ARYZTA AG

Strategic Investment in Picard

31 March 2015

Forward Looking Statement

This document contains forward looking statements which reflect management's current views and estimates.

The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

Investment Transaction

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- ARYZTA in exclusive negotiations to invest in Picard (www.picard.fr), acquiring a 49% stake from Lion Capital, subject to regulatory approvals
- Picard to consult with its works council in connection with the investment
- **Picard Financials**:
  - > March Financial Year-end
  - > Revenue of €1.37bn
  - > EBITDA of €192m (March 2015 run-rate)
- **Transaction Summary**:
  - > Enterprise Value of €2,250m
  - > Net Debt of €1,341m[1] (Gross Debt of €1,420m, Net Debt to EBITDA of 7.0x, Weighted average cost of interest 6.3%)
  - > Equity of €909m
- Base consideration of €446.6m
- Largely funded through the disposal of non-core assets, primarily net proceeds from the Origin placement of c. €400m (net of fees and taxes)
- Call option to acquire the remaining 51% in FY 2019 - FY 2021
- Picard debt non-recourse to ARYZTA
- Net Underlying EPS benefit in a full year of +3%

1 Includes cash, debt like items and working capital adjustment

Picard Overview

Picard at a Glance

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#1 undisputed leader in frozen food retail in France

- First store opened in Paris 40 years ago
- Category captain with c.19% market share
- Sales of €1.3bn in FY14, doubled over the last decade
- Voted favourite brand in France in 2014 ahead of Amazon[1]

High quality food with a wide product offering of over 1,100 SKUs

- 97% of sales are Picard branded[2]
- Ingredients and ready meals covering all categories and consumption occasions
- Continuous product innovation with in-house team developing c.200 new SKUs each year

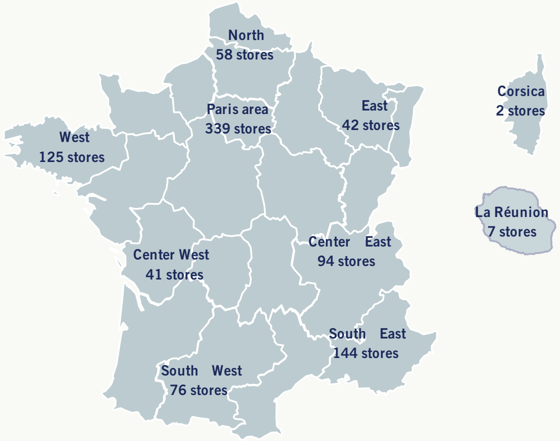
Extensive proximity store network, fully controlled

- 987 company operated stores as of September 2014: 928[3] in France, 38 in Italy, 14 in Belgium and 7 in Sweden
- Average store size of 240sqm; high consistency of store metrics
- Nearly 90% of stores leased

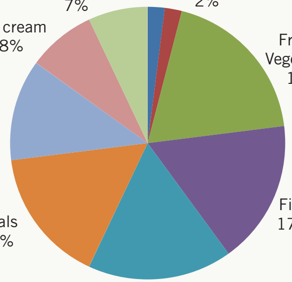
Outsourced manufacturing and logistics

- c.200 suppliers
- 10 warehouses
- Exception: Home delivery[4] last mile transport

Picard network in France (928 stores – September 2014)



FY14 sales split by product



Notes: Fiscal year (FY) ends on March 31
1. Source: OC&C Strategy Consultants
2. Remaining sales being a few selected brands like Häagen-Dazs, Charal, Bonne Maman and Ben & Jerry's
3. Including franchised stores in Corsica (2) and La Reunion (7)
4. Home delivery represents 1.7% of FY14 group sales

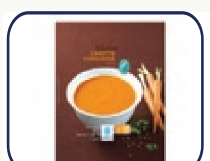
Picard's Broad Customer Proposition

From basic ingredients...

...to elaborate prepared meals

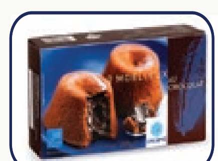
From breakfast....

....to dinner



From appetizers....

....to desserts



From everyday cuisine.....

