Givaudan

Half Year Report 2003

Creating Sensory Advantage™

Key Figures

Six months ended 30 June in millions of Swiss francs, except per share data	Actual	Pro forma	
	2003	2002[1]	% Change
Sales	1,379	1,490	-7
Operating profit	216	250	-14
Operating profit margin (%)	*15.7%*	*16.8%*	
Net income	130	160	-19
EBITDA[2]	305	346	-12
Earnings per share – basic (CHF)	16.09	18.41	
Earnings per share – diluted (CHF)	16.03	18.40	
	30 June 2003	31 December 2002	
Total assets	4,759	4,561	
Total liabilities	2,193	1,795	
Total equity and minority interest	2,566	2,766	
Number of employees	6,145	5,844	

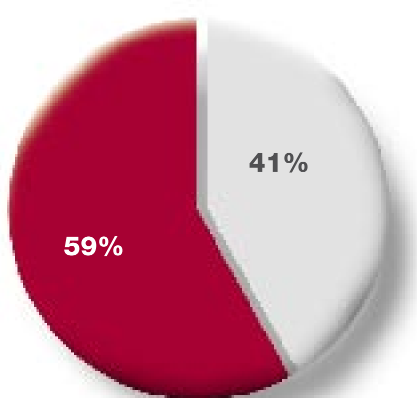
1) On 2 May 2002, Givaudan SA acquired 100% control of the flavour activities of Nestlé, Vevey–Switzerland, operating under the umbrella of Food Ingredients Specialities (FIS). The income statement related figures shown in the table above are derived from the unaudited Pro forma Consolidated Income Statement as if the acquisition had occurred on 1 January 2001. Details of the pro forma adjustments are disclosed in note 12.

*2) EBITDA: **E**arnings **B**efore **I**nterest (and other financial income), **T**ax, **D**epreciation and **A**mortisation. This corresponds to operating profit before depreciation and amortisation.*

Actual Sales by Division

Sales Flavours
CHF 816 million
+4.4% in Swiss francs
+17.2% in local currencies

Sales Fragrances
CHF 563 million
-3.3% in Swiss francs
+5.5% in local currencies



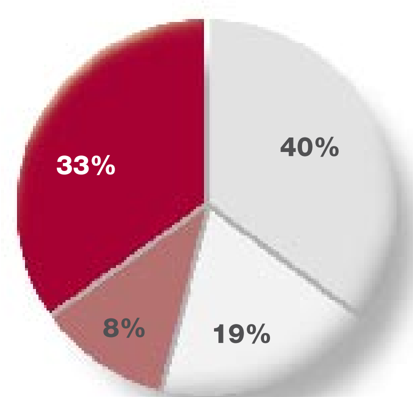
Total sales
CHF 1,379 million
+1.1% in Swiss francs, +12.2% in local currencies

The percentage changes are calculated using half year 2002 actual sales

Actual Sales by Region

USA and Canada

Europe, Africa and Middle East



Latin America

Asia Pacific

Sales are stated by destination

Givaudan outgrows the market and increases cash flow

Sales growth
In the first half of 2003, Givaudan continued to outgrow the market. Group sales grew by 12.2% in local currencies and 1.1% in Swiss Francs. Total fragrance sales grew by 5.5% in local currencies. Fine Fragrances and Fragrance Consumer Products together grew double digit and the speciality Fragrance Ingredients continued to show a good performance. Flavours grew by 17.2 % (including the FIS acquisition); the sales of all business segments of the division, except dairy, were up, with a particularly strong increase in the foodservice segment. All regions showed good growth, except flavours US, which had last year an exceptionally strong second quarter.

In the last six months Givaudan pursued its path of winning market share. Win rates have substantially increased and the company aligned its resources to the strategy of customers strictly focussing on key projects. Givaudan strengthened its regional presence in high growth areas such as Asia Pacific.

The investments in Fine Fragrances started to pay off and substantially increased the portfolio of wins and briefs. As the leader of the global flavour savoury market, Givaudan is now able to provide a wide, high quality portfolio of products and solutions to its customers. The leadership position in beverages was maintained and wins from last year in this segment have been rolled out to Europe, increasing sales of this region.

