

Strong travel summer for TUI Group: TUI continues to expect return to significantly positive underlying EBIT for the full year – First near-breakeven quarterly result since the pandemic already in Q3 2022 – Holiday Experiences segment and the Central Region with positive results – Average prices around one fifth above pre-Corona level

- **TUI almost breaks even in Q3 2022 despite additional costs of 75 million euros for disruptions in air traffic – without additional costs clearly in the profit zone: adjusted EBIT 48 million euros (with expenses for additional costs -27 million euros)**
- **Growth segment Holiday Experiences with clear positive underlying EBIT of 122 million euros (previous year: -186 million euros): Cruises and TUI Musement with positive quarterly results for the first time since the start of the pandemic, Hotels & Resorts positive for the fourth quarter in a row**
- **5.1 million guests travelled with TUI in the period under review – turnover in the third quarter almost sevenfold at 4.43 billion euros (previous year: 650 million euros)**
- **90 per cent of Summer 2019 booking level achieved – Group confirms expectations to return to significantly positive EBIT in full-year 2022**
- **Free cash flow increases to 1.2 billion euros, state credit lines further reduced, net debt falls to 3.3 billion euros**
- **CFO and designated CEO Sebastian Ebel: "Our business performed well in the third quarter – despite the operational challenges in the European tourism sector. This shows the robustness of our integrated business model, the strength of the TUI brand and the continued high demand for holidays. We want to offer our guests TUI's high standards of quality and service, despite the difficult environment. We continue to expect a strong travel summer 2022 with capacity close to pre-crisis levels and significantly positive underlying EBIT for the full year."**

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Hanover, 10 August 2022. After nine months of the financial year, TUI continues to expect a significantly positive underlying EBIT for 2022, TUI CEO Fritz Jousen and his successor, now CFO Sebastian Ebel, confirmed at the presentation of the Q3 results. "The figures after nine months confirm the trends and our expectations for 2022. We are experiencing a strong travel summer. TUI is secured and economically and operationally back on track when I hand over the chairmanship to Sebastian Ebel on 30 September. All growth areas expanded in recent years are back on track after Corona: Hotels, Cruises and the Tours & Activities field with our digital subsidiary TUI Musement. TUI was strong and profitable before Corona and will continue to be so after the crisis of the century. I would like to thank our customers for their trust during these difficult times and our employees for their enormous commitment. After two years of crisis management, they can now focus on growth again. Sebastian Ebel knows the company and the industry. With him, TUI is in the best hands when it comes to new growth and dealing with the aftermath of Corona," said Fritz Jousen. A continued strong travel summer 2022 with unchanged high demand for holidays has secured a strongly improved Q3 2022 for the TUI Group with a near breakeven result. The core Holiday Experiences segment with Hotels, Cruises and Tours & Activities, as well as the Region with tour operators in Germany, Austria, Switzerland and Poland returned to operating profit in the period under review. Excluding unplanned additional costs due to irregularities in European air traffic, the Group achieved a positive operating quarterly result for the first time since the beginning of the pandemic (48 million euros).

Sebastian Ebel, CFO and designated CEO of TUI Group: "People want to travel. Holidays continue to top the list of planned spending – this has not changed. Although the entire European airline sector continues to face challenges, we have successfully ramped up our business with a significant increase in demand and achieved a good third quarter. This shows once again: our integrated business model is robust. TUI is a strong brand, trusted by holidaymakers and our partners in the destinations. We are consistently tackling the operational challenges of the restart. We want to offer our guests the usual high TUI standards of quality and service. The topics of quality and customer experience are therefore at the top of my agenda. To this end, I will engage in intensive dialogues with the destinations, retail, but also with system partners such as airports and airlines. TUI's travel summer will be strong, with capacity almost at pre-

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crisis levels in 2019. We expect a significantly positive underlying EBIT for the full year."

Outlook: travel summer 2022 expected to be almost at the same booking level as Summer 2019 – average prices significantly higher than 2019

Booking momentum continues to be encouraging. In the reporting period, 5.1 million guests travelled with TUI. TUI currently already has 11.5 million customers for Summer 2022. Group-wide, bookings are at 90 per cent of the level of Summer 2019. For the months of July and August, this figure rises again, with bookings for this period currently at 93 per cent of the pre-crisis level. For TUI Deutschland in particular, bookings have climbed by around 20 per cent since the last update in May, compared to the same booking level for Summer 2019.

TUI reiterates its expectation to almost reach the booking level of Summer 2019 in Summer 2022. The two previously observed trends remain intact: holidaymakers continue to book more at short notice and at the same time spend more money on their trip. Average prices are at a very high level for summer 2022 at +18 per cent: holidaymakers are booking more package holidays and higher value services such as room upgrades and longer stays.

