

## Financial Reporting and Corporate Governance

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All values rounded up/down individually

## Financial report

# THE BELL GROUP IS ON COURSE

Martin Gysin,  
Head of Finance/Services Division

Due to the deconsolidation of the Convenience business subunit and the unfavourable currency trends in the Eurozone, the Bell Group's sales went down by around CHF 100 million in 2011. Adjusted for these two effects, sales growth amounted to CHF 44 million or 1.8 percent. The Swiss business did well. The already high volumes improved again by 1.5 percent and margins and costs also developed favourably. In the European markets, however, 2011 was a very tense year. The strong increase in raw materials prices in the first semester could only be passed on to retail customers with a big delay. Due to increased demand from important purchasing countries, some components became even more expensive in autumn. The situation was made worse by the unfriendly currency trends in Hungary and Poland, and the overall result was far from satisfactory in spite of encouraging volume growth of 5.2 percent in total.

As the previous year's margin was boosted by a one-off effect, the gross profit margin contracted from 33.4 to 33.2 percent. Adjusted for this effect, the gross profit margin remained the same in spite of the deconsolidation of Bell Convenience. The operating costs dropped from 25.2 to 24.9 percent of the operating income, also due to one-off effects. After legal consultation we credited an amount of CHF 8 million in insurance benefits for the Frigo fire in 2010 to the operating costs, and the total costs of around CHF 1.2 million for closing the plant in Steinheim were charged to various items under operating costs. Earnings before interest, taxes and depreciation (EBITDA) remained the same at 8.2 percent.

The difficult situation in Germany led us to reassess our position at ZIMBO. The aggressive competition and unfavourable trends in raw materials prices convinced us that ZIMBO will not be able to generate the originally planned earnings in the foreseeable future. As the capitalised goodwill and brand value are therefore no longer justified, we impaired both the goodwill acquired before 2011 and the brand value. Adjusted by impairment and exceptionals, EBIT for 2011 is CHF 111 million compared to adjusted EBIT of CHF 105 million in the previous year.

The financial income includes gains on foreign currency transactions of CHF 14.5 million. We decided at the beginning of August to hedge our euro needs for several quarters. However, as the National Bank established a minimum exchange rate for the euro, this hedge was no longer necessary and could be dissolved. The net result from investments in subsidiaries and associates includes Bell's profit shares in Hilcona AG and Centravo Holding AG. Goodwill depreciation of CHF 2.1 million was set off against the Hilcona AG profit share.

Net debt at the end of 2011 amounted to around CHF 253 million, which is more than CHF 63 million higher year-on-year. This increase is due to investments of CHF 115 million in subsidiaries and associates as well as a sharp increase in net current assets of around CHF 54 million.



A handwritten signature in blue ink, consisting of stylized initials 'M.G.' followed by a long horizontal stroke.

**Martin Gysin**  
Head of Finance/Services Division

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Hoppe GmbH was included in the Bell consolidated statements with effect from May. The meat drying plant Kocherhans und Schär AG was merged with Bell Switzerland on 1 July. On 1 July Bell also acquired all the shares of its former minority interest SBA Schlachtbetrieb Basel AG. This company was fully consolidated from 1 July. The last two acquisitions did not have any significant impact on our sales and profit. In October we concluded a closing agreement effective as of the end of 2012 with the former owners on the acquisition of the remaining shares in Abraham Schinken GmbH. The terms of this agreement meant that we had to fully consolidate Abraham already from October 2011.

Equity before minority interests rose by CHF 50 million to approximately CHF 627 million in spite of an additional negative translation effect.

## Consolidated Balance Sheet

in CHF thousand	Appendix	31.12.2011		31.12.2010	
Liquid assets	1	22 708		33 674	
Securities	2	5 582		4 513	
Trade accounts receivable	3	149 004		146 526	
Receivables affiliated companies	4	111 027		93 121	
Other receivables		45 007		47 366	
Inventory	5	170 109		152 401	
Deferred expenses and accrued income		16 885		17 834	
<b>Current assets</b>		<b>520 322</b>	<b>41.6%</b>	495 436	42.4%
Financial assets	12	103 305		39 152	
Intangible assets	13	76 692		76 303	
Land and buildings	14	322 096		325 610	
Machinery and equipment	15	229 723		230 885	
<b>Non-current assets</b>		<b>731 815</b>	<b>58.4%</b>	671 950	57.6%
<b>Assets</b>		<b>1 252 138</b>	<b>100.0%</b>	1 167 386	100.0%
Current financial liabilities	9	116 696		107 329	
Trade accounts payable		142 472		145 667	
Accounts payable to affiliated companies	6	21 912		14 822	
Other accounts payable	7	38 885		49 403	
Current provisions	11	9 726		10 356	
Deferred income and accrued expenses	8	61 925		58 409	
<b>Current liabilities</b>		<b>391 616</b>	<b>31.3%</b>	385 986	33.2%
Non-current financial liabilities	9	164 998		121 134	
Non-current provisions	11	68 940		69 811	
<b>Long-term liabilities</b>		<b>233 939</b>	<b>18.7%</b>	190 945	16.4%
<b>Liabilities</b>		<b>625 555</b>	<b>50.0%</b>	576 931	49.4%
Share capital		2 000		2 000	
Retained earnings		630 698		584 299	
Currency translation differences		-75 406		-67 352	
Treasury shares deducted		-3 113		-6 992	
Consolidated profit		71 618		64 519	
<b>Equity before third-party interest in equity</b>		<b>625 797</b>	<b>50.0%</b>	576 474	49.4%
Third-party interest in equity		786		13 982	
<b>Equity</b>		<b>626 583</b>	<b>50.0%</b>	590 456	50.6%
<b>Liabilities and equity</b>		<b>1 252 138</b>	<b>100.0%</b>	1 167 386	100.0%

## Consolidated Income Statement

in CHF thousand	Appendix	2011		2010	
Sales proceeds	16	2 516 953		2 617 574	
Other operating proceeds	16	59 848		51 355	
<b>Gross proceeds</b>		<b>2 576 801</b>		2 668 929	
Reductions in proceeds	16	-94 213		-84 652	
<b>Operating income</b>	16	<b>2 482 588</b>	<b>100.0%</b>	2 584 277	100.0%
Cost of goods sold	24	1 659 306	66.8%	1 720 353	66.6%
<b>Gross operating profit</b>		<b>823 282</b>	<b>33.2%</b>	863 923	33.4%
Personnel expenses	17	391 416	15.8%	405 671	15.7%
Rent	18	21 759		24 607	
Energy, auxiliary materials	19	49 214		49 275	
Repair and maintenance		46 096		47 731	
Transport		62 471		66 021	
Advertising		20 989		22 821	
Other operating expenses	20/24	27 046		35 101	
<b>Total operating expenses</b>	21	<b>618 991</b>	<b>24.9%</b>	651 228	25.2%
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>		<b>204 291</b>	<b>8.2%</b>	212 695	8.2%
Depreciation of tangible assets	14/15/24	72 144	2.9%	74 220	2.9%
Depreciation of intangible assets*	13/24	11 608		4 817	
Depreciation of goodwill*	13/24	30 691		32 422	
<b>Earnings before interest and taxes (EBIT)</b>		<b>89 849</b>	<b>3.6%</b>	101 236	3.9%
Financial income (incl. share in profit/loss of associated companies)	22	25 754		11 058	
Financial expenses	22/24	14 342		13 144	
<b>Net profit before taxes (EBT)</b>		<b>101 261</b>	<b>4.1%</b>	99 150	3.8%
Taxes	23/24	28 865		33 083	
<b>Net profit after taxes</b>		<b>72 396</b>	<b>2.9%</b>	66 067	2.6%
Third-party interest in profit		-778		-1 548	
<b>Consolidated profit</b>		<b>71 618</b>	<b>2.9%</b>	64 519	2.5%

\*Writedown on goodwill and brand value of CHF thousand 26 016 (previous year CHF thousand 17 166)

# Cash Flow Statement

in CHF thousand	2011		2010	
Net profit after taxes		72 396		66 067
Depreciation of tangible assets	70 294		73 038	
Extraordinary expenses for depreciation of assets	1 850		1 183	
Depreciation of intangible assets	16 282		20 072	
Extraordinary expenses for depreciation of intangible assets	26 016	114 442	17 166	111 459
Income (-) loss (+) from sale of fixed assets		-929		-530
Income (-) loss (+) from acquisition of participations		-		-1 584
Income from evaluation of non-consolidated participations		-6 273		-576
Income (-) loss (+) on assets of foundation		390		-89
Increase (-) decrease (+) deferred tax assets		1 133		568
Changes in provisions		849		4 878
<b>Cash flow before changes to net current assets</b>		<b>182 008</b>		<b>180 193</b>
Inventory changes (-) increase (+) decrease	-19 180		1 087	
Changes in receivables (-) increase (+) decrease	-27 470		-16 908	
Adjustments (-) increase (+) decrease	1 957		-10 078	
Changes in current liabilities (+) increase (-) decrease	-23 101		31 709	
Adjustments (+) increase (-) decrease	13 585	-54 209	-6 414	-604
<b>Operating cash flow</b>		<b>127 799</b>		<b>179 589</b>
Investments in machinery and equipment	-52 664		-50 756	
Divestments of machinery and equipment	9 850	-42 814	498	-50 258
Investments in land and buildings	-10 554		-11 129	
Divestments of land and buildings	2 059	-8 495	639	-10 490
Investments in participations and financial assets	-116 883		-49	
Divestments of participations and financial assets	1 624		2 771	
Divestments (+) / investments (-) of securities	-1 070	-116 329	2 536	5 258
Investments in intangible assets	-6 839		-7 481	
Divestments of intangible assets	3	-6 836	53	-7 428
<b>Investment cash flow</b>		<b>-174 474</b>		<b>-62 918</b>
Changes in financial liabilities		51 418		-146 800
Investments (-) / divestments (+) in treasury shares		5 515		2 365
Dividends		-20 680		-16 546
<b>Financing cash flow</b>		<b>36 253</b>		<b>-160 981</b>
<b>Cash flow balance</b>		<b>-10 422</b>		<b>-44 310</b>
Liquid assets as of January 01		33 674		81 395
Effect of currency translation on liquid assets		-544		-3 411
Changes in liquid assets		-10 422		-44 310
Liquid assets as of December 31		22 708		33 674

