

Bern, 9 January 2008

Dear shareholder,

The last few months of this 103rd year of operations have been turbulent ones for your company, Valora. In particular, last year's first-half results, published in August 2007, were a source of disappointment not only for shareholders, but also for the Board of Directors and Valora's management team. Since then, the Group's performance in the third quarter of 2007 and the results achieved in subsequent months point to a clear recovery of Valora.

Led by the Zug-based investment fund GoldenPeaks Capital Partners, a group of critical shareholders recently requested that an extraordinary general meeting be called. Through the media, this group declared its intention of forcing a change in Valora's Board Chairmanship. Further individual shareholders also approached Valora with requests for an extraordinary general meeting. Based on these requests – and on discussions it held with numerous other shareholders – Valora's Board of Directors decided in late November to call an extraordinary general meeting with a view to electing additional Board members. This resulted in Dr. Fritz Ammann stepping down as Board Chairman. The Board is most grateful to Fritz Ammann for the commitment he has shown to Valora during the last seven years. Beatrice Tschanz Kramel, who has served as a Director since 2000, was elected as the Board's new Chairman.

The extraordinary general meeting of shareholders will take place in the Arena of the Kursaal in Bern on Wednesday, 30 January 2008, at 14.30. The election of new members to the Board of Directors of Valora Holding AG will be the sole agenda item.

Valora has received nominations for various candidates as new Board members. The shareholders GoldenPeaks Capital Partners AG, GoldenPeaks Capital Management Ltd, Pictet Funds SA, Pictet Funds (Europe) SA, Pictet Funds (LUX) SICAV, The Alphanatics Fund and 3V Asset Management AG have proposed that Messrs. Rolando Benedick, Markus Fiechter and Adriano Agosti be elected to the Board. Another shareholder, Ms Geltrude Renzi, is standing as a candidate in her own right. Finally, Valora's Board of Directors has also nominated Mr. Conrad Löffel.

In order to assess the merits of the various candidates proposed, Valora's Board of Directors has in recent weeks canvassed the views of a good number of investors holding large and small positions in Valora shares. Valora's Directors have also conducted extensive personal conversations with all the candidates. These discussions have confirmed the Directors' view that a Board renewal makes sense. The Board therefore recommends to you, as a Valora shareholder, that you elect the following new members to join its ranks:

- Mr. Conrad Löffel (born 1946), a Swiss citizen. Mr. Löffel is a federally qualified Swiss auditor and proven finance specialist with notable capital markets experience. Until his retirement one year ago, he was both a partner and a member of the Board of Directors and the audit committee of Ernst & Young AG, Basel, prior to which he was Chief Financial Officer and an executive committee member of Danzas and Kuoni.

Most recently, Conrad Löffel held overall worldwide responsibility at Ernst & Young as Global Client Service Partner for two of the firm's major clients, both of which are leading, exchange-listed companies of world stature in their respective fields of activity. Mr. Löffel has also led a variety of complex projects both in and outside Switzerland and is thoroughly versed in audit committee and corporate governance matters.

- Mr. Rolando Benedick (born 1946), a Swiss citizen. Mr. Benedick is Board Chairman and, until the end of 2007, was also Chief Executive Officer of the Manor Group (comprising the three retail chains Manor department stores, FLY Switzerland and Athleticum Sportmarkets AG, all of which are owned by Maus Frères Holding, as well as the China-based Herma Ltd and Crossroad). Rolando Benedick is also a Director on the Boards of Barry Callebaut, Jacobs Holding AG, MCH Messe Schweiz AG and Accarda AG.

Rolando Benedick has many years of professional experience in the retail sector. As CEO, he played a decisive part in enabling the Manor Group to expand successfully and boost its profitability.

- Mr. Markus Fiechter (born 1956), a Swiss citizen. Mr. Fiechter, who holds degrees in chemical engineering from the Swiss Federal Institute of Technology and in economics from the St. Gallen Business School, is Chief Executive Officer of Jacobs Holding AG. Previously, Markus Fiechter was CEO of the Minibar Group. He is a Director on the Boards of Barry Callebaut and Minibar AG. Mr. Fiechter has also worked as a consultant for the Boston Consulting Group, a role in which he led restructuring projects at an Austrian food retail company and a Swiss shoemaking group.

In addition to his wide-ranging international experience in business consultancy, industry and the food sector, Markus Fiechter will also be able to contribute high-calibre know how in the fields of strategy, process management and IT management.

Valora's Board of Directors further recommends that Mr. Adriano Agosti and Ms. Geltrude Renzi not be elected as Board members.

Adriano Agosti represents the investment fund GoldenPeaks Capital Partners AG, which holds some 4% of Valora's outstanding shares. A seat on the Board would over-represent a shareholding of this size, especially given that the candidacies of both Rolando Benedick and Markus Fiechter were also supported by GoldenPeaks Capital Partners AG. Moreover,

the principles of good corporate governance and the possibility that conflicts of interest might arise make a dual role as a Board Director and a shareholding fund manager difficult to justify.

Ms. Geltrude Renzi is chief executive and a board member of Renzi AG, a company with retail and wholesale interests. The specific retail and wholesale expertise she could contribute is already amply available from other Board members.

With Messrs. Löffel, Benedick and Fiechter joining its ranks, Valora's Board will add to its existing strengths. With these new members, the Board will have access to a range of skills and experience which matches the business areas in which the Group operates. In taking on new blood in this way, Valora's Directors are demonstrating their willingness to embrace strategic innovation for which there is a convincing rationale. The newly constituted Board will analyse current Group strategy and then assess the advantages and disadvantages of the various strategic options available. The objective is to pursue an appropriate strategy rigorously, thus ensuring that Valora achieves sustainable profitability and growth.

The Board remains adamant that Valora is a healthy company, that the group is operating profitably, is generating significant positive cash flow and maintains a very strong balance sheet. The company continues to produce sufficient profits to make steady and handsome dividend payments. In contrast to the disappointing results reported for the first six months of 2007, both sales and profits displayed an encouragingly positive trend in the second half of the year. Valora's primary task in the years to come will be to exploit its potential concertedly and to the full.



Beatrice Tschanz Kramel
Chairman of the Board of Directors