

# HY RESULTS

2013

DUFY

PRESENTATION

July 2013

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.

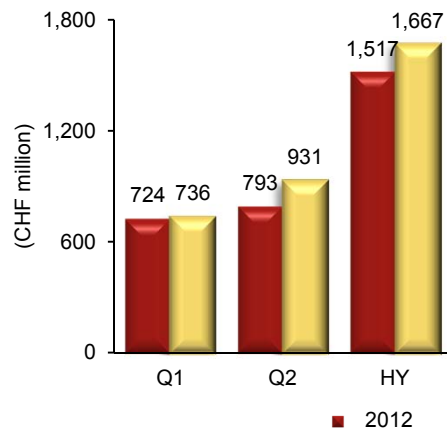
**1. Highlights HY 2013 Results**

**2. Financials**

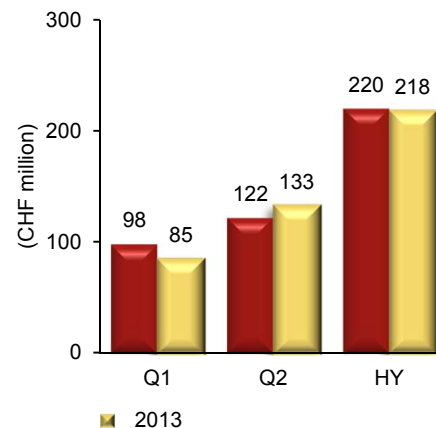
**3. Outlook**

## 1. Highlights HY 2013 Results

## Turnover



## EBITDA



- Turnover grew by 10% to CHF 1,667.4 million
  - Organic growth of 2.6%
  - Acquisitions of 6.9%
- Gross margin of 58.8%
- EBITDA of CHF 218.1 million
- EBITDA margin reached 13.1%
  - EBITDA growth of 9% in the second quarter
- Net cash flow generated from operations increased by 49% to CHF 244.0 million

## Turnover Growth Components

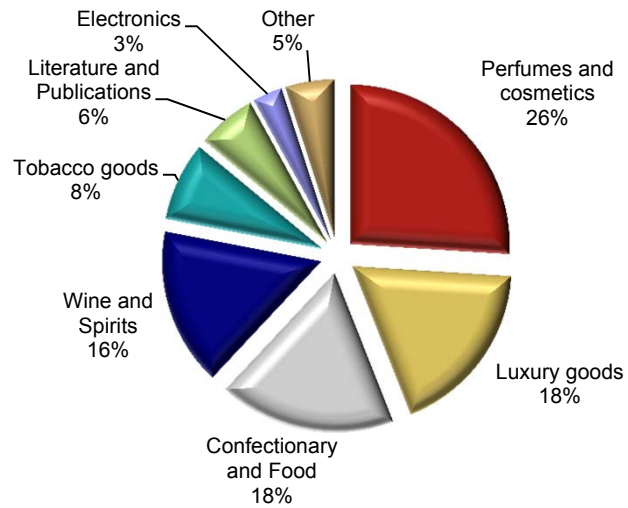
	Q1'13	Q2'13	HY'13
Like for Like	0.8%	2.9%	1.9%
New Concessions, net	1.0%	0.4%	0.7%
<b>Organic Growth</b>	<b>1.8%</b>	<b>3.3%</b>	<b>2.6%</b>
<b>Acquisitions</b>	<b>0.0%</b>	<b>13.1%</b>	<b>6.9%</b>
<b>Reported Growth</b>	<b>1.7%</b>	<b>17.3%</b>	<b>9.9%</b>

## EBITDA Growth and Margin

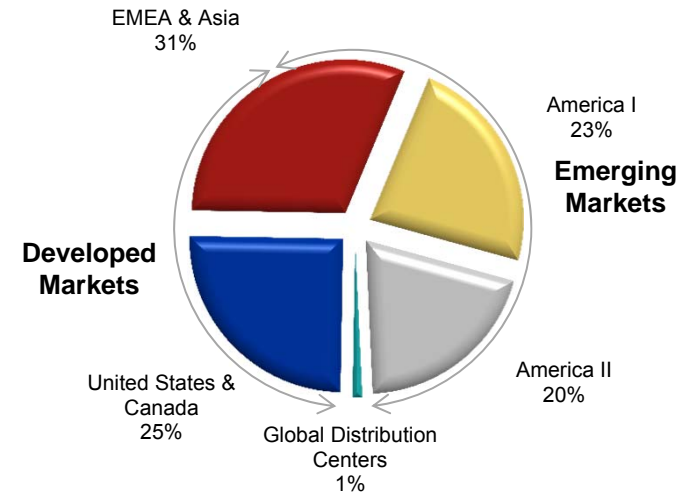
	Q1	Q2	HY
EBITDA growth '13/'12	-13.0%	8.9%	-0.9%
EBITDA margin	11.6%	14.3%	13.1%

- **Solid passenger growth in HY 2013**
- **Development by region**
  - EMEA & Asia: solid performance including Western Europe, Eastern Europe, Africa and Asia
  - America I: Good performance in most parts of Central America continues; British Caribbean still weak; Argentina and Uruguay improving but still impacted by Pluna's bankruptcy
  - America II: Gradual improvement in the second quarter
  - United States & Canada: Good performance through like-for-like and new concessions
- **Update on the expansion project at São Paulo International Airport**
  - Arrival shops: expansion works completed; opening expected in the third quarter of 2013
  - Departure shops: completion expected during Q4 2013
- **Acquisition of 51% of Folli Follie Travel Retail completed in April**
  - Business performing very well
  - Record number of tourists visiting Greece expected for 2013
  - Integration process well on track
- **New gross retail space opened of 8,200 sqm in H1 2013 and retail space signed of 7,500 sqm**
- **Operational improvement**
  - Global purchasing
  - Procurement organization
- **Trading update**

