



D U F R Y

New Concessions in Brazil

03 September 2013



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1. Overview

2. Details of New Projects

3. Financial and Strategic Considerations



1. Overview



1 Dufry signed contracts with all private airport operators for 10 years

2 Starting of a new phase in Brazil

- 19,700 sqm of retail space compared to 6,100 sqm before
- Improved facilities to best-of-class standards
- New brands and expanded assortment

3 São Paulo: long term contract for T3

- T3: 7,000 sqm for duty free shop and 200 sqm for duty paid
- 2 general travel retail shops, 15 branded boutiques and 1 Hudson duty paid

4 Brasilia and Natal: redesign entire retail space

- 4 Duty free shops: 1,100 sqm in Brasilia / 600 sqm in Natal
- 4 Duty paid shops: 1,900 sqm in Brasilia / 500 sqm in Natal
- 5 Hudson duty paid shops: 400 sqm in Brasilia / 100 sqm in Natal

5 Viracopos: substantial development for the airport

- 2 duty free shops totaling 400 sqm (200 sqm arrival and 100 sqm departure) / 1 duty paid (100 sqm)
- 2014: retail surface will enlarge by almost 50% once the new terminal will be completed

6 Goiânia – first duty paid shop

- 5 year contract to operate 100 sqm shop at Goiânia Airport

7 Develop structure for future setup in Brazil

- Introduce new concepts in duty paid as well as Hudson; expand into new channels, such as border shops
- Joint venture with Brasif to operate the duty free businesses of the newly signed contracts and to develop future duty free business in Brazil¹

Note:

(1) Subject to approval of antitrust authorities.



- 1 Secure long-term contract with all airports privatized in Brazil to date**
 - All based on bid process or Request for Proposals

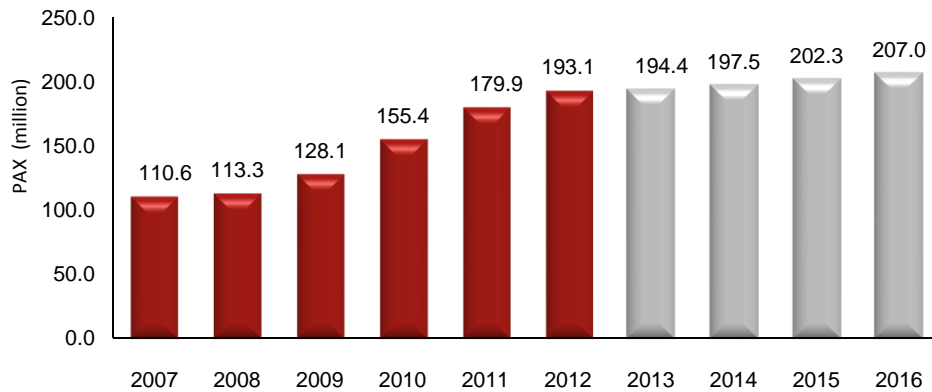
- 2 Improved infrastructure with better and more retail space**
 - Increased productivity and spend per passenger

- 3 Substantial potential to grow sales**
 - Once all new retail space is opened and fully up and running
 - Maintain profitability at Group level

- 4 Ready for next step**
 - Enlarged airport retail business as platform for further development
 - Joint venture to develop new segments and channels in travel retail

