

Roadshow presentation – 9-Month Key Sales Figures 2015-16

July 2016



Agenda

- ▶ BC at a glance
- ▶ Highlights 9 months 2015/16
- ▶ Strategy & Outlook

BC at a glance



Who we are?

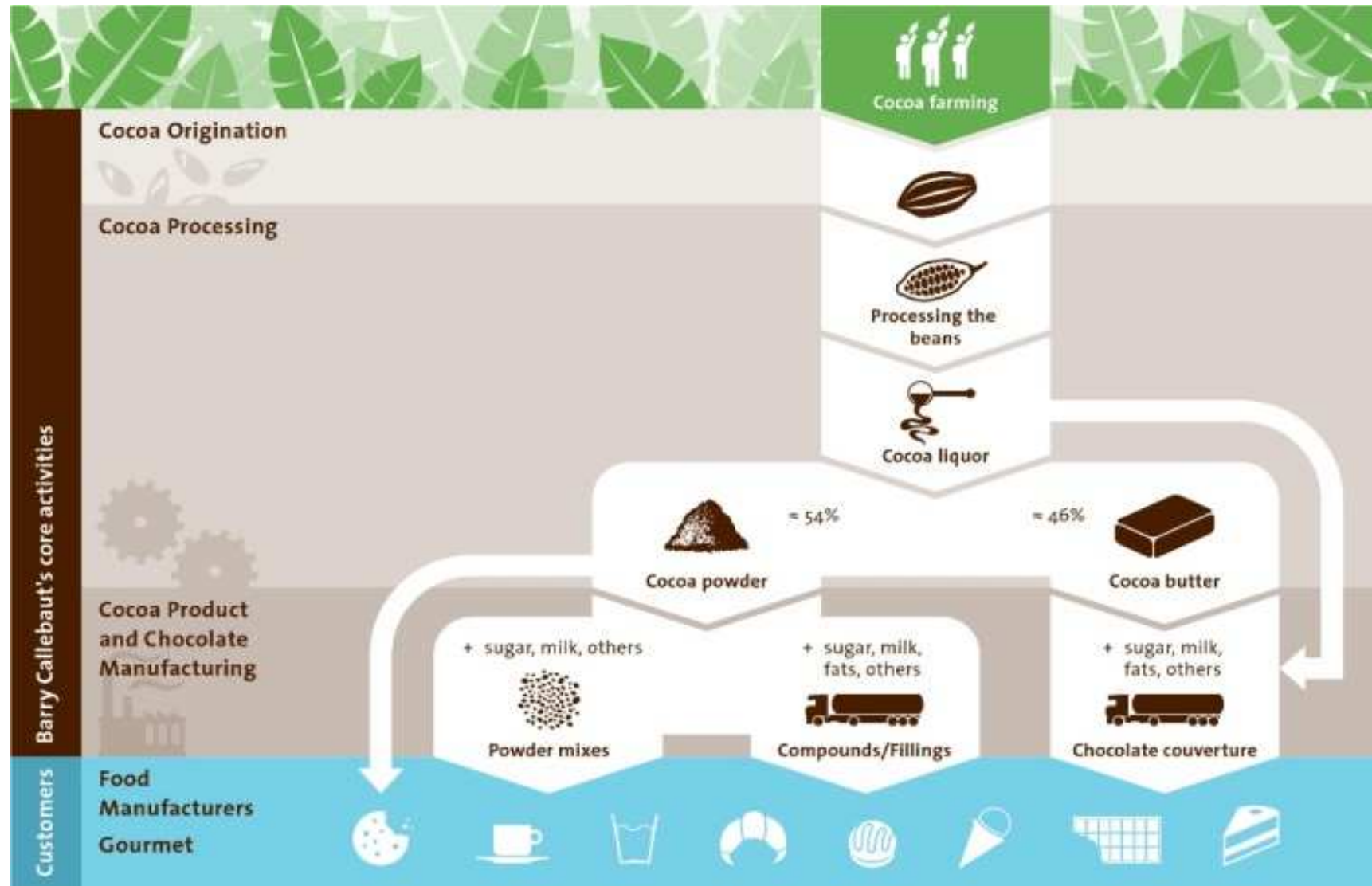
The heart and engine of the chocolate industry



- ▶ 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

Barry Callebaut at a glance

We add value in every step of the cocoa and chocolate value chain



This is Barry Callebaut

“Shaping the world of chocolate and cocoa.”



