



News Release

[Media / Analysts conference call / webcast today at 09:00am CET](#)

World's leading chocolate manufacturer to significantly strengthen its position in cocoa processing Barry Callebaut to acquire the Cocoa Ingredients Division from Petra Foods, Singapore

- **Excellent strategic fit at the core of Barry Callebaut's cocoa and chocolate business, supporting the company's overall growth**
 - **Supporting further chocolate growth by stepping up the integrated cocoa sourcing and processing activities**
 - **Strengthening current and future outsourcing and partnership agreements**
 - **Boosting sales volume in fast growing emerging markets, mainly in Asia and Latin America, by 65% to almost one-third of Group sales volume**
 - **Becoming a pro-active market player in the fast growing cocoa powder market**
 - **Adding Asia as a strong cocoa sourcing base besides West Africa**
- **Total consideration will be USD 950 million on a cash/debt-free basis, to be financed by a bridge loan from banks that will be replaced within 12 months by the issuance of a combination of equity and debt**
- **Transaction will be subject to approval by Petra Foods' shareholders as well as by regulatory authorities; closing expected in summer 2013**

Zurich/Switzerland, December 12, 2012 – Barry Callebaut, the world's leading manufacturer of high-quality cocoa and chocolate products, has reached an agreement with Petra Foods Ltd., Singapore to acquire their Cocoa Ingredients Division. Petra Foods' Cocoa Ingredients Division is the largest cocoa products supplier in Asia with a global sales volume of 265,000 MT and 47,000 MT of co-manufacturing volumes for large accounts, sales revenue of USD 1.3 billion (CHF 1.1 billion) and 1,700 employees in fiscal year 2011 (ended December 31, 2011). The business has a significant global footprint across four continents with 405,000 MT of bean-grinding capacity in seven processing facilities, and four sales offices. The integration of Petra Foods' Cocoa Ingredients Division will make Barry Callebaut the largest global cocoa processor. The transaction also includes a long-term agreement with Petra Foods' branded consumer division to supply it with cocoa products covering 75% of its total needs. The transaction is subject to approval by Petra Foods' shareholders as well as regulatory authorities. The closing of the transaction is expected in summer 2013.

Excellent strategic fit – supporting future global growth

Andreas Jacobs, Chairman of Barry Callebaut, said: *“This acquisition is an excellent strategic fit that will support our future global growth. The integration of Petra Foods' Cocoa Ingredients Division into our Group is expected to strengthen Barry Callebaut's earnings per share. This significant transaction will allow us to continue our expansion strategy in all regions and capture additional opportunities through outsourcing and partnership agreements as well as in Gourmet.”*

1/5



News Release

Juergen Steinemann, Barry Callebaut's Chief Executive Officer, added: *"The acquisition marks a major step forward in the implementation of our four-pillar growth strategy. A stronger integrated position in sustainable cocoa sourcing and processing is important to keep growing our chocolate business over-proportionally, especially in emerging markets. The deal also allows us to become a strategic supplier of specialty cocoa powders and meet the growing integrated value chain requirements of our customers and partners. Moreover, Barry Callebaut will gain valuable know-how and become even more global thanks to all the new colleagues whom we will welcome with open arms upon closing the planned transaction."*

The acquisition is in line with Barry Callebaut's strategy for future growth based on the four pillars 1) Expansion, 2) Innovation, 3) Cost Leadership and 4) Sustainable Cocoa:

- First, the acquisition will strengthen Barry Callebaut's cocoa position, which is crucial for supporting the company's attractive industrial chocolate growth and expanding its offering to industrial chocolate, outsourcing and gourmet customers. In addition, the acquisition will boost Barry Callebaut's sales volume in the fast growing emerging markets of Asia and Latin America by 65%. Their share of reported sales volume will therefore grow to 31% from 24%. The markets for cocoa powder are growing fast (by 2-5% per annum), mostly driven by emerging markets and increasing demand for a broad range of applications, such as cocoa-based beverages, compounds, fillings, bakery products and ice cream.
- Second, the transaction will significantly expand Barry Callebaut's cocoa processing and cake & powder blending expertise and give it valuable market and management know-how in Asia.
- Third, the acquisition will strengthen Barry Callebaut's cost leadership in cocoa processing by enlarging its footprint in cost-competitive production countries, partially replacing future investments in production capacities, and enabling product flow optimizations.
- Fourth, Barry Callebaut will be able to strengthen and further diversify its cocoa sourcing and processing activities in origin countries by creating a second strong sourcing base in Asia, besides West Africa.

Financial impact of the transaction – creating value for all stakeholders

The planned acquisition will create value for all stakeholders. The total consideration will be USD 950 million on a cash/debt-free basis¹. The book value of the net assets of the business to be acquired amounts to USD 784 million (CHF 737 million) as of September 30, 2012².

It is planned to integrate Petra Foods' Cocoa Ingredients Division, which is highly complementary in terms of business, products and geographies, into Barry Callebaut. The run-rate synergy potential has been calculated to amount to CHF 30 to 35 million, to be fully

¹ Adjustments to the consideration will be made at the date of completion related to - amongst others - net debt and net working capital.

² Based on figures officially disclosed by Petra Foods Limited pertaining to its Cocoa Ingredients Division while the final scope of the transaction slightly differs and the values are subject to adjustments at the completion of the transaction.



News Release

achieved four years after closing the transaction. These synergies will result from an enhanced purchasing platform, optimized product flows and overhead costs. To achieve these synergies, the group estimates one-off costs at CHF 10 to 15 million, to be incurred equally between the first two years post transaction. Additionally the Group estimates one-off transaction costs of approximately CHF 10 million.

The transaction is expected to be accretive to earnings per share on a reported basis in the second full year of consolidation (fiscal year 2014/15).

