



Dufry Presentation – Q1 2011 Results

May 2011

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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 Q1 2011 Performance**
- 2. Key Figures Q1 2011**
- 3. Dufry Strategy**
- 4. Financials**
- 5. Conclusion**

1. Update Q1 2011 Performance

- 1) Remarkable results in an eventful quarter**
- 2) Passenger development**
- 3) Operations and Resources development**
- 4) New projects and expansions**
- 5) Main events Q1 2011**
- 6) Trading update**

Update Q1 2011 (1)

Remarkable results in an Eventful Quarter

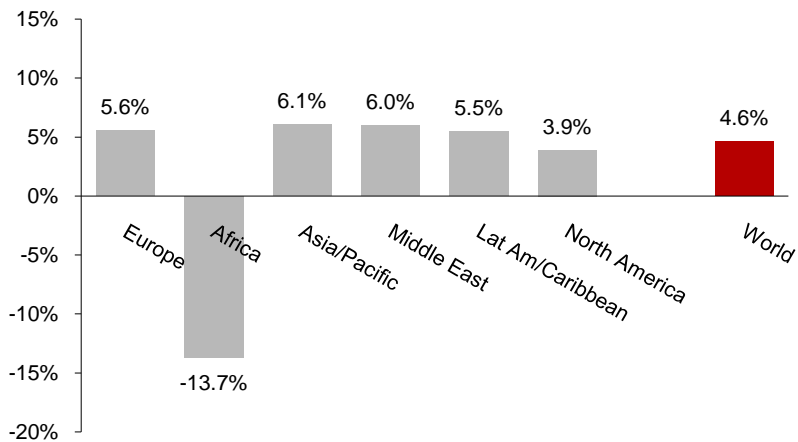
- 9.6% turnover increase on constant FX rates
- Organic growth of 7.4%, excluding specific situations (MENA, snow storms and Mexico) 10.9%
- Gross margin of 57.6% versus 56.6% in 2010
- 17.1% EBITDA increase on constant FX rates
- EBITDA margin improved to 11.7% from 11.1%

Dufry has shown once more the resilience of its business model

Update Q1 2011 (2)

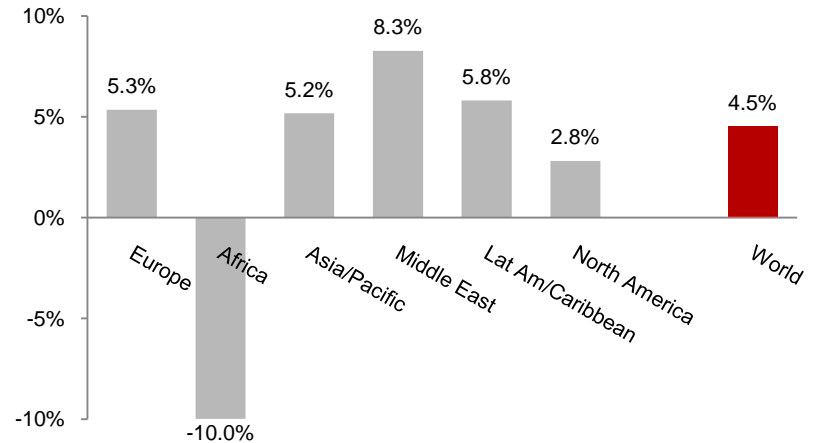
Passenger Development

International PAX Growth Q1 2011



Source: ACI

Expected International PAX Growth for FY 2011



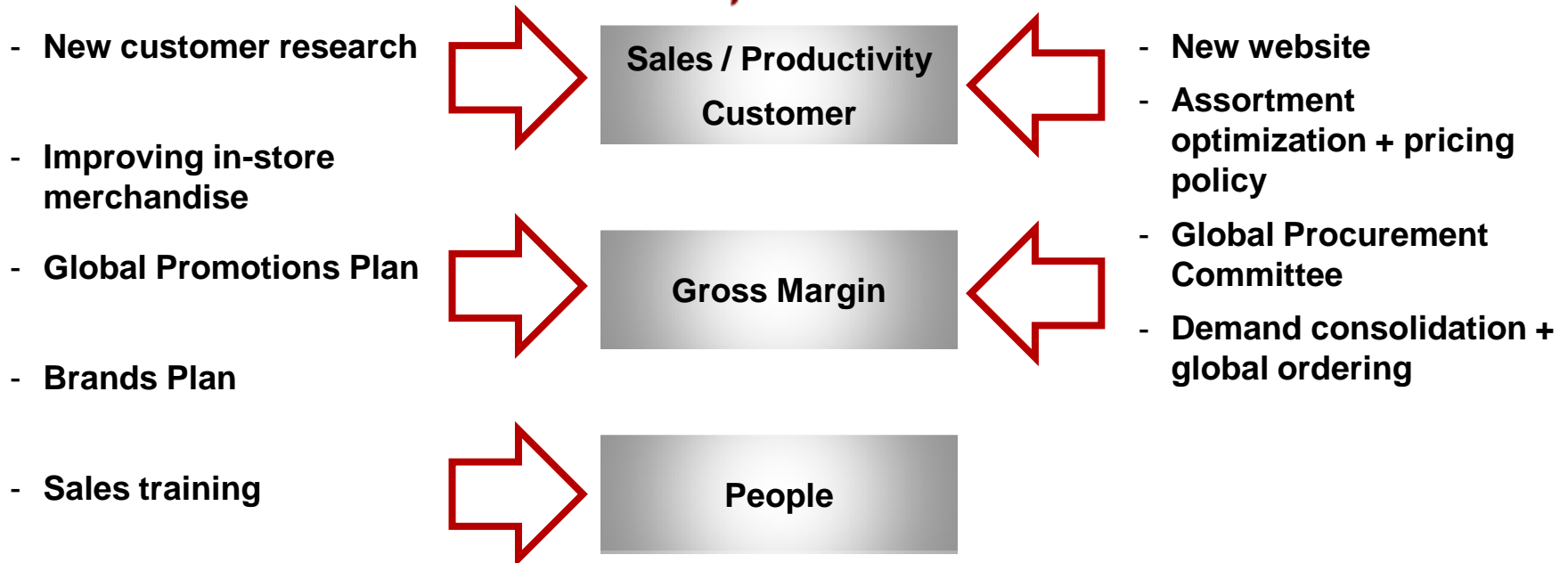
Source: Air4casts

Positive development in 2011 to date - growth prospects remain positive

Update Q1 2011 (3)

Dufry plus One

DUFY
plus one!



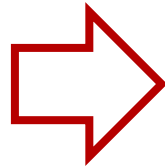
Organic growth excluding one-offs +10.9% and gross margin improvement of 100 bps

Update Q1 2011 (3)

One Dufry



- New ERP integrated with Dufry Global applications



Sales / Customer / Productivity

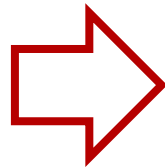
Operational Performance

Cash / Working Capital

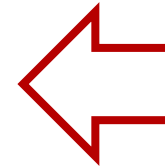
Taxes

Asset / Liabilities & Risk Management

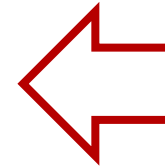
- Tax initiatives



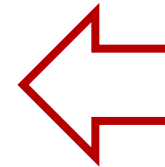
- Optimized reporting and global dash board



- Global Cash Pool + Cash Flow forecasting



- Active FX management



Net working capital improvements of 0.8 p.p. on turnover and improved tax rate

Update Q1 2011 (4)

New Projects and Expansions

Changes in the Retail Space in Q1 2011

Region	Added space	Closed space	Net Effect
Europe	128	63	65
Africa	125	0	125
Eurasia	217	53	164
Central America & Carib.	2,372	28	2,344
South America	36	0	36
North America	666	421	245
Total	3,544	565	2,979

Main openings Q1 2011

Operation	Space (sqm)	Concepts			
		General Travel Retail	News & Convenience	Specialized shop	Branded boutique
Mexico, Cozumel	1,000	✓	✓	✓	
Mexico, Mahahual	500	✓			
USA, various locations	700		✓	✓	✓
Guadeloupe	500	✓	✓		
St. Kitts	450	✓		✓	
Mexico, Other	400	✓			

3,000 sqm of additional space in Q1; pipeline projects on track

Update Q1 2011 (5)

Main Events

- North Africa: situation remains unchanged
- Mexico: disruption due to Mexicana gradually improving
- USA: snow storms impact mainly in January
- Japan: no impact on Dufry's business
- F/X translation masks strong performance when showing reported numbers

Several external events impacted global air travel but positive growth in 2011 - prospects remain positive

Update Q1 2011(6)

Trading Update

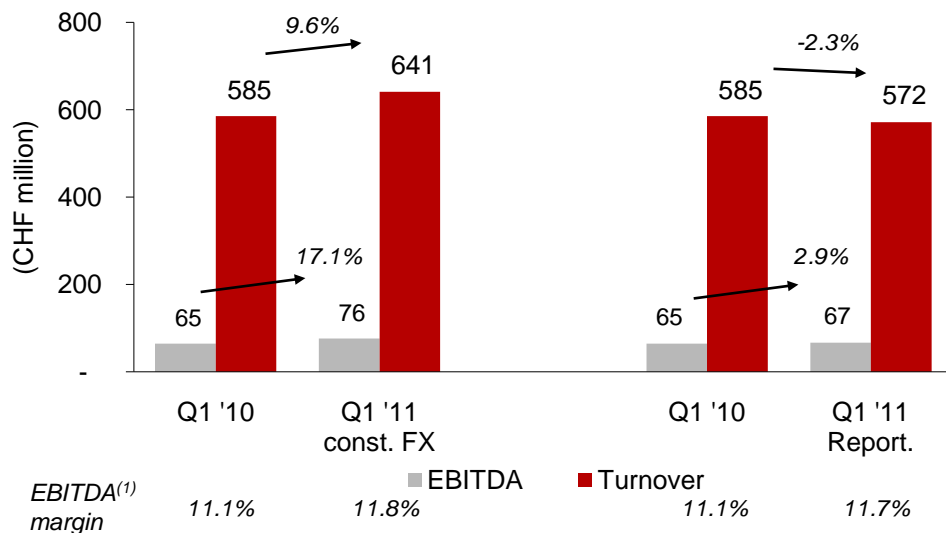
- April continues with strong performance
- Seasonality: Impact of Easter

