



Half-Year Results 2014/15

Media Conference

April 1, 2015



April 1, 2015

Cautionary note

Certain statements in this presentation regarding the business of Barry Callebaut 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," and "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 Barry Callebaut's future financial results are discussed in the Letter to Investors . 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 that are accurate only as of today, April 1, 2015. Barry Callebaut does not undertake to publish any update or revision of any forward-looking statements.

Agenda

▶ Highlights HY 2014/15

▶ Financial Review

▶ Strategy & Outlook

▶ Q&A

Solid growth with strong profit improvement



Sales Volume
growth

+2.0%
(Q1: 0.2%; Q2: +3.9%)

EBIT

+8.7% in CHF
+13.0% in L.c.

Net profit for the
period

+10.7% in CHF
+16.3% in L.c.



Volume growth
driven by
Western Europe,
Americas,
outsourcing and
Gourmet

EBIT per Tonne

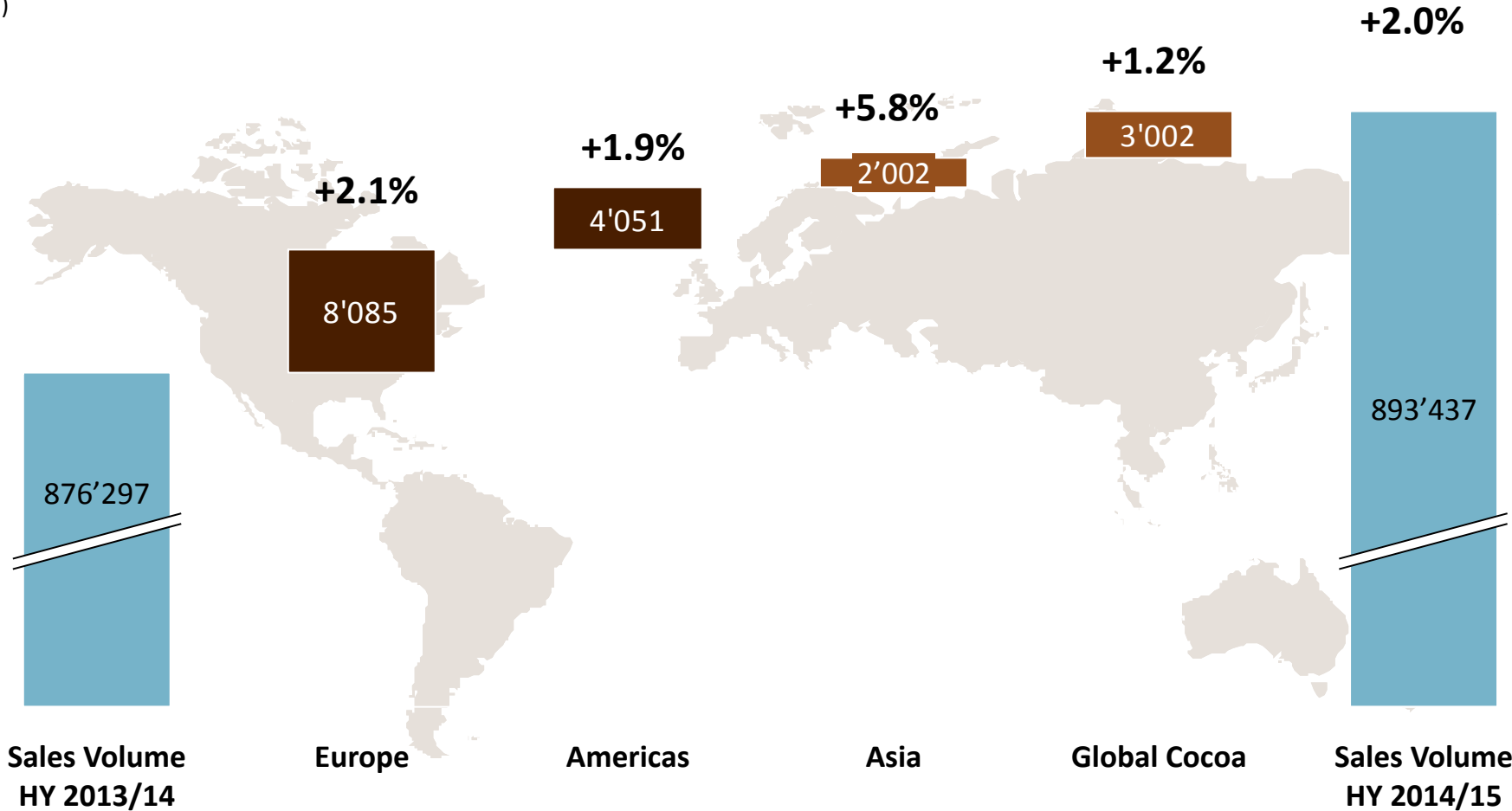
+6.6% in CHF
+10.8% in L.c.

Strong profit
improvement
due to focus on
margins and cost
discipline

Volume growth fueled by main Regions, outperforming the market

(tonnes)

