Q1 2017 Results

Organic growth accelerates further

May 2, 2017

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AGENDA

1. Q1 2017 Results

2. Financials Q1 2017

3. Conclusion

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1 First Quarter 2017 Results

Organic growth accelerates to 7.2%

Gross profit margin expands to 59.6% due to WDF synergies

EBITDA grows to CHF 154.7 million

Cash earnings increase to CHF 0.29

Highlights Q1 2017

Organic growth continues to accelerate: 7.2% in Q1 2017

WDF synergies driving gross profit margin and supporting EBITDA margin expansion

Cash EPS improved strongly from CHF -0.05 in Q1 2016 to CHF 0.29 in Q1 2017

- Turnover of CHF 1,706.8 million in the first quarter of 2017; growth of 4.7%
  - Organic growth of +7.2%
- Gross profit margin improves to 59.6% from 58.6% in Q1 2016
- EBITDA grows by 5.6% and reaches CHF 154.7 million
  - EBITDA margin increases to 9.1%
- Cash EPS in Q1 2017 grows to CHF 0.29 from CHF -0.05 in Q1 2016
- Comfortable covenants headroom with Net debt/EBITDA at 3.79x versus threshold of 4.50x
- Refurbished 20 shops for a total of 7,200 m^2 in Q1; the major ones where operations in Athens, Bristol, Barbados, Las Vegas and Toronto. Further 19,500 m^2 are already signed and planned for 2017, as well as additional 26,500 m^2 to come in 2018
- Signed contracts signed so far: additional 23,000 m^2 of new space to be opened until the end of 2017 and 2018

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Turnover analysis

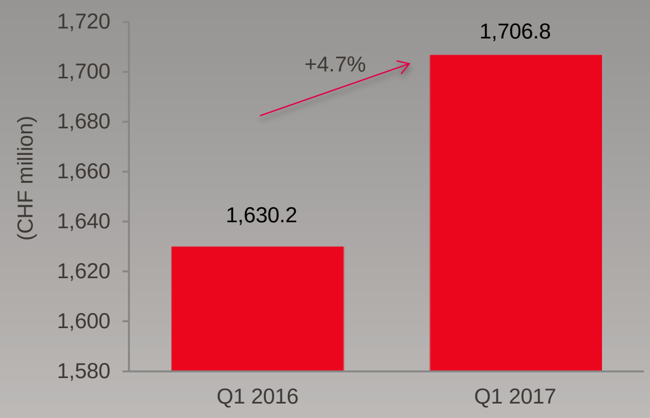
Turnover grows by 4.7%

Improvement in Brazil, Russia and Turkey

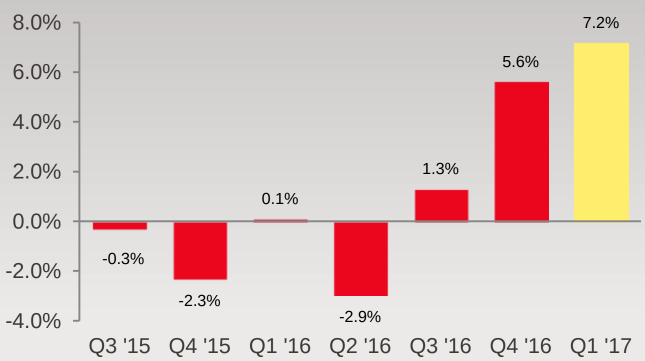
Strong performance in several European markets

Positive growth trends confirmed

Turnover evolution



Organic growth including WDF



Note: from Q3 '15 to Q3 '16 pro-forma including WDF

- Acceleration of organic growth continues; Q1 2017 at +7.2%, despite calendar effect:
  - One day less in February
  - Easter in Q2
- Good performance in most locations
  - Good performance in Spain ongoing
  - UK confirms strong performance post Brexit
  - Strong recovery in Brazil, accelerating since Q3 '16
  - Recovery in Russia since Q3 '16
  - First signs of improvement in Greece and Turkey
- Trading Update: positive trends confirmed in April, 2017

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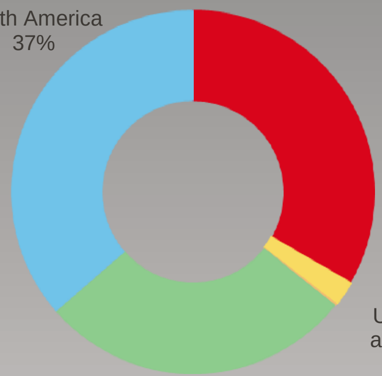
Dufry has opened 5,600 m² of gross retail space in Q1 2017