Positive Start in Q2 2011

2. Key Figures Q1 2011

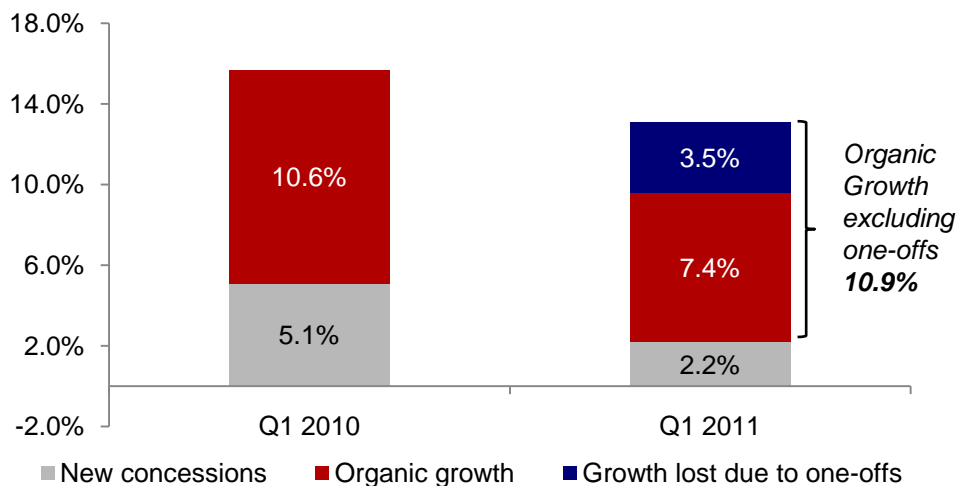
Key Figures Q1 2011

Q1 Turnover and EBITDA Evolution



- Turnover at constant FX rates 9.6% to CHF 641 million
- Gross margin improved to 57.6% from 56.6%
- EBITDA⁽¹⁾ at constant FX rates +17.1% to CHF 75.9 million
 - EBITDA⁽¹⁾ margin of 11.7%

Growth components at Constant FX

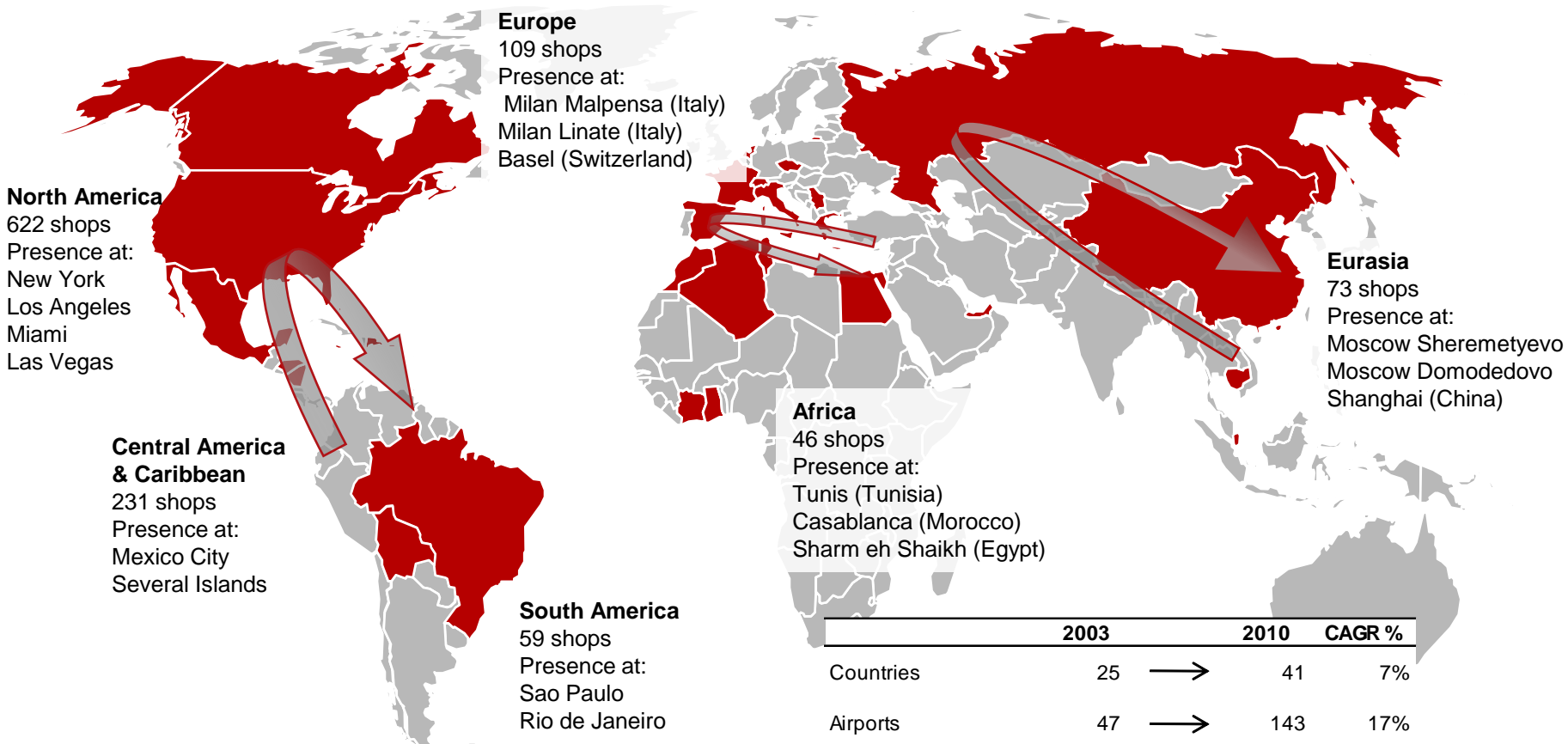


- Double digits organic (like-for-like) growth excluding one-offs
- Net new concessions impacted by Singapore repositioning

Note:
(1) EBITDA before other operational result

3. Dufry Strategy

Globally Diversified and Focused on Emerging Markets and Tourist Destinations

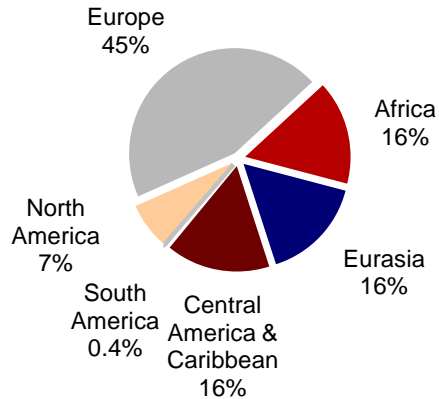


	2003		2010	CAGR %
Countries	25	→	41	7%
Airports	47	→	143	17%
Shops	227	→	1,140	26%
Retail Surface (sqm)	36,750	→	154,366	23%
Turnover (CHFm)	686	→	2,610	21%
EBITDA ⁽¹⁾ (CHFm)	49	→	343	32%

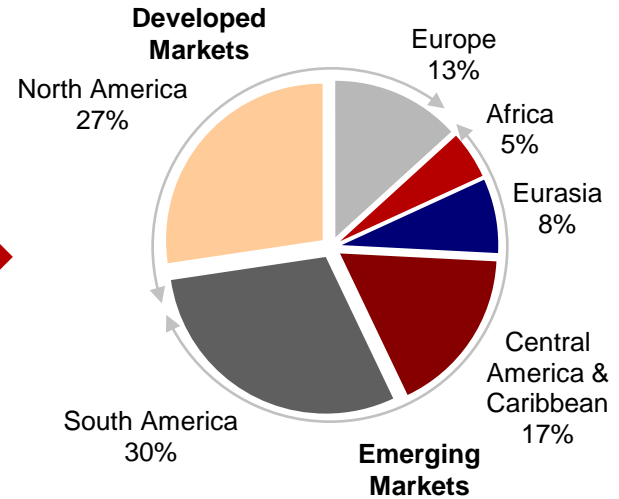
Note:
(1) EBITDA before other operational result

