



D U F R Y

First Half 2015 Results

Legal disclaimer

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

Agenda

Highlights

Financials

Conclusion



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Highlights
HY 2015



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**CHF 2,229.2
million**

Turnover in HY 2015

**Strong cash generation
despite one-offs**

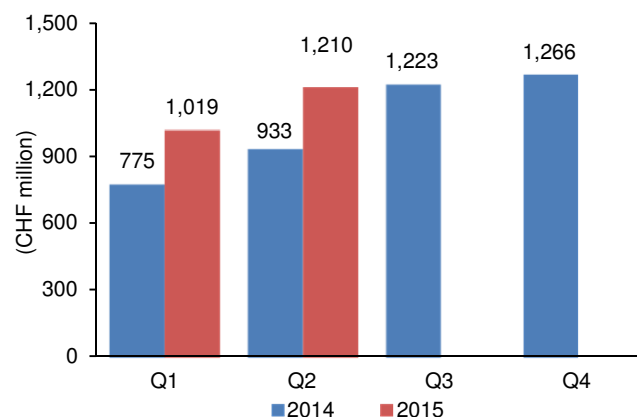
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Solid operational performance despite volatility in currencies

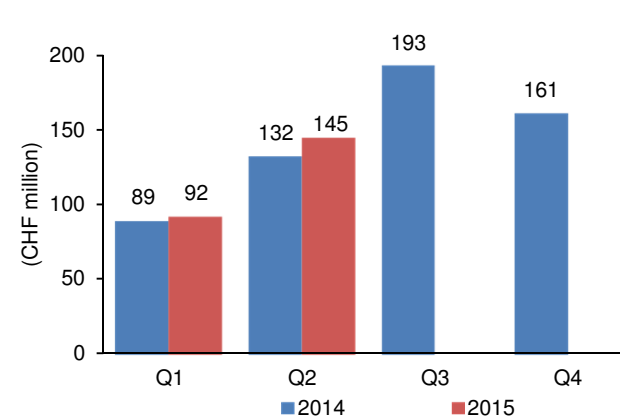
- Turnover of CHF 2,229.2 million; growth of 30.5%
 - Organic growth* of -2.6%
 - Like-for-Like of -2.9%
 - New concession, net* of +0.3%
- Gross profit increases to CHF 1,291.0 million with a margin of 57.9%
- EBITDA grows by 7 % and reaches CHF 236.7 million
 - EBITDA margin 10.6%
- Free cash flow increased by 48.4% to CHF 80.6 million

* New concessions, net excludes divestments in Egypt, Spain, The Netherlands and Tunisia

Turnover by Quarter



EBITDA by Quarter





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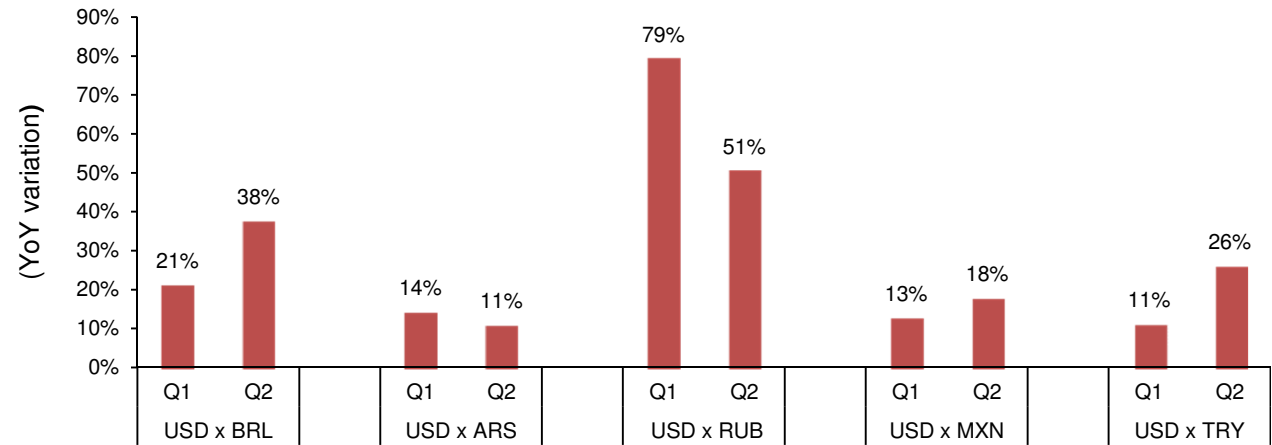
Devaluation of local currencies impacts purchasing power of selected nationalities

Sales to Russians and Mexicans increased on a global level in local currencies

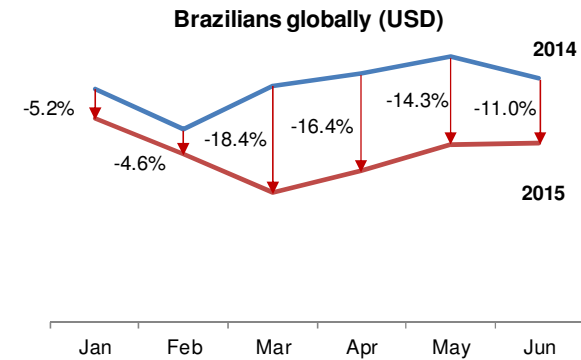
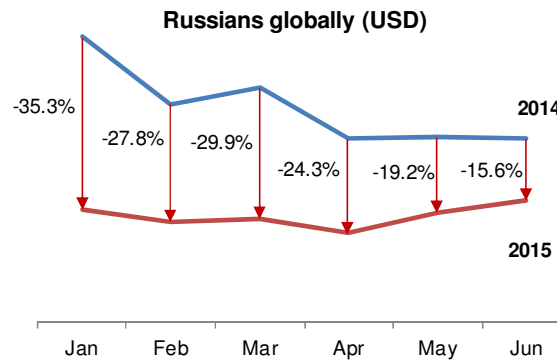
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Sales impact of spent by selected nationalities at global level

Weakening of Local Currencies in HY 2015



Average Ticket Evolution USD and change to Last Year





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Double-digit growth
in US & Canada

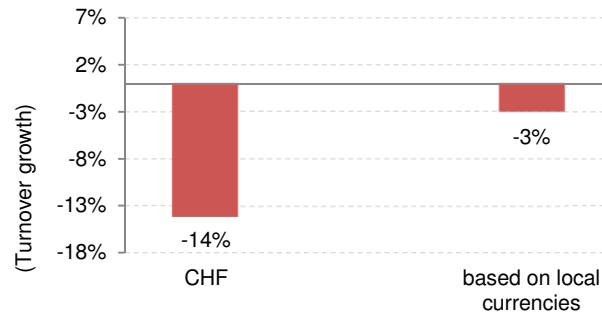
Good performances
in Central & Latin
America when
measured in local
currencies

High volatility of BRL
and RUR likely to
continue in H2 2015

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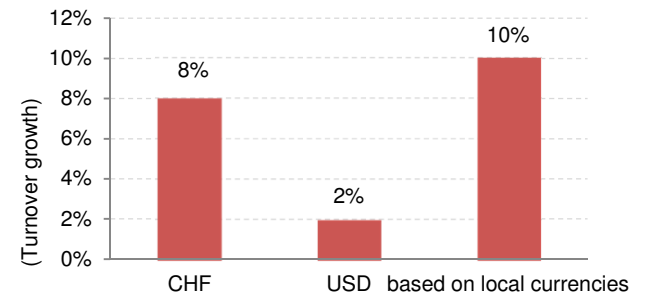
Turnover performance by region

