



LINDT & SPRÜNGLI

FINANCIAL ANALYSTS CONFERENCE
ANNUAL RESULTS 2012

AGENDA

RESULT PRESENTATION 2012

1 ERNST TANNER

- Key Figures P&L / Balance Sheet
- Share Price Performance / Shareholder Return
- Sales Analysis

2 DIETER WEISSKOPF

- Results in Detail
- Conclusion of the Share Buy Back Program
- Sustainability (CSR)

3 ERNST TANNER

- Review and Outlook / Guidance 2013
- Incorporation of L&S Cocoa Foundation & L&S Chocolate Center



BUSINESS REVIEW 2012

KEY FIGURES

KEY FIGURES – P & L

→ Strategic Growth and Profit Targets met

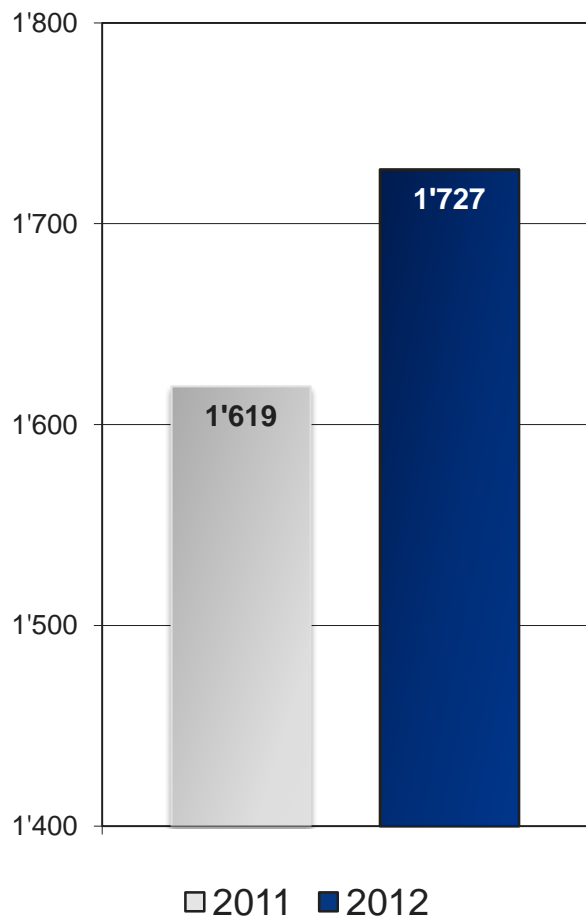
	<u>CHF Mio.</u>	<u>Org. Growth</u>	<u>Growth In CHF</u>	<u>Profit Margin improvement</u>
SALES	2'670	+6,8%	+7,3%	
EBITDA Margin: 17,5%	468,3	+11,1%	+11,0%	+50 BP
EBIT Margin: 13,6%	362,5	+10,4%	+10,3%	+40 BP
NET PROFIT Margin : 10,2%	271,9	+10,5%	+10,3%	+30 BP



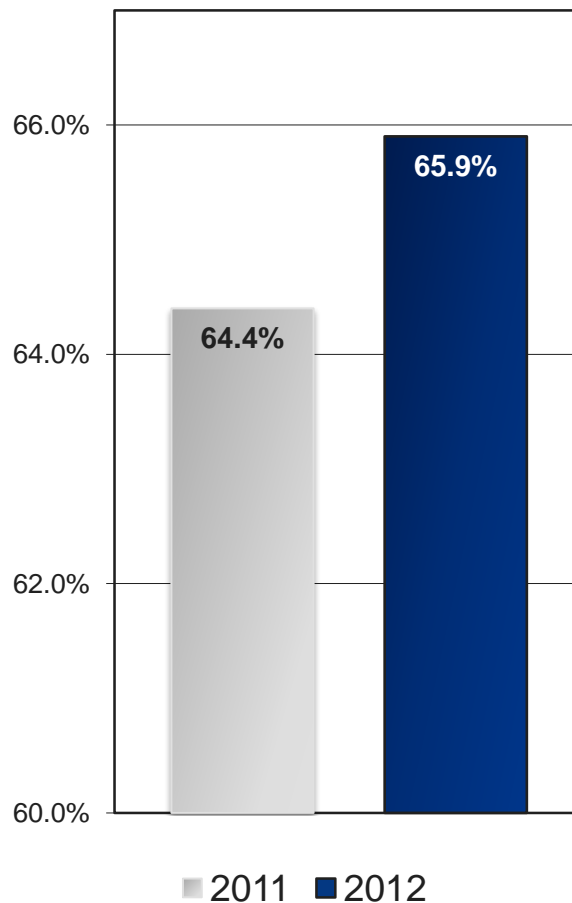
KEY FIGURES – BALANCE SHEET

➔ Continuously Solid Balance Sheet

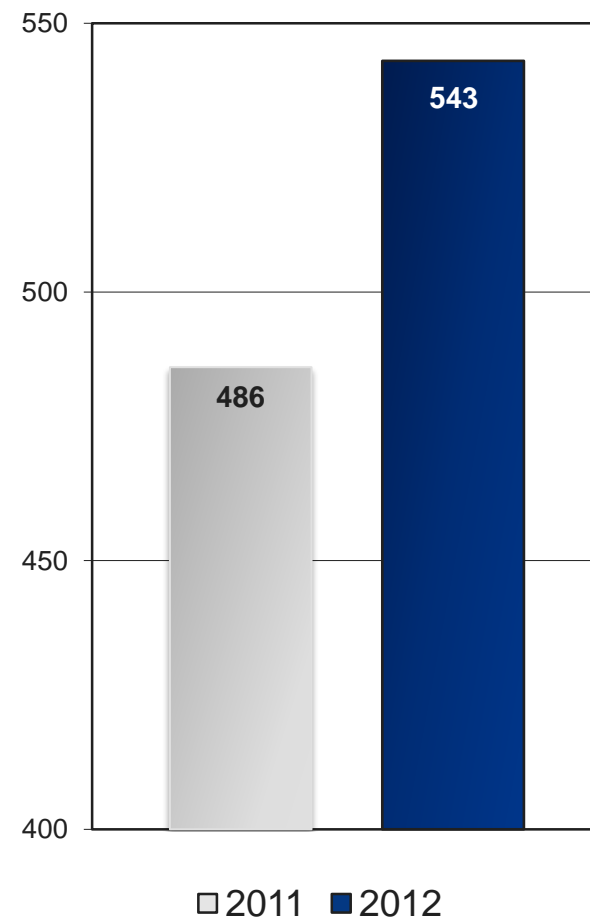
Equity in CHF Mio.



Equity B/S Ratio in %



Net Liquidity in CHF Mio. as of 31.12.12

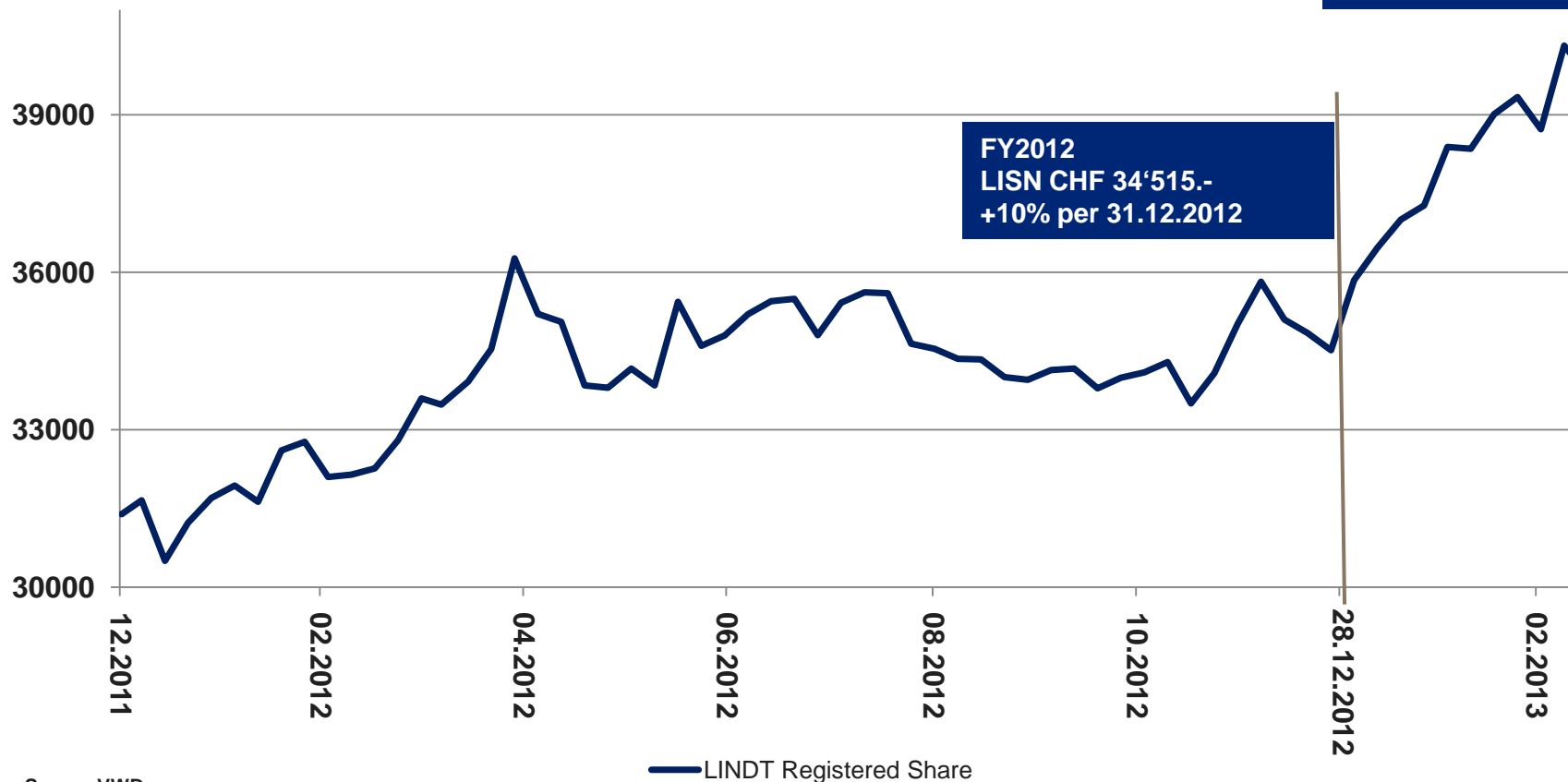


KEY FIGURES – SHARE PRICE PERFORMANCE

➔ **Creating Shareholder Value: +10% in FY 2012, +12% in 2013 so far**

LINDT Registered Share

2013
LISN CHF 40'000
+16% as per 12.3.2013



Source VWD,
bi-weekly share prices



LINDT & SPRÜNGLI

KEY FIGURES – SHAREHOLDER RETURN

- ➔ Dividend Payment + 15 % y-o-y
- ➔ Payout Ratio 47.8%

	1992	2009	2010	2011	2012
Dividend R (CHF)	39	400	450	500	575*
➤ From Agio					535
➤ From Retained Earnings					40
- Increase (CHF)	2	40	50	50	75
Dividend Yield R	1.4%	1.6%	1.5%	1.6%	1.7%
Payout Ratio R	16.9%	47.3%	42.8%	47.2%	47.8%
Registered Share	2'800	25'405	30'100	31'390	34'515
Market Cap. (Mio. CHF)	492	5'518	6'763	6'982	7'384

