

Roadshow presentation

9-Month Key Sales
Figures 2018/19

July 2019



AGENDA

- BC at a glance
- Highlights 9M 2018/19
- Strategy & Outlook
- Appendix





BC at a glance

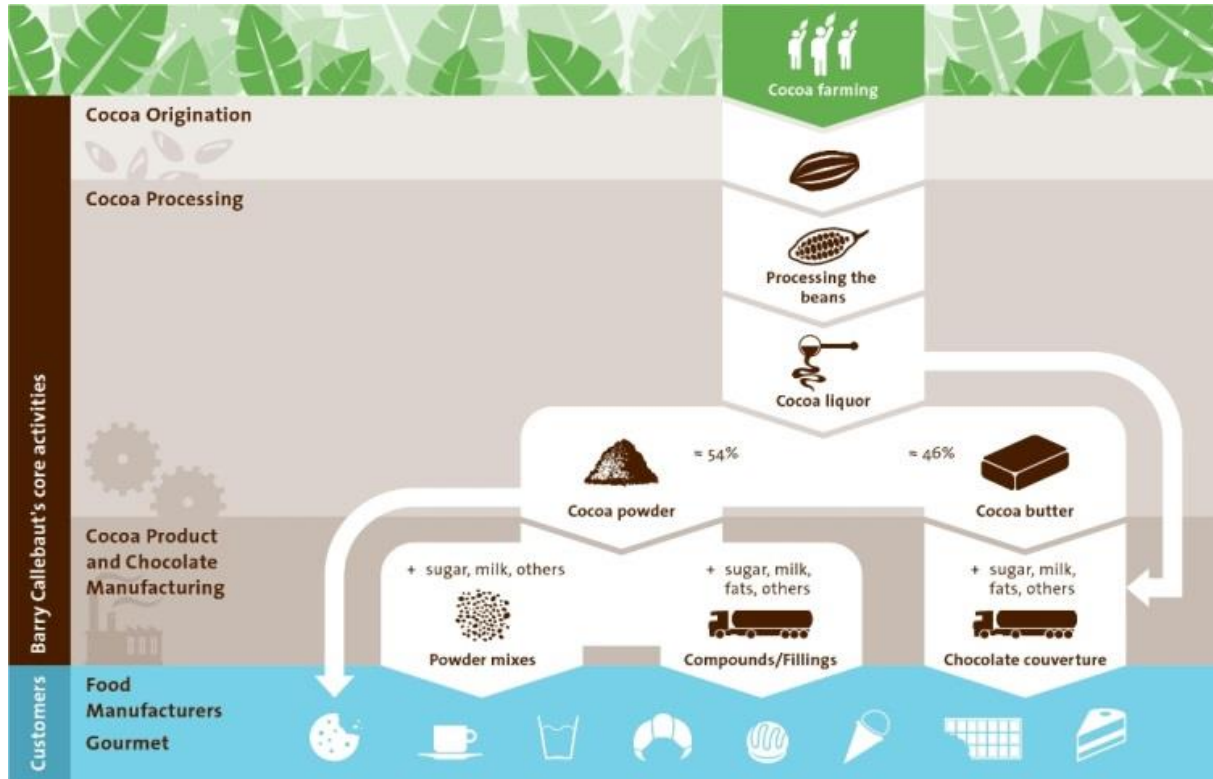


The heart and engine of the chocolate and cocoa industry



- A merger between **Cacao Barry**, the very first French chocolate connoisseur since 1842 and **Callebaut** a Belgian chocolate couverture manufacturer expert since 1911
- Listed on the **SIX Swiss Exchange** since 1998
- **Jacobs Holding long-term** major shareholder with **50.1%** of the outstanding shares.
- Today, the **world's leading manufacturer** of high-quality **chocolate** and **cocoa** products
- Barry Callebaut is in every 4th of all consumer product containing cocoa or chocolate

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



“Shaping the world of chocolate and cocoa”

FY 2017/18

More than
175 years
of chocolate heritage



First time over
2 million
sales volume
in tonnes

554.0
EBIT
in CHF million

59
factories
worldwide



Selling to

140
countries

More than
11,500
employees



CAGR
+4.4%
volume growth
over 5 years



6,948.4
sales revenue
in CHF million



20 years
listed on the
SIX Swiss Exchange

New type
of chocolate
created: Ruby chocolate
The 4th



Sustainably sourced
cocoa beans
44%



21
CHOCOLATE
ACADEMY™
Centers



More than
40,000
chocolate aficionados
trained in 2017/18

BC at a glance - What do we offer?

A broad offering from standard to the most premium products

Cocoa Products



Food Manufacturers



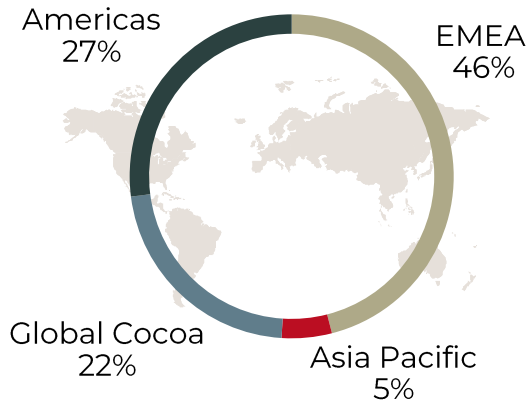
Gourmet & Specialties



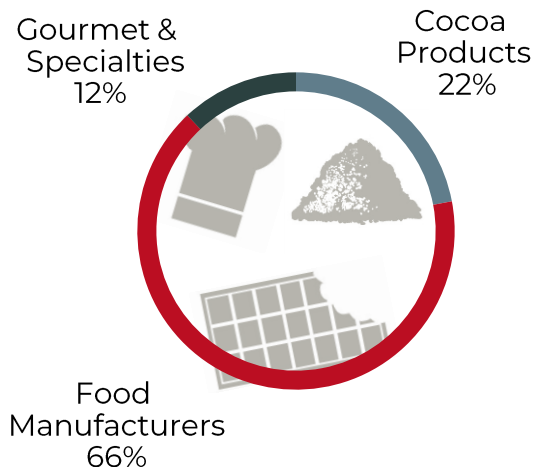
BC at a glance - how are we organized?

Our Regional and Product split

Sales Volume by Region



Sales volume by Product Group



Full-Year 2017/18:




Sales Volume: 2.0 million tonnes

Sales Revenue: CHF 6,948.4 m

EBITDA: CHF 728.3 m

EBIT: CHF 554.0 m

We apply a cost plus approach to the majority of our business

	Customers	Pricing model	Profit levers
 Food manufacturers 66%*	Small, medium Global Food Manufacturers	Cost Plus	Customer mix Product mix Economies of scale
 Global Cocoa 22%*	Small, medium Global Food Manufacturers	Market prices Cost Plus (partly)	Global set-up Customer/product mix Combined ratio
 Gourmet & Specialties 12%*	Professional users, Food Chains, Distributors, HORECA	Price List	Expansion global brands Adjacent products Innovation/Sustainability

Passing on the cost of raw materials to customers underpins profit stability by mitigating volatility impact of main raw materials

* Percentage of FY2017/18 Group sales volume

9 Roadshow presentation 9M 2018/19

BC at a glance - where are we present?

