

TUI Group Investor Presentation

Commerzbank Sector Conference
31 August 2016

Forward-Looking 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 Overview

2 Delivering Growth

3 9M Review 2015/16 & Outlook

4 Appendix

FY 9M Opening remarks

- **Good performance in 9M period** further demonstrating the resilience of our vertically integrated model.
- Summer 2016 trading overall remains **in line with our expectations** with **no apparent slowdown in UK bookings** as a result of the EU referendum.
- The disposal processes for **Hotelbeds** and **Travelopia** are on track.
- We are focussed on delivering TUI Group strategy as a **content centric, vertically integrated** tourism business.
- Remain confident of delivering **at least 10% growth in underlying EBITA for 2015/16***.

Good 9M driven by strength of vertically integrated model

* At constant currency rates and treating Hotelbeds Group as discontinued operations

TUI Group – The world's leading tourism business

Access to over 20m customers



Attractive global hotel portfolio



Modern & efficient leisure airline



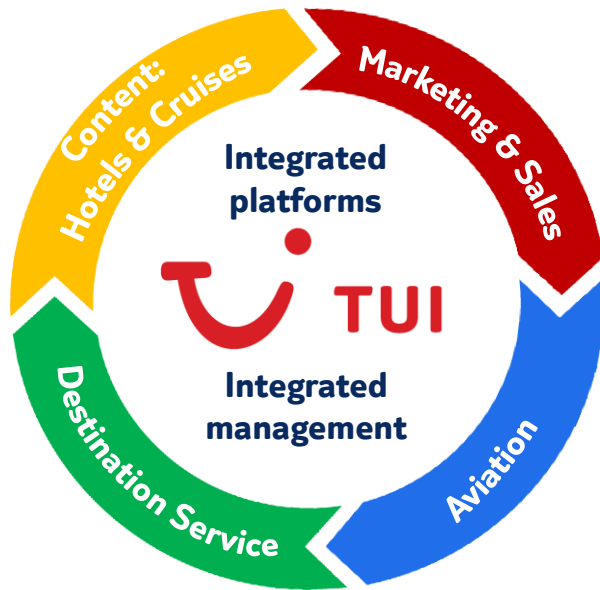
Growing fleet of cruise ships



Key figures 2014/15 : Turnover €19.0bn; Underly. EBITA €1,001m; DPS €0.56

Note: Income statement items restated for discontinued operations

Strong positions in all parts of the value chain



- **Control over content** - especially **hotels and cruises** - is key to achieving **differentiation** from the competition and to delivering **growth**
- Vertical integration offers significant **margin and medium-term cash flow upside**
- Growth is **de-risked** through our strong **distribution** capability
- Having a **broad Tourism footprint** has also helped to deliver last year's outperformance

Our content centric integrated business model is already delivering strong results

Strategy – Position of content centric, vertical integration

Essence


- Based on our strong heritage as trading companies, we are increasingly becoming a **vertically integrated** company throughout the tourism value chain
- We are a company that combines the advantages of **local relevance and global scale**
- Our businesses act locally, our platforms scale globally

Global Platforms

-  Global TUI Brand
-  Aviation: Configuration, Purchasing, Financing, Maintenance, Ground Handling
-  Hotels/Hotel Purchasing
-  Cruises: Aligned Investment Funnel
-  Destination Services: One TUI
-  IT: Customer Platform, CRM System, Mobile App, Yield System

Investing in transformational growth

A clear structure to deliver growth and value

Tourism			Managed for value	
Marketing & Sales in Source Markets	Hotels & Resorts	Cruises	Hotelbeds Group	Travelopia (former Specialist Group)
<u>Tour operator</u> <ul style="list-style-type: none"> Travel Agencies Internet Portals Destination Services (from 2015/16) 	<u>Hotelfolio</u> <ul style="list-style-type: none"> 310 hotels 214,000 beds Well known brands 	<u>Cruise ship fleet</u> <ul style="list-style-type: none"> 14 cruise ships across 3 brands¹ TUI Cruises, Hapag-Lloyd Kreuzfahrten & Thomson Cruises 	<u>Hotelbeds Group</u> <ul style="list-style-type: none"> Disposal announced for €1.2bn Grown organically Scalable business 	<u>Travelopia</u> <ul style="list-style-type: none"> Marketing expected to commence Autumn 2016 Tailormade Events etc.
Revenue €15.8bn	Revenue €575m	Revenue €273m	Revenue €1.1bn	Revenue €1.5bn
EBITA €711m	EBITA €235m	EBITA €80m	EBITA €69m	EBITA €48m
19.1 million customers	82% occupancy	103% occupancy²	Closing expected by end of Sep 2016	Marketing expected to commence Autumn 2016

