Half-Year Results 2010/11

Analysts presentation

April 1, 2011

BARRY CALLEBAUT

Cautionary note

Certain statements in this presentation regarding the business of Barry Callebaut are of a forwardlooking nature and are therefore based on management's current assumptions about future developments. Such forward-looking statements are intended to be identified by words such as "believe," "estimate," "intend," "may," "will," "expect," and "project" and similar expressions as they relate to the company. Forward-looking statements involve certain risks and uncertainties because they relate to future events.

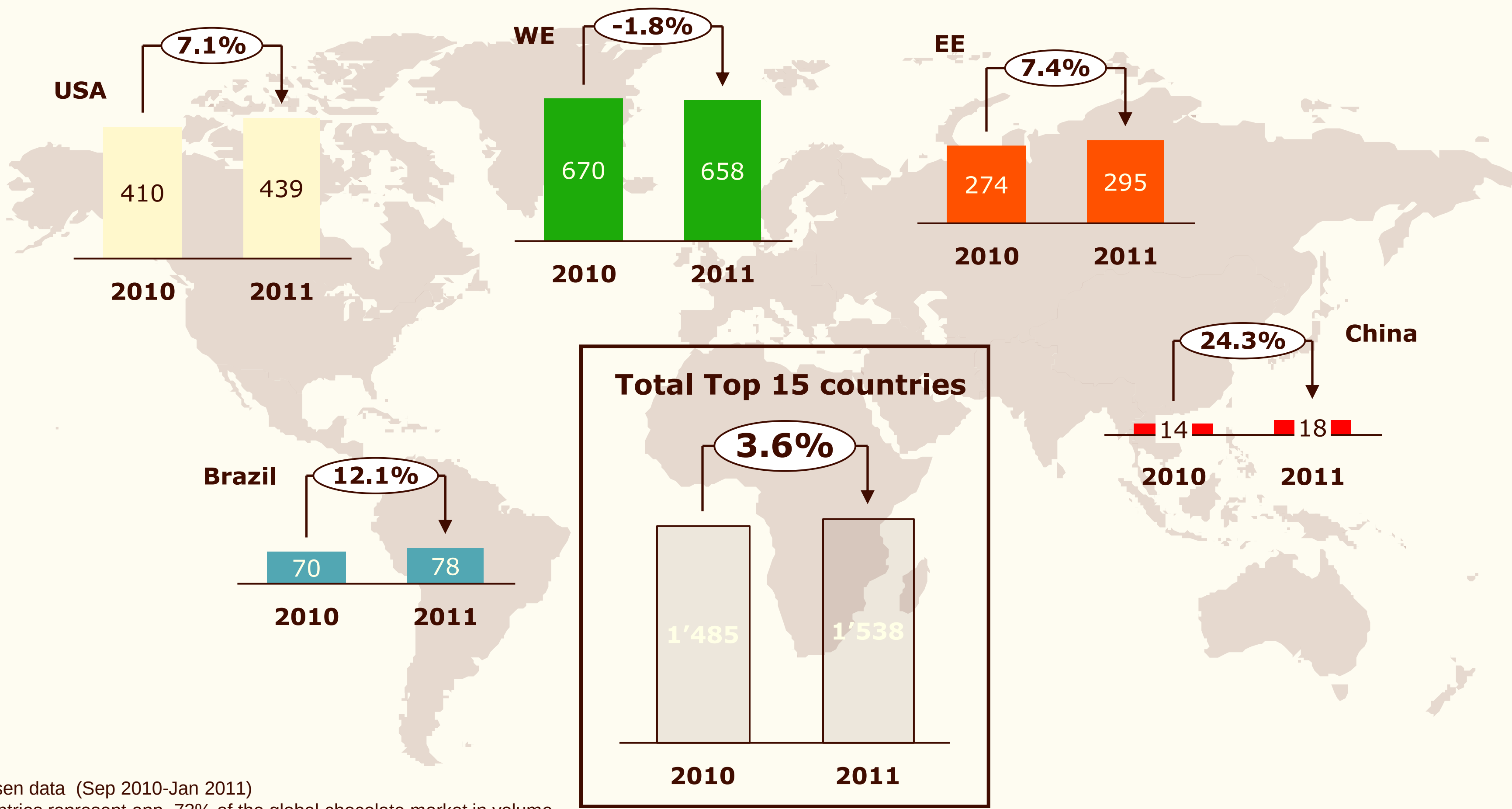
Actual results may vary materially from those targeted, expected or projected due to several factors. The factors that may affect Barry Callebaut's future financial results are discussed in the Letter to Investors. Such factors are, among others, general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures as well as changes in tax regimes and regulatory developments. The reader is cautioned to not unduly rely on these forward-looking statements that are accurate only as of today, April 1st, 2011. Barry Callebaut does not undertake to publish any update or revision of any forward-looking statements.

Financial and business Highlights H1 2010/11

- Sales volume grew twice as fast as the market: +7.1%
- Strong profit growth: Net profit up 17.1% in local currencies (+9.0% in CHF)
- Growth drivers: Emerging markets and Cocoa Products for strategic customers
- Gourmet: Investing in structures and organization; pipeline of projects on schedule
- Implementation of strategic partnership with Kraft on track
- Acquisition of remaining 40%-stake in Barry Callebaut Malaysia
- S&P Credit rating improved from stable to positive outlook

Global chocolate confectionery market up 3.6%

Sep-Jan 2010/11 (in 1,000 tonnes)



Source: Nielsen data (Sep 2010-Jan 2011)
- Top 15 countries represent app. 73% of the global chocolate market in volume
- USA total volumes are estimated based on a share distribution by Euromonitor
- Eastern Europe includes: Russia, Ukraine, Poland, Turkey

