



Dufry Day Madrid 2016

A new Business
Operating Model
generating growth
and shareholder
value.

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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.

Drive organic growth with strategic alternatives for global, regional and online reach in airports and other channels ...

Accelerate the digital transformation to further support growth, operational efficiency and value creation ...

Execute integration, maximize cash generation, while maintaining financial discipline to accelerate deleveraging ...

Introduce the new Business Operating Model to secure future growth and create shareholder value ...



Overview on Strategy

Juan Carlos Torres
Chairman

June 1, 2016

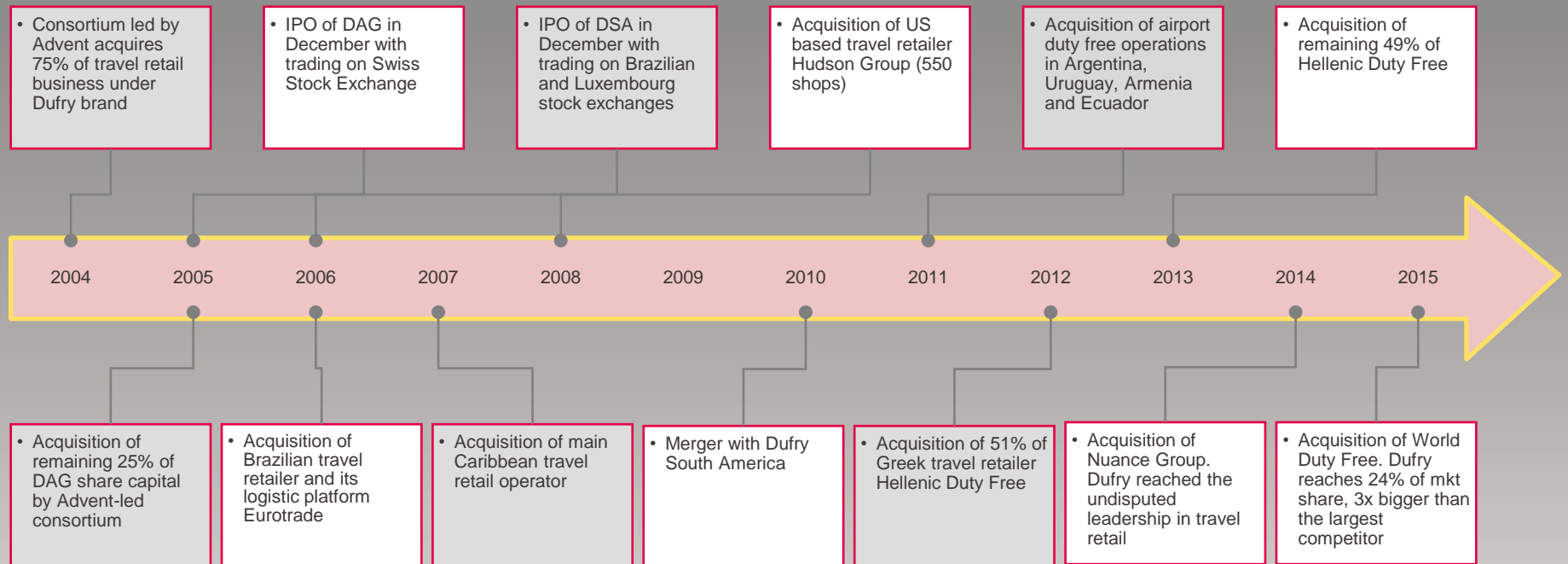
 **DUFRY**

A dedicated growth strategy started in 2004 brought Dufry to the leading position in Travel Retail

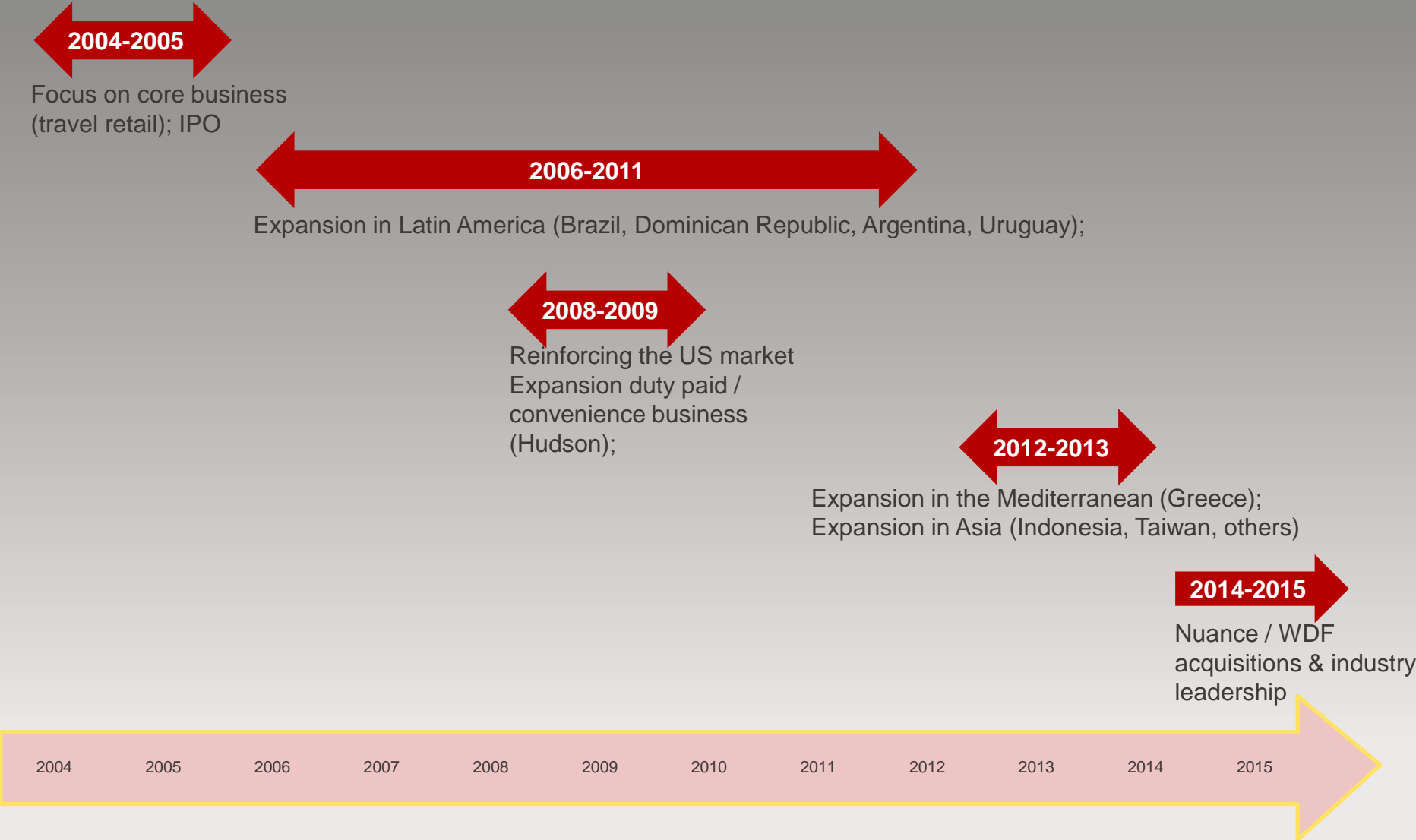
Dufry's leadership creates the conditions for capitalizing on the industry's growth drivers

Cash generation reaches a new level to support further growth and potential cash returns to shareholders

A successful track record of growth in travel retail



Important steps of global expansion



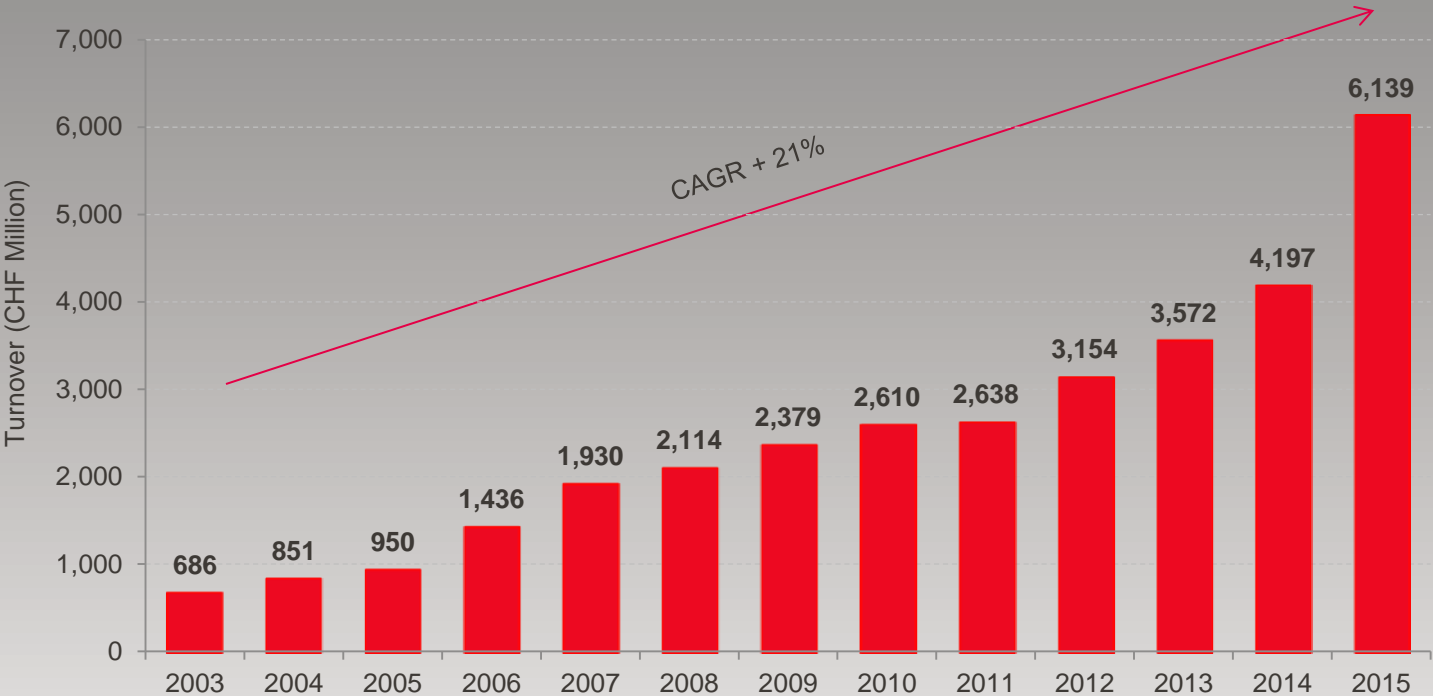
Strong execution of growth strategy

Consistent execution of growth strategy

Constant turnover growth

Acquisitions of Nuance / WDF mark a milestone in the retail industry

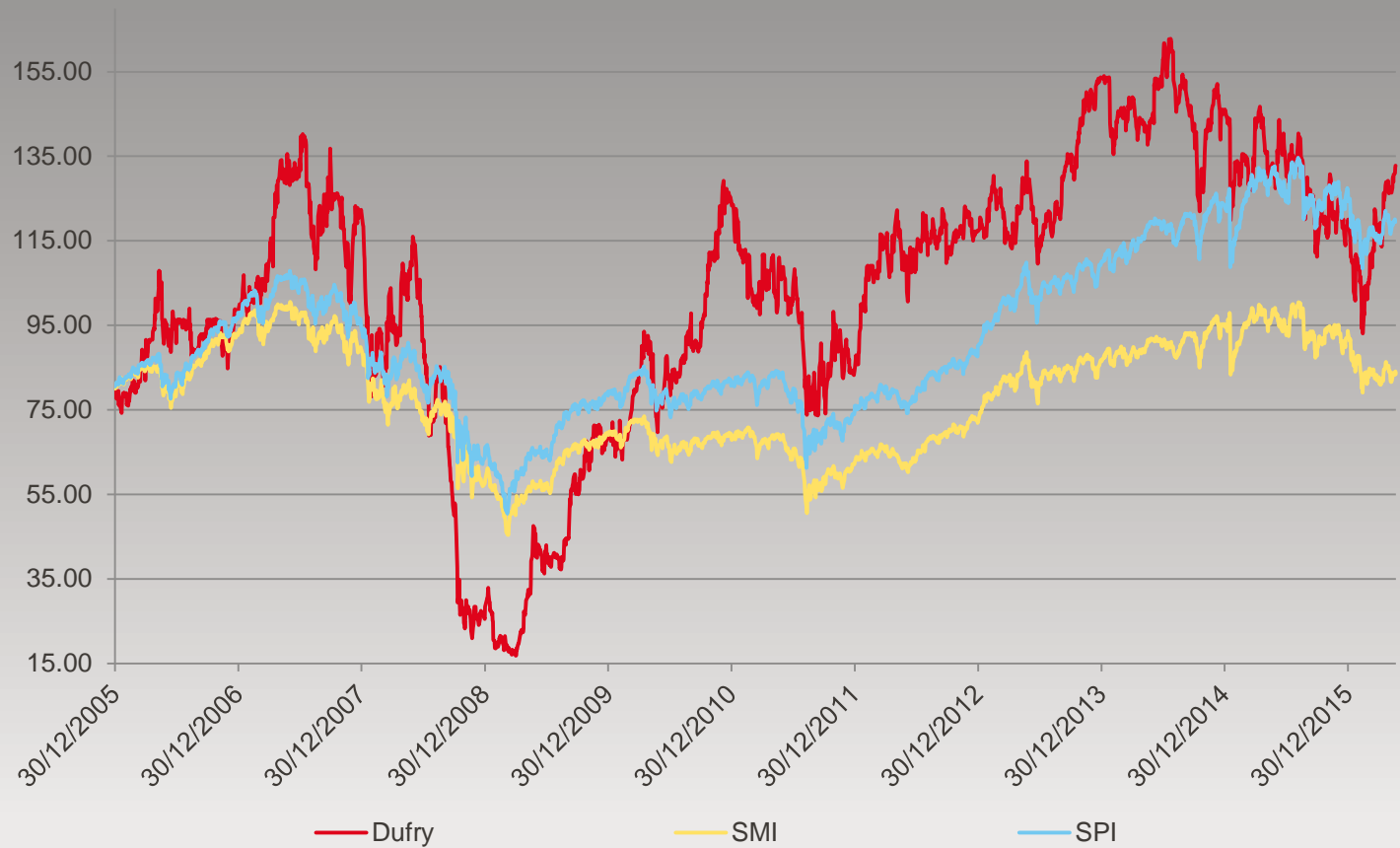
Turnover Evolution 2003-2015



Historical share price performance outperforms SMI and SPI in the long-term

Since IPO, over performing the SMI and SPI except in '08/'09

Share price performance



Source: Bloomberg; until 13/05/2016

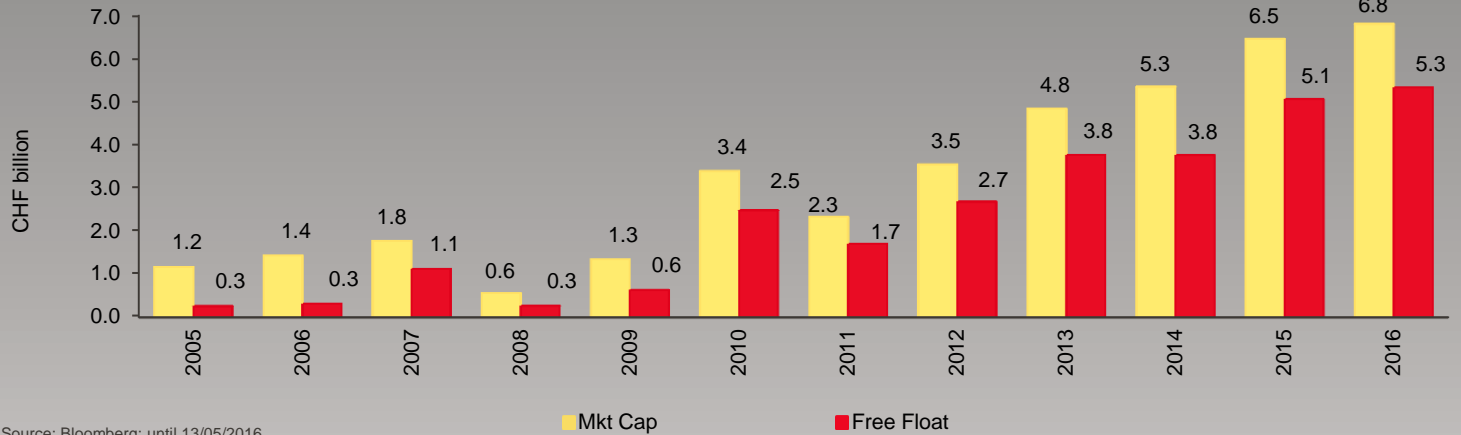
Dufry newly included in SLI-Index as of March 2016

Constantly growing market capitalization

Dufry the 31st largest company at the Swiss Stock Exchange

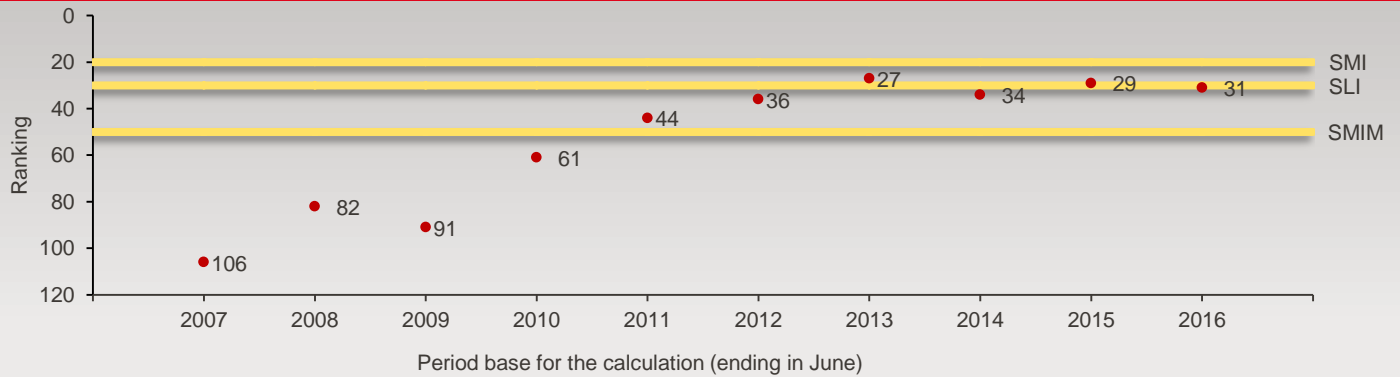
Dufry included in the Swiss Leader Index (SLI) in 2016

Historical Mkt Cap and Free Float



Source: Bloomberg; until 13/05/2016

Dufry's ranking track record at the Swiss Stock Exchange SIX



Source: Swiss Stock Exchange

Enhanced Corporate Governance on appointment of new Board Members

Dufry's Board of Directors composed by a majority of independent members

Enhanced board diversity

New members to support expansion in Asia

Claire Chiang



Education: Masters in Philosophy from the University of Hong Kong and an undergraduate degree from the University of Singapore.

Professional Background: Many years of international retail experience, being the founder and Managing Director of Banyan Tree Gallery, and Co-founder and Senior Vice President of Banyan Tree Resort Group, ever since 1994. Member of Parliament for the Government of Singapore from 1997 to 2001.

Current Board Mandates: Dufry AG, ISS A/S, Banyan Tree Gallery (Singapore) Pte Ltd, Mandai Safari Park Holdings Pte Ltd and Wildlife Reserves Singapore Conservation Fund.

Heekyung (Jo) Min



Education: Master in Business Administration from Columbia Graduate School of Business and an Undergraduate degree from Seoul National University.

Professional Background: Many years of diverse management and leadership experience. Since 2011 serving as Executive Vice-President at CJ Corporation, a publicly-listed multi-industry Korean conglomerate, with travel retail operations; Director General, Incheon Free Economic Zone, Korea (2007-2010); Country Advisor, Global Resolutions, Korea (2006); Executive Vice President, Prudential Investment and Securities Co., Korea (2004-2005).

Current Board Mandates: Dufry AG, Korean Water Resource Corporation (Advisory Board), Korean Institute for Gender Equality Promotion and Chinese Chamber of Commerce in Korea (Advisory Board).

Unique, pure-play investment opportunity in travel retail growth market going forward

Dufry is only pure-play in travel retail

Resilient growth business going forward

High yield cash generation capability

- Focused execution of growth strategy has positioned the new Dufry as unique opportunity for investors to participate in the growing travel retail industry
- Strategic element of diversification provides well balanced protection of investments
 - Geographic diversification allowing to benefit from worldwide growth opportunities and to balance short-term regional / local risk exposure
 - Sector diversification allowing to benefit from fast growing duty-free and further develop offer to high volume of domestic passengers
 - Multi-channel approach focusing on airports but also serving other growing formats (cruise-ships, down-town, border shops etc.) allows to capture full potential
- High cash generation capability allows to further drive growth strategy execution and to envisage cash returns to investors
- Worldwide resilient growth of passenger numbers continues to create new business opportunities to foster pure play strategy in travel retail

Thank you

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The New Dufry Going Forward

Julian Diaz
CEO

June 1, 2016

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Agenda

1. Dufry Strategic View
2. Dufry Strategy
3. Strategic Alternatives
4. WDF Integration

1

Dufry Strategic View

Dufry with strong growth track record – from CHF 2.5bn to CHF 8.1bn, is now the clear global leader in duty free & travel retail

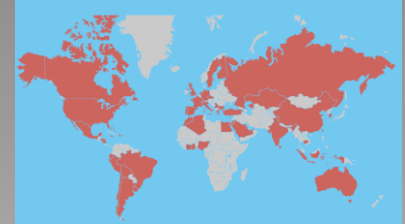
Consolidating Global Industry

Combined Airport Retail Market share of

24%

63 Countries

The Leading International Travel Retailer



Operates in
370
Locations



Sales Channels

89% Airports
5% Downtown
4% Railways
2% Cruise Liners

CHF Mio 2015

Turnover 8,100
EBITDA 1,000

Over 30'000

Employees
from more than 70 different nationalities

Awards

Frontier Awards:
Travel Retailer of the year
for the last two consecutive
years: World Duty Free



50'000 +

Assortment reference
items



Over 409'000 m²

Of Commercial
Space

Over
2'200
Stores

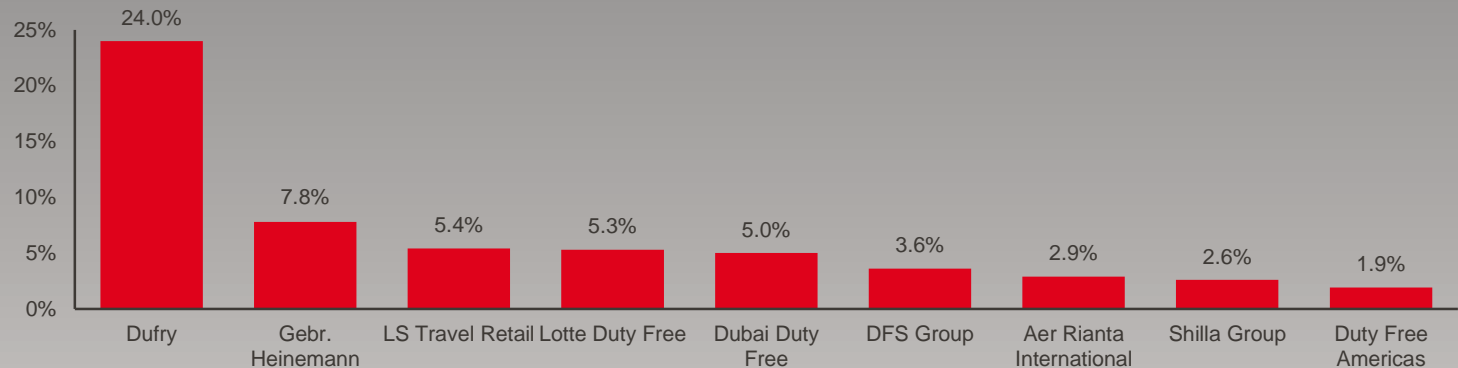
Over
1'000
Suppliers

Consolidating global industry leadership

Being industry leader with ~ 3x No. 2 in size generates scale benefits

Consolidation of the highly fragmented airport retail market continued

Ranking airport retail industry by market share (2014)



- **With WDF acquisition Dufry is the only real global player in the travel retail industry**
 - Dufry is present in all continents with own teams, thus having direct access to further regional opportunities
- **Competitors mostly operate with more restricted regional footprint**
- **Acquisition changed industry dynamics providing Dufry with clear cost base advantages and scale benefits**

Source: Dufry, Company filings, Verdict Global Airport Retailing Report 2015.

2 Dufry Strategy

2.1 Profitable Growth

2.2 Organic Growth

2.3 Risk Diversification: Strategy/Acquisitions

2.4 Strong Deleveraging Track Record

2.5 Dufry's Segmentation

2. Dufry Strategy

Strategy of profitable growth to continue

Focus on return and cash generation

Profitable Growth

- 21% annual growth
- Strategy of profitable growth to continue

Organic growth to remain key pillar

- 5% annual growth
- Capture passenger growth
- Further develop duty paid segment
- Explore opportunities in other travel channels

Strong execution in travel retail

- Enhance business model by integrating Dufry, Nuance and WDF into one organization
- Use technology across all functions including all retail operations level

Do acquisitions in medium term

- 16% annual growth
- Grow key geographies (Asia)
- Bolt-on acquisitions with high synergy potential in existing markets

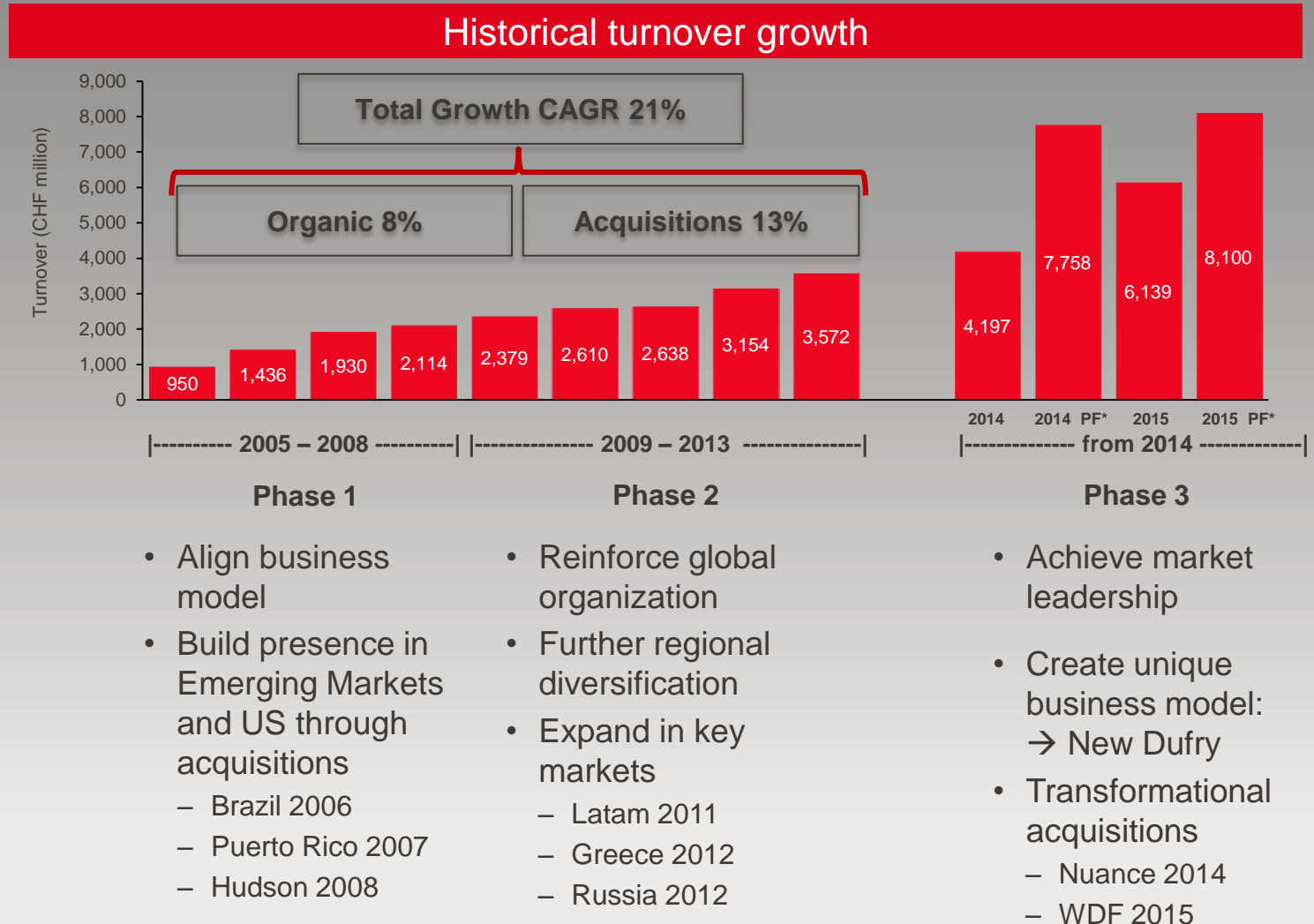
Focus on return and cash generation

- Deleverage to target capital structure
- EBITDA analyst consensus for 2016 at CHF 1,005 million

2.1 Profitable Growth

Remarkable track record of organic growth and acquisitions

Strong free cash flow and sustainable capital structure used for further development



2.2 Organic Growth

Accelerate organic growth in all operations

1

Passenger growth

- Resilient long-term average passenger growth of 4% to 5% per annum at global level

2

Refurbishment

- Shop refurbishment generates sales increase of 15-20%
- 200 shops p.a. planned
- Expected contribution of 2.5% p.a.

