

Unaudited Financial Statements for the First Quarter ended 31 March 2016
FINANCIAL HIGHLIGHTS

	1Q2016 US\$'000	1Q2015 US\$'000 Restated*	Change
Revenue	9,002,657	9,411,347	-4.3%
Net Profit	239,403	232,008	3.2%
Core Net Profit	222,434	254,126	-12.5%
EBITDA	559,026	472,838	18.2%
EPS - Basic (US cents per share)	3.8	3.6	5.6%
EPS - Fully diluted (US cents per share)	3.8	3.6	5.6%
	31.03.2016	31.12.2015 Restated*	Change
Net Tangible Asset (US\$'000)	10,360,209	10,050,995	3.1%
Net Asset per share (US\$ per share)	2.33	2.28	2.2%
Net Tangible Asset per share (US\$ per share)	1.64	1.59	3.1%

**Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants*

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(a)(i) Consolidated Income Statement

	Group		
	Three months ended		
	31.03.2016 US\$'000	31.03.2015 US\$'000 Restated*	Change
Revenue	9,002,657	9,411,347	-4.3%
Cost of sales	(8,039,642)	(8,554,521)	6.0%
Gross profit	963,015	856,826	12.4%
Other items of income			
Finance income	57,410	125,253	-54.2%
Other operating income	58,549	54,791	6.9%
Other items of expense			
Selling and distribution expenses	(481,087)	(435,498)	-10.5%
Administrative expenses	(176,103)	(187,849)	6.3%
Other operating expenses	(37,663)	(13,981)	-169.4%
Finance costs	(95,483)	(116,442)	18.0%
Non-operating items	19,888	(25,629)	n.m.
Share of results of joint ventures	(1,902)	735	n.m.
Share of results of associates	14,654	38,442	-61.9%
Profit before tax	321,278	296,648	8.3%
Income tax expense	(59,120)	(57,508)	-2.8%
Profit after tax	262,158	239,140	9.6%

Attributable to:

Owners of the Company	239,403	232,008	3.2%
Non-controlling interests	22,755	7,132	219.1%
	262,158	239,140	9.6%

**Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants*

n.m. - not meaningful

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(a)(ii) Consolidated Statement of Comprehensive Income

	Group		
	Three months ended		
	31.03.2016 US\$'000	31.03.2015 US\$'000 Restated*	Inc/(Dec) US\$'000
Profit after tax	262,158	239,140	23,018
Other comprehensive income			
- Items that may be reclassified subsequently to income statement			
Foreign currency translation	143,805	(236,272)	380,077
Fair value adjustment on cash flow hedges	(83,073)	(64,989)	(18,084)
Fair value adjustment on available-for-sale financial assets	23,722	26,979	(3,257)
Total other comprehensive income, net of tax	84,454	(274,282)	358,736
Total comprehensive income	346,612	(35,142)	381,754

Attributable to:

Owners of the Company	315,293	(38,343)	353,636
Non-controlling interests	31,319	3,201	28,118
	346,612	(35,142)	381,754

**Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants*

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(b)(i) Balance Sheets

	Group			Company	
	31.03.2016 US\$'000	31.12.2015 US\$'000 Restated*	01.01.2015 US\$'000 Restated*	31.03.2016 US\$'000	31.12.2015 US\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	8,999,652	8,983,482	9,477,284	1,684	1,485
Bearer plants	738,229	742,282	796,252	-	-
Plasma investments	15,829	14,721	12,829	-	-
Intangible assets	4,378,507	4,368,860	4,401,908	-	-
Investment in subsidiaries	-	-	-	9,004,094	9,004,098
Investment in joint ventures	870,107	886,088	368,889	231,396	231,396
Investment in associates	1,915,361	1,871,030	1,784,307	41,347	41,347
Available-for-sale financial assets	681,322	650,042	592,245	-	-
Deferred tax assets	232,015	198,116	203,808	1,601	-
Derivative financial instruments	7,725	2,786	15,172	-	-
Other financial receivables	186,273	334,552	293,974	351,394	351,373
Other non-financial assets	35,904	33,171	31,489	-	-
	18,060,924	18,085,130	17,978,157	9,631,516	9,629,699
Current assets					
Inventories	5,693,346	6,317,534	6,581,020	-	-
Trade receivables	3,499,321	3,752,720	4,044,799	-	-
Other financial receivables	2,054,408	2,898,826	3,995,132	3,108,287	3,354,424
Other non-financial assets	1,397,072	1,318,995	1,559,039	5,919	1,622
Derivative financial instruments	372,152	567,221	755,826	-	-
Financial assets held for trading	330,757	304,694	261,470	-	-
Other bank deposits	2,228,191	2,410,281	5,452,091	-	-
Cash and bank balances	1,496,175	1,296,316	1,947,096	7,372	1,374
	17,071,422	18,866,587	24,596,473	3,121,578	3,357,420
TOTAL ASSETS	35,132,346	36,951,717	42,574,630	12,753,094	12,987,119

*Prior year figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(b)(i) Balance Sheets (continued)

	Group			Company	
	31.03.2016 US\$'000	31.12.2015 US\$'000 Restated*	01.01.2015 US\$'000 Restated*	31.03.2016 US\$'000	31.12.2015 US\$'000
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables	1,186,883	1,226,854	1,746,920	-	-
Other financial payables	1,224,683	1,260,764	1,191,558	1,250,672	1,602,231
Other non-financial liabilities	370,839	546,361	393,892	-	-
Derivative financial instruments	702,139	480,775	538,242	-	-
Loans and borrowings	9,796,842	11,076,303	15,204,154	181,526	-
Tax payables	167,488	99,708	122,366	-	-
	13,448,874	14,690,765	19,197,132	1,432,198	1,602,231
NET CURRENT ASSETS	3,622,548	4,175,822	5,399,341	1,689,380	1,755,189
Non-current liabilities					
Other financial payables	58,239	58,220	28,282	-	-
Other non-financial liabilities	96,163	91,743	92,910	-	-
Derivative financial instruments	56,515	72,582	47,491	-	-
Loans and borrowings	5,486,364	6,347,547	7,158,172	232,606	389,449
Deferred tax liabilities	316,163	364,069	387,546	-	-
	6,013,444	6,934,161	7,714,401	232,606	389,449
TOTAL LIABILITIES	19,462,318	21,624,926	26,911,533	1,664,804	1,991,680
NET ASSETS	15,670,028	15,326,791	15,663,097	11,088,290	10,995,439
Equity attributable to owners of the					
Share capital	8,458,995	8,458,995	8,458,995	8,895,134	8,895,134
Treasury shares	(168,155)	(168,155)	(19,282)	(168,155)	(168,155)
Retained earnings	8,942,086	8,703,774	8,043,547	2,164,951	2,075,667
Other reserves	(2,494,210)	(2,574,759)	(1,695,540)	196,360	192,793
	14,738,716	14,419,855	14,787,720	11,088,290	10,995,439
Non-controlling interests	931,312	906,936	875,377	-	-
TOTAL EQUITY	15,670,028	15,326,791	15,663,097	11,088,290	10,995,439
TOTAL EQUITY AND LIABILITIES	35,132,346	36,951,717	42,574,630	12,753,094	12,987,119

*Prior year figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants

Unaudited Financial Statements for the First Quarter ended 31 March 2016

1(b)(ii) Group's Borrowings and Debt Securities

	Group		Group	
	31.03.2016		31.12.2015	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
(a) Amount repayable in one year or less, or on demand	742,470	9,054,372	1,970,161	9,106,142
(b) Amount repayable after one year	456,356	5,030,008	584,567	5,762,980
	1,198,826	14,084,380	2,554,728	14,869,122

Details of any collateral

A portion of the bank term loans and short term working capital loans is secured by a pledge over property, plant and equipment, bearer plants, fixed deposits and other deposits with financial institutions, trade receivables and corporate guarantees from the Company and certain subsidiaries.

