

# Annual Report 2000, Jelmoli Holding Ltd, Zurich

## THE JELMOLI GROUP AT A GLANCE

in CHF million	2000	1999	Change from previous year	
			non-adjusted	comparable
<b>Gross turnover, Group</b>	<b>954.5</b>	904.1	+5.6 %	
<b>Net turnover, Group</b>	<b>880.4</b>	832.3	+5.8 %	
<b>Rental income, Group</b>	<b>63.1</b>	58.0	+8.8 %	
<b>Total income</b>	<b>959.9</b>	910.7	+5.4 %	
<b>Operating Income (EBIT)</b>	<b>99.2</b>	87.5	+13.4 %	
<b>Net profit, Group</b>	<b>89.4</b>	85.4	+4.7 %	
Profit per bearer share in CHF	150	133	+12.8 %	
<b>Net profit, Group</b> incl. profit on own shares	<b>97.6</b>	85.4	+14.3 %	
Profit per bearer share in CHF	164	133	+23.3 %	
No. of employees <sup>1,2</sup>	2239	2220	+0.9 %	
<b>Segment information</b>				
<b>Retail Trade<sup>3</sup></b>				
Gross turnover	954.5	904.1	+5.6 %	+5.9 %
Operating income	50.7	43.9	+15.5 %	
No. of employees <sup>1</sup>	2177	2164	+0.6 %	
Sales area <sup>1</sup> in 1000 m <sup>2</sup>	91.3	92.5	-1.3 %	
No. of retail locations <sup>4</sup>	209	195	+7.2 %	
Turnover in 1000 CHF/employee	0.438	0.418	+4.8 %	
Turnover in CHF/m <sup>2</sup> sales area	10 455	9 774	+7.0 %	
<b>Retail Real Estate<sup>3</sup></b>				
Rental income total	82.3	76.1	+8.1 %	+9.9 %
Rental income external	63.1	58.0	+8.8 %	
Operating income	60.3	55.6	+8.5 %	
No. of employees <sup>1</sup>	52	47	+10.6 %	
<b>Finance / Holdings</b>				
Operating income	-11.8	-12.0	+1.7 %	
No. of employees <sup>1</sup>	10	9	+11.1 %	

1 Average for the year full-time employee basis.

2 For 2000 incl. 61 employees IT, Bonus Card, general administration. 1999: 69 plus 85 Kochoptik/Terlinden-Jelmoli, both sold. 1999 still with Kochoptik/Terlinden-Jelmoli then sold.

3 For further data and key figures per segment and business unit, see pages 9-24, 27, 31 and annexes

4 Corresponds to number of addresses.  
Number of locations by division:  
Fust 255 (1999: 258)  
Portable Shop/Digital Home 64 (1999: 47)

**Internet – Telephone – Fax**

Internet addresses <http://www.jelmoliholding.ch>  
<http://www.huginonline.ch/JEL>  
WAP-mobile <http://wap.huginonline.com> (Press Releases Jelmoli)  
E-mail address [infoholding@jelmoli.ch](mailto:infoholding@jelmoli.ch)  
Telephone +41 1 220 44 11  
Fax +41 1 220 40 10

**Mail addresses**

Jelmoli Holding Ltd, St. Annagasse 18, CH-8001 Zürich  
P.O. Box 3020, CH-8021 Zürich

**Registered office address**

Seidengasse 1, CH-8001 Zürich

## 2000 - 105th ANNUAL REPORT

of the Jelmoli Group and Jelmoli Holding Ltd, Zurich  
(translated from the German)

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DEAR CUSTOMERS AND EMPLOYEES,  
DEAR SHAREHOLDERS

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**Steep profitability rise continues**

Following the 40 percent rise in profit per share of prior year, the Jelmoli Group again exceeded financial targets significantly in 2000 (a rise of 10-20 % in profit per share), with record earnings at all levels:

Operating income:	+ 13 % to CHF	99.2 million
Net profit:	+ 14 % to CHF	97.6 million
Profit per share:	+ 23 % to CHF	164
Return on equity: (ROE)	+ 23 % to 21 %	

Due to changes in the International Accounting Standards (IAS), trading profit on own shares – although actually affecting liquidity – can no longer be booked to net income as of 2000 but has to be balanced directly to shareholders' equity. Consolidated net income according to IAS is thus reduced by CHF 8.2 million to CHF 89.4 million, and profit per bearer share to CHF 150.

**Market leadership positions safeguarded by market entry barriers**

After reorganization of the Group portfolio in prior years, Jelmoli is now focused on two business segments with clearly defined core activities and an assured future:

- Retail trade
- Retail real estate

The interactive profitability effect between these business segments is very high. Furthermore, all our businesses hold leading market positions well protected by high market entry barriers:

Jelmoli Zurich is Switzerland's largest and best-situated department store, with the highest turnover and growth, and the best service. This unique concept of city centre shop-in-shop gallery enjoys outstanding consumer acceptance.

Fust domestic appliances, kitchen and bathroom renovations businesses likewise hold market leadership positions assured by unique features which are difficult to imitate: delivery and installation services, leasing and insurance, and a dependable repair service organization.

Portable Shop, an established market leader in mobile computing and communications, now takes a leading position in home computing as well thanks to Digital Home. Here again, the unique customer loyalty in some areas is assured by competent support and comprehensive services.

Our retail real estate business is likewise in a strong position: as reflected by rental income, 79 percent of properties are situated at unique and highly desirable inner-city locations (1A + 1B quality).

**Retail trade on a profitable growth path**

On this solid basis, our core activities are now on a growth course:

Jelmoli Zurich was extended at the end of 2000 with an additional ten percent of attractive sales floor area in the reutilized basement zone. A further ten-percent extension, by roofing over the interior courtyard, is currently in the planning phase.

Repositioning the consumer electronics business as SoundVision-Fust has returned Fust to a profitable growth path. Moreover thanks to the improvement in consumer purchasing, pent-up demand in the domestic appliances and renovation sector will now hit the market.

Portable Shop continues its steep rise in a dynamic growth market, where the new WAP and UMTS technologies will increasingly link mobile phones, laptops and handheld computers.

**Growth surge in real estate**

In the real estate sector, steep growth is now underway with the two large shopping centre projects La Praille/Geneva and St. Gall stadium. This is accentuated by a 44.5 percent participation in Tivona AG with large projects in Plan-les-Ouates, Geneva (office complex) and Dreiländerpark, Basle (shopping centre) as well as numerous medium and small projects.

Rental income and profitability in the retail real estate segment will be doubled after realizing all these projects, some of which are already in the construction phase, thus making Jelmoli Switzerland's largest real estate company listed on the stock market.

**High value-added thanks to ongoing development**

The fundamental difference between Jelmoli and the other Swiss real estate companies or funds is that while these are mainly concerned with property administration and the acquisition of existing real estate portfolios, Jelmoli is continuously developing new projects with high profitability, primarily in the retail real estate sector. Here we have the advantage of decades of retail trading know-how.

It is decisively important in this business segment to identify and secure first-class property locations, and here we have laid the foundations in recent years for substantial growth. Risks are limited thereby to financial commitment in the conceptual project phase, since in each case land is not normally purchased until the building permit has been secured. Furthermore, construction work is not commenced until the main rental agreements have been closed. By securing numerous sites in first-class locations, we can expect a high value increase over the next few years from project development activities.

Likewise the profitability potential of existing Jelmoli properties is substantial, because rental income is generally turnover-linked.

**Steady recovery of the Swiss retail sector**

The Swiss retail trading index rose in real terms by 1.2 percent again in 2000, with stable price levels. Based on the good consumer purchasing situation, a steeper rise in the Swiss retail trading index is expected for 2001, with a corresponding effect on our turnover-linked rental income.

**Real estate market on the upswing**

After a lengthy recession the Swiss property market has now consolidated on a wide front and commenced an upswing phase. This was already apparent in 2000 at top city-centre locations in Zurich and Geneva, where office rentals practically doubled within a very short space of time. Another sign of a general market upswing is the rapid reduction in vacant properties.

**Bright prospects**

In view of the favourable market situation, the excellent positioning of our Group companies, and the growth path on which we have embarked, profitability is expected to rise steeply over the next few years. In the medium term, we expect a fifty percent rise both in Group net profit and profit per share. While



Walter Fust

Peter Leumann

our large real-estate investments in the current and forthcoming business years will bring corresponding rental income increases as of 2003 and 2004, the turnover and profitability of Jelmoli Zurich, Fust and Portable Shop are already expected to rise this year.

Profitability growth will however be dampened by a higher income tax rate.

**Tribute**

The successes achieved in recent years would not have been possible without the outstanding commitment and customer-orientation of all our employees and partners, both in the retail trade and real estate development segments. Our loyal customers, including tenants, have paid tribute to this effort with their ongoing confidence and support reflected by a turnover growth far above average.

We sincerely thank all our customers and tenants for this result and pass on the tribute to our employees and partners.

For the Board of Directors  
of Jelmoli Holding Ltd,

Walter Fust  
Chairman

Peter Leumann  
President and CEO

Zurich, Mars 9, 2001

# CONSOLIDATED INCOME STATEMENT

## FIVE YEAR OVERVIEW

Notes in annex	in CHF million	2000	1999	1998	1997	1996
<b>Gross turnover</b>		<b>954.5</b>	<b>904.1</b>	<b>1 279.2</b>	<b>1 485.0</b>	<b>1 886.3</b>
Sales deductions		-74.1	-71.8	-69.3	-69.7	-104.1
<b>Net Turnover</b>		<b>880.4</b>	<b>832.3</b>	<b>1 209.9</b>	<b>1 415.3</b>	<b>1 782.2</b>
<b>Rental income</b>		<b>63.1</b>	<b>58.0</b>	<b>49.4</b>	<b>39.6</b>	<b>21.8</b>
<b>Other income</b>		<b>16.4</b>	<b>20.4</b>	<b>15.5</b>	<b>24.5</b>	<b>93.5</b>
<b>TOTAL INCOME</b>		<b>959.9</b>	<b>910.7</b>	<b>1 274.8</b>	<b>1 479.4</b>	<b>1 897.5</b>
Cost of sales		-509.0	-487.3	-803.1	-984.2	-1 191.8
Personnel expenses		-192.3	-182.0	-210.9	-219.6	-332.2
Other operating expenses <sup>9</sup>		-119.8	-115.6	-151.7	-177.8	-266.3
<b>EBITDA<sup>1</sup></b>	<b>Earnings before interest, taxes, depreciation, amortisation</b>	<b>138.8</b>	<b>125.8</b>	<b>109.1</b>	<b>97.8</b>	<b>107.2</b>
Depreciation on fixed assets		-32.9	-31.1	-30.0	-30.6	-45.0
<b>EBITA<sup>2</sup></b>	<b>Earnings before interest, taxes, goodwill amortisation</b>	<b>105.9</b>	<b>94.7</b>	<b>79.1</b>	<b>67.2</b>	<b>62.2</b>
Goodwill amortisation		-6.7	-7.2	-8.4	-7.2	-2.7
<b>EBIT<sup>3</sup></b>	<b>Earnings before interest and taxes</b>	<b>99.2</b>	<b>87.5</b>	<b>70.7</b>	<b>60.0</b>	<b>59.5</b>
Financial income		43.0	41.6	33.6	29.3	17.7
Financial expenditure		-33.0	-27.3	-28.7	-19.4	-21.5
<b>Financial result</b>		<b>10.0</b>	<b>14.3</b>	<b>4.9</b>	<b>9.9</b>	<b>-3.8</b>
<b>EBT<sup>4</sup></b>	<b>Earnings before taxes</b>	<b>109.2</b>	<b>101.8</b>	<b>75.6</b>	<b>69.9</b>	<b>55.7</b>
Income taxes		-20.1	-16.4	-9.4	-8.4	-10.3
Minority interest		0.3	–	-1.0	-0.1	-0.3
<b>NET PROFIT</b>		<b>89.4</b>	<b>85.4</b>	<b>65.2</b>	<b>61.4</b>	<b>45.1</b>
Shares Entitled to Dividend <sup>8</sup>		596 330	644 219	686 008	722 546	749 899
<b>EPS<sup>5</sup></b>	<b>Earnings per share<sup>6</sup> in CHF</b>	<b>150</b>	<b>133</b>	<b>95</b>	<b>85</b>	<b>60</b>
<b>NET PROFIT incl. profit on own shares</b>		<b>97.6</b>	<b>85.4</b>	<b>65.2</b>	<b>61.4</b>	<b>45.1</b>
<b>EPS incl. profit on own shares</b>		<b>164</b>	<b>133</b>	<b>95</b>	<b>85</b>	<b>60</b>
<b>Shareholders Equity</b>		<b>431.8</b>	<b>494.9</b>	<b>488.0</b>	<b>577.2</b>	<b>574.7</b>
<b>ROE<sup>7</sup></b>	<b>Return on Equity</b>	<b>20.7 %</b>	<b>17.3 %</b>	<b>13.4 %</b>	<b>10.6 %</b>	<b>7.8 %</b>

1–7 see legends page 27

8 Bearer share equivalent per year end

9 until 1997: incl. net nonoperating items and contributions

# CONSOLIDATED BALANCE SHEET

## FIVE YEAR OVERVIEW

in million CHF	2000	1999	1998	1997	1996
<b>ASSETS</b>					
Non-Current Assets	1 035.8	977.6	956.3	901.8	844.6
Current Assets	484.4	452.6	420.2	433.4	513.3
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Shareholders' Equity	431.8	494.9	488.0	577.2	574.7
Minority Interest	2.2	0.8	5.2	2.2	12.2
Non-Current Liabilities	826.7	723.8	648.1	456.7	495.5
Current Liabilities	259.5	210.7	235.2	299.1	275.5
Total Assets	1 520.2	1 430.2	1 376.5	1 335.2	1 357.9
<b>KEY RATIOS</b>					
<b>Assets and Liabilities as x% of Total Assets</b>					
– Non-Currents Assets	68.1 %	68.4 %	69.5 %	67.5 %	62.2 %
– Current Assets	31.9 %	31.6 %	30.5 %	32.5 %	37.8 %
– Shareholders' Equity	28.4 %	34.6 %	35.4 %	43.2 %	42.3 %
– Minority Interest	0.1 %	0.1 %	0.4 %	0.2 %	0.9 %
– Liabilities	71.5 %	65.3 %	64.2 %	56.6 %	56.8 %
<b>Net Asset Value per Dividend-Entitled Share</b>					
– Bearer Shares of CHF 50 Par Value	724.10	767.00	711.00	799.00	766.00
– Registered Shares of CHF 10 Par Value	144.80	153.00	142.20	160.00	153.00
<b>Quoted Share Value</b>					
– Bearer Shares of CHF 50 Par Value Highest	2 453.00	1 920.00	2 050.00	1 390.00	799.00
Lowest	1 805.00	1 156.00	1 263.00	689.00	500.00
– Registered Shares of CHF 10 Par Value Highest	500.00	385.00	415.00	269.00	155.00
Lowest	360.00	230.00	247.75	135.25	100.00
<b>Dividend per Share <sup>1</sup></b>					
– Bearer Shares of CHF 50 Par Value	46.00 <sup>1</sup>	44.00	36.00	34.00	28.00
– Registered Shares of CHF 10 Par Value	9.20 <sup>1</sup>	8.80	7.20	6.80	5.60
<b>Dividends Paid in CHF <sup>1</sup> million</b>					
New Shares Issued	5 844	2 150	34 515	5 440	20 216
Bearer Shares	0	0	0	0	0
Registered Shares	0	0	0	0	0
Shares Entitled to Dividend	334 530	370 349	402 938	440 080	460 488
Bearer Shares	1 309 001	1 369 350	1 415 350	1 412 330	1 447 055
Registered Shares	0	0	0	0	0
Bearer share Equivalent	596 330	644 219	686 008	722 546	749 899
<b>Investments in Fixed Assets</b>					
	<b>95.9</b>	<b>101.0</b>	<b>84.6</b>	<b>69.2</b>	<b>47.3</b>
<b>Current Ratio</b>					
(Ratio of current assets to current liabilities)	187 %	215 %	179 %	145 %	186 %

<sup>1</sup> Proposal to the General Meeting

# JELMOLI GROUP ORGANIZATION CHART

## Jelmoli Holding Ltd

Share capital CHF 34.2 million

Board of Directors

Walter Fust\*, Chairman of the Board

Carlo Magri\*

Dr. Peter Leumann\*

Prof. Dr. Hugo Tschirky

Daniel Bürki

Regula Mann-Freihofen

Ursula Hauser-Fust

Prof. Dr. Christian Belz

\*Board Committee

Secretary General

Dr. Robert Känzig



## Jelmoli AG

Share capital CHF 50.0 million

(100 % participation)

Turnover 2000 CHF 239.1 million

Rental income<sup>1</sup> 2000 CHF 70.6 million

Direct (indirect) 100 % participations

Grand Passage-Innovation SA, SC CHF 37.0

(Bastra SA, ECIF SA,

Innovation-Holding SA,

Îlot de la Mercerie SA)

Jelkoch AG

Jellocal Holding AG

(Beach Mountain AG, Regina Kaufhaus AG)

La Gondola SA

La Praille SA Centre Commerciale et de Loisirs

SC CHF 0.25 million (100 % Jelmoli Holding AG)



## Portable Shop Schweiz AG

Share capital CHF 0.3 million

(77.5 % Jelmoli owned)

Turnover 2000 CHF 170.0 million

No participations



## Dipl. Ing. Fust AG

Share capital CHF 20.4 million

(100 % participation)

Turnover 2000 CHF 545.4 million

Rental income<sup>1</sup> 2000 CHF 11.3 million

Direct participation

Service 7000 AG

(82.8 % in voting rights, 50 % in capital)

