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Strong sales momentum in a challenging business environment

Full Year Results 2011

Vernier, 16 February 2012

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Gilles Andrier

CEO

Full Year Results 2011

Financial highlights

- Sales CHF 3.9 billion, up 5.2% in local currencies
- Pricing actions on track to recover raw material cost increases
- Comparable EBITDA of 790 million
- Comparable EBITDA margin of 20.2%, improving in the second half of 2011
- Net income of CHF 252 million
- Tax free cash dividend of CHF 22.00 proposed

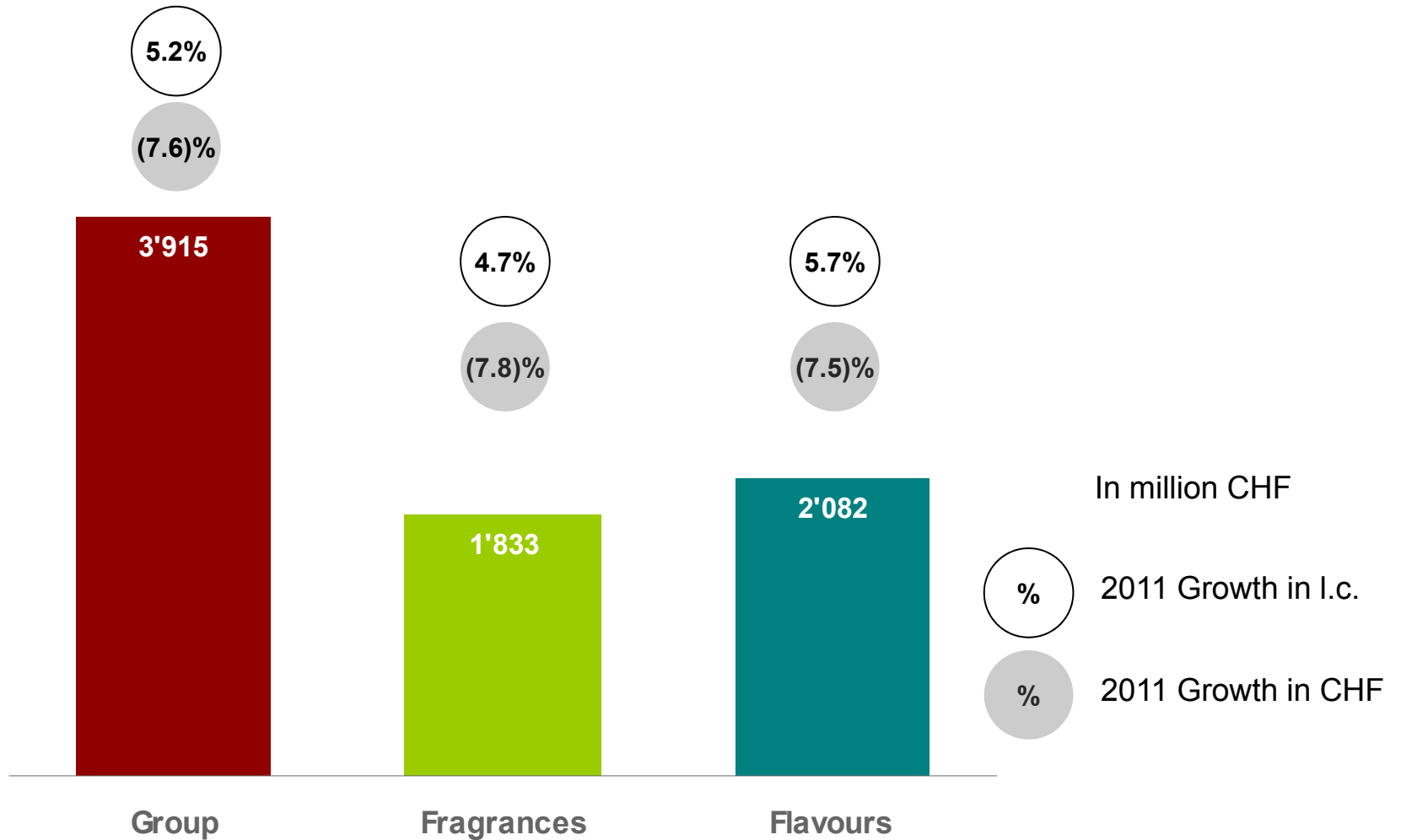
Full Year Results 2011

Business highlights

- Strong business momentum in a challenging economic environment
 - Successful commercialisation of innovations in the Fragrance and Flavour Division
 - Continuous improvement of win rate
 - Maintained strong growth in emerging markets
- Key initiatives fully on track
 - Good progress against all pillars of the five year strategy
 - Savoury manufacturing facility in Makó, Hungary on track
 - Roll-out of SAP nearing completion

