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Good business momentum with strongly improved net profit

Half year results 2012

Vernier, 3 August 2012

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Gilles Andrier

CEO

Half Year Results 2012
Financial highlights

- Sales CHF 2.1 billion, up 6.9% in local currencies, in line with mid-term guidance
- Developing markets account now for 43% of sales and grew 14%
- Comparable EBITDA increased by 12% to CHF 428 million
- EBITDA margin improved to 20.1%
- Net income CHF 201 million, up 68% year on year
- Strongly improved free cash flow at 5.7% of sales

Half Year Results 2012
Business highlights

- Strong business momentum
  - Successful commercialisation of innovations in the Fragrance and Flavour Division
  - Continuous improvement of win rate
  - Maintained strong growth in emerging markets

- Key initiatives fully on track
  - Good progress against all pillars of the five year strategy
  - Savoury manufacturing facility in Makó, Hungary – construction completed
  - Roll-out of SAP completed

Our 2012 half year results are a further convincing demonstration of the continued value we bring to our customers, across all regions and segments

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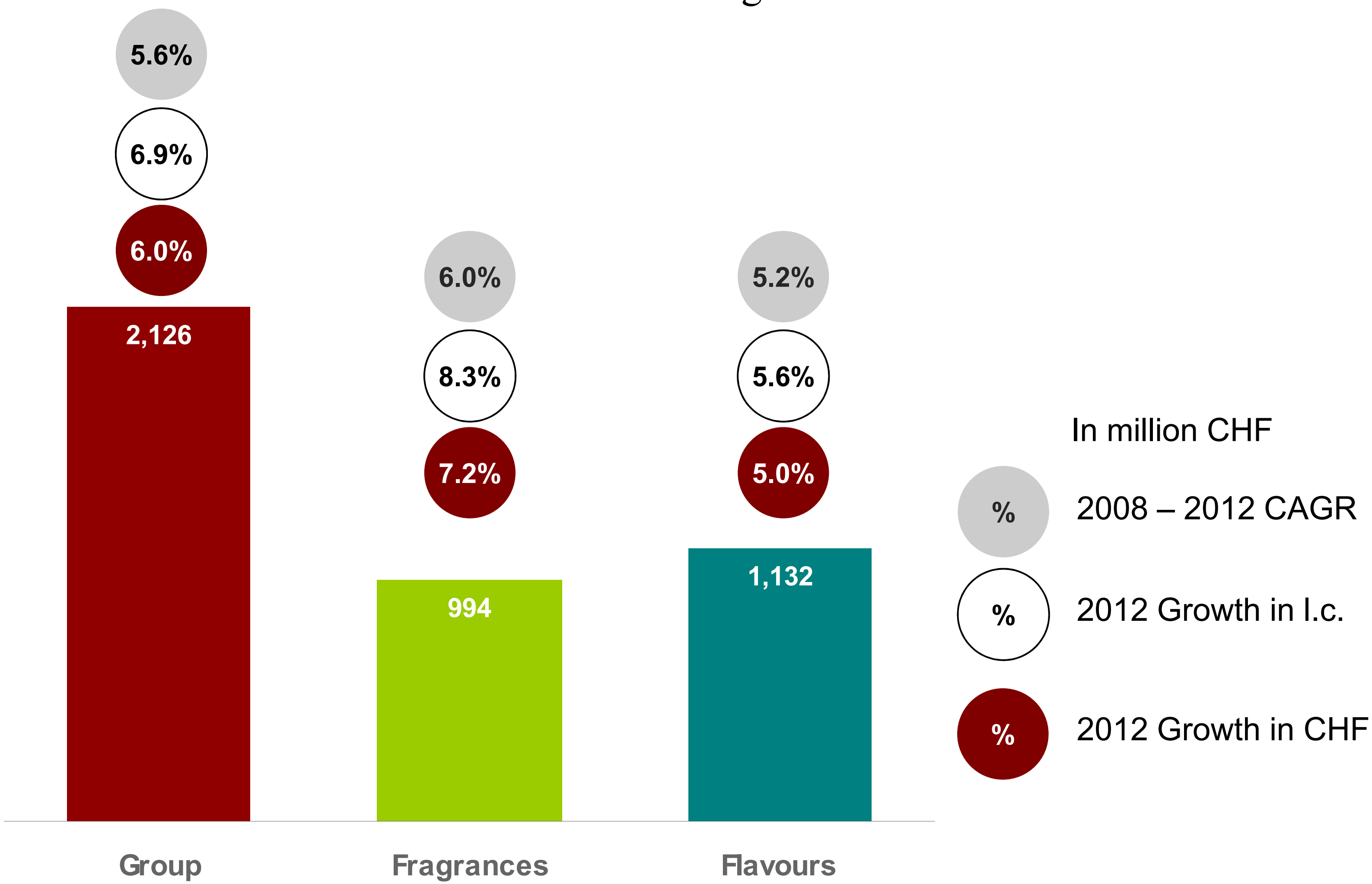
Half Year Sales 2012 Performance