EMEA & Asia*

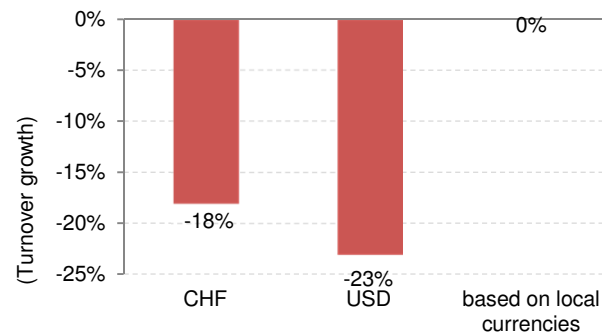


* Excludes discontinued operations

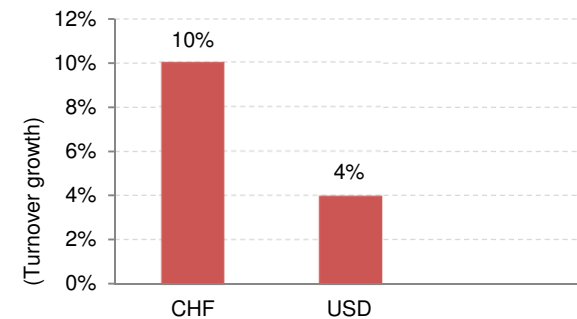
America I



America II



US & Canada



- Trading update



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15-20%
sales increase
for each refurbished
store

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Shop refurbishment: Increase sales on an annual basis

- Ongoing tri-annual plan affecting approx. 200 stores, which generate nearly 50% of group sales
- Refurbishment plan covers around 20% of retail space (FY 2014).
- Sales for each refurbished store are expected to increase by 15-20%



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Well balanced geographic diversification

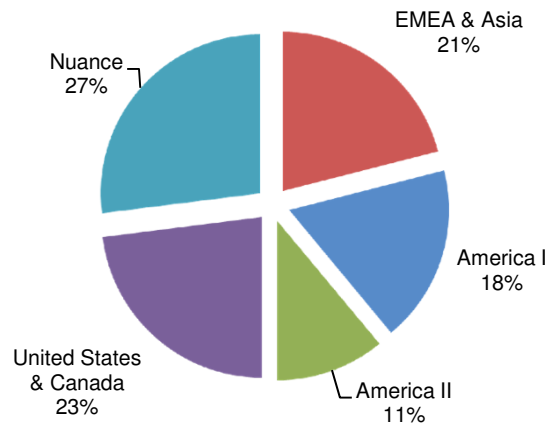
Airports remain major channel

Additional growth potential identified in duty-paid sector

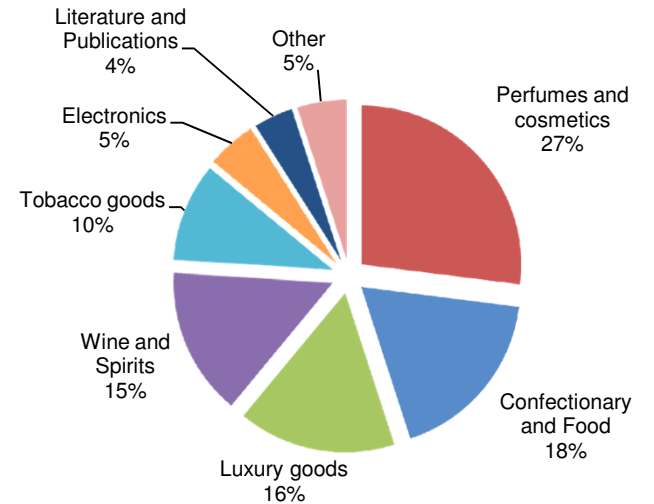
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Dufry's segmentation

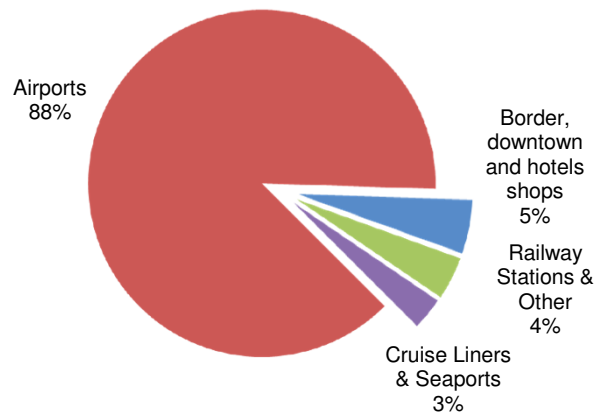
Dufry by Region HY 2015



Dufry by Category HY 2015



Dufry by Channel HY 2015



Dufry by Sector HY 2015





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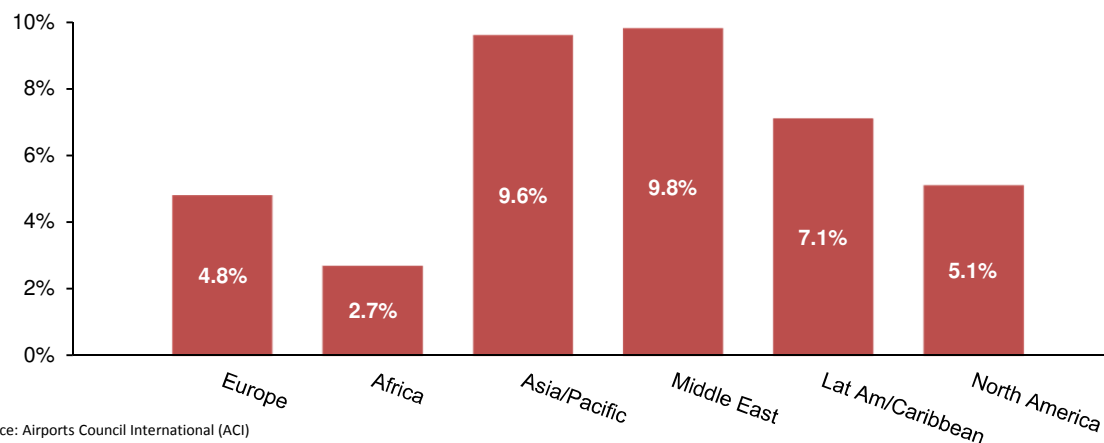
4.4%

Average global passenger growth p.a. in the next 3 years with regional differences

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Good prospects for PAX growth in the next 3 years

Global International PAX Growth in HY 2015*



Source: Airports Council International (ACI)
* Until May

Evolution of the International PAX Forecasts

	2015	2016	2017
Europe	2.8%	3.0%	3.1%
Africa	1.9%	1.6%	1.9%
Asia/Pacific	8.0%	7.7%	6.2%
Middle East	9.2%	8.7%	7.8%
LatAm/Caribbean	8.7%	5.3%	4.7%
North America	3.7%	2.6%	2.5%
World	4.9%	4.7%	4.3%

Source: Air4casts (30/06/2015)



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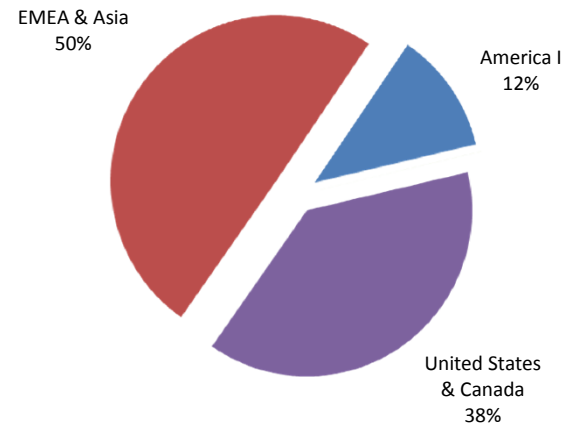
2,800 m²
of additional retail space opened
in HY 2015

