LINDT & SPRÜNGLI

SEMI-ANNUAL REPORT
JANUARY – JUNE 2011

CONTENT

SEMI-ANNUAL REPORT 2011

Lindt & Sprüngli continues to grow faster than the markets and gains market shares
Above-average organic growth in local currencies of 6.1%
Successful efficiency programs reduce negative currency-related influences
Operating result (EBIT) sees substantial increase of 23.9%
Positive outlook in local currencies: targets confirmed for year as a whole

DEAR SHAREHOLDERS

During the first half of 2011, and following a brief recovery from the previous worldwide financial and economic crisis, some European countries, as well as the USA, became increasingly affected by problems associated with excessive levels of debt and currency issues. The negative effects of these rather parlous developments and the savings measures and tax increases introduced by the governments of the most affected countries had an impact on spending power, and, by implication, on consumer mood. In addition, the raw material prices, which were largely driven by speculation, put a strain on the position of manufacturers.

Given this challenging economic environment, I am delighted to inform you that Lindt & Sprüngli made a good start to the financial year 2011, and has already recorded notable increases, significantly above the market average, in terms of both sales and profits during the first six months.

Whereas most chocolate markets as a whole recorded rather modest growth in terms of value of around 3% during the first half of 2011, growth in terms of volume remained relatively flat almost everywhere. This makes it all the more pleasing to see that the majority of Lindt & Sprüngli subsidiaries grew faster than the markets and thereby contributed to the positive half-yearly results. The LINDT brand was further strengthened in all countries, acquiring market shares in most cases.

Particularly good progress was made in the important main European markets of Germany, France, and Italy, as well as by LINDT and GHIRARDELLI in North America. Lindt & Sprüngli also recorded solid growth in Switzerland. Only the UK subsidiary failed to meet expectations, given the especially difficult economic climate.

The start of May 2011 saw the establishment of a subsidiary in South Africa, a clear sign that the Group is forging ahead with its geographical expansion.

The spread of discount chains means competition is increasingly price-focused. As a consequence of this, manufacturers are more and more under pressure in terms of the conditions imposed by their trade partners. The market is becoming dominated by increasingly aggressive promotional activities. In line with our consistent approach of positioning ourselves as a premium brand, Lindt & Sprüngli is firmly adhering to its existing pricing policy, and is only involved in such activities to a very limited extent.

The increased costs of raw materials, namely for our key raw material, cocoa beans, are expected to remain extremely volatile on a high niveau. Thanks to efficiency improvement programs and excellent cost management, we always look to absorb these costs ourselves as far as possible.

As at June 30, 2011, Lindt & Sprüngli has achieved Group sales of CHF 1.007 billion. This represents significant organic growth in local currencies of 6.1% compared with the same strong period in the previous year. This pleasing increase, however, was reduced by a total of 10.8% as a result of negative currency-related impacts, and resulted in a decrease of 4.7% after conversion into Swiss francs. Organic growth was mainly achieved by increases in volume and improvements to the product mix, as well as selective price increases in some markets. As ever, the launch of new and successful products played a decisive role in this, providing further proof that Lindt & Sprüngli is at the forefront of innovation.

Operating profit (EBIT) for the first half of 2011 stands at CHF 42 million. This equates to an increase of 23.9% compared with the same period for 2010. At CHF 32.1 million, net income is even 29.4% higher than last year's value. The cash flow situation is even better. As at the end of June 2011, the company has net liquidity of CHF 593 million, an increase of CHF 147 million on the first half of the previous year (CHF 446 million).

By creating an "Extended Group Management" we set the course in March 2011 for the ongoing geographical expansion of the Group.

The share buy-back program agreed by the Board of Directors was implemented as planned in May of this year. Until the end of 2012, a maximum of 5% of the share and participation capital is to be bought back via separate SIX Swiss Exchange trading lines. As at June 30, 2011, securities to the value of CHF 31 million have been procured.

Despite the considerable ongoing uncertainties besetting the worldwide financial and economic environment, Lindt & Sprüngli adheres to the strategic sales and profit targets announced in March 2011 and expects organic growth in local currencies of 6 to 8% and an increase in the operating profit margin of 20 to 40 base points for the full year 2011. The focus here remains on the acquisition of market shares in key markets and the geographical expansion into growth markets. Even given the background volatility in terms of raw materials and currencies, Lindt & Sprüngli will stick to its proven "premium" strategy and maintain a high level of advertising activity throughout the second half of the year.

