



## Dufry Presentation – 9M 2011 Results

November 2011

# Legal Disclaimer



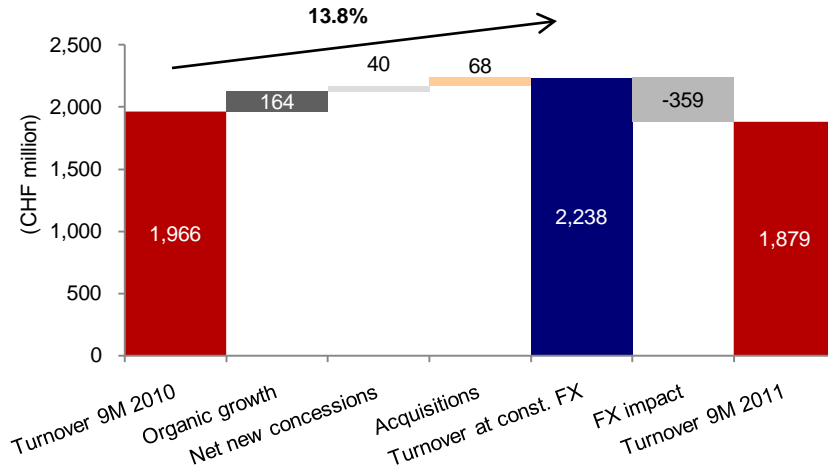
Information in this presentation may involve guidance, expectations, beliefs, plans, intentions or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based on information available to Dufry AG (the “Company”) as of the date of this release, and we assume no duty to update any such forward-looking statements. Factors that could affect the Company’s forward-looking statements include, among other things: global GDP trends, competition in the markets in which the Company operates, unfavorable changes in airline passenger traffic, unfavorable changes in taxation and restrictions on the duty-free sale in countries where the company operates.

- 1. Update 9M 2011 Performance**
- 2. Update Recent Acquisitions**
- 3. Dufry Strategy**
- 4. Financials**
- 5. Conclusion**

# 1. Update 9M 2011 Performance

# Key Figures 9M 2011

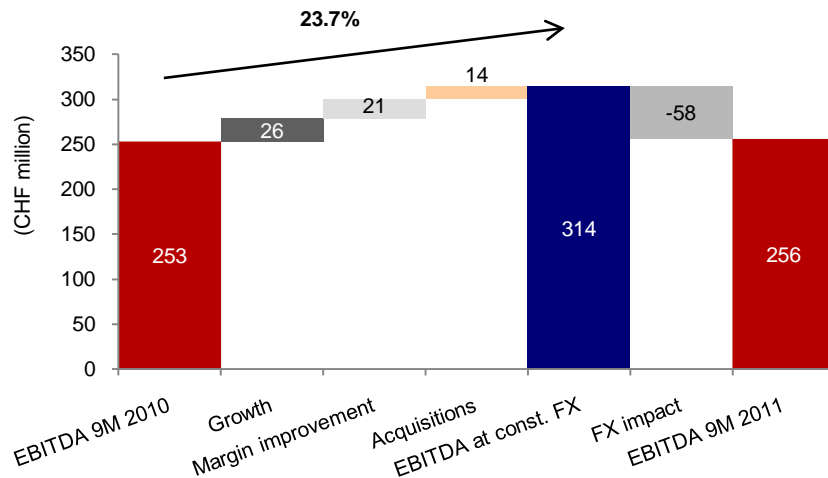
## 9M 2011 Turnover Evolution



## Growth components at Constant FX

- Turnover at constant FX rates 13.8% to CHF 2,238 million
- Double digit organic (like-for-like) growth excluding one-offs of 10.7%
- High momentum of organic growth with 8.4% maintained
- Gross margin improved to 58.0% from 57.2%
- EBITDA<sup>(1)</sup> at constant FX rates +23.7% to CHF 314 million
  - EBITDA<sup>(1)</sup> margin of 14.0%

## 9M 2011 EBITDA<sup>(1)</sup> Evolution



<sup>(1)</sup> Before other operational results

# Highlights

## a) Performance on first nine months of 2011

- Growth acceleration during the third quarter
- Dynamic growth in international passengers, despite disruptions in North Africa
  - Confirms our risk diversification strategy
  - Progressive normalization of the business except in Tunisia
- All regions performing better in the third quarter, despite strongest comparable basis for 2011
  - Third quarter is most important period for turnover and EBITDA contribution

## Growth components

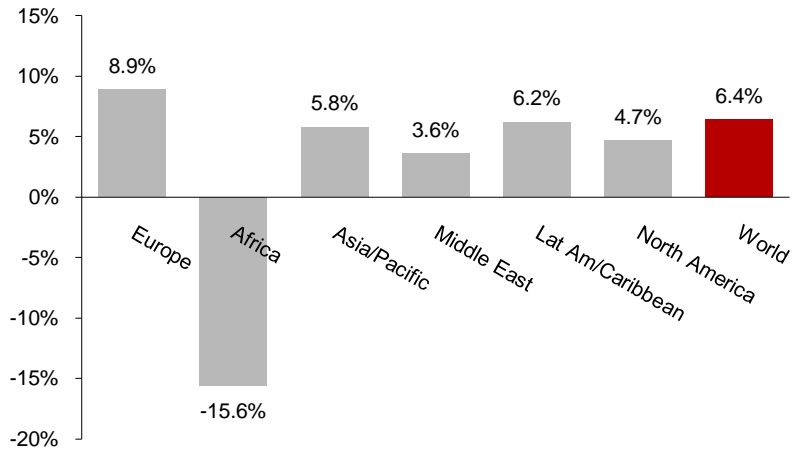
	Q3 '11	9M '11
- Organic growth	9.2%	8.4%
- Contribution from acquisitions	9.7%	3.4%
- Contribution from new projects	1.4%	2.0%

- b) FX continued to cause an accounting translation impact on reported Swiss Francs numbers
- c) Integration plan of the newly acquired companies on track with first set of initiatives and definition of synergies already implemented
- d) “Dufry plus One” and “One Dufry” initiatives delivering results as expected
- e) Significant and strategic new concessions announced
- f) Trading update

**Accelerated performance in Q3 due to project of “Dufry plus One” and “One Dufry” initiatives**

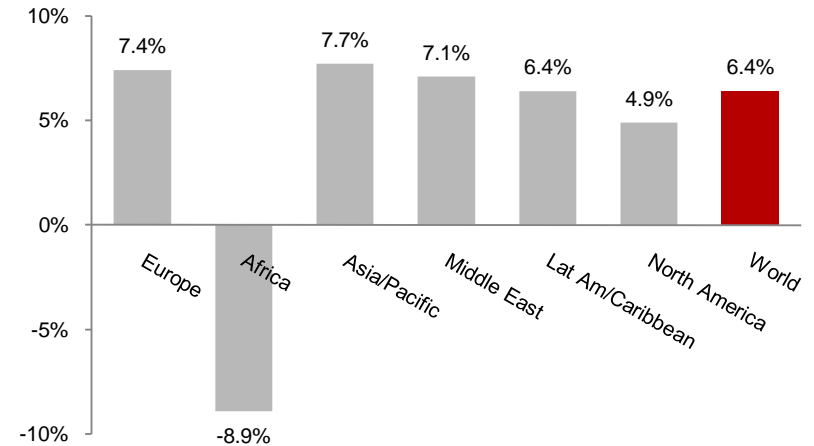
# Passenger Development

## International PAX Growth Sep 2011 YTD



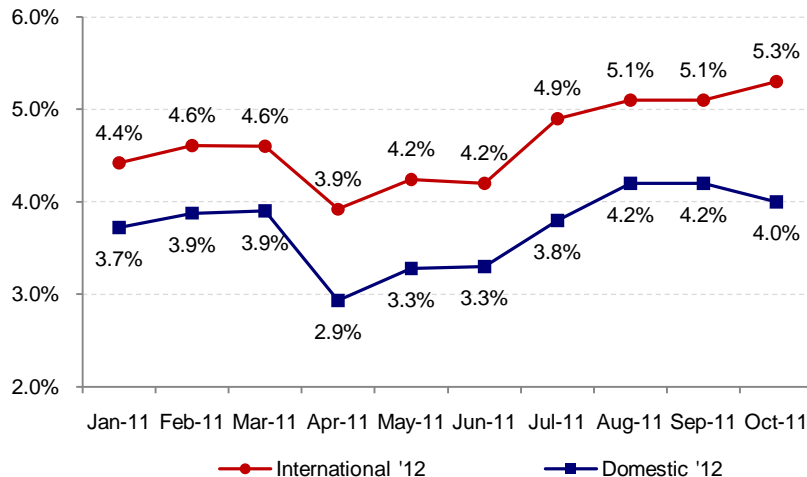
Source: ACI (07/11/2011)

## Expected International PAX Growth for FY 2011



Source: Air4casts (26/10/2011)

## 2012 PAX Estimates Evolution



Source: Air4casts (26/10/2011)

## Mid-term International Passenger Forecast

	2011	2012	2013	2014
EUROPE	7.4%	5.3%	3.4%	3.3%
AFRICA	-8.9%	0.6%	2.9%	2.8%
ASIA/ PACIFIC	7.7%	7.3%	6.3%	6.2%
MIDDLE EAST	7.1%	6.7%	6.9%	6.5%
LATIN AMERICA	6.4%	3.0%	3.1%	3.0%
NORTH AMERICA	4.9%	3.3%	2.4%	2.4%
<b>WORLD</b>	<b>6.4%</b>	<b>5.3%</b>	<b>4.1%</b>	<b>4.1%</b>

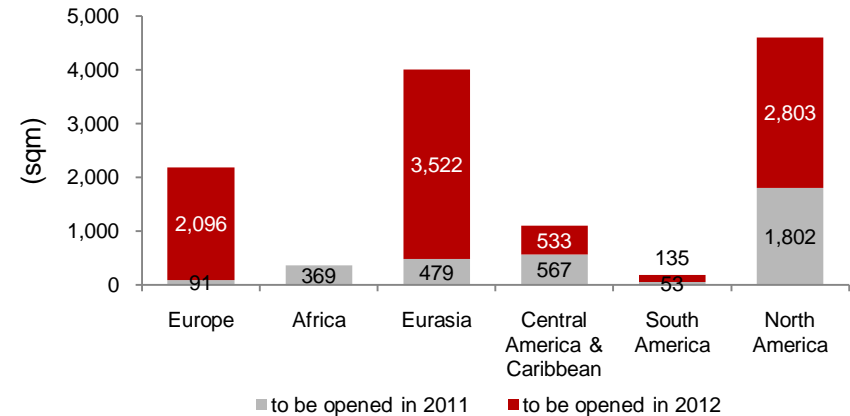
Source: Air4casts (25/10/2011)

