

# Short Report 2015/16



---

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

---

**Barry Callebaut is  
the world's leading  
chocolate and cocoa  
manufacturer,  
mastering every step  
from the sourcing  
of the raw materials  
to the production  
of the finest quality  
products.**

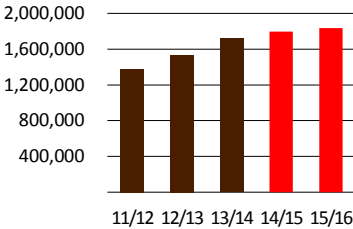
For the online version of the Annual Report, go to:  
[annual-report.barry-callebaut.com](http://annual-report.barry-callebaut.com)

# Key Figures

for the fiscal year		Change (%)		2015/16	2014/15
		in local currencies	in CHF		
Sales volume	Tonnes		2.2%	1,834,224	1,794,782
Sales revenue	CHF m	8.8%	7.0%	6,676.8	6,241.9
Gross profit	CHF m	4.4%	1.9%	863.2	846.8
EBITDA	CHF m	2.7%	(0.3%)	539.4	540.8
Operating profit (EBIT)	CHF m	0.1%	(3.2%)	401.7	414.8
EBIT per tonne	CHF	(2.0%)	(5.2%)	219.0	231.1
Net profit for the year	CHF m	(5.1%)	(8.7%)	219.0	239.9
Free cash flow	CHF m			404.0	21.8

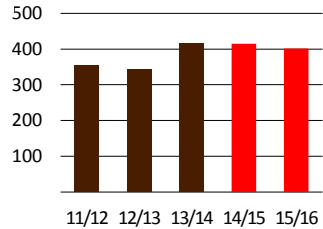
## Sales Volume

in tonnes



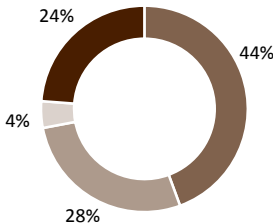
## EBIT

in CHF million



## Sales Volume by Region

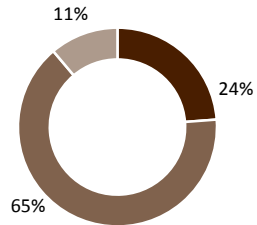
in tonnes



■ EMEA	814,236
■ Americas	507,008
■ Asia Pacific	76,443
■ Global Cocoa	436,537

## Sales Volume by Product Group

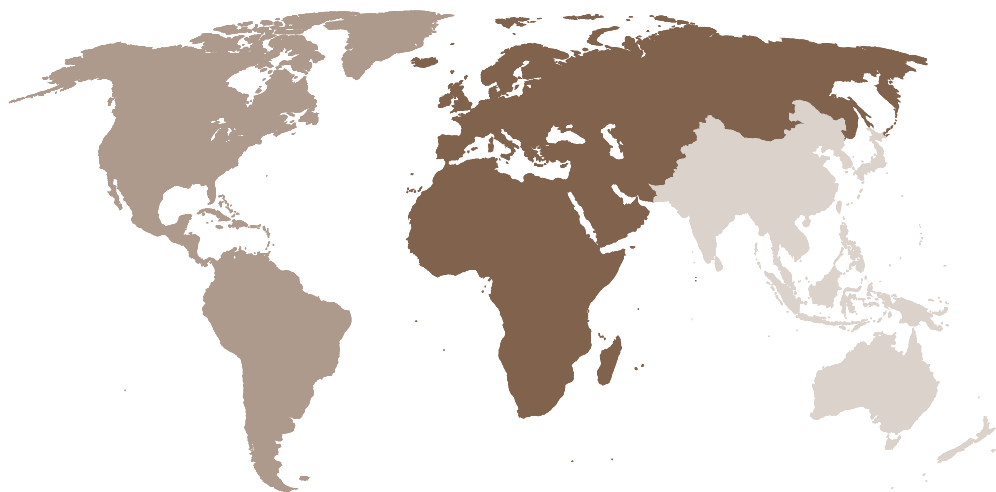
in tonnes



■ Food Manufacturers Products	1,192,907
■ Cocoa Products	436,537
■ Gourmet & Specialties Products	204,780

# Fiscal year 2015/16 in brief

- Sales volume up +2.2%: strong chocolate business (+7.6%) and intentional phase-out of less profitable contracts in cocoa products (−12.0%)
- Operating profit (EBIT) as anticipated, flat at +0.1% in local currencies (−3.2% in CHF); net profit down −5.1% in local currencies (−8.7% in CHF)
- Strong free cash flow of CHF 404.0 million
- Mid-term financial guidance<sup>1</sup> confirmed
- Dr. W. Andreas Jacobs to step down as Chairman of the Board of Directors; Patrick De Maeseneire proposed for election as new Chairman. All other Board members are standing for reelection for another term of office of one year
- Proposed payout to shareholders of CHF 15.50 per share; payout ratio of 39%



	EMEA	Americas	Asia Pacific	Global Cocoa
Volume growth vs. prior year in tonnes	+6.6%	+8.8%	+10.8%	(12.0%)
EBIT growth vs. prior year in local currencies	+4.4%	+12.0%	+17.9%	(60.3%)

<sup>1</sup> On average 4–6% volume growth and EBIT above volume growth in local currencies, for the 3-year period 2015/16 to 2017/18, barring any major unforeseen events.

# Highlights

## September 2015

- Launch of Cocoa Horizons Foundation

## October 2015

- Partnership with Mondelēz to scale up its “Cocoa Life” program

## November 2015

- Acquisition of FrieslandCampina Kievit vending activities
- Acquisition of Nyonkopa to cover growing customer need for sustainable cocoa from Ghana
- Launch of HORIZONS sustainable products
- Licensing agreement with Naturex to market approved health claim on cocoa extracts

## March 2016

- Expansion of West Coast Factory in the United States

## May 2016

- Successful placement of a EUR 450 million corporate bond
- Opening of Beverage Academy in Sweden

## June 2016

- Partnership with IFC and IDH to provide credit to cocoa farmers and co-operatives

## August 2016

- Strategic partnership with Tony’s Chocolonely to produce chocolate from fully traceable cocoa

Please also refer to [www.barry-callebaut.com/history](http://www.barry-callebaut.com/history)

# “Smart growth” getting traction, strong free cash flow

Twenty years ago, Callebaut and Cacao Barry merged. Since then, we have created the world’s leading chocolate and cocoa company, and we have remained focused on generating value in the long-term for our shareholders and all other stakeholders.

Our proven strategy has remained unchanged for more than a decade. But through a more focused execution, which we call “smart growth”, we started this year to strive for a better balance between volume growth, enhanced profitability and free cash flow generation. The goal is to generate even more value in the long-term for our shareholders and all other stakeholders.

