



Media Release

Geneva, 8 October 2020

2020 Nine month sales Continued good sales growth

Business performance

In the first nine months of 2020 Givaudan recorded sales of CHF 4,790 million, an increase of 3.7% on a like-for-like¹ basis and 2.7% in Swiss francs.

Fragrance & Beauty sales were CHF 2,199 million, an increase of 4.5% on a like-for-like¹ basis and an increase of 5.3% in Swiss francs.

Taste & Wellbeing sales were CHF 2,591 million, an increase of 3.1% on a like-for-like¹ basis and an increase of 0.6% in Swiss francs.

As the COVID-19 pandemic continues to have an impact on a global level, Givaudan sustained good business momentum whilst maintaining its operations and global supply chain with minimal disruption. The good growth was achieved across most product segments and geographies, with particularly strong performance in household, health and personal care segments within Givaudan Fragrance & Beauty, as well as in packaged foods, savoury, snacks and nutraceuticals in Givaudan Taste & Wellbeing. In the product segments most affected by the COVID-19 pandemic, namely Fine Fragrances and to a lesser extent Active Beauty in Fragrance & Beauty and Foodservice in Taste & Wellbeing, the Group experienced a continued reduction in business activity, as the restrictions related to the COVID-19 pandemic curtailed retail and travel retail activity as well as out-of-home food consumption.

"I am very pleased with our good sales performance during a period where the COVID-19 pandemic continues to have a significant impact on the world. Givaudan continues to demonstrate our market leadership and the important role that we play in sustaining the global supply chain in food and beverage as well as in household, health and personal care products," said CEO Gilles Andrier. "I am especially proud of the entire Givaudan organisation for their ongoing dedication and for enabling us to continue to support our customers to keep critical products available to consumers throughout the COVID-19 crisis."





Geneva, 8 October 2020

In the continuing challenging environment related to the COVID-19 crisis and in line with the Company's purpose, Givaudan is strongly focused on:

- Protecting and supporting its employees. Be it those on site or those who are still working from home;
- Meeting the demands of its customers. Particularly for those products which support consumers throughout the pandemic around the world;
- Taking care of the communities in which it operates.

2020 guidance: Responsible growth. Shared success.

The Company's 2020 ambition is to create further value through profitable, responsible growth. Building on the first four years of this strategic cycle, Givaudan's 2020 ambition is defined around the three strategic pillars of 'Growing with our customers', 'Delivering with excellence' and 'Partnering for shared success'.

As part of the Company's 2020 strategy, Givaudan also seeks to create value through targeted acquisitions, which complement existing capabilities in providing winning solutions for its customers. Since 2014, Givaudan has completed sixteen acquisitions, which are fully in line with the growth pillars within the Company's 2020 strategy.

Ambitious financial targets are a fundamental part of Givaudan's strategy. We aim to outpace the market with 4-5% sales growth and a free cash flow² of 12-17% of sales, both measured as an average over the five-year period of our strategy cycle. It is Givaudan's intention to maintain its current dividend practice as part of this ambition.

Givaudan's purpose

The Company's purpose, 'Creating for happier, healthier lives with love for nature. Let's imagine together', is at the heart of its strategy. Under the purpose, Givaudan has defined bold and ambitious goals in four domains, namely creations, nature, people and communities. These ambitions include doubling its business through creations that contribute to happier, healthier lives by 2030, becoming climate positive before 2050, becoming a leading employer for inclusion before 2025 and sourcing all materials and services in a way that protects the environment and people by 2030.



Geneva, 8 October 2020

Sales January to September

in millions of Swiss francs	2019 Sales as reported	Like-for-like development ¹	2020 Sales like-for-like ¹	Change % on like-for- like basis ¹	Acquisition impact (net) ^a	Currency effects	2020 Sales as reported	Change % in Swiss francs
Group	4,664	173	4,837	3.7%	270	(317)	4,790	2.7%
Fragrance & Beauty	2,088	94	2,182	4.5%	176	(159)	2,199	5.3%
Taste & Wellbeing	2,576	79	2,655	3.1%	94	(158)	2,591	0.6%

a. Acquisition impact (net)

in millions of Swiss francs

Acquired Company	Sales included from	Group	Fragrance & Beauty	Taste & Wellbeing
Albert Vieille	May 2019	5	5	
Golden Frog	September 2019	8		8
Drom	September 2019	83	83	
Fragrance Oils	September 2019	42	42	
Ungerer	February 2020	147	46	101
Discontinued and disposed business		(15)		(15)
Total		270	176	94

Sales July to September

in millions of Swiss francs	2019 Sales as reported	Like-for-like development ¹	2020 Sales like-for-like ¹	Change % on like-for- like basis ¹	Acquisition impact	Currency effects	2020 Sales as reported	Change % in Swiss francs
Group	1,570	48	1,618	3.1%	76	(125)	1,569	0.0%
Fragrance & Beauty	727	32	759	4.4%	49	(65)	743	2.3%
Taste & Wellbeing	843	16	859	1.9%	27	(60)	826	-2.1%

Sales evolution by market – January to September

in millions of Swiss francs	2019 Sales as reported	Like-for-like development ¹	2020 Sales like-for-like ¹	Change % on like-for- like basis ¹	Acquisition impact	Currency effects	2020 Sales as reported	Change % in Swiss francs
Mature markets	2,693	20	2,713	0.8%	178	(114)	2,777	3.1%
High growth markets	1,971	153	2,124	7.8%	92	(203)	2,013	2.1%



Geneva, 8 October 2020

Sales evolution by region – January to September

in millions of Swiss francs	2019 Sales as reported	2020 Sales as reported	Change % on like-for- like basis ¹	Change % in Swiss francs
LATAM	518	504	16.4%	-2.6%
APAC	1,210	1,216	2.1%	0.5%
NA	1,264	1,356	4.6%	7.3%
EAME	1,672	1,714	0.3%	2.5%

Givaudan Fragrance & Beauty

Fragrance & Beauty sales were CHF 2,199 million for the first nine months of 2020, an increase of 4.5% on a like-for-like¹ basis and an increase of 5.3% in Swiss francs over 2019.