3

Expansion

- Expansion in existing and new markets
- Strong pipeline of 36,000 m²
- Pipeline is 8% over total retail space

4

Brand plan

- Intensify cooperation with 25 largest suppliers to drive sales with promotions and higher number of novelties

1 Good prospects for PAX growth in the short and long terms

Healthy international PAX growth

Expectations continue strong with growth of 5-6% p.a.

International PAX Forecast

	2016	2017	2018
Europe	3.9%	3.7%	3.9%
Africa	-5.5%	2.2%	2.2%
Asia/Pacific	10.1%	8.4%	7.5%
Middle East	8.1%	7.4%	7.0%
LatAm/Caribbean	9.3%	7.2%	6.8%
North America	4.8%	3.6%	3.6%
World in total	5.8%	5.4%	5.2%

Source: Air4casts (30/04/2016)

- PAX expectations for next years show strong, continued growth in all regions
- PAX growth to continue to be the most important component of organic growth

② Capture organic growth potential through: Refurbishment – Milan Malpensa shops

Double digit
spent per
passenger
increase

The store refurbishment was based on a the following principles:

- Improved passenger circulation
- Strong communication
- Clear category layout
- Highlighted promotional areas

➔ Renovation reverted sales trend and led to a double digit increase in Spend per Passenger

Before



After



② Capture organic growth potential through: Refurbishment – Athens Airport

Double digit
spent per
passenger
increase

The store refurbishment was based on the following principles:

- Centralization and relocation of control points before the shops
- Creation of a “walkthrough” concept
- Expansion of DF shop & introduction of new brands
- Creation of a boutique boulevard

➔ Renovation resulted in a double digit increase Spend per Passenger vs. previous year

➔ **60,000 M of refurbishment in 2016**

Before



After



3 Capture organic growth potential through: Expansion

Drive expansion
in existing and
new markets

- Maximize potential in existing markets by adding new retail space in existing locations and new channels
- Drive Asian expansion
- Use new technologies to expand business
- Continue with Hudson International roll-out
- Expand duty-paid sector



*18 new Hudson shops opened in
Brazil 7 Olympic stores in Brazil*



*7 Olympic stores opened in
Brazil*

4 Capture organic growth potential through: Marketing Initiatives

Brand plan with largest suppliers

- Increased cooperation agreed with 25 largest suppliers
 - Promotions
 - Assortment
- Accelerate introduction of Novelties
- Drive penetration with out-of-store initiatives
- Global marketing initiatives to reinforce communication on price advantage perception

Drive penetration



Story-Telling techniques used in store design at Russian shops to capture passengers attention



World exclusive launch of Kairos Hybrid Smartwatch in Hong Kong Sound & Vision shop

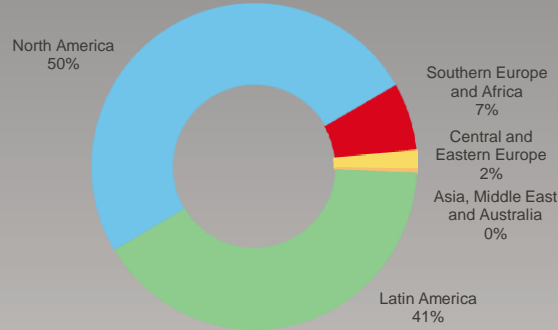
Dufry opens 4,500 m² in Q1; additional 25,000 m² in signed projects

4,500 m²
of gross retail
space opened
in Q1 2016

25,000 m²
additional retail
space already
signed for
2016/17

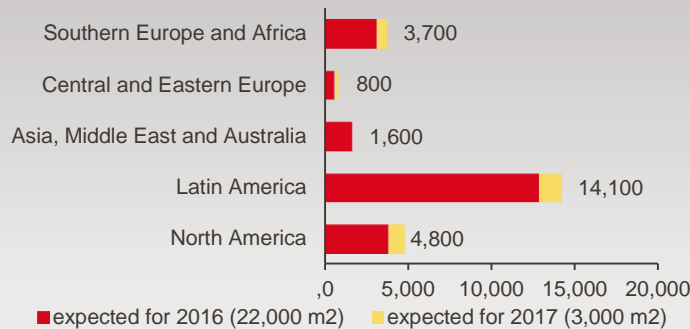
Strong pipeline
of potential new
projects

Openings Q1 2016

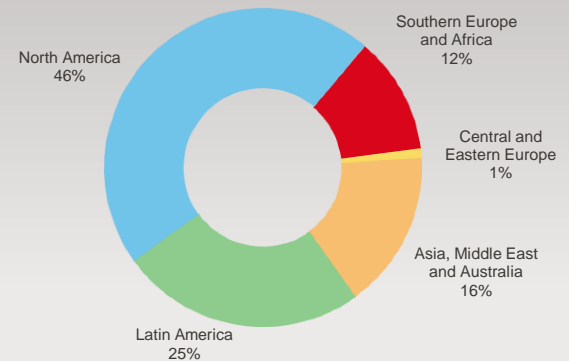


- Dufry opened a total of 39 new shops in Q1 2016
- Openings represent over 1% of total retail space

25,000 m² signed space



Project Pipeline: 36,000 m²

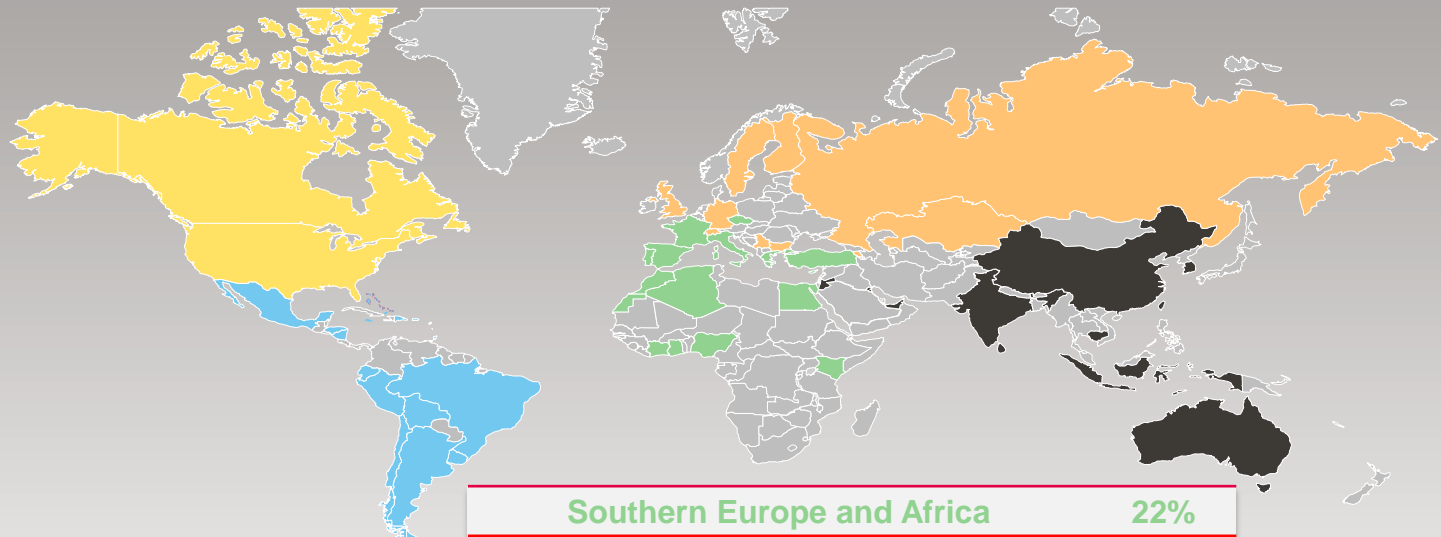


2.3 Risk Diversification Strategy/Acquisitions

Global reach; post consolidation of Nuance and WDF, Dufry will be able to capture the global trends in Travel Retail

Better balance of developed and emerging markets

- Broader regional diversification
 - Balance of developed and emerging markets
- Exposure to single concessions reduced to a minimum
 - Biggest concession with around 6% of sales
 - Top 10 concessions <25% of sales



Southern Europe and Africa	22%
UK, Central and Eastern Europe	28%
Asia, Middle East and Australia	10%
Latin America	20%
North America	20%

Nuance synergy delivery on track

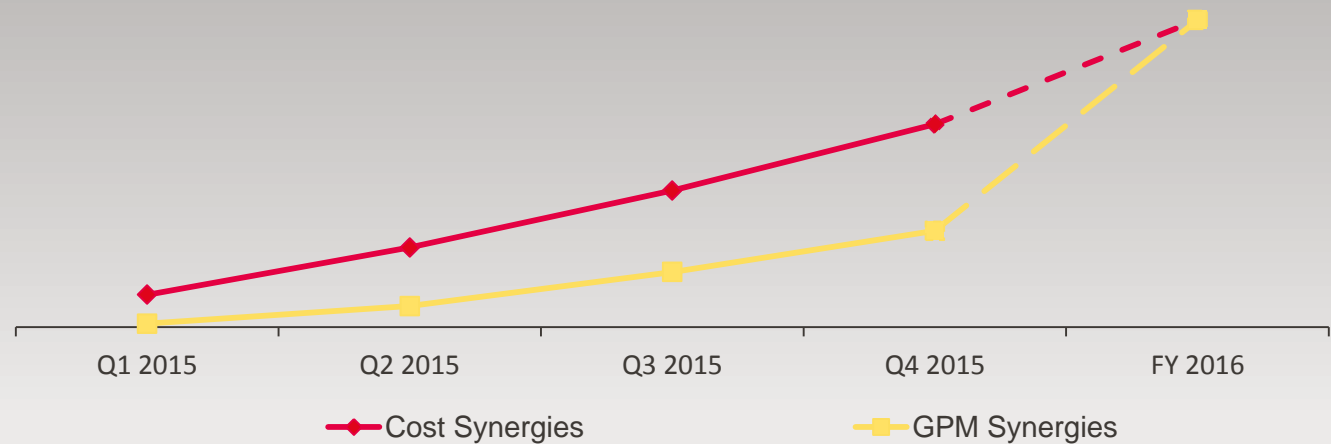
Synergy implementation on track by end 2015

- Integration of Nuance operations into new Dufry business operating model and Group divisional organization completed
- All integration work-streams closed
- Synergies fully implemented

CHF 34 million of Nuance synergies reflected in 2015 P&L

Full CHF 70 million of Nuance synergies to be reflected in P&L by FY 2016

Synergies currently reflected in income statement FY 2015



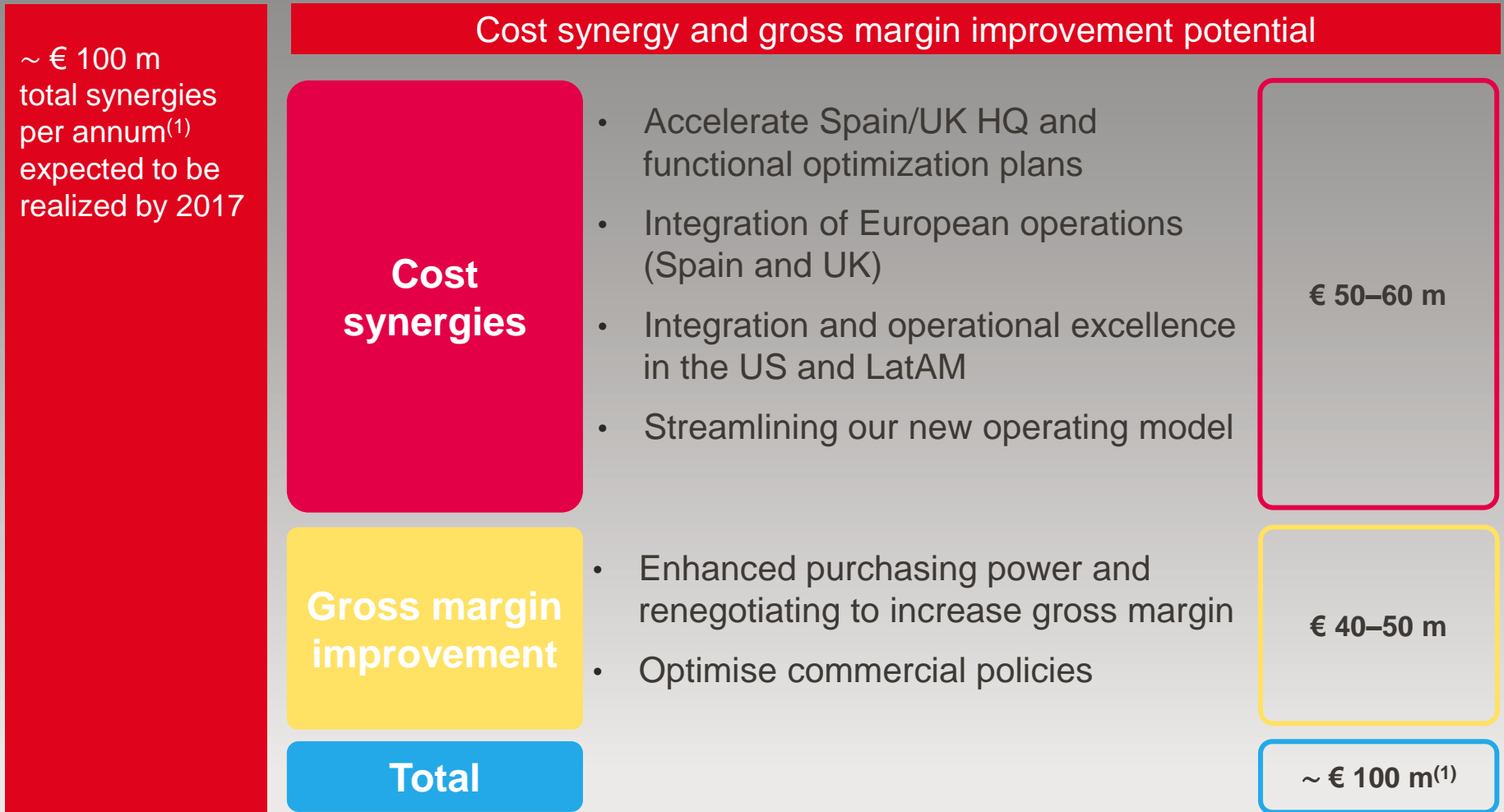
World Duty Free integration proceeding according to plan

Integration plan completed and execution started

WDF synergy potential of EUR 100 million confirmed

- New group-wide organization including WDF operations launched early February for all Group functions
 - Further fine-tuning of organization ongoing
- Execution of integration started in all work-streams; expected to be completed by mid-2017
- Synergy potential in the magnitude of EUR 100 million confirmed
 - First synergies to be expected in second half of 2016
 - CHF 50-60 million cost synergies, CHF 40-50 million gross margin synergies
- Implementation of new Business Operating Model started

WDF acquisition generates compelling global Group synergy potential

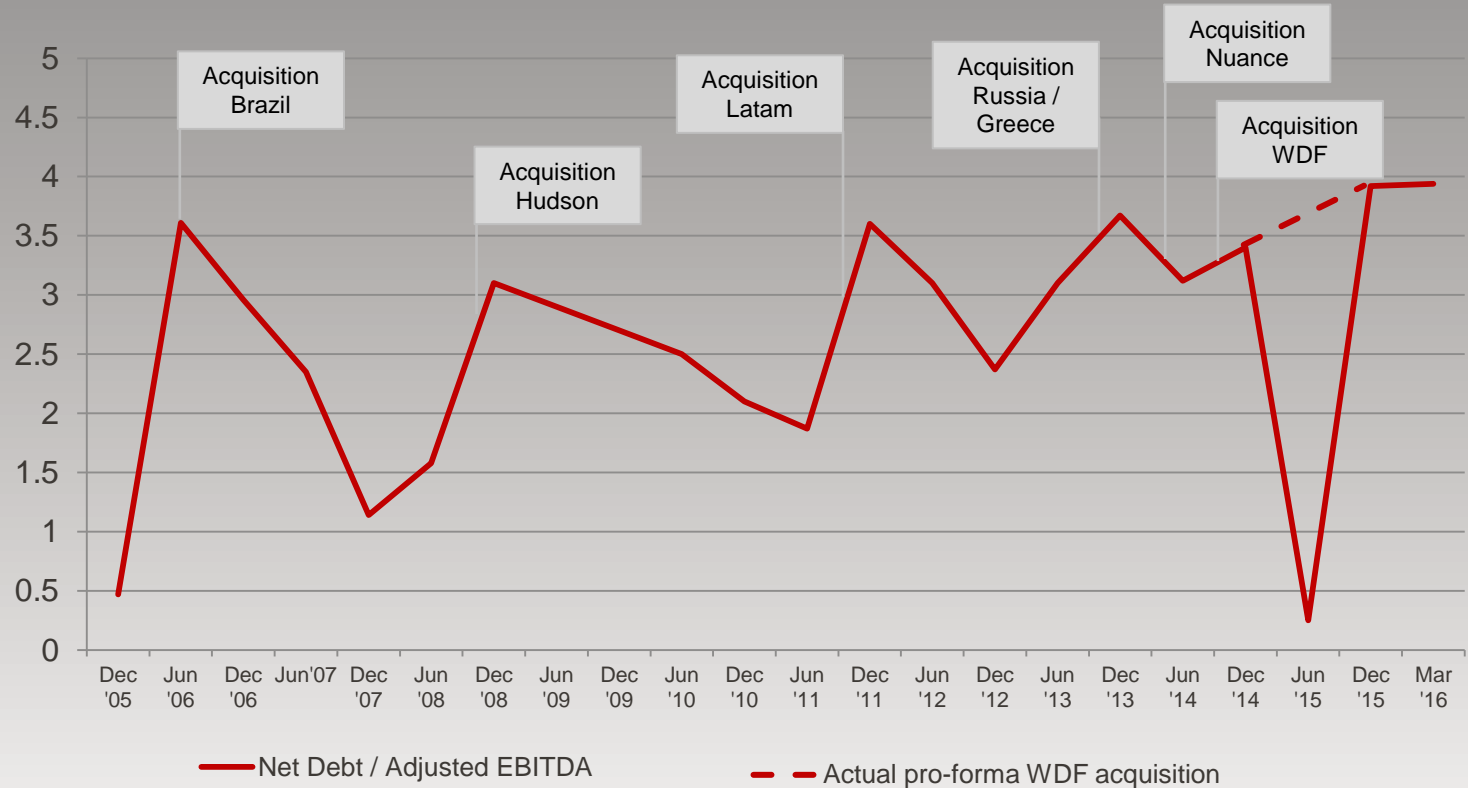


(1) On the basis of FY2014 financials, includes € 26 m of cost savings announced by WDF in January 2015

2.4 Strong deleveraging tack record

Strong cash flow generation capability allows for fast deleveraging post acquisition

Evolution Net Debt / adjusted EBITDA



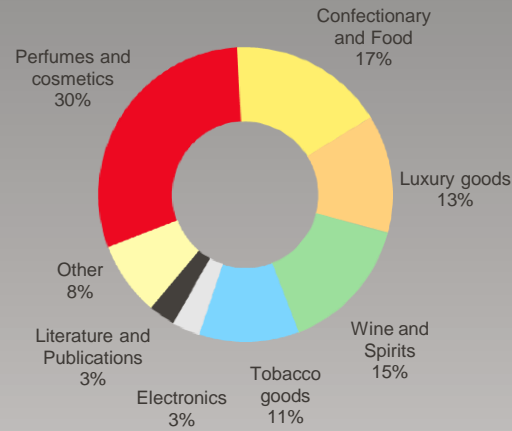
2.5 Dufry's Segmentation

P&C, Luxury and Confectionary to grow at highest pace

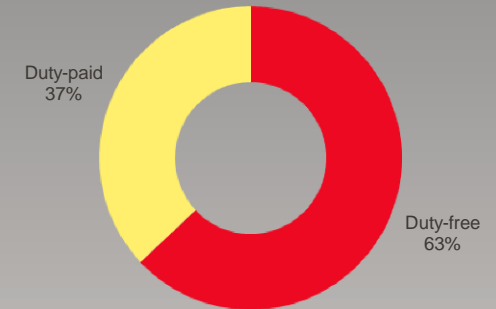
Airports remain major channel

Further expansion in duty-free and duty-paid

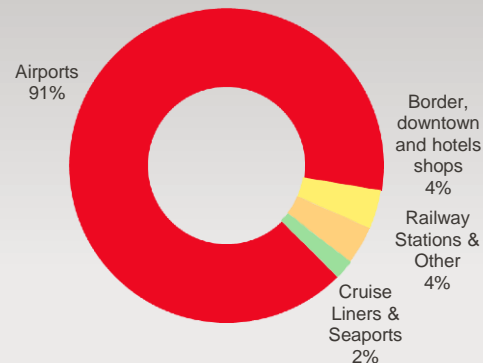
Sales by Product Category Q1'16



Sales by Channel Q1'16



Sales by Sector Q1'16



3

Strategic Alternatives

“Focus in looking for ways to further create shareholder value”

LOOKING FOR WAYS TO FURTHER CREATE SHAREHOLDER VALUE

- Following recent major acquisitions Dufry is now the clear global leader in duty free and airport retail sectors
- Understand the new organization and further create shareholders value should be the focused for the strategic thinking

**DELIVERY
SINERGIES**



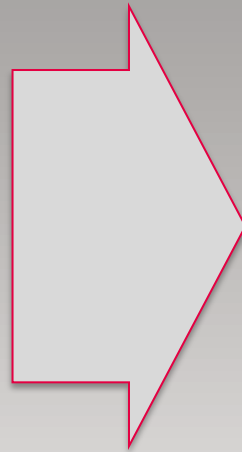
MARKET DEFINITION

 **DUFRY**

**GROWTH
OPPORTUNITIES**



**THERE ARE DIFFERENT
STRATEGIC
ALTERNATIVES THAT
WE WILL LIKE TO
DISCUSS DURING THE
STRATEGIC
DISCUSSION**



**HUDSON
INTERNATIONAL**

**DUTY PAID
RETAILING AT
AIRPORTS**

**CRUISES &
SEAPORTS**

**DOWNTOWN
DUTY FREE**

**DIGITAL
STRATEGY**

**MASTER
CONCESIONAIRE**

F&B

4

WDF Integration Update

INTEGRATION UPDATE:

Key milestones

1

Integration of Nuance successfully **finalized** in 2015 according to plan

2

Delisting and takeover of WDF **completed** in November 2015

3

New integrated organization launched in **October 2015**

4

Corporate rebranding executed

5

Integration Plan of WDF defined and launched

6

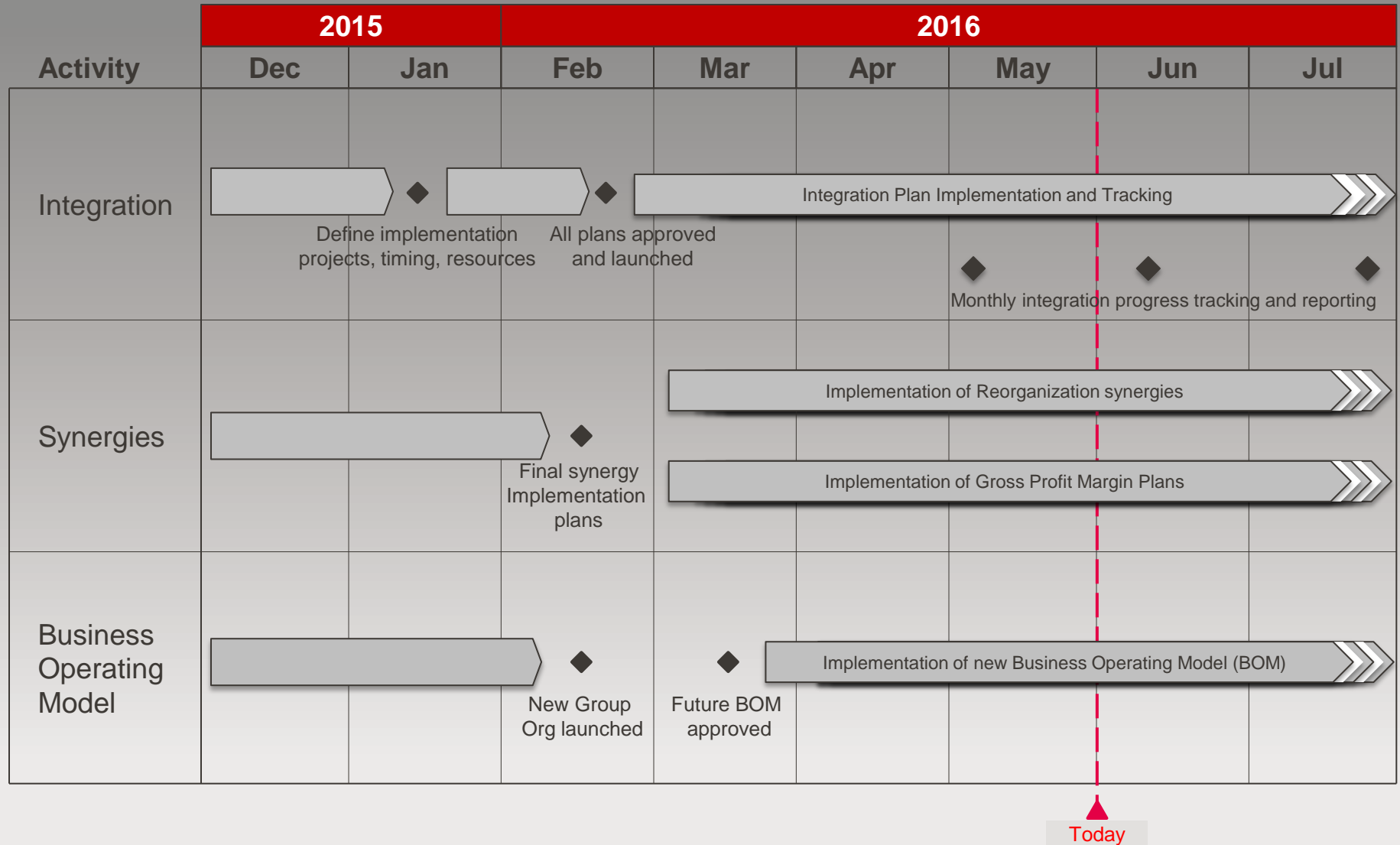
Synergy targets and **plans** identified (Cost and Gross Profit Margin)

7

New Business Operating Model approved an implementation launched

INTEGRATION UPDATE:

Overall integration timeline



INTEGRATION UPDATE:

World Duty Free integration proceeding according to plan (1/2)

Integration
launched and
execution on
plan

Cost synergies
validated and
execution kicked
off

- Integration assessment and planning phases completed, and integration plan successfully launched in all workstreams
 - **250 integration activities defined** and tracked across all global functions and geographies ongoing
 - Execution of activities with good progress and in line with original plan (~20% of planned activities already completed)
 - Integration expected to be finalized by mid-2017
- **Cost synergies of between CHF 50-60 million confirmed**
 - Synergy plan has been validated and structured in **130 synergy initiatives**, with committed individual ownership and quarterly timing
 - Detailed tracking process monitoring financial effect has been set up for each initiative

INTEGRATION UPDATE:

World Duty Free integration proceeding according to plan (2/2)

Gross Profit
Margin synergy
realization
ongoing

New group
organization
launched

New BOM
approved with
several key
changes

- **Gross Profit Margin synergies of between CHF 40-50 million confirmed**
 - Split between Vendor Terms & Conditions renegotiations and implementation of new Pricing Policies
 - Most Vendor Terms & Conditions renegotiations to be completed in 2016
 - New Pricing Policies to be fully implemented by Q3 2016
- **New group-wide organization** including all Dufry, Nuance and WDF operations launched for all Group functions
 - Fine-tuning of organization ongoing
- **New Business Operating Model (BOM)** approved, focusing on key principles:
 - One global commercial and financial model
 - Organizational simplification: reduction to 3 layers (Global, Division and Country)
 - Strong Global and Division teams able to lead and support country operations
 - Ensure governance processes to ensure HQ, divisions and countries coordination and alignment
 - Streamline country organizations and achieve **savings of CHF 20 million** in the countries by end of 2017

Thank you

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Dufry's Equity Story

Andreas Schreiber
CFO

June 1, 2016

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AGENDA

1. Equity Story

2. Highlights on selected finance points

1

EQUITY STORY

Dufry's Investment Case

1	Long-term top-line growth	<ul style="list-style-type: none">• Passenger growth• Space and productivity growth• Selected acquisitions / industry consolidation
2	Sustainable operating profits	<ul style="list-style-type: none">• Internal target EBITDA margin of 13.5-14.0% once all synergies are achieved• Long-term changes in concession fees to be compensated with further optimization of gross margin and operational leverage• Global leadership position gives competitive edge
3	High cash flow generation	<ul style="list-style-type: none">• Asset-light business model• Higher contribution from organic growth• Quick deleveraging
4	Diversified concession portfolio mitigates risks	<ul style="list-style-type: none">• Over 370 locations in 63 countries• Top ten contracts account for <25% of turnover
5	Resilient business	<ul style="list-style-type: none">• Variable cost structure limits impact of downturns• Affluent customer profile• Resilient spending as strongly positioned in affordable luxury• Captive audience

1) Long-term top-line growth

Passenger growth is the most important driver of the industry

Growth expected to continue as in the past

International PAX growth



- Consistent passenger growth historically and also expected going forward
- Dufry is the only real global player in the travel retail industry
 - Presence in all continents with own teams, thus having direct access to further regional opportunities
- Industry still has consolidation opportunities on a smaller scale
 - Next 12 months focus on integration and deleverage

1) Long-term top-line growth

Dufry's growth drivers going forward

Resilient PAX growth in Dufry locations going forward

Reduced exposure to single locations

Strong project pipeline to win new or expand existing concessions

Passenger growth

Passenger numbers in Dufry's operations expected to continue to grow in the medium and long term.

