

Results for the 2016 financial year

Annual results media conference/financial analysts'
presentation
23.02.2017



The Bell Group – overview



Proceeds from sale
of goods
in CHF million

3,390
+20.3 %

Sales volumes
in tonnes

414,260
+50.5 %

Annual profit
in CHF million

101
+6.1 %

Number of
employees
as of 31.12.2016

9,781
+20.0 %



Bell business area

Poultry and seafood still
the main drivers for
growth.



Hilcona business
area

Expanded market position
in the growing segment for
vegetarian products.



Eisberg/Gastro Star
business area

Successful development
thanks to higher
performance and
innovation skills.



Production plants

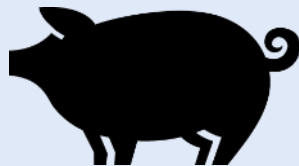
40
+9



The Bell Group – influencing factors 2016



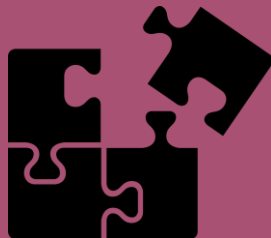
Development of
raw material prices



Market development
and intensive
competition



Strategies
and
major projects



Strengthening
market position
Business areas

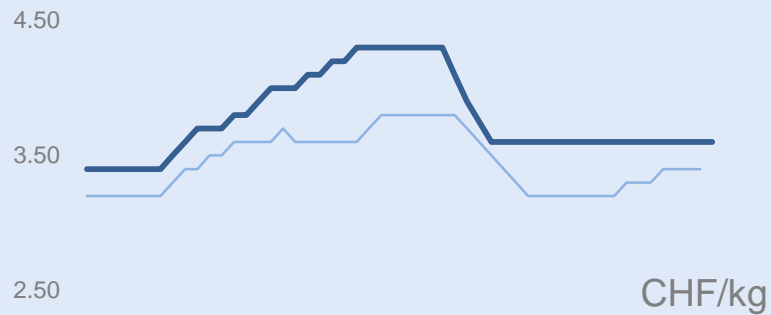


Development of raw material prices



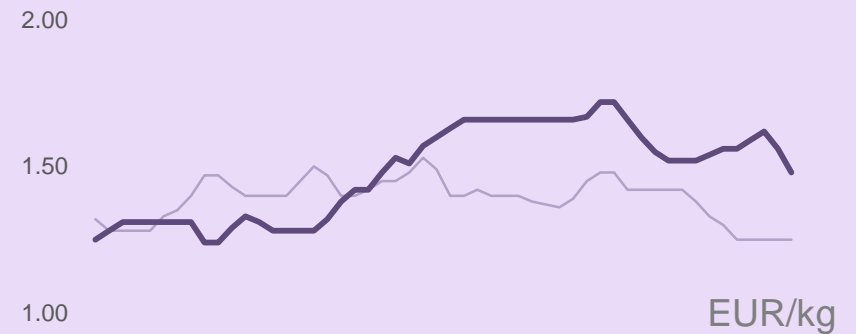
Pigs Switzerland

2016/2015



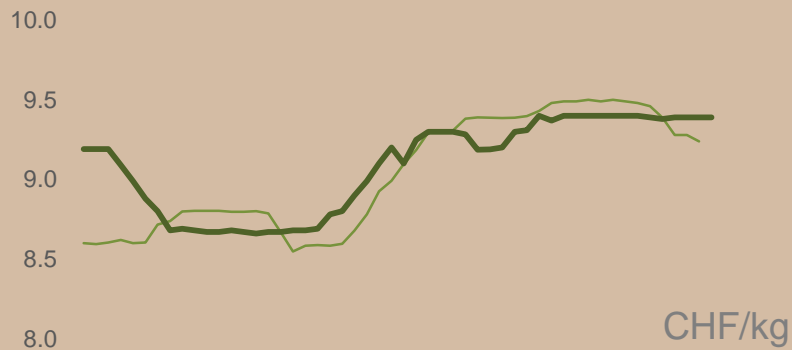
Pigs Germany

2016/2015



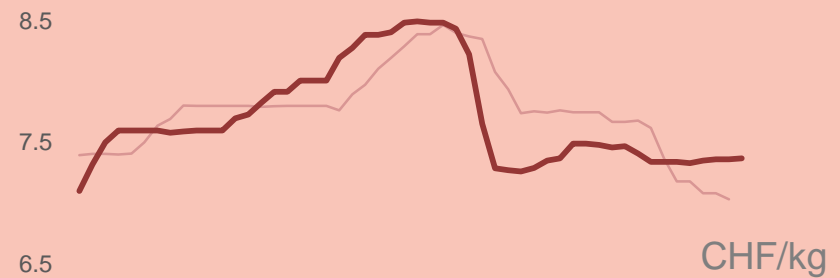
Cattle Switzerland

2016/2015



Cows Switzerland

2016/2015

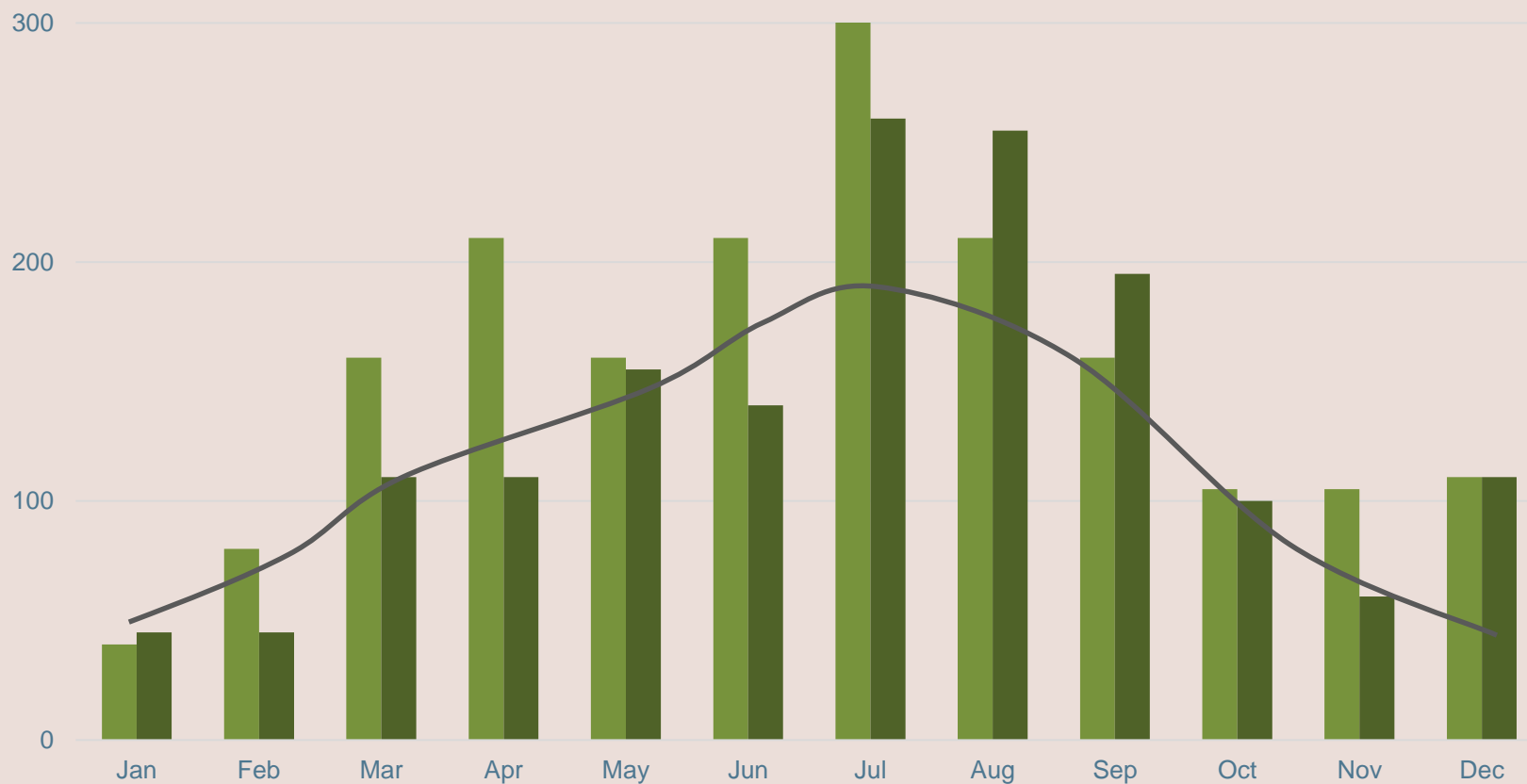


Weather situation 2016



Monthly sunshine hours*

2015/2016
Norm 1981-2010



*Basel region

Bell business area 1/2

Integration of poultry specialist Huber

- > Integration is proceeding on schedule
- > Satisfactory business development



Acquisition of Cher-Mignon

- > Ideal rounding off of regional range
- > Targeted implementation of strengths



Bell business area 2/2

Acquisition of gastro specialist Geiser AG

- > Strengthening of market position in deliveries to the food service sector
- > Independent market development



Expansion of Zell poultry operations

- > Completed in 2016 and seamlessly put into operation
- > Substantial increase in performance



Strengthening market position business areas



Hilcona business area

Developments in range and innovations

- > Review and expansion of the ready-made meals, sandwiches and pasta ranges



Takeover of Frostag

- > Expansion of market position in pasta and vegetarian products.
- > Expansion to vegetarian competence centre



Convenience Eisberg/Gastro Star

Successful merger of Eisberg and Gastro Star

- > New organisation introduced according to plan
- > Satisfactory business development in 2016, in particular in the retail channel



Growth through innovation

- > Expansion of the product range with trendy innovations
- > Range of salad meals has grown substantially

