

OLAM INTERNATIONAL LIMITED

Financial Statements for the Fourth Quarter and Full Year Ended 30th June 2010

PART I: Information required for announcements of Quarterly (Q1, Q2, Q3 & Q4), Half-Year and Full Year Results.

1(a)(i) An income statement for the ("Group") - Olam International Limited ("Company") and its subsidiaries together with a comparative statement for the corresponding period of the immediately preceding financial year.

Profit & Loss Statement - Fourth Quarter and Full Year FY2010: Group

(in S\$'000)	Group			Group		
	Twelve Months Ended			Three Months Ended		
	30 Jun 10	30 Jun 09	% change	30 Jun 10	30 Jun 09	% change
Revenue - Sale of goods	10,455,032	8,587,932	21.7%	3,133,798	2,438,926	28.5%
Other income	241,240	138,452		79,737	11,692	
	10,696,272	8,726,384	22.6%	3,213,535	2,450,618	31.1%
Costs and expenses						
Cost of goods sold	(8,465,914)	(6,980,032)		(2,519,587)	(2,048,226)	
Shipping and logistics	(1,012,091)	(825,720)		(351,050)	(233,444)	
Commission and claims	(97,157)	(74,812)		(28,005)	(4,738)	
Employee benefit expenses	(238,553)	(184,603)		(69,209)	(60,400)	
Depreciation	(68,530)	(40,532)		(24,703)	(13,230)	
Impairment of assets	(1,403)	(10,849)		(1,403)	(10,849)	
Net measurement of derivative instruments	77,915	61,114		42,239	34,349	
Gain / (loss) on foreign exchange	20,655	(39,423)		12,763	(33,815)	
Other operating expenses	(276,448)	(175,438)		(111,506)	(42,171)	
Finance costs	(227,475)	(239,179)		(35,926)	(27,544)	
	(10,289,001)	(8,509,474)		(3,086,387)	(2,440,068)	
Share of gain from jointly controlled entities / associates	12,924	41,114		4,448	27,026	
	(10,276,077)	(8,468,360)	21.3%	(3,081,939)	(2,413,042)	27.7%
Profit before taxation	420,195	258,024	62.9%	131,596	37,576	250.2%
Taxation	(60,446)	(5,995)		(39,026)	9,103	
Profit for the period	359,749	252,029	42.7%	92,570	46,679	98.3%
Attributable to:						
Equity holders of the Parent	359,469	252,029		92,285	46,679	
Non-controlling interests	280	-		285	-	
	359,749	252,029		92,570	46,679	

- 1(a)(ii) A statement of comprehensive income for the ("Group") - Olam International Limited ("Company") and its subsidiaries together with a comparative statement for the corresponding period of the immediately preceding financial year.

With effect from 1 January 2009, FRS 1 Presentation of Financial Statements requires an entity to present a Statement of Comprehensive Income, all items of income and expenditure that are not required to be recognized in Income Statement. Previously, such items were included in the Statement of Changes in Equity. This is a change in presentation and does not affect the recognition or measurement of the entity's transactions.

Statement of Comprehensive Income – Fourth Quarter and Full Year FY2010: Group

(in S\$'000)	Group		Group	
	Twelve Months Ended		Three Months Ended	
	30 Jun 10	30 Jun 09	30 Jun 10	30 Jun 09
Profit for the period	359,749	252,029	92,570	46,679
Other Comprehensive Income:				
Net (loss) / gain on fair value changes during the period	(36,152)	113,328	(16,839)	(56,213)
Recognised in the profit and loss account on occurrence of hedged transactions	(31,167)	32,607	37,302	25,583
Foreign currency translation adjustment	(82,642)	(601)	(108,211)	(62,176)
Other comprehensive (loss) / income	(149,961)	145,334	(87,748)	(92,806)
Total Comprehensive Income	209,788	397,363	4,822	(46,127)
Attributable to:				
Equity holders of the Parent	209,508	397,363	4,537	(46,127)
Non-controlling interests	280	-	285	-
	209,788	397,363	4,822	(46,127)

1(b)(i) A Balance Sheet (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

(in S\$'000)	Group		Company	
	30 Jun 10	30 Jun 09	30 Jun 10	30 Jun 09
Non-current assets				
Property, plant and equipment	1,054,166	517,410	4,673	2,974
Intangible assets	330,730	127,538	8,600	8,940
Biological Assets	181,883	16,553	-	-
Investment in subsidiary companies	-	-	1,417,167	314,556
Deferred tax assets	64,687	74,704	10,333	13,096
Interest in jointly controlled entities	195,958	294,407	143,656	254,586
Investment in associates	290,031	106,520	290,174	105,817
Other non current assets	4,161	11,154	-	10,922
	2,121,616	1,148,286	1,874,603	710,891
Current assets				
Amounts due from subsidiary companies	-	-	682,149	747,613
Trade receivables	976,709	732,500	275,388	237,296
Margin accounts with brokers	152,815	64,839	165,164	55,521
Inventories	2,537,894	1,966,419	452,057	550,729
Advance payments to suppliers	248,539	277,683	96,579	85,527
Advance payments to subsidiary companies	-	-	1,415,482	935,336
Other current assets	560,406	342,075	294,974	85,651
Fixed deposits	259,117	239,688	247,425	228,009
Cash and bank balances	412,426	294,130	141,232	59,628
Fair value of derivative financial instruments	529,943	349,796	425,087	279,242
	5,677,849	4,267,130	4,195,537	3,264,552
Current liabilities				
Trade payables and accruals	(659,509)	(658,988)	(341,460)	(420,115)
Other current liabilities	(125,962)	(58,595)	(85,502)	(35,871)
Amounts due to bankers	(2,282,260)	(1,869,640)	(1,560,631)	(1,166,700)
Medium term notes	-	(128,005)	-	(128,005)
Provision for taxation	(36,669)	(11,410)	(16,956)	(14,732)
Fair value of derivative financial instruments	(573,869)	(403,528)	(523,153)	(347,333)
	(3,678,269)	(3,130,166)	(2,527,702)	(2,112,756)
Net current assets	1,999,580	1,136,964	1,667,835	1,151,796
Non-current liabilities				
Deferred tax liabilities	(129,740)	(62,812)	-	-
Term loans from banks	(1,241,618)	(1,008,312)	(1,035,793)	(764,602)
Medium term notes	(249,017)	-	(249,017)	-
Convertible Bonds	(730,108)	(168,234)	(730,108)	(168,234)
	(2,350,483)	(1,239,358)	(2,014,918)	(932,836)
Net assets	1,770,713	1,045,892	1,527,520	929,851
Equity attributable to equity holders of the Parent				
Share capital	1,201,581	708,586	1,201,581	708,586
Reserves	570,276	337,260	325,939	221,265
	1,771,857	1,045,846	1,527,520	929,851
Non-controlling Interests	(1,144)	46	-	-
Total equity	1,770,713	1,045,892	1,527,520	929,851

