

Bell Ltd Management report 2013

— **Quality** is
our core competence

— We stand for
sustainable services

— Our **tradition** makes us rich
in experience

— Our products offer **taste**
and a zest for life



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Together, the 2013 management report and the 2013 company profile form the 2013 annual report. These are available as separate publications or can be downloaded from www.bellfoodgroup.com.

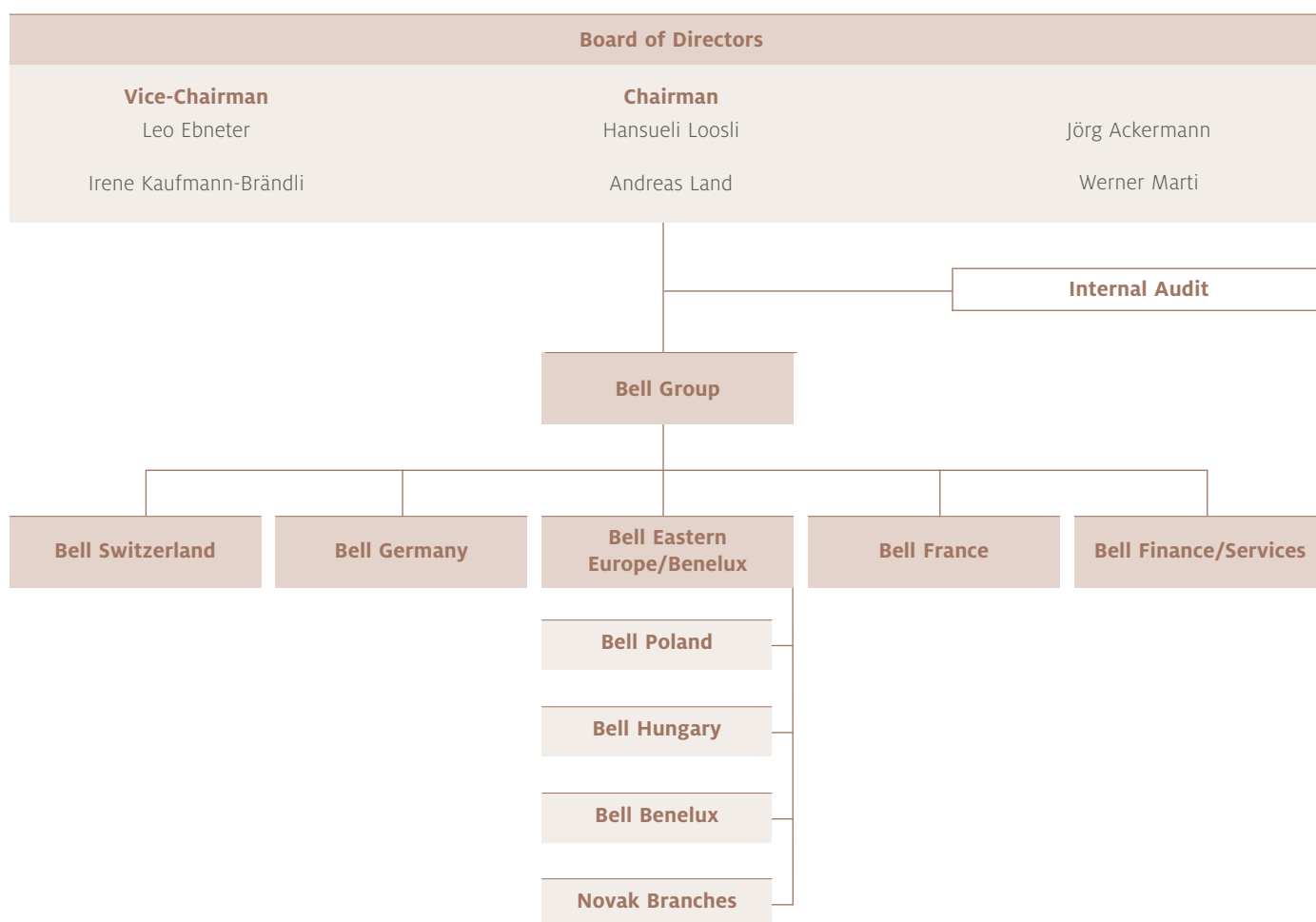
Corporate Governance

Bell Ltd follows the Swiss Code of Best Practice for Corporate Governance of *economiesuisse*, and complies with the SIX Swiss Exchange Directive on Information relating to Corporate Governance (DCG). The corporate governance rules and regulations of Bell Ltd are based on Swiss law, the company's Articles of Association and the by-laws. The Board of Directors reviews the Articles of Association and by-laws at regular intervals and adjusts them to meet changed circumstances.

Group structure

The Bell Group has no cross-shareholdings or holdings in listed companies. An overview of all companies in which the Bell Group has a stake is provided on page 40.

Organisational chart



The Articles of Association of Bell Ltd can be accessed at www.bellfoodgroup.com/articles. An excerpt from the by-laws is available at www.bellfoodgroup.com/organisation-en.

Status as of 31 December 2013 if nothing is stated to the contrary.

This section on corporate governance took account of the Ordinance against Excessive Compensation in Listed Corporations that entered into force on 1 January 2014 to the extent possible by the editorial deadline. The amendment to the Articles of Association will be submitted for approval at the 2014 Shareholders' Meeting.

Capital structure and shareholders' rights

Significant shareholders

See page 39.

Capital structure

The company has no outstanding convertible bonds, options or dividend-right certificates. The company's share capital is fully paid up and equates to CHF 2,000,000. There are 400,000 registered shares with a nominal value of CHF 5 each. The registered shares can be converted into bearer shares via an amendment to the Articles of Association.

The capital structure and shares are described in detail on page 42.

Transferability

The transfer of registered shares as property or usufruct requires the permission of the Board of Directors. The Board of Directors may delegate all or some of its powers in this regard (Articles of Association, Art. 5).

Share register restrictions

According to the Articles of Association (Art. 5), the Board may refuse to register someone as a shareholder for good cause and if a single shareholder acquires more than 5 percent of the voting rights.

Board of Directors

Election and term of office

The members of the Board of Directors are elected by the Shareholders' Meeting. Board members are elected individually. The Chairman nominates the members of the Board of Directors. The Board of Directors consists of a minimum of three members who are elected by the Shareholders' Meeting for a term of office of one year. Directors can be re-elected at the end of a term. The term of office expires at the conclusion of the Shareholders' Meeting in the relevant year.

If a Board member turns 65 while in office, he or she must resign from the Board at the next Shareholders' Meeting.

Composition of the Board of Directors

as of 31.12.2013

	Chairman of the Board of Directors	Member of the Board of Directors	End of the term of office
Hansueli Loosli	since 2009	–	2015
Leo Ebnetter	–	since 2012	2015
Jörg Ackermann	2001 – 2009	since 2000	2015
Irene Kaufmann-Brändli	–	since 2009	2015
Andreas Land	–	since 2013	2015
Werner Marti	–	since 2009	2015

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Members of the Board of Directors



Hansueli Loosli

1955, Swiss citizen
Chairman of the Board of Directors

Certified public accountant (Federal diploma)
Chairman of the Board of Directors of Coop Group Cooperative; since 2011

Board member mandates

Chairman; Transgourmet Holding AG, Basel • Chairman; Coop Mineraloel AG, Allschwil • Chairman; Swisscom AG, Bern • Deichmann SE, Essen, Germany, Advisory Council

Professional career

Chairman of the Executive Board; Coop Cooperative, Basel; 2001 – 2011 • Chairman of the Executive Board and the Group Executive Board; Coop Switzerland, Basel; 1997 – 2000 • Managing Director; Coop Zurich, Zurich; 1992 – 1997 • Director of Non-Food Procurement; Coop Switzerland, Wangen; 1992 – 1996 • Most recently Managing Director; Waro AG, Volketswil; 1985 – 1992 • Controller, Deputy Director; Mövenpick Produktions AG, Adliswil; 1982 – 1985 • Head of Fiduciary Department; BBC AG, Baden; 1979 – 1982 • Audit Assistant; Intertest AG, Baden; 1978 – 1979 • Chief Accountant; Huba-Control AG, Würenlos; 1974 – 1978



Leo Ebnetter

1954, Swiss citizen
Vice-Chairman of the Board of Directors

Business diploma
Head of Directorate 4 Logistics, Member of the Executive Board; Coop Cooperative, Basel; since 2007

Board member mandates

Chairman; Railcare AG, Härkingen • Kühlhaus Neuhof AG, Gossau

Professional career

Head of Logistics Region Eastern Switzerland-Ticino; Coop Cooperative, Gossau; 2001 – 2007 • Deputy Manager of Coop Eastern Switzerland and Head of Procurement, Production, Logistics and IT; Coop Eastern Switzerland, Gossau; 1990 – 1998 • Head of Food Procurement, Production, Logistics; Coop Eastern Switzerland, Gossau; 1987 – 1990 • Head of Logistics Gossau; Coop Eastern Switzerland, Gossau; 1985 – 1987 • Head of Logistics General Goods and Head of Transport; Coop Eastern Switzerland, Gossau; 1981 – 1985



Jörg Ackermann

1958, Swiss citizen
Member of the Board of Directors

Business economist (School of Economics)
Mandates for VGL Coop Cooperative; since 2008

Board member mandates

HiCoPain AG, Dagmersellen • Coop-ITS-Travel Ltd, Wollerau • Coop Patenschaft für Berggebiete, Basel • Dipl. Ing. Fust AG, Oberbüren • GS1 Schweiz, Bern

Professional career

Deputy Chairman of the Coop Executive Board, Head of Logistics/IT/Production, Coop Cooperative, Basel; 2004 – 2008 • Member of the Coop Executive Board, Head of IT/Production, Coop Cooperative, Basel; 2001 – 2003 • Member of the Executive Board, Head of IT/Production, Coop Switzerland, Basel; 1998 – 2001 • Head of Corporate Development, Coop Switzerland, Basel; 1997 • Managerial positions at Coop Winterthur, Winterthur: Deputy Director, 1995 – 1996; Head of Marketing, Member of the Executive Board, 1992 – 1994; Head of Product Marketing and Logistics, Member of the Executive Board, 1989 – 1991; Assistant to the Head of Customer Marketing, 1984 – 1988



Irene Kaufmann-Brändli
1955, Swiss citizen
Member of the Board of Directors

Dr. oec. publ.

