

Bell Ltd
Half-Year Report

16



Report by the Chairman of the Board of Directors
and the Chairman of the Group Executive Board

Challenging market environment and the integration of acquisitions affect the Bell Group's result

Dear Shareholders,

The first half of 2016 was dominated by the acquisitions of Huber and Eisberg, the effects of the majority takeover of Hilcona in May 2015 and the challenging conditions in our markets.

Solid first half of 2016 for the Bell Group

The Bell Group's sales improved by 26.2 percent or CHF 336 million to CHF 1.6 billion. This sales growth was mostly driven by the consolidation of acquisitions. The poultry specialist Huber has been consolidated in the group accounts since 1 March 2016, and Eisberg, specialising in fruit and salads convenience, has been consolidated since 1 May 2016. In contrast to the previous year (only May and June), Hilcona's full half-year sales of CHF 276 million are consolidated in the group financial statements. Nominal sales were also affected by higher raw material prices and currency translation differences. The Bell Group's total sales volume for the first half was 191,928 tonnes (+59.5 %, +71,562 tonnes). This volume increase is explained by the acquisitions and the growth posted in Switzerland. At CHF 36.2 million, the net profit after non-controlling interests was CHF 4.2 million higher than in the same period last year (+13.3 %).

While our effective cost management and the contributions from the acquired companies had a positive effect, higher costs for raw materials and fiercer competition continued to put pressure on the margins; but at CHF 119.8 million, EBITDA was still up 32.4 percent or CHF 29.3 million on the prior-year period. EBIT also improved by CHF 15.6 million (+34.2 %) to CHF 61.0 million.

The full-year consolidation of Hilcona left its mark on the financial result. In 2015, Hilcona was consolidated at equity for the first four months. As this income is not included in 2016, the financial result is around CHF 2.0 million lower than in the previous year.

Total assets are now more than CHF 2 billion, boosted by the effects of the acquisitions as well as the new bond for CHF 300 million. However, the equity ratio of 42.8 % is proof of a very healthy balance sheet. The financial liabilities increased to CHF 726 million. After deduction of substantial cash and cash equivalents (CHF 301 million), the net financial liabilities are CHF 425 million.

Bell Switzerland increases sales volumes

The Swiss retail and food service markets were buffeted by the effects of shopping tourism and the unfavourable weather conditions in the first half of the year. Depending on the animal species, prices for raw materials also rose by up to 9 percent. In spite of these difficult conditions, Bell Switzerland turned in a solid performance. Sales increased by 4.1 percent to CHF 934 million (CHF +36.5 million) and sales volumes grew by 2.3 percent to some 62,000 tonnes, mostly due to strong sales promotion measures. However, higher raw material prices and fiercer competition increased the pressure on the margins. The extension to the poultry plant in Zell (LU) was finished on time and was commissioned smoothly in June.

As part of project Opera, a substantial amount will be invested in new buildings and renovations at the Swiss locations up to 2025. The project team has taken up its work and is currently working on the detailed plans for the individual project phases.

Challenging market environment for Bell Germany

Bell Germany is also confronted by a challenging and competitive market. Competitive pressure is increasing listing volatility, and raw material prices rose substantially in the second quarter in particular. Strong demand in China played a decisive role in the raw material price hike for pork. These factors affected the results: sales contracted by 2.3 percent (-5.9% in local currency) to CHF 213 million, and sales volumes declined by 1.9 percent to 32,551 tonnes. The branded goods business performed well: our brand concepts are successful and we made further progress with our market penetration. We plan to start construction on an additional plant for Spanish ham specialities close to Madrid at the beginning of 2017. When this facility is finished, the additional annual capacity of more than one million hams will give us new opportunities for national and international marketing penetration.

Measures introduced by Bell International show first results

Bell International's sales grew by 140.0 percent to CHF 223 million in the first half. Sales volumes rose by more than 200 percent to 54,476 tonnes. The main reason for this growth is the integration of Huber. The poultry specialist is doing well and the integration process is on course.

We are working hard to improve performance in France. The rationalisation of the product range and the focus on products with higher added value are showing the first results. An in-depth review of the organisation was followed by the implementation of the first measures.

Bell's business units in Poland and Hungary are on the right track. Organisational measures to sustainably improve the market success of the branch shops were implemented in the Czech Republic.

Hilcona achieves success through innovation

Hilcona, the specialist for fresh convenience food, can look back on a successful first half because of the above-average growth of its sales to retail customers in Switzerland. Hilcona posted sales of CHF 276 million and a sales volume of 47,150 tonnes. The company's capacity for innovation, in particular with regard to first-class ready-prepared meals and vegetarian products, is an important driver of its success. Further progress was also made in improving operating efficiency.

The integration of Eisberg's fresh convenience salads business in the Bell Group is proceeding according to plan. Eisberg is being merged organisationally under one management with Gastro Star, which has been part of the Hilcona Group since 2012. This will improve our market position and further strengthen our operating efficiency.

Outlook

In the second half of 2016, we will continue to focus on the smooth integration of the acquired companies and the operational measures that were implemented to further strengthen our operating efficiency and performance. We are convinced of the strengths of our Group and the successful implementation of our strategies, and are prepared for the coming challenges. The further development of raw material prices and the sales markets as well as their effects on the results are, however, difficult to predict.



