

Dufry World

Corporate E-Magazine of the Dufry Group



D U F R Y

Issue 16 / September 2015

worlddutyfree
More than you imagined...

world
More than y



CONNOISSEUR COLLECTION
Rare & Vintage

Premium Whisky

高级威士忌

INTERNATIONAL
WHISKY FEST



Dufry welcomes World Duty Free



Promotions: The Engine of Sales



The Keys to a Successful Training Program: Dufry Plus One



Two Official Olympic Stores at Rio and São Paulo Airports



Editorial

Starting a New Era in Travel Retail

By Julián Díaz, Dufry CEO

I am very pleased to announce the closing of the acquisition of the 50,1% stake of World Duty Free from Edizione, which considerably strengthens the Dufry Group's global leadership position in the travel retail industry.

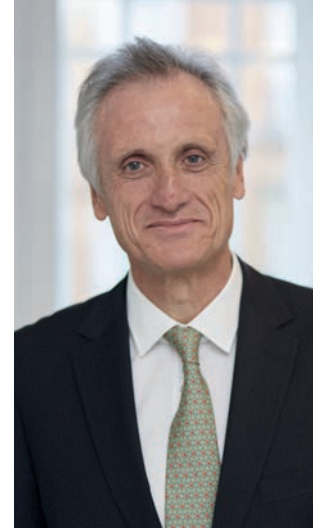
World Duty Free's business is highly complementary to our existing footprint and will reinforce our leading position in the Mediterranean, the Americas as well as the Middle East and Asia, plus it will considerably improve our position in the UK market. The new company that will emerge from this transaction will be present in 62 countries and over 440 locations around the world, covering a balanced mix of emerging and developed markets and featuring a global market share of 24% in airport travel retail, which will allow us to drive our business to new levels in terms of capturing global passenger flows, execution capabilities and efficiencies.

This acquisition is a continuation of the global geographic diversification strategy followed during the past years. Diversification not only protects the company from local and regional external risks, but also represents an important and valuable asset for our brand partners and landlords. In addition, the transaction closed this summer represents a huge opportunity for the employees of the joint company, since they will have the chance to work for a truly worldwide and multicultural global leader able to offer them even greater professional development and opportunities.

At this point, I would like to warmly welcome all our 9,500 new World Duty Free colleagues at Dufry Group. I invite them to join forces in order to turn the integration process into a full success, in order to further grow the Dufry Group and to generate common benefits for the future.

The combined retail skills of our Group's employees form a powerful team providing an unmatched source of know-how and creativity to be put at the service of our brand partners. This will open for them and us new avenues of growth to sustainably increase sales and earnings for both parties.

We expect to plan the integration in 2015 and to fully execute it in 2016. We plan to create overall synergies of approximately € 100 million per year to be substantially reflected in the financial results of 2017. Our goal with this strategic movement is to develop a better company for our employees, customers, suppliers and landlords and a more valuable asset for our shareholders. We are all in the same boat and rowing together will take us even further. ■



Content

Editorial **2**, Dufry News **3**,
Dufry People **6**, Well Done **8**,
Key Story **10**, Favorite Shop **12**

Symbols and Sections



Editorial

Statements and announcements by CEO/COO/CFO, editorials, facts & figures, milestones, company commitments, management changes.



Regional News

New or modified shops, concepts, contracts, promotional activities, awards, local highlights or efforts.



Key Story

Main topic or interview with important people (usually aligns with the cover image). Focus on special activities, business, occasions.



Well Done

Success Stories, local background stories, best practice cases.



Dufry People

Presentation of an employee for a special reason: new ideas, doing a good job, special interests, remarkable hobby.



Favorite Shop

New or refurbished shop (e.g. Shop of the month) Back cover of printable PDF

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Dufry is a global travel retailer with around 21'000 people serving customers in around 1'700 shops in 58 countries.



