



Half-Year Results 2018/19

ANALYST & MEDIA CONFERENCE
APRIL 11, 2019



Cautionary note

Certain statements in this presentation 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 the Half-Year Report 2018/19. 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 11, 2019. Barry Callebaut does not undertake to publish any update or revision of any forward-looking statements.

AGENDA

Highlights HY 2018/19

Antoine de Saint-Affrique, CEO

Financial Review HY 2018/19

Remco Steenbergen, CFO

Strategy & Outlook

Antoine de Saint-Affrique, CEO

Questions & Answers

CEO and CFO



Antoine de Saint-Affrique,
CEO





Strong profitability and accelerating growth momentum

- Sales volume up +2.4% on top of a strong prior year base
- Acceleration in Q2 to +3.1%
- Sales revenue of CHF 3.7 bn, +6.0% in local currencies (+3.5% in CHF)
- Operating profit (EBIT) up +12.4% in local currencies (+8.9% in CHF)
- Net profit up +18.8% in local currencies (+15.1% in CHF). Net profit adjusted¹ +12.3% in local currencies (+8.7% in CHF)
- On track to deliver on current mid-term guidance²

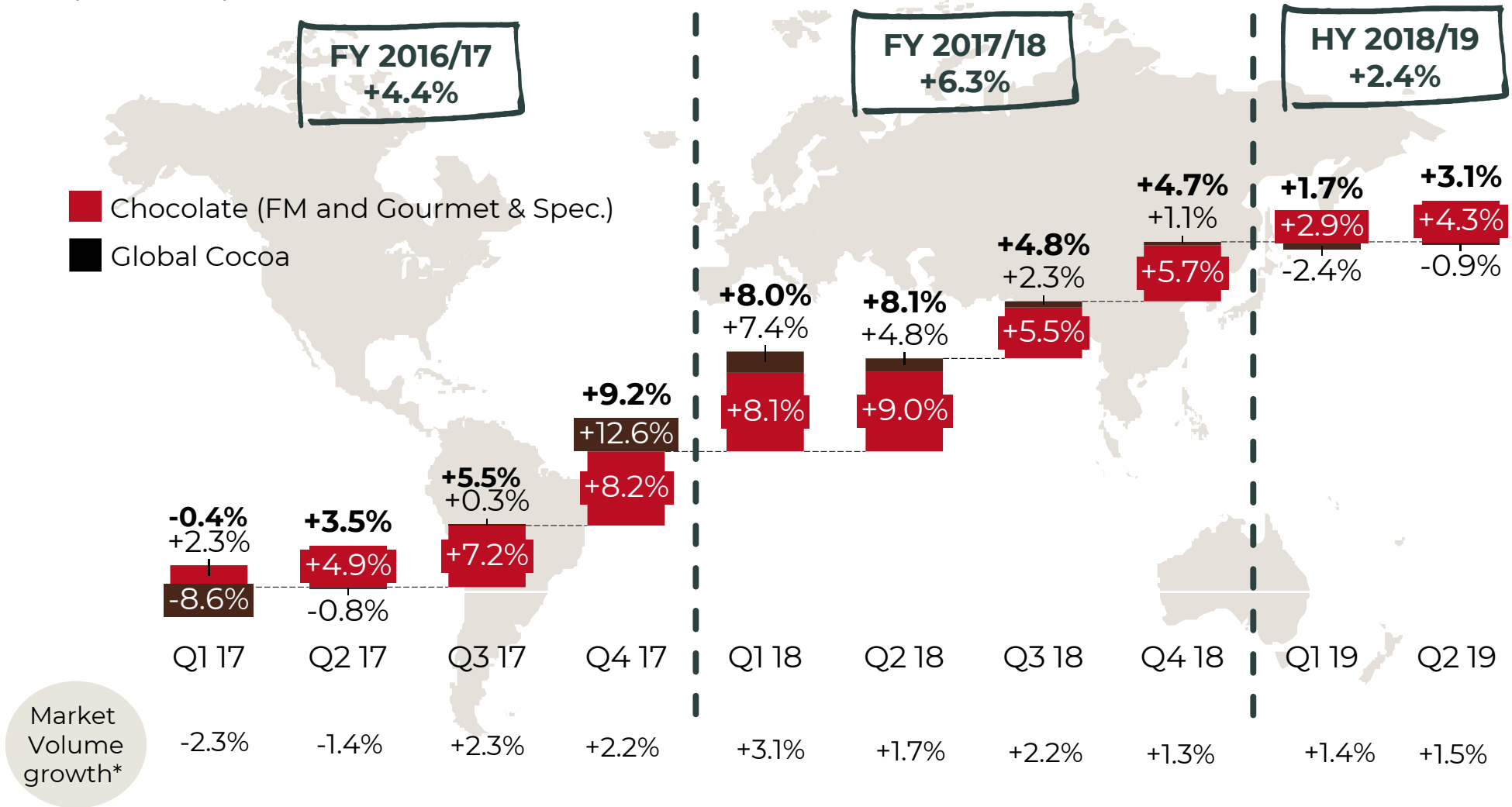
¹ prior year adjusted for one-time non-cash expense related to tax reforms in Belgium and the US

² 2015/16-2018/19 on average: +4-6% volume growth and EBIT growth above volume barring any major unforeseen events

