

Results for first half of 2016

Presentation for financial analysts
18.08.2016



The Bell Group – overview



	First HY 2016	
Sales revenue (CHF million)	1,616	+26.2 %
Sales volumes (t)	191,928	+59.5 %
Half-year profit (CHF million)	36	+13.3 %
Employees (as of 30 June)	9,710	+17.5 %
Number of production plants	38	+7 plants



The Bell Group – influencing factors 2015



Development of cost of raw materials



First consolidation
of Hubers and
Eisberg



Market development and
fiercer competition



Integration of
acquisitions

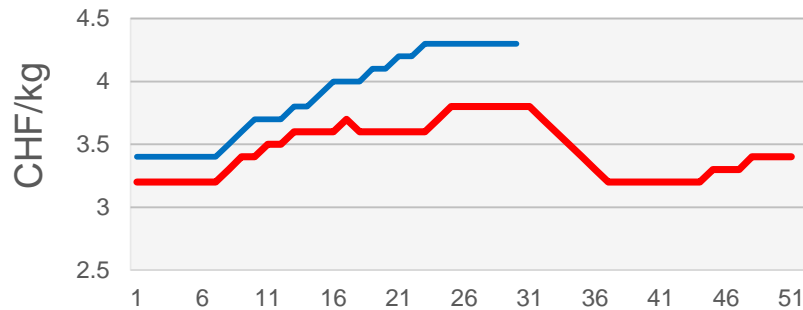
Development of cost of raw materials



— 2015
— 2016



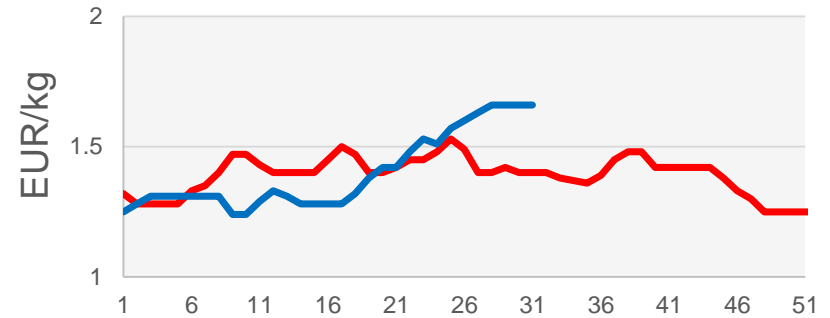
Pigs



Calendar week



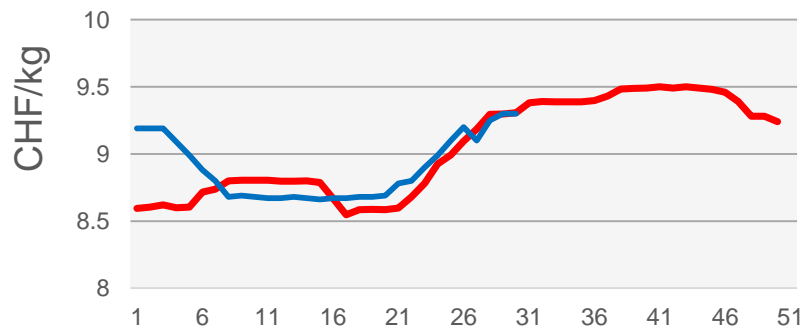
Pigs



Calendar week



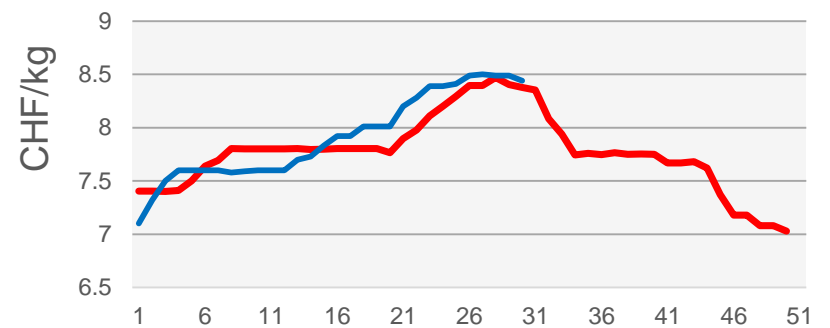
Cattle



Calendar week

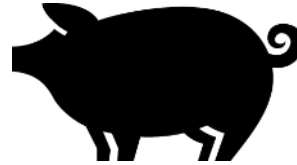


Cows



Calendar week

The Bell Group – influencing factors 2015



Development of cost of raw materials



First consolidation
of Hubers and
Eisberg

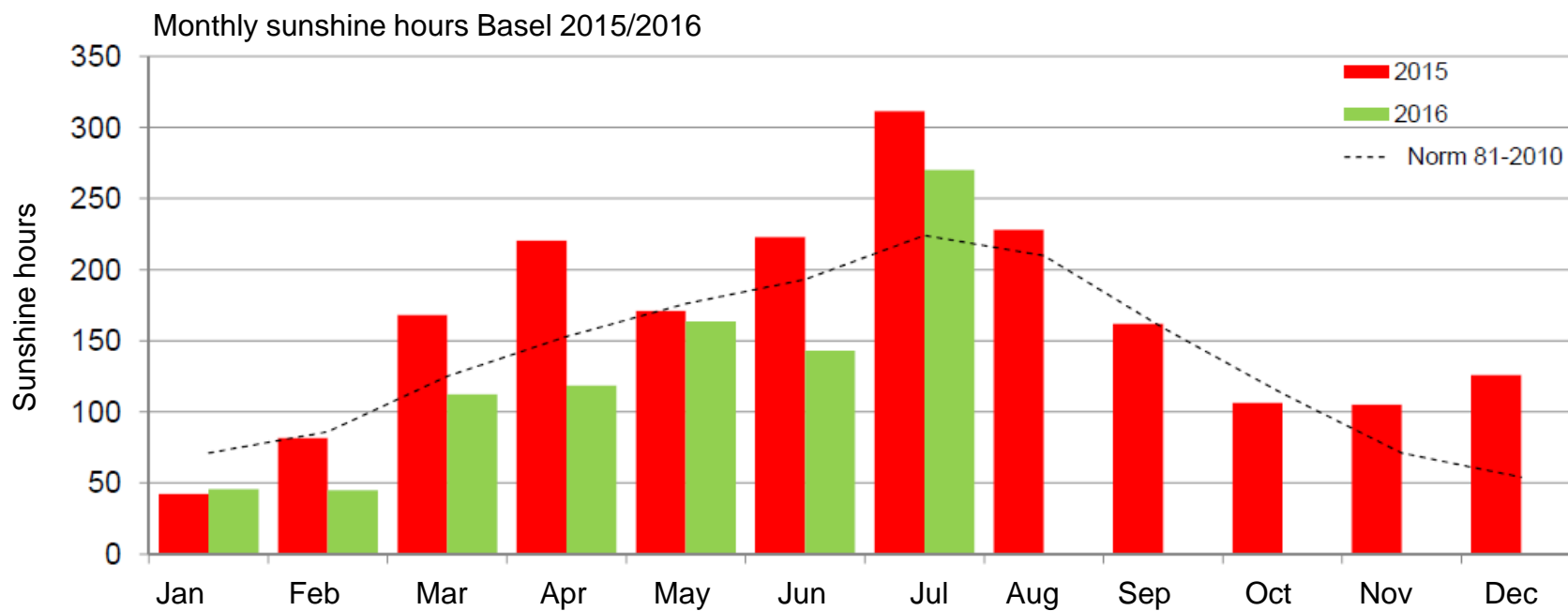


Market development and
fiercer competition

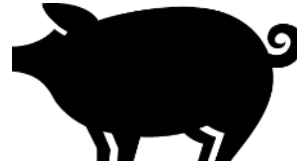


Integration of
acquisitions

Weather in the first half



The Bell Group – influencing factors 2015



Development of cost of raw materials



First consolidation
of Hubers and
Eisberg



Market development and
fiercer competition



Integration of
acquisitions

Integration of Huber



Relevant European poultry producer

- > Organisationally part of Division Bell International
- > Integration is proceeding on schedule
- > Takeover welcomed by the market and farmers
- > Encouraging performance in 2016
- > Programme for exchange of intra-Group know-how has started

