HY 2017 Results

Strong growth and cash generation

July 31, 2017

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AGENDA

1. HY Results 2017
2. Considering IPO of North American Business
3. Financials HY 2017
4. Conclusion

1 First Half 2017 Results

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Organic growth accelerates to 8.9% in Q2 2017

Gross profit margin expands to 59.5% due to WDF synergies in H1 2017

EBITDA grows to CHF 411.2 million in H1 2017

Free cash flow of CHF 204.5 million in Q2 2017

Net debt reduced by CHF 210.7 million compared to March 2017

Highlights HY 2017

Organic growth continues to accelerate: 8.9% in Q2 2017

WDF synergies driving gross profit margin

Strong deleveraging for a second quarter; Q3 most relevant for cash generation

- Organic growth accelerates further and reaches +8.9% in Q2 2017
  - Turnover reaches CHF 3,821.3 million in the first half of 2017
  - Organic growth in HY 2017 of +8.1%
- Gross profit margin expands by 110bps to 59.5% from 58.4% in HY 2016
- EBITDA grows by 7.8% and reaches CHF 411.2 million
  - EBITDA margin expands to 10.8%
- Cash EPS in HY 2017 grows 38.5% to CHF 2.34 from CHF 1.69 in HY 2016
- Free cash flow of CHF 127.5 million in the first half of 2017
  - Strong free cash flow in the second quarter of CHF 204.5 million, 68% higher than in Q2 2016
- Net debt reduced by CHF 210.7 million in June 2017 compared to March 2017
  - Strong reduction of net debt for a second quarter; Q3 typically with highest cash generation in the year
- 86 shops opened, which represent close to 14,500 m^2 of retail space. Additionally, refurbishments of close to 13,500 m^2 across 42 shops. Lastly, contracts already signed, will add 21,800 m^2 to the portfolio in 2017 and 2018

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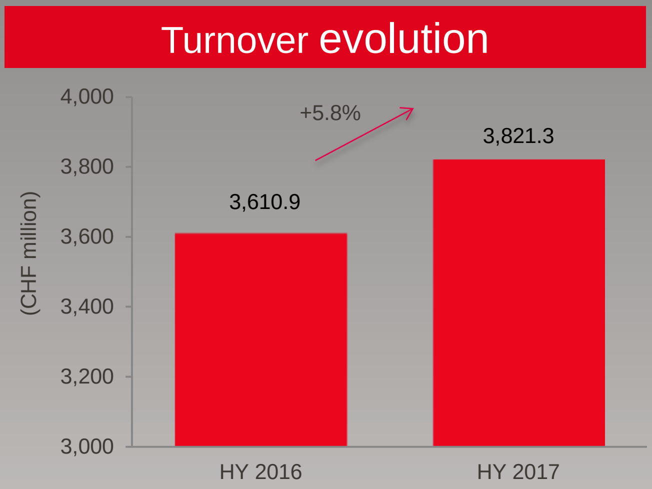
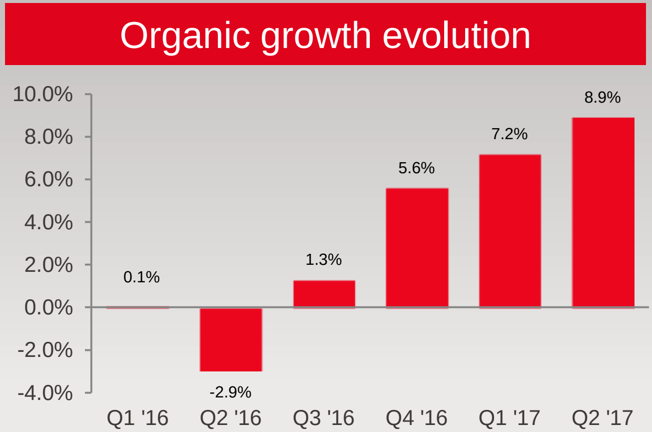
Turnover analysis

Organic growth accelerates to 8.9% in Q2 2017

Strong performance in most markets

Brazilian and Russian travellers impacting organic growth positively





Note: Until Q3 '16 pro-forma including WDF

- Acceleration of organic growth continues; Q2 2017 at +8.9%
- Good performance in most locations
  - Good start of summer in the Mediterranean
  - UK confirms strong performance post Brexit
  - Ongoing good performance in Brazil
  - Russian positively impacting home market as well as Greece and Turkey
- Trading Update
  - Positive trends in most operations
  - H2 2017 with higher comparison base

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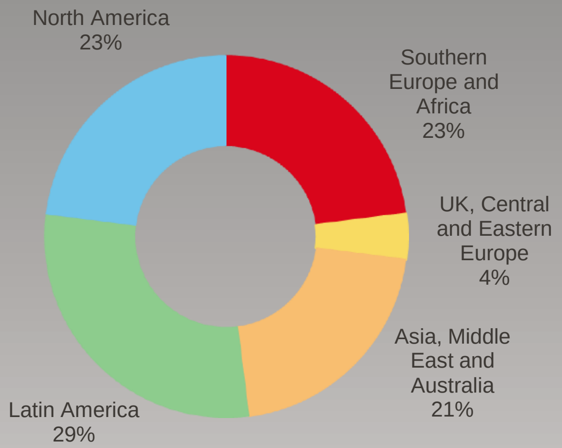
Dufry has opened close to 14,500 m² of gross retail space in HY 2017

