



**2008  
Interim  
Report**

Over the course of the first half of the year, Edipresse Group has continued to pursue a strategy of primarily strengthening its activities in Switzerland and on developing products and services in high-potential markets (Eastern Europe and Asia) and in the digital sector. Consequently, the company has partially pulled out of the Iberian Peninsula by selling its shareholding participation in Portugal.

## Changes in scope

Over the course of the first half of 2008, Edipresse realized the following transactions, mainly in Switzerland and Portugal:

- Increased its shareholding in JobUp Sàrl from 45% to 100%. Jobup.ch is the leading online job listing website in French-speaking Switzerland. As of January 1<sup>st</sup> 2008, it has been integrated in the Group's accounts according to the global integration method.
- Increased its shareholding in Homegate AG from 16.5% to 45%. Homegate AG is the leading real estate portal in Switzerland. It has been proportionally integrated in the Group's accounts as of January 1<sup>st</sup> 2008.
- Increased its shareholding in Point Prod SA to 30% from 20% at the end of 2007. This company is active in the realization and production of films, investigative reports, as well as television documentaries.
- Sold its 50% stake in the Portuguese magazine publishing company Edimpresa Lda to its partner and co-shareholder Impresa. This shareholding was deconsolidated on June 30<sup>th</sup> 2008. During the first half of 2008, it was consolidated according to the proportional method of integration. Net gains of this disposal were posted in the first half of the 2008 accounts under "Other operating expenses".

## Revenues

In overall terms, the Group's revenues decreased from CHF 428.7 million to CHF 385.3 million (-10.1%), mainly because of changes in scope. In particular, this reduction is due to the merger of Edipresse Hymosa's and Semana's publishing activities in Spain with RBA Revistas in the first half of 2007, which took full effect in 2008.

On a pro forma basis, revenues posted a slight increase of 0.6%, as a result of the positive upward trends in Eastern Europe and Asia. This compensated for the decrease in revenues in Switzerland.

The downward tendency in the Swiss market is attributed to poor advertising conditions, the impact of free dailies and electronic media.

## Operating expenses

The changes in scope mentioned above explain the decrease in operating expenses during the first half of 2008 in comparison with the same period last year. An overall decline of CHF 46.6 million was registered, representing 12.3%. The items most affected were cost of supplies CHF -14.7 million (-21.6%), direct expenses CHF -12.7 million (-8.5%), and personnel costs at CHF -6 million (-4.3%).

Furthermore, the gain realized from the disposal of the Portuguese subsidiary is accounted for in the CHF -13.2 million in other operating expenses.

Our associated companies' lower earnings stood at CHF 2.4 million, down from CHF 5.3 million in 2007. This is attributable to the change in scope associated with the global integration of JobUp Sàrl, the proportional integration of Homegate AG, and the diminishing return from our shareholding in RBA Edipresse, due to very poor economic conditions in Spain.

Investments in new launches increased by 22% compared to the same period last year, amounting to CHF 8.5 million, up from CHF 6.9 million. Finally, the negative impact on the accounts of CHF 4.7 million is attributed to the IAS 19 standard (prepayment of pension costs) at the end of June 2008 when compared with the first half of 2007.

## Earnings

Operating profit before depreciation remained stable in comparison with the same period in 2007, at CHF 55.6 million versus CHF 55.3 million.

Depreciation stood at CHF 17.9 million, up 14%. This increase essentially came from the depreciation of intangible assets following the integration of JobUp Sàrl and Homegate AG.

The improved net profit of about CHF 4 million is in line with budgetary objectives. The CHF 6 million tax expense represented an effective rate of 20% compared with the Group's theoretical rate of 23.5%.

Net earnings amounted to CHF 24.2 million (CHF 22 million in 2007), of which CHF 23.7 million are available for distribution to the Group's shareholders and CHF 0.5 million to minority shareholders.

## Segment reporting

Note 2 to the financial statement provides the segment information required by IFRS standards.

The primary segment level for the Edipresse Group is shown by business activity (newspapers, magazines, print facilities, and other activities) and the secondary segment level by geographic region (Switzerland/France, Iberian Peninsula, Eastern Europe, Asia).

Revenues from the newspaper segment (including both newspapers and Internet) rose by CHF 5.7 million to CHF 183.3 million (+3.2%). This increase was due to the integration of the online shareholdings in JobUp Sàrl and Homegate AG in the segment's scope as of January 1<sup>st</sup> 2008. However, the decrease in newspaper advertising and sales revenues overall amounted to CHF 5 million (-2.5%).

