

Roadshow Presentation – FY 2014/15

November 2015



**“We are the heart and engine
of the chocolate and cocoa industry.”**

November 2015

FY Results 2014/15

Agenda

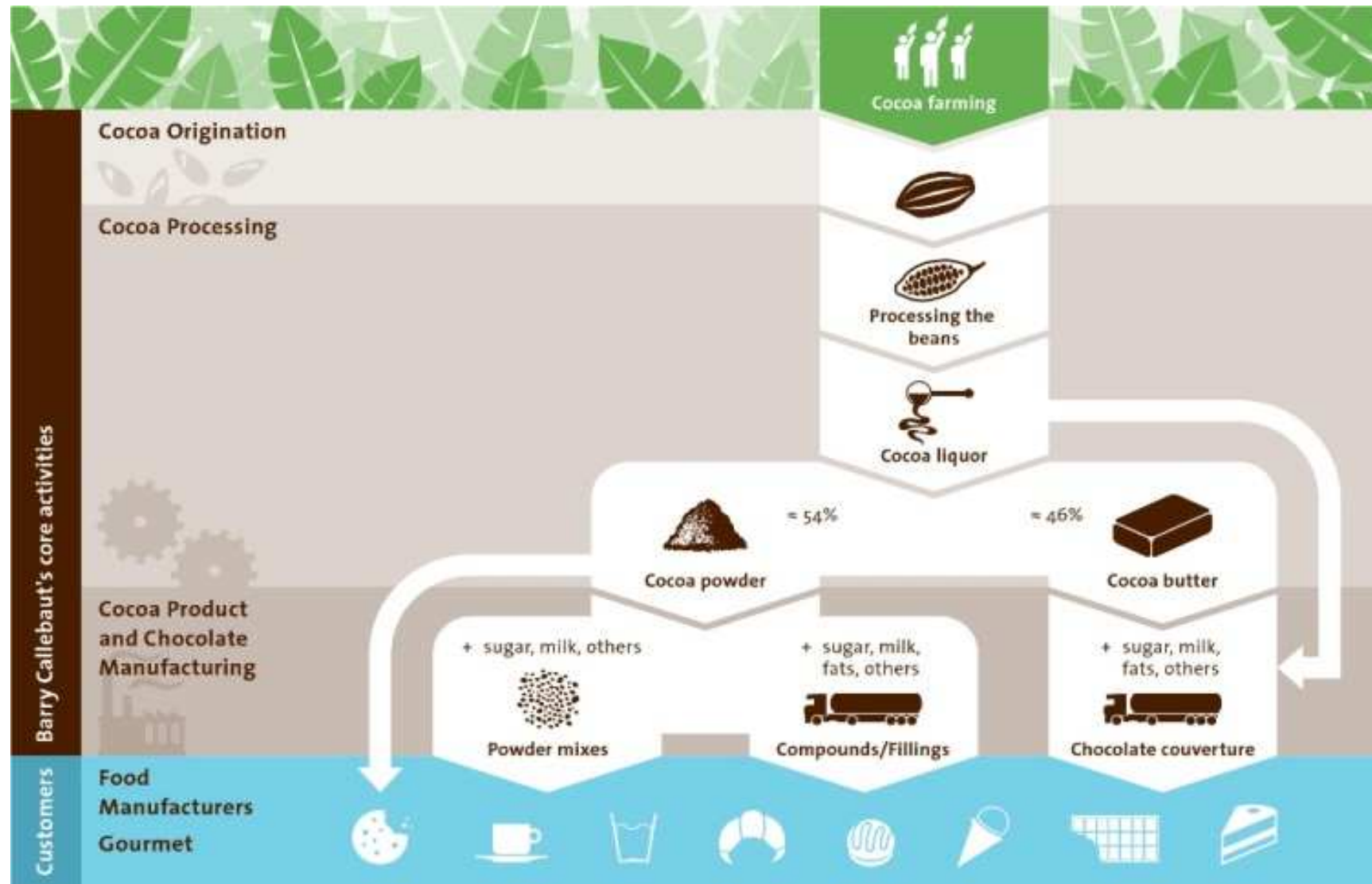
- ▶ **Barry Callebaut at a glance**
- ▶ **First impressions & Highlights FY 2014/15**
- ▶ **Performance FY 2014/15**
- ▶ **The way forward**

At a glance



November 2015

We are present in the key parts of the cocoa and chocolate value chain



This is Barry Callebaut

“Shaping the world of chocolate and cocoa.”



More than
175 years
of chocolate heritage

1.8
sales volume
in million tonnes

414.8
EBIT
in CHF million



53
factories
worldwide

More than

9,000
employees

of whom 1 in 2 works
either in an origin
or emerging market



CAGR 
+9.1%
volume growth
over 5 years

6,241.9
sales revenue
in CHF million

Selling to
131
countries



**health
claim**
on Acticoa®
extended to
cocoa extracts
within Europe

Innovation
contributed
10%

to sales volume

70,500
farmers
trained in good
agricultural practices

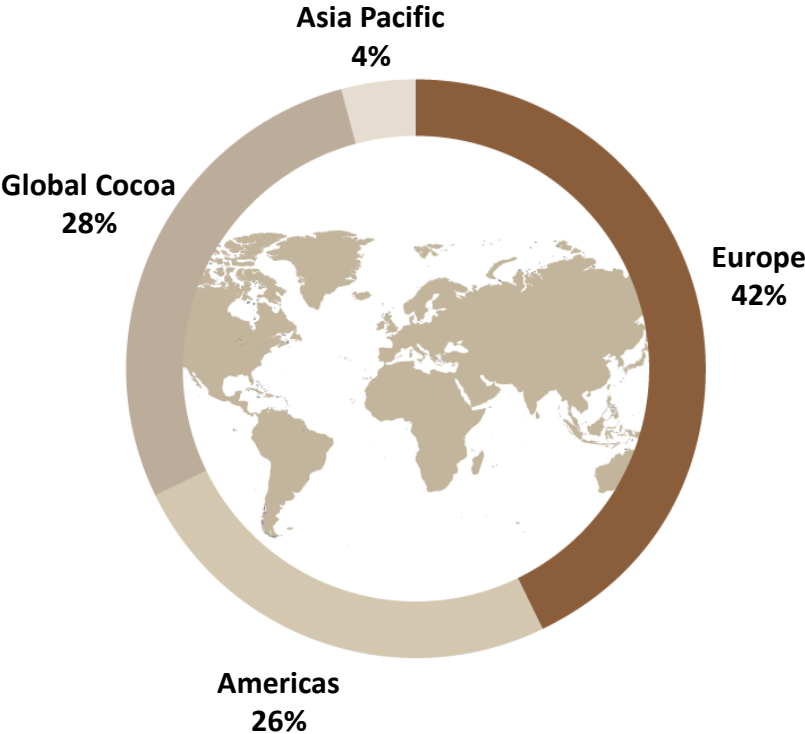


19
CHOCOLATE
ACADEMY™
centers

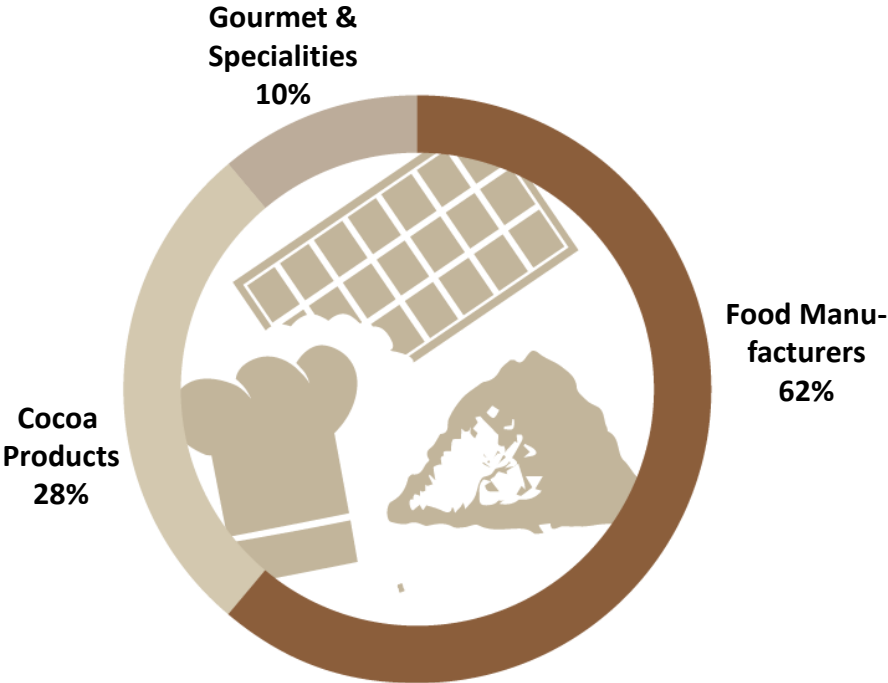
36,545
chocolate aficionados
trained in 2014/15

Our Regional and Product split

Sales Volume per Region



Sales Volume per Product Group



First impressions & Highlights FY 2014/15 - CEO Antoine de Saint-Affrique



My first impressions

**Unique focus
and
deep expertise**



**Disciplined
Innovative
Entrepreneurial**



**Balancing
the short
and long-term**



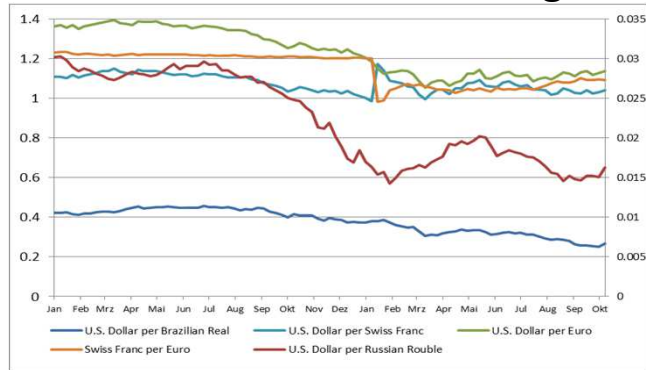
**People
Values
Performance**



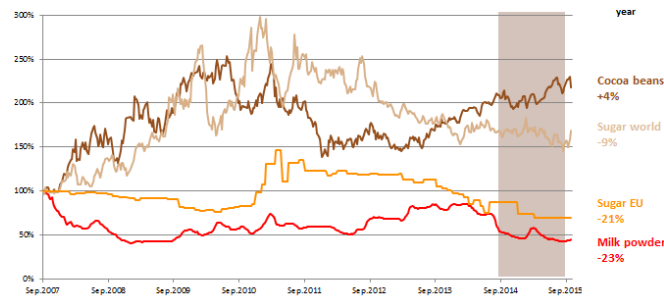
A view on the market

The new normal: volatile & complex

- Currencies and economic growth



- Raw materials



A world of new opportunities

- Consumer driven
 - Premiumization, personalization, taste, clean/clear labels, snacking
 - Sustainability & traceability
- Customer centric
 - Innovate with & for customers
 - New types of customers



2014/15: delivering the short term, building for the long term



Expansion of Chocolate factory in Brazil and Poland

Oct-Nov 2014



Start-up of operations in our first Chocolate factory in India

Jan 2015



Inaguration new CHOCOLATE ACADEMY™ centers in Dubai, Cologne, Moscow and Tokyo

Jan-March 2015



Optimized cocoa Fermentation process, for superior tasting chocolate

March 2015



Acquisition of American Almond in North America

June 2015



Inaguration of the first chocolate factory in Chile

Dec 2014



Signing of outsourcing agreement with WFC (USA)

Feb 2015



Launched new chocolate recipes with higher thermo tolerance

March 2015



Signing Long-term outsourcing agreement with GarudaFood in Indonesia

Jun 2015



Sustainability partnerships with Hershey and Mondelez and launch of the Cocoa Horizons Foundation

Aug-Oct 2015

FY results 2014/15

Barry Callebaut continues to significantly outperform the global chocolate market



- ▶ Sales volume growth +4.5%, significantly outperforming the market¹ and accelerating in Q4
- ▶ Broad-based growth mainly driven by developed markets, as well as outsourcing, Gourmet and emerging markets
- ▶ Continued focus on margins and cost in a challenging market environment
- ▶ Operating profit (EBIT) increased by 7.4% in local currencies, net profit down 2.7%.



