



WILMAR INTERNATIONAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199904785Z)

PRESS RELEASE

Wilmar International Limited acquires CSR Limited's Sugar and Renewable Energy business, Sucrogen Limited

Introduction

Singapore, July 5 2010 – Wilmar International Limited (“**Wilmar**” or the “**Company**”) wishes to announce that the Company has entered into an agreement to acquire CSR Limited’s (“**CSR**”) sugar and renewable energy business, Sucrogen Limited (“**Sucrogen**”), for an enterprise value of A\$1,750 million (US\$1,472 million) (excluding minority interests), comprising A\$1,347 million (US\$1,133 million) in equity, and A\$403 million (US\$339 million) of net debt, as at 31 March 2010, subject to certain completion adjustments.

Completion of this transaction is expected to take place around 30 September 2010 or shortly thereafter, and is subject to approval from Australia’s Foreign Investment Review Board and New Zealand’s Overseas Investment Office, as well as other customary sale conditions.

The effective date of acquisition is 1 April 2010, subject to completion taking place, and accordingly, the transaction is expected to be earnings accretive from the first year of consolidation.

Funding for this acquisition will be from internal sources of funds and bank borrowings.

Background

Sucrogen operates sugar and renewable energy businesses and participates across all aspects of the sugar value chain including:

Cane Products:

- Largest Australian raw sugar producer.
- Second largest exporter of raw sugar globally and a leading exporter to the Asian region, through Queensland Sugar Limited (“**QSL**”).
- Seven mills in Queensland’s premier growing regions, producing 2.1 million metric tonnes (“**MT**”) of raw sugar per year.
- Largest renewable energy generator from biomass using cane bagasse, a waste by-product of cane sugar production, with electricity cogeneration capacity of 171 megawatts (“**MW**”).

Sweeteners:

- Largest sugar refiner in Australia and New Zealand through its joint venture with Mackay Sugar Limited.
- Annual refined sugar production capacity of 970,000 MT supplying the domestic markets in addition to substantial exports to Asia.
- Leading sugar brand portfolio including CSR and Chelsea.
- Holder of exclusive Australian and New Zealand distribution licenses for Equal, an artificial sweetener.

Bioethanol:

- Australia’s second largest producer of fuel ethanol.
- Leading domestic supplier of industrial ethanol for over 100 years.

In addition, Sucrogen has strategic shareholdings and interests in industry bodies that provide essential marketing and export services to Australia's canegrowers and millers. These are Sugar Terminals Limited, QSL and Australian Molasses Trading Pty Ltd. In addition, Sucrogen has a shareholding interest in Czarnikow Ltd, a leading sugar broker and consultant.

Wilmar's Chairman and CEO, Mr Kuok Khoon Hong said: "We would like to warmly welcome our new Sucrogen colleagues to the Wilmar family. Sucrogen has a good strategic fit with Wilmar's existing portfolio of high quality, processed agri-products. Wilmar will work with Sucrogen's management to create synergies and to pursue growth strategies in Indonesia and other high potential Asian markets, utilising Sucrogen's proven expertise across the entire sugar value chain and market-leading position in Australia. Wilmar also recognises the extremely important role of all stakeholders in the Australian industry who helped build Sucrogen's success."

Investment Rationale

1. Strong fundamentals behind Wilmar's move into the sugar business

Similar to the other agri-products that are part of Wilmar's integrated agribusiness model, there are strong economic and demographic fundamentals driving demand for sugar in countries where Wilmar has leading market positions. In these fast-growing emerging economies, where the current per capita sugar consumption is low relative to developed countries, demand is expected to increase substantially in the future due to rising affluence and a corresponding increase in per capita consumption.

2. Wilmar's aspirations in sugar

Wilmar intends to build a significant sugar business, utilising its proven integrated agribusiness model to replicate its success in other agri-commodities. The acquisition of Sucrogen will jump-start this strategy to expand into sugar.

Wilmar aims to work with Sucrogen's management to realise these synergies and also to pursue growth strategies in Asian markets.

3. How Sucrogen will contribute

Sucrogen is the largest producer of raw sugar in Australia and through QSL the second largest exporter of raw sugar globally. In Australia, it owns and operates high-quality infrastructural assets, which include the largest holding of sugar mills in the country (located in the highest yielding cane-growing regions) and a unique network of 1,250km of cane rail stretching from farm-gate to mill and mill to port, providing it with significant logistical cost advantages. As a result, Sucrogen is one of the world's lowest cost producers of sugar and is competitive with producers in Brazil's central south region on a delivered basis. Furthermore, because of its proximity to Asia (which is a net importer of sugar) and the high quality of Australian sugar, Sucrogen via QSL has been able to achieve a "Far East premium" over global sugar prices.

Sucrogen owns leading consumer brands associated with quality. The CSR brand is Australia's leading consumer sweetener brand and the Chelsea brand is a New Zealand icon.

Sucrogen is also the leading producer of ethanol and renewable energy in Australia, as the second largest renewable fuel ethanol producer and with cogeneration capacity of 171 MW.

The company is led by an experienced and capable management team with deep industry knowledge. It employs world-class agronomists, possesses advanced cane-related R&D, and is the global market leader in sugar-related technology. Sucrogen also has extensive technical knowledge and the ability to design, build and operate state-of-the-art mills and refineries.

Investment Summary

In summary, Wilmar's acquisition of Sucrogen is based on the following investment highlights:

- Wilmar is well-placed to expand into the sugar business due to:
 - Its well-established processing and merchandising infrastructure and distribution networks in countries with sugar supply deficits like Indonesia where per capita consumption will continue to increase; and
 - Its experience in building winning businesses in high-growth developing markets.
- Sucrogen is Australia's premier sugar company;
- It is a scale sugar exporter;
 - It is Australia's largest exporter of refined sugar and, through QSL, the world's second largest exporter of raw sugar in 2007.
- It is one of the world's lowest cost sugar producers, owing to:
 - Cane located adjacent to rail and port infrastructure.
 - High quality infrastructure assets (mills, cane rail) that make it globally competitive with lowest cost producers.
- Through its joint venture with Mackay Sugar Limited, it is the largest producer of refined sugars in Australia and New Zealand;
- Owns a portfolio of Australia's and New Zealand's leading consumer brands across the sweeteners (refining) market;
 - The CSR brand is Australia's leading consumer sweetener brand and the Chelsea brand is a New Zealand icon.
- Is the leading producer of ethanol and renewable energy in Australia;
 - Australia's second largest renewable fuel ethanol producer.
 - Cogeneration capacity of 171 MW with 105 MW available for export.
- Managed by an experienced and capable management team with a strong track record; and
- Possesses world-leading technical capabilities in sugar (developing plantations, mills and refineries).

About Sucrogen Limited

Sucrogen is the largest raw sugar producer in Australia, the second largest exporter of sugar globally, and the seventh largest producer globally. It owns seven sugar mills capable of producing in total 2.1m MT of raw sugar per year. The mills also produce by-products including molasses, which is used to produce ethanol and also sold as stockfeed.

Sucrogen generates electricity from cogeneration operations at each of its seven sugar mills and is Australia's largest renewable energy generator from biomass, with a total cogeneration capacity of 171 MW. Through its interest in Sugar Australia and New Zealand Sugar Company, Sucrogen is the largest sugar refiner in Australia and New Zealand with its three sugar refineries capable of producing 970,000 MT of sugar annually.

Sucrogen is Australia's largest producer of sugar-based ethanol, which is used as an additive in fuel and for a range of industrial purposes. Sucrogen produces fertiliser using by-products from its sugar milling and ethanol distillation processes.

About Wilmar International Limited.

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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