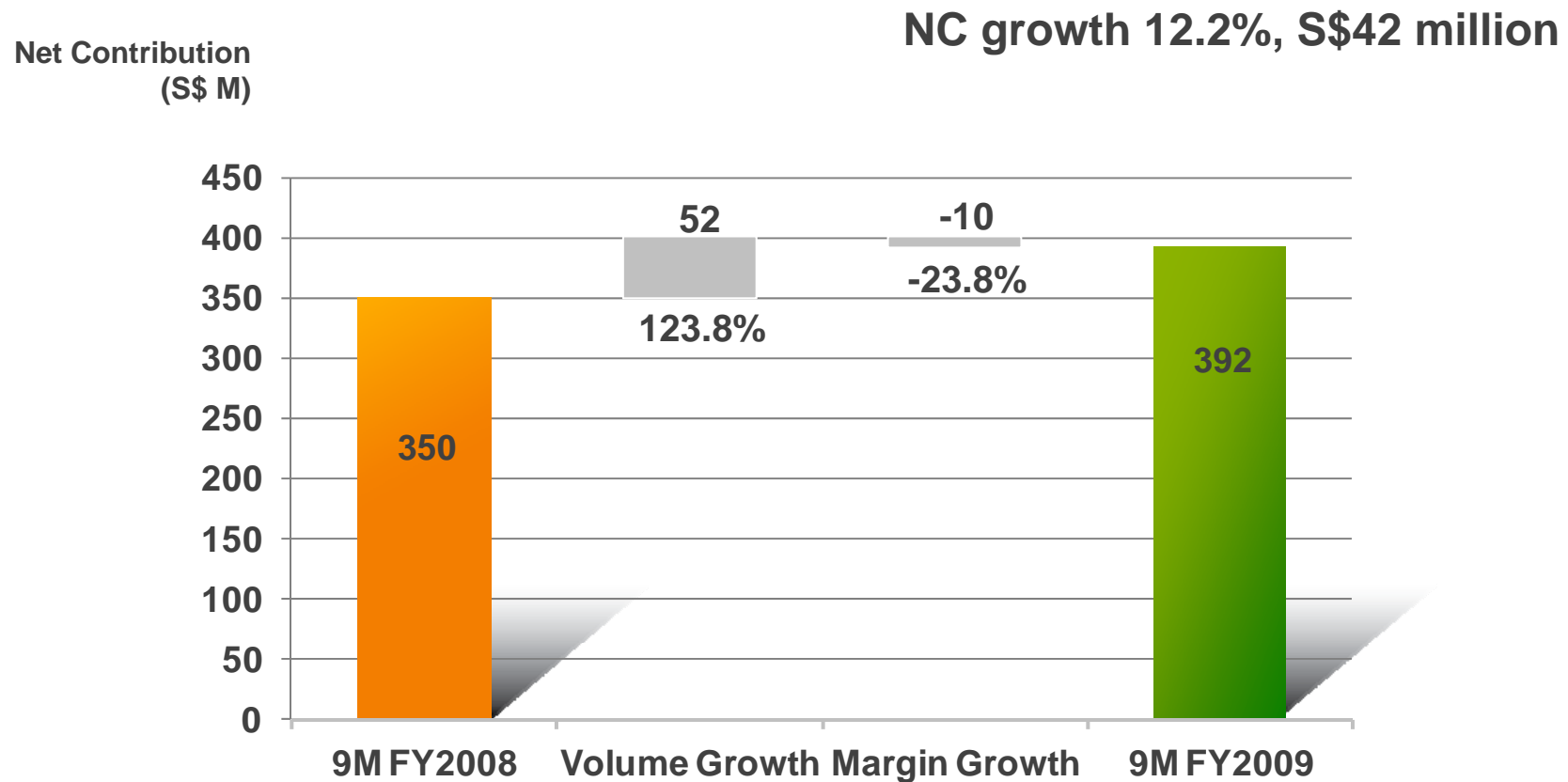
Volumes and Net Contribution

		9M FY2009	9M FY2008	% Change
Food Category Total	Volume (MT/'000)	3,490	2,944	18.5
	NC (\$\$/m)	314.5	257.9	21.9
	NC / MT	90.1	87.6	2.9
Fibre and Wood Total	Volume (MT/'000)	819	810	1.2
	NC (\$\$/m)	77.9	91.9	-15.2
	NC / MT	95.1	113.4	-16.2
Consolidated Total	Volume (MT/'000)	4,310	3,754	14.8
	NC (\$\$/m)	392.4	349.8	12.2
	NC / MT	91.0	93.2	-2.4

Net Contribution Growth: Segmental Share



Net Contribution Growth: Sources



Gain on Buy-back of Convertible Bonds

- ✿ During 9M FY2009, the Company bought back the Convertible Bonds issued in July 2008 of aggregate principal amount of US\$280.8 million for US\$203.1 million.
- ✿ The aggregate gain on the buy-back after considering transactional expenses is S\$102.0 million of which S\$80.5 million is recognised in P&L and S\$21.5 million is recognised in equity.
- ✿ The transaction met the objectives we had:
 - ✿ To actively manage our balance sheet;
 - ✿ To improve gearing through booking the profits and reducing debt;
 - ✿ To avoid re-financing in 2.5 years time

Impact of FRS 102

✿ The following two employee Share Schemes come under the ambit of FRS 102:

- Employee Share Subscription Scheme (ESSS)
- Employee Share Options Scheme (ESOS)

✿ The impact of FRS 102 on the Financial Statements is as follows:

	Prior Period S\$'000	9M FY2009 S\$'000	Carried Forward S\$'000	Total S\$'000
ESSS	2,457	-	-	2,457
