

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
FINANCIAL HIGHLIGHTS

	2Q2018 US\$'000	2Q2017 US\$'000 Restated*	Change	1H2018 US\$'000	1H2017 US\$'000 Restated*	Change
Revenue	10,797,647	10,599,448	1.9%	21,966,836	21,169,437	3.8%
Net Profit	316,396	58,958	436.6%	519,677	400,942	29.6%
Core Net Profit	351,845	36,086	875.0%	535,342	329,067	62.7%
EBITDA	699,537	321,700	117.5%	1,258,315	1,007,940	24.8%
EPS - Basic (US cents per share)	5.0	0.9	455.6%	8.2	6.3	30.2%
EPS - Fully diluted (US cents per share)	5.0	0.9	455.6%	8.2	6.3	30.2%
				30.06.2018	31.12.2017	Change
Net Tangible Asset (US\$'000)				11,489,313	11,578,682	-0.8%
Net Asset per share (US\$ per share)				2.53	2.52	0.4%
Net Tangible Asset per share (US\$ per share)				1.82	1.83	-0.5%

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
1(a)(i) Consolidated Income Statement

	Group			Group		
	Three months ended			Six months ended		
	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*	Change	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*	Change
Revenue	10,797,647	10,599,448	1.9%	21,966,836	21,169,437	3.8%
Cost of sales	(9,694,447)	(9,973,339)	2.8%	(19,905,065)	(19,563,813)	-1.7%
Gross profit	1,103,200	626,109	76.2%	2,061,771	1,605,624	28.4%
Other items of income						
Finance income	117,919	44,979	162.2%	221,155	97,476	126.9%
Other operating income	50,851	49,556	2.6%	93,182	102,795	-9.4%
Other items of expense						
Selling and distribution expenses	(445,160)	(407,529)	-9.2%	(961,109)	(852,135)	-12.8%
Administrative expenses	(185,343)	(171,794)	-7.9%	(370,584)	(342,502)	-8.2%
Other operating expenses	(43,611)	(8,617)	-406.1%	(45,292)	(20,593)	-119.9%
Finance costs	(193,838)	(117,956)	-64.3%	(348,910)	(232,548)	-50.0%
Non-operating items	(33,894)	24,134	n.m.	(12,291)	77,443	n.m.
Share of results of joint ventures	(4,191)	860	n.m.	2,395	6,892	-65.2%
Share of results of associates	53,784	22,368	140.5%	88,655	58,286	52.1%
Profit before tax	419,717	62,110	575.8%	728,972	500,738	45.6%
Income tax expense	(74,913)	(2,330)	-3115.2%	(148,424)	(79,466)	-86.8%
Profit after tax	344,804	59,780	476.8%	580,548	421,272	37.8%

Attributable to:

Owners of the Company	316,396	58,958	436.6%	519,677	400,942	29.6%
Non-controlling interests	28,408	822	3356.0%	60,871	20,330	199.4%
	344,804	59,780	476.8%	580,548	421,272	37.8%

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

n.m. - not meaningful

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
1(a)(ii) Consolidated Statement of Comprehensive Income

	Group			Group		
	Three months ended			Six months ended		
	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*	Inc/(Dec) US\$'000	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*	Inc/(Dec) US\$'000
Profit after tax	344,804	59,780	285,024	580,548	421,272	159,276
Other comprehensive income						
- Items that will not be reclassified subsequently to income statement						
Fair value adjustment on available-for-sale financial assets	(12,600)	24,952	(37,552)	(48,462)	28,587	(77,049)
Gain on disposal of available-for-sale financial assets	98	0	98	4,766	-	4,766
	(12,502)	24,952	(37,454)	(43,696)	28,587	(72,283)
- Items that may be reclassified subsequently to income statement						
Foreign currency translation	(533,374)	145,174	(678,548)	(208,202)	242,740	(450,942)
Fair value adjustment on cash flow hedges	35,390	(29,888)	65,278	17,548	102,446	(84,898)
Fair value adjustment on forward elements of forward contracts	(17,112)	187	(17,299)	(28,431)	21,629	(50,060)
	(515,096)	115,473	(630,569)	(219,085)	366,815	(585,900)
Total other comprehensive income, net of tax	(527,598)	140,425	(668,023)	(262,781)	395,402	(658,183)
Total comprehensive income	(182,794)	200,205	(382,999)	317,767	816,674	(498,907)

Attributable to:

Owners of the Company	(169,482)	194,769	(364,251)	280,333	785,954	(505,621)
Non-controlling interests	(13,312)	5,436	(18,748)	37,434	30,720	6,714
	(182,794)	200,205	(382,999)	317,767	816,674	(498,907)

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
1(b)(i) Balance Sheets

	Group			Company	
	30.06.2018 US\$'000	31.12.2017 US\$'000 Restated*	01.01.2017 US\$'000 Restated*	30.06.2018 US\$'000	31.12.2017 US\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	9,348,034	8,755,926	8,297,098	3,889	3,263
Bearer plants	680,944	722,197	726,725	-	-
Intangible assets	4,498,345	4,384,910	4,365,736	-	-
Investment in subsidiaries	-	-	-	9,085,836	9,084,592
Investment in joint ventures	1,012,031	1,151,946	1,051,425	124,230	209,636
Investment in associates	2,564,983	2,275,850	1,851,985	36,644	36,644
Available-for-sale financial assets	569,548	568,078	700,705	-	-
Deferred tax assets	372,021	321,463	312,403	-	-
Derivative financial instruments	10,759	5,651	32,633	-	-
Other financial receivables	194,822	112,047	205,832	405,240	410,271
Other non-financial assets	83,109	55,108	52,262	-	-
	19,334,596	18,353,176	17,596,804	9,655,839	9,744,406
Current assets					
Inventories	7,941,673	8,223,606	7,022,310	-	-
Trade receivables	3,871,977	4,101,058	4,087,069	-	-
Other financial receivables	7,566,637	5,354,750	2,354,502	4,471,650	3,965,710
Other non-financial assets	1,542,294	1,153,055	1,201,458	42,058	1,457
Derivative financial instruments	549,666	368,166	546,885	132	-
Financial assets held for trading	342,635	421,328	316,632	-	-
Other bank deposits	1,540,967	1,502,726	2,721,885	-	-
Cash and bank balances	2,042,569	1,454,708	1,184,881	7,952	3,037
	25,398,418	22,579,397	19,435,622	4,521,792	3,970,204
Assets of disposal group classified as held for sale [†]	792,330	-	-	-	-
	26,190,748	22,579,397	19,435,622	4,521,792	3,970,204
TOTAL ASSETS	45,525,344	40,932,573	37,032,426	14,177,631	13,714,610

