

An aerial photograph of a rugged coastline. The water is a vibrant turquoise color, contrasting with the dark, rocky shore. A person is lying on their back on a large, flat rock in the water, arms outstretched. In the upper left, a small boat is visible near the shore. The overall scene is serene and scenic.

FY20 Q1 Results

11 February 2020



FORWARD-LOOKING STATEMENTS

This presentation contains a number of statements related to the future development of TUI. These statements are based both on assumptions and estimates. Although we are convinced that these future-related statements are realistic, we cannot guarantee them, for our assumptions involve risks and uncertainties which may give rise to situations in which the actual results differ substantially from the expected ones. The potential reasons for such differences include market fluctuations, the development of world market commodity prices, the development of exchange rates or fundamental changes in the economic environment. TUI does not intend or assume any obligation to update any forward-looking statement to reflect events or circumstances after the date of these materials.



RECENT DEVELOPMENTS

FRITZ JOUSSEN



Delivering on our strategy – growing our integrated business model on both sides

Markets & Airlines

- **21m** customers
- Leading market shares **20-40%**¹
- Ave. spend **per customer** **~€800** p.a.²
- **~30%**³ of profit pool

STRONG CUSTOMER BASE

Holiday Experiences

- **411**⁴ Hotels
- **18 Cruise ships**⁵
- **ROIC >1/3 higher** than peers⁶
- **~70%**³ of profit pool
- Investments and **cash returns**

DIFFERENTIATED CONTENT

1



MARKETS & AIRLINES

Maintain and where possible extend leading positions in core markets

2



HOLIDAY EXPERIENCES

Asset-right expansion, driving returns, benefitting from vertical integration

3



GDN-OTA

Building scale in new markets to enlarge TUI's ecosystem

4



DESTINATION EXPERIENCES

Building scale in the "things to do" market and attracting customers to enlarge TUI's ecosystem

¹ Company estimates – market defined as traditional sun and beach tour operator market | ² Based on FY19 Markets & Airlines Revenue divided by 21m Markets & Airlines customers | ³ Excluding impact of 737 MAX | ⁴ Includes Group hotels and 3rd party concept hotels as at end of FY19 | ⁵ As at Feb 2020 | ⁶ H&R FY18 and FY19 ROIC of 14% pro-forma IAS 17 basis versus Melia FY18 ROIC. Cruise Segment: FY18 and FY19 ROIC pro-forma IAS 17 basis of 23% versus average of Royal Caribbean Cruises and Carnival Cruises FY18 ROIC.



Acquisition of Hapag-Lloyd Cruises by TUI Cruises for €1.2bn – executing our Holiday Experiences strategy: transaction facilitates asset-right growth



- €1.2bn EV = attractive valuation
 - Hapag-Lloyd Cruises restructured
 - Retaining 50% profit pool
- Largely debt financed transaction
- Closing anticipated for summer 2020

Compelling transaction delivers strategic and financial benefits to TUI Group

STRATEGIC BENEFITS

- ✓ **TUI Cruises growth** gap addressed
- ✓ **Hapag-Lloyd Cruises growth** - asset right
 - Internationalisation
 - Anticipated fleet growth
- ✓ Benefit from **strategic JV partnership**
 - Keep control of brand, product, marketing and sales
 - RCL shipbuilding know-how and global footprint
- ✓ Keep **powder dry for digital expansion**



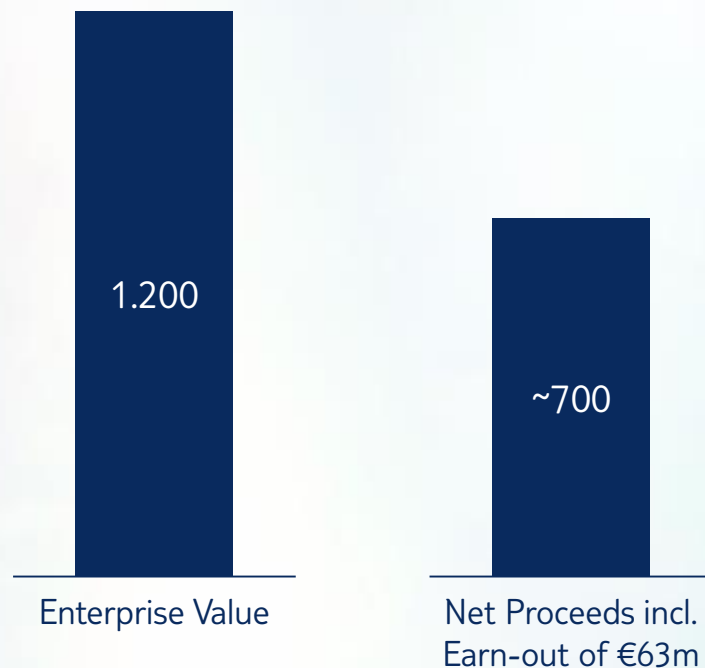
FINANCIAL BENEFITS

- ✓ **Value** of Hapag-Lloyd Cruises **crystallised**
 - Backed by synergies
 - Retaining 50% of profit pool
- ✓ **Leveraging** TUI Cruises **financial strength**
 - Debt capacity (well within covenants)
 - Cash generation
 - No reduction of dividends to TUI
- ✓ **Strengthen TUI Group balance sheet**



Impact on TUI Group financials and use of proceeds

VALUATION AND NET PROCEEDS (€m)



PRO FORMA IMPACT ON FY19 FINANCIALS (€m)

- ✓ **Attractive valuation**
- ✓ Proceeds support planned **growth & digital transformation** and **strengthen TUI Group balance sheet**
- ✓ Rebuild of EBIT through synergies **in the near future**
- ✓ **Deleverage**
 - **Gross leverage** decreases by 0.1x – 0.2x
 - FY19 Pro forma¹ net cash : ~€80m (vs FY19A net debt of ~€910m)

¹ Unaudited pro-forma figures, rounded



Delivering on our strategy – growing our integrated business model on both sides

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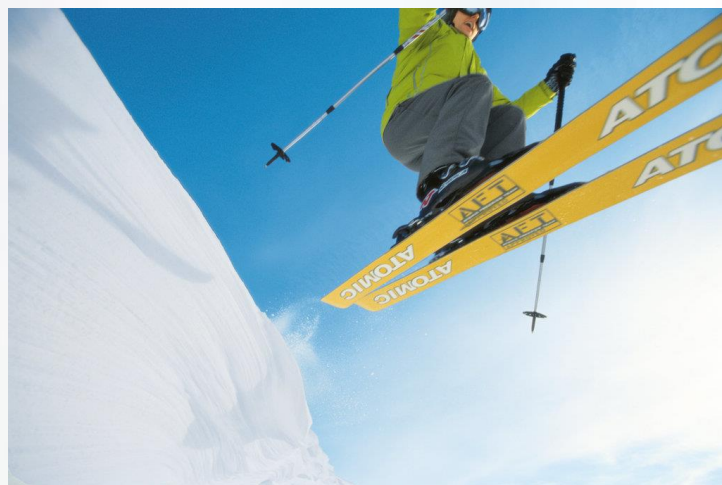
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Growth opportunity – exceptional start to Q1, trending ahead of recent capacity growth