ESOS	11,632	2,949	3,688	17,814
Total	14,089	2,949	3,688	20,271

Consolidated P&L Analysis: 9M FY2009

 **SG&A** increased by 17.1% to S\$270.3 million in 9M FY2009

	9M FY2009	9M FY2008	Change
SG&A (S\$ million)	270.3	230.9	17.0%
SG&A/Sales Ratio	4.40%	4.03%	0.37%

On an annualised basis, we expect SG&A to be within our budget.

Consolidated P&L Analysis: 9M FY2009

✿ Net Profit After Tax (NPAT) : S\$205.3 million

- 99.8% growth over 9M FY2008

✿ Net Profit After Tax (NPAT) excluding gain on buy-back of Convertible Bonds: S\$124.8 million

- 21.4% growth over 9M FY2008

✿ Earnings per Share (EPS)

- 85.6% growth over 9M FY2008
- 11.99 cent/share 9M FY2009 vs 6.46 cent/share 9M FY2008 (based on weighted average no. of shares)

Results: 9M FY2009

Segmental Analysis



Segmental Analysis 9M FY2009: Summary

Olam Consolidated

- Turnover **S\$6,149million**
- Volume **4.310 mmts**
- NC **S\$392 m**
- NPAT **S\$ 205.3 m**

Edible Nuts, Spices & Beans

- Turnover **\$802 m**
- Volume **0.618 mmts**
- NC **\$87 m**

• NC Share **22.2%**



Confectionery & Beverage Ingredients

- Turnover **\$2.585 m**
- Volume **0.966 mmts**
- NC **\$123 m**

• NC Share **31.5%**



Food Staples & Packaged Foods

- Turnover **\$1.680 m**
- Volume **1.907 mmts**
- NC **\$104 m**

• NC Share **26.5%**



Fibre & Wood Products

- Turnover **\$1.082 m**
- Volume **0.819 mmts**
- NC **\$78 m**

• NC Share **19.8%**



Segmental Analysis:

Edible Nuts, Spices & Beans

Description	9M FY2009		9M FY2008		% Change
	Amount	S\$/Ton	Amount	S\$/Ton	
Volume (metric tons)	617,742		501,278		↑ 23.2
Revenue (S\$'000)	802,559	1,299	759,450	1,515	↑ 5.7
Net Contribution (S\$'000)	86,984	141	69,668	139	↑ 24.9

Segmental Analysis : Confectionery & Beverage Ingredients

Description	9M FY2009		9M FY2008		% Change
	Amount	S\$/Ton	Amount	S\$/Ton	
Volume (metric tons)	965,375		800,122		↑ 20.7
Revenue (S\$'000)	2,584,856	2,678	2,465,355	3,081	↑ 4.8
Net Contribution (S\$'000)	123,517	128	101,309	127	↑ 21.9

Segmental Analysis:

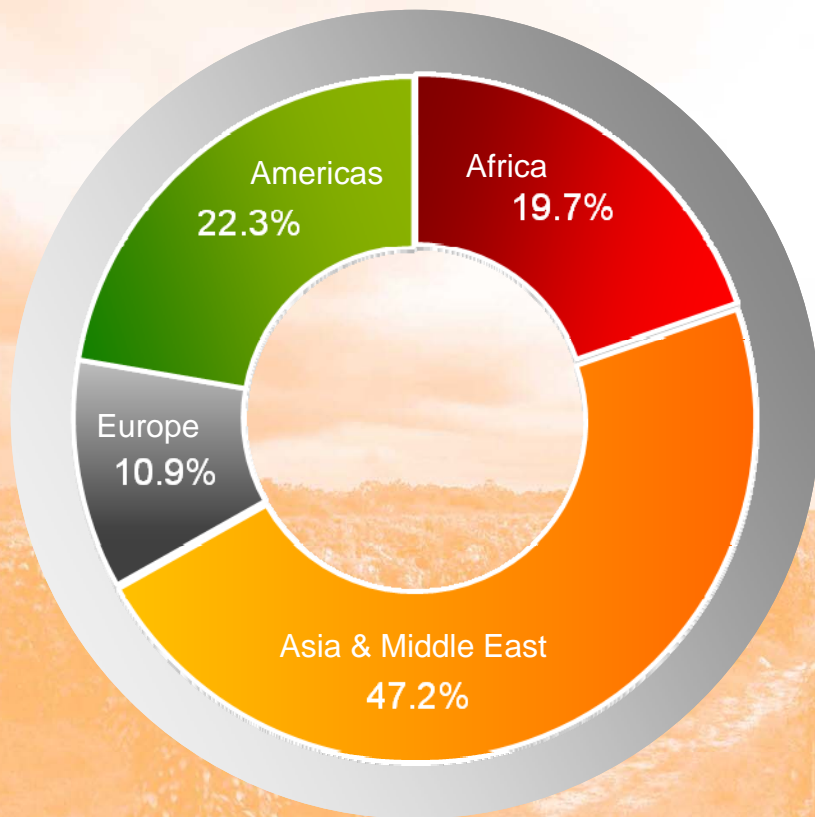
Food & Staples & Packaged Foods

Description	9M FY2009		9M FY2008		% Change
	Amount	S\$/Ton	Amount	S\$/Ton	
Volume (metric tons)	1,907,354		1,642,960		↑ 16.1
Revenue (S\$'000)	1,679,848	881	1,429,980	870	↑ 17.5
Net Contribution (S\$'000)	103,977	55	86,948	53	↑ 19.6

