



Full Year Results 2011-12

Roadshow Presentation

NOVEMBER, 2012



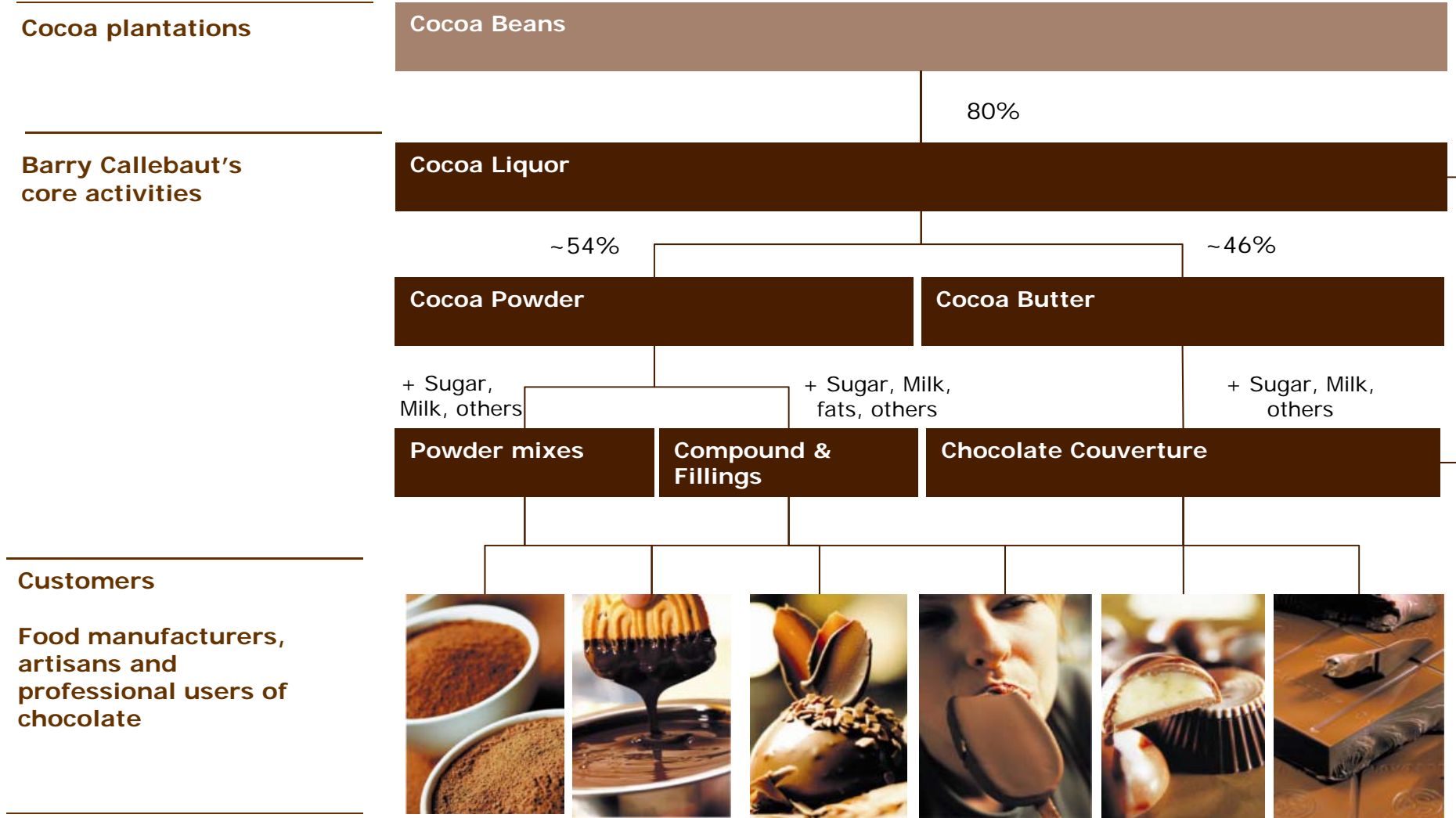


Agenda

- **BC at a glance**
- Highlights FY11/12
- Financials
- Strategy and outlook



Barry Callebaut is present in all stages of the industrial chocolate value chain

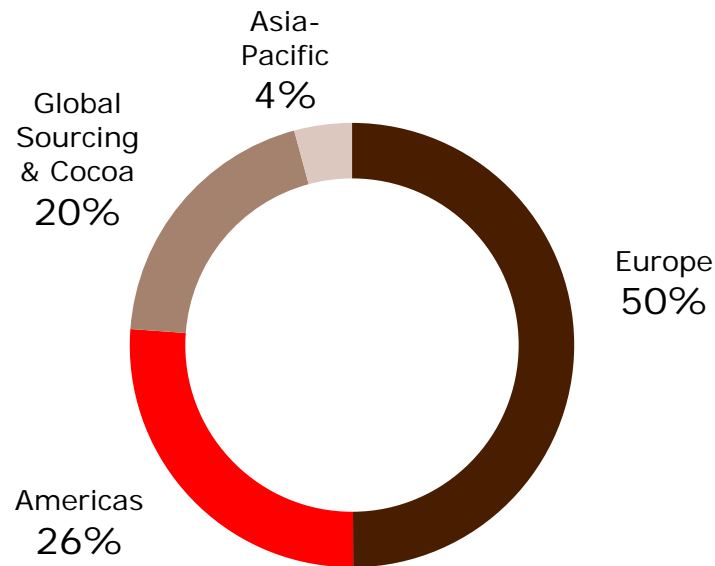




Barry Callebaut at a glance

FY 2011/12

Sales volume = 1,378,856 tonnes



Sales revenue = CHF 4,829.5 m

EBIT = CHF 353.2 m

Net Profit * = CHF 241.1 m

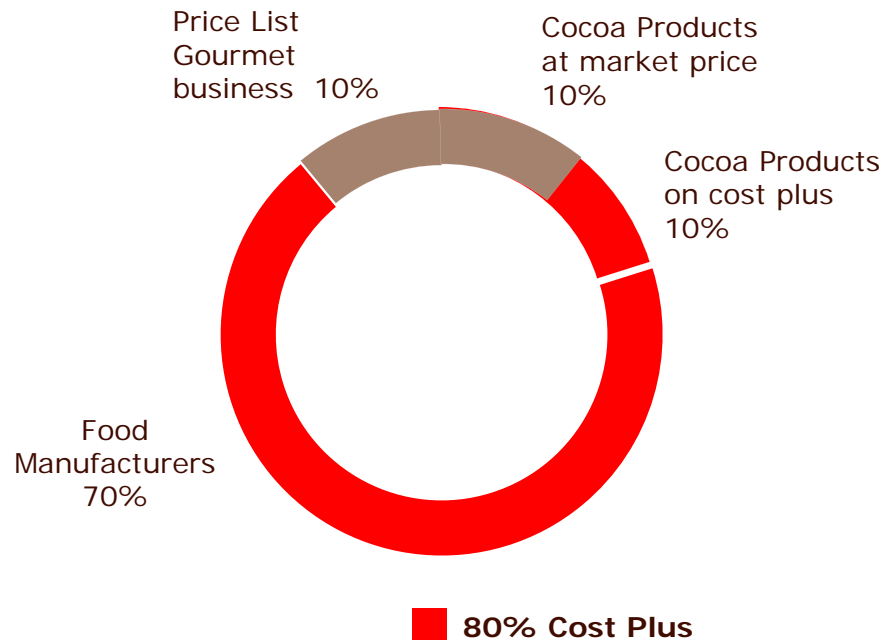
* From continuing operations

- **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



Robust business model

Barry Callebaut business model



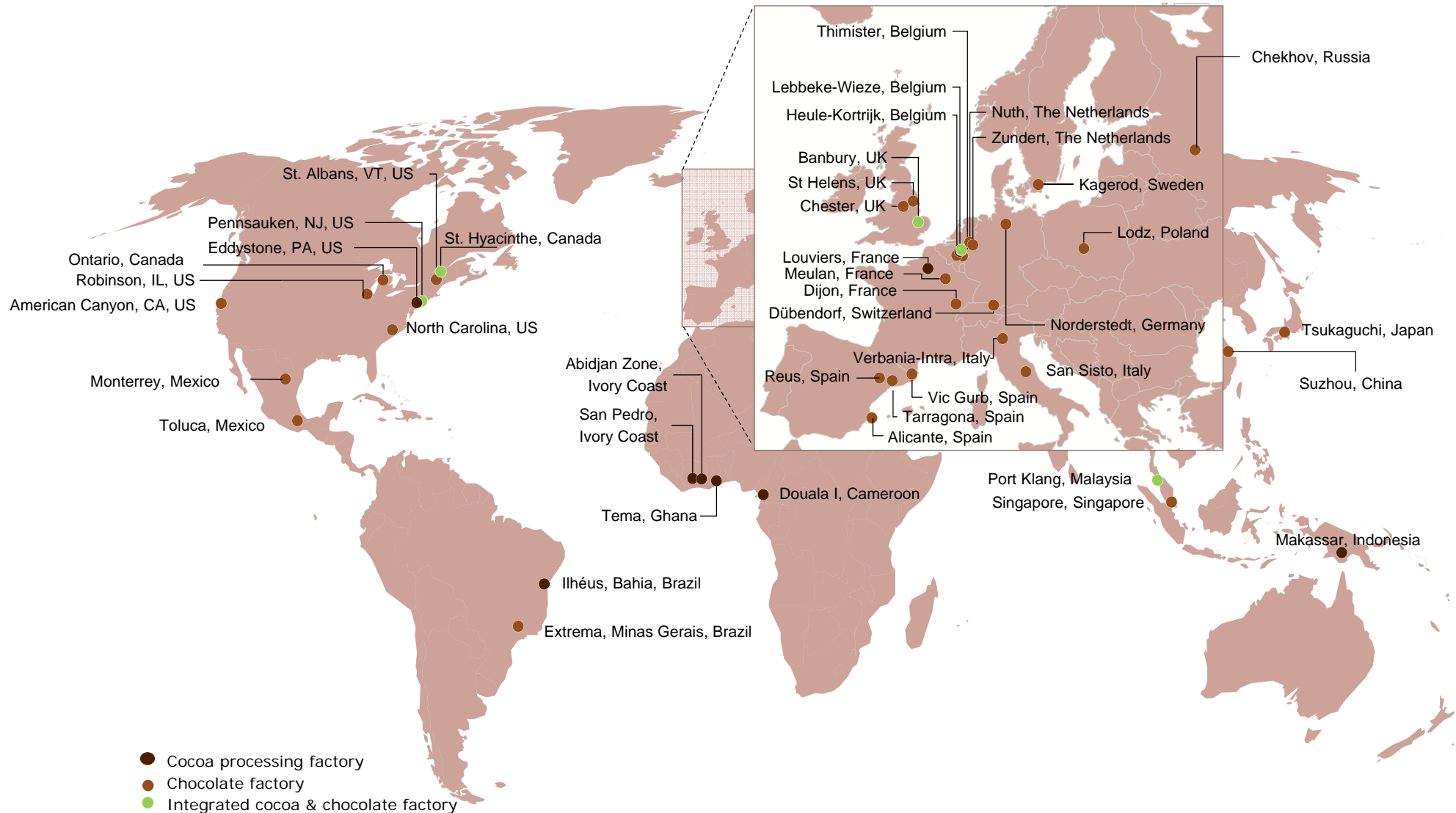
- ▶ Raw materials represent about 80% of operating costs

Cost Plus model – pass-on the cost of raw materials to customers



Expansion

Our manufacturing footprint – 45 factories worldwide





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Highlights FY 2011/12

- Strong volume growth: +8.7%
- Growth across all Regions and Product Groups
- Significant investments affecting bottom-line result:
 - EBIT +1.0% in local currencies
 - Net Profit from continuing operations: -5.2% in local currencies
- Investments in structures, factory expansions, Gourmet, “Sustainable Cocoa”, and ramp-up costs
- Proposed payout of CHF 15.5 per share





Strategic milestones in the last 12 months



Long-term outsourcing agreement with Mexican Group Bimbo, leading baking company in the Americas

January 2012



Global **long-term partnership** agreement with Unilever for cocoa and chocolate, doubling current Unilever volumes

January 2012



Acquisition of Mona Lisa, a leading American **manufacturer of decorations**

March 2012



Purchase assets of the **Chatham, Ontario facility** of Batory Industries Company.