Websites associated with the newspaper segment (jobup.ch, homegate.ch, swissfriends.ch, shareholding in Virtual Network) experienced solid growth and achieved excellent results in the first half of 2008.

The newspaper segment's operating profit decreased by CHF 3 million (CHF 15 million compared to CHF 18 million in 2007).

Revenues of the magazine segment were down by CHF 48.5 million, as a result of the Hymosa group's merger with the RBA Revistas' group in the first half of 2007. Eastern European markets registered organic growth of 12.8%, Asia 20%, and Luxury 23%.

Edipresse Group pursued its investments (CHF 7.6 million compared to CHF 6.8 million in 2007) in the magazine segment by launching new titles in the summer: *Tatler* in Taiwan and *GMT XXL* (devoted to watch-making in the high-end segment) in three Asian markets (Hong Kong, Singapore and Malaysia). A French-language version of the prestigious watch magazine *Revolution* will be launched this autumn. *Revolution* is already present in several Asian markets, Spain, Russia, and the United States. In addition, at the end of the first half of 2008, Edipresse acquired the company Solitaire Media Ltd, publisher of a jewellery magazine in Singapore, as well as Appetite Media Pte Ltd, publisher of lifestyle magazines in Singapore, in order to strengthen its magazine portfolio in Asia.

The segment's operating profit rose to CHF 21.7 million compared to CHF 14.6 million in 2007. Net gains on disposal of assets from the sale of the company's shareholding in Portugal contributed significantly to the operating profit of the first half of 2008.

Revenues from the printing segment were down by nearly CHF 5 million (-6.2%) due to the decline in internal volume and market overcapacity, the latter exerting increased pressure on prices and margins. Operating profit also dropped by CHF 5.5 million (CHF 4 million, compared to CHF 9.5 million during the first half of 2007).

## Cash-flow

The strong rise in the operating cash-flow from CHF 9.5 million to CHF 32.4 million is mostly a result of the significant improvement in working capital by about CHF 12 million in comparison with the first half of 2007. Total investments stood at CHF 59.3 million. Most of this pertained to taking control over JobUp Sàrl and to the increase of the stake in Homegate AG from 16.5% to 45%. The net outflow of cash, associated with acquisitions of shareholdings, represented CHF 42.2 million.

The inflow of cash tied to the sale in Portugal was received at the end of July and, accounted in "Short Term Trade and other receivables."

## Balance sheet

In overall terms, the balance sheet's total was down by CHF 32.7 million, in comparison with December 31<sup>st</sup> 2007. This is attributed mainly to changes in scope, and in particular to the sale of our Portuguese subsidiary.

On the assets' side, the variation in tangibles is due to the disposal of a building in Portugal.

The increase in intangible assets (including Goodwill) is explained by the integration of JobUp Sàrl and Homegate AG. This integration caused an additional decrease in investment in associated companies.

The strong decline in pre-financing of pension funds (CHF 46.7 million) is attributed to the drop in financial markets during the first half of 2008. It should be noted that the actuarial gains and losses are reflected in equity. The corresponding impact for the current financial year in terms of equity, net of tax, amounted to CHF 37.1 million.

The increase in trade and other current receivables was due to the receivable associated with the sale in Portugal. The transaction was credited at the end of July 2008.

In overall terms, equity declined by CHF 20.7 million reaching CHF 345.1 million. This decrease is explained mostly by the impact of adjustments on pension plans.

The Group's net borrowings at closing date were slightly higher and stood at CHF 187.4 million compared with CHF 175.7 million at the end of 2007. This does not take into account the short-term receivable, which was credited at the end of July 2008, associated with the sale of the Portuguese subsidiary. The Debt/Equity ratio also remained stable at 35/65 (2007: 32/68).

The change in current liabilities resulted mainly from the changes in scope.

## Outlook

The economic slow-down which is predicted for the following months makes any trend forecasting very difficult for the end of 2008, although shrinking profit margins are to be expected. All indications suggest that advertising markets in Switzerland and Spain will most likely continue their downward trend. However, Internet activities should benefit from sustained growth. The Group will continue to invest in the second half of this year in magazines with new launches, especially in the Luxury segment. In order to ensure sufficient profitability, several cost reduction measures are planned during 2008. In Switzerland, a provision for restructuring will be accounted for in the second half of the year.

