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NEWS RELEASE

WILMAR REPORTS 2Q2017 NET EARNINGS OF US$60 MILLION; CORE NET EARNINGS OF US$37 MILLION

- **Net profit recovered significantly from loss in 2Q2016**
- **Higher crush volume and positive margins for Oilseeds & Grains**
- **Healthy volume growth in Consumer Products**
- **Weaker performance in Tropical Oils and Sugar**
- **1H2017 EBITDA up 66% to US$998.7 million**
- **Proposed interim tax exempt dividend of S$0.03 per share, 20% increase from 1H2016 dividend**

Highlights

In US$ million	2Q2017	2Q2016	*Change*	1H2017	1H2016	*Change*
Revenue	10,599.4	9,367.5	*13.2%*	21,169.4	18,370.2	*15.2%*
EBITDA	307.6	41.0	*649.6%*	998.7	600.1	*66.4%*
Profit/(loss) before taxation	64.0	(186.2)	*n.m.*	531.2	135.1	*293.2%*
Net profit/(loss)	60.2	(220.1)	*n.m.*	421.8	19.3	*2,087.8%*
Core net profit/(loss)	37.3	(220.3)	*n.m.*	349.9	2.2	*15,957.1%*
Earnings per share – fully diluted (US cents)	1.0	(3.5)	*n.m.*	6.7	0.3	*2,133.3%*

Singapore, August 10, 2017 – Wilmar International Limited ("Wilmar" or "the Group"), Asia's leading agribusiness group, reported core net profit of US$37.3 million for the quarter ended June 30, 2017 ("2Q2017") (2Q2016: US$220.3 million loss). The improvement was driven by recovery in Oilseeds & Grains from the one-off losses in 2Q2016, but was partially offset by weaker performances in Tropical Oils and Sugar. Higher non-operating gains, arising from the Group's investment securities, resulted in a net profit of US$60.2 million for the quarter (2Q2016: US$220.1 million loss).

Revenue for the quarter increased by 13% to US$10.60 billion (2Q2016: US$9.37 billion), due to higher sales volume from the Oilseeds & Grains and Sugar businesses, as well as stronger commodity prices.

Boosted by the strong performance in the first quarter of 2017, the Group reported core net profit for the half year ended June 30, 2017 (“1H2017”) of US$349.9 million (1H2016: US$2.2 million) and net profit of US$421.8 million (1H2016: US$19.3 million). Correspondingly, EBITDA improved 66% to US$998.7 million (1H2016: US$600.1 million). Revenue increased 15% to US$21.17 billion (1H2016: US$18.37 billion).

Business Segment Performance

Tropical Oils (Plantation, Manufacturing & Merchandising) reported a 68% decrease in pretax profit to US$59.5 million in 2Q2017 (2Q2016: US$186.3 million), mainly due to the challenging operating conditions faced by the merchandising and processing businesses. This was partially offset by higher production volume in the Plantation business.

Sales volume from Tropical Oils Manufacturing & Merchandising was similar at 5.8 million metric tonnes (“MT”) in 2Q2017 (2Q2016: 5.8 million MT). Production yield for plantations improved 32% to 5.2 MT per hectare in 2Q2017 (2Q2016: 3.9 MT per hectare) as the effects of El Nino eased. Production of fresh fruit bunches increased 32% to 1,031,475 MT (2Q2016: 783,538 MT).

Oilseeds & Grains (Manufacturing & Consumer Products) recovered from its one-off loss in 2Q2016 and registered a pretax profit of US$61.1 million in 2Q2017 (2Q2016: US$343.8 million loss), benefiting from higher crush volume and positive crush margins.

Sales volume for Oilseeds & Grains Manufacturing increased 13% to 6.7 million MT (2Q2016: 5.9 million MT) and grew 10% to 1.1 million MT for Consumer Products in 2Q2017 (2Q2016: 1.0 million MT).

Sugar (Milling, Merchandising, Refining & Consumer Products) reported a pretax loss of US$106.8 million (2Q2016: US$78.7 million loss) due to seasonal losses from plant maintenance activities by the Milling business in the first half of the year and weaker performance in the merchandising and refining business.

Sales volume for Sugar increased 26% to 3.1 million MT from higher merchandising activities (2Q2016: 2.5 million MT).

The **Others** segment recorded a pretax profit of US$28.8 million (2Q2016: US$20.6 million), mainly due to gains from investment securities as a result of stronger equity markets and from the Shipping and Fertiliser businesses.

Joint Ventures & Associates recorded positive contributions of US$23.2 million during the quarter (2Q2016: US$32.0 million), mainly from the Group's investments in China, Europe and Africa.

Dividend

The Board has proposed an interim tax exempt (one-tier) dividend for 1H2017 of S$0.03 per share, a 20% increase from the 1H2016 dividend. The proposed dividend for 1H2017 will be payable on August 30, 2017.

Strong Balance Sheet

As at June 30, 2017, total assets stood at US$37.33 billion while shareholders' funds was US$15.06 billion.

Net debt increased marginally by US$137.8 million to US$11.83 billion. However, net gearing ratio improved to 0.79x in 1H2017 (FY2016: 0.81x) on the back of strong performance in 1H2017.

Prospects

Mr. Kuok Khoon Hong, Chairman and CEO, said, "We expect Tropical Oils to perform better in 2H2017 on the back of improvements in production yields and better margins from downstream operations. Oilseeds crush margins are expected to remain positive for the rest of the year and Consumer Products will improve as it enters its seasonal peak period. However, Sugar will continue to be affected by the volatility in sugar prices.

"While the Group may face short term challenges, we remain very optimistic about the tremendous growth prospects of our various businesses and will continue with our expansion plans, especially in China, India and Indonesia."

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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