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NEWS RELEASE

WILMAR REPORTS 1Q2018 NET EARNINGS OF US$203 MILLION; CORE NET EARNINGS OF US$183 MILLION

- **Higher crushed volume and positive margins for Oilseeds & Grains**
- **Healthy volume growth in Consumer Products**
- **Weaker performance in Tropical Oils**
- **Seasonal losses in Sugar**
- **Strong cash flows from operating activities of US$1.83 billion**

Highlights

In US$ million	1Q2018	1Q2017*	*Change*
Revenue	11,169.2	10,570.0	*5.7%*
Profit before taxation	309.3	438.6	*-29.5%*
Net profit	203.3	342.0	*-40.6%*
Core net profit	183.5	293.0	*-37.4%*
Earnings per share – fully diluted (US cents)	3.2	5.4	*-40.7%*

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

Singapore, May 10, 2018 – Wilmar International Limited ("Wilmar" or "the Group"), Asia's leading agribusiness group, reported a 41% decrease in net profit to US$203.3 million for the quarter ended March 31, 2018 ("1Q2018") (1Q2017: US$342.0 million). The lower profit reflected the difficult operating environment for Tropical Oils and seasonal Sugar losses during the quarter. Nonetheless, the Group continued to achieve strong sales growth in Oilseeds & Grains, arising from higher crushed volume and the later Chinese Spring Festival in 2018.

The increase in Oilseeds & Grains sales volume as well as higher commodity prices, drove revenue up by 6% to US$11.17 billion in 1Q2018 (1Q2017: US$10.57 billion).

Business Segment Performance

Tropical Oils (Plantation, Manufacturing & Merchandising) recorded a pretax profit of US$101.7 million in 1Q2018 (1Q2017: US$155.2 million) amidst headwinds faced by the industry. While plantation production yield and sales volume improved during the quarter, overall results were impacted by lower crude palm oil prices and poor margins in the downstream businesses.

Production yield in 1Q2018 improved 7% to 4.9 metric tonnes ("MT") per hectare (1Q2017: 4.6 MT per hectare) due to favourable weather conditions, resulting in a 5% increase in the production of fresh fruit bunches to 984,998 MT (1Q2017: 938,771 MT).

Sales volume for Tropical Oils Manufacturing and Merchandising increased marginally to 5.7 million MT in 1Q2018 (1Q2017: 5.7 million MT).

Oilseeds & Grains (Manufacturing & Consumer Products) posted a pretax profit of US$172.6 million in 1Q2018 (1Q2017: US$207.7 million), supported by satisfactory performance in Oilseed Crushing and Consumer Products.

Overall sales volume saw a strong 24% increase to 8.9 million MT in 1Q2018 (1Q2017: 7.1 million MT), given the higher crushed volume and Consumer Products sales due to the later Chinese Spring Festival in 2018.

Sugar (Milling, Merchandising, Refining and Consumer Products) reported a pretax loss of US$39.0 million in 1Q2018 (1Q2017: US$34.5 million loss), mainly from weaker Milling results which were mitigated by steady performance from the Merchandising business.

Sales volume for Sugar decreased 12% to 2.2 million MT in 1Q2018 (1Q2017: 2.5 million MT) as a result of lower Milling and Merchandising activities. The anticipated increase in sales volume in the Australian Milling business, arising from the new Sugar marketing programme introduced in FY2017, is expected to be recognised in subsequent quarters.

The **Others** segment recorded a pretax profit of US$36.1 million in 1Q2018 (1Q2017: US$70.3 million) mainly from the Shipping and Fertiliser businesses, as well as dividend income from the Group's investment portfolio. Absence of investment gains during the quarter, due to the weaker equity market conditions, led to lower profits in this segment.

Share of results of **Joint Ventures & Associates** saw a marginal decrease to US$41.5 million in 1Q2018 (1Q2017: US$42.0 million)**.** The stronger performances by the Group's African and Indian investments were offset by weaker contributions from associates and joint ventures in China and Vietnam.

Strong Balance Sheet

As at March 31, 2018, total assets stood at US$43.48 billion while shareholders' funds was US$16.49 billion.

Lower working capital requirements in 1Q2018 led the Group to record a net cash inflow from operating activities of US$1.83 billion. Correspondingly, net debt decreased by US$1.40 billion to US$11.21 billion, while net gearing ratio improved to 0.68x from 0.79x in December 31, 2017.

Prospects

Mr. Kuok Khoon Hong, Chairman and CEO, said, "The prospect of China imposing import tariffs on US soybeans will result in soybean prices staying volatile for the coming quarters. Even though performance of our Oilseed Crushing business will not be affected in the short term, a prolonged standoff between China and the US would affect the utilization of our crushing plants. Nevertheless, we foresee that any negative effect will be partially mitigated by better performances from both our flour and rice businesses. In addition, with the improvements in production yields and better margins from downstream operations, the Tropical Oils segment will likely perform better in the subsequent quarters.

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

About Wilmar

Wilmar International Limited, founded in 1991 and headquartered in Singapore, is today Asia's leading agribusiness group. Wilmar is ranked amongst the largest listed companies by market capitalisation on the Singapore Exchange.

Wilmar's business activities include oil palm cultivation, oilseed crushing, edible oils refining, sugar milling and refining, manufacturing of consumer products, specialty fats, oleochemicals, biodiesel and fertilisers as well as rice and flour milling. At the core of Wilmar's strategy is an integrated agribusiness model that encompasses the entire value chain of the agricultural commodity business, from cultivation, processing, merchandising to manufacturing of a wide range of branded agricultural products. It has over 500 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries. The Group has a multinational workforce of about 90,000 people.

Wilmar's portfolio of high quality processed agricultural products is the preferred choice of consumers and the food manufacturing industry. Its consumer-packed products have a leading share in many Asian and African markets. Through scale, integration and the logistical advantages of its business model, Wilmar is able to extract margins at every step of the value chain, thereby reaping operational synergies and cost efficiencies. Wilmar is a firm advocate of sustainable growth and is committed to its role as a responsible corporate citizen.

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