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## CONSOLIDATED INCOME STATEMENT (Unaudited)

(in thousands of CHF)	Notes	1st semester 2008	1st semester 2007	Full year 2007
Advertising		223 504	229 823	447 210
Copy sales		75 473	110 640	191 006
Subscriptions		37 065	36 930	72 837
Printing		25 129	24 658	52 002
Other		24 140	26 674	51 574
<b>Revenues</b>	2	<b>385 311</b>	428 725	814 629
Personnel expenses		(131 798)	(137 710)	(268 911)
Cost of supplies		(53 860)	(68 689)	(127 006)
Direct expenses		(135 626)	(148 305)	(282 854)
Other operating expenses	3	(10 900)	(24 072)	(57 967)
Results from associated companies		2 425	5 319	14 365
<b>Earnings Before Interest, Taxes, Depreciation and Amortization</b>		<b>55 552</b>	55 268	92 256
Tangible assets depreciation and amortization		(12 751)	(13 037)	(25 710)
Intangible assets depreciation and amortization		(5 014)	(2 618)	(6 083)
(Impairment)/reversal of impairment		( 181)	( 50)	(1 452)
<b>Earnings Before Interest and Taxes</b>		<b>37 606</b>	39 563	59 011
Interest expenses		(5 334)	(5 455)	(10 298)
Other financial result		(2 075)	(6 033)	(7 961)
<b>Net income before taxes</b>		<b>30 197</b>	28 075	40 752
Taxes		(6 009)	(4 566)	(10 345)
<b>Group net income before discontinued operations</b>		<b>24 188</b>	23 509	30 407
Discontinued operations			(1 506)	1 871
<b>Group net income</b>		<b>24 188</b>	22 003	32 278
<b>Attributable to</b>				
Group shareholders		23 688	20 832	30 771
Minority interests		500	1 171	1 507
<b>Basic and diluted earnings per share (in CHF)</b>				
Bearer shares		20.52	17.91	26.48
Registered shares		4.10	3.58	5.30

The accompanying notes form an integral part of the consolidated financial statements.

## CONSOLIDATED BALANCE SHEET (Unaudited)

(in thousands of CHF)	Notes	30 June 2008	30 June 2007	31 December 2007
Property, plant and equipment		185 745	223 699	211 482
Investment property		7 286	7 322	6 880
Goodwill		152 500	148 305	146 712
Intangible assets		51 360	27 254	27 462
Investments in associated companies		99 321	104 214	111 019
Non-current loans and receivables		3 997	16 434	9 016
Other financial assets		38 665	29 283	37 613
Employee benefit assets	4		71 148	41 950
Deferred tax assets		9 925	12 549	13 333
<b>Non-current assets</b>		<b>548 799</b>	<b>640 208</b>	<b>605 467</b>
Non-current assets classified as held for sale	5	14 433	23 467	14 833
Inventories		6 238	11 939	9 611
Trade and other receivables		159 348	139 394	126 097
Prepayments and accrued income		19 165	24 054	27 574
Other financial assets		519	1 081	671
Cash and cash equivalents		18 120	16 449	15 100
<b>Current assets</b>		<b>217 823</b>	<b>216 384</b>	<b>193 886</b>
<b>Total assets</b>		<b>766 622</b>	<b>856 592</b>	<b>799 353</b>
Share capital		58 535	58 535	58 535
Share premium		27 279	27 279	27 279
Treasury shares		(10 497)	(3 591)	(8 492)
Retained earnings	6	271 993	297 799	285 202
Other reserves	6, 7	(3 339)	4 029	2 190
<b>Equity attributable to Group shareholders</b>		<b>343 971</b>	<b>384 051</b>	<b>364 714</b>
Minority interests		1 110	689	1 048
<b>Equity</b>		<b>345 081</b>	<b>384 740</b>	<b>365 762</b>
Provisions	9	5 901	11 686	6 555
Borrowings		143 372	170 189	162 106
Employee benefit liabilities	4	4 722		
Other liabilities		25 127	25 140	26 388
Deferred tax liabilities		32 944	45 540	41 949
<b>Non-current liabilities</b>		<b>212 066</b>	<b>252 555</b>	<b>236 998</b>
Liabilities associated with non-current assets held for sale	5		3 058	
Provisions	9	5 667	6 312	5 818
Borrowings		62 159	40 431	28 668
Deferred subscription revenues		31 366	29 991	28 739
Accruals and deferred income		55 915	57 014	49 844
Tax liabilities		4 334	3 531	2 831
Trade and other payables		50 034	78 960	80 693
<b>Current liabilities</b>		<b>209 475</b>	<b>219 297</b>	<b>196 593</b>
<b>Total equity and liabilities</b>		<b>766 622</b>	<b>856 592</b>	<b>799 353</b>

The accompanying notes form an integral part of the consolidated financial statements.

