

Bell Ltd

# HALF-YEAR REPORT 2011



# Bell on course in first half

Message from the Chairman of the Board of Directors  
and the Chairman of the Group Executive Board

## Dear shareholders

Bell Group held firm in Switzerland as well as Europe in the first half of 2011. After a restrained start to the year, sales development in the first half was very encouraging. Sales volumes improved by around 3,900 tonnes in total (+3.7%). Seasonal activities benefited from good weather, with the barbecue season starting much earlier than usual. Operating income for the first semester was CHF 1.235 billion (-2.6%). Compared to the previous year, CHF 35 million was lost due to changes in the scope of consolidation, and the weakness of the euro to the Swiss franc resulted in a currency-driven loss of more than CHF 40 million. Adjusted for these effects, sales grew by 3.3 percent.

Some of the prices for raw materials in our most important European production markets Germany and France rose by as much as 15 percent. Together with rising prices for packaging materials, energy and transport, this triggered a strong wave of cost increases. In the current competitive market, these cost increases can only be passed on to consumers with a big delay. On the other hand we very successfully managed the costs that can be influenced by us. At CHF 83 million, the operating result (EBITDA) was down CHF 4.8 million from the previous year (-5.4%). Adjusted for consolidation effects and exceptionals in 2010, EBITDA is on a par with the previous year. At CHF 26.8 million, the net profit is slightly higher year-on-year.

## Cooperation with Hilcona in convenience segment on track

The market reacted well to our cooperation with the convenience specialist Hilcona. Once the approval of the competition authorities was received, the cooperation plans went ahead with much momentum. The merger between Bell Convenience

in Schafisheim and Hilcona AG has already been finalised, and most of the foundations for future market cultivation have been laid. The deconsolidation of Bell Convenience reduced Bell Group's net income by around CHF 38 million and EBITDA by approximately CHF 4.3 million, but thanks to its attributable income from investment in participation, the Group's net profit was more or less unaffected.

## Solid performance in Switzerland

At CHF 875 million, net income for Switzerland was down 1.5 percent year-on-year, but after adjustment for the deconsolidation of Bell Convenience, net income grew by 2.3 percent. Meat production from slaughter animals improved by 4.9 percent to 50,233 tonnes and from poultry by 3.5 percent to 11,912 tonnes. Total production volume rose by 1,038 tonnes to 59,854 tonnes (+1.9%).

Swiss meat accounted for most of the growth. Demand for domestic meat rose once again and poultry in particular was in great demand. Thanks to the early start to the barbecue season and the good weather, sales of sausage products improved substantially. In the seafood segment, sales of aquaculture and label products enjoyed above-average growth.

We could not acquire the land in Niederbipp in the Canton of Berne as intended as part of our strategy of site development, as the municipality did not approve the rezoning of the land from agricultural to industrial land. We will now look at alternative locations for our new pork processing plant. In April we took over the meat drying plant of Kocherhans + Schär AG in Churwalden with a capacity of approximately 1,000 tonnes

per year, retroactively to 1 January 2011. This gives Bell its own meat drying facilities for producing specialities from Graubünden and reduces our dependence on third parties, both with regard to our domestic business and our export activities. The integration of the acquired company and all its employees into Bell Schweiz AG was finalised by the end of June.

### Progress for Bell International

The economic environment and consumer sentiment in our most important European markets have improved. Bell International's sales volume rose by 2,900 tonnes to 50,117 tonnes. Under pressure from exchange rates, operating income dropped by 5.2 percent to CHF 361 million. In local currency, however, operating income improved by 6.2 percent.

In contrast to the overall market in Germany, the market segments in which we are active hardly saw any growth at all and competition remains fierce. However, sales volumes increased substantially and we gained additional market shares. In this market environment, the sometimes sharp increases in procurement costs could only be passed on with effect in the second half of the year. Further progress was made in optimising our processes and improving their efficiency. In the meat convenience sector we will bundle our activities in future. In autumn, we will transfer production of these lines from the plant in Steinheim to Bad Wünnenberg 60 kilometres away. At the beginning of the year we took over Hoppe GmbH, which has a modern production plant and a sufficiently large production area in Bad Wünnenberg. By merging the two production companies, we can exploit the growth opportunities in this segment and optimise our production processes.

Although the economic upswing is also evident in Eastern Europe, prices have generally stabilised at a lower level, which makes price increases difficult. Business in Poland is satisfactory, and the branch shops in the Czech Republic and Slovakia are doing very well. In the first half of the year eleven new outlets in total were added. Hungary is also showing signs of improvement, and sales are growing and margins are stabilising.

Consumers in France remain very cautious and the market is still very competitive. Premium products are not selling

very well, a fact that is very noticeable for some speciality lines. Sales volumes and sales, however, remained stable. The difficulties experienced in passing on the substantially higher prices for domestic pork exerted pressure on our margins.

In Spain and the Benelux countries our business is doing very well. In Spain the export business expanded once again, and domestic sales also picked up some momentum. Business in Belgium remained healthy, and we successfully expanded our market position in the Netherlands.

Bell's Group Executive Board saw two changes in the first half of 2011. Lorenz Wyss took up his new position as Group CEO on 1 April. The head of Bell Switzerland, Thord Klantschitsch, decided for personal reasons to find a new challenge and left the company on 30 June. Lorenz Wyss is acting as the interim head of Bell Switzerland.

