



LINDT & SPRÜNGLI

FINANCIAL ANALYSTS CONFERENCE

ANNUAL RESULTS 2011

AGENDA

RESULT PRESENTATION 2011

1 HIGHLIGHTS

- Key Figures
- Update Share Buy-Back

2 BUSINESS REVIEW

- Sales Analysis & Markets
- Success Factors & Geographical Expansion

3 FINANCIALS

- Operating Performance
- Raw Materials & Packaging
- Corporate Social Responsibility

4 OUTLOOK

- 4 Outlook 2012
- Guidance



BUSINESS REVIEW

KEY FIGURES

KEY FIGURES P&L

RESULTS FULLY IN-LINE WITH GUIDANCE

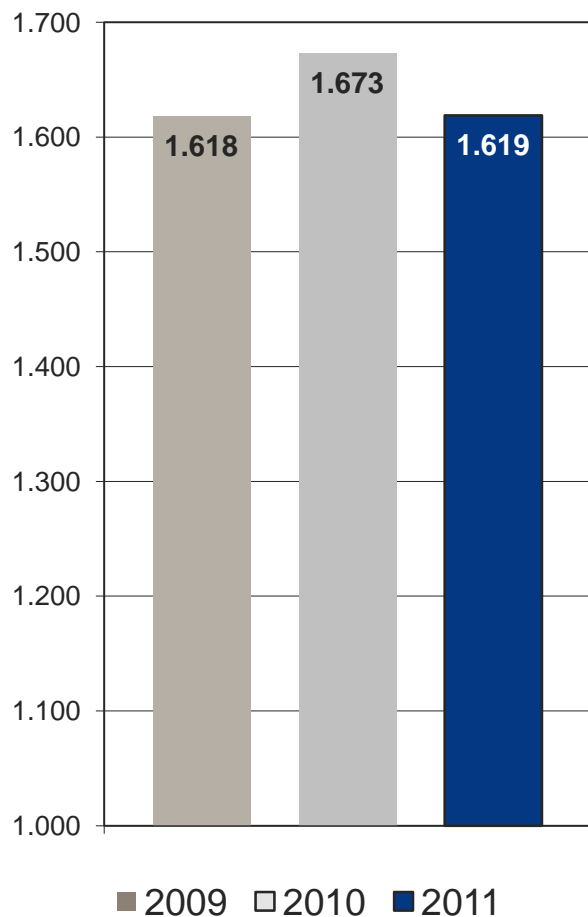
	<u>CHF mio.</u>	<u>Organic growth</u>	<u>Growth in CHF</u>	<u>Margin improvement</u>
Net Net Trade Sales	2'489	+6.0%	-3.5%	
EBITDA Margin: 17.0%	421.9	+9.7%	-0.3%	+60 BP
EBIT Margin: 13.2%	328.7	+11.5%	+1.0%	+60 BP
NET INCOME Margin: 9.9%	246.5	+13.7%	+1.9%	+50 BP



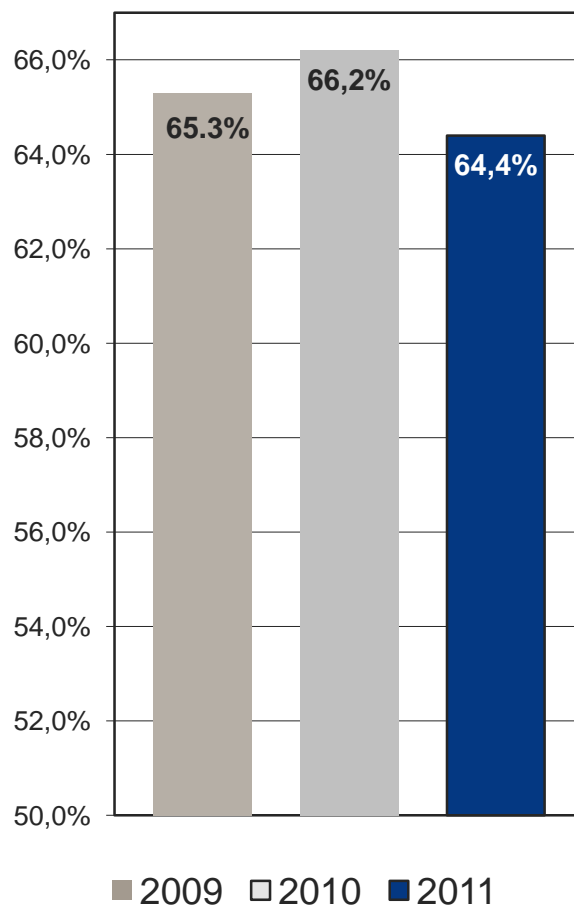
KEY FIGURES – B/S

CONTINUED SOLID BALANCE SHEET FOLLOWING SHARE BUY-BACK

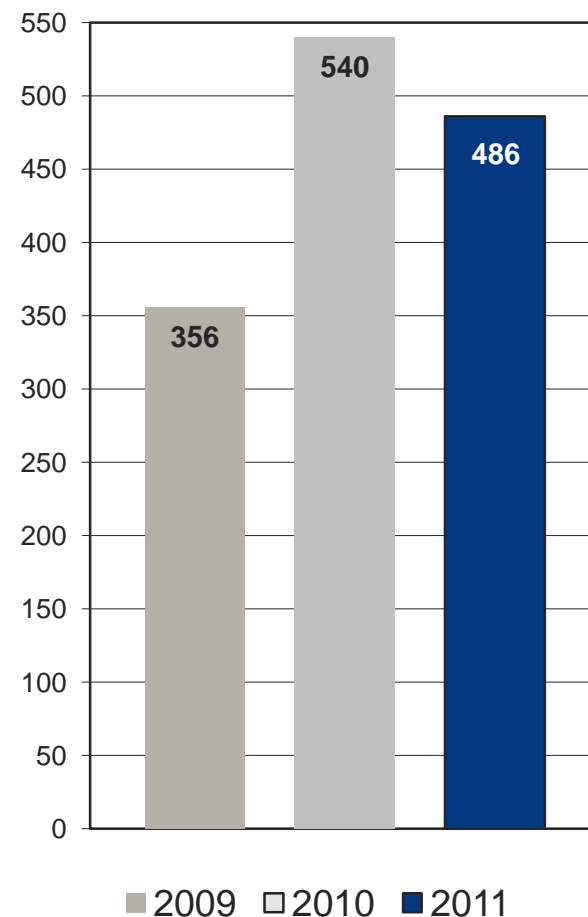
Equity CHF mio.



Equity B/S ratio in %

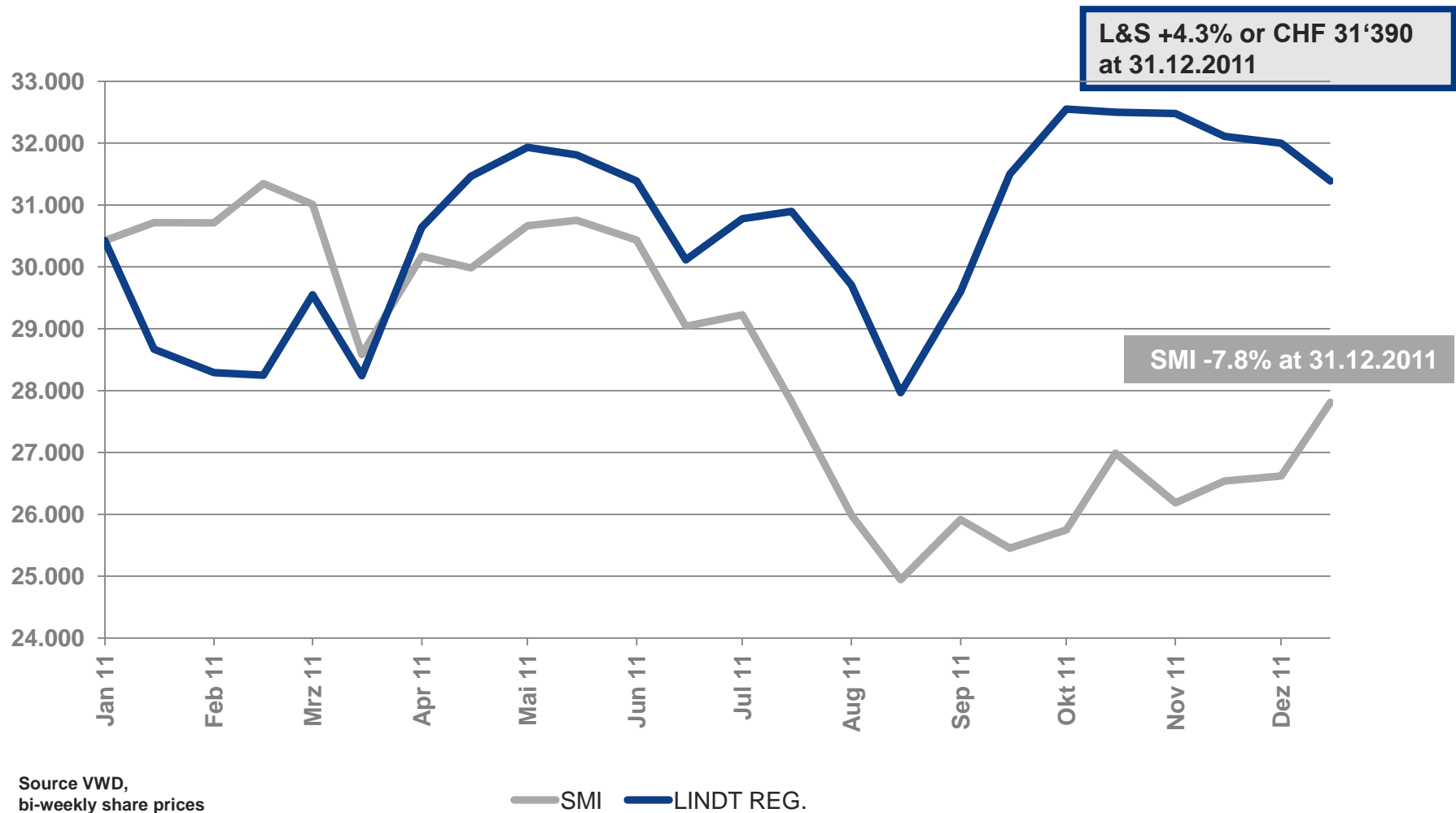


Net Cash Y/E CHF mio.



KEY FIGURES – SHARE PERFORMANCE

L&S SHARES OUTPERFORMING SMI



KEY FIGURES – DIVIDEND / PAY-OUT RATIO / CAPITALIZATION

DIVIDEND DISBURSEMENT +11.1% y-o-y (WITHHOLDING-TAX-FREE)
PAYOUT RATIO 47.2

	1992	2008	2009	2010	2011
Dividend Reg. Share (CHF)	39	360	400	450	500*
– Increase (CHF)	2	30	40	50	50
Dividend Yield Reg.	1.4%	1.6%	1.6%	1.5%	1.6%
Pay-Out Ratio	16.9%	31.2%	47.3%	42.8%	47.2%
Reg. Share (CHF) per 31.12.	2 800	22 600	25 405	30 100	31 390
Capitalization (CHF mio.) y.e.	0.492	4 868	5 518	6 763	6 982

* Proposed to the General Shareholders Meeting

Additional Capital Reserves in B/S for w.h.-tax-free payments to shareholders: CHF 80 mio.



