

Investor presentation  
Responsible growth. Shared success.



Givaudan

engage your senses



Givaudan products drive millions of consumer decisions every day!



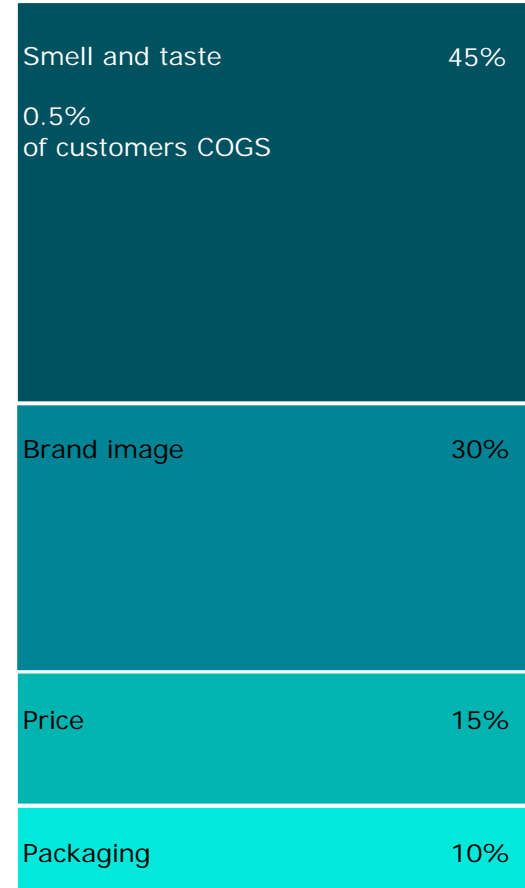
# Key drivers of consumer repurchase decisions

## Fragrance and Flavour industry

### Fine Fragrances



### Flavours



Source: AC Nielsen (European) study



# The industry





# The Fragrance and Flavour industry

## End consumer markets

### Our customers

Multi-national | Regional | Local | Food service | Private label

The cost of flavours and fragrances to our customers is typically between 0.5 – 5% of their product cost



Food



Beverages



Fine Fragrances



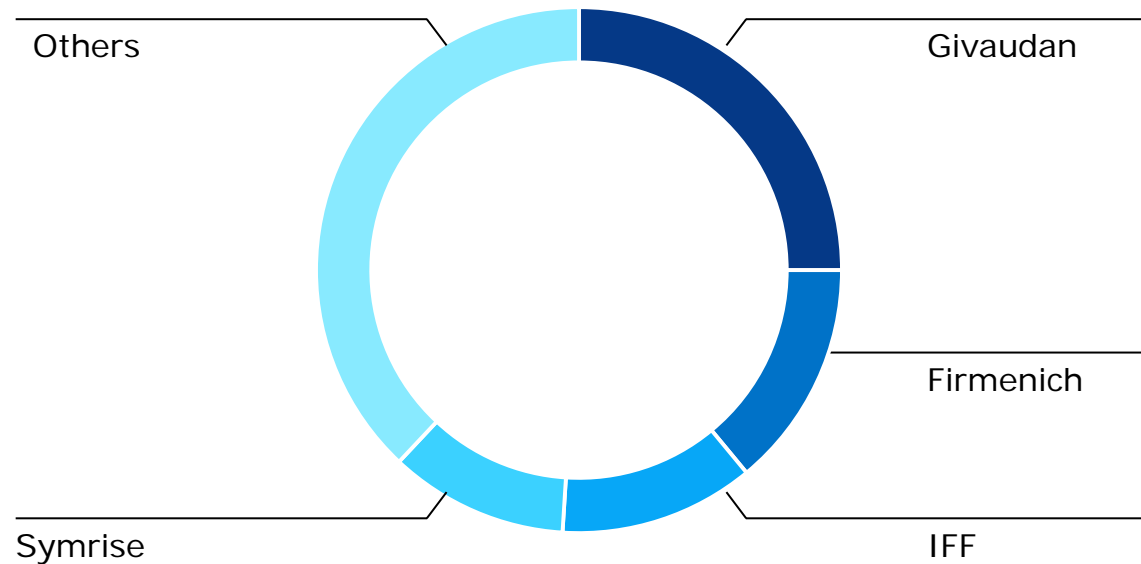
Household



Personal care

# Fragrance and Flavour industry

## Total market is CHF 18–19 billion



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> Givaudan market share above 25%

# “How to win business” model in a competitive bidding situation

**Product life cycles are getting shorter – Our customers issue over 35,000 briefings per year:**

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- To a small number of Fragrance and Flavour houses
- The brief defines the olfactive and organoleptic requirements and cost-in-use target
- As well as product and brand related information and requirements

**Our submissions draw on leading global market knowledge and capabilities**

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- Creation capability and our fragrance and flavour ingredients palette and technology
- Evaluation and application process
- Consumer insight and local market understanding
- Regulatory compliance and advice

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> Revenue stream over the life cycle of the customers' product



Where are we now?





