




Half Year results 2009

Amsterdam, 5 August 2009



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Operational & strategic actions

By Gerard Hoetmer, CEO



Key group financials 2nd quarter 2009

- Autonomous Sales Growth -3%; net sales increased by 3% to €647.6 M (2008: €629.0 million)
- EBITA €40.6 M; up 12.1% (up 1.9% at constant currency)
- Cash flow from operating activities in H1 2009 €89.1 M, supported by reduced working capital of €14.7 M
- Healthy balance sheet ratios. Net debt position at 2.7 x EBITDA well within the limits of financing covenants
- Earnings per share at H1 2009 €0.55

* EBITA before exceptional items

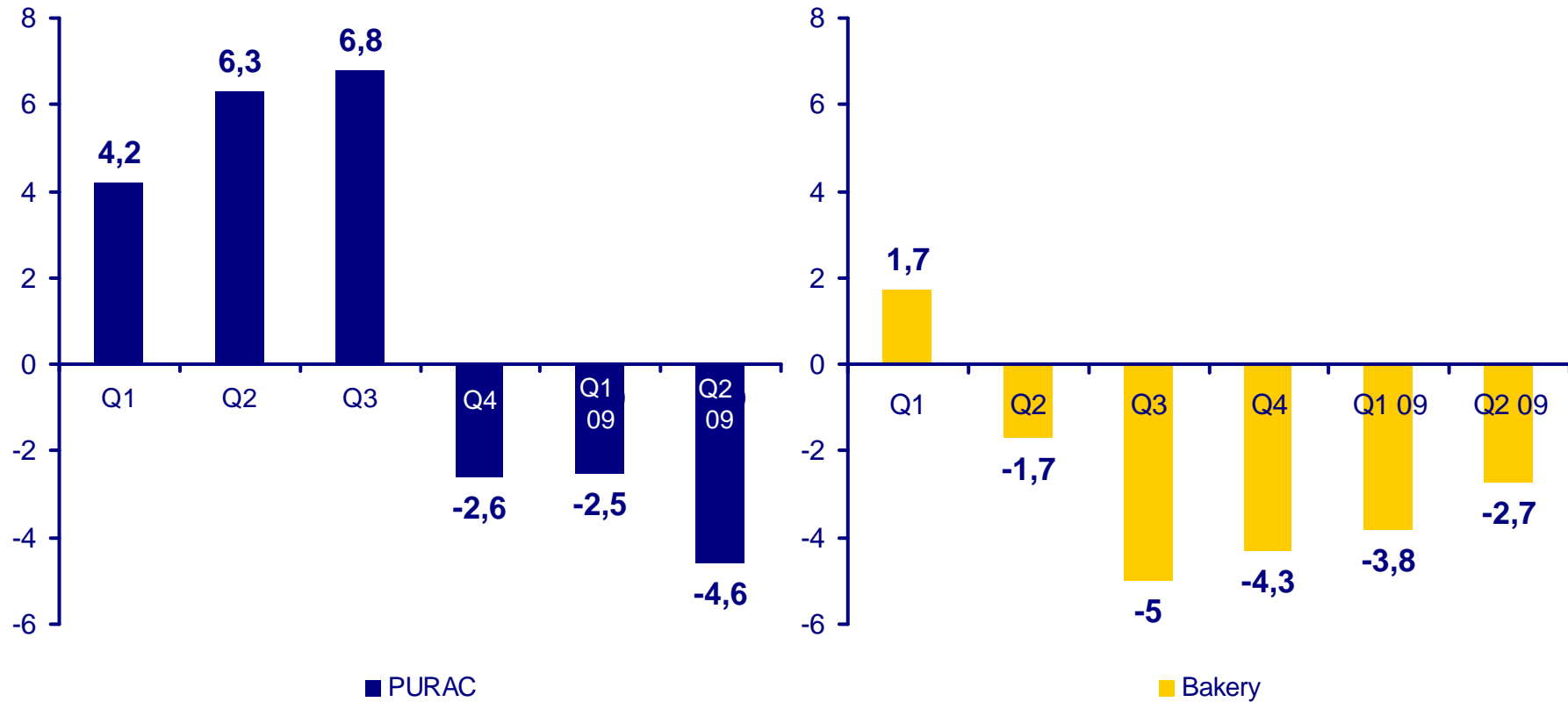


Update 2008 actions

- HC Brill fully on track; ERP implementation will contribute to further success
- Artisan Germany progresses well; slight volume growth despite recession
- Margins recovered with more favourable raw material contracts
- Slow recovery at PURAC from the effects of a strike at a potassium supplier