Gross profit
Despite improved manufacturing efficiency, the gross margin has been temporarily affected by raw materials purchased at times of deteriorating exchange rates, which made their way with some time lag through inventories to cost of goods sold. Additionally, changes in the portfolio mix, the still lower margin savoury business acquired with FIS, continued price pressure and strong price increase of some natural raw materials, had a negative impact. This resulted in Givaudan's gross margin decreasing in pro forma terms from 47.7% to 46.2% compared to the first half year 2002.

Operating Profit
Thanks to initial synergies from our recent acquisitions and tight cost management, the impact of the lower gross margin and the substantial increase in pension charges related to defined benefit plans – which increased from CHF 23 Million in 2001 to an estimated CHF 64 Million for the full year of 2003 (1.5 percentage points effect on EBIT over two years) – were partially offset at the operating level. Since operating cost remained stable, EBIT and EBITDA margins decreased only by 1.1 percentage points in comparable terms from 16.8% to 15.7% respectively from 23.2% to 22.1%. Givaudan will in the coming months aggressively launch new initiatives to improve margins beyond the temporary effects.

High Cash Flow
Givaudan remains strong in cash flow generation. By half year 2003, Givaudan reports an operating cash flow before investments of CHF 164 Million against CHF 94 Million in the same period of 2002, an increase of 74%. Capital spending amounted to CHF 40 Million against the depreciation charge of fixed assets of CHF 43 Million.

Net Profit
Reflecting the lower operating margin and higher net financial costs, mostly due to reduced income on financial investments, net profit in pro forma terms decreased from CHF 160 Million to CHF 130 Million against the first half of last year. This results in earnings per share of CHF 16.09 versus CHF 18.41 in the first half of 2002.

Share buy-back
After the first successful share buy-back, finalised in March 2003 and the subsequent cancelling of 8.3% of its outstanding shares, Givaudan started on 30 June 2003, a second share buy-back programme for up to 10% of the remaining 8 million registered shares. The strong balance sheet and the available liquid funds will allow Givaudan to give back funds to its shareholders and still pursue any potential value adding acquisition opportunities.

Outlook
Our outlook as the number one in fragrances and flavours indicates continued stable and profitable growth. This drive is supported by the enhanced product portfolio due to proprietary new molecules and technologies, the increased competencies from recent acquisitions and our clear market leader position in Asia. It is further enhanced by our investments in high growth business segments, such as foodservice, as well as in aroma chemical specialities whilst reducing commodities there. The investments in the new Fine Fragrances creation centres in New York and Paris and in research will continue to bear fruit. Programmes to bring up the savoury margins to pre-FIS acquisition levels are under way since the closing in May 2002. Initiatives to further enhance manufacturing efficiency are in place. New initiatives to improve margins will be launched. This will ensure Givaudan's continued ability to generate strong free cash flow. Givaudan remains confident and is in a strong position to deliver value to its customers and shareholders.

Fragrance Division

Six months ended 30 June, in millions of Swiss francs - Actual	2003	2002
Sales to third parties	563	582
EBITDA	112	113
as % of sales	*19.9%*	*19.4%*
Operating Profit	90	91
as % of sales	*16.0%*	*15.6%*

The Fragrance Division recorded sales of CHF 563 million resulting in a 5.5% local currency sales growth (-3.3% in CHF), clearly above the underlying market. The local currency increase was led in particular by a strong double digit growth in Fine Fragrances and high single digit growth in Consumer Products. In line with our strategy to move to higher value adding specialities, the Fragrance Ingredients business continues to decline as commodity ingredients sales are starting to weigh less in our portfolio.

The performance of the division with a double digit increase in the compounding business, has to be viewed in the context of the overall Fragrance market. Several clients face tough challenges to achieve their growth targets. This is valid for both Consumer Products and Fine Fragrances. As a logical consequence, the market for Fragrance Ingredients also continues to perform at levels below last year.

The strong growth in Fragrances sales has been achieved in an environment of increased price pressure. This was particularly felt in the commodity types ingredients products, where Givaudan is phasing out the sunscreen filters and several other ingredients. Despite the slightly reduced gross margin, tight cost management allowed to increase the EBITDA in the first half from 19.4% to 19.9% . Similarly the EBIT increased from 15.6% to 16.0%.