SHARE BUY-BACK

GOOD PROGRESS OF PROGRAM

- Buy-back program started a year ago has well progressed
- As per 18.2.2012, purchase of 3.8% (of max. 5%) of shares and PCs with a value of CHF 248 mio.
- Cancellation of 3'300 resp. 53'000 of purchased shares / PCs will be proposed to the General Assembly at 26.04.2012

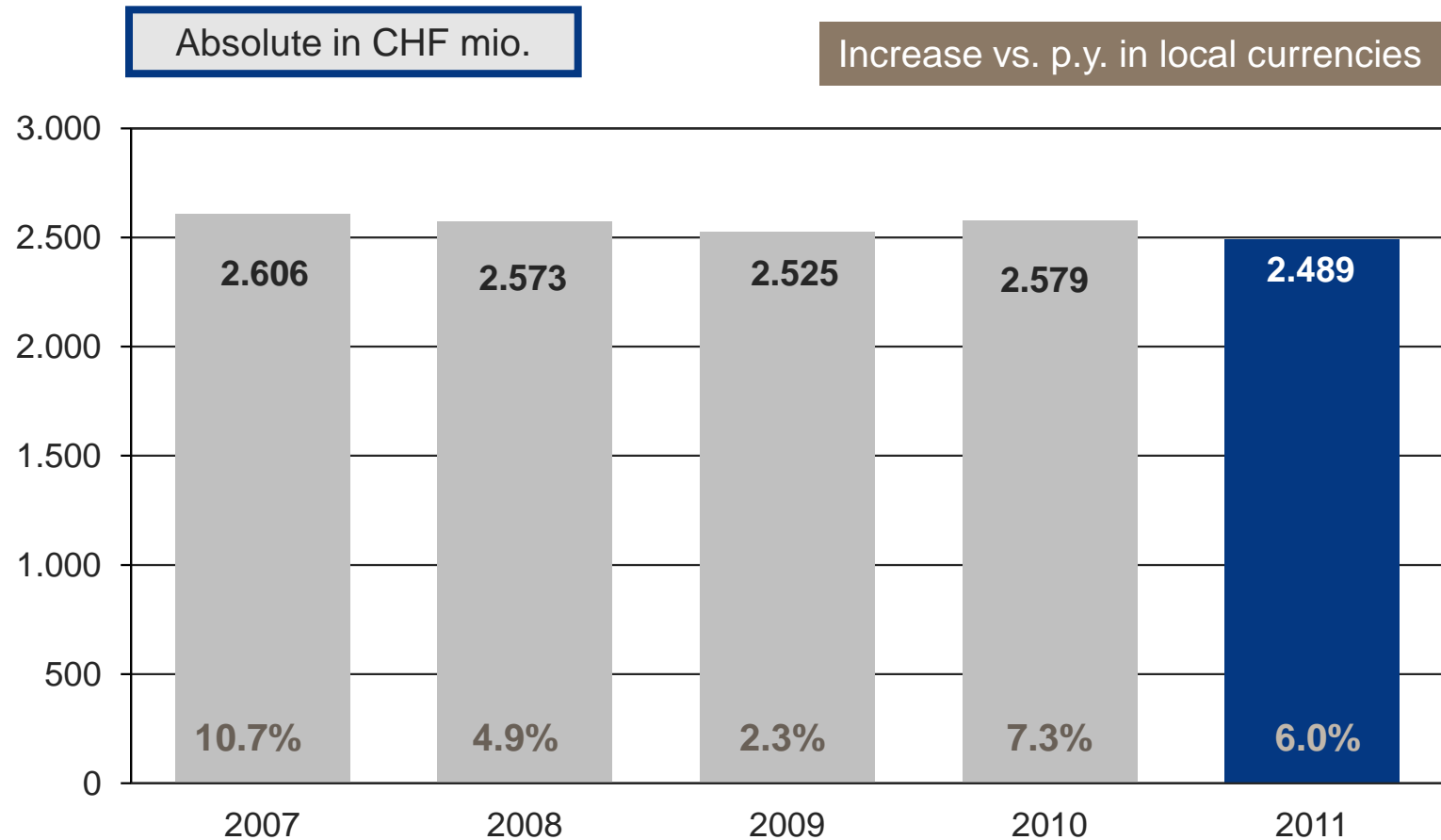


BUSINESS REVIEW

SALES ANALYSIS / MARKETS

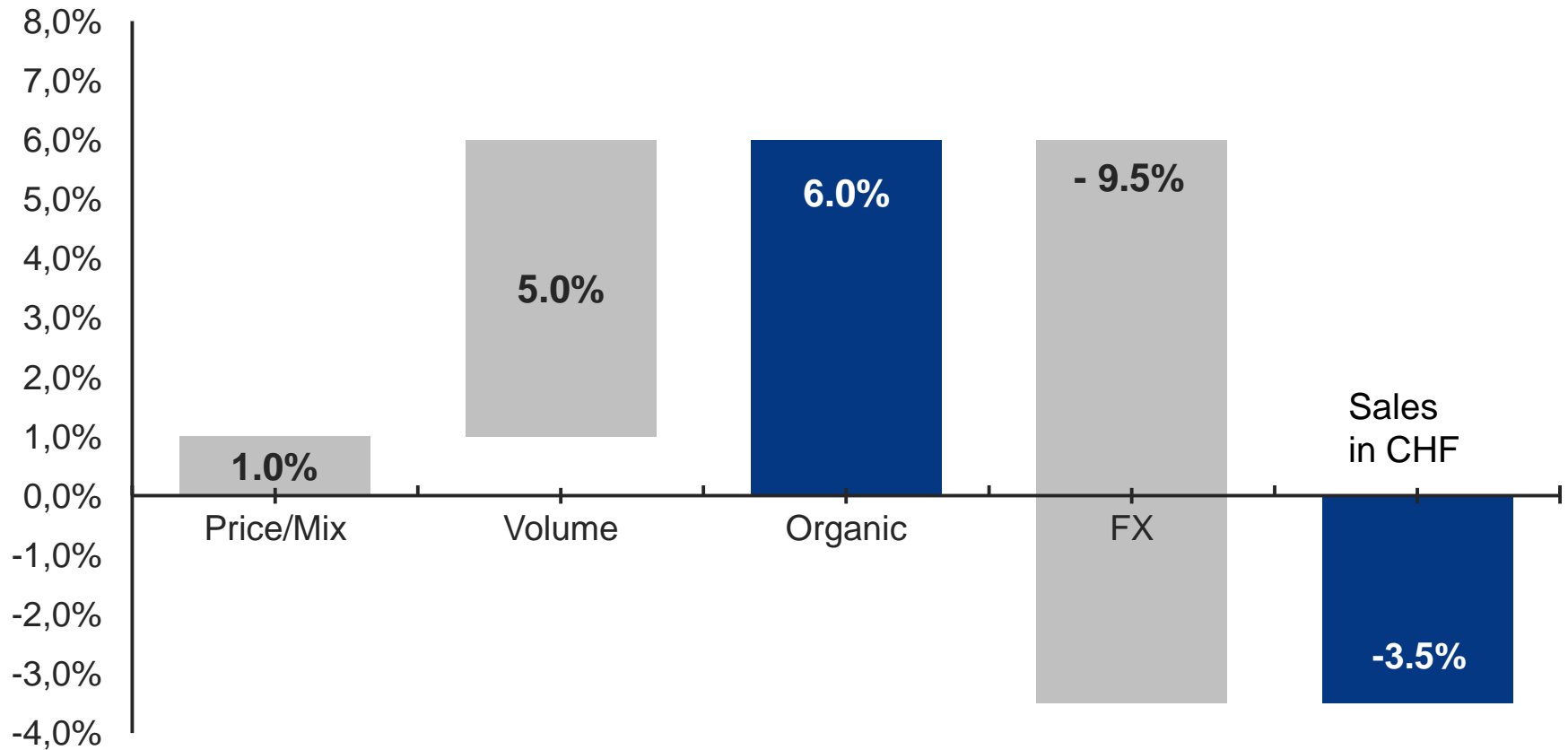
SALES ANALYSIS

NEGATIVE SWISS FRANC FX IMPACT 2011: -9.5% y-o-y



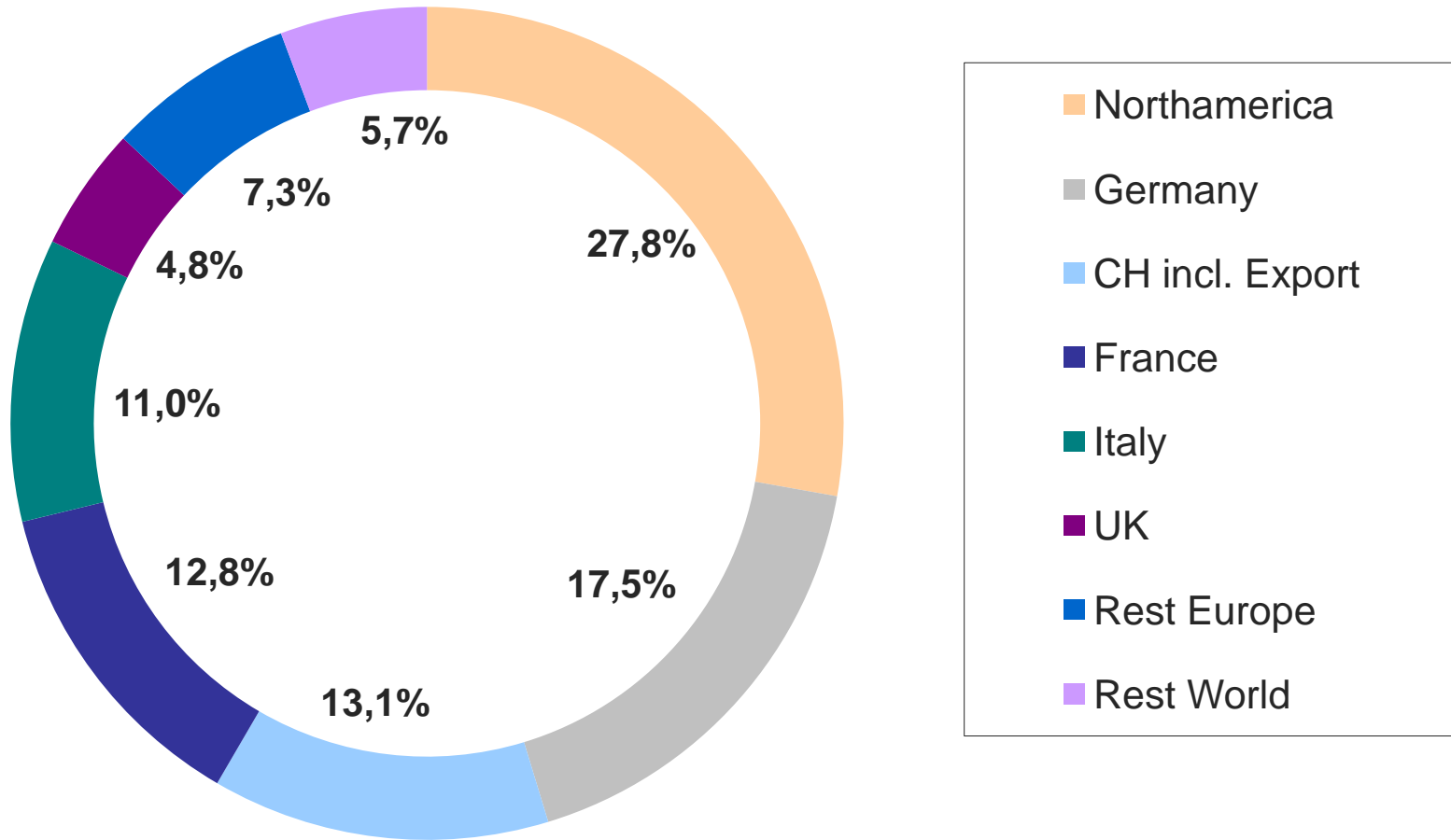
SALES ANALYSIS – DRIVERS

DYNAMIC VOLUME GROWTH 2011



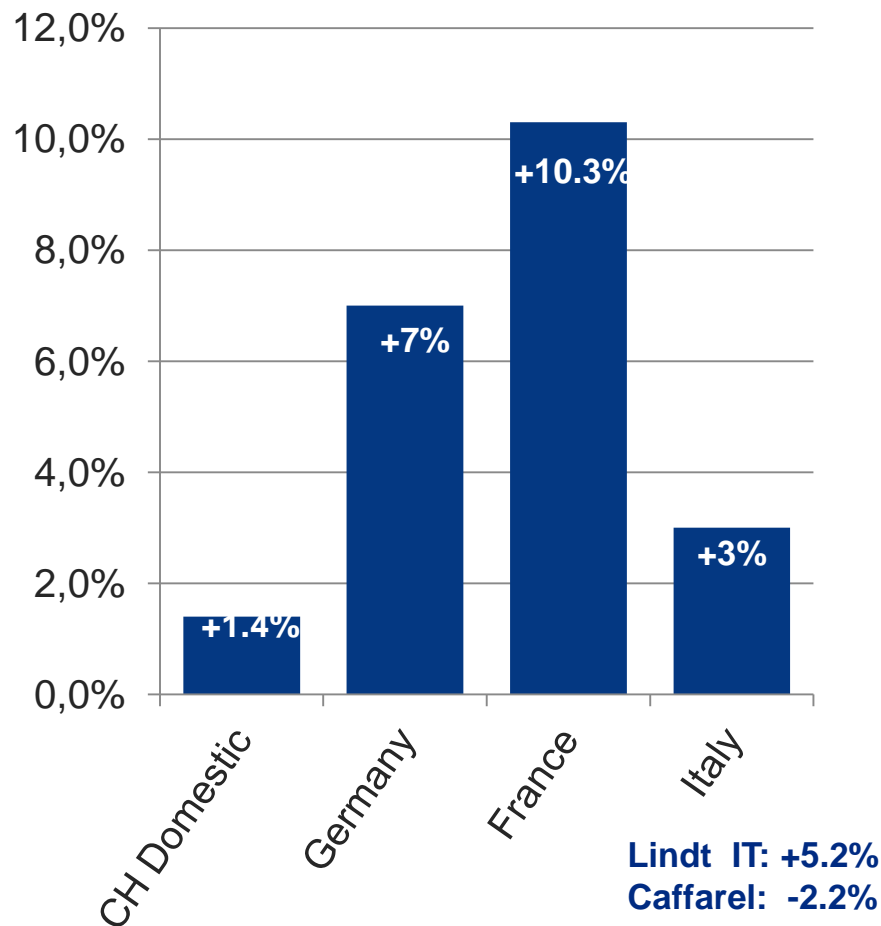
SALES ANALYSIS – MARKETS

TOTAL NNTS 2011: CHF 2'579 mio.

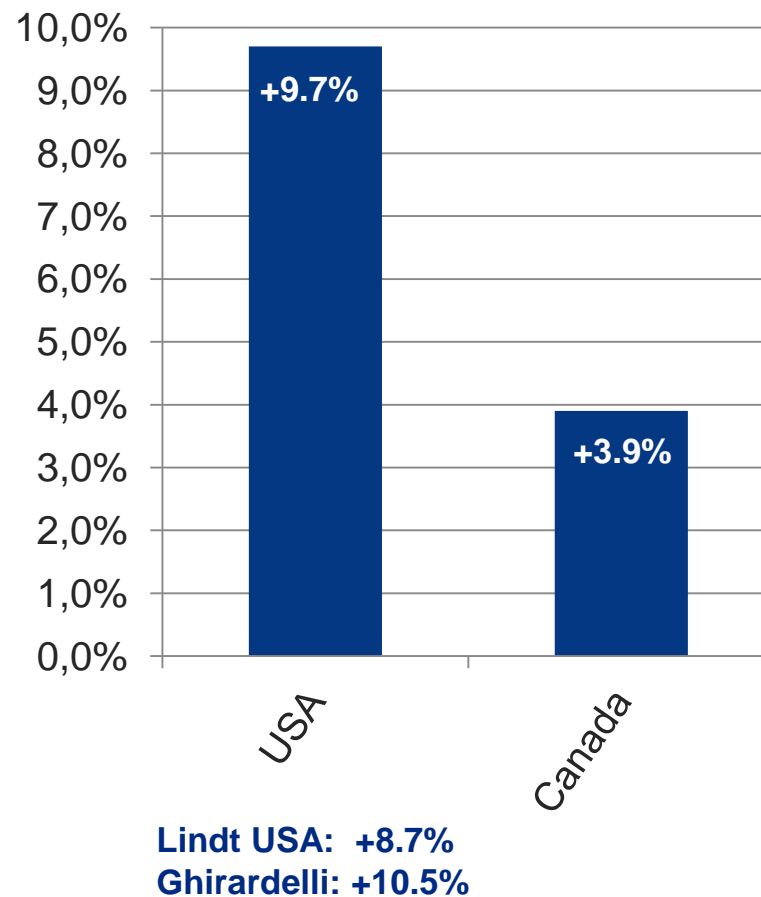


ORGANIC SALES GROWTH BY REGIONAL SEGMENT

Europe: +5.9%



North America: +7.8%



SUCCESS FACTORS
&
GEOGRAPHICAL EXPANSION

SUSTAINABLE GROWTH POTENTIAL
FOR THE FUTURE

SUCCESS FACTORS

STRATEGY

➤ **Solid Business Model**

- Highest quality, exclusive premium-positioning, marketing-excellence, proprietary production processes, focussed growth strategy

➤ **Established „Mature“ Markets**

- Growth via gain of market shares thanks to quality, innovation, communication (marketing activities), reputation

➤ **Emerging Markets without Chocolate Tradition**

- Growth via development of premium segment thanks to quality, know-how, passion and Swissness
- Opening of own subsidiaries (ev. acquisitions) for intensified market penetration
- New distribution channels (own retail concepts)