*subject to approval by the AGM

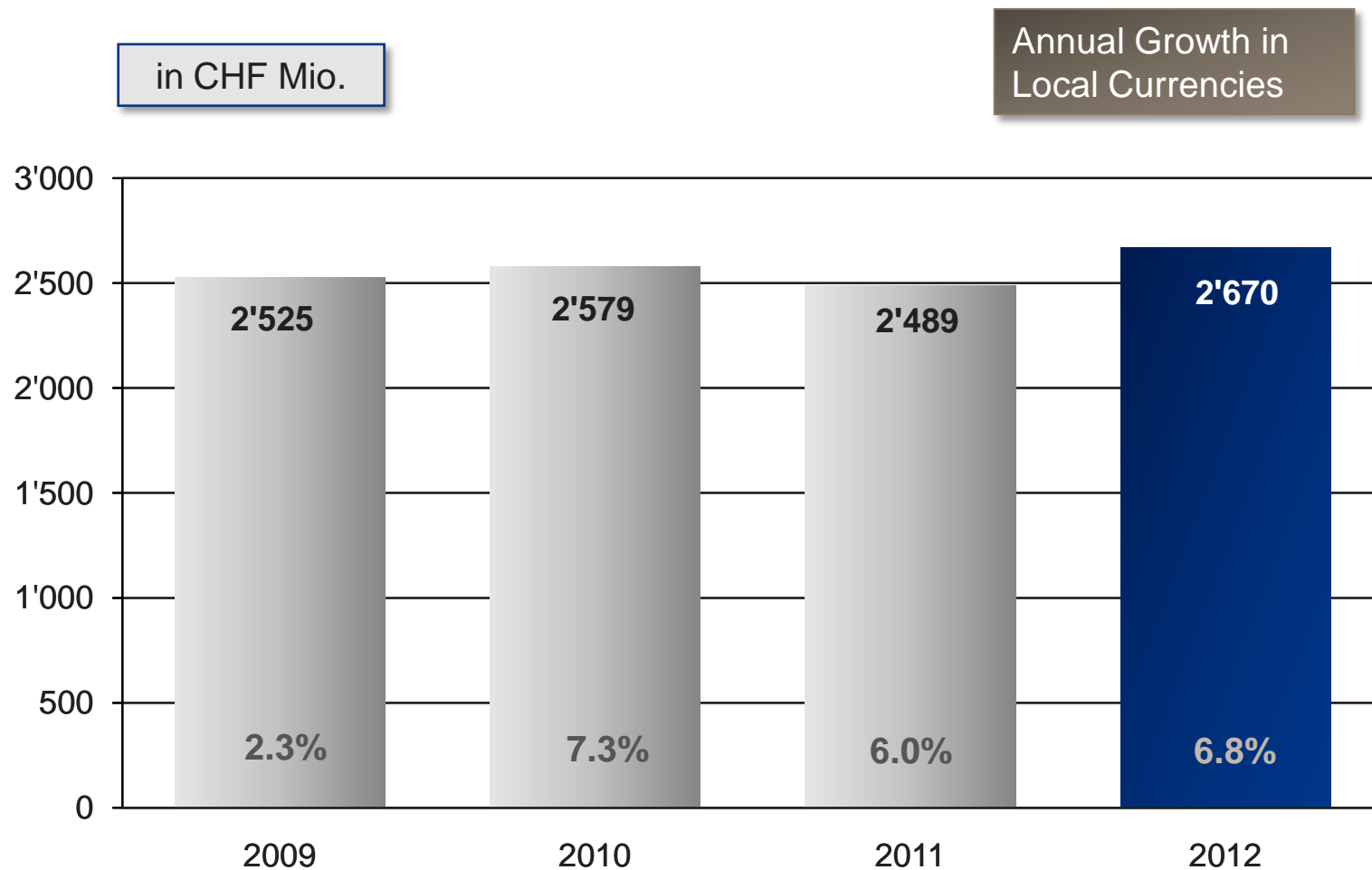


BUSINESS REVEIW 2012

SALES ANALYSIS

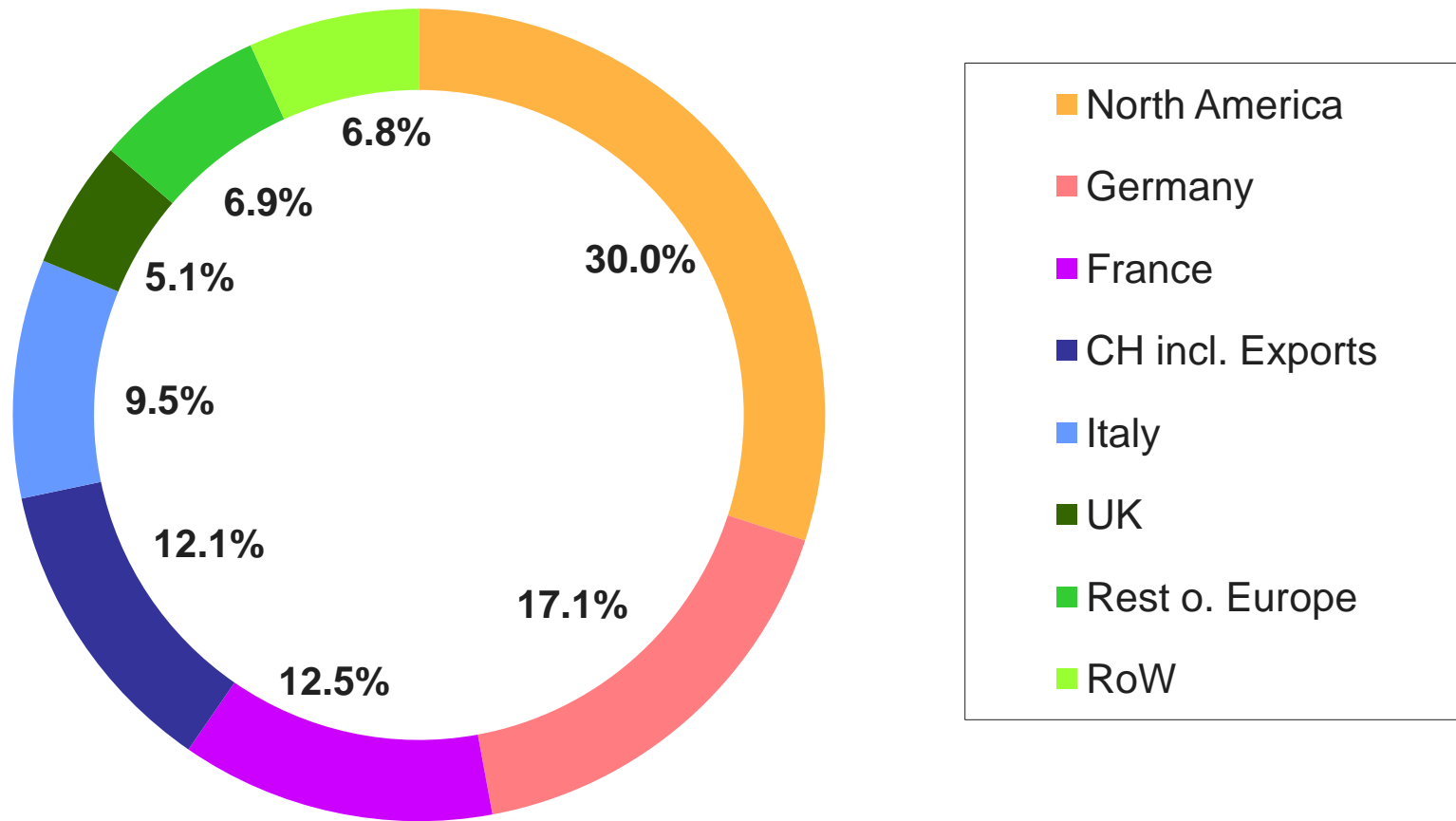
SALES ANALYSIS

➔ Continuous Organic Growth



SALES ANALYSIS – MARKETS

Total NNTS: CHF 2.670 bn

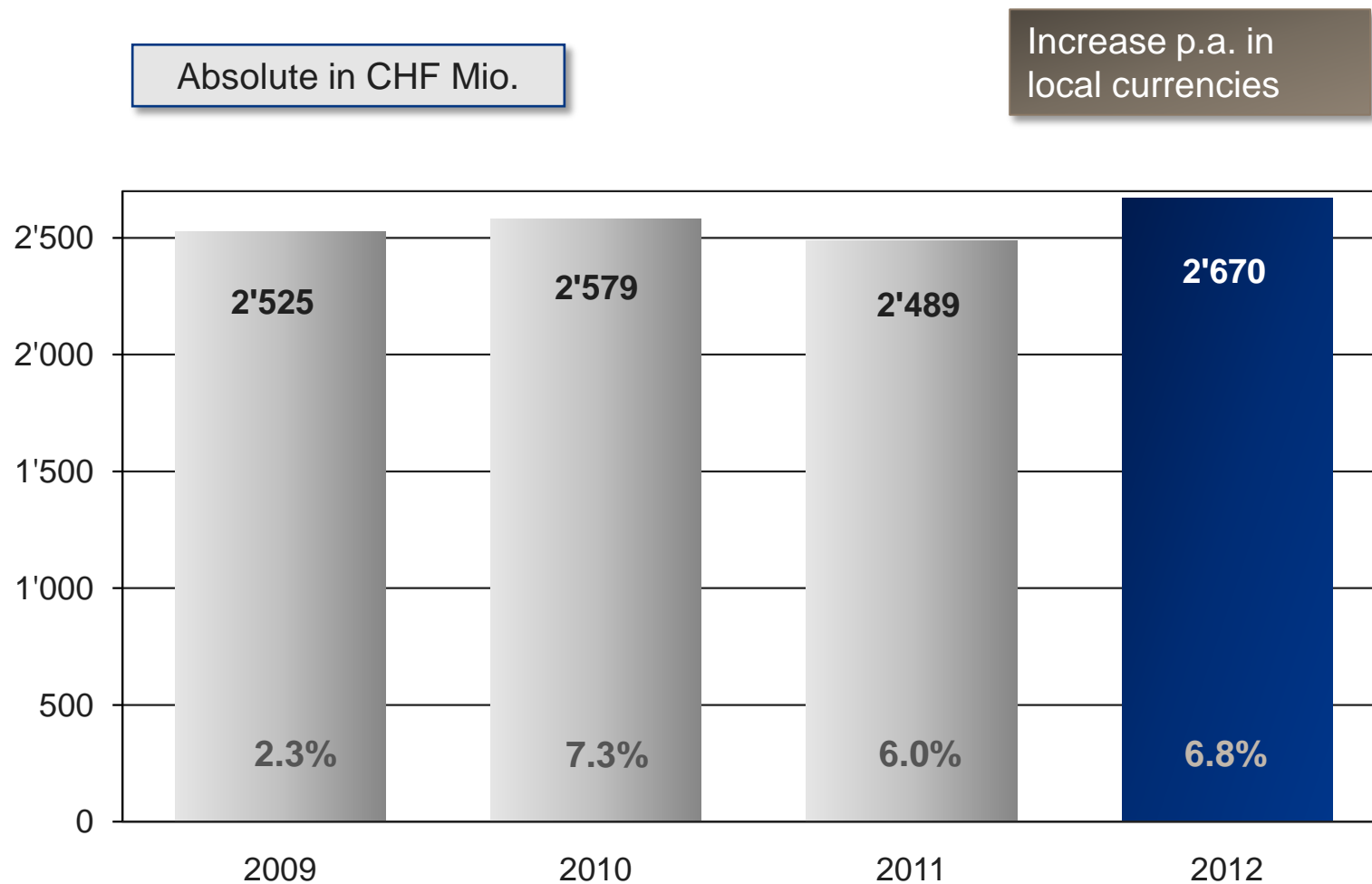


