BARRY CALLEBAUT

Half-year results 2009/10

Letter to Investors

Strong growth continues – sales volume +7.8%

Solid operational performance despite low cocoa profitability

3-year financial targets confirmed

Contents

Barry Callebaut

With annual sales of about CHF 4.9 billion for fiscal year 2008/09, Zurich-based Barry Callebaut is the world's leading manufacturer of high-quality cocoa and chocolate – from the cocoa bean to the finished product on the store shelf. Barry Callebaut is present in 26 countries, operates about 40 production facilities and employs about 7,500 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. Barry Callebaut is the global leader in cocoa and chocolate innovations and provides a comprehensive range of services in the fields of product development, processing, training and marketing. The company is actively engaged in initiatives and projects that contribute to a more sustainable cocoa supply chain.

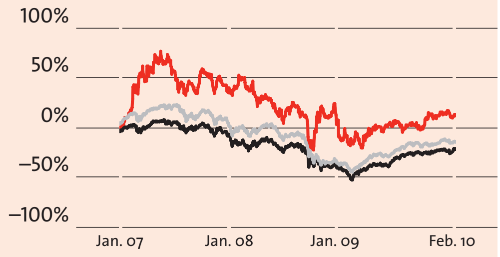
Key figures Barry Callebaut Group

For the 6-month period ended February 28,		Change (%) in local currencies	Change (%) in reporting currency	2010	2009
Income statement					
Sales volume	Tonnes		7.8%	659,536	611,920
Sales revenue	CHF m	8.4%	4.5%	2,656.5	2,543.1
EBITDA[1]	CHF m	0.1%	(2.8%)	260.5	268.1
Operating profit (EBIT)	CHF m	(1.7%)	(4.5%)	208.8	218.6
Net profit for the period	CHF m	5.3%	1.6%	145.7	143.4
Cash flow[2]	CHF m		19.1%	299.4	251.3
EBIT per tonne	CHF	(8.8%)	(11.4%)	316.6	357.2

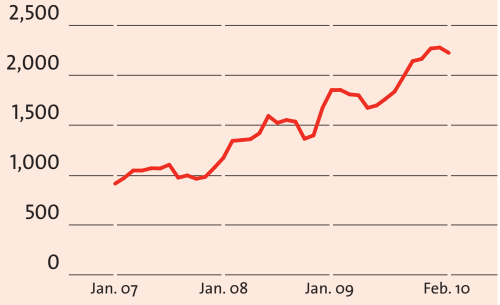
As of February 28,			2010	2009
Balance sheet				
Total assets	CHF m	9.8%	4,068.0	3,704.5
Net working capital[3]	CHF m	6.6%	1,218.4	1,143.2
Non-current assets	CHF m	5.3%	1,457.2	1,384.2
Net debt	CHF m	(2.1%)	1,093.4	1,116.9
Shareholders' equity[4]	CHF m	12.6%	1,316.2	1,168.9
Shares				
Share price at the end of the period	CHF	27.2%	645.50	507.50
EBIT per share (issued)	CHF	(4.5%)	40.39	42.28
Basic earnings per share[5]	CHF	1.2%	28.18	27.85
Cash earnings per share[6]	CHF	18.9%	57.94	48.73
Other				
Employees		(0.3%)	7,205	7,228

1 EBIT + depreciation of property, plant and equipment + amortization of intangibles
2 Operating cash flow before working capital changes
3 Includes current assets and liabilities related to commercial activities and current provisions
4 Total equity attributable to the shareholders of the parent company
5 Based on the net profit for the year attributable to the shareholders of the parent company/basic shares outstanding
6 Operating cash flow before working capital changes/basic shares outstanding

Share price development
Barry Callebaut vs. indices
Performance in %

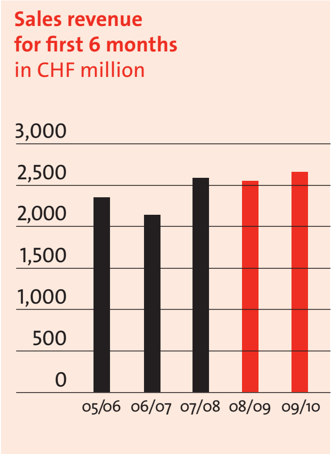


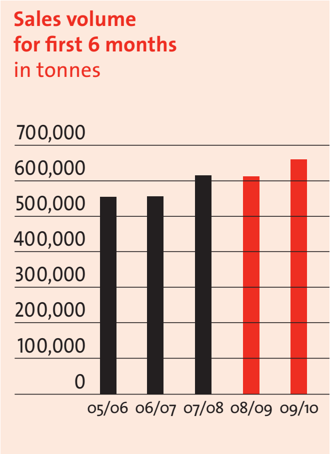
Cocoa price
London Cocoa Terminal Market
in GBP/tonne

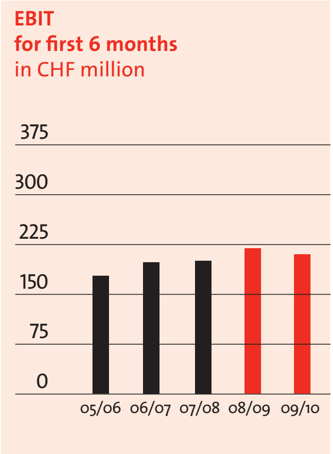


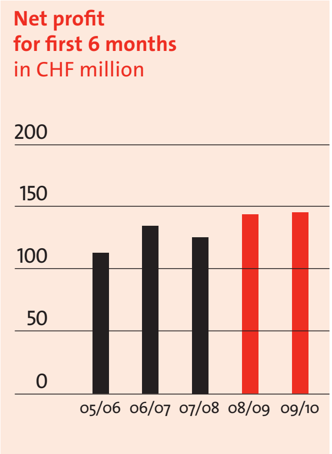
Barry Callebaut AG
SPI Swiss Performance Index
SPI Small & Mid-Cap Index