CURRENT¹ W19/20 TRADING

% YoY	Revenue	PAX	ASP	% Sold
Northern Region	+9	+2	+7	82% (+1)
Central Region	+11	+5	+5	79% (-1)
Western Region	+10	+3	+7	88% (Flat)
Total	+10	+3	+6	83% (Flat)

CURRENT¹ S20 TRADING

% YoY	Revenue	PAX	ASP	% Sold
Northern Region	+20	+17	+3	40% (+1)
Central Region	+14	+12	+1	37% (+2)
Western Region	+16	+12	+4	28% (+1)
Total	+17	+14	+3	36% (+2)

¹ These statistics are up to 2 February 2020, shown on a constant currency basis and relate to all customers whether risk or non-risk



Boeing 737 MAX update – TUI remains well prepared for all scenarios

RECENT DEVELOPMENTS

- Boeing estimates ungrounding of MAX to **begin not before mid-2020**
- Boeing recommends simulator training for MAX pilots – **FAA decision** still **outstanding**
- No clear guidance from FAA regarding overall timeline; **EASA** is responsible authority for TUI
- Special official committee found **MAX certification** process to be **effective**

IMPLICATIONS FOR FY20

- Safety and securing our customers' holidays remain top priorities for TUI
- TUI remains **confident to cover** enhanced Summer 2020 programme by securing additional dry and wet leases¹ whilst minimising costs
- FY20 cost impact:
 - expect additional cost range of ~€220m - €245m for full year FY20 (range reduced from ~€220m - €270m) in addition to
 - ~€130m cost impact assuming return to service by end of April²
- Certain level of compensation from Boeing expected in FY20

SUMMARY

- ✓ TUI is **strong enough** to deal with this challenging situation
- ✓ Disclosed cost impact is a gross figure **before** any compensation – certain level of compensation expected in FY20
- ✓ **Strategic transformation** not affected
- ✓ **Strong trading** even more visible after MAX returns to service



¹ As at 11 February 2020, TUI has 15 MAX aircraft grounded and is awaiting a further 19 to be delivered in FY20; additional ~20 AC sourced to fulfil extended Summer 2020 programme | ² Requires ban to be lifted by the end of February 2020 in order to allow sufficient time to prepare for return to service by end of April 2020



Pioneering Sustainability – Ambition and achievement



TUI Airways and TUI fly Germany ranked **#1 & #4** most carbon-efficient airlines globally¹



TUI's airlines are **18%** more carbon-efficient than the average of the 6 largest EU airlines². Relative CO₂ improved by **14%** in last 11 years



~**14%** reduction in relative cruise carbon emissions since 2015 (**23%** reduction water YoY)



83% of TUI Hotels & Resorts hold sustainability certifications (up from 69% in 2015)



Women in ~**36%** of managerial positions



10.3m 'greener and fairer' TUI holidays delivered in hotels with sustainability certification (up from 5.6m in 2015)



1.2m TUI Collection excursions delivered with sustainability at their heart



Removal of over **250m** pieces of single-use plastics across airlines, cruise, hotels, destinations and offices³



€8m invested in good causes and initiatives to enhance the positive impacts of tourism



Colleague engagement score of **76** in 2019

ESG Indices: TUI Group is represented in the sustainability indices **FTSE4Good** and **Ethibel Sustainability Index (ESI) Excellence Europe**. TUI was included in the **RobecoSam Sustainability Yearbook** with a '**Bronze Class**' distinction, and participated again in the **CDP Climate Change** assessment, receiving an '**A**' score for climate change reporting based on our 2019 CDP disclosure.⁴

¹ atmosfair Airline index 2018 | ² Calculation based on the latest CO₂ performance data published by each airline as of January 2020 and weighted by the total passengers flown in 2019 |

³ In September 2019, TUI signed the International Tourism Plastic Pledge to reduce plastic pollution | ⁴ An 'A' list score means we are in the top 2% of 8,400 responding companies – TUI Group improved from 'A-' last year to 'A' this year



Pioneering Sustainability – New strategy 2030 currently being developed

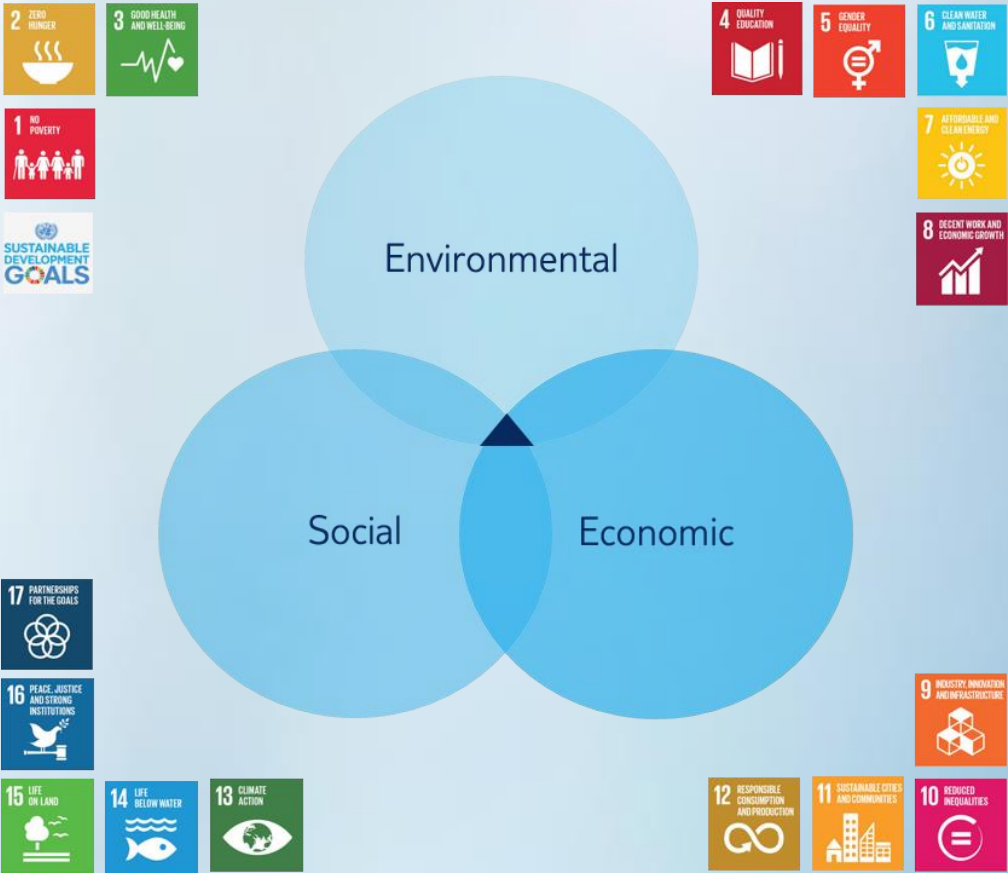
Components of our new sustainability strategy 2030

Extension of our leadership position in sustainability

Tourism as “Force for Good”