Volume development* shows impact of recession

* Volumes normalized for one-off effects, incl. Potassium effect PURAC



Progress strategy 2009 cost and cash

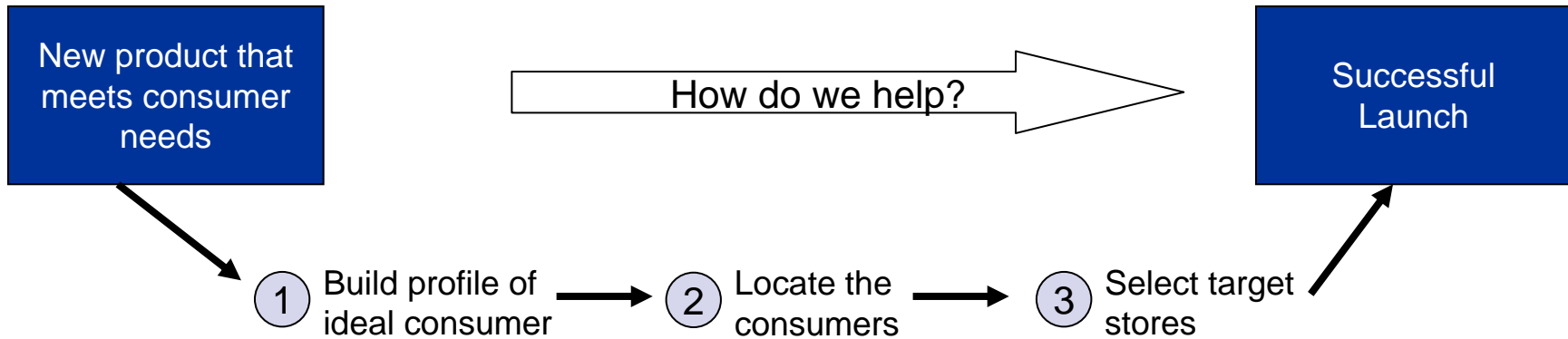
- Continue to structurally lower cost levels
 - € 12,7 M savings, on track for additional € 25 M in 2009

- Continue to structurally lower debt position
 - Net Debt level € 500 M per H1 2009 vs € 528 M end 2008
 - Investments below depreciation € 10 M end H1 2009
 - Structurally lower working capital
 - € 229 M end H1 2009 vs € 243 M end 2008

Progress 2009 strategy service and innovation

- Further improve customer intimacy
- Unique services being offered
- Innovation pipeline continuously improving

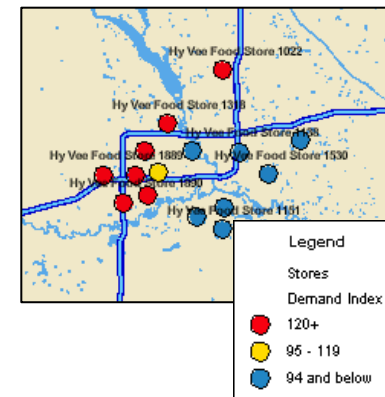
Customer Intimacy: Helping With Successful Product Launches



Demographic	Nation %	Pan Pct	Pepin Index
Number of Persons			
1 Person	26.2	19.2	73
2 Persons	32.6	41.1	126
3 Persons	16.9	17.8	106
4 Persons	13.8	14.4	104
5+ Persons	10.5	7.5	71
Household Income			
Under \$10,000	8.2	3.0	36
\$10,000 - \$19,999	10.3	4.0	39
\$20,000 - \$29,999	11.1	5.9	53
\$30,000 - \$39,999	11.1	6.7	60
\$40,000 - \$49,999	10.0	8.8	88
\$50,000 - \$74,999	19.5	18.2	93
\$75,000 - \$99,999	11.8	16.9	142
\$100,000+	17.8	36.7	206
Householder Age			
18 - 24	5.2	6.3	122
25 - 34	16.2	11.6	71
35 - 44	19.9	15.6	78
45 - 54	21.3	23.1	109
55 - 64	16.5	20.6	124
65+	20.9	22.7	109