5,600 m²
of gross retail space opened in Q1 2017

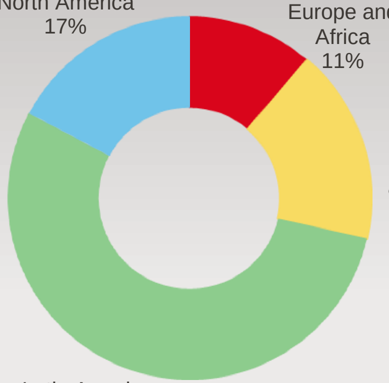
Openings in Q1 2017



- 5,600 m² of gross retail space opened, including new shops and expansions

7,200 m² of retail space refurbished in Q1 2017

Over 7,200 m² of shops refurbished in Q1 2017



Region	Selected Locations
Southern Europe and Africa	Athens, Milano
UK, Central and Eastern Europe	Bristol
Latin America	Barbados, Bolivia
North America	Toronto, Las Vegas, Los Angeles

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23,000 m² additional retail space signed for 17/18

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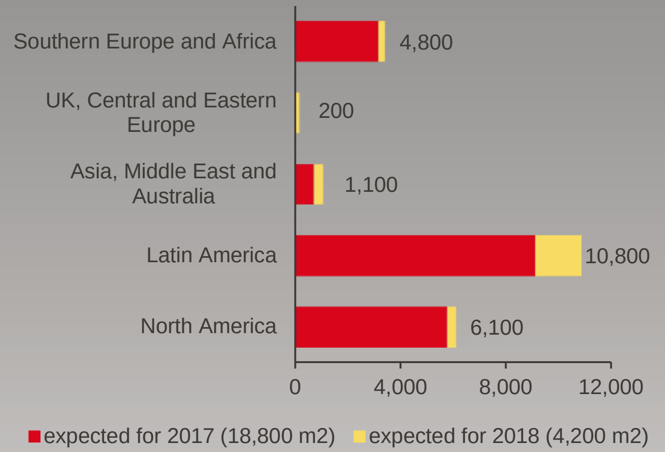
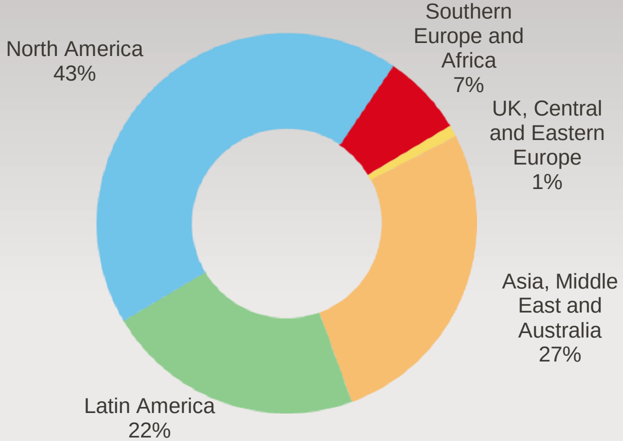
Strong pipeline of potential new projects

23,000 m² signed space



Project Pipeline: 32,200 m²



- Contract renewals and pursue of new concession is an important part of our activities
- 23,000 m² of new contracts signed to be opened in 2017 and 2018

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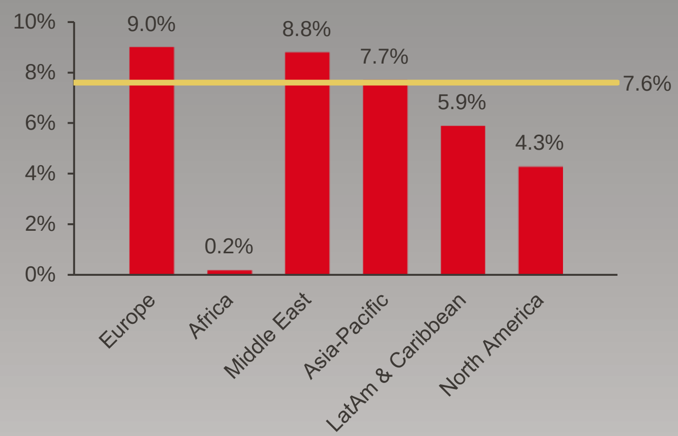
Organic growth: Positive forecasts for ongoing passenger growth

Healthy international PAX growth

International PAX growth Q1 2017*



* Until February
Source: ACI

International PAX growth forecast

	2017	2018	2019
Europe	6.3%	4.7%	4.7%
Africa	1.5%	2.8%	2.7%
Asia/Pacific	8.6%	7.7%	7.1%
Middle East	8.0%	7.1%	6.7%
LatAm/Caribbean	7.1%	6.5%	6.1%
North America	5.2%	4.3%	4.2%
World in total	**6.8%**	**5.7%**	**5.5%**

Source: Air4casts (01/04/2017)

