



First half 2008

Presentation to Investors

Muttenz, August 28, 2008

Agenda



1. Welcome address & highlights **Rolando Benedick**

2. First half 2008 results

Thomas Vollmoeller, Markus Voegeli

3. Outlook

Thomas Vollmoeller

First half 2008 highlights



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- Group Executive Management successfully re-staffed
 - Sale of production units completed with book profit
 - Valora to end JV with Migros – strong avec. brand promises future growth
 - Major structural projects / core initiatives identified and under way
 - Share buy-back programme on track



- ① **Implementing plans demands courage to make sweeping changes and to simplify processes from the bottom up!**
- ② **Current spirit of dynamism must be encouraged further!**



Valora is an exciting company with great potential

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Operating income



Satisfactory results achieved in first six months

| in CHF million | 2008 | 2007 |
|-----------------------------------|----------------|----------------|
| Net sales | 1,468.5 | 1,378.1 |
| Gross profit | 443.5 | 418.9 |
| Gross profit margin | 30.2% | 30.4% |
| Total operating costs | -420.2 | -408.7 |
| Operating cost in % of net income | 28.6% | 29.7% |
| Other revenues, net | 5.3 | 2.0 |
| Operating income (EBIT) | 28.6 | 12.2 |
| EBIT margin | 2.0% | 0.9% |

Key messages

- Net sales up in all areas (+6.6%)
- Operating income more than doubled (+134,2%)
- Significant efficiency gains help to cut cost/income ratio (-1.1 pct points)
- EURO 2008 adds CHF 46 million to net sales and CHF 9 million to operating income



Positive first half ends with key platforms for future performance in place

Valora Retail in focus

Profitable again



| in CHF million | 2008 | 2007 |
|--------------------------------|---------------|--------|
| Net sales | 864.0 | 809.1 |
| Gross profit | 273.6 | 260.5 |
| Gross profit margin | 31.7% | 32.2% |
| Total operating costs | -267.9 | -266.6 |
| Operating income (EBIT) | 5.7 | -6.1 |
| EBIT margin | 0.7% | n/a |

Key messages

- Sales growth driven by EURO 2008 CHF 16 million contribution to sales and roughly CHF 4 million to operating income
- Business expansion in Germany
- The avec. shops performed well
- Swiss kiosk sales up 5%
- Break-even achieved (without EURO 2008)

Valora Media in focus

New publishers signed up in Austria



| in CHF million | 2008 | 2007 |
|--------------------------------|--------------|-------|
| Net sales | 304.3 | 270.9 |
| Gross profit | 85.0 | 75.6 |
| Gross profit margin | 27.9% | 27.9% |
| Total operating costs | -66.3 | -63.1 |
| Operating income (EBIT) | 18.7 | 12.5 |
| EBIT margin | 6.1% | 4.6% |

Key messages

- **EURO 08 spurs strong growth**
CHF 26 million contribution to sales and roughly CHF 5 million to operating income
- **Egmont/Ehapa and Marquard Media signed up as new publishers**
- **Expansion of subscription business to usher in new source of growth**

Valora Trade in focus



Stable net sales achieved in demanding conditions

| in CHF million | 2008 | 2007 |
|--------------------------------|--------------|-------|
| Net sales | 393.4 | 391.2 |
| Gross profit | 77.7 | 75.7 |
| Gross profit margin | 19.8% | 19.3% |
| Total operating costs | -70.7 | -67.5 |
| Operating income (EBIT) | 7.0 | 8.2 |
| EBIT margin | 1.8% | 2.1% |

Key messages

- **Net sales stable despite pressure on prices and margins**
- **EURO 2008 adds CHF 4 million to net sales**
- **Gross margin improved to just under 20%**
- **Higher prices depressed sales in Austria, Germany and Sweden**
- **New principals to compensate for adverse market factors in H2 2008**

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Net income



Stable tax and financial costs enable increase in net profit

| in CHF million | 2008 | 2007 |
|--|-------|-------|
| Operating income (EBIT) | 28.6 | 12.2 |
| Net financial income | -2.6 | -1.2 |
| Share of result from associates and JV's | 1.0 | 0.7 |
| Earnings before income tax | 27.0 | 11.7 |
| Income tax | -5.9 | -3.3 |
| Income tax in % of pre-tax earnings | 21.7% | 28.2% |
| Net profit from continuing operations | 21.1 | 8.4 |
| Net profit from discontinued operations | 5.5 | 3.5 |
| Net Group profit | 26.6 | 11.9 |
| attributable to Valora Holding AG shareholders | 26.1 | 11.5 |
| attributable to minority interests | 0.5 | 0.4 |

Key messages

- Good net financial result despite adverse currency effects
- Effective tax rate in expected range at 21.7%
- Earnings from continuing operations more than doubled
- Book profit from sale of Own Brands generates increase in net profit from discontinued operations

Key figures

Healthy balance sheet structure



| in CHF million | 2008 | 2007 ¹ |
|---|-------|-------------------|
| Cash and cash equivalents | 207.8 | 153.4 |
| Shareholders' equity | 598.5 | 610.6 |
| Shareholders' equity in % of total assets | 46.0% | 45.7% |
| Net debt | 8.5 | 46.0 |
| Net working capital (NWC) | 136.7 | 129.6 |
| NWC in % of net sales (annualised) | 4.7% | 4.6% |

¹ all figures as of 31.12.07

Key messages

- Comfortable equity quota
- Current low levels of net debt – virtually debt-free
- Sound basis for share buy-back programme
- NWC up only marginally higher (+0.1pct point)

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Guidance on forthcoming performance



Objectives re-affirmed

Net sales



3 - 5% p.a.

EBIT growth



10 - 15% p.a.

Measures to ensure objectives are met

- Valora is concentrating resources on its core business
- Greater focus on convenience stores to drive growth (avec.)
- M&A opportunities to be exploited
- New logistics facility to improve quality and efficiency (systems & processes)
- Lean organisational structure to be developed
- Efficiency in corporate functions
- All corporate functions to be sited in Muttentz

Outlook



Subject areas for Investors' and Media Day

1 Developing and strengthening core expertise
▶ *Category management, distribution, sales organisation*

Core business

2 Development potential in convenience sector and markets
▶ *avec., internationalisation, M&A*

Growth

3 Optimising profitability and quality in all areas
▶ *Logistics, IT, corporate functions*

**Efficiency &
Effectivity**

4 Soft factors
▶ *Customers, corporate culture, entrepreneurship*

People

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Contact details

Investors' calendar

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Contact details

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Investors' calendar

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|------------------------------------|--------------------|
| Investors' and Media Day 2008 | September 24, 2008 |
| Publication 2008 full-year results | April 2, 2009 |
| 2009 Ordinary General Meeting | April 29, 2009 |

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www.valora.com

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