



CAGE 2016

CEO - Antoine de Saint-Affrique

London, March 21, 2016



Who we are?

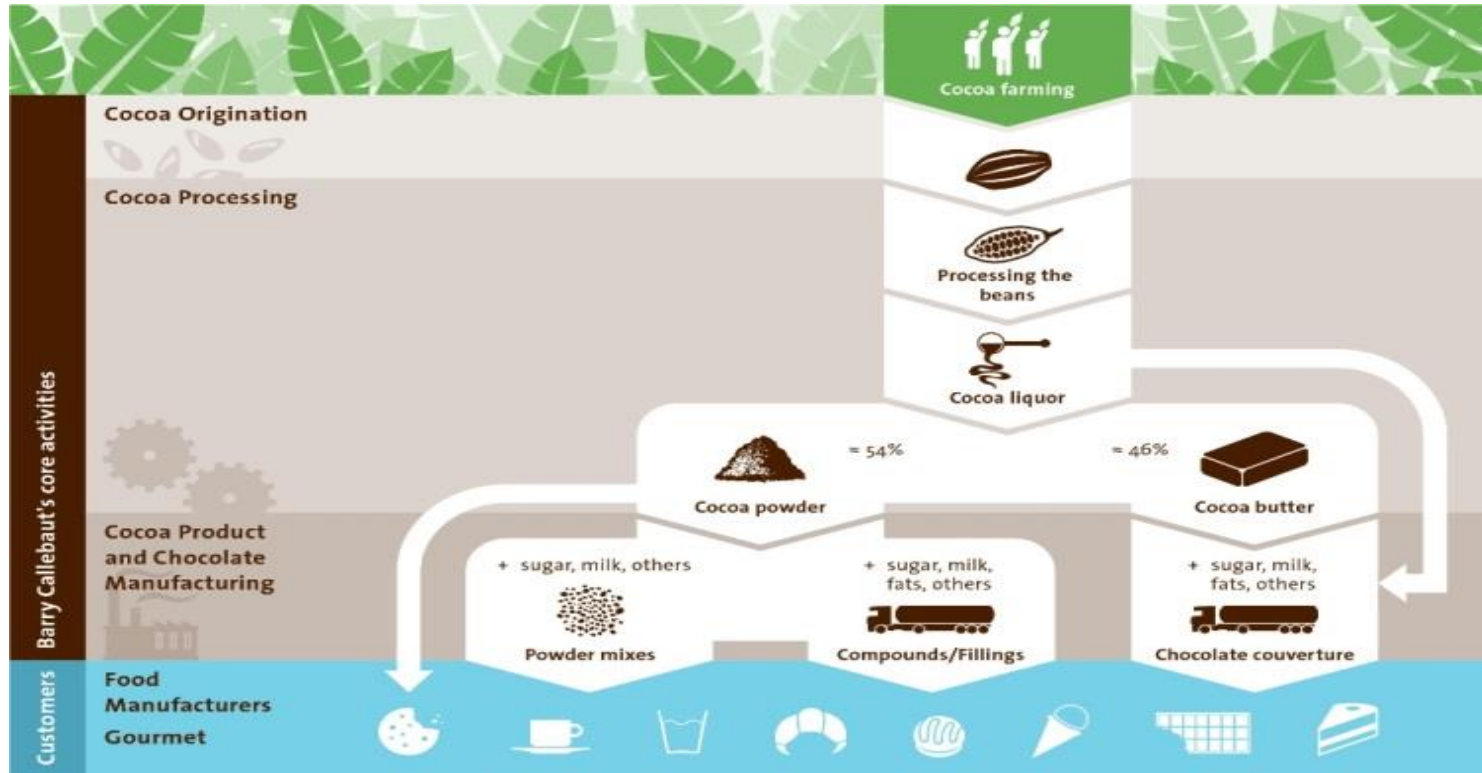
The beating heart of the chocolate industry



- ▶ A merger between **Cacao Barry**, the very first chocolate connoisseur since 1842 and **Callebaut** a chocolate couverture manufacturer expert since 1925
- ▶ Listed on the SIX Swiss Exchange since 1998
- ▶ Today, the world's leading manufacturer of high-quality chocolate and cocoa products
- ▶ Barry Callebaut is inside 25% of all consumer products containing cocoa or chocolate

What we do?

