

# Bell Ltd Half-year Report 2014

— **Quality** is  
our core competence

— We stand for  
**sustainable services**

— Our **tradition** makes us rich  
in experience

— Our products offer **taste**  
and a zest for life



Report by the Chairman of the Board of Directors  
and the Chief Executive Officer

# Bell Group does well in 2014 in spite of difficult market conditions

## Dear shareholders

The Bell Group remains on course in a difficult market environment with sagging markets everywhere in Europe. Although sales volume is down slightly at 105,707 tonnes, sales improved by 0.6 percent to CHF 1.28 billion. This is a satisfactory result in view of the persistently difficult market conditions.

At CHF 411.7 million, the gross profit is up around CHF 13 million on the previous year. The operating result (EBITDA) is also better and improved by CHF 2.7 million on the first half of 2013 to CHF 81.6 million. In the same period, the consolidated profit increased by 13.6 percent to CHF 27.9 million. Supporting the positive development in Switzerland, the other markets are also showing improvement, but high prices for raw materials and negative market developments continue to pose serious challenges.

### **Bell Switzerland posts a strong second quarter**

Sales volume contracted by 1.4 percent on the previous year to 60,600 tonnes. While the first quarter did not meet expectations, business improved substantially in the second quarter, primarily because Easter was later this year and the barbecue season started on a positive note thanks to good weather. Because of higher procurement prices for beef and the full-year effect of the price increases on charcuterie products introduced in July 2013, sales rose by 2.6 percent year-on-year.

We expect prices for beef for processing to remain high in the second half of the year, while prices for pork will likely ease slightly in the second half. In order to improve our operating expenses, we launched an extensive programme to optimise our processes. The first results are expected in 2015. Construction of the new building in Cheseaux is progressing according to plan and production can start at the beginning of 2015.

### **Bell Germany makes progress in a difficult market environment**

Bell Germany considerably outperformed the market as a whole, which declined by around 5 percent for our product groups in the first half. At 31,650 tonnes, sales volume was down 1.3 percent on the previous year, but this is still better than the market.

Air-dried ham is a good example of a segment where Bell Germany managed to buck the downward trend of the market and posted volume as well as sales growth. This positive performance was mainly driven by increased sales of air-dried ham from the Mediterranean region, such as Spanish Serrano ham. The restructuring of our range of sausage and convenience products is continuing, but thanks to the launch of attractive new products we also managed to improve our market position in these segments. With the relaunch of our strategic brands Abraham and ZIMBO, we are enhancing our requirements as to the quality of our products.

Following the bundling of its business activities in the first half of 2014, Bell Germany made continuous operating progress, also because it successfully harmonised its processes and standardised its IT systems. Programmes to further reduce the operating expenses were also started for Bell Germany. As for Bell Switzerland, the first results of these measures are expected in 2015.

**Different developments for Bell Eastern Europe/Benelux**

Bell Eastern Europe/Benelux is seeing very different trends. Bell Poland improved its sales volume by another 5 percent on 2013. The production plants in Poland are working at full capacity and further volume increases are not possible in the existing plants. The Board of Directors therefore decided to expand production capacity in the growing Polish market. The situation is more difficult for Bell Hungary, where sales volume dropped 4.4 percent on the previous year in the first half. Important new listings only became effective in June and will lead to progress in the second half.

Although Bell Benelux also posted a considerable volume decline, the added value and thus the earnings situation could be improved substantially. The branch shops in the Czech Republic and Slovakia came under stronger market pressure in the first half of 2014.

**Bell France: consolidation because of high raw material prices**

Sales volume for France was down on the previous year by 350 tonnes or 5.5 percent. It should be added, though, that we posted strong growth in the past few years, sometimes also to the debit of our margins. As the volume decline resulted from the discontinuation of product ranges where margins are very small, the gross profit for the first half of 2014 is on a par with the previous year. We are also investing in the distribution of our "Môssieur Polette" brand.

**Outlook**

The market and framework conditions remain difficult. Depending on the weather, the economy and the development of raw material prices, we expect to be able to further improve our results on the previous year in the second half of 2014.

On 15 July, the German Cartel Office imposed a fine on us for around EUR 100 million for alleged illegal price fixing in the years before we acquired Abraham and ZIMBO. We do not believe this fine to be justified, either in fact or on the merits, and will defend ourselves against this decision with everything in our power.



