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NEWS RELEASE

WILMAR 4Q2016 CORE EARNINGS UP 70% TO US$590 MILLION

- **Stronger performance across all business segments in 4Q2016**
- **FY2016 EBITDA up 7% to US$2.24 billion**
- **Net cash flows from operations of US$1.12 billion and free cash flow of US$592 million**
- **Total dividend of S$0.065, representing a dividend payout of around 30% for FY2016**

Highlights

In US$ million	4Q2016	4Q2015	*Change*	FY2016	FY2015	*Change*
Revenue	11,947.2	9,431.2	*26.7%*	41,401.7	38,776.6	*6.8%*
EBITDA	845.7	613.8	*37.8%*	2,244.5	2,100.5	*6.9%*
Profit before taxation	597.8	418.8	*42.7%*	1,300.0	1,379.3	*-5.8%*
Net profit	560.8	330.2	*69.9%*	972.2	1,022.9	*-5.0%*
Core net profit	589.5	346.6	*70.1%*	976.6	1,136.4	*-14.1%*
Earnings per share (US cents)*	8.9	5.2	*71.2%*	15.4	16.1	*-4.3%*

** fully diluted*

Singapore, February 20, 2017 – Wilmar International Limited ("Wilmar" or "the Group"), Asia's leading agribusiness group, reported a 70% increase in core net profit of US$589.5 million for the quarter ended 31 December, 2016 ("4Q2016") (4Q2015: US$346.6 million). This was driven by stronger performance across all business segments and aided by the recognition of deferred tax assets of US$142.1 million for the Group's Indonesian operations.

The Tropical Oils and Oilseeds & Grains segments continued their good performance in 4Q2016, while the Sugar segment benefited from higher sugar prices and the extension of the season for milling activities in Australia. Together with improved contributions from associates, 4Q2016 was the best performing quarter for the year.

Revenue grew 27% to US$11.95 billion in 4Q2016 (4Q2015: US$9.43 billion), mainly due to higher commodity prices and stronger sales volume. For the year ended December 31, 2016 ("FY2016"), the increase in sales volume, partially offset by lower commodity prices experienced during the first quarter of the year, resulted in a 7% increase in revenue to US$41.40 billion (FY2015: US$38.78 billion).

Core net profit for FY2016 declined by US$159.8 million to US$976.6 million (FY2015: US$1.14 billion), due mainly to losses of US$343.8 million in Oilseeds & Grains during the second quarter of the year. Together with mark-to-market gains from investment securities that were partially offset by losses arising from changes in fair value of biological assets, the Group recorded a net profit of US$972.2 million for FY2016 (FY2015: US$1.02 billion).

Overall, the strong performance by the Group resulted in EBITDA increasing by 38% to US$845.7 million in 4Q2016 (4Q2015: US$613.8 million) and 7% to US$2.24 billion in FY2016 (FY2015: US$2.10 billion).

Business Segment Performance

Tropical Oils (Plantation, Manufacturing & Merchandising) reported a 94% increase in pre-tax profit to US$184.3 million in 4Q2016 (4Q2015: US$94.8 million). The strong performance was led by the plantation business which benefited from higher crude palm oil ("CPO") prices during the quarter. This coupled with the consistently robust performance from the downstream businesses throughout the year resulted in the 40% increase in pre-tax profit to US$689.2 million for FY2016 (FY2015: US$491.5 million).

In 4Q2016, production yield improved 3% to 6.1 metric tonnes per hectare ("MT/ha") (4Q2015: 5.9 MT/ha) but production of fresh fruit bunches ("FFB") decreased 2% to 1,207,485 MT (4Q2015: 1,235,326 MT) due to replanting. Production yield in FY2016, which was affected by the El Nino phenomenon, declined 12% to 19.0 MT/ha (FY2015:

21.4 MT/ha). FFB production decreased 15% to 3,817,969 MT for the year (FY2015: 4,481,022 MT).

In Tropical Oils (Manufacturing & Merchandising), sales volume increased 3% to 6.1 million MT in 4Q2016 (4Q2015: 6.0 million MT) but declined marginally to 23.4 million MT in FY2016 (FY2015: 23.5 million MT).