### Outlook

We expect sales volumes to grow across the board for the Group, even though there might be some regional differences. In Switzerland we generally expect restrained growth in the retail and food service sectors with stronger pressure on prices and margins. In the other European countries, price increases will take effect in the second half of the year that will provide a better cushion for higher procurement costs. We also look forward to the continued optimisation of our production processes and procedures. Given the year-to-date results and foreseeable developments in the second half, we expect the annual operating result to be on a par with the previous year.



Hansueli Loosli  
Chairman of the Board of Directors



Lorenz Wyss  
Chairman of the Group Executive Board

# Consolidated Balance Sheet

in CHF thousand	30.06.2011		31.12.2010		30.06.2010	
Liquid assets	23 608		33 674		95 163	
Securities	5 041		4 513		4 021	
Receivables and deferred items	327 299		304 848		280 930	
Inventory	170 454		152 401		164 782	
<b>Current assets</b>	<b>526 402</b>	<b>40.9%</b>	<b>495 436</b>	<b>42.4%</b>	<b>544 896</b>	<b>43.3%</b>
Financial assets	113 998		39 152		42 993	
Intangible assets	88 950		76 303		106 700	
Land and buildings	331 106		325 610		339 960	
Machinery and equipment	225 257		230 885		225 152	
<b>Non-current assets</b>	<b>759 311</b>	<b>59.1%</b>	<b>671 950</b>	<b>57.6%</b>	<b>714 806</b>	<b>56.7%</b>
<b>Assets</b>	<b>1 285 712</b>	<b>100.0%</b>	<b>1 167 386</b>	<b>100.0%</b>	<b>1 259 702</b>	<b>100.0%</b>
Current financial liabilities	112 685		107 329		108 733	
Miscellaneous liabilities and deferred items	272 121		268 301		266 195	
Current provisions	13 941		10 356		11 010	
<b>Current liabilities</b>	<b>398 747</b>	<b>31.0%</b>	<b>385 986</b>	<b>33.1%</b>	<b>385 938</b>	<b>30.6%</b>
Non-current financial liabilities	222 012		121 134		238 617	
Non-current provisions	70 289		69 811		64 791	
<b>Non-current liabilities</b>	<b>292 301</b>	<b>22.7%</b>	<b>190 945</b>	<b>16.4%</b>	<b>303 409</b>	<b>24.1%</b>
<b>Liabilities</b>	<b>691 049</b>	<b>53.7%</b>	<b>576 931</b>	<b>49.4%</b>	<b>689 346</b>	<b>54.7%</b>
Share capital	2 000		2 000		2 000	
Retained earnings	630 619		584 299		584 236	
Currency translation differences	-74 892		-67 352		-52 155	
Treasury shares deducted	-2 642		-6 992		-6 740	
Consolidated profit first half-year	26 805		64 519		26 140	
<b>Equity before third-party interest in equity</b>	<b>581 890</b>	<b>45.3%</b>	<b>576 474</b>	<b>49.4%</b>	<b>553 481</b>	<b>43.9%</b>
Third-party interest in equity	12 773		13 982		16 874	
<b>Equity</b>	<b>594 663</b>	<b>46.3%</b>	<b>590 456</b>	<b>50.6%</b>	<b>570 356</b>	<b>45.3%</b>
<b>Liabilities and equity</b>	<b>1 285 712</b>	<b>100.0%</b>	<b>1 167 386</b>	<b>100.0%</b>	<b>1 259 702</b>	<b>100.0%</b>

# Consolidated Income Statement

in CHF thousand	1. HY 2011		1. HY 2010	
Sales proceeds	1 255 097		1 286 525	
Other operating proceeds	28 611		24 792	
<b>Gross proceeds</b>	<b>1 283 708</b>		<b>1 311 317</b>	
Reductions in proceeds	48 413		42 554	
<b>Operating income</b>	<b>1 235 295</b>	<b>100.0%</b>	<b>1 268 763</b>	<b>100.0%</b>
Cost of goods sold	838 224	67.9%	851 466	67.1%
<b>Gross operating profit</b>	<b>397 071</b>	<b>32.1%</b>	<b>417 296</b>	<b>32.9%</b>
Personnel expenses	194 816	15.8%	205 601	16.2%
Other operating expenses	119 207		123 879	
<b>Total operating expenses</b>	<b>314 023</b>	<b>25.4%</b>	<b>329 480</b>	<b>26.0%</b>
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>83 048</b>	<b>6.7%</b>	<b>87 816</b>	<b>6.9%</b>
Depreciation of tangible assets	34 672		38 307	
Depreciation of intangible assets	2 585		2 463	
Depreciation of goodwill	5 591		7 710	
<b>Earnings before interest and taxes (EBIT)</b>	<b>40 200</b>	<b>3.3%</b>	<b>39 337</b>	<b>3.1%</b>
Balance of financial income/financial expenses	813		1 477	
<b>Net profit before taxes (EBT)</b>	<b>41 013</b>	<b>3.3%</b>	<b>40 814</b>	<b>3.2%</b>
Taxes	14 053		14 285	
<b>Net profit after taxes</b>	<b>26 960</b>	<b>2.2%</b>	<b>26 529</b>	<b>2.1%</b>
<b>Third-party interest in profit</b>	<b>-156</b>		<b>-389</b>	
<b>Consolidated profit first half-year</b>	<b>26 805</b>	<b>2.2%</b>	<b>26 140</b>	<b>2.1%</b>

## Non-recurring and infrequent expenses/income

Other operating expenses include closure costs to the value of CHF thousand 1 600.

