

Roadshow Presentation – Q1 2015/16

January 2016



Agenda

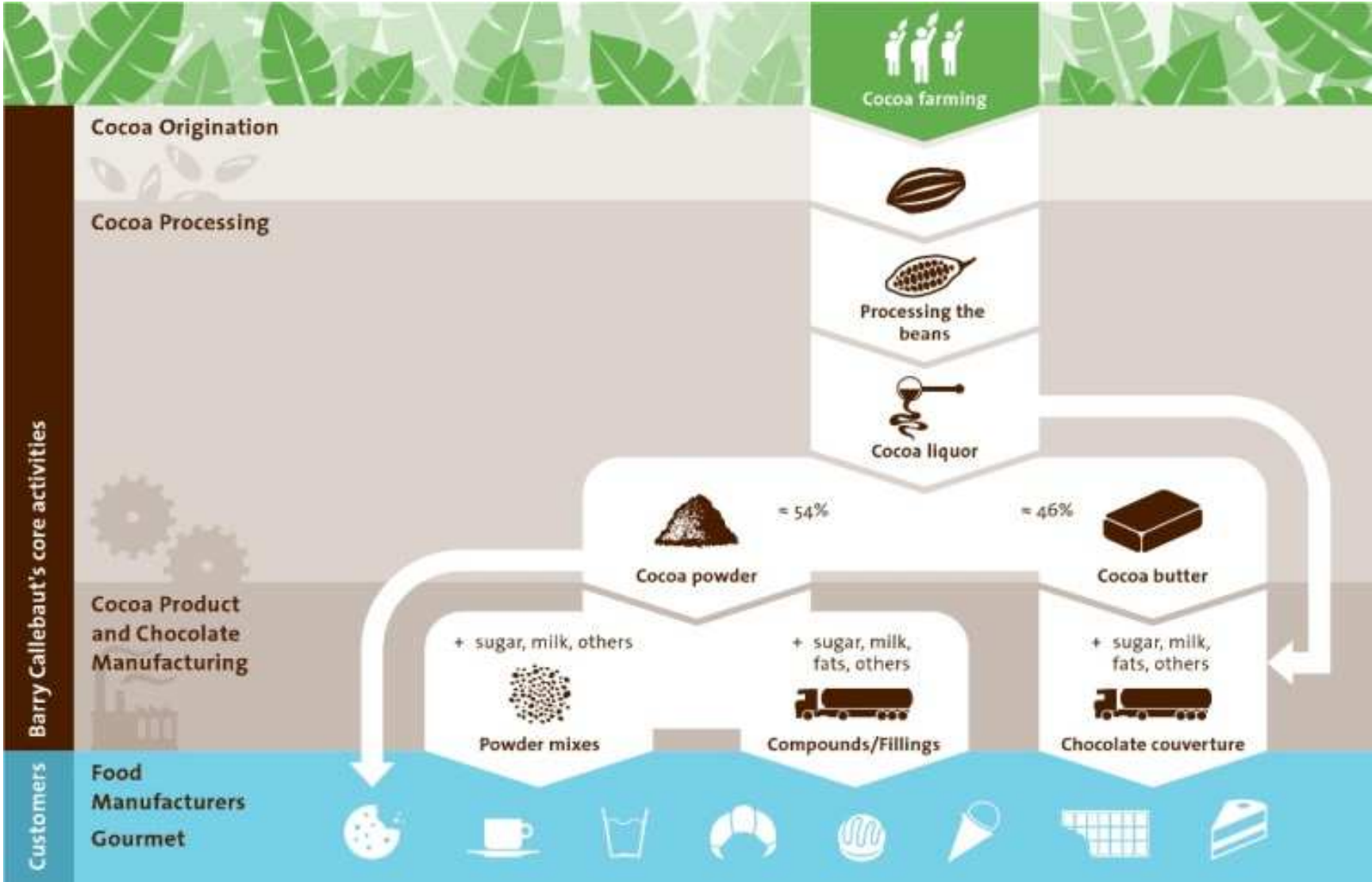
- ▶ **Barry Callebaut at a glance**
- ▶ **Highlights Q1 2015/16**
- ▶ **The way forward**



At a glance



We are present in the key parts 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