Highlights HY Results 2018/19

Volume growth +2.4%, accelerating momentum driven by chocolate

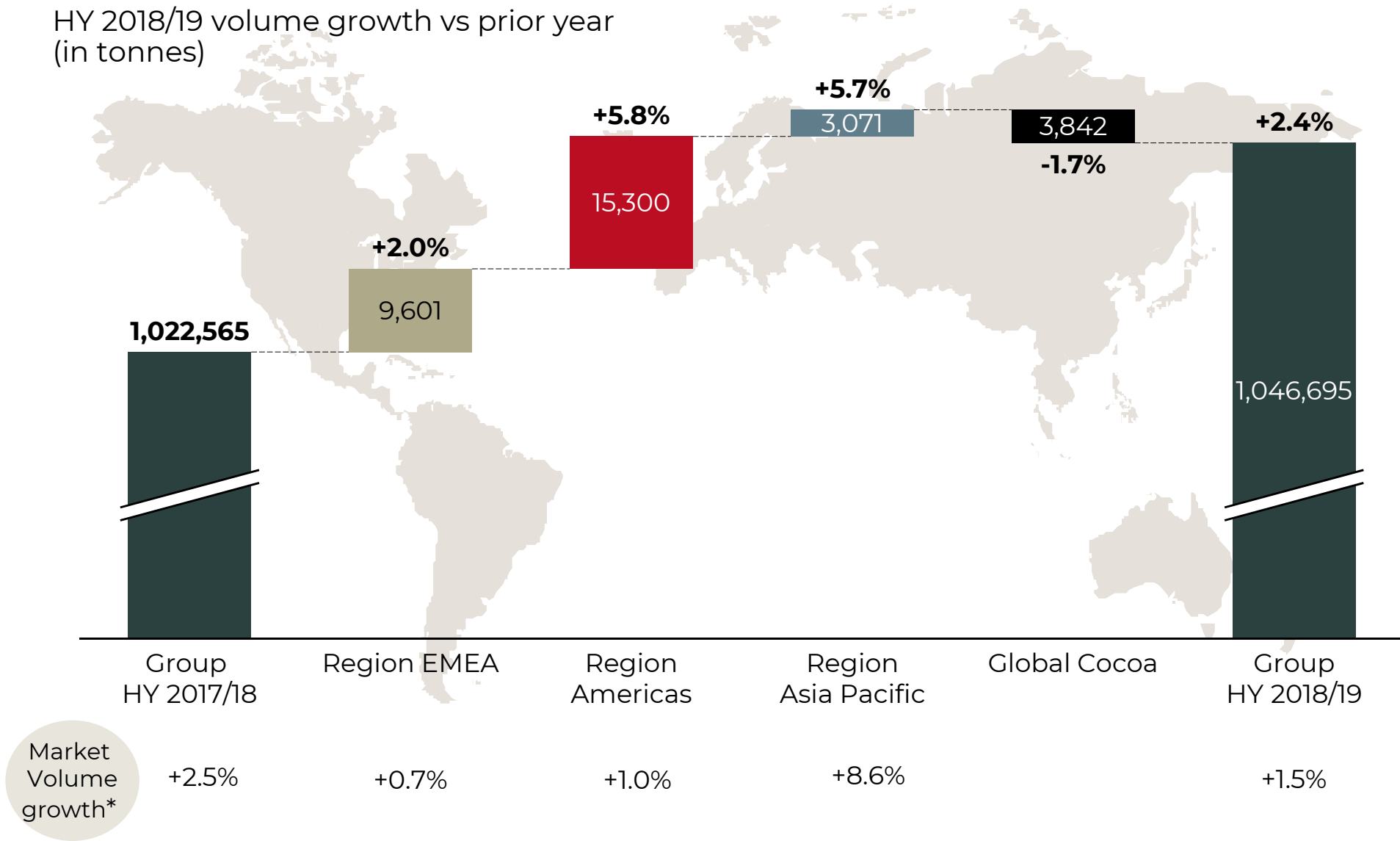
HY 2018/19 volume growth vs prior year
(in tonnes)



* Source: Nielsen, chocolate confectionery in volume Aug 2018 to Jan 2019 – 25 countries

Accelerating volume growth, supported by all regions

HY 2018/19 volume growth vs prior year
(in tonnes)



* Source: Nielsen chocolate confectionery in volume Aug 2018 to Jan 2019 – 25 countries

Key growth drivers gaining momentum

% of total
Group volume

Volume growth
vs prior year

34%
**Emerging
Markets**

+4.6%
excl. cocoa
+7.4%

33%
**Outsourcing
Long-term
Partnerships**

+2.8%

13%
**Gourmet &
Specialties**

+4.1%
excl. Beverages
+7.3%

**Key growth
drivers**

crucial to
continuously
outperform the
market





Continued expansion around the globe

Acquisition of Inforum in Russia

- A leading B2B chocolate manufacturer in Russia
- Acquisition closed in January 2019

Long-term supply agreement with Burton's

- Supply started in December 2018
- Expand production capacity in UK

New Global Packaging Center in Halle, Belgium

- Services Gourmet customers across the world
- Strengthens supply chain in growing Gourmet business

Opening of new Chocolate Academy Centers

- Second Chocolate Academy in Beijing, China – the 22nd globally
- Opening of relocated Chocolate Academy in Istanbul, Turkey

Healthy outsourcing pipeline

- More volumes coming on stream in H2 2018/19

Ruby goes global!

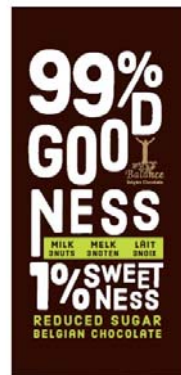
- ▶ Ruby 1st year anniversary
- ▶ Introduced by more than 20 brands
- ▶ Available in over 40 markets
- ▶ Launch of rubychocolate.com crowdsourced platform





Innovation - there is much more going on!

- **Dairy-free:** launch of Magnum Vegan, with dairy-free chocolate
- **Sweet solutions:** we are the largest producer of sugar-reduced chocolate products
- **Shaping experiences:** leverage the knowhow of D'Orsogna and Gertrude Hawk in decorations and inclusions
- **Tailor made:** allows chefs to customize their own chocolate recipe from a selection of the best cocoa beans from around the world



Financial Review

HY Results 2018/19

Remco Steenberghe,
CFO



Profit growing above volume growth

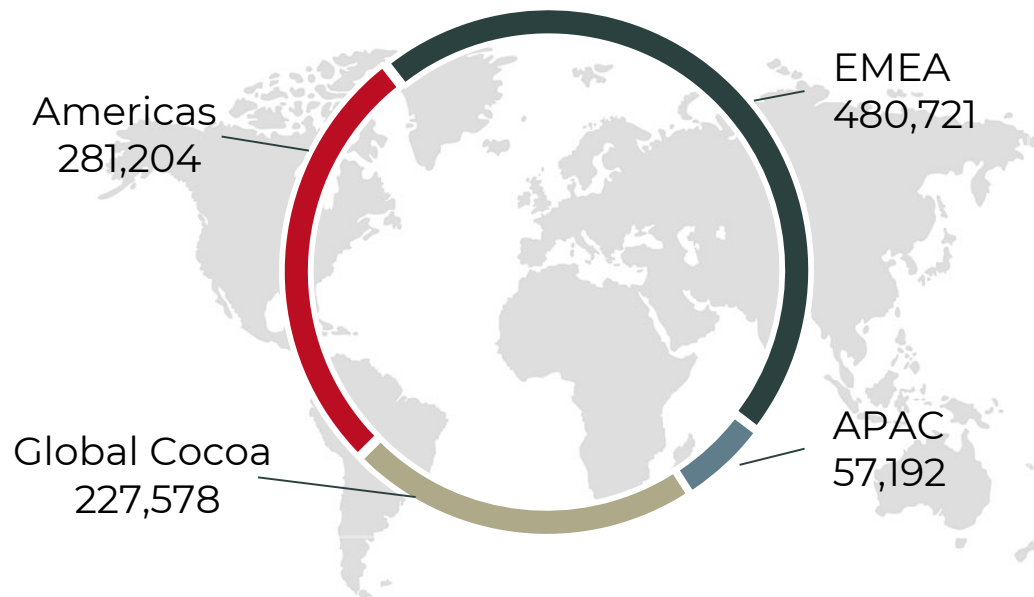
Group performance (in CHF mio)	HY 2018/19	% vs prior year in CHF	% vs prior year in local currencies
Sales volume Total (in tonnes)	1,046,695	+2.4%	n/a
Sales revenue	3,672.7	+3.5%	+6.0%
Gross profit	584.8	+5.7%	+8.5%
EBIT Total	301.4	+8.9%	+12.4%
<i>EBIT per tonne</i>	288	+6.4%	+9.8%
Net profit for the period	199.1	+15.1%	+18.8%
Adj. Net profit for the period ¹	199.1	+8.7%	+12.3%
Free Cash Flow	-140.6	n/a	n/a
Adj. Free Cash Flow ²	-31.4		

¹ PY Net profit for the period included a CHF 10.1m impact from the tax reforms in Belgium and the US

² Adjusted for cash flow effect of cocoa beans regarded as readily marketable inventories (RMI), by the Group