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

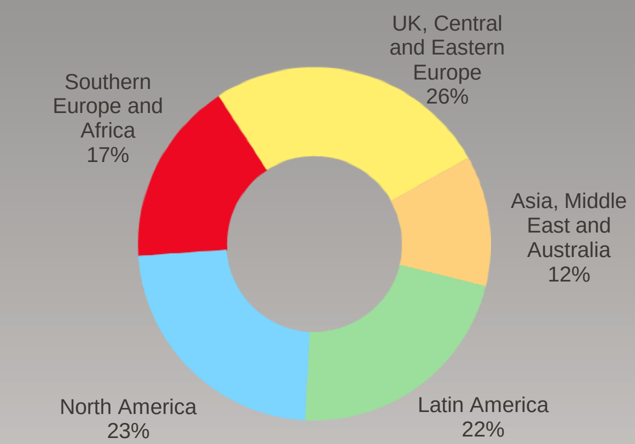
- Strong passenger growth at start of 2017
- PAX expectations for next years show strong, continued growth in all regions
- PAX growth to continue to be the most important component of organic growth

Dufry's Segmentation (1/2)

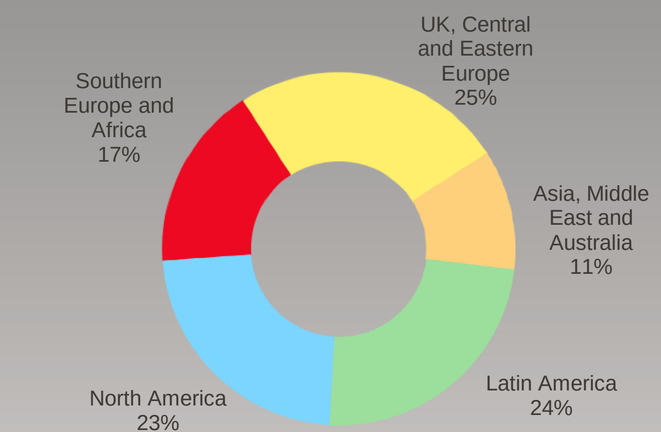
Balanced concession portfolio across divisions

Increased presence in Europe with WDF

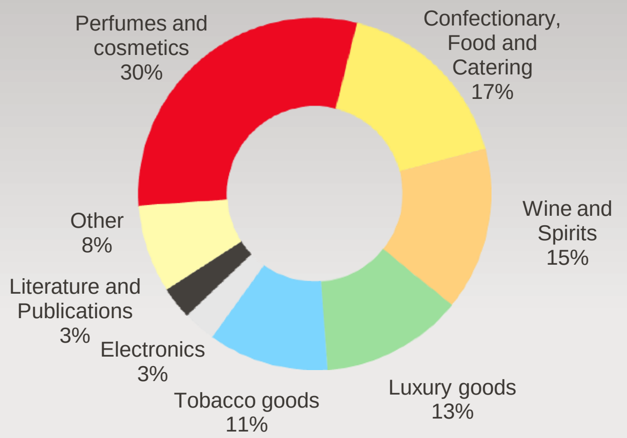
Dufry by Division Q1 2016



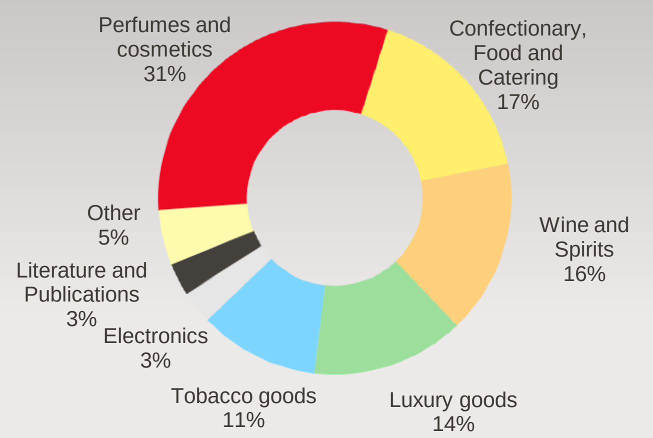
Dufry by Division Q1 2017



Dufry by Category Q1 2016



Dufry by Category Q1 2017



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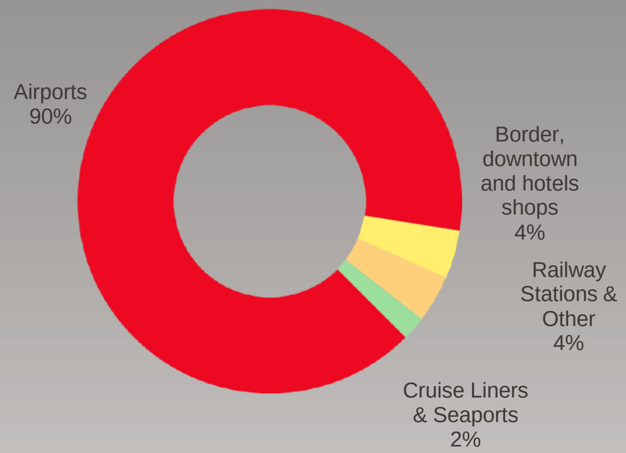
Dufry's Segmentation (2/2)

