

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

15 February 2013



## Corporate Governance

## Financial Reporting

### Bell Group

Financial Report

Consolidated Balance Sheet

Consolidated Income Statement

Cash Flow Statement

Statement of Changes in Equity

Consolidation and Valuation Principles

Appendix to Consolidated Balance Sheet

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Additional Information

Important Participations

5-Year Overview

Share Information

Report of the Statutory Auditors

### Bell Ltd

Balance Sheet

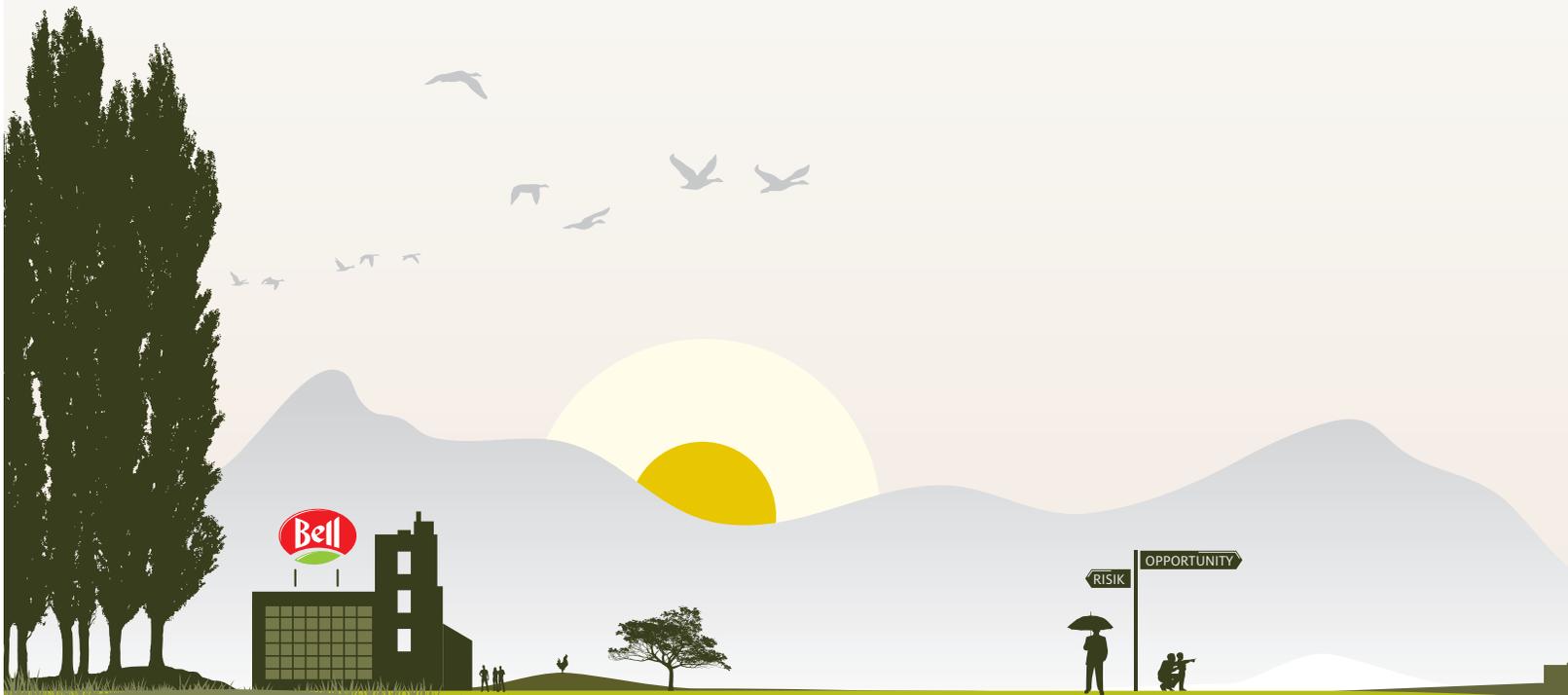
Income Statement

Appropriation of Annual Profit /Appendix

Report of the Statutory Auditors

All values rounded up/down individually





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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.



- Group structure
- Capital structure and shareholders' rights
- Board of Directors
- Internal organisation and areas of responsibility
- Information channels and control instruments
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Shareholders  
Around 4,000 registered shareholders



Information policy  
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## 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.

The Articles of Association of Bell Ltd can be accessed at [www.bell.ch/articles](http://www.bell.ch/articles).

An excerpt from the by-laws is available at [www.bell.ch/organisation-en](http://www.bell.ch/organisation-en).

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

### 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](http://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.

*continue page 42*

## Members of the Board of Directors



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

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

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### 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

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

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### 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

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Economist  
Mandates for VGL Coop Cooperative; since 2008

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### 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

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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](http://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](http://www.bell.ch/agenda-en).

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

## Change of control clause

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There are no statutory restrictions and regulations.