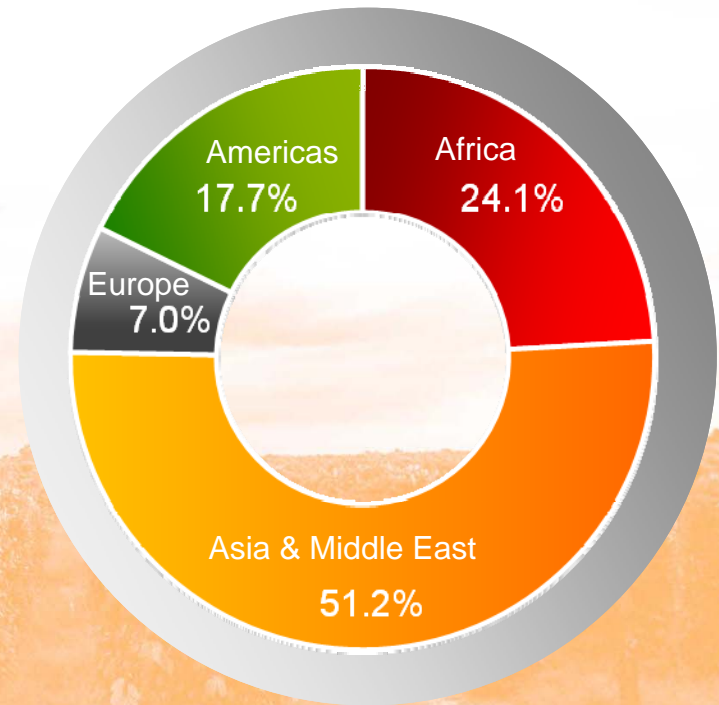
Segmental Analysis: Fibre & Wood products

Description	9M FY2009		9M FY2008		% Change
	Amount	S\$/Ton	Amount	S\$/Ton	
Volume (metric tons)	819,392		809,761		↑ 1.2
Revenue (S\$'000)	1,081,743	1,320	1,074,885	1,327	↑ 0.6
Net Contribution (S\$'000)	77,916	95	91,858	113	↓ 15.2