GEOGRAPHICAL EXPANSION

RETAIL STRATEGY with 4 BASE-CONCEPTS

LINDT WAREHOUSE STORES

LINDT CHOCOLATE OUTLETS

LINDT BOUTIQUES DU CHOCOLAT

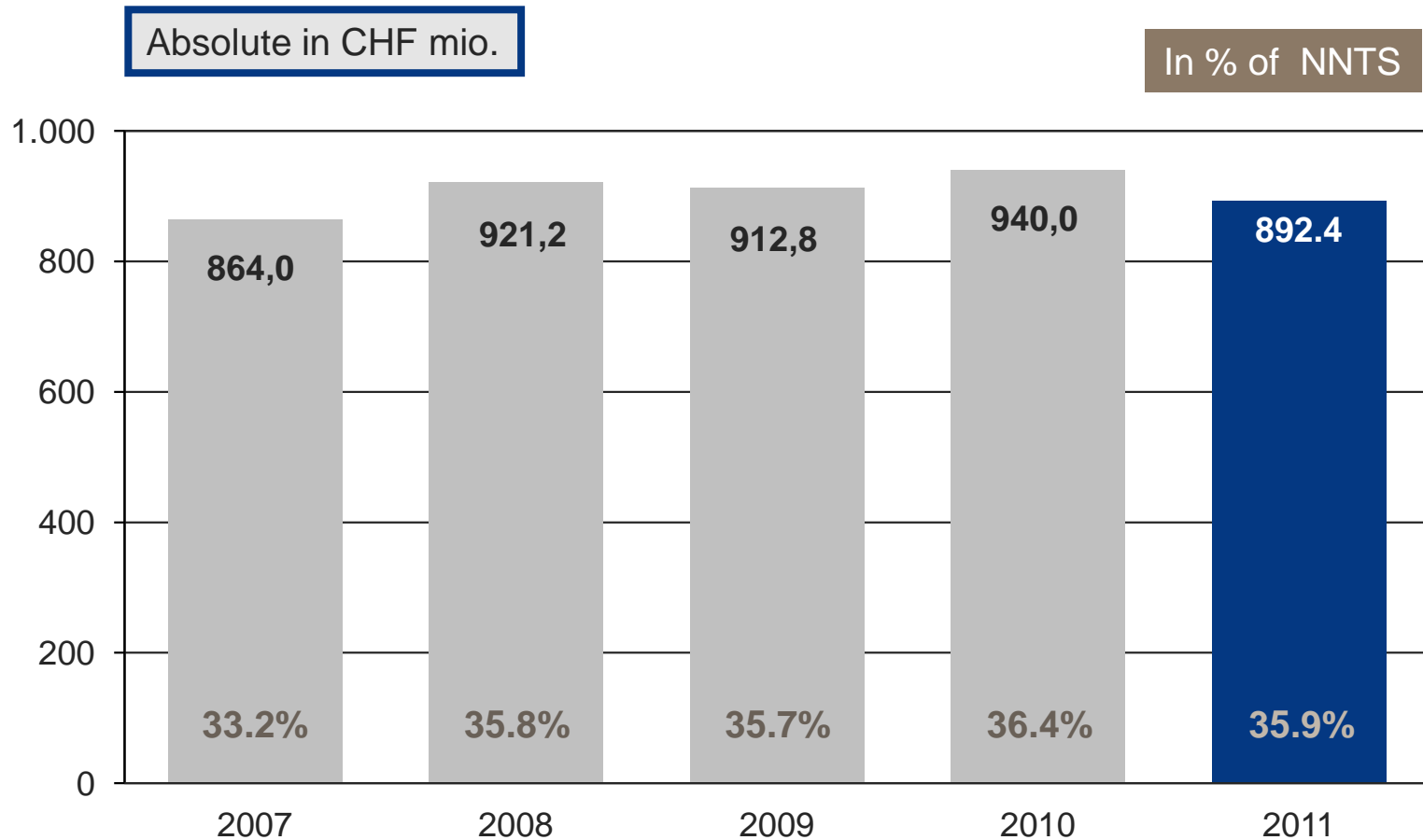
LINDT CHOCOLATE CAFES

FINANCIALS

OPERATING PERFORMANCE

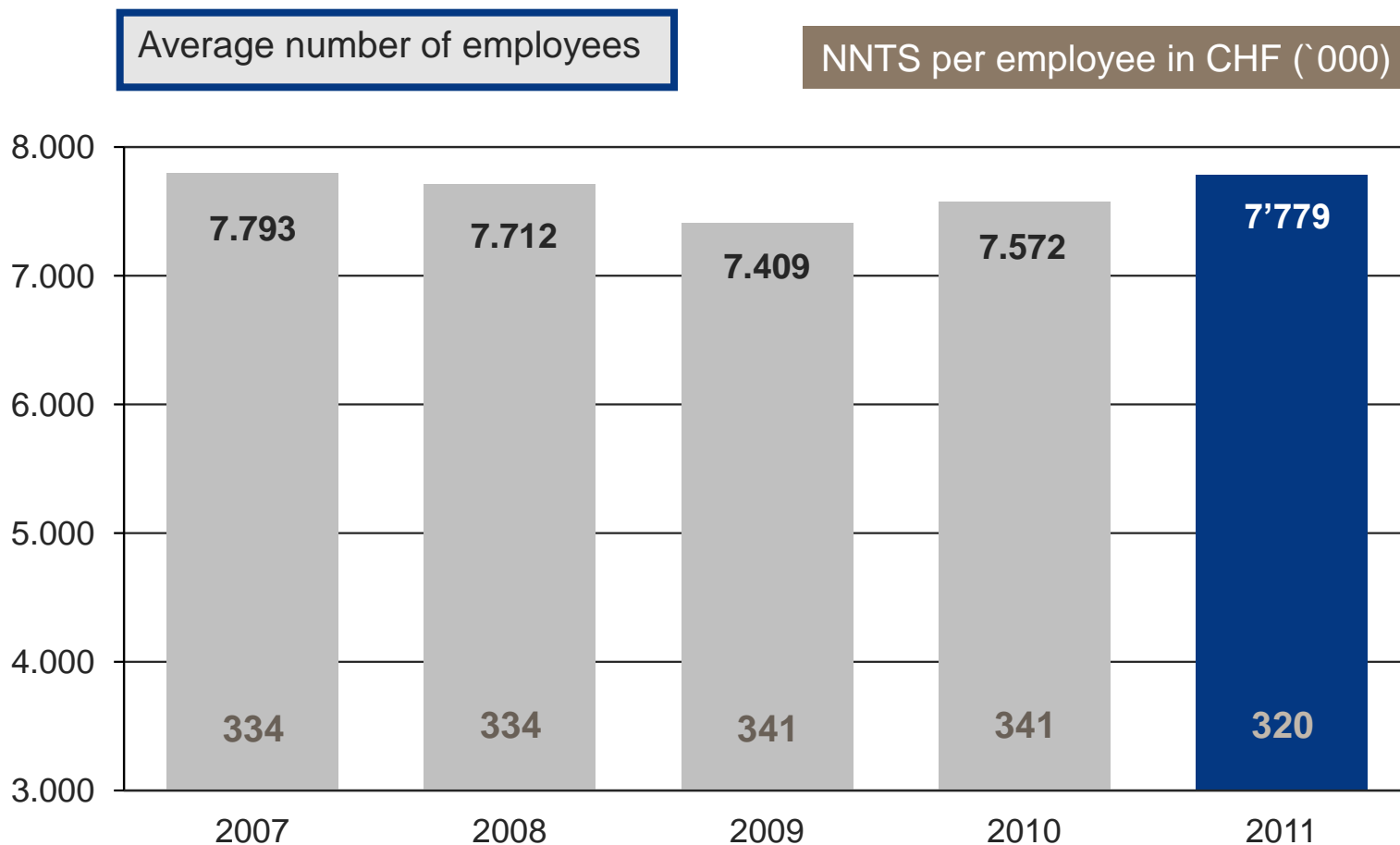
MATERIAL COSTS

SLIGHT DECREASE OF MATERIAL COST MARGIN



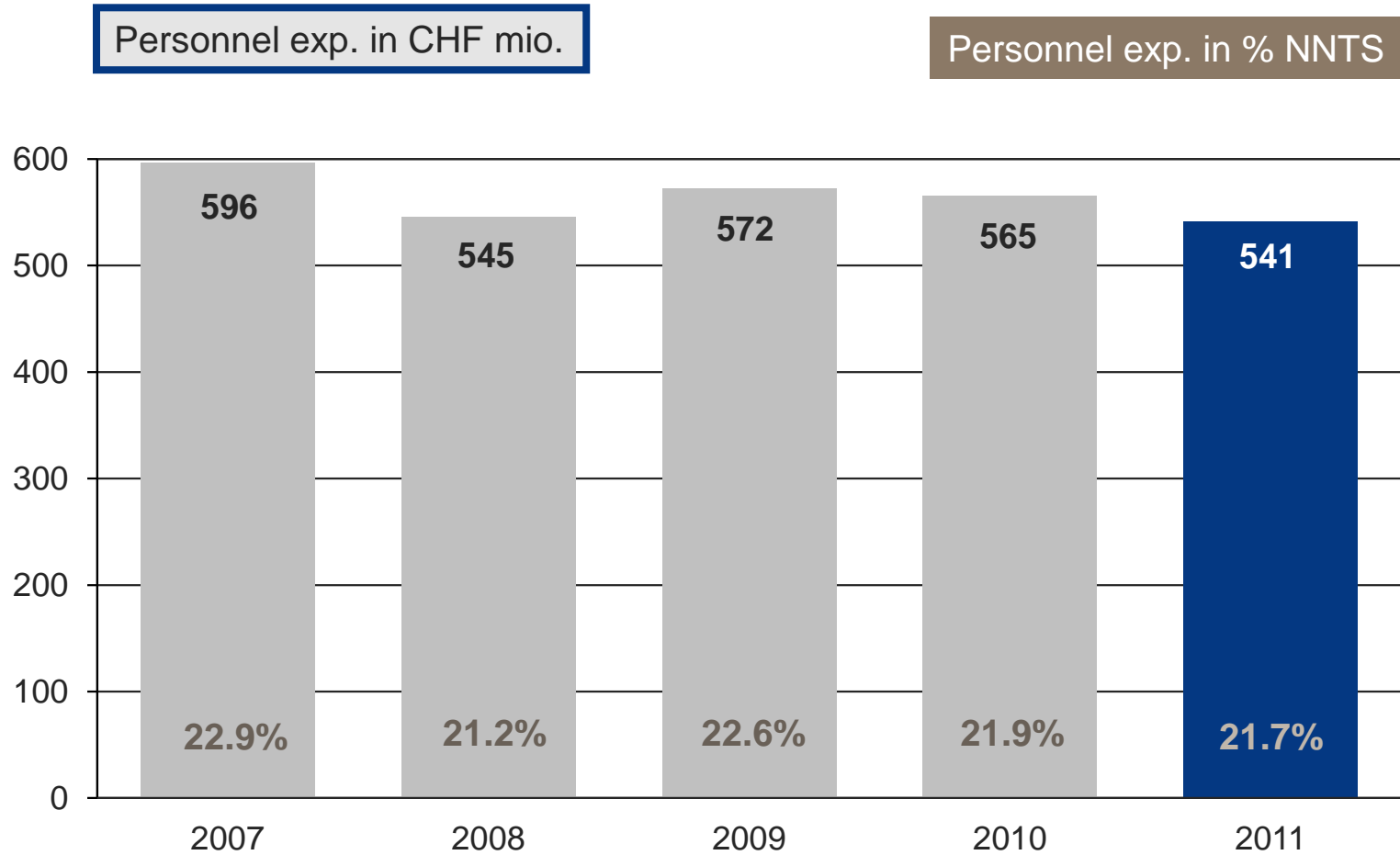
