VALORA
HALF-YEAR REPORT

2013

valora

KEY FINANCIAL DATA

		30.06.2013	30.06.2012 restated	30.06.2011
External sales	**CHF million**	**1 691.3**	**1 568.8**	**1 473.0**
Change	%	+7.8	+6.5	+1.6
Net revenues	**CHF million**	**1 412.1**	**1 387.2**	**1 397.6**
Change	%	+1.8	–0.7	–2.4
Operating profit (EBIT)	**CHF million**	**33.8**	**18.0**	**33.4**
Change	%	+88.1	–46.2	–6.4
in % of net revenues		2.4	1.3	2.4
Net profit[1]	**CHF million**	**20.8**	**11.5**	**26.3**
Change	%	+81.0	–56.3	+1.4
in % of net revenues		1.5	0.8	1.9
in % of equity[2]		6.5	5.2	11.1
Net cash provided by (used in)				
Operating activities	CHF million	16.6	–20.7	–9.9
Ordinary investment activities	CHF million	–18.1	–34.9	–22.6
Free cash flow (used in)	**CHF million**	**–1.5**	**–55.6**	**–32.5**
Company acquisitions (and long-term financial investments)	CHF million	7.1	–89.3	–2.8
Financing activities	CHF million	–44.0	157.9	–11.7
Earnings per share	**CHF**	**5.86**	**4.06**	**9.34**
Change	%	+44.3	–56.5	–1.4
Number of outlets operated by Valora		**1 668**	**1 370**	**1 379**
of which agencies		608	219	40
Net sales per outlet[3]	CHF 000	571	589	578
Number of franchise outlets		**1 032**	**1 021**	**165**

		30.06.2013	31.12.2012 Restated	31.12.2011
Share price	**CHF**	**174.10**	**185.10**	**196.50**
Market capitalisation	**CHF million**	**589**	**626**	**546**
Cash and cash equivalents	**CHF million**	**109.9**	**147.2**	**109.6**
Interest-bearing debt	**CHF million**	**393.5**	**508.8**	**141.5**
Shareholders' equity	**CHF million**	**707.9**	**577.8**	**462.3**
Total liabilities and equity	**CHF million**	**1 609.8**	**1 615.5**	**1 103.1**
Number of employees	**FTE**	**5 797**	**5 962**	**5 801**
Change	%	–2.8	+2.8	–10.1

All totals and percentages are based on unrounded figures from the consolidated financial statements.
[1] From continuing operations
[2] Net profit in % of period-related equity
[3] Valora Retail only

GROUP PERFORMANCE

The Valora Group performed well during the first six months of 2013. Net revenues rose CHF +25.0 million, or +1.8%. Operating profit was CHF 33.8 million, an increase of +88.1% on the same period of 2012. This figure includes CHF +9.7 million from the effects of applying changes to IAS 19 (Employee Benefits), which reduced the Group's pension expense for the period. The Group's net profit for the first six months of 2013 was CHF 25.8 million, an advance of CHF +14.3 million, or +124.5%, on its first-half 2012 results. Shareholders' equity at June 30, 2013 equated to 44.0% of total assets, an +8.2 percentage-point increase in equity cover since year-end 2012. These positive results are attributable to the acquisitions the Group made in 2012. These encompassed Convenience Concept, whose network of more than 1,200 outlets makes it the largest integrated chain of kiosks in German-speaking Europe, and Ditsch/Brezelkönig, Europe's leading manufacturer of lyebread products with fully integrated value chain.

The Valora divisions can boast a number of significant achievements during the first half of 2013. Valora Retail was able to complete a first portion of the 100 kiosk makeovers planned in Switzerland for 2013 and its projected expansion is on track. The transformed outlets offer their customers an extended range of food and beverage products. In Germany, efforts are being concentrated on integrating the Convenience Concept network into Valora's German operations and on redesigning the Convenience Concept outlets. This is a major challenge which will require some time to complete. Ditsch/Brezelkönig performed in line with expectations in its two markets (Germany and Switzerland), making a notable contribution to the Valora Group's overall results. Valora Services is pressing ahead with its repositioning initiative, and was also able to dispose of its low-margin wholesaling business in Switzerland during first-half 2013, following the sale of Services Austria in October 2012. All viable strategic options for a sustainable solution for the division's remaining press-wholesaling businesses in Switzerland and Luxembourg are being evaluated. To that end, negotiations with potential purchasers or business partners have been scheduled for the next few weeks, with the objective of relinquishing control of the division's activities. Valora Trade continues to face challenging market conditions. Implementation of the measures initiated in 2012 to reduce costs and reconfigure the business portfolio based on a profitability analysis are continuing. Further work will however be needed to achieve the planned increases in efficiency.

Group results for 2012 have been restated to reflect new requirements governing the accounting treatment of pension-related balance-sheet items. Instead of using projected returns from net pension-plan assets, projected revenues from pension-plan assets will in future be discounted at the same rate as that used to calculate the present value of obligations arising from defined-benefit plans. This required adjustment has resulted in a retroactive reduction of the Valora Group's first-half 2012 operating profit by CHF –4.4 million. The Group's central corporate functions have also been reorganised, with the results of the departments concerned being attributed directly to the divisions. This report shows these restated first-half figures for 2012.

During the first six months of 2013, the Valora Group's external sales were +7.8% higher than in the same period of 2012. In local currency terms, they increased by +6.5%. Reported net revenues for first-half 2013 came in at CHF 1 412.1 million, a +1.8% advance on the first six months of 2012. Net revenues at Valora Retail increased by CHF +16.4 million, while those generated by Valora Trade improved by CHF +13.2 million. The CHF –103.2 million decline in net revenues at Valora Services compared to the same period of 2012 principally reflects its disposals of business units. While overall press turnover in Switzerland for the first six months of 2013 was –5.5% lower than in the same period of 2012, the rate of contraction decelerated. The decline in revenues at Valora Services was almost completely compensated for by the CHF 93.3 million of revenues generated by the recently acquired Ditsch/Brezelkönig unit.

The Valora Group's reported operating profit for the first six months of 2013 was CHF 33.8 million, up from CHF 18.0 million in the same period of 2012. This increase includes the effects of a CHF +9.7 million reduction in pension costs, principally due to an adjustment of the annuity conversion ratio for Valora's pension plans. Group net profit for the period was CHF 25.8 million, an improvement of CHF +14.3 million, or +124.5%, on first-half 2012. In early April 2013, Valora placed its first issue of perpetual, subordinated hybrid bonds on the Swiss capital market, raising

CHF 120 million. The transaction enabled the Group to make the best possible use of the attractive interest rates and abundant liquidity currently available in the market. This hybrid bond issue makes it possible for Valora sustainably to optimise its long-term financing strategy and to strengthen its balance-sheet structure considerably. The entire proceeds of the hybrid bond issue were directed towards redeeming a portion of the CHF 400 million syndicated-loan facility established in connection with the Ditsch / Brezelkönig acquisition. As a result, the Group's net debt was reduced to CHF 284 million and the proportion of its total assets covered by shareholders' equity was increased by +8.2 percentage points to 44.0 %.