## CONSOLIDATED CASH FLOW STATEMENT

(Unaudited)

(in thousands of CHF)	Notes	1st semester 2008	1st semester 2007	Full year 2007
<b>Operating activities</b>				
Group net income		24 188	22 003	32 278
Reversal of non-cash items		11 740	6 648	30 263
Dividends received from associates		8 771	5 902	6 992
Changes in working capital		(5 629)	(17 297)	(24 444)
Interest paid		(2 849)	(2 616)	(8 859)
Interest received		565	400	2 458
Taxes paid		(4 373)	(5 523)	(9 051)
<b>Operating cash flow</b>		<b>32 413</b>	<b>9 517</b>	<b>29 637</b>
<b>Investing activities</b>				
Purchases of tangible and intangible assets		(14 709)	(10 936)	(23 219)
Acquisitions, net of cash acquired	10	(42 215)	(14 975)	(15 604)
Purchases of other financial assets		(2 352)	(6 186)	(8 141)
Disposals of tangible and intangible assets		6 371	17 995	16 658
Divestments, net of cash transferred	11	( 661)	( 710)	18 075
Proceeds from disposals and repayments of other financial assets		631	4 028	8 605
<b>Cash flow from investing activities</b>		<b>(52 935)</b>	<b>(10 784)</b>	<b>(3 626)</b>
<b>Financing activities</b>				
Dividends paid to Group shareholders		(6 327)	(6 439)	(6 439)
Dividends paid to minority interests		(1 046)	(4 794)	(5 172)
Sale/(purchase) of treasury shares		(2 005)	4 298	( 804)
Increase in financial liabilities		43 204	9 485	16 845
Decrease in financial liabilities		(9 113)	(1 413)	(29 542)
Repayments of finance lease obligations		( 792)	( 227)	(2 485)
<b>Cash flow from financing activities</b>		<b>23 921</b>	<b>910</b>	<b>(27 597)</b>
Net increase/(decrease) in cash and cash equivalents		<b>3 399</b>	<b>( 357)</b>	<b>(1 586)</b>
Cash and cash equivalents at beginning of year		<b>15 100</b>	<b>16 428</b>	<b>16 428</b>
Effect of exchange rate movements		<b>( 379)</b>	<b>378</b>	<b>258</b>
<b>Cash and cash equivalents at end of year</b>		<b>18 120</b>	<b>16 449</b>	<b>15 100</b>

The accompanying notes form an integral part of the consolidated financial statements.

STATEMENT OF RECOGNIZED INCOME AND EXPENSE  
(Unaudited)

<b>(in thousands of CHF)</b>	<b>Notes</b>	<b>1st semester 2008</b>	<b>1st semester 2007</b>	<b>Full year 2007</b>
Fair value adjustments on available-for-sale financial instruments	7	( 128)	511	1 150
Adjustments on pension plans	4	(48 572)	7 152	(22 401)
Liability in respect of purchase of minority interests			2 802	2 874
Revaluation due to business combinations achieved in stages		<b>9 010</b>		
Exchange differences		<b>(5 549)</b>	2 657	( 86)
Taxes on equity items		<b>9 065</b>	(1 681)	5 264
<b>Net result recognized in equity</b>		<b>(36 174)</b>	11 441	(13 199)
Group net income		<b>24 188</b>	22 003	32 278
<b>Total income and expense recognized during the period</b>		<b>(11 986)</b>	33 444	19 079
<b>Attributable to</b>				
Group shareholders		<b>(12 411)</b>	31 899	17 463
Minority interests		<b>425</b>	1 545	1 616

The accompanying notes form an integral part of the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

## 1. Accounting policies

The consolidated interim financial statements have been prepared according to International Accounting Standards (IAS 34), Interim financial reporting. The accounting principles and policies are the same as those which were applied for the 2007 consolidated accounts. No change of IFRS standards has impacted the Group accounts for the 1st semester 2008.