BehaviorStage	Cosmopolitan Centers	Affluent Suburban Spreads
Start-Up Families	78	146
HHs with Young Children Only <6		
Small Scale Families	124	215
Small HHs with Older Children 6+		
Younger Bustling Families	120	100
Large HHs with Children (6+), HOH <40		
Older Bustling Families	121	231
Large HHs with Children (6+), HOH 40+		
Young Transitionals	84	113
Any size HHs, No Children, <35		
Independent Singles	100	125
1 person HHs, No Children, 35-64		
Senior Singles	115	167
1 person HHs, No Children, 65+		
Established Couples	196	196
2+ person HHs, No Children, 35-54		
Empty Nest Couples	130	236
2+ person HHs, No Children, 55-64		
Senior Couples	153	232
2+ person HHs, No Children, 65+		
Total	121	186

Source: Spectra BehaviorScope™ 60-Microsegment Framework/EnLighten2007
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In the two 2009 rollouts, Caravan target stores consistently outperformed customer control stores

Examples Innovation projects in Health & Nutrition strategy

Channel Artisan - Europe

- DBS Brot-Brotchen (D)

Launch : May 09

A healthy bread with Ca , Mg and high proteins content for all activities that will require high energy Project done in partnership with Barmer, Bild and ZDF

Following CSM Health & Nutrition strategy



Channel Industry _ Europe

SDS DoStability Extra

Launch early 2009

Customer a British Bakery, product used in 2 breads already,

Product gives increased dough stability in very low salt breads (<1,5% ofw).

Technology protected by two patents – combining the results of two IC projects.



