

WILMAR INTERNATIONAL LIMITED

2Q07 RESULTS BRIEFING

14 AUGUST 2007



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PRESENTATION OVERVIEW

- Background information
- Prospects & Future Plans
- 2Q07 Financial Highlights
- Questions & Answers



BACKGROUND INFORMATION

Presenter: Mr KUOK Khoon Hong



Wilmar International

- Headquartered in Singapore and listed on SGX
- Asia's Leading Agribusiness Group after June 07 merger with Kuok Group's plantation, edible oils, grains & related businesses and restructuring exercise to acquire parent company's edible oils, oilseeds, grains & related businesses.
- Growth strategy :
 - Oil palm plantations
 - Palm & laurics merchandising & processing
 - Further expansion in major consuming markets



Capturing the Entire Value Chain of the Agricultural Commodity Processing Business



Leadership Position Post Merger

- Largest global processor and merchandiser of palm & lauric oils
- One of the largest plantation companies in Indonesia / Malaysia
- Largest palm biodiesel manufacturer in the world
- China – largest producer of consumer pack edible oils & largest oilseeds crusher, edible oils refiner & specialty fats and oleochemicals manufacturer
- India – one of the largest edible oils refiners & a leading producer of consumer pack edible oils
- Ukraine – largest edible oils refiner
- East & South Africa – leading importer of edible oils



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Manufacturing Facilities – Malaysia & Indonesia

Plants	Pre-Acquisition		New subsidiary		Total	
As at 30 June 2007	No. of Plants	Capacity (MT p.a.)	No. of Plants	Capacity (MT p.a.)	No. of Plants	Capacity (MT p.a.)
Refining	19	5,420,000	13	3,930,000	32	9,350,000
Fractionation	19	5,420,000	17	3,680,000	36	9,100,000
Palm Kernel & Copra Crushing	17	1,900,000	5	610,000	22	2,510,000
Packing Plant	9	310,000	3	250,000	12	560,000
Palm Oil Milling	20	7,080,000	11	2,280,000	31	9,360,000
Specialty Fats	3	170,000	2	150,000	5	320,000
Fertiliser	2	450,000	-	-	2	450,000
Biodiesel	1	350,000	1	100,000	2	450,000

- Associates under pre-acquisition Wilmar – Refining : 860,000 MT p.a.; Fractionation : 790,000 MT p.a. & Crushing : 200,000 MT p.a.
- Associates under new subsidiary – Refining : 790,000 MT p.a.; Fractionation : 760,000 MT p.a., Crushing : 280,000 MT p.a.
- Total capacities incl. associates – Refining : 11,000,000 MT p.a., Fractionation : 10,650,000 MT p.a. & Crushing : 2,990,000 MT p.a.



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Manufacturing Facilities Under Construction – Malaysia & Indonesia

Plants	Planned/Under Construction	
As at 30 June 2007	No. of Plants	Capacity (MT p.a.)
Refining	1	200,000
Fractionation	2	260,000
Palm Kernel & Copra Crushing	1	20,000
Palm Oil Milling	1	180,000
Biodiesel *	2	700,000

* One of the biodiesel plants above has been commissioned in mid-July 07.



Manufacturing Facilities – China

	As at 30 June 2007	Planned/Under Construction
Plants	Capacity (MT p.a.)	Capacity (MT p.a.)
Oilseeds crushing	11,770,000	660,000
Refining	5,700,000	540,000
Consumer oils packing	4,180,000	1,000,000
Oleochemicals	250,000	370,000
Specialty Fats	490,000	–
Flour milling	590,000	920,000
Rice milling	300,000	–



Global Operations



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Indonesia & Malaysia - Plantations and Palm Oil Mills



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Indonesia & Malaysia - Manufacturing Plants



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China – Manufacturing Plants