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amounts repayable in one year or less or on demand

	30 Jun 10		30 Jun 09	
	Secured	Unsecured	Secured	Unsecured
	(in S\$'000)	(in S\$'000)	(in S\$'000)	(in S\$'000)
Overdrafts	-	167,611	-	265,141
Loans	11,276	2,103,373	-	1,604,499
Medium Term Notes	-	-	-	128,005
Total	11,276	2,270,984	-	1,997,645

Amounts repayable after one year

	30 Jun 10		30 Jun 09	
	Secured	Unsecured	Secured	Unsecured
	(in S\$'000)	(in S\$'000)	(in S\$'000)	(in S\$'000)
Medium / Long Term Loans	-	1,241,618	11,957	996,355
Medium Term Notes	-	249,017	-	-
Convertible Bonds	-	730,108	-	168,234
Total	-	2,220,743	11,957	1,164,589

Security provided on loans

A subsidiary, Universal Blanchers LLC in the United States, has an outstanding loan equivalent to S\$11.3 m (S\$12.0 m as at 30 June 2009) which is secured on the assets of the subsidiary.

- 1(c) A Cash Flow Statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

(in S\$'000)	Group		Group	
	Twelve Months Ended		Three Months Ended	
	30 Jun 10	30 Jun 09	30 Jun 10	30 Jun 09
Cash flow from operating activities				
Profit before taxation	420,195	258,024	131,596	37,576
Adjustments for:				
Share of results from jointly controlled entities / associates	(12,924)	(41,114)	4,448	27,026
Share of results of minority interests	(280)	-	(285)	-
Depreciation of property, plant and equipment	68,530	40,532	24,703	13,229
Gain / (loss) on disposal of property, plant and equipment	(138)	909	-	1,750
Gain on convertible bonds buy back	-	(100,674)	-	(20,138)
Net measurement of derivative instruments	(77,915)	(61,114)	(42,239)	(34,349)
Amortisation of intangible assets	3,273	2,738	1,650	1,550
Impairment of assets	1,403	10,849	1,403	10,849
Cost of share-based payments	12,438	4,291	3,741	-
Interest income	(21,689)	(18,872)	(8,397)	(7,977)
Interest expense	227,475	239,179	35,926	47,563
Negative goodwill arising from acquisitions	(89,039)	(3,748)	7,567	-
Operating cash flow before reinvestment in working capital	531,329	331,000	160,113	77,079
(Increase) / decrease in inventories	(637,148)	(176,183)	22,343	(253,191)
(Increase) / decrease in trade & other receivables	(811,303)	236,994	(797,491)	(17,241)
Decrease / (Increase) in advance payments to suppliers	19,870	94,556	189,682	177,360
Increase / (decrease) in trade & other payables	91,919	141,951	320,522	406,472
Cash flow (used in) / generated from operations	(805,333)	628,318	(104,831)	390,479
Interest income received	21,689	22,020	21,689	11,125
Interest expense paid	(238,448)	(217,360)	(39,661)	(28,815)
Tax (paid) / refund	(34,806)	(5,357)	(26,296)	3,606
Net cash flow (used in) / generated from operating activities	(1,056,898)	427,621	(149,099)	376,395
Cash flow from investing activities				
Proceeds from disposal of property, plant and equipment	16,098	7,222	-	-
Purchase of property, plant and equipment	(65,394)	(208,083)	78,581	(121,779)
Acquisition of subsidiaries - net of cash acquired	(615,393)	(15,911)	19,019	(15,911)
Investment in jointly controlled entities / associates	(85,528)	(327,511)	-	-
Repayment from jointly controlled entities	-	165	-	302
Net cash flow used in investing activities	(750,217)	(544,118)	97,600	(137,388)
Cash flow from financing activities				
Proceeds from loans from banks	821,744	62,966	184,950	(299,317)
Proceeds from issuance of shares on exercise of share options	11,031	3,716	2,601	3,567
Proceeds from issuance of shares for cash	437,389	-	-	-
Proceeds from issuance / (repayment) of convertible bonds	684,780	306,804	-	-
Dividends paid on ordinary shares by the Company	(96,054)	(42,833)	-	-
Proceeds / (repayment) of medium term notes	125,287	(131,852)	(94,230)	5
Net cash flow provided by financing activities	1,984,177	198,801	93,321	(295,745)
Net effect of exchange rate changes on cash and cash equivalents	58,193	22,111	42,966	(59,924)
Net increase / (decrease) in cash and cash equivalents	235,255	104,415	84,788	(116,662)
Cash and cash equivalents at the beginning of the period	268,677	164,262	419,144	385,339
Cash and cash equivalents* at the end of the period	503,932	268,677	503,932	268,677

*Cash and cash equivalents include cash and bank balances, fixed deposits less overdrafts.

1(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity, or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group 12 Months	Attributable to equity holders of the Company								Minority Interest	Total Equity
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 June 2010:										
At 1 July 2009	708,586	24,450	(85,035)	(179,943)	17,765	560,023	337,260	1,045,846	46	1,045,892
Profit for the period						359,469	359,469	359,469	280	359,749
Other comprehensive income for the period			(82,642)	(67,319)			(149,961)	(149,961)		(149,961)
Total comprehensive income for the period			(82,642)	(67,319)	-	359,469	209,508	209,508	280	209,788
Dividends on ordinary shares						(110,168)	(110,168)	(110,168)		(110,168)
Share-based expense					12,438		12,438	12,438		12,438
Issue of shares for cash	437,389						-	437,389		437,389
Issue of shares upon conversion of bonds	30,461	(3,149)					(3,149)	27,312		27,312
Issue of shares under the Scrip Dividend Scheme	14,114						-	14,114		14,114
Issue of shares on exercise of share option	11,031						-	11,031		11,031
Equity portion of convertible bonds		124,387					124,387	124,387		124,387
Acquisition of subsidiary company							-	-	(1,470)	(1,470)
At 30 June 2010	1,201,581	145,688	(167,677)	(247,262)	30,203	809,324	570,276	1,771,857	(1,144)	1,770,713
At 30 June 2009:										
At 1 July 2008	704,870	-	(84,434)	(325,878)	13,474	330,382	(66,456)	638,414	-	638,414
Profit for the period						252,029	252,029	252,029		252,029
Gain on buy-back of convertible bonds		(20,445)				20,445	-	-		-
Other comprehensive Income for the period			(601)	145,935			145,334	145,334		145,334
Total comprehensive Income for the period	-	(20,445)	(601)	145,935	-	272,474	397,363	397,363	-	397,363
Dividends on ordinary shares						(42,833)	(42,833)	(42,833)		(42,833)
Share-based expense					4,291		4,291	4,291		4,291
Issue of shares on exercise of share option	3,716						-	3,716		3,716
Equity portion of Convertible bonds		44,895					44,895	44,895		44,895
Acquisition of subsidiary company									46	46
At 30 June 2009	708,586	24,450	(85,035)	(179,943)	17,765	560,023	337,260	1,045,846	46	1,045,892

