presse

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Valora Group achieves qualitative and quantitative objectives set for 2008

- **Net sales advanced 3.9% in Swiss francs and 5.7% in local currencies**
- **EBIT before restructuring charges improves to CHF 63.2 million**
- **Sound balance sheet with no net debt and ample equity cover**
- **Implementation of the „Valora 4 Success“ strategy programme on track**
- **Shares offer an attractive yield. Board to recommend a dividend of CHF 9 to General Meeting (6% current yield based on share price of CHF 150)**

Valora Group

Net sales and EBIT before restructuring charges both up on the year

Valora successfully set its course for the future during 2008. Despite the more challenging market conditions in the second half of 2008, Valora met the objectives it had set itself for the year. The Group's 2008 net sales in Swiss franc terms rose 3.9% to CHF 2 931.7 million, while in local currencies the year-on-year gain was 5.7%. All three divisions contributed to the increase in turnover, led by the Retail and Media divisions, both of whose net sales in local currencies rose 5.8%. During the first half of 2008, both these divisions benefited from their distribution and sale of articles associated with the Euro 2008 soccer championships. Against a demanding economic backdrop, Valora's Trade division raised its net sales in local currency terms by 3.3%, continuing to build on its position as a leading distributor of branded goods.

Details of the „Valora 4 Success“ strategy programme were presented in the autumn of 2008. This programme aims to deliver a sustained improvement to the Group's profitability from 2009 onwards. Restructuring charges arising from the programme were announced, amounting to a total of CHF 25.1 million, all of which have been charged to the Group's 2008 EBIT. As a result, Valora's operating profit for 2008 came in at CHF 38.1 million. Excluding the restructuring costs arising from relocating its logistics operations to Egerkingen, centralising the Group's head office functions in Muttenz and from the reconfiguration of the outlet network, the Valora Group's operating profit for 2008 was CHF 63.2 million, which equates to an EBIT margin of 2.2%.

Valora's net income for 2008 totalled CHF 39.9 million. The burden of restructuring costs on net income was CHF 25.1 million. Earnings per share from continuing operations were CHF 7.91 in 2008.

Valora successfully completed the sale of its discontinued Own Brands operations during 2008. Liquidity derived from these transactions and cash generated over and above operational requirements were essentially directed towards redemption of an outstanding syndicated loan facility and financing the Group's share buyback programme.

A sound balance sheet with no net debt

In 2008, the Valora Group generated a net cash flow from continuing operations of CHF 86.6 million and had cash reserves totalling CHF 158.4 million at the end of the year. With no net debt (CHF – 6 million) at December 31, 2008 and shareholders' equity equal to 45.1 % of total assets, Valora has an extremely solid balance sheet at its disposal.

Improvement in Valora Value Added
Valora's operations generated Valora Value Added (VVA) of CHF 6.6 million before restructuring charges in 2008, an improvement of CHF 11.2 million on the 2007 VVA figure and a result which is principally attributable to the Group's enhanced operating profits.

Divisions

Valora Retail
The division achieved strong sales performance during 2008, with net revenues advancing CHF 83.6 million to CHF 1 748.9 million, partly thanks to sales of Euro 2008 related articles. The Kiosk Switzerland, wholesale, Kiosk Germany and filling station outlet business units all turned in good results, and gastronomy operations and the Luxembourg kiosks also contributed to the division's net sales growth. Before restructuring charges from the strategy programme, which in Retail's case principally related to reconfiguration of the outlet network, the division generated operating profits of CHF 22.9 million, up from CHF 20.3 million in 2007.

Valora Media
In a declining overall market for paid press products, Valora Media increased its net sales in local currency terms by 5.8% in 2008, and 4.1% in Swiss francs. The year also saw the division successfully building on its existing market position by entering into new contracts with major publishers. Sales growth also got a significant boost from the distribution of Euro 2008 items. Before restructuring charges of CHF 1.6 million, Valora Media achieved an operating profit of CHF 28.9 million in 2008.

Valora Trade
In a very demanding market environment, characterised by volatile raw material prices, ongoing, and substantial, currency fluctuations and above-average growth rates by the discount sector, Valora Trade held its own. The division, which generated 76% of its 2008 sales outside Switzerland, succeeded in increasing its net sales in local currencies by 3.3%. This good result was mainly due to successes achieved in Denmark, Finland, Norway and Switzerland. The division's units in Denmark, Finland and Norway signed up new principals during the year and also increased their turnover with existing partners. Valora Trade Switzerland achieved sales growth in all its core brands and with all its major trading partners. Despite the increased costs borne in 2008, Valora Trade improved its operating profit before restructuring charges by CHF 0.8 million on the year to CHF 17.9 million.