More than

175 years
of chocolate heritage

More than

9,000
employees

of whom 1 in 2 works
either in an origin
or emerging market



**health
claim**

on Acticoa®
extended to
cocoa extracts
within Europe

Innovation
contributed

10%

to sales volume

1.8
sales volume
in million tonnes

414.8
EBIT
in CHF million

CAGR



+9.1%
volume growth
over 5 years

6,241.9
sales revenue
in CHF million



53
factories
worldwide

Selling to

131
countries



19
CHOCOLATE
ACADEMY™
centers

36,545
chocolate aficionados
trained in 2014/15

70,500
farmers

trained in good
agricultural practices



Barry Callebaut at a glance

A broad offering from standard to the most premium products

Cocoa Products



Food Manufacturers



Gourmet & Specialties

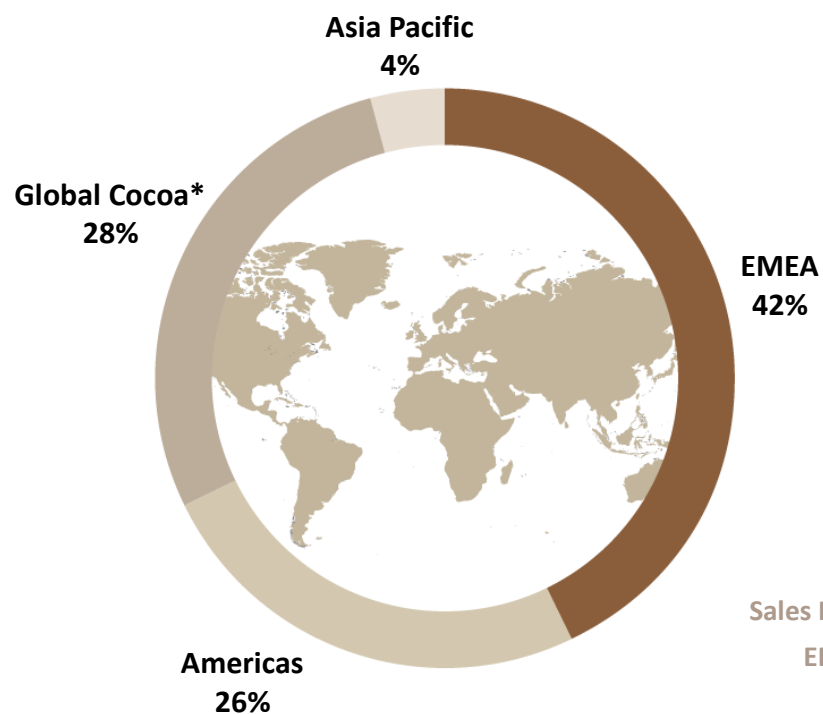


Barry Callebaut at a glance

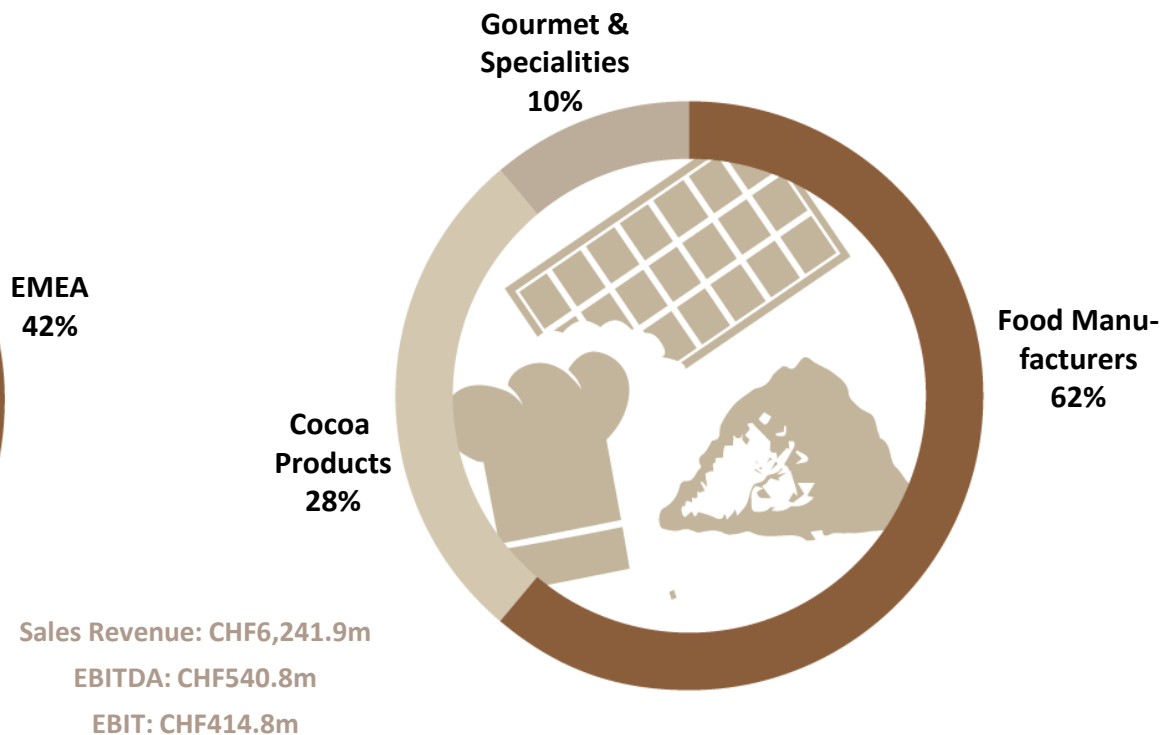
Our Regional and Product split

FY 2014/15 Sales Volume: 1.8 mio tonnes

Sales Volume per Region



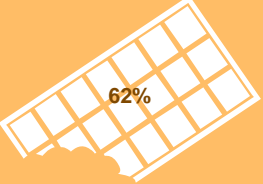
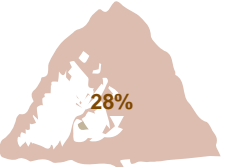

Sales Volume per Product Group



*The globally managed Global Cocoa business, responsible for the global procurement and risk management of our high-quality raw materials such as cocoa, sugar, dairy products, oils and fats, nuts and other ingredients as well as packaging material, is reported as a separate segment similar to a Region.
 CHF/EUR = 0.9063 (average FY2014/15 – source: Bloomberg)

Barry Callebaut at a glance

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

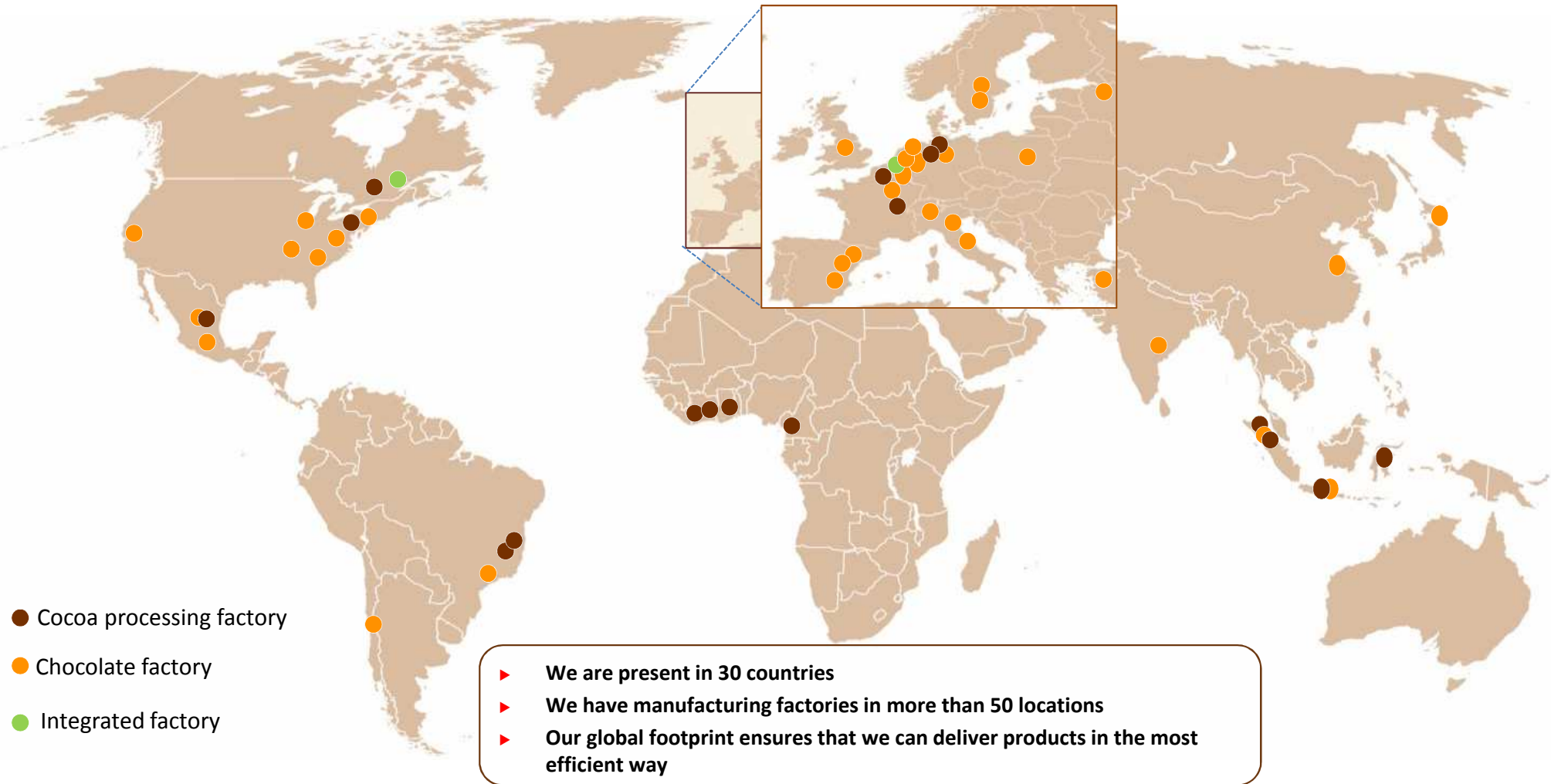
	Customers	Pricing model	Profit levers
Food Manufacturers 	<ul style="list-style-type: none"> Small, medium and Global Food Manufacturers 	<ul style="list-style-type: none"> Cost Plus 	<ul style="list-style-type: none"> Customer mix Product mix Economies of scale
Cocoa Products 	<ul style="list-style-type: 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 Customer/product mix
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 Innovation/Sustainability

Note: Percentage of FY2014/15 Group sales volume

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

A global footprint and a local service

Cocoa factories in origin countries and chocolate factories close to our customers