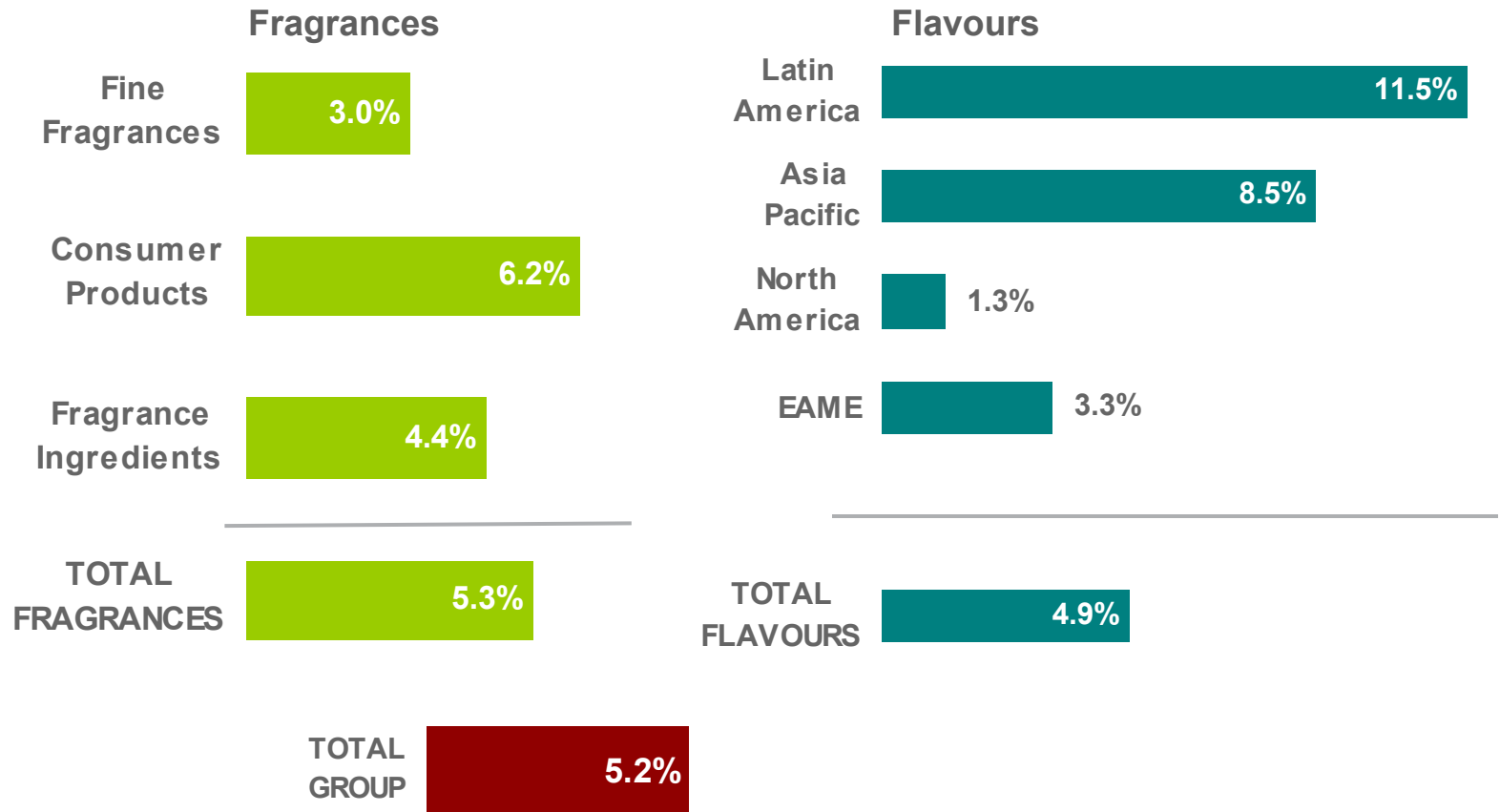
Our 2011 results are a convincing demonstration of the continued value we bring to our customers, across all regions and segments

Full Year 2011 sales performance



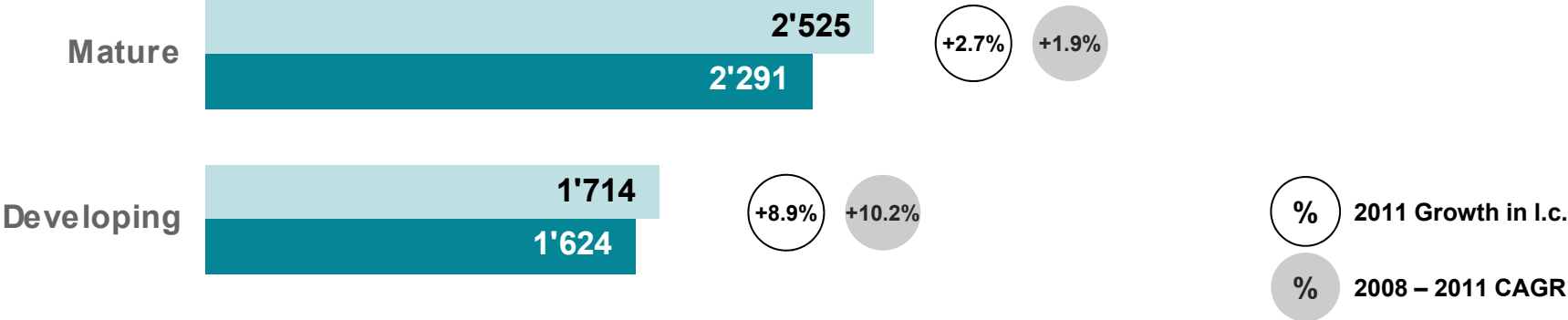
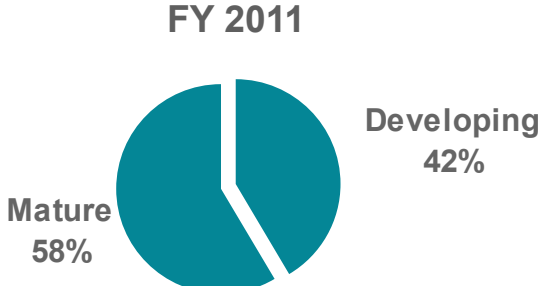
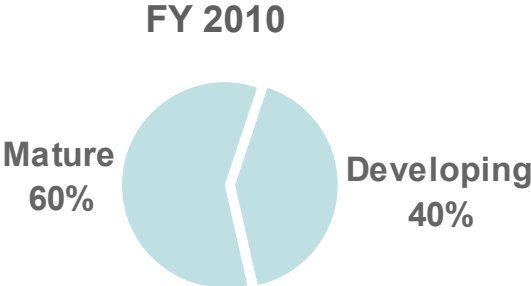
FY 2008 to FY 2011 sales CAGR

In line with mid-term guidance

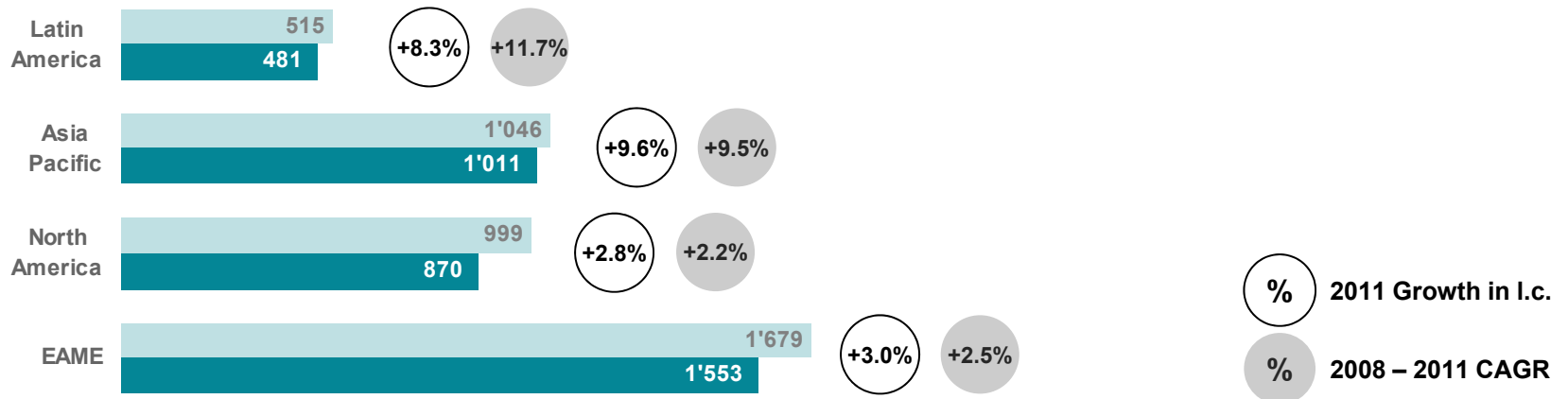
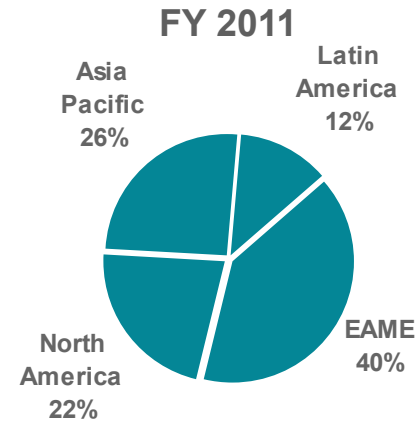
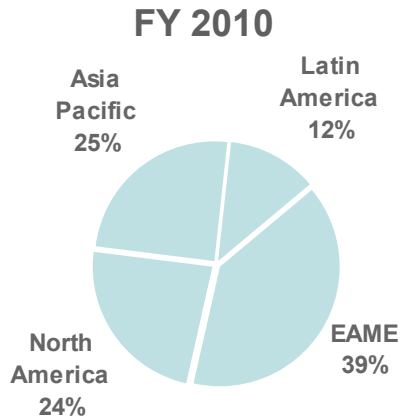