We are pleased to see that this focus on “smart growth” starts to get traction.

---

**“The key message for  
2016/17 is very simple:  
Growth!”**

Antoine de Saint-Affrique, CEO

---

In the past fiscal year, we managed once more to significantly outperform the global market in our chocolate business. In our Global Cocoa business, we deliberately phased out less profitable contracts. Good profitability in our chocolate business was offset by a challenging cocoa products market, as anticipated. We also see the very satisfactory result of our increasing focus on free cash flow generation.

Our sales volume increased +2.2% to reach 1,834,224 tonnes. Amid a global chocolate confectionery market, which declined by -1.7% according to Nielsen, sales volume growth in our chocolate business was strong and rose by +7.6%. All our three key growth drivers contributed to this positive development, led by Gourmet & Specialties which grew +12.4%, but Outsourcing and Emerging Markets also supported the Group’s volume increase. In Global



CEO Antoine de Saint-Affrique and Chairman of the Board Andreas Jacobs.

Cocoa, the mentioned phase-out of less profitable contracts led to a decline of  $-12.0\%$  in volume.

Sales revenue was up  $+8.8\%$  in local currencies ( $+7.0\%$  in CHF) to CHF 6,676.8 million, partly driven by a better product mix and overall higher sales prices over the entire fiscal year.

Operating profit (EBIT) was basically flat at  $+0.1\%$  in local currencies ( $-3.2\%$  in CHF) and amounted to CHF 401.7 million. As anticipated, this year's profitability was affected by the challenging cocoa products market, but also by restructuring costs related to the manufacturing footprint and a negative currency translation effect, offset by our greater focus on margins including product and customer mix.

Net profit for the year decreased by  $-5.1\%$  in local currencies to CHF 219.0 million ( $-8.7\%$  in CHF). This is a reflection of a higher

tax rate and one-off costs related to issuing a new bond in spring 2016.

Based on our efforts to focus on "smart growth", our free cash flow increased significantly to CHF 404.0 million, compared to CHF 21.8 million in the previous fiscal year, amongst other things as a consequence of lower working capital and stricter discipline in capital expenditure.

These results have been achieved in a challenging market environment. We would like to thank our global team of close to 10,000 colleagues for their relentless efforts and extraordinary commitment. We would also like to express our sincere gratitude to our customers and shareholders for their continued trust.

The Board of Directors proposes a payout to shareholders of CHF 15.50 per share, compared to CHF 14.50 a year ago.

Sales Volume: +2.2%

---

**1.8**

million tonnes

EBIT: +0.1% in local currencies

---

**401.7**

CHF million

Net Profit:

(5.1%) in local currencies

---

**219.0**

CHF million

Free cash flow:

---

**404.0**

CHF million

Dividend: Payout ratio 39%

---

**15.50**

CHF per share

## Consistent strategy implementation

Our continued above-market growth is the result of the consistent implementation of our proven long-term strategy based on the four pillars Expansion, Innovation, Cost Leadership and Sustainability.

In the past fiscal year, we again achieved significant progress:

**“Expansion”**: Expansion of existing US West Coast chocolate factory. Acquisition of the FrieslandCampina Kievit vending activities in Germany. Various new long-term outsourcing agreements. New chocolate factory in Gresik (Indonesia) went on stream.

**“Innovation”**: More than 200 co-creation sessions conducted with customers to support them in their product innovation. Roll-out of our new Barry Callebaut Studio concept. Two relocated CHOCOLATE ACADEMY™ centers opened in Mumbai and Moscow. First of its kind Beverage Academy opened in Kageröd, Sweden.

**“Cost Leadership”**: Streamlining of our cocoa manufacturing footprint in Asia. Successful expansion of the Shared Service Center in Poland.

**“Sustainability”**: Inclusion in the SXI 25 Sustainability index of the most sustainable listed companies in Switzerland. Launch of HORIZONS sustainable cocoa and chocolate products. Acquisition of Licensed Buying Company Nyonkopa in Ghana. Introduction of Katchilè, an innovative tool for geotraceability and farm impact measurement.



Partnerships with customers like Tony's Chocolonely and Kim's Chocolates for sustainable cocoa farming.

### **Continuing to drive "smart growth"**

The key message for fiscal year 2016/17 is very simple: Growth! Competitive growth, "smart growth" and sustainable growth.

We have good visibility on volume growth and expect to see a positive contribution in profitability from our Cocoa Leadership project, supported by some recent recovery in the cocoa products market.

On this basis, we confirm our three-year guidance, which is on average 4–6% volume growth and EBIT growth in local currencies on average above volume growth, barring any major unforeseen events.



Andreas Jacobs

Chairman of the Board



Antoine de Saint-Affrique

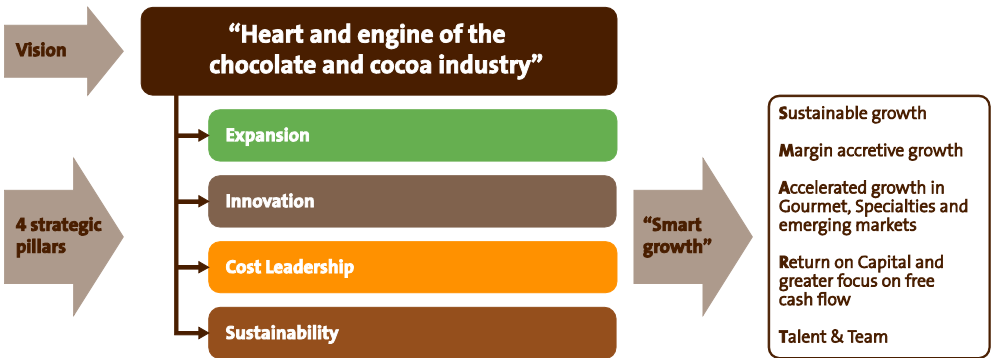
Chief Executive Officer

### **Many thanks, Andreas Jacobs!**

Barry Callebaut's remarkable success is clearly attributable to the stewardship and farsightedness of Andreas Jacobs. Andreas Jacobs joined the Board of Directors in 2003 and was elected its chairman in December 2005. After eleven years at the helm of our company, he will be stepping down from his post at the Annual General Meeting 2016. Barry Callebaut owes its departing chairman a lot. The company's undisputed global leadership in cocoa and chocolate production is largely due to the bold strategic decisions that Andreas Jacobs made in recent years. He had the strength and determination to turn his visions into reality. Andreas Jacobs had little appetite for short-termism nor was he obsessed with the next set of quarterly results, neither as Chairman nor as a representative of Jacobs Holding AG, our majority shareholder. Passionate and knowledgeable about every aspect of the company, caring for the people as much as he was for building the business for the long term, Andreas Jacobs has been a formidable ambassador of Barry Callebaut with all its stakeholders. As custodian of family values which are at the heart of our company, he carefully introduced his brother Nicolas Jacobs to the duties of a Director enabling the family's intergenerational succession plan. The Jacobs family will therefore continue to be duly represented on our Board. We would like to express our sincere gratitude to Andreas Jacobs for his strong leadership that has helped make Barry Callebaut what it is today.