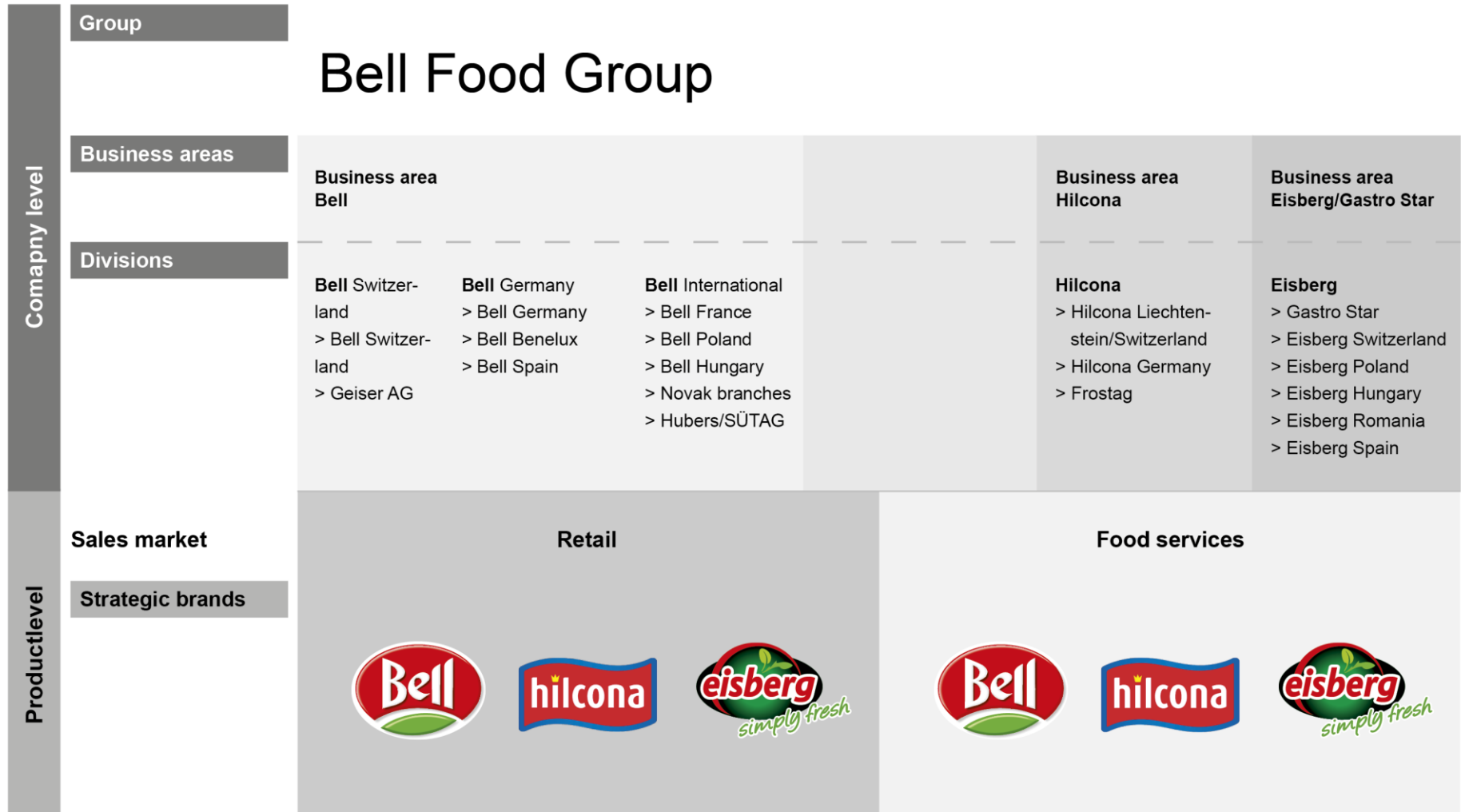


Aims and principles of M&A

- > Strengthen our market position in the sales markets
- > Expand and strengthen our production capacities
- > Strengthen our market position on the procurement market and guarantee security of supply
- > Acquisition of and improvement in competences
 - > Technology
 - > Know-how
 - > Purchasing/marketing
 - > Production
- > Increase efficiency/reduce costs



