FY 2016 Results

Customer Focused, Digitally Driven

March 15, 2017

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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.

AGENDA

1. FY 2016 Results
    - Highlights FY 2016
    - Positive organic growth
    - New contracts and significant extensions
    - Update on World Duty Free integration
2. Financials FY 2016
3. Conclusion

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1 Full Year Results 2016

2016 Goals set:

- Acceleration of organic growth
- Improve EBITDA
- Increase free cash flow generation and deleveraging
- Integration of WDF and definition of business model
- Extension of key contracts (Melbourne, Zurich, São Paulo, Cancun, Cozumel, Marrakech and many others)

Achievements:

- Dufry returns to positive organic growth in FY ‘16: + 1.0% (+5.6% in Q4)
- EBITDA grows by 29.2% to CHF 935.1 million
- Free cash flow increased by 43.0% to CHF 483.8 million
- Net debt reduced by CHF 205.6 million to CHF 3,750.4 million
- Integration of WDF completed ahead of time; with CHF 105 million of synergies confirmed. Company now expects synergies to be even higher and to reach more than CHF 125 million
- Contracts extensions of close to 80,000 m^2; representing CHF 1.2 billion of sales
- Over 30,000 m^2 of refurbishments executed

Highlights FY 2016

Positive organic growth of +1.0% in 2016 incl. WDF

Free cash flow of over CHF 483 million

More than half of WDF synergies already reflected in 2016 financials

- Turnover of CHF 7,829.1 million in 2016; growth of 27.5%
  - Organic growth of +5.6% in Q4 including WDF
  - Organic growth of +1.0% in FY 2016 including WDF
- Gross profit margin improves to 58.6% from 58.2% in 2015
- EBITDA grows by 29.2% and reaches CHF 935.1 million
  - EBITDA margin at 11.9%; +10 bps compared to previous year
- Free cash flow grows significantly by 43% to CHF 483.8 million in 2016 versus CHF 338.4 million in 2015
- Net debt reduced by CHF 205.6 million since December 2015, to CHF 3,750.4 million at the end of December 2016
- Cash EPS in 2016 grows by 50.4% to CHF 6.00, versus CHF 3.99 in 2015
- World Duty Free integration completed ahead of plan
  - CHF 105 million synergies confirmed and more than CHF 125 million expected; more than half of the synergies already reflected in the 2016 financials; incl. CHF 49 million of cost and CHF 14 million of gross profit margin synergies

Turnover analysis

Turnover grows by 27.5%

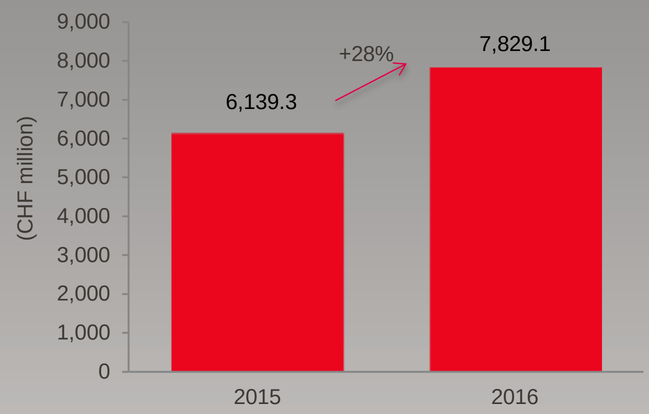
Distinct improvement of business in Brazil in H2

Strong performance in Spain

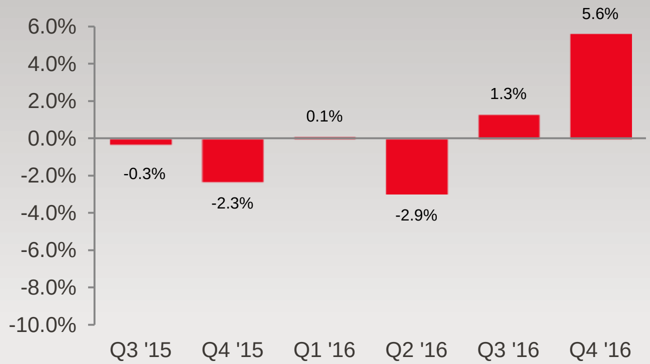
Organic growth acceleration in the UK post Brexit vote

Positive growth trends confirmed

Turnover evolution



Organic growth including WDF



- Challenging first semester in 2016:
  - Currency devaluation in key emerging markets (e.g. Russia, Brazil, Argentina)
  - Ban of Russian flights to Turkey, resulting in sales reduced by 50%
- Strong acceleration of organic growth in Q3 with +1.3% incl. WDF
  - Strong recovery in Brazil and return to positive organic growth in Q3 and Q4
  - Performance of Russian travellers started to recover in Q3 & Q4
  - Strong performance in Spain along the year
  - UK with strong performance post Brexit
- Pro-forma organic growth of +5.6% in Q4
- Pro-forma organic growth +1.0% for FY
- Positive trends confirmed in early 2017
- Trading Update

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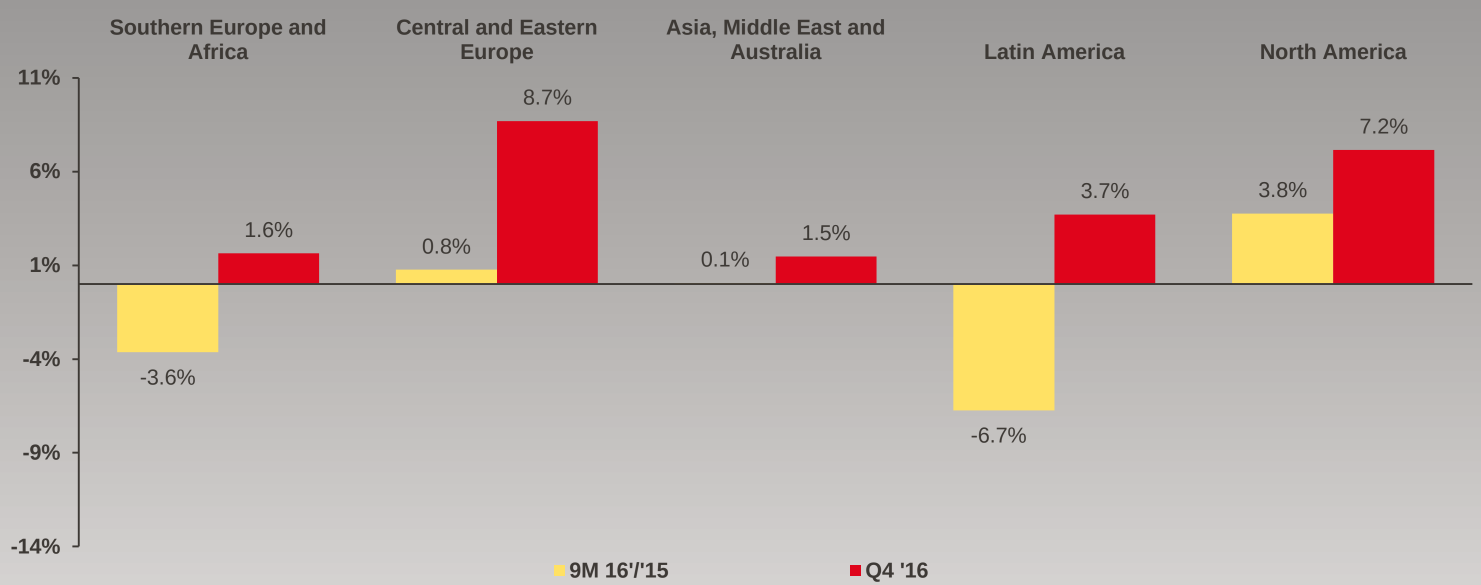
Organic growth evolution by division

