



Barry Callebaut

Roadshow presentation – Q1 2012/13

JANUARY 2013



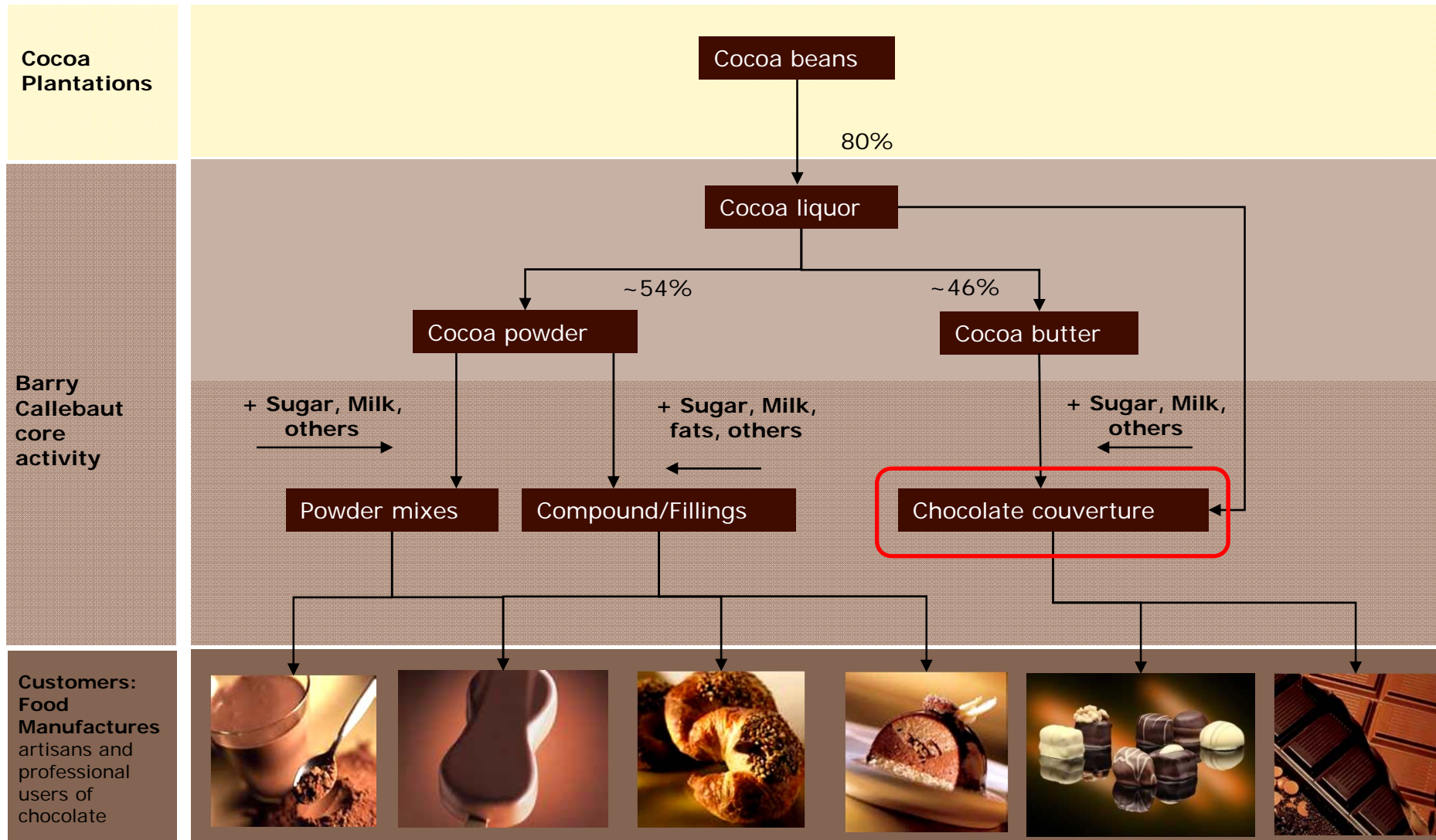


Agenda

- **BC at a glance**
- Highlights Q1 2012/13
- Strategy
- Petra Foods Cocoa Ingredients Division acquisition



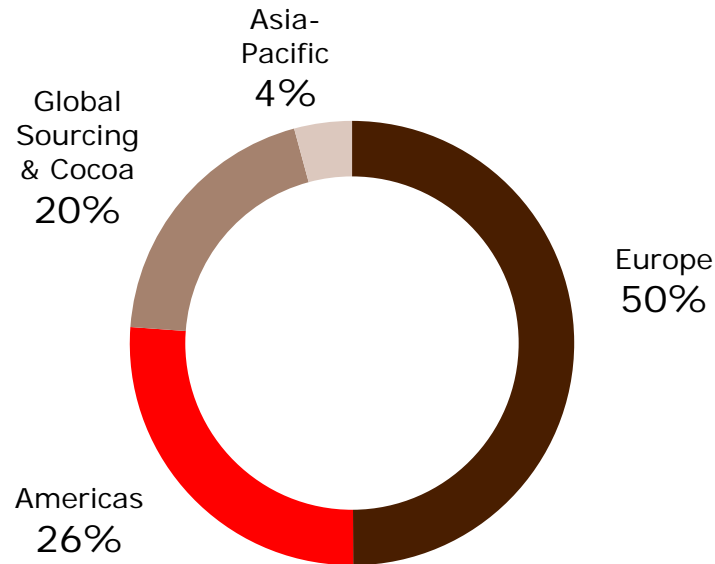
Vertically integrated in cocoa sourcing and processing since 1996





Barry Callebaut at a glance

FY 2011/12 – Pre-acquisition
Sales volume = 1,378,856 tonnes



Sales revenue = CHF 4,829.5 m

EBIT = CHF 353.2 m

Net Profit * = CHF 241.1 m

* From continuing operations

- **World leader** in high-quality cocoa and chocolate products and **outsourcing/strategic partner** of choice
- World's **largest supplier of Gourmet & Specialties** chocolate for artisanal customers
- **6,000 people** worldwide, **45** production facilities
- **Fully integrated** with a strong position in cocoa-origin countries
- **Over 3,000 recipes** to cater for a broad range of individual customer needs
- We **serve the entire food industry**, from industrial food manufacturers to artisans and professional users



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Highlights Q1 2012/13

- Strong volume growth: +8.3%
- Growth across all Regions. Growth driven by Food Manufacturers and Gourmet
- Significant strategic step: acquisition of Petra Foods' Cocoa Ingredients Division
- Growth targets confirmed