## Auditors

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|                 |  |
|-----------------|--|
| 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) | -            | -            |
| <b>Total</b>                                 | <b>1 033</b> | <b>1 023</b> |

### 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](http://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](http://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

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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

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#### **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

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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

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#### **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

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##### **Markus Bänziger**

1955, Swiss citizen  
Certified marketing planner  
(Federal diploma)

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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

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##### **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

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##### **Josef Dähler**

1955, Swiss citizen  
Certified master butcher  
Business diploma

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Head of Fresh Meat Business Unit  
Has been with Bell since 1996; in this position since 2007

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##### **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

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##### **Christine Schlatter**

1965, Swiss citizen  
Certified marketing planner  
(Federal diploma)

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Head of Poultry Business Unit  
Has been with Bell since 1997; in this position since 2008

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##### **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

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**Christian Schröder**  
1971, German citizen  
Business diploma

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

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#### 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, Vermold: 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

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**Jürgen Etmann**  
1963, German citizen  
Business administrator

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

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#### 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

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**Markus von der Pütten**  
1970, German citizen  
Food technologist

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

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#### 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

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#### Eugeniusz Philip

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

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

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#### 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

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#### Jens Günther Hillebrand

1976, German citizen  
Butcher, master butcher

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

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#### 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

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#### Steven van Parijs

1971, Belgian citizen  
Hotel manager

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

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#### 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 Mennissez; 2000 – 2002 • Key Account Manager at Dossche Mills & Bakery; 1995 – 2000 • Restaurant Manager, Colmar/Sbarro; 1993 – 1995

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#### Petr Poskočil

1966, Czech citizen  
Certified business administrator

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

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#### 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

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**Philippe Polette**

1960, French citizen  
Business diploma

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Chairman of the Executive Board

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

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**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 Etmann**