Pro-forma organic growth back to positive for FY 2016

Improvement seen in all Divisions

Positive trends seen continuing in early 2017

All divisions with positive organic growth in Q4



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Close to 20% of portfolio extended in 2016

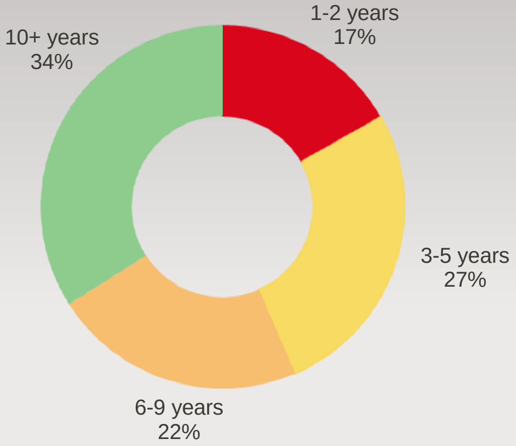
Close to 80,000 m² of contracts renewed

Close to 80,000 m² of contract extensions signed in 2016

- 84 of contracts extended in 2016 representing:
  - 340 shops
  - 80,000 m² of retail space
  - Approx. CHF 1.2 billion of sales
- Concessions renewed at similar terms than before

Remaining life-time of contracts of over 8 years

Duration of concession portfolio



- Average concession duration of 8 years

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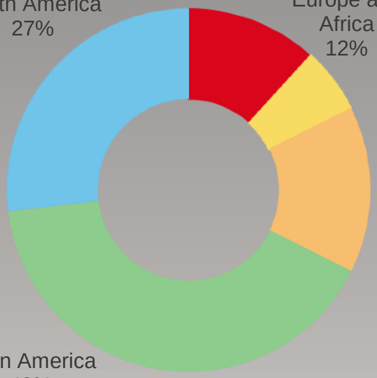
Dufry has opened 41,800 m^2 of gross retail space in 2016

41,800 m^2 of gross retail space opened in 2016

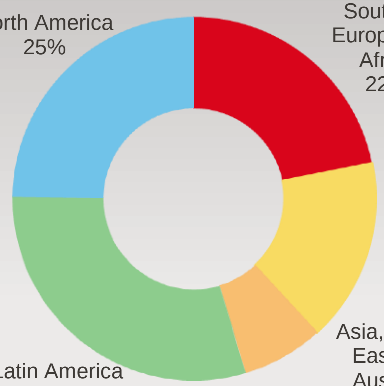
30,000 m^2 of retail space refurbished

Openings 2016



- Dufry opened a total of over 220 new shops in 2016
- Openings represent close to 10% of total retail space

Over 30,000 m^2 of shops refurbished in 2016



Region	Selected Locations
Southern Europe and Africa	Lisbon, Madeira, Naples
UK, Central and Eastern Europe	Birmingham, Heathrow T4, Basel
Asia, Middle East and Australia	Cambodia
Latin America	Rio de Janeiro, Lima, Mexico City
North America	Toronto, Vancouver, Seattle

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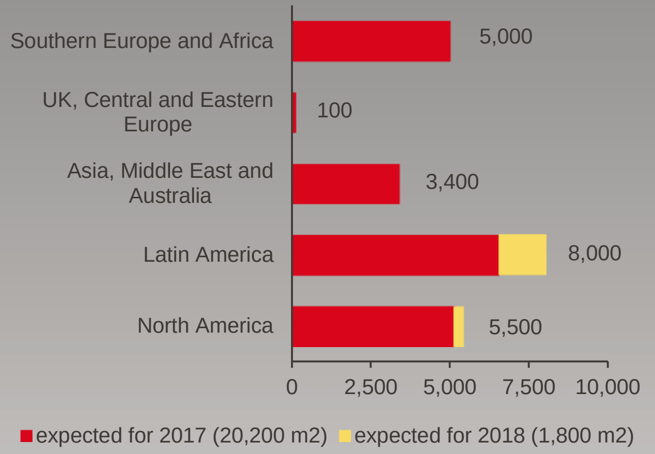
22,000 m^2 additional retail space already signed for 17/18

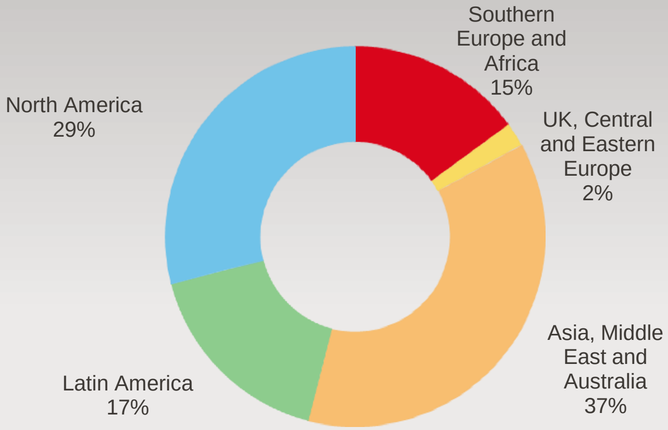
22,000 m^2 additional retail space already signed for 17/18

Strong pipeline of potential new projects

Over 22,000 m^2 signed space



Project Pipeline: 38,000 m^2



- Contract renewals and pursue of new concession is an important part of our activities
- On top of renewals, 22,000 m^2 of new contracts signed to be opened in 2017 and 2018
- In 2016, over 80% of success rate on projects pursued by the company (new + existing)

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Organic growth: Positive forecasts for ongoing passenger growth

Healthy international PAX growth

International PAX Forecast

	2017	2018	2019
Europe	7.0%	5.4%	5.2%
Africa	0.8%	2.2%	2.1%
Asia/Pacific	8.5%	7.7%	7.1%
Middle East	7.1%	7.3%	6.8%
LatAm/Caribbean	7.5%	7.0%	6.5%
North America	6.2%	5.5%	5.2%
World in total	**7.1%**	**6.2%**	**5.8%**

Source: Air4casts (01/03/2017)

Expectations continue strong with growth of 5-7% p.a.