1 Thomson Cruise result included within Source Market (UK)

2 TUI Cruises

What we want to achieve – our growth levers



TUI Brand



Exclusive international hotel concepts



Hotel & club brands

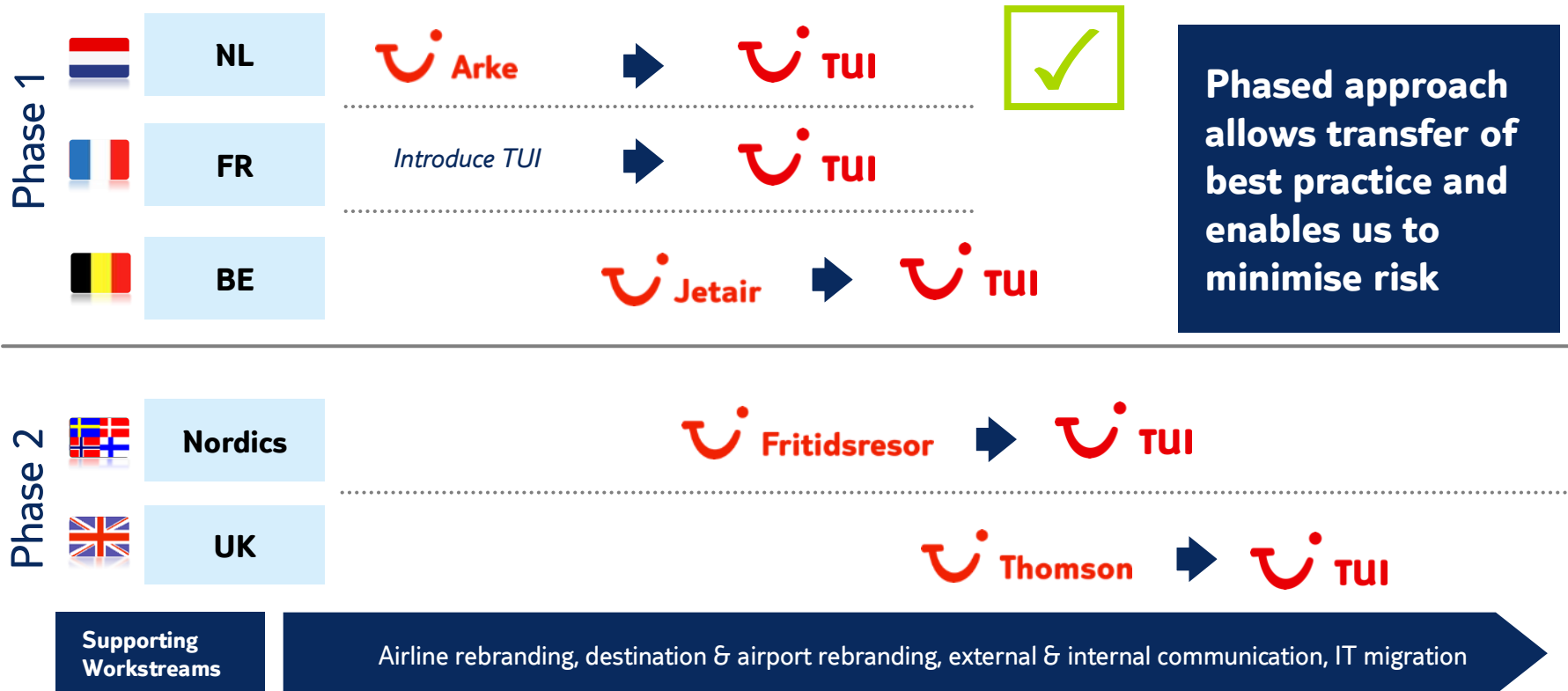


Cruise Lines



Clear brand strategy supports our growth plans

Our brand migration process will make sure that we don't lose local brand equity



Strengthen local P&Ls, build on world-class global platforms

Northern Region	Central Region	Western Region				
<p>€538m EBITA, 7.3% margin</p> <p>91% direct distribution</p> <p>58% online distribution</p> <ul style="list-style-type: none">Highly integrated operating modelHigh degree of market concentrationHigher proportion of earnings in Winter (Nordics and Canada)Optimal levels of direct and online distributionDifficult trading conditions in Russia	<p>€104m EBITA, 1.8% margin</p> <p>44% direct distribution</p> <p>15% online distribution</p> <ul style="list-style-type: none">More flexible business model with greater range of offeringLower level of integration with airlineLow degree of market concentrationLower than average levels of direct and online distribution results in lower margins	<p>€69m EBITA, 2.4% margin</p> <p>68% direct distribution</p> <p>48% online distribution</p> <ul style="list-style-type: none">Common operating model in Belgium and Netherlands (operated under one MD)Airline-focused model in BeneluxGood margin performance in Benelux (>5%)Difficult trading conditions in France				
Build on global platforms	Global Brand	Aviation	Hotels/ Hotel Purchasing	Cruises	Destination Services	IT

Figures based on 2014/15

Europe's 7th largest airline fleet

Industry-leading rates of asset utilisation



The only leisure airline with 787

Central platform with local airlines

Central Platform

One organisational structure

Business model /
ways of working

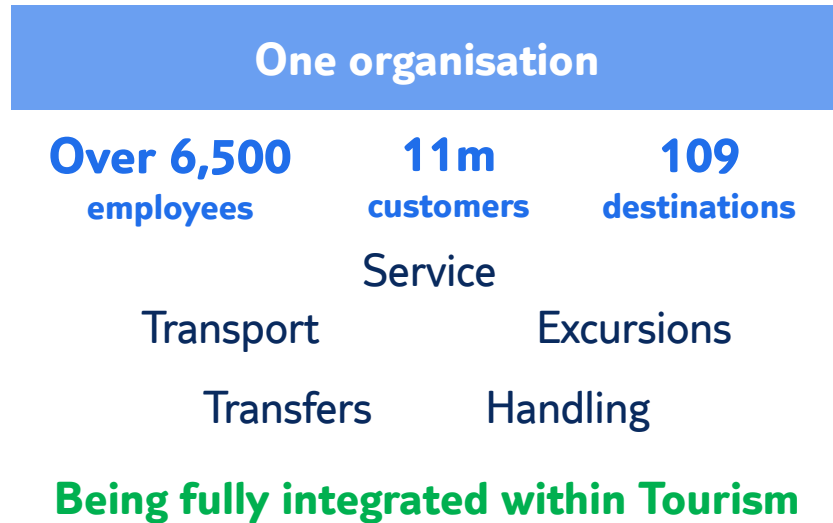
Scale: one procurement organisation /
common supply chain & process

Local airlines: crew rostering / flight planning

**Targeting €50m operational efficiency
improvement by 2018/19**

Aircraft numbers as at 30 September 2015; TUIfly (Germany) excludes aircraft leased out to Air Berlin; Corsair excluded from above figures



Our Destination service team



Bringing World of TUI to life

Figures shown relate to Destination Services business which is being moved from Hotelbeds Group to Tourism

Investing in transformational growth

	Hotels	Cruises	Strengthening the Core
			
Strategic view	<ul style="list-style-type: none"> Strongly differentiated Growth enabler Priority for Capex allocation 	<ul style="list-style-type: none"> Strongly differentiated Growth enabler Priority for Capex allocation 	<ul style="list-style-type: none"> Invest in local strength and global platforms Strengthen Balance Sheet ready for current and future changes
FY15 underlying EBITA margin*	Riu 33% Robinson 22%	TUI Cruises 25%	Group 5.3%**
FY15 ROIC	Riu (excl.goodwill) 20% Robinson 14%	TUI Cruises ROIC 10% TUI Cruises ROE 26%	Group 25%**

Focus on meaningful investments aligned to our strategy

*Riu and TUI Cruises underlying EBITA margin based on 100% consolidated basis

**Group result based on FY15 group structure

Growth in our strong hotel and club brands – Summer 2016 hotel additions

Hotels & Concept Hotels



- RIU Republica Dominican Republic
- 1,000 rooms
- Management Contract

- RIU Sri Lanka
- 501 rooms
- Management Contract

- Robinson Masmavi Turkey
- 570 rooms
- Management Contract

- Robinson Kyllini Beach Greece
- 317 rooms
- Leased Contract

- Sensatori Dominican Republic
- 256 rooms
- Owned hotel (JV)

