

TUI Travel PLC

Q1 2014 Results

6th February 2014



Agenda

Q1 Overview	Peter Long
Financial Performance	Will Waggott
Current Trading	Peter Long
Outlook	Peter Long
Q&A	

Q1 Overview

- Underlying operating loss reduced **by £8m to £108m** against strong prior year performance
- Delivered further efficiency savings in **France** and an improved result in **Specialist & Activity**
- Demand for our **unique holidays** continues to **grow**
- **Strong growth** in **online** bookings
- **Strong trading** in **Accommodation Wholesaler** continues

Delivering
against our
growth
roadmap

Financial Highlights

£m	Q1 2014	Q1 2013*	Change %
Revenue	2,731	2,718	flat
Underlying Operating Loss	(108)	(116)	+7%
Underlying Loss Before Tax	(140)	(148)	+5%
Reported Loss Before Tax	(166)	(181)	+8%

7%
reduction in
underlying
operating
loss

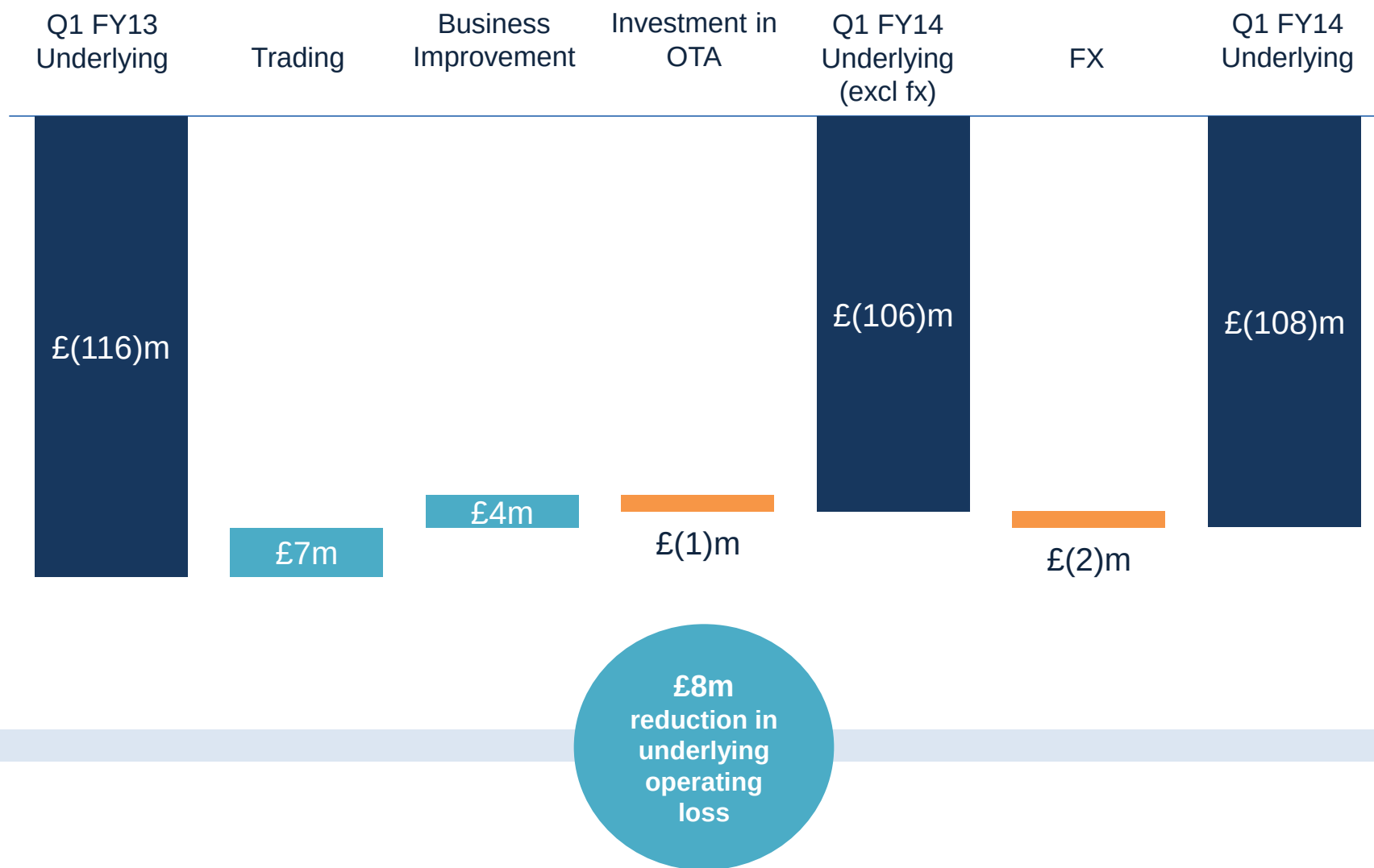
* Comparative interest and tax restated to include amendments to IAS 19 'Employee benefits' – see Appendix

