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Half Year Conference 2010

Zurich

31 August 2010

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Gilles Andrier
Chief Executive Officer

Agenda

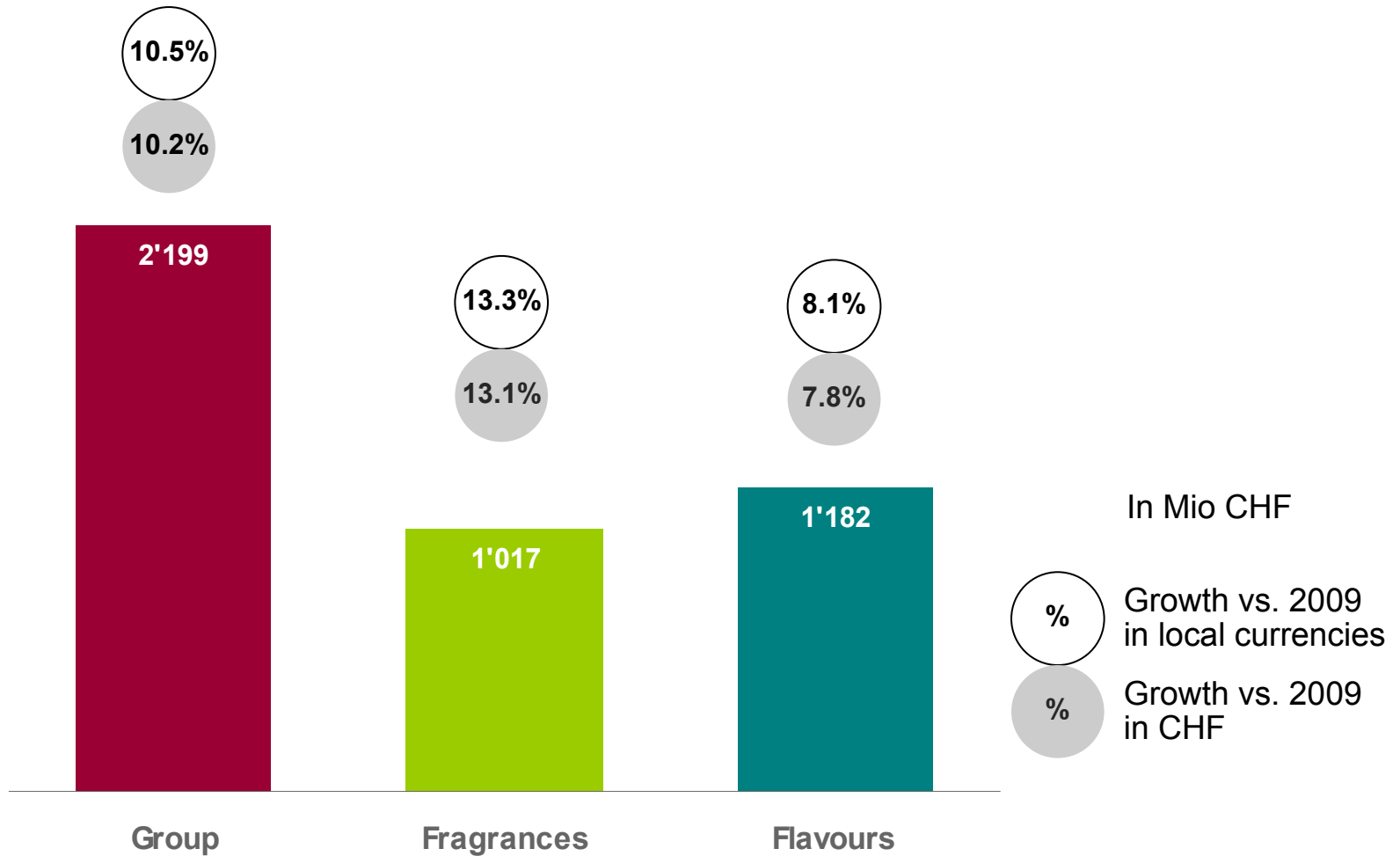
- **Highlights Half Year Results** Matthias Währen, Chief Financial Officer
- **Update Growth Strategies Fragrances** Michael Carlos, President Fragrance Division
- **Update Growth Strategies Flavours** Mauricio Graber, President Flavour Division
- **Savoury Flavour Manufacturing Europe** Mauricio Graber, President Flavour Division
- **Mid-term Guidance and Outlook** Gilles Andrier, Chief Executive Officer

10 years of continuous performance

- Increase in market share from 11% in 2000 to an estimated 25% in 2009
- Underlying sales CAGR of 3.9%, twice market's growth rate
- Developing markets share of sales grew from less than 30% in 2000 to 41% in H1 2010
- Best-in-class profitability
- Cumulative operating cash flow of CHF 5.1 billion
- Successful implementation of complex projects
 - FIS and Quest acquisitions – delivered on promises
 - SAP implementation – completed at 22 sites across three continents
 - Capital investment programme averaging CHF 150 million per year to expand capacity, extend the developing market footprint and sustain profitability
- Value creation to shareholders – 10 years SIX
 - Shareholder return June 2000 – June 2010: Givaudan +130%, SMI index +0.5%