BUSINESS YEAR 2012

DETAILED FINANCIAL FIGURES

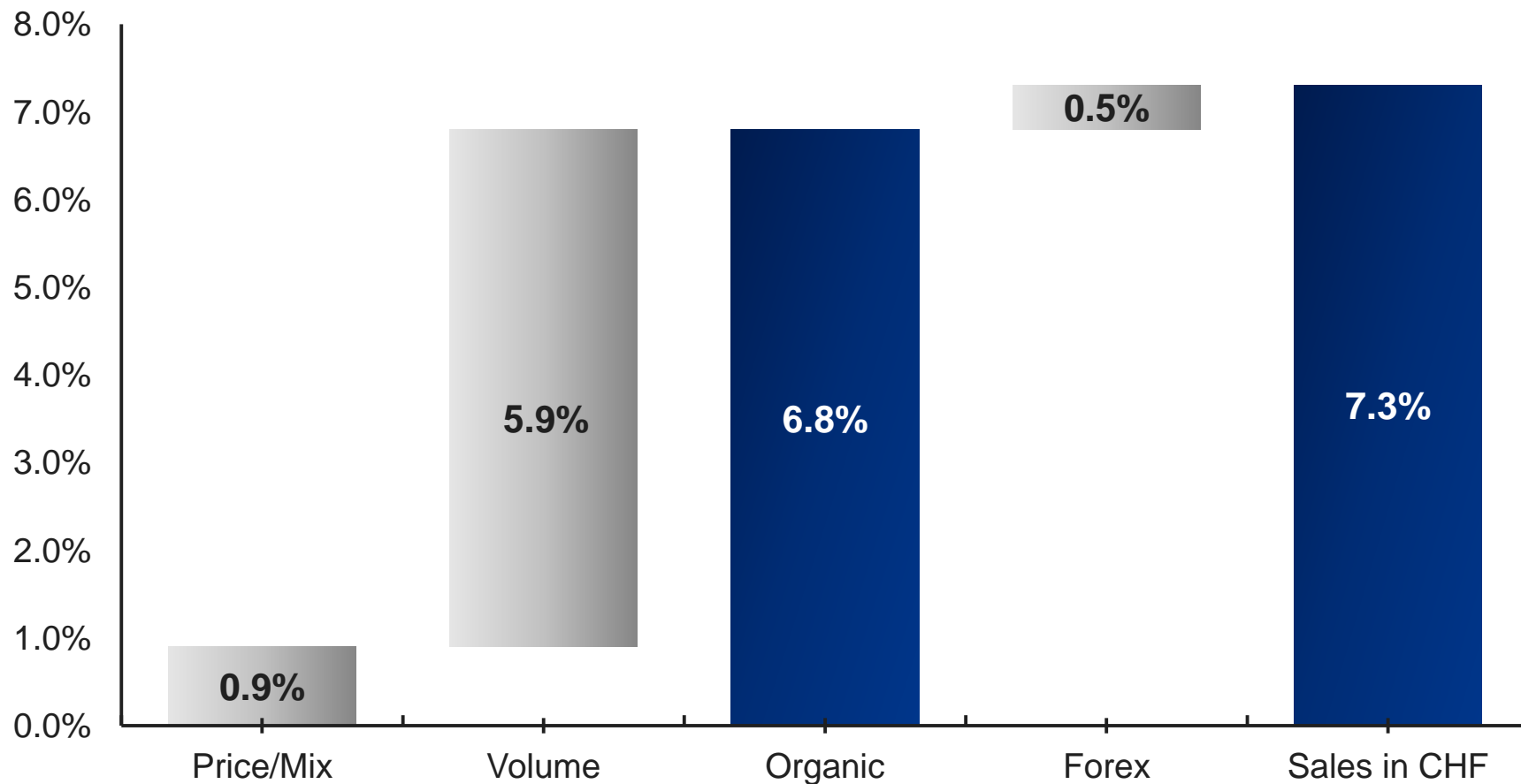
SALES / GROWTH GROUP

➔ Increase of Organic Growth



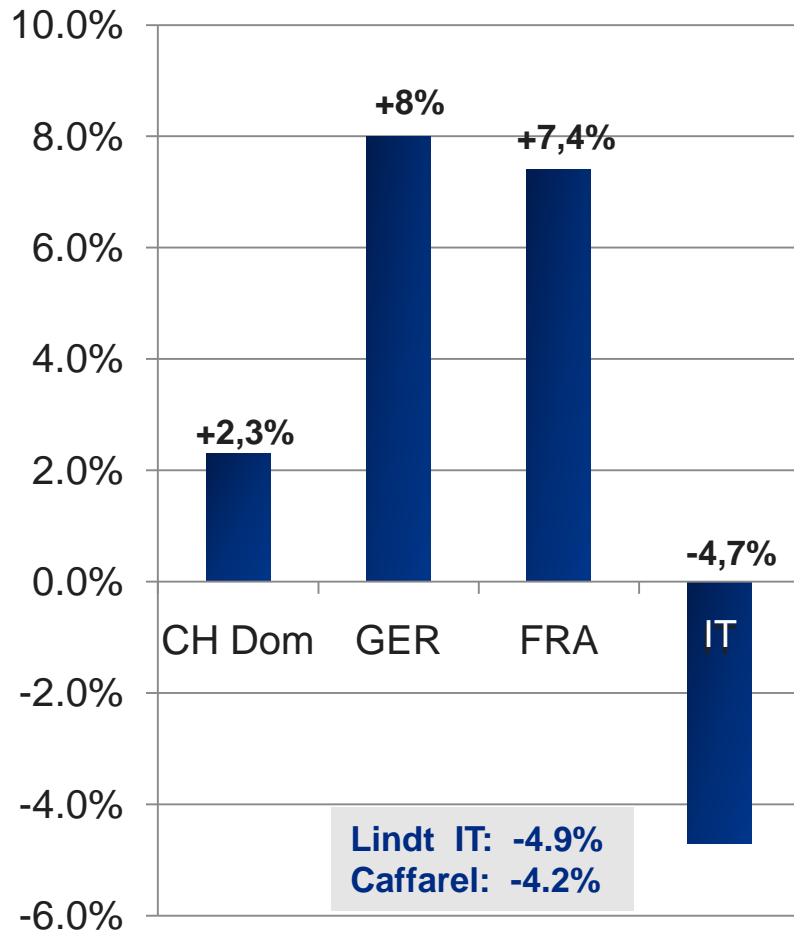
SALES – GROWTH FACTORS

➔ Sales Growth mainly based on Volume

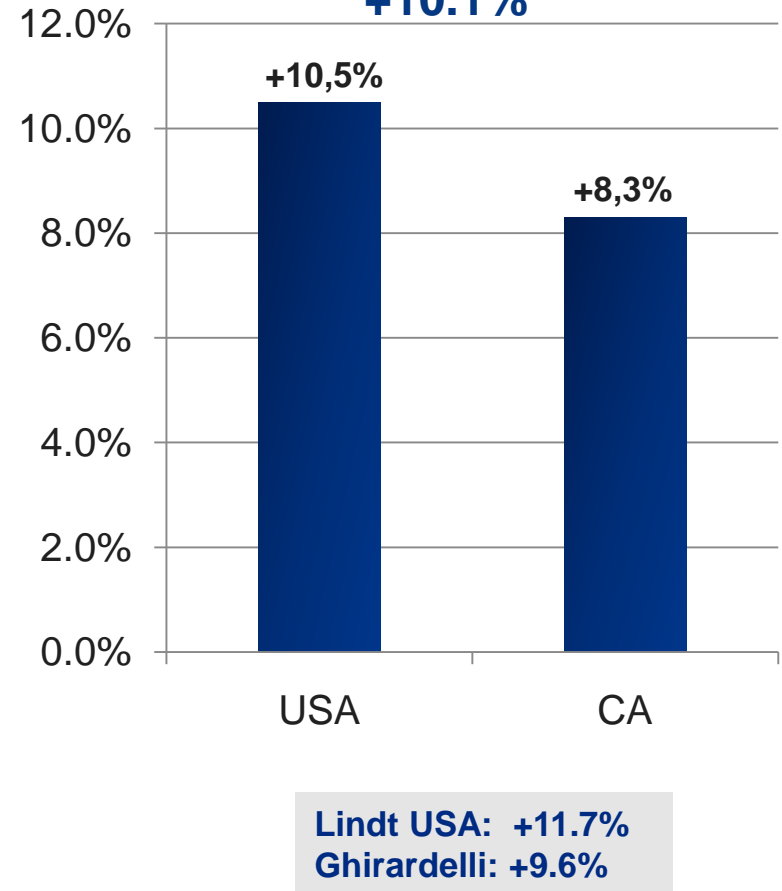