5%
average space contribution from
net openings from
2009 to 2014

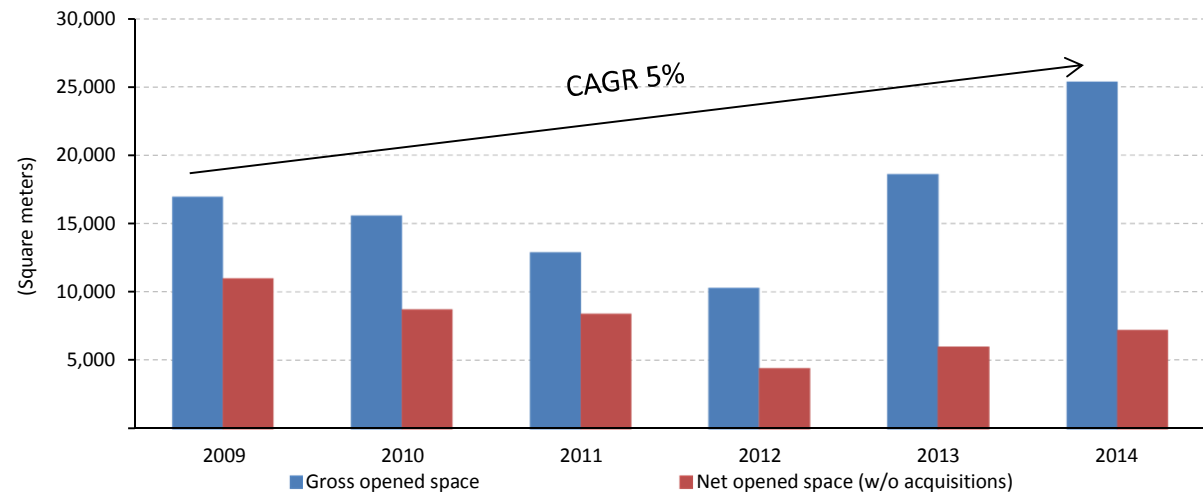
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Opening of new retail space

Openings HY 2015



Evolution New Retail Space





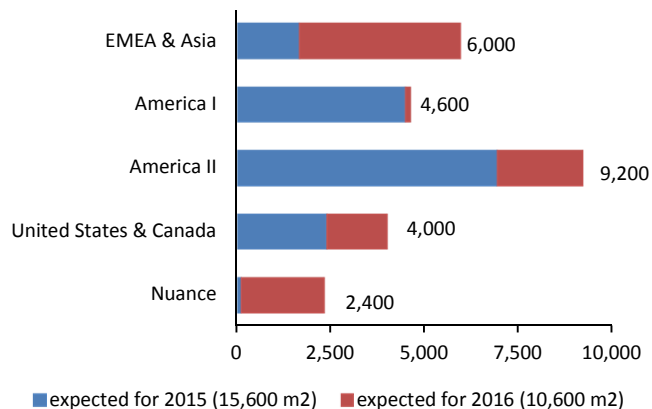
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26,200 m²
additional retail
space already signed
for opening

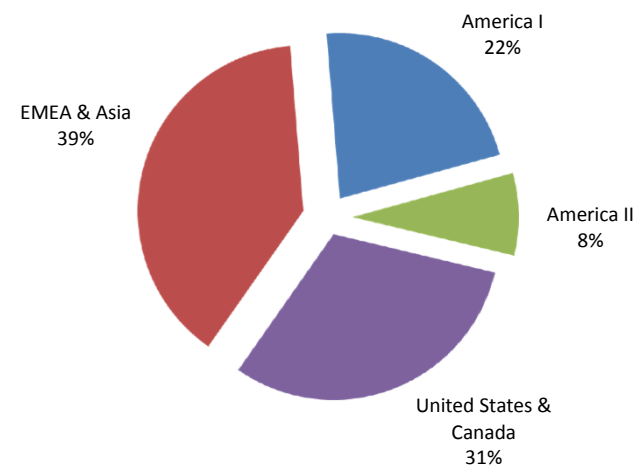
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Strong project pipeline

26,200 m² Signed Space



Project Pipeline: 33,000 m²



- Strong pipeline of potential new projects
 - Average execution time of 12-18 month



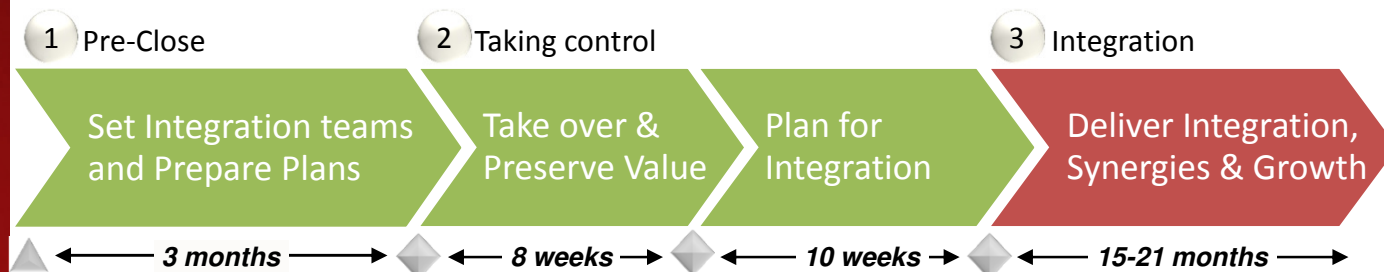
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**CHF 70 million
of synergies confirmed**

**Implementation
completed by end
2015; full impact of
synergies as of
FY 2016**

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2015: The year of Nuance integration



- Achievements
 - ✓ HQ Organization completed and rolled out
 - ✓ Definition of country organizations completed; implementation currently being executed
- Steps being currently executed
 - Integration of operational processes, procurement and logistics ongoing
 - Integration of IT applications ongoing
 - Integration of supplier management and alignment of sourcing ongoing
 - Alignment of training for sales employees ongoing



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Capital increase

approved by Dufry
shareholders

Senior Notes

for Euro 700 million
successfully issued

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Update on World Duty Free acquisition

- ✓ At the Ordinary General Meeting of 29th April, Dufry shareholders have accepted capital increase for the acquisition of WDF announced on 30th March 2015
- ✓ Rights issue at market successfully executed with the raising of gross proceeds of CHF 2.2 billion
- ✓ Issuance of new Euro 700 million bond. The Senior Notes have a term of eight years, with an interest rate of 4.5%
- Clearance process with anti-trust authorities mostly terminated with positive clearance; only clearance from European Union outstanding
- Closing of acquisition (50.1% stake of Edizione) expected for Q3 2015
- Mandatory tender offer to be launched after closing



