NEWS RELEASE

OLAM REPORTS Q2 2015 PATMI UP 197.6% TO S$94.7 MILLION

- PATMI in Q2 2015* up 197.6% year-on-year to S$94.7 million while PATMI for H1 2015* declined 70.6% to S$126.0 million due to the previously reported exceptional items

- Operational PATMI (excluding exceptional items) in Q2 2015 and H1 2015 increased 96.3% and 48.3% to S$95.2 million and S$223.7 million respectively

- EBITDA in Q2 2015 increased 6.1% to S$285.1 million with continued growth across most platforms while EBITDA in H1 2015 grew 1.9% as the decline in contribution from Food Staples & Packaged Foods and Industrial Raw Materials offset the growth in EBITDA from the other three segments

- Generated positive Free Cash Flow to Firm of S$135.0 million in H1 2015

- Net gearing of 1.82 times in line with 2016 goal of 2.0 times or lower

- Board declares interim (one-tier tax exempt) dividend of 2.5 cents per share

Consolidated Financial Results for the period ended June 30 (S$ million)	**H1 2015**	**H1 2014**	**% Change**	**Q2 2015**	**Q2 2014**	**% Change**
Volume ('000 MT)	5,586.7	7,516.3	(25.7)	2,903.8	3,498.3	(17.0)
Revenue	9,132.7	10,594.0	(13.8)	4,811.6	5,757.7	(16.4)
EBITDA	**615.2**	**604.0**	**1.9**	**285.1**	**268.7**	**6.1**
PAT	118.4	467.8	(74.7)	90.8	74.8	21.3
PATMI	**126.0**	**428.0**	**(70.6)**	**94.7**	**31.8**	**197.6**
Operational PATMI	**223.7**	**150.8**	**48.3**	**95.2**	**48.5**	**96.3**

Singapore, August 14, 2015 – Olam International Limited ("Olam", "the Group" or "the Company") today reported strong underlying performance for the quarter ("Q2 2015") and six months ended June 30, 2015 ("H1 2015")*.

* *The Company has changed its fiscal year-end from June 30 to December 31. The quarters and half years ended June 30, 2015 and June 30, 2014 are now referred to Q2 2015, H1 2015, Q2 2014 and H1 2014 respectively. See additional explanation in the "Notes to the Editor".*

For Q2 2015, Operational Profit After Tax and Minority Interest ("Operational PATMI"), which excludes exceptional items, nearly doubled to S$95.2 million from S$48.5 million in the previous corresponding period ("Q2 2014"). Reported PATMI nearly tripled to S$94.7 million from S$31.8 million in Q2 2014.

The Group's Earnings Before Interest, Tax, Depreciation, and Amortisation ("EBITDA") grew 6.1% year-on-year to S$285.1 million as four out of five segments registered growth.

Sales volumes and revenues declined 17.0% and 16.4% respectively as part of the Company's strategy to grow in prioritised platforms while reducing volumes or exiting lower-margin businesses.

The results included a net loss of S$19.2 million on the fair valuation of biological assets compared to a net gain of S$17.1 million in Q2 2014.

For H1 2015, Olam demonstrated its strong underlying fundamentals as Operational PATMI increased by 48.3% year-on-year to S$223.7 million. Reported PATMI declined 70.6% from S$428.0 million a year ago to S$126.0 million largely because of the previously reported exceptional items during the two periods. In H1 2014, Olam booked net exceptional gains of S$277.2 million from the revaluation of Olam's stake in PureCircle Limited and the sale-and-leaseback of its Australian almond assets, while H1 2015 included a net exceptional loss of S$97.7 million mainly from the buyback of bonds, which is expected to generate cost savings of S$55-60.0 million annually over the next three years.

EBITDA grew 1.9% year-on-year to S$615.2 million as growth from three of its five business segments was offset by a decline in contribution from the Food Staples & Packaged Foods and Industrial Raw Materials segments.