In line with mid-term guidance



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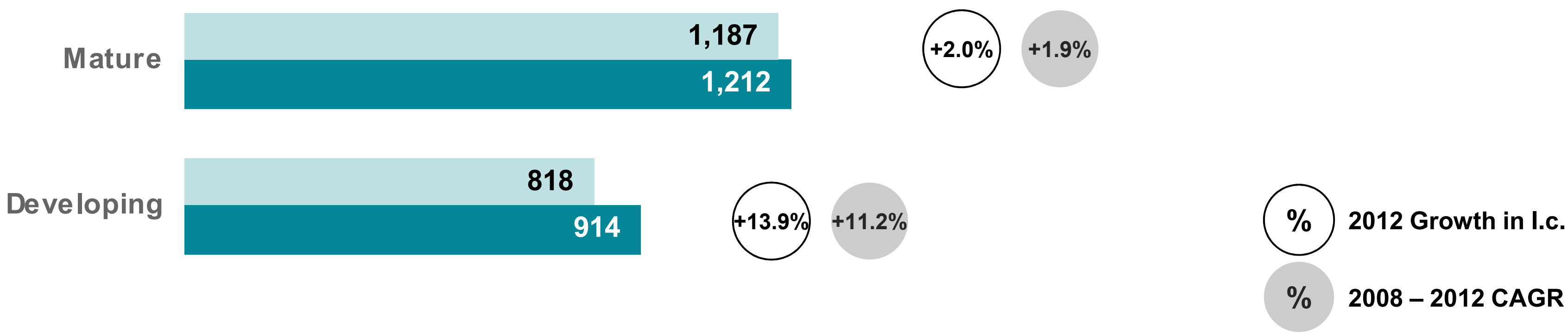
Sales evolution by market
(in million CHF)



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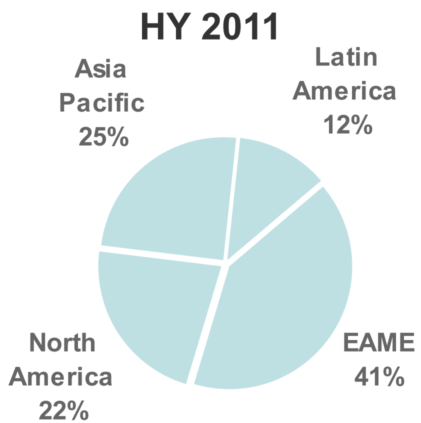
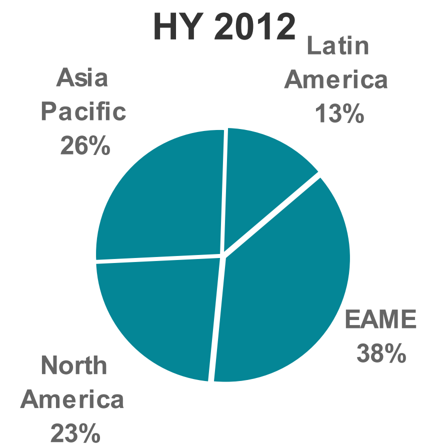
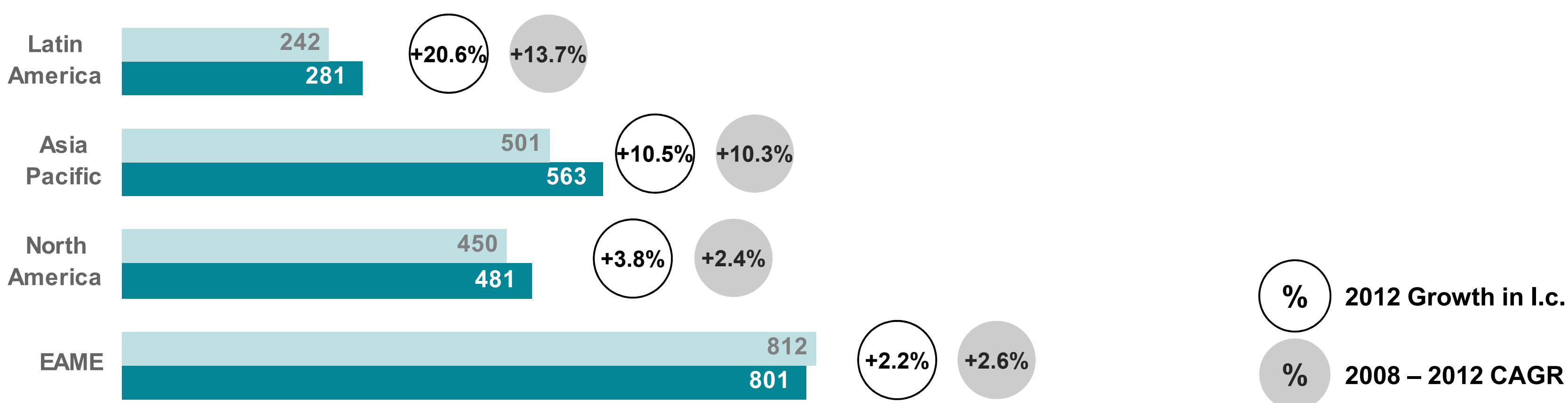
Sales evolution by region
(in million CHF)







