Media Release

Basel, July 31, 2013

Dufry grows turnover by 10% in the first half of 2013

In the first half of 2013, Dufry's turnover grew by 10% to CHF 1,667.4 million and EBITDA reached CHF 218.1 million. EBITDA margin was 13.1% and net cash flow from operations went to CHF 244.0 million, up by 49%.

Turnover growth accelerated in the second quarter with all regions posting a flat or positive turnover growth. Regions EMEA & Asia and US & Canada and parts of America I showed solid growth following the trends in the last quarters. Region America II and the operations in Uruguay and Argentina continued to improve in the second quarter. The operations in Greece, which Dufry started to consolidate since April, performed strongly.

EBITDA in the second quarter grew by 9% and EBITDA margin reached 14.3% for the quarter. For the first six months of 2013, EBITDA amounted to CHF 218.1 million versus CHF 220.0 million in the first half of 2012 and EBITDA margin reached 13.1% .

Turnover by Region

Turnover grew by 9.9% in the first half of 2013 and reached CHF 1,667.4 million from CHF 1,517.4 million one year earlier. Organic growth was 2.6% when excluding extraordinary effects, of which 1.9% came from like-for-like growth and 0.7% from new concessions (net). Acquisitions added 6.9% to the growth, while translational currency impact was positive by 0.9%.

Turnover in **Region EMEA & Asia** surged by 33.9% in the first half of 2013 and reached CHF 498.8 million from CHF 372.4 million in the previous year. Without acquisitions, turnover would have grown by 6.0%. Europe had a good overall performance with France, Spain and Switzerland being the highlights. Africa continued with its growth, to which Morocco and Tunisia were the main contributors. Middle East and Asian operations also presented good results with China and Cambodia performing very well. The business acquired in Greece, which has been consolidated since April 2013, had a strong performance and contributed 27.9% to the region's growth.

Turnover in **Region America I** reached CHF 376.5 million in the first half of 2013, versus CHF 383.1 million in the same period last year. While sales growth remains dynamic in Mexico and other locations in Central America as well as parts of the Caribbean, the English Caribbean continued to perform below average. In South America, Uruguay and Argentina continued to be impacted by the bankruptcy of Pluna in July last year. Despite this situation holding back the performance, Argentina posted positive sales growth in the second quarter.

Turnover in **Region America II** amounted to CHF 342.6 million in the first half of 2013, down by 4.1%. In the second quarter, Brazil saw an acceleration in the performance reaching flat turnover year-on-year from negative growth in the first quarter.

Turnover in **Region United States & Canada** grew by 8.6% to CHF 420.1 million in the first half of 2013 from CHF 386.7 million in the same period in 2012. Turnover growth continued to be strong in the region through a combination of like-for-like growth and new concessions.

Profitability maintained at high levels

Gross profit reached CHF 981.0 million in the first six months of 2013, and gross margin stood at 58.8%, at the same level as one year before. Gross margin in the existing retail business improved by 80 bps, which was compensated by the consolidation effect of the business in Greece, which has lower gross margins.

Selling expenses as a percentage of turnover reached 23.5% in the first half of 2013, an increase of 170 basis points compared to the previous year. In absolute terms, they reached CHF 392.3 million in 2013 versus CHF 331.1 million one year earlier. The consolidation of the Greek travel retail business partially offset the increase of concession fees expenses due to the contract renewal of Dufry's operations at Guarulhos International Airport in São Paulo, Brazil.

Personnel expenses as a percentage of turnover marginally improved to 15.4% in the first half of 2013 versus 15.5% in the same period last year. In Swiss Franc terms, personnel expenses were CHF 256.7 million in the year to June, compared to CHF 234.7 million in the same period 2012.

General expenses were also reduced as a percentage of turnover to 6.8% from 7.0% in the first half of 2012. In absolute terms general expenses increased to CHF 113.9 million in the first half of 2013, from CHF 105.9 million one year earlier.

EBITDA[1] was flat year-on-year and reached CHF 218.1 million in the first half 2013, from CHF 220.0 million one year earlier. EBITDA margin for the period reached 13.1%.

Depreciation and Amortization was CHF 89.2 million in the first half 2013 from CHF 82.2 million in the same period last year. Depreciation was at CHF 32.5 million in the first half of 2013, compared to CHF 29.8 million in the same period in 2012. Amortization increased to CHF 56.7 million in the first half of 2013 versus CHF 52.4 million one year earlier. The variation in both lines is a direct consequence of the acquisition of the operations in Greece.

Other Operational result (net) was minus CHF 23.3 million in the first six months of 2013, which mainly relate to transaction costs of the Folli Follie travel retail acquisition in Greece as well as other project and start-up costs.

EBIT reached CHF 105.6 million in the first half of 2013 versus CHF 130.9 million in year before.

[1] EBITDA before other operational result

Net financial expenses stood at CHF 44.5 million in the first half of 2013 compared to CHF 36.1 million one year earlier. The increase in the financial expenses in the period was again mainly due to the acquisition in Greece, for which Dufry structured a credit facility.