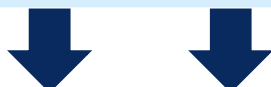
On-track to open ~60 new hotels by 2018/19 which deliver at least 15% ROIC

Growth of cruise fleet



	Mein Schiff 1	Mein Schiff 2	Mein Schiff 3	Mein Schiff 4	Mein Schiff 5	Mein Schiff 6	Mein Schiff 7	Mein Schiff 8
Berths	1,924	1,924	2,500	2,500	2,500	2,500	2,860	2,860
Year of construction	1996	1997	2014	2015	2016	2017	2018	2019

MS1 and MS2 to replace 2 ships in UK fleet following delivery of MS7 and MS8



	Majesty	Spirit	Celebration	Dream	TUI Discovery (Formerly Splendour)	TUI Discovery 2-2017 (Formerly Legend)
Berths	1,462	1,254	1,250	1,506	1,804	1,830
Operating Model	Operating lease Exp. 2017	Operating lease Exp. 2017	Finance lease Exp. 2018	Finance lease Exp. 2020	Finance lease Exp. 2026	Wholly Owned Built 1995



	Europa	Europa 2	Bremen	Hanseatic
Berths¹	408	516	155	175
Operating Model	Wholly Owned Built 1999	Wholly Owned Built 2013	Wholly Owned Built 1990	Bareboat charter Exp. 2018

1) Additional sofa-bed in most of the suites (usable for persons up to the age of 6, 10, 12 or 15 years)



Conquering Destinations - Our long-haul presence

Over 1m customers **Over 40 group hotels** **Range of cruise routes** **14 x 787 (S16)**
(source markets, accommodated)



Our targets

- >50% growth in source market customers over the next 5 years ; New concept openings*
- More flights - from 14 x 787s to 18**
- New hotels & cruise growth
- Expanding our inbound services
- Destinations: Caribbean, Indian Ocean, Thailand

Our integrated business model is enabling further long-haul growth

Figures correct for 2013/14 unless otherwise noted

* based on > 1m customers (source markets, accommodated)

** Includes 1 option on 787-9

Integrated platforms - Focus on customer experience

Central Mobility Platform

Evolve

- Increasingly mobile first
- Key driver of customer engagement at every stage of the journey
- Over 1 million downloads to date

Central Customer Platform

New

- **SAP solution:**
 - Single view of the customer
 - Contact management
 - Customer service support
- Top-line and margin improvement

Central Online Platform

Evolve

- Enhancing the online customer experience
- Driving higher conversion rates in source markets
- Include hotel platforms in scope

Central eCRM

New

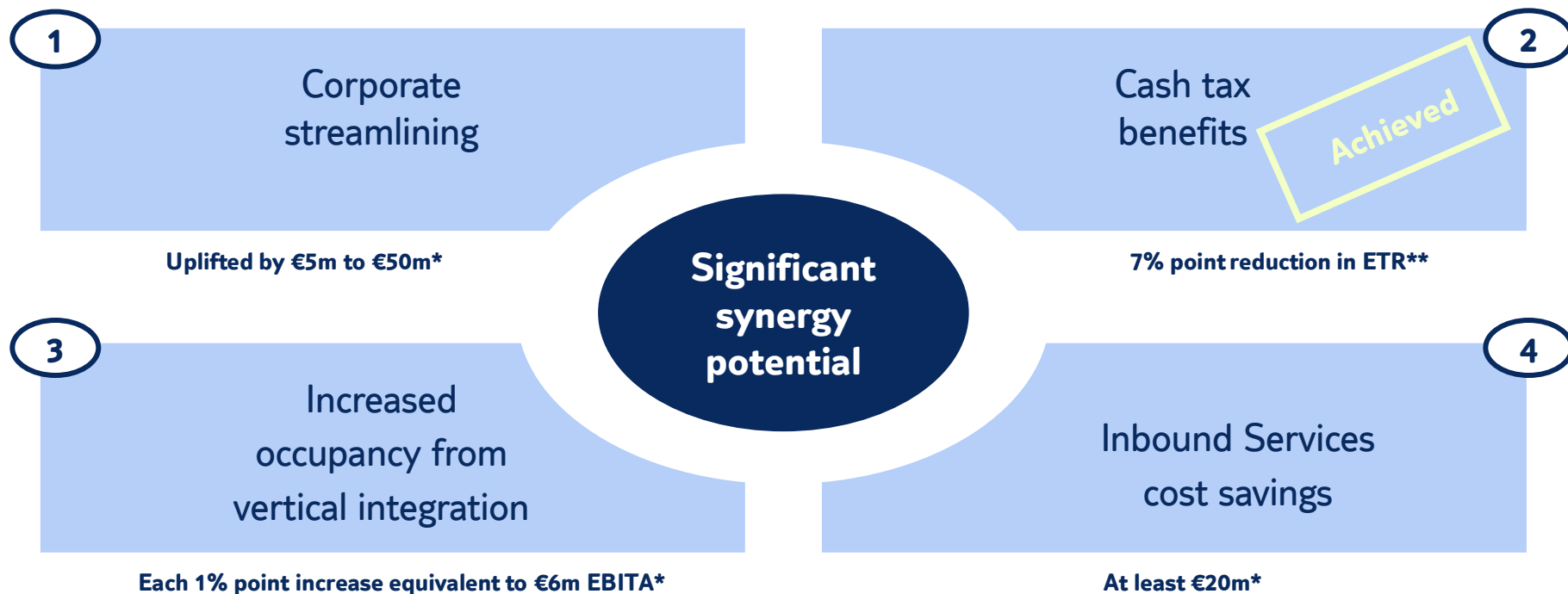
- **IBM strategic marketing platform:**
 - Multi-channel, personalised marketing
 - In depth view of marketing effectiveness
 - Data warehouse / analytics

Update on Hotelbeds, Specialist Group & Hapag-Lloyd

Hotelbeds Group	Specialist Group (now: Travelopia)	Hapag-Lloyd AG
<ul style="list-style-type: none">• Agreement reached to sell Hotelbeds business for €1.2bn• Expected completion by end of September 2016	<ul style="list-style-type: none">• Strategic Review complete• Decision to dispose• Marketing to commence Autumn 2016	<ul style="list-style-type: none">• Accounted as financial asset available for sale• Fair value of €234m based on share price of €16.10• 12.3% shareholding will be diluted to 8.9% following merger with UASC