## Jelmoli Holding Inc., USA

Share capital US\$ 29.0 million

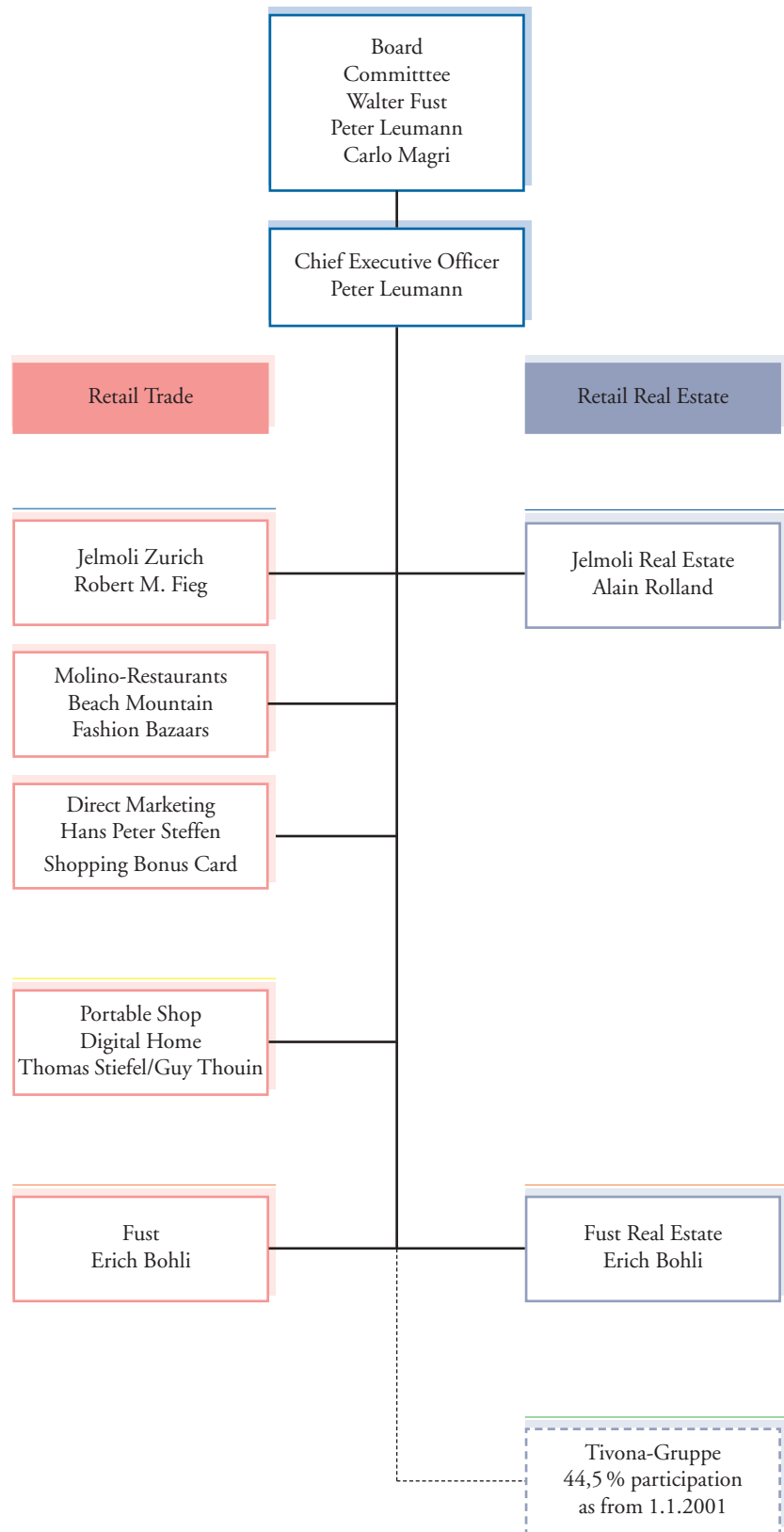
(100 % participation via Turicum Holding AG)

Rental income<sup>1</sup> 2000 CHF 0.4 million

No participations

## Other 100 % Jelmoli companies

Turicum Holding AG, Fiaro Holding AG



<sup>1</sup> Rental income including own rentals

Status per year-end



## Jelmoli Group Retail Trade

This business sector comprises the retail trade activities of all Group companies (not including the real estate business sector, to which internal rentals at market rates are payable).



Retail Trade in CHF million	2000	1999	Change	
			non-adjusted	comparable
<b>Gross turnover</b>				
Jelmoli AG	239.1	217.2	+10.1 %	+7.2 %
Dipl. Ing. Fust AG	545.4	574.1	-5.0 %	+3.3 %
Portable Shop Schweiz AG	170.0	100.4	+69.3 %	+12.8 %
Kochoptik <sup>2</sup>	-	5.3		
Terlinden-Jelmoli T. AG <sup>2</sup>	-	7.1		
<b>Total</b>	<b>954.5</b>	<b>904.1</b>	<b>+5.6 %</b>	<b>+5.9 %</b>
Number of employees	2177	2164	+0.6 %	
Sales floor area in 1000 m <sup>2</sup>	91.3	92.5	-1.3 %	
Turnover in million/employee	0.438	0.418	+4.8 %	
Turnover in CHF/m <sup>2</sup> sales area	10 455	9 774	+7.0 %	
<b>EBITA<sup>1</sup></b>	<b>70.9</b>	<b>62.3</b>	<b>+13.8 %</b>	
<b>EBIT Operating income</b>	<b>50.7</b>	<b>43.9</b>	<b>+15.5 %</b>	
<b>Invested operating capital</b>	<b>421.0</b>	<b>351.2</b>	<b>+19.9 %</b>	
<b>Return on invested capital ROIC) in %</b>	<b>12.0</b>	<b>12.5</b>	<b>-4.0 %</b>	

<sup>1</sup> Earnings before amortization

<sup>2</sup> Kochoptik divested per 1.2.99 and Terlinden-Jelmoli Textile Care 1.10.99

Gross turnover in all retail trade activities for 2000 was CHF 954.5 million, 5.6 percent more than in prior year. Comparable turnover rose by 5.9 percent, to which all business sectors contributed.

Operating income (EBIT) in the retail trade segment increased by 15.5 percent to CHF 50.7 million for 2000.

### Prospects

After a strong start to the year 2001, we expect a further improvement in results thanks to solid economic revival and growth, as well as to the profitability enhancement measures undertaken.

Jelmoli Zürich in CHF million	2000	1999	Change	
			non-adjusted	comparable
Gross Jelmoli turnover	179.2	167.8	+6.8 %	+6.8 %
Number of employees	441	438	+0.7 %	
Sales floor area in 1000m <sup>2</sup>	17.9	17.9	±0 %	
Turnover in CHF million/empl.	0.406	0.383	+6.0 %	
Turnover in CHF/m <sup>2</sup> sales area	10 011	9 374	+6.8 %	
House turnover incl. tenants	278.7	256.2	+8.8 %	
House sales area in 1000 m <sup>2</sup>	26.0	25.6	+1.6 %	

### Further turnover and profitability rises at high level

Overall Jelmoli Zurich turnover including shop-in-shop tenants increased by 8.8 percent over the previous year to CHF 278.7 million (prior year: CHF 256.2 million). About two thirds of this house turnover or CHF 179.2 million (prior year: CHF 167.8 million) is attributable to Jelmoli operations. The rise is due to optimizing measures, additional brand offers, and sales floor extensions at the end of the year using auxiliary areas no longer required. The comparable rise in own turnover is 6.8 percent (prior year 6.5 %). The



RETAIL TRADE



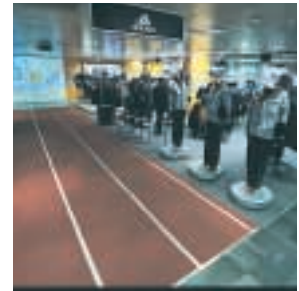
Gourmet-Factory ▲ Basement Multi-Media-Factory ▼



Estorel ▲ Nike ▼



Flowershop ▲ Adidas ▼



Swiss retail trading index (according to the Federal Statistics Office) has increased by only 2.0 percent.

**Jelmoli Zurich expanding as House of Brands and trendsetter**

Jelmoli Zurich – the House of Brands – has been operated since 1997 as stand-alone city centre shop-in-shop gallery. During this time Jelmoli Zurich has regained its position as a trendsetter in Swiss retail trading, and increased turnover from CHF 200 million to CHF 280 million with high profitability. Today about one third of turnover comes on the one hand from hard shop-in-shops with tenants such as Fust, Portable Shop, Digital Home, Imholz, Christ Jewellers and Gourmet Factory. On the other hand it comes from Jelmoli-operated soft shop-in-shops including perfumery, fashion and sports, as well as shopping worlds with our proprietary offerings (such as books, fashion accessories, household, furnishing and restaurants).

This ongoing growth was accelerated in autumn 2000 when the basement sales floor area was extended by 2 500 square metres. The entire project was completed in record time and without any customer disturbance – an outstanding achievement by our employees and partners. In this connection the Gourmet Factory was relocated on the same floor, and enlarged together with Caves Jelmoli (wine specialities). The overall offering

on this extended basement floor now includes the following additions: seven gourmet bars, Estorel drugstore, Blumenhalle florist, and a press centre. The space freed up by basement relocation has been used for the new MultiMedia Factory – an outstandingly attractive concentration of our entire high-tech offering: Directmedia, SoundVision-Fust, Digital Home, and Portable Shop. The focal point of this high-tech world is Netgate, an interactive multimedial platform brilliantly presenting the online/offline strategies of the four operators. The Internet shop here represents a synergetic fusion point with classical retail trading. Customers are invited to try out the latest technologies, and can relax at the new Netgate-Bar over a drink or a snack.

The ground floor now features the following new brand shop-in-shops and stands: the high-grade perfume brands Origins, La Mer, Aramis, Tomy Hilfiger and an outstanding selection of designer sunglasses brands. The basement transfers have enabled attractive extensions to the household department on the third floor. The fourth floor now presents Switzerland's most comprehensive sports world, covering no less than 3 300 square metres. This new shop-in-shop generation also incorporates Switzerland's largest Nike store, and the Adidas shop immediately adjacent has undergone some imposing extensions.

The enlarged basement floor is linked directly to the

RETAIL TRADE

Jelmoli parking garage on the same level, thus offering customers the convenience of loading purchases straight into their cars. Furthermore, all floors are now connected by escalators.

In good time for the Christmas season, the House of Brands opened a popular online gift shop under [www.jelmoli.ch](http://www.jelmoli.ch) with numerous ideas and comprehensive services.

**Prospects**

This spring more of our shopping worlds have been modernized, and our toys offering is replaced with the reputed lifestyle fashion brand GAP from the USA. The development of additional sales floors in connection with inner court rebuild is currently in the planning phase. The lines expanded in late autumn 2000 have recorded encouragingly good turnover, and the upsurge generated by basement extensions has continued into 2001. This good start augurs well for ongoing sales growth, which will also benefit from Zurich's recently liberalized weekend opening hours.



Robert M. Fieg  
Managing Director, Jelmoli Zurich



**Molino-Restaurants**

**Jelmoli Fashion Bazaars**

**Beach Mountain**

These three small Jelmoli Retail and restaurant chains have recorded good operating results.

Molino-Restaurants Jelmoli Fashion Bazaars Beach Mountain	2000	1999	Change	
			nonadjusted	comparable
Gross turnover in CHF mill.	59.9	49.4	+21.3 %	-6.3 %
Number of employees	300	248	+21.0 %	
Sales floor area in 1000 m <sup>2</sup>	7.0	5.9	+18.6 %	
Turnover in CHF mill./employ.	0.199	0.199	±0 %	
Turnover in CHF/m <sup>2</sup> sales area	8 543	8 356	+2.2 %	



Molino Restaurant Montreux

**New Molino restaurants**

Lovers of Italian cuisine, southern flair and reasonable prices certainly feel at home also in Zurich's new Molino restaurant on Stauffacher. This is the fourteenth Molino restaurant including two other new ones last year: in Geneva on the Place du Molard, and in Montreux.



Fashion-Bazaars Frauenfeld      Beach Mountain Jelmoli Zurich

**Jelmoli Fashion Bazaars and Beach Mountain**

The eleven Jelmoli Fashion Bazaars and six Beach Mountain shops serve completely different customer groups very successfully – traditional clientele on the one hand, and trendy young board freaks on the other.

# Internet E-Commerce

# SHOPPING BONUS CARD



This gold card for all customers of Jelmoli Shopping Bonus Card partners is now extremely popular, not least due to the new bonus system which makes it even more attractive and customer-friendly. The Shopping Bonus Card realized a new record in turnover.

As main innovations last year, the card now carries a bonus with all 37 partners (including four new ones) at more than 2 500 sales outlets. One bonus point is awarded for every 1 or 2 Swiss francs spent with the card, depending on partner. For every 500 points the customer receives a bonus certificate worth CHF 15 which is valid for two years. So far, bonus points could only be used for package tour arrangements (Imholz, TUI and Vögele Travel agents throughout Switzerland) and for hotel accommodation with breakfast at Relais du Silence in Switzerland, Sunstar Hotels and TOP International Hotels. As a welcome new attraction, bonus points are also valid now at Fust, Portable Shop, Digital Home and Avis car rentals.

Jelmoli now operates an investor relations site and several online shops on the Internet

Apart from [www.jelmoli.ch](http://www.jelmoli.ch) for online gift purchases and [www.fust.ch](http://www.fust.ch) for special offers, the entire range of several thousand products is available at [www.portable-shop.ch](http://www.portable-shop.ch) and [www.digital-home.ch](http://www.digital-home.ch). For enhanced customer benefit, our Internet applications have been technically upgraded and extended with additional functions and information.

New services and company logos are being successively added, while payment by Shopping Bonus Card ([www.sbonuscard.ch](http://www.sbonuscard.ch)) for online transactions further promotes customer binding. Jelmoli's Internet activities focus on synergy exploitation with our branch network and community formation, and on integration with logistics systems and database marketing.





Fust speciality branches in million CHF	2000	1999	Change	
			nonadjusted	comparable
Gross turnover	545.4	574.1	-5.0 %	+3.3 %
Number of employees	1 138	1 180	-3.6 %	
Sales floor area in 1000 m <sup>2</sup>	57	63	-9.5 %	
Turnover in CHF mill./employee	0.479	0.487	-1.6 %	
Turnover in CHF/m <sup>2</sup> sales area	9 636	9 113	+5.7 %	

**Higher profitability and turnover**

With higher profitability Fust AG turnover for 2000 rose by 3.3 percent on a comparable basis (1999: - 5.5 %). The 5.0 percent decline in nonadjusted turnover is attributable to the transfer of Digital Home turnover to Portable Shop Schweiz AG.

**Senior management changes and reinforcement**

Per January 1, 2001 Erich Bohli took over as Managing Director of Dipl. Ing. Fust AG after six months of personal introduction by the company founder Walter Fust. At the same time new appointments have been made at second management level, reinforcing in particular the marketing and procurement sectors. The intranet and Internet networking of all branches promotes direct communication at all hierarchical levels, and enables the expansion of employee training (for example: the Fust Academy on video, and onlinechats between of employees and management).

**Consumer electronics renamed SoundVisionFust – a strategic advance**

By launching Digital Home as a specialized PC shop and service provider on the one hand, and Sound Vision-Fust as consumer electronics specialist on the other, Fust is now fully emancipated from its former predominating image of domestic appliances. Today's Fust stores are specialized multistores, with clearly defined sectors based on the divisional organization. Each sector is led by a team of specialists, and has its own market image. Logistics, customer service and administration facilities are shared by these sectors, with optimal exploitation of synergy advantages accor-

dingly. More than ever, the Fust low-price guarantee is uniformly upheld in all sectors as a strong competitive weapon.

**Customer binding by profiled publicity and specialized services**

The recently introduced customer newsletter «Fust-Post» is a publicity medium in its own right. In contrast to conventional brochures or catalogues, it focuses on sustainable customer binding by combining advertising with competent product selection, customer support and a wide range of specialized services. Subscription to «Fust-post» is free. With the slogan «We test everything – test us as well», customers are challenged to check out Fust performance for themselves. According to a market study by the Swiss consumer journal K-Tipp, Fust is also a leader in customer-friendly guarantee services. In this connection, the first Fust ombudsperson can now be reached at [sandra@fust.ch](mailto:sandra@fust.ch).



Domestic appliances



SoundVision-Fust



Kitchen/Bath-Renovation



HOME CINEMA ▲

Sound ARENA ▼



***We test everything –  
test us as well!***

#### **Stronger market lead in large domestic appliances**

Fust is market leader in large domestic appliances requiring long-term customer support, not least due to timely identification of market opportunities and trends. In this connection, the new shareholding in Service 7000 AG is an excellent opportunity for Fust to gain a stronger foothold in the growth market for built-in appliances. This new subsidiary with its strong multi-brand service concept is highly attractive to target customers: property owners and real estate management companies.

For the first time in 2000, Fust presented prototypes from the «Kitchen News Forum», with high-end products by leading manufacturers such as Gaggenau, Elektrolux, V-Zug and Miele. This forum covers the needs of high-level consumers competently and attractively, without neglecting the demand for medium and low-priced comfort levels. For this latter segment, the high-quality and reasonably priced proprietary brand Novamatic has been consistently successful ever since its market launch many years ago. The specialized range of professional and semi-professional kitchen appliances for restaurants, canteens and advanced amateur cooks (Fust Gastro) has also undergone marketing expansion.

#### **Growth in small domestic appliances**

The encouraging growth in market demand for small appliances is mainly attributable to automated coffee and espresso machines. Apart from the leading brands, Fust also offers the high-quality proprietary brand Novamatic for price-conscious consumers.

#### **Consumer electronics now focused under SoundVision-Fust**

The key event of 2000 for Dipl. Ing. Fust AG was the integration of all consumer electronics products under the new label SoundVision-Fust. This was in connection with the transfer per October 10, 1999 of the PC hardware and software business to the sister company Portable Shop. In order to compensate for the associated turnover transfer, the new SoundVision-Fust shop concept has been introduced at fifty locations so far within twelve months. Apart from optimal conditions for making the right purchase decision, this concept also offers customers a special shopping experience. The realization of this concept in all SoundVision-Fust locations will be completed during the current year. SoundVision-Fust is gaining considerable market shares with this attractive concept.

In the new SoundVision-Fust Sound Arena, hi-fi enthusiasts can find a wide and attractive selection of

the latest systems. Arranged around the arena, these are all connected to the same signal source for optimal comparison of audio results. Customers thus have much more objective conditions for making the right choice, and if nevertheless unsatisfied, they can exchange their purchases within thirty days. This takes account of the problem that room acoustics at home may well be different.

Demand in the home cinema sector, upon which special emphasis was already placed in the past, is encouragingly high with the new DVD video-CD medium. For Fust, home cinema not only means large-screen television, but also home adaptation of the surround-sound technology long used in public cinemas. This means that customers can now enjoy 6-channel or even 7-channel surround-sound with their home cinema systems.

Fust meets high demands in all respects: product range



and quality, technical and decision-making support, customer and guarantee service.

**Double-digit growth in kitchen/bathroom renovations**

After a long period of minimal demand, turnover in kitchen/bathroom renovations started to rise steeply in 2000, with 2-digit growth rates. The Nobilia line from Germany, now available from Fust as a second exclusive alternative, played a significant role in this growth. Two exclusive lines – Nobilia and Bosch – now cover the entire upper and middle price/quality segment. Thanks to new advertising and marketing concepts, as

well as better utilization of Fust competence in the domestic appliances sector, market share gains in the kitchen/bathroom-renovation business are expected in the medium term, with a further rise in profitability.

**Fust-Nova-Casa, general contractor**

Fust expanded into general contractor business more than eight years ago in 1992, and last year this segment was endowed with its own brand name «Nova-Casa». Fust-Nova-Casa specializes in the construction of semi-standard, extremely cost-effective houses for private owners. These are generally built in the form of estates typically comprising about five to twenty such Fust houses. This is another pioneering achievement of Dipl. Ing. Fust AG.

**Prospects**

Market trends in the Fust segments are positive. The organizational measures already taken with regard to product lines are bearing fruit, and further measures are being introduced as necessary. Our market image and public relations are positive, and the harmonious management changes with reinforcements in key areas have been well received. All in all, an ongoing rise in turnover and profitability can be expected over the next few years.