ORGANIC GROWTH BY REGION

L&S in Europe: +4.6%

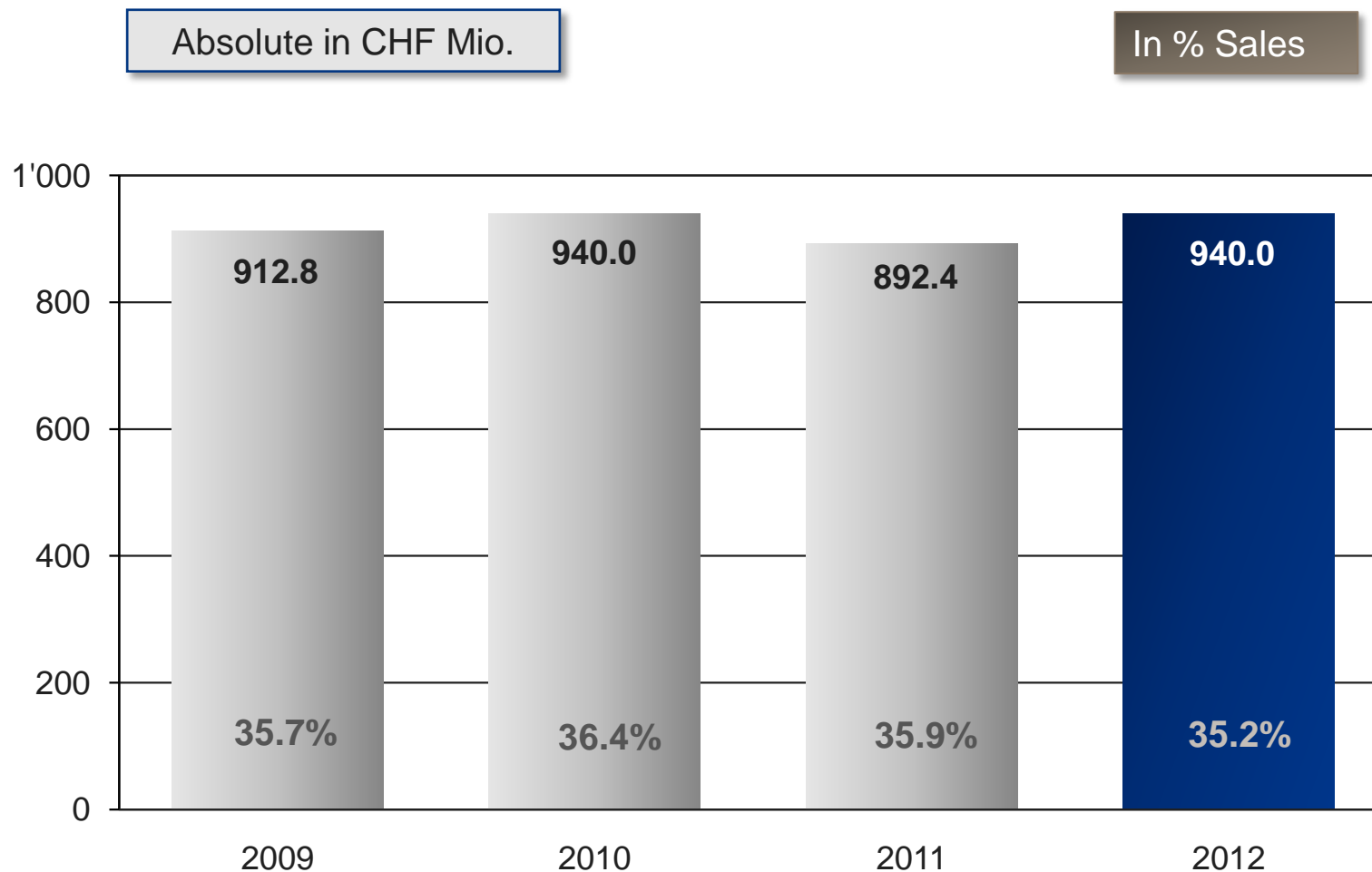


L&S in North America: +10.1%



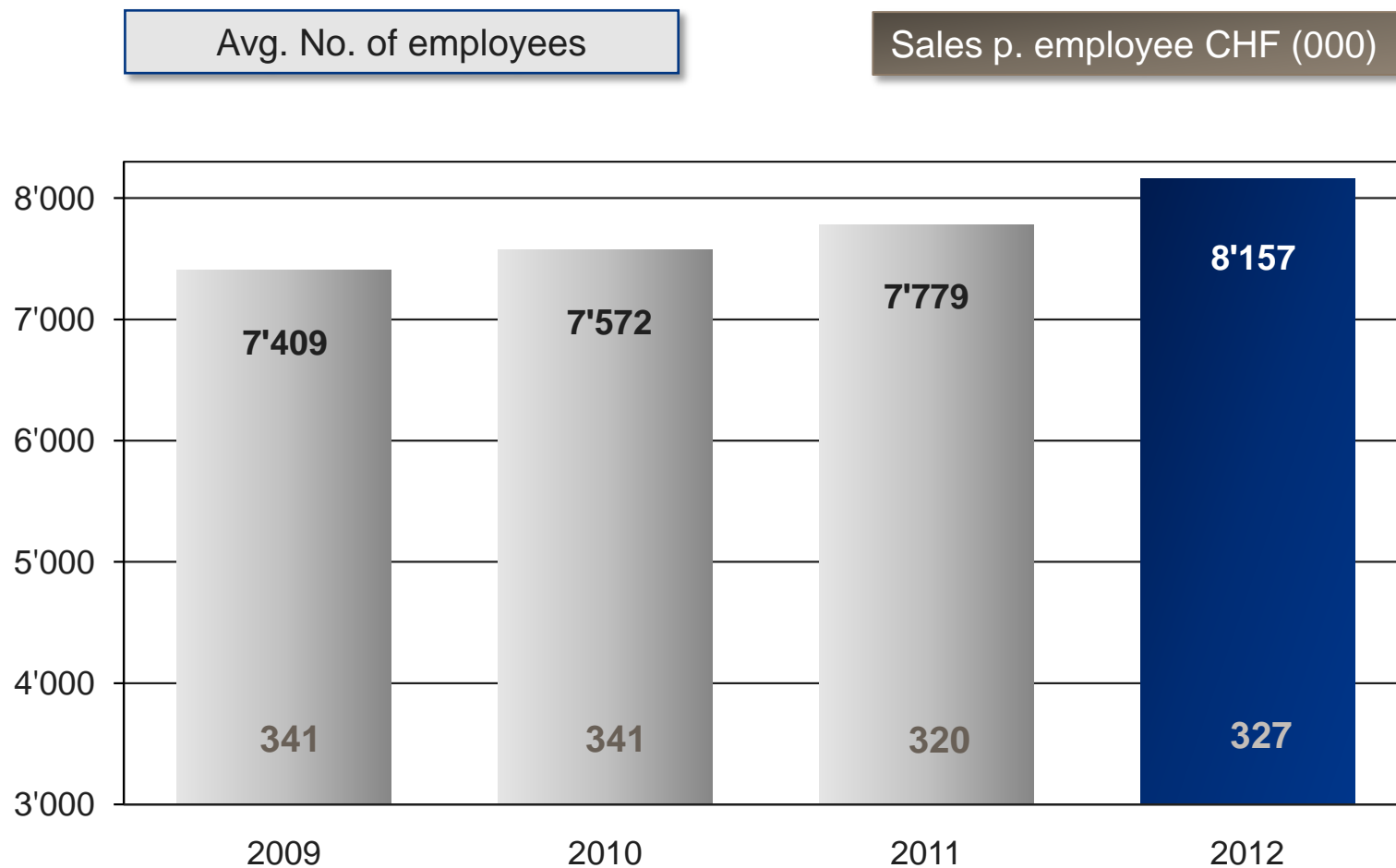
MATERIAL COSTS

➔ Decrease by 70 Basis Points in relation to Sales



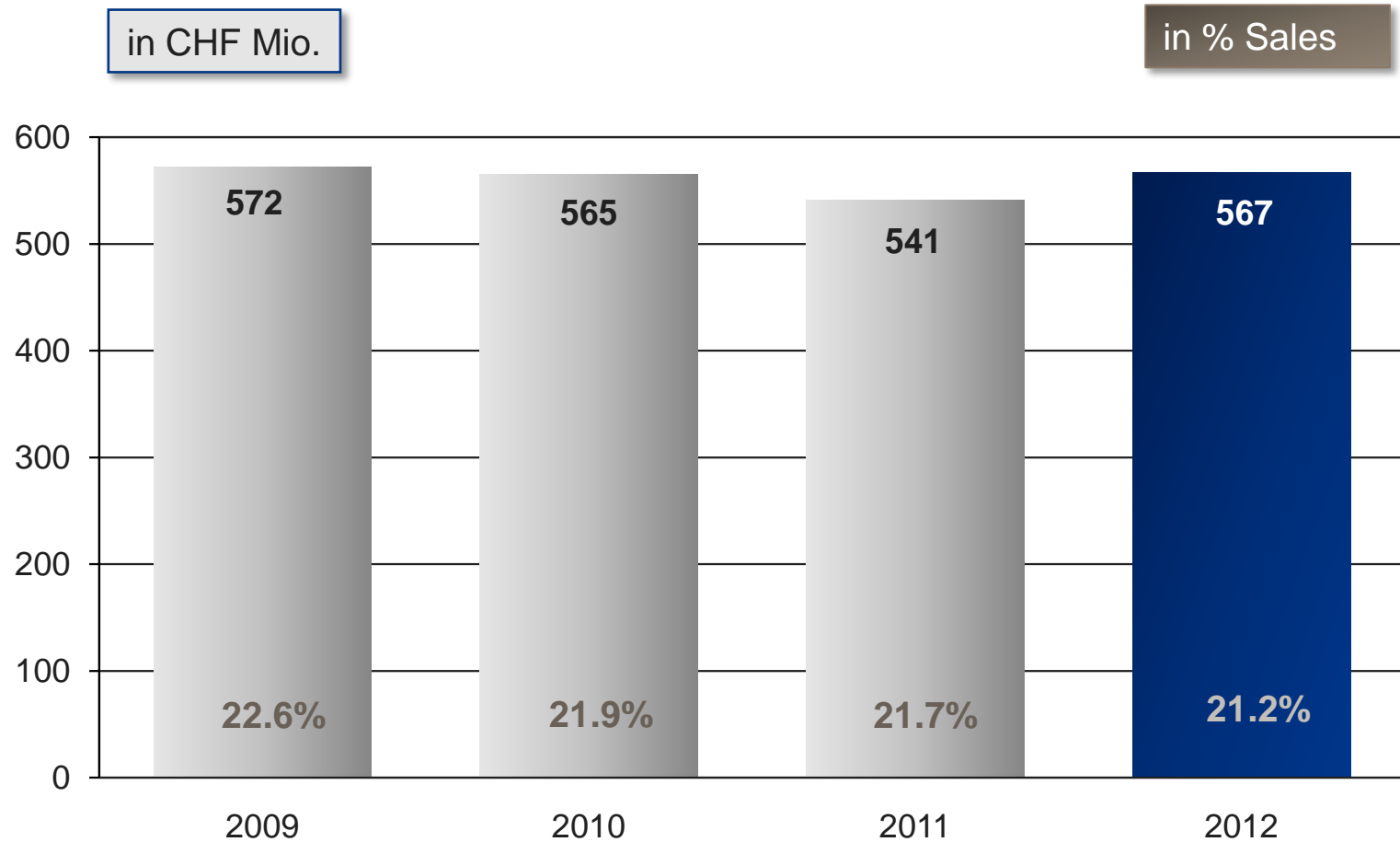