Ernst Tanner
Chairman and Chief Executive Officer
Chocoladefabriken Lindt & Srüngli AG

COMMENT

Any interpretation of the stated profits for the first six months of the year must take into account that the Lindt & Sprüngli Group is active in the premium chocolate segment, a seasonal and gift-driven segment where less than 40% of total annual sales are achieved in the first half of the year. Having said this, half-yearly sales already account, as at the end of June, for around half the fixed costs associated with production, administration, and marketing. With all this in mind, profitability indicators in relation to sales are always significantly lower during the first half of the year when compared with the stated figures for the year as a whole.

MARKET ENVIRONMENT

Chocolate market — The first six months of the financial year 2011 were a very successful period for Lindt & Sprüngli. The economic framework conditions stabilized initially in most of the Group's main markets, accompanied, for the moment, by a slight improvement in consumer mood. Many countries, however, had to make a downward adjustment to their economic forecasts towards the middle of the year, given the savings measures adopted in some EU member states and the USA with a view to limiting rising levels of public debt. The main chocolate markets for Lindt & Sprüngli in Europe and North America recorded a slight general improvement, in terms of value, compared to the same period last year, whereas volume growth was rather modest everywhere. Within this context, the strategy consistently pursued for years of positioning the company exclusively in the premium chocolate segment, and the uncompromising approach to product quality this entails have again provided a valuable and solid basis for the company's continuing success.

Currencies — The strength of the Swiss franc compared with the major currencies, such as the euro, US dollar, or British pound, is proving to be a considerable burden for the Swiss economy in the current environment, and con-

GROUP SALES

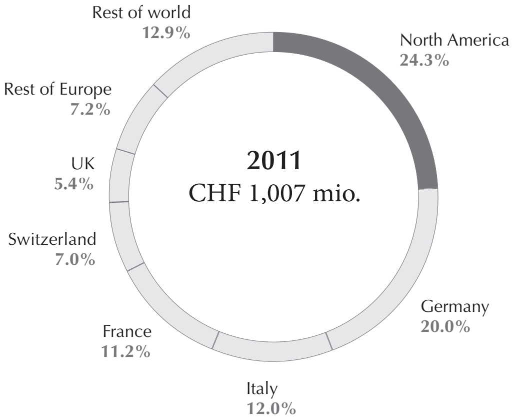
Above-average organic growth

* restated according to new accounting principles
in CHF million

SALES BY REGIONS

North America still growth driver no. 1

in %



front the Group's risk management with greater challenges than ever. This restricted, to a thus limited extent, the global export activities of the Swiss production site during the first half of the year. The company will do all it can during the second half of the year to mitigate these negative currency-related developments by adopting additional measures to improve efficiency.

Raw materials — The raw material markets also experienced significant fluctuations. Following the resolution of the political conflict in the Ivory Coast, the world's largest cocoa producer, the price for a tonne of cocoa on London's futures market has stabilized at a high level. Despite a basically positive supply and demand situation and an anticipated harvest surplus for 2010/2011, the price of cocoa remains extremely volatile. Additionally, the complex situation on international commodity markets has an increasing impact on certain raw materials which were up until now state-controlled.

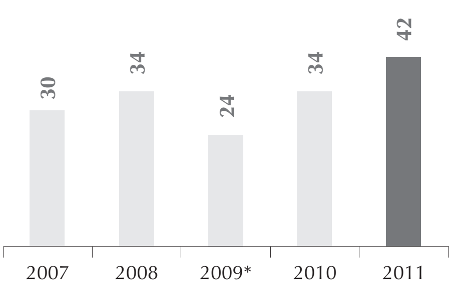
Trade — The trading environment continues to be characterized by extensive promotional activities. This strategy aims to reduce the differences between their prices and those of the ever-growing number of discounters. As a recognized provider of premium products, Lindt & Sprüngli distances itself in principle from any exclusively prive-driven competition, and thus has only limited involvement in activities of this kind.

Regardless of the ongoing unpredictability associated with the economic framework conditions, the Lindt & Sprüngli Group is persisting undeterred with its "premium" strategy. The company is firmly convinced this approach will enable it not only to master the current challenges, but also, over the long term, to translate impressive innovations and total control of the supply chain, with the product quality this implies, into significant increases in market shares.

