TUI GROUP – Investor Presentation

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UniCredit / KeplerCheuvreux – German Corporate Conference
Frankfurt, 21 - 22 January 2014



Future-related 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 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.

Agenda

1	TUI Group – at a glance
2	Review & Financial statements 2012/13
3	Update oneTUI programme
4	Outlook FY 2013/14

TUI Group – at a glance

- Europe's leading Travel Group
- Three strong sectors: Tour operator, Leisure Hotels and Cruise Shipping
- Turnover of €18.5bn and underlying EBITA of €762m (2012/13)
- Financial Investment of 22% in Hapag-Lloyd container line (held for divestment)

Tour operator

TUI Travel

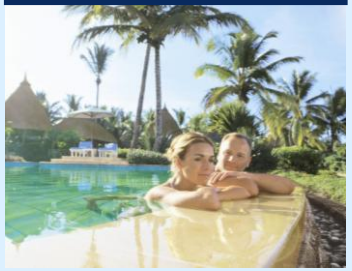


TUI Travel

- Three travel sectors: Mainstream, Accommodation & Destinations, Specialist & Activity
- 30m customers from approx. 30 key source markets

Content

Hotels



TUI Hotels & Resorts

- No 1 leisure hotelier in Europe with strong brands, e.g. RIU & Robinson
- 232 hotels and approx. 155,000 beds in the 4 star category

Cruises



TUI Cruises Hapag-Lloyd Kreuzfahrten

- 2 ships (3,836 berth) in the premium volume segment
- 5 ships (2,042 berth) in the luxury and expedition segment

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Full year 2012/13 – All Group targets achieved

€m	FY 11/12	Outlook 12/13	FY 12/13	
Turnover	18,330	⇨	18,478	✓
Underlying EBITA	746	⇨	762	✓
Reported EBITA	539	⇨	595	✓
Net result (before minorities)	142	positive	187	✓
Net debt	178	⇨	68	✓

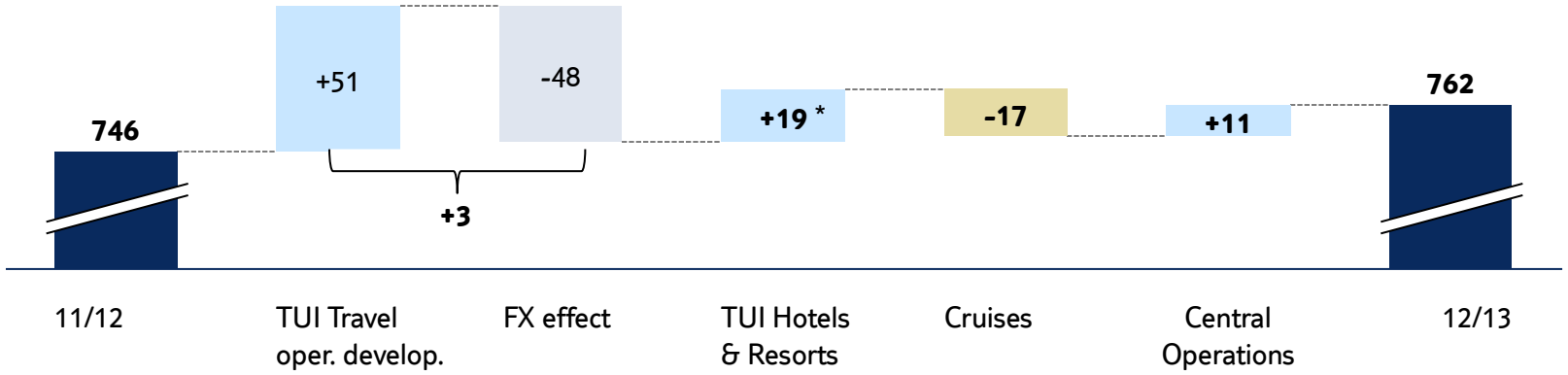
Based on good progress of the oneTUI programme and sound operating results, we propose a **dividend of €0.15 per share**

Turnover and earnings 2012/13

Turnover (€m)	12/13	%
TUI Travel	17,796.0	+0.6
TUI Hotels & Resorts	403.1	+4.8
Cruises	261.0	+13.0
Central Operations	17.4	-47.4
Group	**18,477.5**	**+0.8**

Underlying EBITA (€m)	12/13	%
TUI Travel	640.5	+0.5
TUI Hotels & Resorts	197.2	+10.4
Cruises	-13.9	n.m.
Central Operations	-61.9	+15.6
Group	**761.9**	**+2.2**

Bridge Underlying EBITA (€m)



* includes disposal gain of €15m

P&L
Key figures 2012/13 – Transition year

in €m	12/13	11/12
Turnover	18,477.5	18,330.3
Underlying EBITA	**761.9**	**745.7**
Adjustments	-167.1	-206.9
EBITA	**594.8**	**538.8**
Impairment of goodwill	-8.3	-13.8
EBIT	**586.5**	**525.0**
Interest result	-238.7	-284.9
Gains on investment in HL	-	61.6
Equity result Hapag-Lloyd	-22.3	-49.0
EBT	**325.5**	**252.7**
Income taxes	139.0	110.8
Group result	**186.5**	**141.9**
Minority interests	182.2	157.0
Group result after minorities	**4.3**	**-15.1**
Hybrid dividend	23.5	25.4
EPS (€)	**-0.08**	**-0.16**

Adjustments comprise one-off items due to the restructuring costs in TUI Travel and the oneTUI programme

Interest result improved driven by lower net debt position

Net result for **equity stake** in **Hapag-Lloyd**

Minority interests increased due to better operating results of TTP and Hotels

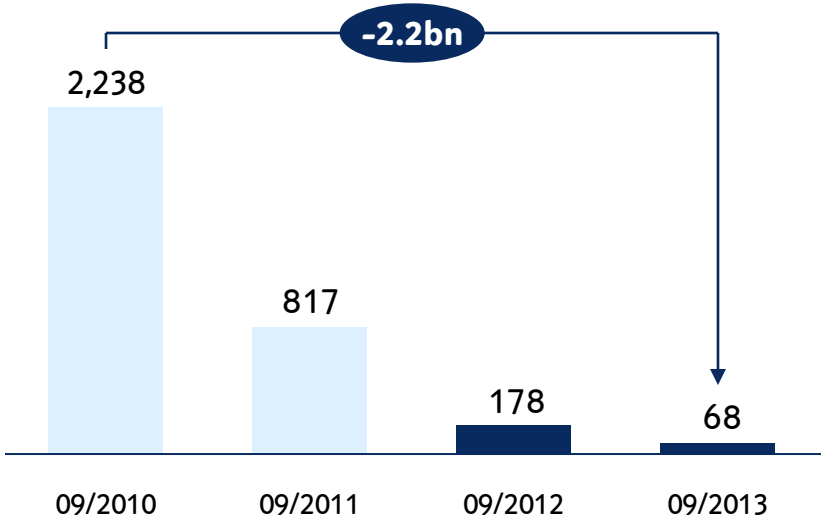
Adjusted by oneTUI related one-offs, **EPS** positive at €0.18

Group balance sheet 30 September 2013
Net financial debt

€m

	30 Sep 2013	30 Sep 2012
Financial liabilities	**2,770**	**2,457**
o/w non-current	1,834	1,811
o/w current	936	646
Cash	**2,702**	**2,278**
Net debt	**68**	**178**

Development of net debt (€m)