This year's ordinary general meeting of shareholders elected Peter Ditsch, the former owner of Ditsch / Brezelkönig, as an additional member of Valora Holding's Board of Directors. All the other Board members were re-elected.

A VALORA GROUP

in CHF million	**30.06.2013**	**2013 share in %**	30.06.2012 restated	2012 share in %	Change in %
External sales					
Group total	**1 691.3**		**1 568.8**		7.8 %
Net revenues					
Valora Retail	824.0	58.4 %	807.6	58.2 %	2.0 %
Ditsch / Brezelkönig	93.3	6.6 %	n.a.	n.a.	n.a.
Valora Services	161.7	11.5 %	264.9	19.1 %	– 38.9 %
Valora Trade	398.3	28.2 %	385.1	27.8 %	3.4 %
Other	0.1	0.0 %	0.0	0.0 %	n.a.
Intersegment elimination	– 65.3	– 4.7 %	– 70.4	– 5.1 %	
Group total	**1 412.1**	**100.0 %**	**1 387.2**	**100.0 %**	1.8 %
Switzerland	783.3	55.5 %	808.9	58.3 %	– 3.2 %
Elsewhere	628.8	44.5 %	578.3	41.7 %	8.7 %

External sales encompass Valora's net revenues and the turnover generated by outlets under contract to Valora, but exclude the revenues generated by Valora in supplying the outlets under contract and the revenues to Valora from the contracts themselves. The external sales metric thus ensures comparability between reporting periods despite changes in the composition of distribution business models used.

The Valora Group's first-half 2013 external sales were +7.8 % higher than in the same period of 2012. In local-currency terms, this increase amounted to +6.5 %. This advance partly reflects Valora's acquisition of Convenience Concept GmbH, whose accounts were consolidated with effect from April 2012.

The CHF +25.0 million increase in the Valora Group's net revenues is principally due to the CHF +16.5 million growth in this metric at Valora Retail and the CHF +13.2 million expansion achieved by the Trade division. First-half 2013 net revenues also benefited from the CHF +93.3 million contributed by the Ditsch / Brezelkönig unit, which Valora did not own in the first six months of 2012. Compared to the same period of 2012, the first-half 2013 net revenues generated by Valora Services showed shortfalls of CHF –66.2 million due to the disposal of Services Austria and of CHF –32.0 million as a result of the discontinuation of goods wholesaling activities in Switzerland. This division's first-half 2013 net revenues from its press activities were CHF –6.0 million lower than a year earlier, reflecting ongoing contraction of the overall press market. This decline was partially offset by the positive performance achieved by the division's nilo unit, which provides logistics services to third-party customers in Swizterland. Thanks to the advantageous market position from which it commenced its operations in March 2012, nilo was able to increase its net revenues by +35.3% during the first half of 2013.

In the first six months of 2013, the proportion of its overall sales the Valora Group generated in Switzerland - and thus its dependence on its domestic market – declined to 55.5%, –2.8 percentage points lower than a year earlier. The geographic distribution of Valora's consolidated net sales is shifting, and the companies it has recently acquired are contributing to this trend. Compared to the first six months of 2012, the proportion of its overall sales Valora generated in Germany rose +6.1 percentage points, to 18.8%. Denmark, with 7.6% of the Group's first-half 2013 sales, and Sweden, with 6.6%, are its third and fourth largest national markets.

in CHF million	30.06.2013	2013 share in %	30.06.2012 restated	2012 share in %	Change in %
Net revenues	**1 412.1**	**100.0%**	**1 387.2**	**100.0%**	1.8%
Gross profit	**504.1**	**35.7%**	**441.7**	**31.8%**	14.1%
– Operating costs, net	–470.3	–33.3%	–423.7	–30.5%	11.0%
Operating profit (EBIT)	**33.8**	**2.4%**	**18.0**	**1.3%**	88.1%

At Group level, Valora increased its gross-profit margin to 35.7% in the first six months of 2013, a +3.9 percentage-point improvement on first-half 2012. This positive trend is attributable to several factors, including Valora's recent acquisitions of Convenience Concept GmbH and Ditsch/Brezelkönig. Valora Services Switzerland's discontinuation of its goods wholesaling activities and its simultaneous expansion of its logistics services for third-party customers also helped to improve gross margins. The overall effect of these various initiatives was to raise the Group's reported gross profit by +14.1% compared to the first six months of 2012, to CHF 504.1 million.

Reported net operating costs for first-half 2013, at CHF –470.3 million, were CHF –46.6 million higher than in the same period of 2012. This increase principally reflects the higher operating costs generated by the Ditsch/Brezelkönig and Convenience Concept acquisitions, which were only partially included in the first-half 2012 results. This effect can also be seen in the results generated by Valora's Retail division, whose net operating costs, excluding Convenience Concept, were CHF +5.4 million lower in the first six months of 2013 than in the same period of 2012. Thanks to the greater number of outlets operated by franchisees and a streamlining of personnel costs, Valora Retail's personnel expenses for first-half 2013, expressed as a percentage of external sales, were +2.0 percentage points lower than a year earlier. Ditsch/Brezelkönig's net operating costs for the first six months of 2013 were CHF –60.6 million. Net operating costs at Valora Services for the first half of 2013 were CHF +20.4 million lower than in the same period of 2012, thanks to the non-recurrence of costs for its divested Services Austria and Sales & Services Switzerland units and to disciplined cost control in all business areas. Net operating costs at Valora Trade for the first six months of 2013 were higher in absolute terms than in the same period of 2012. However, when expressed as a percentage of the division's net revenues, which also increased between the two periods, net operating costs declined by +0.3 percentage points, largely thanks to lower advertising and personnel costs. The Corporate division reduced its net operating costs by CHF +3.5 million, principally as a result of lower staff costs.

The Valora Group's consolidated operating profit for the first six months of 2013 was CHF 33.8 million, compared to CHF 18.0 million in first-half 2012. This change includes a CHF 9.7 million reduction in pension-fund costs, largely due to a lower annuity conversion ratio, and a positive exchange-rate effect of CHF +0.5 million. The Group's reported operating-profit margin for first-half 2013 was 2.4%, +1.1 percentage points higher than in the same period of 2012.

B VALORA RETAIL

in CHF million	30.06.2013	2013 share in %	30.06.2012 Restated	2012 share in %	Change in %
External sales	**1 105.2**		**991.2**		11.5 %
Net revenues	**824.0**	**100.0 %**	**807.6**	**100.0 %**	2.0 %
Gross profit	**301.8**	**36.6 %**	**288.2**	**35.7 %**	4.7 %
– Operating costs, net	– 286.0	– 34.7 %	– 277.9	– 34.4 %	2.9 %
Operating profit (EBIT)	**15.8**	**1.9 %**	**10.3**	**1.3 %**	53.8 %

Thanks to its acquisition of Convenience Concept GmbH and its entry into the Austrian market, Valora Retail was able to strengthen its position as the largest micro-retailer in German-speaking Europe. Despite adverse weather conditions during the first six months of 2013, the division turned in a pleasing set of results.

