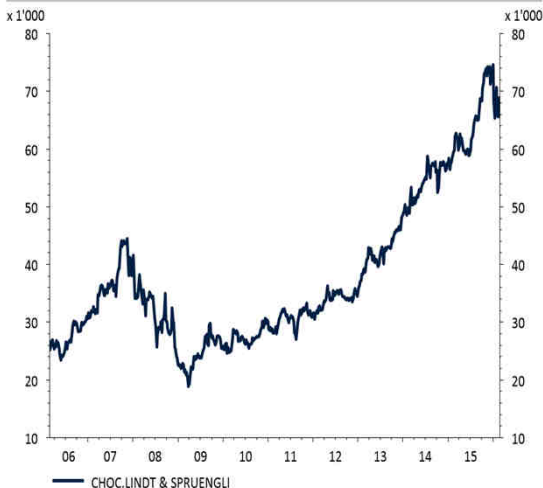


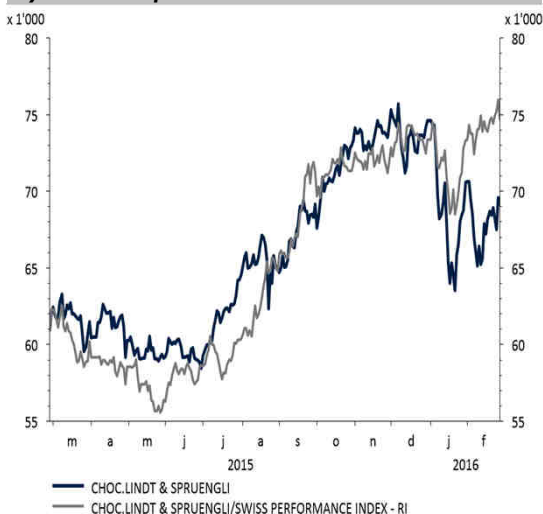
## Stock information

Price	03.06.2016	CHF	72945.00
Market Capitalization		CHF (mn)	9'927
Average Daily Volume (last 3 months, 000s)			0.20
52 weeks High / Low			75700 / 58480
ISIN			CH0010570759
Bloomberg Code			LISN SW

## 10 Years Performance Record



## 1 year relative performance



## Stock absolute and relative performance (in CHF)

In %	Absolute	Relative *
1 month	3.2	-0.4
3 months	7.7	4.8
YTD	-1.2	4.9
2015	20.3	10.6
2014	32.1	11.1

\*relative to Swiss Performance Price Index

## Description

Lindt & Sprüngli covers about 20% of the market in the segment of premium chocolate. It is growing rapidly thanks to the discovery of its new products by consumers in both developed and emerging countries. The market of L & S in the global chocolate market is about 4%.

L & S sells about 5% of its production through its own stores. The company also developed relations with hundreds of outlets, in particular in the U.S. to penetrate the American market where the company was unknown. The company also seals through other intermediaries as retail, specialty retail and duty free shops. 85% of turnover is made in the name Lindt & Sprüngli who enjoys a good reputation. Cafarelli and Ghirardelli brands are used respectively in the United States and Italy.

## Investment Case

Founded in 1845, Lindt & Sprüngli distributed a dividend without interruption since 1900, a record. In place for 16 years, the management team permanently achieved a strong net income. The balance sheet is extremely strong.

The management has set the goal of achieving 6% growth to 8% per year for sales and 8% to 10% for profit. In fact, the increase in net profit was over 17% on average over the past decade.

The drop in cocoa prices will help margins and the company has continued to deliver growth.

## Per Share (CHF)

	2013	2014	2015	2016e	2017e
Earnings	1'339	1'502	1'705	1'706	1'749
Variation		10.9%	11.9%	0.1%	2.4%
Earnings (IBES)	1'339	1'502	1'705	1'932	2'087
P/E	30	33	31	28	28
Dividend	650	725	800	875	875
Payout ratio	49%	48%	47%	51%	50%
Dividend Yield	0.9%	1.0%	1.1%	1.2%	1.2%

## Strengths

- Brand Awareness.
- Leading position in the premium chocolate segment.

## Weaknesses

- High investment requirements (impact on the profitability of capital and cash flows).