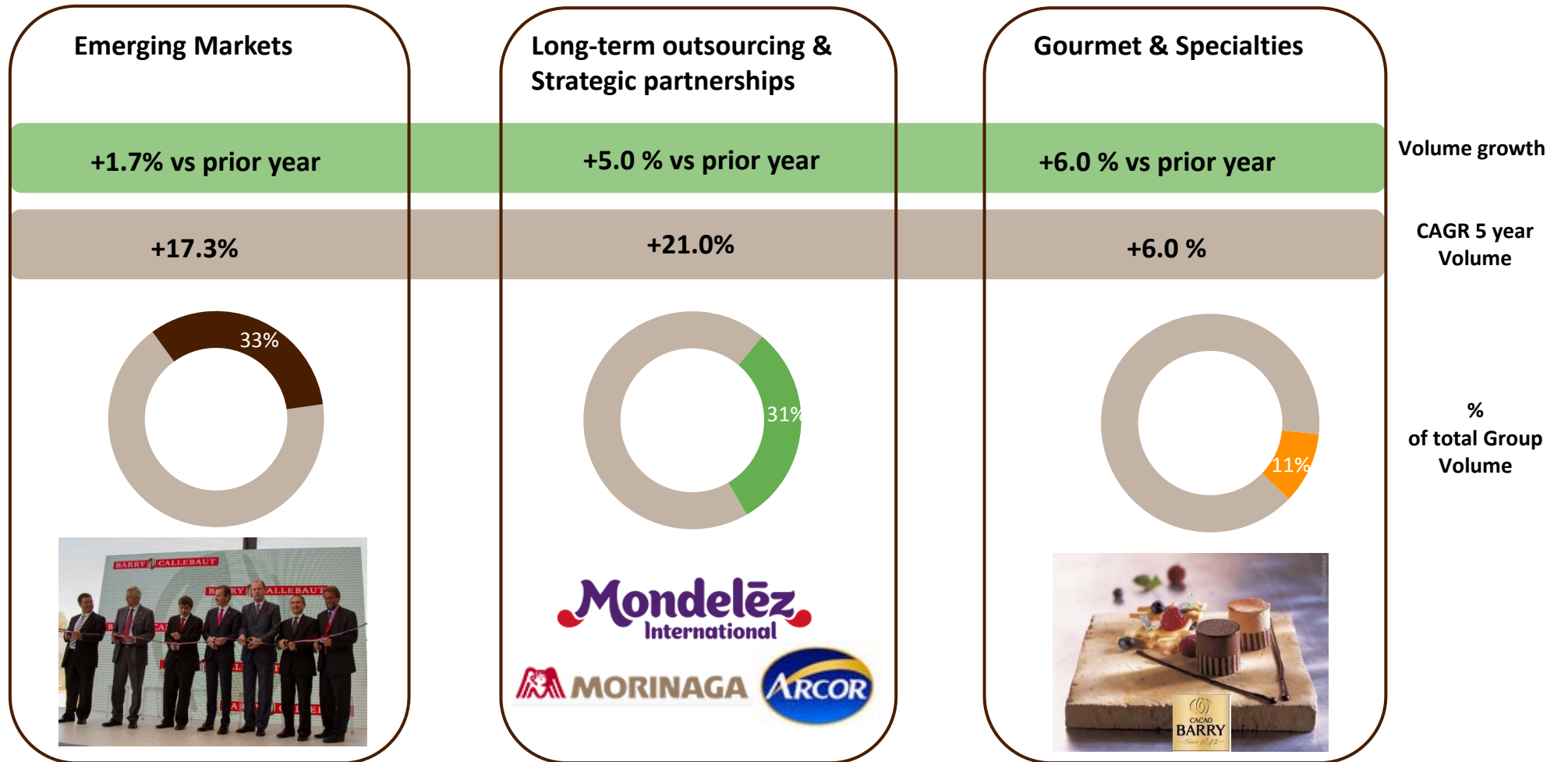
Growth vs. prior year



| Market Volume growth * | Europe | Americas | Asia | Global Cocoa |
|------------------------|--------|----------|-------|--------------|
| -1.1% | -1.1% | -2.0% | -2.4% | -1.5% |

* Source: Nielsen Data – Chocolate confectionery, 25 countries, Sep – Feb 2015

...along our three key growth drivers



Recent development of key growth drivers

Emerging Markets

- ▶ Strong volume growth in South America
 - ▶ Brazilian business double-digit growth
 - ▶ Opening of Chocolate factory in Chile
- ▶ Difficult environment in EEMEA
 - ▶ Weak demand in Russia
 - ▶ Strong growth in Gourmet, new Academy in Moscow and Dubai
- ▶ Slowdown in Asia Pacific markets
 - ▶ New Chocolate factory India
 - ▶ Strong growth in Gourmet



Outsourcing & Strategic partnerships

- ▶ Additional volume from current partnerships agreements
- ▶ New outsourcing deal with a Global Food Manufacturer in an emerging market
- ▶ Ramp-up outsourcing volumes from Arcor, Morinaga, Bimbo



HY 2014/15

Gourmet & Specialties- Key achievements in first 6 months HY 14/15

- ▶ Gourmet **volumes accelerating in Q2**, outperforming the foodservice market through education and inspiration
- ▶ **Leading the way through successful innovations** with Cacao Barry Purity from Nature and Callebaut Hot Chocolate
- ▶ **Emerging markets keep steady double- digit-growth**, fueled by Global brands
- ▶ **Developed markets Western Europe and North America back to volume growth**
- ▶ **Distribution points increasing** vs. prior year in both local and global brands



LEAD & EXPAND

INNOVATE

EDUCATE

INSPIRE

Highlights HY 2014/15



Expansion of Brazilian Chocolate factory

Oct 2014



Inaguration of the first chocolate factory in Chile

Dec 2014



Inaguration new CHOCOLATE ACADEMY™ in Dubai

Jan 2015



Signing of outsourcing agreement with WFC (USA)

Feb 2015



Inaguration new CHOCOLATE ACADEMY™ in Moscow

March 2015



Expansion of Chocolate plant in Lodz Poland

Nov 2014



Start-up of operations in our first Chocolate factory in India

Jan 2015



Inaguration new CHOCOLATE ACADEMY™ in Cologne

Feb 2015



Optimized cocoa Fermentation process, improved superior tasting chocolate

March 2015

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HY 2014/15

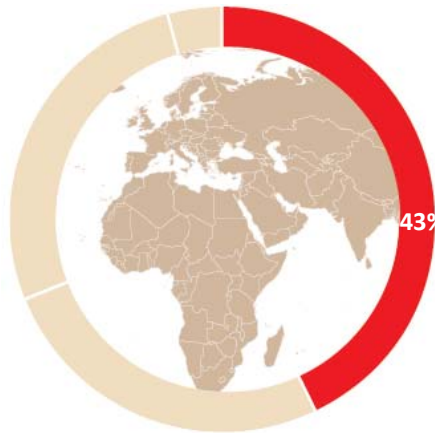
Accelerating volume growth, strong profitability

| Group performance | HY 2014/15 (in CHF mio.) | % vs prior year (in CHF) | % vs prior year (in local currencies) |
|---------------------------|-----------------------------|-----------------------------|---|
| Sales Volume (in tonnes) | 893,437 | 2.0% | |
| Sales Revenue | 3,244.2 | 11.6% | 14.5% |
| Gross Profit | 446.2 | 5.8% | 9.5% |
| EBIT | 219.2 | 8.7% | 13.0% |
| <i>EBIT per tonne</i> | 245.3 | 6.6% | 10.8% |
| Net profit for the period | 132.4 | 10.7% | 16.3% |

