

## Media release

### Barry Callebaut AG: Stable Net Profit in First Semester

- Operating profit (EBIT) of CHF 104.6 million and net profit of CHF 67.2 million at prior-year levels despite tougher business environment
- Sales volumes down 3% to 411,826 tons due to the deliberate reduction of sales of semi-finished products to third parties
- Lower sales revenues of CHF 1,322.3 million (-9.5%) due to volume decrease, a negative foreign currency impact and low cocoa prices until November 2001

Zurich/Switzerland, April 9, 2002 – Barry Callebaut AG, the world's leading manufacturer of high-quality cocoa and chocolate products, continued to selectively scale back sales of cocoa and semi-finished products to third parties during the first half of the 2001/02 fiscal year (September 2001 to February 2002). The company is thus making progress toward its goal of diminishing its exposure to the price volatility prevailing in this business. Due to this deliberate reduction as well as to flat business in the Food Manufacturers unit and lower Vending Mix sales, sales volumes were down 3% to 411,826 tons (prior year: 425,325 tons).

Sales revenues declined by 9.5% to CHF 1,322.3 million (prior year: CHF 1,460.9 million), with the decline equally attributable to lower sales volumes (-3.2%), currencies (-2.9%) and cocoa prices, which were still low in the first semester (-3.4%). The massive increases in cocoa prices which have occurred since December 2001 will only be reflected in the numbers for deliveries as of summer 2002.

Operating profit EBIT amounted to CHF 104.6 million, virtually unchanged from the high level of CHF 104.1 million for the prior year thanks to strict cost management and margin optimization. Net profit was also stable at CHF 67.2 million (prior year: CHF 67.0 million). Equity increased by 8.3% from CHF 674.5 million to CHF 730.2 million.

#### **Business performance by unit**

In line with overall market growth, the **Food Manufacturers (Chocolate for industrial clients)** business unit reported a 1% increase in its sales volumes to 256,293 tons. Sales revenues fell by 5% to CHF 725.4 million. Stringent cost management efforts in this unit will be further intensified in the latter half of the fiscal year.

The **Food Service (Gourmet & Specialties)** business unit, which supplies specialty products to artisanal users such as chocolate makers, pastry chefs, hotels and restaurants as well as consumer products in certain niche markets, reported an 8.6% decline in sales volumes to 86,419 tons and a 5% decline in sales revenues to CHF 376.5 million. Adjusted by the effects of the sale of the Gummibear Factory as of October 1, 2000, the sales volume decrease was 4.6% and the sales revenue decrease 1.7%. The main reasons for the decline were production problems caused by a supplier in the Vending Mix business, whose sales dropped by 31% to CHF 31.7 million, and the global slump in tourism in the 4<sup>th</sup> quarter of 2001 in the aftermath of the events of September 11. Although the aforementioned production problems have been resolved in the meantime, Barry Callebaut does not expect that the volume decrease experienced in the first six months of the year will be fully compensated for by the end of the 2001/02 fiscal year. Excluding these extraordinary effects, the Food Service unit would have kept its sales revenues at the prior-year level despite the difficult market environment.

Sales to third parties in the volatile **Risk Management, Sourcing & Semi-Finished Products (Cocoa & Sourcing)** unit were deliberately scaled back by 11%. Sales volumes amounted to 69,114 tons and sales revenues amounted to CHF 220.4 million (prior year: 77,713 tons and CHF 301.1 million sales revenues, respectively). The business unit will continue to reduce its business with third-party customers. This will entail adjustments in production capacities.

### **Review of regional market development**

The global economic slowdown in the first semester of the current fiscal year resulted in slack Easter sales. This, together with the reduction in the semi-finished business, led to a decrease in sales.

In **Western Europe** sales volumes dropped by 4.5% to 256,500 tons or 62% of the Group's sales volume of 411,826 tons. Western Europe remains Barry Callebaut's most important market. The factory in Drogen, Belgium, was closed as planned at the end of 2001. Sales volumes in **Eastern Europe** (4% of the total sales volume) rose by 5%.

Sales volumes in the **Americas** (North and Latin America) were down by 1%. The Americas accounted for 26% of total sales volumes, or 106,778 tons.

Volumes in **Asia/Pacific** fell by 8%. This region's share of total volumes amounted to 3%, or 13,380 tons.

Volumes in **Africa and the Middle East** stagnated. This region contributed 5% or 17,988 tons to total volumes.

### **Outlook**

Barry Callebaut expects the subdued economic environment to persist into the second half of the year. In view of the interim results and expecting a similar development in the second semester, Barry Callebaut projects full-year results to achieve prior-year level.