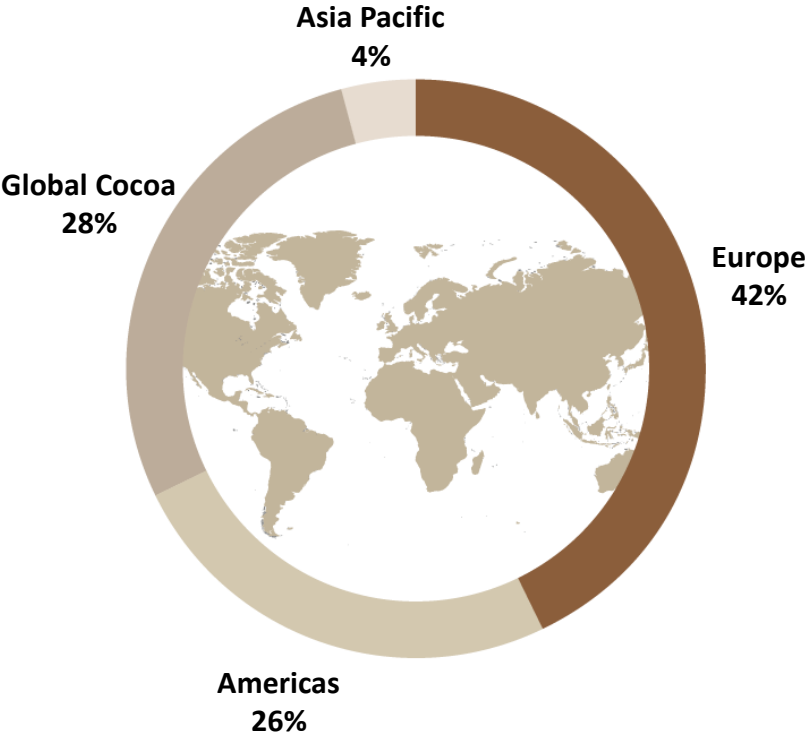
70,500
farmers

trained in good
agricultural practices

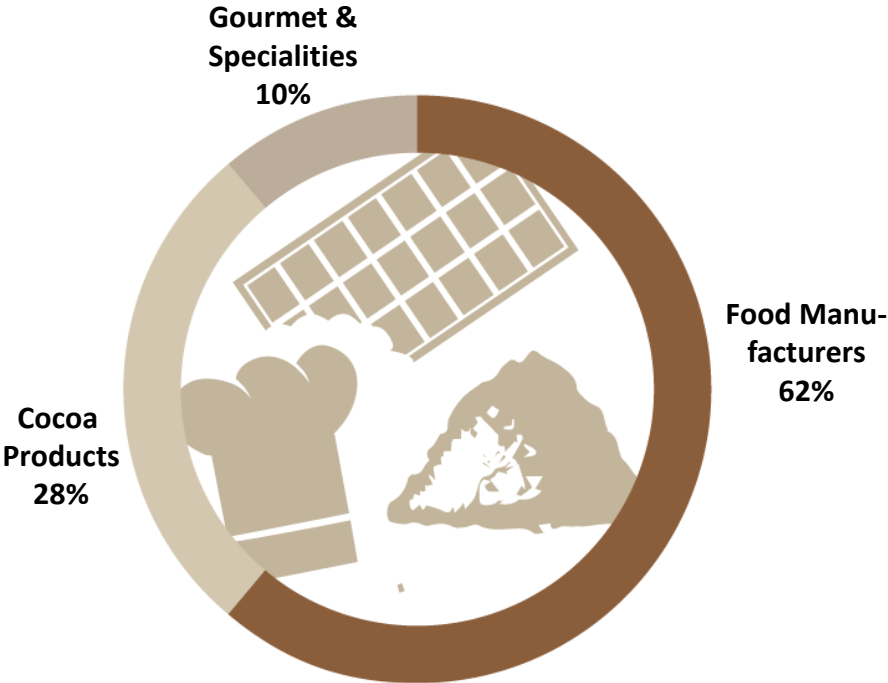


Our Regional and Product split

Sales Volume per Region



Sales Volume per Product Group



Highlights Q1 2015/16



Q1 Key sales figures 2015/16

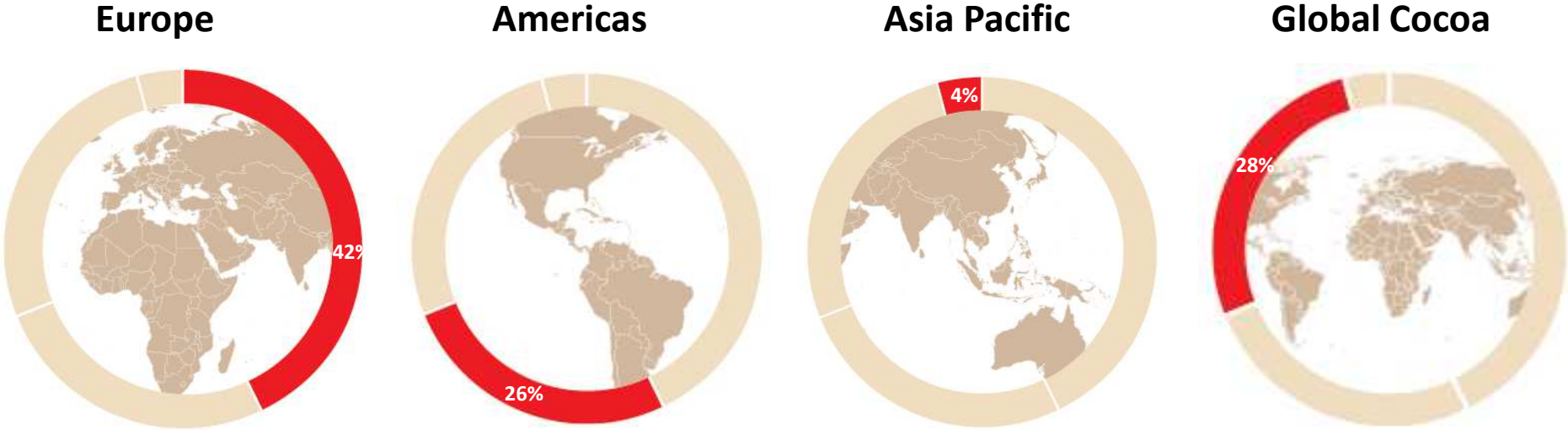
Strong start to 2015/16



- ▶ Strong start to the year
- ▶ Sales volume up +6.4%; sales revenue up +13.3% in local currencies, +3.8% in CHF
- ▶ Broad-based growth across regions, and positive contributions from all key growth drivers
- ▶ Focus on the implementation of the “smart growth” strategy



Broad-based volume growth across regions

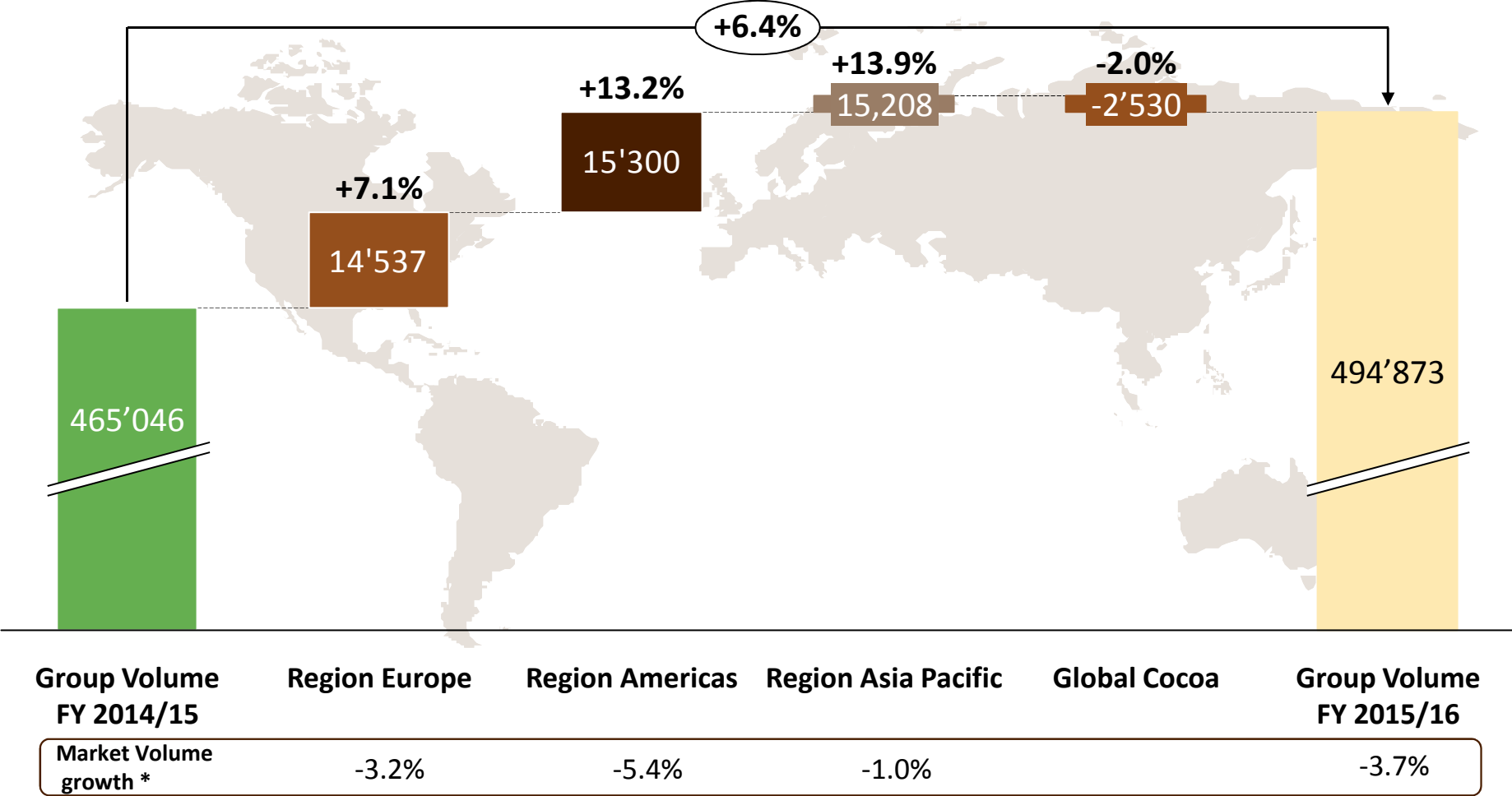


yoy growth

Volume	+7.1%	+13.2%	+13.9%	-2.0%
Revenue in CHF	-1.6%	+10.6%	+7.8%	+6.1%
Revenue In local curr.	+11.0%	+9.0%	+11.6%	-20.0%

