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Strong operating performance

Half Year Results 2013

Vernier, 25 July 2013

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Gilles Andrier

CEO

Half Year Results 2013
Financial highlights

- Sales CHF 2.2 billion, up 5.7% on a like-for-like* basis
- Developing markets
  - now account for 45% of group sales
  - grew 9.4% on a like-for-like basis
- EBITDA increased by 16.4% to CHF 509 million
- EBITDA margin improved to 22.9% in 2013 from 20.6% in 2012
- Free cash flow improved to 9.3% of sales, compared to 5.7% in 2012

Our 2013 six month results are a convincing demonstration of the continued value we bring to our customers, across all regions and segments

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

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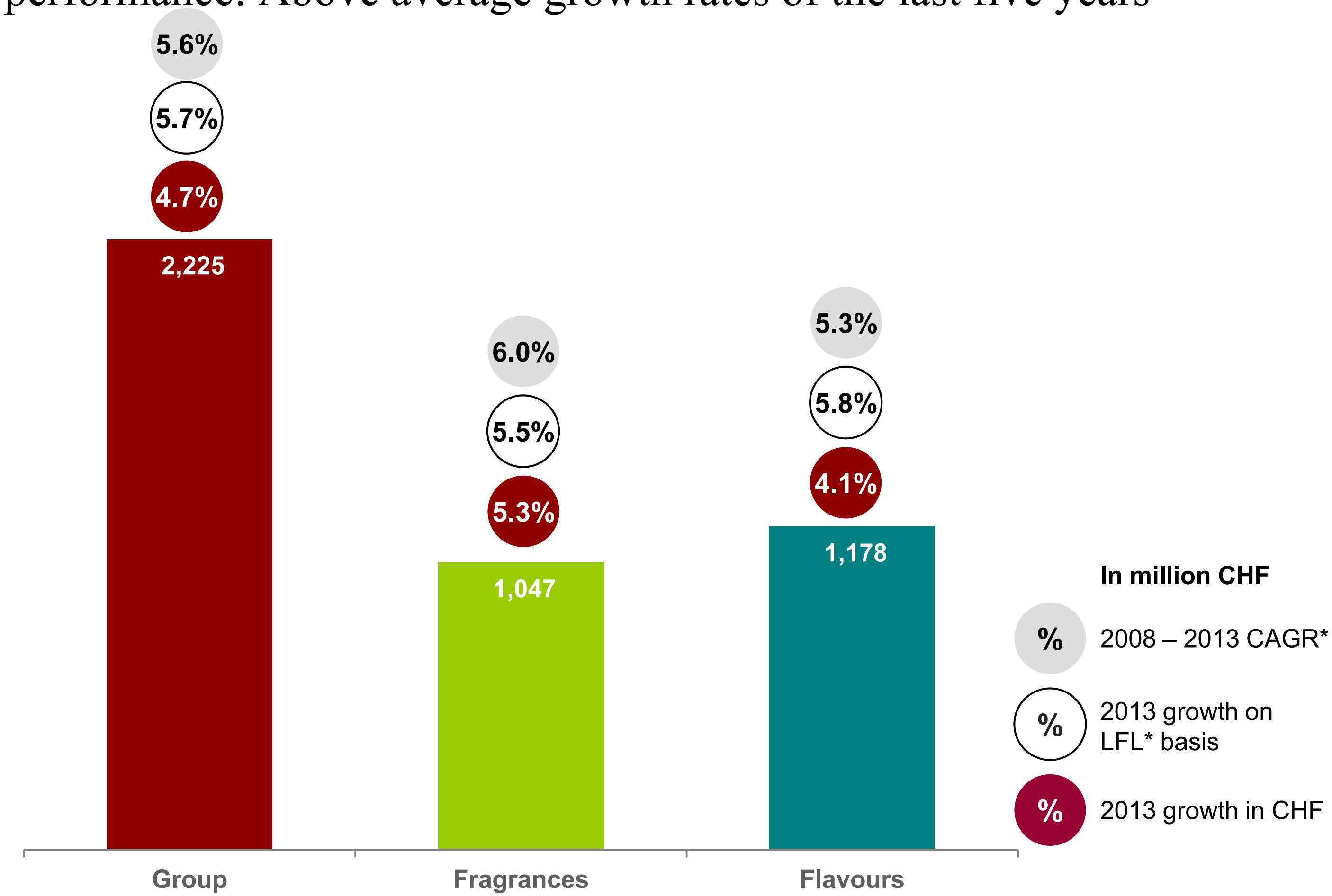
Half Year Results 2013