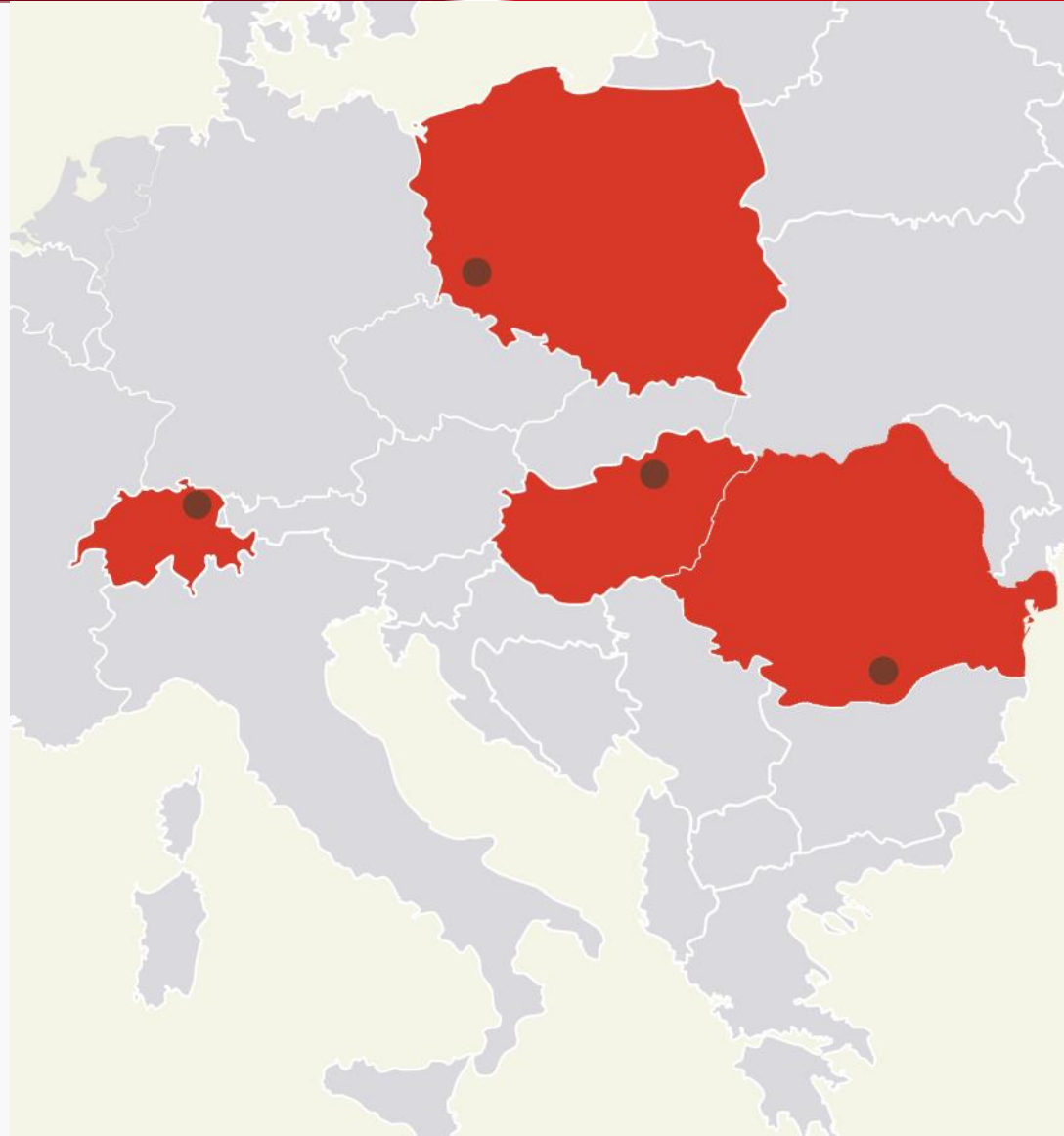


Integration of Eisberg

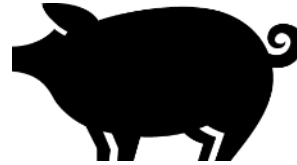


Successful specialist for convenience salads

- > Organisationally merged with the existing Gastro Star business unit
- > New joint management team Gastro Star/Eisberg
- > Integration is proceeding on schedule
- > Takeover was well received by the market; Encouraging performance in 2016
- > Joint production planning in Switzerland already implemented
- > Joint sourcing



The Bell Group – influencing factors 2015



Development of cost of raw materials



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fiercer competition



Integration of
acquisitions



01.05.2015



01.03.2016



01.05.2016



Takeover of Cher-Mignon



Producer with a tradition of Valais dried-meat specialties

- > Largest specialist for Valais charcuterie specialties, around 50 % of charcuterie produced in Valais
- > 25 employees and annual sales of some CHF 13 million
- > Drying plant in Chermignon (VS) at 1,200 metres above sea level
- > Craft business that has been preparing specialties according to old family recipes for more than a century