Major capital investments during the first half of 2003 included further expansion of production and marketing capabilities in China and Singapore, together with an important investment in a new multi-purpose plant for aroma chemical specialities in Vernier (Geneva, Switzerland), which is planned to start production during the third quarter of 2003.

Fine Fragrances

The Fine Fragrance market continues to be affected by lower consumer demand, despite an increased number of new product introductions. Notwithstanding current market conditions, Givaudan maintains its objective to increase market share. The Creative Centres in New York and Paris have contributed to a double digit sales growth in local currencies.

Givaudan also recorded several important new wins, which are planned to be launched by customers during the second half of 2003. In addition, several new important successes were recorded in the fast-growing speciality retail segment and in direct-selling channels.

Consumer Products

The Consumer Products business unit continued to outgrow the market in the period under review. Our strong creation capacities, new technologies, the investments in specific end-user market knowledge and trend research enabled us to bring added benefits to our customers leading to an increased win rate.

All regions showed healthy growth in local currencies. Latin America had a much stronger first half compared to 2002. Europe and North America continued their growth path, despite strong comparables of last year. Asia had a more difficult start, but is again gaining momentum with good overall growth in the first half.

The toiletries segment has been the main driver of the strong increase in sales of fragrance compounds in this first half year. This success is based on several new wins with key brands. The personal wash and laundry category showed healthy growth, followed by the household segment which continued to show strong increases as a result of strengthening our resource base in people and technologies for this segment.

Fragrance Ingredients

Sales of patented aroma chemical specialities, discovered and developed by Givaudan's Global Fragrance Research centre in Dübendorf (Zurich, Switzerland), continued its double digit growth, increasing its share in the Fragrance Ingredients business unit. Overall sales of the Fragrance Ingredients business decreased as a logical consequence of the decision to phase out the sunscreen filters and some other commodity type products. Excluding these products, the Fragrance Ingredients sales remained stable compared to last year, despite industry over-capacities in the traditional commodity sectors and overall fierce competition.

Fragrance Research

Givaudan's Global Fragrance Research kept its excellent momentum with a full pipe-line of molecules, creation tools and technologies. As a highlight of its activities in the first half year, three new patented molecules were added to the perfumers palette: Pharaone, a high diffusive top spicy green note, Floridile, a fruity, warm peachy character note and Belambre, a new transitional woody-ambery high impact smell.

A novel strategic project was launched in the area of malodours counteraction. Sulphuric or amine malodour compounds smell bad even at the lowest concentrations. Examples of these compounds are cold cigarette smoke and human body odours. First promising results of a new enzyme inhibitor technology are further investigated to counteract malodours and even tackle the problem by preventing the formation of these compounds.

Detergent powders and humidity absorbing materials demand for controlled release of fragrance in order to create a long-lasting good smell. Granuscent® is the new Givaudan solution for this high in demand technology.

The development of Granuscent demonstrate also the ongoing co-operation with Givaudan's Global Flavour Research, since this encapsulation technology is already used in the world of flavours. This new delivery system is almost ready to be commercialised and first samples orders have been shipped to customers.

Givaudan's creative real-time network is second to none in the fragrance and flavour industry. As a novel and highly efficient new tool Givaudan held its first olfactive video conferences. During these conferences perfumers and flavourists can remotely log into a conference room via Internet technology. They are then able to directly blend various fragrances or flavours based on Givaudan's proprietary VAS technology and have the smells or the flavour appreciated and evaluated in real-time by the customer in the conference room.

In the first half year of 2003, new ScentTrek™ expeditions were carried out in South Africa and India. The main target of the expedition to South Africa was discovering and analysing the vanishing flora, the native gladiolas of this region. From South India Givaudan's researchers came back with more than thirty fascinating, completely new odours, the most promising ones are already under assessment by Givaudan's perfumers.

