



# LINDT & SPRÜNGLI

---

LETTER TO SHAREHOLDERS  
JANUARY – JUNE 2013

Lindt & Sprüngli continues to report impressive growth  
Sales in Swiss francs up 9.6% to CHF 1.132 billion, organic growth 8.7%  
Operating profit (EBIT) plus 42.1% at CHF 65.5 million  
Higher net liquidity at CHF 628.0 million  
Market share gains in all strategically important markets  
Strategic growth and profit targets of 6 to 8% and 20 to 40 basis points confirmed

## DEAR SHAREHOLDERS

I am happy to inform you that Lindt & Sprüngli has made a successful start into the year 2013. With sales and profit growth well above the market average in the first half, we once again succeeded in extending our leading position in almost all important markets, thus gaining further market shares.

The global economy reported a slight improvement which had a positive impact on consumer sentiment in many countries. In parallel, the pressure of some foreign currencies on the Swiss franc decreased somewhat. For the first time in several years the euro gained some strength again. Other important currencies such as the US dollar also reported a positive trend. The cool and rainy weather experienced in many places in the first half also had a favorable impact on chocolate consumption.

In the raw material sector, cocoa bean prices remained relatively stable while those of cocoa butter, milk and nuts increased.

In North America, the world's biggest chocolate market, Lindt & Sprüngli reported an organic sales growth of 12.7%. Thus, Lindt & Sprüngli is developing significantly faster than the overall chocolate market and makes a substantial contribution to its growth. Both LINDT USA and LINDT Canada together with GHIRARDELLI added to this very impressive development. The main European markets Germany, France, and UK, as well as Switzerland, also performed very well. In the declining Italian overall market, LINDT was able to maintain its previous year's sales figures, so gaining market shares.

The Group's expansion continues to progress. The recently opened subsidiaries in Russia, China, and South Africa have successfully started with accelerated development in their respective markets.

The LINDT "Global Retail" concept is best suited to presenting the high quality and diversity of our product assortment to consumers around the world, while creating a lasting shopping experience and generating sustainable customer ties. With organic growth compared to the same period last year reaching an excellent 23.8% at CHF 97.5 million, the activities of the LINDT "Global Retail" division show an impressive development in every respect. This important sector now contributes over 8% to total Group sales. The number of newly opened boutiques with a consistent premium design is showing particularly dynamic growth. A very important success factor is the excellent relationship with shopping mall operators built up over many years. We are now being offered the finest locations as LINDT not only represents an important sales factor per square meter, but also contributes to the strong image of the shopping malls.

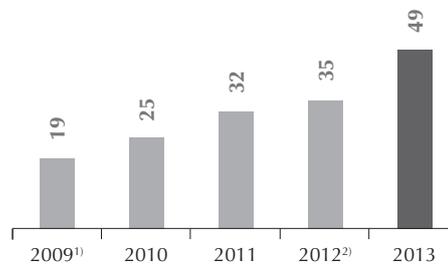
Our newest lifestyle product line "HELLO – Nice to sweet you!" – which appeals primarily to young chocolate lovers and those who have remained young at heart – has got off to an impressive start. On that basis we are planning to launch HELLO progressively worldwide in the next 15 months. Market tests are currently being run in all key markets.

**GROUP SALES**

in CHF million

**NET INCOME**

in CHF million

<sup>1)</sup> Before non-recurring charges.<sup>2)</sup> 2012 comparatives have been restated.

Refer to note 1 to the semi-annual report.

Because of the above-average volume growth, major investments are currently being made to expand capacity at all main production sites.

When preparing the semi-annual financial statements, IAS 19 “Employee benefits” (revised) has been applied for the first time. The previous years’ comparatives have been recalculated and restated accordingly.

As of June 30, 2013, Group sales achieved CHF 1.132 billion. This represents a gain of 9.6% in Swiss francs and organic growth of 8.7% compared to the first half of 2012, which goes hand in hand with a further gain of important market shares.

The operating profit (EBIT) as of June 30, 2013, amounts to CHF 65.5 million, representing an increase of CHF 19.4 million or 42.1% compared to the adjusted figure for the same period in 2012. After deducting income tax at the rate of 25%, the Group’s net income for the first half of 2013 achieved CHF 48.8 million. This represents an increase of CHF 14.0 million or 40.2% compared to the adjusted figures of the previous year (CHF 34.8 million).