Brand Strategy Bell Food Group



Strategies and major projects



Investment programme for Switzerland
Oensingen site

Renewal of cattle
abattoir

Pork cutting plant,
preparation and
commissioning

Deep-freeze stores

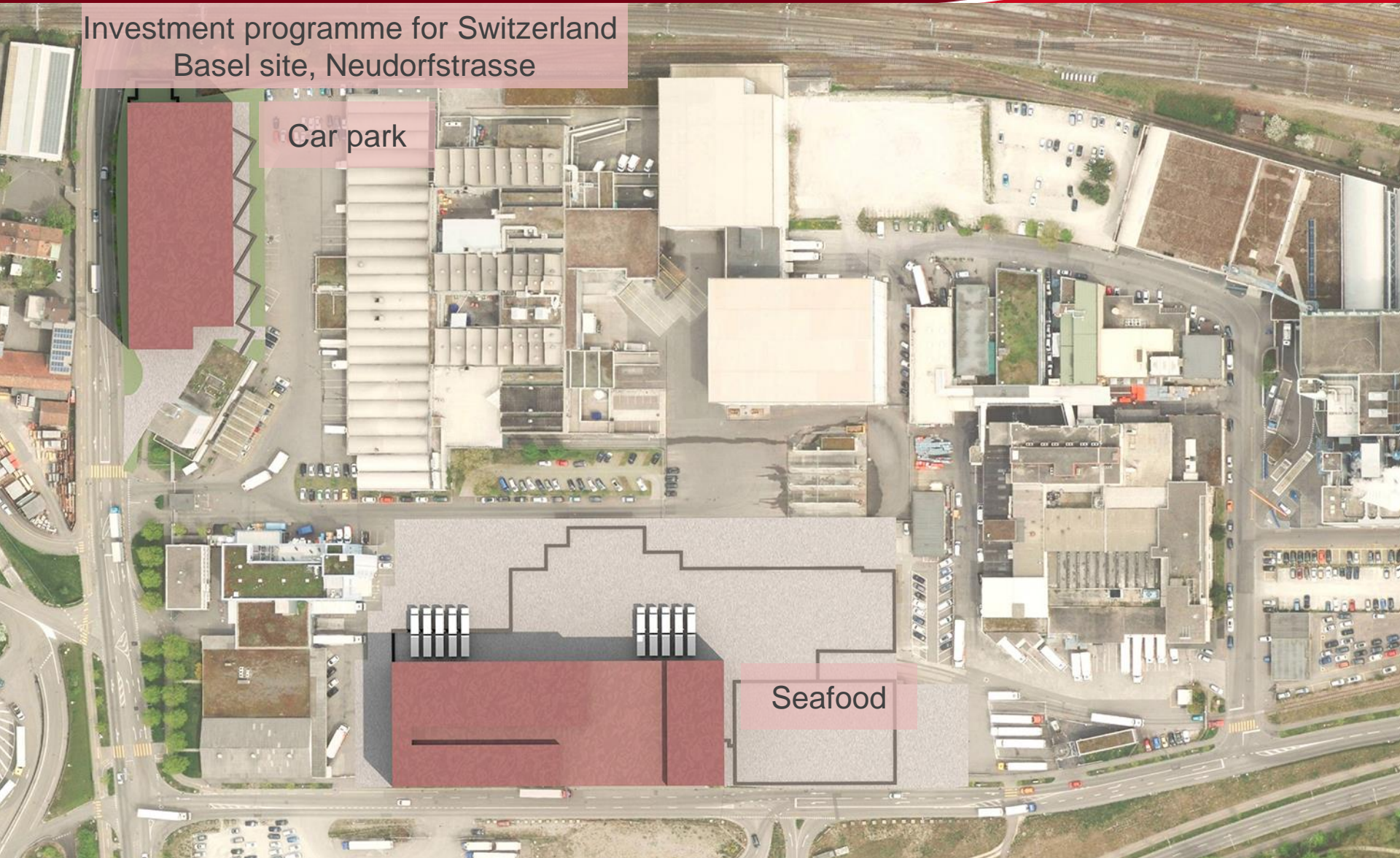
Car park

Existing operations

Strategies and major projects



Investment programme for Switzerland
Basel site, Neudorfstrasse



The Bell Group – overview



Sales volumes
in tonnes

414,260

+50.5 %

Sale of goods
in CHF million

3,390

+20.3 %

Annual profit
in CHF million

101

+6.1 %

Sale of goods
by product group

Fresh meat **25 %**

Charcuterie **31 %**

Poultry **20 %**