## 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
<b>Equity as of 01.01.2011</b>	<b>2 000</b>	<b>584 299</b>	<b>-67 352</b>	<b>-6 992</b>	<b>64 519</b>	<b>576 474</b>	<b>13 982</b>	<b>590 457</b>
Changes in consolidated scope	-	-	-	-	-	-	-	-
Acquisition minorities	-	-	-	-	-	-	-13 006	-13 006
Appropriation of annual profit	-	64 519	-	-	-64 519	-	-	-
Dividends	-	-19 755	-	-	-	-19 755	-925	-20 680
Additions/disposals of treasury shares	-	1 635	-	3 879	-	5 514	-	5 514
Consolidated profit	-	-	-	-	71 618	71 618	778	72 396
Influence of foreign currency translation	-	-	-8 054	-	-	-8 054	-43	-8 097
<b>Equity as of 31.12.2011</b>	<b>2 000</b>	<b>630 698</b>	<b>-75 406</b>	<b>-3 113</b>	<b>71 618</b>	<b>625 797</b>	<b>786</b>	<b>626 584</b>
Equity as of 01.01.2010	2 000	544 175	-16 545	-9 019	55 563	576 175	18 604	594 779
Changes in consolidated scope	-	-	-	-	-	-	-	-
Acquisition minorities	-	-	-	-	-	-	-2 954	-2 954
Appropriation of annual profit	-	55 563	-	-	-55 563	-	-	-
Dividends	-	-15 778	-	-	-	-15 778	-768	-16 546
Additions/disposals of treasury shares	-	338	-	2 027	-	2 365	-	2 365
Consolidated profit	-	-	-	-	64 519	64 519	1 548	66 067
Influence of foreign currency translation	-	-	-50 807	-	-	-50 807	-2 448	-53 255
Equity as of 31.12.2010	2 000	584 299	-67 352	-6 992	64 519	576 474	13 982	590 457

	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.
<b>Shares</b>						
<b>Shares issued</b>		<b>400 000</b>	-	-	-	<b>400 000</b>
Treasury shares		-5 316	-400	3 147	-160	-2 206
<b>Shares in circulation as of 2011</b>		<b>394 684</b>	<b>-400</b>	<b>3 147</b>	<b>-160</b>	<b>397 794</b>
Shares issued		400 000	-	-	-	400 000
Treasury shares		-6 938	-325	1 323	-8	-5 316
Shares in circulation as of 2010		393 062	-325	1 323	-8	394 684

## Consolidation and valuation principles

**Basic principles** The principles governing consolidation, valuation, structure and presentation comply with the entire Financial Reporting Standards (Swiss GAAP 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 equalling 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 65 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

		2011		2010	
Balance sheet	EUR 1	= CHF	1.2200	= CHF	1.2500
	CZK 1	= CHF	0.0480	= CHF	0.0500
	HUF 100	= CHF	0.3900	= CHF	0.4500
	PLN 1	= CHF	0.2730	= CHF	0.3150
	USD 1	= CHF	0.9400	= CHF	0.9350
Income statement	EUR 1	= CHF	1.2333	= CHF	1.3700
	CZK 1	= CHF	0.0502	= CHF	0.0543
	HUF 100	= CHF	0.4426	= CHF	0.4967
	PLN 1	= CHF	0.2999	= CHF	0.3428
	USD 1	= CHF	0.8804	= CHF	1.0383

**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** comprise fixed deposits and money market placements with a term to maturity of less than 90 days.

**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** 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** result from loss carry-forwards on initial consolidation. In 2011 we set off an impairment of CHF 2.6 million against deferred tax liabilities as the tax situation has changed. 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.



**Non-current assets** Please refer to page 65 for an overview of the Group's non-consolidated investments in 2011.

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 capitalised 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:**

Production and administration buildings	30-40 years
Machines and equipment	8-10 years
Installations	10-15 years
Vehicles	5-7 years
Furniture	5-10 years
IT Hardware	4 years
Software	4 years
Trademarks	8 years
Goodwill	5-8 years

**Intangible assets** Intangible non-current assets comprise IT software, acquired trademarks and goodwill. Total goodwill of CHF 39.4 million was paid on the acquisitions made in 2011. The depreciation on the "Hilcona" goodwill will be set off against Bell's share of the annual profit within the financial account. The impairment tests for ZIMBO revealed the need for additional depreciation of around CHF 20 million on the consolidation goodwill and approximately CHF 6 million on the value of the brand. Aggressive competition means that the required future earnings cannot be generated. The remainder of the purchase price was calculated as part of the closing agreement with the sellers of Abraham Schinken GmbH, but this price increased as a result of the improved revenue situation. The increase in this residual purchase price resulted in additional goodwill of around CHF 8 million, which will be depreciated over the next five years. The impairment tests did not reveal any further need for adjustments.

**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 FER values and the taxable carrying values at the average tax rate that applies to our Group, i.e. 23.5 percent for Switzerland, 27 percent for Germany and France and 25 percent for the other countries. The tax rates did not change from the previous year.

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 98,8 percent at the end of 2011 (prior year 100.1%). Other personnel liabilities are only recognised 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 are reported separately as a sub-item of equity. Transaction gains and dividends on treasury shares 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, 523 shares were distributed to employees in 2011 (prior year 632) and 160 shares were taken back (prior year 8). These transactions were charged to personnel expenses at the share price on the payment date.

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

**Advance payments** to suppliers are allocated to the corresponding asset class.

**Events occurring after the balance sheet date** None

## Appendix to Consolidated Balance Sheet

in CHF thousand	2011	Share	2010
<b>1. Liquid assets</b>			
Cash	1 658	7.3%	1 047
Cash in post office accounts	330	1.5%	587
Cash in banks	16 721	73.6%	31 306
Fixed deposits	3 999	17.6%	734
<b>Liquid assets</b>	<b>22 708</b>	<b>100.0%</b>	<b>33 674</b>
<b>Liquid assets by currency</b>			
CHF	10 319	45.4%	7 705
EUR	9 152	40.3%	19 888
Other currencies	3 237	14.3%	6 080
<b>Liquid assets</b>	<b>22 708</b>	<b>100.0%</b>	<b>33 674</b>
<b>2. Securities</b>			
Shares and similar investments	5 582	100.0%	4 513
Bonds and similar investments	-	-	-
<b>Securities</b>	<b>5 582</b>	<b>100.0%</b>	<b>4 513</b>
<b>3. Trade accounts receivable</b>			
Valuation adjustment balanced in receivables	-3 277		-1 758
<b>4. Receivables affiliated companies</b>			
Companies of the Coop Group	104 706	94.3%	73 692
Other affiliated companies	6 321	5.7%	19 429
<b>Receivables affiliated companies</b>	<b>111 027</b>	<b>100.0%</b>	<b>93 121</b>
<b>5. Inventory</b>			
Raw materials and finished goods	162 225	95.4%	145 676
Auxiliary materials	16 599	9.8%	15 652
Value adjustments on the basis of value impairments	-8 715	-5.1%	-8 927
<b>Inventory</b>	<b>170 109</b>	<b>100.0%</b>	<b>152 401</b>
<b>6. Accounts payable to affiliated companies</b>			
Accounts payable to Coop Group	21 844	99.7%	13 701
Accounts payable to other affiliated companies	68	0.3%	1 121
<b>Accounts payable to affiliated companies</b>	<b>21 912</b>	<b>100.0%</b>	<b>14 822</b>
<b>7. Other accounts payable</b>			
Shareholders	12	0.0%	10
VAT	11 902	30.6%	6 904
Capital and profit taxes	23 895	61.4%	21 837
Other taxes	543	1.4%	1 428
Miscellaneous third parties	2 533	6.5%	19 225
<b>Other accounts payable</b>	<b>38 885</b>	<b>100.0%</b>	<b>49 403</b>

## Appendix to Consolidated Balance Sheet

in CHF thousand	2011	Share	2010
<b>8. Deferred income and accrued expenses</b>			
Miscellaneous deferred expense	44 049	71.1%	40 572
Accrued personnel and social security expense	17 875	28.9%	17 837
<b>Deferred income and accrued expenses</b>	<b>61 925</b>	<b>100.0%</b>	<b>58 409</b>
<b>9. Financial liabilities</b>			
Loans and credits from banks	112 885	40.1%	107 052
Loans with affiliated companies	3 695	1.3%	277
Current accounts with third parties	116	0.0%	-
<b>Current financial liabilities</b>	<b>116 696</b>	<b>41.4%</b>	<b>107 329</b>
Non-current loans and credits	164 998	58.6%	109 134
Non-current loans with affiliated companies	-	-	12 000
<b>Non-current financial liabilities</b>	<b>164 998</b>	<b>58.6%</b>	<b>121 134</b>
<b>Financial liabilities</b>	<b>281 694</b>	<b>100.0%</b>	<b>228 462</b>
<b>Maturity structure of financial liabilities</b>			
Due within 360 days	116 696	41.4%	107 329
Due within two years	36 164	12.8%	33 733
Due within three years and later	128 835	45.7%	87 400
<b>Financial liabilities</b>	<b>281 694</b>	<b>100.0%</b>	<b>228 462</b>
<b>Financial liabilities by currency</b>			
CHF	185 487	65.8%	121 258
EUR	95 125	33.8%	107 054
Other currencies	1 082	0.4%	150
<b>Financial liabilities</b>	<b>281 694</b>	<b>100.0%</b>	<b>228 462</b>

10. Business combinations/company sale	Bell Convenience <sup>1</sup>	Hilcona AG <sup>2</sup>	Hoppe GmbH <sup>3</sup>	Kocherhans und Schär AG <sup>4</sup>	SBA Schlacht- betrieb Basel AG <sup>5</sup>
	01.01.2011	01.01.2011	01.05.2011	27.06.2011	01.07.2011
Liquid assets	-	17 504	1 155	157	576
Trade accounts receivable	-	49 842	3 694	331	1 382
Inventory	1 734	49 167	1 195	82	-
Tangible assets	5 289	177 692	13 551	4 918	5 213
Trade accounts payable	1 022	27 810	3 297	238	786
Financial liabilities	-	115 849	6 248	1 728	1 257

<sup>1</sup> Company sale

<sup>2</sup> New addition to scope of consolidation as of 1 January 2011 at prorated equity; amounts include Bell Convenience.