- 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

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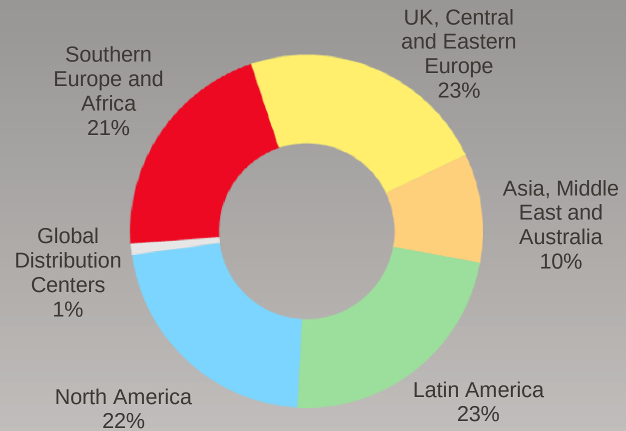
Dufry's Segmentation (1/2)

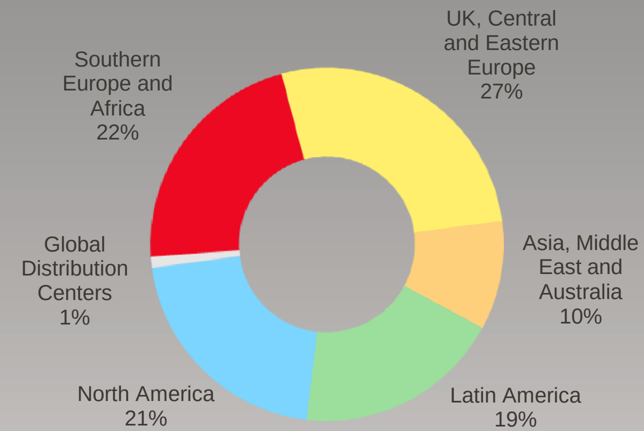
Balanced concession portfolio across divisions

Increased presence in Europe with WDF

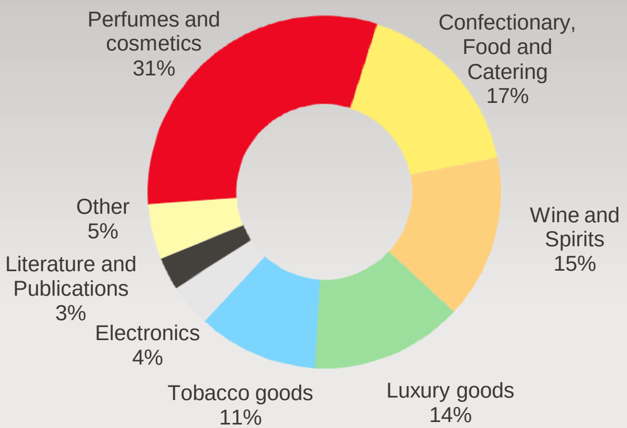
Dufry by Division 2015



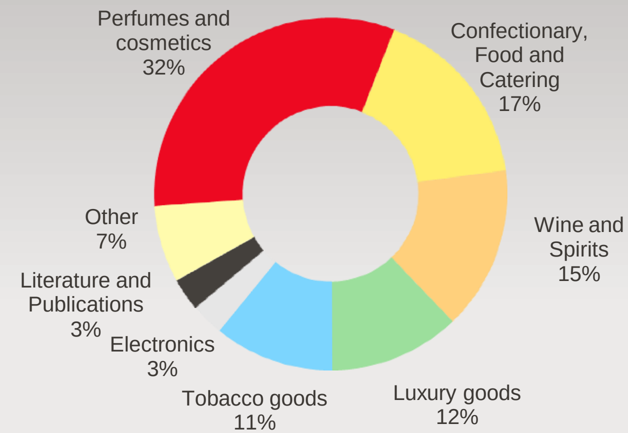
Dufry by Division 2016



Dufry by Category 2015



Dufry by Category 2016



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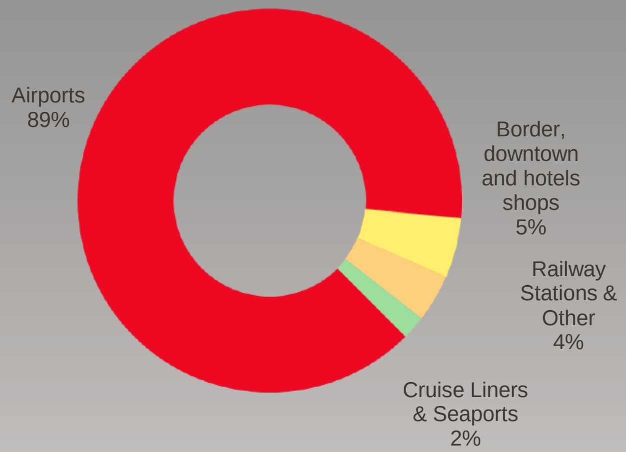
Dufry's Segmentation (2/2)