The interim report is published in French and in English and was not audited by the Auditor of the consolidated accounts.

Certain amounts relating to the previous financial year have been reclassified in order to allow for comparability.

## 2. Segment reporting - business segments

(in thousands of CHF)						1st semester
						2008
	Newspapers	Magazines	Print facilities	Other activities	Eliminations	Group total
External revenues	181 706	175 685	27 657	263		385 311
Internal revenues	1 618	9 667	46 940	41	(58 266)	
<b>Revenues</b>	<b>183 324</b>	<b>185 352</b>	<b>74 597</b>	<b>304</b>	<b>(58 266)</b>	<b>385 311</b>
Total segment expenses (adjusted for non recurring effects)	(170 087)	(180 314)	(71 165)	( 666)	58 266	(363 966)
Non recurring effects	1 080	18 239	609			19 928
Results from associated companies	632	(1 539)		3 332		2 425
<b>Segment result</b>	<b>14 949</b>	<b>21 738</b>	<b>4 041</b>	<b>2 970</b>		<b>43 698</b>
Unallocated expenses						(6 092)
<b>Earnings Before Interest and Taxes</b>						<b>37 606</b>
Interest expenses						(5 334)
Other financial result						(2 075)
<b>Net income before taxes</b>						<b>30 197</b>
Taxes						(6 009)
<b>Group net income before discontinued operations</b>						<b>24 188</b>
Discontinued operations						
<b>Group net income</b>						<b>24 188</b>

(in thousands of CHF)						1st semester
						2007
	Newspapers	Magazines	Print facilities	Other activities	Eliminations	Group total
External revenues	176 293	225 116	26 890	426		428 725
Internal revenues	1 331	8 703	52 660	5	(62 699)	
<b>Revenues</b>	<b>177 624</b>	<b>233 819</b>	<b>79 550</b>	<b>431</b>	<b>(62 699)</b>	<b>428 725</b>
Total segment expenses (adjusted for non recurring effects)	(165 691)	(223 415)	(74 105)	( 395)	62 699	(400 908)
Non recurring effects	4 021	4 150	4 008	1 917		14 097
Results from associated companies	1 993	76		3 250		5 319
<b>Segment result</b>	<b>17 947</b>	<b>14 630</b>	<b>9 453</b>	<b>5 203</b>		<b>47 233</b>
Unallocated expenses						(7 670)
<b>Earnings Before Interest and Taxes</b>						<b>39 563</b>
Interest expenses						(5 455)
Other financial result						(6 033)
<b>Net income before taxes</b>						<b>28 075</b>
Taxes						(4 566)
<b>Group net income before discontinued operations</b>						<b>23 509</b>
Discontinued operations				(1 506)		(1 506)
<b>Group net income</b>						<b>22 003</b>

## 2. Segment reporting - geographical segments (continued)

<b>(in thousands of CHF)</b>	<b>1st semester 2008</b>	<b>1st semester 2007</b>
<b>External revenues</b>		
Switzerland	223 328	217 383
Iberian Peninsula	53 216	115 397
Eastern Europe	99 112	87 899
Asia	9 655	8 046
	<b>385 311</b>	<b>428 725</b>

Switzerland includes Edipresse's businesses in Switzerland and France.

The Iberian Peninsula segment includes mainly Edipresse's activities in Spain and Portugal.

The Eastern Europe segment comprises Edipresse's businesses in Poland, Ukraine, Russia and Romania.

The Asia segment contains Edipresse's businesses in Hong Kong, China, Thailand, Singapore, Malaysia and the Philippines.

Third party revenue is allocated to segments based on the location of the customers concerned.

## 3. Other operating expenses

<b>(in thousands of CHF)</b>	<b>1st semester 2008</b>	<b>1st semester 2007</b>
Overheads	31 363	34 788
Other expenses/(income) - net	(20 463)	(10 716)
<b>Other operating expenses</b>	<b>10 900</b>	<b>24 072</b>

Overheads include in particular IT costs, vehicle expenses, rents, energy and maintenance costs.

Other expenses/(income) – net comprise in 2008 mainly the profit on the disposal of our Portuguese affiliates; in 2007 this contained the income from the Hymosa Group combination with RBA Revistas in Spain.