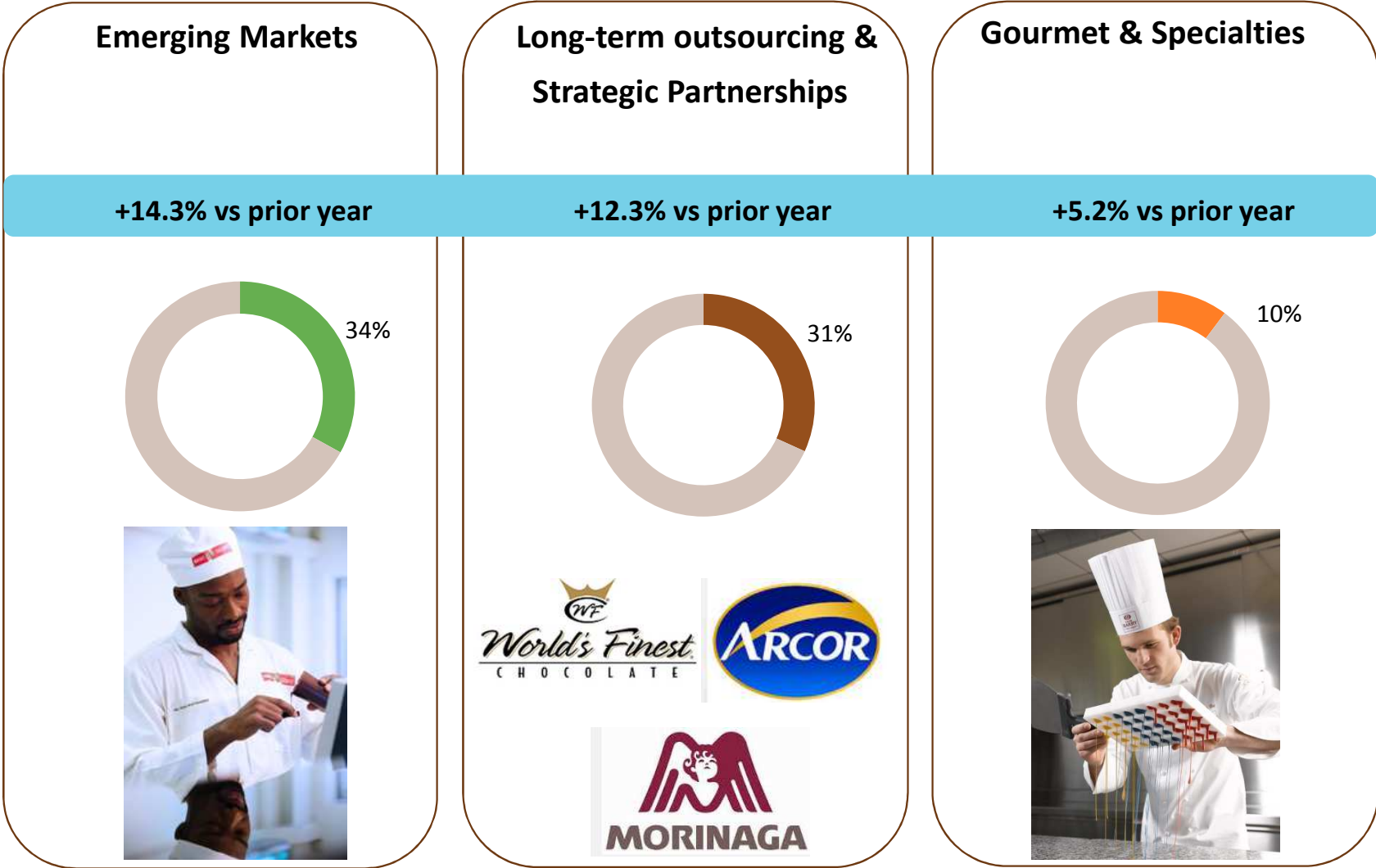
Absolute growth driven by main Regions, outperforming the market

(tonnes)



* Source: Nielsen chocolate confectionery in volume – 26 countries

Strong positive contribution from all our key growth drivers



Volume growth
Q1 2015/16

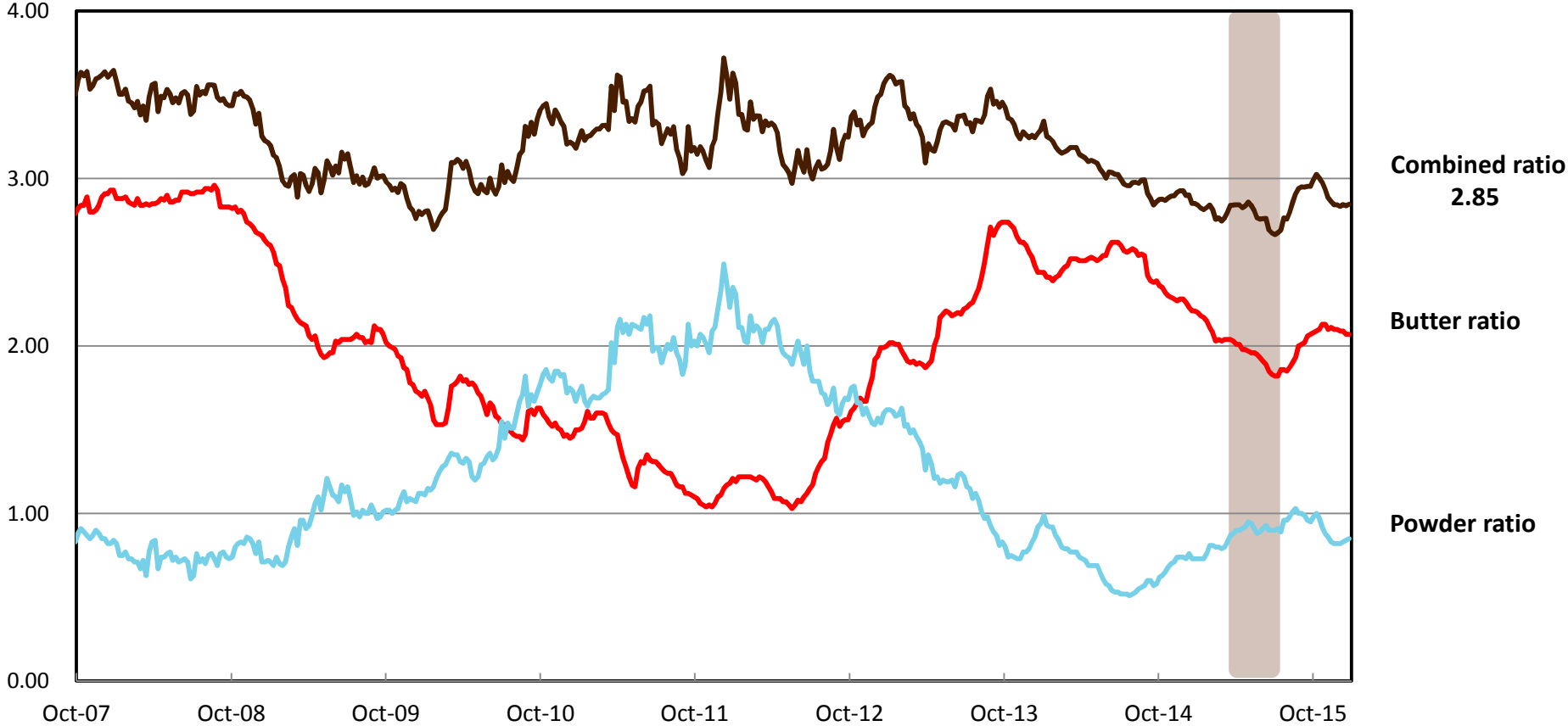
%
of total Group
Sales Volume

Cocoa processing profitability

Challenging cocoa market environment continues

European combined ratio - 6 months forward ratio

Q1 2015/16



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).