Vice-chairwoman of the Board of Directors of Coop Group Cooperative; since 2011

Board member mandates

Coop Immobilien AG, Bern • Bank Coop AG, Basel • Coop Mineraloel AG, Allschwil • Dipl. Ing. Fust AG, Oberbüren • Transgourmet Holding AG, Basel • CPV/CAP Coop Pension Fund, Basel; Trustee • ETH Zürich Foundation, Zurich; Trustee • Juventus schools Zurich, Zurich; Chair of the Board of Trustees • HWZ Hochschule für Wirtschaft Zürich, Zurich • Swiss Mobiliar Cooperative Company, Bern

Professional career

Chair of the Board of Directors; Coop Cooperative, Basel; 2009 – 2011 • Vice-Chair of the Board of Directors; Coop Cooperative, Basel; 2000 – 2009 • Project management of consultancy assignments for public administration and operations with an emphasis on finance and organisation; Nabholz Consulting, Zurich; 1985 – 2008 • Audit and consultant mandates for private enterprises on behalf of Dr. Nabholz Treuhand AG, Zurich; 1980 – 2002



Andreas Land
1956, German citizen
Member of the Board of Directors

Certified business administrator (with a diploma from a university of applied sciences)
Managing partner of Griesson – de Beukelaer GmbH & Co. KG since 1997

Professional career

CEO of Danone Biscuits North; Danone Group, Heerentals, Heerentals, Belgium; 1992 – 1997 • Managing Director of Bongrain Germany, Wiesbaden, Germany; 1989 – 1992 • Different positions with Effem GmbH, Verden, Germany; 1979 – 1989



Werner Marti
1957, Swiss citizen
Member of the Board of Directors

Attorney
Law office; since 1988

Board member mandates

Chairman; Alp Transit Gotthard AG, Lucerne • Chairman; Billag AG, Fribourg • Service 7000 AG, Netstal • Other board member mandates with various SMEs

Professional career

Proprietary law office in Glarus; since 1988 • National Councillor of canton Glarus; 1991 – 2008. In this position member of the Finance Commission (Chairman 2004/2005), the Commission for Communication, Transport and Telecommunications as well as various ad-hoc commissions • Price controller; 1996 – 2004 • Councillor of canton Glarus, Directorate of Internal Affairs (Directorate of the Economy); 1990 – 1998 • Associate/partner in a law office; 1983 – 1987

Board member fees

Members of the Board of Directors receive appropriate compensation for their activities in accordance with Article 23 of the Articles of Association.

Fee (gross) per annum:

Chairman	CHF 100,000
Vize-Chairman	CHF 80,000
Members	CHF 70,000

Special cases

Fees will be paid as follows:

- pro rata on resignation from the Board of Directors
- in the event of illness/accident: 100 %

Compensation includes a flat rate of 10 percent for expenses that is indicated separately. The statutory social contributions (employee's share) will be deducted from 90 percent of the compensation amount.

The meeting attendance fee paid previously has been included in the Board member fee from 1 June 2013. The Coop Cooperative representatives on the Board work on a mandate basis. Their fees are paid directly to Coop.

For information on overall salaries and share ownership, see pages 34/35 of the management report.

Internal organisation and areas of responsibility

The Board of Directors of Bell Ltd defines the corporate strategy, issues the required instructions, and oversees all the activities of the Bell Group, while the Group Executive Board is responsible for the operating business. The Board of Directors reviews the business planning, in particular the annual, multi-year and investment plans as well as the corporate objectives. The Board also establishes opportunities and risks and initiates any measures that are required. The areas of responsibility of the Board of Directors and the Executive Board are set forth in detail in the bylaws. Excerpts are available on the Bell website at www.bellfoodgroup.com/organisation-en.

In addition to its non-transferable responsibilities and powers, the Board decides on mergers, litigation, contracts of special importance, capital investments in excess of CHF 5 million, and real estate/corporate acquisitions and sales. The Board determines the Bell Group's corporate structure and is responsible for hiring, discharging and overseeing company managers and executives. The Board defines the company's salary, social security and investment policies, and monitors their implementation. It also makes decisions concerning the company's representation in industry associations and interest groups, the granting of third party loans exceeding CHF 100,000 and guarantees in any amount.

At the Bell Group, the Group Board of Directors is responsible for the recommendations in the guidelines regarding the function and remit of individual committees. This makes it easier to retain an overview and takes account of Bell's special status as a controlled company. The two members of the new compensation committee will be elected at the 2014 Shareholders' Meeting.

The Board of Directors usually meets at least seven times per year, and the meetings usually last from four to six hours. One or two special meetings are also held every year to discuss corporate strategy and other transactions that might have a considerable impact. The CEO and CFO are invited to the meetings. No external advisors were engaged in 2013.

In 2013, the Board of Directors held seven ordinary meetings. In addition to the usual day-to-day business, the Board of Directors concentrated on the following subjects and projects:

- Reorganisation of the Bell Group and specifically the Bell Switzerland division
- Floating of a bond for CHF 350 million
- Various sizeable investment projects in Germany and Switzerland
- Adoption of compliance guidelines for the entire Bell Group
- Adoption of the vision, corporate philosophy and missions as well as the sustainability strategy
- Various topics related to risk management

Details on these subjects and projects can be found in different sections of the annual report.

Information channels and control instruments

The Group Executive Board regularly briefs the Board of Directors on the course of business. The Chairman of the Board of Directors is in close contact with the Group Executive Board and usually meets with the CEO once a month.

The Group Executive Board submits a management report (MIS) to the Board every two months and prepares a report consisting of a consolidated and a division income statement, balance sheet and comprehensive key indicators and analyses. The financial reporting is a permanent component of the Board meetings. Deviations are discussed and any measures that may be required are implemented.

Internal control system

Bell operates a comprehensive internal control system (ICS) on the basis of the internationally acknowledged COSO framework; the ICS is an integral component of quality assurance (QA). It places particular emphasis on the financial security of business processes, as issues such as product safety, quality assurance and traceability are already covered by various standards (ISO 9001, IFS, etc.). The focus falls on the avoidance of infractions of the law and instances of negligence, as well as asset protection as part of the production processes. The ICS was expanded further and will be continuously extended and updated in future. Bell's ICS serves the continuous improvement of business activities and is aimed at ensuring that the necessary procedures and instruments for risk detection and control are in place.

Internal audit

In addition to the statutory auditors, the internal audit unit as an independent instance monitors compliance with the guidelines and regulations on behalf of the Board of Directors and checks the expedience of control instruments and the organisational structure and procedures as well as the effectiveness of the internal control system. It accompanies the development of new business processes and modifications to existing business processes in a controlling or advisory function and supports the Executive Board in the achievement of objectives by making recommendations for improvements to business processes. The internal audit unit pursues a risk-oriented approach to auditing. Findings are documented and communicated to the Chairman of the Board of Directors. The implementation of measures is monitored.

The internal audit unit coordinates its auditing activities and maintains a close exchange of information with the statutory auditors.

Compliance

Bell Ltd has adopted the concept of all-inclusive integrity and compliance with the laws as a central tenet of its corporate culture. Management does not in any manner condone corruption or breaches of competition laws. To strengthen its compliance activities and selectively coordinate the decentralised measures and responsibilities, a Compliance Officer function was established in 2013. The main task of this function is to set up a central compliance system for the whole Group that is designed to prevent, identify and react to compliance breaches.

Risk and opportunity



Management has identified a sudden increase in raw materials prices, decisions affecting agricultural policies, and epidemics as major risks.

In 2013 the focus fell on antitrust law and the Bell Group's preventive measures in this area. Guidelines that apply to the entire Group were issued and training was held or scheduled for employees at all levels in order to enhance employees' understanding of this topic. Awareness and knowledge of this topic should already exclude the potential for misconduct. The topic of integrity is constantly highlighted as part of an ongoing dialogue.

Collaboration with our business partners was also formalised in a code of conduct in 2013. New employees are informed of the codes of conduct when they join the company and undertake in writing to comply with them.

Risk management

Bell has applied structured risk management since 2009. As a food manufacturing company, the risk situation can be described as stable overall, whereby we are slightly more dependent on the economy in other countries than we are in Switzerland. As part of the risk management process, the Board of Directors, Group Executive Board and Executive Boards assess the major risks every year.

We generally define risk as possible events or actions that could lead to a deviation from the defined objectives or strategy implementation. Positive deviations are seen as opportunities and negative deviations are deemed to be risks. Opportunities are integrated into the strategy process, while negative deviations (risks) are analysed during the risk management process. The risks are assessed for probability of occurrence and quantitative impact in the event of occurrence.

A full survey of the possible risks is done every three years. The risks that are relevant for the Bell Group are identified and measures are formulated if possible to reduce the probability of occurrence and/or the impact of the potential risks. Every measure is given a responsible owner. In the in-between years, the Board of Directors and Group Executive Board monitor the status of the measures and carry out current assessments. As part of Bell's risk management process, risks that could potentially cause a loss of more than CHF 15 million within three years at EBIT level are actively managed. Safeguards and measures are implemented to protect the company against risks that cannot be influenced or that can only be influenced to a limited extent.

Management has identified a sudden increase in raw materials prices, decisions affecting agricultural policies, and epidemics as major risks.

The financial market risks are limited to foreign currency exposure, in particular in the eurozone, but this does not exceed the threshold for large risks. If the equity markets should become very turbulent, risks may ensue from the obligations of the CPV/CAP Coop pension fund that exceed the defined limits.

More information on risk assessment is provided on page 25 of this management report, and on page 27 of the company profile.

Compensation

Compensation consists of a basic salary and a variable component. The basic salary is based on an employment contract which is reviewed annually and adjusted if necessary. In addition, Group Executive Board members receive a fixed expenses allowance as well as a company car. The variable component (profit share) depends on the extent to which the Group achieves its revenue targets and can amount to a maximum of 25.4 percent of the basic salary. The basis and amount of this profit share are determined annually by the Board of Directors. Up to half of the profit share can be paid out in the form of shares in Bell Ltd. These shares are credited at the average share price for the month preceding payment (usually March), with a discount of 20 percent, and may not be sold for a period of four years. No profit share was paid to the Group Executive Board members in 2013 (prior year 16%).

For information on total salaries and share ownership, please refer to the notes to the management report, pages 34/35.