# New Projects and Expansions (1/3)

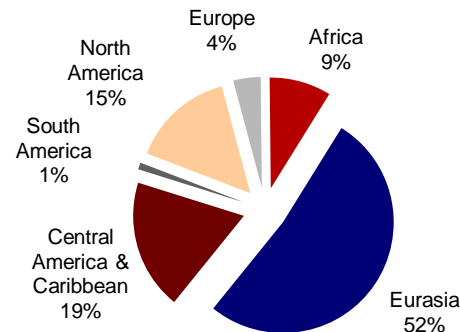
## Changes in the Retail Space (sqm) in 9M 2011

Region	Opened	Closed	Net Effect
Europe	1,041	273	768
Africa	126	54	72
Eurasia	722	53	669
Central America & Carib.	4,541	1,482	3,059
South America	1,200	87	1,113
North America	2,508	1,532	976
<b>Total</b>	<b>10,138</b>	<b>3,481</b>	<b>6,657</b>

## Signed Contracts for Additional Retail Space



## Project Pipeline: 35,000 sqm



**Additional 12,500 sqm of retail space to be opened in the next 12 months**



# New Projects and Expansions (2/3)

## Main New Concessions and Contract Extensions 2011

### USA

- Chicago: combined duty free / duty paid
- Los Angeles: Hudson News and specialty Retail
- Myrtle Beach (South Carolina) airport exp.
- New Orleans
- San Diego: Hudson News and specialty retail
- Santa Ana (California) airport expansion
- Seattle: Duty Free

### Canada

- Edmonton: Combined duty free / duty paid

### China: Chengdu

- 26 duty paid shops with a total 2,240 sqm at the 6th busiest airport in China

### India

- 48 Hudson News shops at Delhi Metro stations

### Mexico

- Guadalajara: contract extension and shop expansion

### Honduras

- New seaport duty free shop

### Guadeloupe

- Contract extension and shop expansion

### Brazil

- Viracopos airport (Sao Paulo): New duty paid shop
- Brasilia: New duty free shop
- Confins Airport (Minas Gerais): Contract extension and shop expansion

### Algeria

- Contract extension



# New Projects and Expansions (3/3)

## Opening the Indian Market

- On November 10<sup>th</sup> Dufry and InterGlobe announced an exclusive association to establish and operate 48 retail outlets under Hudson News brand at Delhi Metro stations
- InterGlobe is a leading provider of aviation and travel related services in India, with a workforce of more than 9,000 employees
- A joint Dufry and InterGlobe team will work to develop around 2,000 square meters of retail space throughout the Delhi Metro network over the next six months
- The stores will be operated under the Hudson News concept and will offer a wide selection of publications, confectionery, convenience products and food and beverages snacks
  - Flexible Hudson News Cafe concept allows development of locations that range from smallest to largest multi terminal airport and transport hubs
- The Delhi Metro transports approx 1.8-2.0 million commuters in a day and is one of the fastest growing transport networks in India

**This association marks our entry into the fast growing Indian market with tremendous potential in the travel retail segment**

## 2. Update Recent Acquisitions

# Update Recent Acquisitions (1/2)

## Acquisitions Overview

- On 4 August, 2011, Dufry signed four agreements to acquire operations in five countries
- Combined amount of all four transactions: USD 957 million
- Consolidation started in August 2011

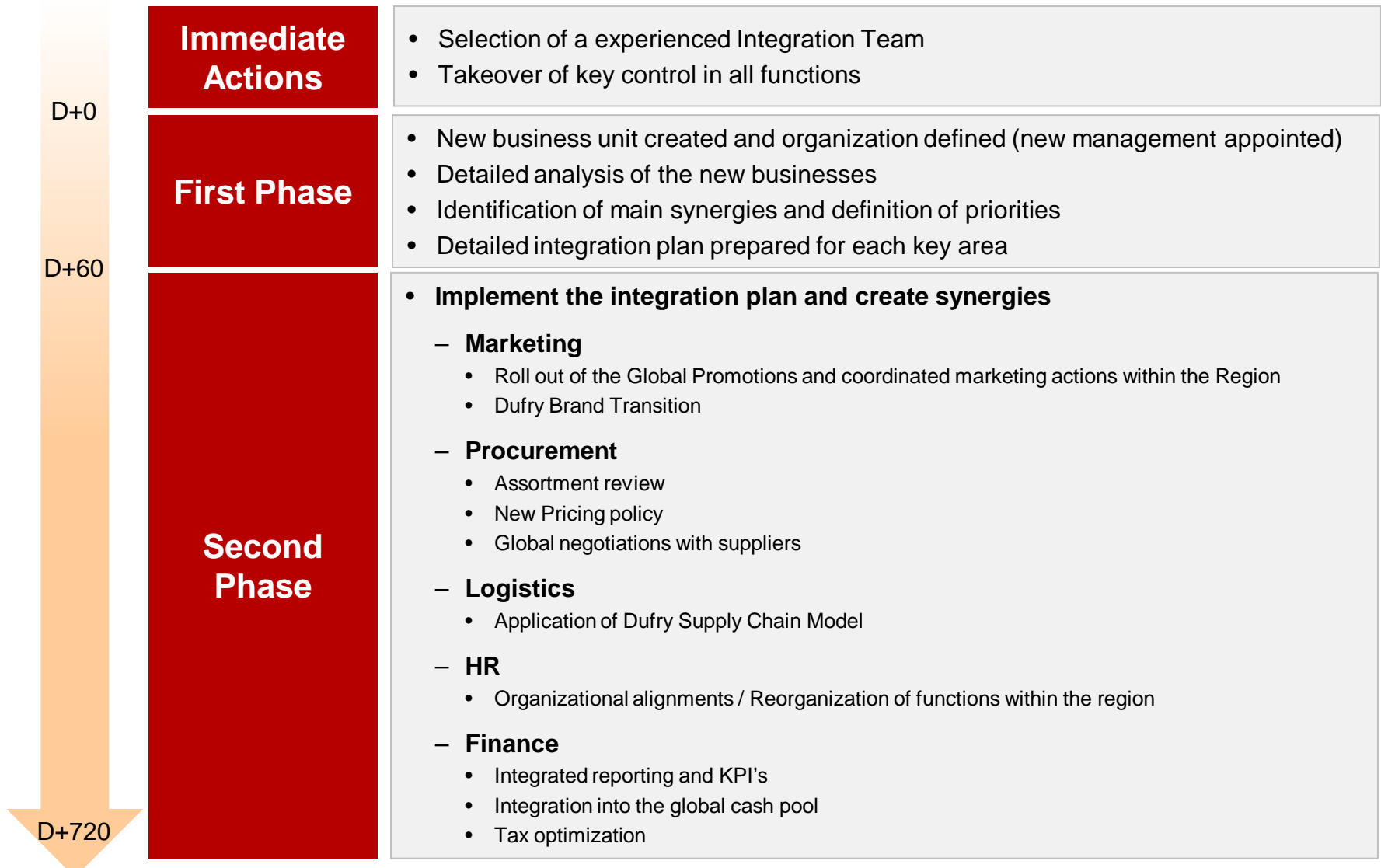


## Rationale for the Acquisitions

- **Emerging Market locations with high growth potential**
  - Complementary to operations in South and Central America and Eurasia
- **Highly profitable operations**
  - EBITDA margin well above Group average
- **Quality and long-term concession portfolio**
  - More than 90% of sales based on contracts with remaining life of more than 10 years
- **Material synergies of USD 25 million in 24 months**
  - Top-line, purchasing, logistics and backoffice
- **Consolidation of local operators**
  - Dufry's global market share increases by 1 percentage point to 8%

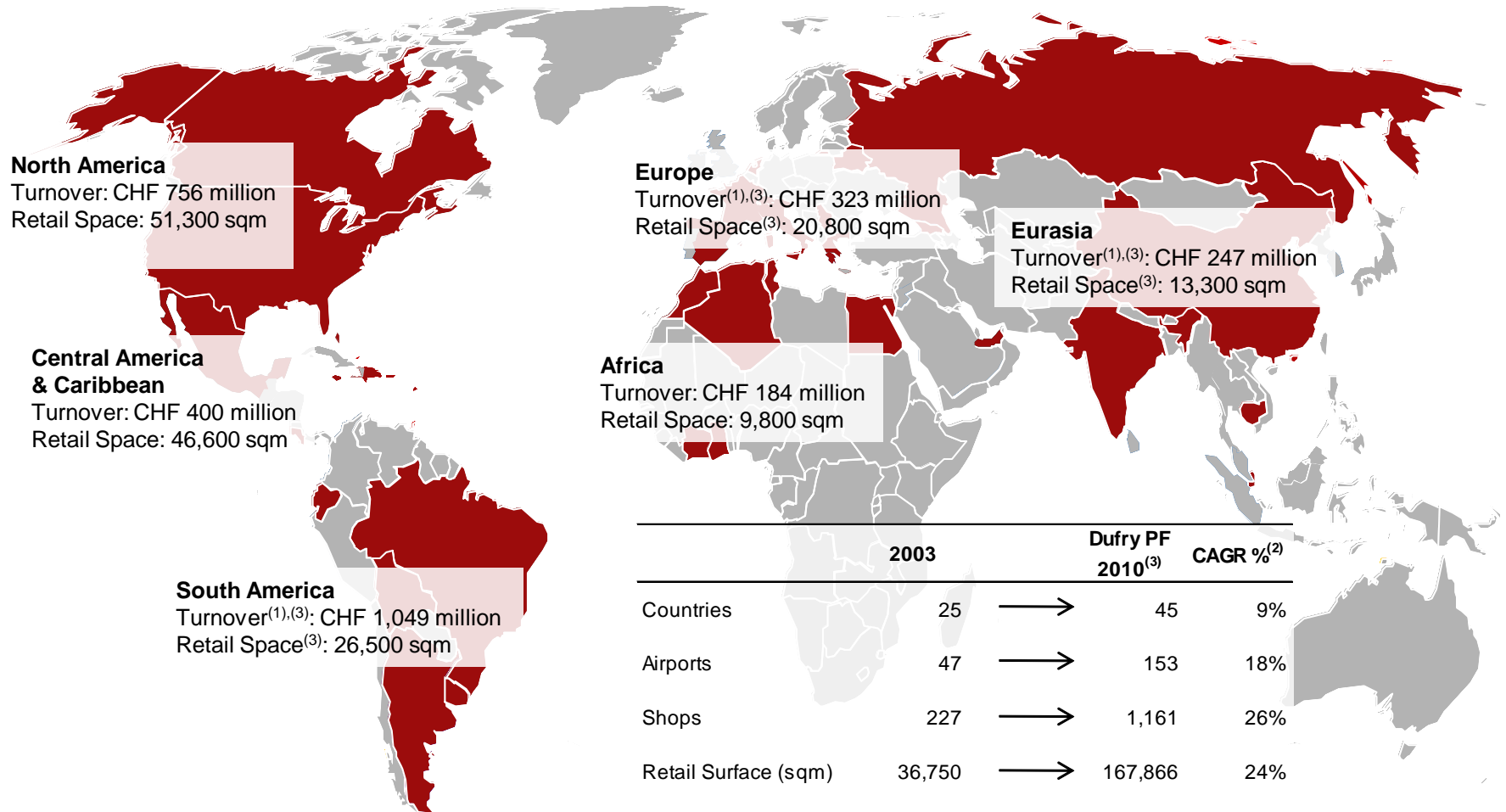
# Update Recent Acquisitions (2/2)