Erich Bohli, Managing Director Dipl. Ing. Fust AG



Portable Shop  
Schweiz AG



Portable Shop Schweiz AG (incl. Digital Home)	2000	1999	Change	
			nonadjusted	comparable
Gross turnover in CHF million	170.0	100.4	+69.3 %	+12.8 %
Number of employees	237	144	+64.6 %	
Sales floor area in 1000m <sup>2</sup>	9.8	3.6	+172.2 %	
Turnover in mill. CHF/employee	0.717	0.697	+2.9 %	
Turnover CHF/m <sup>2</sup> sales area	17 347	27 889	-37.8 %	

### Highlights

In the year 2000, Portable Shop Schweiz AG achieved a significant breakthrough with Digital Home. After first presenting their digital brand products for home use in five pilot branches of Dipl. Ing. Fust AG, Digital Home went on during the first quarter 2000 to implement their new shop-in-shop concept at 25 Fust multistores. By integrating Digital Home in the larger Portable Shop outlets, this new store chain was then given a more expansive and attractive sale platform as of autumn 2000. Last November, the group celebrated again an important opening: Portable Shop Schweiz AG has taken another innovative step by participating in the trendy new MultiMedia Factory at Jelmoli Zurich. Not only are Portable Shop and Digital Home

represented in this new high-tech shopping world together with Jelmoli's other multimedia partners. The Netgate concept enables the group to focus its know-how with strong POS presence at an interactive meeting point for today's Internet-oriented consumers. Netgate is an Internet café, bar and sales platform in one, thus ideally combining offline and online shopping in highly modern style. The synergy of classical retail trade and Internet shopping is a strategic focus of Portable Shop, who together with Digital Home redesigned and optimized their successful e-commerce sites in November 2000 ([www.portable-shop.ch](http://www.portable-shop.ch) and [www.digital-home.ch](http://www.digital-home.ch)). Not only are these websites now faster, but thanks to a user-friendly search machine, customers can find here all the latest offers and more than 10 000 products – including a comparison listing for optimal evaluation.

### One year Digital Home

Portable Shop's youngest child is already more than one year old. By specializing in private needs, Digital Home ideally complements the Portable Shop offering and profits at the same time from the accumulated retail know-how. This strategy is proving itself well: Digital Home's attractive new shop-in-shops and comprehensive home services have been very well received, so that turnover and margin are well in line with expectations for the first year. Digital Home now operates shops at 41 locations throughout Switzerland. During the current year home services will be energetically expanded, and intensive internal training courses will be held for technical and sales staff. One of the main targets for 2001 is to strengthen the market profile of Digital Home.



Digital Home ▼

Portable Shop ▲



### Portable Shop

Despite this focus on Digital Home, Portable Shop has not lost track of its own customers by any means. As Switzerland's leading supplier of professional mobile systems, Portable Shop now has stores at 32 locations throughout the country. Personnel and services in both business-to-business departments, particularly in western Switzerland, have been greatly expanded. This has paid off with higher turnover and a considerably



larger clientele, including big customers such as Basle Life Insurance.

**Mobile communication and multimedia in trend**

Things are moving fast in the mobile communications and multimedia sector. One of the most promising highlights in this connection is the smartphone – a combined mobile phone and handheld computer with display, which has amazing new possibilities. Portable



Business to Business Fällanden ▲▼ Service-Center Portable Shop Zürich



Shop and Digital Home are optimally positioned in this highly competitive market with their outstanding competence, not only with regard to smartphones but also for peripheral products. In the PC market, a new lifestyle trend took root last year with an innovative generation of colourfully aesthetic and ergonomically designed multifunctional models. This trend will certainly continue: tomorrow's PCs will not only be intelligent domestic control centres for various appliances, but will also function as complete entertainment centres including TV/video and stereo systems. Likewise in the digital video and photography sector, this year promises new market opportunities and optimized products with higher quality, more storage capacity and a wider range of functions.

**Prospects**

With the further expansion of Digital Home, the rising demand for mobile communications, and a wide range of new trend products, Portable Shop Schweiz AG can certainly look forward to an interesting and profitable 2001. This group is not only focused on quantitative growth, however, but also on quality enhancement: through professional in-house training and further expansion of the unique services offered. Completely new for Switzerland is the recently opened Zurich service centre. Offering support, training and repair services for all leading brands, this is already very popular both among existing customers and newcomers. Over the next year or two, the group plans to build up a network of these service centres at focal locations throughout Switzerland. Over the next two years we expect turnover per square metre floor area and operating margins – both of which were temporarily depressed during this steep growth phase – to rise again to the level of prior years.

Managing Directors Portable Shop Schweiz AG



Thomas Stiefel



Guy Thouin

## Group Retail Real Estate

The retail real estate segment (building construction, development and administration) comprises the real estate activities of all Group companies not including retail business. Internal rentals are charged on a fair market basis.

Retail Real Estate in million CHF	2000	1999	Change	
			nonadjusted	comparable
<b>Rental income</b>				
Jelmoli AG	70.6	63.6	+11.0 %	+11.8 %
Dipl. Ing. Fust AG	11.3	11.0	+2.7 %	
Jelmoli USA	0.4	1.5	-73.3 %	
<b>Total rental income<sup>1</sup></b>	<b>82.3</b>	<b>76.1</b>	<b>+8.1 %</b>	<b>+9.3 %</b>
External rental income	63.1	58.0	+8.8 %	
No. of employees	52	47	+10.6 %	
EBITDA <sup>2</sup>	73.0	68.3	+6.9 %	
EBIT <sup>2</sup> Operating income	60.3	55.6	+8.5 %	
<b>Invested operating capital</b>	<b>740.4</b>	<b>700.2</b>	<b>+5.7 %</b>	
<b>Return on invested capital (ROIC) in %</b>	<b>8.1 %</b>	<b>7.9 %</b>	<b>+2.5 %</b>	

<sup>1</sup> including own rentals

<sup>2</sup> before goodwill amortization

Group rental income (i.e. including rentals charged to own retail locations) rose by CHF 6.2 million to CHF 82.3 million (prior year: CHF 76.1 million), an increase of 8.1 percent (1999: +8.6 %). The comparable increase of 9.3 percent in rental income is once again impressive. This is attributable in part to the more buoyant economy, but also to the systematic utilization of underexploited floor areas and realization of expansion potential by our real estate professionals with their retail trade know-how over years. Furthermore, a greater contribution has been made by turnover-linked rental income.

Operating income (EBIT) in this segment of CHF 60.3 million for 2000 (1999: CHF 55.6 million) exceeded prior year by 8.5 percent (1999: 19.3 %). With invested operating capital of CHF 740.4 million (1999: CHF 700.2 million), ROIC has risen to 8.1 percent (1999: +7.9 %).

## Prospects

Based on our policy of letting properties ourselves on a turnover-linked basis, with active management accordingly, an ongoing rise in rental income can be expected. This may be enhanced by a buoyant economy. Furthermore, the real estate development business is currently undergoing marked expansion, and offers very substantial potential for higher rental income. Important in this connection are the La Praille, Geneva and St. Gall stadium shopping centre projects, and particularly our participation in the Tivona Group as of 1.1.2001. For the year 2001 a rental income around CHF 85 million is expected on the basis of existing contracts. At seven percent capitalization (gross) this is equivalent to a market value of CHF 1 214 million, as against the total real estate value of only CHF 740 million stated in the balance sheet for 2000 (1999: CHF 700 million).

## Jelmoli, Fust, USA Real Estate

The great majority of Jelmoli AG and subsidiaries properties are situated in top inner-city locations and rented out to first-class retailers. Several properties also comprise large office blocks with long-term tenants. The comparable rise of 11.8 percent in rental income is mainly attributable to previously unutilized floor areas let out for the first time (such as to Holmes Place Sports & Health Clubs). It is also due to the systematic elimination of vacant areas and to a significant rise in turnover-linked rental income from Jelmoli Zurich and Globus.

Dipl. Ing. Fust AG likewise owns extensive real estate, two thirds of which is utilized for own purposes, while the remaining properties are let out to other retailers. The increase compared with prior year is attributable to the new Moosseedorf location. After sale of the two Jelmoli USA properties in Beverly Massachusetts at the end of 1999 and in mid-2000, this operation has now been closed.

**Tivona participation expected to double Jelmoli retail real estate potential**

The Jelmoli Group acquired a 44.5% participation per 1.1.2001 in Tivona AG, with the option of a 100 percent takeover as of mid-2003. Apart from the existing real estate portfolio of retail properties, the Tivona Group also has numerous mature projects with building permits issued or applied for. Main tenants are secured for most of these projects, some of which are very large, with promising value-added prospects.

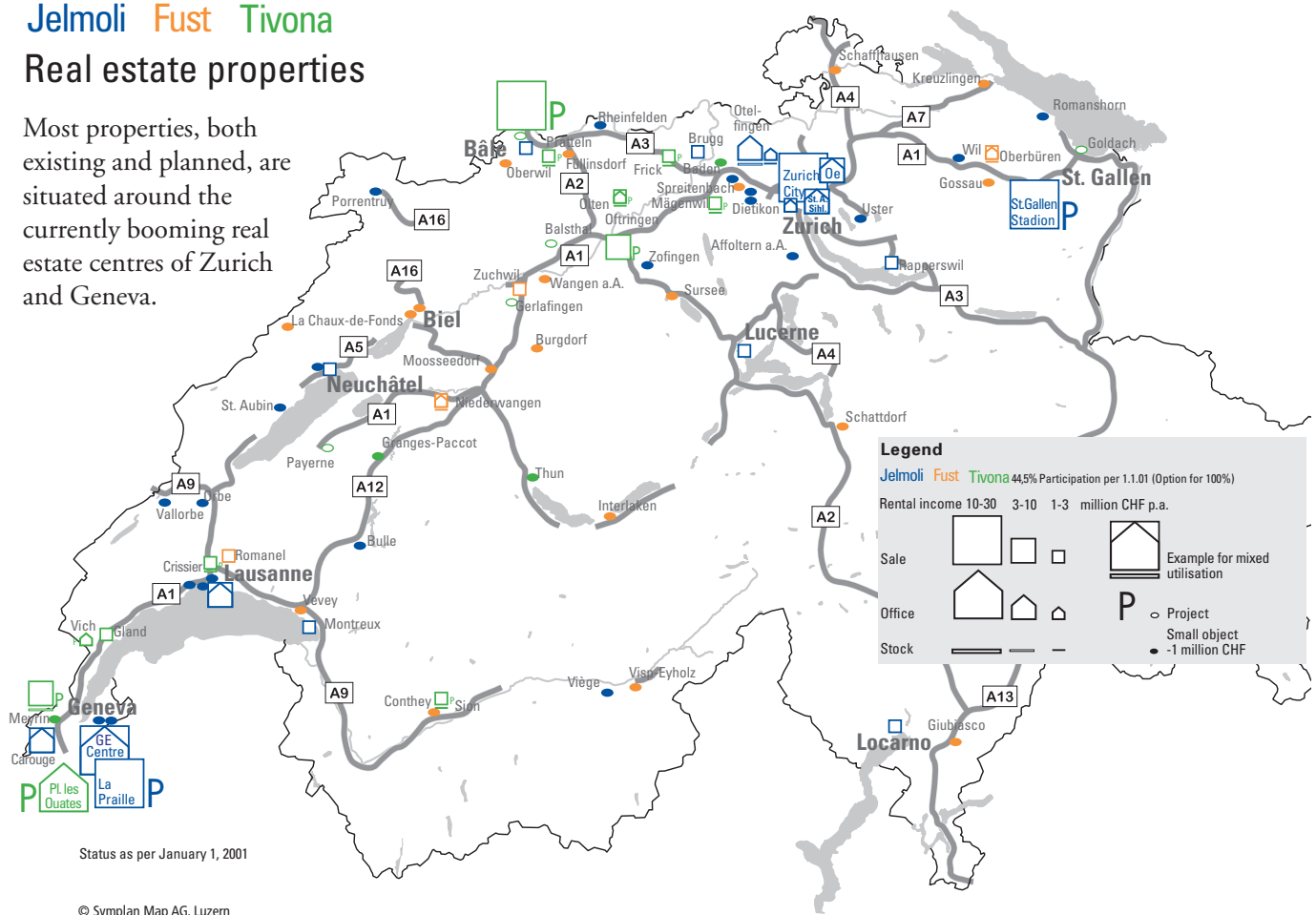
By strategically focusing on retail trade in the real estate segment as well, Jelmoli's long-standing exper-

tise in both areas has an interactive profitability effect between these segments. Concentration in the retail real estate segment is therefore on development projects, from site acquisition to realization, including property rentals and management of buildings and centres. Participation in the Tivona Group, which is fully engaged in real estate development, ideally meets this strategy.

With the Tivona participation, Jelmoli expects to double rental income, operating income and portfolio value in the retail real estate segment over the next few years. This alone is expected to increase Group profit by about fifty percent.

**Jelmoli Fust Tivona**  
**Real estate properties**

Most properties, both existing and planned, are situated around the currently booming real estate centres of Zurich and Geneva.



Status as per January 1, 2001

© Symplan Map AG, Luzern

JELMOLI GROUP 2000

RETAIL REAL ESTATE

Office and warehouse buildings



Otelfingen



Office block and distribution center



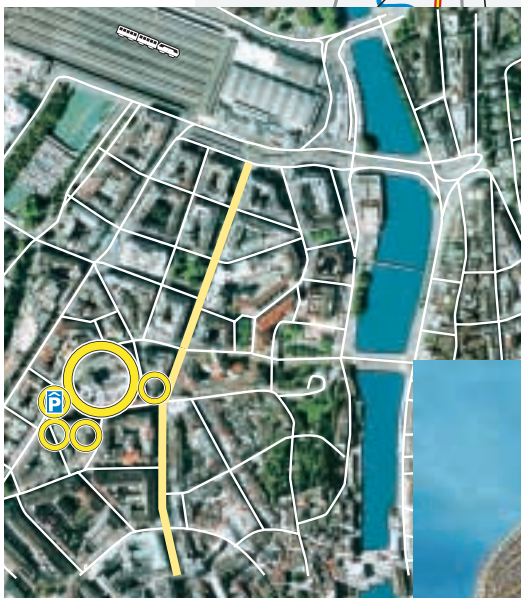
«Züri 11» shopping center Oerlikon



C&A with offices



Tram & Bus



Bahnhofstrasse  
Tram & Bus  
Paradeplatz

Zurich-City

Real estate concentration-point of Zurich

«Trülle» store and offices  
Bahnhofstrasse



Jelmoli Zurich – the House of Brands



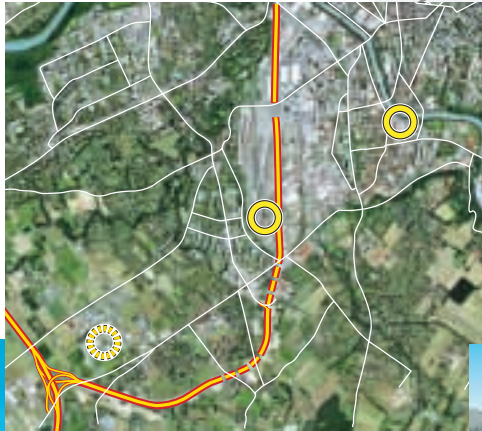
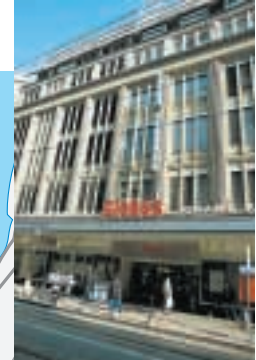
Office block and sales complex  
St. Annagasse/Sihlstrasse/Steinmühleplatz

Photo-maps: © 2001 Endoxon AG, Luzern  
Maps: © 2001 Symplan AG, Luzern



Vich-Nyon office center  
(Tivona project)

Geneva City with Globus  
and integrated offices



Office block  
Plan-les-Ouates  
(Tivona project)

**Real estate con-  
centration-point  
of Geneva**

Carouge shopping center and offices



Rive gauche



La Praille shopping center (under construction)

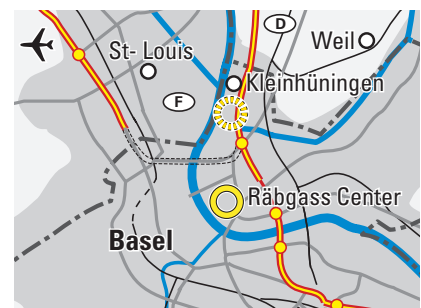
**St. Gallen**

St. Gall stadium shopping center  
(Jelmoli project)



**Basel**

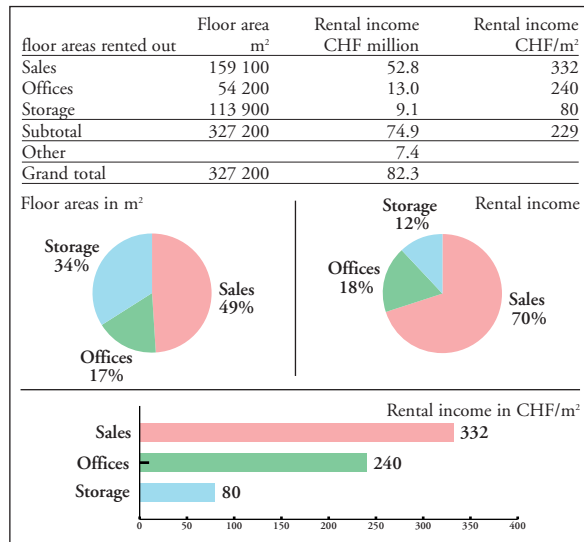
Basle Dreiländerpark large shopping center  
(Tivona project)



**Real Estate: key figures**

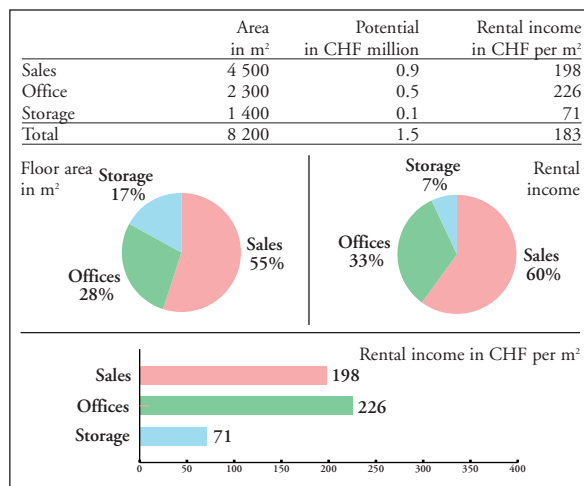
(Jelmoli, Fust; without Tivona)

**Utilization mode**



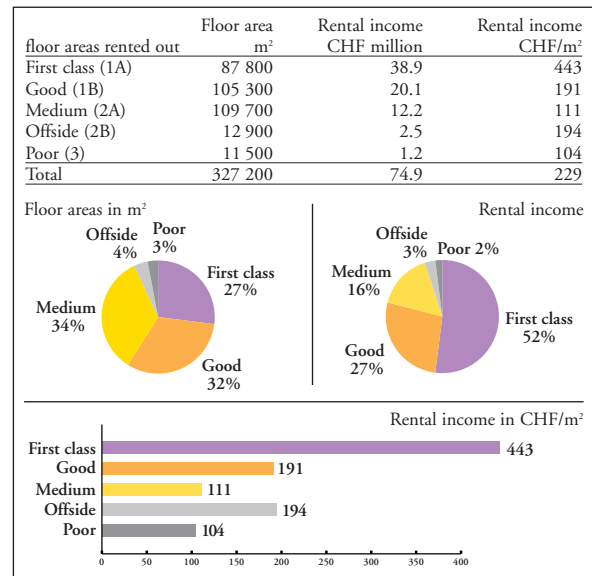
Sales floor areas, which comprise 49 percent of total floor areas, contribute 70 percent of total rental income with a mean charge of CHF 332/m<sup>2</sup>. The lower rentals charged for office (CHF 240/m<sup>2</sup>) and storage floor areas (CHF 80/m<sup>2</sup>) attributable to their location in the agglomerations. These are situated in the former logistics centres of Jelmoli AG (Otelfingen), Grand Passage SA (Carouge) and Innovation SA (Sébeillon).

