

TUI GROUP Annual General Meeting 2016

Friedrich Joussen – CEO



The world around us: What has changed?

Tunisia



International arrivals p.a. ¹⁾	6.3m
Travel warnings:	UK, Netherlands, Belgium
Proportion of TUI programme	3%
Number of TUI Hotels / of which owned	24 ²⁾ / -

Egypt



International arrivals p.a. ¹⁾	7.2m
Travel warnings:	All major source markets
Proportion of TUI programme	3%
Number of TUI Hotels / of which owned	45 / 12

Individual holiday destinations impacted by increasing number of terror attacks

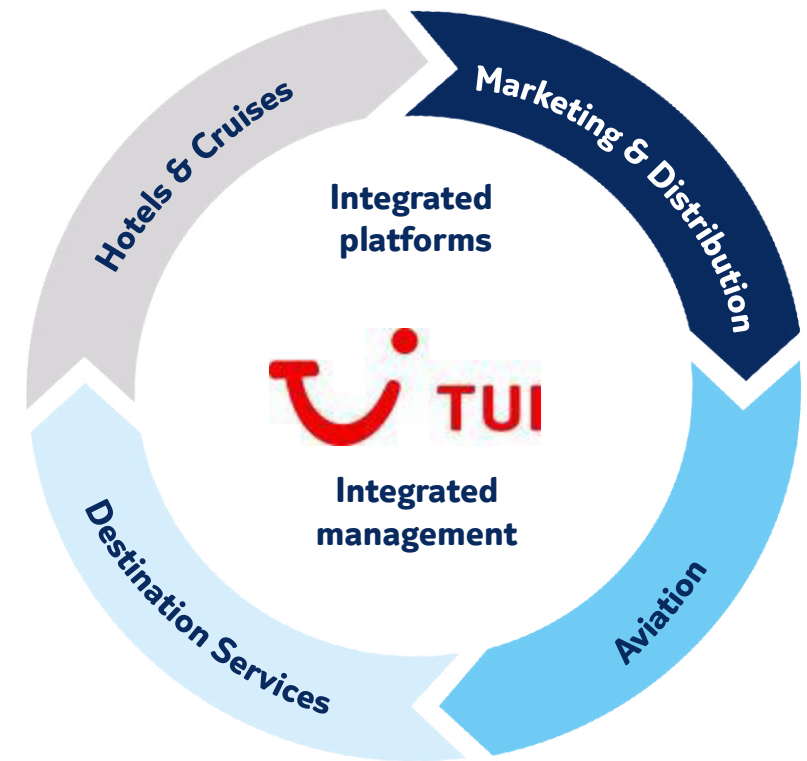
1) Numbers for 2013; Sources: World Bank; International Monetary Fund, WEO, Spring 2015

2) As at 30 Sep 2015. Incl. 10 Riu management hotels with 7,302 beds, whose contracts were terminated as at 31 Dec 2015.

TUI GROUP

The world's number one tourism group

-  Europe's best-known tourism brand
-  > 30 million customers
-  Leading online tour operator and > 1,800 travel shops
-  > 140 aircraft
-  310 hotels with approx. 214,000 beds
-  13 cruise ships
-  76,000 employees in over 100 countries



Earnings targets exceeded in financial year 2014/15

Y-o-y var. (incl. FX effects)

Brand turnover: €22.6bn*



*Target 2-4%***

Turnover: €20.0bn*

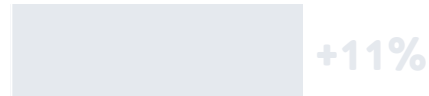


*Target 10-15%***

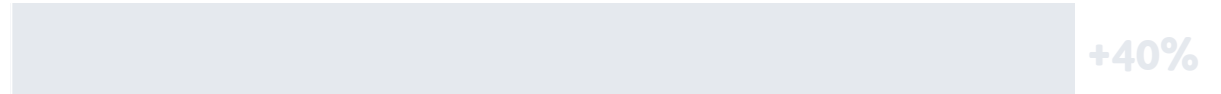
EBITA (underlying): €1,069m*



EBITA: 865 Mio. € *



**Ergebnis fortzuführende
Geschäftsbereiche: 448 Mio. €**

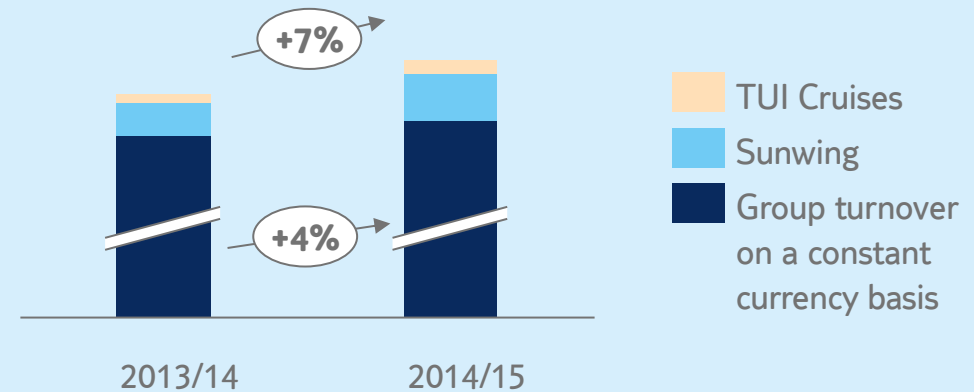


* Continuing operations ** On a constant currency basis

Brand turnover grown considerably to €22.6bn



Brand turnover TUI Group
(in €bn on a constant currency basis)