## Integration Plan



## 3. Dufry Strategy

# Expanding Leading Position Globally



	2003		Dufry PF 2010 <sup>(3)</sup>	CAGR % <sup>(2)</sup>
Countries	25	→	45	9%
Airports	47	→	153	18%
Shops	227	→	1,161	26%
Retail Surface (sqm)	36,750	→	167,866	24%
Turnover (CHFm)	686	→	2,971	23%
EBITDA <sup>(1)</sup> (CHFm)	49	→	434	37%

1) PF 2010, based on FY average USD/CHF exchange rates

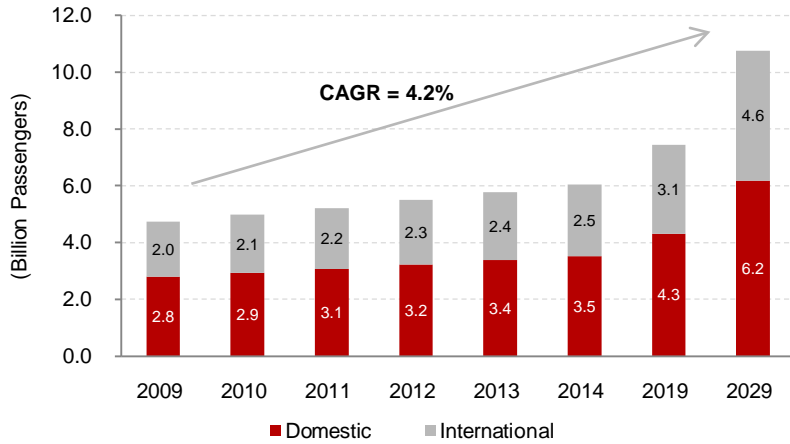
2) Before other operational results

3) Including new businesses



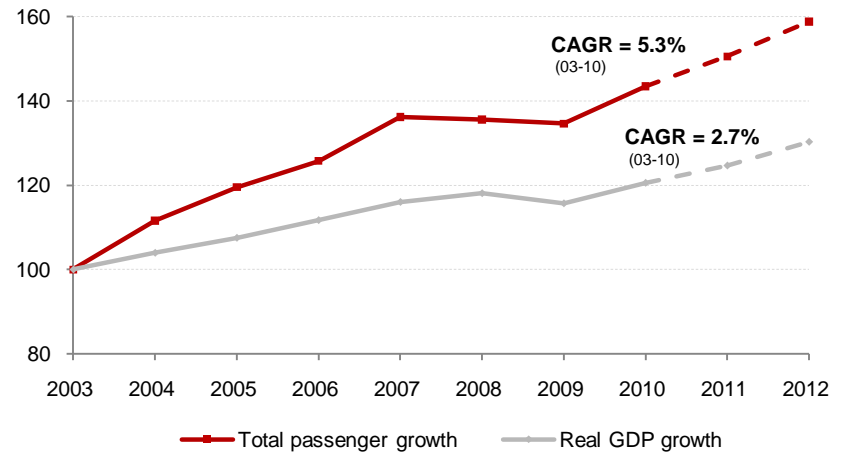
# Travel Retail Market

## Long-term Passenger Forecast



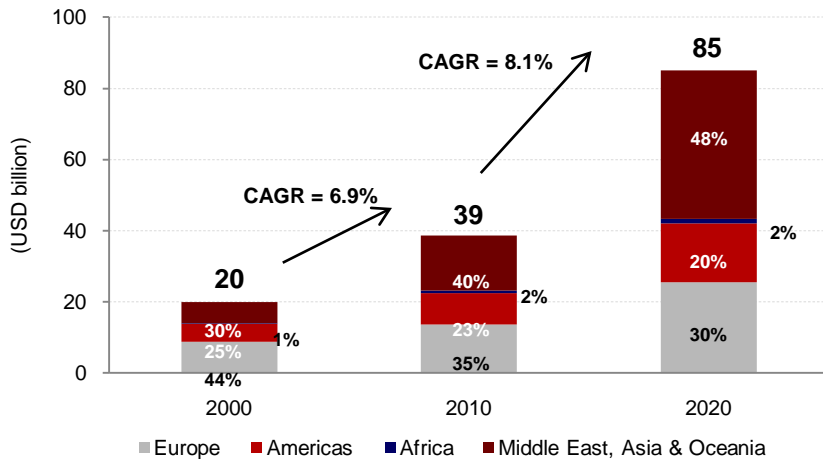
Source: ACI-DKMA, October 2010

## Historic & forecast GDP and Passengers Growth



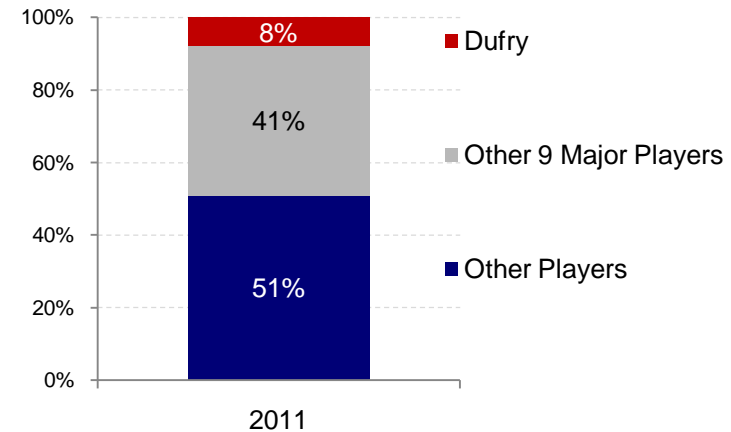
Source: Company, ICAO, ACI, IMF

## Travel Retail Development by Region



Source: Generation AB

## Travel Retail Industry



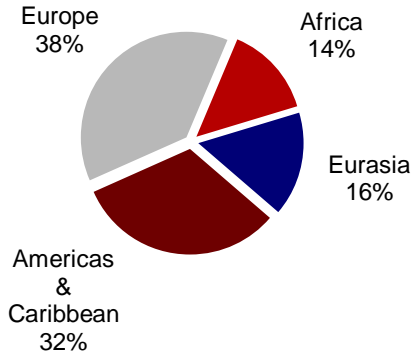
Source: Company, Generation AB (Considering acquisitions)



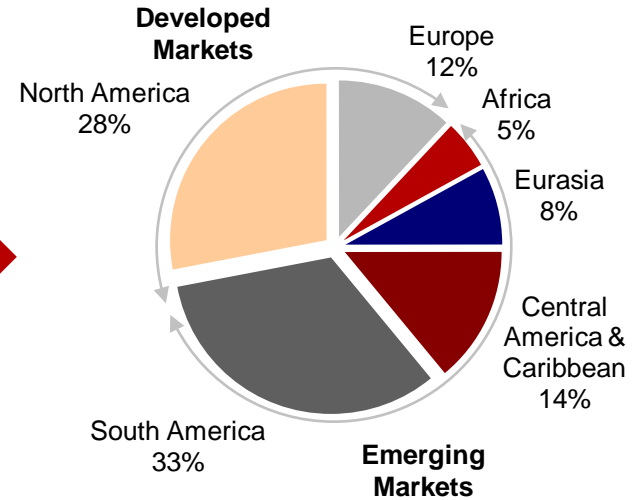


# Dufry's Segmentation

## Dufry by Region 2003

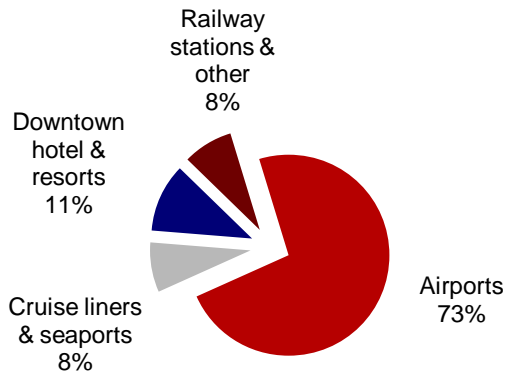


## Dufry by Region 9M 2011

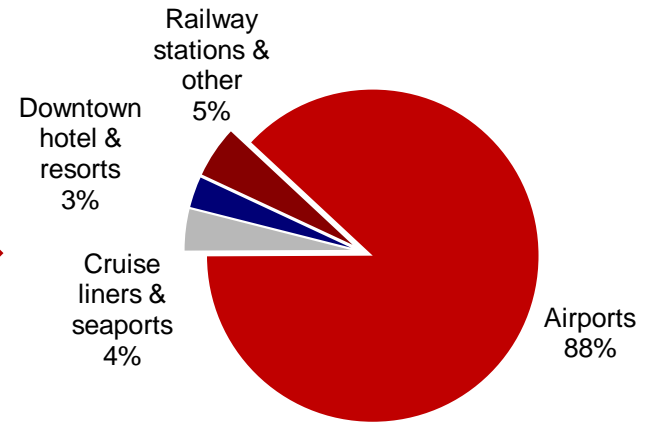


CAGR 03-10: 24%<sup>(1)</sup>

## Dufry by Channel 2003



## Dufry by Channel 9M 2011



Airport CAGR: 27%  
 Cruise Lines CAGR: 10%  
 Downtown CAGR: 5%  
 Railway CAGR: 14%

Notes:

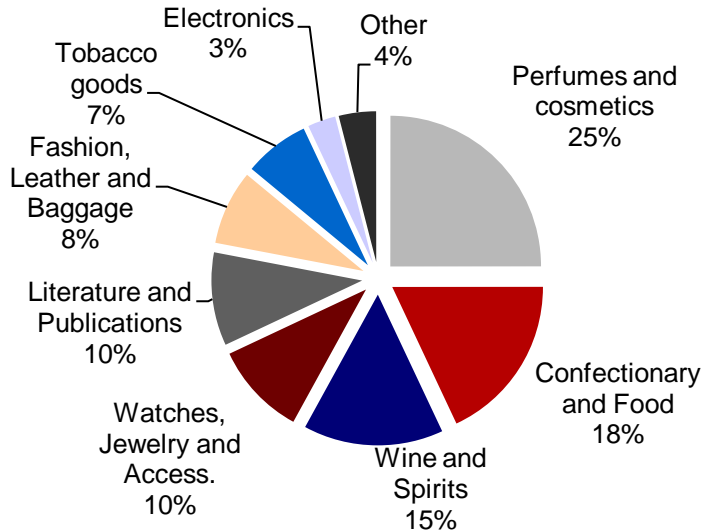
<sup>(1)</sup> Excluding FX Impact

<sup>(2)</sup> Pie sizes represent last twelve months' turnover.

