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The Bell Group had a successful 2014 financial year

The Bell Group further expanded its strong market position. In the 2014 financial year, the net profit improved by 14.5% to CHF 87.7 million. The Board of Directors will request a dividend increase of CHF 5 to CHF 65 per share.

The Bell Group held firm in a challenging environment. Product ranges with higher added value posted encouraging growth. Nominal sales were affected by external factors such as the weather and exchange rate fluctuations. At CHF 2.6 billion, the Bell Group's sales revenue for 2014 was down 0.9% on the previous year (-0.5% adjusted for exchange rate differences). Sales volumes were down 1.1% on 2013 to around 215,600 tonnes.

Thanks to the progress made with product ranges with higher added value, the gross profit margin improved from 32.1 to 33%. The earnings before interest, taxes, depreciation and amortisation (EBITDA) increased by around CHF 6.5 million to CHF 196 million. All divisions contributed to the improved result. Because of the improved operating result and a substantial reduction in the financing costs, the annual profit increased by 14.5% to CHF 87.7 million. Given this success, the Shareholders' Meeting will be asked to approve a dividend higher by CHF 5 of CHF 65 per share for the 2014 financial year.

Bell Switzerland

Bell Switzerland improved its sales revenue by 0.8% to CHF 1.86 billion. In 2014, growth was mostly driven by the seafood, poultry, and charcuterie segments. Sales volumes contracted by 0.9% to 121,063 tonnes. The reasons included, among others, fewer deliveries to industrial customers, the weak barbecue season caused by bad weather, and a further increase in shopping tourism to the neighbouring countries. Thanks to the noticeable increase in sales of products with higher added value, Bell Switzerland once again posted good growth.

Bell Germany

Sales for Bell Germany dropped by 2.8% to CHF 470 million. Adjusted for exchange rate differences, sales contracted by only 1.5%. This decline is mostly explained by substantially lower raw material prices and the range mix. In spite of a sagging market, sales volumes were maintained at the previous year's level of 62,570 tonnes, which means that Bell Germany gained market share. The restructuring of business activities in the past few years, the harmonisation of processes and standardisation of IT systems as well as investments in improving processes and the flow of goods led to continuous operational progress.

Bell International

The international activities of the Bell Group in France, Benelux, Poland, Hungary and the Czech Republic have been merged under Bell International since 1 January 2015. At CHF 269 million, the division's sales revenue is down by 8.1%. Currency effects and the noticeable downturn in raw material prices in Europe affected nominal sales. The increasingly unprofitable business with the branch shops in Slovakia was also discontinued and around 30 sales outlets were closed on 31 December 2014. Sales volumes declined by 3.6% to around 32,000 tonnes, mostly because Bell removed products with less added value from its product ranges. Thanks to the progress made in the area of added value and successful cost management, the division returned a better overall result than in the previous year.

Outlook

Bell expects raw material prices to start rising again in Switzerland and Europe in the second half of 2015. Following the scrapping of the euro floor by the Swiss National Bank on 15 January 2015, Bell expects Swiss shopping tourism to increase further. As the financial reporting is done in Swiss francs, the abandonment of the euro peg will result in a nominal reduction in equity and sales revenue, but the direct impact on the result will, however, be negligible.

Independent of any external factors, Bell will continue to restructure its product ranges to focus on products with higher added value and emphasise the exploitation of synergies within the Group. It is also pushing ahead with the optimisation of its organisation and processes in a bid to further improve its cost structure. Bell will exercise its option to buy another 2% of Hilcona on 1 May 2015, thus becoming the majority shareholder with 51%. From this date, Hilcona will be fully consolidated in the Bell Group with annual sales of around CHF 500 million and with 1,900 employees.

The full 2014 annual report can be downloaded at (Link)
This media release is available at (Link)
Photos and more information on the Bell Group can be found at (Link)

About Bell

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