June 2012



EFSA issues **positive Scientific Opinion** on Barry Callebaut's health claim on cocoa flavanols

July 2012



First **long-term outsourcing agreement** in South America with Arcor, Dos en Uno

Oct 2012



Joint Venture with P.T. Comextra Majora, building a **new cocoa processing facility** in Indonesia, and a **long-term cocoa supply agreement**

November 2011



Acquisition of La Morella Nuts S.A., a Spanish specialist of **nut-based ingredients**

January 2012



Launch of **Cocoa Horizons**; CHF 40 mio. global initiative to further improve yields, quality and livelihoods in key cocoa-producing countries

March 2012



Barry Callebaut and Morinaga **extend partnership in Japan**; **new factory** in Takasaki (near Tokio)

June 2012



Barry Callebaut intends to **sell its factory in Dijon** (France)

Sep 2012



Announcement of the building of a **new factory in Turkey**

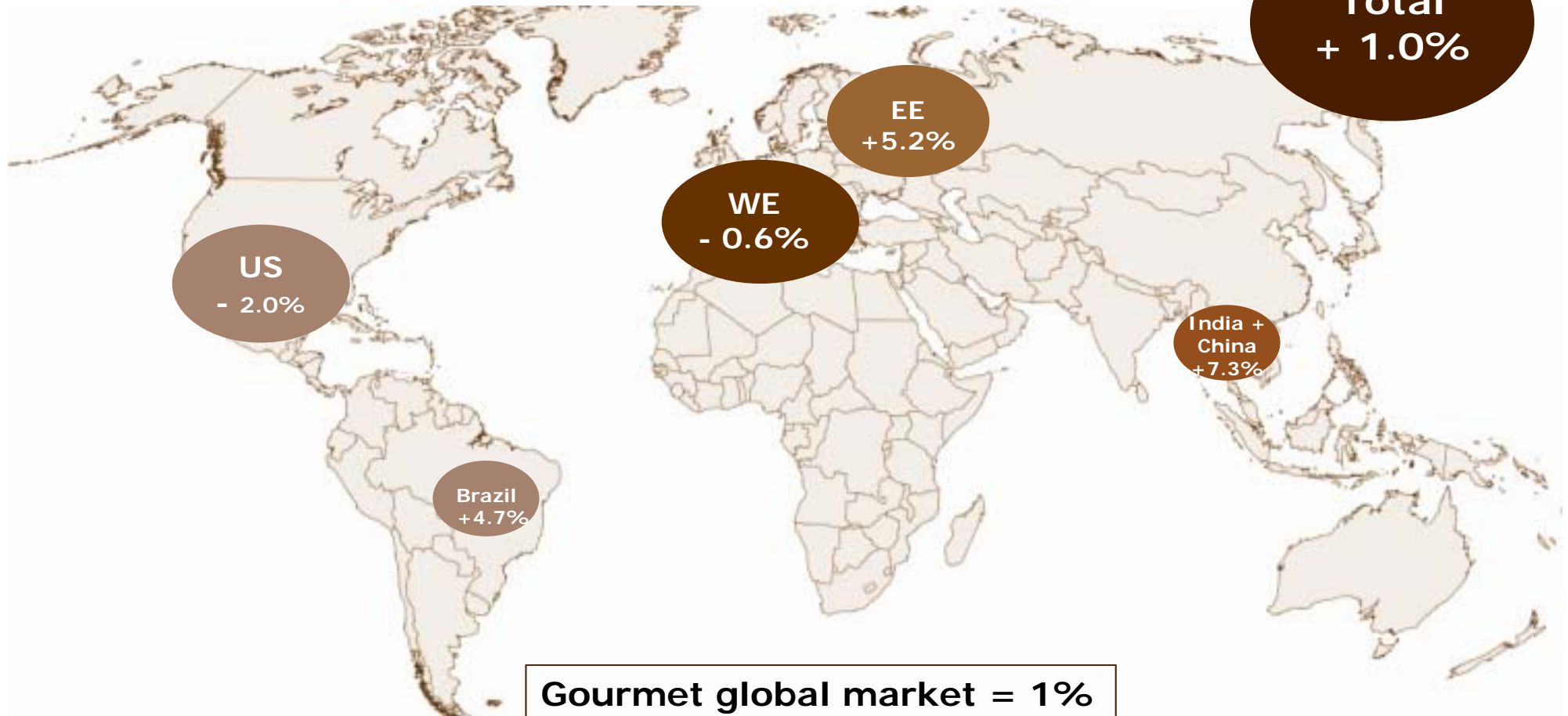
Oct 2012



Sep 2011- Aug 2012

Slow volume growth in the Global chocolate market

Chocolate confectionery market – top 15 countries ¹

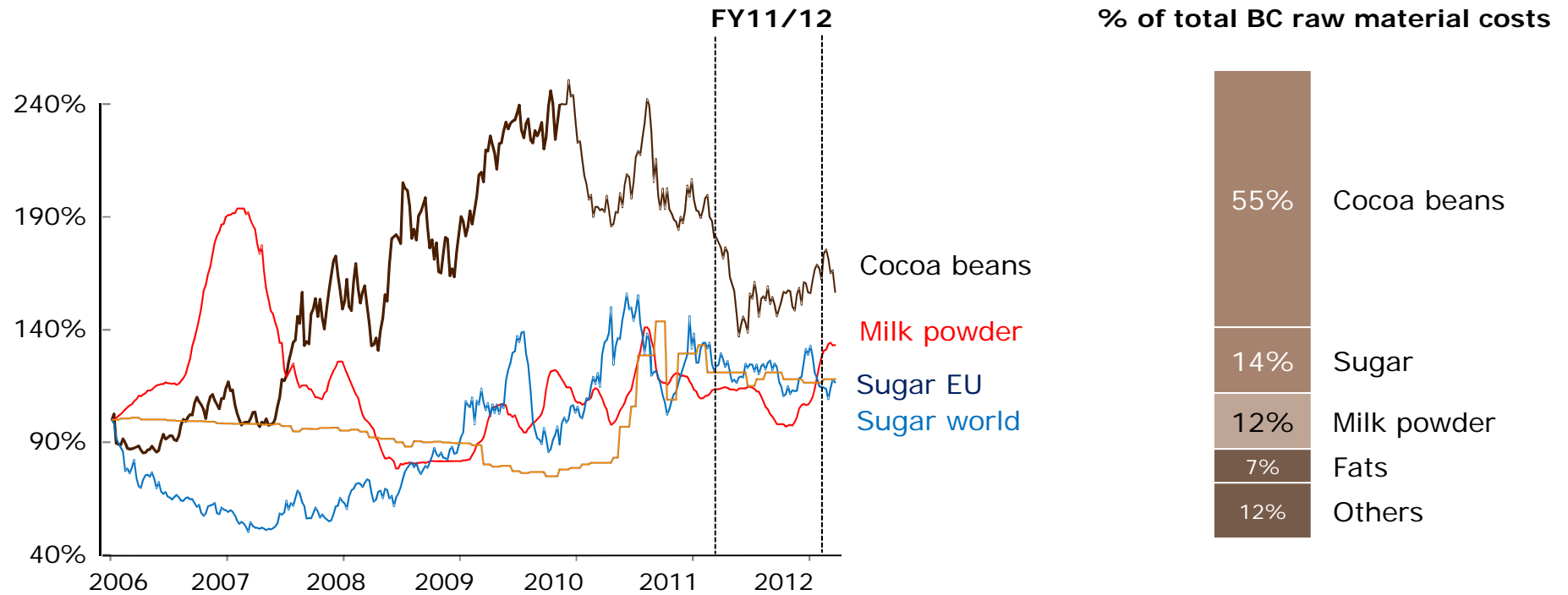


1) Source: Nielsen data (Sep 2011- Aug 2012); - Top 16 countries represent app. 75% of the global chocolate market in volume; - USA total volumes are estimated based on a share distribution by Euromonitor; Eastern Europe includes: Russia, Ukraine, Poland, Turkey.



Raw material price development

Strong volatility in main raw materials



- Cocoa bean price down 13% vs. a year ago. Dry weather in Africa and uncertainties regarding next crop and the cocoa reform in Côte d'Ivoire put upside pressure on prices at the end of July.
- Milk powder prices initially declined, followed by a strong price surge due to the droughts in the U.S. Prices closed at high previous year's level.
- Prices on the world sugar market significantly corrected downwards. Prices for EU sugar stayed at historically high levels.



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Key figures 2011/12 – from continuing operations

Accelerated sales, preparing for future growth

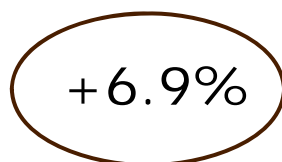
Twelve months - Sep 2011-Aug 2012

[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



Strong growth in partly difficult markets

- Chocolate confectionery market growth: +1.4%
- Growth driven by outsourcing agreements, market share gains and speciality products
- Gourmet business showed a good performance, biggest contribution from our global brand Callebaut®
- Beverages business showed a decline due to weather and destocking from customers
- Western Europe achieved strong growth in FM
- EE continued to grow at double digit in FM and Gourmet, Russia, Poland contributed the most
- Ramp-up costs, higher factory and supply chain costs, investments in structures and Gourmet impacted operating profit (EBIT) which amounted to CHF 232.2 mio.



Volume growth

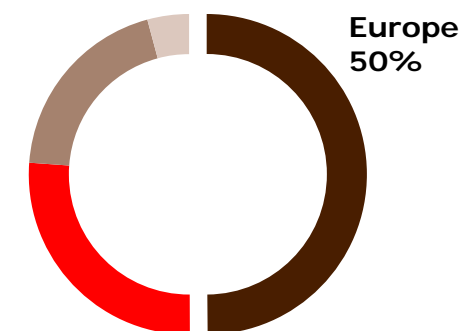


EBIT growth
in local currencies



EBIT growth
in CHF

Total volume FY11/12





Region Americas

Continued double digit growth, top and bottom-line

- U.S. chocolate confectionery market -2.0%. Brazil's growth pace at +4.7%
- Food Manufacturers and Gourmet business continued to grow double digit
- Significant progress in emerging markets, Mexico and Brazil achieved double-digit growth
- Long-term outsourcing agreement signed with Bimbo (Mexico)
- Acquisition of Mona Lisa, decorations company in the U.S. And creation of new center of expertise for Decorations
- Operating result reached CHF 90.2 mio., outpaced strong sales due to positive mix effects – strong performance of the Gourmet business – and positive margin development as well as improved capacity utilization



+15.3%

Volume growth

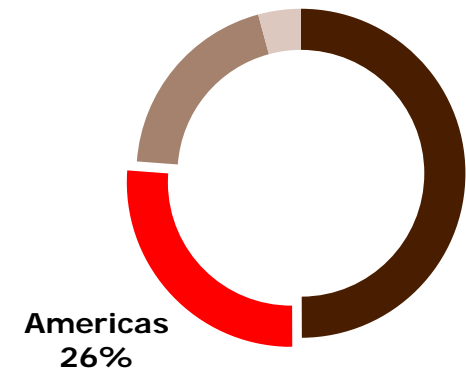
+25.4%

EBIT growth
in local currencies

+25.6%

EBIT growth
in CHF

Total volume FY11/12





Region Asia-Pacific

High, profitable growth

- Chocolate markets in Asia continued their solid growth pace. India and China reached +7.9%
- We achieved double digit volume growth despite capacity constraints that limited growth opportunities early in the year
- Investing in capacity expansions in all our Asia-Pac sites
- FM grew double digit, particularly driven by strategic partnerships
- In Gourmet we strengthened our leadership with the global Gourmet brands Callebaut® and Cacao Barry®
- EBIT was CHF 29.7 mio., outpacing volume growth partly as a result of increased capacity utilization and partly from positive margin development



+10.3%

Volume growth

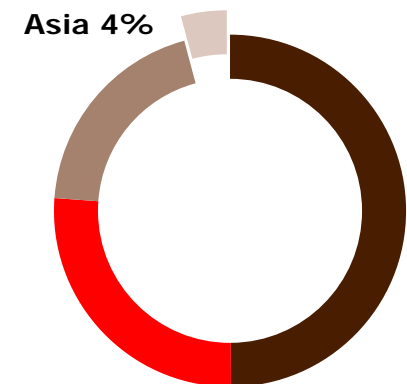
+20.9%

EBIT growth
in local currencies

+19.3%

EBIT growth
in CHF

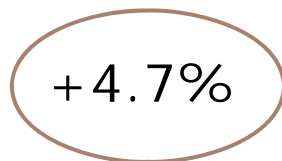
Total volume FY11/12





Investments in future growth

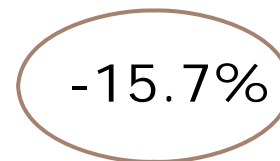
- Capacity expansions at existing factories and higher internal demand for cocoa powder in first half-year
- Early 2012, external demand started to pick-up driven by strategic partners. High cocoa powder prices drove higher sales revenue
- Positive volume growth did not offset increased costs from ramp-up of strategic partnership agreements including related supply chain and logistic costs
- Combined ratio had a neutral impact on our profitability in FY 11/12. Total EBIT was CHF 65.2 mio.