Dufry News

Regional News

HQ: Growth Strategy Results in Solid Turnover Increase

In the first half 2015, Dufry's growth strategy allowed for a good performance, despite challenging currency fluctuations and economic scenarios in different markets. Turnover reached CHF 2,229.2 million growing by 30.5%, as a result of solid sales performance in most operations as well as the contribution from acquisitions. EBITDA reached CHF 236.7 million with an EBITDA margin of 10.6%. Free cash flow grew by 48.4% in the first half of 2015 and reached CHF 80.6 million. Changes in scope (comprising acquisitions and discontinued operations) added 31.7% to the turnover growth, to which the Nuance acquisition contributed 35.5%. The Nuance consolidation had also an impact on the gross profit and the gross margin: gross profit grew by 27.7% (CHF 1,291.0 million in the first half of 2015, versus CHF 1,011.1 million one year earlier) and gross margin reached 57.9% from 59.2% one year earlier. On August 7th, Dufry closed the acquisition of the 50.1% WDF stake from Edizione. The long-term financing for the transaction had previously successfully been completed including a rights issue with gross proceeds of CHF 2.2 billion, a new bank facility of EUR 800 million and a near bond of EUR 700 million Senior Notes. Dufry is currently executing the mandatory tender offer for the remaining 49.9% of WDF shares according to Italian law. ■

Europe: New Hellenic Duty Free Shop at Kos Port in Greece

Hellenic Duty Free Shops has opened a brand new store at Kos Island's port, in the Dodecanese archipelago. The new store has a size of 88 m² and cruise travelers will have a wide range of products to purchase: wines and spirits, perfumes and cosmetics, sunglasses, watches, confectionery, Hellenic gourmet products and also tobacco. The store is designed according to all recent travel retail trends and the staff is well trained to offer the best service and customer care, allowing customers to enjoy shopping before traveling. ■



Entrance to the new Hellenic Duty Free shop at Kos port.

Europe: Ambitious Renovation Plan for Rhodes Airport and Port

Hellenic Duty Free Shops has completely renovated two of the three shops in operation at Rhodes Airport, a total commercial space of 1,500 m². The new retail space offers to passengers a wide range of products at very competitive prices in a modern, comfortable, attractive, friendly and easily accessible environment. Greek delicacies from all over the country have a highlighted presence in the new stores, showing Greece's gastronomic richness. Local dairy products are carefully selected and available to travelers at the Hellenic Gourmet Corner Store, supporting the concept "Buy Greek". Moreover, Rhodes' stores improve product mix and traveler services by implementing tailor made promotional events like tastings and happenings. The company's refurbishment plan for Rhodes has included also the store at Rhodes' port, to better serve cruise travelers. ■



The store at Rhodes Airport implements promotional events.

Europe: The Border Shop at Greece-Skopje Borders

A brand new store at the Greece-Skopje borders with a wide collection of perfumes and cosmetics has just opened its doors to travelers visiting Greece. This is the first store operated by Hellenic Duty Free Shops outside Greece's mainland. In the next months, products from all main categories will complete the store offer. The store logo follows the corporate image and a different signage concept has been implemented, giving the shop a special boutique ambience to enhance its attractiveness. ■



Regional News

Europe: Dufry Plus One

Part of Dufry's global business strategy consists of operating as a true retailer focused on customer needs, in order to increase both customer satisfaction and operational efficiency. Managing all operations directly and staffing our shops with company-trained employees gives us the best overview of our customers' behavior and preferences. For this reason, we continue to implement the "Dufry Plus One" Project, focused on increasing productivity by optimizing customer experience in our stores. The program focuses on the added or "plus" activities that sales associates can provide to maximize customer experience. The backbone of Dufry Plus One is to train Dufry managers and shop supervisors as certified trainers with the capability to develop their teams in providing the best service and to impact sales. Spain, in July, and Nigeria, in August, have been the latest teams trained. In both locations, participants were enthusiastic and receptive to the training and enjoyed very much the experience. ■