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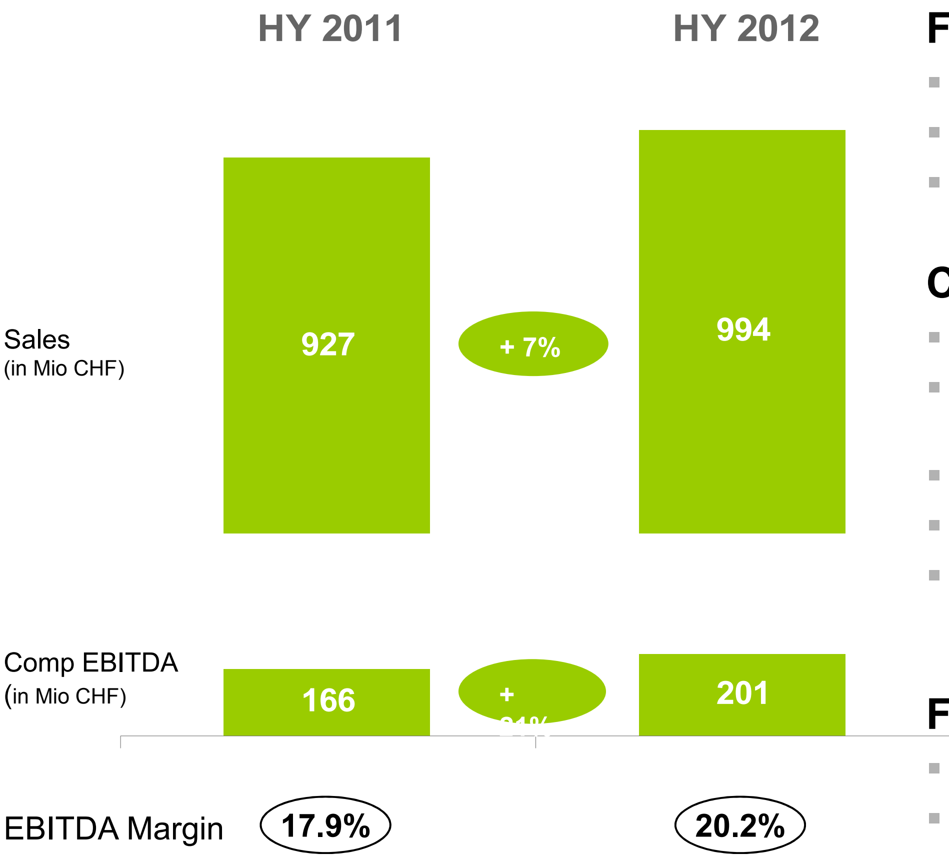
Fragrance Division

Sales and comparable EBITDA



Fine Fragrances grew 2.4% in l.c.

- Strong double digit growth in Latin America
- Good inflow of new business in Europe
- Sales decline in North America

Consumer Products up 12.2% in l.c.

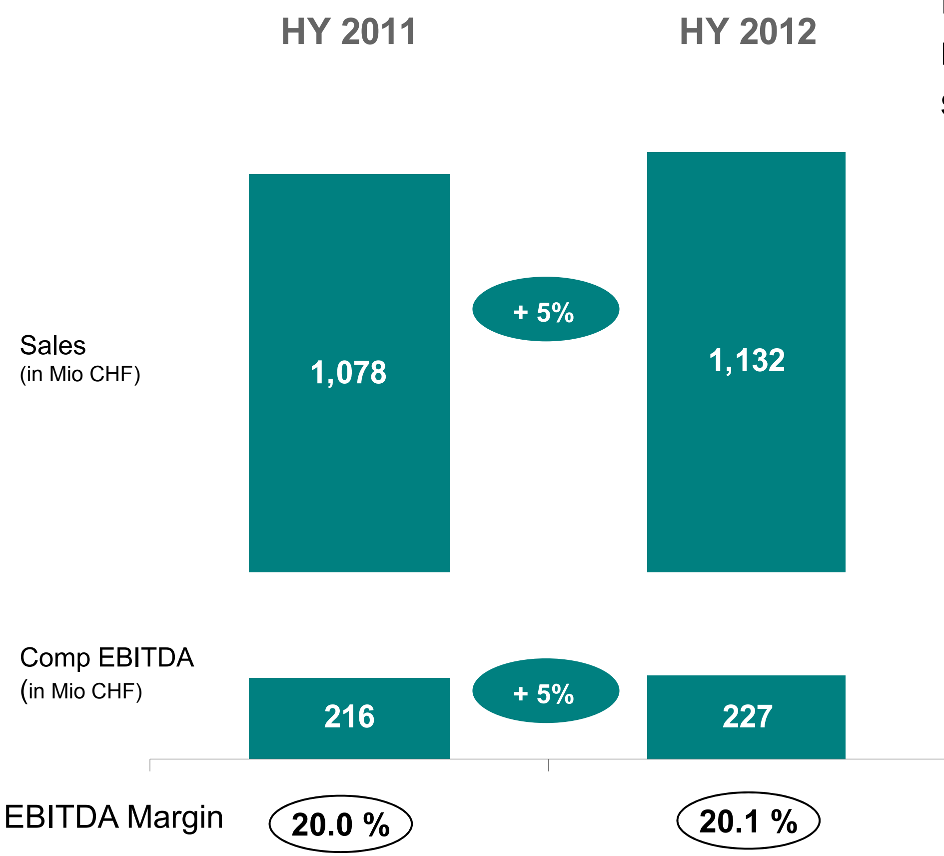
- Both developing and mature markets contributed
- Strong double digit growth in Asia Pacific and Latin America
- Good growth in North America and CAMEA
- Flat sales in Western Europe
- Double digit growth in Fabric, Personal Care and Oral Care

Fragrance Ingredients down 2.1% in l.c.