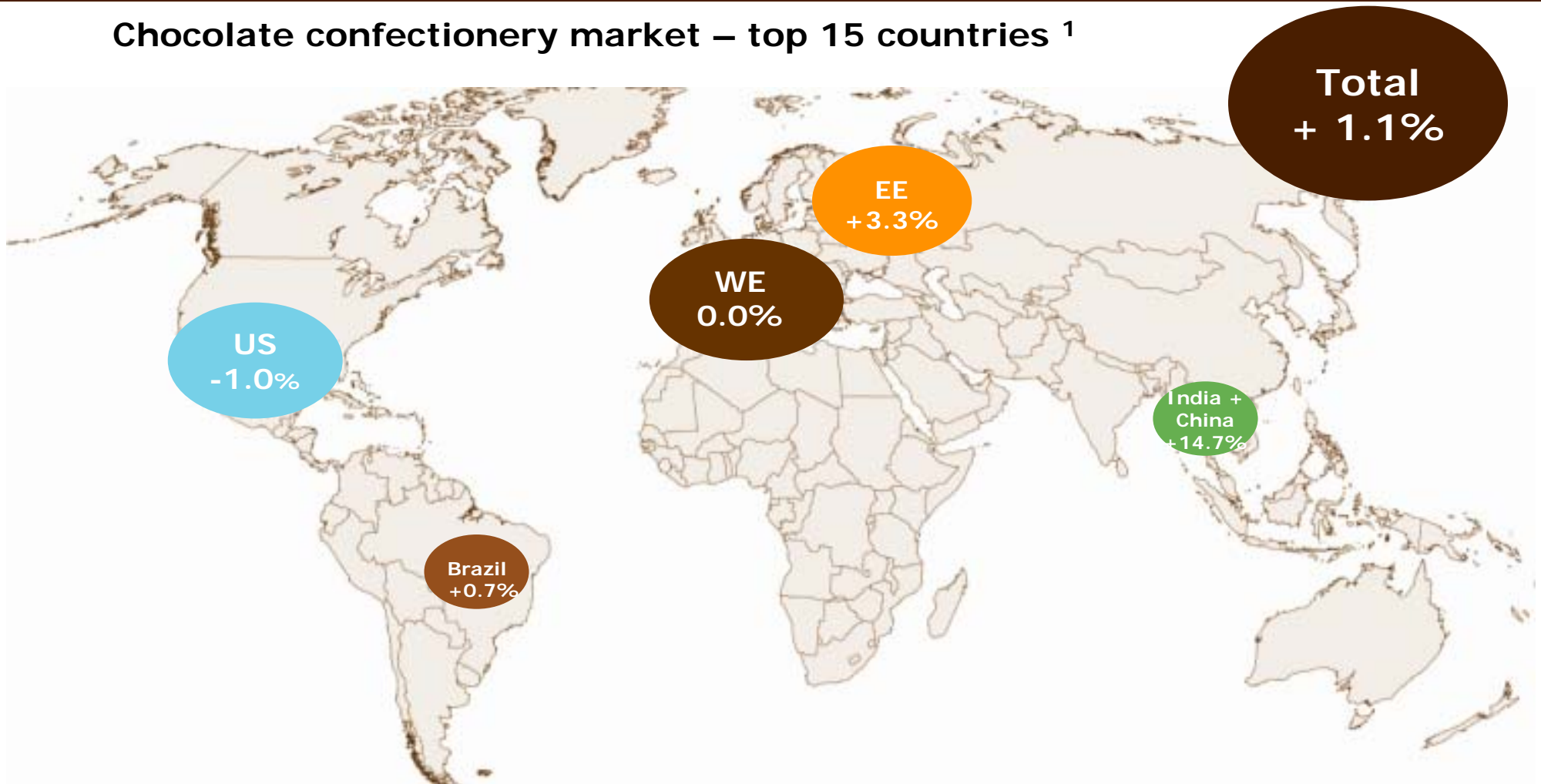




Sep - Nov 2012

Slow volume growth in the Global chocolate market

Chocolate confectionery market – top 15 countries ¹

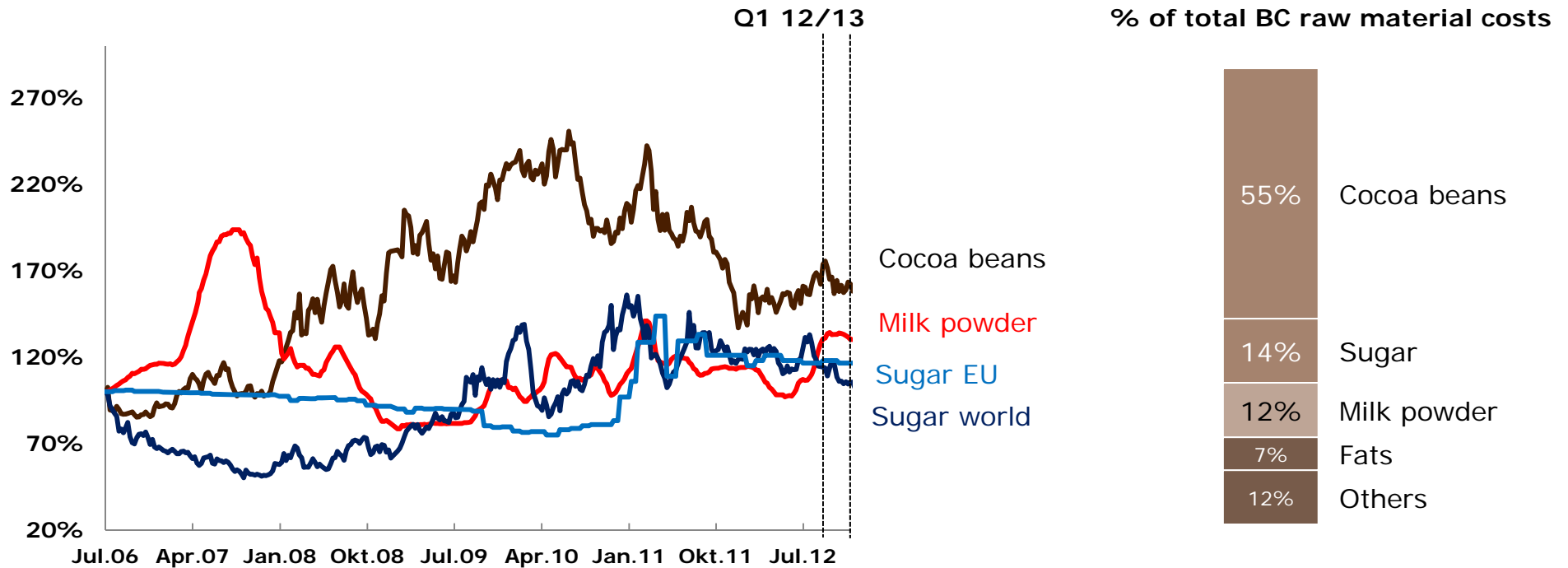


1) Source: Nielsen data (Sep –Nov 2012); - Top 15 countries represent app. 75% of the global chocolate market in volume; - USA total volumes are estimated based on a share distribution by Euromonitor; Eastern Europe includes: Russia, Ukraine, Poland, Turkey.



Raw material price development

Lower average prices for key raw material



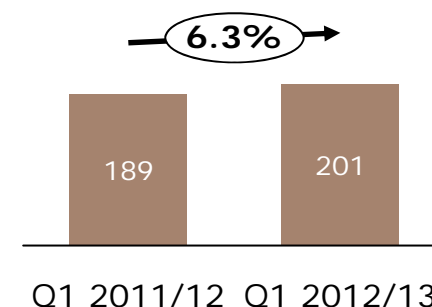
- Cocoa beans average prices for the last 12 months were 20% lower compared to prior year. Short-term, we expect cocoa prices to trade on the low side of the well settled range of the past 12 months
- Milk powder prices stabilized on a high level as of September, following a strong surge due to the drought in the US.
- Prices on the world sugar market continued the downward trend, thanks to a good crop in Brazil. EU sugar prices slightly increased with the start of the new crop in October.



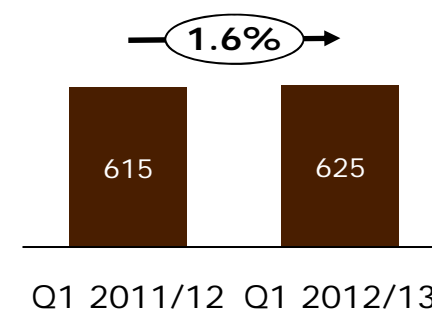
Solid growth in Western Europe and EEMEA

- Chocolate confectionery market growth: +1.1%
- Sales volume +6.3% in a market environment which was still depressed in Southern Europe
- Growth in Western Europe was particularly driven by Food Manufacturers
- In Gourmet all countries grew except Italy; Callebaut® and Cacao Barry® equally contributed to the volume increase
- Sales volume at the Beverages division returned to positive growth rates
- In EEMEA the Food Manufacturers business performed well mainly in Russia, Middle East and Turkey. At the same time Gourmet & Specialties continued to record double-digit volume growth
- Overall sales revenue in the Region went up 2.4% in local currencies (+1.6% in CHF) to CHF 624.6 million

Sales Volume (in '000 tonnes)



Sales Revenue (in CHF mn)



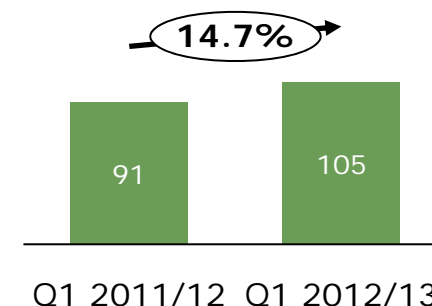


Region Americas

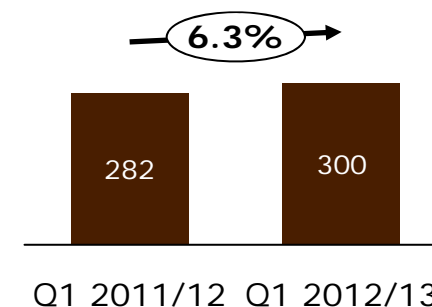
Continued double-digit top-line growth

- U.S. chocolate confectionery market -1.0%
- Region Americas achieved double-digit growth rates in the first three months; sales volume increased +14.7%
- In North America global accounts in Food Manufacturers and in Gourmet grew double digit. Mexico continued to report a strong performance
- Growth in South America was driven by the vigorous development of the Gourmet & Specialties business
- Sales revenue rose 1.4% in local currencies (+6.3% in CHF) to CHF 300.0 million
- The lower growth in sales revenue is attributable to lower cocoa ingredient prices, which only recently started increasing again

Sales Volume (in '000 tonnes)



Sales Revenue (in CHF mn)

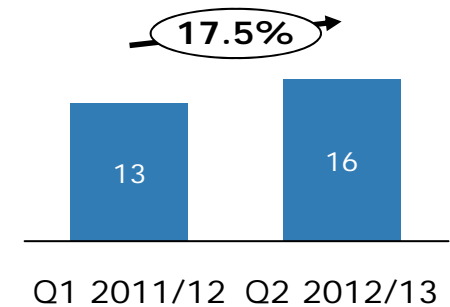




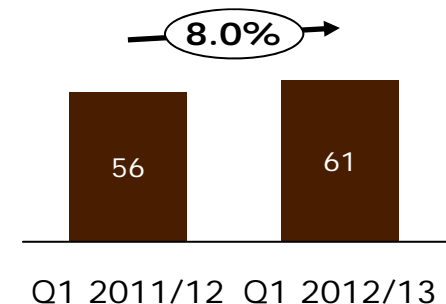
Strong acceleration of growth

- Chocolate markets in Asia showed accelerated growth. India and China reached +14.7%
- Industrial and the Gourmet businesses showed high double digit-sales volume growth +17.5%
- Strong growth was recorded in China, Australia, Malaysia, and Korea
- In Food Manufacturers both global and local accounts grew double digit
- Growth in the Gourmet business was equally driven by the imported global brand Callebaut® as well as by local brands; substantial growth was recorded in China and India
- Sales revenue in the Region increased by 4.2% in local currencies (+8.0% in CHF) to CHF 60.9 million

Sales Volume (in '000 tonnes)



Sales Revenue (in CHF mn)

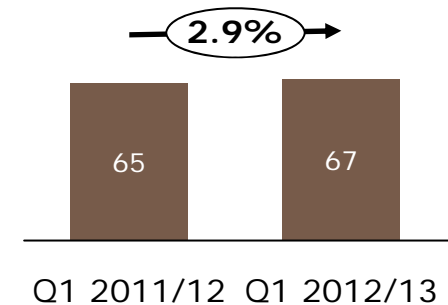




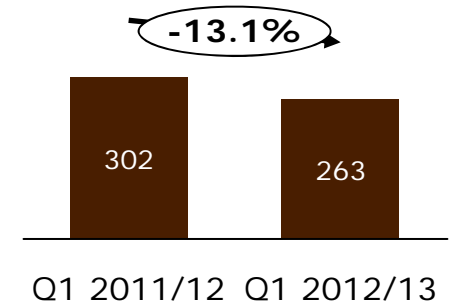
Fewer powder sales to third party customers

- Sales volume in the segment Global Sourcing & Cocoa went up 2.9% to 66,754 tonnes
- Growth was impacted by ongoing expansion at some of the factories, as well as higher internal demand for cocoa powder, which limited sales to third parties
- Sales revenue decreased by 12.8% in local currencies (-13.1% in CHF) to CHF 262.9 million. Mainly because sales prices for cocoa ingredients (cocoa butter, cocoa liquor, and cocoa powder) were lower at the time the business was contracted

