News Release

Barry Callebaut reports full-year results for fiscal year 2007/08 ended August 31, 2008:

Dynamic business growth, targets confirmed

- **Sales volumes rose 10.1% to 1,166,007 tonnes**
- **Sales revenue increased strongly by 17.3% to CHF 4,815.4 million, as a result of higher volumes and higher raw material prices**
- **Operating profit (EBIT) up 5.3% to CHF 341.1 million, acceleration in second semester compared to the same prior-year period**
- **Net profit for the year, incl. discontinued operations, up 65.6% to CHF 205.5 million, net profit from continuing operations rose 1.0% to CHF 209.1 million**
- **Four-year financial targets[1] 2007/08 through 2010/11 confirmed**
- **Board of Directors proposes capital repayment of CHF 11.50 per share**
- **James 'Jim' L. Donald, former President and CEO of Starbucks Corporation, proposed for election to the Board**

Zurich/Switzerland, November 6, 2008 – Barry Callebaut AG, the world's leading manufacturer of high-quality cocoa and chocolate products, has successfully continued its dynamic growth in fiscal year 2007/08 ended August 31, 2008. Sales volumes rose 10.1% to 1,166,007 tonnes, driven by additional business with existing and new customers. Sales revenue increased strongly by 17.3% to CHF 4,815.4 million, mostly due to higher volumes and partly due to higher raw material prices. Excluding cocoa price and exchange rate effects, sales revenue rose 14.3%. As communicated in April 2008, the factors that slowed EBIT growth in the first semester did not reoccur. As a result of this and ongoing cost saving programs, EBIT growth accelerated in the second semester. For the fiscal year as a whole, operating profit (EBIT) rose 5.3% to CHF 341.1 million. Net profit for the year, including discontinued operations, increased 65.6% to CHF 205.5 million. Net profit from continuing operations rose by 1.0% to CHF 209.1 million. A loss on the sale of financial assets and higher financial expenses had a negative impact on net profit in fiscal year 2007/08.

Patrick De Maeseneire, CEO of Barry Callebaut, said: "I am satisfied with the sales and profit growth generated in the past fiscal year, which was in line with our expectations. Thanks to our robust business model and our ability to adapt quickly to changing market conditions, we were able to offset record-high raw material costs and accelerate our operating profit growth in the second semester. Additionally, we continued to grow more than three times as fast as the global chocolate market. These achievements, especially in the face of a challenging market environment, underline the effectiveness of our growth strategy."

Outlook

Looking ahead, CEO Patrick De Maeseneire said: "The robustness of Barry Callebaut's business model, the proven success of our growth strategy and our position as the global market leader will enable us to perform in line with our growth targets in the current fiscal year. Additionally, chocolate is a defensive industry and consumption has proven resilient in previous economic downturns. Indeed, we continued to see good growth in the first two months of the current fiscal year. Thanks to our targeted expansion into high-growth markets, we now have an unrivalled global presence. In addition, we benefit from long-term supply contracts, a diversified product offering and a solid financial structure. All these factors, combined with our ongoing cost savings and efficiency initiatives, make us confident that we will reach our four-year financial targets[1], barring any major unforeseen events."

[1] Growth targets on average for 2007/08 - 2010/11: Volumes: 9-11%, EBIT: 11-14%, net profit 13-16%

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Group key figures for fiscal year 2007/08

		Change (%)	**12 months up to Aug 31, 2008**	12 months up to Aug 31, 2007
Sales volumes	*tonnes*	*10.1*	***1,166,007***	*1,059,200*
Sales revenue	*CHF m*	*17.3*	***4,815.4***	*4,106.8*
Operating profit (EBIT)	*CHF m*	*5.3*	***341.1***	*324.0*
EBIT / Tonne	*CHF*	*-4.4*	***292.5***	*305.9*
Net profit from continuing operations	*CHF m*	*1.0*	***209.1***	*207.0*
Net profit for the year	*CHF m*	*65.6*	***205.5***	*124.1*

Value generation and stable financing situation

In the year under review, **capital expenditure** was CHF 249.9 million (prior year: CHF 153.1 million) to support Barry Callebaut's global expansion. Despite these significant investments, the **return on invested capital** (ROIC) remained stable at 14.0% (prior year: 14.3%). As a result, the **Economic Value Added** (EVA) generated by Barry Callebaut increased to CHF 126.3 million (prior year: CHF 122.9 million).