NUMBER OF EMPLOYEES & SALES PER EMPLOYEE

➔ Increase by 378 Employees mainly in Production and Retail



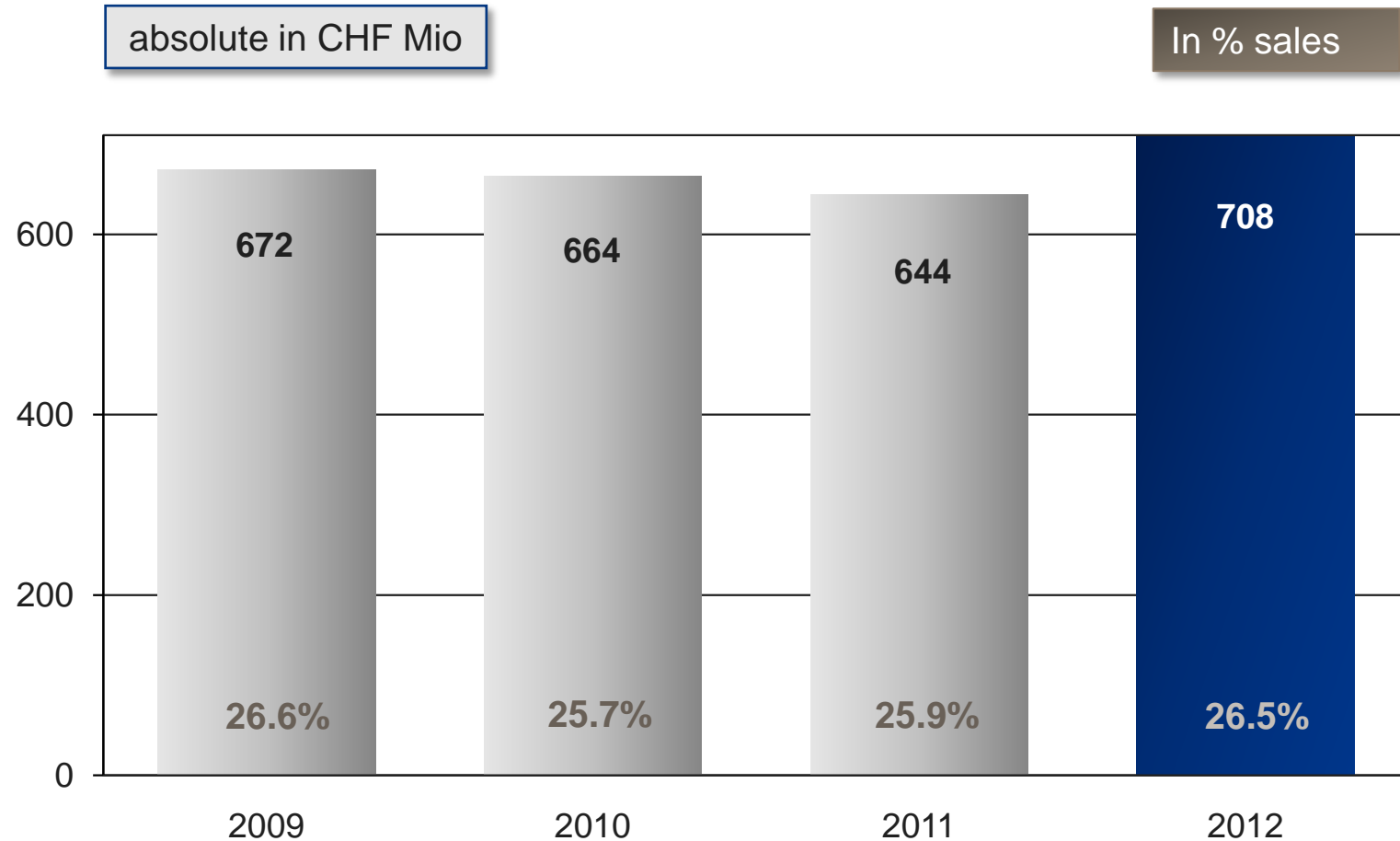
PERSONNEL EXPENSES

➔ Improvement of Cost Margin thanks to Efficiency Improvements



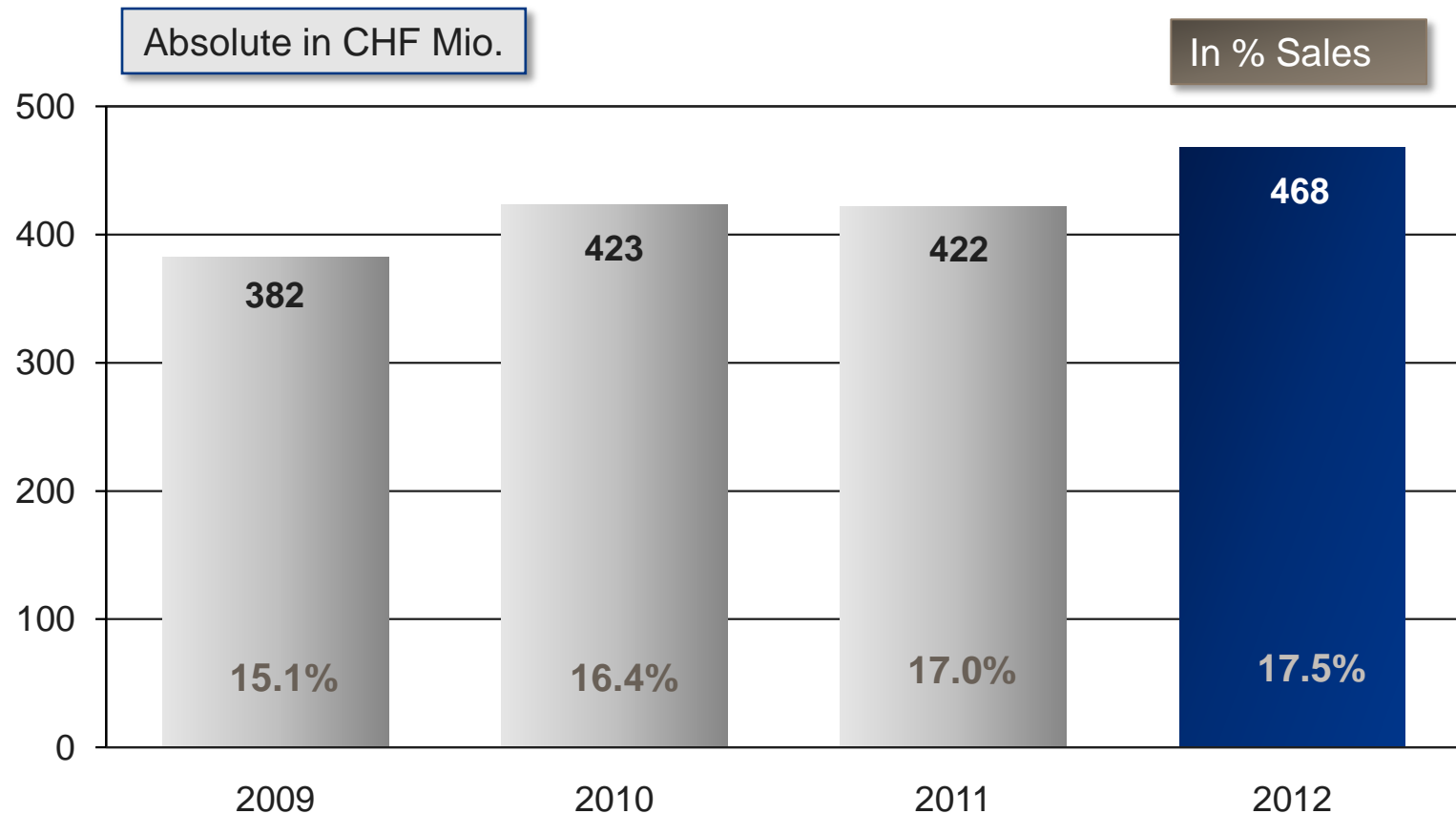
OPERATING EXPENSES