Volume growth

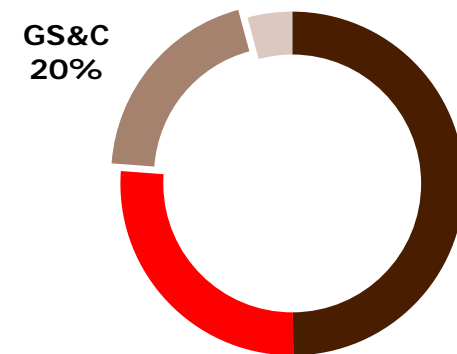


EBIT growth
in local currencies



EBIT growth
in CHF

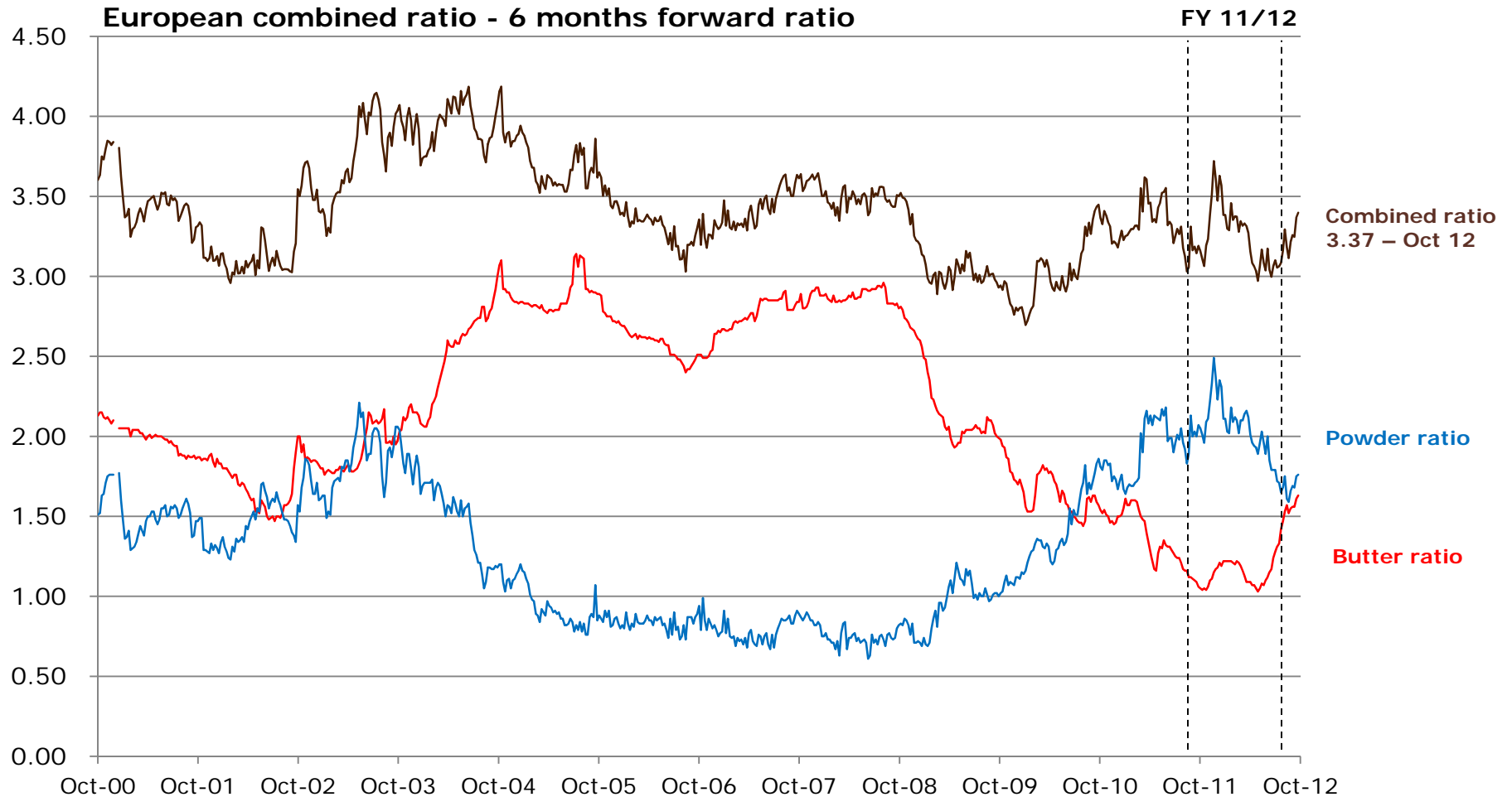
Total volume FY11/12





Cocoa processing activity

Strong decline in powder prices partly offset by butter ratios

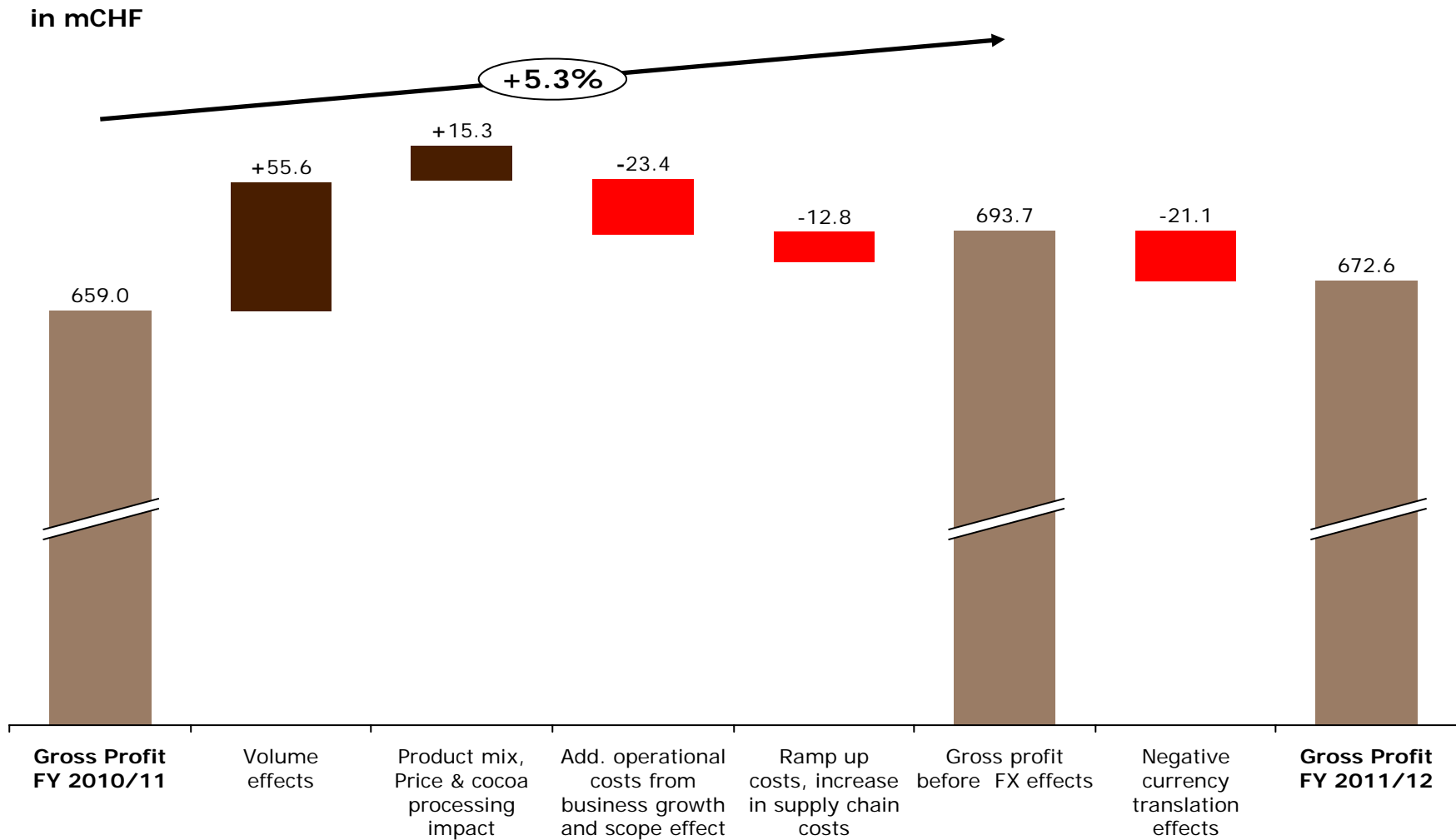


- ▶ Combined cocoa ratio started at a good level first half of FY2011/12. In the second half came down driven by lower powder ratio, but supported by improved butter ratio
- ▶ Low combined cocoa ratios = negative impact on BC cocoa (semi-finished products) business



Gross Profit FY 2011/12

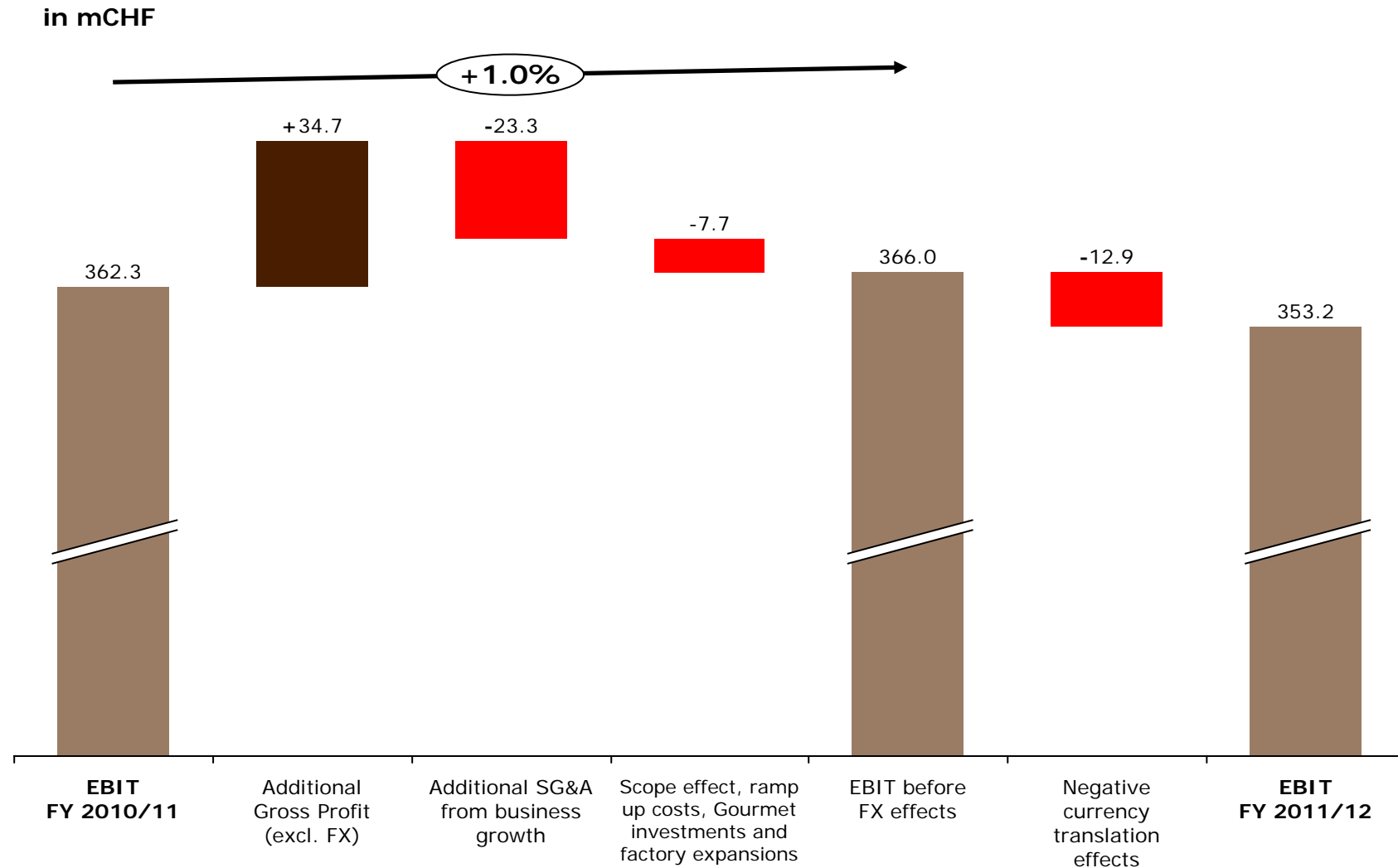
Gross profit before FX impact improved 5.3% despite higher additional costs from business growth