Highlights - 9 months 2015/16




Bensdorp



9-Month Key Sales Figures

Good volume growth continues

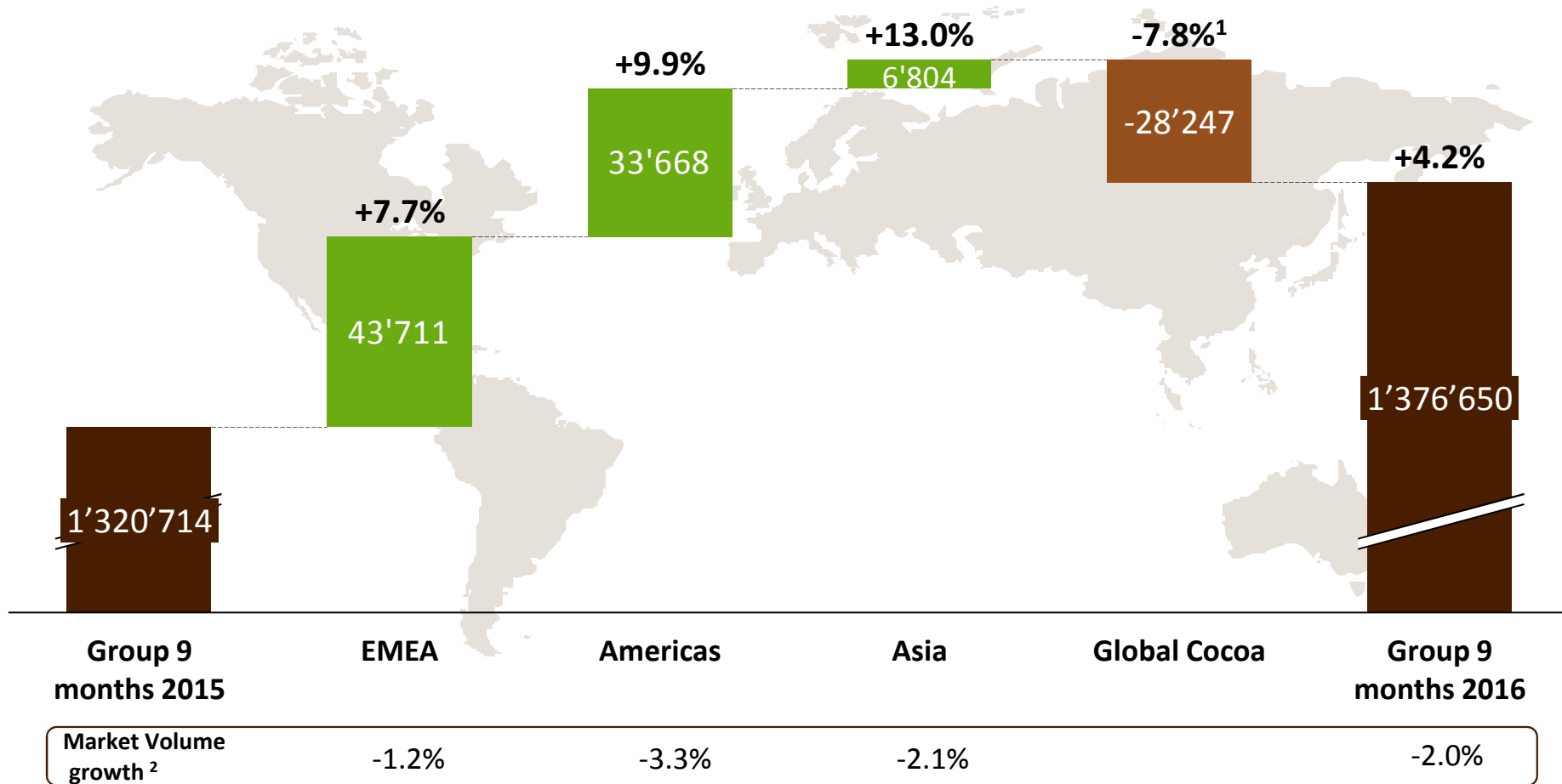


- ▶ Sales volume growth at +4.2%
- ▶ All key growth drivers positively contributed to the volume increase
- ▶ Very strong chocolate volume growth accross segments and Regions
- ▶ Intentional phasing out of less profitable contracts in Global Cocoa
- ▶ Sales revenue up +11.4% in local currencies (+7.8% in CHF)
- ▶ Mid-term guidance confirmed

9 Months 2015/16

Strong growth in Chocolate, intentionally phasing out less profitable contracts in Global Cocoa

Sales Volume
(in tonnes)

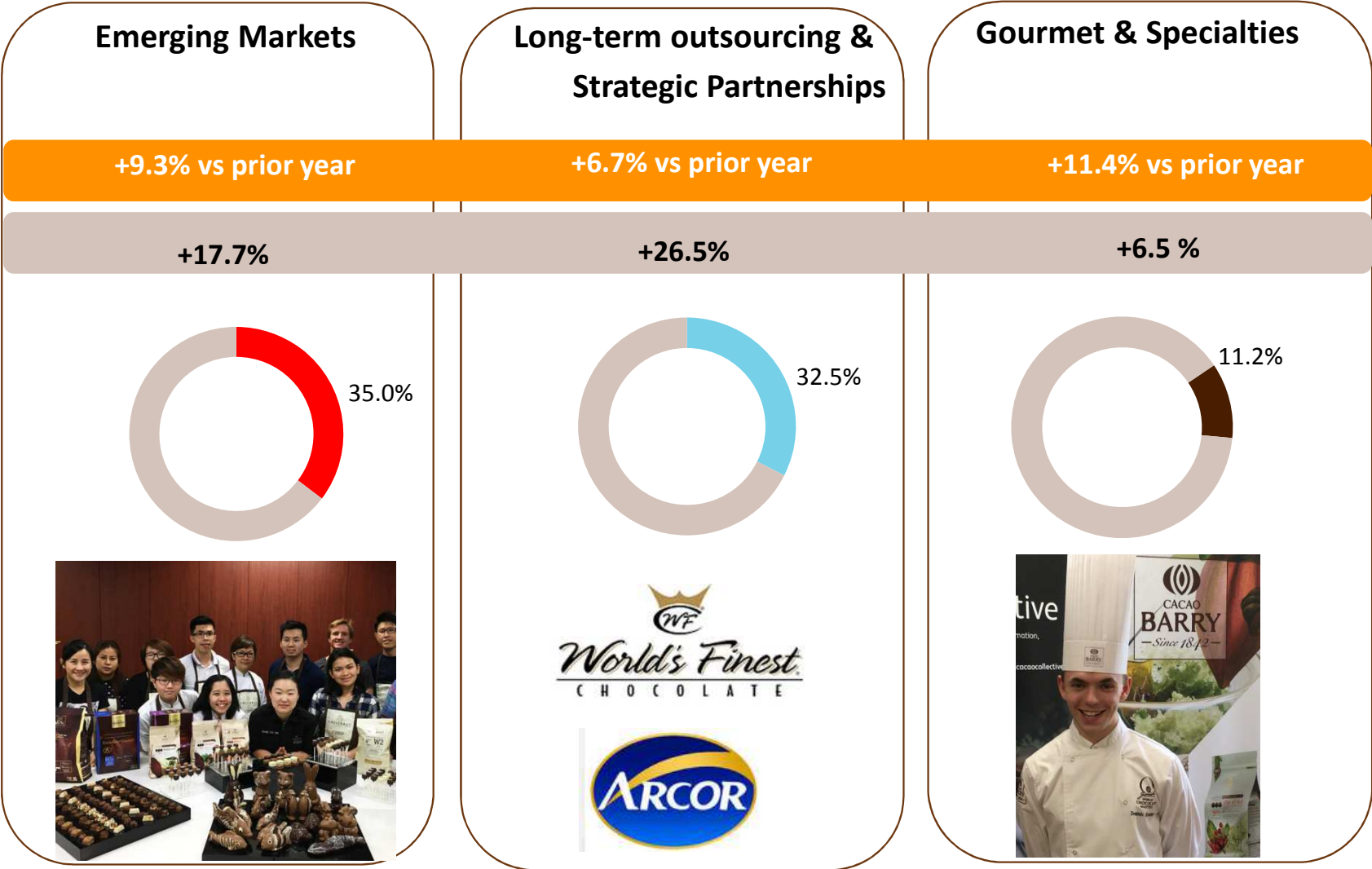


¹ Due to the intentional phasing out of low-profit contracts, including long-term ingredients agreements

² Source: Nielsen chocolate confectionery in volume – 26 countries - Sep 2015 – May 2016

9 months 2015/16

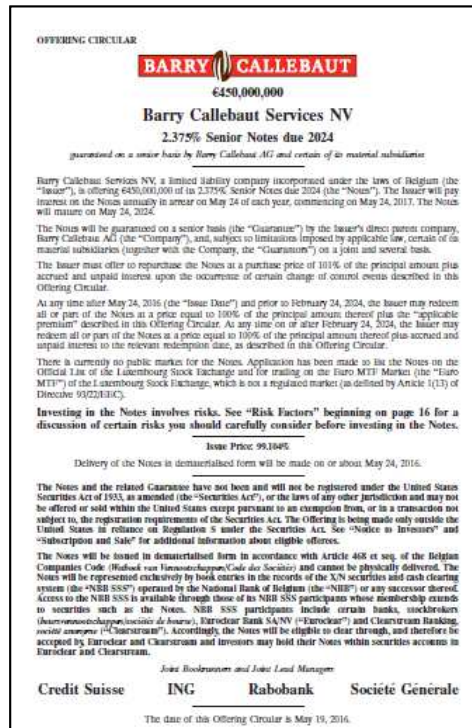
All our key growth drivers contributed to the good volume momentum



Volume growth
9 months
2015/16
CAGR 5 year
Volume

%
of total Group
Sales Volume

Barry Callebaut successfully prices bond



- ▶ On May 9th 2016, Barry Callebaut launched a EUR 450 m offering (upsized from EUR 350 mio) of 8-year senior notes
- ▶ Significant oversubscription, the book reached EUR 2.3bn
 - ▶ **Coupon:** 2.375%
 - ▶ **Issue Price:** 99.104%
 - ▶ **Type:** Senior Notes / RegS only
 - ▶ **Maturity:** 24th May 2024
 - ▶ **Joint Books:** Credit Suisse, ING, Rabobank, SG CIB
- ▶ Proceeds will be used to reimburse outstanding drawn amounts under the EUR 175 mio term loan facility as well as to reduce the outstanding amounts on any other bilateral agreements