Nearly 14,500 m² of gross retail space opened in HY 2017

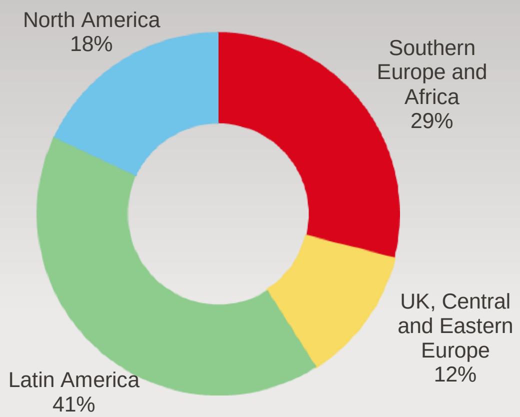
Openings in HY 2017



- Close to 14,500 m² of gross retail space opened, including new shops and expansions

Nearly 13,500 m² of retail space refurbished in HY 2017

Close to 13,500 m² of shops refurbished in HY 2017



Region	Selected Locations
Southern Europe and Africa	Madrid, Athens, Guadeloupe
UK, Central and Eastern Europe	Bristol, Heathrow
Latin America	Barbados, Buenos Aires
North America	Vancouver, Toronto, Las Vegas, Los Angeles

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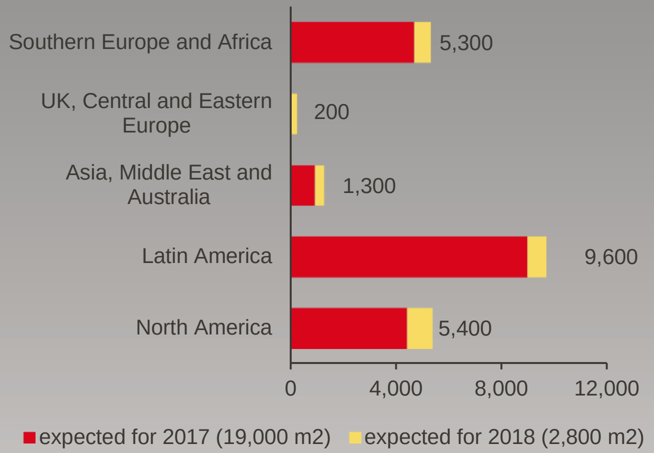
21,800 m² additional retail space signed for 17/18

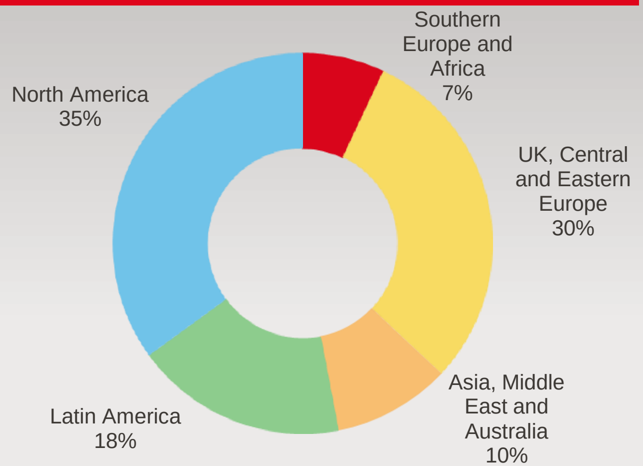
21,800 m² additional retail space signed for 17/18

21,800 m² signed space



Strong pipeline of potential new projects

Project Pipeline: 35,000 m²



- Contract renewals and pursue of new concession is an important part of our activities
- 21,800 m² of new contracts signed to be opened in 2017 and 2018

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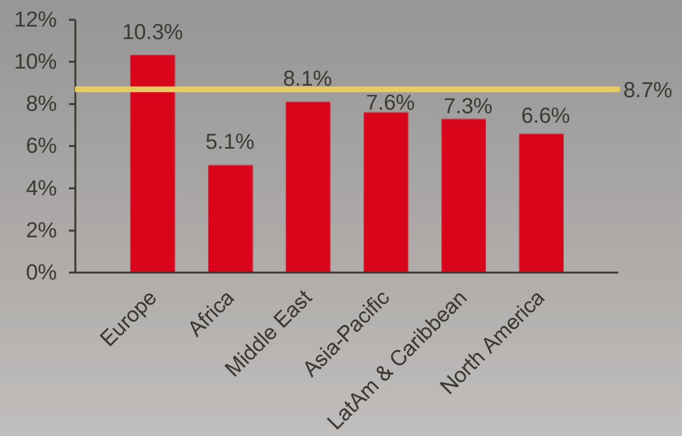
Organic growth: Positive forecasts for ongoing passenger growth