Dufry's Segmentation

Dufry by Region 2003

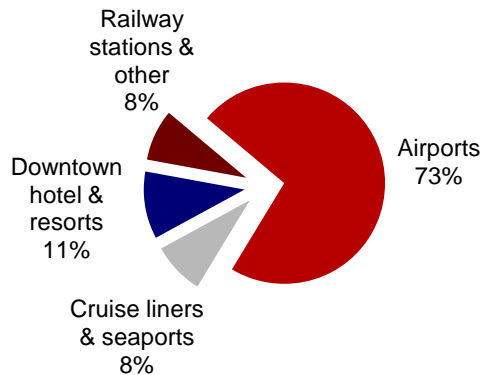


Dufry by Region Q1 2011

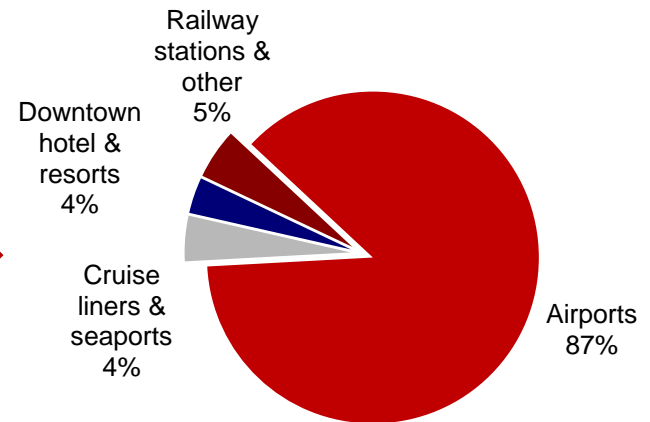


CAGR 03-10: 21%

Dufry by Channel 2003



Dufry by Channel Q1 2011



Airport CAGR: 24%

Cruise Lines CAGR: 7%

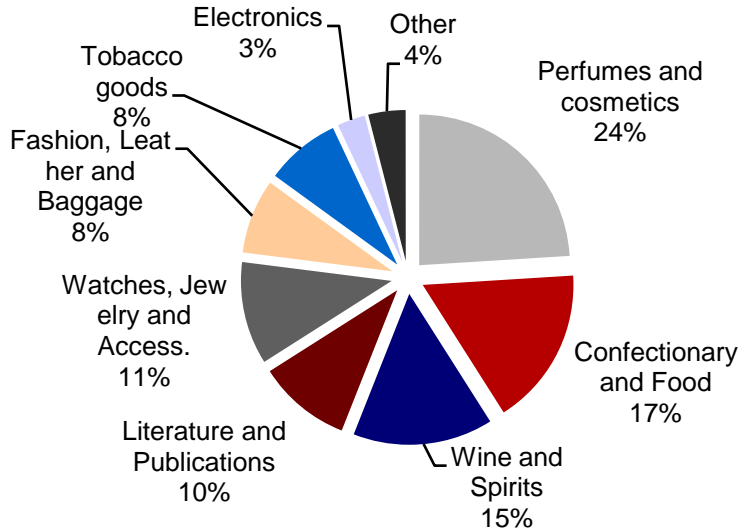
Downtown CAGR: 2%

Railway CAGR: 11%

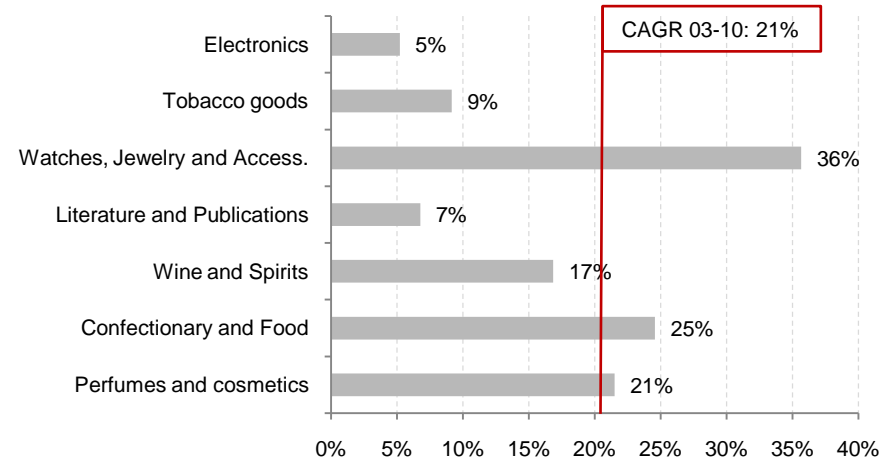


Dufry's Segmentation

Dufry by Product Q1 2011

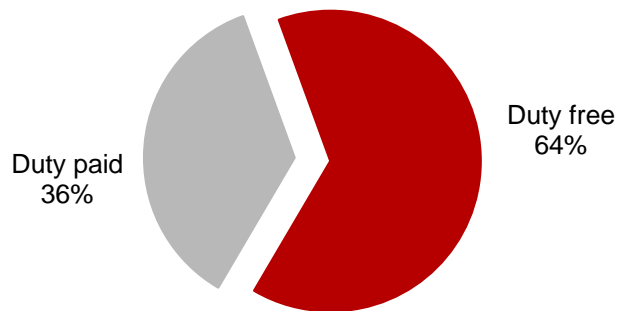


Dufry by Product Evolution 2003 - 2010

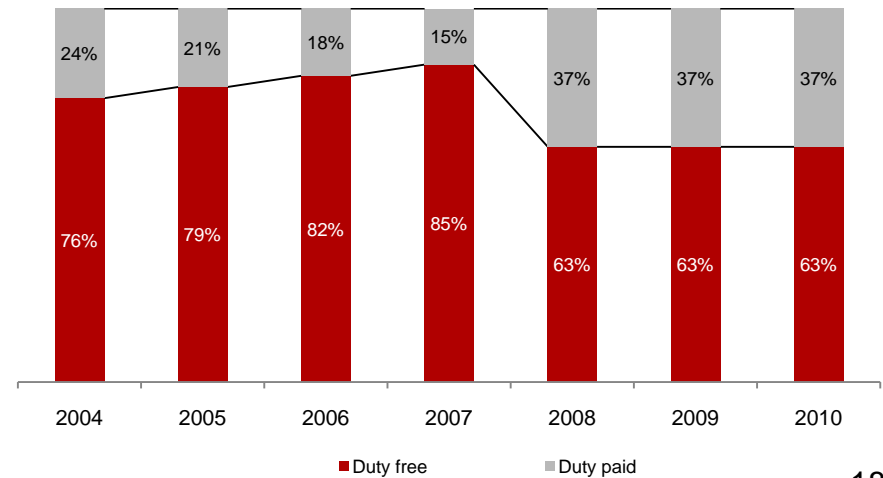


Note: The Fashion, Leather and Baggage category was created in 2009. Literature and Publications in 2008

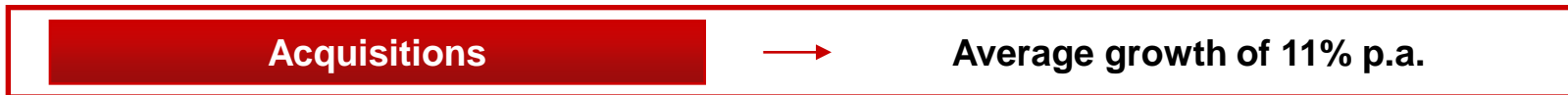
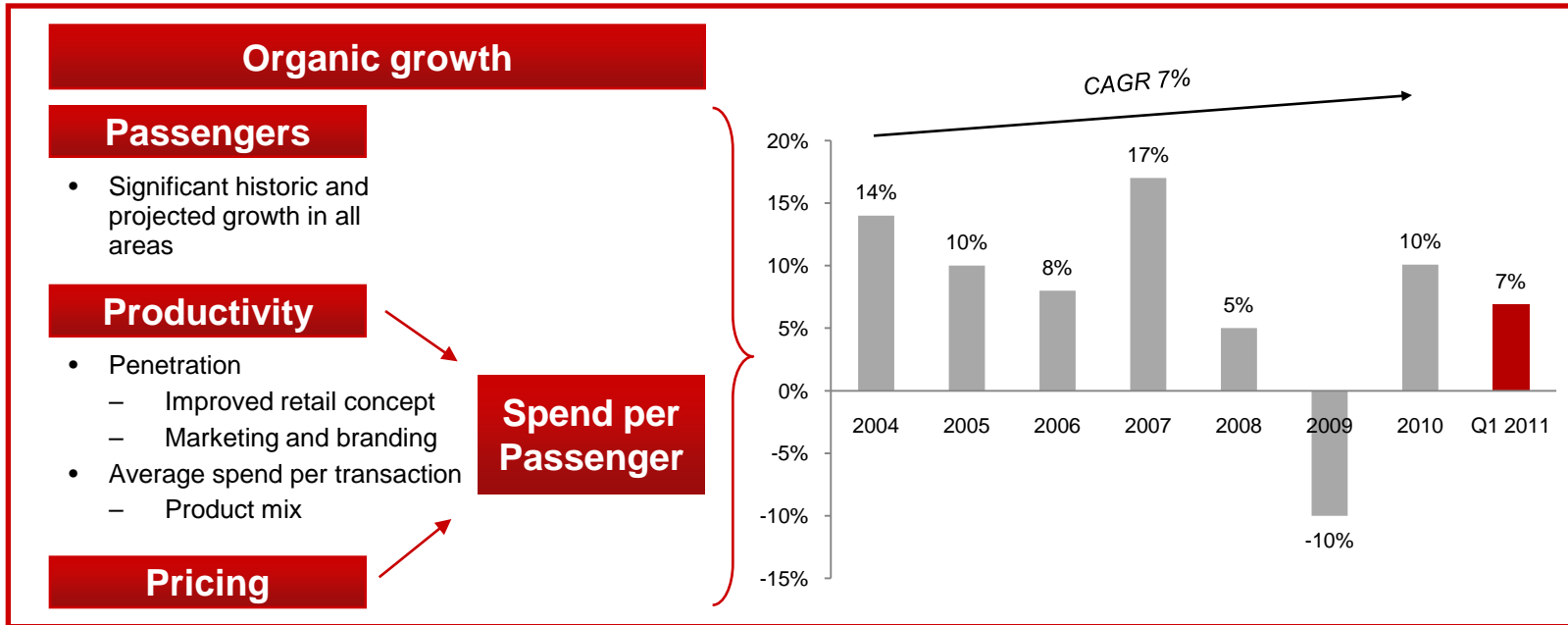
Dufry by Sector Q1 2011



Dufry by Sector Evolution 2004 - 2010



Dufry Growth Drivers

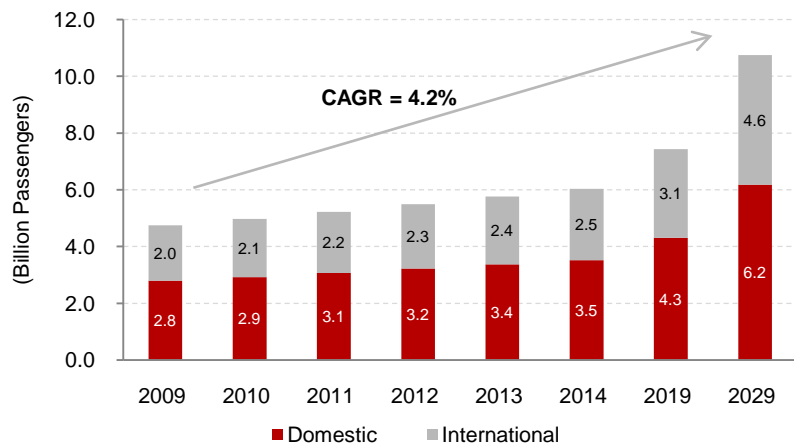


TOP-LINE GROWTH: 24% p.a. (1)

