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Valora: Turnaround in second half of 2007 ushers in encouraging prospects.

- ***Sales up 3%***
- ***Improved kiosk results boost EBIT margins for 2nd half of 2007***
- ***Sound and healthy balance sheet with low debt and equity cover of 45%***
- ***Board and Executive Management changes***
- ***Rolando Benedick to be new Executive Chairman***
- ***Share buy-back programme planned***

The Valora Group generated net income of CHF 52 million in 2007. Net sales last year were raised nearly 3% to 2 822 million, or CHF 2 947 including results from the production companies. Operating earnings from continuing activities came in at CHF 55.9 million. With Own Brands results included, the Valora Group achieved operating earnings for 2007 of CHF 65.5 million. Compared to the same period of 2006, operating income for the second six months of 2007 was up CHF 10 million, an improvement of more than 30%.
Net financing results were further improved. The Group's net income of CHF 43 million from continuing operations puts earnings per share for 2007 at CHF 13. Equity cover was improved by some 3% to reach a level of 45.%.

Valora Retail – Swiss kiosk results stage recovery in 2nd half: Net sales maintained at 2006 levels – operating income up CHF 6.5 million.
Compared to 2006, the Retail division managed to increase its revenues by some CHF 30 million to CHF 1 665 million. Thanks to the expanding scale of their operations, the kiosks in Germany achieved the highest rate of sales growth, reaching 13% year-on-year. Kiosk Luxembourg and the convenience and filling station businesses in Switzerland also advanced. While food sales at the kiosks in Switzerland were also higher, this increased turnover was not sufficient to compensate for the absence of sales from collectible soccer picture cards and lower revenues from lottery ticket sales. In addition to its ongoing implementation of a uniform IT architecture featuring integrated, modern till systems at all kiosks and the rapid implementation of measures to improve profitability in the Swiss kiosk business, the division's focus in the next few years will be directed towards expansion-led growth in Germany and the further strengthening of the fast-growing retail convenience business being conducted under the avec. banner.

Valora Media – increased scope for service activities
While the division achieved a modest increase in its sales of newspapers and magazines despite a contracting overall market for these products, overall sales for the division, at CHF 553 million, were down about 1% on 2006 levels. The acquisition of magazine publishers Egmont Ehapa and Marquard Media as new clients for the Austrian market, expanding subscription service activities and the forthcoming season of Euro 08 collectible soccer picture cards, all indicate that significant growth can be expected to be achieved in 2008.

Valora Trade – consolidating its position in Europe
The Trade division's distribution business generated net sales for 2007 of CHF 791 million, an increase on the year of nearly 6%. The greatest increases were achieved in the Nordic region, where Denmark and Finland did particularly well, with Austria following not far be-

hind. A greater volume of business conducted with internationally active principals raised costs, thus slightly reducing operating margins.

Strategy

Strategic goals confirmed, with priority on focused and accelerating execution
Valora sees itself as an economically robust trading Group with a characteristic identity and a leading market position operating on a Europe-wide scale. The strategy review which a renowned consultancy firm began conducting on January 31, 2008 (following the extraordinary general meeting) has concluded that, while the current strategic approach of focusing on the Group's core businesses is well-founded, it will need to be implemented in a manner which is more consistent, goal-directed and expeditious. "Valora is very well placed indeed to operate more successfully" is the assessment which Rolando Benedick has reached after his first two months as Board Chairman. The Board has confirmed its intention of selling the production companies.

Corporate locations to be concentrated
Valora is determined to achieve sustainable and profitable growth by concentrating its energies. This will be achieved partly through a critical review of the complexities inherent in Valora's current portfolio of businesses, with structures being simplified where possible. This growth will be supported by the introduction of a leaner organisation based on efficient central functions. To achieve this, the current three corporate locations (in Bern, Wallisellen and Muttenz) will be concentrated on one single site at Muttenz over the next few months.

