



GENERAL DATA

THE GLOBAL INDUSTRY PERFORMANCE IN 2015

Commentary on full-year results for the global travel retail & duty free industry, with statistics provided courtesy of Generation Research.

The global travel retail & duty free industry hit sales of US\$62 billion in 2015, a decline of -2.7% compared to 2014, according to full-year results from Generation Research. The figures compare to a restated total in 2014 of US\$63.7 billion, and were heavily influenced by the strength of the US Dollar (the currency in which Generation reports and compares its annual statistics) against a number of other major currencies in the period.

Within the key product groups, only fragrances & cosmetics showed growth over 2014 (+2.5%) with sharp falls in a number of other categories, notably watches, jewellery & fine writing instruments as well as tobacco goods.

By region, only Asia Pacific posted growth in the year (+2.3%), with the Middle East marginally down and other regions dipping heavily compared to a year before.

Regional breakdown

The Asia Pacific region maintained its status as the largest worldwide for global sales in 2015, with US\$25.2 billion, up by +2.3% on a year earlier (measured in US Dollars). Asia Pacific now commands 40.8% of global sales, boosting its share from 38.8% a year earlier.

Europe, the second largest region, posted a dramatic



DUTY FREE & TRAVEL RETAIL SALES 2015 vs 2014 (in US\$ millions)

REGION	SALES 2015	MARKET SHARE 2015	CHANGE ON YEAR	SALES 2014	MARKET SHARE 2014
Asia Pacific	25,294.4	40.8%	+2.3%	24,729.4	38.8%
Europe	18,856.7	30.4%	-8.4%	20,581.9	32.3%
Americas	11,276.4	18.2%	-3.8%	11,725.3	18.4%
Middle East	5,810.8	9.4%	-1.0%	5,867.3	9.2%
Africa	761.7	1.2%	-10.2%	848.4	1.3%
World total	62,000.0	100.0%	-2.7%	63,752.3	100.0%

PRODUCT CATEGORY	SALES 2015	MARKET SHARE 2015	CHANGE ON YEAR	SALES 2014	MARKET SHARE 2014
Fragrances & cosmetics	19,763.5	31.9%	+2.5%	19,289.5	30.3%
Wines & spirits	10,150.7	16.4%	-2.7%	10,437.0	16.4%
Fashion & accessories	8,998.3	14.5%	-3.0%	9,272.9	14.5%
Tobacco goods	7,353.7	11.9%	-7.0%	7,908.9	12.4%
Watches, jewellery & fine writing	5,933.9	9.6%	-10.1%	6,601.8	10.4%
Confectionery & fine food	4,875.3	7.9%	-4.0%	5,079.6	8.0%
Electronics, gifts & other	4,924.7	7.9%	-4.6%	5,162.6	8.1%
TOTAL	62,000.0	100.0%	-2.7%	63,752.3	100.0%

SALES CHANNEL	SALES 2015	MARKET SHARE 2015	CHANGE ON YEAR	SALES 2014	MARKET SHARE 2014
Airport shops	35,530.1	57.3%	-3.5%	36,832.4	57.8%
Other shops & sales*	21,772.4	35.1%	+0.3%	21,714.2	34.1%
Airlines	2,639.0	4.3%	-11.5%	2,980.9	4.7%
Ferries	2,058.5	3.3%	-7.5%	2,224.7	3.5%
TOTAL	62,000.0	100.0%	-2.7%	63,752.3	100.0%

Note: *includes border, downtown and cruiseline retail

Source: Generation Research

-8.4% slide in sales in 2015 to US\$18.8 billion, though the exchange rate of the weak Euro against the US Dollar had a big impact. The region's share also declined, to 30.4% from 32.3% a year earlier.

The Americas posted a sales dip of -3.8% year-on-year to US\$11.2 billion. The region's share was almost flat, at 18.2% versus 18.4% in 2014.

The performance of the Middle East region held up well against a declining world market, with a dip of just -1% to US\$5.8 billion in 2015. Its market share grew slightly, from 9.2% in 2014 to 9.4% in 2015. In Africa, sales fell by double digits in US Dollar terms (-10.2%) to US\$761.7 million, with market share stable at 1.2% (2014: 1.3%).

Sales by channel

The dominance of airport stores within the business continued in 2015, although sales fell by -3.5% in the channels in US Dollar terms. Airports' share was 57.3% compared to 57.8% in 2014.

The category of 'Other Shops', which includes downtown, border, diplomatic and other channels, had flat sales at US\$21.7 billion and market share of 35.1% compared to 34.1% a year earlier.

Airlines and ferry stores posted heavy falls in US Dollar terms, airlines by -11.5% (to US\$2.6 billion) and the ferry market by -7.5% (to just over US\$2 billion). Airlines and ferries had market shares in 2015 of 4.3% and 3.3% respectively.

Category breakdown

Fragrances & cosmetics had almost double the sales of the closest category by sales volume (wines & spirits), with volumes of US\$19.7 billion (+2.5% year-on-year). That translated to a dominant market share of 31.9%, a healthy advance on the 30.3% share the beauty business held in 2014.

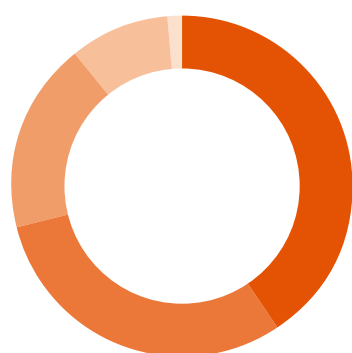
Wines & spirits sales fell by -2.7% in US Dollar terms to US\$10.1 billion for a market share of 16.4%, a figure that has changed little in recent years.

Fashion & accessories, among the key growth categories in the global market, showed a -3% dip to US\$9 billion, with a stable 14.5% market share.

A related luxury goods category – watches, jewellery and fine writing instruments – suffered a sharp -10.1% slide to US\$5.9 billion. Together, the luxury categories accounted for just over 24% of sales in 2015.

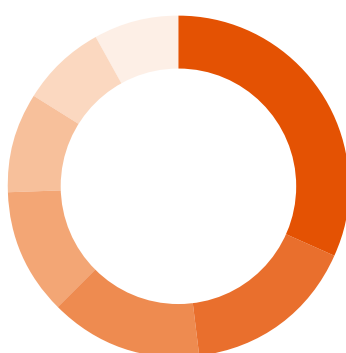
Tobacco goods, a long-time driver of the business, had a -7% decline in sales to US\$7.3 billion, with a market share of 11.9%. Another traditional core category, confectionery & fine food, posted US\$4.8 billion in sales, down by -4% compared to 2014. This translated to a 7.9% market share, close to its 8% share in 2014. Electronics, gifts and other goods posted a -4.6% fall in sales to US\$4.9 billion and also had a share of 7.9%.

2015 regional breakdown



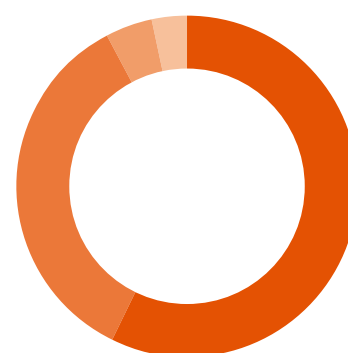
● Asia Pacific	40.8%
● Europe	30.4%
● Americas	18.2%
● Middle East	9.4%
● Africa	1.2%

2015 category breakdown



● Fragrances & cosmetics	31.9%
● Wines & spirits	16.4%
● Fashion & accessories	14.5%
● Tobacco goods	11.9%
● Watches, jewellery & fine writing	9.6%
● Confectionery & fine food	7.9%
● Electronics, gifts & other	7.9%

2015 sales channel breakdown



● Airport shops	57.3%
● Other shops & sales*	35.1%
● Airlines	4.3%
● Ferries	3.3%

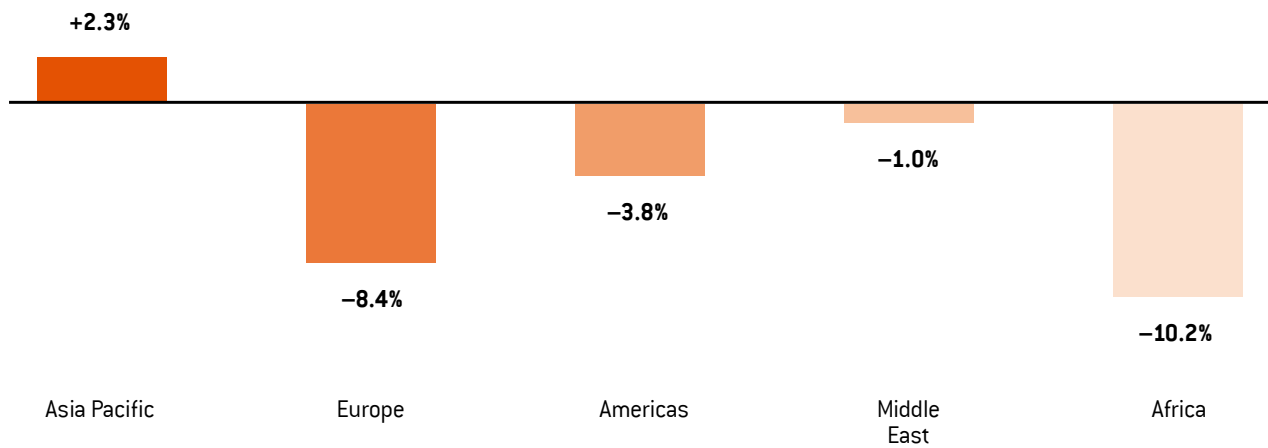
Note: *includes border, downtown and cruiseline retail