Key figures by region and product group







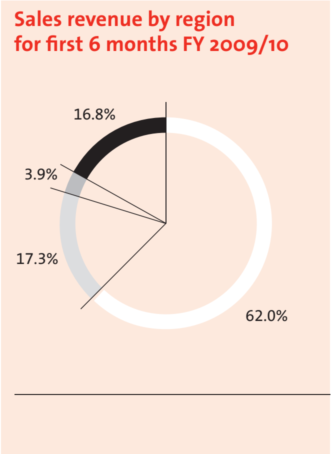


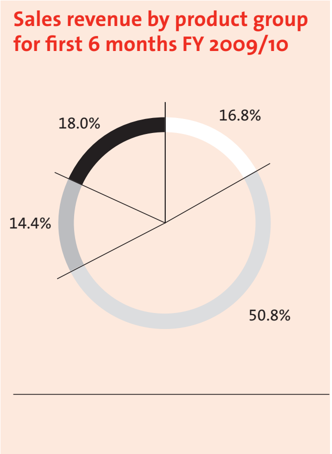
By region

Europe	CHF 1,645.0 m
Americas	CHF 460.7 m
Asia-Pacific	CHF 103.2 m
Global Sourcing & Cocoa	CHF 447.6 m

By product group

Cocoa Products	CHF 447.6 m
Food Manufacturers Products	CHF 1,349.1 m
Gourmet & Specialties Products	CHF 382.3 m
Consumer Products	CHF 477.5 m





Key figures by region (unaudited)

For the 6-month period ended February 28,		Change (%) in local currencies	Change (%) in reporting currency	2010	2009
Global Sourcing & Cocoa					
Sales volume	Tonnes		10.2%	105,886	96,093
Sales revenue	CHF m	21.8%	19.7%	447.6	373.9
EBITDA	CHF m	(18.5%)	(17.3%)	33.5	40.5
EBIT	CHF m	(28.9%)	(26.3%)	23.2	31.5
Europe					
Sales volume	Tonnes		4.6%	392,426	375,251
Sales revenue	CHF m	2.7%	(0.4%)	1,645.0	1,651.7
EBITDA	CHF m	13.3%	10.6%	194.0	175.3
EBIT	CHF m	17.0%	13.1%	165.4	146.3
Americas					
Sales volume	Tonnes		13.1%	136,833	120,963
Sales revenue	CHF m	15.8%	7.3%	460.7	429.4
EBITDA	CHF m	3.5%	(3.7%)	50.2	52.2
EBIT	CHF m	(5.5%)	(12.2%)	42.3	48.2
Asia-Pacific					
Sales volume	Tonnes		24.4%	24,391	19,612
Sales revenue	CHF m	22.3%	17.1%	103.2	88.1
EBITDA	CHF m	(53.2%)	(53.8%)	12.2	26.4
EBIT	CHF m	(58.0%)	(58.0%)	9.5	22.6

Key figures by product group (unaudited)

For the 6-month period ended February 28,		Change (%) in local currencies	Change (%) in reporting currency	2010	2009
Industrial Products					
Sales volume	Tonnes		8.9%	517,021	474,664
Cocoa Products	Tonnes		10.2%	105,886	96,093
Food Manufacturer Products	Tonnes		8.6%	411,134	378,570
Sales revenue	CHF m	11.2%	6.5%	1,796.7	1,687.2
Cocoa Products	CHF m	21.8%	19.7%	447.6	373.9
Food Manufacturer Products	CHF m	8.1%	2.7%	1,349.1	1,313.3
EBITDA	CHF m	3.0%	(0.3%)	171.1	171.6
EBIT	CHF m	0.9%	(2.1%)	141.4	144.5
Food Service/Retail Products					
Sales volume	Tonnes		3.8%	142,515	137,256
Gourmet & Specialties Products	Tonnes		18.1%	70,900	60,040
Consumer Products	Tonnes		(7.3%)	71,615	77,216
Sales revenue	CHF m	2.9%	0.5%	859.8	855.9
Gourmet & Specialties Products	CHF m	16.5%	12.9%	382.3	338.7
Consumer Products	CHF m	(6.0%)	(7.7%)	477.5	517.2
EBITDA	CHF m	(1.3%)	(3.3%)	118.8	122.8
EBIT	CHF m	(2.9%)	(4.9%)	99.0	104.1

Half-year results for fiscal year 2009/10: Strong growth continues

- **Ongoing strong sales volume growth: up 7.8% or +47,616 tonnes**
- **Gourmet & Specialties products delivered excellent sales volume growth: +18.1%**
- **Sales revenue up 8.4% in local currencies (+4.5% in CHF)**
- **Solid operational improvements offset by lower combined cocoa ratio[1], adverse currency effects and fewer one-off effects: EBIT at CHF 208.8 million, down 1.7% in local currencies**
- **Net profit for the period at CHF 145.7 million, up 5.3% in local currencies (+1.6% in CHF)**
- **Global chocolate market bottomed out in the first quarter of the fiscal year; slight improvement in the second quarter**
- **Three-year financial targets for the period 2009/10 through 2011/12[2] confirmed**