Hansueli Loosli
Chairman of the Board of Directors



Lorenz Wyss
Chairman of the Group Executive Board

Consolidated Balance Sheet

in CHF thousand	Appendix	30.06.2016	Share	31.12.2015	Share	30.06.2015	Share
Cash and cash equivalents		300 545		188 966		172 916	
Securities		5 161		4 808		5 989	
Receivables and deferred items	1	392 607		353 021		322 409	
Inventory	2	303 443		263 059		274 406	
Current assets		1 001 756	46.7 %	809 853	46.4 %	775 721	45.6 %
Financial assets	7	46 024		44 066		43 044	
Intangible assets	8	163 609		36 836		45 846	
Land and buildings	9	565 341		506 046		481 805	
Machinery and equipment	10	366 271		346 966		354 676	
Non-current assets		1 141 245	53.3 %	933 914	53.6 %	925 371	54.4 %
Assets		2 143 001	100.0 %	1 743 767	100.0 %	1 701 093	100.0 %
Current financial liabilities	4	7 412		40 081		40 453	
Other liabilities and deferred items	3	329 943		248 719		264 059	
Current provisions	6	12 909		9 204		13 394	
Current liabilities		350 264	16.3 %	298 003	17.1 %	317 906	18.7 %
Other financial liabilities	4	68 624		78 720		92 052	
Bonds	4	650 000		350 000		350 000	
Non-current provisions	6	157 104		107 554		113 993	
Non-current liabilities		875 728	40.9 %	536 274	30.7 %	556 044	32.7 %
Liabilities		1 225 992	57.2 %	834 278	47.8 %	873 950	51.4 %
Share capital		2 000		2 000		2 000	
Retained earnings		912 246		845 370		845 125	
Currency translation differences		-123 770		-121 017		-134 124	
Treasury shares		-985		-1 043		-1 483	
Consolidated profit		36 201		94 763		31 955	
Equity before non-controlling interests		825 693	38.5 %	820 072	47.0 %	743 472	43.7 %
Third-party interest in equity		91 317		89 419		83 671	
Total Equity		917 009	42.8 %	909 490	52.2 %	827 143	48.6 %
Liabilities and equity		2 143 001	100.0 %	1 743 767	100.0 %	1 701 093	100.0 %

Consolidated Income Statement

in CHF thousand	Appendix	1 st HY 2016	Share	1 st HY 2015	Share
Income from sale of goods	11	1 616 282		1 280 237	
Other operating income	11	33 980		30 661	
Gross operating income		1 650 262		1 310 898	
Sales deductions	11	58 768		46 571	
Operating income		1 591 494	100.0 %	1 264 326	100.0 %
Cost of goods sold		1 006 839	63.3 %	816 844	64.6 %
Gross operating profit		584 655	36.7 %	447 483	35.4 %
Personnel expenses		299 201	18.8 %	227 276	18.0 %
Other operating expenses	12	165 701		129 726	
Total operating expenses		464 902	29.2 %	357 002	28.2 %
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		119 753	7.5 %	90 480	7.2 %
Depreciation of tangible assets	9/10	47 661		37 873	
Amortisation of intangible assets	8	3 257		2 388	
Amortisation of goodwill	8	7 810		4 762	
Earnings before interest and taxes (EBIT)		61 025	3.8 %	45 457	3.6 %
Financial result	13	-2 396		-350	
Net profit before taxes (EBT)		58 629	3.7 %	45 108	3.6 %
Taxes		16 028		11 483	
Net profit after taxes		42 601	2.7 %	33 625	2.7 %
Third-party interest in profit		-6 400		-1 670	
Consolidated profit first half-year		36 201	2.3 %	31 955	2.5 %
Net profit per share (in CHF)		9.06		7.99	

Segment Reporting

	Bell Switzerland	Bell Germany ¹	Bell International ¹	Hilcona Group	Consolidation	Bell Group
Half-Year 2016						
Sales volume in tonnes	62 160	32 551	54 476	47 150	-4 409	191 928
Income from sale of goods	933 702	212 513	223 483	275 516	-28 932	1 616 282
Net investments in tangible assets	22 627	7 257	8 282	8 663	-	46 829
Average headcount on basis of full-time equivalents (FTE)	3 356	1 444	2 487	2 423	-	9 710
Half-Year 2015						
Sales volume in tonnes	60 753	33 165	14 571	14 457	-2 580	120 366
Income from sale of goods	897 212	217 575	93 119	88 003	-15 672	1 280 237
Net investments in tangible assets	28 371	8 741	6 691	2 118	-	45 921
Average headcount on basis of full-time equivalents (FTE)	3 392	1 362	1 504	2 004	-	8 262

¹ The Bell Benelux group was reclassified from the Bell International segment to the Bell Germany segment in the 2016 reporting year. The prior-year figures have been restated correspondingly.

In accordance with the additional recommendations for listed companies (Swiss GAAP FER 31), the Board of Directors of Bell Ltd will no longer publish any segment results. This is explained by the competition situation, particularly in the German and French markets, where Bell as practically the only listed market player in the sector would be considerably disadvantaged in comparison to other market players by publishing its segment results.