The Group's bank loans and other bank deposits amounting to approximately US\$3,114,781,000 are disclosed off balance sheet as at 31 March 2016 as the Group has transferred substantially all the risks and rewards of the cash flows arising from the deposits and have also legally been released from the responsibility for the loans.

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(c) Consolidated Cash Flow Statement

	Group	
	Three months ended	
	31.03.2016	31.03.2015
	US\$'000	US\$'000
		Restated*
Cash flows from operating activities		
Profit before tax	321,278	296,648
Adjustments for:		
Depreciation of bearer plants	13,996	13,239
Depreciation of property, plant and equipment	179,973	165,682
Amortisation of intangible assets	164	257
Impairment on shareholder's loan to an associate	11,701	-
(Gain)/loss on disposal of property, plant and equipment	(5,677)	1,841
Loss on disposal of a subsidiary	-	17
Gain on disposal of available-for-sale financial assets	(10)	-
Loss/(gain) on disposal of financial assets held for trading	538	(3,720)
Grant of share options to employees	3,568	1,361
Net fair value loss on derivative financial instruments	326,221	104,686
Net fair value (gain)/loss on financial assets held for trading	(15,025)	4,734
Foreign exchange differences arising from translation	(7,395)	(27,014)
Interest expense	101,025	122,265
Interest income	(57,410)	(125,253)
Share of results of joint ventures	1,902	(735)
Share of results of associates	(14,654)	(38,442)
Operating cash flows before working capital changes	860,195	515,566
Changes in working capital:		
Decrease in inventories	623,076	1,044,984
Decrease in receivables and other assets	139,358	748,686
Decrease in payables	(212,961)	(399,834)
Cash flows generated from operations	1,409,668	1,909,402
Interest paid	(110,163)	(124,368)
Interest received	117,059	158,856
Income taxes paid	(85,795)	(74,714)
Net cash flows generated from operating activities	1,330,769	1,869,176

**Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants*

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(c) Consolidated Cash Flow Statement (continued)

	Group	
	Three months ended	
	31.03.2016	31.03.2015
	US\$'000	US\$'000
		Restated*
Cash flows from investing activities		
Increase in plasma investments	(859)	(770)
(Increase)/decrease in financial assets held for trading	(12,931)	32,599
Payments for property, plant and equipment	(154,323)	(256,150)
Payments for bearer plants	(10,302)	(10,408)
Increase in available-for-sale financial assets	(3,069)	(103,148)
Payments for investment in joint ventures	-	(440,888)
Payments for investment in associates	-	(15,913)
Dividends received from joint ventures	7,495	8,325
Dividends received from associates	2,250	7,050
Proceeds from disposal of property, plant and equipment	47,987	3,234
Proceeds from disposal of bearer plants	-	127
Net cash flow from disposal of a subsidiary	-	(2)
Net cash flows used in investing activities	(123,752)	(775,944)
Cash flows from financing activities		
Increase in net amount due from related parties	(1,037)	(159,462)
Decrease/(increase) in net amount due from joint ventures	2,524	(26,126)
Increase in net amount due from associates	(23,366)	(19,747)
Increase in advances from non-controlling shareholders	5,651	1,983
Repayments of loans and borrowings	(3,418,060)	(3,060,960)
Decrease in fixed deposits pledged with financial institutions for bank facilities	1,827,023	2,407,418
Decrease/(increase) in other financial receivables	1,016,474	(32,676)
(Increase)/decrease in other deposits with maturity more than 3 months	(324,635)	18,064
Interest paid	(6,684)	(7,866)
Dividends paid to non-controlling shareholders by subsidiaries	(10,296)	(5,332)
Proceeds from issue of shares by subsidiaries to non-controlling shareholders	3,353	5,409
Net cash flows used in financing activities	(929,053)	(879,295)
Net increase in cash and cash equivalents	277,964	213,937
Cash and cash equivalents at the beginning of the financial period	1,026,430	1,701,048
Cash and cash equivalents at the end of the financial period	1,304,394	1,914,985
Represented by:		
Total cash and bank balances	3,724,366	7,797,235
Less: Fixed deposits pledged with financial institutions for bank facilities	(1,396,049)	(4,469,201)
Less: Other deposits with maturity more than 3 months	(832,142)	(1,162,328)
Bank overdrafts	(191,781)	(250,721)
Total cash and cash equivalents	1,304,394	1,914,985

*Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(d)(i) Statements of Changes in Equity

	Attributable to owners of the Company					Non-controlling interests	Equity total
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
For the period From 01.01.2016 to 31.03.2016			Restated*	Restated*	Restated*	Restated*	Restated*
Group							
Opening balance at 1 January 2016	8,458,995	(168,155)	8,703,774	(2,574,759)	14,419,855	906,936	15,326,791
Profit for the period	-	-	239,403	-	239,403	22,755	262,158
Other comprehensive income	-	-	-	75,890	75,890	8,564	84,454
Total comprehensive income	-	-	239,403	75,890	315,293	31,319	346,612
Grant of equity-settled share options	-	-	-	3,568	3,568	-	3,568
Share capital contributed by non-controlling shareholders	-	-	-	-	-	3,353	3,353
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(10,296)	(10,296)
Net transfer to retained earnings	-	-	(1,091)	1,091	-	-	-
Total contributions by and distributions to owners	-	-	(1,091)	4,659	3,568	(6,943)	(3,375)
Closing balance at 31 March 2016	8,458,995	(168,155)	8,942,086	(2,494,210)	14,738,716	931,312	15,670,028

*The opening balances were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(d)(i) Statements of Changes in Equity (continued)

	Attributable to owners of the Company					Non-controlling interests	Equity total
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
For the period From 01.01.2015 to 31.03.2015			Restated*	Restated*	Restated*	Restated*	Restated*
Group							
Opening balance at 1 January 2015	8,458,995	(19,282)	8,043,547	(1,695,540)	14,787,720	875,377	15,663,097
Profit for the period	-	-	232,008	-	232,008	7,132	239,140
Other comprehensive income	-	-	-	(270,351)	(270,351)	(3,931)	(274,282)
Total comprehensive income	-	-	232,008	(270,351)	(38,343)	3,201	(35,142)
Grant of equity-settled share options	-	-	-	1,361	1,361	-	1,361
Share capital contributed by non-controlling shareholders	-	-	-	-	-	5,409	5,409
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(5,332)	(5,332)
Net transfer for other reserves	-	-	43,414	(43,414)	-	-	-
Total contributions by and distributions to owners	-	-	43,414	(42,053)	1,361	77	1,438
Closing balance at 31 March 2015	8,458,995	(19,282)	8,318,969	(2,007,944)	14,750,738	878,655	15,629,393

*Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants

Unaudited Financial Statements for the First Quarter ended 31 March 2016
1(d)(i) Statements of Changes in Equity (continued)

	Attributable to owners of the Company				
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total
For the period					
From 01.01.2016 to 31.03.2016	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Company					
Opening balance at 1 January 2016	8,895,134	(168,155)	2,075,667	192,792	10,995,438
Profit for the period	-	-	89,284	-	89,284
Total comprehensive income	-	-	89,284	-	89,284
Grant of equity-settled share options	-	-	-	3,568	3,568
Total transactions with owners in their capacity as owners	-	-	-	3,568	3,568
Closing balance at 31 March 2016	8,895,134	(168,155)	2,164,951	196,360	11,088,290

	Attributable to owners of the Company				
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total
For the period					
From 01.01.2015 to 31.03.2015	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Company					
Opening balance at 1 January 2015	8,895,134	(19,282)	1,747,814	234,239	10,857,905
Loss for the period	-	-	(38,856)	-	(38,856)
Total comprehensive income	-	-	(38,856)	-	(38,856)
Grant of equity-settled share options	-	-	-	1,361	1,361
Transfer to retained earnings	-	-	49,741	(49,741)	-
Total transactions with owners in their capacity as owners	-	-	49,741	(48,380)	1,361
Closing balance at 31 March 2015	8,895,134	(19,282)	1,758,699	185,859	10,820,410

Unaudited Financial Statements for the First Quarter ended 31 March 2016

1(d)(ii) Share Capital

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 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.