Sales Volume (in '000 tonnes)



Sales Revenue (in CHF mn)

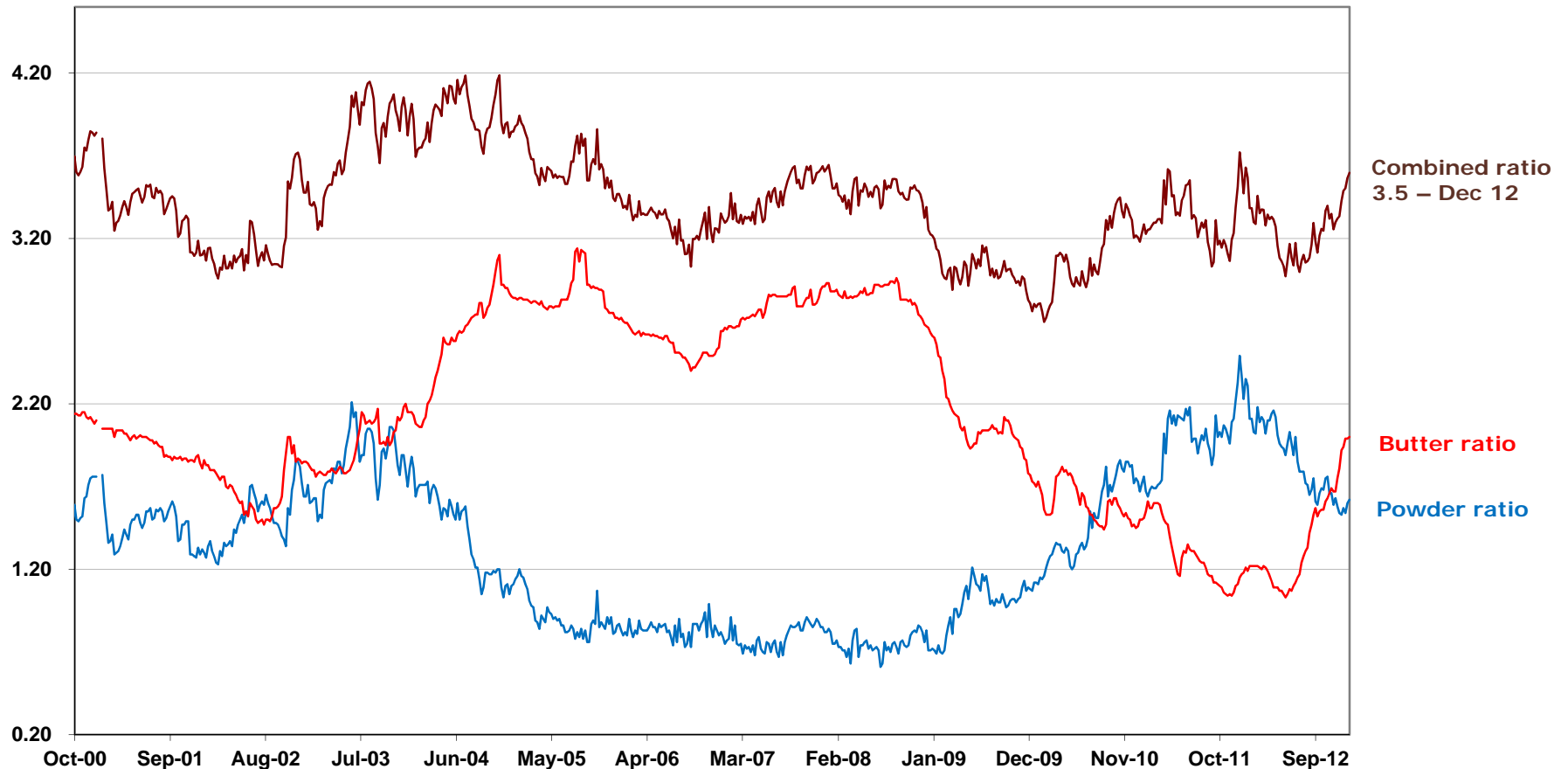




Cocoa processing activity

Strong decline in powder prices offset by butter ratios

European combined ratio - 6 months forward ratio



- ▶ Combined cocoa ratio started at a low level first half of FY2012/13, with positive prospects for the second half, driven by higher cocoa butter ratios
- ▶ Low combined cocoa ratios = negative impact on BC cocoa (semi-finished products) business



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- BC at a glance
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- **Strategy**
- Petra Foods Cocoa Ingredients Division acquisition



Consistent implementation of our long-term strategy

Our Vision: "Heart and engine of the chocolate industry"

Expansion

- **Geographical expansion** in emerging markets and strengthen position in developed markets
- Long term **outsourcing agreements/strategic partnerships**
- Faster growth in **Gourmet & Specialties**

Innovation

- **Improve customer products, recipes and production processes**
- **Pro-active fundamental research in cocoa**
- Focus on the **health properties of the cocoa and chocolate products**

Cost Leadership

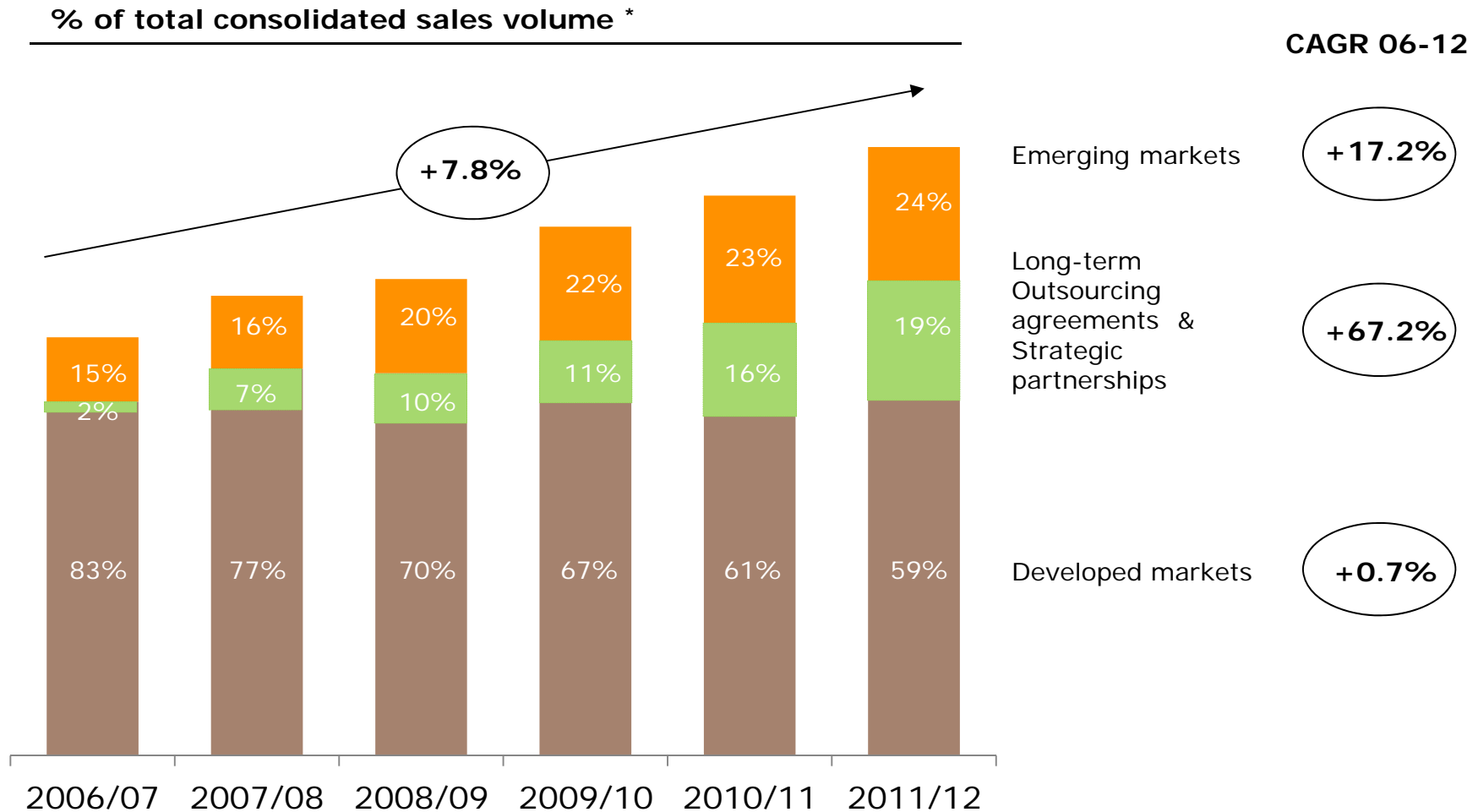
- Improving **operational efficiency** by upgrading technology, increasing capacity utilization, optimizing product flows, logistics and reducing energy consumption

Sustainable Cocoa

- Increased **focus on** the mid-term and **long-term availability of quality and quantity of cocoa beans**, as well as ensuring the **sustainability** of such cocoa supply chain



Based on our strategy we grew almost 8% on average per year, driven by emerging markets and strategic partnerships