Well Diversified Sourcing : Origins

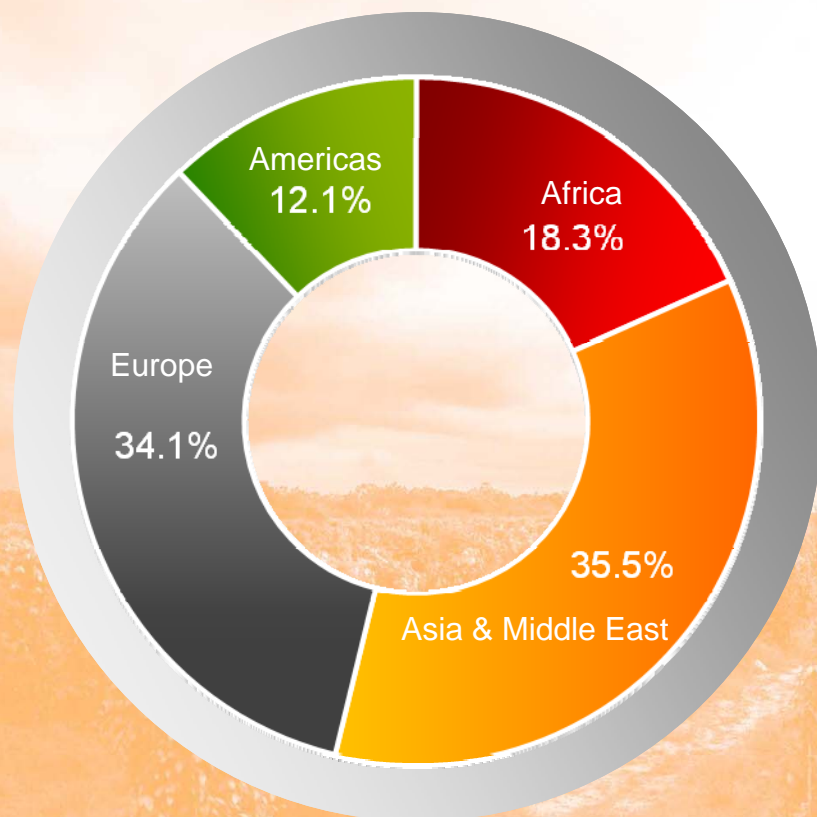


**Sourcing Volume
9M FY2009**

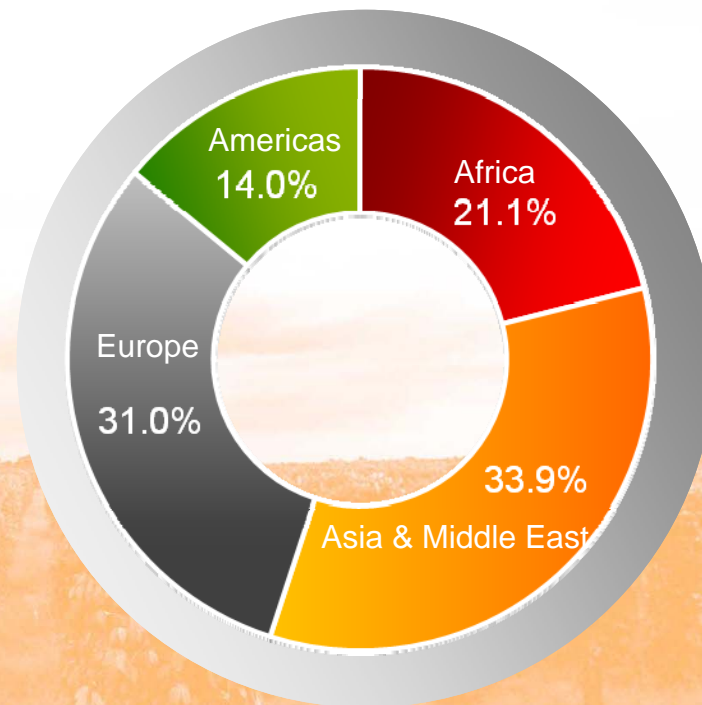


**Sourcing Volume
9M FY2008**

Well Diversified Sales : Markets



**Sales Turnover
9M FY2009**



**Sales Turnover
9M FY2008**

Well Diversified: Customers

Segment	Top 5 Customer Share of Total Sales
Edible Nuts, Spices & Beans	1.5%
Confectionery & Beverage Ingredients	11.7%
Food Staples & Packaged Foods	1.8%
Fibre & Wood Products	0.9%

Results: 9M FY2009

Balance Sheet Analysis



Balance Sheet Analysis: Summary

(Figures in S\$'000)	9M FY2009	FY2008	% Change
Goodwill and Intangibles	138,792	130,259	6.6
Fixed Assets & Investments	838,709	429,459	95.3
Other Non-Current Assets	64,212	61,117	5.1
Current Assets			
Debtors	515,769	724,352	(28.8)
Stocks	1,713,227	1,790,236	(4.3)
Cash & Cash Equivalents	390,477	339,124	15.1
Advances to Suppliers	462,851	380,047	21.8
Fair Value of Derivatives	404,393	837,557	(51.7)
Margin Account Balances	49,878	254,273	(80.4)
Other Current Assets	489,692	292,819	67.2
Total Assets	5,068,000	5,239,243	
Total Assets excluding hedging assets	4,663,609	4,401,686	
Trade Creditors	288,092	519,853	(44.6)
Borrowings	3,154,567	2,984,564	5.7
Fair Value of Derivatives	374,029	1,015,796	(63.2)
Other Liabilities	142,206	80,616	76.4
Fair Value of Derivatives – Convertible Bonds	19,324	-	-
Net Assets	1,085,795	638,414	
Equity & Reserves (after fair value adj)	1,089,781	638,414	70.7
Equity & Reserves (before fair value adj)	1,239,094	964,292	28.5

Long Term Capital / Fixed Investments

(in S\$ million)	9M FY2009	FY2008	Increase
Fixed Assets	451.7	403.4	↑ 48.3
Long Term Capital / Investments	387.1	26.1	↑ 361.0
Goodwill & Intangibles	138.8	130.3	↑ 8.5
Total	977.6	559.8	↑ 417.8
Fixed Investments/ Total Assets* Ratio	21.0%	12.7%	
Fixed Investments excluding Goodwill & Intangibles/ Total Assets* Ratio	18.0%	9.8%	