**Vacant floor areas**



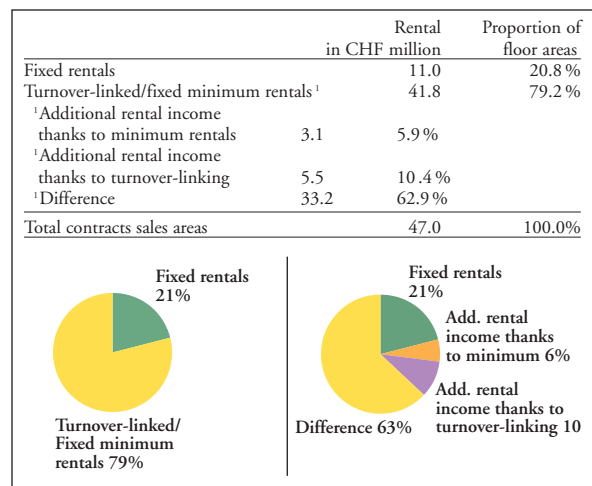
Unoccupied floor areas per year end 2000 represented a rental income potential of CHF 1.5 million. Vacant sales floor areas were only 1.7 percent, but offices around 3.7 percent. Some of the latter were at the former logistics centres, the others comprising new floor areas as yet not utilized. Vacant floor areas are let on a continuous basis.

**Location quality**



First class locations make up 59 percent of total floor areas and account for 79 percent of rental income. The comparatively low rental income per square metre of “medium” quality locations is because these are mainly storage areas located in the agglomerations, whereas the offside locations comprise sales floor areas. Only 5 percent of rental income is from offside and poor locations.

**Rental agreement structure**

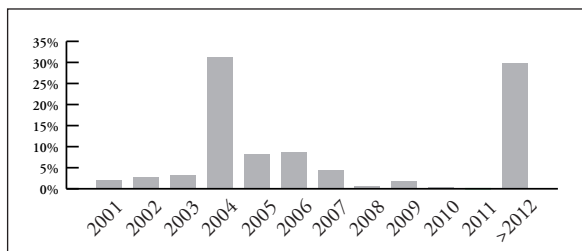


While office and storage floor areas are normally let on a fixed rental basis (with adjustment for inflation), 79 percent of sales floor rentals are on an unlimited turnover-linked basis with a fixed minimum. This means that tenants whose turnover was below the minimum rental limit would otherwise have paid CHF 3.1 million less in rentals (our gain thanks to fixed mini-

mum rentals). On the other hand, tenants whose turnover exceeded the minimum rental limit would otherwise have paid CHF 5.5 million less rentals (our gain thanks to turnover-linked rentals).

The difference corresponds to the rental which would have resulted with purely turnover-linked rentals (tenants below the limit) and with fixed minimum rentals only (tenants above the limit). Increased turnover by tenants above the limit brings a proportional rise in rental income (at 10 percent, CHF 4.2 million).

**Rental contract expiries**

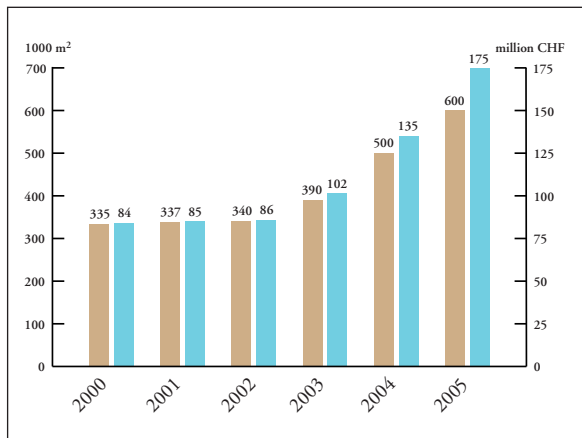


In 2004 a good many rental contracts will expire at the same time, but this is no problem since first-class city centre properties are involved. Re-letting, at rentals at least as high as applying today, should therefore be an easy matter. Furthermore, tenants have the option of extending the rental term twice by eight years at the same conditions: turnover-linked plus minimal rentals.

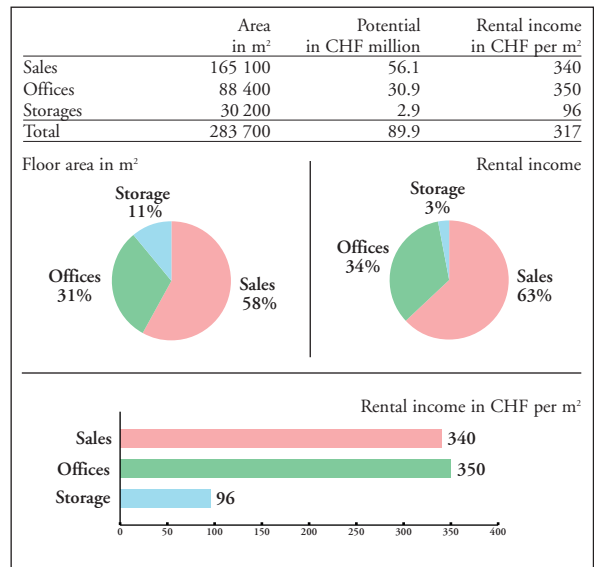
**Surge of growth**

Over the next years the real estate portfolio will be more or less doubled by new development projects with high value-added potential, with rental income increasing more steeply than floor area.

**Rentable area / Potential rental income**



**Projects planned (incl. Tivona)**



Planned projects, including those of the Tivona participation, will more than double total rental income after complete realization. These projects mainly comprise the La Praille shopping centre in Geneva (currently under construction), the St. Gall stadium shopping centre project for which legally binding preliminary rental agreements already exist for most floor areas, and the large Tivona projects in Basle (Dreiländerpark large shopping centre), Plan-les-Ouates/Geneva and Vich/Nyon (office block projects).



Alain Rolland, Managing Director Jelmoli Real Estate

**Environment-friendly shopping:  
a matter of awareness**

Environmental awareness among consumers is increasingly promoted these days by public norms and private effort. By implementing our up-to-date environmental protection guidelines accordingly, we and our partners also contribute to this effort. We provide consulting and implementation services for environmental protection both in procurement and at point of sale. All Jelmoli Group locations are either within walking distance of customers, or easily reachable by public transport. Our logistics are optimized for minimum possible transport distances. All our properties are maintained for optimal conservation of resources, likewise our repair and disposal services. As shown by the typical examples below, environmental protection and information are solidly anchored in our entire offering.

**Environment-friendly in-house repairs, recycling and logistics**

Jelmoli, Fust and Portable Shop / Digital Home not only offer first-class brand products, but also outstandingly environment-friendly services. Thanks to the new Fust subsidiary Service 7000 AG, focusing on the needs of property management companies and owners, our environmental protection effort has been significantly enhanced. It now applies to all customer segments, with repair and service centres, a service fleet, and sophisticated recycling/disposal solutions. Furthermore, the mileage covered by Jelmoli Group vehicles has been reduced in the meantime by four percent. For the correct disposal of refrigeration equipment, Fust utilizes the process originally initiated by the Swiss Foundation for Waste Disposal (S.E.N.S.). Likewise in the consumer electronics sector, we work with S.E.N.S.-licensed firms. Portable Shop Schweiz AG and Digital Home recycle outdated computers and office equipment primarily in accordance with the SWICO guidelines and disposal concept.



**EU energy label for large domestic appliances**



In the EU countries it is now mandatory to designate dishwashers, washing machines, dryers and refrigeration equipment with the «Euro Energy Label» according to seven different energy consumption classes. Although Switzerland is not subject to these regulations, Fust has voluntarily adopted this labelling system.

**Prizewinning Jelmoli partner Switcher acclaimed on television**

Despite inspections, manufacturing processes in low-wage countries repeatedly show a lack of respect for the environment. The Swiss T-shirt brand company Switcher – winner of the 1994 Jelmoli Partner Prize – has tackled that problem with a pre-audit system. This highly acclaimed system ensures better control of Switcher suppliers for environmentally and socially compatible production. It also promotes this aim together with reputed organizations on a wide and sustainable basis. Last November Swiss television paid tribute to Switcher for this outstanding effort in the consumer-oriented programme «Kassensturz».



Environment friendly disposal-service





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REPORT OF THE GROUP AUDITORS TO THE GENERAL MEETING  
OF JELMOLI HOLDING LTD

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As group auditors we have audited the consolidated financial statements (balance sheet, income statement, statement of cash flows and notes) of Jelmoli Holding Ltd. and subsidiaries, presented on pages 26 to 37, for the year ended December 31, 2000. The annual accounts of some individual subsidiaries included in the consolidated financial statements (Dipl. Ing. Fust AG) have been audited by others. These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning Swiss professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the profession, and with the International Standards on Auditing issued by the International Federation of Accountants (IFAC), which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and

disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. In our opinion, the consolidated financial statements give a true and fair view of the financial position, the result of operations and the cash flows in accordance with the International Accounting Standards (IAS) and comply with the Swiss law.

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

 Fides Peat

Peter Hess  
Swiss Certified  
Accountant  
Auditor in Charge

Raphael Arnet  
Swiss Certified  
Accountant  
Auditor in Charge

Zurich, March 9, 2001

## GROUP INCOME STATEMENT

					Elimination	
		2000	Change	1999	2000	1999
		CHF million	CHF million	CHF million		
		% total income	% prior year	% total income		
see notes in annex						
<b>Gross turnover</b>	1	<b>954.5</b>	<b>50.4</b>	<b>904.1</b>		
Change comparable with prior years						
Sales deductions	2	-74.1	-2.3	-71.8		
<b>Net turnover</b>		<b>880.4</b>	<b>48.1</b>	<b>832.3</b>		
<b>Rental income</b>	3	<b>63.1</b>	<b>5.1</b>	<b>58.0</b>	-19.2	-18,1
Change comparable with prior years						
<b>Other income</b>	4	<b>16.4</b>	<b>-4.0</b>	<b>20.4</b>	-1,6	-1,4
<b>TOTAL INCOME</b>		<b>959.9</b>	<b>49.2</b>	<b>910.7</b>	-20.8	-19,5
		100.0%	5.4%	100.0%		
Cost of sales	5	-509.0	-21.7	-487.3		
		-53.0%	-4.5%	-53.5%		
Personnel expenses	6	-192.3	-10.3	-182.0		
		-20.0%	-5.7%	-20.0%		
Other operating expenses	7	-119.8	-4.2	-115.6	20.8	19,5
		-12.5%	-3.6%	-12.7%		
<b>EBITDA<sup>1</sup></b>	<b>Earnings before interest, taxes, depreciation, amortisation</b>	<b>138.8</b>	<b>13.0</b>	<b>125.8</b>	-	-
		14.5%	10.3%	13.8%		
Depreciation on assets	8	-32.9	-1.8	-31.1		
		-3.4%	-5.8%	-3.4%		
<b>EBITA<sup>2</sup></b>	<b>Earnings before interest, taxes, goodwill, amortisation</b>	<b>105.9</b>	<b>11.2</b>	<b>94.7</b>	-	-
		11.0%	11.8%	10.4%		
Goodwill amortisation	8	-6.7	0.5	-7.2		
		-0.7%	6.9%	-0.8%		
<b>EBIT<sup>3</sup></b>	<b>Earnings before interest and taxes</b>	<b>99.2</b>	<b>11.7</b>	<b>87.5</b>	-	-
		10.3%	13.4%	9.6%		
Financial income	10	43.0	1.4	41.6		
Financial expenditure	11	-33.0	-5.7	-27.3		
<b>Financial result</b>		<b>10.0</b>	<b>-4.3</b>	<b>14.3</b>		
		1.0%	-30.1%	1.6%		
<b>EBT<sup>4</sup></b>	<b>Earnings before taxes</b>	<b>109.2</b>	<b>7.4</b>	<b>101.8</b>		
		11.4%	7.3%	11.2%		
Income taxes	12	-20.1	-3.7	-16.4		
		-2.1%	-22.6%	-1.8%		
Minority interest	13	0.3	0.3	-		
		0.0%		0.0%		
<b>NET PROFIT</b>	14	<b>89.4</b>	<b>4.0</b>	<b>85.4</b>		
		9.3%	4.7%	9.4%		
Share entitled to dividend	15	596 330	-47 889	644 219		
			-7.4%			
<b>EPS<sup>5</sup></b>	<b>Earnings per share</b>	<b>150</b>	<b>17</b>	<b>133</b>		
			12.8%			
<b>NET PROFIT incl. profit on own shares</b>	14	<b>97.6</b>	12.2	85.4		
			14.3%			
<b>EPS incl. profit on own shares</b>	16	<b>164</b>	31	133		
			23.3%			
Operating assets		1478.0	117.8	1 360.2		
			8.7%			
Operating liabilities		289.1	30.3	258.8		
			11.7%			
<b>Invested operating capital</b>	17	<b>1 188.9</b>	<b>87.5</b>	<b>1 101.4</b>		
			7.9%			
<b>ROIC<sup>6</sup></b>	<b>return on invested capital</b>	<b>8.3%</b>		<b>7.9%</b>		
<b>Shareholder Equity</b>		<b>431.8</b>	<b>-63.1</b>	<b>494.9</b>		
			-12.8%			
<b>ROE<sup>7</sup></b>	<b>Return on Equity</b>	<b>20.7%</b>		<b>17.3%</b>		

Legend see page 27

## SEGMENT - INFORMATION

Retail Trade			Retail Real Estate			Finance (incl. Holdings)		
2000 CHF mill. % total income	Change CHF mill. % prior year	1999 CHF mill. % total income	2000 CHF mill. % total income	Change CHF mill. % prior year	1999 CHF mill. % total income	2000 CHF mill. % total income	Change CHF mill. % prior year	1999 CHF mill. % total income
<b>954.5</b>	<b>50.4</b> 5.6 % 5.9 %	<b>904.1</b>						
-74.0	-2.3 -3.2%	-71.7	-0.1	-	-0.1			
<b>880.5</b>	<b>48.1</b> 5.8 %	<b>832.4</b>	<b>-0.1</b>	<b>-</b>	<b>-0.1</b>			
			<b>82.3</b>	<b>6.2</b> 8.1 % 9.9 %	<b>76.1</b>			
<b>15.0</b>	<b>-1.1</b> -6.8 %	<b>16.1</b>	<b>3.0</b>	<b>-1.6</b> -34.8 %	<b>4.6</b>	<b>-</b>	<b>-1.1</b> -100.0 %	<b>1.1</b>
<b>895.5</b> 100.0 %	<b>47.0</b> 5.5 %	<b>848.5</b> 100.0 %	<b>85.2</b> 100.0 %	<b>4.6</b> 5.7 %	<b>80.6</b> 100.0 %	<b>-</b>	<b>-1.1</b> -100.0 %	<b>1.1</b>
-508.5 -56.8 %	-21.8 -4.5 %	-486.7 -57.4 %	-0.5 -0.6 %	0.1 16.7 %	-0.6 -0.7 %	<b>-</b>	<b>-</b>	<b>-</b>
-187.4 -20.9 %	-10.2 -5.8 %	-177.2 -20.9 %	-2.3 -2.7 %	-0.3 -15.0 %	-2.0 -2.5 %	-2.6	0.2 7.1 %	-2.8
-128.7 -14.4 %	-6.4 -5.2 %	-122.3 -14.4 %	-9.4 -11.0 %	0.3 3.1 %	-9.7 -12.0 %	-2.5	0.6 19.4 %	-3.1
<b>70.9</b> 7.9 %	<b>8.6</b> 13.8 %	<b>62.3</b> 7.3 %	<b>73.0</b> 85.7 %	<b>4.7</b> 6.9 %	<b>68.3</b> 84.7 %	<b>-5.1</b>	<b>-0.3</b> -6.3 %	<b>-4.8</b>
-20.2 -2.3 %	-1.8 -9.8 %	-18.4 -2.2 %	-12.7 -14.9 %	<b>-</b> 0.0 %	-12.7 -15.8 %	<b>-</b>	<b>-</b>	<b>-</b>
<b>50.7</b> 5.7 %	<b>6.8</b> 15.5 %	<b>43.9</b> 5.2 %	<b>60.3</b> 70.8 %	<b>4.7</b> 8.5 %	<b>55.6</b> 69.0 %	<b>-5.1</b>	<b>-0.3</b> -6.3 %	<b>-4.8</b>
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	-6.7	0.5 6.9 %	-7.2
<b>50.7</b> 5.7 %	<b>6.8</b> 15.5 %	<b>43.9</b> 5.2 %	<b>60.3</b> 70.8 %	<b>4.7</b> 8.5 %	<b>55.6</b> 69.0 %	<b>-11.8</b>	<b>0.2</b> 1.7 %	<b>-12.0</b>

565.4	84.3 17.5 %	481.1	752.7	39.3 5.5 %	713.4	159.9	-5.8 -3.5 %	165.7
144.4	14.5 11.2 %	129.9	12.3	-0.9 -6.8 %	13.2	132.4	16.7 14.4 %	115.7
<b>421.0</b>	<b>69.8</b> 19.9 %	<b>351.2</b>	<b>740.4</b>	<b>40.2</b> 5.7 %	<b>700.2</b>	<b>27.5</b>	<b>-22.5</b> -45.0 %	<b>50.0</b>
<b>12.0 %</b>		<b>12.5 %</b>	<b>8.1 %</b>		<b>7.9 %</b>			

1 EBITDA Earnings before interest, tax, depreciation and amortisation    4 EBT Earnings before tax    6 ROIC Return on invested capital (EBIT/betr.invest.Kapital)  
2 EBITA Earnings before interest, tax and amortisation    5 EPS Earnings per share    7 ROE Return on equity  
3 EBIT Earnings before interest and tax

## GROUP BALANCE SHEET

(before appropriation of retained earnings)