OPERATING PROFIT (EBIT)

Good recovery despite high material prices

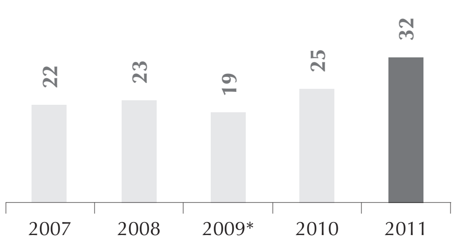
* before non-recurring charges
in CHF million



NET INCOME

Proof of good performance in 1st half of 2011

* before non-recurring charges
in CHF million



SALES

As at June 30, 2011, the Lindt & Sprüngli Group had achieved sales of CHF 1.007 billion. This represents pleasing organic growth in local currencies of 6.1% compared with the same, very strong, period in the previous year and was the result of increases in volume and improvements to the product mix, as well as selective price adjustments in some markets. Another important contribution to the growth enjoyed by the Lindt & Sprüngli Group was made by the launch of new and successful products.

Despite good organic growth, however, the strength of the Swiss franc compared with the various other currencies saw Group sales decline by 4.7% as a result of consolidation within the domestic currency.

PRODUCT SEGMENTS

Seasonal segment — Generally speaking, the first half of the year saw a significant number of seasonal highlights. In addition to St. Valentine's Day and Mothers' Day, business over Easter is particularly worthy of mention. This was highly satisfactory, thanks to the relatively late arrival of the festival at the end of April, and the resulting extension to the sales period. Once more, the GOLD BUNNY was one of the bestselling products worldwide. In terms of the seasonal segment, Lindt & Sprüngli is one of the leading providers with its high-quality gift products.

Pralinés segment — Lindt & Sprüngli has a large selection of special pralinés, which owe their success not only to their excellent quality, but also to the special shapes and unusual flavors used. LINDOR truffles, the most successful product in this category, achieved once more above-average growth and thereby remaining LINDT's signature product around the world.

Tablet segment — In general, the table segment is experiencing strong price competition. Lindt & Sprüngli occupies a leading position in this area, thanks to its high number of innovative products. The well-established specialty tablets remain successful, particularly the EXCELLENCE, CREATION, and LES GRANDES product lines. Following its launch last year and the terrific popularity it enjoyed, distribution of the novel PASSION CHOCOLAT line of tablets was extended to other countries, with new flavors being added.

MARKET SEGMENTS

Europe — Sales within the "Europe" segment rose during the first half of 2011 by 6.9% in local currencies. As a result of a further massive depreciation in the value of the euro and the British pound, sales in Swiss francs fell by –3.9% accordingly. In local terms, in particular the markets in France, Germany, and Italy made good progress. Thanks to a successful policy of product innovation and increased investment in marketing, Lindt & Sprüngli also enjoyed growth on the Swiss domestic market. Only the English subsidiary, which had achieved good results in the previous year, failed to live up to expectations. This can mainly be explained by the difficulties besetting the prevailing economic environment, which is significantly reducing consumer spending power.

North America — The consumer mood in the USA did not experience any marked improvement on the previous year. That said, the premium chocolate segment as a whole registered slight growth within the region. Within this context, consolidated organic growth in the local currencies of the three North American Lindt & Sprüngli subsidiaries stands at 5.8% compared with a very strong reference value recorded during the previous year. Conversion into Swiss francs, given the massive weakening of the

US dollar and the somewhat lesser depreciation in value of the Canadian dollar, gives sales figures of CHF 245 million, a fall of 9.9% compared with the same period last year. Ghirardelli Chocolate Company achieved pleasing double-digit growth in local currencies, thereby making a considerable contribution to organic growth. In addition, Lindt & Sprüngli (USA) Inc. experienced healthy single-figure growth during the first six months of the current financial year.

The positive sales of LINDT and GHIRARDELLI products were mainly achieved by increased investments in advertising. Both these brands are now among the undisputed market leaders within the premium segment on the continent of North America, and are constantly acquiring new market shares. Last year's commissioning of new large-scale plants for cocoa mass and tablet production at Lindt & Sprüngli (USA) Inc. was implemented without any problems. Thanks to this additional investment, the company now has modern machinery at its own site and sufficient capacity to easily meet future demand.