➔ Continuous Increase of Marketing Investments



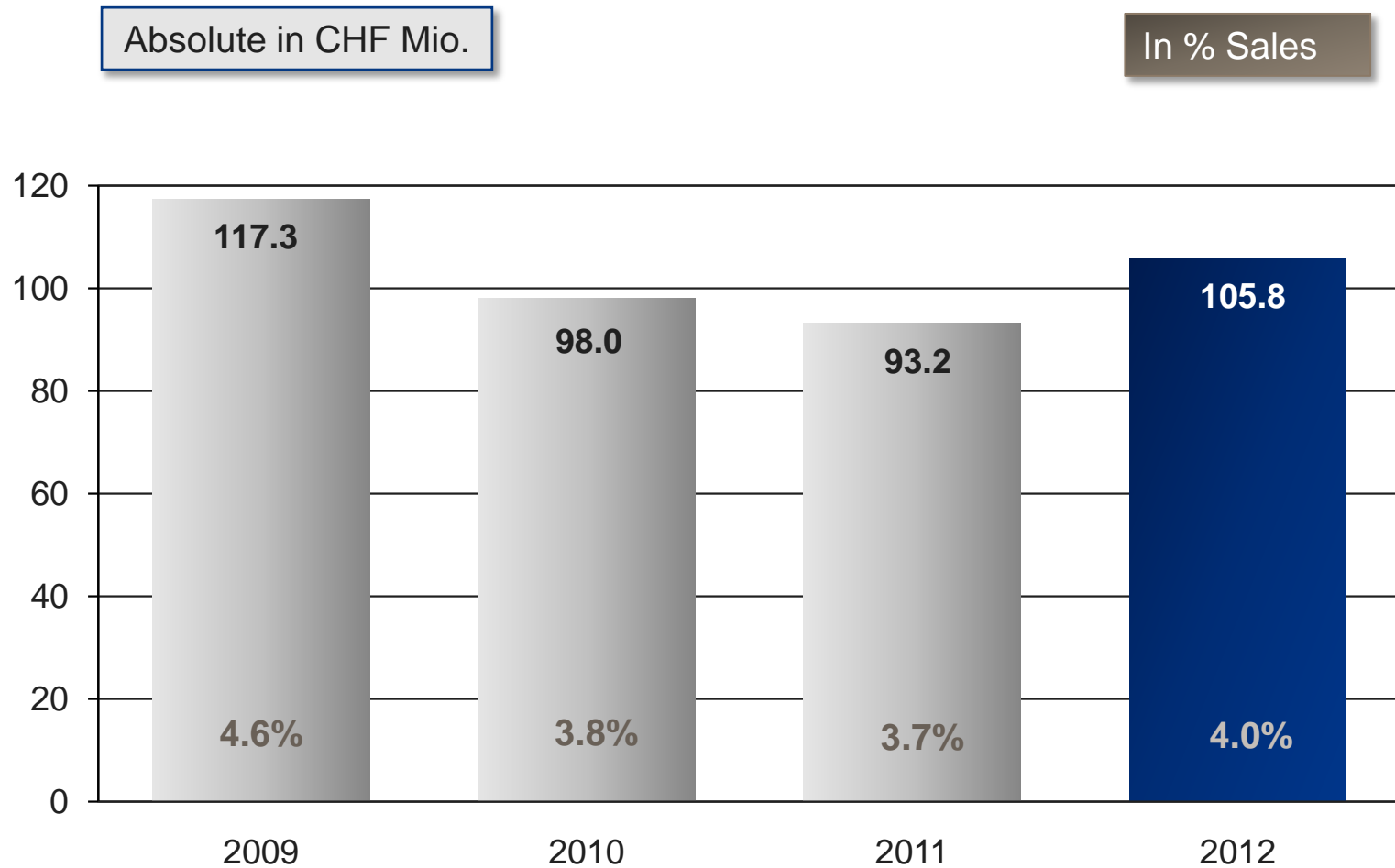
EBITDA

➔ Increase of Margin +50 BP / Organic Growth +11.1%



DEPRECIATION / IMPAIRMENTS

➔ Increase due to Capacity Expansion

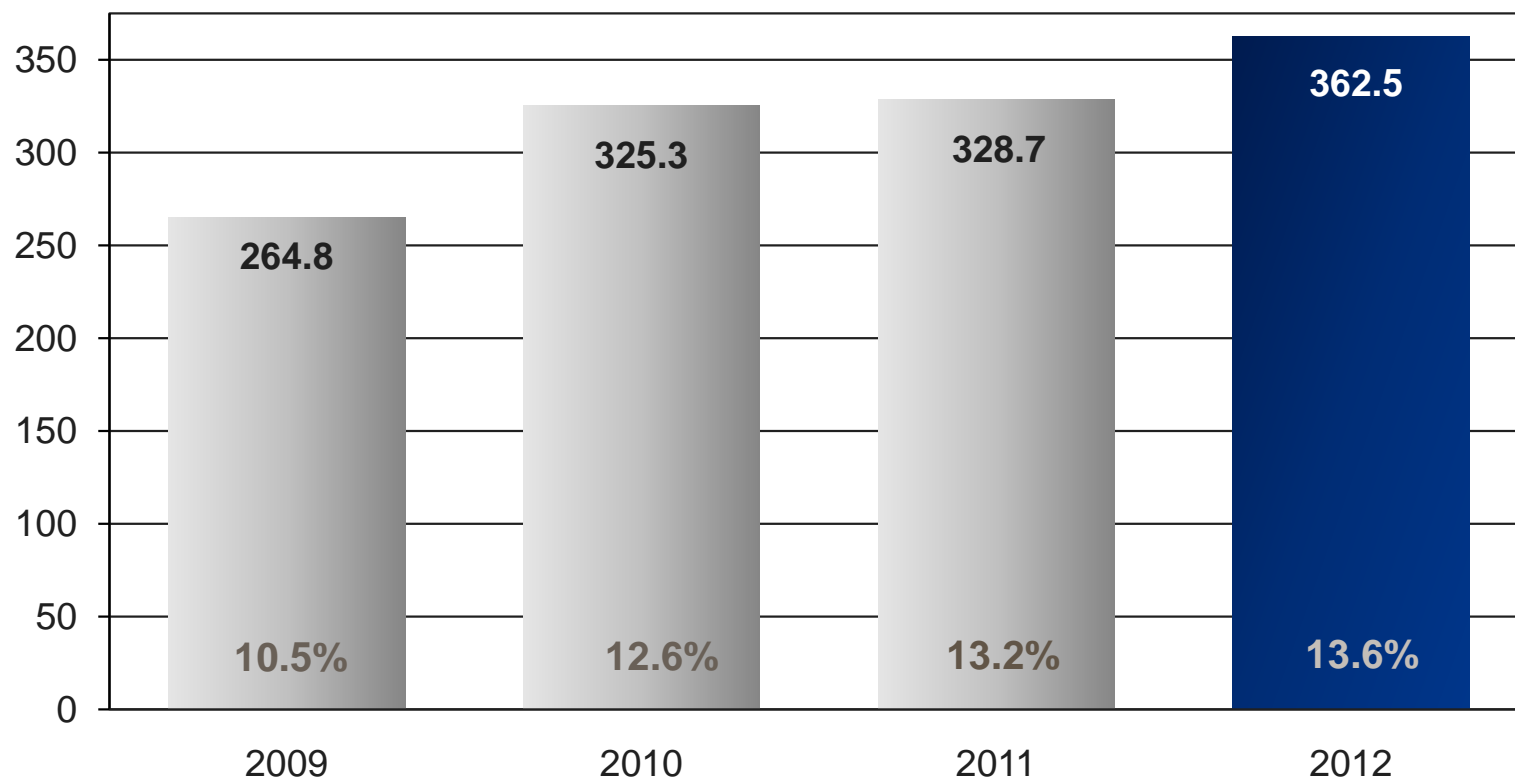


OPERATING PROFIT (EBIT)