Airports remain major channel

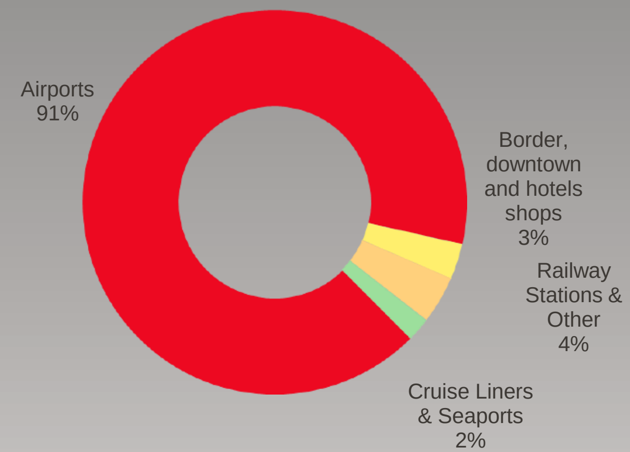
Opportunities in additional channels

Further expansion in duty-free and duty-paid

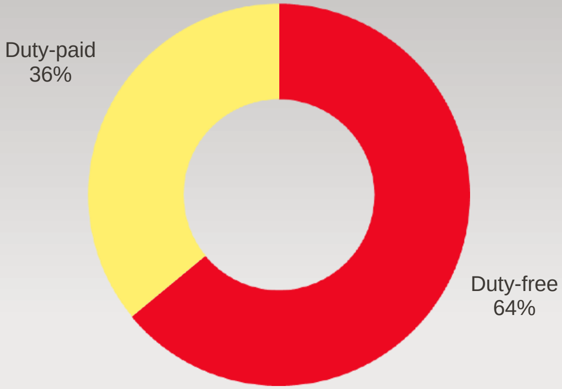
Dufry by Channel 2015



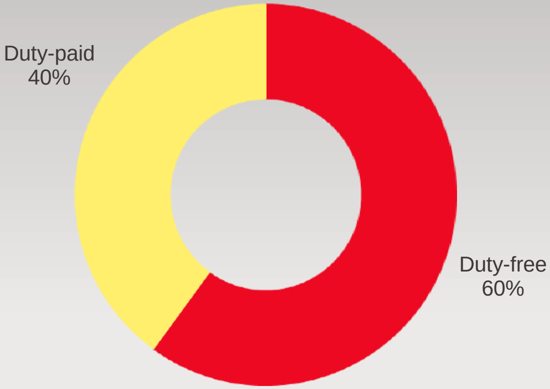
Dufry by Channel 2016



Dufry by Sector 2015



Dufry by Sector 2016



World Duty Free integration completed

Integration of World Duty Free completed ahead of plan

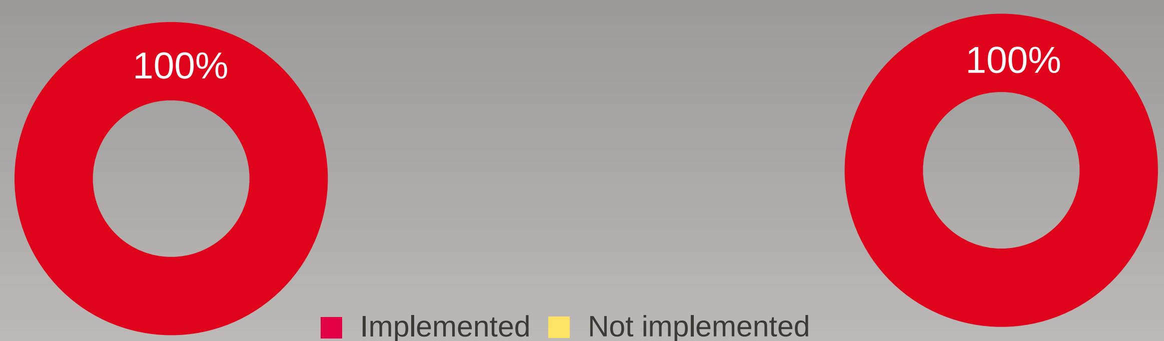
Total of over CHF 125 million of WDF synergies expected

More than half of WDF synergies already reflected in FY 2016 financials

Implementation of synergies completed by FY ‘16

EUR 50-60 million cost synergies

EUR 40-50m gross margin synergies



Synergies reflected in income statement

- Integration of World Duty Free has been completed ahead of plan
- Total of CHF 105 million synergies confirmed; company now expects synergies to be even higher and to reach more than CHF 125 million in total
- More than half of the WDF synergies already reflected in the 2016 financials, including CHF 49 million of cost and CHF 14 gross profit margin synergies
- Remaining synergies to build up sequentially over the coming quarters in 2017

New Business Operating Model (BOM) defined

New Business Operating Model defined and implementation launched

Goal to drive sales and increase competitiveness

BOM to generate additional efficiencies

- Following the integration of the transformational acquisitions, the New Dufry has revised and newly defined its Business Operation Model
- Goals of the BOM are:
  - Increase competitiveness in the market
  - Better serve customers and fulfil their new, changing expectations
  - Drive sales
  - Current estimate to generate efficiencies on top of the integration synergies in an expected magnitude of 50 bps of EBITDA margin
- The new Business Operating Model focusses on:
  - Refining and aligning operating processes at all organizational levels of headquarters, division and countries
  - Introducing and benefitting from best practices
  - Adopt new ways of collaboration
- Implementation of the BOM has been successfully piloted in Mexico and is now being executed across the group in multiple waves including several countries each with completion planned for end 2018

Strengths and unique positioning of travel retail offer sustainable growth opportunities

Unique travel retail positioning offers sustain-able growth opportunities	• Digital technologies are important tools for increasing penetration, spend per ticket and spend per passenger • Travel retail benefits from a unique environment and opportunities to provide customers with outstanding shopping experience as compared to downtown and online retail

Resiliently growing captive customer base	• Captive audience at the airports with ongoing PAX growth worldwide
	  • Customers are at the airports, no need for extensive advertising and marketing campaigns to attract to locations
	  • Customers are in positive travel and leisure mood

Unique shopping environment and customer benefits	• Unique shopping environment with specific shopping behavior
	  • Highly impulse driven
	  • Convenience and necessity approach provides opportunities to international and domestic passengers
	  • Wish to make gifts and buy souvenirs
	  • Prestigious and exclusive products, novelties
	• Growing and attractive channel for suppliers, willing to engage in exclusive cooperation

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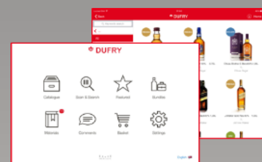
Driving Customer Experience in a 360° perspective, enhanced through Digital innovations

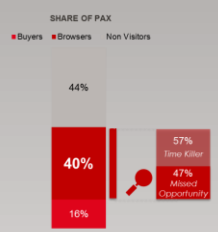
2. Training our Staff and providing them with the latest selling tools

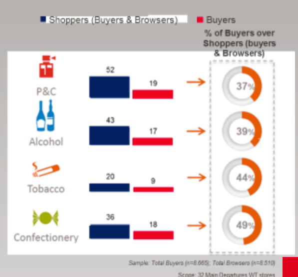
- Disney Institute staff training
- Sales Applications for staff on interactive tablets

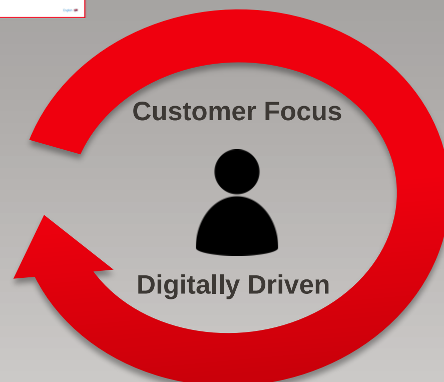


1. Understanding our Customer

- In depth Customer surveys
- Mystery shoppers reports

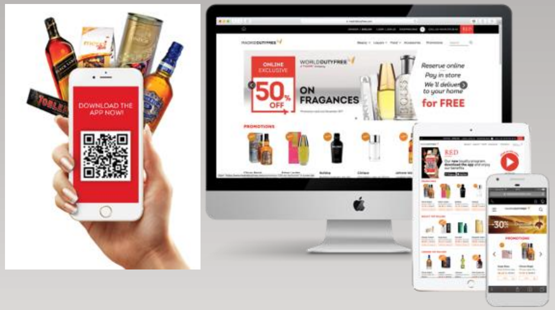






3. Omnichannel: Digital experience

- Dufry Red loyalty program
- Pre Order Service
- Social Media & Celebs.



4. New Experiences though Digital Innovations

- New Generation Store
- In Flight Service

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Communicate with customers along whole journey

Increase customer touch points

- Be present in each one of the phases of the *Customer Journey*
- Improve their shopping experience to increase penetration and spend per passenger

Improve customer shopping experience

Drive sales through increased penetration and spend per passenger

Channels	Home	Airport Depart	Inflight	Airport Arrive	Post arrival
RED by Dufry					
Pre-order service					
Social media, sponsoring, celebrations					
New Generation Stores					
Store digitalization					
Staff digitalization and training					
Inflight emotion					

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Strategic priorities for 2017 and beyond (1)

Drive sales through higher penetration and spend per ticket	• Continue to drive organic growth
	  • Long-term PAX growth of 5% annual average and digital opportunities acting as growth drivers
	• Drive penetration and increase spend per ticket through ongoing initiatives focusing on customers:
	  • Next Generation Store
	  • Attract new customer profiles with adapted assortment
	  • Digitalization of business to intensify customer communication by leveraging whole value through multiple touch-points
	  • Refurbishments
	  • Leverage on novelties and exclusive products for Dufry and travel retail
	  • Drive Customer Service Excellence by increasing employee training