Executive Board of Bell Ltd (Group Executive Board)

**Lorenz Wyss**

1959, Swiss citizen
Butcher; Business diploma; Certified meat industry technician; Master of Business Administration ZFH

Chairman of the Group Executive Board (CEO)
with Bell since 2011; in this position since 2011

Board member mandates

Centravo Holding AG, Zurich • GVFI International AG, Basel • Hilcona Aktiengesellschaft, Schaan, Liechtenstein • Gastro Star AG, Dällikon; Chairman • Proviande Cooperative, Bern

Professional career

Managerial positions at Coop Cooperative, Basel: Head of Category Management Fresh Products/ Gastronomy, 2008 – 2011; Head of Food Procurement/Scheduling, 2004 – 2008; Head of Purchasing Pool for Fresh Products, 1998 – 2004; Market Group Head, meat/catering and frozen products, 1995 – 1998 • Managerial positions at Gehrig AG, Klus: Head of Sales/Operations (Deputy Managing Director), 1992 – 1995; Technical Director, 1987 – 1991; Head of Operations/HR, 1983 – 1984 • Department Head at Jenzer AG, Arlesheim, 1978 – 1981

**Martin Gysin**

1960, Swiss citizen
Certified public accountant
(Federal diploma)

Head of Bell Finance/Services Division (CFO)
Deputy Chairman of the Group Executive Board
with Bell since 1992; in this function since 1994

Board member mandates

CPV/CAP Pension Fund Coop, Basel; Member of the Board of Trustees • Hilcona Aktiengesellschaft, Schaan, Liechtenstein

Professional career

Head of Finance/Accounting at Bell Ltd, Basel, 1992 – 1994 • Controller at Valora AG, Bern, 1990 – 1991 • Commercial Director at R. Vix AG, Basel, 1984 – 1989

**Christian Schröder**

1971, German citizen
Business diploma

Head of Bell Germany Division
Member of the Group Executive Board
with Bell since 2009; in this position since 2012

Professional career

Spokesman for the Executive Board; Head of Distribution/Marketing and Administration at Abraham Schinken GmbH, Germany; 2011 – 2012 • Spokesman for the Executive Board; Head of Distribution/Marketing and Administration at Abraham GmbH, Germany; 2007 – 2011 • Managerial positions with the Reinert Group of Companies, Versmold, Germany: Schinken-Einhaus GmbH (Friesoythe/ Brunsbek/Lörrach): Managing Director, 2002 – 2007; Orig. Holst. Katenschinken GmbH: Managing Director, 2000 – 2001 • Managing Partner at H. & C. Schröder Schinkenveredelung GmbH, 1994 – 1999

Co-determination rights of shareholders

Every share is entitled to one vote pursuant to Art. 11 of the Articles of Association.

According to Art. 8 of the Articles of Association and Art. 12 and 13 of the Swiss Code of Obligations, shareholders may be represented by another shareholder at the annual Shareholders' Meeting. Shareholders may also be represented by the independent proxy.

Shareholders or groups of shareholders who represent shares with a par value of ten percent of the share capital may request that an item be added to the agenda. A request to add an item to the agenda must be submitted in writing at least 60 days prior to the meeting, specifying the subject to be discussed and the proposals.

Other co-determination rights are governed by the Articles of Association of Bell Ltd. The Articles of Association are available on the Bell website at **www.bellfoodgroup.com/articles**. The Swiss Code of Obligations applies where the Articles of Association do not provide sufficient regulation.

The last date for registration with the share register for shareholders who wish to attend the Shareholders' Meeting is published on the Bell website at **www.bellfoodgroup.com/agenda-en**.

Shareholders are not entitled to have certificates for registered shares printed out and delivered.

Amendments to the Articles of Association related to the Ordinance against Excessive Compensation in Listed Companies will be submitted to the 2014 Shareholders' Meeting for approval.

Change of control clause

There are no statutory restrictions and regulations.

Auditors

Auditors	PricewaterhouseCoopers; since 1998
Lead auditor	Gerd Tritschler, lead auditor since 2013
Term of mandate	The auditors are elected every year.

The Board of Directors oversees the activities of the external auditors. The auditors brief the Chairman of the Board of Directors on the results of their audit three times every year. They also report to all members of the Board once every year.

The performance of the auditors is assessed by the Chairman of the Board of Directors, the Group CEO and the CFO on the basis of comprehensive assessment criteria. The focus falls on the audit team's special qualifications, assertiveness, independence and interaction with our internal units. Other external factors also affect the assessment.

In 2013, the activities of the statutory auditors focused on statutory obligations including an evaluation of the existence of the ICS.

Auditors' and other fees

in CHF thousand	2013	2012
Auditing services	906	948
Tax consulting	–	34
Legal services	145	51
Transaction consulting (incl. due diligence)	70	–
Total	1121	1033

Information policy

Every year, Bell publishes an annual report and an interim report containing information on the business operations and results of the Bell Group. Bell also issues press releases regarding current developments and publishes news reports on its website. Bell's website contains an archive with all annual reports, interim reports and ad hoc press releases. www.bellfoodgroup.com

Important dates

Closing of accounts	31. December
Shareholders' Meeting of Bell Ltd	14. April 2014
Publication of results for first half of 2014	21. August 2014
Publication of 2014 sales figures	First half of January 2015
Publication of 2014 results	February 2015

For more dates or changes to dates, see the Bell website at www.bellfoodgroup.com/agenda-en.

Contact partners and contact options for obtaining further information on the Bell Group are listed on page 48 of this management report.



Bell in figures

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— All values rounded up / down individually



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Martin Gysin
Head of Bell Finance/Services Division

Financial report

Result maintained under difficult conditions

Dear shareholders

The 2013 financial year will be remembered as an average year in the company's 145-year history. This was the result of sharply rising prices for raw materials in the core market of Switzerland, bad weather conditions in the first half of the year, restrained consumer sentiment and the restructuring measures initiated by the company itself. Although the figures were more or less on a par with the previous year, the unfavourable prevailing circumstances meant that the progress we have made so far is less obvious.

Sales volumes declined slightly, while Group sales strengthened thanks to price increases and product range restructuring

Bell divisions operate in a challenging environment

In Switzerland, sales volumes declined slightly by 0.2 percent while sales prices were 5.2 percent higher on average. The sales growth of 5.0 percent to CHF 1.84 billion was therefore mainly driven by higher prices and does not reflect the unsatisfactory trend for sales volumes under pressure from unfavourable weather conditions, the persistently high percentage of private imports and a muted season for tourism. This combination of circumstances affected the entire industry.

Sales contracted by around 1 percent for fresh meat and 1.3 percent for charcuterie, while poultry sales improved by 1.8 percent to 28.9 million kilograms. As poultry and pork often serve as substitutes for one another, many consumers shifted to poultry in the reporting year due to the high prices for pork. Seafood sales slipped slightly by 0.6 percent for the first time in many years. Apart from higher raw material prices and sluggish sales, the result was also adversely affected by higher quality assurance costs in Switzerland.

Bell Germany posted a significant decrease in volume of 6.1 percent to 62.6 million kilograms, while higher raw material prices meant that sales only declined by 1.6 percent to CHF 482.8 million. This is linked to the ongoing restructuring of our product range which started in 2012 and is already bearing fruit as well as a generally weaker market for scalded and cured sausages. While sales volumes for the air-dried ham segment improved by 3.9 percent, some of the other segments recorded noticeable losses. The result therefore does not reflect the progress made in cutting costs to the expected extent.

The situation for Bell Eastern Europe/Benelux has improved considerably. Sales volumes rose by 6 percent in Poland and by 3.6 percent in Hungary and considerably boosted earnings. In Belgium, the restructuring of the product range initiated in 2012 led to a volume decrease of around 8 percent which did not, however, affect the result. Muted consumer sentiment also affected branch shops in the Czech Republic and Slovakia. Sales expressed in Swiss francs were down slightly by 1 percent on the previous year. Seen overall, Division Bell Eastern Europe/Benelux posted an increase in sales of 2.8 percent to CHF 187 million (local currency +0.8 %).

At Bell France, sales volumes improved by 1.6 percent while sales firmed by 8.8 percent to around CHF 106 million (local currency +6.8 %). However, the improved gross profit was weakened by higher staff costs and one-off quality management costs. The result was consequently on a par with the previous year.

Overview of 2013 annual financial statements

Total Group sales rose by 3.7 percent to CHF 2.620 billion. Product inflation was 5.5 percent. Sales volumes slipped by 1.7 percent across all segments.

Higher raw material prices pushed the gross profit margin down from 33 to 32.1 percent. By constantly expanding the range of products with items with higher added value and removing unprofitable items, Bell improved the gross profit in Swiss francs by some CHF 8 million and partially compensated for the negative price and volume effects.

Staff costs decreased from CHF 403 million to around CHF 401 million, reflecting the restructuring progress made in Germany. On the other hand, our measures to improve product quality led to higher staff costs in Switzerland and France. This item also includes exceptional costs of CHF 1 million for the German restructuring programme. Maintenance costs also rose sharply by almost 18 percent to around CHF 55 million as a result of our efforts to improve product safety, but some were one-time expenses. The other costs were in line with the previous year.

Equity ratio
remains high
at 50.8%

Earnings before interest, taxes and depreciation (EBITDA) rose by around CHF 4.5 million to CHF 189.6 million. Adjusted for exceptionals (around CHF 9 million in the previous year), EBITDA was down around CHF 3.4 million on the previous year. As we did not achieve our internal targets with this result, we will not pay out any variable salary components or bonuses for 2013.

Due to the fact that the estimated useful life of our fresh meat plant in Basel has come to an end, depreciation on property, plant and equipment decreased by around CHF 2 million. The plant will remain in use until the new cutting facility in Oensingen is operational.

At CHF 105 million, EBIT was up 6 percent year-on-year. Adjusted for exceptionals, EBIT also declined by CHF 3.4 million.

The financial account closed with a negative result of around CHF 3 million compared to the previous year's positive result of CHF 1 million. The net transaction loss, mainly as a result of the increase in the EUR exchange rate to the CHF, was CHF 1 million, while we still earned a profit of CHF 2 million last year. In April 2013 we successfully floated two bonds of CHF 175 million each. For this transaction we recognised the liquidated interest rate swaps on the repaid syndicated loan in the income statement. Income from investments in associates contracted slightly by CHF 0.5 million.

Because of the uneven distribution of profit, the tax rate increased slightly from 24 to 25 percent.

We also credited an adjustment to the provision for deferred tax of around CHF 1.8 million to the income statement.

Overview of 2013 balance sheet

The balance sheet shows a noticeable increase in cash and cash equivalents of around CHF 77 million. This reserve liquidity came from our bond issue and should give us additional financial leeway. The shortage of raw materials in Switzerland led to some stockpiling and explains the increase in inventories by CHF 23 million. Receivables rose by a total of CHF 6.3 million, while the non-current assets increased marginally by CHF 8.5 million.

At around CHF 249 million, the net debt (financial liabilities less cash and cash equivalents and securities) was the same as in the previous year in spite of higher financial liabilities. The other liabilities decreased by around CHF 4 million.

Equity before non-controlling interests rose by CHF 56.5 million to CHF 731.7 million. Because of the increase in total assets, the equity ratio shrank from 51.3 percent to 50.8 percent.

Better prospects for Switzerland; foreign markets remain difficult in spite of further restructuring effects.

Outlook for 2014

The merger of our German operations was finalised with the integration of the IT systems in Germany. The effects of this system integration will become noticeable in 2014, and we expect a further reduction in costs and slightly improved data availability.