➔ Increase of Margin +40 BP / Organic Growth: +10.4%

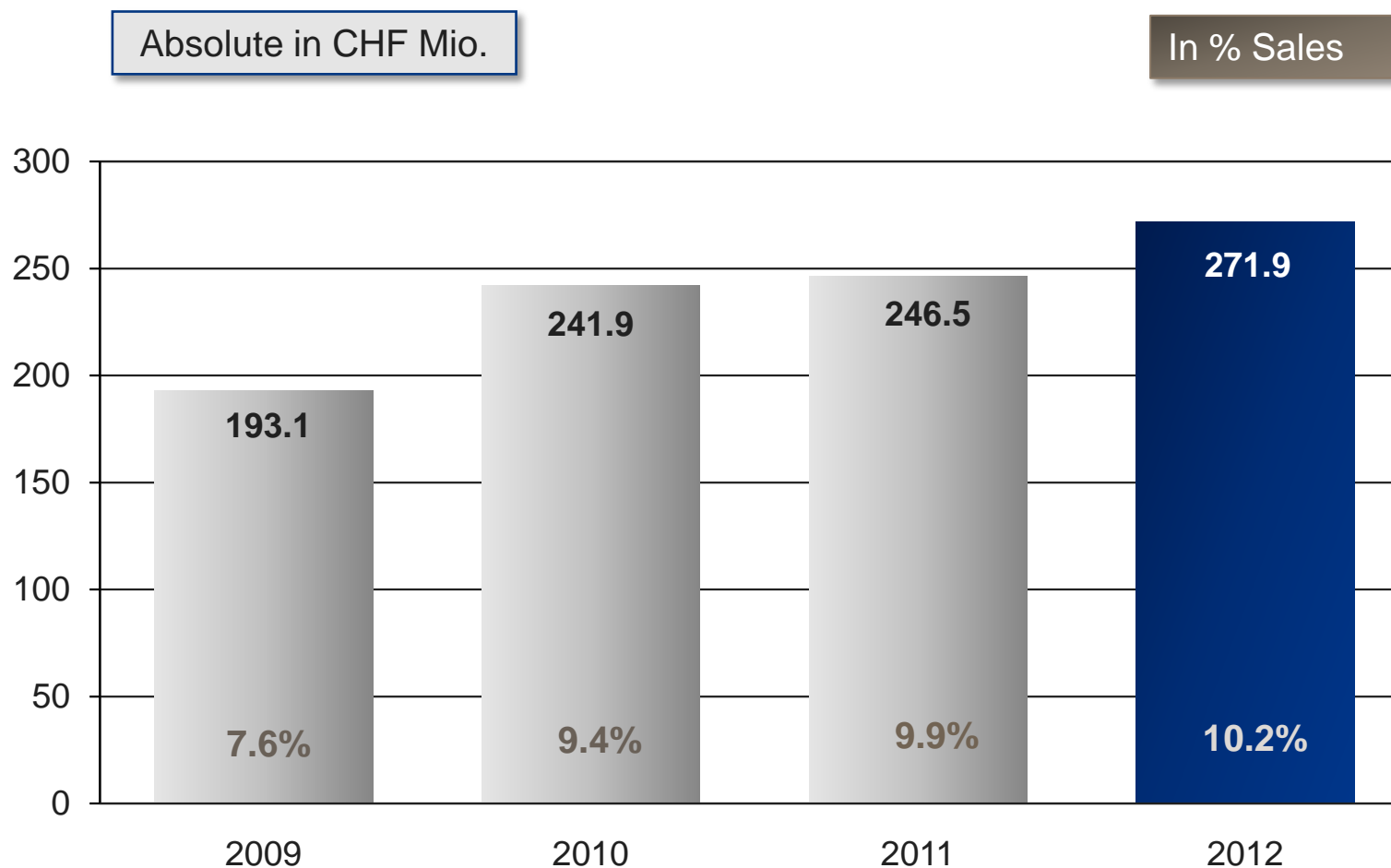
Absolute in CHF Mio.

In % Sales



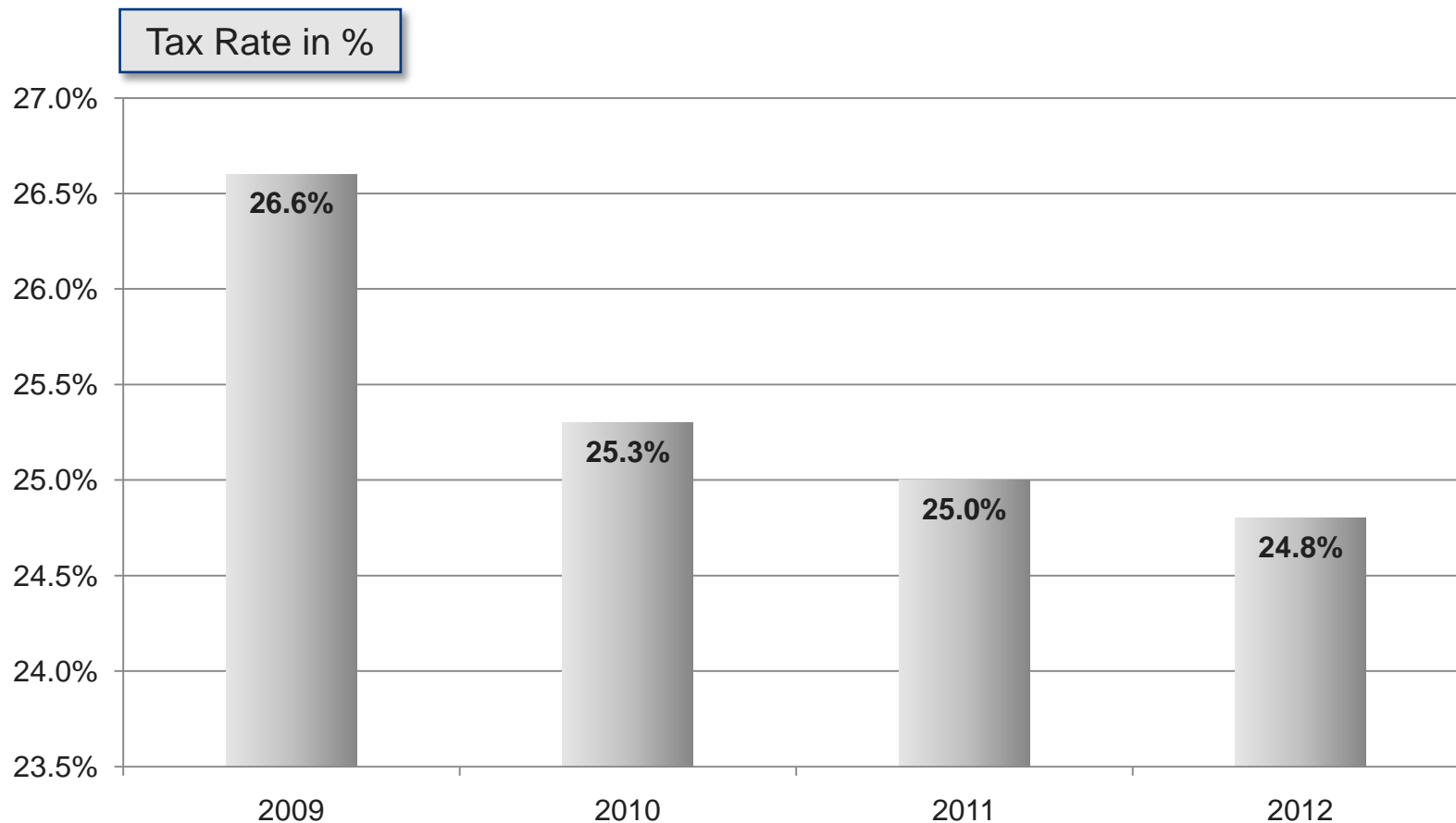
NET INCOME

➔ Margin Increase +30 BP / Organic Growth: +10.5%



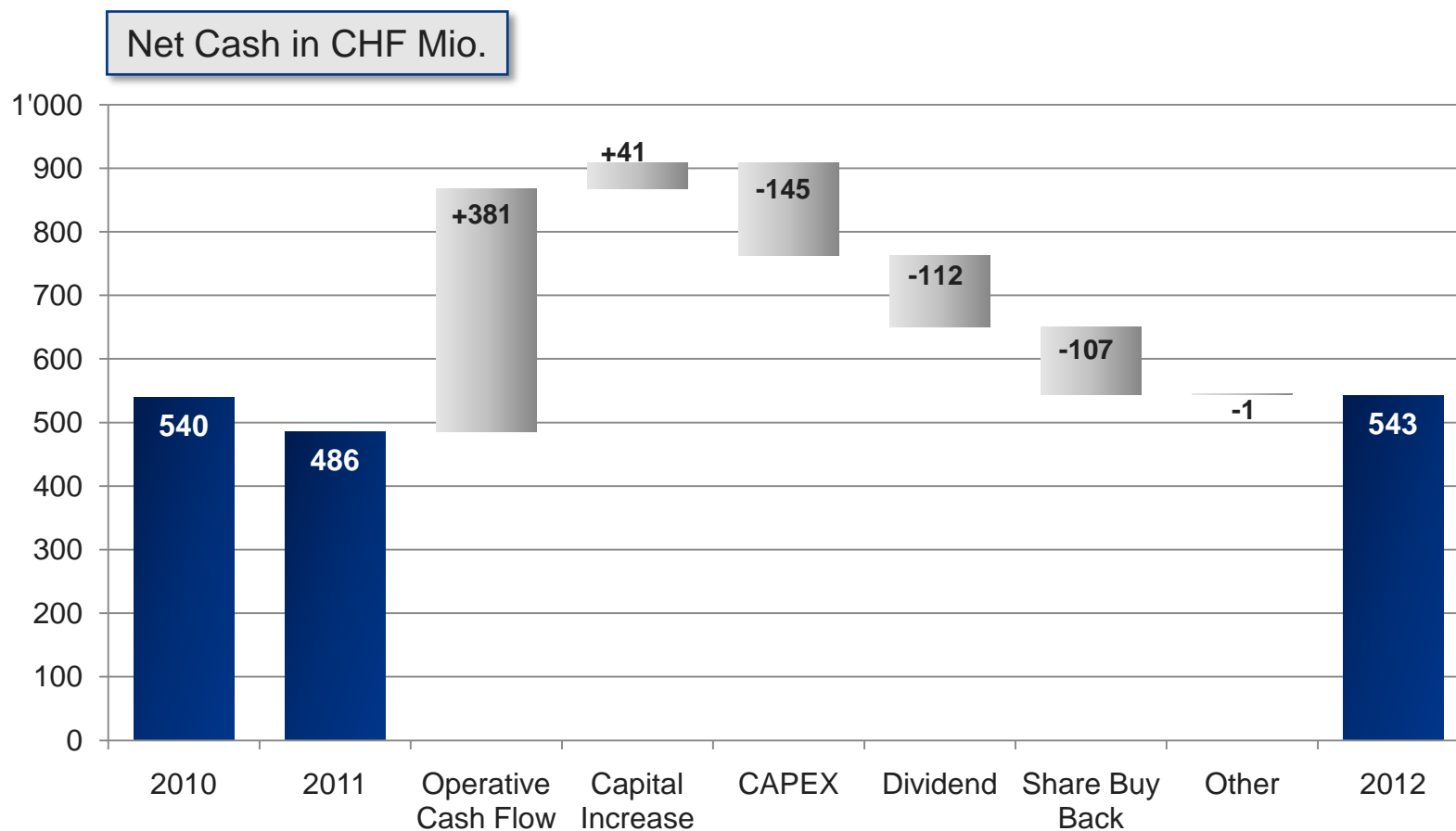
CORPORATE TAX RATE

➔ Record Low Tax Rate



NET LIQUIDITY – DEVELOPMENT

➔ Maintained high Liquidity despite Share Buy Back



SHARE BUY BACK

- Successful closure of Share Buy Back at 20.12.2012, reporting a total re-purchase of 5% of the share capital
- Total re-purchase of 3'889 registered shares and 75'253 PC's
- Total re-purchase volume of CHF 326.9 Mio.
- General Assembly on 18th of April 2013 will decide on a capital reduction via destruction of the remaining re-purchased 589 registered shares and 22'253 PCs



