PRESS RELEASE



Hudson Group and FAO Schwarz Sign Exclusive Agreement to Open Toy and Candy Stores in Airports Across the United States

North America's Leading Travel Retailer and the World's Most Famous Toy Store Partner to Offer Exceptional Travel Experiences

EAST RUTHERFORD, N.J., March 14, 2018 – Hudson Group (NYSE: HUD), a leader in North American travel retail, announced it has signed an exclusive agreement with FAO Schwarz to serve as the exclusive airport retailer for FAO Schwarz and FAO Schweetz product and shops, with estimated openings by the end of 2019.

Hudson Group and FAO Schwarz will work closely on new store openings and brand extensions across the United States that build upon the founding principles of the iconic New York–based toy brand.

"Hudson Group is committed to delivering exceptional, one-of-a-kind experiences to our guests," said Michael Levy, chief merchandising officer at Hudson Group. "FAO Schwarz is an iconic brand that will offer a fresh and unique shopping environment for travelers. Their remarkable global recognition, combined with our expansive footprint, make Hudson Group and FAO a seamless partnership, and we are proud to add them to our outstanding portfolio of stores across North America."

"FAO has provided a magical experience for children for over 150 years and we are proud to keep this tradition alive by crafting transformative retail experiences in new environments," said David Niggli, chief merchandising officer for FAO Schwarz. "Extending the enthusiasm surrounding our retail rollout to airports across North America is an exciting and natural progression for the brand, and we are thrilled to partner with Hudson Group, a leader in the space."

About Hudson Group

Hudson Group, one of the largest travel retailers in North America, is committed to enhancing the travel experience for over 300,000 travelers every day in the continental United States and Canada. A subsidiary of New York Stock Exchange-traded Hudson Ltd. (HUD), Hudson Group is anchored by its iconic Hudson, Hudson News and Hudson Bookseller brands. Hudson Group operates nearly 1,000 duty-paid and duty-free stores in 88 locations, including airports, commuter terminals, hotels and some of the most visited landmarks and tourist destinations in the world. Our wide range of store concepts include travel essentials and convenience stores, bookstores, duty-free shops, branded specialty stores, electronics stores, and quick-service food and beverage outlets. For more information, visit www.hudsongroup.com and www.dufry.com.

About FAO Schwarz

In October 2016, FAO Schwarz was acquired by ThreeSixty Group Inc., a leading provider of branded consumer products to the nation's largest retailers. FAO Schwarz has been a brand synonymous with quality and innovation, offering an unparalleled selection of extraordinary toys that have enchanted generations and cultivated a loyal clientele. With over one hundred fifty years of operation, FAO Schwarz evolved into a must-see destination, attracting over three million visitors annually and over twenty five thousand visitors per day during the holiday season. Drawing inspiration from the original classic products and legendary interactive in-store experience, FAO Schwarz will continue to incite endless possibilities at locations nationwide. For additional information visit faoschwarz.com and follow FAO Schwarz on Instagram and Facebook @FAO.

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