



## Media Release

Basel, 3 April, 2009

### 2008 Full Year Results of Dufry Group

**In 2008, Dufry's turnover rose by 18% on constant FX rates. When translated to Swiss Franc, turnover grew by 10% to CHF 2,113.5 million in 2008 from CHF 1,930.3 million in 2007. EBITDA (before other operational result) increased by 23% on constant FX rates and 13% after translation to Swiss Franc to CHF 293.4 million in 2008 compared to CHF 259.3 million in 2007. EBITDA margin improved by 0.5 percentage points to 13.9% in 2008 from 13.4% in 2007.**

In 2008, turnover grew by 17.9% on constant FX rates. After translation into Swiss Franc, turnover reached CHF 2,113.5 million, representing an increase of 9.5% versus the previous year. Organic growth for the full year was 4.5% and was driven by passenger growth and productivity improvements. Growth from the Hudson acquisition, which was consolidated as from October 2008, contributed 9.0 percentage points and new concessions and expansions contributed 3.7 percentage points. The foreign exchange impact of translating into Swiss Franc was a negative 7.7%. Net sales amounted to CHF 2,057.3 million in 2008 compared to CHF 1,885.4 million in 2007.

#### Development by Region

- **Europe's** turnover decreased by 7.4% to CHF 394.0 million in 2008 against CHF 425.5 million in 2007. Italy experienced a double-digit decrease, mainly due to Alitalia's de-hubbing from Milan airports as a consequence of its financial problems, which affected Dufry's operations in Milan for the majority of the year. Dufry's new operations in Czech Republic contributed to the result as from March, 2008.
- **Africa** increased its turnover by 11.9% which reached CHF 205.4 million in 2008 compared to CHF 183.6 million in the previous year. Morocco performed exceptionally well for another consecutive year due to strong organic growth, the ramp up of the previous year's new operations as well as openings of new stores. Tunisia also posted an increase compared to the previous year. The growth of the region was further driven by the to the full year contribution of the Egyptian operations, which were started in the second half of 2007.
- **Eurasia** grew its turnover by 16.7% to CHF 267.1 million in 2008 from CHF 228.8 million in 2007. In Russia, the build up of our the operations in Sheremetyevo, which started in the second half of 2007, resulted in a double digit growth, followed by Sharjah (United Arab Emirates), where recent refurbishments supported a strong organic growth. In Singapore, the new shops opened in 2008 more than compensated the expiry of some concessions. Also, the continued development of Serbia contributed positively to the region's performance.

Following the acquisition of Hudson, Dufry has proceeded with a reshuffling of the operations in North America and Caribbean in order to reflect the geographical presence of the Group more accurately. The new regions formed are presented below as follows along with the respective comparison of the previous year's figures.

- **Central America and Caribbean**, which comprises all the business of the former Region North America & Caribbean except the US business, posted a pro forma turnover of CHF 370.5 million in 2008, a decrease of 13.7% compared to CHF 429.6 million in 2007. Apart from the negative FX impact, which accounted roughly for half of the decrease, the sales reduction was mainly due to the weaker performance of several operations in the British Caribbean as well as the Puerto Rican and Mexican operations, the latter due to the reorganization of the airport in Mexico City. The rest of the operations performed very well with some of them achieving double digit growth.
- **South America** performed well with turnover reaching CHF 656.6 million in 2008, corresponding to an increase of 6.8% from CHF 614.9 million in 2007. Excluding the FX impact, South America grew by 15.7%. All operations had double-digit sales growth when measured in USD. Whereas most of Brazil's growth was organic, the one of the cruise lines business was mainly driven by new shops.
- **North America** comprises Hudson as well as Dufry's original US business. Turnover in this region increased by 358.7% to CHF 219.8 million in 2008 versus CHF 47.9 million in the previous year. The increase is due to the contribution of CHF 173.8 million from the consolidation of Hudson since October 2008.

Gross profit increased by 12.0% to CHF 1,151.9 million in 2008 from CHF 1,028.0 million in 2007. Gross margin increased by 1.2 percentage points to 54.5% in 2008 from 53.3% in 2007. The improvement in gross margin is mainly based on the centralized negotiations with suppliers as well as the targeted selection of the product mix in the shops towards higher margin products.