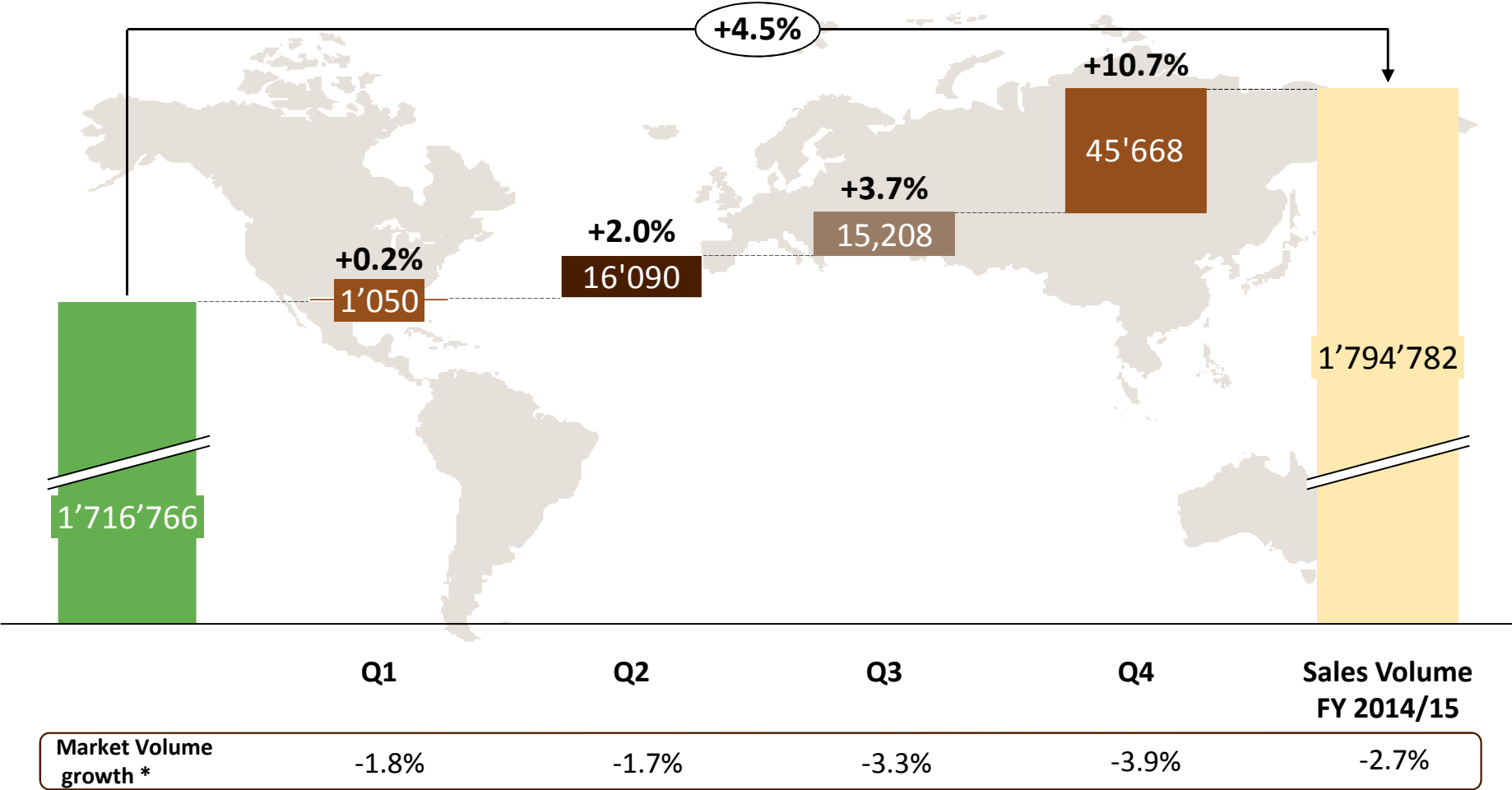
¹ Source Nielsen -2.7% volume growth in chocolate confectionery for 26 countries

Performance FY 2014/15 – CFO Victor Balli



Volume growth above global market with acceleration in Q4

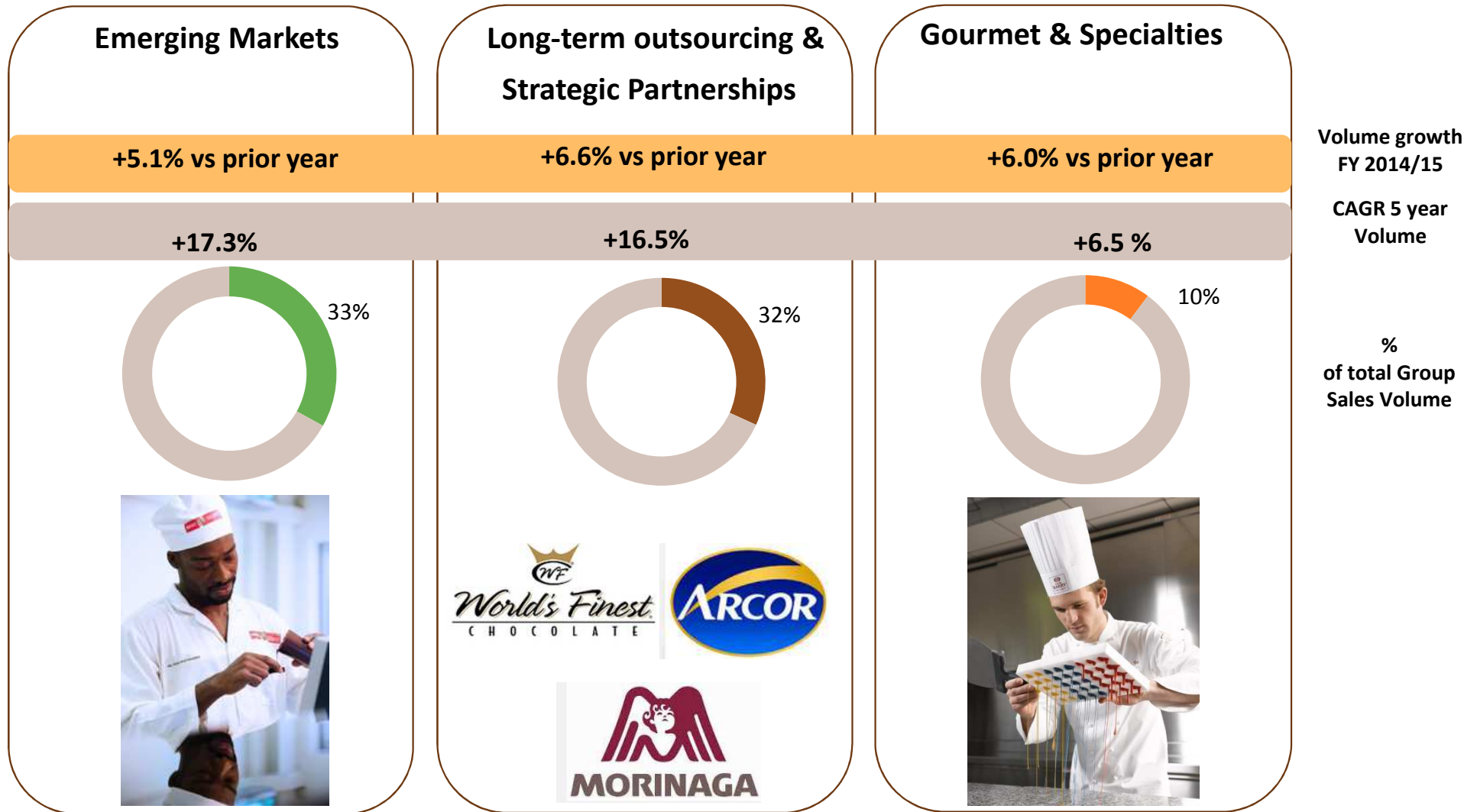
(tonnes)