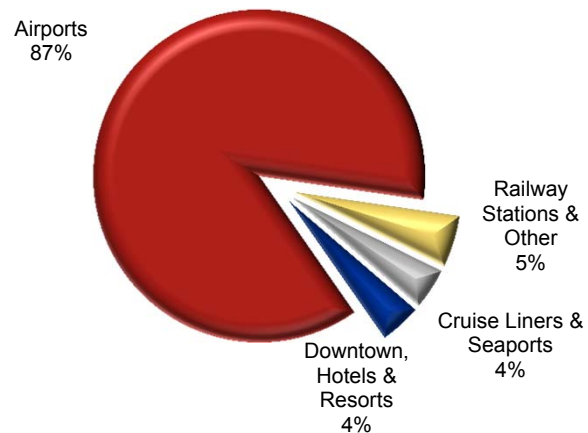
## Dufry by Product Category HY 2013



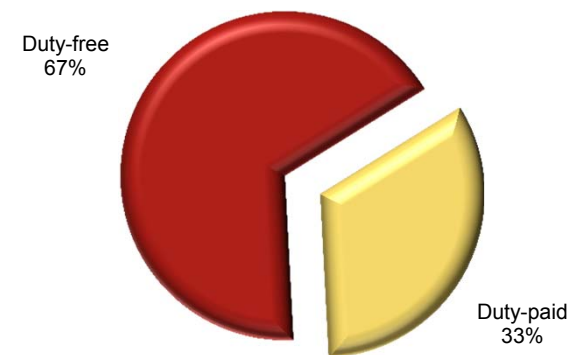
## Dufry by Region HY 2013

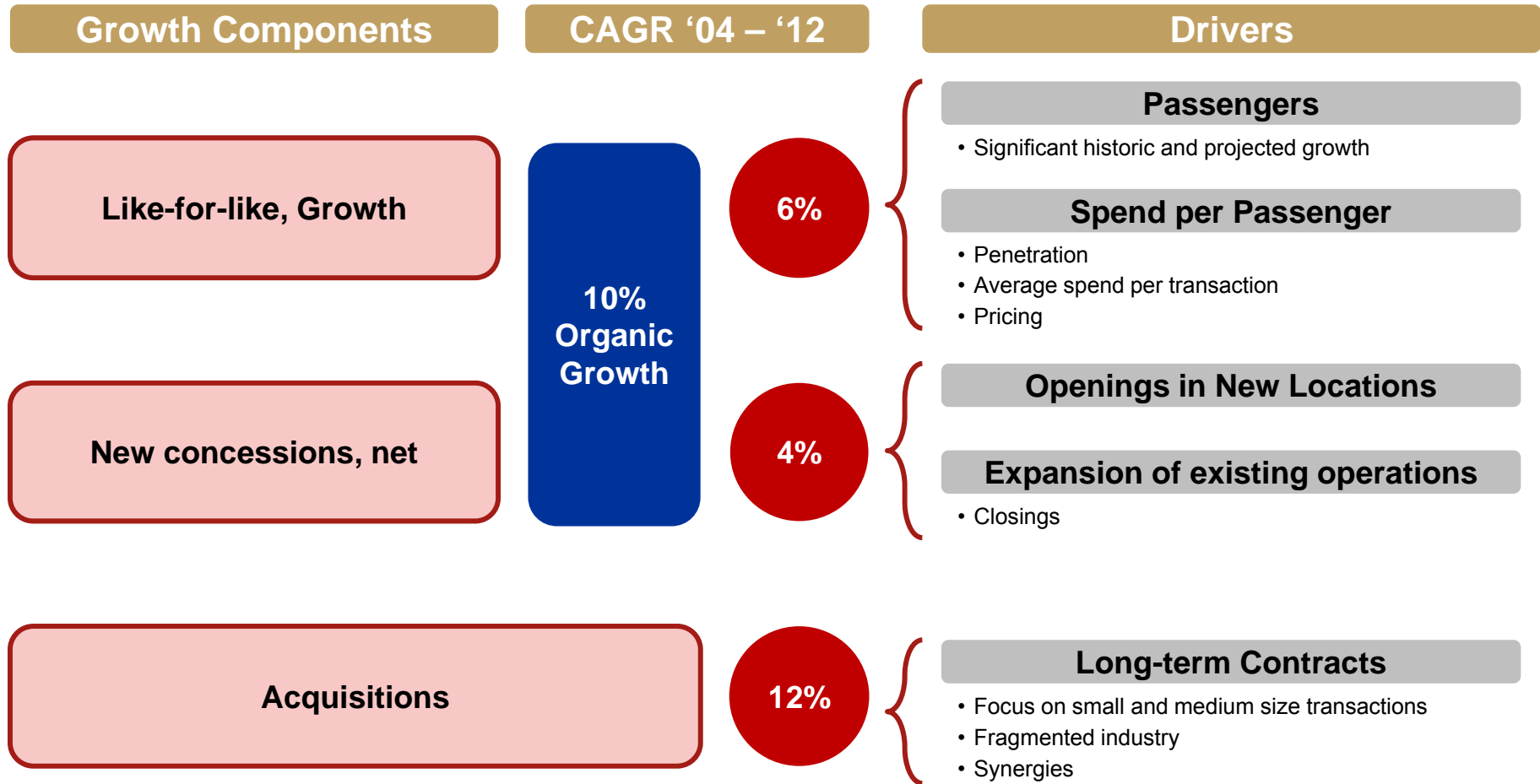


## Dufry by Channel HY 2013



## Dufry by Sector HY 2013



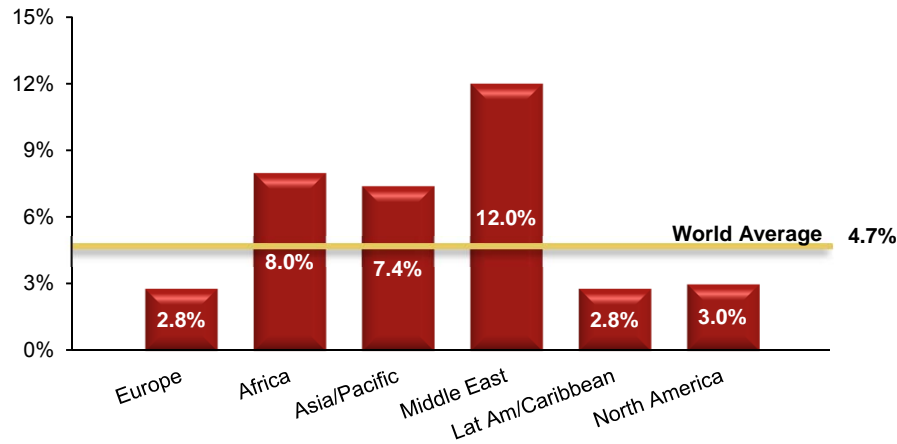


**From 2004 to 2012, Dufry achieved a CAGR on Turnover of 22%**

Note: (1) On constant FX rates; FX effect -4% p.a.



## International PAX Growth in HY 2013



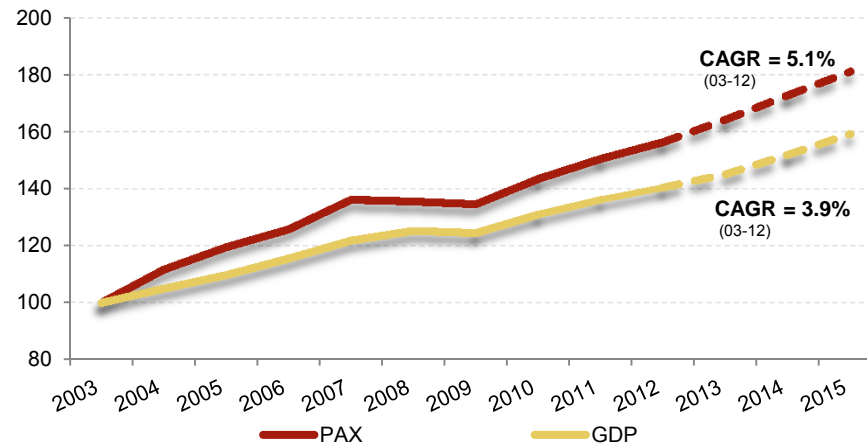