## 4. Employee benefits

<b>(in thousands of CHF)</b>	<b>1st semester 2008</b>	<b>Full year 2007</b>
Fair value of plan assets	502 592	538 174
Defined benefit obligation	(509 030)	(499 657)
<b>Funded status</b>	<b>(6 438)</b>	<b>38 517</b>
Prior service cost	(1 716)	(3 432)
Gains/(losses) recognized through equity	(57 785)	(9 214)
Prepaid/(accrued) pension cost	53 063	51 164
<b>Asset/(liability) recognized in the balance sheet</b>	<b>(4 722)</b>	<b>41 950</b>

The significant decrease of prepayment / obligation of employee benefits comes from the financial markets' decline with a loss recognized through equity of CHF 57.8 million before taxes.

## 5. Non-current assets classified as held for sale

As of 30 June 2008, this heading in the balance sheet includes buildings for sale in Barcelona. In the segment reporting (note 2), these assets have been included in "Other activities".

## 6. Retained earnings and other reserves

<b>(in thousands of CHF)</b>	<b>1st semester 2008</b>	<b>1st semester 2007</b>
At 1 January	287 392	276 368
Total income and expense recognized attributable to Group shareholders	(12 411)	31 899
Dividends paid to Group shareholders	(6 327)	(6 439)
<b>At 30 June</b>	<b>268 654</b>	<b>301 828</b>

The total recorded income and expenses attributable to Group shareholders includes elements which have been recognized directly in equity. The details of the amounts concerned are shown in the statement of recognized income and expenses.

## 7. Other reserves

(in thousands of CHF)

	Available-for- sale financial assets	Exchange differences	Total
<b>At 31.12.2006</b>	171	1 064	<b>1 235</b>
Exchange differences		2 283	<b>2 283</b>
Fair value adjustments before taxes	511		<b>511</b>
Taxes on equity items			
<b>At 30.06.2007</b>	682	3 347	<b>4 029</b>
<b>At 31.12.2007</b>	1 321	869	<b>2 190</b>
Exchange differences		(5 474)	<b>(5 474)</b>
Fair value adjustments before taxes	( 128)		<b>( 128)</b>
Taxes on equity items	73		<b>73</b>
<b>At 30.06.2008</b>	1 266	(4 605)	<b>(3 339)</b>

## 8. Dividend

The company pays one dividend per fiscal year and does not give an interim dividend.

With regards to fiscal year 2007, a dividend of CHF 5.50 per bearer share and CHF 1.10 per registered share, amounting to a total dividend of CHF 6 438 883, was paid on 3 June 2008 in accordance with the decision taken at the Annual General Meeting on 29 May 2008.

## 9. Provisions

1st semester

(in thousands of CHF)

2008

	Restructuring	Litigation	Other	Total
<b>At 1 January</b>	4 872	2 112	5 389	<b>12 373</b>
Modification of the scope of consolidation			( 599)	<b>( 599)</b>
Exchange differences	( 56)	44	( 12)	<b>( 24)</b>
Additional provisions	59	1 009	712	<b>1 780</b>
Amounts used	(1 420)	( 413)	( 51)	<b>(1 884)</b>
Unused amounts reversed		( 76)		<b>( 76)</b>
Reclassifications		( 195)	193	<b>( 2)</b>
<b>At 30 June</b>	<b>3 455</b>	<b>2 481</b>	<b>5 632</b>	<b>11 568</b>
<b>Analysis of total provisions</b>				
Current	2 968	2 449	250	<b>5 667</b>
Non-current	487	32	5 382	<b>5 901</b>
	<b>3 455</b>	<b>2 481</b>	<b>5 632</b>	<b>11 568</b>

Restructuring provisions pertain mainly to the reorganization of industrial activities.

Provisions for litigation concern legal and administrative disputes which are inherent in the normal conduct of business .

Other provisions cover liabilities of various types.

## 10. Acquisitions

1st semester

(in thousands of CHF)	2008
<b>Total purchase consideration</b>	
Cash and deferred consideration	48 504
Direct costs relating to the acquisitions	
<b>Total purchase consideration</b>	<b>48 504</b>
Fair value of net assets acquired	(13 705)
<b>Goodwill</b>	<b>34 799</b>
<b>Net cash outflow on acquisition</b>	
Purchase consideration settled in cash	47 966
Deferred payment / prepayment	538
Cash and cash equivalents in subsidiary acquired	(7 854)
	<b>40 650</b>

The figures of this note concern mainly the following transactions:

JobUp Sàrl: acquisition of an additional 55% of the shares of the company resulting in a 100% control. This company is fully consolidated by Edipresse as of 1 January 2008. In 2007, it was consolidated by the equity method.