- Double digit growth in specialties
- Weak performance of commodities

Flavour Division

Sales and comparable EBITDA



Double-digit growth in developing markets, Health and Wellness taste solutions and beverages

- **Asia Pacific** increased 6.1% in l.c. with particularly strong growth in India, Indonesia and Thailand.
- **Europe, Africa and Middle East** grew 4.4% in l.c. with double digit growth in the developing markets.
- **North America** grew 3.9% in l.c. with particularly good growth in Beverages and Snacks.
- **Latin America** increased 12.8% in l.c. led by Argentina and Mexico.

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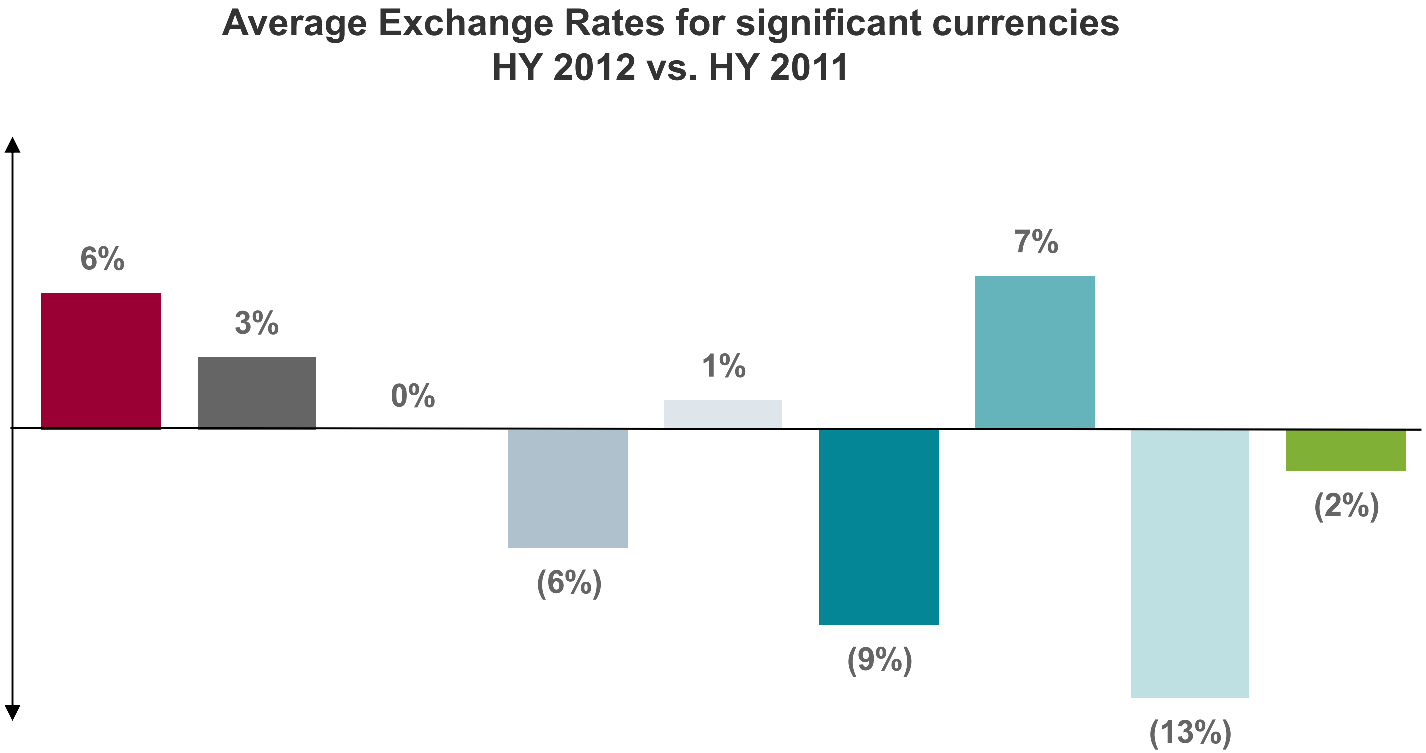
Matthias Währen

CFO

Exchange Rates Development

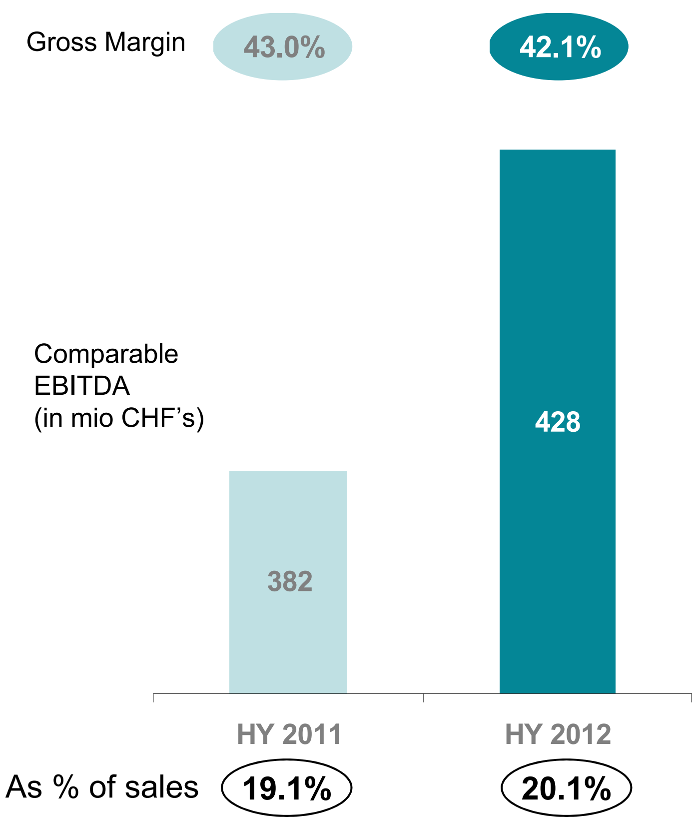
Swiss Franc overall stable against all currencies for the first six months of the year