Continue to ensure the alignment with the UN Sustainable Development Goals

Ambition: Additional focus on global applicability and innovation



FY20 Q1 RESULTS

FRITZ JOUSSEN



Q1 performance with good underlying trading impacted by continued Boeing MAX grounding. Expect full-year additional Boeing MAX costs to be partly offset

TURNOVER

€3.9bn

+6.8%¹

UNDERLYING EBIT

LFL INCL. MAX LFL EXCL. MAX

-€148m -€103m

-32.6%^{1,2} +7.5%^{1,2}

REPORTED EBIT

-€79m

+24.9%¹

GUIDANCE

(Incl. full year MAX cost impact)

**~€850m - €1,050m
underlying EBIT³**

- Q1 performance operationally strong but affected by continued MAX grounding and PY one-off effects
- Exceptional start to Summer 2020 trading in Markets & Airlines, TUI well on track to capture growth opportunity
- Execution of strategic initiatives in progress
- Our updated FY20 guidance will now reflect
 - ~€130m Boeing MAX cost impact assuming return to service by end of April 2020 and an additional FY20 impact with a narrowed range of ~€220m - ~€245m
 - We now expect to partly offset the additional Boeing MAX grounding costs by our current strong trading, other mitigating factors such as cost measures as well as a certain level of compensation from Boeing
 - Updated guidance range including all of the above now estimated between ~€850m - ~€1,050m

Figures based on a pro-forma calculation according to IAS 17 | ¹ Based on constant currency growth | ² PY on a like-for-like basis excluding €29m hedging gain in FY19 Q1 |

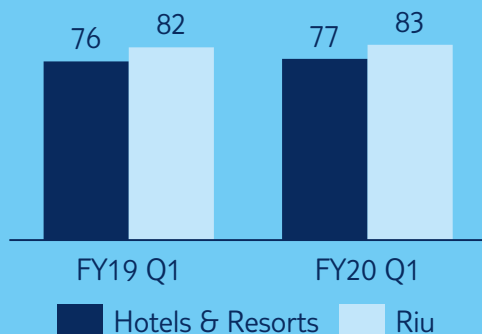
³ Based on constant currency, pro-forma IAS 17 basis and pre TUI Cruises acquisition of Hapag-Lloyd Cruises



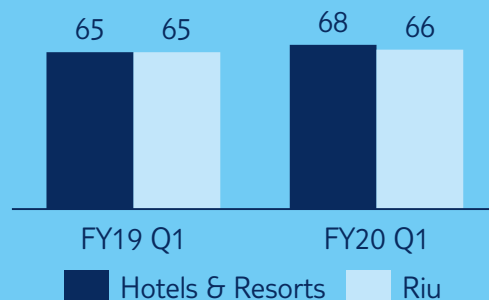
Holiday Experiences: Hotels & Resorts

Strong fundamentals offset by higher cost base, adverse FX, against strong comparables

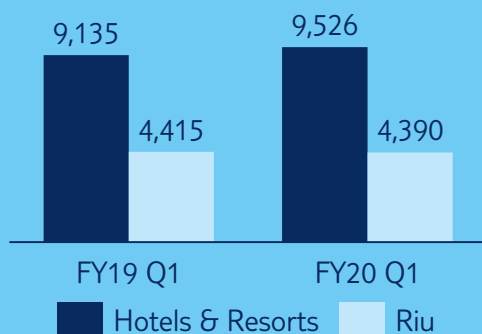
AVERAGE OCCUPANCY %



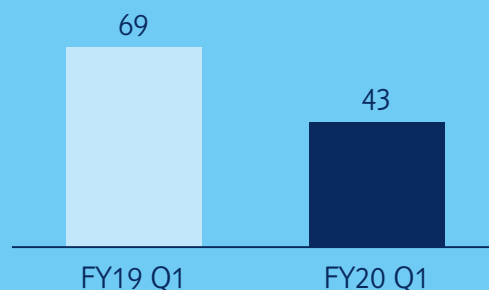
AVERAGE REVENUE PER BED €



AVAILABLE BEDS (K's)



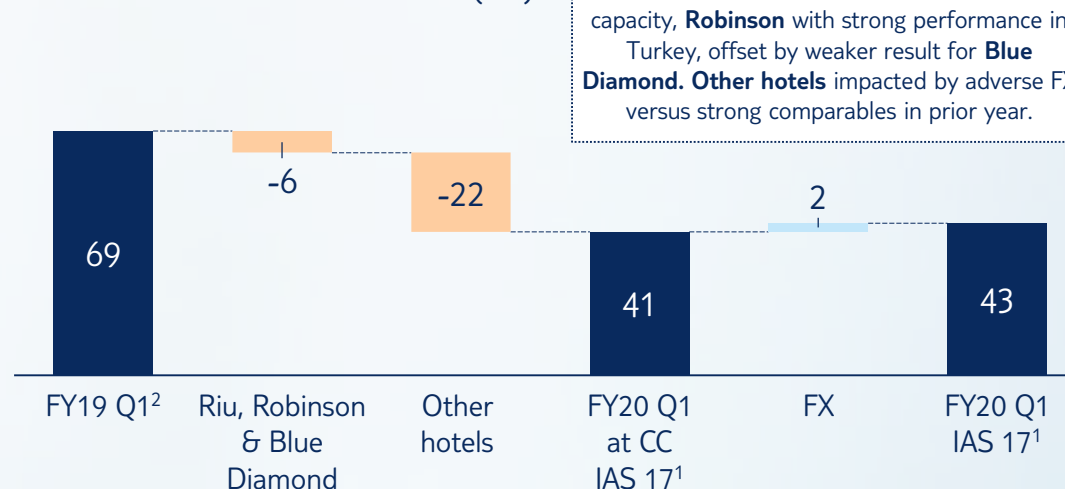
UNDERLYING EBIT (€M)



UNDERLYING EBIT (€M)

	FY20 Q1 IFRS 16	FY20 Q1 IAS 17 ¹	FY19 Q1	% Δ IAS 17
Underlying EBIT	35.1	43.1	69.2	-38
Underlying EBIT at CC	32.4	40.6	69.2	-41

BRIDGE UNDERLYING EBIT (€M)

