Barry Callebaut reports results for fiscal year 2003/04:

Strong operating and net profit growth

- **Sales revenue increased by 13.4% to CHF 4,048.9 million**
- **Sales volume rose 13.5% to 1,011,358 tonnes**
- **Organic volume growth of 4.4% against world market growth of 1%**
- **Operating profit (EBIT) of CHF 228.3 million (up 9.4%)**
- **Net profit up 12.0% to CHF 115.6 million**
- **Net debt down 8.5% to CHF 943.0 million**
- **Strong fourth quarter for all business units**
- **Par value reduction of CHF 7.80 per share proposed in lieu of a dividend**
- **Dr. Urs Widmer and Markus Fiechter proposed for election to the Board**

Zurich/Switzerland, November 10, 2004 – Barry Callebaut AG, one of the world's leading cocoa and chocolate companies, announced today its results for fiscal year 2003/04 ended August 31, 2004. With CHF 4,048.9 million, consolidated sales revenue surpassed the four billion Swiss franc threshold for the first time (up 13.4%). Sales volumes rose by 13.5% to more than a million tonnes. Both results were partly influenced by the first-time consolidation of Luijckx for the first six months and of Brach's for the full year. Operating profit (EBIT) went up by 9.4% to CHF 228.3 million. Net profit (PAT) strongly increased by 12.0% to CHF 115.6 million.

Patrick De Maeseneire, CEO of Barry Callebaut, said: "It gives me great satisfaction to see that we have achieved an organic volume growth of 4.4% in a global chocolate market that grew only 1%. We had a strong fourth quarter in all our businesses and markets, including the Consumer Products Europe business unit. With the introduction of the 'dedicated factory approach' across our entire manufacturing network, we have taken the necessary steps to achieve cost leadership in our European consumer business. Cost leadership, together with innovation, is the basis for profitable growth in a highly competitive environment".

Sales revenue increased by 13.4% or CHF 477.6 million to CHF 4,048.9 million. The acquisition and first-time consolidation of Brach's (full year) and Luijckx (six months) contributed a net amount of CHF 402.7 million to this growth, with the remainder coming from positive exchange rate movements as well as from organic volume growth. These positive factors were partially offset by a decrease in cocoa bean prices and the partial discontinuation of the low-margin industrial business from Stollwerck. Net organic sales revenue growth was 5%.

Sales volumes saw an increase of 13.5% to 1,011,358 tonnes, up from 891,048 tonnes in the prior year. Eliminating the effects of the acquisition of Brach's and Luijckx as well as the discontinued Stollwerck industrial business, sales volumes increased strongly by 4.4%, compared to a growth of the world market of 1%. Main contributors to this organic volume growth were the Gourmet, Food Manufacturers and Cocoa businesses.

Operating profit (EBIT) increased by 9.4% to CHF 228.3 million. The Cocoa, Food Manufacturers and Gourmet & Specialties business units showed substantial increases, the newly acquired Brach's business made a moderate positive contribution, while the EBIT development in Consumer Products Europe was unsatisfactory because of margin

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

pressure and the one-off impact of a sharp increase in hazelnut prices. – **Taxes** decreased to CHF 19.4 million, bringing the effective average corporate tax rate to 14.3%, down from 19.4% for the prior year.

Net profit (PAT) showed a strong increase of 12.0% to CHF 115.6 million, up from CHF 103.2 million in the previous year. **Earnings per share** reached CHF 22.4 (+12.0%).

Net debt decreased by CHF 87.1 million or 8.5% to CHF 943.0 million as of end of August 2004, bringing the debt-to-equity ratio down to 117.7% (previous year: 135.7%). – **Shareholders' equity** grew 5.5% to CHF 800.9 million as of the end of August 2004, compared to CHF 759.2 million at the end of the previous fiscal year on August 31, 2003. – The key operational ratios Return on equity (**ROE)** and Return on invested capital (**ROIC)** went up: ROE was 14.4%, ROIC was 10.4%.

On August 31, 2004, the Group employed a **workforce** of 8,933 people, or 14% more than on August 31, 2003, mostly due to the acquisition of Brach's.