Source: Generation Research

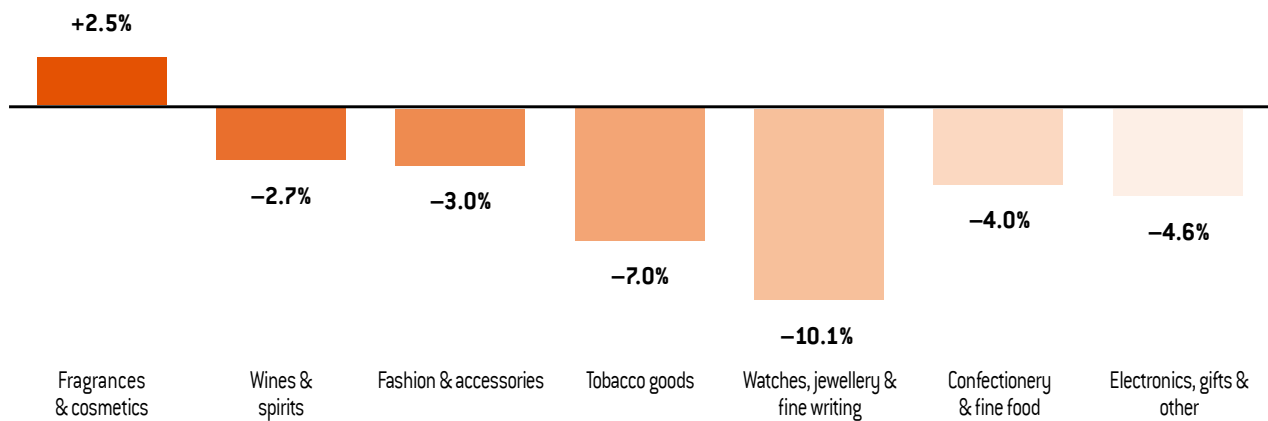
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SIZE OF THE MARKET

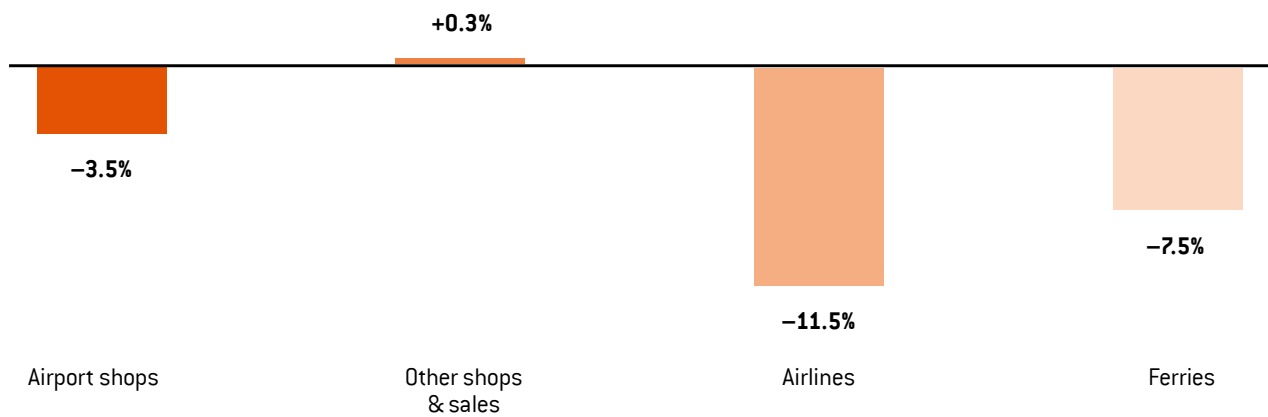
Regional % change 2015 vs 2014



Category % change 2015 vs 2014



Sales channel % change 2015 vs 2014



Source: Generation Research

TOP 25 COUNTRIES 2015 AND CHANGE ON YEAR

RANK	COUNTRY	SALES CHANGE ON YEAR	MARKET SHARE 2015
1	South Korea	+5.0%	14.4%
2	China	-6.7%	7.3%
3	USA	+2.4%	6.2%
4	United Kingdom	+0.9%	5.5%
5	Germany	-0.1%	4.6%
6	United Arab Emirates	-0.6%	4.5%
7	Hong Kong	-23.5%	3.7%
8	Thailand	+22.3%	3.1%
9	Singapore	+5.1%	2.9%
10	Japan	+36.9%	2.8%
11	Turkey	-19.4%	2.8%
12	France	-12.4%	2.2%
13	Taiwan	-8.1%	1.8%
14	Spain	-1.3%	1.6%
15	U.S. Virgin Islands	+2.6%	1.5%
16	Norway	-17.6%	1.4%
17	Brazil	-32.4%	1.2%
18	Australia	-0.4%	1.1%
19	Russia	-36.8%	1.1%
20	Italy	-6.2%	1.1%
21	Denmark	-11.3%	1.0%
22	Egypt	-32.5%	1.0%
23	Finland	+7.2%	1.0%
24	Israel	+4.7%	0.9%
25	Estonia	-15.0%	0.9%
Other Countries		-0.6%	24.5%
World total		-2.7%	100.0%

Note: In addition to airports, airlines and ferries, above ranking includes sales in off-airport shops, downtown shops and border shops as well as some military and diplomatic sales.

Source: Generation Research

Leading markets

South Korea's status as the world's largest duty free and travel retail market by sales volume was maintained in 2015, with growth (in US Dollar terms) of +5%. That was despite a sharp slowdown in the business caused by fears of the MERS virus from June through to August last year, which prompted many Chinese visitors – the backbone of the inbound tourism economy and of travel retail – to postpone their trips. Remarkably, the industry still managed to increase sales, with the biggest players such as Lotte Duty Free and The Shilla Duty Free posting double-digit rises in turnover.

China maintained its position as the number two market, despite a drop of -6.7% in sales according to Generation Research, largely down to the weakening of the Chinese economy and the crackdown on gift-giving among government officials. However, the longer term picture remains bright. Outbound travel among Mainland Chinese exceeded 100 million in 2015, buoying companies such as China Duty Free Group and Sunrise Duty Free, as well as King Power Group (Hong Kong), which has a strong presence at domestic terminals at a number of Chinese airports.

The USA and UK occupy third and fourth positions in the country rankings, as they did a year before, while Germany supplanted Hong Kong in fifth place. Duty free and travel retail in Hong Kong has been hit by slower luxury goods sales to Chinese visitors in the past two years.

As the table shows, the industry continues to be affected by the impact of external events, from economic downturns and currency fluctuations to terrorism. Examples include Turkey (sales down -19.4%), Brazil (-32.4%) and Russia (-36.8%).

Ten-year trends

Despite a challenging two years for duty free and travel retail in 2014 and 2015, a glance at the rate of sales growth over the past decade shows that the industry has still doubled in size from the 2005 figure of US\$30 billion.

Key drivers have been rapid passenger growth worldwide and across the key regions, the rise of the middle

classes in many emerging markets and surging tourism numbers allied to big investment in airport and airline infrastructure.

The shift in the balance of power among the regions is one notable feature of the ten-year industry trends. In 2005, Asia Pacific's market share was roughly half that of Europe (US\$7.3 billion compared to US\$13.8 billion). Today, Asia Pacific – which became the number one region

Duty free & travel retail sales by product category 2005–2015 (in US\$ millions)

CATEGORY	2005	2006	2007
Fragrances & cosmetics	7,614.1	8,655.4	10,404.1
Wines & spirits	5,401.0	5,678.0	6,628.6
Fashion & accessories	3,894.9	4,112.6	4,827.9
Tobacco goods	5,988.4	5,823.7	6,443.4
Watches, jewellery & fine writing	2,962.5	3,140.9	3,624.1
Confectionery & fine food	2,155.6	2,416.2	2,939.1
Electronics, gifts & other	1,983.4	2,273.3	2,832.8
World total	30,000.0	32,100.0	37,700.0

Duty free & travel retail sales by sales channel 2005–2015 (in US\$ millions)

CHANNEL	2005	2006	2007
Airport shops	14,579.8	16,461.6	20,125.6
Other shops & sales	10,942.0	10,952.4	12,487.5
Airlines	2,053.6	2,327.6	2,664.3
Ferries	2,424.6	2,358.4	2,422.6
World total	30,000.0	32,100.0	37,700.0

Duty free & travel retail sales by region 2005–2015 (in US\$ millions)

REGION	2005	2006	2007
Asia Pacific	7,260.2	7,793.1	9,114.2
Europe	13,852.1	14,711.8	17,363.9
Americas	6,486.4	6,856.0	7,827.1
Middle East	1,982.7	2,287.7	2,851.8
Africa	418.6	451.4	543.1
World total	30,000.0	32,100.0	37,700.0

Source: Generation Research

by volume in 2012 – commands 40.8% of global sales compared to Europe's 30.4%.

Recent performance suggests that Asia Pacific will increase its lead over other regions, as it has done since 2012. In the past decade, its sales have more than trebled, while Europe for example has seen sales rise by less than half since 2005.