*Prior year figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

[†]Disposal group classified as held for sale - The discontinued operations relate to the Brazilian sugar operations held by our newly acquired subsidiary, Shree Renuka Sugars Limited ("Renuka"). Renuka has 2 entities, Renuka do Brasil ("RDB") and Renuka Vale do Ivaí ("RVDI") operating in Brazil. The Board of the 2 operating entities had filed for protection under Judicial Recovery Law in Brazil on 28 September 2015. Renuka management has expressed its disinterest in continuing with the Brazilian operations and committed to carry out the above judicial reorganisation for the 2 entities. As such, both RDB and RVDI are classified as discontinued operations/held for sale, to reflect the discontinued operations separately.

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
1(b)(i) Balance Sheets (continued)

	Group			Company	
	30.06.2018 US\$'000	31.12.2017 US\$'000 Restated*	01.01.2017 US\$'000 Restated*	30.06.2018 US\$'000	31.12.2017 US\$'000
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables	1,501,944	1,094,846	1,500,254	-	-
Other financial payables	1,426,799	1,397,906	1,348,963	3,663,648	2,896,464
Other non-financial liabilities	256,589	400,616	571,077	-	-
Derivative financial instruments	350,488	503,797	495,322	-	-
Loans and borrowings	19,805,525	16,130,316	12,689,019	-	-
Tax payables	124,406	159,648	118,511	-	-
	23,465,751	19,687,129	16,723,146	3,663,648	2,896,464
Liabilities directly associated with disposal group classified as held for sale*	1,089,024	-	-	-	-
	24,554,775	19,687,129	16,723,146	3,663,648	2,896,464
NET CURRENT ASSETS	1,635,973	2,892,268	2,712,476	858,144	1,073,740
Non-current liabilities					
Other financial payables	48,411	69,220	51,314	-	-
Other non-financial liabilities	146,790	156,990	118,185	-	-
Derivative financial instruments	35,564	25,199	107,133	-	-
Loans and borrowings	3,629,160	3,696,224	4,331,240	318,853	323,000
Deferred tax liabilities	294,038	312,712	322,443	-	-
	4,153,963	4,260,345	4,930,315	318,853	323,000
TOTAL LIABILITIES	28,708,738	23,947,474	21,653,461	3,982,501	3,219,464
NET ASSETS	16,816,606	16,985,099	15,378,965	10,195,130	10,495,146
Equity attributable to owners of the Company					
Share capital	8,458,995	8,458,995	8,458,995	8,895,134	8,895,134
Treasury shares	(154,309)	(156,209)	(175,312)	(154,309)	(156,209)
Retained earnings	8,867,816	8,673,275	7,832,213	1,236,192	1,544,230
Other reserves	(1,184,844)	(1,012,469)	(1,681,362)	218,113	211,991
	15,987,658	15,963,592	14,434,534	10,195,130	10,495,146
Non-controlling interests	828,948	1,021,507	944,431	-	-
TOTAL EQUITY	16,816,606	16,985,099	15,378,965	10,195,130	10,495,146
TOTAL EQUITY AND LIABILITIES	45,525,344	40,932,573	37,032,426	14,177,631	13,714,610

*Prior year figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

*Disposal group classified as held for sale - The discontinued operations relate to the Brazilian sugar operations held by our newly acquired subsidiary, Shree Renuka Sugars Limited ("Renuka"). Renuka has 2 entities, Renuka do Brasil ("RDB") and Renuka Vale do Ivaí ("RVDI") operating in Brazil. The Board of the 2 operating entities had filed for protection under Judicial Recovery Law in Brazil on 28 September 2015. Renuka management has expressed its disinterest in continuing with the Brazilian operations and committed to carry out the above judicial reorganisation for the 2 entities. As such, both RDB and RVDI are classified as discontinued operations/held for sale, to reflect the discontinued operations separately.

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

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

	Group		Group	
	30.06.2018		31.12.2017	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
(a) Amount repayable in one year or less, or on demand	2,232,936	17,572,589	1,425,824	14,704,492
(b) Amount repayable after one year	243,784	3,385,376	19,562	3,676,662
	2,476,720	20,957,965	1,445,386	18,381,154

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\$1,321,555,000 are disclosed off balance sheet as at 30 June 2018 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 Second Quarter ended 30 June 2018
1(c) Consolidated Cash Flow Statement

	Group		Group	
	Three months ended		Six months ended	
	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*
Cash flows from operating activities				
Profit before tax	419,717	62,110	728,972	500,738
Adjustments for:				
Depreciation of bearer plants	13,266	14,720	26,749	27,307
Depreciation of property, plant and equipment	182,533	165,950	359,649	331,946
Loss/(gain) on disposal/liquidation/dilution of interest in associates	-	300	(1,732)	(2,564)
Fair value (gain)/loss arising from changes of interest in joint ventures resulting in change of control	-	(1,788)	231	(1,788)
Amortisation of intangible assets	330	289	664	585
Gain on bargain purchase on business combination	(1,375)	-	(1,375)	-
(Gain)/loss on disposal of property, plant and equipment	(1,545)	1,296	(1,201)	2,015
Loss/(gain) on disposal of biological assets	179	(5)	178	(6)
Loss/(gain) on disposal/liquidation of subsidiaries	3,482	-	3,293	(50)
Gain on disposal of financial assets held for trading	(2,181)	(303)	(7,180)	(469)
Grant of share options to employees	2,407	1,868	5,979	3,888
Net fair value (gain)/loss on derivative financial instruments	(494,600)	168,964	(306,354)	88,881
Net fair value loss/(gain) on financial assets held for trading	39,652	(23,541)	63,063	(75,447)
Foreign exchange differences arising from translation	(221,603)	72,201	(108,612)	32,755
Dividend income from held for trading investments	(3,485)	(4,034)	(7,142)	(9,668)
Dividend income from available-for-sale financial assets	(11,330)	(3,249)	(54,648)	(4,231)
Interest expense	201,610	123,610	363,436	244,840
Interest income	(117,919)	(44,979)	(221,155)	(97,476)
Share of results of joint ventures	4,191	(860)	(2,395)	(6,892)
Share of results of associates	(53,784)	(22,368)	(88,655)	(58,286)
Operating cash flows before working capital changes	(40,455)	510,181	751,765	976,078
Changes in working capital:				
(Increase)/decrease in inventories	(618,851)	94,290	414,950	123,074
Decrease/(increase) in receivables and other assets	152,724	(5,923)	223,958	234,138
Decrease in payables	(352,105)	(22,337)	(291,809)	(658,034)
Cash flows (used in)/generated from operations	(858,687)	576,211	1,098,864	675,256
Interest paid	(112,710)	(98,990)	(286,629)	(194,068)
Interest received	113,740	36,735	200,286	81,499
Income taxes paid	(139,456)	(88,781)	(225,244)	(166,466)
Net cash flows (used in)/generated from operating activities	(997,113)	425,175	787,277	396,221