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

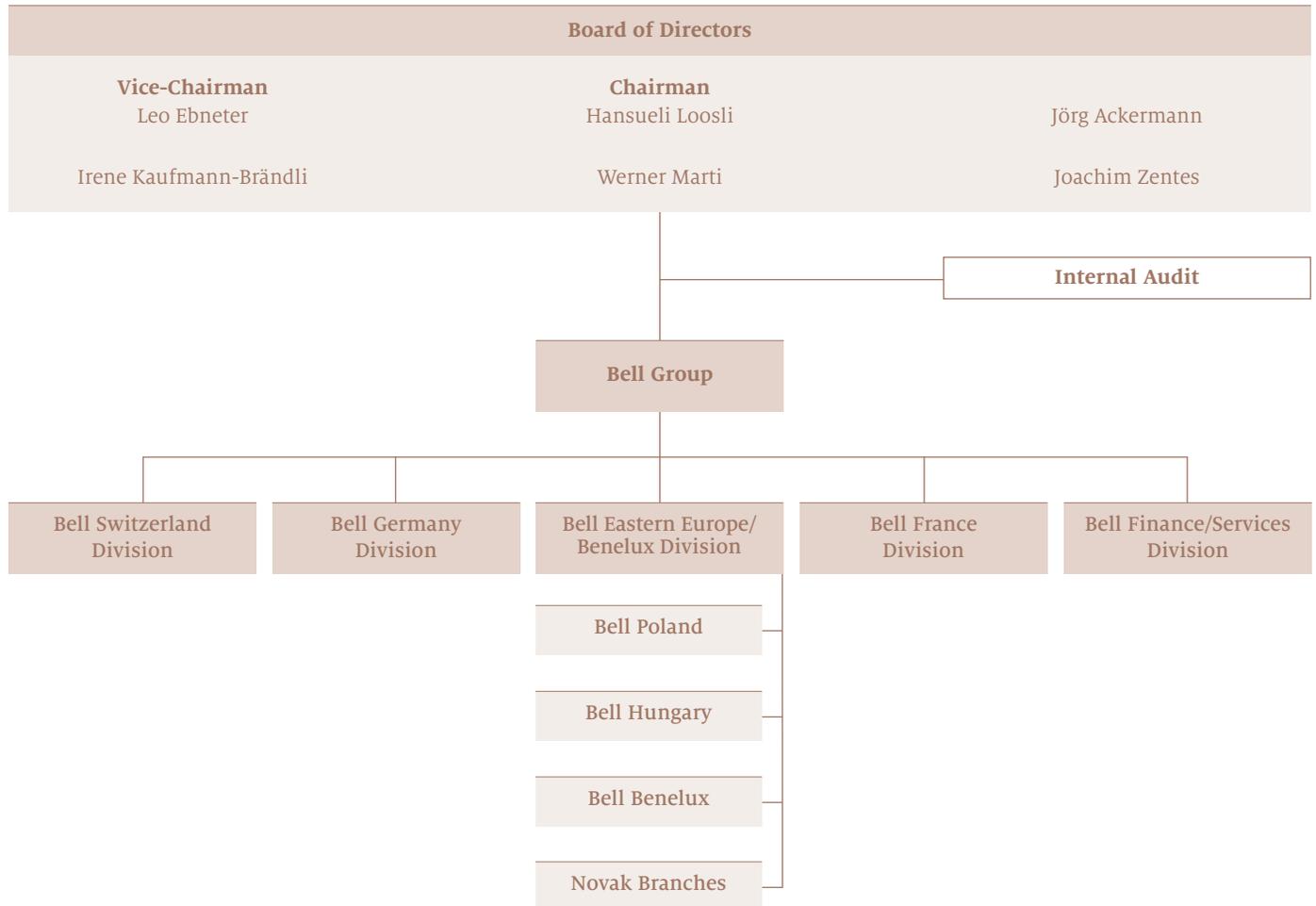
**Charles-André Rogue**

Head of Plant Val de Lyon

**Laurent Saccol**

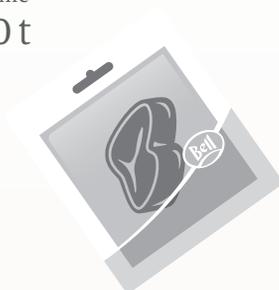
Head of Plant St-André

## 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     |        |
| <b>Current assets</b>                               |          | <b>554 942</b>   | <b>42.2%</b>  | 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    |        |
| <b>Non-current assets</b>                           |          | <b>760 276</b>   | <b>57.8%</b>  | 731 815    | 58.4%  |
| <b>Assets</b>                                       |          | <b>1 315 218</b> | <b>100.0%</b> | 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     |        |
| <b>Current liabilities</b>                          |          | <b>395 051</b>   | <b>30.0%</b>  | 391 616    | 31.3%  |
| Non-current financial liabilities                   | 9        | 175 538          |               | 164 998    |        |
| Non-current provisions                              | 11       | 69 157           |               | 68 940     |        |
| <b>Long-term liabilities</b>                        |          | <b>244 695</b>   | <b>18.6%</b>  | 233 939    | 18.7%  |
| <b>Liabilities</b>                                  |          | <b>639 746</b>   | <b>48.6%</b>  | 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     |        |
| <b>Equity before third-party interest in equity</b> |          | <b>675 114</b>   | <b>51.3%</b>  | 625 797    | 50.0%  |
| Third-party interest in equity                      |          | 358              |               | 786        |        |
| <b>Equity</b>                                       |          | <b>675 472</b>   | <b>51.4%</b>  | 626 583    | 50.0%  |
| <b>Liabilities and equity</b>                       |          | <b>1 315 218</b> | <b>100.0%</b> | 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    |        |
| <b>Gross proceeds</b>  |          | <b>2 587 747</b> |               | 2 576 801 |        |
| Reductions in proceeds   | 16       | -79 369          |               | -94 213   |        |
| <b>Operating income</b>  |          | <b>2 508 378</b> | <b>100.0%</b> | 2 482 588 | 100.0% |
| Cost of goods sold   |          | 1 680 926        | 67.0%         | 1 659 306 | 66.8%  |
| <b>Gross operating profit</b>  |          | <b>827 452</b>   | <b>33.0%</b>  | 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    |        |
| <b>Total operating expenses</b>  | 21       | <b>642 313</b>   | <b>25.6%</b>  | 618 991   | 24.9%  |
| <b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b> |          | <b>185 138</b>   | <b>7.4%</b>   | 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    |        |
| <b>Earnings before interest and taxes (EBIT)</b>                               |          | <b>99 145</b>    | <b>4.0%</b>   | 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    |        |
| <b>Net profit before taxes (EBT)</b>   |          | <b>100 296</b>   | <b>4.0%</b>   | 101 261   | 4.1%   |
| Taxes  | 23/24    | 24 089           |               | 28 865    |        |
| <b>Net profit after taxes</b>  |          | <b>76 207</b>    | <b>3.0%</b>   | 72 396    | 2.9%   |
| Third-party interest in profit   |          | -358             |               | -778      |        |
| <b>Consolidated profit</b>   |          | <b>75 849</b>    | <b>3.0%</b>   | 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   | 114 442         |
| 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             |
| <b>Cash flow before changes to net current assets</b>        |         | <b>164 310</b>  |          | <b>182 008</b>  |
| 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  | –22 827         | 13 585   | –54 209         |
| <b>Operating cash flow</b>                                   |         | <b>141 484</b>  |          | <b>127 799</b>  |
| Investments in machinery and equipment                       | –48 076 |                 | –52 664  |                 |
| Divestments of machinery and equipment                       | 432     | –47 644         | 9 850    | –42 814         |
| Investments in land and buildings                            | –22 353 |                 | –10 554  |                 |
| Divestments of land and buildings                            | 158     | –22 195         | 2 059    | –8 495          |
| 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   | –36 969         | –1 070   | –116 329        |
| Investments in intangible assets                             | –3 837  |                 | –6 839   |                 |
| Divestments of intangible assets                             | –       | –3 837          | 3        | –6 836          |