Adding value every step of the way, from the cocoa beans to the chef's table



Our products

A broad offering from standard to the most premium products

Cocoa Products



Food Manufacturers



Gourmet & Specialties



“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

Selling to

131 countries

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



19 CHOCOLATE ACADEMY™ centers



Innovation contributed **10%**

health claim on Acticoa® extended to cocoa extracts within Europe

70,500 farmers trained in good agricultural practices

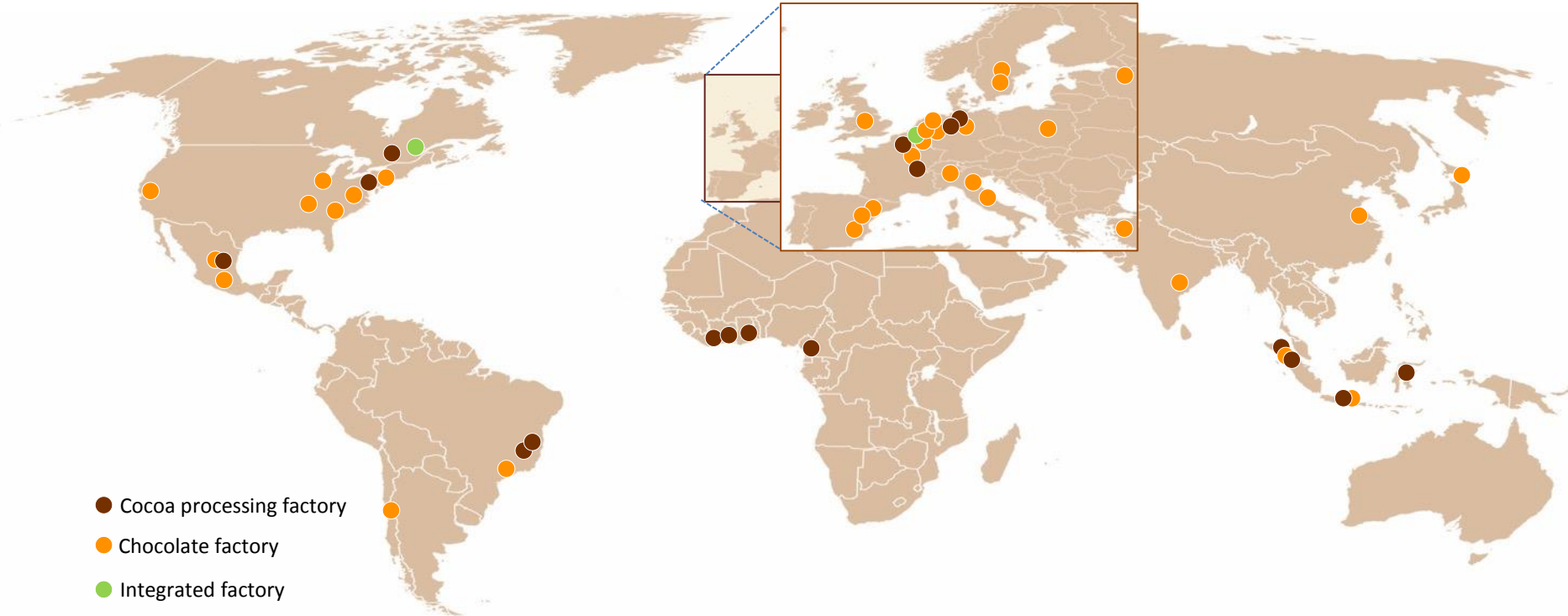


36,545 chocolate aficionados trained in 2014/15

to sales volume

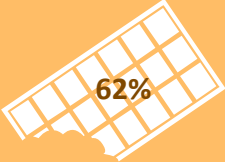


How do we operate?

A global footprint and a local service: Cocoa factories in origin countries and chocolate factories close to our customers



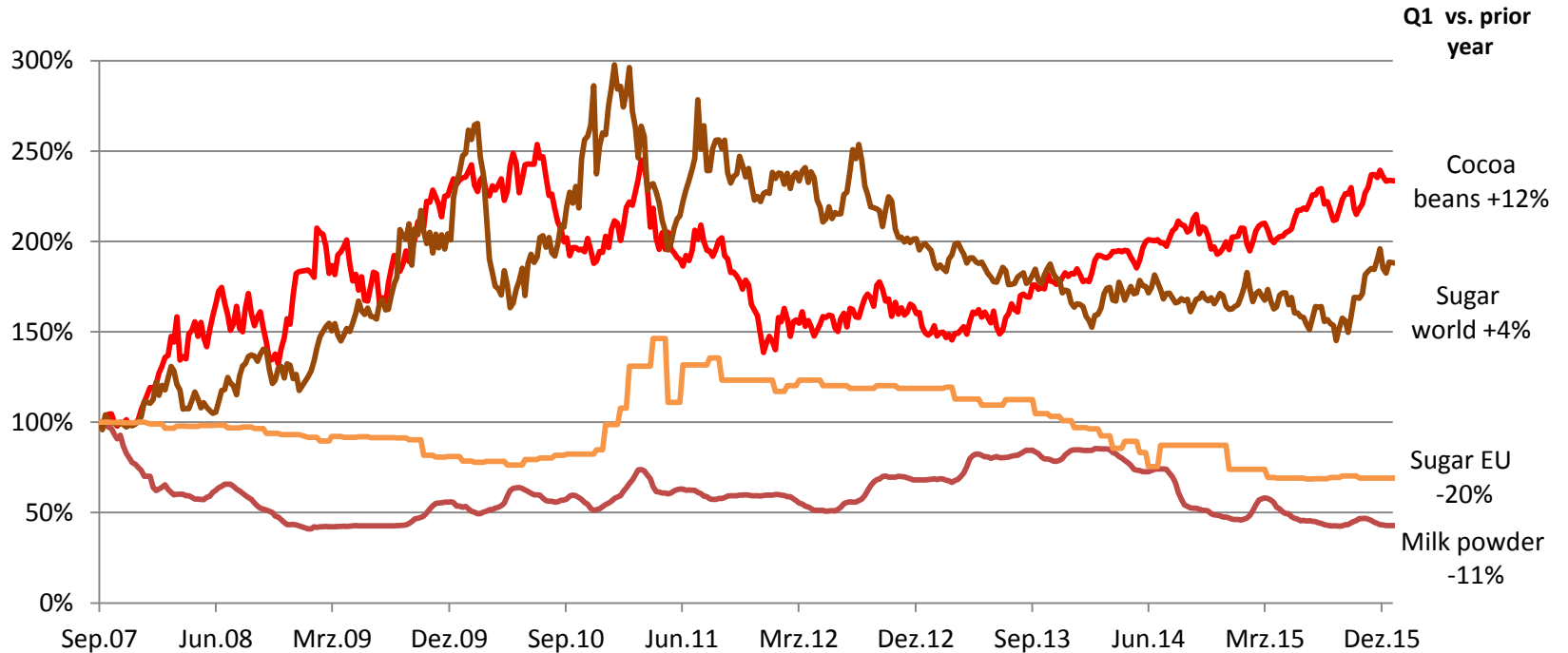
Our business Model

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

	Customers	Pricing model	Profit levers
Food Manufacturers 	<ul style="list-style-type: none">• Small, medium and Global Food Manufacturers	<ul style="list-style-type: none">• Cost Plus	<ul style="list-style-type: none">• Customer mix• Product mix
Cocoa Products 	<ul style="list-style-type: none">• Small, medium and Global Food Manufacturers	<ul style="list-style-type: none">• Market prices• Cost plus (partly)	<ul style="list-style-type: none">• Global set-up• Combined ratio
Gourmet & Specialties 	<ul style="list-style-type: none">• Professional users, Food Chains, Distributors	<ul style="list-style-type: none">• Price list	<ul style="list-style-type: none">• Expansion of global brands• Adjacent products