Zurich/Switzerland, April 1, 2010 – Barry Callebaut AG, the world's leading manufacturer of high-quality cocoa and chocolate products, continued its robust growth with a sales volume increase of 7.8% in the first six months of fiscal year 2009/10 (ended February 28, 2010) against the background of a global chocolate market that was declining until the end of 2009 and only started to pick up as of early 2010. All regions contributed to this growth. The regions in which Barry Callebaut invested most in the past three years – Asia-Pacific, the Americas and Eastern Europe – showed the strongest growth rates (24.4%, 13.1% and 11.5%, respectively). In terms of product groups, Gourmet & Specialties recorded excellent sales volume growth of 18.1%. The strength of the Swiss franc – Barry Callebaut's reporting currency – versus most other major currencies had a negative impact on the Group's half-year results. Sales revenue went up to CHF 2,656.5 million, which is an increase of 8.4% in local currencies and of 4.5% in CHF. Based on improved capacity utilization as well as lower energy, staff and maintenance costs, Barry Callebaut achieved solid operational improvements. These, however, were offset by the lower combined cocoa ratio as anticipated (negative impact of approx. CHF 23 million) and unfavorable currency translation effects (approx. CHF 6 million). In addition, in the period under review there were fewer one-off gains than a year ago, when a non-recurring EBIT contribution resulting from the sale of the consumer products business in Asia was recorded (CHF 16.5 million). Operating profit (EBIT) came in at CHF 208.8 million (–1.7% in local currencies; –4.5% in CHF). As a result of improved financing costs and tax optimization, net profit for the period increased to CHF 145.7 million, or plus 5.3% in local currencies (+1.6% in CHF).

Outlook

Juergen Steinemann, CEO of Barry Callebaut, said: "As we forecasted in November 2009, the first half of the current fiscal year was characterized by a challenging environment with the global chocolate market continuing to slightly decline, a very low combined cocoa ratio, record cocoa bean prices and severe currency translation effects. We have dealt with these external factors well. Against this challenging background I am more than pleased with our strong volume growth, which was supported by the further implementation of outsourcing contracts, and our operational achievements. I am particularly satisfied that the emerging markets in which we invested heavily in past years have developed well and that our high-margin Gourmet & Specialties business has recorded excellent growth, driven by our increased focus on this business, investments and our ability to exploit market opportunities, leading to market share gains. For the second half of the fiscal year we expect the global chocolate market to continue to slowly recover and the combined cocoa ratio to improve; the movements on currency markets are more difficult to predict. For the 3-year period 2009/10 through 2011/12 we are confident that we will be able to achieve our average three-year financial targets and continue to significantly outperform the global chocolate market."

Overview of sales performance by region in the first half-year of fiscal year 2009/10

Global chocolate market

In the period under review, the global chocolate market declined by 1.4%* in volume terms. It had bottomed out by the end of calendar year 2009 and then showed some slight improvements with consumption in many countries of Western Europe as well as in the U.S. growing again as of early 2010. According to the same market data, the chocolate market of Western Europe increased by 2.1% between September 2009 and January 2010*. Eastern Europe was affected later by the global economic crisis than Western Europe and showed a significant drop of 8.6%*, driven by double-digit declines in Russia and Ukraine. The decline of chocolate consumption in the U.S. decelerated and was –1.9%*. Chocolate consumption in China went down by 4.6%*.

1 The "combined cocoa ratio" is the combined sales price for cocoa butter and cocoa powder relative to the cocoa bean price
2 Three-year growth targets for 2009/10–2011/12: on average 6–8% volume growth and average EBIT growth in local currencies at least in line with volume growth, barring any major unforeseen event
* Source: Nielsen Sept 2009–Jan 2010

Global Sourcing & Cocoa[3]

Cocoa terminal market prices jumped aggressively during the initial months of the current fiscal year, reaching a 33-year high in December 2009 in London due to a poor main crop in West Africa and heavy speculative buying. This was followed by a partial correction initiated in February, most notably in New York, where speculative funds partly reduced their positions. The world **sugar** price has reached a 30-year high due to a deficit production for the second crop in a row; for the first time in history it has surpassed the EU sugar price. Strong corrections took place in the last 4 weeks, bringing the world sugar market to the levels of last summer. After a period of heavy increases and slight corrections the **dairy** market is currently stabilizing, reflecting a fragile supply-and-demand balance on a worldwide scale.

Global Sourcing & Cocoa increased the **volume** of cocoa products sold to third-party customers by 10.2% to 105,886 tonnes, driven primarily by strong cocoa powder sales in the Americas. **Sales revenue** grew 19.7% to CHF 447.6 million, boosted by high cocoa powder prices. Compared to the fall of 2009, the combined cocoa ratio has further deteriorated with cocoa butter prices remaining under pressure and cocoa powder prices showing ongoing strength. This had a very negative impact on the company's cocoa processing profitability in the amount of approx. CHF 23 million. **Operating profit (EBIT)** consequently dropped 26.3% to CHF 23.2 million. The (forward) combined cocoa ratio has shown an improvement since early February which is expected to positively feed through to the Group's profitability as of summer 2010.

Region Europe

Western Europe showed signs of a recovery of chocolate consumption (in volume terms) but some traditional chocolate markets such as France and Switzerland were still negative. While Turkey recorded very strong growth, Eastern Europe as a whole is still affected by the profound economic crisis in Russia. In this mixed market environment, Barry Callebaut's Region Europe increased its **sales volume** overall by a very satisfactory 4.6% to 392,426 tonnes. Gourmet & Specialties products made a very significant contribution, partly because of a relatively early Easter holiday this year, partly because of a slight recovery of the premium segment, acquisitions and market share gains. **Sales revenue,** which amounted to CHF 1,645.0 million, was negatively impacted by the weak euro and GBP against the Swiss franc; revenue was up 2.7% in local currencies and down 0.4% in CHF. As a result of operational improvements, cost saving initiatives and margin improvements, **operating profit (EBIT)** increased significantly to CHF 165.4 million, up 17.0% in local currencies (+13.1% in CHF). Despite a volume decline, Consumer Products showed good EBIT growth. Eurogran, a Danish vending mix specialist acquired in summer 2009, as well as Spanish chocolate maker Chocovic, acquired in December 2009, made a positive contribution to the sales volume and the EBIT. The Chocovic integration into Region Europe is on track.