Barry Callebaut has solid **long-term committed financing facilities** of EUR 1.2 billion (approximately CHF 2 billion) with an average tenor of 7 years. With **a net debt** position of CHF 1,041.2 million as per August 2008, Barry Callebaut has only used debt in the amount of around 50-55% of these lines.

Overview of performance by region in fiscal year 2007/08

Region Europe – Strengthened leadership position; expansion in Eastern Europe

Additional outsourcing volumes in Western Europe and new business in Eastern Europe led to a 6.5% rise in **sales volumes** to 786,698 tonnes. Sales volumes grew more than three times as fast as the regional chocolate market despite a challenging economic environment. **Sales revenue** increased by 15.8% to CHF 3,530.5 million, driven by higher sales volumes and higher sales prices related to higher raw material prices. **Operating profit** (EBIT) decreased by 4.3% to CHF 277.6 million. Profitability in the region was affected by three factors during the first six months of the fiscal year: start-up costs at the new chocolate factory in Russia; high initial fixed costs and low capacity utilization associated with the gradual phasing-in of large outsourcing volumes and a delay in price adjustments in the branded consumer business as raw material prices moved higher.

As the preferred outsourcing partner in the chocolate industry Barry Callebaut's **Food Manufacturers** business unit in Europe continued to benefit from additional outsourcing volumes from existing and new customers. The implementation of the long-term supply agreements with Nestlé and Cadbury is on track. Barry Callebaut has significantly increased its presence in Eastern Europe. This promising region delivered very good growth rates, especially once the new chocolate factory in Russia was fully operational.

The **Gourmet & Specialties** business unit reinforced its sales teams and launched promotional activities in key markets, which led to market share gains. To strengthen relationships with customers the Gourmet business unit opened a new Chocolate Academy in Zundert, the Netherlands, in May 2008. To meet the growing demand for convenience products, Barry Callebaut built a specialty factory for ready-to-serve decorated frozen desserts in Alicante, Spain, as part of its joint venture with world-famous pastry chefs Paco and Jacob Torreblanca. In September 2008, Barry Callebaut acquired IBC in Belgium, a company that specializes in chocolate decorations. In October 2008, Barry Callebaut also signed a four-year agreement with Nestlé Italia S.p.A for the exclusive distribution of world-famous Perugina-branded professional chocolate products through the Food Service channel.

Over the past 12 months, the entire confectionery industry in Western Europe faced a double challenge of extraordinary high raw material prices and a slowdown in consumer spending. The **Consumer Products** business unit was not left unaffected. The sale of biscuit factory Wurzener Dauerbackwaren in Germany also had a negative impact on the sales revenue of this unit.

Region Americas – Transformed operational footprint

In Region Americas**, sales volumes** were driven by deliveries to Hershey's under a long-term supply agreement signed last year as well as gains in new business with large and mid-sized customers. All business units contributed to a remarkable increase in sales volumes of 20.6% to 292,614 tonnes. **Sales revenue** rose 23.1% to CHF 931.6 million on higher volumes. **Operating profit** increased by 18.4% to CHF 79.5 million despite unfavorable exchange rate developments, which led to a negative translation effect into Swiss francs.

Barry Callebaut has transformed its manufacturing network in the Americas by acquiring production capacity in Robinson, Illinois, and a cocoa factory in Eddystone, Pennsylvania. Its newly built factory in Mexico provides access to new customers in Central America. The improved operational footprint has led to greater customer proximity and strengthened the company's market position in the region. The significant growth in the **Food Manufacturers** business unit was driven by additional outsourcing volumes from new and existing large and mid-sized industrial customers.

The **Gourmet & Specialties** business unit also recorded good growth despite unfavorable exchange rates as the strong euro relative to the US dollar increased the cost of Gourmet products that were imported from Europe. In order to strengthen the relationship with artisanal customers, a new Chocolate Academy opened in Chicago in September 2008. The business unit successfully launched a product range produced in the United States under the brand name "Van Leer" to capture opportunities in the price-sensitive market segment.

Region Asia-Pacific and Rest of World – Capacity expansion in fastest growing region

Barry Callebaut's **sales volumes** in the region grew by 11.8% to 86,695 tonnes – outpacing the growth registered in the regional chocolate market. **Sales revenue** rose by 17.1% to CHF 353.3 million. **Operating profit** went up by 57.1% to CHF 51.7 million, driven by the expansion in Asia and one-off effects related to the sale of the consumer business in Africa. Barry Callebaut sold its entire African consumer business to focus on cocoa sourcing and processing in the region.