**Hansueli Loosli**  
President of the Board of Directors



**Lorenz Wyss**  
Chairman of the Group Executive Board

## Consolidated Balance Sheet

in CHF thousand	Appendix	30.06.2014		31.12.2013		30.06.2013	
Liquid assets		79 455		115 022		117 228	
Securities		8 372		9 307		7 838	
Receivables and deferred items	1	283 993		338 396		304 153	
Inventory	2	241 124		208 565		210 137	
<b>Current assets</b>		<b>612 944</b>	<b>44.5 %</b>	671 290	46.6 %	639 355	45.8 %
Financial assets	6	149 164		153 489		148 014	
Intangible assets	7	47 184		54 330		59 038	
Land and buildings	8	326 043		314 910		321 417	
Machinery and equipment	9	240 922		246 055		228 653	
<b>Non-current assets</b>		<b>763 313</b>	<b>55.5 %</b>	768 784	53.4 %	757 122	54.2 %
<b>Assets</b>		<b>1 376 257</b>	<b>100.0 %</b>	1 440 074	100.0 %	1 396 477	100.0 %
Current financial liabilities	4	11 690		9 090		15 129	
Miscellaneous liabilities and deferred items	3	196 688		262 255		249 080	
Current provisions	5	13 496		9 727		12 613	
<b>Current liabilities</b>		<b>221 875</b>	<b>16.1 %</b>	281 072	19.5 %	276 822	19.8 %
Other long term financial liabilities	4	7 874		14 545		18 034	
Bonds	4	350 000		350 000		350 000	
Non-current provisions	5	64 478		62 999		70 021	
<b>Non-current liabilities</b>		<b>422 351</b>	<b>30.7 %</b>	427 544	29.7 %	438 055	31.4 %
<b>Liabilities</b>		<b>644 226</b>	<b>46.8 %</b>	708 616	49.2 %	714 877	51.2 %
Share capital		2 000		2 000		2 000	
Retained earnings		783 261		730 468		730 357	
Currency translation differences		-79 016		-74 950		-73 301	
Treasury shares		-1 901		-2 459		-2 350	
Consolidated profit		27 881		76 625		24 545	
<b>Equity before third-party interest in equity</b>		<b>732 226</b>	<b>53.2 %</b>	731 684	50.8 %	681 251	48.8 %
Third-party interest in equity		-195		-226		349	
<b>Equity</b>		<b>732 031</b>	<b>53.2 %</b>	731 458	50.8 %	681 600	48.8 %
<b>Liabilities and equity</b>		<b>1 376 257</b>	<b>100.0 %</b>	1 440 074	100.0 %	1 396 477	100.0 %

## Consolidated Income Statement

in CHF thousand	Appendix	1. HY 2014		1. HY 2013	
Sales proceeds	10	1 277 256		1 270 268	
Other operating proceeds	10	31 719		31 532	
<b>Gross proceeds</b>		<b>1 308 975</b>		1 301 800	
Reductions in proceeds	10	44 241		48 070	
<b>Operating income</b>		<b>1 264 733</b>	<b>100.0 %</b>	1 253 730	100.0 %
Cost of goods sold		853 000	67.4 %	854 666	68.2 %
<b>Gross operating profit</b>		<b>411 733</b>	<b>32.6 %</b>	399 064	31.8 %
Personnel expenses		204 565	16.2 %	200 600	16.0 %
Other operating expenses	11	125 604		119 596	
<b>Total operating expenses</b>		<b>330 169</b>	<b>26.1 %</b>	320 196	25.5 %
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>		<b>81 564</b>	<b>6.4 %</b>	78 868	6.3 %
Depreciation of tangible assets	8/9	35 384		35 640	
Depreciation of intangible assets	7	2 527		2 447	
Depreciation of goodwill	7	4 567		4 589	
<b>Earnings before interest and taxes (EBIT)</b>		<b>39 085</b>	<b>3.1 %</b>	36 193	2.9 %
Balance of financial income/financial expenses	12	-757		-412	
<b>Net profit before taxes (EBT)</b>		<b>38 329</b>	<b>3.0 %</b>	35 780	2.9 %
Taxes		10 416		11 232	
<b>Net profit after taxes</b>		<b>27 912</b>	<b>2.2 %</b>	24 548	2.0 %
Third-party interest in profit		-31		-3	
<b>Consolidated profit first half-year</b>		<b>27 881</b>	<b>2.2 %</b>	24 545	2.0 %

## Cash Flow Statement

in CHF thousand	1. HY 2014	1. HY 2013
Net profit after taxes first half-year	<b>27 912</b>	24 548
Depreciation	42 479	42 675
Loss from sale of fixed assets	258	220
Net result from equity investments and foundations	-1 134	-2 628
Dividends from associated companies	3 066	2 810
Changes in provisions	4 076	-1 002
<b>Cash flow before changes to net current assets</b>	<b>76 656</b>	66 623
Inventory changes (-) increase (+) decrease	-33 824	-22 820
Changes in receivables/adjustments (-) increase (+) decrease	53 027	26 899
Changes in current liabilities (+) increase (-) decrease	-63 265	-19 382
<b>Operating cash flow</b>	<b>32 594</b>	51 320
Investments in tangible assets	-44 867	-34 445
Divestments of tangible assets	773	64
Investments in financial assets, participations	-	-35
Divestments of financial assets, participations	3 458	250
Investments in securities	-778	-5 124
Divestments of securities	1 713	556
Investments in intangible assets	-1 096	-1 677
Divestments of intangible assets	54	26
<b>Investment cash flow</b>	<b>-40 743</b>	-40 385
Changes in other financial liabilities	-	1 677
Bonds	-	350 000
Repayment of credits and loans	-3 899	-260 133
Investments (-)/divestments (+) treasury shares	657	728
Dividends	-23 931	-23 898
<b>Financing cash flow</b>	<b>-27 173</b>	68 374
<b>Cash flow balance</b>	<b>-35 322</b>	79 309
Liquid assets as of 01.01.	115 022	37 848
Effect of currency translation on liquid assets	-245	71
Changes in liquid assets	-35 322	79 309
Liquid assets as of 30.06.	<b>79 455</b>	117 228