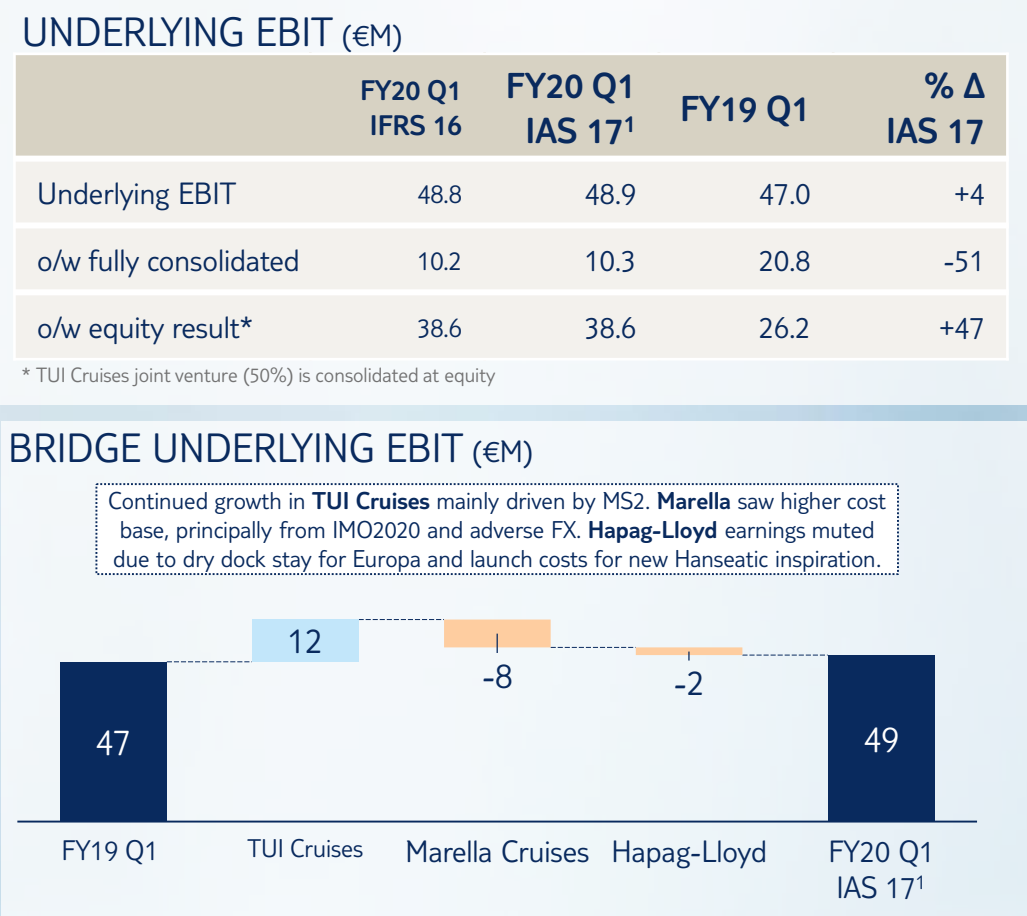
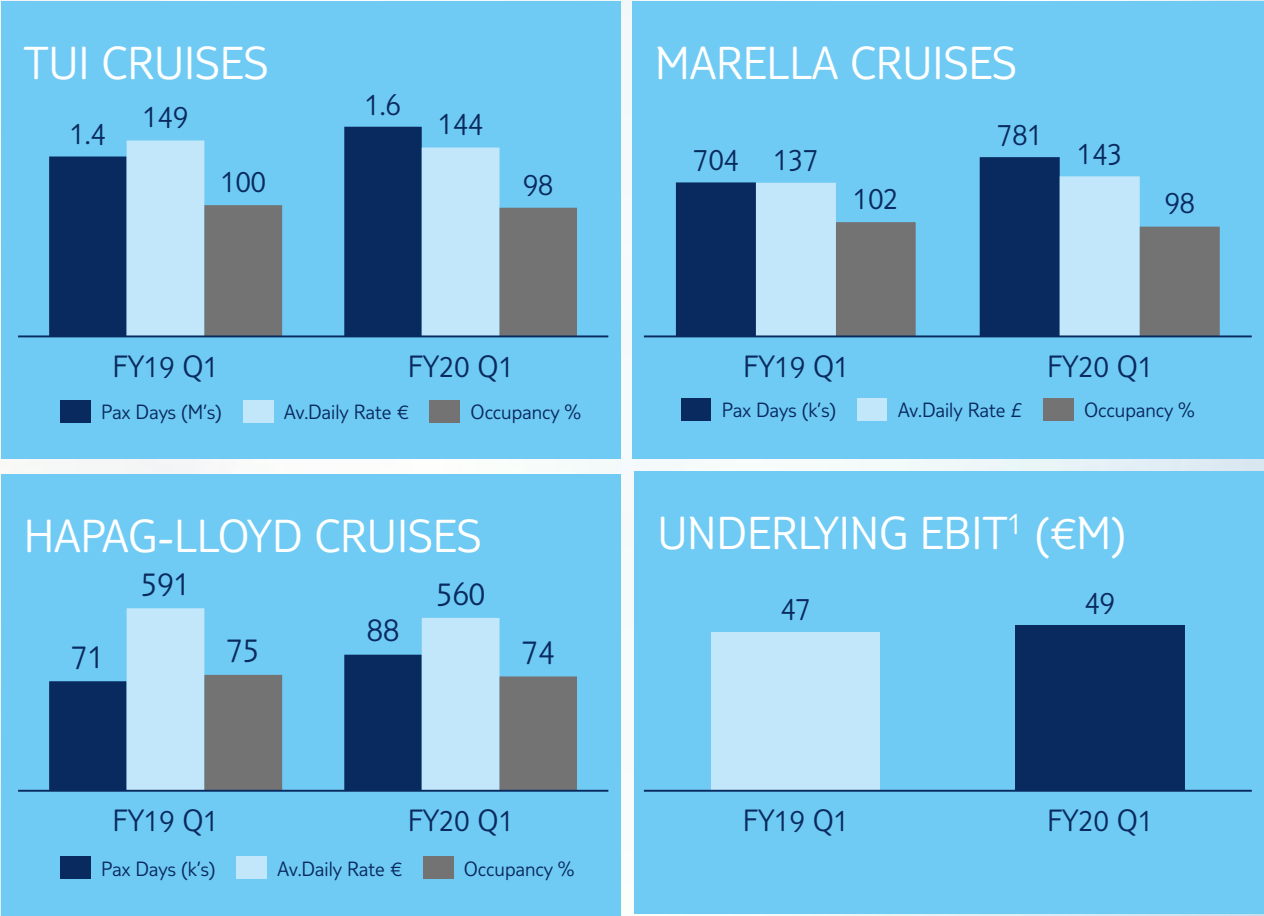


¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17 | ² FY19 Q1 rebased by <€1m for IFRS15 retrospective adjustment



Holiday Experiences: Cruises

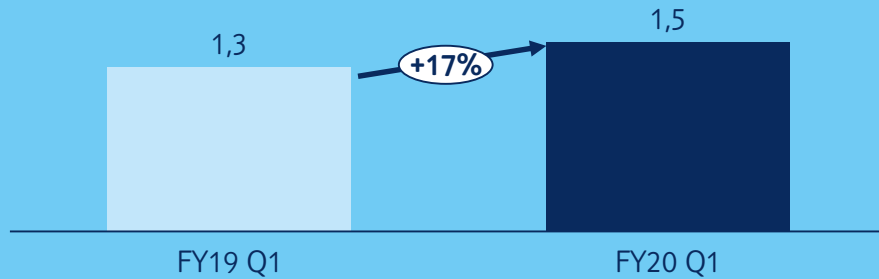
Growth from capacity increases, partially offset by higher cost base



Holiday Experiences: Destination Experiences

Volume growth and accelerated investment in Musement platform as expected

EXCURSIONS & ACTIVITIES SOLD (M's)



TURNOVER AND EARNINGS (€M)