- The net financial debt position was significantly reduced from 2010 to 2013 due to monetisation of Hapag-Lloyd investment and improved working capital at TUI Travel
- Year-end net debt position includes a €102m increase in finance leases

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oneTUI – Stronger together

Business excellence & cash flow orientation

- Group-wide business excellence programme
- Cash flow orientation
- Financial discipline
- Further deleveraging



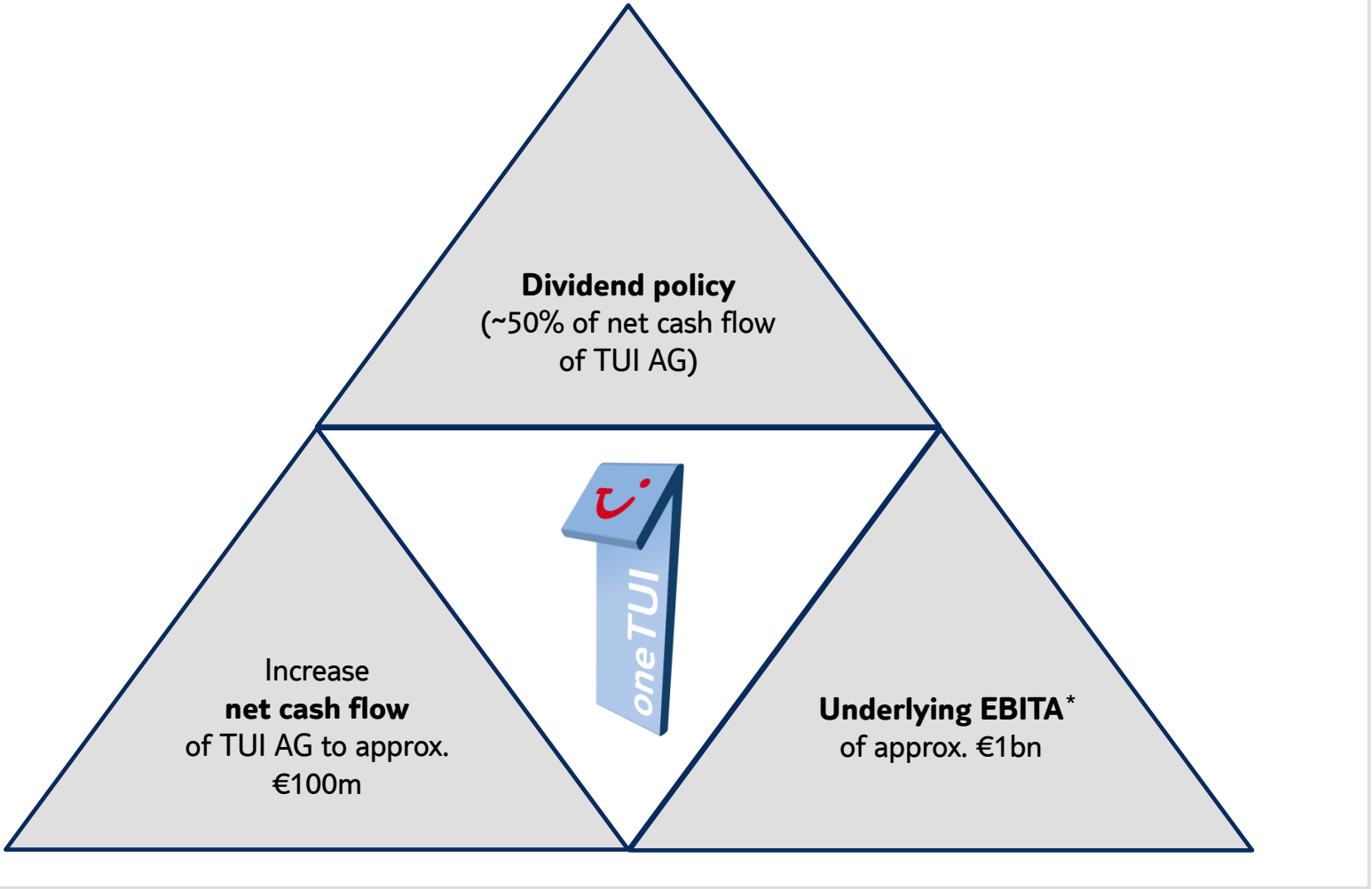
Transformation & optimise vertical integration

- Focus on brand
- Focus on content
- Focus on customers
- Focus on tour operator & retail
- Focus on integrated value chain

Establish dividend policy

Complement tour operator with content business

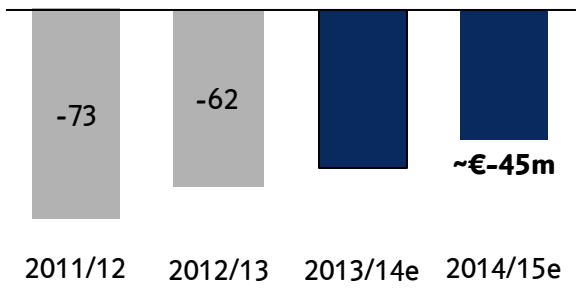
oneTUI programme
On track to deliver key targets by 2015

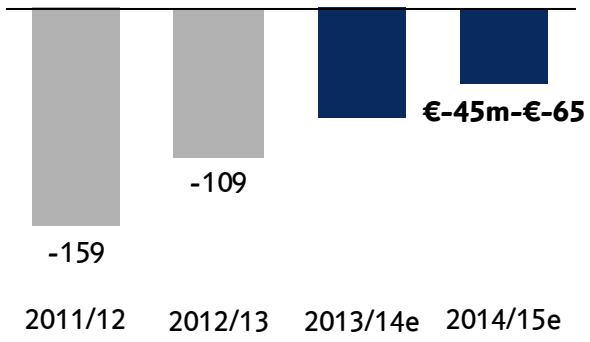


* on a constant currency basis

oneTUI: Central Operations
Lean Holding already largely implemented

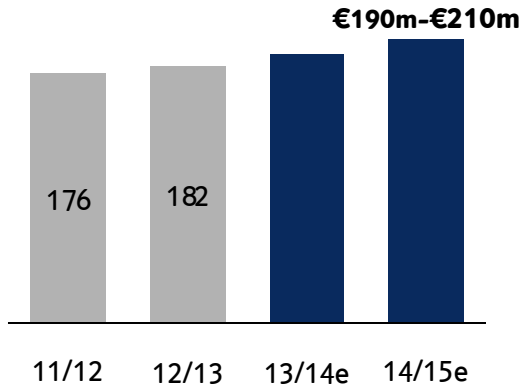
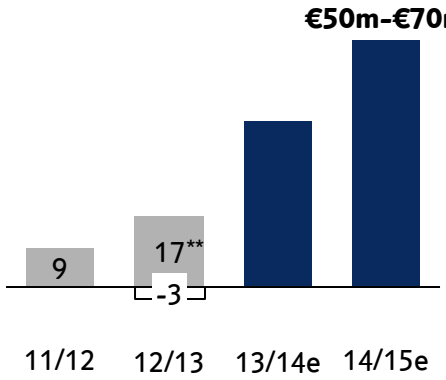
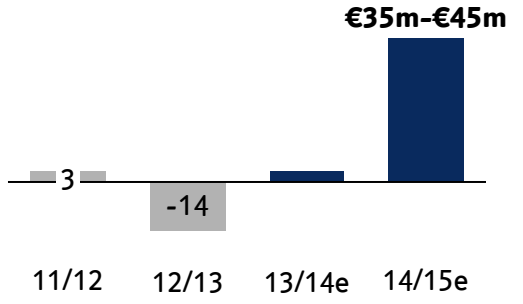
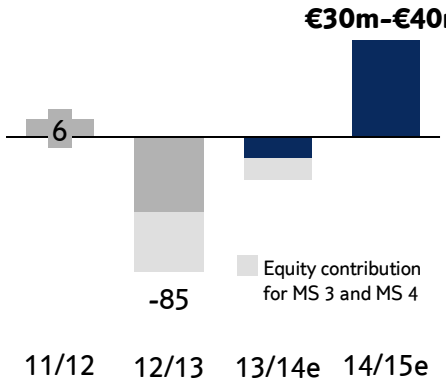
	Targets oneTUI	Execution update
Lean Holding	**Underlying EBITA (€m)**	✓ Sponsorship contracts terminated ✓ Social plan concluded, headcount reduction effective summer 2014 at the latest ✓ Stop consultancy
Interest result	**Interest result (Central Operations incl. hybrid) (€m)**	✓ Disposal of two legacy real estate properties, cash in of approx. €55m by Q3 2013/14 expected ✓ Financial debt maturities 2012/13 redeemed; all maturities cash covered through 2015