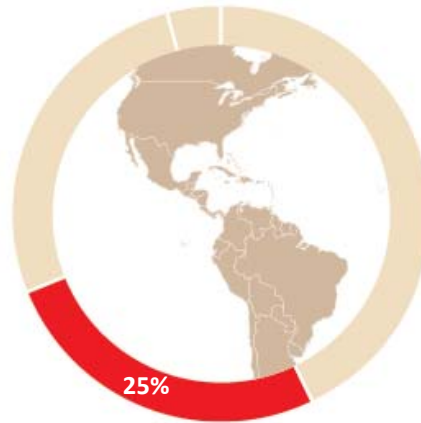
HY 2014/15

Strong top and bottom-line performance of main Regions Europe and Americas

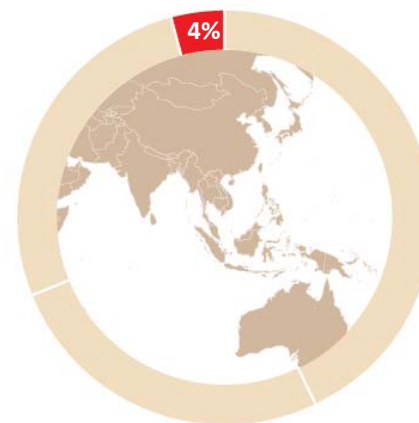
Europe



Americas



Asia Pacific



Global Cocoa



Volume growth

+2.1%

+1.9%

+5.8%

+1.2%

EBIT growth in CHF

+15.8%

+12.4%

+4.0%

-39.6%

EBIT growth in local currencies

+21.9%

+9.5%

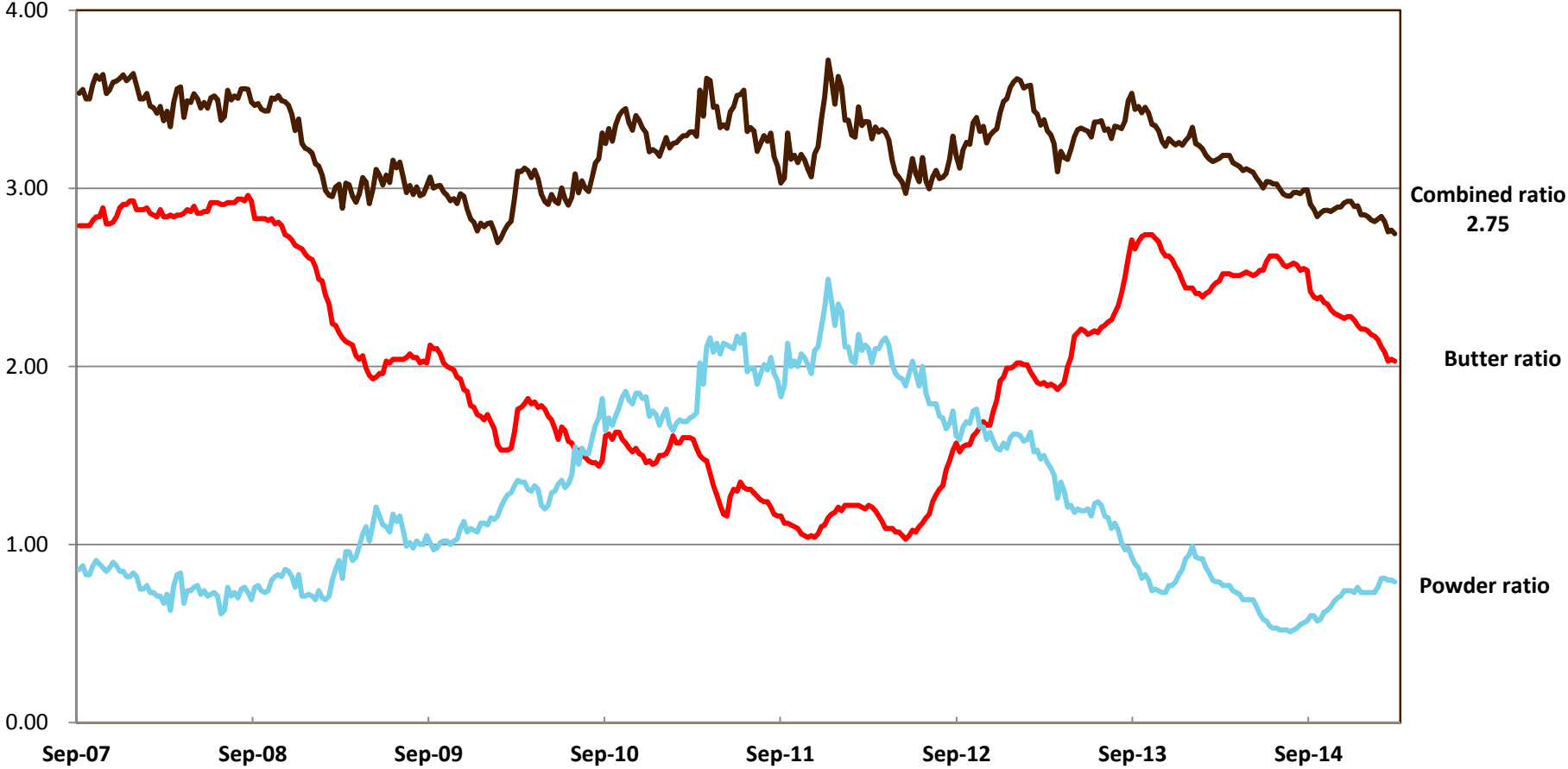
+7.1%

-36.4%

Cocoa processing profitability

Challenging cocoa market environment, negative impact from the cocoa combined ratio

European combined ratio- 6 months forward ratio



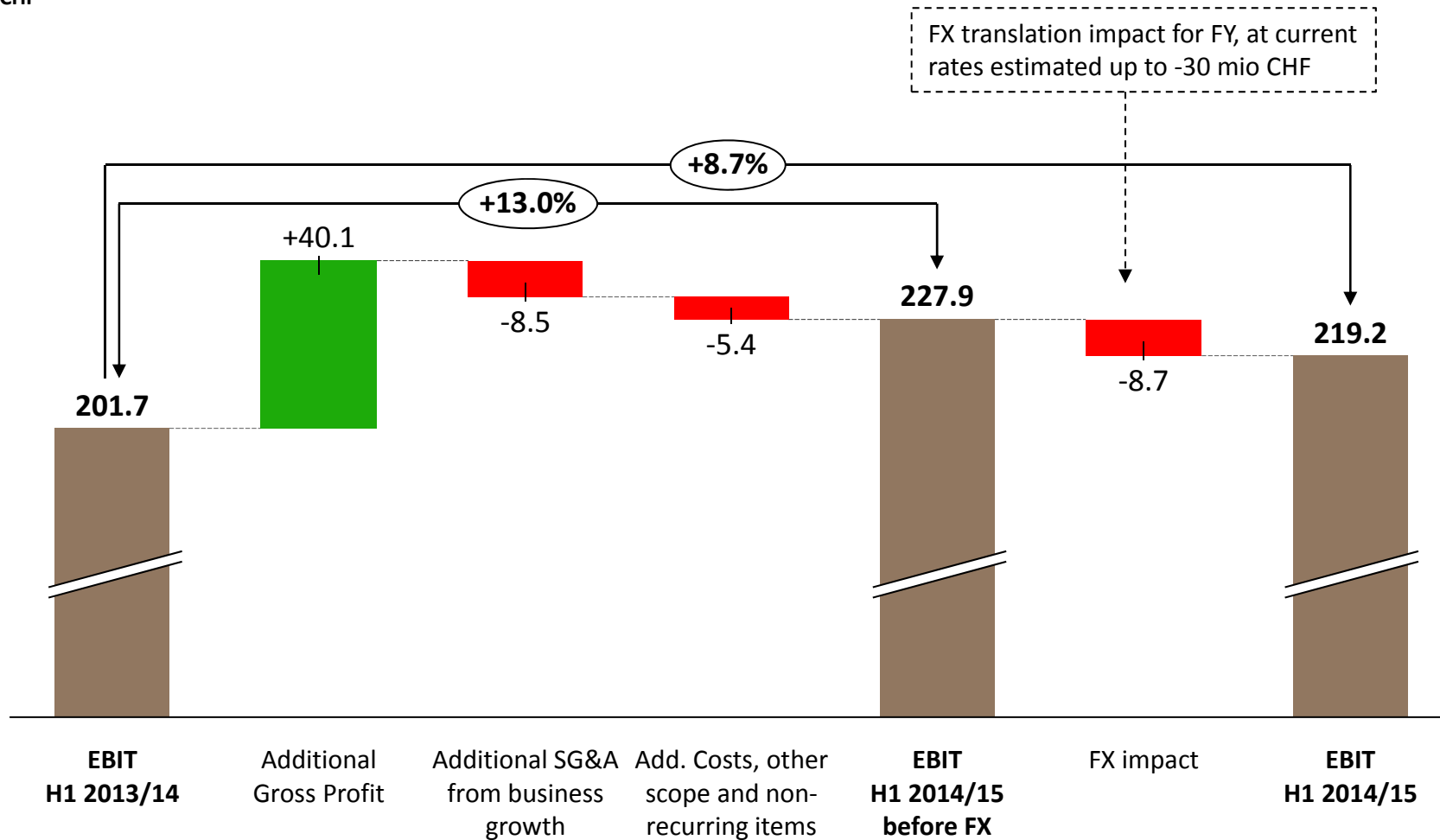
For cocoa processors, profitability depends on the ratio between input costs (price of cocoa beans) and output prices (price of cocoa butter and powder).



