



NEWS RELEASE

WILMAR POSTS EARNINGS OF US\$387 MILLION FOR 1Q2011

- **Net profit excluding exceptionals grew 3% to US\$408 million**
- **Good performance for Oilseeds & Grains with 6% pretax profit growth**
- **Strong 26% growth in pretax profit for Plantations & Palm Oil Mills**
- **Substantial 32% increase in volume for Consumer Products**
- **Remains positive on strong Asian growth and the Group's prospects**

Highlights

In US\$ million	1Q2011	1Q2010	Change
Revenue	9,535.7	6,764.1	41.0%
Profit before taxation	501.9	498.9	0.6%
Net profit	386.7	401.4	-3.7%
Earnings per share (US cents)*	6.0	6.0	0.0%

* fully diluted

Singapore, May 13, 2011 – Wilmar International Limited (“Wilmar” or “the Group”), Asia’s leading agribusiness group, posted a net profit of US\$386.7 million for the quarter ended March 31, 2011 (“1Q2011”). The net profit included the fair value loss on embedded derivatives of its convertible bonds and a profit within the Sugar segment relating to pre-acquisition hedging reserves. Excluding these exceptional items, the Group would have recorded a 3% growth in net profit to US\$407.8 million (1Q2010: US\$394.2 million).

Revenue was up 41% to US\$9.5 billion for the quarter driven primarily by higher prices of agricultural commodities while bulk sales volume was 14% lower.

Business Segment Performance

Merchandising & Processing – During the quarter, Palm & Laurics recorded a 2% increase in pretax profit to US\$153.5 million. Sales volume declined 15% to 4.3 million

metric tonnes (“MT”) due to some demand rationing at higher price levels as well as a higher base in 1Q2010 from inventory build-up by customers in anticipation of higher prices. Despite the decline in sales volume, margins expanded under an improved operating environment of higher crude palm oil (“CPO”) supply compared to 1Q2010. Oilseeds & Grains registered a 6% increase in pretax profit to US\$192.1 million despite a difficult operating environment which resulted in a 13% decline in sales volume to 3.5 million MT. The improved profit was due to prudent hedging of raw material purchases.

Consumer Products recorded a 21% decrease in pretax profit to US\$36.8 million, despite a 32% increase in sales volume to 1.1 million MT. The growth in sales volume was due to improved sales in China, Indonesia and Vietnam. However, margins continued to decline during the quarter because of rising prices of edible oils feedstock and the price increase restriction in China.

Plantations & Palm Oil Mills saw an increase of 26% in pretax profit to US\$81.8 million due to increased CPO production coupled with higher prices realised by the Group’s own plantations. The Group’s production of fresh fruit bunches increased by 17% to 844,069 MT reflecting an increase in mature hectareage and a 3% improvement in production yield to 4.3 MT per hectare. Yield remained low compared to historical levels in line with poorer yield in the newly mature hectareage.

Sugar is a new segment following the Group’s acquisition of Sucrogen Limited and PT Jawamanis Rafinasi in FY2010, comprising Milling and Refining businesses. Milling reported a pretax loss of US\$22.7 million due to general, administrative, repair and maintenance expenses incurred during the quarter, partially offset by an accounting profit relating to the reversal of derivatives mark-to-market losses in pre-acquisition hedging reserves. As sugar milling season in Australia normally commences in May/June, it is normal for the Milling division to incur losses in the first two quarters of the year. Sales volume was 80,000 MT primarily from the Australian domestic market, due to the off-harvesting season there. Refining reported a pretax profit of US\$15.4 million due to favourable refining margins as well as timely purchases and sales. Sales volume of 359,000 MT was from Australia, New Zealand, Indonesia and some export sales.

The **Others** segment saw an increase of 126% in pretax profit to US\$44.6 million due to higher fertiliser profits and other income.

Strong Balance Sheet

As at March 31, 2011, total assets stood at US\$35.2 billion while shareholders' funds grew to US\$12.4 billion. Net gearing ratio declined to 0.85x from 0.90x as at December 31, 2010 due to lower net loans and borrowings.

Prospects

Mr. Kuok Khoon Hong, Chairman and CEO, said, "The Group remains positive on its prospects, despite a challenging operating environment in China arising from the monetary tightening and anti-inflationary measures implemented by the Chinese government. Asian economies will continue to see strong growth and the strength of Wilmar's integrated business model will continue to enable the Group to benefit from this growth. "

About Wilmar

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

Our business activities include oil palm cultivation, oilseeds crushing, edible oils refining, sugar, specialty fats, oleochemicals and biodiesel manufacturing and grains processing. Headquartered in Singapore, Wilmar has over 300 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries to support a well established processing and merchandising business. Wilmar also manufactures and distributes fertilisers and owns a fleet of vessels. The Group is backed by a multi-national staff force of about 88,000 people.

Over the years, we have established a resilient integrated agribusiness model that captures the entire value chain of the agricultural commodity processing business, from origination and processing to the branding, merchandising and distribution of a wide range of agricultural products. Wilmar is a leader in the supply of high quality processed agricultural products to the food manufacturing industry, industrial and consumer food catering businesses and has strong leadership positions in consumer-packed products in its targeted markets. Through scale, integration and the logistical advantages of our business model, we are able to extract margins at every step of the value chain, resulting in significant operational synergies and cost efficiencies.

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