Airports remain major channel

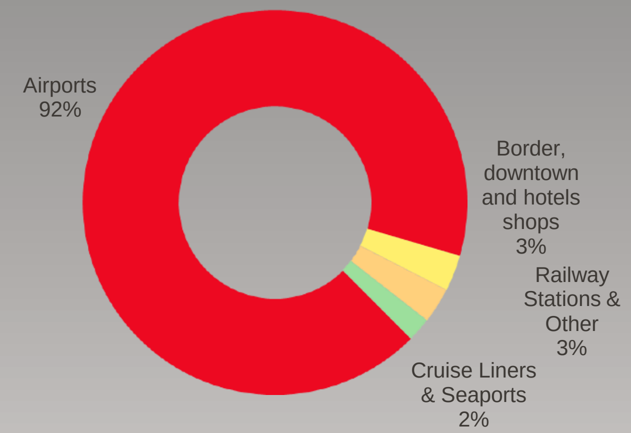
Opportunities in additional channels

Further expansion in duty-free and duty-paid

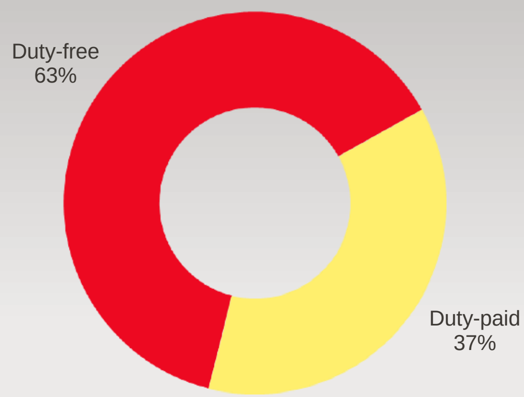
Dufry by Channel Q1 2016



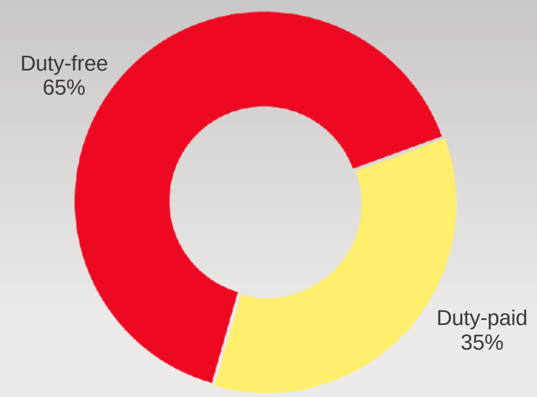
Dufry by Channel Q1 2017



Dufry by Sector Q1 2016



Dufry by Sector Q1 2017



Priorities for 2017 and beyond

BOM implementation progressing according to plan

EBITDA margin levels of 13-13.5% confirmed

Focus on cash generation and deleveraging

- **Organic growth acceleration** to be continued with expansion and increase of spend-per-passenger initiatives such as digitalization

- **Implementation of new Business Operating Model (BOM)**
  - Country rollout plan launched in January 2017
  - Kickoff-Meetings in all divisions held in February 2017
  - First wave with 17 countries among which Australia, Switzerland, North America (Duty Free) and South American countries

- **EBITDA margin** to reach 13% - 13.5% in medium-term
  - 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 & deleverage:** Medium-term leverage of below 3x net debt/EBITDA remains unchanged