Earnings targets exceeded in financial year 2014/15

Y-o-y var. (incl. FX translation effects)

Markenumsatz: 22,6 Mrd. €*
2014/15

+11% // +7% **

Umsatz: 20,0 Mrd. €*
2014/15

Ziel 2-4%**

+8% // +4% **

EBITA (bereinigt): 1.069 Mio. €*
2014/15

Ziel 10-15%**

+23% // +15% **

EBITA: €865m*

+11%

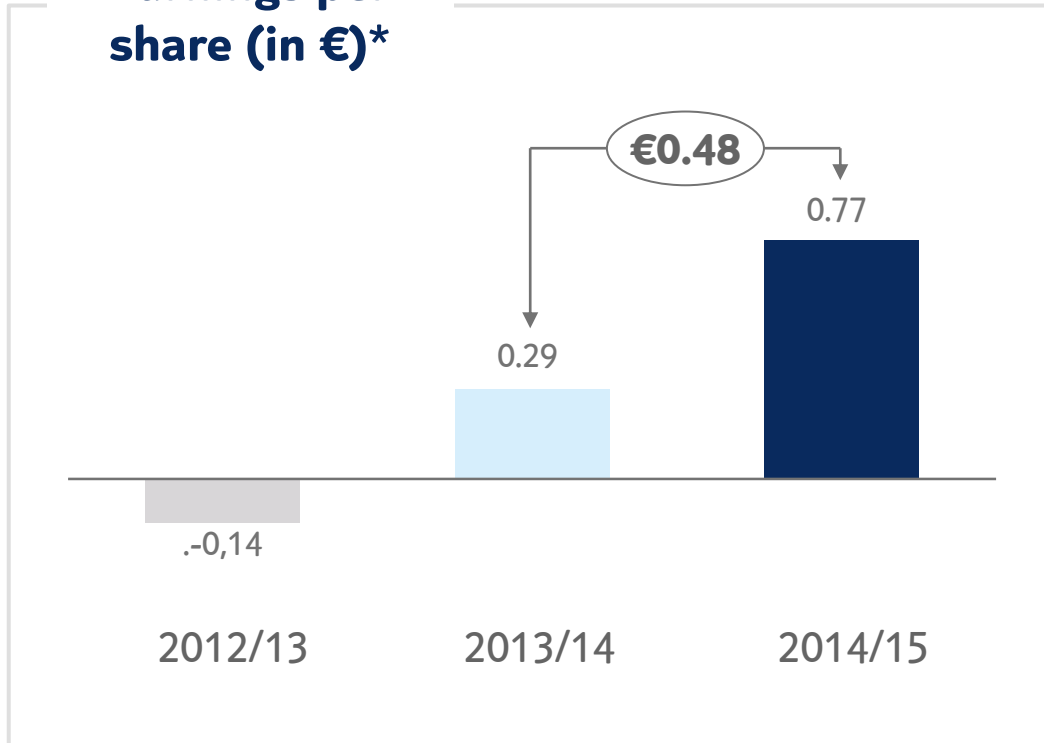
**Result from continuing operations:
€448m**

