

Press release

Servair and Lagardère Services forge closer links.

Servair, the French market leader and the world's third-largest player for airborne restaurant services and logistics services and LS Travel Retail, the retail travel division of Lagardère Services, are pooling their expertise in order to propose a complete Duty-Free range for the airborne and airport sector in the African, Indian Ocean and Caribbean markets.

Paris, January 10, 2012 – Drawing upon their expertise in their respective activities, SERVAIR and LS Travel Retail, one of the world leaders in travel retail are to work together more closely in managing the sale of duty-free products. LS Travel Retail's extensive know-how in the field of airport duty free sales and Servair's recognised skills as a service provider for the airborne sector, particularly in this geographical area, were all factors underpinning this heightened co-operation.

Already long-standing business partners via Logair, a company handling on-board duty-free sales for several airline companies, SERVAIR and LS Travel Retail, have decided to take their cooperation a stage further with the creation of a new joint company to manage duty-free shops in the Africa, Indian Ocean and Caribbean markets.

Following a competitive tender, this new partnership was awarded the management of the duty-free store at Roland Garros airport on Réunion Island, from December 1, 2011. Covering almost 225 square metres, the joint-venture will be managing the sale of all flagship products including tobacco, perfumes, cosmetics, alcohol, confectionery and local products.

The strategically located Roland Garros airport, which has seen a constant rise in commercial traffic over recent years, today welcomes more than 2 million passengers per year, chiefly thanks to an expansion in flights to the Indian Ocean region.

With the exception of a handful of countries already covered by previous agreements, this new partnership is now set to prove its worth in the airports of the Africa, Indian Ocean and Caribbean area.

The cooperation between LS Travel Retail and SERVAIR is also improving through the consolidation of their LOGAIR subsidiary, jointly owned by both companies, which is now becoming DUTYFLY SOLUTIONS. As an expert in the management of duty-free sales on-board aircraft, in the field of

airborne marketing and services DUTYFLY SOLUTIONS can draw upon the acquired know-how of AELIA, LS Travel Retail's duty-free skills centre and from SERVAIR's logistical expertise in the air transport field.

DUTYFLY SOLUTIONS is already present on flights departing from France, Italy and Spain, and handles sales on-board Air France, Alitalia, Air Caraïbes and Iberia aircraft.

DUTYFLY SOLUTIONS' large-scale logistics operation today enables it to use the market's only fully secured and computerised trolley allowing for optimal supply and stock management.

Four categories of products are currently sold on-board flights: perfumes/luxury products, tobacco/alcohol, timepieces/jewellery and electronics.

"This partnership between Lagardère Services and SERVAIR stands out for the remarkably complimentary nature of the companies' activities including LS Travel Retail, with its retail skills and SERVAIR with its vast knowledge of airline companies. This close relationship will enable us to strengthen and enrich our offerings in the airborne market", explained Dag RASMUSSEN, chairman and CEO of Lagardère Services.

"I am very pleased to be upgrading our partnership with Lagardère Services. This partnership forms part of our overall strategy of diversification in the airline-related trades. Our goal is to become the leading operator for duty-free sales in Africa, the Indian Ocean and the Caribbean", added Patrick ALEXANDRE, SERVAIR's chairman and CEO.

COMPANIES INFORMATION:

SERVAIR is the leading French airline catering and cleaning company. In 3rd position worldwide with more than 60 sites, with its partners and subsidiaries, SERVAIR offers airlines a range of services that are vital to the air transport sector and for the comfort of passengers. Its requirements, in terms of quality and know-how, have led to SERVAIR becoming a true driving force for its 120 customer companies, helping them to improve their commercial offers to passengers, while scrupulously adhering to the constraints of air transport.

LAGARDERE SERVICES is present in 20 European countries, in North America, in Asia and the Pacific region. Achieving a turnover of €4.6 billion in 2010, Lagardère Services is a world leader in press distribution services and the "travel retail" sector. As a distributor, its LS Distribution division proposes innovative and effective solutions to publishers and also handles the distribution of mass retail products and services to combined networks of local sales outlets. As a leading international player in the retail market at transport sites, including 120 airports and 700 railway stations, its LS Travel Retail division runs almost 2000 sales outlets covering the full range of activities to be found at these locations.

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