| <b>Investment cash flow</b>                                  |         | <b>–110 645</b> |          | <b>–174 474</b> |
| Changes in financial liabilities                             |         | 9 018           |          | 51 418          |
| Investments (–)/divestments (+) in treasury shares           |         | 13              |          | 5 515           |
| Dividends  |         | –24 672         |          | –20 680         |
| <b>Financing cash flow</b>                                   |         | <b>–15 641</b>  |          | <b>36 253</b>   |
| <b>Cash flow balance</b>                                     |         | <b>15 197</b>   |          | <b>–10 422</b>  |
| 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         |
|---|---------------|-------------------|----------------------------------|---------------|---------------------|----------------|--------------------------------|----------------|
| <b>Equity as of 01.01.2012</b>            | <b>2 000</b>  | <b>630 698</b>    | <b>-75 406</b>                   | <b>-3 113</b> | <b>71 618</b>       | <b>625 797</b> | <b>786</b>                     | <b>626 584</b> |
| 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         |
| <b>Equity as of 31.12.2012</b>            | <b>2 000</b>  | <b>678 458</b>    | <b>-78 063</b>                   | <b>-3 130</b> | <b>75 849</b>       | <b>675 114</b> | <b>358</b>                     | <b>675 472</b> |
| 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. |
|---|-------------------------|------------------------------|------------------------------|--|--|-------------------------|
| <b>Shares</b>                           |                         |                              |                              |  |  |                         |
| <b>Shares issued</b>                    | <b>400 000</b>          | <b>-</b>                     | <b>-</b>                     | <b>-</b>   | <b>-</b>   | <b>400 000</b>          |
| Treasury shares                         | -2 206                  | -369                         | -                            | -104   | 648  | -2 031                  |
| <b>Shares in circulation as of 2012</b> | <b>397 794</b>          | <b>-369</b>                  | <b>-</b>                     | <b>-104</b>  | <b>648</b>   | <b>397 969</b>          |
| 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    |
|---|----------------|---------|---------|
| <b>1. Liquid assets</b>                             |                |         |         |
| 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   |
| <b>Liquid assets</b>                                | <b>37 848</b>  | 100.0%  | 22 708  |
| <b>Liquid assets by currency</b>                    |                |         |         |
| CHF   | 16 664         | 44.0%   | 10 319  |
| EUR   | 13 678         | 36.1%   | 9 152   |
| Other currencies                                    | 7 506          | 19.8%   | 3 237   |
| <b>Liquid assets</b>                                | <b>37 848</b>  | 100.0%  | 22 708  |
| <b>2. Securities</b>                                |                |         |         |
| Shares and similar investments                      | 3 270          | 100.0 % | 5 582   |
| Bonds and similar investments                       | –              | –       | –       |
| <b>Securities</b>                                   | <b>3 270</b>   | 100.0 % | 5 582   |
| <b>3. Trade accounts receivable</b>                 |                |         |         |
| <b>Valuation adjustment balanced in receivables</b> | <b>–2 369</b>  |         | –3 277  |
| <b>4. Receivables affiliated companies</b>          |                |         |         |
| Companies of the Coop Group                         | 116 545        | 91.6%   | 104 706 |
| Other affiliated companies                          | 10 666         | 8.4%    | 6 321   |
| <b>Receivables affiliated companies</b>             | <b>127 210</b> | 100.0%  | 111 027 |
| <b>5. Inventory</b>                                 |                |         |         |
| 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  |
| <b>Inventory</b>                                    | <b>185 187</b> | 100.0%  | 170 109 |
| <b>6. Accounts payable to affiliated companies</b>  |                |         |         |
| Accounts payable to Coop Group                      | 11 696         | 83.9%   | 21 844  |
| Accounts payable to other affiliated companies      | 2 250          | 16.1%   | 68      |
| <b>Accounts payable to affiliated companies</b>     | <b>13 947</b>  | 100.0%  | 21 912  |
| <b>7. Other accounts payable</b>                    |                |         |         |
| 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   |
| <b>Other accounts payable</b>                       | <b>39 387</b>  | 100.0%  | 38 885  |

