



Givaudan: rights issue to de-lever balance sheet and strengthen operational flexibility

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Geneva, Switzerland - 11 June 2009 - The Board of Directors of Givaudan announced today an increase in the company's share capital through the issuance of 999'624 fully paid-in registered shares (the "New Shares") from authorised capital. The new shares will be offered to all shareholders by the way of a rights issue (the "Rights Issue"). The Rights Issue is supported by major shareholders and is fully underwritten. It is expected to raise approximately CHF 420 million gross. In the context of the Rights Issue, Givaudan provides an update on financial performance for the first quarter 2009.

Accelerated de-leveraging of balance sheet creates increased flexibility for Givaudan

In the current uncertain economic environment, Givaudan's Board of Directors has decided to accelerate the de-leveraging of its balance sheet by raising approximately CHF 420 million in equity capital through a rights issue. This is intended to create operational flexibility and to improve the company's capital structure.'

The current guidance on expected growth and targeted profitability levels is confirmed as follows:

- CHF 620 million annual sales, incremental to market growth by 2013
- Achieve pre-acquisition EBITDA margin of 22.7% by the end of 2010
- Capital expenditures of 3% to 4% of sales in 2009 and approximately 4% over the period 2010-2012

The Rights Issue strengthens Givaudan's flexibility over the medium term to pursue strategies which are intended to drive future growth and profitability. These strategic opportunities include investments in innovation and productivity improvements which are intended to further enhance Givaudan's leading global market position.

The de-leveraging achieved through the Rights Issue will reduce the absolute level of debt to be refinanced in 2011 and 2012 and is intended to broaden the future refinancing options. Givaudan intends to apply the net proceeds of the Rights Issue to pre-pay part of the syndicated loan facility arranged as part of the Quest acquisition.

Details of the Rights Issue

The Board of Directors of Givaudan has decided to increase the Company's share capital from CHF 74'971'770 to CHF 84'968'010 through the issuance of 999'624 New Shares from authorized capital with a nominal value of CHF 10 each.

All shareholders of Givaudan will be allotted one tradable subscription right (the "Rights") for each existing share held. The exercise of 15 Rights will entitle the holder to subscribe for 2 New Shares at a subscription price of CHF 420 per New Share. Accordingly, gross proceeds from the Rights Issue will amount to approximately CHF 420 million. The Rights Issue is fully underwritten by Nomura International plc and UBS Investment Bank, acting as joint book runners.

The Rights are expected to be traded on SIX Swiss Exchange (the "SIX") from 17 June 2009 through 23 June 2009. The exercise period for the Rights will run from 17 June 2009 to 12:00 CEST on 24 June 2009. The joint bookrunners may place any New Shares which have not been subscribed for through an offering in selected jurisdictions or in open market transactions on or about 25 June 2009.

It is expected that the New Shares will be listed on the Main Segment of the SIX and that trading in the New Shares on the Swiss Blue Chip Segment of the SIX will commence on or about 25 June 2009.

The New Shares will rank pari passu in all respects with existing shares.

Expected timetable for the Rights Issue

Date for allocation of Rights (Record Date)	After close of trading on 16 June 2009
Commencement of rights trading period and rights exercise period, ex-Rights date for existing shares	17 June 2009
End of rights trading period	23 June 2009
End of rights exercise period	24 June 2009, 12:00 noon (CEST)
Listing and first day of trading of New Shares	25 June 2009
Payment against delivery of New Shares	29 June 2009

Holders of Rights are advised to seek and follow instructions from their custodian bank in relation to the proper and timely exercise or sale of their Rights.

Update on First Quarter 2009 performance

Givaudan normally reports on its financial performance semi-annually and provides quarterly updates on its sales. It otherwise does not provide quarterly financial performance updates as the company believes that such information does not adequately reflect the underlying performance as well as the long-term growth strategy. Furthermore, given the relative stability of the business in which Givaudan operates, short-term performance tends to be less directly affected by market changes than that of other businesses. In view of the Rights Issue, however, Givaudan believes that, in addition to the update on sales for the three months ended 31 March 2009 already published on 3 April 2009, it is useful to provide investors with the following information on its

financial performance during that period.

The consolidated operating income for the three months ended 31 March 2009 was CHF 110 million, reflecting in part the high cost of raw materials purchased during 2008, which continued to impact results in the first quarter of 2009 as inventories work through the internal supply chain. EBITDA was CHF 181 million and EBITDA at comparable basis was CHF 201 million (20.6% of sales) for the period.

Trends in financial performance experienced in the first quarter have continued into the second quarter.

At March 31, 2009, cash and cash equivalents were CHF 499 million, short-term debt was CHF 1,090 million and long-term debt was CHF 2,725 million. The main movement in debt was the reclassification of the Mandatory Convertible Securities (MCS) from long-term debt to short-term debt. The amount reclassified in the first quarter 2009 was CHF 745 million. Excluding the MCS, which will be converted into equity in March 2010, debt at March 31, 2009 was CHF 3,070 million. Net debt (excluding the MCS) at March 31, 2009 was CHF 2,571 million.

On February 19, 2009, the company issued a CHF 300 million bond. The bond carries a 4.25% coupon and has a maturity of five years. The proceeds of the bond were used to refinance certain private placements of debt and part of the debt raised in connection with the acquisition of Quest. The Group's equity at March 31, 2009 was CHF 2,225 million.

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This announcement may include forward-looking statements and information relating to Givaudan SA ("Givaudan") and its subsidiaries (the "Group") that are based on the current expectations, estimates and projections of the management and information currently available to the Group. Forward-looking statements may be, but are not necessarily, identified by words like "believe", "anticipate", "intend", "target", "estimate", "plan", "assume", "may", "will", "could" and similar expressions. These forward-looking statements are subject to known and unknown risks (including the risks listed in the risk factors section of the prospectus for the rights), uncertainties, and other factors, that may cause the actual results of operations, financial condition, performance and achievements of the Group to be materially different from any future results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements. Givaudan undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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UK

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European Economic Area

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Other Jurisdictions

The exercise of the Rights will be subject to further restrictions for shareholders in certain jurisdictions, in particular in Australia, Canada, Hong Kong, and Japan where shareholders may not exercise their Rights and the new Shares are not offered.