Matthias Währen
Chief Financial Officer

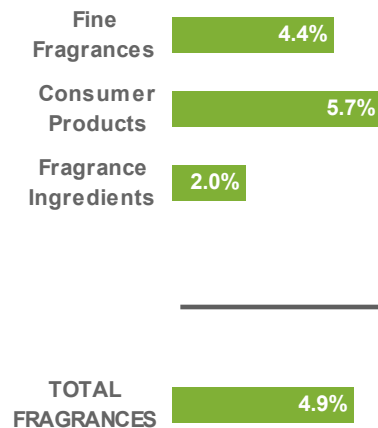
Half Year Sales 2010 performance



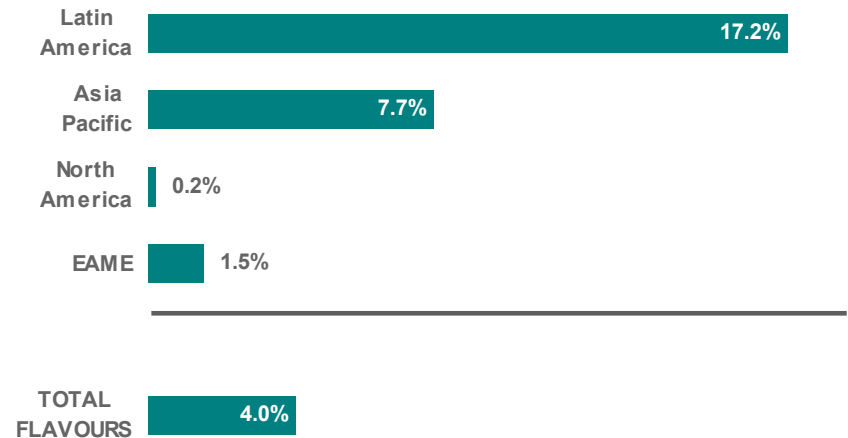
HY 2008 to HY 2010 Sales CAGR

In-line with long term growth

Fragrances

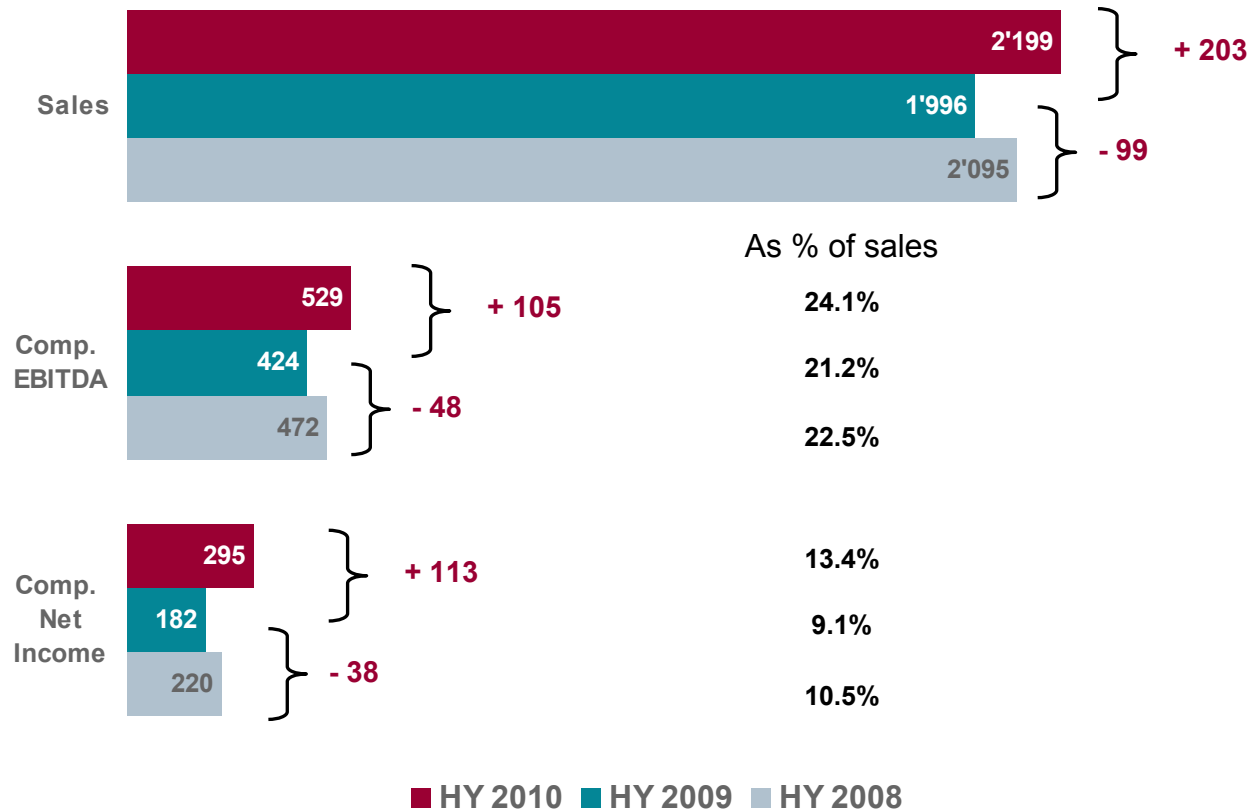


Flavours



Strong operating leverage supported by tight cost control

In Mio CHF



Financial highlights

- Sales of CHF 2,199 million, an increase of 10.5% in local currencies
- Leverage on higher sales, increased absorption of production costs and tight cost control, driving substantial profitability improvements
- Significantly improved EBITDA margin at comparable basis of 24.1%
- Despite weaker € and \$, natural currency hedge of margins once again proved
- Net income of CHF 200 million, up 108%
- On track to achieve CHF 200 million of integration savings by the end of the year
- Working capital in % of sales maintained
- Net debt CHF 1,716 million, leverage ratio 33% (defined as net debt divided by net debt plus equity)