# 2015 Full Year Results

Delivering on the mid-term targets set in 2010

**Sales**  
**CHF 4.4**  
**billion,**  
**up 2.7% like**  
**for like**

**Gross**  
**margin**  
**of 46.2%,**  
**up from**  
**46.0%**

**EBITDA**  
**CHF 1,070**  
**million**  
**margin of**  
**24.3%**

**Net income**  
**CHF 635**  
**million,**  
**12.7% up**  
**year on year**

**Free cash**  
**flow**  
**CHF 720**  
**million,**  
**16.4% of**  
**sales**

# 2016 Half Year Results

## Financial highlights

- Sales of CHF 2.3 billion, up 6.2% on a like-for-like\* basis
- Project pipeline and win rates sustained at a high level
- EBITDA of CHF 638 million in 2016
- EBITDA margin improved to 27.3% from 25.9% in 2015
- Net income of CHF 368 million, up 7.6% year on year
- Free cash flow of 7.4% of sales, compared to 11.4% in 2015

\* Like-for-like (LFL) excludes the impact of currency, acquisitions and disposals

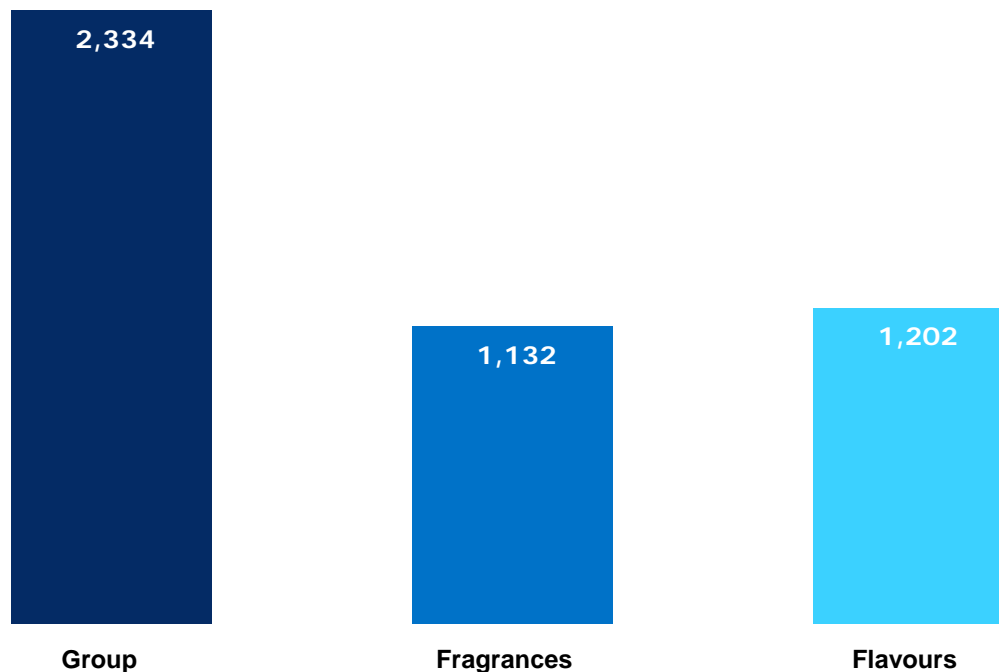
**Our 2016 six month results are a convincing demonstration of the continued value we bring to our customers, across all regions and segments**



# 2016 Half Year Results

## Sales performance: strong performance

In million CHF



% 2016 growth on LFL \* basis

6.2%

9.7%

3.0%

% 2016 growth in CHF

6.9%

10.7%

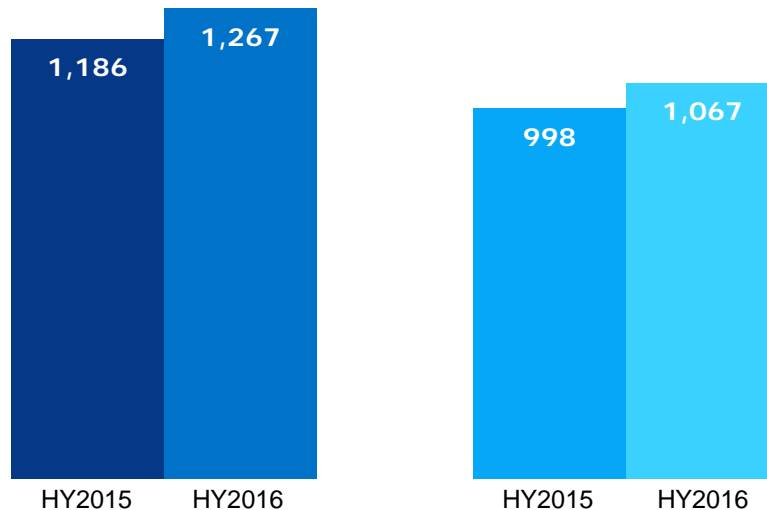
3.5%

\* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals

# 2016 Half Year Results

## Sales evolution by market: Underlying presence in high growth markets continues to increase, offset by currency weakness