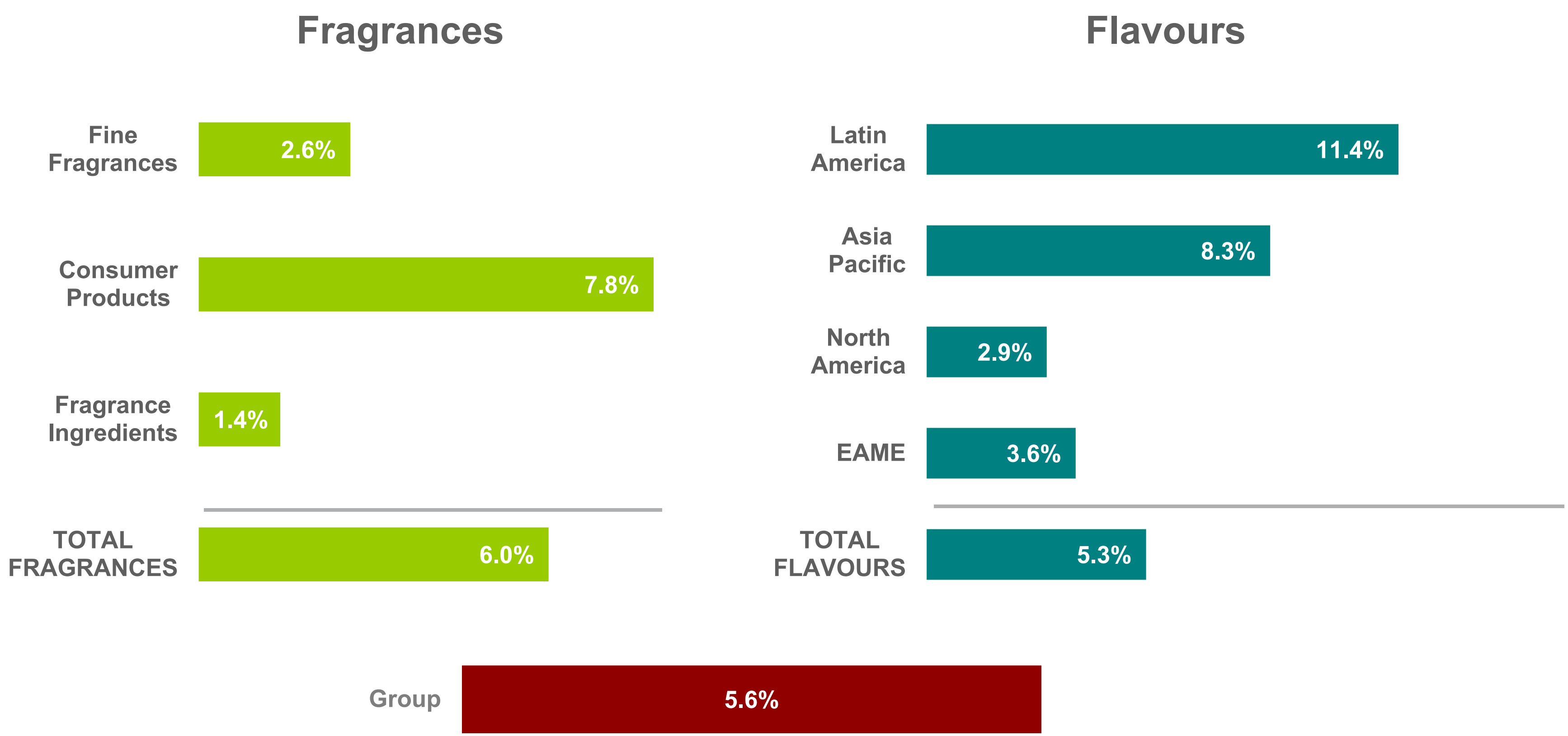
Sales performance: Above average growth rates of the last five years



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

HY 2008 to HY 2013 sales CAGR

At top end of mid-term guidance



* All figures on a LFL (like-for-like), which excludes the impact of currency, acquisitions and disposals