Financial guidance 2010

- Prior year sales comparables tougher in second half of 2010
- After good first half, sales growth in local currencies expected to be above 5% for the full year
- On track to deliver comparable EBITDA margin of 22.7% for the full year 2010



Michael Carlos

President Fragrance Division

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Fragrance Growth Initiatives

Update

31 August 2010

What we have communicated in August 2008

Five year growth opportunities Fragrances

- Givaudan will grow an incremental CHF 220 million above market growth for the period 2009-2013
 - This translates into a CAGR of 2.5% above market growth
-

- **Growth initiatives**

Developing Markets

Mature Markets

- Fine Fragrances:

- Feminine Fine Fragrances
- Targeted accounts



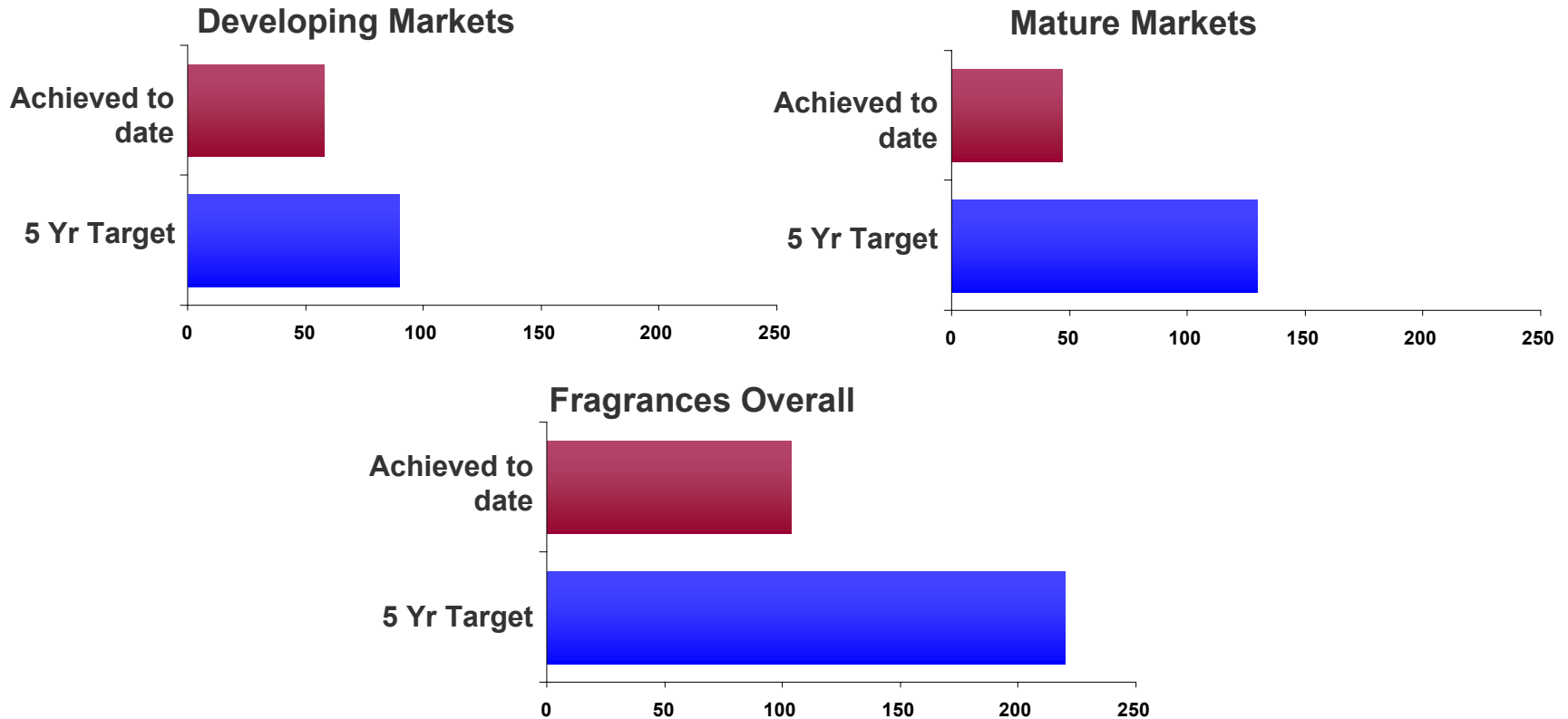
- Consumer Products:

- Air Care and Household
- Regional and local accounts in North America
- Targeted accounts



Progress against five year objectives

Status as of H1 2010

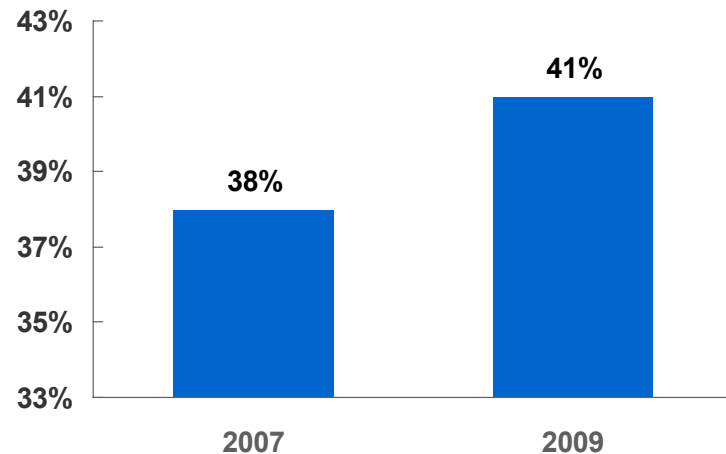


Based on Givaudan estimates of market growth

Growth in developing markets

- Leading presence in Asia and Latin America (e.g. new Creative Centre in Brazil)
- First to be established in the fast growing Central Asian, Middle Eastern and African markets (CAMEA)
- Consumer understanding investment in developing markets