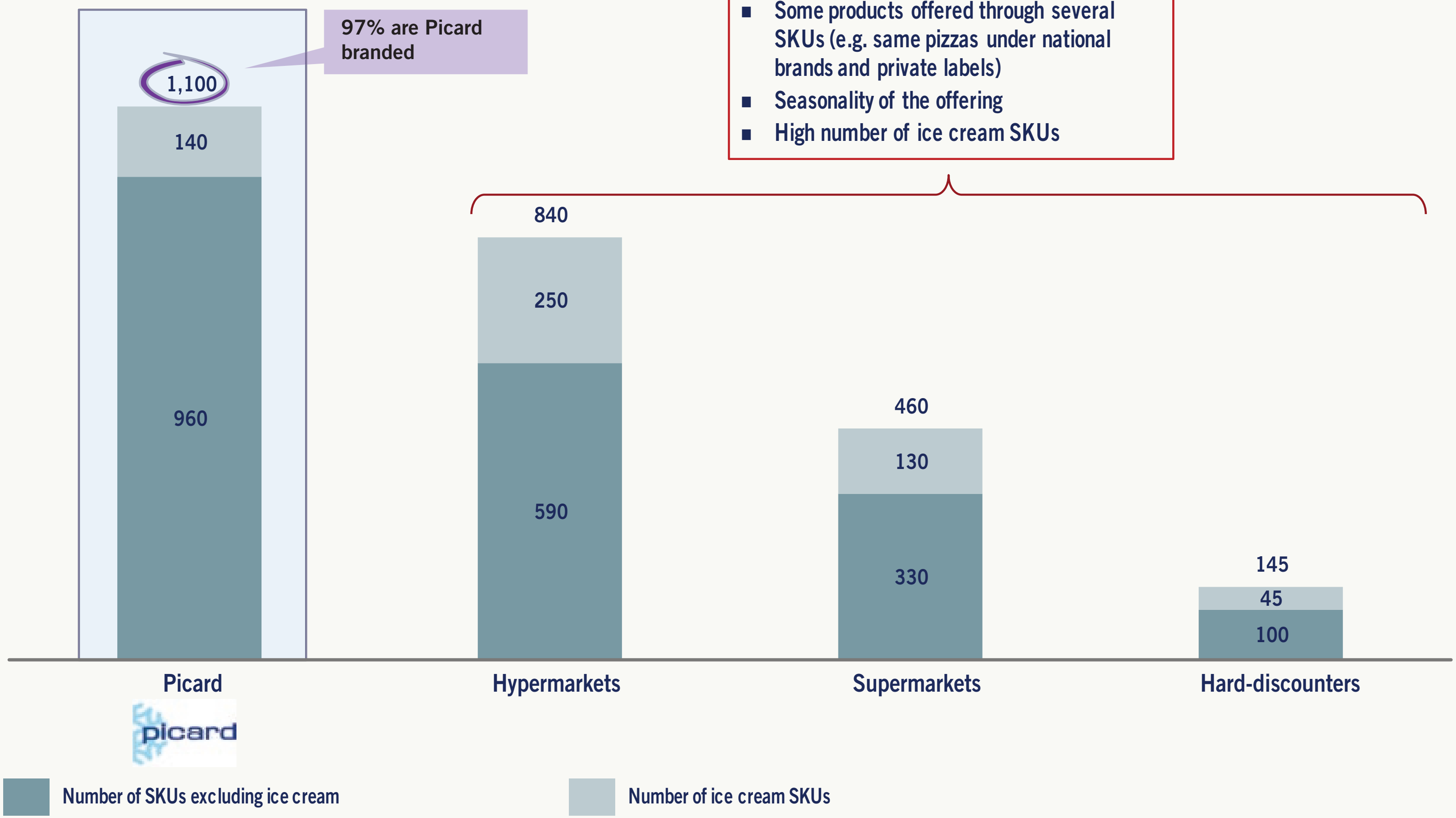
.....to festive occasions[1]

From French cuisine.....

