



**Media release**

Basel, 23 February 2017

Ad-hoc publicity

## **Bell Group grew substantially in 2016**

**Sales grew by 20.3 % to CHF 3.390 billion and sales volumes grew by 50.5 % to 414,260 tonnes. Profit rose by 6.1 % to CHF 101 million.**

The Bell Group's sales revenue increased by 20.3 percent to CHF 3.390 billion, pushing sales above the threshold of CHF 3 billion for the first time. Sales volumes for the Group as a whole were 414,260 tonnes (+50.5 %, +138,952 t). This growth in volumes was mostly driven by the integration of the acquisitions and the full-year consolidation of Hilcona. Nominal revenues were also affected by higher raw material prices. Adjusted for special effects, EBIT amounts to CHF 154 million, which represents an increase of CHF 20.7 million (+15.6 %) over the previous year. At CHF 101 million, the annual profit was up 6.1 percent or CHF 5.8 million year-on-year.

### **Different segments experience different market trends**

In spite of difficult conditions, **Bell Switzerland** turned in a solid performance. Higher raw material prices and fiercer competition increased the pressure on margins. Bell Switzerland largely countered these trends with strong sales promotion measures and further efficiency improvements and increased its sales volumes as well as its sales revenue.

**Bell Germany** was faced with difficult framework conditions throughout the financial year. The fierce competitive pressure resulted in higher listing volatility and the prior year's sales figures could not be equalled. The sharp increase in raw material prices for pork also intensified margin pressure. The branded goods business performed well and brand concepts made further progress in market penetration.

In 2016, **Bell International** experienced strong growth particularly due to the integration of the acquisition of the poultry specialist Huber. The poultry business as well as the activities in Poland and Hungary trended positively. In France and the Czech Republic on the other hand, the massive increase in raw material prices partly wiped out the operational progress that had been achieved.

The contribution of the **Hilcona Group** to the overall results of the Group rose considerably in the reporting year as a result of its full-year consolidation (previous year eight months), organic growth and the acquisitions. Successful efficiency enhancement measures and innovations further improved Hilcona's result (fresh convenience). Eisberg/Gastro Star (convenience salads) can also look back on a successful financial year and once again posted growth in all relevant

markets. The positive business performance is also due to the company's strong innovative power.

### **Bell share performs well once again**

At the end of 2016, the price of the Bell share was CHF 438.75. The share performed very well again with an annual share price increase of 29.4 percent and closed considerably better than the market. Given the increasingly difficult market conditions and planned investment projects, the Board of Directors is requesting the General Meeting to approve the same dividend as last year of CHF 7 per share.

### **Strategic investments in further growth**

In the course of the past few years, the Bell Group has evolved from a traditional Swiss meat processing company into one of the leading meat and convenience specialists in Europe. A new brand strategy has been developed in line with this. It reflects in particular the merging of the traditional business area of meat, poultry, charcuterie and seafood with the newer areas of fresh convenience and convenience salads under the umbrella name for the company, Bell Food Group.

As well as the acquisitions in recent years, operational performance has been considerably increased through investments in the production sites. The first projects have been defined for the Basel and Oensingen sites within the framework of the investment programme for the Swiss production sites. Bell expects the first projects for new buildings and conversions to be ready for implementation in 2017.

### **Outlook**

Bell anticipates that the difficult framework conditions will continue throughout the current year, in particular due to the continued volatility in the prices for raw materials and the fact that competition remains fierce. The focus of commercial activities stays on the continued seamless integration of the companies that have been acquired, the implementation of the investment programme in Switzerland and continued operational progress in all business areas.

**About Bell**

The Bell Food Group is one of the leading processors of meat and convenience products in Europe. Its range of products includes meat, poultry, charcuterie, seafood, convenience products and salads. With the brands Bell, Hilcona and Eisberg, the Group meets a diversity of customer needs. Its customers include the retail trade as well as the food service sector and the food processing industry. Some 10,000 employees generate annual revenues of CHF 3.4 billion. Bell is listed on the Swiss stock exchange.