Rest of the world — The "rest of the world" segment achieved total sales of around CHF 130.2 million. The export business, which relies on a worldwide distributor network for LINDT products, is largely managed by the Swiss subsidiary and was therefore affected by the historically high level of the Swiss franc. Business was, however, satisfactory on the whole. Australia, the largest market within this segment, recorded a healthy increase in sales compared with the previous year. As part of the geographical expansion, the newly established subsidiary in Cape Town, South Africa, began operations in May 2011, and will henceforth deal with the southern part of the continent of Africa from this local base.

COSTS

Taking both expenditure on materials and changing stock levels into account, the combined expenses ratio stands at 35.2% (previous year: 36.2%). The material prices in local currencies remained on a high level. The decrease in the cost of materials as a percentage of sales can mainly be explained by selective price increases on specific products as well as currency influences. Personnel costs increased slightly in relation to sales – partly due to currency-related reasons, with a large proportion of costs being incurred in Swiss francs – and came out at 26.5% (previous year: 26.4%). The Group's average workforce increased by 176 full time positions to 7,160 employees (previous year: 6,984). At a ratio of 29.9%, the operating expenses margin is 0.2 percentage points lower than the previous year (30.1%). The main reason for this slight decrease compared with 2010 is the fact that storage and transport costs did not increase as much as sales. Similarly to previous years, the first half of 2011 again saw Lindt & Sprüngli increase expenditure on advertising, which are covered by operating expenses. Ongoing investment to promote brand awareness and strengthen the market position helps lay the foundations for future sales growth.

INCOME

Operating profit stands at CHF 42 million, which represents an increase of CHF 8.1 million or 23.9% compared with the equivalent results for the previous year. This positive result underlines the sustained success achieved through the efficiency improvement program. Thanks to the volumes associated with increased sales, it also became easier to cover the fixed costs of production. The increase in operating profit for the first half of 2011, in both percentage and absolute terms, can be explained by the low starting point, as well as by the disproportionately positive effects of scaling. The vast majority of the Group's net liquidity is invested in Swiss francs. Given the minimal interest rates available for short term investments in Swiss francs, the financial result does not reflect the very good net liquidity position. Despite this, the Lindt & Sprüngli Group achieved a positive net financial result of CHF 1.4 million (previous year: CHF –0.1 million). After deduction of income taxes, which are unchanged in percentage terms, net profit for the first half of 2011 is CHF 32.1 million. This equates to an increase of CHF 7.3 million or 29.4% on the previous year's result of CHF 24.8 million.

BALANCE SHEET

As a result of both the usual seasonal depletion of current assets and the dramatic weakening of the euro, US dollar, and British pound, total assets reduced by CHF 302 million compared with the end of 2010. Despite the negative currency-related influences associated with converting the shareholders' equity of subsidiaries from the eurozone, shareholders' equity stands at a very high 69.4% as at June 30, 2011, given that total assets are lower than at the end of the year. Accounts receivable reduced by CHF 365 million to CHF 283 million because of the associated payments for seasonal business, which resulted in a decrease in current assets. As at the balance sheet date of June 30, 2011, the net financial position stands at a record high of CHF 593 million. This represents an increase of CHF 53 million compared with the end of 2010. As part of the share repurchase program, registered shares and participation certificates to the value of CHF 31 million were bought back before the end of June.

OUTLOOK FOR THE FULL YEAR 2011

OUTLOOK

Lindt & Sprüngli believes that LINDT's main markets will continue to enjoy moderate levels of development in an unpredictable economic environment, with little change in consumer mood. Given the framework conditions, dominated as they currently are by the unresolved debt problems in Europe and the USA, the company expects significant ongoing volatility in the currency sector for the second half of 2011, with prices continuing to fluctuate on the raw material markets. With its longterm oriented management policy, clearly defined positioning, and sustainable business strategy, Lindt & Sprüngli has the necessary resources and financial backing to continue operating successfully, even under difficult circumstances.

Sales — Contrary to the general trend, Lindt & Sprüngli will increase its advertising activities during the second half of 2011, with a view to further enhancing brand awareness and thereby continuing to acquire market shares. The company is still targeting an organic sales increase of 6 to 8% for the current financial year. Growth assumptions for the year as a whole are based on an unchanged assessment of the overall economic environment in the main markets. That said, any growth in sales expressed in Swiss francs will be affected by the ongoing development of the Swiss franc compared with the euro, the US dollar, and the British pound. Based on an extrapolation of current exchange rates for the Swiss franc, growth in sales in the domestic currency will again turn out to be appreciably lower than in local currencies.