Healthy international PAX growth

International PAX growth HY 2017*



* Until May
Source: ACI

International PAX growth forecast

	2017	2018	2019
Europe	6.2%	5.4%	5.0%
Africa	2.3%	3.5%	3.0%
Asia/Pacific	9.0%	8.0%	7.3%
Middle East	7.6%	6.7%	6.2%
LatAm/Caribbean	7.6%	7.1%	6.5%
North America	4.8%	4.1%	4.0%
World in total	**6.9%**	**6.1%**	**5.7%**

Source: Air4casts (07/07/2017)

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

- Strong passenger growth so far in 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

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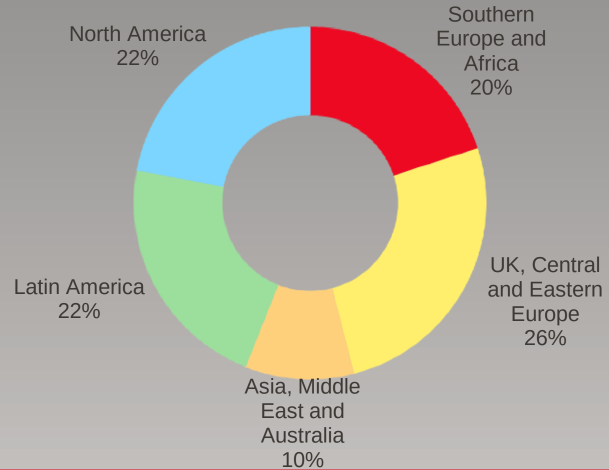
Dufry's Segmentation

Balanced concession portfolio across divisions

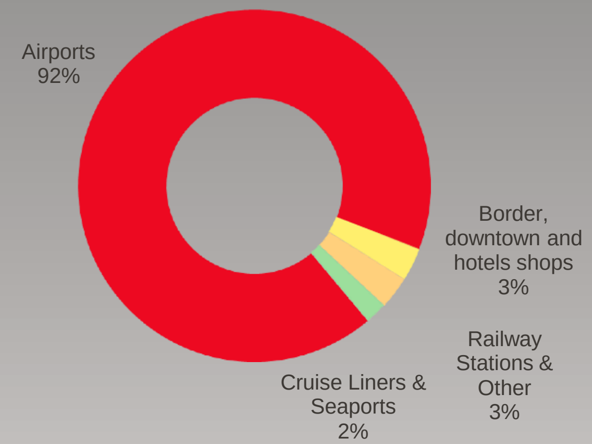
Airport is the most important channel

Further opportunities in duty-free and duty-paid

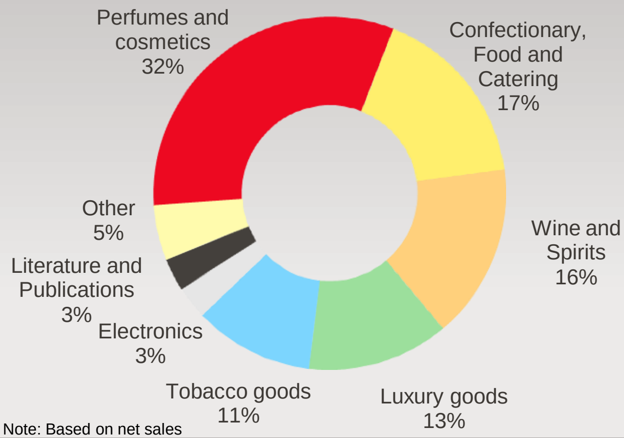
Dufry by Division HY 2017



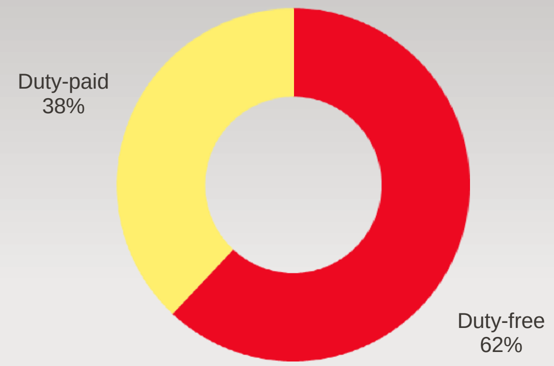
Dufry by Channel HY 2017



Dufry by Category HY 2017



Dufry by Sector HY 2017



Note: Based on net sales

Priorities for 2017 and beyond

BOM implementation progressing according to plan

EBITDA margin levels of above 13% confirmed

Focus on cash generation and deleveraging

- **Organic growth acceleration** to be continued
  - Increase spend per passenger
    - Accelerate commercial initiatives
    - Refurbishment plan
    - Digitalization
    - New Generation Store
  - New concessions and expansions

- **Implementation of new Business Operating Model (BOM)**

- **EBITDA margin** to reach above 13% 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 Dufry Considering IPO of North American Business

Potential listing of North American business

Dufry considering an IPO of its North American business

Dufry would retain majority interest and continue to consolidate

- Dufry is considering an IPO and stock exchange listing in the United States of its North American duty-free and duty-paid travel retail business
- Dufry would keep a majority ownership stake in the business
- Dufry would continue to consolidate the business
- North American business will remain highly integrated, thus sustaining the efficiencies in place for both units