Sales evolution by market

(in million CHF)

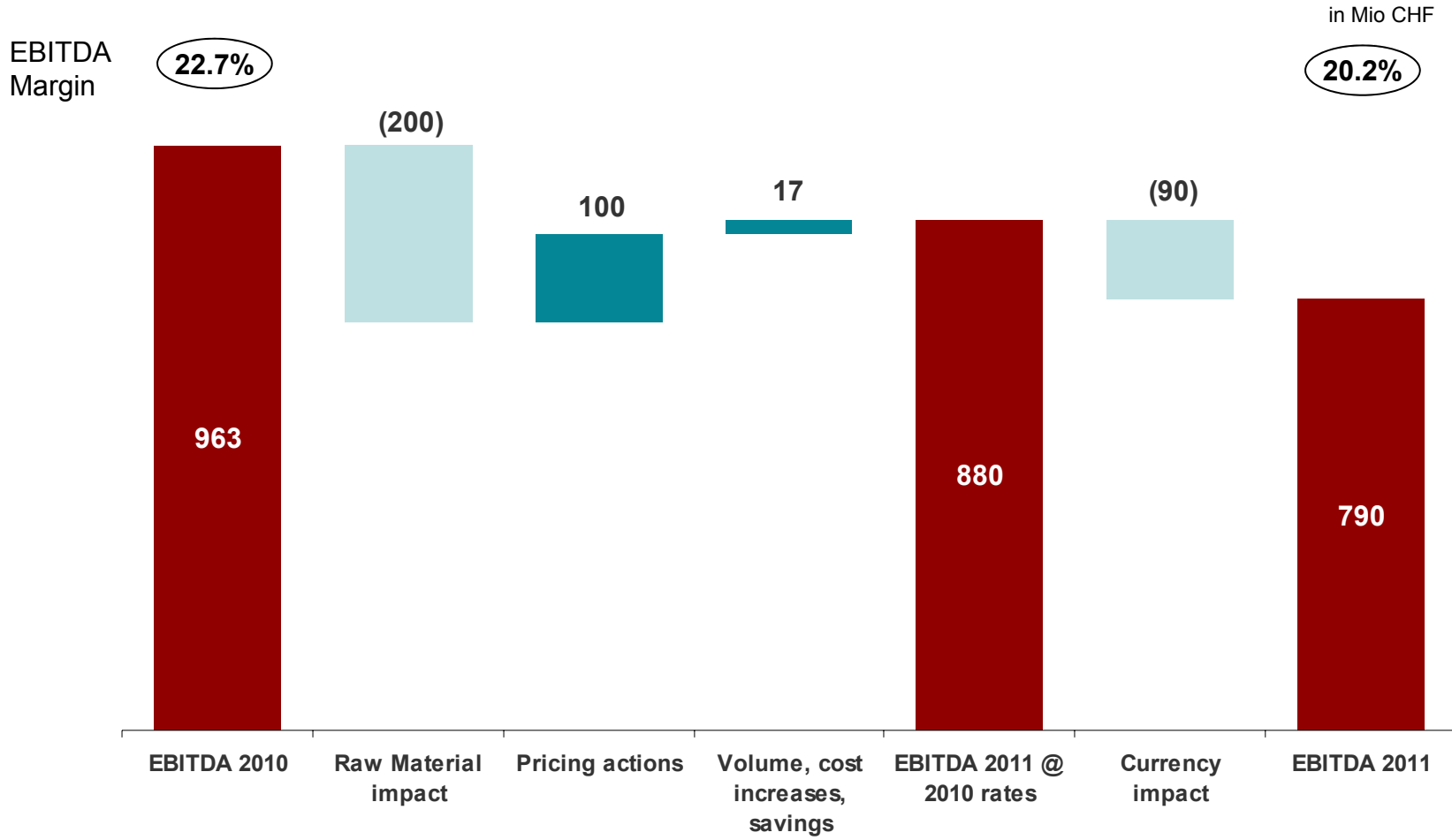


Sales evolution by region (in million CHF)