## Appendix to Consolidated Balance Sheet

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

### 10. Business combinations/company sale

No result in 2012

| Result 2011               | Bell Convenience <sup>1</sup><br>01.01.2011 | Hilcona AG <sup>2</sup><br>01.01.2011 | Hoppe GmbH <sup>3</sup><br>01.05.2011 | Kocherhans<br>+ Schär AG <sup>4</sup><br>27.06.2011 | SBA Schlacht-<br>betrieb Basel AG <sup>5</sup><br>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  |

<sup>1</sup> Company sale

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

<sup>3</sup> Initial consolidation as of 1 May 2011

<sup>4</sup> Merger with Bell Schweiz AG

<sup>5</sup> Full consolidation as of 1 July 2011

## Appendix to Consolidated Balance Sheet

in CHF thousand

|                                    | Early<br>retirements | Long service<br>awards | Holiday and<br>extra hours<br>charges | Deferred<br>taxes | Other<br>provisions | Restruc-<br>turing | <b>Total</b>  |
|------------------------------------|----------------------|------------------------|---------------------------------------|-------------------|---------------------|--------------------|---------------|
| <b>11. Provisions</b>              |                      |                        |                                       |                   |                     |                    |               |
| <b>Provisions as of 01.01.2012</b> | <b>21 144</b>        | <b>3 135</b>           | <b>4 674</b>                          | <b>44 128</b>     | <b>4 981</b>        | <b>604</b>         | <b>78 666</b> |
| Changes in consolidated scope      | -                    | -                      | -                                     | -                 | -                   | -                  | -             |
| Reclassification                   | 162                  | -162                   | -                                     | -                 | -                   | -                  | -             |
| Established                        | 2 276                | 245                    | 4 392                                 | 1 435             | 19                  | 5 125              | <b>13 492</b> |
| Used                               | -955                 | -11                    | -4 130                                | -1 937            | -1 396              | -287               | <b>-8 715</b> |
| Currency translation effects       | -45                  | -                      | -6                                    | -14               | -28                 | -                  | <b>-92</b>    |
| <b>Provisions as of 31.12.2012</b> | <b>22 583</b>        | <b>3 207</b>           | <b>4 931</b>                          | <b>43 612</b>     | <b>3 575</b>        | <b>5 442</b>       | <b>83 351</b> |
| 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          |
|---|---------------------------|--------------------------------|------------------------|----------------------|---------------------|------------------------|----------------|
| <b>12. Financial assets</b>                     |                           |                                |                        |                      |                     |                        |                |
| <b>Net book value as of 01.01.2012</b>          | <b>94 783</b>             | <b>1 023</b>                   | <b>244</b>             | <b>4 453</b>         | <b>2 440</b>        | <b>362</b>             | <b>103 305</b> |
| 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            |
| <b>Net book value as of 31.12.2012</b>          | <b>109 535</b>            | <b>31 229</b>                  | <b>-</b>               | <b>3 728</b>         | <b>2 184</b>        | <b>622</b>             | <b>147 298</b> |
| 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<br>rights | Goodwill      | Total         |
| <b>13. Intangible assets</b>             |               |            |                  |               |               |
| <b>Net book value as of 01.01.2012</b>   | <b>12 586</b> | <b>–</b>   | <b>1 611</b>     | <b>62 495</b> | <b>76 692</b> |
| 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       |
| <b>Net book value as of 31.12.2012</b>   | <b>12 101</b> | <b>–</b>   | <b>1 462</b>     | <b>50 686</b> | <b>64 249</b> |
| 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          |
|--|----------------|--|-----------------------------------|------------------------------|----------------|
| <b>14. Land and buildings</b>            |                |  |                                   |                              |                |
| <b>Net book value as of 01.01.2012</b>   | <b>48 832</b>  | <b>264 216</b>                           | <b>1 239</b>                      | <b>7 809</b>                 | <b>322 096</b> |
| Purchase price as of 01.01.2012          | 48 911         | 569 902                                  | 3 311                             | 7 809                        | <b>629 932</b> |
| Changes in consolidated scope            | –              | –  | –                                 | –                            | –              |
| Investments                              | 16 522         | 2 096                                    | –                                 | 3 735                        | <b>22 353</b>  |
| Divestments                              | –153           | –4                                       | –                                 | –                            | <b>–158</b>    |
| Reclassification                         | –220           | 4 191                                    | –                                 | –5 793                       | <b>–1 822</b>  |
| Currency translation effects             | –106           | –654                                     | –                                 | –50                          | <b>–810</b>    |
| Purchase price as of 31.12.2012          | 64 953         | 575 531                                  | 3 311                             | 5 700                        | <b>649 495</b> |
| Cumulative depreciation as of 01.01.2012 | 79             | 305 686                                  | 2 071                             | –                            | <b>307 836</b> |
| Changes in consolidated scope            | –              | –  | –                                 | –                            | –              |
| Depreciation                             | 8              | 18 938                                   | 138                               | –                            | <b>19 084</b>  |
| Extraordinary depreciation               | –              | –  | –                                 | –                            | –              |
| Cumulative depreciation of divestments   | –              | –  | –                                 | –                            | –              |
| Reclassification                         | –              | –99                                      | –                                 | –                            | <b>–99</b>     |
| Currency translation effects             | –1             | –423                                     | –                                 | –                            | <b>–424</b>    |
| Cumulative depreciation as of 31.12.2012 | 86             | 324 101                                  | 2 210                             | –                            | <b>326 397</b> |
| <b>Net book value as of 31.12.2012</b>   | <b>64 867</b>  | <b>251 429</b>                           | <b>1 101</b>                      | <b>5 700</b>                 | <b>323 097</b> |
| 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<br>and equipment | Installations | IT<br>Hardware | Furnishings<br>and vehicles | Advance<br>payments | Total          |
|--|----------------------------|---------------|----------------|-----------------------------|---------------------|----------------|
| <b>15. Machinery and equipment</b>       |                            |               |                |                             |                     |                |
| <b>Net book value as of 01.01.2012</b>   | <b>120 483</b>             | <b>68 272</b> | <b>8 526</b>   | <b>22 961</b>               | <b>9 481</b>        | <b>229 722</b> |
| Purchase Price as of 01.01.2012          | 395 488                    | 194 871       | 36 420         | 86 445                      | 9 481               | <b>722 706</b> |
| Changes in consolidated scope            | –                          | –             | –              | –                           | –                   | –              |
| Investments                              | 18 414                     | 7 949         | 3 366          | 10 330                      | 8 016               | <b>48 076</b>  |
| Divestments                              | –2 211                     | –             | –16            | –2 368                      | –109                | <b>–4 704</b>  |
| Reclassification                         | 4 663                      | –191          | 133            | 2 040                       | –5 178              | <b>1 467</b>   |
| Currency translation effects             | –826                       | –77           | –10            | –119                        | 26                  | <b>–1 007</b>  |
| Purchase price as of 31.12.2012          | 415 528                    | 202 552       | 39 894         | 96 328                      | 12 236              | <b>766 539</b> |
| Cumulative depreciation as of 01.01.2012 | 275 006                    | 126 599       | 27 895         | 63 484                      | –                   | <b>492 984</b> |
| Changes in consolidated scope            | –                          | –             | –              | –                           | –                   | –              |
| Depreciation                             | 26 954                     | 13 352        | 3 946          | 8 661                       | –                   | <b>52 912</b>  |
| Extraordinary depreciation               | –                          | –             | –              | –                           | –                   | –              |
| Cumulative depreciation of divestments   | –2 034                     | –             | –14            | –2 285                      | –                   | <b>–4 333</b>  |
| Reclassification                         | 113                        | –1 684        | –              | 1 708                       | –                   | <b>137</b>     |
| Currency translation effects             | –645                       | –49           | –11            | –87                         | –                   | <b>–792</b>    |
| Cumulative depreciation as of 31.12.2012 | 299 393                    | 138 218       | 31 815         | 71 481                      | –                   | <b>540 907</b> |
| <b>Net book value as of 31.12.2012</b>   | <b>116 135</b>             | <b>64 334</b> | <b>8 079</b>   | <b>24 847</b>               | <b>12 236</b>       | <b>225 632</b> |
| 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      |
|--|------------------|------------|-----------|
| <b>16. Operating income</b>                    |                  |            |           |
| <b>Product groups</b>                          |                  |            |           |
| 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 specialities (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     |
| <b>Product groups Switzerland</b>              | <b>1 756 243</b> | 0.6%       | 1 745 879 |
| Charcuterie                                    | 702 643          | -0.3%      | 704 650   |
| Other sales                                    | 67 634           | 1.8%       | 66 424    |
| <b>Product groups international</b>            | <b>770 277</b>   | -0.1%      | 771 074   |
| <b>Sales by product group</b>                  | <b>2 526 520</b> | 0.4%       | 2 516 953 |
| <b>Distribution channels</b>                   |                  |            |           |
| 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     |
| <b>Distribution channels Switzerland</b>       | <b>1 756 243</b> | 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    |
| <b>Distribution channels international</b>     | <b>770 278</b>   | -0.1%      | 771 074   |
| <b>Sales by distribution channel</b>           | <b>2 526 520</b> | 0.4%       | 2 516 953 |
| <b>Sales by country</b>                        |                  |            |           |
| 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   |
| <b>Sales by country</b>                        | <b>2 526 520</b> | 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    |
| <b>Other operating proceeds Switzerland</b>    | <b>53 692</b>    | 5.2%       | 51 014    |
| <b>Other operating proceeds international</b>  | <b>7 535</b>     | -14.7%     | 8 834     |
| <b>Other operating proceeds</b>                | <b>61 227</b>    | 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     |
| <b>Reductions in proceeds Switzerland</b>      | <b>20 024</b>    | -47.6%     | 38 196    |
| <b>Reductions in proceeds international</b>    | <b>59 344</b>    | 5.9%       | 56 016    |
| <b>Reductions in proceeds</b>                  | <b>79 369</b>    | -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           |
|--------------------------------|----------------|-------------|----------------|
| <b>17. Personnel expenses</b>  |                |             |                |
| 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         |
| <b>Personnel expenses</b>      | <b>403 015</b> | <b>3.0%</b> | <b>391 416</b> |