Note: Percentage of Group sales volume

Cost plus creates competitive advantage in volatile markets



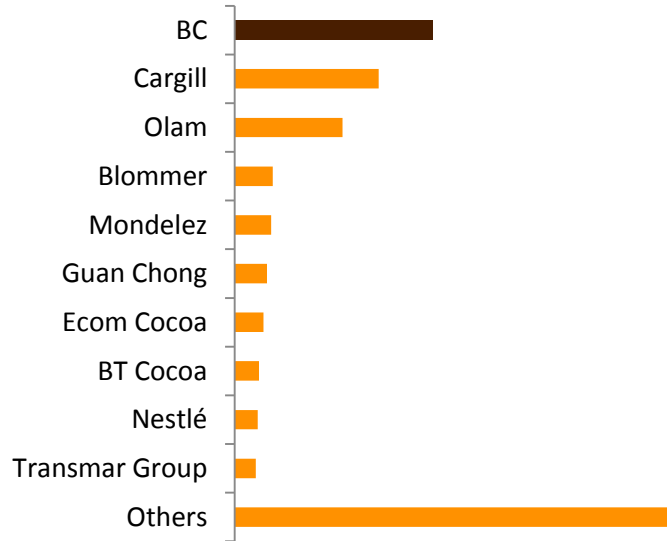
Note: All figures are indexed to Sep 2007

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.

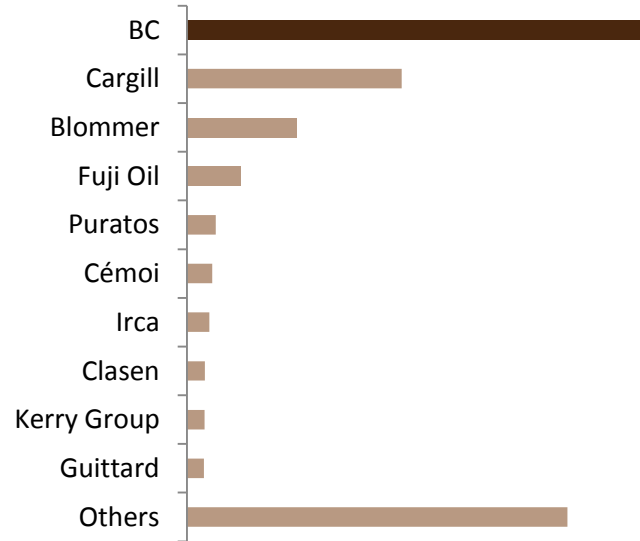
A leading position in the industry

Since 2013 (Petra Foods - Cocoa acquisition), we lead in both cocoa and chocolate