Board of Directors, Executive Committee and employees of Barry Callebaut

The Barry Callebaut Group aims to outperform the global chocolate and cocoa market. This ambitious long-term strategy is based on four pillars:



### Expansion

We aim to expand our business based on three growth drivers: tapping into the growth potential of Emerging Markets, Outsourcing & Partnerships with global and local food manufacturers, as well as further accelerating our growth in Gourmet & Specialties.

### Innovation

We lead the development of the chocolate and cocoa market through innovation in our global gourmet brands and in co-creation with our industrial partners. Our market insights from around the world are brought together with our deep research & development expertise in areas like structuring, sensory, sugar reduction, and cocoa science. On this basis, a rich pipeline with value-added products and services will keep driving margin-accretive growth.

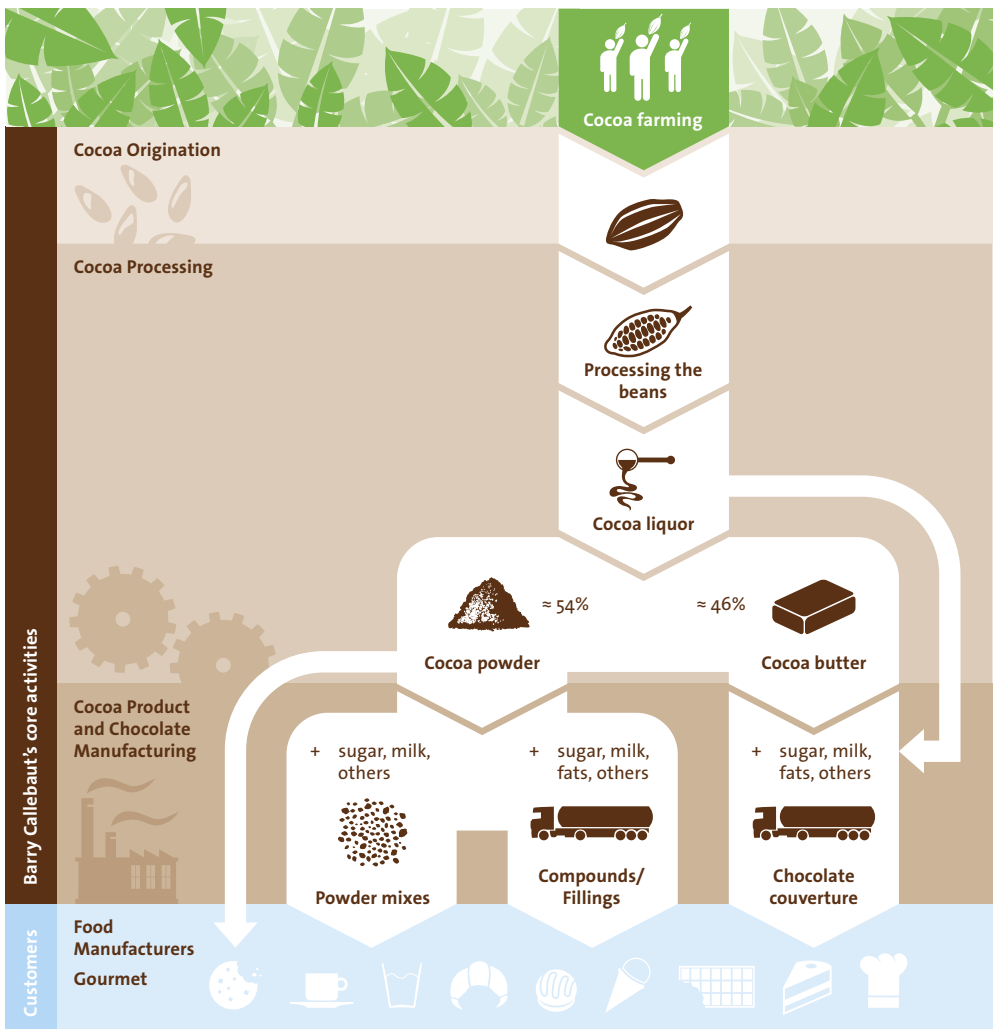
### Cost Leadership

Cost leadership is a core element of our competitiveness and one of the reasons why many customers have chosen to outsource their production to us. We continuously strive to improve our performance through technology upgrade, scale leverage, optimization of product flows, best-in-class sourcing capabilities and tight cost management.

### Sustainability

We have a long-standing commitment to sustainability as we believe that the future of our industry depends on its ability to make cocoa farming more viable and attractive to farmers, today and tomorrow. To scale up sustainability we will have to move from sustainable cocoa to sustainable chocolate in the coming years, integrating sustainability commitments for every ingredient used in our chocolate.

Barry Callebaut is the world's leading manufacturer of high-quality chocolate and cocoa products. We serve the entire food industry – from global and local food manufacturers to artisanal and professional users of chocolate.



# Expanding our Beverages offering in Europe

For sure, hot chocolate belongs to most of us to the sweetest of our childhood memories. Already centuries ago, the Aztecs prepared and consumed Xocoatl – a red, bitter and spicy drink prepared with cocoa – when they worshipped their gods or during tribal ceremonies. Today, people of all ages enjoy chocolate drinks of exceptional tastes, flavors and aromas.

Our Beverage business recorded strong growth in the past years, benefiting from the increasing trend towards out-of-home consumption. In order to capitalize on this trend, we acquired the commercial beverages vending activities from FrieslandCampina Kievit.