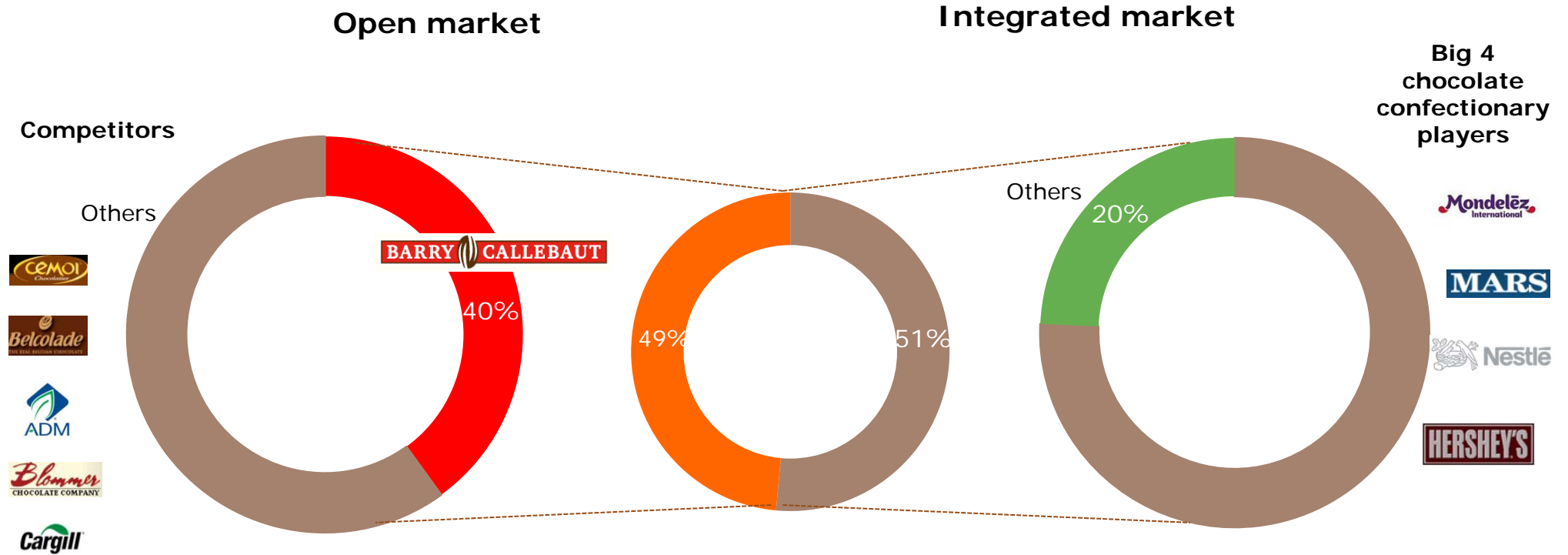
* Excluding Consumer Business



Expansion

3 mio tonnes of outsourcing potential for future growth

Global Industrial Chocolate market in 2011/12 = 6,100,000 tonnes*



* BC estimates



Expansion

Expansion

Long-term outsourcing and strategic partnership agreements include both chocolate and cocoa products

2006-07



Nestlé
(February 2007)



Cadbury Schweppes
(June 2007)



Hershey
(April 2007)

C + Ch deal



Morinaga
(September 2007)

2010-11



ex-Kraft Foods
(September 2010)

C + Ch deal



Green Mountain Coffee Roasters
(Oct 2010)

C + Ch deal



Hershey Extension
(May 2011)

C + Ch deal



Chocolates Turín
(June 2011)



Baronie Group
(July 2011)

2011-12



Bimbo
(Jan 2012)

C + Ch deal



Unilever
(Jan 2012)

C + Ch deal



Morinaga
(June 2012)

C + Ch deal



Arcor, Dos en Uno
(Oct 2012)

C + Ch deal



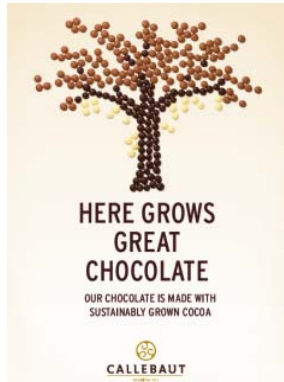
Gourmet: Actions to accelerate growth

Working on all priority areas

Expansion



Sharpen focus on global brands



Increase adjacent product offering

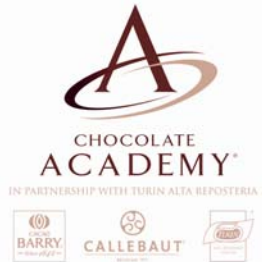


From product to segment focus

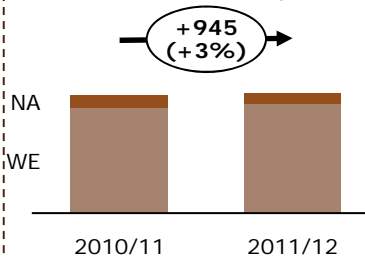
Growth through acquisitions

Independent but interdependent

Accelerate geographical expansion - Initiatives in China, Nordic Countries, Russia, Central & South America



Additional distribution points





Successful R&D activities generated new sales volume

- ▶ Barry Callebaut received a positive opinion from the European Food Safety Authority for a health claim linking cocoa to improved blood flow
- ▶ +11% number of R&D projects versus the prior year to 2,131. Project success rate, went up 8% to overall 58%
- ▶ Award at the Food Ingredients Europe (FiE) fair with the Terra Cacao™ chocolate based on our patented Controlled Fermentation technique.
- ▶ First prize for the best innovation at Unilever's "Partner to Win" for the new Magnum® ice cream



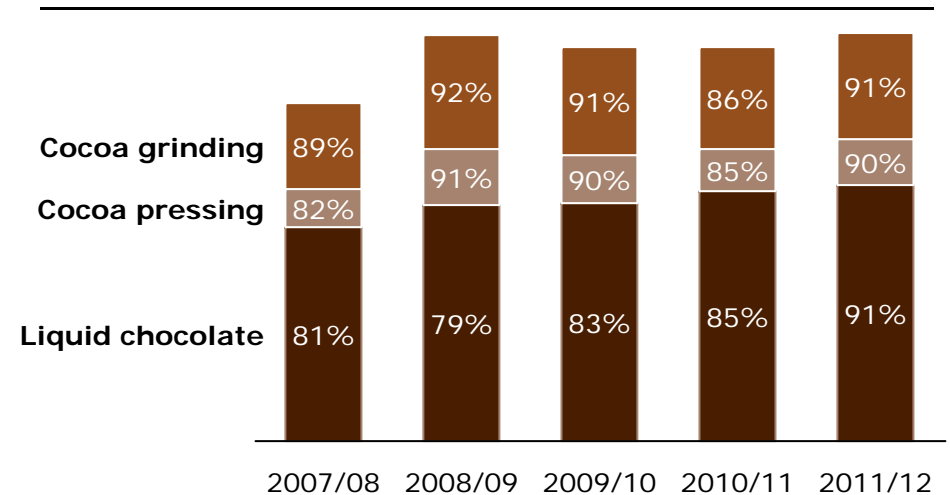


Staying the leader in cost through our key initiatives

- ▶ Manufacturing costs per ton of activity like-for-like basis = - 3% (target: -2%).
- ▶ Volume growth, technology and process improvements increased capacity utilization for liquid chocolate to 91% (target: 82-85%). Cocoa processing to 90% (target: 90-95%).
- ▶ “One +” achieved savings of about CHF 8.7 million last year.
- ▶ “Project Gold” in Europe and “Platinum” in Americas, two new initiatives designed to save costs throughout the value chain achieved savings of CHF 9.1 million.
- ▶ Extensive efforts to reduce energy consumption and tight cost controls



Capacity utilization





Achievements in the last 12 months

Farmer Practices

- ▶ 20,000 Farmers trained and certified
- ▶ CHF 2.8 mio. Certification Premiums paid
- ▶ Started Cocoa Horizons in Cameroon
- ▶ 500 Farmer Field Schools conducted
- ▶ Center of Excellence: construction started
- ▶ Farmer Academies: 2 locations identified
- ▶ 5 showcase farms started

Farmer Education

- ▶ Adults and children Schools: 3 built, 4 under construction
- ▶ Curriculum development for Akoupé Secondary School and Rural Schools
- ▶ Collaboration with Jacobs Foundation, Hershey, Mars, Ferrero

Farmer Health

- ▶ New Water wells drilled





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Petra Foods Cocoa Ingredients:

Excellent strategic fit at the core of Barry Callebaut's cocoa and chocolate

- ▶ 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

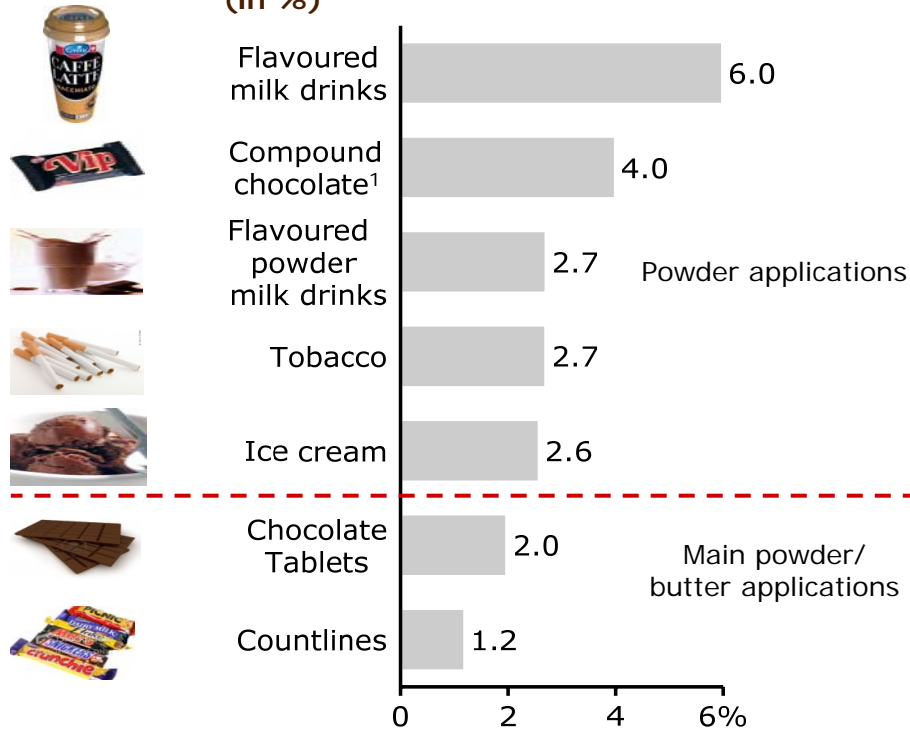




Cocoa Powder-based applications growing fast

Demand for powder applications growing faster

CAGR 11-16 of main cocoa SFP applications (in %)