...to international cuisine

1 Material success of products specially prepared for Christmas, New Year's celebrations, Valentine's Day, etc.

Largest Offering in the Industry



- Some products offered through several SKUs (e.g. same pizzas under national brands and private labels)
- Seasonality of the offering
- High number of ice cream SKUs

Source: Nielsen

Note: Including private label and branded products

Four Different Types of Complementary Retail Formats

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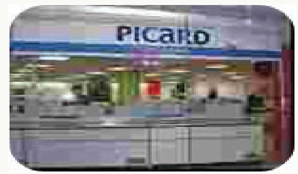

	1 Pedestrian stores	2 Urban stores	3 Traffic area	4 Hypermarkets
Description	Dense urban area, customers come by foot and live within a three to five minute walk	Customers are 70% pedestrians and 30% car drivers	Located along regional main roads, private parking lots	Large shopping centers most often at the periphery of large and medium sized cities
Proportion of Stores	26%	17%	34%	23%
Average selling area (sqm)	c.195	c.255	c.255	c.267

Four complementary formats enabling Picard to compete with any single food retailer across the country

Emerging Consumer Trends to Benefit Picard

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- Renowned market leader in speciality food innovation
- Focused on the growth trends around Premium, Convenience, Indulgence and Health
- On-trend solution for consumer
  - > Always fresh from the freezer
  - > Convenience in the kitchen
  - > Clean label
  - > Food waste reduction
  - > Expanding interest in home cooking
- On-trend positioned
  - > Growth in on-line shopping[1]
  - > Increased impact of technology on lifestyles and home appliances

1 "Europe's New Ice Age" - Rabobank Industry Note #462, November 2014
David Roeg, Senior Analyst Consumer Foods, Rabobank International, Telephone: +31 30 712 15 72

Strategic Rationale

- Diversifies ARYZTA's B2B profile into an adjacent B2C sector
- Investment partner has a strong track record in the consumer brand space
- Complements ARYZTA's 10-year track record in the French speciality food sector
- Consistent with ARYZTA's strategy to be relevant to consumers across all channels
- Picard is asset light, separately managed and financed
- No distraction for bakery management who remain focused on delivering improved organic growth performance as outlined in H1 results
- Low-risk entry strategy – No integration risk – No exceptional charges
- Replaces a highly predictable agri investment with a highly predictable food investment
- Strategically moving up the value chain directly to consumer

Investment Strategy & Summary

Investment Strategy

– Picard investment and contribution will be treated as an associate
– Net Underlying EPS benefit in a full-year will be +3%, offsetting half of the negative 6% impact of the Origin placement
– Picard debt non-recourse to ARYZTA
– Disciplined and low risk funding approach
– Initial stake largely funded by non-core disposal (Origin placement)
– ARYZTA Bakeries' free cash generation run rate expected to accelerate
– Bakery capacity optimisation expected to provide four-year headroom to grow organic revenue, while minimising bakery investment CapEx
– ARYZTA balance sheet forecast to deleverage
– Call option in FY 2019 - FY 2021, if exercised, could be funded from the resultant deleveraged balance sheet, without diluting shareholder equity

Potential Picard and AFS Future Synergies

- ARYZTA reinvesting Origin placement proceeds in a low-risk premium food partnership
- Replaces a highly predictable agri invesment with a highly predictable food investment
- Consistent with ARYZTA's strategy to increase relevance to consumers
- Provides an attractive entry to B2C adjacent to ARYZTA's B2P (Business to Professional) platform
- Picard has grown revenue and EBITDA by c. 3% (5-year CAGR)
- Picard has grown market share by c. 2% (5-year CAGR)
- Supportive of margin sustainability at the mid-teen level
- Limited investor downside risk
- Potential opportunity to expand speciality food directly to the consumer and move up the value chain

Appendix 1

Clear Unchanged Bakery Strategy

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- No distractions for bakery performance
  - > A period of calm will allow the market to fully assess bakery sustainable underlying performance without disruptions
  - > The weak underlying revenue growth in bakeries has been subject to criticism

- Picard investment does not mean bakery consolidation is unattractive
  - > Will continue to strategically consolidate
  - > Picard B2C platform diversification consistent with our strategy of relevance

Picard and AFS Synergies

- Business model
  - Asset light
  - Speciality Food
  - Two complementary channels professional and consumer

- Innovation
  - Similar R&D platforms
  - Revenue driven by new product innovation

