News Release

Barry Callebaut – 9-month key sales figures, fiscal year 2013/14

Cocoa Acquisition Drives Strong Volume Expansion

- **Strong sales volume growth: +15.8% driven by acquired cocoa business; +2.4% stand-alone,[1] in line with global chocolate market[2]**
- **Strategic investments paying-off: Volume growth in emerging markets +63.0% (+18.2% stand-alone) and Gourmet +6.9%**
- **Integration of cocoa business on target**
- **Mid-term financial targets confirmed[3]**

Juergen Steinemann, CEO of Barry Callebaut, said: "I am satisfied with our third-quarter volume growth which was driven by the acquired cocoa business, emerging markets and our Gourmet business. As we continued to focus on increasing our product margins, we concentrated on selective growth in developed markets. While the cocoa powder market remains challenging, we are very satisfied with the integration of the acquired cocoa business."

Group key sales figures for the first 9 months of fiscal year 2013/14 – for the total business

		Change in %			
		in local currencies	in CHF	9 months up to May 31, 2014	9 months up to May 31, 2013
Sales volume	Tonnes		15.8	**1,288,365**	1,112,309
Sales revenue	CHF m	25.2	22.0	**4,318.7**	3,540.7

Stand-alone – excluding the acquisition of the cocoa business from Petra Foods

Sales volume	Tonnes		2.4	**1,138,736**	1,112,309
Sales revenue	CHF m	9.7	6.8	**3,782.7**	3,540.7

Zurich/Switzerland – July 3, 2014 – Total **sales volume** of Barry Callebaut, the world's leading manufacturer of high quality chocolate and cocoa products, increased by 15.8% to 1,288,365 tonnes at the close of the first 9 months of fiscal year 2013/14 (up to May 31, 2014). On a stand-alone basis, excluding the effect of the acquired cocoa business, the Group's sales volume grew by 2.4% to 1,138,736 tonnes. Volume growth was driven by emerging markets (+63.0% total; +18.2% stand-alone) and the Gourmet & Specialty Products business (+6.9%).
In its industrial business, Barry Callebaut continued to focus on increasing product margins and being more selective in sales: Overall volume growth was +1.8%. The Gourmet business outperformed the markets in most countries (+6.9%), supported by a double-digit growth of the company's global brands Callebaut® and Cacao Barry®.
Sales revenue was up 22.0% to CHF 4,318.7 million for the total business. Compared to the prior year, higher average raw material costs pushed up sale prices: On a stand-alone basis, sales revenue rose 6.8% to CHF 3,782.7 million.

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[1] Stand-alone numbers exclude the acquired cocoa business from Singapore-based Petra Foods. On June 30, 2013, Barry Callebaut closed the transaction it had announced on December 12, 2012.
[2] Source: Nielsen, September 2013 until May 2014. The global chocolate confectionery market experienced a volume growth of 2.8%.
[3] As of consolidation of the acquired cocoa business: 6-8% average volume growth per year, and EBIT per tonne restored to pre-acquisition level by 2015/16 (CHF 256 per tonne) – barring any major unforeseen events.

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BARRY CALLEBAUT

Outlook – Completion of integration and continued focus on growth strategy
CEO Juergen Steinemann said, looking ahead: "Our priorities remain to complete the integration of the acquired cocoa business and to strengthen our product margins. At the same time, in alignment with our growth strategy, we are preparing the Group for the next growth phase by expanding existing factories and further investing in our overall organization. We are on track to reach our mid-term targets.[4]"

Strategic developments in the first 9 months of fiscal year 2013/14

- The new chocolate factory in Santiago de Chile emphasizes Barry Callebaut's strong commitment to "**Expansion**." The factory, which goes on stream in July 2014, has a manufacturing capacity in excess of 20,000 tonnes. The investment amounts to CHF 26.5 million (EUR 21.8 million / USD 30.3 million). This expansion enables Barry Callebaut to further tap into the attractive South American market.
- As a leader in "**Innovation,"** Barry Callebaut received a positive Scientific Opinion from the European Food Safety Authority (EFSA) to extend its existing health claim for cocoa extract products, which have a higher concentration of health-enhancing flavanols. The company is now awaiting the approval of the EU Commission. If granted, Barry Callebaut's health claim could be applied to new products in the pharmaceutical, nutraceutical, medical nutrition and health-supplement industry sectors.
- With a strong focus on **"Sustainable Cocoa,"** Barry Callebaut is a leading force in the industry. The company helped to form the "CocoaAction" strategy of the World Cocoa Foundation (WCF) – considered one of the most significant initiatives in sustainable cocoa farming. In May 2014, Barry Callebaut was amongst the 12 initiating signatories of "CocoaAction." In June, the company organized the 2nd international stakeholder conference CHOCOVISION. Both initiatives foster collaboration in the global cocoa and chocolate industry and aim to accelerate the sustainability of the cocoa sector.
- As per June 17, 2014, the Group extended their EUR 600 million Syndicated Revolving Credit Facility by 3 years (from June 2016 to June 2019). This further strengthens Barry Callebaut's liquidity and duration profile while slightly reducing the applicable credit spreads.

Regional / Segment performance

Region Europe[5] – Focus on product margins, good growth in EEMEA
Sales volume in Region Europe decreased by 0.2% to 553,291 tonnes.
In Western Europe, Barry Callebaut continues to focus on increasing product margins. The Gourmet business performed strongly. Additional capacity installed will support future growth.
In EEMEA, the Food Manufacturers and Gourmet & Specialties Products businesses continue to grow at double digit rates, but slowed down in some countries with economic and political issues.
Overall sales revenue in the Region grew by 10.0% to CHF 1,923.3 million as a result of higher raw material prices and a more favorable product mix.