From a much smaller base, the Middle East (under US\$2

billion in 2005) has almost trebled sales since (to US\$5.8 billion), driven by the rise and rise of the region's hub airports and national carriers such as Emirates, Etihad Airlines and Qatar Airways. Given their recent trajectories, it's reasonable to expect the growth rates and shares of Asia Pacific and the Middle East to continue rising in the years ahead.

Of the other regions, the Americas has grown since 2005

2008	2009	2010	2011	2012	2013	2014	2015
11,589.5	10,708.0	12,060.1	14,344.1	15,793.7	17,260.3	19,289.5	19,763.5
7,175.1	6,681.9	7,367.8	8,432.6	9,091.0	9,862.3	10,437.0	10,150.7
5,043.8	4,761.5	5,792.2	7,007.4	7,955.7	8,755.2	9,272.9	8,998.3
6,821.9	6,006.0	6,416.1	7,300.9	7,626.8	7,851.8	7,908.9	7,353.7
3,778.0	3,589.2	4,073.3	5,139.2	5,767.8	6,210.8	6,601.8	5,933.9
3,407.4	3,167.1	3,503.6	3,941.7	4,376.6	4,745.1	5,079.6	4,875.3
3,184.2	3,286.3	3,987.3	4,834.1	5,188.5	5,314.6	5,162.6	4,924.7
41,000.0	38,200.0	43,200.4	51,000.0	55,800.0	60,000.0	63,752.3	62,000.0

2008	2009	2010	2011	2012	2013	2014	2015
22,632.7	21,385.4	24,103.5	29,435.9	31,927.8	34,671.2	36,832.4	35,530.1
13,070.1	12,211.5	14,144.7	16,270.7	18,466.8	20,095.6	21,714.2	21,772.4
2,733.3	2,437.9	2,686.6	2,851.4	2,991.9	3,021.4	2,980.9	2,639.0
2,564.0	2,165.1	2,265.2	2,442.0	2,413.5	2,211.8	2,224.7	2,058.5
41,000.0	38,200.0	43,200.0	51,000.0	55,800.0	60,000.0	63,752.3	62,000.0

2008	2009	2010	2011	2012	2013	2014	2015
9,869.5	10,295.2	13,000.2	16,665.6	19,902.2	22,317.9	24,729.4	25,294.4
18,544.0	16,176.1	16,758.8	18,910.4	19,272.3	20,139.3	20,581.9	18,856.7
8,532.3	7,605.2	8,702.7	10,280.8	10,855.7	11,162.5	11,725.3	11,276.4
3,446.8	3,466.4	4,026.9	4,446.1	5,005.8	5,560.6	5,867.3	5,810.8
607.4	657.2	711.3	697.0	764.0	819.7	848.4	761.7
41,000.0	38,200.0	43,200.0	51,000.0	55,800.0	60,000.0	63,752.3	62,000.0



but failed to double in sales from a base of US\$6.5 billion. Africa has grown in the ten-year period from its 2005 figure of US\$418.6 million to US\$761.7 million in 2015.

By channel, sales at airport shops have leapt by around two-and-a-half times from a base of US\$14.6 billion in 2005, while 'Other shops' have more than doubled to over US\$21 billion from their 2005 figure of US\$10.9 billion. Neither the airline nor the ferry channel have managed to keep pace; airline sales have only grown from US\$2 billion in 2005 to US\$2.6 billion today – and have even declined compared to recent highs of around US\$3 billion in 2013 and 2014. The ferry channel (US\$2.4 billion in 2005) is down compared to a decade ago, at US\$2 billion.

By product category, the ten-year trends underline the dramatic surge in beauty and luxury goods sales in particular. Fragrances & cosmetics was already the leading category in 2005 and has close to trebled the figure of US\$7.6 billion in the intervening period. The combined luxury sectors of fashion & accessories and watches, jewellery & fine writing had sales of around US\$6.9 billion in 2005, a figure that has climbed to almost US\$15 billion.

Wines & spirits has performed well in the past decade, almost doubling from US\$5.4 billion to over US\$10.1 billion, while tobacco at just under US\$6 billion then had only managed to rise to US\$7.3 billion by 2015.

Confectionery, another staple and a strong performer over the past decade, has seen sales leap from just over US\$2.1 billion in 2005 to over US\$4.8 billion ten years on. The categories of electronics, gifts and other goods also more than doubled, from just under US\$2 billion to almost US\$5 billion by 2015.

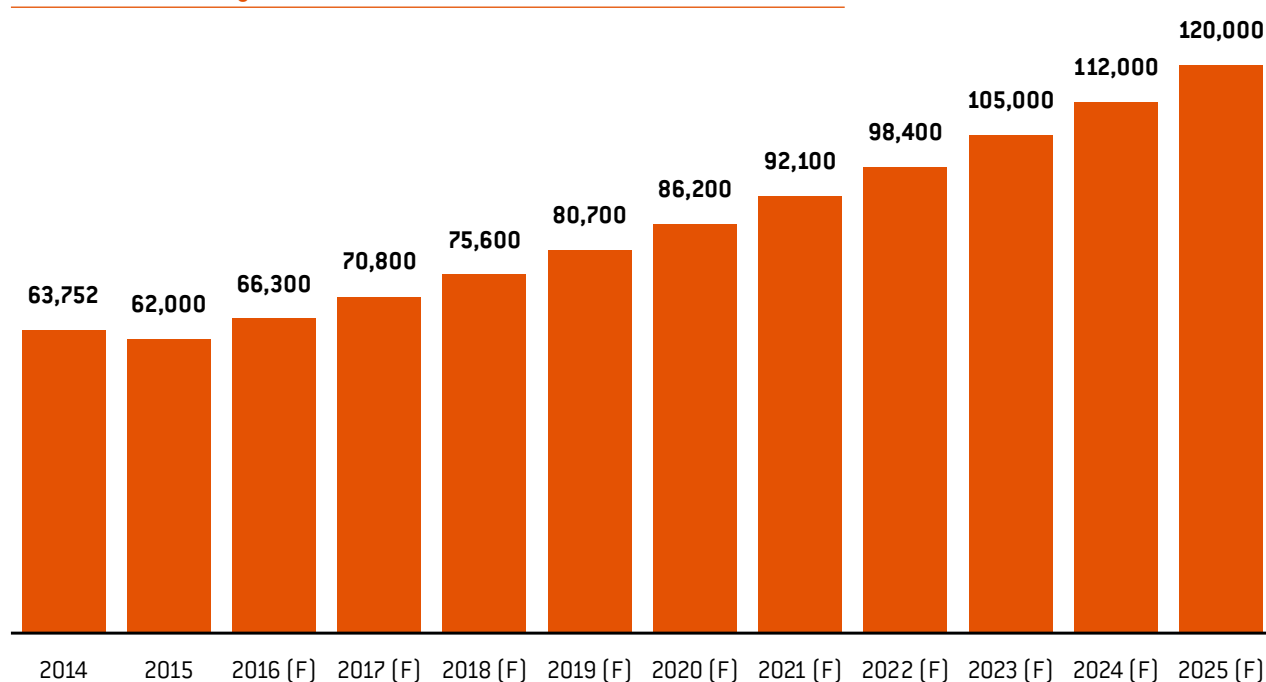
Industry outlook

Although the duty free and travel retail industry has been through a period of slower growth in the past two years – the result of economic weakness and sharp currency fluctuation in some key countries and regions – the long-term outlook is positive according to Generation's latest forecast numbers.

The 2015 figures mark a slight decline on 2014 but the industry's healthy growth trajectory of previous decades is expected to resume in 2016 and beyond. Generation forecasts a figure of US\$66.3 billion this year and then strong growth in the years that follow.

Sales should break through the US\$80 billion barrier by 2019, says the research company, exceeding US\$92 billion by 2021, US\$105 billion by 2023 and US\$120 billion by 2025. The estimates will likely change due to external influences both positive and negative in the years ahead, but there is good reason for optimism about the evolution of duty free and travel retail in the decade ahead.

FORECAST: Global duty free & travel retail sales 2016 – 2025 (in US\$ millions)



Note: In addition to airports, airlines and ferries, above ranking includes sales in off-airport shops, downtown shops and border shops as well as some military and diplomatic sales.

