2019 Half year results
Excellent sales growth – on track to deliver 2020

18 July 2019

Givaudan

engage your senses
Gilles Andrier
Chief Executive Officer
2019 Half year results
Performance highlights

• Sales of CHF 3,094 million, up 6.3% on a like-for-like* basis and 15.7% in Swiss francs
• Project pipeline and win rates sustained at a high level
• Strategic focus areas and acquired businesses strongly contributing to growth

• EBITDA of CHF 660 million in 2019
• EBITDA margin of 21.3%, with strong underlying business performance
• Free cash flow of 4.8% of sales, compared to 4.2% in 2018

• Givaudan Business Solutions (GBS) well advanced and delivering planned benefits
• Naturex Integration project fully on track

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
2019 Sales performance
Excellent performance in both divisions

In million CHF

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Fragrances</th>
<th>Flavours</th>
</tr>
</thead>
<tbody>
<tr>
<td>% 2019 growth on LFL* basis</td>
<td>6.3%</td>
<td>8.6%</td>
<td>4.4%</td>
</tr>
<tr>
<td>% 2019 growth in CHF</td>
<td>15.7%</td>
<td>11.3%</td>
<td>19.4%</td>
</tr>
</tbody>
</table>

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
Sales evolution by market
Strong contribution from high growth markets

In million CHF

<table>
<thead>
<tr>
<th></th>
<th>Mature</th>
<th>High Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>HY2018</td>
<td>1,531</td>
<td>1,143</td>
</tr>
<tr>
<td>HY2019</td>
<td>1,802</td>
<td>1,292</td>
</tr>
</tbody>
</table>

% of total sales
- Mature: 57% (HY2018) vs 58% (HY2019)
- High Growth: 43% (HY2018) vs 42% (HY2019)

% 2019 growth on LFL* basis
- Mature: 3.5%
- High Growth: 10.0%

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
Sales evolution by region
Good growth achieved across all geographies

In million CHF

% 2019 growth on LFL* basis

16.2% 5.6% 3.8% 5.4%

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

Fragrance Division

Fine Fragrance increased 8.5% LFL*
- Sustaining market leadership in Fine Fragrances
- High level of new business wins across all customer groups combined with market performance of recent launches

Consumer Products grew 8.7% LFL
- Growth delivered in both high growth and mature markets and across all regions and customer groups

Fragrance Ingredients and Active Beauty growth of 8.2% LFL
- Active Beauty double-digit sales growth driven by all customer types and active ingredients
- Good growth in Fragrance Ingredients

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
Divisional sales performance
Flavour Division

Asia Pacific increased 6.2% LFL*
- Double-digit growth in high growth markets of Indonesia, Malaysia, Philippines and Vietnam
- Significant growth in Beverages and Savoury

EAME increased 2.8% LFL
- Double-digit growth in Spain and Portugal and good single-digit growth in the UK, Italy and Switzerland
- Good growth in Beverages and Sweet goods

North America decreased 1.0% LFL
- Lower sales despite good performance from local and regional customers

Latin America increased 22.8% LFL
- Very strong growth in Brazil, Argentina, Mexico and Colombia

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
Acquisition update
2020 strategy in motion

2014
- **Soliance**
  - Active Beauty

2015
- **Induchem**
  - Active Beauty

2016
- **Spicetec**
  - Naturals
  - Integrated Solutions

2017
- **Activ International**
  - Natural flavours
- **Vika B.V.**
  - Natural flavours

2018
- **Centroflora Nutra**
  - Naturals
- **Expressions Parfumées**
  - L&R Fragrances
- **Naturex**
  - Naturals
  - Health and well-being
  - Active Beauty
- **Albert Vieille**
  - Naturals
  - Aromatherapy

2019
- **AMSilk**
  - Active Beauty
- **Golden Frog**
  - Naturals

* Acquisition not yet complete
** Proforma, including Naturex

In both divisions, our acquisitions are fully aligned with our 2020 strategic priorities:
- Naturals, Health and Well-being,
- Active Beauty,
- Integrated Solutions,
- local and regional customers

Approx. CHF 1 billion of incremental revenues**
CHF 2.5 billion invested in acquisitions
Naturex integration
Project fully on track – back to growth

Strategic rationale
- Fully aligned with 2020 strategy
- Expansion into new spaces beyond flavours
- Increasing consumer preference for naturals
- Complementary customer base
- Very good cultural fit

2018 Achievements
- Acquisition completed
- Strong positive reaction from customers
- Overall growth strategy developed
- Financial targets defined and communicated
- New organisation implemented

HY 2019 Update
- Back to growth in H1 2019
- Delivering on the growth plan and service level improvements
- Go-forward strategies for each category are defined
- Preparations well advanced for cross selling opportunities and next steps for Integrated Solutions
- Engaged and aligned workforce
- Legal integration activities are underway
Givaudan Business Solutions
Implementation well advanced - on track to finalise by 2020

NOAM
Transition completed

LATAM
Transition completed, stabilisation ongoing
- GBS now fully implemented in Argentina and Chile
- Brazil in stabilisation
- Mexico and Central America went live on 1 July

EAME
Transition completed

APAC
Phase I completed, Phase II ongoing
Great teamwork and collaboration between transition and site teams

GBS Delivery Centres working effectively within the broader Givaudan organisation
Financial benefits being delivered in line with the plan
2019 Half year results
Performance highlights

