



NEWS RELEASE

WILMAR 3Q2016 EARNINGS UP 47% TO US\$392 MILLION

- Strong recovery from poor second quarter due to good results from Tropical Oils and Oilseeds & Grains
- Weaker Sugar due to wet weather conditions and merchandising business
- Strong free cash flow of US\$910 million in 9M2016
- Barring unforeseen circumstances, fourth quarter performance expected to be satisfactory

Highlights

In US\$ million	3Q2016	3Q2015	Change	9M2016	9M2015	Change
Revenue	11,084.3	10,649.3	4.1%	29,454.5	29,345.5	0.4%
Profit before taxation	567.0	402.4	40.9%	702.1	960.6	-26.9%
Net profit	392.2	267.6	46.6%	411.5	692.8	-40.6%
Core net profit	384.9	350.7	9.8%	387.1	789.9	-51.0%
Earnings per share (US cents)*	6.2	4.2	47.6%	6.5	10.8	-39.8%

* fully diluted

Singapore, November 10, 2016 – Wilmar International Limited (“Wilmar” or “the Group”), Asia’s leading agribusiness group, reported a 47% increase in net profit to US\$392.2 million for the quarter ended September 30, 2016 (“3Q2016”) (3Q2015: US\$267.6 million). Core net profit grew 10% to US\$384.9 million (3Q2015: US\$350.7 million).

The improved earnings were driven by good performance from the Tropical Oils segment and the Oilseeds and Grains segment which saw a significant recovery from 2Q2016. The Sugar segment posted weaker profits due to wet weather in Australia which further delayed cane harvesting activities. Overall strong performance resulted in a significant improvement in earnings before interest, taxes, depreciation and

amortisation (EBITDA) by 39% to US\$798.7 million in 3Q2016 (3Q2015: US\$576.5 million).

Revenue for the quarter increased 4% to US\$11.08 billion (3Q2015: US\$ 10.65 billion), mainly due to higher commodity prices.

The Group's net profit for the nine months ended September 30, 2016 ("9M2016") decreased 41% to US\$411.5 million (9M2015: US\$692.8 million) as a result of the losses incurred in 2Q2016, while revenue was marginally higher at US\$29.45 billion (9M2015: US\$29.35 billion). Core net profit declined 51% to US\$387.1 million in 9M2016 (9M2015: US\$789.9 million).

Business Segment Performance

Tropical Oils (Plantation, Manufacturing & Merchandising) achieved an 81% increase in pretax profit to US\$169.3 million in 3Q2016 (3Q2015: US\$93.7 million) on the back of good performance from downstream businesses. Although plantation results were affected by lower production volume, the impact on pretax profit was marginal, due to improved crude palm oil prices during the quarter.

Production yield for plantations, which was affected by the El Nino phenomenon, declined 14% to 4.7 metric tonnes ("MT") per hectare as production of fresh fruit bunches decreased 18% to 924,912 MT (3Q2015: 1,129,946 MT).

Oilseeds & Grains (Manufacturing & Consumer Products) registered strong pretax profit of US\$248.1 million in 3Q2016 (3Q2015: US\$243.6 million) from both the Consumer Products and Oilseed crushing businesses.

Sugar (Milling, Merchandising, Refining & Consumer Products) reported a 21% decline in pretax profit to US\$86.4 million (3Q2015: US\$108.7 million) owing to continued disruption in harvesting due to wet weather in Australia as well as weaker performance by the merchandising business.

The **Others** segment recorded a pretax profit of US\$35.2 million (3Q2015: US\$56.2 loss), mainly from the Shipping and Fertiliser businesses.

Joint Ventures & Associates saw pretax profit increase 97% to US\$28.6 million (3Q2015: US\$14.5 million), mainly due to stronger positive contributions from the Group's investments in China, Africa and Ukraine.

Strong Balance Sheet and Positive Cash Flow

As at September 30, 2016, total assets stood at US\$35.52 billion while shareholders' funds was US\$14.30 billion. Gross loans and borrowings decreased by US\$1.50 billion to US\$15.93 billion while net loans and borrowing declined US\$508.5 million to US\$11.31 billion. Correspondingly, net gearing ratio improved to 0.79x compared to 0.82x as at December 31, 2015. During the 9M2016 period, the Group generated US\$1.25 billion in net cash flow from operating activities, resulting in free cash flow of US\$910.1 million.

Prospects

Mr. Kuok Khoon Hong, Chairman and CEO, said, "The recovery in the Group's third quarter results was driven by good performances in both the Oilseeds and Grains as well as Tropical Oils segments. Looking ahead, the Group will continue to execute on its stated growth strategy, with emphasis on its downstream businesses and focusing on high growth markets in Asia and Africa. Barring any unforeseen circumstances, the Group's performance for the rest of the year is expected to 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 92,000 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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