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Potential IPO of North American Business to reflect difference of North American travel retail market and create financial flexibility

F&B has much higher weight than in other regions

Different airport management model as compared to other geographies

- F&B is a more significant opportunity in the North American travel retail industry as compared to other regions of the world.
  - There are a range of concepts, many of which close to retail (grab & go, prepared food)
- Different airport management model as compared to other geographic regions
  - Developers vs. Master Operators vs. Fee Managers
  - ACDBE requirements for minority partners

Retain control to continue to harvest global synergies

Dufry Group

Global leader in travel retail operating in 63 countries in 380 locations

- Keep majority stake in the North American division and continue to consolidate it
- Group to continue sharing best practices and overall global efficiencies to North American division
- Proceeds from IPO would allow Dufry to deleverage faster, increase flexibility for further M&A and for returning cash to shareholders

The IPO of Dufry's North American division enables each company to focus on its respective growth objectives and distinct business drivers,

Dufry North America

Leader in North America with 947 shops in 86 locations

- Increased strategic and financial flexibility to pursue growth opportunities non-core to Dufry Group, e.g., food and beverages and master airport concessions

3 FINANCIALS HY 2017

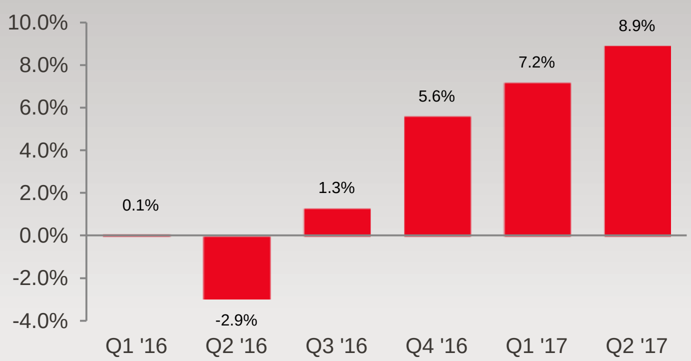
Growth performance by division

Organic growth acceleration continued in Q2 2017

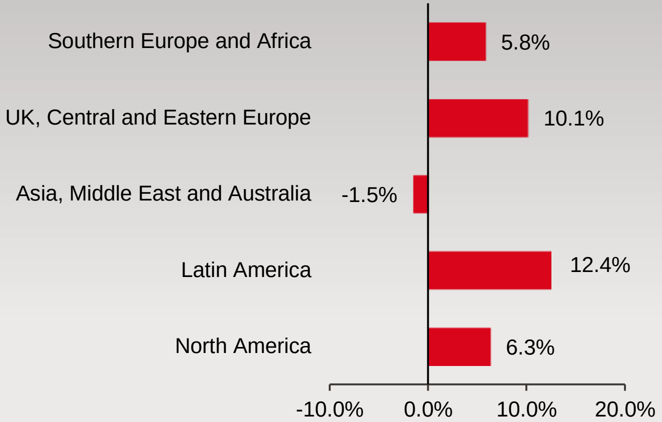
Reported growth components

	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17	Q2 '17
Like for Like	-6.2%	-7.7%	-0.6%	5.0%	7.2%	8.7%
New concessions, net	1.0%	0.4%	0.9%	0.6%	0.0%	0.2%
Organic growth	**-5.2%**	**-7.3%**	**0.3%**	**5.6%**	**7.2%**	**8.9%**
Changes in scope	63.0%	68.5%	15.2%	-0.8%	-0.6%	-0.5%
Growth in constant FX	**57.8%**	**61.2%**	**15.5%**	**4.8%**	**6.6%**	**8.4%**
FX impact	2.2%	2.5%	-1.4%	-3.3%	-1.9%	-1.6%
Reported Growth	**60.0%**	**63.7%**	**14.1%**	**1.5%**	**4.7%**	**6.8%**
Organic growth including WDF	**0.1%**	**-2.9%**	**1.3%**	**5.6%**	**7.2%**	**8.9%**

Organic growth evolution



Organic growth HY 2017



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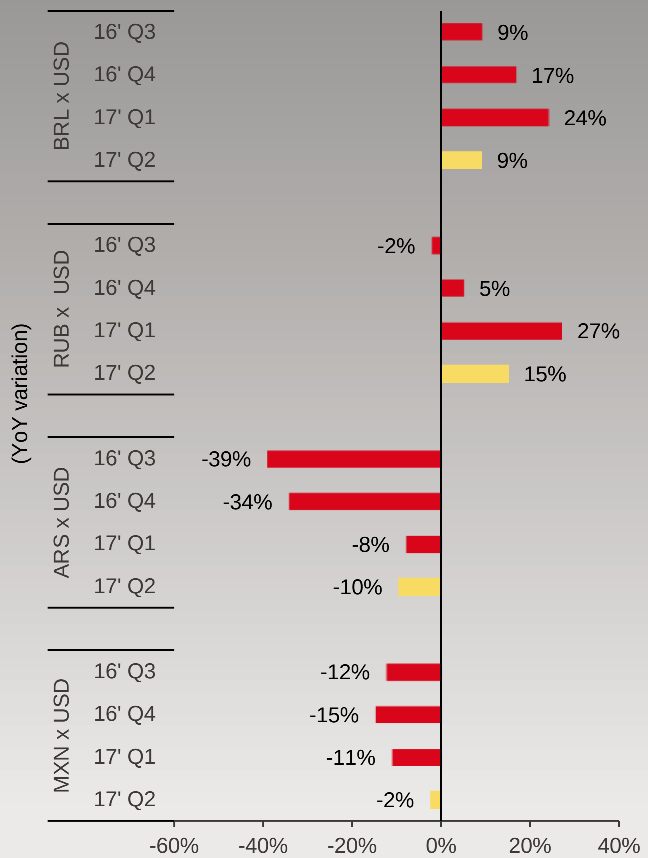
Organic growth: Ongoing reduction of currency volatility impact