In million CHF



	Mature		High Growth	
% of total sales	54%	54%	46%	46%
% 2016 growth on LFL* basis	2.3%		10.7%	

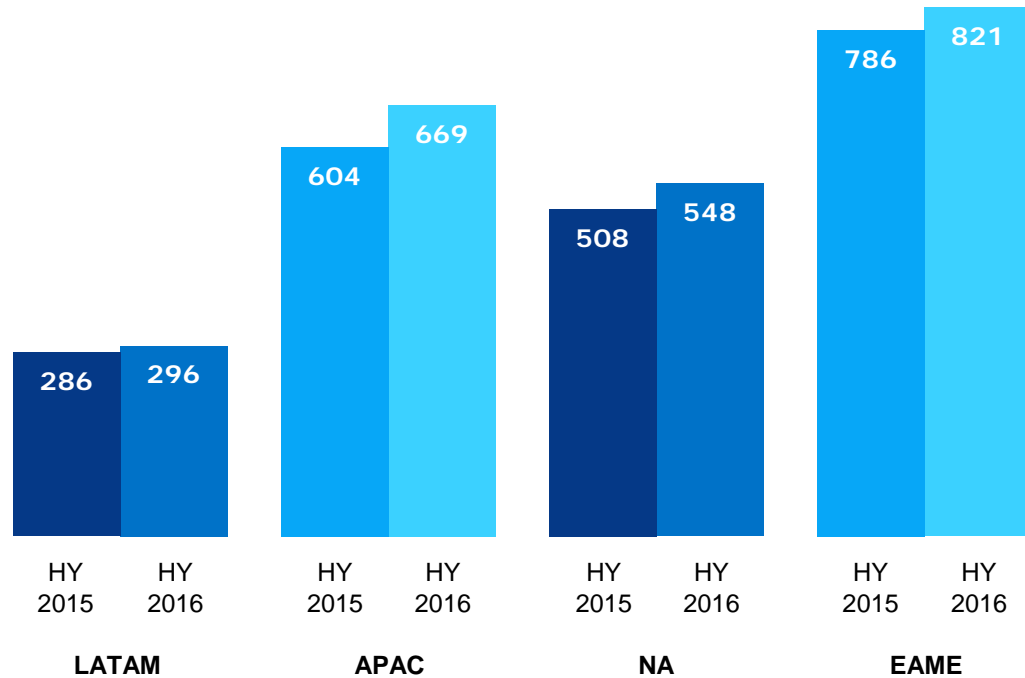
\* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals



# 2016 Half Year Results

## Sales evolution by region

In million CHF



% 2016 growth on LFL\* basis

18.1%

8.7%

2.9%

2.0%

\* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals

# The value proposition for investors





# Unrivalled capabilities

Depth and range of  
customer relationships

Global reach

Unmatched resources  
to service our clients

Broadest product offering

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97

Locations  
worldwide

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59

Creation and  
application centres

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35

Production sites

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Over 60,000

Products sold per year

# Well balanced business with natural hedges

## Geography

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- 46% of sales in developing markets
- 54% in mature markets

## Segments

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Balanced portfolio in most fragrance and flavour applications

## Customers and products

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Diversified client base ranging from multinationals to regional clients, from premium brands to private and white label