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2 FINANCIALS Q1 2017

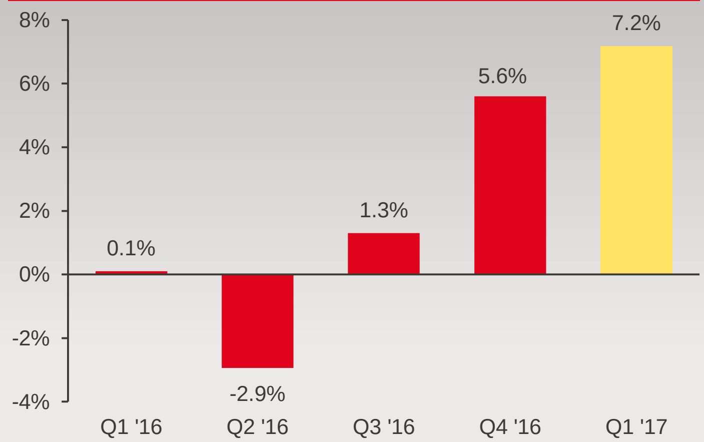
Growth performance by division

Organic growth acceleration continued in Q1 2017

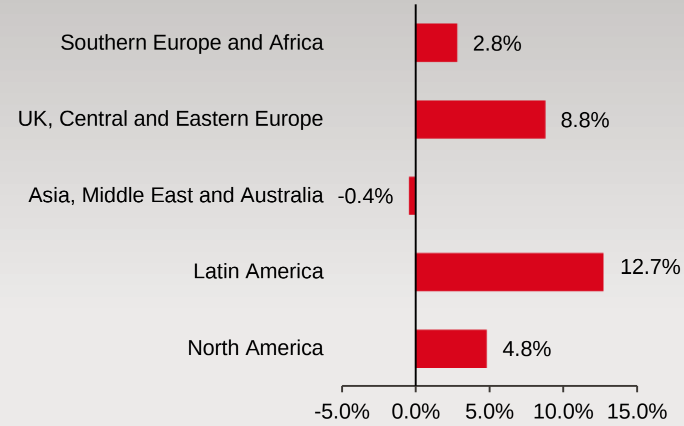
Reported growth components

	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17
Like for Like	-6.2%	-7.7%	-0.6%	5.0%	7.2%
New concessions, net	1.0%	0.4%	0.9%	0.6%	0.0%
Organic growth	**-5.2%**	**-7.3%**	**0.3%**	**5.6%**	**7.2%**
Changes in scope	63.0%	68.5%	15.2%	-0.8%	-0.6%
Growth in constant FX	**57.8%**	**61.2%**	**15.5%**	**4.8%**	**6.6%**
FX impact	2.2%	2.5%	-1.4%	-3.3%	-1.9%
Reported Growth	**60.0%**	**63.7%**	**14.1%**	**1.5%**	**4.7%**
Organic growth including WDF	**0.1%**	**-2.9%**	**1.3%**	**5.6%**	**7.2%**

Organic Growth evolution



Organic Growth evolution



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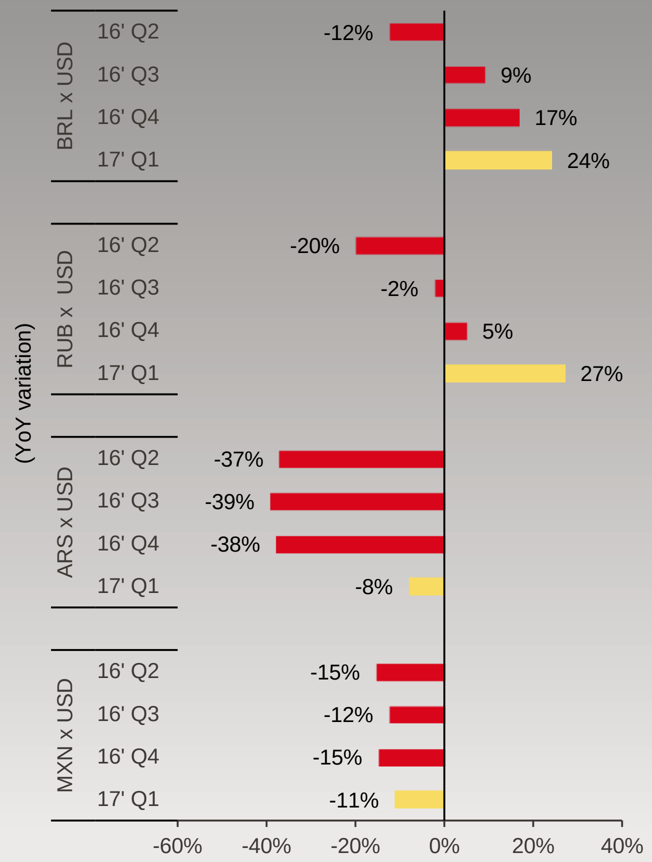
Organic growth: Ongoing reduction of currency volatility impact

Reduced volatility in most markets

Devaluation peak of Real and Ruble annualized in Q3

Brazilian Real and Russian Ruble 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 2016
- Brazilian Real and Russian Ruble positive to US dollar
- Negative impact on the Argentinean Peso annualized in Q4 2016

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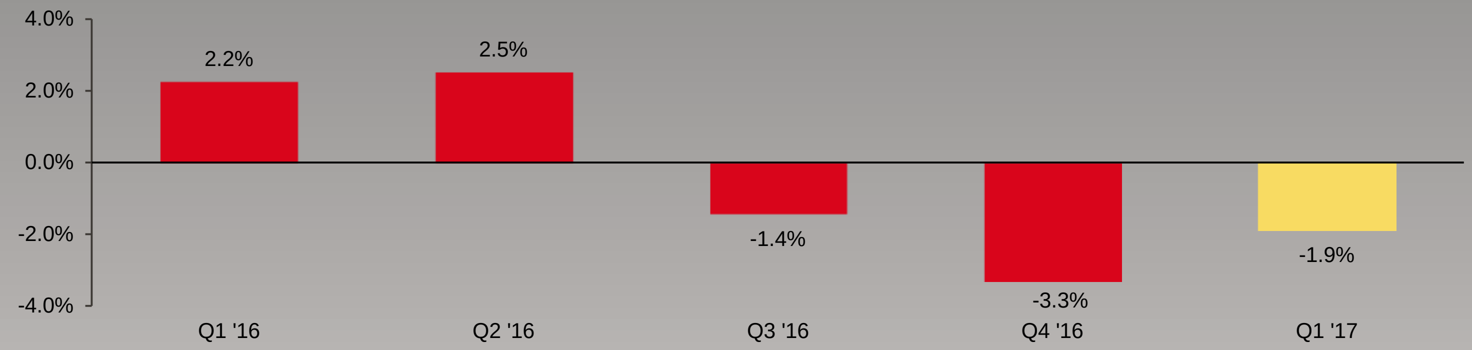
Aggregated FX development