All Regions contributed to volume growth and profitability

Group Sales Volume:
1,046,695
 tonnes



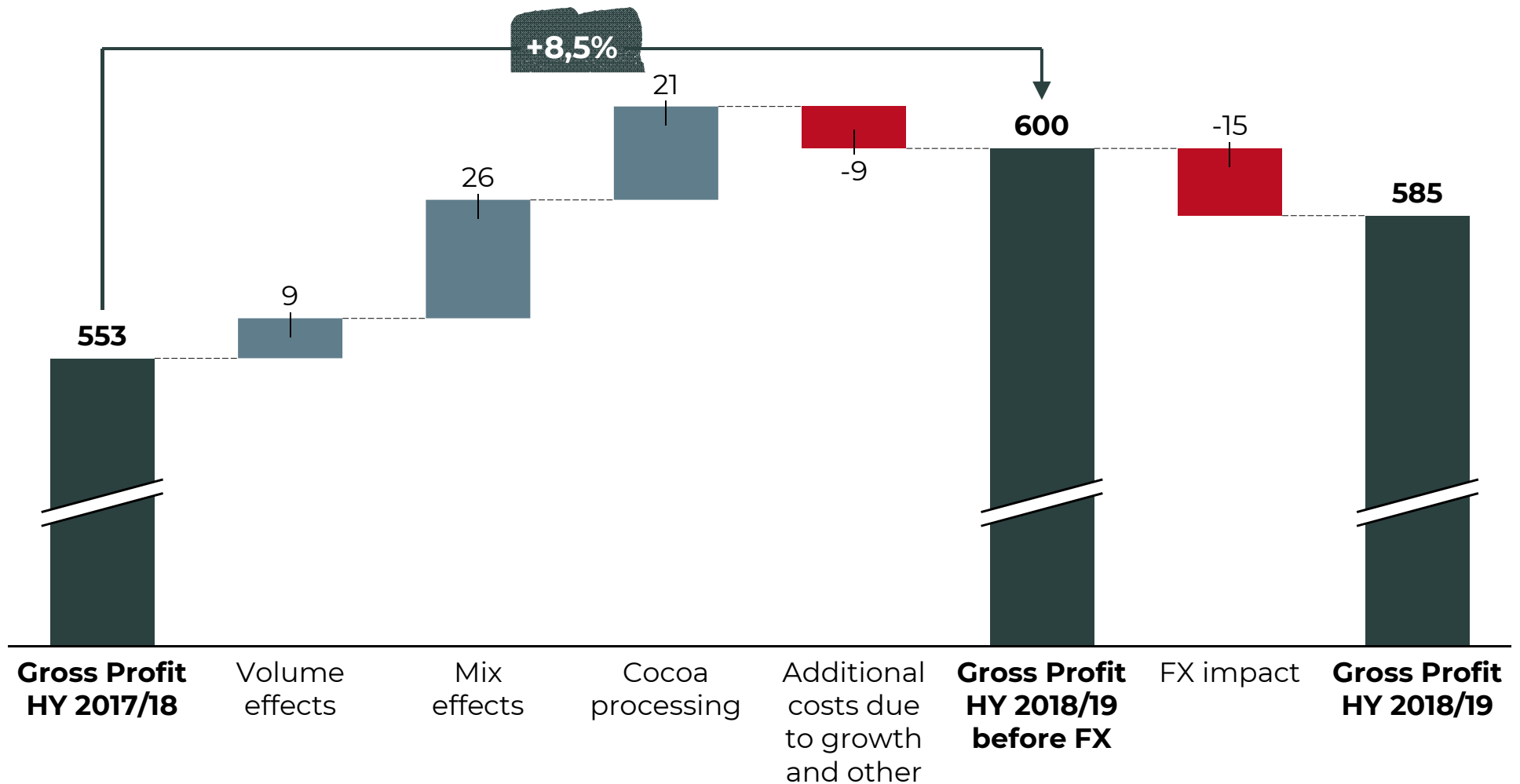
	EMEA	Americas	Asia Pacific	Global Cocoa
FY volume growth	+2.0%	+5.8%	+5.7%	-1.7%
EBIT growth in local currencies	+6.1%	+8.5%	+10.8%	+22.5%
Market Volume growth*	+0.7%	+1.0%	+8.6%	

* Source: Nielsen, chocolate confectionery in volume Aug 2018 to Jan 2019 – 25 countries

Gross Profit

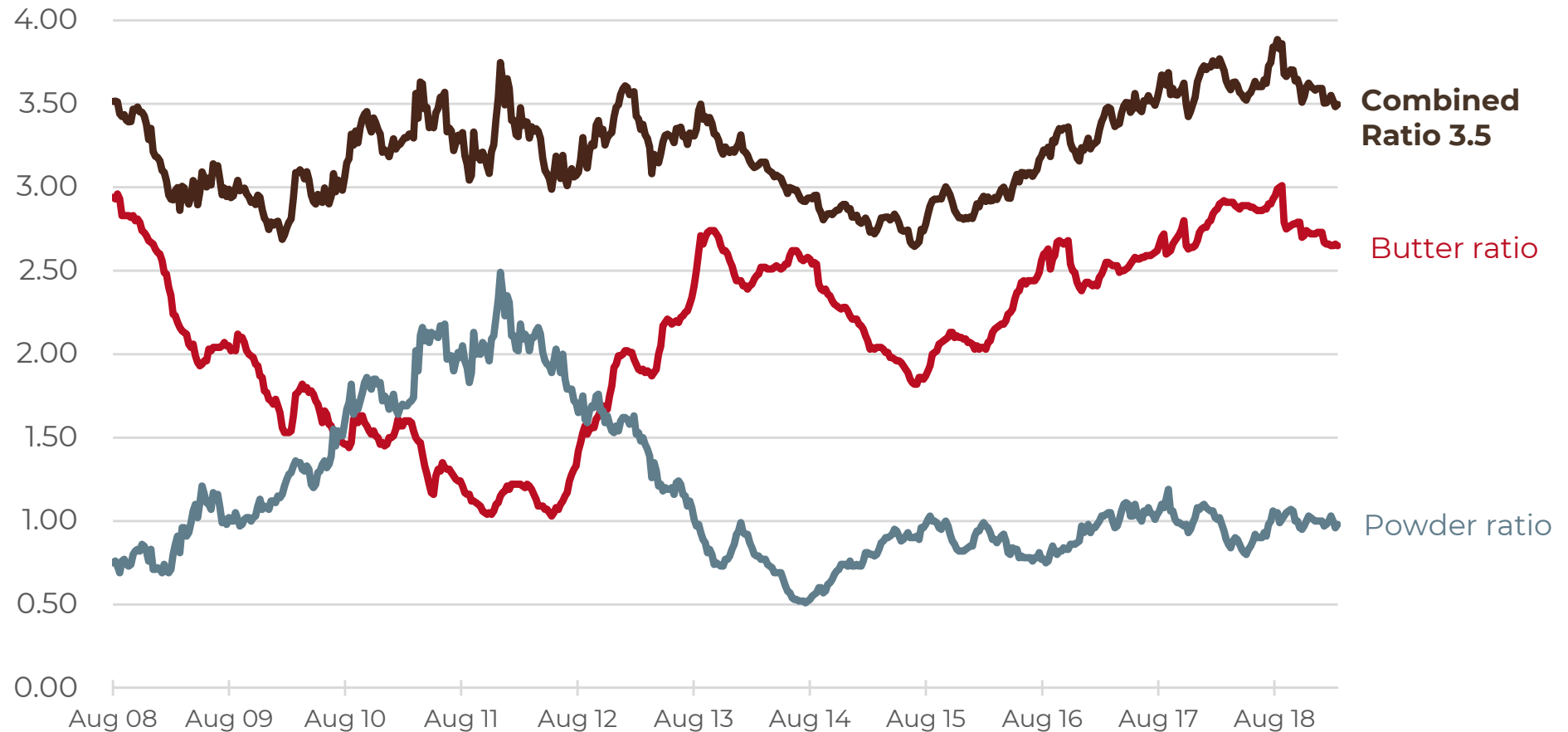
Gross profit up +8.5% in local currencies, driven by good product mix and a supportive market environment