cher-Mignon
VIANDE SÉCHÉE DU VALAIS DEPUIS 1967

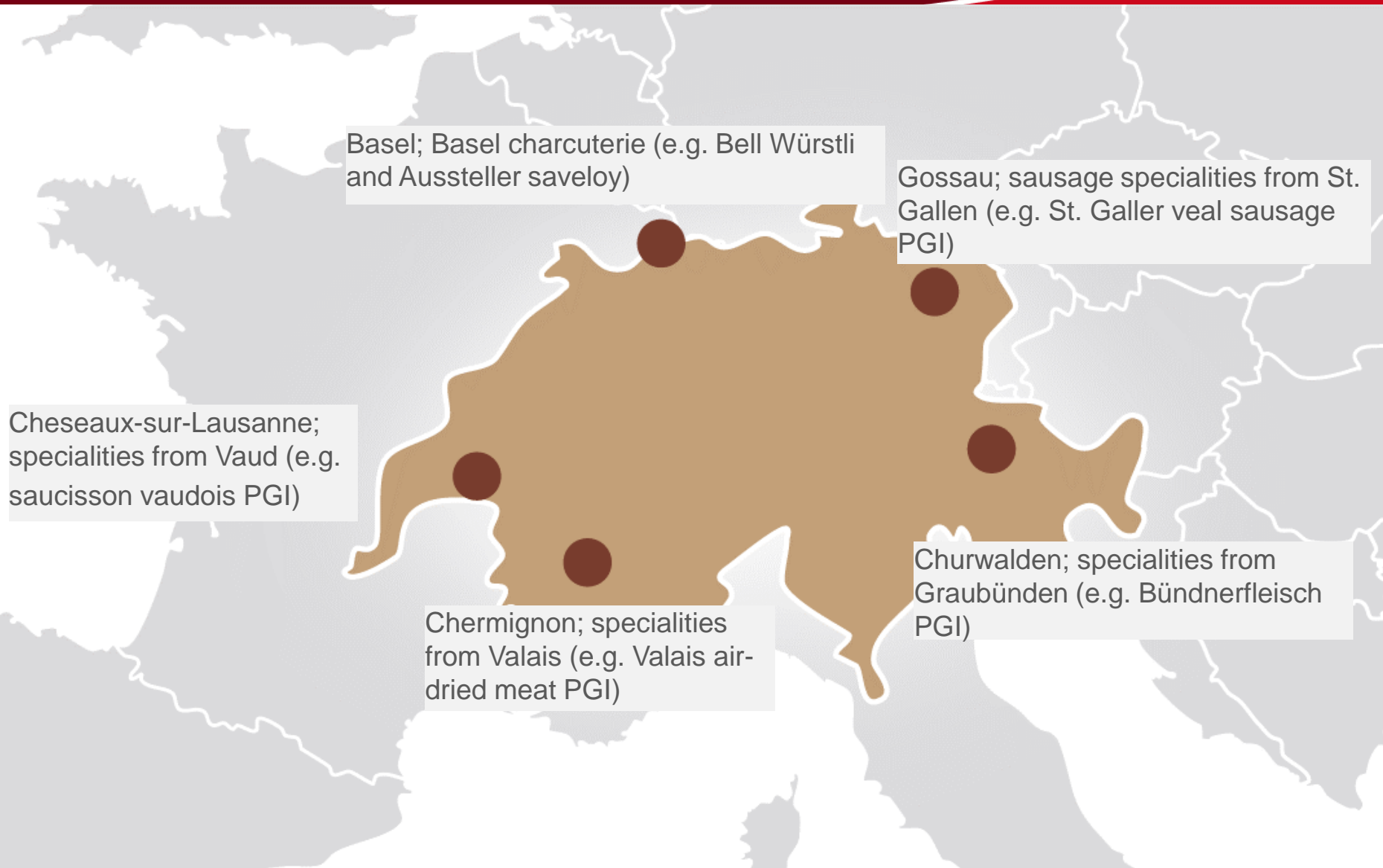
Takeover of Cher-Mignon



cher-Mignon
VIANDE SÉCHÉE DU VALAIS DEPUIS 1967



Bell's portfolio of regional specialities



Bell's portfolio of regional specialities



The Bell Group – key figures



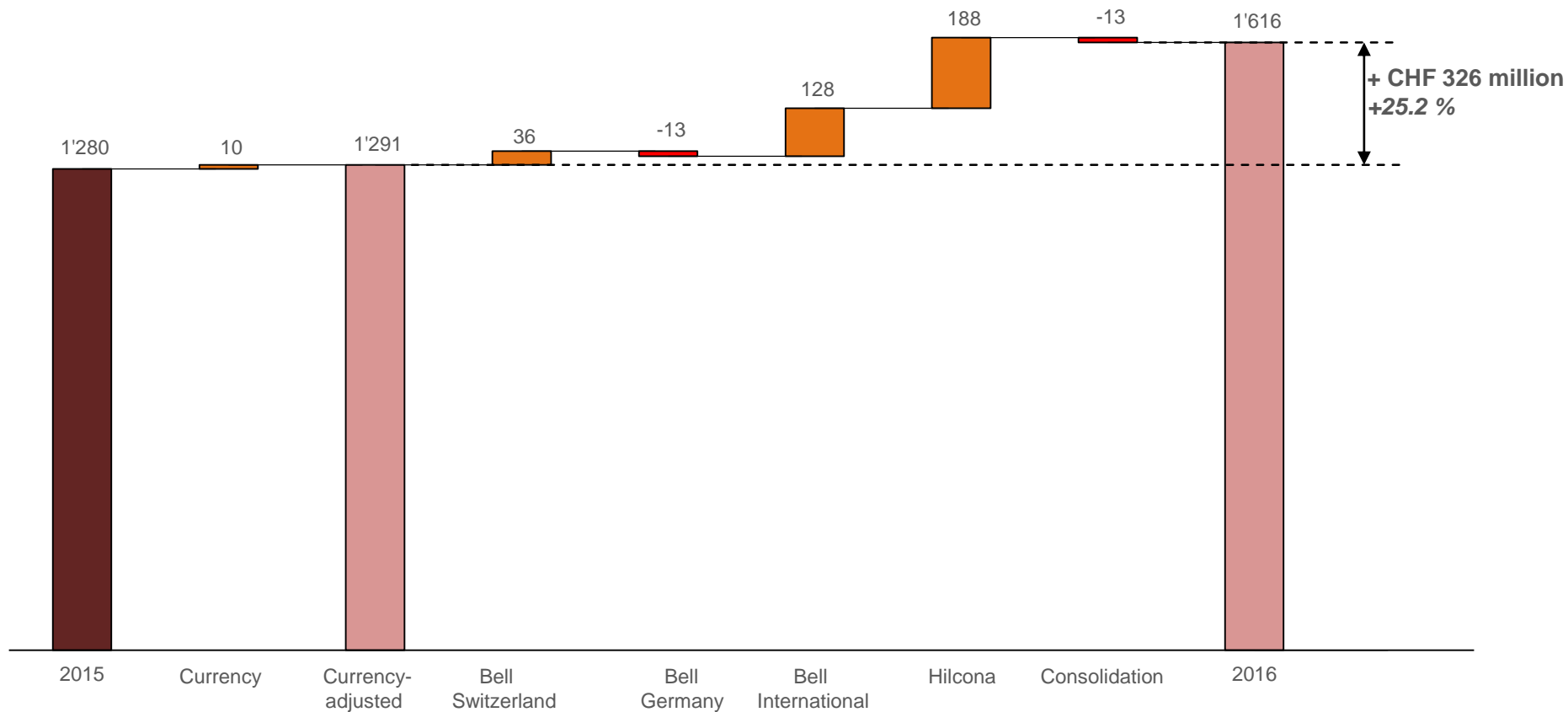
in CHF million	HY2016	HY2015	Δ abs.	Δ %
Sales of goods	1,616	1,280	336	26.2 %
Net income	1,591	1,264	327	25.9 %
Gross profit <i>in % of net income</i>	585 36.7 %	447 35.4 %	137	30.7 %
EBITDA <i>in % of net income</i>	120 7.5 %	90 7.2 %	29	32.4 %
EBIT <i>in % of net income</i>	61 3.8 %	45 3.6 %	16	34.2 %
Net profit <i>in % of net income</i>	36 +2.3 %	32 2.5 %	4	13.3 %
Equity*	917	909		
Equity ratio*	42.8 %	52.2 %		
<i>of which currency translation differences*</i>	-124	-121	-3	
<i>of which third-party interest*</i>	91	89	2	
av. FTEs	9,710	8,262	1,448	17.5 %