Source: ACI (Until May)

## Evolution of the Int'l PAX Forecasts

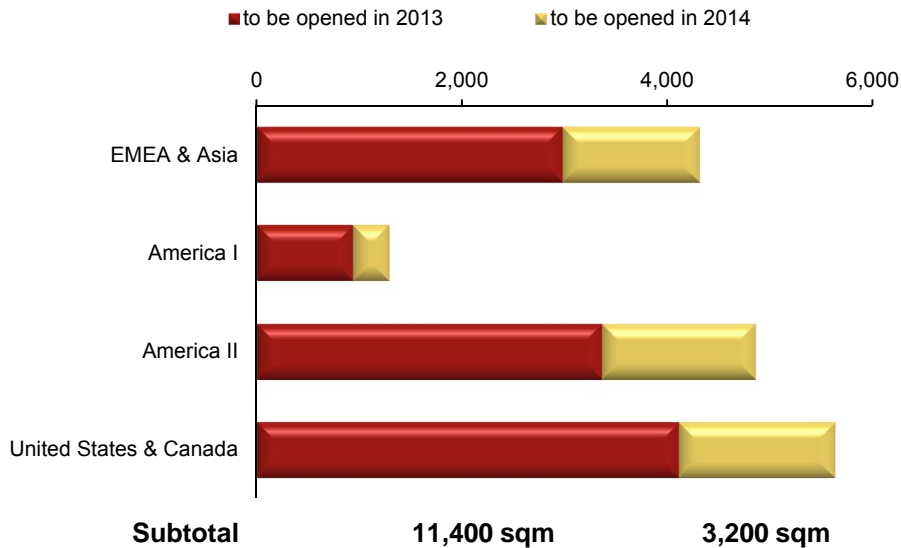
	2013	2014	2015
EUROPE	1.7%	1.9%	2.5%
AFRICA	5.3%	2.9%	3.0%
ASIA/ PACIFIC	7.6%	7.2%	6.6%
MIDDLE EAST	12.9%	10.4%	9.4%
LATIN AMERICA	4.6%	5.6%	5.3%
NORTH AMERICA	2.6%	3.0%	3.0%
<b>WORLD</b>	<b>4.3%</b>	<b>4.2%</b>	<b>4.3%</b>

Source: Air4casts (27/07/2013)

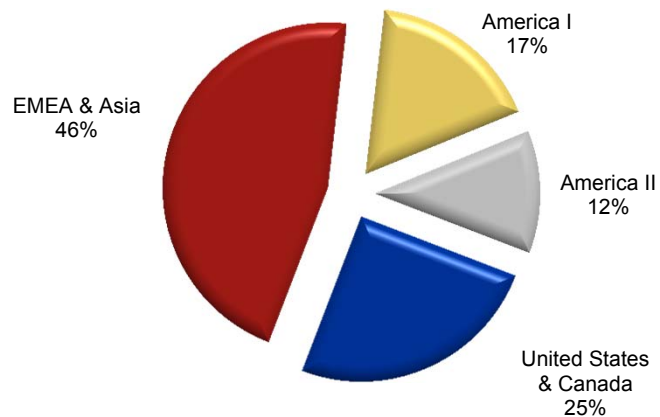
## Historic & Forecast GDP and Passengers Growth