In autumn, the new French management team was complete. Reorganisation measures have been initiated and partly implemented already. We intend to simplify our structures even more and are reviewing suitable measures.

In Switzerland we launched an initiative to reduce our overhead and maintenance costs. We will also continue the restructuring of our product range, in particular our charcuterie products, in order to simplify and improve the efficiency of our processes.

Although we expect raw material prices in Switzerland to remain high this year, they are likely to be stable and should not have a negative impact on our result. We also see signs of an upturn in consumption and do not expect the same bad weather conditions as last year. For our international business we expect to see confirmation that our restructuring and optimisation measures were effective, even though the prevailing circumstances are likely to remain unfavourable.



Martin Gysin
Head of Bell Finance/Services Division

Consolidated Balance Sheet

in CHF thousand	Appendix	31.12.2013	31.12.2012
Liquid assets	1	115 022	37 848
Securities	2	9 307	3 270
Trade accounts receivable	3	161 880	154 803
Receivables affiliated companies	4	119 872	127 210
Other receivables		42 535	35 901
Inventory	5	208 565	185 187
Deferred expenses and accrued income		14 109	10 721
Current assets		671 290 46.6 %	554 942 42.2 %
Financial assets	12	153 489	147 298
Intangible assets	13	54 330	64 249
Land and buildings	14	314 910	323 097
Machinery and equipment	15	246 055	225 632
Non-current assets		768 784 53.4 %	760 276 57.8 %
Assets		1 440 074 100.0 %	1 315 218 100.0 %
Current financial liabilities	9	9 090	114 210
Trade accounts payable		142 750	153 998
Accounts payable to affiliated companies	6	13 287	13 947
Other accounts payable	7	42 248	39 387
Current provisions	11	9 727	14 193
Deferred income and accrued expenses	8	63 970	59 317
Current liabilities		281 072 19.5 %	395 051 30.0 %
Other long term financial liabilities	9	14 545	175 538
Bonds	9	350 000	–
Non-current provisions	11	62 999	69 157
Long-term liabilities		427 544 29.7 %	244 695 18.6 %
Liabilities		708 616 49.2 %	639 746 48.6 %
Share capital		2 000	2 000
Retained earnings		730 468	678 458
Currency translation differences		–74 950	–78 063
Treasury shares		–2 459	–3 130
Consolidated profit		76 625	75 849
Equity before third-party interest in equity		731 684 50.8 %	675 114 51.3 %
Third-party interest in equity		–226	358
Equity		731 458 50.8 %	675 472 51.4 %
Liabilities and equity		1 440 074 100.0 %	1 315 218 100.0 %

Consolidated Income Statement

in CHF thousand	Appendix	2013		2012	
Sales proceeds	16	2 620 490		2 526 520	
Other operating proceeds	16	60 986		61 227	
Gross proceeds		2 681 476		2 587 747	
Reductions in proceeds	16	-83 688		-79 369	
Operating income		2 597 788	100.0 %	2 508 378	100.0 %
Cost of goods sold		1 762 694	67.9 %	1 680 926	67.0 %
Gross operating profit		835 094	32.1 %	827 452	33.0 %
Personnel expenses	17/24	400 868	15.4 %	403 015	16.1 %
Rent	18/24	21 035		21 639	
Energy, auxiliary materials	19	49 162		51 042	
Repair and maintenance		54 653		46 425	
Transport		61 781		62 900	
Advertising		21 019		19 948	
Other operating expenses	20/24	36 918		37 345	
Total operating expenses	21	645 436	24.8 %	642 313	25.6 %
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		189 658	7.3 %	185 138	7.4 %
Depreciation of tangible assets	14/15/24	70 571	2.7 %	71 996	2.9 %
Depreciation of intangible assets	13	4 891		4 787	
Depreciation of goodwill	13	9 253		9 210	
Earnings before interest and taxes (EBIT)		104 943	4.0 %	99 145	4.0 %
Financial income (incl. share in profit/loss of associated companies)	22	11 397		10 780	
Financial expenses	22	14 415		9 629	
Net profit before taxes (EBT)		101 925	3.9 %	100 296	4.0 %
Taxes	23/24	25 284		24 089	
Net profit after taxes		76 641	3.0 %	76 207	3.0 %
Third-party interest in profit		-16		-358	
Consolidated profit		76 625	2.9 %	75 849	3.0 %

Cash Flow Statement

in CHF thousand	2013		2012	
Net profit after taxes	76 641		76 207	
Depreciation of tangible assets	69 655		71 996	
Extraordinary expenses for depreciation of assets	916		–	
Depreciation of intangible assets	14 144		13 997	
Extraordinary expenses for depreciation of intangible assets	–	84 715	–	85 993
Income (-) loss (+) from sale of fixed assets		–64		–61
Dividends from associated companies		2 810		2 646
Income from evaluation of non-consolidated participations		–5 020		–5 482
Increase (-) decrease (+) deferred tax assets		–76		230
Changes in provisions		–9 496		4 777
Cash flow before changes to net current assets	149 510		164 310	
Inventory changes (-) increase (+) decrease	–21 793		–15 740	
Changes in receivables (-) increase (+) decrease	–4 711		–15 028	
Changes in accrued assets (-) increase (+) decrease	–3 371		6 148	
Changes in current liabilities (+) increase (-) decrease	–12 675		4 291	
Changes in accrued liabilities (+) increase (-) decrease	5 800	–36 750	–2 498	–22 827
Operating cash flow	112 761		141 484	
Investments in machinery and equipment	–69 915		–48 076	
Divestments of machinery and equipment	411	–69 503	432	–47 644
Investments in land and buildings	–11 483		–22 353	
Divestments of land and buildings	17	–11 466	158	–22 195
Investments in participations and financial assets	–3 342		–41 116	
Divestments of participations and financial assets	669		1 835	
Investments (-) / divestments (+) of securities	–6 036	–8 709	2 312	–36 969
Investments in intangible assets	–4 558		–3 837	
Divestments of intangible assets	1	–4 558	–	–3 837
Investment cash flow	–94 236		–110 645	
Changes in financial liabilities	–4 001		9 018	
Bonds	350 000		–	
Repayment of credits and loans	–263 940		–	
Investments (-) / divestments (+) in treasury shares	729		13	
Dividends	–24 174		–24 672	
Financing cash flow	58 614		–15 641	
Cash flow balance	77 138		15 197	
Liquid assets as of January 01	37 848		22 708	
Effect of currency translation on liquid assets	36		–58	
Changes in liquid assets	77 138		15 197	
Liquid assets as of December 31	115 022		37 848	

Statement of Changes in Equity

in CHF thousand	Share capital	Retained earnings	Currency translation differences	Own shares	Consolidated profit	Equity	Third-party interest in equity	Equity
Equity as of 01.01.2013	2 000	678 458	-78 063	-3 130	75 849	675 114	358	675 472
Changes in consolidated scope	-	-	-	-	-	-	-	-
Acquisition minorities	-	-	-	-	-	-	-280	-280
Appropriation of annual profit	-	75 849	-	-	-75 849	-	-	-
Dividends	-	-23 898	-	-	-	-23 898	-276	-24 174
Additions/disposals of treasury shares	-	59	-	671	-	729	-	729
Consolidated profit	-	-	-	-	76 625	76 625	16	76 641
Influence of foreign currency translation	-	-	3 113	-	-	3 113	-44	3 069
Equity as of 31.12.2013	2 000	730 468	-74 950	-2 459	76 625	731 684	-226	731 458
Equity as of 01.01.2012	2 000	630 698	-75 406	-3 113	71 618	625 797	786	626 584
Changes in consolidated scope	-	-	-	-	-	-	-	-
Acquisition minorities	-	-	-	-	-	-	-	-
Appropriation of annual profit	-	71 618	-	-	-71 618	-	-	-
Dividends	-	-23 888	-	-	-	-23 888	-784	-24 672
Additions/disposals of treasury shares	-	30	-	-17	-	13	-	13
Consolidated profit	-	-	-	-	75 849	75 849	358	76 207
Influence of foreign currency translation	-	-	-2 656	-	-	-2 656	-2	-2 658
Equity as of 31.12.2012	2 000	678 458	-78 063	-3 130	75 849	675 114	358	675 472

Legal reserves in 2013 CHF thousand 20,964 (previous year CHF thousand 22,087)

Shares	Number of shares 01.01.	Additions in treasury shares	Disposals of treasury shares	Addition treasury shares for employee stock ownership plan	Disposal treasury shares for employee stock ownership plan	Number of shares 31.12..
Shares issued	400 000	-	-	-	-	400 000
Treasury shares	-2 031	-	-	-65	525	-1 571
Shares in circulation as of 2013	397 969	-	-	-65	525	398 429
Shares issued	400 000	-	-	-	-	400 000
Treasury shares	-2 206	-369	-	-104	648	-2 031
Shares in circulation as of 2012	397 794	-369	-	-104	648	397 969

Consolidation and valuation principles

Basic principles

The principles governing consolidation, valuation, structure and presentation comply with the entire Accounting and Reporting Regulations (Swiss GAAP ARR/FER). They apply to all companies included in the scope of consolidation.

Scope of consolidation

All companies of which Bell Ltd directly or indirectly owns more than 50 percent of the votes or exercises control under a contractual agreement are fully integrated in these consolidated financial statements. Investments where Bell owns more than 20 percent but less than 50 percent of the votes are measured and recognised in the balance sheet at the equity ratio. Investments equaling less than 20 percent are included in the balance sheet at the share price as at 31 December. If no share price was available, the investment is measured at cost minus a value adjustment if there was any impairment. An overview of the companies in which Bell has a stake and a description of the treatment of these associates in the consolidated financial statements are provided on page 40 of the annual report.

Foreign currency translation

All company balance sheets in foreign currency are translated into Swiss francs at the year-end exchange rate as per 31 December. The income statements of these companies are translated at the average annual exchange rate. Translation differences between the opening and closing balance sheets and the 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

		2013	2012
Balance Sheet	EUR 1	= CHF 1,2276	= CHF 1,2072
	CZK 1	= CHF 0,0448	= CHF 0,0480
	HUF 100	= CHF 0,4133	= CHF 0,4146
	PLN 1	= CHF 29,5501	= CHF 0,2963
	USD 1	= CHF 0,8902	= CHF 0,9150
Income Statement	EUR 1	= CHF 1,2304	= CHF 1,2075
	CZK 1	= CHF 0,0474	= CHF 0,0480
	HUF 100	= CHF 0,4145	= CHF 0,4163
	PLN 1	= CHF 29,3088	= CHF 0,2884
	USD 1	= CHF 0,9240	= CHF 0,9317

Consolidation of assets and liabilities, intra-group sales and intra-group profits

All intra-group assets and liabilities are set off and eliminated as part of the consolidation process. Differences resulting from applying different exchange rates to net investments in foreign companies are recognised in equity without affecting profit or loss. All intra-group payables and receivables are set off and eliminated as part of the consolidation process. Elimination of intra-group profits is deemed unnecessary, as the companies trade so that the impact on the Group's income statement is insignificant.