3-4%

Spend per passenger

Improvements in service levels at shops and developing marketing initiatives.

1-2%

New concessions, net

Expansion of current operations and opening of new locations. At renewal of existing concessions, retention rate of around 90%.

1-2%

Organic Growth

- Strong organic growth potential
- Diversification will help mitigate local impacts
- Exposure to single locations or nationalities further reduced
- Higher presence in developed markets will lead to stabilization of growth

5-7%

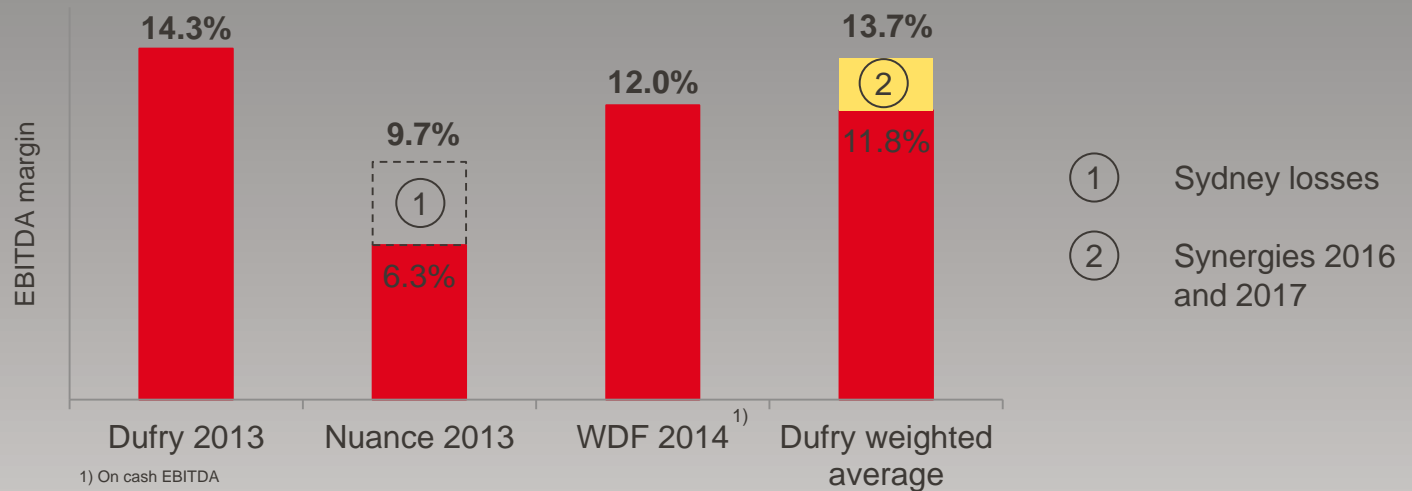
2) Sustainable operating profits

Nuance and WDF EBITDA margin at the time of acquisition below Dufry

Value creation through synergies

13.5% - 14.0% EBITDA margin seemed as sustainable in the medium term

Operational profit



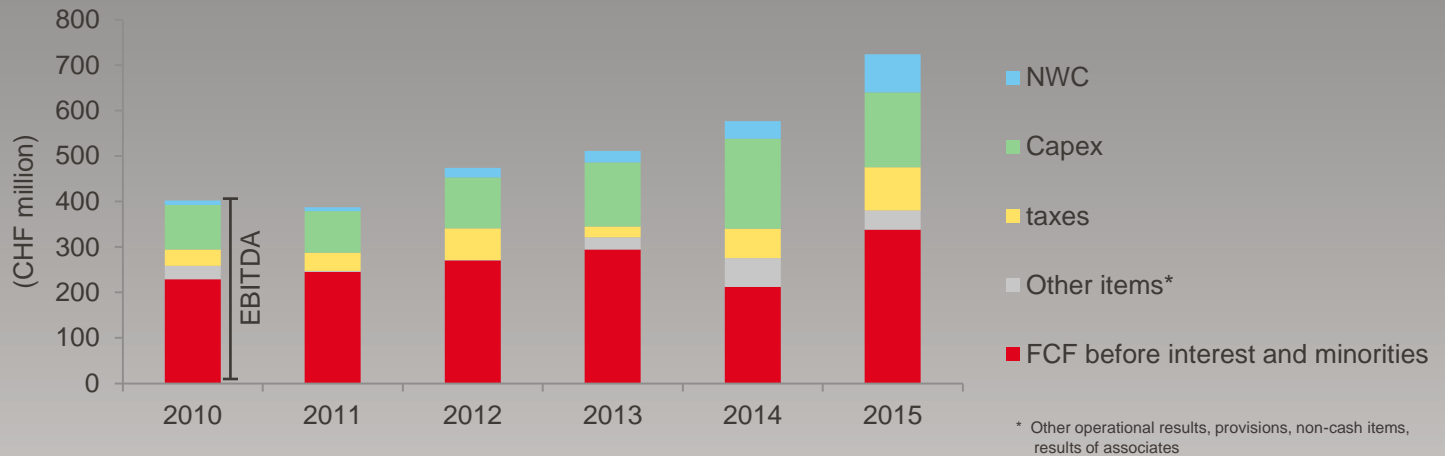
- Scale and global reach bundled in global purchasing gives unique angle for the relationship with suppliers
 - Volume + marketing initiatives
- Divisional organization allows to efficiently manage business to identify and to execute new projects
- Centralization of global functions allow for streamlining processes
- Scale supports roll-out of new initiatives

3) High cash flow generation (1)

High EBITDA margin business and low capital requirements creates strong cash generation potential

Free cash flow in normal year to range between 50-60% of EBITDA

Cash flow components



- On average, normalized free cash flow before interest was on average 55% of EBITDA
- Main reasons for deviation was Capex
- Recurring capex as percentage of turnover to be expected between 3-3.5%
 - Average 10-15 was 3.6%
- High free cash flow generation allows for quick deleveraging

3) High cash flow generation (2)

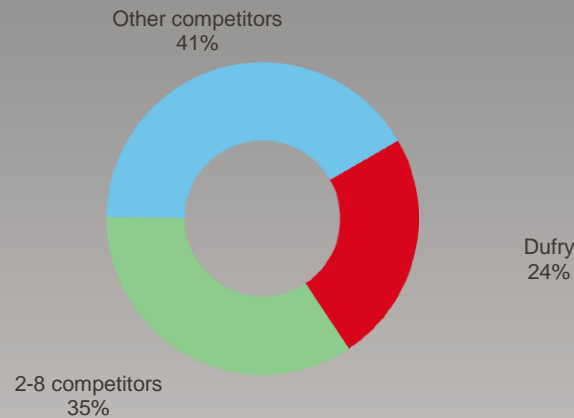
Bolt-on acquisitions possible once deleverage is achieved

Every fourth dollar of travel retail is spent in a Dufry shop

Clear competitive advantage once synergies are achieved

Small to mid-size acquisitions possible once deleverage is achieved

Industry consolidation



- Deleveraging has priority
- Post integration of WDF, Dufry to have clear cost base advantages and scale benefits
- Competitors mostly operate with more restricted regional footprint
- Limited number of large players
 - Mid-term focus on small / mid-sized acquisitions in the medium-term

4) Diversified concession portfolio

High diversification by geographies, channels and shop concepts

Low dependency on single countries

**63
Countries**

**Several shop
concepts for all
sales channels**

**Low dependency
of single contracts**

**Low dependency
of single contracts**

**370
Locations**

General TR shop
Bookshop
Specialized shop
Caffe
Destination shop
Brand boutique
Convenience shop

**Largest contract
<6% of sales**

**Average
remaining life of
concessions
8.5 years**

**2,200
Stores**

Airport Downtown
Seaport Cruise Liner
Railway
Hotel Diplomatic
Onboard Border
Seaport

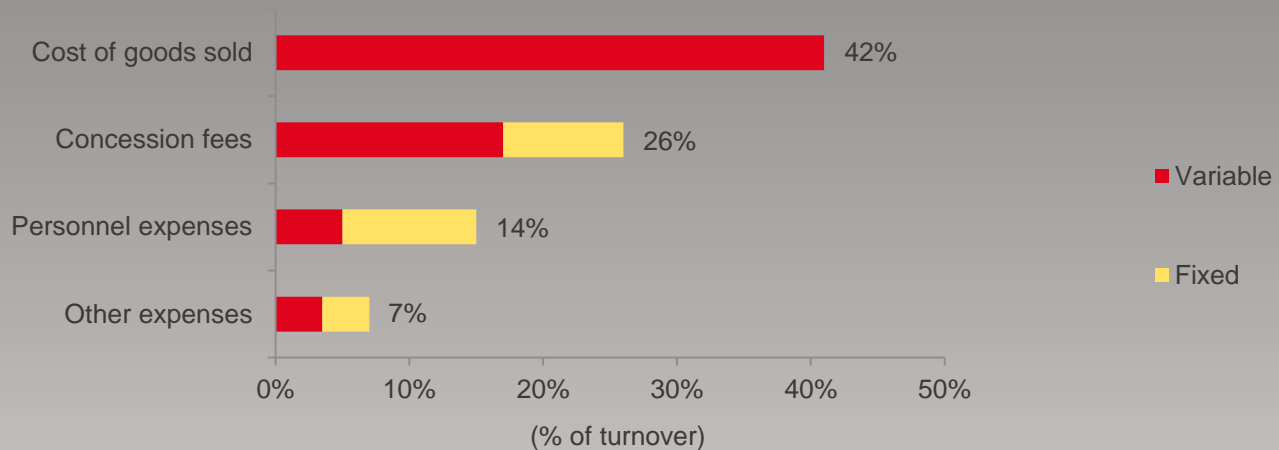
**Top 10 contracts
<25% of sales**

**>50% of sales
with +5 years
remaining**

5) Resilient business

Resilient business

Estimated variability of cost components



- Captive audience
- Affluent customer profile
- Resilient spending as strongly positioned in affordable luxury
- Variable cost structure limits impact of downturns

2 HIGHLIGHTS ON SELECTED FINANCE POINTS

Key changes and considerations in Income Statement (1)

Nuance and WDF impacting P&L

Income statement 2015			
(CHF million)	2015	%	Comments
Turnover	6,139.3	100.0%	
Gross profit	3,574.7	58.2%	Synergies from Nuance of CHF 35m confirmed for FY 2016. Synergies from WDF of CHF 45-50m
Concession fees	(1,582.6)	-25.8%	Higher concessions fees from WDF. Increase in 2016 of ca. 100-150 bps due to the consolidation.
Personnel expenses	(856.2)	-13.9%	Cost synergies from Nuance of CHF 35m, fully reflected in 2016
Other expenses, Share of result of associates	(412.1)	-6.7%	Cost synergies from WDF CHF 50-60m
EBITDA⁽¹⁾	723.8	11.8%	EBITDA margin of 13.5%-14.0% expected once all synergies are reflected in the P&L
Depreciation	(135.8)	-2.2%	
Amortization	(309.0)	-5.0%	Approx. CHF 400m expected in FY 2016, of which ca. CHF 350m acquisition-related
Linearization	(29.2)	-0.5%	CHF 70-75 million expected in FY 2016.
Other operational result	(117.1)	-1.9%	CHF 30-40m of non-recurring restructuring cost to be expected for 2016
EBIT	132.7	2.2%	

1 Before other operational results

Key changes and considerations in Income Statement (2)

Nuance and
WDF impacting
P&L

Income statement 2015			
(CHF million)	2015	%	Comments
EBIT	132.7	2.2%	
Financial result	(179.5)		<i>Run rate of ca CHF 50m per quarter going forward</i>
EBT	(46.8)	-0.8%	
Income tax	10.1		<i>Taxes are impacted by transaction and financing costs, as well as deferred taxes Effective tax rate expected in the area of 25% going forward</i>
Net Earnings from discont. Operat.	(0.2)		
Net Earnings	(36.9)	-0.6%	
Non-controlling interests	(42.4)		<i>Includes minorities from WDF of CHF 11m</i>
Net Earnings to equity holders	(79.3)	-1.3%	
Acquisition-related amortization	262.1		
Acquisition-related one-offs	109.3		
Cash Earnings excluding acquisition related one-offs	292.1		
Weighted average number of shares, in millions	45.8		<i>Current number of shares 53.9 million</i>
Cash EPS	6.38		
Deferred tax on acquisition-related amortization, per share	(1.32)		
Linearization, per share	0.64		

¹ Before other operational results

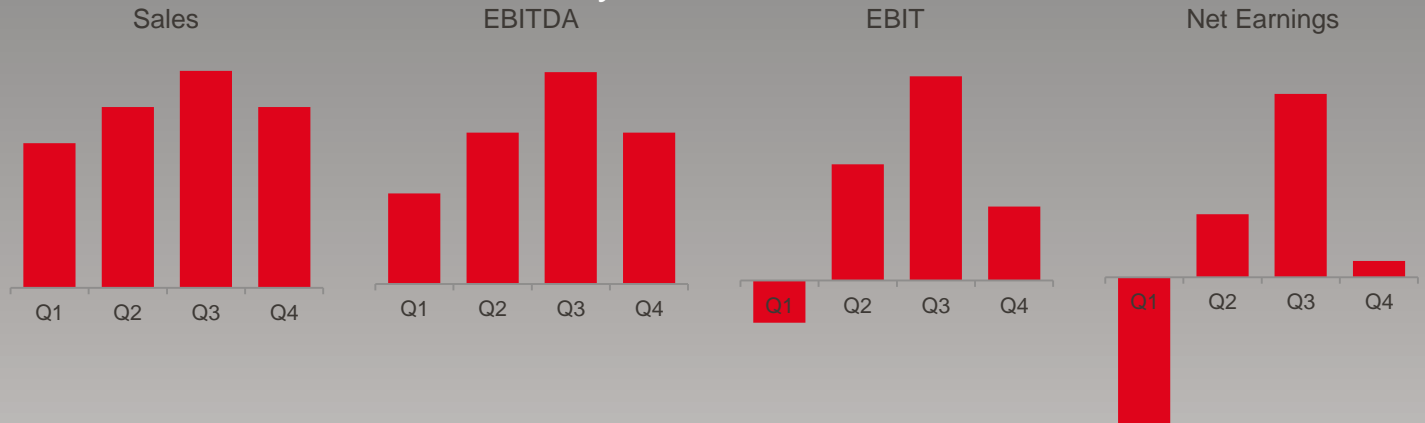
Accentuated seasonality going forward

Business has become more seasonal post acquisitions

Seasonality even stronger in earnings and cash generation

Linearization further accentuates seasonality

Seasonality in the main P&L KPIs



- Seasonality of the business increased further after the recent acquisitions
 - Q1 least important on EBITDA
 - Over-proportional impact of several linear expenses, e.g. D&A, interest costs, etc.
- Linearization also seasonal, penalizing Q1 and Q4

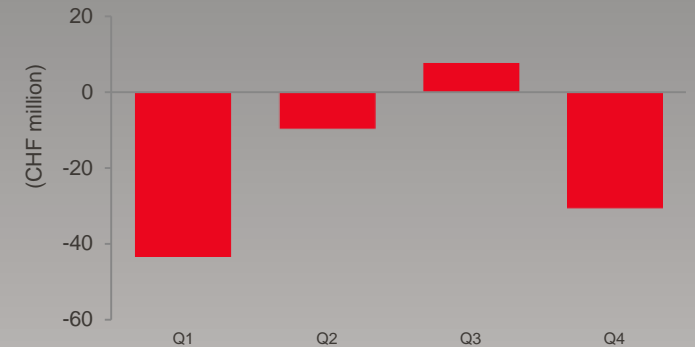
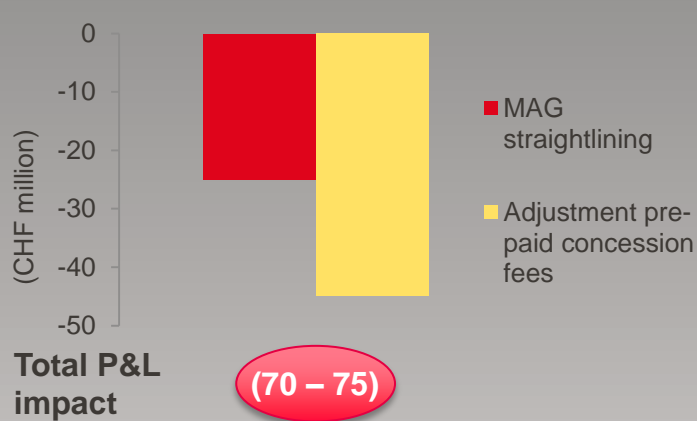
Linearization

Linearization is related to Spanish concessions only

Charge reduces over the years

Linearization is a non-cash item

Linearization 2016



- Linearization is related to Spanish concessions
- Two different accounting treatments in the same line
 - MAG straight-lining
 - Amortization of upfront payment
- Both components are not cash
- Linearization declines over time
- On a quarterly basis, linearization is more negative in Q1 and Q4

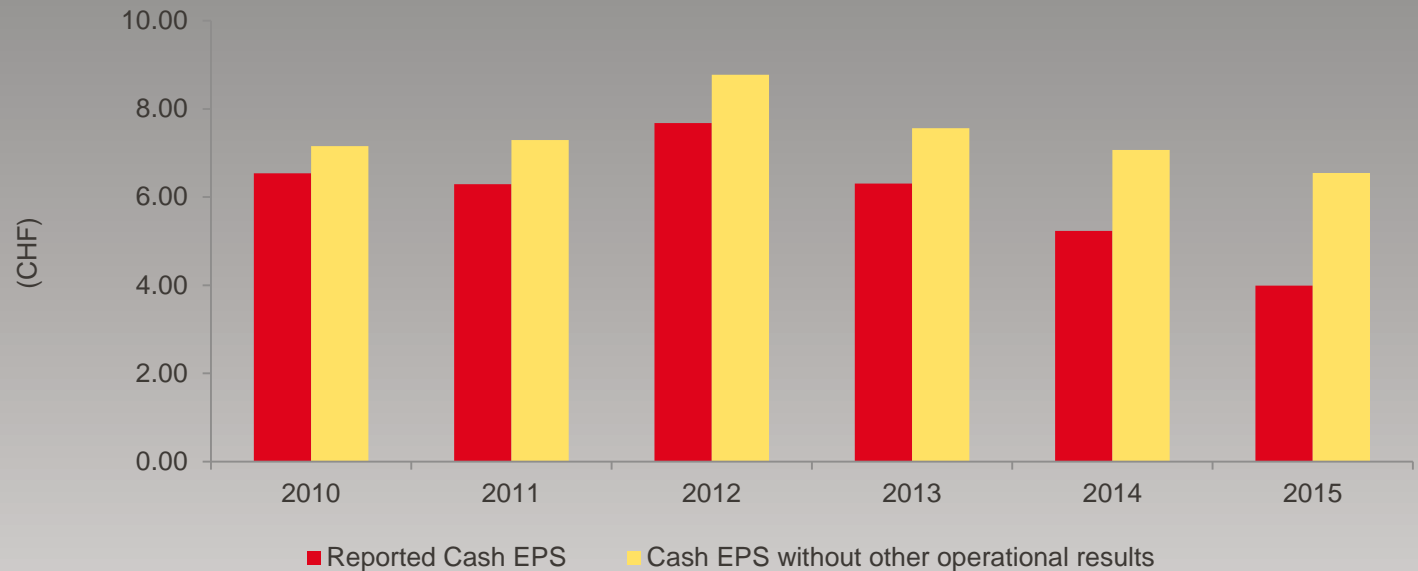
Cash EPS analysis

Cash EPS adds back the amortization related to acquisitions

Decline of Cash EPS in last years reflects succession of acquisitions

Cash EPS expected to grow significantly once synergies are achieved

Cash EPS evolution



- Cash EPS declined over the last years
 - Additional equity issued for acquisitions
 - Synergies not reflected in income statement yet
- Synergy contribution to Cash EPS approximately CHF 2

Strong cash generation capability going forward

Once all synergies are reflected in P&L, true cash generation capabilities appear

Returning cash to shareholders has high priority once integration is completed and deleveraging has occurred

Cash flow forecast		
		Rationale
EBITDA	1,200	Analyst consensus 2018
Other op expenses & adjustments	(20) - (50)	By the nature of it, hard to estimate
Investment in NWC	(15) - (30)	Expectation of 5-6% of turnover
CAPEX	(250) - (300)	Expectation of 3.0-3.5% of turnover
Taxes	(150) - (175)	25% of EBT (adding back part of amortization)
FCF before interests/minorities	650 - 750	Rule of thumb 50-60% of EBITDA
Interests	(140) - (160)	Declining according to deleveraging profile
Minorities	(40) - (45)	Stableish
FCF after interests	500 - 600	Strong cash generation

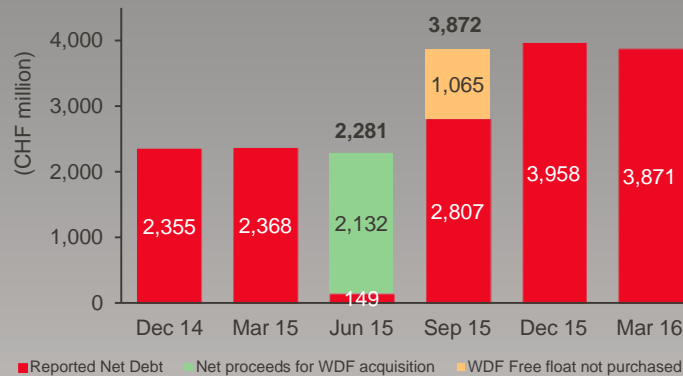
- Target leverage of 2-3.0x net debt / EBITDA

Current Financing Strategy

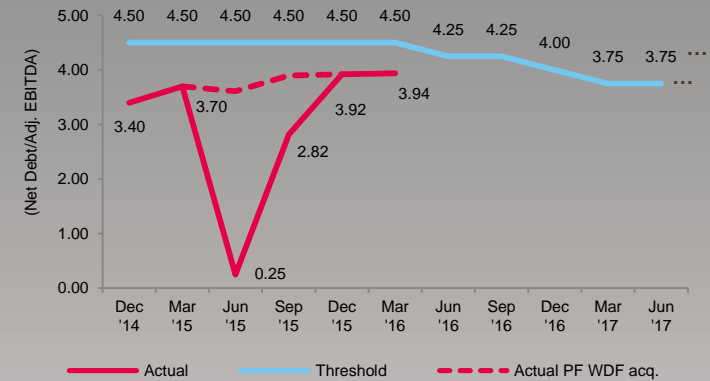
No maturities until 2019

Comfortable covenants headroom

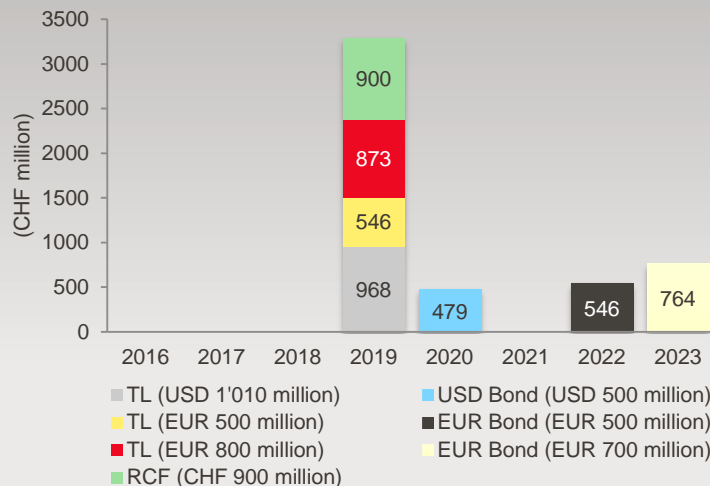
Net Debt Evolution



Covenants Evolution



Debt Maturity



Dufry Rating

S+P

BB

Moody's

Ba3

Fitch

BB-

Conclusion

- Attractive investment case
 - Secular growth
 - Leading position
 - High cash returns
- Financials to change substantially in 2016 and 2017
 - Post-synergy implementation strong financial metrics across the board
- More mature profile of business will allow for returning cash to shareholders once deleveraging is achieved

Thank you

 DUFRY

WORLD DUTY FREE



Next Generation Store

Jose Antonio Gea
Global Chief
Operating Officer

Madrid
01.06.2016

 DUFRY



**We are in the midst of a
retail revolution.**

but travel retail is not part of it....