Implementation of the „Valora 4 Success" strategy on track

The „Valora 4 Success" strategy programme, initiated in the autumn of 2008, is based on four core initiatives in the fields of competence, growth, efficiency and people. Common to all four initiatives is the objective of sustainably enhancing Valora's profitability. The main focus is on increasing both sales and profits at Valora's Retail division and on enhancing the efficiency of the Group's logistics and IT functions. The centralisation of head office functions at Muttenz and the transfer of a number of logistics services to Egerkingen have already enabled significant progress to be made. Migration to new logistics software applications and the relocation of the remaining logistics functions to Egerkingen will be completed by the end of 2009. The Retail division's productive roll out of a new, state-of-the-art, integrated inventory management system in early 2009 means that all key processes now run on an up-to-date platform.

Outlook
„We are confident that we will put the strategy programme into effect according to plan and that we will achieve the objectives we have set for it, even though the overall economic climate has become significantly more challenging in 2009", say Thomas Vollmoeller, Valora's CEO. The strategy programme is expected to produce its first positive effects in the second half of 2009. Valora maintains its objective of achieving a significant and sustained improvement in its EBIT margin by 2012. Board Chairman Rolando Benedick is also satisfied with what has been achieved so far. As he puts it "We already achieved a number of important initial milestones last year. Given the situation from which we started, the results achieved are satisfactory and in line with our expectations."

Board recommendations to the General Meeting
In addition to proposing to this year's Ordinary General Meeting that Valora's share capital be reduced by cancelling the shares recently repurchased, the Board of Directors will also recommend that a dividend of CHF 9 per share also be distributed in respect of 2008. At a share price of CHF 150, this equates to a dividend yield of 6%. The Board will further propose that the company's registered offices be transferred from Berne to Muttenz.

Valora Group key financial data

Income statement in CHF million	**2008** before restructuring charges	**2008** after restructuring charges	2007
Net sales	2 931.7	2 931.7	2 821.7
Gross profit	893.3	893.3	861.5
in % of net sales	*30.5%*	*30.5%*	*30.5%*
Operating profit	63.2	38.1	59.1**
in % of net sales	*2.2%*	*1.3%*	*2.1%*
Net income from continuing operations	50.2	25.2	46**
Net income from discontinued operations	14.7	14.7	9.5
Group net income	65.0	39.9	55.5**

Liquidity, cash flow and balance sheet in CHF million	**2008**	2007
Cash and cash equivalents*	158.4	153.4
Free cash flow*	176.7	70.6
Shareholders' equity	493.9	599.3**
Equity cover	*45.1%*	*45.2%***
Net liquidity*	6.0	- 46.0
Net working capital*	129.7	119.2
*Net working capital in % net sales**	*4.4%*	*4.2%*
Earnings per share*	7.91	14.08**

*from continuing operations
**restated following introduction of new IT systems

The complete 2008 Valora Annual Report may be downloaded from Valora's website www.valora.com.

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Corporate calendar

2009 General Meeting	**April 29, 2009** in Basle
2009 interim report & Investors' and Media Day	**August 27, 2009** in Egerkingen

Valora Telephone Conference – Annual Results 2008
Thursday, April 2, 16:00 CET

Thomas Vollmoeller, CEO of Valora Holding AG, and Lorenzo Trezzini, CFO, will provide information about the Valora Annual Results 2008 during a telephone conference.
The Dial-In Conference Call will be held in **English.**

To participate in the **conference**: call the following number (please call 10 to 15 minutes before the hour):

+41 (0)91 610 56 00 (Europe)
+44 (0)207 107 06 11 (UK)
+1 (1) 866 291 41 66 (USA - Toll-Free)

The playback will be available one hour after the conference for 24 hours till April 3rd, 2009, inclusively. Participants requesting the Digital Playback will be dialing:

+41 (0)91 612 43 30 (Europe)
+44 (0)207 108 62 33 (UK)
+1 (1) 866 416 25 58 (USA)

and will be asked to enter the Code **10402** followed by the # sign

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