# Cash flow Statement

in CHF thousand	1. HY 2011	1. HY 2010
Net profit after taxes first half-year	26 960	26 529
Depreciation of tangible assets	42 848	48 479
Income from sale of fixed assets	-298	-
Net result from equity investments and foundations	-3 754	-1 004
Changes in provisions	4 296	-313
<b>Cash flow</b>	<b>70 052</b>	<b>73 691</b>
Inventory changes (-) increase (+) decrease	-19 185	-5 790
Changes in receivables/adjustments (-) increase (+) decrease	-24 502	2 599
Changes in current liabilities (+) increase (-) decrease	788	14 973
<b>Operating cash flow</b>	<b>27 153</b>	<b>85 473</b>
Investments in tangible assets	-27 276	-24 359
Divestments of tangible assets	7 634	271
Investments in financial assets, participations	-100 479	2 328
Divestments of financial assets, participations	261	218
Investments in securities	-527	-1 760
Divestments of securities	-	5 245
Investments in intangible assets	-2 623	-1 652
Divestments of intangible assets	-5	-
<b>Investment cash flow</b>	<b>-123 015</b>	<b>-19 708</b>
Changes in interest bearing liabilities	100 649	-36 559
Investments (-) / divestments (+) treasury shares	5 906	2 570
Dividends	-20 719	-15 793
<b>Financing cash flow</b>	<b>85 836</b>	<b>-49 782</b>
<b>Cash flow balance</b>	<b>-10 026</b>	<b>15 983</b>
Liquid assets as of 01.01.	33 674	81 395
Effect of currency translation on liquid assets	-41	-2 215
Changes in liquid assets	-10 026	15 983
Liquid assets as of 30.06.	23 608	95 163

## 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 01.01.2011</b>	<b>2 000</b>	<b>584 299</b>	<b>-67 352</b>	<b>-6 992</b>	<b>64 519</b>	<b>576 474</b>	<b>13 982</b>	<b>590 456</b>
Changes in consolidation scope	-	-	-	-	-	-	-144	-144
Appropriation of annual profit	-	64 519	-	-	-64 519	-	-	-
Dividends	-	-19 755	-	-	-	-19 755	-964	-20 719
Additions/disposals of treasury shares	-	1 556	-	4 350	-	5 906	-	5 906
Consolidated profit first half-year	-	-	-	-	26 805	26 805	156	26 961
Currency translation effects	-	-	-7 540	-	-	-7 540	-257	-7 797
<b>Equity as of 30.06.2011</b>	<b>2 000</b>	<b>630 619</b>	<b>-74 892</b>	<b>-2 642</b>	<b>26 805</b>	<b>581 890</b>	<b>12 773</b>	<b>594 663</b>
Equity as of 01.01.2010	2 000	544 175	-16 545	-9 019	55 563	576 175	18 604	594 779
Changes in consolidation scope	-	-	-	-	-	-	-	-
Appropriation of annual profit	-	55 563	-	-	-55 563	-	-	-
Dividends	-	-15 793	-	-	-	-15 793	-	-15 793
Additions/disposals of treasury shares	-	291	-	2 279	-	2 570	-	2 570
Consolidated profit first half-year	-	-	-	-	26 140	26 140	389	26 529
Currency translation effects	-	-	-35 610	-	-	-35 610	-2 118	-37 728
Equity as of 30.06.2010	2 000	584 236	-52 155	-6 740	26 140	553 481	16 874	570 356

  

	Numbers of shares as of 01.01.	Additions in treasury shares	Disposals of treasury shares	Addition own shares for employee stock ownership plan	Disposal own shares for employee stock ownership plan	Number of shares as of 30.06.
<b>Shares</b>						
<b>Shares issued</b>	<b>400 000</b>	-	-	-	-	<b>400 000</b>
Treasury shares	-5 316	-	3 015	-188	523	-1 966
<b>Shares in circulation 2011</b>	<b>394 684</b>	-	<b>3 015</b>	<b>-188</b>	<b>523</b>	<b>398 034</b>
Shares issued	400 000	-	-	-	-	400 000
Treasury shares	-6 938	-175	1 284	-8	652	-5 185
Shares in circulation 2010	393 062	-175	1 284	-8	652	394 815

## Comments to half-year report

### Basic principles

The principles governing consolidation, valuation, structuring and presentation comply with the Financial Reporting Standards Swiss GAAP FER. They apply to all companies included in the scope of consolidation. The consolidation and accounting principles are the same as for the 2010 annual financial statements as set out in pages 48 – 49 of the Annual Report 2010 ([www.bell.ch/en/investor-relations/annual-reports.aspx](http://www.bell.ch/en/investor-relations/annual-reports.aspx)). All amounts have been rounded individually.

### Scope of consolidation

Hilcona AG was added to the scope of consolidation on 1 January 2011, while Bell Convenience was deconsolidated on the same date. Hoppe GmbH was consolidated for the first time on 1 May 2011, and the acquired company Kocherhans + Schär AG was merged with Bell Schweiz AG on 27 June 2011. Refer to page 18 of the interim report for an overview of the Group's subsidiaries and associates.