Flavour Division

Six months ended 30 June, in millions of Swiss francs	Actual	Pro forma[1]	Actual
	2003	2002	2002
Sales to third parties	816	908	782
EBITDA	193	233	209
as % of sales	*23.7%*	*25.7%*	*26.7%*
Operating Profit	126	159	149
as % of sales	*15.4%*	*17.5%*	*19.1%*

1) On 2 May 2002, Givaudan SA acquired 100% control of the flavour activities of Nestlé, Vevey–Switzerland, operating under the umbrella of Food Ingredients Specialities (FIS). The income statement related figures shown in the table above are derived from the unaudited Pro forma Condensed Consolidated Income Statement as if the acquisition had occurred on 1 January 2001. Details of the pro forma adjustments are disclosed note 12.

The Flavour Division recorded first half year sales of CHF 816 million which represents a growth of 17.2% in local currencies and 4.4% in Swiss Francs compared to previous year's period. In pro forma terms, assuming FIS would have been consolidated since 1 January 2001, growth reached 1.0% in local currencies.

All regions and all segments, except North America and the dairy segment, showed good growth year-on-year. China, Japan, India and Eastern Europe reported double digit growth, underlying Givaudan investments in these markets. This also applies to the strong increase in the Foodservice segment.

The performance of the North American market, affected by the slow beverage business due to the cool early summer period and the base effect of last year's strong second quarter, also had a major impact on the development of the gross margin. The overall savoury segment developed favourably as a result of our strategic acquisitions of FIS and IBF. Givaudan is still aiming at bringing flavour margins to comparable pre-acquisition levels by 2004.

Further site consolidation, such as the announced transfer of the flavours compounding activities from Milton Keynes in the United Kingdom to other European sites, and other initiatives to continuously improve manufacturing efficiency will contribute to improve margins.

Asia Pacific

Asia-Pacific posted again a healthy growth in local currency terms. All major markets reported strong performance, led by Japan, China and India. The largest market, Japan, saw double digit growth led by important new wins from key accounts in the beverage industry. China had strong sales in the first half despite a certain slowdown in the second quarter related to reduced project activity due the SARS crisis. Sales in India were up significantly thanks to major new wins from global accounts across all major business segments.

Strong sales in the two largest business units, Sweet Goods and Beverage, generated solid growth for the whole region, supported by good overall increases in the other segments.

Latin America

Latin America registered good local currency growth with very strong gains from the largest market, Mexico. Solid growth from a relatively low level came from Argentina as last year's extremely difficult economic environment has stabilised. Sales in Brazil were down due to exchange rate volatility and a weakening economy. The overall good growth of Latin America was driven by a strong performance of all business segments.

North America

Sales in North America declined compared to the exceptionally strong prior year performance. In the same period last year several big customers had made initial orders for important new product launches. This base effect, combined with a relatively cool summer start in North America in the beverage segment, has led to a substantially lower level of sales in the second quarter compared to previous year.

Our investments into the Foodservice segment continued to bear fruit. Sales from this segment continued to show good growth due to additional new product wins. The savoury and confectionery segments also posted positive gains.

Europe, Africa and Middle East (EAME)

The European region continued with its performance from the first quarter by delivering a high single digit growth rate in constant currencies for the first half of 2003. This success was driven by the beverage, dairy and savoury segments. The key markets of Germany and the UK recorded double digit growth while Benelux, Iberia and the Central Regions posted high single digit rates.

Eastern Europe sales expanded, with Russia leading the way with a double digit growth. Major drivers were increased volumes from new business won in most major segments particularly in the beverage and citrus business. Savoury business growth was enhanced to an important extent by the recently acquired product portfolio from FIS. Especially good growth rates were also recorded in the Food Service segment.

The upgrade of the Culinary Technology Centre in Paris was completed and the transfer of the production from Milton Keynes to Dortmund is on schedule and should be completed by end of the year.

Flavour Research

Givaudan's Global Flavour Research significantly enhanced its momentum in the research domains of taste modification, novel ingredients, flavour delivery, SMART Systems™ and new technologies and products.

The ability to effectively modify taste attributes has become a key differentiator in the flavour development process. Givaudan has begun to exploit recent advances in receptor biology to aid in the discovery of novel ingredients. Patent applications have been filed for proprietary components that are essential to successful application of this technology for the creation of innovative flavour compositions. The programme is expected to deliver new knowledge, unique ingredients and sensory tools which will change the manner in which flavours are developed.