Why?

...are we here today



Re-invention **NOT** Re-revolution



Uniform

Monotonous

Predictable

Adapting to new customer behaviours

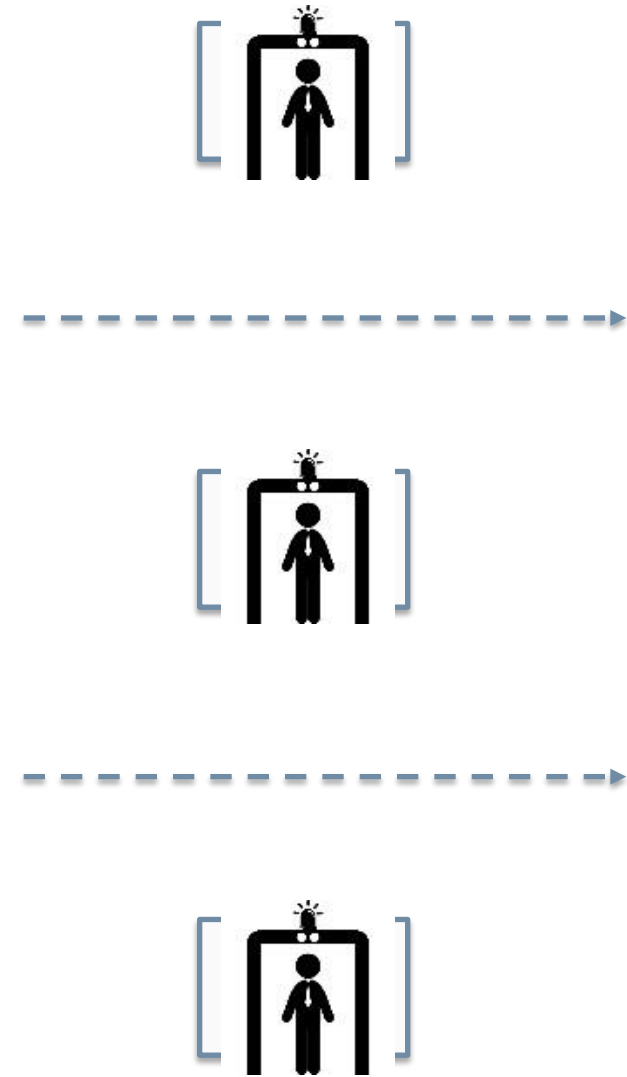


**Young
travellers**

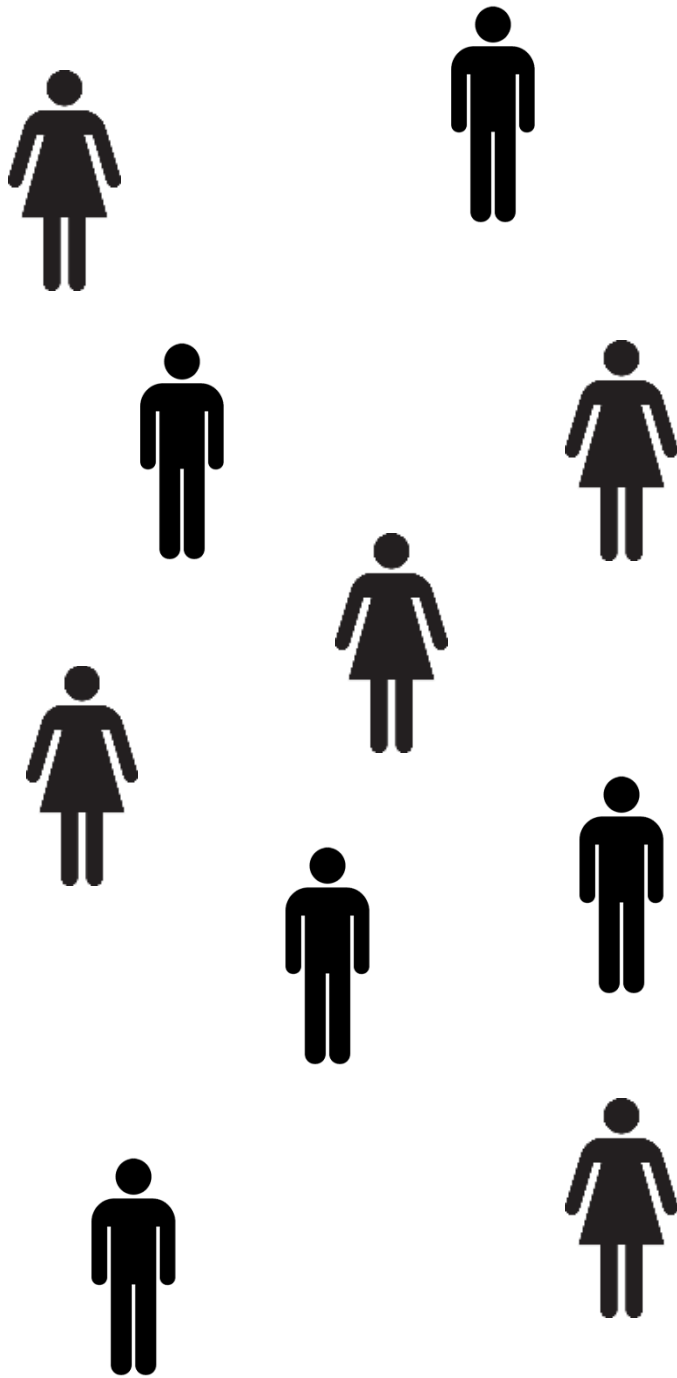
What do we **have?**

Prime positions

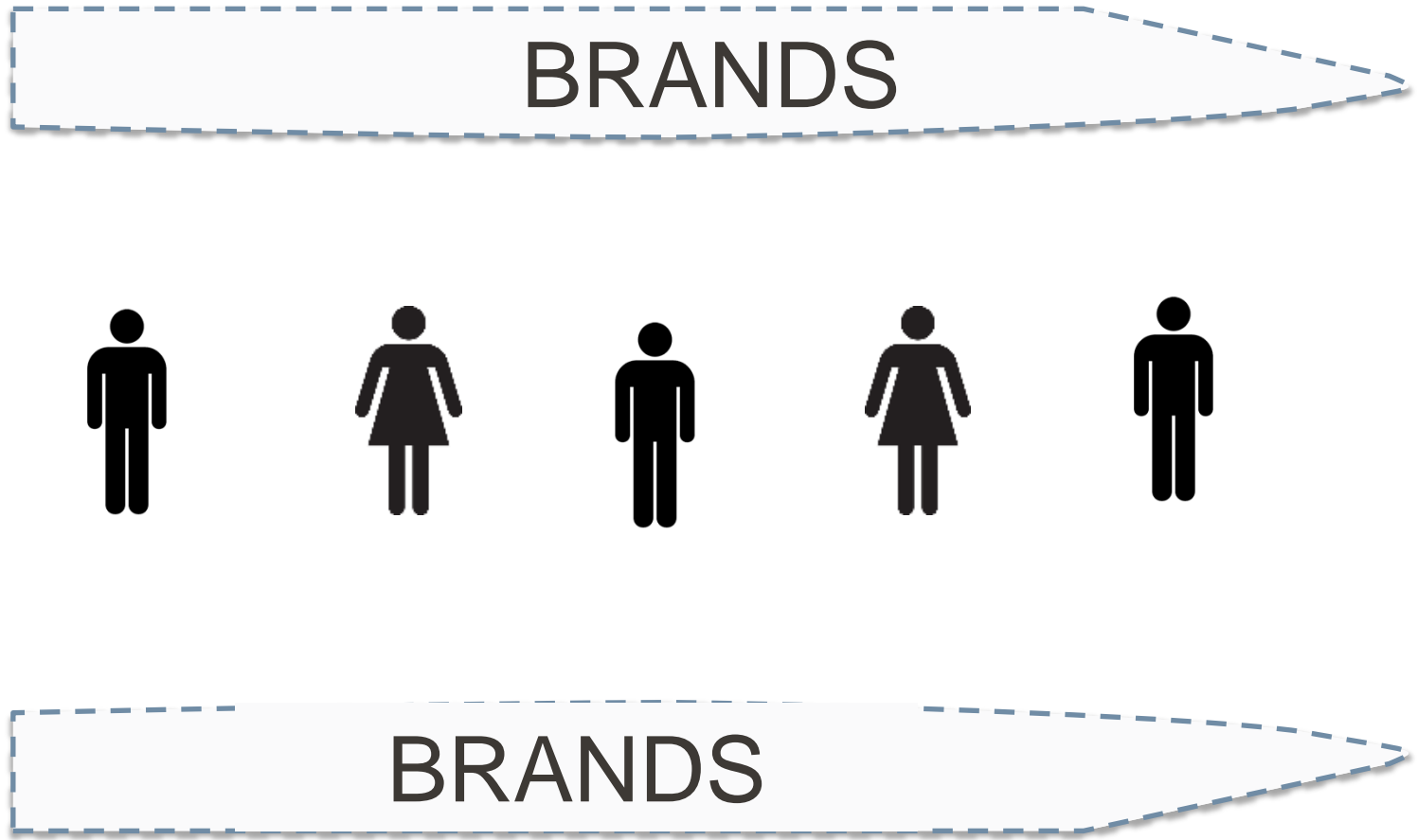
Security



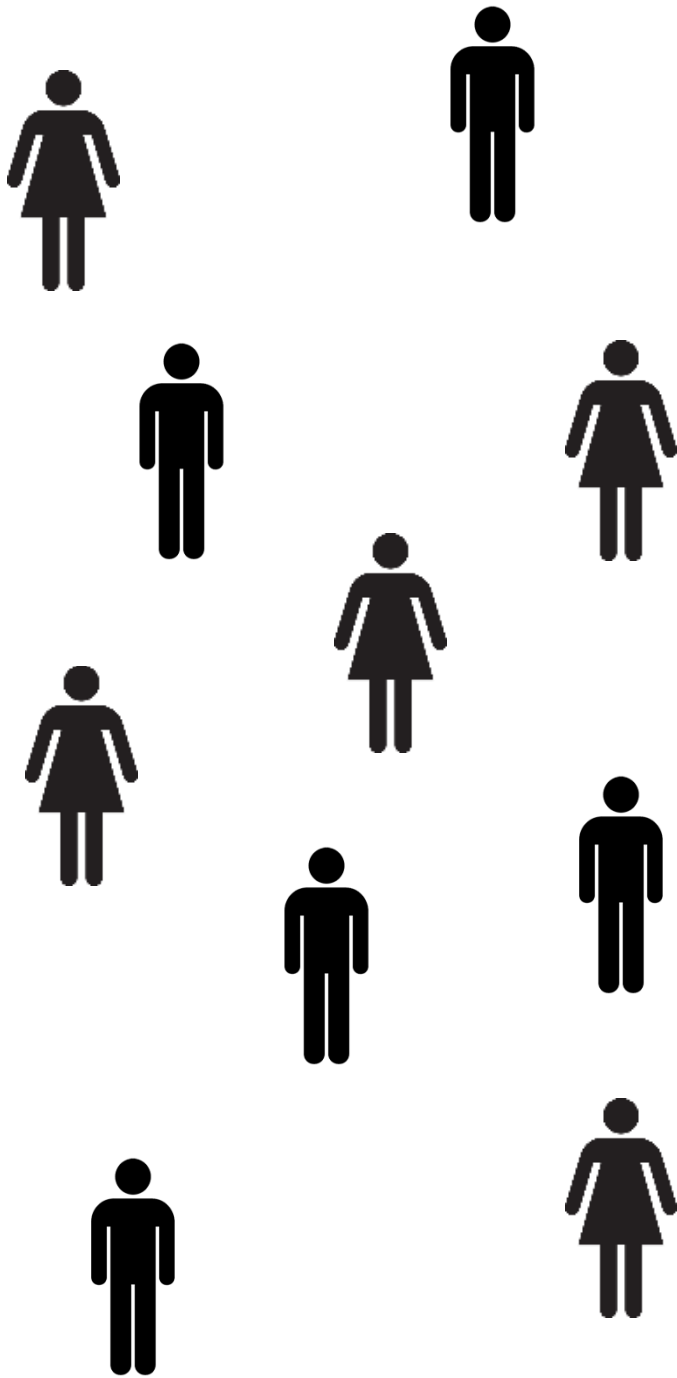
Orientation



Walkthrough store



Gates





Customers that are coming to us

**Great Brands
Great Products**

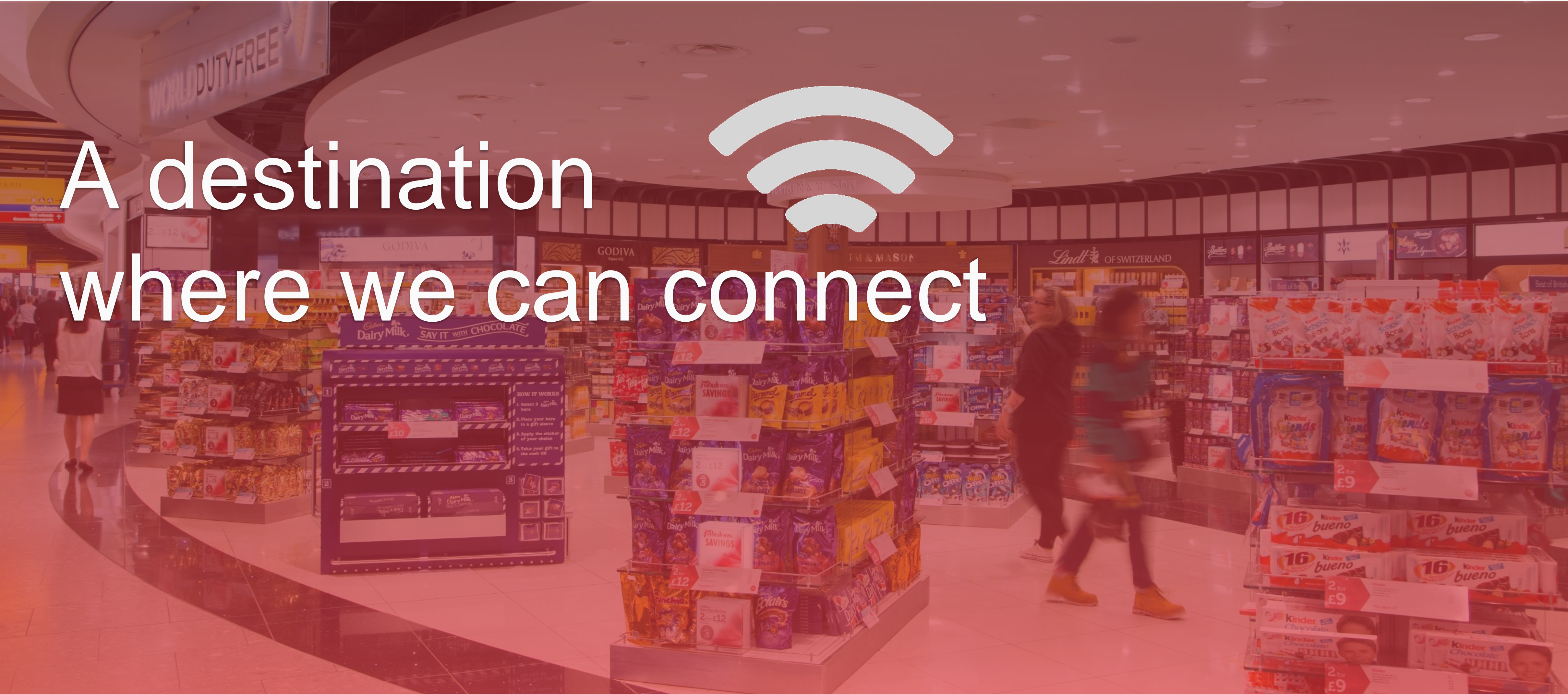
A value proposition in a premium environment

Our mission:
Connect with our customers

Connecting with the future generation



The store



What's wrong with the store today?



Three pillars



Communications



Fun & Immersive



Trendy

Communication



What we communicate

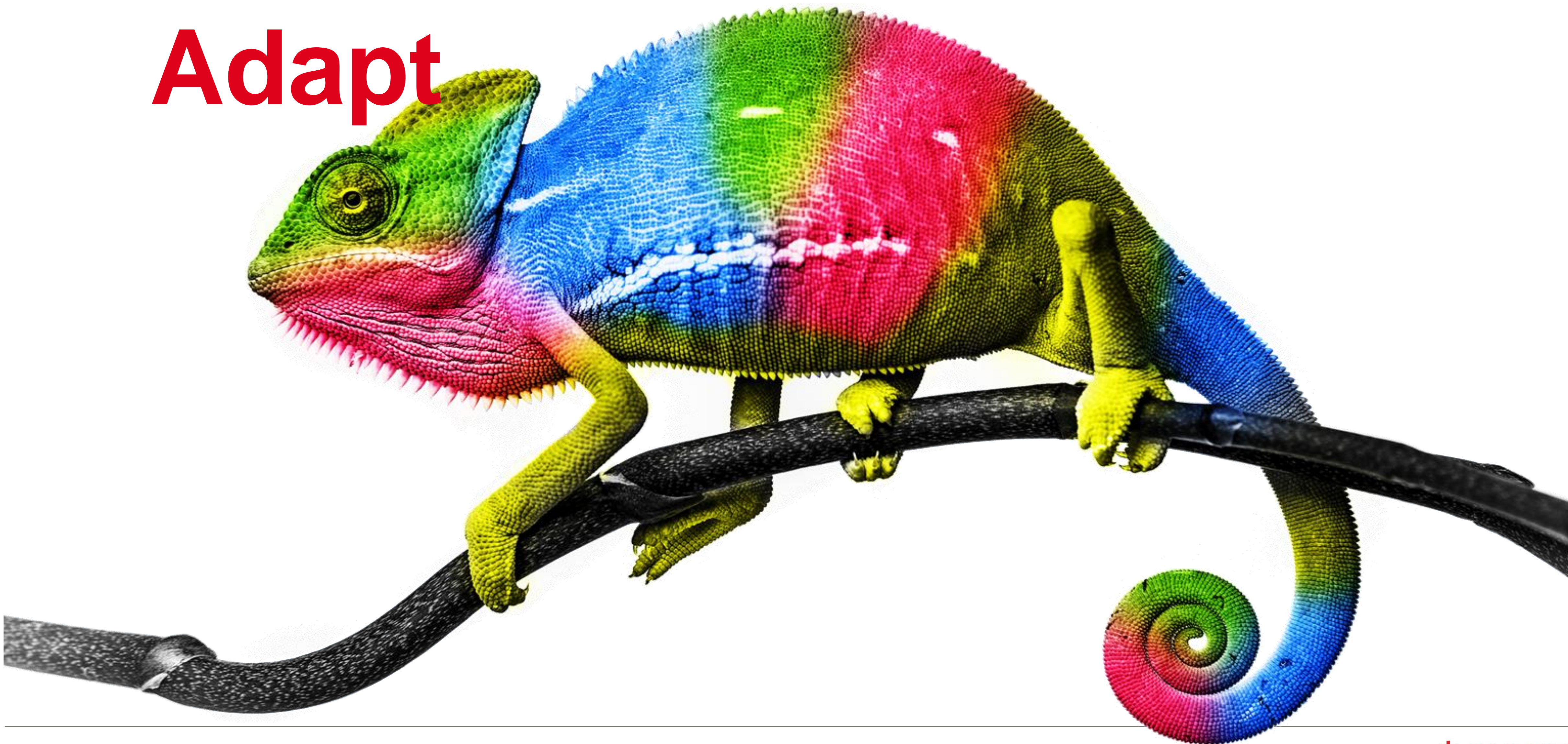
Our huge
assortment

Our range
of brands

Our range
of products

Benefits of
the offer

Adapt



Tell stories

Enhanced engagement



Trendy



Is the journey over?



We cannot do this alone



Airports are much *more impressive than malls*



driving



flying



Traffic declining



Traffic growing

Time to *take off*

...in a world of mutation and acceleration

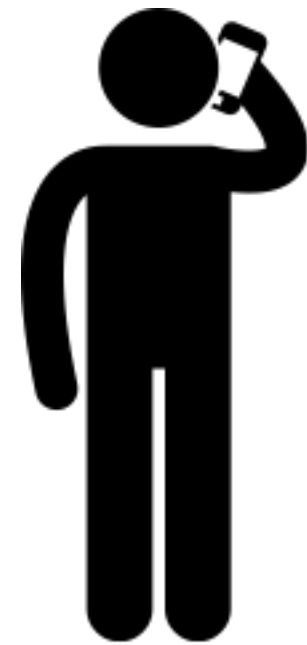
Act different

3000 years of retail



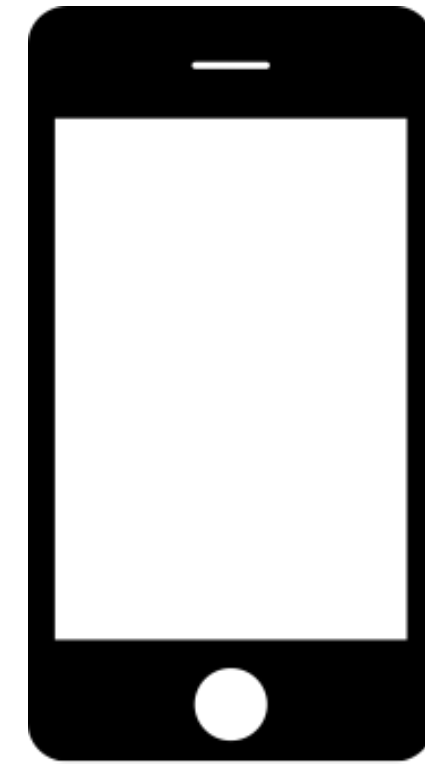
destination

traditional retail

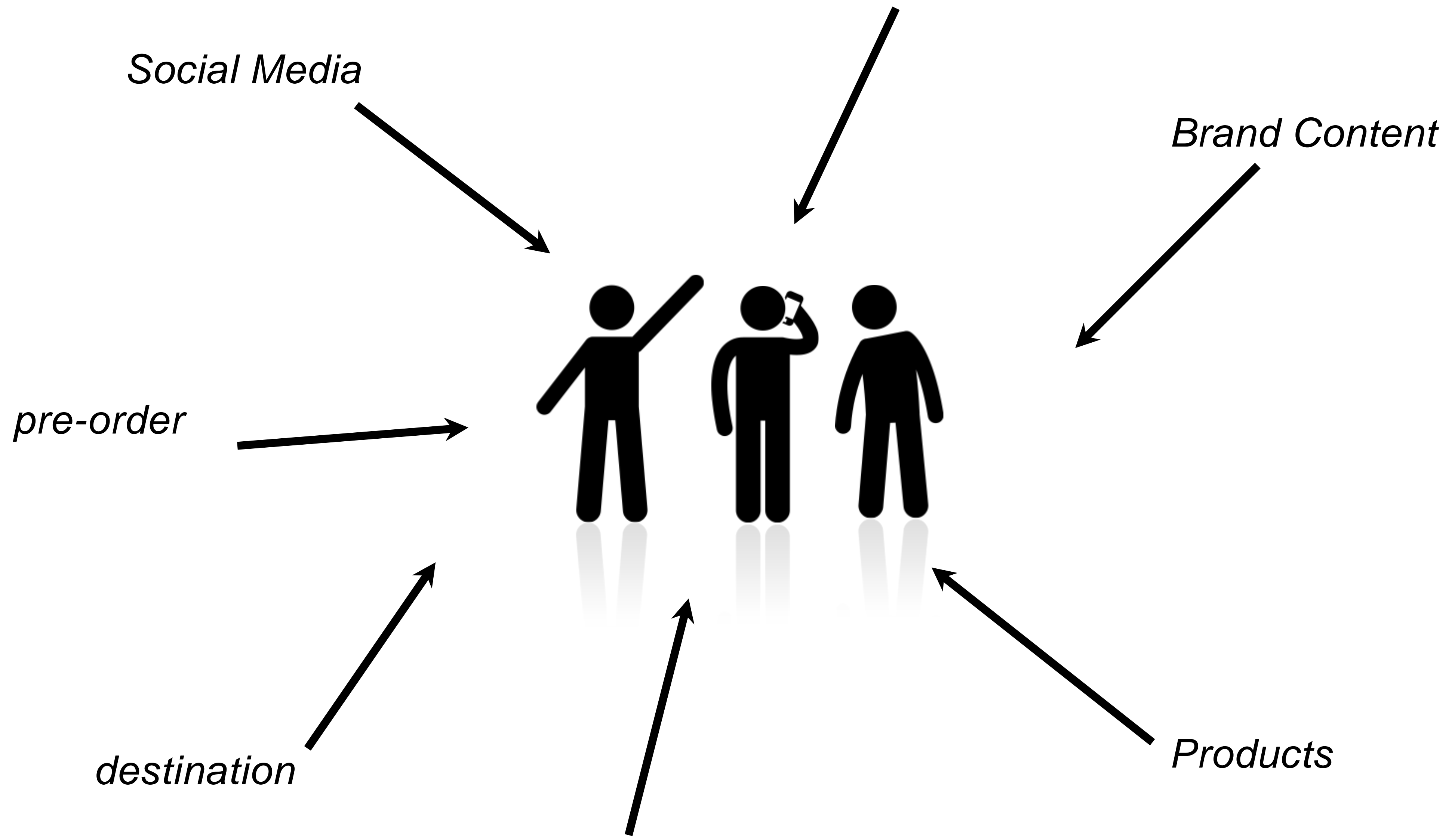


carrying 1000 stores

e-commerce



destination



the *mutation* of duty free retail

@-motion

*Digital
Emotion
Motion*

3 tools to *multiply touch points* with clients

...3 tools to *engage*
passengers with Dufry experience & brands

... A tool to match the passenger categories

... A tool featuring the vendor on the shop stage

... A tool dedicated to in-shop events

Thank you



Spanish business - Opportunities for development

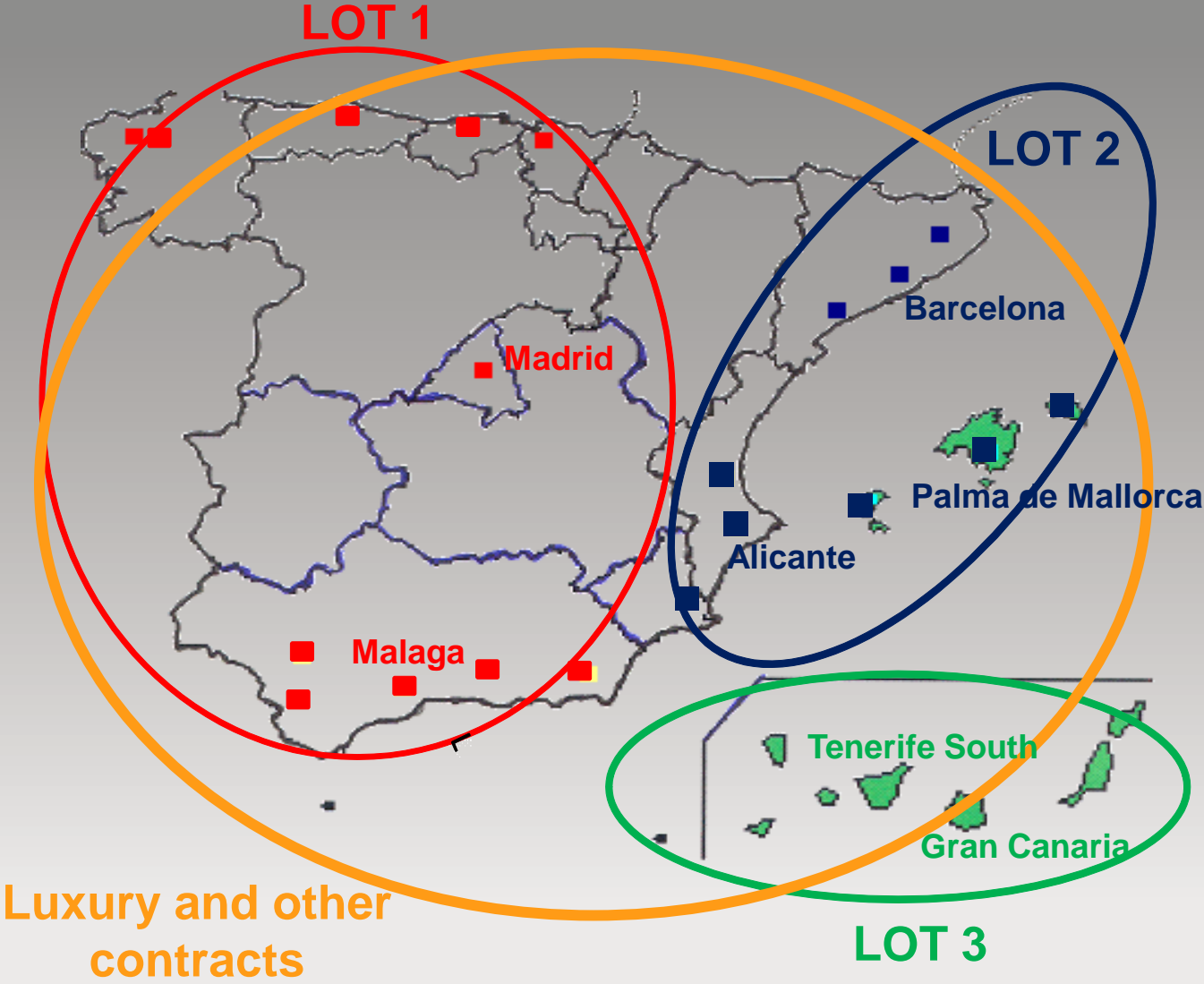
Pedro Castro
DCEO Southern Europe
and Africa