Cash Flow Statement

in CHF thousand	1 st HY 2016	1 st HY 2015
Net profit after taxes	42 601	33 625
Depreciation	58 728	45 023
Income (-) loss (+) from sale of fixed assets	-234	-14
Net income from equity interests	-922	-3 421
Dividends from associated companies	36	3 447
Changes in provisions ¹	4 165	4 822
Cash flow before changes to net current assets	104 374	83 483
Changes in inventory (-) increase (+) decrease	-24 231	-17 805
Changes in receivables and deferred items (-) increase (+) decrease	19 121	42 867
Changes in current liabilities and deferred items (+) increase (-) decrease	38 088	-4 446
Operating cash flow	137 352	104 099
Investment in tangible assets	-47 731	-46 291
Divestment of tangible assets	1 136	384
Investment in financial assets, participations	-206 350	-7 186
Acquisition of cash and cash equivalents	15 665	22 748
Divestment of financial assets, participations	156	367
Investment in securities	-	-
Divestment of securities	-	195
Investment in intangible assets	-3 083	-2 009
Divestment of intangible assets	-	-
Cash flow from investments	-240 207	-31 792
Changes in financial liabilities	-52 879	-18 294
Bonds	300 000	-
Investment (-)/divestment (+) in treasury shares	131	604
Dividends	-32 498	-25 937
Cash flow from financing activities	214 754	-43 627
Cash flow balance	111 900	28 679
Cash and cash equivalents as of 1 January	188 966	146 751
Effect of currency translation on cash and cash equivalents	-321	-2 514
Changes in cash and cash equivalents	111 900	28 679
Cash and cash equivalents as of 30 June	300 545	172 916

¹ As the provisions for conditional purchase price payments were recognised without affecting cash flow or profit and loss, they are not included in the cash flow statement.

Statement of Changes in Equity

in CHF thousand	Share capital	Retained earnings	Accumulated translation differences	Treasury shares	Consolidated profit	Equity	Third-party interest in equity	Equity
Equity as of 01.01.2016	2 000	845 370	-121 017	-1 043	94 763	820 072	89 418	909 490
Changes in scope of consolidation	-	-	-	-	-	-	-	-
Acquisition minorities	-	-	-	-	-	-	157	157
Appropriation of annual profit	-	94 763	-	-	-94 763	-	-	-
Dividend	-	-27 960	-	-	-	-27 960	-4 538	-32 498
Additions/disposals of treasury shares	-	73	-	58	-	131	-	131
Consolidated profit first half-year	-	-	-	-	36 201	36 201	6 400	42 601
Currency translation differences	-	-	-2 753	-	-	-2 753	-120	-2 873
Equity as of 30.06.2016	2 000	912 246	-123 770	-985	36 201	825 693	91 317	917 009
Equity as of 01.01.2015	2 000	783 261	-83 882	-1 994	87 708	787 093	-138	786 955
Changes in scope of consolidation	-	-	-	-	-	-	81 866	81 866
Acquisition minorities	-	-	-	-	-	-	291	291
Appropriation of annual profit	-	87 708	-	-	-87 708	-	-	-
Dividend	-	-25 937	-	-	-	-25 937	-	-25 937
Additions/disposals of treasury shares	-	93	-	511	-	604	-	604
Consolidated profit first half-year	-	-	-	-	31 955	31 955	1 670	33 625
Currency translation differences	-	-	-50 242	-	-	-50 242	-19	-50 262
Equity as of 30.06.2015	2 000	845 125	-134 124	-1 483	31 955	743 472	83 671	827 143

Shares	Number of shares 01.01.	Additions to treasury shares	Disposals of treasury shares	Share split in a ratio of 1:10 ¹	Number of shares 30.06.
Shares issued	400 000	-	-	3 600 000	4 000 000
Treasury shares	-560	-17	64	-4 617	-5 130
Shares in circulation as of 2016	399 440	-17	64	3 595 383	3 994 870
Shares issued	400 000	-	-	-	400 000
Treasury shares	-1 227	-121	485	-	-863
Shares in circulation as of 2015	398 773	-121	485	-	399 137

¹ On 19 April 2016, the Ordinary Shareholders' Meeting of Bell Ltd approved a 10-for-1 split of the registered shares with a nominal value of CHF 5.00. The share split was carried out on 2 May 2016 (ex-date 28 April 2016). The share capital of Bell Ltd following the share split is still CHF 2,000,000, now consisting of 4,000,000 registered shares, each with a nominal value of CHF 0.50.

Comments to Half-Year Report 2016 of the Bell Group

Principles

The principles governing consolidation, valuation, structure and presentation comply in entirety with the Accounting and Reporting Regulations (Swiss GAAP FER). They apply to all companies included in the scope of consolidation. The consolidation and valuation principles are the same as for the 2015 annual report as set out in pages 24 – 27 of the Management Report 2015.

The half-year financial statements were prepared in compliance with the guidelines on interim financial reporting according to Swiss GAAP FER 31.

Scope of consolidation

Please refer to page 16 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 recognised without affecting profit and loss.

