

World Duty Free S.p.A. accepts resignation of CEO, approves contract extension with Heathrow

- **BoD accepts resignation of CEO José María Palencia, approves CEO exit plan and interim management structure**
- **Announces 6.5 years contract extension with London Heathrow airport**
- **Completes divestitures of non-core assets**

Milan, Italy, 2 October 2014 – Meeting today, the Board of Directors of World Duty Free S.p.A. (WDF) (Milan: WDF IM) has accepted the resignation of its CEO José María Palencia, and has approved the agreed exit plan and an interim management structure to secure the transition. The BoD has also approved a 6.5 years extension of the concession agreements to operate London Heathrow's existing WDFG stores. The BoD was informed of divestitures of non-core assets (Palacios y Museos and the remaining stake at Creuers del Port Barcelona) for a total of EUR 23.4m.

CEO exit and Interim Management Structure

Following the announcement made on 16th September 2014, the Board of Directors has accepted the resignation of José María Palencia from the position of CEO of the Company, effective as of 31st December of the current year. The Board of Directors thanked Mr. Palencia for his work and for his strong commitment and contribution to the company over the years.

To enable the Company to initiate actions related succession while ensuring continuity of management, Mr. Palencia has today resigned – with immediate effect – his executive powers at the Group companies World Duty Free Group S.A.U. and World Duty Free Group España S.A. The company has already as launched the search for a new chief executive and has put in place a new management structure regrouping some of the corporate functions under the management of the Group CFO & Corporate Officer, David Jiménez-Blanco; the Chief Commercial Officer & Retail Director Spain/Int./US, Eugenio Andrades; and the UK Retail Director, Fred Creighton. At the same time the Group has constituted a management committee chaired by the Chairman of the Board of Directors of World Duty Free S.p.A., Gianmario Tondato, which includes, apart from the above mentioned officers, the Group's General Counsel, Pablo Olivera.

Extension of contract with London Heathrow Airport

World Duty Free Group has agreed a 6 years and 6 months extension of its concession agreements to operate at London Heathrow. The extension applies to stores currently operated by World Duty Free Group in all Heathrow terminals.

World Duty Free Group – operator of London Heathrow's travel retail stores since 1997 – currently runs 38 stores at the airport, including 25 core category and 13 speciality retail sites, totaling over 13,000 square metres.

London Heathrow is the busiest European hub with over 72 million passengers in 2013. World Duty Free Group recorded sales of EUR 455.6m in Heathrow Airport in 2013 – 46.7% of the Group’s total revenue in the UK and nearly 22% of the total global sales of World Duty Free Group for that year.

Divestitures of non-core assets

The BoD has confirmed the completion of the sale of non-core assets, Palacios y Museos and Creuers del Port de Barcelona. Total proceeds of the sale – EUR 23.4 million – will be used to pay down debt. Capital gains, net of taxes, are ca. EUR 10m.

Palacios y Museos

Ecoturismo y Mercados S.L., current partner of Palacios y Museos in Panama, has acquired 100% of World Duty Free Group’s stake in the company, which specialises in the management of stores in museums and other cultural institutions. Palacios y Museos made EUR 9.3m in revenues and EUR 0.7m in EBITDA in 2013. World Duty Free Group España S.A., a subsidiary of World Duty Free S.p.A, was the sole owner.

Creuers del Port de Barcelona

Global Ports Holding – the port operating unit of Turkish Global Yatirim Holding – has acquired WDFG’s stake (a 23% of the share capital) in Creuers del Port de Barcelona, the leading international cruise terminal operator in Europe. World Duty Free Group España, S.A. recorded in 2013 an income of investments under the equity method from Creuers of EUR 2.2m.

– Ends –

The outcome of today’s BoD meeting will be outlined by the Group’s senior management in a meeting with the financial community starting at 18:00 CEST today. The presentation will also be available on the homepage and in the Investor relations section of www.worlddutyfreegroup.com from 17.30 CEST onwards. The event can also be followed via website [here](#) and using the following phone numbers:

Direct Dial-in Numbers for participants:

UK Toll Number:	+44 (0) 2031474607
USA Toll-free Number:	+1 866 305 9104
France Toll Number:	+33 (0) 170 721 583
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A playback option of the conference will be available in the company’s Investors website after the call.

Disclaimer

This press release contains forecasts and estimates that reflect the opinions of the management (“forward-looking statements”), especially regarding future business performance, new investments and developments in the cash flow and financial situation. Such forward-looking statements have by their very nature an element of risk and uncertainty as they depend on the occurrence of future events. Actual results may differ significantly from the forecast figures and for a number of reasons, including by way of example: traffic trends in the countries and business channels where the Group operates; the outcome of procedures for the renewal of existing concession contracts and for the award of new concessions; changes in the competitive scenario; exchange rates between the main currencies and the euro, esp. the US dollar and UK sterling; interest rate movements; future developments in demand; changing oil and other raw

material (food) prices; general global economic conditions; geopolitical factors and new legislation in the countries where the Group operates and other changes in business conditions. The Group's business is correlated to traffic flows. The 1st and 3rd quarters usually represent the low and high points, respectively, in the business year. Quarterly operating results and changes in net financial indebtedness may not, therefore, be directly compared or extrapolated to obtain forecasts of year-end results.

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About World Duty Free Group

World Duty Free S.p.A., is the holding company of **World Duty Free Group**, one of the world's leading travel retailers, operating mainly in airports and with a broad geographical reach. It has operations in **19 countries** through **102 locations** with over **490 stores**, from its heartland in Western Europe, to the Americas, the Middle East and Asia. In 2013, the company posted a **turnover** of more than **2,078 million Euros**.

World Duty Free Group's core business is tax and duty free shopping and its proposition covers the complete spectrum of airport shopping including Beauty, Wines & Spirits, Food & Confectionery, Tobacco, Sunglasses, Watches & Jewellery and Souvenirs. World Duty Free Group operates some of the most exciting and engaging airport shops in the world, with focus on the customer and innovative marketing programmes, including multi channel digital and live in-store interactive promotions.

World Duty Free S.p.A. is listed on the Italian FTSE MIB 40 since 1 October 2013 with the ticker symbol WDF:IM. World Duty Free Group was named Airport Retailer of the Year in the 2013 Frontier Awards. For more information, please visit www.worlddutyfreegroup.com