---

**“We established Barry Callebaut as a leading supplier of vending powder mixes.”**

Antoine de Saint-Affrique,  
CEO Barry Callebaut

---

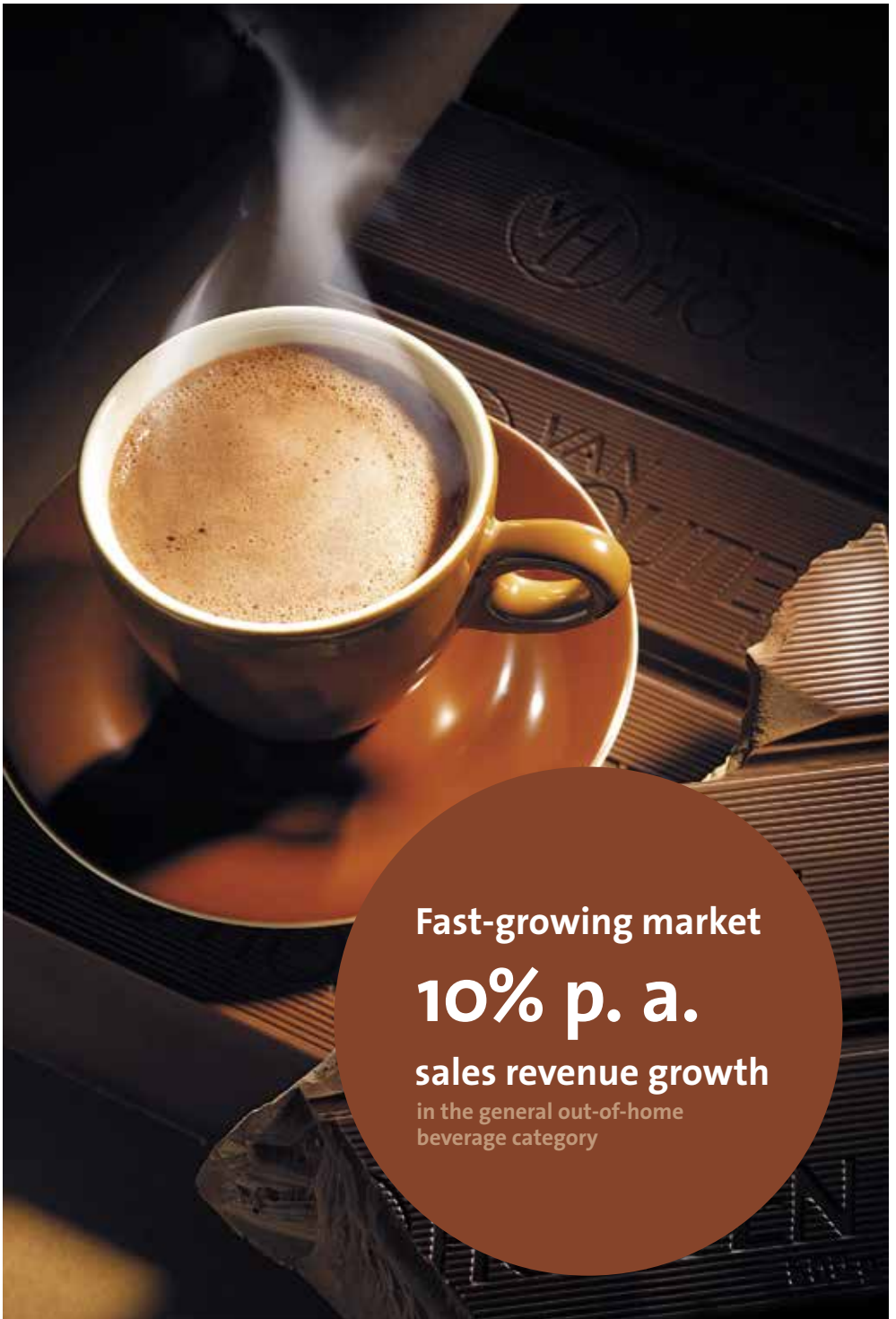
## **“Smart growth” strategy put into action**

This acquisition is fully in line with our strategy to drive “smart growth”, simply by focusing on margin-accretive products and accelerating our growth in Gourmet & Specialties.

It allows us to further develop our beverage and vending business by getting access to the latest process technology, increasing our innovation power and expanding our product offering – this all to the benefit of our customers.

## **Margin-accretive division in the growing Gourmet & Specialties business**

With two production locations in Sweden and the UK, our beverage business now is a major player in the European beverage and vending industry. We manufacture and supply highly soluble chocolate, cappuccino and other powders for use across all aspects of the beverage sector. Moreover, we now have at our disposal leading R&D capabilities and operate state-of-the-art facilities.



Fast-growing market

**10% p. a.**

sales revenue growth

in the general out-of-home  
beverage category



# 5 global beverage brands

Van Houten, Caprimo, Bensdorp,  
Le Royal, Satro Quality Drinks

---

## “With our new Beverage Academy, we can showcase our unique products and capabilities.”

Andrew Fleming, Vice President Beverages

---

### First of its kind Beverage Academy joins global network of Chocolate Academies

With the opening of our first ever Beverage Academy Center under the name of Van Houten™ Beverage Academy in Kageröd, Sweden, in June 2016, we transferred a proven concept into a new business segment.

It offers our customers specialized services for chocolate, cocoa and all powder-based beverages products. The Beverage Academy serves our well-established beverage brands Van Houten, Caprimo, Bensdorp, Le Royal and Satro Quality Drinks. It also offers customers the opportunity to create their own tailor-made beverage recipes using our modern infrastructure. From vending to quick service restaurants to in-home brewing, they can benefit from the knowledge, passion and experience on display at the new Beverage Academy.

With the Van Houten-themed Beverage Academy, we also build on a legacy and proud heritage – starting with Coenraad Van Houten’s dream to indulge all our senses with chocolate drinks that capture all our imagination.

Expanding our chocolate footprint in the US

With the expansion of capacity in our existing factory in American Canyon, California, we have also invested in further growth in Region Americas. The plant will support a variety of our customers in the rapidly growing West Coast market supplying liquid and molded chocolate as well as chocolate compound products for food manufacturers and confectionery companies.

The project includes increasing liquid production capacity by 20 percent, along with an increase in tank capacity and improved molding infrastructure to better meet customers’ needs.

### Additional information

[www.barry-callebaut.com/stories/our-brand-new-center-expertise-beverages](http://www.barry-callebaut.com/stories/our-brand-new-center-expertise-beverages)  
[www.chocolate-academy.com](http://www.chocolate-academy.com)

# Welcome to the Barry Callebaut Studio!



Consumers now demand from mass-market brands what they previously only expected from artisans – for example premiumization, transparency and authenticity. We conducted extensive consumer research and confirmed: The artisanal experience is no longer reserved for artisans. It has extended into mass market and as such the consumer now expects the

same quality and service from their product brands, be it in Confectionery, Ice Cream, Bakery, Pastry, Biscuits, Desserts, Dairy or the Drinks markets.

By being consumer- and customer-centric, we understand and address what makes our customers successful, understand their individual opportunities and needs of today



and tomorrow. We can support the evolving needs of our customers and their consumers by providing ideas and solutions rather than just selling products.

At the Food Ingredients Europe (FIE) trade show in Paris, we introduced the Barry Callebaut STUDIO Concept to enable our customers to experience our unique proposition at work: A booth where our chefs are making inspiring chocolate creations. Our customers can experience Barry Callebaut as a passionate, insight-led organization that is putting great solutions for their consumers at the heart of the conversation.

A month later, the BC STUDIO was also introduced at the Internationale Süßwarenmesse (ISM, Cologne) and rolled out in North America at the Sweets & Snacks Expo (Chicago).