## Statement of Changes in Equity

in CHF thousand	Share capital	Retained earnings	Currency translation effects	Own shares	Consolidated profit	Equity	Third-party interest in equity	Equity
<b>Equity as of 01.01.2014</b>	<b>2 000</b>	<b>730 468</b>	<b>-74 950</b>	<b>-2 459</b>	<b>76 625</b>	<b>731 684</b>	<b>-226</b>	<b>731 458</b>
Changes in consolidation scope	-	-	-	-	-	-	-	-
Appropriation of annual profit	-	76 625	-	-	-76 625	-	-	-
Dividends	-	-23 931	-	-	-	-23 931	-	-23 931
Additions/disposals of treasury shares	-	99	-	558	-	657	-	657
Consolidated profit first half-year	-	-	-	-	27 881	27 881	31	27 912
Currency translation effects	-	-	-4 066	-	-	-4 066	1	-4 065
<b>Equity as of 30.06.2014</b>	<b>2 000</b>	<b>783 261</b>	<b>-79 016</b>	<b>-1 901</b>	<b>27 881</b>	<b>732 226</b>	<b>-195</b>	<b>732 031</b>
Equity as of 01.01.2013	2 000	678 458	-78 063	-3 130	75 849	675 114	358	675 472
Changes in consolidation scope	-	-	-	-	-	-	-	-
Appropriation of annual profit	-	75 849	-	-	-75 849	-	-	-
Dividends	-	-23 898	-	-	-	-23 898	-	-23 898
Additions/disposals of treasury shares	-	-52	-	780	-	728	-	728
Consolidated profit first half-year	-	-	-	-	24 545	24 545	3	24 548
Currency translation effects	-	-	4 762	-	-	4 762	-12	4 750
Equity as of 30.06.2013	2 000	730 357	-73 301	-2 350	24 545	681 251	349	681 600

Shares	Numbers of shares as of 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 as of 30.06.
<b>Shares issued</b>	<b>400 000</b>	-	-	-	-	<b>400 000</b>
Treasury shares	-1 572	-	4	-50	436	-1 182
<b>Shares in circulation as of 2014</b>	<b>398 428</b>	-	<b>4</b>	<b>-50</b>	<b>436</b>	<b>398 818</b>
Shares issued	400 000	-	-	-	-	400 000
Treasury shares	-2 031	-	143	-53	369	-1 572
Shares in circulation as of 2013	397 969	-	143	-53	369	398 428

## Comments to half-year report 2014 of the Bell Group

### Basic principles

The principles governing consolidation, valuation, structure and presentation comply with the entire Accounting and Reporting Regulations (Swiss GAAP ARR/FER). They apply to all companies included in the scope of consolidation. The consolidation and valuation principles are the same as for the 2013 annual report as set out in pages 22 – 25 of the Management Report 2013.

The interim financial statements were prepared in accordance with the current guidelines for Swiss GAAP FER 12.

All amounts have been rounded individually.

### Scope of consolidation

Please refer to page 18 of the half-year report for an overview of the important participations of the Bell Group.

### Foreign currency translation

All company balance sheets in foreign currency are translated into Swiss francs at the exchange rate as per 30 June. The income statements of these companies are translated at the average exchange rate for the first six months. Translation differences between the opening and closing balance sheets and 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

		1. HY 2014	1. HY 2013
Balance sheet	EUR 1	= CHF 1,2156	= CHF 1,2338
	CZK 1	= CHF 0,0443	= CHF 0,0476
	HUF 100	= CHF 0,3930	= CHF 0,4164
	PLN 1	= CHF 0,2924	= CHF 0,2844
	USD 1	= CHF 0,8900	= CHF 0,9433
Income statement	EUR 1	= CHF 1,2208	= CHF 1,2288
	CZK 1	= CHF 0,0445	= CHF 0,0479
	HUF 100	= CHF 0,3977	= CHF 0,4152
	PLN 1	= CHF 0,2923	= CHF 0,2944
	USD 1	= CHF 0,8894	= CHF 0,9378

### Useful life of non-current assets

in years	
Production and administration buildings	30 – 40
Machines and equipment	8 – 10
Installations	10 – 15
Vehicles	3 – 7
Furniture	5 – 10
IT hardware	4
Software	4
Trademarks	8
Goodwill	5 – 8

### Events occurring after the balance sheet date

In mid-July 2014, the German cartel office imposed a fine on Bell. Bell considers this fine to be unjustified and will vigorously defend itself against this decision.