In CHF millions



Cocoa Combined Ratio remains at a healthy level

European combined ratio - 6 month forward ratio

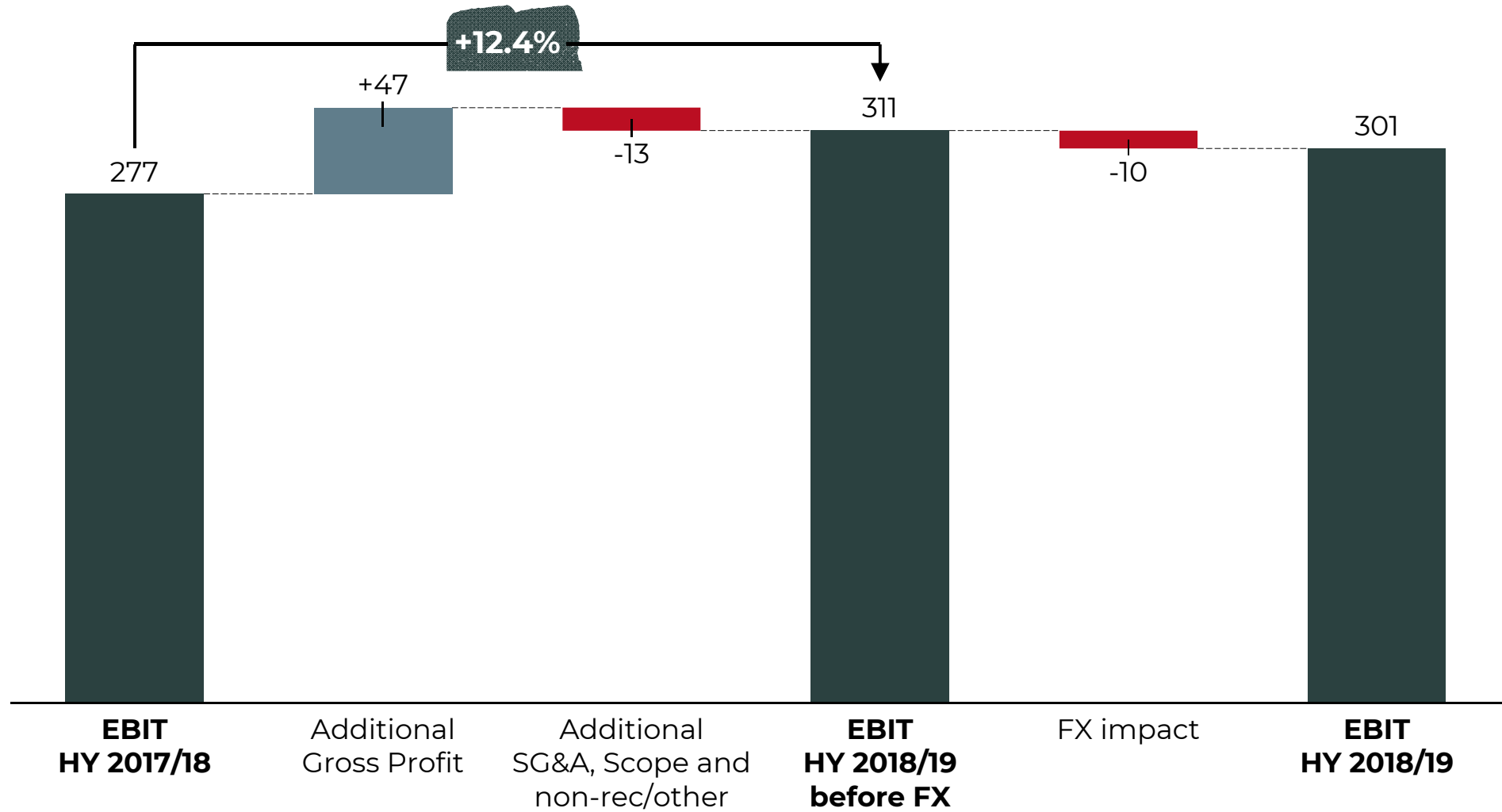


For cocoa processors, profitability depends on the ratio between input costs (price of cocoa beans) and combined output prices (price of cocoa butter and powder).

EBIT

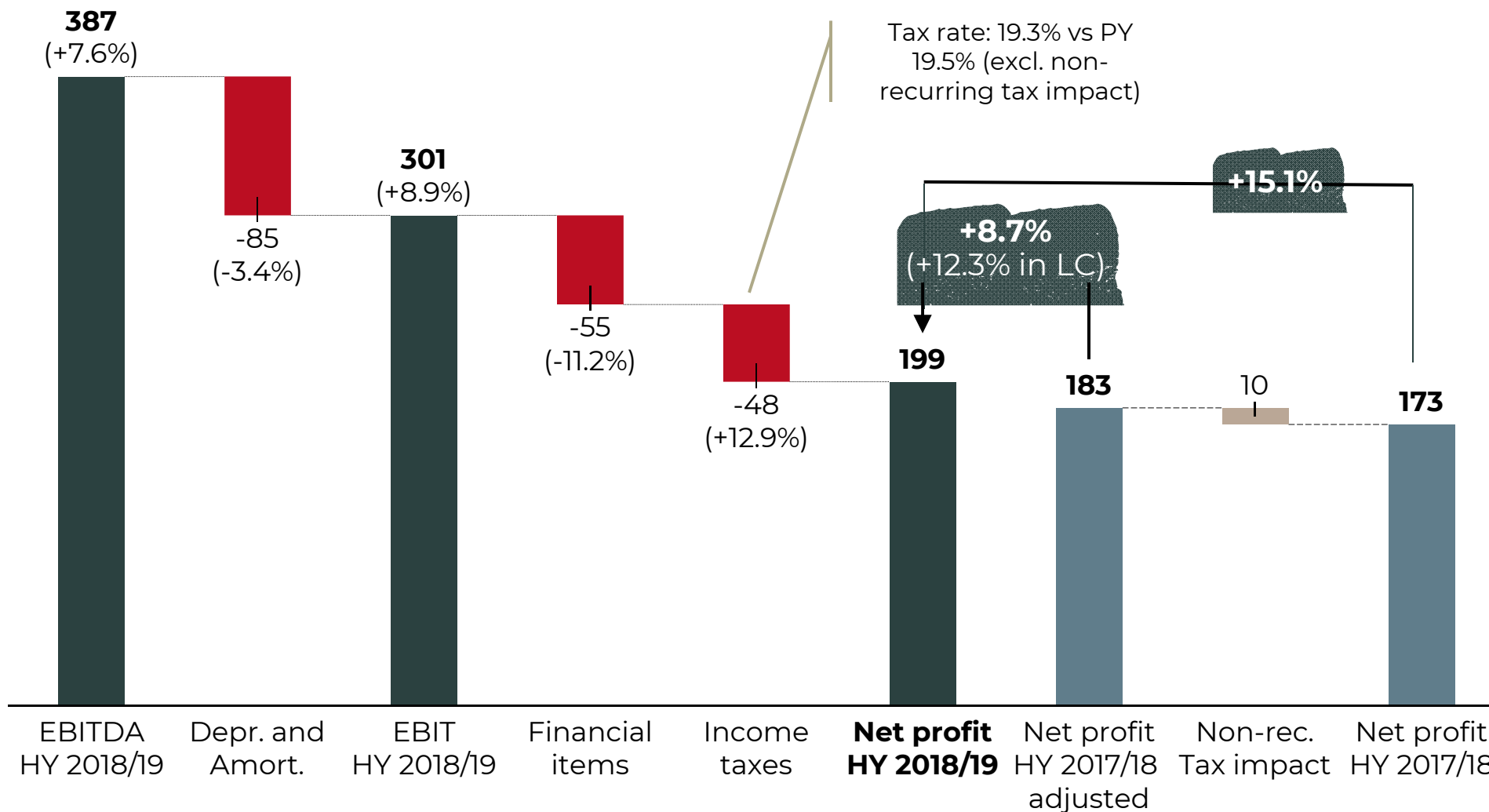
Strong increase in Operating profit by +12.4% in local currencies