Volumes at the **Food Manufacturers** business unit grew exponentially during the second half of the year when additional production capacities came on stream in China. Food safety is Barry Callebaut's top priority. The new chocolate factory in China therefore applies the same high quality standards and quality controls as all other Barry Callebaut factories worldwide. The capacity expansion in Asia is in line with Barry Callebaut's strategy to strengthen its presence in fast-growing markets to offset slowing growth in mature markets. In Japan, preparations for the initial chocolate deliveries to Japanese confectionery company Morinaga are underway.

The **Gourmet & Specialties** business unit continues to grow. Two new Chocolate Academies in China and in India allow Barry Callebaut to leverage its potential in the region's promising artisanal market. To capture the price-sensitive market Barry Callebaut launched a locally produced brand, "Van Houten Professional", earlier this year.

Key figures by region for fiscal year 2007/08

EUROPE		*Change (%)*	***12 months up to Aug 31, 2008***	*12 months up to Aug 31, 2007*
Sales volumes	*tonnes*	*6.5*	***786,698***	*738,983*
Sales revenue	*CHF m*	*15.8*	***3,530.5***	*3,048.4*
Operating profit (EBIT)	*CHF m*	*-4.3*	***277.6***	*290.2*

AMERICAS		*Change (%)*	***12 months up to Aug 31, 2008***	*12 months up to Aug 31, 2007*
Sales volumes	*tonnes*	*20.6*	***292,614***	*242,696*
Sales revenue	*CHF m*	*23.1*	***931.6***	*756.8*
Operating profit (EBIT)	*CHF m*	*18.4*	***79.5***	*67.1*

ASIA/RoW		*Change (%)*	***12 months up to Aug 31, 2008***	*12 months up to Aug 31, 2007*
Sales volumes	*tonnes*	*11.8*	***86,695***	*77,521*
Sales revenue	*CHF m*	*17.1*	***353.3***	*301.6*
Operating profit (EBIT)	*CHF m*	*57.1*	***51.7***	*32.9*

Development of business segments in fiscal year 2007/08

Industrial business segment: Benefiting from outsourcing trend

The Industrial business segment focuses on selling cocoa and chocolate products to industrial food processors and consumer goods manufacturers worldwide. It consists of the Cocoa and the Food Manufacturers business units.

Cocoa products sold to third-party customers in the **Cocoa** business unit increased strongly. The combined (cocoa) ratio[2] had a positive impact on Barry Callebaut's operations as of February 2008. Barry Callebaut increased its global cocoa processing capacity by acquiring a factory in Eddystone, Pennsylvania, U.S. and by buying a 60% stake in KLK Cocoa in Malaysia, now renamed Barry Callebaut Malaysia. The **Food Manufacturers** business unit continues to see good growth momentum as it benefits from a trend towards outsourcing and from additional business with existing and new customers.

Food Service/Retail business segment: Focus on service excellence in Gourmet

The Food Service/Retail business segment serves a broad range of customers, from local craftsmen (such as chocolatiers, pastry chefs, bakers, hotels, restaurants, caterers) to global retailers. It consists of the Gourmet & Specialties and the Consumer Products business units.

A solid performance by the **Gourmet & Specialties** business unit was offset by a negative effect related to the delay in passing on high raw material costs at the **Consumer Products** business unit. Sales prices for branded consumer products could not be raised until January 2008. Sales revenue of the business unit was also affected by the sale of the biscuit factory Wurzener Dauerbackwaren in Germany and the divestment of the consumer products business in Africa.