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
1(c) Consolidated Cash Flow Statement (continued)

	Group		Group	
	Three months ended		Six months ended	
	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*	30.06.2018 US\$'000	30.06.2017 US\$'000 Restated*
Cash flows from investing activities				
Net cash flow on acquisition of subsidiaries	(89,232)	(3,049)	(231,941)	(3,049)
Decrease/(increase) in plasma investments	3,557	(1,186)	4,776	(1,834)
Decrease in financial assets held for trading	21,947	3,500	33,189	8,505
Decrease in other non-financial assets	1,832	5,330	1,832	5,330
Payments for property, plant and equipment	(345,523)	(194,484)	(621,627)	(358,329)
Payments for bearer plants	(18,455)	(13,693)	(31,589)	(24,411)
Decrease/(increase) in available-for-sale financial assets	4,527	(5,044)	20,814	(13,942)
Dividend income from held for trading investments	3,485	4,034	7,142	9,668
Dividend income from available-for-sale financial assets	11,330	3,249	54,648	4,231
Payments for investment in joint ventures	(21,202)	(5,384)	(21,227)	(7,134)
Decrease/(increase) in investment in associates	6,117	(4,609)	(141,734)	(13,109)
Payments for intangible assets	-	(54)	-	(54)
Dividends received from joint ventures	1,262	-	21,295	5,250
Dividends received from associates	81,196	26,961	87,121	38,988
Proceeds from disposal of property, plant and equipment	23,565	8,235	49,346	14,205
Proceeds from disposal/dilution of interest in associates	-	3,934	15,112	11,010
Net cash flow from disposal of subsidiaries	10,870	-	13,758	-
Net cash flows used in investing activities	(304,724)	(172,260)	(739,085)	(324,675)
Cash flows from financing activities				
Decrease/(increase) in net amount due from related parties	392	1,053	668	(495)
(Increase)/decrease in net amount due from joint ventures	(17,110)	14,899	60,964	19,033
(Increase)/decrease in net amount due from associates	3,240	1,747	(6,969)	12,436
Decrease in advances from non-controlling shareholders	(17,044)	(14,782)	(24,691)	(30,352)
Proceeds from/(repayment of) loans and borrowings	1,000,775	(153,572)	1,790,343	659,991
Decrease in fixed deposits pledged with financial institutions for bank facilities	829,326	317,476	1,370,531	72,562
Increase in other financial receivables	(246,785)	(473,874)	(2,406,972)	(517,529)
Decrease in other deposits with maturity more than 3 months	177,672	208,535	78,252	644,825
Interest paid	(8,365)	(6,576)	(16,264)	(14,139)
Payment for acquisition of additional interest in subsidiaries	(468)	(11,762)	(468)	(11,762)
Dividends paid by the Company	(332,816)	(180,154)	(332,816)	(180,154)
Dividends paid to non-controlling shareholders by subsidiaries	(3,701)	(9,105)	(9,124)	(19,294)
Proceeds from reissuance of treasury shares by the Company	423	6,960	1,910	17,497
Proceeds from issue of shares by subsidiaries to non-controlling shareholders	3,143	1,440	15,146	2,490
Net cash flows generated/(used in) from financing activities	1,388,682	(297,715)	520,510	655,109
Net increase/(decrease) in cash and cash equivalents	86,845	(44,800)	568,702	726,655
Cash and cash equivalents at the beginning of the financial period	1,917,082	1,839,179	1,435,225	1,067,724
Cash and cash equivalents at the end of the financial period	2,003,927	1,794,379	2,003,927	1,794,379
Represented by:				
Total cash and bank balances	3,583,536	3,680,634	3,583,536	3,680,634
Less: Fixed deposits pledged with financial institutions for bank facilities	(925,632)	(824,408)	(925,632)	(824,408)
Less: Other deposits with maturity more than 3 months	(615,335)	(954,831)	(615,335)	(954,831)
Bank overdrafts	(38,642)	(107,016)	(38,642)	(107,016)
Total cash and cash equivalents	2,003,927	1,794,379	2,003,927	1,794,379

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
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		
For the period From 01.04.2018 to 30.06.2018	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group							
Opening balance at 1 April 2018	8,458,995	(154,730)	8,884,342	(701,423)	16,487,184	1,078,833	17,566,017
Profit for the period	-	-	316,396	-	316,396	28,408	344,804
Other comprehensive income	-	-	98	(485,976)	(485,878)	(41,720)	(527,598)
Total comprehensive income	-	-	316,494	(485,976)	(169,482)	(13,312)	(182,794)
Grant of equity-settled share options	-	-	-	2,407	2,407	-	2,407
Share capital contributed by non-controlling shareholders	-	-	-	-	-	3,143	3,143
Reissuance of treasury shares pursuant to exercise of share options	-	421	-	2	423	-	423
Dividends on ordinary shares	-	-	(332,816)	-	(332,816)	-	(332,816)
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(3,701)	(3,701)
Net transfer to other reserves	-	-	(204)	204	-	-	-
Total contributions by and distributions to owners	-	421	(333,020)	2,613	(329,986)	(558)	(330,544)
Acquisition of subsidiaries	-	-	-	-	-	(221,220)	(221,220)
Acquisition of additional interest in a subsidiary	-	-	-	(58)	(58)	(410)	(468)
Disposal of a subsidiary	-	-	-	-	-	(14,385)	(14,385)
Total changes in ownership interests in subsidiaries	-	-	-	(58)	(58)	(236,015)	(236,073)
Closing balance at 30 June 2018	8,458,995	(154,309)	8,867,816	(1,184,844)	15,987,658	828,948	16,816,606