Proposals to the Annual General Meeting

Instead of a dividend payment the Board of Directors proposes to the Annual General Meeting of December 8, 2004 to reduce the share capital of the company by CHF 40,326,000 from CHF 517,000,000 to CHF 476,674,000 through the reduction of the par value per share from CHF 100 to CHF 92.20 and to amend the respective provision of the articles of association. The par value reduction of CHF 7.80 per share will be paid out free of costs and net of the withholding tax in February 2005.

The Board of Directors proposes to the Annual General Meeting that Dr. Urs Widmer, former Chairman and CEO of Ernst & Young Holding and active today as a lawyer, and Markus Fiechter, CEO of KJ Jacobs AG, be elected as new members of the Board of Directors (see separate CVs). With the term of office of the Board of Directors being one year, the board members Andreas Schmid (Chairman), Dr. Andreas Jacobs (Vice Chairman), Rolando Benedick and Andreas W. Keller will stand for re-election for another term of office. Dr. Johann Christian Jacobs has expressed his desire to focus on the chairmanship of the Jacobs Foundation; he will not stand for re-election.

Outlook

Patrick De Maeseneire, Chief Executive Officer, on the prospects for the current fiscal year 2004/05: "In the first two months of the current fiscal year, organic volume growth in all our businesses was very good. We believe that the environment for the current fiscal year will be rather difficult given that the European economy is not picking up to the extent predicted by economists, and economic growth in the U.S. is slowing down. Barry Callebaut wants to continue growing twice as fast as the global chocolate markets. With the introduction of the new dedicated factory strategy across all business units, which will give us cost leadership in all our businesses, and by exploring new geographic opportunities and actively responding to growing consumer demand for more convenient, more sensory and health-enhancing products, we are well positioned to further generate strong, profitable growth in the years ahead".

<u>Overview of business performance by business segment</u>

Industrial business segment

The Industrial business segment focuses on selling cocoa and chocolate products to industrial processors and consumer goods manufacturers worldwide.

Sales volumes were 650,621 tonnes, up 3.1% from the 631,146 tonnes for the previous year.

- To further optimize the fixed cost structure, volumes of cocoa products sold to third-party customers were increased by 4.5% and reached 126,316 tonnes (120,827 tonnes in the prior year).
- Sales volumes in the Food Manufacturers business unit grew 2.7% to 524,305 tonnes. Excluding the partial discontinuation of low or negative margin industrial sales taken over from Stollwerck as well as the reclassification of former deliveries to Brach's and Luijckx as intercompany sales, organic volume growth was 5.7%. Volume growth was mainly recorded in France, the Mediterranean countries, Eastern Europe, North America and, above all, Asia-Pacific (+34%). This is the result of the continued outsourcing trend all the way to the molding and packaging of the finished product, an area in which Barry Callebaut could already sign a number of important contracts with large branded consumer goods companies. To expand geographically, sales offices were opened in Moscow and Tokyo and reported initial successes.

Sales revenue in the Industrial business segment rose 0.4% to CHF 2,203.3 million, compared to CHF 2,193.9 million in the previous year.

- Sales revenue for the Cocoa business unit declined by 8.2%. This decrease was driven by the decline in underlying cocoa bean prices and changes in the product mix, yet was partially offset by significant margin improvements in pressed products, such as cocoa butter and cocoa powder.
- On the other hand, the Food Manufacturers business unit was able to grow its sales revenue by 3.8% to CHF 1,639.3 million, up from CHF 1,579.7 million. This was the result of volume growth, margin improvements and a slightly positive currency impact, partly offset by lower underlying cocoa bean prices. Considering the above-mentioned impact from the Brach's and the Luijckx acquisitions as well as from the discontinued Stollwerck industrial business, organic sales revenue growth was 7.3%.

Operating profit (EBIT) for the segment jumped 22.7% to CHF 175.2 million, with a sizeable contribution coming from Cocoa.