Good progress achieved on Cocoa Leadership Project



Commercial leadership

- ▶ SKU reduction on-going
- ▶ Customer segmentation
- ▶ Stronger focus on added-value products
- ▶ Harmonized sales tools

Operations leadership

- ▶ Manufacturing footprint reduced in Asia
- ▶ Working Capital optimized through better product flows

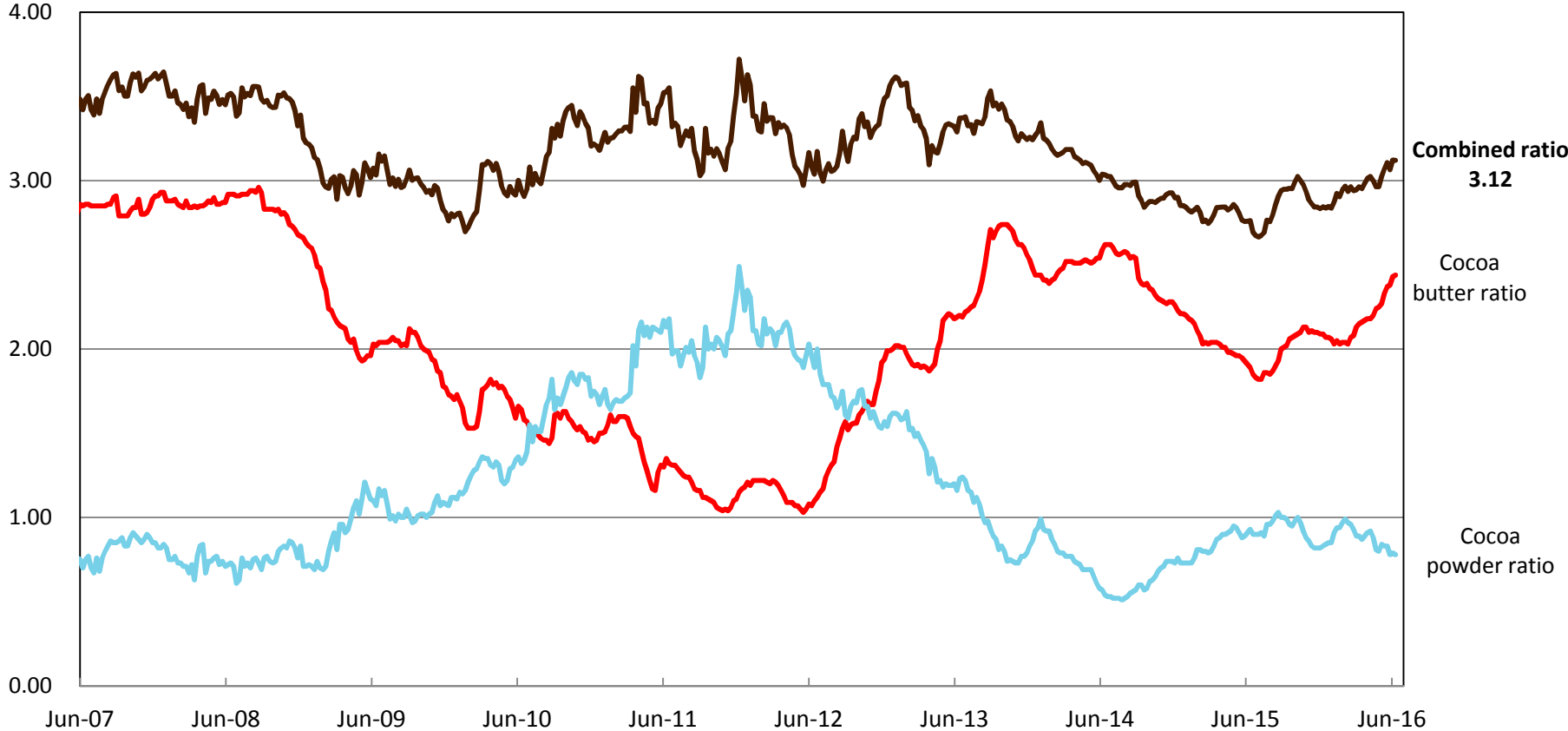
Global leverage

- ▶ Centralized combined cocoa ratio management in place
- ▶ Setting up Global market intelligence

Cocoa processing profitability

Slowly improving cocoa product pricing environment; contracts from lowest market situation (2015) being executed in current business year

European combined ratio - 6 months forward ratio

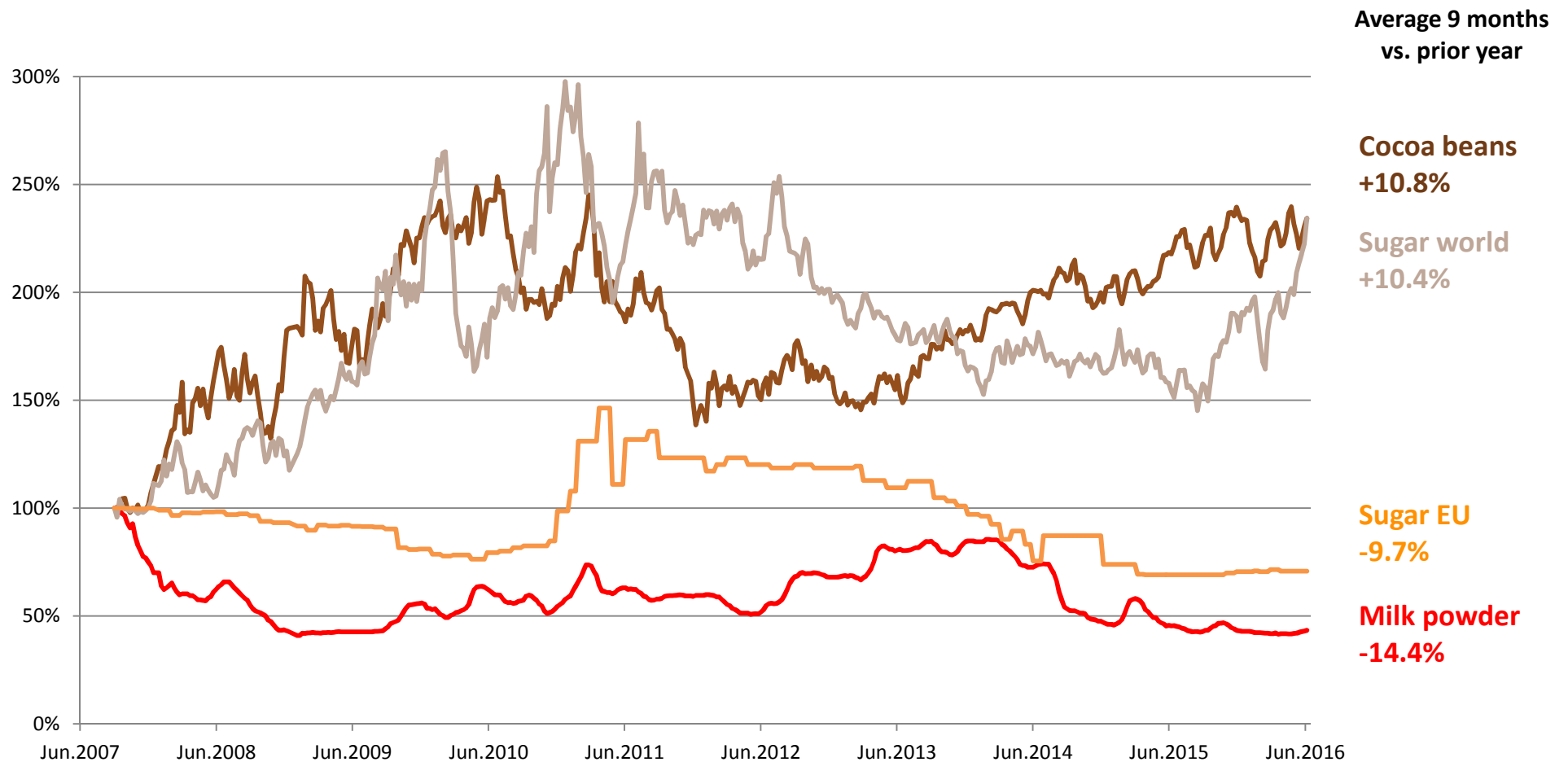


For cocoa processors, profitability depends on the ratio between input costs (price of cocoa beans) and combined output prices (price of cocoa butter and powder).