Cocoa grinding capacity

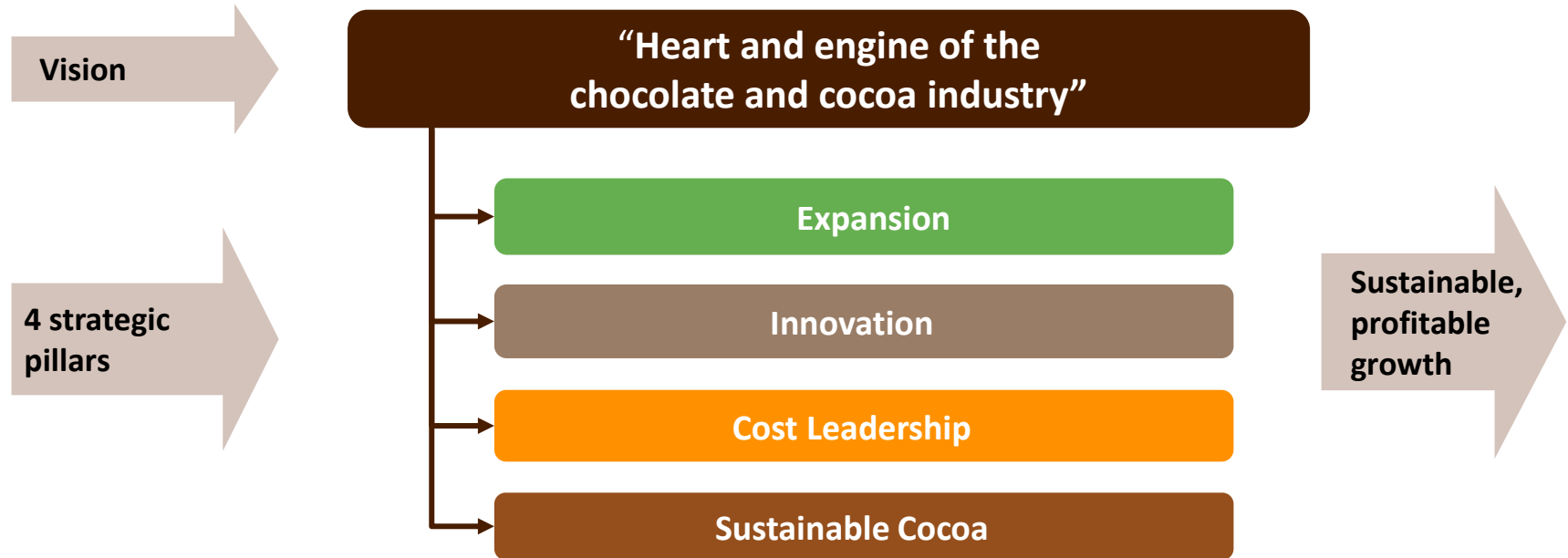


Industrial chocolate – open market

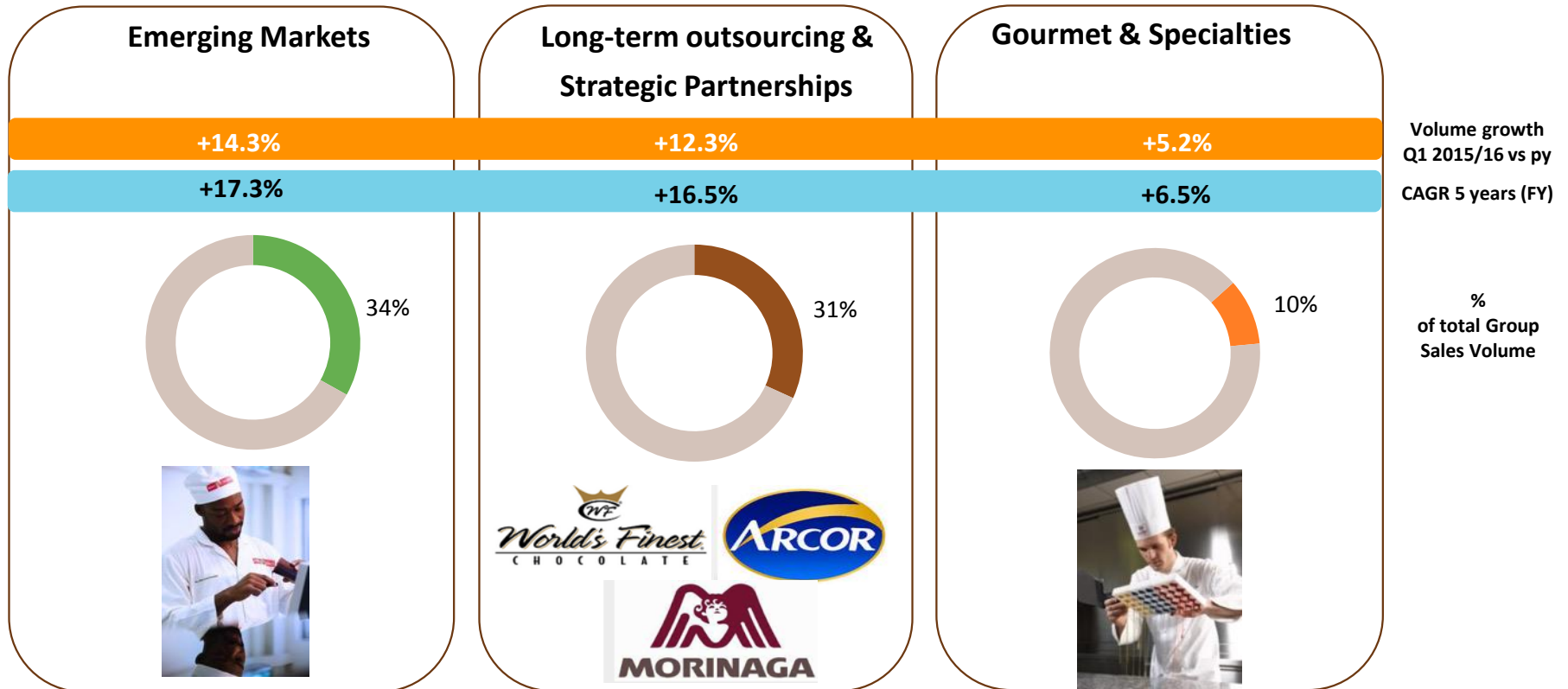


Notes: Olam incl. ADM; Cargill incl. ADM chocolate business; Fuji Oil incl. Harald
Sources: Proprietary estimates

We have a clear and successful long-term strategy



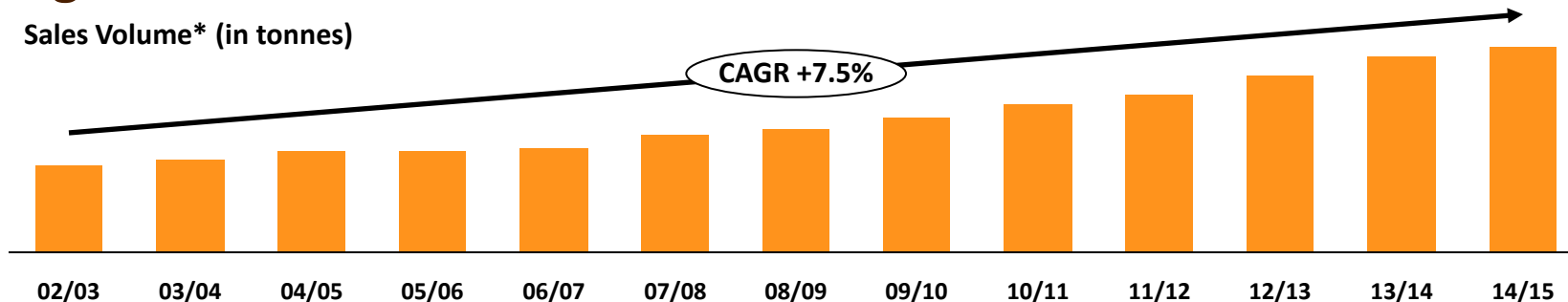
Expansion fueled by our three key growth drivers



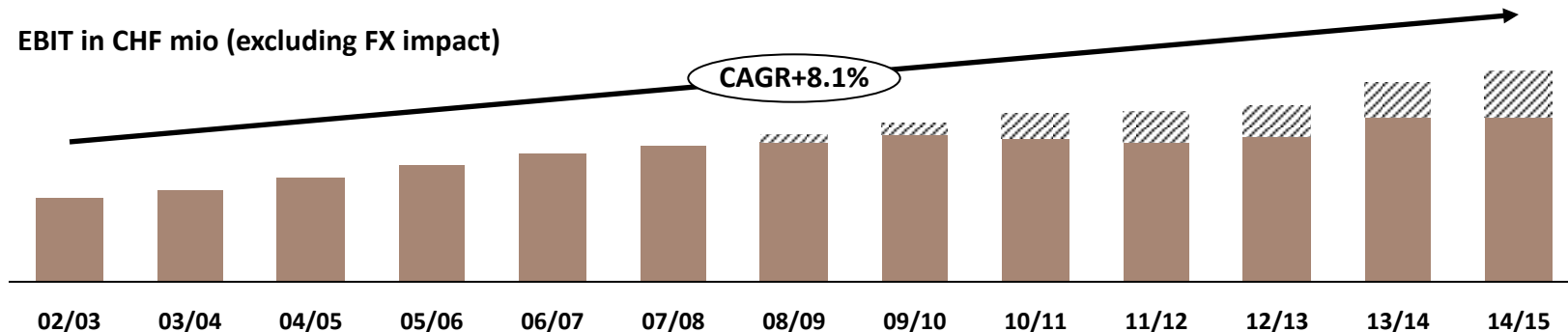
12-year development

Achieving sustainable and strong volume and EBIT growth over the long-term

Sales Volume* (in tonnes)



