



**LINDT & SPRÜNGLI**

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**LETTER TO SHAREHOLDERS  
JANUARY–JUNE 2015**

- Organic sales growth of the Lindt & Sprüngli Group (excl. Russell Stover) + 9.4 %
- Growth of the Lindt & Sprüngli Group in local currencies (incl. Russell Stover) + 24.9 %
- Group sales up + 17.4 % to CHF 1.409 billion (incl. Russell Stover)
- Market share gains in all strategically important markets
- Integration of Russell Stover, largest acquisition in the company's history, on track
- Net income (EBIT) up + 17.5 % to CHF 90.6 million
- Medium to long-term targets for organic sales growth confirmed for the full year

## DEAR SHAREHOLDERS

Lindt & Sprüngli achieved another excellent result in the first half of 2015. The long-term growth strategy implemented by our Group over a decade ago is paying off in a challenging environment. We have maintained our strong track record of recent years by achieving above-average organic sales growth of 9.4% during the first six months of 2015, despite record-high prices for raw materials, a strong Swiss franc and only weakly growing and in some cases stagnating chocolate markets. The Group's solid growth is being driven by the European core markets, North American, the emerging markets and our store network Global Retail. In North America, the company continues to achieve double-digit growth and extend its already strong leading position with the integration of the traditional US chocolate company Russell Stover acquired last year. Including Russell Stover's share of sales, consolidated for the first time in the 2015 reporting period, growth in local currencies is up by 24.9%. This ongoing success confirms that Lindt & Sprüngli continues to be one of the most successful premium chocolate companies in the world.

Record-high prices for cocoa beans, hazelnuts and almonds, as well as the persistently strong Swiss franc, are also creating challenges for Lindt & Sprüngli. Given the particular nature of these challenges, the company's long-standing and successful business model pays off well. Uncompromising commitment to the highest quality, continuing innovation, a clear market positioning and steady investment in the brand and in new technologies enable the company to benefit from its carefully implemented strategy. In this way, Lindt & Sprüngli continues to successfully secure its No. 1 position in the premium chocolate segment. Thanks to ongoing investment in the brand and production capacity, it has been

possible to offset – at least in part – the increases in raw material prices through improved efficiency and productivity and to offer premium products with real added value, for which consumers are willing to accept selective price adjustments.

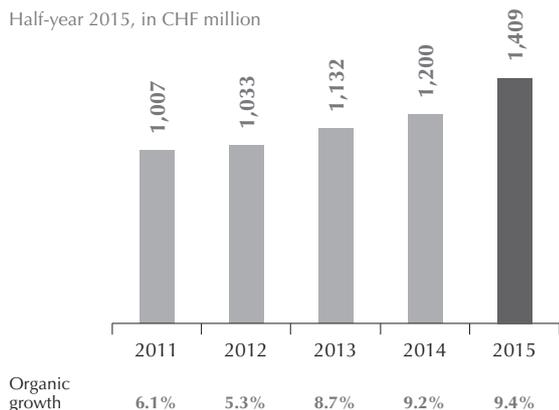
In all geographical regions Lindt & Sprüngli is achieving organic growth and has once again won additional market share in all strategically important markets, despite the fact that key markets for chocolate like Switzerland and Europe are largely saturated and facing extremely difficult market conditions. In a flat Swiss chocolate market, Lindt & Sprüngli achieved good results. LINDT continues to realize sales growth in Italy through its expanding modern retail channels. In Germany and France, the increase in LINDT sales was well above the market average, even reaching double digits in the UK.

Lindt & Sprüngli also achieved double-digit growth of 10.3% in North America with its LINDT and GHIRARDELLI brands. As in the previous year, the company is outperforming the chocolate market as a whole. The integration of the prestigious American chocolate manufacturer Russell Stover acquired last summer is progressing rapidly at all levels, and is in line with our ambitious targets during the first six months of the year. This strategically important acquisition – the largest in the company's history – allows us to continue to expand the strong position we already occupy in the world's biggest chocolate market.

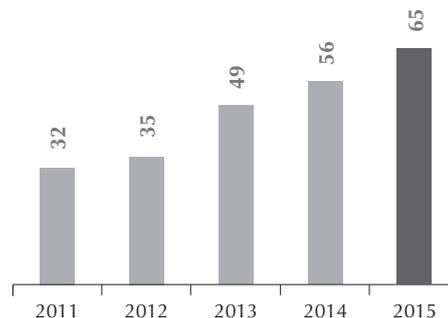
In Australia too, Lindt & Sprüngli has been stepping up its growth rate year by year, with our subsidiary achieving particularly dynamic growth in the high double digits. Progress in the developing markets Japan, South Africa, Russia and Brazil has been very positive as well.

**GROUP SALES**

Half-year 2015, in CHF million

**NET INCOME**

Half-year 2015, in CHF million



An increasingly important contribution comes from Lindt & Sprüngli's Global Retail Division, which focuses on the continuing extension of our own worldwide store network. This concept is a crucial component of our future-oriented expansion strategy. As a steadily growing line of business, Global Retail has a significant role to play in the success of the company: not only in core markets, but also in new markets, whose chocolate traditions are not yet developed. It is also very important in the home market of Switzerland. Last year we opened two shops in prime Swiss tourist locations to generate new impulses: at the Swiss Museum of Transport in Lucerne and on the Jungfrauoch, now the highest shop in Europe at 3271 meters above sea level. In mid-June 2015 these openings were followed by an inauguration in Zermatt, where we opened an exclusive LINDT shop at a prime location – just in time for the celebrations marking the 150th anniversary of the first Matterhorn ascent. Our shop offers a breathtaking view of the Matterhorn, one of Switzerland's most iconic and frequently photographed tourist attractions.

