

Documentation for Press conference/Analyst conference on financial results of the Bell group

15 February 2013



Corporate Governance

Financial Reporting

Bell Group

Financial Report

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Report of the Statutory Auditors

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Corporate Governance

Bell Ltd follows the Swiss Code of Best Practice for Corporate Governance of *economiesuisse*, and complies with the SIX Swiss Exchange Directive on Information relating to Corporate Governance (DCG). The corporate governance rules and regulations of Bell Ltd are based on Swiss law, the company's Articles of Association and the by-laws. The Board of Directors reviews the Articles of Association and by-laws at regular intervals and adjusts them to meet changed circumstances.



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Shareholders
Around 4,000 registered shareholders



Information policy
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The Articles of Association of Bell Ltd can be accessed at www.bell.ch/articles.

An excerpt from the by-laws is available at www.bell.ch/organisation-en.

Status as of 31 December 2012 if nothing is stated to the contrary.

Group structure

The Bell Group has no cross-shareholdings or holdings in listed companies. An overview of all companies in which the Bell Group has a stake is provided on page 80.

Capital structure and shareholders' rights

Significant shareholders

See page 79.

Capital structure

The company has no outstanding convertible bonds, options or dividend-right certificates. The company's share capital is fully paid up and equates to CHF 2,000,000. There are 400,000 registered shares with a nominal value of CHF 5 each. The registered shares can be converted into bearer shares via an amendment to the Articles of Association.

The capital structure and shares are described in detail on pages 79 and 82.

Transferability

The transfer of registered shares as property or usufruct requires the permission of the Board of Directors. The Board of Directors may delegate all or some of its powers in this regard (Articles of Association, Art. 5).

Share register restrictions

According to the Articles of Association (Art. 5), the Board may refuse to register someone as a shareholder for good cause and if a single shareholder acquires more than 5 percent of the voting rights.

Board of Directors

Election and term of office

The members of the Board of Directors are elected by the Shareholders' Meeting. Board members are elected individually. The Chairman nominates the members of the Board of Directors. The Board of Directors consists of a minimum of three members who are elected by the Shareholders' Meeting for a term of office of four years. Directors can be re-elected at the end of a term. The term of office expires at the conclusion of the Shareholders' Meeting in the relevant year.

If a Board member turns 65 while in office, he or she must resign from the Board at the next Shareholders' Meeting.

Composition of the Board of Directors

as of 31.12.2012

	Chairman of the Board of Directors	Member of the Board of Directors	End of the term of office
Hansueli Loosli	since 2009	–	2015
Leo Ebnetter	–	since 2012	2015
Jörg Ackermann	2001 – 2009	since 2000	2015
Irene Kaufmann-Brändli	–	since 2009	2015
Werner Marti	–	since 2009	2015
Joachim Zentes	–	since 1997	2013

Joachim Zentes, Board member of many years' standing, will retire from the Board in 2013 as he has reached the maximum age limit. The Board of Directors will present a candidate to replace Joachim Zentes on the Board at the 2013 Shareholders' Meeting.

Board member fees

Members of the Board of Directors receive appropriate compensation for their activities in accordance with Article 23 of the Articles of Association.

Fee (gross) per annum:

Chairman	CHF 90,000
Vice-Chairman	CHF 70,000
Members	CHF 60,000

Special cases

Fees will be paid as follows:

- pro rata on resignation from the Board of Directors
- in the event of illness/accident: 100 %

Compensation includes a flat rate of 10 percent for expenses that is indicated separately. The statutory social contributions (employee's share) will be deducted from 90 percent of the compensation amount.

In addition to the salary, the members of the Board of Directors also receive a meeting attendance fee equalling the value of half a share of Bell Ltd for every meeting. The Coop Cooperative representatives on the Board work on a mandate basis. Their fees are paid directly to Coop.

For information on overall salaries and share ownership, see page 74 of the annual report.

Internal organisation and areas of responsibility

The Board of Directors of Bell Ltd defines the corporate strategy, issues the required instructions, and oversees all the activities of the Bell Group, while the Group Executive Board is responsible for the operating business. The Board of Directors reviews the business planning, in particular the annual, multi-year and investment plans as well as the corporate objectives. The Board also establishes opportunities and risks and initiates any measures that are required. The areas of responsibility of the Board of Directors and the Executive Board are set forth in detail in the by-laws. Excerpts are available on the Bell website at www.bell.ch/organisation-en.

In addition to its non-transferable responsibilities and powers, the Board decides on mergers, litigation, contracts of special importance, capital investments in excess of CHF 3 million, and real estate/corporate acquisitions and sales. The Board determines the Bell Group's corporate structure and is responsible for hiring, discharging and overseeing company managers and executives. The Board defines the company's salary, social security and investment policies, and monitors their implementation. It also makes decisions concerning the company's representation in industry associations and interest groups, the granting of third party loans exceeding CHF 100,000 and guarantees in any amount.

At the Bell Group, the Group Board of Directors is responsible for the recommendations in the guidelines regarding the function and remit of individual committees. This makes it easier to retain an overview and takes account of Bell's special status as a controlled company.

The Board of Directors usually meets seven times per year, and the meetings usually last from four to six hours. One or two special meetings are also held every year to discuss corporate strategy and other transactions that might have a considerable impact. Members of the Bell Group Executive Board are invited to the meetings. No external advisors were engaged in 2012.

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Members of the Board of Directors



Hansueli Loosli
1955, Swiss citizen
Chairman of the Board of Directors

Certified public accountant
Chairman of the Board of Directors of Coop Cooperative; since 2011

Board member mandates

Transgourmet Holding AG, Basel; Chairman • Coop Mineraloel AG, Allschwil; Chairman • Swisscom AG, Bern; Chairman

Professional career

Coop Cooperative, Basel; Chairman of the Executive Board of Coop; 2001 – 2011 • Coop Switzerland, Basel; Chairman of the Executive Board and of Coop Group; 1997 – 2000 • Coop Zurich, Zurich; Managing Director; 1992 – 1997 • Coop Switzerland, Wangen; Director of Non-Food Procurement; 1992 – 1996 • Waro AG, Volketswil; most recently as Managing Director; 1985 – 1992 • Mövenpick Productions AG, Adliswil; Controller, Deputy Director; 1982 – 1985 • BBC AG, Baden; Head of Fiduciary Department; 1979 – 1982 • Intertest AG, Baden; Audit Assistant; 1978 – 1979 • Huba-Control AG; Würenlos; Chief Accountant; 1974 – 1978



Leo Ebnetter
1954, Swiss citizen
Vice-Chairman of the Board of Directors

Business diploma
Coop Cooperative, Basel; Head of Directorate 4 Logistics, member of the Executive Board; since 2007

Board member mandates

Railcare AG, Härkingen; Chairman • Kühlhaus Neuhof AG, Gossau

Professional career

Coop Cooperative, Gossau; Head of Logistics Region Eastern Switzerland-Ticino; since 2001 • Coop Eastern Switzerland, Gossau; Deputy Manager of Coop Eastern Switzerland and Head of Procurement, Production, Logistics and IT; 1990 – 2000 • Coop Eastern Switzerland, Gossau; Head of Food Procurement, Production, Logistics; 1987 – 1990 • Coop Eastern Switzerland, Gossau; Head of Logistics Gossau; 1985 – 1987 • Coop Eastern Switzerland, Gossau; Head of Logistics General Goods and Head of Transport; 1981 – 1985



Jörg Ackermann
1958, Swiss citizen
Member of the Board of Directors

Economist
Mandates for VGL Coop Cooperative; since 2008

Board member mandates

HiCoPain AG, Dagmersellen • Coop-ITS-Travel AG, Wollerau • Coop Patenschaft für Berggebiete, Basel • Dipl. Ing. Fust AG, Oberbüren • GS1 Schweiz, Bern

Professional career

Deputy Chairman of the Coop Executive Board, Head of Logistics/IT/Production, Basel; 2004 – 2008 • Member of the Coop Executive Board, Head of IT/Production, Basel; 2001 – 2003 • Member of the Coop Executive Board, Head of IT/Production, Basel; 1998 – 2001 • Head of Corporate Development at Coop Switzerland, Basel; 1997 • Managerial positions at Coop Winterthur, Winterthur: Deputy Director; 1995 – 1996, Head of Marketing, Member of the Executive Board; 1992 – 1994, Head of Product Marketing and Logistics, Member of the Executive Board; 1989 – 1991, Assistant to the Head of Customer Marketing; 1984 – 1988



Irene Kaufmann-Brändli
1955, Swiss citizen
Member of the Board of Directors

Dr. oec. publ.
Vice-Chair of the Board of Directors of Coop Cooperative; since 2011

Board member mandates

Coop Immobilien AG, Bern • Bank Coop AG, Basel • Coop Mineraloel AG, Allschwil • Dipl. Ing. Fust AG, Oberbüren • Transgourmet Holding AG, Basel • CPV/CAP Coop Pension Fund, Basel; Trustee • ETH Zurich Foundation, Zurich; Trustee • Juventus schools Zurich, Zurich; Chair of the Board of Trustees • HWZ Hochschule für Wirtschaft Zürich, Zurich

Professional career

Chair of the Board of Directors of Coop Cooperative; 2009 – 2011 • Vice-Chair of the Coop Board of Directors; 2000 – 2009 • Nabholz Consulting, Zurich: Project management of consultancy assignments for public administration and operations with an emphasis on finance and organisation; 1985 – 2008 • Audit and consulting mandates for private enterprises on behalf of Dr. Nabholz Treuhand AG, Zurich; 1980 – 2002



Werner Marti
1957, Swiss citizen
Member of the Board of Directors

Attorney
Law office; since 1988

Board member mandates

Alp Transit Gotthard AG, Lucerne; Chairman • Billag AG, Fribourg; Chairman • Service 7000 AG, Netstal • Other board member mandates with various SMEs

Professional career

Proprietary law office in Glarus; since 1988 • National Council of canton Glarus; 1991 – 2008 In this function member of the Finance Commission (Chairman 2004/2005), the Commission for Communication, Transport and Telecommunications as well as various ad-hoc commissions • Price controller; 1996 – 2004 • Councillor of canton Glarus • Chairman of Internal Affairs (Directorate of the Economy); 1990 – 1998 • Employee/partner in a law office; 1983 – 1987



Joachim Zentes
1947, German citizen
Member of the Board of Directors

Dr. rer. oec, professor of business management
Director of the Trade and International Marketing Institute (H.I.MA.) and of the European Institute, Faculty of Business Sciences, University of Saarland; since 1991

Board member mandates

Goodyear Dunlop Tyres Germany GmbH, Hanau (Germany); Chairman • Transgourmet Holding AG, Basel

Professional career

Visiting professor at the Universities of Metz and E.M. Lyon (France), Regensburg (Germany), Fribourg and Basel, Warsaw (Poland), Santiago (Chile), Craiova (Romania) • Offered the chair for Business Administration at the University of Basel; 1993 • Offered the chair for Marketing at the University of Fribourg; 1988 • Professorship in Business Administration, in particular marketing, at the University of Essen (Germany); 1982 – 1991 • Professorship in Business Administration, in particular production and sales, at Johann-Wolfgang-Goethe University, Frankfurt am Main (Germany); 1980 – 1981

In 2012, the Board of Directors held nine meetings: seven ordinary meetings, one constitutive and one extraordinary meeting. In addition to the usual day-to-day business, the Board of Directors concentrated on the following subjects and projects:

- Merger of the activities of the Bell Group in Germany and restructuring of the other international activities
- Various sizeable investment projects such as the expansion of the charcuterie facility Churwalden, the purchase of land in Oensingen and conversion work to the head office in Basel
- Brand strategy of the Bell Group

For details on these subjects and projects, see the reports section of the annual report.

Information channels and control instruments

The Group Executive Board regularly briefs the Board of Directors on the course of business. The Chairman of the Board of Directors is in close contact with the Group Executive Board and usually meets with its members once a month.

