



Media Release

Basel, October 9, 2012

Dufry to add attractive business in major tourist destination – acquisition of majority stake in travel retail operations of Folli Follie Group

Dufry has signed an agreement to acquire 51% of the travel retail business of Folli Follie Group. The business is the leading travel retailer in Greece with [106] shops and [8'000] square meters of retail space an attractive concession portfolio with long duration. In 2011, the business generated turnover of EUR 291 million, of which more than 80% came from international customers. EBITDA in 2011 was EUR 84 million, resulting in an EBITDA margin of 29.0%. The acquisition is consistent with Dufry's growth strategy focused on emerging markets and tourist destinations and will strengthen its position in the Mediterranean region, the world's biggest tourist destination.

Folli Follie Group will carve-out its travel retail business, which will enter a new local non-recourse bank facility of EUR 335 million. Dufry will acquire a 51% shareholding in the target business for EUR 229 million. Dufry plans to finance this consideration through an equity increase in the context of further expansion projects by issuing shares from existing authorized capital. Dufry will also have an option to acquire the remaining 49% in four years' time at fair market value.

Dufry will integrate the business into its existing operations and expects to generate significant synergies through increased spend per passenger, gross margin improvements and reorganisation of back-office functions. Overall, Dufry estimates annual synergies to reach around EUR [10] million within [18] months of closing.

The transaction has highly attractive financial metrics:

- Target has industry-leading EBITDA margins
- Post-synergy EV/EBITDA acquisition multiple of [7.9]x
- Transaction is Cash EPS accretive in first full-year

With this transaction Dufry further strengthens its position as the leading global travel retailer: on a pro forma basis and based on current exchange rates, Dufry including Folli Follie's travel retail business, generated a combined turnover of approximately CHF [3,388] million and EBITDA of approximately CHF [553] million⁽¹⁾.