Region Americas

The chocolate confectionery market in the Americas showed a mixed picture with signs of improvement in some segments (e.g. cakes, pies and pastry) while other segments still performed negatively (e.g. food-service, full-service restaurants).

In this fragile market environment, Barry Callebaut's Region Americas was able to grow its **sales volume** by 13.1% to 136,833 tonnes, driven by volumes phased in under the existing outsourcing contracts, regional accounts as well as strong sales of Gourmet & Specialties products, especially to the bakery and large confectionery segments. At CHF 460.7 million, **sales revenue** was up 15.8% in local currencies; due to the impact of the weak US dollar versus the Swiss franc the growth rate was 7.3% in CHF. Increased supply chain costs resulting from production transfers due to overfilled factories in the U.S., higher amortization and depreciation costs on investments, a dilutive product mix as well as temporary margin pressure due to stiff price competition in the market resulted in a decline of **operating profit (EBIT)** to CHF 42.3 million (–5.5% in local currencies or –12.2% in CHF). The ramp-up of production at the chocolate factory in Mexico is progressing as planned. The new chocolate factory in Brazil, specializing in Gourmet & Specialties products for the Latin American market, will be operational in March 2010.

3 Please note that the figures reported under "Global Sourcing & Cocoa" include all sales of cocoa products (also called "semi-finished products") to third-party customers in all regions while the figures shown under the respective region show all chocolate sales

Region Asia-Pacific

With the exception of Japan, the economies of Asia-Pacific overall have all emerged from the global economic crisis and GDP growth rates are starting to improve. **Sales volume** jumped 24.4% to 24,391 tonnes. Main drivers were strong sales to industrial customers in South Korea, Malaysia, Australia and New Zealand with growth rates above 30%. In China where the chocolate market was still declining sales volume went up by 15%. Gourmet & Specialties products saw a double-digit sales volume increase; there was still a slightly higher demand for the locally produced brands but the imported Gourmet & Specialties products made a strong comeback. Sales revenue grew significantly to CHF 103.2 million, up 22.3% in local currencies (+17.1% in CHF). Excluding the CHF 16.5 million one-off contribution from the sale of the Asian consumer business Van Houten Singapore recorded in the same prior-year period, **operating profit (EBIT)** went up 55.7%.

Development by product group in the first half-year of fiscal year 2009/10

Food Manufacturer Products increased its sales volume by 8.6% to 411,134 tonnes, driven by solid growth in all regions as well as the ongoing implementation of previously signed outsourcing contracts. While growing 8.1% in local currencies, sales revenue growth in CHF was 2.7% due to negative currency translation effects; sales revenue stood at CHF 1,349.1 million.

Operating profit (EBIT) for the Industrial Products Group (Cocoa Products and Food Manufacturers Products) was CHF 141.4 million, up 0.9% in local currencies (–2.1% in CHF). Operational improvements were offset by the drop in the combined cocoa ratio as well as by adverse currency effects.

Gourmet & Specialties Products further accelerated sales volume growth compared to the first quarter of the fiscal year as a result of an increased focus on the business with artisanal customers, strengthened distribution, an adjusted product range and market share gains. Sales volume went up significantly by 18.1% to 70,900 tonnes, with all regions and brands (both international and local) contributing and supported by scope effects resulting from the acquisitions of Eurogran in Denmark and Chocovic in Spain. Business in the bakery, pastry and confectioners segments was holding up while the Hotel/Restaurant/Catering (HORECA) segment was still weak. Sales revenue amounted to CHF 382.3 million, up 16.5% in local currencies (+12.9% in CHF).

Consumer Products underwent a change in scope due to the divestment of consumer activities in the previous year, which had an impact on sales volume and sales revenue. Consumer Products managed to grow sales in Scandinavia, Austria and Italy but was impacted by a volume decline in France and Germany. The latter went down because of the weak consumer sentiment and the termination of contracts with large retailers due to unsatisfactory prices. Tablets, bars and pralines performed well; seasonal products declined. Sales revenue stood at CHF 477.5 million (–6.0% in local currencies and –7.7% in CHF).

Operating profit (EBIT) for the Food Service/Retail Products Group (Gourmet & Specialties and Consumer Products) was CHF 99.0 million, down 2.9% in local currencies (–4.9% in CHF), mainly as a result of the aforementioned one-off gain of CHF 16.5 million related to the sale of Van Houten Singapore in the same prior-year period. Excluding this effect, EBIT went up 15.3%.

Financial Review of the first-half results for fiscal year 2009/10

Consolidated Income Statement[1]

Sales volume rose 7.8% to 659,536 tonnes. All regions contributed to the substantial growth; Asia-Pacific recorded a strong increase in volume sold of 24.4%. In absolute terms, the biggest contributions came from Europe and the Americas, where the Group achieved a sales volume increase of 4.6% and 13.1%, respectively.

Sales revenue grew by 4.5% to CHF 2,656.5 million. In constant currencies growth was 8.4%, which can mainly be attributed to the volume growth.

Gross profit increased slightly by 1.9% (4.6% in constant currencies) to CHF 390.3 million. The Group managed to achieve further efficiency improvements in its operations. However, these positive effects were almost entirely offset by the lower contribution from the cocoa-pressing operations due to the decline in the combined cocoa ratio and higher depreciation and amortization expenses of recently acquired assets.

