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## Foreword

# Coop still on track for success

Despite the difficult environment, Coop can look back on a successful financial year in 2019, in which it generated sales of 30.7 billion francs. Profit amounted to 531 million francs.

In Retail, Coop increased its net sales by 1.4%, to 18 billion francs. With more than 90 000 employees, 2 333 sales outlets, and 42 shopping centres, Coop offers its customers a shopping experience tailored to their needs. In 2019, for instance, the remodel of Volkiland in Volketswil and the new Coop Löwenberg in Murten created modern shopping centres which bring together various sales formats, such as Coop Building & Hobby, CoopCity, as well as Interdiscount, Import Parfumerie and others. In the supermarket segment, more than 110 sales outlets already boast the 2025+ store design. The 2.5% increase in footfall is just one indicator of customers' appreciation for the high quality of the ranges, with a wide selection of sustainable products, and the diversity on offer in Coop supermarkets.

In the specialist formats, net sales grew to 7.5 billion francs for the whole Group. The Coop City department stores continued to gain market shares. The home electronics segment, with the Interdiscount (+3.4%) and Fust (+2.6%) formats, reported positive growth. Coop Vitality also continued to perform well, with growth of 5.8%. Update Fitness performed particularly well, with growth of 21.8%. With 48 studios, the company is now one of the leading fitness providers in Switzerland. Livique/Lumimart lifted its net sales by 2% to over 200 million francs. With net sales of close to 2.5 billion francs, Coop Mineraloel AG retains the top spot in trade in fuel and in con-

venience sales in Switzerland. The 314 related Pronto shops, with their customer-friendly opening hours and big choice of fresh and convenience products, grew by 1.9% last year.

In the online business, Coop continued to make great headway, generating a total of 2.6 billion francs in this channel. The online shops in the home electronics segment were heavily instrumental in this, with growth of 17.5%, to over 600 million francs. One particular milestone was the remodel of Microspot.ch from a home and consumer electronics supplier to a comprehensive online Swiss non-food online shopping centre with a marketplace function. Online supermarket Coop@home posted growth of 5.4% and thus gained market shares.

Net sales of the Wholesale business area – the Transgourmet Group – totalled 9.7 billion francs, which equates to growth in local currency of 3.7%. Transgourmet thus strengthened its position in the European cash & carry and wholesale supplies business, and grew in all countries. Last year, Transgourmet's primary focus was the expansion of the fresh produce range and the standardization of IT systems across all countries, enabling customized digital services for its customers. Moreover, Transgourmet broadened its dairy expertise in Switzerland with the acquisition of Emmi Frisch-Service AG. In Austria, the company acquired Gastro Profi GmbH and, with it, comprehensive expertise in the rapidly expanding ethnic catering segment. In Germany, Sanalogic, one of the leading companies for IT-based catering management in the care sector, is now a wholly-owned subsidiary of Transgourmet.

Net sales of the manufacturing companies grew by 0.5% in local currency, totalling 4.8 billion francs. For the Bell Food Group, the financial year saw big rises in raw material prices for pork in Europe, the organizational restructuring of Bell Germany, the commissioning of Europe's most modern convenience factory in Marchtrenk in Austria, and a good business performance in Switzerland in the second half of the year.

The Coop Group's sales of sustainable products grew by 40 million francs in 2019, to over 4.7 billion francs. Sales of organic products also continued to develop well, with growth of 8.4%. As a result, Coop remains the undisputed number one in this segment. Moreover, with the 2019 "Day of good deeds", Coop took another important step in its long-standing commitment to society and nature. Hundreds of thousands of volunteers got involved in the day of action, showing their solidarity with their fellow humans and the environment. The numerous actions delighted people of all ages, and created a positive movement in all parts of Switzerland.

The Coop Group is in great shape for the future. It enjoys a very solid financial foundation. And in all business segments it has highly dedicated employees who work tirelessly each day to meet customers' needs. We are sincerely grateful to them all.



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Chairman of the Board of Directors



Joos Sutter  
Chairman of the Executive Committee