A global footprint and local service: 60 factories worldwide

Cocoa factories in countries of origin and chocolate factories close to our customers. With our 22 Chocolate Academies worldwide we are at the pulse of any trends in the industry



Highlights

9-MONTH KEY SALES
FIGURES 2018/19





Good growth momentum continues

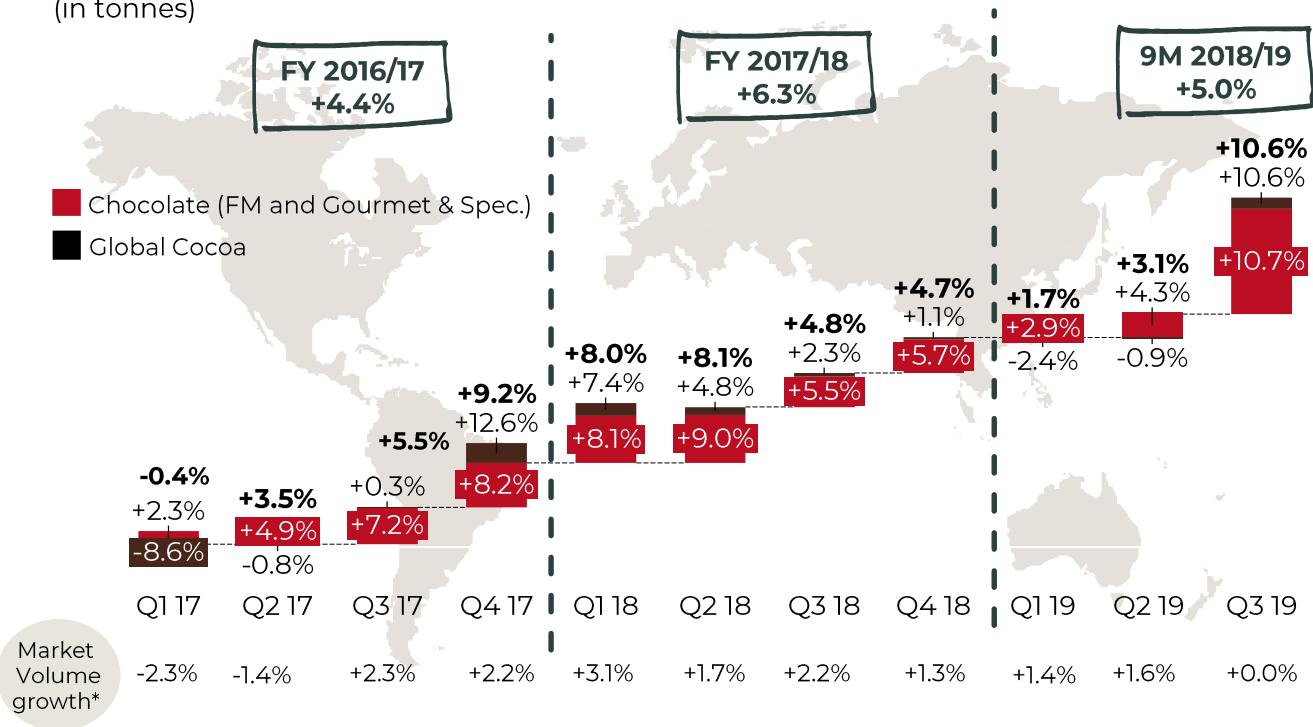
- 9 months sales volume up +5.0%, supported by all Regions
- Sales revenue of CHF 5.5 bn, +8.2% in local currencies (+5.7% in CHF)
- Early repayment of outstanding 5.375% Senior Note due 2021 in August 2019
- Mid-term guidance confirmed¹

¹ 2015/16-2018/19 on average: +4-6% volume growth and EBIT growth above volume barring any major unforeseen events

Highlights 9-Month Key Sales Figures 2018/19

Growth momentum accelerating as anticipated both in Chocolate and Cocoa

9M 2018/19 volume growth vs prior year
(in tonnes)



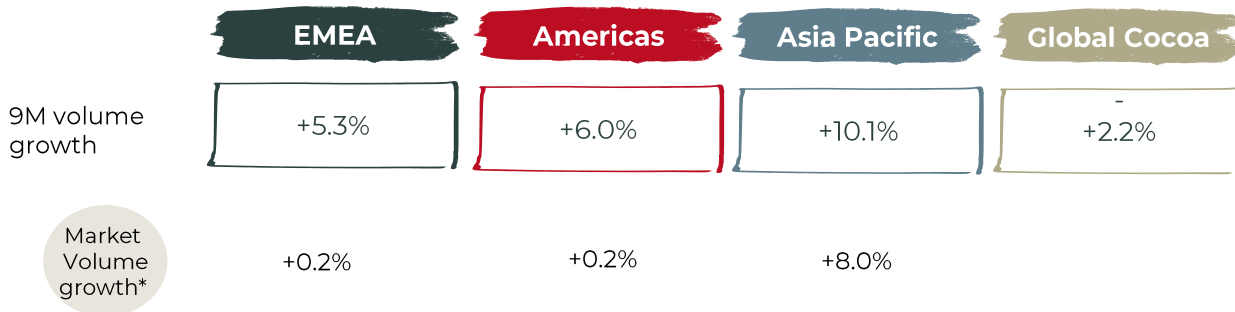
* Source: Nielsen chocolate confectionery in volume Aug 2018 to Apr 2019 – 25 countries

All regions contributing to volume growth

Group Sales Volume:

1,589,181

tonnes

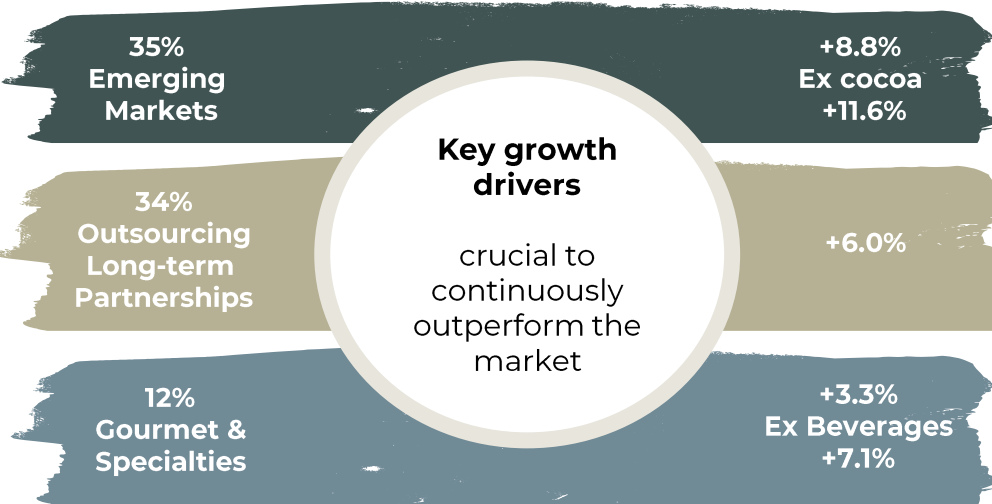


*Source: Nielsen chocolate confectionery in volume Aug 2018 to Jan 2019 – 25 countries

Key growth drivers gaining momentum

% of total
Group volume

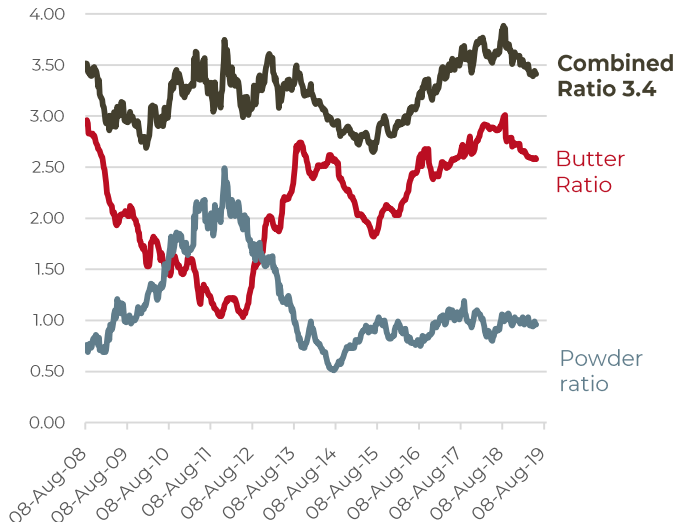
Volume growth
vs prior year



Cocoa Combined Ratio – a macro indicator

European combined ratio

6 to 9 months forward ratio



Directionally right...

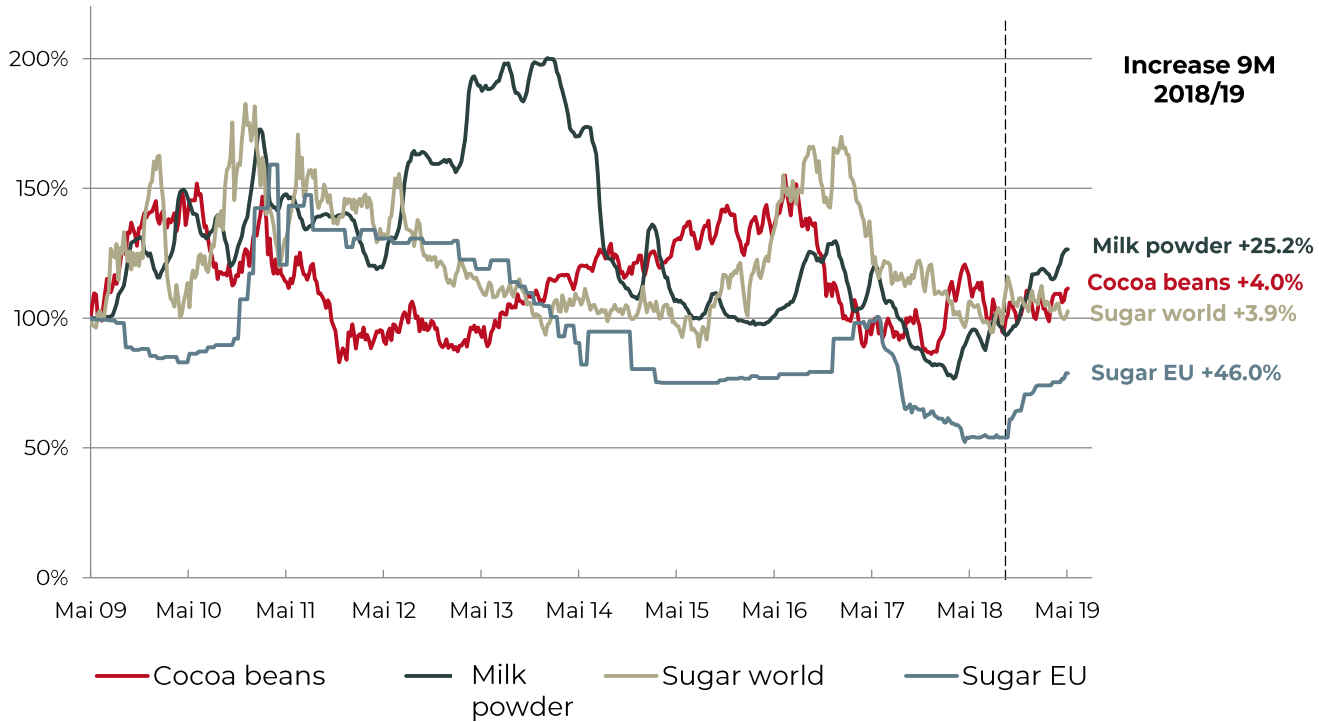
Shows general high level industry direction, assuming many variables are fixed

However...

Many variables are not fixed e.g.

- ▶ Terminal market: outright levels, arbitrage (London vs. New York), market structure
- ▶ Differentials: structure and origin differences
- ▶ Forward pricing structure: butter and powder
- ▶ Customer forward coverage: butter and powder