Good progress achieved in the different streams

Commercial leadership

- ▶ SKU reduction on going, therefore less complexity and more focus
- ▶ Customer segmentation
- ▶ New tools being deployed

Centralized global steering

- ▶ Centralized combined cocoa ratio management in place, located in Zürich
- ▶ Started a systematic approach related to market intelligence

Operations & Supply Chain leadership

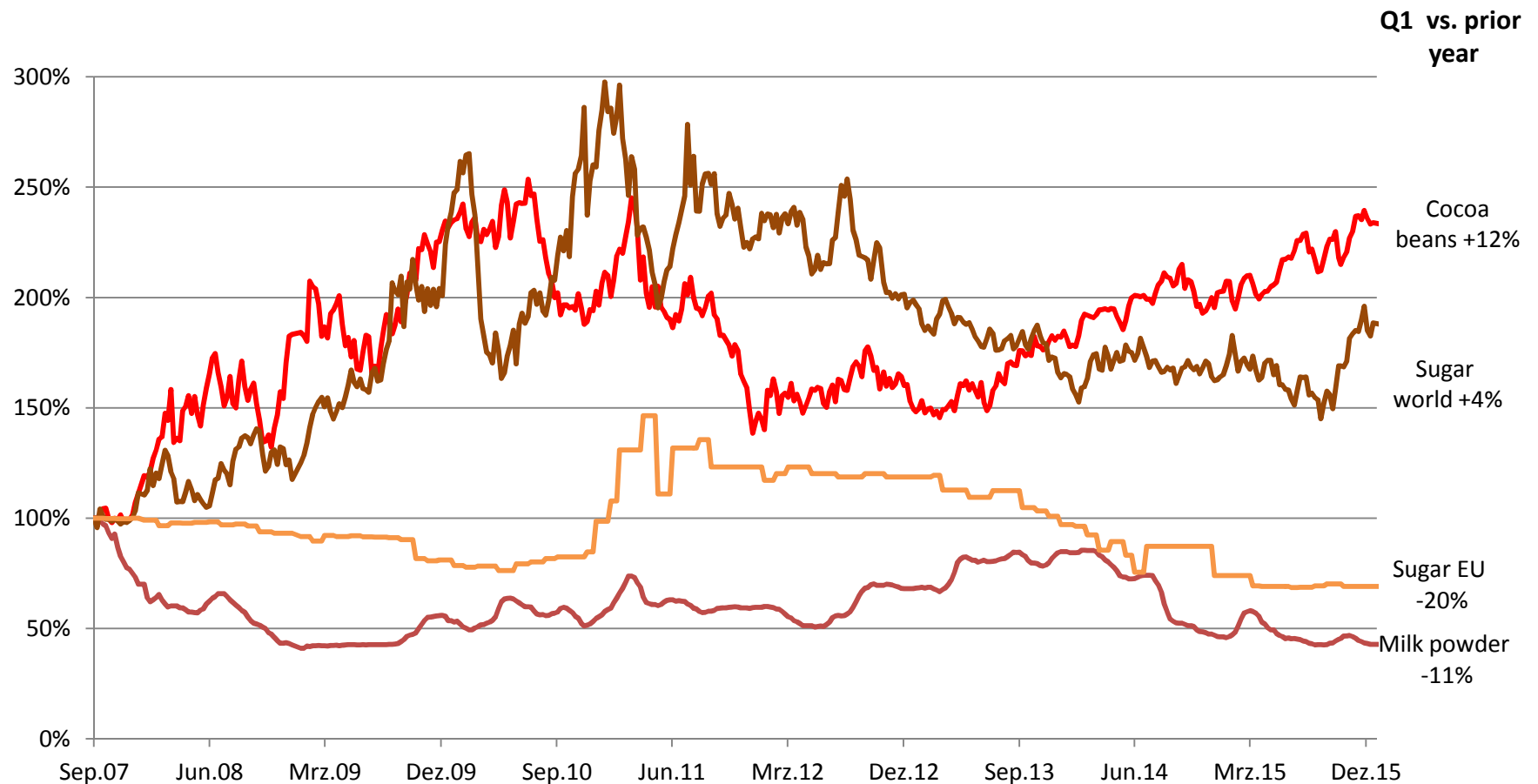
- ▶ Closed down cocoa factory in Thailand
- ▶ Reduced cocoa processing capacity in Malaysia



© Barry Callebaut

Raw materials evolution

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

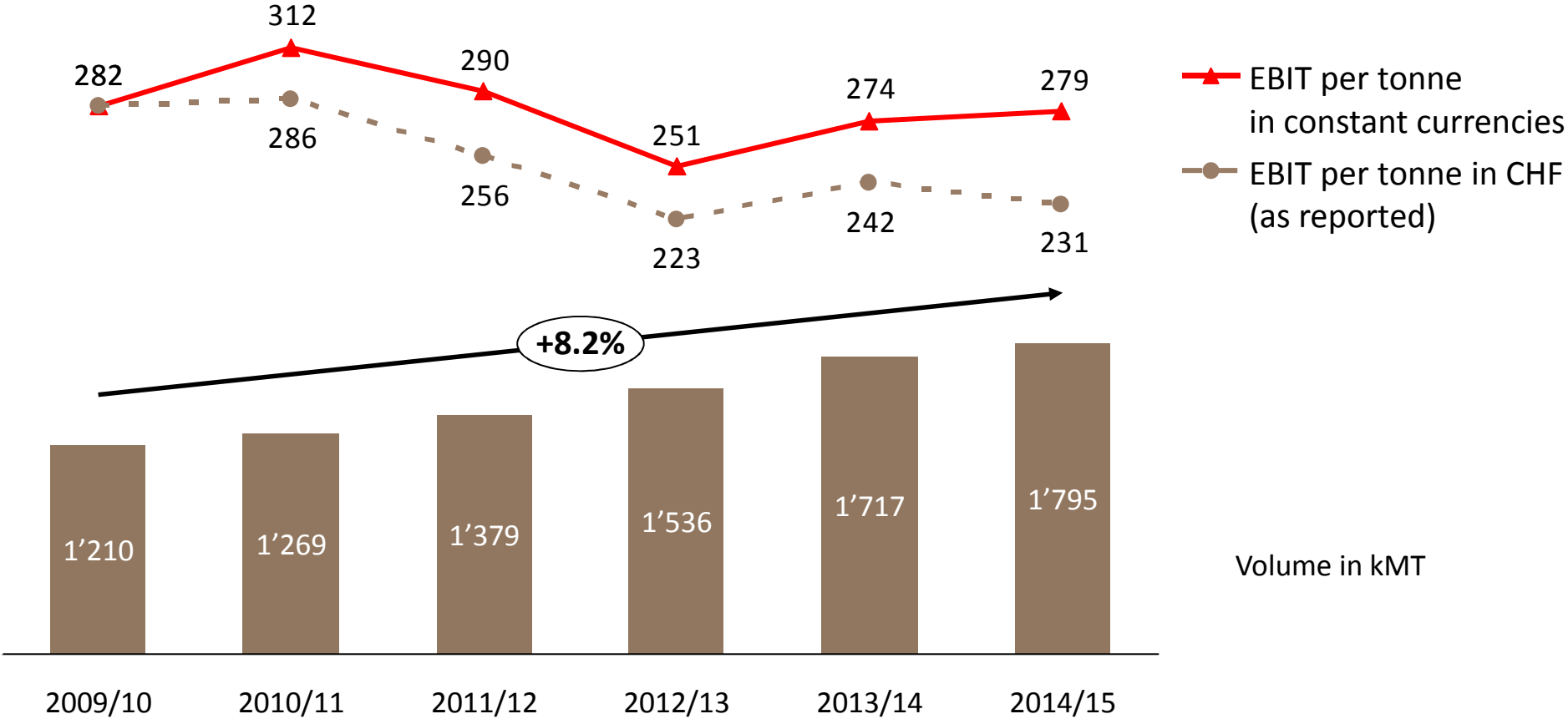


Note: All figures are indexed to Sep 2007

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.