+40%

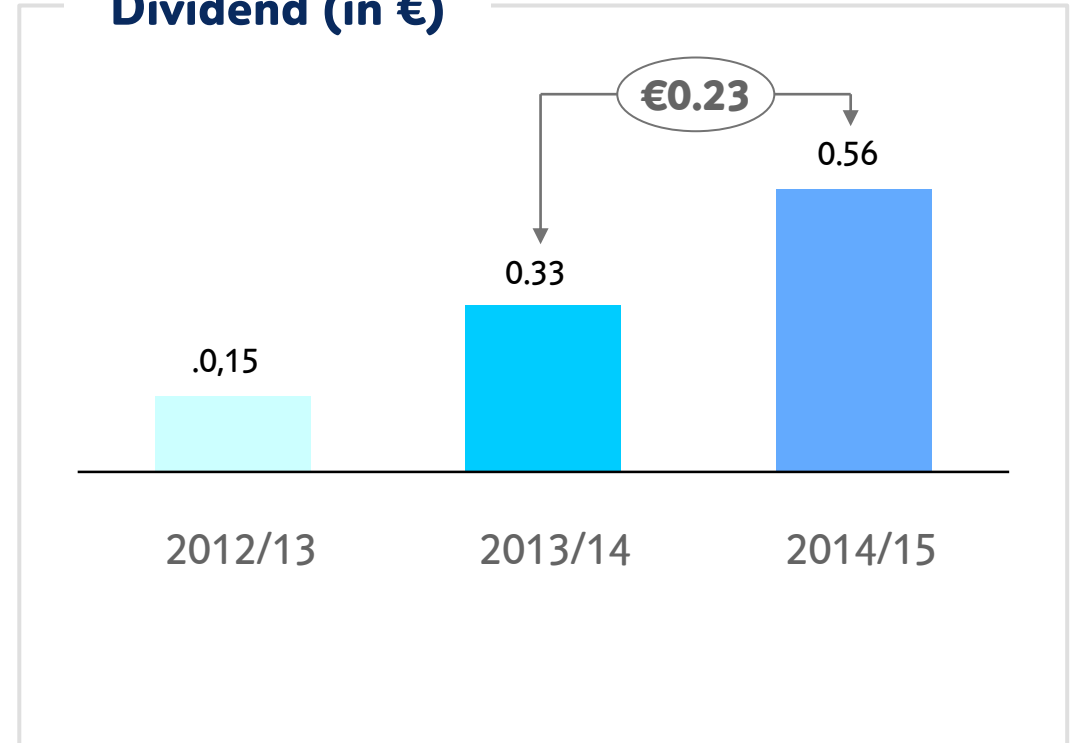
* Continuing operations

Attractive dividend policy

Earnings per share (in €)*



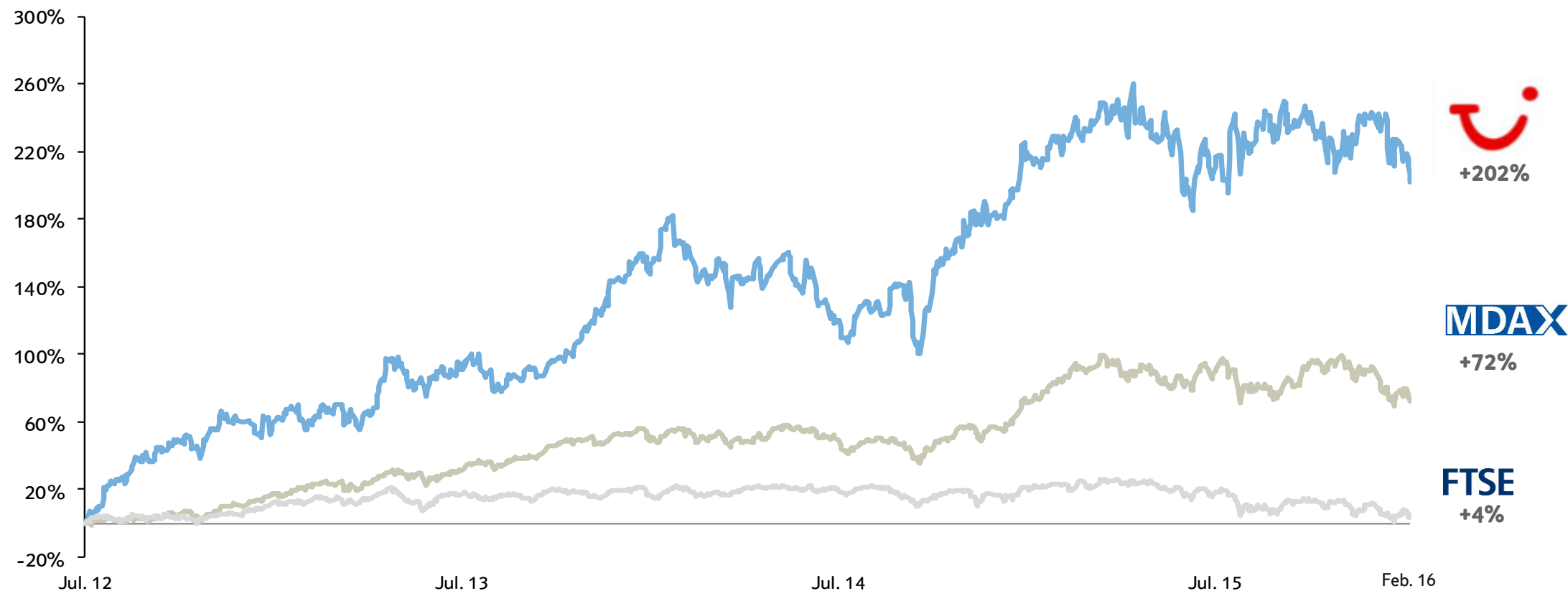
Dividend (in €)



Proposed dividend of 56 cents reflects strong earnings growth

* Continuing operations

Gratifying development of TUI share price



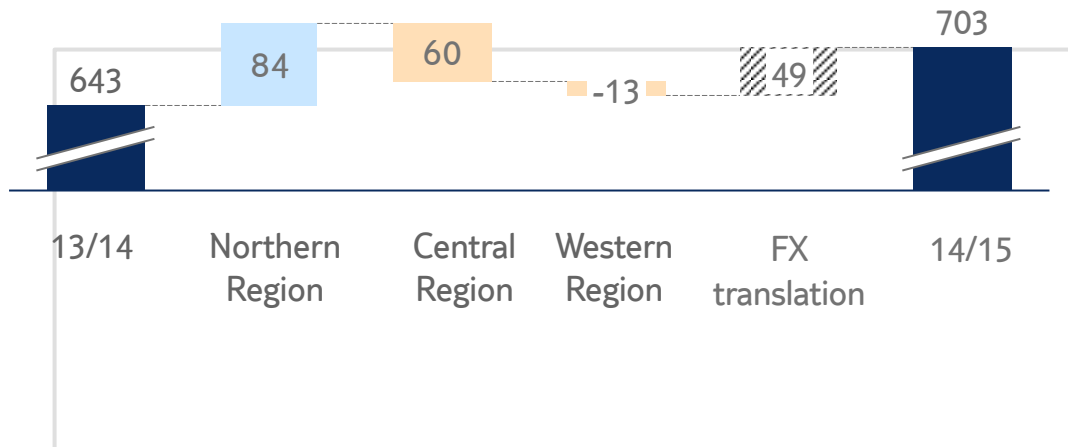
Source Markets

Strong performance in Northern Region

Turnover and earnings (in €m)

