

Media Release

Basel, January 18, 2019

Dufry with new organization to foster full customer focus and drive organic growth generation

Following its important transformation process started with the integration of three major players of the industry and culminated with the implementation of the new Business Operating Model standardizing the company, Dufry is further simplifying its organization to drive market agility with full customer focus, generate additional efficiencies at headquarter level and drive strong organic growth.

Main changes:

- Reorganization of geographical business into four divisions combining current divisions 1 and 2 into a new Division Europe & Africa.
- Integration of global and division commercial and corporate teams
- Investing in sales staff and sales incentive programs
- Reactivate small and medium size M&A activities
- New members joining the Global Executive Committee and appointment of new CFO
- Changes implemented with immediate effect

Julián Díaz, CEO of Dufry Group, commented: “In the past years, Dufry has gone through a complete transformation as a company by consolidating the industry with several acquisitions and the standardization of the business operating model. In parallel, we have built a solid financial base allowing us to both drive further growth through acquisitions, while also returning capital to shareholders with a sustainable dividend payment. Going forward, we need to get even closer to the market, to respond quicker to customer needs and increase flexibility to better react to the dynamic environment. By further simplifying our organization we will further reduce central costs and increase agility to drive customer focus and return to a strong organic growth.”

New division Europe & Africa

The current divisions Southern Europe & Africa as well as UK & Central Europe will be combined into the new Division “Europe & Africa” headed by Eugenio Andrades, CEO Europe, Africa and Strategy. The current divisional CEOs Pedro J. Castro Benitez, (Southern Europe and Africa), and Fred Creighton (UK and Central Europe), will continue to lead their regions and newly report to Eugenio Andrades.

The scope of the other current divisions Eastern Europe, Middle East, Asia and Australia, headed by Andrea Belardini; Latin America, headed by Rene Riedi, as well as North America, headed by the new Hudson Group CEO Roger Fordyce, will remain unchanged. All three of them will also join the Global Executive Committee.

Integration of global and divisional commercial and corporate teams

The integration of the global commercial and corporate teams will allow Dufry to further increase agility and customer focus while at the same time reduce central costs at headquarter level. The consolidation of the global and divisional structures will allow Dufry to reduce complexity and reaction time for commercial and corporate decisions with respect to e.g. assortment, pricing policies,

promotion and supply chain. Focus will be on further alignment and coordination of commercial and corporate aspects across all geographies.

Investing into sales staff and incentive programs

To drive customer focus and improve sales, Dufry will invest in sales staff and the further implementation of the digital E-Motion project (New Generation Stores, Reserve & Collect, Red by Dufry, FORUM by Dufry) and the use of digital tools at shop level. Additionally, Dufry will introduce new incentive & reward programs for sales staff. Both initiatives aim at better engaging with customers and drive organic growth.

Reassume M&A activities

Based on its solid financial structure and the resilient cash flow generation capability, Dufry will reassume in 2019 M&A activities to acquire small and medium size companies, easy to integrate into the Group and allowing to further leverage the organization and generate additional synergies at gross profit margin level. In line with its defined capital allocation strategy, Dufry will also continue to return capital to shareholders through dividend payments.

Changes in the Global Executive Committee & appointment of new CFO

As a consequence of the reorganization, Dufry's Global Executive Committee (GEC) will have three new members. The Divisional CEOs, Andrea Belardini, Rene Riedi and the new Hudson Group CEO Roger Fordyce will newly join the GEC and report to the Group CEO, Julian Diaz. Eugenio Andrades is already a member of the GEC and will continue to report to the CEO in his new role.

Andreas Schneiter, CFO, has resigned for personal reasons and will step down from his position on 31. March 2019. His successor will be Yves Gerster, who will join the Global Executive Committee as new CFO from 1. April 2019. Yves Gerster started at Dufry in 2006 and has so far been acting as Global Treasury and SSC Director. In this role, he has been reporting directly to the CFO and has worked closely with bondholders, banks and rating agencies. Since, 2017, he is also responsible for Dufry's financial shared services globally and has been responsible for the build-out of this initiative. He has been part of the core finance team in the transformational acquisitions in 2014 and 2015 where he led the financing work-stream.

Julian Diaz, CEO of Dufry commented: "Dufry's Board of Directors and management would like to thank Andreas Schneiter for his outstanding commitment, dedication and performance in Dufry. Andreas joined Dufry in 2003 and since then, he contributed to transform Dufry into a leading global travel retailer. He has been instrumental in shaping and driving both, the finance and investor relation strategies and functions as part of the overall business model. We wish him all the best for his private life and lots of success in his future professional career. We are pleased that we have found with Yves Gerster a strong internal candidate to follow as CFO and we wish him all the best in his new role."

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Dufry Group – A leading global travel retailer

Dufry AG (SIX: DUFN; B3 – Brasil, Bolsa, Balcão: DAGB33) is a leading global travel retailer operating over 2,300 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas.

Dufry employs over 30,000 people. The Company, headquartered in Basel, Switzerland, operates in 65 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.