EBIT HY 2014/15

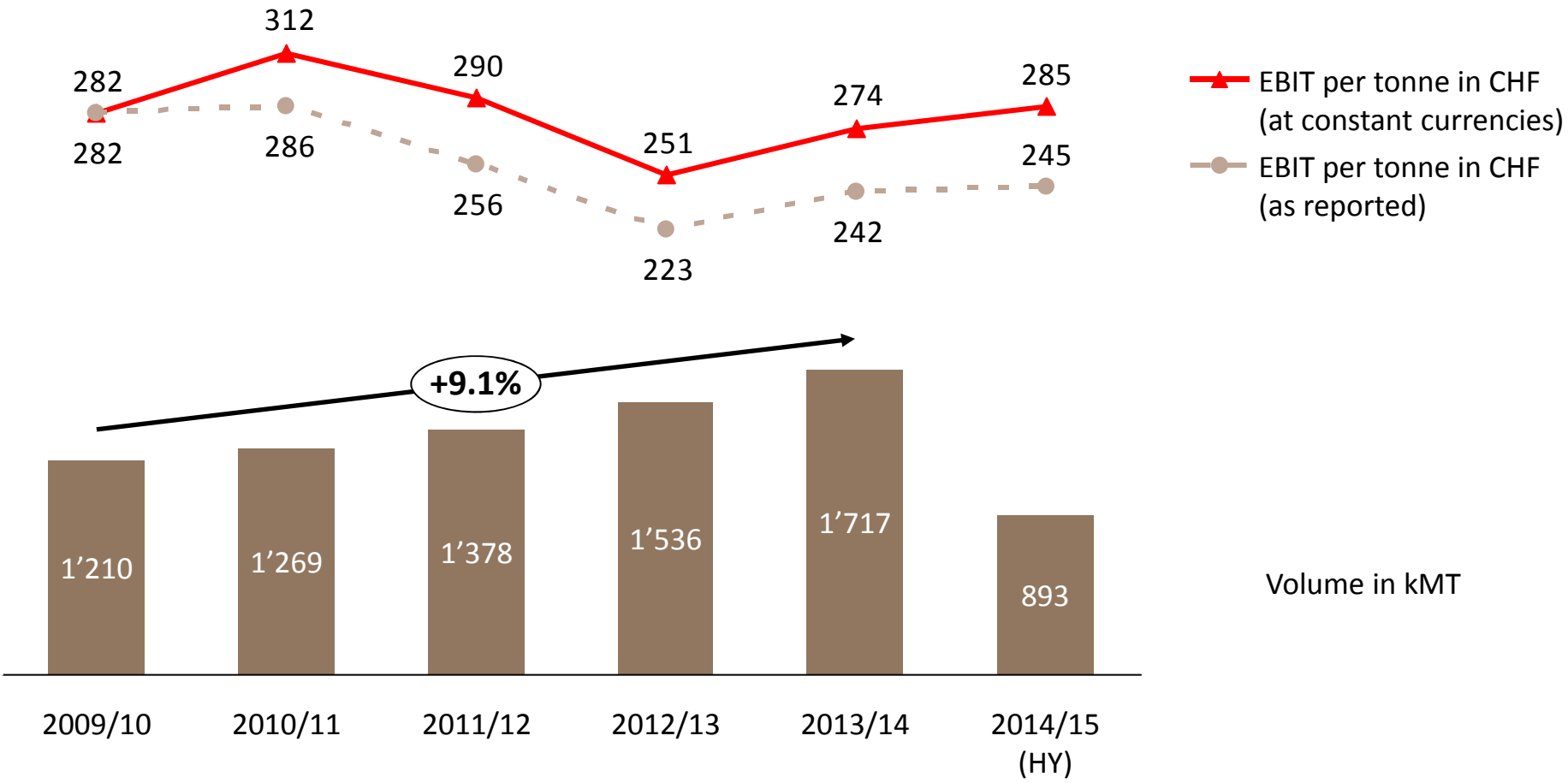
Significant improvement at Operating Profit level, through higher focus on margins, better product mix and tigher cost control