With the BC STUDIO, we created the right atmosphere to engage with our customers on consumer, customer and macro trends and how we can co-create the products that meet the expectations of tomorrow's discerning consumers.

Talking to consumers and distilling trends is great because it gives us an idea of how consumers think. But to be able to co-create true innovations with our customers, we felt we had to understand not only how consumers think, but also how they live. What are the real tensions in their lives? What do they aspire to? What are they bored with? In short: what should tomorrow's chocolate experiences be about?

---

**“We are offering our customers a brand new way of ‘crafting and co-creating’ new products.”**

Bas Smit,  
Global Head of Food Manufacturers  
Marketing, Barry Callebaut

---

Thanks to the BC STUDIO and the lively discussions that we have had with our customers since its launch, we now have a more intense relationship as a result of co-creating these experiences of tomorrow.

**Additional information**

[solutions.barry-callebaut.com](http://solutions.barry-callebaut.com)

---



# Optimizing product flows, reducing working capital

Cost leadership is a core element of our competitiveness and one of the reasons, next to our industry expertise and recognized quality, why many customers outsource their production to us.

Over the past fiscal year as an example, we continued with the implementation of the multi-year “Cocoa Leadership” project aiming to fully leverage our global scale in cocoa and further drive down our costs. Optimizing product flows and capacity utilization, upgrading technologies, reducing stock keeping units (SKUs) and leveraging fixed costs together with our chocolate operations will strongly improve our cost base.

The Working Capital reduction program is also a key part of this effort. Early in the year we announced that we launched a 3-year program aiming at a substantial reduction of working capital. Among others, this will be achieved by optimizing local beans stocks, flows of semi-finished products, and better planning of finished chocolate products.

Overall, this year we achieved a reduction of our working capital by CHF 156 million, despite higher underlying product prices. Moving forward, this program will result in

lower costs, better free cash flows and lower net debt.

Further, we continue our operational excellence programs in our supply chain and remain disciplined on cost. We also reduced our budget for capital expenditure to a level of approximately CHF 200 million. This will allow us to keep our factories in good shape and to support the necessary global growth.

All this enables and fuels the successful implementation of our “smart growth” strategy.



more than

**CHF 150  
million**

working capital reduction,  
supported by a 3-year  
inventory reduction program

# “None of us can do it alone!”

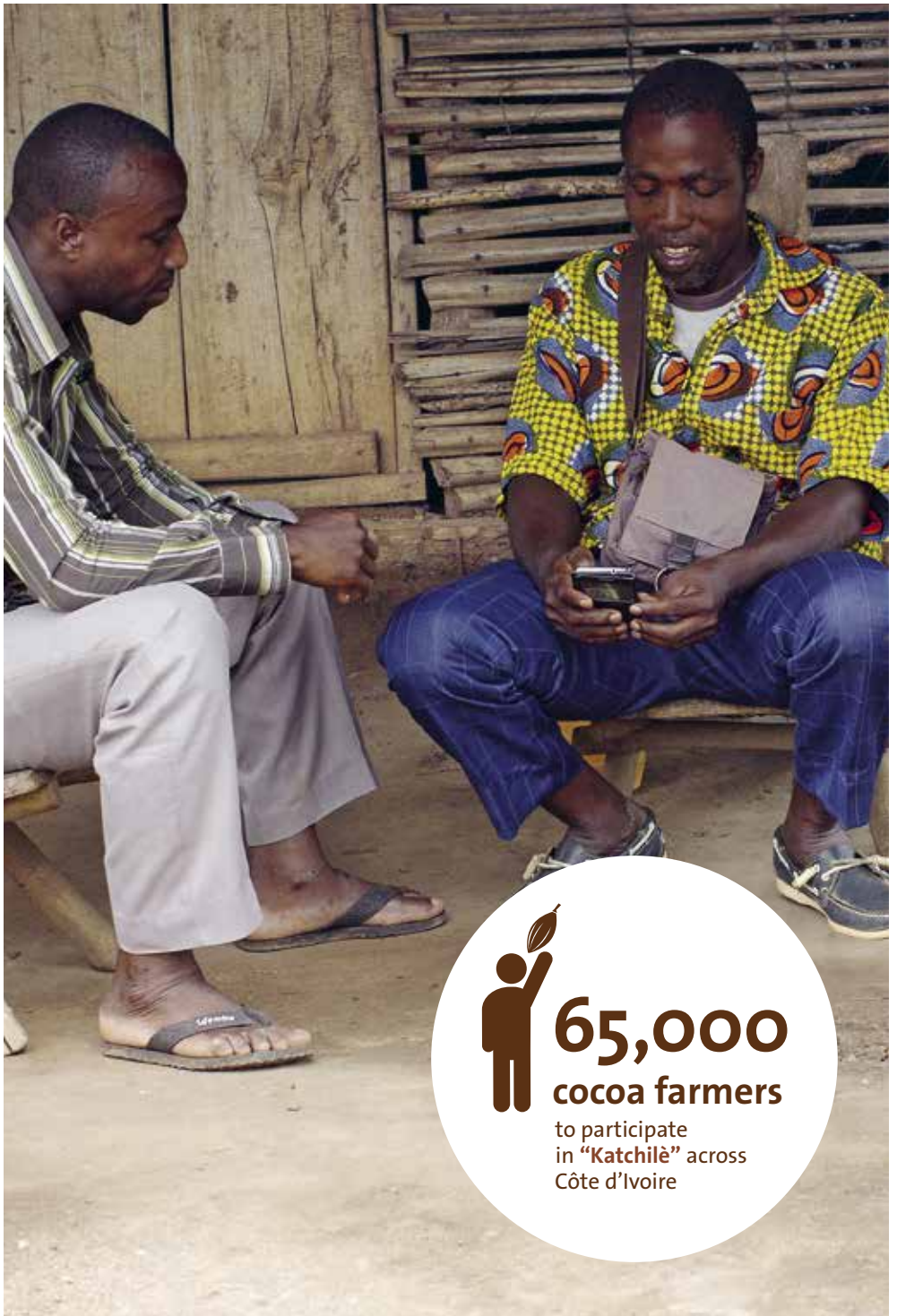
One thing is certain. Collecting detailed information on the processes and products of tens of thousands of small cocoa farms via error-prone spreadsheets is not sustainable! The answer, however, is not written in the stars, rather in the cloud – a dedicated App developed for Barry Callebaut. Named after the Baoulé word for change, the newly launched App “Katchilè” is a two-way street: In addition to collecting and organizing comprehensive data for traceability purposes, it is a vital advisory resource for the farmers. They now literally have support in optimizing productivity, quality and transparency at their fingertips, ultimately enabling them to better manage their farms and professionalize cocoa farming in order to sustain it into the future.