	14/15	13/14	%
Turnover	15,500	14,597	5.6
EBITA (underlying)	703	643	9.3

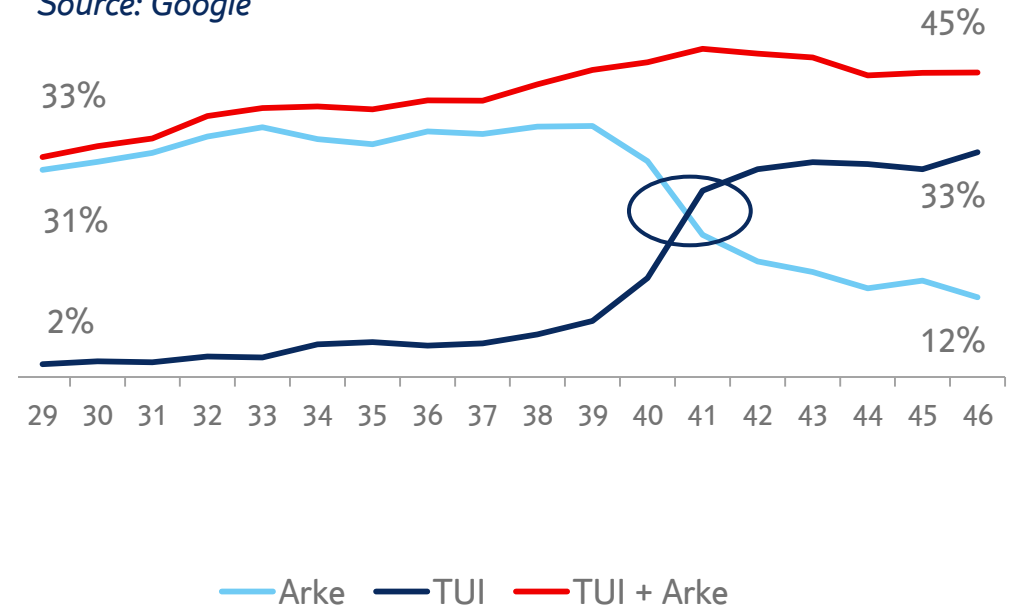
EBITA (underlying in €m)



Successful rebranding in the Netherlands

Brand awareness

Source: Google



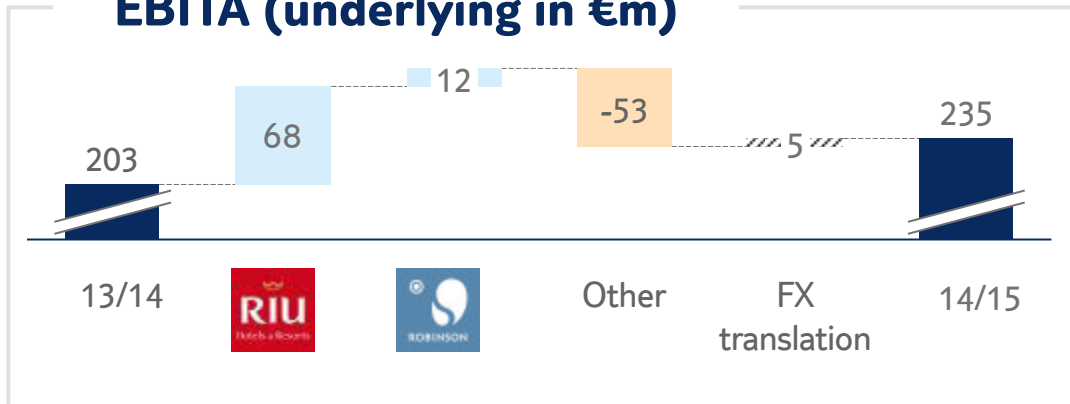
Hotels & Resorts

Riu and Robinson continue to grow

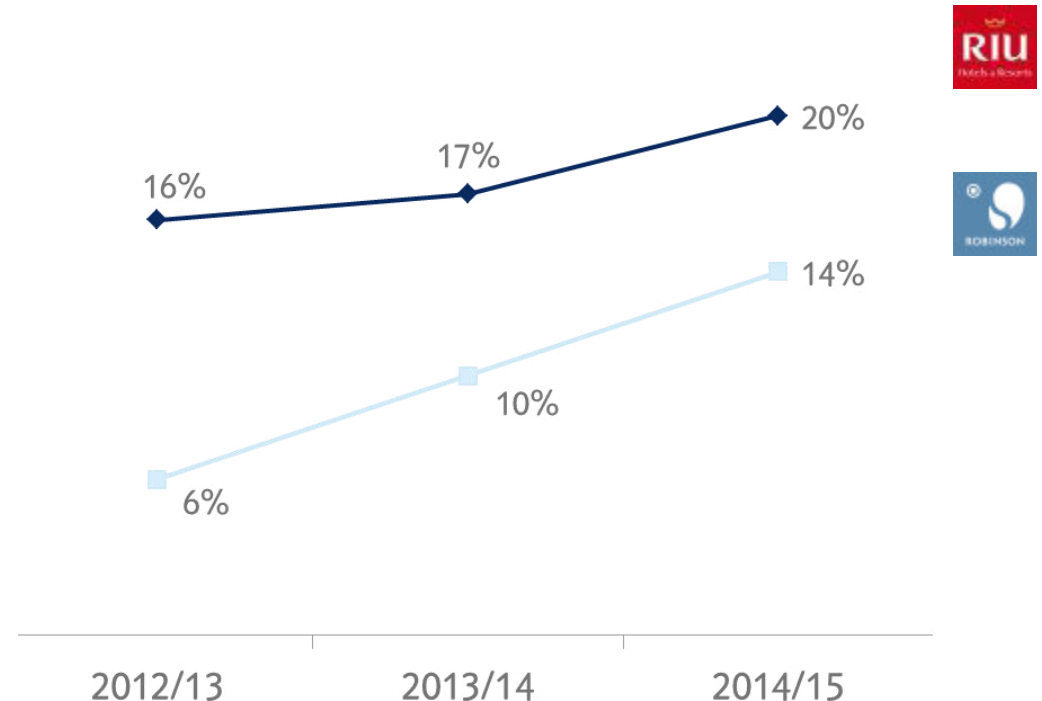
Turnover and earnings (in €m)