As a result, derived demand for powder is the fastest growing



Powder

CAGR (11-16F)

2 -5 %



Liquor

1-2%



Butter

1-2%

Source: Euromonitor; Expert interviews
1) Based on Expert and Bain estimates



Petra Foods – company overview



Branded consumer

- ▶ One of the leading players in Southeast Asia that markets and distributes its own brands of chocolate and sugar confectionery products to consumers, and enjoys a market leadership position in Indonesia
 - ▶ 2011A Sales of USD 426m (25% of group sales)
 - ▶ 2011A EBITDA of USD 63m (49% of Group)



Cocoa Ingredients Division

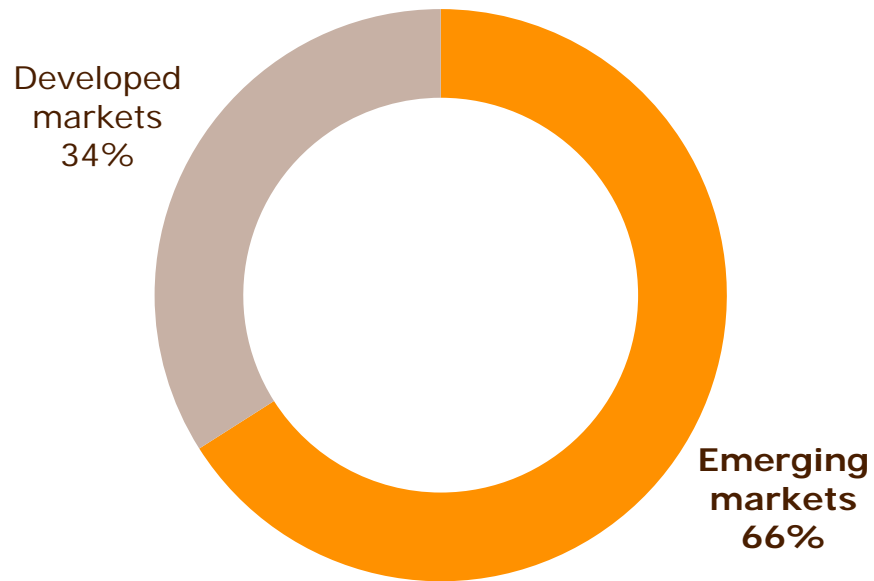
- ▶ One of the world's major manufacturers and suppliers of premium cocoa products, namely Cocoa Liquor, Cocoa Butter and Cocoa Powder that form the basis for the chocolate products consumed by millions each day
 - ▶ 2011A Sales of USD 1,276m (75% of group sales)
 - ▶ 2011A EBITDA of USD 66m (51% of Group)



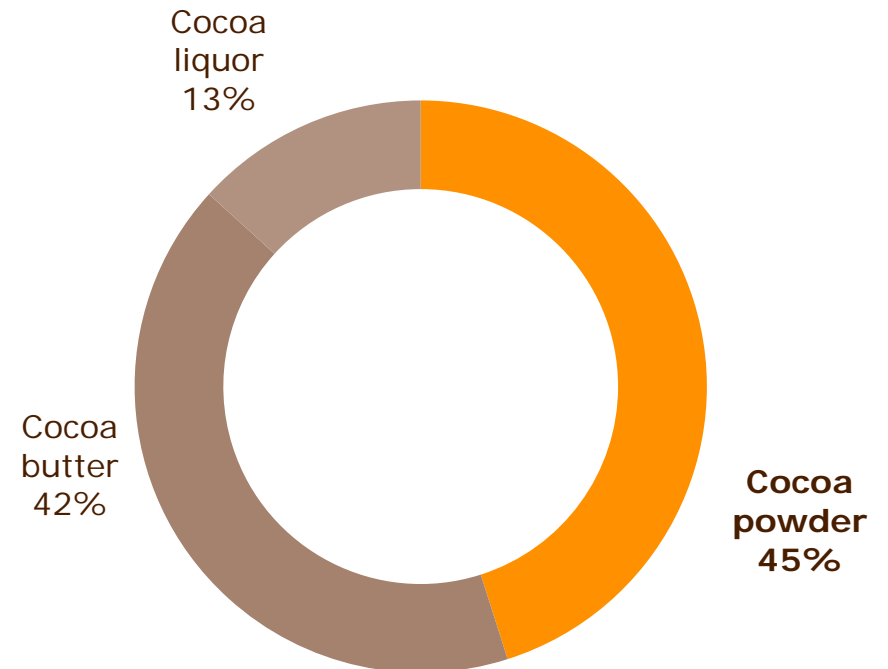


...with a strong exposure to emerging markets

Cocoa Ingredients Division
Sales volume per region – 2011



Cocoa Ingredients Division
Sales volume per product type – 2011

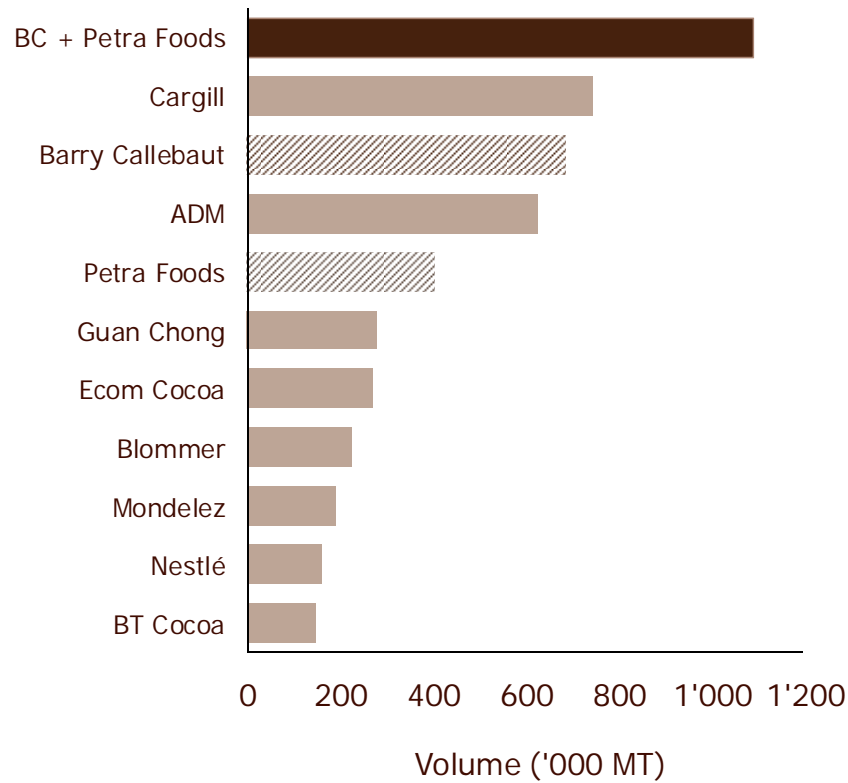




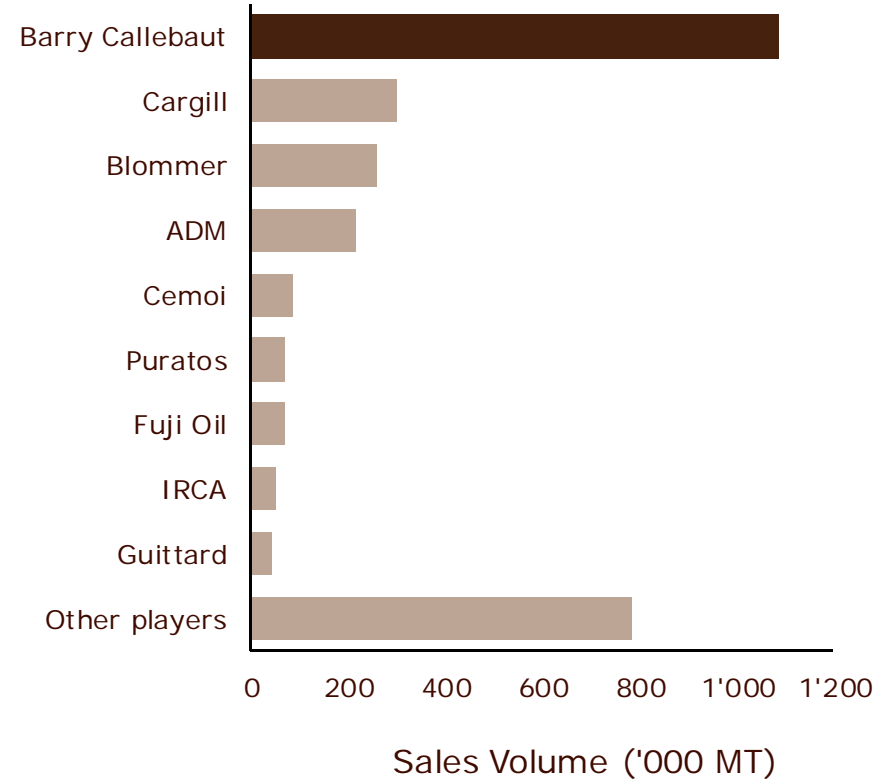
Acquisition will position Barry Callebaut as a large, pro-active market player in Cocoa Powder business globally