Total segment assets including current assets amounted to CHF 1,658.2 million, down from the previous year, as a result of the lower underlying cocoa bean prices. EBIT over total segment assets reached a satisfactory 10.6% (previous year: 7.9%).

Food Service/Retail business segment

The Food Service/Retail business segment serves a broad range of customers, from local craftsmen to global retailers.

Sales revenue in the Food Service/Retail Business Segment jumped 34.0% to CHF 1,845.6 million, with CHF 425.1 million or 30.9% resulting from the first-time consolidation of Brach's for the full year and of Luijckx for six months and the remainder being organic growth. Brach's, one of the leading manufacturers of loose confectionery in the U.S., was acquired in September 2003. The restructuring and integration of the company is on track, and it already made a moderate positive contribution to segment EBIT. AM Foods, acquired in September 2004 and renamed into Barry Callebaut Sweden, will only be consolidated as of September 1, 2004.

- Sales revenue reported by the Gourmet & Specialties business unit increased by 7.9% to CHF 514.0 million, up from CHF 476.4 million for the prior year. Organic growth was 3.8%. Sales revenue growth was achieved across all geographies.
- Sales revenue generated by the two Consumer Products units Europe and North America rose nominally by 47.8% to CHF 1,331.6 million or 32.9% of total group sales. CHF 399.3 million of this growth is attributable to the first-time full-year consolidation of Brach's. Organic growth was almost flat at 0.3%.

Operating profit (EBIT) for the segment was CHF 99.3 million or a minus of 2.6%. EBIT growth achieved in Gourmet & Specialties as well as in Consumer Products North America nearly offset the unsatisfactory EBIT development of Consumer Products Europe, which was the result of the unsatisfactory business development in Germany especially in the third quarter and the beginning of the fourth quarter, topped by suddenly much higher prices for hazelnuts.

Total segment assets went up by 22.8% to CHF 953.4 million due to the acquisition of Brach's. EBIT over total segment assets was down to 10.4% (previous year: 13.1%) as a result of the factors described above.

Consumer business: accelerating strategy implementation

As announced on September 10, 2004, action was taken to shape the Consumer Products Europe unit into a preeminent and innovative customer solutions provider for global retailers. Innovation and cost leadership are key in a market that is characterized by strong growth rates for premium products on the one hand and customer label products on the other. In order to achieve cost leadership the concept of dedicated factories or "Centers of Excellence", which has already been successfully implemented in the Industrial Business segment, is now being expanded to encompass the entire production network. The more than 30 production sites worldwide were integrated into a centrally managed "Operations" unit at the beginning of the current fiscal year. The "Operations" unit will supply all of Barry Callebaut's business units. Product manufacturing is being centralized, and each factory will serve as a "Center of Excellence," focusing on making the products for which it is best suited. The advantages of this approach for each factory are highly developed specialist skills, longer production runs, optimized stock management as well as capacity management. In addition, the separation of production from sales and marketing enables each business unit to focus its resources on serving its specific customer segments.

Ivory Coast

The three factories of Barry Callebaut in Ivory Coast have been closed since Sunday, November 7, 2004 because public transport is interrupted and workers cannot get to work. All three factories are fully operational. As soon as public transport is working again, Barry Callebaut intends to re-start the factories. Barry Callebaut has been present in Ivory Coast since 1968 and has successfully managed similar situations before. In order to spread the risks, the volumes of cocoa beans sourced in other countries, such as Ghana or Indonesia, were increased, and cocoa processing capacities in Europe, the U.S. and Ghana were expanded. Barry Callebaut is confident at this moment that it will be able to meet its contractual obligations vis-a-vis its chocolate customers.

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Barry Callebaut (www.barry-callebaut.com):
With annual sales of more than CHF 4 billion for fiscal year 2003/04, Zurich-based Barry Callebaut is one of the world's leading manufacturers of high-quality cocoa, chocolate and confectionery products – from the cocoa bean to the finished product on the store shelf. Barry Callebaut operates more than 30 production facilities in 22 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 closed on August 31, 2004. The Annual General Meeting 2003/04 will take place on December 8, 2004, at 2:30 pm (Kongresshaus, Zurich, Gartensaal).