EBIT- FY 11-12 from continuing operations

EBIT grew by 1% (excluding FX impact), volume growth partially offset significant expansion investments

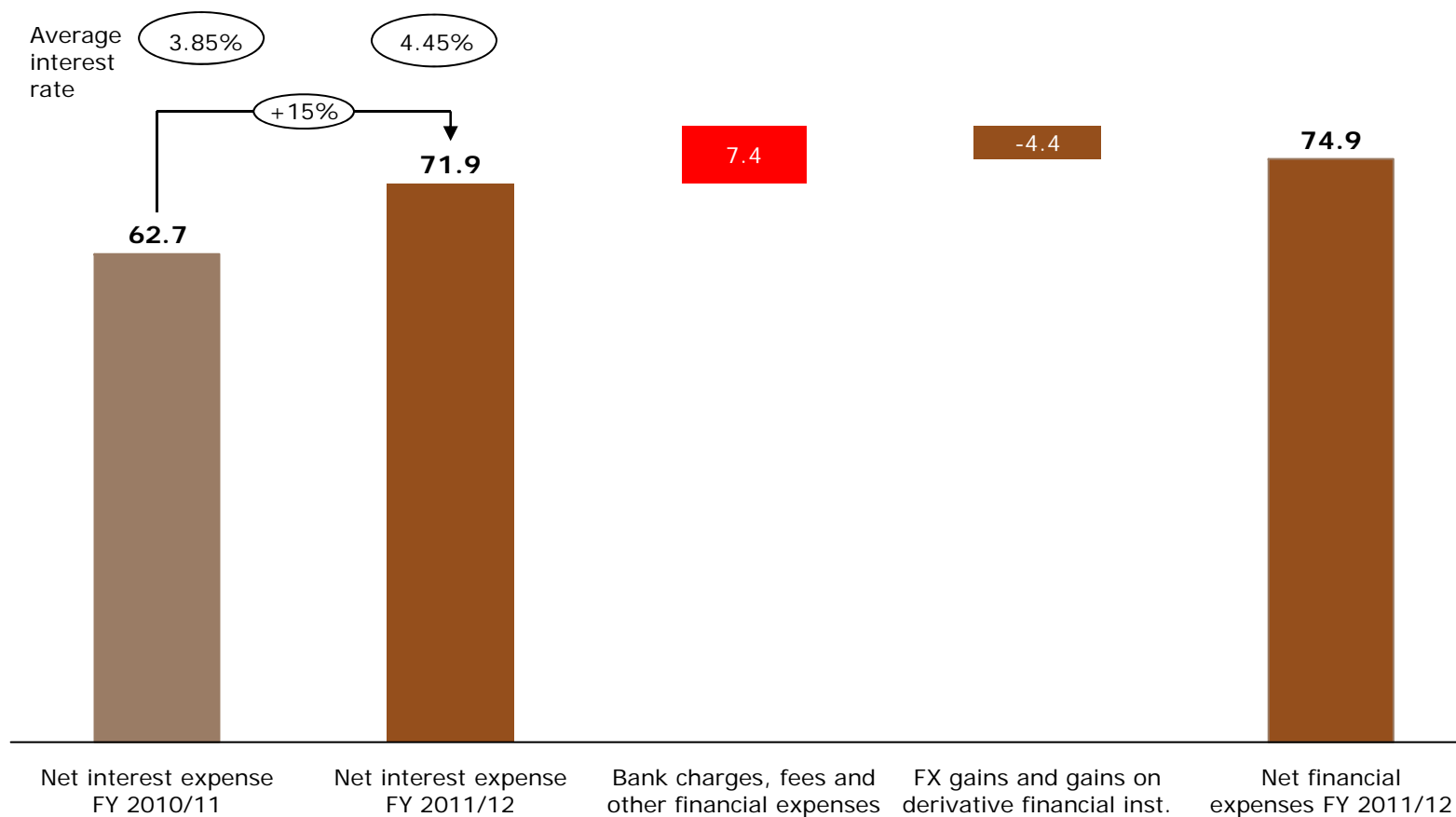




Net Financial Expenses

Long-term secured financing structure coming at higher cost

in mCHF - From continuing operations only

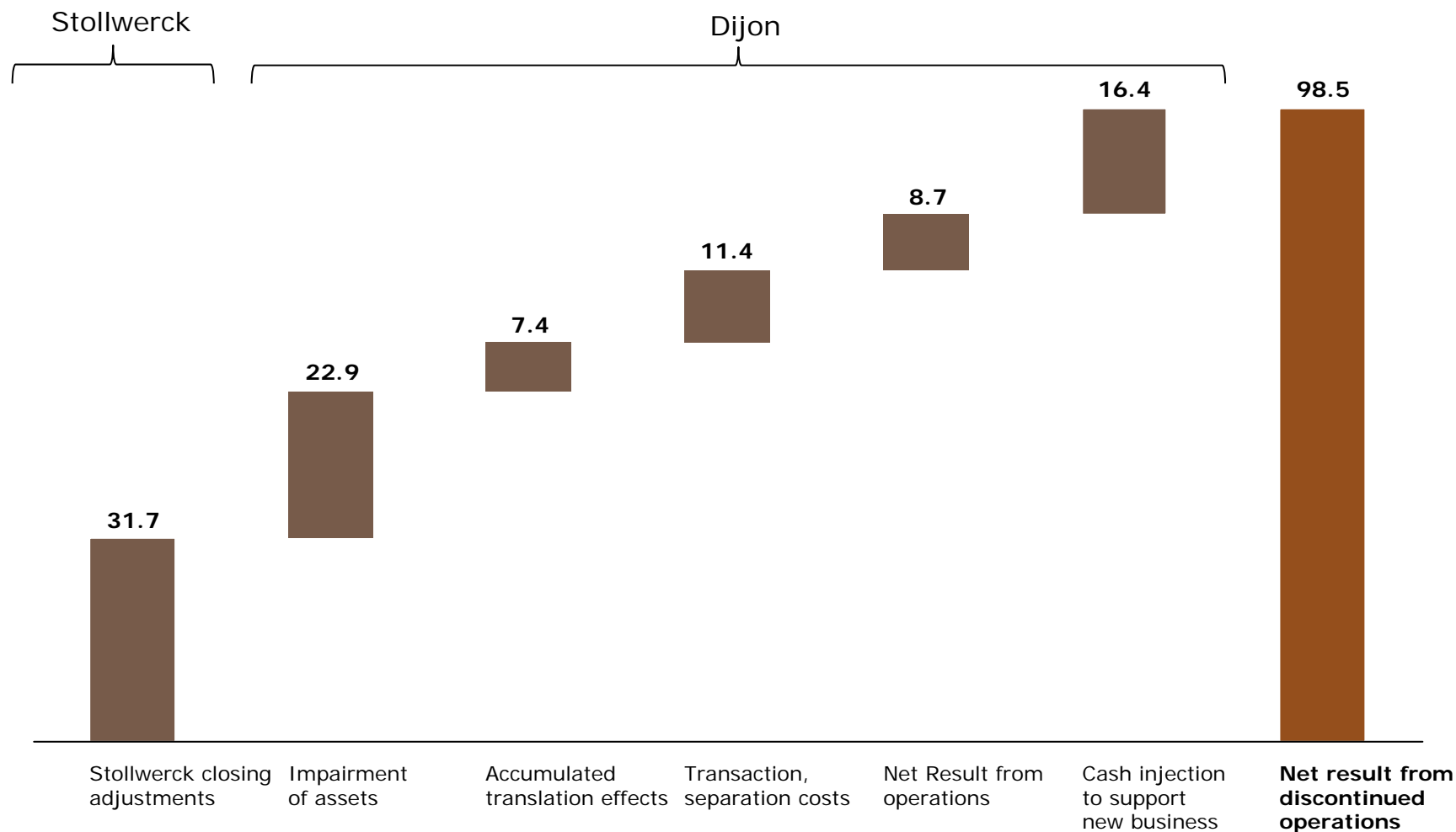




Below EBIT

One-time charge from discontinued operations (closing Stollwerck and Dijon)

in mCHF





From EBIT to PAT

Net profit from continuing operations affected by higher financial items and higher taxes

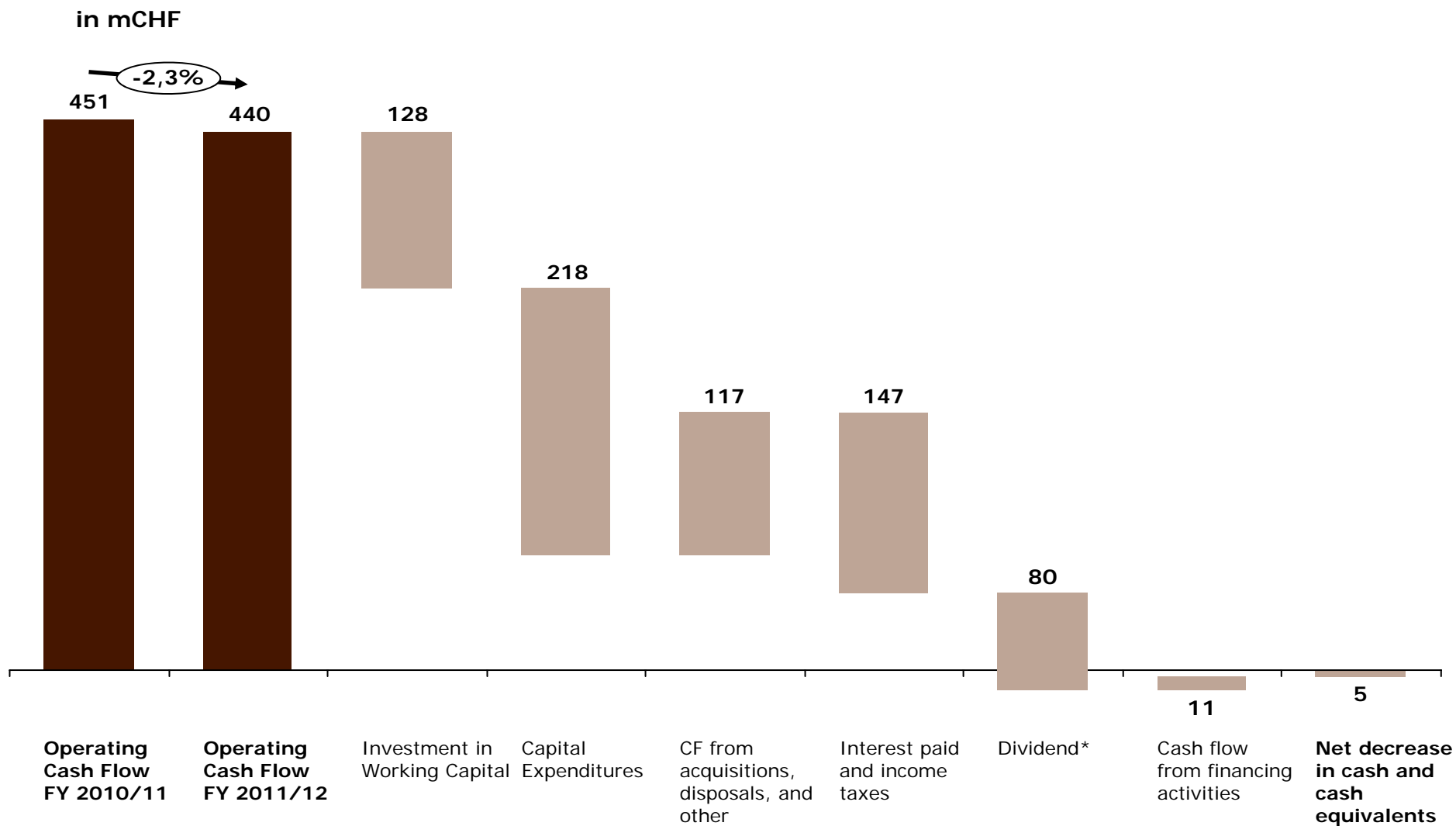
[CHF m]	Change in % In local currencies	Change in % CHF	FY 2011/12	FY 2010/11 (restated)
Operating profit (EBIT)	1.0%	-2.5%	353.2	362.3
Financial items	8.2%	4.7%	(74.9)	(71.5)
Income taxes	36.3%	31.2%	(37.2)	(28.4)
<i>Tax rate [in %]</i>			13.4%	9.7%
Net profit from continuing operations ¹	-5.2%	-8.5%	241.1	263.6
Net result form discontinued operations			(98.5)	(86.9)
Net profit for period	-15.8%	-19.3%	142.6	176.8