## Currency

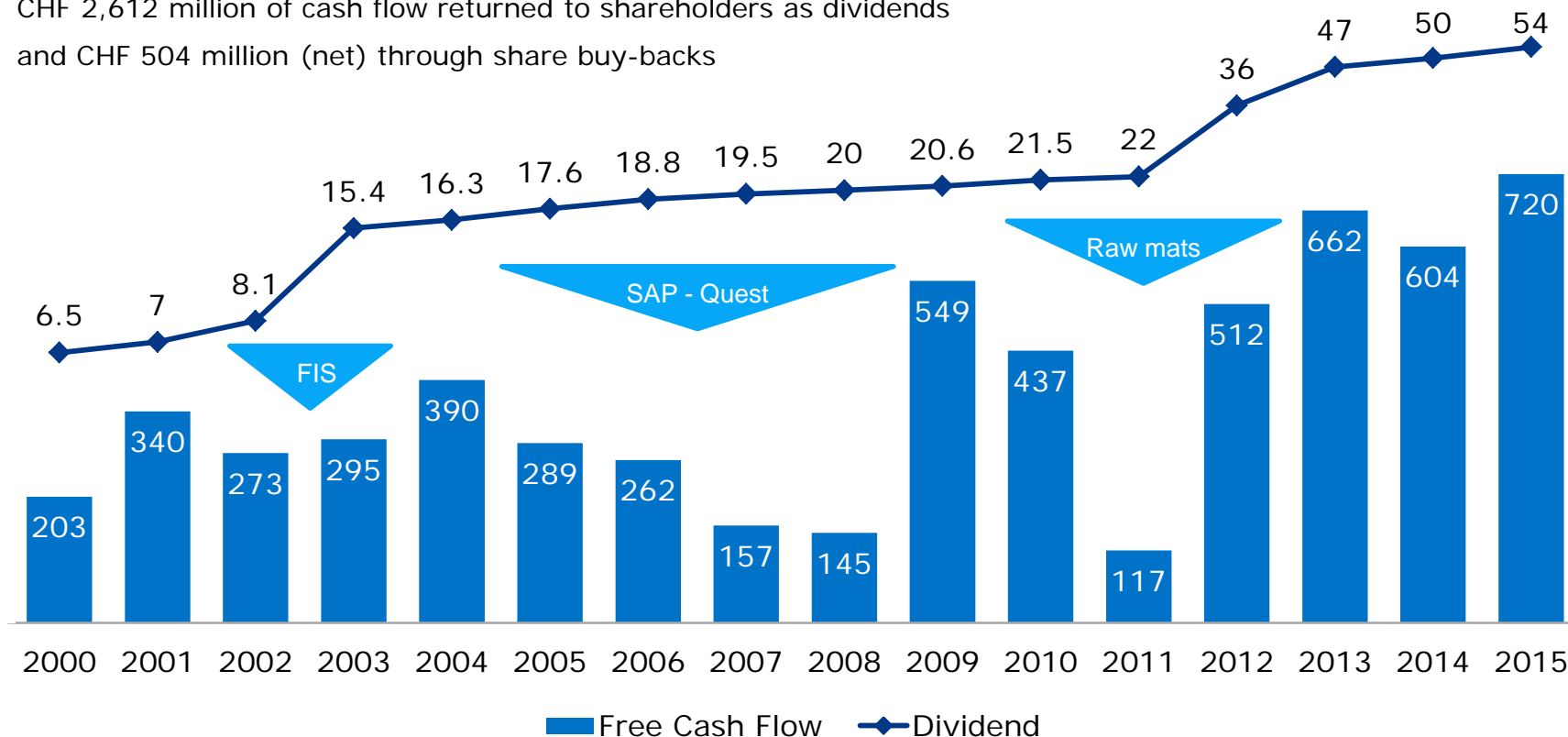
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- Creation and production centres close to customers
- Sales and expenses balanced across major currencies protecting margins

# 2015 Full Year Results

## Dividend per share: Increasing 8.0% YoY

Free cash flow of CHF 5.9 billion generated over the past 16 years  
CHF 2,612 million of cash flow returned to shareholders as dividends  
and CHF 504 million (net) through share buy-backs



2020 strategy  
Responsible growth. Shared success.



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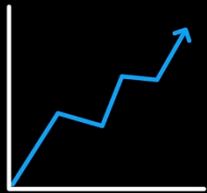




# Responsible growth

## Shared success

### Growing with our customers



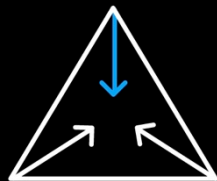
High growth  
markets



Health &  
wellbeing

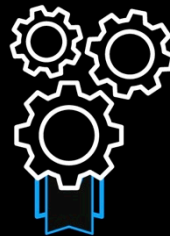


Consumer-  
preferred  
products



Integrated  
solutions

### Delivering with excellence

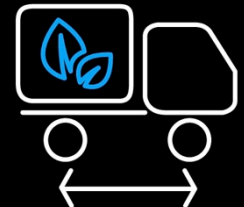


Excellence  
in execution

### Partnering for shared success



Innovators



Suppliers



People



Communities

# Responsible growth

## Shared success

Growing with  
our customers

**4–5%**

Organic sales  
growth

Delivering  
with excellence

**12–17%**

Free cash flow as  
% of sales

Partnering for  
shared success

**Partner  
of choice**

**Creating additional value through acquisitions**

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