Raw materials evolution

Cocoa bean price still at relatively high levels, world sugar prices increased strongly, milk powder at lowest historical levels



Note: All figures are indexed to Sep 2007

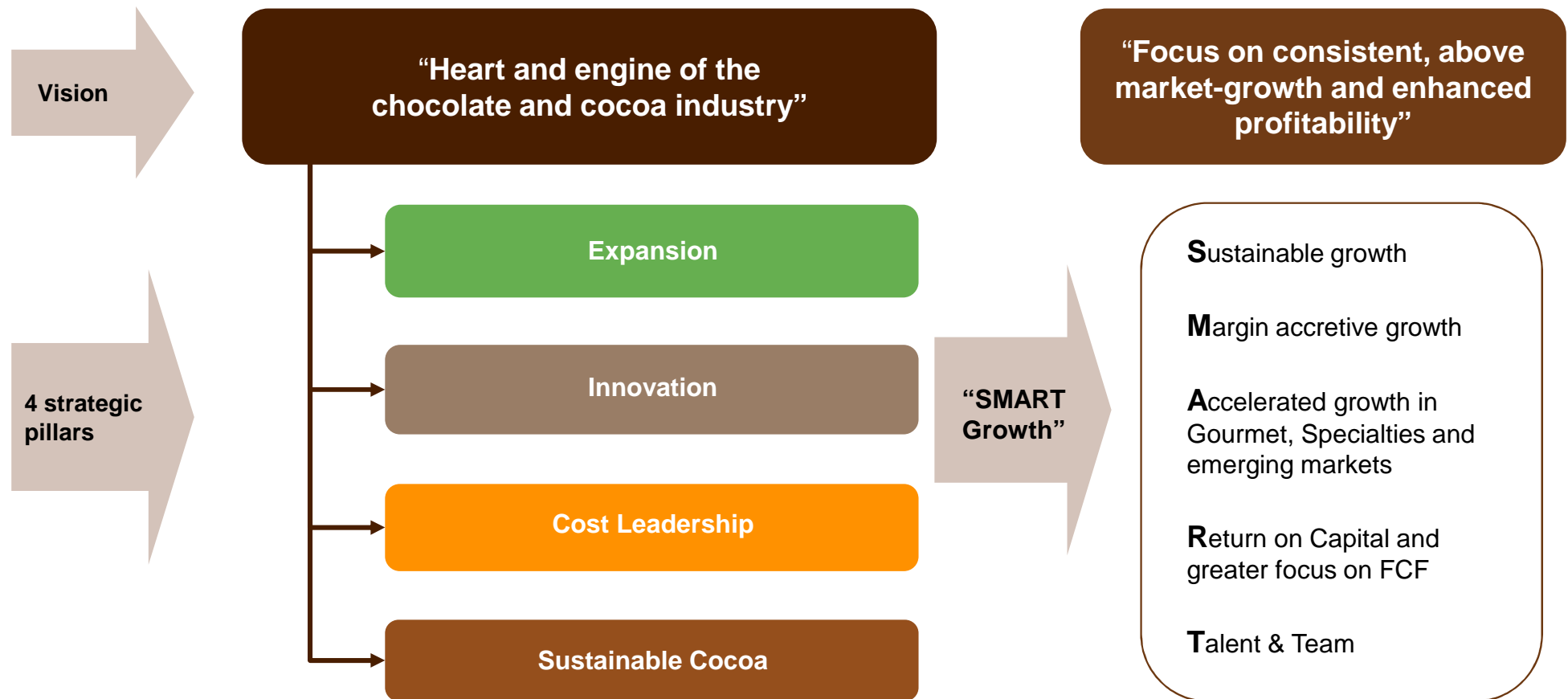
Source: Cocoa beans London (2nd position), Sugar world London n°5 (2nd position), Sugar EU Kingsman estimates W-Europe DDP, skimmed milk powder average price Germany, Netherlands, France.



Strategy & Outlook



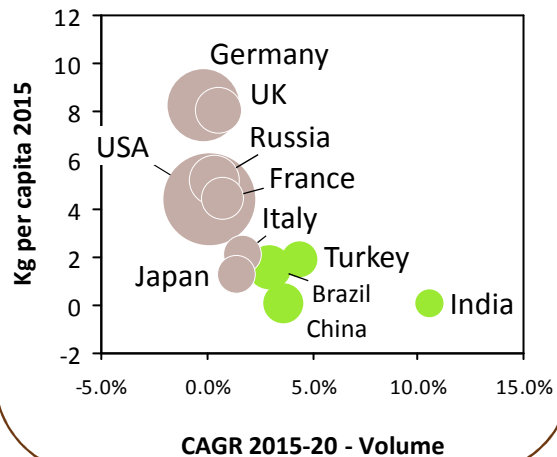
A successful long-term strategy setting up the path for “Smart Growth”



We see significant growth opportunities ahead

Emerging Markets

- ▶ Low market share
- ▶ Currently low consumption per capita in chocolate
- ▶ Significant growth expected in the next 5 years



Long-term outsourcing & Strategic Partnerships

- ▶ 70% in emerging markets still in-house production
- ▶ Top 5 chocolate players currently outsource only 10-20% of chocolate needs
- ▶ Co-creating with current customers



Gourmet & Specialties

- ▶ 20% market share globally
- ▶ Low presence in emerging markets
- ▶ New product categories
- ▶ Adjacent products



While we continue to fine-tune the execution of our strategy in different areas

Talent Management & Career development

- ▶ As of April 1 2016, new CHRO is part of the Executive Committee
- ▶ Improving our talent development and succession plans



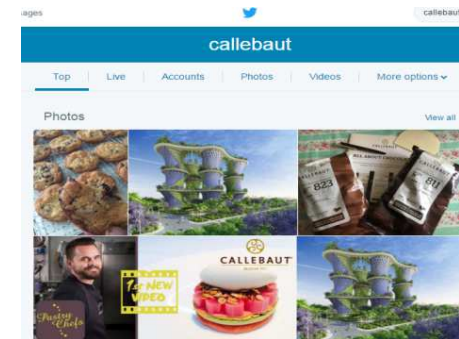
Leveraging our capabilities in Innovation

- ▶ Cross-fertilisation of FM and Gourmet customers in our Chocolate Academies
- ▶ Co-creation with customers as key for additional volume



Digital Capabilities

- ▶ Stronger digital presence in both Food Manufacturers and Gourmet
- ▶ New technologies



Outlook

Continued challenging market environment; mid-term targets confirmed



Outlook 2015/16

- ▶ As anticipated in Nov 2015: challenging fiscal year 2015/16 due to the current cocoa products market, which will temporarily affect profitability
- ▶ Optimistic for the chocolate business



