Media release

Barry Callebaut AG publishes nine-month 2002/03 results:

Sustained growth in chocolate sales volumes despite a stagnating market

- **Further margin improvement as operating profit (EBIT) per ton increases by 2.3%; in local currencies plus 7.6%**
- **Operating profit (EBIT) increases by 20% to CHF 162.4 million, in local currencies up 26%**
- **Net profit up 2.4% to CHF 82.4 million, in local currencies up 9.8%**
- **Sales volumes up 17% to 685,265 tons**
- **Sales revenues up 38% to CHF 2,760.9 million, in local currencies increase of 45%**
- **Gross profit up 34% to CHF 864.2 million, in local currencies growth of 39%**

Zurich/Switzerland, July 1, 2003 – In the first nine months of fiscal 2002/03 ended May 31, 2003, Barry Callebaut was able to grow its chocolate sales volume organically by 2%. Sales of cocoa products were intentionally reduced. This growth in chocolate was achieved despite generally stagnating or even declining chocolate markets and depressed consumer sentiment, and it confirms the strong positioning of Barry Callebaut as the world's leading manufacturer of high-quality chocolate products. – As explained earlier, chocolate is a seasonal business with revenue and earnings peaks between August and the end of March and slower revenues and earnings in spring and summer.

Sales volumes registered a growth of 17% to 685,265 tons in the first nine months of fiscal 2002/03. In keeping with the Group's strategy to focus sales of cocoa products on select third-party customers, the Cocoa, Sourcing & Risk Management business unit scaled back its sales by 12%. Sales volume growth achieved in the Food Manufacturers business unit was 4%, in the Gourmet & Specialties business unit it reached 5%. The 272% sales volume increase in the Consumer Products business unit was the result of the first-time consolidation of the German Stollwerck Group. Overall, excluding the Cocoa, Sourcing & Risk Management business unit, organic sales volume growth was 2%.

Sales revenues grew 38% to CHF 2,760.9 million (in constant currency terms: plus 45%). This growth was mainly attributable to the effect of the Stollwerck acquisition, higher chocolate sales volumes and the higher average cocoa bean prices in the period under review; it was partly offset by the intentional sales volume reduction in the Cocoa, Sourcing & Risk Management business unit and unfavorable exchange rate movements.

Gross profit, i.e. sales revenues less material consumed, progressed by 34% to CHF 864.2 million (in constant currency terms: plus 39%). In comparison with sales volumes, it grew overproportionately due to the first-time consolidation of the Stollwerck consumer business, which has higher gross margins than the industrial business, but also higher marketing costs.

Operating profit (EBIT) increased by 20% to CHF 162.4 million; in local currencies, growth was 26%. Operating profit (EBIT) per ton, which is a reflection of margins achieved, was further expanded to CHF 237.0 (+2.3%). At constant exchange rates, operating profit (EBIT) per ton increased by 7.6%.

Net profit (PAT) grew 2.4% to CHF 82.4 million. In constant currency terms, net profit growth was 9.8%. As discussed earlier, net profit growth was slower than EBIT growth primarily due to the expected higher financing costs related to the Group's new financing structure, which has improved its debt maturity profile and reduced interest volatility risk. A minor effect has come from a higher tax rate as some of the earnings were generated in other countries.

Review of regional market developments

In **Western Europe** sales volumes registered an increase of 28% to 457,135 tons (66% of the Group's total sales). The increase was attributable to the Stollwerck acquisition and higher sales in the Food Manufacturers and Gourmet & Specialties business units. Growth in Consumer Products, with the bulk of its business being in the declining German market, was flat. Sales volumes in the Cocoa, Sourcing & Risk Management business unit went down subsequent to the closure of the Bussum factory in October 2002.

With the recovery of the Russian economy and the growing number of middle-class consumers, **Eastern Europe** has become a target market for both the Food Manufacturers and the Gourmet & Specialties business units. Increased sales efforts led to a sales volume growth of 5% to 25,034 tons (4% of the total sales volume).

Sales volumes in the **Americas** (North and Latin America) were down by 2% to 155,270 tons (23% of total sales). This was the result of the planned reduction of sales to third-party customers in the Cocoa, Sourcing & Risk Management business unit. While sales volumes in the Gourmet & Specialties business unit increased, sales volumes were flat in the Food Manufacturers business unit. However, there are first signs of a recovery of the U.S. economy with an increase in volumes ordered in recent weeks in the Food Manufacturers business unit.

The dramatic impact of SARS on the tourism industry in **Asia/Pacific** was offset by higher at-home consumption of chocolate products and therefore higher volumes sold to industrial customers. Sales volumes overall accelerated by 12% to 21,040 tons (3% of total sales).

Strong sales of consumer products in Africa despite Ivorian turmoil more than balanced out the difficult economic and political situation in several countries in the Middle East and the effects of the Iraq war. This led to a 2% increase in overall volumes in **Africa and Middle East** to 26,786 tons (4% of total sales).