Source: Generation Research

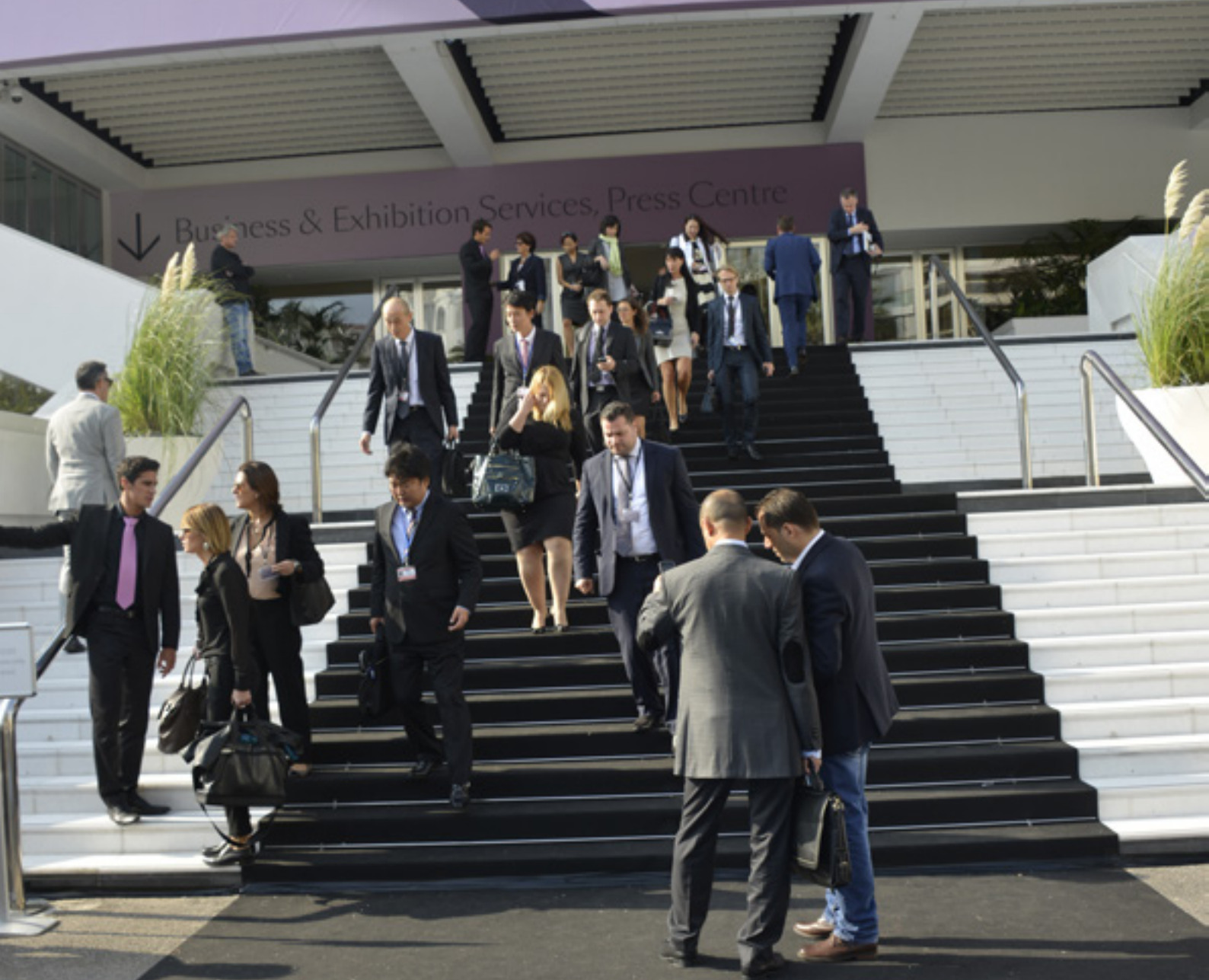
EXHIBITION &
CONFERENCE

26-31 October 2014 - Cannes

30th Duty Free & Travel Retail Global Summit

TFWA 30th Anniversary

↓ Business & Exhibition Services, Press Centre



TFWA

AIRPORT PASSENGER TRAFFIC TRENDS

We review the ACI ranking of top 100 airports in the world by international traffic, along with details of their lead travel retailers.

In 2015 Dubai International maintained its status as the world's biggest airport measured by international passenger traffic, a position it took a year earlier. The previous long-time number one, London Heathrow, was ranked second, with Hong Kong, Paris and Amsterdam completing the top five. That's according to the latest figures from Airports Council International.

Of the top ten airports worldwide, Dubai, Bangkok Suvarnabhumi (ranked ninth) and Istanbul Atatürk (ranked tenth) posted double-digit growth year-on-year (at +10.7%, +16.3% and +10.1% respectively). Further solid performances in passenger traffic terms came from Hong Kong (+8.2%), Amsterdam Schiphol (+6%) and Incheon International (+8.5%).

Among other highly placed airports, Madrid Barajas continued its strong recent recovery with a +14.1% leap year-on-year; Hamad International – supported by Qatar Airways' continued expansion – boasted a +17.3% climb in traffic; Dublin Airport was buoyed by a +14.9% rise; Shanghai Pudong delivered robust growth of +18.3% and Abu Dhabi International underlined the strength of the Middle East market, and of national carrier Etihad Airways, with a surge of +18.6%.

Among airports outside the top 30, there were notable traffic performances from the Japanese airports of Osaka Kansai (+24.5%) and Tokyo (+21.3%), each buoyed by strong outbound travel as well as inbound Chinese tourism. Athens (+17.6%), London Luton (+18.5%), Guangzhou (+15.8%), Muscat (+19.2%) and Bangkok Don Mueang (+51.9%) were others that posted healthy double-digit increases.

Airports that posted traffic declines in 2015 included Moscow Sheremetyevo (-3.8%) and Domodedovo (-21.4%), both hit by the continuing weakness of Russian consumer sentiment and of the Rouble. Antalya Airport in Turkey (-5.5%) was also affected by the downturn in Russian outbound travel.

By region, the rapid growth of air traffic in Asia Pacific was

underlined by sharp growth rates among its top five airports. Hong Kong, Singapore, Incheon, Bangkok Suvarnabhumi and Taipei all posted rises compared to 2014, with Bangkok outstripping the rest with a +16.3% leap.

The health of Middle East aviation was just as pronounced, with robust growth figures among most of the top five in that region, led by Dubai as the world's number one. It was followed in the rankings by Doha, Abu Dhabi, Jeddah and Tel Aviv. Each of the top three delivered double-digit rises, with Tel Aviv almost matching them at +9.9% and Jeddah marginally up (+0.3%).

In Africa the top five of Cairo, Johannesburg, Casablanca, Addis Ababa and Hurghada have remained fixed in recent years, with Cairo (+10.2%) the stand-out performer in 2015. Hurghada's position in the top five could be threatened amid a sharp downturn in international arrivals following a number of terror attacks on tourists in Egyptian resorts.

In Europe the top five of Heathrow, Paris, Amsterdam, Frankfurt and Istanbul Atatürk also remains fixed over recent years, with each showing solid growth in the year. Atatürk (+10.1% in 2015) has shown stellar passenger increases in the past five years, but the threat of terror – including the impact of a direct attack on the airport this year – may have a bearing on its growth prospects in future.

In North America only Newark (-0.4%) of the top five failed to post a rise in traffic in 2015. There were solid increases among the others: New York JFK (+6.5%), Toronto (+7.7%), Miami (+5.5%) and Los Angeles (+8.6%). Healthy increases from San Francisco and Atlanta airports put them just outside the top five by international traffic.

In Latin America and Caribbean, Panama City (with 13.6 million) led the rankings of airports by international passenger traffic in 2015. It was followed by São Paulo, Cancún, Mexico City and Bogotá. Apart from a flat performance from São Paulo (+0.3%) all posted healthy growth, with both Mexican airports increasing traffic by double digits (Cancún +13.3% and Mexico City +10.9%).

RANK	AIRPORT	REGION	COUNTRY
1	Dubai International Airport	MEA	United Arab Emirates
2	London Heathrow Airport	EUR	UK
3	Hong Kong International Airport	ASP	Hong Kong, China
4	Paris Charles de Gaulle Airport	EUR	France
5	Amsterdam Airport Schiphol	EUR	Netherlands
6	Singapore Changi Airport	ASP	Singapore
7	Flughafen Frankfurt/Main	EUR	Germany
8	Incheon International Airport	ASP	Republic of Korea
9	Suvarnabhumi International Airport	ASP	Thailand
10	Atatürk International Airport	EUR	Turkey
11	Taiwan Taoyuan International Airport	ASP	Chinese Taipei
12	London Gatwick Airport	EUR	United Kingdom
13	Kuala Lumpur International Airport	ASP	Malaysia
14	Aeropuerto de Adolfo Suárez Madrid Barajas	EUR	Spain
15	Munich Airport	EUR	Germany
16	Hamad International Airport	MEA	Qatar
17	Narita International Airport	ASP	Japan
18	John F. Kennedy International Airport	NAM	United States
19	Aeropuerto de Barcelona El Prat	EUR	Spain
20	Aeroporto di Roma Fiumicino	EUR	Italy
21	Flughafen Zürich	EUR	Switzerland
22	Toronto Pearson International Airport	NAM	Canada
23	Dublin Airport	EUR	Ireland
24	Copenhagen Airport	EUR	Denmark
25	Pudong International Airport	ASP	China
26	Brussels Airport	EUR	Belgium
27	Abu Dhabi International Airport	MEA	United Arab Emirates
28	Vienna International Airport	EUR	Austria
29	Miami International Airport	NAM	USA
30	Antalya International Airport	EUR	Turkey
31	London Stansted Airport	EUR	UK
32	Manchester Airport	EUR	UK