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China – Sales Office



India – Manufacturing Plants



India – Sales Office



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Global Markets



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Our Competitive Edge

- **Capturing Margin across Value Chain**
- **Major presence in Key Producing & Consuming Countries**
- **Strong Shareholder Base**
- **Global Market Intelligence**
- **Stronger Management Team Post Merger**



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Capturing Margin across Value Chain

Cost efficiencies:

- Manufacturing cost efficiency due to large scale & integrated operations
- Efficient logistics planning & reduced cost by loading from own ports/jetties & capitalising on multiple manufacturing locations at the best sites
- Marketing cost minimised due to direct marketing to end users
- Lower freight cost due to efficient shipping operations.
- Energy cost savings from conversion of waste products into energy



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Major Presence in Key Producing & Consuming Countries

- Strong merchandising & manufacturing presence in key consuming countries like China, India & Europe
- Strong presence in two key tropical oil producing countries – Malaysia & Indonesia
- Enhances market intelligence
- Provides flexibility in expanding capacity at either origin or destination



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Strong Shareholder Base

- **The Kuok Group** – one of Asia's most diversified and dynamic multinational conglomerates
- **ADM** - one of the largest agricultural processors in the world, with excellent technical expertise in oilseeds, edible oils and grain processing



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Global Market Intelligence

- Maximising processing margins through timely purchases & sales of raw materials & finished goods
- Excellent global market information on demand & supply of oilseeds & edible oils due to:
 - Large scale origination of crude palm oil, palm kernel and soya beans
 - Worldwide merchandising network; especially our dominant position in major consumption growth countries for agricultural commodities
 - Access to shareholders' information network



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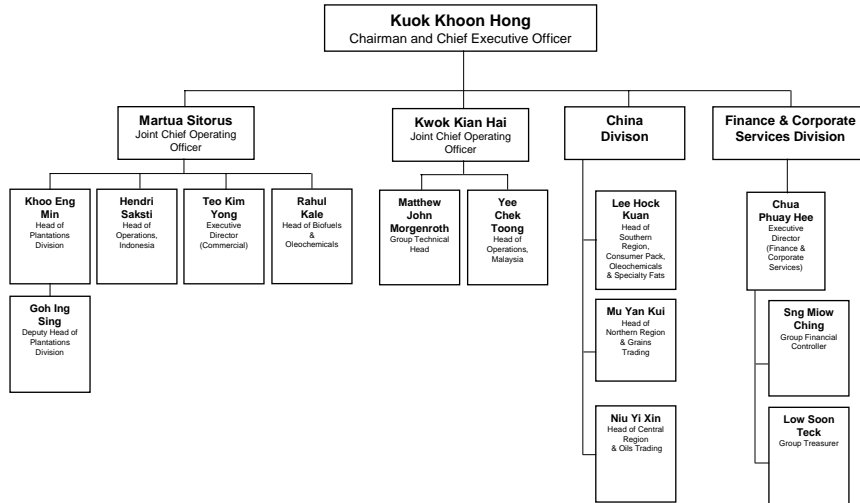
Stronger Management Team Post Merger

- **Added breadth & depth of management post merger**
- **Ability to identify & develop business opportunities**
- **Capable merchandising team**
 - Leading global merchandiser of palm & lauric oils and leading merchandiser of processed agri-commodities in China & India
 - Ability to manage commodity, customer & currency risks
- **Strong technical team**
 - Ability to build large, integrated manufacturing complexes & operate them efficiently
- **Experienced plantations development team**
 - Technical expertise in developing plantations & ability to manage local conditions in Indonesia



