



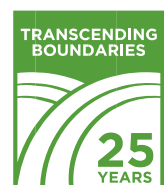
NEWS RELEASE

OLAM INTERNATIONAL TO ACQUIRE ADM'S WORLDWIDE COCOA BUSINESS FOR US\$1.3 BILLION TO CREATE A LEADING GLOBAL INTEGRATED COCOA BUSINESS

- Establishes Olam Cocoa as one of the world's top three cocoa processors focused on the supply of cocoa liquor, powder, and butter, with strong manufacturing, R&D and product development skills
- Acquires *deZaan*® brand, as well as the Joanes® and UNICAO® brands, with a strong franchise of more than 2,150 customers globally
- Creates a global platform with origination footprint in every key producing origin with leading proprietary research, trading and risk management skills
- Continues to differentiate as a world leader in sustainable cocoa
- Benefits from economies of scale across entire value chain with expected synergies of US\$35.0 - 40.0 million
- The transaction is expected to be earnings, returns and free cash flow accretive in the first full year post closing (FY2016). It is also expected to have substantial financial impact going forward with segmental EBITDA growth of between 86%-95%, overall Company EBITDA growth of between 20%-22% and Net Income and EPS growth of between 25%-30% by FY2018 compared to FY2014
- The proposed acquisition has the support of our major shareholders Breedens Investments Pte Ltd and Aranda Investments Pte Ltd (both indirect wholly-owned subsidiaries of Temasek (Holdings) Private Limited)

Singapore, December 16, 2014 – Olam International Limited (“**Olam**” or “**the Company**”) a leading agri-business operating across the value chain in 65 countries, today announces that it has agreed to acquire the global cocoa business of Archer Daniels Midland Company (“**ADM**”) at an enterprise value on a cash and debt free basis of US\$1.3 billion, comprising fixed assets of US\$550.0 million and working capital of US\$750.0 million, subject to closing adjustments.

One of the world's largest processors and suppliers of cocoa liquor, powder and butter, ADM's worldwide cocoa business (“**ADM Cocoa**”) comprises cocoa processing assets made up of 8 factories with total capacity of 600,000 MT, 10 warehouses, 2 usines, 4 innovation centres, the iconic *deZaan*® brand and its 2,150 plus customer franchise, and a marketing network across 16 countries. The acquired business does not include assets under ADM's global chocolate business. Over 1,500 ADM Cocoa employees including 30 R&D professionals will join the combined cocoa entity as part of the transaction.





Olam’s Co-Founder, Group MD and CEO, Sunny Verghese said: “With Cocoa being a prioritised platform for investment, this proposed acquisition represents a transformational opportunity for Olam Cocoa to become an integrated global leader in a market with attractive growth prospects.”

Investment Rationale and Benefits of the Acquisition

One of the world’s largest suppliers of cocoa beans, Olam’s Cocoa business (“**Olam Cocoa**”) is one of six prioritised platforms identified “to invest and grow” in its strategic plan. With farm-gate origination, sustainability programmes, trading and export presence in all major cocoa origins, except Brazil, in recent years, Olam Cocoa has integrated its supply chain by investing in origin processing in Côte d’Ivoire and Nigeria, and in value-added processing facilities in Spain and the UK.

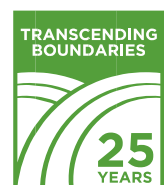
The proposed acquisition is expected to enhance value for all of Olam’s stakeholders as it transforms Olam Cocoa into:

- A market leading global integrated player with an origination footprint in all key producing origins, including Brazil; and
- One of the world’s top three cocoa processors. The combined capacity will be approximately 700,000 MT as 8 midstream processing facilities from ADM Cocoa in the Netherlands, Germany, Brazil, Singapore, Ghana, Côte d’Ivoire and Canada are added to Olam Cocoa’s existing midstream processing portfolio.

Underpinned by strong manufacturing, R&D and innovation capabilities in customer applications (such as confectionery, beverage and bakery), the portfolio of assets will enable Olam Cocoa to capitalise on the current and future demand for cocoa products driven by steady consumption in the large developed markets of Europe and the USA, coupled with a rapidly increasing demand for sustainable high quality cocoa products in Asia and other emerging markets.

It will also benefit from operating leverage and scale as the combined business optimises its procurement, manufacturing, logistics, warehousing, trading and risk management systems, and working capital utilisation by integrating its entire operation.