Focus on customer and intensify use of digital technology	
BOM to generate additional efficiencies	• New projects and expansions • Drive profitability and efficiency through BOM • Leverage central functions and best practices • Once deleveraging achieved, return to shareholders and/or selective bolt-on acquisitions

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Strategic priorities for 2017 an beyond (2)

EBITDA margin levels of 13-13.5% confirmed

Focus on cash generation

- **Drive organic growth**
  - 22,000 m^2 of already singed space to be opened in 2017 and beyond
  - 38,000 m^2 of projects in pipeline providing sound base for further growth
  - 50,000 m^2 to be refurbished in 2017
- **EBITDA margin** to reach 13% - 13.5% in medium-term
  - Facilitators to reach target will be:
    - Reflection of full WDF synergies in financials
    - Contribution from full implementation of BOM efficiencies
    - Full recovery of emerging markets' performance (e.g. key operations Brazil, Russia, Turkey) based on sales levels of early 2015 when targets where set
- **Cash generation:** Continue focus on cash generation and strong cost control
  - Medium-term leverage of below 3x net debt/EBITDA remains unchanged

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2 FINANCIALS
Full Year 2016

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Growth performance by division

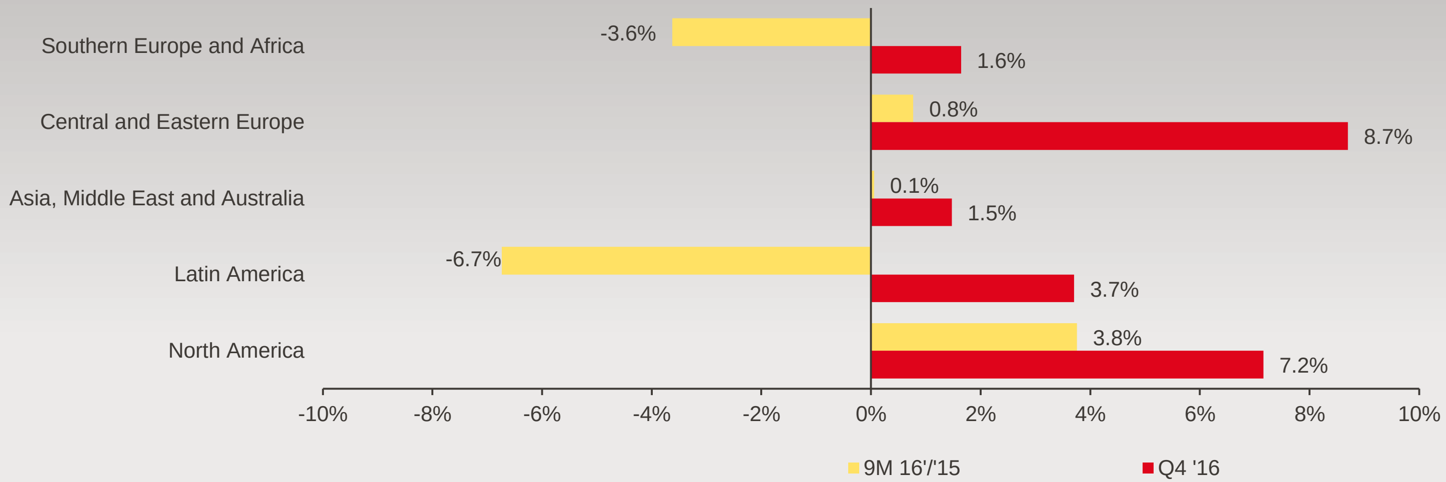
Accelerating like-for-like and organic growth in Q4

Improvements in all Divisions

Reported Growth Components

	Q1 '16	Q2 '16	Q3 '16	Q4 '16	2016
Like for Like	-6.2%	-7.7%	-0.6%	5.0%	-1.2%
New concessions, net	1.0%	0.4%	0.9%	0.6%	0.7%
Organic growth	**-5.2%**	**-7.3%**	**0.3%**	**5.6%**	**-0.5%**
Changes in scope	63.0%	68.5%	15.2%	-0.8%	28.6%
Growth in constant FX	**57.8%**	**61.2%**	**15.5%**	**4.8%**	**28.1%**
FX impact	2.2%	2.5%	-1.4%	-3.3%	-0.6%
Reported Growth	**60.0%**	**63.7%**	**14.1%**	**1.5%**	**27.5%**
Organic growth including WDF	**0.1%**	**-2.9%**	**1.3%**	**5.6%**	**1.0%**

Organic Growth 9M vs Q4 '16 incl. WDF



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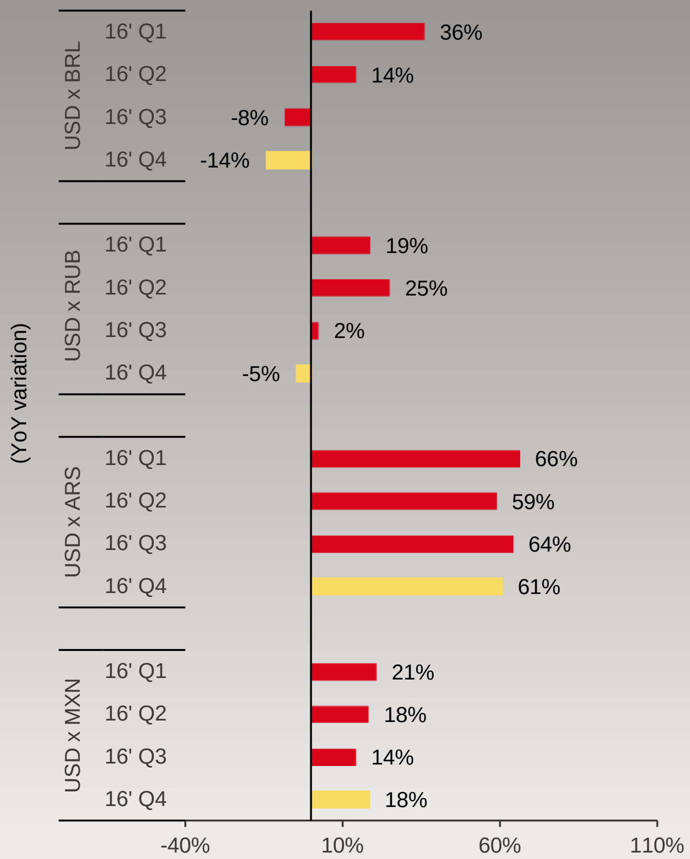
Organic growth: Ongoing reduction of currency volatility impact

Reduced volatility in most markets

Devaluation peak of Real and Ruble annualized in Q3

Brazilian Real turns positive vs USD

Local currencies vs USD



- Currency volatility continuing with stabilizing trends in most markets
- Brazilian Real and Russian Ruble devaluation annualized in Q3
- Brazilian Real turned positive to US dollar
- Negative impact on the Argentinean Peso annualized in Q4 2016