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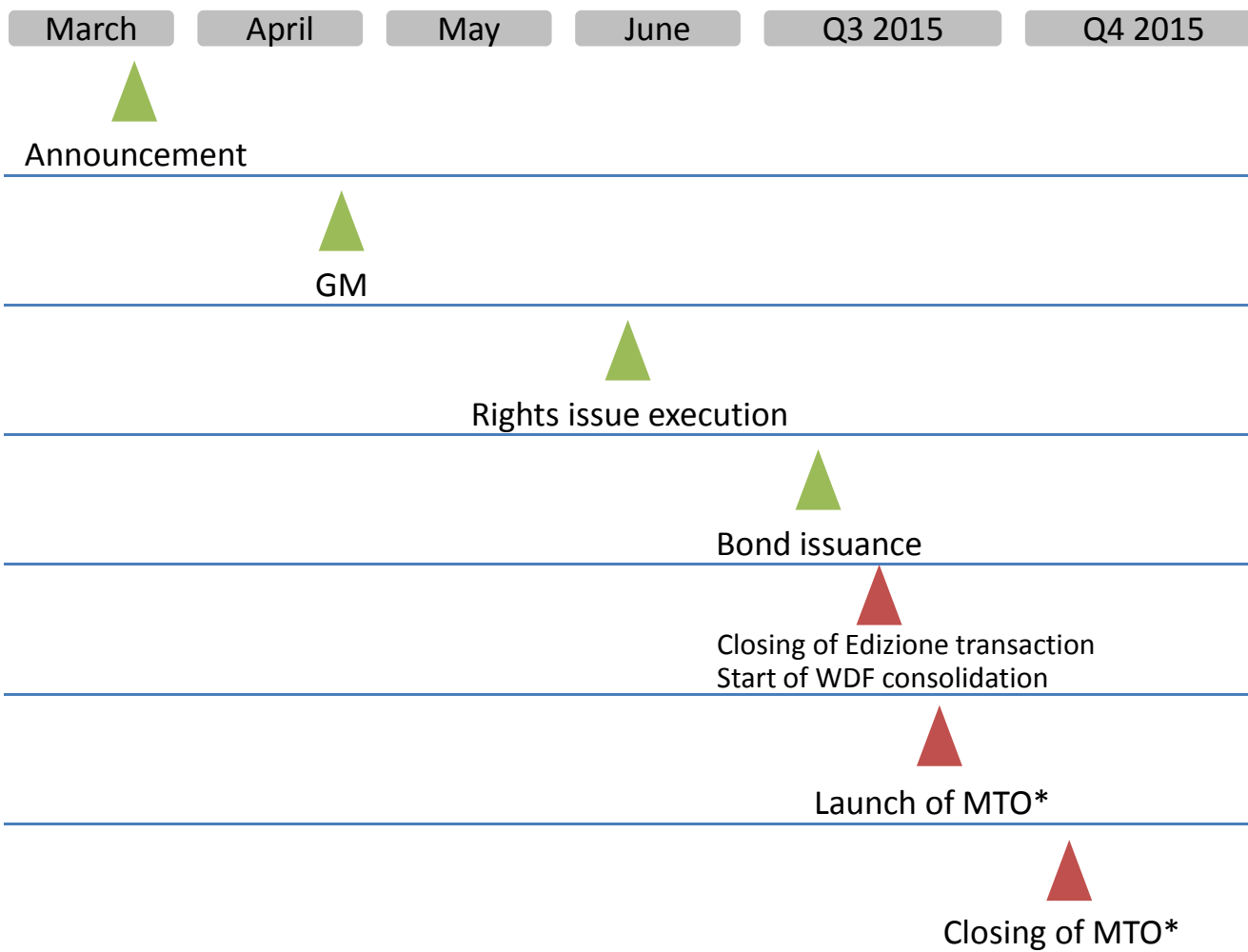
Closing
of Edizione transaction
expected for Q3
according to plan

MTO
expected to be
launched in
Q3 2015

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Transaction timetable

Expected transaction timeline



* Mandatory Tender Offer

▲ Completed

▲ Next steps



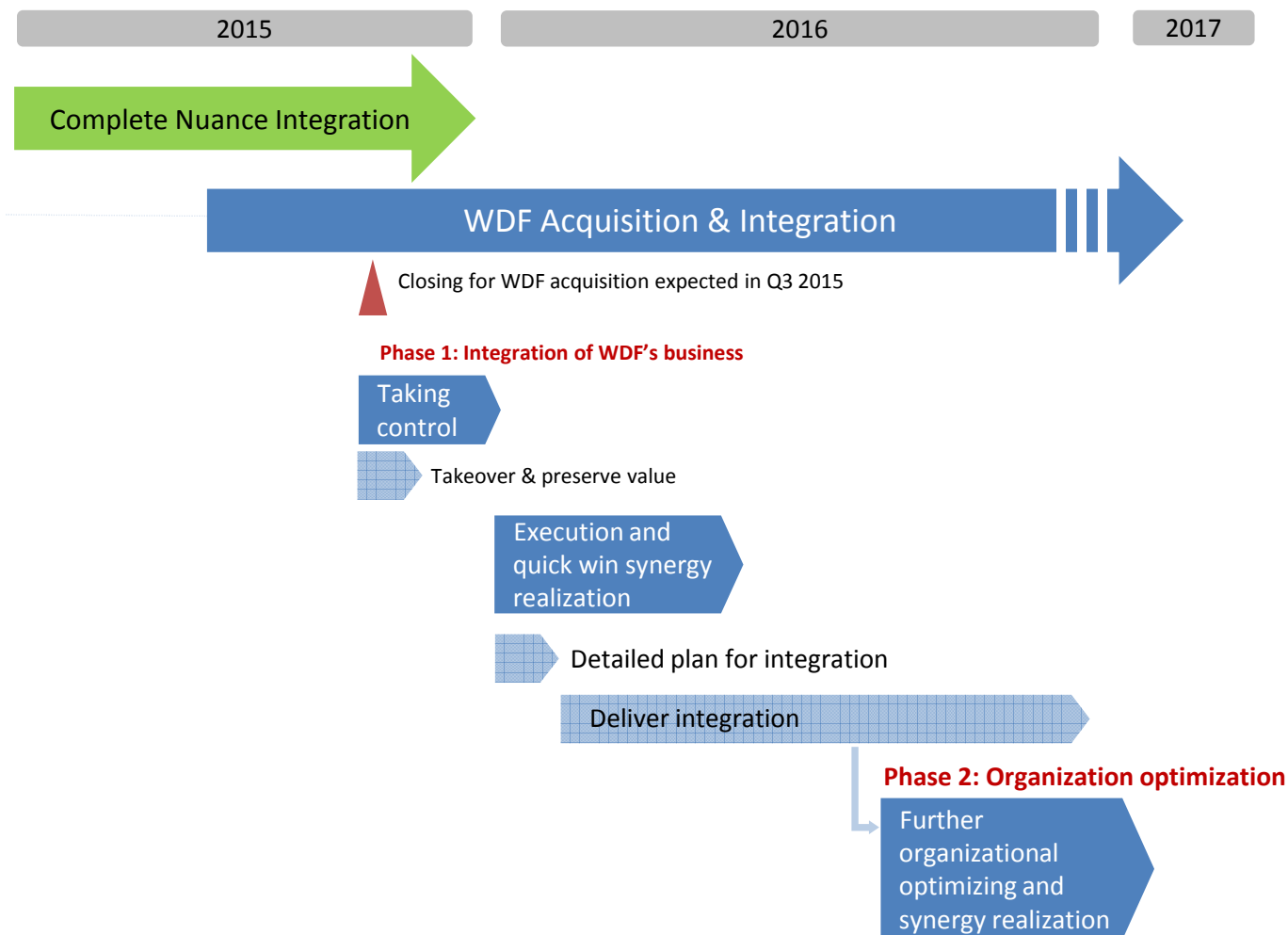
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18-24 months
to integrate WDF into
Dufry's regional
structure

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Combined integration timeline Nuance and WDF

