THE WALL STREET JOURNAL

# BUSINESS BRIEF: LINDT & SPRUNGLI AG

18 March 2009, The Wall Street Journal Europe

ZURICH -- Chocolate maker Chocoladefabriken Lindt & Sprungli AG reported a 4.4% rise in 2008 net profit but warned that earnings will drop this year, hurt by store closings in the U.S. The Switzerland-based maker of gold-foil-wrapped Easter bunnies and Lindor chocolate balls said that net profit rose to 261.5 million Swiss francs ($220 million) in 2008 from 250.5 million francs in 2007. The company previously reported that full-year sales fell slightly to 2.94 billion francs from 2.95 billion francs, hurt by the strong franc. Lindt said it plans to downsize its chain of boutiques in U.S. shopping malls to concentrate on flagship stores.

*Food-industry analyst James Amoroso said the profit warning was worrying, but added that the trend toward premium offerings for such affordable items as chocolate is unlikely to reverse. Mr. Amoroso expects the company to return to previous profitability and growth levels once the U.S. recession ends.*