Based on this and our assessment, we are not raising a provision for this fine.

## Appendix to Consolidated Balance Sheet

in CHF thousand	30.06.2014	Share	31.12.2013
<b>1. Receivables and deferred items</b>			
Trade accounts receivable	137 364	48.4 %	161 880
Receivables affiliated companies Coop Group	88 428	31.1 %	115 583
Receivables other affiliated companies	6 865	2.4 %	4 289
Other receivables	27 985	9.9 %	42 535
Deferred expenses and accrued income	23 352	8.2 %	14 109
<b>Receivables and deferred items</b>	<b>283 993</b>	<b>100.0 %</b>	<b>338 396</b>
<b>2. Inventory</b>			
Raw materials and finished goods	229 183	95.0 %	195 131
Auxiliary materials	15 960	6.6 %	17 509
Value adjustments on the basis of value impairments	-4 019	-1.7 %	-4 074
<b>Inventory</b>	<b>241 124</b>	<b>100.0 %</b>	<b>208 565</b>
<b>3. Liabilities and deferred items</b>			
Trade accounts payable	98 169	49.9 %	142 750
Accounts payable to Coop Group	1 208	0.6 %	10 809
Accounts payable to other affiliated companies	545	0.3 %	2 478
Other accounts payable	18 667	9.5 %	42 248
Deferred income and accrued expenses	78 099	39.7 %	63 970
<b>Miscellaneous liabilities and deferred items</b>	<b>196 688</b>	<b>100.0 %</b>	<b>262 255</b>
<b>4. Financial liabilities</b>			
Loans and credits from banks	11 690	3.2 %	9 090
Current-accounts with third parties	-	-	-
<b>Current financial liabilities</b>	<b>11 690</b>	<b>3.2 %</b>	<b>9 090</b>
Long-term loans and credits	7 874	2.1 %	14 545
Non-current loans with affiliated companies	-	-	-
Bonds	350 000	94.7 %	350 000
<b>Non-current financial liabilities</b>	<b>357 874</b>	<b>96.8 %</b>	<b>364 545</b>
<b>Financial liabilities</b>	<b>369 564</b>	<b>100.0 %</b>	<b>373 634</b>
<b>Maturity structure of financial liabilities</b>			
Due within 360 days	11 690	3.2 %	9 090
Due within two years	2 092	0.6 %	9 173
Due within three years and later	355 782	96.3 %	355 371
<b>Financial liabilities</b>	<b>369 564</b>	<b>100.0 %</b>	<b>373 634</b>
<b>Financial liabilities by currency</b>			
CHF	354 294	95.9 %	354 607
EUR	14 553	3.9 %	18 395
Other currencies	717	0.2 %	633
<b>Financial liabilities</b>	<b>369 564</b>	<b>100.0 %</b>	<b>373 634</b>

## Appendix to Consolidated Balance Sheet

### 4. Bonds

Bond type	Bond with reopening option
Nominal amount	CHF 175 million
Securities number	21 226 729 / ISIN CH0212267295
Interest rate	1.00 percent
Term	5 years
Maturity	16 May 2018 at par value

Bond type	Bond with reopening option
Nominal amount	CHF 175 million
Securities number	21 226 733 / ISIN CH0212267337
Interest rate	1.75 percent
Term	9 years
Maturity	16 May 2022 at par value

in CHF thousand	Early retirements	Long service awards	Holiday & extra hours charges	Deferred taxes	Other provisions	Restructuring	Total
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### 5. Provisions

	23 539	3 158	5 246	38 712	2 070	–	72 725
<b>Provisions as of 01.01.2014</b>							
Changes in consolidation scope	–	–	–	–	–	–	–
Reclassification	–	–	–	–	–	–	–
Reclassification to deferrals	–	–	–	–	1 262	–	1 262
Established	600	358	3 578	172	58	–	4 766
Dissolution/Utilisation	–30	–308	–	–333	–19	–	–690
Currency translation effects	–18	–23	–11	–21	–15	–	–88
<b>Provisions as of 30.06.2014</b>	<b>24 091</b>	<b>3 185</b>	<b>8 812</b>	<b>38 529</b>	<b>3 356</b>	<b>–</b>	<b>77 974</b>
Non-current provisions as of 30.06.2014	21 894	2 163	–	38 529	1 892	–	64 478
Current provisions as of 30.06.2014	2 198	1 022	8 812	–	1 464	–	13 496
<b>Provisions as of 01.01.2013</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>
Changes in consolidation scope	–	–	–	–	–	–	–
Reclassification	–	–	–	–	–500	500	–
Established	900	328	2 981	210	–	–	4 419
Used	–221	–250	–147	–216	–231	–4 356	–5 421
Currency translation effects	91	–	16	31	53	95	287
<b>Provisions as of 30.06.2013</b>	<b>23 354</b>	<b>3 285</b>	<b>7 781</b>	<b>43 637</b>	<b>2 897</b>	<b>1 681</b>	<b>82 635</b>
Non-current provisions as of 30.06.2013	21 785	2 341	–	43 637	2 259	–	70 021
Current provisions as of 30.06.2013	1 568	945	7 781	–	639	1 681	12 613