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Financial calendar for fiscal year 2004/05 (September 1, 2004 to August 31, 2005):

3-month results 2004/05: January 13, 2005
News release, Shareholders' Letter, Analysts'/Press conference call

Half-year results 2004/05: April 11, 2005
News release, Shareholders' Letter, Analyst/Press conference in Zurich

9-month results 2004/05: July 8, 2005
News release, Shareholders' Letter, Analysts'/Press conference call

Annual results 2004/05: November 10, 2005
News release, Analyst and press conference in Zurich

Annual General Meeting 2004/05: December 8, 2005 in Zurich

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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

Media conference of Barry Callebaut AG

Date:	Wednesday, November 10, 2004
Time:	10:00 to approx. 11:00 hrs
Location:	SWX Swiss Exchange, ConventionPoint, Room “Exchange”, Selnaustrasse 30, 8021 Zurich/Switzerland

You can also follow the conference by telephone or audio web cast.

Please dial: **+41 91 610 56 00 (for callers from Europe)**
+44 207 107 0611 (for callers from the UK)
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You will then be asked to give your name and the name of your publication. The slides for the presentation will be posted on our website (www.barry-callebaut.com)

To access the live audio web cast streaming, please follow the link on our homepage (www.barry-callebaut.com).

An audio replay of the conference will be available as of November 10, 2004, (02:00 p.m.) for 72 hours under **+41 91 612 43 30** (Europe), **+1 412 317 0088** (U.S.) and **+44 207 866 4300** (UK) – **Code ‘283’** (followed by the # sign).

The conference language will be English.

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Analysts’ conference of Barry Callebaut AG

Date:	Wednesday, November 10, 2004
Time:	12:00 to approx.13:00 hrs, followed by lunch and dessert buffet
Location:	SWX Swiss Exchange, ConventionPoint, Room “Exchange”, Selnaustrasse 30, 8021 Zurich/Switzerland

You can also follow the conference by telephone or audio web cast. Questions may only be asked by telephone.

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 U.S.)

You will then be asked to give your name. The slides for the presentation will be posted on our website (www.barry-callebaut.com).

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Key Figures for Barry Callebaut Group

		Change (%)	2003/04	2002/03
Income Statement				
Sales revenue *in local currencies*	CHF m	13.4% *11.7%*	4,048.9 *3,989.0*	3,571.3
Sales volume	mt	13.5%	1,011,358	891,048
EBITDA (1)	CHF m	9.5%	364.8	333.1
Operating profit (EBIT) *in local currencies*	CHF m	9.4% *7.3%*	228.3 *224.0*	208.7
Net profit (PAT) *in local currencies*	CHF m	12.0% *9.7%*	115.6 *113.2*	103.2
Cash flow (2)	CHF m	10.8%	252.2	227.7
Balance Sheet				
Balance sheet total	CHF m	1.8%	2,760.5	2,712.7
Net working capital	CHF m	-4.3%	914.1	955.1
Non-current assets	CHF m	4.8%	1,099.9	1,049.9
Net debt	CHF m	-8.5%	943.0	1,030.1
Shareholders' equity	CHF m	5.5%	800.9	759.2
Ratios				
Return on capital employed (ROCE) (3)	%	2.7%	15.4%	15.0%
Return on equity (ROE)	%	6.1%	14.4%	13.6%
EBIT per tonne *in local currencies*	CHF	-3.6% *-5.4%*	225.7 *221.5*	234.2
Debt-to-equity ratio	%	-13.2%	117.7%	135.7%
Shares				
EBIT per share	CHF	9.4%	44.2	40.4
Earnings per share	CHF	12.0%	22.4	20.0
Cash earnings per share (4)	CHF	10.3%	66.3	60.1
Par value reduction and repayment 2003/04 / Dividend per share 2002/03 (5)	CHF	11.4%	7.80	7.00
Other				
Employees	Number	14.0%	8,933	7,837