Seafood **5 %**

Convenience **17 %**

Miscellaneous **2 %**

Gross profit
in CHF million

1,233

+20.2 %

EBITDA
in CHF million

278

+18.3 %

EBIT
in CHF million

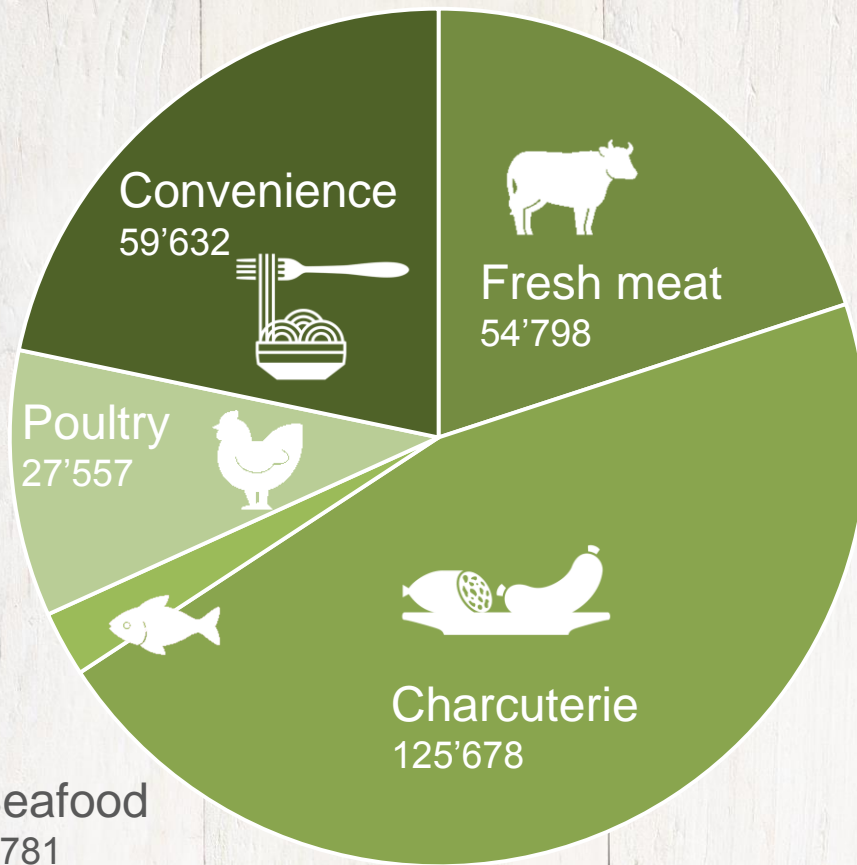
142

+15.6 %

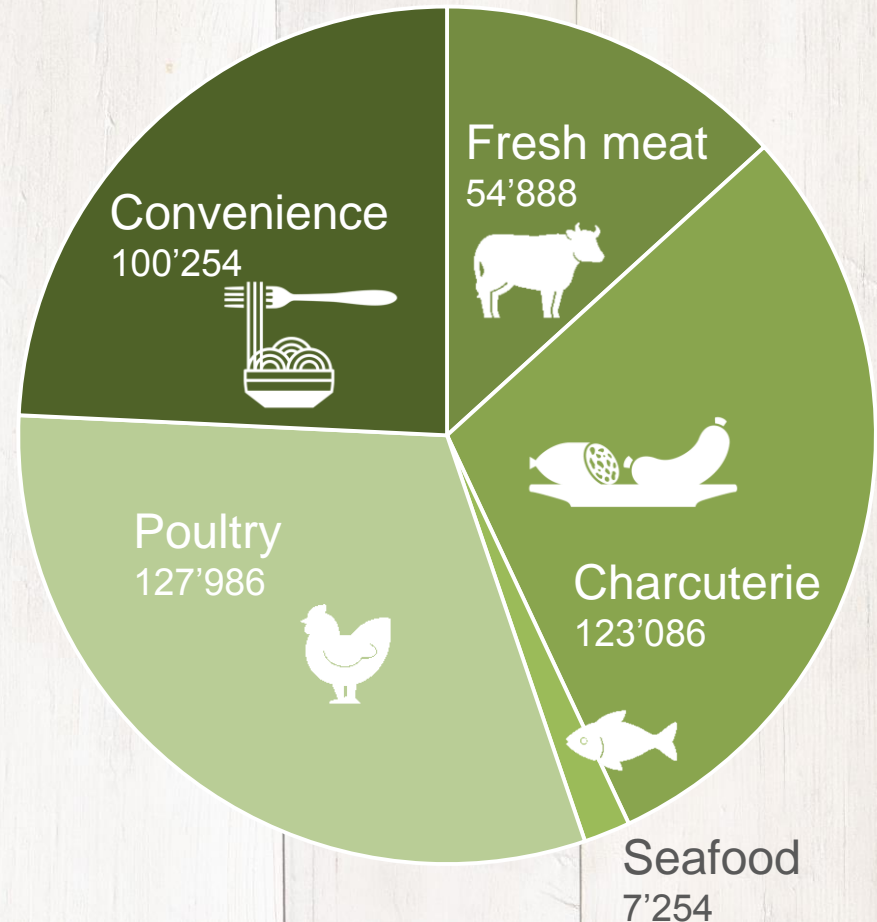
The Bell Group – results for 2016



Sales by product groups
2015/in tonnes



Sales by product groups
2016/in tonnes



The Bell Group – results for 2016

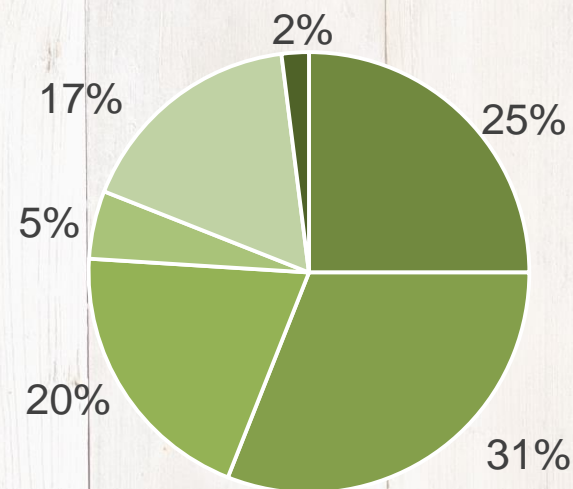


Income statement – Gross profit

in CHF million	2016	2015	Δ	Δ %
Sale of goods	3 390	2 818	572	20.3 %
Net income	3 346	2 781	565	20.3 %
Gross profit	1 233	1 026	207	20.2 %