In 2008, EBITDA (before other operational income/expenses) increased by 23% on constant FX rates and by 13.2% after translation to Swiss Franc. In absolute terms, EBITDA amounted to CHF 293.4 million in 2008 compared to CHF 259.3 million in 2007. EBITDA margin increased by 0.5 percentage points to 13.9% in 2008 from 13.4% in 2007. Without the effect of the Hudson, EBITDA margin reached 14.1%.

EBIT normalized for expenses of unrealized transactions in 2008 and the gain related to the IPO in Brazil of CHF 18.3 million in 2007 increased by 15.1% and reached CHF 200.3 million in 2008 versus CHF 174.0 million in the previous year. EBIT increased by 1.5% and reached CHF 195.1 million in 2008 versus CHF 192.3 million in the previous year.

Net earnings before minorities increased by 14.2% to CHF 123.0 million when excluding the capital gain related to the IPO in Brazil in 2007 and the expenses of the unrealized transactions in 2008. Net earnings before minorities in 2008 decreased by 6.6% to CHF 117.8 million from CHF 126.0 million in the previous year.

As of December 31, 2008, Dufry's net debt amounted to CHF 824.2 million compared to CHF 370.4 million by the end of 2007. The increase is mainly due to the refinancing of Hudson's debt at the time of the transaction. Equity increased to CHF 950.9 million as of December 31, 2008, from CHF 737.8 million on the respective date of the previous year.

Julian Diaz, Chief Executive Officer of Dufry Group, commented: "2008 was an excellent year for Dufry as the 2008 figures illustrate – we achieved for the first time in our history a 14% EBITDA margin. Even in the challenging fourth quarter, the comparable margin was above 15%. Furthermore, the acquisition of Hudson has broadened Dufry's travel retail expertise and provides more opportunities on the development of commercial areas at airports. By combining Dufry's global duty free expertise with Hudson's duty paid concepts, Dufry can now target all passengers at airports irrespective of whether they are domestic or international travellers.

As for 2009, we expect it to be a challenging year for Dufry – passenger numbers in the first months of 2009 have decreased and current forecasts expect a negative number also for the full year. With the implementation of our Efficiency Plan, we minimise the negative effects of the current economic environment and retain our operational flexibility, focusing on cash management, debt reduction and maintaining past profitability levels. As the economic slowdown goes on, we are certain that it will create opportunities for further consolidation in the industry, most likely towards 2010. This means on one hand that in 2009, Dufry's focus will be clearly on efficiency improvements, and on the other hand that once the global economic situation has stabilized, Dufry will emphasize its strategy of profitable growth again."

### Key Figures Dufry Group

(In CHF million)	2008 audited		2007 audited		Variation 08/07
Turnover	2'113.5		1'930.3		9.5%
- at constant 2007 FX rates					17.9%
Gross Profit	1'151.9	54.5%	1'028.0	53.3%	
EBITDA (before other operational result)	293.4	13.9%	259.3	13.4%	13.2%
- at constant 2007 FX rates					23.0%
EBIT	195.1	9.2%	192.3	10.0%	1.5%
Net Earnings before other operational result	129.7		122.8		5.6%
Net Earnings	117.8		126.0		
Attributable to:					
Equity holders of the parent	50.3		75.0		
Minority interest	67.5		51.1		

Dufry's Annual Report 2008 will be published on 3 April, 2009, and will be available on the website ([www.dufry.com](http://www.dufry.com) → Investor Relations → Financial Reports) the same day.

For further information please contact:

Andreas Schneider

Investor Relations

Phone ++41 61 266 42 38

[andreas.schneider@dufry.ch](mailto:andreas.schneider@dufry.ch)

Lubna Haj Issa

Media Relations

Phone ++41 61 266 44 46

[lubna.haj-issa@dufry.ch](mailto:lubna.haj-issa@dufry.ch)

Mary Kostaropoulou

Investor Relations

Phone ++41 61 266 43 27

[mary.kostaropoulou@dufry.ch](mailto:mary.kostaropoulou@dufry.ch)

#### **Dufry – A leading global travel retailer**

Dufry Ltd (SWX: DUFN) is a leading global travel retailer operating more than 1'000 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 11'000 people. The Company, headquartered in Basel, Switzerland, operates in 40 countries in Europe, North America, Central America & Caribbean, South America, Asia and Africa.