Expected integration plan timeline





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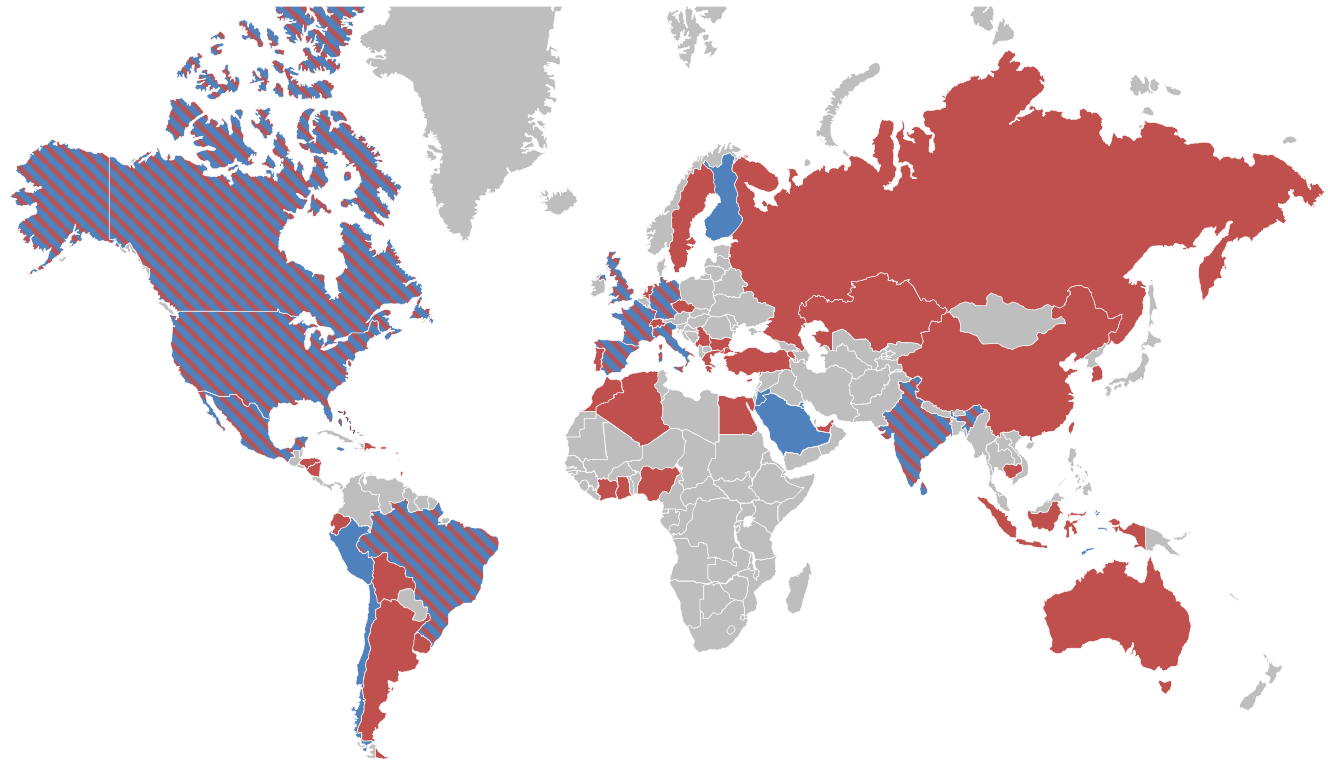
**Excellent
balance**


between emerging
and developed
markets


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Complementary footprint of Dufry and WDF

Global presence of Dufry and WDF



 Presence of Dufry (incl. Nuance)

 Presence of WDF

 Pro forma presence of Dufry (incl. Nuance) and WDF

Source: Company filings, WDF

Financials
HY 2015



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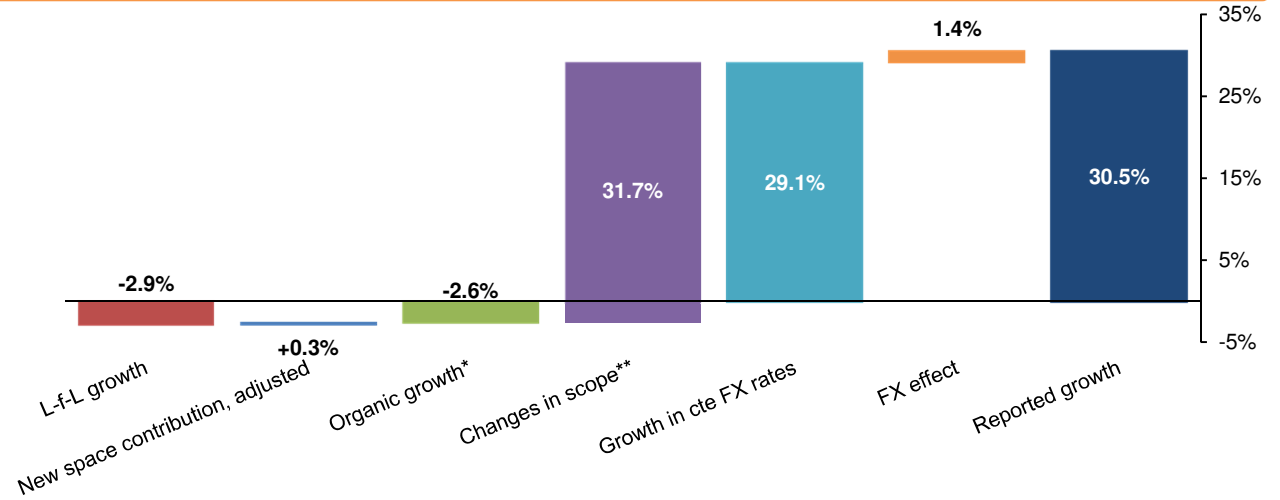
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30.5%
Turnover growth

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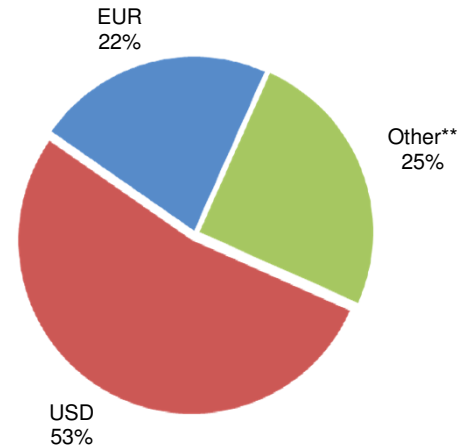
Analysis of turnover growth

Growth Components HY 2015



* Organic growth excludes discontinued operations
** Changes in scope include acquisitions plus discontinued operation

Turnover by Currency*



* Pro-forma including Nuance LTM
** Other includes CHF, GBP, SEK, SGD and other currencies



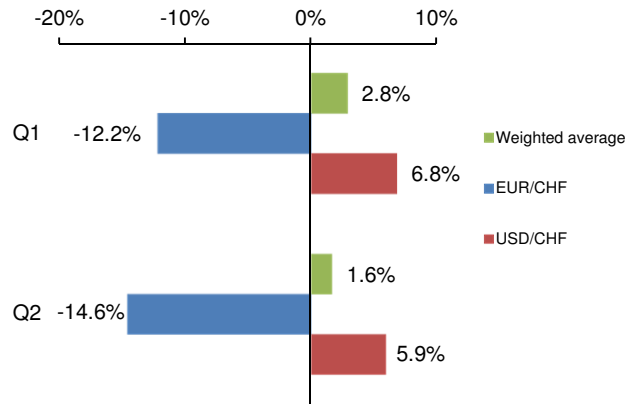
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Dufry generates most of its sales and costs in matching foreign currencies, and thus benefits from a natural hedge that protects profitability and the respective margins

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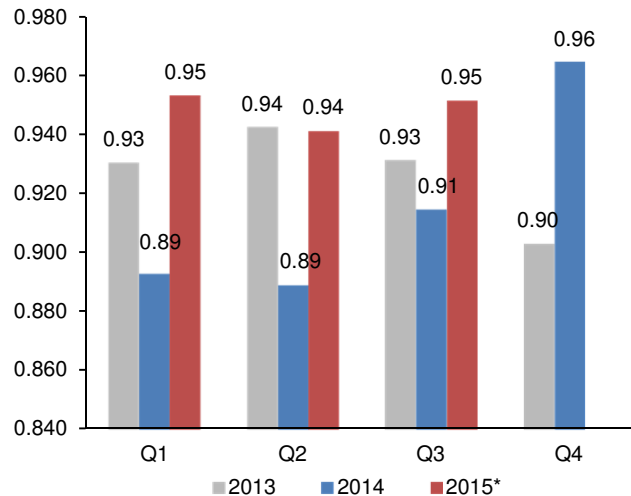
Aggregated FX development

