News Release

Barry Callebaut reports results for first six months of fiscal year 2003/04:

Solid sales and earnings growth

- **Sales revenue increased by 15% to CHF 2.2 billion**
- **Operating profit (EBIT) grew 15% to reach CHF 149.8 million**
- **Net profit (PAT) up 10% to CHF 83.6 million**
- **Barry Callebaut confident of achieving stated double-digit growth in EBIT and PAT for the entire fiscal year (closing as of August 31, 2004)**

Zurich/Switzerland, April 1, 2004 – With double-digit growth rates achieved for sales revenue, operating profit (EBIT) and net profit (PAT) in the six-month period ended February 28, 2004, Barry Callebaut AG, the world's leading manufacturer of high-quality cocoa and chocolate products, continued its growth path. As a result of increased sales in North America and in Asia-Pacific as well as some impact of Easter, which is one week earlier than last year, especially the second quarter came to a strong end. It has to be noted that chocolate is a seasonal business.

Patrick De Maeseneire, CEO of Barry Callebaut, said: „Barry Callebaut has continued to grow more than twice as fast as the global chocolate market. We are satisfied with the organic growth and the operational improvements achieved in all our businesses, and we are pleased to report that the restructuring programs in our Consumer Products units are on track and starting to pay off".

Sales revenue increased by 15% to CHF 2,199.3 million in the six-month period ended February 28, 2004, up from CHF 1,906.4 million for the prior-year period. Major contributing factors to this increase were organic growth and margin improvements, the first-time consolidation of Brach's and Luijckx as well as a favorable net currency effect, offset somewhat by lower underlying cocoa bean prices. Eliminating all of the afore-mentioned effects, the organic revenue growth rate stands at 4%.

Sales volumes went up by 10% to 527,434 tonnes, up from 480,497 tonnes in the same prior-year period, with organic volume growth accounting for 2%.

Operating profit (EBIT) went up by 15% to CHF 149.8 million. This is partly due to the acquisition of Brach's and Luijckx, net currency effects as well as margin improvements, and partly the result of organic growth. On a per tonne basis, operating profit (EBIT) rose nearly 5% to CHF 284.0 per tonne, up from CHF 271.3. **Financial cost** increased by 36% to CHF 47.8 million. This increase is attributable to the Group's refinancing transaction of March 2003 and the net impact of the acquisition costs for Brach's and Luijckx, partly compensated for by improved working capital levels.

Taxes decreased to CHF 17.5 million, bringing the effective tax rate to 17.2%, down from 20.5% for the same prior-year period. The decrease in the effective tax rate was partly attributable to the usage of tax loss carry forwards.

Net profit (PAT) grew 10% to CHF 83.6 million, up from CHF 75.9 million in the prior-year period.

Barry Callebaut AG
P.O. Box | 8034 Zurich | Switzerland
Phone +41 1 801 61 57 | Fax +41 1 801 61 53

Shareholders' equity grew 3% to CHF 779.9 million, compared to CHF 759.2 million at the end of the previous fiscal year on August 31, 2003.

On February 28, 2004, the Group employed a **workforce** of 8,961 people, or 14% more than on August 31, 2003, due to the acquisition of Brach's.

Development of business segments

Industrial business segment

The Industrial business segment supplies industrial processors and consumer goods manufacturers worldwide with cocoa and chocolate products.

Sales volumes were 331,027 tonnes, compared to 332,439 tonnes for the same prior-year period.

- While volumes of cocoa products sold to third-party customers had intentionally been decreased in the first quarter of the fiscal year, they increased in the second quarter according to plan. Over the entire period of the first six months volumes reached 61,077 tonnes (or -2% compared to the same prior-year period).
- Volumes of chocolate products sold by the Food Manufacturers business unit were 269,950 tonnes thanks to organic growth of 5% in the second quarter. Excluding the partial discontinuation of low/negative margin industrial sales at Stollwerck and the reclassification of former deliveries to Luijckx and to Brach's as intercompany sales, volumes grew organically by 4% in the first six months. Increases could be recorded primarily in France, Italy and the Americas. Only in the UK, with a decreasing biscuit market, were volumes slower than a year ago.

Sales revenue for the Industrial business segment rose 1% to CHF 1,128.2 million.

- As a result of lower underlying cocoa bean prices, lower volumes year-to-date and a negative impact of the weak US dollar, sales revenue for the Cocoa business unit decreased by 7% to CHF 272.3 million.
- Sales revenue for the Food Manufacturers business unit stood at CHF 855.9 million, or a plus of 3.5%, which is the result of volume growth as well as sustained margin improvements.