HEADCOUNT & NNTS PER EMPLOYEE

HEAD COUNT INCREASE +2.7% VS. VOLUME +5.0% / SALES +6.0%



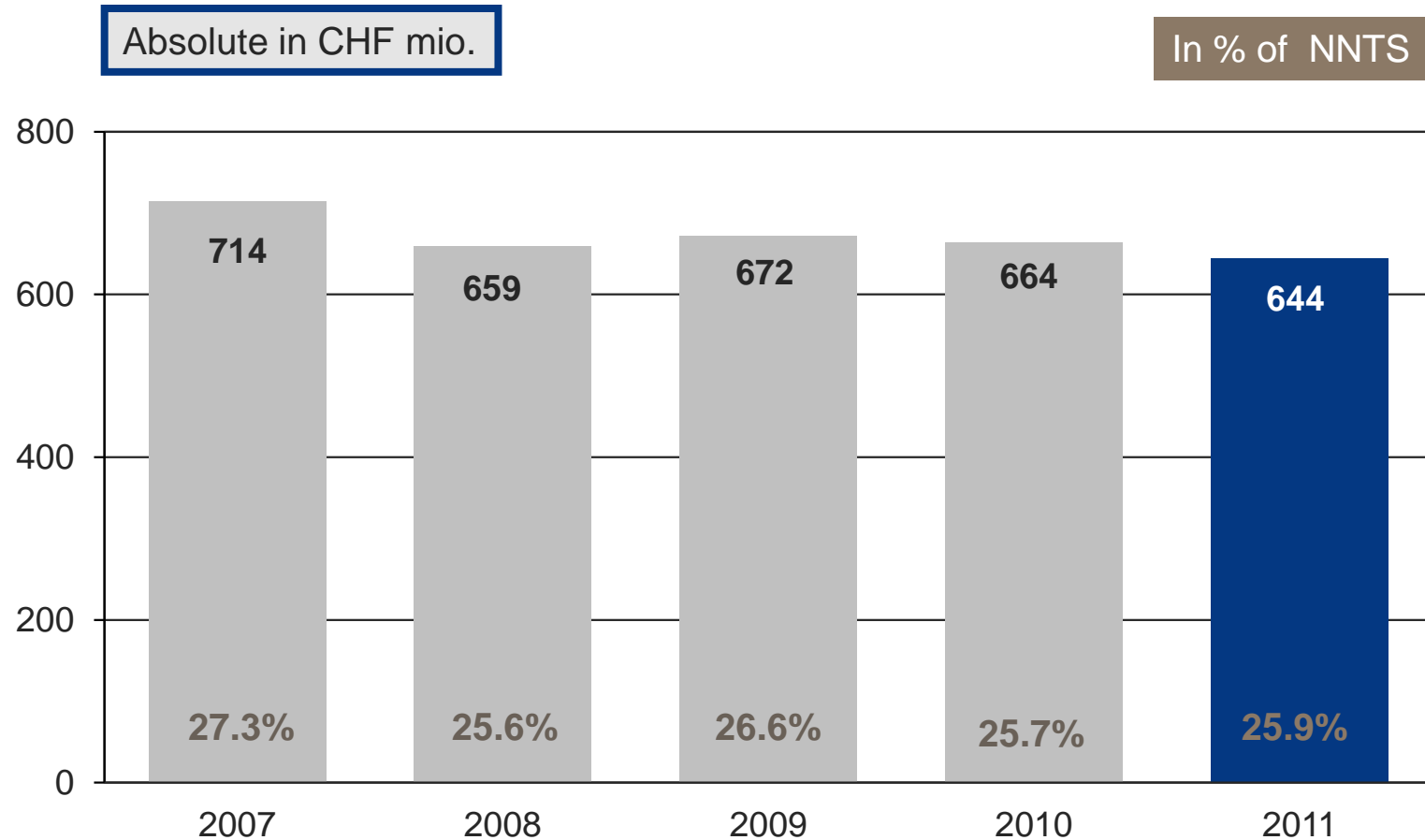
PERSONNEL EXPENDITURE

EFFICIENCY GAINS REDUCING COST MARGIN



OPERATING EXPENSES

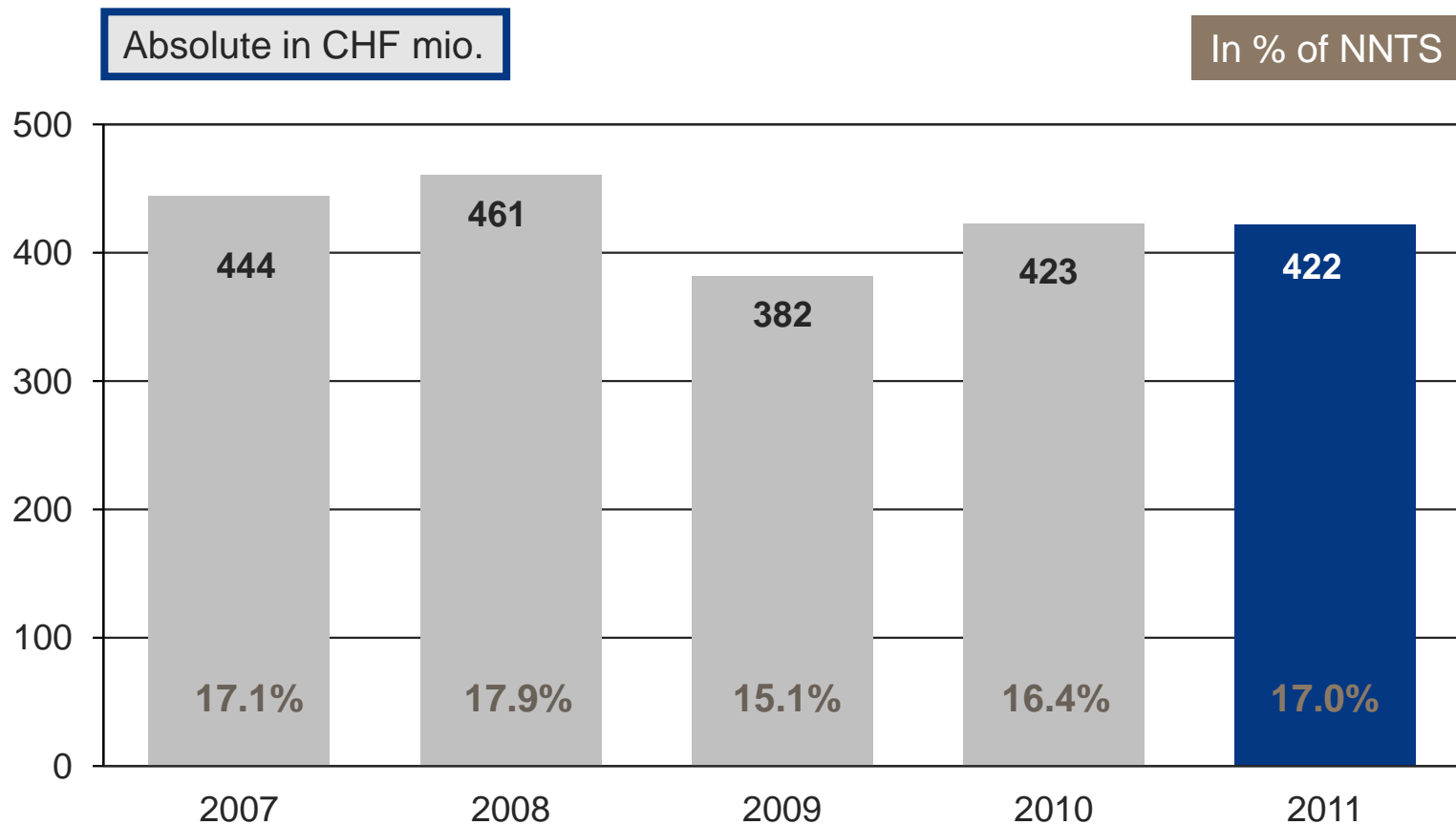
CONTINUOUS INCREASE IN MARKETING INVESTMENTS



EBITDA

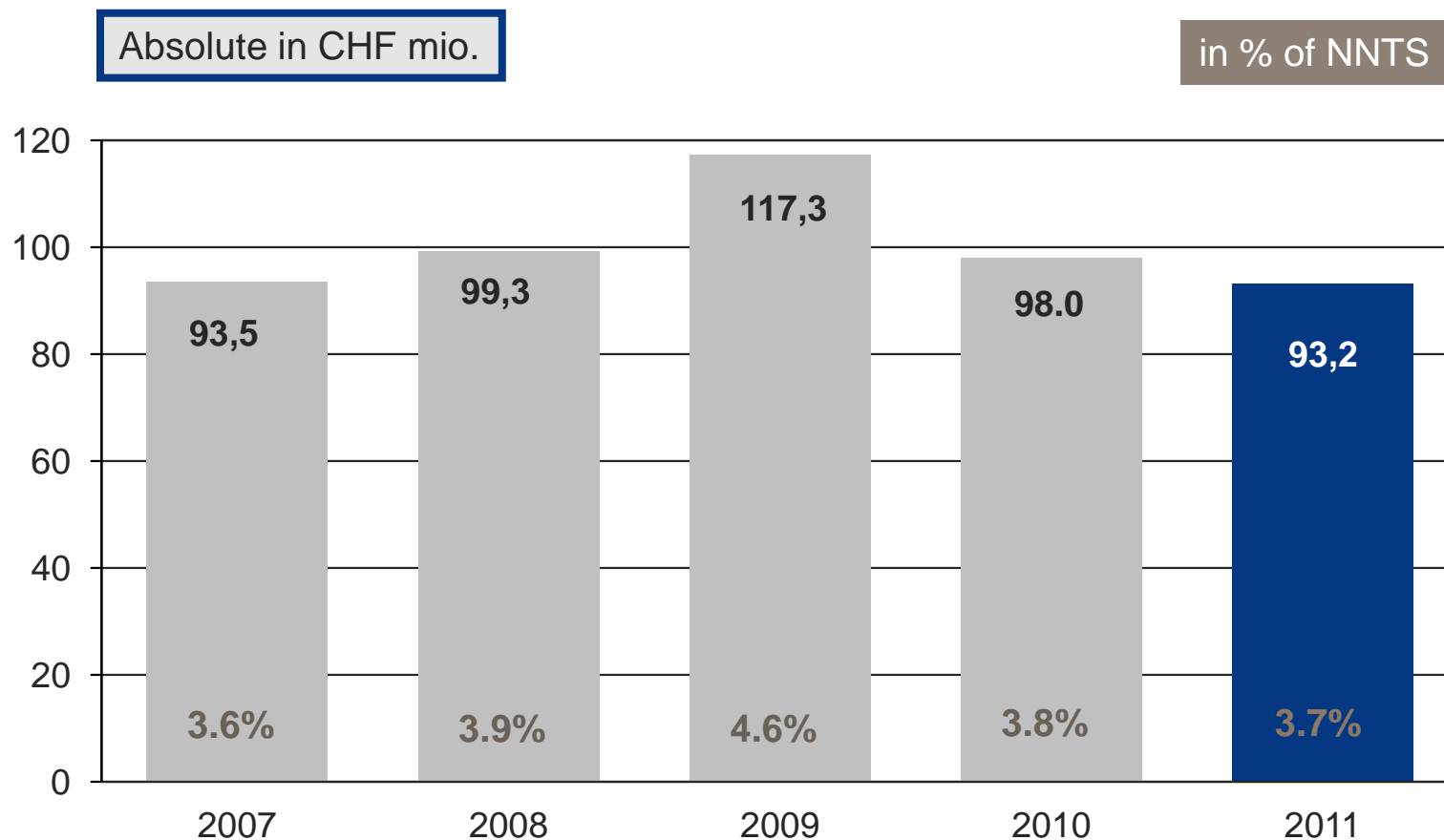
ORGANIC GROWTH RATE vs. 2010: +9.7%