The Group Executive Board submits a management report (MIS) to the Board every two months and prepares a report consisting of a consolidated and a division income statement, balance sheet and comprehensive key indicators and analyses. The financial reporting is a permanent component of the Board meetings. Deviations are discussed and any measures that may be required are implemented.

Internal control system

Bell operates a comprehensive internal control system (ICS) on the basis of the internationally acknowledged COSO framework; the ICS is an integral component of quality assurance (QA). It places particular emphasis on the financial security of business processes, as issues such as product safety, quality assurance and traceability are already covered by various standards (ISO 9001, IFS, etc.). The focus falls on the avoidance of infractions of the law and instances of negligence, as well as asset protection as part of the production processes. The ICS was expanded further and will be continuously extended and updated in future. Bell's ICS serves the continuous improvement of business activities and is aimed at ensuring that the necessary procedures and instruments for risk detection and control are in place.

Internal audit

In addition to the statutory auditors, the internal audit unit as an independent instance monitors compliance with the guidelines and regulations on behalf of the Board of Directors and checks the expedience of control instruments and the organisational structure and procedures as well as the effectiveness of the internal control system. It accompanies the development of new business processes and modifications to existing business processes in a controlling or advisory function and supports the Executive Board in the achievement of objectives by making recommendations for improvements to business processes. The internal audit unit pursues a risk-oriented approach to auditing. Findings are documented and communicated to the Chairman of the Board of Directors. The implementation of measures is monitored.

The internal audit unit coordinates its auditing activities and maintains a close exchange of information with the statutory auditors.

Risk and opportunity



Management has identified a sudden increase in raw materials prices, decisions affecting agricultural policies, and epidemics as major risks.

Risk management

Bell has applied structured risk management since 2009. As a food manufacturing company, the risk situation can be described as stable overall, whereby we are slightly more dependent on the economy in other countries than we are in Switzerland. As part of the risk management process, the Board of Directors, Group Executive Board and Executive Boards assess the major risks every year.

We generally define risk as possible events or actions that could lead to a deviation from the defined objectives or strategy implementation. Positive deviations are seen as opportunities and negative deviations are deemed to be risks. Opportunities are integrated into the strategy process, while negative deviations (risks) are analysed during the risk management process. The risks are assessed for probability of occurrence and quantitative impact in the event of occurrence.

A full survey of the possible risks is done every three years. The risks that are relevant for the Bell Group are identified and measures are formulated if possible to reduce the probability of occurrence and/or the impact of the potential risks. Every measure is given a responsible owner. In the in-between years, the Board of Directors and Group Executive Board monitor the status of the measures and carry out current assessments. As part of Bell's risk management process, risks that could potentially cause a loss of more than CHF 15 million within three years at EBIT level are actively managed. Safeguards and measures are implemented to protect the company against risks that cannot be influenced or that can only be influenced to a limited extent.

Management has identified a sudden increase in raw materials prices, decisions affecting agricultural policies, and epidemics as major risks.

The financial market risks are limited to foreign currency exposure, in particular in the eurozone, but this does not exceed the threshold for large risks. If the equity markets should become very turbulent, risks may ensue from the obligations of the CPV/CAP Coop pension fund that exceed the defined limits.

More information on risk assessment is provided on page 79 of this annual report.

Compensation

Compensation consists of a basic salary and a variable component. The basic salary is based on an employment contract which is reviewed annually and adjusted if necessary. In addition, Group Executive Board members receive a fixed expenses allowance as well as a company car. The variable component (profit share) depends on the extent to which the Group achieves its revenue targets and can amount to a maximum of 25.4 percent of the basic salary. The basis and amount of this profit share are determined annually by the Board of Directors. Up to half of the profit share can be paid out in the form of shares in Bell Ltd. These shares are credited at the average share price for the month preceding payment (usually March), with a discount of 20 percent, and may not be sold for a period of four years. As the revenue targets were achieved, Group Executive Board members received a profit share of 16 percent for 2012 (previous year: 20 percent).

For information on total salaries and share ownership, please refer to the notes to the annual report, page 75.

Co-determination rights of shareholders

Every share is entitled to one vote pursuant to Art. 11 of the Articles of Association.

According to Art. 8 of the Articles of Association and Art. 12 and 13 of the Swiss Code of Obligations, shareholders may be represented by another shareholder at the annual Shareholders' Meeting. Shareholders may also be represented by the custodian bank or by an independent proxy.

Shareholders or groups of shareholders who represent shares with a par value of ten percent of the share capital may request that an item be added to the agenda. A request to add an item to the agenda must be submitted in writing at least 60 days prior to the meeting, specifying the subject to be discussed and the proposals.

Other co-determination rights are governed by the Articles of Association of Bell Ltd. The Articles of Association are available on the Bell website at www.bell.ch/articles. The Swiss Code of Obligations applies where the Articles of Association do not provide sufficient regulation.

The last date for registration with the share register for shareholders who wish to attend the Shareholders' Meeting is published on the Bell website at www.bell.ch/agenda-en.

Shareholders are not entitled to have certificates for registered shares printed out and delivered.

Change of control clause

There are no statutory restrictions and regulations.

Auditors

Auditors	PricewaterhouseCoopers; since 1998
Lead auditor	Dr Rodolfo Gerber, lead auditor since 2010
Term of mandate	The auditors are elected every year.

The Board of Directors oversees the activities of the external auditors. The auditors brief the Chairman of the Board of Directors on the results of their audit three times every year. They also report to all members of the Board once every year.

The performance of the auditors is assessed by the Chairman of the Board of Directors, the Group CEO and the CFO on the basis of comprehensive assessment criteria. The focus falls on the audit team's special qualifications, assertiveness, independence and interaction with our internal units. Other external factors also affect the assessment.

In 2012, the activities of the statutory auditors focused on statutory obligations including an evaluation of the existence of the ICS.

Auditors' and other fees

in CHF thousand	2012	2011
Auditing services	948	1 023
Tax consulting	34	–
Legal services	51	–
Transaction consulting (incl. due diligence)	–	–
Total	1 033	1 023

Information policy

Every year, Bell publishes an annual report and an interim report containing information on the business operations and results of the Bell Group. Bell also issues press releases regarding current developments and publishes news reports on its website. Bell's website contains an archive with all annual reports, interim reports and ad hoc press releases www.bell.ch

Important dates

Closing of accounts	31 December
Shareholders' Meeting of Bell Ltd	17 April 2013
Publication of results for first half of 2013	15 August 2013
Publication of 2013 sales figures	First half of January 2014
Publication of 2013 results	February 2014

For more dates or changes to dates, see the Bell website at www.bell.ch/agenda-en.

Contact partners and contact options for obtaining further information on the Bell Group are listed on page 88 of this annual report.

Members of the Executive Board of Bell Ltd (Group Executive Board)



Lorenz Wyss

1959, Swiss citizen
Butcher, Business diploma,
Certified meat industry technician,
Master of Business Administration
ZFH

Chairman of the Group Executive Board (CEO)
Head of Bell Switzerland Division
Head of Bell Eastern Europe/Benelux Division
Has been with Bell since 2011; in this position since 2011

Board member mandates

Centravo Holding AG, Zurich • GVFI International AG, Basel • Hilcona AG, Schaan, Liechtenstein • Gastro Star AG, Dällikon; Chairman • Tropenhaus Frutigen AG, Frutigen • Tropenhaus Wolhusen AG, Wolhusen • Proviande Cooperative, Bern

Professional career

Managerial positions at Coop: Head of Category Management Fresh Products/Gastronomy; 2008 – 2011, Head of Food Procurement/Scheduling; 2004 – 2008, Head of Purchasing Pool for Fresh Products; 1998 – 2004, Market Group Head, Meat/Catering and Frozen Products; 1995 – 1998 • Managerial positions at Gehrig AG, Klus: Head of Sales/Operations (Deputy Managing Director); 1992 – 1995, Technical Director; 1987 – 1991, Head of Operations/HR; 1983 – 1984 • Department Head at Jenzer AG, Arlesheim; 1978 – 1981



Martin Gysin

1960, Swiss citizen
Certified public accountant

Head of Bell Finance/Services Division (CFO)
Deputy Chairman of the Group Executive Board
Has been with Bell since 1992; in this position since 1994

Board member mandates

CPV/CAP Coop Pension Fund, Basel • Hilcona AG, Schaan, Liechtenstein

Professional career

Head of Finance/Accounting at Bell Ltd, Basel; 1992 – 1994 • Controller at Valora AG, Bern; 1990 – 1991 • Commercial Director at R. Vix AG; Basel, 1984 – 1989

Members of the Executive Board

Bell Switzerland

Members of the Executive Board of Bell Schweiz AG

Markus Bänziger

1955, Swiss citizen
Certified marketing planner
(Federal diploma)

Head of Charcuterie Business Unit

Head of Seafood/Logistics Business Unit i.P.

Has been with Bell from 1975 to 1985 and again since 1995; in this position since 2012

Professional career

Managerial positions with Bell Ltd, Basel: Head of Convenience Division; 2009 – 2010, Head of Convenience Business Unit; 2000 – 2008, Head of Wholesale Sales; 1995 – 2000 • Sales force of Fleischtrocknerei Churwalden AG; 1988 – 1995 • Head of Freight at GNZ Schlieren; 1987 • Sales at Gebr. Niedermann, Schlieren; 1985 – 1987 • Head of Order Service in Wallisellen; Bell Ltd; 1983 – 1985 • Branch manager at Bell Ltd; 1980 – 1983 • Branch butcher at Bell Ltd; 1975 – 1980

Josef Dähler

1955, Swiss citizen
Certified master butcher
Business diploma

Head of Fresh Meat Business Unit

Has been with Bell since 1996; in this position since 2007

Board member mandates

Identitas AG; Bern • Proviande Cooperative, Bern • Estonia-ACB-Vianco OÜ, Võrumaa, Estonia

Professional career

Head of Romandie Division; Bell Ltd; 1996 – 2006 • Managerial positions with Micarna SA, Courtepin; 1983 – 1996 • Bell Romandie: branch sales; 1979 – 1983

Christine Schlatter

1965, Swiss citizen
Certified marketing planner
(Federal diploma)

Head of Poultry Business Unit

Has been with Bell since 1997; in this position since 2008

Professional career

Managerial positions with the Bell Group: Head of Sales/Marketing Bell Poultry; 2003 – 2008, Head of Sales/Marketing SEG Poulets AG and Managing Director GWI AG; 1998 – 2003, Head of Sales/Marketing GWI AG; 1997 – 1998 • Head of Marketing at Fromageries Bel (Suisse), Cham; 1996 – 1997 • Product Manager at Fabio Import AG, Oberarth; 1996

Bell Germany

Members of the Executive Board of Bell Deutschland GmbH & Co. KG

Christian Schröder
1971, German citizen
Business diploma

Chairman of the Executive Board
Head of Distribution/Marketing
Has been with Bell since 2009; in this position since 2012

Professional career

Spokesman for the Executive Board; Head of Distribution/Marketing at Abraham Schinken GmbH; 2011 – 2012 • Spokesman for the Executive Board; Head of Distribution/Marketing at Abraham GmbH; 2007 – 2011 • Managerial positions with the Reinert Group of Companies, Versmold: Schinken-Einhaus GmbH (Friesoythe/Brunsbek/Lörrach): Managing Director; 2002 – 2007, Orig. Holst. Katenschinken GmbH: Managing Director; 2000 – 2001 • Managing Partner, H. & C. Schröder Schinkenveredelung GmbH; 1994 – 1999

Jürgen Emtmann
1963, German citizen
Business administrator

Head of Finance/Services
Has been with Bell since 2009; in this position since 2012

Professional career

Head of Finance/Administration at Abraham Schinken GmbH; 2011 – 2012 • Head of Finance/Administration at Gebrüder Abraham Schinken GmbH; 2011 • Head of Accounting/Controlling at Gebrüder Abraham Schinken GmbH; 2009 – 2010 • Employee in Finance and Controlling department at Hermes Schleifmittel GmbH & Co. KG, Hamburg; 1991 – 2009 • Audit assistant at KPMG Deutsche Treuhand-Gesellschaft; 1988 – 1991