	14/15	13/14	%
Total turnover	1,252	1,165	7.5
EBITA (underlying)	235	203	15.7

EBITA (underlying in €m)



Strong development of ROIC



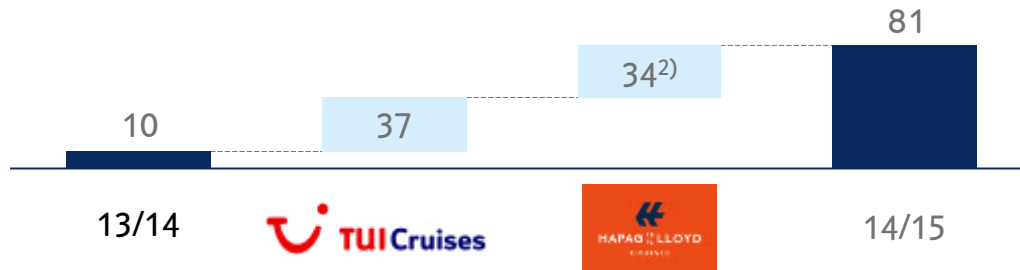
Cruises

Strong earnings growth at TUI Cruises

Turnover and earnings (in €m)

	14/15	13/14	%
Brand turnover ¹⁾	887	662	34.0
EBITA (underlying)	81	10	729.9

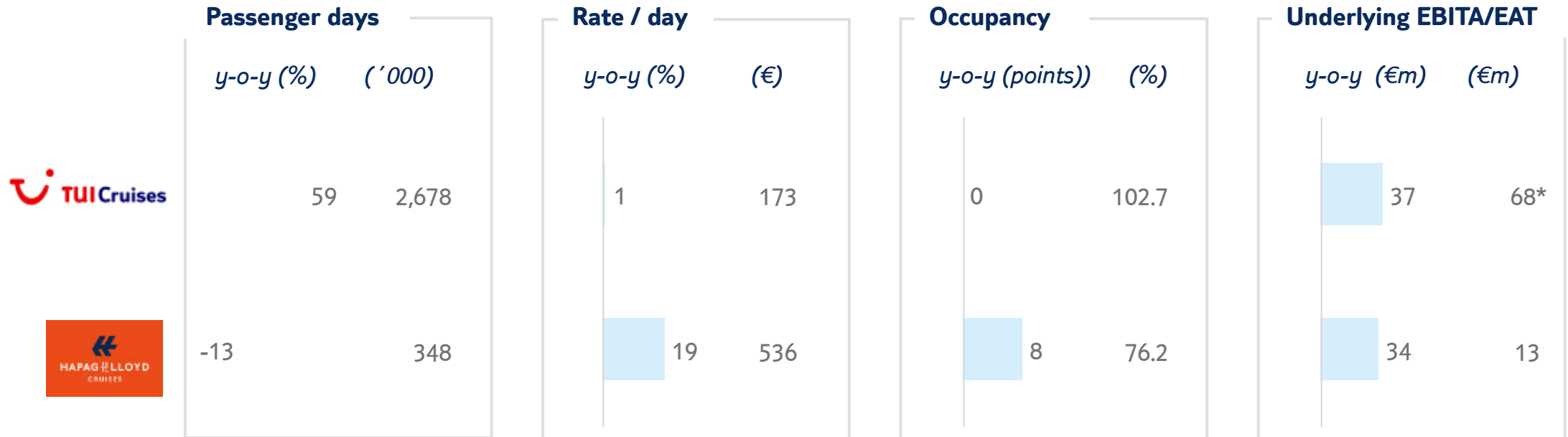
EBITA (underlying in €m)



1) Brand turnover incl. TUI Cruises turnover
 2) incl. benefit from acquisition/financing of Europa 2