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 to annualize in Q3 2017
- Brazilian Real and Russian Ruble positive to US dollar
- Negative impact on the Argentinean Peso will annualize in Q4 2017

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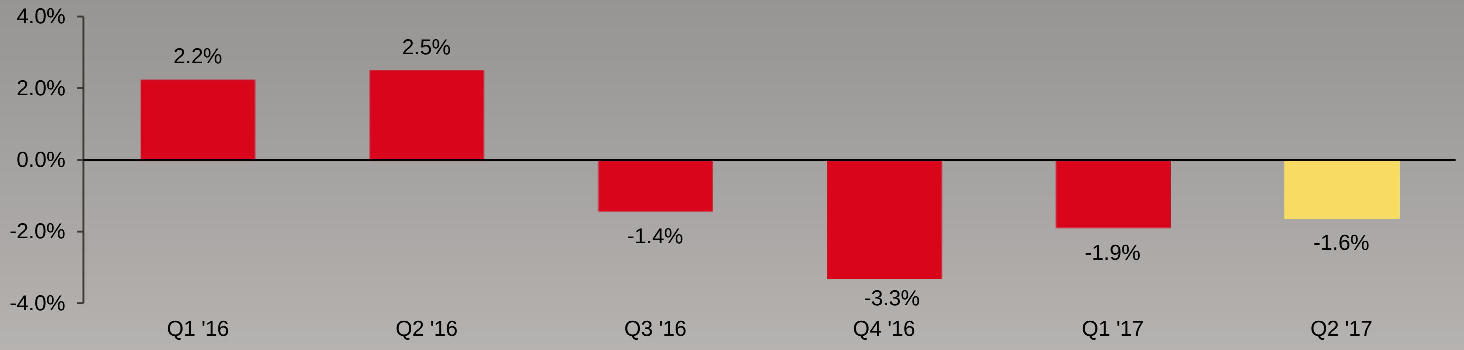
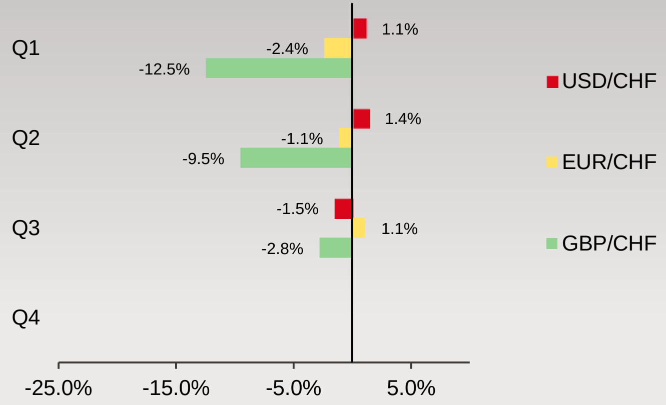
Aggregated FX development

Translational FX impact turned negative in Q3 2016 due to GBP

Translational FX impact

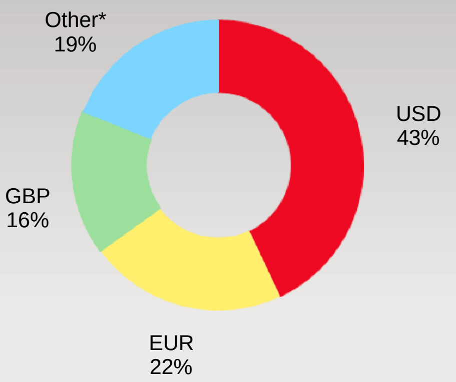


Main currencies development



Note: Q3 until 21/07/2017

Turnover by currency HY '17



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

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Income statement HY 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 HY 2017