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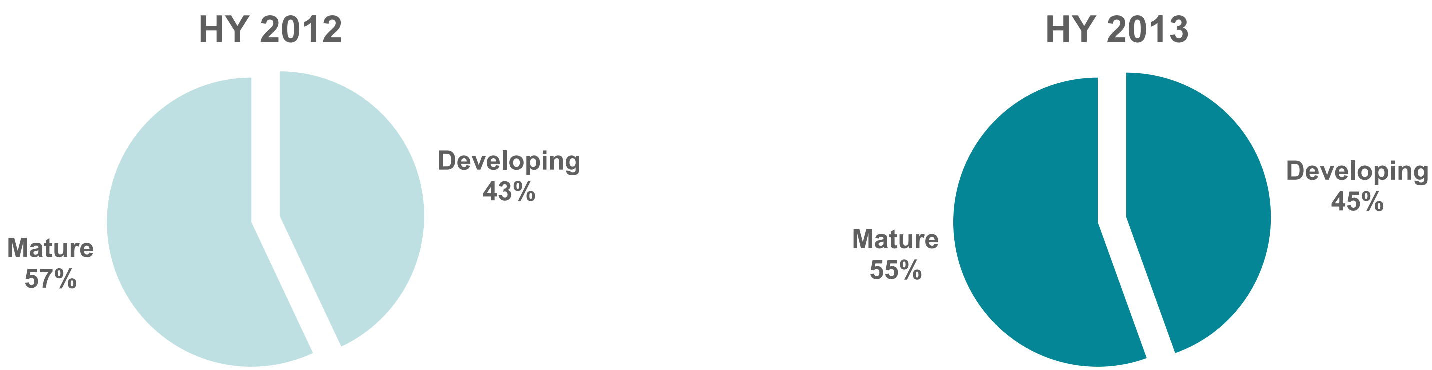
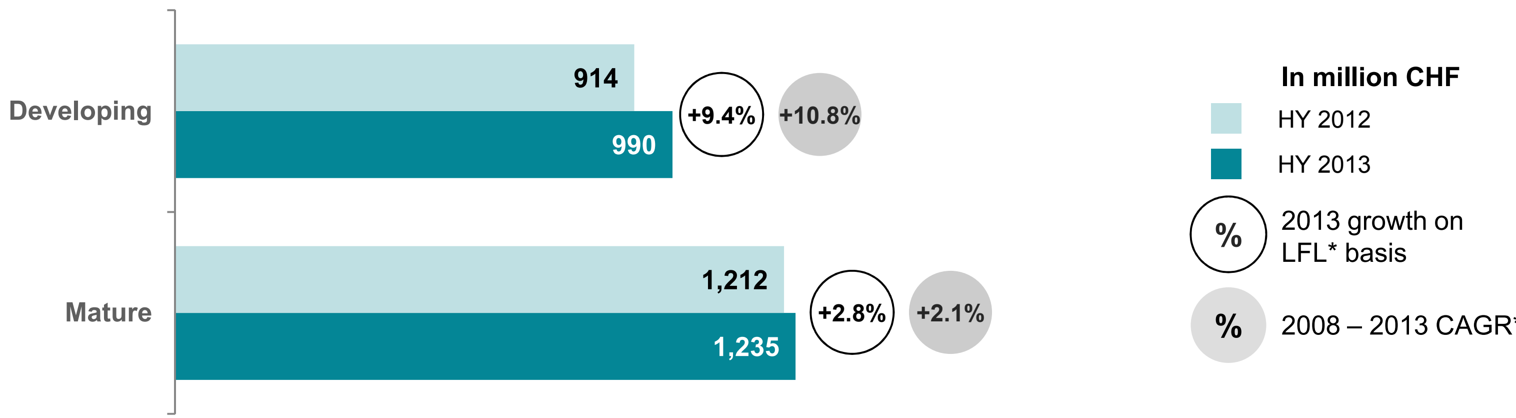
Sales evolution by market

On track for 50% of sales from developing markets in 2015





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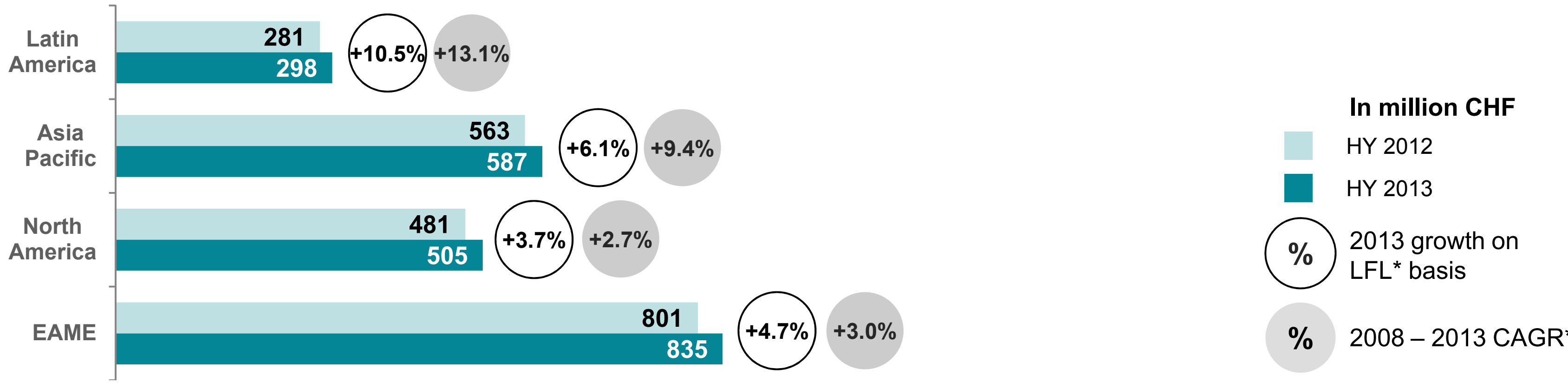
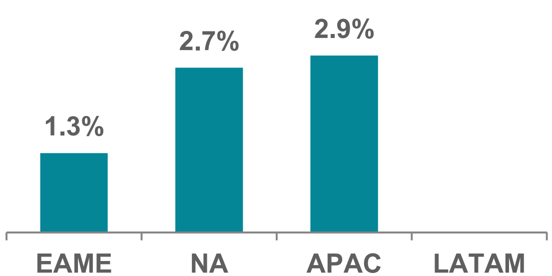
Sales evolution by region