## Additional Signed Retail Space



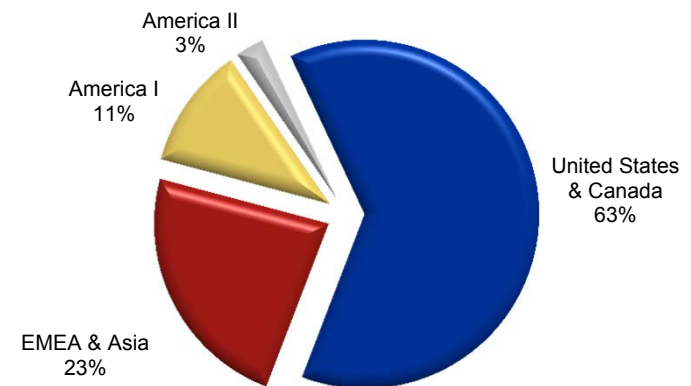
## Project Pipeline: 48,000 sqm



## Selected Projects in 2013

	# shops	sqm
Expansion of existing duty free shops at Guarulhos Airport, Brazil	N/A	2,600
Duty Free and Duty Paid shops at Bali Int'l Airport, Indonesia	7	2,200
Duty Paid shops at Los Angeles International Airport, USA	18	1,400
Duty Paid shops at Beijing International Airport, China	3	1,000
Duty paid shops at Lambert–St. Louis International Airport, USA	8	950
Duty Free shops at San Juan International Airport, Puerto Rico	3	550

## Gross New Retail Space opened in HY '13



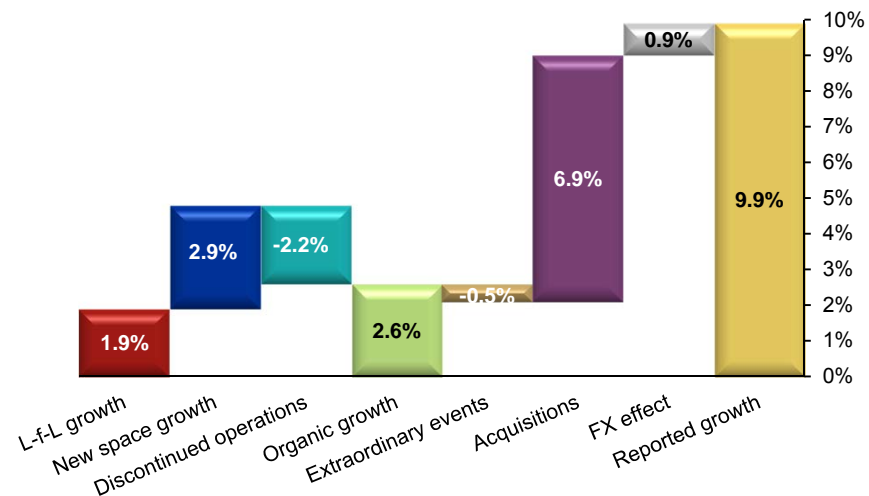
## 2. Financials

## Growth Components HY 2013

	Q1'13	Q2'13	HY'13
Like for Like	0.8%	2.9%	1.9%
New Concessions	3.0%	2.9%	2.9%
Discontinued Concessions	-2.0%	-2.5%	-2.2%
Organic Growth	1.8%	3.3%	2.6%
Extraordinary effects <sup>1)</sup>	-1.1%	0.0%	-0.5%
Reported Organic Growth	0.7%	3.3%	2.1%
Acquisitions	0.0%	13.1%	6.9%
<b>Growth at constant FX</b>	<b>0.7%</b>	<b>16.5%</b>	<b>9.0%</b>
FX effect	1.0%	0.9%	0.9%
<b>Reported Growth</b>	<b>1.7%</b>	<b>17.3%</b>	<b>9.9%</b>

1) Mainly refers to estimated effect of snowstorms in US

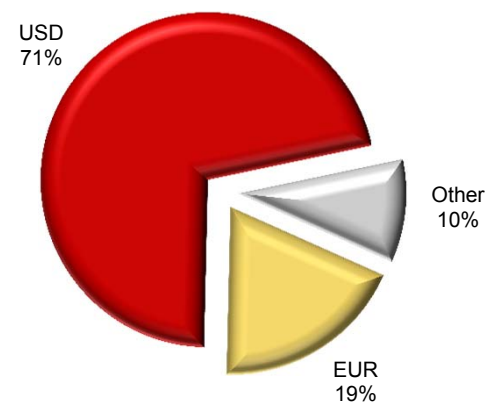
## Growth Components HY 2013



## Turnover Growth by Region

Region	Q1 '13	Q2 '13	HY '13
EMEA & Asia	6.9%	56.9%	33.9%
America I	-3.3%	0.0%	-1.7%
America II	-8.2%	-0.3%	-4.1%
United States & Canada	7.4%	9.7%	8.6%
<b>Dufrey Group</b>	<b>1.7%</b>	<b>17.3%</b>	<b>9.9%</b>