in mCHF



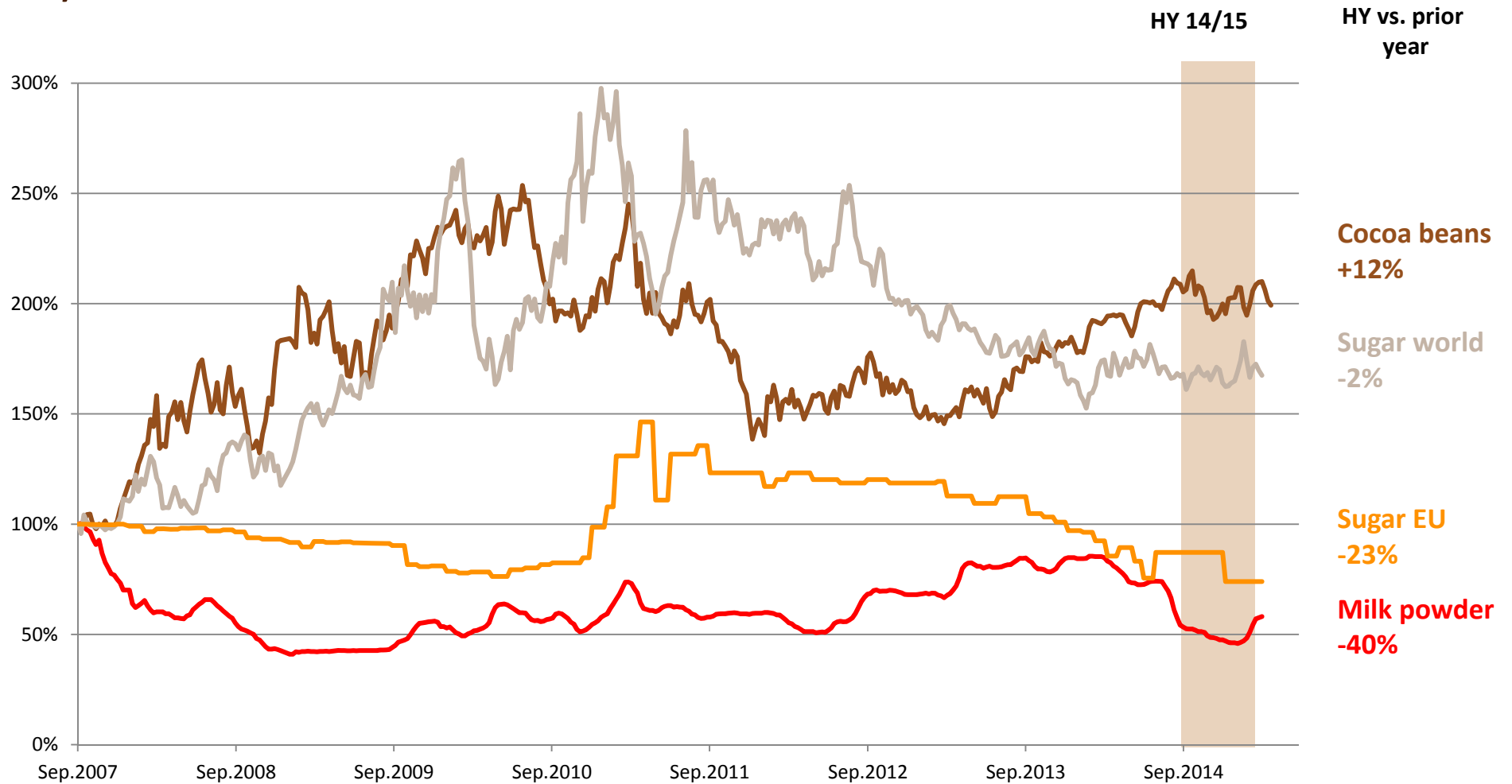
6-year EBIT per tonne development

Improvement of the EBIT per tonne continues. On track to achieve our mid-term guidance



Raw materials evolution

Cocoa bean price still at relatively high levels, other raw materials below prior year



Balance Sheet & key ratios

High cocoa bean price levels still weighing on our Balance Sheet and key ratios

| | Feb 15 | Aug 14 | Feb 14 |
|------------------------------|---------|---------|---------|
| Total Assets [CHF m] | 5,433.4 | 5,167.5 | 5,106.9 |
| Net Working Capital [CHF m] | 1,566.6 | 1,674.6 | 1,501.4 |
| Non-Current Assets [CHF m] | 2,139.5 | 2,175.6 | 2,068.6 |
| Net Debt [CHF m] | 1,790.6 | 1,803.5 | 1,698.2 |
| Shareholders' Equity [CHF m] | 1,654.4 | 1,790.7 | 1,658.9 |
| Debt/Equity ratio | 108.2% | 100.7% | 102.4% |
| Solvency ratio | 30.4% | 34.7% | 32.5% |
| Net debt / EBITDA | 3.2x | 3.4x | 3.6x |
| Interest cover ratio | 4.6x | 4.5x | 4.9x |
| ROIC | 10.9% | 10.5% | 11.1% |
| ROE | 16.2% | 14.7% | 15.6% |

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The Barry Callebaut Group's growth strategy

Our proven four-pillar strategy is the basis for our long-term business success

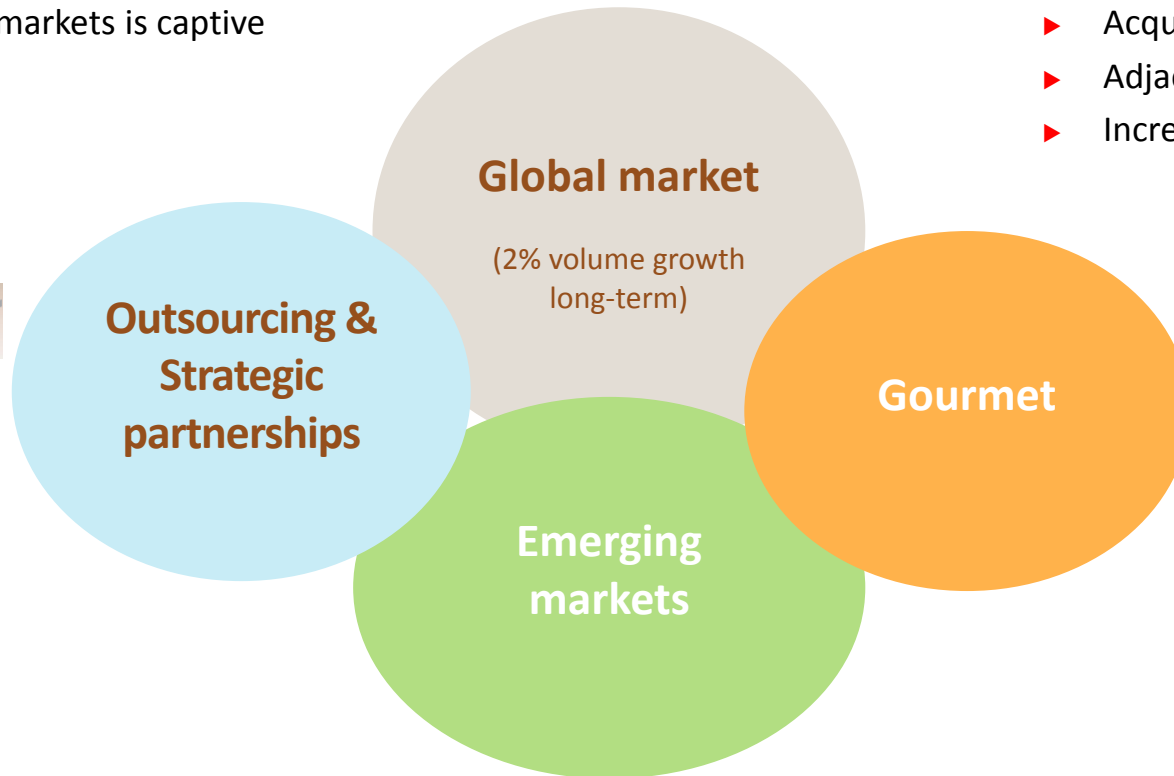


Expansion

Significant further opportunities with three key growth drivers

- ▶ Potential volume of 3 mio tonnes
- ▶ 80% in emerging markets is captive market

- ▶ BC with 25% market share
- ▶ Acquisitions pipeline
- ▶ Adjacent products
- ▶ Increase distribution points

