News Release

Barry Callebaut reports results for fiscal year 2005/06:

Sustained profit growth

- **Strong net profit growth of 17.4% to CHF 183.0 million**
- **Consumer Products Europe achieved a positive result**
- **Operating profit (EBIT) up 13.5% to CHF 293.1 million**
- **EBIT per tonne up 13.7%**
- **Sales revenue up 4.9% to CHF 4,261.9 million**
- **Solid top-line growth in Food Manufacturers and Gourmet & Specialties**
- **3-year financial performance targets extended by another year**
- **Board of Directors proposes a payout of CHF 10.50 per share, up from CHF 8.00, representing a 30% payout ratio, in the form of a par value reduction and repayment**
- **CFO Dieter Enkelmann to leave Barry Callebaut – Victor Balli appointed new CFO**

Zurich/Switzerland, November 2, 2006 – Barry Callebaut AG, the world's leading manufacturer of high-quality cocoa and chocolate products, announced today its results for fiscal year 2005/06 ended August 31, 2006 – the tenth year since Belgian Callebaut merged with French Cacao Barry in 1996.

In the past fiscal year sales revenue rose by 4.9% to CHF 4,261.9 million, helped by positive currency effects. Sales volumes in the business units Food Manufacturers and Gourmet & Specialties went up by 4.2%, confirming the robustness of Barry Callebaut's core businesses. As the company deliberately discontinued sales volumes in the consumer business and sales volumes of the Cocoa business slightly decreased, overall sales volumes remained flat at 1,049,788 tonnes, down 0.3%.

Operating profit (EBIT) strongly increased by 13.5% to CHF 293.1 million for the past fiscal year. Without the first-time recognition of the employee stock ownership program (ESOP), as required by the new IFRS 2 standards, EBIT would have increased to CHF 300.9 million. EBIT per tonne, the key indicator for operational performance, was CHF 279.2, up 13.7%. Net profit (PAT) went up by 17.4% to CHF 183.0 million (prior-year: CHF 155.9 million, calculated on a like-for-like basis). Excluding the ESOP impact, net profit would have amounted to CHF 190.2 million in the year under review.

Patrick De Maeseneire, CEO of Barry Callebaut, said: "We are pleased that we have again achieved very good results in fiscal year 2005/06, although we had a challenging fourth quarter due to a very hot summer in Europe, which impacted our volume growth. Most importantly, Consumer Products Europe has achieved a positive result; margins were improved and costs reduced. The business is now operating on a solid foundation."

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Overview of business performance

Sales volumes of products sold to third-party customers remained flat and amounted to 1,049,788 tonnes, down 0.3%. Sales volumes in the business units Food Manufacturers and Gourmet & Specialties went up by 4.2%. However, this increase was offset by deliberately discontinued sales volumes in the consumer business and a slight decrease in sales volumes in the Cocoa business unit.

Revenue from sales and services increased by 4.9% to CHF 4,261.9 million, compared to CHF 4,061.1 million in the previous year, helped by positive currency impacts mainly involving the Euro and U.S. dollar against the Swiss Franc.
The Food Manufacturers, Gourmet & Specialties and Cocoa business units showed a strong increase in sales revenue, the latter as a result of higher physical bean sales. The Consumer Products business unit's sales revenue experienced a decrease as a result of discontinued customer label contracts in Europe, but to a lesser extent than the decrease in sales volumes.

Operating profit (EBIT) strongly increased by CHF 34.8 million or 13.5% to CHF 293.1 million, compared to CHF 258.3 million in the prior year (last year before restructuring and non-recurring items, restated for the impact of the share-based payments). All business units contributed to this growth, with the biggest increase coming from the European consumer business.

EBIT per tonne stands at CHF 279.2, which represents an increase of 13.7% over last year's figure of CHF 245.5. All business units contributed to this increase. By far the strongest contribution came from the European consumer business.

Net financial costs covering financial expense and financial income amounted to CHF 77.7 million, down by CHF 5.5 million from CHF 83.2 million in the prior year. This decrease was mainly attributable to favorable exchange rate and interest rate movements and lower bank charges, despite slightly higher average net debt.

Income taxes amounted to CHF 31.9 million, compared to CHF 19.9 million in the previous year. This represents a tax rate of 14.8%, down from 24.5% in the prior year. The tax rate in fiscal year 2005/06 was positively influenced by significantly lower non-tax-effective expenses, whereas in the prior year, income tax amount and tax rate were influenced by the CHF 94 million restructuring charge.

Net profit (including minorities**)** increased to CHF 183.6 million, compared to CHF 61.3 million in the prior year. Net profit (PAT) amounts to CHF 183.0 million, a strong increase of 17.4% over the prior year's CHF 155.9 million. The latter is calculated on a pro forma basis by adding back the CHF 94 million restructuring charge to the prior year's net profit of CHF 61.9 million. PAT for the fiscal year under review is impacted by the share-based payments – net of taxes – in the amount of CHF 7.2 million (prior year: CHF 6.4 million).