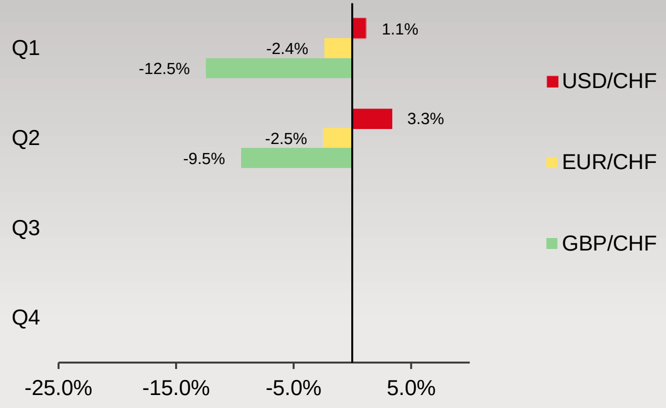
Translational FX impact turned negative in Q3 2016 due to GBP

GBP impact to continue in the next quarter

Translational FX impact

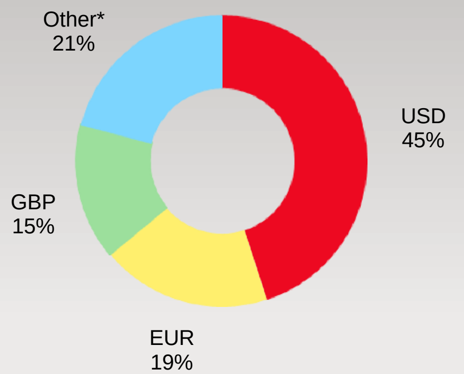


Main currencies development



Note: Q2 until 21/04/2017

Turnover by currency Q1 '17



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

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Income statement Q1 2017

Strong turnover growth driven by organic growth

Profitability improved at all levels

Cash earnings adds back the portion of Amortization related to acquisitions

Income statement Q1 2017

(CHF million)	Q1 2017	%	Q1 2016	%
Turnover	**1,706.8**	*100.0%*	**1,630.2**	*100.0%*
Gross profit	**1,017.2**	*59.6%*	**954.5**	*58.6%*
Concession fees	(466.4)	*-27.3%*	(430.7)	*-26.4%*
Personnel expenses	(268.6)	*-15.7%*	(258.6)	*-15.9%*
Other expenses	(127.7)	*-7.5%*	(118.5)	*-7.3%*
Share of result of associates	0.2	*0.0%*	(0.2)	*0.0%*
EBITDA[(1)]	**154.7**	*9.1%*	**146.5**	*9.0%*
Depreciation	(40.4)	*-2.4%*	(40.8)	*-2.5%*
Amortization	(89.1)	*-5.2%*	(96.7)	*-5.9%*
Linearization	(41.0)	*-2.4%*	(43.1)	*-2.6%*
Other operational result	(6.7)	*-0.4%*	(5.4)	*-0.3%*
EBIT	**(22.5)**	*-1.3%*	**(39.5)**	*-2.4%*
Financial result	(41.6)	*-2.4%*	(50.4)	*-3.1%*
EBT	**(64.1)**	*-3.8%*	**(89.9)**	*-5.5%*
Income tax	10.2	*0.6%*	9.9	*0.6%*
Net Earnings	**(53.9)**	*-3.2%*	**(80.0)**	*-4.9%*
Non-controlling interests	(6.9)	*-0.4%*	(5.6)	*-0.3%*
Net Earnings to equity holders	**(60.8)**	*-3.6%*	**(85.6)**	*-5.3%*
Cash Earnings	**15.4**	*0.9%*	**(2.7)**	*-0.2%*

(1) Before other operational results

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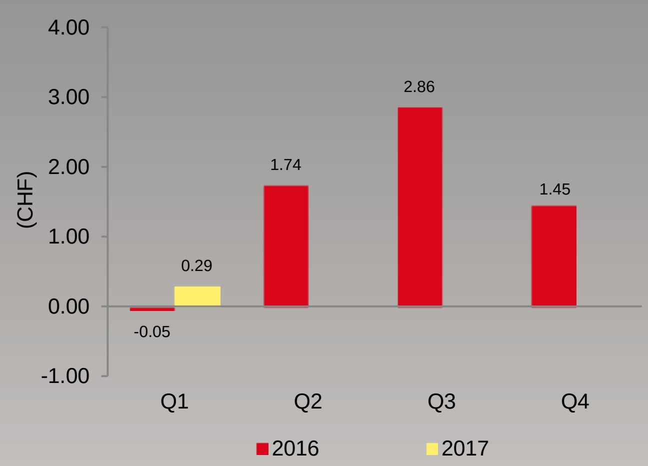
Cash earnings – strong growth in Q1 2017