Marketing and sales expenses were slightly lower (–0.8%) at CHF 63.3 million due to foreign currency effects. On a constant currency basis, the expenses were up 2.4%. This is significantly below the volume growth as a result of the continued tight cost controls.

General & administration expenses rose 3% to CHF 124.7 million (5.2% in constant currencies). These expenses were affected by higher costs in relation to newly acquired businesses.

Other income was down 42.1% to CHF 16.5 million. In the prior-year period, non-recurring gains on disposals of subsidiaries (CHF 16.5 million) and the recognition of negative goodwill (CHF 0.9 million) were included.

Other expenses increased by CHF 1.8 million to CHF 10.0 million, affected by higher severance payments compared to the year before.

Operating profit (EBIT) was down 4.5% to CHF 208.8 million. On a constant currency basis, EBIT would have been 1.7% lower than in the comparable period. The prior-year period had been significantly affected by non-recurring gains as mentioned above.

Financial income fell by 83.0% to CHF 0.9 million, due to lower interest income. The prior-year comparable figure included realized gains on financial derivatives.

Financial expenses decreased by 21.4% to CHF 43.4 million, to a large extent because the Group has benefited from lower interest rates.

Result from investments in associates and joint ventures have, as a result of a higher profit contribution from joint ventures, slightly increased and amounted to CHF 0.7 million.

Income taxes went down by CHF 4.3 million to CHF 21.3 million. The Group's effective tax rate amounted to 12.8% for the first six months (prior-year period: 15.1%). It was mainly positively impacted by a favorable mix of taxable income.

Net profit for the period increased by 1.6% to CHF 145.7 million. Excluding currency translation effects, the Group's net profit is up by 5.3%.

1 Comparables refer to the prior-year period unless otherwise stated.

Consolidated Balance Sheet and financing structure[1]

Net working capital rose by 6.6% to CHF 1,218.4 million. Despite significant raw material price increases, affecting both inventories and receivables, the increase has been less than the Group's volume growth rate. This is the result of efforts to reduce working capital. Foreign currency translation effects had a minor impact.

Net debt decreased slightly to CHF 1,093.4 million (–2.1%), partially benefiting from positive foreign currency translation effects. The maturity profile has slightly changed as the Group has increased its debts with a maturity over 12 months.

Total assets increased by 9.8% to CHF 4,068.0 million, mainly driven by the growth of the business and increased raw material prices impacting inventories, trade receivables and derivative financial instruments.

Shareholders' equity rose by 12.6% to CHF 1,316.2 million. This is mainly due to strong growth in profit after tax for the second interim period of fiscal year 2008/09, partly offset by the capital reduction of CHF 64.6 million and negative currency translation effects. Compared to August 31, 2009, shareholders' equity rose by 4.8%, despite negative currency translation effects of CHF 20.1 million recognized in equity.

Consolidated Cash Flow Statement[1]

Operating cash flow before working capital changes increased by 19.1% to CHF 299.4 million. **Net cash flow from operating activities** amounted to an outflow of CHF 58.0 million, which represents an increased outflow of CHF 11.8 million. The growth of the business and increasing raw material prices have required some investments in net working capital.

Net cash outflow from investing activities amounted to CHF 71.8 million, which is lower than last year, mainly owing to lower cash outflow for the purchase of property, plant and equipment.

1 Comparables refer to the prior-year period unless otherwise stated.

Consolidated Income Statement (unaudited)

For the 6-month period ended February 28, in million CHF	2010	2009
Revenue from sales and services	**2,656.5**	**2,543.1**
Cost of goods sold	(2,266.2)	(2,159.9)
Gross profit	**390.3**	**383.2**
Marketing and sales expenses	(63.3)	(63.8)
General and administration expenses	(124.7)	(121.1)
Other income	16.5	28.5
Other expenses	(10.0)	(8.2)
Operating profit (EBIT)	**208.8**	**218.6**
Financial income	0.9	5.3
Financial expenses	(43.4)	(55.2)
Result from investments in associates and joint ventures	0.7	0.3
Profit before income taxes	**167.0**	**169.0**
Income taxes	(21.3)	(25.6)
Net profit for the period	**145.7**	**143.4**
of which attributable to:		
– shareholders of the parent company	145.6	143.6
– non-controlling interests	0.1	(0.2)

Earnings per share from continuing operations

Basic earnings per share (CHF/share)	28.18	27.85
Diluted earnings per share (CHF/share)	28.10	27.78

Consolidated Statement of Comprehensive Income (unaudited)

For the 6-month period ended February 28,	**2010**	2009
in million CHF		
Net profit for the period	**145.7**	**143.4**
Cash flow hedges, net of tax	(0.5)	(6.9)
Currency translation differences	(20.2)	(82.5)
Other comprehensive income for the period, net of tax	**(20.7)**	**(89.4)**
Total comprehensive income for the period	**125.0**	**54.0**
of which attributable to:		
– shareholders of the parent company	125.0	54.2
– non-controlling interests	0.0	(0.2)

Consolidated Balance Sheet (unaudited)

Assets

As of	**Feb 28, 2010**	Aug 31, 2009[1]	Feb 28, 2009
in million CHF			
Current assets			
Cash and cash equivalents	84.4	34.0	39.4
Short-term deposits	0.4	2.1	7.8
Trade receivables and other current assets	749.2	524.9	610.3
Inventories	1,499.0	1,294.5	1,432.5
Current income tax assets	7.1	5.5	4.9
Derivative financial assets	270.7	221.6	225.4
Total current assets	**2,610.8**	**2,082.6**	**2,320.3**
Non-current assets			
Property, plant and equipment	869.8	872.5	863.3
Financial assets	0.5	0.5	0.2
Investments in associates and joint ventures	4.6	4.0	3.7
Intangible assets	523.0	493.7	468.7
Deferred income tax assets	50.0	51.9	37.0
Other non-current assets	9.3	9.6	11.3
Total non-current assets	**1,457.2**	**1,432.2**	**1,384.2**
Total assets	**4,068.0**	**3,514.8**	**3,704.5**