* Source: Nielsen chocolate confectionery in volume – 26 countries

FY results 2014/15

... and with positive contribution from our key growth drivers

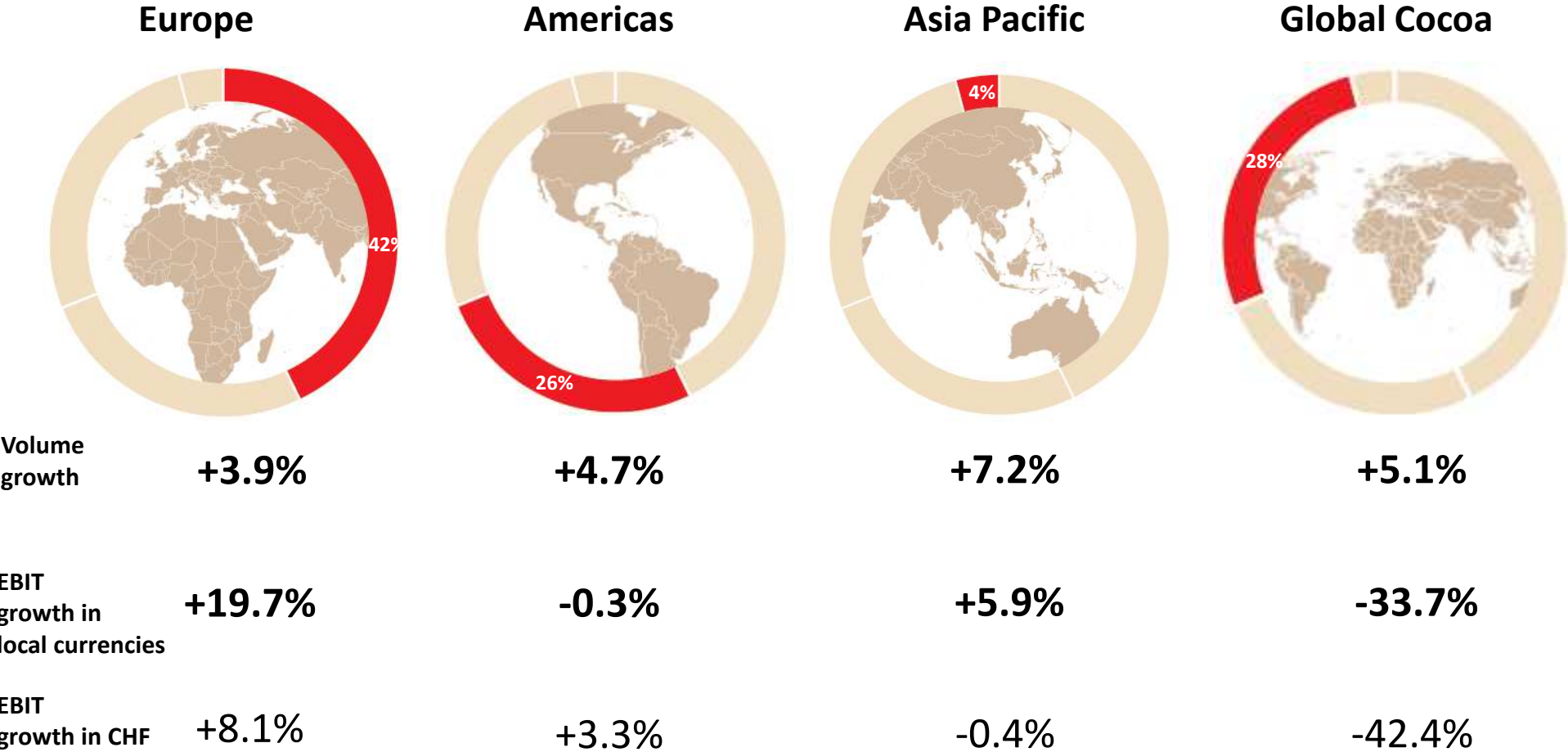


FY results 2014/15

Solid volume growth gaining momentum, strong profit improvement in local currencies

Group performance (In CHF mio.)	FY 2014/15 (in CHF)	% vs prior year (in CHF)	% vs prior year in local currencies
Sales Volume Total (in tonnes)	1,794,782		+4.5%
Sales Revenue	6,241.9	+6.4%	+12.1%
Gross Profit	846.8	-1.7%	+4.8%
EBIT Total	414.8	-0.3%	+7.4%
<i>EBIT per tonne</i>	231.1	-4.7%	+2.9%
Net profit for the year	239.9	-5.9%	-2.7%

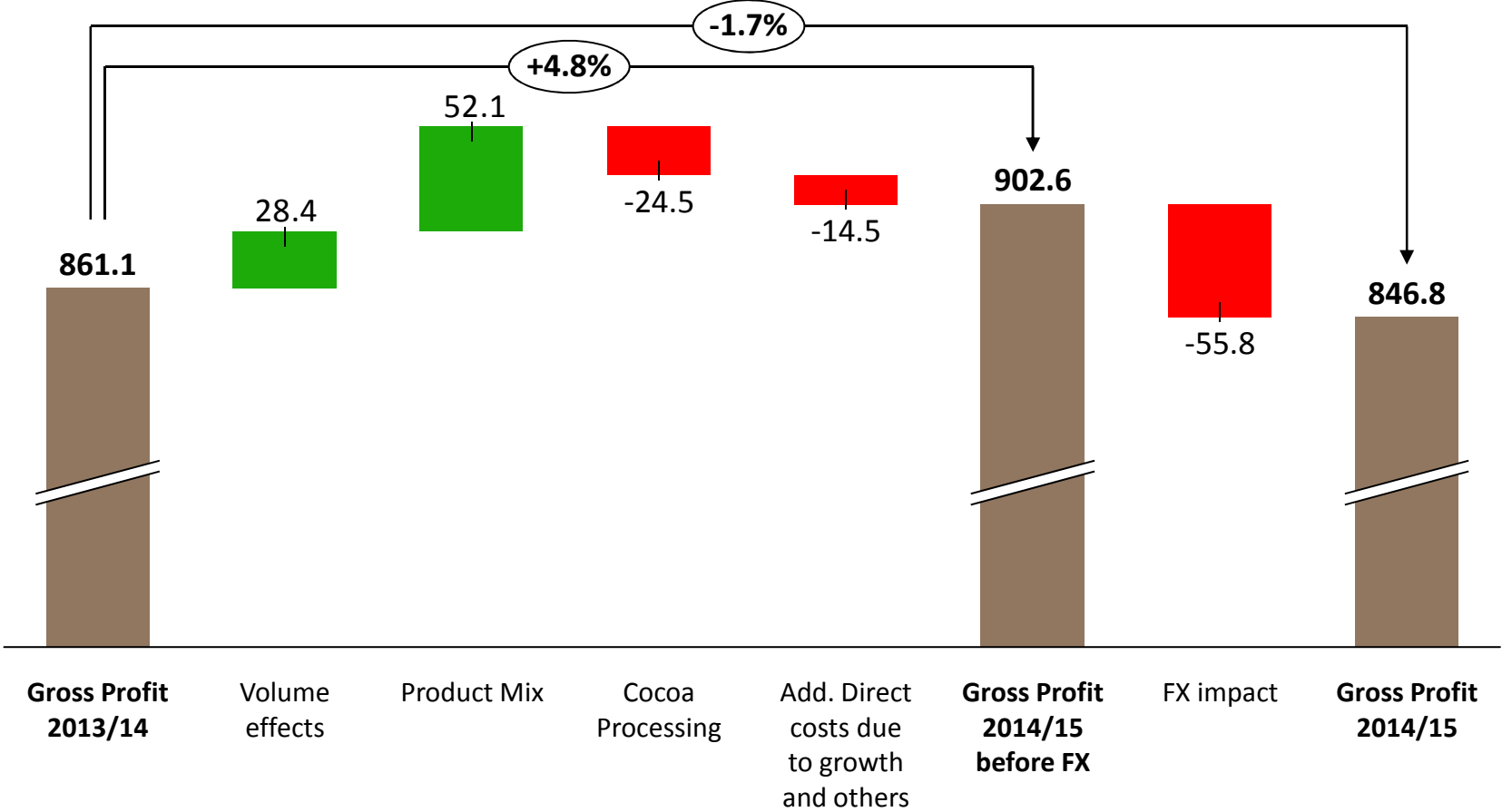
Good performance in developed regions



Gross Profit FY 2014/15

Gross profit up +4.8% in local currencies, due to solid volume growth, strong focus on margins and despite a historically low cocoa combined ratio

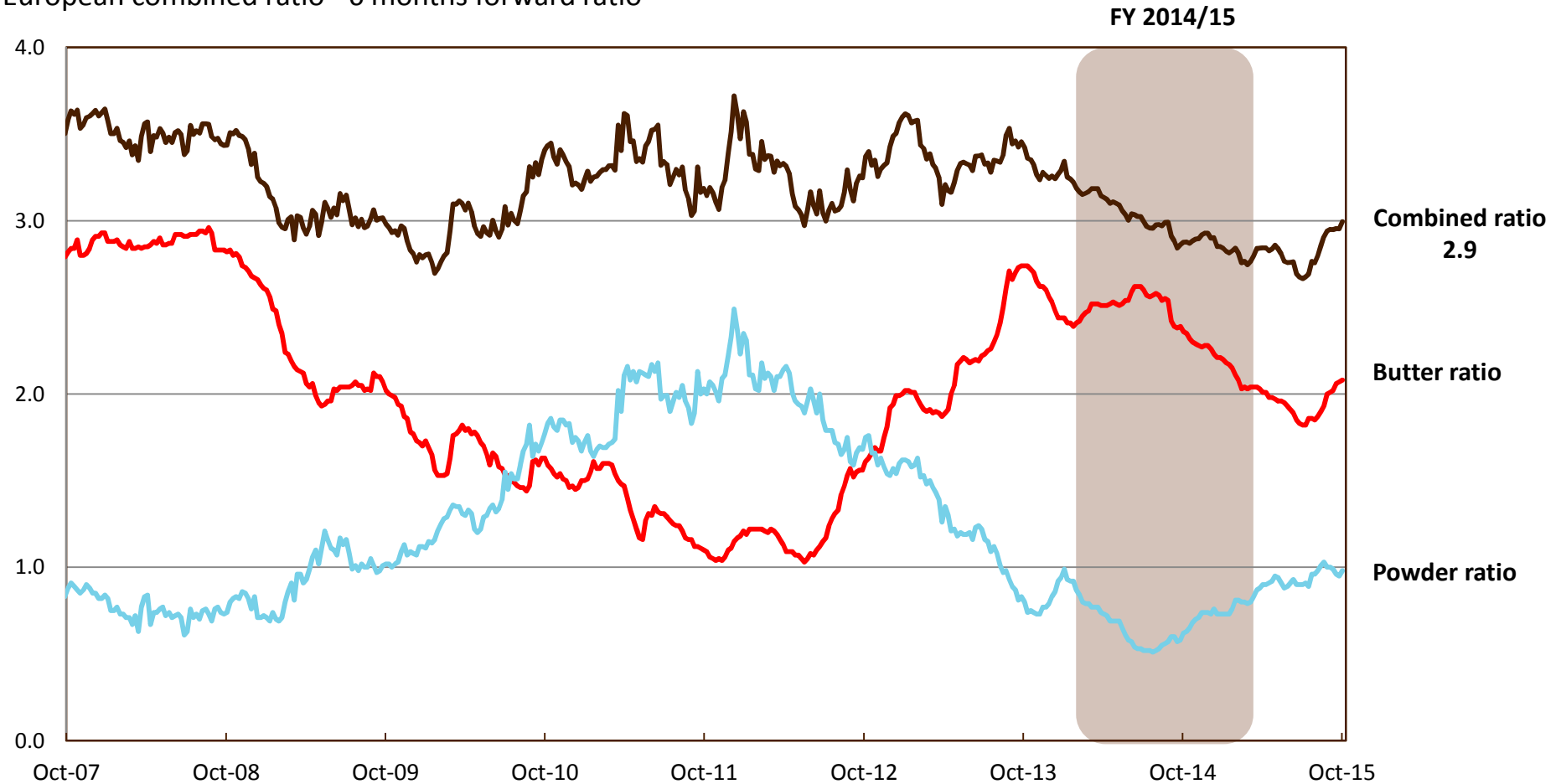
in CHF mio.



Cocoa processing profitability

Challenging cocoa market environment with negative impact from the cocoa combined ratio in FY 2014/15, strongly affecting current fiscal year

European combined ratio - 6 months forward ratio



For cocoa processors, profitability depends on the ratio between input costs (price of cocoa beans) and combined output prices (price of cocoa butter and powder).