Company 12 Months	Attributable to equity holders of the Company							
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 June 2010:								
At 1 July 2009	708,586	24,450	(41,562)	(220,167)	17,765	440,779	221,265	929,851
Profit for the period						191,484	191,484	191,484
Other comprehensive income for the period			(66,081)	(44,236)			(110,317)	(110,317)
Total comprehensive income for the period		-	(66,081)	(44,236)	-	191,484	81,167	81,167
Dividends on ordinary shares						(110,168)	(110,168)	(110,168)
Share-based expense					12,438		12,438	12,438
Issue of shares for cash	437,389							437,389
Issue of shares up on conversion of bonds	30,461	(3,149)					(3,149)	27,312
Issue of shares under the Scrip Dividend Scheme	14,114							14,114
Issue of shares on exercise of share option	11,031							11,031
Equity portion of convertible bonds		124,387					124,387	124,387
At 30 June 2010	1,201,581	145,688	(107,643)	(264,403)	30,203	522,095	325,940	1,527,521
At 30 June 2009:								
At 1 July 2008	704,870	-	(84,230)	(291,729)	13,474	242,138	(120,347)	584,523
Profit for the period						221,029	221,029	221,029
Gain on buy-back of convertible bonds		(20,445)				20,445	-	-
Other comprehensive Income for the period	-	-	42,668	71,563	-	-	114,231	114,231
Total comprehensive Income for the period	-	(20,445)	42,668	71,562	-	241,474	335,259	335,259
Dividends on ordinary shares						(42,833)	(42,833)	(42,833)
Share-based expense					4,291		4,291	4,291
Issue of shares on exercise of share option	3,716						-	3,716
Equity portion of Convertible bonds	-	44,895					44,895	44,895
At 30 June 2009	708,586	24,450	(41,562)	(220,167)	17,765	440,779	221,265	929,851

Group 3 Months	Attributable to equity holders of the Company								Minority Interest	Total Equity
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 June 2010:										
At 1 April 2010	1,198,948	145,688	(59,466)	(267,725)	26,462	717,039	561,998	1,760,946	41	1,760,987
Profit for the period						92,285	92,285	92,285	285	92,570
Other comprehensive income for the period			(108,211)	20,463			(87,748)	(87,748)		(87,748)
Total comprehensive Income for the period			(108,211)	20,463	-	92,285	4,537	4,537	285	4,822
Share-based expense					3,741		3,741	3,741		3,741
Issue of shares up on conversion of bonds	32	-					-	32		32
Issue of shares on exercise of share option	2,601							2,601		2,601
Acquisition of subsidiary company								-	(1,470)	(1,470)
At 30 June 2010	1,201,581	145,688	(167,677)	(247,262)	30,203	809,324	570,276	1,771,857	(1,144)	1,770,713
At 30 June 2009:										
At 1 April 2009	705,018	25,686	(22,859)	(149,313)	16,871	514,378	384,762	1,089,780	-	1,089,780
Profit for the period						46,679	46,679	46,679	-	46,679
Gain on buy-back of convertible bonds		1,034				(1,034)				
Other comprehensive Income for the period			(62,176)	(30,630)			(92,806)	(92,806)		(92,806)
Total comprehensive Income for the period	-	1,034	(62,176)	(30,630)	-	45,645	(46,127)	(46,127)	-	(46,127)
Share-based expense					894		894	894		894
Issue of shares on exercise of share option	3,568						-	3,568		3,568
Equity portion of Convertible bonds		(2,270)					(2,270)	(2,270)		(2,270)
Acquisition of subsidiary company									46	46
At 30 June 2009	708,586	24,450	(85,035)	(179,943)	17,765	560,023	337,260	1,045,846	46	1,045,892

Company 3 Months	Attributable to equity holders of the Company							
	Share Capital	Capital Reserves	Foreign Currency Translation Reserves	Fair Value Adjustment Reserves	Share-based Compensation Reserves	Revenue Reserves	Total Reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 June 2010:								
At 1 April 2010	1,198,948	145,688	(86,158)	(267,915)	26,462	531,635	349,712	1,548,660
Profit for the period						(9,540)	(9,540)	(9,540)
Other comprehensive income for the period			(21,485)	3,512			(17,973)	(17,973)
Total comprehensive Income for the period		-	(21,485)	3,512	-	(9,540)	(27,513)	(27,513)
Share-based expense					3,741		3,741	3,741
Issue of shares up on conversion of bonds	32	-					-	32
Issue of shares on exercise of share option	2,601							2,601
At 30 June 2010	1,201,581	145,688	(107,643)	(264,403)	30,203	522,095	325,940	1,527,521
At 30 June 2009:								
At 1 April 2009	705,018	25,686	(137)	(276,582)	16,871	430,132	195,970	900,988
Profit for the period						11,681	11,681	11,681
Gain on buy-back of convertible bonds		1,034				(1,034)		
Other comprehensive Income for the period	-	-	(41,425)	56,416	-	-	14,991	14,991
Total comprehensive Income for the period		1,034	(41,425)	56,415	-	10,647	26,671	26,671
Share-based expense					894		894	894
Equity portion of Convertible bonds	-	(2,270)					(2,270)	(2,270)
At 30 June 2009	708,586	24,450	(41,562)	(220,167)	17,765	440,779	221,265	929,851

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Apr - Jun 10	Apr - Jun 09
Issue of Shares upon conversion of Bonds	31,524	-
Issue of shares on exercise of share options	1,580,200	2,584,000

	Jun 10	Jun 09
Shares to be issued upon exercise of:		
Conversion right of convertible bonds	335,082,514	118,371,958
Share options	112,241,316	56,300,825
Total no. of shares to be issued as at the end of period	447,323,830	174,672,783

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Jun 10	Jun 09
Issued, fully paid share capital :		
Balance no. of shares as at the beginning of period	1,715,894,324	1,713,212,824
Issue of Shares for cash	273,459,000	-
Issue of Shares under Scrip Dividend Scheme	5,633,004	-
Issue of Shares on conversion of Bonds	18,911,168	-
Addition on exercise of share options	6,862,209	2,681,500
Total no. of shares outstanding as the end of period	2,020,759,705	1,715,894,324

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

N/A

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The financial statements presented above have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

N/A

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The adoption of the new and revised accounting standards that became applicable from 1 July 2009 did not result in substantial changes to the Group accounting policies, which are consistent with those used in the audited financial statements as at 30 June 2009.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the changes.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 30 June 2009 except for the adoption of new or revised FRS and IFRS that are mandatory for financial years beginning on or after 1 July 2009. The adoption of these FRS and IFRS has no significant impact to the Group.