	FY20 Q1 IFRS 16	FY20 Q1 IAS 17 ¹	FY19 Q1	% Δ IAS 17
Total Turnover	305.5	305.5	226.3	+35
o/w Turnover 3rd Party	216.7	216.7	158.3	+37
Underlying EBIT ²	-8.9	-9.1	-4.8	-91
Underlying EBIT ² excl. Musement start-up losses	-3.5	-3.7	-1.7	-113

- Number of excursion & activities sold up 17% YoY
- Turnover up 35%
- Musement growth continues, ~€5m investment in Q1

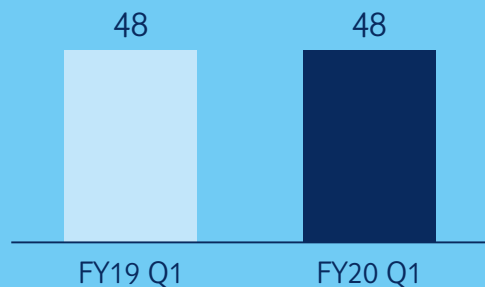
¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17 | ² Includes FX translation impact of <€1m.



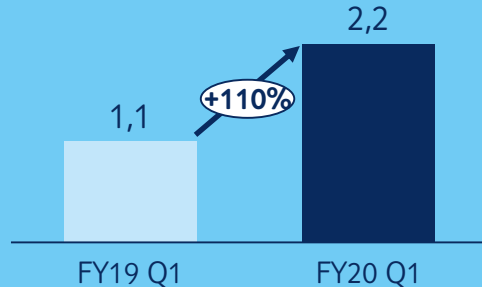
Markets & Airlines

Good underlying performance excluding MAX and prior year hedging gain

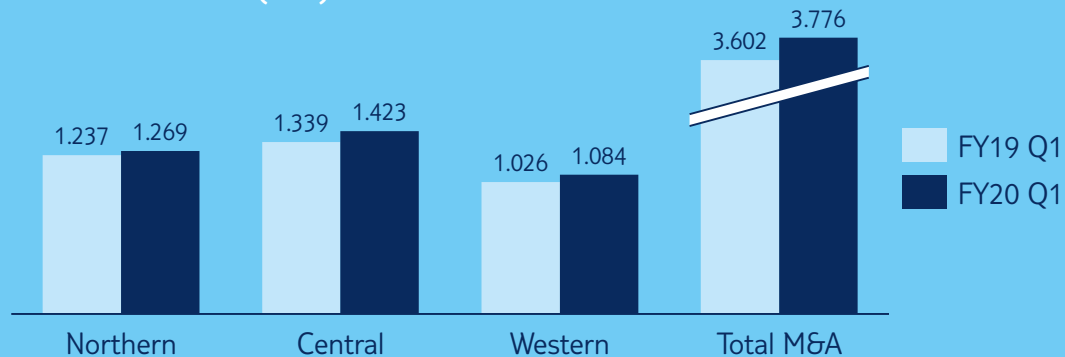
ONLINE DISTRIBUTION %¹



APP DISTRIBUTION %²



CUSTOMERS (M's)^{1,3}

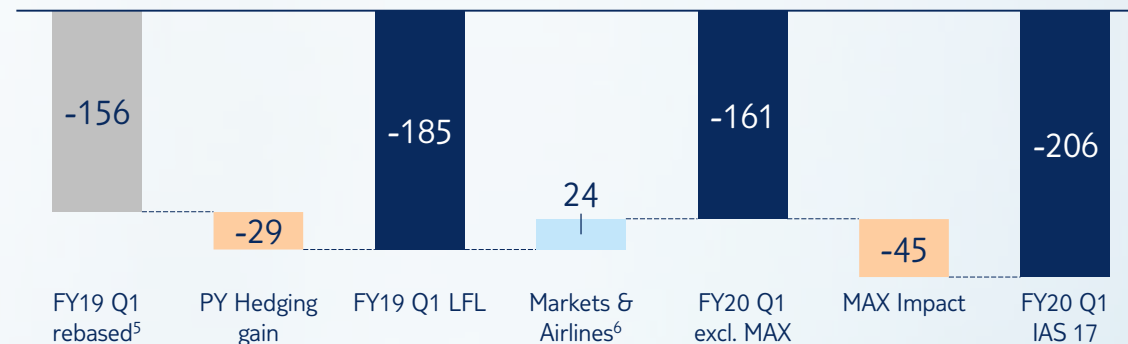


TURNOVER AND EARNINGS (€M)

	FY20 Q1 IFRS 16	FY20 Q1 IAS 17 ⁴	FY19 Q1	% Δ IAS 17
Turnover	3,169.8	3,169.8	2,933.8	+8
Underlying EBIT	-197.9	-206.3	-156.0	-32
Underlying EBIT at CC	-195.5	-203.8	-156.0	-31
Und. EBIT like-for-like at CC	-150.6	-158.9	-185.0	+14

BRIDGE UNDERLYING EBIT (€M)

Underlying EBIT on like-for-like basis is up +14%



1 Berge & Meer and Boomerang excluded from Q1 FY19 | 2 Percentage of Markets & Airlines pax bookings via App | 3 Total Markets & Airlines customers excludes Cruise and strategic joint ventures in Canada and Russia |

4 FY20 Q1 financials based on a pro-forma calculation according to IAS 17 | 5 FY19 Q1 rebased for AAE resegmentation, resulting in +€22.1m transferred from AOS to Markets & Airlines | 6 Includes FX impact of c. €2.5m



Outlook – Exceptional start to Summer 2020 versus continued MAX uncertainty

HOLIDAY EXPERIENCES

HOTELS & RESORTS – STRONG FUNDAMENTALS

- 12 hotels opened in Q1, further five openings planned for FY20
- Incremental returns expected from hotel openings in FY17-FY19
- TUI BLUE growth to ~100 properties by end of FY20, mostly through repositionings

CRUISES – +25% Q1 TURNOVER GROWTH

- Hanseatic inspiration successfully launched in the quarter
- Annualisation of Mein Schiff 2, Explorer 2 and Hanseatic nature, partly offset by cost base increase from IMO2020 and adverse FX

DESTINATION EXPERIENCES – +35% Q1 TURNOVER

- Strong trajectory of growth in Q1
- FY20 focus on scale and revenue growth
- Investments in DX platform to become leading player in T&A¹ market

MARKETS & AIRLINES

- Strong trading² reflective of recent capacity growth 
 - 36% of Summer 2020 booked to date (+2ppt YoY)
 - Bookings up 14% YoY
 - ASP up 3% YoY
- 737 MAX challenges persist; however, preparations are in place to protect customer bookings at a lower cost per aircraft than FY19
- Following the Boeing announcement on 21 January 2020, guidance now reflects that the ungrounding of the MAX will not begin before mid-2020; additional cost impact of ~€220m - €245m expected (previous range of ~€220m - €270m)
- Expect to deliver ~€850m - ~€1,050m underlying EBIT in FY20, with our current strong trading, other mitigating factors such as cost measures as well as a certain level of compensation from Boeing, partly offsetting the additional Boeing MAX grounding costs