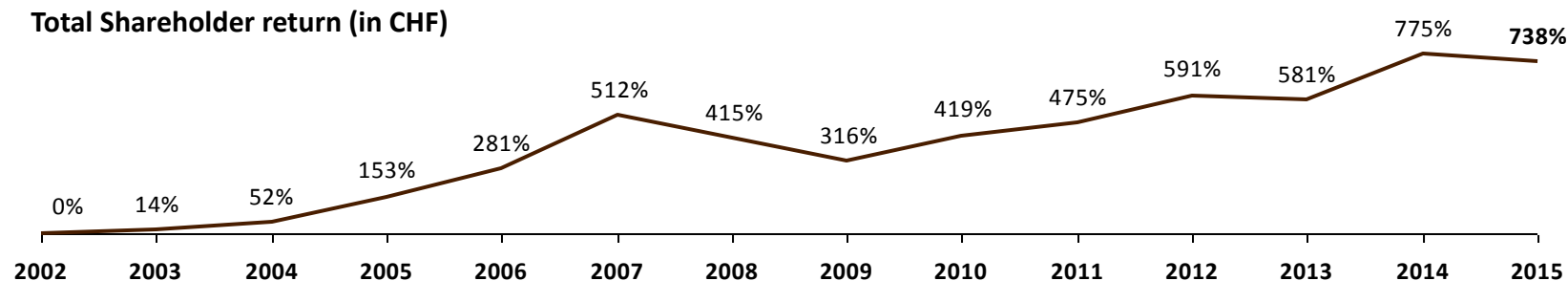
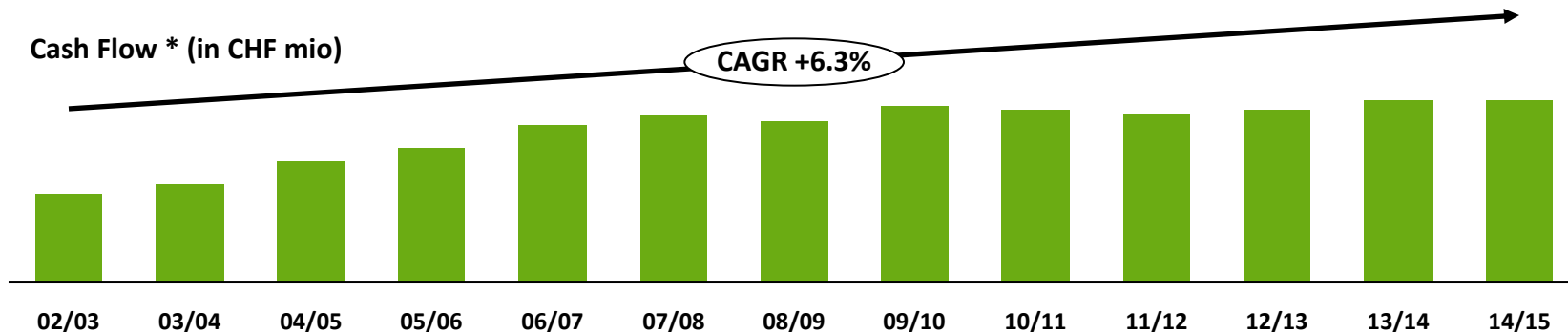
EBIT in CHF mio (excluding FX impact)