6. Earnings per ordinary share of the Group for the current financial period reported and for the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	Period Ended		Three Months Ended	
	30 Jun 10	30 Jun 09	30 Jun 10	30 Jun 09
(a) Based on weighted average no. of shares (cents/share)	17.92	14.71	4.58	2.72
(b) Based on fully diluted basis (cents/share)	14.81	12.38	3.16	1.21
Weighted average no. of shares applicable to basic earnings per share	2,007,397,130	1,713,478,345	2,020,076,368	1,714,019,491
Weighted average no. of shares based on fully diluted basis	2,318,223,801	1,825,925,914	2,390,090,658	1,820,939,808

7. Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	Group		Company	
	As at 30 Jun 10	As at 30 Jun 09	As at 30 Jun 10	As at 30 Jun 09
(In cents per share)				
Net asset value (NAV) per ordinary share based on issued share capital as at end of the period	71.32	53.52	75.17	53.67

The NAV for the Group before fair value adjustment reserve, goodwill and other intangibles increased from 71.44 cents/share in June 2009 to 99.92 cents /share in June 2010.

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:
 - (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Introduction

As supply chain managers, we are engaged in the sourcing, processing, warehousing, transportation, shipping, distribution and marketing of various agricultural commodities from the farm gate in the producing countries to the factory gate of our customers in the destination markets while managing the risks at each stage of the supply chain. From our founding in 1989, the Company has evolved from a single country, single product trader to a multi-country, multi-product supply chain manager. Today, Olam is a leading global integrated supply chain manager for 20 agricultural products and food ingredients, with operations in over 60 countries.

In that process of evolution and development, the Olam business model has grown both in depth as well as breadth, pursuing selected value chain adjacencies which both complement and enhance our core supply chain model.

The evolution of our business model over recent years has led us to develop new competencies as we have pursued our strategic goals, including the capabilities to identify, execute and integrate attractive acquisition opportunities in selected countries and within or adjacent to our core value chain activities. Successfully completed transactions have addressed opportunities in both the upstream and midstream parts of the value chain.

Building on existing and new capabilities has included careful expansion upstream into plantation ownership and management (perennial crops), farming (annual crops), dairy farming, and forest concessions management. These opportunities, both organic and inorganic, have been pursued in countries that have a comparative advantage to produce these commodities relatively better and at relatively lower costs on a sustainable basis. Pursuit of the more interesting opportunities in the upstream segment has led us to complete transactions in palm and rubber plantations in Africa, almond plantations in Australia, coffee plantation in Laos, peanut farming in Argentina, rice farming in Nigeria and Mozambique, cotton farming in Mozambique, dairy farming in Uruguay and the development of tropical forest concessions in Gabon and Mozambique.

Similarly, in the midstream part of the value chain, we pursued initiatives in both value added processing and manufacturing activities. In the integration initiatives aimed at enhancing the midstream part of our model, we have committed investments in wheat milling in Nigeria and Ghana, sugar milling and refining in India and Indonesia, cocoa processing in the Cote d'Ivoire and Nigeria, tomato paste manufacturing in California, dehydrates manufacturing in USA and China, peanut ingredient manufacturing in USA, palm refining in the Cote d'Ivoire, mechanical processing of cashews in the Cote d'Ivoire and Nigeria, cashew ingredients manufacturing in Vietnam and the USA, and spice grinding in Vietnam, amongst others.

In addition, Olam has also diversified into two new businesses which build on latent assets and capabilities that we have developed in the business over the last 20 years:

- i) The Commodity Financial Services business (CFS), which benefits from our deep understanding of both commodity and financial markets, as well as our capabilities and knowledge in leading-edge risk management practices; and
- ii) Packaged Foods distribution in West Africa, building our own consumer brands which capitalize on our existing knowledge of African markets and operations, brands, and consumers. The foundation for this downstream activity is our knowledge and capabilities related to the management of food supply chains and the common distribution pipeline that we have built for related commodity products (including rice, sugar, wheat flour and dairy products) in West Africa.
- iii) Another area that Olam has earmarked for future entry is to capitalize further on our extensive grower and supplier base in various producing countries by entering local markets to compete in the fertilizer manufacturing and distribution businesses, which are closely related to our in-country agricultural base.

Business Segmentation and Reporting

We organize the 20 products into 4 reporting segments. In addition to the products, we have also decided to add a 5th segment for activities related to CFS. The segmental reporting is described below:

Business Segment	Products
Edible Nuts, Spices & Beans	Cashews Peanuts Almonds Spices & Dehydrates Sesame Beans (Pulses, Lentils & Peas)
Confectionery & Beverage Ingredients	Cocoa Coffee Sheanuts
Food Staples & Packaged Foods	Rice Sugar Grains (Wheat, Barley, Corn) Palm Products Dairy Products Packaged Foods
Industrial Raw Materials (Earlier called the Fibre & Wood Products segment)	Cotton Wool Wood Products Rubber
Commodity Financial Services (CFS)	Market Making Risk Management Solutions Commodity Funds Management

We will only provide on an annual basis, additional information on the progress we are making on our various value chain initiatives across the three parts of the value chain as follows:

Business Segment	Products / Services
Supply Chain & Value Added Services (VAS)	This segment will include all activities connected with Origination, Sourcing, Primary processing, Logistics and Trading & Marketing (including VAS) of agricultural products and the CFS business
Upstream	This segment will include all activities relating to Farming (annual row crops), Plantations (perennial tree crops), Dairy Farming and Forest Concessions.
Midstream & Downstream	This segment will include all activities relating to secondary processing, contract manufacturing and branded distribution and private label activities

For Q4 FY2010 and Full Year FY2010 results, we have provided segmental information on the basis of the revised five segments.

In addition, we are providing information on the value chain initiatives across the three parts of the agribusiness value chain for the Full Year FY2010 results.

Background to analysing our Financial Statements

Profitability

- a. **Inclusion of results of companies acquired by the Group:** The results include the consolidated results of Industrias Martin Cubero (IMC), Olam Tomato Processors, Inc. (OTP) and Olam Almond Orchards (OAO), the acquisition of which completed during the financial year. As a result of the financial impact of these acquisitions, the consolidated results for FY2010 are not strictly comparable to the results of FY2009.
- b. **Gross and Net Contribution:** We measure and track our profitability in terms of Gross Contribution (GC) and Net Contribution (NC) per ton of product supplied. For every transaction, we target a minimum net contribution per ton of product supplied based on the investment, risks, complexities and value added services that we provide to our customers to meet their specific requirements. We are focused on enhancing these margins by providing value added services such as vendor managed inventory solutions (VMI), organic certification, traceability guarantees, fair trade produce certification (FTP), customised grades and quality, processed ingredients supply, proprietary market intelligence and risk management solutions.

GC is calculated as the sale of goods plus other income, less the cost of goods sold (raw material costs plus other direct costs, including packing costs etc.), shipping and logistics expenses, claims and commissions, bank charges, net measurement of derivative instruments, gain/loss on foreign exchange and share of gain/loss from jointly controlled entities/associates. For the purposes of determining Net Contribution, finance costs excluding interest on debt for fixed capital investments, net of interest income are reduced from the GC. For analyzing the performance of the group, share of jointly controlled entities/associates has been included in the GC and NC along with proportionate share of volumes. Due to the changes in the segmental reporting, the previous year numbers have been reclassified appropriately.