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

Dufry Growth Drivers (1): Passengers

Long-term Passenger Forecast



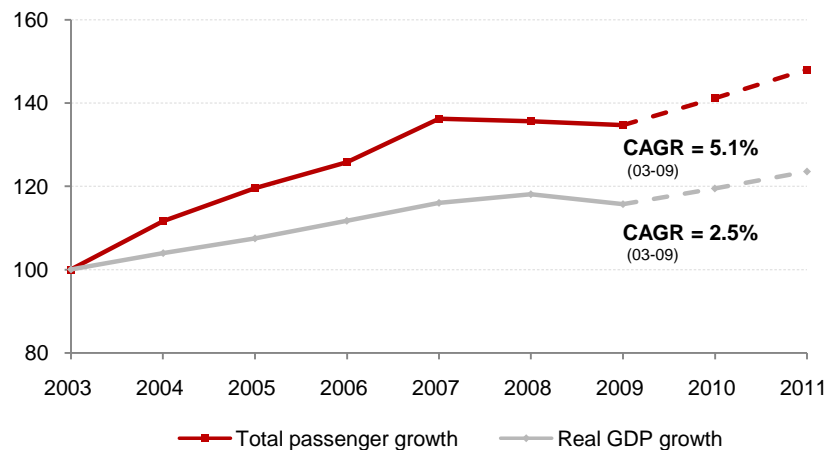
Source: ACI-DKMA, October 2010

Mid-term International Passenger Forecast

	2011	2012	2013	2014
EUROPE	5.3%	3.2%	3.1%	3.0%
AFRICA	-10.0%	1.1%	2.7%	2.7%
ASIA/ PACIFIC	5.2%	6.0%	5.9%	5.8%
MIDDLE EAST	8.3%	7.2%	7.2%	6.9%
LATIN AMERICA	5.8%	3.5%	3.5%	3.3%
NORTH AMERICA	2.8%	2.7%	2.9%	2.9%
WORLD	4.5%	3.9%	4.0%	3.9%

Source: Air4casts April 2011

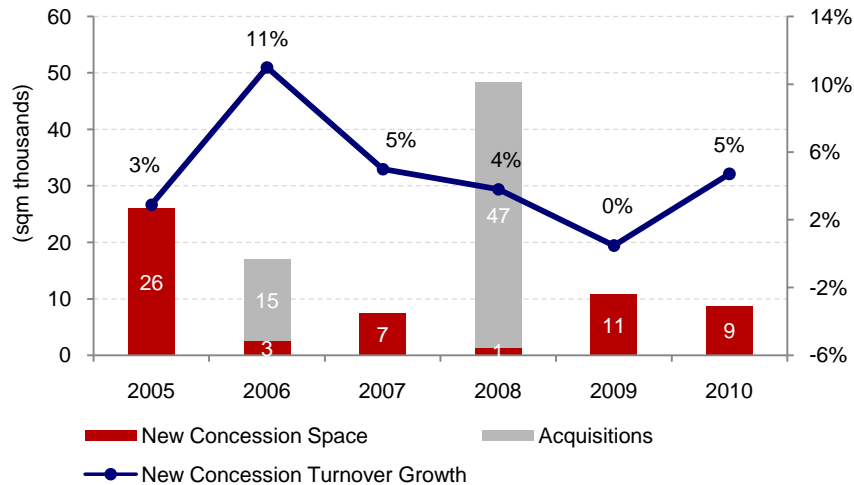
Historic & forecast GDP and Passengers Growth



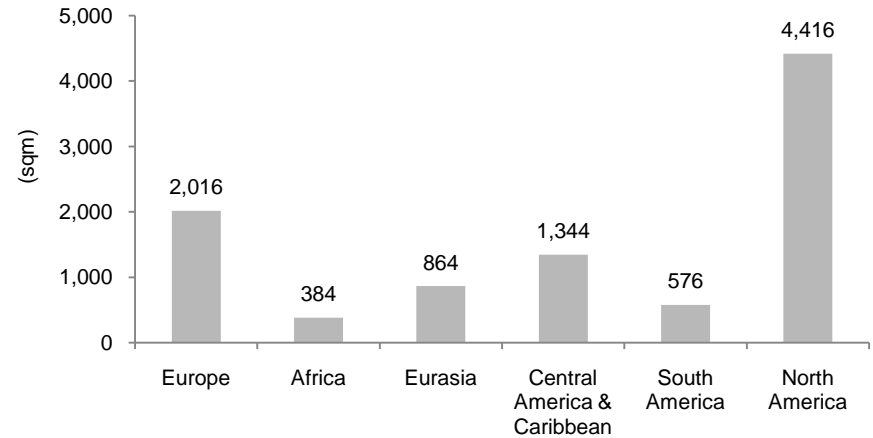
Source: Company, ICAO, ACI, IMF

Dufry Growth Drivers (2): New Concessions

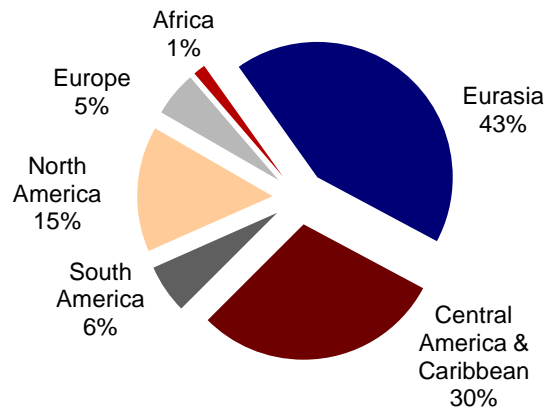
Retail Space Added 2005 - 2010



Additional Gross New Space 2011: 9,600 sqm



Project Pipeline



- **Contracts signed for further 9,600 sqm in 2011**
- **Project pipeline includes more than 42,000 sqm with a timeframe of 12-18 months**
- **Net new space sales growth to be impacted by Singapore closings up to Q3 11**

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

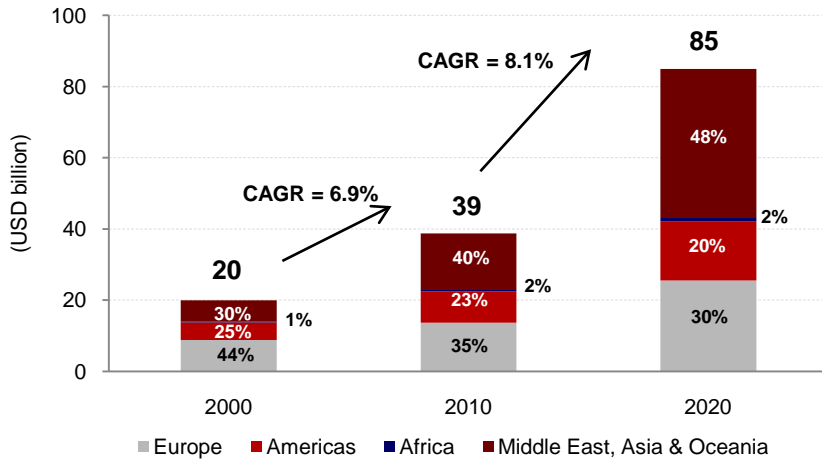


Wine Shop- Tunisia 22



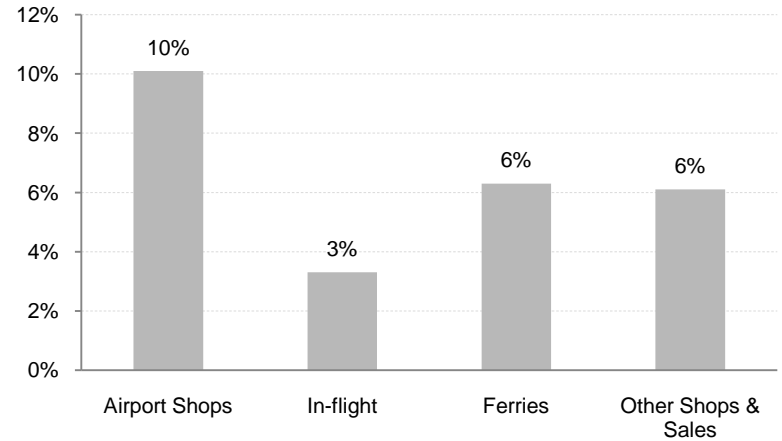
Travel Retail Market

Travel Retail Development by Region



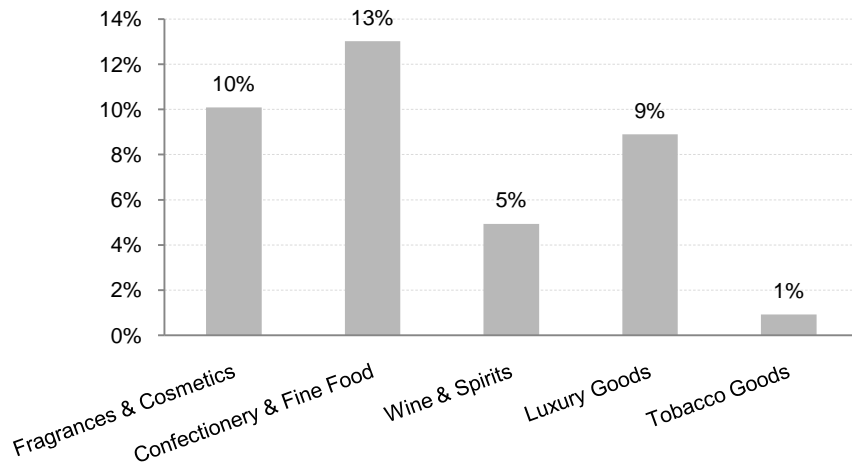
Source: Company, Generation AB

Long-term Growth by Channel



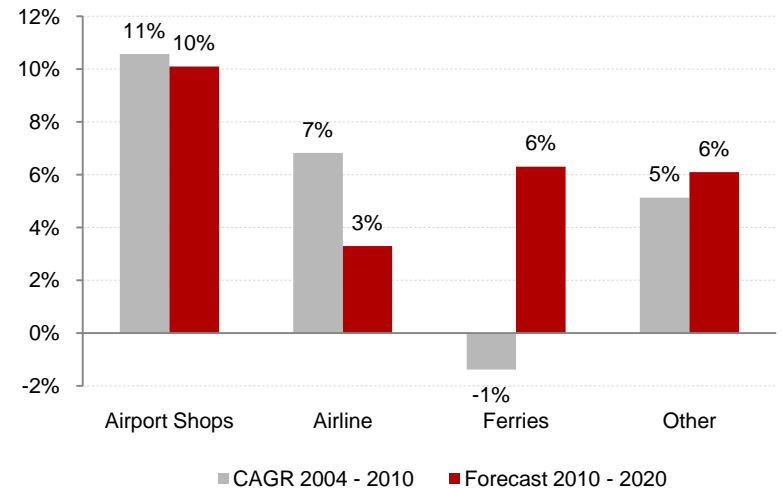
Source: Generation AB (2010 – 2020)