Markus von der Pütten
1970, German citizen
Food technologist

Head of Production and Technics
Has been with Bell since 2010; in this position since 2012

Professional career

Head of Production and Technics at Abraham Schinken GmbH; 2011 – 2012 • Head of Production and Technics at Abraham GmbH; 2010 – 2011 • Schinken-Einhaus GmbH, Friesoythe; authorised representative; 2006 – 2010 • Bernard Matthews, Oldenburg; plant manager; 2001 – 2006 • Oldenburger Fleischwaren GmbH, Oldenburg; plant manager; 1995 – 2001

Bell Eastern Europe/Benelux

Managers

Eugeniusz Philip

1966, Polish citizen
Master Engineer in Agriculture
and Forestry, Master of Business
Administration

Chairman of the Executive Board of Bell Polska Sp. z o.o.
Has been with Bell since 2012; in this position since 2012

Professional career

Managing Director ZIMBO Poland; 2004 – 2012 • Managerial positions with MORLINY (Campofrio Group); Head of Marketing; 2003 – 2004, Head of Sales; 2000 – 2003, Head of Sales at Ostroleka Meat (75 % owned by MORLINY); 1999 – 2000 • Business Development Manager Grene Sp. z o.o.; 1998 – 1999 • Project Manager Hvidstet Energy Forest Denmark; 1992 – 1998

Jens Günther Hillebrand

1976, German citizen
Butcher, master butcher

Chairman of the Executive Board of ZIMBO Perbál Húsipari Termelő Kft.
Has been with Bell since 2012; in this position since 2012

Professional career

Managing Director at Wiesbauer-Dunahús Kft., Gönyű, Hungary; 2011 – 2012 • Operations Director at Wiesbauer-Dunahús Kft., Gönyű, Hungary; 2005 – 2011 • Department Head at Neukauf Verbrauchermarkt GmbH; 2002 – 2004 • Cutter at Franken-Gut Fleischwaren GmbH; 2001 – 2002 • Department Head for Meat and Sausage Sales at BVA Warenhandelsgesellschaft, Würzburg; 2000 – 2001 • Meat and sausage salesman at BVA Warenhandelsgesellschaft; 2000

Steven van Parijs

1971, Belgian citizen
Hotel manager

Chairman of the Executive Board of Bell Benelux Holding N.V.
Has been with Bell since 2012; in this position since 2012

Professional career

Sales Manager for Europe at PDC Brush; 2010 – 2012 • Sales Manager at Cock's Charcuterie Benelux; 2003 – 2010 • Key Account Manager at Viangro; 2002 – 2003 • Export Manager "Benelux & UK" at Menissee; 2000 – 2002 • Key Account Manager at Dossche Mills & Bakery; 1995 – 2000 • Restaurant Manager, Colmar/Sbarro; 1993 – 1995

Petr Poskočil

1966, Czech citizen
Certified business administrator

Managing Director of ZIMBO Czechia s.r.o.
Has been with Bell since 2012; in this position since 2012

Professional career

Representative of the director of agricultural companies in Czechia; 1988 – 1991 • Studies and internships in Germany, the Netherlands and Ireland; 1991 – 1994 • Managing Director of Zimbo Czechia; 1995

Bell France

Manager of Salaison Polette & Cie SAS

Philippe Polette
1960, French citizen
Business diploma

Chairman of the Executive Board
Has been with Polette since the establishment of the company in 1980; in this position since 1980

Board member mandates
Consortium des Salaisons d’Auvergne, Aubière • Fédération des Industriels Charcutiers, Traiteurs et Transformateurs de Viande (FICT), Paris

Members of Senior Management *

Group Executive Board

Lorenz Wyss
Chairman of the Group Executive Board (CEO)
Head of Bell Switzerland Division
Head of Bell Eastern Europe/Benelux Division

Martin Gysin
Head of Finance/Services Division (CFO)
Deputy Chairman of the Group Executive Board

Management board unit

Michael Gloor
Head of Internal Audit

Elisabeth Wegeleben
Head of General Secretariat/Share Register,
Secretary to the Board of Directors

Bell Finance/Services Division

Martin Gysin
Head of Division

Rolf Anti
Head of Organisation

Thomas Denne
Head of Controlling for Charcuterie/
Fresh Meat Business Units

Peter Kunimünc
Head of IT

Johannes Meister
Head of HR/Training

Marc Pittino
Head of Controlling

Thomas Studer
Head of Projects

Ulrich Süs
Head of Accounting

*Status as per the editorial deadline

Bell Switzerland Division

Lorenz Wyss

Head of Division

Management members
Bell Switzerland Division

Davide Elia

Davide Elia, Head of Marketing/
Communication

Fresh Meat Business Unit

Josef Dähler

Head of Business Unit

Jean-Luc Aebischer

Head of Sales/Marketing
Romandie

Roderich Christoph Balzer

Head of Plant Oensingen

Christian Gremion

Head of Fresh Meat
Romandie

Thierry Guillod

Head of Plants
Romandie

Michel Lerch

Head of Plant Basel

Joachim Messner

Deputy Head of Plant Basel

Elvira Meyer

Head of Sales/Marketing

Martin Reinhard

Head of Purchasing

Stefan Seiler

Head of Purchasing/Sales

Josef Zuber

Head of Sales Trade/Food Services
German-Speaking Switzerland

Poultry Business Unit

Christine Schlatter

Head of Business Unit

Frank Bechler

Assistant to Head of Business Unit

Walter Bieri

Head of Sales/Purchasing

Thomas Graf

Head of Plant

Sara Patrizia Kraettli

Head of Sales/Marketing

Christoph Schatzmann

Head of Integrated Animal Production

Charcuterie Business Unit

Markus Bänziger

Head of Business Unit

Thomas Abt

Head of Logistics

Hanspeter Gysin

Head of Planning/Technics

Ursula Kuhn

Head of QM/Laboratory

Francesco Nicastro

Head of Calculation/
Operational Controlling/Processes

Andreas Nieling

Head of Plant Basel

Roland Rufener

Head of Purchasing Non-Food/
Trade Products

Hanspeter Treichler

Head of Plant Churwalden

Seafood/Logistics Business Unit

Markus Bänziger

Head of Business Unit i.P.

Seafood

José-Manuel Seabra

Head of Business Subunit

Sébastien Garnier

Head of Plant

Frigo St. Johann AG

Bruno Flückiger

Managing Director

Bell Germany Division

Christian Schröder

Head of Division,
Head of Distribution/Marketing

Jürgen Emtmann

Head of Finance/Services

Markus von der Pütten

Head of Production/Technics

Robert Blümel

Head of Purchasing/Logistics

Peter Drescher

Head of Discount Sales

Andreas Eder

Head of HR/Legal

Benjamin Forell

Head of Quality Management

Karsten Glismann

Head of IT

Heinrich Halberschmidt

Head of LEH/GV

Stephan Holst

Head of Marketing

Frank Scholl

Head of Distribution

Nikolaj Steber

Country Manager Spain

Bell Eastern Europe/Benelux Division

Lorenz Wyss

Head of Division

Jens Günther Hillebrand

Chairman of the Executive Board of ZIMBO
Perbál Húsipari Termelő Kft.

Hedvic Szakács

Head of Administration/Finances, member
of the Executive Board of ZIMBO Perbál
Húsipari Termelő Kft.

Tamás Kováts

Head of Sales ZIMBO Hungary

Eugeniusz Philip

Chairman of the Executive Board of
Bell Polska Sp. z o.o.

Maciej Banasiak

Head of Distribution Bell Poland, member of
the Executive Board of Bell Polska Sp. z o.o.

Alicja Romanek

Head of Administration/Finances Bell
Poland, member of the Executive Board of
Bell Polska Sp. z o.o.

Aleksandra Rowicka

Head of Sales Bell Poland, member of the
Executive Board of Bell Polska Sp. z o.o.

Steven Van Parijs

Chairman of the Executive Board of Bell
Benelux N.V.

Petr Poskočil

Managing Director of ZIMBO Czechia s.r.o.

Bell France Division

Philippe Polette

Chairman of the Executive Board of Salaison
Polette & Cie SAS

Hervé Dametto

Head of Plant Salaison Polette

Ludovic Jouanneau

Head of Administration/Finances

Hugues Metaillet

Head of Quality Management

Bruno Mugniery

Head of Plant Maison de Savoie

Gilles Patient

Head of Sales/Marketing

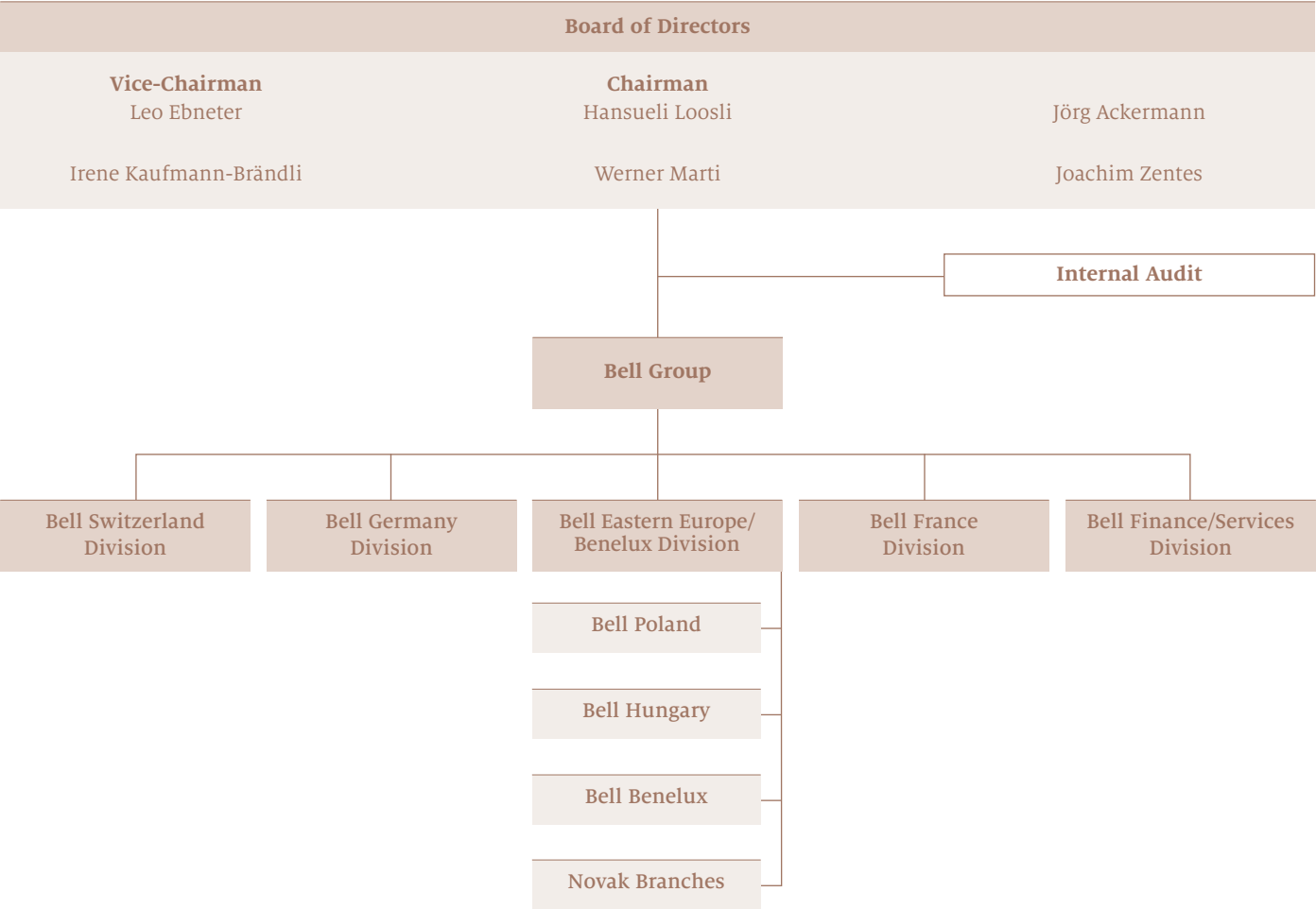
Charles-André Rogue

Head of Plant Val de Lyon

Laurent Saccol

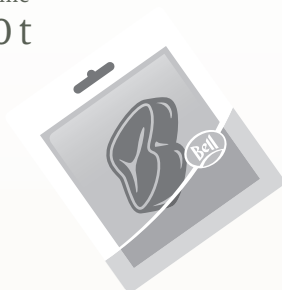
Head of Plant St-André

Organisational Chart



Fresh Meat

Sales volume
55,900 t



Poultry

Sales volume
28,300 t



Special Meats

Sales volume
790 t



Seafood

Sales volume
5,700 t



Charcuterie Switzerland

Sales volume
32,400 t



Charcuterie International

Sales volume
99,200 t



Sales volume by product group;
figures rounded up/down individually

Bell in figures

Financial Reporting



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Financial report

Stable business performance

Martin Gysin,
Head of Bell Finance/Services Division

Dear shareholders

The 2012 financial year was once again overshadowed by high raw materials prices in Europe and the problems in passing on these price increases to our customers. This led to a substantial decline in the operating result which was cushioned to some extent by stable business development in the home market Switzerland.