In the area of novel ingredients, a number of process flavour compositions were investigated for the use as building blocks in vegetarian food products. Further more, several natural high impact components were synthesised to develop enhanced meat top notes and a programme for the development of the next generation biohydrolysates is underway.

Givaudan tackles the problem to rapidly convert flavour sensory descriptions into an actual flavour composition with its state-of-the-art SMART Systems™ which facilitates the communication between customers and scientists. The Virtual Aroma Synthesiser™ (VAS) technology is now resident in all the major flavour creation centres globally. One unique advantage of this capability is the newly established global electronic linking of these units. This gives Givaudan the ability to involve flavourists from around the world in flavour development where special skills are required for customer projects. Members of a team located at different sites have the ability to utilise the VAS to collectively contribute to the creation process while evaluating the compositions in real time.

A major vanilla technology development programme was launched in view of the current market shortage. Novel vanilla building blocks were designed in order to give the flavour development teams a better opportunity to create the high quality extracts customers demand. In the area of coolant compositions, the new line of Evercool™ product compositions was launched successfully.

Givaudan continued to execute and capitalise on its TasteTrek™ expeditions. One specific focus area of the recent Latin American TasteTrek™ was to investigate the volatile components in a series of chili types unique to Mexico. Data from this collection is being utilised to create some unique and also authentic chili flavours for seasoning and snack applications. A series of flavours for authentic Asian sauces were created and newly commercialised based on results from the Asian TasteTrek™.

Interim Condensed Consolidated Financial Statements (unaudited)

Consolidated Income Statement for the Six Months Ended 30 June

in millions of Swiss francs, except per share data	Note	Actual	Pro forma[1]	Actual
		2003	2002	2002
Sales	5	1,379	1,490	1,364
Cost of sales		(742)	(779)	(705)
Gross profit		**637**	**711**	**659**
as % of sales		*46.2%*	*47.7%*	*48.3%*
Marketing, development and distribution expenses	6	(321)	(336)	(309)
Administration expenses		(48)	(60)	(48)
Amortisation of intangible assets		(46)	(50)	(39)
Other operating income (expenses), net		(6)	(15)	(23)
Operating profit		**216**	**250**	**240**
as % of sales		*15.7%*	*16.8%*	*17.6%*
Financial income (expenses), net		(30)	(17)	(13)
Result before taxes		**186**	**233**	**227**
Income taxes		(54)	(72)	(69)
Result after taxes		**132**	**161**	**158**
Minority interest		(2)	(1)	(1)
Net income		**130**	**160**	**157**
as % of sales		*9.4%*	*10.7%*	*11.5%*
Earnings per share – basic (CHF)		**16.09**	**18.41**	**18.67**
Earnings per share – diluted (CHF)	7	**16.03**	**18.40**	**18.66**

1) Details of the pro forma adjustments are disclosed in note 12.

Consolidated Balance Sheet

in millions of Swiss francs - Actual	Note	30 June 2003	31 December 2002
Current assets		2,071	1,850
Non-current assets		2,688	2,711
Total assets		**4,759**	**4,561**
Current liabilities		**984**	**882**
Non-current liabilities	8	**1,209**	**913**
Minority interest		**5**	**5**
Share capital	9	80	87
Retained earnings, reserves and other equity components	10,11	2,481	2,674
Equity		**2,561**	**2,761**
Total liabilities, minority interest and equity		**4,759**	**4,561**

Consolidated Statement of Changes in Equity for the Six Months Ended 30 June

in millions of Swiss francs - Actual	Note	2003	2002
Share capital			
Balance at 1 January		87	86
Issue of shares		-	1
Cancellation of shares		(7)	-
Balance at 30 June	9	**80**	**87**
Retained earnings, reserves and other equity components			
Balance at 1 January		2,674	2,698
Dividends paid	10	(65)	(58)
Net income		130	157
Additional paid-in capital		-	49
Net movement of fair value reserve for available-for-sale financial assets		25	(49)
Net movement of own equity instruments	11	140	154
Reduction of share capital		(420)	-
Net movement of currency translation differences		(3)	(122)
Balance at 30 June		**2,481**	**2,829**
Total equity at 30 June		**2,561**	**2,916**

