

Media Release

Basel, August 16, 2017

Introducing Dufry Cruise Services and launching operations on the Norwegian Joy in China

In line with its strategy to further expand its presence in the cruise ship business, Dufry has created the Dufry Cruise Services center of excellence based in Miami. Moreover, Dufry just started operations on board of the Joy, a vessel of the Norwegian Cruise Lines, especially built for and customized to the Chinese cruise market.

The cruise line channel is a strategic growth area for Dufry as it is globally growing and offering new opportunities going forward. Dufry Cruise Services is based in Miami (US) and combines the proven cruise ship expertise formerly known as Flagship Retail Services with the global strengths and resources of the Group. While Flagship has a knowhow that is second to none in the sector, Dufry offers the resources and support of a global company, such as centralized procurement and purchasing, store development, marketing and logistics as well as supply chain. Moreover, through its presence in 63 countries, the group features a global support network for its growing cruise operations, while at the same time providing proximity to the single markets, customers and the related business partners.

From an operational perspective Dufry cruise ship & seaport sales account for 2% of Group revenue. Dufry's cruise ship operations cover routes from the USA to the Caribbean, Alaska, Europe and Asia. Dufry operates a total retail space of close 9,000m², ranging from 140m² to close to 2,000m² per store on vessels of the Norwegian Cruise Lines, Carnival and Pullmantur. In total Dufry is today present on 17 cruise ships and offers a full range of traditional duty-free products as well as brand boutiques similar to airports and specialized shops, such as the Colombian Emeralds jewelry stores.

Entering the Asian cruise market on board the Norwegian Joy

Dufry has just recently started operations on the Norwegian Joy with nine shops covering a retail space of 1,950m². The Joy is the first Norwegian cruise liner which has been built specifically for the Chinese travelers. The new Breakaway-Plus Class Ship caters for the 3,850 guests it can accommodate with luxurious suites in the exclusive ship-within-a-ship complex. For Dufry this is an important strategic step to open the Asian cruise market and further expand this growing channel.

Growing travel retail channel

According to the CLIA (Cruise Lines International Association), in 2016, ocean cruise passengers reached 24.7 million and for 2017, CLIA projects another year of growth for the industry with a passenger forecast of 25.8 million. Part of the growth can be attributed to the ongoing development of the Asian market, whose ocean capacity was up by 9.2% in 2016, representing a 38% increase when compared to 2015.

Cruise span a broad spectrum of sizes and scopes with various passenger capacities, crew sizes and retail spaces. Americans constitute the majority of passengers with other nationalities, such as Canadian, British and other European passengers, making up for the remainder, and with Asian passengers increasing rapidly. Accordingly, Dufry maintains a commercial strategy that is flexible enough to account for varied customer type and nationalities to maximize its business potential.

Dufry's CEO of Division 4, Rene Riedi comments: "The new operational offices will complement the current operations and logistics-purchasing platform, in order to have our resources close to the main cruise ship itineraries. It allows a global footprint with specialized local knowledge and regional expertise. These offices and platforms will receive support from the Center of Excellence and other relevant teams across the Dufry business, while maintaining a close relationship with, and management of, the market, the customer and the operation itself.

We firmly believe that this is a remarkable step forward for this key strategic area of growth for the company and look forward to a continued success, hand-in-hand with our partners and, to expand our business even further as opportunities arise in this fast growing market."

For further information please contact:

Renzo Radice
Corporate Communications &
Investor Relations
Phone: +41 61 266 44 19
renzo.radice@dufry.com

Sara Lizi
Investor Relations Americas &
Communications Div. 4
Phone: +55 21 2157 9901
sara.lizi@br.dufry.com

Karen Sharpes
Global Media &
Events
Phone: +44 0 208 624 4326
karen.sharpes@dufry.com

Dufry Group – A leading global travel retailer

Dufry AG (SIX: DUFN; BM&FBOVESPA: DAGB33) is a leading global travel retailer operating over 2,200 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas.

Dufry employs over 31,000 people. The Company, headquartered in Basel, Switzerland, operates in 63 countries in all five continents.



SOS CHILDREN'S
VILLAGES

Social Responsibility

Dufry cares for children and supports social projects from SOS Kinderdorf in Brazil, Cambodia, Mexico, Morocco and Ivory Coast. SOS Children's Villages is an independent, non-political and non-demonstrational organization established for orphaned and destitute children all over the world.