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Our New Management Team



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Our New Management Team

- **Mr KUOK Khoon Hong: Chairman & CEO**
 - Successfully developed grains, edible oils & oilseeds businesses in Indonesia, China, India, Africa and Eastern Europe
- **Mr Martua SITORUS: Joint COO & Exec. Director**
 - Successfully developed plantations, milling, refining & fertiliser businesses in Indonesia
- **Mr KWOK Kian Hai : Joint COO & Exec. Director**
 - Strong technical and management expertise with more than 30 years' experience in the edible oils, oilseeds & grains businesses
- **Mr CHUA Phuay Hee: Exec. Director (Finance & Corporate Services)**
 - Extensive experience in the financial services industry
- **Mr TEO Kim Yong: Exec. Director (Commercial)**
 - Developed and built a strong merchandising team to market palm & lauric oils worldwide
- **Mr LEE Hock Kuan : Exec. Director (Head of Southern Region, Consumer Pack, Oleochemicals & Specialty Fats – China Division)**
 - Successfully developed KOG's consumer pack, specialty fats & oleochemicals businesses in China



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Our New Management Team

- **Mr KHOO Eng Min : Head Of Plantations Division**
 - Skilled plantations developer with more than 40 years' experience
- **Mr GOH Ing Sing : Deputy Head of Plantations Division**
 - Successfully developed and managed Group's plantations in Indonesia
- **Mr Matthew MORGENROTH : Group Technical Head**
 - More than 15 years' experience in building and operating oilseeds and edible oils plants in the US, Western Europe, South America and Asia
- **Mr Hendri SAKSTI: Head Of Operations, Indonesia**
 - Developed the fertiliser business and successfully assisted the Joint COO in the management of manufacturing operations in Indonesia
- **Mr YEE Chek Toong : Head Of Operations, Malaysia**
 - Successfully managed the Group's manufacturing operations in Malaysia
- **Mr Rahul KALE : Head of Biofuels & Oleochemicals**
 - Expertise in oleochemicals and biofuels following past experience in MNCs



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Our New Management Team

- **Mr MU Yan Kui : Head of Northern Region & Grains Trading – China Division**
 - Extensive experience in the edible oils, oilseeds, grains & related businesses and knowledge of operating environment in China
- **Mr NIU Yi Xin : Head Of Central Region & Oils Trading – China Division**
 - Extensive experience in the edible oils, oilseeds, grains & related businesses and knowledge of operating environment in China
- **Ms SNG Miow Ching : Group Financial Controller**
 - Significant experience in accounting, finance and audit
- **Mr LOW Soon Teck : Group Treasurer**
 - Served in various senior management positions within the Kuok/Kerry Group and significant experience in corporate finance
- **Mr Patrick TAN : Head Of Internal Audit**
 - Significant experience in internal and external audit, reports to the Chairman of the Audit Committee



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PROSPECTS & FUTURE PLANS



Industry Prospects

- **Tremendous opportunities in the processing and merchandising of palm oil**
 - Rapid expansion of palm oil production esp in Indonesia; 32m MT palm oil production by Malaysia and Indonesia in 2006, potential to grow to > 60m MT in 10 years.
- **Palm oil prices to remain favourable**
 - To be driven by the growing demand for edible use and energy globally.
 - Expected strong crude oil price provides a floor price for CPO.
- **Vast potential for processing of agricultural products in China/India**
 - due to its large population base (China : 1.3 billion, India : 1.1 billion), economic expansion, urbanisation, low per capita consumption and demand for better quality agricultural products.
 - e.g. per capita consumption of 8 major vegetable oils of approx. 16kg China, 10kg India vs 37kg US, 32kg HK.



Growth Strategy

- **Palm oil merchandising & processing activities**

- expand refining, crushing and milling operations in line with growth in palm oil production
- able to expand capacity either at origin or destination due to strong presence in key producing & consuming countries
- cost savings/synergy by combining shipment, supplying from best location and enhanced market intelligence (post merger)

- **Plantation**

- one of the largest plantation companies in Malaysia/Indonesia, combined into planted acreage of 191,495 ha (Indonesia : 128,093 ha, Malaysia : 63,402 ha) and total landbank of approx. 570,000 ha
- combination of PPBOP's agro-expertise and Wilmar's local knowledge will result in faster and more efficient expansion of acreage in Indonesia
- target combined planting of 40,000 ha p.a.