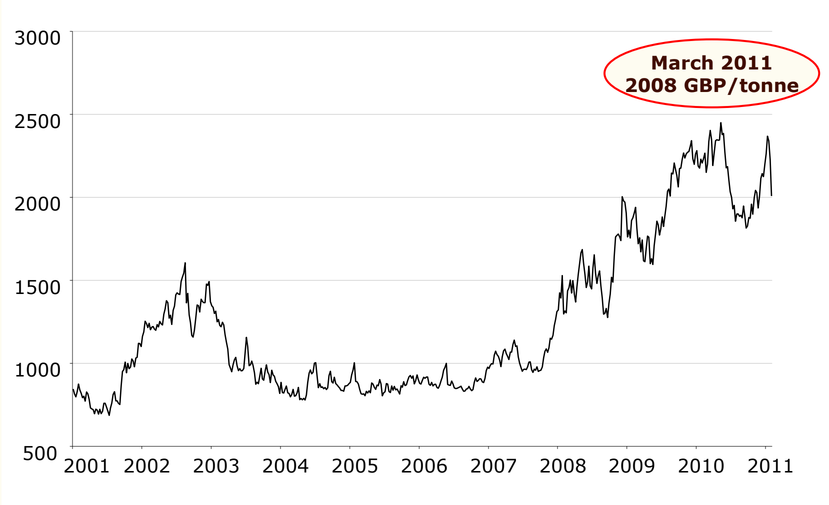
Business Performance HY 2010/11

Growth across all regions

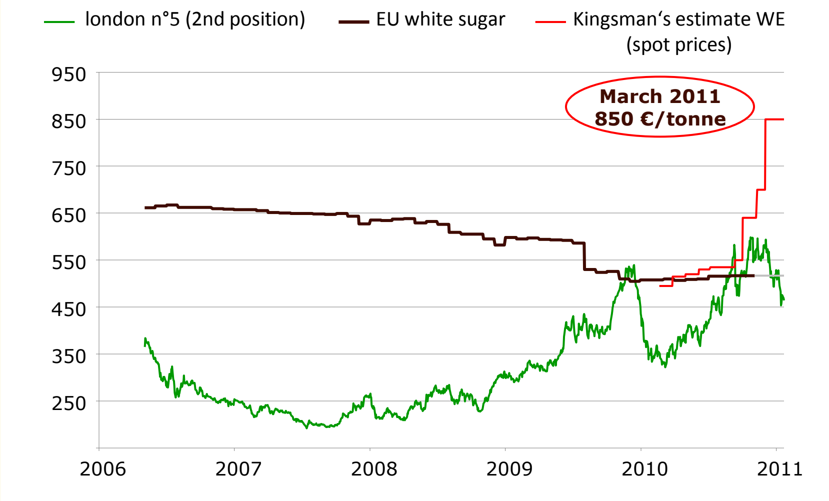
	Europe	Americas	Asia-Pacific	Global Sourcing & Cocoa
				
	Food Manufacturers, Gourmet & Consumer	Food Manufacturers & Gourmet	Food Manufacturers & Gourmet	Cocoa Products
	56.8% of sales volume	21.3% of sales volume	3.8% of sales volume	18.1% sales volume
Vol. growth vs. PY	**+2.3%**	**+9.8%**	**+9.4%**	**+20.9%**
EBIT growth vs. PY in local currencies (in CHF)	**0.0%** (-5.9%)	**+0.8%** (-4.3%)	**+53.1%** (+44.2%)	**+76.9%** (+60.3%)

Raw materials at high levels, volatility increase “Cost plus” model proves to be robust

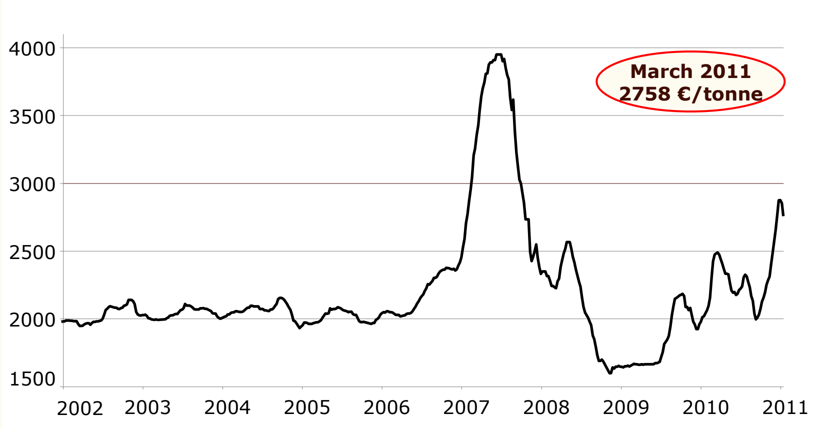
Cocoa bean- Ldn 2nd Position in GBP/tonne



White Sugar average price EUR/tonne



Skimmed milk powder prices EUR/tonne



- BC through its robust business model “cost plus” passes on the cost of raw materials to customers (80% of the business)
- Cocoa price reached historical highs, mainly due to political unrest in Côte d’Ivoire. Price increased + 23% in HY vs. prior year
- Sugar prices up due to tighter supply and increased demand from emerging markets
- Milk powder prices up 50% vs. HY 2010 driven by higher demand and lower supply forecasts

Situation in Côte d’Ivoire – as per 31st March 2011

Current situation in the country

- Since elections end of November 2010, two parties are fighting for presidential power
  - Côte d’Ivoire accounts for about 35% of the total world cocoa crop
  - 14 January 2011: EU adopted sanctions against Côte d’Ivoire
  - 24 January 2011: Call for ban on cocoa exports
  - Banking system collapsed
  - Fights and increased violence

Situation for Barry Callebaut

- Bought and exported majority of necessary beans prior to the various restriction put in place
- Exports of cocoa beans / cocoa products from Côte d’Ivoire suspended
- Our 2 factories in Côte d’Ivoire continue to operate