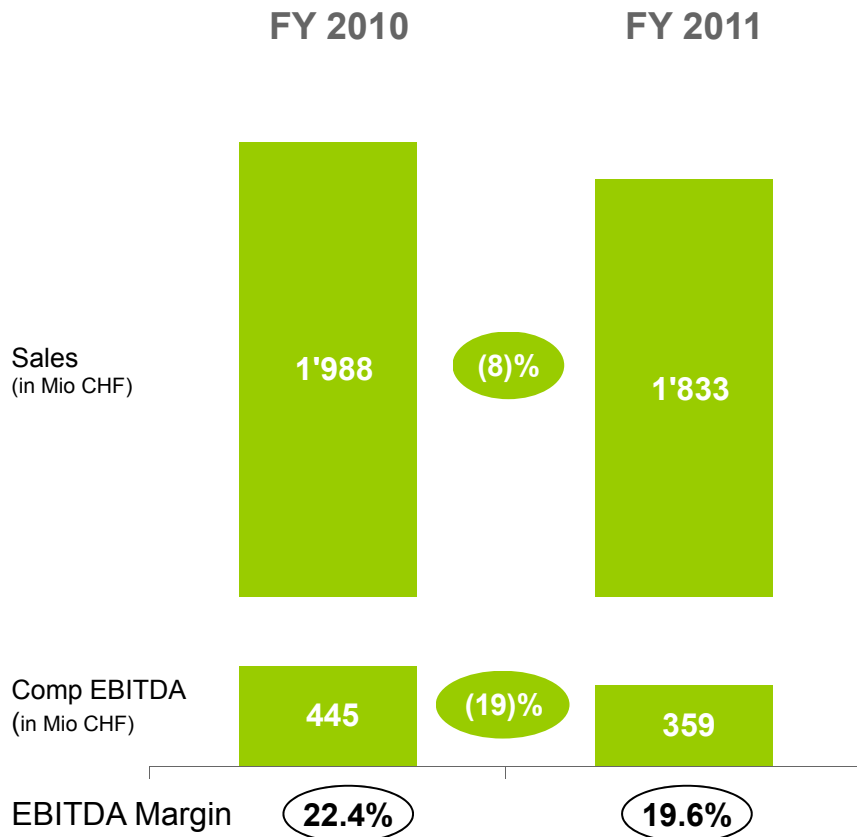
Group comparable EBITDA

Pricing actions on track to recover raw material cost increases



Fragrance Division

Sales and comparable EBITDA



Fine Fragrances grew 0.2% in I.c.

- Strongest sales growth in LATAM
- Perfumers recognised for their creativity, again winning a number of top awards

Consumer Products up 6.9% in I.c.

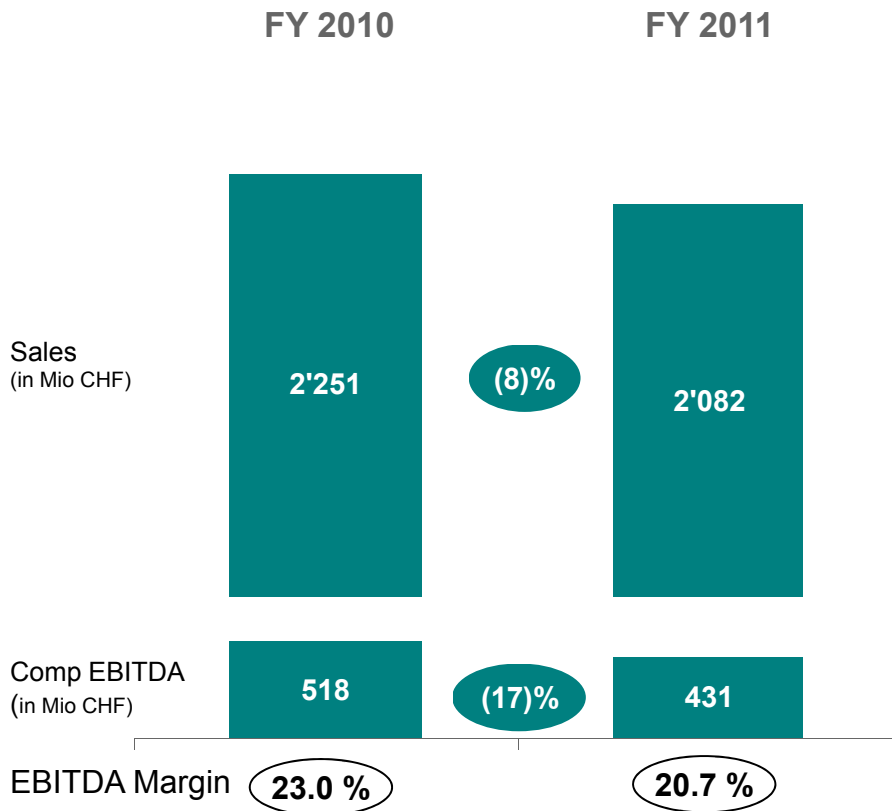
- Developing and mature markets contributed to this sales development
- Strong growth in Asia Pacific
- All customer segments growing in LATAM, especially Mexico
- Sales growth highest in fabric and hair care

Fragrance Ingredients up 0.7% in I.c.

- Modest growth in specialties
- Price increases offsetting volumes
- New ingredient, Paradisamide® launched

Flavour Division

Sales and comparable EBITDA



Double-digit growth in developing markets, Health and Wellness taste solutions, foodservice and targeted key accounts

- Asia Pacific increased 10.5% in l.c. driven by China, India, Japan and Vietnam
- Europe, Africa and Middle East grew 5.0% in l.c. driven by the developing markets
- North America grew 1.4% in l.c. with new wins in Beverages and Snacks
- Latin America increased 7.1% in l.c. driven by strong growth in Argentina and Chile

2011 Investments

Significant infrastructure investments in emerging markets

Eastern Europe

- Hungary, Makó: on target with construction of European Savoury Flavours Manufacturing Centre
- Russia, Moscow: expansion of Fragrance commercial and development centre

Latin America

- Brazil: regional commercial and development centre
- Mexico, Pedro Escobedo: expansion of Fragrance ingredients capacity
- Argentina: Flavour production capacity expansion

Asia Pacific

- India, Daman: expansion Flavours powder blend capacity and extension of the development centre
- China, Guangzhou: new Fragrance and Flavour commercial and application facility

January 2012 - Savoury Flavours Manufacturing (Hungary)



Innovative partnerships for long term supply of natural ingredients

Biotechnology

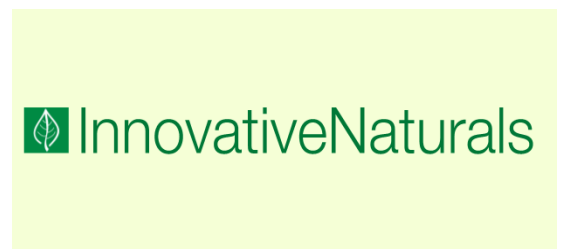
- Partnership for Biofene, a starting material for fragrance production
- Various projects for dairy fresh notes, and complex savoury flavours

Givaudan Innovative Naturals (GIN)

- Five ethical sourcing programmes in true partnership with local farmers
- Benzoin, vanilla, ylang ylang, sandalwood and tonka bean

Citrus Variety Collection

- Exclusive 10 year partnership with University of California, Riverside (UCR)
- The UCR grove provides us with access 1107 citrus fruit varieties



Givaudan innovation platforms

TasteSolutions™

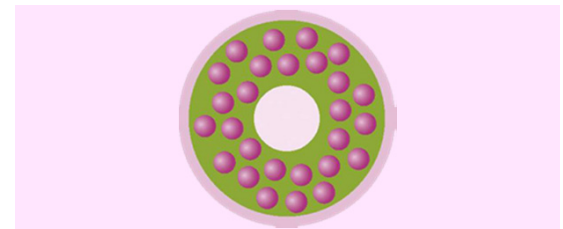
- Recent TasteSolutions™ innovations are providing double digit growth with targeted customers