• Sales of CHF 3,094 million, up 6.3% on a like-for-like* basis and 15.7% in Swiss francs

• EBITDA of CHF 660 million compared to CHF 601 million in 2018

• Reported EBITDA margin of 21.3% compared to 22.5% in 2018, with the underlying EBITDA remaining strong at 22.3%

• Income before tax of CHF 437 million versus CHF 431 million in 2018

• Effective Tax rate of 13% compared to 14% in 2018

• Net income of CHF 380 million, an increase of 2.3% year-on-year

• Free cash flow of CHF 148 million, 4.8% of sales compared to 4.2% in 2018

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
2019 Half year results

Exchange rate development: Operating results largely unaffected by currencies, despite the continued currency swings

<table>
<thead>
<tr>
<th></th>
<th>JPY</th>
<th>USD</th>
<th>GBP</th>
<th>EUR</th>
<th>SGD</th>
<th>BRL</th>
<th>CNY</th>
<th>MXN</th>
<th>IDR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HY 2019</strong></td>
<td>0.91</td>
<td>1.00</td>
<td>1.29</td>
<td>1.13</td>
<td>0.74</td>
<td>0.26</td>
<td>0.15</td>
<td>0.05</td>
<td>0.70</td>
</tr>
<tr>
<td><strong>HY 2018</strong></td>
<td>0.89</td>
<td>0.96</td>
<td>1.32</td>
<td>1.17</td>
<td>0.73</td>
<td>0.28</td>
<td>0.15</td>
<td>0.05</td>
<td>0.70</td>
</tr>
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</table>
Sales of CHF 3,094 million, an increase of 6.3% on a like-for-like basis and 15.7% in Swiss francs

Gross margin of 41.2%, compared to 44.2% in 2018, as a result of the higher input costs and margin dilution in the Fragrance Division and the lower margin in Naturex

EBITDA of CHF 660 million compared to CHF 601 million in 2018. Impact of costs for GBS project of CHF 19 million in 2019, compared with CHF 25 million in 2018

EBITDA margin of 21.3% compared to 22.5% in 2018, with the underlying margin at 22.3% versus 23.4% in 2018
Sales of CHF 1,361 million, an increase of 8.6% on a like-for-like basis and 11.3% in Swiss francs

EBITDA of CHF 270 million, increased from CHF 250 million in 2018

GBS costs of CHF 19 million, compared with CHF 25 million in 2018

EBITDA margin of 19.8% compared to 20.4% in 2018, with the underlying EBITDA margin at 21.3% versus 22.4% in 2018. The margin was impacted by higher input costs and the dilution of the pricing actions with customers
Operating performance

Flavour Division

Sales of CHF 1,733 million, an increase of 4.4% on a like-for-like basis and 19.4% in Swiss francs

EBITDA of CHF 390 million, an increase of 11.1%, driven by continued productivity gains and cost discipline

EBITDA margin of 22.5% compared to 24.2% in 2018, with the underlying EBITDA margin at 23.1% versus 24.2% in 2018. The margin was impacted by the lower margin of Naturex
• Pre Quest amortisation of intangible assets of approx. CHF 17 million p.a.

• Quest (exc. Goodwill)

• Other acquisitions: Soliance, Induchem, Spicetec, Activ, Vika, Centroflora Nutra, Expressions Parfumées, Naturex, Albert Vieille and AMSilk (exc. Goodwill) mainly related to customers, name and product brands, formulae and technologies

• IT amortisation updated to reflect size and scope of projects (e.g. regulatory engine)
Net income

12.3% of sales

Income before tax of CHF 437 million compared to CHF 431 million in 2018

Net income of CHF 380 million, or 12.3% of sales, versus CHF 371 million, or 13.9% of sales in 2018

Effective tax rate of 13%, compared to 14% in 2018

Basic EPS of CHF 41.24 per share, versus CHF 40.26 in 2018
Free cash flow
Sustained underlying performance

Free cash flow of CHF 148 million, compared to CHF 113 million in 2018, an increase of 31%. Free cash flow is 4.8% of sales compared to 4.2% in 2018.

Operating cash flow of CHF 271 million, compared to CHF 269 million in 2018.

Total net investments of CHF 94 million, or 3.0% of sales, compared to 5.3% of sales in 2018, as the Group continues to invest in growth and innovation.

Net Working capital of 27.3% of sales, remained relatively stable compared to 28.7% in 2018, despite the higher inventory levels of Naturex.
2019 Outlook

Key themes

Growth outlook

• Continued confidence in our growth strategies

• Good momentum in high growth markets, following on from a strong 2018

• Local and regional customers, Naturals, as well as Health and Well-being are continuous drivers of growth

Raw materials

• Raw materials increasing by 5-6% as forecast

• Continuing to implement price increases in collaboration with our customers to compensate for the increase in input costs

Strategic focus areas

• Strong focus on Naturex – integration, growth strategies and service level

• Delivering the remainder of the GBS project

• Close the acquisition of Golden Frog in the second half of 2019
Responsible growth. Shared success.

Growing with our customers
4-5%
Average organic sales growth*

Delivering with excellence
12-17%
Average free cash flow as % of sales*

Partnering for shared success

4.9% in 2016-18

12.4% in 2016-18

Partner of choice

Creating additional value through acquisitions

Intention to maintain current dividend practice as part of this ambition

* Over a five-year period by 2020
Q & A
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