Basic earnings per share stand at CHF 35.53, up by 17.1% from CHF 30.33 last year on a pro forma basis before the restructuring impacts. After restructuring, last year's restated basic earnings per share amounted to CHF 12.04.

On August 31, 2006, the Group employed a **workforce** of 8,236 people.

Please refer to the Annual Report 2005/06 for further details. It can be downloaded from www.barry-callebaut.com (go to Investors > Documentation).

Proposals to the Annual General Meeting

Board of Directors

Andreas W. Keller, member of the Board of Directors since 1999, has expressed the desire to not stand for re-election at the General Meeting on December 7, 2006. Having entrepreneurial experience in the field of international marketing and distribution, particularly in Asia, Andreas Keller was able to draw on a wealth of valuable expertise, which greatly benefited Barry Callebaut. The Board of Directors, the Senior Management Team and the entire staff would like to express their sincere thanks to Andreas Keller for his many years of outstanding service to the company. All other Board members will be standing for re-election for a period of one year.

30% payout ratio and par value reduction in lieu of a dividend

In light of the sustained profit growth and the positive result of Consumer Products Europe, the Board of Directors proposes to the Annual General Meeting of December 7, 2006 to increase the payout to shareholders from CHF 8.00 last year to CHF 10.50 per share, representing a payout ratio of 30%. Instead of a dividend payment, the Board of Directors proposes to reduce the share capital of the company by CHF 54.3 million, from CHF 435.3 to CHF 381.0 million, through the reduction of the par value per share from CHF 84.20 to CHF 73.70, and to amend the respective provision of the articles of incorporation. The par value reduction of CHF 10.50 per share (last year: CHF 8.00) will be paid out to shareholders free of cost and net of withholding tax in March 2007.

CFO Dieter Enkelmann to leave Barry Callebaut – Victor Balli appointed new CFO

Dieter Enkelmann, Chief Financial Officer and member of the Senior Management Team since 2003, will leave Barry Callebaut in December 2006 in order to take up the position of Chief Financial Officer of the Julius Baer Group. The Board of Directors and the Senior Management Team thank him for his valuable contribution and exceptional service during his tenure.

The Board of Directors has appointed Victor Balli to the position of Chief Financial Officer (CFO) of the company and member of the Senior Management Team effective February 1, 2007.

Before joining Barry Callebaut, Victor Balli was with Minibar since 1996. With more than 1 million minibars and safes installed worldwide Minibar has been the market leader in the hotel industry for 35 years. Victor Balli began as CFO of Minibar and also served as CFO and board member of several Niantic group companies. From 1991-1995 he worked as a Principal with Adinvest AG, a corporate finance advisory company with offices in Zurich, San Francisco, New York and London. From 1989-1991 Victor Balli served as Director of Corporate Finance with Marc Rich & Co. Holding in Zug. He started his professional career in 1985 working as a Financial Analyst & Business Development Manager with EniChem International SA in Zurich.

Victor Balli (born 1957) holds a MSc in Economics from the University of St. Gallen and a MSc as a Chemical Engineer from the Swiss Federal Institute of Technology in Zurich. He is a Swiss national.

Outlook

Looking ahead to fiscal year 2006/07, CEO Patrick De Maeseneire said: “In order to better capture growth opportunities, Barry Callebaut has implemented a new organizational structure and is now operating with a regional focus. In Europe, we are continuously investing in our factory network in order to respond to growing customer demand, maintain cost leadership and anticipate new consumer trends. In North America, we are putting our forces in place to better leverage our core competencies and resources and grow our share of the market. And in Asia-Pacific, we have decided to install additional capacity with a new factory near Shanghai and we are intensifying our selling efforts in these large high-potential markets.

Though we are cautious about the generally still fragile consumer sentiment in Germany and about the impact from the strongly decreased combined (cocoa) ratio, we reconfirm our financial targets given for the 3-year period 2004/05 through 2006/07 and extend the period by one year to 2007/08. These targets are on average: annual top-line growth of 3-5%, EBIT growth of 8-10% and PAT growth of 12-15%. This, of course, barring any major unforeseen events.”

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Barry Callebaut (www.barry-callebaut.com):
With annual sales of more than CHF 4 billion for fiscal year 2005/06, 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. Barry Callebaut is present in 24 countries, operates more than 30 production facilities and employs approximately 8,000 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.

The Annual General Meeting 2005/06 of Barry Callebaut will take place on December 7, 2006, at 2:30 p.m. (Kongresshaus, Zurich, Gartensaal).

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Media conference of Barry Callebaut AG

Date: Thursday, November 2, 2006
Time: 10:00 a.m. to approx. 11:00 a.m. CET
Location: Widder Hotel, Room 'Widder Saal',
Rennweg 7, 8001 Zurich, Switzerland

The conference language will be English, but questions can also be asked in German and French. You can also follow the conference by telephone or audio web cast. If you follow by phone, please dial: +41 91 610 56 00 (for callers from Europe)
+44 207 107 0611 (for callers from the UK)
+1 (1) 866 291 4166 (for callers from the US)

You will then be asked to give your name and the name of your publication.