¹ Net profit from continuing operations (including minorities)



Cash Flow

Significant investments in setting up for future growth



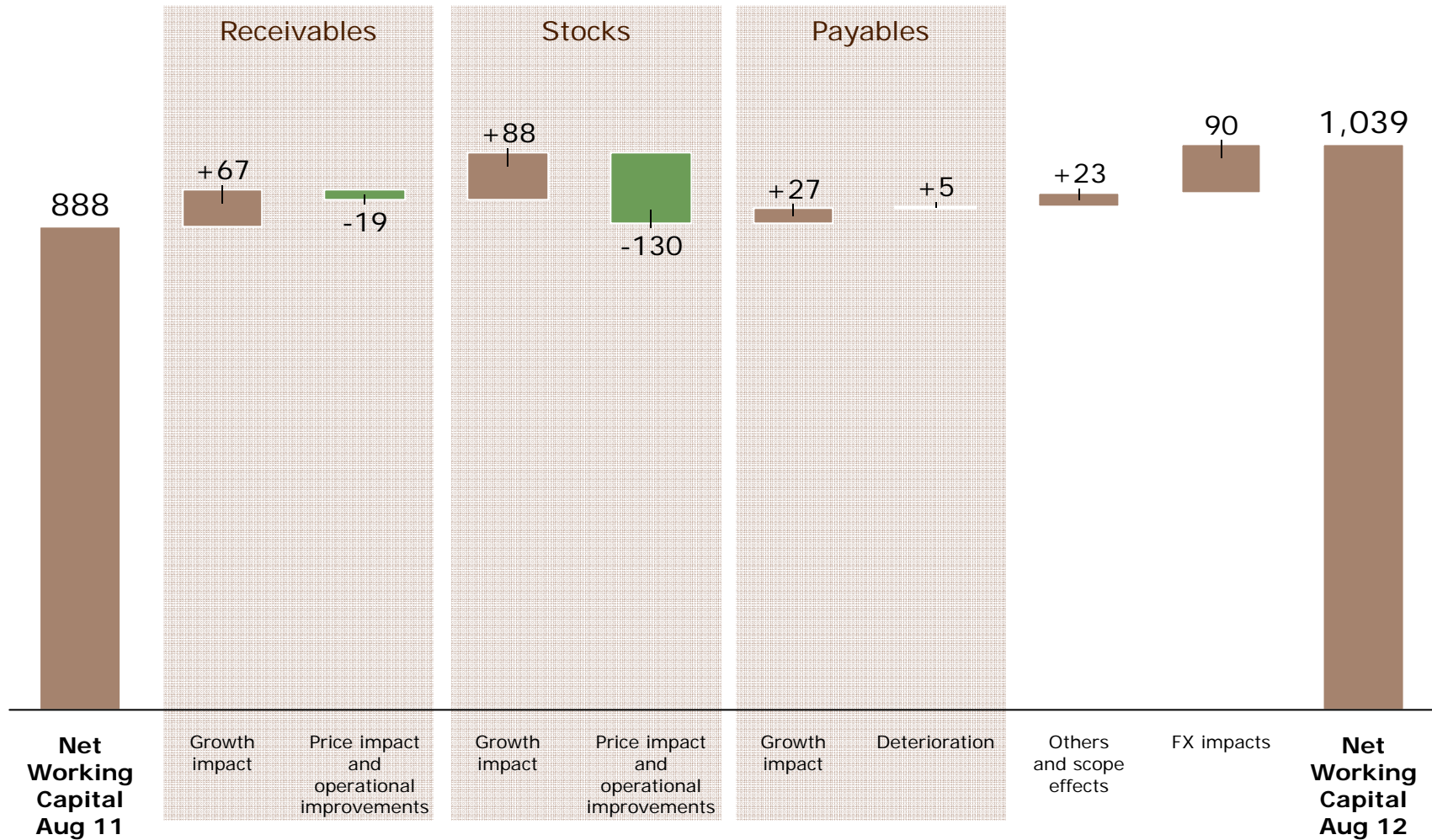
* Paid from paid-in capital reserves



Net Working Capital evolution

Increased net working capital due to growth, scope effects and FX

in mCHF





Balance Sheet

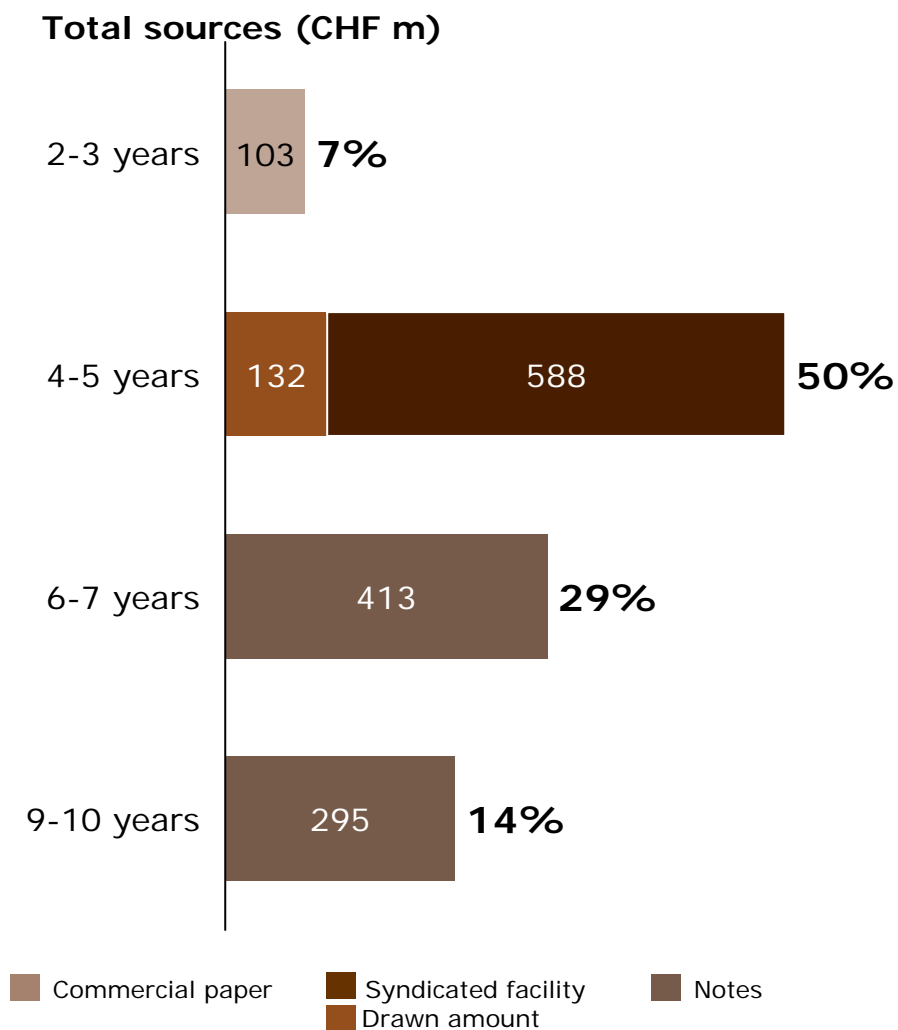
Significant investments this year temporarily affected key ratios

	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

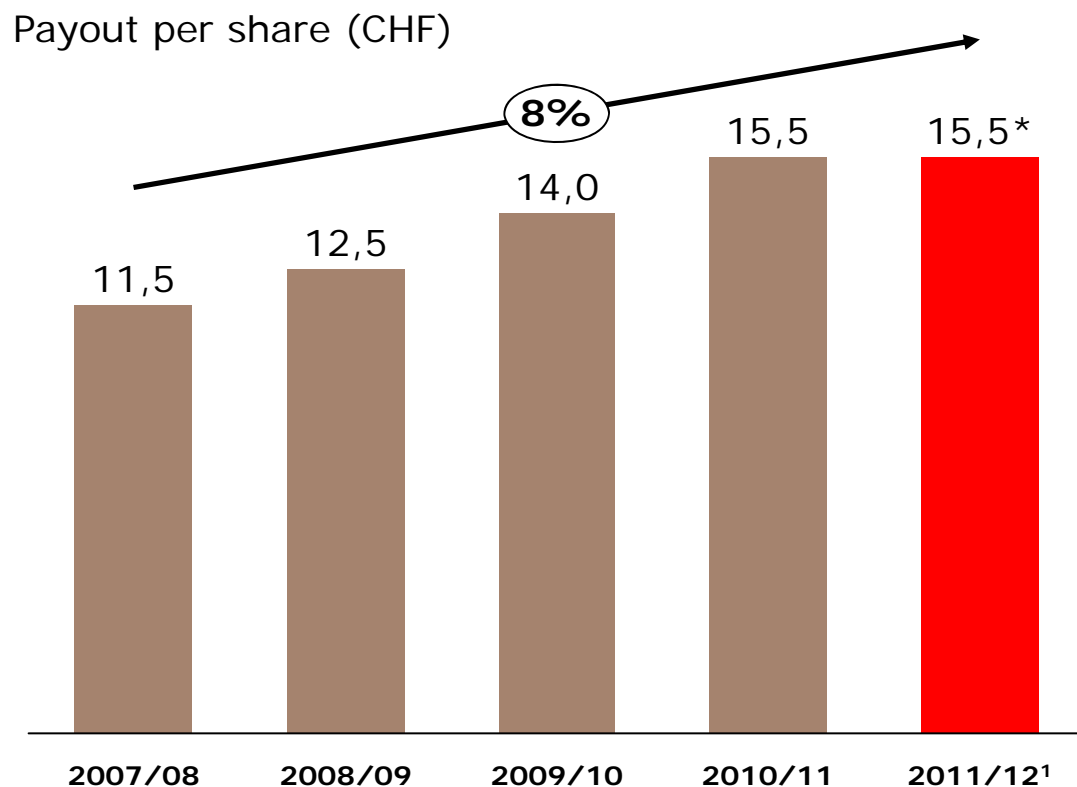


- Diversified & long-term funding structure refinanced last year
- More than 70% of interest on a fixed basis, rest floating
- Bank loan as secure back-up facility for more attractive short-term funding and short-term working capital needs
- Additional off-balance sheet receivable financing of ca. 250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



Proposed Payout

Payout of CHF 15.5 per share or 33% payout ratio



Key Facts:

- Average annual payout increase of 8% (2005-2012)
- CHF 15.5 proposed dividend
- Payout ratio of 33% in 2011/12

* Paid out partly from paid-in capital reserves and par value reduction

	2007/08	2008/09	2009/10	2010/11	2011/12 ¹
Dividend yield ²	1.6%	2.2%	2.0%	2.0%	1.7%
Payout ratio	28%	28%	29%	31%	33%

¹ As proposed by the Board of Directors to the Annual General Meeting

² Dividend yield based on share price at year-end



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Consistent implementation of long-term Strategy

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

Expansion

Our growth drivers:

- **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**
- Focus on the **health properties of the cocoa bean** and pro-active R&D