[2] The "combined cocoa ratio" is the combined sales price for cocoa butter and cocoa powder relative to the cocoa bean price

Key figures per business segment for fiscal year 2007/08

INDUSTRIAL		*Change (%)*	***12 months up to Aug 31, 2008***	*12 months up to Aug 31, 2007*
Sales volumes	*tonnes*	*14.5*	***911,819***	*796,458*
Sales revenue	*CHF m*	*26.6*	***3,258.3***	*2,574.2*
Operating profit (EBIT)	*CHF m*	*7.1*	***247.1***	*230.8*

FOOD SERVICE/ RETAIL		*Change (%)*	***12 months up to Aug 31, 2008***	*12 months up to Aug 31, 2007*
Sales revenue	*CHF m*	*1.6*	***1,557.1***	*1,532.6*
Operating profit (EBIT)	*CHF m*	*1.4*	***161.7***	*159.4*

Proposals to the Annual General Meeting

Par value reduction in lieu of a dividend

The Board of Directors proposes to the Annual General Meeting of December 4, 2008 to maintain the repayment to shareholders at CHF 11.50 per share, representing a payout ratio of 28%. Instead of a dividend payment, the Board of Directors proposes to reduce the share capital of the company through the reduction of the par value per share from CHF 62.20 to CHF 50.70. The par value reduction of CHF 11.50 will be paid out to shareholders free of cost and net of withholding tax in March 2009.

Board of Directors

All Board members will stand for re-election for another term of office of one year. Further, the Board of Directors proposes to the Annual General Meeting that Mr. James 'Jim' L. Donald, former President & Chief Executive Officer of Starbucks Corporation, be elected as new member of the Board of Directors (see separate CV).

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For more detailed financial information see Barry Callebaut's "Letter to Investors" posted on the company's website (www.barry-callebaut.com).

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Barry Callebaut (www.barry-callebaut.com):

With annual sales of more than CHF 4.8 billion for fiscal year 2007/08, Zurich-based Barry Callebaut is the world's leading manufacturer of high-quality cocoa and chocolate – from the cocoa bean to the finished product on the store shelf. Barry Callebaut is present in 26 countries, operates about 40 production facilities and employs more than 7,000 people. The company serves the entire food industry, from food manufacturers to professional users of chocolate (such as chocolatiers, pastry chefs or bakers), to global retailers. It also provides a comprehensive range of services in the fields of product development, processing, training and marketing.

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Financial calendar for fiscal year 2008/09 (September 1, 2008 to August 31, 2009):

Annual General Meeting 2007/08	December 4, 2008, Zurich
3-month key sales figures 2008/09	January 21, 2009
Half-year results 2008/09	April 2, 2009, Zurich
9-month key sales figures 2008/09	June 25, 2009
Full-year results 2008/09	November 12, 2009, Zurich
Annual General Meeting 2008/09	December 8, 2009, Zurich

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Contacts

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Media conference of Barry Callebaut AG (in English)

Date: Thursday, November 6, 2008
Time: from 09:30 a.m. to approx. 10:30 a.m. CET
Location: Barry Callebaut Head Office, Chocolate Academy, Pfingstweidstrasse 60, 'West-Park', Entrance 'Süd', 8005 Zurich, Switzerland

If you'd like to follow the conference **by telephone**, please dial:

+41 91 610 56 00 (for callers from Europe)
+44 207 107 0611 (for callers from the UK)
+1 (1) 866 291 4166 (for callers from the US)

You will then be asked to give your name and the name of your publication.

To access the **live audio web cast streaming**, please follow the link on our homepage (www.barry-callebaut.com). Participants are advised to log on to the web cast and register their details 10 minutes prior to its commencement. A slight delay between the sound heard and slide changeovers may be experienced. You may therefore want to download your own copy of the presentation from our website.

An **audio replay of the conference** will be available as of November 6, 2008, (12:00 p.m.) for 72 hours under the following phone numbers: +41 91 612 43 30 (Europe); +1 (1) 866 416 2558 (US); and +44 207 108 6233 (UK) - Code '10457' (followed by the # sign).

If you need assistance, please contact Ms Tamara Frey (phone: +41 43 204 0459 or e-mail: tamara_frey@barry-callebaut.com).

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Analysts' and Institutional Investors' conference of Barry Callebaut AG (in English)

Date: Thursday, November 6, 2008
Time: 11:30 to approx. 13:00hrs CET
Lunch: A light lunch will be offered after the conference
Location: Barry Callebaut Head Office, Chocolate Academy Pfingstweidstrasse 60, 'West-Park', Entrance 'Süd', 8005 Zurich, Switzerland

If you'd like to follow the conference **by telephone**, please dial:

+41 91 610 56 00 (for callers from Europe)
+44 207 107 0611 (for callers from the UK)
+1 (1) 866 291 4166 (for callers from the US)

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Key Figures for Barry Callebaut

