



LINDT & SPRÜNGLI

PRESS RELEASE

SEMI-ANNUAL SALES 2015

Lindt & Sprüngli continues to thrive with above-average growth

- 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 increases in CHF by +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
- Medium to long-term objectives for organic sales growth confirmed for the full year

Kilchberg, July 14, 2015 – **The Lindt & Sprüngli strategy, implemented over a decade ago, is paying off in a challenging environment. In the first half-year of 2015, Lindt & Sprüngli succeeded in achieving above-average organic sales growth of +9.4%. Despite slowing and, in some cases, stagnating chocolate markets and record-high prices for raw materials, as well as an extremely strong Swiss franc, this result again confirms the success of our long-term strategy. The solid growth of the group comes from the European core markets, North America as well as from emerging markets, and translates into further market share gains. In North America, the company continues to grow double digits and reinforces an already strong leading position with the integration of last year's acquisition, the chocolate company Russell Stover. Including Russell Stover's share in sales, now consolidated for the first six months of 2015, 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 producers in the world.**

Record-high prices for raw materials and continuing strength of the Swiss franc are causing certain challenges also for Lindt & Sprüngli. However, particularly in the context of these challenges, the company's long-standing and successful business model pays off well. Uncompromising commitment to the highest quality, continuing innovation, clear market positioning in the premium sector and steady investment in the brand and new technologies enable the Lindt & Sprüngli Group to benefit from its carefully implemented strategy and progress as one of the most successful companies in the global chocolate industry. Thanks to ongoing investment in the brand and production capacity, it has been possible, at least partly, to offset the price increases in raw materials through improved efficiency and productivity and to offer premium products with real added value, for which consumers are willing to accept selective price adjustments.

Another important pillar of the Lindt & Sprüngli business model is its successful strategy of geographical expansion, the formation of new subsidiaries in emerging markets and, last year, the largest strategic acquisition in the company's history. Another crucial factor in this future-oriented expansion strategy is the continuing success of the Lindt & Sprüngli "Global Retail" concept, with its own worldwide network of stores. This increasingly important and ever-growing new business opportunity plays a significant role in the success of the company: not only in core markets, but also with geographical expansion into new markets, whose chocolate traditions are still underdeveloped.



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In the first half of 2015, the Lindt & Sprüngli Group and Russell Stover achieved consolidated sales of CHF 1.409 billion. This equates to an increase in Swiss francs of +17.4% compared to the previous year. Excluding Russell Stover, the Group's organic growth is above average, at +9.4%, reflecting significant gains in market share in all main strategic markets and segments. The negative currency effect on Group sales from the further strengthening of the Swiss franc amounts to -7.5%. The above-average sales trend is primarily due to volume growth, but was further boosted by innovative new product launches, the seasonal business and a constantly optimized product mix.

Key markets for chocolate such as Switzerland and Europe are largely saturated, with very little growth. Despite this extremely difficult market environment, however, Lindt & Sprüngli once again succeeded in gaining additional market share with above-average growth rates. In a flat Swiss chocolate market, Lindt & Sprüngli achieved good results. LINDT sales in Italy through modern retail channels, continue to grow. In Germany and France, increase in LINDT sales was well above the market average; in the UK, as well as in the US, with the LINDT and GHIRARDELLI brands, Lindt & Sprüngli achieved double digit growth. Russell Stover, the traditional US company acquired last summer, is being integrated into the Lindt & Sprüngli Group at all levels, meeting our ambitious targets. With sales growth in the high double digits, Lindt & Sprüngli in Australia is doing particularly well. Impressive progress has also been achieved in developing markets, especially in Hong Kong and Japan, but also in Russia, Brazil and South Africa, partly due to the continued success of the "Global Retail" division which continues to expand its global store network and makes an ever increasing contributions to Group sales.

Outlook for the full year 2015:

The strength of the Swiss franc and high prices for raw materials will continue to present major challenges. Nevertheless, Lindt & Sprüngli is maintaining its 6-8% target for medium to long-term annual organic growth in this financial year. Russell Stover's integration into the Group is the top priority for this year and this is being accomplished as rapidly as possible. Once 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.

Some of the opinions expressed here are based on assumptions about the future. For various reasons (e.g. general economic conditions, fluctuations in the currency and raw materials sector, regulatory trends), the actual results may differ.

About Lindt & Sprüngli: As the global leader in the premium chocolate sector, Lindt & Sprüngli looks back on a longstanding tradition of 170 years which takes its origins in Zurich, Switzerland. Today, quality chocolate products by Lindt & Sprüngli are made at 12 own production sites in Europe (key brands: LINDT, CAFFAREL, HOFBAUER) and the USA (key brands: LINDT, GHIRARDELLI, RUSSELL STOVER, WHITMAN'S). They are distributed by numerous subsidiary companies and branch offices, and also via a comprehensive network of independent distributors all over the world. With some 12,000 employees, the Lindt & Sprüngli Group reported sales worth 3.39 billion Swiss francs in 2014.

The complete interim financial statements will be published on Tuesday, August 18, 2015 (7:00 a.m.).

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