Maximising growth and value of our other businesses

Deliver merger synergies



On track to deliver €100m synergies in full by end of 2016/17

* Synergy amounts relate to underlying EBITA

** Underlying effective tax rate

Comment: One-off costs of €104m expected to achieve full synergy target

Financial policy

Disciplined approach to capital allocation

Investing in transformational growth

- **Investment in hotels & cruises** – the key differentiator in customer experience and a significant opportunity for growth
- Investment in **online distribution, inventory** management and **customer/CRM** systems to drive profitable top-line growth

Disciplined approach to capital allocation

- **Focussed on improving free cash flow** – growth strategy reflects this with the aim of **creating a strong, flexible balance sheet** which supports our long-term growth plans
- **Balanced ownership model** – mix of owned/managed/leased assets with some held in JV structures
- **15% ROIC/ROE target** for all new hotels and ships
- **Asset disposal proceeds** part-finance annual capex spend

Growth is de-risked

- **Integrated business model** – tour operators can prioritise occupancy management of controlled hotels in the event of a decline in demand
- Opportunity to **remix cruise fleet from Germany to UK** to upgrade the latter fleet

Financial policy

New financial targets 2015/16

- Current corporate credit ratings “BB-” (S&P) and “Ba2” (Moody’s)
- We are committed to **improving our credit metrics**, therefore we are setting new financial targets for 2015/16 as follows:

Ratio	Target 2015/16	Actual 2014/15
Leverage ratio	3.5 to 2.75 times	3.0 times
Interest cover	4.5 to 5.5 times	4.7 times

- We envisage further adjustments to these target ranges in future years **in order to enhance our credit rating**

Focus on rating improvement to obtain optimal financing conditions

9M Review 2015/16 & Outlook

Review of 9M

Brand turnover: €13.5bn
-0.2% /+1.3%*

Turnover: €11.4bn
-0.9% /+0.2%*

Underlying EBITA: €-56.9m
+45.8% /+60.0%*

Reported EBITA: €-138.8m
+44.1% /+50.4%*

- **Turnover flat y-o-y**, Q3 in particular was impacted by geopolitical events
- **60.0%*** improvement in underlying EBITA.
- **UK, Riu and Cruise** continue to deliver a strong trading performance.
- **€24m merger synergies** delivered in the period in relation to corporate streamlining, occupancy improvements and destination services.

Continuing to deliver against our growth plans

All figures restated to treat Hotelbeds Group as discontinued operations

* At constant currency rates

Summer 2016 and Winter 2016/17

- **Summer 2016**

- Source Market programme **87% sold to date**, revenue **up 1%**.
- Continued strong performance in **UK** – revenue and bookings **up 6%**.
- No apparent slow down in bookings as a result of the EU referendum.
- Source Markets bookings excluding Turkey **up 8% proving the sustained demand for package holidays** and **flexibility of our model to remix capacity**.
- More significant impact on **Germany** and **Nordics** from lower demand for Turkey and **Belgium** demand affected post attack at Brussels Airport.

- **Winter 2016/17 and Summer 2017**

- Pleased with the start to early trading for Winter 2016/17 and Summer 2017.
- Winter 2016/17 less than 25% booked – bookings **up 8%**, average selling prices **up 5%**.
- Reflects growth in **UK long haul**.

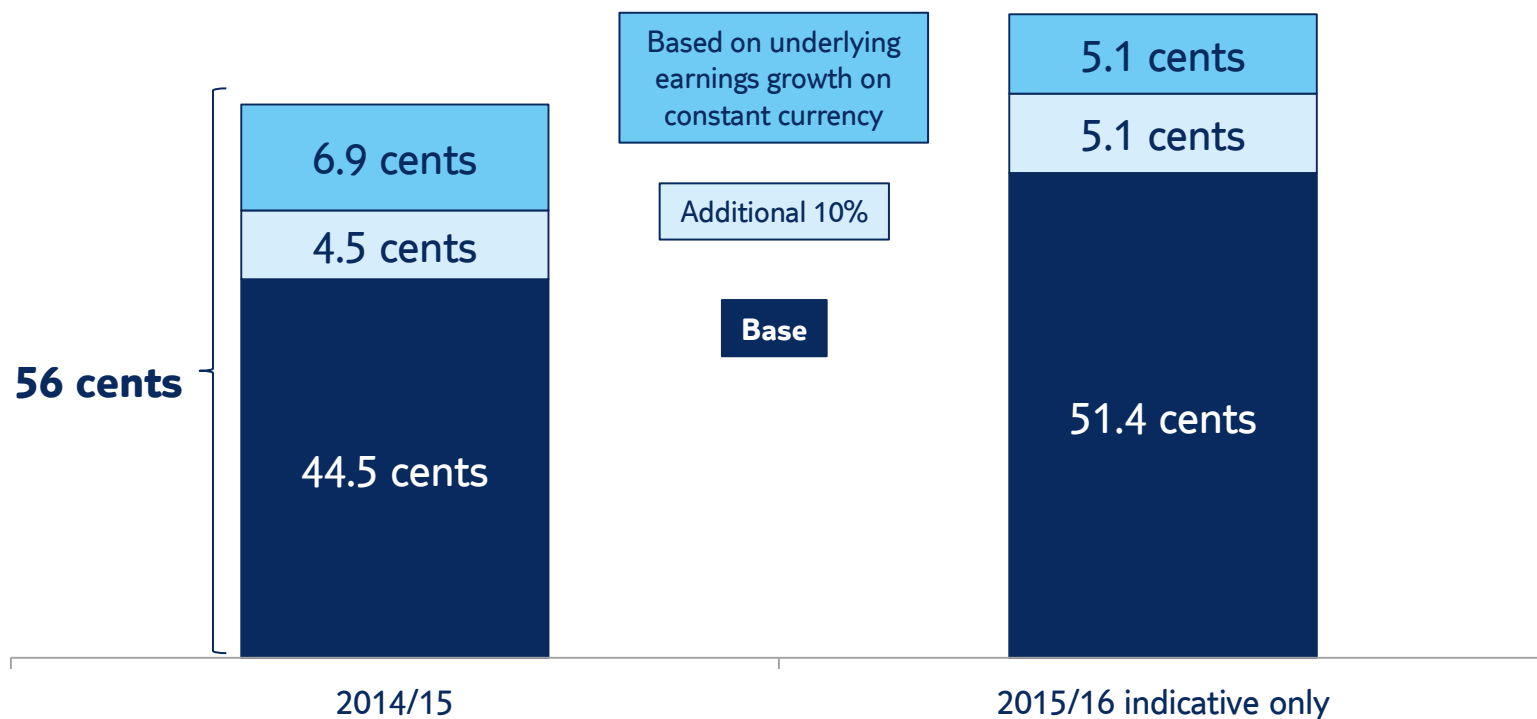
Overall, current trading is in line with our expectations