Also to increase the yields of cocoa farmers through sustainable agricultural practices, inputs and farm services, Barry Callebaut, together with IFC, a member of the World Bank Group, and Netherland’s Sustainable Trade Initiative IDH entered into a USD 9 million risk-sharing agreement to help more than 100,000 smallholder farmers in Côte d’Ivoire access credit needed to grow their production and earnings. Together, we

will support farmers to purchase fertilizers, access farm services and individual coaching.

As farmers increase production, they establish a financial track record and thus become bankable, making it possible for local financial institutions to provide loans directly to them – a giant leap forward in cocoa farm financing.

Further, we also signed a partnership with IDH as the first company in their renewed Cocoa Learning and Innovation Program CLIP. As a result of this collaboration, we will participate in IDH’s development of gender equality and nutrition strategy and jointly fund projects to support the role of women in cocoa communities, diversify cocoa farms and establish systems to commercialize and bring non-cocoa crops and products to market.



**65,000**  
**cocoa farmers**  
to participate  
in "Katchilè" across  
Côte d'Ivoire

# Developing our people: trust in leadership

As Managing Director since May 2016, Charity Sackitey is the face of Barry Callebaut in Ghana, leading the local management team and driving operations in the world's second largest cocoa growing country, succeeding an expat colleague of hers who returned to Europe.

Charity joined Barry Callebaut in 2003 from another multinational company where she had held various quality assurance management roles since 1994. At Barry Callebaut, Charity assumed the role of Quality Assurance Manager and has been the driving force behind a decade of substantial improvements, including in the area of health and safety – two truly important areas in any factory environment.

Charity has not only excelled in her field of expertise but also in general management ever since she became the Operations Manager in Ghana in 2010. She combines more than twenty years of diversified work experience in the food and beverage industry of Ghana.

Along the way, Charity has exhibited strong leadership and an impressive track record of accomplishments in plant operations, people management, quality assurance, and Environment, Health and Safety (EHS).

Barry Callebaut is proud to have supported Charity's successful career path to her current role as Managing Director in Ghana.

Charity Sackitey,  
Managing Director  
Barry Callebaut Ghana Limited

Charity Sackitey holds a Bachelor of Science (Honours) in Biochemistry from the Kwame Nkrumah University of Science and Technology in Kumasi in the Ashanti region of South Ghana. She also earned an MBA from the Ghana Institute of Management and Public Administration.

## Additional information

[careers.barry-callebaut.com](https://careers.barry-callebaut.com)

A portrait of Charity Sackitey, a Black woman with short, dark, curly hair, wearing glasses and a grey blazer over a patterned top. She is smiling and looking slightly to the right of the camera. The background is a soft, out-of-focus indoor setting.

---

“Trusting in my expertise, experience and development, Barry Callebaut has rewarded performance and responsibility with a clear career path.”

Charity Sackitey,  
Managing Director Barry Callebaut Ghana

---

More than

**12**  
years

with the  
company



# Value & Chairman's Awards 2016

The **Value Award** recognizes managers and their teams who are willing to go the extra mile, who are putting all their passion into their work and, thus, have made a positive impact on the company in the past fiscal year. The Awards were given for each of our five company values: customer focus, passion, entrepreneurship, team spirit and integrity.

The **Chairman's Award** recognizes employees who have been with Barry Callebaut for a number of years and have demonstrated outstanding performance at work, as well as a strong commitment in their local communities. They are individuals who embody our company values.

**Ng Sin Heng, Integrity (left)**  
Singapore

**Edmund Ee, Integrity (right)**  
Singapore



**Masha Vis-Mertens,**  
Team Spirit  
Zurich, Switzerland



**Philippe Janvier,**  
Entrepreneurship  
Meulan, France



**Luc Rumbaut, Passion**  
Wieze, Belgium

## Customer Focus

**Hilde Van Gerwen**  
Wieze, Belgium

**Kendra Shan**  
Suzhou, China

**Bert Olieslagers**  
Singapore

**Chris Dimambro**  
Chicago, USA

**Doug Miscikowski**  
Pennsauken, USA

**Jo Thys**  
Wieze, Belgium

**Olivier Delaunay**  
Meulan, France

**Russell Dunn**  
Zurich, Switzerland

**Witold Dachniewski**  
Lodz, Poland



**Mario Chicoine**  
St-Hyacinthe, Canada



**Alex Mendez  
Dos Santos**  
São Paulo, Brazil



**Muhammad  
Nur Iskandar  
Ku Bin Abdullah**  
Pasir Gudang,  
Malaysia



**Stéphane Bizard**  
Louviers, France



**Frank Samwel Kasanga**  
Kyela, Tanzania



**Mary Margaret Geiser**  
Pennsauken, USA



**Elien Van Steen**  
Wieze, Belgium



**Bart De Backer**  
Wieze, Belgium



**Justyna Derlecka**  
Lodz, Poland



**Latiff Bin Amat**  
Port Klang, Malaysia



**Héctor Eduardo  
Cavazos Montalvo**  
Monterrey, Mexico

**Yongshun Chen**  
Singapore

# Continuously outperforming the market

## Why Barry Callebaut is unique

- World leader in high-quality chocolate and cocoa products
- Proven long-term strategy
- Strong track record of consistent above-market volume growth and earnings
- Leader in innovation
- Preferred outsourcing and strategic partner to food manufacturers
- Cost leadership along the value chain
- Leading supplier to professional and artisanal customers
- Pioneer in sustainability

## Dividend

The Board of Directors proposes a payout of CHF 15.50 per share, an increase of CHF 1.00 per share compared to prior year. This represents a payout ratio of 39%.

## Credit rating

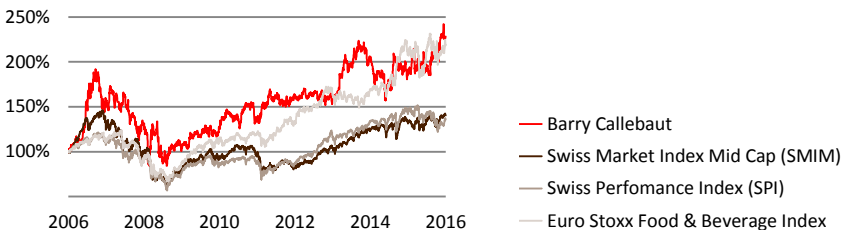
- Standard & Poor's rating: BB+ / stable
- Moody's rating: Ba1 / stable

## Mid-term guidance (2015/16–2017/18)

On average: 4–6% volume growth and EBIT above volume growth in local currencies, barring any major unforeseen events.