Income

The company is standing by its already stated range of 20 to 40 base points in terms of the predicted improvement in the operating profit margin. Here too, profits stated in Swiss francs may be significantly affected by future developments on the currency markets during the second half of the year.

Investments — The manufacture of premium chocolate products, given the various production stages involved, is a complex process requiring considerable investment. The coming year will see the company continuing to prioritize further strengthening of the brand and constant acquisition of market shares, while also looking to open up and develop new markets.

CONSOLIDATED BALANCE SHEET
(UNAUDITED)

CHF million	June 30, 2011		December 31, 2010	
ASSETS				
Property, plant, and equipment	707.3		740.1	
Intangible assets	12.9		14.7	
Financial assets	91.8		92.0	
Deferred tax assets	5.4		5.2	
Total non-current assets	**817.4**	**36.8 %**	**852.0**	**33.7 %**
Inventories	409.3		392.1	
Accounts receivable	282.9		647.6	
Other receivables	77.3		47.6	
Accrued income	7.1		8.3	
Derivative assets	23.4		20.9	
Marketable securities	12.4		15.8	
Cash and cash equivalents	592.5		540.4	
Total current assets	**1,404.9**	**63.2 %**	**1,672.7**	**66.3 %**
Total assets	**2,222.3**	**100.0 %**	**2,524.7**	**100.0 %**
LIABILITIES				
Share and participation capital	23.1		23.0	
Treasury stock	–64.7		–33.5	
Retained earnings and other reserves	1,583.3		1,683.0	
Total shareholders' equity	**1,541.7**	**69.4 %**	**1,672.5**	**66.2 %**
Loans	0.6		0.8	
Deferred tax liabilities	26.9		26.2	
Pension liabilities	123.6		124.2	
Other non-current liabilities	7.1		10.4	
Provisions	45.1		48.0	
Total non-current liabilities	**203.3**	**9.1 %**	**209.6**	**8.3 %**
Accounts payable to suppliers	99.6		152.3	
Other accounts payable	29.7		34.2	
Current tax liabilities	3.5		29.4	
Accrued liabilities	308.6		390.1	
Derivative liabilities	24.7		20.7	
Bank and other borrowings	11.2		15.9	
Total current liabilities	**477.3**	**21.5 %**	**642.6**	**25.5 %**
Total liabilities	**680.6**	**30.6 %**	**852.2**	**33.8 %**
Total liabilities and shareholders' equity	**2,222.3**	**100.0 %**	**2,524.7**	**100.0 %**

The accompanying notes form an integral part of the consolidated semi-annual statements.

CONSOLIDATED INCOME STATEMENT
(UNAUDITED)

CHF million	January–June 2011		January–June 2010	
INCOME				
Sales	1,006.7	100.0%	1,056.6	100.0%
Other income	4.1		5.5	
Total income	**1,010.8**	**100.4 %**	**1,062.1**	**100.5 %**
EXPENSES				
Material expenses	–377.2	–37.5%	–401.0	–38.0%
Changes in inventories	22.9	2.3%	18.5	1.8%
Personnel expenses	–267.3	–26.5%	–279.3	–26.4%
Operating expenses	–300.9	–29.9%	–317.8	–30.1%
Depreciation and amortization	–46.3	–4.6%	–48.6	–4.6%
Total expenses	**–968.8**	**–96.2 %**	**–1,028.2**	**–97.3 %**
Operating profit	42.0	4.2%	33.9	3.2%
Income from financial assets	5.2		3.8	
Expense from financial assets	–3.8		–3.9	
Income before taxes	43.4	4.3%	33.8	3.2%
Taxes	–11.3		–9.0	
Net income	**32.1**	**3.2 %**	**24.8**	**2.3 %**
Attributable to shareholders	32.1		24.8	
Non-diluted earnings per share/10 PC (in CHF)	139.80		108.90	
Diluted earnings per share/10 PC (in CHF)	138.90		108.90	

The accompanying notes form an integral part of the consolidated semi-annual statements.

