



Media release / Notice of Material Fact

Basel / Rio de Janeiro, March 22, 2010

Extraordinary General Meeting of Dufry AG approves merger with Dufry South America Ltd.

Dufry AG ("DAG"), a company incorporated in Basel, Switzerland, with shares listed on the SIX – Swiss Stock Exchange ("SIX") and **Dufry South America Ltd.** ("DSA"), a company incorporated in Hamilton, Bermuda, with shares listed on the Luxembourg Stock Exchange and with Brazilian Depositary Receipts ("BDRs") listed on the São Paulo Stock Exchange – BOVESPA ("BM&FBOVESPA"), hereby inform the market, in addition to the information disclosed on the Notices of Material Fact dated as of January 11 and 18, February 12 and March 19, 2010, that:

1. The extraordinary general meeting of Dufry Holdings & Investments AG ("DHIAG"), a wholly-owned Swiss subsidiary of DAG, has approved today the merger and amalgamation between DSA and DHIAG ("Merger") pursuant to the terms of a Merger and Amalgamation Agreement entered into by and between DSA, DAG and DHIAG on February 11, 2010 ("Merger Agreement"). The meeting was validly convened and constituted and shareholders representing 100% of the total share capital of DHIAG were represented at the meeting and voted in favor of the Merger.
2. The extraordinary general meeting of DAG has approved today the Merger and the capital increase of DAG, including the withdrawal of the pre-emptive rights of the current DAG shareholders and the allotment of the 7'762'249 newly issued shares of DAG ("Merger Shares") to the exchange agent, acting as a fiduciary and on the account of holders of the DSA shares including Bank of New York Depository (Nominees) Limited, as well as on behalf of Banco Itaú S.A. acting for the account of DSA BDR holders. Furthermore, the extraordinary general meeting of DAG has also approved the new proposed article 10 para. 4 of the DAG articles of incorporation. The meeting was validly convened and constituted and shareholders representing 61.99% of the total share capital of DAG were present at the meeting: 99.97% of the shares represented voted in favor of the Merger, 99.98% voted in favor of DAG's capital increase and 98.64% voted in favor of the amendment of the DAG articles of incorporation.

3. With the approval by the respective extraordinary general meetings of DHIAG and DAG as well as the unanimous approval by the special general meeting of DSA on 19 March, 2010, all necessary approvals have been obtained and the Merger has become effective as of March 22, 2010.

The registration of the Merger and the capital increase of DHIAG in the Commercial Register of the Canton of Basle-City, Switzerland, occurred on March 22, 2010 ("Registration Date").

Immediately following the Registration Date, the new shares of DHIAG created in the course of the Merger will be contributed into DAG by an exchange agent acting as a fiduciary on behalf of DSA shareholders and BDR holders, in exchange for the Merger Shares. The registration of DAG's capital increase in the Commercial Register of the Canton of Basle-City, Switzerland, is expected to occur on March 23, 2010. The listing of the Merger Shares on the SIX Swiss Exchange has been approved by the SIX and is expected to take place on March 24, 2010.

Dufry International AG has been appointed as the exchange agent in the Merger Agreement. DAG, in its capacity as the sole shareholder of the exchange agent, shall make sure and procure that the exchange agent carries out the duties described herein and further described in the Merger Agreement.

As a result of the Merger, DSA has disappeared and therefore will not publish any independent information as it will be integrated in the DAG reporting. DSA will also discontinue any investor relation activity including the publication of its 2009 Fiscal Year Results. All DSA investor relations activities will be taken over by DAG, which will publish its consolidated 2009 Fiscal Year results on March 26, 2010. Interested parties registered with DSA will receive the respective financial information. Such information can also be requested from the investor relations teams of DAG and DSA.

Pursuant to the Merger Agreement, DSA shareholders shall receive 1.00 DAG share in exchange for 4.10 DSA shares and DSA BDR holders shall receive 1.00 DAG BDR in exchange for 4.10 DSA BDRs.

For DSA BDR holders, the record date for the conversion of DSA BDRs into DAG BDRs shall be the close of trading of the date on which DAG informs BM&FBOVESPA and publicly announces to investors in Brazil by a *Fato Relevante* that it has obtained its registration as a BDR issuer with the CVM (the "Reference Time"). The DSA BDRs shall continue to be traded on BM&FBOVESPA under the ticker "DUFB11" until the registration of DAG as an issuer of BDRs with the CVM and the listing and admission to trading of DAG's shares in the form of BDRs on the BM&FBOVESPA has occurred.

For DSA shareholders, it is expected that DSA shares will be converted into DAG shares on March 23, 2010, following the registration of DAG's capital increase in the Commercial Register of the Canton of Basle-City, Switzerland.

Until the Reference Time, DSA BDR holders shall not be entitled to convert their DSA BDRs into DSA or DAG shares and DAG shareholders will not be entitled to convert their DAG shares into DAG BDRs. Withdrawal and/or cancellation fees may apply to conversions of shares into BDRs and vice-versa.

No fractional DAG shares or BDRs shall be issued in the Merger. DSA BDRs resulting in fractional DAG BDRs shall be collected and aggregated by Banco Itaú S.A. and sold on BM&FBOVESPA. The proceeds of such sales shall be allocated to DSA BDR holders in proportion to their DSA BDRs held. In order to facilitate the process, DAG commits to acquire any residual DSA BDRs not sold on BM&FBOVESPA, for the average market price on the date prior to the sale of such DSA BDRs.

The Merger Shares shall be entitled to DAG dividends or other distributions made to shareholders of DAG as of January 1, 2010. The Merger Shares shall entitle its holders to the dividend for the business year 2009 (if any) to be resolved by the ordinary general meeting of shareholders of DAG expected to be held on May 11, 2010.

DAG BDR holders are not entitled to personally participate in the shareholders' meetings of DAG, but are entitled to instruct the voting of the underlying common shares of DAG represented by their BDRs. Additional information regarding voting instructions will be provided in the invitation to the shareholders' meetings.

Any further *Fato Relevante* released by DAG will be published in the Official Gazette of the State of Rio de Janeiro and the Diário do Comércio, Indústria e Serviços - DCI.

March 22, 2010.

Dufry South America Ltd.

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Dufry Group: A leading global travel retailer – Dufry AG (SIX: 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 employs around 11,000 people. The company, headquartered in Basel, Switzerland, operates in 42 countries in Europe, North America & the Caribbean, South America, Asia and Africa.

About Dufry South America – DSA (BM&FBovespa: DUFB11) is the South American subsidiary of Dufry Group. DSA currently has a workforce of 1,922 full-time equivalent employees. The company is the leader in the retail travel market in South America, with operations in 95 duty-free and duty-paid shops located in the main Brazilian and Bolivian airports and shopping areas as well as onboard cruise ships in the Americas.

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