Homegate AG: an increase of our investment from 16.5% to 45%. This company is proportionally integrated as of 1 January 2008. In 2007, it was consolidated by the equity method.

The assets and liabilities associated with acquisitions during the financial year are as follows:

1st semester

(in thousands of CHF)	2008	
	Fair value	Carrying amount
Property, plant and equipment and investment property	172	172
Intangible assets including Goodwill	25 961	1 753
Working capital	(1 534)	(1 534)
Borrowings	(2 226)	(2 226)
Deferred taxes and provisions	(6 284)	( 235)
Minority interests		
Cash and cash equivalents	7 854	7 854
<b>Net assets</b>	<b>23 943</b>	<b>5 784</b>
Net assets previously held	(3 517)	
Revaluation due to business combinations achieved in stages, net of fiscal effect	(6 705)	
Minority interests	( 16)	
<b>Net assets acquired</b>	<b>13 705</b>	

The revaluation of the net assets previously held has been recognized in equity. The amount relating to acquisitions shown in the cash flow statement of CHF 42.2 million includes, in addition to the combinations mentioned above, the acquisitions of associated companies and purchases of minority interests.

The total goodwill from the CHF 37.1 million due to Homegate AG and JobUp Sàrl acquisitions is attributable to the potential growth of these two businesses in the Switzerland.

Since the integration date 1 January 2008, the acquired companies have contributed CHF 2.6 million to the Group's net income.

The Group is in the process of finalizing the purchase price allocation; any adjustments that may be required will be recorded in the 31 December 2008 financial statements.

## 11. Divestments

1st semester

(in thousands of CHF)	2008
<b>Net assets disposed of</b>	
Property, plant and equipment and investment property	19 055
Goodwill	26 952
Intangible assets	52
Working capital	(3 570)
Borrowings	(21 638)
Employee benefit liabilities, deferred taxes and provisions	(1 077)
Minority interests	
Cash and cash equivalents	89
Translation adjustments	(1 098)
	18 765
<b>Profit/(loss) on divestments</b>	<b>19 763</b>
<b>Total divestment consideration</b>	<b>38 528</b>
<b>Less:</b>	
Cash and cash equivalents disposed of	( 89)
Cash to receive on the 2nd semester	(39 100)
<b>Net cash inflow on divestments</b>	<b>( 661)</b>

As of 30 June 2008, the Edipresse Group sold its Portuguese investments in Edimpresa Lda and office Share Lda. The sale price has been paid on 31 July 2008.

The trade receivable related to this sale is included under the short term heading "Trade and other receivables".

The profit on disposal appears under "Other operating expenses".

## 12. Related-party transactions

1st semester

(in thousands of CHF)	2008
<b>Services provided to related companies</b>	
Associated companies	13 675
Edipresse Pension Fund	26
Major shareholders	169
	13 870
<b>Services received from related companies</b>	
Associated companies	5 013
Edipresse Pension Fund	5 125
Major shareholders	622
	10 760
<b>Liabilities due to related companies</b>	
Associated companies	785
Edipresse Pension Fund	
Major shareholders	( 50)
	735
<b>Receivables due from related companies</b>	
Associated companies	5 781
Edipresse Pension Fund	
Major shareholders	193
	5 974

The related parties in the associated companies category are those companies which are accounted for under the equity method. The related parties in the major shareholders category are Lamunière SA and its subsidiaries.

### **13. Events after the balance sheet date**

In Asia, the Group has recently acquired a 100% of the shares in Appetite Media Pte Ltd and Solitaire Media Pte Ltd. These companies' assets and liabilities are in process of being evaluated at fair value. These companies will be integrated in the Group scope starting 1 July 2008. The costs related to the restructuring plan announced in Switzerland in August 2008 will be included in the second semester results. Apart from the information given above, the Group is not aware of any subsequent events which would require the restatement of the value of the assets and liabilities or an additional indication in the notes to the consolidated financial statements.

### **14. Publication of the interim report**

The Edipresse Group's consolidated financial statements were approved by the board of Directors of Edipresse SA on September 9, 2008.

This report exists in French & English. The French version is valid in law.