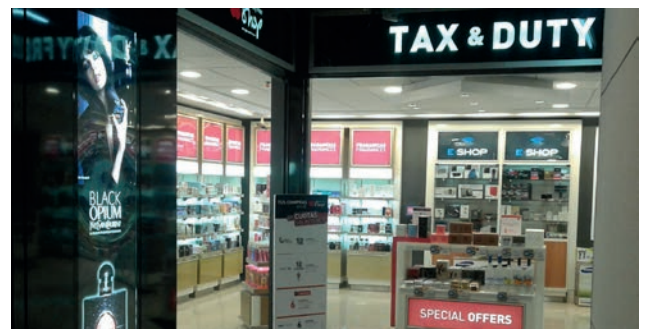
From left to right: Victor Simon (Shop Manager), Tochukwu Onwujekwe (Shop Supervisor), Mafikuyomi Akintunde (Shop Supervisor), Gaddar Tarik (ARM Morocco), Chizobam Ikeazota (HR Manager), Idris Abdulazeez (Shop Supervisor) and Cynthia Ayogu Onyinyechi (Shop Supervisor).



From left to right: Noelia Rojas Vazquez (ARM Fashion), Rafael Lucena (ARM Spain), Jaime Morales (Shop Manager Fashion Gran Canaria), Fernando J. Diaz Trujillo (Shop Manager Tenerife Sur), Arantxa Reyes Medina (Supervisor Gran Canaria), Carmen González Jorge (Supervisor Lanzarote), Aroa Vila (Shop Manager Ibiza), Rosa Lobato (Shop Manager Malaga), Ana Belén Fernández Rodríguez (Supervisor Fuerteventura), Dunia Macías Macías (Supervisor Gran Canaria).

America I: New Walk-Through Store in Cordoba, Argentina

Within the plan to refurbish stores in the interior of Argentina and joining the renovation plans of the airport, on July 15th the new Arrivals store opened on the ground floor of Cordoba International Airport, the third largest airport in Argentina. To enhance the customer care, the sales floor area has increased from 36 m² to 94 m² by adding the walk-through store concept, and is strategically located between the areas of immigration and baggage claim. This full renovation has substantially improved the display of perfumes, liquors and groceries. This shop receives about 23,000 passengers monthly, arriving to Cordoba from around the world, but mostly from Argentina, Chile and Brazil. ■



The walk-through shopping area at Cordoba Airport, after the renovation.

America II: Two Official Olympic Stores at Rio and São Paulo Airports

In less than one year the Olympics in Brazil start and the licensed products are already available in the Brazilian market. For this reason, Rio 2016 Olympic Committee has opened two official shops that will be operated by Dufry, one at Congonhas Airport in São Paulo and the second at Santos Dumont Airport in Rio de Janeiro. Five more stores will open before autumn, three at Guarulhos, one at Galeão and the last one at Congonhas. The shops offer a wide range of merchandising products, from clothing to all kind of accessories, mugs, pins and, of course, soft toys and games with the official mascots, Vinicius and Tom. ■



The corporate image of the Brazilian Olympics is as colorful as the country.

USA & Canada: A New Airport for Region 4: Minneapolis-St. Paul

The Dufry Region 4 (North America) team added a new airport to its roster this summer, Minneapolis-St. Paul International (MSP). In August, the Minnesota Twin Cities' Metropolitan Airport Commission awarded two packages to the team in its recent request for proposals to update the airport's concessions program. The first package of seven news and convenience stores (525.37 m²) was awarded to Hudson Group Retail LLC and its local business partner Estes. The second package, a mix of duty free and duty paid retail venues (577.30 m²), was won by Dufry MSP Retailers JV, a joint venture of Dufry North America and its local business partners. More than 35 million travelers used MSP in 2014, ranking the airport 16th nationally. Construction on the new Dufry and Hudson branded shops will begin shortly. ■

Europe: Combined Atelier and Rituals Cosmetics Store at Stockholm Arlanda Airport