STATEMENT OF COMPREHENSIVE INCOME AND LOSSES
(UNAUDITED)

CHF million	January–June 2011	January–June 2010
Net income	32.1	24.8
Other comprehensive income and losses after taxes		
Hedge accounting	–4.6	0.3
Unrealized gains/(losses) on available-for-sale financial assets	–0.1	–0.6
Currency translation	–42.0	–51.8
Total comprehensive income/(loss)	**–14.6**	**–27.3**
Attributable to shareholders	–14.6	–27.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)

CHF million	Share/ PC capital	Treasury stock	Share premium	Hedge accounting	Retained earnings	Currency translation	Share-holders' equity
Balance as at January 1, 2010	**22.8**	**–29.5**	**320.4**	**0.4**	**1,391.4**	**–87.8**	**1,617.7**
Total comprehensive income/(loss)				0.3	24.2	–51.8	–27.3
Capital increase [1]	0.107		10.5				10.6
Share-based payment					6.4		6.4
Distribution of profits					–91.7		–91.7
Balance as at June 30, 2010	**22.9**	**–29.5**	**330.9**	**0.7**	**1,330.3**	**–139.6**	**1,515.7**
Balance as at January 1, 2011	**23.0**	**–33.5**	**341.5**	**–2.6**	**1,556.7**	**–212.6**	**1,672.5**
Total comprehensive income/(loss)				–4.6	32.0	–42.0	–14.6
Capital increase [1]	0.102		12.0				12.1
Purchase of own shares [2]		–31.2					–31.2
Share-based payment					7.4		7.4
Distribution of profits					–104.5		–104.5
Balance as at June 30, 2011	**23.1**	**–64.7**	**353.5**	**–7.2**	**1,491.6**	**–254.6**	**1,541.7**

1) All directly attributable transaction costs are netted against the premium realized on exercise of options (2011: TCHF 173, 2010: TCHF 110).
2) Within the framework of the share buy-back program the Group acquired 614 of its own registered shares and 4,680 of its own participation certificates between April and June 2011. The amounts paid were CHF 30,621 for the registered shares and CHF 2,640 for the participation certificates.

The accompanying notes form an integral part of the consolidated semi-annual statements.

CONSOLIDATED CASH FLOW STATEMENT
(UNAUDITED)

CHF million	January–June 2011		January–June 2010	
Net income	32.1		24.8	
Depreciation and amortization	46.3		48.6	
Changes in provisions and value adjustments	–3.2		–2.0	
Decrease (+)/increase (–) of accounts receivable	355.0		347.6	
Decrease (+)/increase (–) of inventories	–35.1		–44.7	
Decrease (+)/increase (–) of prepayments and other receivables	–31.8		3.2	
Decrease (+)/increase (–) of accrued income	–2.0		–0.8	
Decrease (–)/increase (+) of accounts payable	–50.3		–58.4	
Decrease (–)/increase (+) of other payables and accrued liabilities	–100.0		–95.5	
Non-cash effective items	17.1		3.6	
Cash flow from operating activities (operating cash flow)		**228.1**		**226.4**
Investments in property, plant, and equipment	–41.1		–38.6	
Disposals of property, plant, and equipment	0.3		0.3	
Investments in intangible assets	–1.4		–1.7	
Disposals (+)/investments (–) in financial assets	0.2		0.2	
Marketable securities and short-term financial assets				
Investments	–7.7		–12.7	
Disposals	10.4		–	
Cash flow from investment activities		**–39.3**		**–52.5**
Repayments of bonds/borrowings	–8.6		–10.6	
Proceeds from loans	4.1		20.0	
Capital increase (including premium)	12.1		10.6	
Purchase of treasury stock	–31.2		–	
Distribution of profits/emoluments to directors	–104.5		–91.7	
Cash flow from financing activities		**–128.1**		**–71.7**
Net increase (+)/decrease (–) in cash and cash equivalents		**60.7**		**102.2**
Cash and cash equivalents as at January 1	540.4		367.2	
Exchange gains/(losses) on cash and cash equivalents	**–8.6**	**531.8**	**–14.4**	**352.8**
Cash and cash equivalents as at June 30		**592.5**		**455.0**
Interest received from third parties [1]		3.4		3.1
Interest paid to third parties [1]		4.0		3.5
Income tax paid [1]		54.6		32.9

1) Included in cash flow from operating activities.
The accompanying notes form an integral part of the consolidated statements.

NOTES TO THE SEMI-ANNUAL REPORT

1. ACCOUNTING PRINCIPLES

The unaudited consolidated semi-annual report as at June 30, 2011, has been prepared in accordance with the requirements of IAS 34 – Interim Financial Reporting as well as the accounting principles described in the annual financial statements for the year ended December 31, 2010. The condensed form of financial statements has been applied to this report.