Sale of goods

by product groups

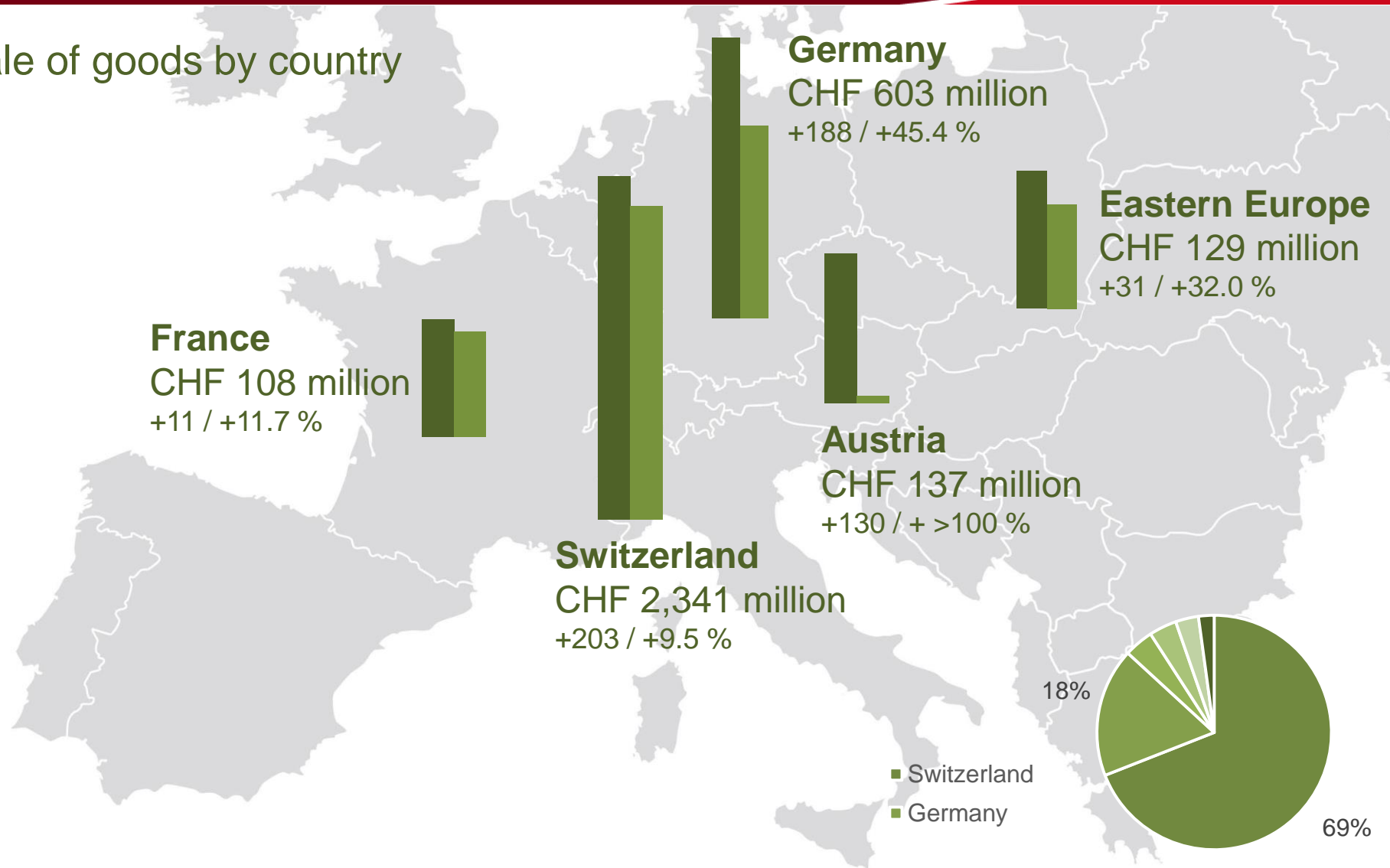


- Fresh meat
- Charcuterie
- Poultry
- Seafood
- Convenience
- Other

The Bell Group – results for 2016



Sale of goods by country



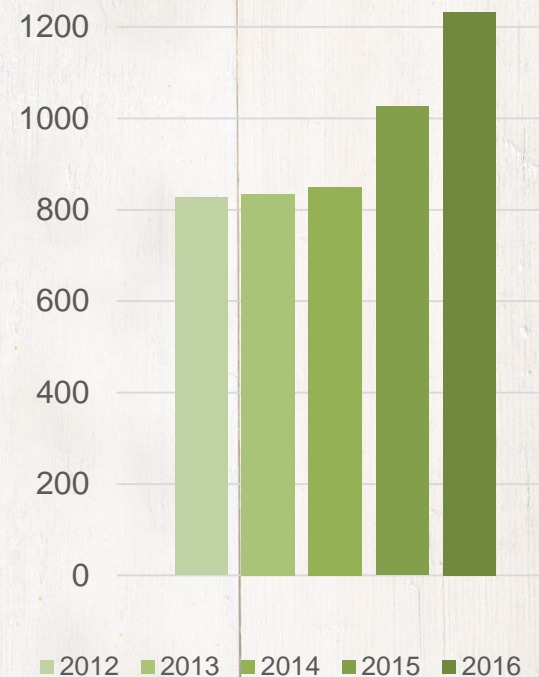
The Bell Group – results for 2016



Income statement – EBIT

in CHF million	2016	2015	Δ	Δ %
Net income	3 346	2 781	565	20.3 %
Gross profit	1 233	1 026	207	20.2 %
<i>in % of net income</i>	36.8 %	36.9 %		
Personnel costs	614	503	112	22.2 %
Overheads	341	288	53	18.2 %
EBITDA	278	235	43	18.3 %
<i>in % of net income</i>	8.3 %	8.5 %		
Deprecation	136	112	24	21.3 %
EBIT	142	123	19	15.6 %
<i>in % of net income</i>	4.2 %	4.4 %		
Adjustments	12	10	2	
EBIT Adjusted	142	123	21	15.6 %
<i>in % of net income</i>	4.6 %	4.8 %		

Gross profit 2012-2016



The Bell Group – results for 2016



Income statement – annual profit

in CHF million	2016	2015	Δ	Δ %
EBIT	142	123	19	
Adjustments	12	10	2	
EBIT Adjusted	154	133	21	15.6 %
Interest	-11	-8		
Securities/foreign currencies	2	-1		
Share of income of assoc. companies	3	6		
Financial statement	-6	-3	-2	
Ordinary taxes	-34	-28		
Tax income	12	11		
Tax	-22	-18	-5	
Profit	114	102	12	11.8 %
<i>in % of net income</i>	<i>3,4 %</i>	<i>3,7 %</i>		
Third-party interest in equity	-14	-7		
Annual profit	101	95	5.8	6.1 %
<i>in % of net income</i>	<i>3,0 %</i>	<i>3,4 %</i>		

Bonds

- > **Bond 2013/1**
CHF 175 million
Interest 1,000 %
Term 2013-2018
- > **Bond 2013/2**
CHF 175 million
Interest 1.750 %
Term 2013-2022
- > **Bond 2016**
CHF 300 million
Interest 0.625 %
Term 2016-2025

The Bell Group – results for 2016



Balance sheet

in CHF million	2016		2015	
Cash and securities	268		194	
Receivables/accruals/inventories	719		616	
Working capital	987	46.0 %	810	46.4 %
Financial assets/fixed assets	997		897	
Intangible assets	160		37	
Non-current assets	1 157	54.0 %	934	53.6 %
Liabilities and deferrals	328		249	
Provisions	112		117	
Financial liabilities	722	33.7 %	469	26.9 %
Liabilities	1 162	54.2 %	834	47.8 %
Equity before non-controlling interests	883	41.2 %	820	47.0 %
Third-party interest in equity	99	4.6 %	89	5.1 %
Equity	982	45.8 %	909	52.2 %
Balance sheet total	2 144	100.0 %	1 744	100.0 %
<i>Investitionen in Sachanlagen</i>	118		110	
<i>Interestbearing liabilities</i>	455		275	

- > Acquisitions have an impact on the balance sheet
- > Increase in Goodwill thanks to acquisitions
- > Financial liabilities increased considerably because of the 2016 bond (CHF 300 million)
- > Due to the high level of cash and cash equivalents, the net financial liabilities rise substantially less sharply
- > Solid equity ratio of 45.8%

The Bell Group – segments 2016



Bell Switzerland	2016	2015	Δ abs.	Δ %
Sales revenue (CHF million)	1 907	1 851	+56	+3.0 %
Sales volumes (1,000 t)	124	123	+1	+0.5 %
Employees (FTEs)	3 524	3 415	+109	+3.2 %
Net investments (CHF million)	64	60	+4	
Number of production plants	12	10	+2	