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

¹ In local currencies and barring any major unforeseen events

Appendix



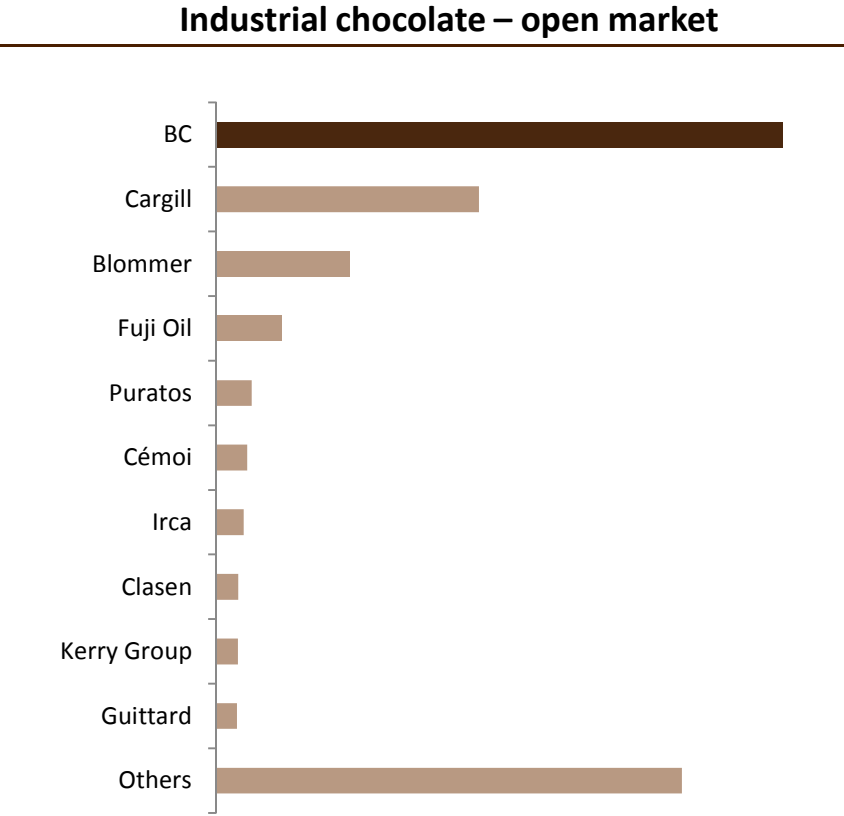
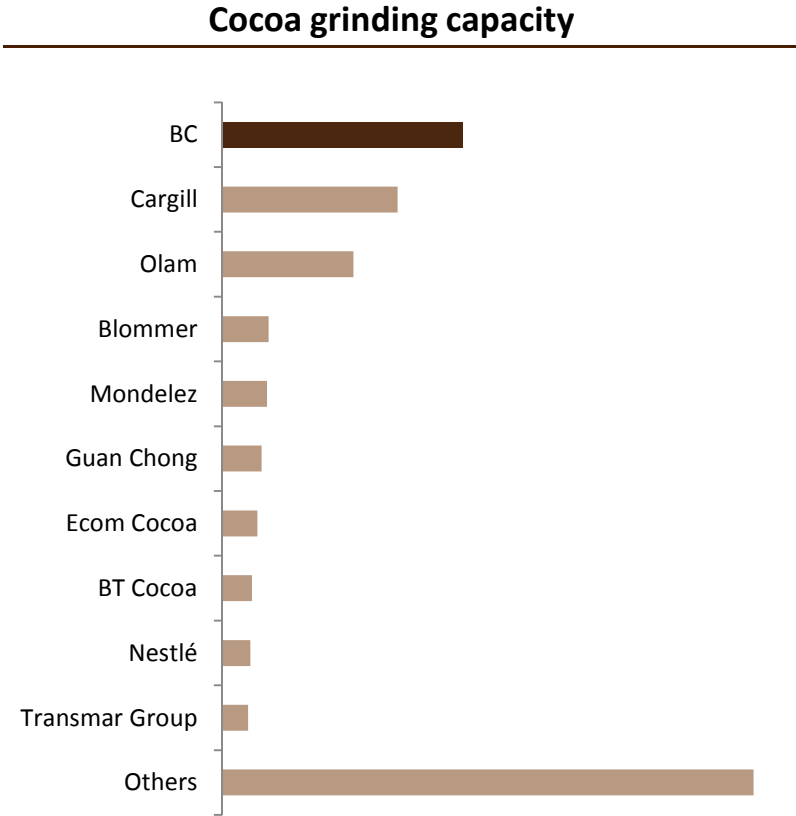
What makes Barry Callebaut unique?



- ▶ Global number one player in chocolate and cocoa
- ▶ Deep chocolate and cocoa expertise
- ▶ Global leader in Gourmet
- ▶ 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
- ▶ Driving change in sustainability
- ▶ Entrepreneurial spirit
- ▶ Balancing short and long-term

Chocolate and Cocoa markets

Barry Callebaut uniquely positioned in industrial chocolate and cocoa markets

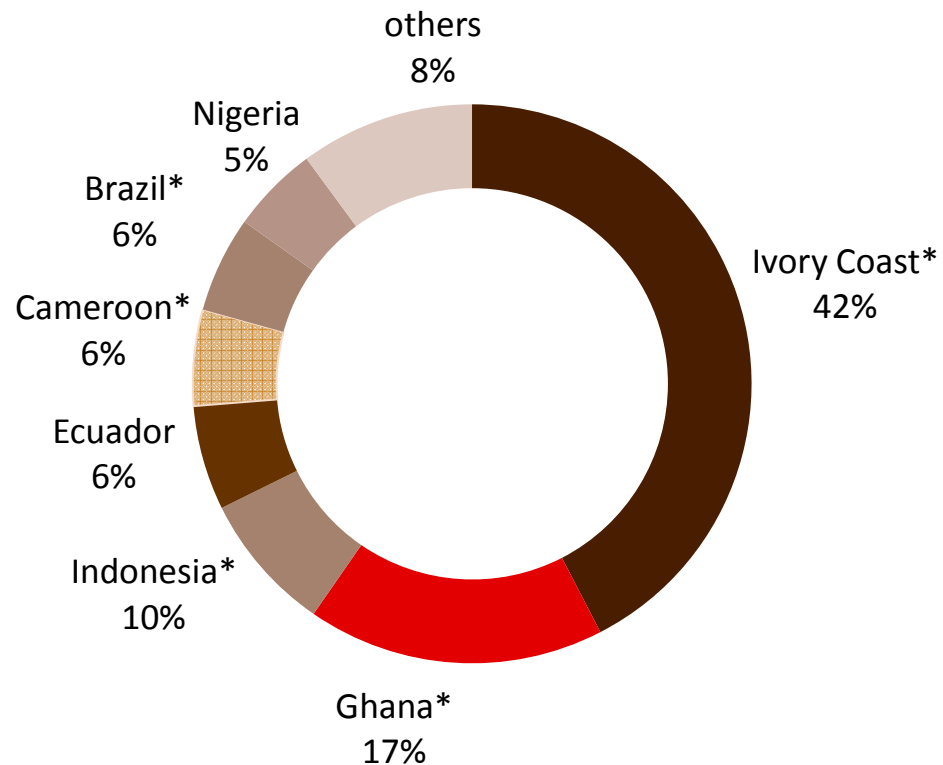


Notes: Olam incl. ADM; Cargill incl. ADM chocolate business; Fuji Oil incl. Harald
Sources: Proprietary estimates



West Africa is the world's largest cocoa producer

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



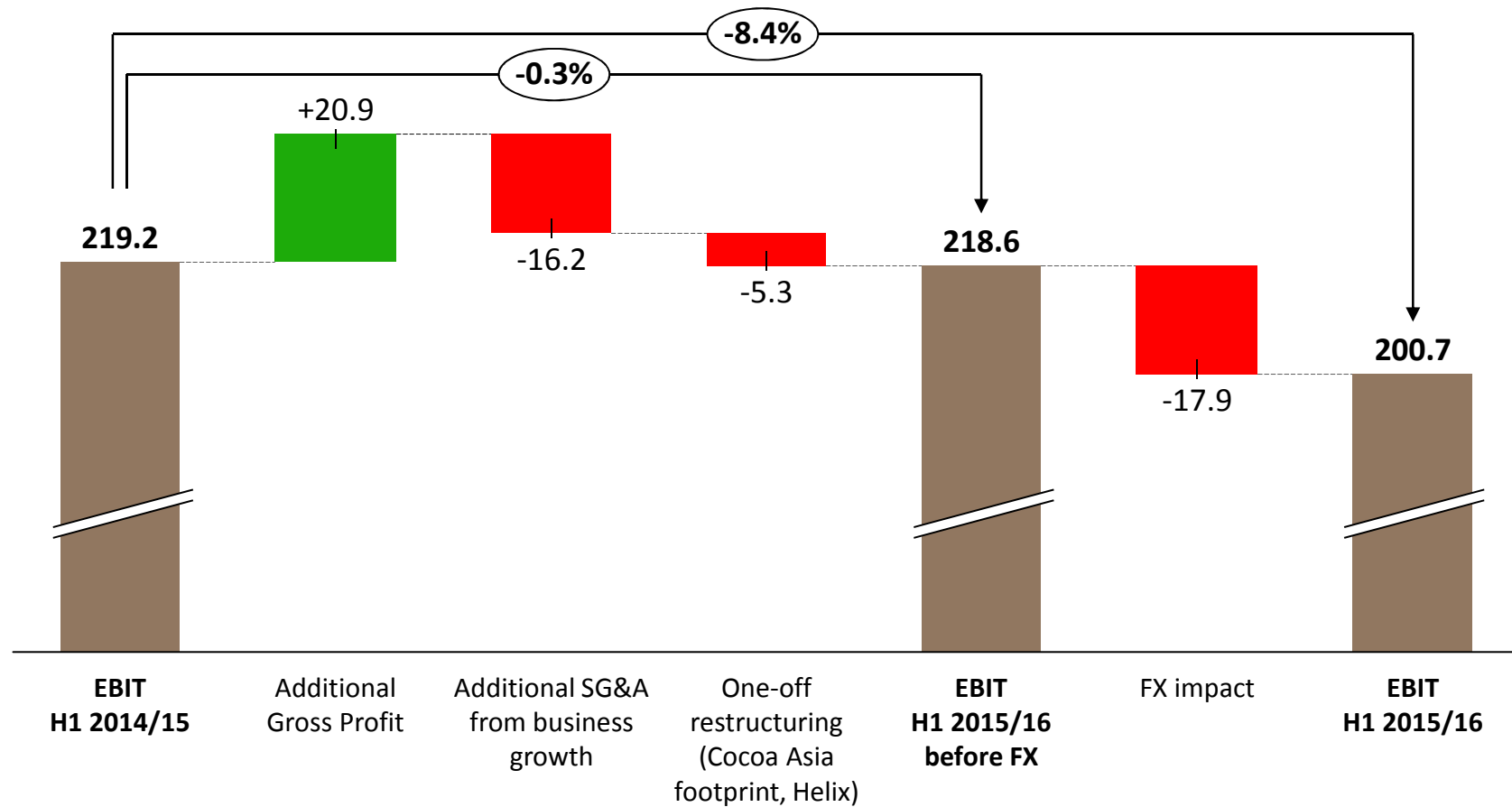
Source: ICCO estimates

- ▶ 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

EBIT HY 2015/16

EBIT flat excluding negative FX impact, despite lower cocoa result and restructuring costs