### 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

Balance sheet	EUR	1	=	CHF	1.22
	CZK	1	=	CHF	0.05
	HUF	100	=	CHF	0.46
	PLN	1	=	CHF	0.306
Income statement	EUR	1	=	CHF	1.2723
	CZK	1	=	CHF	0.0523
	HUF	100	=	CHF	0.4726
	PLN	1	=	CHF	0.3218

### Useful life of non-current assets

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

Bell Convenience was transferred to Hilcona AG and deconsolidated on 1 January 2011. Until the majority of the shares of Hilcona AG are taken over in 2015, the investment in this company is consolidated at equity value. The final revaluation of the non-current assets of Hilcona is still pending. The calculation of the goodwill is based on an estimate.

Hoppe GmbH was acquired retroactively to 1 January and consolidated from 1 May. The profit for the period up to 30 April was allocated to the acquired equity.

The expected costs for closing the plant in Steinheim related to this acquisition were recognised in the income statement and deferred.

Kocherhans + Schär AG was acquired at the end of April, retroactively to 1 January 2011. The profit for the first half was allocated to the acquired equity. For reasons of materiality it was not necessary to consolidate the period from May to June. The company was merged with Bell Schweiz AG at the end of June 2011.

The various acquisitions led to an increase in the financial liabilities of CHF 100 million.

The remainder of the purchase price for the Polette Group was paid in the first half of the year by a transfer of treasury shares.

As the Frigo fire incident cannot be finalised yet, the expected positive result will only be recognised in the second half of the year.

The rezoning of the land in Niederbipp, for which we have a purchase right, was refused and this land purchase project was discontinued. The costs related to this project are immaterial and were recognised.

The building rights associated with the abattoir compound in Basel will presumably be legally transferred to Bell in the second half of 2011.

### Events after the balance sheet date

In July we managed to acquire the shares of the co-owner of Schlachtbetrieb Basel AG (SBA) and SBA will be merged with Bell Schweiz AG as of beginning 2012. The transaction does not have a significant impact on the Group's sales and income. SBA is a service company which already dedicated more than 90 percent of its efforts to Bell Schweiz AG in the past.

## Appendix to Balance Sheet

in CHF thousand	30.06.2011	Share	31.12.2010	
Trade accounts receivable	138 339	42.3%	146 526	
Receivables affiliated companies Coop	95 232	29.1%	73 692	
Receivables other affiliated companies	2 621	0.8%	19 429	
Other receivables	66 502	20.3%	47 366	
Deferred expenses and accrued income	24 606	7.5%	17 834	
<b>Receivables and deferred items</b>	<b>327 299</b>	<b>100.0%</b>	<b>304 848</b>	
Raw materials and finished goods	163 725	96.1%	145 676	
Auxiliary materials	15 923	9.3%	15 652	
Value adjustments on the basis of value impairments	-9 193	-5.4%	-8 927	
<b>Inventory</b>	<b>170 454</b>	<b>100.0%</b>	<b>152 401</b>	
Trade accounts payable	126 594	46.5%	145 667	
Accounts payable to Coop	15 000	5.5%	13 701	
Accounts payable to other affiliated companies	13	0.0%	1 121	
Other accounts payable	52 760	19.4%	49 403	
Deferred income and accrued expenses	77 754	28.6%	58 409	
<b>Miscellaneous liabilities and deferred items</b>	<b>272 121</b>	<b>100.0%</b>	<b>268 301</b>	
Loans and credits from banks	108 653	32.5%	107 052	
Loans with affiliated companies	4 032	1.2%	277	
<b>Current financial liabilities</b>	<b>112 685</b>	<b>33.7%</b>	<b>107 329</b>	
Long-term loans and credits	204 012	61.0%	109 134	
Non-current loans with affiliated companies	18 000	5.4%	12 000	
<b>Non-current financial liabilities</b>	<b>222 012</b>	<b>66.3%</b>	<b>121 134</b>	
<b>Financial liabilities</b>	<b>334 697</b>	<b>100.0%</b>	<b>228 462</b>	
<b>Statement of duration</b>				
Due within 360 days	112 685	33.7%	107 329	
Due within two years	33 713	10.1%	33 733	
Due within three years and later	188 299	56.3%	87 400	
<b>Financial liabilities</b>	<b>334 697</b>	<b>100.0%</b>	<b>228 462</b>	
<b>Financial liabilities by currency</b>				
CHF	240 163	71.8%	121 258	
EUR	94 534	28.2%	107 054	
Other currencies	-		150	
<b>Financial liabilities</b>	<b>334 697</b>	<b>100.0%</b>	<b>228 462</b>	
<b>Company mergers/sale</b>	<b>Bell Convenience<sup>1</sup></b>	<b>Hilcona AG<sup>2</sup></b>	<b>Hoppe GmbH<sup>3</sup></b>	<b>Kocherhans + Schär AG<sup>4</sup></b>
	<b>01.01.2011</b>	<b>01.01.2011</b>	<b>01.05.2011</b>	<b>27.06.2011</b>
Liquid assets	-	20 600	1 155	157
Trade accounts receivables	-	40 300	3 694	331
Inventory	1 734	51 200	1 195	82
Tangible assets	5 289	191 000	13 551	4 918
Miscellaneous liabilities	1 022	30 000	3 297	238
Financial liabilities	-	114 000	6 248	1 728