To access the live audio web cast streaming, please follow the link on our homepage (www.barry-callebaut.com). Participants are advised to log on to the web cast and register their details 10 minutes prior to its commencement. A slight delay between the sound heard and slide changeovers may be experienced. You may therefore want to download your own copy of the presentation from our website. – An audio replay of the conference will be available as of November 2, 2006, (12.30 p.m.) for 72 hours under **+41 91 612 43 30** (Europe), **+1 (1) 866 416 2558** (US) and **+44 207 108 6233** (UK) – **Code '748'** (followed by the # sign). If you need assistance, please contact Ms Susanne Düggelin (phone: +41 43 204 0462 or e-mail: susanne_dueggelin@barry-callebaut.com).

Analysts' and Institutional Investors' conference of Barry Callebaut AG

Date: Thursday, November 2, 2006
Time: 12:00 to approx. 13:00 CET
Lunch: A light lunch will be offered during the conference, followed by a dessert buffet
Location: Widder Hotel, Room 'Widder Saal',
Rennweg 7, 8001 Zurich, Switzerland

The presentations will be held in English; questions may also be asked in German and French. You can also follow the conference by telephone or audio web cast. If you follow by phone, please dial: +41 91 610 56 00 (for callers from Europe)
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Key Figures for Barry Callebaut Group

		Change (%)	2005/06	2004/05 [5,6]
Income Statement				
Sales revenue	CHF m	4.9	4,261.9	4,061.1
in local currencies			*4,165.5*	
Sales volumes	mt	-0.3	1,049,788	1,052,467
EBITDA [(1)]	CHF m	9.0	405.8	372.2
Operating profit (EBIT)	CHF m	13.5	293.1	258.3
in local currencies			*289.1*	
Net profit (PAT)	CHF m	17.4	183.0	155.9
in local currencies			*181.2*	
Cash flow [(2)]	CHF m	11.3	347.9	312.6
Balance Sheet				
Total assets	CHF m	3.0	2,815.5	2,734.1
Net working capital	CHF m	10.8	920.9	830.8
Non-current assets	CHF m	1.7	1,188.6	1,168.2
Net debt	CHF m	-4.9	906.9	953.5
Shareholders' equity	CHF m	20.2	1,001.9	833.4
Ratios				
Return on capital employed (ROCE) [(3)]	%	9.2	17.9	16.4
Return on equity (ROE)	%	-2.3	18.3	18.7
EBIT per tonne	CHF	13.7	279.2	245.5
in local currencies			*275.4*	
Debt-to-equity ratio	%	-20.9	90.5	114.4
Shares				
Share price at year-end	CHF	48.1	548	370
EBIT per share	CHF	13.5	56.7	50.0
Basic earnings per share	CHF	17.1	35.5	30.3
Cash earnings per share [(4)]	CHF	10.1	66.9	60.8
Capital reduction and repayment	CHF	31.3	10.5	8.0
Other				
Employees	Number	-3.6	8,236	8,542

1) EBIT + depreciation of property, plant and equipment + amortization of intangible assets
2) Operating cash flow before working capital changes
3) EBITA / Average (Capital employed – Goodwill)
4) Operating cash flow / Diluted shares outstanding
5) Key figures for 2004/05 have been calculated based on a pro forma basis excluding the impact of restructuring charges amounting to CHF 94 million
6) Certain comparatives have been restated or reclassified to conform with the current period's presentation

Key figures by business segment

		Change (%)	2005/06	2004/05
Industrial Business Segment				
Sales revenue	CHF m	7.7	2,423.8	2,251.0
Cocoa	*CHF m*	*9.1*	*612.1*	*561.3*
Food Manufacturers	*CHF m*	*7.2*	*1,811.7*	*1,689.7*
Sales volumes	mt	2.8	707,839	688,418
Cocoa	*mt*	*-3.8*	*128,384*	*133,478*
Food Manufacturers	*mt*	*4.4*	*579,455*	*554,940*
Operating profit (EBIT)	CHF m	6.2	222.1	209.1
EBITDA	CHF m	3.7	275.4	265.7
Segment assets	CHF m	6.4	1,756.9	1,650.9
EBIT/Segment assets	%	-0.2	12.6	12.7
Food Service/ Retail Business Segment				
Sales revenue	CHF m	1.5	1,838.1	1,810.1
Gourmet & Specialties	*CHF m*	*10.1*	*542.2*	*492.4*
Consumer Products	*CHF m*	*-1.7*	*1,295.9*	*1,317.7*
Operating profit (EBIT)	CHF m	27.2	134.2	105.5
EBITDA	CHF m	19.4	189.8	159.0
Segment assets	CHF m	0.3	1,015.1	1,012.5
EBIT/Segment assets	%		13.2	10.4