Barry Callebaut‘s Contingency Plan

- Taken necessary steps to enable Barry Callebaut to honor customer contracts and meet commitments during 2011
  - Stepped up production at other 11 cocoa processing factories worldwide
  - Alternative purchasing in other cocoa origin countries
  - Close cooperation with associations (ECA / FCC / CAOBISCO)

Victor Balli
CFO

Key Figures – H1 2010/11

Growth twice as fast as the market and improved profitability

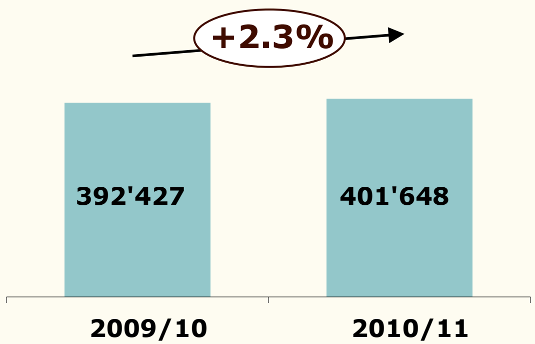
	Change in % In local currencies	Change in %	H1 2010/11	H1 2009/10
Sales volume [in tonnes]		**7.1%**	**706'570**	**659'536**
Sales revenue [CHF m]	**13.2%**	**3.1%**	**2'737.9**	**2'656.5**
CHF per tonne	*5.7%*	*-3.8%*	*3'875*	*4'028*
Gross profit [CHF m]	**9.8%**	**1.6%**	**396.4**	**390.3**
CHF per tonne	*2.5%*	*-5.2%*	*561*	*592*
EBITDA [CHF m]	**9.2%**	**1.4%**	**264.1**	**260.5**
CHF per tonne	*1.9%*	*-5.4%*	*374*	*395*
Operating profit (EBIT) [CHF m]	**11.4%**	**4.0%**	**217.1**	**208.8**
CHF per tonne	*3.8%*	*-2.9%*	*307*	*317*
Net profit for the period [CHF m]	**17.1%**	**9.0%**	**158.8**	**145.7**
CHF per tonne	*9.3%*	*1.7%*	*225*	*221*

Region Europe
Positive growth driven by Eastern Europe

Europe

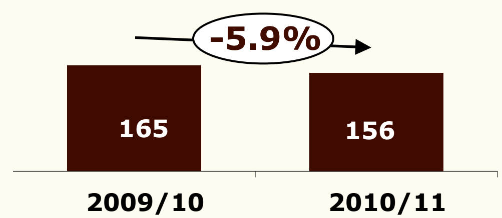
- Mixed overall market growth, Eastern Europe with strong growth and slight decline in Western Europe, mainly Germany
- BC achieved double digit volume growth in FM and Gourmet in Eastern Europe
- Good demand of Gourmet products and market share gains in Western Europe
- Food Manufacturers Products: Higher supply of specialty products
- Profitability affected by weaker Consumer Products and negative currency effects

Sales volume (tonnes)



EBIT (CHF million)

+0.0% in local currencies



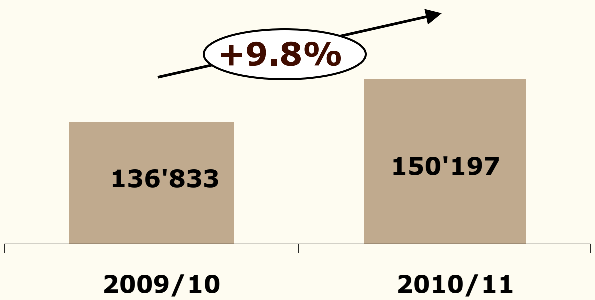
Region Americas

Significant growth driven by FM Corporate Accounts

Americas

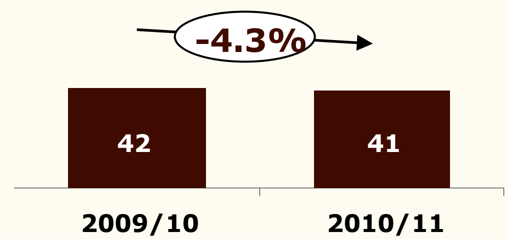
- Chocolate consumption in the U.S. kept strong growth momentum (+7.1%); Brazil increased by +12.1%
- Significant overall volume growth of +9.8% driven by U.S., Mexico and Brazil
- Food Manufacturers recorded double-digit growth with Corporate Accounts in North America, supported by good performance in Mexico and Brazil
- Gourmet market started to recover, higher demand for Cacao Barry and Callebaut brands
- EBIT was flat in local currencies, mainly due to competitive environment, investments in emerging countries and negative FX

Sales volume (tonnes)



EBIT (CHF million)

+0.8% in local currencies



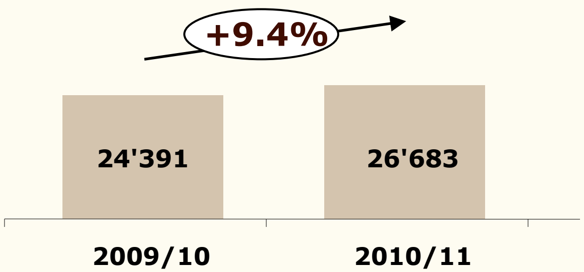
Region Asia-Pacific

Double digit growth with Gourmet business

Asia-Pacific

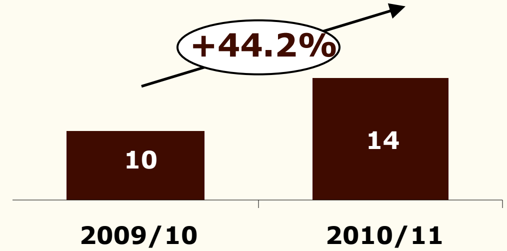
- Significant increase in volume growth, driven by India, Japan, Malaysia and China
- Double-digit volume growth with Gourmet & Specialties Products, mainly with our global brands Cacao Barry and Callebaut
- Food Manufacturers Products business: both strong sales volume and profitability performance
- Excellent profitability driven by volume growth, economies of scale and margin improvement