<sup>3</sup> Initial consolidation as of 1 May 2011

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

<sup>5</sup> Full consolidation as of 1 July 2011

## 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
<b>11. Provisions</b>							
<b>Provisions as of 01.01.2011</b>	<b>21 926</b>	<b>3 027</b>	<b>4 708</b>	<b>44 073</b>	<b>5 069</b>	<b>1 364</b>	<b>80 167</b>
Changes in consolidated scope	-	-	207	690	-	-	897
Reclassification of deferred tax assets	-	-	-	-1 439	-	-	-1 439
Reclassification	-427	427	-	-	500	-500	-
Established	1 871	1 120	3 824	989	1 345	-	9 148
Used	-2 119	-1 439	-4 050	-116	-315	-260	-8 299
Utilisation	-	-	-	-	-1 521	-	-1 521
Currency translation effects	-107	-	-14	-69	-97	-	-287
<b>Provisions as of 31.12.2011</b>	<b>21 144</b>	<b>3 135</b>	<b>4 674</b>	<b>44 128</b>	<b>4 981</b>	<b>604</b>	<b>78 666</b>
Non-current provisions 2011	20 266	2 096	-	44 128	2 451	-	68 940
Current provisions 2011	878	1 040	4 674	-	2 530	604	9 726
Provisions as of 01.01.2010	21 147	3 195	5 222	39 442	8 274	300	77 580
Changes in consolidated scope	-	-	-	-	-	-	-
Reclassification accruals	-	-	-	-	-	-	-
Reclassification	397	-397	-134	-	134	-	-
Established	2 227	1 398	3 708	9 344	77	1 364	18 118
Used	-1 104	-1 169	-4 012	-4 137	-2 518	-300	-13 240
Currency translation effects	-741	-	-76	-576	-898	-	-2 291
Provisions as of 31.12.2010	21 926	3 027	4 708	44 073	5 069	1 364	80 167
Non-current provisions 2010	19 522	1 958	-	44 073	4 259	-	69 811
Current provisions 2010	2 404	1 070	4 708	-	810	1 364	10 356

## Appendix to Consolidated Balance Sheet

in CHF thousand	Non consolidated holdings	Loans to affiliated companies*	Loans to third parties	Equity of foundation	Deffered tax assets	Other financial assets	Total
<b>12. Financial assets</b>							
<b>Value as of 01.01.2011</b>	<b>27 639</b>	<b>610</b>	<b>449</b>	<b>5 119</b>	<b>5 106</b>	<b>228</b>	<b>39 151</b>
Purchase price as of 01.01.2011	27 639	610	449	5 119	5 106	228	39 151
Changes in consolidated scope	-1 136	-	-	-	-	-	-1 136
Investments	59 921	1 560	-	-	-	134	61 614
Divestments	-43	-1 100	-205	-276	-	-	-1 624
Reclassification to provisions	-	-	-	-	-1 439	-	-1 439
Revaluation	8 405	-	-	-390	-1 133	-	6 882
Reclassification	-	-	-	-	-	-	-
Currency translation effects	-3	-47	-	-	-95	-	-144
<b>Value as of 31.12.2011</b>	<b>94 783</b>	<b>1 023</b>	<b>244</b>	<b>4 453</b>	<b>2 440</b>	<b>362</b>	<b>103 305</b>
Value as of 01.01.2010	40 851	2 628	667	6 037	6 690	228	57 101
Purchase price as of 01.01.2010	40 851	2 628	667	6 037	6 690	228	57 101
Changes in consolidated scope	-13 707	-	-	-	-	-	-13 707
Investments	-	-	-	-	-	-	-
Divestments	-53	-1 495	-218	-1 006	-	-	-2 771
Revaluation	576	-	-	89	-568	-	97
Reclassification	537	-537	-	-	-	-	-
Currency translation effects	-566	14	-	-	-1 015	-	-1 567
Value as of am 31.12.2010	27 639	610	449	5 119	5 106	228	39 152

\* There are no loans to the corporation entities.

## Appendix to Consolidated Balance Sheet

in CHF thousand	Software	Trademarks	Others rights	Goodwill	Total
<b>13. Intangible assets</b>					
<b>Value as of 01.01.2011</b>	<b>10 447</b>	<b>7 391</b>	<b>822</b>	<b>57 644</b>	<b>76 303</b>
Purchase price as of 01.01.2011	31 166	10 293	1 324	130 287	173 071
Changes in consolidated scope	252	-	-	39 382	39 634
Investments	5 838	-	1 001	-	6 839
Divestments	-481	-	-9	-	-490
Reclassification	724	-	-221	-	503
Currency translation effects	-205	-247	-50	-3 136	-3 638
Purchase price as of 31.12.2011	37 295	10 046	2 045	166 533	215 920
Cumulative depreciation as of 01.01.2011	20 719	2 902	502	72 644	96 767
Changes in consolidated scope	209	-	-	-	209
Depreciation*	4 161	1 216	150	12 887	18 414
Extraordinary depreciation	-	6 081	-	19 935	26 016
Cumulative depreciation of divestments	-478	-	-9	-	-487
Reclassification	189	-	-189	-	-
Currency translation effects	-91	-154	-20	-1 428	-1 692
Cumulative depreciation as of 31.12.2011	24 709	10 046	435	104 038	139 227
<b>Value as of 31.12.2011</b>	<b>12 586</b>	<b>-</b>	<b>1 611</b>	<b>62 495</b>	<b>76 692</b>
*The depreciation on the Hilcona goodwill is recognised in the profit on the investment.					
Value as of 01.01.2010	6 148	10 266	973	97 130	114 518
Purchase price as of 01.01.2010	26 776	12 228	1 492	143 000	183 497
Changes in consolidated scope	-10	-	-1	12 465	12 454
Investments	7 215	-	33	233	7 481
Divestments	-2 740	-	-	-	-2 740
Adjustment selling price	-	-	-	-5 480	-5 480
Reclassification	883	-	42	-	925
Currency translation effects	-959	-1 935	-242	-19 931	-23 067
Purchase price as of 31.12.2010	31 166	10 293	1 324	130 287	173 071
Cumulative depreciation as of 01.01.2010	20 628	1 962	519	45 870	68 979
Changes in consolidated scope	-17	-	-1	255	237
Depreciation	3 389	1 370	30	15 283	20 072
Extraordinary depreciation	-	-	-	17 166	17 166
Cumulative depreciation of divestments	-2 687	-	-	-	-2 687
Reclassification	-42	-	42	-	-
Currency translation effects	-552	-430	-87	-5 931	-7 000
Cumulative depreciation as of 31.12.2010	20 719	2 902	502	72 644	96 767
Value as of 31.12.2010	10 447	7 391	822	57 644	76 303

## Appendix to Consolidated Balance Sheet

in CHF thousand	Developed land	Production and administration facilities	Constructions in rented locations	Buildings under construction	Total
<b>14. Land and buildings</b>					
<b>Value as of 01.01.2011</b>	<b>48 268</b>	<b>272 621</b>	<b>781</b>	<b>3 940</b>	<b>325 610</b>
Purchase price as of 01.01.2011	48 348	554 039	2 456	3 940	608 784
Changes in consolidated scope	1 747	19 865	1 083	-	22 695
Investments	1 000	2 537	-	7 017	10 554
Divestments	-790	-2 316	-204	-22	-3 332
Reclassification	-994	3 328	-21	-3 048	-735
Currency translation effects	-401	-7 550	-4	-78	-8 033
Purchase price as of 31.12.2011	48 911	569 902	3 311	7 809	629 932
Cumulative depreciation as of 01.01.2011	80	281 418	1 676	-	283 173
Changes in consolidated scope	-	5 565	470	-	6 035
Depreciation	11	20 060	135	-	20 207
Extraordinary depreciation	-	1 850	-	-	1 850
Cumulative depreciation of divestments	-	-1 069	-204	-	-1 273
Reclassification	-10	10	-3	-	-3
Currency translation effects	-2	-2 148	-3	-	-2 153
Cumulative depreciation as of 31.12.2011	79	305 686	2 071	-	307 836
<b>Value as of 31.12.2011</b>	<b>48 832</b>	<b>264 216</b>	<b>1 239</b>	<b>7 809</b>	<b>322 096</b>
Value as of 01.01.2010	50 333	300 227	930	4 376	355 866
Purchase price as of 01.01.2010	50 428	587 159	2 468	4 376	644 431
Changes in consolidated scope	780	3 595	37	-	4 412
Investments	-	9 037	-	2 092	11 129
Divestments	-215	-14 901	-	-22	-15 139
Reclassification	-	1 363	-	-2 198	-835
Currency translation effects	-2 644	-32 213	-49	-308	-35 214
Purchase price as of 31.12.2010	48 348	554 039	2 456	3 940	608 784
Cumulative depreciation as of 01.01.2010	95	286 932	1 538	-	288 564
Changes in consolidated scope	-	247	3	-	251
Depreciation	-	21 350	175	-	21 525
Extraordinary depreciation	-	1 010	-	-	1 010
Cumulative depreciation of divestments	-	-15 030	-	-	-15 030
Reclassification	-	-844	-	-	-844
Currency translation effects	-15	-12 248	-40	-	-12 303
Cumulative depreciation as of 31.12.2010	80	281 418	1 676	-	283 173
Value as of 31.12.2010	48 268	272 621	781	3 940	325 610

"Land and buildings" includes activated leasings to the booking value of CHF thousand 6 158 (previous year CHF thousand 6 741).

## Appendix to Consolidated Balance Sheet

in CHF thousand	Machinery and equipment	Installations	IT Hardware	Furnishings and vehicles	Advance payments	Total
<b>15. Machinery and equipment</b>						
<b>Value as of 01.01.2011</b>	<b>117 108</b>	<b>73 504</b>	<b>6 902</b>	<b>22 536</b>	<b>10 835</b>	<b>230 885</b>
Purchase price as of 01.01.2011	376 268	183 682	30 999	89 175	10 835	690 959
Changes in consolidated scope	18 125	11 290	689	3 263	345	33 713
Investments	27 965	4 138	4 406	8 440	7 716	52 664
Divestments	-27 695	-4 990	-480	-13 482	-909	-47 555
Reclassification	6 361	933	855	388	-8 305	232
Currency translation effects	-5 536	-182	-48	-1 339	-201	-7 306
Purchase price as of 31.12.2011	395 488	194 871	36 420	86 445	9 481	722 706
Cumulative depreciation as of 01.01.2011	259 160	110 178	24 097	66 639	-	460 075
Changes in consolidated scope	15 664	7 626	676	2 123	-	26 089
Depreciation	25 733	12 889	3 341	8 124	-	50 087
Extraordinary depreciation	-	-	-	-	-	-
Cumulative depreciation of divestments	-22 099	-3 981	-459	-12 095	-	-38 634
Reclassification	62	-2	265	-322	-	3
Currency translation effects	-3 515	-111	-25	-985	-	-4 636
Cumulative depreciation as of 31.12.2011	275 006	126 599	27 895	63 484	-	492 984
<b>Value as of 31.12.2011</b>	<b>120 483</b>	<b>68 272</b>	<b>8 526</b>	<b>22 961</b>	<b>9 481</b>	<b>229 722</b>
Value as of 01.01.2010	127 565	76 627	6 904	26 376	4 600	242 072
Purchase price as of 01.01.2010	388 453	175 484	30 495	96 373	4 600	695 405
Changes in consolidated scope	-374	-	38	120	-	-217
Investments	20 614	10 331	3 039	5 426	11 346	50 756
Divestments	-8 411	-1 973	-2 644	-6 844	-	-19 873
Reclassification	1 933	1 260	273	837	-4 393	-90
Currency translation effects	-25 947	-1 419	-202	-6 736	-718	-35 023
Purchase price as of 31.12.2010	376 268	183 682	30 999	89 175	10 835	690 959
Cumulative depreciation as of 01.01.2010	260 888	98 857	23 592	69 997	-	453 333
Changes in consolidated scope	-438	-	15	34	-	-390
Depreciation	26 677	13 075	3 232	8 529	-	51 513
Extraordinary depreciation	-	172	-	-	-	172
Cumulative depreciation of divestments	-8 197	-1 972	-2 644	-6 561	-	-19 374
Reclassification	-	844	25	-24	-	844
Currency translation effects	-19 768	-798	-122	-5 334	-	-26 023
Cumulative depreciation as of 31.12.2010	259 160	110 178	24 097	66 639	-	460 075
<b>Value as of 31.12.2010</b>	<b>117 108</b>	<b>73 504</b>	<b>6 902</b>	<b>22 536</b>	<b>10 835</b>	<b>230 885</b>

"Machinery and equipment" includes activated leasings to the booking value of CHF thousand 1 518 (previous year CHF thousand 2 599).