The computation for GC and NC for FY2010 and FY2009 is as under:

(in S\$'000)	Group		Group	
	Twelve Months Ended		Three Months Ended	
	30 Jun 10	30 Jun 09	30 Jun 10	30 Jun 09
Total Revenue	10,696,272	8,726,384	3,213,535	2,450,618
Add:				
- Share of gain from jointly controlled entities / associates	12,924	41,114	4,448	27,026
Less:				
- One off exceptional (gains) / losses & interest income	(139,888)	(119,545)	(8,017)	(7,977)
- Cost of goods sold, shipping and logistics, commissions and claims	(9,575,162)	(7,880,564)	(2,898,642)	(2,286,408)
- Net measurement of derivative instruments, gain / (loss) on foreign exchange, bank charges	66,137	1,105	41,437	(5,764)
Gross Contribution	1,060,283	768,494	352,761	177,495
Less:				
- Interest on working capital	(159,300)	(161,243)	(18,306)	(8,892)
Net Contribution	900,983	607,251	334,455	168,603

- c. **EBITDA:** We have decided to include Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and EBITDA margin as a measure to highlight the performance within the value chain integration initiatives. We believe that this measure would help better explain the results and progress of the Group going forward particularly in the upstream and midstream areas.
- d. **Volumes:** Volumes include proportionate share of volumes from the jointly controlled entities/associates. Volume is one of the key drivers to our profitability. Given our integration and end-to-end supply chain capabilities, we seek to match the supply of our products with demand from our customers. The volume of agricultural products that we supply is largely within our control and is a function of the strength of our supply chain infrastructure in the origins (producing countries) and the markets (consuming countries).

- e. **Seasonality:** The production of agricultural products is globally, seasonal in nature. The seasonality of the products in our portfolio depends on the location of the producing country. The harvesting season for most of the agricultural products for countries situated in the northern hemisphere generally falls between October and March. Countries in the southern hemisphere have harvesting seasons between April and September. It is also not unusual to experience both delays as well as early starts to the harvesting seasons in these countries based on actual weather patterns in a particular year. In addition to an early or delayed harvesting season, the precise timing and size of arrivals of these products can also vary based on the farmer's selling decisions,; these are mainly a function of the farmer's view on prices and inventory holding capacity. The majority of our origins are located in the northern hemisphere. Consequently, our earnings tend to be relatively higher in the Second Half of the Financial Year (January to June) compared to the First Half of the Financial Year (July to December).

Based on this seasonality, we have observed the phasing and range of our earnings to be as follows:

Q1 July - Sept	Q2 Oct - Dec	1 st Half July – Dec	Q3 Jan - March	Q4 Apr – June	2 nd Half Jan - June
5 – 10%	25 – 30%	30 – 40%	35 – 40%	25 – 30%	60 – 70%

Balance Sheet and Cash Flow Statement

Working capital is deployed to fund inventories, trade and other receivables, margin accounts with brokers, advance payments to suppliers, trade payables and accruals. Working capital needs fluctuates constantly due to changes in the volume and prices of agricultural products. This may cause either increase or decrease in funds allocated to operations. A large part (85%) of working capital is used to fund the liquid hedged inventories that meet four qualifying conditions:

- 1) *non perishability* (all commodities in Olam's portfolio are non perishable with shelf life of 2 years and above);
- 2) *limited obsolescence risk* (not easily substitutable or not likely to go out of style or fashion),
- 3) *hedged or sold forward* (no inventory value erosion risk as the inventory is hedged), and
- 4) *liquid* (can be converted into cash at short notice).

These inventories and secured receivables are therefore liquid assets and are regarded by us as near cash. Changes in working capital are therefore not permanent deployment of funds as this capital gets converted into cash when goods are delivered to customers or tendered on the Exchange and monies are collected.

Profit and Loss Statement

The Company has increased sales volume, sales revenue and net profit after tax by 22.5%, 21.7% and 42.7% respectively in FY2010 compared to FY2009 and by 37.2%, 28.5% and 98.3% respectively in Q4 FY2010 compared to Q4 FY2009.

During the period, the Company has completed the Purchase Price Allocation ("PPA") exercise for the recently acquired tomato paste manufacturing facility (OTP) in California and the Almond Orchards in Australia. This exercise resulted in an aggregate exceptional gain of S\$87.6 million in the form of negative goodwill (net of transactional expenses of S\$29.1 million and a one off impairment charges for certain ginning assets in the USA amounting to S\$1.4 million) as compared to a net exceptional gain of S\$69.8 million in FY2009.

Excluding the exceptional gains in both periods, net profit after tax increased by 49.3% from S\$182.2 million in FY2009 to S\$272.1 million in FY2010.

For the quarter, excluding the exceptional gains in both the periods, net profit after tax increased by 76.8% from S\$57.4 million to S\$101.5 million.

The demand for food raw materials and ingredients, which is made up of Edible Nuts, Spices and Beans, Confectionary and Beverage Ingredients and Food Staples and Packaged Foods accounted for 78.0% of our revenue in FY2010. Sales Volume for this segment increased by 21.9% in FY2010 compared to FY2009. The Net contribution (NC) for this segment increased by 43.3% in FY2010 compared to FY2009. NC per ton also increased by 17.5% to S\$119.0 per ton in FY2010 up from S\$101.3 per ton in FY2009.

The Industrial Raw Materials segment includes four agri-commodities, namely Cotton, Wool, Rubber and Wood Products. This segment accounted for the remaining 22.0% of our revenue in FY2010. Sales Volume for the segment increased by 24.9% in FY2010 compared to FY2009. The Net contribution for the segment increased by 47.6% in FY2010 compared to FY2009; NC per ton increased by 18.2% to S\$148.4 per ton from S\$125.6 per ton in FY2009.

As announced on 4th June 2010, the company set up Invenio Holdings to house its activities associated with the Commodity Financial Services (CFS) business, which makes up our 5th segment. From FY 2009, we will report on the results of these activities separately. This business contributed strongly in the current year, its first full year of operation, a NC of S\$25.1 million, a significant increase over the much lower start-up operations in FY2009.

The Company's acquisitions over the last 3 years have contributed strongly to its performance during FY2010. With the exception of our minority investments in PureCircle (the high intensity natural sweetener manufacturer) and Open Country Dairy (OCD), all other acquisitions and investments in JVs and Associates had a profitable year. These acquisitions have also significantly enhanced our competitive position and offer us strong platforms for continued future growth. The acquired businesses' share of NC has grown from 23.3% in FY2009 to 29.2% in FY2010 and the NC margin for the acquired businesses has improved from 13.4% in FY2009 to 16.1% in FY2010. The acquired businesses' share of EBITDA has grown from 12.5% in FY2009 to 34.0% in FY2010 with EBITDA margins for the acquired businesses improving from 5.1% to 12.6% in FY2010.