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Growth Strategy

- **China operations**

- merger provides excellent synergies in the origination, manufacturing & distribution of agricultural commodities in both bulk & consumer pack products
- leverage on synergies to capture expected rapid growth in the Chinese market for agricultural commodities

- **Expand further in markets like India, Europe and Africa by building on our existing operations**



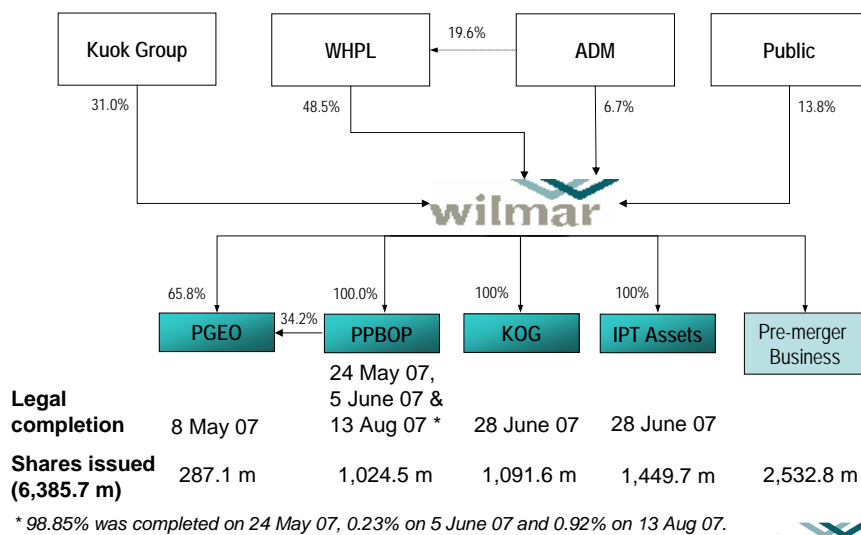
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2Q07 FINANCIAL HIGHLIGHTS

Presenter: Mr CHUA Phuay Hee



Merger & Restructuring – Shareholding & Legal Completion



Merger & Restructuring – Accounting Treatment

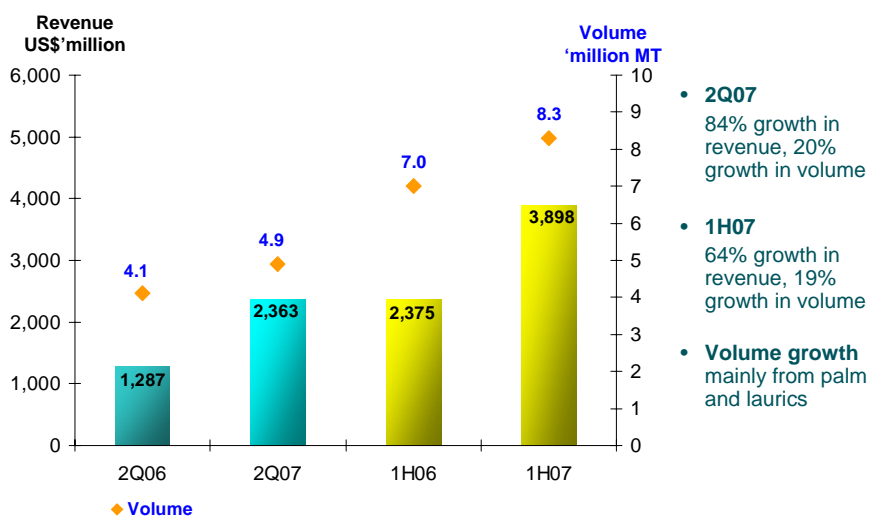
	PGEO	PPBOP	KOG	IPT
Legal Completion	8 May 07	24 May 07, 5 June 07 & 13 Aug 07*	28 June 07	28 June 07
2Q07 P&L	1 month (June 07)		Nil	
2Q07 Balance Sheet	Consolidated		Only share issuance recorded (at S\$1.71) and corresponding entry in Other Assets (non-current)	
3Q07 P&L	3 months (July - Sep 07)			9 months (Jan - Sep 07) in line with merger accounting
3Q07 Balance Sheet	Consolidated			

* 98.85% was completed on 24 May 07, 0.23% on 5 June 07 and 0.92% on 13 Aug 07.