## Appendix to Consolidated Income Statement

in CHF thousand	2011	Difference	2010
<b>16. Operating income</b>			
<b>Product groups</b>			
Fresh meat	815 819	0.8%	809 552
Charcuterie own production	360 661	-1.0%	364 284
Charcuterie purchased	82 008	1.5%	80 791
Poultry	344 769	3.0%	334 583
Meat specialities (game, rabbit and others)	17 564	-10.3%	19 588
Seafood	115 131	10.9%	103 809
Convenience	-	-100.0%	84 085
Other sales	9 927	-10.4%	11 081
<b>Product groups Switzerland</b>	<b>1 745 879</b>	<b>-3.4%</b>	<b>1 807 773</b>
Charcuterie	704 650	-5.0%	742 012
Other sales	66 424	-2.0%	67 789
<b>Product groups International</b>	<b>771 074</b>	<b>-4.8%</b>	<b>809 801</b>
<b>Sales by product group</b>	<b>2 516 953</b>	<b>-3.8%</b>	<b>2 617 574</b>
<b>Distribution channels</b>			
Sales to Coop Group	1 299 527	9.9%	1 182 242
Sales to other affiliated companies	15 133	-91.7%	181 536
Sales to wholesale	423 974	-2.5%	434 960
Sales to end consumers	7 245	-19.8%	9 035
<b>Distribution channels Switzerland</b>	<b>1 745 879</b>	<b>-3.4%</b>	<b>1 807 773</b>
Sales to Coop Group	5 013	-	-
Sales to wholesale	699 637	-5.7%	742 012
Sales to end consumers	66 424	-2.0%	67 789
<b>Distribution channels International</b>	<b>771 074</b>	<b>-4.8%</b>	<b>809 801</b>
<b>Sales by distribution channel</b>	<b>2 516 953</b>	<b>-3.8%</b>	<b>2 617 574</b>
<b>Sales by country*</b>			
Switzerland	1 745 879		1 807 773
Germany	440 460		449 771
France	105 777		100 209
Other Western Europe	92 220		110 903
Eastern Europe	132 617		148 917
<b>Sales by country</b>	<b>2 516 953</b>	<b>-3.8%</b>	<b>2 617 574</b>
*2010 calculation base production site			
Additional proceeds from Coop Group	2 558	49.4%	1 712
Additional proceeds from affiliated companies	1 857		124
Additional third-party proceeds	46 598	20.5%	38 672
<b>Other operating proceeds Switzerland</b>	<b>51 014</b>	<b>25.9%</b>	<b>40 508</b>
<b>Other operating proceeds International</b>	<b>8 834</b>	<b>-18.6%</b>	<b>10 847</b>
<b>Other operating proceeds</b>	<b>59 848</b>	<b>16.5%</b>	<b>51 355</b>
Reductions in proceeds with Coop Group	32 465	4.4%	31 101
Other reductions in proceeds	5 731	-36.9%	9 079
<b>Reductions in proceeds Switzerland</b>	<b>38 196</b>	<b>-4.9%</b>	<b>40 180</b>
<b>Reductions in proceeds International</b>	<b>56 016</b>	<b>26.0%</b>	<b>44 472</b>
<b>Reductions in proceeds</b>	<b>94 213</b>	<b>11.3%</b>	<b>84 652</b>

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	2011	Difference	2010
<b>17. Personnel expenses</b>			
Wages and salaries	256 322	-5.4%	270 963
Employers' contributions	63 639	-0.9%	64 219
Other personnel expenses	11 936	-22.8%	15 470
Outside work expenses	59 519	8.2%	55 019
<b>Personnel expenses</b>	<b>391 416</b>	<b>-3.5%</b>	<b>405 671</b>

Contributions include social security contributions to the CPV/CAP Coop pension plan and other pension funds amounting to CHF thousand 19 587 (previous year CHF thousand 19 333).

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	
<b>Board of Directors</b>						
Hansueli Loosli, Chairman*	2011	30	90	3	6	96
	2010	17	90	4	7	97
Irene Kaufmann-Brändli, Member*	2011	31	60	4	8	68
	2010	17	60	4	7	67
Jörg Ackermann, Member*	2011	63	60	3	6	66
	2010	55	60	4	7	67
Werner Marti, Member	2011	21	60	3	6	66
	2010	8	60	4	7	67
Joachim Zentes, Member	2011	105	60	3	6	66
	2010	92	60	4	7	67
† Hans Peter Schwarz, Vice Chairman*	2011	-	53	3	6	58
	2010	104	70	4	7	77
<b>Board of Directors</b>	<b>2011</b>	<b>250</b>	<b>383</b>	<b>19</b>	<b>37</b>	<b>420</b>
	2010	293	400	24	41	441

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

Group Executive Board		Remuneration cash		Share subscription		Non-cash remuneration and contributions to pension fund	Total CHF thousand
		fixed	variable	number	CHF thousand		
Lorenz Wyss, CEO since 01.04.2011	2011	326	33	21	33	54	446
Martin Gysin, Head of Finance/Services division; Deputy CEO	2011	419	38	24	41	73	571
	2010	393	46	31	46	48	533
Thorid Klantschitsch, Head of Bell Switzerland division; until 30.06.2011	2011	360	4	3	7	52	424
	2010	354	37	27	41	81	512

Shares held as of 31.12. (number)	2011	2010
Lorenz Wyss	3	-
Martin Gysin	119	133
Other employees	2 186	2 337

## Appendix to Consolidated Income Statement

in CHF thousand		Excess/ shortfall in cover	Economic benefits/ obligations	Change in comparison to previous year	Employer contributions	Costs of benefits
<b>Employee benefits</b>						
<b>Economic consequences</b>						
Company's pension fund foundation	2011	4 453	4 453	-667	-	-667
	2010	5 120	5 120	-917	-	-917
CPV/CAP pension fund*	2011	-	-	-	19 587	19 587
	2010	-	-	-	19 333	19 333
<b>Total</b>	<b>2011</b>	<b>4 453</b>	<b>4 453</b>	<b>-667</b>	<b>19 587</b>	<b>18 920</b>
	2010	5 120	5 120	-917	19 333	18 416

\*The working capital ratio amounts to 98,8 percent as of 31 December 2011 (previous year: 100,1%).

	2011	Difference	2010
<b>18. Rent</b>			
Building lease	8 327	-27.5%	11 484
Lease of machinery and equipment	7 167	-18.1%	8 753
Third-party storage	6 265	43.4%	4 370
<b>Rent</b>	<b>21 759</b>	<b>-11.6%</b>	<b>24 607</b>
<b>19. Energy, auxiliary materials</b>			
Electricity	24 502	5.2%	23 298
Water	5 863	10.0%	5 331
Fuel	1 946	7.8%	1 805
Other energy	6 502	6.6%	6 099
Auxiliary materials	10 401	-18.4%	12 742
<b>Energy, auxiliary materials</b>	<b>49 214</b>	<b>-0.1%</b>	<b>49 275</b>
<b>20. Other operating expenses</b>			
Administrative expenses	14 520	-16.5%	17 396
Insurance and duties	7 288	-15.7%	8 642
Capital tax and other corporate taxes	2 016	2.0%	1 976
Miscellaneous operating expenses	3 222	-54.5%	7 087
<b>Other operating expenses</b>	<b>27 046</b>	<b>-22.9%</b>	<b>35 101</b>

Included in operating expenses:

<b>21. Operating expenses with affiliated companies</b>			
Building lease	578	-87.1%	4 497
Lease of machinery and equipment	4 631	-13.5%	5 354
Repair and maintenance	1 665	93.4%	861
Energy and auxiliary materials	2 387	2.9%	2 319
Advertising	3 300	-22.8%	4 272
Other operating expenses	857	11.7%	767
<b>Operating expenses with affiliated companies</b>	<b>13 418</b>	<b>-25.7%</b>	<b>18 070</b>

## Appendix to Consolidated Income Statement

in CHF thousand	2011	2010
<b>22. Financial return/financial expenses</b>		
Interest on fixed deposits and other interest	821	634
Interest from affiliated companies	115	341
Gains on foreign currency transactions	17 989	7 964
Gains on securities, realised and not realised	291	1 207
Share in profit/loss of associated companies*	6 273	576
Other income from investments in other companies	265	336
<b>Financial return</b>	<b>25 754</b>	<b>11 058</b>
Interest to affiliated companies	376	314
Other interest	7 624	10 186
Bank charges and commissions	891	915
Losses on foreign currency transactions	3 976	1 602
Losses on securities, realised and not realised	1 476	127
<b>Financial expenses</b>	<b>14 342</b>	<b>13 144</b>
<b>Financial return/financial expenses</b>	<b>11 412</b>	<b>-2 086</b>
Average rates of interest-bearing liabilities	3.49 %	3.73 %

\*Net, after deduction of the goodwill depreciation.

Interest rates of fixed advance payments and mortgages vary between 1.08 percent and 3.23 percent in Swiss francs and between 2.03 percent and 4.94 percent in foreign currencies (EUR).

## Appendix to Consolidated Income Statement

in CHF thousand	2011	Difference	2010
<b>23. Taxes</b>			
Taxes paid and changes in taxes due	26 859		27 876
Changes in deferred taxes	2 006		5 207
<b>Taxes</b>	<b>28 865</b>	-12.8%	33 083
Group operating result	72 396		66 067
Expenses not tax-deductible	10 953		29 706
Tax expenses included therein	28 865		33 083
Profit before taxes	<b>112 214</b>		128 856
Income tax on the result before tax applied at the average applicable tax rate	26 370		29 638
Influence of different tax rates and tax jurisdictions	-1 881		-901
Adjustment of deferred tax rate	3 769		4 437
Release of deferred tax asset	1 133		-
Other taxes and taxes outside fiscal year	-526		-92
<b>Taxes (as reported)</b>	<b>28 865</b>		33 083

### 24. Non-recurring and infrequent expenses (+)/income (-)

Non-recurring and infrequent expenses/income included in the operating expenses:

Cost of goods sold	Cost of goods sold for previous year		-6 648
Other expenses	Proportion of insurance proceeds for property, plant and equipment from the Frigo fire	-8 042	
	Closure expenses in Steinheim	1 233	
	Other expenses for previous year		-2 450
Depreciation	Land, buildings and equipment	Special depreciations for previous year	1 182
	Intangible assets	Special depreciation for Steinheim	1 850
		Special depreciation for goodwill/trademarks ZIMBO	26 016
Financial return	Currency profit on loans in euro		-6 643
	Exchange gain on euro hedges	-14 500	
Taxes	Share of tax on exceptionals	-4 636	1 529

## Additional Information

in CHF thousand	2011	2010
Total amount of guarantees, warranties and mortgages in favour of third parties	16 598	18 614
Total amount of mortgaged assets at legal book values	26 381	22 750
Unrecognised liabilities from leasing	4 761	2 966
due in the current financial year	1 723	1 079
Derivative financial instruments (currencies) (purpose: hedging)		
contract value	-	-
residual value positive	-	-
Derivative financial instruments (interests) (purpose: hedging)		
contract value	139 650	140 628
residual value negative	6 793	4 357
Other derivative instruments (participations)	p.m.*	1 875
Fire insurance value of buildings	821 746	711 521
Fire insurance value of equipment	932 542	605 212
Expenses for pension fund liabilities	19 587	19 333
Obligations from contracts with third parties	48 673	25 025
due in the current financial year	9 759	1 867
due in the following financial year	7 001	3 946
due later	31 913	19 212
Obligations from contracts with affiliated companies	1 945	6 742
due in the current financial year	488	1 349
due in the following financial year	488	1 349
due later	969	4 044
Conditional increase in share capital as decided	1 000	1 000
Total amount of the approved share capital increase	500	500

\*Bell holds options to take over additional shares in associates (2 % in Hilcona).  
As these options cannot be measured reliably, they were not included in the balance sheet.