## Turnover by Currency HY 2013 PF<sup>1</sup>



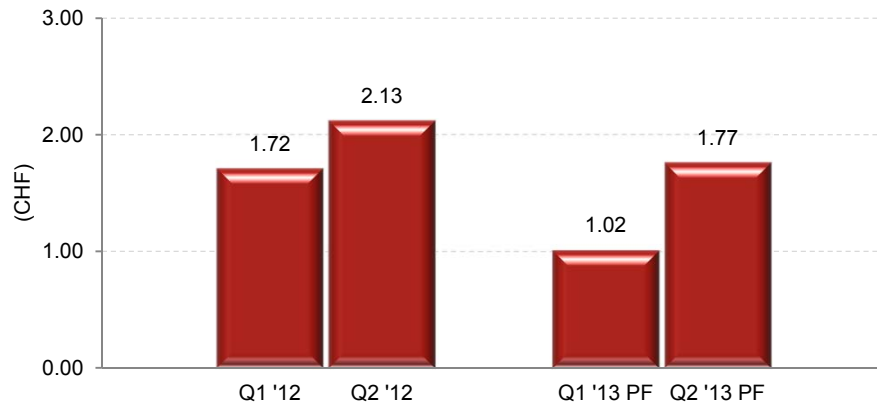
<sup>1</sup> Pro-Forma includes turnover from HDF from Jan to Jun

(CHF million)	2011	%	2012	%	HY 2012	%	HY 2013	%
<b>Turnover</b>	<b>2,637.7</b>	100.0%	<b>3,153.6</b>	100.0%	<b>1,517.4</b>	100.0%	<b>1,667.4</b>	100.0%
<b>Gross profit</b>	<b>1,535.3</b>	58.2%	<b>1,856.6</b>	58.9%	<b>891.7</b>	58.8%	<b>981.0</b>	58.8%
Concession fees	(544.2)	20.6%	(645.6)	20.5%	(308.9)	20.4%	(365.2)	21.9%
Personnel expenses	(402.6)	15.3%	(474.7)	15.1%	(234.7)	15.5%	(256.7)	15.4%
Other expenses	(217.6)	8.2%	(262.3)	8.3%	(128.1)	8.4%	(141.0)	8.5%
<b>EBITDA<sup>(1)</sup></b>	<b>370.9</b>	14.1%	<b>474.0</b>	15.0%	<b>220.0</b>	14.5%	<b>218.1</b>	13.1%
Depreciation	(58.8)	2.2%	(65.1)	2.1%	(29.8)	2.0%	(32.5)	1.9%
Amortisation	(72.7)	2.8%	(103.2)	3.3%	(52.4)	3.5%	(56.7)	3.4%
Other operational result	(26.9)		(30.1)		(6.9)		(23.3)	
<b>EBIT</b>	<b>212.5</b>	8.1%	<b>275.6</b>	8.7%	<b>130.9</b>	8.6%	<b>105.6</b>	6.3%
Financial result	(49.4)		(78.3)		(36.1)		(44.5)	
<b>EBT</b>	<b>163.1</b>	6.2%	<b>197.3</b>	6.3%	<b>94.8</b>	6.2%	<b>61.1</b>	3.7%
Income tax	(28.2)		(39.1)		(17.1)		(10.7)	
As % of EBT	17.3%		19.8%		18.0%		17.5%	
<b>Net Earnings</b>	<b>134.9</b>	5.1%	<b>158.2</b>	5.0%	<b>77.7</b>	5.1%	<b>50.4</b>	3.0%
<i>Attributable to:</i>								
Minority interest	23.0		35.8		15.6		21.5	
<b>Equity holders of the parent</b>	<b>111.9</b>	4.2%	<b>122.4</b>	3.9%	<b>62.1</b>	4.1%	<b>28.9</b>	1.7%

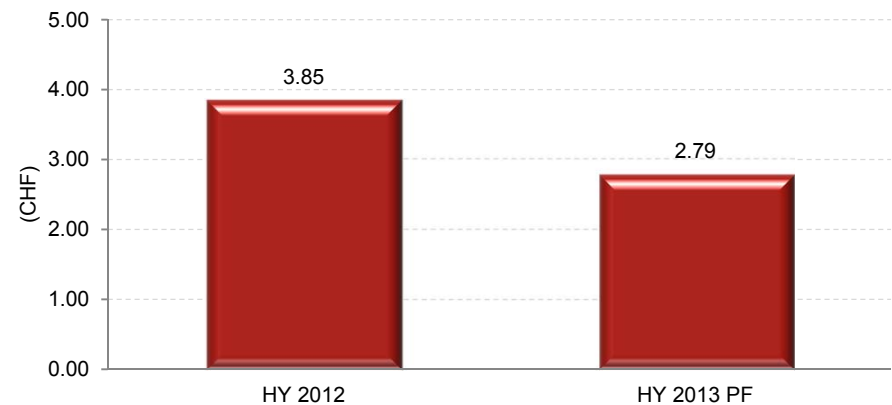
Note:

(1) EBITDA before other operational result

## Core Earnings Per Share - Quarter



## Core Earnings Per Share – Half Year

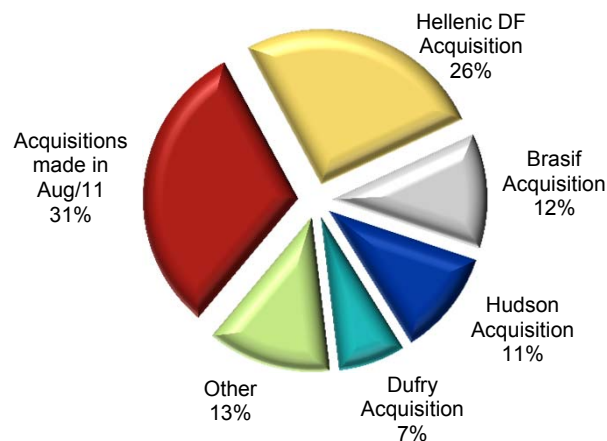


- Core EPS 2013 Normalized for non-recurring transaction cost of HDF
- Improved quarterly performance translated into strong Core EPS growth q-o-q