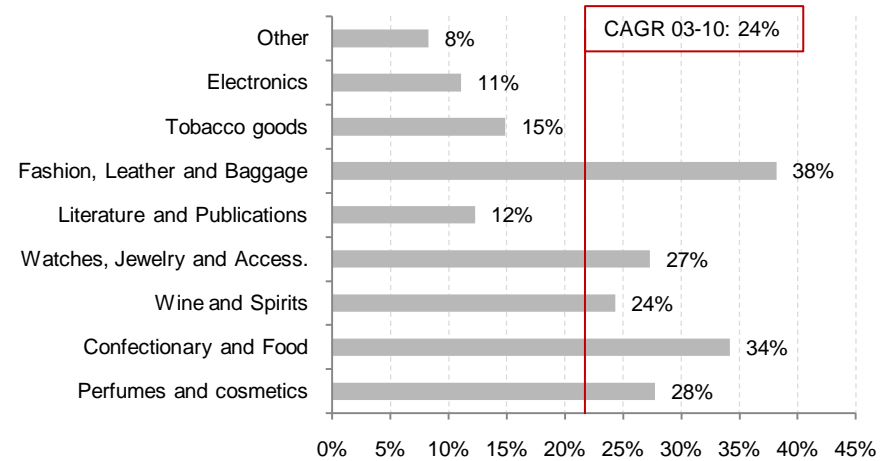


# Dufry's Segmentation

## Dufry by Product 9M 2011



## Dufry by Product Evolution 2003 - 2010

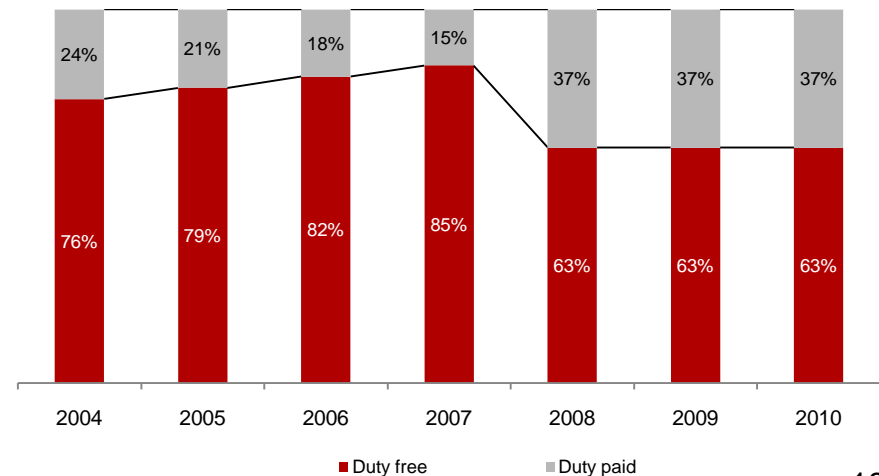


Note: In constant FX rates. Literature and Publications CAGR from 2007.

## Dufry by Sector 9M 2011



## Dufry by Sector Evolution 2004 - 2010



# Shop Concepts

## General Travel Retail Shops



Duty free shop – Puerto Rico

## Brand Boutiques



Victoria's Secret shop - US

## News and Convenience Stores



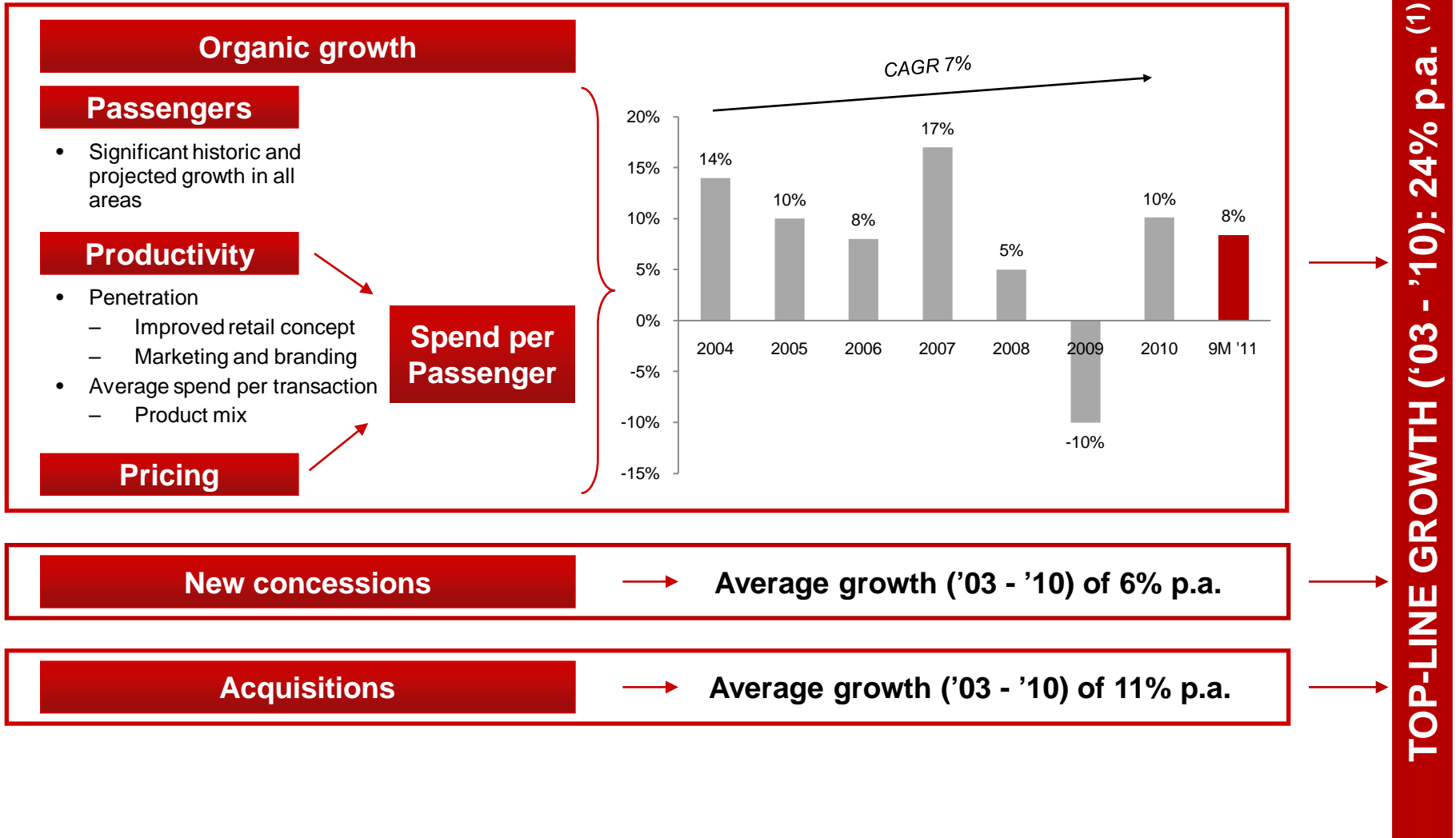
Hudson News shop - US

## Specialized Shops



Wine Shop- Tunisia 19

# Dufry Growth Drivers

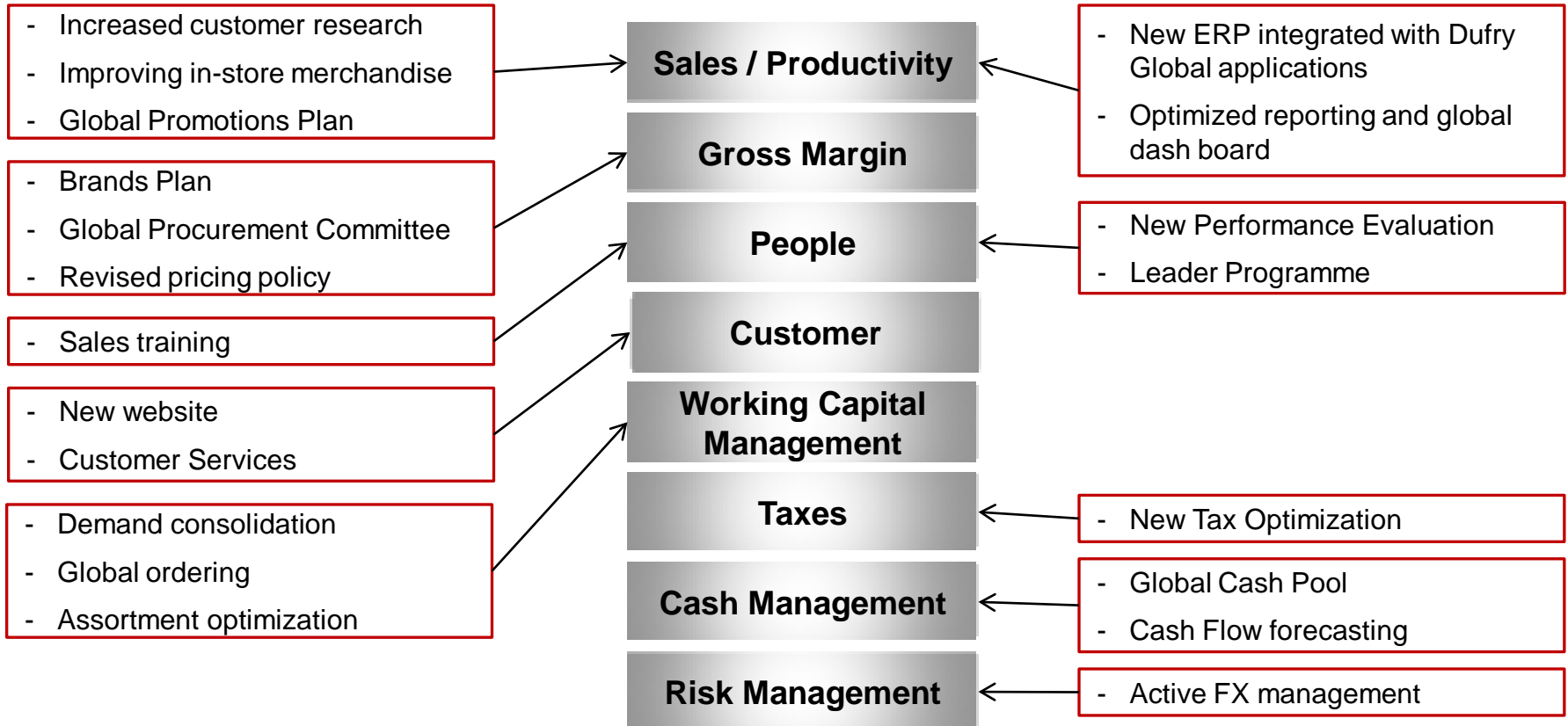


Note: (1) On constant FX rates; FX effect -3% p.a.