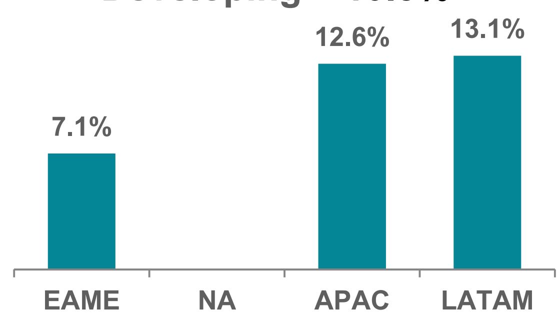


2008 – 2013 CAGR by region and market

Mature – 2.1%



Developing – 10.8%



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

Fragrance Division
Sales and EBITDA

Fine Fragrances grew 2.5%

- Strong performance in developing markets, mature markets flat versus 2012
- Perfumers recognised for their creativity, again winning a number of top awards in Europe and the USA

Consumer Products grew 7.9%

- Strong growth across all customer groups
- Double digit growth in Latin America and strong single growth in Asia Pacific
- Double digit growth in personal care, especially among international clients, and solid increase in fabric care in Asia and Latin America

Fragrance Ingredients declined 2.9%

- Impacted by discontinuation of some commodity products

Flavour Division
Sales and EBITDA

Strong growth in developing markets and double digit growth in Health and Wellness taste solutions

- Asia Pacific increased 6.4% driven by China, India and Indonesia
- Europe, Africa and Middle East grew 5.2% driven by the developing markets and growth across all mature countries in Europe
- North America grew 5.0% with strong growth in Beverages and Dairy
- Latin America increased 7.9% driven by strong growth in Argentina and Brazil

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Matthias Währen

CFO

Half Year Results 2013
Highlights

- Sales CHF 2.2 billion, up 5.7% in local currencies
- EBITDA increased by 16.4% to CHF 509 million
- EBITDA margin improved to 22.9%
- Net income of CHF 271 million, up 36% year on year
- Net investments down significantly versus 2012, at 2.6% of sales
- Free cash flow of CHF 207 million, 9.3% of sales
- Net debt of CHF 1.3 billion, leverage at 26%