June 1, 2016

 DUFRY

Dufry operates in 26 airports in Spain through a main Duty Free contract and others specialized

123 shops
48,615 sqm
2,385 employees



Refurbishment plan since the renovation of contract in May 2013:
40,000 sqm of retail space in all Spanish airports successfully executed

Madrid T4 Main shop before

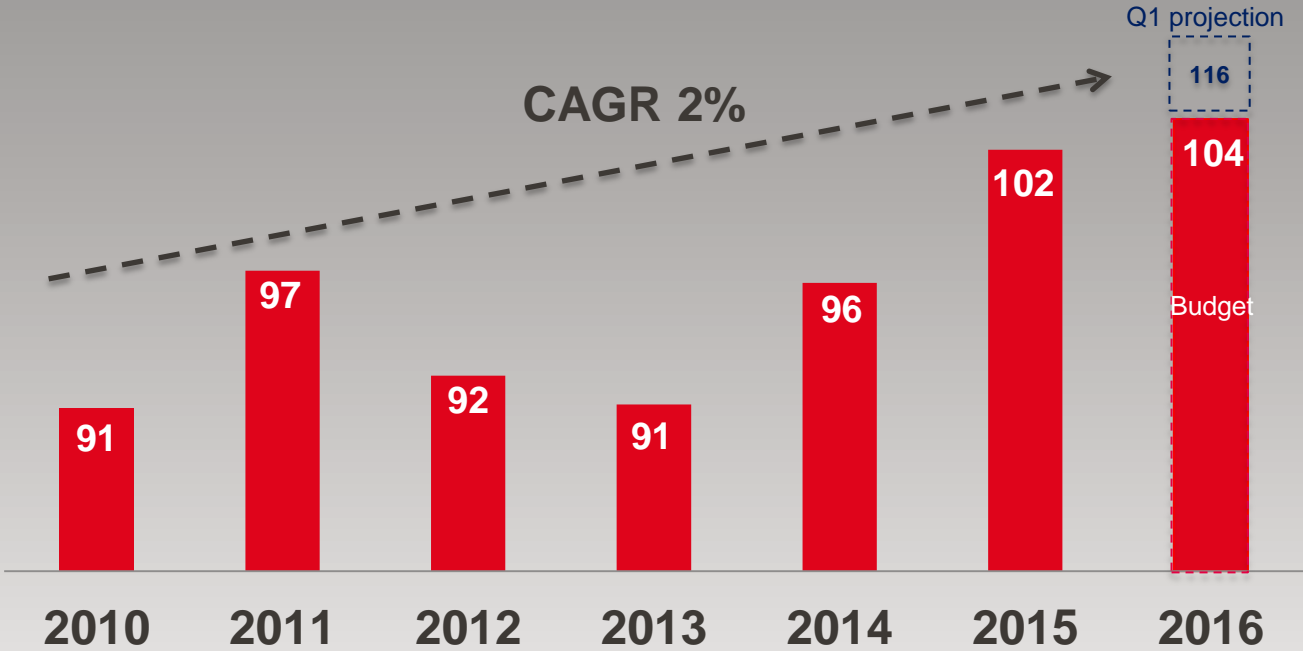


Madrid T4 Main shop after



PAX evolution in Spain since 2010

Positive development in the past years

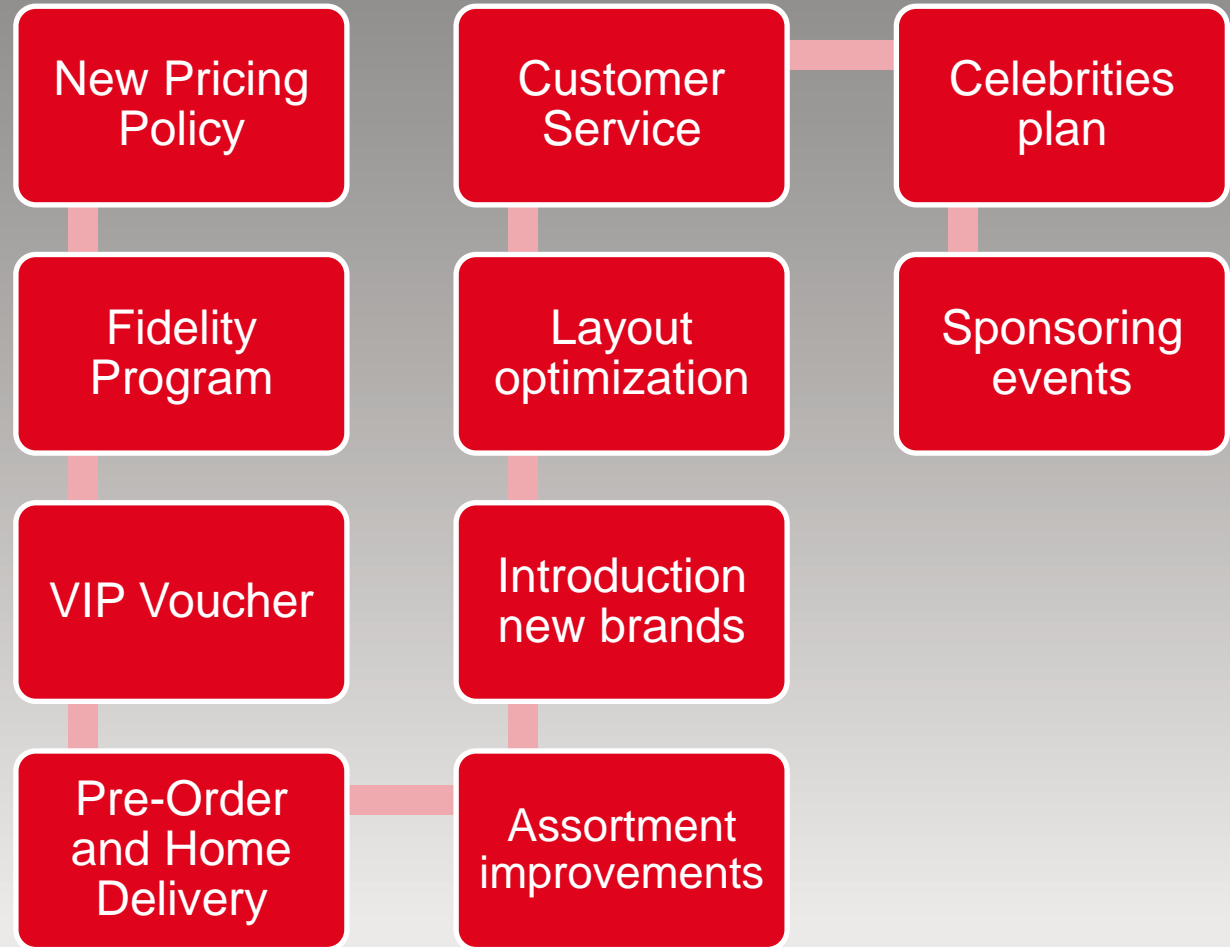


Source: Aena

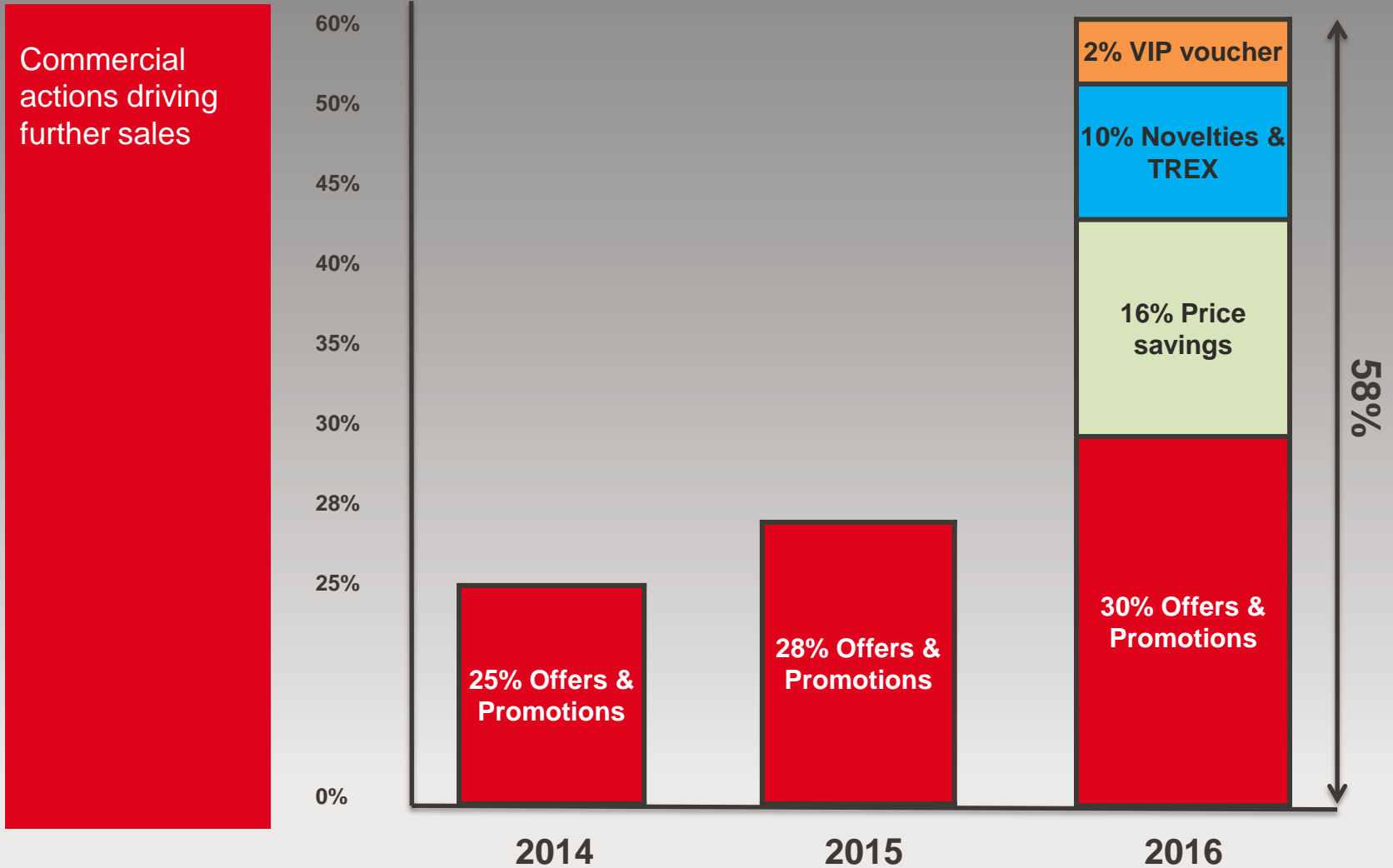
Over the last 6 months, double digits sales growth, surpassing the 11% passenger growth, through the implementation of best practices from the three companies Dufry, Nuance and WDFG

Best practices planned to maximize sales in Spanish airports

Several actions to drive further growth



The objective for 2016 is to have between 50% to 60% of sales driven by commercial actions



New Price Policy

Increase sales by offering price savings in “sensitives products”

The objective is to increase 2% SPH, driven by a sales increase in Lots 1 & 2

- Offering 20% price saving in top sellers of liquor & beauty
- Implementing a communication plan in conjunction with Aena (since April)



Loyalty Program: Dufry RED

Our loyal customers are our best ambassadors



Nuevo programa de fidelización

RED

by DUFRY

Regístrate, empieza a ahorrar, y hazte con las mejores ventajas.

Realiza tu primera compra en tiendas Duty Free y conseguirás un **acceso gratis a la sala VIP** del aeropuerto*

Descubre todos los beneficios de RED

Ser parte de Red by Dufry está lleno de ventajas. Disfruta de **beneficios exclusivos** con el programa de fidelización que convertirá todos tus trayectos en una experiencia única.

¡Solo ahora, **conviértete en miembro Silver** al registrarte y tendrás acceso a la sala VIP con tu primera compra! Además, conseguirás **descuentos directos para siempre**.

¿Estás preparado para ser RED?

- 1 **Descarga** la app Red by Dufry
- 2 **Regístrate** desde la app
- 3 **Empieza a disfrutar** de **beneficios exclusivos!**

Y mucho más...

Además, podrás reservar tu compra online y recogerla en la tienda que elijas con el práctico servicio **Reserve & Collect**.

Suma puntos con cada compra y consigue todavía más ventajas. ¡**Descárgandote la app desde el QR!**

www.espanadutyfree.com

WORLD DUTY FREE
A Dufry Company

* Promoción válida desde el 27 de Abril al 31 de Mayo del 2016, ambos inclusive, o hasta agotarse las plazas en las salas VIP en los aeropuertos concertados en España. El disfrute de la sala estará sujeto a la disponibilidad de ocupación en el momento que se solicite.

VIP Voucher: Best practice to drive average ticket value

First months results: 4.5% of sales in Madrid and 5% in Barcelona



Pre-order & Home Delivery

Incentivize purchases among national passengers through the offer of services

Pre order tool available since March

New communication plan in place with Aena

Home delivery service on scope for implementation

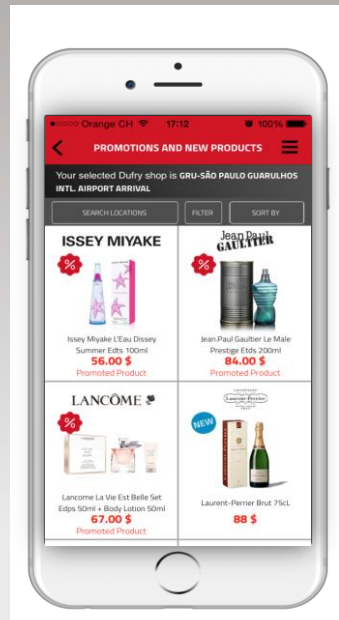
NOW AVAILABLE

SAVE PRECIOUS TIME AT THE AIRPORT
BY RESERVING YOUR SHOPPING ONLINE NOW

RESERVE & COLLECT

FIND OUT MORE

The banner features a dark background with a white infinity symbol containing two arrows. A 'FIND OUT MORE' button is located in the bottom left corner.



WORLD DUTY FREE
A DUFRY Company

Reserve and collect now available. Tell us about your flight

BEAUTY LUXURY & FASHION WINES & SPIRITS FOOD, SWEETS & TOYS OFFERS BRANDS DISCOVER

Home > Offers > Chocolate

FILTER RESULTS (57) SORT BY: Default

Product	Offer Price
GODIVA Chocolate Assortment Mousse Meringue 200g	OUR PRICE: €21.00
TOBLERONE Tiny Gift Bag 272g	OUR PRICE: €6.50
LINDT Lindor Flavour Edition Of The Year 2016 400g	OUR PRICE: €13.50
MARS Super Mini Mix 650g	OUR PRICE: €9.00

The screenshot shows the Dufry website's 'Offers' page for chocolate. It features a navigation bar, a search bar, and a grid of product offers with images and prices.

Assortment improvements

Bringing additional sales in all the airports



Water



Confectionery



Jewelry and
travel
accessories



Toys,
electronics,
souvenirs



Leather

Introduction new brands

Show-case new luxury brands that are part of the Global portfolio of Dufry

Hermes y Cartier

Bottega Veneta

Bally

Zegna

Zilli

MCM

Shanghai Tang

Rimowa

Dunhill

Superdry

GAP

Furla



Layout optimization

Layout optimization in several locations across Spain

Madrid

Barcelona

Málaga

Alicante

Murcia

Palma

Fuerteventura

Customer Service Program

Training plan for employees

New incentive scheme



Celebrity events 3rd March 2016

28 media
attended
(on & offline,
TV and radio)
including a live
broadcast by
Real Madrid TV

The PR value of
the event so far
is €2.37m

WDF/ a Dufry
Company has
been seen by
more than 35M
people



Sponsoring local events to create notoriety



Thank you

 DUFRY



WORLD DUTY FREE

UK – Making a great business even GREATER

Eugenio Andrades
DCEO UK, Central and
Eastern Europe

June 1, 2016

 DUFRY

AGENDA

1. Dufry's UK Business

2. A Great Business

3. From Great To Greater

4. An Exciting Future



1

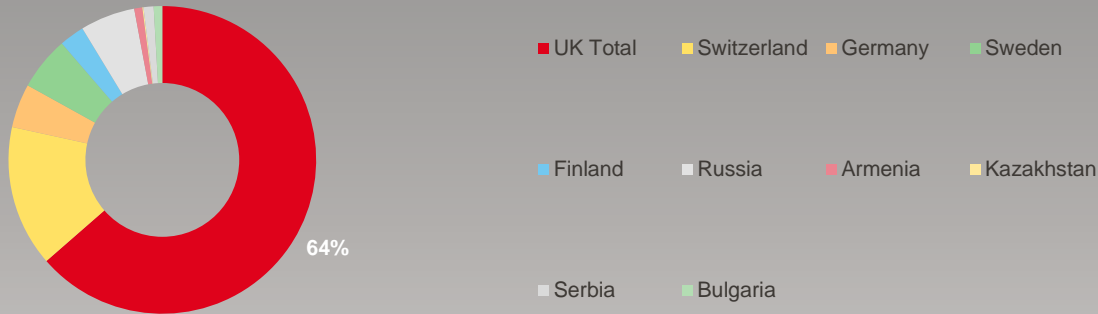
DUFRY'S UK BUSINESS

UK: a key component of Dufry's business

UK represents ca. 18% sales of Dufry

UK features some of the most important concessions such as Heathrow, Gatwick and Manchester

Division 2 Sales Mix

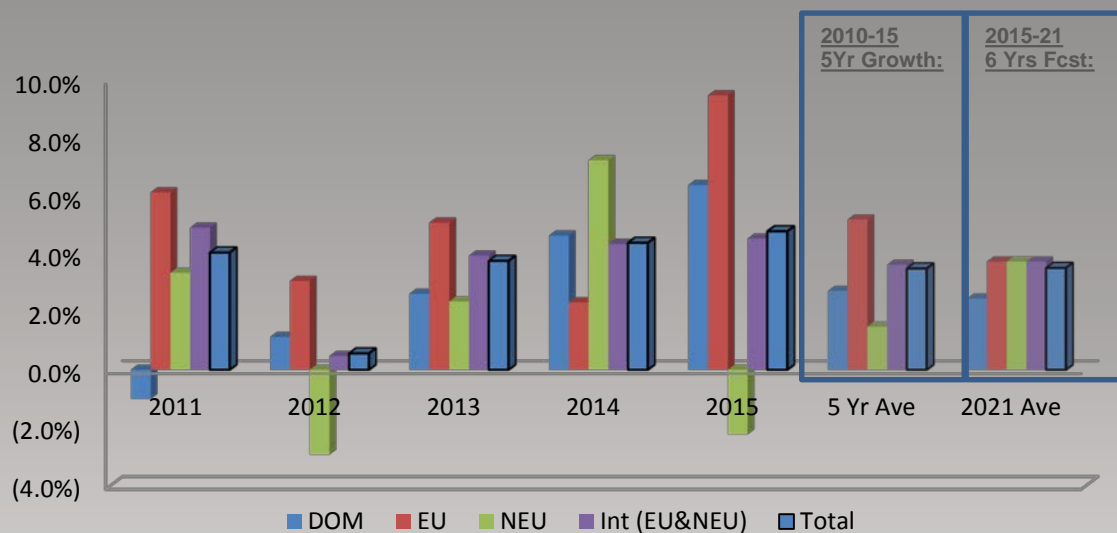


Country	Locations	SQM
UK + ETFrance	30	43,445
Switzerland	4	11,142
Germany	3	5,448
Sweden	13	5,910
Finland	1	2,415
Russia	6	6,452
Armenia	1	1,485
Kazakhstan	1	313
Serbia	1	3,471
Bulgaria	2	1,707
Total Division 2	63	81,787

+3.5% Passenger Growth 2010 – 2015

Strong growth along the years

UK Passenger Growth - Destinations



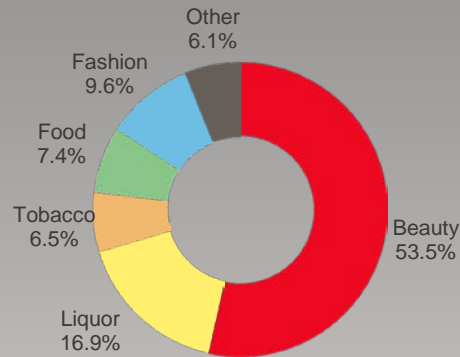
Source: Air4Cast

	2015 Pax (m)	5 Yr. Avg %
Heathrow	36.9	3.0%
Gatwick	20.3	5.5%
Manchester	11.1	6.0%
Stansted	11.3	4.8%
Other	35.6	1.9%
Total	115.2	3.5%

Beauty: a driver of UK business

Excellence in beauty category

Product Category



Each year our stores sell:

1 in 5 UK Beauty products

15m beauty lines

7m fragrance bottles

1 in 5 UK Malt Whiskies

7.6m bottles of alcohol

2

**A GREAT
BUSINESS**

A long term portfolio with solid and efficient growth

Solid sales
performance

Efficient
business with
economies of
scale

Stable
concessions
portfolio

- Solid Sales growth CAGR +5.4% in the last 5 years, supported by strong pax growth and positive spend per pax
 - Passenger numbers +3.5% per year: Dom/EU pax +4.2%, Non-EU pax +2.3%
 - Spends CAGR+1.8%: Dom/EU spend +2.0%, Non-EU spend +2.4%
- Building on gross margin improvements
- Overall cost base optimized
- Average life of the concessions 9 – 10 years

Consumer and industry recognition

Excellence recognized by consumers and commercial partners



Airport Retailer of the Year
2013



WDF Beauty Heathrow
2013, 2014, 2015



World's Best Airport for Shopping
2013, 2014, 2015, 2016



Drinks Retailer of the Year
2015



Best Website,
Best Twitter Feed
2016



Best Airport for Tax Free Shopping
2013, 2014



Customer Experience
2015



Retail Recruitment
Award 2015



Energy Management
2015

Dynamics of success

Key approaches
for success



GREAT PARTNERSHIPS



FIRST IN INNOVATION



CUSTOMER SERVICE EXCELLENCE



STRONG P&L MANAGEMENT

Great long-term partnerships

Long contract
duration

Contract portfolio maturity 9-10 years

- Joint business planning
- Joint marketing programmes
- Strong departmental relationships
- Regular airport review meetings
- Shared information

First in innovation

Leading the industry in commercial innovation

- Experiential marketing
- Digital fascias
- Integrated tasting bars
- Concierge desks



Customer Service Excellence

First Class customer service



- Personalized customer service
- Targeted service strategy
- Digital engagement
- Multi lingual/cultural staff
- Product expertise
- On line services

Strong P&L management

Financial Discipline

- Sales driven organization
 - Weekly trading
 - Joint working groups with airports
 - Destination targeting – specific destinations
 - Focus on ‘New & Exclusive’, additional footage e.g. ‘Pop-up shops’
- Close management of gross margin
 - Global framework agreements with key suppliers
 - Macro/micro space planning
- Tight cost control
 - Manpower planning, flexing resource with sales performance
 - Monthly management reviews of all operating expenses.