MARGIN INCREASE vs. 2010: +60 BP



DEPRECIATION / IMPAIRMENTS

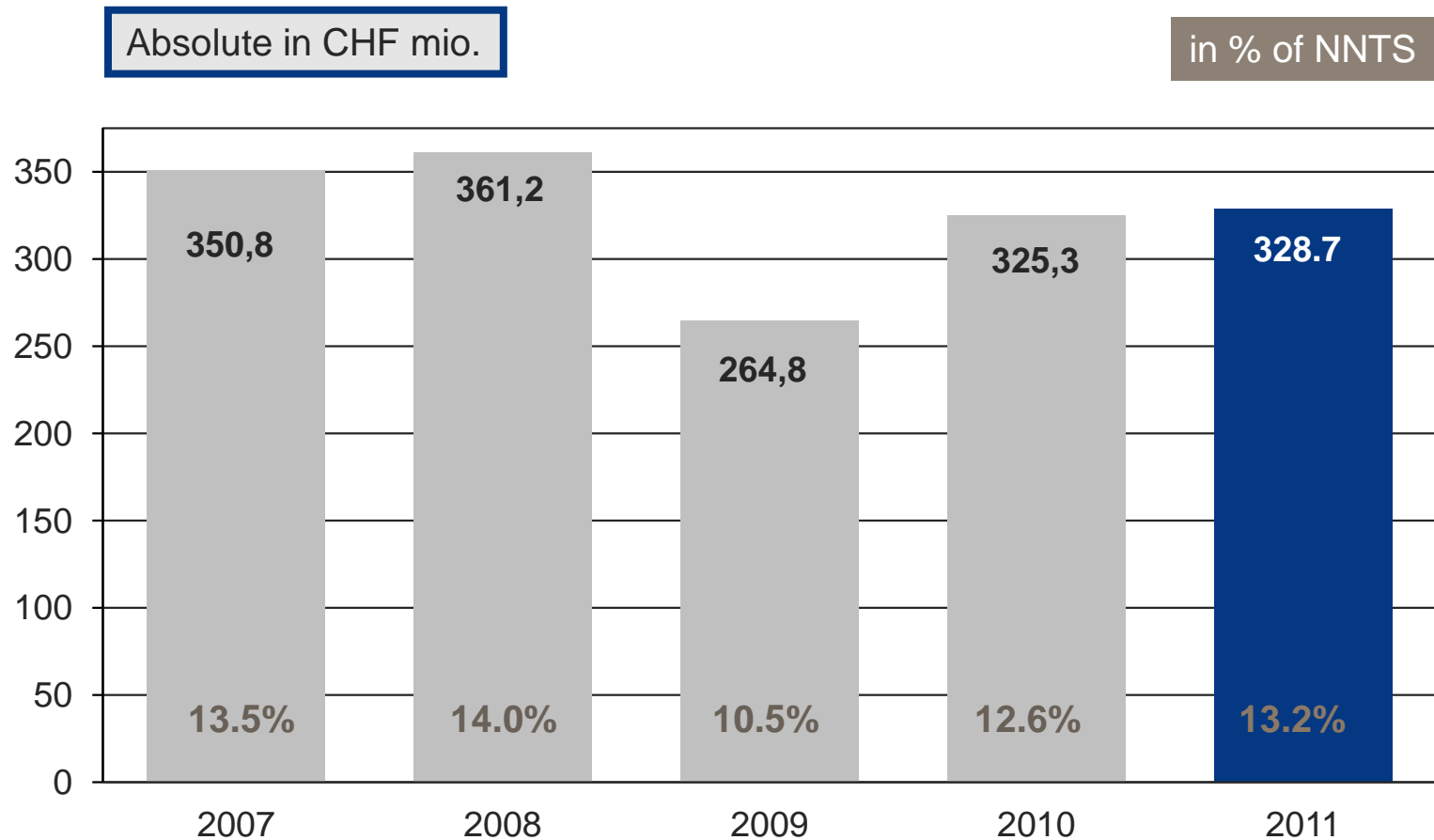
STABILIZATION AT LONG TERM LEVEL



EBIT

ORGANIC GROWTH RATE vs. 2010: +11.7%

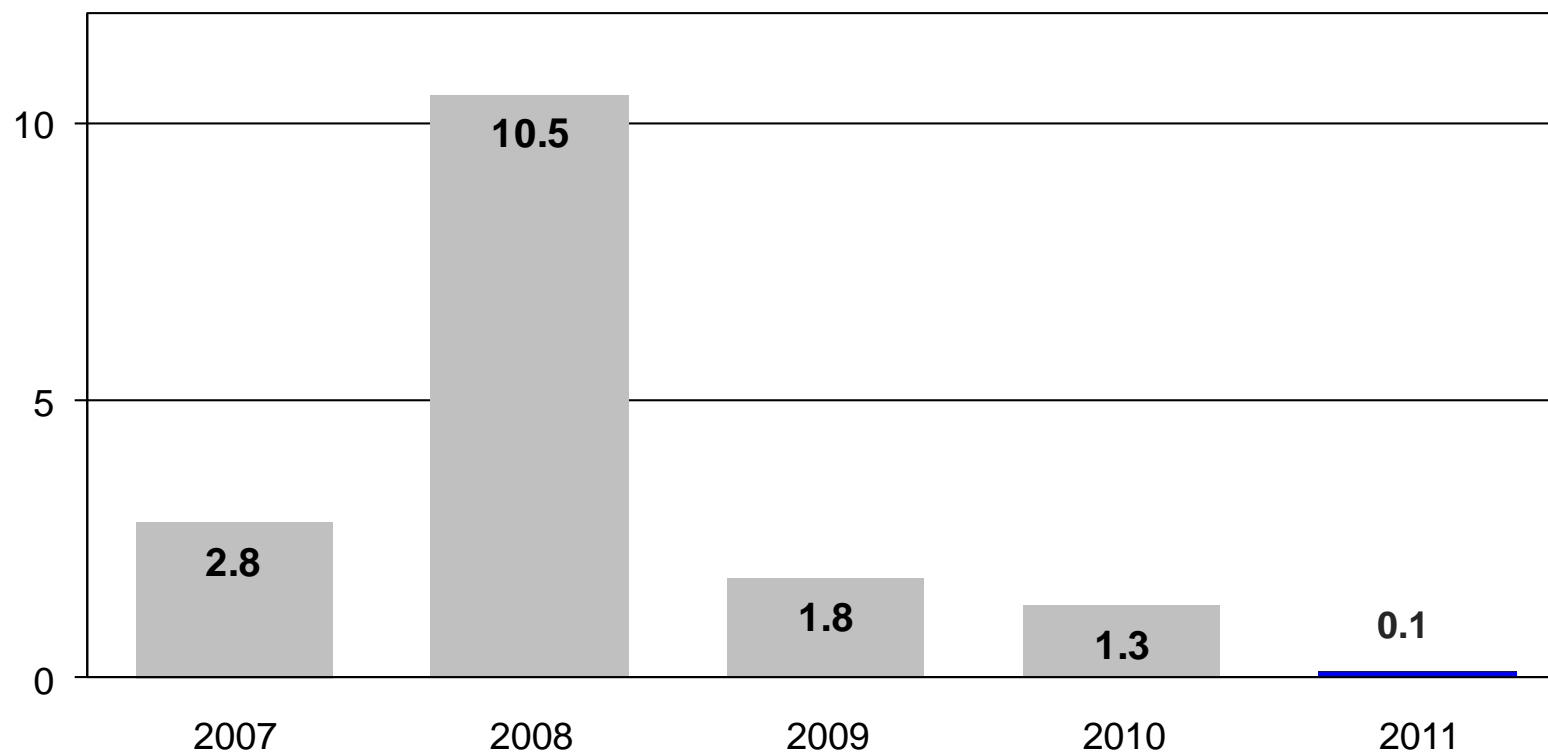
MARGIN INCREASE vs. 2010: +60 BP



NET FINANCIAL EXPENSES

SUCCESSFUL RISK MANAGEMENT IN HIGH VOLATILITY ENVIRONMENT

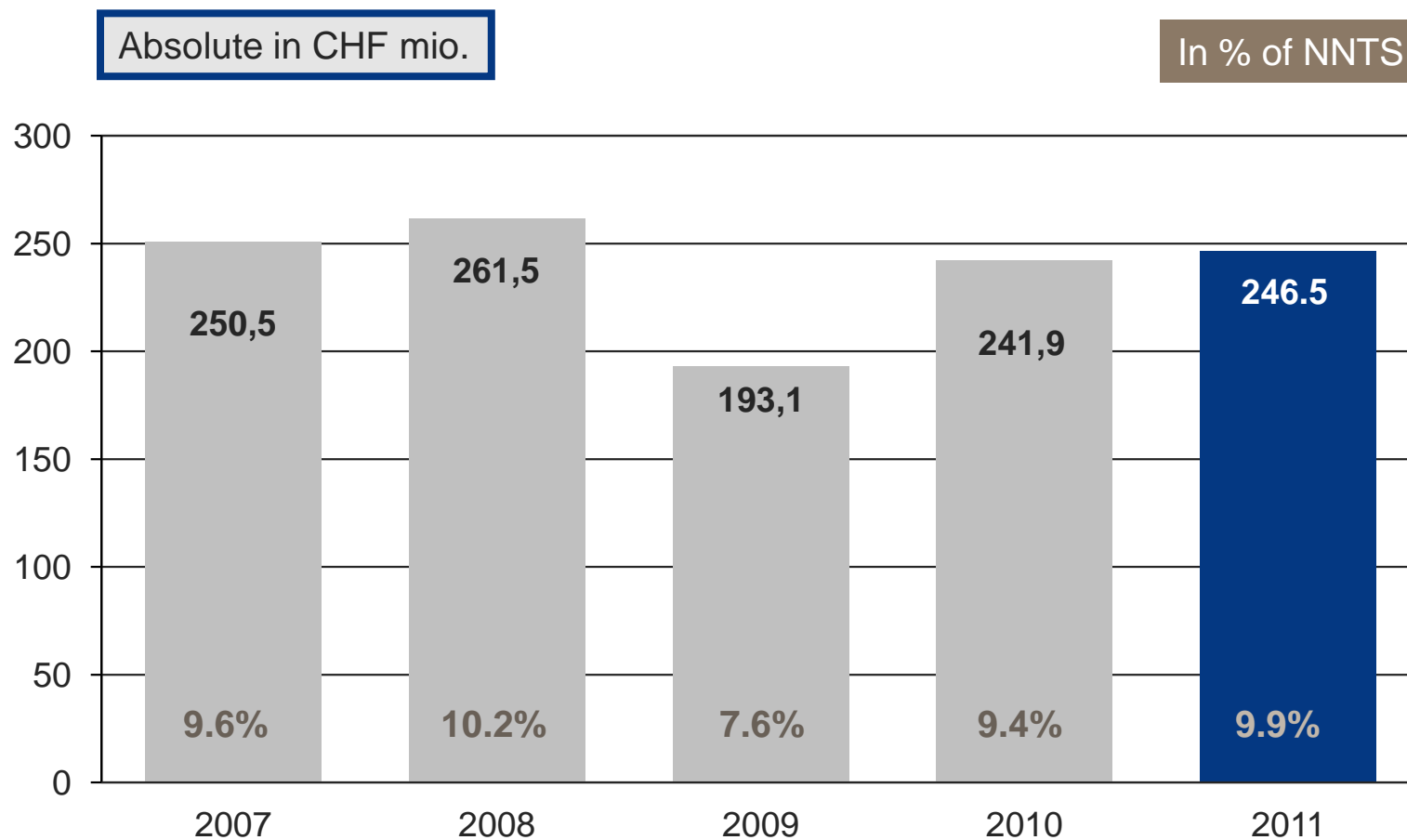
Absolute in CHF mio.



