



Givaudan's first nine months sales up 7% - Good net result expected for the full year

Geneva, 11 October 2000 - Givaudan's sales in the 3rd quarter 2000 continued to show positive growth. Overall sales from January to September 2000 grew by 7% in Swiss Francs, compared to the same period in 1999. In local currencies, sales remained flat.

For the first nine months of the year Asia/Pacific and, to some extent, Europe were again the main growth drivers in both divisions. The market situation was more difficult in the Americas.

New product wins in the North American and European markets in the first half year have not yet substantially impacted sales in local currencies.

The Fine Fragrance business showed continued positive development.

Barring unforeseen events Givaudan expects a good net result for the full year.

In a consolidating industry Givaudan continues to actively pursue its strategy to become the undisputed leader in terms of growth, profitability and innovation.

Sales January to September 2000

In million CHF	January- September 2000	January- September 1999	Change in %	
			Swiss Francs	Local Currencies
Fragrances	856	825	4	(1)
Flavours	933	848	10	1
Total	1789	1673	7	0

Flavours sales up 10%

From January to September 2000 the flavour division recorded sales of CHF 933 million, which, compared to 1999, represents a growth of 10% in Swiss Francs and 1% in local currencies. Asia/Pacific and Latin America drove the division's growth during the 3rd quarter with the dairy, savoury and confectionery segments gaining versus last year.

Asia/Pacific continued its strong growth from the first half by posting a double-digit increase. All segments showed gains versus the prior period with the beverage, dairy and savoury segments achieving double-digit sales growth as a result of new product wins and overall growth in the

Chinese market.

Combined sales in the Americas were flat despite double-digit growth in the Mexican market and improvement in the Brazilian market. Continued difficult economic conditions in the other Latin American countries, coupled with slow market growth in North America contributed to these results. The dairy segment continued to show growth in the region as a whole.

European sales grew on a year to date basis but are down for the third quarter, driven by difficult markets in the United Kingdom and Turkey. All four segments; beverage, confectionery, dairy and savoury contributed to the region's growth with beverage and confectionery leading the way.

Fragrance sales up 4%

From January to September 2000 the fragrance division recorded sales of CHF 856 million resulting in a growth of 4% in Swiss Francs, and a decline of 1% in local currencies. Difficult market conditions for our customers and price pressure in the Consumer Products segment are at the source of this development.

The Fine Fragrance business rebounded from one year ago and showed double-digit growth in consolidated and local terms.

The Consumer Products business was affected by a down turn in the market, particularly in the Americas. Investments in China and India will insure our leading role in these large future markets.

The fragrance ingredients business showed moderate growth compared to the prior year, except for sales to Roche.

New web site for the Fragrance Ingredients business

In the third quarter, Givaudan launched a Fragrance Ingredients Web site, an important pillar of the company-wide e-business strategy. The new site is aimed at the entire fragrance creation industry, including the perfumery community and purchasing managers. With over 300 fragrance ingredients manufactured and used in-house, Givaudan is one of the premier suppliers to the fragrance industry. Givaudan provides information on its most important fragrance ingredients. An expanded range of additional services and client-specific information will soon be available.

Givaudan strengthens its position in India

As part of its on-going strategy in the emerging markets of Asia/Pacific, Givaudan inaugurated a new plant in Jigani (Bangalore, India) at the end of August 2000. The new factory includes state-of-the-art fragrance and flavour compounding facilities as well as application and quality control laboratories. It doubles the existing production capacities. Together with its two creative centres for flavours in Mumbai and for fragrances in Bangalore, Givaudan is now able to meet the growing needs of its key customers in the Indian market.

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