Cruises

Operating KPIs FY 2014/15



Growth driven by TUI Cruises; Hapag-Lloyd Kreuzfahrten completes turnaround

* At equity result

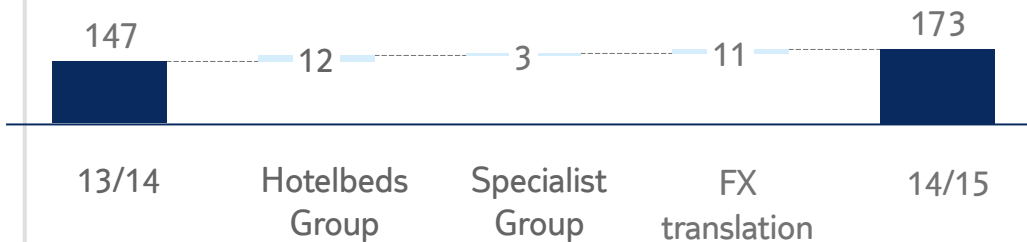
Specialist Travel

Further growth at Hotelbeds Group

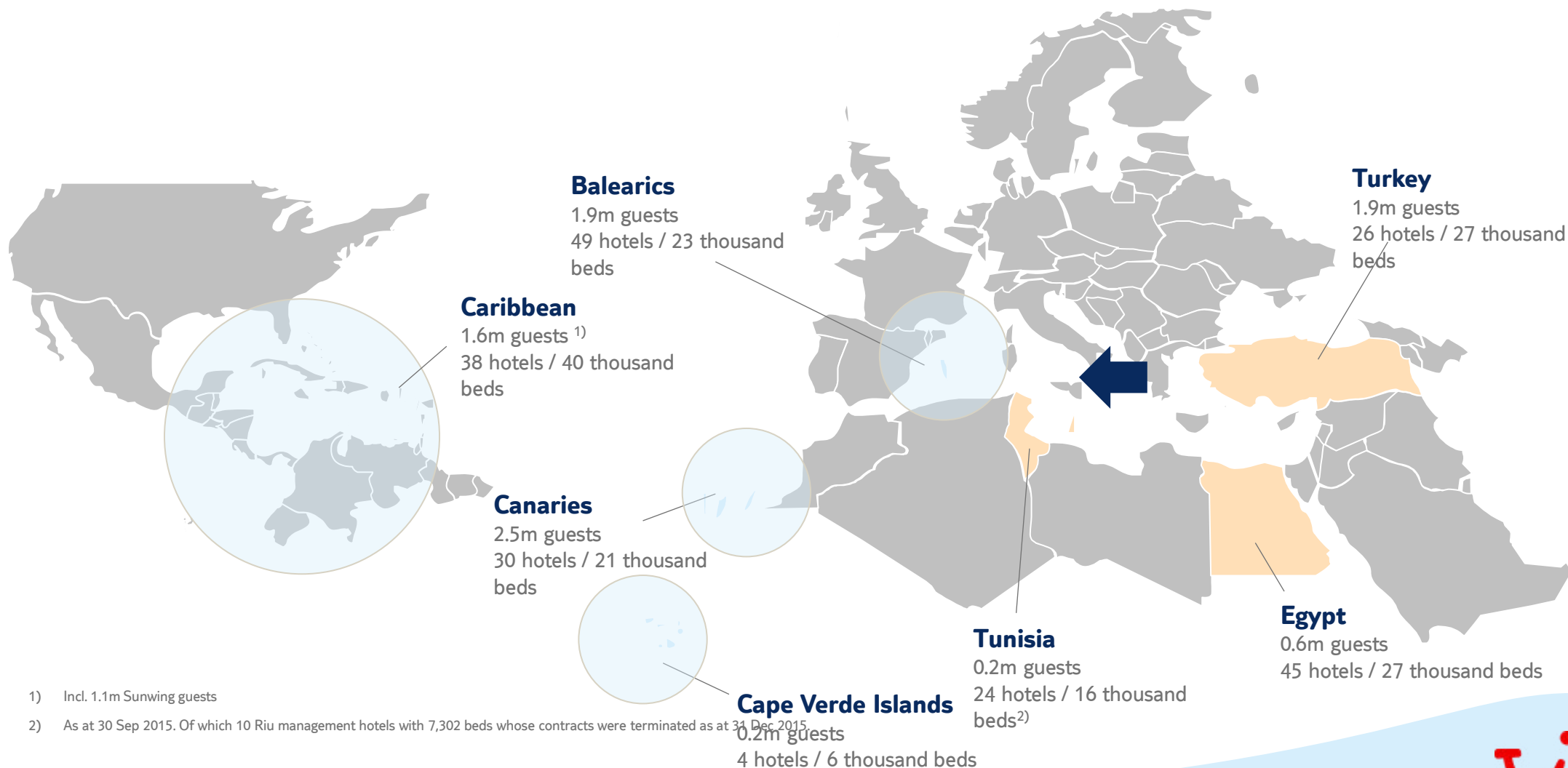
Turnover and earnings (in €m)

	14/15	13/14	%
Turnover	3,062	2,625	16.6
EBITA (underlying)	173	147	17.5

EBITA (underlying in €m)



Growth despite geopolitical challenges: Investment to expand our offerings in Spain and the Caribbean

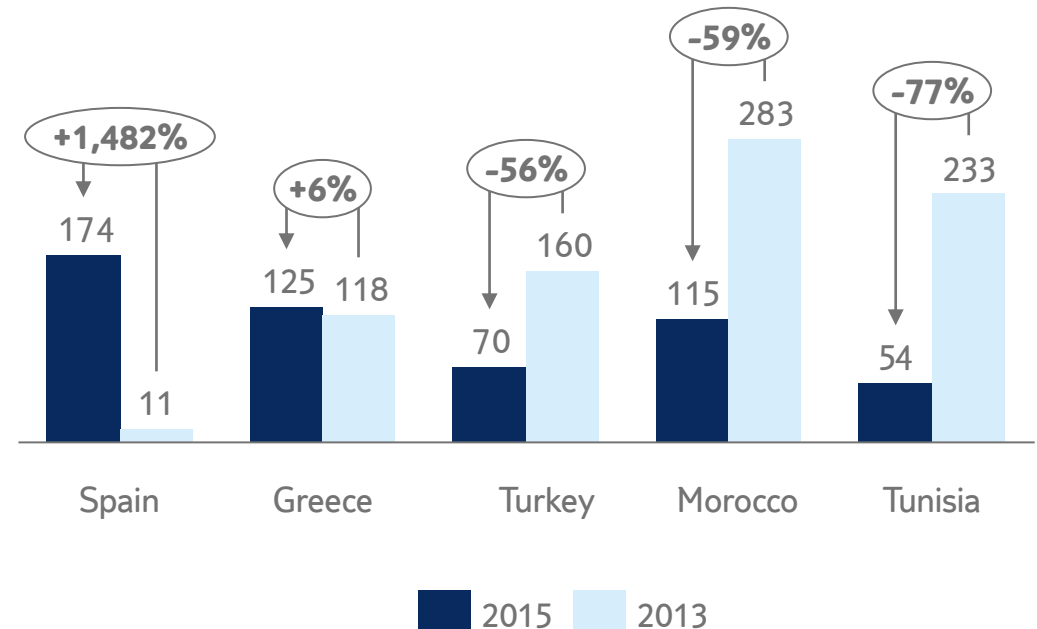


Turnaround France



- Initial success overshadowed by difficult period in North Africa
- Launch of TUI brand
- Programme remixed to include significantly higher number of alternative destinations