	Number of shares	
	31.03.2016	31.03.2015
Issued and fully paid ordinary shares		
Balance at the beginning of the financial period	6,403,401,106	6,403,401,106
Balance at the end of financial period	6,403,401,106	6,403,401,106
Treasury shares		
Balance at the beginning of the financial period	(83,413,700)	(8,102,500)
Balance at the end of financial period	(83,413,700)	(8,102,500)
Issued ordinary shares excluding treasury shares	6,319,987,406	6,395,298,606
The number of shares that may be issued on exercise of share options outstanding at the end of the period	124,380,000	74,280,000

1(d)(iii) 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 financial year.

The Company's total number of issued shares as at 31 March 2016 and 31 December 2015 were 6,403,401,106 , of which 83,413,700 shares were held by the Company as treasury shares as at 31 March 2016 and 31 December 2015 respectively.

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.

Please refer to item 1(d)(ii) above.

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 by the Company's auditors.

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

Not applicable.

Unaudited Financial Statements for the First Quarter ended 31 March 2016

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 Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 December 2015 except for the adoption of new or revised FRS and INT FRS that are mandatory for financial years beginning on or after 1 January 2016. The adoption of the amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants have resulted in the following adjustments to the reported figures for the prior period figures:

	Group	
	Previously reported 31.12.2015 US\$'000	As restated 31.12.2015 US\$'000
Biological assets/bearer plants	1,794,594	742,282
Fresh fruit bunches	-	65,486
Deferred tax liabilities	(598,942)	(364,069)
TOTAL EQUITY (including Non-controlling interests)	16,078,744	15,326,791

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 change.

Please refer to item 4 above.

Unaudited Financial Statements for the First Quarter ended 31 March 2016
6. Earnings Per Ordinary Share (EPS)

	Group	
	Three months ended	
	31.03.2016	31.03.2015 Restated*
(a) Based on weighted average number of shares (US cents per share)	3.8	3.6
(b) Based on fully diluted basis (US cents per share)	3.8	3.6
Weighted average number of shares applicable to basic earnings per share ('000)	6,319,987	6,395,299
Weighted average number of shares based on fully diluted basis ('000) #	6,319,987	6,395,299

**Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants*

Share options granted to employees (including directors) under existing employee share option plans have not been included in the calculation of diluted earnings per share for the periods ended 31 March 2016 and 31 March 2015 because they are anti-dilutive.

7. Net Asset Value Per Ordinary Share (NAV)

	Group		Company	
	31.03.2016	31.12.2015 Restated*	31.03.2016	31.12.2015
Net asset value per ordinary share based on issued share capital as at end of the period (US cents per share)	233.2	228.2	175.4	174.0

**Prior year figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants*

Unaudited Financial Statements for the First Quarter ended 31 March 2016

8. Review of Group Performance

Overview

The Group's net profit increased 3.2% to US\$239.4 million in 1Q2016 (1Q2015: US\$232.0 million) despite core net profit decreasing by 12.5% to US\$222.4 million in 1Q2016 (1Q2015: US\$254.1 million). Whilst we enjoyed steady performance from Tropical Oils and Oilseeds and Grains, and improved performance from Sugar, weaker contributions from our joint ventures and associates and one-off provisions for impairment of US\$22.7 million made during the quarter have resulted in the decrease in overall core net profit.

Revenue and Cost of Sales

Revenue decreased 4.3% to US\$9.0 billion in 1Q2016 (1Q2015: US\$9.4 billion) mainly due to lower commodity prices. Correspondingly, costs of sales decreased 6.0% to US\$8.0 billion (1Q2015: US\$8.6 billion) in 1Q2015. Gross margins improved for the quarter to 10.7% (1Q2015: 9.1%).