In CHF millions



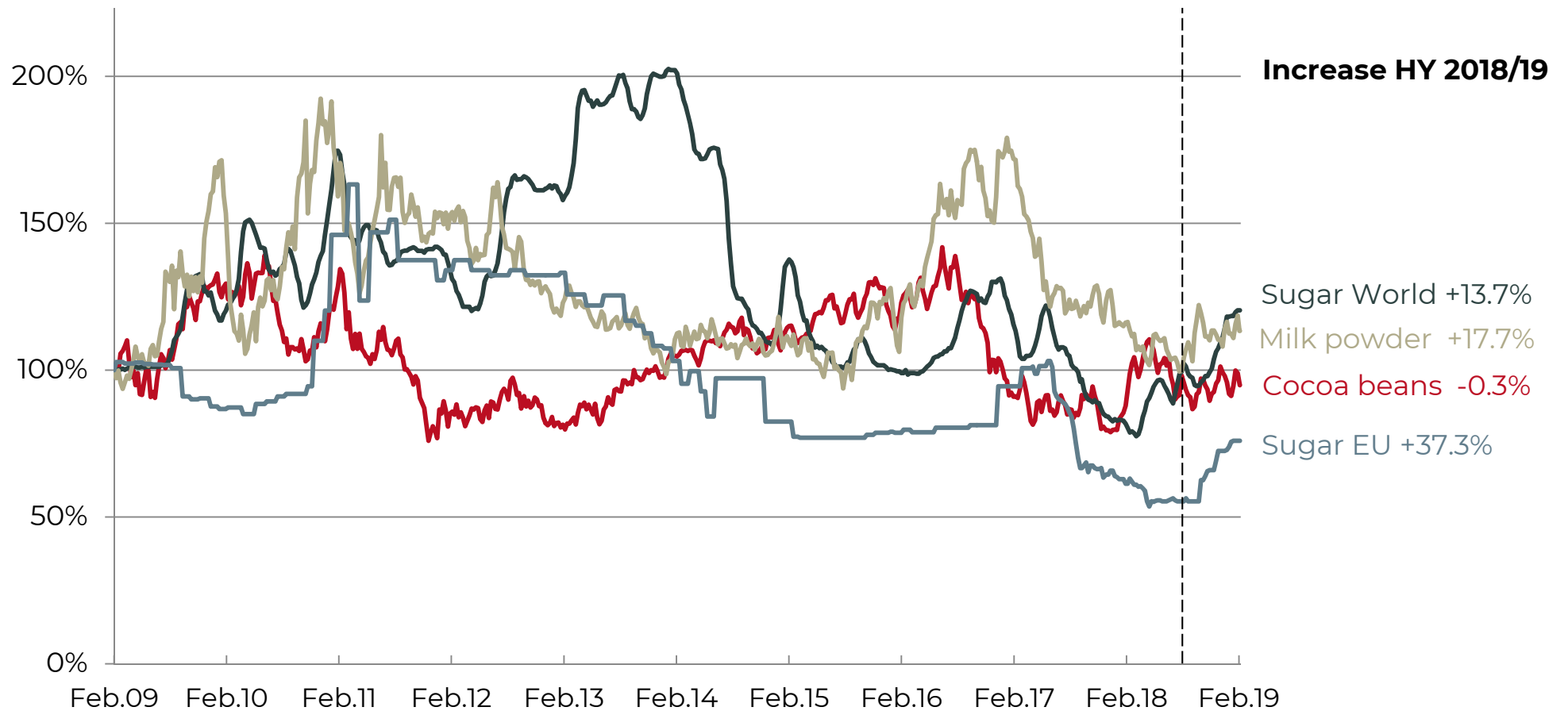
Net Profit up +15.1% in CHF, as a result of good profitability