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
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		
For the period From 01.04.2017 to 30.06.2017	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group							
Opening balance at 1 April 2017, as previously reported	8,458,995	(166,347)	9,618,315	(2,872,687)	15,038,276	960,576	15,998,852
Adjustments for adoption of the Amendments to SFRS(I) 9 and IFRS Convergence	-	-	(1,448,041)	1,448,041	-	-	-
Opening balance at 1 April 2017, as restated	8,458,995	(166,347)	8,170,274	(1,424,646)	15,038,276	960,576	15,998,852
Profit for the period	-	-	58,958	-	58,958	822	59,780
Other comprehensive income	-	-	-	135,811	135,811	4,614	140,425
Total comprehensive income	-	-	58,958	135,811	194,769	5,436	200,205
Grant of equity-settled share options	-	-	-	1,868	1,868	-	1,868
Share capital contributed by non-controlling shareholders	-	-	-	-	-	1,440	1,440
Reissuance of treasury shares pursuant to exercise of share options	-	6,033	-	927	6,960	-	6,960
Dividends on ordinary shares	-	-	(180,154)	-	(180,154)	-	(180,154)
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(9,105)	(9,105)
Net transfer to other reserves	-	-	(2,236)	2,236	-	-	-
Total contributions by and distributions to owners	-	6,033	(182,390)	5,031	(171,326)	(7,665)	(178,991)
Acquisition of additional interest in a subsidiary	-	-	-	(2,684)	(2,684)	(9,078)	(11,762)
Total changes in ownership interests in subsidiaries	-	-	-	(2,684)	(2,684)	(9,078)	(11,762)
Closing balance at 30 June 2017	8,458,995	(160,314)	8,046,842	(1,286,488)	15,059,035	949,269	16,008,304

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
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
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
For the period From 01.04.2018 to 30.06.2018					
Company					
Opening balance at 1 April 2018	8,895,134	(154,730)	1,541,079	215,571	10,497,054
Profit for the period	-	-	27,929	-	27,929
Other comprehensive income	-	-	-	133	133
Total comprehensive income	-	-	27,929	133	28,062
Grant of equity-settled share options	-	-	-	2,407	2,407
Reissuance of treasury shares pursuant to exercise of share options	-	421	-	2	423
Dividends on ordinary shares	-	-	(332,816)	-	(332,816)
Total transactions with owners in their capacity as owners	-	421	(332,816)	2,409	(329,986)
Closing balance at 30 June 2018	8,895,134	(154,309)	1,236,192	218,113	10,195,130

	Attributable to owners of the Company				
	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 01.04.2017 to 30.06.2017					
Company					
Opening balance at 1 April 2017	8,895,134	(166,347)	1,739,546	203,901	10,672,234
Profit for the period	-	-	121,941	-	121,941
Total comprehensive income	-	-	121,941	-	121,941
Grant of equity-settled share options	-	-	-	1,868	1,868
Reissuance of treasury shares pursuant to exercise of share options	-	6,033	-	927	6,960
Dividends on ordinary shares	-	-	(180,154)	-	(180,154)
Total transactions with owners in their capacity as owners	-	6,033	(180,154)	2,795	(171,326)
Closing balance at 30 June 2017	8,895,134	(160,314)	1,681,333	206,696	10,622,849

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
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		
For the period From 01.01.2018 to 30.06.2018	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group							
Opening balance at 1 January 2018, as previously reported	8,458,995	(156,209)	10,125,379	(2,464,573)	15,963,592	1,021,507	16,985,099
Adjustments for adoption of the Amendments to SFRS(I) 9 and IFRS Convergence	-	-	(1,445,117)	1,513,835	68,718	-	68,718
Opening balance at 1 January 2018, as restated	8,458,995	(156,209)	8,680,262	(950,738)	16,032,310	1,021,507	17,053,817
Profit for the period	-	-	519,677	-	519,677	60,871	580,548
Other comprehensive income	-	-	4,766	(244,110)	(239,344)	(23,437)	(262,781)
Total comprehensive income	-	-	524,443	(244,110)	280,333	37,434	317,767
Grant of equity-settled share options	-	-	-	5,979	5,979	-	5,979
Share capital contributed by non-controlling shareholders	-	-	-	-	-	15,146	15,146
Reissuance of treasury shares pursuant to exercise of share options	-	1,900	-	10	1,910	-	1,910
Dividends on ordinary shares	-	-	(332,816)	-	(332,816)	-	(332,816)
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(9,124)	(9,124)
Net transfer to other reserves	-	-	(4,073)	4,073	-	-	-
Total contributions by and distributions to owners	-	1,900	(336,889)	10,062	(324,927)	6,022	(318,905)
Acquisition of subsidiaries	-	-	-	-	-	(221,220)	(221,220)
Acquisition of additional interest in a subsidiary	-	-	-	(58)	(58)	(410)	(468)
Disposal of a subsidiary	-	-	-	-	-	(14,385)	(14,385)
Total changes in ownership interests in subsidiaries	-	-	-	(58)	(58)	(236,015)	(236,073)
Closing balance at 30 June 2018	8,458,995	(154,309)	8,867,816	(1,184,844)	15,987,658	828,948	16,816,606