NET INCOME

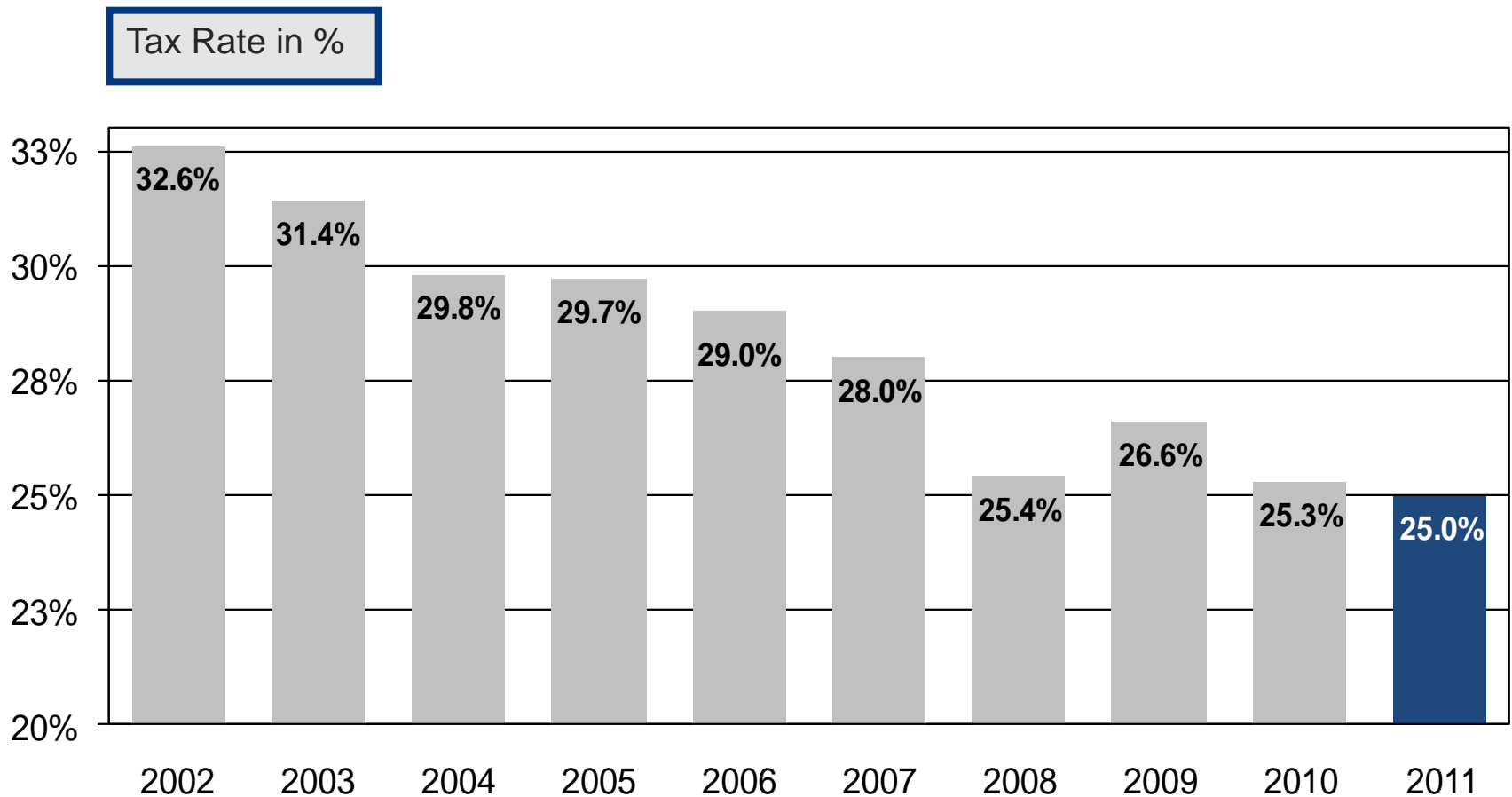
ORGANIC GROWTH RATE vs. 2010: +13.7%

MARGIN INCREASE vs. 2010: +50 BP



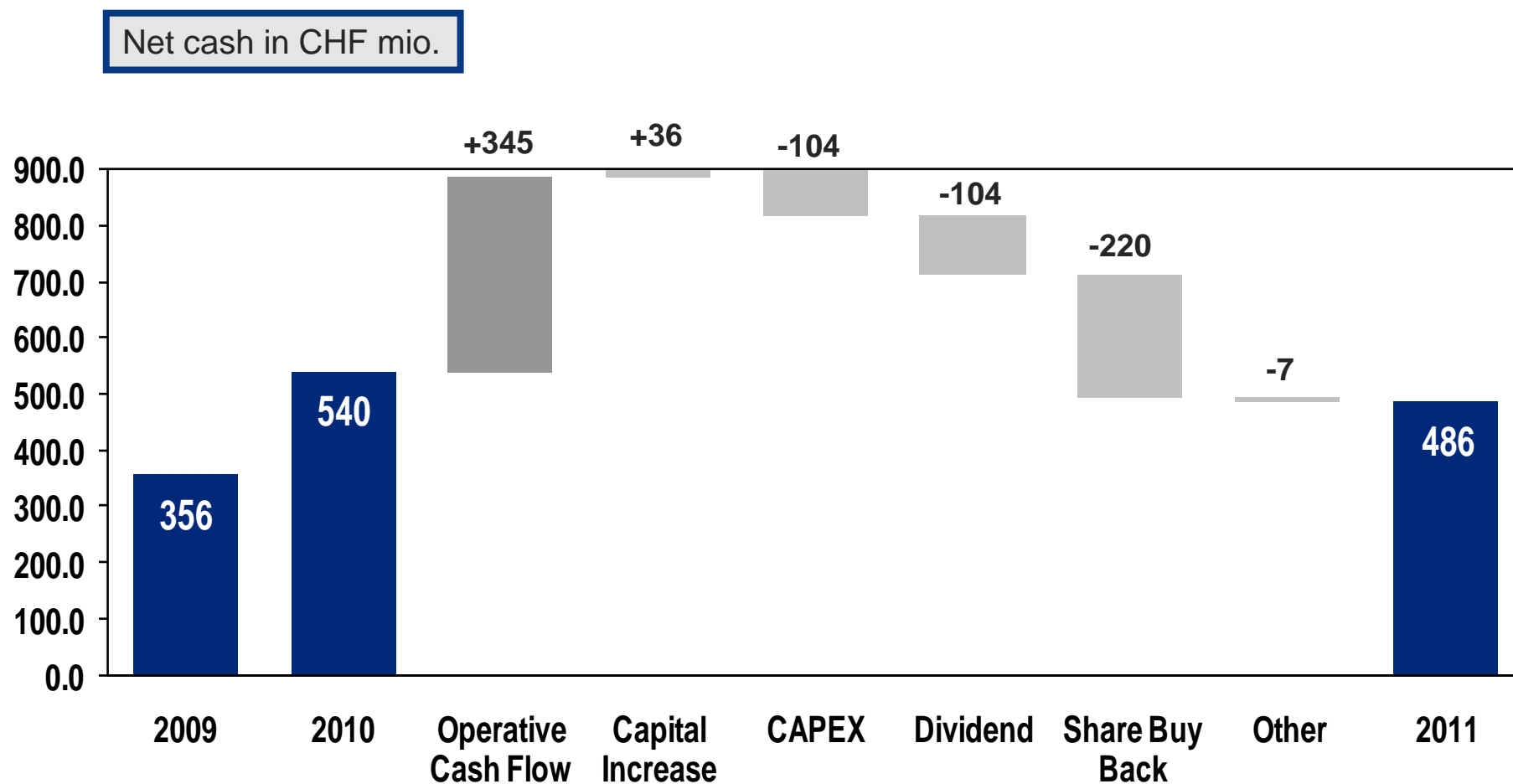
CORPORATE TAX RATE

RECORD LOW TAX RATE



NET LIQUIDITY – DEVELOPMENT

MAINTAINED HIGH LIQUIDITY DESPITE SHARE BUY-BACK

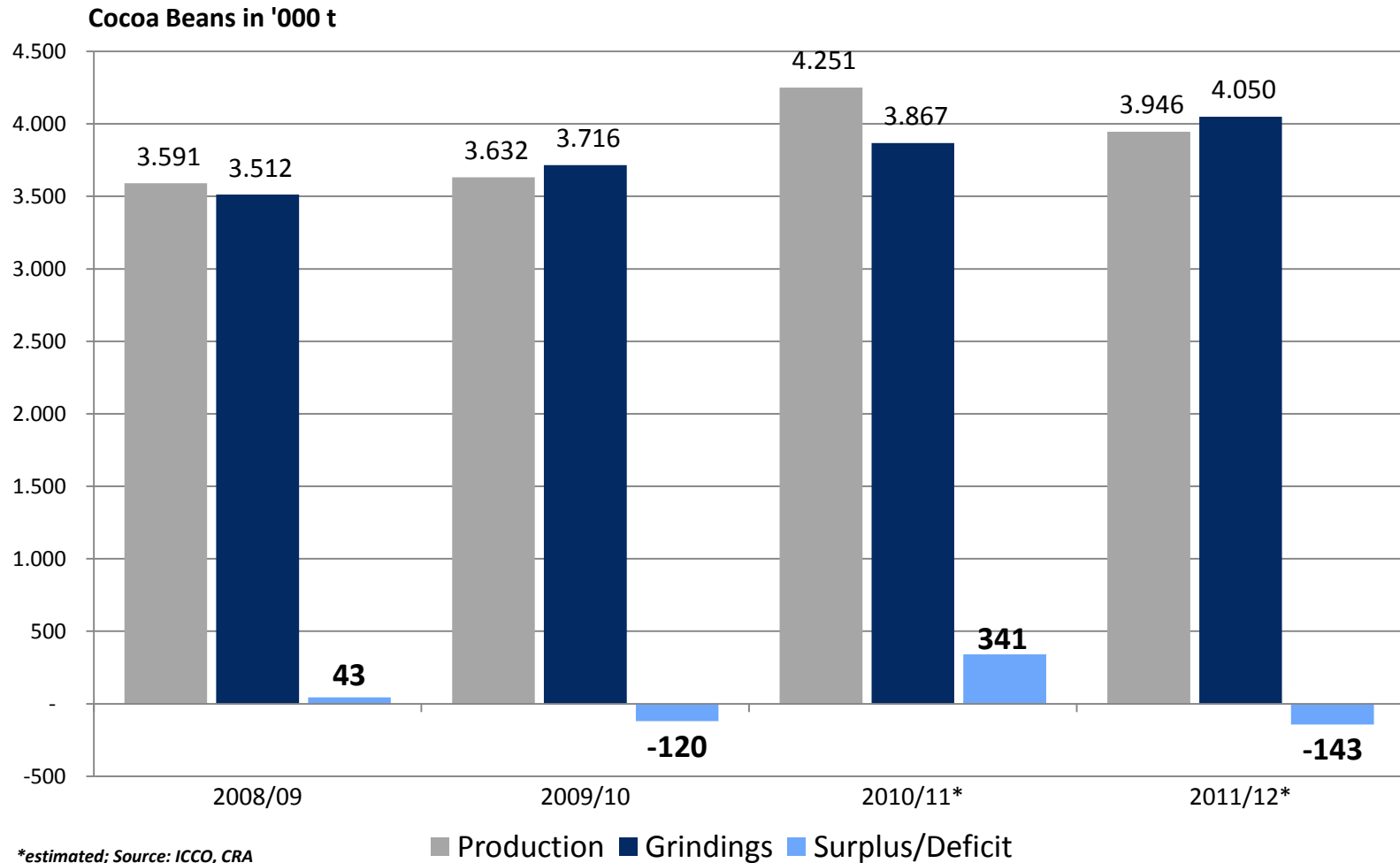


FINANCIALS

RAW MATERIALS & PACKAGING