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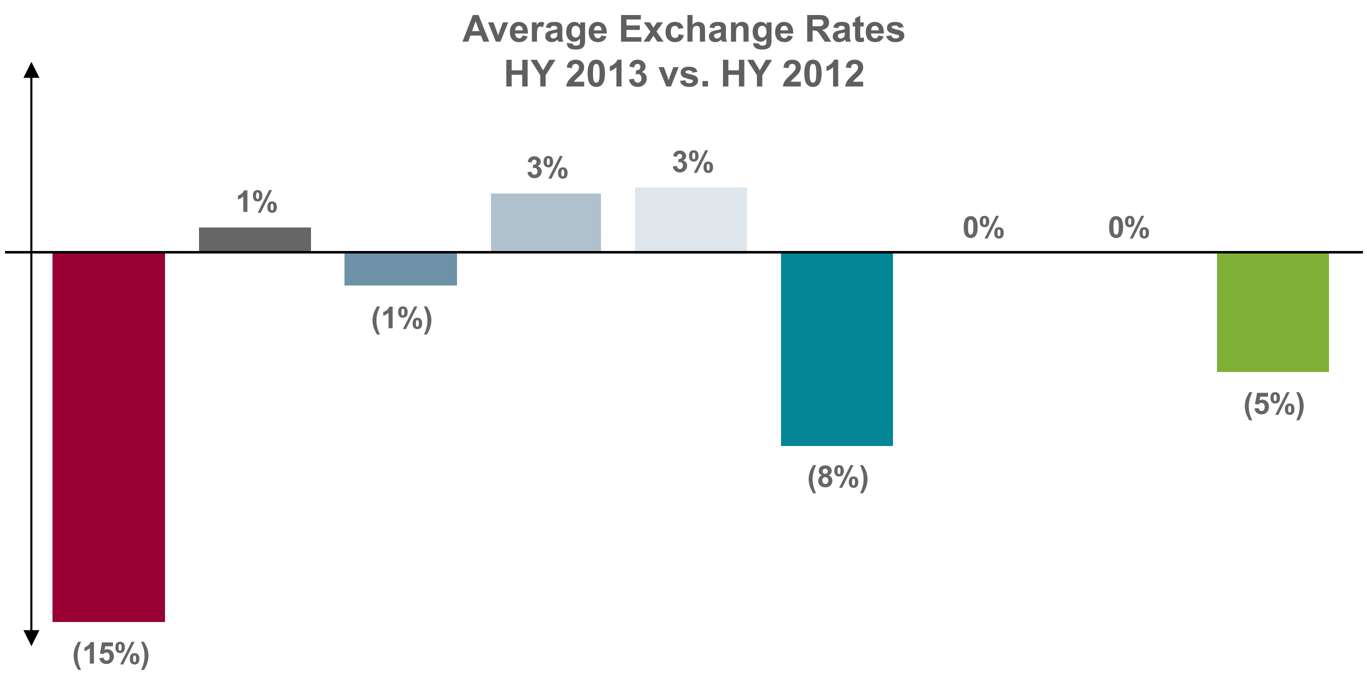
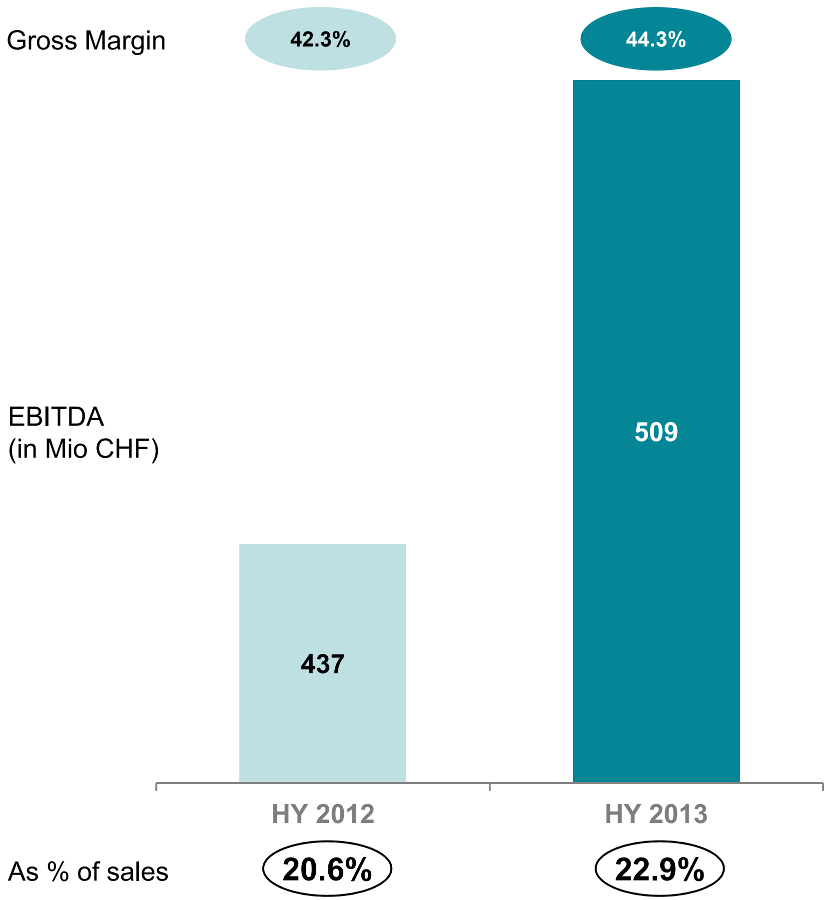
Exchange rates development

Results largely unaffected by currencies, despite some significant individual currency movements versus Swiss franc



	JPY	USD	GPB	EUR	SGD	BRL	CNY	MXN	IDR
HY 2013	0.99	0.94	1.44	1.23	0.75	0.46	0.15	0.07	0.96
HY 2012	1.17	0.93	1.46	1.20	0.73	0.50	0.15	0.07	1.01

Operating performance
Strong sales growth and operating leverage



- Sales of CHF 2,225 million (2012: CHF 2,126 million)
- Gross Margin of 44.3%, up from 42.3%, driven by solid sales volumes, residual price impact and supply chain efficiencies
- EBITDA of CHF 509 million, up 16.4%, driven by
  - Improved Gross Profit
  - Operating expenses under control
- EBITDA margin of 22.9%, up from 20.6% in 2012
- Operating Income of CHF 377 million, up 23.8% from 2012, driven by higher EBITDA and stable amortisation charge.