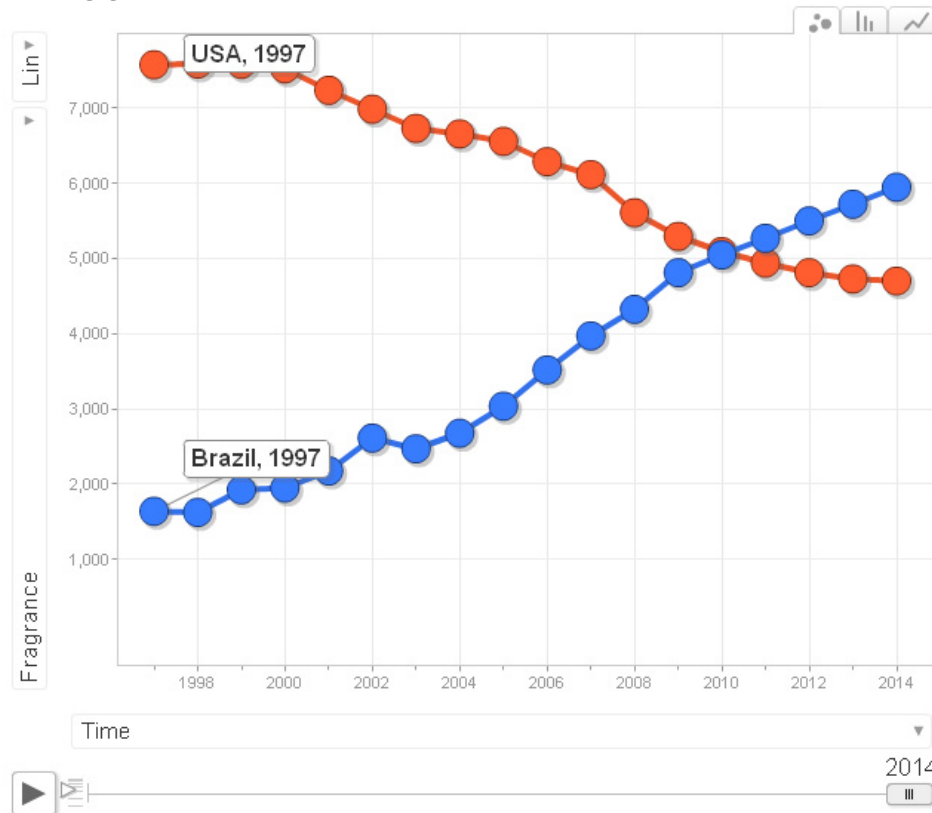
% of Developing markets sales to total sales



Growth in developing markets

Example in Fine Fragrance: The potential of Latin America

Brazil becoming the biggest market in value



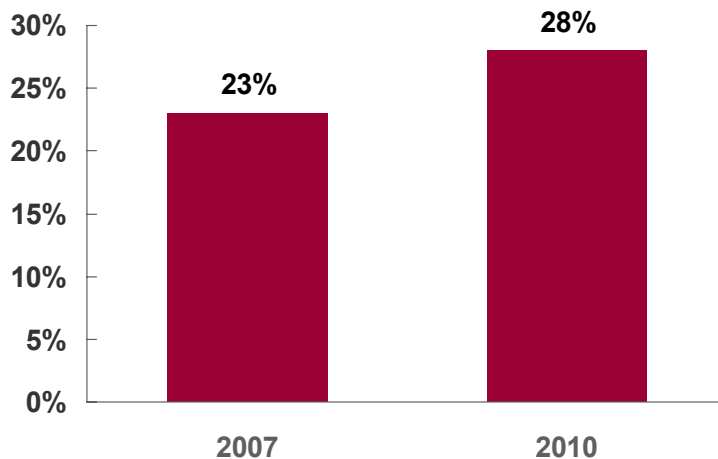
Source Euromonitor

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Mature and developing markets Fine Fragrances

% of targeted account sales to total sales



iPerfumer

- Secured core lists status at key accounts
- Proactive creative programmes in feminine Fine Fragrances focusing on creating 'new classics'
- Expand creative resources in developing markets and in particular in Latin America
- Leveraging high-tech for education and market growth: iPerfumer

Mature markets Fine Fragrances

Increased presence in the top 20 Feminine best sellers in both France and USA

Givaudan Fragrances in the top 20 Feminine best sellers			
France		USA	
2007	2009	2007	2009
4	5 ↑	3	4 ↑

Givaudan Fragrances in the top 20 Masculine best sellers			
France		USA	
2007	2009	2007	2009
5	5	6	6

Source: NPD

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Mature markets Fine Fragrances

Award winning Fragrances



LOLA
by Marc Jacobs



RICCI RICCI
by Nina Ricci



UK FiFi® Winners

duft★stars
DEUTSCHER PARFUMPREIS
2010



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Mature and developing markets Consumer Products

- Positive results in Air Care and Household products
- Positive sales momentum in North American regional and local accounts
- Proactive mid-term fragrance development programmes to deliver superior fragrances to win with consumers and with customers
- Capabilities and investment in consumer understanding
- Significant investment in Research & Technology to sustain product superiority:
 - Malodour counteraction capabilities
 - Delivery systems capabilities
- Strong win rate and pipeline



Conclusions

- A performant Fine Fragrance organisation with significant successes.
- A Research & Technology organisation delivering a higher level of innovation.
- A Consumer Products business continuing to gain strongly, especially in developing markets.
- A proactive creation and development process to anticipate future needs.