Valora Retail's external sales for the period, at CHF 1 105.2 million, were + 11.5 % higher than in the first six months of 2012. The division's first-half 2013 net revenues were CHF 824.0 million, CHF + 16.4 million, or + 2.0 %, higher than in first-half 2012. In aggregate, exchange-rate fluctuations made a CHF + 4.7 million positive contribution to the division's net revenues.

Retail Germany increased its net revenues by + 16.1 %, achieving the fastest rate of sales growth in the division. This advance is principally attributable to its acquisition of Convenience Concept GmbH, whose results are only partially included in the first-half 2012 figures. The Austrian subsidiary, fully acquired by the Group in January 2012 and now using Valora's Press & Books format, generated net revenues of CHF 12 million, + 4.0 % higher than in first-half 2012. In Switzerland, the Press & Books and Spettacolo formats both increased their net revenues, by + 4.4 % and + 4.1 % respectively. At its avec.-shops and Tamoil filling-station outlets, Retail Switzerland achieved a + 4.1 % increase in external sales, while sales generated by its Swiss k kiosk network fell by – 2.7 %. This decline essentially reflects the ongoing contraction of the overall Swiss press market and the adverse weather conditions prevailing during the first half of 2013. The + 3.8 % increase in revenues from services sold at k kiosks was encouraging, with particularly positive progress being made by the newly introduced ok.– prepaid MasterCard offering. The k kiosk modernisation programme, incorporating an extended range of food and beverage products, is progressing according to plan. A new, high-quality range of fresh sandwiches with exclusive offerings in all price categories has been introduced with the aim of further strengthening k kiosk's food expertise. Valora Retail Luxembourg is performing well, with a noteworthy + 2.4 % increase in net revenues during the first six months of 2013.

Valora Retail's gross-profit margins for the first six months of 2013 were 36.6 %, + 0.9 percentage points up on the same period of 2012. This improvement reflects both the division's continuing initiatives to optimise its purchasing operations and the increased number of outlets operating on a franchise basis.

Valora Retail's net operating costs for the period were CHF – 286 million, CHF – 8.1 million higher than in the first half of 2012. This increase is attributable to the acquisition of Convenience Concept GmbH, which was included in the division's first-half 2012 results only from April onwards, and which incurred considerable outlet-transformation costs during the first six months of 2013. Valora Retail's net operating costs, excluding those associated with acquisitions, were lower in first-half 2013 than in first-half 2012. The division's reported operating profit for the first six months of 2013 was CHF 15.8 million, a + 53.8 % improvement on the figure for first-half 2012. Valora Retail's EBIT margin improved + 0.6 percentage points, to + 1.9 %.

C DITSCH / BREZELKÖNIG

in CHF million	30.06.2013	2013 share in %	30.06.2012	2012 share in %	Change in %
Net revenues	**93.3**	**100.0 %**	**n.a.**	**n.a.**	n.a.
Gross profit	**70.9**	**76.0 %**	**n.a.**	**n.a.**	n.a.
– Operating costs, net	– 60.7	– 65.0 %	n.a.	n.a.	n.a.
Operating profit (EBIT)	**10.2**	**11.0 %**	**n.a.**	**n.a.**	n.a.

Valora first consolidated the results of the two former family-owned businesses Brezelbäckerei Ditsch GmbH and Brezelkönig GmbH & Co. KG in October 2012. The companies are Europe's leading manufacturers of lyebread products, with an outstanding product range, a fully-integrated value chain and a network of 230 retail outlets, most of which are located at heavily frequented public-transport nodes generating substantial sales volumes.

Now that these units have been successfully integrated into Valora's other operations, the Group intends to capitalise on its synergies with Ditsch / Brezelkönig as a means of generating sustainable growth. This will be achieved partly by expanding the Ditsch / Brezelkönig outlet network and partly by exploiting the existing Valora formats' potential as additional distribution channels for the new unit's top-quality products. These initiatives, coupled with the scope for distributing new products to the Group's third-party retail partners, should enable Valora to derive significant growth impetus from its Ditsch / Brezelkönig unit.

During the first half of 2013, Ditsch opened an additional high-performance production line at its Oranienbaum plant, thus achieving further advances in quality. Additional product developments will enable the firm to enter new markets.

Ditsch / Brezelkönig generated net revenues of CHF 93.3 million in the first six months of 2013, on which it earned gross profits of CHF 70.9 million, thus generating a gross-profit margin of 76.0 %. This unit's reported operating profit for the period was CHF 10.2 million, which puts its EBIT margin at 11.0 %.

D VALORA SERVICES

in CHF million	30.06.2013	2013 share in %	30.06.2012 restated	2012 share in %	Change in %
Net revenues	**161.7**	**100.0 %**	**264.9**	**100.0 %**	–38.9 %
Gross profit	**42.6**	**26.3 %**	**64.7**	**24.4 %**	–34.2 %
– Operating costs, net	–36.8	–22.7 %	–57.2	–21.6 %	–35.7 %
Operating profit (EBIT)	**5.8**	**3.6 %**	**7.5**	**2.8 %**	–21.7 %

Following the sale of its press business in Austria in October 2012 – a move which also reduced the Valora Group's overall exposure to the press market – Valora Services went on to sell its low-margin goods wholesaling business in Switzerland in March 2013. All options for a sustainable future for the division's ongoing press businesses in Switzerland and Luxembourg, which have been adversely affected by the contraction of the overall press market for some time, are currently being evaluated.

During the first six months of 2013, Valora Services generated reported net revenues of CHF 161.7 million, compared to CHF 264.9 million in the same period of 2012. This decline principally reflects the division's disposal of its Services Austria and Sales & Services Switzerland units, which together accounted for CHF –98.2 million in non-recurring revenues. While the division remains adversely affected by the structural decline of the overall press market, it is pleasing to note that the fall in print-media revenues decelerated to –4.4 % in the first six months of 2013, compared to –10.7 % in the same period of 2012. In Switzerland the overall press market contracted by –5.5 %, while in Luxembourg it expanded by +0.6 % in local-currency terms. Significantly higher net revenues were generated by the division's third-party logistics-services unit, which operates under the nilo brand. Net revenues at nilo for the first six months of 2013 were +35.3 % up on their level in the same period of 2012, thanks to the business it generated with new and existing customers.

Valora Services' first-half 2013 gross-profit margin was 26.3 %, a +1.9 percentage-point increase on its first-half 2012 result. This is attributable partly to changes in its revenue mix following the disposal of its low-margin goods wholesaling business and partly to the greater share of its overall revenues derived from its logistics-services unit. Valora Services' reported gross profit for the first six months of 2013 was CHF 42.6 million, which is CHF –22.1 million lower than a year earlier, reflecting the effect of disposals.