Raw material price developments

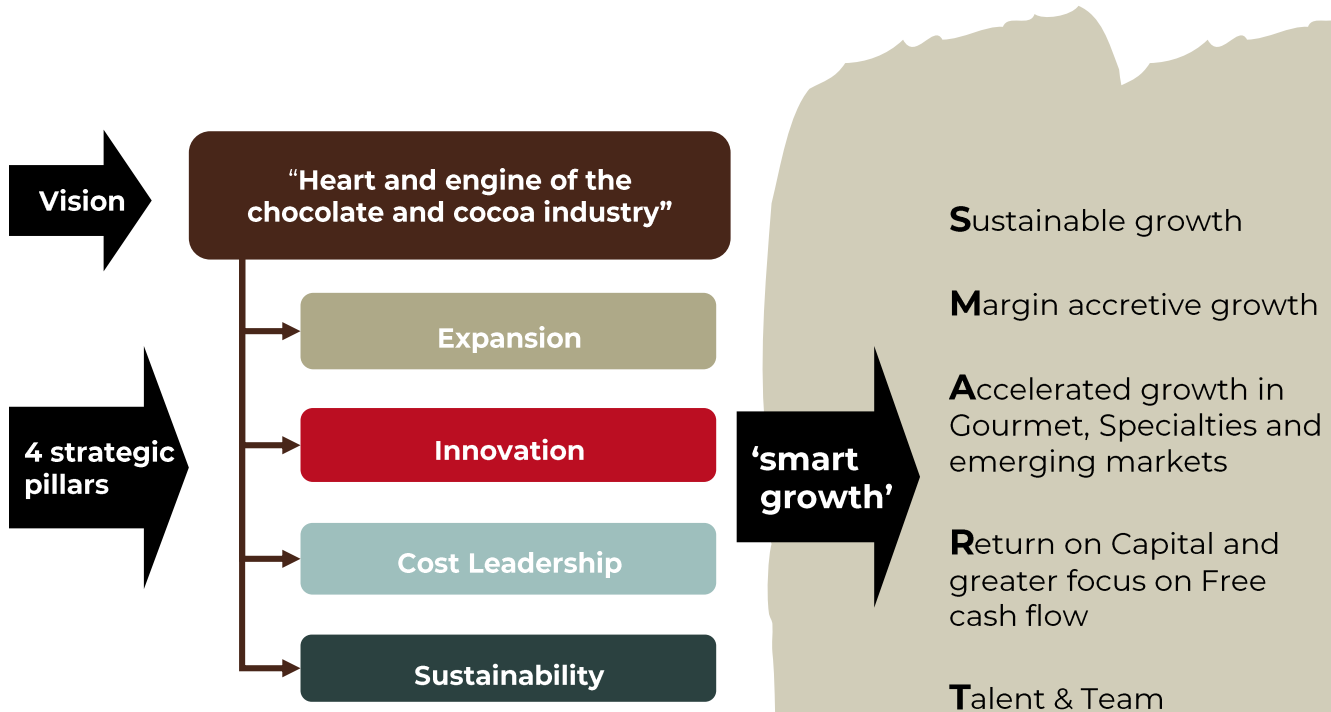




Strategy & Outlook



Consistent long-term strategy – evolving execution



Good momentum continues

Innovation

- Drive **premium range** in cocoa powders
- **Leverage Innovation** across segments:
 - Callebaut Ruby RB1
 - Sugar-reduced solutions
- **Leverage portfolio** of Gertrude Hawk and d'Orsogna

Bonjour



Expansion

- **Integration of Inforum** in Russia, complementary product and customer base in 2nd largest chocolate confectionery market worldwide
- **Garudafoods** additional **outsourcing** contract coming on stream in **H2 2018/19**
- Africa **SACO capacity expansion**. Africa with untapped chocolate market potential
- New **green-field plant in Serbia** to serve Southeastern Europe. Initial capacity >50,000 tonnes to be **operational in 2021**
- **Accelerating capacity expansion** in Region **Americas**

Good momentum continues

Cost leadership

- Successful placement of **EUR 600 million** equivalent **Schuldscheindarlehen** with average tenor of 7.8 years and attractive interest rate of 1.65%
- **Early repayment** of outstanding 5.375% **Senior Bond** over EUR 250 million (due 2021) at beginning of August 2019
- **One-off impact** on net financial cost of app. CHF 33 million in fiscal 2018/19. As of 2019/20, net financial cost will improve by app. CHF 10 million



Sustainability

- Established **traceability** for 1/3 of global cocoa volume
- By end of 2019 BC will **have mapped all farms** it directly sources in **Ivory Coast** and **Ghana**
- Signed letter of intend with **Cameroon** to intensify cooperation on **sustainable cocoa farming**
- Ongoing discussion between Government of Ivory Coast and Ghana and multi-stakeholder about implementation of a **“living income differential”** to achieve a floor price

Outlook

Guidance

Confident of delivering midterm guidance

- Good visibility in portfolio and acceleration in sales momentum as expected make us confident of delivering on our current mid-term guidance.

New mid-term guidance 2019/20-2021/22

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

¹in local currencies and barring any major unforeseen events



Appendix



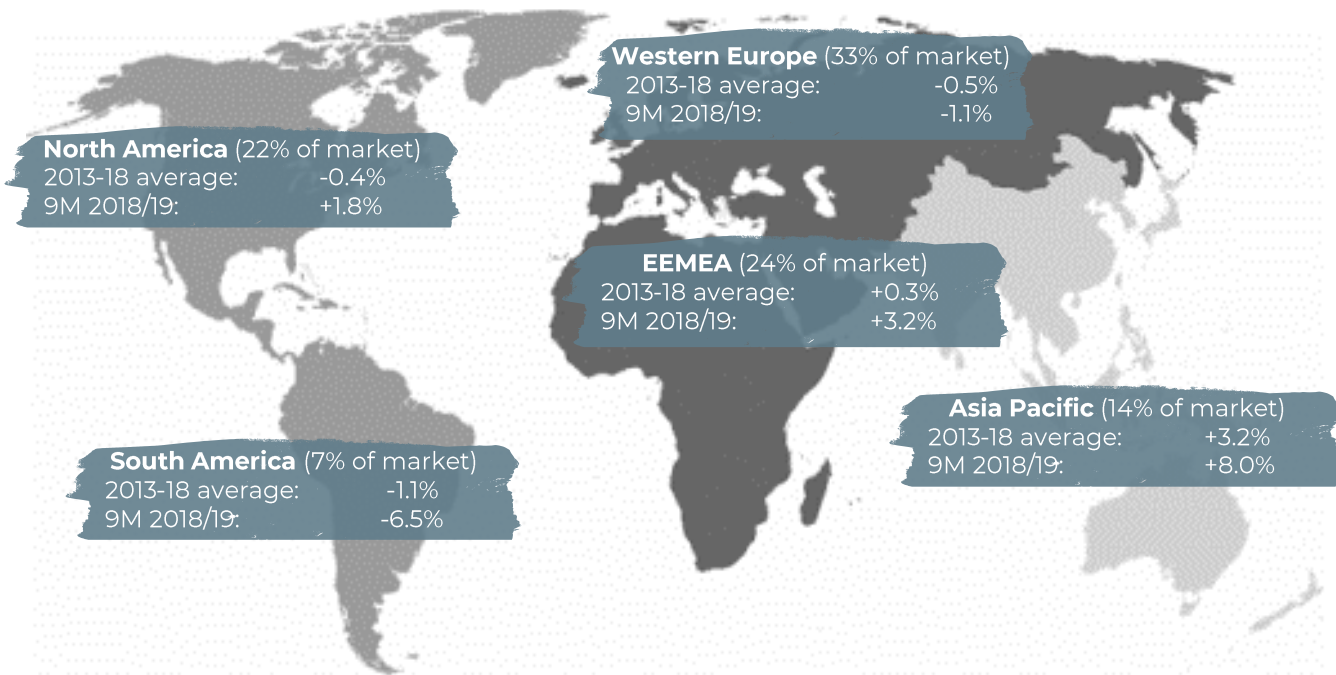


Appendix

What makes Barry Callebaut unique?