**Finance Income
Finance Costs**

	1Q2016 US\$'million	1Q2015 US\$'million
Finance income	57.4	125.3
Finance costs	(95.5)	(116.4)

Finance income decreased 54.2% to US\$57.4 million (1Q2015: US\$125.3 million) due to lower average deposits placed. Finance costs for the period also decreased by 18.0% to US\$95.5 million (1Q2015: US\$116.4 million) in line with lower average borrowings, partially offset by higher effective interest rates compared to prior period.

Other Operating Items – Net

	1Q2016 US\$'million	1Q2015 US\$'million
Other operating income	58.5	54.8
Other operating expenses	(37.7)	(14.0)
Other operating items – net	20.8	40.8

During the quarter, other operating items – net decreased to US\$20.8 million (1Q2015: US\$40.8 million gain) mainly due to one-off impairments of both shareholder's loan to an associate (US\$11.7 million) and property, plant and equipment in Europe (US\$11.0 million), as well as lower foreign exchange gains from its financial assets and liabilities.

Taking into account the foreign exchange losses arising from the forward exchange instruments entered into for hedging purposes under Cost of Sales, the Group recorded a net foreign exchange gain of US\$8.6 million in 1Q2016 (1Q2015: US\$2.8 million loss).

Unaudited Financial Statements for the First Quarter ended 31 March 2016

Selling and Distribution Expenses

Selling and distribution expenses increased 10.5% to US\$481.1 million (1Q2015: US\$435.5 million) mainly due to export levy imposed on CPO and refined palm products in Indonesia, together with higher advertising and promotional activities undertaken in Indonesia and China.

Administrative Expenses

Administrative expenses, comprising mainly personnel costs and service expenses, decreased 6.3% to US\$176.1 million (1Q2015: US\$187.8 million).

Non-operating Items

During the quarter, the Group recorded a gain of US\$19.9 million in 1Q2016 (1Q2015: US\$25.6 million loss) mainly due to gains arising from the Group's investment securities, coupled by foreign exchange gains on intercompany loans.

Share of Results of Joint Ventures & Associates

Share of results of joint ventures & associates decreased US\$26.4 million to US\$12.8 million due to lower contributions from our China associates and Sugar associate in India.

Income Tax Expense

The Group recorded a lower effective tax rate of 19.2% for 1Q2016 (1Q2015: 22.3%) due to increased income contributions from subsidiaries in lower tax jurisdictions.

Unaudited Financial Statements for the First Quarter ended 31 March 2016
Group Financial Performance by Business Segment
Sales Volume of Key Segments

	Sales Volume		
	1Q2016 MT'000	1Q2015 MT'000	Inc/(Dec) %
Tropical Oils #			
- Manufacturing & Merchandising	5,557	5,552	0.1%
Oilseeds and Grains			
- Manufacturing	5,462	4,831	13.1%
- Consumer Products	1,723	1,529	12.7%
Sugar			
- Milling	88	62	41.9%
- Merchandising, Refining and Consumer Products	1,867	1,747	6.9%

Tropical Oils exclude plantation volume.

Three Months Ended 31 March

Revenue	1Q2016	1Q2015	Variance	
	US\$'000	US\$'000	US\$'000	%
Tropical Oils				
- Plantation	11,059	13,699	(2,640)	-19.3%
- Manufacturing & Merchandising	3,500,568	3,908,756	(408,188)	-10.4%
Oilseeds and Grains				
- Manufacturing	2,436,012	2,501,459	(65,447)	-2.6%
- Consumer Products	2,060,832	1,957,678	103,154	5.3%
Sugar				
- Milling	29,271	20,815	8,456	40.6%
- Merchandising, Refining and Consumer Products	741,234	722,521	18,713	2.6%
Others	448,839	555,309	(106,470)	-19.2%
Eliminations	(225,158)	(268,890)	43,732	16.3%
Total revenue	9,002,657	9,411,347	(408,690)	-4.3%