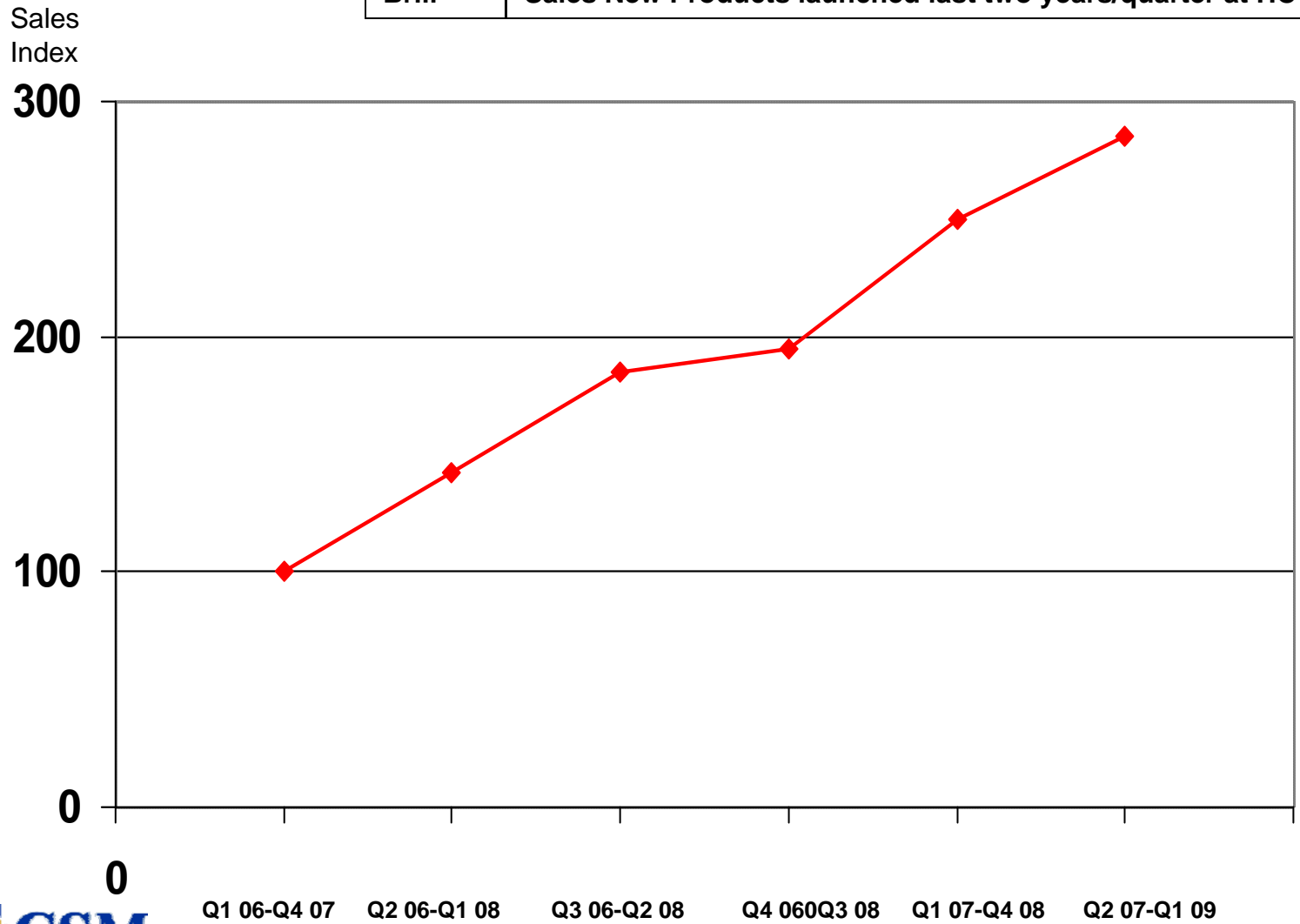
Best of Both



Wholemeal

Product Renewal Rate has increased strongly

Brill | Sales New Products launched last two years/quarter at HC Brill



Bioplastics strategy – on track-



Lactide monomers produced



Polymers successfully produced at Sulzer