Sales volume (tonnes)



EBIT (CHF million)

+53.1% in local currencies



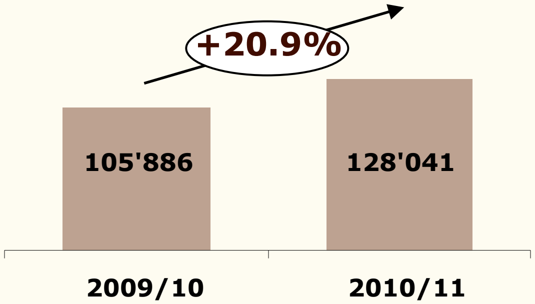
Region Global Sourcing & Cocoa

Significant top- and bottom line growth

Global Sourcing & Cocoa

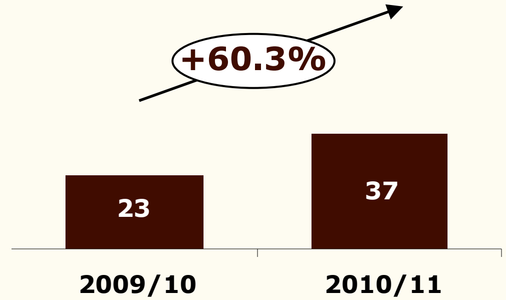
- All relevant raw material prices moved up to new historical highs
- Significant volume growth positively impacted by higher demand of cocoa powder and cocoa products for strategic customers
- Profitability strongly increased thanks to higher volumes and improved (forward) combined cocoa ratio, partly offset by costs related to Ivory Coast

Sales volume (tonnes)



EBIT (CHF million)

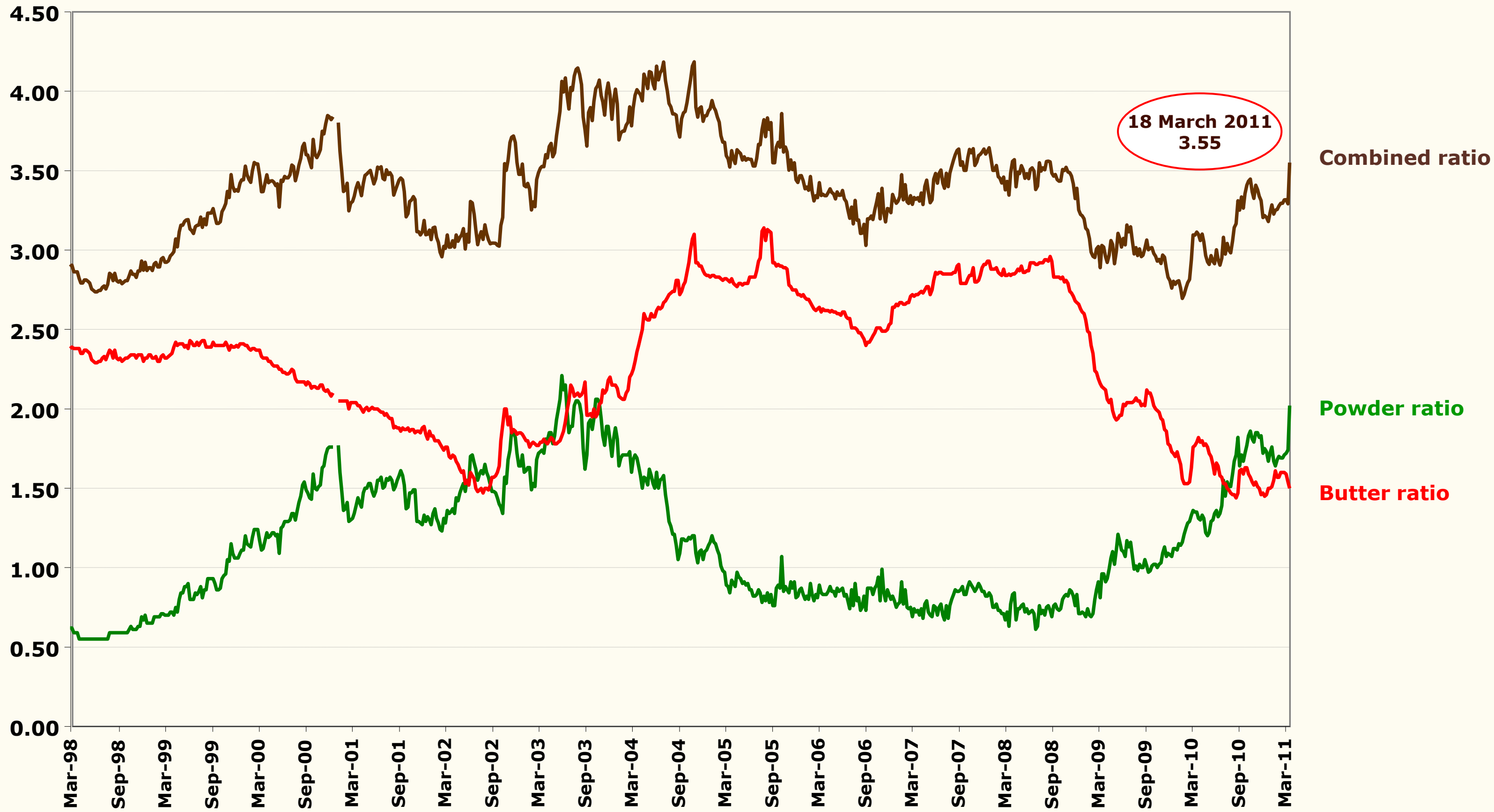
+76.9% in local currencies



Cocoa processing profitability

Improved combined cocoa ratio

Cocoa powder-butter combined ratio* – European ratios 6 months forward against LIFFE



