Media Release

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Continuous growth of Dufry Group in first quarter of 2010

In the first quarter of 2010, Dufry increased its turnover by 15.7% based on constant FX rates with organic growth contributing 10.6%. In absolute terms, turnover grew to CHF 585 million from CHF 538 million in the first quarter of 2009. EBITDA (before other operational result) increased by 20.7% on constant FX rates.

In the first quarter of 2010, Dufry's turnover increased by 15.7% on constant FX rates with organic growth contributing 10.6 percentage points. Turnover measured in Swiss Franc increased by 8.7% to CHF 585.0 million from CHF 538.3 million in the first quarter of 2009. New activities accounted for 5.1 percentage points and the foreign exchange impact of translating into CHF was negative 7.0%, mainly due to a weaker US Dollar.

Development of Turnover[1] by Region

- Turnover of **Region Europe** increased by 4.0% to CHF 72.7 million compared to CHF 69.9 million. Italy started to improve its performance compared to last year and also Switzerland performed well.

- **Region Africa** increased its turnover by 2.3% based on constant FX rates. In absolute Swiss Franc terms, Region Africa generated a turnover of CHF 35.5 million in the first quarter of 2010 compared to CHF 36.0 million in the same period in 2009. Africa was Dufry's only region that did not experience a decline in the first quarter 2009 due to the economic crisis and also this year, Dufry's main operations in Tunisia and Morocco, performed well.

- **Region Eurasia's** turnover grew by 5.5% at constant FX rates and stood at CHF 51.1 million in first quarter 2010 versus CHF 51.8 million one year ago. Within the region, certain Russian operations, Belgrade and Cambodia experienced solid growth, which was partially offset by scope effects due to the closing of some shops in Singapore. The newly started operations in China have become operational end of March.

- Turnover of **Region Central America & Caribbean** increased by 10.8% and stood at USD 100.4 million compared to USD 90.6 million in the same period last year. Translating into Swiss Francs, turnover increased by 2.1% and reached CHF 106.0 million from CHF 103.8 million in the respective period of 2009. The Mexican operations benefited from the expanded business scope due to the acquisition of assets in October 2009. The English speaking Caribbean posted a weaker quarter than last year although in March, certain operations started to reverse the declining trend.

[1] Turnover as mentioned is calculated as net sales to third parties plus advertising income and does not include intercompany sales

- **Region South America** increased by 30.9% to CHF 146.4 million from CHF 111.8 million. The good performance of the Brazilian economy and the strong Real against the USD contributed positively to the turnover of the region.

- In **Region North America** turnover increased by 14.3% and amounted USD 160.4 million from USD 140.3 million in the first quarter of 2009. Including the FX impact, turnover reached CHF 169.6 million from CHF 161.1 million for the same period, increased by 5.3%. Hudson Group as well as the other locations, performed above last year.

Gross margin further improved by 1.2 percentage points to 56.6% in the first quarter of 2010 from 55.4% in first quarter of 2009. In absolute terms, gross profit reached CHF 331.0 million for the first quarter of 2010. The improvement was due to continuous growth of the company in several new locations, implementation of global negotiations with suppliers, and the new initiatives started in 2010 as part of the "Dufry plus One" project.

EBITDA[2] for the first quarter of 2010 increased by 20.7% to CHF 70.1 million on constant FX rates. After translation into Swiss Franc, EBITDA increased by 11.6% to CHF 64.8 million compared to CHF 58.1 million for the respective period of 2009. The EBITDA margin was 11.1% compared to 10.8% for the relevant period in 2009. The EBITDA margin in the Q1 2010 has already reached the levels of the Q1 of 2008, before the crisis of 2009.

Depreciation and amortization charges remained flat at CHF 31.4 million during the first quarter of 2010 compared to CHF 31.6 million in the corresponding period of 2009. As both, depreciation and amortization, are equally distributed over the year, the seasonality of the turnover results in a higher percentage of turnover in the first quarters of the year. Non operating results of minus CHF 1.7 million include basically some restructuring costs.

EBIT in the first quarter of 2010 increased by 27.3% to CHF 31.7 million compared to CHF 24.9 million in the respective period of 2009.