The split between the contribution from existing businesses and from the acquired businesses reflects an increasingly successful performance from inorganic growth initiatives. Relative contribution to our overall performance for FY2010 is given below:

(in S\$ '000)	FY 2010 Total	FY 2009 Total	FY2010		FY2009		% Increase	
			Existing Businesses	Acquired Businesses	Existing Businesses	Acquired Businesses	Existing Businesses	Acquired Businesses
Volume	7,006,478	5,720,640	5,676,851	1,329,627	4,784,400	936,240	18.7%	42.0%
Sales	10,455,032	8,587,932	8,820,735	1,634,297	7,529,432	1,058,500	17.2%	54.4%
NC	900,984	607,251	638,270	262,714	465,810	141,441	37.0%	85.7%
NC share %			70.8%	29.2%	76.7%	23.3%		
NC Margin %	8.6%	7.1%	7.2%	16.1%	6.2%	13.4%		
EBITDA	607,323	430,305	400,826	206,497	376,642	53,663	6.4%	284.8%
EBITDA share %			66.0%	34.0%	87.5%	12.5%		
EBITDA Margin %	5.8%	5.0%	4.5%	12.6%	5.0%	5.1%		

Segmentals Analysis

The following table provides the segmental breakdown on Sales Volume, Sales Revenue, Gross Contribution (GC) and Net Contribution (NC) for FY2010:

Cumulative

Segment	Sales Volume (in Metric Tons)		Sales Revenue (in S\$'000)		Gross Contribution (GC) (in S\$'000)		Net Contribution (NC) (in S\$'000)	
	Jun 10	Jun 09	Jun 10	Jun 09	Jun 10	Jun 09	Jun 10	Jun 09
Edible Nuts, Spices & Beans	1,107,875	975,937	1,489,434	1,200,076	228,685	173,893	210,854	155,137
Per ton (S\$)					206	178	190	159
Confectionery & Beverage Ingredients	1,287,957	1,169,601	4,080,307	3,783,126	290,364	241,829	222,817	168,456
Per ton (S\$)					225	207	173	144
Food Staples & Packaged Foods	3,207,224	2,451,161	2,589,545	2,139,621	260,062	165,566	233,897	141,941
Per ton (S\$)					81	68	73	58
Industrial Raw Materials*	1,403,422	1,123,941	2,295,746	1,465,109	255,692	186,632	208,334	141,143
Per ton (S\$)					182	166	148	126
Commodity Financial Services	-	-	-	-	25,481	574	25,082	574
Total	7,006,478	5,720,640	10,455,032	8,587,932	1,060,284	768,494	900,984	607,251
Per ton (S\$)					151	134	129	106

Quarter

Segment	Sales Volume (in Metric Tons)		Sales Revenue (in S\$'000)		Gross Contribution (GC) (in S\$'000)		Net Contribution (NC) (in S\$'000)	
	Jun 10	Jun 09	Jun 10	Jun 09	Jun 10	Jun 09	Jun 10	Jun 09
Edible Nuts, Spices & Beans	340,021	358,195	478,731	397,517	82,579	55,522	80,543	53,612
Per ton (S\$)					243	155	237	150
Confectionery & Beverage Ingredients	274,324	204,227	1,123,385	1,198,270	79,224	47,416	76,017	44,866
Per ton (S\$)					289	232	277	220
Food Staples & Packaged Foods	794,471	493,944	536,224	459,773	48,276	29,895	41,710	26,394
Per ton (S\$)					61	61	53	53
Industrial Raw Materials*	436,546	288,329	995,458	383,366	117,202	44,088	111,104	43,157
Per ton (S\$)					268	153	255	150
Commodity Financial Services	-	-	-	-	25,481	574	25,082	574
Total	1,845,362	1,344,695	3,133,798	2,438,926	352,762	177,495	334,456	168,603
Per ton (S\$)					191	132	181	125

*Sales volume for Wood Products is measured in cubic meters.

The **Edible Nuts, Spices & Beans segment** registered volume growth of 13.5%, revenue growth of 24.1%, GC growth of 31.5% and NC growth of 35.9% compared to FY2009. NC per ton in this segment grew an impressive 19.7% from S\$159 to S\$190 driven by the strong contribution from our new upstream and midstream initiatives, including Almond Orchards in Australia, Peanuts Ingredient Manufacturing in USA, Tomato Processing in California, Garlic and Onion Dehydration in China and USA, Spices Grinding in Vietnam and Sesame Hulling in Nigeria and India. In addition, there was strong and broad based contribution from the supply chain core business in Cashews, Spices & Dehydrates and Sesame.

The **Confectionery & Beverage Ingredients segment** also had an excellent year with a 10.1% growth in volumes, 20.1% growth in GC and a 32.3% growth in NC compared to FY2009. More importantly, this segment grew its NC per ton by nearly 20% from S\$144 in FY2009 to S\$173 in FY2010. The significant improvement in margins was underpinned by providing more value added services to our customers including supply of organic cocoa and coffee, certified cocoa and coffee, vendor managed inventory solutions, customized grades and qualities, risk management solutions and proprietary market intelligence. Our midstream cocoa processing margins in Nigeria and Spain also contributed to this margin uplift. In coffee, our upstream plantation initiative in Laos and our midstream soluble coffee manufacturing facility in

Vietnam are both tracking as per plan and the early positive results provide confidence in the potential of these two initiatives going forward.

The **Food Staples & Packaged Foods segment** has also had one of its best ever years with volume growing 30.8%, revenue by 21%, GC by 57.1% and NC by 64.8% compared to FY2009. NC per ton margin grew by a robust 25.9% to S\$73 from S\$58 in FY2009. This was a result of both improved mix and the success of our upstream and midstream integration initiatives including Palm plantations in West Africa, Rice Farming in Nigeria, Sugar Refining in Indonesia, Wheat Milling in Nigeria, Palm Oil Refining in Cote d'Ivoire and the strong increase in market share for our Packaged Foods Distribution business in West Africa. The Dairy business also saw a strong turnaround in its performance due to favorable market conditions.

The **Industrial Raw Materials segment** saw volume growth in FY2010 of 24.9%, GC growth of 37.0% and NC growth of 47.6% compared to FY2009. This segment constituted 20% of the Company's volumes, 22% of its revenues, 24.1% of its GC and 23.1% of its NC. NC per ton in this segment grew by an impressive 18.2% from S\$125.6 in FY2009 to S\$148.4 in FY2010. This was a result of very strong performance from Cotton, Wool, Wood Products and Rubber. Cotton particularly turned in a very strong and broad based performance across all its key origins including Australia, USA, Brazil, Africa, CIS, China and India. QCH contributed significantly to cotton's overall performance. The Cotton businesses' upstream initiative in Mozambique and its midstream ginning operations in Australia, USA, India and Africa along with its strong grower and customer relationships in key producing countries and destination markets supported this performance. We strengthened our wool business with the joining of the trading team from Western Wool Marketing in New South Wales to augment our existing networks of suppliers, customers and logistics in the wool business by leveraging on Western Wool's farmer and marketing franchise. The wood products business saw a sharp revival in volumes and margins reflecting the improving economic conditions in China and India during the year.

