

*ADDING VALUE TO VEGETABLE OILS
AND FATS IN AN EVER CHANGING
MARKETPLACE*

The NIOP 2008 Annual Convention

March 10, 2008

Boca Raton, Florida



KEY CRITERIA TO ADDING VALUE TO OILS AND FATS

➤ THE LESSONS FROM HISTORY ARE THAT, AFFORDABLE, AND AVAILABLE FEEDSTOCK IS THE MOST IMPORTANT FACTOR IN ADDING VALUE.



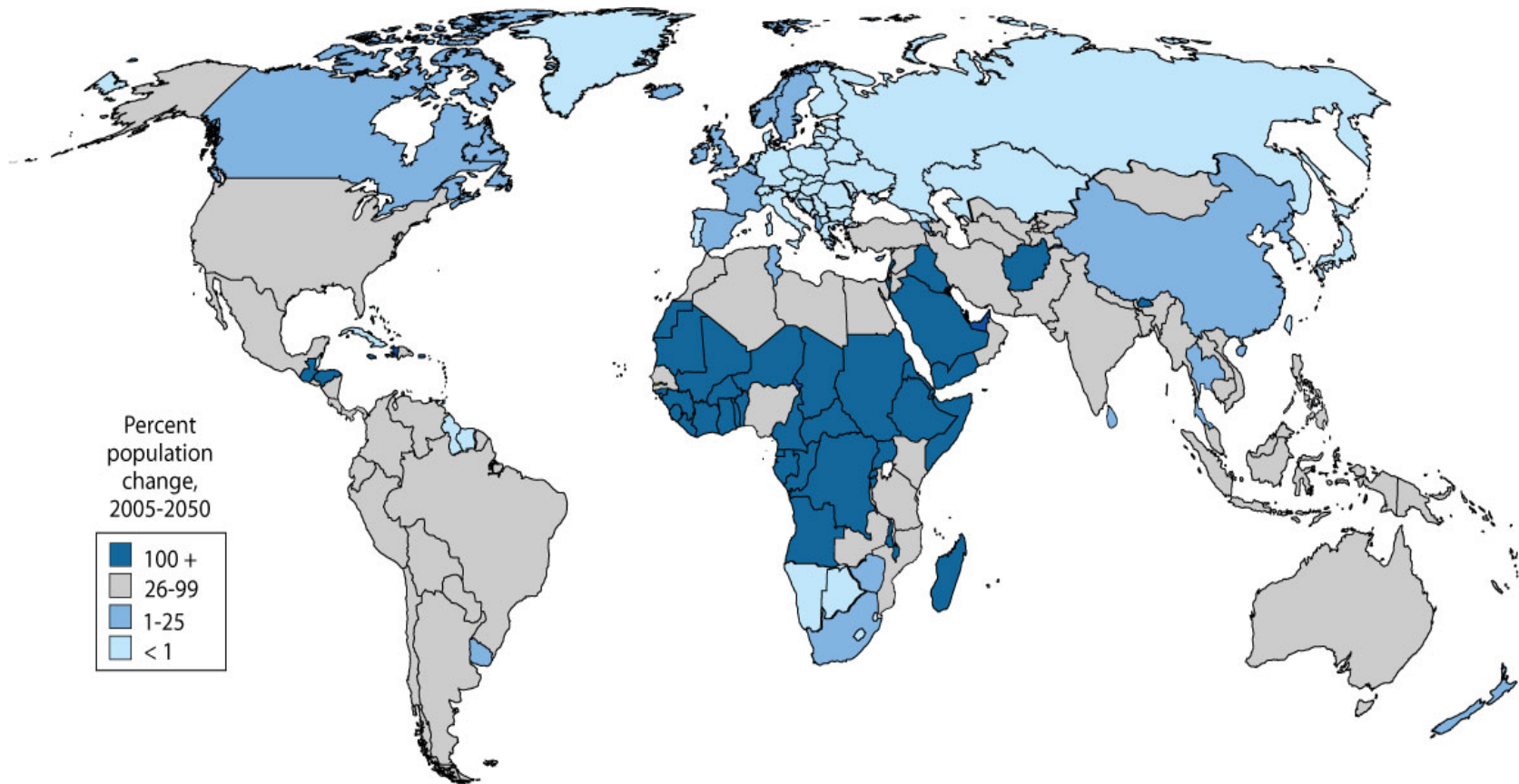
KEY CRITERIA TO ADDING VALUE TO OILS AND FATS

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- ANTICIPATING AND MEETING CUSTOMER NEEDS ADDS SUSTAINABLE LONG TERM VALUE TO UPSTREAM ACTIVITIES.



WHAT ARE THE MACRO ECONOMIC TRENDS EFFECTING OUR INDUSTRY?