Long Term Growth by Product Category



Source: Generation AB (2010 – 2020)

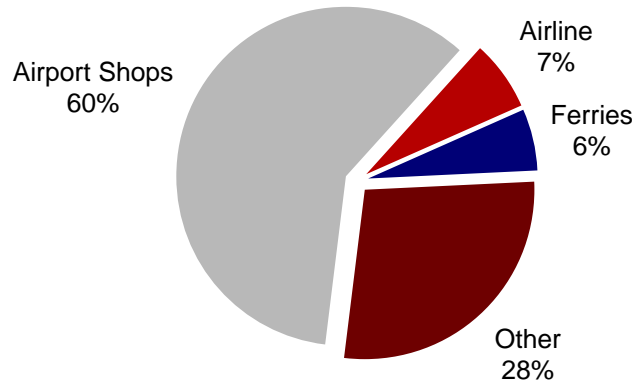
Historic and Forecasted growth by Channel





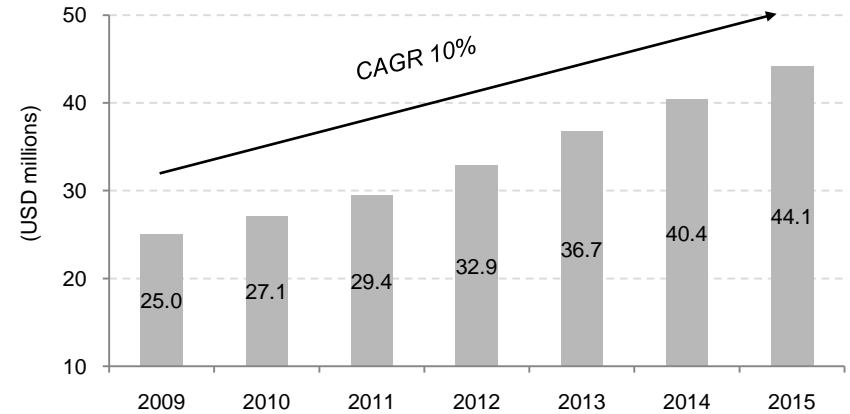
Travel Retail Market

Travel Retail Market by Channel in 2010



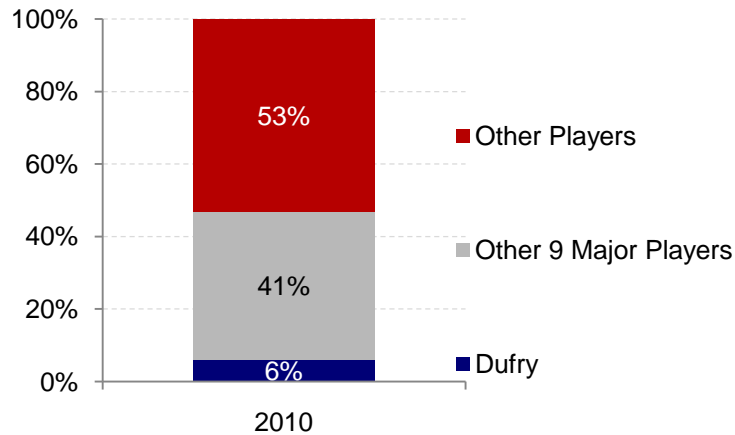
Source: Generation AB

Airport Retailing forecast market Size



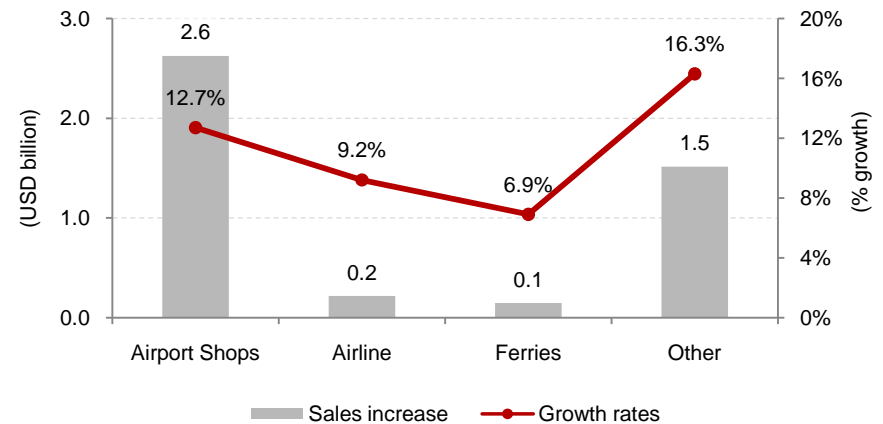
Source: Verdict

Travel Retail Industry



Source: Company, Generation AB

Travel Retail Development in 2010



Source: Generation AB

4. Financials

Turnover Growth

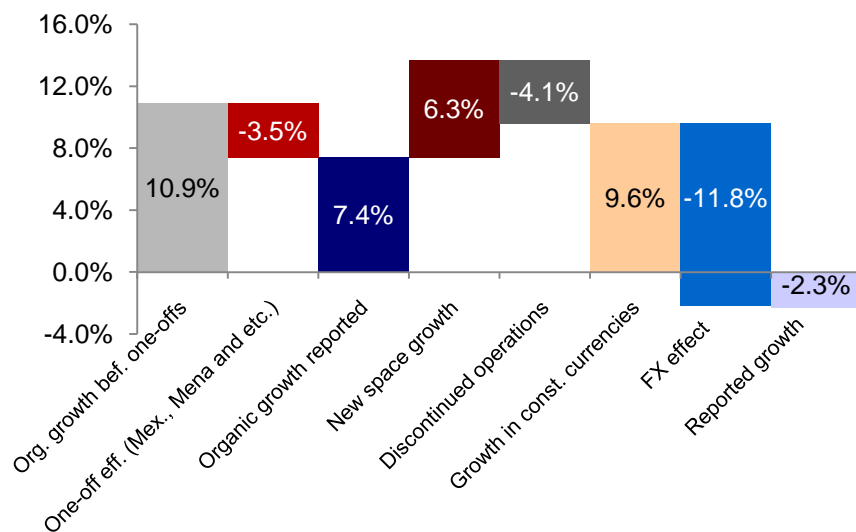
Turnover Growth Details

	Q1 '11 / Q1 '10
Organic Growth	7.4%
New Concessions	6.3%
Discontinued Operations	-4.1%
New / Discontinued Operations	2.2%
Turnover Growth at constant FX	9.6%
FX Translation Effect	-11.8%
Reported Growth	-2.3%

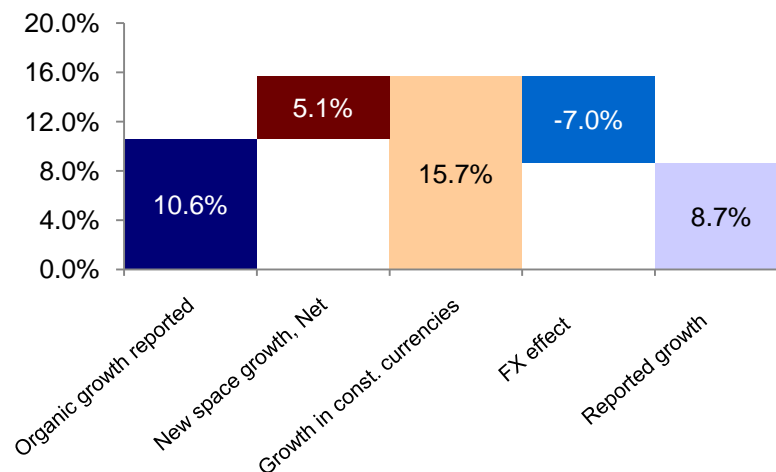
Turnover Growth by Region

Region	Turnover at Constant FX	Turnover Reported
Europe	9.5%	-2.2%
Africa	-9.5%	-20.3%
Eurasia	-3.3%	-13.3%
Central America & Caribbean	-1.3%	-12.3%
South America	29.2%	15.3%
North America	7.1%	-4.5%
Dufry Group	9.6%	-2.3%