# Update on Dufry Plus One and One Dufry

**DUFRY**  
*plus one!*

*One!*  
**DUFRY!**



**More than 50 initiatives. A 360° approach into the business**

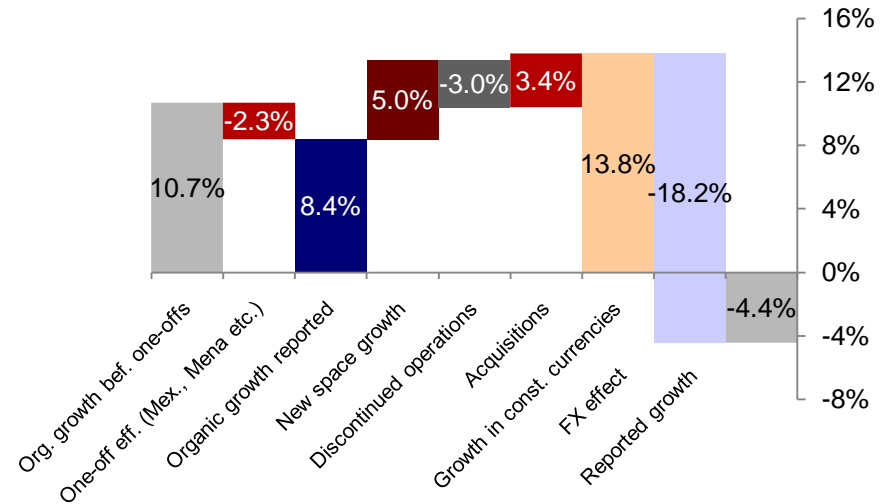
## 4. Financials

# Turnover Growth

## Turnover Growth Details

	Q3 '11	9M '11
Organic Growth	9.2%	8.4%
New Concessions	3.8%	5.0%
Discontinued Operations	-2.4%	-3.0%
New / Discontinued Operations	1.4%	2.0%
Acquisitions	9.7%	3.4%
<b>Turnover Growth at constant FX</b>	<b>20.3%</b>	<b>13.8%</b>
FX Translation Effect	-20.4%	-18.2%
<b>Reported Growth</b>	<b>-0.1%</b>	<b>-4.4%</b>

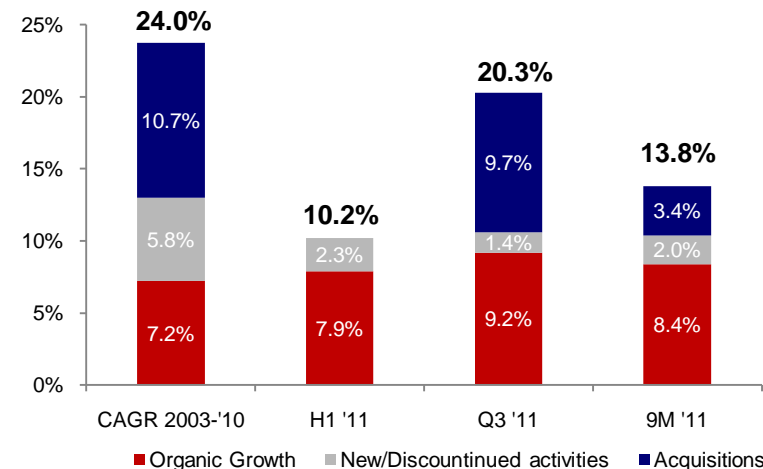
## Growth Components 9M 2011



## Turnover Growth by Region

Region	Turnover at Const. FX rates	Turnover Reported
Europe	7.1%	-4.4%
Africa	-16.4%	-27.7%
Eurasia	6.4%	-11.0%
Central America & Caribbean	5.6%	-13.0%
South America	36.6%	14.4%
North America	9.4%	-10.2%
<b>Dufry Group</b>	<b>13.8%</b>	<b>-4.4%</b>

