



NEWS RELEASE

PRESIDENT GOODLUCK EBELE JONATHAN COMMISSIONS OLAM NIGERIA'S INTEGRATED RICE MILL

Lagos, July 14, 2014 – Olam International Limited (“Olam”), a leading agri-business operating across the value chain in 65 countries, today welcomed His Excellency President of the Federal Republic of Nigeria, **Goodluck Ebele Jonathan**, GCFR, to inaugurate Olam’s state-of-the-art rice mill at its large-scale pioneering rice farm in Nigeria’s Nasarawa State.

The integrated rice milling facility is situated at the heart of Olam’s 6,000-hectare greenfield irrigated and mechanised paddy farm, and will provide 36,000 metric tonnes (MT) of milled rice per annum to the domestic market, contributing to the Federal Government’s goal to improve rice self-sufficiency. With 3,000 hectares already under cultivation and a further 3,000 hectares to be developed in 2015, the farm is expected to harvest two crops per annum with four varieties of high-yield rice developed in partnership with the West African Rice Development Association.

Together the farm and the mill are expected to boost smallholder rice production in the region through a ‘nucleus and outgrower farming model’. Surrounding rice-growing communities are supported by Olam with training, pre-finance, agri-inputs and marketing linkages in order to improve their paddy yields and realisations, which are then purchased by Olam at a fair market price. Currently 3,000 farmers are engaged in the programme, with a target of 16,000 by 2018. Ultimately, 20,000 smallholder farmers will supply 30-40% of the mill’s capacity. The commercial farm itself employs up to 1,000 workers depending on seasonality, providing another source of training in Good Agricultural Practices (GAP). The model was highlighted as a catalytic innovation in African agriculture by the Rockefeller Foundation in 2013.

Venkataramani Srivathsan, Olam’s Managing Director for Africa and Middle East, commented: “This mill, commissioned today by President Goodluck Ebele Jonathan, characterises three important aspects of Olam’s commitment to the agricultural sector in Nigeria. Firstly, it demonstrates how large-scale corporate farms can work hand in hand with smallholders to help advance Nigeria’s Agricultural Transformation Agenda and generate rural prosperity through local processing. Secondly, it underlines the country’s ability to grow high quality, nutritious rice that can enhance domestic food security by providing an alternative to imports. Thirdly, as Olam kicks off its 25th anniversary celebrations this month, this investment is a testament to our ongoing commitment to Nigeria, the country where Olam was founded.”



He continued: “As we witness this inauguration, we are pleased to announce our plans to increase our acreage in Nasarawa up to 10,000 hectares. This will bring Olam’s total investment in the integrated farm and milling facility to over Naira 18.0 billion.”

Attending and presenting the opening speech at the inauguration, President Goodluck Ebele Jonathan remarked: “The private sector is responding strongly to our rice policy, as the number of rice mills has grown from just one three years ago to 18 today.”

The President further added: “Our goal of making Nigeria a net exporter of rice will be achieved faster by encouraging large commercial farms that will complement our small-scale farmers. Large mechanised rice farms like Olam’s 6,000-hectare farm will not only boost food production but also provide significant opportunities for jobs in rural areas. These mills are producing high quality local rice that meets international standards and competes well with imported rice.”

Dr. Akinwumi Adesina, Minister of Agriculture of Nigeria commented: “Nigeria is driving a rice policy that will turn it away from being a rice importing country to a major rice exporter. The investment by Olam in a commercial rice farm and integrated rice mill will help boost domestic production and milling of international quality grade rice in Nigeria. This is a clear demonstration that our approach of taking agriculture as a business, while enabling the private sector to drive growth of the agriculture sector, is working.”

Olam Nigeria Country Head, Mukul Mathur, concluded: “In 25 years, Olam is proud to have been a part of Nigeria’s development of strong export supply chains for world markets. Olam was one of the first to export sesame from Nigeria – and now Nigeria is one of the world’s biggest suppliers. Today we hope that the success of our rice model will kick-start domestic production in a similar manner, unlocking the opportunity for businesses and smallholders alike, and reducing Nigeria’s need to import 1.9 million tonnes of rice each year.”

Olam Nigeria employs over 2,500 direct employees, 6,000 contract workers and sources from over 500,000 Nigerian rice, cocoa, cashew, sesame and cotton farmers. Olam’s businesses range from wheat milling to manufacturing and distribution of tomato paste and dairy drinks amongst others.

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About Olam Nigeria

Olam Nigeria is a leading agri-business company in Nigeria, working throughout the value chain from growing and sourcing raw commodities, processing, export and distribution, to the manufacture of consumer packaged foods. Olam International was founded in Nigeria in 1989, and today Olam Nigeria is a fully owned subsidiary of Olam International Limited. From sourcing cashews at the farm gate 25 years ago, Olam Nigeria has expanded into cocoa, sesame, cotton, rice, wheat milling (Crown Flour Mills) and packaged foods including biscuits, candy, confectionery (OK Foods), juices, beverages (Ranona Nigeria Ltd), breakfast foods and kitchen ingredients such as tomato paste (Caraway Foods Ltd). Olam Nigeria has been the largest non-oil exporter in the country for the last 10 years, and has won the Presidential Export Awards Overall Best Non-Oil Exporter of the Year for three consecutive years. Other accolades include the UNDP World Business Award 2008, ICC World Business Award 2010 and the Africa Business Award for Excellence in CSR 2011.

More information can be found here: <http://olamgroup.com/locations/west-central-africa/nigeria/>. Olam Nigeria Head Office is located at Plot 5 & 6, Abebe Village Road, Opp. FBN Regional Office, Iganmu, Lagos, Nigeria, Telephone: +234 1 791 2194.

About Olam International

Olam International is a leading agri-business operating across the value chain in 65 countries, supplying various products across 16 platforms to over 13,600 customers worldwide. From a direct presence with sourcing and processing in most major producing countries, Olam has built a global leadership position in many of its businesses. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam 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.olamgroup.com. Olam is located at 9 Temasek Boulevard #11-02 Suntec Tower Two Singapore 038989, Telephone: +65 63394100, Facsimile: +65 63399755.

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