¹ T&A – Acronym for Tours & Activities | ² These statistics are up to 2 February 2020, shown on a constant currency basis and relate to all customers whether risk or non-risk



FY20 Q1 FINANCIAL RESULTS

BIRGIT CONIX

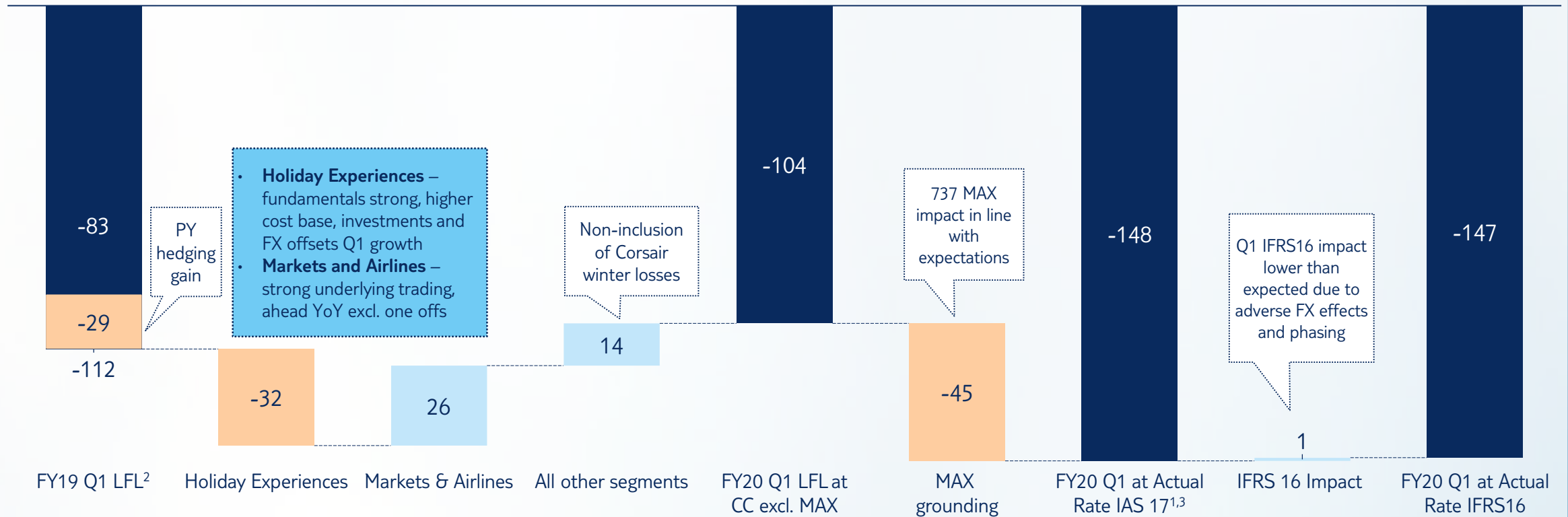


Good trading in Markets & Airlines offset by MAX grounding and PY one-off

Holiday Experiences sees minor headwinds in Q1 whilst fundamentals remain strong

FY20 Q1 UNDERLYING EBIT IN €M¹

Q1 like-for-like Und. EBIT
+€8m / +8% excl. €45m MAX impact



1 FY20 Q1 financials based on a pro-forma calculation according to IAS 17 | 2 FY19 Q1 rebased by <€1m for IFRS15 retrospective adjustment | 3 Includes FX impact of +€1m



Income Statement – Underlying EBIT mainly impacted by MAX grounding

In €m	FY20 Q1 IFRS16	FY20 Q1 IAS17 ¹	FY19 Q1	IAS17 Δ YOY	IAS17 % YOY
Turnover	3,850.8	3,850.8	3,574.8	275.9	+8%
Underlying EBITDA	111.5	-20.0	27.2	-47.1	-173%
Depreciation & Amortisation	-258.6	-128.0	-110.3	-17.7	
Underlying EBIT	-146.9	-148.0	-83.1	-64.8	-78%
Adjustments (SDI's and PPA)	68.9	68.9	-22.9	91.8	
EBIT	-78.0	-79.1	-106.0	26.9	+25%
Net interest expense	-52.2	-27.8	-29.4	1.6	
EBT	-130.3	-106.8	-135.4	28.5	+21%
Income taxes	24.8	19.2	23.3	-4.1	
Group result continuing operations	-105.5	-87.6	-112.1	24.5	+22%
Minority interest	-23.2	-23.2	-27.2	-4.0	
Group result after minorities	-128.7	-110.8	-139.3	28.4	
Basic EPS (€)	-0.22	-0.19	-0.24	0.05	+20%

FY20 Q1 includes
-€45m Boeing MAX
impact

FY19 Q1 includes
+€29m hedging gain

TURNOVER

- +8% YoY turnover growth (7% at CC) mainly driven by customer growth and good trading in Markets & Airlines

UNDERLYING EBIT

- YoY decrease driven by MAX grounding and PY hedging gain – underlying EBIT +8% excluding these factors

ADJUSTMENTS

- YoY improvement due to ~€91m gain on disposal of German specialist businesses Berge & Meer and Boomerang

TAX

- Full-year guidance for underlying ETR remains at ~18%

¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17



Cash flow – Improved free cash flow driven by lower net investments

In €m	FY20 Q1 IFRS16	FY20 Q1 IAS17 ¹	FY19 Q1
EBITDA underlying	111.5	-20.0	27.2
Adjustments	78.7	78.6	-14.6
EBITDA reported	190.2	58.6	12.5
Working capital	-1,398.5	-1,421.9	-1,398.0
Other cash items ²	-209.4	-194.8	-200.9
At equity income	-38.7	-38.7	-34.8
Dividends received from JVs and associates	5.7	5.7	8.6
Operating Cash flow	-1,450.7	-1,591.1	-1,612.5
Net Investments	-60.7	-60.7	-294.8
Free Cash flow	-1,511.4	-1,651.8	-1,907.3
Dividends	-	-	-
Free Cash flow after Dividends	-1,511.4	-1,651.8	-1,907.3
Cash flow from financing	580.8	721.1	274.6
<i>o/w Payments received from the issue of bonds, commercial paper and drawings from other financial facilities</i>	764.6	764.6	373.0
<i>o/w Payments made for redemption of loans, commercial paper and other financial liabilities</i>	-199.9	-59.6	-108.6
Total Cash Flow	-930.7	-930.7	-1,632.7

UNDERLYING EBITDA

- Excluding the MAX impact, underlying EBITDA (+€25m) is broadly flat YoY
- Underlying EBITDA under IFRS 16 is higher driven by reduced expenses