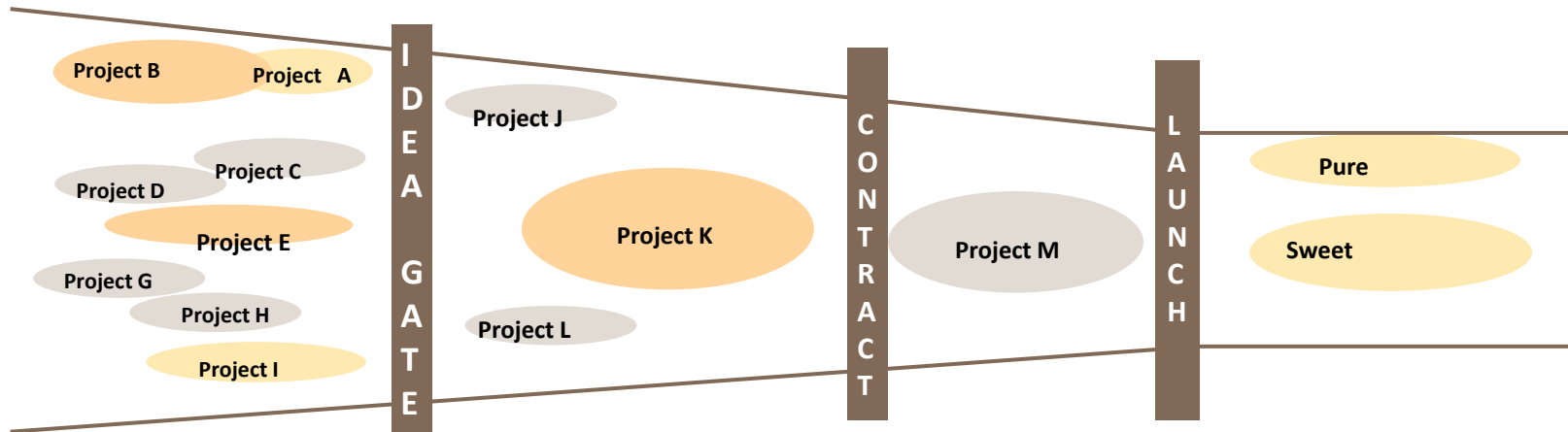


- ▶ Long-term faster volume growth than developed markets
- ▶ Enormous growth opportunities, with current low consumption per capita



Innovation

Strong, structured innovation funnel to support additional volume growth



Controlled Fermentation: Special yeast to optimize cocoa fermentation and intensify the taste of chocolate

Hot: Chocolate recipes with higher thermo tolerance. Melting point up to 4°Celsius higher than normal.



Strengthening efficiency, optimizing and enabling for future growth

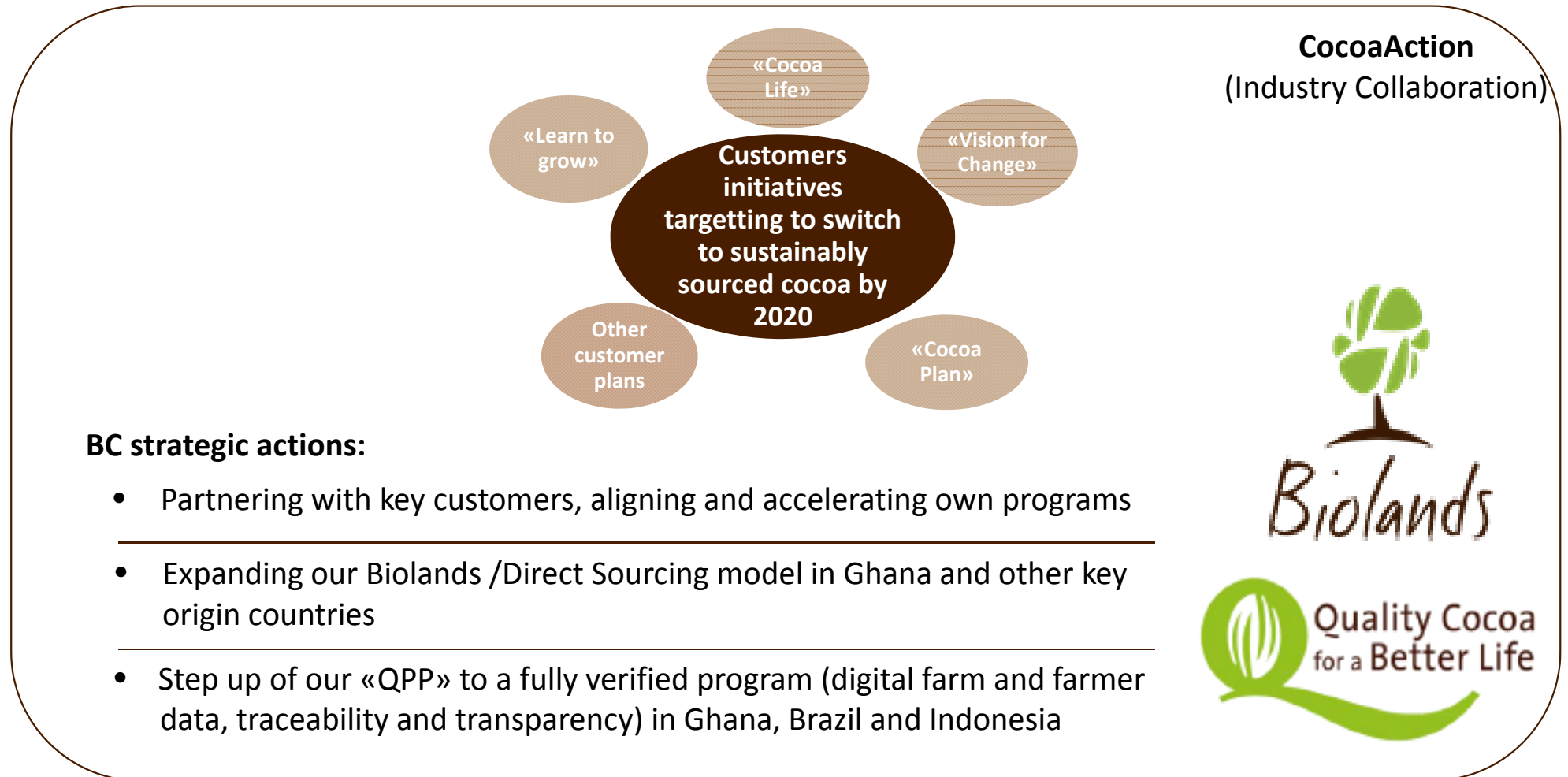
Intention to create a Shared Service Center (SSC) for Europe in Poland

- ▶ **Scope:** Transactional activities performed in Europe
- ▶ **Benefits:**
 - ▶ Increase operational efficiency and create economies of scale and skills
 - ▶ Local functions can focus more on non-standardized activities
- ▶ **Financials:**
 - ▶ Investments of a double-digit CHF million, payback of 3-5 years
 - ▶ Initial annual savings of 2.5m EUR
 - ▶ Expand up to 200 FTE's with ~ double-digit mio EUR savings
- ▶ **Timeline:** 24 months



*Łódź is the third largest city of Poland after Warsaw and Krakow.
The city is working hard to be attractive for foreign companies and local workforce: infrastructure, shopping centers, cultural activities, many real estate development projects going on, presence of universities, ...*