New combined Atelier and Rituals Cosmetics store at Stockholm Arlanda Airport on July 1st, 2015. The Nuance shop which is located at terminal 5 in the new shopping area offers customers a total retail space of 90.5 m² featuring accessories, leather goods as well as home and body cosmetics. The Rituals Cosmetics area covers 35 m² and includes in its assortment all the most popular Rituals Collections such as Laughing Buddha, Ancient Samurai, Sakura, Ayurveda and Hammam along with the recently launched Tao collection and the limited edition Mandi Lulur. The Rituals Skincare range and the Home and Soulwear collections will also be available. At the center of the store is Atelier, Nuance's multi-brand women's leather accessories 32 m² store, flanked by Longchamp's latest shop-in-shop design covering 23.5 m². Passengers have the opportunity to purchase leather bags and accessories from leading international brands such as Longchamp, Tumi, Furla, Armani Jeans and Ceannis among other. ■

Asia: 'Sound & Vision' Shops at Hong Kong Airport Launch the Hybrid Smartwatch from Kairos

Dufry has become the first travel retailer in the world to launch the Kairos Watches – the world's first and only hybrid mechanical smartwatch, available at two "Sound & Vision" Nuance stores at the Hong Kong International Airport (HKIA) since August. This new global premiere not only underlines the company's status as HKIA's premium specialist electronics retailer but also its dedication to maintain its position at the forefront of the electronics category in travel retail industry. US-South Korean start-up Kairos Watches is the world's first and only hybrid mechanical smartwatch manufacturer with the technological ambition to combine luxury mechanical watch sensibilities with the functionality of a smartwatch in one seamless device. The Kairos hybrid is the first smartwatch that offers multi-operating system support to Android, iOS and Window smartphones. Besides its multiple functions, the Kairos has a 5 to 7 day battery life because the mechanical analog hands save the smartwatch part from having to constantly display the time. Besides, the watch winder can simultaneously wind the mechanical movement and charge the smartwatch battery. Given the success of Sound & Vision stores' current smartwatch portfolio – consisting of Samsung, Sony, Pebble and Burg – the new addition of the Kairos Watches will help to further generate customer interest, drive penetration, and ensure for a broad range of devices at different price points. ■



The Kairos is the world's first and only hybrid mechanical smartwatch.



Dufry's 150 Anniversary: Veronique Brütsch

150



Interview by Lubna Haj Issa

Veronique Brütsch has been working since 26 years for Dufry at Basel Euro Airport, in different positions. During all this time, her dedication and motivation have been contagious and last year she won a Dufry Award for her achievements.

Dufry World: You have now been with Dufry for 26 years, what is your overall summary about this quarter of a century?

These 26 years were indeed very interesting and challenging times. In my early years, I have learned everything from scratch and started in sales. From time to time I was introduced to other working areas. In summary, I would say I have now the know-how to run a retail shop from A to Z.

DW: How did your career develop during all these years?

I became a sales team leader very fast and at the same time started to work in the warehouse. After the birth of my daughter in 1994, I decided to work part time in the warehouse. There, I took care of all related tasks and responsibilities ranging from the delivery of stocks to custom formalities. Later, I was appointed as deputy of the shop manager.

DW: What is your current position?

In 1997, I started to do the procurement for special brands like Swatch watches and several toy brands. This was the kick off for my procurement career. For the past 15 years, I have been working as Assortment Manager, which also means to find new products for the shop in the categories toys, souvenirs, fashion, watches and jewelry.

DW: Did you discover any hidden talent?

I have started very early to work creatively and discovered the passion for shop decoration and layout. During all these years and to date I actively participate in the shop decoration.

DW: With the closing of the World Duty Free acquisition, Dufry is now even more the No 1 player in travel retail. How you feel working for such a leader?

I am really very proud working for a company that is so successful and has achieved so much in a relatively short period of time.

DW: Do you remember a special moment?

Yes, indeed and this happened only few months ago! Last year, I had my 25 years anniversary with Dufry and my colleagues prepared something special for me during our x-mas party. They presented a film about me and I was honored with a Dufry Award for my achievements. This made me very happy and I was moved to tears!

DW: Do you have any suggestion?