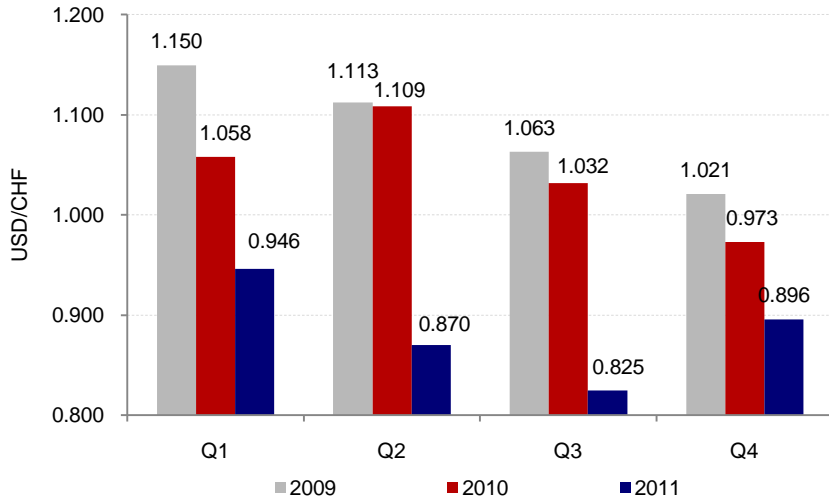
## Turnover Growth Evolution



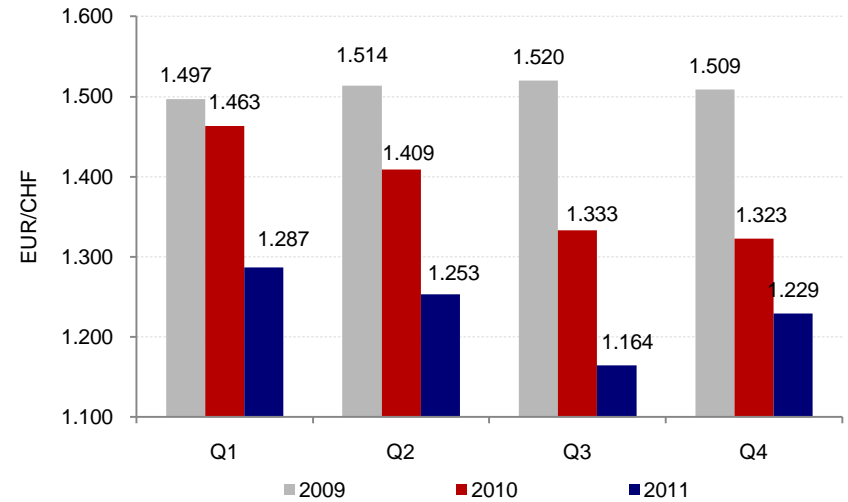


# FX Impact

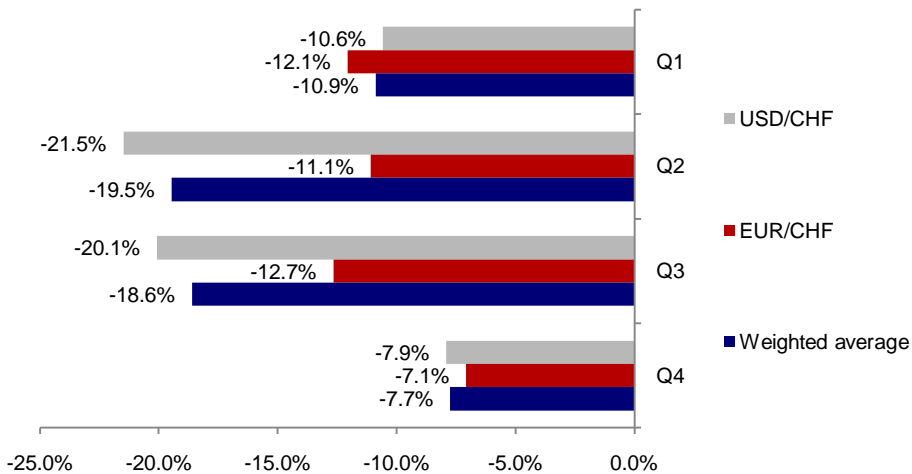
## USD/CHF Development<sup>(1)</sup>



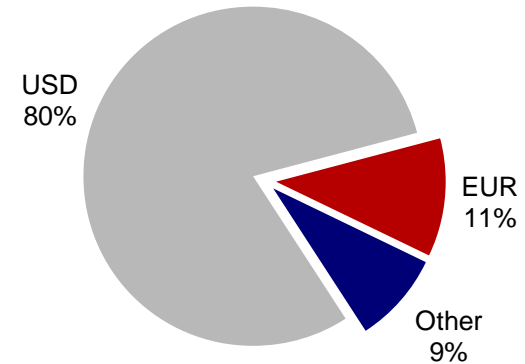
## EUR/CHF Development<sup>(1)</sup>



## FX Rate Development in 2011<sup>(1)</sup>



## PF 2010 Sales by currency



Source: Bloomberg  
 Note:  
 (1) Q4 2011 until November, 4<sup>th</sup>



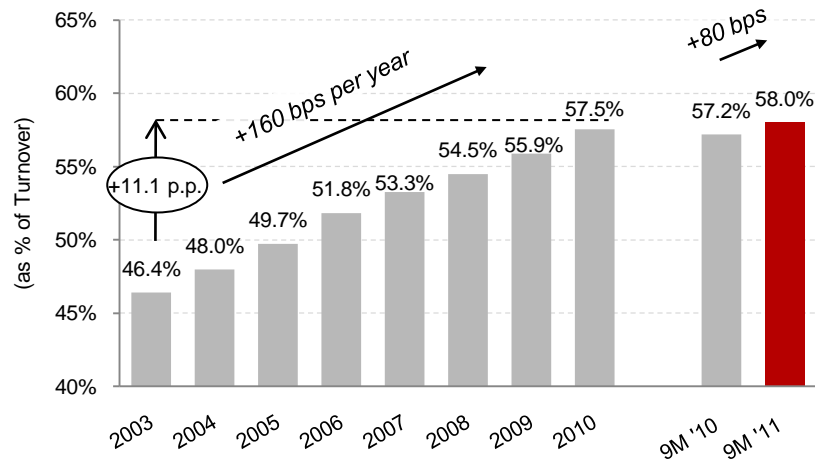
# Key Business Drivers

## Key Figures at Constant FX

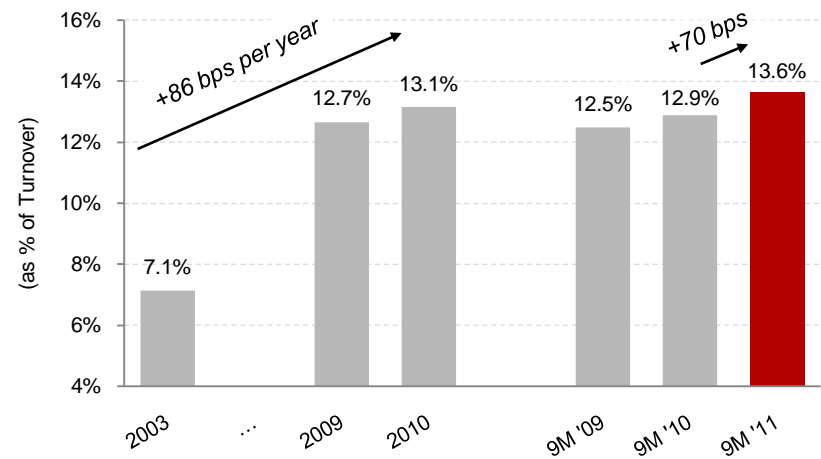
(CHF million)	Q3'11 PF	%	Q3'10	%	Q3'11 PF / Q3'10	9M'11 PF	%	9M'10	%	9M'11 PF / 9M'10
<b>TURNOVER</b>	<b>840.2</b>	100%	<b>698.2</b>	100%	20.3%	<b>2,237.7</b>	100%	<b>1,966.2</b>	100%	13.8%
<b>GROSS PROFIT</b>	<b>488.4</b>	58.1%	<b>401.2</b>	57.5%		<b>1,298.5</b>	58.0%	<b>1,124.5</b>	57.2%	
<b>EBITDA<sup>(1)</sup></b>	<b>132.4</b>	15.8%	<b>99.1</b>	14.2%	33.6%	<b>313.6</b>	13.6%	<b>253.4</b>	12.9%	23.7%

(1) Before other operational results

### Gross Profit Margin



### EBITDA Margin



# Acquisitions Effect on P&L

## Income Statement: Acquisitions Effects - Reported FX

(m CHF)	A'11	%	Acquisition effects		A'11 Adjusted		A'10	%	Adj'11 / A'10
<b>TURNOVER</b>	<b>1,879.0</b>	100.0%	<b>67.9</b>	100.0%	<b>1,811.1</b>	100.0%	<b>1,966.2</b>	100.0%	
<b>GROSS PROFIT</b>	<b>1,090.3</b>	58.0%	<b>38.0</b>	56.0%	<b>1,052.2</b>	58.1%	<b>1,124.5</b>	57.2%	
<b>EBITDA</b>	<b>256.4</b>	13.6%	<b>13.9</b>	20.5%	<b>242.5</b>	13.4%	<b>253.4</b>	12.9%	
<b>Depreciation and Amortization</b>	<b>(89.1)</b>	-4.7%	<b>(6.1)</b>	-8.9%	<b>(83.0)</b>	-4.6%	<b>(94.0)</b>	-4.8%	
<b>EBIT before Other Operating Results</b>	<b>167.3</b>	8.9%	<b>7.8</b>	11.5%	<b>159.5</b>	8.8%	<b>159.4</b>	8.1%	0.1%
<b>Financial Result</b>	<b>(34.2)</b>		<b>(8.9)</b>		<b>(25.4)</b>		<b>(22.3)</b>		
<b>EBT before Other Operating Results</b>	<b>133.1</b>	7.1%	<b>(1.0)</b>	-1.5%	<b>134.1</b>	7.4%	<b>137.1</b>	7.0%	-2.1%
<b>Other Operating Results</b>	<b>(21.2)</b>		<b>(11.3)</b>		<b>(9.8)</b>		<b>(9.8)</b>		
<b>Income tax</b>	<b>(16.2)</b>	-14.5%	<b>2.0</b>		<b>(18.2)</b>	-14.6%	<b>(19.3)</b>	-15.2%	
<b>Minority interest</b>	<b>(16.7)</b>		<b>-</b>		<b>(16.7)</b>		<b>(24.4)</b>		
<b>Net Earnings</b>	<b>79.1</b>	4.2%	<b>(10.4)</b>	-15.3%	<b>89.5</b>	4.9%	<b>83.5</b>	4.2%	7.2%

# Income Statement

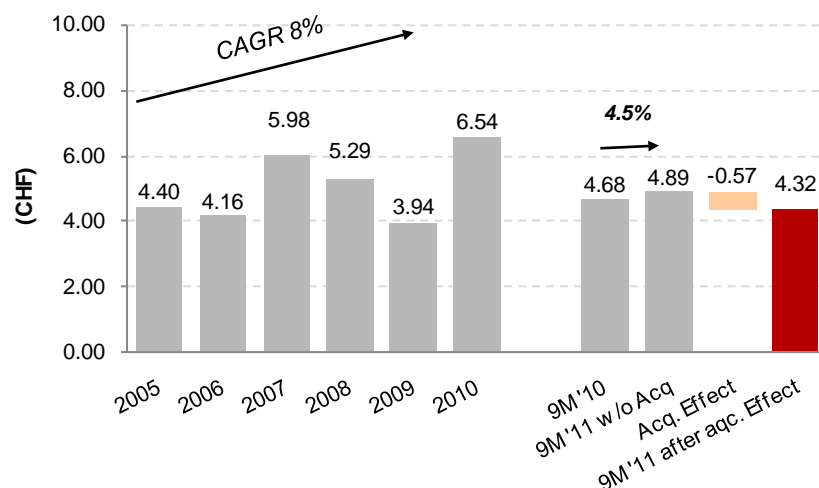
(CHF million)	Dec '03	%	Dec '08	%	Dec '09	%	Dec '10	%	Sep '10	%	Sep '11	%
<b>Turnover</b>	<b>685.7</b>	100.0%	<b>2,113.5</b>	100.0%	<b>2,378.7</b>	100.0%	<b>2,610.2</b>	100.0%	<b>1,966.2</b>	100.0%	<b>1,879.0</b>	100.0%
<b>Gross profit</b>	<b>318.1</b>	46.4%	<b>1,151.9</b>	54.5%	<b>1,329.4</b>	55.9%	<b>1,501.9</b>	57.5%	<b>1,124.5</b>	57.2%	<b>1,090.3</b>	58.0%
Concession fees	117.6	17.2%	408.0	19.3%	480.0	20.2%	553.1	21.2%	416.1	21.2%	390.8	20.8%
Personnel expenses	92.9	13.5%	276.1	13.1%	361.3	15.2%	398.9	15.3%	299.4	15.2%	292.2	15.6%
Other expenses	58.7	8.6%	174.4	8.2%	187.0	7.9%	206.8	7.9%	155.6	7.9%	150.9	8.0%
<b>EBITDA<sup>(1)</sup></b>	<b>48.9</b>	7.1%	<b>293.4</b>	13.9%	<b>301.1</b>	12.7%	<b>343.1</b>	13.1%	<b>253.4</b>	12.9%	<b>256.4</b>	13.6%
Depreciation	20.8	3.0%	39.7	1.9%	63.9	2.7%	63.7	2.4%	48.0	2.4%	40.8	2.2%
Amortisation	5.8	0.8%	46.7	2.2%	59.1	2.5%	65.8	2.5%	46.1	2.3%	48.3	2.6%
<b>EBIT<sup>(1)</sup></b>	<b>22.3</b>	3.2%	<b>207.0</b>	9.8%	<b>178.1</b>	7.5%	<b>213.6</b>	8.2%	<b>159.4</b>	8.1%	<b>167.3</b>	8.9%
Other operational result	-38.3		-11.9		-14.7		-15.7		-9.9		-21.2	
Financial result	-4.7		-47.3		-43.4		-32.2		-22.3		-34.2	
<b>EBT</b>	<b>-20.7</b>	-3.0%	<b>147.9</b>	7.0%	<b>120.0</b>	5.0%	<b>165.7</b>	6.3%	<b>127.2</b>	6.5%	<b>111.9</b>	6.0%
Income tax	12.6		30.1		22.8		20.9		19.3		16.2	
As % of EBT			20.4%		19.0%		12.6%		15.2%		14.5%	
<b>Net Earnings</b>	<b>-33.3</b>	-4.9%	<b>117.8</b>	5.6%	<b>97.3</b>	4.1%	<b>144.8</b>	5.5%	<b>107.9</b>	5.5%	<b>95.7</b>	5.1%
<i>Attributable to:</i>												
Minority interest	0.1		67.5		58.8		28.2		24.4		16.6	
<b>Equity holders of the parent</b>	<b>-33.4</b>	<b>-4.9%</b>	<b>50.3</b>	<b>2.4%</b>	<b>38.5</b>	<b>1.6%</b>	<b>116.6</b>	<b>4.5%</b>	<b>83.5</b>	<b>4.2%</b>	<b>79.1</b>	<b>4.2%</b>

Note:

(1) EBITDA and EBIT before other operational result

# Net Earnings / Earnings Per Share

## Core Earnings Per Share

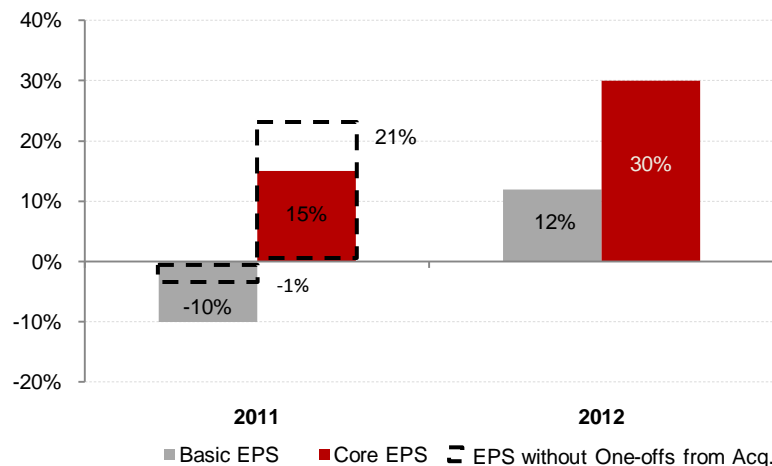


## Net Earnings

CHF million	9M '11	9M '10	Change
NET EARNINGS	95.7	107.9	-11.3%
Minority Interest	16.6	24.4	-32.0%
Equity Holders of the Parent	79.1	83.5	-5.3%
Shares outstanding <sup>(1)</sup> (million)	26.9	24.6	9.1%
Basic EPS	2.94	3.39	-13.3%
Acq. Related Amort. per share	1.38	1.29	7.2%
<b>CORE EPS</b>	<b>4.32</b>	<b>4.68</b>	<b>-7.6%</b>
Acq, related one-offs	0.55		
<b>Core EPS excl. acq. One-off</b>	<b>4.87</b>	<b>4.68</b>	<b>4.1%</b>

