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**NEWS RELEASE**

**WILMAR POSTS 15% DECLINE IN EARNINGS TO US$344 MILLION FOR 2Q2010**

- **Net profit excluding non-operating items grew 13% to US$380 million**
- **Significant increase in sales volume for Merchandising & Processing**
- **Margins were satisfactory**
- **Net gearing ratio conservative at 0.45x**
- **Remains positive on the prospects of Asian economies**
- **Planning major expansion into sugar**

**Highlights**

| In US$ million | 2Q2010 | 2Q2009 | *Change* | 1H2010 | 1H2009 | *Change* |
|---|---|---|---|---|---|---|
| Revenue | 6,760.3 | 5,712.3 | *18.3%* | 13,524.4 | 10,670.4 | *26.7%* |
| Profit before taxation | 399.4 | 523.7 | *-23.7%* | 898.4 | 1,042.3 | *-13.8%* |
| Net profit | 344.5 | 407.2 | *-15.4%* | 745.9 | 787.1 | *-5.2%* |
| Net profit excluding non-operating items | 380.3 | 337.3 | *12.8%* | 772.1 | 709.4 | *8.8%* |
| | | | | | | |
| Earnings per share (US cents)* | 5.4 | 6.4 | *-15.6%* | 11.7 | 12.3 | *-4.9%* |

** fully diluted*

*Singapore, August 13, 2010* – Wilmar International Limited ("Wilmar" or "the Group"), Asia's leading agribusiness group, posted a 15% decline in net profit to US$344.5 million for the quarter ended June 30, 2010 ("2Q2010"). Net profit excluding non-operating items grew 13% to US$380.3 million. Net profit in 2Q2010 was affected by a negative change in valuation of US$41.7 million for convertible bonds, partially offset by a net income from other investments of US$6.2 million, whereas net profit for the quarter ended June 30, 2009 ("2Q2009") was increased by a positive valuation of US$38.4 million for convertible bonds and a net income from other investments of US$38.0 million. Margins in 2Q2010 were lower but satisfactory across most business segments as the Group enjoyed significant margin enhancement after the global financial crisis in 2Q2009.

The Group reported growth in overall sales volume supported by a significant manufacturing presence and distribution network in major consuming markets. Revenue was up 18% to US$6.8 billion on the back of increased sales volume and higher average selling prices.

The Group's net profit for the half year ended 30 June, 2010 declined 5% to US$745.9 million while revenue increased 27% to US$13.5 billion. Net profit excluding non-operating items grew 9% to US$772.1 million.

**Business Segment Performance**

**Merchandising & Processing -** Palm & Laurics sales volume grew a healthy 8% to 5 million metric tonnes ("MT"), pretax profit recorded a 32% drop to US$127.2 million as margins contracted in tandem with poorer industry refining margins from tighter supply of crude palm oil ("CPO") and relatively less competitive pricing of palm oil compared to other edible oils. Oilseeds & Grains registered a 47% improvement in pretax profit to US$145.8 million as sales volume rose by 27% to 5 million MT, due mainly to the commencement of new plants for oilseeds crushing, flour and rice milling. Margins were higher due to the timely purchases of raw materials and sales of products.

**Consumer Products** did exceptionally well in 2Q2009 as it benefited from an increase in selling price in May 2009 and low feedstock cost. Therefore, on a year-on-year comparison, this segment recorded a significant drop of 49% in pretax profit to US$31.5 million. Sales volume dropped marginally to 703,000 MT as 2Q2009 enjoyed stronger sales from stock build-up of consumer pack oils by distributors ahead of an anticipated price increase.

**Plantations & Palm Oil Mills** saw a decline of 24% in pretax profit to US$76.6 million mainly due to lower average CPO price realised for the Group's own fruits compared to 2Q2009. In addition, unit production cost in 2Q2010 was higher as a result of a decline in production yield. Yield dropped 10% to 4.51 MT per hectare in 2Q2010 as a result of lower yield of newly matured hectarage and wet weather in most parts of Sumatra which affected harvesting.

**Others segment** saw a decline of 29% to US$32.6 million despite improved performance from shipping and fertilizer. The lower pretax profit was due to a lower gain from other investments on the back of weaker global equity markets.

**Dividend**

The Board has declared an interim tax exempt (one-tier) dividend of S$0.032 per share.

**Strong Balance Sheet**

As at June 30, 2010, total assets stood at US$25.6 billion while shareholders' funds amounted to US$11.5 billion. Net gearing ratio increased marginally to 0.45x from 0.44x as at March 31, 2010.

**Prospects**

Mr Kuok Khoon Hong, Chairman and CEO of Wilmar said, "Wilmar has performed relatively well in the first half of the year, underpinned by its integrated business model and favourable market positioning in the growing consuming markets of Asia. The Group is positive on the prospects of Asian economies, especially China, India and Indonesia, despite uncertainties in the global economic environment. It will continue to leverage on its well-established presence in these markets for growth. The Group is planning a major expansion into sugar with the proposed acquisition of Sucrogen Limited and the development of sugar production in Indonesia. This is expected to be a significant contributor in the long term".

## About Wilmar

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

Its business activities include oil palm cultivation, edible oils refining, oilseeds crushing, consumer pack edible oils processing and merchandising, specialty fats, oleochemicals and biodiesel manufacturing, and grains processing and merchandising. Headquartered in Singapore, its operations are located in more than 20 countries across four continents, with a primary focus on Indonesia, Malaysia, China, India and Europe. Backed by a multi-national staff force of more than 80,000 people, over 300 processing plants and an extensive distribution network, its products are sold to more than 50 countries globally.

Over the years, it has 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. Through scale, integration and the logistical advantages of its business model, it is able to extract margins at every step of the value chain, resulting in significant operational synergies and cost efficiencies.


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