In CHF millions



Raw material prices

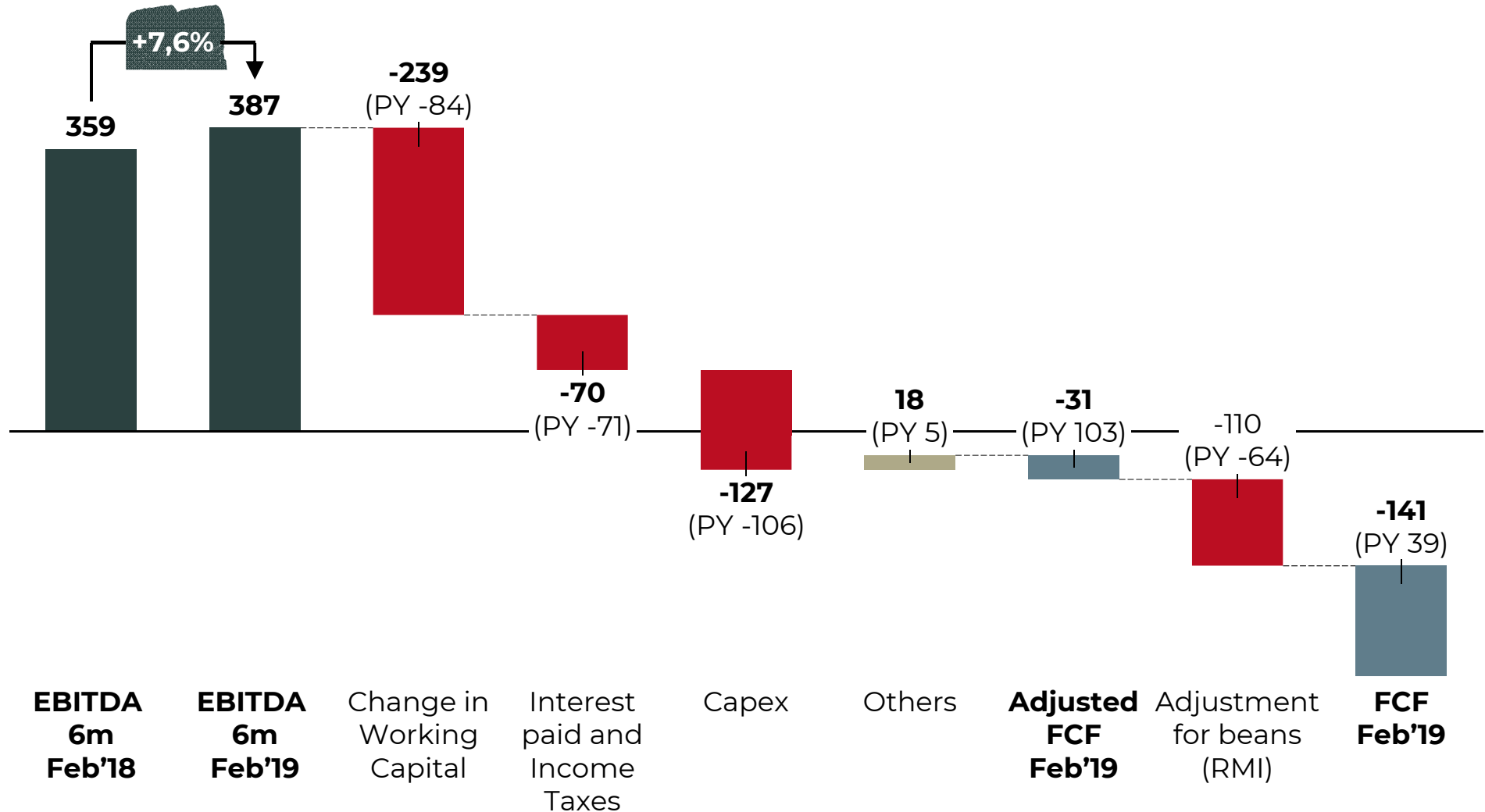
Price increases mainly in Sugar and Dairy during the first half. On average Cocoa bean price also increased



HY 2018/19 Free cash flow

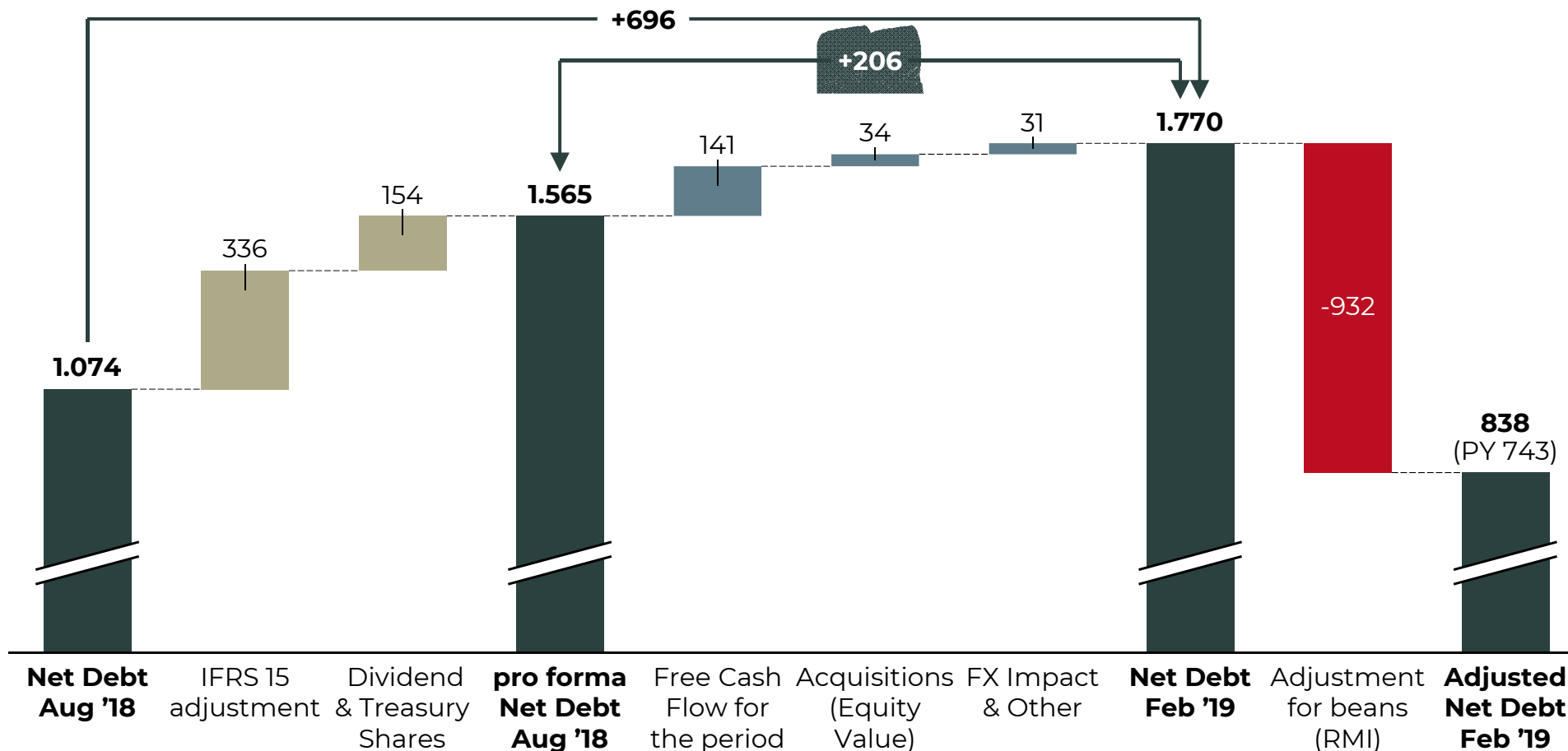
Adjusted Free cash flow CHF -31 million on the back of higher inventory catering for future volume growth

In CHF millions (6 months rolling)



Net Debt mostly increased due to higher working capital related to IFRS 15 and earlier dividend payment

In CHF millions



Financial Key Figures

Balance sheet

(in CHF millions)	Feb 2019	Aug 18 Pro forma ¹	Feb 18 Pro forma ¹	Aug 18	Feb 18 ²
Total Assets	6,820.4	6,169.0	6,444.3	5,832.0	6,105.9
Net Working Capital	1,762.1	1,403.4	1,426.1	1,074.4	1,087.7
Non-Current Assets	2,639.9	2,506.5	2,566.5	2,505.5	2,566.5
Net Debt <i>Adj. Net Debt³</i>	1,769.6 837.7	1,409.3 616.0	1,546.8 743.3	1,074.3 616.0	1,208.4 743.3
Shareholders' Equity	2,383.9	2,265.8	2,150.0	2,269.8	2,150.0
Debt / Equity ratio <i>Adj. Debt / Equity ratio</i>	74.2% 35.1%	62.2% 27.2%	71.9% 34.6%	47.3% 27.2%	56.2% 34.6%
Solvency ratio	35.0%	36.7%	33.4%	38.9%	35.2%
Net Debt / EBITDA <i>Adj. Net Debt / EBITDA³</i>	2.0x 1.0x	1.9x 0.8x	2.4x 1.3x	1.5x 0.8x	1.9x 1.3x
ROIC	12.5%	12.2%	11.2%	13.3%	12.3%
ROE	16.9%	15.7%	16.0%	15.7%	16.0%