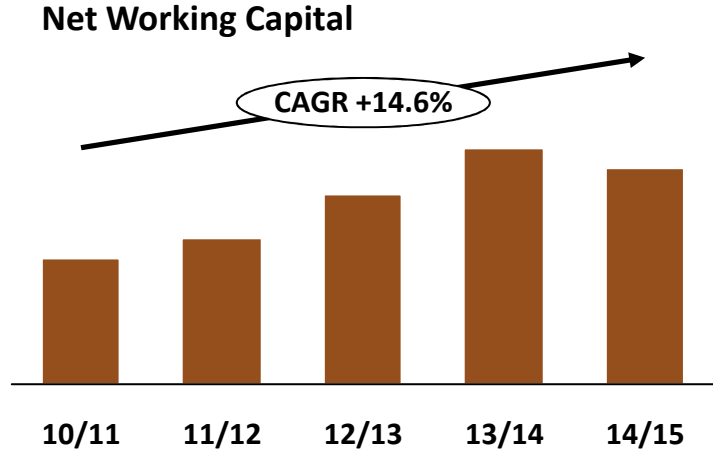
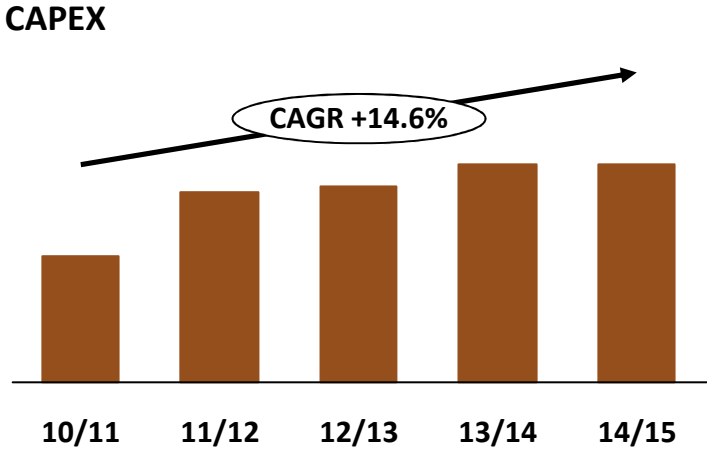
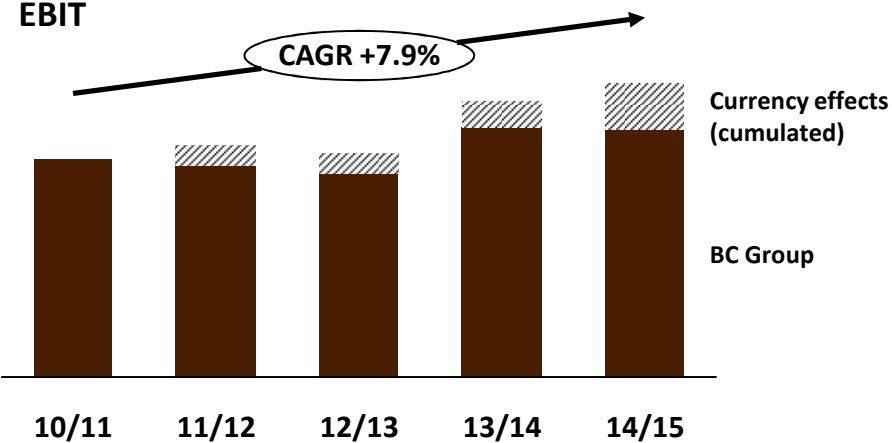
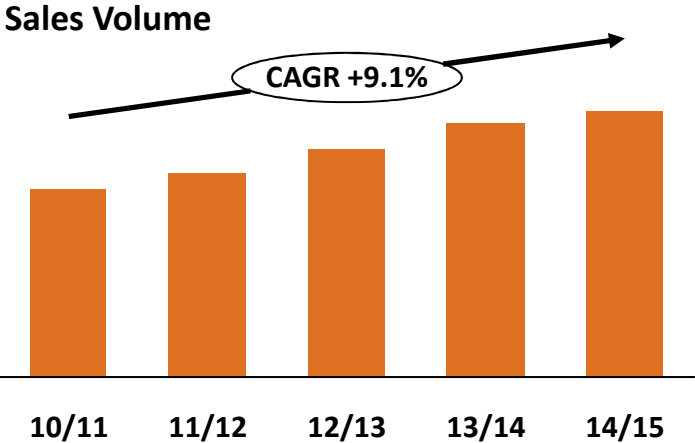
6-year EBIT per tonne development

Improvement of the EBIT per tonne in constant currencies continued



5-year development

Long-term and continued strong volume and EBIT growth in a capital intensive business

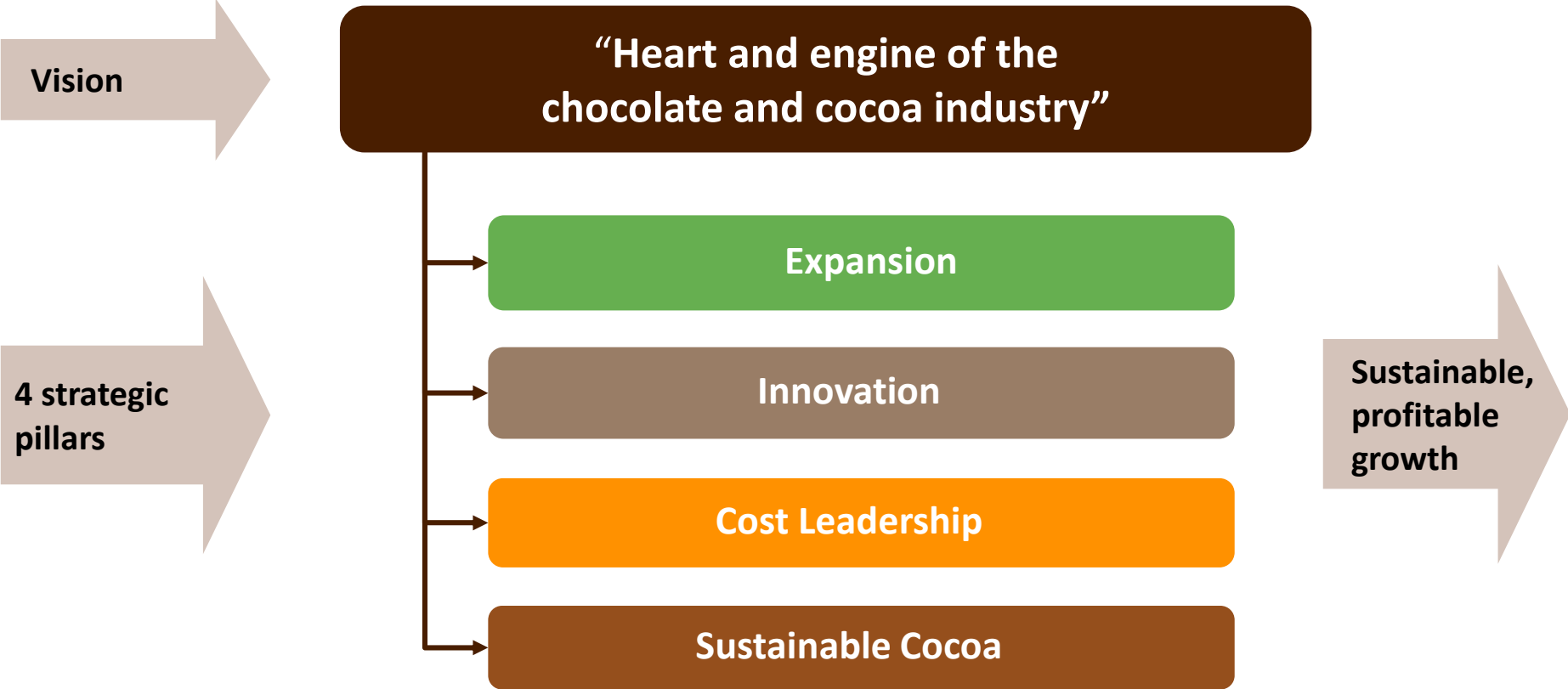




The way forward



We have a clear and successful long-term strategy



Strategy unchanged, execution adjusted



We are entering the next phase of our journey

Focus on consistent, above market-growth and enhanced profitability:
“SMART GROWTH”