Net operating costs were cut by +35.7 %, largely as a result of the division's sale of its Services Austria and Sales & Services Switzerland units.

Valora's Services division generated a reported operating profit of CHF 5.8 million in the first six months of 2013, which equates to a +0.8 percentage-point improvement in its EBIT margin, to 3.6 %.

E VALORA TRADE

in CHF million	30.06.2013	2013 share in %	30.06.2012 restated	2012 share in %	Change in %
Net revenues	**398.3**	**100.0%**	**385.1**	**100.0%**	3.4%
Gross profit	**88.7**	**22.3%**	**88.8**	**23.1%**	–0.1%
– Operating costs, net	–86.6	–21.8%	–84.8	–22.0%	2.2%
Operating profit (EBIT)	**2.1**	**0.5%**	**4.0**	**1.1%**	–48.8%

In first-half 2013, Valora's Trade division increased its net revenues by CHF +13.2 million, or +3.4%. The division is active in seven European national markets, where it distributes well-known branded goods in both its classical food, confectionery, non-food and beverage categories and in the field of cosmetics. As a result of the general economic climate and increasingly intense competition, the markets in which this division operates remain extremely challenging.

Thanks to their acquisitions of new principals, the division's country units in Finland and Austria did particularly well, increasing their net revenues by +58.7% and +14.4% respectively. Valora Trade Denmark expanded its net revenues by +7.2%, largely thanks to its successful integration of several new non-food brand and product concepts. The division's units in Sweden (+4.4%) and Norway (+1.2%) also expanded their sales. Reported net revenues in Germany declined on their first-half 2012 levels, as they did in Switzerland, where market conditions were adversely affected by shopping tourism and parallel imports.

Despite the margin pressure it is experiencing in all its markets, Valora Trade's first-half 2013 gross profit, at CHF 88.7 million, is in line with its performance in the same period of 2012. The gross-profit margin for the first six months of 2013 was 22.3%, reflecting the pressure on margins from principals and retailers alike. Austria and Norway presented a more positive picture, with Valora Trade improving its gross-profit margins in these markets by +1.9 and +2.8 percentage points respectively.

Valora Trade's net operating costs for the first six months of 2013 were CHF –86.6 million, which, thanks to favourable one-off effects in 2012, puts them CHF –1.8 million above their first-half 2012 level. Despite this increase, the division nevertheless succeeded in reducing its operating-cost margin by +0.2 percentage points compared to its level in first-half 2012.

Valora Trade's operating profit for the first six months of 2013 was CHF 2.1 million, compared to CHF 4.0 million a year earlier. This equates to an operating-profit margin of 0.5%. In early 2013, the division initiated a number of measures aimed at improving its profitability, the full effect of which will become apparent in the next few months. Initiatives in this area include further cost-optimisation measures and streamlining the principal portfolio.

F CORPORATE

As part of the reorganisation of its Corporate division, Valora re-assigned a number of departments directly to its market divisions. The central Finance, Corporate Human Resources, Business Development, Legal Services and Communications departments remain part of the Corporate division. Valora has a policy of charging the net costs of the Corporate division to the individual divisions. Revenue and expense which is unrelated to the market divisions is reported under Other.

The Corporate division's net direct costs for the first six months of 2013 were CHF + 3.5 million lower than in the same period of 2012, largely as a result of lower personnel expenses following the reorganisation of this division. Personnel expenses were also positively affected by the adjustment to the pension annuity conversion rate.

G FINANCIAL RESULT AND TAXES

During the first six months of 2013, the Valora Group achieved a net result from its financing operations of CHF – 9.3 million, CHF – 4.5 million less than in the same period of 2012. This change is principally the result of higher interest costs, reflecting the Group's increased use of its syndicated-loan facility following the Ditsch / Brezelkönig acquisition. Results from foreign-exchange operations improved by CHF + 1.6 million compared to first-half 2012, largely thanks to favourable exchange-rate movements.

The Group's overall tax rate for the first six months of 2013 was – 15.3 %, + 1.7 percentage points lower than its projected long-run tax rate of – 17 %. The overall tax rate for the first six months of 2012 was – 13.3 %. The Valora Group's first-half 2013 tax expenses were CHF – 3.8 million, comprising CHF – 1.9 million of current income taxes and CHF – 1.8 million of provisions for deferred income taxes.

H LIQUIDITY, CASH FLOW AND KEY FINANCIAL DATA

The Valora Group's earnings before interest, taxes, depreciation and amortisation (EBITDA) for the first six months of 2013 amounted to CHF 66.0 million, an improvement of CHF + 22.8 million on the same period of 2012. Consolidated free cash flow for the period was CHF – 1.5 million, CHF + 54.1 million ahead of the figure for first-half 2012. This positive performance is attributable to a variety of factors. Free cash flow benefited from the improvement in operating profit, while funds tied up in net working capital were reduced. Streamlined spending on operational investments also had a positive effect.

The proportion of the Valora Group's balance sheet covered by shareholders' equity was raised to 44.0 % at June 30, 2013, an + 8.2 percentage-point increase on the year-end 2012 figure. This improved equity cover is mainly the result of the CHF 120 million of perpetual subordinated hybrid bonds Valora Holding AG issued on April 9, 2013, which helped the Group to reduce its net debt by CHF – 78 million to CHF 284 million.

I VALORA VALUE ADDED

Valora Value Added in CHF million	**30.06.2013**	30.06.2012
Operating profit (EBIT)	33.8	18.0
Average invested capital	1 171.8	710.5
WACC	8.0 %	8.0 %
Capital costs	46.8	28.5
Valora Value Added	**– 13.0**	**– 10.5**

In order to measure the sustained return it earns over and above its cost of capital, the Valora Group introduced the concept of Valora Value Added (VVA) in 2008. VVA is based on the classical definition of economic value added. In order to ensure comparability between reporting periods, Valora Value Added is calculated on the basis of operating profit minus the Group's weighted average cost of capital (WACC), the weighted average of its equity and debt financing costs. The current calculations, which are based on industry comparisons and expected interest-rate levels, put WACC at 8%. Valora regularly reviews its WACC assumptions, adjusting the WACC figure if it moves outside a defined range. Management's focus is on achieving a sustainable increase in VVA, thus ensuring that the value of the company increases in an enduring fashion.

During the first six months of 2013, the Group generated VVA of CHF –13.0 million, CHF –2.5 million less than in the same period of 2012. This change principally reflects the increase in the Group's cost of capital, which is attributable to the significantly higher average amount of capital it had invested during the period due to the acquisitions carried out in the second half of 2012.

Given the seasonal nature of Valora Group's operations, the majority of the VVA it generates in a calendar year is concentrated in the second half of the year.

J OUTLOOK

Valora has got off to a good start to the year during the first six months of 2013. The Group's strategic initiatives under its Valora for a fast moving world programme are progressing according to plan and further measures will be taken in the second half of the year.