Outlook 2015/16* – Continuing operations basis

€m	2014/15	2015/16 e
Brand Turnover	€21,590m	Around 3% growth
Turnover	€19,018m	Around 2% growth
Underlying EBITA	€1,001m	At least 10% growth
Adjustments	€176m	~€160m
Net Interest	€182m	~€170m
Net capex & investments	€655m	~€750m
Net debt	€214m	Broadly neutral
Underlying ETR	~25%	~25%

* At constant currency rates, Prior year income statement items restated for discontinued operations

Progressive dividend policy



Progressive dividend policy which reflects underlying growth in earnings

Appendix

Review of Q3

Brand turnover: €5.2bn
-4.9% / -1.2%*

Turnover: €4.6bn
-5.7% / -2.1%*

Underlying EBITA: €180.0m
+1.1% / +14.1%*

Reported EBITA: €149.5m
+24.2% / +44.1%*

- **Turnover decline** driven by earlier Easter timing and geopolitical events.
- **14.1%*** improvement in underlying EBITA.
- **UK, Riu and Cruise** continue to deliver a strong trading performance.
- Improved performance for **Germany and France**.
- Further **€9m merger synergies** delivered in the quarter in relation to corporate streamlining and occupancy improvements.

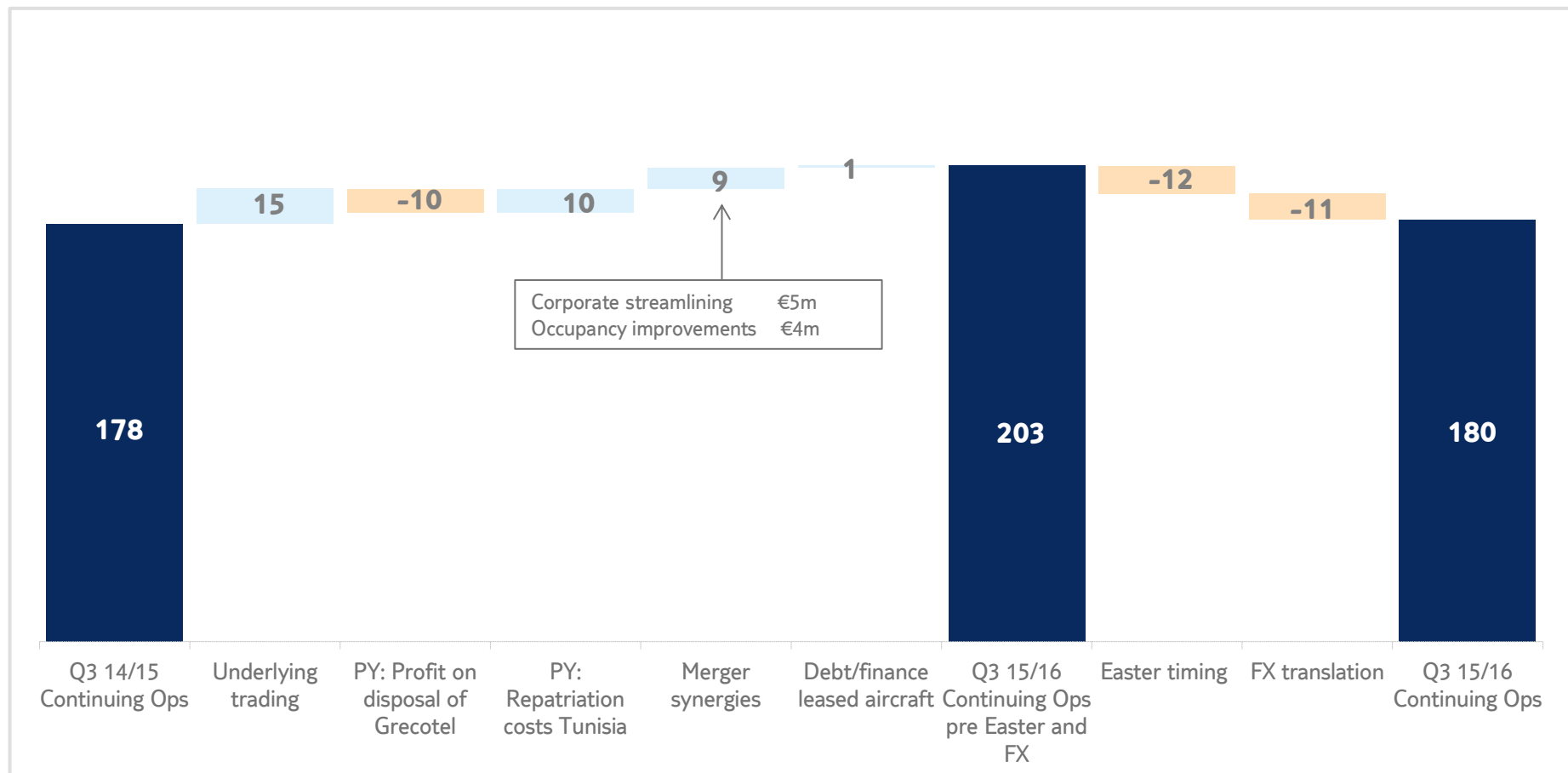
Continuing to deliver against our growth plans

All figures restated to treat Hotelbeds Group as discontinued operations

* At constant currency rates and EBITA also excludes the earlier timing of Easter

TUI Group

Underlying EBITA bridge Q3 2015/16 in €m



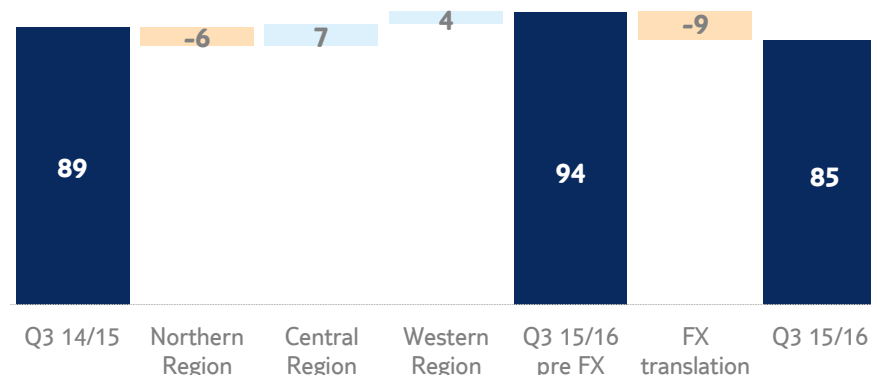
14.1% increase in underlying EBITA pre Easter timing and FX*

