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FOR IMMEDIATE RELEASE

17 DECEMBER 2014

TUI AG

**RECOMMENDED ALL-SHARE MERGER
OF TUI TRAVEL PLC AND TUI AG (THE “MERGER”)
COMPLETION OF MERGER**

Further to the announcements of the recommended Merger on 15 September 2014, the approval of the Merger by the shareholders of both companies on 28 October 2014, and the Scheme becoming effective on 11 December 2014, the Executive Board (*Vorstand*) of TUI AG is pleased to announce the completion of the Merger.

Prof. Dr Klaus Mangold, Chairman of the Supervisory Board of TUI AG, said:

“TUI and TUI Travel are now one company – with this, we will combine the best of both organisations to deliver growth. I would like to thank everybody who made this great step possible. Let’s now use this unique opportunity to open a new and successful chapter for our shareholders, employees and customers.”

Sir Michael Hodgkinson, co-Vice Chairman of the Supervisory Board of TUI AG, said:

“This merger has been wholly supported by shareholders from both sides and I am delighted that it has completed. The business is stronger as one TUI and with the new management structure in place our shareholders should look forward to the future.”

Friedrich Jousen, Joint Chief Executive of TUI AG, said:

“Today is a great day for our company. The first day of the new TUI is the start of the World’s leading integrated tourism business. TUI is a thoroughly international Group with strong roots in Europe. Our 77,000 employees in 130 countries make sure that our customers experience unique holidays. Under the roof of the new TUI Group we want to grow and increase our international market position. Therefore, this is a good day for our customers, our shareholders and our employees. TUI is a pioneer in shaping the future of the tourism industry in terms of service, quality and innovation.”

Peter Long, Joint Chief Executive of TUI AG, said:

“This is a fantastic day for TUI, now the world’s number one integrated leisure tourism business. We will successfully future proof our new Group by securing long-term access to unique content which will allow us to accelerate our growth plans. In addition, we have identified significant efficiencies and cost savings. All this will lead to greater shareholder value, from our first full financial year. Personally, I am very excited about what the future holds and the opportunities that lie ahead for us as TUI Group.”

Admission of TUI AG Shares to the Official List and to trading on the London Stock Exchange

TUI AG is pleased to announce that, with effect from 8.00 am (GMT) today, its entire issued share capital (“**TUI AG Shares**”) will be admitted to the premium listing segment of the Official List of the UK Listing Authority and to trading on the main market for listed securities of the London Stock Exchange (“**LSE**”).

Admission of New TUI AG Shares to trading on the Frankfurt Stock Exchange

With effect from today, the New TUI AG Shares issued pursuant to the Merger will be listed on the regulated market (*Prime Standard*) of the Frankfurt Stock Exchange (“**FSE**”).

At the same time, the New TUI AG Shares will be listed on the regulated markets of the stock exchanges in Stuttgart, Hamburg, Berlin, Düsseldorf, Hanover and Munich.

Total Issued Share Capital of TUI AG Post Admission

Following admission of the TUI AG Shares to the premium listing segment of the Official List of the UK Listing Authority and to trading on the main market for listed securities of the LSE and of the New TUI AG Shares to trading on the regulated market of the FSE, TUI AG's issued share capital of 533,602,135 ordinary shares will be comprised of the following:

Number of TUI AG Shares	ISIN	Ticker on LSE	Ticker on FSE
286,694,483 ^[1]	DE000TUAG000	TUI	TUI1
4,143,106 ^[2]	DE000TUAG232	TUIN	TUIN
242,764,546 ^[3]	DE000TUAG265	TUIJ	TUIJ

1. Represents existing TUI AG Shares issued prior to 1 October 2014
2. Represents existing TUI AG Shares issued since 1 October 2014 upon the exercise of conversion rights
3. Represents New TUI AG Shares

The New TUI AG Shares (ISIN: DE000TUAG265) and the TUI AG Shares issued since 1 October 2014 upon the exercise of conversion rights (ISIN: DE000TUAG232) rank *pari passu* in all respects with the existing TUI AG Shares issued prior to 1 October 2014 (ISIN: DE000TUAG000) other than in respect of dividend rights for the financial year ended 30 September 2014, as the New TUI AG Shares and the TUI AG Shares issued since 1 October 2014 upon the exercise of conversion rights will not be entitled to a dividend for the financial year ended 30 September 2014.

The New TUI AG Shares (ISIN: DE000TUAG265) and the TUI AG Shares issued since 1 October 2014 upon the exercise of conversion rights (ISIN: DE000TUAG232) will trade under separate ISINs until the annual general meeting of TUI AG in respect of the financial year ended 30 September 2014, expected to be held in February 2015, after which they will transfer to, and trade under, the same ISIN as the existing TUI AG Shares issued prior to 1 October 2014 (ISIN: DE000TUAG000).

Issue of Depositary Interests (DIs) representing entitlements to TUI AG Shares

As noted in the Scheme Document, the TUI AG Shares, being German securities, are not capable of being listed directly or traded directly nor settled through CREST (the system for the paperless settlement of trades in securities and the holding of uncertificated securities in the UK).

Accordingly, in order to allow settlement within CREST, TUI AG has entered into depositary arrangements with Capita IRG Trustees Limited (the "**Depositary**") which will enable investors to hold TUI AG Shares in the form of dematerialised depositary interests. TUI AG DIs represent entitlements to TUI AG Shares with each TUI AG DI representing an entitlement to one TUI AG Share.

TUI AG is pleased to announce that, with effect from 8.00 am (GMT) today, the Depositary will create and issue TUI AG DIs representing entitlements to the New TUI AG Shares, which will be credited to the CREST accounts of Scheme Shareholders in accordance with the terms of the Scheme.

No fractions of TUI AG DIs will be issued pursuant to the Scheme and fractional entitlements will be rounded down to the nearest whole number of TUI AG DIs. Such fractional entitlements will be aggregated and sold in the market by (or on behalf of) the Depositary and will be settled in accordance with the Scheme.

The TUI AG DIs in issue will always use the same ISIN as the TUI AG Share to which they represent.

Further details on the TUI AG DIs are set out in the Scheme Document.

Defined terms used but not defined in this announcement have the meanings set out in the document in respect of the TUI Travel PLC scheme of arrangement published on 2 October 2014 (the "**Scheme Document**").

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Further information

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This announcement does not constitute a prospectus or prospectus equivalent document.

The statements contained in this announcement are not to be construed as legal, business, financial or tax advice. Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of this announcement on their particular circumstances.