Principal shareholders	Coop Cooperative, Basel; 66,29 % Sarasin Investmentfonds AG, Basel; 4,55 % 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.

### 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 2009 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.

The Executive Board analyses the status of the implemented measures every year and updates its risk assessment. The Board of Directors was duly informed at its meeting on 8 December 2011.

More information relating to risk management is provided in the section on corporate governance (page 73).

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. The new subsidiaries acquired by Bell have their own internal control systems which will be harmonised with the Bell systems.

## Important Participations

Company	Domicile	Sphere of activity	Consolidation method	Capital	Group share in capital
Bell Schweiz AG <sup>1</sup>	Basel	Fresh meat, charcuterie, poultry, seafood	■ CHF	20 000 000	100.0%
Frigo St. Johann AG	Basel	Logistics, cold storage	■ CHF	2 000 000	100.0%
Hilcona AG	Schaan / FL	Convenience	○ CHF	10 000 000	49.0%
SBA Schlachtbetrieb Basel AG <sup>2</sup>	Basel	Slaughterhouse	⊛ CHF	250 000	100.0%
Centravo Holding AG <sup>3</sup>	Zürich	By-products processing	* CHF	2 400 000	29.8%
GVFI International AG	Basel	Meat trade	● CHF	3 000 000	17.7%
Pensionsstiftung der Bell Schweiz AG (in liquidation)	Basel	Foundation	▲ -	-	-
Bell France SAS	Teilhède /FR	Subholding	■ EUR	20 000 000	100.0%
Salaison Polette & Cie SAS	Teilhède /FR	Dry sausages	■ EUR	2 600 000	100.0%
Saloir de Mirabel SARL	Riom /FR	Air-dried ham	■ EUR	152 000	100.0%
Val de Lyon SAS	St-Symphorien-sur-Coise /FR	Dry sausages	■ EUR	825 000	100.0%
Saloir de Virieu SAS	Virieu-Le-Grand /FR	Air-dried ham	■ EUR	1 200 000	100.0%
Maison de Savoie SAS	Aime /FR	Dry sausages	■ EUR	1 560 000	100.0%
St-André SAS	St-André-sur-Vieux-Jonc /FR	Dry sausages	■ EUR	1 096 000	100.0%
Bell Deutschland GmbH	Bochum /DE	Subholding	■ EUR	25 000	100.0%
FreshCo. Vertriebsgesellschaft mbH	Bochum /DE	Meat trade	■ EUR	38 400	100.0%
ZIMBO Fleisch- und Wurstwaren GmbH & Co. KG	Bochum /DE	Meat and sausages	■ EUR	28 097 970	100.0%
Feine Kost Böttcher GmbH	Bochum /DE	Management	■ EUR	2 862 603	100.0%
Hoppe GmbH <sup>4</sup>	Bad Wünnenberg /DE	Convenience	□ EUR	200 000	100.0%
ZIMBO International GmbH	Bochum /DE	Meat trade	■ EUR	1 840 700	100.0%
ZIMBO Polska Sp. z o.o.	Niepolomice /PL	Meat trade	■ PLN	500 000	100.0%
ZIMBO Húsipari Termelő Kft.	Perbál /HU	Meat and sausages	■ HUF	375 000 000	99.7%
Marco Polo N.V.	Zellik /BE	Subholding	■ EUR	4 258 000	99.9%
The Fresh Connection N.V.	Zellik /BE	Meat trade	■ EUR	620 000	99.9%
Coldlog N.V.	Zellik /BE	Storage	■ EUR	62 000	99.9%
The Fresh Connection Nederland B.V.	Dr Houten /NL	Meat trade	■ EUR	18 000	76.0%
Interfresh Food Retail Easteupe GmbH	Bochum /DE	Meat trade	■ EUR	100 000	100.0%
ZIMBO Czechia s.r.o.	Prag-Holesovice /CZ	Retail trade	■ CZK	10 000 000	70.0%
Abraham Schinken GmbH <sup>5</sup>	Seevetal /DE	Subholding	■ EUR	104 100	75.02%
Gebr. Abraham GmbH & Co. KG	Seevetal /DE	Air-dried ham	■ EUR	1 750 000	100.0%
Abraham Benelux S.A.	Libramont-Chevigny /BE	Air-dried ham	■ EUR	250 000	100.0%
Abraham Polska Sp. z o.o.	Warschau /PL	Wholesale trade	■ PLN	100 000	100.0%
Sanchez Alcaraz S.L.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%

<sup>1</sup> Change of name of Bell Ltd to Bell Schweiz AG, takeover and merger of Kocherhans und Schär AG on 1 July 2011

<sup>2</sup> SBA was taken over completely on 1 July 2011 and was consolidated in full.

<sup>3</sup> The equity share is based on the number of outstanding shares

<sup>4</sup> Hoppe GmbH was taken over on 1 May 2011 and consolidated

<sup>5</sup> In 2011 a closing agreement was concluded with the sellers of Abraham GmbH concerning the takeover of all shares. As this agreement will take effect at the end of 2012, Abraham GmbH has been fully consolidated with effect from 2011 already.

■ Fully consolidated (uniform management)

\* Consolidated ad equity

● Purchase price

▲ Consideration acc. Swiss GAAP FER 16

□ Fully consolidated as of 01.05.2011

○ Included in actual prorated equity and profit, as of 01.01.2012

⊛ Fully consolidated as of 01.07.2011

## 5-Year Overview

in CHF thousand	2011	2010	2009	2008	2007
Affiliated companies	1 319 673	1 363 778	1 332 881	1 292 236	1 162 587
Other wholesale	1 123 611	1 176 972	1 151 593	586 867	439 462
End consumers	73 669	76 824	113 238	53 696	27 869
<b>Sales proceeds</b>	<b>2 516 953</b>	2 617 574	2 597 712	1 932 799	1 629 918
<b>Operating income</b>	<b>2 482 588</b>	2 584 277	2 547 877	1 939 635	1 636 472
<b>Financial data</b>					
Gross operating profit	<b>823 282</b>	863 923	858 515	610 241	528 089
Personnel expenses	<b>391 416</b>	405 671	412 215	307 445	259 653
Depreciation of tangible assets	<b>72 144</b>	74 220	79 903	55 689	57 395
Earnings before interest and taxes (EBIT)	<b>89 849</b>	101 236	95 047	78 932	72 954
Net profit (before third party interest in profit)	<b>72 396</b>	66 067	56 192	58 198	56 669
<b>EBITDA</b>	<b>204 291</b>	212 695	189 449	142 731	136 911
Financial result	<b>11 412</b>	-2 086	-11 021	-2 867	1 363
Current assets	520 322	495 436	537 731	363 010	308 478
Non-current assets	731 815	671 950	769 557	774 824	480 186
Total assets	<b>1 252 138</b>	1 167 386	1 307 288	1 137 834	788 664
Interest-bearing liabilities	<b>281 694</b>	228 462	383 795	299 073	69 523
Equity	<b>626 583</b>	590 456	594 779	538 709	522 981
<b>Margins</b>					
Gross operating profit in % of operating income	<b>33.2%</b>	33.4%	33.7%	31.5%	32.3%
EBITDA in % of operating income	<b>8.2%</b>	8.2%	7.4%	7.4%	8.4%
EBIT in % of operating income	<b>3.6%</b>	3.9%	3.7%	4.1%	4.5%
Net profit in % of operating income	<b>2.9%</b>	2.6%	2.2%	3.0%	3.5%
Financial result in % of interest-bearing liabilities	<b>-4.1%</b>	0.9%	2.9%	1.0%	-2.0%
<b>Equity in % of assets</b>	<b>50.0%</b>	50.6%	45.5%	47.3%	66.3%
<b>Return on equity (ROE)*</b>	<b>12.3%</b>	11.1%	10.7%	11.1%	11.8%
<b>Workforce as of December 31</b>					
Number of employees	<b>6 470</b>	6 488	6 561	6 810	3 341
<b>Average workforce</b>					
Adjusted to full-time employees	<b>6 059</b>	6 179	6 497	3 794	3 249

\*Net profit/equity at the beginning of the financial year



## Share Information

		2011	2010	2009	2008	2007
<b>Per-share data</b>						
Share price as of 31.12.	CHF	1 762	1 766	1 551	1 300	1 925
Year's high	CHF	2 300	1 875	1 750	1 950	2 250
Year's low	CHF	1 665	1 480	1 267	1 101	1 410
Average daily trading volume	Number	93	75	65	117	129
<b>Stock exchange capitalisation</b>						
Year's end	in CHF million	705	706	620	520	770
Year's high	in CHF million	920	750	700	780	900
Year's low	in CHF million	666	592	507	440	564
Equity per share	CHF	1 573	1 461	1 466	1 357	1 302
Net profit per share	CHF	180	163	141	151	142
EBITDA per share	CHF	514	539	482	364	344
EBIT per share	CHF	226	257	242	202	183
Return per share*		10.2%	9.3%	9.1%	11.6%	7.4%
Distribution per share	CHF	60	50	40	40	40
Distribution quota		33.3%	30.6%	28.3%	26.5%	28.2%
Dividend yield**		3.4%	2.8%	2.6%	3.1%	2.1%

\* Profit per share/year-end closing price

\*\* Distribution of the dividend per share/year-end price

### Capital structure as of 31.12.

		2 000	2 000	2 000	2 000	2 000
Share capital	in CHF thousand	2 000	2 000	2 000	2 000	2 000
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	2 206	5 316	6 938	8 335	1 812
Shares recorded in share register	Number	365 016	369 794	366 309	365 558	364 294
Registered shareholders	Number	3 751	3 659	3 606	3 197	3 153

Securities no. 441 041  
ISIN CH0004410418  
Trade SIX Swiss Exchange  
Symbol SIX BELL  
Current share price [www.bell.ch](http://www.bell.ch)

# Report of the Statutory Auditors on the Consolidated Financial Statements

## Report of the statutory auditors to the general meeting of Bell Ltd, Basel

As statutory auditors, we have audited the consolidated financial statements of Bell Ltd (formerly Bell Holding Ltd), which comprise the balance sheet, income statement, statement of changes in equity, cash flow statement and notes (pages 46 to 65), for the year ended 31 December 2011.