Thanks to its acquisition of Convenience Concept in Germany, its comprehensive outlet coverage in Switzerland, its sound kiosk business in Luxembourg and its entry into the Austrian market, Valora Retail is well placed and has been able to strengthen its position as the leading microretailer in German-speaking Europe. Roll-out of the updated k kiosk concept to more than 100 outlets in Switzerland is achieving pleasing results. The new outlet concept features a redesigned, modern layout which devotes less space to press titles, thus creating more room for the kiosks' extended food range. In Germany, integration of the Convenience Concept outlets acquired in 2012 continues. The objective here is to replace these outlets' disparate appearance with a single, uniform format. This is a challenging undertaking, which will continue to require signficant effort. Valora intends systematically to exploit the synergies between Ditsch / Brezelkönig and its existing formats in the years ahead. The Ditsch / Brezelkönig outlet network will also be expanded and new product variations will be developed to expand sales to trade partners.

Valora Services continues to work on realigning its business model. All potential strategic options for a sustainable future for the division's press businesses in Switzerland and Luxembourg are being evaluated. Specific negotiations with potential purchasers or business partners will take place in the next few weeks, with the objective of handing over control of the entire Services area. The Swiss logistics-services unit nilo is generating growing revenues. Given the rapid pace at which online retailing is growing, and the ideal distribution channel which nilo's intricate logistics network in Switzerland provides to this sector, there is considerable scope for this unit to achieve further promising growth.

Valora Trade is concentrating its initiatives on improving profitability. On the revenue side, existing contracts with principals are being analysed and re-negotiated where necessary. Efforts are also being directed towards acquiring smaller and medium-sized new principals in higher-margin niche markets and developing new, alternative distribution channels. On the costs side, improvements in efficiency levels are providing useful momentum towards improved margins.

In aggregate, the measures which have been initiated aim to make optimal use of the strengths and synergies within the Group so as to enable Valora to achieve a sustainable improvement in its long-term profitability.

Valora Holding AG

Rolando Benedick
Chairman of the Board of Directors
and Chief Executive Officer

Michael Mueller
Chief Financial Officer

VALORA HALF-YEAR FINANCIAL STATEMENTS 2013

CONSOLIDATED INCOME STATEMENT

January 1 to June 30, in CHF 000 (except per-share amounts)	**2013**	**%**	2012 restated	%
Net revenues	**1 412 137**	**100.0**	**1 387 151**	**100.0**
Cost of goods and materials	– 908 044	– 64.3	– 945 430	– 68.2
Personnel expense	– 186 639	– 13.2	– 199 183	– 14.3
Other operating expenses	– 255 496	– 18.1	– 203 747	– 14.7
Depreciation and impairments	– 32 140	– 2.3	– 25 196	– 1.8
Other revenues	6 438	0.5	4 471	0.3
Other expenses	– 2 414	– 0.2	– 75	0.0
Operating profit (EBIT)	**33 842**	**2.4**	**17 991**	**1.3**
Financial expense	– 9 855	– 0.7	– 5 231	– 0.3
Financial income	564	0.0	405	0.0
Share of result from associates and joint ventures	56	0.0	111	0.0
Earnings before taxes	**24 607**	**1.7**	**13 276**	**1.0**
Income taxes	– 3 769	– 0.2	– 1 765	– 0.2
Net profit from continuing operations	**20 838**	**1.5**	**11 511**	**0.8**
Net profit from discontinued operations	5 000	0.3	–	–
Net Group profit	**25 838**	**1.8**	**11 511**	**0.8**
Attributable to shareholders of Valora Holding AG	24 838	1.8	11 232	0.8
Attributable to providers of hybrid equity capital	800	0.0	–	–
Attributable to providers of Valora Holding AG shareholders› equity	**25 638**	**1.8**	**11 232**	**0.8**
Attributable to non-controlling interests	**200**	**0.0**	**279**	**0.0**
Earnings per share				
from continuing operations, diluted and undiluted (in CHF)	5.86		4.06	
from discontinued operations, diluted and undiluted (in CHF)	1.48		–	
from continued and discontinued operations, diluted and undiluted (in CHF)	**7.34**		**4.06**	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

January 1 to June 30, in CHF 000	**2013**	2012 restated
Net Group profit	**25 838**	**11 511**
Actuarial gains/(losses) before income taxes	24 736	– 10 721
Income taxes	– 4 948	2 145
Positions not subject to reclassification affecting the income statement	**19 788**	**– 8 576**
Cash flow hedge	4 052	– 807
Currency translation adjustments	4 292	– 1 216
Positions whose reclassification potentially affects the income statement	**8 344**	**– 2 023**
Total other comprehensive income	**28 132**	**– 10 599**
Total comprehensive income	**53 970**	**912**
Attributable to shareholders of Valora Holding AG	53 079	620
Attributable to providers of hybrid equity capital	800	–
Attributable to providers of Valora Holding AG equity capital	**53 879**	**620**
Attributable to non-controlling interests	**91**	**292**

CONSOLIDATED BALANCE SHEET

ASSETS

in CHF 000	30.06.2013	%	31.12.2012 restated	%	01.01.2012 restated	%
Current assets						
Cash and cash equivalents	109 916		147 153		109 562	
Derivative financial assets	1 359		7		166	
Trade accounts receivable	159 841		169 292		174 042	
Inventories	242 904		233 136		236 299	
Current income tax receivables	2 763		914		4 453	
Other current receivables	89 111		86 476		66 597	
Total current assets	**605 894**	**37.6%**	**636 978**	**39.4%**	**591 119**	**53.4%**
Non-current assets						
Property, plant and equipment	226 662		230 314		219 302	
Goodwill, software and other intangible assets	661 641		664 150		232 788	
Investment property	3 681		5 645		5 752	
Investment in associates and joint ventures	4 745		4 554		4 291	
Financial assets	21 476		22 647		8 881	
Net pension asset	58 708		24 303		16 523	
Deferred income tax assets	26 984		26 884		27 570	
Total non-current assets	**1 003 897**	**62.4%**	**978 497**	**60.6%**	**515 107**	**46.6%**
Total assets	**1 609 791**	**100.0%**	**1 615 475**	**100.0%**	**1 106 226**	**100.0%**