In spite of the sagging market, we posted 1.4 percent volume growth in Switzerland. At 6.2 percent, volume growth was also very encouraging in France. In Germany the air-dried ham segment grew by 6.3 percent, while the restructuring of our scalded sausage product range led to a volume contraction of 7.1 percent in this segment. We also suffered a distinct decline in volumes in Belgium, but these are trading volumes with only marginal strategic importance.

The decrease in sales deductions is explained by the intensified support given to the promotion activities of our main customers. Promotions are deducted directly from the invoice in the form of a discount, which reduces the proceeds from the sale of goods. On the other hand, the refunds were also reduced. Adjusted for this effect, sales deductions are only slightly lower than in the previous year.

The gross profit margin contracted by 0.2 percent. Personnel costs rose from 15.8 percent to 16.1 percent of net income and operating costs increased from 24.9 percent to 25.6 percent. The figures include special costs of around CHF 9 million for the closing of the administrative offices in Bochum as well as the costs for the restructuring of our activities in Germany. In the previous year, this item included extraordinary income of around CHF 6 million. Adjusted for these two exceptional effects, the expense ratio at 25.3 percent is practically the same as in the previous year. The adjusted earnings before interest, taxes and depreciation (EBITDA) contracted from 8 percent to 7.7 percent.

The earnings before interest and taxes (EBIT) rose from CHF 90 million to around CHF 99 million. However, if this is adjusted for special effects for 2011 and 2012, EBIT dropped slightly from CHF 111 million (2011 adjusted) to CHF 108 million (2012 adjusted).

The result from investments in associates includes Bell's profit shares in Hilcona AG and Centravo Holding AG. Goodwill depreciation was again set off against the Hilcona AG profit share. The result of Gastro Star which was taken over by Hilcona in mid-2012 is included in the Hilcona profit share.

At around CHF 249 million, net debt at the end of 2012 was down by CHF 5 million from the previous year. The investments in property, plant and equipment of CHF 75 million and the financing of Hilcona to the tune of CHF 41 million could be financed in full from current cash flow. Net current assets also increased by around CHF 16 million.

Equity before non-controlling interests rose by around CHF 50 million to CHF 675 million. The equity ratio is 51.4 percent.

In 2012 we merged and bundled our activities in Germany in Bell Deutschland GmbH + Co. KG. The new organisational structure substantially improves our market penetration and will reduce future costs. We are confident that these measures, together with the price increases that will only take effect at the end of 2012, will substantially improve our results outside of Switzerland. We already saw first signs of success in the last two months of the reporting year.

In February 2012 the German cartel office initiated proceedings for unlawful price collusion against the former Gebrüder Abraham GmbH. As we believe that these allegations are unfounded and mostly time-barred, we did not raise a provision for these proceedings.

The restructuring in Germany led to the liquidation of some Group companies. More details are provided in the overview of the Group's subsidiaries and associates on page 80. These changes did not, however, lead to any material changes to the scope of consolidation. Apart from this, we sold our business activities with ZIMBO Scandinavia in the form of a management buy-out on 31 December 2012. The material effects on our sales and earnings position are negligible.



Martin Gysin
Head of Bell Finance/Services Division

Consolidated Balance Sheet

in CHF thousand	Appendix	31.12.2012	31.12.2011	
Liquid assets	1	37 848	22 708	
Securities	2	3 270	5 582	
Trade accounts receivable	3	154 803	149 004	
Receivables affiliated companies	4	127 210	111 027	
Other receivables		35 901	45 007	
Inventory	5	185 187	170 109	
Deferred expenses and accrued income		10 721	16 885	
Current assets		554 942	42.2%	520 322 41.6%
Financial assets	12	147 298	103 305	
Intangible assets	13	64 249	76 692	
Land and buildings	14	323 097	322 096	
Machinery and equipment	15	225 632	229 723	
Non-current assets		760 276	57.8%	731 815 58.4%
Assets		1 315 218	100.0%	1 252 138 100.0%
Current financial liabilities	9	114 210	116 696	
Trade accounts payable		153 998	142 472	
Accounts payable to affiliated companies	6	13 947	21 912	
Other accounts payable	7	39 387	38 885	
Current provisions	11	14 193	9 726	
Deferred income and accrued expenses	8	59 317	61 925	
Current liabilities		395 051	30.0%	391 616 31.3%
Non-current financial liabilities	9	175 538	164 998	
Non-current provisions	11	69 157	68 940	
Long-term liabilities		244 695	18.6%	233 939 18.7%
Liabilities		639 746	48.6%	625 555 50.0%
Share capital		2 000	2 000	
Retained earnings		678 458	630 698	
Currency translation differences		-78 063	-75 406	
Treasury shares		-3 130	-3 113	
Consolidated profit		75 849	71 618	
Equity before third-party interest in equity		675 114	51.3%	625 797 50.0%
Third-party interest in equity		358	786	
Equity		675 472	51.4%	626 583 50.0%
Liabilities and equity		1 315 218	100.0%	1 252 138 100.0%

Consolidated Income Statement

in CHF thousand	Appendix	2012		2011	
Sales proceeds	16	2 526 520		2 516 953	
Other operating proceeds	16	61 227		59 848	
Gross proceeds		2 587 747		2 576 801	
Reductions in proceeds	16	-79 369		-94 213	
Operating income		2 508 378	100.0%	2 482 588	100.0%
Cost of goods sold		1 680 926	67.0%	1 659 306	66.8%
Gross operating profit		827 452	33.0%	823 282	33.2%
Personnel expenses	17/24	403 015	16.1%	391 416	15.8%
Rent	18/24	21 639		21 759	
Energy, auxiliary materials	19	51 042		49 214	
Repair and maintenance		46 425		46 096	
Transport		62 900		62 471	
Advertising		19 948		20 989	
Other operating expenses	20/24	37 345		27 046	
Total operating expenses	21	642 313	25.6%	618 991	24.9%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		185 138	7.4%	204 291	8.2%
Depreciation of tangible assets	14/15/24	71 996	2.9%	72 144	2.9%
Depreciation of intangible assets*	13/24	4 787		11 608	
Depreciation of goodwill*	13/24	9 210		30 691	
Earnings before interest and taxes (EBIT)		99 145	4.0%	89 849	3.6%
Financial income (incl. share in profit/loss of associated companies)	22/24	10 780		25 754	
Financial expenses	22	9 629		14 342	
Net profit before taxes (EBT)		100 296	4.0%	101 261	4.1%
Taxes	23/24	24 089		28 865	
Net profit after taxes		76 207	3.0%	72 396	2.9%
Third-party interest in profit		-358		-778	
Consolidated profit		75 849	3.0%	71 618	2.9%

*Writedown on goodwill and brand value of CHF thousand 26 016 in the previous year.

Cash Flow Statement

in CHF thousand	2012		2011
Net profit after taxes	76 207		72 396
Depreciation of tangible assets	71 996		70 294
Extraordinary expenses for depreciation of assets	–		1 850
Depreciation of intangible assets	13 997		16 282
Extraordinary expenses for depreciation of intangible assets	–	85 993	26 016
Income (–) loss (+) from sale of fixed assets	–61		–929
Dividends from associated companies	2 646		–
Income from evaluation of non-consolidated participations	–5 482		–6 273
Income (–) loss (+) on assets of foundation	–		390
Increase (–) decrease (+) deferred tax assets	230		1 133
Changes in provisions	4 777		849
Cash flow before changes to net current assets	164 310		182 008
Inventory changes (–) increase (+) decrease	–15 740		–19 180
Changes in receivables (–) increase (+) decrease	–15 028		–27 470
Changes in accrued assets (–) increase (+) decrease	6 148		1 957
Changes in current liabilities (+) increase (–) decrease	4 291		–23 101
Changes in accrued liabilities (+) increase (–) decrease	–2 498		13 585
Operating cash flow	141 484		127 799
Investments in machinery and equipment	–48 076		–52 664
Divestments of machinery and equipment	432	–47 644	9 850
Investments in land and buildings	–22 353		–10 554
Divestments of land and buildings	158	–22 195	2 059
Investments in participations and financial assets	–41 116		–116 883
Divestments of participations and financial assets	1 835		1 624
Investments (–)/divestments (+) of securities	2 312		–1 070
Investments in intangible assets	–3 837		–6 839
Divestments of intangible assets	–	–3 837	3
Investment cash flow	–110 645		–174 474
Changes in financial liabilities	9 018		51 418
Investments (–)/divestments (+) in treasury shares	13		5 515
Dividends	–24 672		–20 680
Financing cash flow	–15 641		36 253
Cash flow balance	15 197		–10 422
Liquid assets as of January 01	22 708		33 674
Effect of currency translation on liquid assets	–58		–544
Changes in liquid assets	15 197		–10 422
Liquid assets as of December 31	37 848		22 708

Statement of Changes in Equity

in CHF thousand

	Share capital	Retained earnings	Currency translation differences	Own shares	Consolidated profit	Equity	Third-party interest in equity	Equity
Equity as of 01.01.2012	2 000	630 698	-75 406	-3 113	71 618	625 797	786	626 584
Changes in consolidated scope	-	-	-	-	-	-	-	-
Acquisition minorities	-	-	-	-	-	-	-	-
Appropriation of annual profit	-	71 618	-	-	-71 618	-	-	-
Dividends	-	-23 888	-	-	-	-23 888	-784	-24 672
Additions/disposals of treasury shares	-	30	-	-17	-	13	-	13
Consolidated profit	-	-	-	-	75 849	75 849	358	76 207
Influence of foreign currency translation	-	-	-2 656	-	-	-2 656	-2	-2 658
Equity as of 31.12.2012	2 000	678 458	-78 063	-3 130	75 849	675 114	358	675 472
Equity as of 01.01.2011	2 000	584 299	-67 352	-6 992	64 519	576 474	13 982	590 457
Changes in consolidated scope	-	-	-	-	-	-	-	-
Acquisition minorities	-	-	-	-	-	-	-13 006	-13 006
Appropriation of annual profit	-	64 519	-	-	-64 519	-	-	-
Dividends	-	-19 755	-	-	-	-19 755	-925	-20 680
Additions/disposals of treasury shares	-	1 635	-	3 879	-	5 514	-	5 514
Consolidated profit	-	-	-	-	71 618	71 618	778	72 396
Influence of foreign currency translation	-	-	-8 054	-	-	-8 054	-43	-8 097
Equity as of 31.12.2011	2 000	630 698	-75 406	-3 113	71 618	625 797	786	626 584

Legal reserves 2012 CHF thousand 22 087 (previous year CHF thousand 22 139).