*The opening balances were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
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 01.01.2017 to 30.06.2017	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group							
Opening balance at 1 January 2017, as previously reported	8,458,995	(175,312)	9,260,680	(3,109,829)	14,434,534	944,431	15,378,965
Adjustments for adoption of the Amendments to SFRS(I) 9 and IFRS Convergence	-	-	(1,428,467)	1,428,467	-	-	-
Opening balance at 1 January 2017, as restated	8,458,995	(175,312)	7,832,213	(1,681,362)	14,434,534	944,431	15,378,965
Profit for the period	-	-	400,942	-	400,942	20,330	421,272
Other comprehensive income	-	-	-	385,012	385,012	10,390	395,402
Total comprehensive income	-	-	400,942	385,012	785,954	30,720	816,674
Grant of equity-settled share options	-	-	-	3,888	3,888	-	3,888
Share capital contributed by non-controlling shareholders	-	-	-	-	-	2,490	2,490
Reissuance of treasury shares pursuant to exercise of share options	-	14,998	-	2,499	17,497	-	17,497
Dividends on ordinary shares	-	-	(180,154)	-	(180,154)	-	(180,154)
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(19,294)	(19,294)
Net transfer to other reserves	-	-	(6,159)	6,159	-	-	-
Total contributions by and distributions to owners	-	14,998	(186,313)	12,546	(158,769)	(16,804)	(175,573)
Acquisition of additional interest in a subsidiary	-	-	-	(2,684)	(2,684)	(9,078)	(11,762)
Total changes in ownership interests in subsidiaries	-	-	-	(2,684)	(2,684)	(9,078)	(11,762)
Closing balance at 30 June 2017	8,458,995	(160,314)	8,046,842	(1,286,488)	15,059,035	949,269	16,008,304

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
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 01.01.2018 to 30.06.2018	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Company					
Opening balance at 1 January 2018	8,895,134	(156,209)	1,544,230	211,991	10,495,146
Profit for the period	-	-	24,778	-	24,778
Other comprehensive income	-	-	-	133	133
Total comprehensive income	-	-	24,778	133	24,911
Grant of equity-settled share options	-	-	-	5,979	5,979
Reissuance of treasury shares pursuant to exercise of share options	-	1,900	-	10	1,910
Dividends on ordinary shares	-	-	(332,816)	-	(332,816)
Total transactions with owners in their capacity as owners	-	1,900	(332,816)	5,989	(324,927)
Closing balance at 30 June 2018	8,895,134	(154,309)	1,236,192	218,113	10,195,130

	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 01.01.2017 to 30.06.2017	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Company					
Opening balance at 1 January 2017	8,895,134	(175,312)	1,735,452	200,309	10,655,583
Profit for the period	-	-	126,035	-	126,035
Total comprehensive income	-	-	126,035	-	126,035
Grant of equity-settled share options	-	-	-	3,888	3,888
Reissuance of treasury shares pursuant to exercise of share options	-	14,998	-	2,499	17,497
Dividends on ordinary shares	-	-	(180,154)	-	(180,154)
Total transactions with owners in their capacity as owners	-	14,998	(180,154)	6,387	(158,769)
Closing balance at 30 June 2017	8,895,134	(160,314)	1,681,333	206,696	10,622,849

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

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	
	30.06.2018	30.06.2017
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 the financial period	6,403,401,106	6,403,401,106
Treasury shares		
Balance at the beginning of the financial period	(77,714,000)	(86,561,600)
Reissuance of treasury shares pursuant to exercise of share options	831,350	7,007,500
Balance at the end of the financial period	(76,882,650)	(79,554,100)
Issued ordinary shares excluding treasury shares	6,326,518,456	6,323,847,006
The number of shares that may be issued on exercise of share options outstanding at the end of the financial period	142,686,300	106,947,500

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 30 June 2018 and 31 December 2017 were 6,403,401,106, of which 76,882,650 shares and 77,714,000 shares were held by the Company as treasury shares as at 30 June 2018 and 31 December 2017 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 Second Quarter ended 30 June 2018

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 2017 except for the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) and new or revised SFRS(I) and INT SFRS(I) that are mandatory for financial years beginning on or after 1 January 2018. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group's consolidated financial statements, except as disclosed in item 5 below.

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.

Convergence with International Financial Reporting Standards

On 29 December 2017, the Accounting Standards Council has issued Singapore Financial Reporting Standards (International) ("SFRS(I)s"), Singapore's equivalent of the International Financial Reporting Standards ("IFRSs"). The new financial reporting framework is available for application by Singapore-incorporated companies listed on the Singapore Exchange for annual periods beginning on or after 1 January 2018. The Group has adopted SFRS(I)s on 1 January 2018 and has applied all the specific transition requirements in SFRS(I)1 First-time Adoption of Singapore Financial Reporting Standards (International).

Application of SFRS(I) 1

The Group has elected to deem the cumulative translation differences for foreign operations to be nil on 1 January 2017, and accordingly, an amount of approximately US\$1,444,850,000 of foreign currency translation reserve losses has been reclassified to the opening retained earnings as at 1 January 2017.

Adoption of SFRS(I) 9 Financial Instruments

Classification and measurement

The Group has elected to measure its available-for-sale financial assets at fair value through other comprehensive income (FVOCI) prospectively. As at 1 January 2018, fair value reserves, retained earnings and available-for-sale financial assets have increased by approximately US\$61,731,000, US\$6,987,000 and US\$68,718,000 respectively.

Hedge accounting

With the adoption of SFRS(I) 9, the Group has retrospectively accounted for fair value changes in the forward points of its forward contracts not designated as hedging instruments as cost of hedging. Accordingly, the cost of hedging is deferred in other comprehensive income and recognised in the income statement over time.

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

The reconciliation of this change in accounting policy is as follows:-

<u>Consolidated Income Statement</u>	Three months ended 30.06.2017			Six months ended 30.06.2017		
	As previously reported US\$'000	Effects US\$'000	Restated US\$'000	As previously reported US\$'000	Effects US\$'000	Restated US\$'000
Cost of sales	(10,045,806)	72,467	(9,973,339)	(19,667,067)	103,254	(19,563,813)
Other operating income	107,931	(58,375)	49,556	196,769	(93,974)	102,795
Finance costs	(101,958)	(15,998)	(117,956)	(192,772)	(39,776)	(232,548)
Income tax expense	(2,806)	476	(2,330)	(87,090)	7,624	(79,466)
Net profit	61,210	(1,430)	59,780	444,144	(22,872)	421,272
Attributable to:						
- Owners of the Company	60,201	(1,243)	58,958	421,759	(20,817)	400,942
- Non-controlling interests	1,009	(187)	822	22,385	(2,055)	20,330
	61,210	(1,430)	59,780	444,144	(22,872)	421,272

<u>Balance Sheets</u>	As at 01.01.2017			As at 31.12.2017		
	As previously reported US\$'000	Effects US\$'000	Restated US\$'000	As previously reported US\$'000	Effects US\$'000	Restated US\$'000
Retained earnings	9,260,680	(1,428,467)	7,832,213	10,125,379	(1,452,104)	8,673,275
Other reserves	(3,109,829)	1,428,467	(1,681,362)	(2,464,573)	1,452,104	(1,012,469)