<sup>1</sup> Company sale

<sup>2</sup> New addition to scope of consolidation on 01.01.2011 using pro-rated equity; new valuation of tangible assets still pending, thus estimated by Bell; assets include Bell Convenience

<sup>3</sup> Initial consolidation as of 01.05.2011

<sup>4</sup> Merger with Bell Schweiz AG

## Appendix to Consolidated Balance Sheet

<b>Provisions</b> in CHF thousand	Early retirements	Long service awards	Holiday & extra hours charges	Deferred taxes	Other provisions	Restructuring	<b>Total</b>
<b>Provisions as of 01.01.2011</b>	<b>21 926</b>	<b>3 027</b>	<b>4 708</b>	<b>44 073</b>	<b>5 069</b>	<b>1 364</b>	<b>80 167</b>
Changes in consolidation scope	-	-	-	-	-	-	-
Established	634	626	2 927	105	38	1 600	5 930
Used	-1 334	-	-32	-23	-100	-146	-1 635
Currency translation effects	-109	-	-20	-71	-33	-	-233
<b>Provisions as of 30.06.2011</b>	<b>21 117</b>	<b>3 653</b>	<b>7 583</b>	<b>44 084</b>	<b>4 974</b>	<b>2 818</b>	<b>84 230</b>
Non-current provisions as of 30.06.2011	20 047	1 958	-	44 084	4 200	-	70 289
Current provisions as of 30.06.2011	1 070	1 696	7 583	-	774	2 818	13 941
<b>Provisions as of 01.01.2010</b>	<b>21 147</b>	<b>3 195</b>	<b>5 222</b>	<b>39 442</b>	<b>8 274</b>	<b>300</b>	<b>77 580</b>
Changes in consolidation scope	-	-	-	-	-	-	-
Established	856	-	2 661	19	-	-	3 536
Used	-230	-	-667	-2 344	-309	-300	-3 850
Currency translation effects	-432	-	-22	-427	-584	-	-1 465
<b>Provisions as of 30.06.2010</b>	<b>21 341</b>	<b>3 195</b>	<b>7 194</b>	<b>36 690</b>	<b>7 381</b>	<b>-</b>	<b>75 801</b>
Non-current provisions as of 30.06.2010	19 896	2 073	-	36 690	6 132	-	64 791
Current provisions as of 30.06.2010	1 445	1 122	7 194	-	1 249	-	11 010

## Appendix to Balance Sheet

Financial assets in CHF thousand	Non conso- lidated holdings	Loans to affiliated companies*	Loans to third parties	Equity of foundation	Deferred tax assets	Other financial assets	Total
<b>Value as of 01.01.2011</b>	<b>27 639</b>	<b>610</b>	<b>449</b>	<b>5 119</b>	<b>5 106</b>	<b>228</b>	<b>39 152</b>
Purchase price as of 01.01.2011	27 639	610	449	5 119	5 106	228	39 152
Changes in consolidation scope	-11	-	-	-	-	-	-11
Investments	70 976	-	-	-	-	500	71 476
Divestments	-	-	-205	-	-56	-	-261
Reevaluation	3 754	-	-	-	-	-	3 754
Currency translation effects	-3	12	-	-	-120	-	-111
<b>Value as of 30.06.2011</b>	<b>102 355</b>	<b>622</b>	<b>244</b>	<b>5 119</b>	<b>4 930</b>	<b>728</b>	<b>113 998</b>

\*there are no loans to the corporation entities

Value as of 01.01.2010	40 851	2 628	667	6 037	6 690	228	57 101
Purchase price as of 01.01.2010	40 851	2 628	667	6 037	6 690	228	57 101
Changes in consolidation scope	-13 729	-	-	-	-	-	-13 729
Investments	-	51	-	-	11	1	63
Divestments	-	-	-218	-	-363	-	-581
Revaluation	984	-	-	-73	-	-	911
Currency translation effects	-	-46	-	-	-727	-	-773
Value as of 30.06.2010	28 107	2 633	449	5 964	5 611	229	42 993

## Appendix to Consolidated Balance Sheet

<b>Intangible assets</b> in CHF thousand	Software	Trademarks	Other rights	Goodwill	Total
<b>Value as of 01.01.2011</b>	<b>10 447</b>	<b>7 391</b>	<b>822</b>	<b>57 644</b>	<b>76 303</b>
Purchase price as of 01.01.2011	31 166	10 293	1 324	130 287	173 071
Changes in scope of consolidation*	84	-	-	19 801	19 885
Investments	1 666	-	957	-	2 623
Divestments	-465	-	-	-	-465
Reclassification	665	-	-227	-	438
Currency translation effects	-221	-247	-61	-3 051	-3 580
Purchase price as of 30.06.2011	32 895	10 046	1 993	147 037	191 972
Cumulative depreciation as of 01.01.2011	20 719	2 902	502	72 644	96 767
Changes in consolidation scope	60	-	-	-	60
Orderly depreciation	1 888	627	70	5 591	8 176
Value impairments	-	-	-	-	-
Cumulative depreciation of divestments	-470	-	-	-	-470
Reclassification	194	-	-194	-	-
Currency translation effects	-92	-95	-7	-1 318	-1 512
Cumulative depreciation as of 30.06.2011	22 299	3 435	371	76 917	103 022
<b>Value as of 30.06.2011</b>	<b>10 596</b>	<b>6 611</b>	<b>1 622</b>	<b>70 121</b>	<b>88 950</b>
Value as of 01.01.2010	6 148	10 266	973	97 130	114 517
Purchase price as of 01.01.2010	26 776	12 228	1 492	143 000	183 496
Changes in consolidation scope	-10	-	-1	12 458	12 446
Investments	1 441	-	10	200	1 652
Divestments	-1 523	-	-	-	-1 523
Reclassification	904	-	-	-	904
Currency translation effects	-441	-1 318	-163	-13 842	-15 763
Purchase price as of 30.06.2010	27 147	10 910	1 339	141 816	181 212
Cumulative depreciation as of 01.01.2010	20 628	1 962	519	45 870	68 979
Changes in consolidation scope	-18	-	-1	227	208
Orderly depreciation	1 732	712	19	7 710	10 172
Value impairments	-	-	-	-	-
Cumulative depreciation of divestments	-1 522	-	-	-	-1 522
Reclassification	-	-	-	-	-
Currency translation effects	-407	-260	-59	-2 599	-3 325
Cumulative depreciation as of 30.06.2010	20 412	2 414	479	51 208	74 512
Value as of 30.06.2010	6 735	8 497	860	90 608	106 700