- > Solid result for Bell Switzerland despite unfavourable framework conditions
- > Sales markets suffer from the effects of shopping tourism and bad weather
- > Rising cost of raw materials
- > Sales and volume growth thanks to strong sales promotion measures
- > Extension to Zell plant completed



The Bell Group – segments 2016



Bell Germany	2016	2015	Δ abs.	Δ %
Sales revenue (CHF million)	446	463	-17	-3.6 %
Sales volumes (1,000 t)	68	68	-0	-0.2 %
Employees (FTEs)	1 447	1 337	+110	+8.3 %
Net investments (CHF million)	10	21	-11	-
Number of production plants	9	9		

- > Stabilisation of the total self-service sausage market in Germany
- > Increasing competitive pressure results in higher listing volatility
- > Substantial rise in raw material prices, in particular in the second half, has a negative effect on the gross margin
- > Good development in the Mediterranean ham products and in the market concepts
- > Start of construction of new operating facility in Spain April/May 2017



The Bell Group – segments 2016



Bell International	2016	2015	Δ abs.	Δ %
Sales revenue (CHF million)	525	195	+329	+168.3 %
Sales volumes (1,000 t)	132	31	+101	329.0 %
Employees (FTEs)	2 989	1 653	+1 336	+80.8 %
Net investments (CHF million)	22	12	+10	
Number of production plants	10	8	+2	

- > Good development in the poultry specialist Hubers; expansion of the Pfaffstätt and Ampfing sites
- > In France, further progress in earnings required
- > Satisfactory growth in Poland thanks to the additional production capacities
- > Stable performance in Hungary
- > Branch shops in the Czech Republic confronted with more intense competition



The Bell Group – segments 2016



Hilcona Group	2016	2015	Δ abs.	Δ %
Sales revenue (CHF million)	577	361	+216	+59.9 %
Sales volumes (1,000 t)	100	60	+41	68.1 %
Employees (FTEs)	2 473	1 959	+514	+26.3 %
Net investments (CHF million)	23	18	+5	
Number of production plants	9	4	+5	

- > Solid growth in most sales markets
- > Improved performance thanks to the success of increased efficiency measures and innovations
- > Substantial expansion of the ranges in growing market segments