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**About Barry Callebaut AG:**

*Annual sales of CHF 2.5 billion in fiscal year 2000/01 make Barry Callebaut the world's leading manufacturer of high-quality cocoa and chocolate products. The company processes 14% of the global cocoa harvest, operates 24 production facilities in 17 countries and employs about 5,000 people. The company is divided into the four strategic business areas Risk Management, Sourcing & Semi-Finished Products (Cocoa & Sourcing), Food Manufacturers (Chocolate for Industrial Clients), Food Service (Gourmet & Specialties) and Consumer Products in select niches and distribution channels.*

*Its clients range from industrial processors, such as the world famous branded consumer goods manufacturers who produce chocolate, confectionery, biscuits, dairy products, ice cream and breakfast cereals incorporating its products, to artisanal users, including hotels, gastronomy, chocolate makers, pastry chefs and bakers. Barry Callebaut also provides a comprehensive range of services in the fields of product development, processing, training and marketing.*

*The holding company, Barry Callebaut AG, has been listed on the SWX Swiss Exchange since June 1998 (ticker symbol BARN). The fully paid-up share capital amounts to CHF 517 million, divided into registered shares with a nominal value of CHF 100 each. On February 28, 2002, the close of the first semester of fiscal 2001/02, the market capitalization was CH 820,737,500. Fiscal year 2001/02 will close on August 31, 2002.*

## Key Figures

in CHF		Change in %	6 months up to 28.2.2002	6 months up to 28.2.2001
<b>Financial key figures</b>				
Sales volume	Tons	-3.2%	<b>411,826</b>	425,325*
Sales revenue	CHF millions	-9.5%	<b>1,322.3</b>	1,460.9*
Operating profit (EBIT)	CHF millions	0.5%	<b>104.6</b>	104.1
Net profit (PAT)	CHF millions	0.3%	<b>67.2</b>	67.0
<b>Sales volumes</b>				
Sales volumes by business unit				
• Cocoa products	Tons	-11.1%	<b>69,114</b>	77,713
• Chocolate products	Tons	1.3%	<b>256,293</b>	253,023
• Gourmet & Specialties	Tons	-4.6%	<b>86,419</b>	94,589*
Sales volumes by region				
• Western Europe	Tons	-4.5%	<b>256,500</b>	268,628
• Eastern Europe	Tons	4.6%	<b>17,180</b>	16,423
• Americas	Tons	-0.8%	<b>106,778</b>	107,662
• Asia / Pacific	Tons	-8.0%	<b>13,380</b>	14,542
• Africa and Middle East	Tons	-0.4%	<b>17,988</b>	18,070
<b>Sales revenue</b>				
Sales revenue by business unit				
• Cocoa products	CHF millions	-26.8%	<b>220.4</b>	301.1
• Chocolate products	CHF millions	-5.0%	<b>725.4</b>	763.6
• Gourmet & Specialties	CHF millions	-1.7%	<b>376.5</b>	396.2*
<b>Balance Sheet</b>				
Balance sheet total	CHF millions	0.3%	<b>2,181.9</b>	2,174.8
Net working capital	CHF millions	1.5%	<b>899.1</b>	886.0
Non current assets	CHF millions	-3.4%	<b>808.2</b>	836.8
Net debt	CHF millions	-2.1%	<b>872.4</b>	890.8
Equity	CHF millions	8.3%	<b>730.2</b>	674.5
Employees		0.4%	<b>4,759</b>	4,739

\* Adjusted by the effects of the sale of the Gummibear Factory effected as of October 1, 2000, sales revenues as of February 28, 2001 would have been CHF 1,447.7 million, sales volumes 421,352 tons.

<b>in EURO</b>		<b>Change in %</b>	<b>6 months up to 28.2.2002</b>	<b>6 months up to 28.2.2001</b>
Sales revenue	EUR millions	-9.5%	<b>895.6</b>	989.5
Operating profit (EBIT)	EUR millions	0.5%	<b>70.8</b>	70.5
Net profit (PAT)	EUR millions	0.3%	<b>45.5</b>	45.4
Balance sheet total	EUR millions	0.3%	<b>1,477.9</b>	1,473.0
Net working capital	EUR millions	1.5%	<b>609.0</b>	600.1
Non current assets	EUR millions	-3.4%	<b>547.4</b>	566.8
Net debt	EUR millions	-2.1%	<b>590.9</b>	603.4
Equity	EUR millions	8.3%	<b>494.6</b>	456.9
<b>in USD</b>		<b>Change in %</b>	<b>6 months up to 28.2.2002</b>	<b>6 months up to 28.2.2001</b>
Sales revenue	USD millions	-9.5%	<b>775.4</b>	856.6
Operating profit (EBIT)	USD millions	0.5%	<b>61.3</b>	61.0
Net profit (PAT)	USD millions	0.3%	<b>39.4</b>	39.3
Balance sheet total	USD millions	0.3%	<b>1,279.4</b>	1,275.2
Net working capital	USD millions	1.5%	<b>527.2</b>	519.5
Non current assets	USD millions	-3.4%	<b>473.9</b>	490.7
Net debt	USD millions	-2.1%	<b>511.6</b>	522.3
Equity	USD millions	8.3%	<b>428.2</b>	395.5

(unaudited pro-forma financial statement)

Barry Callebaut is a Swiss corporation and as such presents its financial statements in Swiss francs (CHF). For convenience, some selected financial data were translated from Swiss francs into US dollars (USD) at the rate of CHF 1.7054 to USD 1 and from Swiss francs into Euros (EUR) at the rate of CHF 1.4764 to EUR 1. (Closing rates as of February 28, 2002).