New IFRS standards and interpretations

Of the new standards, amendments to standards, and interpretations, which must be applied for the reporting period beginning January 1, 2011, the Group has reviewed these and concluded that they have no impact on these semi-annual consolidated financial statements.

Estimates and assumptions

When preparing the semi-annual report, Management makes estimates and assumptions that have an impact on the disclosed assets and liabilities at the balance sheet date, as well as the disclosed expenses and income in the reporting period. The actual results may differ from these estimates.

2. SEASONALITY

When analyzing the Group's results in the first half of 2011, it is important to bear in mind the seasonal and gift-oriented nature of the premium chocolate business. Experience shows that 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 approximately 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. Likewise, the balance of accounts receivable is substantially lower at the end of the first half of the year than at the end of the year (declining orders during the summer season compared to the Christmas business).

3. SHARE AND PARTICIPATION CAPITAL

The conditional capital as at June 30, 2011, has a total of 648,207 (666,229 as at June 30, 2010) participation certificates with a par value of CHF 10.–. Of this total, 293,757 (311,779 as at June 30, 2010) are reserved for employee stock option programs; the remaining 354,450 (354,450 as at June 30, 2010) participation certificates are reserved for capital market transactions. In the six-month period ended June 30, 2011, a total of 10,219 employee options were exercised at an average exercise price of CHF 1,196.88 (for the six-month period ended June 30, 2010: 10,698 employee options were exercised at an average exercise price of CHF 1,006.28).

4. DIVIDENDS

The proposed dividend – CHF 450.– (CHF 400.– in 2010) per registered share and CHF 45.– (CHF 40.– in 2010) per participation certificate – was approved at the annual shareholders' meeting held on April 28, 2011. The dividends were paid as of May 5, 2011.

5. SEGMENT INFORMATION

The management of the Group is organized by means of companies of individual countries. For the definition of business segments to be disclosed, the Group has aggregated subsidiaries of individual countries on the basis of similar economic characteristics (foreign exchange risks, growth outlooks, same economic areas), similar products and trading environment, and economic attributes (gross profit margins).

The three segments to be disclosed are:

– Business segment "Europe," consisting of the European companies and business units.
– Business segment "NAFTA," consisting of the companies in the USA, in Canada, and Mexico.
– Business segment "All other segments," consisting of the companies in Australia, Japan, and South Africa as well as the business units, distributors and duty-free.

The Group considers the operating result as the segment result. Transactions between segments are valued and recorded in accordance with the cost plus method.

SEGMENT INCOME

	Segment Europe		Segment NAFTA		All other segments		**Total**	
CHF million	2011	2010	2011	2010	2011	2010	**2011**	2010
Sales	713.2	743.5	245.6	272.8	130.2	127.8	1,089.0	1,144.1
./. Sales between segments	81.8	86.4	0.5	1.1	–	–	82.3	87.5
Third party sales	**631.4**	**657.1**	**245.1**	**271.7**	**130.2**	**127.8**	**1,006.7**	**1,056.6**
Operating profit	41.3	30.0	–8.1	–2.9	8.8	6.8	42.0	33.9
Net financial result							1.4	–0.1
Income before taxes							**43.4**	**33.8**
Taxes							–11.3	–9.0
Net income							**32.1**	**24.8**

6. EVENTS AFTER THE BALANCE SHEET DATE

The unaudited consolidated financial statements were approved for publication by the Group Management on August 15, 2011. No events have occurred up to August 15, 2011, which would necessitate adjustments to the carrying values of the Group's assets or liabilities, or which require additional disclosure.

INFORMATION

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

AGENDA

January 17, 2012	Net sales for 2011
March 01, 2012	Year-end presentation 2011
April 26, 2012	114th Annual Shareholder Meeting
August 21, 2012	Release of Semi-Annual Report January to June 2012

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Forward looking statements:
Some of the statements expressed in the semi-annual report are based on forward-looking assumptions. The actual results may vary from these for a variety of reasons, including among others factors such as general economic conditions, fluctuations within the currency and raw materials sector and changes to the regulatory landscape. Forward-looking statements made in this report are neither updated nor revised. The semi-annual report is published in German and English, with the German version being binding.

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