Capital consolidation

The capital was consolidated using the purchase method of accounting, 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. The resulting goodwill is capitalised and amortised over a period of five to eight years via the income statement. Any negative goodwill is recognised in the income statement at the time of the initial consolidation. If the final purchase price deviates from the estimate, the goodwill is adjusted correspondingly.

Valuation

As a general rule, the historical cost method is used. The current assets are valued at the lower of cost or market value. Tangible fixed assets are recognised at cost minus required depreciation. The same valuation principles apply to all consolidated companies.

The land and buildings owned by the companies consolidated for the first time were revalued at the time of the takeover and recognised in the consolidated statements. For the other tangible assets, the residual values were recalculated on the historical cost basis in accordance with Bell's depreciation criteria and adjusted in the consolidated statements.

Cash and cash equivalents

The cash and cash equivalents comprise fixed deposits and money market placements with a remaining term to maturity of less than 90 days.

Securities

The securities comprise marketable securities that are recognised in the balance sheet at the stock price on 31 December.

Receivables

Identifiable and actual losses are charged to the income statement in the year in which they occurred. Based on previous experience, the impairment for provisions for doubtful debts equals 1 percent of the accounts receivable. The total impairment amount is disclosed in the appendix.

Inventories

The inventories are valued at production cost according to the first-in first-out (FIFO) method. Inventories with a very long ripening period are measured at the moving average cost for procurement. Any impairment loss on the purchase cost is taken into account. Warehousing risks that can be identified are also taken into account.

Deferred tax assets

The deferred tax assets result from loss carry-forwards on initial consolidation. We do not consider the remaining deferred tax assets to be impaired. For the tax rates, please refer to the chapter on provisions/pension liabilities.

Other financial assets

The other financial assets comprise non-listed securities that are recognised in the balance sheet at the lower of cost or market value.

Consolidation and valuation principles

Non-current assets

Please refer to page 40 for an overview of the Group's non-consolidated investments in 2013.

Tangible non-current assets are measured at cost minus required depreciation and permanent impairment. Depreciation is done on a straight-line basis over the useful life of an asset. Valuation adjustments arise from foreign currency translations. Leased assets are capitalized during the consolidation process and are depreciated on a straight-line basis over the normal useful life of the asset. The corresponding liabilities are listed under "Financial liabilities".

Useful life of non-current assets

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

Intangible assets

Intangible non-current assets comprise IT software, acquired trademarks and goodwill. Goodwill of CHF 0.5 million was added following the complete takeover of a subsidiary that had previously already been fully consolidated by Bell Germany. The depreciation on the "Hilcona" goodwill is set off against Bell's share of the annual profit within the financial account as in the previous year. As in the previous year, the impairment tests for the individual goodwill positions did not show any additional need for adjustment.

Provisions/pension liabilities

Accruals and provisions are set up and measured in accordance with objective and economic principles, and risks are adequately accounted for. Taxes are deferred in accordance with the liability method on all differences between the "ARR/FER values" and the taxable carrying values at the average tax rate that applies to our Group, i.e. 22.5 percent for Switzerland, 27 percent for Germany and France and 25 percent for the other countries.

In February 2012 the German cartel office initiated proceedings for unlawful price collusion against the former Abraham GmbH and ZIMBO GmbH & Co. KG. As we believe this allegation to be unfounded and mostly time barred, we did not raise a provision for these proceedings this year either.

The employees of Bell Switzerland belong to the CPV/CAP pension fund Coop. Pursuant to Art. 44 of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV2), the funding ratio of CPV/CAP was 108.8 percent at the end of 2013 (prior year 104.6 %). Other personnel liabilities are only recognized in the balance sheet if they are not carried by CPV/CAP.

Bell Schweiz AG's employee benefits foundation is currently in liquidation. The free foundation capital is recognised under financial assets.

Equity

Since 2008, changes in equity due to currency translation differences are reported separately as a sub-item of equity. Transaction gains and dividends are allocated directly to the retained earnings.

Employee share participation plan

From the third year of service, every employee of Bell Group is entitled to buy five (members of Board of Directors, Executive Board and management ten) Bell Ltd shares each calendar year at a price of 80 percent of the share value in the calendar month immediately preceding the purchase. The members of the Executive Board and Senior Management can also be paid half of their profit share in Bell Ltd shares. Shares allocated under this employee share participation plan may not be sold for a period of four years. Under this plan, 525 shares were distributed to employees in 2013 (prior year 648) and 65 shares were taken back (prior year 104). These transactions were charged to personnel expenses at the share price on the payment date.

Rebates, refunds and cash discounts

The rebates, refunds and cash discounts are deducted directly from the corresponding asset class and the cost price is reduced accordingly.

Advance payments

The advanced payments to suppliers are allocated to the corresponding asset class.

Events occurring after the balance sheet date

No events occurred between the balance sheet date and the approval of the consolidated financial statements of Bell Ltd by the Board of Directors on 3 February 2014. These consolidated financial statements are subject to approval by the Shareholders' Meeting on 14 April 2014.

Risk assessment

The Bell Group follows standard risk management procedures. The risk situation is reassessed every three years. A detailed reassessment was carried out in 2013 on account of the new Group structure. We identified, analysed and assessed the most important risks and defined the measures required to manage these risks.

Every year the Executive Board reviews the status of implementation of these measures as well as the updated risk assessment. The Board of Directors was informed of the results of this review at the meeting of 13 December 2013. More information relating to risk management is provided in the section on corporate governance (page 8).

As part of the institutionalised annual assessment of the quality of the internal control system at the business process level, the operational risks, the risks associated with financial reporting and those associated with compliance are assessed.

Appendix to Consolidated Balance Sheet

in CHF thousand	2013	Share	2012
1. Liquid assets			
Cash	1035	0.9 %	1 442
Cash in post office accounts	545	0.5 %	150
Cash in banks	72 979	63.4 %	24 401
Fixed deposits	40 463	35.2 %	11 855
Liquid assets	115 022	100.0 %	37 848
Liquid assets by currency			
CHF	94 608	82.3 %	16 664
EUR	13 593	11.8 %	13 678
Other currencies	6 821	5.9 %	7 506
Liquid assets	115 022	100.0 %	37 848
2. Securities			
Shares and similar investments	9 307	100.0 %	3 270
Bonds and similar investments	–	–	–
Securities	9 307	100.0 %	3 270
3. Trade accounts receivable			
Valuation adjustment balanced in receivables	–3 457		–2 369
4. Receivables affiliated companies			
Companies of the Coop Group	115 583	96.4 %	116 545
Other affiliated companies	4 289	3.6 %	10 666
Receivables affiliated companies	119 872	100.0 %	127 210
5. Inventory			
Raw materials and finished goods	195 131	93.6 %	176 701
Auxiliary materials	17 509	8.4 %	16 469
Value adjustments on the basis of value impairments	–4 074	–2.0 %	–7 983
Inventory	208 565	100.0 %	185 187
6. Accounts payable to affiliated companies			
Accounts payable to Coop Group	10 809	81.4 %	11 696
Accounts payable to other affiliated companies	2 478	18.6 %	2 250
Accounts payable to affiliated companies	13 287	100.0 %	13 947
7. Other accounts payable			
Shareholders	9	0.0 %	12
VAT	12 675	30.0 %	10 302
Capital and profit taxes	27 105	64.2 %	22 906
Other taxes	120	0.3 %	279
Miscellaneous third parties	2 340	5.5 %	5 888
Other accounts payable	42 248	100.0 %	39 387

Appendix to Consolidated Balance Sheet

in CHF thousand	2013	Share	2012
8. Deferred income and accrued expenses			
Miscellaneous deferred expense	49 716	77.7 %	39 972
Accrued personnel and social security expense	14 254	22.3 %	19 344
Deferred income and accrued expenses	63 970	100.0 %	59 317
9. Financial liabilities			
Loans and credits from banks	9 090	2.4 %	114 210
Current financial liabilities	9 090	2.4 %	114 210
Non-current loans and credits	14 545	3.9 %	175 538
Bonds	350 000	93.7 %	–
Non-current financial liabilities	364 545	97.6 %	175 538
Financial liabilities	373 634	100.0 %	289 748
Maturity structure of financial liabilities			
Due within 360 days	9 090	2.4 %	114 210
Due within two years	9 173	2.5 %	164 254
Due within three years and later	355 371	95.1 %	11 284
Financial liabilities	373 634	100.0 %	289 748
Financial liabilities by currency			
CHF	354 607	94.9 %	189 662
EUR	18 395	4.9 %	99 137
Other currencies	633	0.2 %	949
Financial liabilities	373 634	100.0 %	289 748

Bonds

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

10. Business combinations/company sale

No result in 2013 and 2012

Appendix to Consolidated Balance Sheet

in CHF thousand	Early retirements	Long service awards	Holiday and extra hours charges	Deferred taxes	Other provisions	Restruc- turing	Total
11. Provisions							
Provisions as of 01.01.2013	22 583	3 207	4 931	43 612	3 575	5 442	83 351
Changes in consolidated scope	–	–	–	–	–	–	–
Reclassification to deferrals	–	–	–	–	–1 345	–	–1 345
Reclassification	–	–	–	–	–	–	–
Established	1 700	1 135	48	183	150	–	3 217
Dissolution / Utilisation	–814	–1 184	255	–5 074	–355	–5 540	–12 712
Currency translation effects	70	–	12	–9	45	97	215
Provisions as of 31.12.2013	23 539	3 158	5 246	38 712	2 070	–	72 725
Non-current provisions 2013	21 311	2 187	–	38 712	790	–	62 999
Current provisions 2013	2 228	972	5 246	–	1 280	–	9 727
Provisions as of 01.01.2012	21 144	3 135	4 674	44 128	4 981	604	78 666
Changes in consolidated scope	–	–	–	–	–	–	–
Reclassification	162	–162	–	–	–	–	–
Established	2 276	245	4 392	1 435	19	5 125	13 492
Dissolution / Utilisation	–955	–11	–4 130	–1 937	–1 396	–287	–8 715
Currency translation effects	–45	–	–6	–14	–28	–	–92
Provisions as of 31.12.2012	22 583	3 207	4 931	43 612	3 575	5 442	83 351
Non-current provisions 2012	20 794	2 341	–	43 612	2 410	–	69 157
Current provisions 2012	1 789	867	4 931	–	1 165	5 442	14 193

