

INFORMATION REQUIRED UNDER TAKEOVER LAW

pursuant to sections 289 (4) and 315 (4) of the German Commercial Code (HGB) and explanatory report

Composition of subscribed capital

The subscribed capital of TUI AG consists of no-par value shares, each representing an equal share of the capital stock. As a proportion of the capital stock, the value of each share is around €2.56.

The subscribed capital of TUI AG, registered in the commercial registers of the district courts of Berlin-Charlottenburg and Hanover, consisted of 587,386,900 shares at the end of financial year 2017 (previous year 587,038,187 shares) and totalled €1,501,630,765.46. Each share confers one vote at the Annual General Meeting.

RESTRICTIONS ON VOTING RIGHTS AND SHARE TRANSFERS

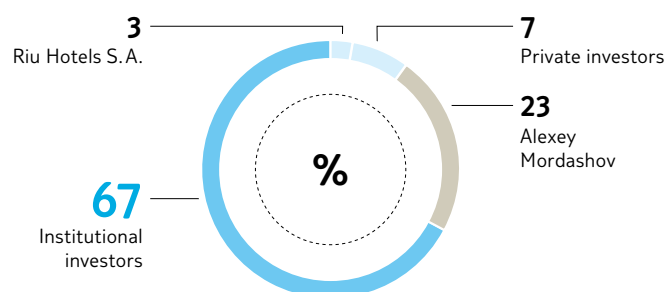
The Executive Board of TUI AG is not aware of any restrictions on voting rights or the transfer of shares.

EQUITY INTERESTS EXCEEDING 10 % OF THE VOTING RIGHTS

The Executive Board of TUI AG has been notified of the following direct or indirect equity interests reaching or exceeding 10% of the voting rights:

Alexey Mordashov, Russia, notified us on 15 December 2016 pursuant to section 21 (1) of the German Securities Trading Act that the voting shares in TUI AG, Hanover, Germany, attributable to him exceeded the 20% threshold on 12 December 2016. As per that date, voting shares totalling 20.01% (or 117,484,579 voting rights) were attributable to Alexey Mordashov pursuant to section 22 (1) sentence 1 no. 1 of the German Securities Trading Act. On the basis of the notifications pursuant to section 19 of the MAR, the voting shares in TUI AG attributable to him amounted to 23.0% as at 30 September 2017.

Shareholder structure (30 SEPTEMBER 2017)



At the end of financial year 2017, around 77% of TUI shares were in free float. Around 7% of all TUI shares were held by private shareholders, around 67% by institutional investors and financial institutions, and around 26% by strategic investors. According to a shareholder analysis, over half of shares are held by investors in the European Union.

Shares with special rights conferring powers of control

No shares with special rights conferring powers of control have been issued.

System of voting right control of any employee share scheme where the control rights are not exercised directly by the employees

Where TUI AG grants shares to employees under its employee share programme, the shares are directly transferred to the employees with a lock-up period. Beneficiaries are free to directly exercise the control rights to which employee shares entitle them, in just the same way as other shareholders, in line with legal requirements and the provisions of the Articles of Association.

Appointment and removal of Executive Board members and amendments to the Articles of Association

The appointment and removal of Executive Board members is based on sections 84 et seq. of the German Stock Corporation Act in combination with section 31 of the German Codetermination Act. Amendments to the Articles of Association are based on the provisions of sections 179 et seq. of the German Stock Corporation Act in combination with section 24 of the Articles of Association of TUI AG.

Powers of the Executive Board to issue or buy back shares

The Annual General Meeting of 14 February 2017 authorised TUI AG's Executive Board to acquire own shares of up to 5 % of the capital stock. The authorisation will expire on 13 August 2018. To date, the option to acquire own shares has not been used.

The Annual General Meeting of 9 February 2016 adopted a resolution to create conditional capital of €150.0m for the issue of bonds. The authorisation to issue bonds with conversion options or warrants as well as profit-sharing rights and income bonds (with or without fixed terms) of up to a nominal amount of €2.0bn will expire on 8 February 2021.

The Annual General Meeting of 13 February 2013 adopted a resolution to create authorised capital for the issue of employee shares worth €10.0m. The Executive Board of TUI AG is authorised to use this approved capital by 12 February 2018 in one or several transactions by issuing employee shares against cash contribution. In the completed financial year, 348,713 new employee shares were issued, so that the authorised capital totalled around €7.4m at the balance sheet date.

The Annual General Meeting of 28 October 2014 adopted a resolution to create authorised capital for the issue of new shares against cash contribution worth €18.0m in order to be able to fulfil claims for shares in TUI Travel granted by TUI Travel to its employees in the form of new shares in TUI AG. This authorisation is no longer required and will therefore be revoked ahead of its expiry date.

The Annual General Meeting of 9 February 2016 adopted a resolution to create authorised capital for the issue of new registered shares against cash contribution worth a maximum of €150.0m. The authorisation will expire on 8 February 2021.

The Annual General Meeting on 9 February 2016 also adopted a resolution to create authorised capital for the issue of new shares of €570.0m against cash contributions or contributions in kind. The issue of new shares against contributions in kind has been limited to €300.0m. The authorisation will expire on 8 February 2021.

Significant agreements taking effect in the event of a change of control of the Company following a takeover bid, and the resulting effects

Some of TUI AG's outstanding financing instruments contain change of control clauses. A change of control occurs in particular if a third party directly or indirectly acquires control over at least 50 % or the majority of the voting shares in TUI AG.

In the event of a change of control, the holders of the fixed-interest bond worth €300.0m issued in October 2016 must be offered a buyback. For the syndicated credit line worth €1.75bn, of which €115.9m had been used via bank guarantees as at the balance sheet date, a right of termination by the lenders has been agreed in the event of a change of control. This also applies to several bilateral guarantee lines with a total volume of £92.5m, concluded with various insurance companies. At the balance sheet date, an amount of 32.9m pounds had been used. Beyond this, there are no agreements in guarantee, leasing, option or other financial contracts that might cause material early redemption obligations that would be of significant relevance for the Group's liquidity.

Apart from the financing instruments mentioned above, a framework agreement between the Riu family and TUI AG includes a change of control clause. A change of control occurs if a shareholder group represents a predefined majority of AGM attendees or if one third of the shareholder representatives on the Supervisory Board are attributable to a shareholder group. In the event of a change of control, the Riu family is entitled to acquire at least 20 % and at most all shares held by TUI in RIUSA II S.A.

A similar agreement concerning a change of control at TUI AG has been concluded with the El Chiaty Group. Here, too, a change of control occurs if a shareholder group represents a predefined majority of AGM attendees or if one third of the shareholder representatives on the Supervisory Board are attributable to a shareholder group. In that case, the El Chiaty Group is entitled to acquire at least 15 % and at most all shares held by TUI in the joint hotel companies in Egypt and the United Arab Emirates.

A change of control agreement has also been concluded for the joint venture TUI Cruises between Royal Caribbean Cruises Ltd and TUI AG for the event that a change of control occurs in TUI AG. The agreement gives the partner the right to demand termination of the joint venture and to purchase the stake held by TUI AG at a price which is lower than the selling price of their own stake.

Compensation agreements have not been concluded between the Company and Executive Board members or employees in the event of a takeover bid.