Liabilities and equity

As of	**Feb 28, 2010**	Aug 31, 2009[1]	Feb 28, 2009
in million CHF			
Current liabilities			
Bank overdrafts	46.0	29.3	54.1
Short-term debt	361.7	222.9	394.0
Trade payables and other current liabilities	847.0	832.4	812.8
Current income tax liabilities	46.8	36.0	35.4
Derivative financial liabilities	414.4	153.9	284.5
Provisions	16.1	16.8	6.6
Total current liabilities	**1,732.0**	**1,291.3**	**1,587.4**
Non-current liabilities			
Long-term debt	770.5	728.3	718.0
Employee benefit obligations	118.4	122.7	122.6
Provisions	8.6	4.2	1.8
Deferred income tax liabilities	74.3	68.5	58.3
Other non-current liabilities	47.4	43.7	47.3
Total non-current liabilities	**1,019.2**	**967.4**	**948.0**
Total liabilities	**2,751.2**	**2,258.7**	**2,535.4**
Equity			
Share capital	197.5	262.1	262.1
Retained earnings and other components of equity	1,118.7	993.4	906.8
Total equity attributable to the shareholders			
of the parent company	**1,316.2**	**1,255.5**	**1,168.9**
Non-controlling interests	0.6	0.6	0.2
Total equity	**1,316.8**	**1,256.1**	**1,169.1**
Total liabilities and equity	**4,068.0**	**3,514.8**	**3,704.5**

1 Audited

Condensed Consolidated Cash Flow Statement (unaudited)

For the 6-month period ended February 28,	**2010**	2009
in million CHF		
Profit before income taxes	167.0	169.0
Non-cash items of income and expenses	132.4	82.3
Operating cash flow before working capital changes	**299.4**	**251.3**
(Increase) decrease in working capital	(330.0)	(251.2)
Interest paid	(22.3)	(28.5)
Income taxes paid	(5.1)	(17.8)
Net cash flow from operating activities	**(58.0)**	**(46.2)**
Purchase of property, plant and equipment	(33.9)	(62.3)
Proceeds from sale of property, plant and equipment	2.6	0.8
Acquisition of subsidiaries, net of cash acquired	(33.2)	(12.2)
Other investing cash flows	(7.3)	(19.9)
Net cash flow from investing activities	**(71.8)**	**(93.6)**
Net cash flow from financing activities	**163.5**	**146.9**
Effect of exchange rate changes on cash and cash equivalents	–	2.7
Net increase (decrease) in cash and cash equivalents	**33.7**	**9.8**
Cash and cash equivalents at the beginning of the period	4.7	(24.5)
Cash and cash equivalents at the end of period	38.4	(14.7)
Net increase (decrease) in cash and cash equivalents	**33.7**	**9.8**
Cash and cash equivalents	84.4	39.4
Bank overdrafts	(46.0)	(54.1)
Cash and cash equivalents as defined for the cash flow statement	**38.4**	**(14.7)**

Consolidated Statement of Changes in Equity (unaudited)

in million CHF	Share capital	Treasury shares	Retained earnings	Hedging reserves	Cumulative translation adjustments	Total	Non-controlling interests	Total equity
	Attributable to the shareholders of the parent company							
As of September 1, 2008	321.6	(13.6)	908.3	(1.2)	(39.1)	1,176.0	0.4	1,176.4
Currency translation adjustments					(82.5)	(82.5)		(82.5)
Effect of cash flow hedges				(6.9)		(6.9)		(6.9)
Other comprehensive income				**(6.9)**	**(82.5)**	**(89.4)**	**0.0**	**(89.4)**
Net profit for the period			143.6			143.6	(0.2)	143.4
Total comprehensive income			**143.6**	**(6.9)**	**(82.5)**	**54.2**	**(0.2)**	**54.0**
Capital reduction	(59.5)					(59.5)		(59.5)
(Acquisitions) sale in treasury shares (net)		(6.7)				(6.7)		(6.7)
Equity-settled share-based payments		11.7	(6.8)			4.9		4.9
As of February 28, 2009	**262.1**	**(8.6)**	**1,045.1**	**(8.1)**	**(121.6)**	**1,168.9**	**0.2**	**1,169.1**
As of September 1, 2009	262.1	(4.6)	1,129.0	(5.0)	(126.0)	1,255.5	0.6	1,256.1
Currency translation adjustments					(20.1)	(20.1)	(0.1)	(20.2)
Effect of cash flow hedges				(0.5)		(0.5)		(0.5)
Other comprehensive income				**(0.5)**	**(20.1)**	**(20.6)**	**(0.1)**	**(20.7)**
Net profit for the period			145.6			145.6	0.1	145.7
Total comprehensive income			**145.6**	**(0.5)**	**(20.1)**	**125.0**	**0.0**	**125.0**
Capital reduction	(64.6)					(64.6)		(64.6)
(Acquisitions) sale in treasury shares (net)		(3.1)				(3.1)		(3.1)
Equity-settled share-based payments		7.4	(4.0)			3.4		3.4
As of February 28, 2010	**197.5**	**(0.3)**	**1,270.6**	**(5.5)**	**(146.1)**	**1,316.2**	**0.6**	**1,316.8**

Notes to the condensed Consolidated Interim Financial Statements (unaudited)

General information

Barry Callebaut AG ("the Company") is incorporated under Swiss law. The address of the registered office is Pfingstweidstrasse 60, Zurich. The Company is listed on the SIX Swiss Exchange.