* Excluding hedging assets

Balance Sheet Analysis: Ratios

	9M FY2009	June 2008	Change	9M FY2008
Debtors (days)	23	33	(10)	17
Stock (days)	84	88	(4)	85
Advance to Suppliers (days)	23	19	4	22
Trade Creditors (days)	(14)	(26)	12	(24)
Cash to cash cycle	116	114	2	100
Current Ratio(x)	1.54	1.26	0.28	1.34

Balance Sheet Analysis: Debtors

- 74.6% of Debtors secured by Letter of Credit / Documents of title.
- No additional provision has been made for debtors.

Balance Sheet Analysis: Stock

(in S\$ million)	9M FY2009	FY2008	Increase / (Decrease)
Edible Nuts, Spices & Beans	207.3	275.9	(68.6)
Confectionery & Beverage Ingredients	737.0	774.1	(37.1)
Food Staples & Packaged Foods	461.3	410.3	51.0
Fibre & Wood Products	307.6	329.9	(22.3)
Total	1,713.2	1,790.2	(77.0)

85.3% of stocks sold forward or hedged

Balance Sheet Analysis: Borrowings

(in US\$ million)	9M FY2009	FY2008	Increase/ (Decrease)	% Increase/ (Decrease)
Short Term Banking Facilities	2,858	2,604	254	9.8
MTN / Medium Term Loan	335	310	25	8.1
Long Term Loan	670	795	(125)	(15.7)
Total in US\$	3,863	3,709	154	4.2
Total in S\$	5,881	5,291	290	