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<br>as of 31.12.<br>number | Remuneration cash<br>fix | Share subscription<br>number | CHF thousand | Total<br>CHF thousand |
|--------------------------------------|-------------|---------------------------------------|--------------------------|------------------------------|--------------|-----------------------|
| <b>Board of Directors</b>            |             |                                       |                          |                              |              |                       |
| 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                    |
| <b>Board of Directors</b>            | <b>2012</b> | <b>319</b>                            | <b>379</b>               | <b>24</b>                    | <b>46</b>    | <b>425</b>            |
|                                      | 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

|  |      | Remuneration cash |          | Share subscription |              | Non-cash                                       | CHF thousand |
|--|------|-------------------|----------|--------------------|--------------|--|--------------|
|  |      | fix               | variable | number             | CHF thousand | remuneration and contributions to pension fund |              |
| <b>Group Executive Board</b>                                     |      |                   |          |                    |              |  |              |
| 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  |
|--|-------|-------|
| <b>Shares held as of 31.12. (number)</b> |       |       |
| 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 |
|-----------------------------------|-------------|---------------------------|--------------------------------|---------------------------------------|------------------------|-------------------|
| <b>Employee benefits</b>          |             |                           |                                |                                       |                        |                   |
| <b>Economic consequences</b>      |             |                           |                                |                                       |                        |                   |
| 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            |
| <b>Total</b>                      | <b>2012</b> | <b>3 728</b>              | <b>3 728</b>                   | <b>-725</b>                           | <b>18 533</b>          | <b>17 808</b>     |
|                                   | 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          |
|--|---------------|--------------|---------------|
| <b>18. Rent</b>                        |               |              |               |
| 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         |
| <b>Rent</b>                            | <b>21 639</b> | <b>-0.6%</b> | <b>21 759</b> |
| <b>19. Energy, auxiliary materials</b> |               |              |               |
| 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        |
| <b>Energy, auxiliary materials</b>     | <b>51 042</b> | <b>3.7%</b>  | <b>49 214</b> |
| <b>20. Other operating expenses</b>    |               |              |               |
| 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         |
| <b>Other operating expenses</b>        | <b>37 345</b> | <b>38.1%</b> | <b>27 046</b> |