➤ MASSIVE POPULATION INCREASES IN SOUTH AMERICA AND THE INDIAN SUB-CONTINENT



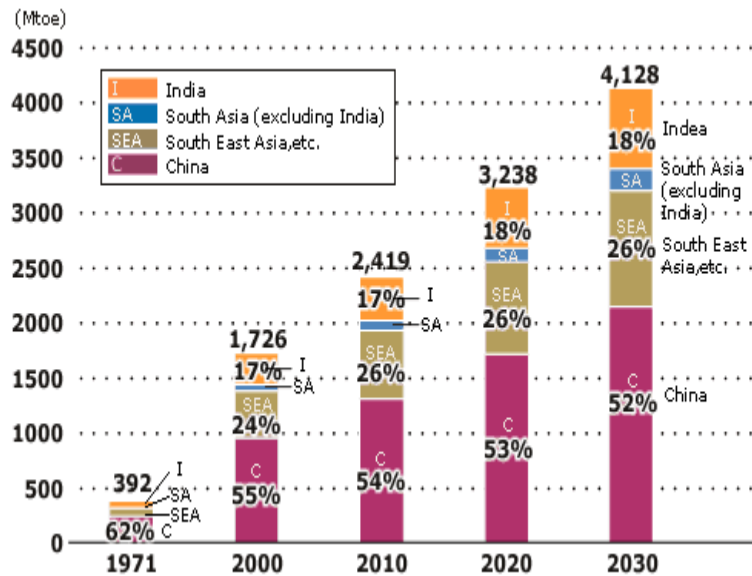
Source: UN Population Reference Bureau, 2005 World Population Data Sheet.



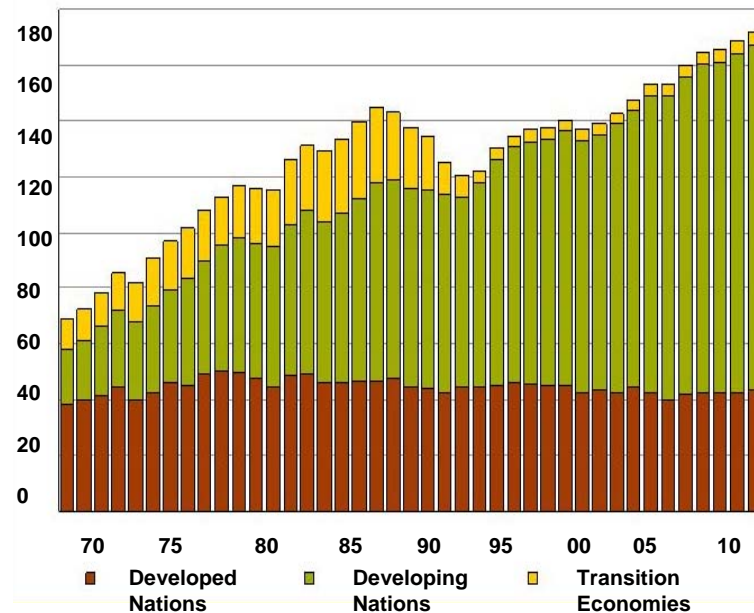
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- SIGNIFICANT INCREASES IN THE DEMAND FOR FOOD AND ENERGY IN THE DEVELOPING WORLD

World Energy Outlook



World Nutrition Demand



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- AN AGING POPULATION AND DECLINING WORKFORCE IN BOTH WESTERN EUROPE AND NORTH AMERICA



WHERE AS AN INDUSTRY SHOULD WE BE PLAYING TO MEET CUSTOMER NEEDS AND MAXIMIZE OUR PROFITABILITY?

➤ INCREASING THE AVAILABILITY AND AFFORDABILITY OF VEGETABLE OILS AND FATS TO MEET DIFFERENT AND DIVERSE CUSTOMER NEEDS ON A GLOBAL BASIS

EVERY CITIZEN OF THE WORLD HAS A FUNDAMENTAL RIGHT TO BE FED!