1) EBIT + depreciation of tangible assets + amortization of goodwill and other intangibles
2) Net profit + depreciation of tangible assets + amortization of goodwill and other intangibles
3) EBITA / Average (Capital employed – Goodwill)
4) Operating cash flow before working capital changes / diluted shares outstanding
5) Comparing cash proceed from the proposed capital reduction for 2003/04 with cash dividend 2002/03

Key figures by business segment

		Change (%)	2003/04	2002/03
Industrial Business Segment				
Sales revenue	CHF m	0.4%	2,203.3	2,193.9
Cocoa	*CHF m*	*-8.2%*	*564.0*	*614.2*
Food Manufacturers	*CHF m*	*3.8%*	*1,639.3*	*1,579.7*
Sales volumes	mt	3.1%	650,621	631,146
Cocoa	*mt*	*4.5%*	*126,316*	*120,827*
Food Manufacturers	*mt*	*2.7%*	*524,305*	*510,319*
Operating profit (EBIT)	CHF m	22.7%	175.2	142.8
EBITDA	CHF m	15.4%	248.3	215.2
Segment assets	CHF m	-8.7%	1,658.2	1,815.4
EBIT/Segment assets	%	34.5%	10.6%	7.9%
Food Service/ Retail Business Segment				
Sales revenue	CHF m	34.0%	1,845.6	1,377.4
Gourmet & Specialties	*CHF m*	*7.9%*	*514.0*	*476.4*
Consumer Products	*CHF m*	*47.8%*	*1,331.6*	*901.0*
Operating profit (EBIT)	CHF m	-2.6%	99.3	102.0
EBITDA	CHF m	6.0%	159.5	150.5
Segment assets	CHF m	22.8%	953.4	776.5
EBIT/Segment assets	%	-20.6%	10.4%	13.1%

Urs Widmer

Urs Widmer (1941) is an attorney at law with a practice in Küsnacht, Zurich. He served as Chairman of the Board of Directors of ATAG Ernst & Young Holding AG from 1998 to 2002.

Before that he had held various positions at ATAG Ernst & Young. From 1974 to 1980 he worked in the legal department and was promoted to department head in 1980. In 1984 he was appointed a member of the executive board of ATAG debis Informatik AG. In 1986 he was appointed General Manager of ATAG Wirtschaftsinformation Holding AG and member of the Group Executive Board of ATAG Ernst & Young AG. He was elected a member of the Board of Directors of ATAG Ernst & Young AG in 1988 and the Delegate of the Board of Directors in 1990. He joined the Executive Board of Ernst & Young Europe in Brussels in 1991 and the Global Executive Board of Ernst & Young International, New York and London, in 1994. In 1995 he assumed the position of Delegate and Chairman of the Board of Directors of ATAG Ernst & Young Holding AG. His professional career began as an assistant to the Executive Board of Alusuisse.

Urs Widmer is Vice Chairman of the Board of Directors of Vontobel Holding AG and Bank Vontobel AG and Chairman of Vontrust AG. He is a member of the Board of Directors of Robert Fischer Holding AG and Otto Fischer AG and also a trustee of the Vontobel-Foundation and the Technopark Foundation and chairman of the Stiftung für Informationsrecht (HSG).

Urs Widmer earned a doctorate from the Faculty of Law at Zurich University.

Markus Fiechter

Markus Fiechter (1956) was appointed CEO of KJ Jacobs AG as of September 1, 2004. From 1994 to 2004 he was CEO of the Minibar Group. From 1991 to 1994 he worked for the Boston Consulting Group as Consultant, Project Manager and Manager in the Zurich office. From 1984 until 1991 he held different managerial positions at Mettler Toledo AG. He started his career as Assistant Professor in Chemistry at the Technical Institute of Horw/Lucerne, Switzerland.

Markus Fiechter is a Member of the Board of Minibar AG and continues to serve as consultant for the Minibar Group.

Markus Fiechter holds a Master in Chemical Engineering (Dipl. Chem. Ing. ETH) from the Federal Institute of Technology in Zurich (ETH) and an MBA (lic.oec.HSG) from the University of St. Gallen (HSG).