



## GRUPO IBEROSTAR / Our history

### Start of trade

The history of GRUPO IBEROSTAR dates back to more than 120 years and has a common origin with the footwear companies Camper and Lotusse. The three amass an inheritance based on solid values of responsibility, commitment and quality.

In 1877, Antonio Fluxá, a craftsman shoemaker, set sail for England to study industrial footwear manufacture. On his return to Majorca, and with the first machines for sowing shoes in tow, he gathered a group of craftsmen in the region of Inca, Majorca and created the first footwear company in the Balearic Islands. A true sign of modernity. This innovative, entrepreneurial spirit has been transmitted to future generations, with principles such as love of the profession, decency, self-discipline and a sense of quality.

### History of GRUPO IBEROSTAR

*1930*

Establishment of *Viajes Iberia*, a company dedicated mainly to the organisation and sales of individual trips and incentives, which later extended its activity to incoming tourism traffic.

*1973*

Creation of the tour operator *Iberojet* in order to commercialise package tours to Spanish and foreign destinations.

*1979*

Start of international activity with the opening of *Iberotravel, Ltd.*, an incoming travel agency with branches in London and Manchester. Later, this company changed its name to *Iberoservice Internacional*. The same name would be used some years later for national and international incoming activity.

*1980*

Creation of *Visit US, Inc.*, an incoming travel agency with headquarters in the US and branches in Miami and Orlando, designed to cater to customers of *Iberojet* and the British travel group *ILG*.

*1986*

Opening of the first hotels under the *IBEROSTAR Hotels & Resorts* brand in Majorca and the Canary Islands to satisfy increased demand for family tourism coming from Central Europe.



From that moment, the footwear factories multiplied across the island, with the Fluxá family being the first to use a trade name for its shoes: Lotusse. Some years later, Lorenzo Fluxá Figuerola, at 21, took over the control of the factory from his father, and continued the international expansion that his father, Antonio had started. In 1956, Lorenzo Fluxá Figuerola bought a small travel agency with 6 branches and 40 employees, called Viajes Iberia and started to develop the business. As a result of the economic situation that the country was undergoing at the time, Lorenzo Fluxá saw that tourism reflected what he tried to instil in his children from a very young age: "You must be international".



Years later, Miguel Fluxá took charge of this travel agency. Hence, with effort and illusion to start a new dream and the unwavering entrepreneurial spirit of the family, Miguel Fluxá effectively started in the tourism business.

Taking advantage of the major tourism evolution in Spain during the 70s and 80s, the travel agency centred its activity on incoming tourism, representing the major European tour operators in Spain.

In 1973, Miguel Fluxá created the tour operator Iberojet in order to offer package tours to Spanish and foreign destinations. Six years later, the company's international activity started with the opening of incoming agencies, Iberotravel in London and Manchester, and Visit US with branches in Miami and Orlando, aimed at catering for Iberojet customers.



1991

Creation of Sunworld, the first tour operator in the UK with Spanish capital mainly. This initiative also included the airline Airworld, operated initially with 4 Airbus 320 aeroplanes.

1993

Start of international expansion of IBEROSTAR Hotels & Resorts with the opening of its first hotel in the Caribbean: the 5-star IBEROSTAR Bavaro Resort, located on the beach of Punta Cana (the Dominican Republic).

1995

The tour operator Iberojet starts its international development, establishing itself in the vast number of Latin American countries in order to sell package tours to Europe and other destinations.

1998

Iberworld is created, an airline specialising in charter flights with bases in Palma de Mallorca, Madrid and Tenerife, in order to provide service to Iberojet as well as other European tour operators.

Iberworld's modern fleet consists of 8 Airbus 320 planes for medium-distance flights, and 2 Airbus 330 for operating transatlantic routes between Spain and the Caribbean.

2001

Creation of Iberojet Cruceros, a company consisting of two modern cruise ships aimed essentially at this segment of the market in Spain.

2006

Sale of the outgoing companies of the GRUPO IBEROSTAR: the tour operator Iberojet together with other brands such as Solplan, Turavia and Viva Tours, the airline Iberworld, Iberojet Cruceros and the network of retail travel agents Viajes Iberia with more than 500 points of sale throughout Spain. The purpose of the sale is to boost the development and expansion of the main business area of the Group, the hospitality division.

2007

Consolidation period of the hospitality division. GRUPO IBEROSTAR is deeply committed to technology in order to improve efficiency both at sales and management levels.