Fragrance and flavour delivery technology

- Mechacaps™ for laundry and fabric products
- Microcapsules for deodorants
- PureDelevery™ for beverages, confectionery and savoury

Paradisamide®

- The novel fragrance ingredient Paradisamide® positively impacting fragrance ingredients creation



PARADISAMIDE

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Matthias Währen

CFO

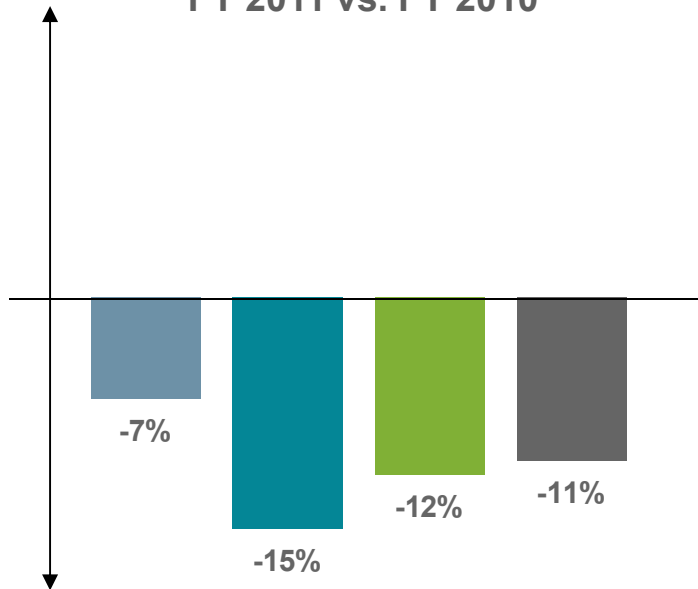
Full Year Results 2011

Financial highlights

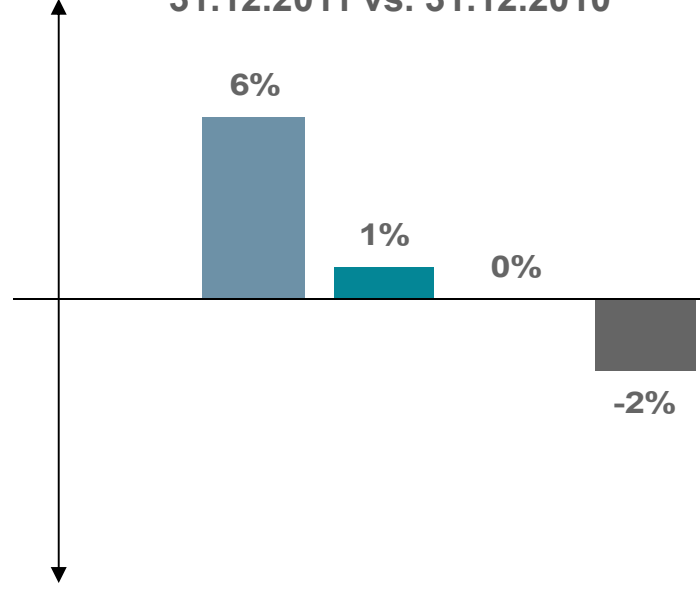
- Sales CHF 3.9 billion, up 5.2% in local currencies
- Comparable EBITDA decreased to CHF 790 million, due to raw material cost increases and currency translation effects
- Comparable EBITDA margin of 20.2%, improving in the second half of 2011
- Net income CHF 252 million, 6.4% of sales
- Net debt of CHF 1.5 billion, leverage ratio at 29%

Exchange rates development

**Average Exchange Rates
FY 2011 vs. FY 2010**



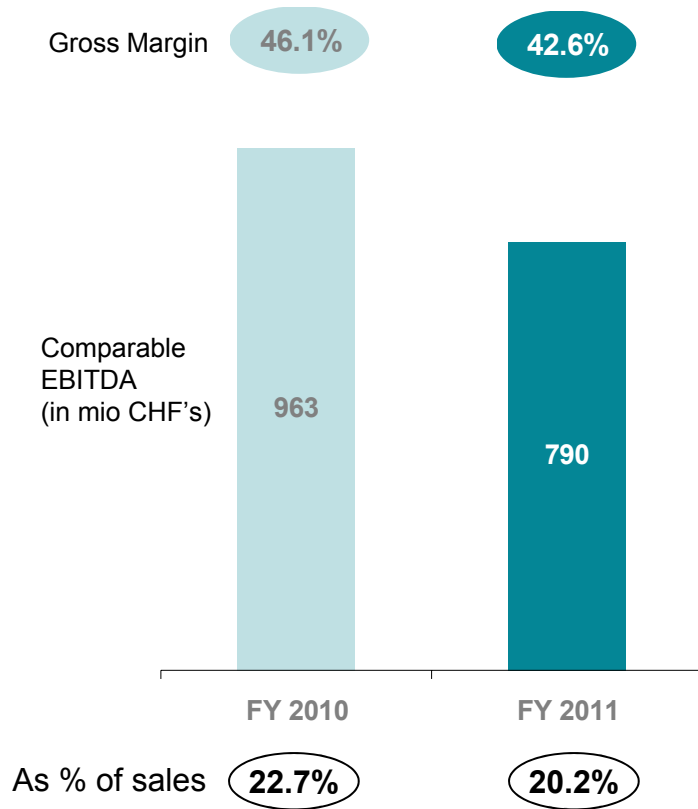
**Period End Exchange Rates
31.12.2011 vs. 31.12.2010**



	JPY	USD	GBP	EUR		JPY	USD	GBP	EUR
FY 2011	1.11	0.88	1.42	1.23	31.12.2011	1.22	0.94	1.46	1.22
FY 2010	1.19	1.04	1.61	1.38	31.12.2010	1.15	0.93	1.46	1.25