	Number of shares 01.01.	Additions in treasury shares	Disposals of treasury shares	Addition treasury shares for employee stock ownership plan	Disposal treasury shares for employee stock ownership plan	Number of shares 31.12.
Shares						
Shares issued	400 000	-	-	-	-	400 000
Treasury shares	-2 206	-369	-	-104	648	-2 031
Shares in circulation as of 2012	397 794	-369	-	-104	648	397 969
Shares issued	400 000	-	-	-	-	400 000
Treasury shares	-5 316	-400	3 147	-160	523	-2 206
Shares in circulation as of 2011	394 684	-400	3 147	-160	523	397 794

Consolidation and valuation principles

Basic principles

The principles governing consolidation, valuation, structure and presentation comply with the entire Financial Reporting Standards (Swiss GAAP FER). They apply to all companies included in the scope of consolidation.

Scope of consolidation

All companies of which Bell Ltd directly or indirectly owns more than 50 percent of the votes or exercises control under a contractual agreement are fully integrated in these consolidated financial statements. Investments where Bell owns more than 20 percent but less than 50 percent of the votes are measured and recognised in the balance sheet at the equity ratio. Investments equaling less than 20 percent are included in the balance sheet at the share price as at 31 December. If no share price was available, the investment is measured at cost minus a value adjustment if there was any impairment. An overview of the companies in which Bell has a stake and a description of the treatment of these associates in the consolidated financial statements are provided on page 80 of the annual report.

Foreign currency translation

All company balance sheets in foreign currency are translated into Swiss francs at the year-end exchange rate as per 31 December. The income statements of these companies are translated at the average annual exchange rate. Translation differences between the opening and closing balance sheets and the differences arising from the use of different exchange rates in the balance sheet and the income statement are balanced without affecting profit and loss.

Exchange rates

		2012	2011
Balance Sheet	EUR 1	= CHF 1.2072	= CHF 1.2200
	CZK 1	= CHF 0.0480	= CHF 0.0480
	HUF 100	= CHF 0.4146	= CHF 0.3900
	PLN 1	= CHF 0.2963	= CHF 0.2730
	USD 1	= CHF 0.9150	= CHF 0.9400
Income Statement	EUR 1	= CHF 1.2075	= CHF 1.2333
	CZK 1	= CHF 0.0480	= CHF 0.0502
	HUF 100	= CHF 0.4163	= CHF 0.4426
	PLN 1	= CHF 0.2884	= CHF 0.2999
	USD 1	= CHF 0.9317	= CHF 0.8804

Consolidation of assets and liabilities, intra-group sales and intra-group profits

All intra-group assets and liabilities are set off and eliminated as part of the consolidation process. Differences resulting from applying different exchange rates to net investments in foreign companies are recognised in equity without affecting profit or loss. All intra-group payables and receivables are set off and eliminated as part of the consolidation process. Elimination of intra-group profits is deemed unnecessary, as the companies trade so that the impact on the Group's income statement is insignificant.

Capital consolidation

The capital was consolidated using the purchase method of accounting, i.e. the capital of a company is set off against the purchase price on the purchase date, and the acquisition costs are added to the purchase price. Purchase price adjustments that depend on future results are estimated. The resulting goodwill is capitalised and amortised over a period of five to eight years via the income statement. Any negative goodwill is recognised in the income statement at the time of the initial consolidation. If the final purchase price deviates from the estimate, the goodwill is adjusted correspondingly.

Valuation

As a general rule, the historical cost method is used. The current assets are valued at the lower of cost or market value. Tangible fixed assets are recognised at cost minus required depreciation. The same valuation principles apply to all consolidated companies. The land and buildings owned by the companies consolidated for the first time were revalued at the time of the takeover and recognised in the consolidated statements. For the other tangible assets, the residual values were recalculated on the historical cost basis in accordance with Bell's depreciation criteria and adjusted in the consolidated statements.

Cash and cash equivalents

The cash and cash equivalents comprise fixed deposits and money market placements with a term to maturity of less than 90 days.

Securities

The securities comprise marketable securities that are recognised in the balance sheet at the stock price on 31 December.

Receivables

Identifiable and actual losses are charged to the income statement in the year in which they occurred. Based on previous experience, the impairment for provisions for doubtful debts equals 1 percent of the accounts receivable. The total impairment amount is disclosed in the appendix.

Inventories

The inventories are valued at production cost according to the first-in first-out (FIFO) method. Inventories with a very long ripening period are measured at the moving average cost for procurement. Any impairment loss on the purchase cost is taken into account. Warehousing risks that can be identified are also taken into account.

Deferred tax assets

The deferred tax assets result from loss carry-forwards on initial consolidation. CHF 0.2 million was used in 2012. We do not consider the remaining deferred tax assets to be impaired. For the tax rates, please refer to the chapter on provisions/pension liabilities.

Other financial assets

The other financial assets comprise non-listed securities that are recognised in the balance sheet at the lower of cost or market value.

Non-current assets

Please refer to page 80 for an overview of the Group's non-consolidated investments in 2012. Tangible non-current assets are measured at cost minus required depreciation and permanent impairment. Depreciation is done on a straight-line basis over the useful life of an asset. Valuation adjustments arise from foreign currency translations. Leased assets are capitalised during the consolidation process and are depreciated on a straight-line basis over the normal useful life of the asset. The corresponding liabilities are listed under "Financial liabilities".

Useful life of non-current assets

Production and administration buildings	30–40 years
Machines and equipment	8–10 years
Installations	10–15 years
Vehicles	5–7 years
Furniture	5–10 years
IT Hardware	4 years
Software	4 years
Trademarks	8 years
Goodwill	5–8 years

Intangible assets

Intangible non-current assets comprise IT software, acquired trademarks and goodwill. In 2012 we did not post any goodwill additions. The depreciation on the "Hilcona" goodwill is set off against Bell's share of the annual profit within the financial account as in the previous year. The impairment tests for the individual goodwill positions did not show any additional need for adjustment. In 2011, impairment tests at ZIMBO revealed the need for additional depreciation of around CHF 20 million on the consolidation goodwill and approximately CHF 6 million on the value of the brand.

Provisions/pension liabilities

Accruals and provisions are set up and measured in accordance with objective and economic principles, and risks are adequately accounted for. Taxes are deferred in accordance with the liability method on all differences between the FER values and the taxable carrying values at the average tax rate that applies to our Group, i.e. 22.5 percent (previous year 23.5%) for Switzerland, 27 percent for Germany and France and 25 percent for the other countries.

In February 2012 the German cartel office initiated proceedings for unlawful price collusion against the former Gebrüder Abraham GmbH. As we believe that these allegations are unfounded and mostly time-barred, we did not raise a provision for these proceedings.

The employees of Bell Switzerland belong to the CPV/CAP pension fund Coop. Pursuant to Art. 44 of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV2), the

funding ratio of CPV/CAP was 104.6 percent at the end of 2012 (prior year 98.8%). Other personnel liabilities are only recognized in the balance sheet if they are not carried by CPV/CAP.

Bell Schweiz AG's employee benefits foundation is currently in liquidation. The free foundation capital is recognised under financial assets.

Equity

Since 2008, changes in equity are reported separately as a sub-item of equity. Transaction gains and dividends on treasury shares are allocated directly to the retained earnings.

Employee share participation plan

From the third year of service, every employee of Bell Group is entitled to buy five (members of Board of Directors, Executive Board and management ten) Bell Ltd shares each calendar year at a price of 80 percent of the share value in the calendar month immediately preceding the purchase. The members of the Executive Board and Senior Management can also be paid half of their profit share in Bell Ltd shares. Shares allocated under this employee share participation plan may not be sold for a period of four years. Under this plan, 648 shares were distributed to employees in 2012 (prior year 523) and 104 shares were taken back (prior year 160). These transactions were charged to personnel expenses at the share price on the payment date.

Rebates, refunds and cash discounts

The rebates, refunds and cash discounts are deducted directly from the corresponding asset class and the cost price is reduced accordingly.

Advance payments

The advanced payments to suppliers are allocated to the corresponding asset class.

Events occurring after the balance sheet date

No events occurred between the balance sheet date and the approval of the consolidated financial statements of Bell Ltd by the Board of Directors on 1 February 2013. These consolidated financial statements are subject to approval by the Shareholders' Meeting on 17 April 2013.

Appendix to Consolidated Balance Sheet

in CHF thousand	2012	Share	2011
1. Liquid assets			
Cash	1 442	3.8%	1 658
Cash in post office accounts	150	0.4%	330
Cash in banks	24 401	64.5%	16 721
Fixed deposits	11 855	31.3%	3 999
Liquid assets	37 848	100.0%	22 708
Liquid assets by currency			
CHF	16 664	44.0%	10 319
EUR	13 678	36.1%	9 152
Other currencies	7 506	19.8%	3 237
Liquid assets	37 848	100.0%	22 708
2. Securities			
Shares and similar investments	3 270	100.0 %	5 582
Bonds and similar investments	–	–	–
Securities	3 270	100.0 %	5 582
3. Trade accounts receivable			
Valuation adjustment balanced in receivables	–2 369		–3 277
4. Receivables affiliated companies			
Companies of the Coop Group	116 545	91.6%	104 706
Other affiliated companies	10 666	8.4%	6 321
Receivables affiliated companies	127 210	100.0%	111 027
5. Inventory			
Raw materials and finished goods	176 701	95.4%	162 225
Auxiliary materials	16 469	8.9%	16 599
Value adjustments on the basis of value impairments	–7 983	–4.3%	–8 715
Inventory	185 187	100.0%	170 109
6. Accounts payable to affiliated companies			
Accounts payable to Coop Group	11 696	83.9%	21 844
Accounts payable to other affiliated companies	2 250	16.1%	68
Accounts payable to affiliated companies	13 947	100.0%	21 912
7. Other accounts payable			
Shareholders	12	0.0%	12
VAT	10 302	26.2%	11 902
Capital and profit taxes	22 906	58.2%	23 895
Other taxes	279	0.7%	543
Miscellaneous third parties	5 888	14.9%	2 533
Other accounts payable	39 387	100.0%	38 885

Appendix to Consolidated Balance Sheet

in CHF thousand

	2012	Share	2011
8. Deferred income and accrued expenses			
Miscellaneous deferred expense	39 972	67.4%	44 049
Accrued personnel and social security expense	19 344	32.6%	17 875
Deferred income and accrued expenses	59 317	100.0%	61 925
9. Financial liabilities			
Loans and credits from banks	114 210	39.4%	112 885
Loans with affiliated companies	–	–	3 695
Current accounts with third parties	–	–	116
Current financial liabilities	114 210	39.4%	116 696
Non-current loans and credits	175 538	60.6%	164 998
Non-current loans with affiliated companies	–	–	–
Non-current financial liabilities	175 538	60.6%	164 998
Financial liabilities	289 748	100.0%	281 694
Maturity structure of financial liabilities			
Due within 360 days	114 210	39.4%	116 696
Due within two years	164 254	56.7%	36 164
Due within three years and later	11 284	3.9%	128 835
Financial liabilities	289 748	100.0%	281 694
Financial liabilities by currency			
CHF	189 662	65.5%	185 487
EUR	99 137	34.2%	95 125
Other currencies	949	0.3%	1 082
Financial liabilities	289 748	100.0%	281 694

10. Business combinations/company sale

No result in 2012

Result 2011	Bell Convenience ¹ 01.01.2011	Hilcona AG ² 01.01.2011	Hoppe GmbH ³ 01.05.2011	Kocherhans + Schär AG ⁴ 27.06.2011	SBA Schlacht- betrieb Basel AG ⁵ 01.07.2011
Liquid assets	–	17 504	1 155	157	576
Trade accounts receivable	–	49 842	3 694	331	1 382
Inventory	1 734	49 167	1 195	82	–
Tangible assets	5 289	177 692	13 551	4 918	5 213
Trade accounts payable	1 022	27 810	3 297	238	786
Financial liabilities	–	115 849	6 248	1 728	1 257

¹ Company sale

² New addition to scope of consolidation as of 1 January 2011 at prorated equity; amounts include Bell Convenience