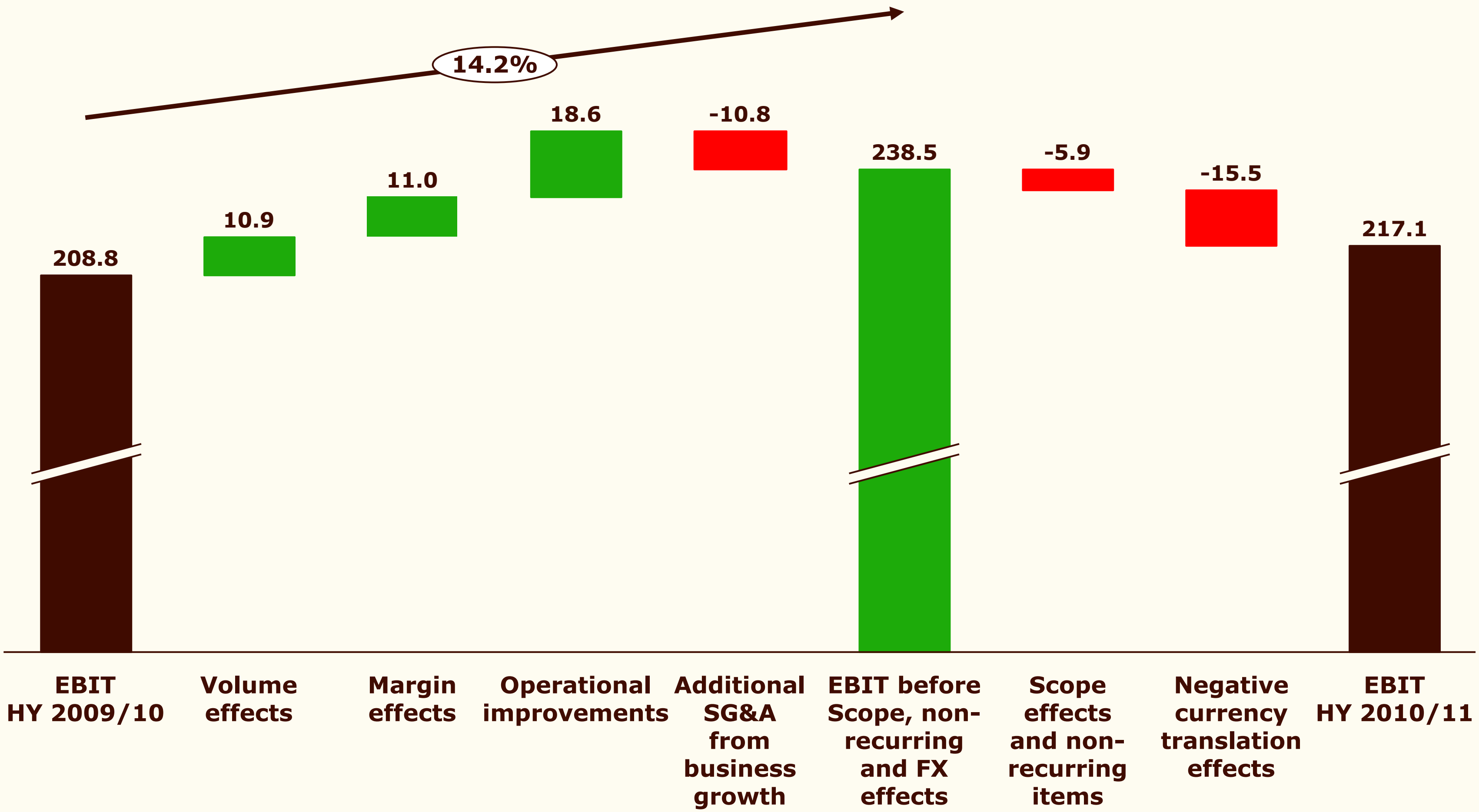
Combined cocoa ratio improved and it is still on a positive trend, mainly driven by higher demand of powder, offset somewhat by with higher cocoa bean prices