oneTUI: Content – Implementation of initiatives yields first positive results

TUI Aktiengesellschaft

	Targets oneTUI	Execution update
TUI Hotels & Resorts	**Underlying EBITA (€m)**  **Cash flow to TUI AG (HoldCo) (€m)*** 	✓ Lean leadership & focus on core assets implemented ✓ Agreement with tour operator well on track ✓ Adaptation of business plan Castelfalfi ✓ Asset management: two assets divested and three in final negotiations, seven hotels under review, three new projects decided ✓ Cash flow and dividend targets confirmed
Cruises	**Underlying EBITA (€m)**  **Cash flow to TUI AG (HoldCo) (€m)*** 	✓ TUI Cruises: profitable growth, new bookings for 3rd ship encouraging ✓ HLKF: new CEO appointed, turnaround programme being implemented - return to profitability in 2014/15 targeted

* After CAPEX

** Excluding €20m equity contribution for Grecotel

Riu – At a glance

- Experience in resort business since 1953
- Premium comfort segment
- Service and quality leader
- Exclusive beach locations
- 100 hotels with 87,373 beds
- Focus on 4-star category
  - 3 stars: 7
  - 4 stars: 59
  - 5 stars: 34
- Main destinations: Spain, Mexico, Caribbean, Tunisia, Cape Verde Islands
- TUI participation in Riu Group
  - RIUSA II S.A.: 50%, fully consolidated
  - Riu Hotels S.A.: 49%, at equity



Club Hotel Riu Karamboa, Cape Verde Islands



Riu Palace Riviera Maya, Mexico

Riu – Key figures 2012/13

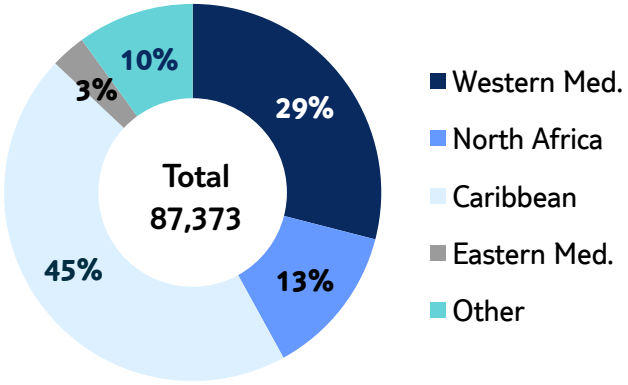
€m

Riu 100%-view*	Total	o/w RIUSA II (fully consolidated)	o/w Riu Hotels (consolidated at equity)	Riu in TUI accounts
Turnover	820	599	221	599
Underlying EBITA	214	150**	64	173**
EBITA-Margin	*26%*			
EAT	169	124	45	
o/w EAT to TUI (50%)	85	62	23	85**
ROIC (incl. Goodwill)	12%			

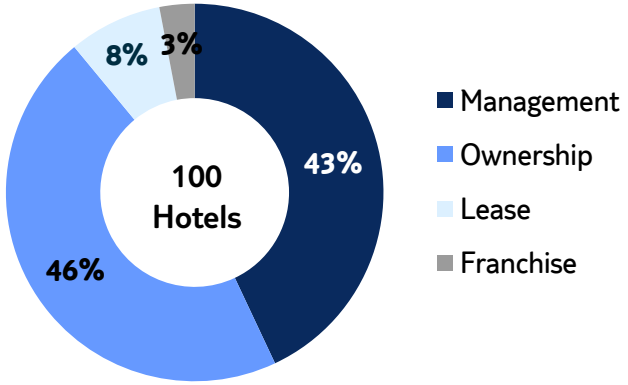
* unaudited figures

** includes disposal gain of €15m

Hotel beds by region (%)



Financing structure (%)



Robinson – At a glance

- Club experience since 1970
- German market leader for premium club holidays
- Professional array of sport, entertainment and special events
- WellFit-Spa offers
- 24 clubs with 13,585 beds
- Focus on 4.5-star categories
- Main destinations: Spain, Greece, Turkey, Switzerland, Austria and Maldives
- TUI ownership 100%, fully consolidated













Robinson – Key figures 2012/13

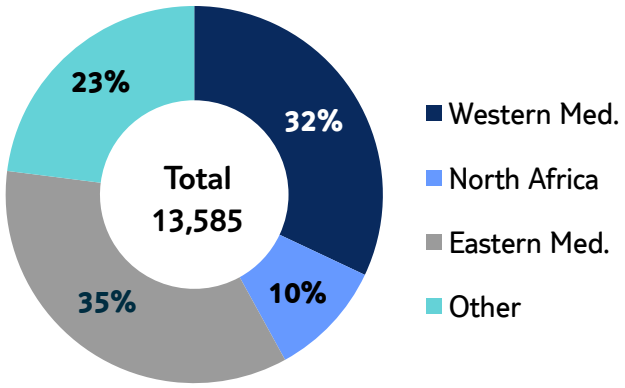
€m	Robinson in TUI accounts*
Turnover	188
Underlying EBITA	20
EBITA-Margin	*11%*
EAT (100% TUI)	10
ROIC	6%

* unaudited figures

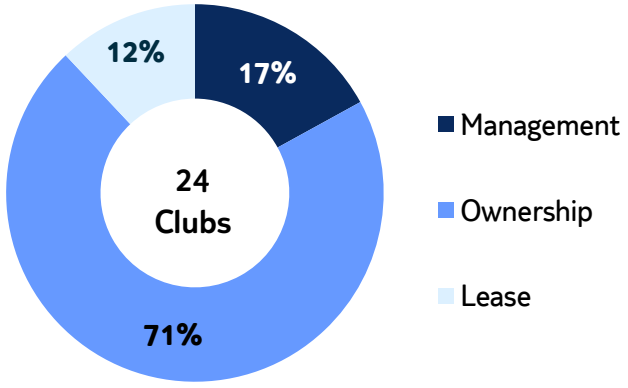


Robinson Club Maldives

Hotel beds by region (%)



Financing structure (%)