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

6. Earnings Per Ordinary Share (EPS)

	Group		Group	
	Three months ended		Six months ended	
	30.06.2018	30.06.2017 Restated*	30.06.2018	30.06.2017 Restated*
(a) Based on weighted average number of shares (US cents per share)	5.0	0.9	8.2	6.3
(b) Based on fully diluted basis (US cents per share)	5.0	0.9	8.2	6.3
Weighted average number of shares applicable to basic earnings per share ('000)	6,326,412	6,322,143	6,326,154	6,318,514
Weighted average number of shares based on fully diluted basis ('000)	6,328,302	6,328,045	6,327,822	6,326,871

**Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence*

7. Net Asset Value Per Ordinary Share (NAV)

	Group		Company	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Net asset value per ordinary share based on issued share capital as at end of the period (US cents per share)	252.7	252.4	161.2	165.9

Unaudited Financial Statements for the Second Quarter ended 30 June 2018**8. Review of Group Performance****Overview**

The Group recorded a good set of results for the quarter, with core net profit of US\$351.8 million in 2Q2018 (2Q2017: US\$36.1 million), representing an almost tenfold increase in performance. This was driven by stronger performance from Oilseeds and Grains and Tropical Oils segments, together with improved contributions from its associates. In particular, the improvements in soybean crushing volumes and margins, coupled with good performance from the Consumer Products business aided the Oilseeds and Grains segment results to outperform by 381.2% from a year ago. The improvement in net profit for 2Q2018 was slightly lower, with net profit increasing by fivefold to US\$316.4 million (2Q2017: US\$59.0 million) as the weaker performance by the Asian equities market in the current quarter led the Group to recognize non-operating losses.

For 1H2018, the Group reported increases in both core net profit of US\$535.3 million (1H2017: US\$329.1 million) and net profit of US\$519.7 million (1H2017: US\$400.9 million) by 62.7% and 29.6% respectively.

Revenue and Cost of Sales

Revenue improved marginally by 1.9% to US\$10.8 billion in 2Q2018 (2Q2017: US\$10.6 billion) mainly due to both higher sales volume and commodity prices from the Oilseeds and Grains businesses. This was partially offset by the lower commodity prices in both Tropical Oils and Sugar segments. Conversely, cost of sales for the quarter decreased by 2.8% to US\$9.7 billion (2Q2017: US\$10.0 billion). Better performances from both Tropical Oils and Oilseeds and Grains segments drove gross margins to 10.2% in 2Q2018 (2Q2017: 5.9%).

For 1H2018, overall revenue increased by 3.8% to US\$22.0 billion (1H2017: US\$21.2 billion) while cost of sales increased by 1.7% to US\$19.9 billion (1H2017: US\$19.6 billion).

Finance Income**Finance Costs**

	2Q2018	2Q2017	1H2018	1H2017
	US\$ million	US\$ million	US\$ million	US\$ million
Finance income	117.9	45.0	221.2	97.5
Finance costs	(193.8)	(118.0)	(348.9)	(232.5)

The overall increase in interest rates and higher average deposits placed during the quarter led the Group to recognize a higher finance income of US\$117.9 million in 2Q2018 (2Q2017: US\$45.0 million). Correspondingly, finance cost increased to US\$193.8 million in 2Q2018 (2Q2017: US\$118.0 million) from higher effective borrowing rates and higher average bank borrowings.

For 1H2018, finance income increased by 126.9% to US\$221.2 million (1H2017: US\$97.5 million) while finance cost increased by 50.0% to US\$348.9 million (1H2017: US\$232.5 million).

Unaudited Financial Statements for the Second Quarter ended 30 June 2018**Other Operating Items – Net**

	2Q2018	2Q2017	1H2018	1H2017
	US\$ million	US\$ million	US\$ million	US\$ million
Other operating income	50.9	49.6	93.2	102.8
Other operating expenses	(43.6)	(8.6)	(45.3)	(20.6)
Other operating items – net	7.3	41.0	47.9	82.2

Net gain on other operating items for the current quarter was lower at US\$7.3 million (2Q2017: US\$41.0 million gain) and at US\$47.9 million for 1H2018 (1H2017: US\$82.2 million) mainly due to higher foreign exchange losses arising from revaluation of the Group's financial assets and liabilities.

Taking into account foreign exchange impact arising from the forward exchange instruments entered into for hedging purposes under Cost of Sales, the Group recorded a net foreign exchange loss of US\$22.4 million in 2Q2018 (2Q2017: US\$18.0 million gain) and US\$54.0 million in 1H2018 (1H2017: US\$39.2 million gain).

Selling and Distribution Expenses

Selling and distribution expenses increased by 9.2% to US\$445.2 million in 2Q2018 (2Q2017: US\$407.5 million) due to higher freight and transportation costs on the back of increased sales activities.

For 1H2018, selling and distribution expenses increased by 12.8% to US\$961.1 million (1H2017: US\$852.1 million) from higher freight and transportation costs, and higher seasonal advertising and promotional activities in the first quarter of the year. This was being partially offset by lower export duties incurred during the period in both Malaysia and Indonesia.

Administrative Expenses

Administrative expenses, comprising mainly personnel costs, increased 7.9% to US\$185.3 million in 2Q2018 (2Q2017: US\$171.8 million) and 8.2% to US\$370.6 million in 1H2018 (1H2017: US\$342.5 million).

Non-operating Items

The Group recorded non-operating losses of US\$33.9 million in 2Q2018 (2Q2017: US\$24.1 million gain), mainly from losses arising from its investment securities on the back of a weaker Asian equities market. Together with the dividend income received from these investment securities during the first quarter of the year, non-operating losses for 1H2018 was at US\$12.3 million (1H2017: US\$77.4 million gain).

Share of Results of Joint Ventures & Associates

The Group recorded positive contributions of US\$49.6 million for the quarter (2Q2017: US\$23.2 million) mainly from its associates in China and Europe. Correspondingly, this led profits from joint ventures and associates to improve to US\$91.1 million in 1H2018 (1H2017: US\$65.2 million).

