



Duty Free Shops S.A.

Full Year 2010 Financial Results

Revenues of Euro 990 million, EBITDA at Euro 193,3 million

Profit after tax at Euro 85,1 million

Adjusted profit after tax of Euro 99,3 million

Resilient performance in a continuing challenging environment

- § Sales revenues remained flat (-0,3%) reaching Euro 989,6 million vs. Euro 992,5 million in 2009.
- § Gross profit increased by 1,1% and reached Euro 498,5 million with an increase of the relevant margin from 49,7% in Full Year 2009 to 50,4% in Full Year 2010.
- § EBITDA reached Euro 193,3 million with a slight decrease of 3,0%, with the respective margin settling at 19,5% vs 20,1% for the previous year and mainly impacted by extraordinary one-off expenses related to the merger process as well as increased selling and marketing costs increased by 6,5%.
- § EBIT reached Euro 171,6 million against Euro 177,5 million for the previous year (-3,3%)

George Koutsolioutsos CEO, noted: *"In a very challenging environment for our local market, we were able to maintain our revenues as well as our operating profitability. Effective cost-control measures throughout the year could counterbalance an increase of investments in new stores, targeted marketing and advertisement measures as well as the enhancement of our brand portfolio. Apart from our solid operating performance we managed in record time to conclude a merger of the companies Folli Follie, Hellenic Duty Free Shops and Elmec Sport. I wish to thank all parties involved in this process for their dedicated and excellent work. The effect of this merger will become visible in the current year throughout synergies, the reorganisation of the company and cost control efforts."*

¹ excluding extraordinary one-off expenses related to FX

Operating performance:

Revenues in the Full Year 2010 decreased by 0,3% versus 2009 and reached Euro 989,6 million.

The proportion of revenue generated outside Greece continued to grow in 2010, accounting for 52,2% of the Group total, versus 49,4% the previous year (on a comparable basis).

With **operating income** of €171,7 million in 2010, slight decreased by 3,3% on 2009, the Folli Follie Group could maintain its operating margin at 17,3% from 17,8% in 2009.

Gross margin for 2010 amounted to €498,5 million, up 1,1% on 2009 and settling at 50,4% against 49,7% for the previous year.

Operating expenses increased by 6,5% as reported, mainly driven by the opening of 52 new stores in 2010 as well as increased advertisement and marketing expenses.

The Group has been impacted further on expenses related to the merger process of about Euro 2,3million.

Group EBITDA declined slightly by 3,0% year-on-year on a reported basis to €193,3 million. The related EBITDA margin, remained stable at 19,5% from 20,1% in 2009.

SUMMARY PROFIT AND LOSS

	01.01 - 31.12.2010	01.01 - 31.12.2009	Δ %
Sales Revenue	989.600.917,39	992.502.394,88	-0,3%
Gross profit	498.505.797,40	493.251.456,25	1,1%
Profit before tax, financial and investing results (EBIT)	171.673.004,18	177.512.932,95	-3,3%
Profit before tax (EBT)	124.712.039,87	157.760.300,57	-20,9%
Profit for the period (after tax) (A)	85.104.508,05	115.242.070,75	-26,2%
Shareholders of the parent Company	83.279.446,42	113.431.136,08	-26,6%
Non controlling interests	1.825.061,62	1.810.934,67	0,8%
Other comprehensive income for the period , net of tax (B)	15.966.996,25	-34.918.084,41	-145,7%
Total comprehensive income for the period,net of tax (A) + (B)	101.071.504,30	80.323.986,34	25,8%
Shareholders of the parent Company	99.246.442,67	78.513.049,27	26,4%
Non controlling interests	1.825.061,62	1.810.937,07	0,8%
Basic Earnings (after tax) per share(expressed in €)	1,3965	1,9054	-26,7%
Profit before taxes, financing and investing results , depreciation and amortisation (EBITDA)	193.347.983,72	199.376.051,49	-3,0%

Financial performance

Profit after tax of the Group totaled €85,1 million in 2010, compared to €115,2 million in 2009 and mainly driven by a) extraordinary one-off financial expenses b) extraordinary one-off expenses related to the merger process c) higher selling and marketing costs related to new store openings.

On an adjusted basis and excluding non-recurring items, profit after tax of the Group would have reached Euro 99,3 million against Euro 105,5 million in 2009, decreased by 5,9%.

Earnings per share stood at €1,3965.

2010 highlights

Conclusion of the triple merger

Regarding the financial statements of the Company, these include, for comparison purposes, results, cash flows and assets and liabilities of the two absorbed companies, for the full 2010 and 2009 fiscal years and assets and liabilities as of 01.01.2009. Therefore, the present data and information of the individual financial statements of the Company, in terms of 2009 fiscal year data, are different from those originally published.

Outlook

Although we expect the challenging environment in our local market to remain unchanged throughout 2011, we are confident that our excellent positioning of all our activities in the local market and abroad our Group operating performance will remain outstanding.

The prospects for our Group are favorable due to a) the conditions in North Africa and the Middle East, provided that the state will make the most of this opportunity. We mention that only in 2009, these countries had 6 million visitors, b) better and higher quality tourism from countries such as Russia, China and Israel which have the best performance per customer, c) enrichment of the portfolio, d) continuing expansion of foreign brands (Asia, Europe, America) e) opening of new points of sale.

FF Group is a global leading force in the fashion world that operates in more than 28 countries. The FF Group designs, produces and markets on a global level its own brands: Folli Follie and awards winning British jeweller Links of London. The Group operates exclusively in the Greek travel retail sector– and maintains at the same time a leading presence in the retail and wholesale segment within Greece and the Balkans. Factory Outlet as well as “Attica” Department stores are the Group’s major own retail distribution channels in Greece, whereas brands such as Ermenegildo Zegna, Juicy Couture, Nike, Converse, Samsonite and Harley-Davidson belong to the Group’s local brand portfolio.

With a dynamic structure and an impressive portfolio the FF Group “accompanies” a customer through all life phases: from early childhood to adulthood one can relate to the FF Group and its brand portfolio.

FF Group creates fashion globally and has established a strong presence with more than 700 points of sale worldwide, whereas it employs more than 5,900 people worldwide.

Duty Free Shops S.A. – “Folli Follie Group”
23rd km Athens - Lamia Highway,
Aghios Stefanos, Athens, GR 145 65
Phone +30 210 6241000 Fax +30 210 6241100