Q3 2022 results: underlying Group EBIT excluding ancillary costs profitable for the first time

In the reporting period from April until June 2022, guest numbers were at 84 per cent compared to 2019, while revenue improved to €4.43 billion – almost seven times more than in the same period last year (€650 million). Underlying EBIT reached -27 million euros – including 75 million additional costs caused by the irregularities, particularly in British air traffic. TUI itself brought 96 per cent of all guests to their holiday destinations on time or with delays of less than three hours in May and June – the roughly 200 flight cancellations in this period mainly relate to departures from Manchester airport and represent less than one per cent of the entire summer programme. Excluding these additional costs, underlying Group EBIT would be 48 million euros, the first profitable quarter since the start of the pandemic.

The core segment **Holiday Experiences** with Hotels & Resorts, Cruises and TUI Musement activities is positive for the first time since the beginning of the pandemic: underlying EBIT of the sector reached 122 million euros in the reporting period (Q3

2021: -186 million euros). The **Hotels & Resorts** segment continued its successful development and posted positive earnings for the fourth consecutive financial quarter. In April-June 2022, underlying EBIT was 105 million euros (previous year: -70 million euros), which was also 12 million euros higher than during the positive year 2019. Average revenue generated per bed per night rose by 4 per cent year-on-year to 73 euros, while capacity utilisation improved by a full 29 percentage points to 74 per cent.

For the **Cruises** sector, the Group had advised a recovery in the second half of the calendar year. In the period under review, the segment achieved a positive operating result earlier than expected. All 16 ships of the three fleets of TUI Cruises, Hapag-Lloyd Cruises and Marella Cruises were in service, the load factor of the ships ranged between 57 and 70 per cent. The trend towards later and shorter-term bookings continues here as well. Underlying EBIT in the Cruises segment totaled 3 million euros in the period under review (Q3 2021: -81 million euros).

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The growth segment **TUI Musement** with tours and activities, continued to benefit from high digitalisation and the increasingly broad range of offerings in the third quarter. In the period under review, two million excursions, tours and activities were sold – almost ten times as much as in the same period last year. The number of transfers more than quintupled to 7.2 million. For the first time since the start of the pandemic, TUI Musement posted positive operating earnings: underlying EBIT was 14 million euros (Q3 2021: -35 million euros). TUI Musement is well on its way to becoming the leading global platform for excursions, tours and activities – in the course of this, exclusive offers such as the "TUI Collection" in particular, are being consistently expanded. TUI Musement was developed as a new business and growth area in 2018 following the acquisition of the Italian technology start-up Musement and has been consistently expanded since then.

The **Markets & Airlines** segment, comprising tour operators in the Northern (UK, Ireland, Sweden, Norway, Finland, Denmark), Central (Germany, Austria, Switzerland, Poland) and Western (Netherlands, Belgium and France) regions, recorded a strong business performance across all markets. Overall, the result of the Markets & Airlines segment improved by 343 million euros to -139 million euros compared to the previous year. The Central Region was able to close a positive quarter for the first time again, with underlying EBIT reaching 24 million euros (previous year -105 million

euros). The Northern Region reduced its loss to -93 million euros (previous year: -290 million euros) and the Western Region posted an underlying EBIT of -70 million euros (previous year: -88 million euros).

Short and medium-term strategic priorities according to Corona

One of TUI's strategic focuses continues to be disciplined cash and cost management. In addition, opportunities for further refinancing are to be exploited in order to further reduce Corona debt and the German state participation. The aim is to return to a solid balance sheet with a gross leverage ratio of below 3.0x. In the medium term, the Group expects a significant increase in underlying EBIT compared to the 2019 financial year results, driven by revenue growth and the benefits from the efficiency programme, which was launched during the pandemic.

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About TUI Group

TUI Group is a leading global tourism group and operates worldwide. The Group is headquartered in Germany. TUI shares are listed on the FTSE 250, an index of the London Stock Exchange, on the regulated market of the Hanover Stock Exchange and on the Open Market segment of the Frankfurt Stock Exchange. The TUI Group offers integrated services from a single source for its 27 million customers, 21 million of them in the European national companies.

The entire tourism value chain is covered under one roof. This includes over 400 hotels and resorts with premium brands such as RIU, TUI Blue and Robinson and 16 cruise ships, from the MS Europa and the MS Europa 2 in the luxury class and expedition ships to the Mein Schiff fleet of TUI Cruises and cruise ships at Marella Cruises in Great Britain. The Group also includes leading tour operator brands and online marketing platforms across Europe, five airlines with more than 100 modern medium and long-haul aircraft and over 1,000 travel agencies. In addition to expanding its core business with hotels, cruises via successful joint ventures and activities in holiday destinations, TUI is increasingly focusing on the expansion of digital platforms. The Group is transforming itself into a digital company.

Global responsibility for sustainable economic, ecological and social action is at the core of our corporate culture. The TUI Care Foundation, initiated by TUI, focuses on the positive effects of tourism, on education and training and on strengthening environmental and social standards with projects in 25 countries. It thus supports holiday destinations in their development.

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