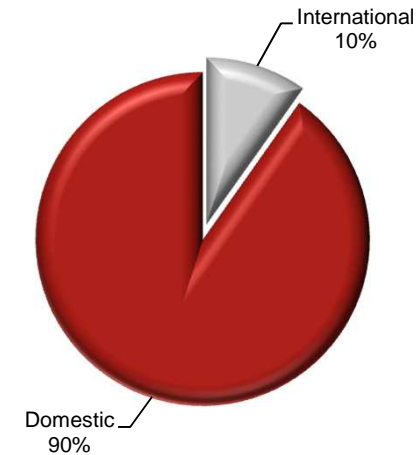


PAX Growth



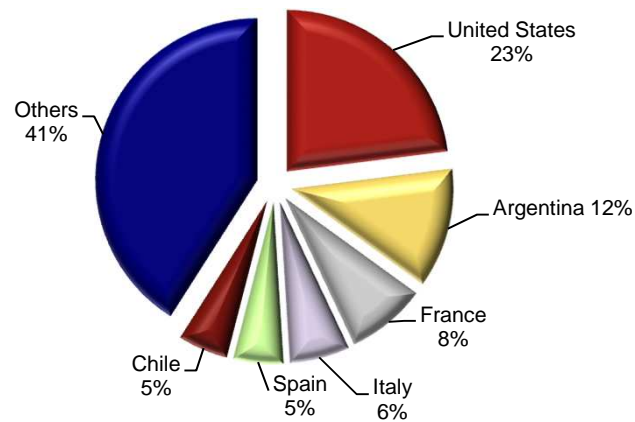
Source: Infraero / Air4Cast

Domestic x International PAX (2012)