Operating performance

Significantly impacted by raw material increases and CHF



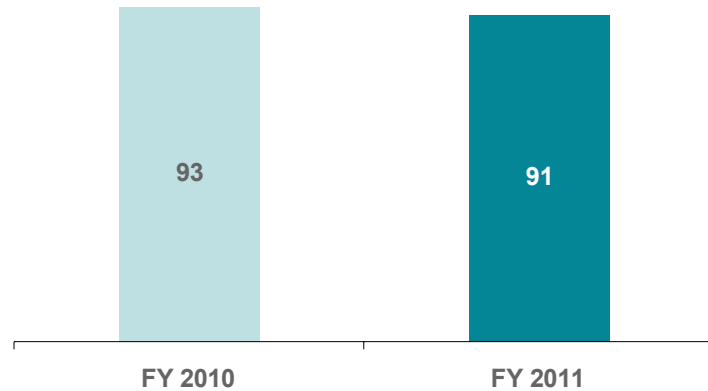
- Sales of CHF 3,915 million (2010: CHF 4,239 million)
- Gross Margin of 42.6%, down from 46.1%, significantly impacted by surge in raw material costs
- Operating expenses remain under control
- Comparable EBITDA of CHF 790 million (2010 CHF 963 million), of which currency is CHF 90 million
- Comparable EBITDA margin of 20.2%, margins remain naturally protected against strong Swiss franc

Financing costs and other financial expenses

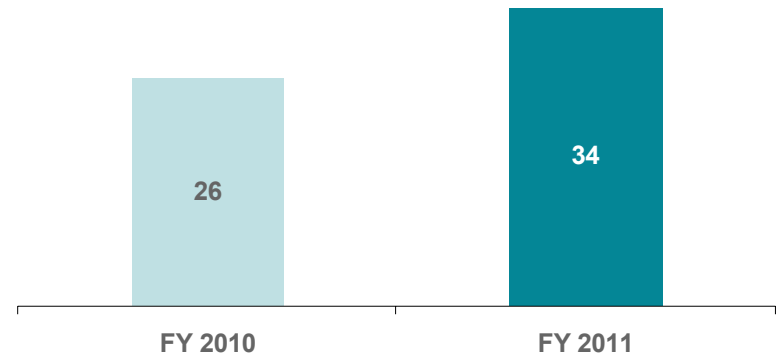
Under control, despite significant currency volatility

In Mio CHF

Financing Costs



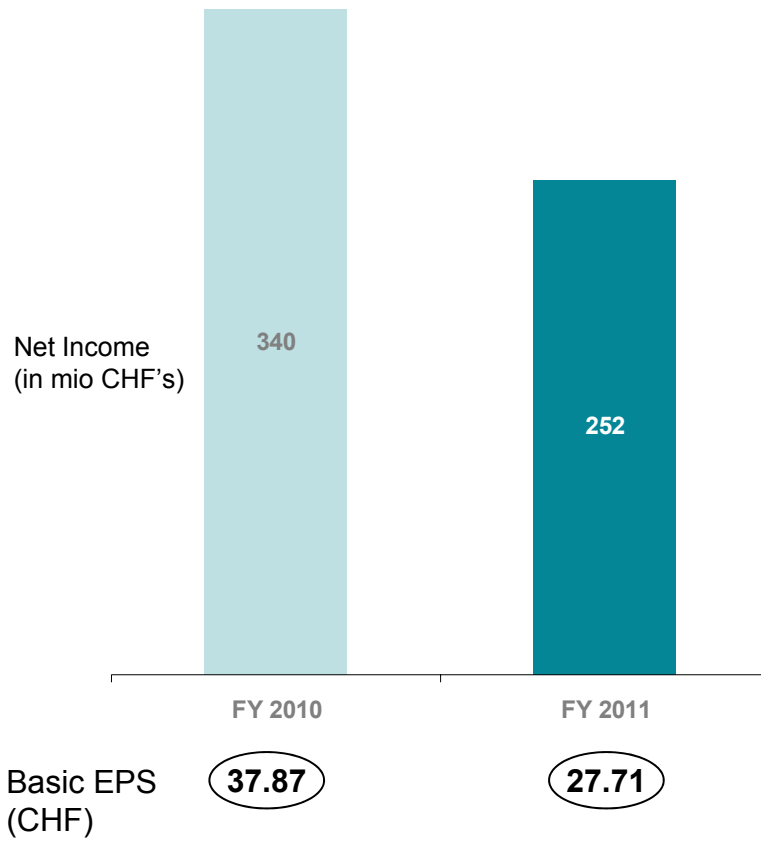
Other Financial Expenses (net)



- Financing costs in line with prior year
- Other financial income and expenses remain stable, despite continued currency volatility - exposures remain limited

Net Income

Significantly impacted by raw material costs and currencies



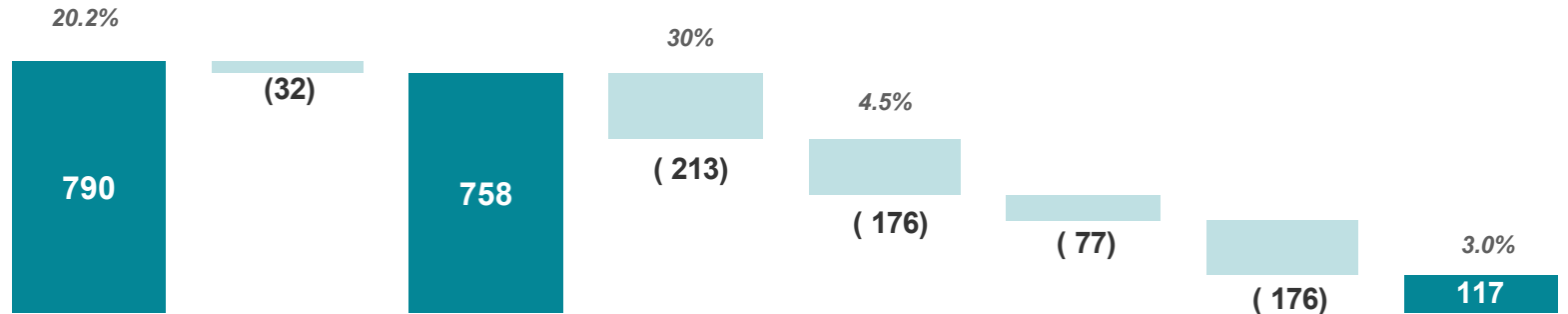
- Income before tax of CHF 318 million, down from CHF 437 million in 2010, driven by:
 - Lower restructuring cost
 - Surge in raw material costs
 - Strong CHF
- Effective tax rate of 21%, down from 22% in 2010
- Net Income of CHF 252 million
- Basic EPS of CHF 27.71, versus CHF 37.87 in 2010