Sales volumes and revenue were lower by 25.7% and 13.8% respectively than a year ago as Olam continued to execute on its business strategy and grow in prioritised platforms while it reduced volumes or exited from lower-margin businesses.

The results included a net loss of S$33.9 million on the fair valuation of biological assets compared to a net gain of S$8.4 million in H1 2014.

Olam has completed 20 strategic initiatives under its strategic plan announced in April 2013, which released cash of S$966.1 million, generated a P&L gain of S$125.2 million and added S$154.2 million to capital reserves. This includes the sale of a 25.0% stake in the Packaged Foods business to Sanyo Foods, which was completed in Q1 2015, releasing cash of S$219.1 million and adding S$106.2 million to reserves.

Olam reported positive Free Cash Flow to Firm ("FCFF") of S$135.0 million in H1 2015 even after it recorded the investment outlay from the acquisition of McCleskey Mills Inc. ("MMI"), which was not part of strategic plan Capex guidance. This was because a combination of higher operating cash flow, divestment cash flows and lower working capital being deployed helped offset the higher gross Capex.

Net gearing as at June 30, 2015 was 1.82 times, in line with the 2016 target of 2.0 times or lower.

The Board of Directors has declared an interim (one-tier tax exempt) dividend of 2.5 cents per share.

Olam's Co-Founder, Group Managing Director and CEO, Sunny Verghese said: "Our strong performance despite the current depressed macroeconomic climate is testament to our disciplined focus on executing our strategic plan. We continue to expand selectively in prioritised platforms while reducing our presence or exiting from lower-margin businesses.

"We remain focused on pursuing profitable growth and are excited by the growth opportunities offered by the transformational acquisitions of McCleskey Mills, which has already started to contribute to earnings, and of ADM's cocoa business, which is expected to be completed in Q4 2015."

Segmental Review

Olam's Executive Director of Finance and Business Development, A. Shekhar said: "We are pleased with the overall execution against our plan and the fact that most of our platforms continued to deliver EBITDA growth in H1 2015. We stay focused on taking decisive actions to manage the few underperforming profit centres, especially the Dairy farming operations in Uruguay. Besides driving profitable growth, we also delivered positive Free Cash Flow to Firm during this period despite having a larger Capex outflow on account of the acquisition of McCleskey Mills. We are making good progress on our debt optimisation, which has clearly contributed to the improved bottom line performance."

Q2 2015

Segment	Sales Volume		Revenue		EBITDA	
	Q2 2015	Q2 2014	Q2 2015	Q2 2014	Q2 2015	Q2 2014
Edible Nuts, Spices and Vegetable Ingredients	519.6	549.3	1,090.0	1,073.1	120.7	102.5
Confectionery and Beverage Ingredients	410.7	295.5	1,831.0	1,486.2	59.6	54.1
Food Staples and Packaged Foods	1,599.9	2,162.5	1,156.6	2,064.4	52.8	34.0
Food Category	**2,530.2**	**3,007.3**	**4,077.6**	**4,623.7**	**233.1**	**190.6**
Industrial Raw Materials (IRM)	373.6	491.0	734.0	1,134.3	55.0	89.6
Commodity Financial Services (CFS)	N.A.	N.A.	0.0	(0.4)	(3.1)	(11.4)
Non-Food Category	**373.6**	**491.0**	**734.0**	**1,133.9**	**51.9**	**78.2**
Total	**2,903.8**	**3,498.3**	**4,811.6**	**5,757.7**	**285.1**	**268.7**