* Ex - Consumer business

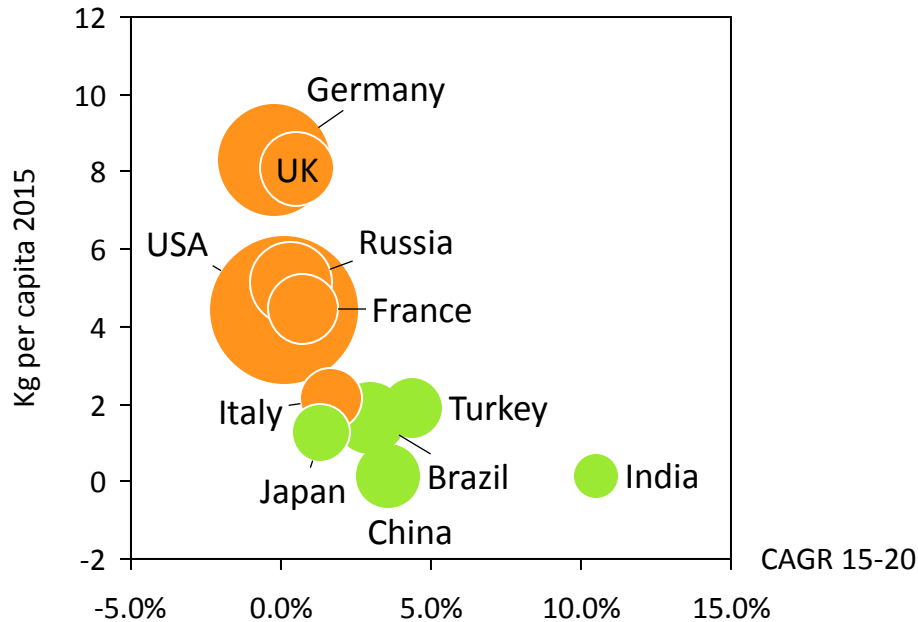
12-year development

Delivering sustainable cash flow generation and total shareholder return

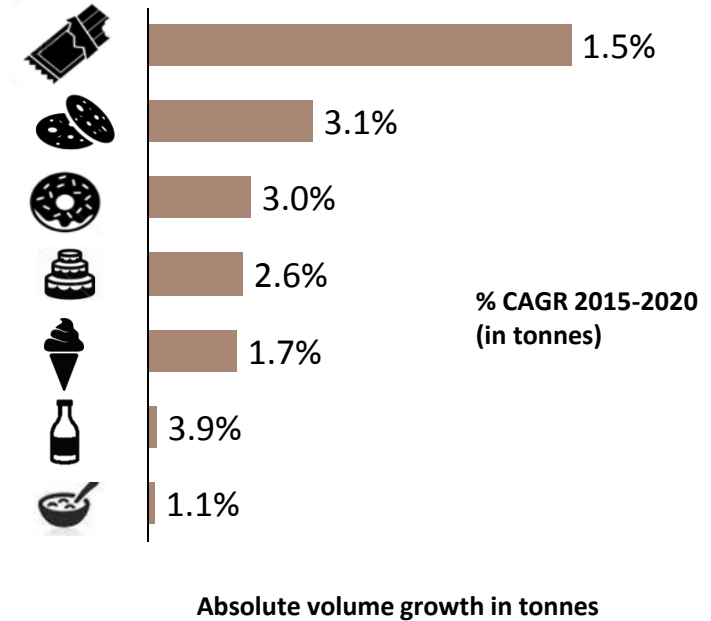


Significant opportunities ahead, per market and applications

Top 10 countries (in tonnes) in chocolate



Forecast volume growth per application 2015-2020



Source: BC market sizing 2015 and Euromonitor

○ Market size 2015 in tonnes

The way forward

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



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



World Cocoa
Foundation

CocoaAction

2016 / CHOCO
VISION

- Customer partnerships
- NGO partnerships & certification

HERSHEY
THE HERSHEY COMPANY

Mondelēz
International

Setting new benchmarks

- Cocoa Horizons Foundation



- Fuelling consumer demand



Innovation: Margin accretive growth, value added products & services

Products

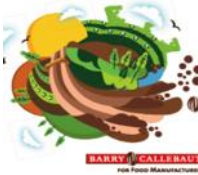
Be on trend

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



Channels

Added-value products

Decorations,
Inclusions, fillings,



2 & 3 D printing



Added-value services

Co-creation



Innovative concepts



Expansion: Accelerate Gourmet, Specialties and Emerging Markets

Further drive Gourmet & Specialties



Further expand in Emerging markets



Further leverage Outsourcing & strategic partnerships



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



Cost Leadership: Cocoa leadership



Improved presence in origin /emerging countries

Supports growth of chocolate business

Step-up in cocoa powder expertise

Greater cocoa products business

Higher capital use

Cocoa leadership project

Commercial leadership

- ▶ SKU reduction
- ▶ Customer segmentation
- ▶ Harmonized tools

Operations leadership

- ▶ Footprint adjusted
- ▶ Capacity adjusted
- ▶ WC adjusted

Global Leverage

- ▶ Centralized combined cocoa ratio management
- ▶ Global market market intelligence