Included in operating expenses:

|   |               |              |               |
|---|---------------|--------------|---------------|
| <b>21. Operating expenses with affiliated companies</b> |               |              |               |
| 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           |
| <b>Operating expenses with affiliated companies</b>     | <b>14 943</b> | <b>11.4%</b> | <b>13 418</b> |

## Appendix to Consolidated Income Statement

| in CHF thousand                                  | 2012          | 2011          |
|--|---------------|---------------|
| <b>22. Financial return/financial expenses</b>   |               |               |
| 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           |
| <b>Financial return</b>                          | <b>10 780</b> | <b>25 754</b> |
| 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         |
| <b>Financial expenses</b>                        | <b>9 629</b>  | <b>14 342</b> |
| <b>Financial return/financial expenses</b>       | <b>1 151</b>  | <b>11 412</b> |
| 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    |
|--|--|---------------|------------|---------|
| <b>23. Taxes</b>   |  |               |            |         |
| Taxes paid and changes in taxes due  |  | 24 360        |            | 26 859  |
| Changes in deferred taxes  |  | -271          |            | 2 006   |
| <b>Taxes</b>   |  | <b>24 089</b> | -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 %),<br>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    |
| <b>Taxes (as reported)</b>   |  | <b>24 089</b> |            | 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%<br>Sarasin Investmentfonds AG, Basel; 3.97%<br>No further shareholders with over 3% of the shares |
| Shares eligible for dividend | All   |
| Voting regulations           | All registered shareholders have full voting rights.<br>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 <sup>1</sup>                          | Basel                         | Fresh meat, charcuterie, poultry, seafood | ■                    | CHF | 20 000 000  | 100.0%                 |
| Friigo 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 <sup>2</sup>                      | 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 <sup>3</sup>            | 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 <sup>3</sup>                     | Seevetal/DE                   | Subholding                                | ■                    | EUR | 100 000     | 100.0%                 |
| Bell Polska Sp. z o.o. <sup>3/4</sup>                 | 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. <sup>3</sup>                | Zellik/BE                     | Subholding                                | ■                    | EUR | 4 258 000   | 100.0%                 |
| Bell Benelux N.V. <sup>3</sup>                        | Zellik/BE                     | Meat trade                                | ■                    | EUR | 620 000     | 100.0%                 |
| Bell Logistics N.V. <sup>3</sup>                      | 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%                 |

<sup>1</sup> Schlachtbetrieb Basel AG was merged with Bell Schweiz AG on 1 January 2012.

<sup>2</sup> The equity share is based on the number of outstanding shares.

<sup>3</sup> 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)

<sup>4</sup> 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    |
| <b>Sales proceeds</b>                                 | <b>2 526 521</b> | 2 516 953 | 2 617 574 | 2 597 712 | 1 932 799 |
| <b>Operating income</b>                               | <b>2 508 378</b> | 2 482 588 | 2 584 277 | 2 547 877 | 1 939 635 |
| <b>Financial data</b>                                 |                  |           |           |           |           |
| Gross operating profit                                | <b>827 452</b>   | 823 282   | 863 923   | 858 515   | 610 241   |
| Personnel expenses                                    | <b>403 015</b>   | 391 416   | 405 671   | 412 215   | 307 445   |
| Depreciation of tangible assets                       | <b>71 996</b>    | 72 144    | 74 220    | 79 903    | 55 689    |
| Earnings before interest and taxes (EBIT)             | <b>99 145</b>    | 89 849    | 101 236   | 95 047    | 78 932    |
| Net profit (before third-party interest in profit)    | <b>76 207</b>    | 72 396    | 66 067    | 56 192    | 58 198    |
| EBITDA  | <b>185 138</b>   | 204 291   | 212 695   | 189 449   | 142 731   |
| Financial result                                      | <b>1 151</b>     | 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  | <b>1 315 218</b> | 1 252 138 | 1 167 386 | 1 307 288 | 1 137 834 |
| Interest-bearing liabilities                          | <b>289 748</b>   | 281 694   | 228 462   | 383 795   | 299 073   |
| Equity  | <b>675 472</b>   | 626 583   | 590 456   | 594 779   | 538 709   |
| <b>Margins</b>  |                  |           |           |           |           |
| Gross operating profit in % of operating income       | <b>33.0%</b>     | 33.2%     | 33.4%     | 33.7%     | 31.5%     |
| EBITDA in % of operating income                       | <b>7.4%</b>      | 8.2%      | 8.2%      | 7.4%      | 7.4%      |
| EBIT in % of operating income                         | <b>4.0%</b>      | 3.6%      | 3.9%      | 3.7%      | 4.1%      |
| Net profit in % of operating income                   | <b>3.0%</b>      | 2.9%      | 2.6%      | 2.2%      | 3.0%      |
| Financial result in % of interest-bearing liabilities | <b>-0.4%</b>     | -4.1%     | 0.9%      | 2.9%      | 1.0%      |
| <b>Equity in % of assets</b>                          | <b>51.4%</b>     | 50.0%     | 50.6%     | 45.5%     | 47.3%     |
| <b>Return on equity (ROE)*</b>                        | <b>12.2%</b>     | 12.3%     | 11.1%     | 10.7%     | 11.1%     |
| <b>Workforce as of December 31</b>                    |                  |           |           |           |           |
| Number of employees                                   | <b>6 469</b>     | 6 470     | 6 488     | 6 561     | 6 810     |
| <b>Average workforce</b>                              |                  |           |           |           |           |
| Adjusted to full-time employees                       | <b>6 248</b>     | 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  |
|--------------------------------------|----------------|--------------|-------|-------|-------|-------|
| <b>Per-share data</b>                |                |              |       |       |       |       |
| Share price as of 31.12.             | CHF            | <b>2 005</b> | 1 762 | 1 766 | 1 551 | 1 300 |
| Year's high                          | CHF            | <b>2 050</b> | 2 300 | 1 875 | 1 750 | 1 950 |
| Year's low                           | CHF            | <b>1 716</b> | 1 665 | 1 480 | 1 267 | 1 101 |
| Average daily trading volume         | number         | <b>78</b>    | 93    | 75    | 65    | 117   |
| <b>Stock exchange capitalisation</b> |                |              |       |       |       |       |
| Year's end                           | in CHF million | <b>802</b>   | 705   | 706   | 620   | 520   |
| Year's high                          | in CHF million | <b>820</b>   | 920   | 750   | 700   | 780   |
| Year's low                           | in CHF million | <b>686</b>   | 666   | 592   | 507   | 440   |
| Equity per share                     | CHF            | <b>1 696</b> | 1 573 | 1 461 | 1 466 | 1 357 |
| Net profit per share                 | CHF            | <b>191</b>   | 180   | 163   | 141   | 151   |
| EBITDA per share                     | CHF            | <b>465</b>   | 514   | 539   | 482   | 364   |
| EBIT per share                       | CHF            | <b>249</b>   | 226   | 257   | 242   | 202   |
| Return per share*                    |                | <b>9.5%</b>  | 10.2% | 9.3%  | 9.1%  | 11.6% |
| Distribution per share               | CHF            | <b>60</b>    | 60    | 50    | 40    | 40    |
| Distribution quota                   |                | <b>31.5%</b> | 33.3% | 30.6% | 28.3% | 26.5% |
| Dividend yield**                     |                | <b>3.0%</b>  | 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.