(CHF million)	HY 2017	%	HY 2016	%
Turnover	**3,821.3**	*100.0%*	**3,610.9**	*100.0%*
Gross profit	**2,274.6**	*59.5%*	**2,107.8**	*58.4%*
Concession fees	(1,047.7)	*-27.4%*	(972.2)	*-26.9%*
Personnel expenses	(550.4)	*-14.4%*	(519.0)	*-14.4%*
Other expenses	(260.8)	*-6.8%*	(236.6)	*-6.6%*
Share of result of associates	(4.5)	*-0.1%*	1.3	*0.0%*
EBITDA[(1)]	**411.2**	*10.8%*	**381.3**	*10.6%*
Depreciation	(80.5)	*-2.1%*	(81.0)	*-2.2%*
Amortization	(179.7)	*-4.7%*	(193.4)	*-5.4%*
Linearization	(46.3)	*-1.2%*	(52.8)	*-1.5%*
Other operational result	(14.7)	*-0.4%*	(22.4)	*-0.6%*
EBIT	**90.0**	*2.4%*	**31.7**	*0.9%*
Financial result	(90.3)	*-2.4%*	(98.5)	*-2.7%*
EBT	**(0.3)**	*0.0%*	**(66.8)**	*-1.8%*
Income tax	(0.6)	*0.0%*	8.3	*0.2%*
Net Earnings	**(0.9)**	*0.0%*	**(58.5)**	*-1.6%*
Non-controlling interests	(24.0)	*-0.6%*	(16.5)	*-0.5%*
Net Earnings to equity holders	**(24.9)**	*-0.7%*	**(75.0)**	*-2.1%*
Cash Earnings	**126.0**	*3.3%*	**90.9**	*2.5%*

[(1)] Before other operational results

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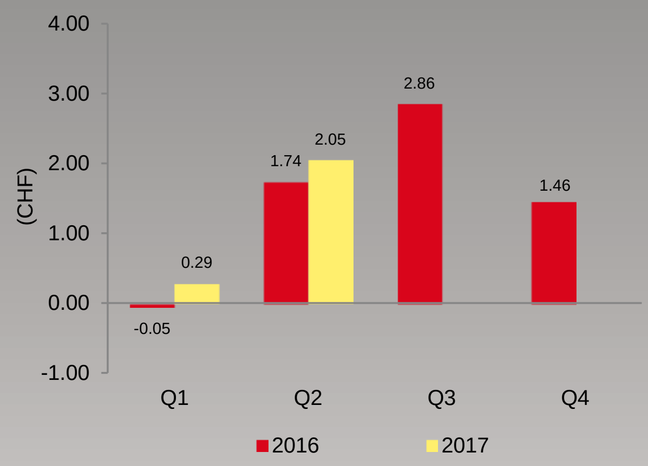
Cash earnings – strong growth in H1 2017

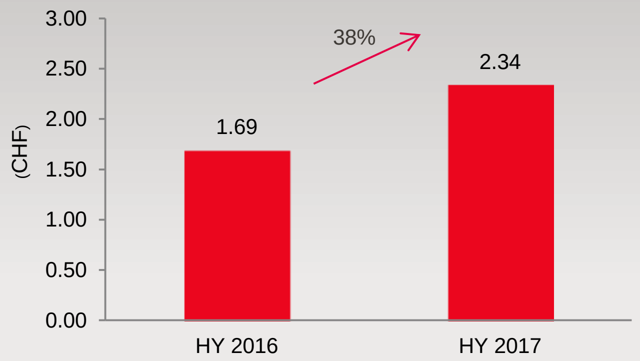
Cash EPS improves from CHF 1.69 in HY 2016 to CHF 2.34 in HY 2017

Q3 is the strongest quarter due to business seasonality

Cash EPS by quarter



Cash EPS first half



Cash EPS analysis

	HY 2017	HY 2016
Cash EPS	**2.34**	**1.69**
Deffered taxes on acquisition-related amortization	-0.48	-0.72
Linearization	0.86	0.98

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

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Cash flow statement

Q3 normally the most important period 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)	HY 2017	HY 2016
EBITDA before other operational result	**411.2**	**381.3**
Changes in net working capital	(73.1)	(0.7)
Taxes paid	(42.1)	(36.4)
Other operational items	(29.0)	(23.9)
Dividends from associates	-	4.9
Net cash flow from operating activities	**267.0**	**325.2**
Capex	(152.0)	(133.3)
Interest received	12.5	8.4
Free cash flow	**127.5**	**200.3**
Restructuring and transaction costs of acquisitions	(1.9)	(10.2)
Proceeds from sale of interests / (investments) in subsidiaries and associates	-	21.3
Cash flow after investing activities	**125.6**	**211.4**
Interest paid	(88.7)	(95.9)
Arrangement fees paid, acquisition related financing costs and other	0.3	(1.4)
Cash flows related to minorities	(22.1)	(26.7)
Financial investments	(0.7)	-
Cash flow used for financing	**(111.2)**	**(124.0)**
Change in Net Debt, before currency translation	**14.4**	**87.4**
Currency translation	108.4	82.2
Net debt		
– at the begining of the period	3,750.4	3,957.8
– at the end of the period	3,627.6	3,788.2

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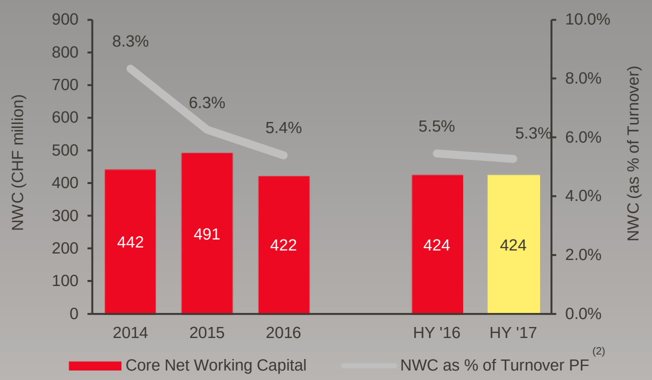
Capex & Net Working Capital