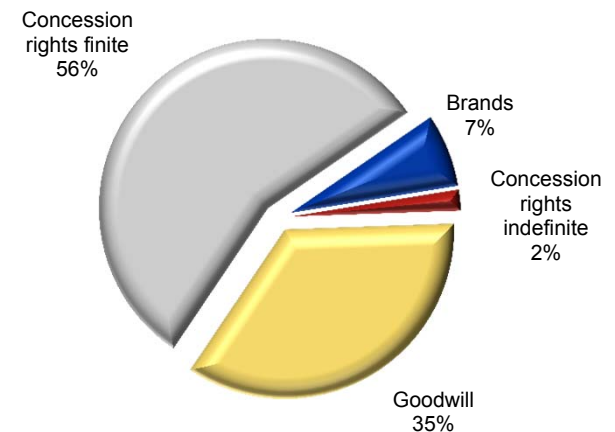
## Summarized Balance Sheet

(CHF million)	31.12.2012	30.06.2013	Variation
<b>PP&amp;E</b>	260	299	40
<b>Intangible assets</b>	2,033	2,835	802
<b>Other non current assets</b>	37	45	9
<b>Net Working Capital</b>	233	260	27
<b>Other current assets</b>	129	186	58
<b>Equity</b>	1,353	1,449	96
<b>Net Debt</b>	951	1,572	621
<b>Non current liabilities</b>	68	84	15
<b>Deferred tax liabilities, net</b>	11	108	97
<b>Other current liabilities</b>	307	414	107

## Intangible Assets 30/06/2013

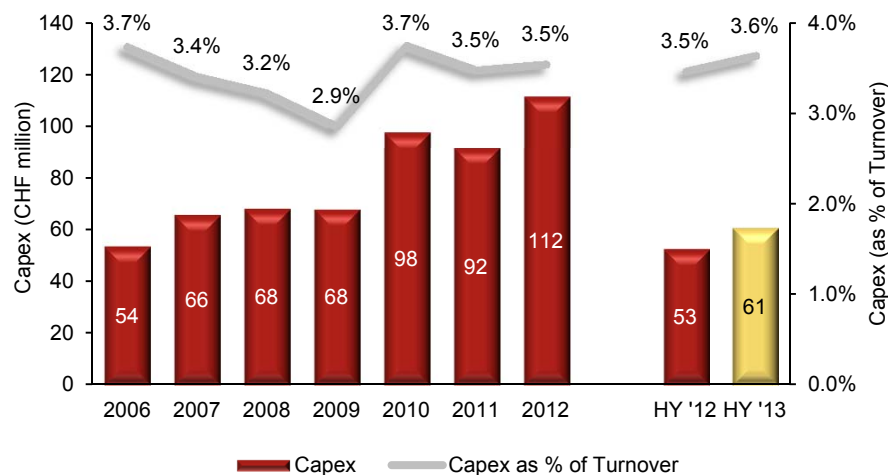


## Intangible Assets Related to Acquisitions

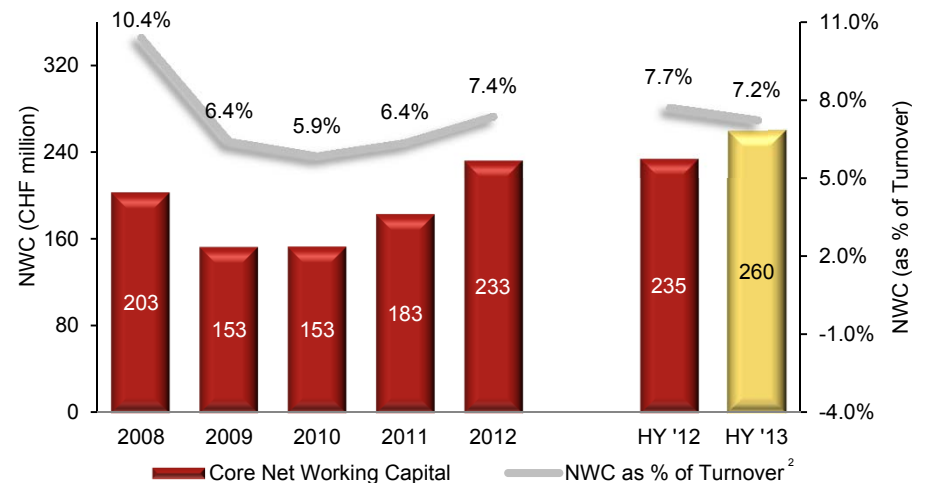


In millions CHF	1.1. – 30.6.13 Dufrey	1.1. – 30.6.12 Dufrey
<b>Cash flow before working capital changes</b>	<b>194.7</b>	<b>227.2</b>
Changes in net working capital	61.0	(29.0)
Taxes paid	(11.7)	(34.7)
<b>Cash Flow from operating activities</b>	<b>244.0</b>	<b>163.6</b>
Capex, Interest income	(59.8)	(50.2)
<b>Free Cash Flow</b>	<b>184.2</b>	<b>113.4</b>
Interest paid	(45.5)	(25.9)
Other	(34.6)	(15.3)
<b>Cash Flow before acquisition payments</b>	<b>104.2</b>	<b>72.2</b>
Acquisitions / Business combinations	(278.2)	(46.2)
<b>Change in Net Debt</b>	<b>(174.0)</b>	<b>26.0</b>
Net debt -Business combination (acquisition of Hellenic Duty Free)	(407.3)	-
Currency translation	(39.4)	(11.3)
<b>Change in Net Debt, incl. Acquisition and Translation effect</b>	<b>(620.7)</b>	<b>14.7</b>
<b>Net Debt</b>		
– at the beginning of the period	951.1	1,361.4
– at the end of the period	1,571.8	1,346.7