I have read in Dufry World about the amazing headquarter team event that took place in Basel. My wish would be to organize such an event also for the Euro Airport together with headquarter team.

DW: Would you like to add anything?

Well, I just want to point out, that I love my work, I am very dedicated to achieve my objectives, and my motivation is the same as when I started 26 years ago. We are a great team and this is an asset for reaching company goals in a good working atmosphere. ■



Veronique Brütsch, in the early years of her successful career in Dufry.

Successful Apprentices at Dufry Headquarters

Two trainees have finished successfully their apprenticeship at Basel headquarters and attained the Swiss diploma as commercial clerk. Nafije Asani joined Dufry in 2012 and is the first apprentice ever at Dufry HQ who passed the three-year traineeship model. Kevin Soares started his apprenticeship in 2014 and he is the 3rd apprentice who passed his one-year internship at Dufry HQ. Both achieved this success under the guidance of Michel Melsen, who is apprenticeship responsible at Dufry HQ.

Interview by Lubna Haj Issa

DW: Nafije, how was your 3 year apprenticeship at Dufry?

Nafije: The sudden change from school to work life was really hard, but all the colleagues from the different departments supported me and my apprenticeship mentor Michel Melsen guided me, so that I felt very well at Dufry.

DW: Michel, how do you deal with these young trainees?

Michel: It is indeed a big responsibility to assist our apprentices. The first year is the most difficult as there are many stakeholders the trainees have to satisfy. It's not only a mentoring but also kind of a life consultancy.

DW: How did you become the apprenticeship responsible for Dufry HQ?

Michel: I developed the apprenticeship section at Dufry HQ 4 years ago. It is important that companies offer training opportunities. It is a win-win situation for both sides: the company gets a well-trained workforce and at the same time it brings new momentum into the teams.

DW: Do you get many apprenticeship applicants?

Michel: Currently it is not easy to get apprentices! On the one hand, there is a high competition between the companies and on the other hand more and more pupils decide to continue higher education at a university or a college.

DW: Which are the qualifications needed for a prospect trainee at Dufry?

Michel: A secondary school degree, with good grades in mathematics and languages. But more important than this is to find the right apprentices who fit well into the organization and the teams. I pay attention to the skills, the will of learning, their character and last but not least, my gut instinct.

DW: What was the special situation of Nafije?

Michel: Nafije's special situation was that she came to Switzerland only three years ago. So her successful conclusion of the apprenticeship must be highly recognized since



The trainees and their mentor. From left to right: Nafije Asani, Michel Melsen and Kevin Soares.

her mother tongue is not German and she has mastered the linguistic challenge greatly, especially at school.

DW: Nafije, how was the 3 year apprenticeship model structured?

Nafije: I started working in the central reception for six months, learning administration. After that, I spent seven months in the logistics department, two months in the master data, seven months in the accounting department and six months in procurement. Then Michel and I selected the field where I performed best to consolidate knowledge and experience. In my case it was the procurement department, where I spent another six months. Additionally, I visited a commercial school to get the theoretical basic knowledge to the practical training.

DW: Why did you like procurement so much?

Nafije: Procurement offers a number of different tasks, provides a lot of new impressions and allows you to experience the world of brands. Only in the procurement department I really understood what travel retail is about!

DW: Michel, what are your plans to further develop apprenticeship at Dufry HQ?

Michel: The plan is to have every year one new apprentice for the three-year apprenticeship model. I am allowed by the authorities to have two apprentices at the same time who are not in their third year. The first year is really tough and also the second is difficult as the challenges in school increase. In the third year, everything calms down and the target is the final exam at school. Additionally, there is also an evaluation at the company, which is communicated to the school.

DW: Nafije, what are your future plans?

Nafije: I am so happy and thankful that I can continue my professional path with Dufry. I will have the possibility to further deepen my experience in the procurement department as Brand Assistant. Besides, I will increase my knowledge by attending further courses. ■



Well Done

Promotions – Engine of Sales

By Lubna Haj Issa

Promotions are an essential part of retailing. They increase sales, they create vibrant shop surroundings with visuals and displays and they drive footprint into the stores. To bear fruitful results, Dufry has thus implemented several promotion techniques. Marketing and procurement teams work closely with suppliers to develop unique, innovative and well-designed promotions.