* Equity as of 31.12.2015

Proceeds from goods – transition 2015 to 2016



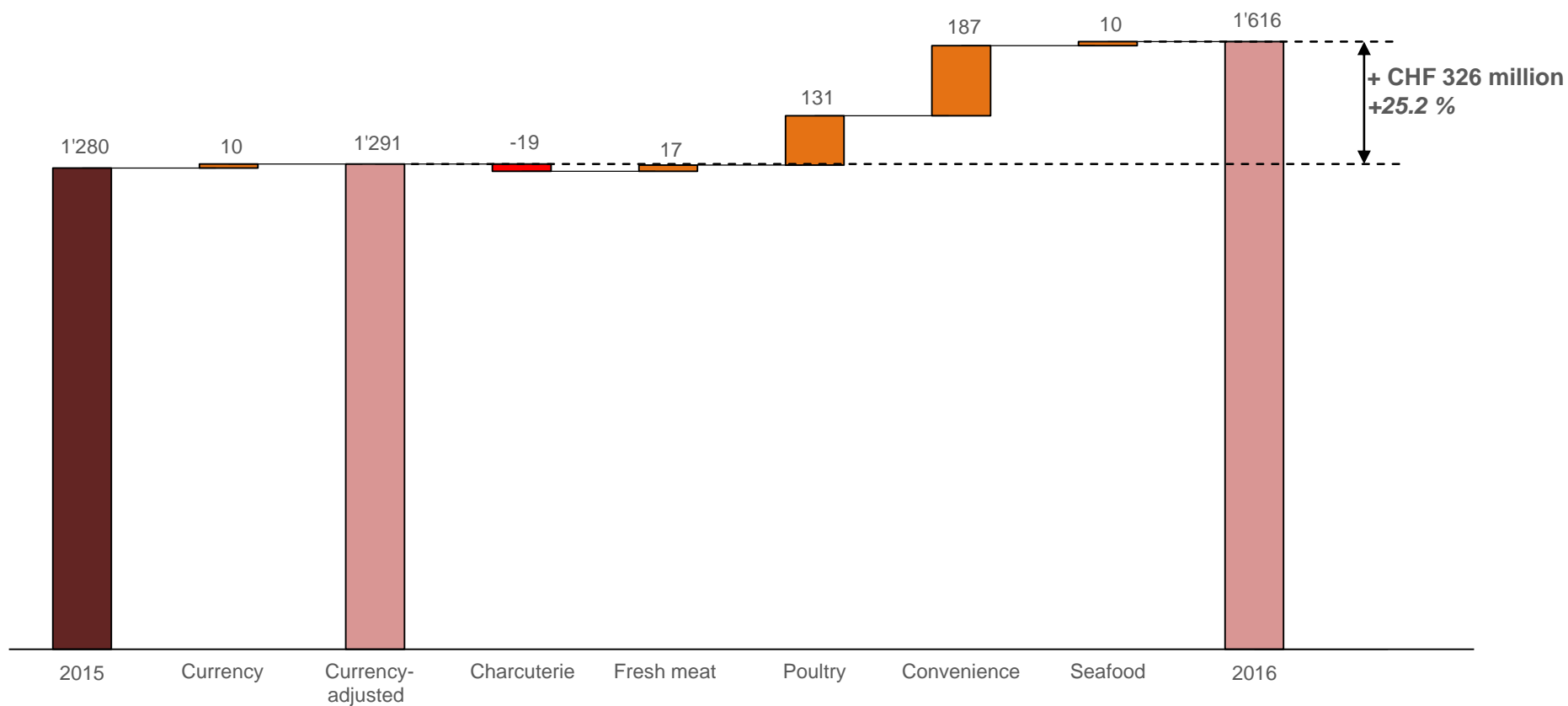
HY2016/in CHF million



Proceeds from goods – transition 2015 to 2016



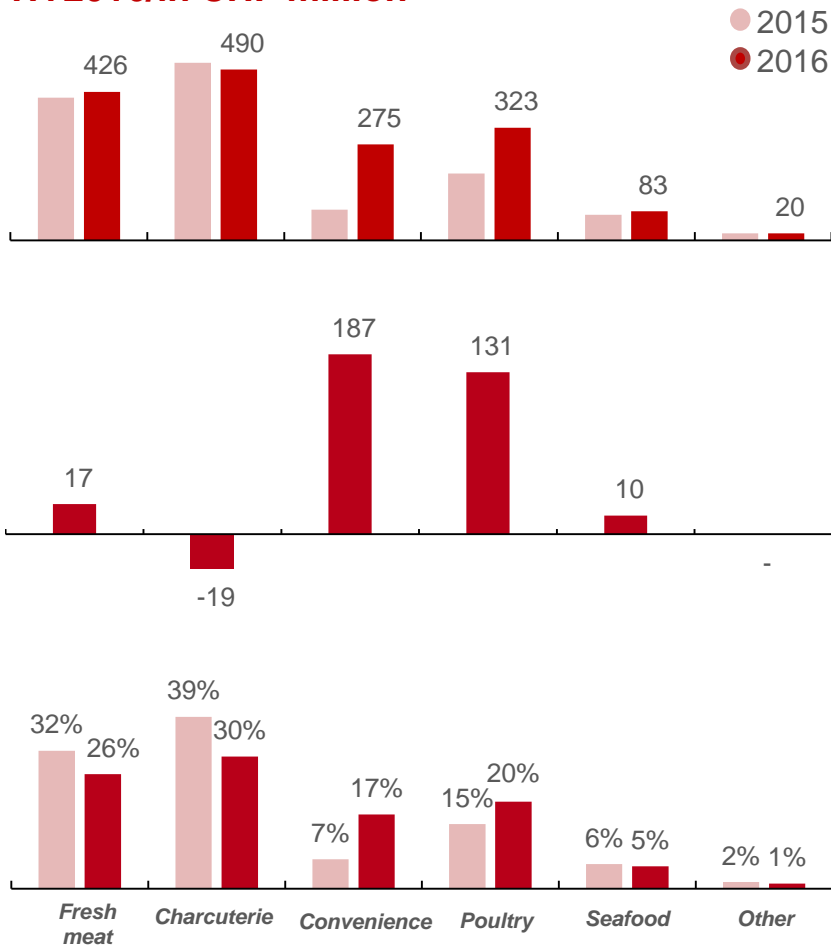
HY2016/in CHF million



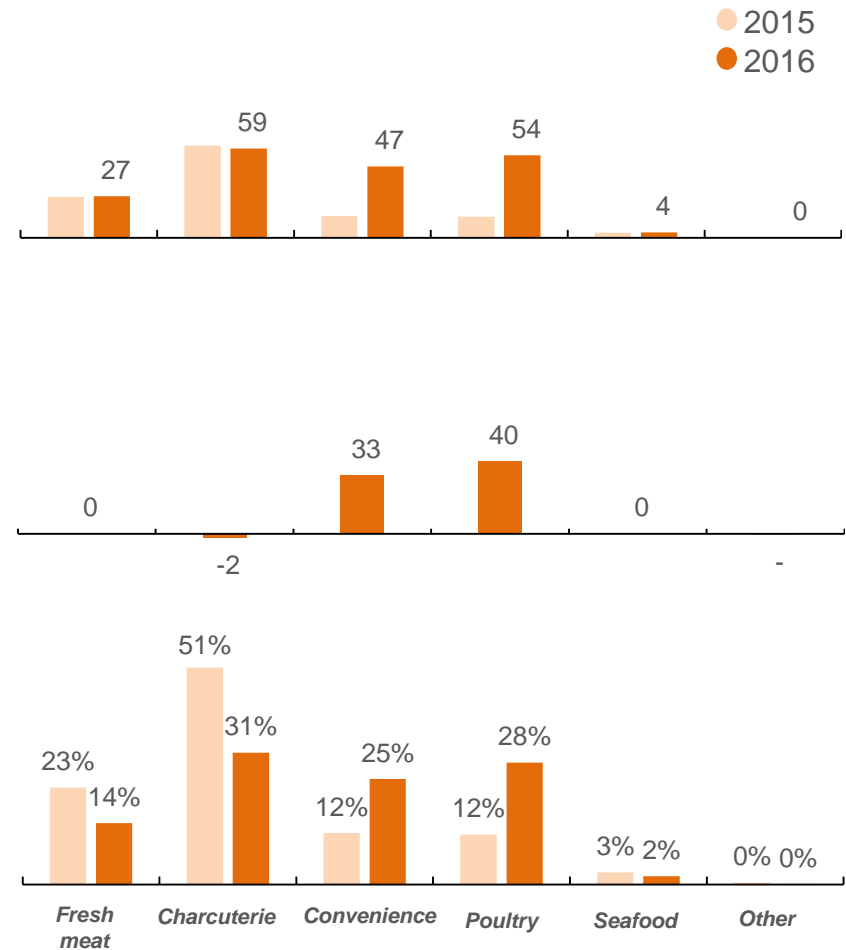
Proceeds from goods – by product group



Proceeds from goods – currency-adjusted HY2016/in CHF million



Sales HY

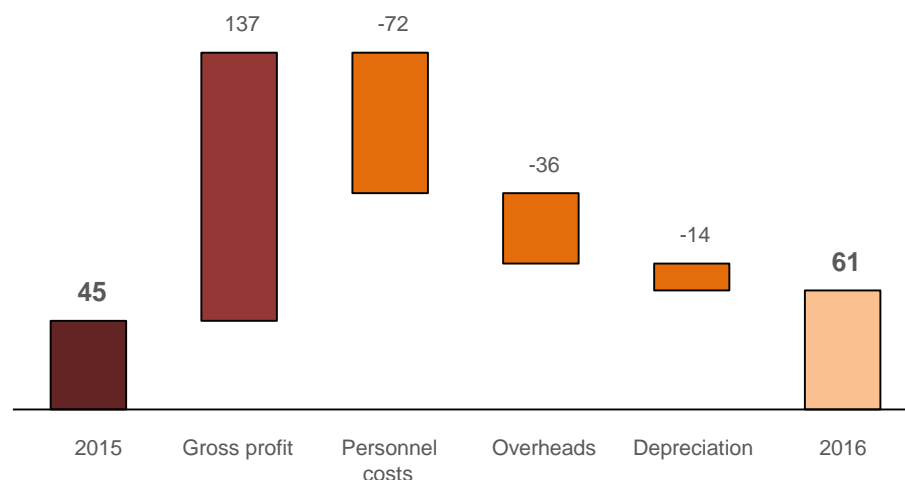


Income statement – EBIT



in CHF million	HY2016	HY2015	Δ %
Proceeds from goods	1,616	1,280	26.2 %
Net income	1,591	1,264	25.9 %
Gross profit	585	447	30.7 %
<i>in % of net income</i>	<i>36.7 %</i>	<i>35.4 %</i>	
Personnel expenses	299	227	31.6 %
Overheads	166	130	27.7 %