<sup>(1)</sup> Weighted average

## EPS Accretion/Dilution from Acquisitions

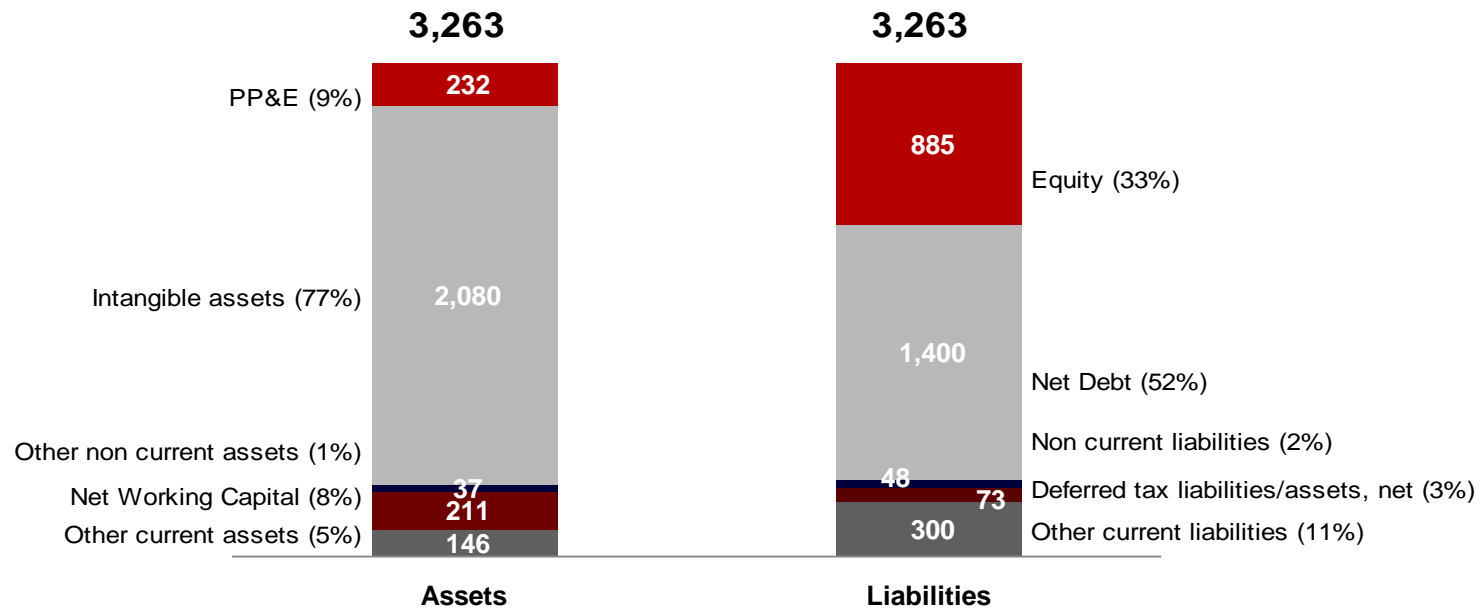


- Core EPS (Cash EPS) excludes amortization related to acquisitions
- Acquisitions are non-recurring transactions
- Give an indication on sustainable Cash EPS

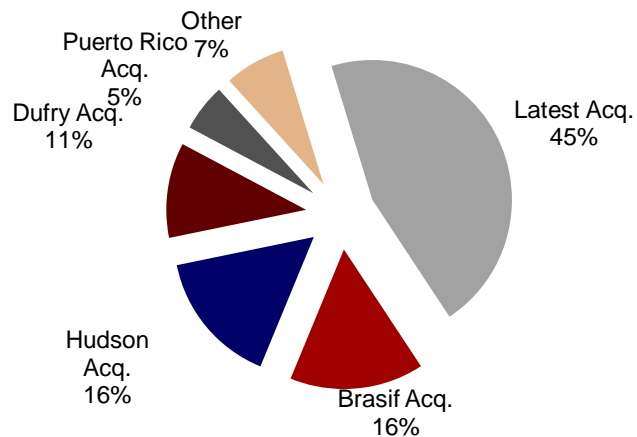
1) Calculated with LTM May 2011 Proforma and 2012 Proforma

# Summary Balance Sheet 30 September 2011

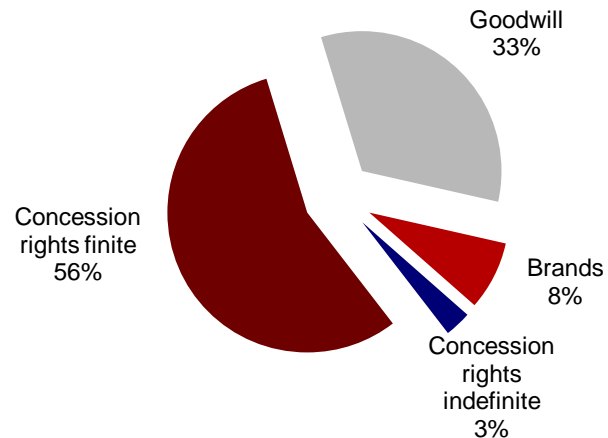
(CHF million)



## Intangible Assets 30/09/2011



## Intangible Assets Related to Acquisitions



# Cash Flow

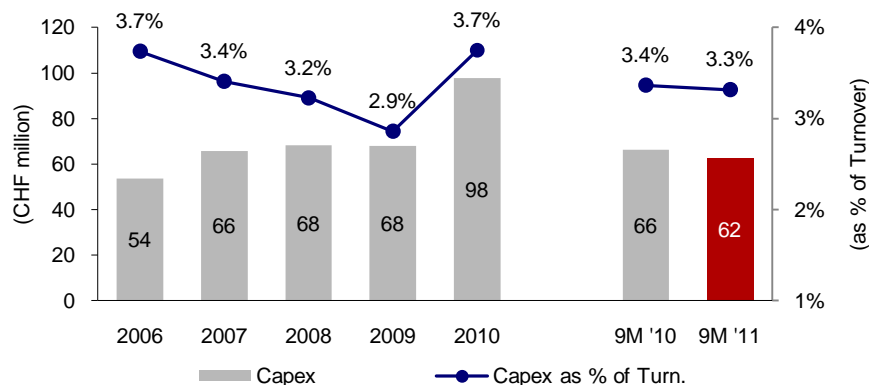
## Summary Cash Flow

In millions of CHF	9M '11	9M '10
<b>Net debt - Dec 31</b>	<b>(637.9)</b>	<b>(609.8)</b>
<b>Cash flow before working changes</b>	<b>276.2</b>	<b>259.2</b>
Change in net working capital	(20.1)	(8.2)
Income taxes paid	(25.7)	(23.7)
<b>Net cash flows from operating activities</b>	<b>230.4</b>	<b>227.3</b>
Capex (PPE and intangible assets)	(62.3)	(66.2)
<b>Net cash flows from operating activities after Capex</b>	<b>168.1</b>	<b>161.1</b>
M&A and Financing <sup>(1)</sup>	(756.0)	(33.7)
Other <sup>(2)</sup>	(60.9)	(196.0)
Currency translation	(113.3)	28.6
<b>Change in net debt</b>	<b>(762.0)</b>	<b>(39.8)</b>
<b>Net debt - Sep 30</b>	<b>(1,399.9)</b>	<b>(649.5)</b>
<b>Acquisitions Effect</b>	<b>(873.7)</b>	-
<b>Net debt - Sep 30 (without acquisitions)</b>	<b>(526.2)</b>	<b>(649.5)</b>

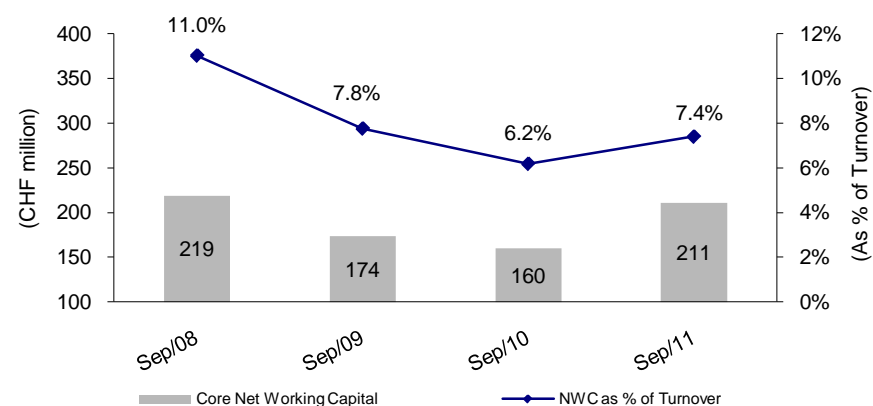
<sup>1</sup> Acquisition/sale of investment, share issuance costs and arrangement fees paid

<sup>2</sup> Dividends paid to group and minority shareholders, net interest paid and other

## Capex Evolution



## Core Net Working Capital Evolution<sup>1</sup>

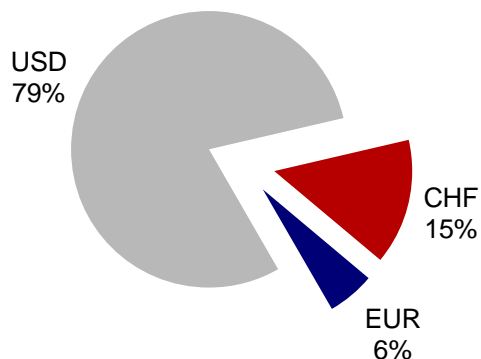


<sup>1</sup> Inventories + Trade and credit card receivables - Trade payables

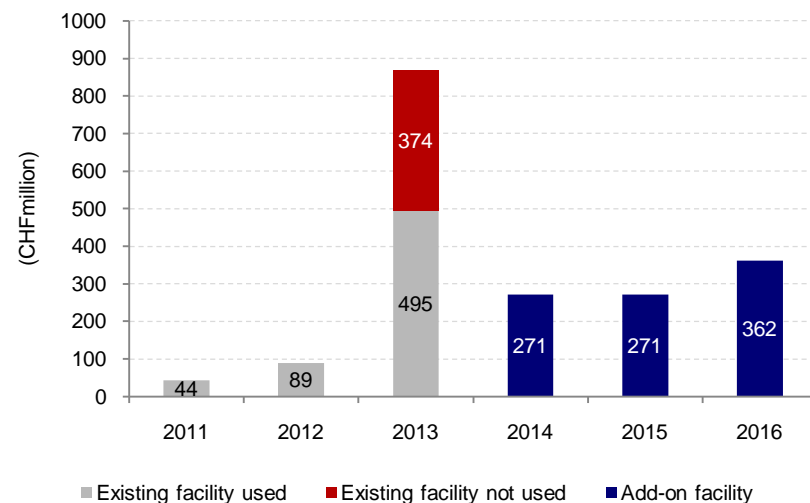
<sup>2</sup> Sep/11 based on PF LTM turnover including latest acquisitions