Assert our leadership in Cocoa, fully leverage our scale and improve profitability

Commercial leadership

- ▶ Differentiating and repositioning the product offering
- ▶ Focus on commercial excellence
- ▶ Sustainability

Centralized global steering

- ▶ Centralizing key strategic activities, such as cocoa combined ratio management
- ▶ Key accounts
- ▶ Make or buy decision

Operations & Supply Chain leadership

- ▶ Optimizing our cocoa manufacturing footprint
- ▶ Capacity reduction in Asia:
 - Closure of factory in Thailand
 - Reduce cocoa processing capacity in Malaysia
- ▶ Establish most efficient global product flows

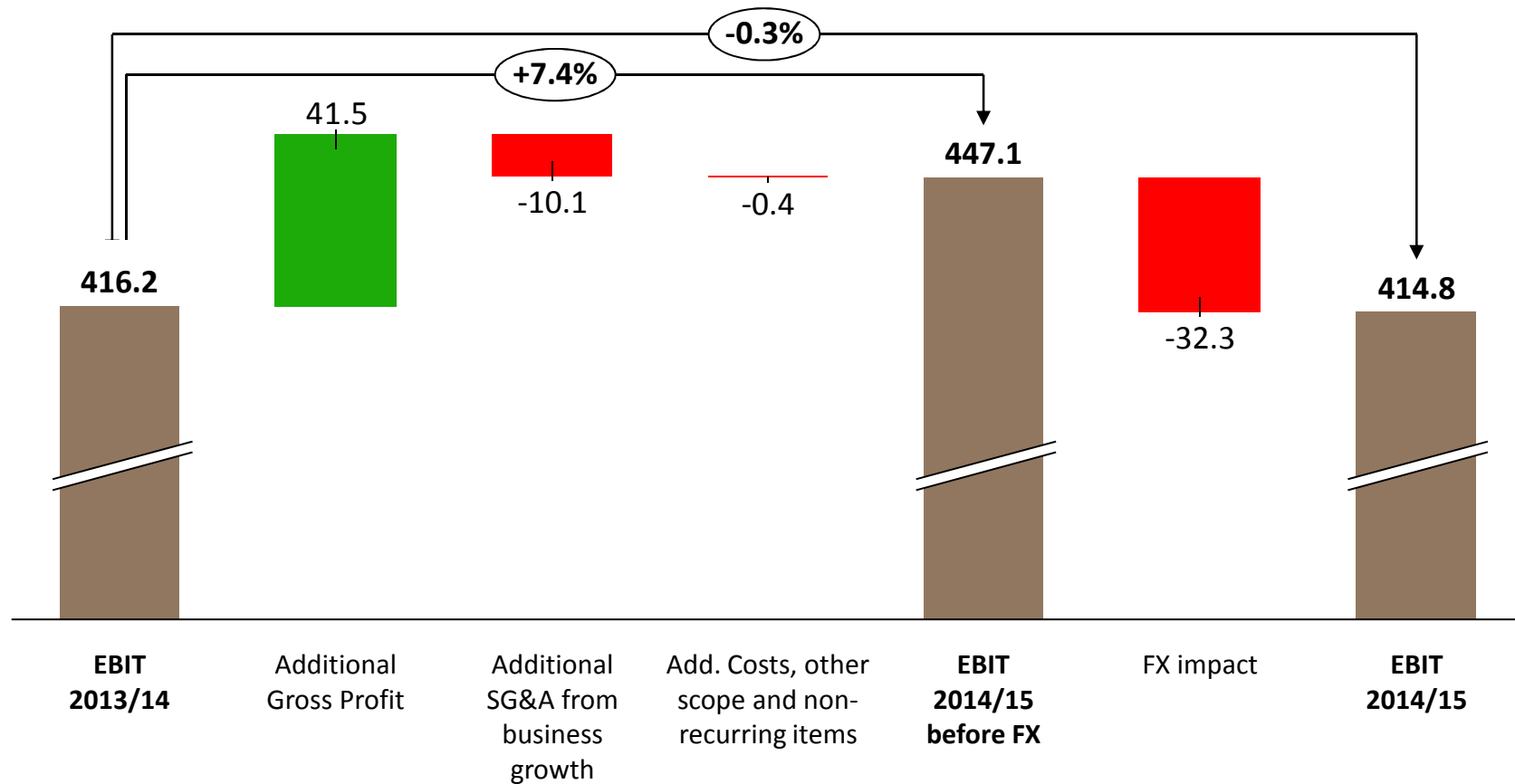


© Barry Callebaut

EBIT FY 2014/15

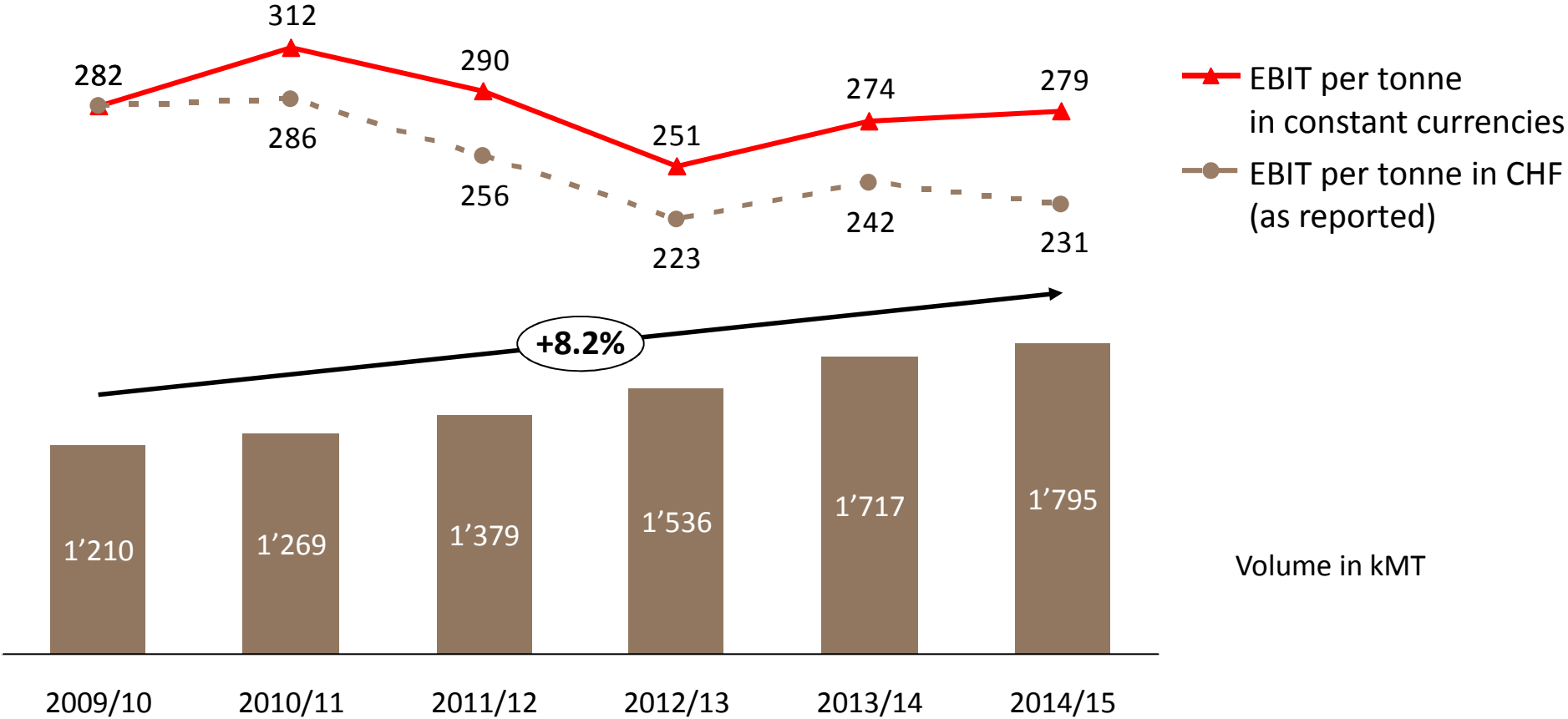
Operating profit improved 7.4% in local currencies, due to a good product & customer mix, as well as stricter fixed cost discipline

in CHF mio.



6-year EBIT per tonne development

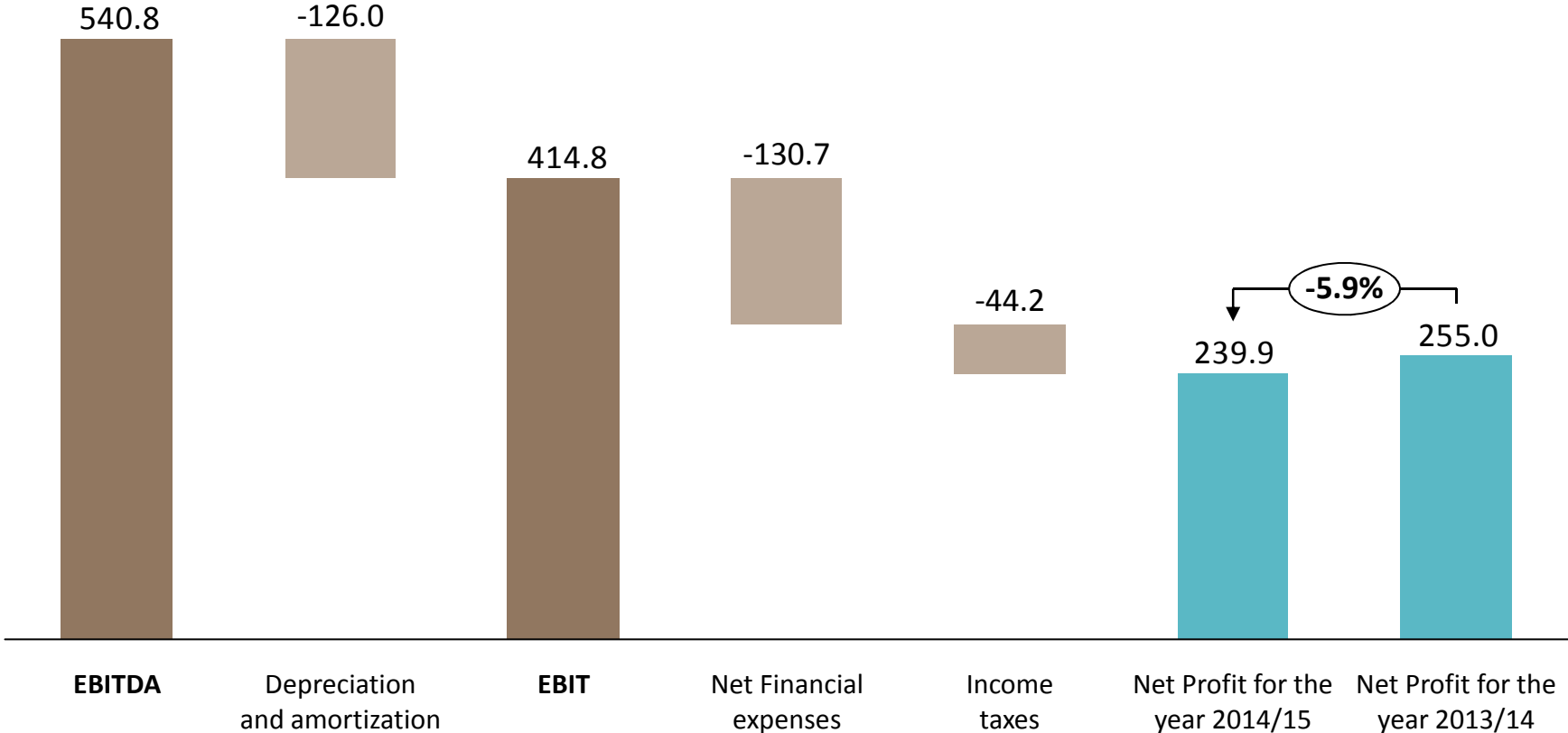
Improvement of the EBIT per tonne in constant currencies continued