Cost Leadership

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

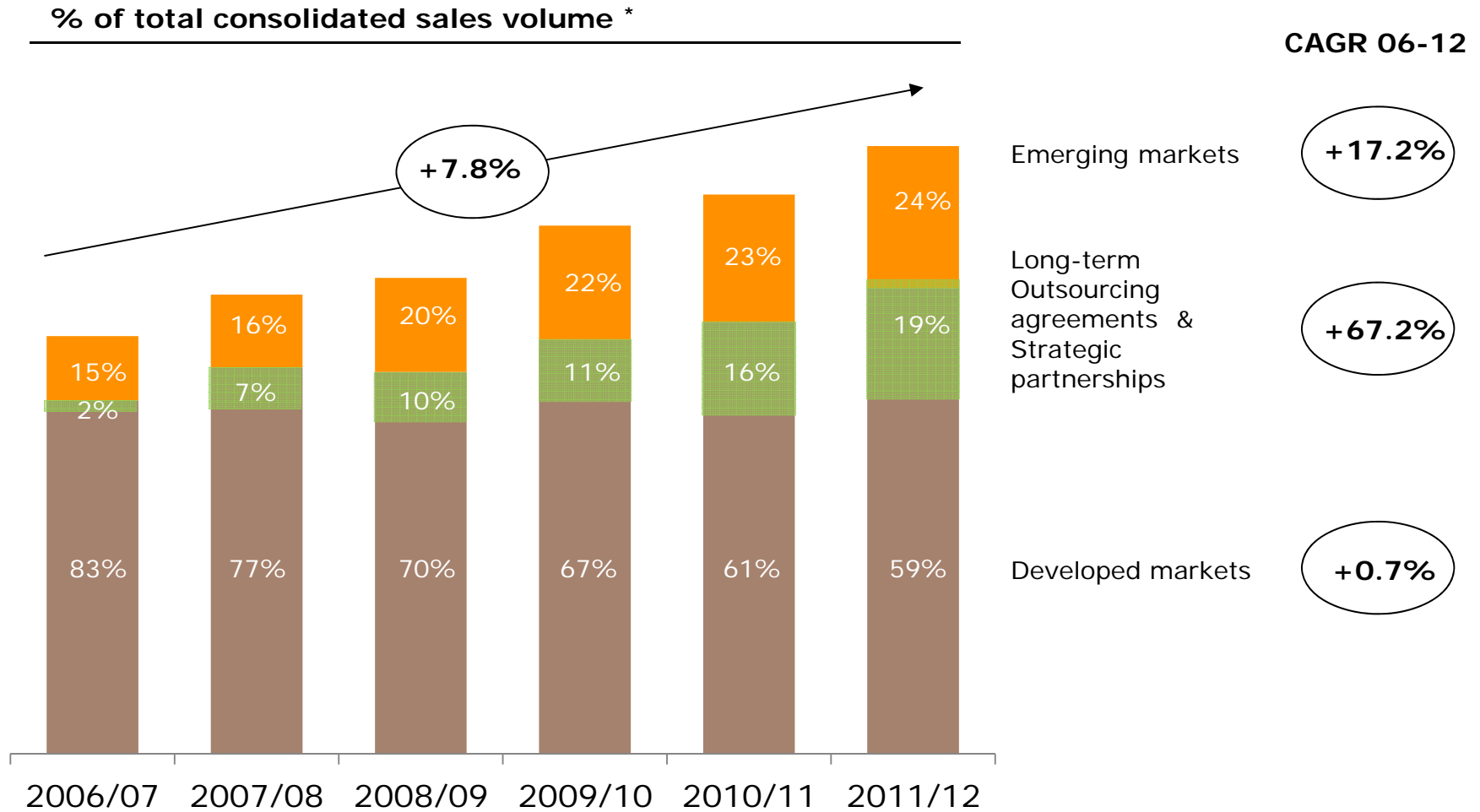
Sustainable Cocoa

- Increased **focus on** the mid-term and long-term **sustainability of the cocoa supply chain**



Expansion

Overall growth based on 3 dimensions



* Excluding Consumer Business



Emerging markets: update on Asia-Pacific strategy

Growing faster than the market

Key priorities	Status
1 Grow the export markets from SEA factories (Malaysia and Singapore)	Expansions of current factories in Singapore and Malaysia during 2012
2 Double the size of the business in China Develop locally adapted compound line	80% capacity utilization, factory to be expanded Doubled the size of the sales force
3 Gain a foothold in India, further develop imported and local gourmet activities	Elaborating alternatives for local presence
4 Grow the business with imported Gourmet brands	Double-digit growth in some SEA countries. Significant marketing and distribution efforts
5 Gain additional partnerships or supply agreements in next 5-7 years; main focus on India, Australia, Malaysia and China	First volumes delivered to global large partners
6 Selectively grow interesting customers in Japanese business	Expanded agreement with Morinaga and relocation of factory to a larger site



Expansion

Key findings - Eastern Europe strategy

- ▶ Total market in Eastern Europe is approx. 1.5 mio tonnes
- ▶ Average annual growth of 3.5% for the total Region
- ▶ 20% of the market in open and 80% captive
- ▶ 60% of the market is chocolate and 40% compound
- ▶ Barry Callebaut has a market share of 25%
- ▶ BC annual average volume growth of +14% in the last 5 years
- ▶ Major competitors are local players





Expansion Key growth priorities in EEMEA (Eastern Europe, Middle East and Africa)

1 Grow aggressively in **Russia** and maintain profitability

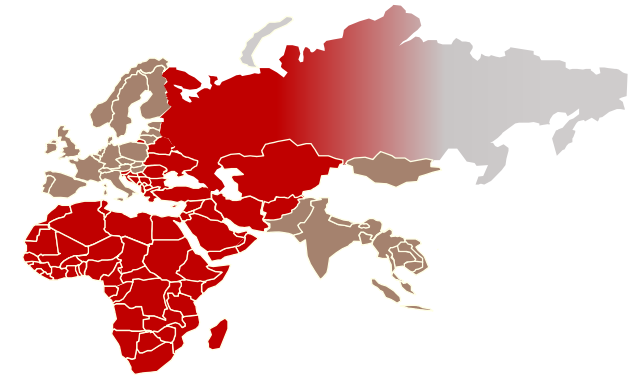
2 Build presence in **Turkey** to achieve the leading position in the country as the open market player

3 Develop a **semi-finished strategy** for the Region in order to be able to enter into long-term supply agreements with target captive players

4 Identify and Develop the priority growth markets in **Africa and Middle East** with dedicated teams in the countries

5 Accelerate even more our **Gourmet growth in the region** and further promote our two Global Brands

EEMEA





Expansion Adding new long-term agreements & strategic partnerships

2006-07



Nestlé
(February 2007)



**Cadbury
Schweppes**
(June 2007)



Hershey
(April 2007)



Morinaga
(September 2007)

2010-11



ex-Kraft Foods
(September 2010)



**Green Mountain
Coffee Roasters**
(Oct 2010)



Hershey Extension
(May 2011)



Chocolates Turín
(June 2011)



Baronie Group
(July 2011)

2011-12



Bimbo
(Jan 2012)



Unilever
(Jan 2012)



Morinaga
(June 2012)

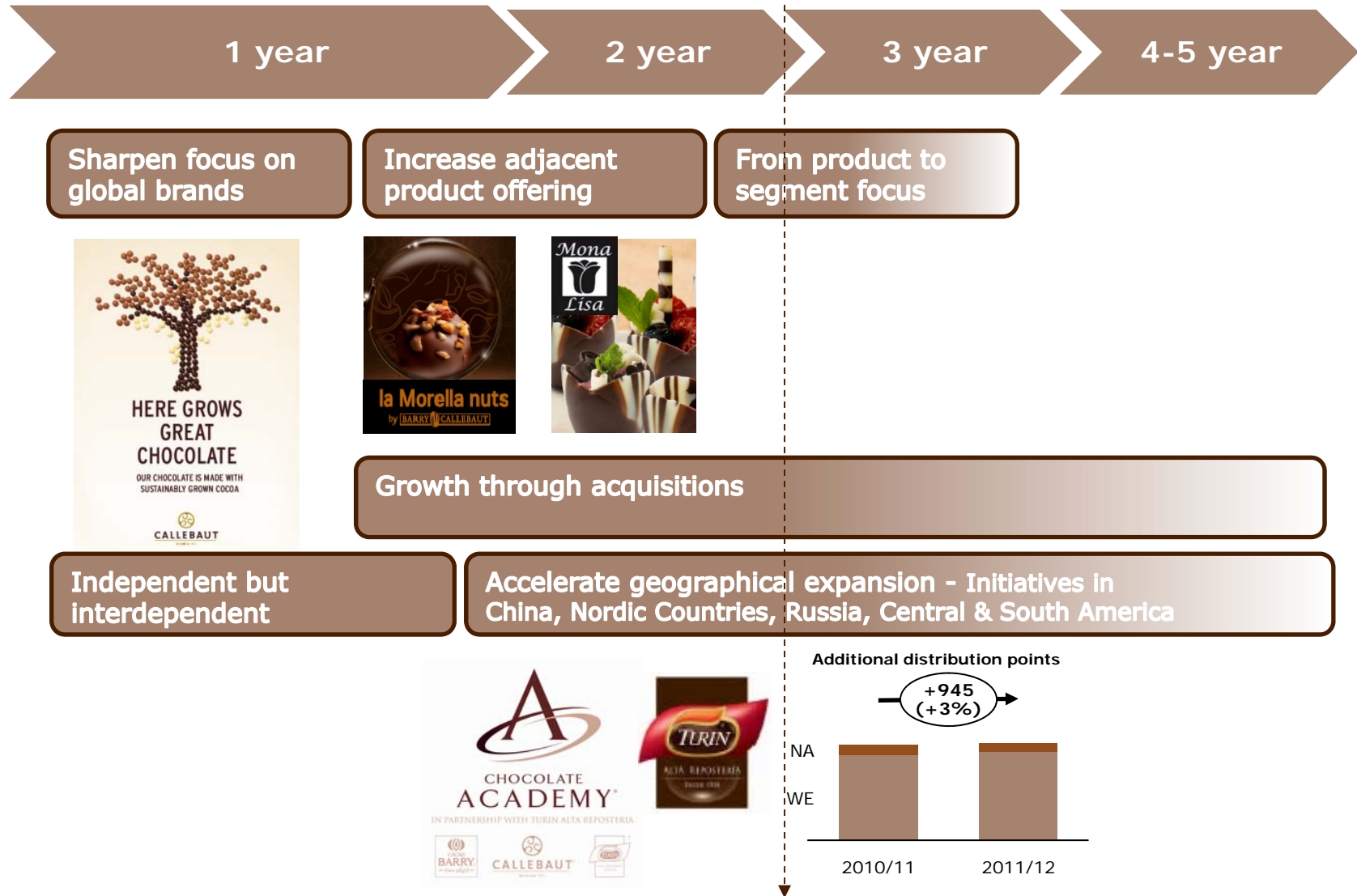


Arcor, Dos en Uno
(Oct 2012)