EBITDA	120	90	32.4 %
<i>in % of net income</i>	<i>7.5 %</i>	<i>7.2 %</i>	
Depreciation and amortisation	59	45	30.4 %
EBIT	61	45	32.4 %
<i>in % of net income</i>	<i>3.8 %</i>	<i>3.6 %</i>	

EBIT drivers
CHF million



Income statement – annual profit



in CHF million		HY2016	HY2015	Δ abs.
EBIT		61	45	16
Interest	①	-5	-3	-2
Securities/foreign currencies		1	-1	2
Share of income of assoc. companies	②	1	3	-2
EBT		59	45	14
Taxes		-16	-11	-5
Profit	③	43	34	9
Third-party interest in equity		-6	-2	-5
Annual profit		36	32	4

① Full-year effect Hilcona and interest for new bond

② In 2015, equity valuation for Hilcona from January to April

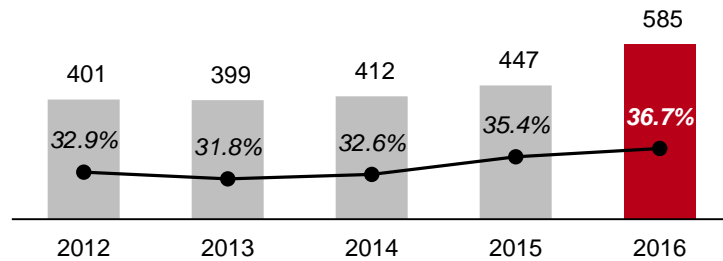
③ Full-year effect Hilcona; Previous year only May and June