Operating profit (EBIT) for the Industrial business segment increased by 16% to CHF 97.8 million, up from CHF 84.2 million in the same prior-year period. The increase comes from an active margin management in the Cocoa and in the Food Manufacturers business units as well as from higher sales volumes in the Food Manufacturers business unit.

Food Service/Retail business segment

The Food Service/Retail business segment is targeted at serving a broad range of customers, from craftsmen to global retailers.

Sales revenue was up 36% to CHF 1,071.1 million, with CHF 238.2 million or 30% stemming from the first-time consolidation of Luijckx and Brach's.

- The Gourmet & Specialties business unit increased its sales revenue by 17% to CHF 292.7 million, up from CHF 249.7 million. Organic growth was 7% or CHF 17.2 million, achieved due to confirmed signs of economic recovery in North America and in Asia-Pacific, efforts to focus on high-margin products, such as ready-to-use and ready-to-sell products, and some positive currency effects; the remainder of the increase is attributable to the Luijckx acquisition closed in March 2003.
- The Consumer Products business units reported sales revenue growth of 45% to CHF 778.4 million, compared with CHF 536.6 million for the same prior-year period, with CHF 212.4 million being attributable to the first-time consolidation of Brach's. The remaining growth of 5.5% was achieved as a result of organic sales growth for customer label chocolate products and for the Sarotti brand as well as a favorable currency impact.

Operating profit EBIT for the Food Service/Retail business unit increased by 20% to CHF 80.2 million, up from CHF 66.7 million in the prior-year period. This was the result of organic growth, sustained margin improvements, along with cost savings and the initial effects of the restructuring programs under way in the Consumer Products units. Both Consumer Products units made a positive contribution to the Group's EBIT.

The restructuring programs in the Consumer Products units are on track both in terms of timing and budget. Building upon existing strengths, the consumer business strategy will reside on two pillars: first, customer label products and, secondly, branded business with the two core brands Sarotti for Europe and Brach's for North America.

- Consumer Products Europe is implementing the second phase of its restructuring program, for which a provision of CHF 80 million had been set aside in fiscal year 2001/02. All management and administrative functions have been integrated at its head office in Cologne, Germany, and processes have been streamlined, leading to considerable cost savings. On the marketing side, a comprehensive rebranding project was launched, with Sarotti being positioned as the umbrella brand. With regard to the manufacturing network, the focused factory approach will be further implemented and costs will be gradually taken out.

- The operational restructuring of the Consumer Products North America business unit has been completed within plan and budget. Management and administrative functions have been integrated at the new head office in Dallas, Texas. The new factory in Vernell, Mexico, is fully operational and on plan. The focus will now be on fully utilizing the capacity available in order to achieve the planned cost structure. Furthermore, the proprietary Brach's Fresh Candy Shoppe merchandising and delivery system has been significantly re-designed via consumer and retailer research. A number of higher-margin chocolate products are ready to be launched beginning in late Q4 through early Q1. The products will include several low carb options.

Outlook

With regard to full fiscal year 2003/04 CEO Patrick De Maeseneire said: “We will continue to focus on margins, go for greater efficiency and turn our consumer businesses around with strong determination. Under the assumption that the current economic climate is sustainable, we are confident we will be able to achieve the stated double-digit growth in operating profit (EBIT) and net profit (PAT) in the current fiscal year”.

Barry Callebaut (www.barry-callebaut.com):
With annual sales of approx. CHF 3.6 billion for fiscal year 2002/03, Zurich-based Barry Callebaut is the world’s leading manufacturer of high-quality cocoa, chocolate and confectionery products – from the cocoa bean to the finished product on the store shelf. After the acquisition of Brach’s Confections Holding, Inc. in September 2003, Barry Callebaut operates more than 30 production facilities in 17 countries and employs approx. 9,000 people. The company serves the entire food industry, from food manufacturers to professional users of chocolate (such as chocolatiers, pastry chefs or bakers), to global retailers. It also provides a comprehensive range of services in the fields of product development, processing, training and marketing.

Fiscal year 2003/04 will close on August 31, 2004. Results for the nine-month period ending May 31, 2004 will be published on July 5, 2004 (news release and conference call).