3

**FROM GREAT
TO GREATER**

A fast changing environment

Business challenges

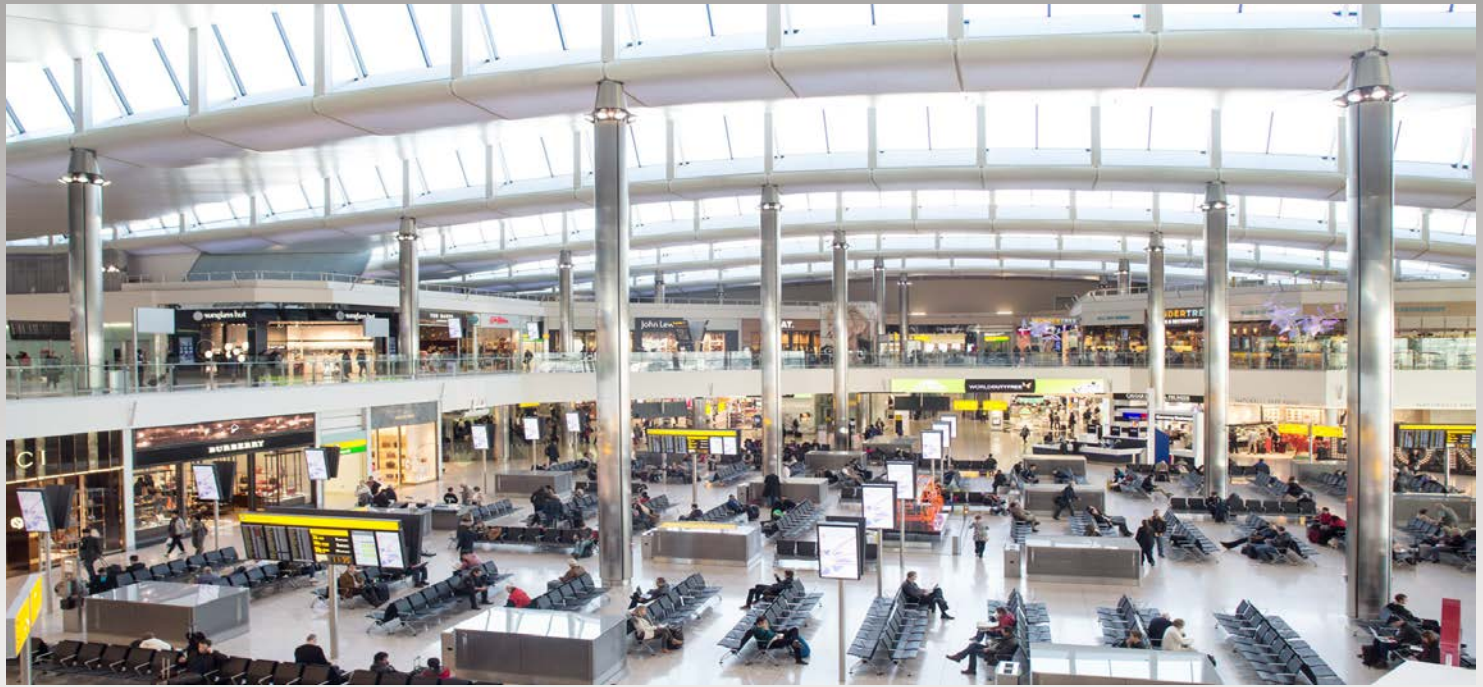
- **Customer base more demanding** and commercially savvy
- **Political instability** affecting some high spend destinations
- **Currency fluctuation** impacting on customer value perceptions
- Increase in access to **low cost carriers**
- Airports seeking **higher quality** and levels of customer **service and experience**
- **Internet and digital** new challenges and opportunities



Building the future

Positive and
solid outlook

1. Leverage airport relationships
2. Brand plan
3. Improve customer activations/services
4. Leverage Dufry scale



1. Leverage airport relationships

Build on long term portfolio

New commercial concepts

Joint activations

- Work with airport partners to deliver win-win longer contractual relations
- Deliver new investments
- Explore business with new partners
- Roll-out walk throughs
- Pop-up locations
- Stand-alone concepts
- Specialist stores (Nuance)
- Convenience stores (Hudson)
- Joint customer communication
- Common digital platforms



2. Brand plan

Brand plan with main suppliers

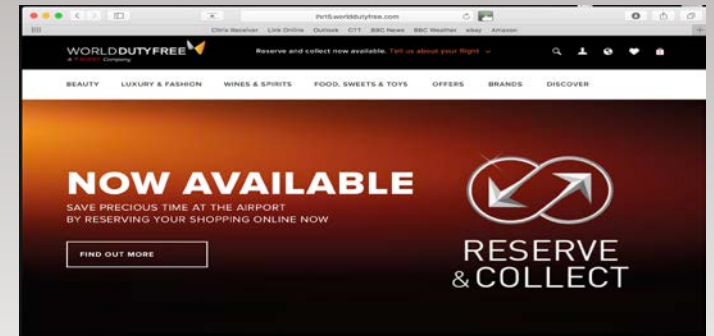


- Joint development of Next Generation Store
- Shared data to drive sales and innovation
- Travel Retail Exclusive products
- Service development
- New concept brand executions
- Further development of “Pop Up” strategy
- Driving Value through “every day great prices” campaign
- Gifting across all categories

3. Improve customer activations/services

Innovation in our business

- Interactive experiences
- Best in class brand experiences
- Seasonal experiential campaigns
- Increase engagement and conversion through apps and interactive technology
- Live streaming and mobile technologies
- New 'virtual' technologies – e.g. VR headsets, holograms
- Reserve & Collect
- Shopping and engagement apps



4. Leverage Dufry scale and best practices

Reaching new levels

- **Sales best practices**
 - Improved value communication
 - New customer base information
 - New brands and commercial concepts
- **Global purchasing** taken to a new scale
 - Worldwide exclusives
 - DUFYR exclusives
 - Special promotional campaigns
- Integration of **Nuance UK business** and talent
- **Build on UK platform** to develop the countries within the Division
- Build on **DUFYR platform for innovation, digital and internet services**



4

AN EXCITING FUTURE

A proven platform to deliver further growth and profitability

Key business to drive growth for the Group

- **UK is a key business within the DUFROY** portfolio with close to 20% of the sales
 - Delivers solid and continuous growth
 - While leveraging its economies of scale
 - With a long term portfolio of concessions
- It is a recognized business **highly regarded by airport partners and brands** for its retail execution
- **Transformation driven by new challenges and opportunities** will continue delivering growth and strong returns
- The **UK business will profit from the economies of scale** and best practices of the new DUFROY
- UK will also serve as a platform for **innovation and retail leadership**

Thank you

 DUFY



Division 3 – Asia, Middle East and Australia Development Strategy

Andrea Belardini
DCEO

June 1, 2016

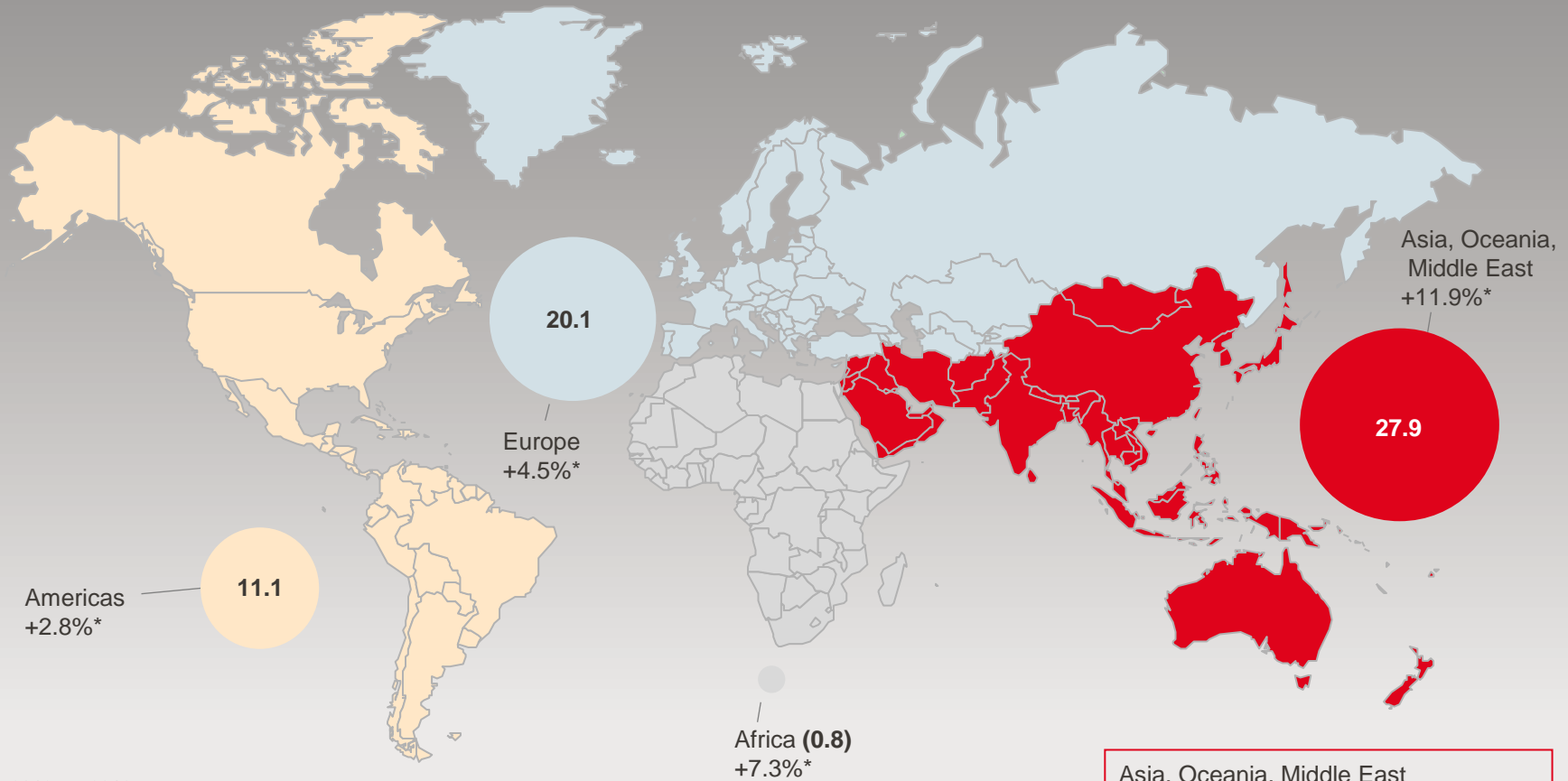
 **DUFRY**

1 Industry Overview

Duty Free/Travel Retail market worth 60 \$ B in 2013

Asia, Middle East and Australia region accounts for 46% of Global Travel Retail Market

DF/TR market by region in 2013 (USD Bn)

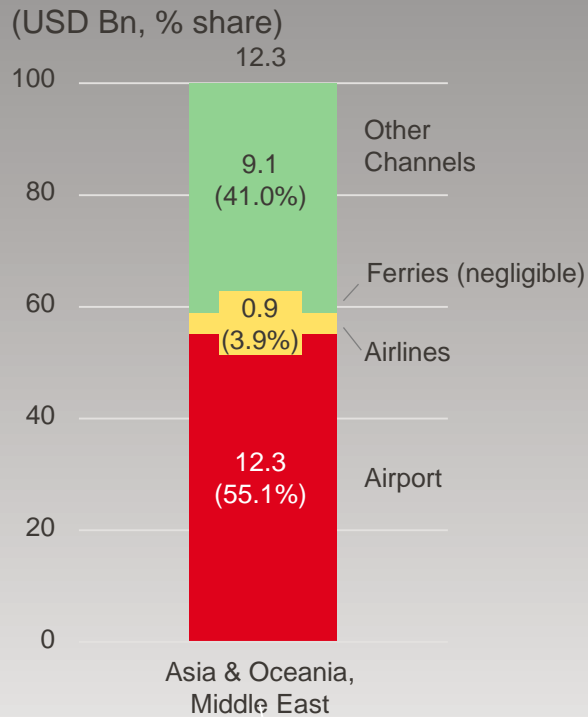


* Change 2013 vs. 2012
** Estimate based on 2013 Generation data and 2014 Division 3 sales
Source: Generation data

Asia, Oceania, Middle East
Market share: below 5%**

Asia is expected to grow at a higher pace and shows a higher share in non-airport channels

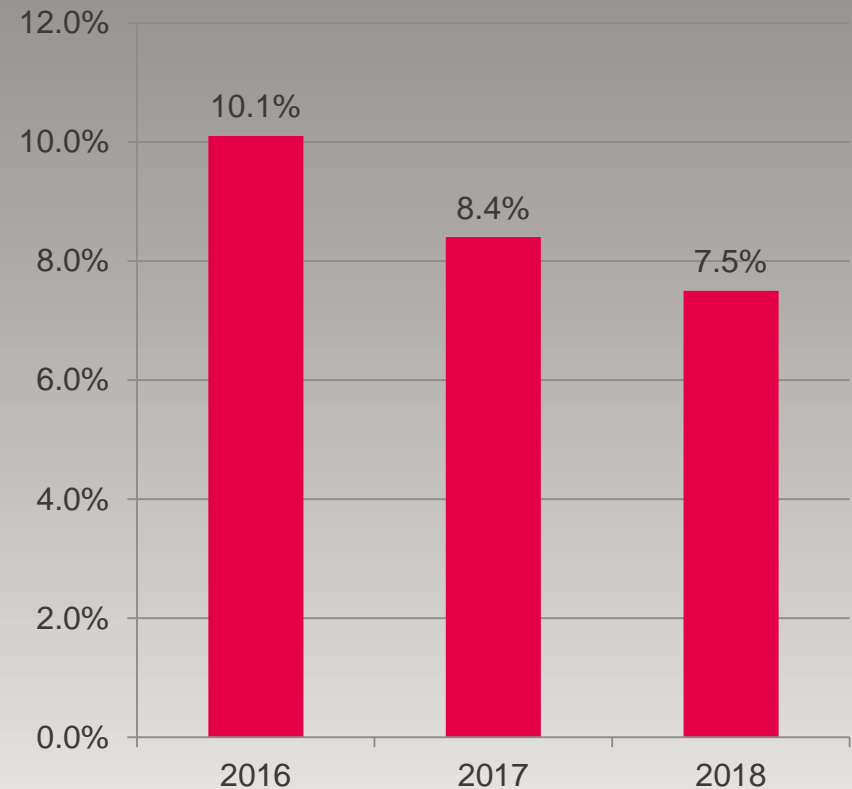
Travel Retail by Channel



- ~37% of global DF/TR market
- ~35% of global airport DF/TR retail

Source: 2013, Elaborations on Generation estimates, IATA, Air4Cast
 * Forecast excludes India

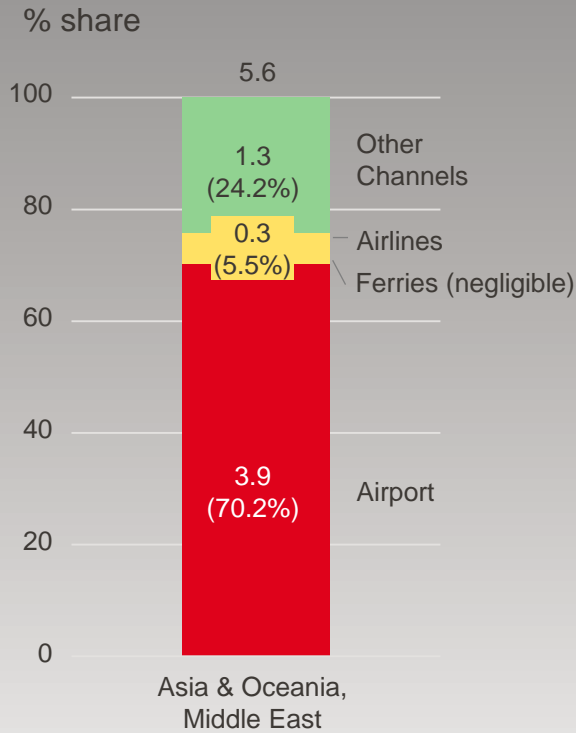
International PAX forecast in Asia



Source: Air4casts

Middle East as well is expected to grow at faster pace

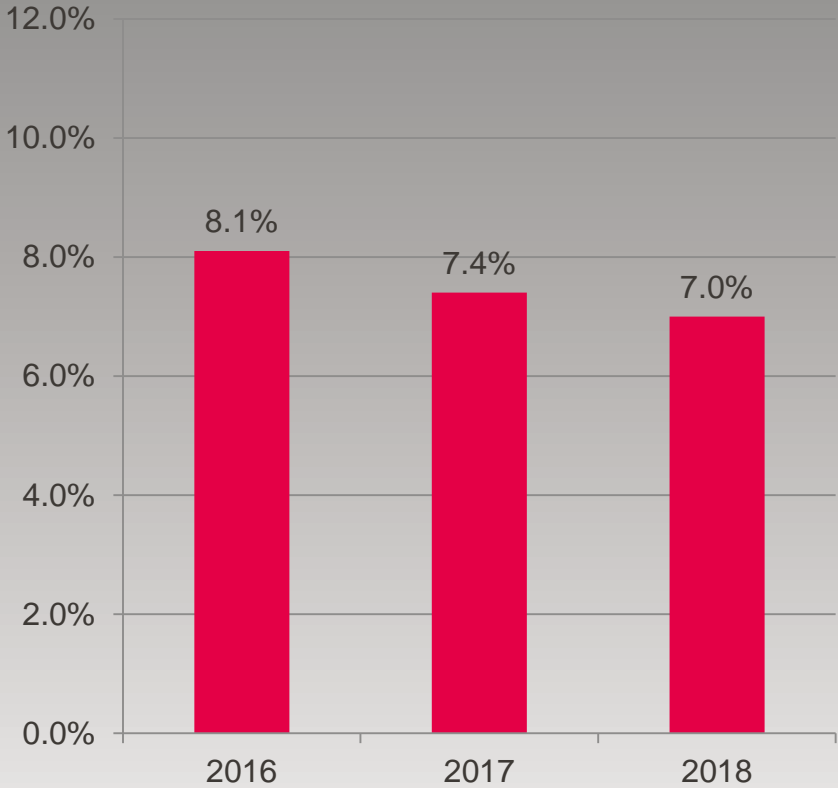
Travel Retail by Channel



- ~9% of global DF/TR market
- ~11% of global airport DF/TR retail

Source: elaborations on Generation estimates, IATA, Air4Cast

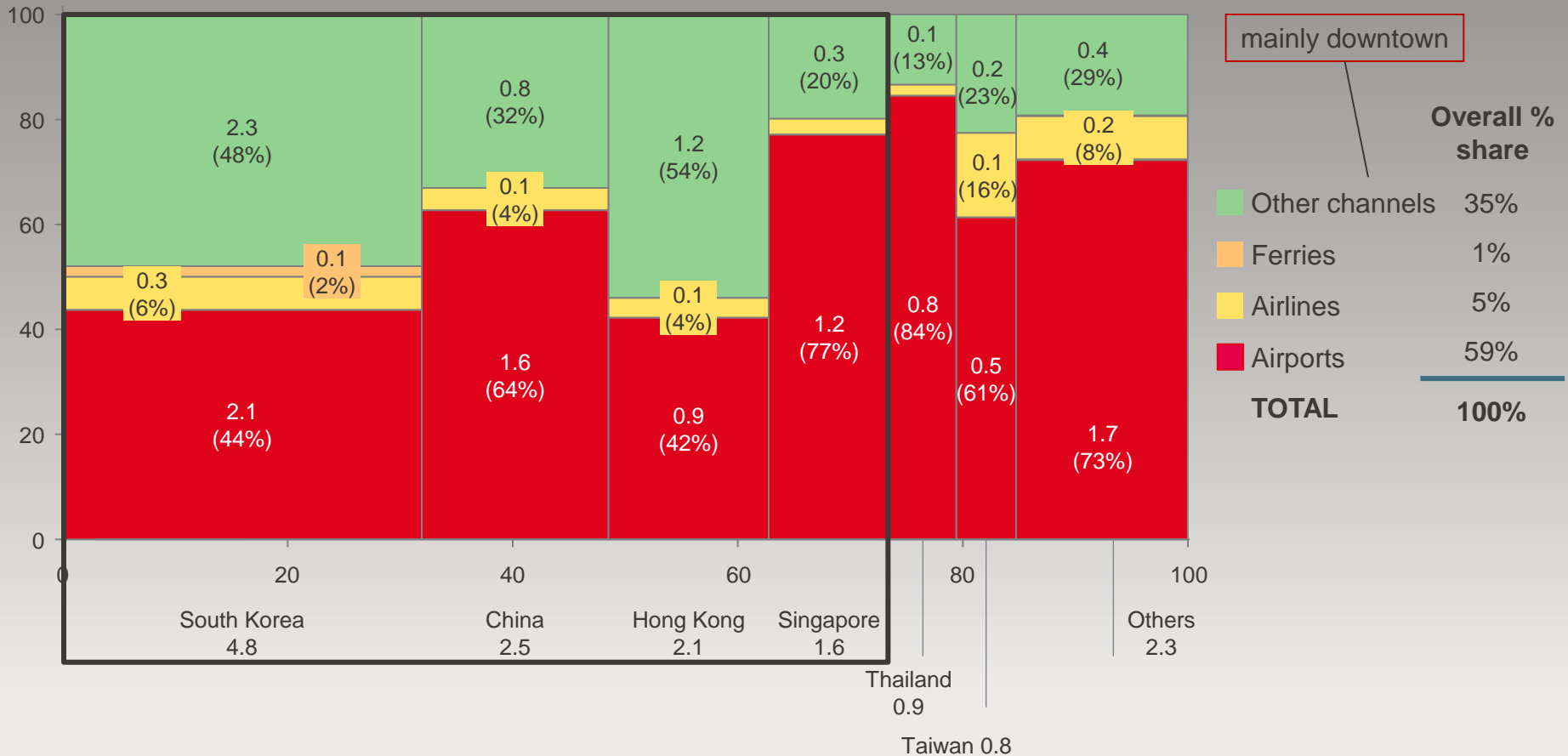
International PAX forecast in Middle East



Source: Air4casts

Asia: 73% of the market made by 4 countries
 ...but new opportunities could arise also from smaller markets

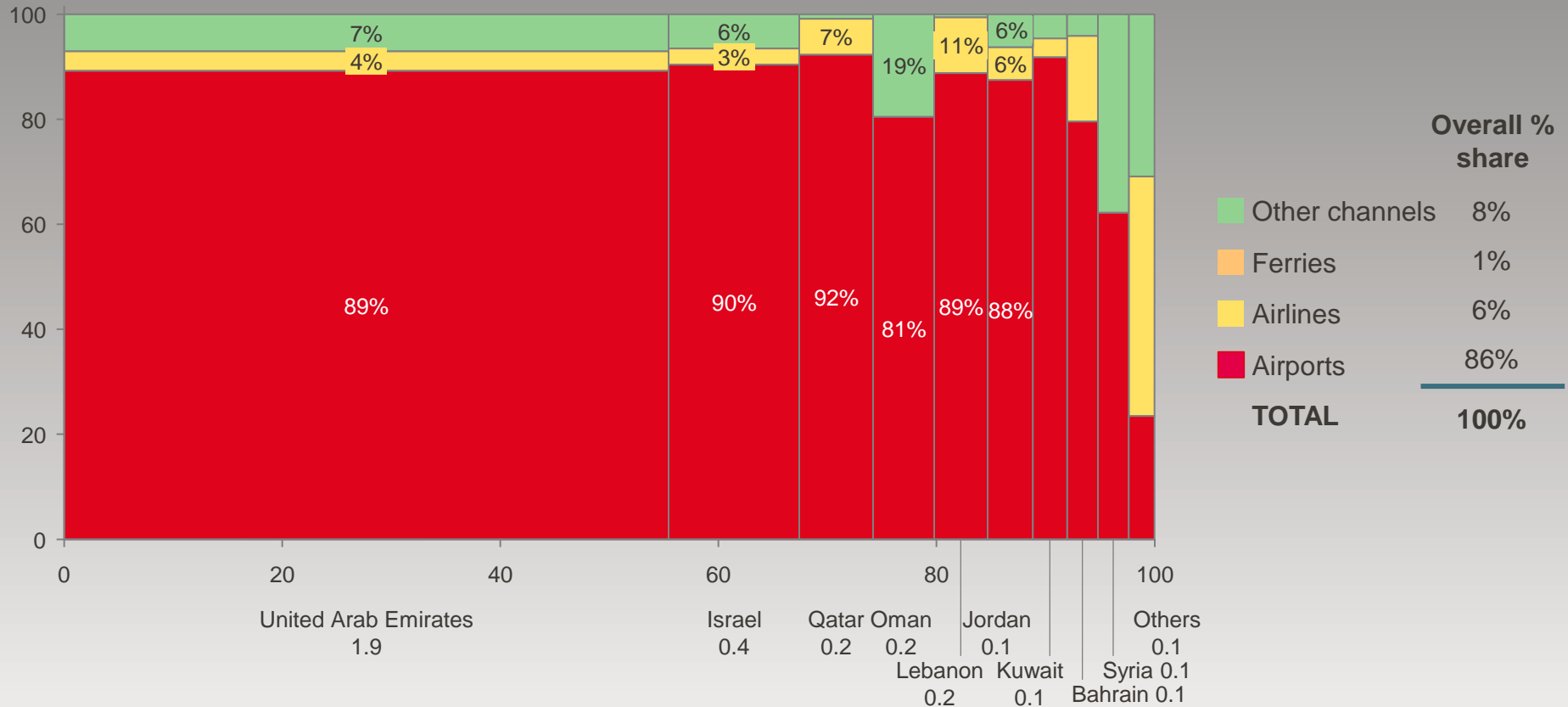
DF/TR market in Asia 2011 (USD Bn - % share)



Source: Generation data

Middle East: UAE making more than 50% of the market, with the remaining part fragmented across ~10 countries

DF/TR market in Middle East 2011 (USD Bn - % share)



More than 50% of market done in 3 main airports: Dubai, Abu Dhabi and Tel Aviv.
Saudi Arabia not mapped in DF market but expected with high potential (27m int.l PAX)

Source: Generation data

2 Asia, Middle East & Australia

Dufry presence

Key Figures

KPIs

- 430 million departing PAX
- Consolidated Turnover CHF 885m (2015 Proforma)
- 23 locations
- 130 shops
- 28,053 sqm
- 2,474 employees

Proforma 2015 Turnover (CHF 885 m)

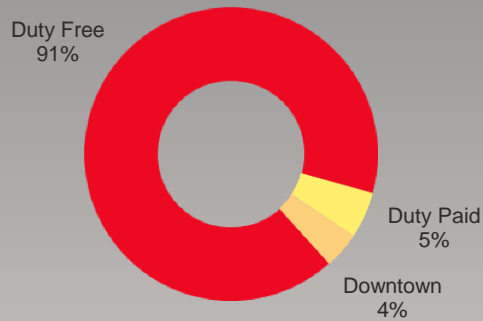


14 Countries

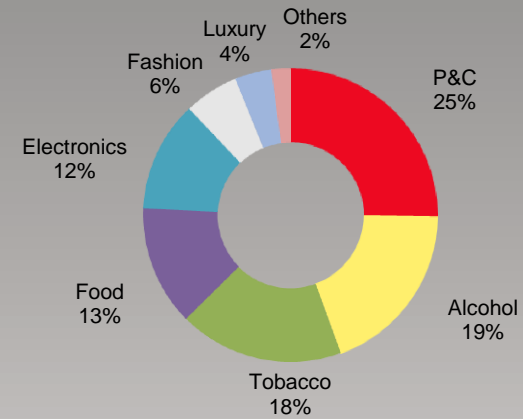
- Australia
- Cambodia
- China
- Hong Kong
- India
- Indonesia
- Jordan
- Kuwait
- Macau
- Saudi Arabia
- Singapore
- South Korea
- Sri Lanka
- United Arab Emirates

Key Figures Turnover

Turnover by Channel



Turnover by Category



Key Points

- Turnover is spread over a number of countries and a large portfolio of categories

We are strengthening our portfolio in the region

Location	
 Cambodia	Enlargement & refurbishment of both Phnom Penh and Siem Reap stores to expand our commercial offer
 Korea – Busan	The refurbishment and expansion of our departure store to expand our luxury offer
 Singapore – Changi	Secured 3 concessions in terminal 1 and 2 to strengthen our foothold
 Macau	Opening of our 2 nd downtown store in Parisian
 China – Chengdu	Signed MOU to negotiate contract renewal

Investment in the organization will allow agile and effective development of the business

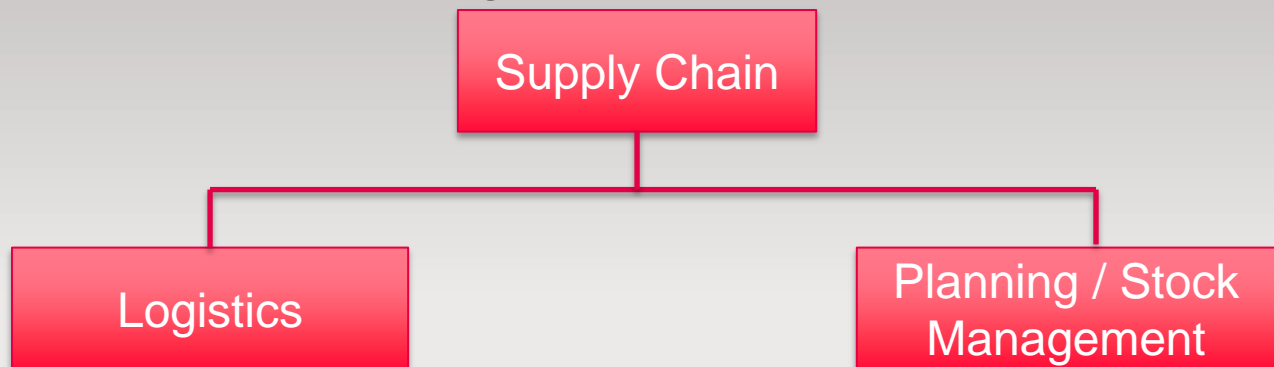
Divisional Office

The establishment of a full fledge divisional office in Hong Kong with the inclusion of:

- Regional Finance
- Development
- HR
- Marketing
- IT
- Commercial functions

Supply Chain Platform

The establishment of a Supply Chain Platform to ensure efficient deliveries and stock management



3 Key Takeaways

Key Takeaways

Middle East, Asia & Australia remains **high potential markets**

Company has **consolidated** its presence in the region and its organization to **support growth**

Dufry can count on multiple solutions to drive **differentiation, development & growth**