		Change (%)	FY 07/08	FY 06/07
Income Statement				
Sales volumes	tonnes	10.1%	1,166,007	1,059,200
Sales revenue *in local currencies*	CHF m	17.3% *19.1%*	4,815.4 *4,891.2*	4,106.8
Gross profit *in local currencies*	CHF m	7.2% *8.3%*	700.8 *708.2*	653.8
EBITDA (1) *in local currencies*	CHF m	3.9% *4.2%*	443.7 *445.8*	427.1
Operating profit (EBIT) *in local currencies*	CHF m	5.3% *5.6%*	341.1 *342.1*	324.0
EBIT per tonne *in local currencies*	CHF	-4.4% *-4.1%*	292.5 *293.4*	305.9
Net profit from continuing operations (2)	CHF m	1.0%	209.1	207.0
Net profit for the year *in local currencies*	CHF m	65.6% *67.0%*	205.5 *207.2*	124.1
Cash flow (3)	CHF m	6.8%	434.3	406.8
Balance Sheet			**Aug 31, 2008**	**Aug 31, 2007**
Total assets	CHF m	17.0%	3,729.5	3,186.7
Net working capital (4)	CHF m	17.3%	1,037.1	883.9
Non-current assets	CHF m	17.5%	1,423.7	1,211.3
Net debt	CHF m	11.9%	1,041.2	930.2
Shareholders' equity (5)	CHF m	11.0%	1,175.9	1,059.1
Ratios				
Economic Value Added	CHF m	2.8%	126.3	122.9
Return on invested capital (ROIC) (6)		-2.1%	14.0%	14.3%
Return on equity (ROE)		-9.2%	17.7%	19.5%
Shares				
EBIT per share (issued)	CHF	5.3%	66.0	62.7
Basic earnings per share (7)	CHF	0.6%	40.4	40.2
Cash earnings per share (8)	CHF	6.7%	83.9	78.6
Other				
Employees		-4.1%	7,281	7,592

1) EBIT + depreciation on property, plant and equipment + amortization of intangibles
2) Net profit from continuing operations (before minorities)
3) Operating cash flow before working capital changes
4) Includes current assets and liabilities related to continuing commercial activities and current provisions
5) Total equity attributable to the shareholders of the parent company
6) EBIT x (1-effective tax rate)/average capital employed
7) Based on the net profit for the period attributable to the shareholders of the parent company excluding the net loss from discontinued operations/basic shares outstanding
8) Operating cash flow before working capital changes/basic shares outstanding

Key figures by region

		Change (%)	FY 07/08	FY 06/07
Europe				
Sales volumes	tonnes	6.5%	786,698	738,983
Sales revenue	CHF m	15.8%	3,530.5	3,048.4
EBITDA	CHF m	-1.8%	356.5	363.2
EBIT	CHF m	-4.3%	277.6	290.2
Americas				
Sales volumes	tonnes	20.6%	292,614	242,696
Sales revenue	CHF m	23.1%	931.6	756.8
EBITDA	CHF m	12.8%	94.4	83.7
EBIT	CHF m	18.4%	79.5	67.1
Asia/Rest of World				
Sales volume	tonnes	11.8%	86,695	77,521
Sales revenue	CHF m	17.1%	353.3	301.6
EBITDA	CHF m	33.2%	56.2	42.2
EBIT	CHF m	57.1%	51.7	32.9

Key figures by business segment

		Change (%)	FY 07/08	FY 06/07
Industrial Business Segment				
Sales volumes	tonnes	14.5%	911,819	796,458
- Cocoa	*tonnes*	*13.9%*	*161,811*	*142,062*
- Food Manufacturers	*tonnes*	*14.6%*	*750,008*	*654,396*
Sales revenue	CHF m	26.6%	3,258.3	2,574.2
- Cocoa	*CHF m*	*33.1%*	*603.7*	*453.6*
- Food Manufacturers	*CHF m*	*25.2%*	*2,654.6*	*2,120.6*
EBITDA	CHF m	5.8%	304.4	287.8
EBIT	CHF m	7.1%	247.1	230.8
Food Service/Retail Business Segment				
Sales revenue	CHF m	1.6%	1,557.1	1,532.6
- Gourmet & Specialties	*CHF m*	*10.2%*	*650.7*	*590.7*
- Consumer Products	*CHF m*	*-3.8%*	*906.4*	*941.9*
EBITDA	CHF m	0.7%	202.7	201.3
EBIT	CHF m	1.4%	161.7	159.4