



## Media Release

Basel, 03 September, 2007

### Dufry Group continued its dynamic growth in the first half of 2007

**Dufry's Turnover increased by more than 44% to CHF 896.9 million from CHF 622.3 million in the first six months of 2007. EBITDA (before other operational result) rose by 72% to CHF 105.9 million in the first half of 2007 compared to CHF 61.6 million in the same period of 2006. EBITDA margin increased to 11.8% from 9.9%.**

Turnover increased by more than 44% to CHF 896.9 million from CHF 622.3 million in the first half year of 2006. Organic growth reached an impressive 14%, whereas the effect of the acquisitions contributed 26%. The remaining growth in Turnover of 4% was mainly due to new projects.

#### Development by region

- **Region Europe** increased net sales by 10% to CHF 191.5 million from CHF 173.0 million. Milan airports, together with operations in Switzerland and Spain (where the opening of the shops became operational in the second half of 2006), were the main growth drivers for Europe in the first half of 2007.
- **Region Africa** posted significant growth of 22% in net sales reaching CHF 77.0 million from CHF 63.0 million. Most operations had a double-digit growth and especially Morocco continued its strong performance. Furthermore, the operations in Algiers, which were started in the second half of 2006, also contributed to the growth in the region.
- **Region Eurasia** grew its net sales by 21% to CHF 104.1 million from CHF 86.3 million. Sharjah (U.A.E.) posted strong increases in sales and continued to contribute substantially to the sales growth in the region, along with Moscow, which continued its fast growth. The refurbished shops in Cambodia along with the operations in Belgrade further strengthened the growth.

- **Region North America & Caribbean** experienced a 47% growth with net sales reaching CHF 232.8 million versus CHF 157.9 million in the same period last year. Excluding the consolidation effects of Puerto Rico, which account for 33% of sales growth, net sales increased by 14%. Without considering the FX effects, the increase in sales would have been 17%. Mexico and Dominican Republic performed very well.
- **Region South America** increased its net sales by 112% to CHF 272.2 million from CHF 128.4 million. Of this increase, 80 percentage points relate to the consolidation of Dufry Brazil, which has been consolidated since April 2006 with the remaining growth of 32% being mainly due to organic growth. Considering the stagnation of passenger numbers in the region, as well as temporary disruptions of the air traffic, the results are remarkable.

Gross profit reached CHF 470.3 million for the first half of 2007, an increase of 47%, compared to CHF 320.1 million in the corresponding period of the previous year. Gross margin improved further by one percentage point to 52.4% in the first half of 2007 from 51.4% in first half of 2006. Improvement was driven by a combination of change in product mix, with Perfumes and Cosmetics going from 23% of total sales in the first half of 2006 to 26% in the first half year of 2007, together with negotiations with suppliers.

EBITDA (before other operational result) for the first half year of 2007 amounted to CHF 105.9 million, representing an increase of 72% compared to CHF 61.6 million for the corresponding period of 2006. The EBITDA margin improved significantly to 11.8% for the first half 2007 compared to 9.9% for the first six months of 2006. The improvements in gross margin more than compensated the increase in concession fees (0.3 percentage points). Furthermore, Personnel and General expenses grew slower than turnover in almost all regions contributing another 1.1 percentage points to the EBITDA margin improvement.

Depreciation and amortization rose to CHF 34.4 million during the first half year of 2007 compared to CHF 20.5 million in the corresponding period of 2006. The increase is mainly due to the full year effect of the amortization charges for the Brazil and Puerto Rico acquisitions. Depreciation expressed as percentage of Turnover remained relatively stable at 1.7% compared to 1.8% in the same period of 2006.

EBIT reached CHF 83.8 million an increase of 102% compared to CHF 41.5 million in the respective period of 2006. EBIT in 2007 includes other operational results of CHF 12.3 million, which include the capital gain from the over-allotment option of the Dufry South America IPO, which was exercised in January 2007, and other one-off effects.

Financial expenses, net, increased by CHF 2.3 million to CHF 13.6 million mainly because of the higher average debt during the period as a consequence of the acquisitions carried out. Income taxes for the first six months of 2007 stood at CHF 13.2 million compared to CHF 5.4 million for the corresponding period of 2006. The tax rate measured as a percentage of EBT remained stable with the same period of the previous year and represented 18.8%.

Net earnings for the Group increased by 131% to CHF 57.0 million for the first half year of 2007 compared to CHF 24.7 million for the same period last year. Excluding the minority interests, net earnings to equity shareholders rose by 94% to CHF 35.6 million for the first six months of 2007 from CHF 18.3 million for the respective period of 2006.

As of June 30, 2007, Net Debt amounted to CHF 481.2 million compared to CHF 582.3 million at June 30, 2006. Dufry completed the re-arrangement of its financing with its syndicate in July 2007. The amount granted by the syndicate amounts to more than CHF 800 million. This financing structure provides Dufry with the necessary flexibility to finance project opportunities that may appear going forward.

## Building on our strengths

In the first six months of 2007, Dufry has continued to grow along its stated strategy through internal and external growth. With the integration of Brazil being successfully completed and the one in Puerto Rico well under way, Dufry has proven its capabilities to create value for its shareholders via acquisitions and organic growth. Throughout 2007, Dufry has signed another additional 7,600 sqm of retail space based on new projects and expansions until June 07, and there are numerous opportunities in the market which Dufry pursues. Equally important, Dufry has continuously worked to further improve its existing operations to drive organic growth and the good performance in this respect reflects these efforts.

Julian Diaz, CEO of Dufry Group, commented: "We are very pleased with the HY 2007 results but still concentrated in the operational improvements and the sector consolidation. We have been able to drive organic growth beyond passenger growth thanks to continued improvements in our efficiency. At the same time, our profitability has further increased from these measures as well as operational leverage."

## Key Figures Dufry Group HY 2007

(In CHF million)	HY 2006	HY 2007
Turnover	622.3	896.9
Gross Profit	320.1	470.3
<i>Gross Profit Margin</i>	<i>51.4%</i>	<i>52.4%</i>
EBITDA (before other operational result)	61.6	105.9
<i>EBITDA margin</i>	<i>9.9%</i>	<i>11.8%</i>
EBIT	41.5	83.8
<i>EBIT margin</i>	<i>6.7%</i>	<i>9.3%</i>
Net Earnings	24.7	57.0
Attributable to:		
Equity holders of the parent	18.3	35.5
Minority interest	6.3	21.4

The complete Half Year Report 2007 is available on [www.dufry.com](http://www.dufry.com) under Section Investor Relations – Financial reports.

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**Dufry – A leading global travel retailer**

Dufry AG (SWX: DUFN) is a leading global travel retailer operating more than 450 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas.

Dufry South America Ltd. (BOVESPA: DUFB11) is a subsidiary of Dufry AG and is listed on the Brazilian and Luxemburg stock exchanges.

Dufry employs more than 6,750 people. The Company, headquartered in Basel, Switzerland, has about 60 subsidiaries to operate its business in 38 countries in Europe, North America & Caribbean, South America, Asia and Africa.