Downtown duty free channel is a key driver for development

There remains **high entry barriers** in some key markets

Duty paid is a **growing channel** that Dufry is targeting

Thank you

 DUFRY



Challenges, Trends & Opportunities

Rene Riedi
DCEO Division Latin
America

June 1, 2016

 **DUFRY**



BRAZIL / LATAM

AGENDA

1. Division 4 – in a nutshell

2. Challenges

3. Trends

1

Division 4 – in a nutshell

Division 4 – The leading force in the region

25 Countries, 64 Locations, ~ 350 Shops

~ 6'700 Employees

Undisputed leader in the region



Division 4 – Partnering with the leading airports in the region

The 10 leading airports in LatAm carry 60% of all intl. passengers in the region

Dufry, present in 7 out of the top 10 airports (intl dep PAX)

	Passengers (m)	YoY Change	
Brazil – Sao Paolo	13.6	0.3%	★
Mexico – Cancun	13.6	13.4%	★
Mexico – Mexico City	12.8	10.9%	★
Panama – Panama City	12.1	4.3%	
Colombia – Bogota	9.1	9.7%	
Argentina – Buenos Aires	8.5	4.8%	★
Chile – Santiago	8.2	11.3%	★
Peru - Lima	7.6	5.9%	★
Brazil – Rio de Janeiro	4.1	1.3%	★
Costa Rica – San José	3.7	5.1%	

Source: ACI World Airport Traffic Report 12 months ending Dec 2015

2 CHALLENGES

Macro Economic Background



Devaluation

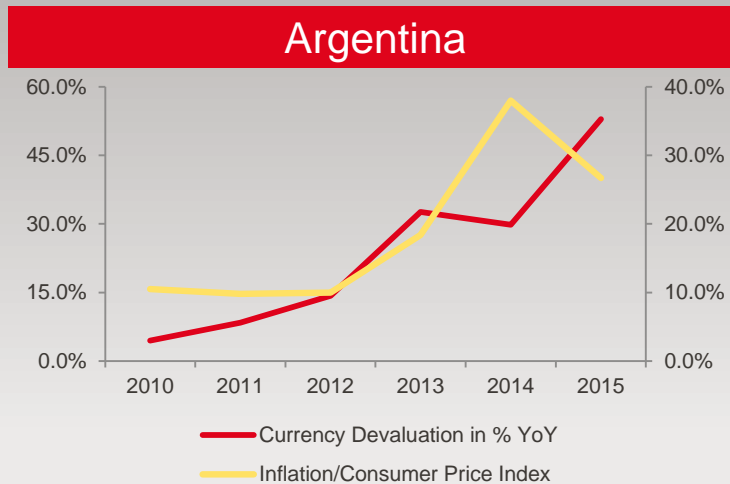


Inflation

Inflation versus Currency Volatility

Inflation partially offset by high currency depreciation

Inflation in Argentina in 2015 was high with nearly no depreciation of ARS



Source: Worldbank

3

TRENDS

LatAm showing solid PAX growth

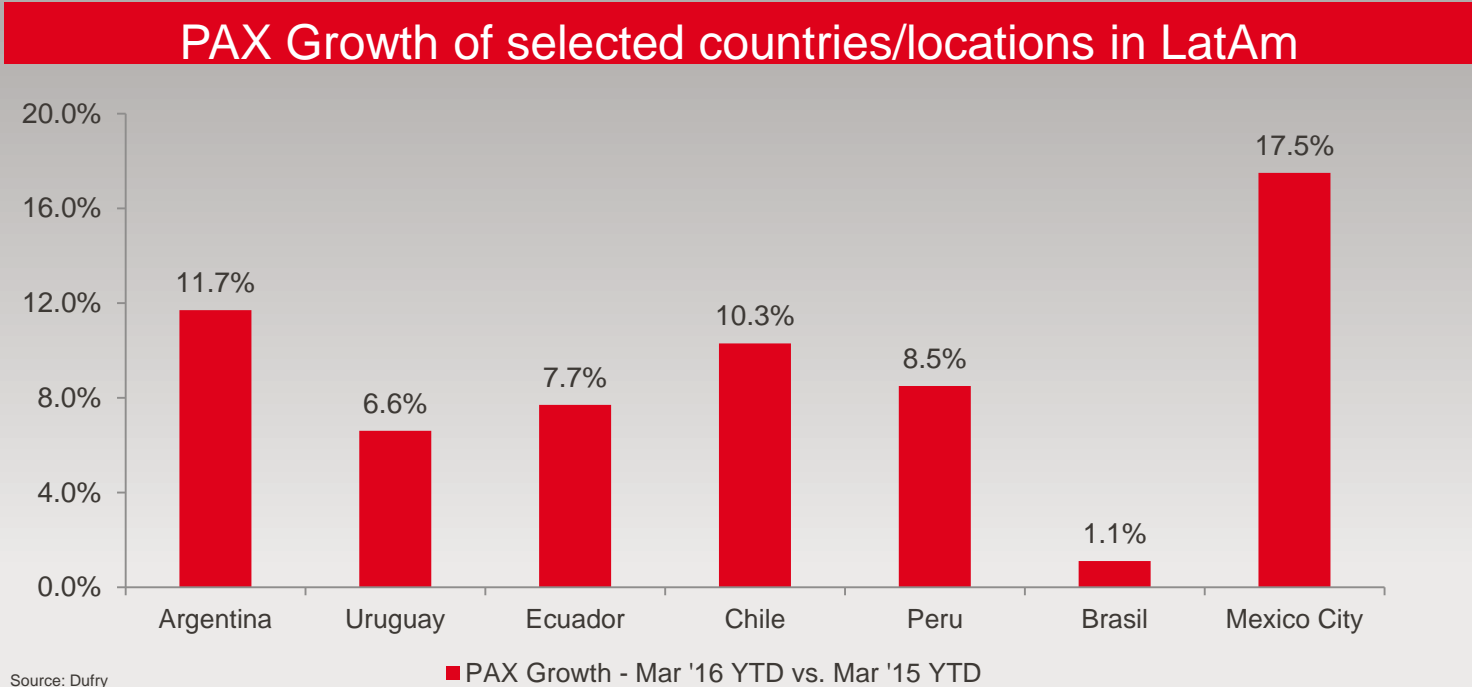
Higher PAX growth in LatAm than the world's average

Solid Pax growth in selected LatAm countries amidst economic instability

Pax Growth forecast LatAm versus World

	2016	2017	2018
Latam & Caribbean	8.1%	6.9%	6.4%
World in Total	6.3%	5.4%	5.2%

Source: Air4Cast



Source: Dufry

Travel & Tourism in LatAm (2015)

LatAm's travel market outshines the world's travel market

	YoY Growth
Global average	+4.4%
Americas – best performing region	+5.0%
Caribbean	+7.0%
Central & South America	+7.0%

Source: UNWTO & WTTC 2015

Thank you

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Growth Strategies in North America

Joe DiDomizio
DCEO North America

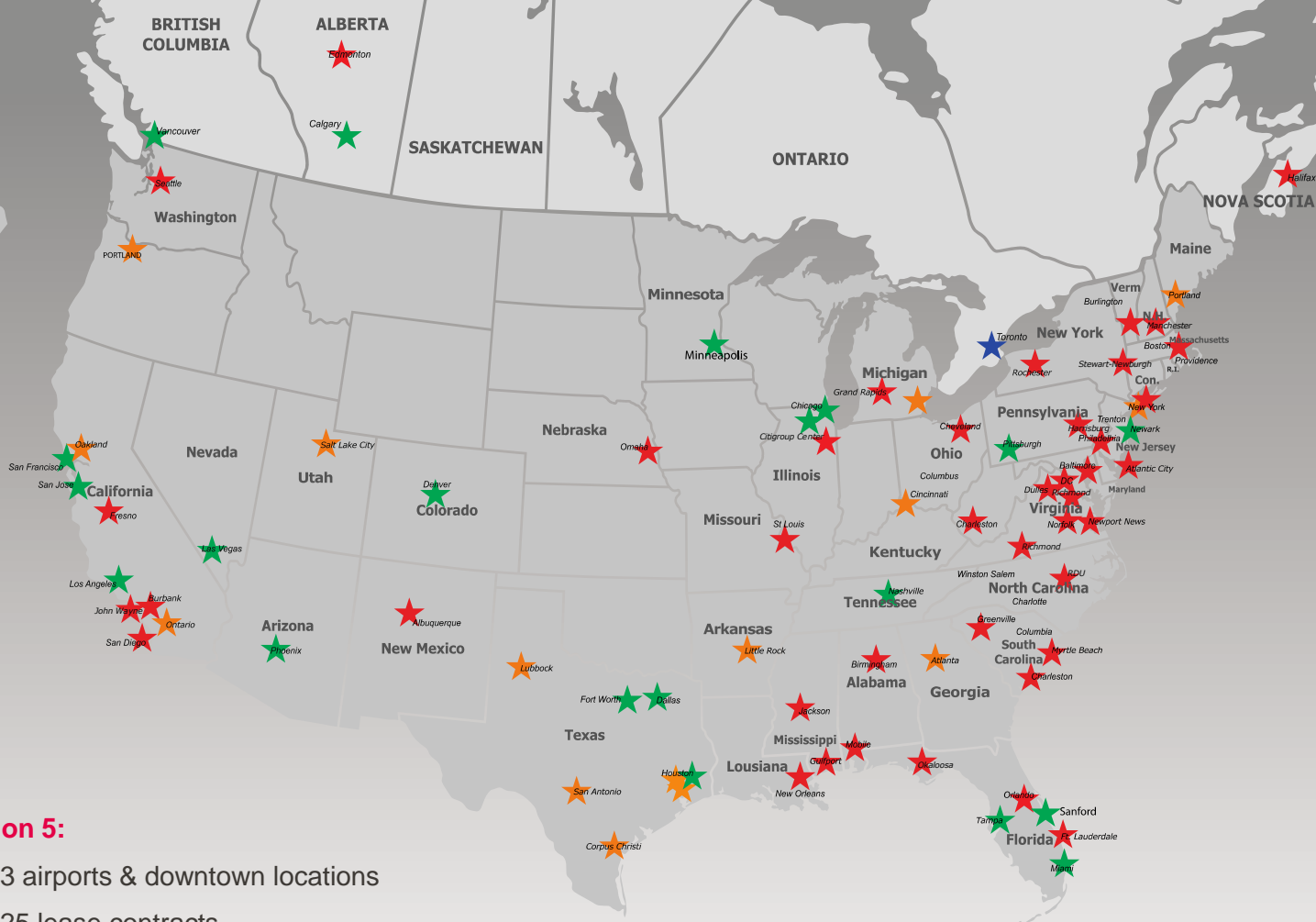
June 1, 2016

 DUFRY

1

OVERVIEW
DIVISION 5
NORTH AMERICA

Division 5 Landscape



Division 5:

- 83 airports & downtown locations
- 225 lease contracts
- 974 stores
- 92'000 sqm retail area
- 1.6 billion USD revenue

- ★ Shared Locations

- ★ Dufry/Hudson Locations

- ★ WDFG Locations

- ★ Nuance Locations

Places We Operate

83+

LOCATIONS
ACROSS NORTH
AMERICA

974

STORES



TOP24
OF TWENTY FIVE
AIRPORTS
NATIONALLY

69%
Airport
Duty Paid



25%

Airport
Duty free

6%

Commuter &
Downtown

Our Talent Pool

DIVISION 5

As per end of December 2015

452



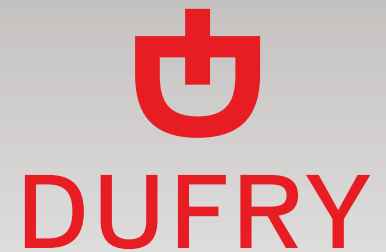
1,808



5,864



8,124



Brands We Operate

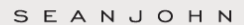
Duty Free



Travel Convenience



Specialty Retail



Principles of Long Term Success

STRATEGIC ANCHORS



2

GROWTH STRATEGIES

Organic Growth Strategies

Currently Dufry operates **313** Hudson News stores and **89** HUDSON stores in North America.

Expand our transit locations. Use Clause To include Dunkin Donut Combination stores



DFW



PABT



Dallas Love



Vancouver

WDFG Synergy Progress

- LAX sunset news before
- LAX sunset news with new opto fixtures
- LAX sunset news with new cash wrap inserts



Organic Growth Strategies

Revitalization of Book Stores as an exciting specialty concept.

HudsonBooksellers TO

ink by Hudson



Organic Growth Strategies

Continue developing new and innovative pop-up (Opto) stores



Opportunities and Challenges

OPPORTUNITIES

- Productivity increase in newly acquired WDFG locations
 - New assortment
 - New merchandising
 - Operational improvements
- Expansion in new channels and new product categories.
- Strong US dollar \$\$

CHALLENGES

- Strong US dollar \$\$
- High volatility of emerging market currencies
- Decreasing demand for magazines
- TSA Lines

THANK YOU!

 DUFRY



Dufry's Approach to growth through New Businesses Opportunities

Luis Marin
Global Chief
Corporate Officer

June 1, 2016

 **DUFRI**

AGENDA

1. Market Environment

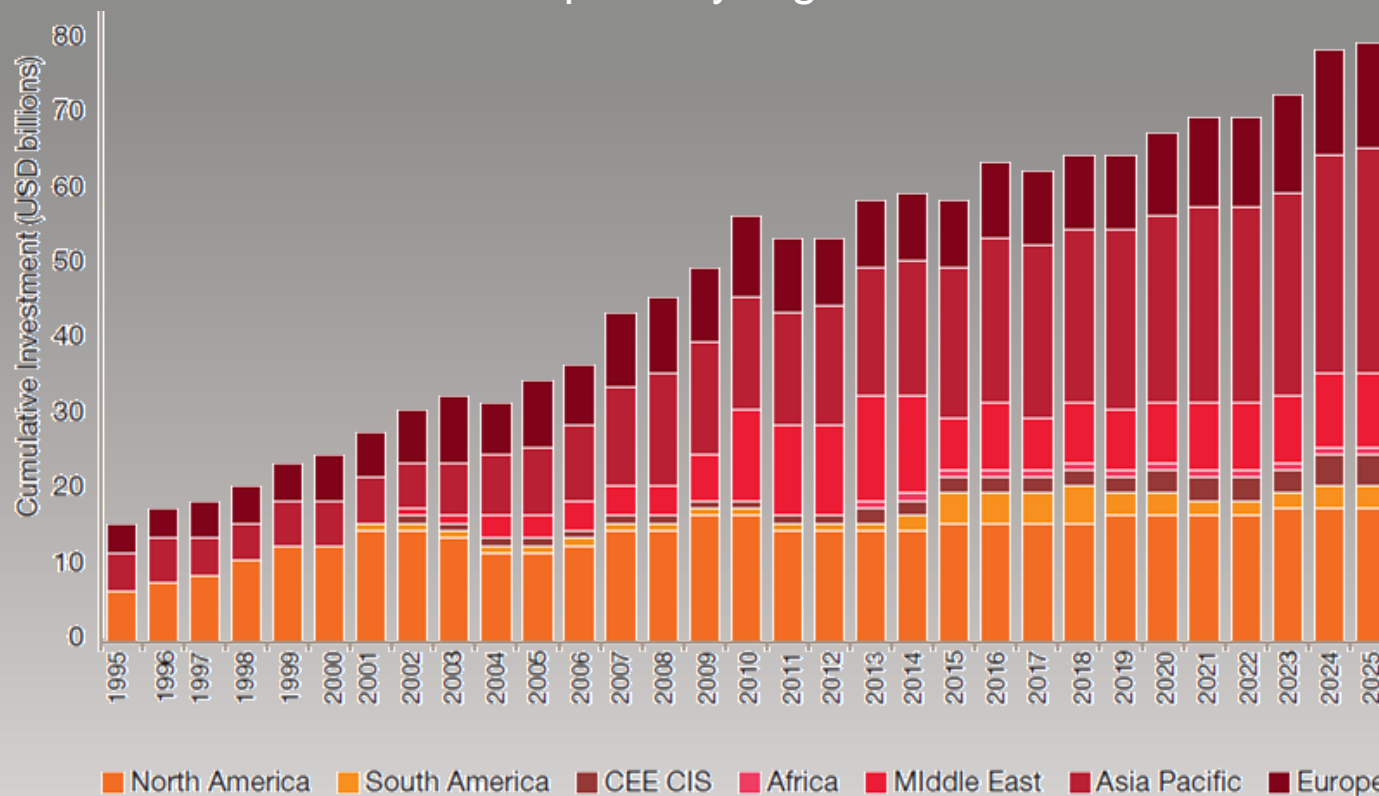
2. New Business Opportunities

3. M&A Opportunities

4. Conclusion

MARKET ENVIRONMENT:

Estimated annual investment in airports by region



Source: PwC and Oxford Economics, Nov. 2015

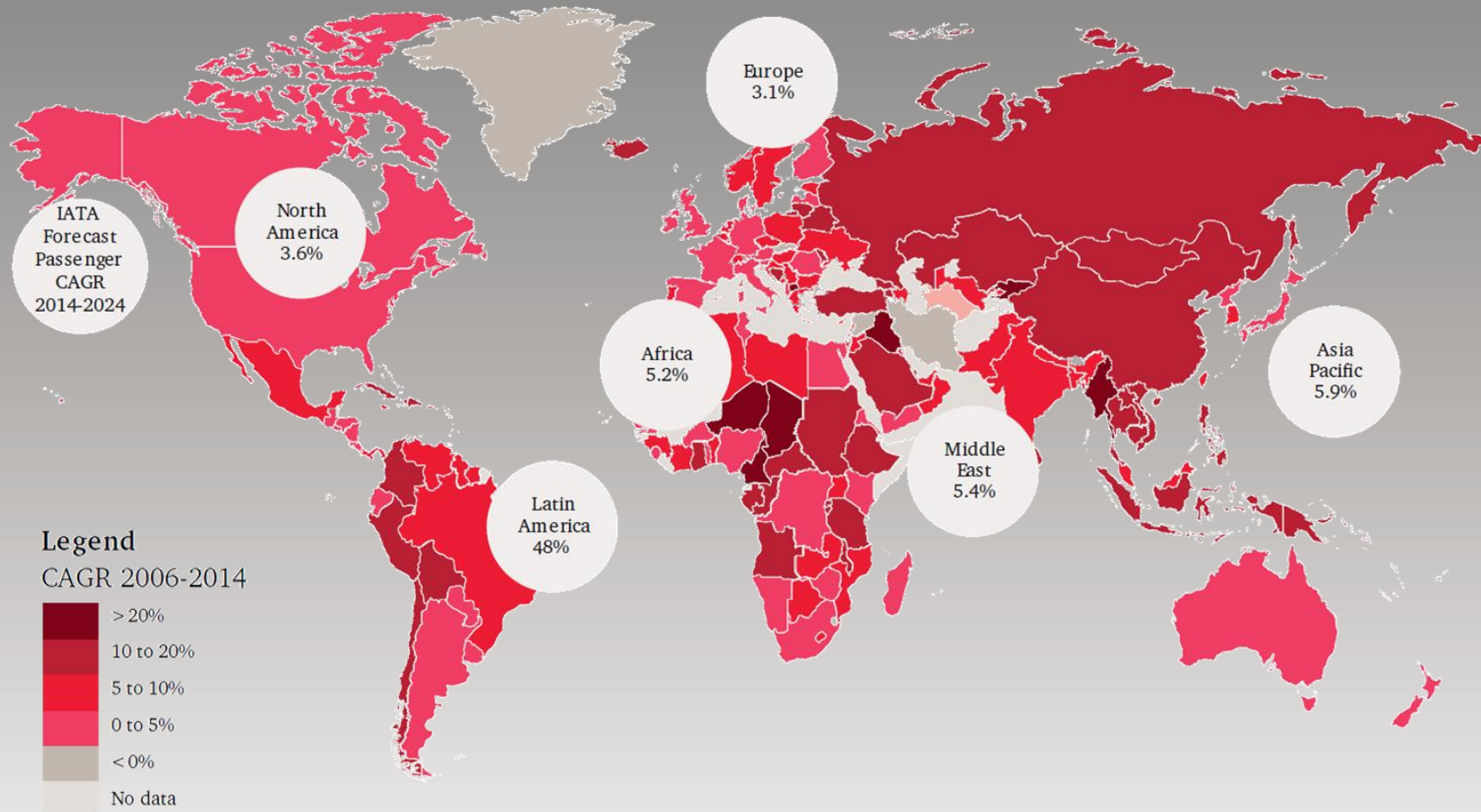
Note: USD million, current prices, constant 2014 exchange rates

- Cumulative 2015-2025 expected investment in airport related infrastructure of USD 750 Billion, driven by Asia (250B), China (150B) and Middle East (94B)
- Infrastructure enhancement with increased network connectivity can decrease general travel costs for passengers and goods.

Source: PwC and Oxford Economics, Nov'15

MARKET ENVIRONMENT:

Historical and forecast growth in each region of the world

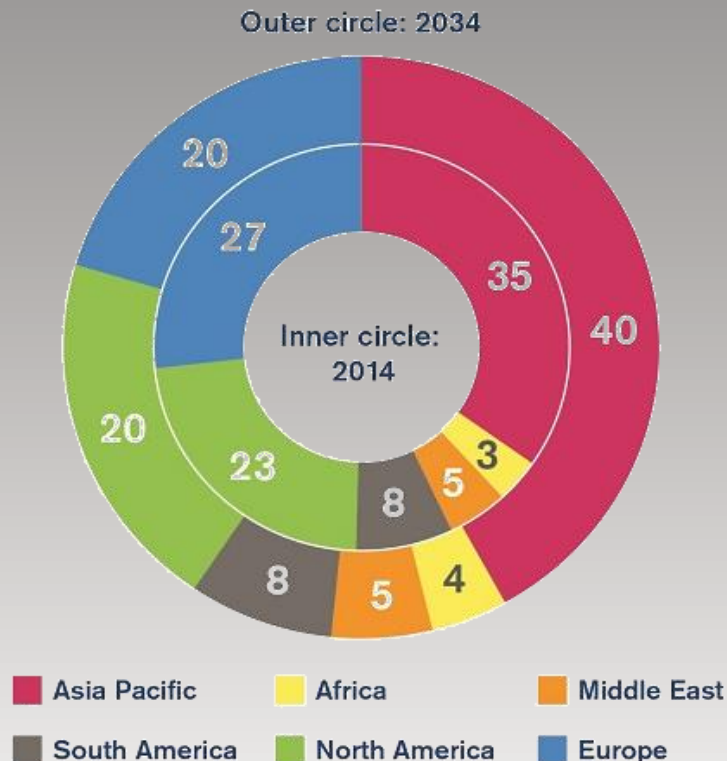


Source: PwC Analysis, Nov. 2015, based on IATA 20-year passenger forecast

MARKET ENVIRONMENT:

Total Global Passengers set to double to 7 Billion by 2034

Global air passengers by region (% of total flows)



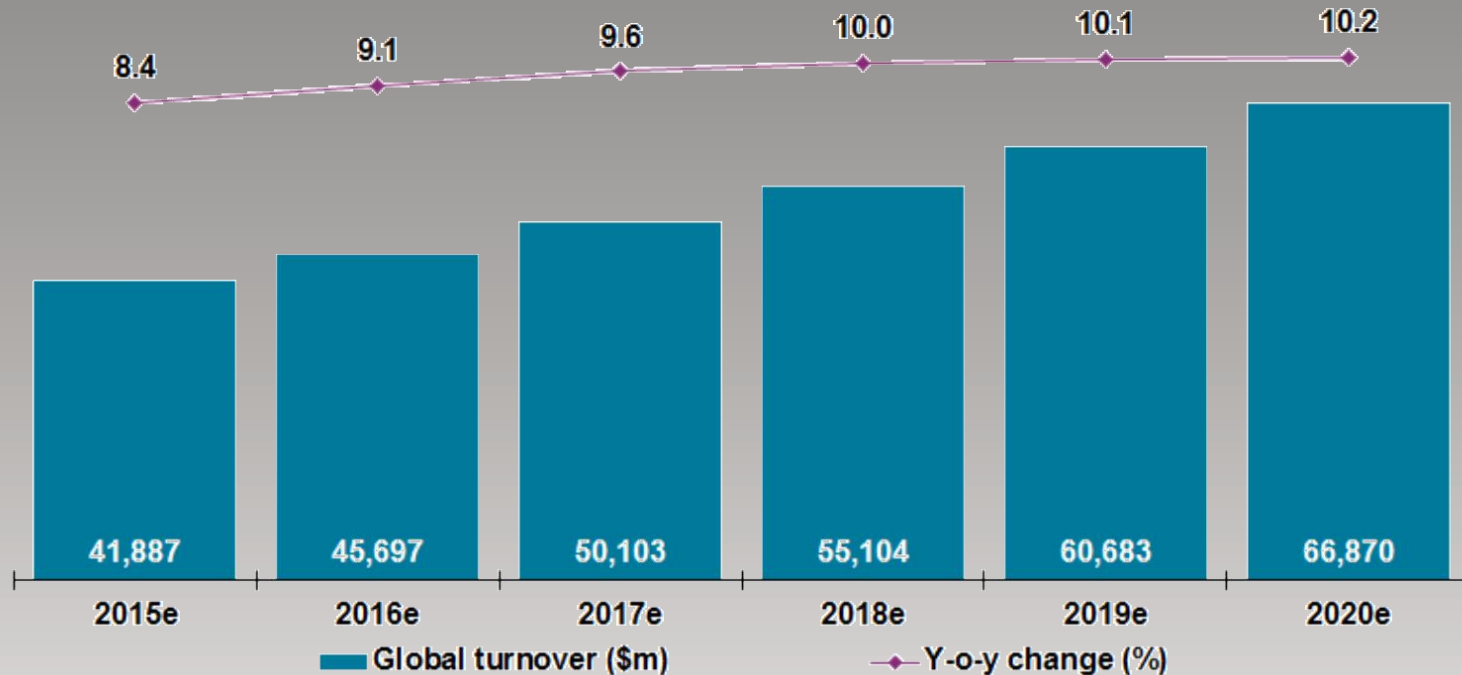
Regional passenger projections by 2034

- **Routes to, from and within Asia-Pacific** are projected to generate an annual average growth rate of 4.9%, the joint-highest with the Middle East, for an overall market size of **2.9 billion**.
- The **North American** region is foreseen to grow by 3.3% annually with a total of **1.4 billion** passengers.
- **Europe** is anticipated to grow 2.7% yearly. The total market size is still estimated at **1.4 billion** passengers.
- **Latin American** markets are projected to grow by 4.7% each year, serving a total of **605 million** passengers.
- **The Middle East** is expected to grow strongly (4.9%) for a total estimated market size of **383 million** passengers.
- **Africa** is projected to grow by 4.7% annually. The total market size should reach **294 million** passengers.