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

¹ In local currencies and barring any major unforeseen events

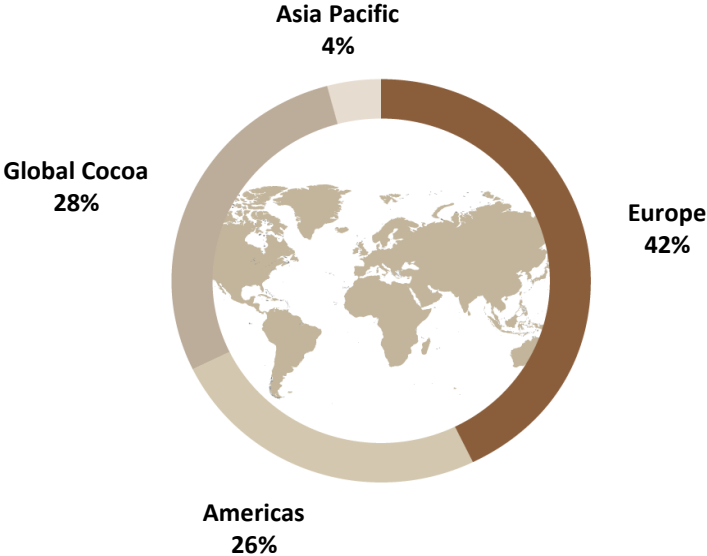


Appendix

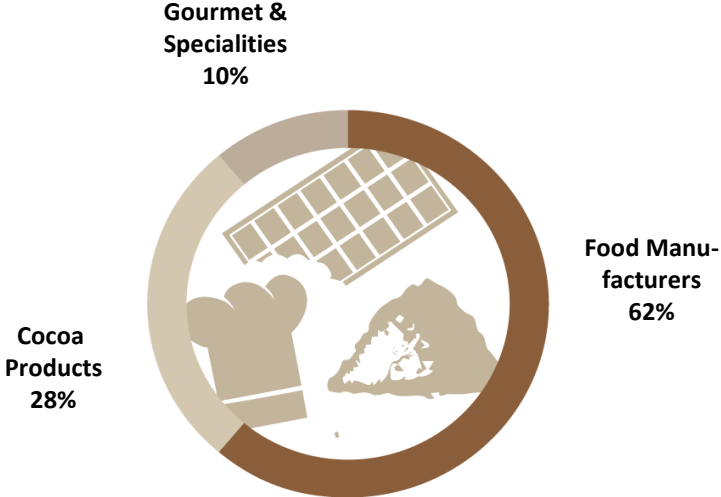


Our Regional and Product split

Sales Volume per Region



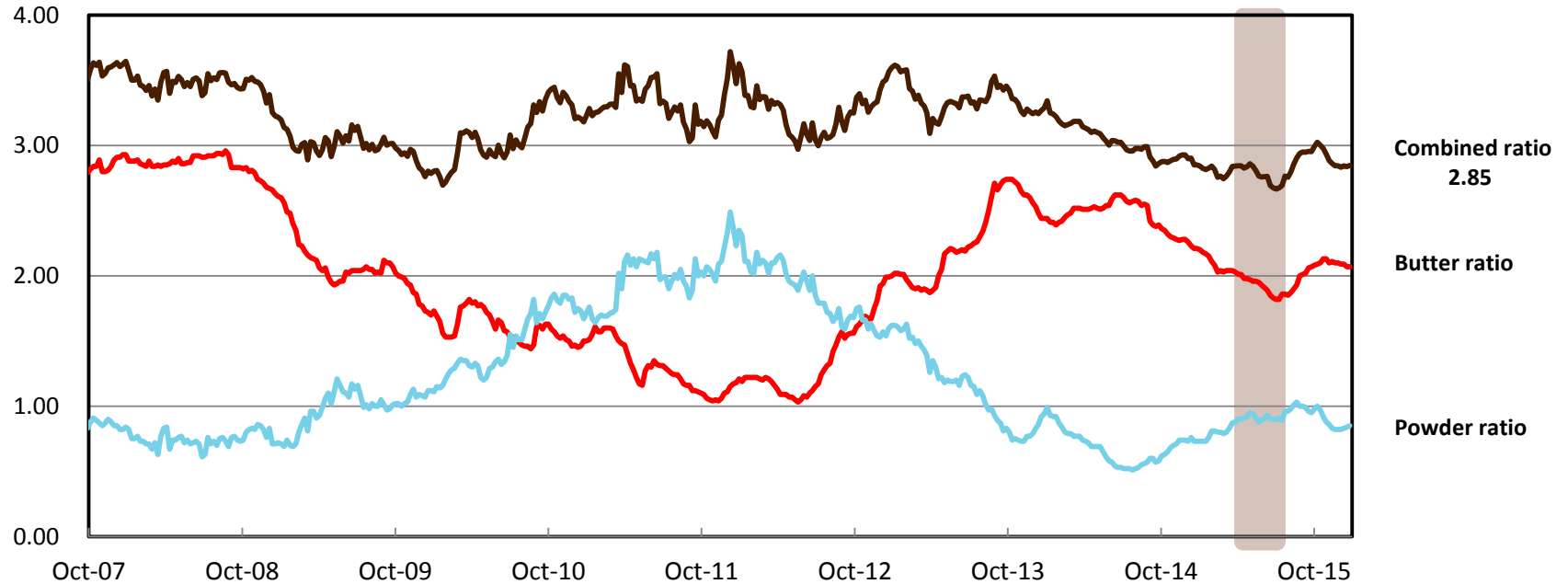
Sales Volume per Product Group



Challenging cocoa market environment continues

European combined ratio - 6 months forward ratio

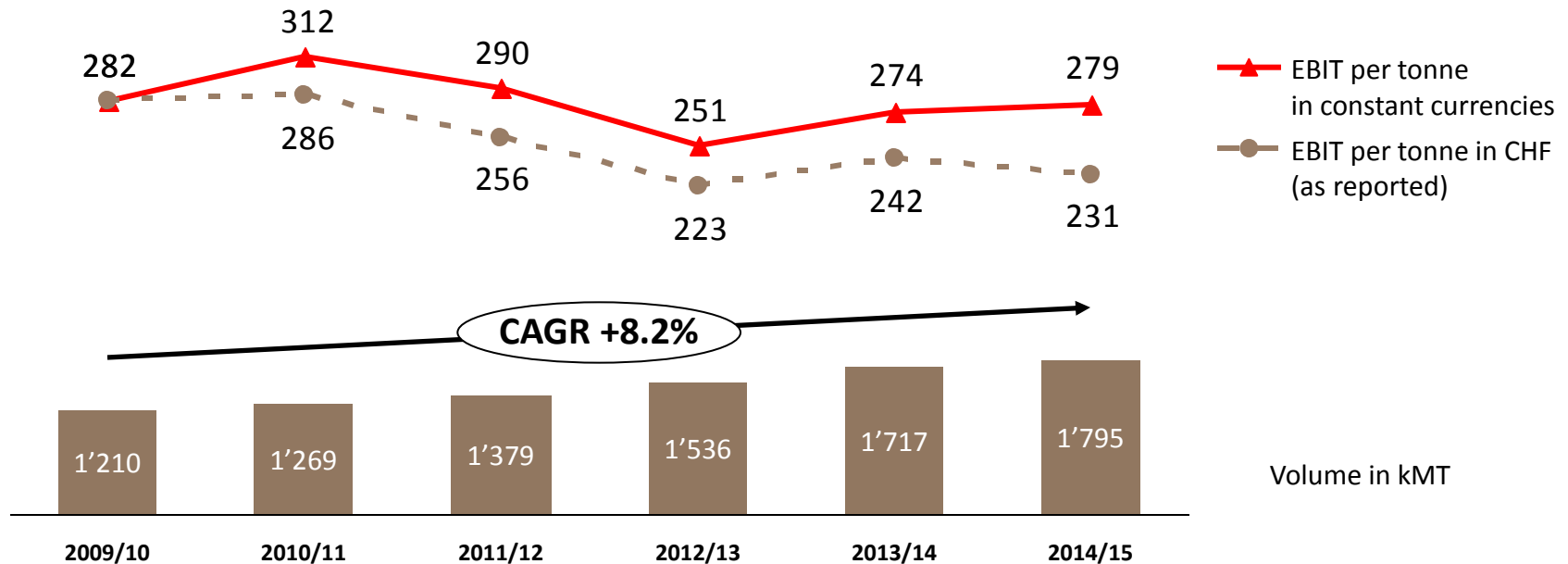
Q1 2015/16



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).

6-year EBIT per tonne development

Based on our long-term strategy and business model, we continuously deliver sustainable volume growth and profitability

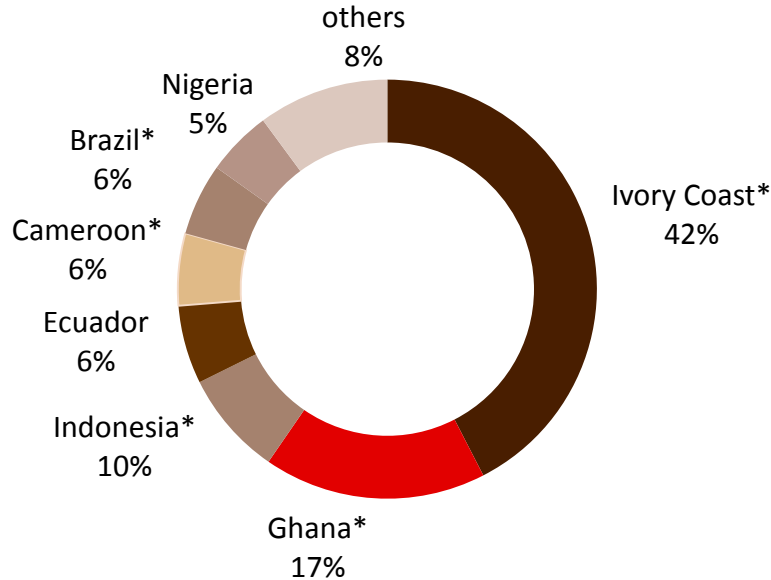


Deleveraging of the company and improvement of key financial ratios remain a high priority