Notes to the Consolidated Financial Statements	31.12.2000		31.12.1999	
	CHF million	%	CHF million	%
<b>ASSETS</b>				
Fixed assets				
– Land	20	99.1	97.6	
– Buildings	20	551.8	541.4	
– Buildings under construction	20	4.1	7.6	
– Operating fixtures	20	155.6	124.4	
– Furniture and equipment	20	87.1	845.8	
Intangible assets	20	9.1	7.6	
Goodwill	21	110.4	116.0	
Financial assets	22			
– Minority investments		11.3	5.7	
– Other financial assets		7.3	8.2	
<b>Total Non-Current Assets</b>		<b>1 035.8</b>	<b>977.6</b>	<b>68.4</b>
Inventories	23	191.6	160.2	
Trade accounts receivable	24	145.7	124.1	
Other accounts receivable	25	36.3	36.9	
Prepaid expenses and accrued income		68.6	61.4	
Marketable securities	26	2.1	0.6	
Cash and bank	27	40.1	69.4	
<b>Total Current Assets</b>		<b>484.4</b>	<b>452.6</b>	<b>31.6</b>
		<b>1 520.2</b>	<b>1 430.2</b>	<b>100.0</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Share capital	28	34.2	37.6	
Paid-in surplus	29	76.0	100.6	
Group retained earnings	29	508.5	533.1	
Own shares	29	-186.9	457.3	
<b>Total Shareholders' Equity</b>		<b>431.8</b>	<b>494.9</b>	<b>34.6</b>
<b>Minority Interest</b>	30	<b>2.2</b>	<b>0.8</b>	<b>0.1</b>
Long-term liabilities				
– Long-term loans	31	746.5	651.3	
– Provision for deferred taxes	32	78.9	70.6	
– Provisions	33	1.3	1.9	
Current liabilities		826.7	723.8	
– Trade accounts payable	34	73.0	65.1	
– Loans (current portion)	35	50.6	24.4	
– Other short-term liabilities	36	51.2	43.5	
– Accrued expenses and deferred income		84.7	77.7	
<b>Total Liabilities</b>		<b>259.5</b>	<b>210.7</b>	
		<b>1 086.2</b>	<b>934.5</b>	<b>65.3</b>
<b>Current Ratio</b>		<b>1 520.2</b>	<b>1 430.2</b>	<b>100.0</b>
(Ratio of current assets to current liabilities)		<b>187 %</b>	<b>215 %</b>	

## MOVEMENT OF FIX ASSETS

in CHF million Detailed Analysis of Fixed Assets (see notes 20/21)	Balance as of Dec. 31, 1999	Additions	Disposals	Other	Additions to Scope of Consolidation	Disposals from Scope of Consolidation	Balance as of Dec. 31, 2000	Accumulated Depreciations	Balance as of Dec. 31, 2000 net	Insurance Values
<b>COSTS</b>										
Land	99.0	2.2	-0.7				100.5	-1.4	99.1	
Buildings <sup>1</sup>	674.9	24.7	-11.7	0.1	0.1		688.1	-136.3	551.8	1292.3
Buildings under construction	7.6	3.7	-7.2				4.1	0.0	4.1	
Operating fixtures <sup>1</sup>	156.5	37.8	-2.4		0.7		192.6	-37.0	155.6	198.2
Furniture/Vehicles/Equipment, etc	145.2	27.4	-33.6		1.3		140.3	-53.2	87.1	
<b>Total Fixed Assets</b>	<b>1083.2</b>	<b>95.8</b>	<b>-55.6</b>	<b>0.1</b>	<b>2.1</b>	<b>0.0</b>	<b>1125.6</b>	<b>-227.9</b>	<b>897.7</b>	<b>1490.5</b>
<b>Intangible Assets</b>	<b>9.7</b>	<b>3.6</b>	<b>-0.3</b>		<b>0.1</b>		<b>13.1</b>	<b>-4.0</b>	<b>9.1</b>	
<b>Goodwill</b>	<b>138.9</b>		<b>-2.5</b>		<b>1.2</b>		<b>137.6</b>	<b>-27.2</b>	<b>110.4</b>	
Minority investments	5.7	5.6					11.3	0.0	11.3	
Other financial assets	2.5	5.3	-0.5				7.3	0.0	7.3	
<b>Total Financial Assets</b>	<b>8.2</b>	<b>10.9</b>	<b>-0.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>18.6</b>	<b>0.0</b>	<b>18.6</b>	
<b>Total Non-Current Assets</b>	<b>1240.0</b>	<b>110.3</b>	<b>-58.9</b>	<b>0.1</b>	<b>3.4</b>	<b>0.0</b>	<b>1294.9</b>	<b>-259.1</b>	<b>1035.8</b>	
<b>ACCUMULATED DEPRECIATION</b>										
Land	1.4						1.4			
Buildings	133.5	9.2	-6.4				136.3			
Operating fixtures	32.1	6.9	-2.1		0.1		37.0			
Furniture/Vehicles/Equipment, etc	70.4	14.6	-32.2		0.4		53.2			
<b>Total Fixed Assets</b>	<b>237.4</b>	<b>30.7</b>	<b>-40.7</b>	<b>0.0</b>	<b>0.5</b>	<b>0.0</b>	<b>227.9</b>			
<b>Intangible Assets</b>	<b>2.1</b>	<b>2.2</b>	<b>-0.3</b>				<b>4.0</b>			
<b>Goodwill</b>	<b>22.9</b>	<b>6.7</b>	<b>-2.4</b>				<b>27.2</b>			
Minority investments	0.0						0.0			
Other financial assets	0.0						0.0			
<b>Total Financial Assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>			
<b>Total Non-Current Assets</b>	<b>262.4</b>	<b>39.6</b>	<b>-43.4</b>	<b>0.0</b>	<b>0.5</b>	<b>0.0</b>	<b>259.1</b>			

## STATEMENT OF MOVEMENTS IN SHAREHOLDERS' EQUITY

(see note 29) in million CHF	Share capital	Reserve for own shares	Capital reserve	Other Group reserve	Total
<b>Shareholder's Equity as at December 31, 1998</b>	<b>41.6</b>	<b>225.0</b>	<b>98.6</b>	<b>122.8</b>	<b>488.0</b>
Capital reduction	-4.1	-133.7		137.8	0.0
Exercising of conversion rights	0.1		2.0		2.1
Purchase of own shares for capital reduction				-67.3	-67.3
Purchase of other own shares				-21.7	-21.7
Reserves for own shares		85.0		-85.0	0.0
Conversion difference				3.2	3.2
Restatement <sup>1</sup>				29.9	29.9
Dividends to third parties out of profit 1998				-24.7	-24.7
Consolidated net income 1999				85.4	85.4
<b>Shareholder equity as of December 31, 1999</b>	<b>37.6</b>	<b>176.3</b>	<b>100.6</b>	<b>180.4</b>	<b>494.9</b>
Capital reduction	-3.7	-129.4		133.1	0.0
Exercising of conversion rights	0.3		5.5		5.8
Purchase of own shares for capital reduction				-62.1	-62.1
Purchase of other own shares				-77.9	-77.9
Reserves for own shares		140.1	-30.1	-110.0	0.0
Trading profit on own shares				8.2	8.2
Conversion difference				0.7	0.7
Dividends to third parties out of profit 1999				-27.2	-27.2
Consolidated net income 2000				89.4	89.4
<b>Shareholders' equity as at December 31, 2000</b>	<b>34.2</b>	<b>187.0</b>	<b>76.0</b>	<b>134.6</b>	<b>431.8</b>

<sup>1</sup> From first application of the new IAS regulations (IAS 19 and 32) and goodwill repatriation

## GROUP STATEMENT OF CASH FLOW

	2000	1999
	million CHF	million CHF
EBIT Earnings before Interest and Taxes	99.2	87.5
Financial income	10.0	14.3
Income taxes	-20.1	-16.4
Minority interests	0.3	-
<b>Group Net Income before Minority Interest</b>	<b>89.4</b>	<b>85.4</b>
Depreciation		
Fixed Assets	30.7	29.9
Intangible Assets	2.2	1.2
Goodwill	6.7	7.2
Increase + / decrease - Provisions/Deferred Taxes	7.7	13.4
Increase - / decrease + Inventories	-28.4	5.8
Increase - / decrease + Short-term Trade/Accounts Receivable, Prepaid Expenses/Accrued Income	-26.2	-48.7
Increase + / decrease - Trade Accounts Payable and Other Short-Term Liabilities	13.1	5.5
Increase + / decrease - Accrued Expenses and Deferred Income	6.9	7.7
<b>Funds Generated from Operating Activities</b>	<b>102.1</b>	<b>107.4</b>
Acquisition of Fixed Assets	-95.9	-101.0
Increase - / decrease + Intangible Assets	-3.6	-5.2
Increase - / decrease + Goodwill	0.1	1.3
Acquisition of Companies included in Consolidated <sup>1</sup>	-0.6	-
Sale of Companies Included in Consolidation <sup>1</sup>	-	19.8
Increase - / decrease + Financial Assets	-10.4	7.4
Proceeds from Disposal of Fixed Assets	14.9	21.2
<b>Net funds Generated from Investing Activities</b>	<b>-95.5</b>	<b>-56.5</b>
<b>Net funds Generated from Operating Activities</b>	<b>6.6</b>	<b>50.9</b>
Exercise of Options	5.8	2.1
Purchase of Own Shares	-140.0	-89.0
Profit on Own Shares	8.2	-
Restatement	-	29.9
Foreign Exchange Differences Arising on Consolidation	0.7	3.2
Increase - / decrease + Marketable Securities	-1.5	-0.4
Increase + / decrease - Minority Interest	-0.3	-1.2
Increase + / decrease - Long-Term Financial Liabilities	93.7	62.3
Increase + / decrease - Short-Term Financial Liabilities	24.7	-20.6
Dividend Payments to Third Parties	-27.2	-24.7
<b>Funds Generated from Financing Activities</b>	<b>-35.9</b>	<b>-38.4</b>
<b>Decrease in Cash and Bank</b>	<b>-29.3</b>	<b>12.5</b>
<b>Purchase and Sale of Companies Included in the Consolidation</b>	<b>Acquisition      Sale</b>	<b>Acquisition      Sale</b>
Fixed Assets	1.6	6.1
Intangible Assets	0.1	-
Goodwill	1.2	8.4
Financial Assets	-	2.2
Short-Term Receivables and Prepaid Expenses and Accrued Income	2.0	23.2
Inventories	3.0	0.2
Liquidity	2.2	8.2
Minorities	-1.7	-3.2
Long-term Financial Liabilities	-1.5	-
Trade Accounts Payable and Other Liabilities	-2.5	-26.5
Short-term Trade Accounts Payable	-1.5	-
Accrued Expenses and Deferred Income	-0.1	9.4
<b>Net asset</b>	<b>2.8</b>	<b>28.0</b>
Less Cash Acquired	-2.2	-8.2
<b>Funds invested</b>	<b>0.6</b>	<b>-</b>
<b>Funds Generated from Devestitures</b>	<b>-</b>	<b>19.8</b>

## SEGMENT - INFORMATION

Retail Trade		Retail Real Estate		Finance (incl. Holdings)	
2000 CHF million	1999 CHF million	2000 CHF million	1999 CHF million	2000 CHF million	1999 CHF million
50.7	43.9	60.3	55.6	-11.8	-12.0
				10.0	14.3
				-20.1	-16.4
				0.3	
18.0	17.2	12.7	12.7		
2.2	1.2				
				6.7	7.2
-0.6	-0.1			8.3	13.5
-28.3	5.8	-0.1			
-28.2	-61.2	0.2	-9.9	1.8	22.4
15.5	20.7	-0.6	0.8	-1.8	-16.0
-3.0	-4.6	-0.3	7.5	10.2	4.8
<b>26.3</b>	<b>22.9</b>	<b>72.2</b>	<b>66.7</b>	<b>3.6</b>	<b>17.8</b>
-39.5	-26.5	-52.7	-66.9	-3.7	-7.6
-3.6	-5.2				
				0.1	1.3
				-0.6	
					19.8
		-5.3		-5.1	7.4
1.8	5.3	5.9	15.9	7.2	
<b>-41.3</b>	<b>-26.4</b>	<b>-52.1</b>	<b>-51.0</b>	<b>-2.1</b>	<b>20.9</b>
<b>-15.0</b>	<b>-3.5</b>	<b>20.1</b>	<b>15.7</b>	<b>1.5</b>	<b>38.7</b>

## Group accounting policies

### General

The consolidated financial statements comprise the individual subsidiaries' financial statements which have been prepared in accordance with uniform accounting policies. For all companies the financial year ends on December 31.

The consolidated financial statements have been prepared in accordance with the International Accounting Standards (IAS) issued by the International Accounting Standards Committee (IASC).

### Principles of Consolidation

The consolidated financial statements include the individual financial statements of Jelmoli Holding Ltd and of its Swiss and foreign subsidiaries. Group Companies acquired in the course of the year are consolidated from the date of acquisition; companies sold are excluded from consolidation from the date of sale.

The consolidated financial statements include 100 % of assets and liabilities, and income and expenses of all companies in which Jelmoli, directly or indirectly, has a voting interest greater than 50 % or, by other means, has a controlling interest. Minority interest in the net assets and consolidated income are disclosed separately in the consolidated balance sheet and consolidated income statement. All inter-company balances and transactions have been eliminated.

Investments between 20 % and 50 % are accounted for using the equity method, i.e. at the corresponding share of the year-end net asset value. The difference between the current year and the prior year value of the investment appears as a corresponding increase or decrease in «Financial Income» or «Financial Expense» respectively.

Investments of less than 20 % shareholding or considered as insignificant are not consolidated and are included under the caption «Financial Assets» at cost. Any diminution in value of such investments is charged to «Financial Expense».

The major companies included in the consolidation are disclosed on page 8.

### Goodwill

On acquisition the assets and liabilities of a subsidiary are revalued in accordance with uniform group accounting policies. Until 1994, goodwill – the difference between the revalued net asset value and the purchase price – was credited or charged to Group reserves in the year of acquisition. Accordingly, any goodwill from sale of a company first consolidated before 1995 is likewise credited to Group reserves.

Starting from 1995 goodwill is capitalised and amortised over a maximum period of 20 years on a straight-line basis.

### Foreign Currency Translation

All assets and liabilities denominated in foreign currencies are translated at rates of exchange prevailing at balance sheet date, while all income and expense items are translated at average annual rates. Resulting exchange differences are recorded in the consolidation reserves. Exchange differences arising from foreign currency transactions are dealt with in the income statement.

### Financial instruments

To limit corporate currency exchange risks and optimize financial results, the Jelmoli Group employs forward transactions with sale and purchase at corresponding premiums of put and call options on currency and securities transactions. The extent of transactions in this connection is established by the board of directors, likewise the bandwidth of the same for risk limitation purposes. Option transactions are valued at purchase value or closing date, but no higher than market rates, with premiums booked over put and call maturity periods.

### Fixed Assets

Fixed assets (land, buildings, permanent fixtures, furniture and equipment) are stated at historical cost and depreciated using the straight-line method over their estimated useful lives. The estimated useful life is fixed at 60 years (formerly 50 years) for buildings (in consideration of an adequate residual value), 25 years for permanent fixtures (i.e. air conditioning units, lifts, escalators etc.) and 5 to 10 years for furniture and equipment.

### Intangible Assets

Intangible assets mainly consist of information technology system software, either acquired by licence from third parties or developed in-house. The estimated useful life is 5 years (straight-line depreciation).

### Inventories

Inventories are valued at the lower of cost (weighted average cost) and net realisable value. Provisions are made for slow moving and obsolete items.

### Taxes

Income tax is calculated on Group income according to uniform corporate evaluation.

Deferred taxes are calculated according to the balance sheet liability method on temporary differences between corporate and fiscal evaluation of assets and liabilities at a uniform tax rate of 26 % (Previous year 26 %).

The Jelmoli Group balance sheet also includes tax-deductible accrued liabilities. On precautionary grounds their positive fiscal effect is neither booked against income nor charged against provisions for deferred taxes.

### Liabilities

All liabilities with residual terms exceeding one year are classified as long-term liabilities.

All interest-bearing liabilities are disclosed as loans.

### Provisions

Provisions are formed to cover any future obligations reliably foreseen on balance sheet closure date.



### Employee Welfare

All group companies maintain their own employee welfare arrangements, which are legally independent entities and not included in the consolidated financial statements. They are financed by employee and employer contributions. The benefits granted by the entities are based primarily on the employees' number of years' service and on the average salary in the final years of active employment. Net assets are periodically subject to actuarial valuation following the «Projected Unit Credit Method».

### Currency translation rates

The following exchange rates were applied for translating the US dollar and EURO as main Group trading currencies into Swiss francs (prior year rates in brackets):

	Balance sheet	Income statement
US dollar	CHF 1.638 (1.5975)	CHF 1.689 (1.5024)
EURO	CHF 1.5224 (1.6051)	CHF 1.5576 (1.6004)

### Changes in scope of consolidation

The scope of consolidation was increased by the following company acquired during the year under review:

Service 7000 AG, Netstal GL (50%) per 1.1.2000

The effects of this new fully consolidated company on the consolidated accounts are insignificant.

## Consolidated income statement (page 26)

### 1 Gross turnover

Under details on the Retail Trade segment on pages 9 to 17, an analysis is presented of turnover by:

- Jelmoli AG (Jelmoli Zurich, Molino Restaurants, Beach Mountain, Fashion Bazaars)
- Dipl. Ing. Fust AG (incl. Service 7000 AG)
- Portable Shop Schweiz AG (incl. Digital Home)

This also includes a detailed analysis, in particular of turnover comparable with the previous year.

The 5.6% increase in Group turnover (comparable: +5.9%) is attributable to all divisions. Comparable turnover of Jelmoli Zurich rose by 10.1% (comparable: +7.2%). While book turnover of Fust AG declined by 5% (comparable: +3.3%) due to transfer of the Digital Home range to Portable Shop, turnover of the latter increased all the more by 69.3% (comparable: 12.8%).

### 2 Sales deductions

Sales deductions mainly comprise value added tax, bad debt losses, staff discounts, and discounts granted to regular customers on specific limited product lines.

### 3 Rental income

Rental income from external partners rose from CHF 58.0 million to CHF 63.1 million (+5.1 million CHF, +8.8%). These figures do not include rentals charged to own retail locations (in particular to Jelmoli Zurich and Fust AG by Jelmoli Real Estate and by Dipl. Ing. Fust AG to own branches) totalling CHF 19.2 million (prior year: CHF 18.1 million). See "Elimination" column.

The overall situation in the real estate segment is reflected by non-consolidated rental income (i.e. including rentals charged to own retail locations at market conditions), which rose by CHF 6.2 million (8.1%) to CHF 82.3 million. Taking into account the sale of a few less profitable properties with complex ownership conditions, the comparable rise is around 10%. Furthermore, a good many tenants again attained turnovers exceeding for the first time the minimal rental limit and started paying turnover-linked rentals.