Financial expenses stood at CHF 5.8 million in the first quarter of 2010 versus CHF 14.2 million in the respective period of 2009, a decrease of CHF 8.4 million. The improvement is mainly due to lower interest expenses resulting from the decrease in the debt, improved cash management and a favourable interest rate environment.

Income taxes for the first quarter of 2010 amounted to CHF 4.0 million compared to CHF 0.4 million for the corresponding period of 2009. The tax rate measured as percentage of EBT rose by 11.1 percentage points to 15.2% from 4.1%. Due to the seasonality of Dufry's business, the tax rate does vary substantially along the year due to the different generation of EBT by operation and by quarter.

Net earnings for the Group (before minorities) more than doubled and stood at CHF 21.9 million versus CHF 10.3 million in the first quarter of 2009. Pro forma net earnings to equity holders after the merger of Dufry AG with Dufry South America Ltd. reached CHF 19.9 million. Without the merger effects net earnings for the Group will include a minority interest of CHF 13.5 million.

Basic earnings per share stood at CHF 0.42 in the first quarter, compared to a minus CHF 0.10 in the same period of last year. Cash earnings per share, adjusted for amortization of acquisitions, were CHF 0.91 compared to the CHF 0.19 in the first quarter of 2009.

[2] EBITDA before other operational expenses and income

As of March 31, 2010, net debt amounted to CHF 613.3 million, an increase of CHF 3.5 million compared to CHF 609.8 million at December 31, 2009. The strong cash generation was used to invest in Capex and a build-up of working capital due to the seasonality of Dufry's business and specifically in preparation for Easter Holiday, which this year occurred early in the second quarter. In terms of financial covenants, adjusted EBITDA/Net Debt was well within the required range at 2.6x.

Continue to grow amidst improving conditions

In the first quarter of the year, the positive trends seen in the last quarter of 2009 continued to gain momentum. The dynamic performance in South America, North America and parts of Eurasia, were further supported by the resurge of operations in Europe, and the English Caribbean with gradual recovery in passenger numbers and an increase in spending.

Dufry will continue to capture the positive momentum and is also dedicated to pursue profitable external growth targets. However, given the limited visibility in the global economic development, we will continue with our cautious stance and deploy our financial resources step-by-step, paying special attention to the sustainability of the efficiencies achieved and the lessons learnt in 2009 in managing the company based on fundamentals of travel retailing.

Dufry continued to expand its operations during the first quarter of 2010. In Europe, new shops were opened in Italy and France to complement the existing network. Dufry has continued to strengthen its position in Mexico following the acquisition of further Mexican operations late last year, by re-organizing the retail space in Mexico City and re-allocating retail formats within the airports. In the rest of the regions, shops opened in Morocco, Russia, Belgrade and Brazil.

Julian Diaz, CEO of Dufry Group, commented: "During the first quarter of 2010, passenger numbers showed an upward trend with better performance of several regions compared to the previous year. Thanks to this and together with the implementation of our efficiency plan since last year, we have managed to increase our profitability although the economic environment has not yet shown signs of full recovery. We are very pleased with our performance and we will remain focused on our target to enhance it even more in the months to come."

Key Figures Dufry Group Q1 2010

	Q1 2010		**Q1 2009**		**Variation**
Turnover at constant FX rates	623.0		538.3		15.7%
EBITDA at constant FX rates	70.1		58.1		20.7%
Turnover	585.0		538.3		8.7%
Gross Profit	331.0	*56.6%*	298.2	*55.4%*	11.0%
EBITDA (before other operational result)	64.8	*11.1%*	58.1	*10.8%*	11.6%
Net Earnings	21.9		10.3		
Attributable to:					
Equity holders of the parent	8.4		-1.8		
Minority interest	13.5		12.1		

Dufry's Q1 2010 Report will be published on 20 May, 2010, and will be available on the website (www.dufry.com → Investor Relations → Financial Reports) the same day.

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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 more than 1'100 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas.

Dufry employs more than 11,000 people. The Company, headquartered in Basel, Switzerland, operates in 40 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. SOS Children's villages is an independent, non-political and non-demonstrational organisation established for orphaned and destitute children all over the world.