Heat stability of at least 180C confirmed on plant process
Continued major (new) partner discussions despite recession



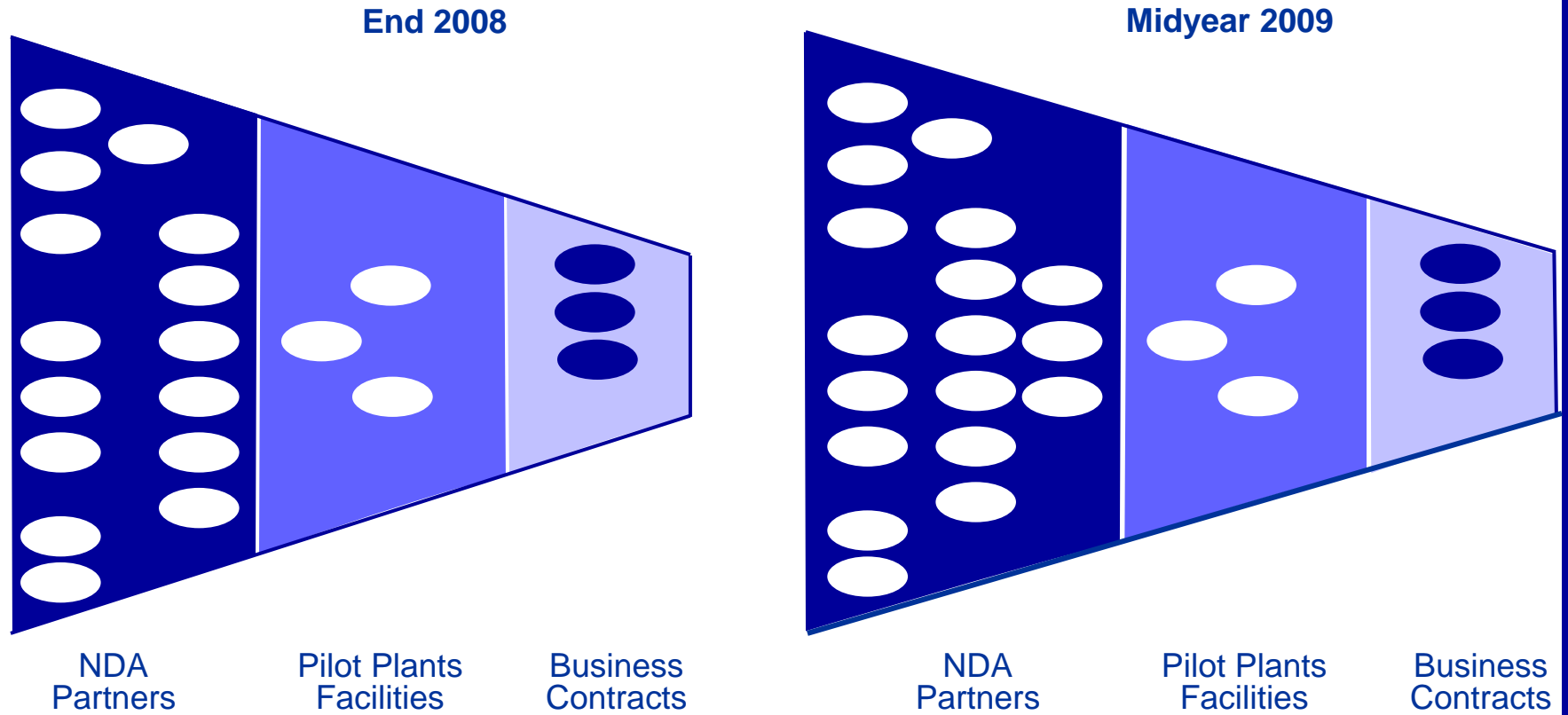
Increased partner portfolio
Technology developments
Agree on large investment
Start to build first PLA unit at customer