Under details on the Retail Real Estate segment on pages 18 to 23, an analysis is presented of rental income by:

- Jelmoli AG
- Dipl. Ing. Fust AG
- Jelmoli USA

This also includes a detailed analysis, in particular of rental income comparable with the previous year, location quality, utilization mode, vacant floor areas, minimal and turnover-linked rentals, and duration of rental terms.

### 4 Other income

Other income mainly includes services earnings (Shopping Bonus Card commissions, Jelmoli Zurich and real estate management services) and book profit on property sales.

### 5 Cost of sales

Cost of sales also includes costs in connection with services rendered by third parties. Discounts granted are deducted from cost of sales. Cost of sales decreased by 0.5 percentage points to 53.0 percentage points of total income.

### 6 Staff costs

Staff costs were as follows (in CHF million):

	2000	1999
Wages and salaries	158.1	144.9
Social security contributions	16.7	14.7
Pension fund contributions	5.1	4.8
Other personnel expenses	12.4	17.6
Total staff costs	192.3	182.0

Staff costs have not changed in relation to net turnover.

The average number of full-time staff increased to 2239 employees (previous year: 2220).

Turnover per employee increased by 4.6% to CHF 0.429 million (previous year CHF 0.410 million).

### 7 Other operating expenses

About a third of these comprise on one hand outlay for advertising and displays. The two remaining thirds of other operating expenses mainly arise from rental charges, maintenance and repair outlay, marketing and administration costs, general expenditure and capital taxes. The ratio of other operating expenses to net turnover has decreased slightly.

## 8 Depreciations

The depreciation rates applied to fixed assets in each category are disclosed in the Group Accounting Principles under Fixed Assets, Intangible Assets and Goodwill. Actual depreciation figures are given in the Analysis of Fixed Assets (page 29 and note 20).

## 9 Operating results

(EBIT: Earnings before interest and taxes)

Segment operating results are disclosed as follows (see segment information on page 27):

- Retail Trade
- Retail Real Estate
- Finance (including holdings)

For details on results development compared with the previous year, see pages 9 to 23.

### a) Retail Trade (Jelmoli Zurich, Fust, Portable Shop, Molino Restaurants, Beach Mountain, Fashion Bazaars)

The 15.5 percent rise of CHF 6.8 million in operating income to CHF 50.7 million is primarily attributable to improvement of Fust AG consumer electronics business.

### b) Retail Real Estate (Jelmoli AG, Fust AG, Jelmoli USA)

The 8.5 percent rise of CHF 4.7 million to CHF 60.3 million is due to first rentals of floor areas not previously utilized in existing properties, also largely to turnover-linked rental income.

### c) Finance (including holdings)

The operating result comprises ongoing costs of CHF 5.1 million (prior year: CHF 4.8 million) and goodwill amortization on the acquisitions of Dipl. Ing. Fust AG and Portable Shop Schweiz AG totalling CHF 6.7 million (prior year: CHF 7.2 million).

## 10 Financial income

Interest and securities income, including securities trading and premium income from derivative transactions with foreign exchange and stock indices, amounted to CHF 43.0 million (previous year: CHF 41.6 million). See also note 40. Investment income resulting from non-consolidated investments was insignificant and matched that of the previous year.

For the first time, profit on trading with own shares during the year under review was not booked to income.

## 11 Financial expense

Interest expense of CHF 33.0 million (previous year: CHF 27.3 million) was mainly incurred for the servicing of debentures, mortgages, loans, pension fund loans and personnel deposits. The rise in interest expense is primarily attributable to higher interest rates and the increase in long-term loans.

## 12 Income taxes

Income taxes are made up as follows (in CHF million):

	2000	1999
Group income before tax	109.2	101.8
Tax expense (tax rate 23.0%; prior year 20.6%)	25.1	21.0
Less tax relief on accrued losses	-3.9	-5.2
Other influences	-1.1	0.6
Net tax expense	20.1	16.4
Composition:		
Current income taxes	11.7	13.1
Deferred income taxes	8.4	3.3
	20.1	16.4

Corporate accrued tax-deductible losses are as follows. As in previous years, full account is taken of their positive effect on taxes:

in CHF million	Valid until	2000	1999
	after 2003	42.3	
	2003	3.8	9.0
	2002	6.2	13.6
	2001	0.7	0.7
Total accrued losses		53.0	23.3

## 13 Minority interests on Group net profit

Minority interests in fully consolidated companies comprise:

- Portable Shop Schweiz AG (22.5 % company management)
- Service 7000 AG (50 % since 1.1.2000)

## 14 Group net profit

Net profit rose by 4.7 % to CHF 89.4 million (prior year: CHF 85.4 million). In the year under review, trading profit of CHF 8.2 million on own shares could for the first time no longer be booked to net income. Taking account of this, Group profit comparable with prior year is CHF 97.6 million. The dividend proposal per bearer share of CHF 46.– (previous year: CHF 44.–) is equivalent to a distribution rate of 31 % (prior year: 33 %).

## 15 Shares outstanding

The change in number of dividend-entitled shares outstanding is due above all to a further 4.0 percent share repurchase:

Number of shares	Bearer shares	Registered shares	Bearer shares equiv.
<b>Original status issued prior to AGM</b>	<b>463 181</b>	<b>1 446 354</b>	<b>752 452</b>
Less shares capital reduction 2000	- 50 000	- 125 000	- 75 000
<b>Original status outstanding after AGM</b>	<b>413 181</b>	<b>1 321 354</b>	<b>677 452</b>
Less own shares	-62 832	- 2 004	-63 233
<b>Original status outstanding</b>	<b>350 349</b>	<b>1 319 350</b>	<b>614 219</b>
Conversions	5 844		5 844
Own share trading	-21 663	-10 349	-23 733
<b>Final status outstanding</b>	<b>334 530</b>	<b>1 309 001</b>	<b>596 330</b>
Plus own shares	84 495	12 353	86 966
<b>Final status issued</b>	<b>419 025</b>	<b>1 321 354</b>	<b>683 296</b>

Conversion rights remaining on the 2.5% bond issue 1994–2001 and the 1.25% bond issue 1998–2004 are furthermore secured by conditional capital totalling 71 496 bearer shares:

<b>Final status outstanding</b>	<b>334 530</b>	<b>1 309 001</b>	<b>596 330</b>
Conditional capital	71 496		71 496
<b>Final status diluted</b>	<b>406 026</b>	<b>1 309 001</b>	<b>667 826</b>

## 16 Earnings per bearer share (EPS)

Earnings per bearer share outstanding rose in 2000 by 12.8 percent to CHF 150 per bearer equivalent (prior year: CHF 133). This is attributable to a 4.7 percent rise in Group profit and a 7.4 percent reduction in the number of shares outstanding.

Including conditional capital, earnings per bearer share for 2000 were CHF 134 (fully diluted).

Including trading profit on own shares, comparable Group profit per share amounts to CHF 164.

## 17 Invested operating capital

Invested operating capital for the two segments Retail Trade and Retail Real Estate is made up of fixed and intangible assets, inventories, trade accounts receivable and respective proportions of other receivables, prepaid expenses and accrued income, cash and bank (operating assets), less trade accounts payable and respective proportions of other liabilities, and accrued expenses and deferred income (operating liabilities).

Real estate value currently totals CHF 740.4 million (CHF 99.1 million land, CHF 550.2 million buildings, CHF 103.4 million fixed integrated fittings and current assets, less CHF 12.3 million liabilities), from which rental income in 2000 totalled CHF 82.3 million. With expected rental income in 2001 of CHF 85 million only based on existing contracts and capitalized at 7% (gross), the current market value of real estate totals CHF 1 214 million.

Invested operating capital in the financial/holding segment comprises proportions specific to this segment together with those not belonging to operative segments.

## 18 Return on invested capital (ROIC)

Return on invested capital is the ratio of operating income (EBIT) to invested operating capital.

ROIC of 12.0% for the retail trade segment declined by 0.5 percentage points compared with prior year.

ROIC of 8.1% for the retail real estate segment (+0.2 percentage points) and gross return of 11.1% (prior year: 10.9%) on real estate (rental income as a percentage of operating capital) reflect the substantial sleeping reserves included in the IAS residual values for real estate assets.

## 19 Return on Equity (ROE)

Return on equity rose by 3.4 percentage points to 20.7% (prior year: 17.3%) due to the combined effect of profit increase and share repurchases. Including trading profit on own shares, comparable return on equity amounts to 22.6 percent.

## Consolidated Balance Sheet (page 28)

## 20 Fixed assets / analysis (see table on page 29)

Capital expenditure during the year under review was primarily incurred by conversions at Jelmoli Zurich (new basement opening with Gourmet and Multimedia Factory), new Molino restaurants in Geneva and Montreux, and property conversions in Geneva, Carouge and Otelfingen. Furthermore, some of the Dipl. Ing. Fust AG consumer electronics sales floor areas were adapted to the SoundVision-Fust concept.

## 21 Goodwill (see table on page 29)

The net decline is attributable to goodwill amortization during the year under review. The increase due to first consolidation of Service 7000 is insignificant.

## 22 Financial assets

These comprise participations and loans to nonconsolidated subsidiaries.

The increase in financial assets is mainly attributable to the acquisition of IQA AG and to prepaid leasehold interest charges.

## 23 Inventories

The increase in inventories is equally attributable to expansion of the Portable Shop chain and to higher Dipl. Ing. Fust AG inventories.

Inventories are valued in accordance with the Group accounting principles.

## 24 Trade accounts receivable

These comprise turnover by Shopping Bonus Card holders, together with credit sales and receivables with respect to Dipl. Ing. Fust AG leasing agreements.

Del-credere risks are adequately covered by setting aside an appropriate provision of CHF 4.4 million.

## 25 Other receivables

These mainly include receivables from suppliers, pension funds and fiscal authorities.

## 26 Marketable securities

Securities held are not significant. They are valued at the lower of cost or market price.

## 27 Liquid assets

Liquid assets include petty cash, post office cheque accounts and bank sight and time deposits. Changes compared with the previous year are analyzed in the cash flow statement on page 30.

## 28 Share capital

Details on share capital composition and changes are given in note 15.

## 29 Shareholders' equity

The table on page 29 shows changes in shareholders' equity during 2000, and in particular the effects of share repurchases and transactions with own shares.

Own shares are held at stated cost (see note 15) and have been directly deducted from shareholders' equity.

Shareholders' equity as a percentage of total assets declined from 34.6% to 28.4% as a result of the above-mentioned transactions.

Taking into account the significant added value on real estate value and the market value of own shares, the equity to total assets ratio is about 50 percent.

Capital reserve and reserve for own shares are nonappropriable.

Group reserves are subject to appropriation limitation with regard to any shareholders' equity components of subsidiaries contained therein which are legally nonappropriable. Furthermore, future appropriations by subsidiaries are reduced by income tax and legal reserve regulations.

## 30 Minority interests

The change in minority interests is attributable to the first-time consolidation of Service 7000 AG (50% since 1.1.2000).

## 31 Long-term loans

Long-term loans comprise the following (all denominated in Swiss francs):

- 2.5% convertible bond issue 1994–2001 in the amount of CHF 2.1 million (after conversion of CHF 47.9 million from 1997 to 2000).
- 1.25% convertible bond issue 1998–2004 in the amount of CHF 150 million nominal, less shareholders' equity component according to IAS 32 (CHF 8.5 million).
- 4.125% warrant issue 2000–2006 in the amount of CHF 200 million.
- Bank term loans with 1 to 4-year maturity periods and variable interest rates based on LIBOR plus an additional margin. These loans are secured by mortgages to the extent of CHF 40 million. Bank term loans are subject to specific conditions which were complied with at all times.
- Loans of CHF 0.1 million from the pension funds (prior year: CHF 3.5 million), disclosed under other long-term liabilities.
- Personnel deposits in the amount of CHF 5.9 million (prior year: CHF 7.0 million), disclosed under other long-term liabilities.

## 32 Provision for deferred taxes

Provision for deferred taxes applies to the following balance sheet items (in CHF million):

	2000	1999
Trade receivables	2.1	1.9
Other assets	8.7	7.7
Inventories	10.1	9.8
Tangible fixed assets	54.9	47.8
Reserves and other liabilities	3.1	3.4
Total provision for deferred taxes	78.9	70.6

## 33 Provisions

Provisions developed as follows in the year under review (in CHF million):

	Guarantee provision	Total	1999
Status per January 1	1.9	1.9	2.0
Formation	–	–	–
Utilization	0.6	0.6	0.1
Rebookings	–	–	–
Changes in scope of consolidation (conversion difference)	–	–	–
Status per December 1	1.3	1.3	1.9

## 34 Trade accounts payable

The increase of CHF 7.9 million in trade accounts payable is attributable to status at balance sheet closure.

## 35 Short-term loans

These comprise short-term bank loans.

## 36 Other short-term liabilities

Other short-term liabilities primarily include CHF 4.5 million gift coupons not yet redeemed (prior year: CHF 4.8 million), CHF 7.0 million tax liabilities (prior year CHF 6.0 million) and CHF 32.6 million customer downpayments (prior year CHF 24.7 million).

## 37 Other financial liabilities

- Contingent liabilities
  - There are no contingent liabilities of any significance.
- Long-term leasehold and rental commitments
  - Long-term leasehold and rental contracts exist for premises occupied by the Group. Residual terms on leasehold contracts are between 20 and 93 years, and between 1 and 16 years on rental contracts. Future commitments arising therefrom amount to CHF 89.3 million (previous year: CHF 96.3 million).
- Future investments
  - Per 31.12.2000 investments totalling around CHF 240 million were approved (shopping centre construction in La Praille, Geneva and in St. Gall, extensions at Jelmoli Zurich, parking garage acquisition in Locarno).
- Leasing liabilities
  - There are no significant unbalanced leasing liabilities.

### 38 Board of Directors and related parties

As in the previous year, no amounts are due from or to Board members and major shareholders.

Total expense for the Board of Directors of Jelmoli Holding Ltd. amounts to CHF 0.4 million for the year under review. The average fee of Board members is CHF 50 000 per annum.

For greater orientation to long-term shareholder interests, a share option plan exists for the Board of Directors and Executive management. 30 to 100 percent of the variable component of senior executive salaries must be taken in form of share options at market value, and 50 percent of all Board member fees. These options are valid for three years (JELGO 2, 3, and 4; see also notes to the Jelmoli Holding Ltd. accounts).

The JELGO 1 options expiring in 2000 were repurchased by the company at market value on maturity.

Transactions with related parties are exclusively executed at market-conform conditions.

### 39 Employee welfare

Some of the main Group pension funds are based on the benefit primacy principle. Retirement benefits due to employees covered by these funds are based on a defined percentage of expected salary in the years prior to retirement, and depend on the number of years of service.

Actuarial valuation of defined benefit plan pension funds is based on IAS 19 (revised), and cover both benefit primacy plans and pension plans with certain benefit primacy components (the latter as of 1.1.2000) as well as welfare foundations.

Any employer reserves were capitalized in prior year and are booked under Other Assets.

The situation with regard to benefit primacy pension funds is as follows (in CHF million):

	2000 <sup>1</sup>	1999
Pension fund assets at market values	509.8	381.7
Pension fund obligations	455.4	338.6
Coverage surplus/deficiency	54.4	43.1
of which capitalized	-30.0	-30.0
non-capitalized coverage	24.4	13.1

<sup>1</sup> 2000 limited to pension fund

Actuarial profit and loss according to periodic calculations is only shown if amounting to 10% of assets or obligations, whichever the higher. Sums exceeding this tolerance are amortized over the average remaining service time of employees covered.

The following actuarial parameters were applied in 2000: Discount rate 5% (prior year 5%), Return on assets 5.25% (prior year 5.5%), rate of increase in wages and salaries 3% (prior year 3%), rate of increase in retirement benefit 1% (prior year 1%).

Individual Swiss BVG pension plans of low significance are booked as before on the contribution primacy principle.

Pension fund expenses are made up as follows (in CHF million):

	2000	1999
Expenses for contribution primacy plans	0.9	3.4
Expenses for benefit primacy plans	4.2	1.4
	5.1	4.8

Expenses for benefit primacy plans are made up as follows (in CHF million):

	2000 <sup>1</sup>	1999
Performance costs	6.9	4.1
Interest expense on claims	18.6	17.0
Expected income from nonappropriated assets	-21.3	-19.7
Total pension fund expenses	4.2	1.4

<sup>1</sup> 2000 including Dipl. Ing. Fust AG

### 40 Financial instruments

To limit corporate currency exchange risks, the Jelmoli Group employs forward transactions complying with the corporate guidelines for currency risk management. Forward transactions open per 31.12.2000 were as follows (previous year in parentheses)

(in CHF million):

Currency	Contract value <sup>1</sup>	Market value	Difference
EURO	3.2 (0.0)	3.2 (0.0)	0.0 (0.0)

<sup>1</sup> less provisions

Financial results are optimized by purchase and sale of option contracts within set limits. Associated risks are limited by means of stop-loss transactions. Option sales contracts as per 31.12.2000 were to the following amounts (previous year in parentheses)

(in CHF million):

	Basic value	Market value of options
Sale of put and call options on currency transactions (EURO)	30.4 (0.0)	0.3 (0.0)

Market values

The balance values of cash and securities, receivables, short-term liabilities and interest-carrying liabilities comply practically with fair values according to IAS taking into account that conversion components are divided into loans and equity (near Fair Value IAS).

### 41 Events subsequent to balance sheet settlement date

Per 1.1.2001 Jelmoli Holding AG acquired a 44.5% participation in Tivona AG, Basle.

The acquisition price is fully covered in form of Jelmoli bearer shares as payment in kind for capital increase by Tivona AG.

As of mid-2003 the remaining 55.5% will be acquired (merger).

## PROSPECTS

### Prospects 2001

In the second half of 2000 and first quarter 2001, consumer purchasing improved substantially thanks to less unemployment, stabilized inflation and interest rates, and a significant rise in personal spending power for the first time in years. The consumer purchasing index rose again in January 2001 to an all-time high of 25 index points (prior year: 10 points). This exceeds the record level reached in the early nineties. Consumers are particularly optimistic with regard to future economic growth and their personal financial situation. They are not (yet) ready to invest in long-lived consumer goods, however – a situation which we expect to improve rapidly.

This creates a good basis for all Jelmoli Group companies, in particular Dipl. Ing. Fust AG and Portable Shop Schweiz AG, as well as for the retail real estate segment with its turnover-linked rental income.

### Retail Trade

For the fifth time in succession, Jelmoli Zurich turnover development during the first few months of this year significantly exceeded that of prior year as well as the market trend. The basement extensions of autumn 2000 (Gourmet Factory, new MultiMedia Factory), the new shop openings since then (La Mer, Origin, Orwell, GAP), and the bedlinen and children's fashion department renovations planned for summer 2001 will significantly enhance turnover and earnings still further.

Dipl. Ing. Fust AG expects demand accumulated during the recession to hit the market this year above all in kitchen/bathroom renovations, but also in the domestic appliances segment. Repositioning of the consumer electronics segment as SoundVision-Fust was very successful in the second half of 2000. On this favourable basis with a greater market share, we expect significantly improved mid-year results for 2001.