“Buy two get one free”; “Free Gift”, “On Sale” etc. We all have encountered these kinds of offers when shopping. But at Dufry promotions include also store animation, eye-catching environment, customer engagement and communications activities that attempt to influence consumer behavior, stimulating immediate sales and thus enhancing the shopping experience.

As a leader of innovative promotions within the industry, Dufry has developed a unified promotional strategy involving the coordination of many different types of promotional techniques that consider product category, location and

seasonality. Javier González, Global Retail Operations & Marketing Director brings it to the point: “We want to seduce and inspire all passengers to shop with us by creating tempting offers and attractive shopping environment at every location, and that requires providing the right promotion to the right customer.”

The Retail Calendar

The Duty Free Store marketing activities are scheduled around a retail calendar that includes four promotion periods split per quarter; branded promotions and multi-category events (e.g. summer, Christmas etc.). Additionally, the promotion’s agenda includes new offers for all four core categories (perfume & cosmetics, confectionery, spirits and tobacco). These offers can be value offers (e.g. 30% off) or non-value offers like new products, exclusive products or limited editions placed in the store’s mega profile positions, high position profile and small position profile – points of sales which are exclusive to mono-brand marketing. Especially luxury brands use this opportunity to tell their own story by placing attractive offers.



At Dufry, promotions mean more than just offers: store animation, eye-catching environment, customer engagement and communications activities attempt to influence consumer behaviour.



Story-telling techniques are used to develop very strong visuals, in order to create a wow-factor.

Dufry's creation of "Mega Events" is another tool for attracting customers. The aim is to create a wow-factor and engaging events for which story-telling techniques are incorporated by developing very strong visuals. This was the case for the special summer event "Love Greece Festival" performed by Hellenic Duty Free Shops in all 44 shops. Next to entertaining activities like folklore dances, traditional Greek bands and product tastings, customers received a coupon for every purchase to participate in the lottery to win one of 33 gifts including among other four Smart Fortwo cars, air tickets and hotel stays. Another great event was the car promotion with a raffle draw held at the Sharjah International Airport Duty Free Shop. Every shopper who made a purchase of at least AED 200 between April and June 2015 received a raffle coupon to win an AUDI Q5 SUV. Nigel Keal, Global procurement Director states: "The success of our events also lies on the exclusive products selected by our

procurement managers and the amazing work done by the local operations to manage and coordinate the execution of these events."

Effectiveness of a promotion

The performance of each promotion is monitored and analyzed on a weekly basis. As the success of our promotions grow so do our creations, ideas and innovations, we have seen larger, attractive and fun events. As a business model and marketing strategy, promotions have to be carefully planned as a function of the expected return on investment versus the effective costs incurred (rebates, margin reductions, cost to purchase the "gifts", hidden cost such as taxes, transportation etc. Therefore measurement of promotional performance is key as Javier Gonzalez underlines: "It is very important for Dufry to meet customer expectations and offer them incredible promotions as 85% of adults identify promotions as an important factor in their purchasing decisions. By using statistical information in order to study customer behavior, analytics, and sales pattern during past promotions and product performances, we are able to improve our promotion activities and engineer even better ones." ■



Promotions like drawings and raffles are effective tools to attract customers. In this picture, a car is raffled off at Sharjah International Airport Duty Free Shop.



Key Story

Welcoming World Duty Free on Board

The closing of the acquisition of the 50.1% stake of World Duty Free from Edizione-Benetton is a milestone for the travel retail industry and consolidates Dufry's leading position in this sector. The combined entity will operate in 62 countries and close to 440 locations, with a market share of approximately 24% in airport retail globally.