5-year comparison – key figures

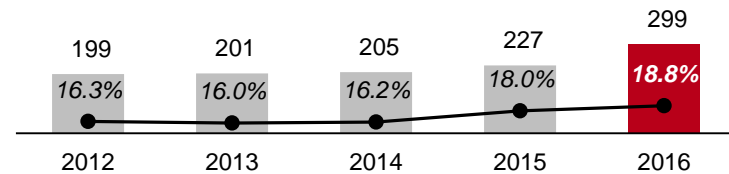


HY/CHF million
Ratio to net income

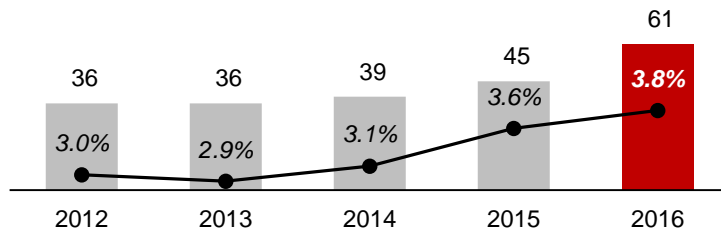
Gross profit



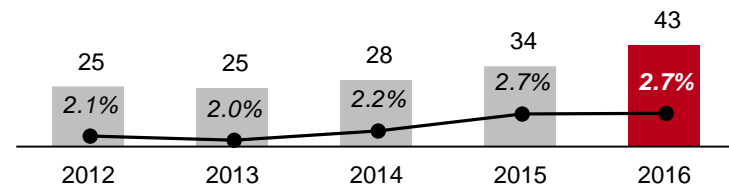
Personnel expenses



EBIT



Net profit after taxes



Balance sheet



in CHF million	30.06.2016		31.12.2015	
Cash and securities	306		194	
Receivables and accruals	① 393		353	
Inventories	303		263	
Current assets	1,002	46.7 %	810	46.4 %
Financial assets	46		44	
Intangible assets	② 164		37	
Property, plant and equipment	932		853	
Non-current assets	1,141	53.3 %	934	53.6 %
Assets	2,143	100.0 %	1,744	100.0 %
Liabilities and deferrals	330		249	
Provisions	170		117	
Financial liabilities	① 726	33.9 %	469	26.9 %
Liabilities	1,226	57.2 %	834	47.8 %
Equity before non-controlling interests	826	38.5%	820	47.0 %
Third-party interest in equity	③ 91	4.3 %	89	5.1 %
Equity	917	42.8 %	909	52.2 %
Liabilities and equity	2,143	100.0 %	1,744	100.0 %
Currency differences in equity	-124		-121	
Interest-bearing liabilities	420		275	

① Financial liabilities increase to CHF 726 million. Mainly because of new bond (CHF 300 million).

Less cash and cash equivalents, net financial liabilities of CHF 420 million (2015: CHF 275 million)

② Acquisitions of Huber and Eisberg increase goodwill.

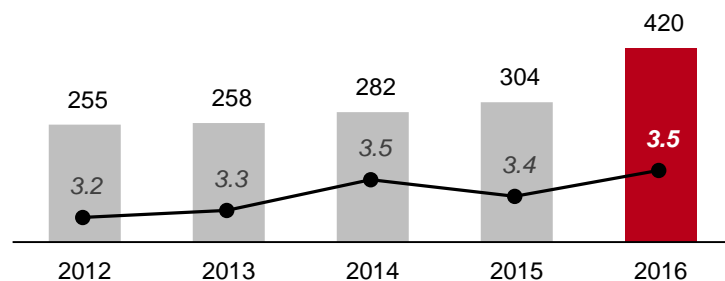
③ At 42.8 %, Bell has a solid equity ratio in spite of the new bond and the integration of Huber and Eisberg.

5-year comparison – key figures from balance sheet



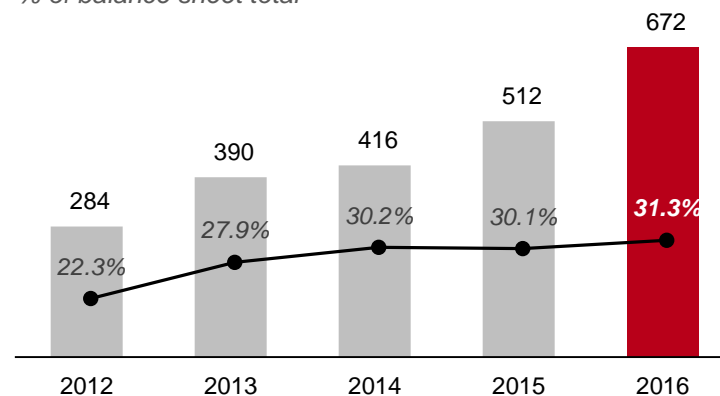
Net financial liabilities HY/in CHF million