From EBITDA to Net Profit

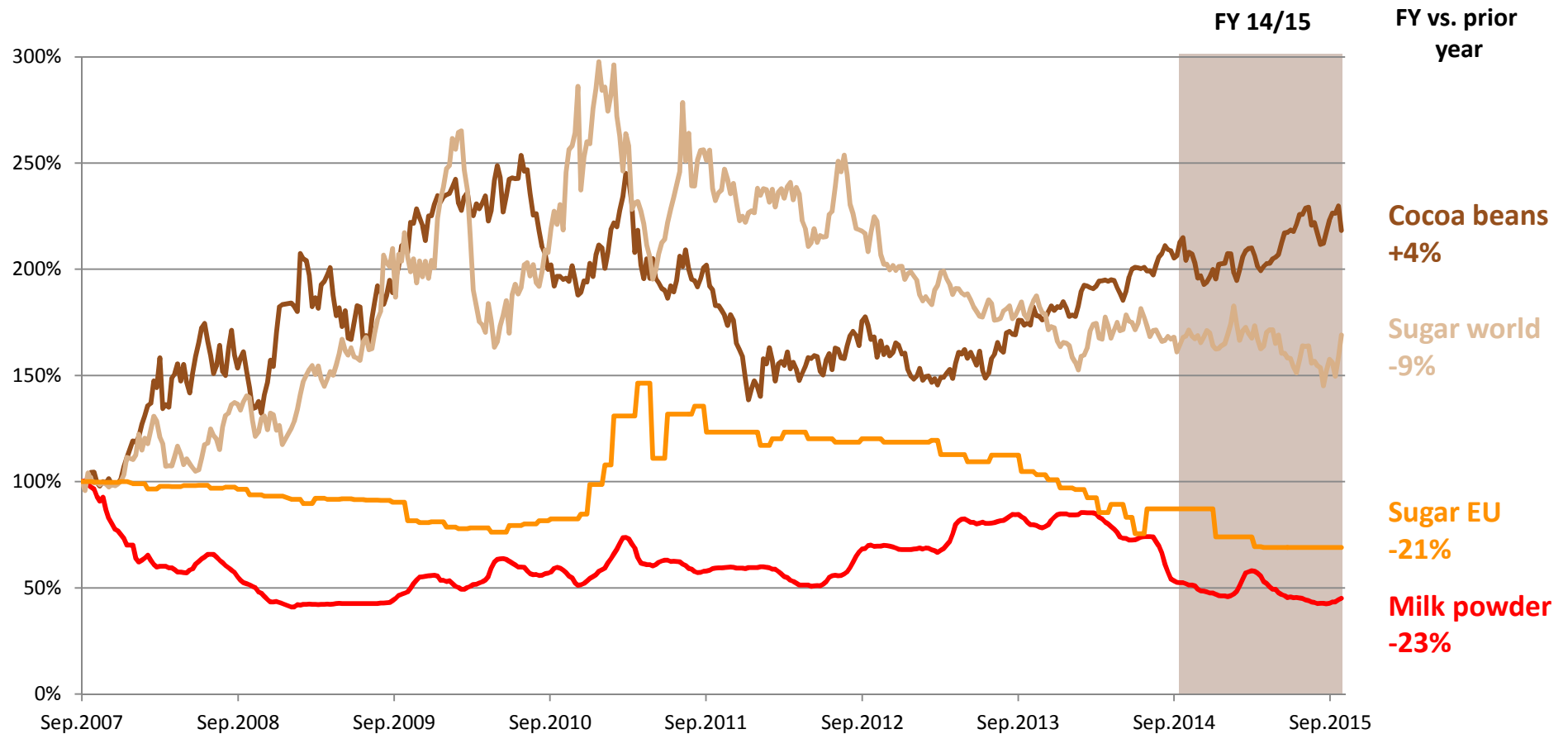
Net Profit -2.7% in local currencies (-5.9% in CHF) , due to higher average financing requirements, a foreign exchange loss, as well as higher taxes

in CHF mio.



Raw materials evolution

Cocoa bean price still at relatively high levels, other raw materials below prior year

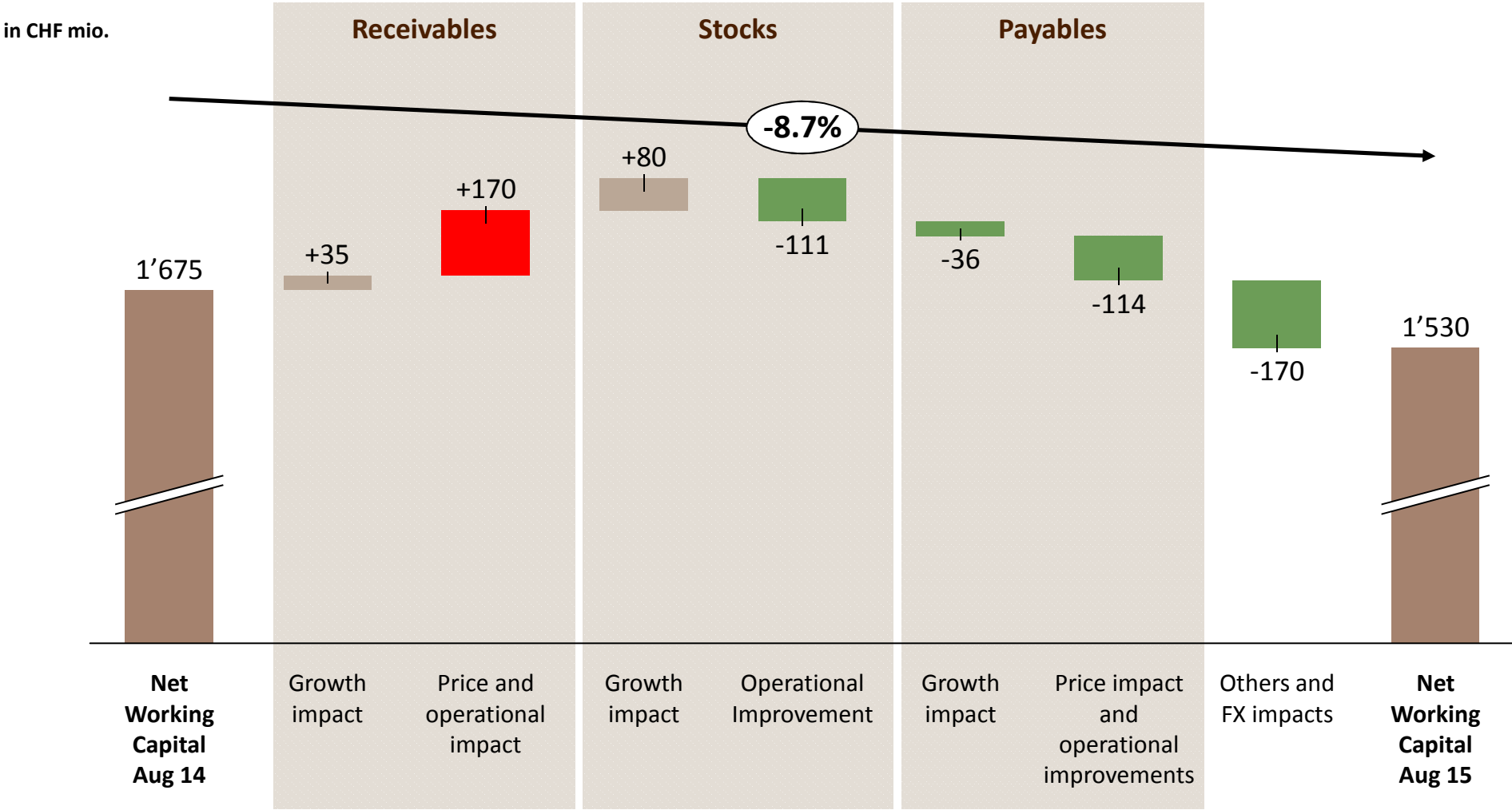


Note: All figures are indexed to Sep 2007

Source: Cocoa beans London (2nd position), Sugar world London n°5 (2nd position), Sugar EU Kingsman estimates W-Europe DDP, skimmed milk powder average price Germany, Netherlands, France.

Net Working Capital

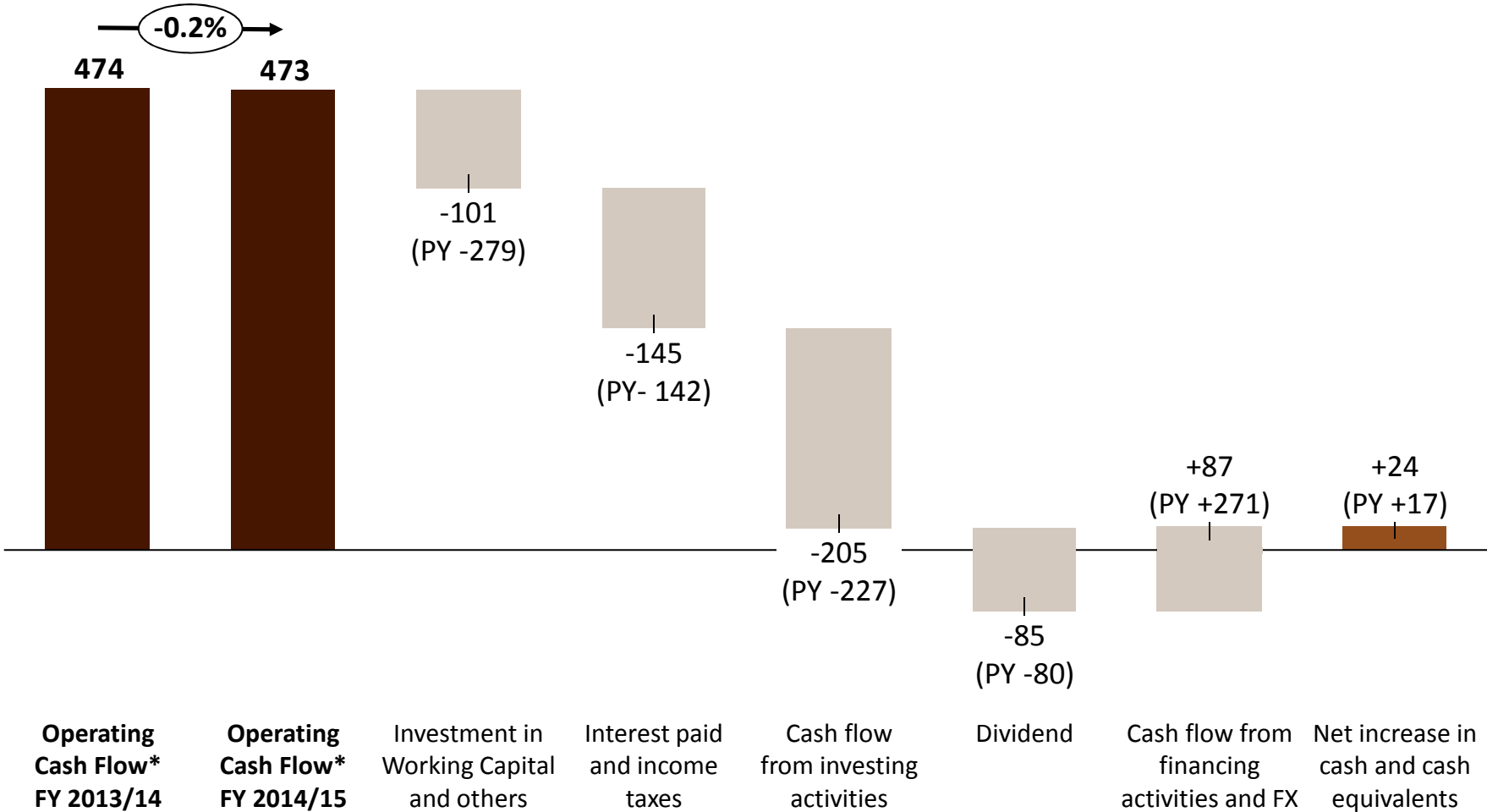
Working Capital below prior year as a result of reduction in inventories and positive currencies effect



Cash Flow

Cash Flow improvement due to lower investment in working capital

in CHF mio.