Sustainable cocoa – Leading the industry through innovation, implementation and impact



BC strategic actions:

- Partnering with key customers, aligning and accelerating own programs
- Expanding our Biolands /Direct Sourcing model in Ghana and other key origin countries
- Step up of our «QPP» to a fully verified program (digital farm and farmer data, traceability and transparency) in Ghana, Brazil and Indonesia

Outlook



Market/ Industry Outlook

- ▶ Long-term growth in chocolate and cocoa products markets remains intact
- ▶ Significant opportunities along the key growth drivers

Mid-term Guidance*

- ▶ On average 6-8% volume growth per year, and
- ▶ EBIT per tonne to reach CHF 256 by 2015/16

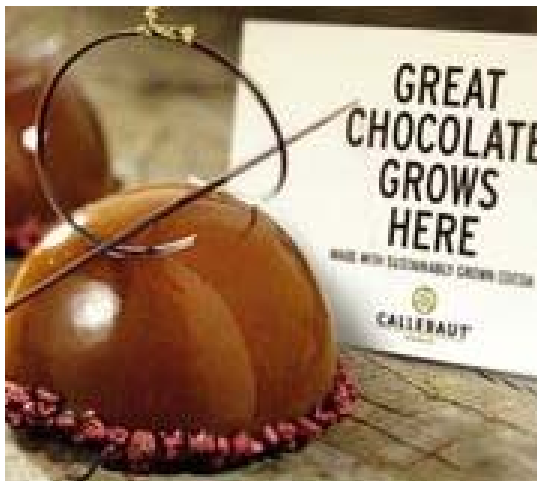
* Barring any unforeseeable events ; EBIT per tonne subject to currency translation impacts

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HY 2014/15

Summary



- ▶ Accelerating volume growth, in particular in Western Europe and Americas
- ▶ Volume growth well supported by key growth drivers: Outsourcing and Gourmet
- ▶ Significant profit improvement, due to good product mix and focus on margins and despite negative combined cocoa ratio and negative FX translation impact
- ▶ Well on track to achieve our mid-term guidance

Appendix

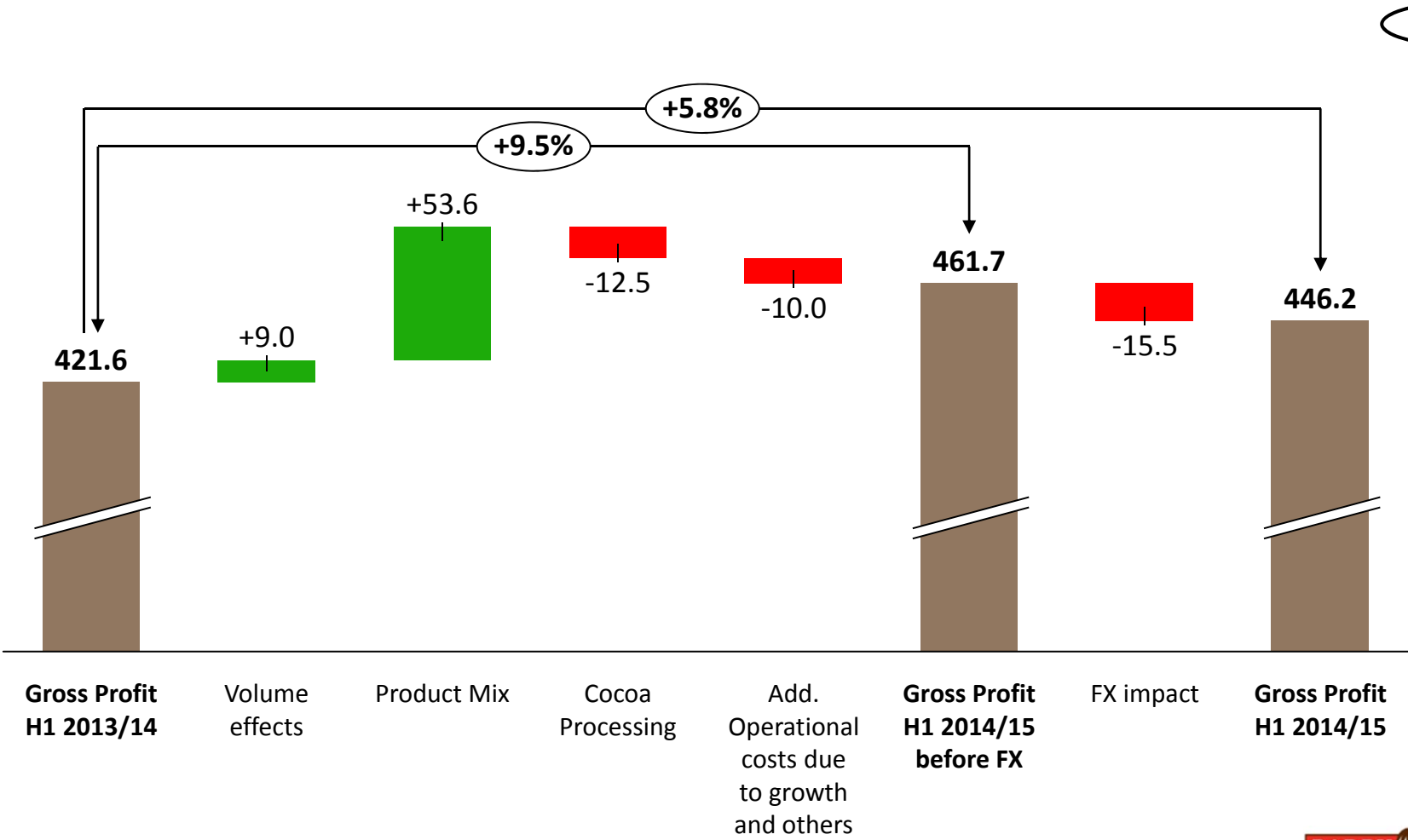


Gross Profit HY 2014/15

Gross profit up +9.5% mainly due to better product & customer mix and focus on margins