Consolidated Cash Flow Statement for the Six Months Ended 30 June

in millions of Swiss francs - Actual	Note	2003	2002
Cash flows from (for) operating activities		**164**	**94**
Cash flows from (for) financing activities		**(2)**	**(39)**
Cash flows from (for) investing activities		**(40)**	**(148)**
Net effect of currency translation on cash and cash equivalents		(1)	(3)
Increase (decrease) in cash and cash equivalents		121	(96)
Cash and cash equivalents at the beginning of the period		454	467
Cash and cash equivalents at the end of June		**575**	**371**

Notes to the Consolidated Financial Statements (unaudited)

1. Group organisation

Givaudan SA and its subsidiaries (hereafter 'the Group'), operate under the name Givaudan. The Group is headquartered in Vernier, near Geneva, Switzerland.

Givaudan is a leading supplier of creative fragrance and flavour products to consumer goods industries. It operates in over 100 countries and has subsidiaries in more than 20 countries.

On 2 May 2002, the Group acquired 100% control of the flavour activities of Nestlé, Vevey–Switzerland, operating under the umbrella of Food Ingredients Specialities (hereafter "FIS").

On 7 January 2003, the Group acquired 100% control of International Bioflavors Inc. (hereafter "IBF"), located in Wisconsin (USA). No pro forma financial information relating to the IBF acquisition has been stated.

2. Basis of preparation of financial statements

These financial statements are the interim condensed consolidated financial statements (hereafter 'the interim financial statements') of the Group for the six-month period ended 30 June 2003 (hereafter 'the interim period'). They are prepared in accordance with and comply with the International Accounting Standard 34, Interim Financial Reporting.

The interim financial statements include the operations of Givaudan SA and its controlled subsidiaries where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.

These interim financial statements should be read in conjunction with the Half-Year 2002 report and the audited Annual Report 2002 as they provide an update of the most recent financial information available. These interim financial statements are not audited.

In the preparation of these interim financial statements, the Group applied the same accounting principles and policies as are applied in the Annual Report 2002.

The Group operates in markets where no significant seasonal or cyclical variations in sales are experienced during the financial year.

Income tax expense is recognised based upon the best estimate of the weighted average annual income tax rate expected for the full financial year.

3. FIS acquisition

On 2 May 2002, the Group acquired 100% control of the flavour activities of Nestlé, Vevey–Switzerland, operating under the umbrella of Food Ingredients Specialities.

The acquisition of FIS has been accounted for in the interim financial statements by use of the purchase method of accounting. The results of FIS operations have been incorporated in the consolidated income statement since 2 May 2002.

4. IBF acquisition

On 7 January 2003, the Group acquired 100% control of International Bioflavors Inc. located in Wisconsin (USA).

The acquisition of IBF has been accounted for in the interim financial statements by use of the purchase method of accounting. The results of IBF operations have been incorporated in the consolidated income statement since 7 January 2003.

As stated in the agreement, the transaction amounts to USD 21 million (equivalent to CHF 30 million) and consideration was in the form of cash. The Group acquired intangible assets consisting of goodwill of CHF 15 million, plus technologies and production processes of CHF 15 million which are amortised over 20 years and 15 years respectively.

5. Segment information

Segment information is included in the respective divisional comments.

6. Marketing, development and distribution expenses

In the six months ended 30 June the expenses for product development and research activities in 2003 amounted to CHF 107 million (2002: CHF 101 million) and are included in the income statement under marketing, development and distribution expenses.

7. Earnings per share - diluted

For the calculation of diluted earnings per share, the weighted average number of shares outstanding is adjusted to assume conversion of all potential dilutive shares arising from the executive share option plans and from the convertible instruments. Net income is adjusted for elimination of interest, net of tax for dilutive convertible instruments.

8. Debt

On 7 February 2003, the Group entered into a private placement for a total amount of CHF 50 million. The private placement was made by Givaudan SA. It is redeemable in 6 years time with an annual interest rate of 2.9%.

On 28 May 2003, the Group entered into a private placement for a total amount of USD 220 million. The private placement was made by Givaudan United States, Inc. It is redeemable by instalments between 5 and 12 years with annual interest rates ranging from 3.65% to 4.86%.

Subsequent to the 30 June 2003 balance sheet, the Group entered into a private placement for a total amount of CHF 100 million. It is redeemable in 10 years time with an annual interest rate of 3.3%.