CASH FLOW

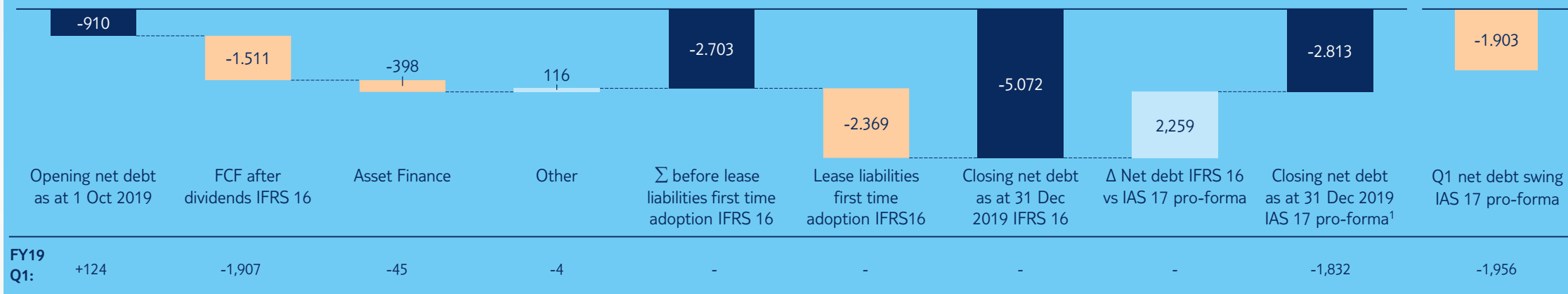
- Operating cash flow broadly in line with PY
- Free cash flow more than €250m higher than PY driven by lower investments and disposal proceeds from German specialist business
- Cash flow from financing includes ~€530m RCF drawing and ~€200m from commercial paper and bilateral financing arrangements

¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17 | ² Other cash items include other cash effects (-€19m YoY), tax paid (+€22m YoY), cash interest (-€12m YoY) as well as pension contribution & payments (+€15m YoY)



Seasonal net debt swing slightly improved on a pro-forma like-for-like basis

FY20 Q1 MOVEMENT IN NET DEBT (€M)



NET DEBT

- Increase in net debt in line with usual seasonal swing
- Based on pro-forma IAS 17 closing net debt, YoY improvement of the seasonal swing (~€50m) as a result of higher FCF after dividends than prior year
- Closing net debt based on reported figures is higher due to the first time adoption of IFRS 16

¹ Based on a pro-forma calculation according to IAS17



FY20 guidance updated to reflect Boeing MAX prolongation, partly offset by strong trading and mitigating factors

	FY 20e (Q1 20 report) ¹	FY 20e (FY 19 report) ¹	FY19
Turnover	High single digit % growth	Mid to high single digit % growth	€18,928m
Underlying EBIT ²	Strong trading expected to deliver upper end of our original FY20 guidance, <u>however</u>: Recent Boeing MAX grounding announcements lead to: ■ Additional cost impact from MAX grounding prolongation (narrowed to ~€220m - €245m)³ ■ Mitigating factors such as cost measures as well as a certain level of compensation from Boeing Resulting in our updated guidance range: ~€850m - €1,050m⁴	~€950m - €1,050m⁴ ■ Excluding FY20 additional cost impact of ~€220m - €270m from MAX grounding³ ■ Excluding compensation from Boeing	€893m
Adjustments ⁵	~€70m - €90m	~€70m - €90m	€125m
Underlying EAT (after minorities)	~€460m - €630m	~€540m - €630m	€525m
Net investments ⁶	~€750m - €900m	~€750m - €900m	€1,118m
Asset & debt financing	~€350m - €450m	~€750m - €850m	€447m
Net debt	~€1.4bn - €1.7bn	~€1.8bn - €2.1bn	€910m
Dividend per share	Core of 30% - 40% underlying EAT ⁷ Dividend floor of €0.35	Core of 30% - 40% of underlying EAT ⁷ Dividend floor of €0.35	€ 0.54

Our guidance is based on

- **pro forma IAS 17 application** and
- **pre TUI Cruises' acquisition of Hapag-Lloyd Cruises**

1 Based on constant currency, pro-forma IAS 17 application and pre TUI Cruises' acquisition of Hapag-Lloyd Cruises

2 As from FY20, we will use underlying EBIT which is more common in the international sphere. Our previous KPI Underlying EBITA includes amortisation of goodwill, any future goodwill impairments will be adjusted for in the reconciliation to underlying EBIT

3 In addition to ~€130m cost impact assuming return to service by end of April 2020

4 Including mid to high double-digit millions investment in digital platform growth

5 Adjustments now includes goodwill impairments; FY20 guidance includes ~€100m disposal gains of our German specialist businesses Berge & Meer and Boomerang

6 Including PDPs

7 Underlying EAT post minorities at constant currency is calculated as underlying EBIT minus interest expenses adjusted by one-off items minus tax based on underlying tax rate of currently 18% minus minorities adjusted for one-off items



Q&A



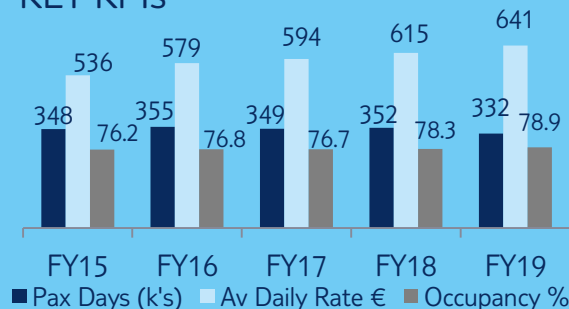
APPENDIX



Hapag-Lloyd Cruises - Summary

Key figures FY19	HAPAG ¹⁸ / ₁₉ LLOYD CRUISES
Turnover (€m)	305
Underlying EBITA (€m)	43
EBITDA FY19 / FY20e (€m)	62 / 90
Passengers (k)	25
Fleet Size ²	5
Total Berths ³	1,318

KEY KPIs



HAPAG-LLOYD CRUISES FLEET

Europa	Europa 2	Bremen	Hanseatic nature	Hanseatic inspiration	Hanseatic spirit
					
408 ¹ BERTHS	516 ¹ BERTHS	164 BERTHS	230 BERTHS	230 BERTHS	230 BERTHS
Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL
1999 CONSTRUCTION	2013 CONSTRUCTION	1990 CONSTRUCTION	New build May 2019 CONSTRUCTION	New build October 2019 CONSTRUCTION	New build 2021 CONSTRUCTION
		April 2021 EXIT			

Fleet and pipeline as at December 2019 | 1 Additional sofa-bed in most of the suites (usable for persons up to the age of 6, 10, 12 or 15 years) | 2 Fleet count as at December 2019 | 3 Static count as at 30 September 2019



FY20 Q1 Turnover by Segment (excludes Intra-Group Turnover and JVs/associates)*

In €m	FY20 Q1 IFRS 16	FY20 Q1 IAS 17 ¹	FY19 Q1	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	166.2	166.2	139.3	27.0	2.2	24.8
- Riu	120.5	120.5	103.3	17.2	1.3	15.9
- Robinson	22.1	22.1	19.5	2.6	0.2	2.4
- Blue Diamond	-	-	-	-	-	-
- Other	23.6	23.6	16.4	7.2	0.6	6.5
Cruises	238.4	238.4	190.5	48.0	5.0	43.0
- TUI Cruises	-	-	-	-	-	-
- Marella Cruises	150.4	150.4	122.7	27.6	5.0	22.6
- Hapag-Lloyd Cruises	88.1	88.1	67.7	20.4	0.0	20.4
Destination Experiences	216.7	216.7	158.3	58.4	3.2	55.2
Holiday Experiences	621.4	621.4	488.1	133.4	10.4	123.0
- Northern Region	1,220.3	1,220.3	1,100.4	120.0	18.6	101.4
- Central Region	1,354.6	1,354.6	1,290.3	64.3	2.8	61.5
- Western Region	594.8	594.8	543.1	51.7	0.1	51.7
Markets & Airlines	3,169.8	3,169.8	2,933.8	236.0	21.4	214.6
All other segments	59.6	59.6	153.0	-93.4	0.3	-93.7
TUI Group	3,850.8	3,850.8	3,574.8	275.9	32.1	243.9