Exchange rates

		1 st HY 2016	1 st HY 2015
Balance sheet	EUR 1	= CHF 1.0867	= CHF 1.0413
	CZK 1	= CHF 0.0401	= CHF 0.0382
	HUF 100	= CHF 0.3427	= CHF 0.3306
	PLN 1	= CHF 0.2450	= CHF 0.2485
	RON 1	= CHF 0.2402	= CHF 0.2328
	USD 1	= CHF 0.9788	= CHF 0.9307
Income statement	EUR 1	= CHF 1.0962	= CHF 1.0561
	CZK 1	= CHF 0.0405	= CHF 0.0384
	HUF 100	= CHF 0.3506	= CHF 0.3434
	PLN 1	= CHF 0.2515	= CHF 0.2551
	RON 1	= CHF 0.2438	= CHF 0.2374
	USD 1	= CHF 0.9859	= CHF 0.9422

Capital consolidation

The capital is consolidated using the “purchase method”, 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. If the final purchase price deviates from the estimate, the goodwill is adjusted correspondingly. The resulting goodwill is capitalised and amortised on a straight-line basis via the income statement. The depreciation period depends on the useful life that is assumed for the market potentials and synergies that gave rise to the goodwill. Since 2016, a maximum depreciation period of 15 years has applied. Previously, goodwill was amortised over a maximum period of eight years. The change will be applied prospectively. Any negative goodwill is recognised in the income statement at the time of the initial consolidation.

Useful life of non-current assets

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

Events occurring after the balance sheet date

No events after the balance sheet date.

All amounts have been rounded individually.

Appendix to Consolidated Balance Sheet

in CHF thousand	30.06.2016	Share	31.12.2015
1. Receivables and deferred items			
Trade accounts receivable	189 324	48.2%	156 013
Receivables affiliated companies Coop Group	120 091	30.6%	139 786
Receivables other affiliated companies	835	0.2%	616
Other receivables	43 114	11.0%	42 262
Deferred expenses and accrued income	39 243	10.0%	14 344
Receivables and deferred items	392 607	100.0%	353 021
2. Inventory			
Raw materials and finished goods	281 934	92.9%	244 440
Auxiliary materials	27 459	9.0%	23 631
Value adjustments on the basis of value impairments	-5 950	-2.0%	-5 012
Inventory	303 443	100.0%	263 059
3. Other liabilities and deferred items			
Trade accounts payable	180 987	54.9%	136 813
Accounts payable affiliated companies Coop Group	8 420	2.6%	17 947
Accounts payable other affiliated companies	358	0.1%	4 673
Other accounts payable	28 729	8.7%	15 497
Deferred income and accrued expenses	111 449	33.8%	73 789
Other liabilities and deferred items	329 943	100.0%	248 719
4. Financial liabilities			
Short-term loans and credits from banks	7 408	1.0%	40 070
Current accounts with third parties	4	0.0%	10
Current financial liabilities	7 412	1.0%	40 081
Long-term loans and credits from banks	68 624	9.5%	78 720
Bonds	650 000	89.5%	350 000
Non-current financial liabilities	718 624	99.0%	428 720
Financial liabilities	726 036	100.0%	468 801
Maturity structure of financial liabilities			
Due within 360 days	7 412	1.0%	40 081
Due within two years	1 094	0.2%	8 221
Due within three years and later	717 529	98.8%	420 499
Financial liabilities	726 036	100.0%	468 801
Financial liabilities by currency			
CHF	722 348	99.5%	464 512
EUR	3 485	0.5%	3 974
Other currencies	204	0.0%	316
Financial liabilities	726 036	100.0%	468 801

Appendix to Consolidated Balance Sheet

4. Bonds

Bond type	Bond with reopening option
Nominal amount	CHF 300 million
Securities number	31 251 268/ISIN CH0312512681
Interest rate	0.625 percent
Term	9 years
Maturity	24 March 2025 at par value

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

5. Business combinations

in CHF thousand	Huber Group ¹	Eisberg Group ²
Cash and cash equivalents	13 987	1 678
Trade accounts receivable	47 860	11 007
Inventory	14 160	2 070
Tangible assets	59 025	21 640
Trade accounts payable	35 313	8 438
Financial liabilities	–	7 740

¹ Full takeover of the Huber Group by Bell Ltd as of 1 March 2016.

² Full takeover of the Eisberg Group by the Hilcona Group as of 1 May 2016.

Appendix to Consolidated Balance Sheet

in CHF thousand	Early retirements	Long service awards	Holiday and extra hours charges	Deferred taxes	Other ¹	Restructuring	Total
6. Provisions							
Provisions as of 01.01.2016	22 757	7 421	5 343	77 714	3 524	-	116 758
Changes in scope of consolidation	-	-	-	5 088	2 252	-	7 340
Reclassification	-	-	-	-	-	-	-
Creation	750	120	3 923	3	42 052	-	46 848
Release/utilisation	-30	-	-14	-112	-710	-	-866
Currency translation effects	11	-	-5	-57	-16	-	-67
Provisions as of 30.06.2016	23 488	7 541	9 247	82 636	47 102	-	170 013
Non-current provisions as of 30.06.2016	22 511	6 264	-	82 636	45 693	-	157 104
Current provisions as of 30.06.2016	978	1 276	9 247	-	1 408	-	12 909
Provisions as of 01.01.2015	20 103	3 537	5 387	63 304	4 101	-	96 431
Changes in scope of consolidation	3 613	3 713	63	19 619	282	254	27 544
Reclassification	-	-	-	-	-	-	-
Creation	1 264	39	3 864	27	81	-	5 276
Release/utilisation	-	-	-88	211	-576	-	-453
Currency translation effects	-542	-	-160	-316	-394	-	-1 412
Provisions as of 30.06.2015	24 439	7 288	9 066	82 845	3 494	254	127 386
Non-current provisions as of 30.06.2015	22 852	6 168	-	82 845	2 128	-	113 993
Current provisions as of 30.06.2015	1 587	1 120	9 066	-	1 366	254	13 394