Growth Components Q1 2011



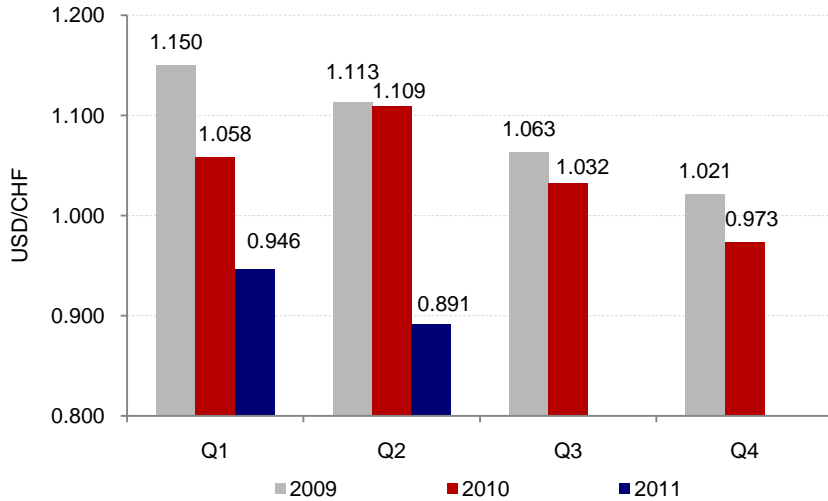
Growth Components Q1 2010



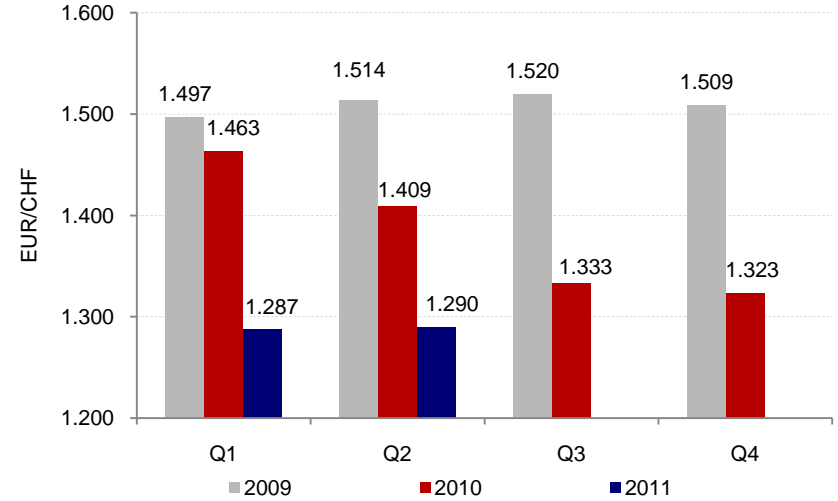


FX Impact

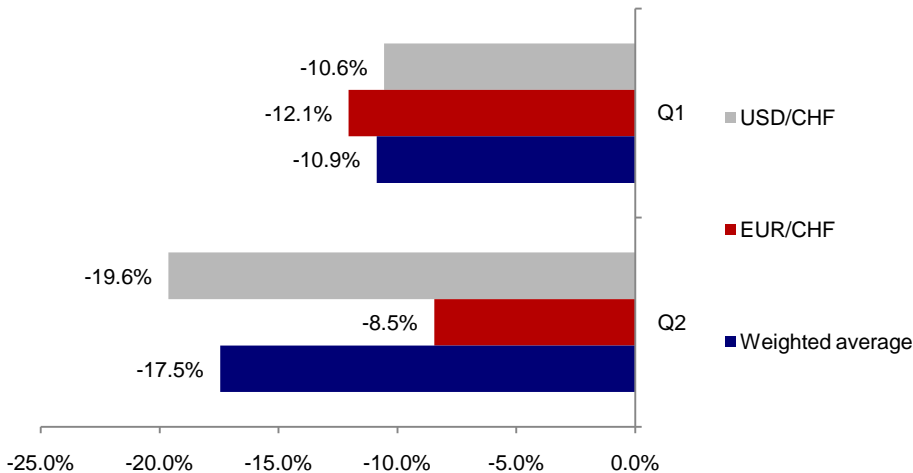
USD/CHF Development



EUR/CHF Development

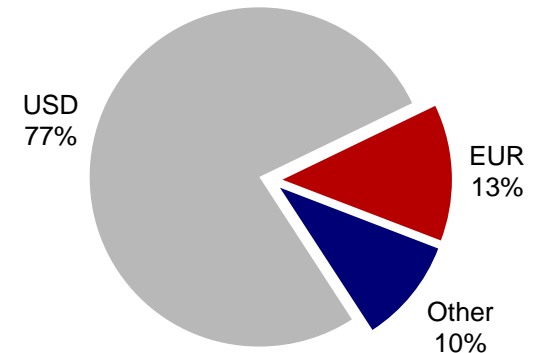


FX Rate Development in 2011



Source: Swiss National Bank
Note: Q2 11 until May 7th.

Sales by currency



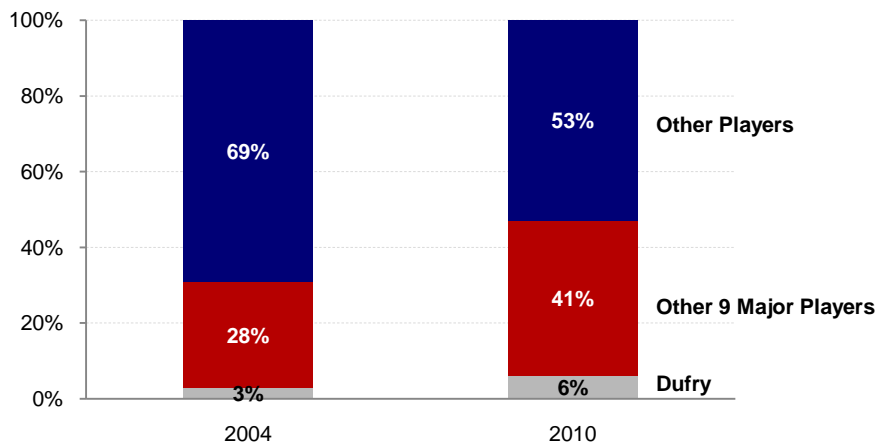
Key Business Drivers

Key Figures at Constant FX

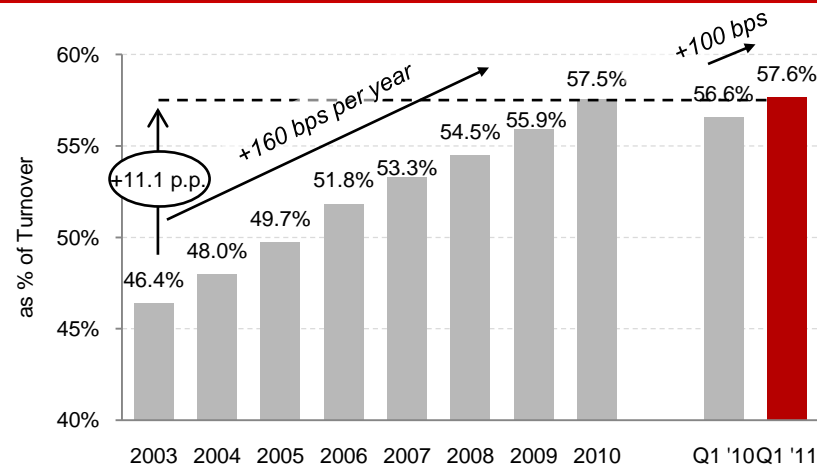
(CHF million)	Q1 '11	%	Q1 '10	%	Change
Sales	621.2		567.1		
Advertising	19.8		17.9		
Turnover	641.0	100.0%	585.0	100.0%	9.6%
Gross profit	369.0	57.6%	331.0	56.6%	11.5%
Concession fees	-134.1	-20.9%	-120.9	-20.7%	11.0%
Personnel expenses	-105.7	-16.5%	-95.7	-16.4%	10.5%
Other expenses	-53.4	-8.3%	-49.6	-8.5%	7.5%
EBITDA ⁽¹⁾	75.9	11.8%	64.8	11.1%	17.1%

(1) Before other operational results

Travel Retail



Gross Profit Margin



Income Statement

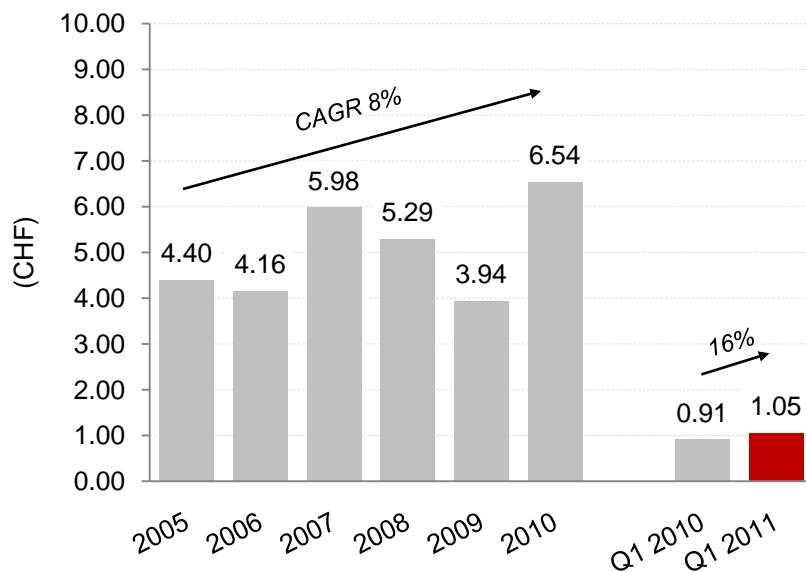
(CHF million)	Dec '03	%	Dec '08	%	Dec '09	%	Dec '10	%	Mar '10	%	Mar '11	%
Turnover	685.7	100.0%	2,113.5	100.0%	2,378.7	100.0%	2,610.2	100.0%	585.0	100.0%	571.6	100.0%
Gross profit	318.1	46.4%	1,151.9	54.5%	1,329.4	55.9%	1,501.9	57.5%	331.0	56.6%	329.5	57.6%
Concession fees	117.6	17.2%	408.0	19.3%	480.0	20.2%	553.1	21.2%	120.9	20.7%	119.5	20.9%
Personnel expenses	92.9	13.5%	276.1	13.1%	361.3	15.2%	398.9	15.3%	95.7	16.4%	95.1	16.6%
Other expenses	58.7	8.6%	174.4	8.2%	187.0	7.9%	206.8	7.9%	49.6	8.5%	48.2	8.4%
EBITDA ⁽¹⁾	48.9	7.1%	293.4	13.9%	301.1	12.7%	343.1	13.1%	64.8	11.1%	66.7	11.7%
Depreciation	20.8	3.0%	39.7	1.9%	63.9	2.7%	63.7	2.4%	16.2	2.8%	14.4	2.5%
Amortisation	5.8	0.8%	46.7	2.2%	59.1	2.5%	65.8	2.5%	15.4	2.6%	15.4	2.7%
EBIT ⁽¹⁾	22.3	3.2%	207.0	9.8%	178.1	7.5%	213.6	8.2%	33.4	5.7%	36.9	6.5%
Other operational result	-38.3		-11.9		-14.7		-15.7		-1.7		-2.4	
Financial result	-4.7		-47.3		-43.4		-32.2		-5.9		-9.2	
EBT	-20.7	-3.0%	147.9	7.0%	120.0	5.0%	165.7	6.3%	25.9	4.4%	25.3	4.4%
Income tax	12.6		30.1		22.8		20.9		4.0		3.9	
<i>As % of EBT</i>			20.4%		19.0%		12.6%		15.2%		15.5%	
Net Earnings	-33.3	-4.9%	117.8	5.6%	97.3	4.1%	144.8	5.5%	21.9	3.7%	21.4	3.7%
<i>Attributable to:</i>												
Minority interest	0.1		67.5		58.8		28.2		13.5		4.7	
Equity holders of the parent	-33.4	-4.9%	50.3	2.4%	38.5	1.6%	116.6	4.5%	8.4	1.4%	16.7	2.9%

Notes:

(1) EBITDA and EBIT before other operational result

Net Earnings / Earnings Per Share

Core Earnings Per Share



Net Earnings

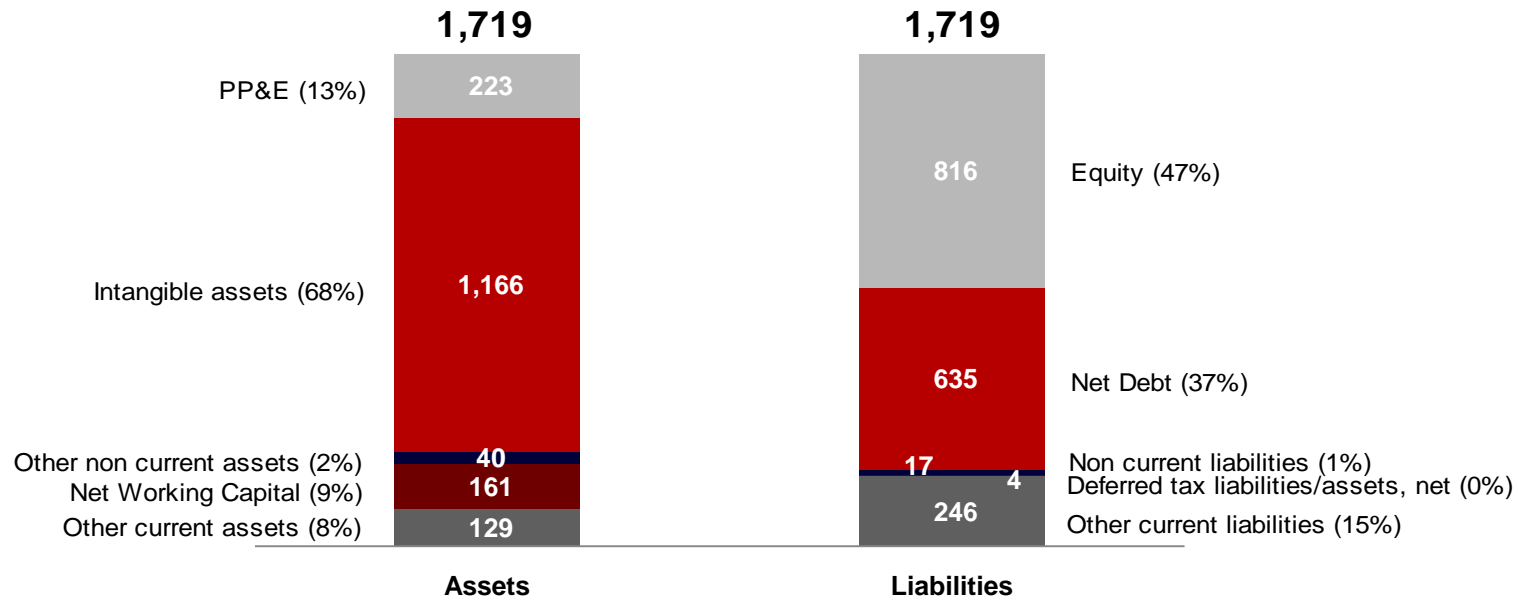
CHF million	Q1 2011	Q1 2010	Change
NET EARNINGS	21.4	21.9	-2.3%
Minority Interest	4.7	13.5	
Equity Holders of the Parent	16.7	8.4	
Shares outstanding ⁽¹⁾ (million)	26.9	20.0	
Basic EPS	0.62	0.42	
Acq. Related Amort. Per share	0.43	0.49	
CORE EPS	1.05	0.91	15.8%

⁽¹⁾ Weighted average

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

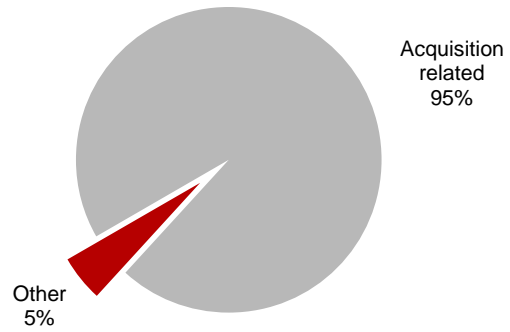
Summary Balance Sheet March 2011

(CHF million)

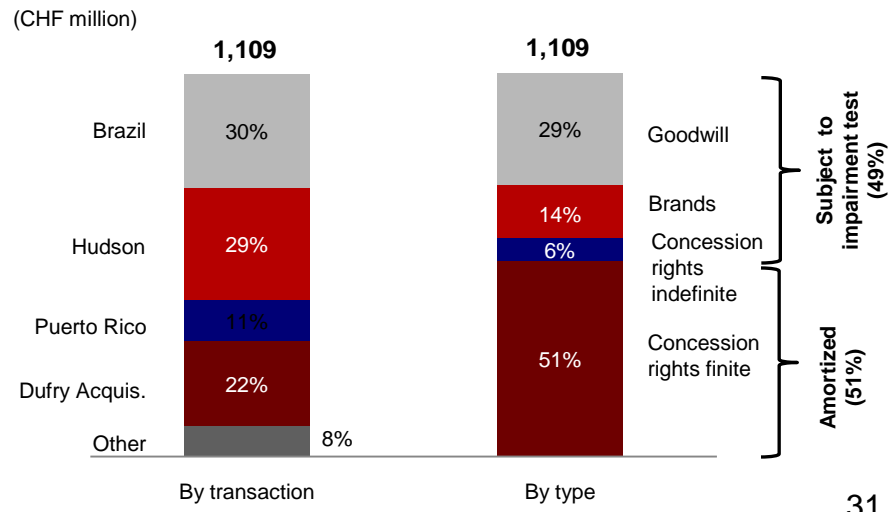


Intangible Assets

Acquisition-related Intangible Assets



Intangible assets as of Mar. 31, 2011: CHF 1,166 million



Cash Flow

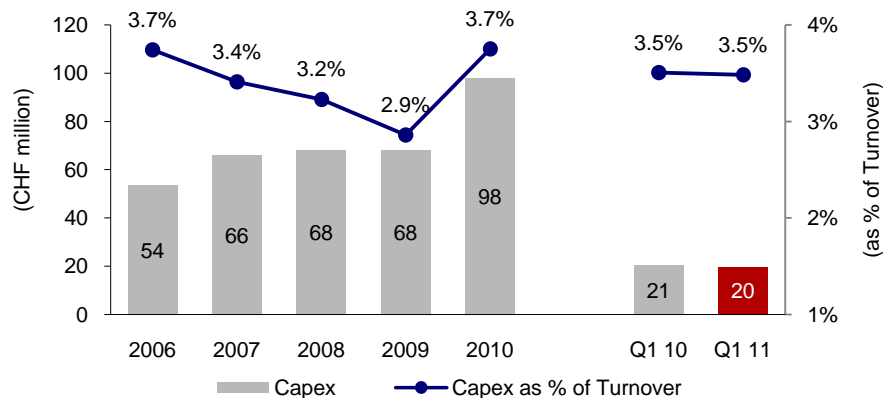
Summary Cash Flow

In millions of CHF	Q1 '11	Q1 '10
Net debt - Dec 31	(637.9)	(609.8)
Cash flow before working changes	61.5	66.3
Change in net working capital	(20.8)	(22.4)
Income taxes paid	(6.0)	(5.3)
Net cash flows from operating activities	34.7	38.6
Capex (PPE and intangible assets)	(19.9)	(20.5)
Net cash flows from operating activities after Capex	14.8	18.1
M&A and Financing ⁽¹⁾	(1.6)	(5.6)
Other ⁽²⁾	(23.6)	(15.5)
Cash flow affecting net debt	(10.4)	(3.0)
Currency translation	12.9	(0.5)
Net debt - Mar 31	(635.4)	(613.3)

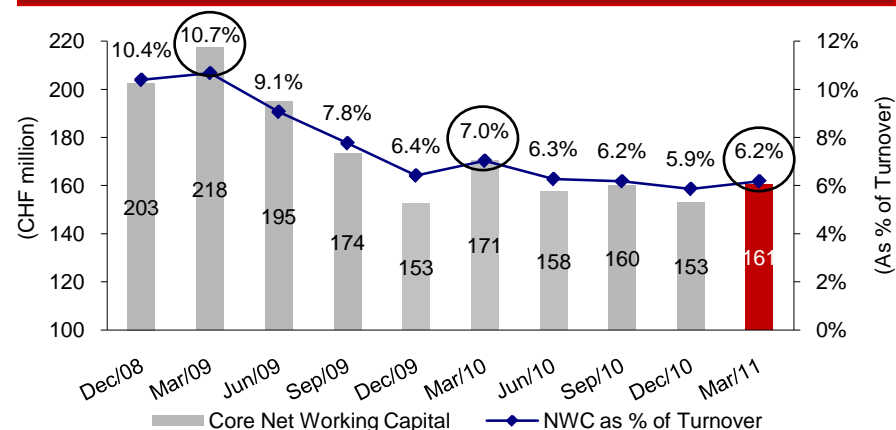
¹ Acquisition/sale of investment, share issuance costs and arrangement fees paid