	JPY	USD	GBP	EUR	SGD	BRL	CNY	MXN	IDR
HY 2012	1.17	0.93	1.46	1.20	0.73	0.50	0.15	0.07	1.01
HY 2011	1.10	0.90	1.46	1.27	0.72	0.55	0.14	0.08	1.03

Operating performance

Price increases, volumes and cost control helping to improve profitability

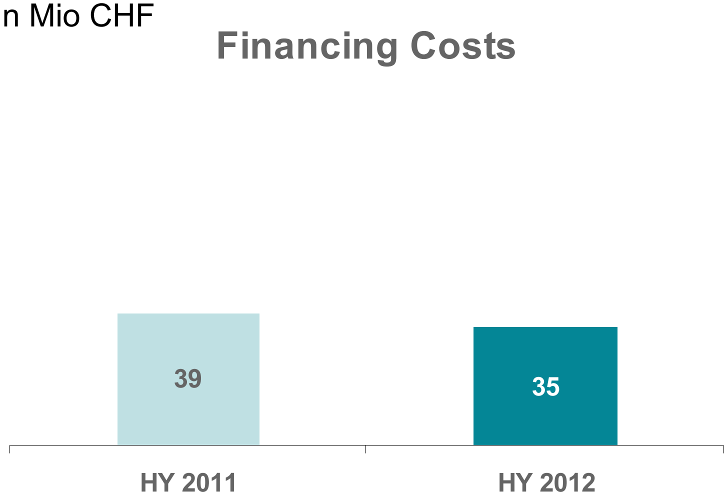


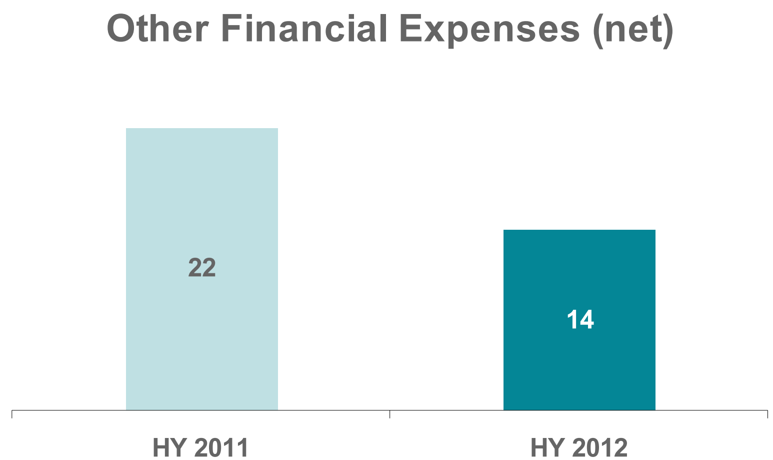
- Sales of CHF 2,126 million (2011: CHF 2,005 million)
- Gross Margin of 42.1%, down from 43.0%
  - high priced raw materials
  - inventory write offs in Flavours (CHF 10 million)
  - additional pension cost
  - transfer costs savoury production Mako
- Operating expenses remain under control
- Comparable EBITDA of CHF 428 million (2011 CHF 382 million), currency impact less than CHF 1 million
- Comparable EBITDA margin of 20.1%, up from 19.1% in 2011.
- Operating Income of CHF 295 million (2011: CHF 215 million), given lower integration costs and amortisation of intangibles.

Financing Costs and Other Financial Expenses

Under control and helped by stable currency environment

In Mio CHF





- Financing costs down in 2012, with lower interest rate financing locked in for foreseeable future
- Other financial income and expenses – lower, driven by stable currency environment

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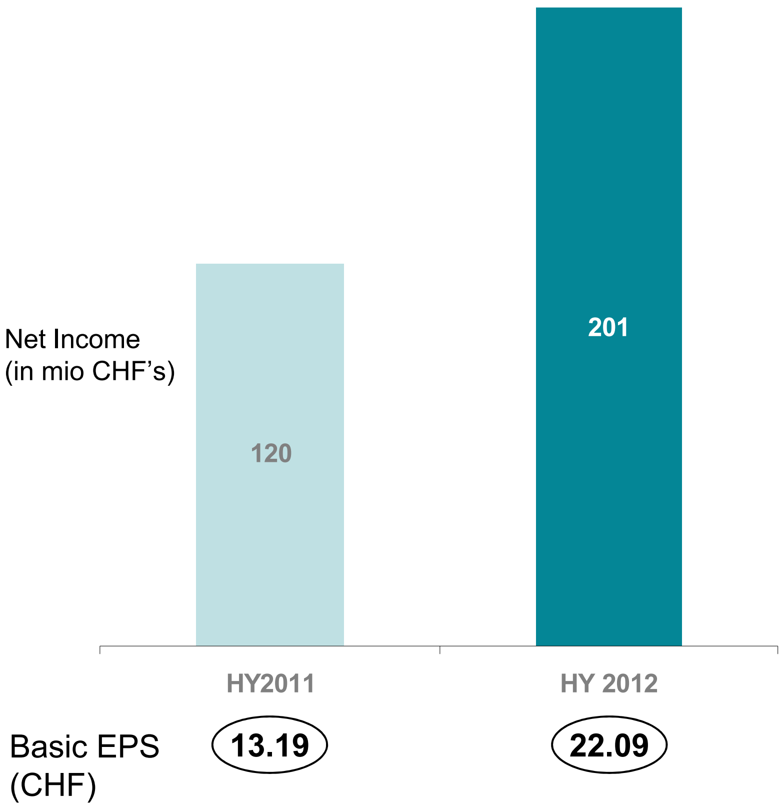
Net Income