- Global **number one player** in chocolate and cocoa
- **Deep** chocolate and cocoa **expertise**
- **Consistent growth above** the underlying market
- **Global leader** in Gourmet & Specialties
- 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
- Pioneer in **sustainability**
- **Entrepreneurial** spirit

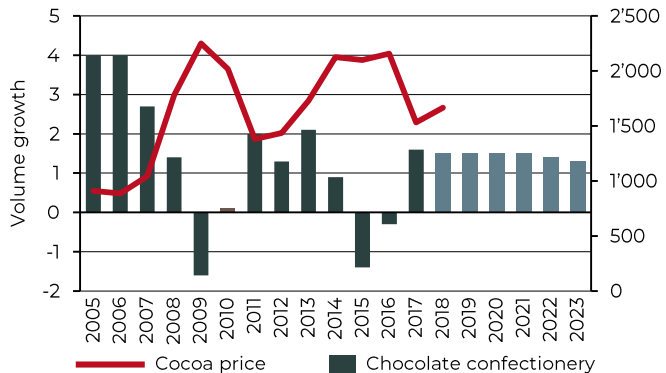
Chocolate confectionery market development – Nielsen data



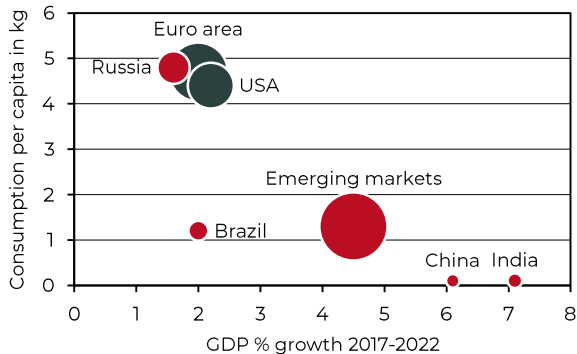
Source growth: Nielsen chocolate confectionery in volume – Aug 18 to Apr 19 – 25 countries
Source regional market shares: Euromonitor

Our market and opportunities ahead

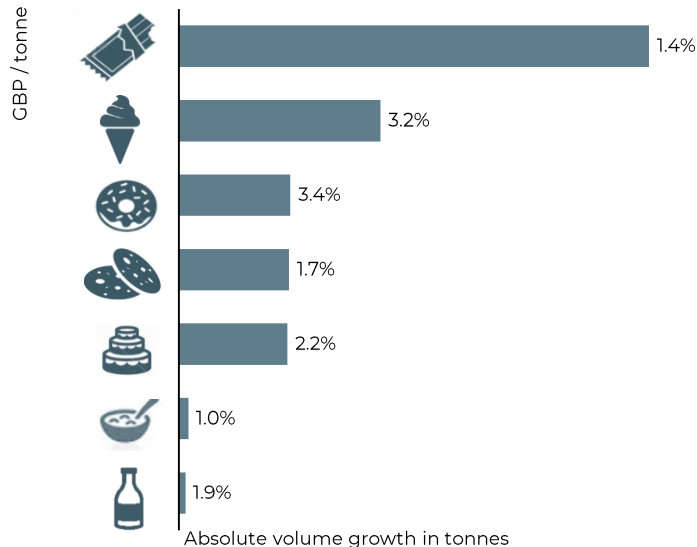
Global Chocolate confectionery volume growth vs cocoa bean price



Growing economies with still low chocolate consumption per capita



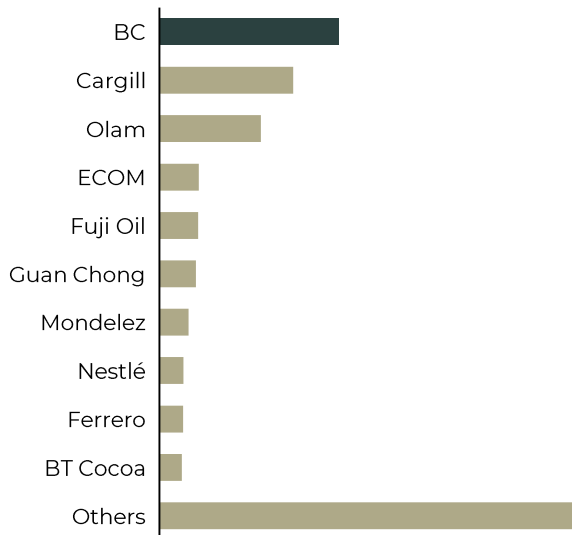
Forecast volume growth per application 2017-2022



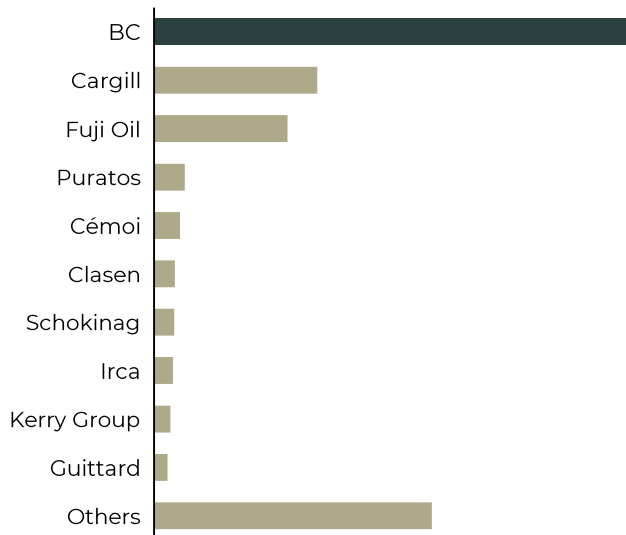
Source: Euromonitor

Strong global market leader in industrial chocolate and cocoa

Cocoa grinding capacity (kMT)



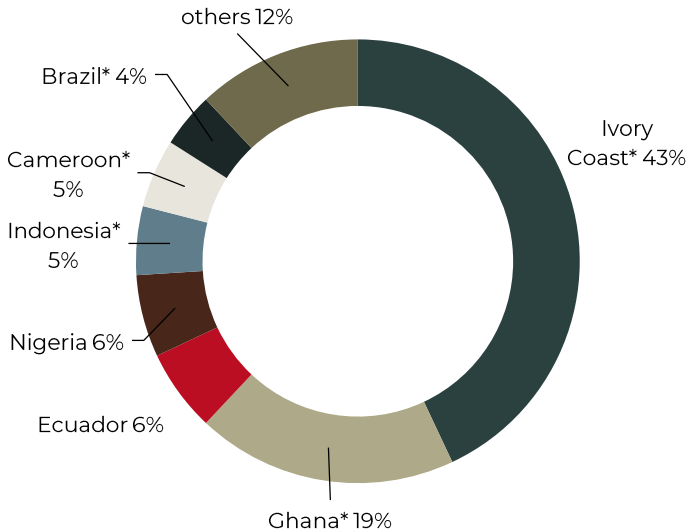
Industrial Chocolate (open market – kMT)