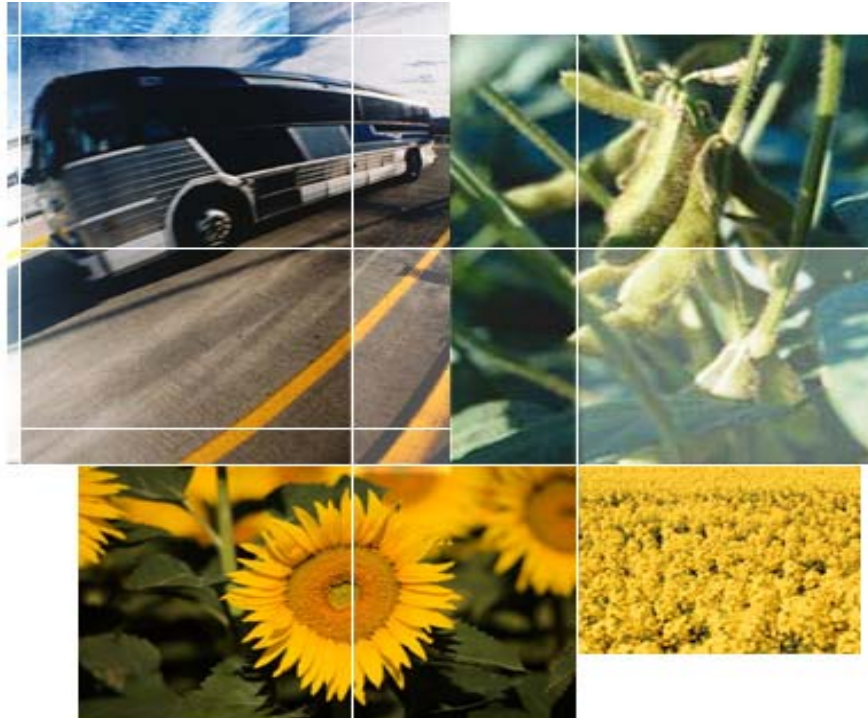
HOW DO WE INCREASE THE AVAILABILITY AND AFFORDABILITY OF VEGETABLE OILS?

- DEVELOPING SEEDS AND CROPS THAT GROW IN LAND PREVIOUSLY UNSUITABLE FOR CULTIVATION.
- BUILDING PALM PLANTATIONS IN AN ECOLOGICAL, POLITICAL AND ENVIRONMENTALLY FRIENDLY WAY.
- PRODUCTION OF THE RIGHT CROPS FOR THE BEST END USE IN THE RIGHT REGION OF THE WORLD FOR THEIR GROWTH.



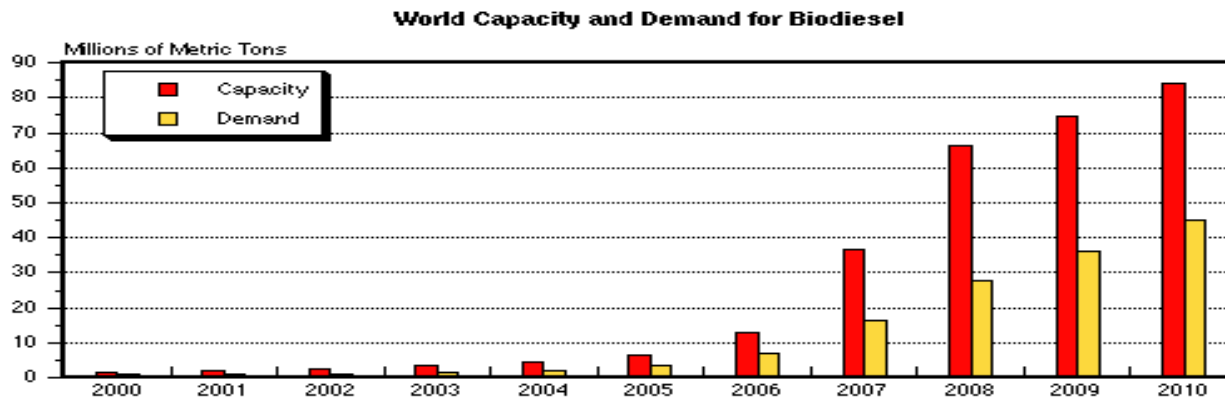
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- THE BIO-FUEL INDUSTRY IN EUROPE AND NORTH AMERICA IN THE LAST 2-3 YEARS IS REMINICENT OF THE CALIFORNIA GOLD RUSH.
- LONG TERM IT WILL BE A MARKET FOR OILS AND FATS, WHICH ADDS VALUE AND WILL LIKELY BE LARGER THAN THE OLEO-CHEMICAL INDUSRTY WHICH TOOK NEARLY 100 YEARS TO DEVELOP.
- IT WILL BECOME AN EFFICIENT MARKET WITH LARGELY INTEGRATED PRODUCERS. AS IT DEVELOPS DRAWING PARALLELS FROM THE EARLY MALAYSIAN PALM OIL REFINING MARKET.



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- NATURAL INGREDIENTS AND SPECIALITY OILS AND FATS



NATURAL INGREDIENTS/SPECIALITY OILS AND FATS

- CONSUMERS WILL DEMAND HEALTHY FOR YOU PRODUCTS
- THEY WILL PAY A PREMIUM FOR THEM
- GROWTH OF MODERN DAY DISEASES, LIKE DIABETES WILL CHANGE THE WAY PEOPLE EAT
- NEW PRODUCTS WILL DEVELOP TO MEET THESE CHANGING NEEDS
 1. Omega -3 fatty acids and other Nutraceuticals
 2. Sucrose polyesters with zero calories from fat which reduce fat soluble toxins in the body.
 3. Zero trans fats will result in a new range of modified lipids to meet performance health needs.