* Price charged for semi-finished products compared to cocoa bean price

EBIT – HY 2010/11

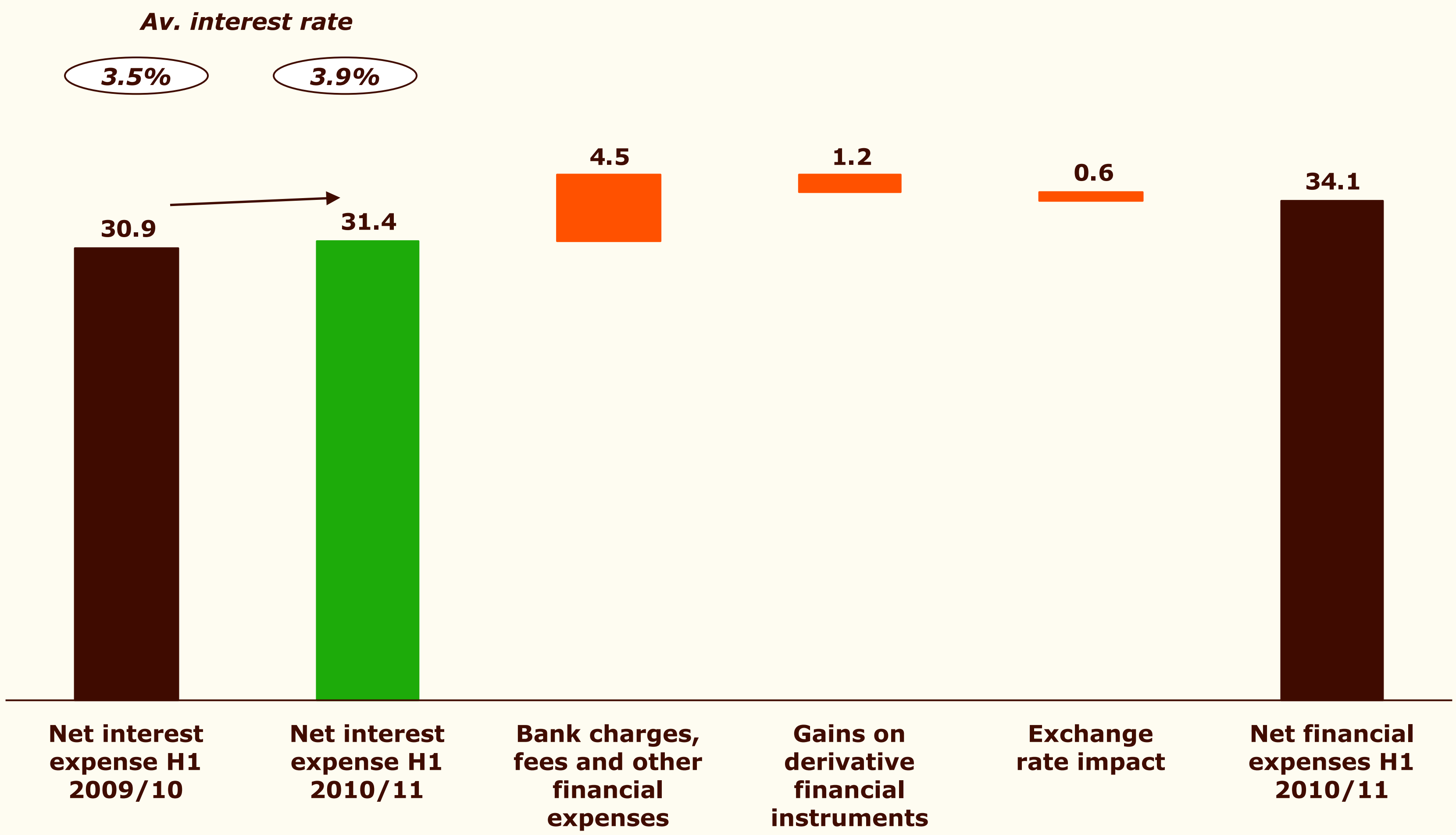
Sustained double digit EBIT growth before scope and negative currency effects

in mCHF



Lower financial expenses, despite slightly higher interest rate

in mCHF



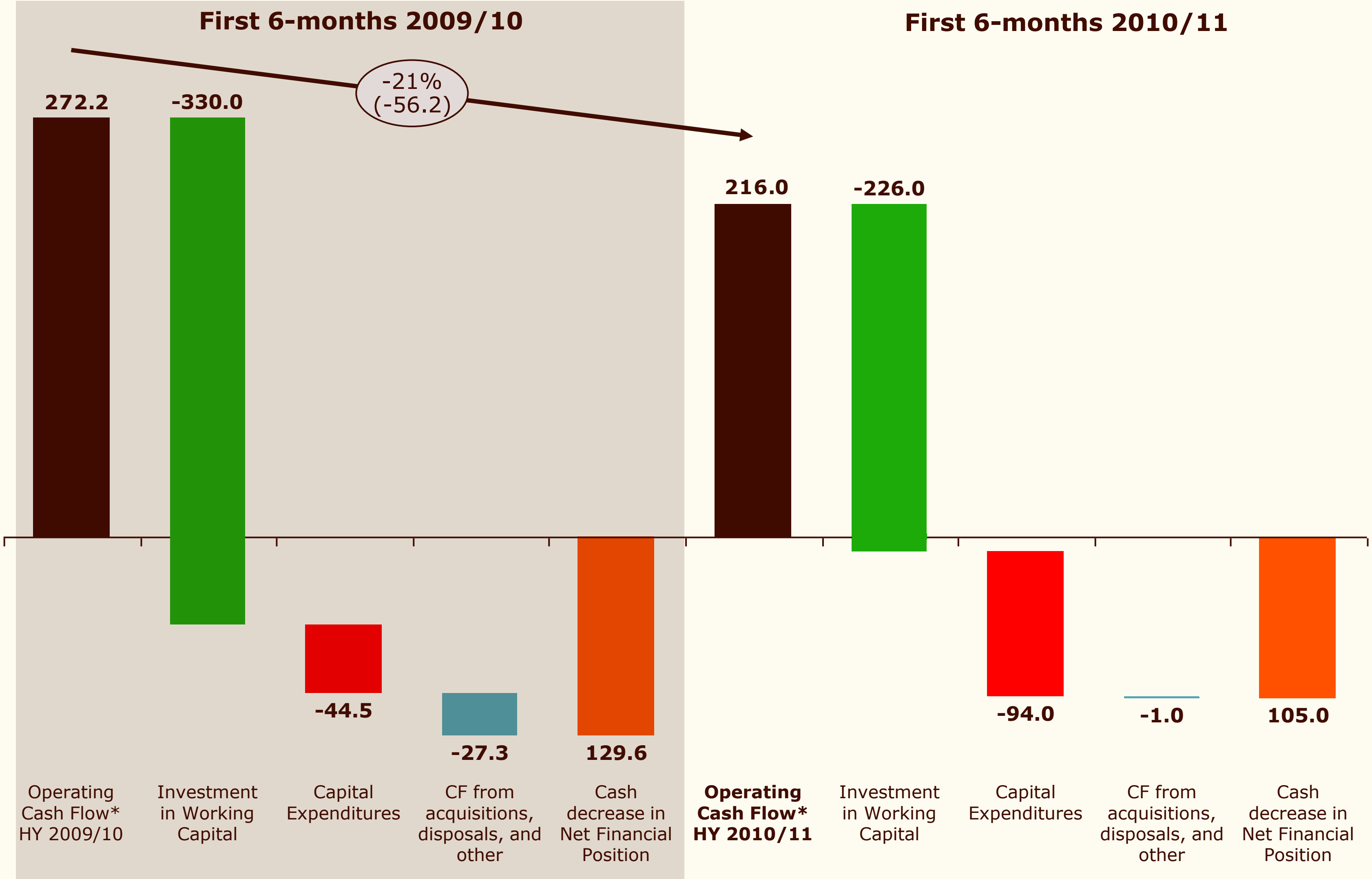
From EBIT to Net Profit

Lower financial expenses contributed to a double digit profit growth

in mCHF

	Change in % In local currencies	Change in % CHF	H1 2010/11	H1 2009/10
Operating profit (EBIT)	11.4%	4.0%	**217.1**	208.8
Financial items		-19.8%	**(34.1)**	(42.5)
Income taxes		17.8%	**(25.1)**	(21.3)
Tax rate [in %]			*13.6%*	*12.8%*
Net Profit for the period	17.1%	9.0%	**158.8**	145.7