Source Markets

Turnover and Earnings (€m)

	Q3 15/16	Q3 14/15	%
Turnover	3,843.3	4,071.3	-5.6
Underlying EBITA	84.9	88.9	-4.5

Bridge Underlying EBITA (€m)



Business development Q3 2015/16*



Northern Region -€6m (+€1m excluding Easter):

- **UK** continues to deliver a strong trading performance, with improved load factors and margins and the launch of the new cruise ship TUI Discovery in June 2016. The result also benefits from the non-repeat of last year's repatriation costs in Tunisia. These were offset by the revaluation of maintenance reserves due to the lower UK gilt rate, and an increase in the claim rate for DBC.
- As expected, the **Nordics** result has been adversely impacted by lower demand for Turkey. Although this year's programme has been remixed to alternative destinations, this has not fully mitigated the impact, and we have experienced later booking patterns as a result, putting further pressure on lates trading. The result also includes costs in respect of the TUI brand migration which will take place in Autumn 2016.

Central Region +€7m (+€9m excluding Easter):

Performance improved as a result of lower distribution costs and cost savings from restructuring programmes in Germany and Austria. We are continuing to increase our market share in Germany, despite challenging conditions.

Western Region +€4m (+€7m excluding Easter):

Result improved due to significant reduction in French operating losses and good performance in Netherlands, offset partly by the difficult trading environment in Belgium following the Brussels attack, particularly for package holiday sales. We expect the acquisition of Transat's French tour operating business to complete by the end of October 2016.

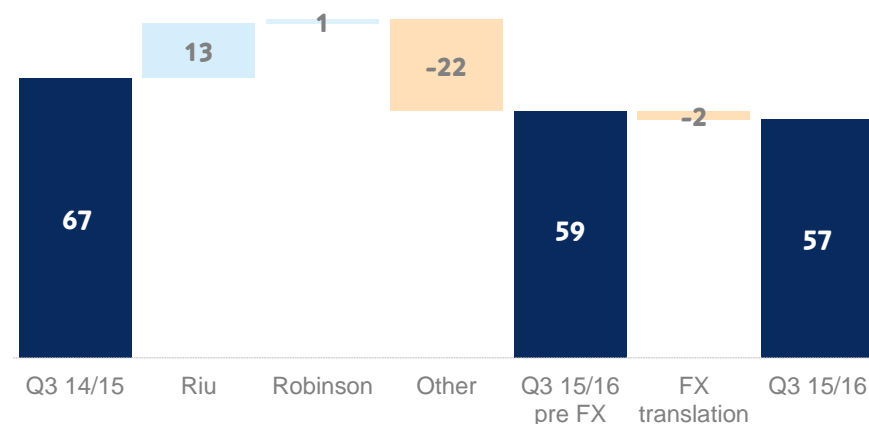
* At constant currency rates. , Northern Region now includes Crystal Ski and Thomson Lakes & Mountain..

Hotels & Resorts

Turnover and Earnings (€m)

	Q3 15/16	Q3 14/15	%
Total Turnover	300.9	316.9	-5.0
Underlying EBITA	56.7	67.3	-15.8
<i>o/w Equity result</i>	10.9	10.0	9.0

Bridge Underlying EBITA (€m)



Business development Q3 2015/16*



- The prior year result included a €10m gain on disposal of Grecotel and, as expected, earnings for hotels in Turkey and North Africa have been adversely impacted by reduced demand following geopolitical events.
- **Riu** delivered another strong quarter, with a 1% increase in capacity, 5% point improvement in occupancy and 3% increase in average rate per bed, and a particularly strong performance in Spain, Cape Verde and long haul.
- We have made further progress in delivering our occupancy improvement synergies, worth €4m in the quarter.
- In line with our plans to grow our core brands, we opened five additional hotels this summer and a further two were repositioned from other brands into TUI Blue.

* At constant currency rates

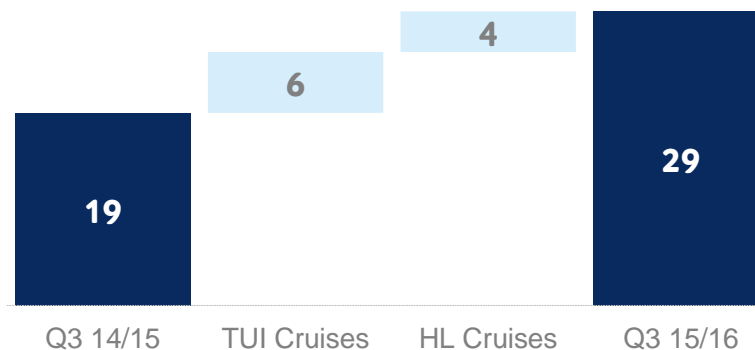
Cruises

Turnover and Earnings (€m)

	Q3 15/16	Q3 14/15	%
Turnover HL Cruises	71.3	63.8	11.8
<i>Memo: TUI Cruises Turnover</i>	181.4	147.7	22.8
Underlying EBITA	29.4	19.3	52.3
<i>o/w EAT TUI Cruises*</i>	25.8	19.5	32.3

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

Bridge Underlying EBITA (€m)



Business development Q3 2015/16

TUI Cruises +€6m:

- Strong growth driven by high demand for Mein Schiff 4, launched in June 2015.
- Good occupancy and rates across the fleet.

Hapag-Lloyd Cruises +€4m:

- Continued improvement in performance.
- Positive result driven principally by daily rate, which was up 7% in the quarter.



Income Statement

In €m	9M 2015/16	9M 2014/15
Turnover	11,390.0	11,488.1
Underlying EBITA	-56.9	-105.0
Adjustments (SDI's and PPA)	-81.9	-143.1
EBITA	-138.8	-248.1
Net interest expense	-115.0	-140.6
Hapag-Lloyd AG	-100.3	0.9
EBT	-354.1	-387.8
Income taxes	62.6	232.1
Group result continuing operations	-291.5	-155.7
Discontinued operations	3.5	-13.6
Minority interest	-74.0	-3.0
Group result after minorities	-362.0	-172.3
Hybrid dividend	-	-10.0
Basic EPS (€, continuing)	-0.62	-0.35

Adjustments of €82m

- A reduction of €61m due to the lower merger related costs, includes PPA of €45m.