## Appendix to Consolidated Balance Sheet

in CHF thousand	Non consolidated holdings	Loans to affiliated companies <sup>1</sup>	Loans to third parties	Equity of foundation	Deferred tax assets	Other financial assets	Total
<b>6. Financial assets</b>							
<b>Net book value as of 01.01.2014</b>	<b>113 878</b>	<b>32 766</b>	<b>867</b>	<b>3 309</b>	<b>2 297</b>	<b>372</b>	<b>153 489</b>
<b>Purchase price as of 01.01.2014</b>	113 878	32 766	867	3 309	2 297	372	<b>153 489</b>
Changes in consolidation scope	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Divestments/Dividends from associated companies	-6 342	-	-182	-	-	-	<b>-6 523</b>
Revaluation	2 200	-	-	-	49	-	<b>2 249</b>
Reclassification	-	-	-	-	-	-	-
Currency translation effects	-1	-19	-8	-	-23	-	<b>-50</b>
<b>Net book value as of 30.06.2014</b>	<b>109 736</b>	<b>32 747</b>	<b>678</b>	<b>3 309</b>	<b>2 323</b>	<b>372</b>	<b>149 164</b>
Net book value as of 01.01.2013	109 535	31 229	-	3 728	2 184	622	147 298
Purchase price as of 01.01.2013	109 535	31 229	-	3 728	2 184	622	147 298
Changes in consolidation scope	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Divestments/Dividends from associated companies	-2 810	-	-	-	-	-250	-3 059
Revaluation	3 694	-	-	-	35	-	3 729
Reclassification	-	-	-	-	-	-	-
Currency translation effects	2	-2	-	-	48	-	48
Net book value as of 30.06.2013	110 421	31 227	-	3 728	2 267	372	148 014

<sup>1</sup> There are no loans to the corporation entities.

## Appendix to Consolidated Balance Sheet

in CHF thousand	Software	Trademarks	Other rights	Goodwill	Total
<b>7. Intangible assets</b>					
<b>Net book value as of 01.01.2014</b>	<b>12 457</b>	<b>–</b>	<b>1 411</b>	<b>40 462</b>	<b>54 330</b>
<b>Purchase price as of 01.01.2014</b>	46 588	10 095	2 108	167 821	<b>226 613</b>
Changes in consolidation scope	–	–	–	–	–
Investments	1 096	–	–	–	<b>1 096</b>
Divestments/Shutdown	–4 691	–	–54	–	<b>–4 745</b>
Reclassification	305	–	–	–	<b>305</b>
Currency translation effects	–139	–99	–22	–1 184	<b>–1 443</b>
<b>Purchase price as of 30.06.2014</b>	43 160	9 996	2 032	166 637	<b>221 826</b>
<b>Cumulative depreciation as of 01.01.2014</b>	34 131	10 095	697	127 359	<b>172 283</b>
Changes in consolidation scope	–	–	–	–	–
Depreciation <sup>1</sup>	2 523	–	5	5 633	<b>8 160</b>
Extraordinary depreciation	–	–	–	–	–
Cumulative depreciation of divestments/Shutdown	–4 691	–	–	–	<b>–4 691</b>
Reclassification	–	–	–	–	–
Currency translation effects	–72	–99	–8	–932	<b>–1 110</b>
<b>Cumulative depreciation as of 30.06.2014</b>	31 891	9 996	694	132 060	<b>174 643</b>
<b>Net book value as of 30.06.2014</b>	<b>11 268</b>	<b>–</b>	<b>1 338</b>	<b>34 577</b>	<b>47 184</b>
Net book value as of 01.01.2013	12 101	–	1 462	50 686	64 249
Purchase price as of 01.01.2013	41 404	9 940	2 011	165 276	218 632
Changes in consolidation scope	–	–	–	–	–
Investments	1 666	–	11	–	1 677
Divestments	–26	–	–	–	–26
Reclassification	324	–	–	–	324
Currency translation effects	237	219	41	2 612	3 109
Purchase price as of 30.06.2013	43 605	10 159	2 062	167 888	223 715
Cumulative depreciation as of 01.01.2013	29 303	9 940	549	114 590	154 383
Changes in consolidation scope	–	–	–	–	–
Depreciation <sup>1</sup>	2 375	–	72	5 655	8 101
Extraordinary depreciation	–	–	–	–	–
Cumulative depreciation of divestments	–	–	–	–	–
Reclassification	–	–	–	–	–
Currency translation effects	116	219	9	1 850	2 194
Cumulative depreciation as of 30.06.2013	31 794	10 159	630	122 094	164 677
Net book value as of 30.06.2013	11 812	–	1 433	45 794	59 038

<sup>1</sup> The depreciation on the Hilcona goodwill is recognised in the profit on the investment.