Source: IATA Air Passenger Forecast, Nov 2015

MARKET ENVIRONMENT:

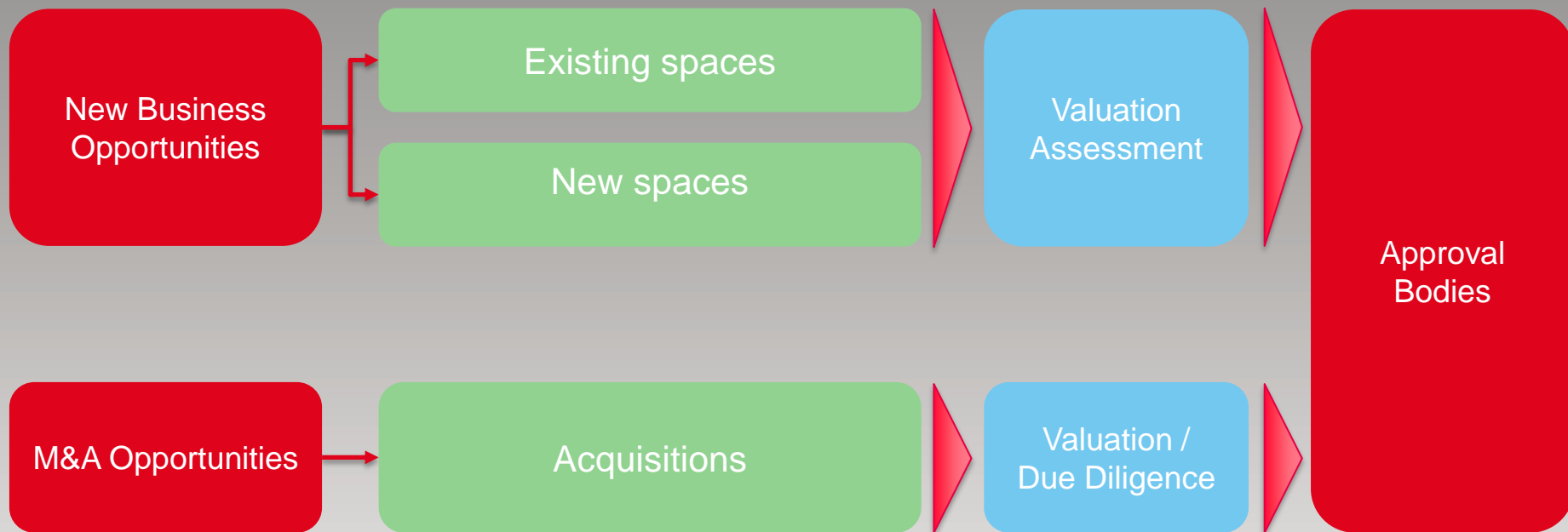
Global Airport Retail Market has a strong Growth Potential



- It is forecasted that Asia Pacific has the fastest growth in airport retailing sales over the next five years, with 2020 sales nearly doubling 2014 sales.
- Airport retail sales through the Americas are expected to grow by 51% and Middle East & Africa region by 58% over the next five years.
- Europe airport turnover is expected to rise by 40% until 2020, the lowest increase of all regions.

Source: Verdict, Global Airport Retailing 2015

BUSINESS GROWTH DRIVERS: Dufry's Key Growth Drivers



NEW BUSINESS OPPORTUNITIES: Generating Growth from Existing and New Space

Existing & New space

Investments in existing spaces (refurbishment and / or enlargement) or in new spaces are both subject to a process of assessment and approval

Reason for investments in existing spaces can vary but ultimately are to drive growth

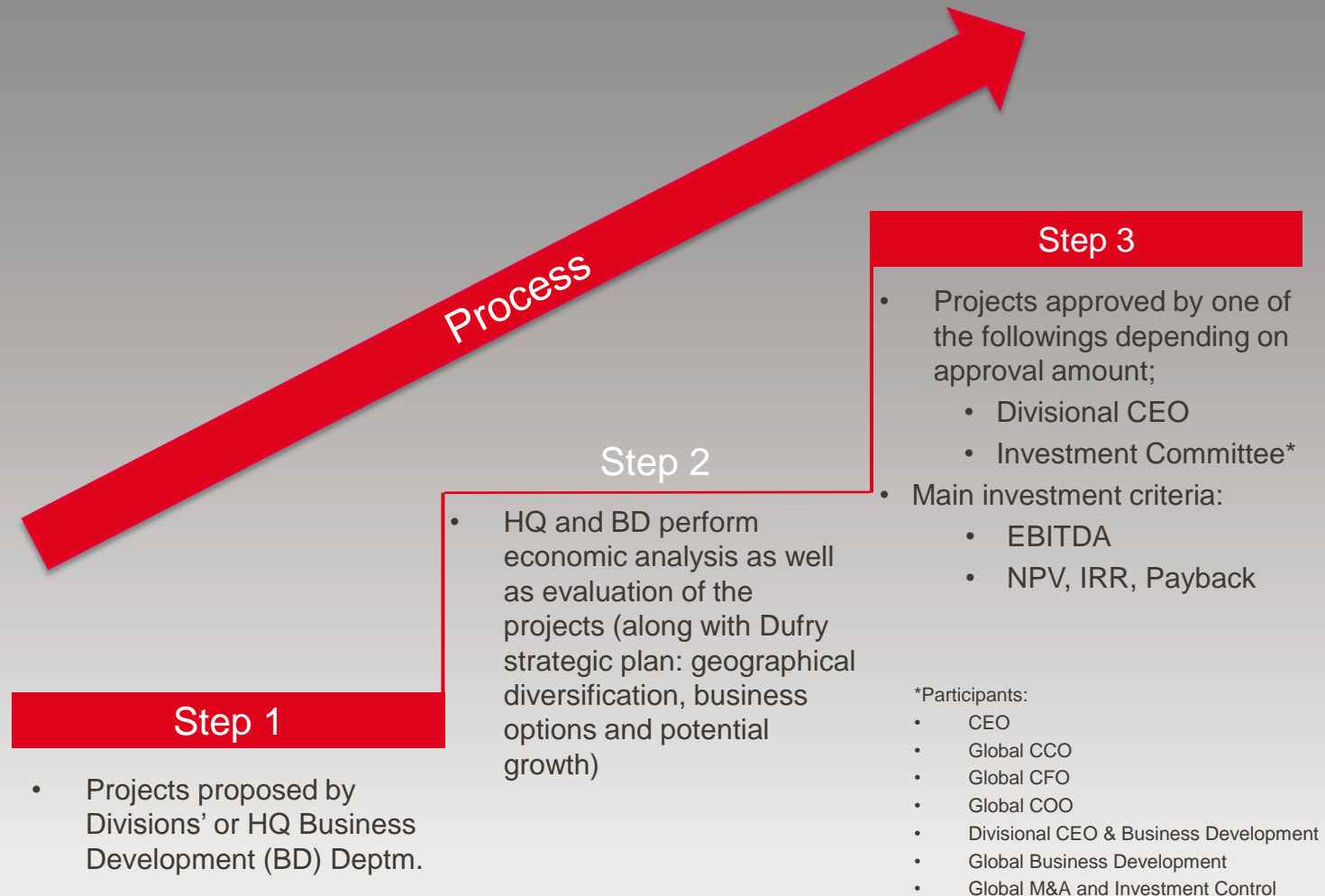
- To increase spend per pax, through operational improvements
- To obtain contract extensions

New space is mainly achieved through direct negotiation or public tenders:

- Direct negotiation for new space (e.g. airport expansions)
- New concessions through tender wins
- New partnerships

NEW BUSINESS OPPORTUNITIES:

The Investment Committee process follows a Disciplined Approach to generate Profitable Growth



CONCLUSION

Dufry is well positioned to continue to create Value for its Stakeholders

- The travel retail market shows a continuous strong growth potential and offers many interesting future opportunities.
- Demographic developments and increasing mobility of people demand **further investments in airports and transportation infrastructure**. Those developments are supported by investments from governments and the private sector alike.
- Dufry **has proven to be able to identify profitable market opportunities** by growing a sustainable concession portfolio organically or through acquisitions.
- Dufry follows consequently a strategy of **risk diversification** through geographic expansion.
- The **disciplined approach to profitable growth** has led Dufry to its market leader position.
- Dufry is committed to keep driving growth in a consistent and sustainable way through the combination of competitive strengths:
 - Clear business model with clear processes
 - Global reach providing strong business intelligence
 - Disciplined approach driving rationale decisions.

Thank you

 DUFY



One IT Strategy for One Business Operating Model

Jordi Martín-Consuegra
Global Resources
Director

June 1, 2016

 **DUFRY**

Dufry's technology strategy has maintained a steady course towards ever greater homogenization and consolidation for the last 10 years

Constant growth, acquisitions, and the renewal of our business operating model, have demanded to review our IT strategy with the same principles in mind: creating value through standardization for efficiency; scalability for growth; and cost synergies

AGENDA

1. A new IT Architecture for a new Business Operating Model
2. Key IT Strategy Drivers and Business Outcomes
3. IT Roadmap and the Road Ahead

The New Dufry requires new answers to the same questions: How can technology continue to create value supporting growth, efficiency, and synergies?

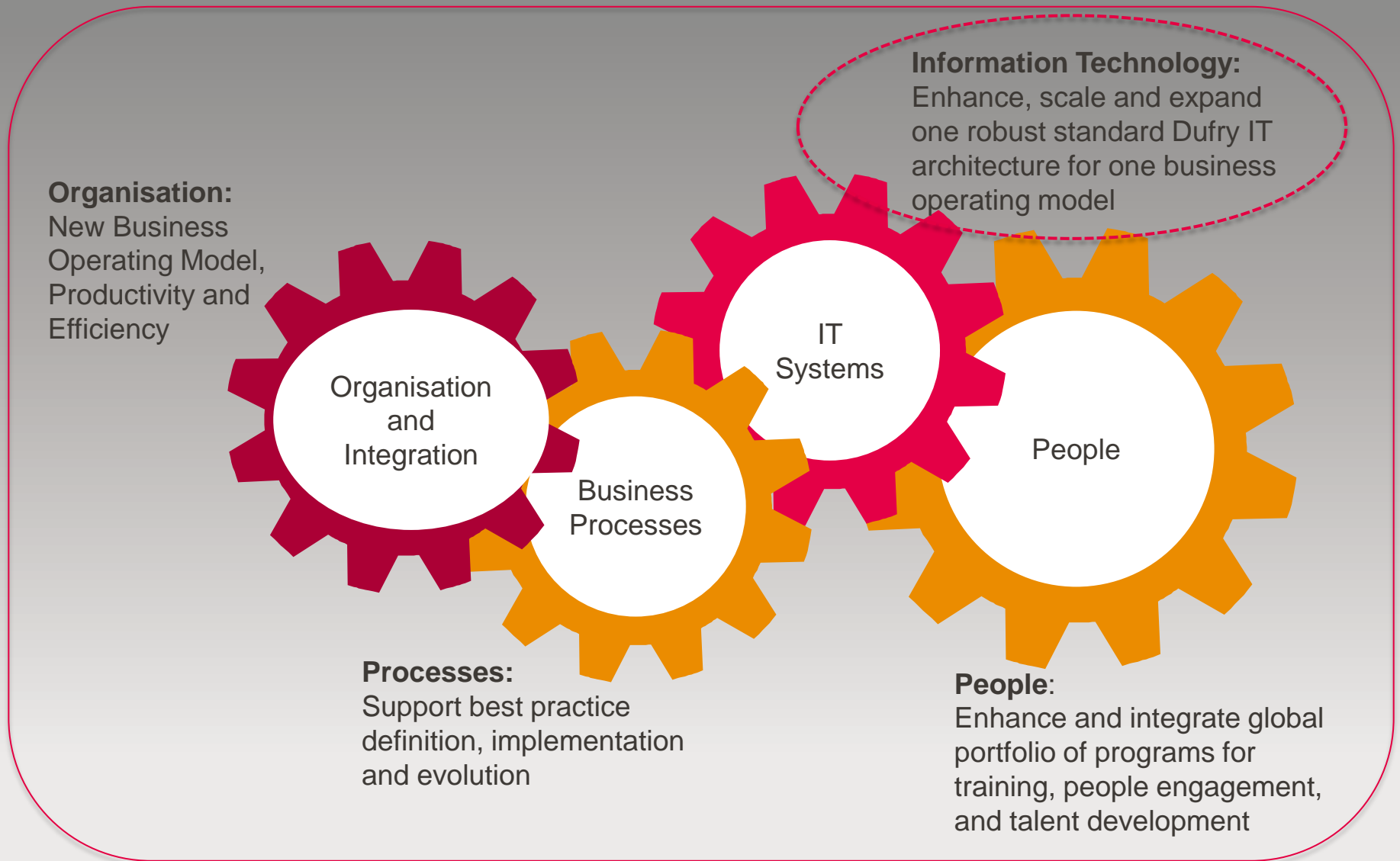
New challenges...

- WDF and Nuance joining Dufry in less than 12 months essentially doubled the size of the business and increased complexity:
 - Size and geography
 - New business operating model, organization and governance
 - Different technology platforms
 - Different best practices and processes
 - Highly demanding operating environments
 - Integration and change management

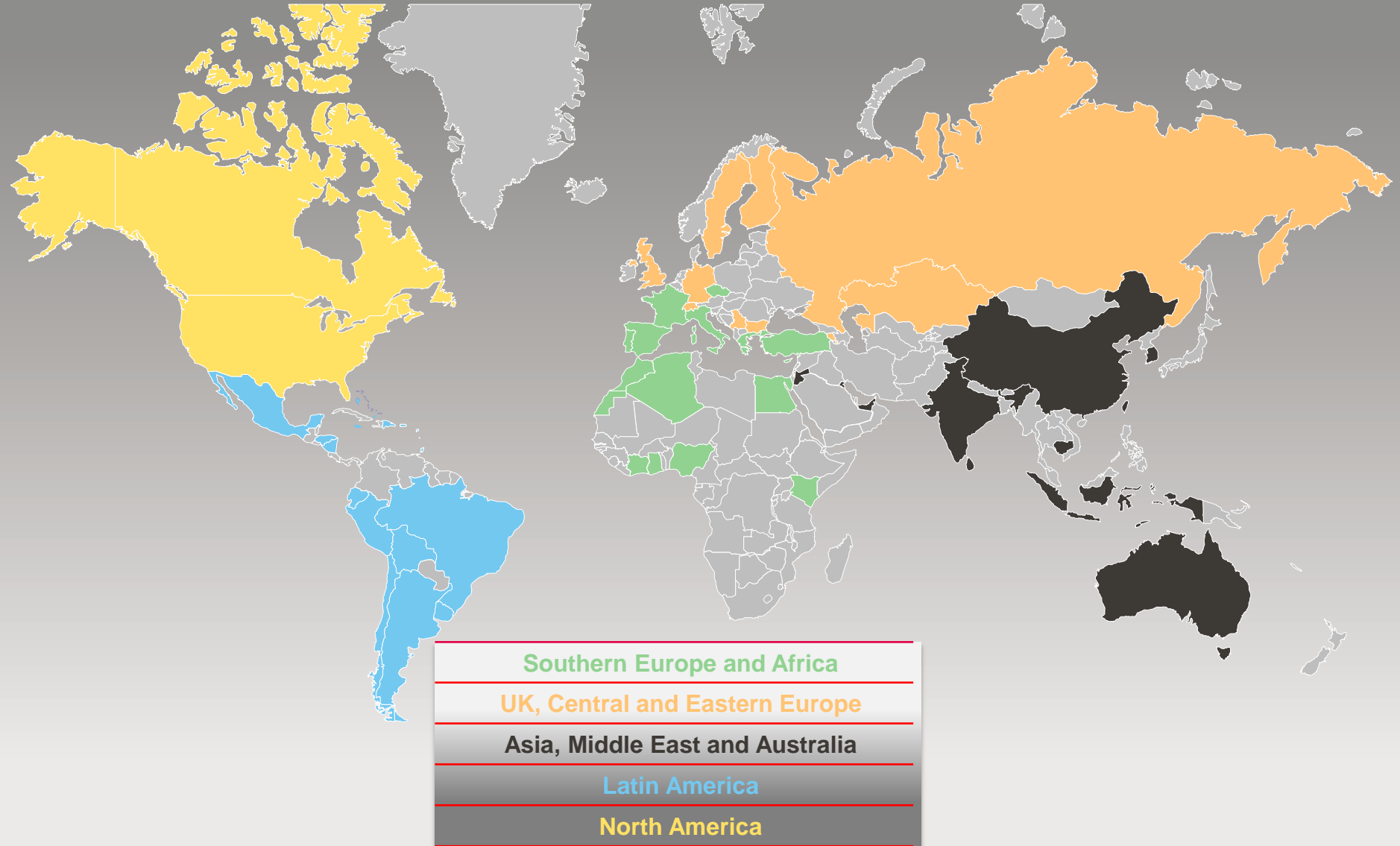
... And opportunities

- On the other hand, there exist significant new opportunities:
 - A larger footprint: offers new synergies
 - Some of the best talent in the industry: ready to drive change
 - Same core business: accelerates best practice adoption
 - The digital and omnichannel agendas

The answer lies in a decisive transformation of the 4 basic components of Dufry's organizational model



Our global IT Architecture challenge: 63 countries, 370 operations, 2,200 stores, 5,675 points of sale, multi-format and multi-channel



ONE IT FOR ONE BUSINESS MODEL ... and multiple commercial formats, regardless of travel channel or geography



General Travel Retail Shops – Duty-Free shop in Bali (710 shops operated as of December 2015)



Dufry Shopping – Duty-Paid pilot store in Brasilia, Brazil (Brasilia, Rio...)



Brand boutiques – Individual brand shops; e.g. Victoria's Secret. 220 brand boutiques operated as of December 2015



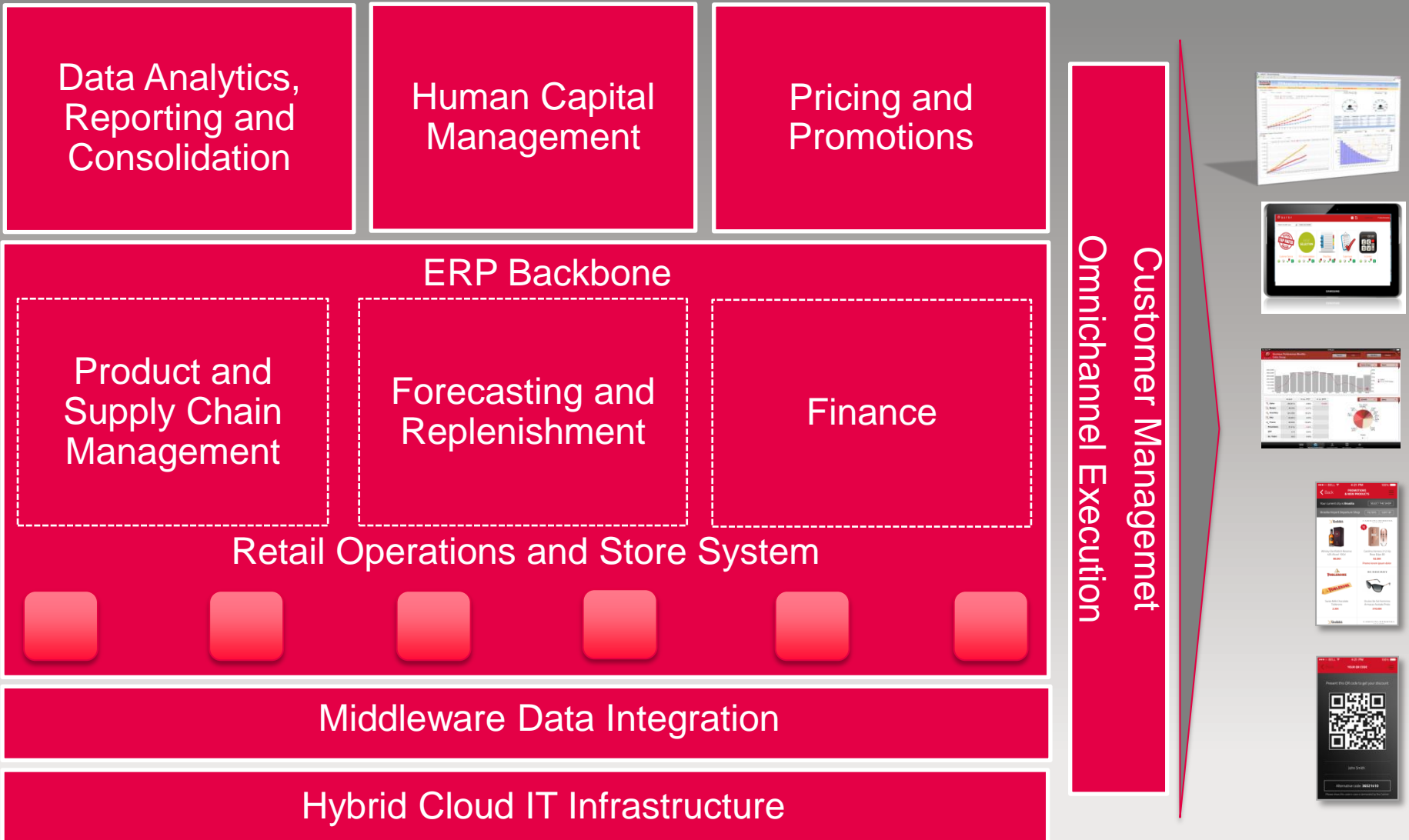
Convenience Shops – Hudson store in Philadelphia (635 convenience shops operated as of December 2015 world-wide)



Specialized Shops – Thematic shops; e.g. Do Brazil (643 specialized shops operated as of December 2015 world-wide)

Dufry IT Architecture 2.0:

Meeting the requirement of «One Business Operating Model, One IT Architecture»



Key IT Strategy Drivers for Value Generation (1):

Dufry's IT Architecture has been designed to meet our key IT Strategy goals ...

IT Strategy Goals

- 1 Process Standardization
- 2 Retail-Specific Solutions
- 3 Customer Touchpoints
- 4 Scalability
- 5 Data Leveraging
- 6 Data Integration
- 7 Innovation

IT Architecture Design

Single IT and Process Architecture on SAP ERP backbone drives efficiency

Best-of-Breed Corporate Applications

Supporting the traveler's journey (POS, Smartphone, e-Commerce...)

Hybrid Cloud IT Infrastructure

Market-leading Analytics solutions for data mining and reporting

Middleware solution for data consistency, flow and consumption

Open Architecture and Balanced Digitisation Approach

Key IT Strategy Drivers for Value Generation (2):

...thereby supporting the achievement of tangible business outcomes

Enabling Business Outcomes

Customer Spend

Customer segmentation; spend trends analysis; what-if scenarios; customization of offering

Purchasing

Assortment optimization; brand planning and compliance; novelties implementation; margin visibility

Supply Chain

Advanced forecasting and replenishment; inventory and fulfillment optimization; cross-channel distribution

Finance

Reduced time to closing; fast reporting; cash flow management; decision-making closer to real time

Retail Operations

Promotional impact; pricing management; stock availability; operational efficiency and cost optimization

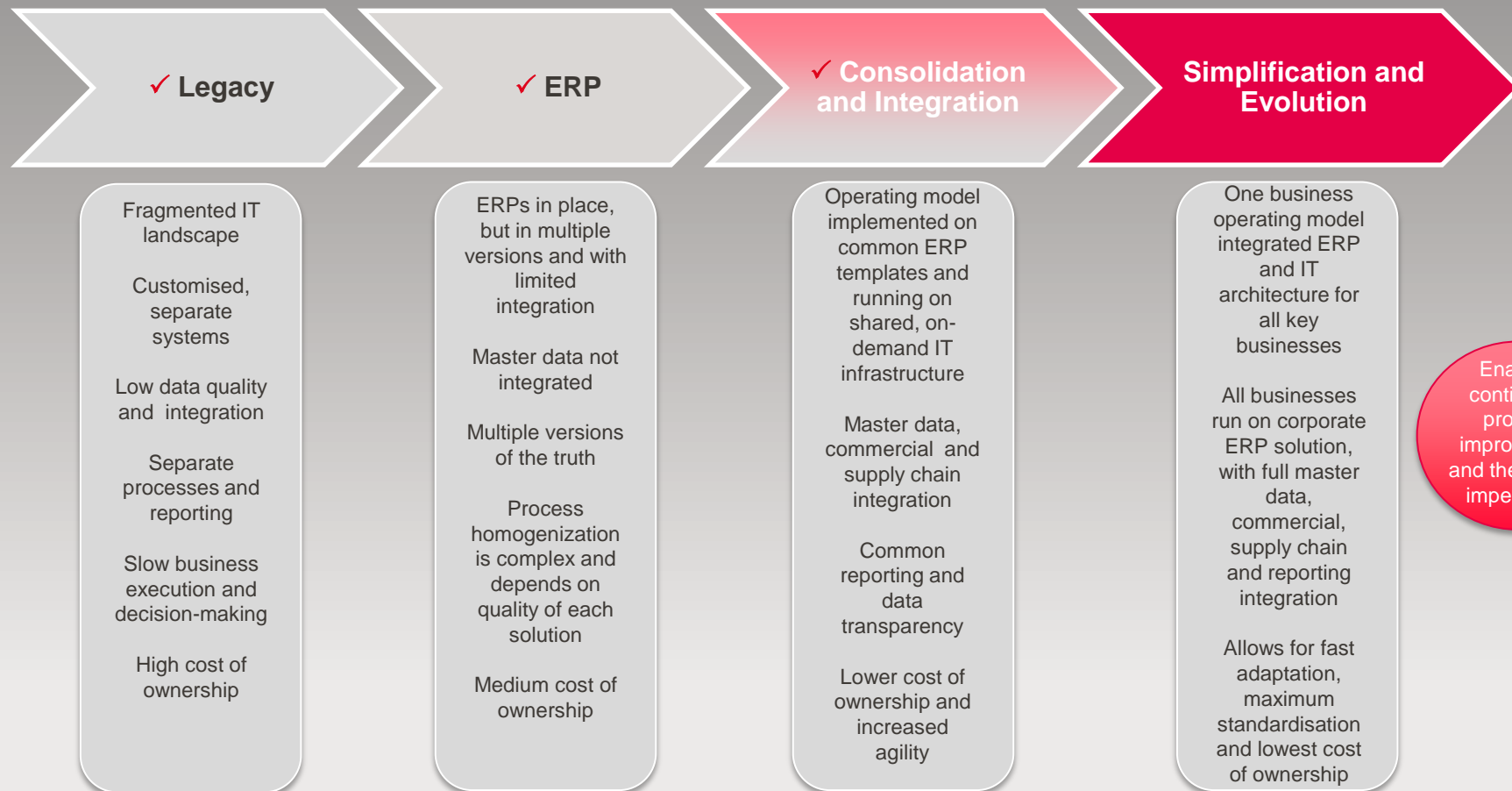
Analytics

Single data architecture and faster version of the truth

Dufry's IT standardization Roadmap (3):

Our IT Strategy ensures that we continue to build on the platforms and expertise developed over the last 10 years, while integrating new acquisitions' know-how, people and technologies – while accelerating transformation

Roadmap to IT simplification



The journey to IT consolidation started in 2007 (4)

The IT standardization of «the former Dufry» is largely accomplished – the focus is now on the integration of acquired businesses, and simplification of the IT landscape

Current IT standardization level is high, enabling integration and then simplification

Immediate focus is on synergy implementation and key process integration

- The level of IT consolidation in Dufry is significant, allowing for immediate integration of new business:
 - The vast majority of post-WDF merger Dufry operations run today on a standard corporate ERP
 - All 3 Supply Chain platforms running on SAP by end of 2016
- Current WDF IT integration plan is delivering:
 - Common financial and commercial reporting, master data, replenishment, pricing and promotional management processes
 - Common IT infrastructure platform
 - Synergy implementation
- Additional investment will be focused on business operating model acceleration through:
 - SAP ERP and Wincor POS implementation
 - Commercial and financial reporting and analytics
 - Strong applications and data integration
 - Omni-channel deployment

The Plan Ahead (6): Dufry is well positioned to implement its IT transformation roadmap, delivering on post-merger integration, business operating model transformation, and the increasing importance of digital and omni-channel execution

Long-term industry and technology experience

Delivery, cost and investment management track record

Enabling innovation and digital strategy where it matters

- The combined teams of Dufry, Nuance and WDF have more than 40 years of experience in rolling out IT solutions globally in the travel retail industry. Jointly, they have implemented the respective IT architecture in more than 60 countries, and led numerous integration projects.
- Dufry is upgrading its technology portfolio and partnerships to leverage acquired platforms and market evolution
- IT Capex and Opex ratios have been managed consistently over time, regularly meeting time, quality and cost forecasts
- Balanced digital transformation:
 - Enabling multichannel execution (online, in-store, external partnerships)
 - Smart customer services to drive business and interaction through the key stages of the travel journey: location, loyalty, social
 - Advanced data integration architecture
 - Cognitive technologies for enhanced data leveraging
 - Digitising processes and supporting people for greater efficiency through automation

Meeting the “One Business Operating Model” challenge requires to continue with a consolidated IT Strategy built on one standard robust IT architecture to enable business, people and process performance

The focus of Dufry IT will reside on continuing the implementation and evolution of this IT architecture, supported by key partnerships in the technology industry, our know-how and our teams

Thank you

 DUFRY