Note: Olam incl. ADM, Cargill incl. ADM chocolate business and SMET, Fuji oil incl. Harald and Bloomer, Irca incl. Doblar
 Source: BC proprietary estimates

West Africa is the world's largest cocoa producer

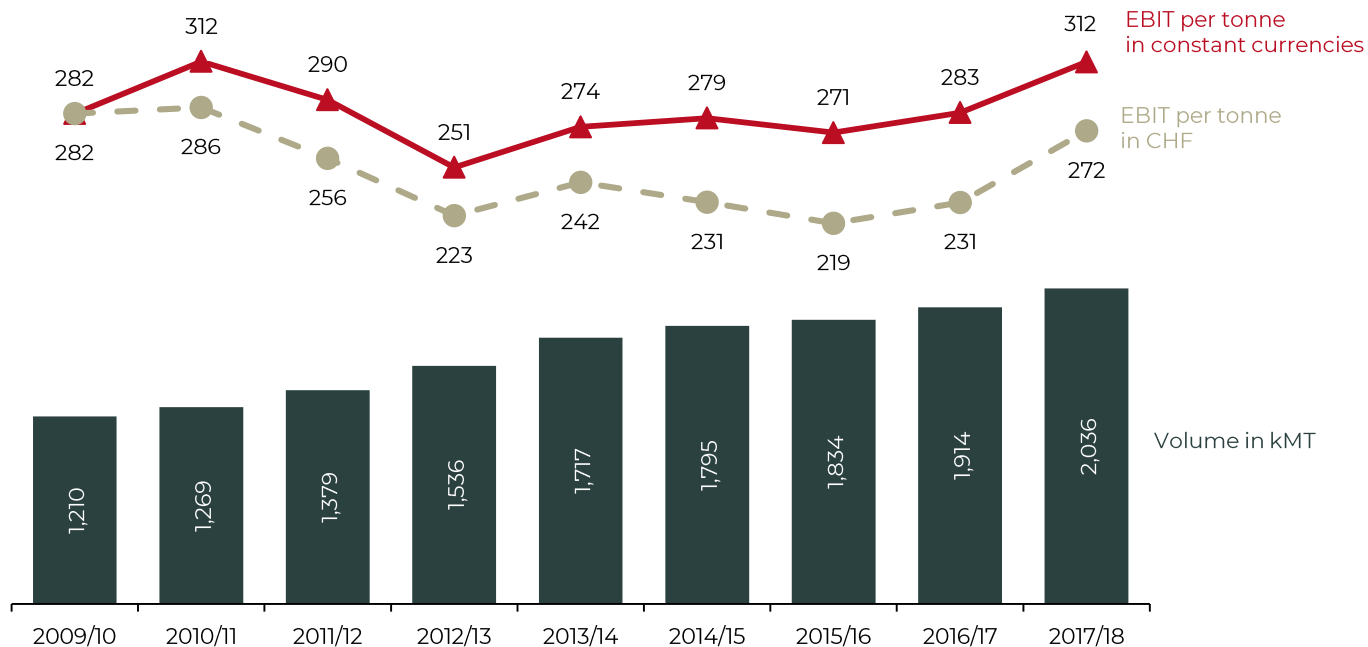
Total world harvest (17/18): 4,645 tsd MT



- About 70% of total cocoa beans are of West African Origin
- Barry Callebaut processed around 925,000 tonnes or approximately 20% of the world crop
- Barry Callebaut has various cocoa processing facilities in origin countries*, in Europe and USA

Source: ICCO Forecast

Increase in EBIT per MT thanks to improved product mix and supportive cocoa processing market



Profit growing above volume growth

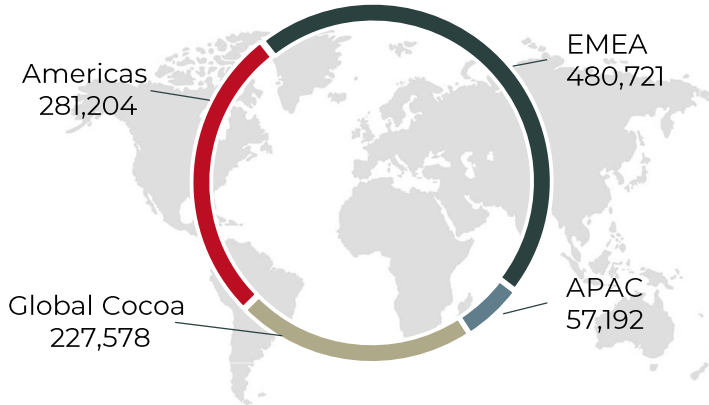
Group performance (in CHF mio)	HY 2018/19	% vs prior year in CHF	% vs prior year in local currencies
Sales volume Total (in tonnes)	1,046,695	+2.4%	n/a
Sales revenue	3,672.7	+3.5%	+6.0%
Gross profit	584.8	+5.7%	+8.5%
EBIT Total	301.4	+8.9%	+12.4%
<i>EBIT per tonne</i>	288	+6.4%	+9.8%
Net profit for the period	199.1	+15.1%	+18.8%
Adj. Net profit for the period ¹	199.1	+8.7%	+12.3%
Free Cash Flow	-140.6	n/a	n/a
Adj. Free Cash Flow ²	-31.4		

¹ PY Net profit for the period included a CHF 10.1m impact from the tax reforms in Belgium and the US

² Adjusted for cash flow effect of cocoa beans regarded as readily marketable inventories (RMI), by the Group