TOP 100 AIRPORTS BY INTERNATIONAL PASSENGER TRAFFIC 2015

CITY	LEAD TRAVEL RETAILER(S)	INTERNATIONAL PASSENGERS 2015	% CHANGE ON 2014
Dubai	Dubai Duty Free	77,453,466	+10.7
London	World Duty Free (Dufry)	69,816,491	+2.5
Hong Kong	DFS	68,071,282	+8.2
Paris	Lagardère Travel Retail/AdP	60,366,933	+3.0
Amsterdam	Schiphol Airport Retail; Kappé; Lagardère Travel Retail; Gassan	58,245,545	+6.0
Singapore	DFS; The Shilla Duty Free; Lagardère Travel Retail; King Power Group (HK)	54,836,000	+2.9
Frankfurt	Gebr Heinemann	53,994,154	+2.4
Incheon	Lotte Duty Free; The Shilla Duty Free; Shinsegae Duty Free	48,720,319	+8.5
Bangkok	King Power International Group (Thailand)	43,251,807	+16.3
Istanbul	ATÜ Duty Free	41,998,251	+10.1
Taipei	Ever Rich Duty Free;Tasa Meng Corp	38,104,007	+7.6
London	World Duty Free (Dufry)	36,663,907	+6.4
Kuala Lumpur	Eraman; DR Group; The Zon Duty Free; Dimensi Eksklusif	34,438,229	+0.0
Madrid	World Duty Free (Dufry)	33,765,583	+14.1
Munich	Eurotrade	31,313,329	+3.5
Doha	Qatar Duty Free	30,906,066	+17.3
Tokyo	NAA Retailing	30,547,564	+3.2
New York	DFS; International Shoppes	30,020,301	+6.5
Barcelona	World Duty Free (Dufry)	29,067,531	+6.7
Rome	Lagardère Travel Retail	28,280,267	+5.4
Zürich	Dufry	25,634,998	+3.1
Toronto	Dufry	25,177,558	+7.7
Dublin	Aer Rianta International	24,869,405	+14.9
Copenhagen	Gebr Heinemann	24,639,122	+4.4
Shanghai	Sunrise Duty Free	23,426,603	+18.3
Brussels	International Duty Free	23,225,980	+6.9
Abu Dhabi	DFS	22,834,963	+18.6
Vienna	Gebr Heinemann	22,147,149	+1.4
Miami	Duty Free Americas	21,206,557	+5.5
Antalya	Dufry	20,863,040	-5.5
London	World Duty Free (Dufry)	20,768,053	+10.6
Manchester	World Duty Free (Dufry)	20,724,999	+6.3

RANK	AIRPORT	REGION	COUNTRY
33	Los Angeles International Airport	NAM	USA
34	Aéroport de Paris Orly	EUR	France
35	Beijing Capital International Airport	ASP	China SAR
36	Aeropuerto de Palma de Mallorca	EUR	Spain
37	King Abdulaziz International Airport	MEA	Saudi Arabia
38	Stockholm Arlanda Airport	EUR	Sweden
39	Düsseldorf International Airport	EUR	Germany
40	Sheremetyevo International Airport	EUR	Russian Federation
41	Lisbon Airport	EUR	Portugal
42	Ninoy Aquino International Airport	ASP	Philippines
43	Kansai International Airport	ASP	Japan
44	Milano Malpensa	EUR	Italy
45	Tel Aviv Ben Gurion International Airport	MEA	Israel
46	Geneva Airport	EUR	Switzerland
47	Moscow Domodedovo Airport	EUR	Russian Federation
48	Helsinki Vantaa Airport	EUR	Finland
49	Sydney International Airport	ASP	Australia
50	Indira Gandhi International Airport	ASP	India
51	Aeropuerto Internacional de Tocumen	LAC	Panama
52	Oslo Gardermoen Airport	EUR	Norway
53	Guarulhos International Airport	LAC	Brazil
54	Cancún International Airport	LAC	Mexico
55	Tegel Airport	EUR	Germany
56	Cairo International Airport	MEA	Egypt
57	Tokyo International (Haneda) Airport	ASP	Japan
58	Aeropuerto Internacional de la Ciudad de México	LAC	Mexico
59	Aeropuerto de Málaga Costa del Sol	EUR	Spain
60	Soekarno–Hatta International Airport	ASP	Indonesia
61	Prague Airport	EUR	Czech Republic
62	Newark Liberty International Airport	NAM	United States
63	Athens International Airport	EUR	Greece
64	Chhatrapati Shivaji International Airport	ASP	India
65	London Luton Airport	EUR	UK
66	San Francisco International Airport	NAM	USA

TOP 100 AIRPORTS BY INTERNATIONAL PASSENGER TRAFFIC 2015

CITY	LEAD TRAVEL RETAILER(S)	INTERNATIONAL PASSENGERS 2015	% CHANGE ON 2014
Los Angeles	DFS	20,000,009	+8.6
Paris	Lagardère Travel Retail/AdP	18,818,663	+5.0
Beijing	Sunrise Duty Free	18,601,898	+10.5
Palma de Mallorca	World Duty Free (Dufry)	18,107,070	+0.6
Jeddah	World Duty Free (Dufry)	18,083,745	+0.3
Stockholm	Dufry	18,080,833	+4.2
Düsseldorf	World Duty Free (Dufry)	18,060,323	+3.8
Moscow	Arial; Dufry; Gebr Heinemann	17,781,134	-3.8
Lisbon	Dufry	17,614,499	+9.5
Manila	Duty Free Philippines	17,168,171	+6.8
Osaka	Kansai Airport; JATCo; Lotte Duty Free	16,253,996	+24.5
Milan	Dufry	15,908,074	+0.7
Tel Aviv	James Richardson Duty Free	15,674,250	+9.9
Geneva	Dufry	15,116,493	+4.0
Moscow	Arial; Gebr Heinemann	13,887,161	-21.4
Helsinki	World Duty Free (Dufry)	13,826,868	+2.9
Sydney	Gebr Heinemann	13,715,091	+4.3
New Delhi	Delhi Duty Free Services	13,709,793	+4.4
Panama City	Motta Internacional; Grupo Wisa	13,639,241	+6.7
Oslo	Gebr Heinemann	13,636,657	+3.1
São Paulo	Dufry	13,620,302	+0.3
Cancún	World Duty Free (Dufry)	13,587,415	+13.3
Berlin	Gebr Heinemann	13,243,798	+2.1
Cairo	Egyptair Duty Free Shops; Cairo Airport Duty Free; IDFTA	13,009,578	+10.2
Tokyo	TIAT Duty Free (JATCo)	12,760,378	+21.3
Mexico City	Dufry	12,756,084	+10.9
Málaga	World Duty Free (Dufry)	12,315,725	+5.1
Jakarta	DFS; Lotte Duty Free	12,172,526	-3.5
Prague	Lagardère Travel Retail	11,841,528	+6.6
Newark	Dufry	11,802,191	-0.4
Athens	Hellenic Duty Free Shops (Dufry)	11,614,498	+17.6
Mumbai	Mumbai Duty Free (DFS/Flemingo)	11,412,703	+4.7
London	Lagardère Travel Retail	11,317,069	+18.5
San Francisco	DFS	11,243,035	+9.5

RANK	AIRPORT	REGION	COUNTRY
67	Hartsfield-Jackson Atlanta International Airport	NAM	USA
68	Kuwait International Airport	MEA	Kuwait
69	Chicago O'Hare International Airport	NAM	USA
70	Houston George Bush Intercontinental Airport	NAM	USA
71	Guangzhou Bai Yun International Airport	ASP	China
72	King Khaled International Airport	MEA	Saudi Arabia
73	Tan Son Nhat International Airport	ASP	Vietnam
74	Flughafen Hamburg	EUR	Germany
75	Budapest Ferenc Liszt International Airport	EUR	Hungary
76	Warsaw Frederic Chopin Airport	EUR	Poland
77	Sharjah International Airport	MEA	United Arab Emirates
78	Vancouver International Airport	NAM	Canada
79	Montréal Pierre Elliott Trudeau International Airport	NAM	Canada
80	Sabiha Gökçen International Airport	EUR	Turkey
81	OR Tambo International Airport	MEA	South Africa
82	Muscat International Airport	MEA	Oman
83	Aeropuerto de Alicante Elche	EUR	Spain
84	Aeropuerto Internacional El Dorado	LAC	Colombia
85	Don Mueang International Airport	ASP	Thailand
86	Birmingham Airport	EUR	UK
87	Melbourne Airport	ASP	Australia
88	Henri Coanda International Airport	EUR	Romania
89	Ngurah Rai Airport	ASP	Indonesia
90	Bahrain International Airport	MEA	Bahrain
91	Aeropuerto Internacional de Ezeiza	LAC	Argentina
92	Auckland International Airport	ASP	New Zealand
93	Aeropuerto de Tenerife Sur	EUR	Spain
94	Schoenefeld Airport	EUR	Germany
95	Aeropuerto Internacional Arturo Merino Benitez	LAC	Chile
96	Dallas/Fort Worth International Airport	NAM	USA
97	Aéroport Nice Côte d'Azur	EUR	France
98	Aeropuerto Internacional Jorge Chávez	LAC	Peru
99	Flughafen Stuttgart	EUR	Germany
100	Aeroporto di Venezia Marco Polo	EUR	Italy