* Table contains rounding effects | ¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17



FY20 Q1 Underlying EBITDA by Segment*

In €m	FY20 Q1 IFRS 16	FY20 Q1 IAS 17 ¹	FY19 Q1	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	83.8	73.4	94.7	-21.3	2.8	-24.1
- Riu	84.6	83.4	88.3	-4.9	0.9	-5.8
- Robinson	12.5	9.7	4.5	5.2	0.3	4.8
- Blue Diamond**	-3.4	-3.4	-0.9	-2.5	-0.2	-2.3
- Other	-9.9	-16.3	2.8	-19.1	1.7	-20.8
Cruises	79.0	78.7	66.7	12.0	0.9	11.1
- TUI Cruises**	38.6	38.6	26.2	12.4	0.0	12.4
- Marella Cruises	26.1	26.1	27.8	-1.7	0.9	-2.6
- Hapag-Lloyd Cruises	14.3	14.0	12.7	1.3	0.0	1.3
Destination Experiences	-2.7	-4.3	-0.9	-3.4	0.2	-3.6
Holiday Experiences	160.1	147.7	160.4	-12.7	3.9	-16.6
- Northern Region	-25.6	-83.5	-38.8	-44.8	-2.1	-42.7
- Central Region	6.7	-18.9	-21.8	3.0	0.3	2.6
- Western Region	-17.5	-51.0	-49.5	-1.5	0.3	-1.9
Markets & Airlines	-36.4	-153.4	-110.1	-43.3	-1.5	-41.9
All other segments	-12.2	-14.3	-23.2	8.9	0.4	8.5
TUI Group	111.5	-20.0	27.2	-47.1	2.8	-50.0

*Table contains rounding effects | **Equity result | ¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17



FY20 Q1 Underlying EBIT by Segment*

In €m	FY20 Q1 IFRS 16	FY20 Q1 IAS 17 ¹	FY19 Q1	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	35.1	43.1	69.2	-26.1	2.5	-28.6
- Riu	68.0	67.9	74.0	-6.1	0.8	-6.9
- Robinson	3.0	2.2	-1.3	3.4	0.3	3.1
- Blue Diamond**	-3.4	-3.4	-0.9	-2.5	-0.2	-2.3
- Other	-32.5	-23.6	-2.7	-20.9	1.6	-22.5
Cruises	48.8	48.9	47.0	1.9	0.2	1.7
- TUI Cruises**	38.6	38.6	26.2	12.4	0.0	12.4
- Marella Cruises	3.9	4.0	12.2	-8.2	0.2	-8.4
- Hapag-Lloyd Cruises	6.3	6.3	8.6	-2.3	0.0	-2.3
Destination Experiences	-8.9	-9.1	-4.8	-4.3	0.2	-4.5
Holiday Experiences	75.0	82.9	111.4	-28.5	2.9	-31.4
- Northern Region	-105.8	-111.3	-62.8	-48.6	-2.8	-45.7
- Central Region	-28.9	-31.3	-32.7	1.3	0.2	1.2
- Western Region	-63.2	-63.7	-60.5	-3.2	0.1	-3.3
Markets & Airlines	-197.9	-206.3	-156.0	-50.4	-2.5	-47.9
All other segments	-24.0	-24.5	-38.6	14.1	0.2	13.9
TUI Group	-146.9	-148.0	-83.1	-64.8	0.6	-65.5

*Table contains rounding effects | **Equity result | ¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17



Cash flow

In €m	FY20 Q1 IFRS16	FY20 Q1 IAS17 ¹	FY19 Q1
EBITDA underlying	111.5	-20.0	27.2
Adjustments	78.7	78.6	-14.6
EBITDA reported	190.2	58.6	12.5
Working capital	-1,398.5	-1,421.9	-1,398.0
Other cash effects	-88.4	-98.3	-79.2
At equity income	-38.7	-38.7	-34.8
Dividends received from JVs and associates	5.7	5.7	8.6
Tax paid	-36.3	-36.3	-58.4
Interest (cash)	-58.4	-34.0	-22.5
Pension contribution & payments	-26.282	-26.282	-40.8
Operating Cash flow	-1,450.7	-1,591.1	-1,612.5
Net capex	-163.7	-163.7	-268.9
Net financial investments	43.0	43.0	-57.9
Net pre-delivery payments	60.0	60.0	32.0
Free Cash flow	-1,511.4	-1,651.8	-1,907.3
Dividends	-	-	-
Free Cash flow after Dividends	-1,511.4	-1,651.8	-1,907.3
Cash flow from financing	580.8	721.1	274.6
<i>o/w Payments received from the issue of bonds, commercial paper and drawings from other financial facilities</i>	764.6	764.6	373.0
<i>o/w Payments made for redemption of loans, commercial paper and other financial liabilities</i>	-199.9	-59.6	-108.6
Total Cash Flow	-930.7	-930.7	-1,632.7

UNDERLYING EBITDA

- Excluding the MAX impact, underlying EBITDA (+€25m) is broadly flat YoY
- Underlying EBITDA under IFRS 16 is higher driven by reduced expenses

CASH FLOW

- Operating cash flow broadly in line with PY
- Free cash flow more than €250m higher than PY driven by lower investments and disposal proceeds from German specialist business
- Cash flow from financing includes ~€530m RCF drawing and ~€200m from commercial paper and bilateral financing arrangements

¹ FY20 Q1 financials based on a pro-forma calculation according to IAS 17



Net Financial Position, Pensions and Operating Leases

In €m	31-Dec-19	31-Dec-18
Financial liabilities	-5,953	-2,762
- Finance leases	-	-1,366
- Lease liabilities under IFRS16 ¹	-3,917	-
- Senior Notes	-298	-297
- Liabilities to banks	-1,721	-1,078
- Other liabilities	-17	-21
Cash & Bank Deposits	881	930
Net debt	-5,072	-1,832
- Net Pension Obligation	-749	-816
- Discounted value of operating leases ²	-35	-2,730

FINANCIAL LIABILITIES

- ~€2.4bn higher versus prior year as a result of new finance lease accounting standard IFR16 adoption
- ~€725m higher versus prior year from utilisation of RCF and bilateral credit facilities, as well as issuance of Commercial Paper

¹ Including existing finance leases under IAS17 (~€1,659m) | ² At simplified discount rate of 0.9% at 31.12.2019 and 1.7% at 31.12.2018



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