* Before Working Capital changes

Balance Sheet & key ratios

Deleveraging of the company and improvement of key financial ratios remain a high priority

	Aug 15	Aug 14
Total Assets [CHF m]	5'429.4	5'167.5
Net Working Capital [CHF m]	1'529.7	1'674.6
Non-Current Assets [CHF m]	2'185.5	2'175.6
Net Debt [CHF m]	1'728.0	1'803.5
Shareholders' Equity [CHF m]	1'772.8	1'790.7
Debt/Equity ratio	97.5%	100.7%
Solvency ratio	32.7%	34.7%
Net debt / EBITDA	3.2x	3.4x
Interest cover ratio	4.1x	4.5x
ROIC	9.8%	10.5%
ROE	13.5%	14.7%

Dividend

Proposed dividend of CHF 14.50, stable payout ratio of 33%

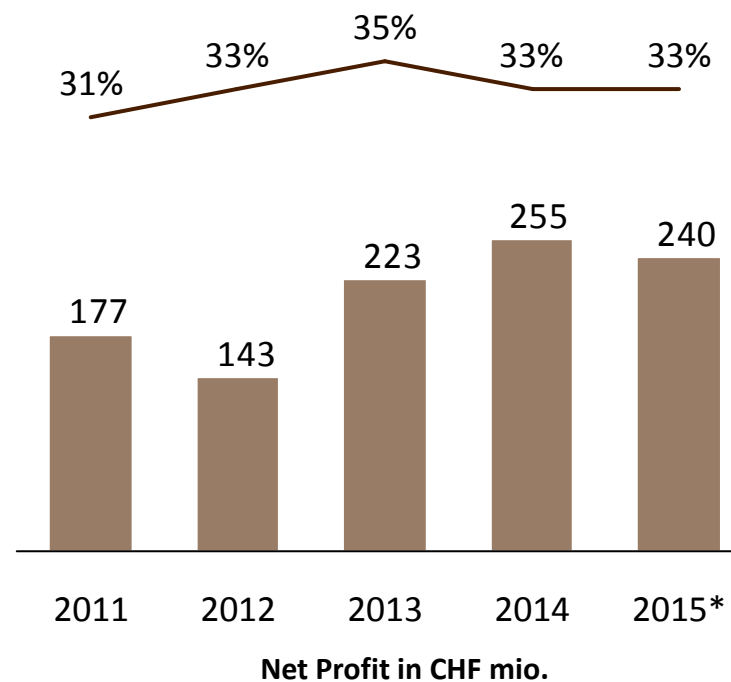
Proposed dividend

- ▶ CHF 14.50 per share¹
- ▶ Payout of 33% of Net Profit
- ▶ Not subject to withholding tax²

Timetable for dividend

- ▶ Shareholder approval: Dec 9, 2015 (AGM)
- ▶ Expected ex-date: Feb 29, 2016
- ▶ Expected payment date: March 2, 2016

Payout ratio



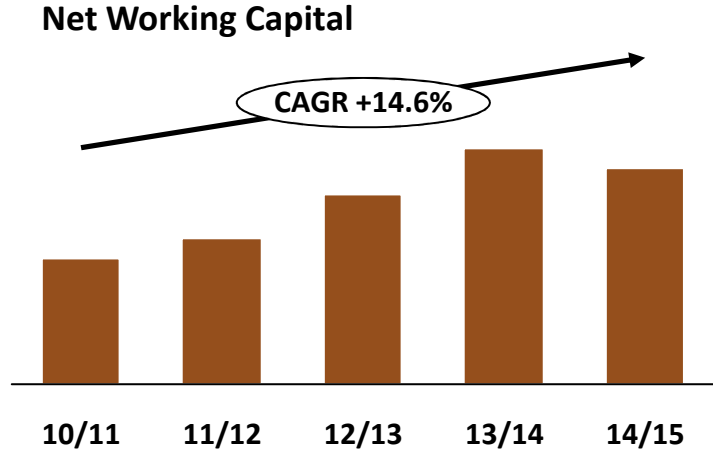
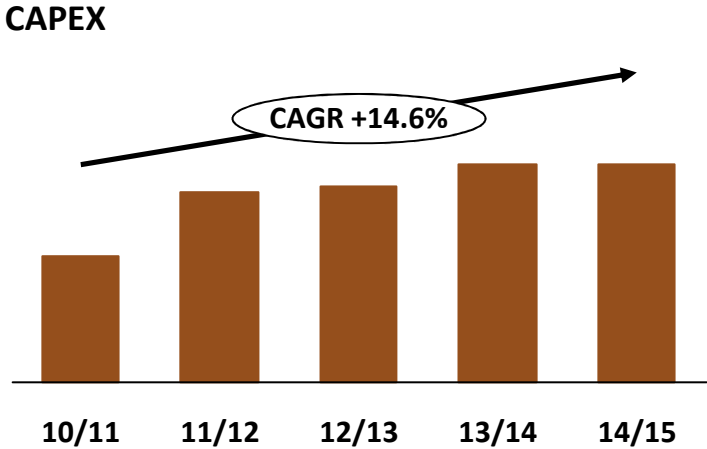
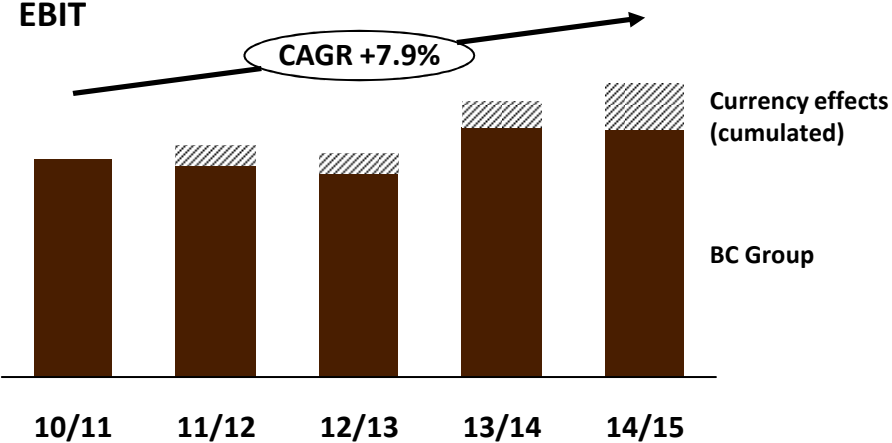
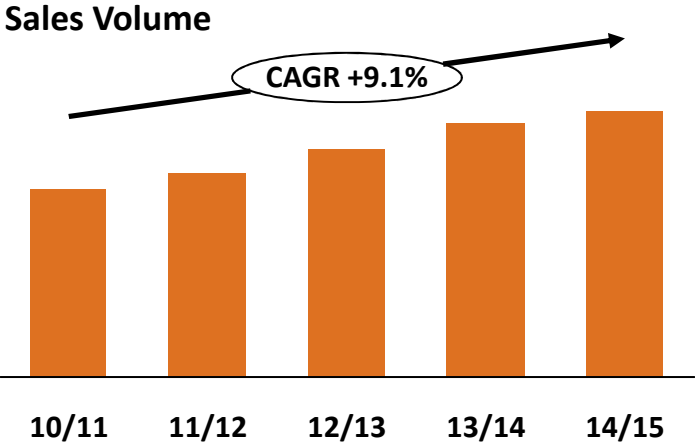
* As proposed by the Board to our Shareholders

1) From reserves from capital contributions

2) For individuals who are taxed in Switzerland and hold the shares privately also no income tax

5-year development

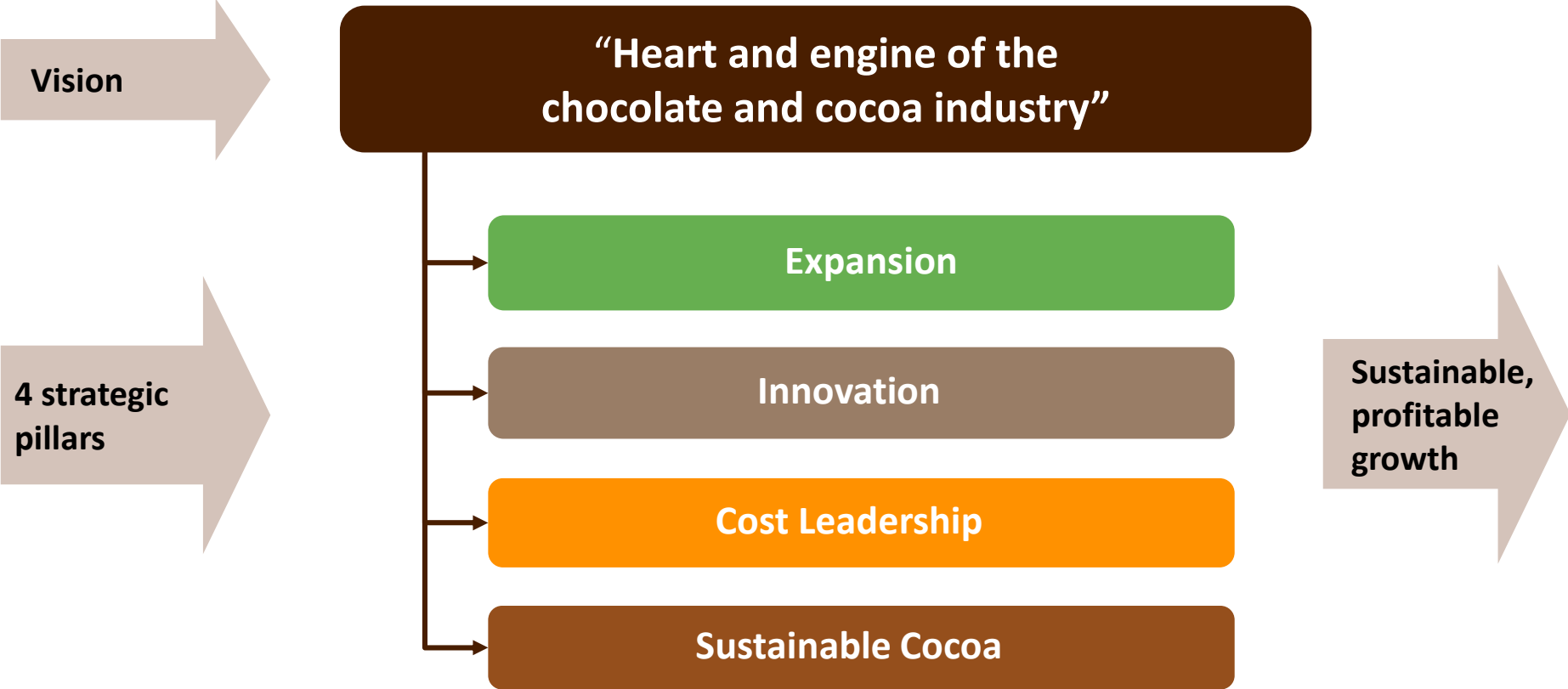
Long-term and continued strong volume and EBIT growth in a capital intensive business