Unaudited Financial Statements for the First Quarter ended 31 March 2016

Three Months Ended 31 March

	1Q2016	1Q2015	Variance	
	US\$'000	US\$'000	US\$'000	%
Profit before tax		Restated*		
Tropical Oils	149,336	138,900	10,436	7.5%
Oilseeds and Grains	168,813	166,084	2,729	1.6%
Sugar	(18,173)	(68,022)	49,849	73.3%
Others	12,118	21,870	(9,752)	-44.6%
Share of results of joint ventures	(1,902)	735	(2,637)	n.m.
Share of results of associates	14,654	38,442	(23,788)	-61.9%
Unallocated expenses #	(3,568)	(1,361)	(2,207)	-162.2%
Total profit before tax	321,278	296,648	24,630	8.3%

**Prior period figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants*

Unallocated expenses refer to expenses in relation to the grant of share options to employees.

n.m. - not meaningful

Unaudited Financial Statements for the First Quarter ended 31 March 2016

Tropical Oils (Plantation, Manufacturing and Merchandising)

Tropical Oils reported a 7.5% increase in segment profits to US\$149.3 million in 1Q2016 (1Q2015: US\$138.9 million) due to better performance from the Group's downstream operations, which benefitted from lower commodity prices. As part of a restructuring exercise in Europe, the Group has also made a one-off impairment for property, plant and equipment of US\$11.0 million during the quarter.

Production yield in 1Q2016, affected by the El Nino effect, was down by 5.2% to 4.3 MT (1Q2015: 4.5 MT) per hectare resulting in a decrease in total fresh fruit bunches production to 902,035 MT (1Q2015: 960,319 MT).

Volumes for Tropical Oils (Manufacturing & Merchandising) remained comparable at 5.6 million MT in 1Q2016 (1Q2015: 5.6 million MT) on the back of steady demand from our downstream businesses. Lower CPO prices led to a decrease in revenue by 10.5% to US\$3.5 billion in 1Q2016 (1Q2015: US\$3.9 billion).

Oilseeds and Grains (Manufacturing and Consumer Products)

Oilseeds and Grains segment continued to perform well for this quarter with profits increasing to US\$168.8 million in 1Q2016 (1Q2015: US\$166.1 million). The strong segment profits were achieved on the back of volume and margins growth in our Consumer Products business and continued improvements from our Rice and Flour operations. This was partially offset by lower crush margins due to excessive arrival of soybeans, despite an increase in crushed volume. Sales volume for the segment increased by 0.8 million MT to 7.2 million MT in 1Q2016 (1Q2015: 6.4 million MT).

Sugar (Milling, Merchandising, Refining and Consumer Products)

Losses in the Sugar segment were mainly due to seasonal plant maintenance in the first half of the year for the Australia Milling business whilst the crops are only harvested in the latter half. The stronger performances from the Group's merchandising business, coupled with higher sales volume by our Indonesia refineries mitigated the losses, thus resulting in significantly lower losses for 1Q2016 of US\$18.2 million (1Q2015: US\$68.0 million loss).

Sales volume for the segment increased 8.1% to 2.0 million MT leading to a 3.7% revenue growth to US\$770.5 million.

Others

The segment recorded a profit before tax of US\$12.1 million in 1Q2016, mainly from marked-to-market gains of our investment securities as well as positive contributions from the Shipping and Fertiliser businesses. This was partially offset by the one-off impairment on shareholders' loan to an associate.

Unaudited Financial Statements for the First Quarter ended 31 March 2016

Review of Balance Sheet and Cash Flows

Inventories reduced 9.9% to US\$5.7 billion as at 31 March 2016, reflecting lower stockholding of products in China after the festive season and seasonal reduction in stockholding for Oilseeds and Grains segment. However, average inventory turnover days increased to 70 days in 1Q2016 mainly due to the high volume of soybeans arrival in China (1Q2015: 67 days).