\*including prorated and estimated goodwill of Hilcona AG

## Appendix to Consolidated Balance Sheet

Land and buildings in CHF thousand	Land*	Production and admini- stration facilities	Construc- tions in rented locations	Buildings under construction	Total
<b>Value as of 01.01.2011</b>	<b>48 268</b>	<b>272 621</b>	<b>781</b>	<b>3 940</b>	<b>325 610</b>
Purchase price as of 01.01.2011	48 348	554 039	2 456	3 940	608 784
Changes in consolidation scope	1 747	20 479	-	-	22 226
Investments	1 000	1 358	-	2 090	4 448
Divestments	-	-2 958	-210	-23	-3 191
Reclassification	-1 026	2 922	-22	-2 129	-255
Currency translation effects	-325	-4 494	3	10	-4 806
Purchase price as of 30.06.2011	49 745	571 346	2 227	3 888	627 206
Cumulative depreciation as of 01.01.2011	80	281 418	1 676	-	283 173
Changes in consolidation scope	-	5 865	-	-	5 865
Orderly depreciation	6	10 223	56	-	10 285
Value impairments	-	-	-	-	-
Cumulative depreciation of divestments	-	-1 143	-210	-	-1 353
Reclassification	71	-71	-3	-	-3
Currency translation effects	-5	-1 867	4	-	-1 868
Cumulative depreciation as of 30.06.2011	152	294 425	1 523	-	296 099
<b>Value as of 30.06.2011</b>	<b>49 592</b>	<b>276 922</b>	<b>705</b>	<b>3 888</b>	<b>331 106</b>
Value as of 01.01.2010	50 333	300 227	930	4 376	355 866
Purchase price as of 01.01.2010	50 428	587 159	2 468	4 376	644 431
Changes in consolidation scope	780	3 595	37	-	4 412
Investments	-	1 807	-	6 492	8 299
Divestments	-137	-11 478	-	-107	-11 721
Reclassification	594	130	-	-924	-200
Currency translation effects	-1 821	-22 661	-33	-177	-24 692
Purchase price as of 30.06.2010	49 844	558 552	2 472	9 660	620 528
Cumulative depreciation as of 01.01.2010	95	286 932	1 538	-	288 564
Changes in consolidation scope	-	248	3	-	251
Orderly depreciation	7	10 573	99	-	10 679
Value impairments	-	1 183	-	-	1 183
Cumulative depreciation of divestments	-	-11 650	-	-	-11 650
Reclassification	70	-61	-	-	9
Currency translation effects	-11	-8 432	-27	-	-8 470
Cumulative depreciation as of 30.06.2010	161	278 792	1 614	-	280 567
Value as of 30.06.2010	49 683	279 760	859	9 660	339 961

\*most of land is developed

Land and buildings include capitalised lease investments for a carrying value of CHF thousand 6 370 (previous year CHF thousand 7 374).