Income taxes reached CHF 10.7 million in the first half of 2013, versus CHF 17.1 million in the same period 2012. The effective tax rate as a percentage of EBT was 17.5% in the period. Due to the seasonality of the business the tax rate may vary throughout the year, including the newly acquired operations in Greece.

Net earnings for the first six months of 2013 stood at CHF 50.4 million. For the second quarter 2013, net earnings amounted to CHF 35.0 million. Adjusted for non-recurring transaction and project cost, normalized net earnings in the respective quarter was CHF 50.0 million versus CHF 46.0 million one year earlier. Net earnings attributable to equity holders for the six months ending 30 June 2013 reached CHF 28.9 million and Core EPS was CHF 2.42.

Solid cash flow generation

Net cash flow from operating activities reached CHF 244.0 million in the first half of 2013 versus CHF 163.6 million one year earlier. In the half year, Capex stood at CHF 60.3 million and Free cash flow reached CHF 149.1 million, an increase of CHF 35.7 million compared to the same period in 2012.

Net debt at the end of June 2013, was CHF 1,571.9 million compared to the CHF 948.4 million at the end of March 2013. The increase in net debt was due to the acquisition of the Folli Follie travel retail business in Greece: Dufry paid a total consideration of CHF 279.8 million for 51% of the business and structured a facility of EUR 335.0 million (CHF 408.9 million) with a syndicate of Greek banks. The main covenant at Group level, Net Debt/adjusted EBITDA, stood at 3.1x as of June 30, 2013.

On July 12, 2013, Dufry agreed on new covenants levels for its bank financing with its syndicate of banks. The agreement foresees an increased base covenant threshold of 3.5x and also includes the possibility of a temporary covenant step-up for new expansion and acquisition projects. The new covenant setup creates more headroom and provides the necessary flexibility to continue with the growth strategy going forward.

Period of important achievements but much more to come

Julian Diaz, CEO of Dufry Group, commented: “I am most encouraged by the results we achieved in the first half of 2013. Like-for-like development has accelerated in the second quarter and we were able to show once more the resilience of the business. We had a rebound of our profitability and EBITDA margin in the second quarter reached 14.3%, which illustrates the sustainability of our margins.

In April we completed the acquisition of the travel retail business of Folli Follie. The business is performing very well and the expectations for the coming quarters are even more positive, as Greece sees a surge in the number of tourists visiting the country. The integration process is well on track and the first phase is already concluded. We have secured financial and operational control of the operation and started to identify and implement a detailed action plan for the different areas and projects to generate the expected synergies.

Our focus for the year remains unchanged: develop the existing business by improving and innovating our commercial activities, combined with a disciplined approach to costs. We will also continue to develop our portfolio through new retail space as we have a healthy pipeline of projects. The opening of expanded shop areas at Sao Paulo International Airport will be a key contributor in the coming quarters, but new businesses like for example the recently signed contract in Bali, continue to be equally important for the development of the Group. In the short term, the integration process in Greece remains a priority.

We are confident that based on the trends that we saw in the second quarter as well as the opening of the new retail space in Sao Paulo, we should see acceleration in top-line growth in the second half of the year."

Key Figures Dufry Group

In CHF million	**HY 2013**		**HY 2012**		**Variation**
Turnover	1,667.4		1,517.4		9.9%
Gross Profit	981.0	*58.8%*	891.7	*58.8%*	10.0%
EBITDA (before other operational results)	218.1	*13.1%*	220.0	*14.5%*	-0.9%
Net Earnings to Equity Holders	28.9	*1.7%*	62.1	*4.1%*	-53.5%
Core Earnings per Share (in CHF)	2.42		3.85		-37.1%

Dufry's First Half Year 2013 Report is available on the following link:
http://www.dufry.com/en/Investors/FinancialReports/

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Dufry Group – A leading global travel retailer

Dufry AG (SIX: DUFN; BM&FBOVESPA: DAGB11) is a leading global travel retailer operating around 1'400 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas.

Dufry employs almost 17,000 people. The Company, headquartered in Basel, Switzerland, operates in 45 countries in Europe, Africa, Eurasia, Central America & Caribbean, North America and South America.

SOS CHILDREN'S VILLAGES

Social Responsibility
Dufry cares for children and supports the SOS Social Center in Igarassu, Brazil, in Agadir, Morocco and Cambodia. SOS Children's Villages is an independent, non-political and non-demonstrational organisation established for orphaned and destitute children all over the world.

STREET CHILD WORLD CUP BRAZIL 2014

The Street Child World Cup is a global campaign for the rights of street children. Through football, art and an international street child conference the aim is to ensure street children are given the protection and opportunities that all children are entitled to. Dufry sponsors the Street Child World Cup (SCWC) "Road to Rio 2014"which will take place in Rio de Janeiro, Brazil, in March 2014.