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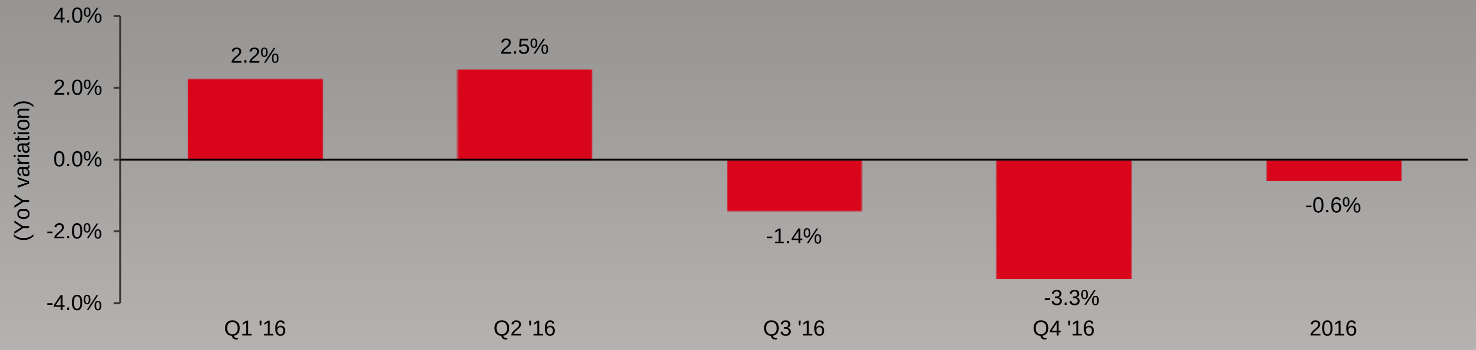
Aggregated FX development

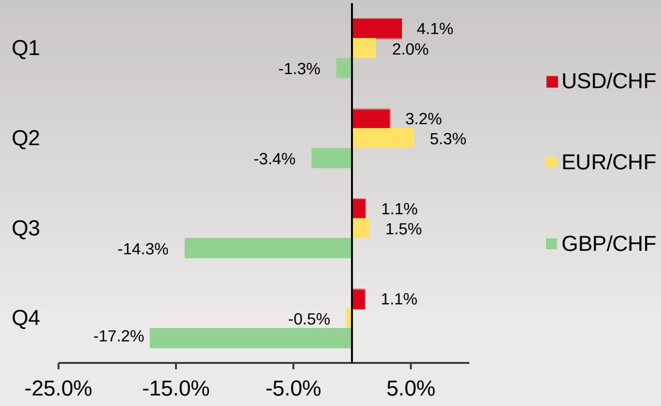
Translational FX impact turned negative in Q3 due to GBP

GBP impact to continue in the next quarters

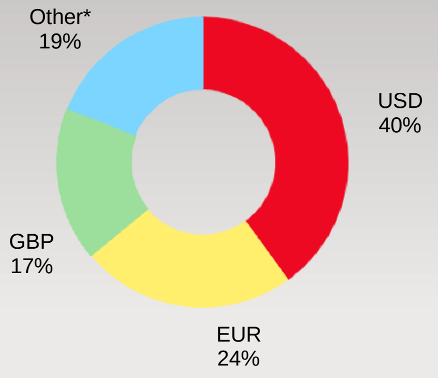
Translational FX impact in 2016



Main Currencies Development



Turnover by currency



* Other includes CHF, CAD, AUD, HKD, etc.

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Income statement FY

WDF consolidation effect has annualized in Q3 2016 (August)

Income statement FY

(CHF million)	2016	%	2015	%
Turnover	**7,829.1**	*100.0%*	**6,139.3**	*100.0%*
Gross profit	**4,584.1**	*58.6%*	**3,574.7**	*58.2%*
Concession fees	(2,125.9)	*-27.2%*	(1,582.6)	*-25.8%*
Personnel expenses	(1,054.5)	*-13.5%*	(856.2)	*-13.9%*
Other expenses	(472.5)	*-6.0%*	(416.1)	*-6.8%*
Share of result of associates	3.9	*0.0%*	4.0	*0.1%*
EBITDA[1]	**935.1**	*11.9%*	**723.8**	*11.8%*
Depreciation	(166.2)	*-2.1%*	(135.8)	*-2.2%*
Amortization	(379.2)	*-4.8%*	(309.0)	*-5.0%*
Linearization	(74.7)	*-1.0%*	(29.2)	*-0.5%*
Other operational result	(42.4)	*-0.5%*	(117.1)	*-1.9%*
EBIT	**272.6**	*3.5%*	**132.7**	*2.2%*
Financial result	(215.5)	*-2.8%*	(179.5)	*-2.9%*
EBT	**57.1**	*0.7%*	**(46.8)**	*-0.8%*
Income tax	(11.3)	*-0.1%*	10.1	*0.2%*
Net Earnings	**45.8**	*0.6%*	**(36.9)**	*-0.6%*
Non-controlling interests	(43.3)	*-0.6%*	(42.4)	*-0.7%*
Net Earnings to equity holders	**2.5**	*0.0%*	**(79.3)**	*-1.3%*
Cash Earnings	**322.9**	*4.1%*	**182.8**	*3.0%*

[1] Before other operational results

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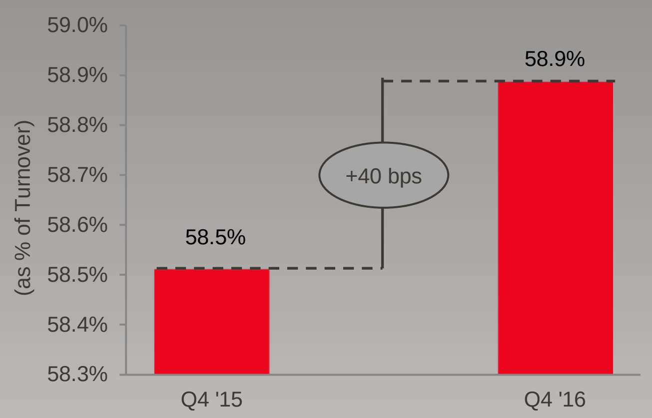
Income statement Quarter

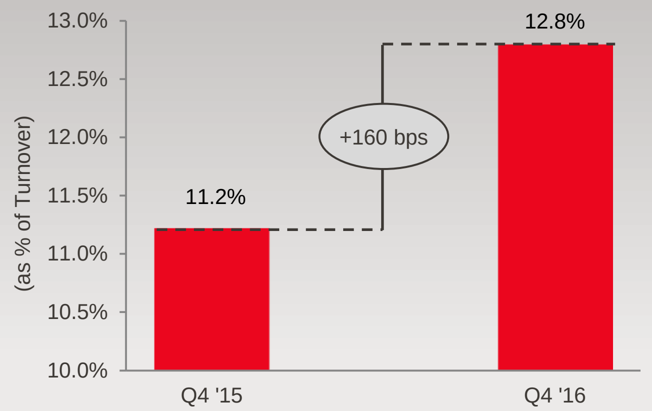
Q4 '16 has the same comparison base since the recent acquisitions

Synergies were an important factor for margin improvement in Q4

Gross margin Q4



EBITDA margin Q4



- Q4 2016 is the first comparable quarter year on year after the recent acquisitions
- Gross margin improvement from Nuance and WDF synergies
  - Synergies from WDF to build up in the next quarters
- EBITDA margin benefited further from cost synergies, which were delivered ahead of plan