The way forward – CEO Antoine de Saint-Affrique



We have a clear and successful long-term strategy



Strategy unchanged, execution adjusted



We are entering the next phase of our journey

Focus on consistent, above market-growth and enhanced profitability:
“SMART GROWTH”

Sustainable growth

Margin accretive growth

Accelerated growth in Gourmet, Specialties and emerging markets

Return on Capital and greater focus on Free Cash Flow

Talent & Team



Expansion: Accelerate Gourmet, Specialties and Emerging Markets

Further drive Gourmet & Specialties



Further expand in Emerging markets



Further leverage Outsourcing & strategic partnerships



Innovation: Margin accretive growth, value added products & services

Products

Channels

Be on trend

Clean label, free from



DAIRY FREE MILK CHOCOLATE ALTERNATIVE

A delicious alternative to milk chocolate, based on rice powder



Be ahead of the curve

Acticoa



Thermo-tolerant



Fermentation



Added-value products

Decorations, Inclusions, fillings,



2 & 3 D printing



Added-value services

Co-creation



Innovative concepts



Cost Leadership: Returns from scale, leverage & operational excellence

Leverage our global scale

Leverage our footprint

Cocoa Leadership



Western Europe & EEMEA



Leverage our scale

European shared service centre



Centralized combined ratio management



Operational excellence

Continuous improvement

One +

Finance Excellence

Quality Culture



Sustainable Cocoa: innovation, implementation, impact

Sustainable practices, prosperous communities, long term supply

Leading sustainability

- A holistic approach



- Capability based



- On the ground



Collaborating for impact

- Pre-competitive platforms



- Customer partnerships



- NGO partnerships & certification

Setting new benchmarks

- Cocoa Horizons Foundation



- Fuelling consumer demand



Outlook

Strive for smart balance between consistent, above-market volume growth and enhanced profitability



Mid-term guidance (until 2017/18)

We will strike a balance between volume growth and enhanced profitability, as well as free cash flow generation: “smart growth”

- ▶ Average volume growth 4-6%
- ▶ EBIT growth on average above volume growth¹



Outlook

- ▶ Challenging fiscal year 2015/16 due to the current cocoa products market, which will temporarily affect our profitability

Appendix

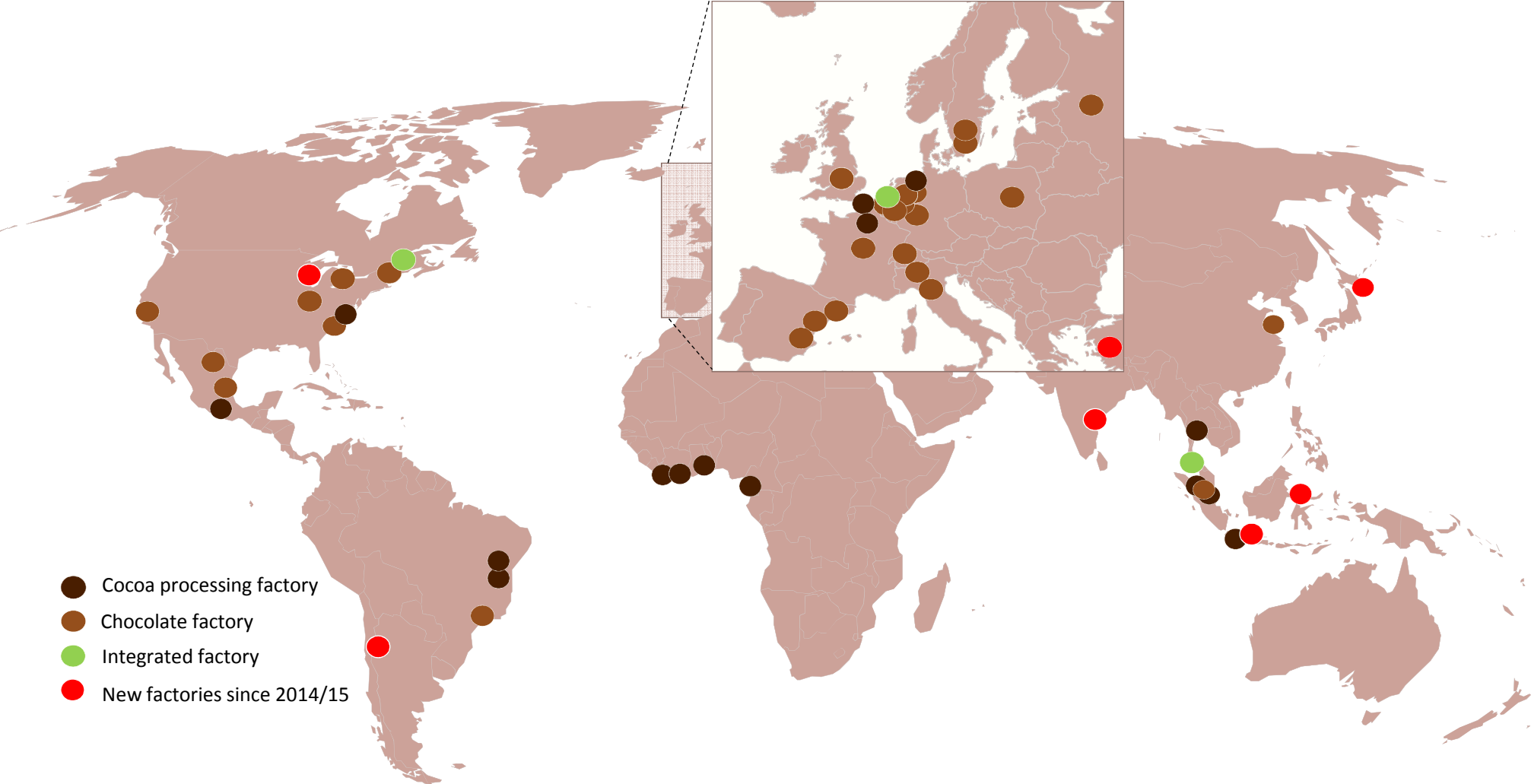


What makes Barry Callebaut unique?



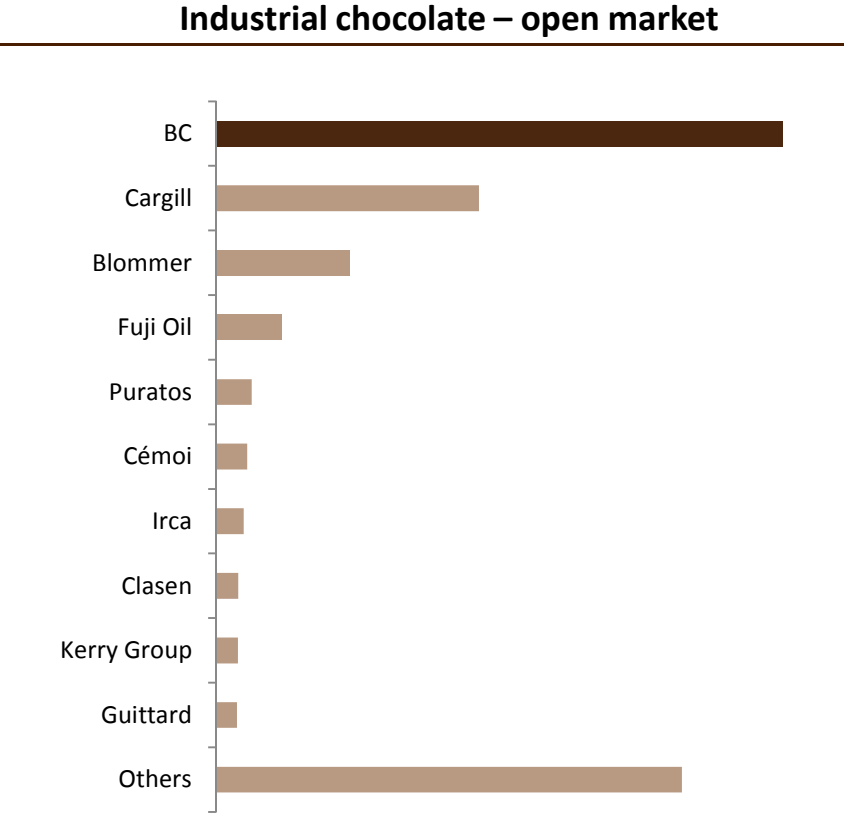
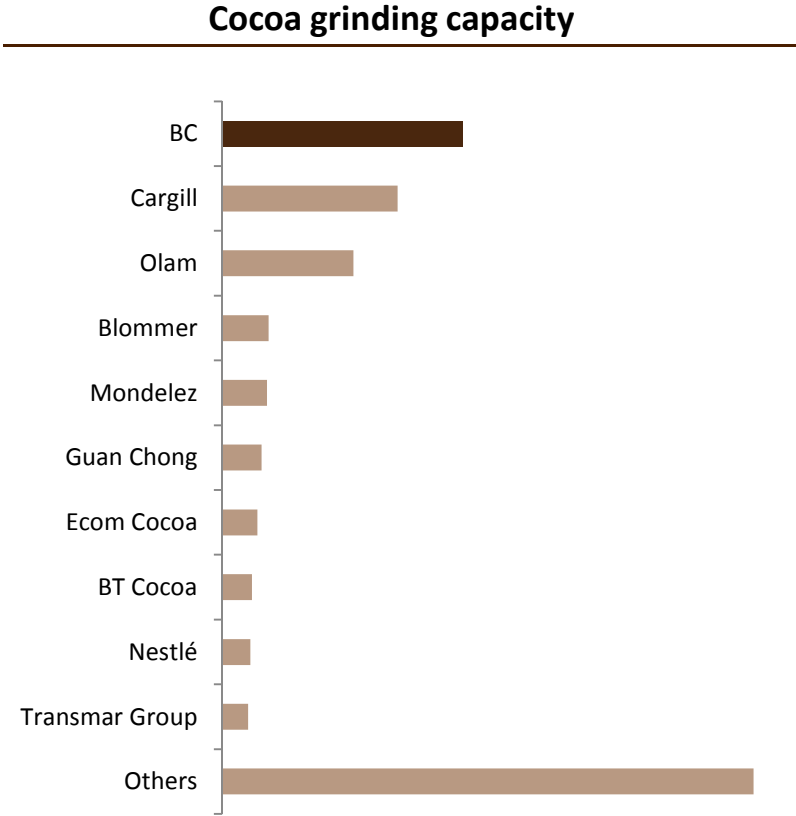
- ▶ Global number one player in chocolate and cocoa
- ▶ Deep chocolate and cocoa expertise
- ▶ Global leader in Gourmet
- ▶ Proven and long-term oriented strategy
- ▶ Unparalleled global footprint, present in all key markets
- ▶ Preferred outsourcing and strategic partner
- ▶ Leader in Innovation
- ▶ Cost leadership along the value chain
- ▶ Driving change in sustainability
- ▶ Entrepreneurial spirit
- ▶ Balancing short and long-term