These condensed Consolidated Interim Financial Statements, approved by the Board of Directors for issue on March 30, 2010, were not audited.

Basis of presentation and accounting policies

The condensed Consolidated Interim Financial Statements have been prepared in accordance with IAS 34 – Interim Financial Reporting. Except as described below, the accounting policies applied in these condensed Consolidated Financial Statements correspond to those pertaining to the most recent annual Consolidated Financial Statements for the fiscal year 2008/09. A detailed description of the accounting policies is published in the notes to the annual Consolidated Financial Statements of the Annual Report 2008/09.

The preparation of condensed Consolidated Interim Financial Statements requires Management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The actual results may differ from these estimates. In the reporting period, the Group has not made significant changes to its judgements, estimates or assumptions, established in preparation of the last annual report.

The Group has adopted all applicable new or amended IFRS standards or interpretations and changed its accounting policies where necessary:

IFRS 3 (Revised) – Business Combinations (effective July 1, 2009)

The revised standard has been adopted for acquisitions after September 1, 2009. Therefore, the Group has not included acquisition-related expenses in the consideration paid. For further details on business combinations refer to note 2 "Acquisitions".

IFRS 7 (Amendment) – Financial Instruments – Disclosures (effective January 1, 2009)

The amendments, which require entities to disclose information about the measurement hierarchy of financial instruments, will be included in the 2009/10 year-end financial statements of the Group. At the end of February 2010, most of the Group's financial instruments were measured on the basis of prices quoted on active markets.

IFRS 8 – Operating Segments (effective January 1, 2009)

IFRS 8 supersedes IAS 14 "Segment Reporting". The new standard requires that reportable segments identified are consistent with the internal information that the chief operating decision-maker (CODM) uses in allocating the resources and assessing the performance of the operating segments. The Group has identified the Executive Committee as the CODM. It reviews the segments "Global Sourcing & Cocoa", "Western Europe", "Eastern Europe", "Americas" and "Asia-Pacific". For the purpose of the consolidated financial statements, "Western Europe" and "Eastern Europe" were aggregated. The prior-year figures have been restated accordingly. In addition to the operating segments, information for the following product groups is also disclosed: "Cocoa Products", "Food Manufacturer Products", "Gourmet & Specialties Products" and "Consumer Products".

IAS 1 (Revised) – Presentation of Financial Statements (effective January 1, 2009)

The standard includes non-mandatory changes of the titles of the financial statements. The Group has chosen the option to maintain the existing titles. Furthermore, the Group has opted to present a separate statement of comprehensive income in addition to the consolidated income statement.

IAS 23 (Revised) – Borrowing Costs (effective January 1, 2009)

The revised standard eliminates the option of recognizing borrowing costs immediately as an expense, to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalization of such directly attributable costs is now mandatory. This revised standard had no material impact on the Group's consolidated financial statements.

IAS 27 (Revised) – Consolidated and Separate Financial Statements (effective July 1, 2009)

The revised standard requires that effects of all transactions with non-controlling interests are to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting treatment when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognized as a profit or loss. The Group has changed its accounting policy accordingly.

IFRIC 18 – Transfer of Assets from Customers (effective July 1, 2009)

This interpretation clarifies the circumstances in which the definition of an asset within the scope of IFRIC 18 is met, and how to recognize the asset and measure its cost on initial recognition. The Group will apply the standard to transactions which meet the respective criteria.

Improvements to IFRS (effective January 1/July 1, 2009)

Several standards have been modified on miscellaneous points. They had no material impact on the Group's consolidated financial statements.

The following changes in IFRS may affect the Group for periods beginning after August 31, 2010:

Standard/Interpretation	Assessment	Effective date	Planned adoption by Barry Callebaut
Improvements to IFRS	*	January 1, 2010	September 1, 2010
IAS 32 (Amendment) – Financial Instruments: Classifications of Rights Issues	*	January 1, 2010	September 1, 2010
IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments	*	July 1, 2010	September 1, 2010
IAS 24 (Amendment) – Related Party Disclosures	*	January 1, 2011	September 1, 2011
IFRIC 14 (Amendment) – Prepayment of a Minimum Funding Requirement	*	January 1, 2011	September 1, 2011
IFRS 9 – Financial Instruments	***	January 1, 2013	1

1 The Group has not yet decided whether it opts for early adoption

* No impact or no significant impact is expected on the Group's Consolidated Financial Statements

** The impact on the Group's Consolidated Financial Statements is expected to result in additional disclosures or changes in presentation

*** The impact on the Group's Consolidated Financial Statements cannot yet be determined with sufficient reliability

Seasonality

The Group's business is typically influenced by seasonality in revenues and expenses over the course of the year. Historically, consumer purchases of chocolate products are highest in the months before Christmas and Easter. As a result, sales of semi-finished and finished products to customers are highest in the period between late August and the end of November, which includes production for the Christmas season, and, to a lesser degree, in the pre-Easter season.

1. Segment information

For the 6-month period ended February 28,	Global Sourcing & Cocoa		Europe		Americas		Asia-Pacific		Corporate		Group	
in million CHF	**09/10**	08/09	**09/10**	08/09	**09/10**	08/09	**09/10**	08/09	**09/10**	08/09	**09/10**	08/09
Revenue from external customers	447.6	373.9	1,645.0	1,651.7	460.7	429.4	103.2	88.1	0.0	0.0	2,656.5	2,543.1
Operating profit (EBIT)	**23.2**	**31.5**	**165.4**	**146.3**	**42.3**	**48.2**	**9.5**	**22.6**	**(31.6)**	**(30.0)**	**208.8**	**218.6**

Revenue by geographic regions is stated by customer location.