TUI Cruises – At a glance

Overview

- Starting operations in 2009
- A concept for couples and families, designed for the German cruise market
- Customers enjoy generous space, excellent quality and service
- First cruise ships with premium all-inclusive offer
- 2 ships in the premium volume segment
- Fleet expansion by one newbuild in 2014 and another in 2015
- Pleasing early bookings for Mein Schiff 3 with first cruise in June 2014
- Joint Venture with Royal Caribbean, TUI 50%, consolidated at equity

Key figures – 100%-view *

€m	12/13	11/12	%
Turnover	315	290	9%
Underlying EBITA	49	36	36%
EBITA-Margin	*16%*	*12%*	
EAT	35	25	40%
o/w TUI EAT (50%)	17	13	
ROIC	8%		
ROE	10%		

* unaudited figures



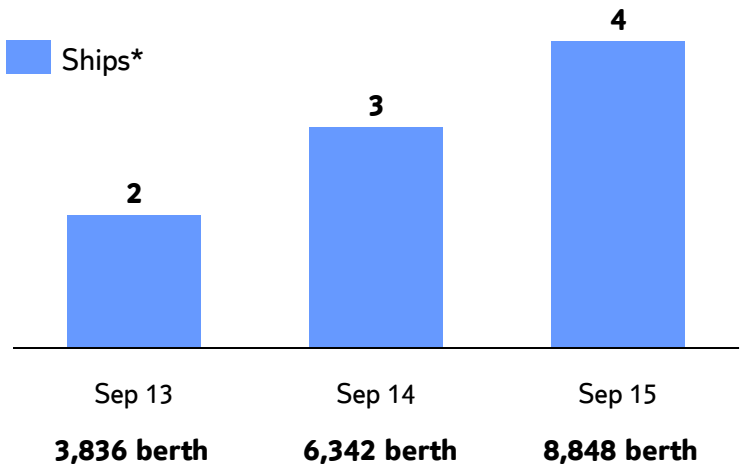
Cruises
Fleet development

TUI Aktiengesellschaft

TUI Cruises

Focus on premium

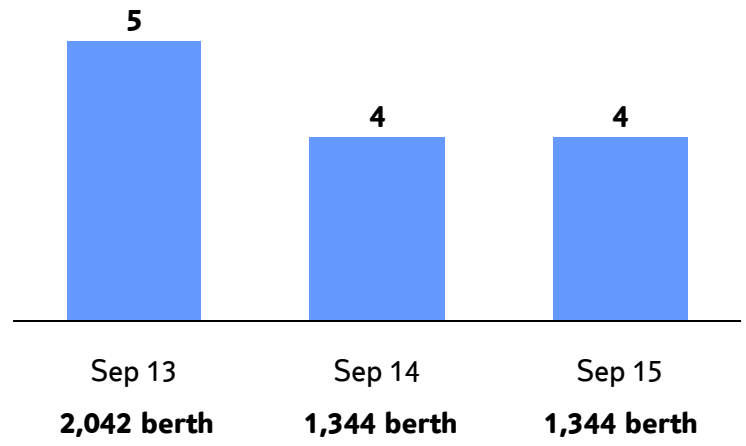
Strengthening of market position in the German speaking premium volume segment; fleet expansion with modern newbuilds



Hapag-Lloyd Kreuzfahrten

Focus on luxury and expedition

Hapag-Lloyd Kreuzfahrten will profit from reorganisation of fleet; high-quality expedition and adventure segment as a perfect fit with the traditional luxury segment



* Number of ships and berth as of 30/09

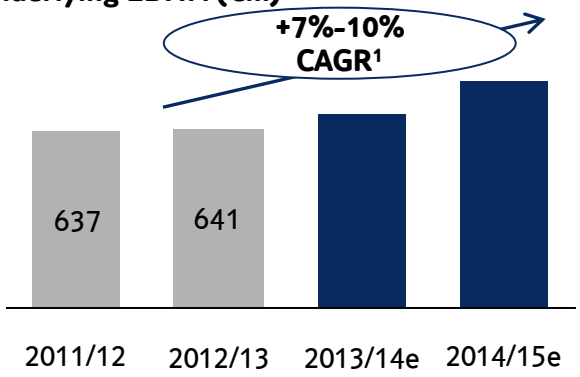
oneTUI: TUI Travel – Turnaround underperformers / improve FCF & deleverage

TUI Aktiengesellschaft

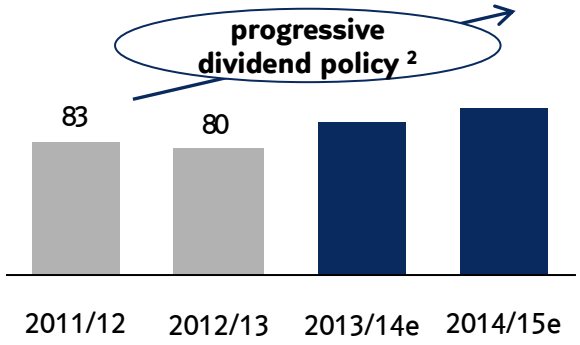
TUI Travel

Targets oneTUI

Underlying EBITA (€m)



Cash flow to TUI AG (HoldCo) (€m)[2]



Execution update

- ✓ Strategic initiatives for underperforming source markets in place
  - Germany
  - France
  - Russia
- ✓ Strategic review of S&A completed
- ✓ Focus on cash flow generation on track

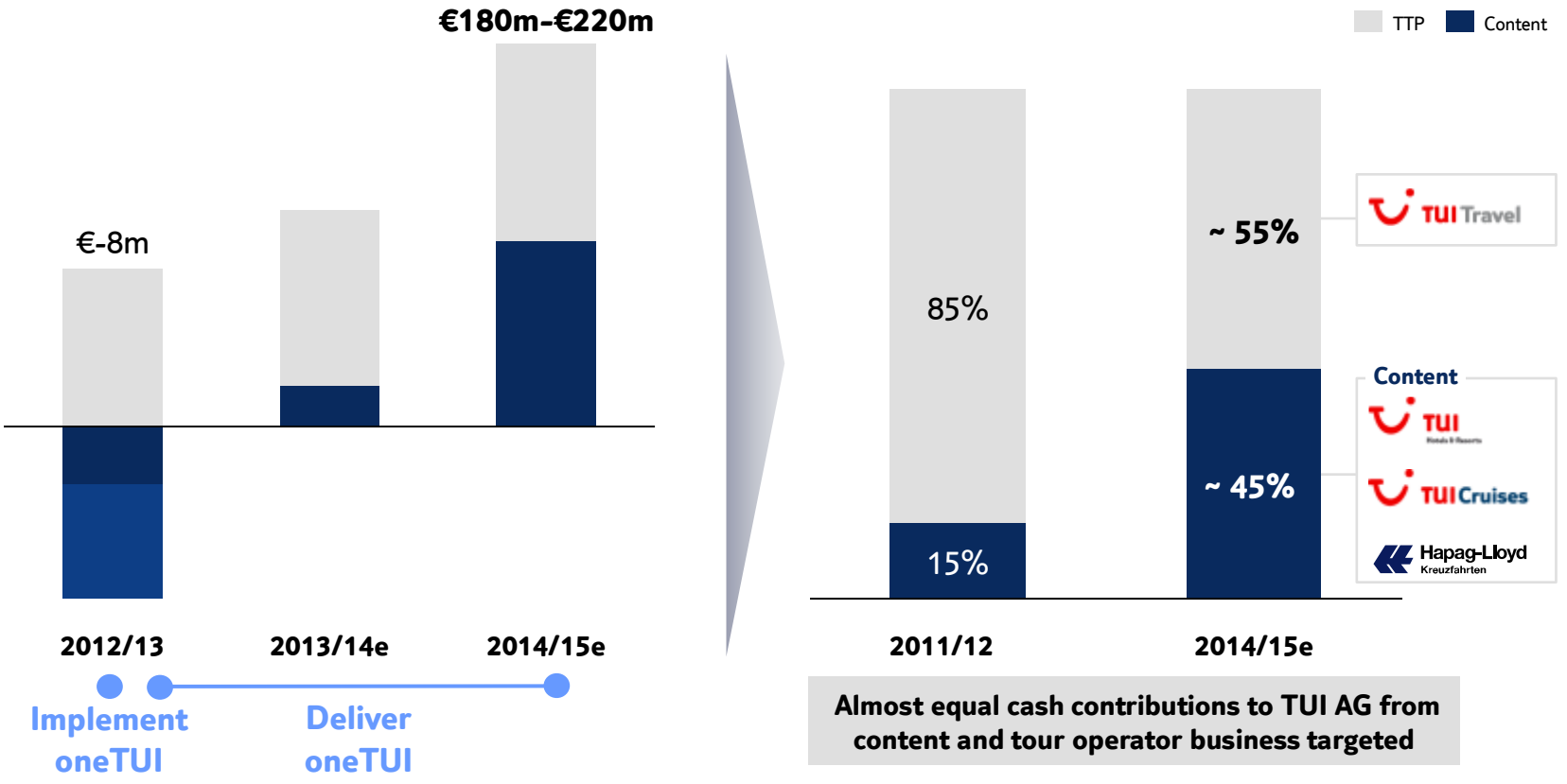
1 Based on TTP guidance: deliver 7% - 10% underlying operating profit growth at constant currency over the 5-year growth roadmap; € forecast on a constant currency basis