## Appendix to Consolidated Balance Sheet

<b>Machinery and equipment</b> in CHF thousand	Machinery and equipment	Installations	IT Hardware	Furnishings and vehicles	Advance payments	Total
<b>Value as of 01.01.2011</b>	<b>117 108</b>	<b>73 504</b>	<b>6 902</b>	<b>22 536</b>	<b>10 835</b>	<b>230 885</b>
Purchase price as of 01.01.2011	376 268	183 682	30 999	89 175	10 835	690 959
Changes in consolidation scope	7 329	800	-	2 161	106	10 396
Investments	7 624	1 708	1 353	3 543	8 600	22 828
Divestments	-18 201	-4 990	-480	-11 578	33	-35 216
Reclassification	3 757	-49	823	15	-4 730	-183
Currency translation effects	-3 255	-178	-41	-416	-235	-4 124
Purchase price as of 30.06.2011	373 522	180 973	32 654	82 900	14 610	684 660
<b>Cumulative depreciation as of 01.01.2011</b>	<b>259 160</b>	<b>110 178</b>	<b>24 097</b>	<b>66 639</b>	<b>-</b>	<b>460 075</b>
Changes in consolidation scope	6 200	177	-	1 310	-	7 687
Orderly depreciation	12 538	6 263	1 611	3 974	-	24 386
Value impairments	-	-	-	-	-	-
Cumulative depreciation of divestments	-14 708	-3 981	-459	-10 570	-	-29 718
Reclassification	3	-2	273	-271	-	3
Currency translation effects	-2 595	-115	-33	-286	-	-3 029
Cumulative depreciation as of 30.06.2011	260 597	112 521	25 489	60 796	-	459 403
<b>Value as of 30.06.2011</b>	<b>112 925</b>	<b>68 451</b>	<b>7 165</b>	<b>22 103</b>	<b>14 610</b>	<b>225 257</b>
<b>Value as of 01.01.2010</b>	<b>127 565</b>	<b>76 627</b>	<b>6 904</b>	<b>26 376</b>	<b>4 600</b>	<b>242 072</b>
Purchase price as of 01.01.2010	388 453	175 484	30 495	96 373	4 600	695 405
Changes in consolidation scope	-395	-	34	100	-	-261
Investments	8 464	1 604	315	1 846	3 832	16 060
Divestments	-6 197	-1 973	-2 056	-4 242	-	-14 468
Reclassification	375	216	205	32	-1 531	-704
Currency translation effects	-17 683	-953	-105	-4 704	-377	-23 821
Purchase price as of 30.06.2010	373 017	174 377	28 888	89 405	6 524	672 212
<b>Cumulative depreciation as of 01.01.2010</b>	<b>260 888</b>	<b>98 857</b>	<b>23 592</b>	<b>69 997</b>	<b>-</b>	<b>453 334</b>
Changes in consolidation scope	-395	-	13	23	-	-359
Orderly depreciation	13 696	6 788	1 601	4 360	-	26 444
Value impairments	-	-	-	-	-	-
Cumulative depreciation of divestments	-6 323	-1 799	-2 056	-4 090	-	-14 268
Reclassification	-3	-	17	-23	-	-9
Currency translation effects	-13 680	-530	-76	-3 795	-	-18 082
Cumulative depreciation as of 30.06.2010	254 181	103 315	23 092	66 472	-	447 060
<b>Value as of 30.06.2010</b>	<b>118 836</b>	<b>71 062</b>	<b>5 797</b>	<b>22 933</b>	<b>6 524</b>	<b>225 152</b>

Machinery and equipment include capitalised lease investments for a carrying value of CHF thousand 2 137 (previous year CHF thousand 3 326).

## Appendix to Consolidated Income Statement

in CHF thousand	1. HY 2011	Difference	1. HY 2010
Fresh meat	410 939	3.2%	398 044
Charcuterie own production	177 069	-0.4%	177 788
Charcuterie purchased	40 361	7.6%	37 510
Poultry	173 683	2.0%	170 206
Seafood	57 445	10.1%	52 185
Convenience	1 426	-96.4%	39 933
Other sales	9 497	-13.2%	10 935
<b>Product groups Switzerland</b>	<b>870 420</b>	<b>-1.8%</b>	<b>886 601</b>
Charcuterie	350 424	-4.2%	365 786
Other sales	34 253	0.3%	34 138
<b>Product groups International</b>	<b>384 677</b>	<b>-3.8%</b>	<b>399 924</b>
<b>Sales by product groups</b>	<b>1 255 097</b>	<b>-2.4%</b>	<b>1 286 525</b>
Other operating proceeds	28 611	15.4%	24 792
Reduction in proceeds	48 413	13.8%	42 554
<b>Operating income</b>	<b>1 235 295</b>	<b>-2.6%</b>	<b>1 268 763</b>
<b>Sales by country*</b>			
Switzerland	874 625		888 166
Germany	199 788		207 054
France	51 563		48 677
Other Western Europe	43 365		50 697
Eastern Europe	65 954		74 169
<b>Operating income by country</b>	<b>1 235 295</b>	<b>-2.6%</b>	<b>1 268 763</b>
*in 2010 calculation base production site			
Rent	10 523		11 856
Energy, auxiliary materials	23 034		24 140
Repair and maintenance	24 092		22 551
Transport	30 822		32 428
Advertising	12 867		13 004
Other operating expenses	17 868		19 900
<b>Total other operating expenses</b>	<b>119 207</b>		<b>123 879</b>
Interest on fixed deposits and other interest	487		681
Win from securities, financial assets and currency	2 517		7 090
Net result from equity investments	3 754		1 004
<b>Financial return</b>	<b>6 758</b>	<b>-23.0%</b>	<b>8 775</b>
Interest	4 068		5 218
Loss from securities, financial assets and currency	1 116		1 222
Bank charges and other financial expenses	760		858
<b>Financial expenses</b>	<b>5 945</b>	<b>-18.5%</b>	<b>7 298</b>
<b>Balance of financial return/financial expenses</b>	<b>813</b>		<b>1 477</b>
<i>Average cost of interest-bearing liabilities</i>	<i>2.89%</i>		<i>2.85%</i>

## Share information as of June 30

		2007	2008	2009	2010	2011
<b>Per-share data</b>						
Share price as of 30.06.	CHF	1 900	1 899	1 550	1 523	2 050
Year's high	CHF	2 250	1 950	1 565	1 670	2 300
Year's low	CHF	1 410	1 780	1 267	1 480	1 725
<b>Half-year share information</b>						
Equity per share	CHF	1 226	1 326	1 395	1 402	1 462
Net profit per share	CHF	60	57	55	67	68
Cash flow per share	CHF	131	139	166	187	176
EBIT per share	CHF	78	74	91	100	101
<b>Structure</b>						
Registered shares as of June 30, 2011		400 000 registered shares at CHF 5 par value				
Shareholders as of June 30, 2011		365 475				
Principal shareholders		3 699				
		Coop Cooperative, Basel; 65.79 percent				
		Sarasin Investmentfonds AG, Basel; 4.77 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.				

