NEWS RELEASE

OLAM REPORTS Q1 FY2015 PATMI OF S$44.3 MILLION

- PATMI for Q1 FY2015 was 2.9% lower YoY at S$44.3 million. Excluding exceptional gains, Operational PATMI declined 29.4% to S$32.2 million

- EBITDA declined 11.9% to S$219.4 million due to adverse price movement in the hazelnuts and dairy businesses, coupled with execution challenges in upstream dairy

- These results included net bio losses of S$15.9 million versus net bio gains of S$3.3 million in Q1 FY2014

- 15 completed strategic initiatives have released cash of S$635.4 million against FY2016 target of S$1.5 billion. 3 announced initiatives to release further cash of S$313.1 million in FY2015

- Net gearing at 1.85 times in line with FY2016 objective of < 2.0 times, despite increase in commodity prices

Consolidated Financial Results ended 30 Sept	**Q1 FY2015**	**Q1 FY2014**	**% Change**
Sales Volume ('000 MT)	3,134.2	3,668.7	(14.6)
Sales Revenue (S$ million)	4,298.6	4,321.0	(0.5)
EBITDA (S$ million)	**219.4**	**248.9**	**(11.9)**
PAT (S$ million)	41.9	43.2	(3.1)
PATMI (S$ million)	**44.3**	**45.6**	**(2.9)**
Operational PATMI (S$ million)	**32.2**	**45.6**	**(29.4)**

Singapore, November 14, 2014 – Olam International Limited ("Olam", "the Group" or "the Company"), today reported its first quarter FY2015 results.

For the three months ended September 30, 2014 ("Q1 FY2015"), volumes declined 14.6% as a result of discontinued and restructured operations. Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") were down 11.9% to S$219.4 million compared with the corresponding period in FY2014. This was mainly driven by adverse price movements in the hazelnuts and dairy businesses, coupled with execution challenges in upstream dairy. Excluding the impact from these businesses, overall EBITDA grew as compared to the prior corresponding period.

Profit After Tax and Minority Interest (PATMI) for Q1 FY2015 was down 2.9% to S$44.3 million. Excluding a net exceptional gain of S$12.1 million, Operational PATMI declined by 29.4% to S$32.2 million. These results included an overall reduction in fair value of biological assets of S$19.2 million from a net gain of S$3.3 million in Q1 FY2014 to a net loss of S$15.9 million in Q1 FY2015.

Olam reported negative Free Cash Flow to Firm ("FCFF") of S$54.6 million compared to a positive S$46.0 million in Q1 FY2014, driven largely by a S$72.6 million increase in working capital, resulting from higher commodity prices in the Confectionery & Beverage Ingredients and Edible Nuts, Spices & Vegetable Ingredients segments.

Despite the increase in working capital, gearing of 1.85 times as at the end of Q1 FY2015 was in line with the FY2016 objective of below 2.0 times.

Olam's Group Managing Director and CEO, Sunny Verghese said: "With 15 of our announced 18 initiatives completed, we remain focused on executing our strategic plan. We continue to invest selectively in platforms prioritised for growth and we are confident that our investments, many of which are still in gestation, will be significant contributors going forward."

Strategic Plan Update

Since the strategic plan was launched in April 2013, Olam has announced 18 initiatives. Of these, 14 were completed in FY2013 and FY2014. In Q1 FY2015, Olam sold its dairy processing unit in Côte d'Ivoire to Royal FrieslandCampina, which resulted in a net exceptional gain of S$12.1 million and a cash release of S$31.5 million.

These 15 completed initiatives have released cash of S$635.4 million, generated a P&L gain of S$106.1 million and added S$16.5 million directly to capital reserves. Three more initiatives are expected to close within this financial year, and are likely to release further cash of approximately S$313.1 million, generate a P&L gain of approximately S$22.4 million and add approximately S$118.8 million directly to capital reserves. *(A summary of the initiatives and details about the strategic plan can be found in the Management Discussion and Analysis statement.)*

Segmental Review

Olam's Executive Director of Finance and Business Development, A. Shekhar said: "The seasonality of our business makes the first quarter traditionally a modest contributor for the year. Lower volumes reflected our deliberate actions to discontinue and restructure lower margin operations. While the hazelnuts and dairy businesses underperformed for the quarter, the growth trajectory in operational performance and EBITDA across the rest of the portfolio was maintained.

"In addition to the focus on improving operating performance, we have taken steps to optimise the tenor and reduce the overall cost of debt."