Appendix to Consolidated Balance Sheet

in CHF thousand	Non conso- lidated holdings	Loans to affiliated companies ¹	Loans to third parties	Equity of foundation	Deferred tax assets	Other financial assets	Total
12. Financial assets							
Net book value as of 01.01.2013	109 535	31 229	–	3 728	2 184	622	147 298
Purchase price as of 01.01.2013	109 535	31 229	–	3 728	2 184	622	147 298
Changes in consolidated scope	–	–	–	–	–	–	–
Investments	–	1 643	869	–	–	–	2 511
Divestments / Dividends from associated companies	–2 810	–	–	–419	–	–250	–3 478
Revaluation	7 152	–	–	–	76	–	7 228
Reclassification	–	–	–	–	–	–	–
Currency translation effects	1	–106	–2	–	37	–	–70
Net book value as of 31.12.2013	113 878	32 766	867	3 309	2 297	372	153 489
Net book value as of 01.01.2012	94 783	10 23	244	4 453	2 440	362	103 305
Purchase price as of 01.01.2012	94 783	10 23	244	4 453	2 440	362	103 305
Changes in consolidated scope	–	–	–	–	–	–	–
Investments	9 856	31 000	–	–	–	260	41 116
Divestments / Dividends from associated companies	–2 718	–794	–244	–725	–	–	–4 481
Revaluation	7 614	–	–	–	–230	–	7 383
Reclassification	–	–	–	–	–	–	–
Currency translation effects	–	–	–	–	–26	–	–26
Net book value as of 31.12.2012	109 535	31 229	–	3 728	2 184	622	147 298

¹ There are no loans to the corporation entities.

Appendix to Consolidated Balance Sheet

in CHF thousand

13. Intangible assets

Net book value as of 01.01.2013

Purchase price as of 01.01.2013

Changes in consolidated scope

Investments

Divestments

Reclassification

Currency translation effects

Purchase price as of 31.12.2013

Cumulative depreciation as of 01.01.2013

Changes in consolidated scope

Depreciation¹

Extraordinary depreciation

Cumulative depreciation of divestments

Reclassification

Currency translation effects

Cumulative depreciation as of 31.12.2013

Net book value as of 31.12.2013

Net book value as of 01.01.2012

Purchase price as of 01.01.2012

Changes in consolidated scope

Investments

Divestments

Reclassification

Currency translation effects

Purchase price as of 31.12.2012

Cumulative depreciation as of 01.01.2012

Changes in consolidated scope

Depreciation¹

Extraordinary depreciation

Cumulative depreciation of divestments

Reclassification

Currency translation effects

Cumulative depreciation as of 31.12.2012

Net book value as of 31.12.2012

¹ The depreciation on the Hilcona goodwill is recognised in the profit on the investment.

Software	Trademarks	Others rights	Goodwill	Total
12 101	–	1 462	50 686	64 249
41 404	9 940	2 011	165 276	218 632
–	–	–	–	–
4 492	–	66	543	5 101
–7	–	–1	–	–9
539	–13	–	–	526
160	168	32	2 002	2 363
46 588	10 095	2 108	167 821	226 613
29 303	9 940	549	114 590	154 383
–	–	–	–	–
4 750	–	141	11 385	16 276
–	–	–	–	–
–7	–	–1	–	–8
13	–13	–	–	–
72	168	8	1 385	1 632
34 131	10 095	697	127 359	172 283
12 457	–	1 411	40 462	54 330
12 586	–	1 611	62 495	76 692
37 295	10 046	2 045	166 533	215 920
–	–	–	–	–
3 820	–	17	–	3 837
–1	–	–	–	–1
391	–	–37	–	354
–101	–105	–14	–1257	–1478
41 404	9 940	2 011	165 276	218 632
24 709	10 046	435	104 038	139 227
–	–	–	–	–
4 637	–	150	11 342	16 129
–	–	–	–	–
–1	–	–	–	–1
–	–	–37	–	–36
–42	–105	1	–790	–937
29 303	9 940	549	114 590	154 383
12 101	–	1 462	50 686	64 249

Appendix to Consolidated Balance Sheet

in CHF thousand	Developed land	Production and administration facilities	Constructions in rented locations	Buildings under construction	Total
14. Land and buildings					
Net book value as of 01.01.2013	64 867	251 429	1 101	5 700	323 097
Purchase price as of 01.01.2013	64 953	575 531	3 311	5 700	649 495
Changes in consolidated scope	–	–	–	–	–
Investments	560	7 861	–	3 063	11 483
Divestments	–	–7	–29	–	–36
Reclassification	43	1 542	–	–4 043	–2 458
Currency translation effects	211	2 858	–	10	3 079
Purchase price as of 31.12.2013	65 767	587 785	3 282	4 729	661 563
Cumulative depreciation as of 01.01.2013	86	324 101	2 210	–	326 397
Changes in consolidated scope	–	–	–	–	–
Depreciation	8	18 060	151	–	18 220
Extraordinary depreciation	–	916	–	–	916
Cumulative depreciation of divestments	–	–7	–11	–	–18
Reclassification	–	–200	–5	–	–206
Currency translation effects	1	1 343	–	–	1 345
Cumulative depreciation as of 31.12.2013	95	344 214	2 345	–	346 654
Net book value as of 31.12.2013	65 672	243 571	937	4 729	314 910
Net book value as of 01.01.2012	48 832	264 216	1 239	7 809	322 096
Purchase price as of 01.01.2012	48 911	569 902	3 311	7 809	629 932
Changes in consolidated scope	–	–	–	–	–
Investments	16 522	2 096	–	3 735	22 353
Divestments	–153	–4	–	–	–158
Reclassification	–220	4 191	–	–5 793	–1 822
Currency translation effects	–106	–654	–	–50	–810
Purchase price as of 31.12.2012	64 953	575 531	3 311	5 700	649 495
Cumulative depreciation as of 01.01.2012	79	305 686	2 071	–	307 836
Changes in consolidated scope	–	–	–	–	–
Depreciation	8	18 938	138	–	19 084
Extraordinary depreciation	–	–	–	–	–
Cumulative depreciation of divestments	–	–	–	–	–
Reclassification	–	–99	–	–	–99
Currency translation effects	–1	–423	–	–	–424
Cumulative depreciation as of 31.12.2012	86	324 101	2 210	–	326 397
Net book value as of 31.12.2012	64 867	251 429	1 101	5 700	323 097

«Land and buildings» includes activated leasings to the booking value of CHF thousand 5,379 (previous year CHF thousand 5,677).

Appendix to Consolidated Balance Sheet

in CHF thousand	Machinery and equipment	Installations	IT Hardware	Furnishings and vehicles	Advance payments	Total
15. Machinery and equipment						
Net book value as of 01.01.2013	116 135	64 334	8 079	24 847	12 236	225 632
Purchase price as of 01.01.2013	415 528	202 552	39 894	96 328	12 236	766 539
Changes in consolidated scope	–	–	–	–	–	–
Investments	25 554	18 203	2 801	8 838	14 518	69 915
Divestments	–4 075	–	–178	–2 038	–84	–6 375
Reclassification	8 608	3 865	657	–3 472	–7 726	1 932
Currency translation effects	2 317	126	37	–449	28	2 059
Purchase price as of 31.12.2013	447 933	224 747	43 210	99 207	18 972	834 071
Cumulative depreciation as of 01.01.2013	299 393	138 218	31 815	71 481	–	540 907
Changes in consolidated scope	–	–	–	–	–	–
Depreciation	26 225	12 955	3 915	8 339	–	51 435
Extraordinary depreciation	–	–	–	–	–	–
Cumulative depreciation of divestments	–3 875	–	–178	–1 974	–	–6 027
Reclassification	1 928	5	112	–1 838	–	206
Currency translation effects	1 709	83	23	–320	–	1 494
Cumulative depreciation as of 31.12.2013	325 380	151 261	35 687	75 687	–	588 015
Net book value as of 31.12.2013	122 553	73 486	7 524	23 520	18 972	246 055
Net book value as of 01.01.2012	120 483	68 272	8 526	22 961	9 481	229 722
Purchase price as of 01.01.2012	395 488	194 871	36 420	86 445	9 481	722 706
Changes in consolidated scope	–	–	–	–	–	–
Investments	18 414	7 949	3 366	10 330	8 016	48 076
Divestments	–2 211	–	–16	–2 368	–109	–4 704
Reclassification	4 663	–191	133	2 040	–5 178	1 467
Currency translation effects	–826	–77	–10	–119	26	–1 007
Purchase price as of 31.12.2012	415 528	202 552	39 894	96 328	12 236	766 539
Cumulative depreciation as of 01.01.2012	275 006	126 599	27 895	63 484	–	492 984
Changes in consolidated scope	–	–	–	–	–	–
Depreciation	26 954	13 352	3 946	8 661	–	52 912
Extraordinary depreciation	–	–	–	–	–	–
Cumulative depreciation of divestments	–2 034	–	–14	–2 285	–	–4 333
Reclassification	113	–1 684	–	1 708	–	137
Currency translation effects	–645	–49	–11	–87	–	–792
Cumulative depreciation as of 31.12.2012	299 393	138 218	31 815	71 481	–	540 907
Net book value as of 31.12.2012	116 135	64 334	8 079	24 847	12 236	225 632

«Machinery and equipment» includes activated leasings to the booking value of CHF thousand 817 (previous year CHF thousand 916).