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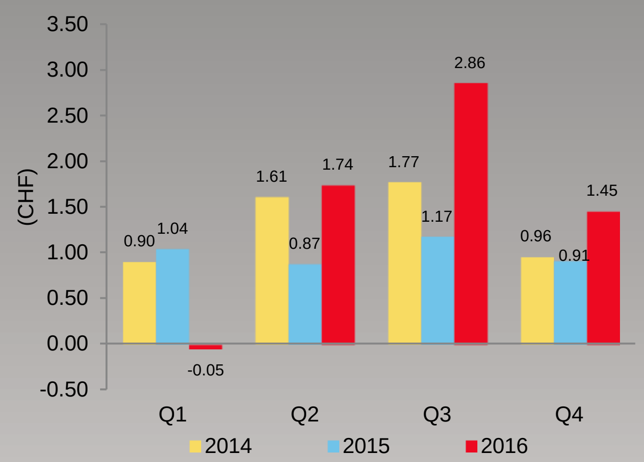
Cash earnings – strong growth in 2016

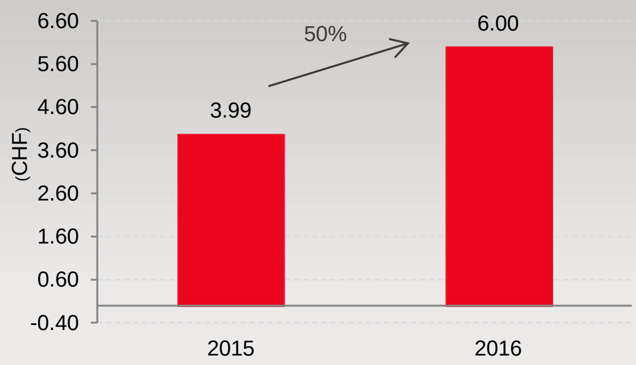
Cash EPS increases by 50.4% in 2016

Q3 is the strongest quarter due to business seasonality

Cash EPS by quarter



Cash EPS FY



Cash EPS analysis

	2016	2015
Cash EPS	**6.00**	**3.99**
Deffered taxes on acquisition-related amortization	-1.22	-1.32
Linearization	1.39	0.64

- Pronounced increase in earnings and cash EPS growth
- Seasonality of earnings to remain more pronounced going forward

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Cash flow statement

Strong free cash flow generation increasing by 43%

Cash flow statement

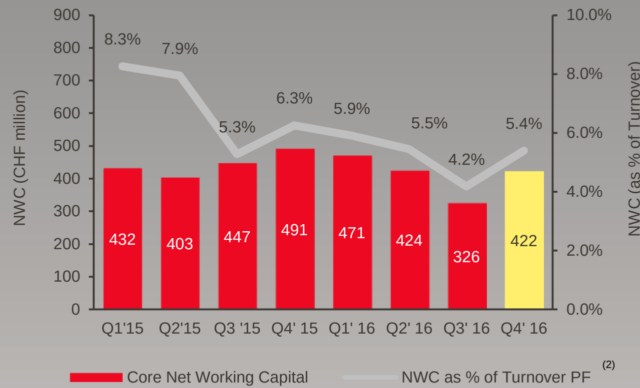
(CHF million)	FY 2016	FY 2015
EBITDA before other operational result	**935.1**	**723.8**
Changes in net working capital	(39.6)	(83.9)
Taxes paid	(98.0)	(95.2)
Other operational items	(81.8)	(57.9)
Dividends from associates	4.9	4.8
Net cash flow from operating activities	**720.6**	**491.6**
Capex	(262.2)	(164.6)
Interest received	25.4	11.4
Free cash flow	**483.8**	**338.4**
Restructuring and transaction costs of acquisitions	(20.2)	(74.7)
Proceeds from sale of interests / (investments) in subsidiaries and associates	3.8	(2,937.0)
Cash flow after investing activities	**467.4**	**(2,673.3)**
Interest paid	(220.8)	(104.4)
Proceeds from issuance of new shares, gross	-	2,200.0
Arrangement fees paid, acquisition related financing costs and other	(13.8)	(138.3)
Cash flows related to minorities	(48.2)	(43.3)
Financial Investments	17.5	(11.7)
Cash flow used for financing	**(265.3)**	**1,902.3**
Change in Net Debt, before currency translation	**202.1**	**(771.0)**
Net debt from WDF		(988.5)
Currency translation	3.5	157.9
Net debt		
– at the begining of the period	3,956.0	2,354.4
– at the end of the period	3,750.4	3,956.0

Capex & Net Working Capital

Core Net Working Capital continues at reduced levels

Capex in line with target

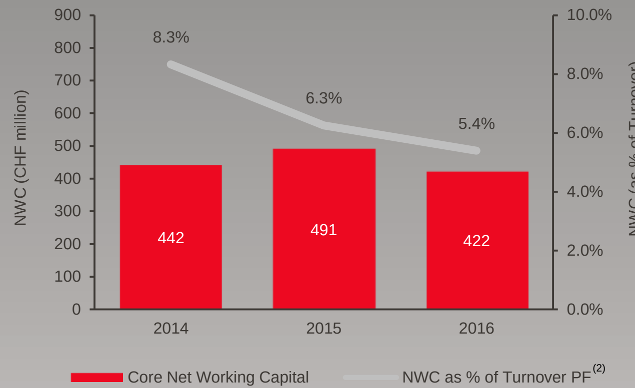
Core Net Working Capital(1) Quarter



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

(2) Adds LTM Turnover of acquisitions

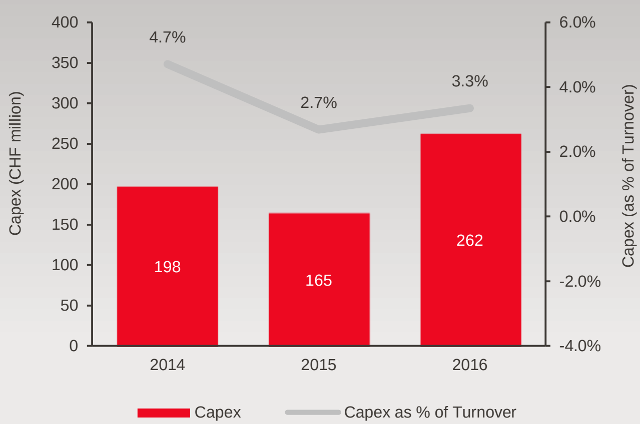
Core Net Working Capital(1) Year



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

(2) Adds LTM Turnover of acquisitions

Capex Evolution 2016



- Improvement in core net working capital management key for cash generation
- Core Net Working Capital behaves seasonally
- Overall capex target range of 3.0% - 3.5% of turnover confirmed.