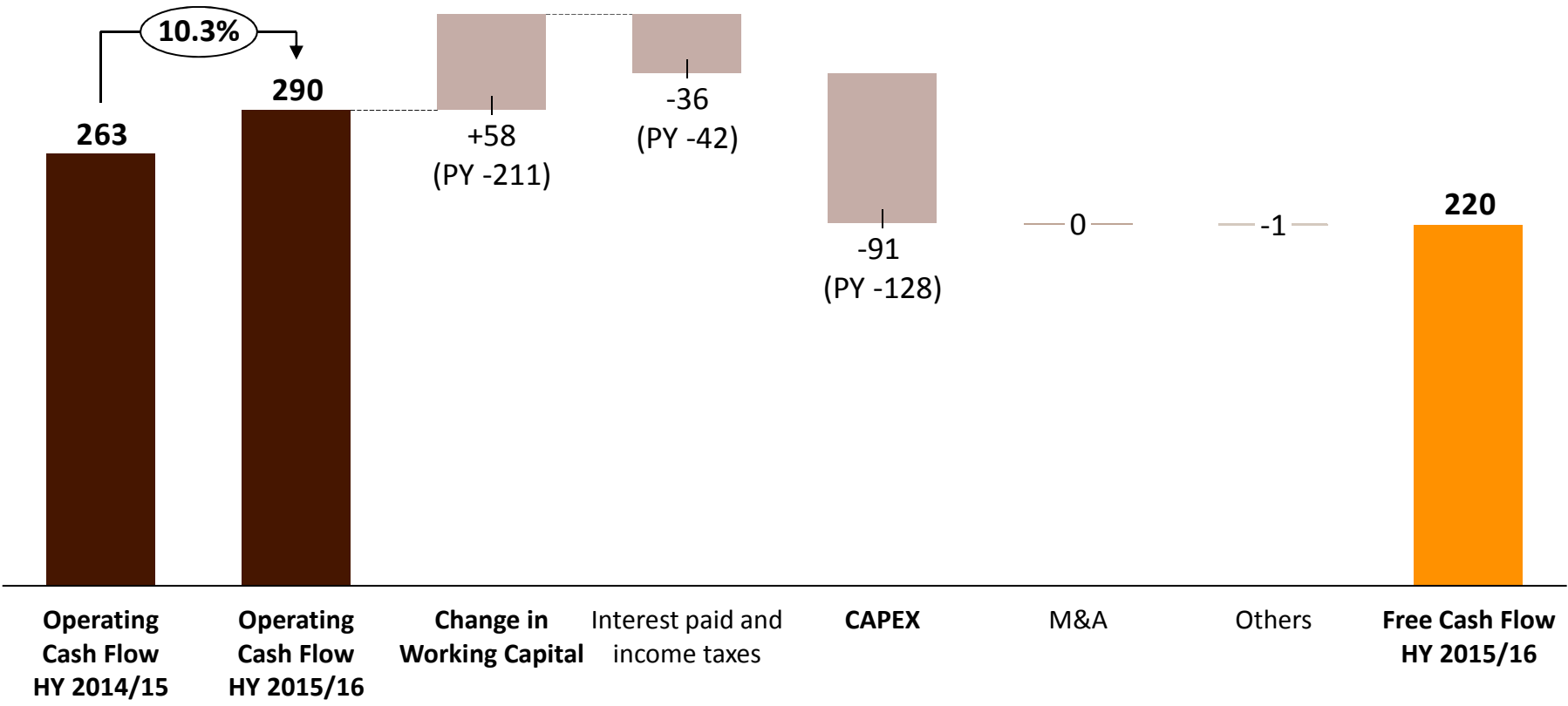
in CHF mio.



Free Cash Flow

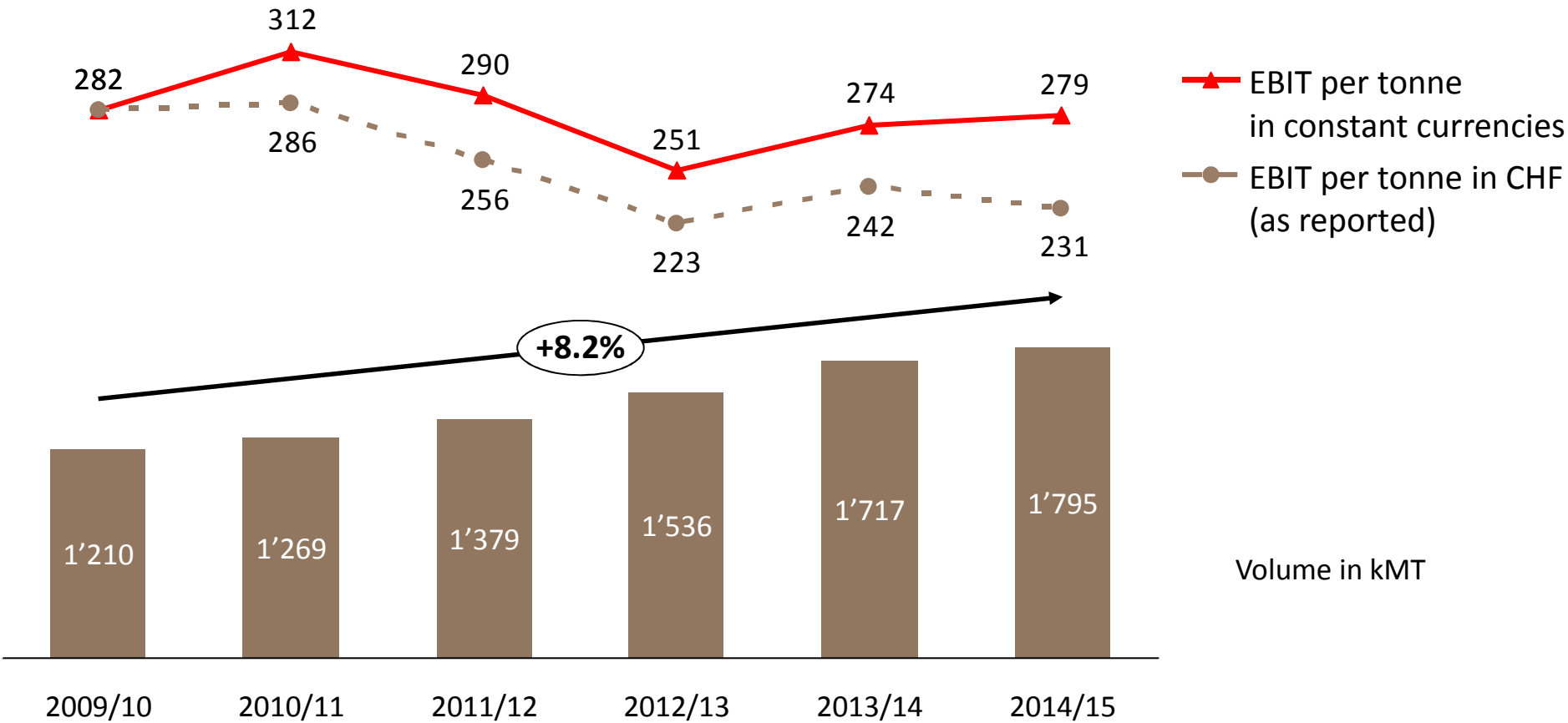
Efforts on reducing working capital and CAPEX start to pay off, improved cash flow generation

in CHF mio.