TOP 100 AIRPORTS BY INTERNATIONAL PASSENGER TRAFFIC 2015

CITY	LEAD TRAVEL RETAILER(S)	INTERNATIONAL PASSENGERS 2015	% CHANGE ON 2014
Atlanta	Duty Free Americas	11,233,303	+4.2
Kuwait City	World Duty Free (Dufry)	11,163,232	+8.6
Chicago	Dufry	10,999,683	+2.3
Houston	ATÜ Duty Free	10,611,711	+8.1
Guangzhou	China Duty Free Group	10,544,501	+15.8
Riyadh	World Duty Free (Dufry)	10,371,339	+6.1
Ho Chi Minh City	SASCO	10,304,879	+12.9
Hamburg	Gebr Heinemann	10,267,714	+8.6
Budapest	Gebr Heinemann	10,249,464	+13.2
Warsaw	Lagardère Travel Retail	10,031,048	+7.0
Sharjah	Dufry	10,029,279	+5.7
Vancouver	World Duty Free (Dufry)	9,970,667	+7.6
Montréal	Aer Rianta International	9,639,108	+5.8
Istanbul	Setur Duty Free	9,600,157	+13.3
Johannesburg	Big Five Duty Free	9,583,760	+0.2
Muscat	Muscat Duty Free	9,354,202	+19.2
Alicante	World Duty Free (Dufry)	9,293,637	+4.5
Bogotá	Motta; Grupo Wisa; DFASS; Duty Free Americas	9,148,501	+9.5
Bangkok	King Power International Group (Thailand)	9,078,898	+51.9
Birmingham	World Duty Free (Dufry)	8,899,656	+6.1
Melbourne	Dufry	8,772,190	+8.9
Bucharest	Best Value Duty Free (Gebr Heinemann)	8,771,161	+12.5
Denpasar Bali	Dufry	8,503,600	+3.1
Manama	Bahrain Duty Free	8,454,993	+6.4
Buenos Aires	Dufry	8,449,392	+4.8
Auckland	Lagardère Travel Retail; Aer Rianta International	8,412,691	+7.3
Tenerife	World Duty Free (Dufry)	8,343,321	-1.0
Berlin	Gebr Heinemann	8,270,561	+13.8
Santiago	World Duty Free (Dufry)	8,172,300	+11.3
Dallas/Fort Worth	TRG Duty Free (DFASS)	7,757,019	+7.8
Nice	Lagardère Travel Retail	7,657,988	+4.1
Lima	World Duty Free (Dufry)	7,594,987	+5.9
Stuttgart	Gebr Heinemann	7,524,979	+11.5
Venice	Lagardère Travel Retail	7,484,054	+5.4

RANK	AIRPORT	WORLD RANK	COUNTRY
AFRICA			
1	Cairo International Airport	56	Egypt
2	OR Tambo International Airport	81	South Africa
3	Aéroport Mohammed V	101	Morocco
4	Bole International Airport	114	Ethiopia
5	Hurghada International Airport	119	Egypt
ASIA PACIFIC			
1	Hong Kong International Airport	3	China SAR
2	Changi Airport	6	Singapore
3	Incheon International Airport	8	South Korea
4	Suvarnabhumi International Airport	9	Thailand
5	Taiwan Taoyuan International Airport	11	Chinese Taipei
EUROPE			
1	Heathrow Airport	2	UK
2	Charles de Gaulle Airport	4	France
3	Amsterdam Airport Schiphol	5	Netherlands
4	Flughafen Frankfurt/Main	7	Germany
5	Atatürk International Airport	10	Turkey

CITY	INTERNATIONAL PASSENGERS 2015	% CHANGE ON 2014
Cairo	13,009,578	+10.2
Johannesburg	9,583,760	+0.2
Casablanca	7,379,899	+3.0
Addis Ababa	6,644,555	+9.2
Hurghada	6,226,114	-7.0
Hong Kong	68,071,282	+8.2
Singapore	54,836,000	+2.9
Incheon	48,720,319	+8.5
Bangkok	43,251,807	+16.3
Taipei	38,104,007	+7.6
London	69,816,491	+2.5
Paris	60,366,933	+3.0
Amsterdam	58,245,545	+6.0
Frankfurt	53,994,154	+2.4
Istanbul	41,998,251	+10.1

RANK	AIRPORT	WORLD RANK	COUNTRY
MIDDLE EAST			
1	Dubai International Airport	1	United Arab Emirates
2	Hamad International Airport	16	Qatar
3	Abu Dhabi International Airport	27	United Arab Emirates
4	King Abdulaziz International Airport	37	Saudi Arabia
5	Ben Gurion International Airport	45	Israel

LATIN & CENTRAL AMERICA

1	Aeropuerto Internacional de Tocumen	51	Panama
2	Guarulhos International Airport	53	Brazil
3	Cancún International Airport	54	Mexico
4	Aeropuerto Internacional de la Ciudad de México	58	Mexico
5	Aeropuerto Internacional El Dorado	84	Colombia

NORTH AMERICA

1	John F. Kennedy International Airport	18	USA
2	Toronto Pearson International Airport	22	Canada
3	Miami International Airport	29	USA
4	Los Angeles International Airport	33	USA
5	Newark Liberty International Airport	62	USA

Source: ACI

CITY	INTERNATIONAL PASSENGERS 2015	% CHANGE ON 2014
Dubai	77,453,466	+10.7
Doha	30,906,066	+17.3
Abu Dhabi	22,834,963	+18.6
Jeddah	18,083,745	+0.3
Tel Aviv	15,674,250	+9.9
Panama City	13,639,241	+6.7
São Paulo	13,620,302	+0.3
Cancún	13,587,415	+13.3
Mexico City	12,756,084	+10.9
Bogotá	9,148,501	+9.5
New York	30,020,301	+6.5
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Miami	21,206,557	+5.5
Los Angeles	20,000,009	+8.6
Newark	11,802,191	-0.4

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72	King Khaled International Airport	MEA	Saudi Arabia
73	Tan Son Nhat International Airport	ASP	Vietnam
74	Flughafen Hamburg	EUR	Germany
75	Budapest Ferenc Liszt International Airport	EUR	Hungary
76	Warsaw Frederic Chopin Airport	EUR	Poland
77	Sharjah International Airport	MEA	United Arab Emirates
78	Vancouver International Airport	NAM	Canada
79	Montréal Pierre Elliott Trudeau International Airport	NAM	Canada
80	Sabiha Gökçen International Airport	EUR	Turkey
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82	Muscat International Airport	MEA	Oman
83	Aeropuerto de Alicante Elche	EUR	Spain
84	Aeropuerto Internacional El Dorado	LAC	Colombia
85	Don Mueang International Airport	ASP	Thailand
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87	Melbourne Airport	ASP	Australia
88	Henri Coanda International Airport	EUR	Romania
89	Ngurah Rai Airport	ASP	Indonesia
90	Bahrain International Airport	MEA	Bahrain
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95	Aeropuerto Internacional Arturo Merino Benitez	LAC	Chile
96	Dallas/Fort Worth International Airport	NAM	USA
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100	Aeroporto di Venezia Marco Polo	EUR	Italy

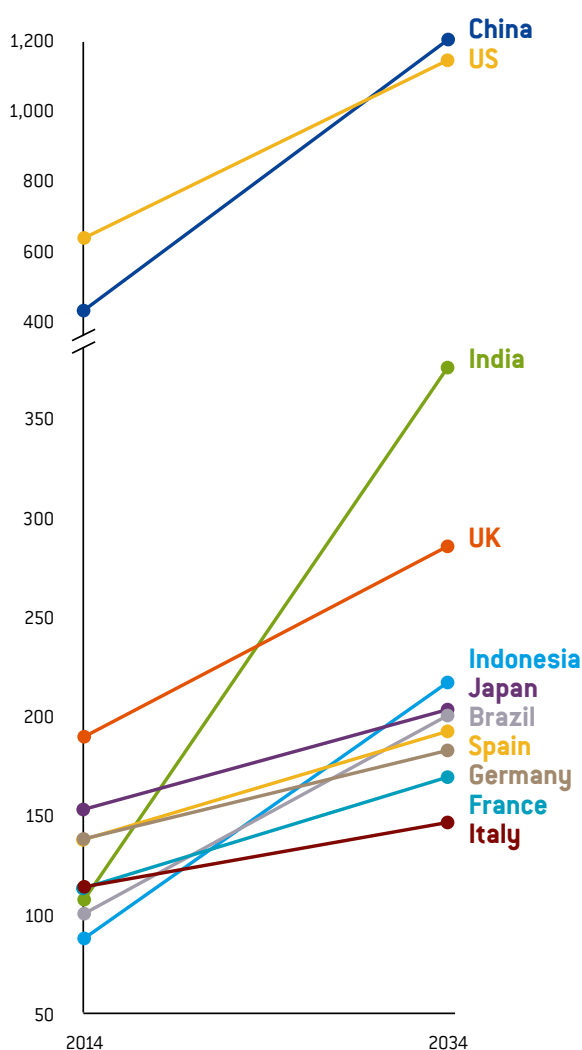
Source: ACI

FORECASTING THE FUTURE OF PASSENGER TRAFFIC

A review of recent passenger traffic forecasts worldwide and by region, according to the International Air Transport Association.

Top ten passenger markets

Million passenger journeys (to, from and within)



Source: IATA

The International Air Transport Association (IATA) has projected that passenger numbers worldwide will more than double between 2014 and 2034 to 7 billion. IATA said that the 20-year period will see a +3.8% average annual growth in demand (2014 baseline year).

Despite the healthy picture for growth, this revised projection is down from an original forecast of 7.4 billion, reflecting “negative developments in the global economy that are expected to dampen demand for air transport, especially slower economic growth projections for China”, IATA said.

Some 3.3 billion passengers flew in 2014 and the 7 billion projection is exactly twice as many as the 3.5 billion in 2015. Previously, IATA forecast 7.4 billion passengers in 2034 based on a +4.1% average annual growth rate.