³ Initial consolidation as of 1 May 2011

⁴ Merger with Bell Schweiz AG

⁵ Full consolidation as of 1 July 2011

Appendix to Consolidated Balance Sheet

in CHF thousand	Early retirements	Long service awards	Holiday and extra hours charges	Deferred taxes	Other provisions	Restruc- turing	Total
11. Provisions							
Provisions as of 01.01.2012	21 144	3 135	4 674	44 128	4 981	604	78 666
Changes in consolidated scope	–	–	–	–	–	–	–
Reclassification	162	–162	–	–	–	–	–
Established	2 276	245	4 392	1 435	19	5 125	13 492
Used	–955	–11	–4 130	–1 937	–1 396	–287	–8 715
Currency translation effects	–45	–	–6	–14	–28	–	–92
Provisions as of 31.12.2012	22 583	3 207	4 931	43 612	3 575	5 442	83 351
Non-current provisions 2012	20 794	2 341	–	43 612	2 410	–	69 157
Current provisions 2012	1 789	867	4 931	–	1 165	5 442	14 193
Provisions as of 01.01.2011	21 926	3 027	4 708	44 073	5 069	1 364	80 167
Changes in consolidated scope	–	–	207	690	–	–	897
Reclassification accruals	–	–	–	–1 439	–	–	–1 439
Reclassification	–427	427	–	–	500	–500	–
Established	1 871	1 120	3 824	989	1 345	–	9 148
Used	–2 119	–1 439	–4 050	–116	–315	–260	–8 299
Utilisation	–	–	–	–	–1 521	–	–1 521
Currency translation effects	–107	–	–14	–69	–97	–	–287
Provisions as of 31.12.2011	21 144	3 135	4 674	44 128	4 981	604	78 666
Non-current provisions 2011	20 266	2 096	–	44 128	2 451	–	68 940
Current provisions 2011	878	1 040	4 674	–	2 530	604	9 726

Appendix to Consolidated Balance Sheet

in CHF thousand

	Non consolidated holdings	Loans to affiliated companies*	Loans to third parties	Equity of foundation	Deffered tax assets	Other financial assets	Total
12. Financial assets							
Net book value as of 01.01.2012	94 783	1 023	244	4 453	2 440	362	103 305
Purchase price as of 01.01.2012	94 783	1 023	244	4 453	2 440	362	103 305
Changes in consolidated scope	–	–	–	–	–	–	–
Investments	9 856	31 000	–	–	–	260	41 116
Divestments/Dividends from associated companies	–2 718	–794	–244	–725	–	–	–4 481
Revaluation	7 614	–	–	–	–230	–	7 383
Reclassification	–	–	–	–	–	–	–
Currency translation effects	–	–	–	–	–26	–	–26
Net book value as of 31.12.2012	109 535	31 229	–	3 728	2 184	622	147 298
Net book value as of 01.01.2011	27 639	610	449	5 119	5 106	228	39 151
Purchase price as of 01.01.2011	27 639	610	449	5 119	5 106	228	39 151
Changes in consolidated scope	–1 136	–	–	–	–	–	–1 136
Investments	59 921	1 560	–	–	–	134	61 614
Divestments	–43	–1 100	–205	–276	–	–	–1 624
Reclassification to provisions	–	–	–	–	–1 439	–	–1 439
Revaluation	8 405	–	–	–390	–1 133	–	6 882
Reclassification	–	–	–	–	–	–	–
Currency translation effects	–3	–47	–	–	–95	–	–144
Net book value as of 31.12.2011	94 783	1 023	244	4 453	2 440	362	103 305

*There are no loans to the corporation entities.

Appendix to Consolidated Balance Sheet

in CHF thousand

	Software	Trademarks	Others rights	Goodwill	Total
13. Intangible assets					
Net book value as of 01.01.2012	12 586	–	1 611	62 495	76 692
Purchase price as of 01.01.2012	37 295	10 046	2 045	166 533	215 920
Changes in consolidated scope	–	–	–	–	–
Investments	3 820	–	17	–	3 837
Divestments	–1	–	–	–	–1
Reclassification	391	–	–37	–	354
Currency translation effects	–101	–105	–14	–1 257	–1 478
Purchase price as of 31.12.2012	41 404	9 940	2 011	165 276	218 632
Cumulative depreciation as of 01.01.2012	24 709	10 046	435	104 038	139 227
Changes in consolidated scope	–	–	–	–	–
Depreciation*	4 637	–	150	11 342	16 129
Extraordinary depreciation	–	–	–	–	–
Cumulative depreciation of divestments	–1	–	–	–	–1
Reclassification	–	–	–37	–	–36
Currency translation effects	–42	–105	1	–790	–937
Cumulative depreciation as of 31.12.2012	29 303	9 940	549	114 590	154 383
Net book value as of 31.12.2012	12 101	–	1 462	50 686	64 249
Net book value as of 01.01.2011	10 447	7 391	822	57 644	76 303
Purchase price as of 01.01.2011	31 166	10 293	1 324	130 287	173 071
Changes in consolidated scope	252	–	–	39 382	39 634
Investments	5 838	–	1 001	–	6 839
Divestments	–481	–	–9	–	–490
Reclassification	724	–	–221	–	503
Currency translation effects	–205	–247	–50	–3 136	–3 638
Purchase price as of 31.12.2011	37 295	10 046	2 045	166 533	215 920
Cumulative depreciation as of 01.01.2011	20 719	2 902	502	72 644	96 767
Changes in consolidated scope	209	–	–	–	209
Depreciation*	4 161	1 216	150	12 887	18 414
Extraordinary depreciation	–	6 081	–	19 935	26 016
Cumulative depreciation of divestments	–478	–	–9	–	–487
Reclassification	189	–	–189	–	–
Currency translation effects	–91	–154	–20	–1 428	–1 692
Cumulative depreciation as of 31.12.2011	24 709	10 046	435	104 038	139 227
Net book value as of 31.12.2011	12 586	–	1 611	62 495	76 692

*The depreciation on the Hilcona goodwill is recognised in the profit on the investment.

Appendix to Consolidated Balance Sheet

in CHF thousand

	Developed land	Production and administration facilities	Constructions in rented locations	Buildings under construction	Total
14. Land and buildings					
Net book value as of 01.01.2012	48 832	264 216	1 239	7 809	322 096
Purchase price as of 01.01.2012	48 911	569 902	3 311	7 809	629 932
Changes in consolidated scope	–	–	–	–	–
Investments	16 522	2 096	–	3 735	22 353
Divestments	–153	–4	–	–	–158
Reclassification	–220	4 191	–	–5 793	–1 822
Currency translation effects	–106	–654	–	–50	–810
Purchase price as of 31.12.2012	64 953	575 531	3 311	5 700	649 495
Cumulative depreciation as of 01.01.2012	79	305 686	2 071	–	307 836
Changes in consolidated scope	–	–	–	–	–
Depreciation	8	18 938	138	–	19 084
Extraordinary depreciation	–	–	–	–	–
Cumulative depreciation of divestments	–	–	–	–	–
Reclassification	–	–99	–	–	–99
Currency translation effects	–1	–423	–	–	–424
Cumulative depreciation as of 31.12.2012	86	324 101	2 210	–	326 397
Net book value as of 31.12.2012	64 867	251 429	1 101	5 700	323 097
Net book value as of 01.01.2011	48 268	272 621	781	3 940	325 610
Purchase price as of 01.01.2011	48 348	554 039	2 456	3 940	608 784
Changes in consolidated scope	1 747	19 865	1 083	–	22 695
Investments	1 000	2 537	–	7 017	10 554
Divestments	–790	–2 316	–204	–22	–3 332
Reclassification	–994	3 328	–21	–3 048	–735
Currency translation effects	–401	–7 550	–4	–78	–8 033
Purchase price as of 31.12.2011	48 911	569 902	3 311	7 809	629 932
Cumulative depreciation as of 01.01.2011	80	281 418	1 676	–	283 173
Changes in consolidated scope	–	5 565	470	–	6 035
Depreciation	11	20 060	135	–	20 207
Extraordinary depreciation	–	1 850	–	–	1 850
Cumulative depreciation of divestments	–	–1 069	–204	–	–1 273
Reclassification	–10	10	–3	–	–3
Currency translation effects	–2	–2 148	–3	–	–2 153
Cumulative depreciation as of 31.12.2011	79	305 686	2 071	–	307 836
Net book value as of 31.12.2011	48 832	264 216	1 239	7 809	322 096

“Land and buildings” includes activated leasings to the booking value of CHF thousand 5 677 (previous year CHF thousand 6 158).

Appendix to Consolidated Balance Sheet

in CHF thousand

	Machinery and equipment	Installations	IT Hardware	Furnishings and vehicles	Advance payments	Total
15. Machinery and equipment						
Net book value as of 01.01.2012	120 483	68 272	8 526	22 961	9 481	229 722
Purchase Price as of 01.01.2012	395 488	194 871	36 420	86 445	9 481	722 706
Changes in consolidated scope	–	–	–	–	–	–
Investments	18 414	7 949	3 366	10 330	8 016	48 076
Divestments	–2 211	–	–16	–2 368	–109	–4 704
Reclassification	4 663	–191	133	2 040	–5 178	1 467
Currency translation effects	–826	–77	–10	–119	26	–1 007
Purchase price as of 31.12.2012	415 528	202 552	39 894	96 328	12 236	766 539
Cumulative depreciation as of 01.01.2012	275 006	126 599	27 895	63 484	–	492 984
Changes in consolidated scope	–	–	–	–	–	–
Depreciation	26 954	13 352	3 946	8 661	–	52 912
Extraordinary depreciation	–	–	–	–	–	–
Cumulative depreciation of divestments	–2 034	–	–14	–2 285	–	–4 333
Reclassification	113	–1 684	–	1 708	–	137
Currency translation effects	–645	–49	–11	–87	–	–792
Cumulative depreciation as of 31.12.2012	299 393	138 218	31 815	71 481	–	540 907
Net book value as of 31.12.2012	116 135	64 334	8 079	24 847	12 236	225 632
Net book value as of 01.01.2011	117 108	73 504	6 902	22 536	10 835	230 885
Purchase price as of 01.01.2011	376 268	183 682	30 999	89 175	10 835	690 959
Changes in consolidated scope	18 125	11 290	689	3 263	345	33 713
Investments	27 965	4 138	4 406	8 440	7 716	52 664
Divestments	–27 695	–4 990	–480	–13 482	–909	–47 555
Reclassification	6 361	933	855	388	–8 305	232
Currency translation effects	–5 536	–182	–48	–1 339	–201	–7 306
Purchase price as of 31.12.2011	395 488	194 871	36 420	86 445	9 481	722 706
Cumulative depreciation as of 01.01.2011	259 160	110 178	24 097	66 639	–	460 075
Changes in consolidated scope	15 664	7 626	676	2 123	–	26 089
Depreciation	25 733	12 889	3 341	8 124	–	50 087
Extraordinary depreciation	–	–	–	–	–	–
Cumulative depreciation of divestments	–22 099	–3 981	–459	–12 095	–	–38 634
Reclassification	62	–2	265	–322	–	3
Currency translation effects	–3 515	–111	–25	–985	–	–4 636
Cumulative depreciation as of 31.12.2011	275 006	126 599	27 895	63 484	–	492 984
Net book value as of 31.12.2011	120 483	68 272	8 526	22 961	9 481	229 722

“Machinery and equipment” includes activated leasings to the booking value of CHF thousand 916 (previous year CHF thousand 1 518).