Debt factor



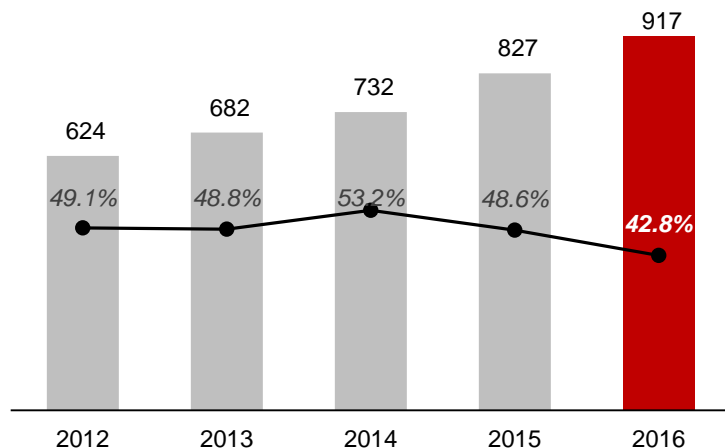
Net working capital HY/in CHF million

% of balance sheet total



Total equity HY/in CHF million

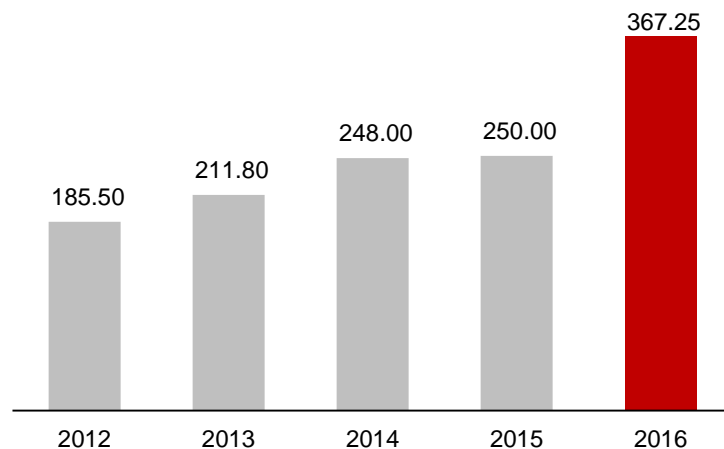
Equity ratio



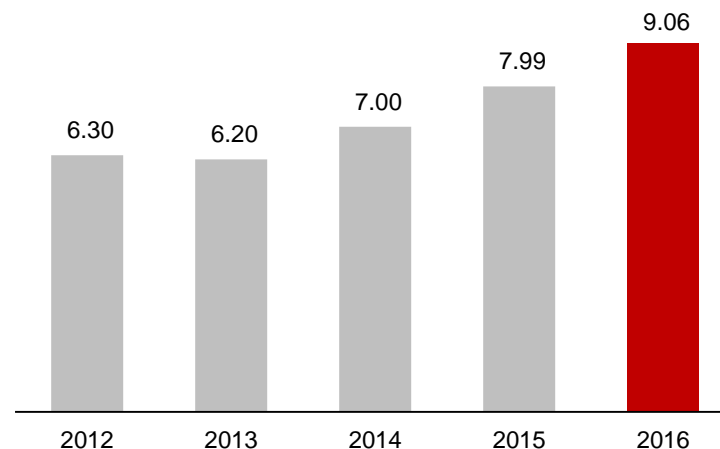
5-year comparison – Bell share



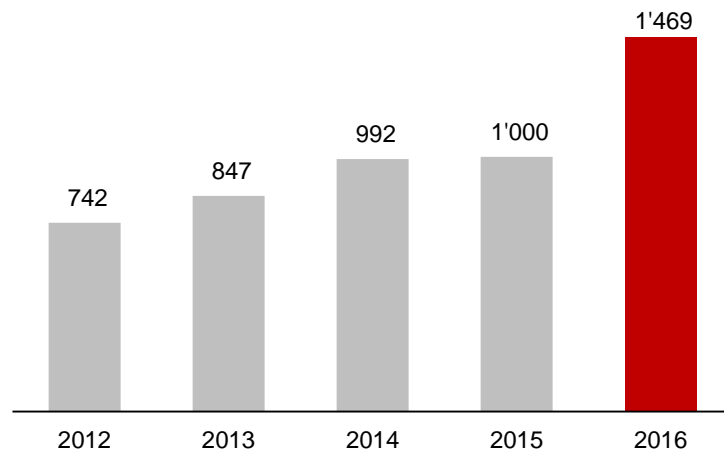
Price at 30.06. CHF



Net profit per share HY



Market capitalisation at 30.06./in CHF million



	HY2016	HY2015	Δ abs.	Δ %
Sales revenue (CHF million)	934	897	+37	+4.1 %
Sales volume (1,000 t)	62	61	+1	+2.3 %
Employees (FTEs)	3,356	3,392	-36	-1.1 %
Net investments (CHF million)	23	28	-5	-20.2 %
Number of production plants	10	10		

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



	HY2016	HY2015	Δ abs.	Δ %
Sales revenue (CHF million)	213	218	-5	-2.3 %
Sales volume (1,000 t)	33	33	-	-1.9 %
Employees (FTEs)	1,444	1,362	+82	+6.0 %
Net investments (CHF million)	7	9	-2	-17.0 %
Number of production plants	9	9		

- > Considerable increase in the cost of raw materials
- > Growing competition increases listing volatility
- > Successful brand concepts
- > Construction of additional plant for Spanish ham specialities to start at the beginning of 2017



	HY2016	HY2015	Δ abs.	Δ %
Sales revenue (CHF million)	223	93	+130	+140 %
Sales volume (1,000 t)	54	15	+39	+273.9 %
Employees (FTEs)	2,487	1,504	+983	+65.4 %
Net investments (CHF million)	8	7	+1	+23.8 %
Number of production plants	11	8		

- > First integration of poultry specialist Huber
- > In France, the focus on products with higher added value and organisational measures are showing first results
- > Poland and Hungary are on the right track
- > New organisational structure for branch shops in the Czech Republic



	HY2016	HY2015*	Δ abs.	Δ %
Sales revenue (CHF million)	276	88	+188	+213.1 %
Sales volume (1,000 t)	47	14	+33	+226.1 %
Employees (FTEs)	2,423	2,004	+419	+20.9 %
Net investments (CHF million)	9	2	+7	+309.0 %
Number of production plants	8	4		

- > Encouraging development in first half
- > Innovation in ready-prepared meals and vegetarian products
- > Integration of Eisberg is proceeding on schedule
- > Merger of Eisberg and Gastro Star under joint management

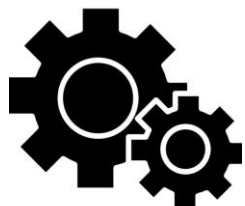
* previous year only May/June



The Bell Group – outlook for 2016



Difficult to predict the cost trends
for raw materials in second half



Consistent
implementation of
operational
measures to further
strengthen
productive capacity
and performance



Difficult to predict market
development; the market
will remain fiercely
competitive



Integration of acquisitions,
exploitation of synergies

Results for first half of 2016

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