### 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 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 2011 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 Ltd

Dr Rodolfo Gerber  
Audit expert  
Auditor in charge

Andreas Wolf  
Audit expert

Basel, 13 February 2012

## Corporate Governance

# RESPONSIBLE 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.

The Articles of Association of Bell Ltd can be accessed at [www.bell.ch/articles](http://www.bell.ch/articles). An excerpt from the by-laws is available at [www.bell.ch/organisation-en](http://www.bell.ch/organisation-en).

Status as of 31 December 2011 if nothing is stated to the contrary.

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### Group structure

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Bell Group has no cross-shareholdings or holdings in listed companies. An overview of all companies in which Bell Group has a stake is provided on page 65.

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### Capital structure and shareholders' rights

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**Significant shareholders** See page 64.

**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.

**Approved share capital increase (Art. 3a, Articles of Association)** The Board of Directors is authorised until 14 April 2012 to increase the share capital by up to CHF 500,000 by issuing a maximum of 100,000 fully payable registered shares with a nominal value of CHF 5 each in one or more steps. The face value, the time of entitlement to dividends and the type of contribution shall be determined by the Board of Directors.

The new registered shares shall be subject to transfer restrictions after acquisition in accordance with Article 5 of the Articles of Association.

As a general rule, an increase in share capital shall occur under

maintenance of shareholder options at the time the resolution is passed, whereby the Board of Directors is authorised to implement the share capital increase in the form of a firm commitment from a bank or group of banks whilst indirectly maintaining shareholder options. The company is entitled to unexercised options which it shall offer to the public at market conditions. The Board of Directors is authorised to exclude shareholder options in the event shares are to be used to take over companies, company assets or shareholdings.

**Conditional share capital increase (Art. 3b, Articles of Association)** The company's share capital shall be increased by the maximum amount of CHF 1,000,000 by issuing fully payable registered shares at nominal value (pursuant to Article 3 of the Articles of Association), of which:

- a. Up to an amount of CHF 750,000 through exercising options and conversion rights that the company ties to future bonds or other obligations;
- b. Up to an amount of CHF 100,000 through exercising options made available to shareholders;
- c. Up to an amount of CHF 150,000 through exercising options held by employees of the company or its subsidiaries who, in accordance with a plan to be resolved by the Board of Directors, are entitled to new shares at a strike price to be determined by the Board of Directors.

Shareholder options are excluded. The acquisition of registered shares through exercising options or conversion rights and the subsequent transfer of registered shares is subject to the transfer restrictions defined in Art. 5 of the Articles of Association.

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# Corporate Governance

## Members of the Board of Directors



**Hansueli Loosli**, 1955, Swiss  
Chairman of the Board of Directors

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



**Jörg Ackermann**, 1958, Swiss  
Member of the Board of Directors

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



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

Dr. oec. publ.  
Vice-chairwoman of the Board of Directors  
of Coop Cooperative; since 2011

### Board member mandates

- Transgourmet Holding AG, Basel; Chairman
- Coop Mineraloel AG, Allschwil; Chairman
- Swisscom (Schweiz) AG, Bern; Chairman

### Professional career

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

### Board member mandates

- Transgourmet Holding AG, Basel
- HiCoPain AG, Dagmersellen
- Coop-ITS-Travel AG, 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, Basel; 2004 - 2008
- Member of the Coop Executive Board, Head of IT/Production, Basel; 2001 - 2003
- Member of the Coop Switzerland Executive Board, Head of IT/Production, Basel; 1998 - 2001
- Head of Corporate Development at 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

### Board member mandates

- Coop Immobilien AG, Bern
- Bank Coop AG, Basel
- Coop Mineraloel AG, Allschwil
- Dipl. Ing. Fust AG, Oberbüren
- CPV/CAP Pensionskasse Coop, Basel; Member of the Board of Trustees
- Transgourmet Holding AG, Basel
- ETH Zürich Foundation, Zurich; Member of the Board of Trustees
- Juventus schools in Zurich; Member of the Board of Trustees

### Professional career

- Chairwoman of the Coop Cooperative Board of Directors; 2009 - 2011
- Vice-chairwoman of the Coop Board of Directors; 2000 - 2009
- Nabholz Beratung, Zurich; Project manager of consultancy projects for public administrations and operations with an emphasis on finance and organisation; 1985 - 2008
- Auditing and consultancy mandates for private-law companies on behalf of Dr. Nabholz Treuhand AG, Zurich; 1980 - 2002



**Werner Marti-Kamm**, 1957, Swiss  
Member of the Board of Directors

Attorney

Law office; since 1988

**Board member mandates**

- Alp Transit Gotthard AG, Lucerne; Chairman
- Billag AG, Fribourg; Chairman
- 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
- Government of canton Glarus, Directorate of Internal Affairs (Directorate of the Economy); 1990 - 1998
- Associate/partner in a law office; 1983 - 1987



**Joachim Zentes**, 1947, German  
Member of the Board of Directors

Dr. rer. oec.

Professor of Business Administration  
Head of the Trade and International Marketing Institute (H.I.M.A.) and of the European Institute, Faculty of Business Sciences, University of Saarland; since 1991

**Board member mandates**

- Goodyear Dunlop Tires Germany GmbH, Hanau (Germany); Chairman
- Transgourmet Holding AG, Basel

**Professional career**

- Visiting professor at the Universities of Metz and E.M. Lyon (France), Regensburg (Germany), Fribourg and Basel, Warschau (Poland), Santiago (Chile), Craiova (Romania)
- Offered the chair for Business Administration at the University of Basel; 1993
- Offered the chair for Marketing at the University of Fribourg; 1988
- Professorship in Business Administration, in particular marketing, at the University of Essen (Germany); 1982 - 1991
- Professorship in Business Administration, in particular production and distribution, Johann-Wolfgang-Goethe-Universität, Frankfurt am Main (Germany); 1980 - 1981

# Corporate Governance

Shareholders' pre-emption rights relating to options and convertible bonds can be restricted or excluded by resolution passed by the Board of Directors to finance the acquisition of companies, company assets or shareholdings or new investment projects of the company or for the issue of options and convertible bonds on international capital markets.

Debentures shall be offered to the public at market conditions insofar as pre-emption rights are excluded; the exercise period for options shall be set at a maximum of five years and for convertible bonds at a maximum of ten years from the date of issue and the price of the new shares shall be determined to reflect at least the market conditions at the time of issue.

The capital structure and shares are described in detail on pages 64 and 67.

**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 four years. 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

	Chairman of the Board of Directors	Member of the Board of Directors	Term of office ends in
Hansueli Loosli	since 2009	-	2015
Jörg Ackermann	2001-2009	since 2000	2015
Irene Kaufmann-Brändli	-	since 2009	2015
Werner Marti	-	since 2009	2015
Joachim Zentes	-	since 1997	2013

Hans Peter Schwarz, long-standing member of our Board of Directors, passed away in September 2011. The Board of Directors will present a candidate to replace Hans Peter Schwarz on the Board at the 2012 Shareholders' Meeting.

**Compensation for Executive Board members** 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 90,000
Vice-chairman	CHF 70,000
Members	CHF 60,000

Special cases

Fees will be paid as follows:

- on resignation from the Board of Directors: Pro rata
- 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.

In addition to the salary, the members of the Board of Directors also receive a meeting attendance fee equalling the value of half a share of Bell Ltd for every meeting. 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 page 60.

## 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 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 by-laws. Excerpts are available on the Bell website at [www.bell.ch/organisation-en](http://www.bell.ch/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 3 million, and real estate/corporate acquisitions and sales. The Board determines 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 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 Board of Directors usually meets 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. Members of the Bell Group Executive Board are invited to the meetings. No external advisors were engaged in 2011.

In 2011, 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:

- Preparation of business strategies for the Bell International companies ZIMBO, Abraham and Polette
- Takeover of the German convenience specialist Hoppe
- Takeover of the meat drying plant of Kocherhans und Schär AG in Churwalden in the canton of Graubünden
- Various sizeable investment projects such as the expansion of the Abraham plant in Harkebrügge and the new charcuterie facility in Cheseaux in the canton of Vaud
- Financial strategy
- IT strategy
- Personnel strategy including management principles and management structure
- Brand strategy for Bell Switzerland

For details on these subjects and projects, see the reports section of the annual report.

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### Information channels and control instruments

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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 its members 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 further expanded and will be continuously extended and updated during the coming year. Bell's ICS serves the continuous improvement of business activities and is aimed at ensuring the necessary procedures and instruments for risk detection and control are in place.

**Internal audit unit** 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, 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 statutory auditors.

**Risk management** As part of the risk management process, the Board of Directors and Group Executive Board assess the major risks every year. Risk-reducing measures are implemented on a continuous basis.

Major risks are defined as those which could influence net income by more than 20 percent and for which there is a high probability of occurrence. Safeguards and measures were 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, epidemics and product and process safety as major risks.

# Corporate Governance

## Members of the Group Executive Board



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**Lorenz Wyss, 1959, Swiss**

Chairman of the Group Executive Board (CEO)  
Head of Bell International division i. P.  
Head of Bell Switzerland division a.i.  
Has been with Bell since 2011; in this function since 2011

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**Martin Gysin, 1960, Swiss**

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

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Butcher

Business diploma

Certified meat industry technician

Master of Business Administration ZFH

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Certified public accountant (Federal diploma)

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**Board member mandates**

- Centravo Holding AG, Zurich
- GVFI International AG, Basel
- Hilcona Aktiengesellschaft, Schaan, Liechtenstein
- Tropenhaus Frutigen AG, Frutigen
- Tropenhaus Wolhusen AG, Wolhusen
- Proviande Cooperative, Bern

**Professional career**

- Managerial positions at Coop:
  - 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

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**Board member mandates**

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

**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



## Members of the Executive Boards\*

### Bell Switzerland

#### Division heads

**Markus Bänziger**, 1955, Swiss  
Head of Seafood/Logistics Business Unit  
Has been with Bell from 1975 to 1985 and again from 1995; in this function since 2011

.....  
Certified marketing manager (Federal diploma)

**Josef Dähler**, 1955, Swiss  
Head of Fresh Meat Business Unit  
Has been with Bell since 1996; in this function since 2007

.....  
Master butcher (Federal diploma)  
Commercial diploma

**Adolf Maassen**, 1964, German  
Head of Charcuterie Business Unit  
Has been with Bell since 1990; in this function since 2007

.....  
Master butcher  
Certified food technologist  
Technical business administrator (ICC)