Sales growth was driven by the particularly strong volume growth of the consumer products business unit and the improving performance of Fine Fragrances in the third quarter.

Total sales of Fragrance Compounds (Fine Fragrances and Consumer Products combined) increased by 5.1% on a like-for-like¹ basis. In Swiss francs, sales of compounds increased by 5.5% to CHF 1,894 million from CHF 1,796 million in 2019.

Fine Fragrances

Fine Fragrance sales decreased by 11.3% on a like-for-like¹ basis against strong comparable of 8.0% growth in 2019, with the results continuing to be impacted by the COVID-19 pandemic.

On a regional basis, sales in Western Europe were negatively impacted by the overall slowdown in demand from Prestige Brands due to the restrictions on retail and travel retail activities, whilst in North America there were positive signs of a recovery in the third quarter as consumers started to regain access to retail channels. In the high growth markets, double-digit sales growth in Latin America contributed to the high single-digit growth performance overall.

Consumer Products

Consumer Products sales increased by 9.9% on a like-for-like¹ basis against a strong comparable growth of 8.6% in 2019, thanks to continuing strong demand for household, health and personal care products related to COVID-19. This excellent growth was achieved in both high growth and mature markets and across all regions and customer groups.

On a regional basis, Latin America reported double-digit growth across all customer groups and most sub-regions. Asia recorded good growth led by a high single-digit increase with local and regional customers. Europe, Africa and the Middle East delivered high single-digit sales growth led by local and regional customers and strong double-digit growth in the African and Middle East sub-region. North America posted double-digit growth spread across all product segments led by the strong performance of international customers.



Geneva, 8 October 2020

On a product segment basis, sales growth was led by a double-digit increase in Home Care and Fabric Care, followed by solid performance in Personal Care.

Fragrance Ingredients and Active Beauty

Sales of Fragrance Ingredients and Active Beauty increased by 0.8% on a like-for-like¹ basis, against strong comparable growth of 9.3% in 2019. Active Beauty performed relatively well in difficult market conditions related to COVID-19, with a minimal sales reduction thanks to its well balanced portfolio of products and customers. Fragrance Ingredients delivered moderate single digit growth driven by local and regional customers.

Givaudan Taste & Wellbeing

Taste & Wellbeing sales were CHF 2,591 million for the first nine months of 2020, an increase of 3.1% on a like-for-like¹ basis and an increase of 0.6% in Swiss francs over 2019.

The sales performance was driven by both new wins and existing products, with good business momentum sustained across all regions, despite the continuing impact of the COVID-19 pandemic affecting all regions. The key strategic focus areas of the 2020 strategy, namely health and wellbeing and naturals grew at double-digit and single-digit levels respectively.

Linked to the COVID-19 pandemic, Givaudan Taste & Wellbeing experienced a continued shift in demand from foodservice and alcoholic beverages into higher demand for existing products in categories such as immunity products, juice based beverages, culinary solutions, nutritional bars, savoury and snacks.

From a segment perspective Beverages, Dairy, Savoury and Snacks all contributed to the positive sales performance driven by increased demand for traditional centre of the store foods.

Asia Pacific

Sales in Asia Pacific decreased slightly by 0.2% on a like-for-like¹ basis, against a comparable growth of 6.7% in 2019. In the high growth markets, China delivered strong double-digit performance, followed by solid single-digit growth in Thailand and the Philippines, whilst the markets in India, Indonesia and Malaysia were strongly impacted by the COVID-19 crisis. In the mature markets, Korea delivered strong single-digit growth, offset by more challenging conditions in Singapore and Oceania linked to COVID-19.

Europe, Africa and the Middle East

Sales in Europe, Africa and the Middle East increased by 2.0% on a like-for-like¹ basis. The mature markets of France, Germany, Benelux and Northern Europe all achieved good single-digit growth. In the high growth markets, there was excellent business momentum driven by double-digit growth in Russia and Turkey, as well as in the Maghreb and North Africa/Levant sub-regions.

The growth was mainly achieved in the segments of Dairy, Savoury and Snacks.



Geneva, 8 October 2020

North America

Sales in North America increased by 4.6% on a like-for-like¹ basis driven by the strong performance of global as well as local and regional customers. The performance was a result of new wins and strong growth of existing business in Beverages, Snacks and Sweet Goods.

Latin America

Sales in Latin America increased by 10.0% on a like-for-like¹ basis against a strong comparable growth of 19.7% in 2019. The growth was led by strong double-digit growth in Brazil and Argentina and good single-digit growth in Colombia, Chile and Mexico.

The growth was led by the segments of Beverages, Dairy and Savoury.

NOTES

¹ Like-for-like (LFL) is defined as: (a) sales calculated using the invoicing exchange rates of the prior year, (b) excluding sales of businesses acquired from the acquisition date until the period end date, up to 12 months from the acquisition date, and (c) excluding sales of the businesses disposed of from the disposal date until the period end date of the comparable prior period.

² Free Cash Flow (FCF) refers to operating cash flow after net investments, interest paid and lease payments.

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