Sustainable Cash Flow despite investments in Working Capital and Capex



* Before WC changes, after interest and tax

Balance Sheet – H1 2010/11

Solid Financials with improvement of all key ratios

	Change in %	Feb 11	Feb 10
Total Assets [CHF m]	-2.2%	3'979.1	4'068.0
Net Working Capital [CHF m]	-13.5%	1'054.1	1'218.4
Non-Current Assets [CHF m]	-3.3%	1'408.4	1'457.2
Net Debt [CHF m]	-12.5%	956.2	1'093.4
Shareholders' Equity [CHF m]	1.7%	1'338.9	1'316.2
Debt/Equity ratio		71.4%	83.1%
Solvency ratio		33.6%	32.4%
Net debt / EBITDA		2.0x	2.4x
Interest cover ratio		6.5x	5.3x
ROIC		14.6%	13.4%
ROE		19.8%	17.4%

Financing and Credit Rating agencies

Financing

- Stable financing in place
  1. Syndicated loan runs until July 2013
  2. Term of outstanding bond is July 2017

  No short term need for refinancing, however we look closer to market opportunities

Credit Rating Agencies

- Standard and Poors raised in Feb 2011 the outlook from BB+ "stable" to "positive ". We are one step below investment grade

Juergen Steinemann
CEO

Our Growth Strategy

Vision

- **"Heart and engine of the chocolate industry"**
- Chocolate expert and business partner of choice
- Number one chocolate company

Strategic pillars

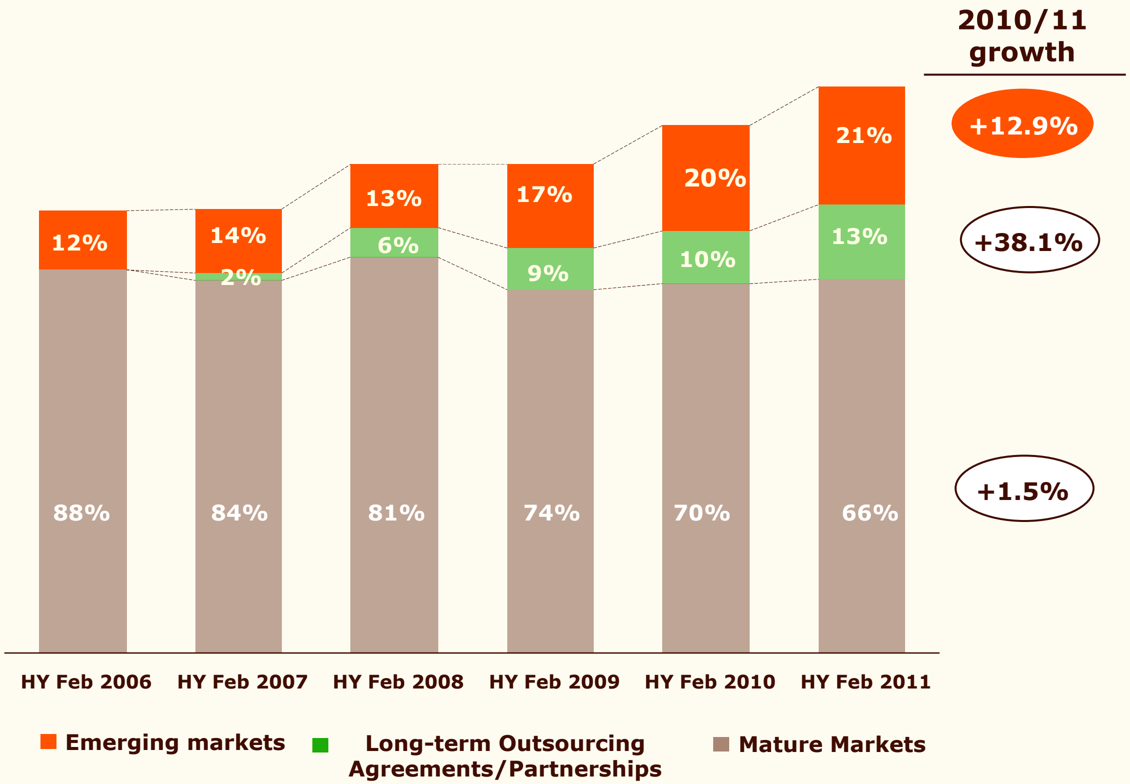
- **Expansion**
- **Innovation**
- **Cost leadership**

Sustainable, profitable growth

1. Geography

Emerging markets drive growth

Emerging markets in % of total sales volume (6 months figures)