## Appendix to Consolidated Balance Sheet

in CHF thousand	Land <sup>1</sup>	Production and administration facilities	Construction in rented locations	Buildings under construction	Total
<b>8. Land and buildings</b>					
<b>Net book value as of 01.01.2014</b>	<b>65 672</b>	<b>243 571</b>	<b>937</b>	<b>4 729</b>	<b>314 910</b>
Purchase price as of 01.01.2014	65 767	587 785	3 282	4 729	661 563
Changes in consolidation scope	–	–	–	–	–
Investments	275	11 348	–	1 498	13 121
Divestments/Shutdown	–441	–4 139	–209	–	–4 789
Reclassification	–	11 373	–	–1 561	9 812
Currency translation effects	–144	–2 149	–	–	–2 293
<b>Purchase price as of 30.06.2014</b>	<b>65 457</b>	<b>604 218</b>	<b>3 073</b>	<b>4 666</b>	<b>677 414</b>
<b>Cumulative depreciation as of 01.01.2014</b>	<b>95</b>	<b>344 214</b>	<b>2 345</b>	<b>–</b>	<b>346 654</b>
Changes in consolidation scope	–	–	–	–	–
Depreciation	4	9 485	73	–	9 562
Extraordinary depreciation	–	–	–	–	–
Cumulative depreciation of divestments/Shutdown	–	–3 966	–59	–	–4 025
Reclassification	–	159	–	–	159
Currency translation effects	–1	–978	–	–	–979
<b>Cumulative depreciation as of 30.06.2014</b>	<b>98</b>	<b>348 914</b>	<b>2 359</b>	<b>–</b>	<b>351 371</b>
<b>Net book value as of 30.06.2014</b>	<b>65 360</b>	<b>255 303</b>	<b>714</b>	<b>4 666</b>	<b>326 043</b>
Net book value as of 01.01.2013	64 867	251 429	1 101	5 700	323 097
Purchase price as of 01.01.2013	64 953	575 531	3 311	5 700	649 495
Changes in consolidation scope	–	–	–	–	–
Investments	247	865	–	4 490	5 602
Divestments	–	–7	–	–1	–8
Reclassification	152	94	–	–405	–160
Currency translation effects	272	3 545	1	15	3 832
Purchase price as of 30.06.2013	65 623	580 028	3 312	9 799	658 762
<b>Cumulative depreciation as of 01.01.2013</b>	<b>86</b>	<b>324 101</b>	<b>2 210</b>	<b>–</b>	<b>326 397</b>
Changes in consolidation scope	–	–	–	–	–
Depreciation	4	9 155	69	–	9 228
Extraordinary depreciation	–	–	–	–	–
Cumulative depreciation of divestments	–	–7	–	–	–7
Reclassification	–	–	–	–	–
Currency translation effects	2	1 725	–	–	1 727
<b>Cumulative depreciation as of 30.06.2013</b>	<b>92</b>	<b>334 975</b>	<b>2 279</b>	<b>–</b>	<b>337 345</b>
<b>Net book value as of 30.06.2013</b>	<b>65 532</b>	<b>245 053</b>	<b>1 033</b>	<b>9 799</b>	<b>321 417</b>

<sup>1</sup> most of land is developed

“Land and buildings” includes activated leasings to the booking value of CHF thousand 5'117 (previous year CHF thousand 5'592) .