The five fastest-increasing markets in terms of additional passengers per year over the forecast period will be China (758 million new passengers for a total of 1.196 billion); the USA (up by 523 million to 1.156 billion); India (275 million new passengers to 378 million); Indonesia (132 million new passengers to 219 million); and Brazil (up by 104 million passengers to 202 million).

Leading markets

China is expected to overtake the USA as the world’s largest passenger market (defined by traffic to, from and within) by 2029.

In 2034 China will account for some 1.19 billion passengers, as noted above, with an average annual growth rate of +5.2%. Traffic to, from and within the USA is expected to grow at an average annual growth rate of +3.1%.

India will displace the UK as the third-largest market in 2026, with Indonesia rising to number five in the world. Japan, Spain, Germany and France fall relative to their competitors, Italy falls out of the top ten, while Brazil moves from tenth place to seventh.

By region, routes to, from and within Asia Pacific will see an extra 1.8 billion annual passengers by 2034, for an overall market size of 2.9 billion.

In relative terms it will increase its size compared to other regions to 42% of global passenger traffic, and its annual average growth rate, +4.9%, will be the joint-highest with the Middle East.

The North American region will grow by +3.3% annually and in 2034 will carry a total of 1.4 billion passengers, an additional 649 million passengers a year.

Europe will have the slowest growth rate, +2.7%, but will still cater for an additional 591 million passengers a year. The total market will be 1.4 billion passengers.

Latin American markets will grow by +4.7%, serving a total of 605 million passengers, an additional 363 million passengers annually compared to today.

The Middle East will grow strongly (+4.9%) and will see an extra 237 million passengers a year on routes to, from and within the region by 2034. The UAE, Qatar and Saudi Arabia will all enjoy strong growth of +5.6%, +4.8%, and +4.6% respectively. The total market size will be 383 million passengers.

Africa will grow by +4.7% according to IATA. By 2034 it will see an extra 177 million passengers a year for a total market of 294 million passengers.

Healthy growth in Africa

Seven of the ten fastest-growing markets in percentage terms will be in Africa, said IATA. The top ten worldwide will be: Malawi, Rwanda, Sierra Leone, Central African Republic, Serbia, Tanzania, Uganda, Papua New Guinea, Ethiopia and Vietnam.

Each of these markets is expected to grow by +7-8% each year on average over the 20 years to 2034, doubling in size each decade.

In terms of routes, Asian, South American and African destinations will see the fastest growth, reflecting anticipated economic and demographic growth in those markets.

Indonesia-East Timor will be the fastest growing route, at +13.9%, followed by India-Hong Kong (+10.4%), within Honduras (+10.3%), within Pakistan (+9.9%) and UAE-Ethiopia (9.5%)

IATA said that a sizable gulf has opened between the performance of air passenger markets in the BRIC economies (Brazil, Russia, India and China).

China and India are growing fast. India has bounced back from a subdued 2014, and is seeing a surge in domestic frequencies. Although China's growth rate has moderated, it is still on course to add an additional 230 million passenger journeys between 2014 and 2019. This is more than double the other three BRIC nations put together.

Brazil and Russia, by contrast, have struggled. Falling oil and other commodity prices are partly to blame while economic sanctions have also affected the Russian economy.

Exciting prospects

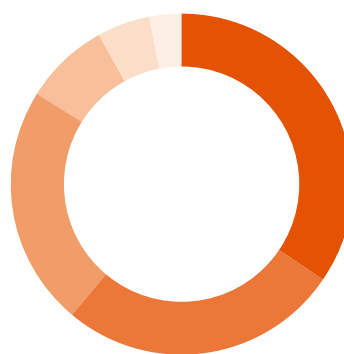
The prospects for more open travel between the rest of the world and Cuba and Iran offer exciting possibilities for business, tourism and development as diplomatic relations improve, IATA said.

Of the two markets, Iran offers the greater potential, IATA noted. Although Cuba is the largest Caribbean country by population, passenger growth would be from a low base of 5 million passengers in 2014 to around 13 million by 2034, in the best-case scenario.

Iran, by contrast, already has a market of 12 million passengers, mostly domestic flyers, IATA noted. "If strong GDP growth is accompanied with a full normalisation of international relations and the end to sanctions, the total size of the Iran market could be 43.6 million passengers by 2034."

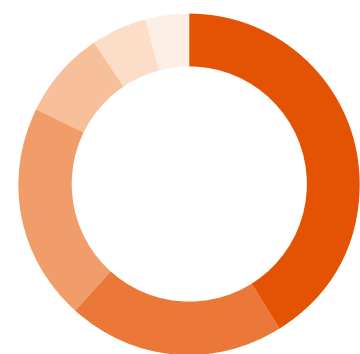
*IATA represents some 260 airlines comprising 83% of global air traffic.

Global air passengers by region
2014 (% of total flows)



● Asia Pacific	35%
● Europe	27%
● North America	23%
● South America	8%
● Middle East	5%
● Africa	3%

Global air passengers by region
2034 (% of total flows)



● Asia Pacific	42%
● Europe	20%
● North America	20%
● South America	8%
● Middle East	5%
● Africa	4%

Note: Figures may not add up to 100% due to rounding

Source: IATA

TOURISM: UNDERPINNING TRAVEL RETAIL'S GROWTH

Tourism is a key driver of global travel, providing a solid base of customers for the duty free & travel retail business. Here we present the latest full-year arrivals and revenue figures from the UN World Tourism Organization.

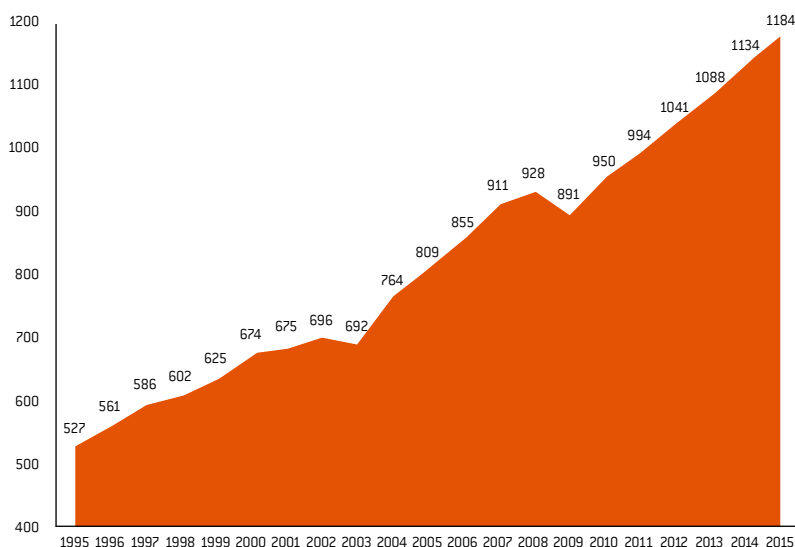
International tourist arrivals climbed by +4.4% year-on-year in 2015 to reach 1,184 million in 2015, according to the UN World Tourism Organization (UNWTO). That equates to 50 million more tourists (overnight visitors) who travelled to international destinations around the world compared to 2014.

Notably 2015 marks the sixth consecutive year of above-average growth, with international arrivals increasing by +4% or more every year since the post-crisis year of 2010.

Demand was strong overall, though with mixed results across individual destinations due to strong exchange rate fluctuations, the drop in oil prices and other commodities which increased disposable income in importing countries but weakened demand in exporters, and increased safety and security concerns.

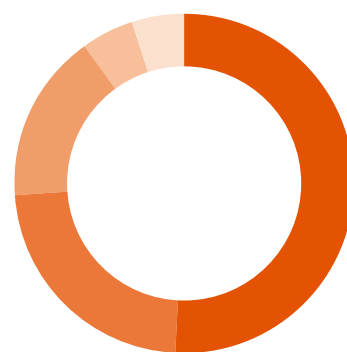
By region, **Europe** (+5%) led growth in both absolute and relative terms, supported by a weaker Euro against the

World: Inbound tourism international arrivals 1995-2015 (millions)



Source: UNWTO

International tourist arrivals by region 2015



Europe – 609 million	51%
Asia Pacific – 279 million	23%
Americas – 191 million	16%
Middle East – 54 million	5%
Africa – 53 million	5%

International tourism 2015

International tourist arrivals (ITA): 1,184 million
International tourist receipts (ITR): US\$1,232 billion

EUROPE

ITA: 609 million
ITR: US\$448 billion

AMERICAS

ITA: 191 million
ITR: US\$277 billion

AFRICA

ITA: 53 million
ITR: US\$33 billion

MIDDLE EAST

ITA: 54 million
ITR: US\$55 billion

ASIA PACIFIC

ITA: 279 million
ITR: US\$419 billion

US Dollar and other main currencies. Arrivals reached 609 million, or 29 million more than in 2014. Central & Eastern Europe (+6%) rebounded from the previous year's decrease in arrivals. Northern Europe (+6%), Southern Mediterranean Europe (+5%) and Western Europe (+4%) also recorded solid results.

Asia Pacific (+5%) recorded 13 million more international tourist arrivals last year to reach 279 million, with uneven results across destinations. Oceania (+7%) and South-East Asia (+5%) led growth, while South Asia and Northeast Asia recorded an increase of +4%.

International tourist arrivals in the **Americas** (+5%) climbed by 9 million to reach 191 million, consolidating a recovery in results in 2014. The appreciation of the US Dollar stimulated outbound travel from the USA, benefiting the Caribbean and Central America, both recording +7% growth. Results in South America and North America (both at +4%) were close to the average.