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Revenue



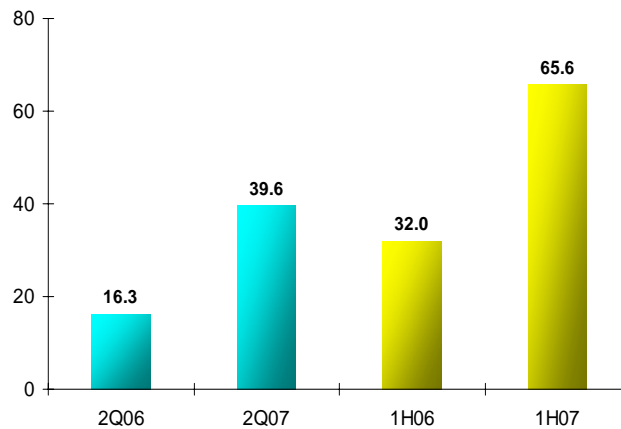
* Results included one month's contribution from PPBOP & PGEO



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Net Profit

US\$'million



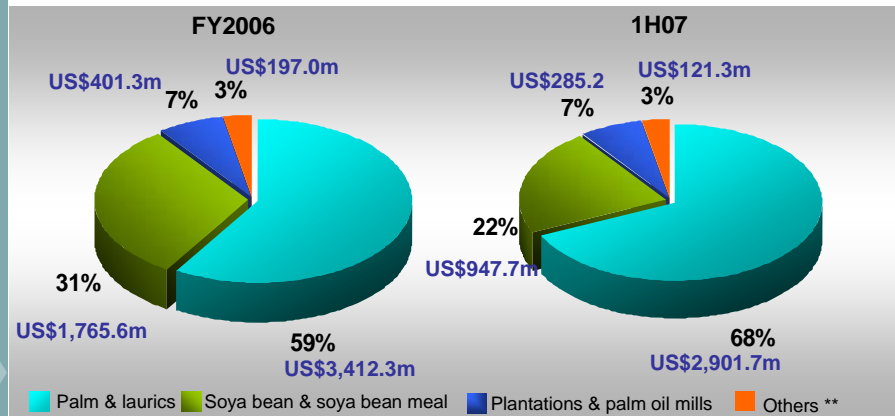
- 2Q07 - up 142%
- 1H07 - up 105%
- **Growth drivers**
palm and laurics volume and margin expansion;
higher CPO prices;
one month's contribution from PPBOP & PGEO
- **Excluding PPBOP & PGEO :**
2Q07 – US\$31.2m, up 91%
1HFY07 – US\$57.2m, up 79%

* Results included one month's contribution from PPBOP & PGEO



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Revenue By Business Segment *



* Before elimination of inter-segment sales

** Comprises fertiliser, ship chartering and other miscellaneous businesses



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Profit Before Tax by Business Segment