Interest reduced to €115m

- A reduction of €26m mainly due to the lower convertible bond interest.

Hapag- Lloyd AG

- Share price has increased since H1 from €16.10 to €19.00 as at end of Q3. The value increase resulting from the higher share price has been carried to equity in line with IAS39 requirement.

Tax credit of €63m

- Prior year reflected the impact of post-merger tax restructuring.

Discontinued operations

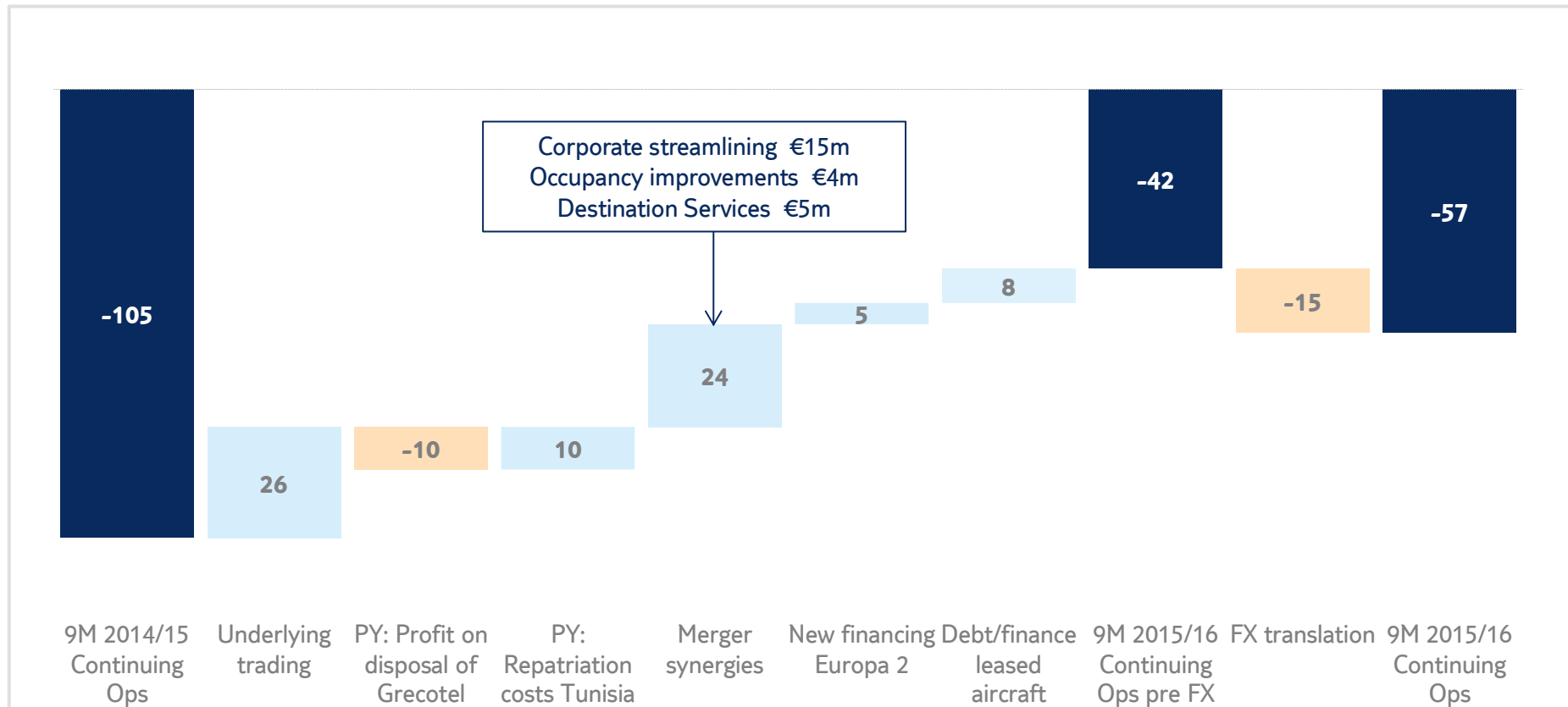
- Relates to the disposal of Hotelbeds Group in the current year and LateRooms Group in the prior year. Gain on disposal for Hotelbeds Group expected to be ~€600m.

Minority Interest

- Prior year included TUI Travel (pre merger) of €51m

TUI Group

Underlying EBITA bridge 9M 2015/16 in €m



Significant improvement in underlying EBITA loss at constant currency

Cash Flow

In €m	9M 2015/16	9M 2014/15*
EBITA reported**	-138.8	-248.1
Depreciation**	312.0	294.2
Working capital	1,143.6	881.5
Other cash effects	50.8	-123.8
At equity income**	-101.7	-84.9
Dividends received from JVs and associates	39.6	9.1
Tax paid	-160.4	-102.3
Interest (cash)	-58.8	-67.4
Pension contribution	-119.8	-118.2
Operating Cashflow	966.5	440.1
Net capex	-367.1	-354.8
Net investments	-58.9	-125.6
Net pre-delivery payments	-17.4	23.1
Free Cashflow	523.1	-17.2
Dividends & Hybrid Interest	-329.9	-305.5
Movement in Cash Net of Debt	193.2	-322.7

*Prior year restated due to exclusion of Hotelbeds reported EBITDA and reclassification of provisions between working capital and other cash effects

**Continuing ops basis – non-continuing adjustment in Other cash effects

Movement in net debt

€m	30 Jun 2016	30 Jun 2015
Opening net (debt)/ cash as at 30 September	-214	293
Movement in cash net of debt	193	-323
Disposal of shares in Money Market fund	-	300
Foreign exchange movement	75	-174
Non cash movement in debt - Asset backed finance	-337	-689
Non cash movement in debt - Other	-3	286
Closing net debt including discontinued operations	-286	-307
Discontinued operations - Hotelbeds Group	-173	-
Closing net debt as per Balance Sheet	-459	-307

Comment: As at 30 June 2016, cash and cash equivalents worth €193m were subject to disposal restrictions

FX and fuel

Hedging	Summer 2016	Winter 2016/17	Summer 2017
Euro	95%	81%	50%
US Dollars	95%	84%	59%
Jet Fuel	95%	91%	77%