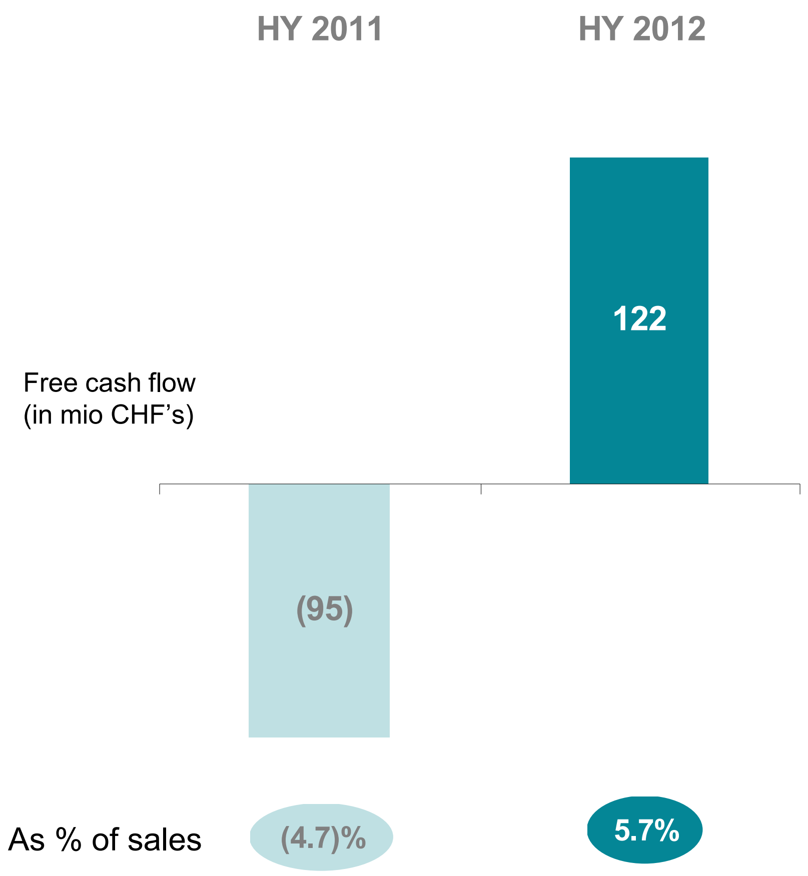
Up significantly with improved operating performance



- Income before tax of CHF 246 million, up from CHF 154 million in 2011, driven by:
  - Improved EBITDA
  - Lower Amortisation of Intangibles, no integration costs
  - Stable currencies and financial expenses
- Effective tax rate of 18% (22% at HY 2011)
- Net Income of CHF 201 million, 9.5% of sales
- Basic EPS of CHF 22.09, versus CHF 13.19 in 2011

Free Cash Flow

Significantly improving over HY 2011



- EBITDA increased by 16%, as a result of higher operational performance and lower integration costs
- Inventories down following SAP implementation, Receivables higher driven by strong sales growth
- CAPEX mainly driven by investment in Mako
- SAP implementation completed