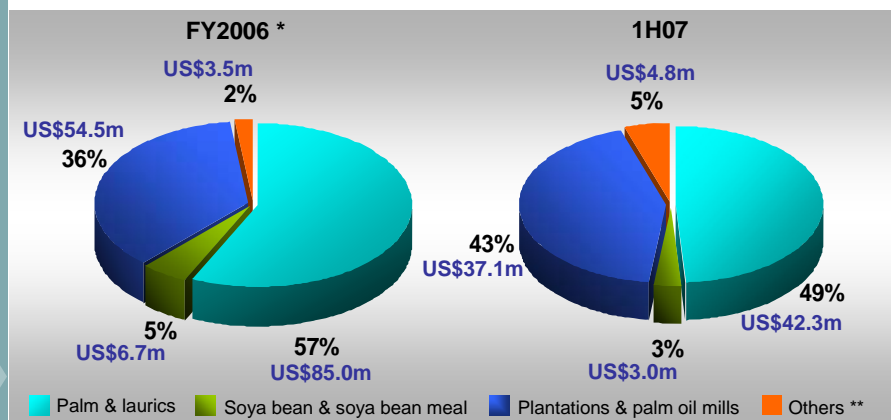
US\$ million	2Q06	2Q07	1H06	1H07
Merchandising & Refinery	10.3	26.0	24.3	45.3
<i>Palm & laurics</i>	8.4	24.2	21.0	42.3
<i>Soya bean & meal</i>	1.9	1.8	3.3	3.0
Plantations & Palm Oil Mills	9.4	24.1	15.8	37.1
Others	(0.1)	2.0	2.0	4.8
Total profit before tax	19.6	52.1	42.1	87.2

- **Key contributors** – Palm & Laurics and Plantations & POMs
- **Palm and laurics** – strong 1H07 due to higher margins and volume, US\$4.9m from PGEO and US\$6.0m biodiesel profits
- **Plantation & POMs** – boosted by higher CPO prices and US\$4.2m from PPBOP
- **Others** – sharp improvement due to higher fertiliser sales and production volume



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Profit Before Tax by Business Segment



* Exclude unallocated expenses of US\$14.3million representing goodwill write-off

** Comprises fertiliser, ship chartering and other miscellaneous businesses



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Merchandising & Refinery - Palm & Laurics

	2Q06	2Q07	1H06	1H07
Revenue (US\$ million)	756	1,802	1,427	2,902
Sales volume ('000 MT)	2,226	3,289	3,683	5,455
Production volume ('000 MT)	1,449	1,607	2,749	3,094
Profit before tax (US\$ million)	8.4	24.2	21.0	42.3
Profit before tax per MT (US\$/MT)*	5.80	15.06	7.64	13.67

* Profit before tax/MT is calculated based on production volume

- Margins vary throughout the year in line with supply of CPO and demand of refined products
- Seasonality factor – stronger 2H due to higher demand for festive season and higher CPO supply
- Average pretax margins of approx. US\$10 per MT p.a.
- 1H07 included biodiesel production volume of 73,000 MT and pretax profit of US\$6.0m. Excluding this, pretax margins of approx. US\$12 per MT.



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Merchandising & Refinery - Soya Bean Business

	2Q06	2Q07	1H06	1H07
Revenue (US\$ million)	478	555	863	948
Sales volume ('000 MT)	1,881	1,599	3,323	2,811
Profit before tax (US\$ million)	1.9	1.8	3.3	3.0
Profit before tax per MT (US\$/MT)	1.00	1.13	1.00	1.07

- Profit - function of sales volume and fee per MT
- Volume – in line with shipment to China



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Plantation Statistics

	2Q06	2Q07	1H06	1H07
Total planted area (hectare)	50,828	191,495	50,828	191,495
Total mature area harvested (hectare)	44,594	127,942	44,594	127,942
FFB production (MT)	257,031	395,399	469,780	635,382
Yield per mature hectare (MT/ha)	5.8	4.9	10.5	9.3
Mill production				
Crude Palm Oil (MT)	208,783	239,528	370,762	422,459
Palm Kernel (MT)	48,902	56,545	87,077	100,536
Extraction Rate				
Crude Palm Oil	20.9%	20.6%	21.0%	20.6%
Palm Kernel	4.9%	4.9%	4.9%	4.9%



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Plantation Statistics

- Increased FFB production due to :
 - bigger mature area harvested
 - One month's contribution from PPBOP
- Decline in 1H07 yield to 9.3MT/ha (1H06 : 10.5MT/ha) due to effect of drought in South Sumatera in 2H06 and lower yield of young trees
- CPO and PK extraction rate – fairly constant
- Of total mill production, own plantations supply approx. 27% of FFB for pre-acquisition Wilmar and 79% for PPBOP