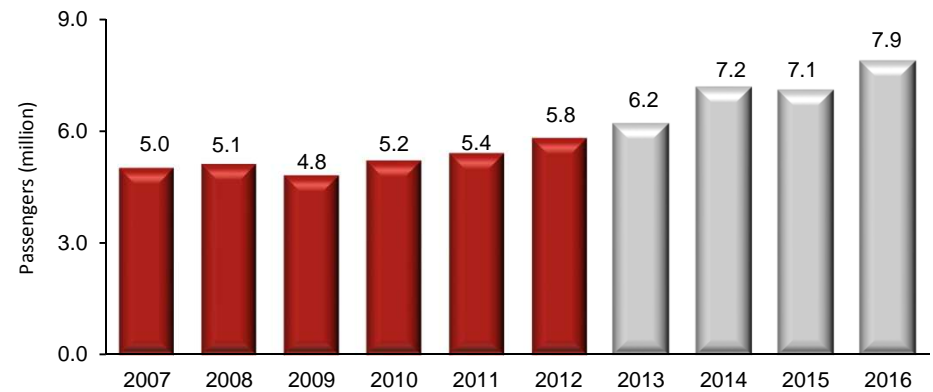
Source: Infraero

Brazilians Main Destinations - 2012



Source: Dufrey Internal Information

International Tourists in Brazil



Source: Brazilian Tourism Ministry

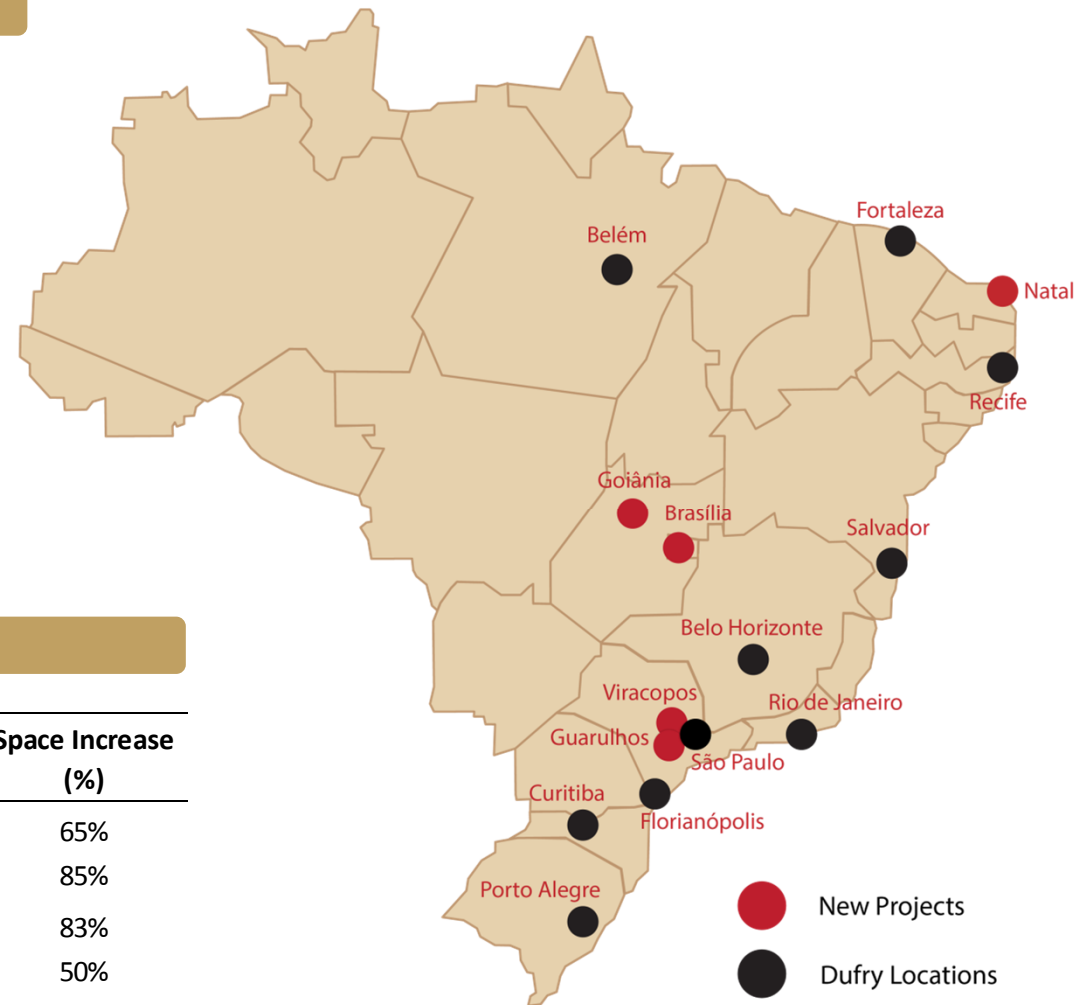


3. Details of the New Projects



Dufry Before the Expansion

- Number of shops: 65
- 15 cities
- Total sales area: 16,400 sqm



New Agreements Overview

Airports	Actual space (sqm)	Additional Space	New space (sqm)	Space Increase (%)
Guarulhos	5,000	9,200	14,200	65%
Brasília	500	2,900	3,400	85%
Natal	200	1,000	1,200	83%
Viracopos	400	400	800	50%
Goiânia	-	100	100	100%
New space	6,100	13,600	19,700	69%



Airport Key Statistics

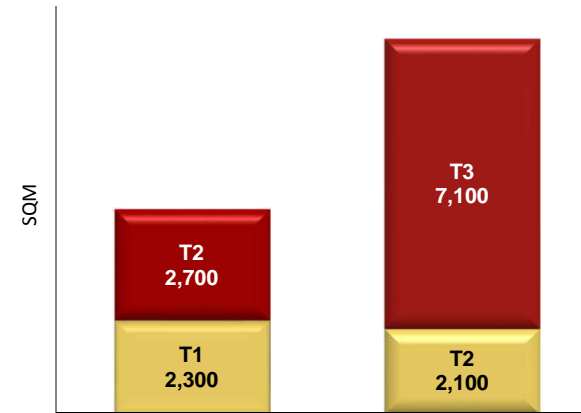
PAX	Million
International 2012	12
Domestic 2012	21
Total Forecast 2022	60

New Retail Space 14,200 sqm

Terminal 3 by Sector



New Retail Space: 14,200 sqm



Existing Retail Space New Retail Space

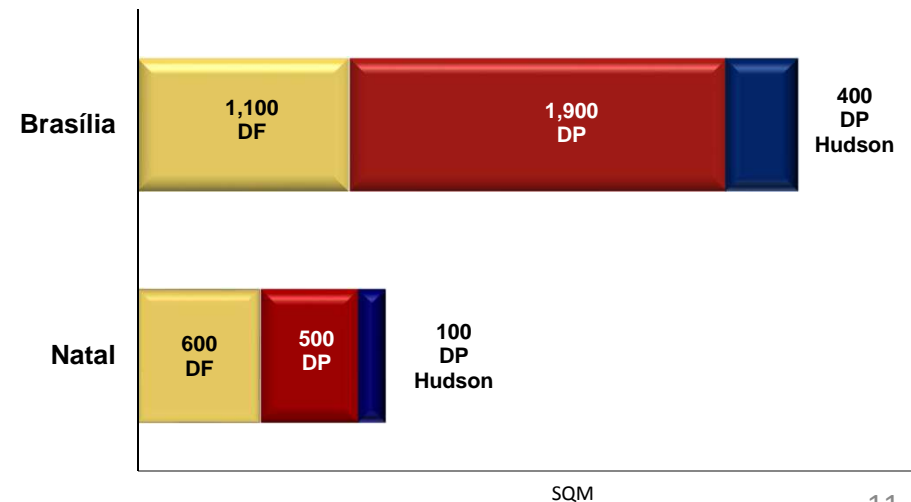


- Redesign entire retail area of airports with substantial increase of retail space
- 3,900 sqm increase of retail space
- Duty Paid Megastore of 1,600 sqm in Brasilia
- Hudson Duty Paid shops