¹ Pro forma adjusted for IFRS 15 effect

² See Half-Year Report 2018/19, Summary of Accounting policies – restatement and reclassification

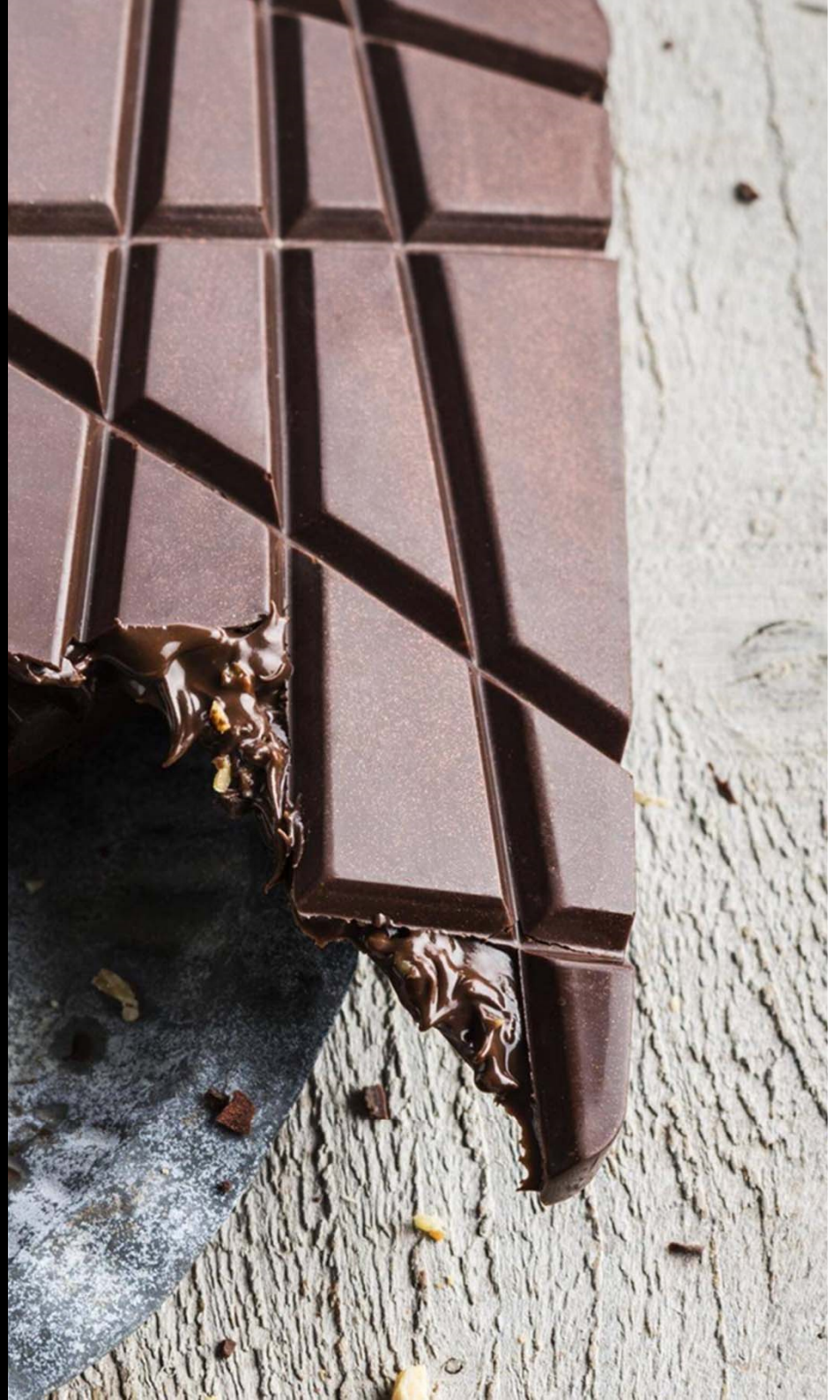
³ Net Debt adjusted for cocoa beans considered as RMI



