



Media Release

Basel, 15 April, 2008

Dufry acquires a 10% stake in Hudson Group and signs new contracts in Italy and Czech Republic

Dufry has acquired a 10% stake in Hudson Group, a US based travel retailer with a turnover of more than USD 630 million and 550 shops in 69 airports and transportation terminals in the United States and Canada. Furthermore, Dufry has signed contracts to operate more than 4'000 sqm of new retail space in four Italian train stations and to operate shops with a total surface of 550 sqm at the Ruzyně International Airport in Prague.

Also, Dufry opened a series of new shops in Dominican Republic, Aruba, Singapore, Morocco and Italy in the past few months. The new shops complement existing operations in the respective locations and add a total of 2,559 sqm of retail space.

Hudson Group

Dufry has acquired a 10% stake in Hudson Group, a leading travel retailer based in the US. The transaction was led by Advent International and Dufry acted as a co-participant in the transaction. Terms of the agreement were not disclosed.

With more than 550 newsstands, bookstores, cafes and specialty retail concessions in 69 airports and transportation terminals throughout the United States and Canada, Hudson Group is one of the leading travel retailers in this segment. More than 400 of its point of sales operate under the Hudson News concept, the only newsstand brand in North America. In 2007, Hudson Group achieved a turnover of USD 630 million.

Dufry currently operates 21 newsstand shops, most notably in Italy, Puerto Rico and Spain, which generated net sales of CHF 71 million in 2007. Dufry will use its investment into Hudson Group to develop its strategy of such convenience stores focused on domestic passengers and will mainly target markets, where Dufry already operates today. The duty paid newsstand/convenience store segment, which generates profitability levels similar to general travel retail in certain regions, complements Dufry's current duty free activities in terms of business model and customers. Based on Dufry's in-depth understanding of passenger behaviour, the investment will provide insights for the further development of the newsstand/convenience business line on an international scale as well as the identification of synergies within Dufry.

Italian train stations

Furthermore, Dufry signed a contract with Grandi Stazioni SpA to operate shops in four railway stations in Italy with a total retail surface of 4,084 sqm. The largest of the operations will be at Milan's Central railway station, where Dufry will open shops with a total retail surface of 1,832 sqm, followed by Florence main station, where the new shops will cover 1,130 sqm. In Torino and Naples main station, Dufry's new shops will cover 686 sqm and 436 sqm, respectively. The shops in Milan and Torino are expected to open in summer 2008 while the opening of the shops in Florence and Naples are scheduled for 2009.

Grandi Stazioni SpA is majority owned by Ferrovie dello Stato and is the real estate operator of Italy's thirteen largest railway stations as well as a number of major European railway stations.

Czech Republic

Dufry also concluded an agreement to operate seven duty free shops at Ruzyne International Airport in Prague. The shops will cover a total of 550 sqm and will offer the full assortment of duty free products ranging from perfumes & cosmetics to liquor and cigarettes. Ruzyne Airport is the only international airport in the Czech Republic and manages around 12 million passengers per annum. The business is structured with a local partner who will support Dufry's development in the Czech Republic.

Opening of shops

Dominican Republic

In Dominican Republic, Dufry has opened several new shops at La Romana and El Cibao complementing Dufry's existing operations in Dominican Republic, which comprise shops at Santo Domingo, Puerto Plata and Samana airports.

At La Romana International Airport, two new duty free shops have started their operations in January 2008. The first shop of 321 sqm is located in the departure area of the airport while the second shop of 40 sqm is in the arrival area. Both shops offer the full assortment of duty free products ranging from fragrances to liquor and cigarettes as well as local products.

Additionally, Dufry has opened three more shops at El Cibao International Airport in Santiago de los Caballeros, namely a departure shop of 228 sqm, a last minute duty free shop of 50 sqm and an arrival shop of 96 sqm. All three stores offer a wide variety of products including perfumes & cosmetics, confectionary, liquors, accessories, eyewear, watches, and local products, such as cigars.

Aruba

In December 2007, Dufry opened six duty free shops with a total of 633 sqm retail space at the Reina Beatrix International airport in Aruba. The shops will offer a wide assortment of duty free products ranging from perfumes and cosmetics to liquor and tobacco products as well as local delicatessen. In 2007, the Reina Beatrix International airport served more than 1.7 million passengers posting growth of 10.4% versus the previous year. With the opening of the new shops, Dufry further increases its presence in Aruba, where it operates travel retail shops located in the city centre and at the seaport.

Singapore

In January, 2008, Dufry opened a new state-of-the-art multi-brand electronics, computers and cameras shop in the new Terminal 3 at Singapore Changi Airport with a total retail area of 500 sqm. The new store introduces “a shop in shop” concept. All major manufacturers have a dedicated area where they can display and promote their products based on their own marketing approaches. This concept allows a dynamic assortment policy in the fast-moving electronics category and the customer benefits from the latest promotions and product launches as well as constant supply of all the latest electronics.

Morocco

Dufry has strengthened its existing presence in Morocco by adding two new shops with a total surface of 519 sqm at the brand new terminal of Mohammed V Airport in Casablanca. The general shop has 418 sqm of retail space and offers a wide assortment of products like perfumes & cosmetics, tobacco, spirits and confectionery. The second shop has a retail space of 101 sqm and offers fashion, accessories, designer watches and sunglasses from a number of luxury brands like Hugo Boss and Tommy Hilfiger, Swarovski and Mont Blanc.

Italy

Dufry opened three new shops exclusively for watches, two at Milano Malpensa and one at Rome's Fiumicino airport. At Milan Malpensa, the first shop started operations on 1 September, 2007, and is located in the Schengen Terminal. The second shop is located in the Extra-Schengen Terminal and opened in November, 2007. The shops have a retail space of 72 sqm and 50 sqm respectively. A third watch shop of 50 sqm was opened at the end of December in Rome's Fiumicino airport. All three shops offer an assortment of famous watch brands.

Julian Diaz, CEO of Dufry, said: “Following our strategy of profitable growth, we are excited about our various new projects. We consider the investment in Hudson Group of strategic importance for Dufry as Hudson Group has an excellent knowledge of the duty paid convenience/newsstand business and has a strong position in the US travel retail market. Equally, the new projects in the Czech Republic and Italy are an important step to expand our activities in Europe. They fit very well into our concession portfolio and leverage our franchise in Europe.

As for the opening of the new shops, the build-out and expansion of existing operations is another pillars of Dufry's growth strategy and we are very pleased with the new shops. The continuous improvement of our shops is a key driver for our productivity and also provides the airport authorities with modern and attractive commercial space. Furthermore, it also reflects the ongoing potential of Dufry to expand our operations and to add further business opportunities.”

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Dufry – A leading global travel retailer

Dufry AG (SWX: DUFN) is a leading global travel retailer operating around 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 around 7,100 people. The Company, headquartered in Basel, Switzerland, has about 60 subsidiaries to operate its business in 39 countries in Europe, North America & Caribbean, South America, Asia and Africa.