Q1 FY2015

Segment	Sales Volume		Revenue		EBITDA	
	Q1 FY2015	Q1 FY2014	Q1 FY2015	Q1 FY2014	Q1 FY2015	Q1 FY2014
Edible Nuts, Spices & Vegetable Ingredients	454.5	456.3	837.0	760.5	77.8	99.4
Confectionery & Beverage Ingredients	306.6	314.9	1,216.1	921.5	53.8	53.4
Food Staples & Packaged Foods	1,972.1	2,527.0	1,402.2	1,710.7	68.9	87.6
Food Category	**2,733.2**	**3,298.2**	**3,455.3**	**3,392.7**	**200.5**	**240.4**
Industrial Raw Materials (IRM)	401.0	370.5	843.3	927.9	15.4	16.8
Commodity Financial Services (CFS)	N.A.	N.A	0.0	0.4	3.4	(8.3)
Non-Food Category	**401.0**	**370.5**	**843.3**	**928.3**	**18.8**	**8.5**
Total	**3,134.2**	**3,668.7**	**4,298.6**	**4,321.0**	**219.4**	**248.9**

Volume in '000 metric tonnes; Revenue & EBITDA in S$ million

The **Edible Nuts, Spices & Vegetable Ingredients** segment posted a 10.1% growth in revenues despite flat volumes compared to a year ago. EBITDA however declined 21.7%. While the almonds, peanuts and US vegetable businesses continued to perform well and the cashew and tomato businesses recorded improved performance, the segment's overall performance was impacted by the hazelnut business in Turkey and to a smaller extent the spices business in Vietnam.

A crop shortage in Turkey due to weather-induced conditions had caused a sharp increase in procurement prices for hazelnuts, affecting the cost structure and margins during the period, which is likely to continue into Q2 FY2015. However, trading conditions have now improved with selling prices adjusting to the revised cost structure and margins are expected to normalise from Q3 FY2015 onwards.

The **Confectionery & Beverage Ingredients** segment recorded a 2.6% drop in volumes while revenues increased 32.0% due to higher commodity prices in the first quarter of FY2015 compared with a year ago. Despite lower volumes, increased contribution from midstream processing assets helped to maintain EBITDA during the quarter.

Food Staples & Packaged Foods volumes and revenues declined by 22.0% and 18.0% respectively YoY primarily due to the sale of the 80.0% stake in the Australian grains business and the closure of the grains desk in South Africa. The wheat milling, packaged foods, sugar and rice businesses performed well, but overall EBITDA for the segment declined by 21.3% due to the impact of discontinued operations in grains and the underperformance of the Uruguay dairy farming operations. The segment's performance was also impacted by lower contribution from its investment in SIFCA due to lower palm prices, and by the volatility of the Ghanaian cedi.

The **Industrial Raw Materials** segment recorded a YoY growth of 8.2% in sales volumes, driven by cotton, fertiliser and rubber. Revenues fell 9.1% on account of lower prices and a change in business mix. EBITDA declined by 8.3% as higher contribution from cotton and wood products was offset by weaker results from rubber and fertiliser.

EBITDA from the **Commodity Financial Services** swung from a loss of S$8.3 million a year ago to a positive S$3.4 million in Q1 FY2015 as both the market-making and risk management solutions divisions as well as the fund management business performed better post their restructuring in FY2014.

Outlook and Prospects

The long-term trends in the agri-commodity sector remain attractive, and Olam is well-positioned to benefit from this as a core global supply chain business with selective integration into higher value upstream and mid/downstream segments. Olam believes its diversified portfolio with leadership positions in many segments provides a resilient platform to navigate uncertainties in global markets.

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***Notes to the Editor**:*

This release should be read and understood only in conjunction with the full text of Olam International Limited's Q1 FY2015 Financial Statements and Management Discussion and Analysis lodged on SGXNET on November 14, 2014.

The strategic plan for the period FY2014-2016 announced after Olam's strategy review in 2013 is premised on "rebalancing profitable growth and cash flow" with the view of generating and sustaining positive Free Cash Flow to Firm (FCFF) assuming constant prices.

Year-to-date figures are a better reflection of the Group's performance as it experiences seasonality in earnings from quarter to quarter due to its participation in upstream, midstream and supply chain management of agricultural commodities across the Northern and Southern hemispheres.

About Olam International Limited:

Olam International is a leading agri-business operating across the value chain in 65 countries, supplying various products across 16 platforms to over 13,800 customers worldwide. From a direct sourcing and processing presence 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 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. Olam is located at 9 Temasek Boulevard #11-02 Suntec Tower Two Singapore 038989, Telephone: +65 63394100, Facsimile: +65 63399755.

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