Gourmet: Actions to accelerate growth

Working on all priority areas





Innovation

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





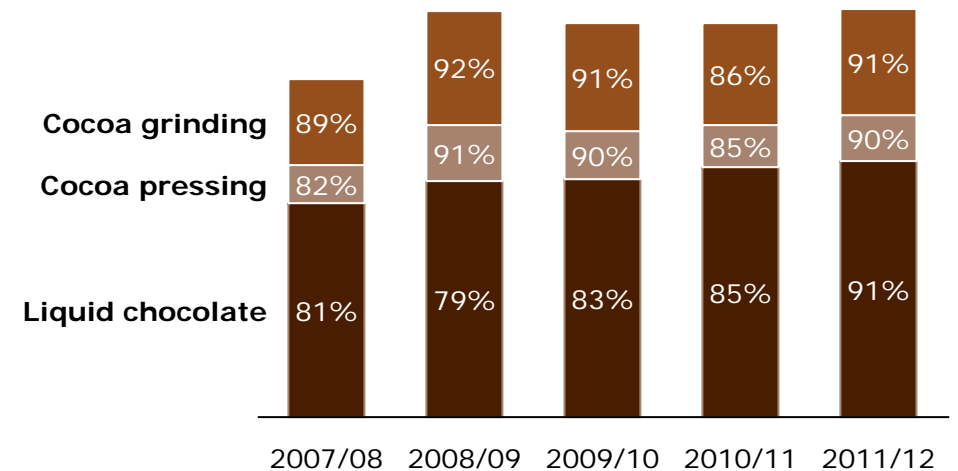
Cost Leadership

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



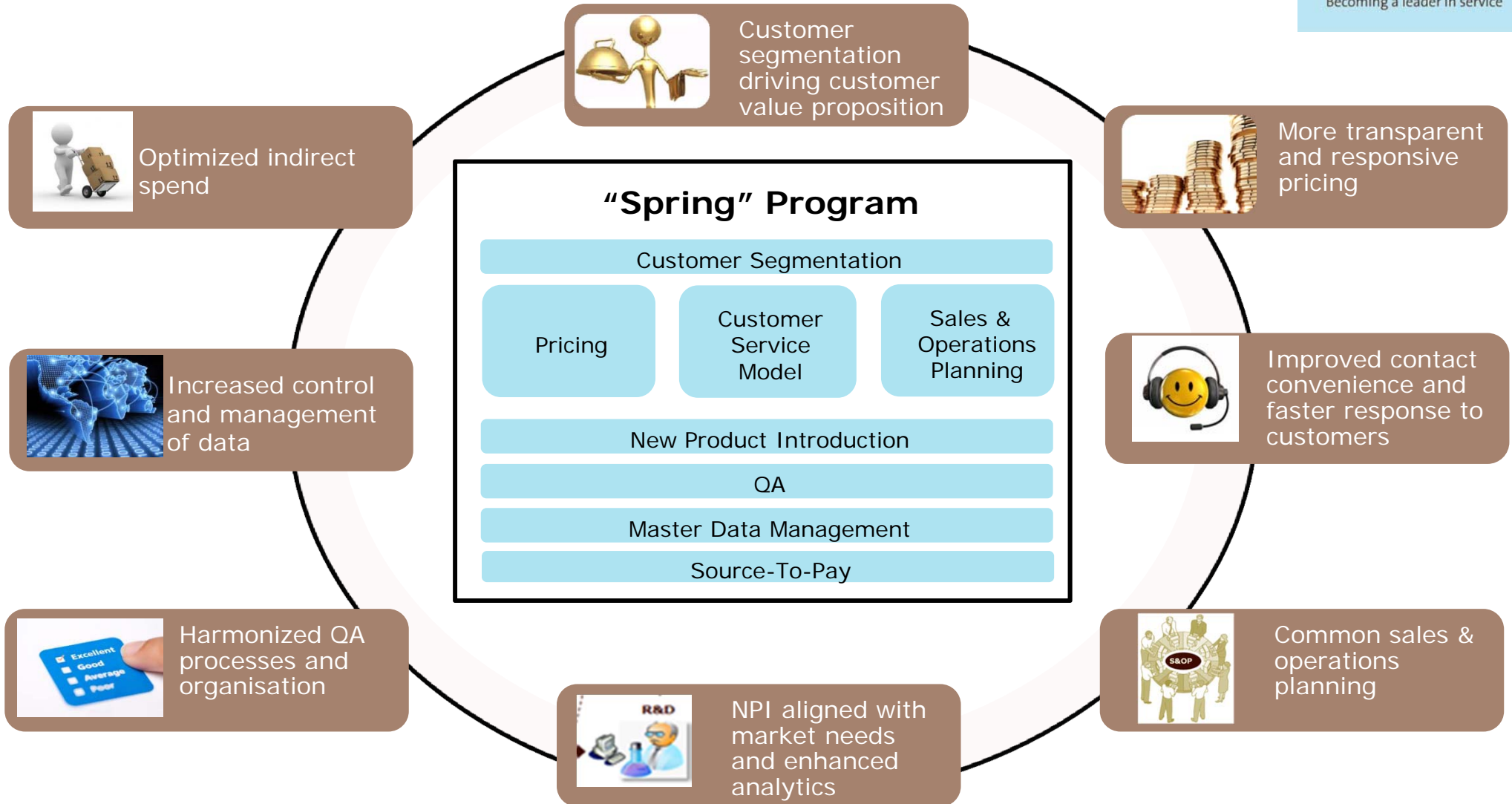
Capacity utilization





Cost Leadership

Some key deliverables from " Spring "





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





Sustainable Cocoa

Chocovision

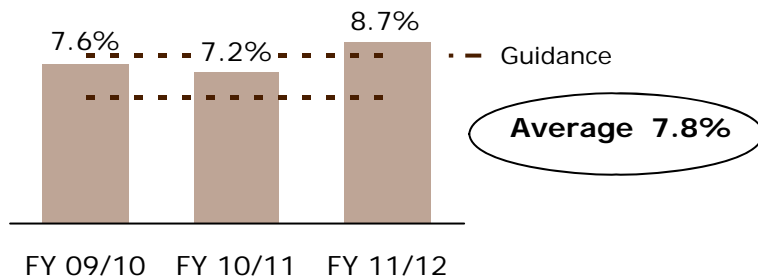
- ▶ A platform for informed discussion, discourse and debate for 200 senior business leaders and stakeholders in the cocoa, chocolate and retail industry, organized by Barry Callebaut



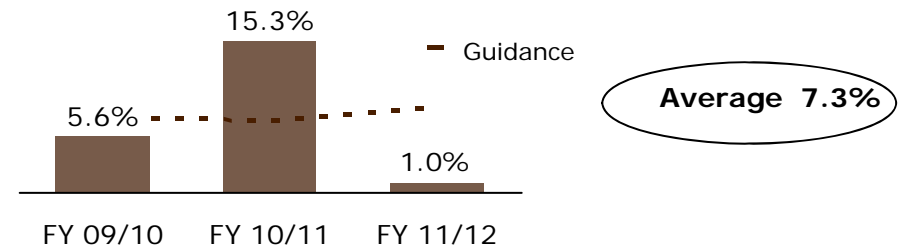


Renewed mid-term guidance

Volume growth



EBIT growth
in local currencies



▶ Four-year average growth targets for 2011/12 –2014/15

- Volumes: +6-8%
- EBIT: at least in line with volume growth

* Our view for the 2012-2015 period reflects current economic forecasts for the markets we operate in as well as internal developments and their assumed impact on our performance, barring any major unforeseen events and based on local currencies.



Our key priorities for FY 12/13

- ▶ Finalize the various investments in capacities and structures
- ▶ Increase presence in emerging markets
- ▶ Implement current outsourcing deals and gain additional volume from strategic partners
- ▶ Focus on Gourmet to increase growth pace
- ▶ Increase our operational efficiency through project "Spring"
- ▶ Continue to invest in Cocoa Horizons to achieve leadership in Sustainability
- ▶ Bring innovations to the market