Free Cash Flow

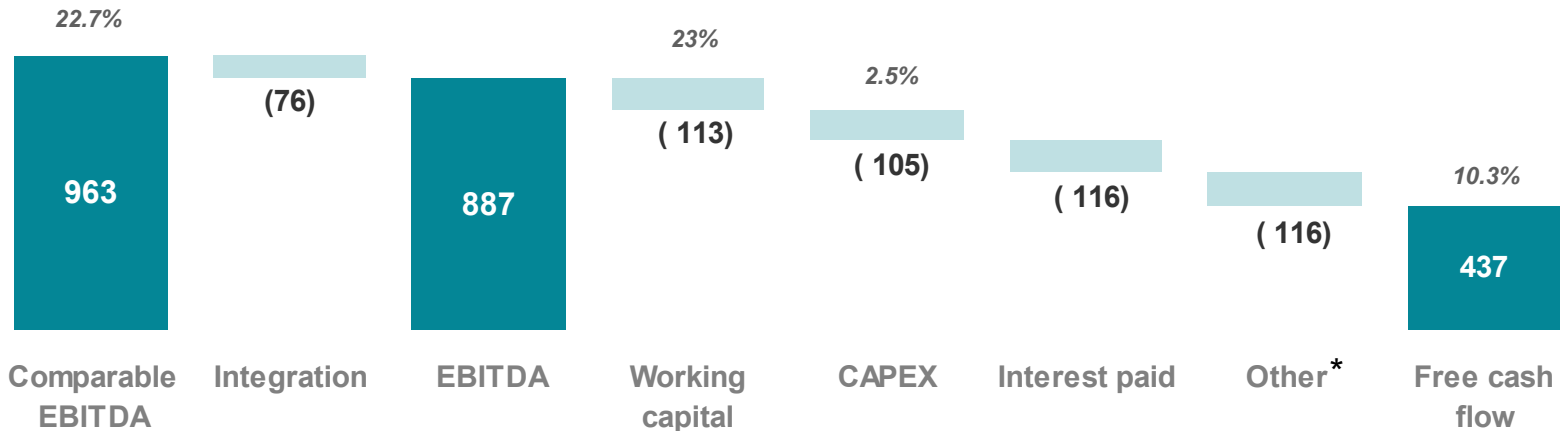
Temporarily impacted by number of factors, including investment projects

2011

In Mio CHF and as % of sales



2010



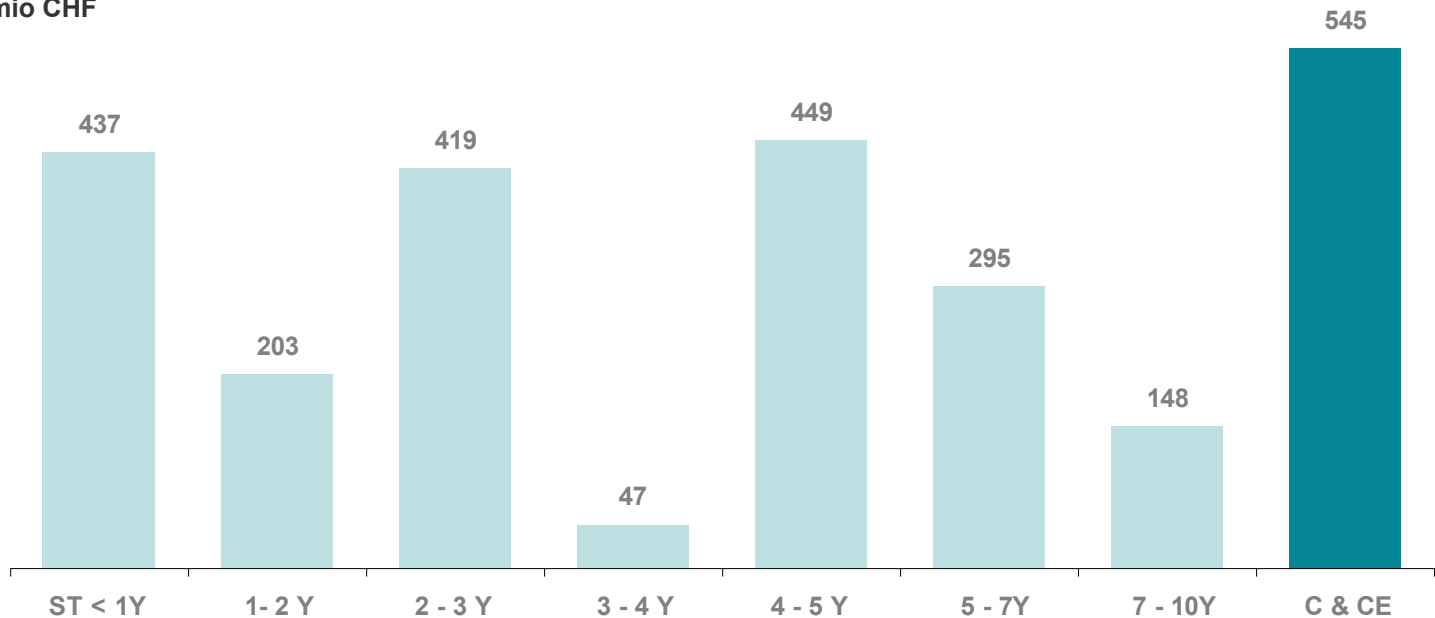
* Other comprises mainly mvts in provisions, intangible assets and taxes

Current debt profile

Taking advantage of attractive market conditions to refinance

- May 2011: Issue of 7 year 2.5% CHF 300 million straight bond
- July 2011: Refinancing of syndicated loan, new CHF 500 million facility negotiated
- Nov 2011: Issue of 5 year 1.25% coupon CHF 150 million bond and 10 year 2.125% CHF 150 million bond