Core Net Working Capital continues at reduced levels

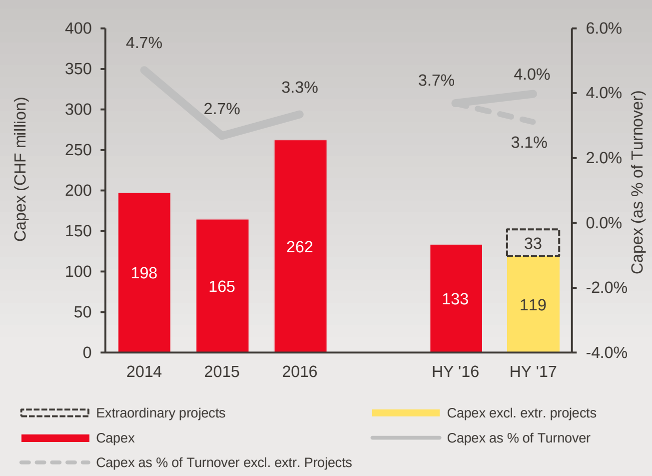
Capex in line with target

Core Net Working Capital[1]



[1] Inventories + Trade and credit card receivables - Trade payables
[2] Adds LTM Turnover of acquisitions

Capex evolution



- Stable core net working capital
- Expectation for FY 2017 core net working capital of 5-6% of turnover
- Capex in HY 2017 impacted by additional cash outs related to specific new projects in Greece and LatAm
- Capex target for FY 2017 of 3.0% - 3.5% of turnover confirmed

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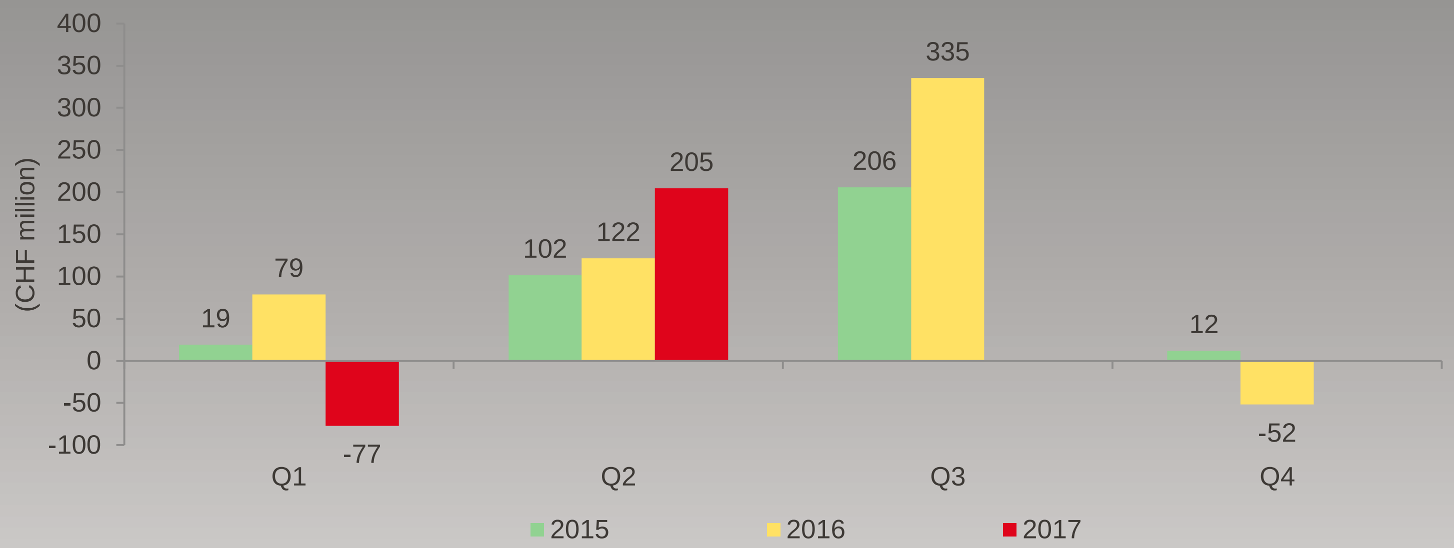
Seasonality of cash generation

Strong seasonality in cash generation

Q3 typically strongest quarter

Positive trends point to higher free cash flow for FY 2017

Seasonality of cash generation – Free cash flow



- Due to the seasonality of the business, cash generation concentrates in Q3
- Strong cash generation already in Q2 indicates positive trends for Q3