Portable Shop Schweiz AG will grow steeply again with the newly opened branches and Digital Home shops. After the startup costs of 2000, considerably higher profitability is expected.

An overall operating income of CHF 55 to 60 million is expected for the retail trade segment (prior year CHF 50.7 million).

### Retail Real Estate

Thanks to long-term turnover-linked rental contracts (with fixed minimal rentals), we can participate profitably in economic upswing and inflation phases. Numerous tenants already paid substantial turnover-linked rentals in 2000 (in particular Jelmoli Zurich, Globus Geneva, Lucerne and Neuchâtel, and Migros Rapperswil) while others are about to do so. The favourable consumer purchasing trend therefore opens up good profitability prospects.

However, sales floor reutilization potential has largely been exploited, and additional rental income from extensions and new developments will not be due until 2003.

An overall operating income of CHF 62 to 65 million is expected for the retail trade segment (prior year CHF 60.3 million).

### Finance segment (including Jelmoli Holdings)

Operating income of the finance segment is expected to match the prior year level (CHF -11.8 million).

### Financial income

Due to higher debt, financial income is expected to decline to between CHF 5 and 10 million (prior year: CHF 10.0 million).

### Taxes

Due to the tax effect of losses carried forward from prior year, the tax rate of 18.4 percent for 2000 was unusually low. For the next few years we reckon with a higher tax rate, which will have a dampening effect on earnings growth.

### Group net profit

Based on the prospects outlined above, we expect Group net profit 2001 to rise by about 5 percent.

Steep profitability rises are not expected again until 2003, when the first large development projects and the Tivona AG merger will take effect.

The proceeds from several successful share repurchases in recent years will now be used for financing our substantial growth.

### Group net profit including trading profit on own shares

Due to the sale of about 55 000 bearer shares to Tivona AG (not fully consolidated) trading with own shares again this year 2001 already shows a profit.

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REPORT OF THE STATUTORY AUDITORS TO THE GENERAL  
MEETING OF JELMOLI HOLDING LTD, ZURICH

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As statutory auditors, we have audited the accounting records and the financial statements on pages 40 to 43 (balance sheet, income statement and notes) of Jelmoli Holding Ltd. for the year ended December 31, 2000.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentati-

on. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with the Swiss law and the company's articles of incorporation.

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

 Fides Peat

Peter Hess  
Swiss Certified  
Accountant  
Auditor in Charge

Raphael Arnet  
Swiss Certified  
Accountant  
Auditor in Charge

Zurich, March 9, 2001

## INCOME STATEMENT JELMOLI HOLDING LTD

	2000	1999
	in CHF	in CHF
<b>INCOME</b>		
Income from participations	54 683 088	5 501 652
Financial yield	50 046 190	42 113 018
Net income from sale of participations	0	2 337 500
Other income	2 878 083	1 115 777
Income from writing back of provisions	0	100 000 000
	<b>107 607 361</b>	<b>151 067 947</b>
<b>EXPENDITURE</b>		
Financial expenditures	21 632 997	12 522 357
Administration expenditures	5 785 144	7 243 590
Depreciation and revaluation	0	285 000
Taxes	2 549 053	2 509 197
	<b>29 967 194</b>	<b>22 560 144</b>
<b>PROFIT FOR THE YEAR</b>	<b>77 640 167</b>	<b>128 507 803</b>



**BALANCE SHEET JELMOLI HOLDING LTD**

	31.12.2000	31.12.1999
	in CHF	in CHF
<b>A S S E T S</b>		
Participations and long-term loans	619 474 802	690 085 820
<b>Fixed Assets</b>	<b>619 474 802</b>	<b>690 085 820</b>
Accounts receivable		
– Group subsidiaries	241 233 914	96 633 518
– Third parties	4 964 516	493 967
Prepaid expenses and accrued income	4 937 734	3 553 569
Securities	188 920 399	176 858 276
Cash and bank	11 487 075	44 426 143
<b>Current Assets</b>	<b>451 543 638</b>	<b>321 965 473</b>
	<b>1 071 018 440</b>	<b>1 012 051 293</b>
<b>L I A B I L I T I E S</b>		
Share capital	34 164 790	37 622 590
Capital reserves	76 048 324	100 637 745
Unappropriated profit		
– General reserve	17 550 000	17 550 000
– Reserve for own shares	187 000 000	176 300 000
Balance sheet profit		
– Brought forward from previous year	0	4 959 809
– Annual profit	77 640 167	128 507 803
<b>Shareholders Equity</b>	<b>392 403 281</b>	<b>465 577 947</b>
Long-term borrowed capital		
– Financial liabilities	552 045 000	457 895 000
– Provisions	27 059 059	27 059 059
Short-term borrowed capital		
– Group subsidiaries	86 410 948	52 791 122
– Third parties	250 086	372 552
– Accrued expenses and deferred income	12 850 066	8 355 613
<b>Borrowed Capital</b>	<b>678 615 159</b>	<b>546 473 346</b>
	<b>1 071 018 440</b>	<b>1 012 051 293</b>

**1. Contingent liabilities**

Jelmoli Holding Ltd guarantees fulfilment of the financial obligations of Jelmoli Group companies within the framework of existing credit agreements to the extent of CHF 236.8 million (prior year CHF 214.8 million).

**2. Pledged assets, retentions of title**

There are no pledged assets or retentions of title.

**3. Lease commitments**

There are no lease commitments outstanding not shown by the balance-sheet.

**4. Fire insurance value**

The company owns no real estate positions.

**5. Pension fund liabilities**

There are no liabilities toward pension funds.

**6. Bonds**

2.5 % convertible bonds 1994–2001 were issued on October 26, 1994 to the amount of CHF 50 million. Each bond of nominal value CHF 5000 can be converted at any time into 5 bearer shares at CHF 1000 each. The conversion rights of bond holders are secured by the authorized share capital increase of 50 000 bearer shares on April 26, 1994 (see note 10).

During the year under review a further 1168 bonds were converted, thus reducing the amount outstanding on this issue to CHF 2.055 million.

Per August 17, 1998 a 1.25 % convertible bond issue 1998–2004 to the amount of CHF 150 million was undertaken. These bonds of par value CHF 5000 each can be converted at any time into 2.314815 bearer shares. The conversion price is CHF 2160 per bearer share. The 1999 General Meeting approved release of this security by a conditional share capital increase of up to 69 445 bearer shares (see note 10).

During the year under review the first CHF 10 000 of this issue was converted into 4 Jelmoli bearer shares, thus reducing the sum outstanding to CHF 149.99 million.

Per February 7, 2000 Jelmoli Holding further undertook a 4.125 % bond issue 2000–2006 to the amount of CHF 200 million.

**7. Investments**

Please refer to «Group structure» as per December 31, 2000 (page 8).

**8. Release of hidden reserves**

No hidden reserves were released.

**9. Revaluations**

No revaluations were undertaken.

**10. Own shares and reserves for own shares held / authorized or conditional share capital**

**a) Share capital / Conditional share capital**

In accordance with decision of the 1999 General Meeting, the capital structure per 31.12.1999 was modified as follows:

463 181 bearer shares	
at par value CHF 50.– each	CHF 23 159 050
1 446 354 registered shares	
at par value CHF 10.– each	CHF 14 463 540
Total share capital	CHF 37 622 590

The remaining 7 895 bearer share conversion rights on the 2.5 % bond issue 1994–2001 and 69 445 on the 1.25 % bond issue 1998–2004 were secured per 31.12.1999 by conditional capital totaling CHF 3 867 000.

In the year under review 5840 bearer shares were converted from the 2.5 % bond issue and 4 bearer shares from the 1.25 % issue. Remaining conversion rights are thus reduced to 71 496 bearer shares or a conditional capital of CHF 3 574 800. Share capital has increased by CHF 292 200 accordingly.

In August, 1999 the company repurchased 30 000 bearer shares at average price CHF 1 495 and 75 000 registered shares at average price CHF 299 from a few institutional investors and the majority shareholder Walter Fust for capital reduction purposes. In February 2000 another 20 000 bearer shares at average price CHF 2 070 and 50 000 registered shares at average price CHF 414 were repurchased.

The General Meeting from May 9, 2000 approved the elimination of these shares, thus reducing share capital by CHF 3 750 000.

The capital structure per 31.12.2000 was therefore as follows:

419 025 bearer shares	
at par value CHF 50.– each	CHF 20 951 250
1 321 354 registered shares	
at par value CHF 10.– each	CHF 13 213 540
Total share capital	CHF 34 164 790

**b) Own shares**

The company and its subsidiaries held 84 495 own bearer shares and 12 353 own registered shares. Own shares are included under «Marketable securities». A reserve for own shares amounting to CHF 187.0 million has been raised by reducing free reserves by the same amount.

## NOTES TO THE ANNUAL ACCOUNTS OF JELMOLI HOLDING LTD

Own shares are used for the following purposes:

	Bearer shares	Value in CHF million	Registered shares	Value in CHF million
Retained for execution of options	10 105		–	
Freely available	<u>19 390</u>		<u>12 353</u>	
Total per 1.1.2001	29 495		12 353	
Tivona acquisition financing	<u>55 000</u>			
Total per 31.12.2000	84 495	181.1	12 353	5.8
Total per 31.12.1999 <sup>1</sup>	62 832	108.5	2 004	0.6
Repurchases in 2000	60 234	138.8	12 403	5.9
Sales in 2000	-38 571	-74.1	-2 054	-0.9
Trading profit		8.0		0.2

<sup>1</sup>excluding capital reduction shares

Per 31.12.2000 the company held a total of 84 495 own bearer shares and 12 353 own registered shares, of which 10 105 provide reserve coverage for the JELGO2, JELGO3 and JELGO4 management options.

About 55 000 bearer shares were reserved for financing the 44.5 % acquisition of Tivona AG, Basle per 1.1.2001. The following options were also held:

Option name	Execution deadline	Price CHF	Ratio	Share type	Number <sup>1</sup> of options	shares
JELBA	4.5.2001	2 400	100:1	BS	1.2 million	

The following options were issued:

JELPU (Put)	15.6.2001	2 150	100:1	BS	2.0 million	–
JELGO2	18.01.2002	1 575	1:1	BS	1 973	1 973
JELGO3	18.12.2002	2 000	1:1	BS	4 132	4 132
JELGO4	19.12.2003	2 750	1:1	BS	4 000	4 000

<sup>1</sup>Number of Jelmoli Holding options/reserve shares

### 11. Major shareholders

As of December 31, 2000 the majority shareholder Walter Fust held directly and indirectly 61.6 % of voting shares and 38.2 % of share capital. Ursula Hauser-Fust and family hold 8.0 % of voting shares and 4.1 % of share capital.

According to entries in the share register, ownership of the remaining registered shares is widely distributed. No shareholder other than Walter Fust and Ursula Hauser-Fust holds more than 5 % of registered shares.

**BOARD OF DIRECTORS, STATUTORY AUDITORS,  
GROUP AUDITOR, PROPOSALS TO THE GENERAL MEETING**

<b>BOARD OF DIRECTORS, STATUTORY AUDITORS, GROUP AUDITOR</b>			
Walter Fust*, Präsident, Ittigen/BE	2001	<i>KPMG Fides Peat</i> , Zürich,	2001
Carlo Magri*, Kilchberg/ZH	2001	statutory auditors and Group auditor	
Dr. Peter Leumann*, Pfäffikon/ZH	2001		
Prof. Dr. Hugo Tschirky, Zurich	2003	* Member of the Board Committee	
Regula Mann-Freihofner, Zurich	2004		
Daniel Bürki, Auvornier/NE	2003		
Ursula Hauser-Fust, Henau/SG	2001		
Prof. Dr. Christian Belz, Grub/SG	2001		

**THE BOARD OF DIRECTORS' PROPOSAL TO THE GENERAL MEETING**

**Appropriation of retained earnings 2000**

**Available retained earnings of Jelmoli Holding Ltd at the disposal of the General Meeting on May, 8, 2001**

in CHF	2000	1999
Profit for the year	77 640 167	128 507 803
Retained earnings carried forward		
– according to the report of the previous year	5 121 976	7 981 109
– reduced dividend 1999 due to change in dividend-entitled shares per payment day of dividends	1 079 100	
– allocation to reserves for own shares	-6 201 076	-3 021 300
<b>Retained earnings at the disposal of the General Meeting</b>	<b>77 640 167</b>	<b>133 467 612</b>

**Proposed appropriation of retained earnings**

in CHF	2000	1999 <sup>1</sup>
– 334 530 shares at par value CHF 50.–:		
CHF 46.– per dividend-entitled bearer share (1999 CHF 44.–)	15 388 380	16 295 356
– 1 309 001 shares at par value CHF 10.–:		
CHF 9.20 per dividend-entitled registered share (1999 CHF 8.80)	12 042 809	12 050 280
– Allocation to free reserve	45 000 000	100 000 000
<b>Carried forward to new account</b>	<b>5 208 978</b>	<b>5 121 976</b>

<sup>1</sup> Resolution by the annual general meeting of May 9, 2000

**Subject to approval by the Annual General Meeting, dividend payments will be as follows:**

Per bearer share, coupon Nr. 8	CHF 46.–	Per registered share	CHF 9.20
less 35 % withholding tax	CHF 16.10	less 35 % withholding tax	CHF 3.22
Net dividend per bearer share	CHF 29.90	Net dividend per registered share	CHF 5.98

Dividends will be paid as of May 15, 2001. Dividends on bearer shares will be paid out in the headquarters and at all bank branches of Credit Suisse and Credit Suisse First Boston, UBS AG, Bank Leu AG and Bank Sarasin & Cie. Dividends on registered shares will be transferred directly to the respective shareholders.

The 2000 annual accounts have been audited by *KPMG Fides Peat*, Zurich as statutory auditors and group auditor (cf. pp. 25/39), who have reported to the Board of Directors accordingly.

**Elections**

The terms of office of Ursula Hauser-Fust, Walter Fust, Carlo Magri, Peter Leumann and Prof. Christian Belz end on the date of the General Meeting 2001. The Board of Directors proposes these members for re-election to a further 4-year term of office. Klaus Wecken, German citizen resident in Lörrach (D), is proposed as additional Board member for a 4-year term of office.

The statutory auditors of Jelmoli Holding Ltd. and group auditor are elected each year. *KPMG Fides Peat*, Zurich, elected as statutory auditors and group auditor at the 2000 Annual General Meeting, will be proposed for re-election.

Zurich, March 9, 2001

On behalf of the Board of Directors  
Walter Fust, Chairman

## EXECUTIVE MANAGEMENT

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### J E L M O L I   H O L D I N G   A G

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Dr. Peter Leumann	Chief Executive Officer
Roland Walder	Treasury/Controlling/Investor Relations (CFO as from 1.1. 2001)
Dr. Robert Känzig	Secretary General/Press

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### R e t a i l   T r a d e

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#### Jelmoli Sales<sup>1</sup>

Jelmoli Zurich	
Robert M. Fieg	Managing Director
Martin Kelterborn as from 1.1.01	PR/Event-Marketing/Shop-in-Shop
Mario Ritter	Ladies/Men's/Children's fashion
Urs Kyburz	Household/Intérieurs/Paper
Marcel von Arx	Sport/Toys
Regula Keller	Beauty/Accessoires
August Hanselmann	Services/Sales/Household/Intérieurs/Paper
Nicole Messi	Personnel
Franz Stalder	Controlling

#### Specialities

Alfred Steiner	Restaurants
Kurt Brunner	Fashion Bazaars
Patrik Rohde	Beach Mountain

#### Services

Thomas Lingner a.i.	Organization/Information Technology/Shopping Bonus Card
Martin Freimüller	Administration/Accounting
Anton Locher	Technical Services
Hans-Peter Steffen	Internet, E-Commerce, Database Marketing

#### Fust Sales<sup>2</sup>

Dr. Erich Bohli	Managing Director
Eugen Forster	Electro domestic appliances
Thomas Giger	SoundVision-Fust
Andreas Gschwind	Kitchen/Bathroom Renovations
Simon Roesti	Nova-Casa general contractor
Markus Gauch	Engineering/Logistics
Manfred Staub	Finance/Administration
Martin Reithebuch	Service 7000 AG

#### Portable Shop<sup>3</sup> / Digital Home<sup>3</sup>

Thomas Stiefel, Guy Thouin	Managing Director
Patrik Meyer	Product marketing
Marco Röllin	Sales
Gérard Schönrock	Accounting

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### R e t a i l   R e a l   E s t a t e

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#### Jelmoli<sup>1</sup> Real Estate

Alain Rolland	Managing Director
Gerd Laube	Real Estate (German speaking part of CH)
Frank Desmarais	Real Estate (French speaking part of CH)
Pierre Tschumper	Administration

#### Fust<sup>2</sup> Real Estate

Dr. Erich Bohli	Managing Director
Simon Roesti	Real Estate

<sup>1</sup> Segment of Jelmoli AG

<sup>2</sup> Segment of Dipl. Ing. Fust AG

<sup>3</sup> Segment of Portable Shop Schweiz AG

Status per year-end 2000

## BUSINESS ADDRESSES

### JELMOLI HOLDING AG / JELMOLI AG

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#### JELMOLI HOLDING AG

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##### Group Headquarter

**8001 Zürich**, St. Annagasse 18

Tel.: 01/220 44 11, Fax: 01/220 40 10

Registered Office: Seidengasse 1, 8001 Zürich

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#### JELMOLI AG

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##### Head Office

Jelmoli Zürich and Jelmoli Real Estate

**8001 Zürich**, St. Annagasse 18

Tel.: 01/220 44 11, Fax: 01/ 220 40 20

Au Grand Passage-Innovation SA

**1204 Genève**, 50, rue de Rhône

1211 Genève 3, Boîte postale 3252

Tel.: 022/318 43 00, Fax: 022/318 43 01

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##### Fasion Bazaars

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**8021 Zürich**, St. Annagasse 16 (Zentrale)

Tel.: 01/220 44 78, Fax: 01/220 44 68

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##### Branches

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**8910 Affoltern am Albis**, Ob. Bahnhofstrasse 14

**8501 Frauenfeld**, Graben-/Rheinstrasse

**1350 Orbe**, Rue Centrale 1

**2900 Porrentruy**, 7, rue Pierre-Péquignat

**8590 Romanshorn**, Alleestrasse 27

**1226 Thônex-Arcade**, 106, rue de Genève

**8610 Uster**, Poststrasse 14

**1337 Vallorbe**, Grand-Rue 33

**8001 Zürich**, Sihlstrasse/St. Annagasse

**8050 Zürich**, Oerlikon, Wallisellenstr. 5

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##### Beach Mountain

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**8112 Otelfingen** (Head Office)