Main Currencies Development – HY 2015

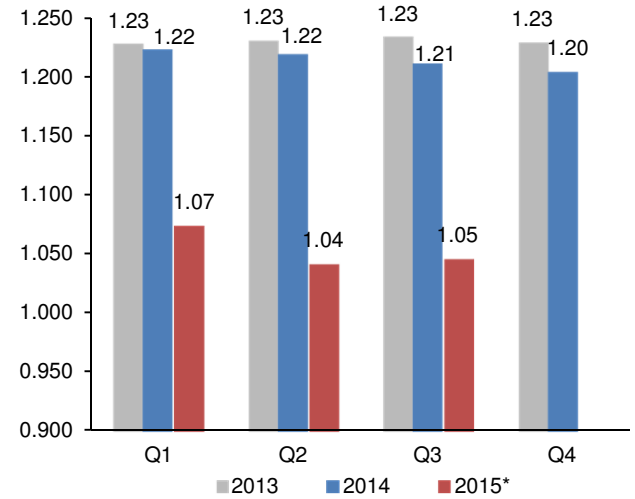


- Ongoing high volatility in emerging market currencies
- Main currencies against CHF trading in broad range in Q2

CHF/USD Development



CHF/EUR Development



* 2015 until 24/07/2015



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Nuance consolidation
impacting all
elements of P&L

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30 July 2015

Income statement

Income Statement HY 2015

(CHF million)	HY 2015	%	HY 2014	%
Turnover	2,229.2	100.0%	1,707.9	100.0%
Gross profit	1,291.0	57.9%	1,011.1	59.2%
Concession fees	(544.4)	24.4%	(375.6)	22.0%
Personnel expenses	(343.1)	15.4%	(274.1)	16.0%
Other expenses	(169.2)	7.6%	(140.0)	8.2%
Share of result of associates	2.4			
EBITDA⁽¹⁾	236.7	10.6%	221.4	13.0%
Depreciation	(53.9)	2.4%	(37.0)	2.2%
Amortization	(116.1)	5.2%	(64.4)	3.8%
Other operational result	(21.0)		(17.0)	
EBIT	45.7	2.1%	103.1	6.0%
Financial result	(63.3)		(52.3)	
EBT	(17.6)	-0.8%	50.8	3.0%
Income tax	3.4		(6.7)	
As % of EBT	19.3%		13.2%	
Net Earnings from continuing operations	(14.2)	-0.6%	44.1	2.6%
Net Earnings from discontinued operations	0.1			
Net Earnings	(14.1)	-0.6%	44.1	2.6%
Non-controlling interests	(10.9)		(16.6)	
Net Earnings to equity holders	(25.0)	-1.1%	27.5	1.6%
Cash Earnings to equity holders PF⁽²⁾	94.1	4.2%	77.7	4.5%

(1) EBITDA before other operational result

(2) Adds back acquisition related amortization and one-offs in from the WDF acquisition



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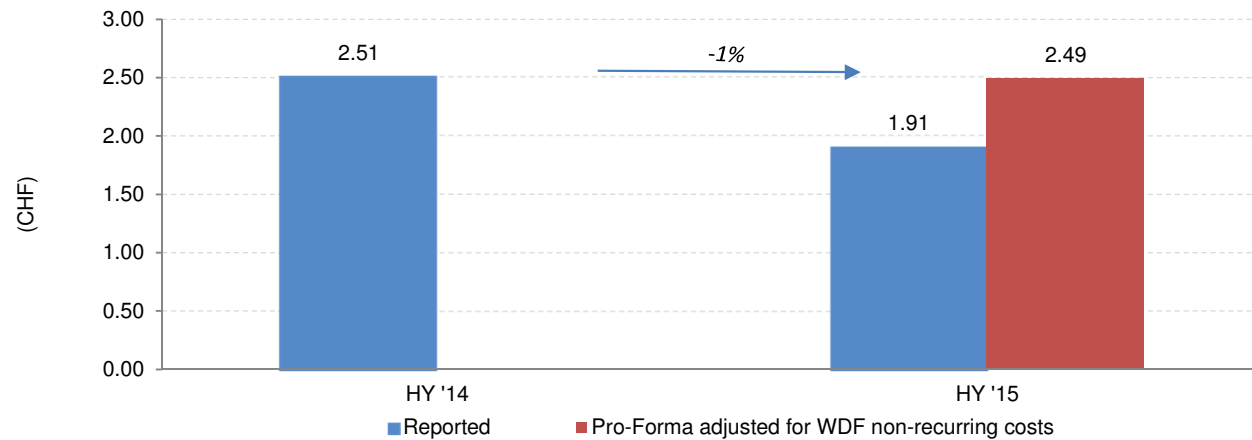
Cash EPS excluding one-offs from WDF acquisition flat

Pro-forma Cash EPS is adjusted for one-offs from acquisition activities, thus providing a better base for comparison

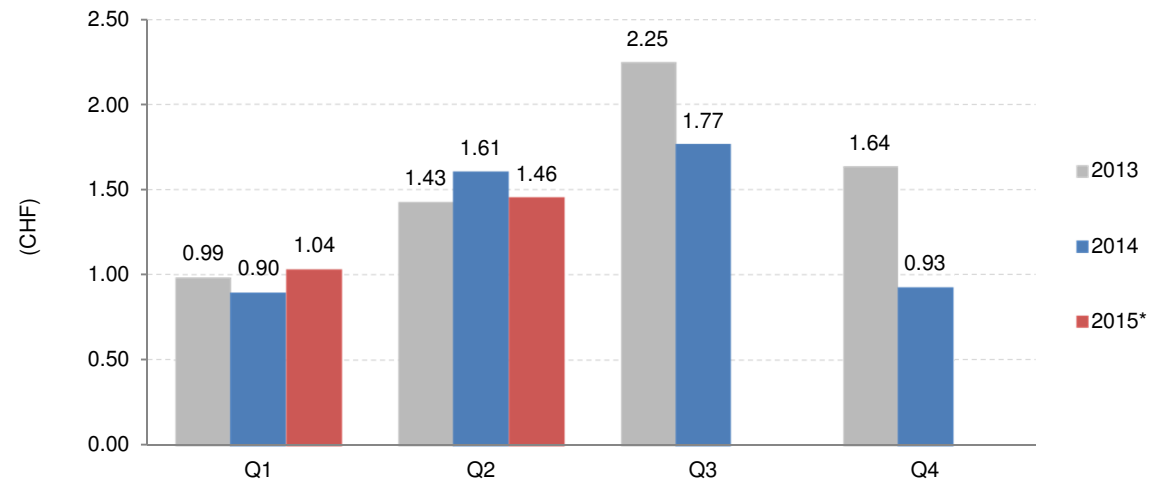
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Cash earnings per share