Barry Callebaut mid-term guidance as of consolidation

As of consolidation Barry Callebaut envisages the following targets: 6-8% volume growth on average per year until 2015/16 and an EBIT per tonne restored to Barry Callebaut's pre-acquisition level by the end of the same period, barring any major unforeseen events.

Financing

Barry Callebaut will fund the transaction through a bridge loan from banks. The bridge loan will be replaced within 12 months by the issuance of a combination of equity and debt. The transaction has the full support of Jacobs Holding AG, Barry Callebaut's majority shareholder.

Credit Suisse acted as exclusive financial advisor to Barry Callebaut on this transaction.

Key figures (in CHF million)

	Barry Callebaut	Petra Foods' Cocoa Ingredients Division*	
	<i>Fiscal year 2011/12 (as of August 31, 2012)</i>	<i>Fiscal year 2011¹ (as of Dec 31, 2011)</i>	<i>9 months² (up to Sept 30, 2012)</i>
Third-party sales volume (in kMT)	1,379	265	188
Third-party sales revenue	4,830	1,132	732
EBITDA	434	59	33
% margin	9.0%	5.2%	4.5%
EBIT	353	44	20
% margin	7.3%	3.9%	2.8%
EBIT per tonne	CHF 256	CHF 165	CHF 109
Net segment assets	N/A	614	737
No of employees	6,100	1,700	
Global footprint	46 production facilities	<ul style="list-style-type: none">• 7 production sites: Indonesia, Malaysia, Thailand; France, Germany; Brazil, Mexico• 4 sales offices: Singapore, Philippines; Netherlands; USA	

* The key figures shown in the table above are figures officially disclosed by Petra Food Limited pertaining to its Cocoa Ingredients Division while the final scope of the transaction slightly differs.

(1) Fiscal year 2011 segment results as reported, converted at average 2011 FX rate of CHF 0.8869 per USD.

(2) Q3 (9M) Fiscal year 2012 segment results as reported, converted at average 9M Sep 2012 FX rate of CHF 0.9403 per USD. For ease of reference, this rate has also been used to translate the net segment assets for both periods.



News Release

More information on this acquisition will be provided today during a [conference call / audio webcast for media, analysts & institutional investors](#) at 09:00am CET.

All dial-in and access details as well as the presentation can be found on the [Barry Callebaut website](#). The presentation will be available as of 08:30am CET.

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

With annual sales of about CHF 4.8 billion (EUR 4.0 billion / USD 5.2 billion) for fiscal year 2011/12, Zurich-based Barry Callebaut is the world's leading manufacturer of high-quality cocoa and chocolate – from the cocoa bean to the finest chocolate product. Barry Callebaut is present in 30 countries, operates around 45 production facilities and employs a diverse and dedicated workforce of about 6,000 people. Barry Callebaut serves the entire food industry focusing on industrial food manufacturers, artisans and professional users of chocolate (such as chocolatiers, pastry chefs or bakers), the latter with its two global brands Callebaut® and Cacao Barry®. Barry Callebaut is the global leader in cocoa and chocolate innovations and provides a comprehensive range of services in the fields of product development, processing, training and marketing. Cost leadership is another important reason why global as well as local food manufacturers work together with Barry Callebaut. Through its broad range of sustainability initiatives and research activities, the company works with farmers, farmer organizations and other partners to help ensure future supplies of cocoa and improve farmer livelihoods.

Petra Foods' Cocoa Ingredients Division

(http://www.petrafoods.com/business_cocoa_ingredients.html):

Headquartered in Singapore, Petra Foods Limited ("Petra Foods") is one of the world's major manufacturers and suppliers of cocoa ingredients, as well as a leading regional player in branded consumer confectionery products.

Petra Foods is built upon two complementary business divisions:

- **Cocoa Ingredients** - One of the world's major manufacturers and suppliers of premium cocoa ingredients, namely cocoa liquor, cocoa butter and cocoa powder, which form the basis for the chocolate products consumed by millions each day; and
- **Branded Consumer** - One of the leading players in Southeast Asia, it markets and distributes its own brands of chocolate and sugar confectionery products to consumers and enjoys market leadership in Indonesia.

Petra Foods has been listed on the Mainboard of the SGX-ST (Singapore) since November 2004.

Petra Foods entered the cocoa ingredients business in 1988. The Cocoa Ingredients Division has a strong heritage with a track record of organic and acquisition-led growth.

With sales revenue of approximately USD 1.3 billion (CHF 1.1 billion) in fiscal year 2011 and about 1,700 employees, Petra Foods' Cocoa Ingredients Division is the largest cocoa ingredients supplier in Asia.

It provides highly customized premium cocoa ingredients (cocoa liquor, cocoa butter, cocoa powder) to international food and beverage companies around the world. The products are marketed internationally under the Delfi brand and in Europe under the Nord Cacao brand.

It has a significant global footprint with 405,000 MT grinding capacity in 7 locations (Indonesia, Malaysia, Thailand; France, Germany; Brazil, Mexico) and operates 4 sales offices (Singapore, Philippines; Netherlands, USA). Strategically located close to the largest consuming markets Petra Foods' Cocoa Ingredients Division serves customers in more than 60 countries in a flexible, expedient and cost-effective manner.



News Release

Contacts

for investors and financial analysts:

Evelyn Nassar
Head of Investor Relations
Barry Callebaut AG
Phone: +41 43 204 04 23
evelyn_nassar@barry-callebaut.com

for the media:

Raphael Wermuth
Head of Media Relations
Barry Callebaut AG
Phone: +41 43 204 04 58
raphael_wermuth@barry-callebaut.com

for the media in Asia-Pacific:

Stephanie Batot
Executive Director
Grayling Asia
Phone: +65 9822 2231
stephanie.batot@grayling.com