Increasing production lactides



Bioplastics partner development 2008



Work on the recessionary upturn


- Innovation capabilities built
- Marketing capabilities and customer intimacy improved
- Working with global strategic partners
- Searching for acquisition opportunities

2009 business outlook

- EBITA recovered, but development depending on raw material cost volatility
- Expected cost savings minimum 25 M
- Do not expect economic climate to change in second half 2009
- Q3 EBITA better than Q3 2008

2009 cash flow generation

- Continued focus on costs and capital
 - Working capital will be positively impacted as a % of sales
 - Capital expenditures will be below depreciation
- Searching for value enhancing acquisitions



Half Year results 2009 Operating & Financial Review

By Koos Kramer, CFO



Profit & Loss statement

in million € Q2

2009	2008
647.6	629.0
40.6	36.2
< 0 >	< 1.5 >
<u>40.6</u>	<u>34.7</u>
<1.9 >	<1.7 >
<u>38.7</u>	<u>33.0</u>

Net sales from continuing operations

EBITA before exceptionals

Exceptional items

EBITA

Amortization

EBIT

Financial income/expenses

Tax

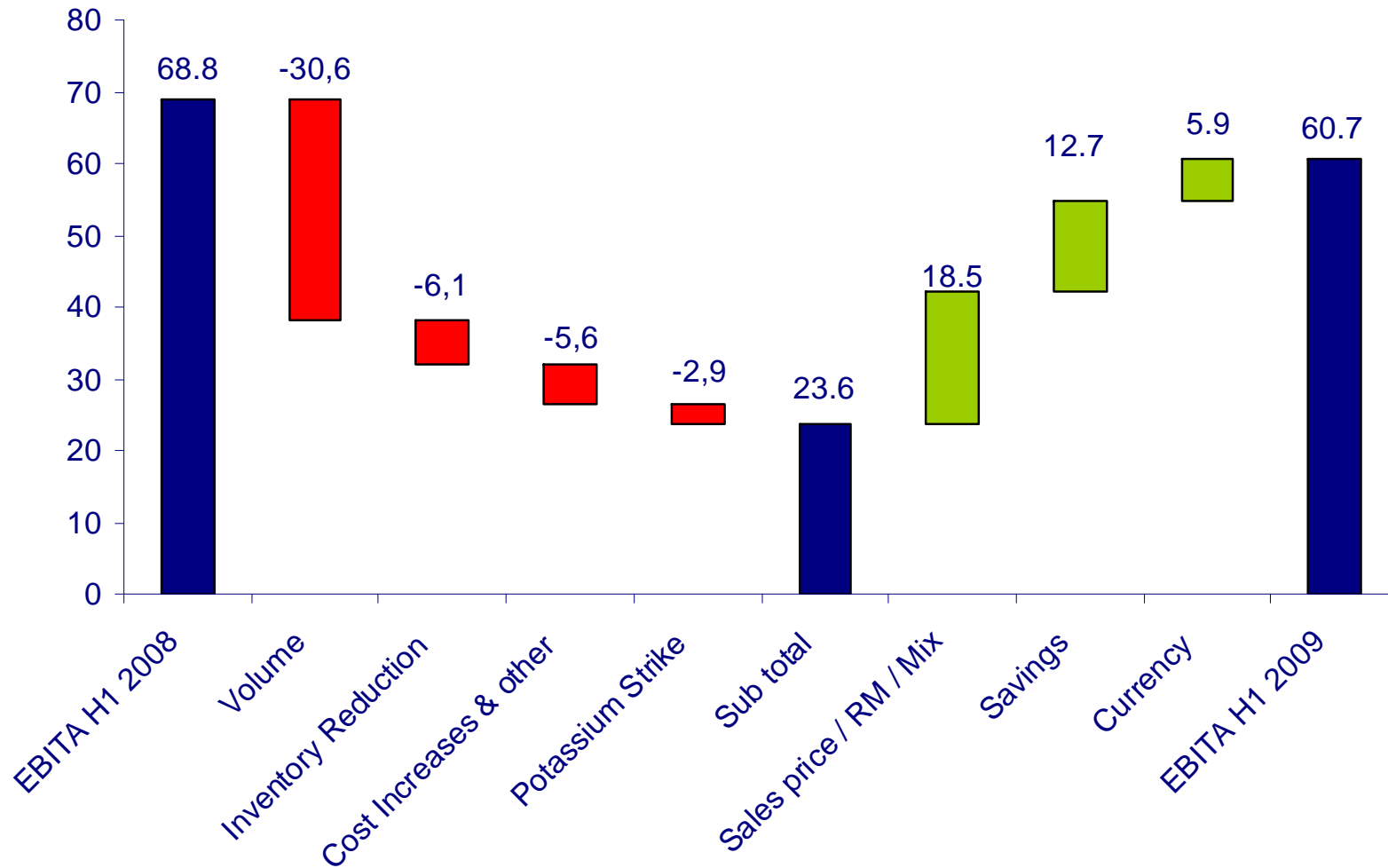
Net income

EPS

H1

2009	2008
1,283.7	1,247.2
60.7	68.8
< 0 >	< 10.4 >
<u>60.7</u>	<u>58.4</u>
<3.7 >	<3.4 >
<u>57.0</u>	<u>55.0</u>
<16.4 >	< 5.3 >
<4.0 >	15.5
<u>36.6</u>	<u>65.2</u>
0.55	1.02

EBITA bridge for H1 2009



* currency= transaction + translation effects

BSNA: market developments and results

Q2 2009	Q2 2008	<i>in million US\$</i>	H1 2009	H1 2008
415.5	438.2	Net sales	807.3	845.8
39.9	28.4	EBITA	61.0	48.6
9.6	6.5	ROS %	7.6	5.7
		ROCE %	13.1	9.9

All results pre-exceptionals

Sales	<ul style="list-style-type: none"> ▪ Autonomous growth in H1 <3.6%> (Q2 <4.5%>) due to a volume decline of <1.4%> (Q2 0%) and a negative price mix development ▪ Strong sales in OOH benefited volume
EBITA	<ul style="list-style-type: none"> ▪ Lower volumes negatively impacted margins but were compensated by favorable raw materials and costs savings ▪ Brill EBITA sharply improved versus H1 2008, due to the reorganisation, enhanced by US\$ 5 M inventory charge in 2008
Capital	<ul style="list-style-type: none"> ▪ In H1 Net Investments in fixed assets of \$ 9.0 M, mainly frozen products expansion ▪ H1 Working capital increased by \$ 9.9 M, decrease in inventory offset by receivables and payables

BSEU: market developments and results

Q2 2009	Q2 2008	<i>in million €</i>	H1 2009	H1 2008
251.7	266.7	Net sales	500.9	531.3
11.7	14.6	EBITA	18.0	27.5
4.6	5.5	ROS %	3.6	5.2
		ROCE %	4.1	6.3

All results pre-exceptionals

Sales

- Autonomous growth <3,5%> (Q2 3.3%). Volume <4%> (Q2 <4.7%>), price & mix slightly positive
- Germany slight volume growth despite market decline

EBITA

- Volume decline impacted results significantly despite cost savings
- Procurement savings supported results
- EBITA Germany improved over prior year due to reorganisation

Capital

- In H1 Net Investments in fixed assets €6.1 M, depr.& amort. €12.1 M
- H1 Working capital decreased by €4.5 M due to decreased inventory and receivables, however partly compensated by lower liabilities