Business performance by unit

The intention to reduce exposure to the volatile cocoa markets and to focus sales of cocoa products on select third-party customers led to a sales volume decrease in the **Cocoa, Sourcing & Risk Management** business unit of 12% to 90,687 tons. The soaring increase in cocoa bean prices observed since November 2001 came to an end in March 2003. As a consequence, the increase in sales revenues was less pronounced than in the first two quarters of the current fiscal year. However, with average cocoa bean prices still above the level of the prior-year period, sales revenues grew by 7% to CHF 460.8 million. All factories, including those in the Ivory Coast, are working normally. The mid-crop in West Africa and the main-crop in Indonesia are currently in full swing.

The **Food Manufacturers** business unit, which supplies chocolate and compounds to industrial customers, expanded its sales volumes by 4% to 386,194 tons, despite a generally flat, in some regions even declining market. The trend towards outsourcing was confirmed and the business unit booked several large contracts with food manufacturers; the contract portfolio for the next nine months looks promising. Sales revenues went up by 11% to CHF 1,196.0 million. The increase was attributable to higher sales prices due to higher cocoa bean prices and to the increased share of higher-margin products sold.

The **Gourmet & Specialties** business unit, which caters to the needs of professional chocolate users such as chocolate makers, pastry chefs, hotels and restaurants, grew its sales volumes by 5% to 80,411 tons and its sales revenues by 13% to CHF 367.4 million. All brands and all regions with the exception of Asia-Pacific (SARS) contributed equally to this solid growth, which is the consequence of successfully launched new products and the first results of the business unit's focus on the most profitable segments of the market, managed by a dedicated and expanded sales team. The Dutch-Belgian chocolate company Luijckx Beheer B.V., acquired as of March 3, 2003, was consolidated for the first time. It contributed 1,075 tons (1%) to sales volumes and CHF 11.3 million (3%) to sales revenues.

In the **Consumer Products** business unit, sales volumes went up by 272% to 127,973 tons, mostly as a result of the Stollwerck acquisition. Excluding the effects of the acquisition and a shift of roughly 3,000 tons of industrial chocolate to the Food Manufacturers business unit, growth in Consumer Products was flat. This has to be seen in light of a rough economic climate in Germany with a contracting chocolate market, where Consumer Products generates approx. 80% of its sales, and unusually high temperatures in the month of May. Sales revenues increased from CHF 162.1 million in the prior year to CHF 736.7 million (+355%), with CHF 587.1 million attributable to Stollwerck. The integration and restructuring of the Stollwerck Group are making progress: The streamlining of the product portfolio has led to a considerable reduction in the number of SKUs (Stock Keeping Units). The relocation of the Gubor production activities to Norderstedt near Hamburg as of September 30, 2003 with the objective of optimizing production costs is on track both in terms of schedule and budget.

Outlook

Patrick De Maeseneire, Chief Executive Officer of Barry Callebaut, gave the following outlook: "Our 200 million CHF EBIT target for full fiscal year 2002/03 – barring any major unforeseen events – is still realistic although the general market environment, especially the economic situation throughout Europe, has generally worsened since our half-year report. My confidence is bolstered by several new and promising products in the pipeline, especially in our Gourmet & Specialties business unit, which will allow us to respond to changing user and consumer needs and to further differentiate ourselves from our competitors."

For further information see Barry Callebaut's "Letter to Investors" with more detailed financial information published on the internet (www.barry-callebaut.com, go to "Investors/Documentation").

* * *

Contacts

For investors and analysts:
Dieter A. Enkelmann, CFO
Barry Callebaut AG
Phone +41 1 388 61 19
Fax +41 1 388 61 53
dieter_enkelmann@barry-callebaut.com

For the media:
Gaby Tschofen
Barry Callebaut AG
Phone +41 1 388 61 60
Fax +41 1 388 61 53
gaby_tschofen@barry-callebaut.com

About Barry Callebaut:
With annual sales of CHF 2.6 billion for fiscal year 2001/02, Barry Callebaut is the world's leading manufacturer of high-quality cocoa and chocolate products. Barry Callebaut operates some 34 production facilities in 16 countries and employs approximately 7,400 people. The company is organized into four strategic business units: Cocoa, Sourcing & Risk Management, Food Manufacturers, Gourmet & Specialties and Consumer Products.

The company's customers range from industrial processors, such as the world famous branded consumer goods manufacturers who produce chocolate, confectionery, biscuits, dairy products, ice cream and breakfast cereals incorporating Barry Callebaut's products, to artisanal users, including hotels, gastronomy, chocolate makers, pastry chefs and bakers, to partners in the food retailing industry for whom the Barry Callebaut Group produces branded, customer label and other consumer products. Barry Callebaut also provides a comprehensive range of services in the fields of product development, processing, training and marketing.