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

H1 2015

Segment	Sales Volume		Revenue		EBITDA	
	H1 2015	H1 2014	H1 2015	H1 2014	H1 2015	H1 2014
Edible Nuts, Spices and Vegetable Ingredients	754.3	832.9	1,965.7	1,846.5	217.9	187.2
Confectionery and Beverage Ingredients	890.3	760.1	3,541.7	3,012.3	143.0	131.3
Food Staples and Packaged Foods	3,257.8	5,023.4	2,295.6	3,892.5	132.8	156.0
Food Category	**4,902.4**	**6,616.4**	**7,803.0**	**8,751.3**	**493.7**	**474.5**
Industrial Raw Materials (IRM)	684.3	899.9	1,329.7	1,842.8	113.5	145.3
Commodity Financial Services (CFS)	N.A.	N.A.	0.0	(0.1)	8.0	(15.7)
Non-Food Category	**684.3**	**899.9**	**1,329.7**	**1,842.7**	**121.5**	**129.6**
Total	**5,586.7**	**7,516.3**	**9,132.7**	**10,594.1**	**615.2**	**604.0**

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

The **Edible Nuts, Spices & Vegetable Ingredients** segment posted a 6.5% year-on-year growth in revenue in H1 2015 despite a 9.4% decline in volumes as prices of almonds, hazelnuts and cashew increased. The lower volumes were primarily due to lower tomato paste and dehydrated vegetable volumes in the US following the closure of a plant in California, and lower cashew volumes from the closure of the processing plant in Nigeria.

EBITDA grew 16.4% over the previous corresponding period as the almond business and the Spices & Vegetable Ingredients business in the US continued to show strong growth. Earnings from the consolidation of MMI offset the underperformance of the Argentinean peanut business that was caused by lower prices and the adverse impact of currency.

The **Confectionery & Beverage Ingredients** segment recorded a 17.6% increase in revenue and a 17.1% increase in combined volumes from Cocoa and Coffee as cocoa prices increased compared to H1 2014. EBITDA grew by 8.9% with increased contribution from both Cocoa and Coffee.

Food Staples & Packaged Foods volumes and revenue fell 35.1% and 41.0% respectively on the back of the deconsolidation of the Grains business in Australia and the discontinued operation in South Africa.

The Grains milling business in West Africa, the Sugar trading and the Rice distribution business performed well during the period. However, segment EBITDA declined by 14.9% due to reduced volumes from the discontinued operations, continued underperformance of the Dairy farming operations in Uruguay and the impact of currency devaluation on the Packaged Foods business in Nigeria and the Palm refining business in Mozambique. The segment also recorded a lower contribution from its SIFCA associate due to lower palm prices.

Given the continued underperformance of the Dairy farming operations in Uruguay, Olam has decided to further restructure this business and defer its planned processing investment there. These actions are likely to result in a one-time restructuring cost in H2 2015.

The **Industrial Raw Materials** segment recorded a 24.0% fall in volumes due to reduced Fertiliser trading and Wood Products volumes, while revenue fell 27.8% due to lower volumes and lower prices across all commodities in the segment. The Cotton and Wood Products businesses recorded a growth in EBITDA but overall segment EBITDA declined by 21.9% due to lower contribution from SEZ compared to the previous corresponding period.

Commodity Financial Services registered an EBITDA of S$8.0 million in H1 2015 versus a loss of S$15.7 million in H1 2014.

Outlook and Prospects

Despite the recent volatility in the commodity and currency markets, Olam believes its diversified portfolio with leadership positions in many segments provides a resilient platform to navigate these uncertainties.

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Notes to the Editor

1. *The Company announced a fiscal year-end change from June 30 to December 31. The change will enable the Company to align its fiscal year to comply with the group consolidation and reporting requirements of its majority shareholder. With this change, the Company's current fiscal year, which began on July 1, 2014, will end on December 31, 2015. Thereafter, the Company will follow a January to December fiscal year. The quarters ended June 30, 2015 and June 30, 2014 are therefore referred to as Q2 2015 and Q2 2014 respectively. To allow a like-for-like period comparison, you can find pro-forma financial information in line with the new fiscal year for the financial years ended December 31, 2014, 2013 and 2012 on our website at www.olamgroup.com.*

2. *This release should be read and understood only in conjunction with the full text of Olam International Limited's Q2 2015 Financial Statements and Management Discussion and Analysis lodged on SGXNET on August 14, 2015.*

3. *The strategic plan announced after Olam's strategy review in April 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.*

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 13,800 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.

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