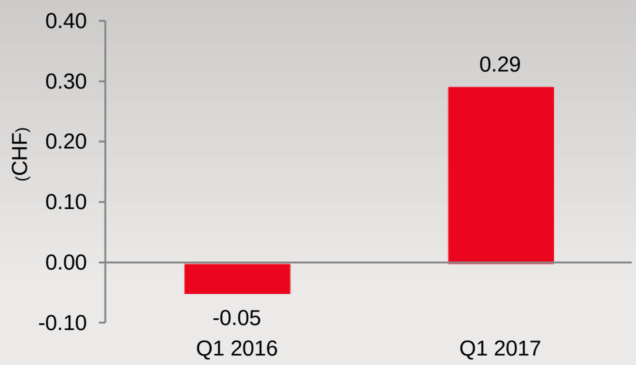
Cash EPS improves from CHF -0.05 in Q1 2016 to CHF 0.29 in Q1 2017

Q3 is the strongest quarter due to business seasonality

Cash EPS by quarter



Cash EPS first quarter



Cash EPS analysis

	Q1 2017	Q1 2016
Cash EPS	**0.29**	**-0.05**
Deffered taxes on acquisition-related amortization	-0.25	-0.35
Linearization	0.76	0.80

- Strong growth earnings and cash EPS
- Seasonality of earnings to remain more pronounced going forward

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Cash flow statement

Q1 is the less important quarter in the year

Strong seasonality effect further magnified by return to growth

Reduced interest costs due to early repayment of USD bond in Q4 2016

Cash flow statement

(CHF million)	Q1 2017	Q1 2016
EBITDA before other operational result	**154.7**	**146.5**
Changes in net working capital	(137.6)	(26.6)
Taxes paid	(24.3)	(13.3)
Other operational items	2.1	12.2
Dividends from associates	-	0.2
Net cash flow from operating activities	**(5.1)**	**119.0**
Capex	(77.4)	(44.4)
Interest received	5.5	4.2
Free cash flow	**(77.0)**	**78.8**
Restructuring and transaction costs of acquisitions	-	(2.4)
Proceeds from sale of interests / (investments) in subsidiaries and associates	-	21.3
Cash flow after investing activities	**(77.0)**	**97.7**
Interest paid	(43.6)	(61.8)
Arrangement fees paid, acquisition related financing costs and other	-	(1.3)
Cash flows related to minorities	(7.0)	(6.7)
Financial investments	(0.1)	-
Cash flow used for financing	**(50.7)**	**(69.8)**
Change in Net Debt, before currency translation	**(127.7)**	**27.9**
Currency translation	39.8	58.9
Net debt		
– at the begining of the period	3,750.4	3,957.9
– at the end of the period	3,838.3	3,871.1

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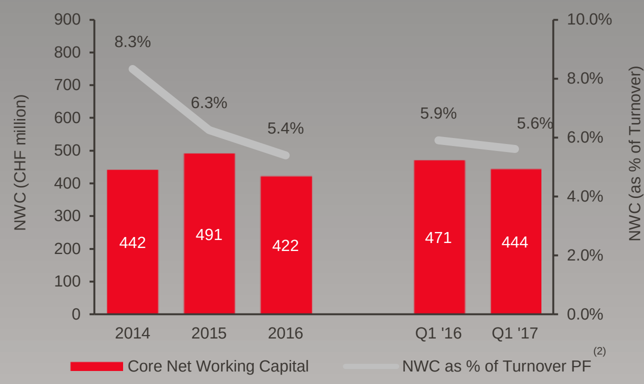
Capex & Net Working Capital

Core Net Working Capital continues at reduced levels

Capex in line with target

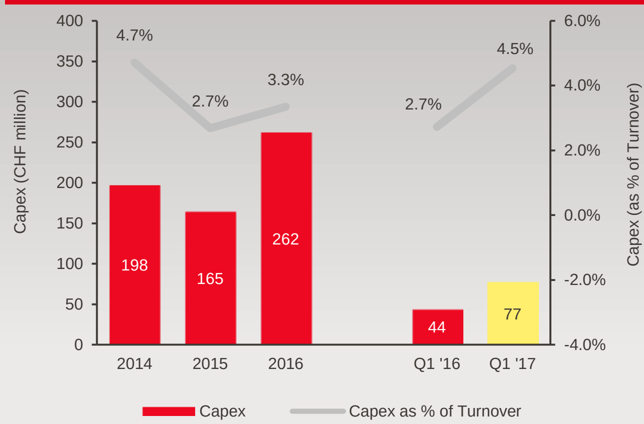
Core Net Working Capital[1] Quarter



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

(2) Adds LTM Turnover of acquisitions

Capex evolution



- 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 p.a. confirmed
  - Capex levels can vary by quarter