Contacts

for investors and financial analysts:
Dieter A. Enkelmann, CFO
Barry Callebaut AG
Phone: +41 1 801 61 43
Fax: +41 1 801 61 53
dieter_enkelmann@barry-callebaut.com

for the media:
Gaby Tschofen
Barry Callebaut AG
Phone: +41 1 801 61 60
Fax: +41 1 801 61 53
gaby_tschofen@barry-callebaut.com

News Release

<u>The analysts'/media presentation of Barry Callebaut will take place as follows:</u>

Date: April 1, 2004

Time: 10:00am CET to approx. 11:00am CET,
followed by a Special on the Gourmet & Specialties business and
a practical chocolate workshop

(please note that Continental Europe has changed to summer time on March 28!)

Location: Barry Callebaut AG, Neugutstrasse 58, 8600 Dübendorf
(with shuttle service from Bahnhof Stettbach)

If you cannot attend the analysts'/media presentation in person, you have two options:

- You can follow the presentation via our audio web cast. The audio web cast can be accessed by following the link on our homepage (www.barry-callebaut.com).

- Or you listen in and to ask questions by telephone. The conference language will be English. Questions may also be asked in German or French.

  5 to 10 minutes before the conference is scheduled to begin please dial:
  +41 91 610 56 00 (for callers from Europe)
  +1 866 291 41 66 (for callers from North America)
  +44 207 107 0611 (for callers from the U.K.)

  You will be asked to identify yourself.

A replay of the conference will be available as of April 1, 2004, (11:00hrs CET) for 72 hours under **+41 91 612 43 30** (Europe), **+1 412 858 14 40** (US) and **+44 207 866 43 00** (U.K.) - Code '**328**' (followed by the # sign).

The news release, the more comprehensive Letter to Investors and the slides for the conference call can be downloaded from our website (www.barry-callebaut.com) as of April 1, 2004, 07:00 am CET.

News Release

Key Figures for Barry Callebaut AG (unaudited)

in CHF		Change (%)	6 months up to 28.02.2004	6 months up to 28.02.2003
Income Statement				
Sales revenue *in local currencies*	CHF m	15.4 *12.3*	**2,199.3** ***2,141.0***	1,906.4
Sales volume	mt	9.8	**527,434**	480,497
Gross profit *in local currencies*	CHF m	33.5 *29.4*	**817.7** ***792.4***	612.3
Operating profit (EBIT) *in local currencies*	CHF m	14.9 *10.0*	**149.8** ***143.5***	130.4
EBIT per tonne *in local currencies*	CHF	4.7 *0.3*	**284.0** ***272.1***	271.3
Net profit (PAT) *in local currencies*	CHF m	10.2 *6.7*	**83.6** ***81.0***	75.9
Cash flow (1)	CHF m	11.9	**153.5**	137.2
Shares				
EBIT per share	CHF	14.9	**28.97**	25.22
Earnings per share (undiluted)	CHF	10.2	**16.21**	14.70
Earnings per share (diluted)	CHF	10.2	**16.17**	14.67
			Feb. 28, 2004	**Aug. 31, 2003**
Balance Sheet				
Balance sheet total	CHF m	5.7	**2,867.6**	2,712.7
Net working capital	CHF m	7.8	**1,029.9**	955.1
Non-current assets	CHF m	4.1	**1,092.6**	1,049.9
Net debt	CHF m	1.6	**1,046.8**	1,030.1
Shareholders’ equity	CHF m	2.7	**779.9**	759.2
Other				
Employees		14.3	**8,961**	7,837

1) Net profit + depreciation of tangible assets + amortization of goodwill and other intangibles

News Release

Key figures by business segment

in CHF		Change (%)	6 months up to 28.02.2004	6 months up to 28.02.2003
Industrial Business Segment				
Sales revenue	CHF m	0.7	**1,128.2**	1,120.1
- Cocoa	*CHF m*	*-7.2*	***272.3***	*293.5*
- Food Manufacturers	*CHF m*	*3.5*	***855.9***	*826.6*
Sales volumes	mt	-0.4	**331,027**	332,439
- Cocoa	*mt*	*-1.7*	***61,077***	*62,127*
- Food Manufacturers	*mt*	*-0.1*	***269,950***	*270,312*
EBIT	CHF m	16.2	**97.8**	84.2
EBITDA	CHF m	11.4	**134.6**	120.8
Food Service/Retail Business Segment				
Sales revenue	CHF m	36.2	**1,071.1**	786.3
- Gourmet & Specialties	*CHF m*	*17.2*	***292.7***	*249.7*
- Consumer Products	*CHF m*	*45.1*	***778.4***	*536.6*
EBIT	CHF m	20.2	**80.2**	66.7
EBITDA	CHF m	27.4	**112.1**	88.0