¹ Purchase price payments that are conditional on the achievement of defined objectives (earn-out) were agreed for the takeover of the Huber Group. These conditional payments were recognised as other provisions.

in CHF thousand	Non consolidated investments	Loans to related parties ¹	Loans to third parties	Equity of foundation	Deferred tax assets	Other financial assets	Total
7. Financial assets							
Net carrying amount as of 01.01.2016	41 466	-	1 328	780	-	492	44 066
Purchase price as of 01.01.2016	41 466	-	1 328	780	-	492	44 066
Changes in scope of consolidation	-	-	-	-	-	810	810
Investments	-	-	-	-	-	432	432
Divestments/dividends from associated companies	-36	-	-156	-	-	-	-192
Revaluation	922	-	-	-	-	-	922
Reclassification	-	-	-	-	-	-	-
Currency translation effects	-	-	-	-	-	-14	-14
Net carrying amount as of 30.06.2016	42 352	-	1 172	780	-	1 720	46 024
Net carrying amount as of 01.01.2015	119 046	26 000	1 050	2 011	-	372	148 479
Purchase price as of 01.01.2015	119 046	26 000	1 050	2 011	-	372	148 479
Changes in scope of consolidation	-81 866	-26 000	-	-	643	892	-106 331
Investments	-	-	589	-	-	-	589
Divestments/dividends from associated companies	-3 447	-	-151	-	-	-216	-3 815
Revaluation	4 132	-	-	-	-	-	4 132
Reclassification	-	-	-	-	-	-	-
Currency translation effects	-9	-	-1	-	-	-	-10
Net carrying amount as of 30.06.2015	37 855	-	1 487	2 011	643	1 048	43 044

¹ There are no loans to corporate institutions.

Appendix to Consolidated Balance Sheet

in CHF thousand	Software	Trademarks	Other rights	Goodwill	Total
8. Intangible assets					
Net carrying amount as of 01.01.2016	12 290	–	1 038	23 507	36 836
Purchase price as of 01.01.2016	34 607	8 910	2 363	170 287	216 169
Changes in scope of consolidation	3 103	–	598	–	3 701
Investments	3 083	–	–	135 620	138 703
Divestment/discontinuation	–	–	–	–	–
Reclassification	67	–	–	–	67
Currency translation effects	8	26	–21	–1 247	–1 234
Purchase price as of 30.06.2016	40 868	8 936	2 940	304 660	357 406
Cumulative depreciation as of 01.01.2016	22 317	8 910	1 325	146 780	179 333
Changes in scope of consolidation	2 553	–	578	–	3 131
Depreciation	3 200	–	57	7 810	11 067
Cumulative depreciation on divestment/discontinuation	–	–	–	–	–
Reclassification	–	–	–	–	–
Currency translation effects	–2	26	–14	257	267
Cumulative depreciation as of 30.06.2016	28 068	8 936	1 946	154 847	193 798
Net carrying amount as of 30.06.2016	12 800	–	994	149 813	163 609
Net carrying amount as of 01.01.2015	10 907	–	1 200	28 721	40 828
Purchase price as of 01.01.2015	44 871	9 888	2 009	165 335	222 105
Changes in scope of consolidation	6 209	–	482	12 415	19 106
Investments	2 006	–	3	3 511	5 520
Divestment/discontinuation	–	–	–	–	–
Reclassification	674	–	–	–	674
Currency translation effects	–1 965	–1 325	–230	–15 902	–19 422
Purchase price as of 30.06.2015	51 795	8 563	2 264	165 358	227 982
Cumulative depreciation as of 01.01.2015	33 964	9 888	809	136 615	181 277
Changes in scope of consolidation	4 177	–	482	4 397	9 056
Depreciation ¹	2 332	–	56	5 473	7 861
Cumulative depreciation on divestment/discontinuation	–	–	–	–	–
Reclassification	–	–	–	–	–
Currency translation effects	–1 154	–1 325	–108	–13 470	–16 057
Cumulative depreciation as of 30.06.2015	39 319	8 563	1 238	133 015	182 136
Net carrying amount as of 30.06.2015	12 476	–	1 026	32 343	45 846

¹ The depreciation of the Hilcona goodwill was reported in the profit or loss of associated companies until 30 April 2015.