	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%

West Africa is the world's largest cocoa producer

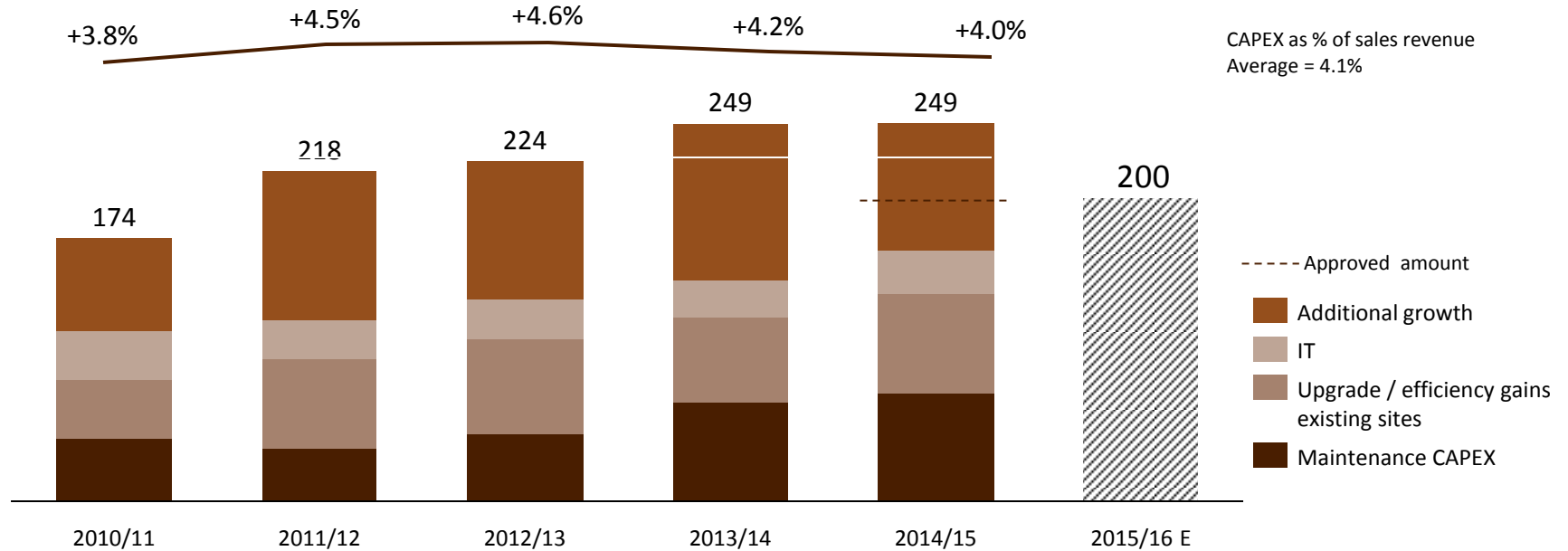
Total world harvest (14/15): 4,157 TMT



- ▶ 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

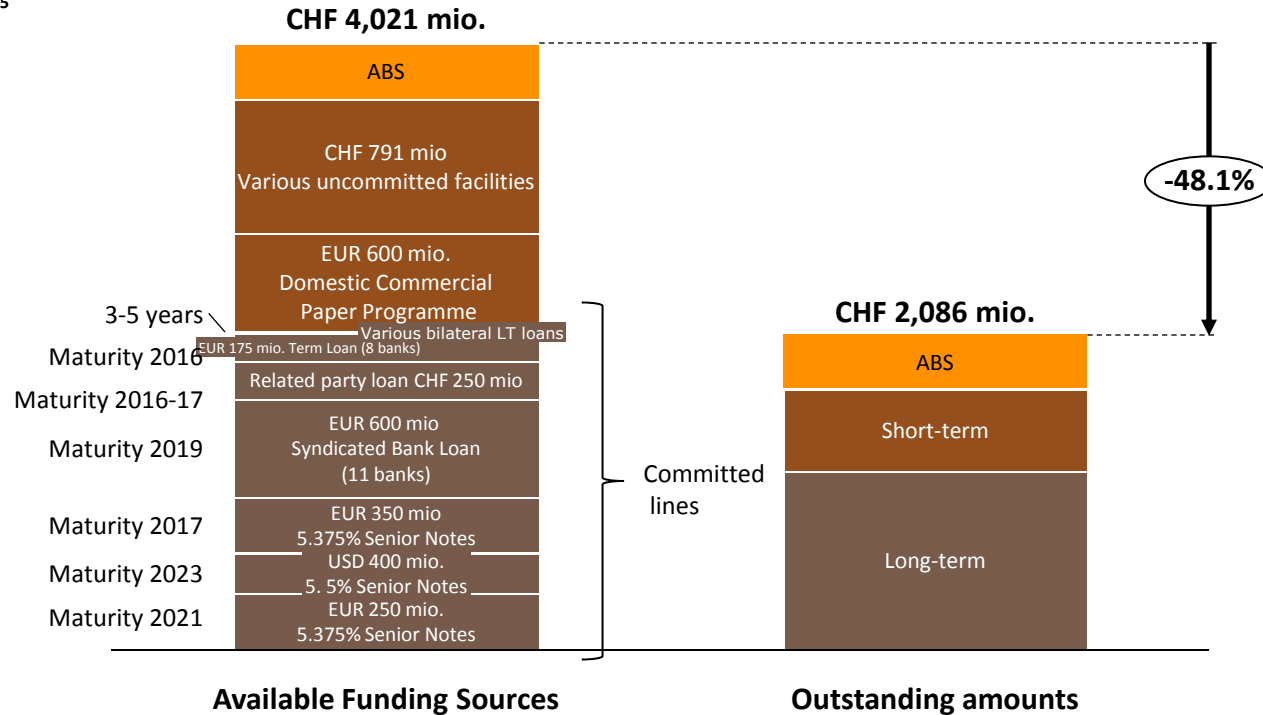
Capital Expenditures*



*CAPEX as reflected in Cash Flow Statement

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