LIABILITIES AND EQUITY

in CHF 000	30.06.2013	%	31.12.2012 restated	%	01.01.2012 restated	%
Current liabilities						
Short-term financial debt	27 630		16 187		141 869	
Derivative financial liabilities	99		2 820		9 056	
Trade accounts payable	236 407		266 145		293 056	
Current income tax liabilities	34 622		36 597		12 565	
Other current liabilities	166 176		154 213		144 846	
Current provisions	0		5 481		0	
Total current liabilities	**464 934**	**28.9%**	**481 443**	**29.8%**	**601 392**	**54.4%**
Non-current liabilities						
Other non-current liabilities	368 721		495 521		3 644	
Long-term accrued pension cost	12 464		12 358		15 026	
Long-term provisions	407		400		6 121	
Deferred income tax liabilities	55 394		47 999		15 226	
Total non-current liabilities	**436 986**	**27.1%**	**556 278**	**34.4%**	**40 017**	**3.6%**
Total liabilities	**901 920**	**56.0%**	**1 037 721**	**64.2%**	**641 409**	**58.0%**
Equity						
Share capital	3 436		3 436		2 800	
Treasury stock	– 12 021		– 12 350		– 5 185	
Mark-to-market, financial instruments	– 7 283		– 11 335		– 8 788	
Hybrid equity capital	119 098		–		–	
Retained earnings	635 927		633 781		513 070	
Cumulative translation adjustments	– 36 441		– 40 842		– 41 738	
Equity of Valora Holding AG	**702 716**	**43.7%**	**572 690**	**35.5%**	**460 159**	**41.6%**
Non-controlling interests in equity capital	5 155		5 064		4 658	
Total equity	**707 871**	**44.0%**	**577 754**	**35.8%**	**464 817**	**42.0%**
Total liabilities and equity	**1 609 791**	**100.0%**	**1 615 475**	**100.0%**	**1 106 226**	**100.0%**

CONSOLIDATED CASH FLOW STATEMENT (CONDENSED)

January 1 to June 30, in CHF 000	**2013**	2012 restated
Operating profit (EBIT)	**33 842**	**17 991**
Elimination of non-cash transactions	23 310	23 687
Cash flow before changes in net working capital	**57 152**	**41 678**
Changes in net working capital	– 22 520	– 49 716
Net cash (used in)/provided by operating activities	**34 632**	**– 8 038**
Interest and taxes paid/received	– 18 034	– 12 709
Total net cash (used in)/provided by operating activities	**16 598**	**– 20 747**
Investment in non-current assets	– 20 861	– 132 911
Proceeds from sales	9 888	8 727
Net cash (used in)/provided by investing activities	**– 10 973**	**– 124 184**
Increase in financial liabilities	0	199 652
Repayment of financial liabilities	– 120 566	– 1 334
Treasury stock purchased/sold and dividends paid	– 42 510	– 40 452
Issuance of hybrid equity capital	119 098	0
Net cash (used in)/provided by financing activities	**– 43 978**	**157 866**
Net (decrease)/increase in cash and cash equivalents	**– 38 353**	**12 935**
Translation adjustments on cash and cash equivalents	1 116	– 183
Cash and cash equivalents at January 1	147 153	109 562
Cash and cash equivalents at June 30	**109 916**	**122 314**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity	*Equity of Valora Holding AG*								
in CHF 000	**Share capital**	**Treasury stock**	**Mark-to-market, financial instru-ments**	**Hybrid equity capital**	**Retained earnings**	**Cumulative translation adjustments**	**Total equity of Valora Holding AG**	**Non-controlling interests**	**Total equity**
Balance at December 31, 2011	**2 800**	**–5 185**	**–8 788**	**–**	**510 585**	**–41 738**	**457 674**	**4 658**	**462 332**
IAS 19 restatement					2 485		2 485		2 485
Balance at January 1, 2012	**2 800**	**–5 185**	**–8 788**	**–**	**513 070**	**–41 738**	**460 159**	**4 658**	**464 817**
Net Group profit [1]					11 232		11 232	279	11 511
Total other comprehensive income [1]			–807		–8 576	–1 229	–10 612	13	–10 599
Total comprehensive income [1]			–807		2 656	–1 229	620	292	912
Share-based payments					31		31		31
Dividend paid					–31 888		–31 888		–31 888
Additions to treasury stock		–18 098					–18 098		–18 098
Decrease in treasury stock		10 712			–888		9 824		9 824
Balance at June 30, 2012 [1]	**2 800**	**–12 571**	**–9 595**	**–**	**482 981**	**–42 967**	**420 648**	**4 950**	**425 598**
Net Group profit [1]					26 921		26 921	22	26 943
Total other comprehensive income [1]			–1 740		16 076	2 125	16 461	92	16 553
Total comprehensive income [1]			–1 740		42 997	2 125	43 382	114	43 496
Share-based payments					172		172		172
Dividend paid									
Additions to treasury stock		–2 646					–2 646		–2 646
Decrease in treasury stock		2 867			–569		2 298		2 298
Share-capital increase	636				108 200		108 836		108 836
Balance at December 31, 2012 [1]	**3 436**	**–12 350**	**–11 335**	**–**	**633 781**	**–40 842**	**572 690**	**5 064**	**577 754**
Net Group profit					25 638		25 638	200	25 838
Total other comprehensive income			4 052		19 788	4 401	28 241	–109	28 132
Total comprehensive income			4 052		45 426	4 401	53 879	91	53 970
Share-based payments					152		152		152
Dividend paid					–42 307		–42 307		–42 307
Additions to treasury stock		–947					–947		–947
Decrease in treasury stock		1 276			–325		951		951
Issuance of hybrid equity capital				119 098			119 098		119 098
Distributions to providers of hybrid equity capital					–800		–800		–800
Balance at June 30, 2013	**3 436**	**–12 021**	**–7 283**	**119 098**	**635 927**	**–36 441**	**702 716**	**5 155**	**707 871**

[1] restated

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

1 INFORMATION REGARDING THE GROUP

Valora is a Swiss trading group operating on a Europe-wide basis. Valora's parent company, Valora Holding AG, is listed on the SIX Swiss Exchange. Through its three divisions, the Valora Group operates in the business areas of small-outlet retail at heavily frequented locations (Valora Retail), production and distribution of lyebread bakery products (Ditsch / Brezelkönig), press-product distribution and wholesaling activities (Valora Services) and distribution of branded food and non-food products (Valora Trade).

2 SIGNIFICANT ACCOUNTING POLICIES

These half-year financial statements comprise the consolidated financial statements of Valora Holding AG and its subsidiaries for the first six months of 2013. The statements are based on the set of uniformly prepared individual financial statements of the Valora Group companies. With the exception of the changes to International Financial Reporting Standards (IFRS) and their interpretation detailed in Note 3 below, these statements have been prepared according to the same accounting policies and valuation principles as those used for the Group's 2012 annual report. The reporting currency is the Swiss franc (CHF). These half-year financial statements have been compiled in accordance with Swiss Exchange (SIX) requirements in line with International Accounting Standard 34 (IAS 34) "Interim Financial Reporting". These statements do not include all the information contained in the consolidated annual report for 2012 and should therefore be read in conjunction with that document.

Consolidation principles. In addition to the accounts of Valora Holding AG, Muttenz, Switzerland, the Valora Group's half-year financial statements also encompass those of its subsidiaries and participations as follows:

Consolidated companies. Group companies which Valora Holding AG directly or indirectly controls are fully consolidated. In determining whether such control exists, the contractual provisions governing Valora's interest in such companies are considered as are Valora's other rights. Group companies acquired are consolidated from the day Valora assumes control over them and deconsolidated from the day Valora ceases to exercise such control.