Income Tax Expense

The Group recorded higher effective tax rate of 20.2% in 2Q2018 (2Q2017: 6.0%) and 23.3% in 1H2018 (1H2017: 18.2%) due to higher profits recorded in higher tax jurisdictions.

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
Group Financial Performance by Business Segment
Sales Volume of Key Segments

	Sales Volume			Sales Volume		
	2Q2018	2Q2017	Inc/(Dec)	1H2018	1H2017	Inc/(Dec)
	MT'000	MT'000	%	MT'000	MT'000	%
Tropical Oils #						
- Manufacturing & Merchandising	5,649	5,750	-1.8%	11,376	11,400	-0.2%
Oilseeds and Grains						
- Manufacturing	7,538	6,702	12.5%	14,779	12,398	19.2%
- Consumer Products	1,194	1,119	6.7%	2,809	2,541	10.5%
Sugar						
- Milling	131	25	424.0%	260	228	14.0%
- Merchandising, Refining and Consumer Products	2,669	3,112	-14.2%	4,727	5,397	-12.4%

Tropical Oils exclude plantation volume.

Three Months Ended 30 June

Revenue	2Q2018	2Q2017	Variance	
	US\$'000	US\$'000	US\$'000	%
Tropical Oils				
- Plantation	13,544	11,182	2,362	21.1%
- Manufacturing & Merchandising	4,257,021	4,453,422	(196,401)	-4.4%
Oilseeds and Grains				
- Manufacturing	3,944,263	3,142,675	801,588	25.5%
- Consumer Products	1,359,322	1,201,860	157,462	13.1%
Sugar				
- Milling	94,985	32,953	62,032	188.2%
- Merchandising, Refining and Consumer Products	928,326	1,566,855	(638,529)	-40.8%
Others	584,267	504,698	79,569	15.8%
Eliminations	(384,081)	(314,197)	(69,884)	-22.2%
Total revenue	10,797,647	10,599,448	198,199	1.9%

Six Months Ended 30 June

Revenue	1H2018	1H2017	Variance	
	US\$'000	US\$'000	US\$'000	%
Tropical Oils				
- Plantation	27,375	29,244	(1,869)	-6.4%
- Manufacturing & Merchandising	8,656,757	9,078,230	(421,473)	-4.6%
Oilseeds and Grains				
- Manufacturing	7,627,549	5,931,020	1,696,529	28.6%
- Consumer Products	3,347,618	2,878,031	469,587	16.3%
Sugar				
- Milling	140,548	75,890	64,658	85.2%
- Merchandising, Refining and Consumer Products	1,718,346	2,760,463	(1,042,117)	-37.8%
Others	1,126,386	987,412	138,974	14.1%
Eliminations	(677,743)	(570,853)	(106,890)	-18.7%
Total revenue	21,966,836	21,169,437	797,399	3.8%

Unaudited Financial Statements for the Second Quarter ended 30 June 2018
Three Months Ended 30 June

	2Q2018 US\$'000	2Q2017 US\$'000 Restated*	Variance	
			US\$'000	%
Profit before tax				
Tropical Oils	154,864	58,467	96,397	164.9%
Oilseeds and Grains	290,217	60,307	229,910	381.2%
Sugar	(46,237)	(106,786)	60,549	56.7%
Others	(26,313)	28,762	(55,075)	n.m.
Share of results of joint ventures	(4,191)	860	(5,051)	n.m.
Share of results of associates	53,784	22,368	31,416	140.5%
Unallocated expenses #	(2,407)	(1,868)	(539)	-28.9%
Total profit before tax	419,717	62,110	357,607	575.8%

Six Months Ended 30 June

	1H2018 US\$'000	1H2017 US\$'000 Restated*	Variance	
			US\$'000	%
Profit before tax				
Tropical Oils	256,536	213,671	42,865	20.1%
Oilseeds and Grains	462,809	268,007	194,802	72.7%
Sugar	(85,239)	(141,271)	56,032	39.7%
Others	9,795	99,041	(89,246)	-90.1%
Share of results of joint ventures	2,395	6,892	(4,497)	-65.2%
Share of results of associates	88,655	58,286	30,369	52.1%
Unallocated expenses #	(5,979)	(3,888)	(2,091)	-53.8%
Total profit before tax	728,972	500,738	228,234	45.6%

*Prior period figures were restated upon adoption of SFRS (I) 9 Financial Instruments and IFRS Convergence

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

n.m. - not meaningful

Unaudited Financial Statements for the Second Quarter ended 30 June 2018***Tropical Oils (Plantation, Manufacturing and Merchandising)***

Segment profits increased by 164.9%, from US\$58.5 million in 2Q2017 to US\$154.9 million in 2Q2018, on the back of a better performance from the midstream and downstream businesses. While higher crude oil prices benefitted the Oleochemicals and Biodiesel businesses, the Specialty Fats business also contributed positively as a result of an increase in global demand during the quarter. Overall profit for the segment increased by 20.1% to US\$256.5 million for 1H2018 (1H2017: US\$213.7 million).

Production yield improved 11.1% to 5.8 MT per hectare in 2Q2018 (2Q2017: 5.2 MT per hectare) and 9.2% to 10.7 MT per hectare in 1H2018 (1H2017: 9.8 MT per hectare) as a result of more favourable weather conditions. This resulted in an increase in total fresh fruit bunches production to 1,081,425 MT for 2Q2017 (2Q2017: 1,031,475 MT) and 2,066,423 MT for 1H2018 (1H2017: 1,970,246 MT).

Volume for Tropical Oils (Manufacturing & Merchandising) decreased marginally by 1.8% to 5.6 million MT in 2Q2018 (2Q2017: 5.8 million MT) and by 0.2% to 11.4 million MT in 1H2018 (1H2017: 11.4 million MT). Lower commodity prices in the current period led overall revenue to decrease by 4.3% to US\$4.3 billion in 2Q2018 (2Q2017: US\$4.5 billion) and by 4.6% to US\$8.7 billion (1H2017: US\$9.1 billion).

Oilseeds and Grains (Manufacturing and Consumer Products)

The segment profits increased by more than fourfold, from US\$60.3 million in 2Q2017 to US\$290.2 million for the quarter. This was supported by higher crushing volumes and margins, and a good performance from the Consumer Products business. For 1H2018, profit for the segment increased by 72.7% to US\$462.8 million (1H2017: US\$268.0 million).