- ▶ Barry Callebaut is the largest global industrial chocolate supplier

Cocoa grinders



Industrial chocolate – Open market



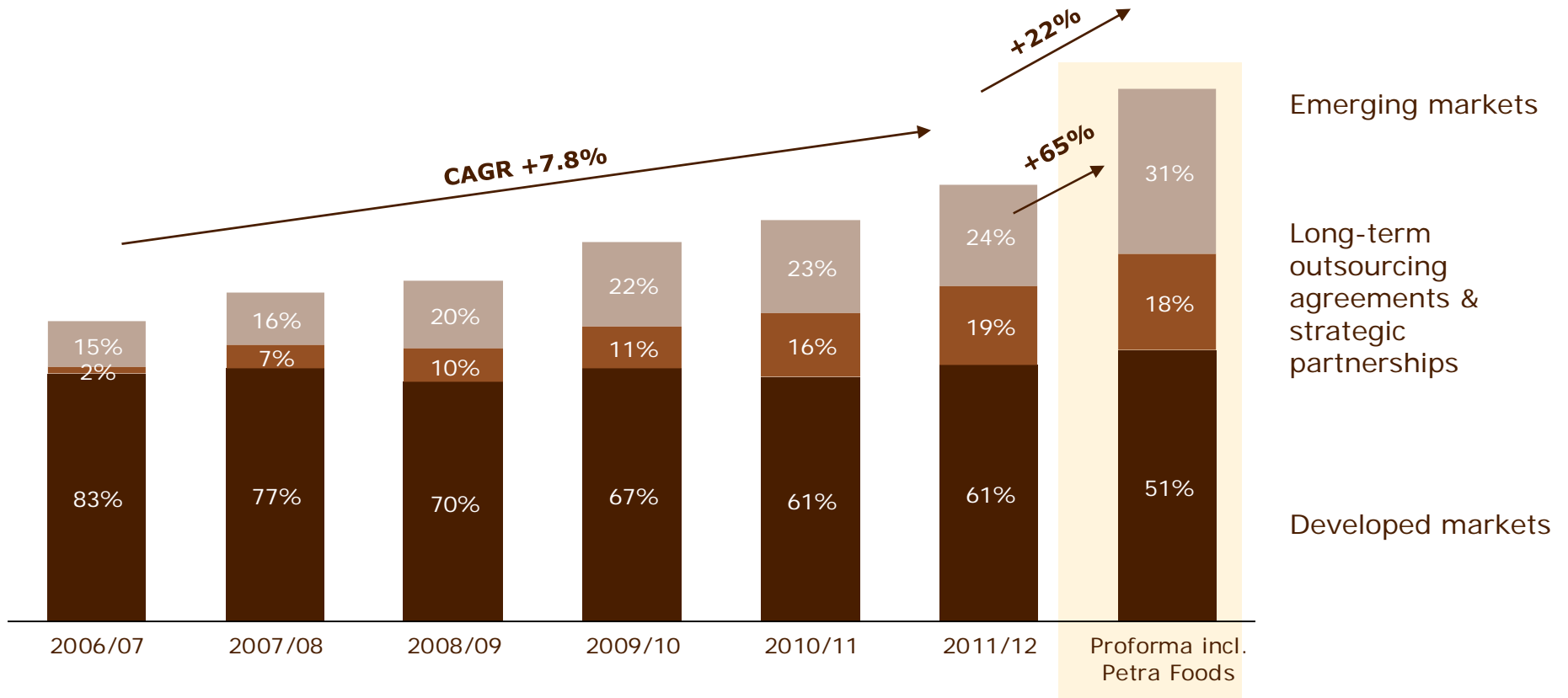
Source: Barry Callebaut 2011/12 estimates (both charts)



Through Petra Foods' Cocoa Ingredients Division our emerging markets exposure will increase to 31%

Geographic expansion

Sales Volume breakdown





Increasing of cocoa sourcing and processing footprint (buy vs. build)

Cost Leadership
Sustainable Cocoa

Footprint of cocoa processing factories



- ▶ Significantly adds production capacity in emerging markets, especially in Asia, which is crucial for BC's own chocolate business and for further growing outsourcing and partnership agreements
- ▶ Diversification of bean sourcing: Increased contribution of Asian origin beans and reduced dependency on West Africa

Note: BC integrated chocolate / cocoa sites not shown



Petra Foods' Cocoa Ingredients Division is right at the core of our strategy

Our vision: "Heart and engine of the chocolate industry"

Expansion

- ✓ Supporting further chocolate growth in both Industrial and Gourmet
- ✓ Strengthening current and future outsourcing and partnership agreements
- ✓ Boosting sales volume in fast growing emerging markets by 65% to almost one-third of Group sales volume

Innovation

- ✓ Access to significant additional knowledge in cocoa processing and cake/powder blending expertise

Cost Leadership

- ✓ Larger footprint in cost-competitive production countries, partially replacing future investment needs, as well as product flow optimizations

Sustainable Cocoa

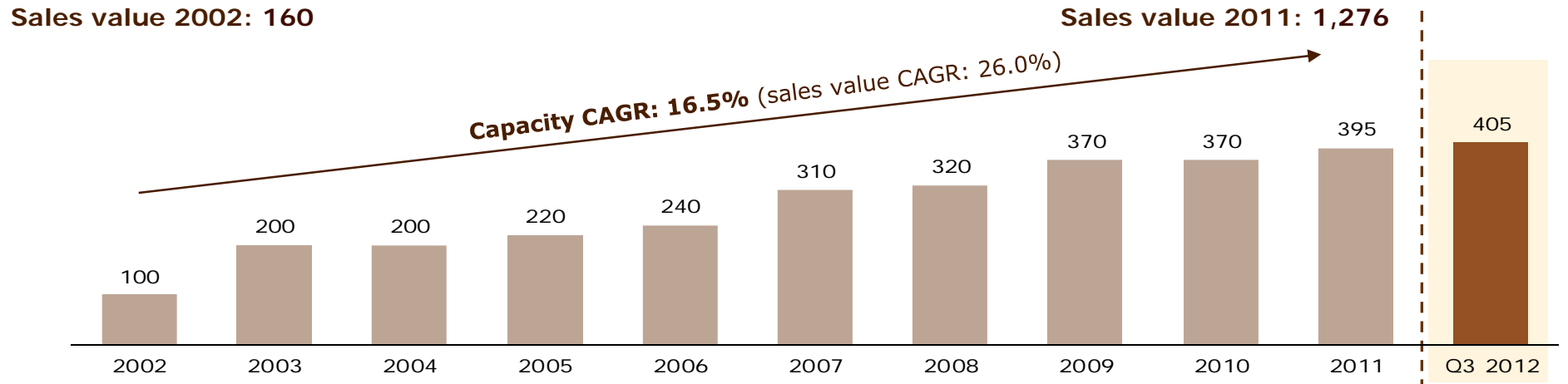
- ✓ Further diversify cocoa sourcing and processing activities in origin countries by adding a second strong sourcing base in Asia, besides West Africa.



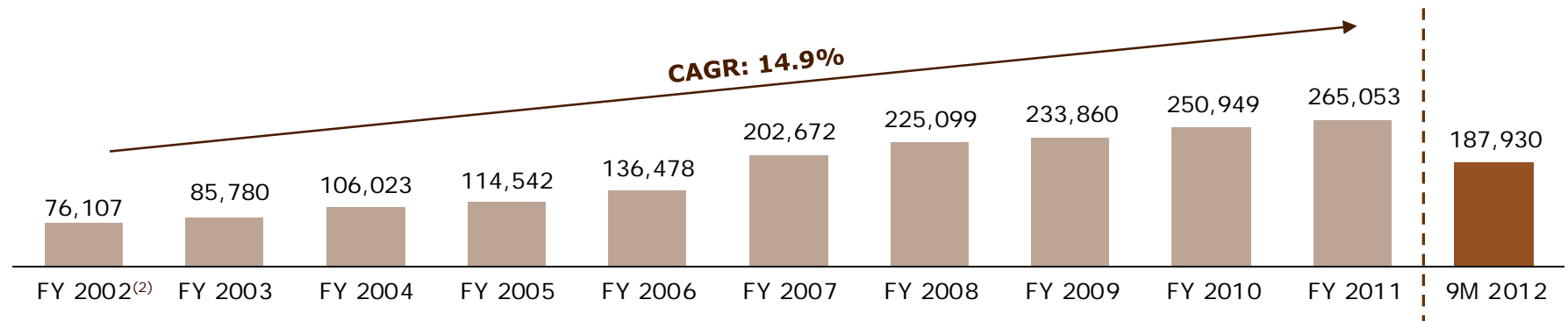
Petra Foods' Cocoa Ingredients Division

Historical financials – capacity and volumes

Grinding capacity (kMT) and sales value (USDm) – 2002-2012



Sales volume (MT)⁽¹⁾ – 2002-2012



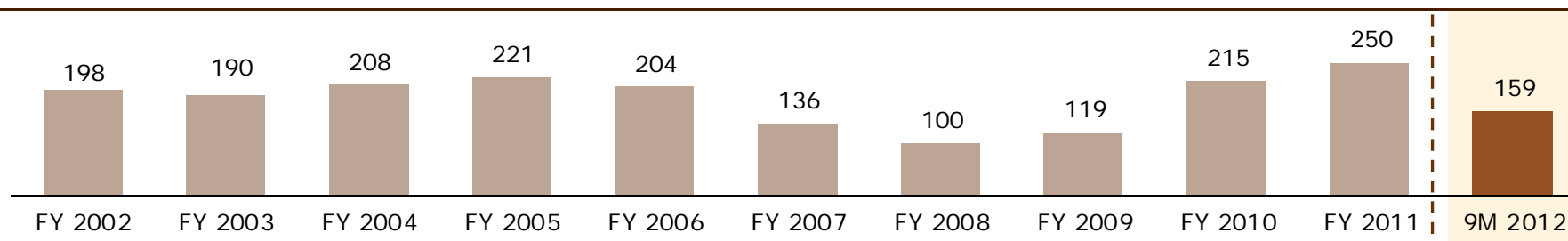
(1) Excluding tolling volumes.