Trade receivables decreased by US\$253.4 million to US\$3.5 billion due to reduction in receivables from timing of sales. Average turnover days reduced marginally to 35 days in 1Q2016 (1Q2015: 36 days).

Trade payables decreased marginally by US\$40.0 million to US\$1.2 billion in 1Q2016 as compared to 31 December 2015. The average turnover days reduced to 13 days in 1Q2016 (1Q2015: 16 days) from timing of purchases.

Other financial receivables (non-current and current) reduced by US\$992.7 million to US\$2.2 billion upon maturity of deposits and financial products placed with financial institutions, and pared down the gross borrowings. In line with the reductions in deposits, the Group's gross borrowings continue to decrease since the second half of FY2015 to US\$15.3 billion with other maturing deposits.

Correspondingly, net loans and borrowings (net of other bank deposits, cash and bank balances and financial products with financial institutions - current) further decreased by US\$1.3 billion to US\$10.5 billion from lower borrowings and cash deposits pledged for loans, resulting in a reduction in net gearing ratio to 0.72x in 1Q2016 (FY2015: 0.82x).

During the quarter, operating activities generated a net cash inflow of US\$1.3 billion and capital expenditures for the period (including advances paid) reduced to US\$164.6 million. This generated a free cash flow of US\$1.2 billion. After taking into account the above and US\$1.3 billion reduction in net debt, the Group had a cash inflow of US\$278.0 million as at 31 March 2016.

Note : Turnover days are calculated by averaging the monthly turnover days to better reflect the true turnover period in view of the seasonality of the Group's business. Monthly turnover days are computed using revenue and cost of sales for the month.

Unaudited Financial Statements for the First Quarter ended 31 March 2016

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

No forecast was previously disclosed by the Group.

10. Prospects

We expect the recent improvements in CPO prices to benefit our Plantation business. However, this will be partially offset by lower margins in our downstream businesses due to higher feedstock costs. Consumer Products business will continue to achieve healthy growth although crush margins are expected to come under pressure as a result of excessive soybean arrivals into China in the coming months and amidst volatile markets. Recent volatility in sugar prices will also have an effect on our Sugar operations.

Operating conditions in the second quarter are expected to be challenging.

11. Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended) for the current financial period reported on?

None.

(b) 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)

Not applicable.

(c) Date Payable

Not applicable.

(d) Books Closure Date

Not applicable.

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

No dividend has been declared for the quarter ended 31 March 2016.

13. Interested Person Transactions

Name of Interested Person	Aggregate value of all Interested Person Transactions during the period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	1Q 2016 US\$'000	1Q 2016 US\$'000
Archer Daniels Midland Group	NIL	362,347
Pua Seck Guan	88,175	NIL
Associates of Kuok Khoon Hong & Martua Sitorus	2,576	278
Kuok Khoon Ean's Associates#	65,921	4,432
Martua Sitorus' Associates	NIL	293,886
Kuok Khoon Hong's Associates	88,175	326
PPB Group Bhd	13,810	NIL
Kuok Brothers Sdn Bhd	457	NIL

The IP associates for Mr Kuok Khoon Chen and Mr Kuok Khoon Ean are substantially the same, and are not disclosed separately to avoid duplication.

14. Confirmation pursuant to Rule 720 (1) of the SGX-ST Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720 (1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

.....
 KUOK KHOON HONG
 Chairman and
 Chief Executive Officer

10 May 2016

Unaudited Financial Statements for the First Quarter ended 31 March 2016

CONFIRMATION BY THE BOARD

We, Kuok Khoon Hong and Pua Seck Guan, being two of the directors of Wilmar International Limited (“the Company”), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter ended 31 March 2016 financial results to be false or misleading in any material respect.

On behalf of the Board,

.....
KUOK KHOON HONG
Chairman and
Chief Executive Officer

.....
PUA SECK GUAN
Chief Operating Officer

10 May 2016