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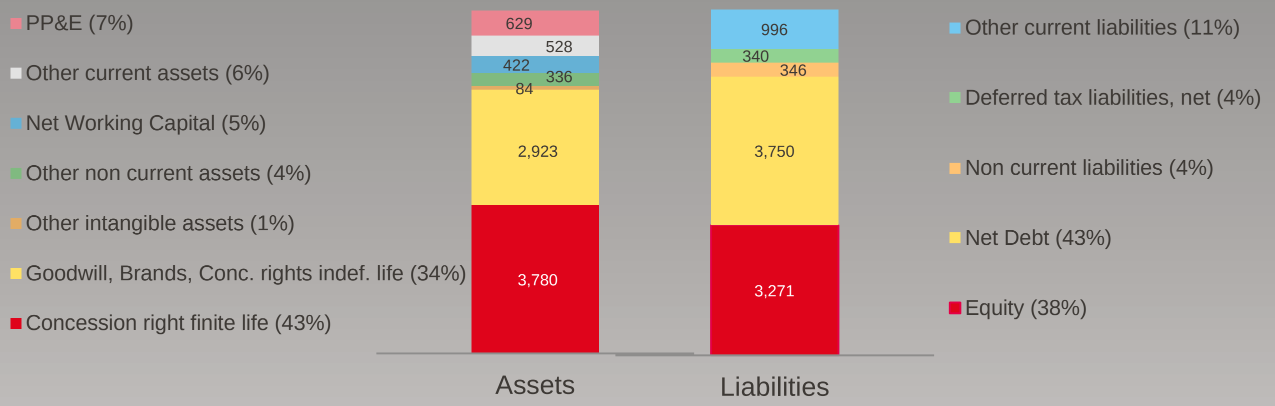
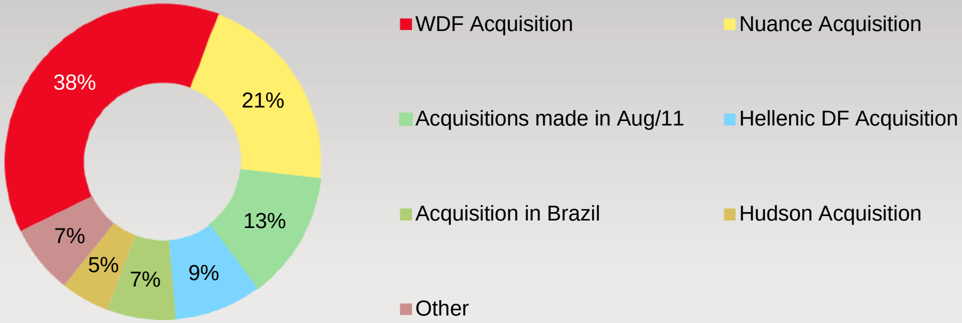
Balance sheet

Intangible assets mainly generated by acquisitions

Balance sheet as per 31.12.2016 (CHF million)



Intangible assets by transaction



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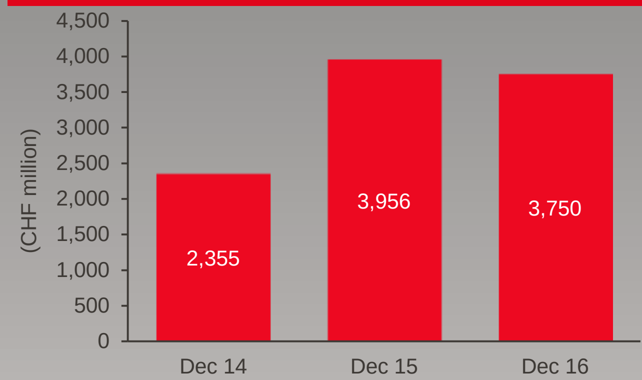
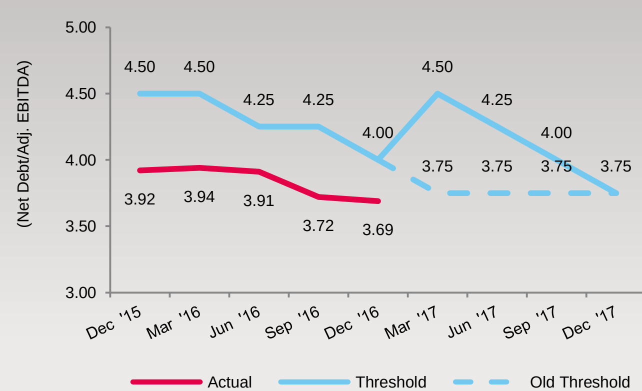
Financing & Covenants

Net debt reduction of CHF 206 million in 2016

Net Debt Evolution



Covenants evolution



- Net debt reduced by CHF 205.6 million in 2016
- Projects in LatAm and Greece (regional airports) require overall investments of more than CHF 100 million
  - Cash-out expected in Q1 and Q2
- To provide sufficient headroom, Dufry triggered “Permitted Ratio Increase” with banks
  - Temporary increase of covenants for three quarters
- Feature is designed to provide short-term flexibility for small to mid-sized additional investments over regular Capex
- Already included in last facility agreement
  - Does not generate additional costs

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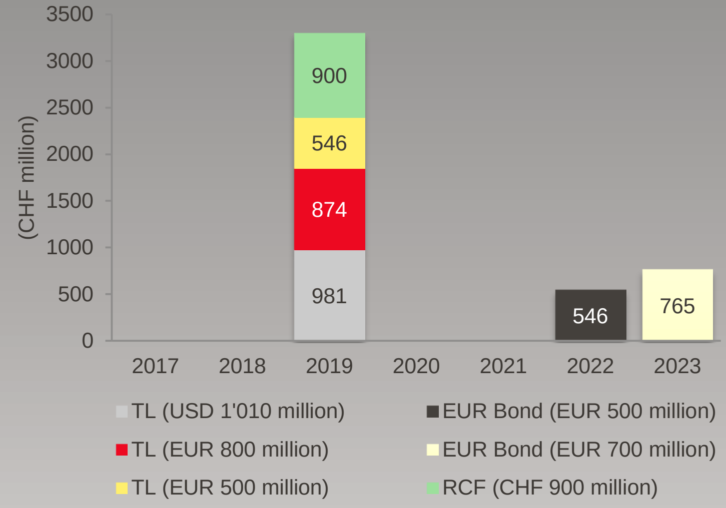
Debt structuring

No debt maturity until 2019

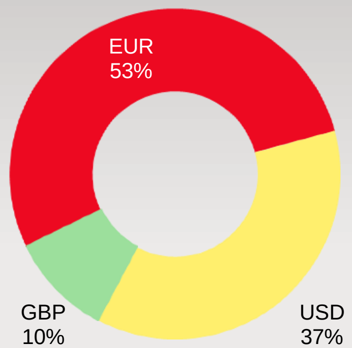
Cash flow allows for comfortable repayment of bond expiring in 2020

Debt structure well reflecting revenue currencies

Debt maturity profile



Debt by currency



- Repayment of 2020 USD bond (500 million) on December 2, 2016
- Savings until maturity in excess of CHF 80 million
- One-off costs of CHF 19.6 million charged in Q4 2016

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3 CONCLUSION

Conclusion

Continue organic growth acceleration	• Continue to drive organic growth by: • Growing spend per passenger • Accelerating commercial initiatives • Digitalization of business • Increasing retail space • Refurbishing existing operations
Drive cash generation and deleveraging	• Execute implementation of new defined business operating model (BOM) at country level on a global scale: • Execution to be done in several waves; each including several countries • Implementation to be completed FY 2018 at the latest • Generate efficiences
Execute implementation of Business Operating Model	• Launch of first new generation stores: Heathrow Terminal 3, Zurich, Melbourne, Cancun, Madrid – all of them already in progress • Continue with cash generation and deleveraging

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Thank you