Olam International expands peanut shelling presence in the US with acquisition of Brooks Peanut Company for US$85.0 million

Singapore, June 9, 2016 – Olam International Limited (Olam), a leading agri-business operating across the value chain in 70 countries, announced today that it has acquired a 100.0% interest in Brooks Peanut Company (Brooks) at an enterprise value of US$85.0 million.

Brooks is currently the sixth largest peanut sheller in the US and the largest Alabama-based sheller, processing approximately 110,000 Farmer Stock Tons (FST) with an annual capacity at 175,000 FST. Founded in 1959, the company is based in Samson, Alabama in the productive Southeast peanut growing region of the US.

Olam's acquisition of Brooks, which follows its acquisition of US peanut sheller McCleskey Mills Inc. in December 2014, further integrates its value chain into direct farm procurement and shelling. It strengthens Olam's market position as the third largest peanut sheller in the US and helps expand its sourcing network into new areas in Alabama and Florida. With Brooks, Olam can further differentiate its product offering to customers globally and mitigate climate risks with a diversified presence across different growing areas.

President of Olam's global peanut business, Anupam Jindel, said: "We are pleased to have the opportunity to acquire Brooks' procurement and processing capabilities, which complement our footprint in the US and significantly strengthen our network and product offerings to our customers and growers. Given our strengths in the US peanut industry and global marketing reach, we feel quite confident that we will be able to take Brooks to its full potential fairly quickly."

Said Barrett Brooks, President of Brooks: "Olam has a significant global presence in the peanut industry and we are excited to be joining their team. I believe the combination of our modern processing assets and strong procurement franchise with Olam's expertise in peanut processing, marketing and risk management will be a very successful one."

Joe West, Head of Olam's US peanut shelling operations, said: "The acquisition will be earnings and talent accretive from the beginning. Brooks has a strong leadership team which will continue to manage the operations from Alabama and also help extract synergy value with our existing peanut business. Our combined team will be able to offer highly differentiated products like hi-oleic, bar-ready peanuts to our discerning customers and also our high quality seed to Brooks' growers, while capitalising on the growth prospects in the industry."

The acquisition will be funded by a combination of internal accruals and existing debt facilities. Subject to customary closing conditions, the transaction is expected to be completed by Q3 2016. It is also expected to be earnings accretive in 2016 and meet the targeted EBITDA on Invested Capital range of 13.0% to 16.0% from the first full year of operations in 2017.

Notes to Editors

Olam's peanut business is one of the six business units under the Edible Nuts platform. The other five business units are almonds, cashew, hazelnuts, walnuts, pistachios and sesame. The Edible Nuts platform is one of the six prioritised platforms identified for accelerated investments and growth in the 2016-2018 strategic plan.

Olam is a leading, global player in peanuts and is currently the only global player with sourcing and peanut shelling operations in all key peanut origins (US, Argentina, and India) and presence in all main markets (EU, US, China, India and Southeast Asia).

Olam has been operating in the US peanut industry since 2007 through its acquisition of Universal Blanchers LLC (UB), which specialises in toll blanching and high quality ingredient manufacturing of peanuts. UB has four manufacturing facilities strategically located across the US peanut belt in Georgia, Texas and North Carolina.

McCleskey Mills Inc. (MMI), which Olam acquired in December 2014, owns processing facilities at two locations in Georgia and currently operates at a total annual capacity of approximately 250,000 Farmer Stock Tons (FST). It also owns or manages 20 buying points and farmer stock storage assets at strategic locations in the Southeast region with a strong franchise amongst growers. MMI has a diverse set of customers in the snack, peanut butter and confectionery space.

The US is today the lowest cost producer of peanuts and has the acreage and resources to expand production. The US peanut industry has an evolved market structure and is advanced in its seed technology, which helps to keep the industry very competitive. A steady rise in production and exports is expected in the future to meet the increased demand in emerging markets such as China and India.

Peanuts are the cheapest and highest source of vegetable proteins, and stack well with all other nuts in terms of health and wellness benefits. The peanut industry is therefore well-poised to capitalise on the growing demand for nuts.

Issued on behalf of Olam International Limited by: WATATAWA Consulting, 28 Maxwell Road #03-03 Red Dot Traffic Building Singapore 069120

For further information, please contact:

Olam Investor Relations

Aditya Renjen, Vice President, +65 66031104, +65 96570339, aditya.renjen@olamnet.com

Chow Hung Hoeng, General Manager, +65 63179471, +65 98346335, chow.hunghoeng@olamnet.com

WATATAWA Consulting

Simon Pangrazio, Managing Partner, +65 90603513, simon.pangrazio@watatawa.asia

Josephine Chew, Associate Partner, +65 90610353, josephine.chew@watatawa.asia

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About Olam International Limited

Olam International is a leading agri-business operating across the value chain in 70 countries, supplying various products across 16 platforms to over 16,200 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 S&P Agribusiness Index and the DAXglobal Agribusiness Index. 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.