Appendix to Consolidated Income Statement

in CHF thousand	2013	Difference	2012
16. Operating income			
Product groups			
Fresh meat	864 620	4.3 %	828 637
Charcuterie own production	379 653	10.0 %	345 085
Charcuterie purchased	81 055	-4.7 %	85 082
Poultry	364 312	4.3 %	349 301
Meat specialities (game, rabbit and others)	17 715	8.8 %	16 288
Seafood	127 087	6.1 %	119 784
Other sales	10 083	-16.4 %	12 066
Product groups Switzerland	1 844 525	5.0 %	1 756 243
Charcuterie	708 913	0.9 %	702 643
Other sales	67 052	-0.9 %	67 634
Product groups international	775 965	0.7 %	770 277
Sales by product group	2 620 490	3.7 %	2 526 520
Distribution channels			
Sales to Coop Group	1 381 494	5.7 %	1 307 100
Sales to other affiliated companies	17 683	1.5 %	17 416
Sales to wholesale	438 097	3.2 %	424 557
Sales to end consumers	7 251	1.1 %	7 170
Distribution channels Switzerland	1 844 525	5.0 %	1 756 243
Sales to Coop Group	18 685	40.8 %	13 269
Sales to wholesale	690 228	0.1 %	689 375
Sales to end consumers	67 052	-0.9 %	67 634
Distribution channels international	775 965	0.7 %	770 278
Sales by distribution channel	2 620 490	3.7 %	2 526 520
Sales by country			
Switzerland	1 844 525		1 756 243
Germany	447 224		449 021
France	120 169		110 553
Spain, Benelux	74 207		77 990
Eastern Europe	134 366		132 713
Sales by country	2 620 490	3.7 %	2 526 520
Additional proceeds from Coop Group	2 416	1.1 %	2 389
Additional proceeds from affiliated companies	21 736	32.1 %	16 455
Additional third-party proceeds	31 505	-9.6 %	34 848
Other operating proceeds Switzerland	55 657	3.7 %	53 692
Other operating proceeds international	5 329	-29.3 %	7 535
Other operating proceeds	60 986	-0.4 %	61 227
Reductions in proceeds with Coop Group	26 091	52.1 %	17 151
Other reductions in proceeds	5 186	80.5 %	2 873
Reductions in proceeds Switzerland	31 276	56.2 %	20 024
Reductions in proceeds international	52 411	-11.7 %	59 344
Reductions in proceeds	83 688	5.4 %	79 369

A 10-year contract (with a commitment to supply and purchase) with Coop came into effect as of January 01, 2001. This contract has been extended for additional five years. The supply of products to Coop is carried out under market conditions in consideration of Coop's purchase volume. Sales reductions include a bonus agreement on volume and sales figures which is stipulated in advance on a yearly basis by means of a business plan.

Appendix to Consolidated Income Statement

in CHF thousand	2013	Difference	2012
17. Personnel expenses			
Wages and salaries	257 461	-3.0%	265 290
Employers' contributions	65 576	-1.1%	66 304
Other personnel expenses	13 059	11.2%	11 739
Third-party wages and salaries	64 772	8.5%	59 681
Personnel expenses	400 868	-0.5%	403 015

Contributions include social security contributions to the CPV/CAP Coop pension plan and other pension funds: CHF thousand 20,687 (previous year CHF thousand 18,533).

Compensation for members of Board of Directors and Members of Group Executive Board

		Shares held as of 31.12. number	Remuneration cash fix	Share subscription		Total CHF thousand
				number	CHF thousand	
Board of Directors						
Hansueli Loosli, Chairman ¹	2013	56	96	2	4	100
	2012	44	90	4	8	98
Leo Ebnetter, Vice-Chairman ¹	2013	15	77	1	2	79
	2012	4	49	4	8	57
Irene Kaufmann-Brändli, Member ¹	2013	56	67	1	2	69
	2012	45	60	4	8	68
Jörg Ackermann, Member ¹	2013	79	66	2	4	70
	2012	72	60	4	8	68
Werner Marti, Member	2013	47	66	2	4	70
	2012	35	60	4	8	68
Joachim Zentes, Member ³	2013	-	19	2	4	23
	2012	119	60	4	8	68
Andreas Land ²	2013	5	48	-	-	48
	2012	-	-	-	-	-
Board of Directors	2013	258	438	10	21	459
	2012	319	379	24	46	425

¹ The cash remuneration is forwarded to the giver of the mandate Coop.

² Member of the Board of Directors since April 2013.

³ Left in April 2013

Appendix to Consolidated Income Statement

Group Executive Board		Remuneration cash		Share subscription		Non-cash remuneration and contributions to pension fund CHF thousand	Total CHF thousand
		fixed	variable	number	CHF thousand		
Lorenz Wyss, CEO ¹	2013	557	–	1	2	153	713
	2012	496	54	30	54	133	737
Martin Gysin, Deputy CEO, Head of Bell Finance/ Services ¹	2013	429	–	1	2	90	521
	2012	445	39	24	43	85	613
Christian Schröder, Head of Bell Germany Division ²	2013	443	–	–	–	71	515
	2012	–	–	–	–	–	–

¹ Variable component: additional bonus for 2012

² Member of Group Executive Board since 2013

Shares held as of 31.12. (number)	2013	2012
Lorenz Wyss	67	30
Martin Gysin	104	119
Christian Schröder	12	–
Other employees	2 330	2 675

		Excess/ shortfall in cover	Economic benefits/ obligations	Change in comparison to previous year	Employer contributions	Costs of benefits
in CHF thousand						
17. Employee benefits						
Economic consequences						
Company's pension fund foundation	2013	3 310	3 310	–418	–	–418
	2012	3 728	3 728	–725	–	–725
CPV/CAP pension fund ¹	2013	–	–	–	20 687	20 687
	2012	–	–	–	18 533	18 533
Total	2013	3 310	3 310	–418	20 687	20 269
	2012	3 728	3 728	–725	18 533	17 808

¹ The working capital ratio amounts to 108.8 percent as of 31 December 2013 (previous year 104.6 percent).

Appendix to Consolidated Income Statement

in CHF thousand	2013	Difference	2012
18. Rent			
Building lease	8 008	–4.8 %	8 416
Lease of machinery and equipment	7 955	–6.4 %	8 498
Third-party storage	5 072	7.3 %	4 726
Rent	21 035	–2.8 %	21 639
19. Energy, auxiliary materials			
Electricity	28 006	9.6 %	25 551
Water	5 525	–1.7 %	5 622
Fuel	1 543	–15.4 %	1 824
Other energy	7 080	1.9 %	6 945
Auxiliary materials	7 009	–36.9 %	11 100
Energy, auxiliary materials	49 162	–3.7 %	51 042
20. Other operating expenses			
Administrative expenses	13 688	–25.2 %	18 290
Insurance and duties	7 670	–3.4 %	7 943
Capital tax and other corporate taxes	2 476	9.7 %	2 258
Miscellaneous operating expenses	13 084	47.8 %	8 855
Other operating expenses	36 918	–1.1 %	37 345
Included in operating expenses:			
21. Operating expenses with affiliated companies			
Building lease	487	3.0 %	473
Lease of machinery and equipment	4 541	–8.1 %	4 941
Repair and maintenance	990	–45.4 %	1 814
Energy and auxiliary materials	2 257	–6.0 %	2 401
Advertising	4 000	–	4 000
Other operating expenses	942	–28.3 %	1 314
Operating expenses with affiliated companies	13 217	–11.6 %	14 943

Appendix to Consolidated Income Statement

in CHF thousand	2013	2012
22. Financial return/financial expenses		
Interest on fixed deposits and other interest	696	493
Interest from affiliated companies	1081	406
Gains on foreign currency transactions	2 675	3 160
Gains on securities, realised and not realised	1 425	862
Share in profit/loss of associated companies ¹	5 020	5 482
Other income from investments in other companies	499	378
Financial return	11 397	10 780
Interest to affiliated companies	97	109
Other interest	8 950	7 461
Bank charges and commissions	1 188	934
Losses on foreign currency transactions	3 577	1 112
Losses on securities, realised and not realised	603	14
Financial expenses	14 415	9 629
Financial return/financial expenses	-3 019	1 151
Average rates of interest-bearing liabilities	2.64 %	2.98 %
¹ Net, after deduction of the goodwill depreciation.		

Interest rates of fixed advance payments and mortgages vary between 1.00 % and 3.23 % (previous year 1.13 % and 3.25 %) in Swiss francs and between 3.10 % and 5.00 % (previous year 1.19 % and 5.00 %) in foreign currencies (EUR).

Appendix to Consolidated Income Statement

in CHF thousand	2013	Difference	2012
23. Taxes			
Taxes paid and changes in taxes due	30 251		24 360
Changes in deferred taxes	-4 967		-271
Taxes	25 284	5.0 %	24 089
Group operating result	76 641		76 207
Expenses not tax-deductible	3 309		3 728
Tax expenses included therein	25 284		24 089
Profit before taxes	105 234		104 024
At the average tax rate of 21.25 percent (prior year 22.5 %), no income tax is due on the pre-tax profit	22 362		23 509
Influence of different tax rates and tax jurisdictions	-2 494		-870
Influence of non-capitalization of deferred taxes	7 714		1 210
Adjustment of deferred tax rate	-1 774		-
Other taxes and taxes outside fiscal year	-524		240
Taxes (as reported)	25 284		24 089

in CHF thousand		2013	2012
24. Non-recurring and infrequent expenses (+)/income (-)			
Non-recurring and infrequent expenses/income included in the operating expenses:			
Personnel costs	Social compensation plan and severance pay	923	6 417
Other expenses	Legal and advisory costs	–	1 484
	Provision for future rent obligations	–	966
Land and buildings	Special depreciation	916	–
Taxes	Share of tax on exceptionals	–391	-2 004
	Adjustment of deferred tax rate	–1 774	–

Additional Information

in CHF thousand	2013	2012
Total amount of guarantees, warranties and mortgages in favour of third parties	41	13 479
Total amount of mortgaged assets at legal book values	5 653	16 418
Unrecognised liabilities from leasing	1 821	3 699
due in the current financial year	1 021	2 809
Derivative financial instruments (currencies) (purpose: hedging)		
contract value	52 250	–
residual value positive	15	–
Derivative financial instruments (interests) (purpose: hedging)		
contract value	139 897	139 234
residual value negative	2 687	4 444
of which recognised in balance sheet	1 435	–
Other derivative instruments (participations)	p.m. ¹	p.m. ¹
Fire insurance value of buildings	931 344	917 890
Fire insurance value of equipment	966 267	961 204
Expenses for pension fund liabilities	20 687	18 533
Obligations from contracts with third parties ²	22 706	27 286
due in the current financial year	3 788	4 373
due in the following financial year	3 816	4 388
due later	15 102	18 526
Obligations from contracts with affiliated companies	976	1 464
due in the current financial year	488	488
due in the following financial year	488	488
due later	–	488
Conditional increase in share capital	–	–
Total amount of the approved share capital increase	–	–

¹ Bell holds options to take over additional shares in associates (2% in Hilcona). The price of these shares will depend on the future income situation.

² Correction in previous year

Principal shareholders Coop Group Cooperative Basel; 66.29 %
Sarasin Investmentfonds AG, Basel; 3.10 %
No further shareholders with over 3 % of the shares

Shares eligible for dividend All

Voting regulations All registered shareholders have full voting rights.
Each share entitles to vote.