## Capex Evolution



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



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

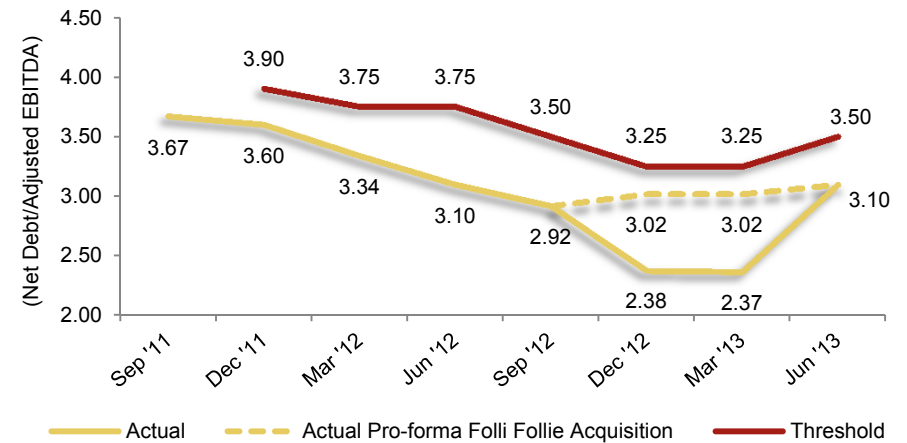
<sup>2</sup> 2008, 2011, 2012 and 2013 based on PF LTM turnover adjusted for acquisitions



## New Covenant (Net Debt / Adj. EBITDA)

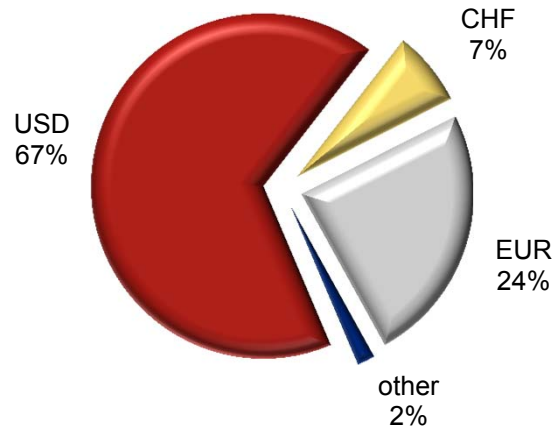
Testing Date	New Threshold	Old Threshold
Q2 13	3.50x	3.25x
Q3 13	4.25x	3.25x
Q4 13	4.25x	3.00x
Q1 14	4.00x	3.00x
Q2 14	4.00x	3.00x
Q3 14	3.75x	3.00x
Q4 14 & thereafter	3.50x	3.00x

## Covenant Evolution

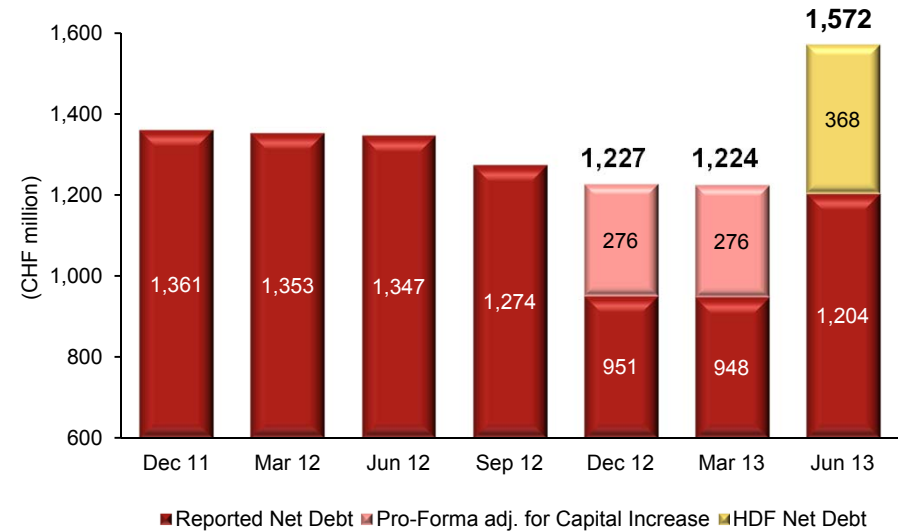


- New covenant levels agreed with banks
  - More headroom suggested by rating agencies
  - Retain flexibility to do smaller projects