The launching of a line of top-of-the-range hotels, The Grand Collection, with exclusive services and facilities similar to deluxe hotels.

GRUPO IBEROSTAR has a 5% share in the corporate capital of the IBEX 35-listed company, ACS Actividades de Construcción y Servicios S.A.

2008

IBEROSTAR launches a new business division at an international scale, IBEROSTATE. Based on the real estate sector, it is dedicated to developing residential resorts (villas and condos) within its hotel resorts.



## Development of the business activity

In 1986, already holding a portfolio of well-known, prestigious companies, Miguel Fluxá decided to expand the Group's tourism offering by entering into the hospitality sector, also offering this service to his customers. The first IBEROSTAR Hotels & Resorts were opened in Majorca and in the Canary Islands.

Once the hotel business was consolidated in the main holiday destinations in Spain, the company continued its expansion process, opening its first hotel in the Caribbean in 1993, more specifically in the Dominican Republic. The 5-star IBEROSTAR Bavaro Resort hotel, located on the beachfront of Punta Cana, was the first of many, as growth of IBEROSTAR Hotels & Resorts since then has soared. Alongside, the tour operator, Iberojet, it also started its international development. It positioned itself in the majority of Latin American countries with the aim of offering package tours to Europe and other destinations.

This story of success has been made possible due to a number of factors: constant reinvestment of profits in renovating and building new hotels; the company's ability to gain the trust of customers with its philosophy and values; and also thanks to the professionalism and dedication of its staff, committed to always offering the best service.

In 1998, in line with the company's ambitious expansion plan, Iberworld was born, an airline that specialised in charter flights with bases in Palma de Mallorca, Madrid and Tenerife. Soon after, Iberojet Cruceros, a company formed by two modern cruise ships aimed essentially at this segment of the market in Spain, was created.

In 2004, GRUPO IBEROSTAR had a turnover of 828.1 million euro, offered 54,490 hotel beds and employed a staff of 15,600 people. Those 6 original travel agencies had become 500 branches distributed throughout Spain and one of the most important tourism groups in the country.

GRUPO IBEROSTAR is a benchmark within the international tourism sector. Not only has it exported its philosophy and values to other countries with rigour, respecting the different local cultures, opened the way for other Majorcan companies, but it has also always been a leader in creating jobs, providing professional development and training to thousands of people.

With this spirit and values, the company created the IBEROSTAR FOUNDATION in 2004. This non-profit making organisation focuses its main lines of action on social welfare, cultural development, and co-operation for development. All the projects where the IBEROSTAR FOUNDATION participates are centered on improving the living conditions of





the disadvantage population, giving special care and attention to children.

Nowadays, the Foundation is carrying out co-operation projects for the development in the Dominican Republic, Brazil, Guatemala, Morocco and India. On a national front, it is undertaking educational and social integration programmes for children with special needs among others.



## Hotel group consolidation and plans for the future

In 2006, GRUPO IBEROSTAR sold its tourism division dedicated to outbound business: the tour operator Iberojet, together with other brands such as Solplan, Turavia or Viva Tours; the airline Iberworld; the company Iberojet Cruceros; and a network of retail travel agencies Viajes Iberia, in order to boost development and expansion of its main business area, the hospitality division.

The goal is being fully achieved. The star that represents the IBEROSTAR universe currently has more than 100 hotels in 16 countries in the world, and is more alive than ever. With its newly updated corporate image, GRUPO IBEROSTAR focuses its activity on three areas: IBEROSTAR Hotels & Resorts, in hotel division and the flagship of the Group; IBEROSTATE, the new division of the Group specialising in constructing and developing holiday homes within IBEROSTAR hotel resorts; and IBEROSERVICE, a division that offers incoming services to more than 4.5 million travellers each year in 8 countries.

Under this development spectrum, IBEROSTAR Hotels & Resorts has based its strategy on the following values: service vocation, quality, consistency of value for money, respect and promotion of local cultures, innovation and sustainability. Its over 23,000 employees worldwide work each day to keep these hallmarks alive.

The next step has been to launch a new range of hotels, The Grand Collection, which offers luxury hotels to the most demanding customers. The goal of this new line is to offer exclusive holidays on the best beaches in the world, with an extensive and exquisite culinary offering, personalised service for each customer, and all in elegant, relaxing surroundings.

With the fourth generation of the Fluxá family already involved in the daily running of the company, their entrepreneurial spirit still present, IBEROSTAR looks to continue investing in the countries where it is currently based and to extend its business area to new destinations and markets.