Sustainable growth

Margin accretive growth

Accelerated growth in Gourmet, Specialties and emerging markets

Return on Capital and greater focus on Free Cash Flow

Talent & Team



Expansion: Accelerate Gourmet, Specialties and Emerging Markets

Further drive Gourmet & Specialties



Further expand in Emerging markets



Further leverage Outsourcing & strategic partnerships



Innovation: Margin accretive growth, value added products & services

Products

Channels

Be on trend

Clean label, free from



DAIRY FREE MILK CHOCOLATE ALTERNATIVE

A delicious alternative to milk chocolate, based on rice powder



Be ahead of the curve

Acticoa



Thermo-tolerant



Fermentation



Added-value products

Decorations, Inclusions, fillings,



2 & 3 D printing



Added-value services

Co-creation



Innovative concepts



Cost Leadership: Returns from scale, leverage & operational excellence

Leverage our global scale

Leverage our footprint

Cocoa Leadership



Western Europe & EEMEA



Leverage our scale

European shared service centre



Centralized combined ratio management



Operational excellence

Continuous improvement

One +

Finance Excellence

Quality Culture



Sustainable Cocoa: innovation, implementation, impact

Sustainable practices, prosperous communities, long term supply

Leading sustainability

- A holistic approach



- Capability based



- On the ground



Collaborating for impact

- Pre-competitive platforms



- Customer partnerships



- NGO partnerships & certification

Setting new benchmarks

- Cocoa Horizons Foundation



- Fuelling consumer demand



Outlook

Strive for smart balance between consistent, above-market volume growth and enhanced profitability



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



Outlook

- ▶ Challenging fiscal year 2015/16 due to the current cocoa products market, which will temporarily affect our profitability

¹ In local currencies and barring any major unforeseen events

Appendix



The first cocoa drink
you'll love
with all your heart

www.acticoa.com

FY results 2014/15

Solid volume growth gaining momentum, strong profit improvement in local currencies

Group performance (In CHF mio.)	FY 2014/15 (in CHF)	% vs prior year (in CHF)	% vs prior year in local currencies
Sales Volume Total (in tonnes)	1,794,782		+4.5%
Sales Revenue	6,241.9	+6.4%	+12.1%
Gross Profit	846.8	-1.7%	+4.8%
EBIT Total	414.8	-0.3%	+7.4%
<i>EBIT per tonne</i>	231.1	-4.7%	+2.9%
Net profit for the year	239.9	-5.9%	-2.7%

Balance Sheet & key ratios

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

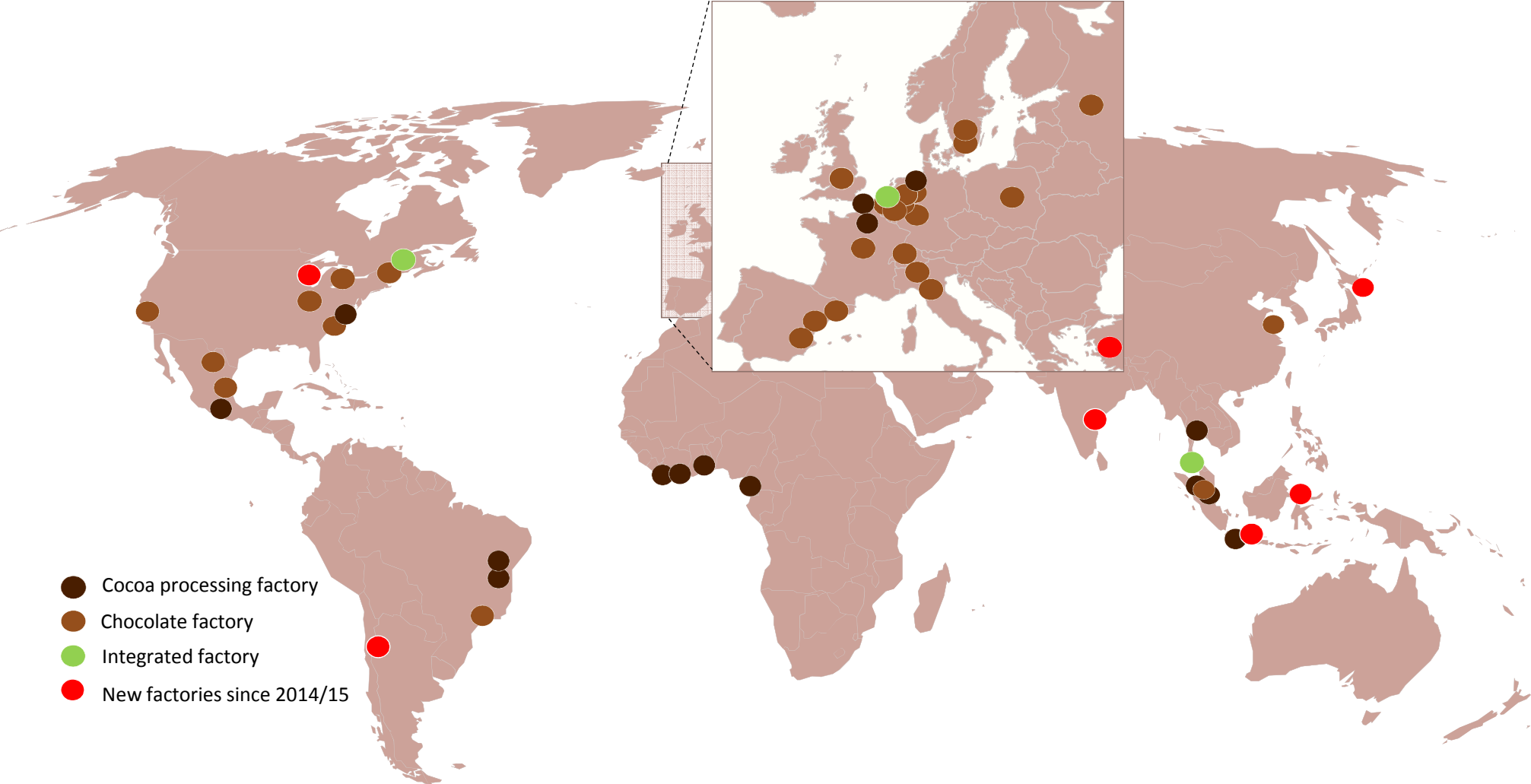
	Aug 15	Aug 14
Total Assets [CHF m]	5'429.4	5'167.5
Net Working Capital [CHF m]	1'529.7	1'674.6
Non-Current Assets [CHF m]	2'185.5	2'175.6
Net Debt [CHF m]	1'728.0	1'803.5
Shareholders' Equity [CHF m]	1'772.8	1'790.7
Debt/Equity ratio	97.5%	100.7%
Solvency ratio	32.7%	34.7%
Net debt / EBITDA	3.2x	3.4x
Interest cover ratio	4.1x	4.5x
ROIC	9.8%	10.5%
ROE	13.5%	14.7%

What makes Barry Callebaut unique?