The holding company, Barry Callebaut AG, has been listed on the SWX Swiss Exchange since June 1998 (ticker symbol BARN). The fully paid-up share capital amounts to CHF 517 million, divided into registered shares with a nominal value of CHF 100 each. On May 31, 2003, the close of the third quarter of fiscal 2002/03, the market capitalization was approx. CHF 933.2 million.

Fiscal year 2002/03 will close on August 31, 2003. Results for the full fiscal year 2002/03 will be published on November 11, 2003.

www.barry-callebaut.com

Key Figures (unaudited financial statement)

in CHF		Change in %	9 months up to 31.05.2003	9 months up to 31.05.2002
Financial key figures				
Sales revenue	CHF m	37.9%	**2,760.9**	2,001.5
Sales volume	Tons	17.4%	**685,265**	583,477
Gross profit	CHF m	34.1%	**864.2**	644.6
Operating profit (EBIT)	CHF m	20.2%	**162.4**	135.1
Net profit (PAT)	CHF m	2.4%	**82.4**	80.5
Cash flow (1)	CHF m	16.4%	**175.3**	150.6
EBIT per ton	CHF	2.3%	**237.0**	231.6
EBIT per share	CHF	20.2%	**31.42**	26.13
Earnings per share, undiluted	CHF	-2.4%	**15.96**	16.36
Earnings per share, diluted	CHF	2.4%	**15.94**	15.56
Sales volumes				
by region				
• Western Europe	Tons	28.1%	**457,135**	356,875
• Eastern Europe	Tons	4.9%	**25,034**	23,872
• Americas	Tons	-1.5%	**155,270**	157,573
• Asia / Pacific	Tons	11.8%	**21,040**	18,828
• Africa and Middle East	Tons	1.7%	**26,786**	26,329
by business unit (2)				
• Cocoa, Sourcing & Risk Mgt	Tons	-11.5%	**90,687**	102,445
• Food Manufacturers	Tons	4.4%	**386,194**	369,959
• Gourmet & Specialties	Tons	4.9%	**80,411**	76,639
• Consumer Products	Tons	271.7%	**127,973**	34,434
Sales revenue				
by business unit (2)				
• Cocoa, Sourcing & Risk Mgt	CHF m	6.7%	**460.8**	432.0
• Food Manufacturers	CHF m	10.7%	**1,196.0**	1,080.9
• Gourmet & Specialties	CHF m	12.5%	**367.4**	326.5
• Consumer Products	CHF m	354.5%	**736.7**	162.1
Balance sheet				
Total assets	CHF m	30.0%	**2,898.8**	2,230.2
Net working capital	CHF m	4.8%	**1,010.8**	964.3
Non-current assets	CHF m	35.7%	**1,067.6**	786.7
Net debt	CHF m	25.8%	**1,160.6**	922.6
Equity	CHF m	-1.9%	**712.4**	725.8
Employees		52.3%	**7,434**	4,882

(1) Net profit + depreciation of tangible assets + amortization of goodwill and other intangibles
(2) Prior-year figures have been brought in line with the current split of Business Unit responsibilities

in EUR		Change in %	9 months up to 31.05.2003	9 months up to 31.05.2002
Sales revenue	EUR m	32.4%	**1,808.0**	1,365.3
Operating profit (EBIT)	EUR m	15.4%	**106.4**	92.2
Net profit (PAT)	EUR m	-1.6%	**54.0**	54.9
Total assets	EUR m	24.8%	**1,898.2**	1,521.4
Net working capital	EUR m	0.6%	**661.9**	657.8
Non-current assets	EUR m	30.3%	**699.1**	536.7
Net debt	EUR m	20.8%	**760.0**	629.4
Equity	EUR m	-5.8%	**466.5**	495.1
in USD		**Change in %**	**9 months up to 31.05.2003**	**9 months up to 31.05.2002**
Sales revenue	USD m	69.3%	**2,151.1**	1,270.4
Operating profit (EBIT)	USD m	47.6%	**126.6**	85.8
Net profit (PAT)	USD m	25.7%	**64.2**	51.1
Total assets	USD m	59.5%	**2,258.5**	1,415.6
Net working capital	USD m	28.7%	**787.6**	612.1
Non-current assets	USD m	66.6%	**831.8**	499.4
Net debt	USD m	54.4%	**904.3**	585.6
Equity	USD m	20.5%	**555.0**	460.7

Barry Callebaut is a Swiss corporation and as such presents its financial statements in Swiss francs (CHF). For convenience, some selected financial data were translated from Swiss francs into Euros (EUR) at the rate of CHF 1.5271 and CHF 1.4659, respectively, to EUR 1 and from Swiss francs into US dollars (USD) at the rate of CHF 1.2835 and CHF 1.5754, respectively, to USD 1. (Closing rates as of May 31, 2003 and May 31, 2002, respectively).