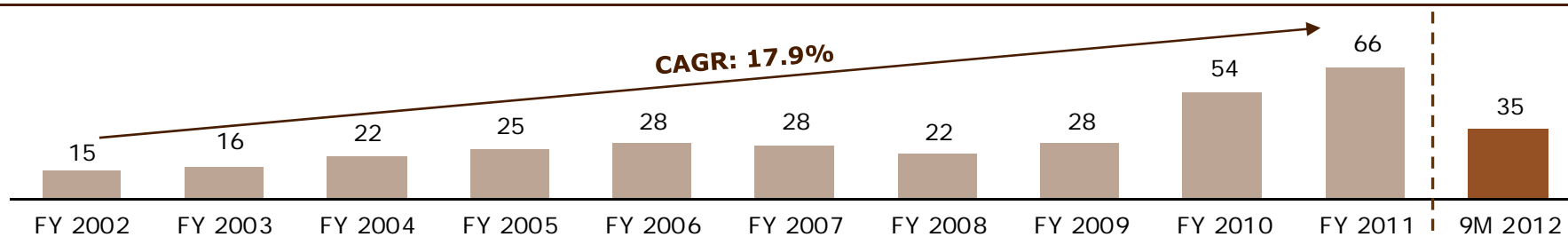
Petra Foods' Cocoa Ingredients Division

Historical financials – profitability and assets

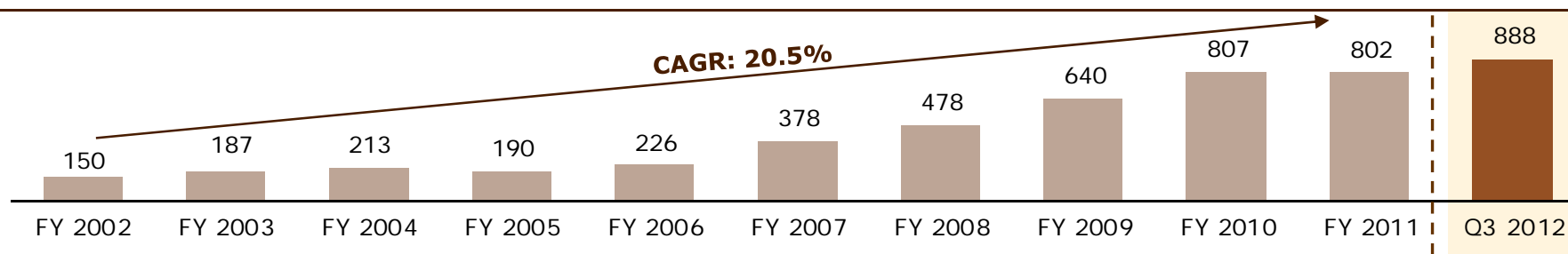
EBITDA / MT of sales volume (USD / MT) – 2002-2012⁽¹⁾



EBITDA (USDm) – 2002-2012⁽²⁾



Assets (USDm) – 2002-2012⁽³⁾



(1) As reported.

(2) 2008 figures stated before adjustments pertaining to the hedge re-designation charge, forex losses, and the fair value accounting charge.

(3) Excludes unallocated assets.



Key transaction parameters

- ▶ Acquisition price: USD 950 mio⁽¹⁾
- ▶ Transaction structure: Share deal
- ▶ EV/EBITDA multiple: 14.3x (2011)
9.2x – 9.7x post run-rate synergies⁽²⁾
- ▶ Run-rate synergies: CHF 30 - 35 mio p.a. by year 4 (contribution to EBIT)
- ▶ Financing: Fully underwritten bridge loan for total purchase price
Refinancing of existing bank loans
Take out a combination of debt and equity
- ▶ Transaction costs: CHF 10 mio
- ▶ EPS: Transaction expected to be EPS accretive in the second full year of consolidation
- ▶ Conditions to closing: Petra Foods' shareholder approval and regulatory approvals. Expected closing in summer 2013
- ▶ Other: Long-term supply agreement with Petra Foods



(1) Subject to adjustments at completion

(2) Based on run-rate synergies of CHF 30-35m, converted at current US\$/CHF FX rate of 0.93471 as of 10 December 2012.



Key metrics

In CHF mio

	 (FY Aug 2012)	 Cocoa Ingredients Division (FY Dec 2011) ⁽¹⁾	Cocoa Ingredients Division (9M Sep 2012) ⁽²⁾
Group volume (in kMT)	1,379	265 ⁽³⁾	188 ⁽³⁾
Group 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	256	165	109
Net working capital	1,039	401 ⁽⁴⁾	514 ⁽⁴⁾
No. of employees	6,100	1,700	

Source: Company public filings.

(1) Petra Foods FY FY2011 results as reported, converted at average 2011 US\$/CHF FX rate of 0.8869.

(2) Petra Foods Q3 FY2012 results as reported, converted at average 9M Sep 2012 US\$/CHF FX rate of 0.9403.

(3) Excluding tolling volumes.

(4) Based on Barry Callebaut's estimation of NWC consisting of trade receivables, trade payables and inventories only at above FX rates



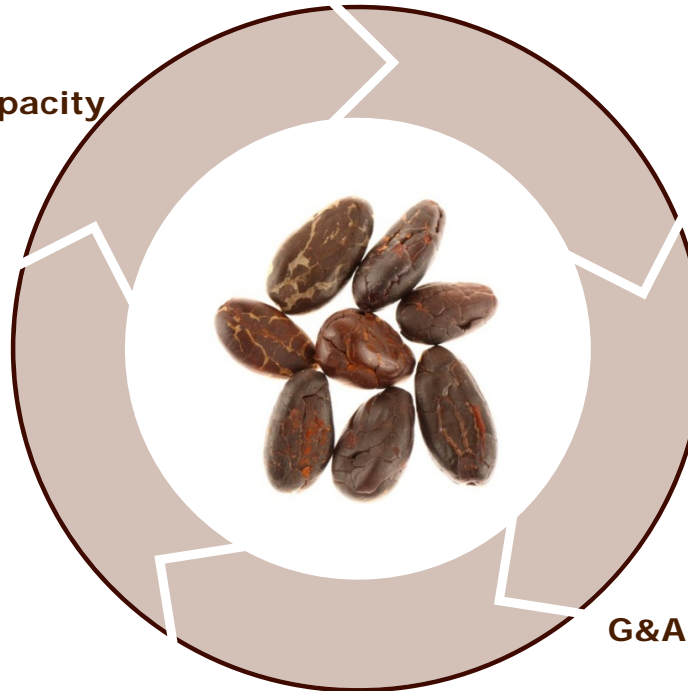
Numerous sources of synergies identified

5 Optimization of available capacity

- ▶ Utilization of complementary “pockets of excess capacity” in the Petra Foods and BC facilities

4 Improve cost base

- ▶ Access to facilities with lower cost base
- ▶ Cost efficiency improvement



Optimized Sourcing and product flows 1

- ▶ Reduce transportation / logistics costs through a more efficient utilisation of the combined network
- ▶ Enhanced purchasing platform

Best practices transfer 2

- ▶ Implement BC best practices to improve profitability at Petra Foods

G&A savings – economies of scale 3

- ▶ Streamlining of functions and processes

- ▶ Our operating team has identified and analysed in detail numerous pockets of synergies, and we are confident that we can deliver run-rate synergies of CHF 30-35 mio in year 4 after closing of the transaction
- ▶ The one-off integration costs are estimated at CHF 10-15 mio, to be incurred equally between the first 2 years post transaction
- ▶ The Capex related to the integration is estimated at CHF 20 mio over the next years



Key figures of the acquired business

Guidance FY 13/14

- ▶ Additional sales volume: 230,000 tonnes
- ▶ Additional Net Sales Value: CHF 1.0-1.1 mio
- ▶ Additional EBITDA: CHF 45-50 mio
- ▶ Additional EBIT: CHF 30-35 mio (before synergy related costs)
- ▶ Additional financing costs: CHF 30 to 32 mio (depending on final split equity/debt)
- ▶ Tax rate for the acquired business: 18%
- ▶ Start working capital: CHF 510 mio
- ▶ Start fixed assets: CHF 220-230 mio
- ▶ Additional Capex: 20-25 CHF mio



Volatility Mitigation Potentials

- ▶ Butter processing mainly used to support internal chocolate production
- ▶ Increase share of cost plus / combined based deals in total sales volumes (ensures stable / predictable profitability level)
- ▶ Enhanced purchasing platform
 - Centralize bean sourcing
 - Centralize combined ratio position management
- ▶ Building up a central risk management for the combined businesses
- ▶ Increase flexibility of the factories, in order to reduce / stop / restart pressing capacity at lowest possible cost, when pressing profitability outlook varies
- ▶ Maintain strong sales development in order to benefit from scale effect, volume effect



Appendix



10 Reasons to invest in Barry Callebaut

- ▶ World leader in high-quality cocoa and chocolate products
- ▶ Cost Leadership along the entire value chain with a continuous improvement structure
- ▶ Leader and growing presence in emerging markets
- ▶ World's largest supplier of Gourmet & Specialties chocolate for artisanal customers
- ▶ Proven, focused and long-term oriented strategy
- ▶ Recognized innovation leader
- ▶ Superior growth opportunities through strong positioning in outsourcing and long-term strategic partnerships with major food companies
- ▶ Global chocolate service and production footprint, around 45 production facilities and present in 30 countries, with a strong footprint and local presence in key cocoa origin countries
- ▶ Strong track record of consistent earnings and cash flow generation
- ▶ Experienced, international and proven Management team





Key figures 2011/12 – from continuing operations

Accelerated sales, preparing for future growth

Twelve months - Sep 2011-Aug 2012

[CHF m]		Change in % In local currencies	Change in %	FY 2011/12	FY 2010/11 (restated)
Sales volume [in tonnes]			8.7%	1'378'856	1'268'925
Sales revenue		11.5%	8.3%	4'829.5	4'459.9
	<i>CHF per tonne</i>	2.6%	-0.3%	3'503	3'515
Gross profit		5.3%	2.1%	672.6	659.0
	<i>CHF per tonne</i>	-3.1%	-6.1%	488	519
EBITDA		4.4%	0.9%	434.3	430.3
	<i>CHF per tonne</i>	-3.9%	-7.1%	315	339
Operating profit (EBIT)		1.0%	-2.5%	353.2	362.3
	<i>CHF per tonne</i>	-7.0%	-10.3%	256	286