The **Commodity Financial Services (CFS) segment** has made a very strong debut and has contributed to 2.8% of the Group's NC and 3.4% of its EBITDA in FY2010. The segment's market making activities contributed strongly to this division's performance. CFS has also invested significantly in developing its risk management solutions business in FY2010 and this investment is expected to contribute from FY2011 onwards. The division also launched its first commodity fund, the 'Ektimo Commodity Relative Value Fund' on 1st July 2010. The fund has attracted a total of 30 investors and raised a total of US\$57 million. Olam has directly invested US\$30 million into this fund. The CFS business in its first full year of operations has demonstrated that it is a high return business with very low capital intensity both in terms of short term working capital as well as long term fixed capital requirements thereby generating very high returns (both ROIC and ROE). Since the CFS business given its current scope of activities does not trade price on a directional basis, it also uses limited risk capital.

Value Chain Integration initiatives

As outlined in page 11, please find below additional financial information on the various value chain initiatives.

Cumulative

Value Chain initiatives	Sales Revenue (in S\$'000)		Net Contribution (NC) (in S\$'000)		EBITDA (in S\$'000)	
	Jun 10	Jun 09	Jun 10	Jun 09	Jun 10	Jun 09
Supply Chain & VAS*	9,162,602	7,809,296	635,071	469,226	403,768	351,932
Margin (%)			6.9%	6.0%	4.4%	4.5%
Upstream	219,084	19,758	110,344	14,747	98,824	13,138
Margin (%)			50.4%	74.6%	45.1%	66.5%
Midstream & Downstream	1,073,346	758,878	155,569	123,278	105,541	65,234
Margin (%)			14.5%	16.2%	9.8%	8.6%
Total	10,455,032	8,587,932	900,984	607,251	608,133	430,304
Margin (%)			8.6%	7.1%	5.8%	5.0%

* Supply Chain & VAS includes earnings from CFS business

The **Supply Chain & Value Added Services (VAS)** part of the value chain contributed 87.6% of the Company's Sales, 70.5% of its NC and 66.5% of its EBITDA in FY2010. Revenues in FY2010 grew by 17.3% compared to FY2009. NC grew by 35.3% and NC per ton grew by 19.1 in FY2010. One of the key reasons for improving margins in this value chain segment was increased value added services being provided to our customers and broad based performance from all BUs.

The **Upstream** part of our business has performed strongly in FY2010 with NC growing by 648% to S\$110.4 million and EBITDA by 652% to S\$98.8 million, with results reflecting the impact of our targeted initiatives in this part of the value chain. In FY2010, we pursued 9 major upstream initiatives, of which 7 are already making visible contribution while 2 are still in the gestation phase. The 7 contributing initiatives upstream include Peanut Farming in Argentina, Almond Orchards in Australia, Palm Plantations in the Cote d'Ivoire, Rubber Plantations in the Cote d'Ivoire, Ghana and Nigeria, Rice Farming in Nigeria and Timber Forest Concessions in Gabon and Mozambique. The two early stage gestating upstream projects are: Coffee Plantation in Laos and Dairy Farming in Uruguay through NZFSU.

Nauvu our Joint Venture with Wilmar for Palm and Rubber in Africa contributed \$15.2 million of Net Profits to Olam's earnings in FY2010 generating an ROE of 27.1%. While this is still a creditable performance, it is lower than FY2009 primarily on account of lower sales due to delayed commissioning of the new refinery, basis risk losses and the accelerated depreciation of the old refineries. However, all planned operational improvements at the upstream end (yield, cost and quality improvements) and in the midstream segment (processing efficiencies and cost) are on track.

Our selective strategy of only investing upstream in plantations or farming in products and countries that have a comparative advantage to produce these commodities more cheaply or relatively better over the long term is allowing us to generate excess returns. We achieved EBITDA margins in FY2010 in the upstream activities of 45.1% in FY2010.

The **Midstream & Downstream** operations have contributed 17.3% of the Group's NC and 17.4% of its EBITDA in FY2010. This part of the value chain has grown NC by 26.3% to S\$155.7 million and EBITDA by 61.8% to S\$105.5 million in FY2010 compared to the prior year. EBITDA margins in midstream have improved from 8.6% in FY2009 to 9.8% in FY2010. A total of 19 initiatives in the midstream have been executed of which 14 are contributing while 3 are still in the gestation phase and 2 are trending below plans. Strong contributors to the FY2010 performance in the midstream & downstream area include Tomato Paste Manufacturing in USA, Peanuts Ingredients Manufacturing in USA, Sugar Refining in Indonesia, Wheat Milling in Nigeria, Cocoa Processing in Nigeria, Spices Grinding in Vietnam, Spices Dehydration in China and USA, Casein Processing in Poland, Rice Milling in India and the Packaged Foods Business. The investments that have been executed but are still in a gestation phase include soluble coffee manufacturing in Vietnam, Sugar Milling in India, roast ready and ingredient manufacturing in the USA, while PureCircle in Malaysia, Open Country Dairy (OCD) in New Zealand are tracking below Investment Thesis. Both PureCircle and OCD are expected to perform better in FY2011 and track our Investment Thesis from FY2012 onwards.

Costs and Expenses

Q4 FY2010: Overhead expenses S\$184.7 million for Q4 FY2010 was 68.5% higher than the corresponding quarter in FY2009, mainly on account of increased overheads for recently acquired businesses and for additional performance incentive provision in FY2010 compared to FY2009.

FULL YEAR: Overhead expenses increased by 37.4% to S\$521.9 million in FY2010 over the corresponding period in FY2009.

Taxation

Q4 FY2010: Taxes increased to S\$39.0 million for Q4 FY2010 as compared to a tax credit of S\$9.1 million for Q4 FY2009.

FULL YEAR: Taxes increased to S\$60.4 million for FY2010 as compared to S\$6.0 million for FY2009 mainly on account of increased profit in countries with higher tax rates including USA and Australia.

Net profit after tax

Q4 FY2010: Net profit after tax increased by 98.3% to S\$92.6 million for Q4 FY2010 from S\$46.7 million in Q4 FY2009. Excluding exceptional gains in both periods, profit after tax increased by 76.8% to S\$101.5 million from S\$57.4 million in FY 2009.

FULL YEAR: Net profit after tax increased by 42.7% to S\$359.7 million for FY2010 from S\$252.0 million in FY2009. Excluding exceptional gains in both periods, profit after tax increased by 49.3% to S\$272.1 million from S\$182.2 million in FY2009.