Cash Earnings per Share



Seasonality of Cash EPS



* Excludes one-offs from WDF acquisition



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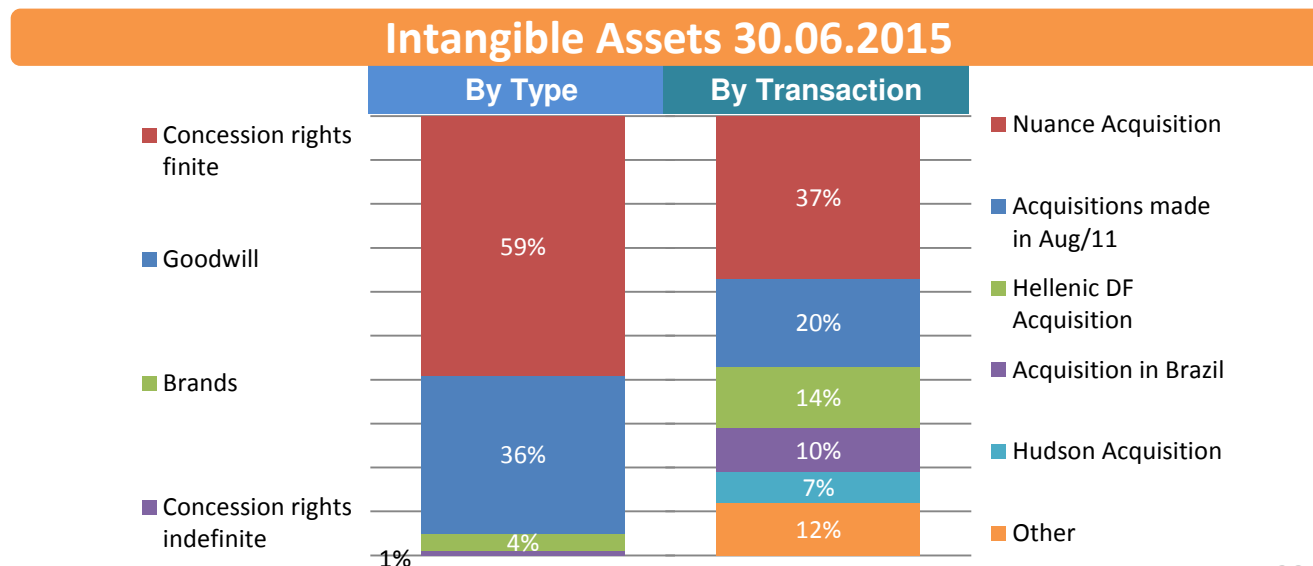
Assets are mainly related to Intangible assets generated by acquisitions

Liabilities are mainly a combination of Equity and Debt, which financed acquisitions

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Balance sheet

Balance Sheet			
(CHF million)	30.06.2015	31.03.2015	Variation
PP&E	402	413	-11
Intangible assets	4,224	4,389	-165
Other non current assets	119	124	-5
Net Working Capital	403	432	-29
Other current assets	223	240	-18
Equity	4,315	2,323	1,993
Net Debt	148	2,368	-2,220
Non current liabilities	134	129	5
Deferred tax liabilities, net	171	186	-15
Other current liabilities	617	593	23





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H1 is the least
semester of the year,
due to seasonality

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Cash flow statement

Cash Flow Statement		
(CHF million)	HY 2015	HY 2014
EBITDA before other operational result	236.7	221.4
Other operational items	(1.1)	(9.2)
Cash flow before working capital changes	235.6	212.2
Changes in net working capital	(32.4)	(40.6)
Restructuring related charges	(36.5)	-
Taxes paid	(28.3)	(16.6)
Dividends received from associates	4.5	-
Net cash flow from operating activities	142.9	155.0
Capex	(62.3)	(100.7)
Free cash flow	80.6	54.3
Business combinations, acquisition / sale of participation in subsidiaries	(118.6)	(5.8)
Cash flow after investing activities	(38.0)	48.5
Interest paid, net	(46.9)	(44.8)
Proceeds from mandatory convertible notes, net	-	268.3
Proceeds from issue of new shares	2,200.0	-
Arrangement fees, share issuance costs and other financing related costs	(64.3)	(9.2)
Cash flows related to minorities	(21.0)	(6.2)
Purchase of financial assets	(15.2)	-
Cash flow used for financing	2,052.6	208.1
Change in net debt	2,014.6	256.7
Currency translation	191.4	9.5
Change in Net Debt, incl. Acquisition and Translation effect	2,206.0	266.2
Net debt		
– at the beginning of the period	2,354.4	1,753.3
– at the end of the period	148.4	1,487.0



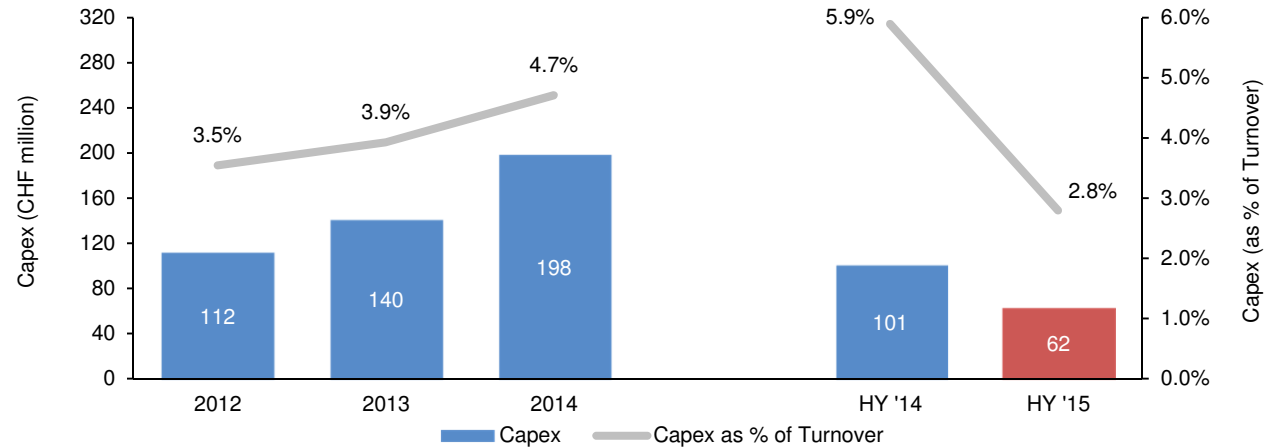
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Capex returning to historical levels after expansion plan executed in 2014

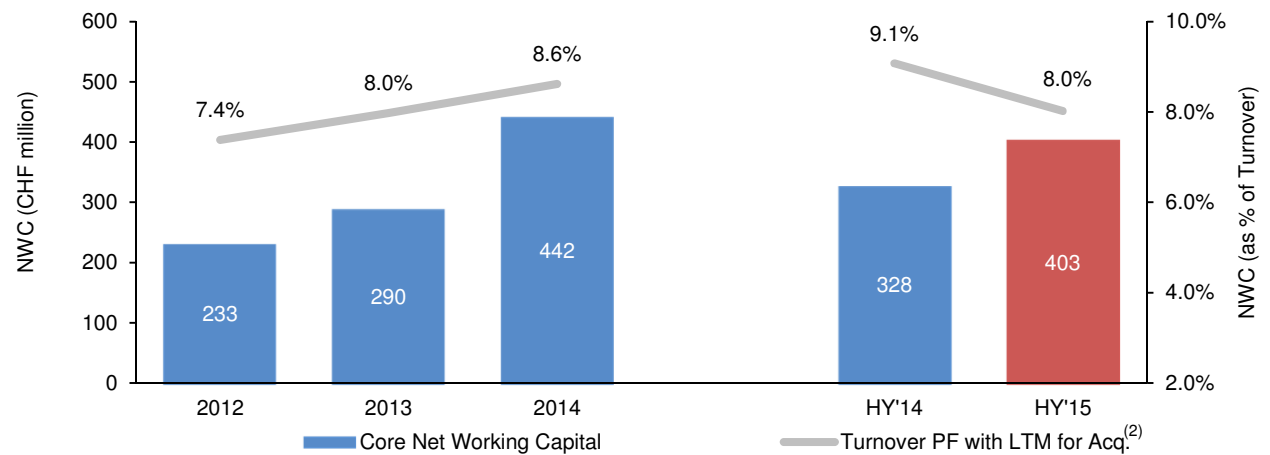
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Capex & Net Working Capital

Capex Evolution



Core Net Working Capital Evolution ⁽¹⁾



⁽¹⁾ Inventories + Trade and credit card receivables - Trade payables

⁽²⁾ Based on PF LTM turnover for Nuance (excluding Singapore)