Guests in relevant destinations (m)



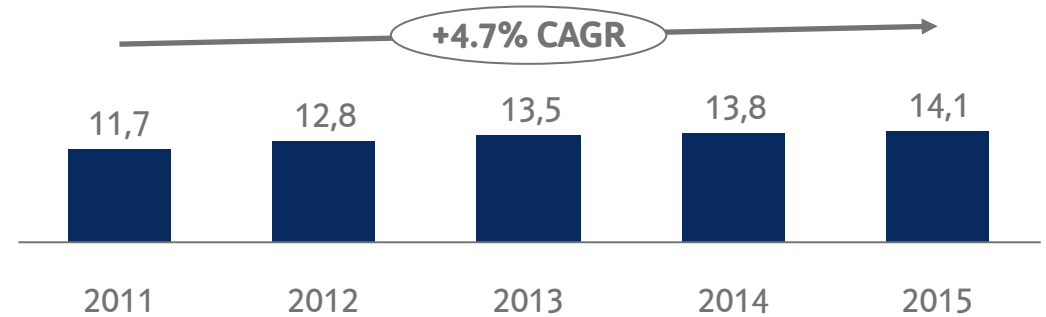
Measures to improve earnings situation are being implemented

Turnaround Germany

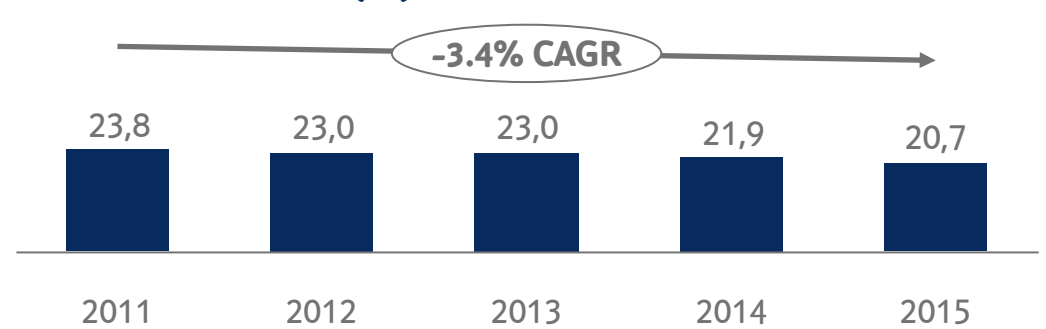


- Regaining market share and increasing profitability
- Strengthening distribution and marketing
- Attractive market as turnover per customer is high

Market development (€bn) ¹⁾



Market share TUI D (%) ¹⁾

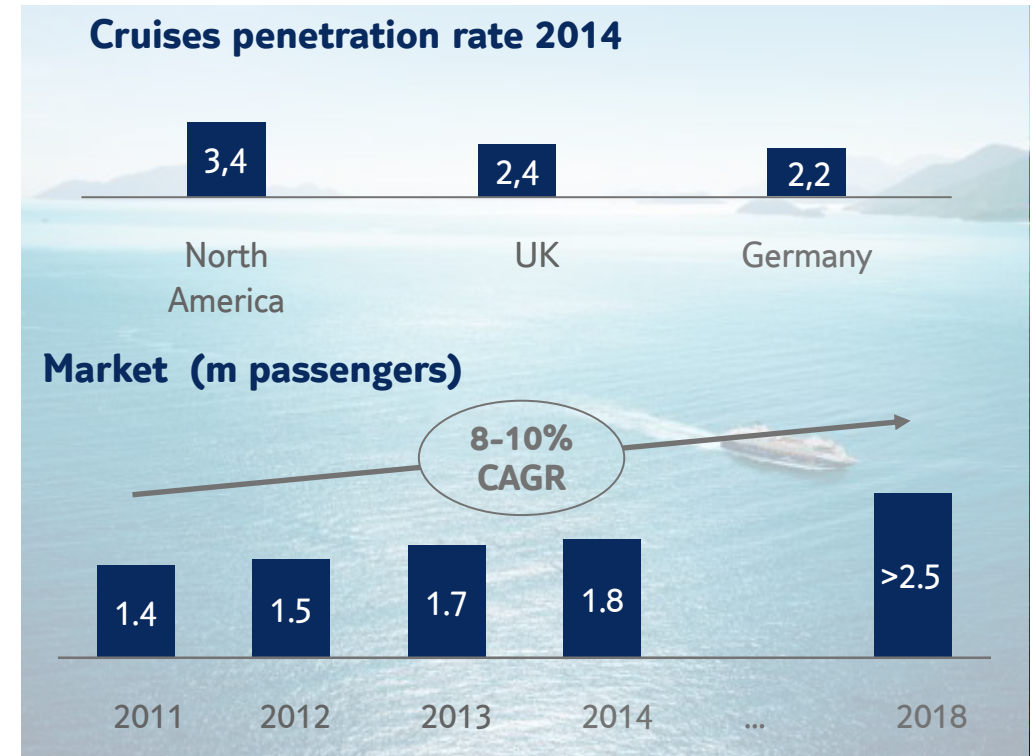


Change process will take 3-5 years

¹⁾ TUI Deutschland GmbH, Source: GfK Travel Insights, Reisebüropanel

Cruises Strategy

- German-speaking market is attractive for Cruises (penetration, age, wealth, time available)
- Distribution strength and planned fleet modernisation at Thomson Cruises in the UK
- Expansion of offering in the next five years limited by shipyard capacity
- Strong positioning of Hapag-Lloyd and TUI Cruises in their relevant market segments