Balance Sheet & Cash Flow

During FY2010, the industry experienced volatility in the prices of various commodities. The application of Hedge Accounting provisions under FRS39 affects equity and fair value of derivative financial instruments under current assets and current liabilities. Since we participate in this industry as supply chain managers and not as positional/directional traders, market volatility, as in past periods, has had limited impact on the profitability of the Group.

Property, plant and equipment

During FY2010, property, plant and equipment increased from S\$517.4 million to S\$1,067.9 million. Of the increase of S\$536.6 million, S\$332.1 million was on account of the acquisition of the tomato processing assets in California, almond orchard assets purchase in Australia and the acquisition of Crown Flour Mills in Nigeria.

Intangible Assets

During FY2010, intangible assets increased from S\$127.5 million to S\$330.7 million. The increase is mainly on account of the investment in permanent water rights in Almond Orchards in Australia.

Investment in Associates

During FY2010, investment in associates increased from S\$106.5 million to S\$290.0 million. The increase is mainly on account of Olam's direct acquisition of an additional stake in PureCircle's placement of new shares. The Company also acquired Joint Venture partner, Wilmar's stake in PureCircle. The total investment in PureCircle is now S\$168.7 million.

The Company also invested S\$18.8 million representing an 18.35% equity investment in New Zealand Dairy Farming Systems Uruguay.

Current Assets

Debtors Analysis

Debtor days in FY2010 increased to 34 days as compared to 31 days as at 30 June 2009.

Stocks

Stock turnover days increased to 100 days as compared to 92 days as at 30 June 2009. Stock value increased by S\$571.5 million to S\$2,537.9 million from S\$1,966.4 million as on 30 June 2009. 86.4% of the stocks were sold forward to customers or hedged using financial derivatives.

Advance to Suppliers

Advance to Suppliers days decreased to 10 days in FY2010 from 13 days as at 30 June 2009. The advances decreased from S\$277.5 million in FY2009 to S\$248.5 million in FY2010.

Cash and Fixed Deposits

Cash and Fixed Deposits increased by 25.8% to S\$671.6 million as on 30 June 2010 from S\$533.8 million as on 30 June 2009.

Borrowings

Borrowings increased to S\$4,503.0 million as of end of June 2010 from S\$3,174.2 million as of 30 June 2009. This increase is in line with the growth in the business and investments in upstream and midstream assets. The borrowings net of cash and cash equivalents amounted to S\$3,831.5 million as compared to S\$2,640.4 million as at 30 June 2009. However Net Debt to Equity ratio came down from 2.15 in FY2009 to 1.90 in FY2010.

Non-current liabilities - Convertible Bonds

The amount in the balance sheet represents the debt component along with accrued interest for the outstanding Convertible Bonds of principal value US\$121.4 million issued in FY2009 and Convertible Bonds issued in Q2 FY 2010 with a principal value of US\$500 million. On 10th August, the Company issued notice to mandatorily convert all outstanding 1.2821% bonds into ordinary shares pursuant to the terms and conditions of the bonds. As of that date the aggregate principal amount of bonds outstanding was US\$59.8 and scheduled to be converted on a mandatory at a conversion price of S\$1.625 per share

Equity

Total share capital and reserves (before fair value adjustment reserve) increased by 64.6% from S\$1,225.8 million as of 30 June 2009 to S\$2,018.0 million as of 30 June 2010. Subsequent to the mandatory conversion of bonds, share capital & reserves (before fair value adjustment reserve) will be S\$2,097.1 million.

During FY2010, the Company issued 304,865,381 shares for cash, on conversion of bonds, exercise of share options and as part of the scrip dividend scheme.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast made by the Company.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

During the period, the Company announced a number of acquisitions. The completion of these transactions is subject to certain closing conditions and approvals from relevant authorities. As such, the outcome of these transactions is uncertain until these conditions and approvals are met or have been granted.

Given the performance recorded by the Group in FY2010 and the continued execution of its long term strategic growth plans, the Group is cautiously optimistic about its prospects for FY2011.

11. Dividend

- (a) Current Financial Period Reported On 30 June 2010

Any dividend recommended for the current financial period reported on?

Name of Dividend	Interim Dividend	Second & Final Dividend
Dividend Type	Cash	Cash
Dividend rate (in cents)	2.00	2.50
Tax rate	One-tier tax exempt	One-tier tax exempt

- (b) Corresponding Period of the Immediately Preceding Financial Year.

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	First & Final Dividend
Dividend Type	Cash
Dividend rate (in cents)	3.50
Tax rate	One-tier tax exempt

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

The dividend paid is tax exempt in the hands of shareholders.

- (d) Date payable

Subject to shareholders' approval at the Annual General Meeting to be held on 28 October 2010, the second & final dividend will be paid on 18 November 2010.

- (e) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of OLAM INTERNATIONAL LIMITED (the "Company") will be closed at 5.00 pm on 8th November 2010 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services (Pte) Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 8 November 2010 will be registered to determine shareholders' entitlements to the said dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 8 November 2010 will be entitled to the proposed dividend.

Payment of the dividend, if approved by the members at the Annual General Meeting to be held on 28 October 2010, will be made on 18 November 2010.

12. If no dividend has been declared/recommended, a statement to that effect.

N.A.

PART II: Additional information required for Full Year announcement
(This part is not applicable to Q1, Q2, Q4 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(in S\$000's)	Edible Nuts, Spices & Beans		Confectionery & Beverage Ingredients		Food Staples & Packaged Foods		Industrial Raw Materials		Commodity Financial Services		Consolidated	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Segmental Revenue	1,489,434	1,200,076	4,080,307	3,783,126	2,589,545	2,139,621	2,295,746	1,465,109	-	-	10,455,032	8,587,932
Segmental Results	109,548	82,243	132,416	117,515	111,386	47,010	151,448	100,060	20,622	564	525,420	347,392
Finance Cost											(205,786)	(220,307)
Other income											87,637	89,825
Share of result from jointly controlled entities											12,924	41,114
Profit before tax											420,195	258,024
Tax (expense) / credit											(60,446)	(5,995)
Minority interest, net of taxes											(280)	-
Profit after tax attributable to equity holders of the Company											359,469	252,029

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

N.A

15. A breakdown of sales.

	FY 2010	FY 2009	% Increase / (Decrease)
Sales for 1st Half	4,609,714	3,859,654	19.4%
Net Profit 1st Half	177,900	118,324	50.3%
Sales for 2nd Half	5,845,318	4,728,278	23.6%
Net Profit 2nd Half	181,849	133,705	36.0%

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Full year 30 June 2010 (in S\$'000)	Full year 30 June 2009 (in S\$'000)
Ordinary	90,934	69,627
Preference	-	-
Total	90,934	69,627

On behalf of the Board of Directors

R. Jayachandran
Chairman

Sunny George Verghese
Group Managing Director & CEO

26 August 2010