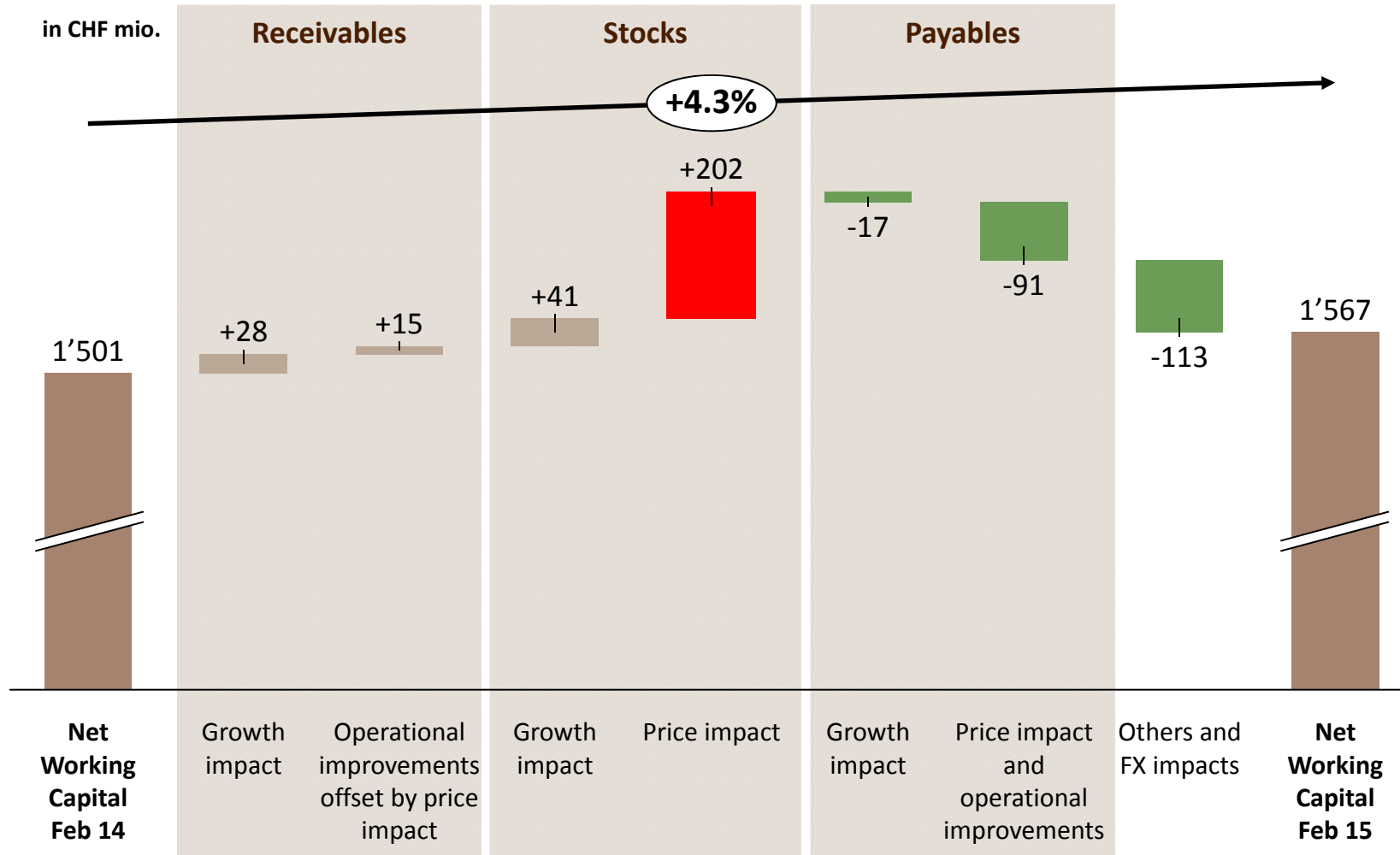
in mCHF

* Without Cocoa Processing impact



Net Working Capital

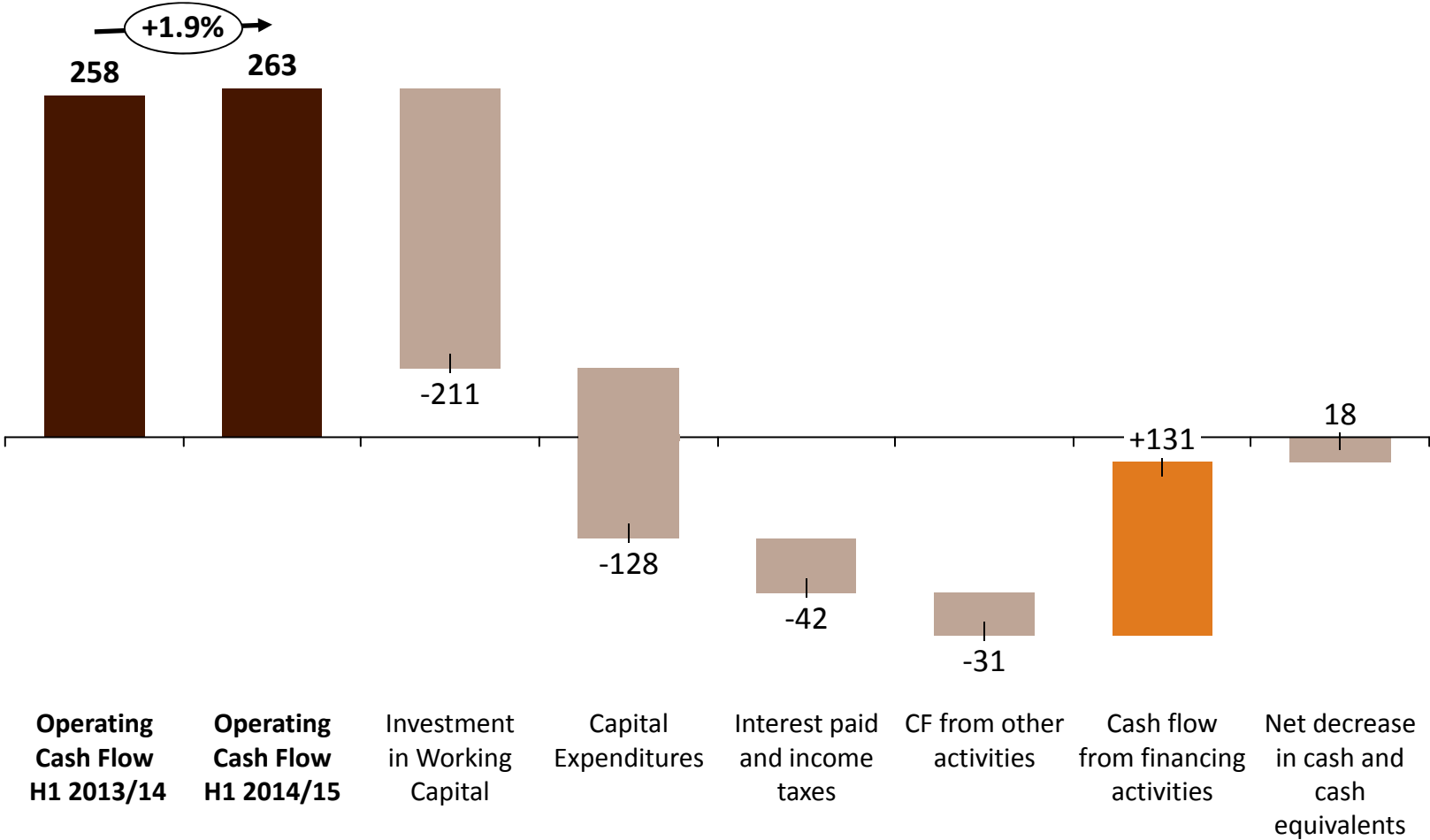
Good working capital management with negative impact only from higher cocoa bean prices



Cash Flow

Cash flow above prior year, mainly impacted from high cocoa bean prices

in CHF mio.



* Before Working Capital changes

Available Financing

Enough headroom for further growth and raw material price fluctuations

As of 28 Feb 2015