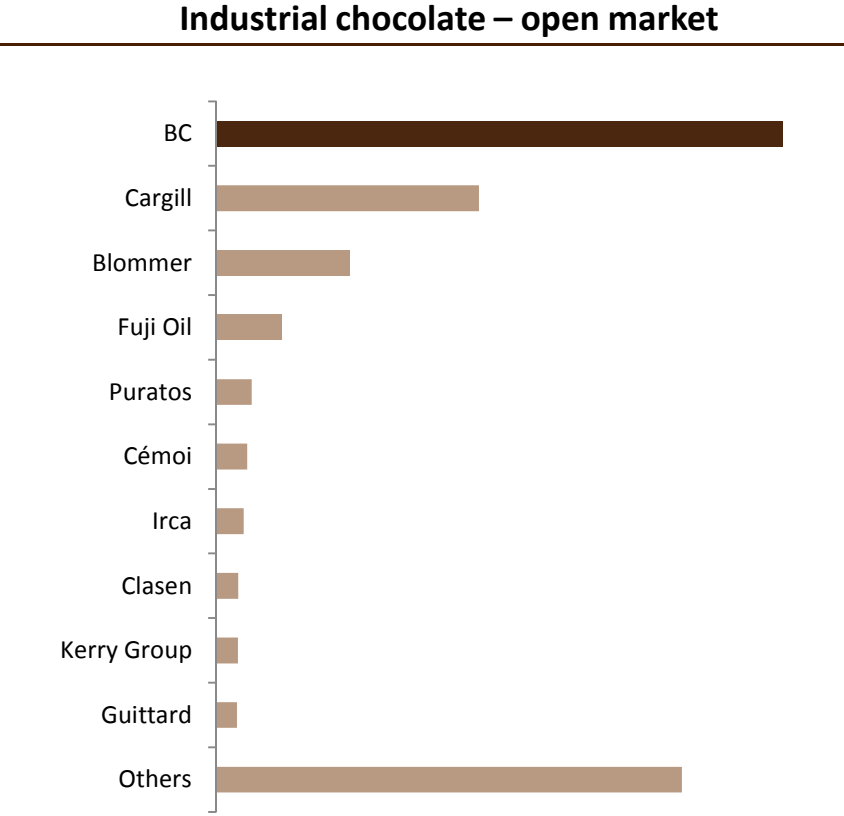
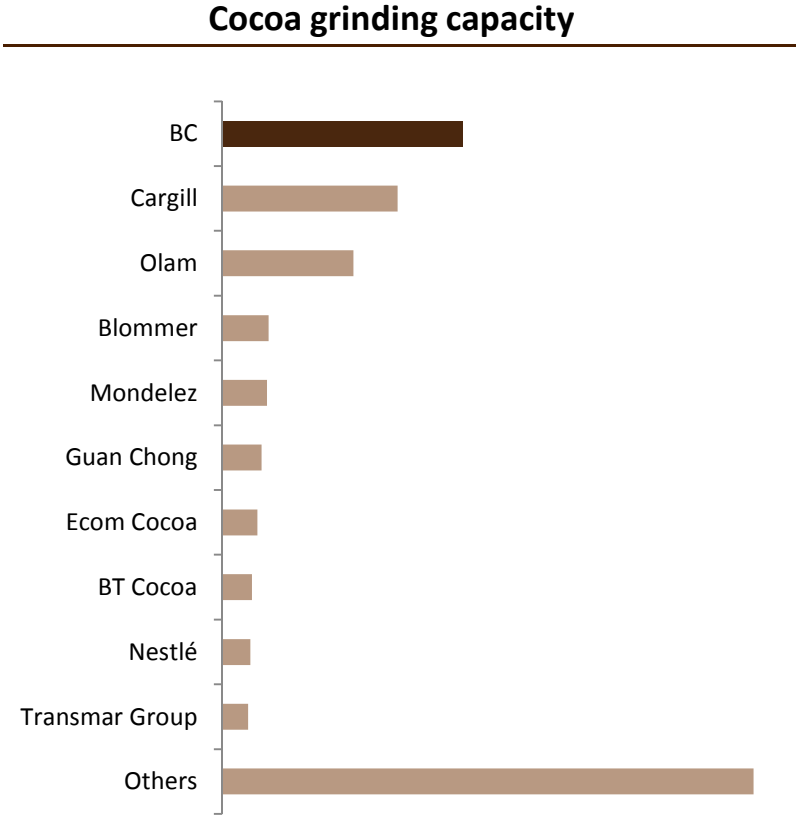
- ▶ Global number one player in chocolate and cocoa
- ▶ Deep chocolate and cocoa expertise
- ▶ Global leader in Gourmet
- ▶ Proven and long-term oriented strategy
- ▶ Unparalleled global footprint, present in all key markets
- ▶ Preferred outsourcing and strategic partner
- ▶ Leader in Innovation
- ▶ Cost leadership along the value chain
- ▶ Driving change in sustainability
- ▶ Entrepreneurial spirit
- ▶ Balancing short and long-term

More than 50 factories provide us with manufacturing diversification and unique competitive advantage



Chocolate and Cocoa markets

Barry Callebaut uniquely positioned in industrial chocolate and cocoa markets

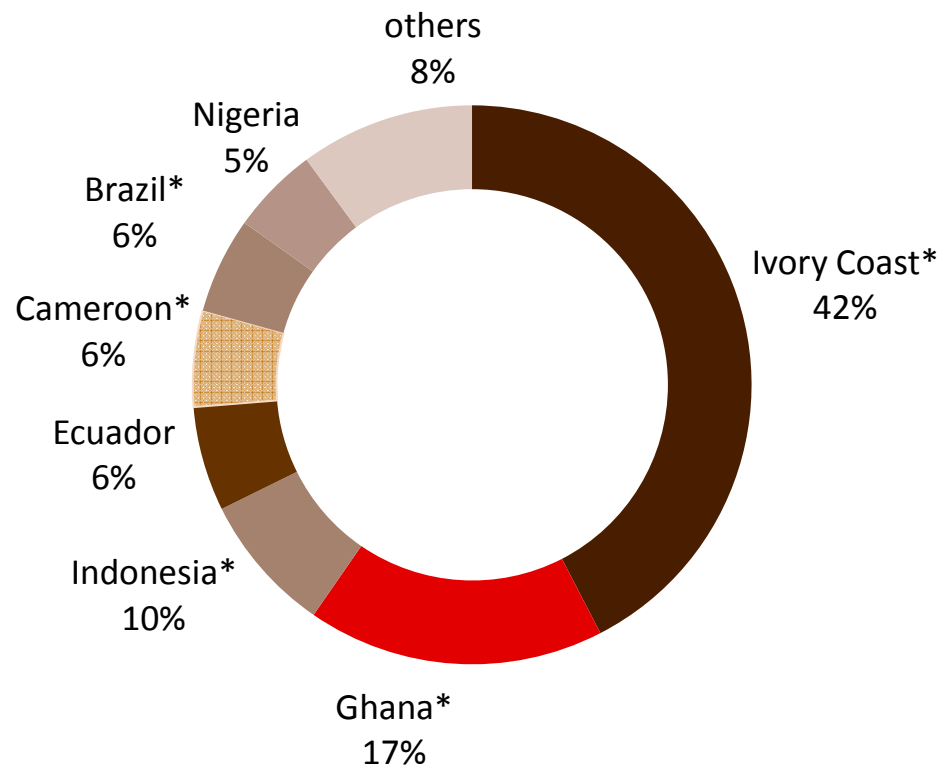


Notes: Olam incl. ADM; Cargill incl. ADM chocolate business; Fuji Oil incl. Harald
Sources: Proprietary estimates



