

Jelmoli Shareholders Approve the Strategic Plan

- **Creation of two focused, separately listed entities - a Real Estate and an Investment Company**
- **Removal of dual class share structure in the Real Estate Company (“Einheitsaktie”)**
- **Reverse premium to Pelham for ceding control in the Real Estate Company**
- **Partial cash exit option for shareholders in the Investment Company**
- **Strategic future of the two independent companies enhanced**
- **Trading in both companies’ shares expected to commence in March 2009**

At an extraordinary meeting held today, shareholders in Jemoli Holding Ltd (“Jelmoli”) approved the Board’s proposals for the strategic future of the Company. These proposals promulgated (i) the creation of two independent entities, i.e. an real estate company (Jelmoli) and an investment company (Athris), by way of a tax neutral distribution of Athris shares to Jelmoli shareholders, (ii) the removal of the dual class share structure in the proposed Real Estate Company (Jelmoli), (iii) a premium to Pelham Investments S.A. (“Pelham”) in form of subscription rights for ceding control in the Real Estate Company (Jelmoli), and (iv) a cash exit option for shareholders in the investment company (Athris) by way of buy-back program of Athris.

182 shareholders attended today’s Extraordinary General Meeting. They represented 68.0 percent of the company’s share capital and 83.9 percent of votes. All four agenda items, (i) distribution of Athris shares, (ii) share unification at Jelmoli, (iii) authorized capital for the distribution of the reverse premium to Pelham and (iv) consultative vote on the buyback program at Athris have been approved in each case with more than 95% of the votes. Agenda item (iii), which required also capital majority, was approved with more than 92% of the share capital present.

The completion of the Strategic Plan, including (i) distribution and start of trading of the Athris shares on SIX Swiss Exchange, (ii) start of trading of the single class of Jelmoli shares (Einheitsaktie) on SIX Swiss Exchange, and (iii) launch of the Athris buy-back program, is expected to occur in March 2009 once all SIX and regulatory approvals have been obtained and preparations for the technical implementation have been completed.

"Today is an important day for Jelmoli and its shareholders. Much has been achieved in recent months to create a strong platform for the future success of both Jelmoli and Athris against a backdrop of the most difficult market conditions experienced in a generation. I am delighted that shareholders have overwhelmingly agreed with our proposals and that the Strategic Plan can now be implemented”, said Christopher Chambers, Chairman of the Board of Directors.

Background Information

The Strategic Plan

With today's resolutions Jelmoli shareholders have approved the Strategic Plan which comprises the following key elements:

- Separation of Jelmoli into two separately listed companies, a Real Estate Company (Jelmoli) and an Investment Company (Athris). The creation of the two stand-alone businesses will take the form of a tax-neutral distribution of the shares in the Investment Company to Jelmoli shareholders.
- In the Real Estate Company, which will continue to operate under the name Jelmoli Holding Ltd, the share structure will be unified and the current controlling shareholder Pelham Investments S.A. ("Pelham") will give up control. The Real Estate Company's share capital will comprise only one registered share class once trading in its stock commences. Currently existing bearer shares will be converted into registered shares at a ratio of 1:5. In Athris, the dual class shareholder structure will be maintained and Pelham will continue to be the controlling shareholder.
- As compensation for ceding control in the Real Estate Company, Pelham will receive a reverse premium of 50,000 new bearer share equivalents at nominal value, which represents a premium of approximately 18% on Pelham's stake in the Real Estate Company. The reverse premium offered to Pelham will translate into 250,000 registered shares which will be issued to Pelham at book value with the exclusion of subscription rights of other shareholders. The shareholding of Pelham in the Real Estate Company will thereby increase from 25.2% to 29.8% of shares issued, while at the same time voting rights will decrease from 52.9% to 29.8%.
- In the Investment Company, which will operate under the name of Athris, Pelham will retain control. Shareholders will have the option to either stay fully invested in the Company or to sell a significant part of their position. As a result, Athris will offer a cash exit option for shareholders in the Investment Company through a share buyback program. Shareholders will receive tradable put options which will allow them to put back shares to the Investment Company at a discount of 15% to book equity, up to a total buy-back amount of CHF 400 million.
- The shares of Jelmoli and Athris as well as the tradable put options are expected to commence trading in March 2009.

The Real Estate Company (Jelmoli)

The Real Estate Company will be the second largest public real estate company in Switzerland with a property market value of approximately CHF 3.2 billion and a book equity value of approximately CHF 1.6 billion as per 30.6.2008. Jelmoli is uniquely positioned through its exclusive focus on the Swiss market, its outstanding real estate portfolio in particular in Zurich and Geneva, low vacancy rates and long maturity of rental contracts. It is further the only major Swiss real estate company where the majority of its rental income is derived from retail tenants. Jelmoli has a conservative capital structure with a loan-to-value ratio of 40% as of 30.6.2008. The House of Brands and Bonus Card will remain with the Real Estate Company and will provide significant value upside through the further optimization of these retail operations. The completion of key development projects (such as the shopping center in Stuecki in Basle) in the Tivona portfolio will further positively impact the real estate value of the group going forward.

The Investment Company (Athris)

As an investment company, Athris will hold cash and financial receivables, the Seiler Hotels, the less conservative real estate participations in Russia and Algeria as well as the other retail trade businesses that do not belong to Jelmoli's core business, such as Molino, Beach Mountain and Fundgrube. The equity of the Investment Company resulting from the pro forma balance sheet as at 30 June 2008 (before the share buyback program) amounts to approximately CHF 1.1 billion. The current market environment offers attractive opportunities for companies with cash to invest. With the goal to further increase the equity book value in the future, Athris shall not be subject to rigid assets allocation, but may, within the scope of its investment guidelines, pursue investment opportunities which seem to be most advantageous. Athris has the aim to adopt a total income-return oriented investment strategy with a transparent and tax efficient structure and to enable its shareholders to participate in its success by an appreciation of the shares.

Tivona

Jelmoli announced today a settlement of the outstanding litigation regarding Tivona and will acquire subject to the fulfillment of certain closing conditions the 55.5% it does not already own from the Tivona shareholders. The transaction is expected to close in the first quarter 2009. Tivona is a Swiss real estate company focused on commercial retail properties such as on large shopping centers and specialized discount stores.

For further details see the information brochure to shareholders regarding the extraordinary shareholders meeting of Jelmoli Holding Ltd of 23 January 2009 (www.jelmoliholding.ch).

Contacts

Media: Dr. Jörg Neef, Hirzel. Neef. Schmid. Konsulenten
+41 79 405 56 32, E-Mail: joerg.neef@konsulenten.ch

Internet: www.jelmoliholding.ch / www.huginonline.ch/JEL

WAP mobile: wap.huginonline.com (Press Releases Jelmoli)

E-mail: info@jelmoliholding.ch

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