2 Growth in dividends to move in line with underlying profits

oneTUI: Focus on cash flow – Significant increase of cash contribution from content

Development of cash contribution: Tour operator vs. content

Cash contributions to TUI AG* (€m)

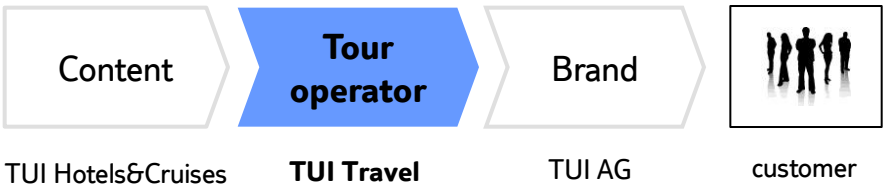


* Before cash-out from central operations

Equity contribution for Grecotel and equity contribution for TUI Cruises

oneTUI
Transformation & optimise vertical integration

TUI today



Tour operator and distribution dominated model

Target business model



Content & brand as basis for differentiation & value creation

Rationale

- At over 60%, **content** is the main **driver of** customers' **net promoter score**
- Content business as **essential part of value creation**
- **Integration** of content & tour operator/retail: **Essential for scalability of content**
  (Tour operator: Occupancy; Content & Brand: Attractiveness of tour operator products)

oneTUI
Transformation & optimise vertical integration

	Key areas for joint projects	Progress Update	Status
1	Brand management	▪ Structured process to further align brand portfolio and usage of TUI brand within TUI Group	in progress
2	Integrated world of hotel brands	▪ Core brands of Hotels & Resorts defined with focus on Robinson and RIU as a first key element of the target hotel brand architecture ▪ Integration of differentiated concepts and other hotel brands into target architecture currently being developed	in progress
3	Aligned online / CRM strategy	▪ Aligned online strategy being executed (e.g. joint platform for Robinson.com & TUI.com) ▪ Joint CRM strategy approved, i.e. one technology and one interface throughout the Group	in progress
4	Common management systems & processes	▪ Group-wide investment approval, monitoring and controlling system currently being implemented ▪ Further refinement of integrated reporting	✓
5	Joint personnel development "one team"	▪ Group-wide HR Board established ▪ Measures for Group-wide talent management defined	✓



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Outlook FY 2013/14
Underlying EBITA guidance for the segments

	FY 12/13	FY 13/14e	
TUI Travel	€641m	7% - 10%	▪ Growth of Mainstream customers expected ▪ Improved margins through higher sales of unique products and lower distribution costs driven by growth in online bookings ▪ Positive effects of business improvement programme Based on TTP guidance: deliver 7% - 10% underlying operating profit growth at constant currency over the 5-year growth roadmap
TUI Hotels & Resorts	€182m*	2% - 7%	▪ TUI Hotels & Resort will build on the strong performance of its core brands ▪ Capacity and revenue per bed are expected to rise slightly ▪ Occupancy expected to be flat y-o-y
TUI Cruises / Hapag-Lloyd Kreuzfahrten	€-14m	Turn-around	▪ TUI Cruises to continue its positive performance ▪ Introduction of Mein Schiff 3 is expected to lead to an increase in passenger cruise days and the average rate ▪ Hapag-Lloyd Cruises to benefit from reorganisation of fleet and improved KPI's

* excluding disposal gain

Outlook FY 2013/14
Group

Key figures (in €m)	FY 12/13	Outlook* FY 13/14e
Turnover	18,478	2% - 4%
Underlying EBITA	762	6% - 12%
Reported EBITA	595	16% - 23%
Cash CAPEX	598	stable
Net debt	68	stable

* constant currency

Summary

- 2012/13 was an excellent tourism year
- Overall winter trading is in line with expectations, pleased with summer trading despite strong comparatives from the prior year
- oneTUI is our clear strategy for business excellence and cash flow orientation
- On track to deliver our oneTUI targets[1] for 2014/15
- Improved vertical integration provides further upside potential for the Group
- Future dividend policy: approx. 50% of TUI AG[2] net cash flow

1 Constant currency basis
2 Holding company

Appendix



Underlying and reported EBITA FY 2012/13

Underlying EBITA (€m)	FY 12/13	FY 11/12	%
TUI Travel	640.5	637.4	+0.5
TUI Hotels & Resorts	197.2	178.6	+10.4
Cruises	-13.9	3.0	n.m.
Central Operations	-61.9	-73.3	+15.6
Group	**761.9**	**745.7**	**+2.2**

Reported EBITA (€m)	FY 12/13	FY 11/12	%
TUI Travel	532.8	441.0	+20.8
TUI Hotels & Resorts	170.6	177.5	-3.9
Cruises	-30.4	0.8	n.m.
Central Operations	-78.2	-80.5	+2.9
Group	**594.8**	**538.8**	**+10.4**

Group profit and loss statement

€m	2012/13	2011/12	%
Turnover	18,477.5	18,330.3	+0.8
Cost of sales	16,436.3	16,285.8	+0.9
Gross profit	**2,041.2**	**2,044.5**	**-0.2**
Admin. expenses	1,557.3	1,555.7	+0.1
Other income and expenses	26.3	71.1	-63.0
Impairment of goodwill	8.3	13.8	-39.9
Financial result	-235.7	-284.7	+17.2
Equity result	59.3	-8.7	n.m.
Earnings before taxes	**325.5**	**252.7**	**+28.8**
Reconciliation to underlying earnings			
Earnings before taxes	325.5	252.7	+28.8
Equity result container shipping	22.3	49.0	-54.5
Interest result (incl. gains on HL investments)	238.7	346.5	-31.1
Impairment of goodwill	8.3	13.8	-39.9
Reported EBITA	594.8	538.8	+10.4
Adjustments	167.1	206.9	-19.2
Underlying EBITA	**761.9**	**745.7**	**+2.2**
Income taxes	139.0	110.8	+25.5
Group result	**186.5**	**141.9**	**+31.4**
Minorities	182.2	157.0	+16.1
Group result attr. to shareholders	**4.3**	**-15.1**	**n.m.**