COCOA CROP / GRINDING BALANCE

RECORD HARVEST IN 2010/11 – CONTINUOUS DEMAND GROWTH



COCOA PRODUCT PRICES 2008 – 2012

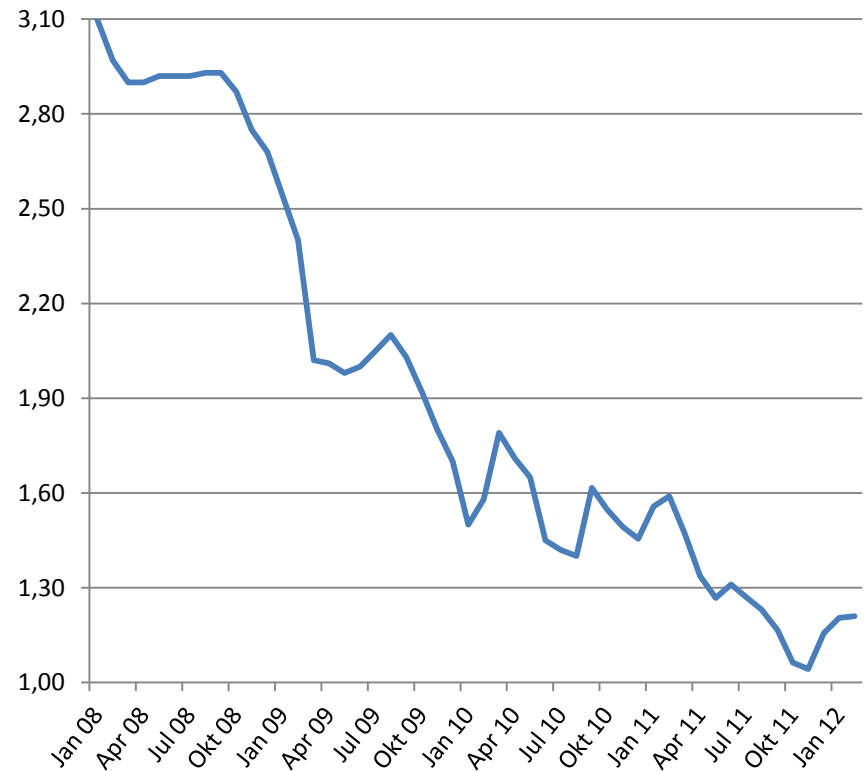
BEAN MARKET REFLECTING OVERSUPPLY

LOWER BUTTER RATIO DUE TO HIGH POWDER DEMAND

LONDON TERMINAL



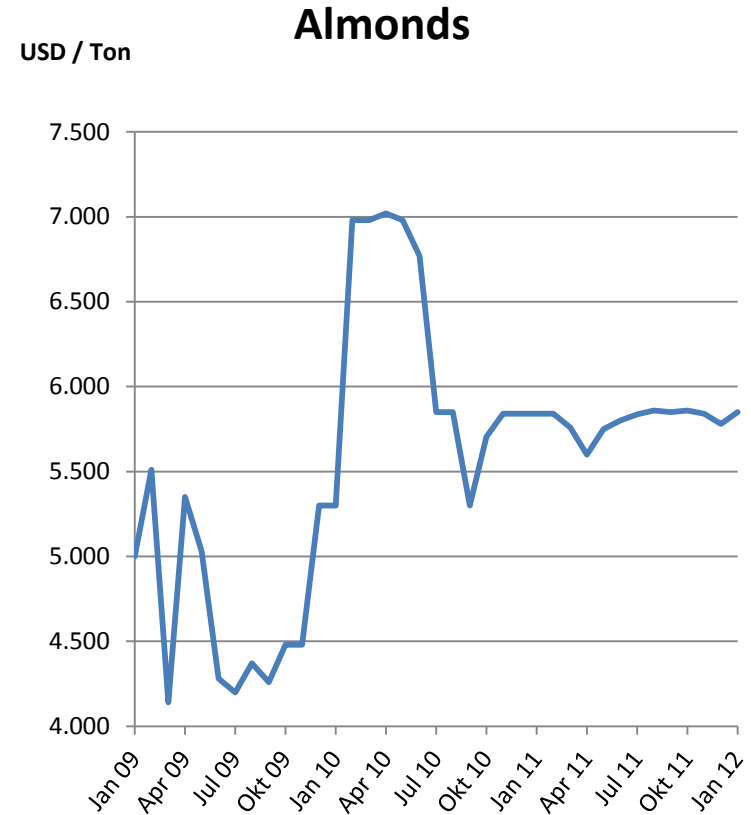
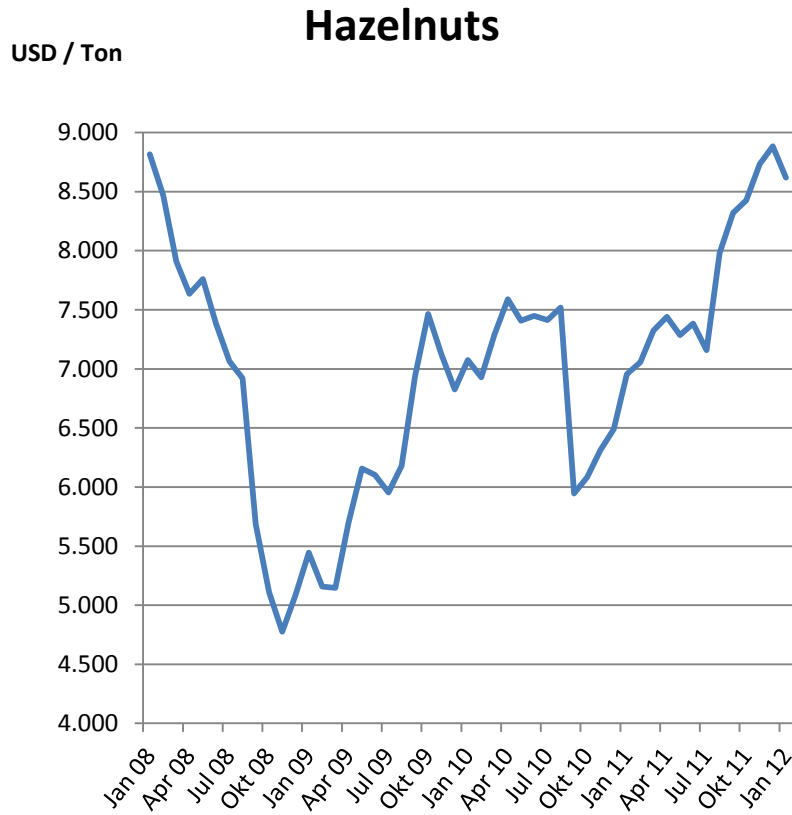
BUTTER RATIO