Balance Sheet

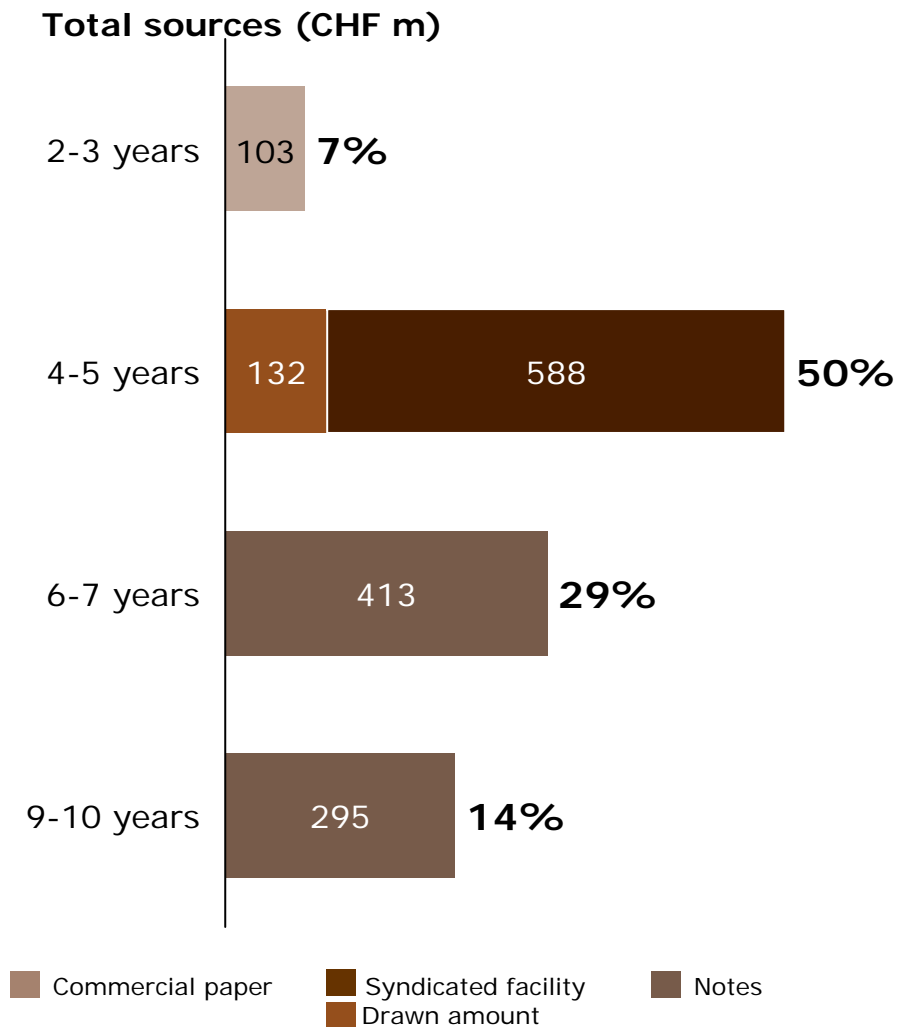
Significant investments this year temporarily affected key ratios

	Change in %	Aug 12	Aug 11
Total Assets [CHF m]	9.6%	3'576.6	3'263.1
Net Working Capital [CHF m]	17.0%	1'039.2	888.1
Non-Current Assets [CHF m]	17.9%	1'424.8	1'208.4
Net Debt [CHF m]	19.4%	942.9	789.8
Shareholders' Equity [CHF m]	11.5%	1'357.1	1'217.1
Debt/Equity ratio		69.5%	64.9%
Solvency ratio		37.9%	37.3%
Net debt / EBITDA		2.2x	1.8x
Interest cover ratio		5.8x	6.0x
ROIC		14.2%	15.6%
ROE		18.7%	20.9%



Net debt

Stable financing structure with average tenor 6 years

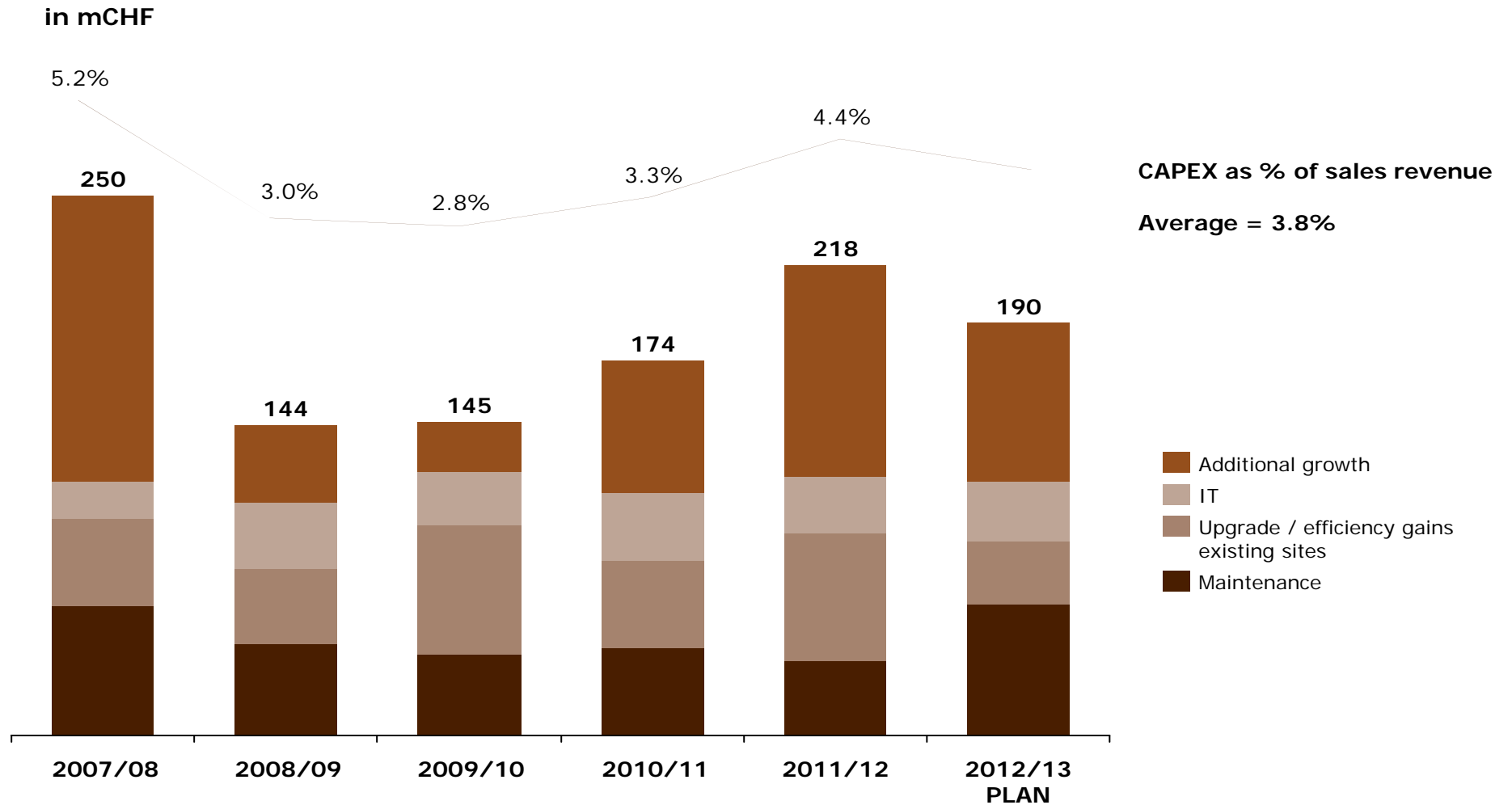


- Diversified & long-term funding structure refinanced last year
- More than 70% of interest on a fixed basis, rest floating
- Bank loan as secure back-up facility for more attractive short-term funding and short-term working capital needs
- Additional off-balance sheet receivable financing of ca. 250 mn CHF



CAPEX development

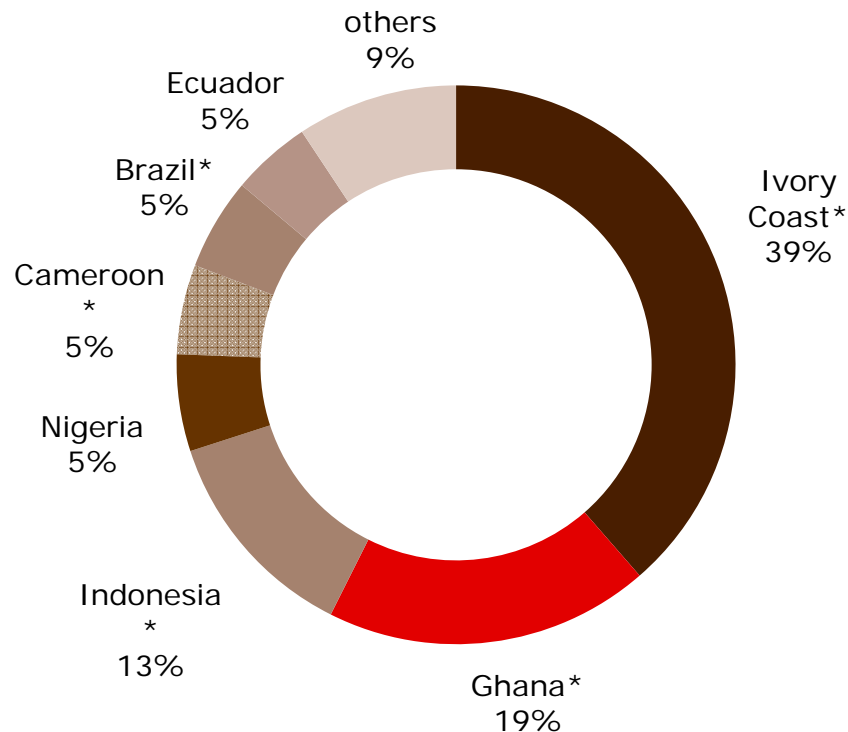
Investments support the growth of our business





West Africa is the world's largest cocoa producer – BC sources locally

Total world harvest (11/12): 3'962'000 MT



Source: ICCO estimates

- ▶ About 70% of total cocoa beans come from West Africa
- ▶ BC processed ~603,000 tonnes of cocoa beans or 15% of total world harvest
- ▶ 69% sourced directly from farmers, cooperatives & local trade houses
- ▶ BC has various cocoa processing facilities in origin countries*, in Europe and in the USA