In mio CHF

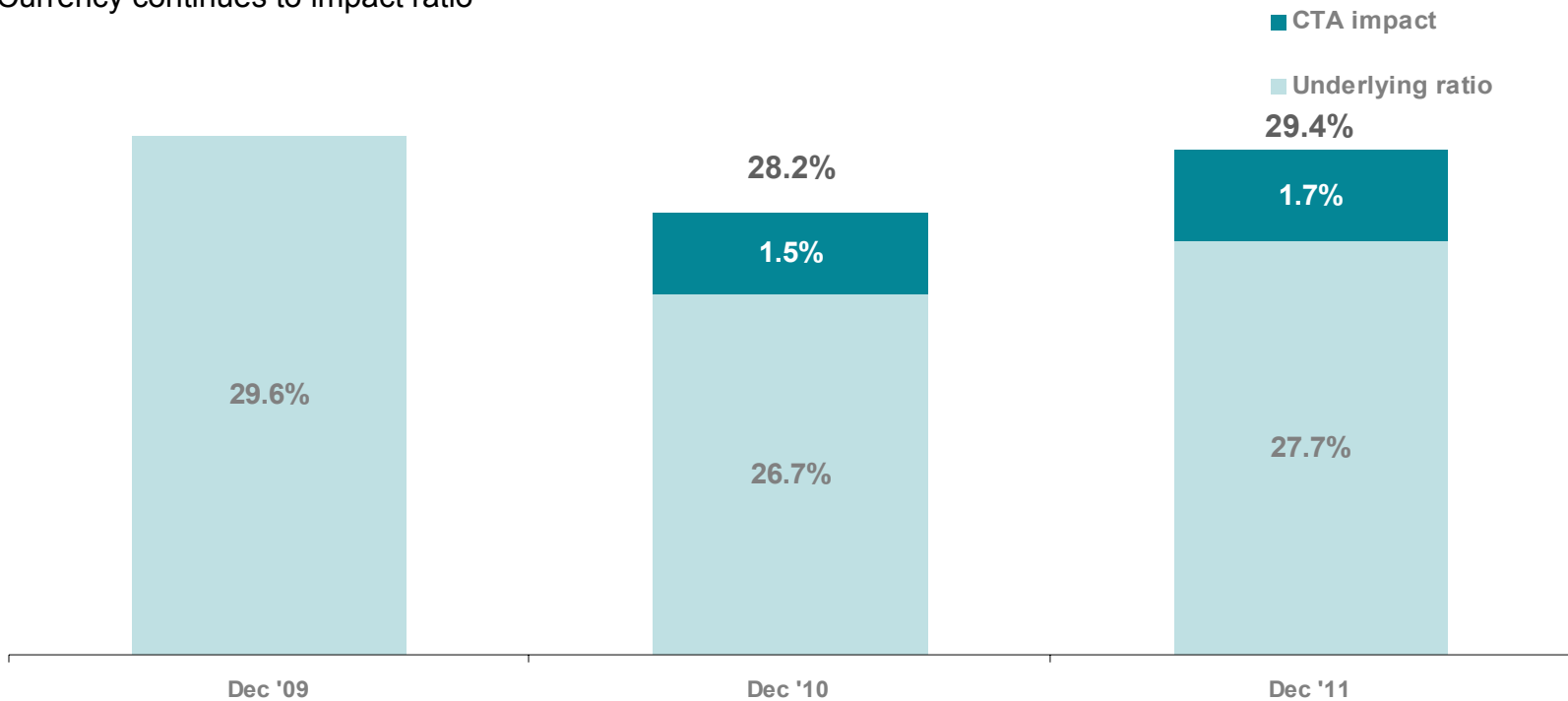


Leverage ratio

Underlying ratio trending to medium term target, but CTA impacting equity

Leverage ratio of 29.4% at December 2011, up from December 2010 due to

- Significant investment in CAPEX to support emerging markets growth
- Working capital to support SAP implementation and some strategic stock positions taken
- Currency continues to impact ratio

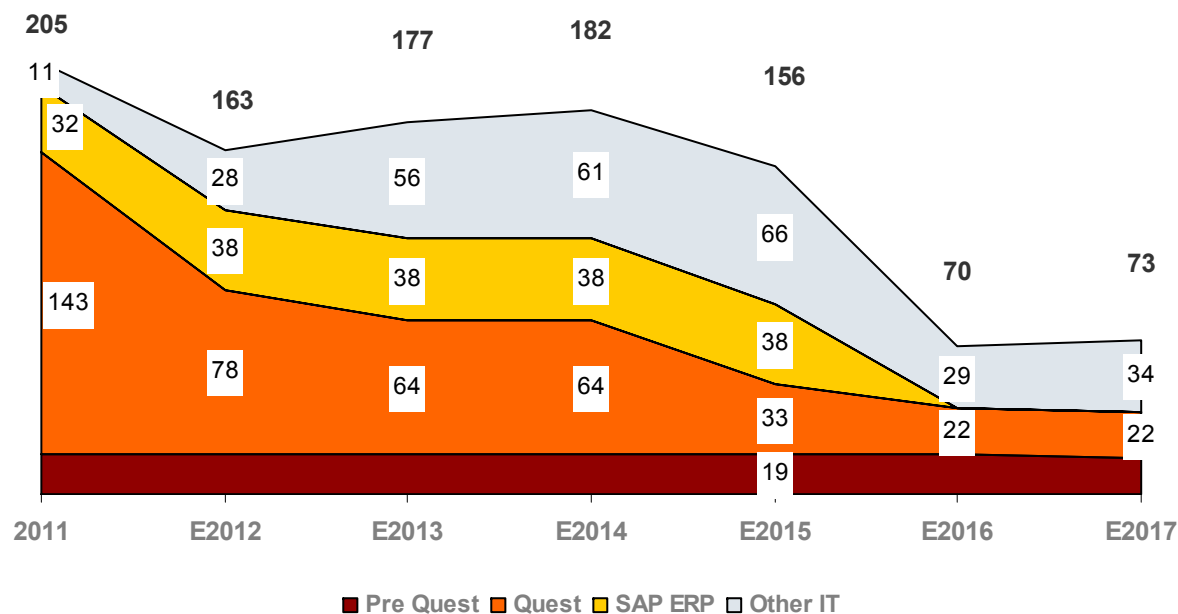


Amortisation of intangible assets

Forecast updated to reflect on-going IT project complexity

- Pre Quest amortisation of intangible assets of approx. CHF 19 million p.a.
- Quest intangible assets (exc. Goodwill) amounts to CHF 1,225 million
- Intangible assets mainly related to customers, formulae and technologies
- IT amortisation updated to reflect size and scope of projects (e.g. regulatory engine)

**Total annual amortisation charge
(CHF mio, estimated)**



Financial summary

- Sales of CHF 3.9 billion, an increase of 5.2% in local currencies
 - Pricing actions on track to recover raw material cost increases
 - Briefs pipeline and win rate remain strong
- Good signs of EBITDA recovery in second half 2011 from 19.1% in H1 to 21.4% in H2
- Despite weaker € and \$, natural currency hedge of margins once again proved
- Net income of CHF 252 million, or 6.4% of sales
- Cash flow temporarily depressed by working capital requirements and investments in emerging markets
- Net debt CHF 1,453 million, leverage ratio 29%
- Tax free cash dividend of CHF 22.00 proposed

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CEO

Short-term outlook, Full Year 2012

Main business drivers

- Additional CHF 100 million through price increases
- European savoury production ramping up in Makó (Hungary), closure of Bromborough and Kempththal savoury production
 - Double cost during transfers CHF 15 million
 - Annualised savings of CHF 30 million after completion (Q3 2013)
- Reduction in working capital requirements following SAP implementation in Asia Pacific
- Raw material prices, best case flat, most probably further moderate increase of 2-3%; based on current visibility
- Increased year on year pension expenses of ~CHF 30 million
- Economic uncertainties remain but Givaudan's business is resilient

Medium-term guidance

Profitable, above market growth

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