Group balance sheet

€m	30 Sep 2013	30 Sep 2012
Assets		
Goodwill	2,976.4	3,046.4
Other intangible assets	866.2	890.9
Investment property	58.0	54.9
Property, plant and equipment	2,682.0	2,651.3
Investments in joint ventures and associates	1,386.4	1,394.0
Financial assets available for sale	71.5	75.5
Trade receivables and other assets	342.8	358.1
Derivative financial instruments	37.9	28.4
Deferred tax assets	224.6	168.7
Non-current assets	**8,645.8**	**8,668.2**
Inventories	115.4	113.9
Trade receivables and other assets	1,876.8	1,956.0
Derivative financial instruments	49.1	131.5
Current tax assets	53.9	48.1
Cash and cash equivalents	2,701.7	2,278.4
Assets held for sale	11.6	16.5
Current assets	**4,808.5**	**4,544.4**
	13,454,3	**13,212.6**

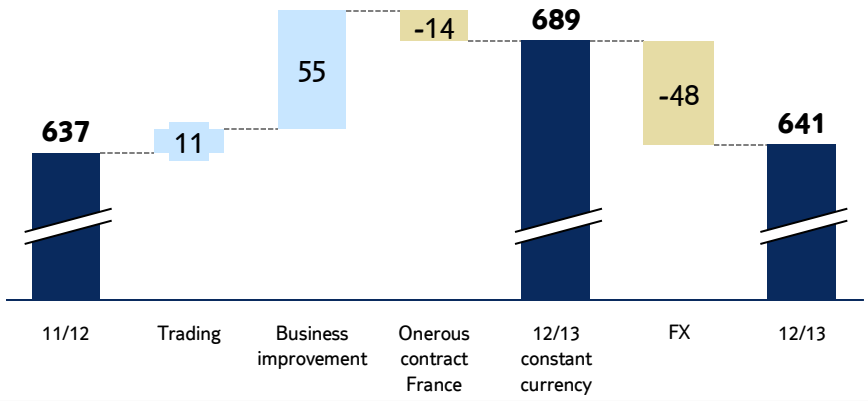
€m	30 Sep 2013	30 Sep 2012
Equity and liabilities		
Subscribed capital	645.2	644.9
Capital reserves	957.7	957.4
Revenue reserves	151.3	185.2
Hybrid capital	294.8	294.8
Equity before non-controlling interests	**2,049.0**	**2,082.3**
Non-controlling interests	-19.6	-15.2
Equity	**2,029.4**	**2,067.1**
Pension provisions and similar obligations	1,102.2	1,146.9
Other provisions	575.0	537.5
Non-current provisions	**1,677.2**	**1,684.4**
Financial liabilities	1,834.1	1,810.5
Derivative financial instruments	30.7	31.8
Current tax liabilities	107.8	108.3
Deferred tax liabilities	76.6	69.5
Other liabilities	98.4	68.2
Non-current liabilities	**2,248.4**	**2,088.3**
Non-current provisions and liabilities	**3,925.6**	**3,772.7**
Pension provisions and similar obligations	33.8	39.7
Other provisions	449.2	509.8
Current provisions	**483.0**	**549.5**
Financial liabilities	935.5	646.1
Trade payables	3,049.2	3,260.0
Derivative financial instruments	178.8	163.1
Current tax liabilities	134.0	96.5
Other liabilities	2,819.6	2,657.6
Current liabilities	**7,016.3**	**6,823.3**
Liabilities related to assets held for sale	**-**	**-**
Current provisions and liabilities	**7,499.3**	**7,372.8**
	13,454.3	**13,212.6**

TUI Travel
Operating performance

Turnover and Earnings (€m)

	12/13	11/12	%
Turnover	17,796.0	17,681.5	+0.6
Underlying EBITDA	888.3	833.9	+6.5
Underlying EBITA	640.5	637.4	+0.5
Underl. EBITA (constant currency)	*688.5*	*637.4*	*+8.0*

Bridge Underlying EBITA (€m)