Bank Facilities & Utilisation

- ✿ Only 53.6% of our total credit facilities were used as of 31 March 2009

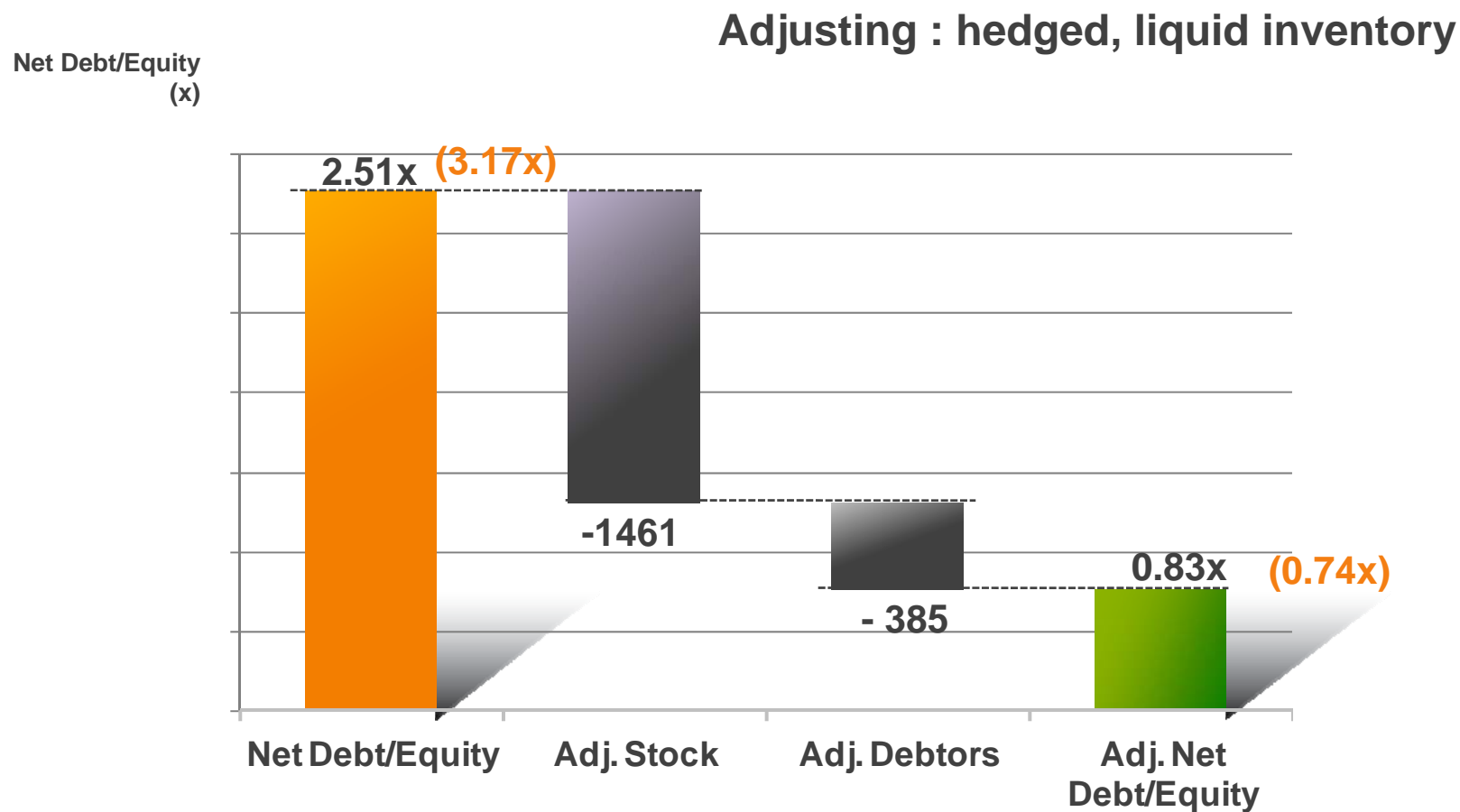
	Amount	% Share	Limits	% Utilised
Short Term Facilities	1,861.6	59.0	4,351.3	42.8
Long Term Facilities	1,293.0	41.0	1,530.1	84.5
Total Borrowings	3,154.6	100.0	5,881.4	53.6

Renewed SCB facility US\$170 million; an increase from US\$150 million.

Balance Sheet Analysis: Gearing

	9M FY 2009		FY 2008		Change
Leverage (x)	Before Fair Value Adj. Reserve	After Fair Value Adj. Reserve	Before Fair Value Adj. Reserve	After Fair Value Adj. Reserve	Vis-à-vis before Fair Value Adj. Reserve
Gross Debt to Equity (x)	2.87	3.32	3.58	5.87	(0.71)
Net Debt to Equity (x)	2.51	2.91	3.17	5.21	(0.66)
Liquidity					
Cash to Sales (%)	4.76		4.18		0.58
Cash & Cash Equivalents	390.5 m		339.1 m		51.4
Margin Deposit with Brokers	49.9 m		254.2 m		(204.3)

Balance Sheet : Analysis of Gearing



Impact of FRS 39

- ✿ Impact on P&L – profit of S\$22.9 million.
- ✿ Reduction in equity as of 31 March 2009 is S\$149.3 million.
- ✿ FRS 39 allows for hedge accounting to be applied when strict effectiveness criteria are met.
- ✿ We have assessed the effectiveness of our hedging instruments and have concluded that the majority of the derivatives qualifies for hedge accounting. Hence, adjustment due to adoption of FRS 39 has mainly flown to equity.
- ✿ We do not expect any adverse impact of these measurements to the results of the Company.

Summary and Guidance

Difficult market conditions arising from weak market sentiments, destocking and depressed demand for industrial raw materials (Cotton, Wool, Wood Products and Rubber) and to a lesser extent in Cocoa and Dairy Products are expected to persist through the rest of FY2009 although recent signs show this trend to be easing. Olam remains focussed on managing both the opportunities and the risks in the current economic environment as it executes its long term strategy.



Thank You