All Regions contributed to volume growth and profitability

Group Sales Volume:
1,046,695
 tonnes

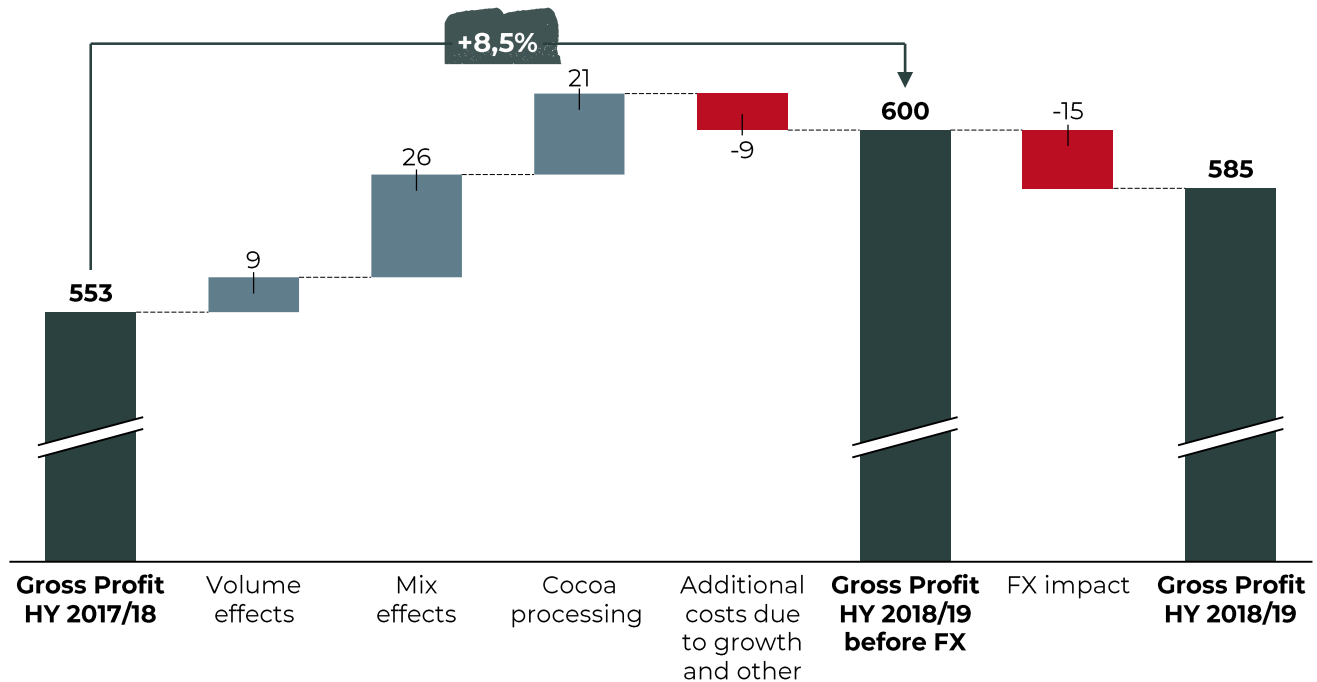


	EMEA	Americas	Asia Pacific	Global Cocoa
HY volume growth	+2.0%	+5.8%	+5.7%	-1.7%
EBIT growth in local currencies	+6.1%	+8.5%	+10.8%	+22.5%
Market Volume growth*	+0.7%	+1.0%	+8.6%	

* Source: Nielsen chocolate confectionery in volume Aug 2018 to Jan 2019 – 25 countries

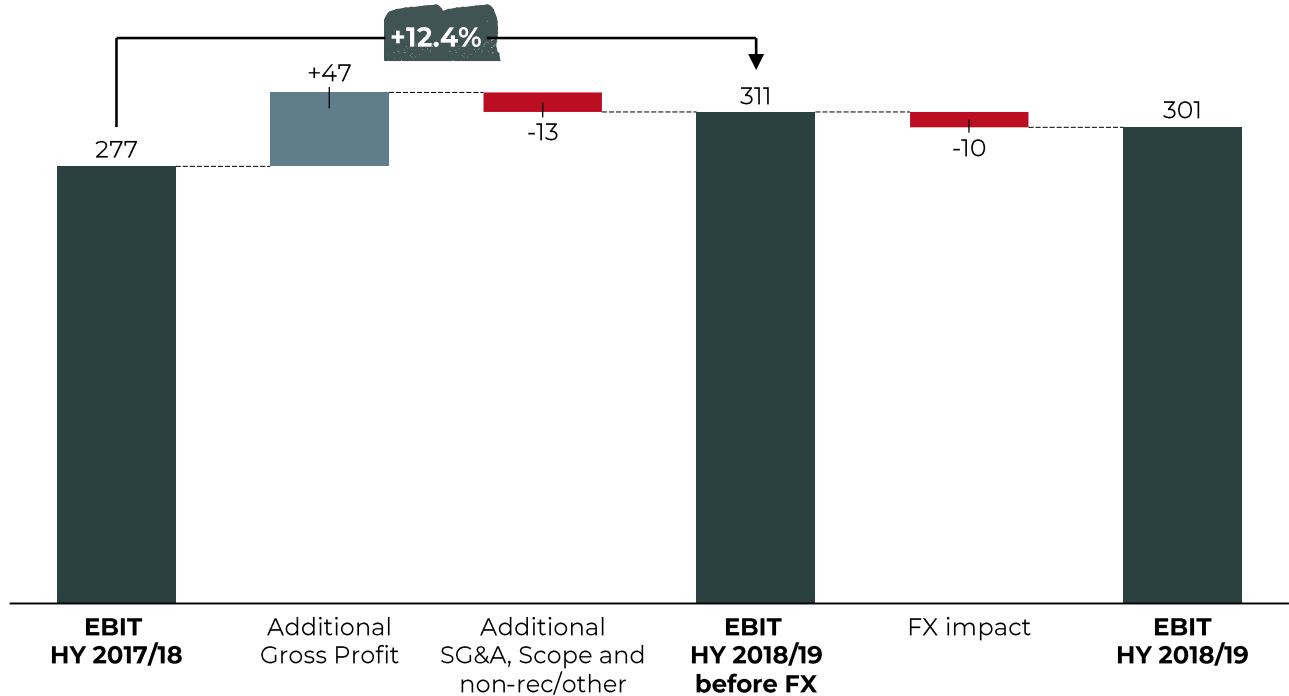
Gross profit up +8.5% in local currencies, driven by good product mix and a supportive market environment