Airport Key Statistics

	PAX	Million
Brasília		
International 2012		0.4
Domestic 2012		16
New Retail Space		3,400 sqm
Natal		
International 2012		0.1
Domestic 2012 (existing airport)		3
Total Forecast 2020		5
New Retail Space		1,200 sqm

New Retail Space: 4,600 sqm



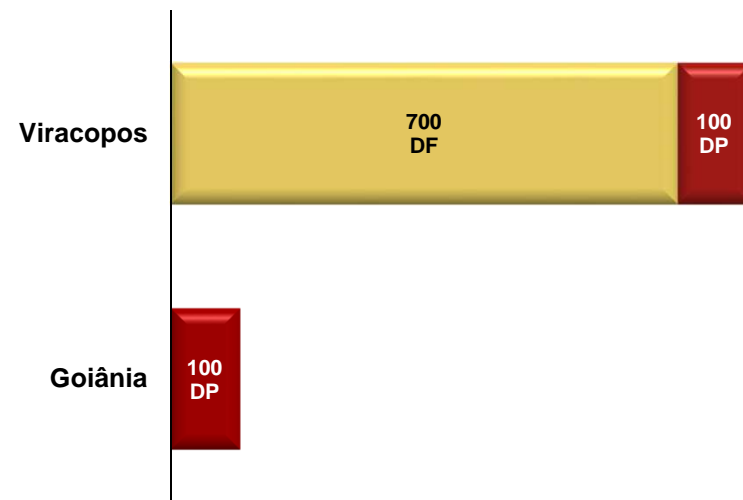
SQM



Airport Key Statistics

PAX	Million
Viracopos	
International 2012	0.1
Domestic 2012	9
Total Forecast 2042	80
New Retail Space	800 sqm
Goiânia	
Domestic 2012	3
New Retail Space	100 sqm

New Retail Space: 900 sqm



- Substantial development potential in Viracopos
- Viracopos is the 2nd largest cargo airport in Brazil
- Traditional travel retail assortments for both airports



4. Financial and Strategic Considerations



- **Expected completion of all projects end of 2014**
 - **São Paulo expected for Q2 2014**
- **Overall investment about USD 250 – 275 million**
 - **Capex and Investments**
 - **Net working capital**
 - **Value of joint venture**
- **Non-recurring costs of projects: USD 10-15 million**
 - **Start-up costs**
 - **Project related costs**
- **High double-digit turnover growth expected once all retail space is fully operational**
- **Absolute EBITDA to increase already in 2014 and Group EBITDA margin to be maintained based on full year pro forma**



- **Brasif is envisaged joint venture partner**
 - **Activities in high street retail and construction industry**
 - **Experience in Duty Free**
- **Joint Venture to become new platform for duty free activities in Brazil**
- **40% stake with possibility to reduce to 20% through call /put structure until end of 2014**
- **Strong partners to develop new travel retail segments and channels in Brazil**

Note:

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- **Starting of a new phase in Brazil**
 - **Additional 13,600 sqm of high quality retail space**
 - **Total of 19,700 sqm compared to 6,100 sqm before**
 - **Improved facilities to best-of-class standards**
 - **New brands and expanded assortment**
- **Long-term contracts of 10 years reinforce Dufry's position in Brasil**
- **Introduce new concepts**
 - **Strong development of duty paid**
 - **Bring Hudson concept to Brazil**
- **Develop further opportunities in new travel retail channels and segments**
 - **Border shops**
 - **Other channels**
- **Strong sales and EBITDA growth**
 - **Long-term international passenger growth**
 - **Increase productivity and spend per passenger**
 - **Capture potential of domestic passenger**