In the first half of 2015, the Lindt & Sprüngli Group achieved consolidated sales of CHF 1.409 billion. This equates to sales growth in Swiss francs of +17.4% (in local currencies: +24.9%). Excluding Russell Stover the organic growth is +9.4%. The currency effect on Group sales from the further strengthening of the Swiss franc is –7.5% (including the Russell Stover acquisition).

Net income (EBIT) per June 30, 2015, was 17.5% higher compared with the same period in 2014, at CHF 90.6 million. The currency effect at EBIT level is –10.6% compared with the prior-year period, due to the appreciation of the Swiss franc. After deducting corporate tax, which was slightly higher at 27.5% due to the profit

contribution of Russell Stover, the Group's net income was CHF 65.0 million. This represents an increase of CHF 9.2 million (+16.5%) over the prior-year period.

**Outlook** – The strong Swiss franc and high raw material prices will continue to present major challenges for Lindt & Sprüngli. We are maintaining our 6% to 8% target for medium to long-term annual organic sales growth. Russell Stover's integration into the Group is the top priority for this year, and is being accomplished as rapidly as possible. After this integration has been successfully completed, Lindt & Sprüngli will once again aim for its long-term earnings target: an increase in the EBIT margin of 20 to 40 basis points.

**Ernst Tanner**

Chairman and Chief Executive Officer  
Chocoladefabriken Lindt & Sprüngli AG

## SEMI-ANNUAL REPORT 2015

When interpreting the first half-year results, it must be considered that Lindt & Sprüngli is active in the seasonal, gift-oriented premium chocolate segment in which less than 40 % of total annual sales are achieved in the first half of the year. However, these figures must be set against the fact that around one-half of the fixed costs of production, administration, and marketing are already booked at the end of June. In the first half-year, profitability in relation to sales is therefore always well below the figure stated for the year as a whole.

### KEY FIGURES INCOME STATEMENT (unaudited)

	2015 January–June	2014 January–June	Change in %
Organic sales growth (in local currencies and excl. Russell Stover)			9.4
<b>Sales</b>	<b>1,408.9</b>	<b>1,199.9</b>	<b>17.4</b>
Other income	7.5	7.9	–5.1
<b>Total income</b>	<b>1,416.4</b>	<b>1,207.8</b>	<b>17.3</b>
Total expenses	–1,325.8	–1,130.7	17.3
<b>EBIT</b>	<b>90.6</b>	<b>77.1</b>	<b>17.5</b>
Net financial result	–0.9	–0.7	28.6
<b>Income before taxes</b>	<b>89.7</b>	<b>76.4</b>	<b>17.4</b>
Taxes	–24.7	–20.6	19.9
<b>Semi-annual net income</b>	<b>65.0</b>	<b>55.8</b>	<b>15.6</b>
Employees	12,043	8,745	37.7

### KEY FIGURES BALANCE SHEET (unaudited)

CHF million	30.6.2015	%	31.12.2014	%
<b>ASSETS</b>				
Property, plant & equipment	1,038.6		1,088.1	
Other non-current assets	2,643.0		2,671.3	
<b>Total non-current assets</b>	<b>3,681.6</b>	<b>68.2%</b>	<b>3,759.4</b>	<b>67.4%</b>
Inventories	665.0		611.7	
Receivables/other assets	474.6		1,038.4	
Securities & cash	574.3		172.0	
<b>Total current assets</b>	<b>1,713.9</b>	<b>31.8%</b>	<b>1,822.1</b>	<b>32.6%</b>
<b>Total assets</b>	<b>5,395.5</b>	<b>100.0%</b>	<b>5,581.5</b>	<b>100.0%</b>
<b>LIABILITIES</b>				
<b>Total shareholders' equity</b>	<b>2,818.6</b>	<b>52.2%</b>	<b>3,001.7</b>	<b>53.8%</b>
<b>Total non-current liabilities</b>	<b>1,673.6</b>	<b>31.0%</b>	<b>1,638.4</b>	<b>29.3%</b>
Accounts payable to supplier/other	167.1		308.2	
Accrued liabilities	382.6		582.1	
Bank & other financial liabilities	353.6		51.1	
<b>Total current liabilities</b>	<b>903.3</b>	<b>16.8%</b>	<b>941.4</b>	<b>16.9%</b>
<b>Total liabilities and shareholders' equity</b>	<b>5,395.5</b>	<b>100.0%</b>	<b>5,581.5</b>	<b>100.0%</b>

Extensive figures and notes on the Semi-Annual Report in English and German are available on [www.lindt-spruengli.com](http://www.lindt-spruengli.com) (Investors section).

Lindt & Sprüngli will report on the further course of business on the following dates:

<b>January 14, 2016</b>	Net sales for 2015
<b>March 8, 2016</b>	Year-end presentation 2015 for press (morning) Year-end presentation 2015 for financial analysts (afternoon)
<b>April 21, 2016</b>	118 <sup>th</sup> Shareholders' Meeting
<b>July 22, 2016</b>	Semi-annual report, January to June 2016