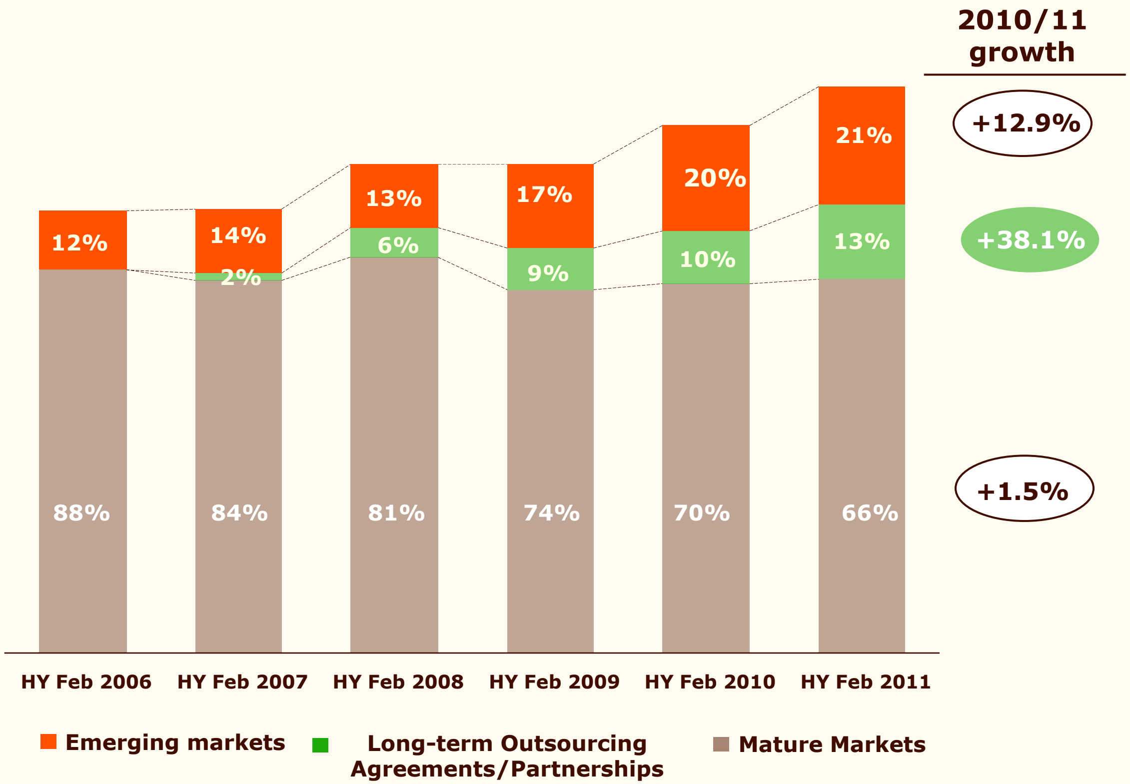


- Investments in emerging markets paying off
- Poland: Line extension completed
- Mexico: Volume increased, gained market share with local customers, growth +19%
- Russia: Volume increased, +21%
- China: increased market share with local food manufacturers

2. Outsourcing/Partnerships

Implementation and strengthening partnerships

Long-term outsourcing agreements evolution as % of total sales volume (6 months figures)



- Implementation of Kraft long-term strategic partnership has started and it is well on track
- Green Mountain Coffee Roasters: New long-term contract to serve Beverages business in North America out of our Swedish production site
- Strong pipeline of outsourcing/partnership projects

3. Gourmet & Specialties Products

Developments of our 6 strategic actions

1. Sharpen focus on two global brands Cacao Barry and Callebaut
   - Centralization of brand management completed
   - Regional brand Managers put in place in U.S. and Western Europe
2. Move from a product to a segment focus
   - Introduction of segment-marketing in progress
3. Increase adjacent product offering
   - Expanded range will soon be launched (e.g. decorations)
4. Accelerate geographical expansion
   - Accelerated growth efforts in Asia
5. Growth through acquisitions
   - On-going discussions with potential targets
6. Dedicated Gourmet organization with own P&L / "Independent but interdependent"
   - New organizational principles implemented in Western Europe and North America

Decorations (Confectioners)

Fillings (BAPA)

Frozen (Foodservice)

Many new, innovative specialties

Decorations & Fillings

- 40 new decorations developed under „Callebaut" brand
- 120 new decorations developed under „Cacao Barry" brand answering the trend towards smaller and customized products
- Broad range of new fillings

Inclusions

- Innovative soft melting chocolate chunks in ice cream
- Unique in the market

Many new, innovative specialties

Healthier confectionary alternatives

- Broadened range of specialty products reduced in saturated fats
- Significant reduction in the use of hydrogenated fats
- Elimination of almost all trans-fatty-acids from all products

Terra Cacao Chocolate range

- First results from our unique Controlled Fermentation process
- New cocoa cultivation method
- Cocoa beans with virtually zero defects or off-flavors
- Superior quality chocolate

Challenging environment offset by efficiency improvements

- Higher manufacturing costs in last six months due to:
  - Strong growth in Gourmet and Specialties products
  - Reduced energy consumption per ton offset by higher energy prices
  - Contingency plan Côte d'Ivoire
- "One+" the new continous improvement program is well on track and it has been rolled out to several factories

	H1 2010/11	Goal
Manufacturing costs per tonne	**+2%***	**at least -2%**
Capacity utilization for liquid chocolate	84.5%	82-85%

* -2.3% excluding exceptional effect (growth in Gourmet & Specialties Products, compensation Côte d'Ivoire)

Outlook

Financial targets confirmed

- Annual growth targets on average* for 2009/10 through 2012/13:
  - Volumes: 6-8%
  - EBIT: at least in line with volume growth

* Our view for the 2009-2013 period reflects current economic forecasts for the markets we operate in as well as internal developments and their assumed impact on our performance, barring any major unforeseen events and based on local currencies.

Q&A

Summary

- Sales volume growing twice as fast as the market: +7.1%
- Growth drivers: Emerging markets and strategic partnerships
- Strong profit growth: Net profit up 17.1%
- Confirmation of four-year growth targets up to 2012/13
  - Volumes: 6-8%
  - EBIT: at least in line with volume growth in local currencies

Barry Callebaut Financial Calendar 2010/11

- 9-month key sales figures 2010/11 (news release) – June 30, 2011
- Full-year results 2010/11 (news release / conference) – November 10, 2011
- Annual General Meeting 2010/11 – December 8, 2011