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Balance sheet

No significant changes in the balance sheet HY 2017

Intangible assets mainly generated by acquisitions

Summary balance sheet as per 30.06.2017

(CHF million)	30.06.2017	31.12.2016	Variation
Concession right finite life	3,559	3,780	-221
Goodwill, Brands, Conc. rights indef. life	2,878	2,923	-45
Other intangible assets	95	84	11
Other non current assets	327	336	-9
Core Net Working Capital	424	422	1
Other current assets	562	528	34
PP&E	615	629	-14
Total	**8,460**	**8,702**	**-242**
Equity	3,149	3,271	-122
Net Debt	3,628	3,750	-123
Non current liabilities	331	346	-15
Deferred tax liabilities, net	296	339	-44
Other current liabilities	1,057	996	61
Total	**8,460**	**8,702**	**-242**

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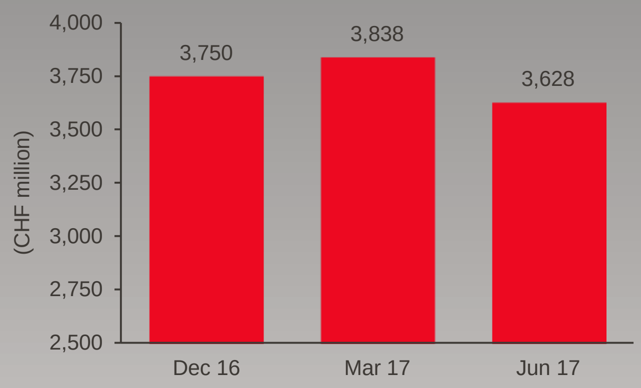
Financing & Covenants

No debt maturity until 2019

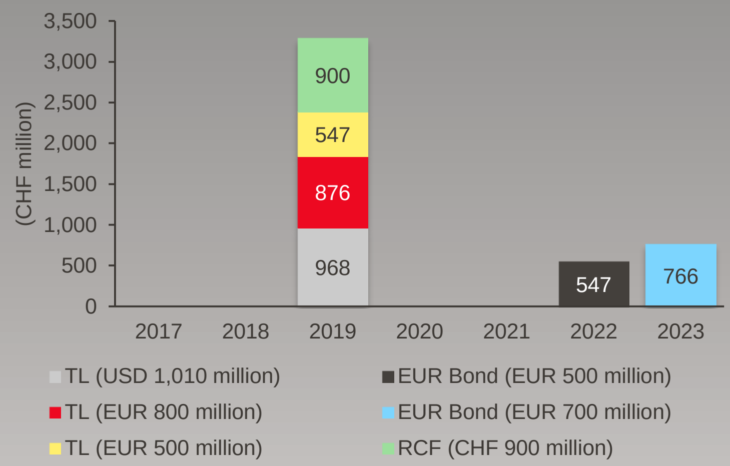
Deleveraging to continue in 2017

Comfortable headroom on covenants

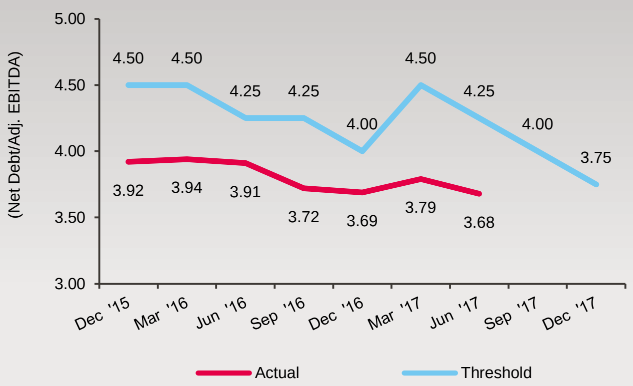
Net Debt Evolution



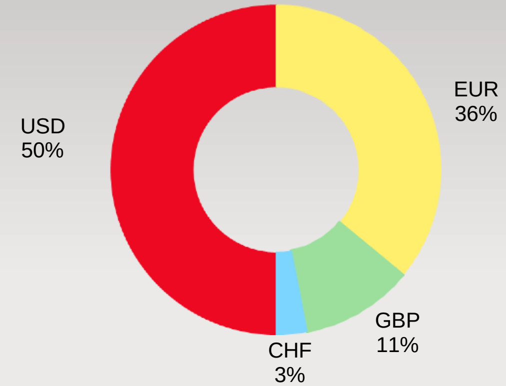
Debt maturity profile



Covenants evolution



Debt by currency



3 CONCLUSION

Conclusion

Continue organic growth acceleration	• Organic growth continued to accelerate: 8.1% in HY 2017
	  • Pursue initiatives to further drive spend per passenger
	    • Accelerating commercial initiatives
	    • Digitalization of business
	    • Refurbishing existing operations
	  • New concessions and expansions

Drive cash generation and deleveraging	• Implementation of new business operating model (BOM) on track:
	  • First wave includes 17 countries; implementation to be completed FY 2018
	• Digitalization
	  • Customer Research
	  • Employee digitalization
	  • Omni-channel
	  • Store digitalization

Execute implementation of Business Operating Model	• New generation stores Madrid T4 and Melbourne opened and ramping up • Further openings planned at Heathrow Terminal 3, Zurich, Cancun • Focus on cash generation and deleveraging

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Thank you

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