We are well positioned to deliver on our strategic growth initiatives.



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Mauricio Graber
President Flavour Division

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Flavour Growth Initiatives

Update

31 August 2010

What we have communicated in August 2008

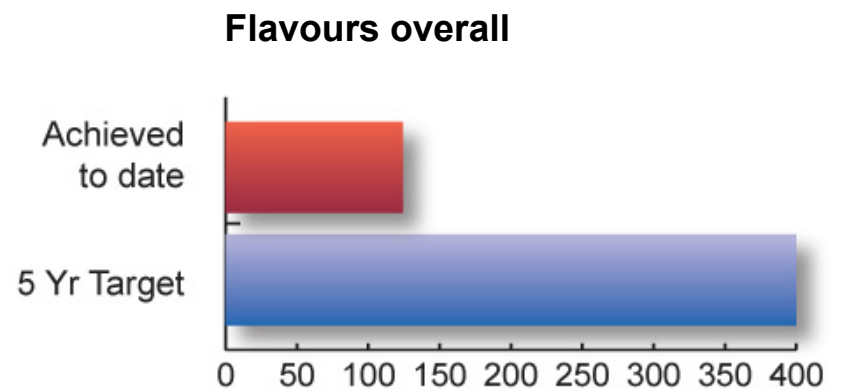
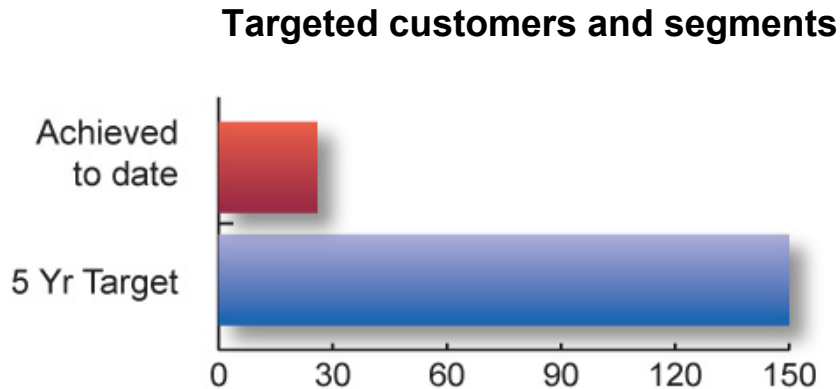
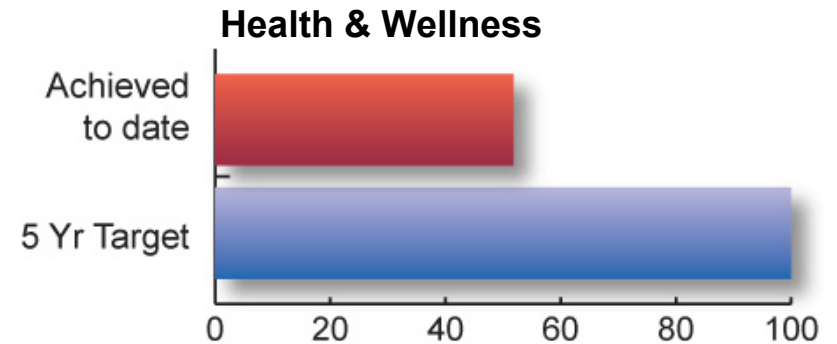
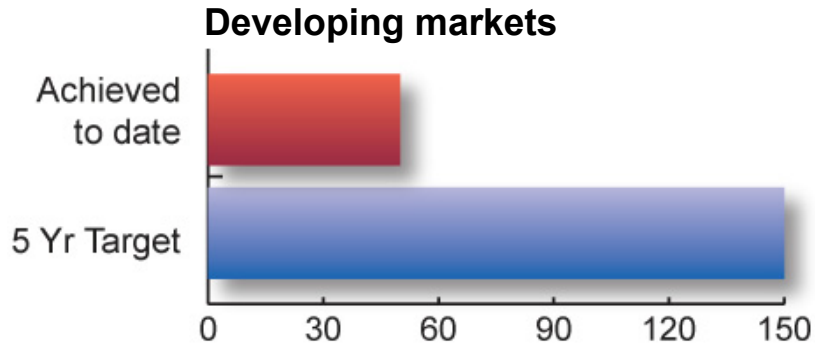
Five year growth opportunities Flavours

- Givaudan will grow an incremental CHF 400 million above market growth for the period 2009-2013
 - Developing markets
 - Taste solutions for Health and Wellness
 - Targeted customers and segments
- This translates into a CAGR of 2.5% above market growth

Givaudan is best positioned to further develop its leading position in the flavour industry.