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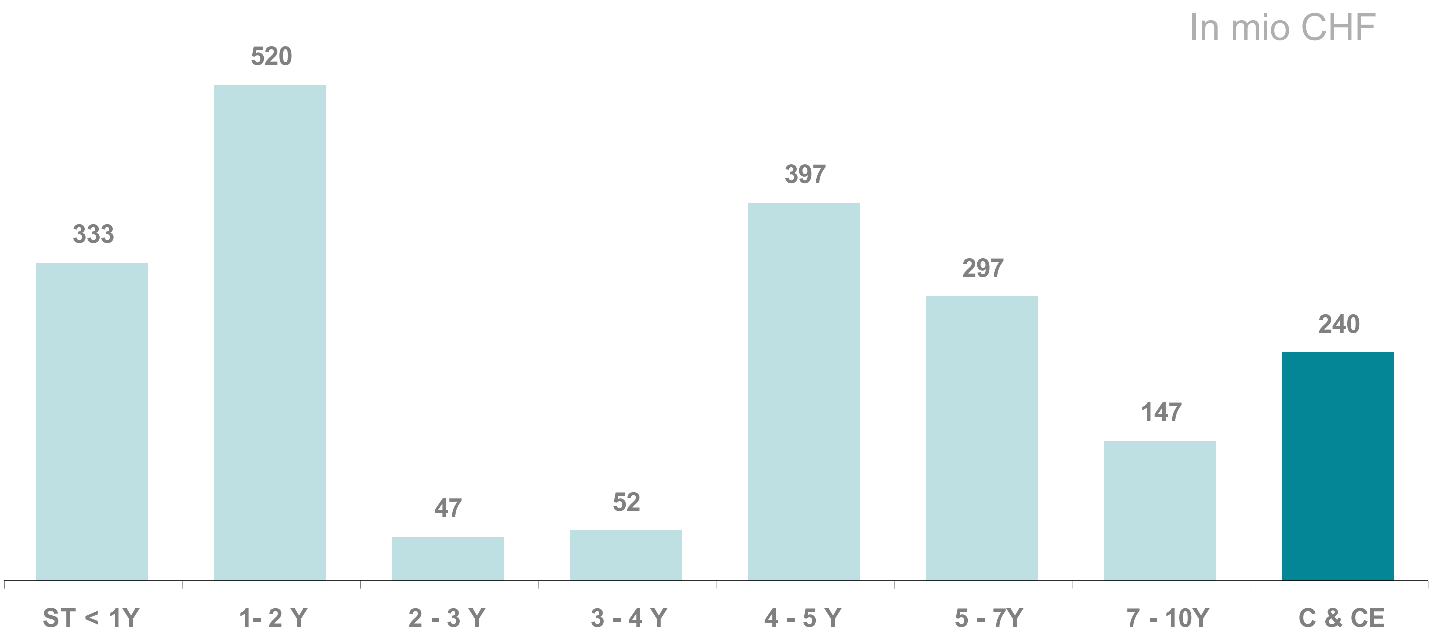
Conservative debt profile

75% of debt issued with fixed interest rates

- June 2012: Reimbursement of CHF 300 million straight bond, CHF 200 million of bank borrowings drawn down to refinance
- Cash reduced by CHF 300 million since December 2011, given strong operating cash flows and low interest rate environment
- Additional draw down facilities available to refinance short term debt if required



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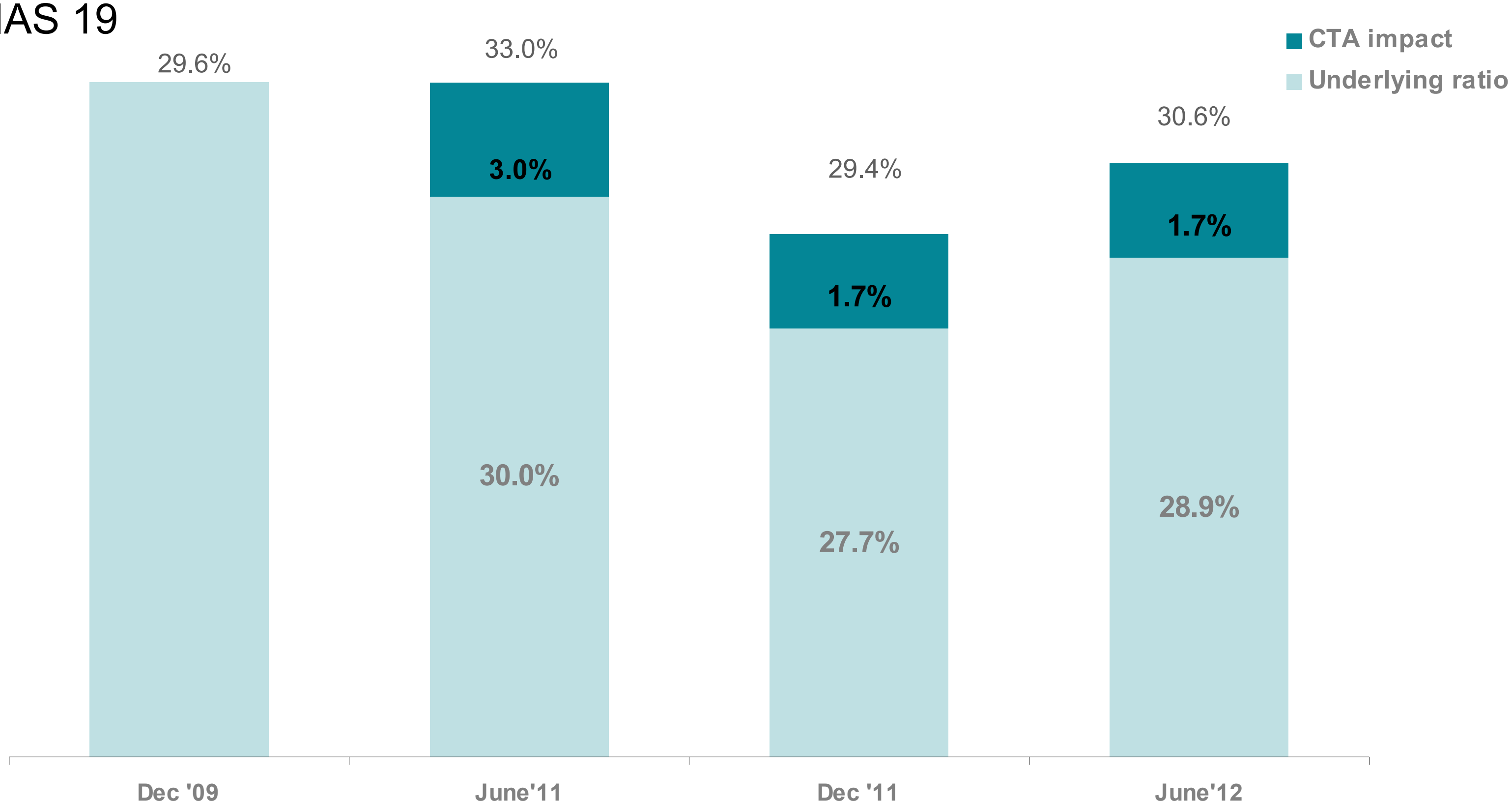
Leverage Ratio