Appendix to Consolidated Balance Sheet

in CHF thousand	Land	Production and administration facilities	Constructions in rented locations	Buildings under construction	Total
9. Land and buildings					
Net carrying amount as of 01.01.2016	126 930	358 498	1 074	19 544	506 046
Purchase price as of 01.01.2016	127 589	815 878	3 369	19 544	966 379
Changes in scope of consolidation	11 810	64 748	–	2 006	78 564
Investments	1 456	4 165	–	7 585	13 206
Divestment/discontinuation	–	–321	–2	–588	–911
Reclassification	–	1 530	–1 271	1 427	1 686
Currency translation effects	–137	–751	–	–54	–942
Purchase price as of 30.06.2016	140 718	885 249	2 096	29 920	1 057 982
Cumulative depreciation as of 01.01.2016	658	457 381	2 295	–	460 334
Changes in scope of consolidation	–	19 231	–	–	19 231
Depreciation	103	13 358	41	–	13 502
Cumulative depreciation on divestment/discontinuation	–	–321	–2	–	–323
Reclassification	–	380	–380	–	–
Currency translation effects	–	–102	–	–	–103
Cumulative depreciation as of 30.06.2016	761	489 927	1 954	–	492 641
Net carrying amount as of 30.06.2016	139 957	395 322	142	29 920	565 341
Net carrying amount as of 01.01.2015	65 344	252 855	747	5 046	323 992
Purchase price as of 01.01.2015	65 444	610 373	3 181	5 046	684 043
Changes in scope of consolidation	58 400	198 945	–	1 693	259 038
Investments	–	5 307	–	4 255	9 561
Divestment/discontinuation	–286	–	–	–	–286
Reclassification	–	567	–469	–115	–17
Currency translation effects	–1 763	–25 109	–	–1	–26 873
Purchase price as of 30.06.2015	121 795	790 083	2 712	10 878	925 467
Cumulative depreciation as of 01.01.2015	100	357 518	2 434	–	360 052
Changes in scope of consolidation	469	85 672	–	–	86 142
Depreciation	26	10 214	64	–	10 305
Cumulative depreciation on divestment/discontinuation	–	–	–	–	–
Reclassification	–	263	–263	–	–
Currency translation effects	–14	–12 822	–	–	–12 836
Cumulative depreciation as of 30.06.2015	582	440 845	2 235	–	443 662
Net carrying amount as of 30.06.2015	121 213	349 237	477	10 878	481 805

A capitalised lease with a carrying amount of CHF thousand 3,800 (previous year CHF thousand 4,002) is included in "Land and buildings".

Appendix to Consolidated Balance Sheet

in CHF thousand	Machinery and equipment	Installations	IT hardware	Furniture and vehicles	Advance payments	Total
10. Machinery and equipment						
Net carrying amount as of 01.01.2016	176 612	110 733	9 008	28 131	22 479	346 966
Purchase price as of 01.01.2016	673 467	323 461	32 096	120 558	22 479	1 172 064
Changes in scope of consolidation	50 853	4 642	752	15 268	1 579	73 094
Investments	13 283	3 885	1 720	4 976	10 661	34 525
Divestment/discontinuation	-3 554	-995	-4	-2 324	-41	-6 918
Reclassification	2 292	305	82	303	-4 735	-1 753
Currency translation effects	-537	-20	3	-207	-17	-778
Purchase price as of 30.06.2016	735 804	331 278	34 649	138 574	29 926	1 270 234
Cumulative depreciation as of 01.01.2016	496 855	212 729	23 088	92 427	-	825 098
Changes in scope of consolidation	38 414	2 169	659	10 520	-	51 762
Depreciation	18 692	8 611	2 212	4 643	-	34 158
Cumulative depreciation on divestment/discontinuation	-3 441	-995	-4	-2 164	-	-6 604
Reclassification	3	-	-	-3	-	-
Currency translation effects	-316	-3	2	-134	-	-451
Cumulative depreciation as of 30.06.2016	550 207	222 511	25 957	105 289	-	903 963
Net carrying amount as of 30.06.2016	185 597	108 767	8 692	33 285	29 926	366 271
Net carrying amount as of 01.01.2015	120 369	70 214	5 965	20 987	28 499	246 037
Purchase price as of 01.01.2015	457 727	230 925	36 605	97 529	28 499	851 287
Changes in scope of consolidation	192 230	75 067	11 965	21 347	8 281	308 890
Investments	10 979	5 526	1 699	4 146	14 381	36 730
Divestment/discontinuation	-1 496	-	-1	-711	-	-2 207
Reclassification	8 772	981	304	359	-11 073	-657
Currency translation effects	-23 134	-1 109	-450	-4 953	-2 801	-32 446
Purchase price as of 30.06.2015	645 079	311 389	50 123	117 717	37 287	1 161 597
Cumulative depreciation as of 01.01.2015	337 358	160 711	30 640	76 541	-	605 250
Changes in scope of consolidation	141 464	33 272	9 819	13 086	-	197 641
Depreciation	14 636	7 320	1 829	3 782	-	27 568
Cumulative depreciation on divestment/discontinuation	-1 484	-	-1	-639	-	-2 123
Reclassification	-	-	-	-	-	-
Currency translation effects	-16 678	-735	-336	-3 665	-	-21 415
Cumulative depreciation as of 30.06.2015	475 296	200 568	41 951	89 106	-	806 921
Net carrying amount as of 30.06.2015	169 783	110 821	8 172	28 611	37 287	354 676

“Machinery and equipment” includes a capitalised lease with a carrying amount of CHF thousand 149 (previous year CHF thousand 164).