More than 50 factories provide us with manufacturing diversification and unique competitive advantage



Chocolate and Cocoa markets

Barry Callebaut uniquely positioned in industrial chocolate and cocoa markets

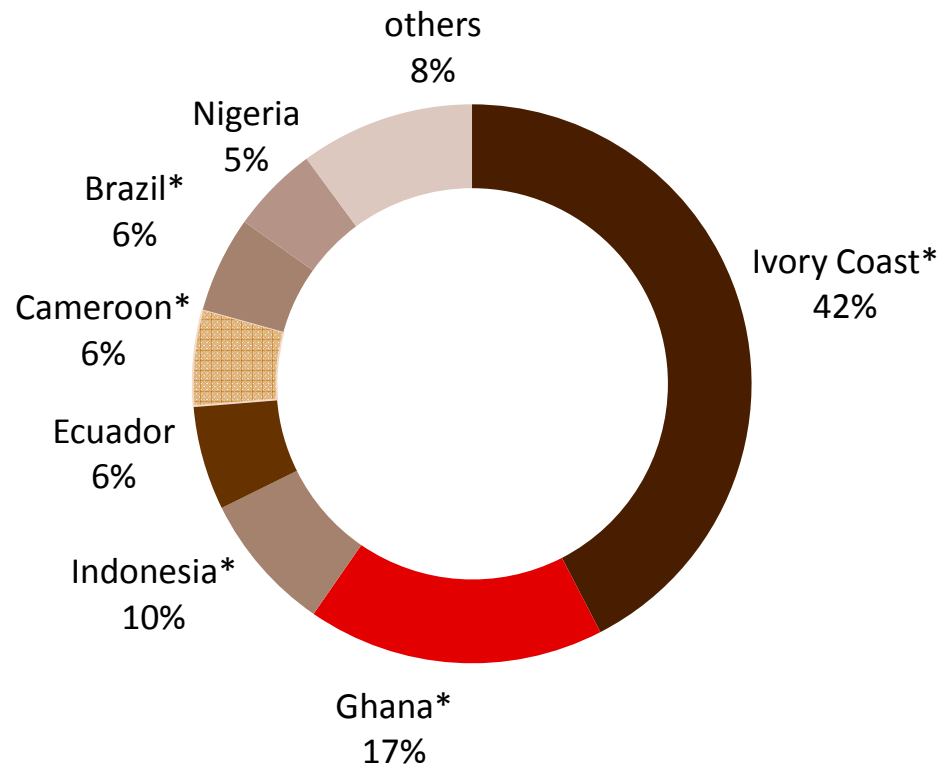


Notes: Olam incl. ADM; Cargill incl. ADM chocolate business; Fuji Oil incl. Harald
Sources: Proprietary estimates



West Africa is the world's largest cocoa producer

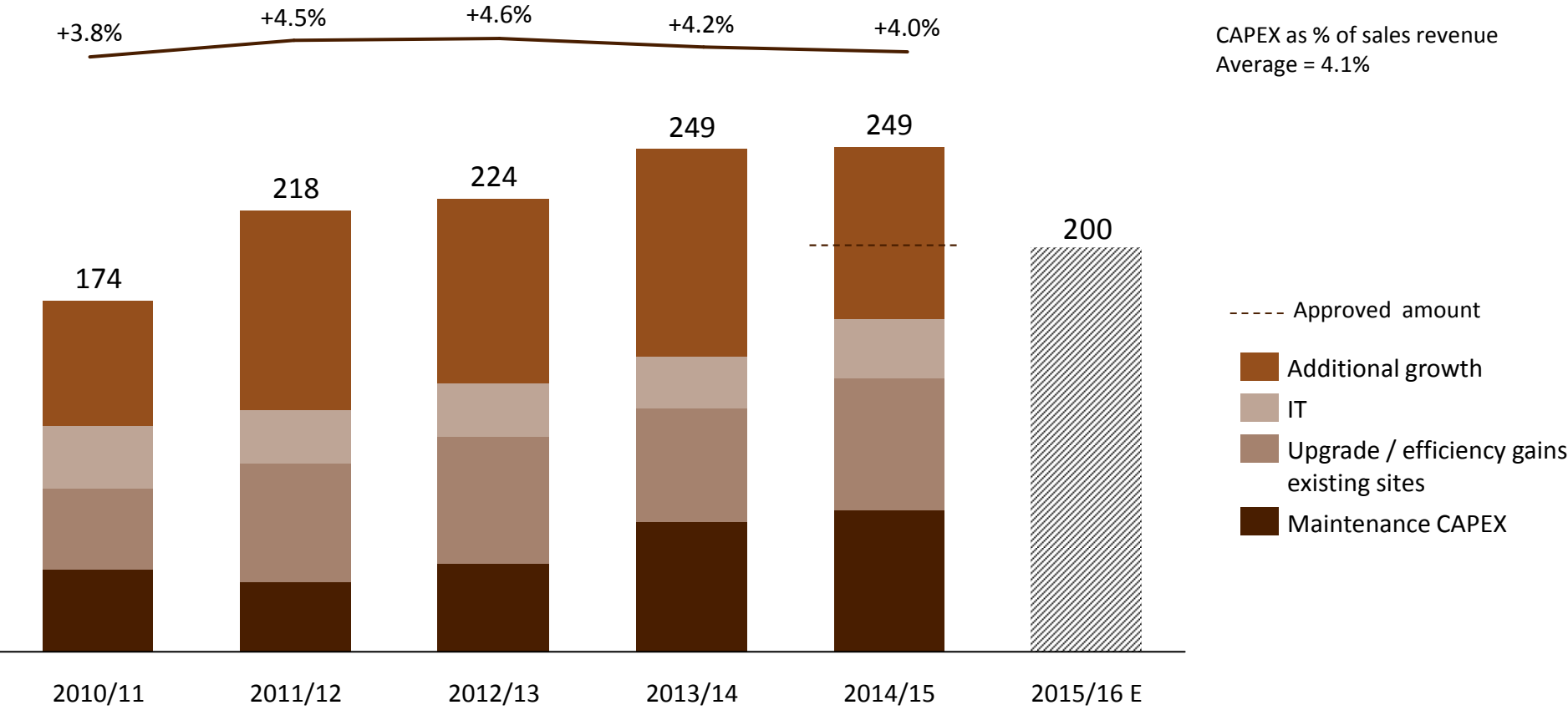
Total world harvest (14/15): 4,157 TMT



- ▶ About 70% of total cocoa beans come from West Africa
- ▶ BC processed ~925,000 tonnes or 22% of the world crop
- ▶ Barry Callebaut has various cocoa processing facilities in origin countries*, in Europe and in the USA

Source: ICCO estimates

Capital Expenditures*



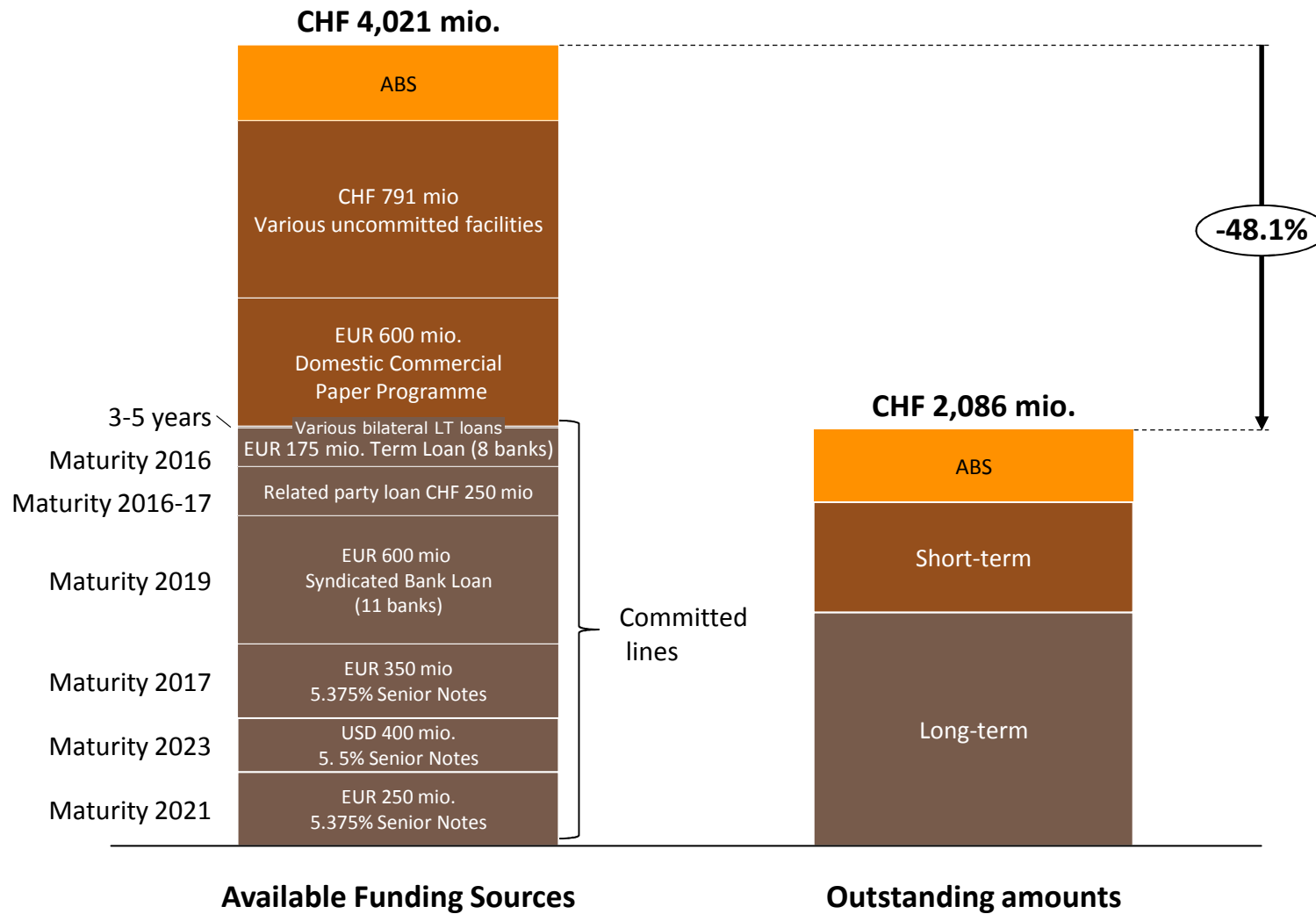
*CAPEX as reflected in Cash Flow Statement



Available Financing

Enough headroom for further growth and raw material price fluctuations

As of 31 August 2015



Liquidity – Debt maturity profile

As of 31 August 2015

In CHF mio