Dufry has closed the acquisition of the 50.1% of World Duty Free for € 10.25 per share in cash, corresponding to a total consideration of € 1.31 billion (CHF 1.38 billion), and expecting to generate synergies in the amount of € 100 million per year, to be fully reflected within the next two years. Dufry will fully consolidate WDF as of August 2015 and has already launched the integration process. The following step is the execution of the Mandatory Tender Offer (MTO) for the remaining 49.9% of the WDF shares as required by the Italian law.

The acquisition of WDF will enhance Dufry's global position in travel retail, as the company will reach a pro forma market share of circa 24% and combined pro-forma sales of 7.8 billion Swiss Francs. The combined entity will comprise a geographically diversified concession portfolio with operations in 62 countries and close to 440 locations,

providing a balanced exposure to developed and emerging markets and spanning across all five continents.

WDF's operations at London Heathrow have one of the most diverse customer mix, and combining Dufry's and WDF's expertise with different passenger nationalities will provide for an unrivalled proposition in the travel retail industry. The WDF businesses in Spain and Italy are highly complementary to Dufry's existing footprint in the Mediterranean region, one of Dufry's key strategic focus areas. The acquisition of WDF will also reinforce Dufry's position in the Americas, another key strategic area, by adding operations in the US, Canada, Mexico, Brazil, Peru and Chile. Last but not least, the transaction will substantially enhance Dufry's third key growth area in Asia and the Middle East with attractive locations that will support the future growth in these regions.

Dufry expects that the transaction will result in cost reductions and gross profit improvements with an annual run-rate of approximately € 100 million, which should be fully reached by the end of 2017. The transaction is expected to be value accretive to Dufry shareholders from the second year post-acquisition.





At the closing of the acquisition of WDF, Julián Díaz, CEO of Dufry said: "It is a truly unique and highly transformational transaction for Dufry with an excellent strategic fit that well balances our global geographic footprint in developed and emerging markets. With the integration of World Duty Free,

we will enhance our leading position in the industry and we plan to drive our business to new levels in term of capturing global passenger flows, execution capabilities and efficiencies. This acquisition will allow us to create additional value for our shareholders." ■

worlddutyfree

About World Duty Free

WDF, the holding company of World Duty Free Group, is one of the world's leading travel retailers, operating mainly in airports and with a broad geographical reach. It has operations in 20 countries through 105 locations with over 500 stores, from its heartland in Western Europe, to the Americas, the Middle East and Asia, plus is the overall market leader in the European airport retail heartlands of Spain and the UK. In 2014, WDF reported turnover of € 2,440 million and EBITDA of € 261 million. According to Moodie Report, the first 30 weeks of 2015 (ending

July 26th), the group delivered airport sales of € 1,514.7 million, up by 22.8% compared to the same period in the previous year. WDF operates some of the most exciting and engaging airport shops in the world, with a focus on the customer and innovative marketing programmes, including multi-channel digital and live in-store interactive promotions. The key-concept is what they call 'Contentainment': an effort to exceed customer expectations and to enhance their airport shopping experience, putting them at the heart of the decision-making process.



Favorite Shop

Hudson Stores Enter Brazil

Dufry has opened the first five shops of its Hudson convenience store concept at RIOGaleão (Tom Jobim International Airport) in Rio de Janeiro. Three of them are located at Terminal 1 and the other two at Terminal 2. The opening of these five stores has to be seen as part of Dufry's strategy to internationalize the Hudson concept into markets with high domestic passenger volumes and where the group is already present with its traditional duty-free shops. The expansion plan expects to open another 13 stores in several Brazilian airports in 2015. The new openings underline the excellent collaboration between the Rio de Janeiro

airport authorities and Dufry to continuously optimize the commercial space and thus increase the attractiveness of RIOGaleão. With this first step of product offering enhancement at the airport, passengers benefit from a broad selection of travel related essentials, adding an extra element of service and comfort to their journey.

Hudson is the leading duty-paid convenience store concept in the US and Canada offering confectionery, personal care items, souvenirs, electronics and toys as well as the traditional newspapers, magazines and books to domestic and international passengers. ■