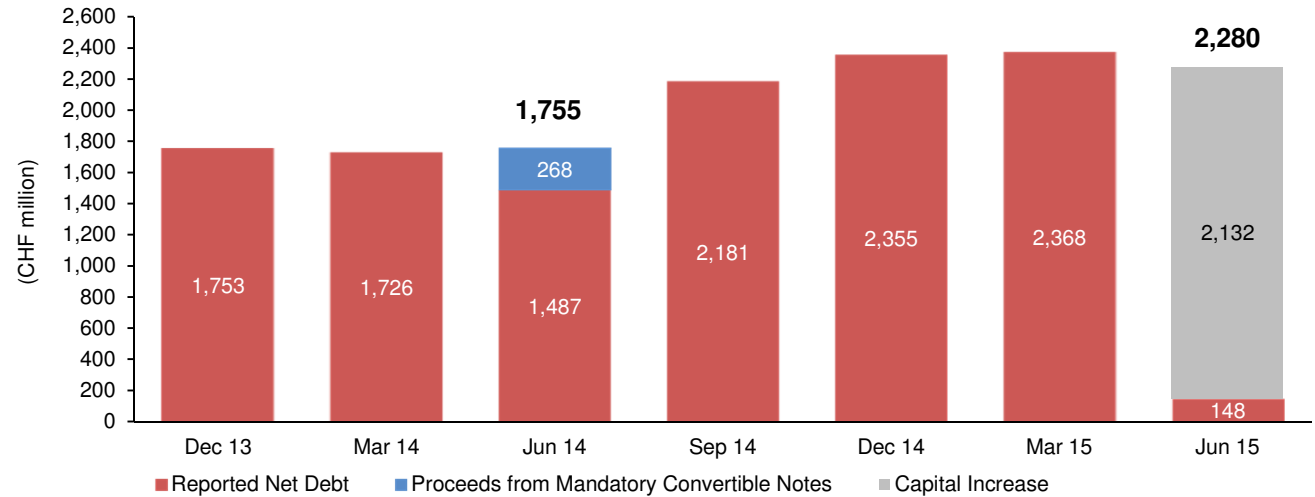
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Solid financial structure with slight decline in net debt

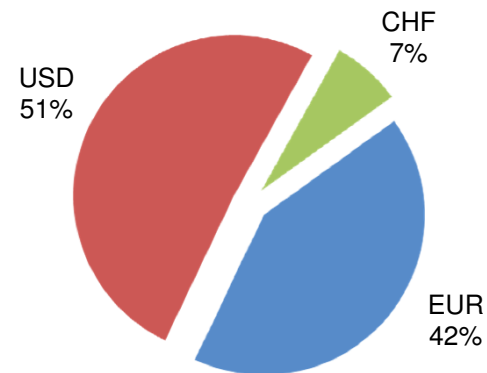
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Financing & Covenants (1)

Net Debt Evolution



Pro-Forma Net Debt by Currency





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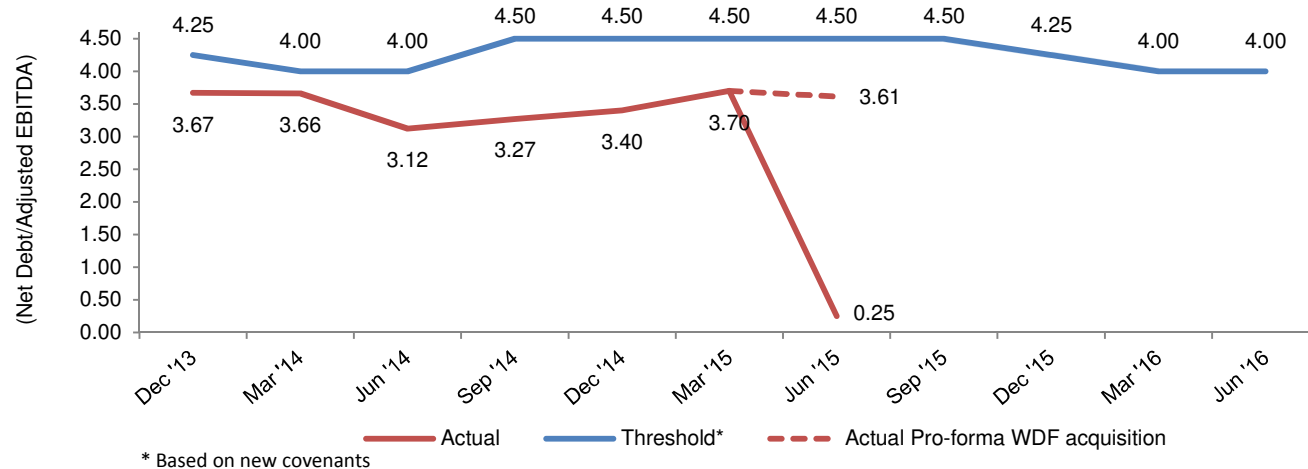
Leverage ratio significantly below covenant levels

Covenants reset due to WDF acquisition

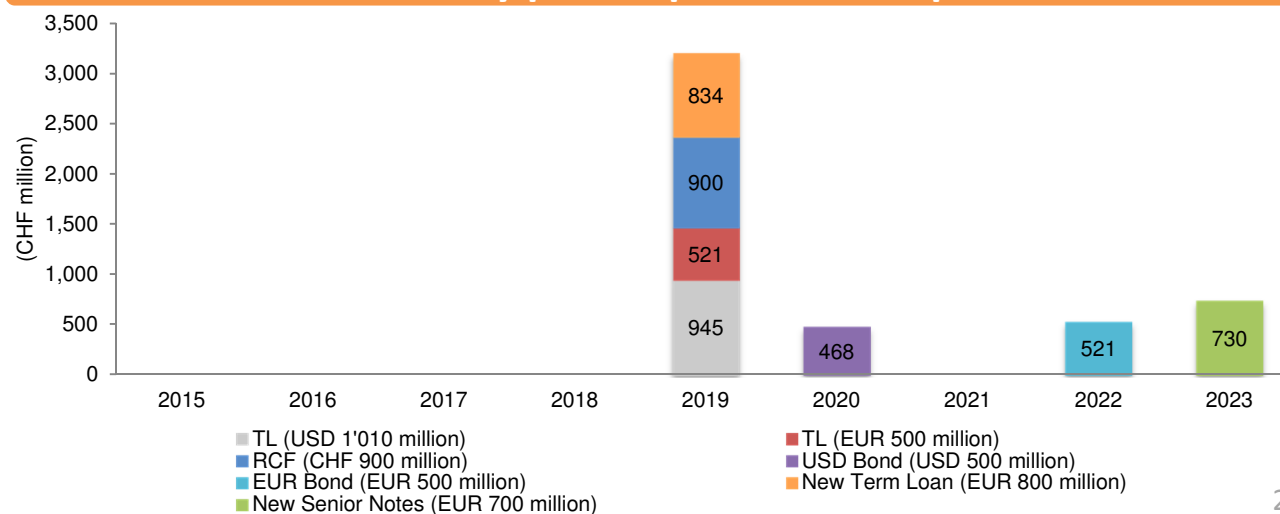
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Financing & Covenants (2)

Covenants Evolution



Debt maturity profile post WDF acquisition



Conclusion



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**Nuance integration
to be completed
by end 2015**

**Acceleration of
organic growth with
several initiatives**

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Delivering of synergies of Nuance integration

- Nuance integration will be the priority for 2015
 - Integration being executed at all organizational, commercial and operational levels
 - Integration to be completed as per end 2015 as planned
 - CHF 70 million synergies confirmed – full impact as of FY 2016
- Accelerate organic growth
 - Brand plan with main vendors with periodic performance review every 4 month
 - Renovation plan of 200 stores to improve revenue generation
 - New operational initiatives (store staff specialization, incentives program, visual merchandising)
- Asia and Hudson international expansion
- Closing of WDF acquisition & start of WDF integration planning

Thank you



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