NUT & ALMOND PRICES 2008 – 2012

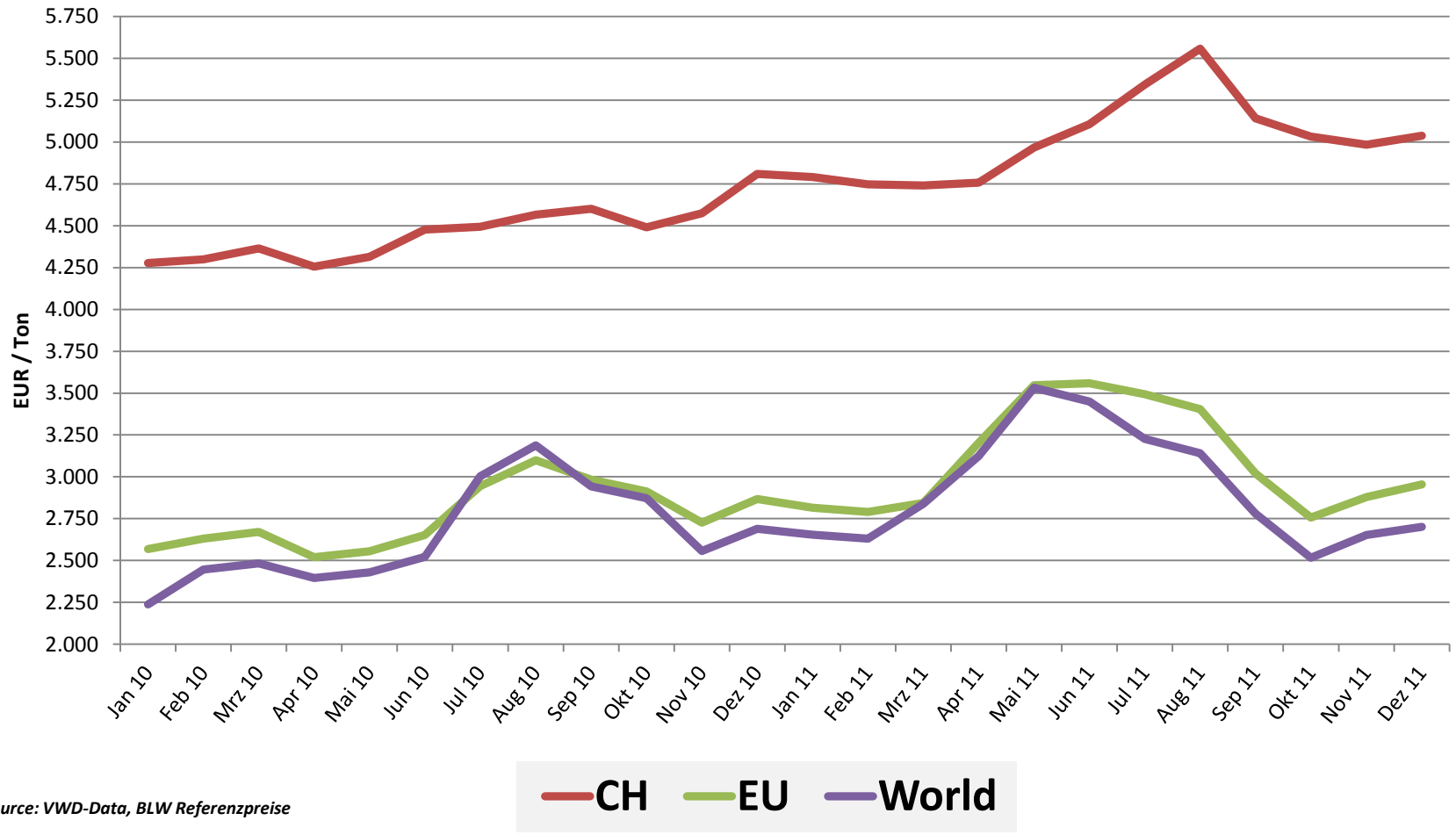
AVG. HARVEST IN 2011 PLUS SPEC ELEMENTS

STABLE MARKET



MILK PRICES SWITZERLAND, EUROPE & WORLD 2010 – 2012

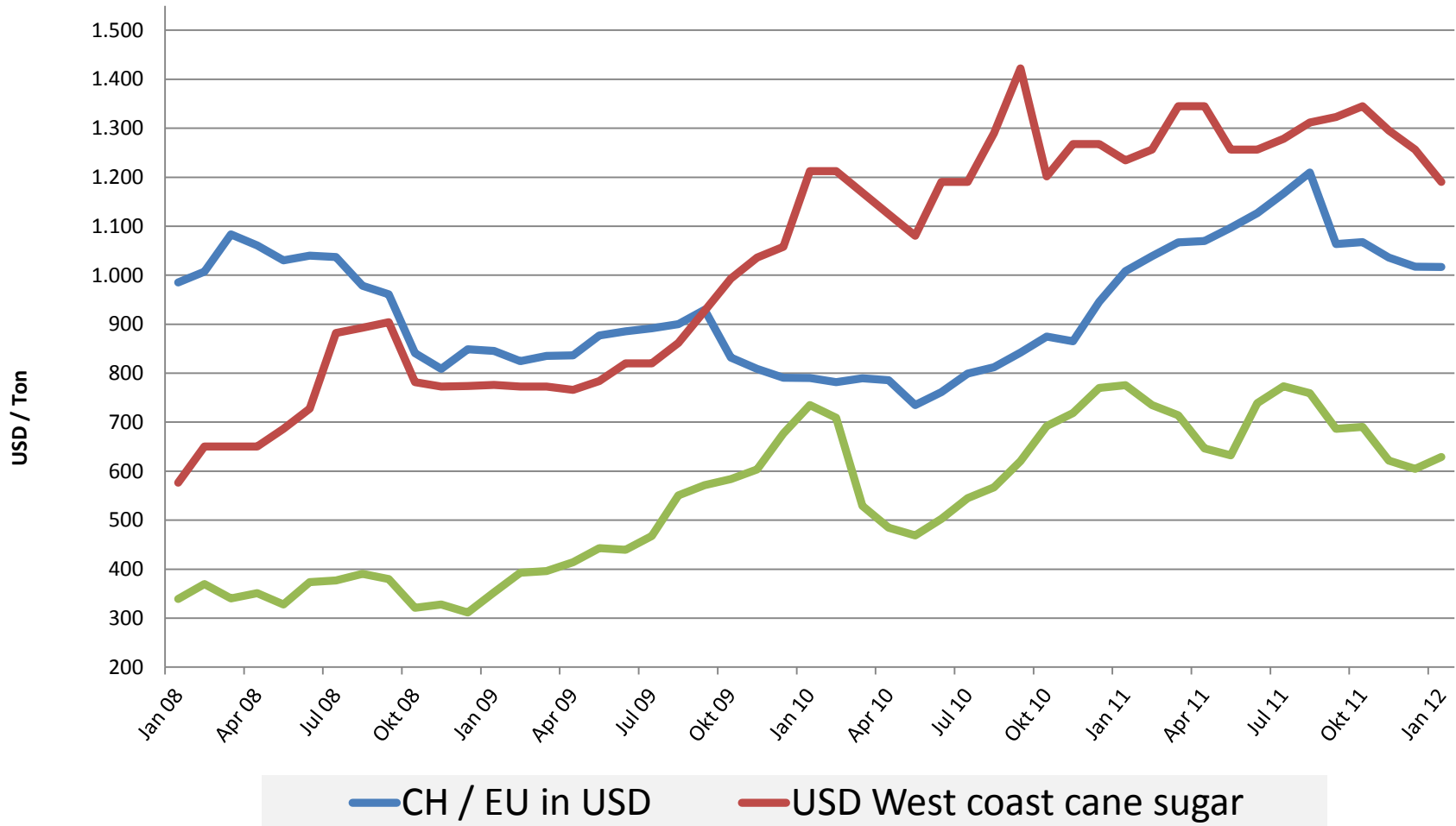
MILKPOWDER 26% in EURO / t



Source: VWD-Data, BLW Referenzpreise

SUGAR PRICES SWITZERLAND, EUROPE & WORLD 2010 – 2012

SUGAR PRICES IN USD / t



Sources: CH/EU: Market Offers, USA: Milling&Baking News, World: White Sugar London, Forex: VWD-Data



BUSINESS REVIEW

CORPORATE SOCIAL RESPONSIBILITY

&

SUSTAINABILITY

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

INTEGRAL PART OF THE PREMIUM BRAND LINDT

<http://www.lindt.com/ch/swf/ger/das-unternehmen/social-responsibility/>

- Large involvement in all aspects of corporate activities
- Clearly formulated guidelines for groups and suppliers
- Full control of purchasing and production processes "from the cocoa bean to the premium chocolate"



- Special purchasing model for traceable cocoa from Ghana
- Transparent communication on Lindt website

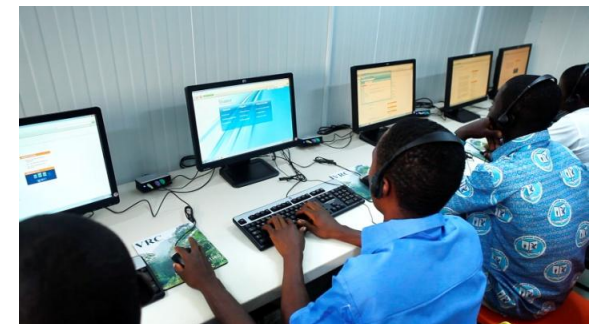
SUSTAINABILITY – COCOA BEANS

ACTIVITIES 2011

Traceability and social projects

- Ghana – 100 % traceable
 - Verified traceability in 2011
 - Premium of USD 1.2 mio. paid
 - Implemented social projects: www.sourcetrust.org
 - Water supply, schools, malaria prophylaxis
 - Education: “Village Resource Centers”
 - “Farmer of the Year” in a Lindt district
 - Journalists’ trip with Chocosuisse

- S. America & Madagascar Flavour Beans ~20% traceable
 - First shipments of traceable flavour cocoa beans



SUSTAINABILITY – ENVIROMENT

ACTIVITIES 2011

Energy Objective: Reduction of CO² emissions p.a. 2% / barrel

- Objective achieved
- Solar panels 4'250 m² L&S Italy
 - Power generation: 320 Mwh/year
 - Reduction CO² emissions: 214 t / p.a.
- Roof isolation L&S Germany
 - Power saving: 110'000 KWh p.a.
- Heat recovery
 - Cocoa beans roast L&S Switzerland: Power savings of 200'000 KWh p.a.
 - Water treatment L&S France: Power savings of 2'000'000 KWh p.a.
- Lighting L&S France
 - Optimization of lighting (regulation): Power saving 1'500'000 KWh p.a.



SUSTAINABILITY

ACTIVITIES 2011

Other projects:

- Health & Safety: Good progress thanks to group-wide focus program
- Supplier Audits: Packaging material supplier audit in China
- Palm oil: 100% certified purchases ('Book & Claim') for small required L&S volumes for selected praline fillings
- Consumer inquiries: Implementation of group-wide central system for recording and response management of consumer inquiries
- UN global compact: Updating accountability report
- „Carbon Disclosure Project ": Continued participation in program

OUTLOOK 2012

OUTLOOK 2012

MARKET ENVIRONMENT – Continued Challenges

- Debt Crisis
- Weak macro-economics
- Unemployment, depressed consumer sentiment
- Increased price sensibility of consumers
- Reluctant trade partners & increased gains of private label
- Continued high volatility for raw materials and currencies

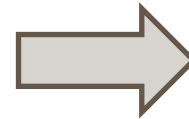
ANSWERS BY LINDT & SPRÜNGLI – Strengthen brand & gain market shares

- Innovation and communication in mature markets
- Further development of new growth markets
- Intensify implementation of own retailing concepts
- Continued optimization of efficiency and cost management

OUTLOOK 2012

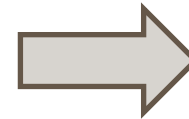
CONFIRMATION OF EXISTING MID- TO LONG TERM STRATEGIC TOP- AND BOTTOM LINE TARGETS

- Organic sales growth



+ 6 – 8 %

- EBIT margin improvement



+ 20 – 40
basis points

continued high cash generation

DISCLAIMER

This presentation contains forward looking statements which reflect management's current views and estimates. The forward looking statements involve risks and uncertainties that could cause actual results to differ from those expressed in the forward looking statements.

Potential risks and uncertainties include among others factors as general economic conditions, foreign exchange and commodity price fluctuations, competitive product and pricing pressures and regulatory developments.





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