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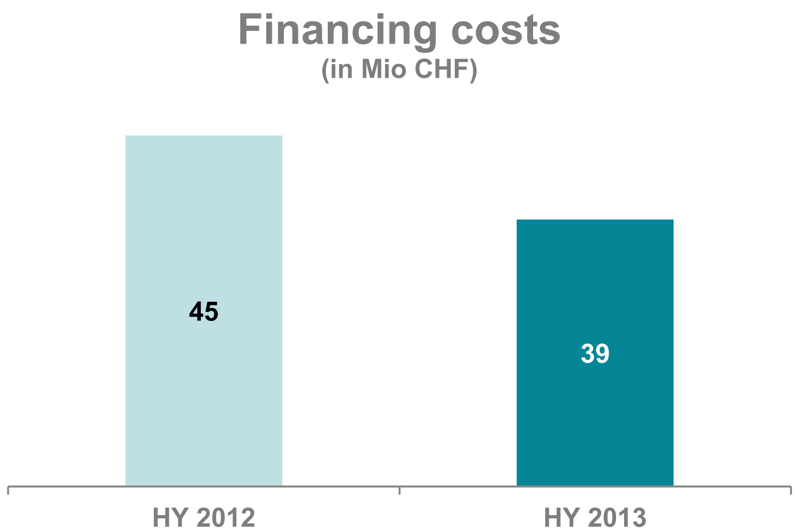
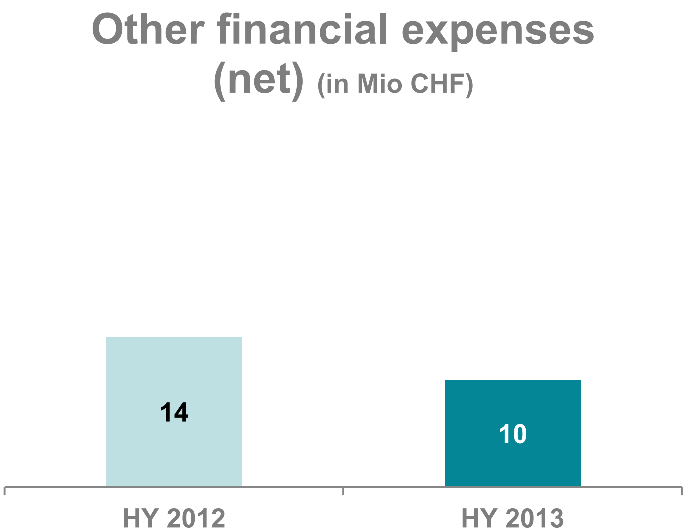
Financing costs and other financial expenses

Lower than HY 2012 driven by re-financing and process optimisation





Financing costs down in 2013, following re-financing over recent years at attractive interest rates

Other financial income and expenses lower as company leverages on centralised Treasury function

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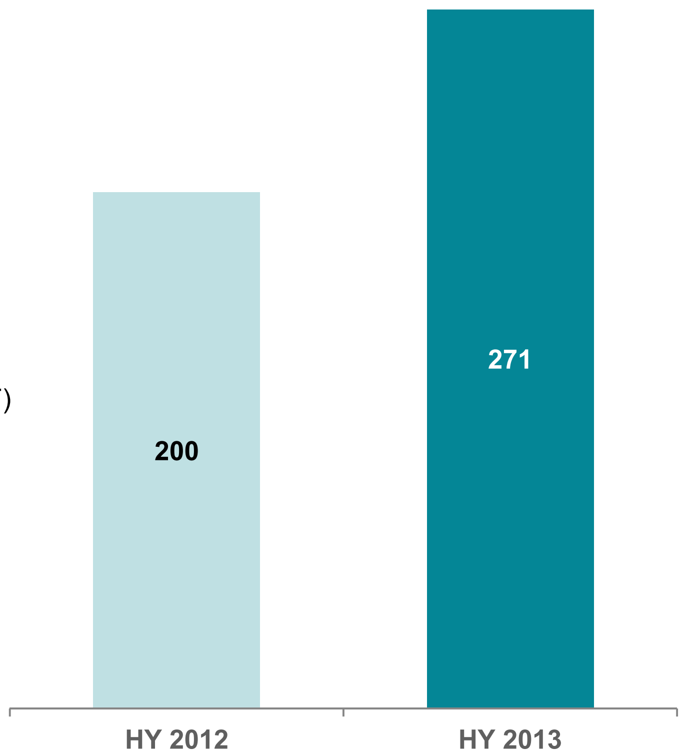
Net Income

Up significantly with improved business and financial performance

Net Income
(in Mio CHF)



Basic EPS (CHF)	21.98	29.61

- Income before tax of CHF 328 million, up from CHF 246 million in 2012, driven by:
  - Significantly improved EBITDA
  - Lower financial expenses
- Effective tax rate of 18%, versus 19% in 2012
- Net income of CHF 271 million, or 12.2% of sales, up 36% year on year
- Basic EPS of CHF 29.61, versus CHF 21.98 in 2012