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Plantation Age Profile

31 Dec 2006 (hectares)	Average Age of Palm					Total
	Up to 3 yrs	4-6 yrs	7 - 14 yrs	15 - 18 yrs	>18 yrs	
Land rights	9,574	6,388	34,081	14,556	1,768	66,367
Plasma Programme	549	528	23,314	7,741	-	32,132
Total	10,123	6,916	57,395	22,297	1,768	98,499
% of planted area	10.3%	7.0%	58.3%	22.6%	1.8%	100.0%
30 Jun 2007						
Land rights	62,793	20,460	67,188	30,729	10,325	191,495
Plasma Programme	1,258	438	21,610	9,649	-	32,955
Total	64,051	20,898	88,798	40,378	10,325	224,450
% of planted area	28.5%	9.3%	39.6%	18.0%	4.6%	100.0%



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Plantation Age Profile – Pre-Acquisition & Acquisition

30 Jun 2007 (hectares)	Average Age of Palm					Total
	Up to 3 yrs	4-6 yrs	7 - 14 yrs	15 - 18 yrs	>18 yrs	
Pre-Acquisition						
Land rights	18,027	4,246	30,266	14,871	8,098	75,508
Plasma Programme	479	438	21,610	9,649	-	32,176
Total	18,506	4,684	51,876	24,520	8,098	107,684
% of planted area	17.2%	4.3%	48.2%	22.8%	7.5%	100.0%
Acquisition - Malaysia						
Total land rights	7,279	8,627	29,411	15,858	2,227	63,402
% of planted area	11.5%	13.6%	46.4%	25.0%	3.5%	100.0%
Acquisition - Indonesia						
Land rights	37,487	7,587	7,511	-	-	52,585
Plasma Programme	779	-	-	-	-	779
Total	38,266	7,587	7,511	-	-	53,364
% of planted area	71.7%	14.2%	14.1%	0.0%	0.0%	100.0%



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Balance Sheet Highlights

US\$ million	31 Dec 06	30 June 07	
Equity	606.7	6,356.9	<ul style="list-style-type: none"> Substantial increase in equity due to 3.8bn shares issued for merger & restructuring exercise Gearing ratio improved through new equity issue Pre-acquisition net gearing ratio – quite stable at 1.26x Consistent short working capital cycle
- Net placement proceeds	172.9	-	
Long Term Assets	779.7	6,640.2	
Net Gearing Ratio	1.2x	0.2x	
- Total Borrowings	759.6	1,202.9	
- Total S/H Funds	584.8	6,309.6	
Turnover Days			
- Inventory	25	28	
- Trade Receivables	33	32	
- Trade Payables	18	21	



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Provisional Goodwill From Acquisition/Merger

	US\$ million
Recorded as at 30 June 07	2,296.3
<i>Comprising :</i>	
PPBOP	1,795.4
PGEO	500.9
KOG – to be recorded in 3Q07	Estimated at US\$1.8 – 1.9 bn
IPT Assets - no goodwill but merger reserve to be recorded in 3Q07	Estimated at US\$2.0 – 2.2 bn

Goodwill amount is still provisional pending fair value adjustment which is currently under review. Impairment test at year end.



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Key Ratios

	Year ended 31 Dec 06	6 mths ended 30 June 07
Shareholders' Funds (US\$ million)	584.8	6,309.6
EPS (US cents)	4.51	2.47
Adjusted shareholders' funds *	n.a.	622.0
Adjusted ratios & NTA * :		
Return on Average Equity	24.6%	*19.3%
Return on Average Capital Employed #	24.1%	*17.1%
Return on Average Assets	6.6%	*5.9%
Net tangible assets per share (US cents)	22.59	*24.40

* Calculated on a pre-acquisition basis i.e. excluding one month's contribution of PPBOP & PGEO as well as balance sheet impact of merger. Ratios have been annualised.

Adjusted for working capital borrowings



QUESTIONS & ANSWERS