Underlying ratio trending to medium term target, clarity on future IAS 19 impact

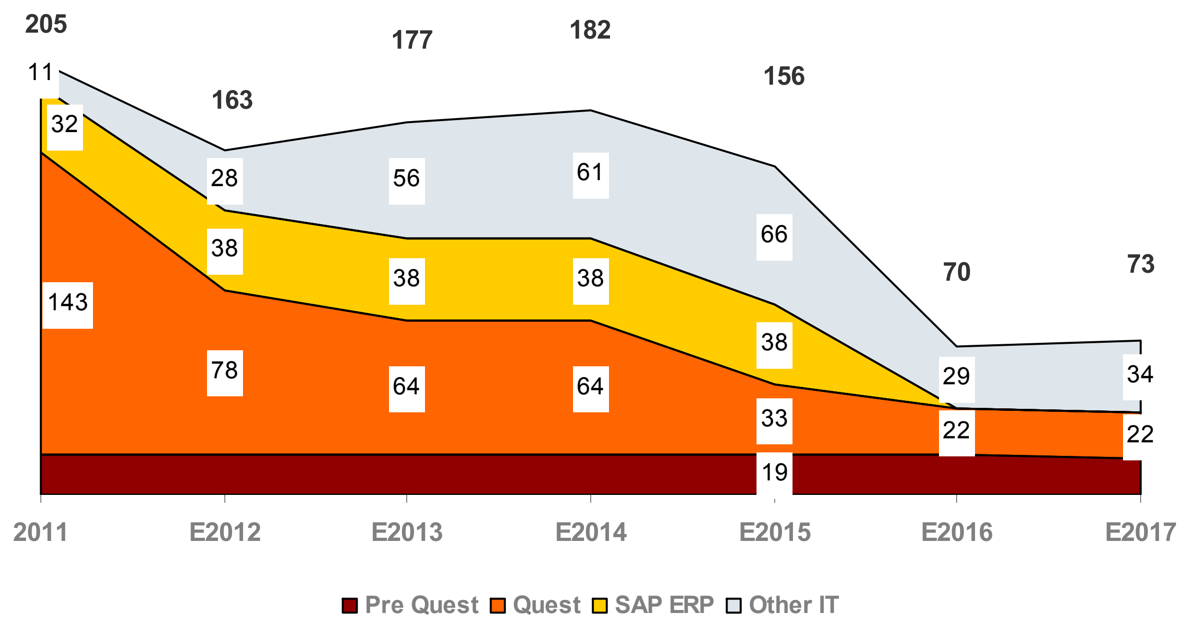
- Leverage ratio of 31.0% at June 2012, up from Dec 2011 due primarily to dividend payment
- Company will exclude from equity definition any impact arising from proposed changes of IAS 19



Amortisation of intangible assets
Reduction in line with long term forecast

- Pre Quest amortisation of intangible assets of approx. CHF 19 million p.a.
- Quest intangible assets (exc. Goodwill) amounts to CHF 1,225 million
- Intangible assets mainly related to customers, formulae and technologies
- IT amortisation updated to reflect size and scope of projects (e.g. regulatory engine)

Total annual amortisation charge (CHF mio, estimated)



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Financial Summary

Business resilience proved through financial results

- Good sales performance in challenging economic environment, in line with long term guidance
- Operating performance improving, despite some short term pressure on Gross Margin
- Financing expenses under control, tax rate in line with long term guidance
- Good progress on inventory reductions in first six months
- Strong balance sheet
  - continuing to deleverage
  - clarity on future IAS 19 treatment vis-à-vis leverage ratio

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Gilles Andrier

CEO

Short-term outlook, Full Year 2012
Main business drivers

- Additional CHF 100 million through price increases
- European savoury production ramping up in Makó (Hungary), transfer of Bromborough and Kemptthal savoury production
  - Revised transfer costs from CHF 15 million to CHF 30 million, due to delay of one to two quarters
  - Annualised savings of CHF 30 million after completion
- Reduction in working capital requirements following SAP implementation in Asia Pacific
- Raw material prices: further moderate increase of 2-3% for the full year
- Increased year on year pension expenses of approximately CHF 30 million
- Economic uncertainties remain but Givaudan's business is resilient

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Medium-term guidance
Profitable, above market growth

- Organic sales growth of 4.5% - 5.5% per year based on market growth of 2% - 3%
- Best-in-class EBITDA margins
- Free cash flow after capital investment and interest of 14% -16% of sales by 2015
- Return above 60% of the company's annual free cash flow to shareholders, after the leverage target reaches a level below 25% (leverage defined as net debt divided by net debt plus equity, impact arising from the proposed changes of IAS 19 excluded)

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