Overall sales volume increased by 0.9 million MT to 8.7 million MT in 2Q2018 (2Q2017: 7.8 million MT) and increased by 2.6 million MT to 17.6 million MT in 1H2018 (1H2017: 14.9 million MT).

Sugar (Milling, Merchandising, Refining and Consumer Products)

The segment recorded a loss before tax of US\$46.2 million in the current quarter (2Q2017: US\$106.8 million loss). Although the segment benefitted from the change in Australian sugar marketing programme in 2017 and improved performance by the merchandising and processing operations, it remained in the red due to seasonal plant maintenance by the Milling business during the non-crushing season. Correspondingly, Sugar segment recorded a lower loss of US\$85.2 million in 1H2018 (1H2017: US\$141.3 million loss).

Sales volume for Sugar (Milling) increased by 424.0% to 131,000 MT in 2Q2018 due to the new sugar marketing programme introduced in 2017, where certain proportion of Sugar produced in 2017 were sold in the current quarter. However, lower sales activities in the merchandising and processing businesses led overall sales volume for the segment to decrease by 0.3 million MT to 2.8 million MT in 2Q2018 (2Q2017: 3.1 million MT) and by 0.6 million MT to 5.0 million MT in 1H2018 (1H2017: 5.6 million MT). Correspondingly, revenue for Sugar decreased by 36.0% in 2Q2018 to US\$1.0 billion (2Q2017: US\$1.6 billion) and by 34.5% to US\$1.9 billion in 1H2018 (1H2017: US\$2.8 billion).

Others

The segment recorded a loss before tax of US\$26.3 million in 2Q2018 (2Q2017: US\$28.8 million gain) mainly due to mark-to-market losses arising from the Group's investment securities. Nevertheless, the segment reported a gain of US\$9.8m for 1H2018 (1H2017: US\$99.0 million gain) on the back of dividend income received from the investment portfolio in the first quarter of the year.

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

Review of Balance Sheet and Cash Flows

Inventories decreased from December 2017 by 3.4% to US\$7.9 billion as at 30 June 2018, due to lower stockholding of consumer products in China which resulted from the post Chinese Spring Festival seasonal impact. Nevertheless, average turnover days increased to 72 days for 1H2018 compared to 67 days in 1H2017 due to lower stockholdings in 1H2017.

Trade receivables decreased by US\$229.1 million to US\$3.9 billion in 1H2018. Average turnover days remained comparable at 34 days in 1H2018 (1H2017: 35 days).

Trade payables increased by US\$407.1 million to US\$1.5 billion in 1H2018 mainly as a result of the acquisition of our new subsidiary, Shree Renuka Sugar Limited. Excluding the impact of this acquisition, average turnover days improved to 10 days in 1H2018 (1H2017: 12 days).

Other financial receivables (non-current and current) increased by US\$2.3 billion to US\$7.8 billion mainly due to higher other deposits and financial products placed with financial institutions.

Net loans and borrowings (net of other bank deposits, cash and bank balances and financial products with financial institutions – current) increased by US\$593.5 million to US\$13.2 billion. Correspondingly, net gearing ratio was at 0.82x in 1H2018 (FY2017: 0.79x).

During the period, the Group generated US\$787.3 million from operating activities. Capital expenditures for the period (including advances paid) was higher at US\$653.2 million (1H2017: US\$382.7 million) while US\$395.4 million (1H2017: US\$35.1 million) was used for the acquisition of subsidiaries, associates and joint ventures. Together with dividend distribution of US\$332.8 million and an increase in net debt of US\$593.5million, the Group recorded a cash inflow of US\$568.7 million as at 30 June 2018.

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 Second Quarter ended 30 June 2018**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

The trade tensions between the US and China improved crush margins in the short term, thus benefitting our oilseeds crushing business. However, a prolonged dispute between the two countries will have a negative impact on crush margins due to lower plant utilisation. Nevertheless, we expect our other businesses such as consumer products, rice and flour milling to perform reasonably well in the coming quarters. While sustained low palm oil prices will affect our plantation business, our downstream businesses will benefit from increased demand and better margins for its products. Sugar performance should also improve in the second half of the year, with the commencement of crushing season in June.

Overall, we are cautiously optimistic that performance for the rest of the year will be satisfactory.

11. Dividend

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

Yes.

- (b) Interim and final ordinary dividend

	30.06.2018	30.06.2017
	SGD per share	SGD per share
Interim ordinary dividend	0.035	0.030

- (c) 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)

The dividend is tax exempt and declared in Singapore.

- (d) Date Payable

31 August 2018.

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

(e) Books Closure Date

Notice is hereby given that the Share Transfer Register and Register of Members of the Company will be closed from 23 August 2018 at 5.00 pm to 24 August 2018 (both dates inclusive), for the purpose of determining shareholders' entitlement to the Company's interim tax exempt (one-tier) dividend of S\$0.035 per ordinary share for the financial year ending 31 December 2018 ("Interim Dividend"), to be paid on 31 August 2018.

Duly completed registrable transfers of ordinary shares received by the Company's Share Registrar, Tricor Barbinder Share Registration Services of 80 Robinson Road #02-00, Singapore 068898, up to 5.00 pm on 23 August 2018, will be registered to determine shareholders' entitlement to the Interim Dividend.

Depositors whose securities accounts with The Central Depository (Pte) Limited are credited with the Company's ordinary shares as at 5.00 pm on 23 August 2018 will be entitled to the Interim Dividend.

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

Not applicable.

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

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)
	2Q 2018 US\$'000	2Q 2018 US\$'000
Archer Daniels Midland Group	NIL	576,640
Pua Seck Guan	NIL	NIL
Associates of Kuok Khoon Hong & Martua Sitorus	NIL	599
Associates of Kuok Khoon Ean & Kuok Khoon Hua [#]	265	4,477
Martua Sitorus' Associates	NIL	99,628
Kuok Khoon Hong's Associates	242	348
PPB Group Bhd	32,717	NIL
Kuok Brothers Sdn Bhd	361	NIL

The IP associates for Mr Kuok Khoon Ean and Mr Kuok Khoon Hua 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

13 August 2018

Unaudited Financial Statements for the Second Quarter ended 30 June 2018

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 second quarter ended 30 June 2018 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

13 August 2018