Olam’s Managing Director and Global Head of Cocoa, Gerard Manley said: “Today we have created a clear path to achieving our goal to fully integrate our supply chain strengths with the global manufacturing and R&D capability of ADM Cocoa to provide a seamless offering to our customers. Having worked in cocoa for 30 years, I recognise the value of the *deZaan*® cocoa brand and the high regard in which it is held, thanks to its tradition of excellence and 100 year heritage. The experience and expertise of both companies combined will enable us to attain our expected synergies as we move quickly to integrate our businesses.”





Financial Impact of the Acquisition

The purchase consideration of US\$1.3 billion will be financed through a combination of cash and existing debt facilities.

The run-rate synergy potential is expected to range between US\$35.0 million and US\$40.0 million across cost and revenue synergies which are expected to be achieved within two years from closing.

Olam is likely to incur one-off integration costs of approximately US\$17.0 million in the first two years after the close of the transaction. In addition, the Company expects to incur one-off transaction costs of approximately US\$12.0 million in FY2015.

The transaction is expected to be earnings and returns accretive, as well as free cash flow positive in the first full year post closing (FY2016).

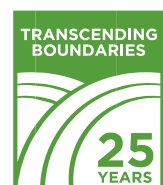
At steady-state in FY2018, Olam expects to achieve between US\$180.0 million and US\$200.0 million in EBITDA from this transaction and deliver a net income growth and EPS growth (assuming no dilution) for the Company of between 25% and 30% compared to FY2014. The expected EBITDA/IC for the Company will be within Olam's target midstream value chain returns of 13-16%.

Olam's Executive Director of Finance and Business Development, A. Shekhar said: "The acquisition of ADM's cocoa business has the potential to nearly double the EBITDA for the confectionery and beverage ingredients segment and add substantially to the midstream value chain and the overall Company by FY2018. It is also expected to improve EBITDA/IC returns starting from the first full year post closing and exceed the return target for the midstream value chain by FY2018 on a standalone basis."

A. Shekhar added: "Our strategic plan targets to generate positive free cash flow and operate within our gearing objective at or below 2.0 times for FY2016 remain intact, subject to commodity prices. We are also unlikely to make any further substantial acquisitions for the rest of the current financial year (FY2015). Organic capex will continue as envisaged in our strategic plan".

Closing Conditions

The transaction is subject to conditions including the necessary regulatory approvals and clearances and customary closing conditions. The Company has sought, and the SGX-ST has granted, to the Company a waiver of the shareholders' approval requirement for this transaction. (Please see the Company's announcement also released today on the "Grant of Waiver from compliance with Rule 1014 of the Listing Manual".)





The proposed acquisition has the support of Olam's major shareholders Breedens Investments Pte Ltd and Aranda Investments Pte Ltd (both indirect wholly-owned subsidiaries of Temasek (Holdings) Private Limited).

The transaction is expected to close between April and June 2015.

J.P. Morgan is the financial advisor to Olam in this transaction.

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Notes:

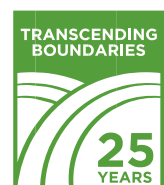
This release should be read and understood only in conjunction with the full text of Olam International Limited's Announcement and Presentation on this transaction lodged on SGXNET on December 16, 2014.

About Olam Cocoa

As a global supply chain manager with a deep presence in the origins and marketing presence in major consuming markets, Olam Cocoa has developed strong customer relationships by providing value-added solutions, such as traceability, vendor-managed inventory solutions and certified and sustainable cocoa products. It has also recently invested upstream by acquiring a cocoa plantation in Indonesia. It is one of the world's largest supplier of sustainable cocoa and a leader in long-term sustainability initiatives, either Olam-led or in partnership with a range of customers, NGOs and foundations in the origins.

About Olam

Olam 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), 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.





About ADM

De Zaan®, Joanes® and UNICAO® are Registered Trade Marks of ADM

For more than a century, the people of ADM Company (NYSE: ADM) have transformed crops into products that serve the vital needs of a growing world. Today, ADM is one of the world's largest agricultural processors and food ingredient providers, with more than 33,000 employees serving customers in more than 140 countries. With a global value chain that includes more than 470 crop procurement locations, 285 ingredient manufacturing facilities, 40 innovation centers and the world's premier crop transportation network, ADM connects the harvest to the home, making products for food, animal feed, chemical and energy uses. Learn more at www.adm.com.

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