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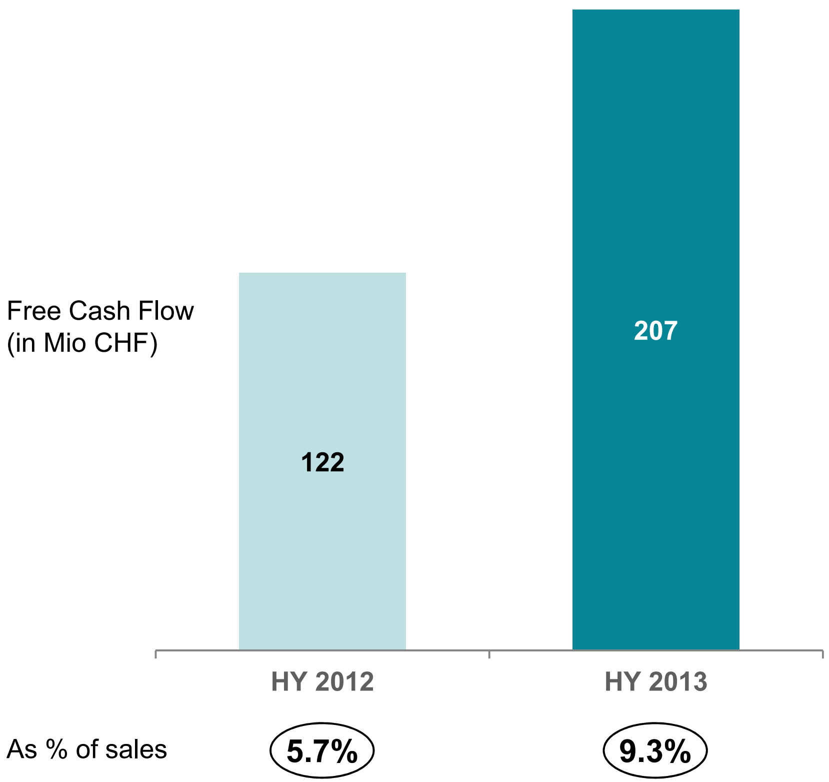
Free Cash Flow

Continued steady improvement, focused on all elements



- EBITDA increased by 16.4%, strong operational performance
- Working capital as a % of sales down versus to 27% of sales, compared to 31% of sales at June 2012
- Net CAPEX and Intangible investments of CHF 57 million (2.6% of sales) compared to CHF 91 million (4.3% of sales) in 2012

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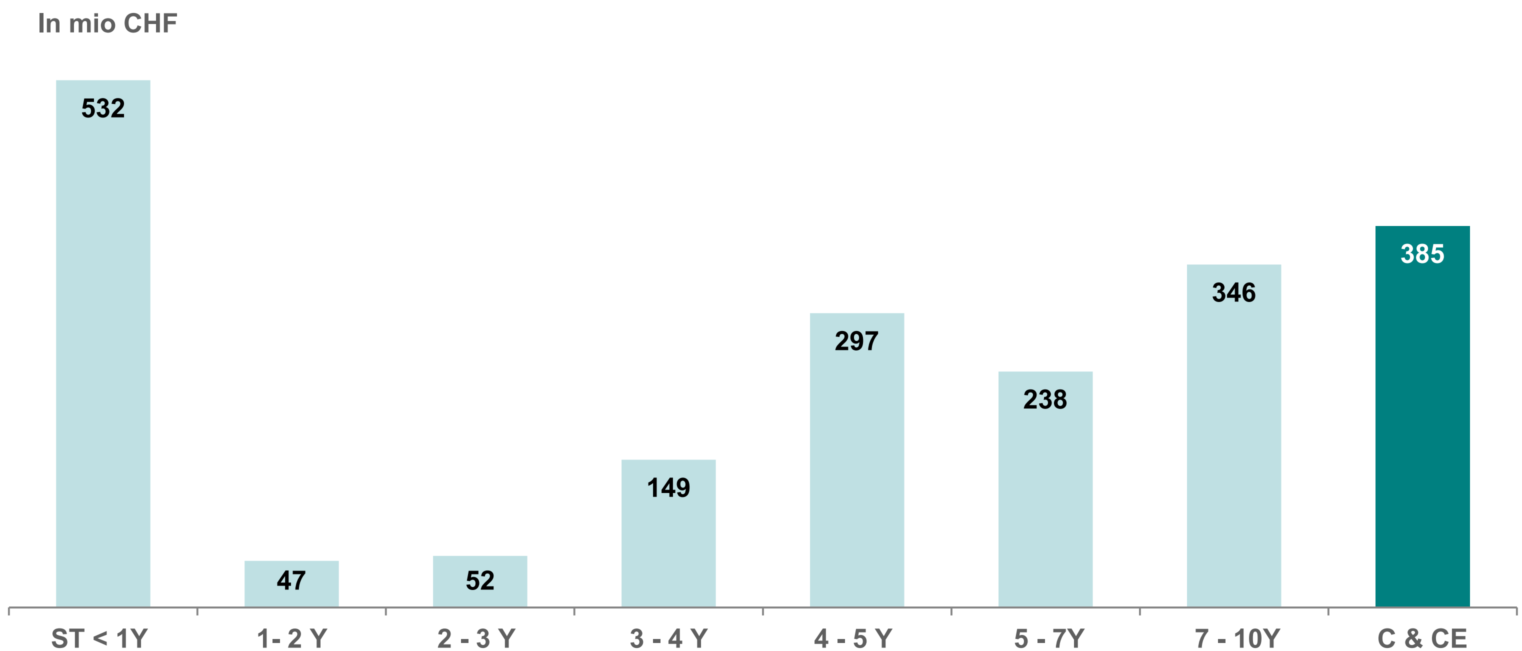
Conservative debt profile