Progress against five year objectives

Status as of H1 2010



Flavour Growth Initiatives

On trend with market demands

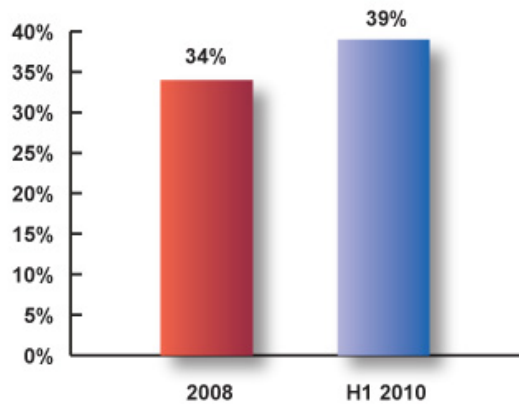
- **Developing markets** growth has accelerated, further representing an opportunity to leverage Givaudan global capabilities and local investments
- **Targeted customers** continue to focus on leveraging flavour technology to deliver great tasting products to consumers in retail and food service channels
- **Health and Wellness** trend has also accentuated as one of the top priorities for customers and regulators



Developing markets

Developing markets have grown twice as fast as the overall market

% of Developing Market Sales to Total Sales



Key areas of incremental growth

- China, Indonesia and India: beverages (juices), savoury (noodles) and snacks
- Africa and Middle East: beverages (juices, milk drinks, soft drinks) and snacks
- Latin America: beverages (powder soft drinks) and dairy



Targeted customers and segments

- Strategy of account penetration and technology investment has supported growth in this pillar
 - Open project pipeline has risen by 10%
 - Projected new wins have grown 43%
- TasteEssentials™ one of the key growth drivers with targeted customers



SUNthesis™ portfolio of engineered oils and citrus stability products



ConsumerTreks™ to determine how chicken is perceived, purchased, prepared and consumed



TasteEssentials™ programme that enables dairy solids replacement



Authentic vanilla bean cost-effective ingredients

Taste solutions for Health and Wellness

High performance taste solutions designed through collaboration, comprehensive expertise and forward-thinking approaches

- Flavours that drive consumer preference in low sodium application
- Creating umami and succulence without the negative labelling
- Solutions for effectively masking the negative taste aspects in food and beverages
- Enhancing sweetness and mouthfeel to redefine sweet perception
- Focus fat: increase fatty perception and mouthfeel in low fat foods

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TasteSolutions[™]
Salt

Givaudan[®]
TasteSolutions[™]
Umami

Givaudan[®]
TasteSolutions[™]
Masking

Givaudan[®]
TasteSolutions[™]
Sweetness

Givaudan[®]
TasteSolutions[™]

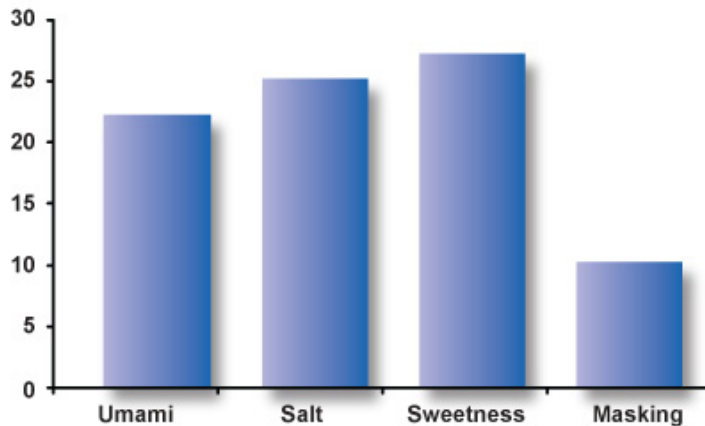
Superior taste for products that support healthier living.

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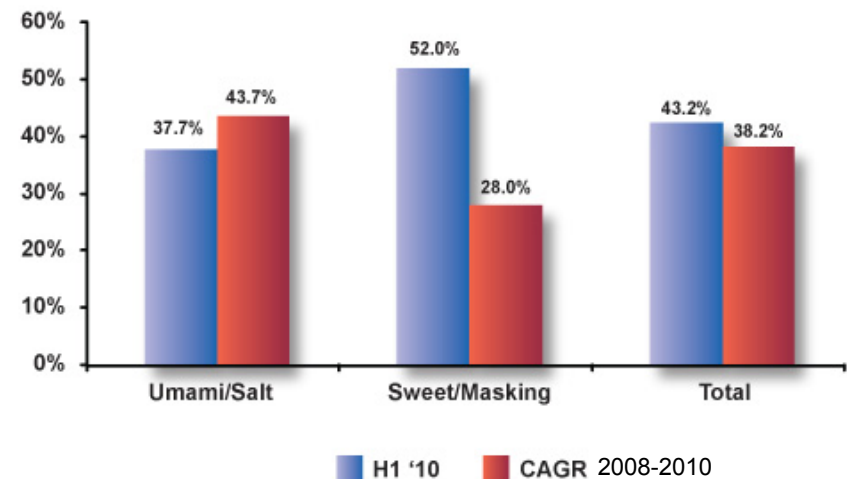
Accelerated growth with Health and Wellness

- Palette of innovative ingredients for superior Health and Wellness applications
- Delivering strong growth for Givaudan

of Ingredients



Sales Containing H&W Ingredients Performance



Conclusions

- Solid progress against the growth initiatives outlined in 2008
- While market and economic conditions have evolved, the growth initiatives remain on trend with key growth opportunities
- Confident on achieving our targets based on:
 - Continued investment in developing markets
 - Leveraging the expanded capabilities of the organisation
 - Strength of the technology behind the TasteSolutions™ / TasteEssentials™
 - Organisation focus on our targeted customer and Foodservice initiatives