## Share Price Development

Barry Callebaut shares are listed on the SIX Swiss Exchange



## Board of Directors



From left to right: Timothy Minges, James Donald, Andreas Schmid, Wai Ling Liu, Jakob Baer, Andreas Jacobs (Chairman), Juergen Steinemann, Patrick De Maeseneire (Vice Chairman), Nicolas Jacobs, Fernando Aguirre

## Executive Committee

Antoine de Saint-Affrique  
Chief Executive Officer (as of Oct 1, 2015)

Victor Balli  
Chief Financial Officer

Peter Boone  
Chief Innovation & Quality Officer

Massimo Garavaglia  
President EMEA

David Johnson  
President and CEO Americas

Carole Le Meur  
Chief Human Resources Officer  
(as of April 1, 2016)

Dirk Poelman  
Chief Operations Officer

Steven Retzlaff  
President Global Cocoa

Status as of November 2, 2016

## Consolidated Income Statement

for the fiscal year	2015/16	2014/15
in thousands of CHF		
<b>Revenue from sales and services</b>	<b>6,676,766</b>	<b>6,241,865</b>
Cost of goods sold	(5,813,556)	(5,395,039)
<b>Gross profit</b>	<b>863,210</b>	<b>846,826</b>
Marketing and sales expenses	(129,525)	(121,299)
General and administration expenses	(332,758)	(316,699)
Other income	15,466	38,909
Other expenses	(14,699)	(32,916)
<b>Operating profit (EBIT)</b>	<b>401,694</b>	<b>414,821</b>
Finance income	4,314	3,741
Finance costs	(139,708)	(134,477)
Share of result of equity-accounted investees, net of tax	191	55
<b>Profit before income taxes</b>	<b>266,491</b>	<b>284,140</b>
Income tax expenses	(47,530)	(44,269)
<b>Net profit for the year</b>	<b>218,961</b>	<b>239,871</b>
of which attributable to:		
shareholders of the parent company	217,050	237,214
non-controlling interest	1,911	2,657
<b>Earnings per share</b>		
Basic earnings per share (CHF/share)	39.57	43.25
Diluted earnings per share (CHF/share)	39.43	43.07

## Consolidated Statement of Comprehensive Income

<b>Net profit for the year</b>	<b>218,961</b>	<b>239,871</b>
Items that may be reclassified subsequently to the income statement	74,855	(157,078)
Items that will never be reclassified to the income statement	(25,530)	(7,382)
<b>Other comprehensive (loss)/income for the year, net of tax</b>	<b>49,325</b>	<b>(164,460)</b>
<b>Total comprehensive income for the year</b>	<b>268,286</b>	<b>75,411</b>
of which attributable to:		
shareholders of the parent company	266,086	72,857
non-controlling interest	2,200	2,554

## Consolidated Balance Sheet

### Assets

as of August 31, in thousands of CHF	2016	2015
<b>Current assets</b>		
Cash and cash equivalents	456,800	125,151
Trade receivables and other current assets	928,776	971,923
Inventories	1,623,807	1,629,814
Derivative financial assets	318,303	498,514
Other items of current assets	12,149	18,450
<b>Total current assets</b>	<b>3,339,835</b>	<b>3,243,852</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,262,227	1,184,543
Intangible assets	927,289	896,068
Other items of non-current assets	111,452	104,925
<b>Total non-current assets</b>	<b>2,300,968</b>	<b>2,185,536</b>
<b>Total assets</b>	<b>5,640,803</b>	<b>5,429,388</b>

### Liabilities and equity

<b>Current liabilities</b>		
Bank overdrafts and short-term debt	756,654	679,173
Trade payables and other current liabilities	1,145,481	1,060,965
Derivative financial liabilities	310,368	453,694
Other items of current liabilities	63,393	53,092
<b>Total current liabilities</b>	<b>2,275,896</b>	<b>2,246,924</b>
<b>Non-current liabilities</b>		
Long-term debt	1,153,027	1,176,159
Employee benefit obligations	176,531	149,289
Other items of non-current liabilities	64,138	69,902
<b>Total non-current liabilities</b>	<b>1,393,696</b>	<b>1,395,350</b>
<b>Total liabilities</b>	<b>3,669,592</b>	<b>3,642,274</b>
<b>Equity</b>		
Share capital	102,093	102,093
Retained earnings and other reserves	1,854,194	1,670,750
<b>Total equity attributable to the shareholders of the parent company</b>	<b>1,956,287</b>	<b>1,772,843</b>
Non-controlling interest	14,924	14,271
<b>Total equity</b>	<b>1,971,211</b>	<b>1,787,114</b>
<b>Total liabilities and equity</b>	<b>5,640,803</b>	<b>5,429,388</b>

## Consolidated Cash Flow Statement

### Cash flows from operating activities

for the fiscal year	2015/16	2014/15
In thousands of CHF		
Profit before income taxes	266,491	284,140
Adjustments for:		
Depreciation of property, plant and equipment	97,666	90,796
Amortization of intangible assets	40,071	35,192
Foreign exchange (gain)/loss	13,444	(84,064)
Fair value (gain)/loss on derivative financial instruments	(7,330)	12,435
Other items of cash flow before working capital changes	47,955	20,417
Net interest expenses	110,889	113,689
<b>Operating cash flow before working capital changes</b>	<b>569,186</b>	<b>472,605</b>
Net changes in working capital	204,112	(96,076)
Use of provisions	(11,061)	(4,855)
<b>Cash generated from operating activities</b>	<b>762,237</b>	<b>371,674</b>
(Interest paid)	(98,159)	(105,675)
(Income taxes paid)	(42,595)	(39,317)
<b>Net cash from operating activities</b>	<b>621,483</b>	<b>226,682</b>

## Cash flows from investing activities

for the fiscal year	2015/16	2014/15
in thousands of CHF		
Purchase of property, plant and equipment	(159,622)	(205,318)
Purchase of intangible assets	(41,395)	(43,867)
Other items of net cash flow from investing activities	(16,497)	44,307
<b>Net cash flow from investing activities</b>	<b>(217,514)</b>	<b>(204,878)</b>

## Cash flows from financing activities

Net cash flow from short-term debt	(457,936)	253,572
Net cash flow from long-term debt	485,756	(134,746)
Dividend payment	(79,588)	(85,077)
Dividends paid to non-controlling interests	(1,547)	(2,223)
Purchase of treasury shares	(15,280)	(16,306)
<b>Net cash flow from financing activities</b>	<b>(68,595)</b>	<b>15,220</b>
Effect of exchange rate changes on cash and cash equivalents	4,227	(13,076)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>339,601</b>	<b>23,948</b>
Cash and cash equivalents at beginning of year	91,885	67,937
Cash and cash equivalents at end of year	431,486	91,885
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>339,601</b>	<b>23,948</b>