Oilseeds & Grains (Manufacturing & Consumer Products) registered an 8% improvement in pre-tax profit to US$177.9 million in 4Q2016 (4Q2015: US$164.2 million), supported by stable soybean crush margins. For FY2016, pre-tax profit of US$251.1 million (FY2015: US$689.8 million) was affected by losses recognized in the second quarter of the year.

The early Chinese Spring Festival in 2017 contributed to an 18% increase in Consumer Products volume to 1.4 million MT for 4Q2016 (4Q2015: 1.2 million MT) and saw overall sales volume for the Oilseeds & Grains segment increase marginally to 7.5 million MT (4Q2015: 7.4 million MT). Sales volume for the segment in FY2016 increased by 3% to 29.5 million MT (FY2015: 28.7 million MT) riding on stronger demand during the first quarter of 2016.

Sugar (Milling, Merchandising, Refining & Consumer Products) reported a 68% increase in pre-tax profit to US$135.9 million in 4Q2016 (4Q2015: US$81.1 million). The milling business delivered an outstanding set of results, helped by higher sugar prices as well as the season extension for milling activities, which led to higher volume of cane crushed. The overall Sugar results included a US$33.5 million impairment charge on the refinery assets in Australia. Excluding this impairment charge in 4Q2016, pre-tax profit for FY2016 improved by 88% to US$158.8 million (FY2015: US$84.3 million).

Higher merchandising and milling activities resulted in a 16% increase in sales volume to 5.0 million MT in 4Q2016 (4Q2015: 4.3 million MT). For FY2016, Sugar sales volume increased 3% to 13.5 million MT (FY2015: 13.1 million MT).

The **Others** segment recorded a pre-tax profit of US$32.7 million in 4Q2016 (4Q2015: US$19.8 million) mainly from the Shipping and Fertiliser businesses and gains from investment securities. The higher pre-tax profit of US$100.6 million for FY2016 (FY2015: US$17.4 million) was primarily due to the absence of losses from investment securities. Excluding the gains/(losses) from investment securities, pre-tax profit would be US$62.6 million for FY2016 (FY2015: US$46.6 million).

Share of results of **Joint Ventures & Associates** increased by 10% to US$67.6 million in 4Q2016 (4Q2015: US$61.5 million) and 35% to US$140.9 million (FY2015: US$104.7 million), mainly due to stronger contributions from the Group's joint venture investment in Goodman Fielder and China associates.

Dividend

The Board has proposed a final tax exempt (one-tier) dividend of S$0.040 per share. Including the interim dividend of S$0.025 per share paid in August 2016, the total dividend paid and proposed for FY2016 is S$0.065 per share, representing a dividend payout of around 30% for FY2016.

Strong Balance Sheet and Cash Flows

As at December 31, 2016, total assets stood at US$37.03 billion (FY2015: US$36.93 billion) while shareholders' funds amounted to US$14.43 billion (FY2015: US$14.39 billion). Net gearing ratio improved marginally to 0.81x (FY2015: 0.82x). In FY2016, the Group generated US$1.12 billion in net cash flow from operating activities (FY2015: US$2.23 billion), resulting in free cash flow of US$591.8 million (FY2015: US$1.07 billion). Free cash flow was lower due largely to the increase in working capital needs.

Prospects

Mr. Kuok Khoon Hong, Chairman and CEO of Wilmar said, "The strong performance in the fourth quarter enabled the Group to overcome the losses incurred in the second quarter of the year and achieve satisfactory performance for the full year. All segments achieved good volume and margin growth during the second half of the year. Looking ahead, the recent lifting of restrictions in China on oilseeds and grains processing on foreign companies is expected to benefit our operations. Barring unforeseen circumstances, performance in 2017 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 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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February 20, 2017