SOCIAL RESPONSIBILITY & SUSTAINABILITY

Integrated Element of the LINDT Premium Brand

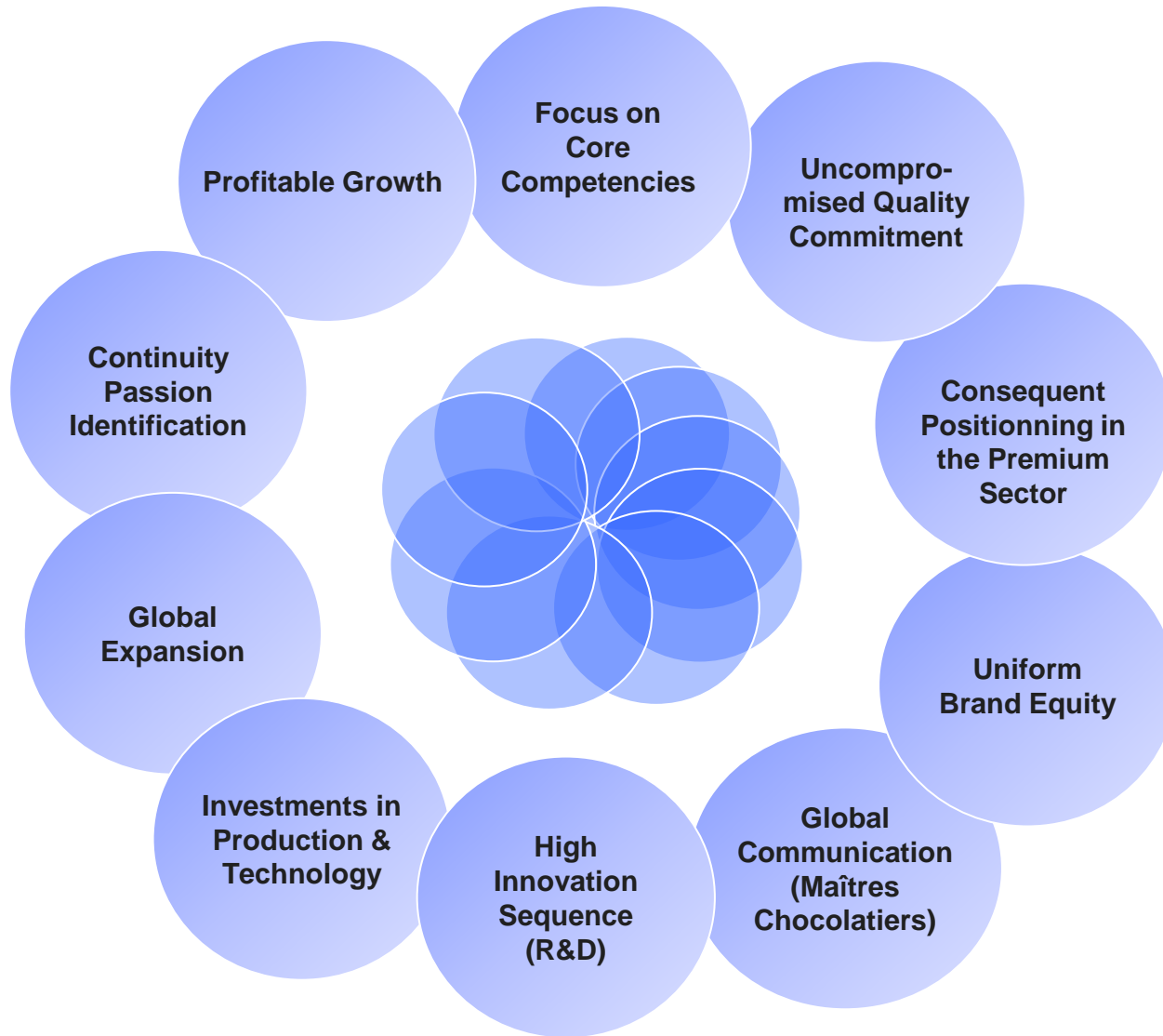
- Substantial engagement in all aspects of entrepreneurial activities
- Clearly formulated guidelines on Group level for employees and suppliers
- Transparent and comprehensive communication via the LINDT internet site:
<http://www.lindt.com/ch/swf/ger/das-unternehmen/social-responsibility>
- Complete control of the supply and production processes “From Cocoa Bean to Premium chocolate“
- Cocoa Bean Traceability: Ghana 100% // South America 50%
- Verification of Bean Supply: Ghana Program 2012-2016 / Commitment for verification of complete bean supply by 2020
- L&S measures represent an equal commitment to sustainability and social responsibility as efforts of „Fair Trade“-type of labels



REVIEW

20 Years of new management

SUCCESSFUL BUSINESS MODEL



FACTS & FIGURES

Measurable Success

In CHF	1992	2012	
Sales	0.8 bn	2.7 bn	> 3x
EBIT (EBIT Margin)	67 Mio. (8.4%)	363 Mio. (13.6%)	> 5x
Net Income (Income Margin)	38 Mio. (4.8%)	272 Mio. (10.2%)	> 7x
Share Performance (Registered)	2'800 (adjusted)	34'515	> 12x
Market Capitalization	492 Mio.	7'384 Mio.	= 15x
Employees	4'048	8'157	> 2x
Investments	~ CHF 2.5 bn in 20 years		
Sustainability	¾ of total cocoa bean supply is traceable		



OUTLOOK

2013

OUTLOOK 2013

CONTINUED DIFFICULT ECONOMIC ENVIRONMENT

- Weak signals for a stabilization of the currency environment
- Continued weak economies
- Increasing unemployment in Europe, restrained consumer sentiment
- Increased price sensitivity
- Prudent trade partners, private labels gaining shares
- Continued high volatilities of raw materials

Lindt & Sprüngli – Strengthening of the Brand, Ongoing Gain of Market Shares in Mature Markets, Expansion into New Markets

- Innovation and intensified marketing communication in mature markets
- Expansion in new growth markets – additionally supported by own Stores/Boutiques
- Intensification of the world wide implementation of own sales channel (Global Retail)
- Ongoing optimization via efficiency and cost management



OUTLOOK 2013

→ Confirmation of Mid-/Long Term Growth and Profit Goals

Organic Growth

+6 – 8%

Operating Margin (EBIT)

**+20 – 40
Basis Points**

Continued High Cash Generation



INCORPORATION

LINDT & SPRÜNGLI COCOA FOUNDATION

&

LINDT & SPRÜNGLI CHOCOLATE CENTER

INCORPORATION OF TWO NEW WELFARE FOUNDATIONS

- „Fonds for Pensionsergänzungen“ founded the 1940s
- Purpose of the Foundation: Supplementary benefits under the occupational pension schemes of the Swiss Lindt organization
- „Fonds“- assets: Thanks to excellent share price development of over 20 last years, foundation capital increased from ca. CHF 70 Mio. to > CHF 1.1 bn
- Accumulated assets of „Fonds“ over time considered excessive in view of the limited purpose of the foundation
- Thanks to support by the authorities ca. CHF 250 Mio. of the „Fonds“ could be brought into two new welfare foundations:
 - Lindt & Sprüngli Cocoa Foundation
 - Lindt & Sprüngli Chocolate Center
- After re-organization, the „Fonds für Pensionsergänzungen“ continuously to count on sufficient funds to meet its purpose



Lindt & Sprüngli COCOA FOUNDATION

- Lindt & Sprüngli will intensify in the next years its commitments in areas of sustainability and more pronounced in the field of raw materials, specifically cocoa
- New welfare foundation „Lindt & Sprüngli Cocoa Foundation“ will complement ongoing efforts of Lindt & Sprüngli
- Purpose: Improvement of the living conditions of our raw materials‘ producers by improving yield and quality of crops and by providing them with technical education and financial support
- Activities: Support of initiatives and projects of Third Parties and other foundations with same/similar goals
- Focus products
 - Cocoa
 - Nuts



Lindt & Sprüngli CHOCOLATE CENTER

- Swiss chocolate pioneers have laid in the 19th century the headstones for a successful domestic chocolate industry
- LINDT as global premium brand with Swiss origin feels obliged to maintain and even further enhance the image of the chocolate brand „Swiss“ in the domestic as well as in the global markets
- Purpose: Maintain and develop technological know-how in the chocolate production, improve education of young professionals in this context and promotion of public interest in all aspects of the product „chocolate“.
 - Education center for chocolate professionals; providing basic and advanced training of young professionals in the field of chocolate
 - Facilitation of development of new chocolate technologies, procedures and processes
 - Operation of a chocolate museum addressing topics related to cocoa and chocolate



DISCLAIMER

This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange- and commodity price fluctuations, competitive product and pricing pressures and regulatory developments.



