



Press Release / Letter to Shareholders

## **Barry Callebaut to integrate North American Operations at fewer production sites**

### **Cost benefits and optimized quality control**

**The Swiss industrial specialty chocolate producer Barry Callebaut plans to concentrate its US-American operations at fewer sites. This step strengthens the cost base of the Group and facilitates quality control, yet it leads to the phasing out of the Jersey City plant of the Van Leer Division.**

*Zürich/Switzerland and Jersey City/USA, February 24, 1999.* Barry Callebaut AG, Zürich/Switzerland, the world leading producer of industrial specialty chocolate, announced today its plan to integrate the US-American activities at fewer production sites. Barry Callebaut, listed on the Swiss Exchange, has lately considerably enlarged its presence in North America acquiring the Van Leer Corporation last July and being now in the process of taking over the Chadler operations in Brazil and the USA. While the plan to integrate production at fewer production sites will not reduce the processed volumes of the US-American operations, the streamlining will make better use of the more modern facilities, reduce cost, create specific centers of expertise and therefore optimize quality control.

The oldest production site, the 50-year old Jersey City Plant of the Van Leer Division is expected to be phased out by early 2000. The production transfer to the other Barry Callebaut companies will begin in May. The complete "Van Leer" product range will remain unchanged and will still be available to all customers. Barry Callebaut USA is committed to assist all present 135 employees at the Jersey City Plant to find new jobs. Some employees will be offered transfers to other Barry Callebaut facilities. A career center available to all employees and workers, will provide a full range of outplacement resources.

Pierre Vermaut, Chairman of the Board of Directors, commented: "The decision to leave Jersey City – a place where an important chapter of the history of chocolate has been written during the last 50 years – was not taken lightly. But in order to remain the preferred supplier of our US customers, the restructuring of our activities is imperative. The integration of the production at only two sites facilitates our objective to create specific centers of expertise in the USA and thus strengthens our ability to always best serve our clients."

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