PURAC: market developments and results

Q2 2009	Q2 2008	<i>in million €</i>	H1 2009	H1 2008
89.3	81.6	Net sales	175.2	162.6
6.4	7.5	EBITA	9.9	17.5
7.2	9.2	ROS %	5.7	10.8
		ROCE %	6.4	11.7

All results pre-exceptionals

Sales	<ul style="list-style-type: none"> ▪ Autonomous growth H1 1.5% (Q2 2.8%), volume growth <10%> (Q2 <10%>) compensated by price increases and mix changes ▪ Effect potassium strike on sales in H1 was approx. 65% of the volume decline, in Q2 a slight improvement occurred
EBITA	<ul style="list-style-type: none"> ▪ Volume decline negatively impacted EBITA ▪ Inventory down in first half year € 26 M (Q2 12.7 M), negatively impacting EBITA by € 6 M ▪ PURAC benefited from savings as a result of the new supply chain structure created in 2008
Capital	<ul style="list-style-type: none"> ▪ H1 Net Investments in fixed assets € 9.5M, depr. & amort. € 11.8 M ▪ In H1 Working capital decreased by € 7.6 M versus end of 2008 due to a strong decrease in inventory

Interest

in million €

Ordinary interest expenses
 Exchange differences
 Result on financial instrument w/o hedge acctg.
 Other one time gains

Interest expense in P&L

	H1 2009	H1 2008
Ordinary interest expenses	<15.2>	<10.0>
Exchange differences	<2.8>	2.0
Result on financial instrument w/o hedge acctg.	1.6	1.0
Other one time gains	0	1.7
Interest expense in P&L	<16.4>	<5.3>



Tax

in million €

	H1 2009	H1 2008
Ordinary tax expenses	<8.8>	< 14.5>
Movement non-valued tax assets	<4.2>	<3.7>
Prior year adjustments	3.5	<4.0>
Tax rate changes & others	3.1	<1.0>
Release of tax provisions	2.4	38.7
Tax expense continued activities in P&L	<4.0>	15.5
Ordinary tax expenses as a % of profit before tax	22%	29%