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Savoury Flavour Manufacturing in Europe

(The following plans are subject to employee consultation)

Savoury Flavour manufacturing in Europe

Background

- Givaudan's leading position in the European savoury flavour industry was strengthened with the acquisitions of FIS and Quest
- Today Givaudan holds the broadest savoury portfolio range across all key product applications and flavour profiles
- The savoury segment represent about one third of the flavour market potential in Europe, with strong growth opportunities for Givaudan



Savoury Flavour manufacturing in Europe

Investing and restructuring for profitable growth

- In an increasingly competitive environment, Givaudan's Savoury manufacturing in Europe needs to:
 - Support future growth in developing markets by expanding capacity
 - Deliver best-in-class product quality and service to a Pan-European market
 - Comply with increasing regulatory requirements
 - Be cost competitive by reducing manufacturing network complexity
- Decision to invest for growth and restructure Savoury manufacturing in EAME



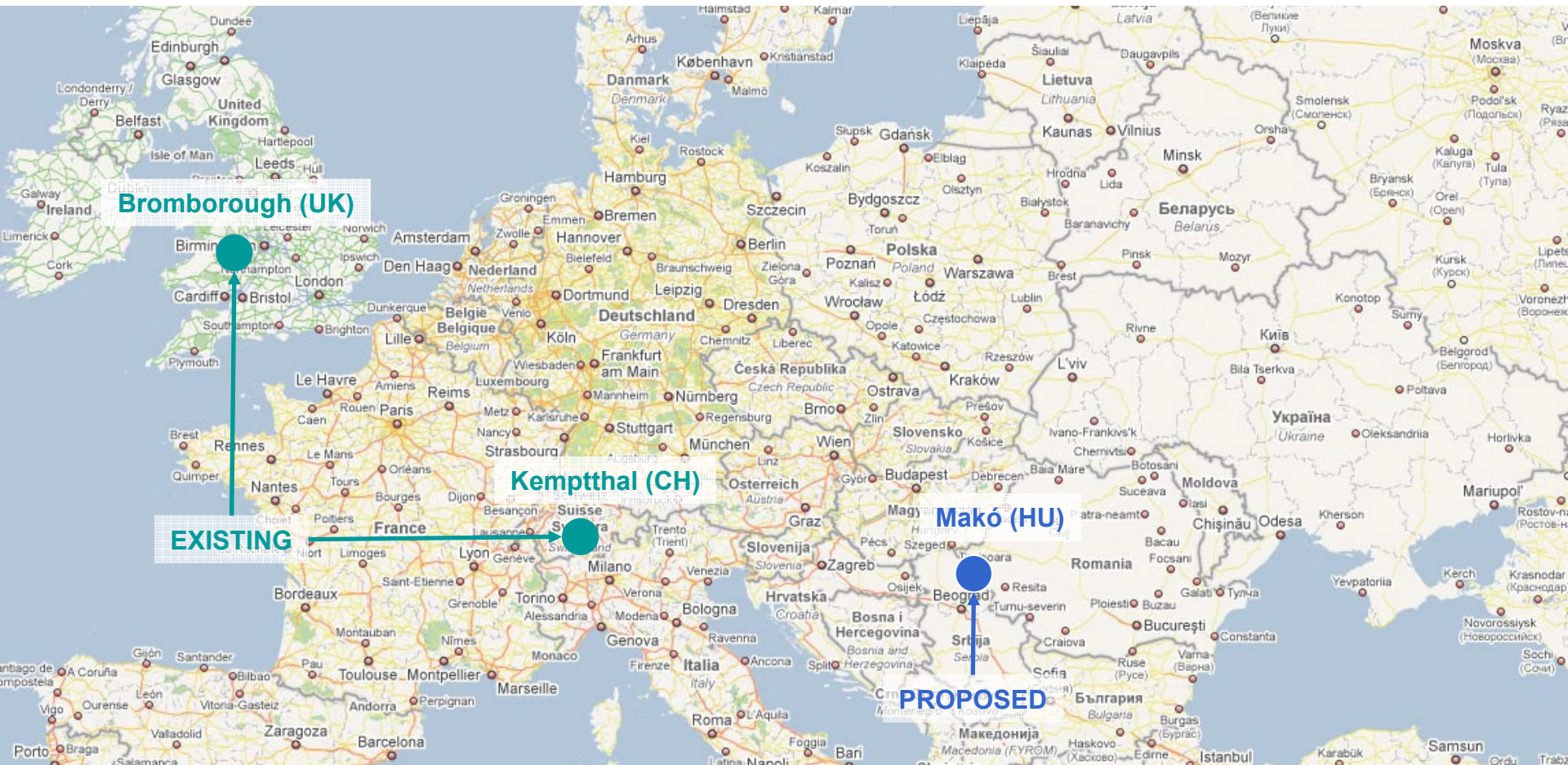
Savoury Flavour manufacturing in Europe

Project scope

- Greenfield manufacturing site in Hungary to include:
 - Culinary flavour blends
 - Snack seasonings
 - Spray Dries
- Best-in-class manufacturing capability for production of Kosher, Halal and allergen-free products
- Investment of CHF 170 million (over three years)
Production to start in Q2 2012 and fully operational by Q1 2013
- Two existing savoury production facilities will be impacted by 2013:
 - Bromborough, UK and Kempththal, Switzerland