International tourist arrivals in the **Middle East** grew by an estimated +3% to a total of 54 million, consolidating the recovery initiated in 2014.

The limited data available for **Africa** points to a -3% decrease in international arrivals, for a total of 53 million. In North Africa arrivals declined by -8% and in Sub-Saharan Africa by -1%, though the latter returned to growth in the second half of the year.

Tourism spend

International tourism receipts grew by +3.6% in 2015, driven by the +4.4% increase in international arrivals. For the fourth consecutive year international tourism grew faster than world merchandise trade, raising tourism's share of world's exports to 7% in 2015. The total export value from international tourism amounted to US\$1.4 trillion.

China continued to lead global outbound travel after double-digit growth in tourism expenditure every year since 2004, benefiting Asian destinations such as Japan and Thailand as well as the USA and various European destinations. Spending by Chinese travellers increased by +25% in 2015 to reach US\$292 billion, as total outbound travellers rose +10% to 128 million.

Tourism expenditure from the world's second largest source market, the USA, increased by +9% in 2015 to US\$120 billion, while the number of outbound travellers grew by +8% to 73 million. Expenditure from the UK, the fourth largest market globally, increased +8% to US\$63 billion with 65 million journeys abroad, up +9%.

By contrast Germany, the world's third largest market, reported a small decline in spending (US\$76 billion), partly due to the weaker Euro. France's expenditure on outbound tourism reached US\$38 billion; Russia's was US\$35 billion, and that of the Republic of Korea a total of US\$25 billion.

CRUISE PASSENGER TRENDS AND MARKET OUTLOOK

The global cruise market is a source of considerable potential for duty free & travel retail, as the latest figures from industry body Cruise Lines International Association suggest.

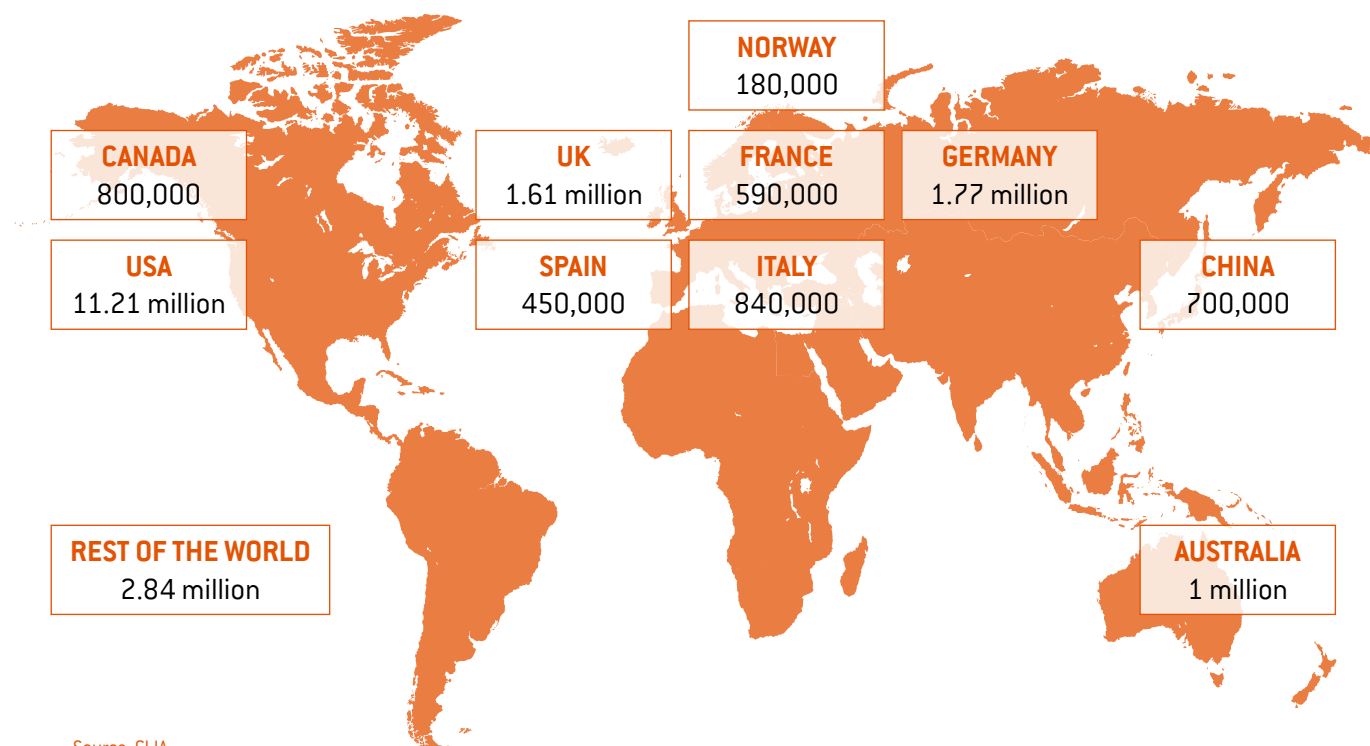
The cruise market is among the high-potential channels for duty free and travel retail. More people are being attracted to cruise holidays while the industry is expanding into new regions, notably Asia Pacific, from its traditional strengths in the Americas and Caribbean.

In 2015, according to Cruise Lines International

Association (CLIA), 23 million people took ocean cruises with around 24 million projected in 2016.

Around one third of all cruise ships are deployed in the Caribbean, with around 19% in the Mediterranean, just under 12% in the rest of Europe and the increasingly important Asian market taking more than 9% of capacity,

Regional breakdown of cruise passengers by source market 2014



Source: CLIA

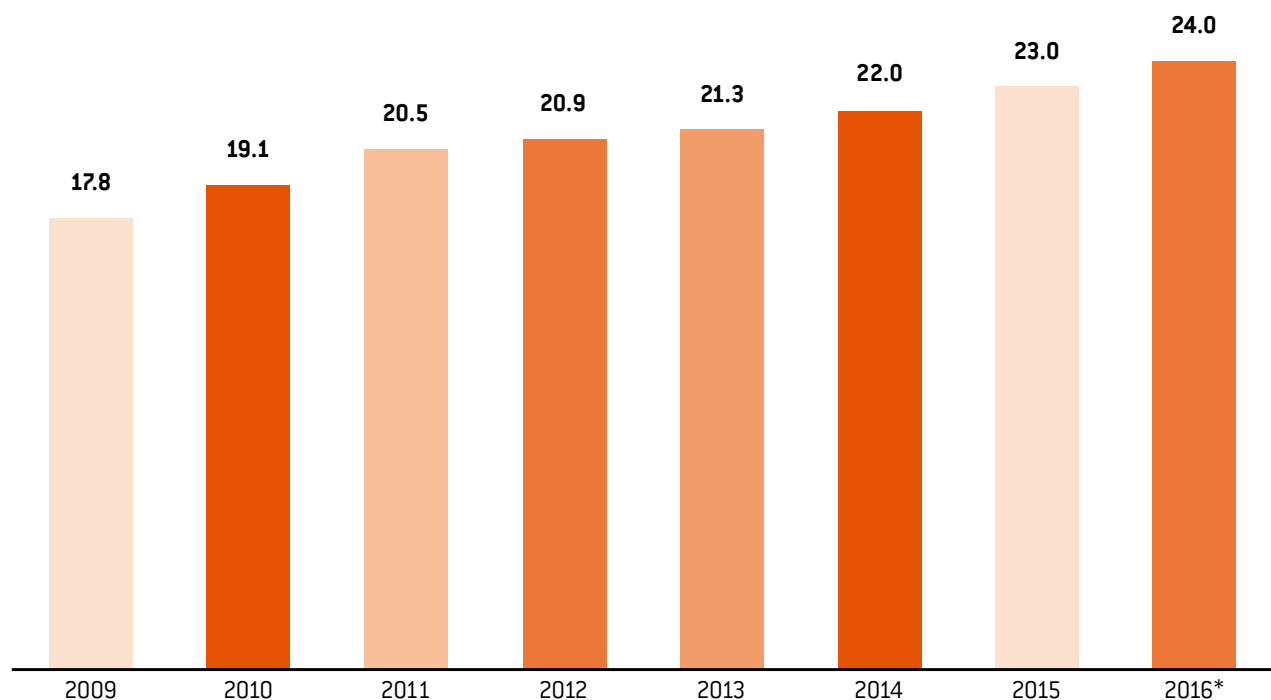
as that region's share rises. CLIA notes that cruise lines have planned investment (as of 2016) of around US\$6.5 billion in new ocean-going vessels in the period to 2022, which will add tens of thousands of berths for passengers.

The positive trend for cruise travel looks set to continue, said CLIA. Between 2008 and 2014, cruise travel outpaced general leisure travel in the USA – the largest source market for the industry at 11.2 million travellers in 2014 – by +22%. Globally, demand for

cruising has increased by +68% in the past decade, added CLIA.

For duty free and travel retail, taking advantage of the average daily spend among cruise passengers worldwide will be key to unlocking further potential in this sector. Average daily spend onboard (across all activities) was US\$127 in 2014, said CLIA. That figure is expected to rise, added the association, as guests seek new luxury experiences, as opportunities increase for brands to use the ship as a showcase and as the ship becomes a destination in itself.

Cruise market passenger capacity growth 2009-2016 (million)



* projected

Source: CLIA