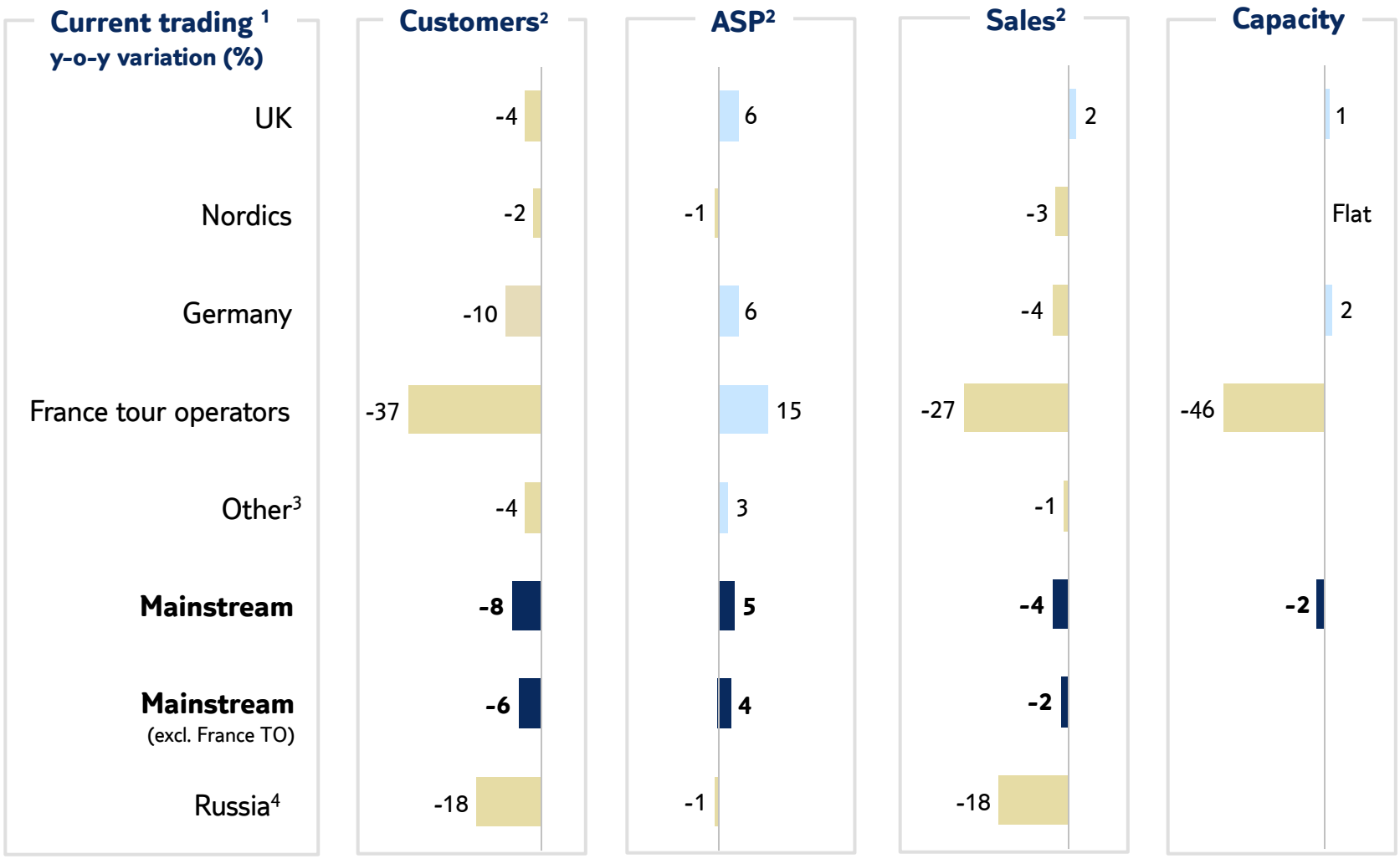


Business development FY 2012/13



- Mainstream growth driven by unique holidays, direct distribution and oneMainstream
- Underlying EBITA improved by 8% to €689m on a constant currency basis; including negative FX effect underlying EBITA increased to €641m
- Improvement was driven by strong performances in the UK, Germany and Nordic region
- Positive result partly offset by weakness in French tour operator and Specialist & Activity
- Business improvement programme delivered higher than expected €55m of profits
- Accommodation Wholesaler continues to consolidate its global leadership position and delivered underlying profit growth

TUI Travel
Trading Update Winter 2013/14



1) These statistics are up to 1 December 2013 and are shown on a constant currency basis
2) These statistics relate to all customers whether risk or non-risk
3) Other includes Austria, Belgium, Netherlands, Poland and Switzerland
4) Joint Venture with S-Group

TUI Travel
Mainstream customer numbers by country

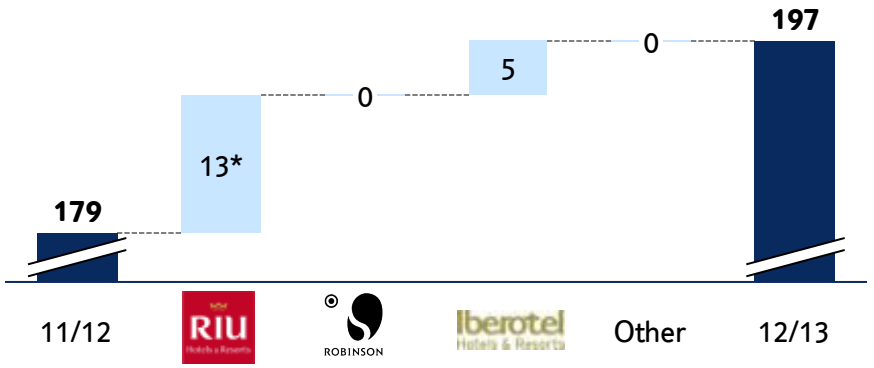
in '000	12/13	11/12	%
Germany	6,001	6,425	-6.6
UK & Ireland	5,232	5,158	+1.4
Nordic region	1,600	1,502	+6.5
France (Tour operators)	1,027	1,403	-26.8
Other countries	5,651	5,621	+0.5
TOTAL MAINSTREAM	**19,511**	**20,109**	**-3.0**

TUI Hotels & Resorts
Operating performance

Turnover and Earnings (€m)

	12/13	11/12	%
Total Turnover	826.6	826.0	+0.1
o/w Turnover 3rd party	403.1	384.7	
Underlying EBITDA	265.1	246.2	+7.7
Underlying EBITA	197.2	178.6	+10.4
Underl. EBITA (excl. disposal gains)	*182.2*	*175.6*	*+3.8*
o/w Equity result	*42.9*	*20.8*	

Bridge Underlying EBITA (€m)



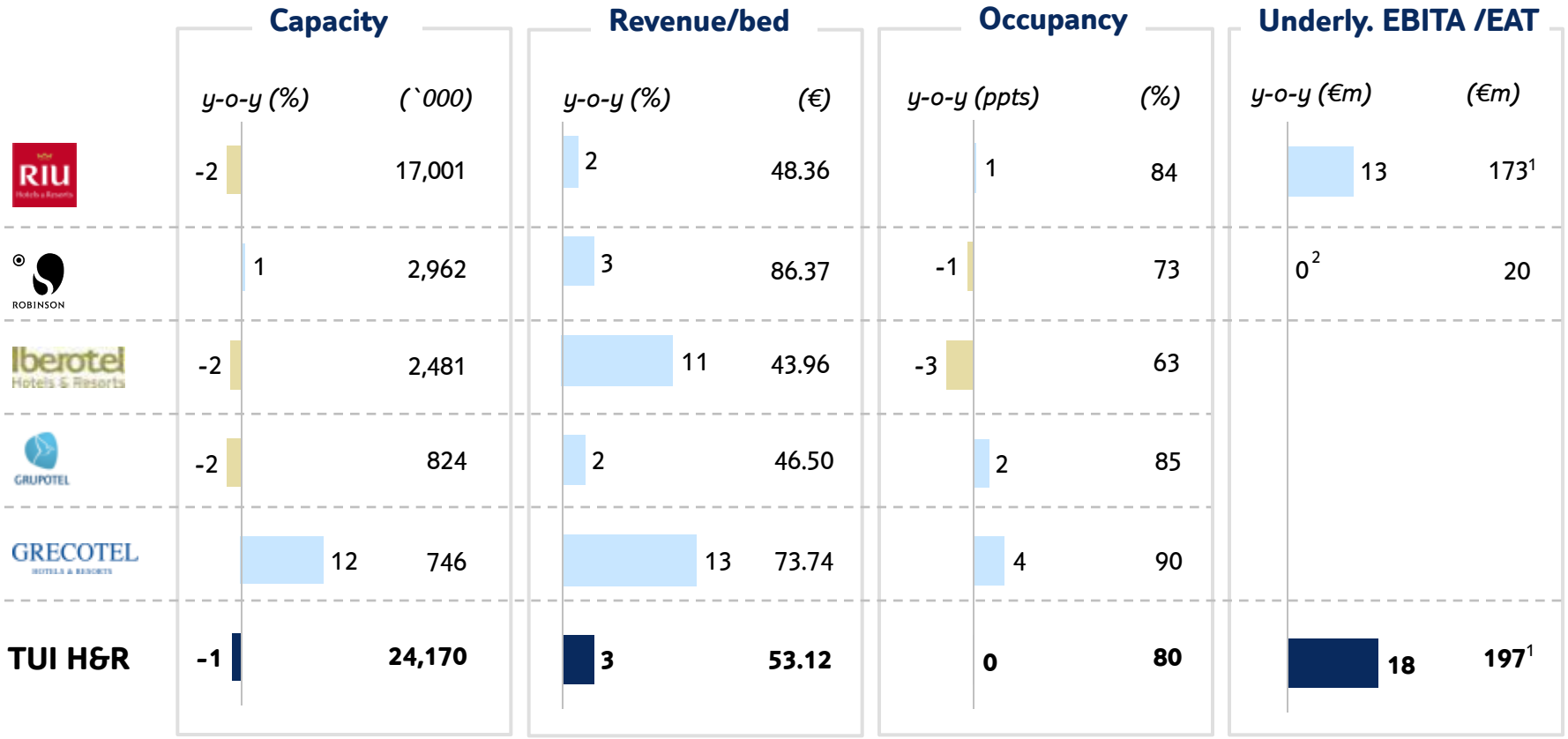
*includes disposal gain

Business development FY 2012/13



- Total turnover flat y-o-y on slightly reduced capacity
- Underlying EBITA improved by 4% to €182m, including disposal gains operating profit is up by 10%
- Riu continued its strong development, especially in Spain and the Caribbean, on reduced capacity due to renovation; €15m disposal gain from the sale of Cala Millor hotel
- Robinson delivered an improved operating performance as prior year included disposal gain of €3m through the sale of Piz Buin Club
- Iberotel with pleasing results in an ongoing challenging market environment