Region Americas – Good performance across all markets and businesses
Sales volume across Region Americas increased by 6.2% to 327,695 tonnes. In NAFTA, volume growth was driven by the company's global accounts and the Gourmet business, primarily the

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[5] Consisting of Western Europe and EEMEA (Eastern Europe, Middle East and Africa).

imported brands and decorations. Once more Mexico performed strongly. In South America both the industrial and Gourmet business recorded double-digit growth.
Sales revenue rose 7.4% to CHF 927.3 million, as a result of a better product mix.

Region Asia-Pacific – Maintaining pace of growth
The volumes in Region Asia-Pacific showed continued growth at +9.6% to 49,069 tonnes primarily driven by the Food Manufacturers Products business. The Gourmet business declined as a result of unfavorable currency exchange rates and an economic slow-down.
Sales revenue increased by 11.3% to CHF 187.7 million, largely in line with volumes.

Global Cocoa[6] – Acquired cocoa business as a growth driver
Sales volume in the segment Global Cocoa went up 75.0% to 358,310 tonnes driven by the acquired cocoa business from Petra Foods. On a stand-alone basis, sales volume increased 1.9% to 208,681 tonnes, reflecting selective sales in an overall challenging market for cocoa powder products.
Sales revenue for the total business grew by 68.3% to CHF 1,280.4 million. On a stand-alone basis sales revenue decreased by 2.1% to CHF 744.4 million as a result of currency effects.

The integration of the acquired cocoa business from Petra Foods is progressing well and synergy targets are confirmed (target amount CHF 30-35 million by the end of fiscal year 2015/16). With most global milestones being achieved, responsibility for the completion of the integration is now gradually moving into the Regions.

Raw material prices
A good start to the mid-crop **cocoa** harvest, further helped by record rainfalls in the West African region could turn an expected deficit for the 2013/14 season into a slight surplus. Funds consequently sold a significant share of their net long positions. But some industry buying promptly supported prices. In light of the anticipated structural deficit and El Niño forecast, prices steadily increased, finally reaching a two and a half-year high on May 30, 2014 at GBP 1,932.
As of March, prices on the world **sugar** market started to increase significantly, also fueled by concerns of a drought in Brazil. After three consecutive surplus campaigns, the market will be more in balance this year. Overall demand was lower as coverage of the industry was good. European sugar prices continued to decrease as a result of a good supply situation.
High market prices fuelled good milk production. Overall demand for **milk powder** lagged behind supply, resulting in market price decreases over the last few months on both the world and European market. Prices are currently at the same level as a year ago.

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[6] The figures reported under “Global Cocoa” include all sales of cocoa products to third-party customers in all Regions while the figures shown under the respective Region include all chocolate sales.

News Release

Financial calendar for fiscal year 2013/14 (September 1, 2013 to August 31, 2014):	
Full-year results 2013/14 (news release & conference)	November 6, 2014, Zurich
Annual General Meeting 2013/14	December 10, 2014, Zurich

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

With annual sales of about CHF 4.9 billion (EUR 4.0 billion / USD 5.2 billion) in fiscal year 2012/13, Zurich-based Barry Callebaut is the world's leading manufacturer of high-quality chocolate and cocoa products – from sourcing and processing cocoa beans to producing the finest chocolates, including chocolate fillings, decorations and compounds. The company runs more than 50 production facilities worldwide and employs a diverse and dedicated global workforce of over 9,000 people.
Barry Callebaut serves the entire food industry, from industrial food manufacturers to artisanal and professional users of chocolate, such as chocolatiers, pastry chefs, bakers, hotels, restaurants or caterers. The two global brands catering to the specific needs of these Gourmet customers are Callebaut® and Cacao Barry®.
Barry Callebaut is committed to a sustainable cocoa production through its "Cocoa Horizons" initiative, and to help ensure future supplies of cocoa as well as improve farmer livelihoods.

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Group key sales figures for the first 9 months of fiscal year 2013/14 – from continuing operations

		Change in % in local currencies	Change in % in CHF	9 months up to May 31, 2014	9 months up to May 31, 2013
Key Figures – for the total business					
Sales volume	Tonnes		15.8	**1,288,365**	1,112,309
Sales revenue	CHF m	25.2	22.0	**4,318.7**	3,540.7
Key figures – on stand-alone basis					
Sales volume	Tonnes		2.4	**1,138,736**	1,112,309
Sales revenue	CHF m	9.7	6.8	**3,782.7**	3,540.7
By Region – for the total business					
Europe					
Sales volume	Tonnes		(0.2)	**553,291**	554,284
Sales revenue	CHF m	10.6	10.0	**1,923.3**	1,748.0
Americas					
Sales volume	Tonnes		6.2	**327,695**	308,492
Sales revenue	CHF m	12.6	7.4	**927.3**	863.4
Asia-Pacific					
Sales volume	Tonnes		9.6	**49,069**	44,791
Sales revenue	CHF m	18.9	11.3	**187.7**	168.7
Global Cocoa					
Sales volume	Tonnes		75.0	**358,310**	204,742
Sales revenue	CHF m	74.7	68.3	**1,280.4**	760.6
By Product Group – for the total business					
Sales Volume	Tonnes		15.8	**1,288,365**	1,112,309
Cocoa Products	Tonnes		75.0	**358,310**	204,742
Food Manufacturers Products	Tonnes		1.8	**798,906**	784,844
Gourmet & Specialties Products	Tonnes		6.9	**131,149**	122,723
Sales Revenue	CHF m	25.2	22.0	**4,318.7**	3,540.7
Cocoa Products	CHF m	74.7	68.3	**1,280.4**	760.6
Food Manufacturers Products	CHF m	12.0	9.5	**2,384.7**	2,177.7
Gourmet & Specialties Products	CHF m	10.5	8.5	**653.6**	602.4