9. Share Capital

On 3 April 2003, the Group had completed its share buy back programme with the repurchase of 725,627 registered shares over a second trading line on the Swiss Stock Exchange, virt-x. At the Annual General Meeting on April 11, 2003, the shareholders agreed with the cancellation of the repurchased shares and with the corresponding reduction of the share capital by 8.3%, from CHF 87,256,270 to CHF 80,000,000. The cancellation became effective on 27 June 2003.

On 30 June 2003, the Group started a supplementary share buy back programme that will last until 30 June 2004. The Group intends to reduce its share capital of 8,000,000 to 7,200,000 registered shares with a subsequent cancellation of the shares bought back. The buying of a maximum of 800,000 registered shares (representing 10% of the share capital) is made through a second trading line on virt-x. The cancellation of the shares must be approved by the Group's shareholders.

By 30 June 2003, the Group had repurchased no registered shares. By 31 July 2003, the Group had repurchased 26,000 registered shares for its share buy back programme.

10. Dividends paid

At the Annual General Meeting held on 11 April 2003, the distribution of an ordinary dividend of CHF 8.10 gross per share (2001: CHF 7.00) was approved. The dividend was paid on 16 April 2003.

11. Own equity instruments

The Group holds own equity instruments to cover in-part the anticipated obligations related to the executive share options plan and, the guaranteed exchangeable bonds issued on 7 June 2001. On 30 June 2003, the Group held 64,369 (2002: 8,266) own shares and derivatives on own shares equating to a net position of 512,405 (2001: 414,055) own shares.

12. Pro forma information relating to the FIS Acquisition

Pro forma information is presented for illustrative purposes and has been prepared based on the Consolidated Income Statement for the Six Months Ended 30 June 2002 and assuming the acquisition of FIS occurred on 1 January 2001. The pro forma information does not purport to represent what the Group's results of operations would actually have been. It has been prepared for illustrative purposes only and, because of their nature, cannot give a complete financial picture of the Group. The pro forma Consolidated Income Statement for the Six Months Ended 30 June 2002 issued in 2002 disagree with the pro forma figures issued in 2003, since the finalisation of the acquisition accounting modified the goodwill calculation.

Sales
Sales to Nestlé realised by FIS are reclassified as sales to third parties. Sales to Givaudan realised by FIS and sales to FIS realised by Givaudan are fully eliminated.

Cost of sales
Cost of sales are adjusted correspondingly to the sales adjustments.

Amortisation of intangible assets
Goodwill and intellectual property amortisation is incorporated in the results as if the acquisition would have occurred on 1 January 2001.

Other operating expenses (income), net
One-time operating expenses related to the acquisition are excluded from the income statement.

Financial income (expenses), net
The adjustment reflects the increase in interest expense as a result of supplementary debt necessary for financing the operating activities of the acquired companies and the decrease in interest income as a result of cash reduction required to purchase the companies.

Income taxes
The pro forma adjustment reflects the increase in income taxes related to the above adjustments at the statutory rate of the Group entity in which the related items are recorded.

Earnings per share
The basic and diluted earnings per share adjustment reflects the assumption that the issuance of the 100,000 registered shares and the sale of treasury shares of 390,000 had occurred on 1 January 2001.

Givaudan Agenda

2003

Half Year Conference, Zurich	28 August 2003
9 Months Sales	9 October 2003
Innovation Day, Cincinnati	16 October 2003
Roadshow London	22 October 2003
Roadshow Frankfurt	23 October 2003
Merrill Lynch Conference, London	18 November 2003

2004

Full Year Results: Conference Call	2 March 2004
Full Year Results: Media Conference	2 March 2004
Annual Investor Meeting, Vernier	8 April 2004
1st Quarter Sales	8 April 2004
Annual General Meeting, Geneva	16 April 2004
Half Year Conference, Zurich	26 August 2004
9 Month Sales	7 October 2004

2005

Annual General Meeting, Geneva	8 April 2005

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Givaudan SA Chemin de la Parfumerie 5, CH-1214 Vernier, Switzerland

T +41 22 780 91 11 • F +41 22 780 91 50 • www.givaudan.com