> 85% of debt issued with fixed interest rates

- Feb 2013: Entered into $250 million private placement in the USA
- May 2013: Reimbursement of $110 million private placement in the USA
- July 2013: Reimbursement of CHF 100 million private placement



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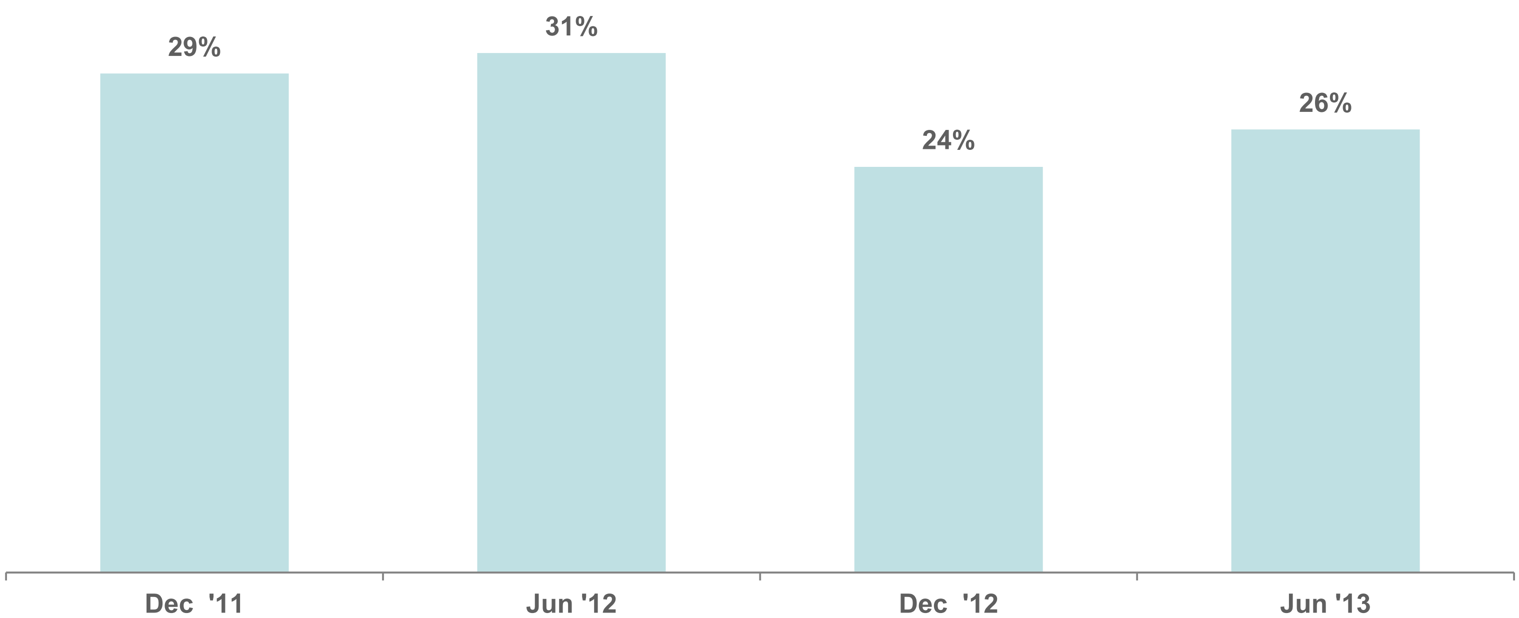
Leverage ratio

Increased over December 2012, driven by 2012 dividend payment

- Leverage ratio of 26% as at June 2013, up from 24% at December 2012, driven by CHF 331 million dividend payment
- Intention to maintain a medium term leverage ratio target below 25%
- Company will exclude from equity definition any impact arising from changes in IAS 19



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Financial summary

Strong results, strong financial position and cash flow

- Sales of CHF 2,2 billion, an increase of 5.7% on a like-for-like basis, briefs pipeline and win rate remain strong
- Operating leverage and strong cost focus driving improved EBITDA margin
- Net income of CHF 271 million, up 36% versus 2012
- Cash flow strongly improved to 9.3% of sales, driven by strong EBITDA and lower investments
- Net debt CHF 1,276 million, leverage ratio 26%

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Gilles Andrier

CEO

Mid term guidance

Driven by five pillar strategy

4.5 – 5.5% organic sales growth p.a.

Best-in-class EBITDA

14 – 16% FCF* as % of sales by 2015

Above 60% FCF* return to shareholders

Driven by five pillar strategy

Developing Markets	Health and Wellness	Targeted customers and segments	Sustainable sourcing of raw materials	R & D

* FCF (Free Cash Flow)
Sales growth assumes a market growth of 2-3%
Above 60% return to shareholders whilst maintaining a leverage ratio of no more than 25%

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