Consolidating core markets, reviewing scope for further expansion
In its core Retail and Media divisions, Valora will strive to achieve faster rates of growth in its existing core markets in Switzerland, Germany, Austria and Luxembourg. Scope for expansion into other European markets will be reviewed. The prerequisite here will be a reasonable prospect of attaining leading market positions in the countries concerned. The focus of Valora's Trade division will be placed primarily on organic growth in its existing markets and on possible complementary acquisitions to consolidate its existing position.

Changes in Group Executive Management
Having successfully turned the business around in the last few months, Peter Wüst has expressed his desire to relinquish his position as CEO. The Board of Directors has respected his wishes and is most grateful to him for the major commitment he has shown over the last few years and for the work he has done. During a transitional phase, he will remain actively involved in supporting the Group. The search for a new CEO has been initiated. With immediate effect, Rolando Benedick will, until further notice, assume the role of Executive Chairman, supervising the Group and driving it forward on its current strategic path. Simultaneously, the search for a new Head of the Retail division will be continued.

Board recommendations to the Annual General Meeting

At this year's Annual General Meeting to be held on April 29, the Board will recommend payment of a dividend of CHF 9 per share. The Board will also seek authorisation to carry out a share buy-back programme covering a maximum of 500,000 shares for the purpose of reducing the company's share capital. The liquidity which will remain thereafter is adequate to meet the financing needs of the expansion which is planned.
In order to align Valora's articles of incorporation with modern corporate governance practice, the Board will also recommend a significant change to their provisions. This is that the terms of office of Board members be reduced from their current duration of three years to one year.

Board changes

Following shareholder approval of a reduction in Board members' terms of office, the following Board Directors, each bringing with him the specific skills and experience listed against his name, will be nominated for election until the 2009 General Meeting:
Rolando Benedick – Retail
Markus Fiechter – Processes, IT
Conrad Löffel – Finance
Franz Julen – Franchising, retail
The remaining members of the Board of Directors have declined to stand for re-election.

Bernhard Heusler, born in 1963, will be proposed as a new Board member at the next General Meeting. A business lawyer practising in Basel, Bernhard Heusler began his legal career with the New York law firm of Davis Polk & Wardwell on completion of his studies at the University of Basel, before joining the Wenger Plattner practice, which has offices in Basel, Bern and Zurich, in 1995. He has been a partner at Wenger Plattner since 2000, specialising in advising clients on M&A transactions and contractual matters as well as IT and sports law.

Outlook

Valora is a company with an economically sound portfolio of businesses. The key objectives for 2008 are the determined pursuit of the existing trajectory, with particular emphasis on continuing implementation of the current project to upgrade the Group's IT architecture. By the end of 2008, the closed loop inventory management system for the kiosks in Switzerland should be fully implemented. A clear focus on execution and speedier implementation of current projects are both crucial. Equally important are further reductions in organisational complexity and the introduction of lean and effective structures.
Things have got off to a good start in the first two months and this not only paves the way for a successful financial year in 2008 but also acts as a spur towards ambitious long-term objectives. Over the next three years, the Valora Group has set itself the target of achieving annual sales growth of 3 – 5% and of improving its EBIT by 10 – 15% each year. Retail activities will be the primary source of this expansion.

Information on April 3, 2008:	Questions relating to this media release will be answered at the media and analysts' conferences to be held on April 3, 2008.

The 2007 annual report and a presentation for the media and analysts' conferences are available on www.valora.com

Valora Telephone Conference – 2007 Full Year Results
Thursday, April 3, 16:00 CET

The management of Valora Holding AG will provide information about the 2007 Valora Annual Report during a telephone conference. The dial-in conference call will be held in **English.**

To participate in the **conference**: call one of the following numbers (please call 5 to 10 minutes before the hour):

Dial-in numbers:	**+41 (0)91 610 56 00**	(Europe and rest of world)
	+1 (1)866 291 41 66	(USA toll free)
	+44 (0)20 7107 0611	(UK)

A **playback** (audio web cast) of the conference will be available on the www.valora.com website one hour after the conference finished.