Appendix to Consolidated Income Statement

in CHF thousand	2012	Difference	2011
16. Operating income			
Product groups			
Fresh meat	828 637	1.6%	815 819
Charcuterie own production	345 085	-4.3%	360 661
Charcuterie purchased	85 082	3.7%	82 008
Poultry	349 301	1.3%	344 769
Meat specialties (game, rabbit and others)	16 288	-7.3%	17 564
Seafood	119 784	4.0%	115 131
Other sales	12 066	21.5%	9 927
Product groups Switzerland	1 756 243	0.6%	1 745 879
Charcuterie	702 643	-0.3%	704 650
Other sales	67 634	1.8%	66 424
Product groups international	770 277	-0.1%	771 074
Sales by product group	2 526 520	0.4%	2 516 953
Distribution channels			
Sales to Coop Group	1 307 100	0.6%	1 299 527
Sales to other affiliated companies	17 416	15.1%	15 133
Sales to wholesale	424 557	0.1%	423 974
Sales to end consumers	7 170	-1.0%	7 245
Distribution channels Switzerland	1 756 243	0.6%	1 745 879
Sales to Coop Group	13 269	164.7%	5 013
Sales to wholesale	689 375	-1.5%	699 637
Sales to end consumers	67 634	1.8%	66 424
Distribution channels international	770 278	-0.1%	771 074
Sales by distribution channel	2 526 520	0.4%	2 516 953
Sales by country			
Switzerland	1 756 243		1 745 879
Germany	449 021		440 460
France	110 553		105 777
Spain, Benelux	77 990		92 220
Eastern Europe	132 713		132 617
Sales by country	2 526 520	0.4%	2 516 953
Additional proceeds from Coop Group	2 389	-6.6%	2 558
Additional proceeds from affiliated companies*	16 455	5.6%	15 580
Additional third-party proceeds*	34 848	6.0%	32 876
Other operating proceeds Switzerland	53 692	5.2%	51 014
Other operating proceeds international	7 535	-14.7%	8 834
Other operating proceeds	61 227	2.3%	59 848
Reductions in proceeds with Coop Group	17 151	-47.2%	32 465
Other reductions in proceeds	2 873	-49.9%	5 731
Reductions in proceeds Switzerland	20 024	-47.6%	38 196
Reductions in proceeds international	59 344	5.9%	56 016
Reductions in proceeds	79 369	-15.8%	94 213

A 10-year contract (with a commitment to supply and purchase) with Coop came into effect as of 1 January 2001. This contract has been extended for additional five years. The supply of products to Coop is carried out under market conditions in consideration of Coop's purchase volume. Sales reductions include a bonus agreement on volume and sales figures which is stipulated in advance on a yearly basis by means of a business plan. In 2012 we increasingly charged fair value less costs to sell (which is why the sales deductions include less sales contributions).

*Other income with Centravo Holding AG was previously reported as other income from third parties (subsequent correction in 2011).

Appendix to Consolidated Income Statement

in CHF thousand	2012	Difference	2011
17. Personnel expenses			
Wages and salaries	265 290	3.5 %	256 322
Employers' contributions	66 304	4.2 %	63 639
Other personnel expenses	11 739	-1.7 %	11 936
Third-party wages and salaries	59 681	0.3 %	59 519
Personnel expenses	403 015	3.0 %	391 416

Contributions include social security contributions to the CPV/CAP Coop pension plan and other pension funds amounting to CHF thousand 18 533 (previous year CHF thousand 19 587).

Compensation for members of Board of Directors and Members of Group Executive Board

		Shares held as of 31.12. number	Remuneration cash fix	Share subscription number	CHF thousand	Total CHF thousand
Board of Directors						
Hansueli Loosli, Chairman*	2012	44	90	4	8	98
	2011	30	90	3	6	96
Leo Ebnetter, Vice Chairman**	2012	4	49	4	8	57
	2011	–	–	–	–	–
Irene Kaufmann-Brändli, Member*	2012	45	60	4	8	68
	2011	31	60	4	8	68
Jörg Ackermann, Member*	2012	72	60	4	8	68
	2011	63	60	3	6	66
Werner Marti, Member	2012	35	60	4	8	68
	2011	21	60	3	6	66
Joachim Zentes, Member	2012	119	60	4	8	68
	2011	105	60	3	6	66
† Hans Peter Schwarz, Vice Chairman*	2012	–	–	–	–	–
	2011	–	53	3	6	58
Board of Directors	2012	319	379	24	46	425
	2011	250	383	19	37	420

*The cash remuneration is forwarded to the giver of the mandate Coop.

**Member of the Board of Directors since April 2012.

Appendix to Consolidated Income Statement

in CHF thousand

in CHF thousand						Non-cash remuneration and contributions to pension fund	
		Remuneration cash fix	variable	Share subscription number	CHF thousand		CHF thousand
Group Executive Board							
Lorenz Wyss, CEO*	2012	496	36	22	38	133	703
	2011	326	33	21	33	54	446
Martin Gysin, Head of Bell Finance/Services Division; Deputy CEO	2012	445	31	17	35	85	596
	2011	419	38	24	41	73	571

*Chairman of the Group Executive Board since April 2011.

		2012	2011
Shares held as of 31.12. (number)			
Lorenz Wyss		30	3
Martin Gysin		119	119
Other employees		2 675	2 186

		Excess/shortfall in cover	Economic benefits/ obligations	Change in comparison to previous year	Employer contributions	Costs of benefits
Employee benefits						
Economic consequences						
Company's pension fund foundation	2012	3 728	3 728	-725	-	-725
	2011	4 453	4 453	-667	-	-667
CPV/CAP pension fund*	2012	-	-	-	18 533	18 533
	2011	-	-	-	19 587	19 587
Total	2012	3 728	3 728	-725	18 533	17 808
	2011	4 453	4 453	-667	19 587	18 920

*The working capital ratio amounts to 104.6 percent as of 31 December 2012 (previous year 98.8%).

Appendix to Consolidated Income Statement

in CHF thousand	2012	Difference	2011
18. Rent			
Building lease	8 416	1.1%	8 327
Lease of machinery and equipment	8 498	18.6%	7 167
Third-party storage	4 726	-24.6%	6 265
Rent	21 639	-0.6%	21 759
19. Energy, auxiliary materials			
Electricity	25 551	4.3%	24 502
Water	5 622	-4.1%	5 863
Fuel	1 824	-6.3%	1 946
Other energy	6 945	6.8%	6 502
Auxiliary materials	11 100	6.7%	10 401
Energy, auxiliary materials	51 042	3.7%	49 214
20. Other operating expenses			
Administrative expenses	18 290	26.0%	14 520
Insurance and duties	7 943	9.0%	7 288
Capital tax and other corporate taxes	2 258	12.0%	2 016
Miscellaneous operating expenses	8 855	174.8%	3 222
Other operating expenses	37 345	38.1%	27 046

Included in operating expenses:

21. Operating expenses with affiliated companies			
Building lease	473	-18.2%	578
Lease of machinery and equipment	4 941	6.7%	4 631
Repair and maintenance	1 814	8.9%	1 665
Energy and auxiliary materials	2 401	0.6%	2 387
Advertising	4 000	21.2%	3 300
Other operating expenses	1 314	53.3%	857
Operating expenses with affiliated companies	14 943	11.4%	13 418

Appendix to Consolidated Income Statement

in CHF thousand	2012	2011
22. Financial return/financial expenses		
Interest on fixed deposits and other interest	493	821
Interest from affiliated companies	406	115
Gains on foreign currency transactions	3 160	17 989
Gains on securities, realised and not realised	862	291
Share in profit/loss of associated companies*	5 482	6 273
Other income from investments in other companies	378	265
Financial return	10 780	25 754
Interest to affiliated companies	109	376
Other interest	7 461	7 624
Bank charges and commissions	934	891
Losses on foreign currency transactions	1 112	3 976
Losses on securities, realised and not realised	14	1 476
Financial expenses	9 629	14 342
Financial return/financial expenses	1 151	11 412
Average rates of interest-bearing liabilities	2.98%	3.49%

*Net, after deduction of the goodwill depreciation.

Interest rates of fixed advance payments and mortgages vary between 1.13 percent and 3.25 percent (previous year 1.08% and 3.23%) in Swiss francs and between 1.19 percent and 5 percent (previous year 2.03% and 4.94%) in foreign currencies (EUR).

Appendix to Consolidated Income Statement

in CHF thousand	2012	Difference	2011
23. Taxes			
Taxes paid and changes in taxes due	24 360		26 859
Changes in deferred taxes	-271		2 006
Taxes	24 089	-16.5%	28 865
Group operating result	76 207		72 396
Expenses not tax-deductible	3 728		10 953
Tax expenses included therein	24 089		28 865
Profit before taxes	104 024		112 214
At the average tax rate of 22.6 percent (prior year 23.5 %), no income tax is due on the pre-tax profit	23 509		26 370
Influence of different tax rates and tax jurisdictions	-870		-1 881
Adjustment of deferred tax rate	1 210		3 769
Release of deferred taxes	-		1 133
Other taxes and taxes outside fiscal year	240		-526
Taxes (as reported)	24 089		28 865

24. Non-recurring and infrequent expenses (+)/income (-)

Non-recurring and infrequent expenses/income included in the operating expenses:

Personnel costs		Social compensation plan and severance pay	6 417	–
Other expenses		Legal and advisory costs	1 484	–
		Provision for future rent obligations	966	–
		Other costs	–	–6 809
Depreciation	Land, buildings and equipment	Special depreciation	–	1 850
	Intangible assets	Special depreciation	–	26 016
Financial return		Exchange gain on euro hedges	–	–14 500
Taxes		Share of tax on exceptionals	–2 004	–4 636

Additional Information

in CHF thousand	2012	2011
Total amount of guarantees, warranties and mortgages in favour of third parties	13 479	16 598
Total amount of mortgaged assets at legal book values	16 418	26 381
Unrecognised liabilities from leasing	3 699	4 761
due in the current financial year	2 809	1 723
Derivative financial instruments (currencies) (purpose: hedging)		
contract value	–	–
residual value positive	–	–
Derivative financial instruments (interests) (purpose: hedging)		
contract value	139 234	139 650
residual value negative	4 444	6 793
Other derivative instruments (participations)	p.m.*	p.m.*
Fire insurance value of buildings	917 890	821 746
Fire insurance value of equipment	961 204	932 542
Expenses for pension fund liabilities	18 533	19 587
Obligations from contracts with third parties	50 008	48 673
due in the current financial year	16 250	9 759
due in the following financial year	11 821	7 001
due later	21 937	31 913
Obligations from contracts with affiliated companies	1 464	1 945
due in the current financial year	488	488
due in the following financial year	488	488
due later	488	969
Conditional increase in share capital	–	1 000
Total amount of the approved share capital increase	–	500

*Bell holds options to take over additional shares in associates (2% in Hilcona). The price of these shares will depend on the future income situation.

Principal shareholders	Coop Cooperative, Basel; 66.29%
	Sarasin Investmentfonds AG, Basel; 3.97%
	No further shareholders with over 3% of the shares
Shares eligible for dividend	All
Voting regulations	All registered shareholders have full voting rights.
	Each share entitles to vote.

Risk assessment

The Bell Group follows standard risk management procedures. The risk situation is reassessed every three years. A detailed reassessment was carried out in 2012 on account of the new Group structure. We identified, analysed and assessed the most important risks and defined the measures required to manage these risks.

The Executive Board analyses the status of the implemented measures every year and updates its risk assessment. The Board of Directors was duly informed at its meeting on 18 January 2013. Further details relating to risk management are listed in the section on Corporate Governance (page 36).

As part of the institutionalised annual assessment of the quality of the internal control system at the business process level, the operational risks, the risks associated with financial reporting and those associated with compliance are assessed. The new subsidiaries acquired by Bell have their own internal control systems which will be harmonised with the Bell systems.