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

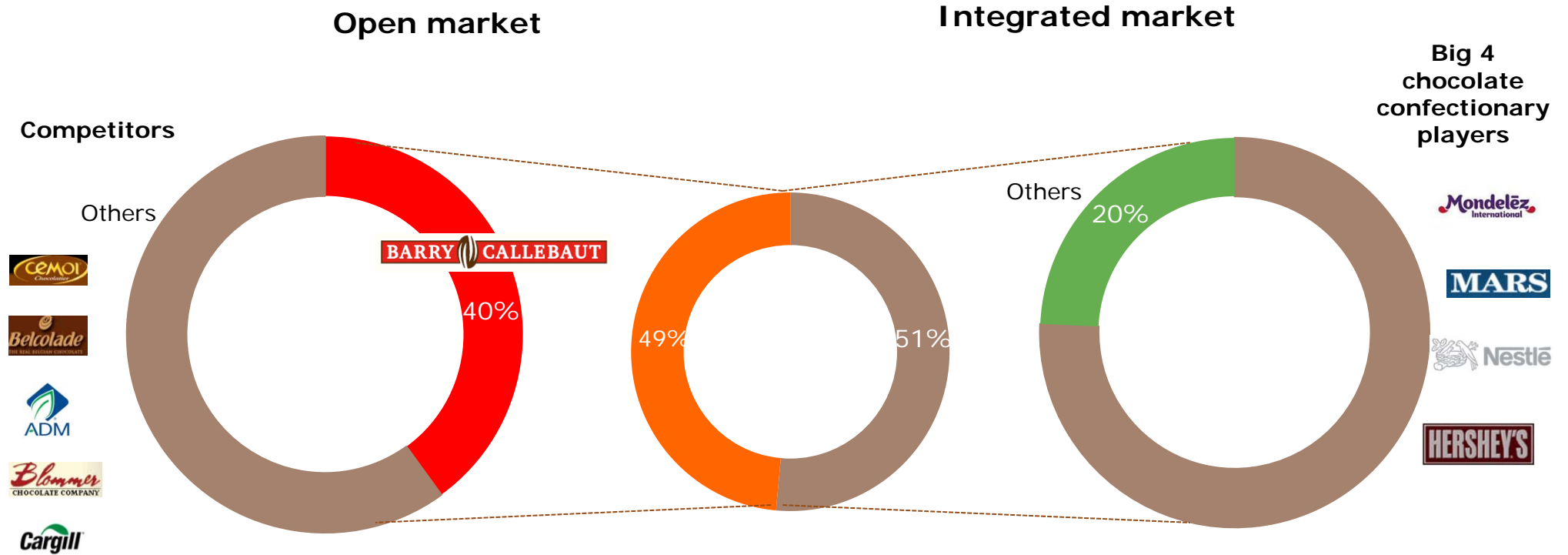




Expansion

3 mio tonnes of outsourcing potential for future growth

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

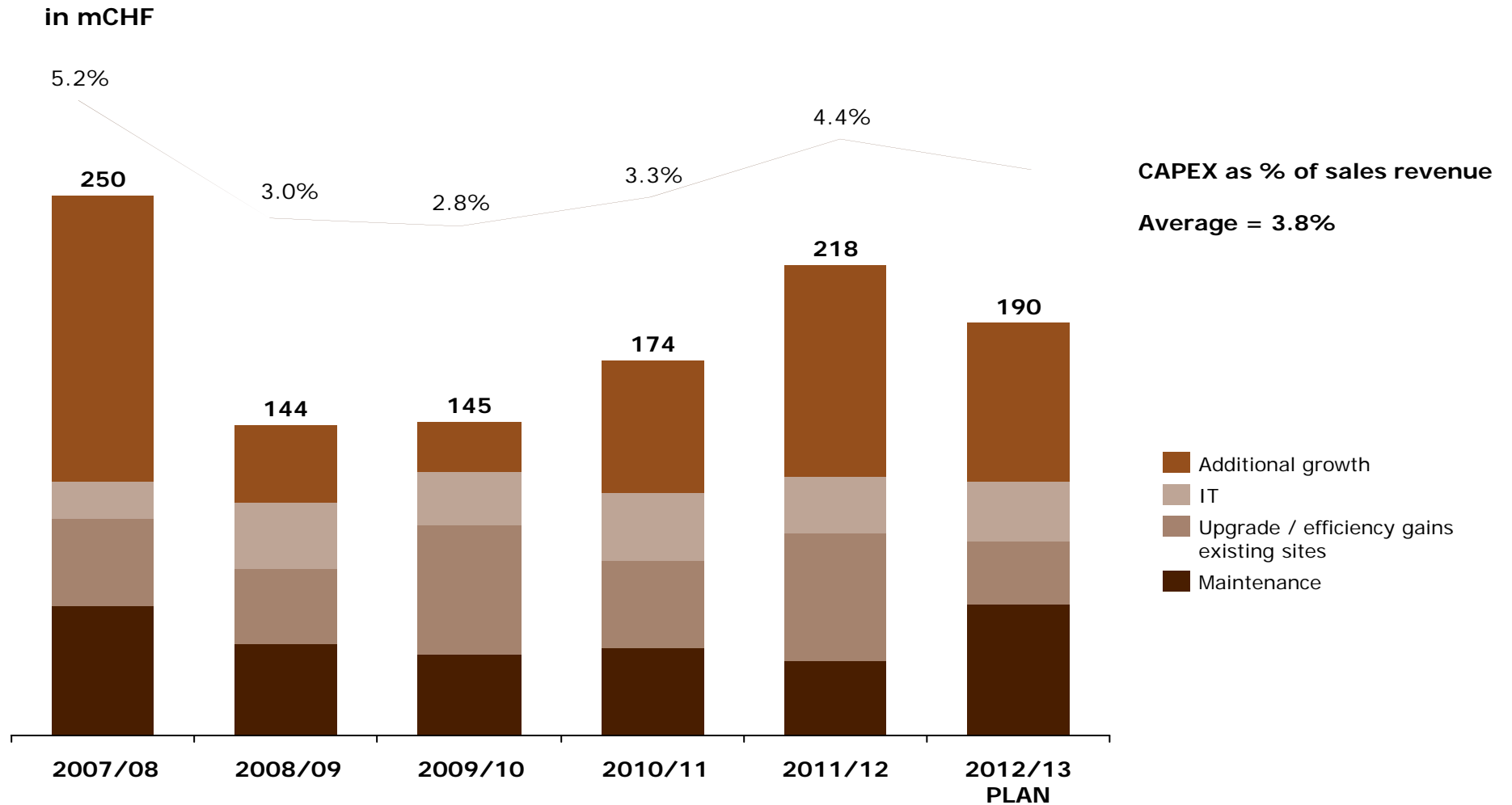


* BC estimates



CAPEX development

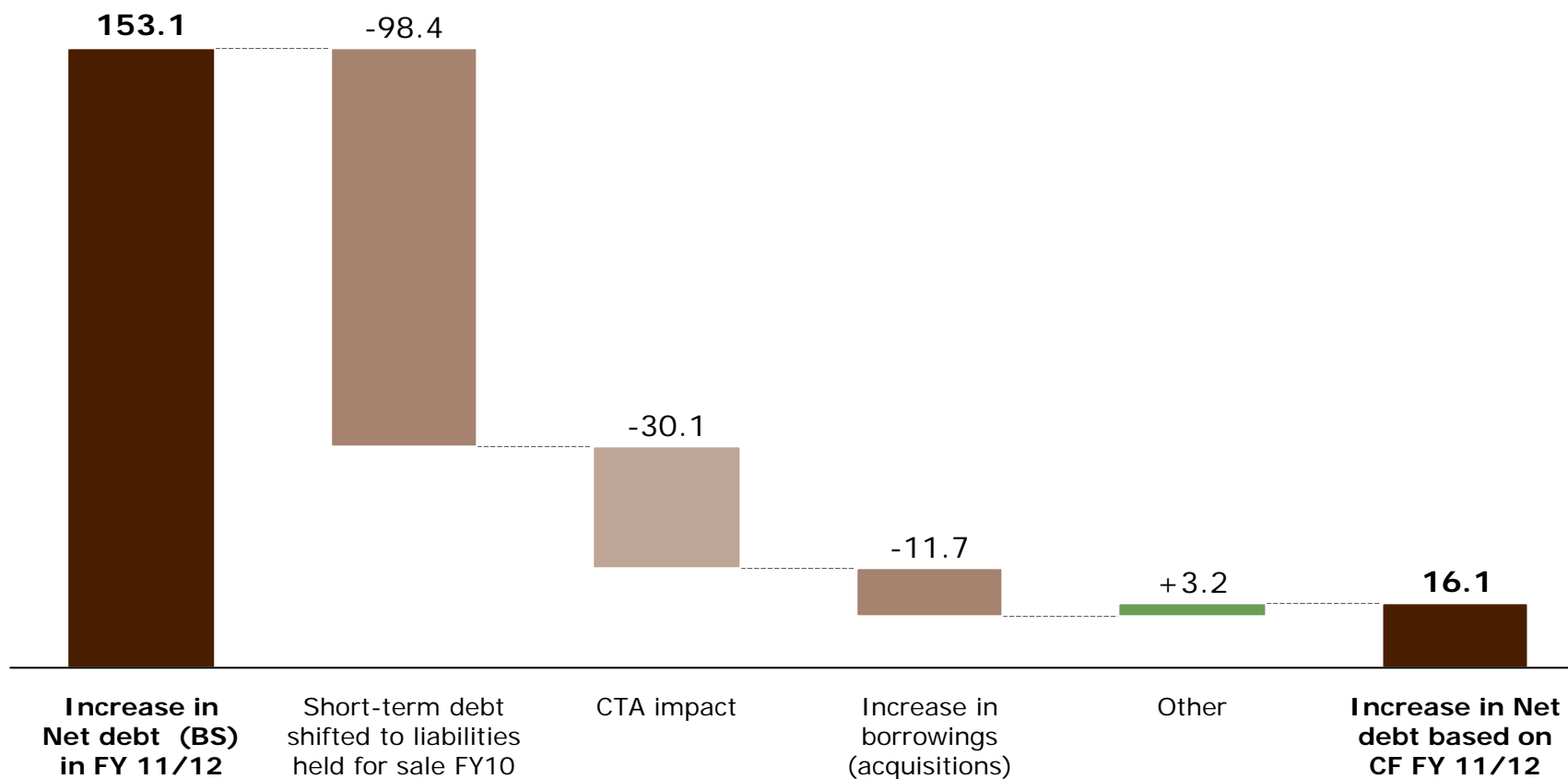
Investments support the growth of our business





Net Debt increase affected by discontinued operations and FX impact

in mCHF



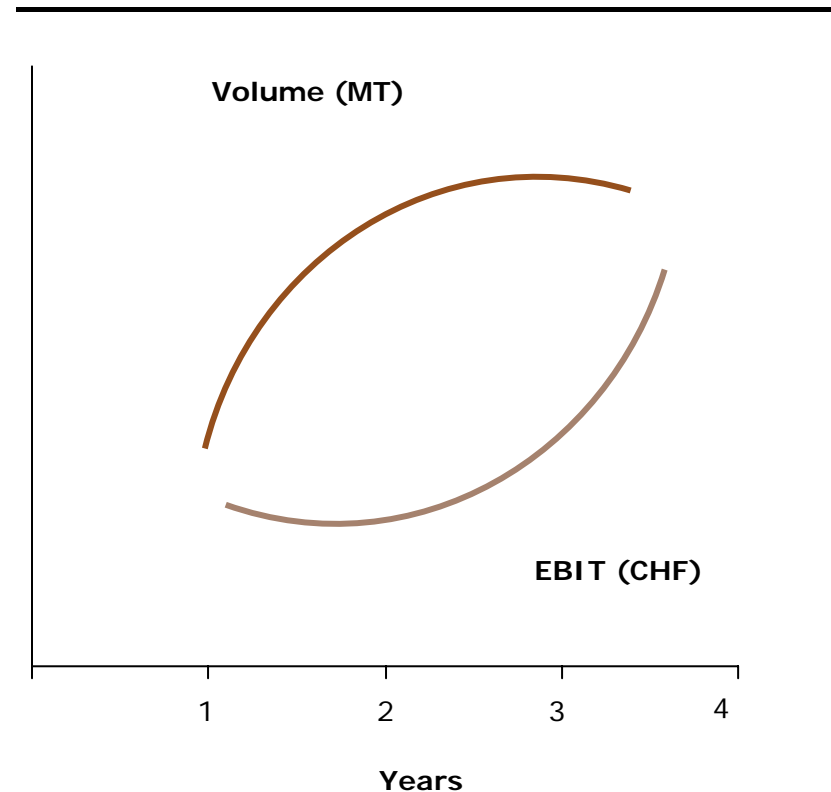


Impact from investments in future growth

Future volume growth requires:

- Additional production capacity: lower utilization and higher fixed costs at the beginning
- Additional overhead, such as QA, planning and supply chain management, customer service, IT support, etc
- Ramp-up related costs: engineering teams, matching recipes, sensoring teams, customer audits, pilot & small batch runs, etc
- Additional sourcing costs, such as working capital ramp-up, additional handling costs, cocoa certification and traceability efforts

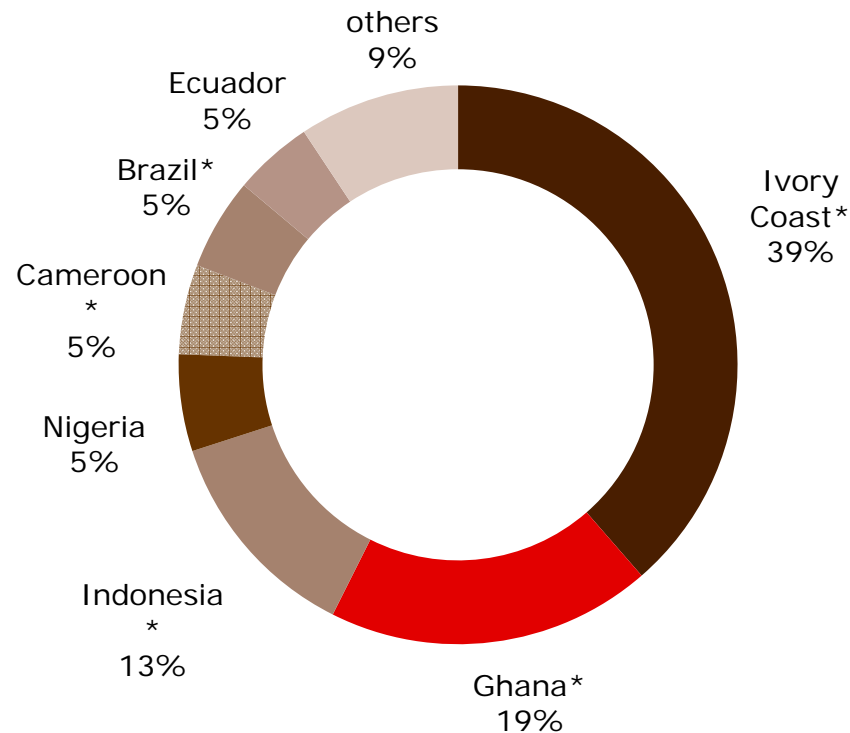
Investing cycle for future growth





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

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



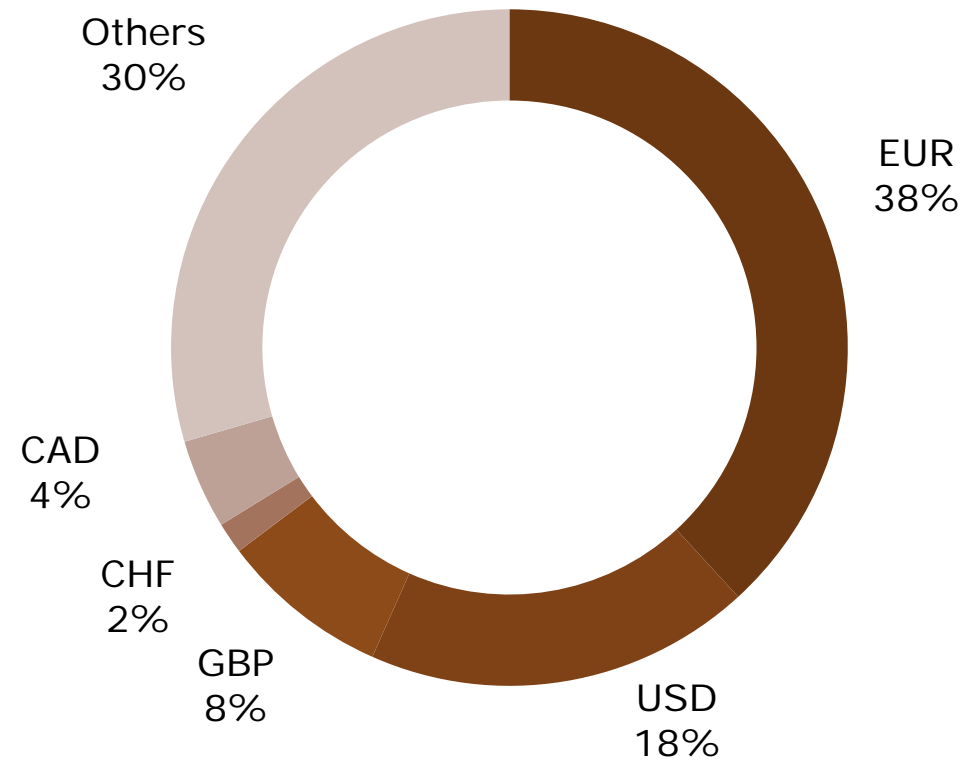
Source: ICCO estimates

- ▶ 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



Revenue by currency

FY 2011/12 Sales Revenue



* Others include: Mexican Peso, Polish Zloty , Brazilian Real, Japanese Yen, Russian Ruble, Australian Dollar, Chinese Yuan, Malaysian Ringgit,, Czech koruna, Swedish Krona, Indonesian, Rupiah ,etc



Exchange rates

vs. CHF	Aug 12	Aug 11	% 2012/2011
Closing rates			
EUR	1.20071	1.15765	4.30%
USD	0.96080	0.80370	15.70%
CAD	0.96835	0.82186	14.60%
GBP	1.51730	1.30738	21.00%
Average rates			
EUR	1.21145	1.26817	-5.70%
USD	0.92763	0.91284	1.50%
CAD	0.91900	0.92262	-0.40%
GBP	1.46011	1.46426	-0.40%