Revenue by product group

in million CHF	**2009/10**	2008/09
Cocoa Products	447.6	373.9
Food Manufacturer Products	1,349.1	1,313.3
Gourmet & Specialties Products	382.3	338.7
Consumer Products	477.5	517.2

2. Acquisitions

On December 23, 2009, the Group obtained control of Chocovic Group, a Spanish chocolate manufacturing group by acquiring 100% of the shares and voting interests of Trade & Trade, S.A, Chocovic Group's ultimate parent. As a result of the acquisition, the Group is expected to further expand its core business with industrial and artisanal customers as well as its geographic presence, mainly in Southern Europe.

in million CHF	**2009/10**
Consideration	
Cash paid	23.4
Consideration offset with receivables from seller	16.8
Consideration deferred	16.7
Total consideration transferred	**56.9**
Indemnification asset	(0.8)
Total consideration at fair value	**56.1**

The deferred payment is contractually due at the first and fifth anniversary of the closing date. Since most of the deferred payment is due short-term, the amounts have not been discounted. The part of the consideration which is due on the fifth anniversary of the closing shall be offset with indemnification claims by the Group. As part of the transaction, no pre-existing relationship was to settle.

The agreements with the seller do not contain arrangements on potentially contingent considerations.

The Group expensed acquisition-related costs such as fees for due diligence work and lawyers of CHF 1.1 million over the course of the project immediately in the Consolidated Income Statement (included in General & administrations expenses) of which CHF 0.7 million was recognized in the prior fiscal year.

in million CHF	2009/10
Recognized amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	2.2
Trade receivables and other assets	41.9
Inventories	8.4
Property, plant and equipment	6.8
Intangible assets	6.3
Deferred income tax assets	0.3
Bank overdrafts	(7.7)
Trade payables and other current liabilities	(20.2)
Deferred income tax liabilities	(1.1)
Other non-current liabilities	(5.4)
Total identifiable net assets	**31.5**
Goodwill	**24.6**
Total consideration at fair value	56.1

The goodwill of CHF 24.6 million arising from the acquisition is attributable to acquired customer base and economies of scale expected from combining the operations of the Group and Chocovic Group. None of the goodwill recognized is expected to be deductible for income tax purposes.

The fair value of trade and other assets is CHF 41.9 million and includes trade receivables with a fair value of CHF 18.3 million. The gross contractual amount of trade receivables due is CHF 20.8 million, of which CHF 2.5 million is expected to be uncollectible.

The fair value of the acquired identifiable inventories of CHF 8.4 million is provisional pending finalization of the valuation for those assets. Also, the Group has not yet finished the valuation of the defined benefit obligations as the actuarial valuation reports were not yet available.

Contingent liabilities of CHF 2.7 million have been recognized for potential outflow of resources embodying economic benefits arising from past events. The liabilities have not been discounted as the settlement is expected to take place within 12 months. The potential undiscounted amount of all future payments that the Group could be required to make if there was an adverse outcome is estimated between CHF 0.8 million and CHF 2.7 million. As of February 28, 2010, there has been no change in the amounts recognized at the acquisition date, as there has been no change in the range of outcomes or assumptions used to develop the estimates.

The selling shareholders have contractually agreed to indemnify Barry Callebaut for amounts that may become payable in respect of certain above-mentioned past events. An indemnification asset of CHF 0.8 million, equivalent to the fair value of the indemnified liability, has been recognized by the Group. The indemnification asset is deducted from consideration transferred for the business combination. As is the case with the indemnified liability, there has been no change in the amount recognized for the indemnification asset as at February 28, 2010, as there has been no change in the range of outcomes or assumptions used to develop the estimate of the liability.

The revenue included in the Consolidated Income Statement since December 31, 2009 contributed by Chocovic Group was CHF 12.6 million. Chocovic Group has also contributed profit of CHF 0.3 million over the same period.

Had Chocovic Group been consolidated from September 1, 2009, the Consolidated Income Statement would show revenue of CHF 2,686.0 million and net profit for period of CHF 146.8 million.

The initial accounting for the acquisitions of International Business Company (IBC) and the business from the Japanese confectionery Morinaga & Co. Ltd in the comparable period which were determined provisionally, have been completed in the meantime. The finalization of the purchase accounting did nod lead to any adjustments.

3. Other selected explanatory financial information

Contingencies

Barry Callebaut is not aware of any new significant litigations or other contingent liabilities compared to the situation as of August 31, 2009.

Dividends/Capital reduction and repayment

By resolution of the Annual General Meeting on December 8, 2009, Barry Callebaut AG instead of a dividend payment reduced its share capital by CHF 12.50 per share (reduction of the nominal value of one share from CHF 50.70 to CHF 38.20; to reduce the share capital by CHF 64.6 million). The respective payment to the shareholders has taken place on March 1, 2010. The Company does not intend to pay an interim dividend.

4. Subsequent events

There were no events after the balance sheet date requiring disclosure.

Forward-looking statement

Certain statements in this Letter to Investors 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 this Letter to Investors as well as in the Annual Report 2008/09. 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, 2010. Barry Callebaut does not undertake to publish any update or revision of any forward-looking statements.

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Financial calendar

	Date
9-month key sales figures 2009/10	June 30, 2010
Year-end results 2009/10, Zurich	November 4, 2010
Annual General Meeting 2009/10, Zurich	December 7, 2010

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