Important Participations of the Bell Group

Company	Domicile	Sphere of activity	Consolidation method	Capital	Group share in capital
Bell Schweiz AG ¹	Basel	Fresh meat, charcuterie, poultry, seafood	■	CHF 20 000 000	100.0 %
Hilcona AG	Schaan / FL	Convenience	○	CHF 27 000 000	49.0 %
Centravo Holding AG ²	Zürich	By-products processing	○	CHF 2 400 000	29.8 %
GVFI International AG	Basel	Meat trade	●	CHF 3 000 000	18.34 %
Pensionsstiftung der Bell Schweiz AG (in Liquidation)	Basel	Foundation	▲	–	–
Bell France SAS	Teilhède / FR	Subholding	■	EUR 20 000 000	100.0 %
Salaion 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 Holding GmbH	Seevetal / DE	Subholding	■	EUR 25 000	100.0 %
Bell Verwaltungs GmbH	Seevetal / DE	Subholding	■	EUR 25 000	100.0 %
Bell Deutschland GmbH & Co. KG	Seevetal / DE	Charcuterie	■	EUR 1 000 000	100.0 %
Interfresh Food GmbH	Seevetal / DE	Subholding	■	EUR 100 000	100.0 %
Bell Polska Sp. z o.o.	Niepolomice / PL	Charcuterie	■	PLN 9 500 000	100.0 %
ZIMBO Húsipari Termelő Kft.	Perbal / HU	Meat and sausages	■	HUF 378 750 000	99.7 %
Bell Benelux Holding N.V.	Zellik / BE	Subholding	■	EUR 5 258 000	100.0 %
Bell Benelux N.V.	Zellik / BE	Meat trade	■	EUR 620 000	100.0 %
Bell Logistics N.V.	Zellik / BE	Storage	■	EUR 62 000	100.0 %
Bell Nederland B.V.	Dr Houten / NL	Meat trade	■	EUR 18 000	76.0 %
ZIMBO Czechia s.r.o.	Prag-Holesovice / CZ	Retail trade	■	CZK 30 000 000	90.0 %
Abraham Benelux S.A.	Libramont-Chevigny / BE	Air-dried ham	■	EUR 1 250 000	100.0 %
Sanchez Alcaraz S.L.U.	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 %

¹ Frigo St. Johann AG was merged with Bell Schweiz AG on 1 January 2013.

² The equity share is based on the number of outstanding shares.

■ Fully consolidated (uniform management)

○ Consolidation ad equity

● Purchase price

▲ Consideration acc. Swiss GAAP FER 16

5-Year Overview

in CHF thousand	2013	2012	2011	2010	2009
Affiliated companies	1 417 862	1 337 785	1 319 673	1 363 778	1 332 881
Other wholesale	1 128 325	1 113 932	1 123 611	1 176 972	1 151 593
End consumers	74 303	74 804	73 669	76 824	113 238
Gross proceeds	2 620 490	2 526 521	2 516 953	2 617 574	2 597 712
Operating income	2 597 788	2 508 378	2 482 588	2 584 277	2 547 877
Financial data					
Gross operating profit	835 094	827 452	823 282	863 923	858 515
Personnel expenses	400 868	403 015	391 416	405 671	412 215
Depreciation of tangible assets	70 571	71 996	72 144	74 220	79 903
Earnings before interest and taxes (EBIT)	104 943	99 145	89 849	101 236	95 047
Net profit (before third-party interest in profit)	76 641	76 207	72 396	66 067	56 192
EBITDA	189 658	185 138	204 291	212 695	189 449
Financial result	-3 019	1 151	11 412	-2 086	-11 021
Current assets	671 290	554 942	520 322	495 436	537 731
Non-current assets	768 784	760 276	731 815	671 950	769 557
Total assets	1 440 074	1 315 218	1 252 138	1 167 386	1 307 288
Interest-bearing liabilities	373 634	289 748	281 694	228 462	383 795
Equity	731 458	675 472	626 583	590 456	594 779
Margins					
Gross operating profit in % of operating income	32.1 %	33.0 %	33.2 %	33.4 %	33.7 %
EBITDA in % of operating income	7.3 %	7.4 %	8.2 %	8.2 %	7.4 %
EBIT in % of operating income	4.0 %	4.0 %	3.6 %	3.9 %	3.7 %
Net profit in % of operating income	3.0 %	3.0 %	2.9 %	2.6 %	2.2 %
Financial result in % of interest-bearing liabilities	0.8 %	-0.4 %	-4.1 %	0.9 %	2.9 %
Equity in % of assets	50.8 %	51.4 %	50.0 %	50.6 %	45.5 %
Return on equity (ROE) ¹	11.3 %	12.2 %	12.3 %	11.1 %	10.7 %
Workforce as of 31.12. (number of employees)	6 606	6 469	6 470	6 488	6 561
Average headcount on basis full-time employees ²	6 384	6 248	6 224	6 179	6 497

¹ Net profit/equity at the beginning of the financial year

² New basis of calculation from 2011

Share Information

		2013	2012	2011	2010	2009
Per-share data						
Share price as of 31.12.	CHF	2316	2005	1762	1766	1551
Year's high	CHF	2350	2050	2300	1875	1750
Year's low	CHF	1985	1716	1665	1480	1267
Average daily trading volume	number	74	78	93	75	65
Stock exchange capitalisation						
Year's end	in CHF million	926	802	705	706	620
Year's high	in CHF million	940	820	920	750	700
Year's low	in CHF million	794	686	666	592	507
Equity per share	CHF	1836	1696	1573	1461	1466
Net profit per share	CHF	192	191	180	163	141
EBITDA per share	CHF	476	465	514	539	482
EBIT per share	CHF	263	249	226	257	242
Return per share ¹		8.3 %	9.5 %	10.2 %	9.3 %	9.1 %
Distribution per share	CHF	60	60	60	50	40
Distribution quota		31.2 %	31.5 %	33.3 %	30.6 %	28.3 %
Dividend yield ²		2.6 %	3.0 %	3.4 %	2.8 %	2.6 %
¹ Profit per share/year-end closing price ² Distribution of the dividend per share/year-end price						
Capital structure as of 31.12.						
Share capital	CHF thousand	2000	2000	2000	2000	2000
Divided into number of registered shares	number	400 000	400 000	400 000	400 000	400 000
Nominal value per registered share	CHF	5	5	5	5	5
Changes in capital						
Treasury shares	number	1571	2031	2206	5316	6938
Shares recorded in share register	number	360 441	369 831	365 016	369 794	366 309
Registered shareholders	number	4 039	3916	3751	3659	3606

Securities no. 441041
 ISIN CH0004410418
 Trade SIX Swiss Exchange
 Symbol SIX BELL
 Current share price www.bellfoodgroup.com

Report of the statutory auditor on the consolidated financial statements

Report of the statutory auditor to the General Meeting of Bell Ltd Basel

As statutory auditor, we have audited the consolidated financial statements of Bell Ltd, which comprise the balance sheet, income statement, cash flow statement, statement of changes in equity and notes (pages 18 to 40), for the year ended 31 December 2013.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2013 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Gerd Tritschler
Audit expert
Auditor in charge

Andreas Wolf
Audit expert

Basel, 4 February 2014

Bell Ltd – Balance sheet

in CHF thousand		31.12.2013	31.12.2012
Liquid assets		10 110	193
Securities		6 653	1 222
Receivables affiliated group		15 822	7 344
Other receivables		108	118
Accruals and deferrals		848	–
Current assets		33 541	8 877
		4.2 %	2.2 %
Financial assets	Majority interests	131 373	146 373
	Minority interests	93 617	93 617
	Loans affiliated group/other financial assets	537 592	148 513
Tangible assets	Buildings	100	360
Non-current assets		762 683	388 863
		95.8 %	97.8 %
Assets		796 224	397 740
		100.0 %	100.0 %
Miscellaneous accounts payable		452	893
Deferred items		3 077	68
Current liabilities		3 529	961
		0.4 %	0.2 %
Bond		350 000	–
Non-current liabilities		350 000	–
		44.0 %	0.0 %
Liabilities		353 529	961
		44.4 %	0.2 %
Share capital		2 000	2 000
Legal reserves		10 000	10 000
Treasury shares		2 459	3 130
Other reserves		358 320	301 433
Annual profit		69 916	80 216
Equity		442 695	396 779
		55.6 %	99.8 %
Liabilities and equity		796 224	397 740
		100.0 %	100.0 %

Bell Ltd – Income Statement

in CHF thousand	2013	2012
Income from holdings	74 328	74 241
Other financial income	14 346	6 849
Other proceeds	3 171	3 030
Total income	91 845	84 120
Administration expenses	2 598	2 029
Other expenses	290	369
Interests expenses	3 783	651
Other financial expenses	15 000	–
Depreciation of tangible assets	260	362
Expenses	21 930	3 411
Operating profit before taxes	69 916	80 709
Income from sale of non-current assets	–	107
Profit before taxes	69 916	80 816
Taxes	–	600
Profit after taxes	69 916	80 216

Bell Ltd – Appendix

in CHF thousand	2013	2012
Total amount of guarantees, warranties and mortgages in favour of Group companies ¹	1856	195 000
Total amount of mortgaged assets at legal book values	–	–
Fire insurance value of buildings	4 301	4 301
Important participations	Page 40	–
Information on issued bonds	Page 27	–
Treasury shares according to statement on changes in equity	Page 21	–
Principal shareholders: Coop Cooperative, Basel	66.29 %	66.29 %
Sarasin Investmentfonds AG, Basel	3.10 %	3.97 %
Conditional increase in share capital	–	–
Total amount of the approved share capital increase	–	–
Details on risk assessment	Page 25	–

¹ The company is jointly and unlimitedly liable for all taxes arising from VAT incl. interest and fines of the VAT group, if any, for the time since its introduction as a Group member of Switzerland.

Information on accounting policies

These annual statements were drawn up in application of the transitional provisions on the new accounting law in compliance with the provisions of the Swiss Code of Obligations on accounting and financial reporting that were valid until 31 December 2012.

Appropriation of Annual Profit

Proposals of the Board of Directors to the General Meeting

in CHF thousand	2013	2012
Appropriation of annual profit		
Annual profit	69 916	80 216
CHF 60 dividend (previous year CHF 60)	24 000	24 000
Transfer to the other reserves	45 916	56 216
Total appropriations	69 916	80 216

Report of the statutory auditor on the financial statements

Report of the statutory auditor to the General Meeting of Bell Ltd Basel

As statutory auditor, we have audited the financial statements of Bell Ltd, which comprise the balance sheet, income statement and notes (pages 44 to 46), for the year ended 31 December 2013.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2013 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings comply with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Gerd Tritschler
Audit expert
Auditor in charge

Andreas Wolf
Audit expert

Basel, 4 February 2014

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Latest news

www.bellfoodgroup.com

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Imprint

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.

Alle Werte einzeln gerundet.

Editorial deadline

20.02.2014

Forward-looking statements

The annual report includes certain forward-looking statements. These statements are based on assumptions and estimates as well as information available to Bell on 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 annual 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 annual report are available at our head office or can be ordered via the Internet. The annual report can also be downloaded at www.bellfoodgroup.com/report.

Additional information on the annual report and up-to-date information on the Bell Group is available on the Internet at www.bellfoodgroup.com.

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