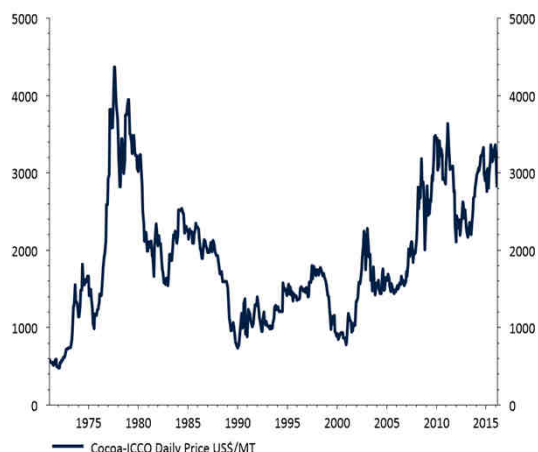
## Opportunities

- Discovery of quality chocolate by new segments of consumers in both developed and developing countries in the emerging world (market growth).

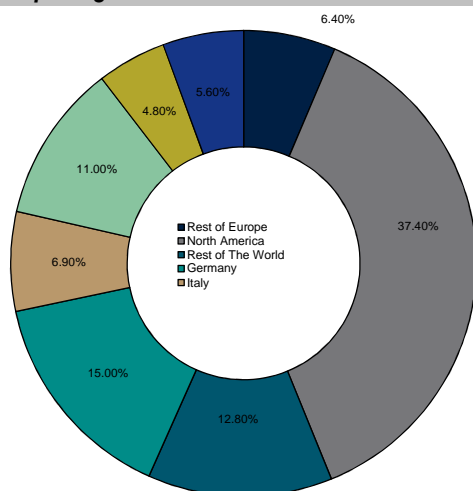
## Threats

- Sensitivity of margins to commodity prices (cocoa).
- Several competitors seek to increase their market share in the segment.

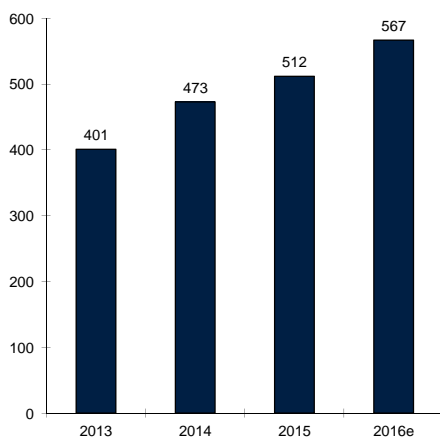
## Cocoa Price (New York) in USD



## Sales per Region



## Pretax profit



## Key Figures (mn CHF), Dec 31st

	2013	2014	2015	2016e	2017e
Sales	2'883	3'385	3'653	3964	4252
variation		17.4%	7.9%	8.5%	7.3%
Gross profit	1'900	2'167	2'290	2495	2676
EBITDA	503	588	646	708	773
EBIT	404	474	519	577	634
Pretax profit	401	473	512	567	624
Net Profit	303	343	381	424	469
variation		11.7%	10.0%	10.1%	9.6%

## Balance Sheet

	1'966	1'822	2'112	2289	2236
current assets	1'966	1'822	2'112	2289	2236
Non-current assets	1'915	3'759	4'147	4276	4408
Total assets	3'881	5'582	6'259	6565	6643
Shareholders equity	2'635	3'002	3'490	3708	3953

## CASH FLOW

	419	308	489	516	578
Operating Cash Flow	419	308	489	516	578

## Performance Ratios

	2013	2014	2015	2016e	2017e
Net working capital	17.1%	18.2%	21.0%	20.9%	20.3%
Ebit margin	14.0%	14.0%	14.2%	14.5%	14.9%

	160	160	169	167	167
Inventory days	160	160	169	167	167

## Cocoa Price (USD)

2016

Cocoa Price (New York) 3'090

## Main Competitors (in CHF)

Name	P/E 13e	P/E 14e	Div yield	Perf YTD
CHOC.LINDT & SPRUENGLI	41.3	28.2	1.1%	-1.2%
BARRY CALLEBAUT	28.2	21.7	1.2%	8.8%
NESTLE 'R'	21.7	22.0	3.1%	1.6%
UNILEVER (UK)	22.0	20.8	2.8%	11.1%

## Shareholders

Free float	78%
Pension Fund Lindt & Sprüngli	21%
Norges Bank	3.0%
Tanner Ernst	2.1%
Credit Suisse	1.5%

## management

Chairman: Ernst Tanner  
CEO: Ernst Tanner  
CFO: Dieter Weisskopf