6-year EBIT per tonne development

Improvement of the EBIT per tonne in constant currencies continues

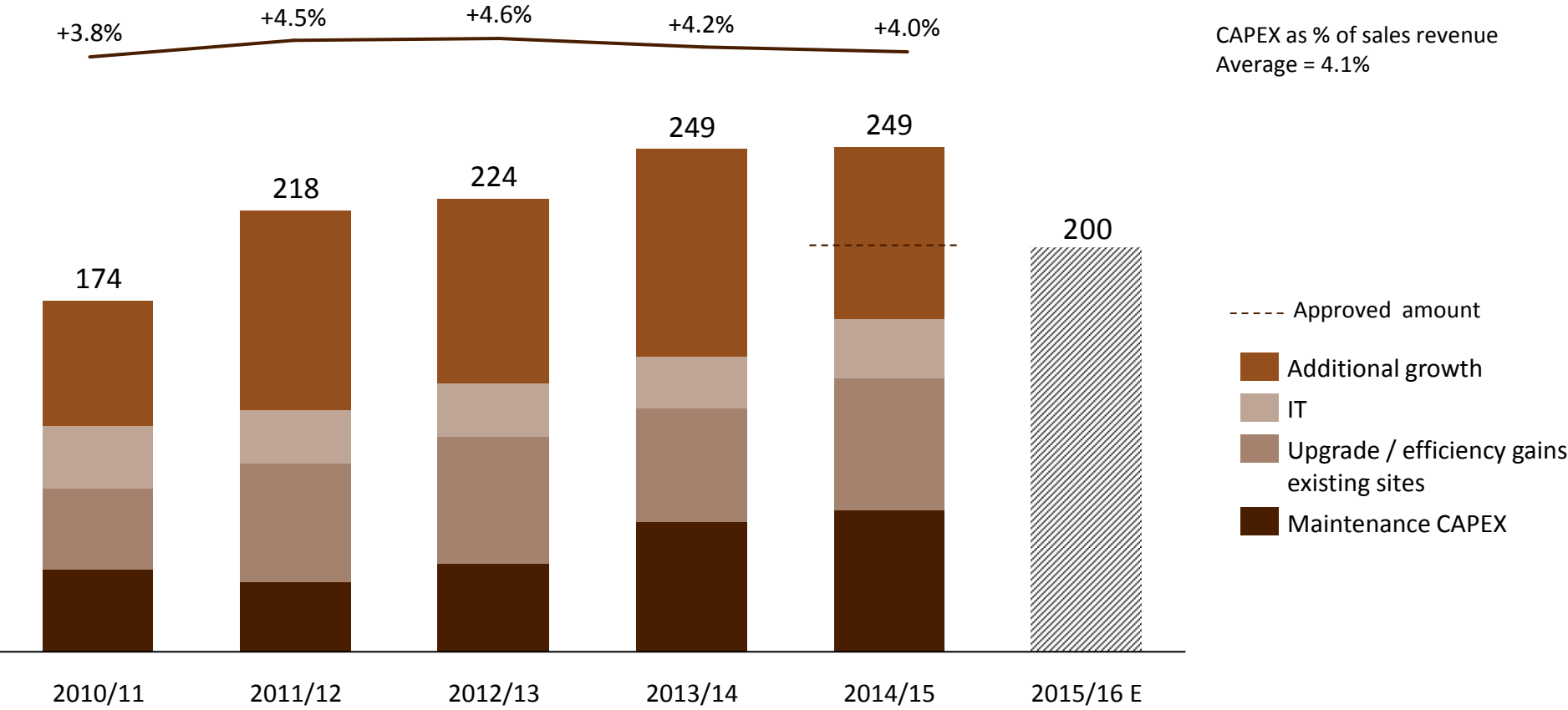


Balance Sheet & key ratios

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

	Feb 16	Aug 15	Feb 15
Total Assets [CHF m]	5'509.9	5'429.4	5'433.4
Net Working Capital [CHF m]	1'382.3	1'529.7	1'566.6
Non-Current Assets [CHF m]	2'253.4	2'185.5	2'139.5
Net Debt [CHF m]	1'538.2	1'728.8	1'790.6
Shareholders' Equity [CHF m]	1'792.4	1'772.8	1'654.4
Debt/Equity ratio	85.8%	97.5%	108.2%
Solvency ratio	32.5%	32.7%	30.4%
Net debt / EBITDA	2.9x	3.2x	3.2x
ROIC	9.8%	9.8%	10.9%
ROE	12.5%	13.5%	16.2%

Capital Expenditures*



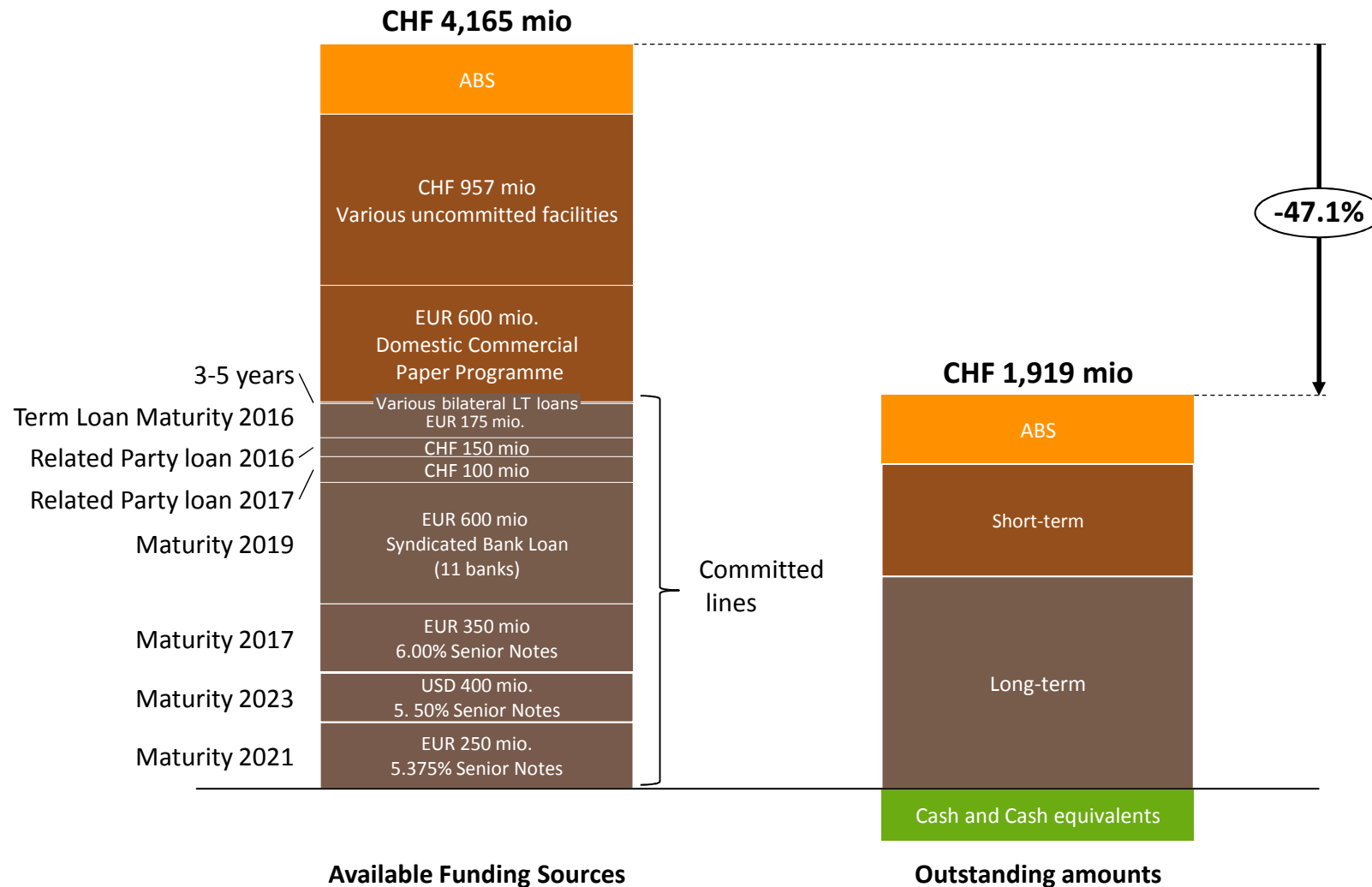
*CAPEX as reflected in Cash Flow Statement



Available Financing

Enough headroom for further growth and raw material price fluctuations

As of 29 Feb 2016



Liquidity – Debt maturity profile

As of 29 Feb 2016

In CHF mio