|  |                 | 2012           | 2011    | 2010    | 2009    | 2008    |
|--|-----------------|----------------|---------|---------|---------|---------|
| Share capital                            | in CHF thousand | <b>2 000</b>   | 2 000   | 2 000   | 2 000   | 2 000   |
| Divided into number of registered shares | number          | <b>400 000</b> | 400 000 | 400 000 | 400 000 | 400 000 |
| Nominal value per registered share       | CHF             | <b>5</b>       | 5       | 5       | 5       | 5       |

### Changes in capital

|                                   |        | 2012           | 2011    | 2010    | 2009    | 2008    |
|-----------------------------------|--------|----------------|---------|---------|---------|---------|
| Treasury shares                   | number | <b>2 031</b>   | 2 206   | 5 316   | 6 938   | 8 335   |
| Shares recorded in share register | number | <b>369 831</b> | 365 016 | 369 794 | 366 309 | 365 558 |
| Registered shareholders           | number | <b>3 916</b>   | 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](http://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        |        |
| <b>Current assets</b>                 |   | <b>8 877</b>   | <b>2.2%</b>   | 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        |        |
| <b>Non-current assets</b>             |   | <b>388 863</b> | <b>97.8%</b>  | 379 315    | 98.9%  |
| <b>Assets</b>                         |   | <b>397 740</b> | <b>100.0%</b> | 383 367    | 100.0% |
| Miscellaneous accounts payable        |   | 893            |               | 198        |        |
| Accounts payable affiliated companies |   | -              |               | 42 514     |        |
| Deferred items                        |   | 68             |               | 91         |        |
| <b>Current liabilities</b>            |   | <b>961</b>     | <b>0.2%</b>   | 42 803     | 11.2%  |
| <b>Non-current liabilities</b>        |   | <b>-</b>       |               | -          |        |
| <b>Liabilities</b>                    |   | <b>961</b>     | <b>0.2%</b>   | 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     |        |
| <b>Equity</b>                         |   | <b>396 779</b> | <b>99.8%</b>  | 340 564    | 88.8%  |
| <b>Liabilities</b>                    |   | <b>397 740</b> | <b>100.0%</b> | 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  |
| <b>Total income</b>                    | <b>84 120</b> | 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    |
| <b>Expenses</b>                        | <b>3 411</b>  | 34 515 |
| <b>Operating profit before taxes</b>   | <b>80 709</b> | 26 763 |
| Income from sale of non-current assets | 107           | 168    |
| <b>Profit before taxes</b>             | <b>80 816</b> | 26 931 |
| Taxes                                  | 600           | –      |
| <b>Profit after taxes</b>              | <b>80 216</b> | 26 931 |

# Bell Ltd

## Appropriation of Annual Profit

### Proposals of the Board of Directors to the General Meeting

| in CHF thousand                        | 2012          | 2011          |
|--|---------------|---------------|
| <b>Appropriation of annual profit</b>  |               |               |
| 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         |
| <b>Total appropriations</b>            | <b>80 216</b> | <b>26 931</b> |

## Appendix

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

\*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

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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