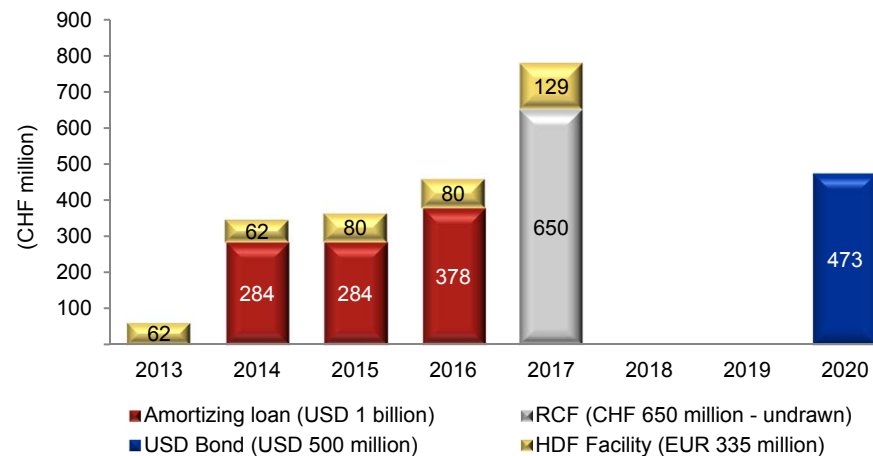
## Debt by Currency - 30 Jun 2013



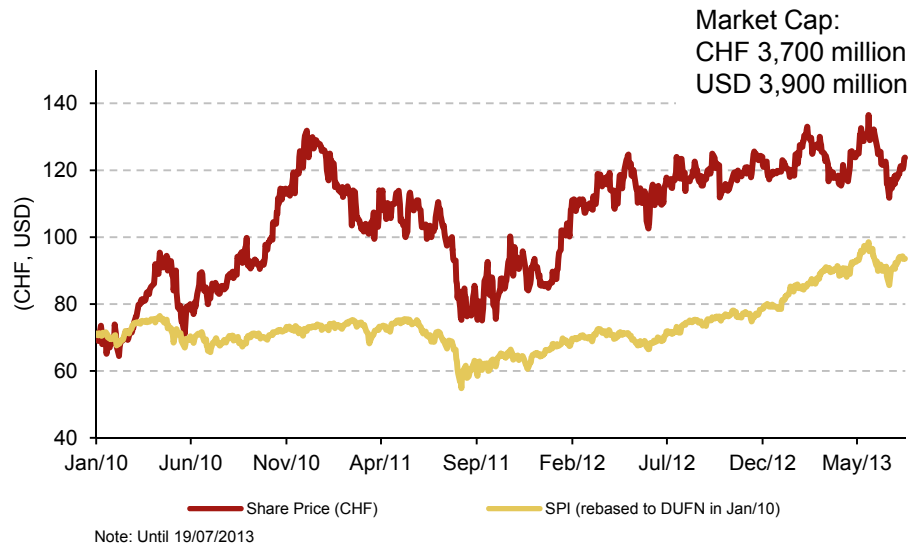
## Net Debt Evolution



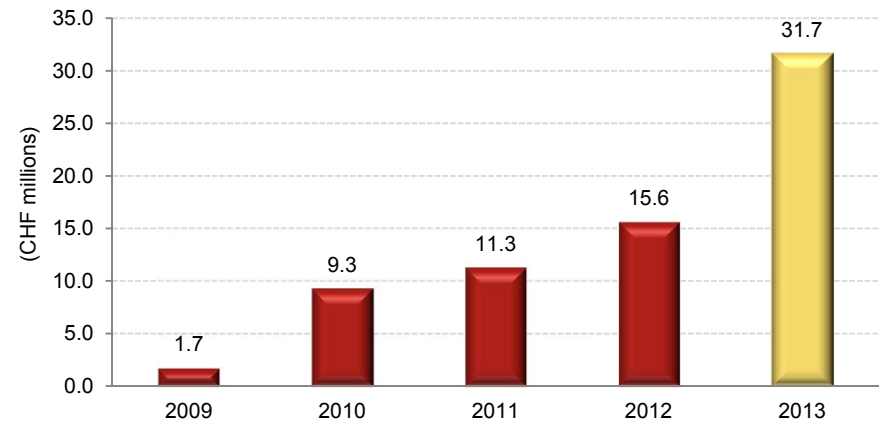
## Expiry of Debt



## Dufry Share Price

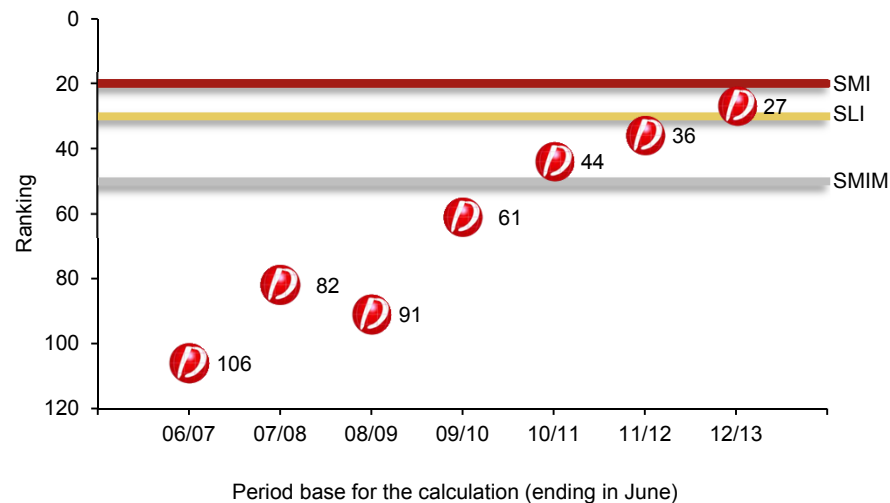


## Daily Average Trading Volume in CHF



Note:  
(1) Since April 2010 including trading volumes of Dufry AG BDR.  
Note: 2013 until 19/07/2013

## Dufry's Position in the SIX Indices



## Shareholder Structure



\* As of 26/07/2013

## 3. Outlook

- **Further improvement in the second half of the year**
  - Organic growth to accelerate in the second half of 2013
  - International passengers still solid: 4-5% increase for the medium and long term
  - Focus on growing organically in current operations and through space expansion
- **Increase of our commercial area in São Paulo International airport in Brazil**
- **Integration of Folli Follie Travel Retail**
  - Focus on the integration and generation of synergies
- **Outlook for 2013 is positive**
  - Global trend remains positive; regional variations will continue