Strong growth potential for Cruises

Disposal process for Hotelbeds Group initiated

- Hotelbeds Group is a global provider of travel services in more than 180 countries
- Global no. 1 among bedbanks
- 20% turnover growth¹⁾ over the past few years
- Hardly any synergies between Hotelbeds Group and Tourism
- Market is undergoing consolidation and offers good environment for disposal process

**Around 70
thousand
hotels**



**More than 31 thousand
sales organisations**

Disposal process for Hotelbeds Group may be completed in FY 2015/16

1) TTV (Total Transaction Value)

Hapag-Lloyd AG

- IPO of Hapag-Lloyd AG in November 2015
- Current stock price is [17.30] euros per share*



Successful IPO of Hapag-Lloyd is crucial step for exit by TUI

* Closing price on ____

Good start to Q1 2015/16

Y-o-y var. (incl. FX effects)

Brand turnover: €4.4bn

+7%

Turnover: €3.7bn

+5%

EBITA (underlying): €-102m*

+3%

EBITA: €-138m *

+3%

* Continuing operations

Our targets for financial year 2015/16

Actual FY 2014/15

Growth target FY 2015/16 (on a constant currency basis)

Brand turnover: €22.6bn

min. +5%

Turnover: €20.0bn

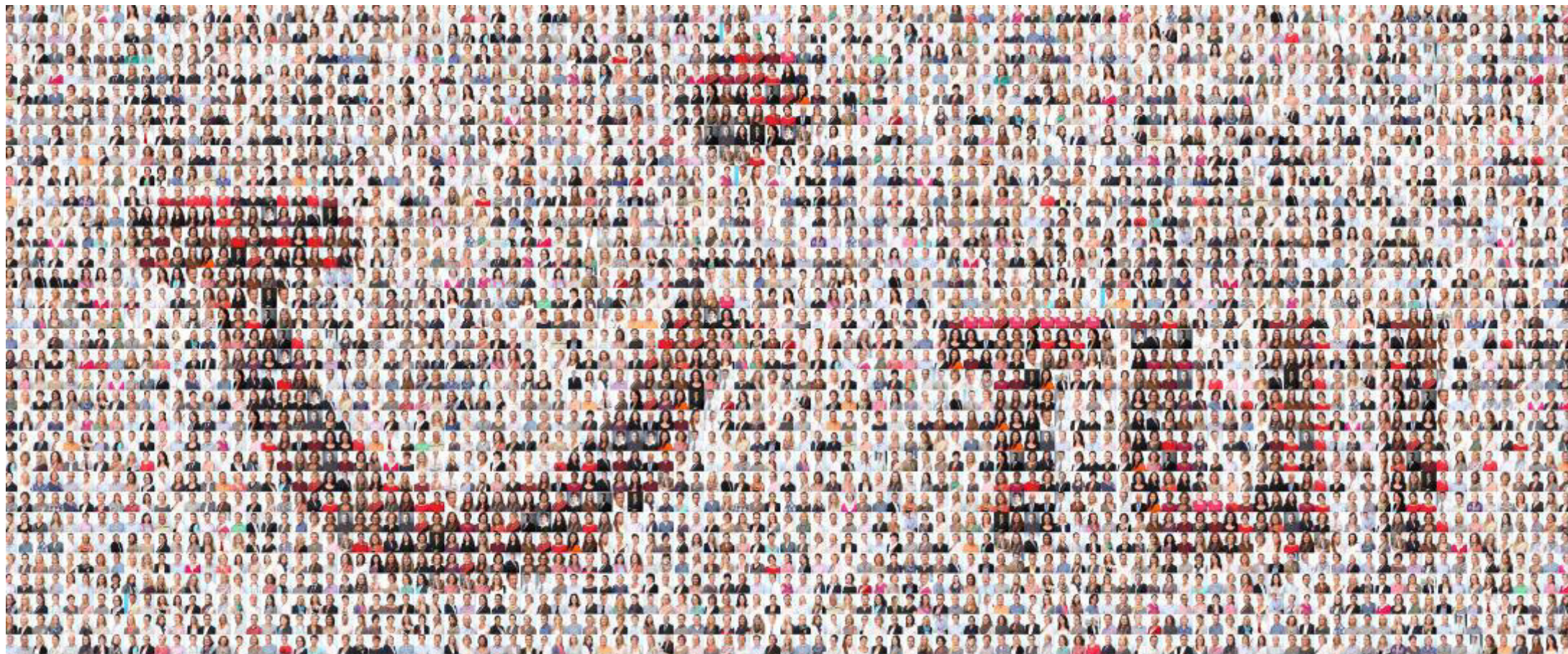
min. +3%

EBITA (underlying): €1.1bn*

min. +10%

* Continuing operations

What matters most are people!



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