## Financial Figures as of June 30

in CHF thousand	2007	2008	2009	2010	2011
<b>Gross sales</b>	775 478	888 678	1 261 007	1 286 525	<b>1 255 097</b>
<b>Operating income</b>	780 741	890 388	1 244 503	1 268 763	<b>1 235 295</b>
<b>Gross operating profit</b>	249 171	276 314	420 333	417 296	<b>397 071</b>
in % of operating income	31.9%	31.0%	33.8%	32.9%	<b>32.1%</b>
<b>EBITDA</b>	60 087	59 033	83 049	87 816	<b>83 048</b>
in % of operating income	6.7%	6.6%	6.7%	6.9%	<b>6.7%</b>
<b>EBIT</b>	31 061	29 631	35 752	39 337	<b>40 200</b>
in % of operating income	4.0%	3.3%	2.9%	3.1%	<b>3.3%</b>
<b>Net profit after taxes</b>	23 817	22 618	21 806	26 529	<b>26 960</b>
<b>Financial liabilities</b>	74 360	130 461	394 076	347 350	<b>334 697</b>
<b>Equity</b>	490 365	530 202	570 123	570 356	<b>594 663</b>
in % of assets	66.6%	61.8%	45.0%	45.3%	<b>46.3%</b>
<b>Headcount as of 30.06.</b>	3 413	3 657	6 721	6 391	<b>6 365</b>
Switzerland	3 135	3 385	3 447	3 428	3 227
International	278	272	3 274	2 963	3 138
<b>Average headcount on basis full-time employees</b>	3 252	3 464	6 272	6 123	<b>6 062</b>
Switzerland	2 977	3 202	3 310	3 339	3 113
International	275	262	2 962	2 784	2 949

## 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, convenience, seafood	■	CHF 20 000 000	100.0%
Frigo St. Johann AG	Basel	Logistics, cold storage	■	CHF 2 000 000	100.0%
Hilcona AG	Schaan	Convenience	○	CHF 10 030 000	49.0%
SBA Schlachtbetrieb Basel AG	Basel	Slaughterhouse	*	250 000	48.0%
Centravo AG**	Zürich	By-products processing	*	CHF 2 400 000	29.8%
GVFI International AG	Basel	Meat trade	●	CHF 3 000 000	17.7%
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 GmbH	Bochum /DE	Subholding	■	EUR 25 000	100.0%
FreshCo. Wurstwarenvertriebs GmbH	Bochum /DE	Meat trade	■	EUR 38 400	100.0%
ZIMBO Fleisch- und Wurstwaren GmbH & Co. KG	Bochum /DE	Meat and sausages	■	EUR 28 097 970	100.0%
Feine Kost Böttcher GmbH	Bochum /DE	Management	■	EUR 2 862 603	100.0%
Hoppe GmbH	Bad Wünnenberg /DE	Convenience	□	EUR 1 500 000	100.0%
ZIMBO International GmbH	Bochum /DE	Meat trade	■	EUR 1 840 700	100.0%
ZIMBO Polska Sp. z o.o.	Niepolomice /PL	Meat trade	■	PLN 500 000	100.0%
ZIMBO Húsipari Termelő Kft.	Perbál /HU	Meat and sausages	■	HUF 375 000 000	99.5%
Marco Polo N.V.	Zellik /BE	Subholding	■	EUR 4 258 000	99.9%
The Fresh Connection N.V.	Zellik /BE	Meat trade	■	EUR 620 000	99.9%
Coldlog N.V.	Zellik /BE	Storage	■	EUR 62 000	99.9%
The Fresh Connection Nederland B.V.	Dr Houten /NL	Meat trade	■	EUR 18 000	76.0%
Interfresh Food Retail Easteurope GmbH	Bochum /DE	Meat trade	■	EUR 100 000	100.0%
ZIMBO Czechia s.r.o.	Prag-Holesovice /CZ	Retail trade	■	CZK 10 000 000	70.0%
Abraham GmbH	Seevetal /DE	Subholding	■	EUR 103 900	75.0%
Abraham Schinken GmbH & Co. KG	Seevetal /DE	Management	■	EUR 400 000	100.0%
Gebr. Abraham GmbH & Co. KG	Seevetal /DE	Air-dried ham	■	EUR 1 750 000	100.0%
Abraham Benelux S.A.	Libramont-Chevigny /BE	Air-dried ham	■	EUR 250 000	100.0%
Abraham Polska Sp. z o.o.	Warschau /PL	Wholesale trade	■	PLN 100 000	100.0%
Sanchez Alcaraz S.L.	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%

\*Bell AG changes its name to Bell Schweiz AG.

\*\*Share of equity relates to the shares in circulation.

■ Fully consolidated (uniform management)

\* Consolidation at equity

● Purchase price

▲ Consideration acc. Swiss GAAP FER 16

□ Fully consolidated mid 2011

○ Included in actual prorated equity and profit, as at 01.01.2011