## 5-year overview

		CAGR (%)	2015/16	2014/15	2013/14	2012/13	2011/12
<b>Consolidated Income Statement</b>							
Sales volume	Tonnes	7.4%	1,834,224	1,794,782	1,716,766	1,535,662	1,378,856
Sales revenue	CHF m	8.4%	6,676.8	6,241.9	5,865.9	4,884.1	4,829.5
EBITDA	CHF m	5.6%	539.4	540.8	531.5	438.4	434.3
Operating profit (EBIT)	CHF m	3.3%	401.7	414.8	416.2	342.9	353.2
EBIT / sales revenue	%	(4.7%)	6.0%	6.6%	7.1%	7.0%	7.3%
EBIT per tonne	CHF	(3.8%)	219.0	231.1	242.4	223.4	256.2
Net profit from continuing operations	CHF m	(2.4%)	219.0	239.9	255.0	229.5	241.1
Net profit for the year	CHF m	11.3%	219.0	239.9	255.0	222.8	142.6
Free cash flow	CHF m		404.0	21.8	(174.4)	(778.2)	63.9
<b>Consolidated Balance Sheet</b>							
Total assets	CHF m	12.1%	5,640.8	5,429.4	5,167.5	4,526.9	3,576.6
Net working capital	CHF m	7.2%	1,374.2	1,529.7	1,674.6	1,345.7	1,039.2
Non-current assets	CHF m	12.7%	2,301.0	2,185.5	2,175.6	2,071.9	1,424.8
Net debt	CHF m	11.4%	1,452.8	1,728.0	1,803.5	1,525.2	942.9
Shareholders' equity	CHF m	9.6%	1,956.3	1,772.8	1,790.7	1,682.5	1,357.1
Capital expenditure	CHF m	(2.0%)	201.0	249.2	248.8	223.5	217.8
<b>Ratios</b>							
Economic Value Added (EVA)	CHF m		52.5	65.6	84.5	79.0	133.5
Return on invested capital (ROIC)	%		9.5%	9.8%	10.5%	10.9%	14.2%
Return on equity (ROE)	%		11.2%	13.5%	14.7%	15.4%	18.7%
Debt to equity ratio	%		74.3%	97.5%	100.7%	90.6%	69.5%
Solvency ratio	%		34.7%	32.7%	34.7%	37.2%	37.9%
Interest coverage ratio			4.0	4.1	4.5	5.6	5.8
Net debt / EBITDA			2.7	3.2	3.4	3.5	2.2
Capital expenditure / sales revenue	%		3.0%	4.0%	4.2%	4.6%	4.5%
<b>Shares</b>							
Share price at fiscal year-end	CHF	8.7%	1,264	1,061	1,125	876	904
EBIT per share	CHF	1.7%	73.2	75.6	75.9	65.5	68.4
Basic earnings per share	CHF	(4.0%)	39.5	43.2	46.0	44.0	46.6
Cash earnings per share	CHF	56.2%	73.6	4.0	(31.8)	(141.8)	12.4
Payout per share	CHF	-	15.5	14.5	15.5	14.5	15.5
Payout ratio	%	4.3%	39%	33%	33%	35%	33%
Price-earnings ratio at year-end		13.3%	32.0	24.6	24.5	19.9	19.4
Market capitalization at year-end	CHF m	10.4%	6,937.9	5,823.7	6,175.0	4,805.5	4,671.1
Number of shares issued		1.5%	5,488,858	5,488,858	5,488,858	5,488,858	5,170,000
Total payout to shareholders	CHF m	(0.2%)	79.6	85.1	79.6	80.1	80.1
<b>Other</b>							
Employees		12.9%	9,898	9,430	9,319	8,658	6,100
Beans processed	Tonnes	11.8%	898,135	925,856	940,621	671,183	574,021
Chocolate & compound production	Tonnes	6.0%	1,390,792	1,287,461	1,254,241	1,207,025	1,102,431



## Contact

Barry Callebaut head office  
Barry Callebaut AG  
West-Park, Pfingstweidstrasse 60  
8005 Zurich, Switzerland  
Phone +41 43 204 04 04  
Fax +41 43 204 04 00  
www.barry-callebaut.com

## Investor Relations

Evelyn Nassar  
Head of Investor Relations  
Phone +41 43 204 04 23  
Fax +41 43 204 04 19  
investorrelations@barry-callebaut.com

## Media

Christiaan Prins  
Head of External Affairs  
Phone +41 43 204 03 76  
Fax +41 43 204 04 00  
media@barry-callebaut.com

## Address changes

ShareCommServices AG  
Europastrasse 29  
8152 Glattbrugg, Switzerland  
Phone +41 44 809 58 52  
Fax +41 44 809 58 59

### Forward-looking statement

Certain statements in this Short Report regarding the business of the Barry Callebaut Group are of a forward-looking nature and are therefore based on management's current assumptions about future developments. Such forward-looking statements are intended to be identified by words such as "believe", "estimate", "intend", "may", "will", "expect", "project" and similar expressions as they relate to the company. Forward-looking statements involve certain risks and uncertainties because they relate to future events. Actual results may vary materially from those targeted, expected or projected due to several factors. The factors that may affect the Barry Callebaut Group's future financial results are discussed in the Annual Report 2015/16. Such factors are, among others, general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures, as well as changes in tax regimes and regulatory developments. The reader is cautioned to not unduly rely on these forward-looking statements. The Barry Callebaut Group does not undertake to publish any update or revision of any forward-looking statements.

## Financial calendar

December 7, 2016  
Annual General Meeting of Shareholders  
2015/16, Zurich

January 25, 2017  
3-month key sales figures 2016/17

April 12, 2017  
Half-year results 2016/17, Zurich

July 13, 2017  
9-month key sales figures 2016/17

November 8, 2017  
Full-year results 2016/17, Zurich

December 13, 2017  
Annual General Meeting of Shareholders  
2016/17, Zurich

### Impressum

**Publisher**  
Barry Callebaut AG  
West-Park  
Pfingstweidstrasse 60  
8005 Zurich  
Switzerland

**Concept**  
Source Associates,  
Zurich, Switzerland

**Photography**  
Fabian Haefeli  
Zurich, Switzerland  
Jos Schmid  
Zurich, Switzerland  
Sergi Briet  
Barcelona, Spain

**Prepress / Print**  
Linkgroup AG, Printlink AG  
Zurich, Switzerland

This Short Report is published in German and English

Printed by Printlink AG  
without impacting the climate.

This Short Report is printed on FSC-certified paper.



Barry Callebaut AG (head office)  
West-Park  
Pfungstweidstrasse 60  
8005 Zurich  
Switzerland

Phone +41 43 204 04 04

Fax +41 43 204 04 00

[headoffice@barry-callebaut.com](mailto:headoffice@barry-callebaut.com)