#### Professional career

- Managerial positions with Bell Ltd, Basel:
  - Head of Convenience Division; 2009 - 2010
  - Head of Convenience Business Unit; 2000 - 2008
  - Head of Wholesale Sales; 1995 - 2000
- Sales force of Fleischtrocknerei Churwalden AG; 1988 - 1995
- Head of Freight at GNZ Schlieren; 1987
- Sales at Gebr. Niedermann, Schlieren; 1985 - 1987
- Head of Order Service in Wallisellen; Bell Ltd; 1983 - 1985
- Branch manager at Bell Ltd; 1980 - 1983
- Branch butcher at Bell Ltd; 1975 - 1980

#### Board member mandates

- Identitas AG, Bern
- Proviande Genossenschaft, Bern
- Estonia-ACB-Vianco OÜ, Võrumaa, Estonia

#### Professional career

- Head of Romandie Division; Bell Ltd; 1996 - 2006
- Managerial positions with Micarna SA, Courtepin; 1983 - 1996
- Bell Romandie: branch sales; 1979 - 1983

#### Professional career

- Managerial positions with Bell Ltd, Basel:
  - Head of Charcuterie Basel; 2001 - 2006
  - Head of Charcuterie Production; 2000 - 2001
  - Head of Technology/Quality Management; 1994 - 1999
  - Head of Development; 1991 - 1994
- Head of Production "Fleischwaren Maassen", Korschenbroich (Germany); 1987 - 1990

**Christine Schlatter**, 1965, Swiss

Head of Poultry Business Unit  
Has been with Bell since 1997; in this function since 2008

.....  
Certified marketing planner (Federal diploma)

#### Professional career

- Managerial positions with the Bell Group:
  - Head of Sales/Marketing Bell Poultry; 2003 - 2008
  - Head of Marketing/Sales SEG Poulets AG and Managing Director GWI AG; 1998 - 2003
  - Head of Marketing/Sales GWI AG; 1997 - 1998
- Head of Marketing at Fromageries Bel (Suisse), Cham; 1996 - 1997
- Product Manager at Fabio Import AG, Oberarth; 1996

\*Status as per the editorial deadline

# Corporate Governance

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## Bell International

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### Managers

#### Abraham Group

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**Christian Schröder**, 1971, German  
Spokesman for the Executive Board  
Head of Distribution/Marketing and  
Administration  
Has been with Abraham since 2007; in this  
position since 2009

Commercial diploma

#### Professional career

- Managerial positions with the Reinert Group of Companies, Vermold:
  - Schinken-Einhaus GmbH (Friesoythe/ Brunsbek/Lörrach): Managing Director; 2002 - 2007
  - Orig. Holst. Katenschinken GmbH: Managing Director; 2000 - 2001
- Managing partner, H. & C. Schröder Schinkenveredelung GmbH; 1994 - 1999

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**Markus von der Pütten**, 1970, German  
Head of Production and Technics  
Has been with Abraham since 2010; in this  
position since 2011

Specialist for food technology

#### Professional career

- Schinken-Einhaus GmbH, Friesoythe; authorised representative; 2006 - 2010
- Bernard Matthews, Oldenburg; plant manager; 2001 - 2006
- Oldenburger Fleischwaren GmbH, Oldenburg; plant manager; 1995 - 2001

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#### Polette Group

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**Philippe Polette**, 1960, French  
Chairman of the Executive Board  
Has been with Polette since the  
establishment of the company in 1980; in  
this function since 1980

Business diploma

#### Board member mandates

- Consortium des Salaisons d'Auvergne, Aubière
- Fédération des Industriels Charcutiers, Traiteurs et Transformateurs de Viande (FICT), Paris

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**Ludovic Jouanneau**, 1974, French  
Head of Administration and Finance  
Has been with Polette since 2008; in this  
function since 2008

Diploma awarded by the Business College of Clermont-Ferrand

#### Professional career

- Managing Director of the sales companies north/north-east and CFO at Batext-Rot; 2001 - 2008
- Financial Controller, Bosch Systèmes de Freinage (France/Turquie/Espagne); 1997 - 2001

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**Gilles Patient**, 1961, French  
Head of Sales  
Has been with Polette since 1994; in this  
function since 1994

Licentiate of business sciences

#### Professional career

- Independent sales manager; 1990 - 1994
- Sales Manager at Souchon d'Auvergne; 1987 - 1990
- Sales Manager at Salaison Prost; 1985 - 1987
- Division Head of GMS at Continent; 1981 - 1985

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## Bell International

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### ZIMBO Group

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**Christof Queisser**, 1969, German  
CEO

Head of Marketing and Sales

Head of Production, Purchase, Logistics  
and Technics a.i.

Has been with ZIMBO since 2008; in this  
function since 2008

.....  
Certified business administrator

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#### Professional career

- VARTA Consumer Batteries GmbH & Co.  
KGaA, Frankfurt am Main; 2000 – 2007:
  - Managing Director, Headquarters Europe/  
ROW: sales and marketing Europe, Middle  
East, Africa, Asia and Pacific; Global  
Innovation Management, Product  
Development VARTA, Remington
  - Managing Director of the subsidiaries in  
England and Ireland, London (United  
Kingdom)
  - International Director of Sales and  
Marketing, global
- Tengelmann OHG group of companies;  
1995 – 2000:
  - Head of Category Management Beverages  
and Luxury Foods, Viersen
  - Head of Strategy Unit Category  
Management/ECR, Munich
  - Development of branch and range  
concepts, Wiesbaden
- Unilever Germany/England; 1991 – 1995:
  - Category Development Manager, London  
(United Kingdom)
  - Sales and marketing, Mannheim/Hamburg

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**Manfred Dahmen**, 1958, German

Head of Finance and Controlling

Deputy CEO

Has been with ZIMBO since 2005; in this  
function since 2006

.....  
Certified economist

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#### Professional career

- Tax consultant in Schmitten (Taunus) and  
project manager at medium-sized banks  
and trading companies in Mainz and  
Mülheim an der Ruhr; 2003 – 2004
- Managing Director of Metallbank GmbH  
and its legal successor Gontard &  
Metallbank AG in Frankfurt am Main;  
1996 – 2003
- Chief representative of Metallbank GmbH  
in Frankfurt am Main; 1993 – 1996
- Financial Controller of Metallgesellschaft  
AG in Hong Kong (People's Republic of  
China); 1988 – 1992
- Lead auditor and tax consultant with  
Arthur Andersen GmbH, accountants and  
tax consultants in Frankfurt am Main;  
1984 – 1988

## Corporate Governance

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. However, the economy is having a more direct impact on our earnings in all phases of the raw material price cycle, which follows its own rules and cannot be influenced by us.

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 64 of this annual report.

**Compensation for Executive Board members** 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. As the revenue targets were achieved, Group Executive Board members received a profit share of 20 percent for 2011 (previous year: 20.9%). For information on overall salaries and share ownership, see the notes to the annual report on page 60.

### 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 custodian bank or by an independent proxy.

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.bell.ch/articles](http://www.bell.ch/articles). The Swiss Code of Obligations shall apply in the event 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.bell.ch/agenda-en](http://www.bell.ch/agenda-en).

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

Restrictions in connection with share capital increases: see section Corporate Governance on page 69.

### Change of control clause

There are no statutory restrictions and regulations.

### Auditors

Auditors	PricewaterhouseCoopers; since 1998
Lead auditor	Dr Rodolfo Gerber, lead auditor since 2010
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 twice 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 2011, 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	2011	2010
Auditing services	1'023	1'172
Tax consulting	-	-
Legal services	-	-
Transaction consulting (incl. due diligence)	-	-
Total	1'023	1'172

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## Information policy

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Every year, Bell publishes an annual report and an interim report containing information on the business operations and results of Bell Group. Additionally, 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.bell.ch](http://www.bell.ch)

## Important dates

Closing of accounts	31 December
Shareholders' Meeting of Bell Ltd	17 April 2012
Publication of results for first half of 2012	9 August 2012
Publication of 2012 sales figures	first half of January 2013
Publication of results for 2012	February 2013

For more dates or changes to dates, see the Bell website at [www.bell.ch/agenda-en](http://www.bell.ch/agenda-en).

Contact partners and contact options for obtaining further information on the Bell Group are listed on page 86 of this annual report.

# Corporate Governance

## Members of Senior Management\*

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### Group Executive Board

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**Lorenz Wyss** Chairman of the Group Executive Board,  
Head of Bell International Division i. P.,  
Head of Bell Switzerland Division a.i.

**Martin Gysin** Head of Finance/Services Division (CFO),  
Deputy Chairman of the Group Executive Board

### Management board unit

**Michael Gloor** Head of Internal Audit

**Elisabeth Wegeleben** Head General Office/Share Register,  
Secretary BoD

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### Finance/Services Division

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**Martin Gysin** Head of Finance/Services Division (CFO)

**Rolf Anti** Head of Organisation

**Thomas Denne** Head Controlling Fresh Meat and  
Charcuterie Business Units

**Peter Kunimünc** Head IT

**Johannes Meister** Head Human Resources/Training

**Marc Pittino** Head Controlling

**Thomas Studer** Head Projects

**Ulrich Süß** Head Accounting

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### Bell Switzerland Division

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**Lorenz Wyss** Head of Bell Switzerland Division a.i.