Tel.: 01/845 01 01, Fax: 01 849 38 87

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##### Branches

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**4000 Basel**, Münzgasse 3

**8301 Glatzentrum-Wallisellen**, im Eink.-Zentr. Glatt

**9000 St. Gallen**, Bankgasse 9

**8004 Zürich**, Birmensdorferstr. 21

**8001 Zürich**, Spitalgasse 5

**8001 Zürich**, Seidengasse 1, im Jelmoli

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#### Restaurants

---

**8001 Zürich**, St. Annagasse 18 (Zentrale)

Tel.: 01/220 47 18, Fax: 01/220 40 80

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#### Giardino

**Wave Take Away**

**Café-Bar Treffpunkt**

**Netgate-Bar**

**8001 Zürich-City**, im Jelmoli, Seidengasse 1

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#### Molino-Restaurants

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**3011 Bern**, Waisenhausplatz 13

**3900 Brig**, Furkastrasse 5

**8953 Dietikon**, Badenerstrasse 21

**1700 Fribourg**, Rue de Lausanne 93

**1204 Genève**, Place du Molard 7

**8301 Glatzentrum**, Einkaufszentrum Glatt

**6003 Luzern**, Theaterstrasse 7

**1820 Monteux**, Place du Marché 6

**9000 St. Gallen**, Rorschacherstrasse 154

**8610 Uster**, Poststrasse 20

**8400 Winterthur**, Marktgasse 45

**1226 Thônex**, 106, Rue de Genève

**8001 Zürich**, Limmatquai 16

**8004 Zürich**, Stauffacherstr. 3, ab 26.1.2001

## BUSINESS ADDRESSES

### DIPL. ING. FUST AG

#### Head Office

**9245 Oberbüren-Uzwil**, Buchental 4

Tel.: 071/955 50 50, Fax: 071/951 29 34

**3172 Niederwangen**, Riedmoosstrasse 10

Tel.: 031/980 11 11, Fax: 031/980 11 10

#### Branches

**5004 Aarau**, Telli-Zentrum

(E/UE/Z)

**5000 Aarau**, Obere Vorstadt 3

(E/UE)

**4665 Aarburg-Oftringen**, Perry-Center

(E/UE/Z)

**8910 Affoltern am Albis**,

Obere Bahnhofstrasse 14

(E/UE/DH)

**9320 Arbon**, St. Gallerstrasse 5

(E/UE)

**1754 Avry-sur-Matran**,

Hyper-Fust, Centre Avry-Top

(E/UE/Z)

**8184 Bachenbülach**, WARO-Zentrum

(E)

**4053 Basel**, Güterstrasse 180,

Einkaufszentrum Gundelitor

(E/UE)

**4058 Basel**, EUROFUST im «Räbgass-Center»

(E/UE/DH/PS)

**3008 Bern**, City West, Laupenstrasse 19

(E/UE)

**3011 Bern**, Elektro-Shop, im Loeb, 3. Stock

(E)

**3011 Bern**, Seilerstrasse 3

(K)

**3000 Bern**, im Münzgraben 4/6

(E/UE/Z)

**2502 Biel**, Zentralstrasse 36

(E)

**2504 Biel**, EUROFUST, Solothurnstrasse 122

(E/UE/K/GU/DH/PS)

**2500 Biel**, Coop-Center, Nidaugasse 35a

(UE)

**5200 Brugg**, Fust im Ex-Haveg, Neumarkt 2

(E/UE)

**5200 Brugg**, im ABM, Hauptstrasse 2

(E/UE/Z)

**2555 Brugg**, Migros-Center Brugg

(E)

**8180 Bülach**, EUROFUST,

Marktgasse 1

(E/UE/DH)

**1630 Bulle**, WARO-Center

(E/UE)

**3400 Burgdorf**, Industrie Buchmatt,

(E/UE/K)

**1227 Carouge**, Centre Commercial de Carouge

(E/UE/DH)

**1279 Chavannes-de-Bogis**,

Chavannes Centre

(E/UE/Z)

**7000 Chur**, Haus Tribolet, Quaderstrasse 22

(E/UE/Z/K)

**1964 Conthey**, EUROFust, Rte. Cantonale 2

(E/UE/K/DH)

**2800 Delémont**, Avenue de la Gare 40

(E/UE)

**8157 Dielsdorf**, Einkaufszentrum «CD Baholz»

(E/UE/Z)

**8953 Dietikon**, (50 m vor «Media Markt»)

(E/UE/DH/PS)

**8305 Dietlikon**, in IKEA

(E/UE)

**8600 Dübendorf**, Wilstrasse 2

(E/UE)

**1024 Ecublens**, Centre Commercial

(E/UE/Z)

**4622 Egerkingen**, WARO-Zentrum

(E)

**6020 Emmenbrücke**, Shopping-Center

(E)

**1163 Etoy**, Centre de l'habitat

(E/K/GU)

**8500 Frauenfeld**, Zürcherstrasse 305

(E/UE/Z)

**1700 Fribourg**, Rue de Lausanne 80

(E)

**4414 Füllinsdorf**, (1 Min. ab A2, Ausfahrt Liestal,

Richtung Liestal, an der Rheinstrasse)

(E/K/GU)

**1201 Genève**, Rue Monthoux 64

(E/UE)

**1203 Genève**, Centre Migros «Planète Charmilles»

11, Promenade de l'Europe

(E/UE/Z)

**1207 Genève**, Centre Commercial

Eaux-Vives 2000

(E)

**1204 Genève-Centre**, chez Globus,

Rue du Rhône 50

(E/UE/DH/PS)

**1205 Genève**, Centre Plainpalais,

Route de Carouge 64

(E/UE)

**1209 Genève**, Centre Balaxert

(E/UE/DH/K)

**1201 Genève**, 5, rue Rousseau

(E/UE/Z)

**1204 Genève**, 3, rue de Rive

(E/UE/DH/PS)

**6512 Giubiasco-Bellinzona**,

Via Campagna 1

(E/UE/Z/K/GU)

**8301 Glatt-Wallisellen**,

Einkaufszentrum Glatt

(E/UE/DH/K)

**6916 Grancia**, EUROFust im Centro Grancia

(E/UE/Z/K/GU)

**9469 Haag**, Haag-Zentrum

(E)

**3627 Heimberg**, im Jumbo

(E)

**8810 Horgen**, Zugerstrasse 30

(E/UE/Z)

**3800 Interlaken**, Rosenstrasse 9,

vis-à-vis Rosenparkplatz

(E/UE)

**8645 Jona-Rapperswil**,

Kläui-Center, Kramenweg 5

(E/UE/K/GU)

**4303 Kaiseraugst**, Hobbyland

(E)

**8280 Kreuzlingen**,

Bachstrasse 17, am Sonnenplatz

(E/UE/Z/K)

**6010 Kriens**, Nidfeldstrasse 5,

beim Pilatus-Markt-Kreisel

(E/UE/Z)

**2304 La Chaux-de-Fonds**, Hyper-Fust,

Boulevard des Eplatures 44

(E/UE/DH)

**4900 Langenthal**, im Ex-Haveg, Marktgasse 36

(E/UE/Z)

**1003 Lausanne**, 7, rue Haldimand

(E/UE/Z)

**1003 Lausanne, 11**, route du Petit-Chêne

(K)

**1003 Lausanne**, Place Centrale 1

(E/UE/Z)

**1003 Lausanne**, chez Globus, 5, rue du Pont

(E/UE/DH/PS)

**6600 Locarno**, presso Globus

(E/UE)

**6616 Losone**, Vicino al Mercato-Cattori

Via Locarno 58

(E/UE)

**6004 Luzern**, Zürichstrasse 48

(E)

**6004 Luzern**, Zürichstrasse 56

(K/GU)

**6004 Luzern**, Zürichstrasse 52

(UE/Z)

## BUSINESS ADDRESSES

### DIPL. ING. FUST AG

<b>6003 Luzern</b> , im Globus, Pilatusstrasse 4 (E/UE/DH/PS)	<b>4500 Solothurn</b> , Haus Möbel Pfister, am Kronenplatz (E/UE)	<b>6300 Zug</b> , Baarerstrasse 86 (E/K)
<b>2074 Marin</b> , Marin-Center, Fleur de Lyss 26 (E/UE/Z/K)	<b>8957 Spreitenbach</b> , Tivoli-Center (E/UE/DH/PS/K)	<b>6300 Zug</b> , Alpenstrasse 8, EUROFust in EPA, 2. Stock, (E/UE/DH)
<b>1920 Martigny</b> , Marché PAM, Rte de Fully (E/UE/Z)	<b>9000 St. Gallen</b> , Neumarkt, St. Leonard-Strasse (E/UE/Z)	<b>8001 Zürich-City</b> , Bahnhofstrasse, Jelmoli 3. Stock (E)
<b>8887 Mels</b> , EUROFust im Riet-Center, neben Jumbo (E/UE/Z)	<b>9006 St. Gallen</b> , EUROFust, Einkaufszentrum Grossacker (E/UE/DH/PS)	<b>8001 Zürich-City</b> , Bahnhofstrasse, Jelmoli Multi Media Factory (UE/DH/PS)
<b>1217 Meyrin</b> , Centre commercial (E/UE)	<b>9430 St. Margrethen</b> , Rheinpark (E/UE/Z/K)	<b>8001 Zürich</b> , Sihlporte, Talacker 41 (E/UE/K)
<b>1442 Montagny-près-Yverdon</b> , En Chamard (E/UE)	<b>5034 Suhr</b> , Haus Möbel Pfister (E/K/GU)	<b>8003 Zürich</b> , Stationsstrasse 62 (UE)
<b>1820 Montreux</b> , à l'ABM, Avenue du Casino 51 (E/UE)	<b>6210 Sursee</b> , Moosgasse 20 (E/UE/Z)	<b>8008 Zürich</b> , Seefeldstrasse 8 (E/UE/Z)
<b>2000 Neuchâtel</b> , chez Globus (Armourins) (E/UE/DH)	<b>3600 Thun</b> , Aarezentrum (E/K/GU)	<b>8004 Zürich</b> , Badenerstrasse 109 (E/UE/Z)
<b>3172 Niederwangen-Bern</b> , Autobahnausfahrt A12 (E/UE/DH/PS/K/GU)	<b>8610 Uster</b> , im Ex-Jelmoli, Poststrasse 14 (E/UE/Z)	<b>8032 Zürich</b> , Hottingerstrasse 52 (E)
<b>9245 Oberbüren-Uzwil</b> , an der A1 (E/UE/DH/PS/K/GU)	<b>8730 Uznach</b> , Burgerfeldstrasse, Linthpark ab 1.1.2001 (E/UE/Z)	<b>8048 Zürich</b> , Letzipark (E/UE/Z)
<b>4104 Oberwil</b> , EUROFust, Mühlemattstrasse 23 (E/UE/DH/K/GU)	<b>1800 Vevey</b> , Rue de la Madeleine 37 (E)	<b>8050 Zürich-Oerlikon</b> , Shopping-Center «Züri 11» (E/UE)
<b>4600 Olten</b> , Ziegelfeldstrasse 17 (E)	<b>1800 Vevey</b> , 11, rue du Simplon (E/UE/Z/K)	<b>8023 Zürich-Hauptbahnhof</b> , Sony-Shop/Shopville-Löwenpassage (UE/Z)
<b>4600 Olten</b> , Ziegelfeldstrasse 19 (K)	<b>1752 Villars-sur-Glâne</b> , Route de Moncor (E/UE/Z/K)	<b>8023 Zürich-Hauptbahnhof</b> , Shopville, FUST-Telecom-Shop
<b>4600 Olten</b> , Ziegelfeldstrasse 28 (UE)	<b>1844 Villeneuve</b> , Centre Riviera (E/UE)	
<b>8808 Pfäffikon</b> , Seedamm-Center (E)	<b>3931 Visp-Eyholz</b> , Kantonsstrasse 79 (E/UE/Z/K/GU)	<b>SERVICE 7000 AG</b>
<b>2900 Porrentruy</b> , «Inno les galeries» Rue Pierre-Péquignat 7 (E/UE/Z)	<b>8604 Volketswil</b> , WARO-Zentrum (E/K/GU)	<b>Head Office</b> <b>8754 Netstal</b> , Molliserstrasse 41, Wiggis-Park Tel.: 055/645 37 00, Fax: 055/645 37 07
<b>8105 Regensdorf</b> , EUROFust, Waro «Rägi-Märt», Feldstrasse 2 (E/UE/DH/PS)	<b>8570 Weinfelden</b> , Zentrumspassage (E/UE/Z)	<b>Showrooms</b> <b>9201 Gossau</b> , Wilerstrasse 73, Eichen-Center <b>3380 Wangen a./A.</b> , Schenkstrasse 13
<b>9532 Rickenbach-Wil</b> , WARO-Zentrum (E)	<b>5430 Wettingen</b> , Landstrasse 90 (E/UE/DH)	
<b>1032 Romanel-sur-Lausanne</b> , Hyper-Fust, Romanel Centre (E/UE/DH/K/GU)	<b>9500 Wil</b> , im ABM, Obere Bahnhofstrasse 40 (E/UE/Z)	
<b>8200 Schaffhausen</b> , Unterstadt 15–17, (E/UE/K)	<b>8402 Winterthur</b> , Obergasse 20 (E/UE/Z/K)	
<b>6467 Schattdorf</b> , Gewerbezentrum Rynächt (E/UE)	<b>8406 Winterthur-Töss</b> , Zürcherstrasse 184 (E/UE)	<b>Legend</b> E = Household appliance K = Kitchen/bathrooms GU = General Contracting UE = Consumer electronics Z = only Computer Accessories PS = Portable Shop in Fust Speciality Markets DH = Digital Home, exclusive in Fust
<b>3321 Schönbühl</b> , Shoppy-Land (E/DH)	<b>1400 Yverdon</b> , Rue de la Plaine 5 (K)	
<b>6430 Schwyz</b> , Mythen-Center, (E/UE/DH/PS)	<b>1400 Yverdon</b> , Rue de la Plaine 9 (E)	
<b>6836 Serfontana</b> , Morbio Inferiore (E/UE)	<b>4528 Zuchwil</b> , EUROFust im Birchi-Center, Gewerbe 'Waldegga' (E/UE/DH/K)	



## BUSINESS ADDRESSES

### PORTABLE SHOP SCHWEIZ AG

#### PORTABLE SHOP SCHWEIZ AG

##### Head Office

8117 Fällanden, Bruggacherstrasse 26

Tel.: 01/806 34 34, Fax: 01/806 34 01

Free phones: 0800/300 900

##### Portable Shop Plus Branches

(standalone with Digital Home Light-Assortment)

Portable Electronics

5000 Aarau, Graben 35

4051 Basel, Steinentorstrasse 18

3011 Bern, Speichergasse 8

8301 Glattzentrum, Büro- und Computerwelt

1003 Lausanne, Grand Pont 8

2000 Neuchâtel, Rue des Terreaux 5

9000 St. Gallen, Gartenstrasse 15

8401 Winterthur, Stadthausstrasse 18

8001 Zürich, Schiffflände 22

##### Portable Shop Branches

(standalone)

Portable Electronics

1700 Fribourg, Place Georges Python

1203 Genève, Rue Sigismond-Thalberg 4

6003 Luzern, Pilatusstrasse 35

8001 Zürich, Mühlegasse 29

8001 Zürich, Uraniastrasse 30

##### Digital Home Branches

(integrated in Fust-Branches, except \*)

Home Computing/Telecommunication/

Video&Photo digital

8910 Affoltern am Albis,

Obere Bahnhofstrasse 14

8180 Bülach, Marktgasse 1

1227 Carouge, 36, Ave. Cardinal Mermillod

1209 Genève, Centre Balexert

8301 Glattzentrum, (im Fust)

2300 La Chaux-de-Fonds,

Bvd. des Eplatures 44

6003 Luzern, Pilatusstrasse 4, (im Globus)

2000 Neuchâtel, Rue de Temple Neuf 14,

(im Globus)

4104 Oberwil, Mühlemattstrasse 23

8050 Zürich-Oerlikon\*,

Shopping-Center «Züri 11», Ohmstr. 11

1032 Romanel, Chemin du Marais 8

3321 Schönbühl, Shopyland

1964 Sion-Conthey, Route Cantonale 2

5430 Wettingen, Landstrasse 90

8400 Winterthur\*, Marktgasse 3

(im Orell Füssli)

4528 Zuchwil, Birchi Zenter

6300 Zug, Alpenstrasse 8

##### Combi Branches

(integrated in Fust-Branches, except \*)

Home Computing and Portable Electronics

4058 Basel, Rebgasse 20

3008 Bern\*, Laupenstrasse 9/11

2504 Biel, Solothurnstrasse 122

8953 Dietikon, Riedstrasse 6

1204 Genève, Rue de Rhône 48, (im Globus)

1204 Genève, Rue de Rive 3

1003 Lausanne, Rue du Pont 5, (im Globus)

3172 Niederwangen, Riedmoosstrasse 10

9245 Oberbüren, Buchental 4

8105 Regensdorf, Rägi-Markt

6438 Schwyz, Mythen-Center

8957 Spreitenbach, Tivoli

9000 St. Gallen, Einkaufszentrum Grossacker

3600 Thun\*, Bälliz 32

8001 Zürich, Jelmoli, Seidengasse 1

##### Portable Shop Service-Centers

8117 Fällanden, Bruggacherstrasse 24

8001 Zürich, Talstrasse 62 (ab Januar 2001)

##### Portable Shop Business to Business

8117 Fällanden, Bruggacherstrasse 26

1003 Lausanne, Route de Prilly 21



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INNOVATIVE SINCE 1833

**Founded**

by Johann Peter Jelmoli-Ciolina in June 1833  
with a store on the Schipfe in Zurich  
Revolutionary launch of  
fixed prices for town and country  
Parisian fashions  
Mail-order business and store with fixed furnishings

**Turn of the century**

Introduction of modern sales forms that were  
trail-blazing for the Swiss retail trade  
Mail-order catalogue (1897)  
«Glass Palace» as department store following  
examples in Paris (1899)

**Forties to Seventies**

Extension of range and  
activities throughout Switzerland  
More categories in range and  
wider choice  
Acquisitions of the department store groups  
Innovation and Au Grand Passage  
Expansion to new locations

**1970 to 1989**

Centralisation of purchasing at source  
Computerization for logistics  
Expansion of services

**1989 to 1994**

Realignment of the Jelmoli department store and  
mail order businesses with shopping worlds,  
decentralized profit centre organization,  
and simplified structure  
Acquisition of Imholz Travel and integration  
of the Jelmoli travel agencies network  
Acquisition of the voting majority  
in Dipl. Ing. Fust AG with its speciality markets

**1994 and 1995**

Creation of a holding structure  
Concentration of department store activities on the  
Jelmoli Zurich parent store  
Partnership with Heine in mail-order business

**1996 to 1998**

Majority shareholder Walter Fust  
Realignment of Jelmoli Zurich and  
real estate reutilization  
Acquisition of residual shares of Dipl. Ing. Fust AG  
Joint Venture ITV (Imholz-TUI-Vögele)  
in the travel sector  
Acquisition of the majority of  
Portable Shop Schweiz AG  
Sale of travel business

**1999**

Opening of Digital Home  
Zurich basement sales floor extensions  
with direct link to parking garage  
La Praille, Geneva and St. Gall stadium shopping  
centres in realization/project planning  
Participation in Tivona Real Estate  
Development Group

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