West Africa is the world's largest cocoa producer

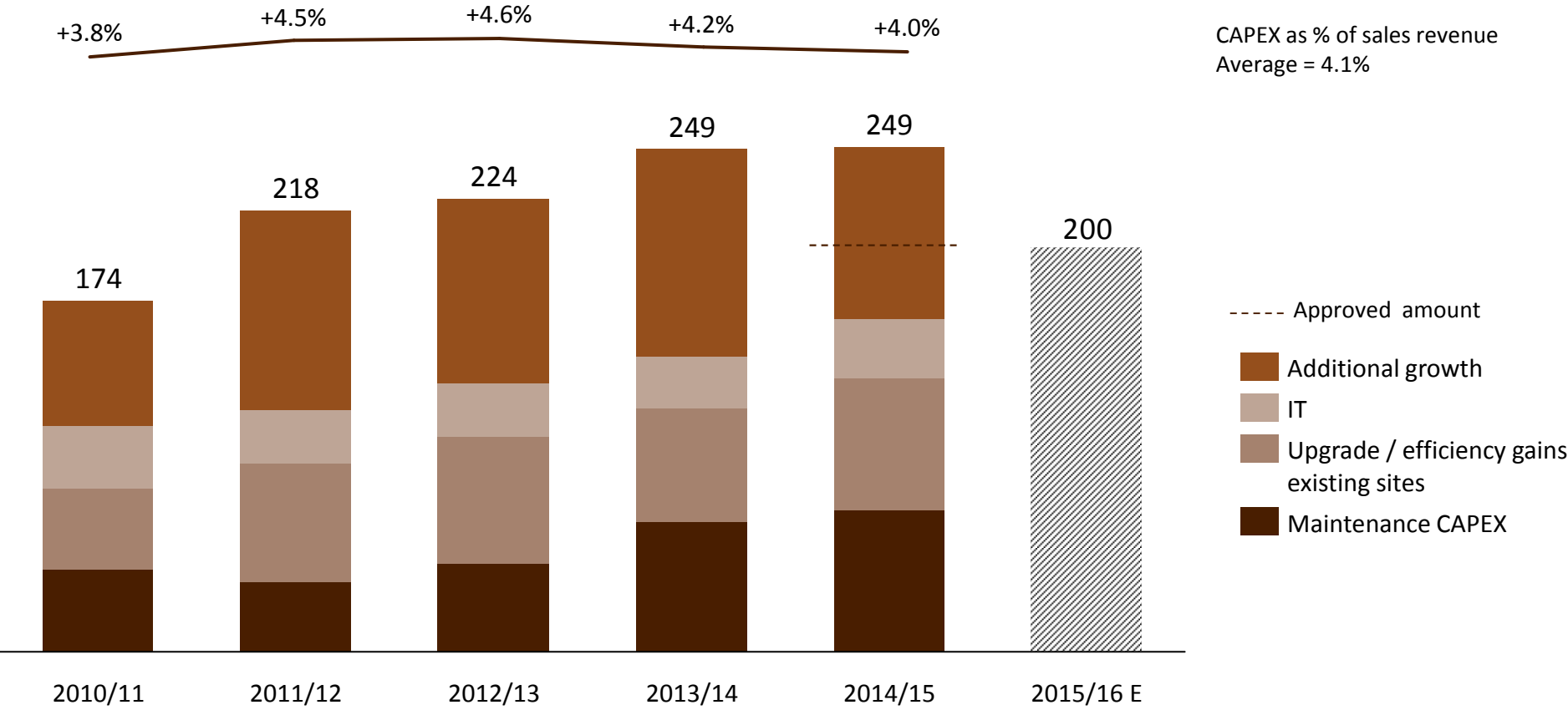
Total world harvest (14/15): 4,157 TMT



- ▶ 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

Source: ICCO estimates

Capital Expenditures*

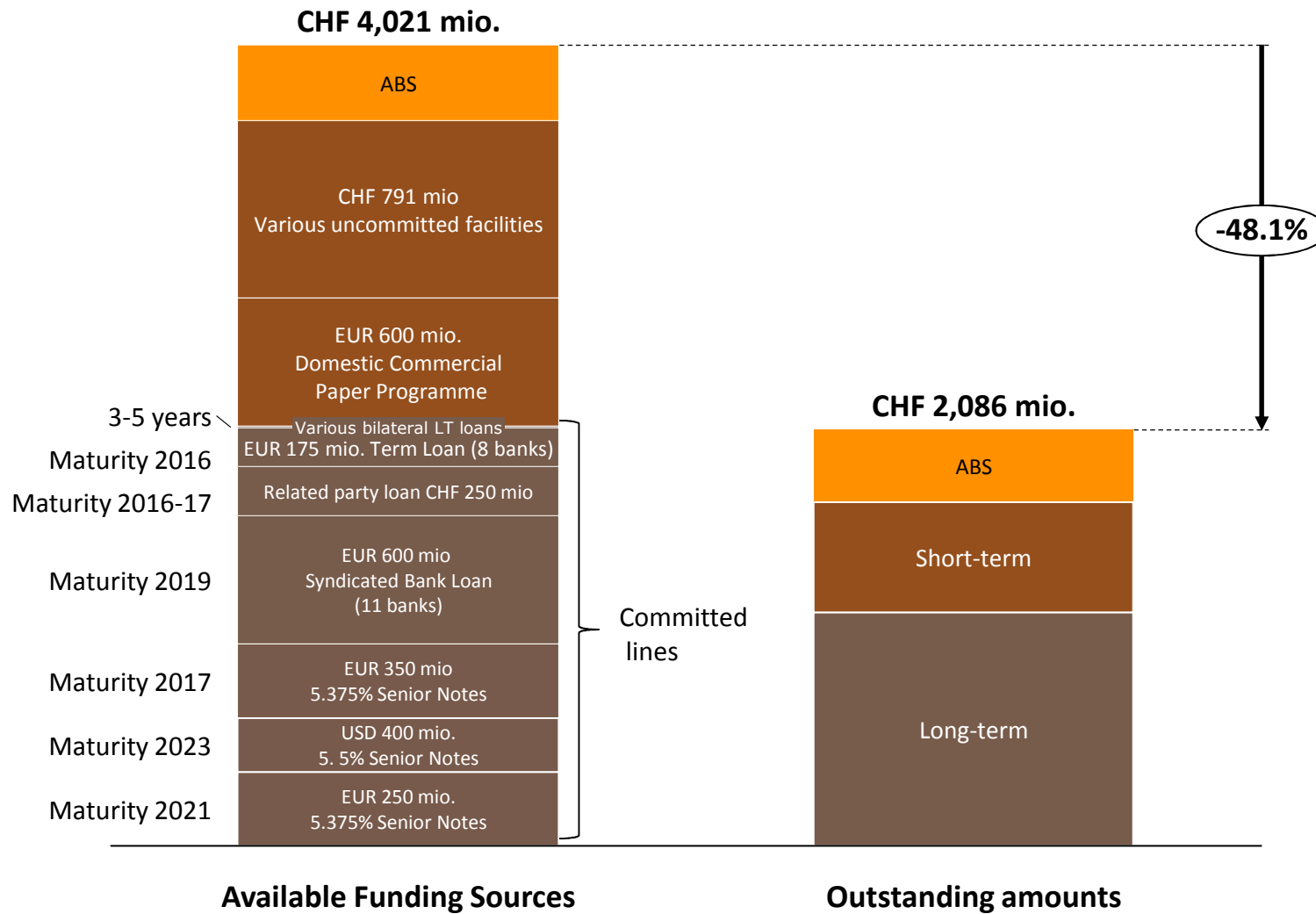


*CAPEX as reflected in Cash Flow Statement

Available Financing

Enough headroom for further growth and raw material price fluctuations

As of 31 August 2015



Liquidity – Debt maturity profile

As of 31 August 2015

In CHF mio