Consolidation method. All intra-Group assets, liabilities, revenues and expenditures, and all unrealised gains or losses on intra-Group transactions, are fully eliminated. Whenever companies are acquired, all identifiable assets, liabilities and contingent liabilities of the acquired entity are valued at the fair value prevailing at the time of the acquisition, and the difference between the purchase price paid and the fair value of the company's net assets at the time of the acquisition is recognised as goodwill. Non-controlling interests are defined as the shareholders' equity of a subsidiary which is not directly or indirectly attributable to the shareholders of Valora Holding AG. These non-controlling interests are disclosed separately in the consolidated income statement, consolidated statement of comprehensive income and the balance sheet. In the Group balance sheet, non-controlling interests are shown in the shareholders' equity section, but are reported separately from the equity attributable to shareholders of Valora Holding AG. Purchases of non-controlling interests are treated as equity transactions.

Non-consolidated participations (associated companies and joint ventures). Associated companies and joint ventures are treated according to the equity method. Associated companies are companies over which Valora exerts significant influence, but does not control. Significant influence is assumed to be exerted on companies in which Valora holds between 20 % and 50 % of the voting shares. Joint ventures are based on joint agreements between the parties concerned, each of which has rights to the net assets of the joint-venture entity. Joint arrangements, conversely, confer direct rights and obligations to the assets and liabilities of the entity concerned on the parties to the arrangement, who recognise these in these their financial statements in accordance with the proportion of the entire entity allocated to them under the terms of the arrangement. Participations treated under the equity method are recorded on the balance sheet at purchase cost and reported under "Investment in associates and joint ventures". In the reporting periods following acquisition, the value of this item is adjusted to reflect Valora's share of the changes in shareholders' equity of the associated companies and joint ventures. Any valuation gains or losses not affecting the net income of associated companies and joint ventures are credited or debited directly to Valora's other comprehensive income. Dividends received by Valora reduce the value of its investment.

Changes in consolidation scope. No changes in consolidation scope occurred during the period under review.

Consolidation period. These half-year financial statements cover the period from January 1 to June 30.

3 CHANGES TO ACCOUNTING POLICIES

Implementation of new International Financial Reporting Standards (IFRS). The effects arising from the implementation of changes to International Financial Reporting Standards (IFRS) and interpretations thereof which was required with effect from January 1, 2013 are explained below:

IAS 1 (revised) "Presentation of Financial Statements"
Those components of other comprehensive income which, under certain circumstances, are reclassified in such a way as to impact future income statements are reported separately from those which are not so reclassified. This change has no financial effect on the results shown here, since it relates solely to the presentation of other comprehensive income.

IAS 19 (revised) "Employee Benefits"
The effects of this change on the Valora Group's financial statements are set out in the explanatory notes on the restated accounts below.

IFRS 7 (revised) "Financial Instruments: Disclosures"
Financial assets and liabilities may be offset against each other only to the extent that enforceable netting rights exist as of the relevant balance sheet date and that the assets and liabilities can be netted against each other. This change has no effect on the financial statements of the Valora Group.

IFRS 10 "Consolidated Financial Statements"
This new standard replaces IAS 27 and SIC 12. In this context, the new standard redefines the concept of control. Under the new definition, control is deemed to exist when an entity can exert power over an investee, when the entity is exposed to variable returns from its investment and when it has the ability to affect the level of those returns through its power over the investee. This new standard does not affect any of the entities in the Valora Group's consolidation scope.

IFRS 11 "Joint Arrangements"
This new standard replaces IAS 31 and parts of IAS 28. The distinction as to whether a participation constitutes a joint arrangement or a joint venture is determined by the valuation method applied to it (at equity or in accordance with the contractually agreed share of control). Pro rata consolidation is no longer permitted. This new standard does not affect the financial statements of the Valora Group.

IFRS 12 "Disclosure of Interests in Other Entities"
The new requirements applicable under IFRS 12 affect extended disclosure requirements only.

IFRS 13 "Fair Value Measurement"
The definition of "fair value" has been harmonised to mean market-based exit price. The new requirements under IFRS 13 affect Valora's extended disclosure requirements.

Restatement of Group financial statements. A new version of IAS 19 "Employee Benefits" was published in June 2011. The revised standard must be applied to all reporting periods commencing on or after January 1, 2013. The new standard no longer permits actuarial gains and losses on defined-benefit employee schemes to be reported under the corridor method. The Valora Group does not avail itself of this method, reporting such gains and losses under total other comprehensive income instead. Since the approach that the revised standard requires in this matter is already used by the Valora Group, these changes do not have any effect on its consolidated accounts. The revised standard also requires that the current method of basing expected returns from plan assets on an expected net return be replaced by a method which applies the discount rate used to calculate the net present value of defined-benefit plans' projected benefit obligation. There is also a requirement that past service costs be immediately recognised in the income statement at the time they occur and the distribution of risks between employee and employer changes.

The revised standard has been applied retroactively as of January 1, 2012. This results in an increase in the net pension asset amounting to CHF 3 106 thousand. The opening balance for retained earnings has been raised accordingly, subject to an adjustment of CHF –621 thousand for deferred income-tax liabilities.

The tables below show the effect of this restatement:

Consolidated Balance Sheet at 01.01.2012

in CHF 000	01.01.2012 before restatement	Change	01.01.2012 Restated
Net pension asset	13 417	3 106	16 523
Deferred income tax liabilities	14 605	621	15 226
Retained earnings	510 585	2 485	513 070

Consolidated Balance Sheet at 31.12.2012

in CHF 000	31.12.2012 before restatement	Change	31.12.2012 Restated
Net pension asset	21 255	3 048	24 303
Deferred income tax liabilities [1]	51 231	610	51 841
Retained earnings	631 343	2 438	633 781

Consolidated Income Statement January 1 to June 30, 2012

in CHF 000	01.01.–30.06.2012 before restatement	Change	01.01.–30.06.2012 Restated
Personnel expense	– 194 744	– 4 439	– 199 183
Operating profit (EBIT)	22 430	– 4 439	17 991
Income taxes	– 2 653	888	– 1 765
Net Group profit	15 062	– 3 551	11 511
Earnings per share, diluted and undiluted (in CHF)	5.34	– 1.28	4.06

Consolidated Statement of Comprehensive Income January 1 to June 30, 2012

in CHF 000	01.01.–30.06.2012 before restatement	Change	01.01.–30.06.2012 Restated
Net Group profit	15 062	– 3 551	11 511
Actuarial gains / (losses) before income tax	– 15 184	4 463	– 10 721
Income taxes	3 037	– 892	2 145
Total other comprehensive income	– 14 170	3 571	– 10 599
Total comprehensive income	892	20	912

[1] Before adjustment to Ditsch / Brezelkönig purchase price

4 GENERAL ACCOUNTING POLICIES

Conversion of foreign currencies. Transactions in foreign currencies are converted into Swiss francs at the exchange rate applicable on the transaction date. At the balance sheet date, amounts receivable and payable in foreign currencies are converted into Swiss francs at the exchange rate applicable on that date, and any exchange rate differences so arising are booked to the income statement. Upon consolidation, the assets and liabilities of subsidiaries whose operating currency is not the Swiss franc are converted into Swiss francs at the exchange rate prevailing on the balance sheet date. Income statement, cash flow statement and other movement items are converted into Swiss francs at average exchange rates for the period, provided such presentation sufficiently approximates the figures which would result from the application of transaction date rates. If not, movement items are converted at effective transaction rates. Exchange-rate gains and losses arising from the translation of annual financial statements of non-Swiss-franc subsidiaries are recognised in other comprehensive income and reported separately as currency-translation adjustments.