Appendix to Consolidated Income Statement

in CHF thousand	1 st HY 2016	Difference	1 st HY 2015
11. Operating income			
Product groups			
Fresh meat	425 581	4.1 %	408 935
Charcuterie	215 784	-0.5 %	216 958
Poultry	193 426	0.8 %	191 887
Seafood	83 164	14.1 %	72 904
Convenience	222 128	n.a.	74 296
Other sales	3 699	29.3 %	2 860
Product groups Switzerland	1 143 783	18.2 %	967 841
Charcuterie	273 931	-3.0 %	282 474
Poultry	129 369	n.a.	-
Convenience	53 261	n.a.	13 594
Other sales	15 939	-2.4 %	16 328
Product groups international	472 500	51.3 %	312 396
Sales by product group	1 616 282	26.2 %	1 280 237
Other operating income	33 980	10.8 %	30 661
Sales deductions	58 768	26.2 %	46 571
Operating income	1 591 494	25.9 %	1 264 326
Sales by country			
Switzerland	1 143 783		967 840
Germany	229 727		191 496
Austria	108 255		-
France	47 286		45 228
Spain, Benelux	31 191		26 816
Eastern Europe	55 427		46 794
Other countries	613		2 064
Sales by country	1 616 282	26.2 %	1 280 237
12. Other operating expenses			
Rent	12 985		11 310
Energy, auxiliary materials	30 395		25 575
Repair and maintenance	39 036		29 688
Transport	43 520		30 820
Advertising	18 475		13 469
Other operating expenses	21 290		18 863
Total other operating expenses	165 701	27.7 %	129 726
13. Financial result			
Interest on fixed deposits and other interest	968		517
Interest from affiliated companies	-90		77
Interest income	878		594
Interest on capital	-4 948		-3 277
Bank charges and commissions	-516		-249
Interest expenses	-5 464		-3 526
Interest	-4 586		-2 932
Gains (+)/Losses (-) on foreign currency transactions	1 065		-641
Gains (+)/Losses (-) on securities	202		-197
Share in profit/loss of associated companies ¹	922		3 421
Financial result	-2 396		-350
Average interest rate on interest-bearing liabilities	1.49 %		1.76 %

¹ The amortisation of the Hilcona goodwill was set off against the share in the profit or loss of associated companies until 30 April 2015.

Important Participations of the Bell Group

Company	Domicile	Sphere of activity	Consolidation method	Capital	Group share in capital 30.06.16	Group share in capital 31.12.15
Bell Schweiz AG	Basel	Fresh meat, charcuterie, poultry, seafood	■	CHF 20 000 000	100.0%	100.0%
H.L. Verwaltungs-GmbH ²	Pfaffstätt/AT	Subholding	■	EUR 327 100	100.0%	–
Hubers Landhendl GmbH ²	Pfaffstätt/AT	Poultry	■	EUR 100 000	100.0%	–
Brütere Schlierbach GmbH ²	Pettenbach/AT	Primary production	■	EUR 600 000	95.0%	–
VTE-Beteiligungs GmbH + Co. KG ²	Ampfing/DE	Asset management	■	EUR 3 264 916	100.0%	–
Hilcona AG	Schaan/FL	Convenience	■	CHF 27 000 000	51.0%	51.0%
Hilcona Gourmet SA	Orbe	Convenience	■	CHF 600 000	100.0%	100.0%
Hilcona Feinkost GmbH	Leinfelden-Echterdingen/DE	Convenience	■	EUR 26 000	100.0%	100.0%
Gastro Star AG	Dällikon	Convenience	■	CHF 120 000	100.0%	100.0%
Eisberg Holding AG ³	Dänikon	Subholding	■	CHF 690 000	100.0%	–
Eisberg Schweiz AG ³	Dänikon	Convenience	■	CHF 2 000 000	100.0%	–
Eisberg Hungary Kft. ³	Gyal/HU	Convenience	■	HUF 167 000 000	100.0%	–
Eisberg Spółka z o.o. ³	Legnica/PL	Convenience	■	PLN 3 500 000	100.0%	–
Eisberg srl ³	Pantelimon/RO	Convenience	■	RON 447 373	100.0%	–
E.S.S.P. España 2000 SL ³	Aguilas/ES	Convenience	■	EUR 3 005	100.0%	–
Centravo Holding AG ¹	Zürich	By-products processing	○	CHF 2 040 000	29.9%	29.9%
GVFI International AG ¹	Basel	Meat trade	○	CHF 3 000 000	24.6%	24.6%
Pensionsstiftung der Bell Schweiz AG (in liquidation)	Basel	Foundation	▲	–	–	–
Bell France Holding SAS	Teilhède/FR	Subholding	■	EUR 20 000 000	100.0%	100.0%
Salaison Polette & Cie SAS	Teilhède/FR	Dry sausages	■	EUR 2 600 000	100.0%	100.0%
Saloir de Mirabel SARL	Riom/FR	Air-dried ham	■	EUR 152 000	100.0%	100.0%
Val de Lyon SAS	St-Symphorien-sur-Coise/FR	Dry sausages	■	EUR 825 000	100.0%	100.0%
Saloir de Virieu SAS	Virieu-Le-Grand/FR	Air-dried ham	■	EUR 1 200 000	100.0%	100.0%
Maison de Savoie SAS	Aime/FR	Dry sausages	■	EUR 1 560 000	100.0%	100.0%
Bell France SAS	St-André-sur-Vieux-Jonc/FR	Dry sausages	■	EUR 1 221 220	100.0%	100.0%
Bell Deutschland Holding GmbH	Seevetal/DE	Subholding	■	EUR 25 000	100.0%	100.0%
Bell Verwaltungs GmbH	Seevetal/DE	Subholding	■	EUR 25 000	100.0%	100.0%
Bell Deutschland GmbH & Co. KG	Seevetal/DE	Charcuterie	■	EUR 1 000 000	100.0%	100.0%
Süddeutsche Truthahn AG ²	Ampfing/DE	Poultry	■	EUR 6 162 125	100.0%	–
Interfresh Food GmbH	Seevetal/DE	Subholding	■	EUR 100 000	100.0%	100.0%
Bell Polska Sp. z o.o.	Niepolomice/PL	Charcuterie	■	PLN 9 500 000	100.0%	100.0%
ZIMBO Perbal Húsipari Termelő Kft.	Perbal/HU	Meat and sausages	■	HUF 378 750 000	99.7%	99.7%
Bell Benelux Holding N.V.	Zellik/BE	Subholding	■	EUR 5 258 000	100.0%	100.0%
Bell Benelux N.V.	Zellik/BE	Meat trade	■	EUR 620 000	100.0%	100.0%
Bell Logistics N.V.	Zellik/BE	Storage	■	EUR 62 000	100.0%	100.0%
Bell Nederland B.V.	Dr Houten/NL	Meat trade	■	EUR 18 000	100.0%	100.0%
ZIMBO Czechia s.r.o.	Prag-Holesovice/CZ	Retail trade	■	CZK 30 000 000	100.0%	100.0%
Abraham Benelux S.A.	Libramont-Chevigny/BE	Air-dried ham	■	EUR 1 250 000	100.0%	100.0%
Sanchez Alcaraz S.L.U.	Casarrubios del Monte/ES	Air-dried ham	■	EUR 648 587	100.0%	100.0%