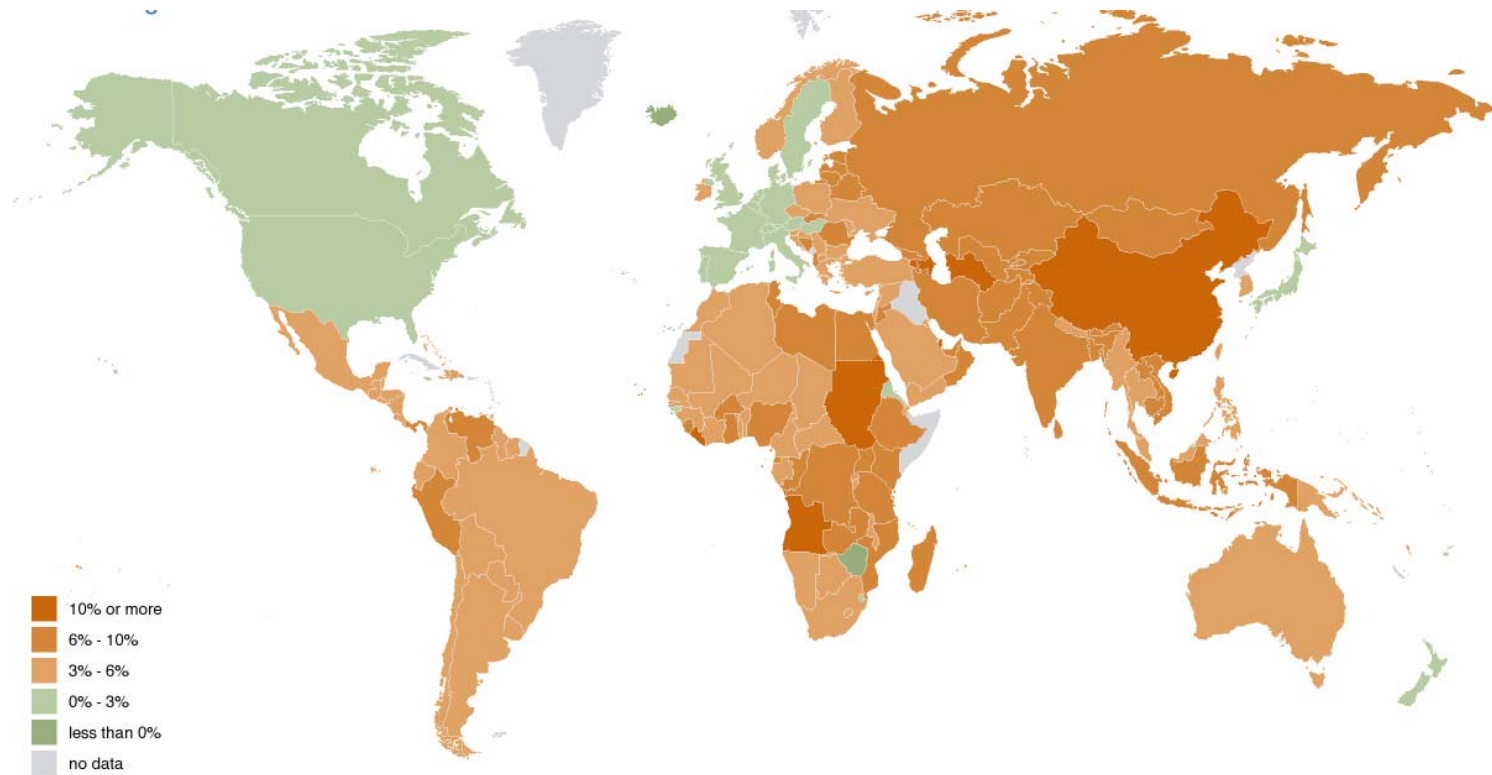
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- GROWTH WILL BE LIMITED BY AVAILABLE AND AFFORDABLE RAW MATERIALS.



IN AN AREA OF ALMOST UNPRECEDENTED OPPORTUNITY- WHAT ARE THE CHALLENGES?

- MAKING THE RIGHT DECISIONS IN A CLIMATE OF GOVERNMENT SUPPORT OR REGULATION
- THE 'BULL CYCLE' IN COMMODITIES WILL RESTRICT LONG TERM INVESTMENT IN DOWNSTREAM ACTIVITIES BECAUSE OF UNCERTAINTIES IN AFFORDABLE RAW MATERIALS
- NOT EVERY PIECE OF THE VALUE CHAIN WILL MAKE MONEY AT THE SAME TIME
- INNOVATION NEVER COMES WITHOUT RISK.
- WIDELY FLUCTUATING PRICE SWINGS MAKE MANAGEMET OF RISK DIFFICULT



THANK YOU