TUI Hotels & Resorts
KPIs for owned and leased hotels 2012/13



1 includes disposal gain
2 y-o-y improvement of €3m excluding disposal gain in prior year

TUI Hotels & Resorts Portfolio

Hotel	3 stars	4 stars	5 stars	Total hotels	Beds	Main sites
Riu	7	59	34	100	87,373	Spain, Mexico, Tunisia, Caribbean, Cape Verde
Robinson	-	20	4	24	13,585	Spain, Greece, Turkey, Switzerland, Austria
Iberotel	-	15	9	24	13,285	Egypt, Turkey, Germany
Grupotel	15	16	2	33	13,182	Spain
Grecotel	-	10	9	19	10,079	Greece
Other	3	19	10	32	17,837	Egypt, Germany, Spain
Total	**25**	**139**	**68**	**232**	**155,341**	

As of 30 September 2013

TUI Hotels & Resorts
Operating data

Hotel	Capacity ('000)[1]			Occupancy (%)[2]			Average revenue per bed (€)[3]		
	12/13	11/12	%	12/13	11/12	% p.	12/13	11/12	%
Riu	17,001	17,336	-1.9	83.6	83.0	+0.6	48.4	47.6	+1.5
Robinson	2,962	2,941	+0.7	73.0	73.6	-0.6	86.4	83.8	+3.1
Iberotel	2,481	2,518	-1.5	63.0	66.0	-3.0	44.0	39.6	+10.9
Grupotel	824	840	-2.0	84.5	82.5	+2.0	46.5	45.4	+2.3
Grecotel	746	664	+12.3	89.9	86.1	+3.8	73.7	65.2	+13.2
Other	158	142	+11.3	62.3	59.2	+3.1	62.0	75.7	-18.0
Total	**24,170**	**24,441**	**-1.1**	**80.3**	**80.0**	**+0.3**	**53.1**	**51.5**	**+3.2**

1) Group owned or leased hotel beds multiplied by number of days open per year
2) Occupied beds divided by capacity
3) Arrangement turnover divided by occupied beds

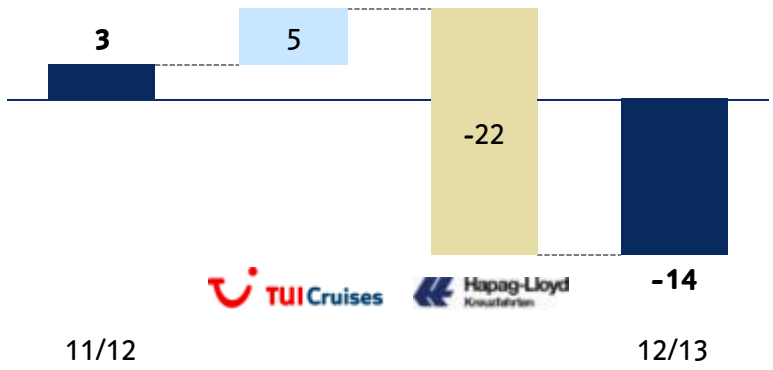
Cruises
Operating performance

Turnover and Earnings (€m)

	12/13	11/12	%
Turnover	261.0	231.0	+13.0
Underlying EBITDA	-2.6	13.2	n.m.
Underlying EBITA	-13.9	3.0	n.m.
o/w Equity result*	17.4	12.6	

* TUI Cruises joint venture (50%) is consolidated at equity

Bridge Underlying EBITA (€m)

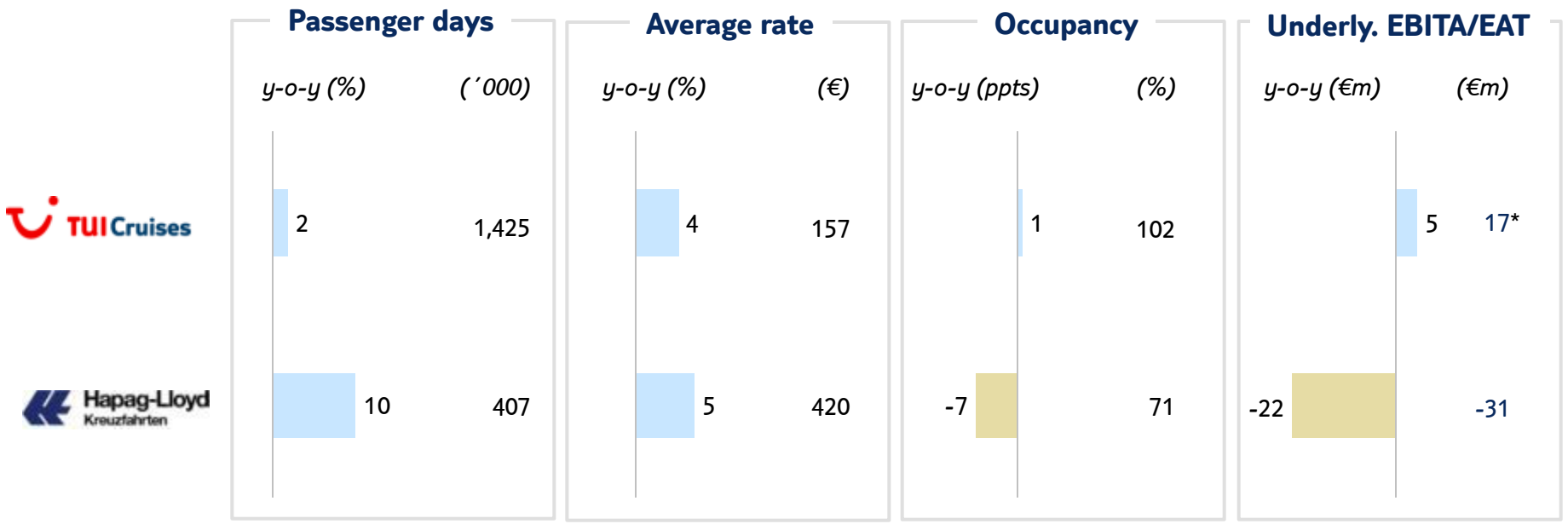


Business development FY 2012/13



- Turnover grew by 13% to €261m due to capacity expansion in Hapag-Lloyd's fleet
- Underlying EBITA decreased to €-14m (2011/12: €3m) y-o-y
  - TUI Cruises continued its strong performance with further improved KPIs
  - Hapag-Lloyd Kreuzfahrten reported decline in earnings due to start-up costs in connection with fleet expansion (Europa 2) and a weaker than expected booking development

Cruises
Operating data 2012/13



* At equity result

Financial calendar

12 February 2014	Annual General Meeting
12 February 2014	First Quarter 2013/14
May 2014	Half Year 2013/14
August 2014	Nine Month 2013/14
December 2014	Financial Year 2013/14

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