As of end of June 2013, operating cash flow reached CHF 210.5 million (June 30, 2012: CHF 158.8 million). Net liquidity amounts to CHF 628.0 million (December 31, 2012: CHF 543.0 million).

The share buyback program which began in 2011 was successfully completed at the end of 2012. On April 18, 2013, the ordinary shareholders’ meeting agreed to the destruction of the corresponding shares and participation certificates.

**Outlook** — For the year as a whole, Lindt & Sprüngli is confirming its medium to long-term strategic targets and forecasts organic sales growth of 6 to 8%. The increase in the operating profit margin compared to the figure of the previous year (i.e. before the IAS restatement) will be at the upper end of the target range of 20 to 40 basis points.

**Ernst Tanner**

Chairman and Chief Executive Officer  
Chocoladefabriken Lindt & Sprüngli AG

## SEMI-ANNUAL REPORT 2013

When analyzing the Group's semi-annual earnings, it is important to bear in mind the seasonal and gift-oriented nature of the premium chocolate business: the Lindt & Sprüngli Group makes less than 40% of its annual sales during the first half of each year, but at the end of June these sales are charged with around half of the fixed costs of production, administration and marketing. This means that the profitability of the Lindt & Sprüngli Group in relation to sales in the first half of the year cannot be equated with its profitability over the year as a whole.

When preparing the semi-annual financial statements, IAS 19 "Employee benefits" (revised) has been applied for the first time. The previous years' comparatives have been recalculated and restated accordingly.

### KEY FIGURES INCOME STATEMENT (unaudited)

CHF million	2013 January–June	2012 January–June <sup>1)</sup>	Change in%
Sales growth in local currencies			<b>8.7</b>
<b>Sales</b>	<b>1,132.0</b>	1,032.6	<b>9.6</b>
Other income	4.2	4.6	
<b>Total income</b>	<b>1,136.2</b>	1,037.2	<b>9.5</b>
Total expenses	-1,070.7	-991.1	
<b>Operating profit (EBIT)</b>	<b>65.5</b>	46.1	<b>42.1</b>
Net financial result	-0.5	0.1	
<b>Income before taxes</b>	<b>65.0</b>	46.2	<b>40.7</b>
Taxes	-16.2	-11.4	
<b>NET INCOME</b>	<b>48.8</b>	34.8	<b>40.2</b>
Employees	8,187	7,450	<b>9.9</b>

### KEY FIGURES BALANCE SHEET (unaudited)

CHF million	30.6.2013	%	31.12.2012 <sup>1)</sup>	%
<b>Assets</b>				
Property, plant, and equipment	814.7		771.4	
Intangible assets and financial assets	927.3		155.3	
<b>Total non-current assets</b>	<b>1,747.0</b>	<b>53.1</b>	926.7	35.1
Inventories	476.8		405.1	
Receivables/other assets	406.8		754.1	
Securities and cash	653.1		555.0	
<b>Total current assets</b>	<b>1,536.7</b>	<b>46.9</b>	1,717.2	64.9
<b>Total assets</b>	<b>3,278.7</b>	<b>100.0</b>	2,640.9	100.0
<b>Liabilities</b>				
<b>Total shareholders' equity</b>	<b>2,267.5</b>	<b>69.2</b>	1,694.4	64.2
<b>Total non-current liabilities</b>	<b>483.9</b>	<b>14.7</b>	259.5	9.8
Accounts payable to supplier/other	161.9		233.2	
Accrued liabilities	341.1		442.9	
Bank and other borrowings	24.3		10.9	
<b>Total current liabilities</b>	<b>527.3</b>	<b>16.1</b>	687.0	26.0
<b>Total liabilities and shareholders' equity</b>	<b>3,278.7</b>	<b>100.0</b>	2,640.9	100.0

1) 2012 Comparatives have been restated according to IAS 19 "Employee benefits" (revised)

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

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

<b>January 14, 2014</b>	Net sales for 2013
<b>March 11, 2014</b>	Year-end presentation 2013 for press (morning) Year-end presentation 2013 for financial analysts (afternoon)
<b>April 24, 2014</b>	116th Shareholders' Meeting
<b>August, 2014</b>	Semi-annual report, January to June 2014