Dufry sees a rise in Q1 turnover driven by organic growth

Dufry Group saw a positive rise in first quarter sales with turnover reaching CHF1,882.6 million (US$1,879 million), driven by an organic growth of 2%. This is a gradual improvement from 1.8% seen in Q4 2018. By geography, Asia-Pacific, Middle East and North America led the trend, Central America, Europe and Africa saw improvement, while South America remained weak.

Julián Díaz, CEO of Dufry Group, commented: "The good operational performance with an organic growth of 2.0% is a positive development, to which all divisions – except for the South American markets – have contributed. In particular, Asia-Pacific and the Middle East as well as North America have continued with their strong performance, while recovery has started in Europe.

A combination of commercial and marketing initiatives launched in several markets as well as strong contributions from new concession, supported the ongoing improvement in organic growth. Highlighted were new operations at the MTR station in Hong Kong, the new airport in Perth as well as the addition of new cruise ships to the company's portfolio.

In terms of business development, Dufry added 9,100 square meters of gross retail space and already signed 18,800 square meters to be opened in 2019 and 2020 in existing and new locations across the globe. At the same time, it extended existing contracts and refurbished 14,400square meters of retail space in the first quarter and plan to revamp further 34,700 square meters along 2019.

Díaz added: "The improving market conditions seen in the first months of 2019 in all Divisions, with the exception of Brazil and Argentina where the environment remains challenging, have continued and are encouraging. Organic growth in the month of April reached 2.4%. Our goals of 2019, to further drive growth with a strong customer focus, to leverage our business model to generate efficiencies and accelerate the implementation of the digital strategy remain unchanged. We therefore confirm our mid-term organic growth guidance of 3%-4% as well as the expected range of CHF350-400 million for the 2019 equity free cash flow generation.''