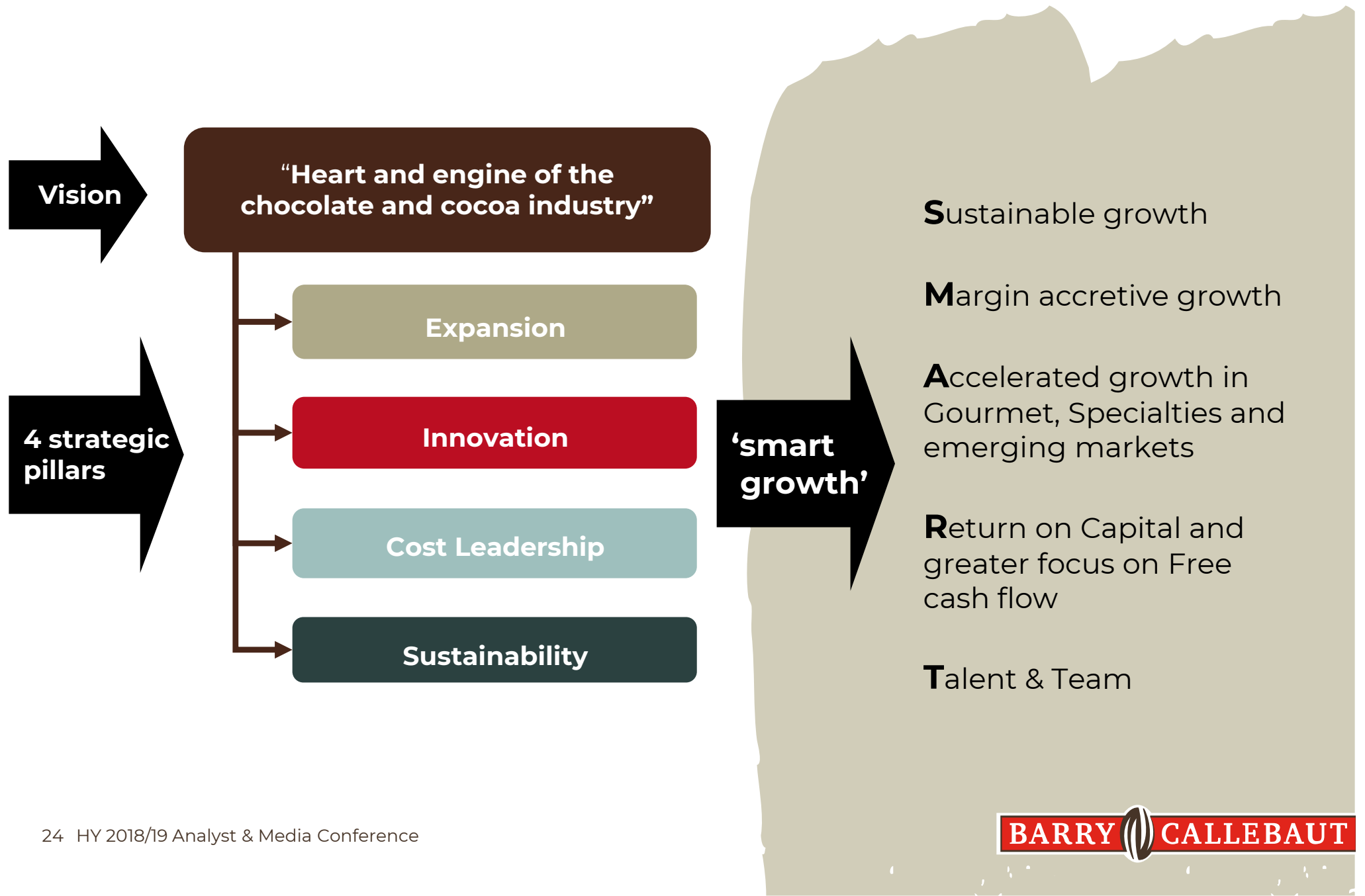


Strategy & Outlook

Antoine de Saint-Affrique,
CEO



Consistent long-term strategy – evolving execution



Pursuing the momentum

Innovation

- Drive **premium** range in **Cocoa powders**
- **Leverage Innovation** across segments
 - Callebaut Ruby RBI, Caramel doré
 - Sugar-reduced solutions
- **Leverage portfolio** of Gertrude Hawk and d'Orsogna



Expansion

- Integration of **Inforum** in Russia, **complementary product** and **customer base** in 2nd largest chocolate confectionary market worldwide.
- **Garudafoods** additional **outsourcing** contract coming on stream H2 2018/19
- Further **expansion** of **Chocolate Academy Centers** worldwide
- Africa SACO **capacity expansion**. Africa chocolate market potential untapped

Forever Chocolate: Our plan to make sustainable chocolate the norm by 2025

Leading on carbon disclosure

- Barry Callebaut's efforts to reduce its carbon footprint awarded A- score by the Carbon Disclosure Project (CDP)
- Ranking in top 6% of over 7,000 companies rated

Cocoa and Forests Initiative: Barry Callebaut publishes its Action Plan

- By end 2019, 100% of farms and warehouses in direct supply chain mapped in Côte d'Ivoire and Ghana to ensure no sourcing from protected forest areas
- Until 2022, distribute over 600,000 trees for cocoa farmer crop diversification
- Until 2022, thousands of farmers trained on good agricultural practices



Our Goal

By 2025 we will be Carbon and forest Positive.



Key Metric

The carbon footprint of our supply chain from farm to customer and number of hectares of forest regenerated.

Enabling KPI s

CO2e intensity per tonne of product.
% of raw material volume proven to be free from deforestation.





Schuldschein issue strengthens our debt structure

- Average tenor is 7.8 years and has extended the Group's average maturity to 5.5 years
- Attractive interest rate of 1.65%, lowering average cost of long-term debt
- The successful issuance reflects the trust of the investors:
 - Within top three biggest transactions for companies outside Germany
 - Schuldschein with longest tenors on average (8 years)
 - Global investor interest: Germany 38%, Switzerland 21%, Asia 25%, RoW 16%
 - Largest CHF denominated Schuldschein (CHF 152m)
 - First Sustainable Schuldscheindarlehen ever issued

Outlook

Confident outlook

Confident of reaching mid-term guidance

- Good visibility in portfolio and expected acceleration in sales momentum make us confident of delivering on our current mid-term guidance.

New mid-term guidance 2019/20-2021/22

- Average volume growth +4-6%
- EBIT growth on average above volume growth¹

¹in local currencies and barring any major unforeseen events

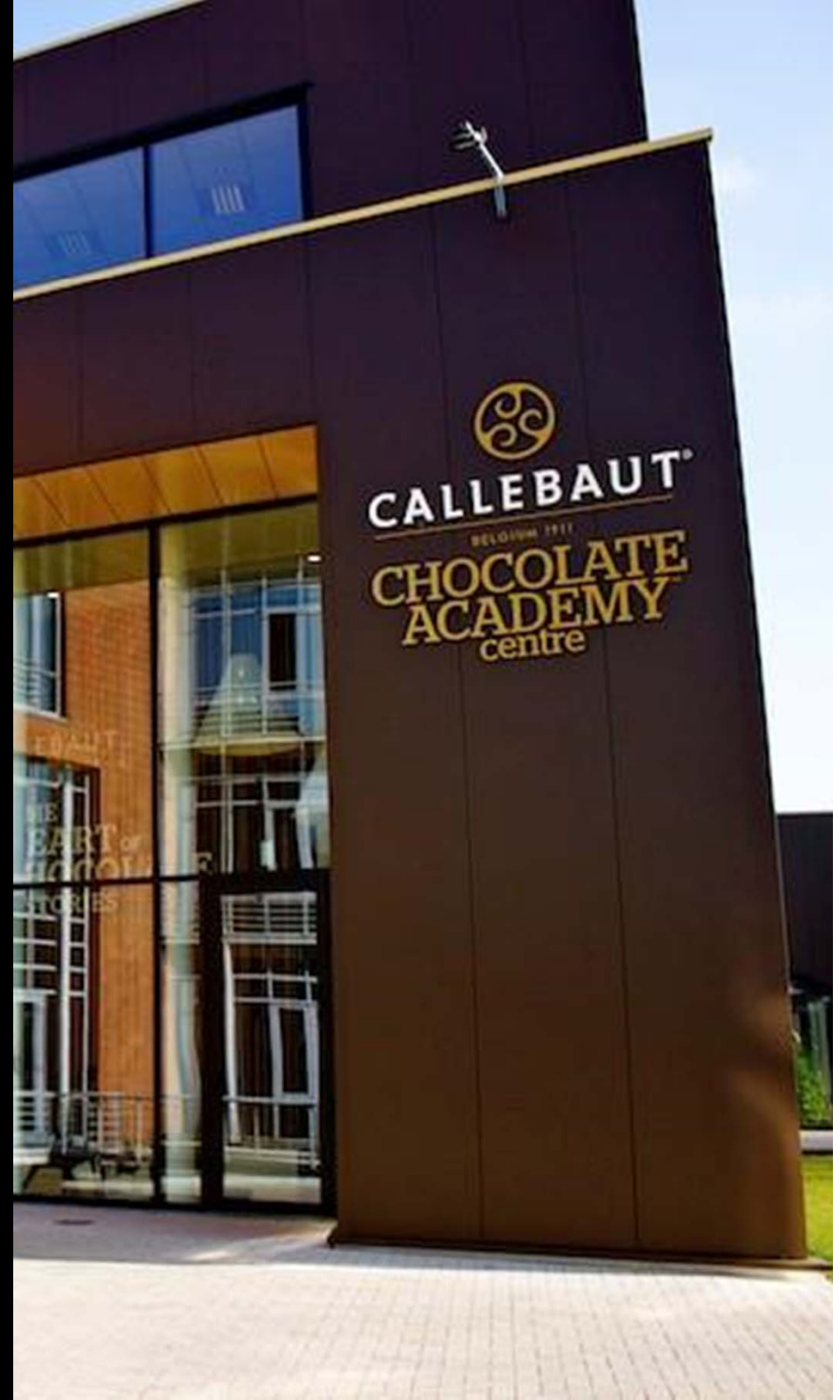




Investor Day 2019

Wieze, Belgium

April 16, 2019



BARRY CALLEBAUT

THANK YOU!