## Appendix to Consolidated Balance Sheet

in CHF thousand	Machinery and equipment	Installations	IT Hardware	Furnishings and vehicles	Advance payments	Total
<b>9. Machinery and equipment</b>						
<b>Net book value as of 01.01.2014</b>	<b>122 553</b>	<b>73 486</b>	<b>7 524</b>	<b>23 520</b>	<b>18 972</b>	<b>246 055</b>
<b>Purchase price as of 01.01.2014</b>	447 933	224 747	43 210	99 207	18 972	<b>834 071</b>
Changes in consolidation scope	-	-	-	-	-	-
Investments	5 420	8 375	411	3 172	14 367	<b>31 746</b>
Divestments/Shutdown	-9 887	-3 469	-8 624	-4 367	-	<b>-26 347</b>
Reclassification	2 145	-8 363	162	290	-4 350	<b>-10 117</b>
Currency translation effects	-1 915	-80	-39	-426	-125	<b>-2 586</b>
<b>Purchase price as of 30.06.2014</b>	443 697	221 210	35 119	97 876	28 864	<b>826 768</b>
<b>Cumulative depreciation as of 01.01.2014</b>	325 380	151 261	35 687	75 687	-	<b>588 015</b>
Changes in consolidation scope	-	-	-	-	-	-
Depreciation	13 198	6 717	1 876	4 031	-	<b>25 822</b>
Extraordinary depreciation	-	-	-	-	-	-
Cumulative depreciation of divestments/Shutdown	-9 739	-3 468	-8 624	-4 247	-	<b>-26 079</b>
Reclassification	-	-159	-	-	-	<b>-159</b>
Currency translation effects	-1 380	-52	-27	-294	-	<b>-1 753</b>
<b>Cumulative depreciation as of 30.06.2014</b>	327 460	154 299	28 911	75 176	-	<b>585 846</b>
<b>Net book value as of 30.06.2014</b>	<b>116 237</b>	<b>66 912</b>	<b>6 208</b>	<b>22 699</b>	<b>28 864</b>	<b>240 922</b>
Net book value as of 01.01.2013	116 135	64 334	8 079	24 847	12 236	225 632
Purchase price as of 01.01.2013	415 528	202 552	39 894	96 328	12 236	766 539
Changes in consolidation scope	-	-	-	-	-	-
Investments	9 333	2 777	836	4 186	11 711	28 842
Divestments	-2 185	-	-35	-817	-1	-3 038
Reclassification	1 171	810	469	117	-2 732	-165
Currency translation effects	2 991	166	52	421	45	3 676
Purchase price as of 30.06.2013	426 838	206 305	41 216	100 234	21 259	795 854
Cumulative depreciation as of 01.01.2013	299 393	138 218	31 815	71 481	-	540 907
Changes in consolidation scope	-	-	-	-	-	-
Depreciation	13 496	6 579	1 930	4 408	-	26 412
Extraordinary depreciation	-	-	-	-	-	-
Cumulative depreciation of divestments	-1 960	-	-35	-761	-	-2 755
Reclassification	-	-	15	-15	-	-
Currency translation effects	2 220	109	33	276	-	2 638
Cumulative depreciation as of 30.06.2013	313 149	144 906	33 758	75 389	-	567 201
Net book value as of 30.06.2013	113 689	61 400	7 459	24 844	21 259	228 653

"Machinery and equipment" includes activated leasings to the booking value of CHF thousand 302 (previous year CHF thousand 560).

## Appendix to Consolidated Income Statement

in CHF thousand	1. HY 2014	Difference	1. HY 2013
<b>10. Operating income</b>			
<b>Product groups</b>			
Fresh meat	421 157	-0.2 %	422 143
Charcuterie own production	190 087	6.6 %	178 343
Charcuterie purchased	36 347	-8.2 %	39 594
Poultry	194 598	3.9 %	187 314
Seafood	69 580	13.4 %	61 335
Other sales	4 916	4.7 %	4 695
<b>Product groups Switzerland</b>	<b>916 684</b>	<b>2.6 %</b>	893 424
Charcuterie	330 738	-4.0 %	344 373
Other sales	29 833	-8.1 %	32 471
<b>Product groups international</b>	<b>360 571</b>	<b>-4.3 %</b>	376 844
<b>Sales by product group</b>	<b>1 277 256</b>	<b>0.6 %</b>	1 270 268
Other operating proceeds	31 719	0.6 %	31 532
Reduction in proceeds	44 241	-8.0 %	48 070
<b>Operating income</b>	<b>1 264 734</b>	<b>0.9 %</b>	1 253 730
<b>Sales by country</b>			
Switzerland	916 685		893 424
Germany	212 483		220 642
France	54 957		56 709
Spain, Benelux	31 399		34 657
Eastern Europe	61 731		64 836
<b>Sales by country</b>	<b>1 277 256</b>	<b>0.6 %</b>	1 270 268
<b>11. Other operating expenses</b>			
Rent	11 089		10 008
Energy, auxiliary materials	25 288		25 324
Repair and maintenance	27 776		26 088
Transport	30 819		30 079
Advertising	12 969		10 149
Other operating expenses	17 663		17 947
<b>Total other operating expenses</b>	<b>125 604</b>	<b>5.0 %</b>	119 596
<b>12. Financial return/financial expenses</b>			
Interest on fixed deposits and other interest	1 011		870
Win from securities, financial assets and currency	1 757		2 298
Net result from equity investments <sup>1</sup>	1 134		2 628
<b>Financial return</b>	<b>3 903</b>	<b>-32.7 %</b>	5 796
Interest	2 987		3 737
Loss from securities, financial assets and currency	1 364		1 685
Bank charges and other financial expenses	308		786
<b>Financial expenses</b>	<b>4 660</b>	<b>-24.9 %</b>	6 208
<b>Balance of financial return/financial expenses</b>	<b>-757</b>		-412
<i>Average rates of interest-bearing liabilities</i>	1.61 %		2.22 %

<sup>1</sup> Net, after deduction of the goodwill depreciation.