Important Participations of the Bell Group

Company	Domicile	Sphere of activity	Consolidation method		Capital	Group share in capital
Bell Suisse Ltd ¹	Basel	Fresh meat, charcuterie, poultry, seafood	■	CHF	20 000 000	100.0%
Frigo St. Johann AG	Basel	Logistics, cold storage	■	CHF	2 000 000	100.0%
Hilcona AG	Schaan/FL	Convenience	○	CHF	27 000 000	49.0%
Centravo Holding AG ²	Zürich	By-products processing	○	CHF	2 400 000	29.8%
GVFI International AG	Basel	Meat trade	●	CHF	3 000 000	18.34%
Pensionsstiftung der Bell Schweiz AG (in Liquidation)	Basel	Foundation	▲		–	–
Bell France SAS	Teilhède/FR	Subholding	■	EUR	20 000 000	100.0%
Salaison Polette & Cie SAS	Teilhède/FR	Dry sausages	■	EUR	2 600 000	100.0%
Saloir de Mirabel SARL	Riom/FR	Air-dried ham	■	EUR	152 000	100.0%
Val de Lyon SAS	Saint-Symphorien-sur-Coise/FR	Dry sausages	■	EUR	825 000	100.0%
Saloir de Virieu SAS	Virieu-Le-Grand/FR	Air-dried ham	■	EUR	1 200 000	100.0%
Maison de Savoie SAS	Aime/FR	Dry sausages	■	EUR	1 560 000	100.0%
St-André SAS	St-André-sur-Vieux-Jonc/FR	Dry sausages	■	EUR	1 096 000	100.0%
Bell Deutschland Holding GmbH ³	Seevetal/DE	Subholding	■	EUR	25 000	100.0%
Bell Verwaltungs GmbH	Seevetal/DE	Subholding	■	EUR	25 000	100.0%
Bell Deutschland GmbH & Co. KG	Seevetal/DE	Charcuterie	■	EUR	1 000 000	100.0%
Interfresh Food GmbH ³	Seevetal/DE	Subholding	■	EUR	100 000	100.0%
Bell Polska Sp. z o.o. ^{3/4}	Niepolomice/PL	Charcuterie	■	PLN	4 000 000	100.0%
ZIMBO Húsipari Termelő Kft.	Perbal/HU	Meat and sausages	■	HUF	375 000 000	99.7%
Bell Benelux Holding N.V. ³	Zellik/BE	Subholding	■	EUR	4 258 000	100.0%
Bell Benelux N.V. ³	Zellik/BE	Meat trade	■	EUR	620 000	100.0%
Bell Logistics N.V. ³	Zellik/BE	Storage	■	EUR	62 000	100.0%
The Fresh Connection Nederland B.V.	Dr Houten/NL	Meat trade	■	EUR	18 000	76.0%
ZIMBO Czechia s.r.o.	Prag-Holesovice/CZ	Retail trade	■	CZK	30 000 000	90.0%
Abraham Benelux S.A.	Libramont-Chevigny/BE	Air-dried ham	■	EUR	250 000	100.0%
Sanchez Alcaraz S.L.U.	Casarrubios del Monte/ES	Air-dried ham	■	EUR	648 587	100.0%
Abraham France SARL	Bussy Saint-Georges/FR	Wholesale trade	■	EUR	40 000	100.0%

¹ Schlachtbetrieb Basel AG was merged with Bell Schweiz AG on 1 January 2012.

² The equity share is based on the number of outstanding shares.

³ The following company names were changed in 2012:

Bell Deutschland GmbH to Bell Deutschland Holding GmbH

Interfresh Food Retail Easteuropa GmbH to Interfresh Food GmbH

ZIMBO Polska Sp. z o.o. to Bell Polska Sp. z o.o.

Marco Polo N.V. to Bell Benelux Holding N.V. (change from 1 January 2013)

The Fresh Connection N.V. to Bell Benelux N.V. (change from 1 January 2013)

Coldlog N.V. to Bell Logistics N.V. (change from 1 January 2013)

⁴ Abraham Polska Sp. z o.o. was merged with Bell Polska Sp. z o.o. on 31 December 2012.

■ Fully consolidated (uniform management)

○ Consolidation ad equity

● Purchase price

▲ Consideration acc. Swiss GAAP FER 16

The companies listed in the previous year, i.e. ZIMBO Fleisch- und Wurstwaren GmbH & Co. KG, FreshCo. Vertriebsgesellschaft mbH, Feine Kost Böttcher GmbH, Hoppe GmbH, ZIMBO International GmbH, Abraham Schinken GmbH, Gebr. Abraham GmbH & Co. KG were integrated in Bell Deutschland Holding GmbH and Bell Deutschland Verwaltungs GmbH as part of the restructuring in Germany.

5-Year Overview

in CHF thousand	2012	2011	2010	2009	2008
Affiliated companies	1 337 785	1 319 673	1 363 778	1 332 881	1 292 236
Other wholesale	1 113 932	1 123 611	1 176 972	1 151 593	586 867
End consumers	74 804	73 669	76 824	113 238	53 696
Sales proceeds	2 526 521	2 516 953	2 617 574	2 597 712	1 932 799
Operating income	2 508 378	2 482 588	2 584 277	2 547 877	1 939 635
Financial data					
Gross operating profit	827 452	823 282	863 923	858 515	610 241
Personnel expenses	403 015	391 416	405 671	412 215	307 445
Depreciation of tangible assets	71 996	72 144	74 220	79 903	55 689
Earnings before interest and taxes (EBIT)	99 145	89 849	101 236	95 047	78 932
Net profit (before third-party interest in profit)	76 207	72 396	66 067	56 192	58 198
EBITDA	185 138	204 291	212 695	189 449	142 731
Financial result	1 151	11 412	-2 086	-11 021	-2 867
Current assets	554 942	520 322	495 436	537 731	363 010
Non-current assets	760 276	731 815	671 950	769 557	774 824
Total assets	1 315 218	1 252 138	1 167 386	1 307 288	1 137 834
Interest-bearing liabilities	289 748	281 694	228 462	383 795	299 073
Equity	675 472	626 583	590 456	594 779	538 709
Margins					
Gross operating profit in % of operating income	33.0%	33.2%	33.4%	33.7%	31.5%
EBITDA in % of operating income	7.4%	8.2%	8.2%	7.4%	7.4%
EBIT in % of operating income	4.0%	3.6%	3.9%	3.7%	4.1%
Net profit in % of operating income	3.0%	2.9%	2.6%	2.2%	3.0%
Financial result in % of interest-bearing liabilities	-0.4%	-4.1%	0.9%	2.9%	1.0%
Equity in % of assets	51.4%	50.0%	50.6%	45.5%	47.3%
Return on equity (ROE)*	12.2%	12.3%	11.1%	10.7%	11.1%
Workforce as of December 31					
Number of employees	6 469	6 470	6 488	6 561	6 810
Average workforce					
Adjusted to full-time employees	6 248	6 224**	6 179	6 497	3 794

*Net profit/equity at the beginning of the financial year

**New basis of calculation from 2011

Share Information

		2012	2011	2010	2009	2008
Per-share data						
Share price as of 31.12.	CHF	2 005	1 762	1 766	1 551	1 300
Year's high	CHF	2 050	2 300	1 875	1 750	1 950
Year's low	CHF	1 716	1 665	1 480	1 267	1 101
Average daily trading volume	number	78	93	75	65	117
Stock exchange capitalisation						
Year's end	in CHF million	802	705	706	620	520
Year's high	in CHF million	820	920	750	700	780
Year's low	in CHF million	686	666	592	507	440
Equity per share	CHF	1 696	1 573	1 461	1 466	1 357
Net profit per share	CHF	191	180	163	141	151
EBITDA per share	CHF	465	514	539	482	364
EBIT per share	CHF	249	226	257	242	202
Return per share*		9.5%	10.2%	9.3%	9.1%	11.6%
Distribution per share	CHF	60	60	50	40	40
Distribution quota		31.5%	33.3%	30.6%	28.3%	26.5%
Dividend yield**		3.0%	3.4%	2.8%	2.6%	3.1%

*Profit per share/year-end closing price

**Distribution of the dividend per share/year-end price

Capital structure as of 31.12.

Share capital	in CHF thousand	2 000	2 000	2 000	2 000	2 000
Divided into number of registered shares	number	400 000	400 000	400 000	400 000	400 000
Nominal value per registered share	CHF	5	5	5	5	5

Changes in capital

Treasury shares	number	2 031	2 206	5 316	6 938	8 335
Shares recorded in share register	number	369 831	365 016	369 794	366 309	365 558
Registered shareholders	number	3 916	3 751	3 659	3 606	3 197

Securities no. 441 041
 ISIN CH0004410418
 Trade SIX Swiss Exchange
 Symbol SIX BELL
 Current share price www.bell.ch

Report of the Statutory Auditor on the consolidated Financial Statements

Report of the statutory auditor to the general meeting of Bell Ltd, Basel

As statutory auditor, we have audited the consolidated financial statements of Bell Ltd, which comprise the balance sheet, income statement, statement of changes in equity, cash flow statement and notes (pages 58 to 80), for the year ended 31 December 2012.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2012 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Dr. Rodolfo Gerber
Audit expert
Auditor in charge

Andreas Wolf
Audit expert

Basel, 5 February 2013

Bell Ltd

Balance Sheet

in CHF thousand		31.12.2012	31.12.2011	
Liquid assets		193	172	
Securities		1 222	3 739	
Receivables affiliated group		7 344	–	
Other receivables		118	141	
Current assets		8 877	2.2%	4 052 1.1%
Financial assets	Majority interests	146 373	146 373	
	Minority interests	93 617	83 820	
	Loans affiliated group/other financial assets	148 513	148 247	
Tangible assets	Land	–	153	
	Buildings	360	722	
Non-current assets		388 863	97.8%	379 315 98.9%
Assets		397 740	100.0%	383 367 100.0%
Miscellaneous accounts payable		893	198	
Accounts payable affiliated companies		–	42 514	
Deferred items		68	91	
Current liabilities		961	0.2%	42 803 11.2%
Non-current liabilities		–	–	
Liabilities		961	0.2%	42 803 11.2%
Share capital		2 000	2 000	
Legal reserves		10 000	10 000	
Treasury shares		3 130	3 113	
Other reserves		301 433	298 520	
Annual profit		80 216	26 931	
Equity		396 779	99.8%	340 564 88.8%
Liabilities		397 740	100.0%	383 367 100.0%

Bell Ltd

Income Statement

in CHF thousand	2012	2011
Income from holdings	74 241	50 558
Other financial income	6 849	7 692
Other proceeds	3 030	3 027
Total income	84 120	61 278
Administration expenses	2 029	1 331
Other expenses	369	327
Interests expenses	651	1 613
Other financial expenses	–	30 833
Depreciation of tangible assets	362	411
Expenses	3 411	34 515
Operating profit before taxes	80 709	26 763
Income from sale of non-current assets	107	168
Profit before taxes	80 816	26 931
Taxes	600	–
Profit after taxes	80 216	26 931

Bell Ltd

Appropriation of Annual Profit

Proposals of the Board of Directors to the General Meeting

in CHF thousand	2012	2011
Appropriation of annual profit		
Annual profit	80 216	26 931
CHF 60 dividend (previous year CHF 60)	24 000	24 000
Transfer to the other reserves	56 216	2 931
Total appropriations	80 216	26 931

Appendix

in CHF thousand	2012	2011
Total amount of guarantees, warranties and mortgages in favour of Group companies*	195 000	225 000
Total amount of mortgaged assets at legal book values	–	–
Fire insurance value of buildings	4 301	4 194
Important participations	page 80	–
Treasury shares according to statement on changes in equity	page 61	–
Principal shareholders Coop Cooperative, Basel	66.29%	66.29%
Sarasin Investmentfonds AG, Basel	3.97%	4.55%
Conditional increase in share capital	–	1 000
Total amount of the approved share capital increase	–	500
Details on risk assessment	page 43/79	–

*The company is jointly and unlimitedly liable for all taxes arising from VAT incl. interest and fines of the VAT group, if any, for the time since its introduction as a Group member of Switzerland.

Bell Ltd

Report of the Statutory Auditor on the Financial Statements

Report of the statutory auditor to the general meeting of Bell Ltd, Basel

As statutory auditor, we have audited the financial statements of Bell Ltd, which comprise the balance sheet, income statement and notes (pages 84 to 86), for the year ended 31 December 2012.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2012 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Dr. Rodolfo Gerber
Audit expert
Auditor in charge

Andreas Wolf
Audit expert

Basel, 5 February 2013