Group Profit & Loss

£m	Q1 2014	Q1 2013*
Underlying Operating Loss	(108)	(116)
Underlying Interest	(32)	(32)
Underlying Loss Before Tax	(140)	(148)
Acquisition Related Expenses	(15)	(17)
Separately Disclosed Items	(7)	(9)
Impairment of goodwill	-	(7)
Other Items	(4)	-
Loss Before Tax	(166)	(181)
Tax	55	61
Loss for the period	(111)	(120)

* Comparative interest and tax restated to include amendments to IAS 19 'Employee benefits' – see Appendix

Group Operating Loss Bridge



Segmental Analysis

Group Underlying Operating Loss Bridge

£m	Q1 2014	Q1 2013	Change	FX Impact	Change ex-FX
Mainstream	(83)	(86)	+3	(2)	+5
Emerging Markets	(5)	(4)	-1	-	-1
Specialist & Activity	(16)	(22)	+6	-	+6
Accommodation & Destinations	6	5	+1	-	+1
Central	(10)	(9)	-1	-	-1
Underlying Operating Loss	(108)	(116)	+8	(2)	+10

Current Trading

- **Winter 2013/14** is closing out in line with our expectations, with **85%** of the programme sold and **higher average selling prices** in most source markets
- Pleased with **Summer 2014** trading, in particular our performance in the key January booking period, with **higher average selling prices** and **Mainstream volumes up 1% against tough comparatives**
- Continued growth in **unique** – **74%** of Mainstream Summer 2014 bookings, up two percentage points
- Excellent **online** performance with Mainstream Summer 2014 online bookings **up by 8%**
- **Accommodation Wholesaler** continues to build on its global leadership position with **TTV up by 45%** for Summer 2014

**Robust
current
trading**

Outlook

- **Pleased with trading** to date, particularly in Germany and the UK, despite strong comparatives overall
- **Improved** performances by **France tour operator** and **Specialist & Activity**
- Sustainable **double-digit growth** in **Accommodation Wholesaler**
- Expect H1 loss **broadly in line** with prior year (excluding Easter impact)
- Our strategy is delivering **sustainable growth**
- Remain **confident** of consistently achieving our five-year annualised growth target of between **7% to 10% underlying operating profit**

Well
positioned
to deliver
growth

Q&A

Sensatori Jamaica

Appendix

Amendments to IAS 19

Impact on 2013 underlying interest and tax

Underlying Interest in £m

	Q1	Q2	Q3	Q4	FY
Originally reported	(29)	(28)	(32)	(39)	(116)
Impact of IAS 19 amendments	(3)	(3)	(3)	(3)	(12)
Restated	(32)	(31)	(35)	(42)	(128)

Tax in £m

	Q1	Q2	Q3	Q4	FY
Originally reported	60	83	(10)	(251)	(118)
Impact of IAS 19 amendments	1	-	1	1	3
Restated	61	83	(9)	(250)	(115)