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Balance sheet

No significant changes in the balance sheet in Q1 2017

Intangible assets mainly generated by acquisitions

Summary balance sheet as per 31.03.2017

(CHF million)	31.03.2017	31.12.2016	Variation
Concession right finite life	3,683	3,780	-97
Goodwill, Brands, Conc. rights indef. life	2,910	2,923	-14
Other intangible assets	104	84	20
Other non current assets	323	336	-13
Core Net Working Capital	444	422	21
Other current assets	567	528	39
PP&E	611	629	-19
Total	**8,640**	**8,702**	**-62**
Equity	3,189	3,271	-82
Net Debt	3,838	3,750	88
Non current liabilities	370	346	24
Deferred tax liabilities, net	308	339	-31
Other current liabilities	935	996	-60
Total	**8,640**	**8,702**	**-62**

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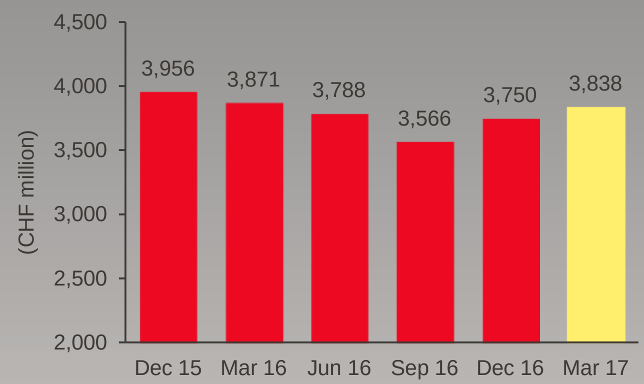
Financing & Covenants

No debt maturity until 2019

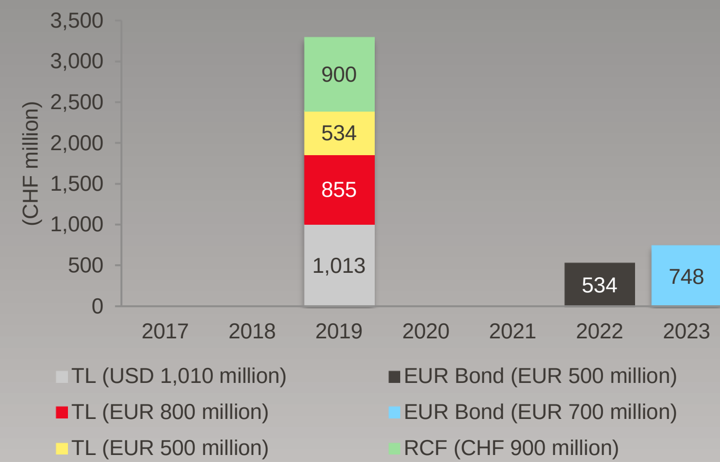
Deleveraging to continue in 2017

Comfortable headroom on covenants

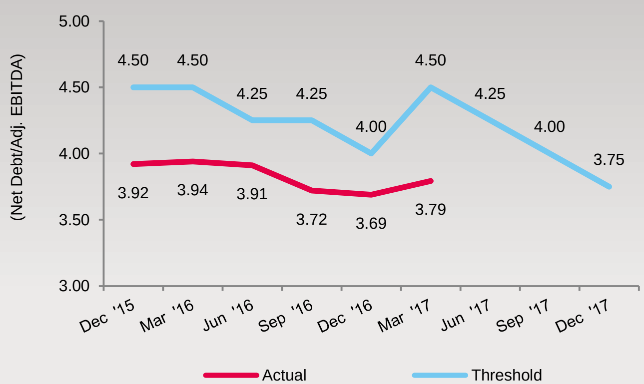
Net Debt Evolution



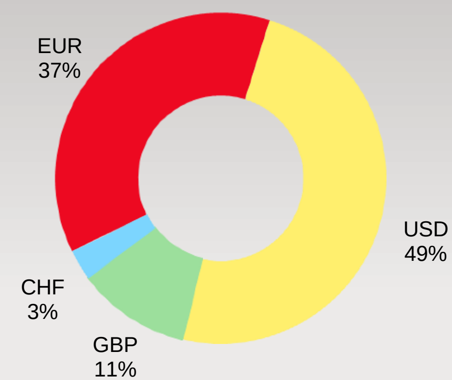
Debt maturity profile



Covenants evolution



Debt by currency



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3 CONCLUSION

Conclusion

Continue organic growth acceleration

- Excellent organic growth acceleration of 7.2% in Q1 2017
  - Continue to drive organic growth by growing spend per passenger
    - Accelerating commercial initiatives
    - Digitalization of business
    - Refurbishing existing operations
  - Increasing retail space

Drive cash generation and deleveraging

- Implementation of new business operating model (BOM) launched at country level globally:
  - First wave includes 17 countries
  - Implementation to be completed FY 2018 at the latest

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
- Focus on cash generation and deleveraging

Thank you