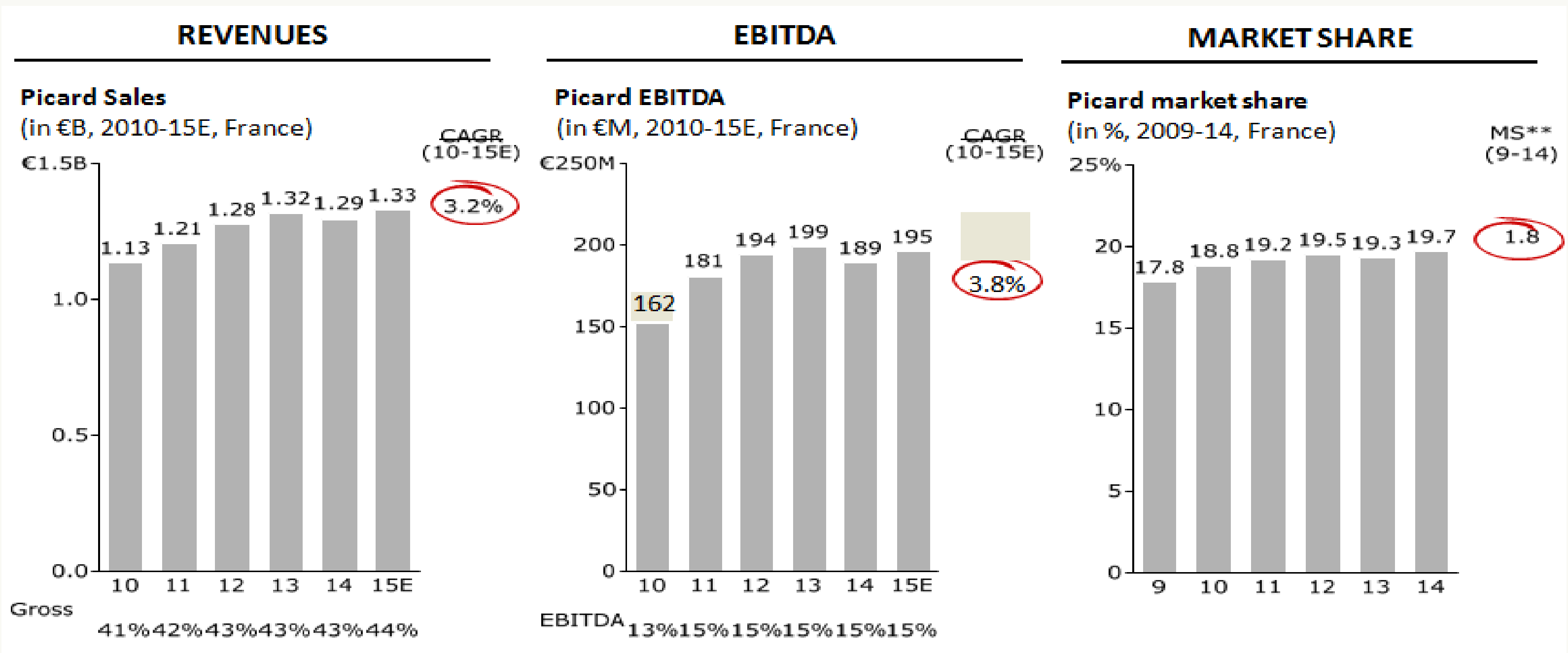
- Revenue
  - Potential to energise the entire Picard and AFS offering to both complementary customers bases using a single platform

- Operational
  - Procurement
  - Distribution

- Revenue
  - Refinancing Picard debt on consolidation at significantly more favourable rates

Picard Financial Performance

- Picard has consistently grown revenue and EBITDA by c. 3% (5-year CAGR)
- Revenue growth driven by LfL sales (c. 1.2%) and new stores opening (c. 2%)
- Picard has consistently grown market share by c. 2% (5-year CAGR)



ARYZTA to Maintain Investment Grade on Picard Consolidation

– Bakery Investment CapEx – €300m in FY 2015, €200m in FY 2016 – matching depreciation thereafter

– Bakery free cash expansion (after investment CapEx) to accelerate to run rate of €450m after FY 2017 onwards

– Delivering ARYZTA balance sheet deleverage of >€1 bn by FY 2019

– Bakery EBITDA current run rate is €700m

– Bakery capacity optimisation and CapEx plan provides potential revenue growth headroom of €1bn over the next four/five years

– Bakery EBITDA trend potential of c.€900m by FY 2019 / FY 2020

– Consolidating Picard adds €200+ to EBITDA

– Consolidation of Picard achievable while maintaining investment grade status

Thank you!