In CHF millions



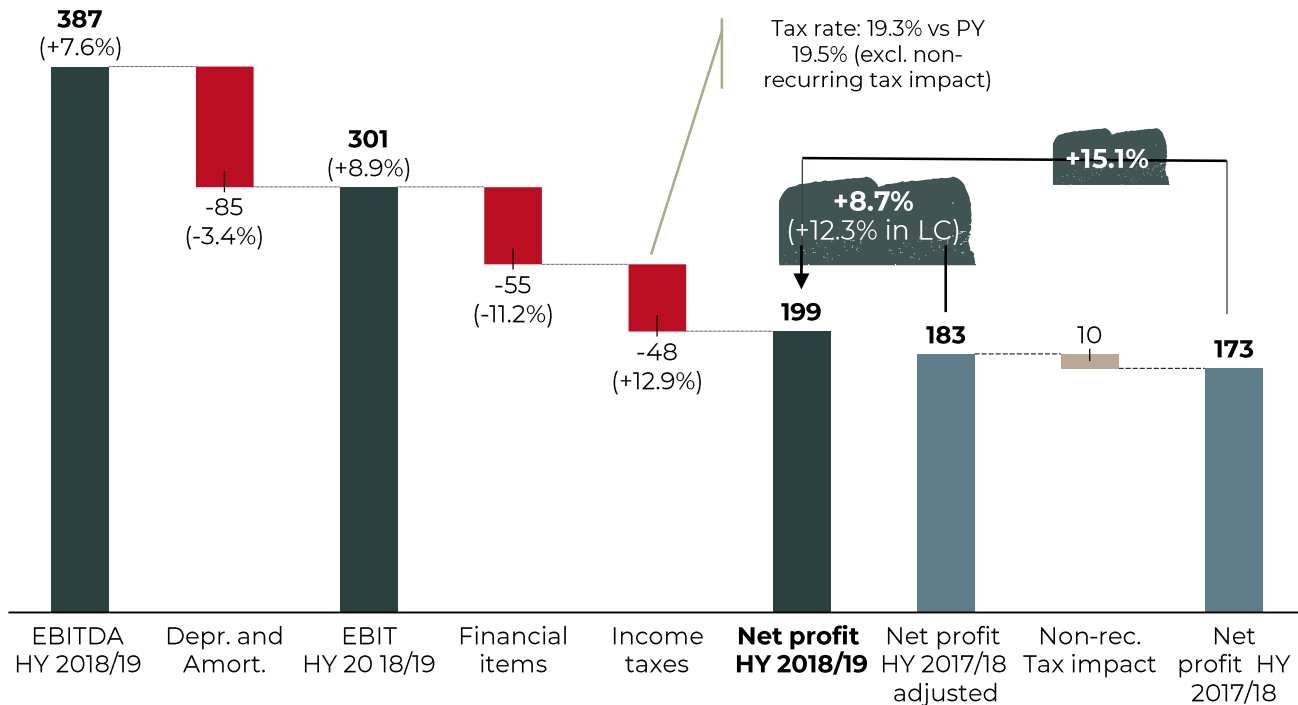
Strong increase in operating profit by +12.4% in local currencies

In CHF millions



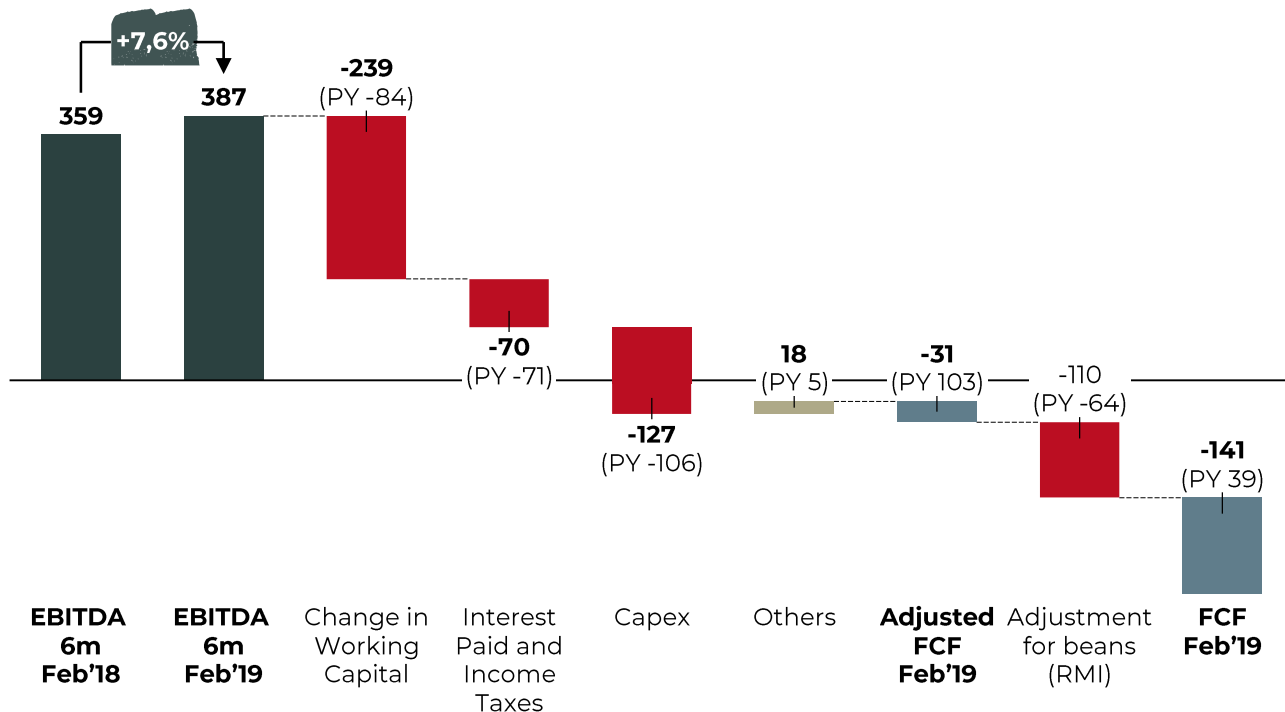
Net Profit up +15.1% in CHF, as a result of good profitability

In CHF millions



Adjusted Free Cash Flow CHF -31 million on back of higher inventory catering for future volume growth

In CHF millions (6 month rolling)



Balance sheet

(in CHF millions)	Feb 2019	Aug 18 Pro forma ¹	Feb 18 Pro forma ¹	Aug 18	Feb 18 ²
Total Assets	6,820.4	6,169.0	6,444.3	5,832.0	6,105.9
Net Working Capital	1,762.1	1,403.4	1,426.1	1,074.4	1,087.7
Non-Current Assets	2,639.9	2,506.5	2,566.5	2,505.5	2,566.5
Net Debt <i>Adj. Net Debt</i> ³	1,769.6 837.7	1,409.3 616.0	1,546.8 743.3	1,074.3 616.0	1,208.4 743.3
Shareholders' Equity	2,383.9	2,265.8	2,150.0	2,269.8	2,150.0
Debt / Equity ratio <i>Adj. Debt / Equity ratio</i>	74.2% 35.1%	62.2% 27.2%	71.9% 34.6%	47.3% 27.2%	56.2% 34.6%
Solvency ratio	35.0%	36.7%	33.4%	38.9%	35.2%
Net Debt / EBITDA <i>Adj. Net Debt / EBITDA</i> ³	2.0x 1.0x	1.9x 0.8x	2.4x 1.3x	1.5x 0.8x	1.9x 1.3x
ROIC	12.5%	12.2%	11.2%	13.3%	12.3%
ROE	16.9%	15.7%	16.0%	15.7%	16.0%

¹ Pro forma adjusted for IFRS 15 effect

² See Half-Year Report 2018/19, Summary of Accounting policies – restatement and reclassification

³ Net Debt adjusted for cocoa beans considered as RMI



Thank you.