² Dividends paid to group and minority shareholders, net interest paid and other

Capex Evolution



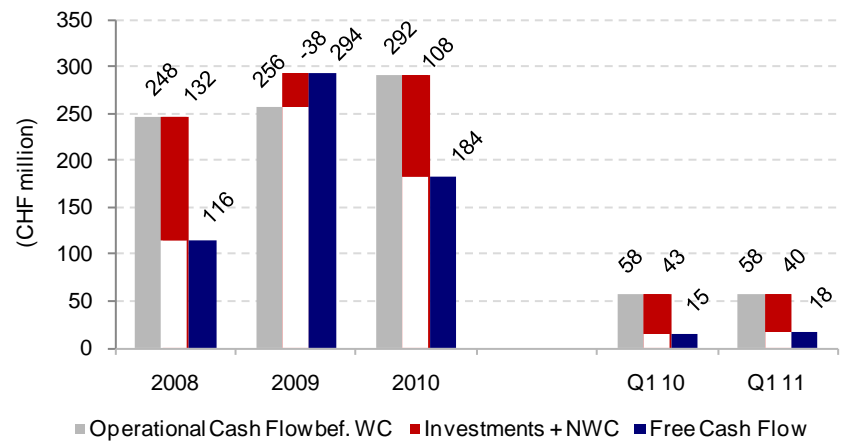
Core Net Working Capital Evolution¹



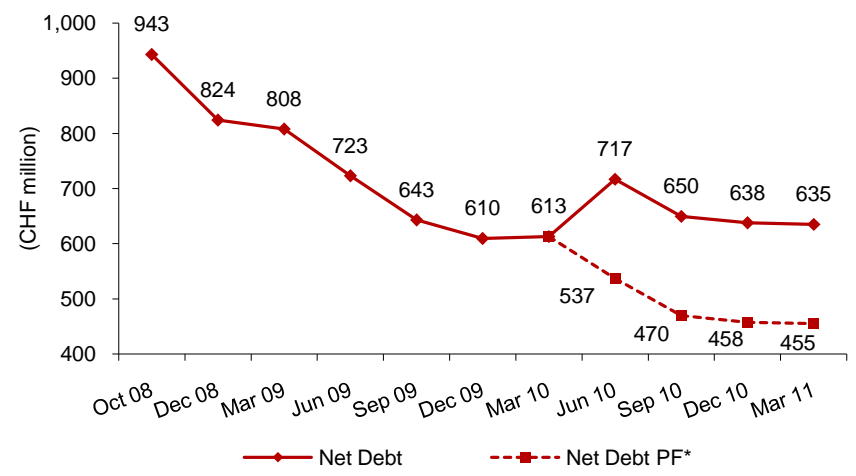
¹ Inventories + Trade and credit card receivables - Trade payables

Financing and Covenants

Cash Flow Evolution

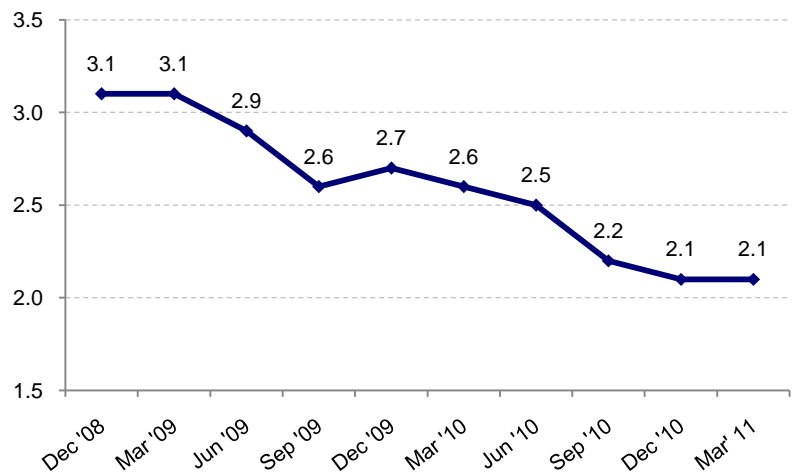


Net Debt Evolution

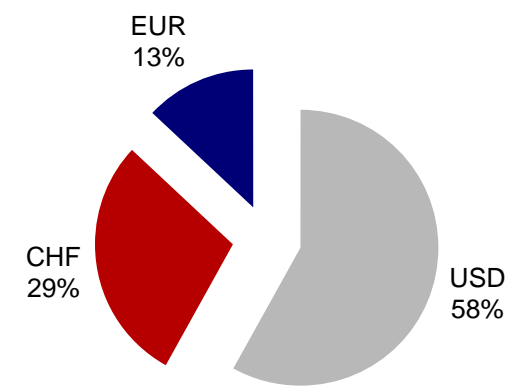


* Net Debt PF excluding dividend paid to DSA minorities, share issuance costs and arrangement fees paid

Net Debt / EBITDA Evolution

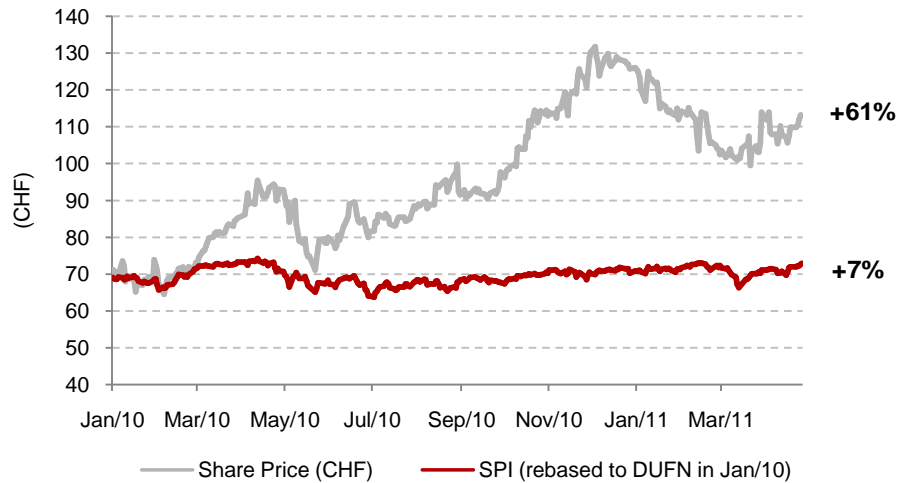


Debt by Currency



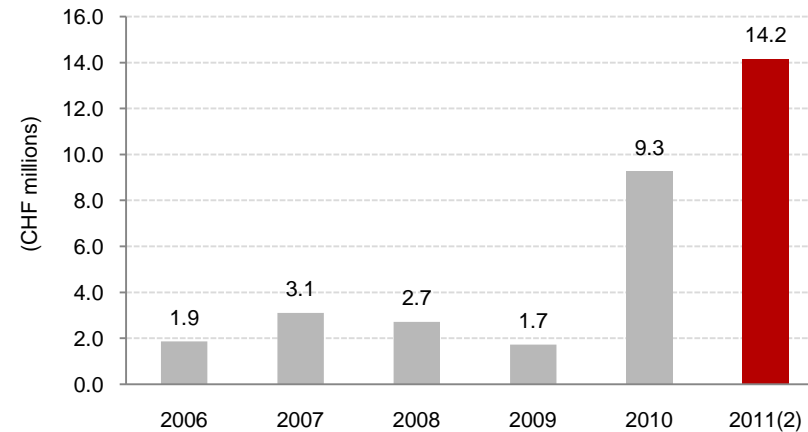
Trading Volumes

Dufry AG Share Price



Note: SPI rebased to Dufry in Jan-10. 2011 until 30/Apr.

Daily Average Volume in CHF

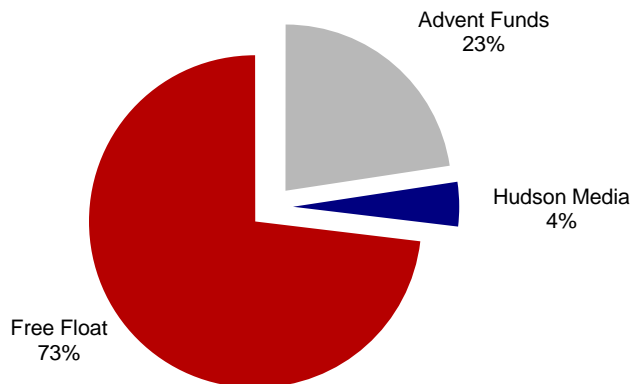


Note:

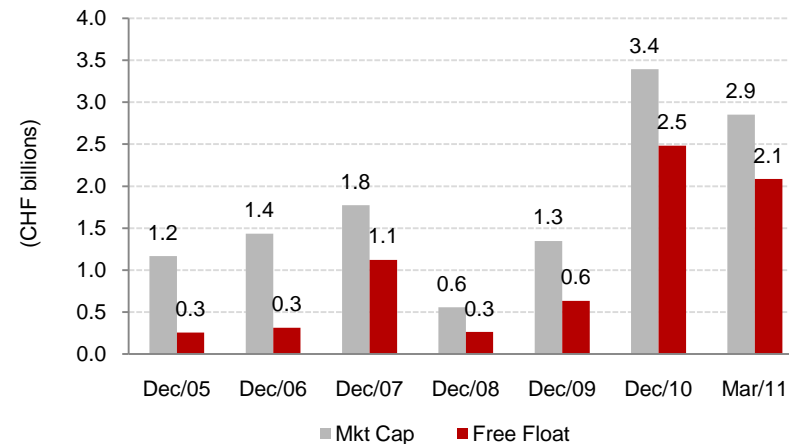
(1) Since April 2010 including trading volumes of Dufry AG BDR.

(2) 2011 until 30/Apr.

Shareholder Structure



Market Capitalization and Free Float



5. Conclusion

Conclusion/Outlook

- **Resilience of business model confirmed**
 - Despite several external events impacting Q1 11, Dufry delivered strong performance
 - Experience with similar situations in the past (Varig, Alitalia, Economic crisis in 2009)
- **FX only has translational effect**
 - Dufry is mostly naturally hedged
 - Operationally strong performance
 - No impact on margins
- **EBITDA margin improvement**
 - Further drive gross margin and overall profitability
 - Q1 2011 EBITDA margin highest margin for the quarter ever
- **Continue with strategy of profitable growth**
 - Organic growth faster than passenger growth thanks to productivity improvements
 - New concessions
 - Acquisitions

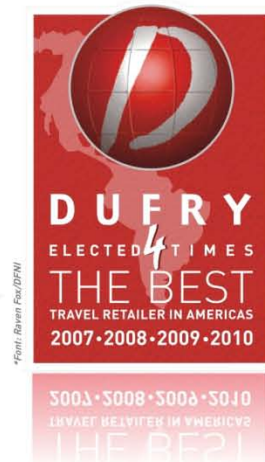
Dufry Awards



DFNI 2011 BEST AIRPORT TRAVEL RETAILER AMERICAS



RAVEN FOX/DFNI 2007-2010 BEST TRAVEL RETAILER AMERICAS



ARN 1997 - 2011 BEST NEWS & GIFT OPERATOR



ARN 2008 and 2011 BEST RETAIL STORE DESIGN



ARN 2007-2011 BEST NEW SPECIALTY RETAIL CONCEPT



SAA Customer Service Award - 2010



BARBADOS CHAMBER OF COMMERCE & INDUSTRY AWARD 2011 BEST RETAIL AND DISTRIBUTION SERVICE



SWISS EQUITY AWARD 2010 BEST SMALL MID CAP COMPANY

Swiss Equity magazin

Thank You

