



Paris, 19 September 2019

Lagardère Travel Retail completes the acquisition of International Duty Free (IDF), Belgium's leading Travel Retail operator

Lagardère Travel Retail today announced that it had completed the acquisition of International Duty Free, Belgium's leading Travel Retail operator also present in Luxembourg and Kenya.

Announced on 25 July, this acquisition cements Lagardère Travel Retail's position as the world's third-largest operator of Duty Free airport points of sale and as the European leader in Travel Retail, bringing its annual revenue to a total of €5.3 billion¹. The acquisition also enables Lagardère Travel Retail to extend its presence to an additional leading European Hub, Brussels, with high-quality operations, while consolidating its positions in Luxembourg and in Africa with entry into Kenya. Lagardère Travel Retail will also be able to leverage IDF's experience in the fast-growing Belgian premium chocolate segment to strengthen its operations in this market at the international level.

The close affinity between IDF and Lagardère Travel Retail in terms of culture and strategy will help to ensure a successful integration, led by Nicolas Van Brandt as CEO, while the companies' combined operating and sales expertise will help boost sales and unlock recurring operating synergies.

IDF revenue for 2019 is expected to be between €185 million and €190 million. The company will be consolidated in Lagardère's financial statements with effect from 1 October 2019.

The acquisition has been valued at €250 million², or around 8x IDF's pro forma EBITDA³ for 2020, factoring in €7 million in recurring synergies expected to be unlocked through to 2022. It is expected to deliver solid cash generation and be accretive to Lagardère Travel Retail's recurring EBIT, as well as extending the average life of the Group's concession agreements.

¹ Based on 100% of 2018 revenue, including the pro forma contribution of HBF on a full-year basis, which would translate into consolidated pro forma revenue of €4.1 billion.

² Enterprise value based on zero cash and debt.

³ Pro forma EBITDA corresponds to estimated budgeted EBITDA for 2020 (first year of operation), plus recurring run-rate synergies of €7 million.