Exchange rates applied for key foreign currencies

	Average rate for 6 months to 30.06.2013	**Rate at 30.06.2013**	Average rate for 6 months to 30.06.2012	Rate at 30.06.2012
Euro, 1 EUR	1.230	1.230	1.205	1.202
Swedish krona, 100 SEK	14.42	14.11	13.59	13.71
Danish krone, 100 DKK	16.49	16.49	16.20	16.16
Norwegian krone, 100 NOK	16.35	15.57	15.91	15.93

5 ACQUISITIONS AND DISPOSALS OF BUSINESS UNITS

Disposal of Services Austria. The purchase price of CHF 7005 thousand relating to the disposal of Valora Services Austria GmbH at year-end 2012 has been paid in full by the purchaser.

Acquisition of Ditsch / Brezelkönig. As of October 10, 2012, the Valora Group acquired 100% of Brezelbäckerei Ditsch GmbH, Prisma Backwaren GmbH and Brezelkönig GmbH & Co. KG, all three having their registered offices in Mainz, Germany. Based on the current assessment of the final purchase price, the purchase-price consideration has been increased by CHF 13.6 million, the goodwill position by CHF 11.3 million and other net assets by CHF 2.3 million. Since not all the information necessary for a final determination of the companies' net assets and purchase-price consideration are yet available, the figures relating to asset values, liabilities and purchase-price consideration remain provisional at this stage.

6 HYBRID BOND ISSUE

On April 9, 2013, Valora Holding AG issued CHF 120 million in perpetual subordinated hybrid bonds, first redeemable at the issuer's option on October 30, 2018. Until that date, the annual coupon will be 4%. For subsequent five-year periods, it will be the sum of the mid-market 5-year swap rate plus 500 basis points plus the initial credit spread. Under the terms of the bonds, the issuer's obligation to pay interest on the debt is determined by the dividend resolution approved by the general meeting of shareholders. The further terms and conditions of the bonds, which will apply only in the event of further identical or similar instruments being issued, are set out in the bond-issue prospectus. The principal amount of the issue, less transaction costs, qualifies as shareholders' equity, as do the interest costs. The proceeds of the issue have been used for refinancing purposes, i.e. to redeem a portion of the outstanding syndicated loan.

7 SUMMARY SEGMENT REPORTING

Segment data by division

in CHF 000	Valora Retail	Ditsch / Brezelkönig	Valora Services	Valora Trade	Others	Intersegment elimination	Total Group
Segment information for the six months to 30.06.2013							
Net revenues							
Total	**824 022**	**93 269**	**161 738**	**398 271**	**100**	**– 65 263**	**1 412 137**
From third parties	822 921	93 269	99 437	396 410	100	0	1 412 137
From other divisions	1 101	0	62 301	1 861	0	– 65 263	0
Operating profit (EBIT)							
Total	**15 831**	**10 248**	**5 839**	**2 061**	**– 137**	0	**33 842**
Operating profit (EBIT) in % of net revenues	1.9	11.0	3.6	0.5			2.4
Segment assets							
Total	**717 985**	**476 343**	**164 905**	**380 536**	**403 923**	**– 533 901**	**1 609 791**
Segment liabilities							
Total	**595 621**	**81 559**	**73 673**	**214 317**	**470 651**	**– 533 901**	**901 920**
Segment information for the six months to 30.06.2012, restated							
Net revenues							
Total	**807 557**	**–**	**264 924**	**385 058**	**2**	**– 70 390**	**1 387 151**
From third parties	806 611	–	197 758	382 780	2	0	1 387 151
From other divisions	946	–	67 166	2 278	0	– 70 390	0
Operating profit (EBIT)							
Total	**10 290**	**–**	**7 452**	**4 025**	**– 3 776**	0	**17 991**
Operating profit (EBIT) in % of net revenues	1.3	–	2.8	1.0			1.3
Segment assets							
Total	**704 274**	**–**	**229 210**	**353 251**	**412 910**	**– 471 253**	**1 228 392**
Segment liabilities							
Total	**575 742**	**–**	**134 805**	**194 563**	**368 936**	**– 471 253**	**802 793**

As a result of internal organisational changes, the composition of reporting segments changed with effect from January 1, 2013. To ensure comparability, the segment reporting data for the first six months of 2012 has also been adjusted. These changes are due to the Group›s logistics business in Switzerland being transferred from Other to Valora Services. As a result, net revenues from third parties increased by CHF +139 thousand at Valora Retail and by CHF +6 168 thousand at Valora Services, while falling by CHF –6 307 thousand under Other.

IFRS revisions to IAS 19 resulted in modifications to the segment reporting data for the first six months of 2012, altering the operating profit for Valora Retail by CHF –3 236 thousand, for Valora Services by CHF –65 thousand, for Valora Trade by CHF –318 thousand and for Other by CHF –820 thousand.

8 SEASONAL EFFECTS

Valora's business activities are not subject to any significant seasonal or cyclical effects.

9 PERSONNEL EXPENSE

A reduction in personnel expense of CHF 9.7 million was recorded for the first six months of 2013, largely reflecting a lower annuity conversion rate for the Valora pension fund.

10 PROVISIONS

The provisions established in connection with the sale of Fotolabo and Own Brands were fully released during the first six months of 2013 as the remaining guarantees issued in respect of these transactions expired during this reporting period.

11 FINANCIAL INSTRUMENTS

The book values recorded for financial assets and liabilities covered by IFRS 7 are essentially congruent with their respective fair values. The only discrepancy relates to non-current financial liabilities. The book values here amount to CHF 365 915 thousand (CHF 492 572 thousand on 31.12.2012) versus fair values of CHF 368 686 thousand (CHF 502 172 thousand on 31.12.2012).

12 DIVIDENDS PAID

On April 25, 2013 a dividend of CHF 12.50 per registered share was paid in respect of 2012 (CHF 11.50 per registered share for the previous year).

13 SUBSEQUENT EVENTS

This half-year report was approved by the Board of Directors of Valora Holding AG on August 26, 2013.

Muttenz, August 29, 2013

The next Ordinary General Meeting of shareholders of Valora Holding AG will be held on May 7, 2014.

This half-year report is published in German and English. The original version is in German.

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