¹ The equity share is based on the number of outstanding shares.

² Companies of the Huber Group: the Huber Group was taken over as of 1 March 2016.

³ Companies of the Eisberg Group: the Eisberg Group was taken over as of 1 May 2016.

- Fully consolidated (uniform management)
- Consolidation at equity
- Purchase price
- ▲ Consolidation pursuant to Swiss GAAP FER 16

Financial Figures as of 30 June

in CHF thousand	2016	2015	2014	2013	2012
Gross sales	1 616 282	1 280 237	1 277 256	1 270 268	1 234 019
Operating income	1 591 494	1 264 326	1 264 733	1 253 730	1 218 389
Gross operating profit	584 655	447 483	411 733	399 064	401 216
as % of operating income	36.7 %	35.4 %	32.6 %	31.8 %	32.9 %
EBITDA	119 753	90 480	81 564	78 868	78 902
as % of operating income	7.5 %	7.2 %	6.4 %	6.3 %	6.5 %
EBIT	61 025	45 457	39 085	36 193	36 235
as % of operating income	3.8 %	3.6 %	3.1 %	2.9 %	3.0 %
Consolidated profit first half-year	36 201	31 955	27 881	24 545	25 085
Financial liabilities	726 036	482 505	369 564	383 163	308 682
Equity	917 009	827 143	732 031	681 600	624 173
as % of assets	42.8 %	48.6 %	53.2 %	48.8 %	49.1 %
Headcount as of 30 June (number of employees)	9 552	8 060	6 517	6 463	6 511
Average headcount on basis full-time equivalents (FTE)	9 710	8 262	6 345	6 193	6 259

Share Information

		2016	2015	2014	2013	2012
Per-share data						
Share price as of 30 June	CHF	367.25	250.00	248.00	211.80	185.50
Year's high	CHF	410.00	258.50	257.50	229.90	197.00
Year's low	CHF	320.14	220.00	223.50	200.10	171.60
Half-Year share information¹						
Equity per share ²	CHF	206.71	186.30	183.60	171.00	156.60
Net profit per share ²	CHF	9.06	7.99	7.00	6.20	6.30
EBITDA per share ²	CHF	29.98	22.70	20.45	19.80	19.80
EBIT per share ²	CHF	15.28	11.36	9.80	9.10	9.10

¹ A 10-for-1 share split took place on 28 April 2016. To facilitate comparison, the prior-year values have been restated.

² The average time-weighted number of outstanding shares is used to calculate the key figures per share.

Structure	4 000 000 registered shares at CHF 0.50 nominal value
Registered shares as of 30.06.2016	3 557 982
Shareholders as of 30.06.2016	4 111
Principal shareholders	Coop Group Cooperative, Basel; 66.29 % 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.	31 596 632
ISIN	CH0315966322
Trade	SIX Swiss Exchange
Symbol SIX	BELL; BELL N; BELL.SW
Current share price	www.bellfoodgroup.com

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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 at 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.

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.

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