### Management members Bell Switzerland Division

**Davide Elia** Head Marketing/Communication

### Fresh Meat Business Unit

**Josef Dähler** Head Business Unit

**Jean-Luc Aebischer** Head Sales/Marketing Romandie

**Roderich Christoph Balzer** Head Plant Oensingen

**Christian Gremion** Head Fresh Meat Romandie

**Guillod Thierry** Head Plants Romandie

**Michel Lerch** Head Plant Basel

**Joachim Messner** Deputy Head Plant Basel

**Elvira Meyer** Head Sales/Marketing

**Martin Reinhard** Head Purchasing

**Stefan Seiler** Head Purchasing/Sales

**Josef Zuber** Head Sales Trade/Food Services  
German-speaking Switzerland

### Poultry Business Unit

**Christine Schlatter** Head Business Unit

**Walter Bieri** Head Purchasing/Sales

**Thomas Graf** Head Plant

**Sara Patrizia Kraettli** Head Sales/Marketing

**Christoph Schatzmann** Head of Integrated Animal Production

### Charcuterie Business Unit

**Adolf Maassen** Head Business Unit

**Thomas Abt** Head Logistics

**Frank Bechler** Head Marketing/Sales

**Daniel Fässler** Head Plant Gossau

**Hanspeter Gysin** Head Planning/Technics

**Ursula Kuhn** Head QM/Laboratory

**Francesco Nicastro** Head Plant Basel

**Roland Rufener** Head Purchasing Non-Food/Trade Products

**Hanspeter Treichler** Head Plant Churwalden

**Kurt Zenger** Deputy Head Plant Basel

\*Status as per the editorial deadline

**Seafood/Logistics Business Unit**

**Markus Bänziger** Head Business Unit

**Seafood**

**José-Manuel Seabra** Head Business Subunit

**Marco Märsmann** Head Purchasing/Sales

**Frigo St. Johann AG**

**Bruno Flückiger** Managing Director

**Bell International Division**

**Lorenz Wyss** Head of Bell International Division i. P.

**Abraham Schinken GmbH**

**Christian Schröder** Spokesman Executive Board,  
Head Distribution/Marketing and  
Administration

**Markus von der Pütten** Head Production/Technics

**Jürgen Emtmann** Head Finances

**Salaison Polette & Cie SAS**

**Philippe Polette** CEO

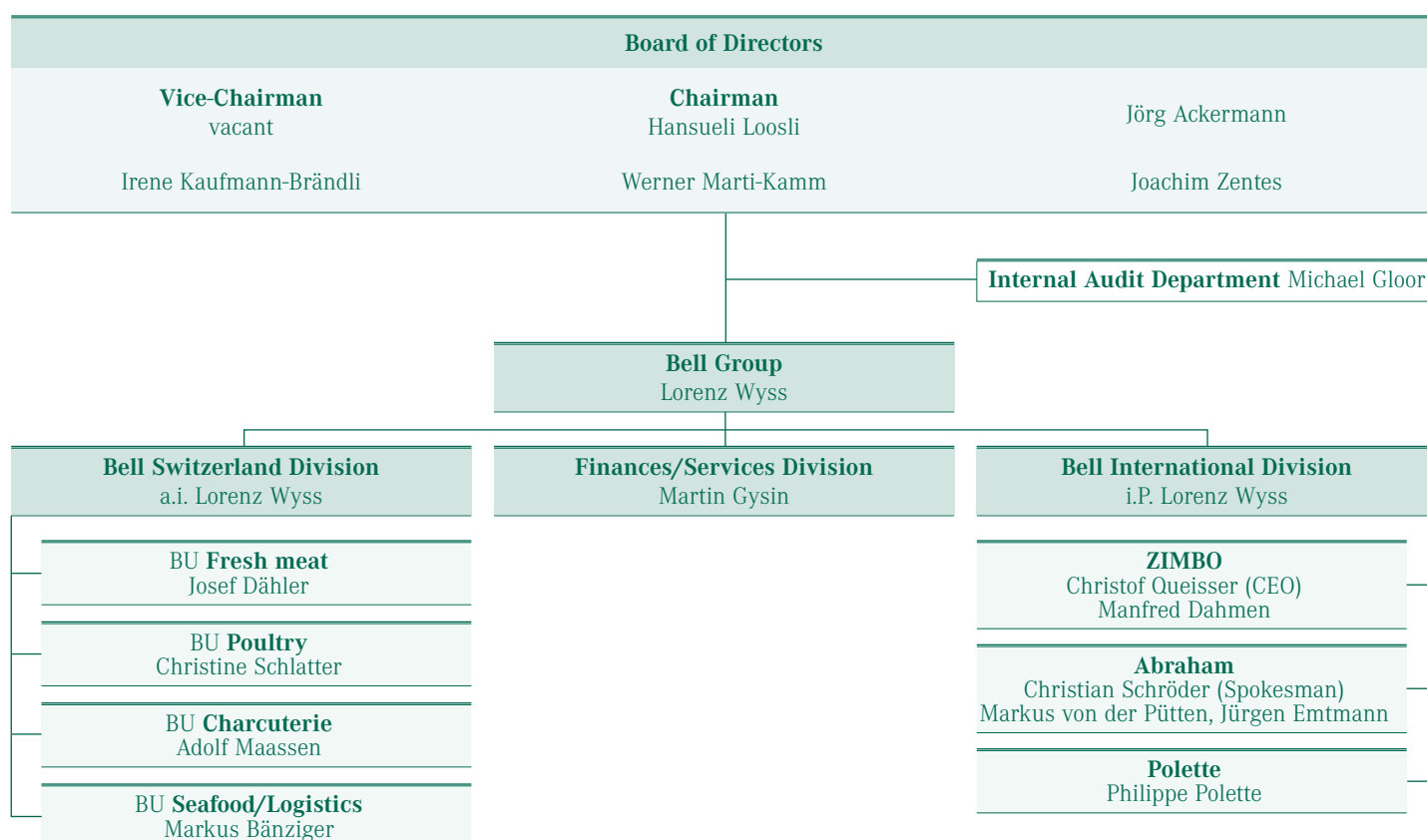
**Gilles Patient** Head Sales

**Ludovic Jouanneau** Head Administration/Finance

**ZIMBO Fleisch- und Wurstwaren GmbH & Co. KG**

**Christof Queisser** CEO, Head Marketing/Sales,  
Head Production, Purchase, Logistics and Technics a.i.

**Manfred Dahmen** Deputy CEO, Head Finance/Controlling



# Bell Ltd

## Balance sheet

in CHF thousand		31.12.2011		31.12.2010	
Liquid assets		172		45	
Securities		3 739		2 025	
Receivables affiliated group		-		22 475	
Other receivables		141		133	
<b>Current assets</b>		<b>4 052</b>	<b>1.1%</b>	24 678	7.4%
Financial assets	Majority interests	146 373		147 373	
	Minority interests	83 820		9 051	
	Loans affiliated group/other financial assets	148 247		151 992	
Tangible assets	Land	153		392	
	Buildings	722		1 133	
<b>Non-current assets</b>		<b>379 315</b>	<b>98.9%</b>	309 941	92.6%
<b>Assets</b>		<b>383 367</b>	<b>100.0%</b>	334 619	100.0%
Miscellaneous accounts payable		198		902	
Accounts payable affiliated companies		42 514		17	
Deferred items		91		66	
<b>Current liabilities</b>		<b>42 803</b>	<b>11.2%</b>	985	0.3%
<b>Non-current liabilities</b>		-		-	
<b>Liabilities</b>		<b>42 803</b>	<b>11.2%</b>	985	0.3%
Share capital		2 000		2 000	
Legal reserves		10 000		10 000	
Treasury shares		3 113		6 993	
Other reserves		298 520		257 012	
Annual profit		26 931		57 629	
<b>Equity</b>		<b>340 564</b>	<b>88.8%</b>	333 634	99.7%
<b>Liabilities</b>		<b>383 367</b>	<b>100.0%</b>	334 619	100.0%



## Bell Ltd

### Income Statement

in CHF thousand	2011	2010
Income from holdings	50 558	50 518
Other financial income	7 692	6 983
Other proceeds	3 027	3 089
<b>Total income</b>	<b>61 278</b>	60 590
Administration expenses	1 331	1 582
Other expenses	327	317
Interests expenses	1 613	240
Other financial expenses	30 833	-
Depreciation of tangible assets	411	411
<b>Expenses</b>	<b>34 515</b>	2 550
<b>Operating profit before taxes</b>	<b>26 763</b>	58 039
Income from sale of non-current assets	168	280
<b>Profit before taxes</b>	<b>26 931</b>	58 319
Taxes	-	690
<b>Profit after taxes</b>	<b>26 931</b>	57 629

# Bell Ltd

## Appropriation of Annual Profit

### Proposals of the Board of Directors to the General Meeting

in CHF thousand	2011	2010
<b>Appropriation of annual profit</b>		
Annual profit	26 931	57 629
CHF 60 dividend (previous year CHF 50)	24 000	20 000
Transfer to the other reserves	2 931	37 629
<b>Total appropriations</b>	<b>26 931</b>	<b>57 629</b>

## Appendix

in CHF thousand	2011	2010
Total amount of guarantees, warranties and mortgages in favour of Group companies*	225 000	331 109
Total amount of mortgaged assets at legal book values	-	-
Fire insurance value of buildings	4 194	4 194
Important participations	page 65	-
Treasury shares according to statement on changes in equity	page 49	-
Principal shareholders: Coop Genossenschaft, Basel	66.29%	66.29%
Sarasin Investmentfonds AG, Basel	4.55%	4.09%
Conditional increase in share capital as decided	1 000	1 000
Total amount of the approved share capital increase	500	500
Details on risk assessment	page 64/73	-

\* 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.

## Bell Ltd

# Report of the Statutory Auditors on the Financial statements

### Report of the statutory auditors to the general meeting of Bell Ltd, Basel

As statutory auditors, we have audited the financial statements of Bell Ltd (formerly Bell Holding Ltd), which comprise the balance sheet, income statement and notes (pages 82 to 84), for the year ended 31 December 2011.

#### 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 2011 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 complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Dr Rodolfo Gerber  
Audit expert  
Auditor in charge

Andreas Wolf  
Audit expert

Basel, 13 February 2012

# Contacts

<b>Headquarters</b>	<b>Bell Ltd</b>	Elsässerstrasse 174 • 4056 Basel • Switzerland • Phone +41 61 326 2626 • Fax +41 61 326 2170 info@bell.ch • www.bell.ch
<b>Share register</b>	<b>Bell Ltd</b> <b>Elisabeth Wegeleben</b>	Elsässerstrasse 174 • 4056 Basel • Switzerland Phone +41 61 326 2208 • Fax +41 61 326 2119 • info-aktien@bell.ch
<b>Public Relations/Investor Relations</b>	<b>Bell Ltd</b> <b>Davide Elia</b>	Elsässerstrasse 174 • 4056 Basel • Switzerland Phone +41 61 326 2212 • Fax +41 61 326 2114 • davide.elia@bell.ch
<b>Current Information</b>		www.bell.ch
<b>Bell Switzerland</b>	<b>Bell Schweiz AG</b>	Elsässerstrasse 174 • 4056 Basel • Switzerland • Phone +41 61 326 2626 • Fax +41 61 326 2170
Bell Fresh Meat	<b>Bell Schweiz AG</b>	Dünnernstrasse 31 • 4702 Oensingen • Switzerland • Phone +41 62 388 5300 • Fax +41 62 388 5398
Bell Romandie	<b>Bell Suisse SA</b>	Chemin du Châtelard 5 • 1033 Cheseaux-sur-Lausanne • Switzerland Phone +41 21 731 9900 • Fax +41 21 731 9903
Bell Charcuterie	<b>Bell Schweiz AG</b>	Elsässerstrasse 174 • 4056 Basel • Switzerland • Phone +41 61 326 2626 • Fax +41 61 326 2110
Bell Poultry	<b>Bell Schweiz AG</b>	Zelgmatte 1 • 6144 Zell • Switzerland • Phone +41 41 989 8600 • Fax +41 41 989 8601
Bell Seafood	<b>Bell Schweiz AG</b>	Neudorfstrasse 90 • 4056 Basel • Switzerland • Phone +41 61 326 2929 • Fax +41 61 326 2145
Frigo St. Johann	<b>Frigo St. Johann AG</b>	Neudorfstrasse 90 • 4056 Basel • Switzerland • Phone +41 61 327 1133 • Fax +41 61 327 1233 info@frigo-ag.ch • www.frigo-ag.ch
<b>Bell International</b>		
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Salaison Polette & Cie SAS		Champ Saint-Pierre • 63460 Teilhède • France • Phone +33 473 64 3131 • Fax +33 473 64 3140 info@polette.fr • www.polette.fr
ZIMBO Fleisch- und Wurstwaren GmbH & Co. KG		Wasserstrasse 223 • 44799 Bochum • Germany • Phone +49 234 9553 7000 • Fax +49 234 9553 7208 info@zimbo.de • www.zimbo.de