# Financing and Covenants (1/2)

## Debt by Currency - 30 September 2011



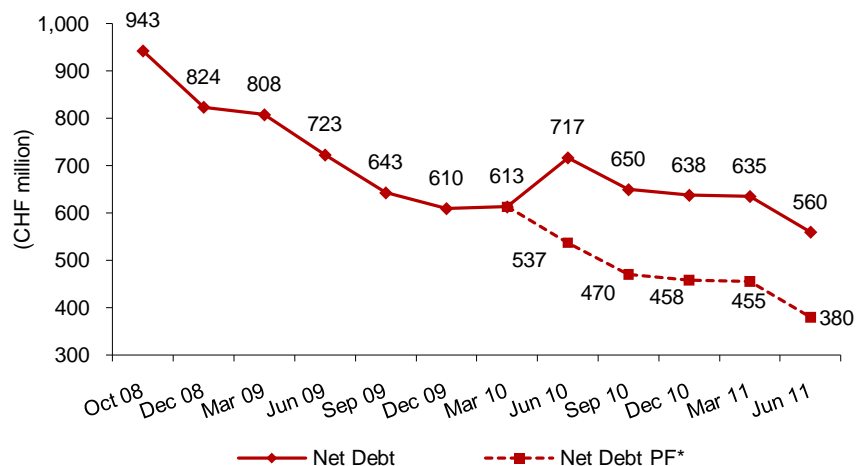
## Expiry of Debt



- **9 out of 9 banks invited to underwriting participated in the transaction**
  - 100% success rate
- **Syndication successfully concluded in September, 2011**
  - Focus on existing banks with inclusion of selected new banks
  - Over-subscription despite lean process: Scale back of all lending banks
- **Currently, Dufry has 18 banks in syndicated loans**

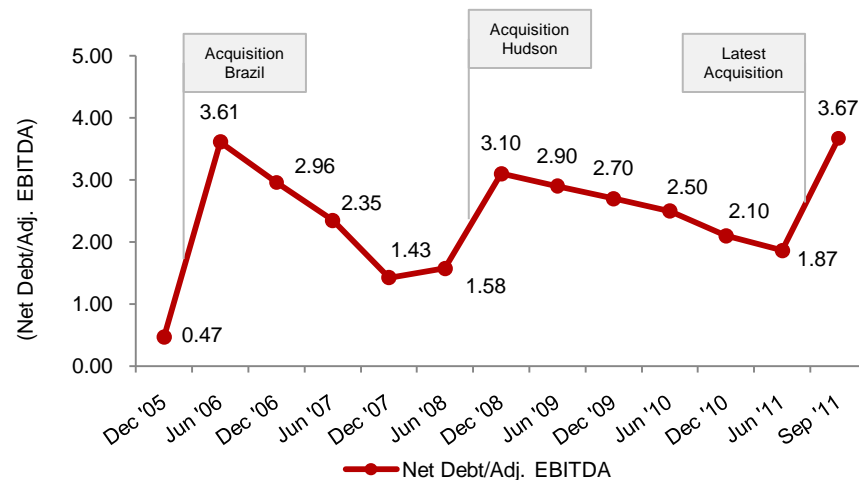
# Financing and Covenants (2/2)

## Net Debt Evolution

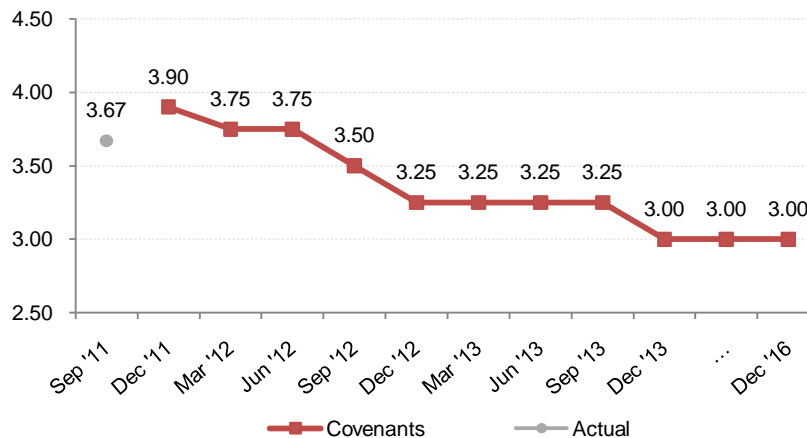


\* Net Debt PF excluding dividend paid to DSA minorities, share issuance costs and arrangement fees paid

## Covenants Evolution



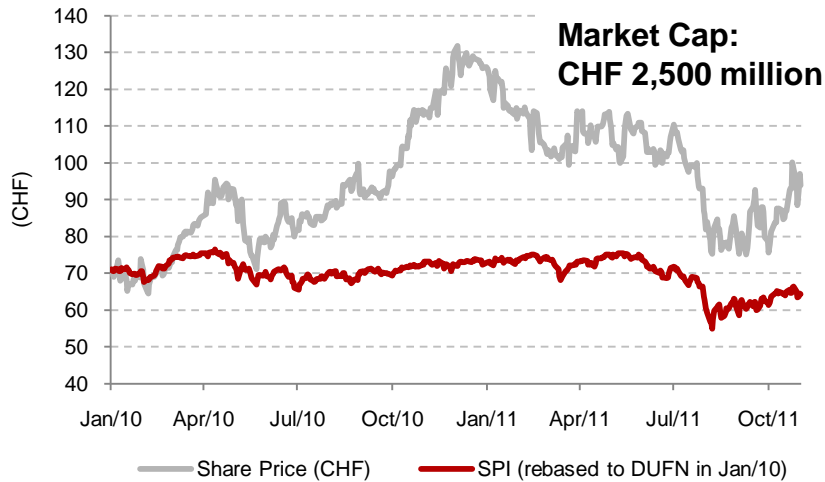
## Covenants Test (Net Debt / Adj. EBITDA)





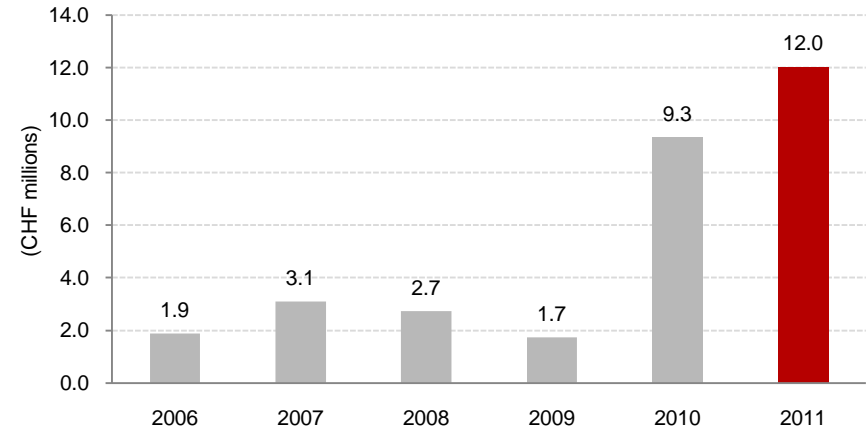
# Investor Relations Update

## Dufry Share Price



Note: Until 04/11/2011

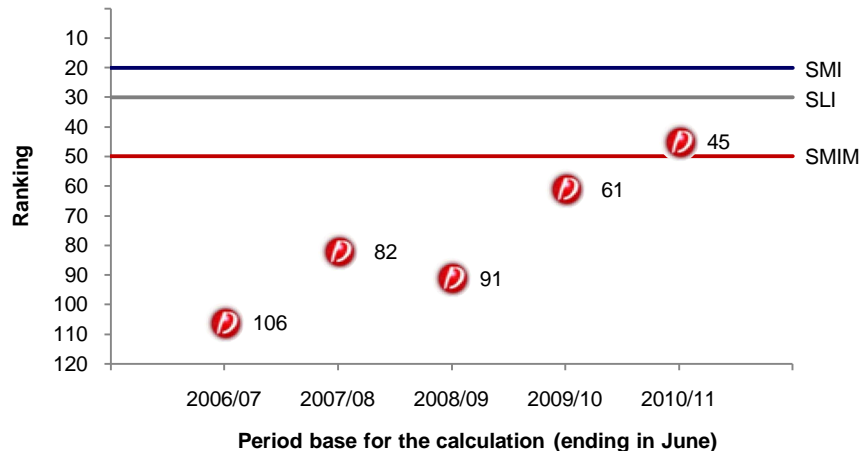
## Daily Average Volume in CHF



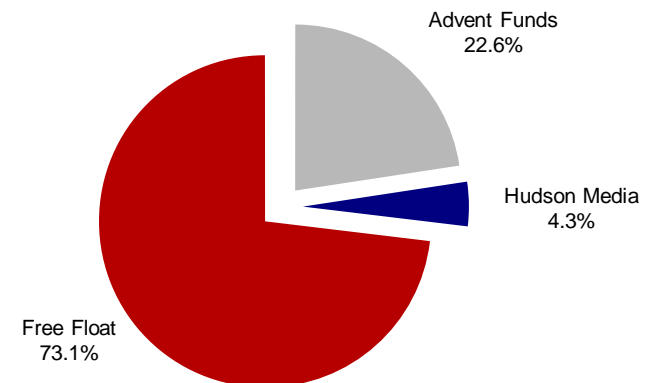
Note:

- (1) Since April 2010 including trading volumes of Dufry AG BDR.
- (2) 2011 until 04/11/2011

## Dufry's Position in the Swiss Stock Exchange



## Shareholder Structure



## 5. Conclusion

# Conclusion/Outlook

- **Dufry's business model continues delivering good results**
  - Accelerated organic growth, new concessions and first contribution from the recent acquisitions
- **One-off situations mitigated**
  - Improved conditions in Mexico and in part of North African operations
- **Lower FX translation effect expected for next quarter**
  - Based on current USD/CHF levels impact will be substantially lower in the next quarter
  - Dufry is mostly naturally hedged and currency swings have no impact on margins
- **EBITDA margin has still room for improvement**
  - “Dufry Plus One” and “One Dufry” initiatives will continue to support Dufry's margin improvement
  - Business diversification helps to keep concession fees stable
- **Continue with strategy of profitable growth**
  - Organic growth faster than passenger growth thanks to productivity improvements
  - New concessions
  - Acquisitions
- **Focus on cash generation and balance sheet management in the next twelve months**

Thank You

