

Business Review | Global Cocoa

Cocoa Leadership project delivering on expectations

The successful implementation of the Cocoa Leadership project led to the significant improvement of operating profit (EBIT), supported by more favorable conditions in the cocoa products market.

The successful implementation of the Cocoa Leadership project with a number of different initiatives has delivered in line with expectations. Sales volume to third-party customers was basically flat at +0.4% and amounted to 438,434 tonnes. Sales revenue declined by -7.7% in local currencies, (-6.0% in CHF), due to lower cocoa products prices. Operating profit (EBIT) significantly increased by CHF 47.2 million and amounted to a total EBIT of CHF 64.9 million, driven by the good results from the Cocoa Leadership project and the more favorable market conditions in the cocoa products market.

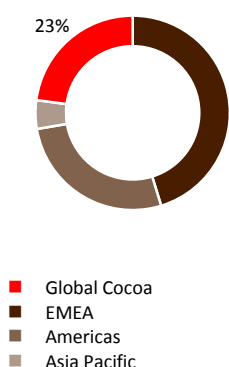
The implementation of the Cocoa Leadership project is nearing completion, and significant milestones have been achieved on various fronts.

Global steering: Centralized management for combined ratio, and interregional product flow management.

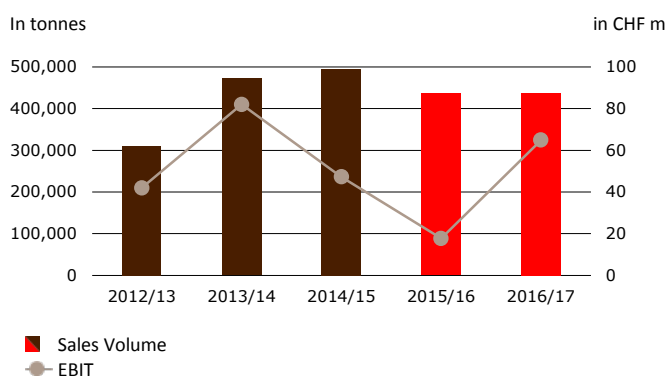
Global harmonization: Customer segmentation and cocoa product pricing methodology. Standardization of product specifications and measurement methodologies are ongoing.

Global design: Optimized factory footprint; defined and reorganized factory organization setup; and global roll-out of a new model for manufacturing.

Sales Volume per Region



Sales Volume



15 factories

Key figures for Global Cocoa

		Change %		2016/17	2015/16
		in local currencies	in CHF		
Sales volume	Tonnes		0.4%	438,434	436,537
Sales revenue	CHF m	(7.7%)	(6.0%)	1,888.3	2,008.1
EBITDA	CHF m	75.4%	74.5%	124.4	71.3
Operating profit (EBIT)	CHF m	272.6%	266.7%	64.9	17.7