## Share information

		2014	2013	2012	2011	2010
<b>Per-share data</b>						
Share price as of June 30	CHF	2480	2 118	1 855	2 050	1 523
Year's high	CHF	2575	2 299	1 970	2 300	1 670
Year's low	CHF	2235	2 001	1 716	1 725	1 480
<b>Half-year share information</b>						
Equity per share	CHF	1 836	1 710	1 566	1 462	1 402
Net profit per share	CHF	70	62	63	68	67
EBITDA per share	CHF	205	198	198	209	222
EBIT per share	CHF	98	91	91	101	100

Structure	400'000 registered shares at CHF 5 par value
Registered shares as of 30.06.2014	359'379
Shareholders as of 30.06.2014	4'044
Principal shareholders	Coop-Group Cooperative, Basel 66.29 percent Sarasin Investmentfonds AG, Basel; 3.06 percent No other shareholders own more than 3 percent of the shares
Shares eligible for dividend	All
Voting regulations	All registered shareholders have full voting rights. Each share entitles to vote.
Securities no.	441041
ISIN	CH0004410418
Trade	SIX Swiss Exchange
Symbol SIX	BELL; BELL N; BELL.SW
Current share price	<a href="http://www.bellfoodgroup.com">www.bellfoodgroup.com</a>

## Financial Figures as of June 30

in CHF thousand	2014	2013	2012	2011	2010
<b>Gross sales</b>	1 277 256	1 270 268	1 234 019	1 255 097	1 286 525
<b>Operating income</b>	1 264 733	1 253 730	1 218 389	1 235 295	1 268 763
<b>Gross operating profit</b>	411 733	399 064	401 216	397 071	417 296
in % of operating income	32.6 %	31.8 %	32.9 %	32.1 %	32.9 %
<b>EBITDA</b>	81 564	78 868	78 902	83 048	87 816
in % of operating income	6.4 %	6.3 %	6.5 %	6.7 %	6.9 %
<b>EBIT</b>	39 085	36 193	36 235	40 200	39 337
in % of operating income	3.1 %	2.9 %	3.0 %	3.3 %	3.1 %
<b>Consolidated profit first half-year</b>	27 881	24 545	25 085	26 805	26 140
<b>Financial liabilities</b>	369 564	383 163	308 682	334 697	347 350
<b>Equity</b>	732 031	681 600	624 173	594 663	570 356
in % of assets	53.2 %	48.8 %	49.1 %	46.3 %	45.3 %
<b>Headcount as of 30.06.</b>	6 517	6 463	6 511	6 365	6 391
<b>Average headcount on basis full-time employees</b>	6 274	6 193	6 259	6 062	6 123

## Important Participations of the Bell Group

Company	Domicile	Sphere of activity	Consolidation method	Capital	Group share in capital
Bell Schweiz AG	Basel	Fresh meat, charcuterie, poultry, seafood	■	CHF 20 000 000	100.0 %
Hilcona AG	Schaan / FL	Convenience	○	CHF 27 000 000	49.0 %
Centravo Holding AG <sup>1</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	St-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	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	Seevetal / DE	Subholding	■	EUR 100 000	100.0 %
Bell Polska Sp. z o.o.	Niepolomice / PL	Charcuterie	■	PLN 9 500 000	100.0 %
ZIMBO Húsipari Termelő Kft.	Perbal / HU	Meat and sausages	■	HUF 378 750 000	99.7 %
Bell Benelux Holding N.V.	Zellik / BE	Subholding	■	EUR 5 258 000	100.0 %
Bell Benelux N.V.	Zellik / BE	Meat trade	■	EUR 620 000	100.0 %
Bell Logistics N.V.	Zellik / BE	Storage	■	EUR 62 000	100.0 %
Bell 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 1 250 000	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> The equity share is based on the number of outstanding shares.

- Fully consolidated (uniform management)
- Consolidation ad equity
- Purchase price
- ▲ Consideration acc. Swiss GAAP FER 16

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### Latest news

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### Imprint

#### General information

The language in this report is as far as possible gender neutral, but in the interest of readability only the masculine form may have been used. All terms used refer to people of both genders.

All amounts have been rounded individually.

#### Forward-looking statements

The half-year report includes certain forward-looking statements. These statements are based on assumptions and estimates as well as information available to Bell on the editorial deadline, which means that actual results and events could deviate substantially from the expectations included or implied in the forward-looking statements.

Our half-year report is published in German, together with French and English translations. The printed German version shall prevail at all times. Additional printed copies of the half-year report are available at our head office or can be ordered via the Internet. The half-year report can also be downloaded at [www.bellfoodgroup.com/report](http://www.bellfoodgroup.com/report).

Additional information on the half-year report and up-to-date information on the Bell Group is available on the Internet at [www.bellfoodgroup.com](http://www.bellfoodgroup.com).

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