Cash flow

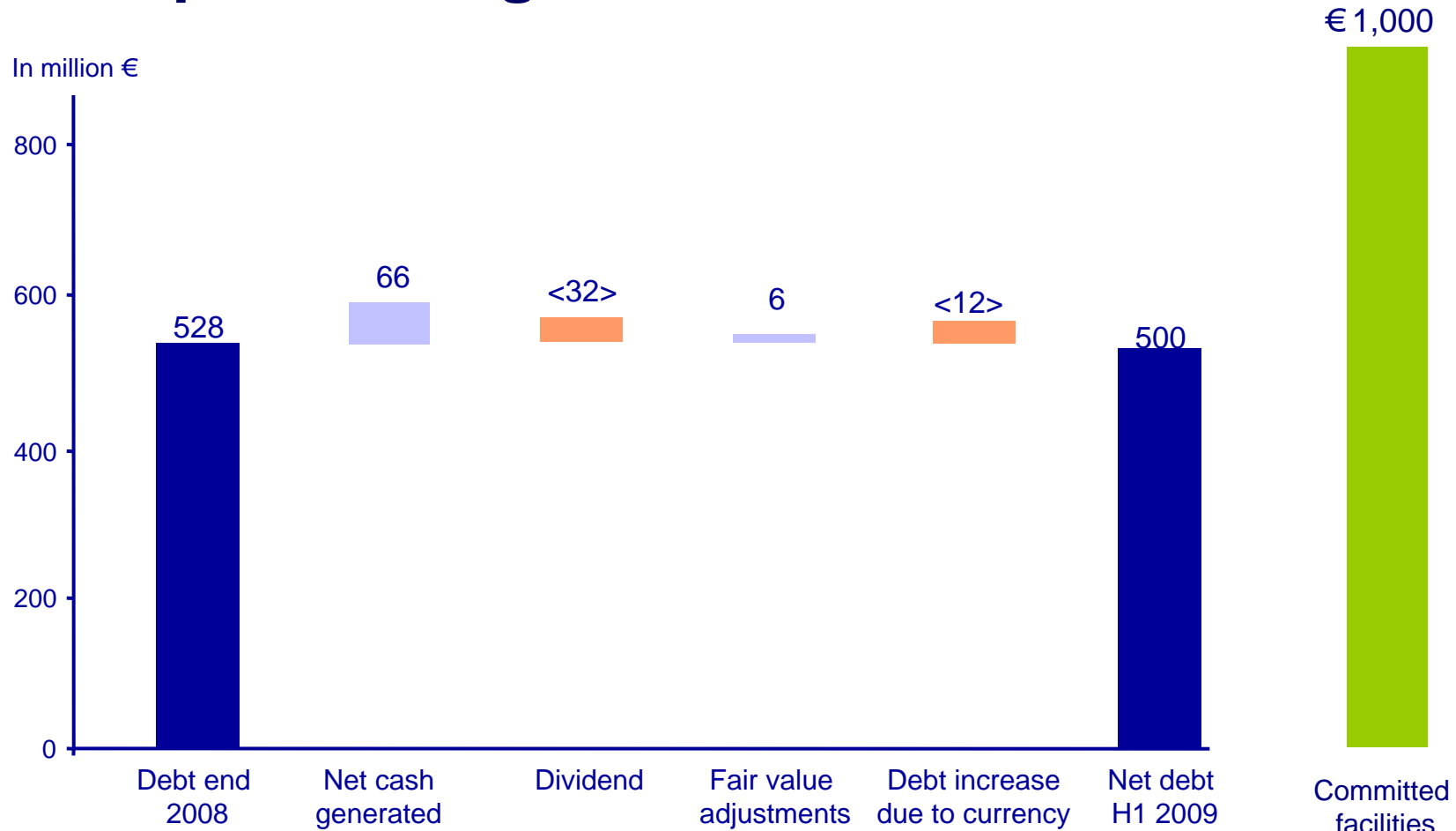
in million €

		H1 2009	H1 2008
Net cash income		74.3	86.2
Investments working capital		14.8	< 98.1>
<i>Receivables</i>	11.3		
<i>Inventory</i>	43.0		
<i>Liabilities</i>	<39.7>		
Net investments in fixed assets		< 23.6>	<25.8>
<i>BSEU</i>	6.2		
<i>BSNA</i>	6.8		
<i>PURAC</i>	9.5		
<i>Corporate</i>	1.1		
Acquisitions/Divestments		-	< 10.2>
Net cash generated		65.5	<47.9>

H1 2009 Depreciation of 33.5



Capital management



	2008	Financial covenants
debt/ EBITDA	2.7	3.5 max
Interest coverage	4.1	3.5 min



Q & A



Appendices

Results per business segment

Before exceptional items

	net turnover €x 1M		EBITA €x 1M		ROS %		capital* €x 1M		ROCE* %	
	HY09	HY08	HY09	HY08	HY09	HY08	HY09	HY08	HY09	HY08
BSEU	500.9	531.3	18.0	27.5	3.6	5.2	881.5	879.7	4.1	6.3
BSNA	607.6	553.3	45.9	31.8	7.6	5.7	681.6	626.5	13.5	10.2
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Total BS	1,108.5	1,084.6	63.9	59.3	5.8	5.5	1,563.1	1,506.2	8.2	7.9
PURAC	175.2	162.6	9.9	17.5	5.7	10.9	309.8	299.1	6.4	11.7
holding costs			<13.1>	<8.0>			19.5	<6.2>		
CSM total	1,283.7	1,247.2	60.7	68.8	4.7	5.5	1,892.4	1,821.5	6.4	7.6

* including goodwill

Autonomous growth

Net Sales x m€	2009 JUN	2008 JUN	Total growth	Acquisition effect	Translation Currency effect	Organic growth
CSM Bakery Supplies North America	607,6	553,3	54,3 9,8%	0,0 0,0%	74,1 13,4%	-19,8 -3,6%
CSM Bakery Supplies Europe	500,9	531,3	-30,4 -5,7%	2,7 0,5%	-14,3 -2,7%	-18,7 -3,5%
PURAC Division	175,2	162,6	12,6 7,8%	0,0 0,0%	10,1 6,2%	2,5 1,5%
CSM Group – Continued Operations	1.283,7	1.247,2	36,5 2,9%	2,7 0,2%	69,9 5,6%	-36,1 -2,9%