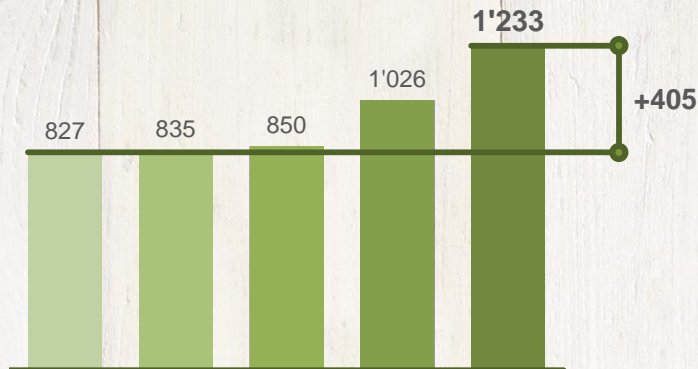


The Bell Group – longer-term view



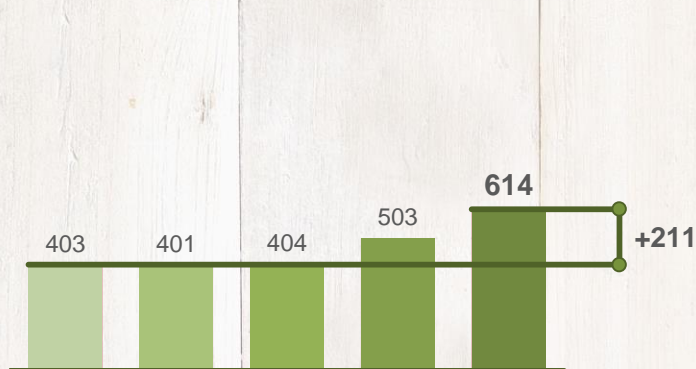
Gross profit

2012-2016



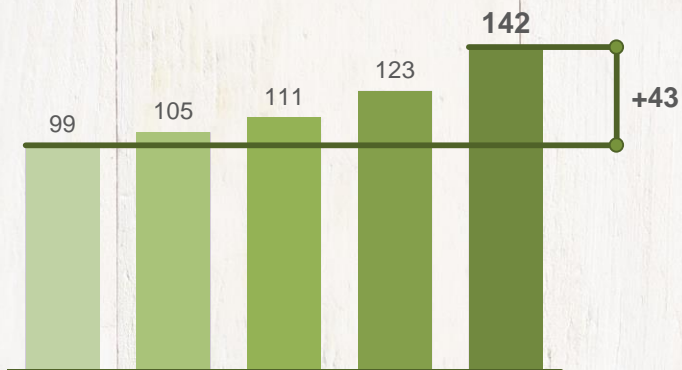
Personnel costs

2012-2016



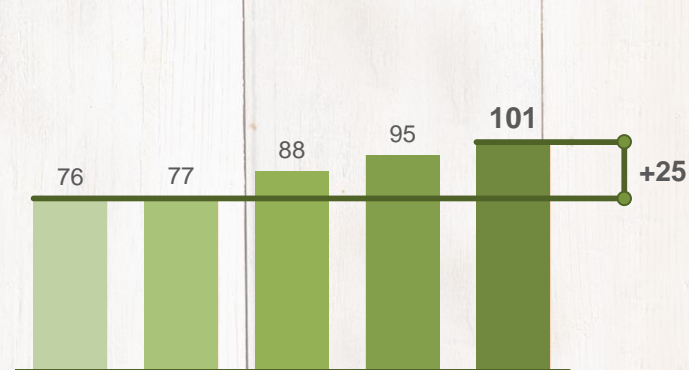
EBIT

2012-2016



Annual profit

2012-2016



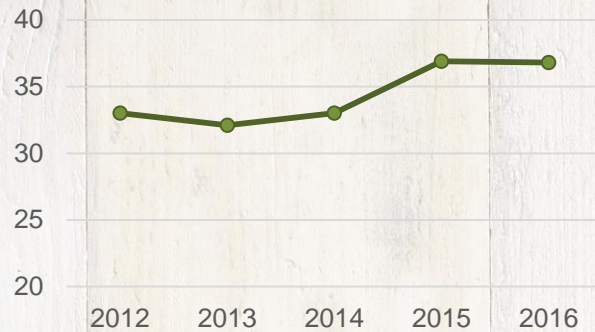
in Mio. CHF

Margin in % of net revenue



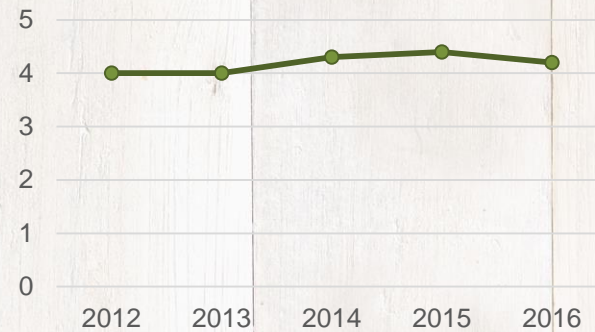
Gross profit

2012-2016



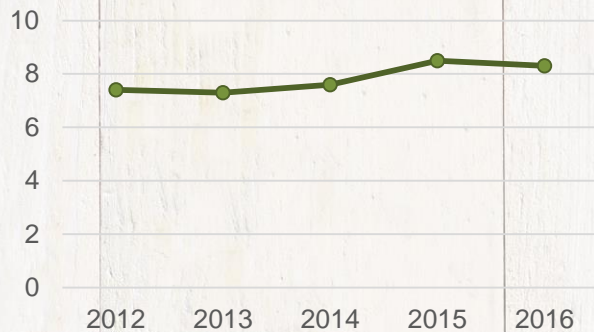
EBIT

2012-2016



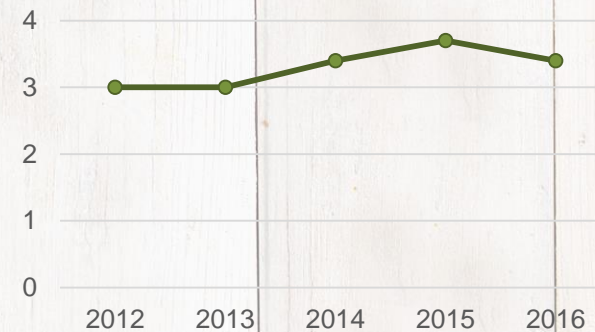
EBITDA

2012-2016



Company profit

2012-2016



The Bell Group – key figures for shares



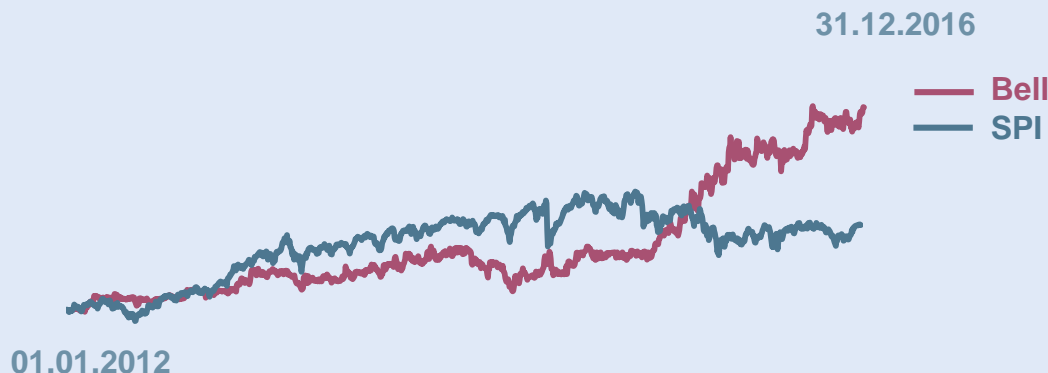
Share price
in CHF as of 31.12.

438.75

+29.4 % (since 1.1.2016)

+79,2 % (since 1.1.2015)

Share price performance 2012-2016



Average daily
trading volume
in number of shares
per day

1,580
-10

Dividend*
in CHF per share

7
=

*2017 proposal

Registered
shareholders

4,425
+503

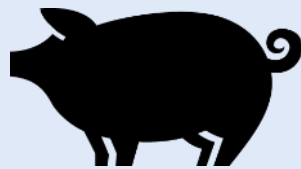
Market
capitalisation
in CHF million as of 31.12.

1,755
+29.4 %

The Bell Group – outlook for 2017



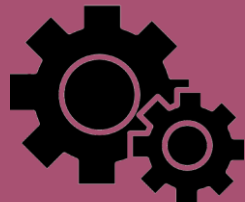
Development of
raw material prices



Market development difficult to
predict; the market will remain fiercely
competitive



Consistent implementation of
operational measures for further
consolidation
productive capacity and performance



Consistently continue the
integration of the acquisitions; actively
exploit synergies