Savoury Flavour manufacturing in Europe

Locations



Savoury Flavour manufacturing in Europe

Key messages

- Continue to expand developing market footprint to capture growth opportunities
- Create a Pan-European Savoury manufacturing centre with improved supply chain
- Consolidation required to remain cost competitive and to prepare for future customer and regulatory demands
- Project delivers improved profitability and growth capacity





Gilles Andrier

Chief Executive Officer

The Opportunity

The voice of our customers

“One Billion New Consumers”

“Double Sales”

“Unrelenting focus on innovation”

**“Majority of consumers are not willing to
sacrifice taste for health benefits”**

“Thousands of new products introduced annually”

“Sustainable Development Model”

**“Taste and smell are the key drivers of
consumer repurchase decisions”**

Givaudan’s unrivalled capability puts it in the best position to
capture an increasing share of the opportunity

Unrivalled capabilities

Depth and range of customer relationships

- Long standing strategic relationships with top accounts
- Diverse client portfolio: internationals, locals, private labels, etc.

Global reach

- 3,300 people dedicated on Research & Development, sales and marketing with 40% in developing markets
- Supply chain and creative centres close to the markets to service our customers locally
- Diversity of our team

Unmatched resources to service our clients

- CHF 326 million spend in Research & Development
- Largest commercial organisation allowing us to operate a dedicated customer servicing model

Broadest product offering

- More in-depth customer relationship
- Cross leveraging of product knowledge

Growth platforms

Developing markets

“True smell and taste experience can only take place in the local market”

1,300 creative, sales and marketing resources present in developing markets

Everyday we are gathering, evaluating and acting on
consumer knowledge and understanding

Leveraging our global and local knowledge to work with our customers

Resource shift: 50% of chemical production relocated in developing markets in
the next 5 years

**Sales in developing markets expected to reach 50%
of Givaudan's total sales by 2015**



Growth platforms

Targeted customers and segments

“We are looking for a true partner. The model has shifted from ... ‘go to flavour house, get a flavour, put it in a product’ ... to ... ‘uncover consumer insight, describe the desired sensorial experience and work out how the different elements deliver it.”

Build on existing strategic relationships with top accounts representing
over CHF 5 billion in market potential

Establish new relationships and strengthening existing ones at multi-national, regional
and local accounts where we are currently under represented in sales

Grow segments where Givaudan is under represented relative to
it's overall leadership position

Leveraging Givaudan's strengths to grow share in mature markets

Growth platforms

Health and Wellness / Well-being

A Paradigm Shift...Not a Trend

Long term health problems...heart disease, hypertension, diabetes and obesity...plague a growing number of people around the globe

Growing Consumer Attention

65% of American consumers say they notice information on food packaging more often than they did two years ago

- Neilson Company Survey, 2008

Processed Foods on the Forefront

Processed foods contribute about **70% of dietary sodium**

- British Nutrition Foundation

Over 50% of daily sugar consumption comes from sugar sweetened beverages and processed foods including cakes, pies, snack, breads and cereals

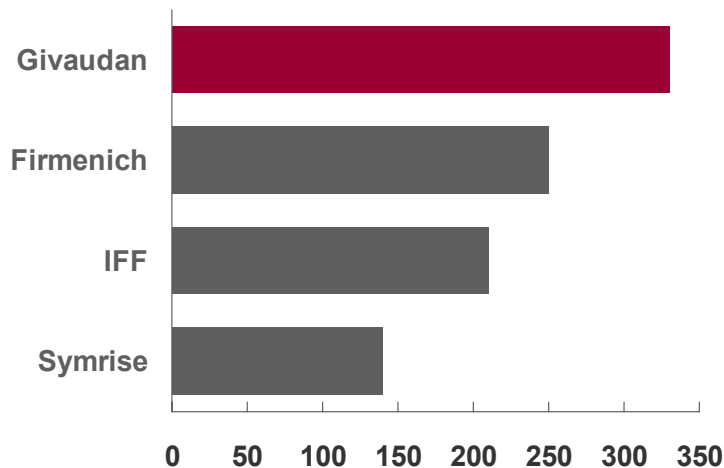
- Emory School of Medicine, National Health and Examination Survey

Capturing a significant share of the expanding Health and Wellness market opportunity by capitalising on our technology innovation portfolio such as TasteSolutions™

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Innovation

Consumer relevant solutions



Research & Development spending in million CHF*

- Largest and best-performing Research & Development organisation in the industry
- 1.5 times the number of patents on new molecules as the second next competitor
- Focused investment programmes e.g.
 - TasteSolutions™
 - TasteEssentials™
 - Receptor Research
 - New molecules and novel ingredients
- Leveraging cross divisional knowledge where it delivers value
- Link with leading consumer understanding platforms

*based on 2009 company information, Givaudan estimates

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Performance improvements

Savoury manufacturing investment CHF 170 million spread over three years

- Spend to be managed within existing Capex targets
- Payback seven years

Other efficiency programs

- Leverage Givaudan SAP platform and global infrastructure
- Payback three years

Total Restructuring costs CHF 75 million

- Cash component of CHF 55 million
- Maximum of two thirds to be booked in 2010 and remainder in 2011

Best-in-class EBITDA

Leveraging of strong sales growth combined with tight cost control

Development of unique innovative products

Improving the product mix

Further profitability improvements

Maintain industry leading profitable growth

Mid-term guidance

- Organic sales growth of 4.5% - 5.5% per year based on market growth of 2% - 3% per year
- Best-in-class EBITDA margins
- Free Cash Flow after capital investment and interest of 14% -16% of sales in 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)

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