**Anticipate ~€100m adverse impact from FX translation
on the full-year underlying EBITA result**

Hedging as at 5 August 2016

2015/16 9M Turnover by segment (excludes intra-group turnover)*

In €m	9M 2015/16	9M 2014/15	Change	FX	Change ex FX
Northern Region	4,285.6	4,305.9	-20.3	-103.4	83.1
Central Region	3,335.2	3,340.3	-5.1	-2.6	-2.5
Western Region	1,650.2	1,660.1	-9.9	0.1	-10.0
Source Markets	9,271.0	9,306.3	-35.3	-105.9	70.6
Riu	326.5	299.2	27.3	-14.3	41.6
Robinson	43.2	42.5	0.7	-	0.7
Other (incl former TUI Travel hotels)	39.5	39.5	-	-1.3	1.3
Hotels & Resorts	409.2	381.2	28.0	-15.6	43.6
TUI Cruises	-	-	-	-	-
Hapag-Lloyd Cruises	214.4	200.0	14.4	-	14.4
Cruises	214.4	200.0	14.4	-	14.4
Other Tourism	431.9	449.8	-17.9	-1.2	-16.7
Tourism	10,326.5	10,337.3	-10.8	-122.7	111.9
Specialist Group	970.6	1,058.2	-87.6	0.7	-88.3
All Other Segments	92.9	92.6	0.3	-0.6	0.9
TUI Group continuing operations	11,390.0	11,488.1	-98.1	-122.6	24.5

*Table contains unaudited figures and rounding effects

2014/15 Turnover by segment (restated for continuing operations)*

In €m	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	FY 2014/15
Northern Region	1,167.0	1,234.1	1,904.8	3,042.5	7,348.4
Central Region	1,058.1	876.0	1,406.1	2,260.6	5,600.8
Western Region	487.3	412.4	760.4	1,186.9	2,847.0
Source Markets	2,712.4	2,522.5	4,071.3	6,490.0	15,796.2
Riu	94.0	106.8	98.3	124.1	423.2
Robinson	12.2	11.8	18.6	29.2	71.8
Other (incl former TUI Travel hotels)	11.8	8.8	18.9	40.4	79.9
Hotels & Resorts	118.0	127.4	135.8	193.7	574.9
TUI Cruises	-	-	-	-	-
Hapag-Lloyd Cruises	53.5	82.7	63.8	73.3	273.3
Cruises	53.5	82.7	63.8	73.3	273.3
Other Tourism	153.4	147.0	149.4	255.0	704.8
Tourism	3,037.3	2,879.6	4,420.3	7,012.0	17,349.2
Specialist Group	291.3	351.9	415.0	443.8	1,502.0
All Other Segments	27.8	24.1	40.7	73.7	166.3
TUI Group continuing operations	3,356.4	3,255.6	4,876.0	7,529.5	19,017.5

*Table contains unaudited figures and rounding effects

2015/16 9M Underlying EBITA by segment*

In €m	9M 2015/16	9M 2014/15	Change	FX	Change ex FX
Northern Region	-11.3	8.1	-19.4	-13.4	-6.0
Central Region	-106.5	-97.9	-8.6	0.2	-8.8
Western Region	-82.2	-71.1	-11.1	-	-11.1
Source Markets	-200.0	-160.9	-39.1	-13.2	-25.9
Riu	218.2	170.4	47.8	-8.0	55.8
Robinson	2.2	14.3	-12.1	0.7	-12.8
Other (incl former TUI Travel hotels)	-80.0	-61.8	-18.2	6.1	-24.3
Hotels & Resorts	140.4	122.9	17.5	-1.2	18.7
TUI Cruises	55.6	36.6	19.0	-	19.0
Hapag-Lloyd Cruises	13.9	1.0	12.9	-	12.9
Cruises	69.5	37.6	31.9	-	31.9
Other Tourism	-23.9	-43.5	19.6	-	19.6
Tourism	-14.0	-43.9	29.9	-14.4	44.3
Specialist Group	-10.2	-3.4	-6.8	-2.6	-4.2
All Other Segments	-32.7	-57.7	25.0	1.8	23.2
TUI Group continuing operations	-56.9	-105.0	48.1	-15.2	63.3

*Table contains unaudited figures and rounding effects

2014/15 Underlying EBITA by segment (restated for continuing operations)*

In €m	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	FY 2014/15
Northern Region	-47.6	-47.6	103.3	530.2	538.3
Central Region	-20.3	-73.4	-4.2	201.4	103.5
Western Region	-11.9	-49.0	-10.2	139.9	68.8
Source Markets	-79.8	-170.0	88.9	871.5	710.6
Riu	48.2	65.6	56.6	90.6	261.0
Robinson	7.7	1.9	4.7	27.4	41.7
Other (incl former TUI Travel hotels)	-27.2	-40.6	6.0	-6.3	-68.1
Hotels & Resorts	28.7	26.9	67.3	111.7	234.6
TUI Cruises	10.3	6.7	19.5	31.5	68.0
Hapag-Lloyd Cruises	-8.3	9.5	-0.2	11.4	12.4
Cruises	2.0	16.2	19.3	42.9	80.4
Other Tourism	-14.1	-16.7	-12.6	51.0	7.6
Tourism	-63.2	-143.6	162.9	1,077.1	1,033.2
Specialist Group	-17.1	-14.9	28.7	51.3	48.0
All Other Segments	-26.1	-18.1	-13.5	-23.0	-80.7
TUI Group continuing operations	-106.4	-176.6	178.1	1,105.4	1,000.5

*Table contains unaudited figures and rounding effects

Net financial position

€m	30 Jun 2016*	31 Mar 2016*	31 Dec 2015	30 Sep 2015
Financial liabilities	2,122	2,505	2,918	1,887
o/w non-current	1,838	2,282	2,693	1,654
o/w current	284	223	225	233
Cash	1,663	926	1,042	1,673
Net debt	459	1,579	1,876	214

* On Continuing operations basis.

Source Market KPIs* Q3

	Direct Distribution		Online Distribution		Customers (000)	
	15/16	14/15	15/16	14/15	15/16	14/15
UK	93%	92%	59%	54%	1,745	1,664
Nordics	91%	91%	77%	73%	314	351
Germany**	46%	42%	14%	14%	1,672	1,853
Benelux	73%	68%	56%	50%	1,125	1,173
Total Source Markets***	73%	69%	44%	40%	5,260	5,451

* Table contains unaudited figures

** Germany includes Austria

*** Source Markets restated as Western now excludes Italy (reported in All Other Segments) and Northern now includes Crystal Ski, Thomson Lakes & Mountains (prev. in Specialist Group).

Source Markets

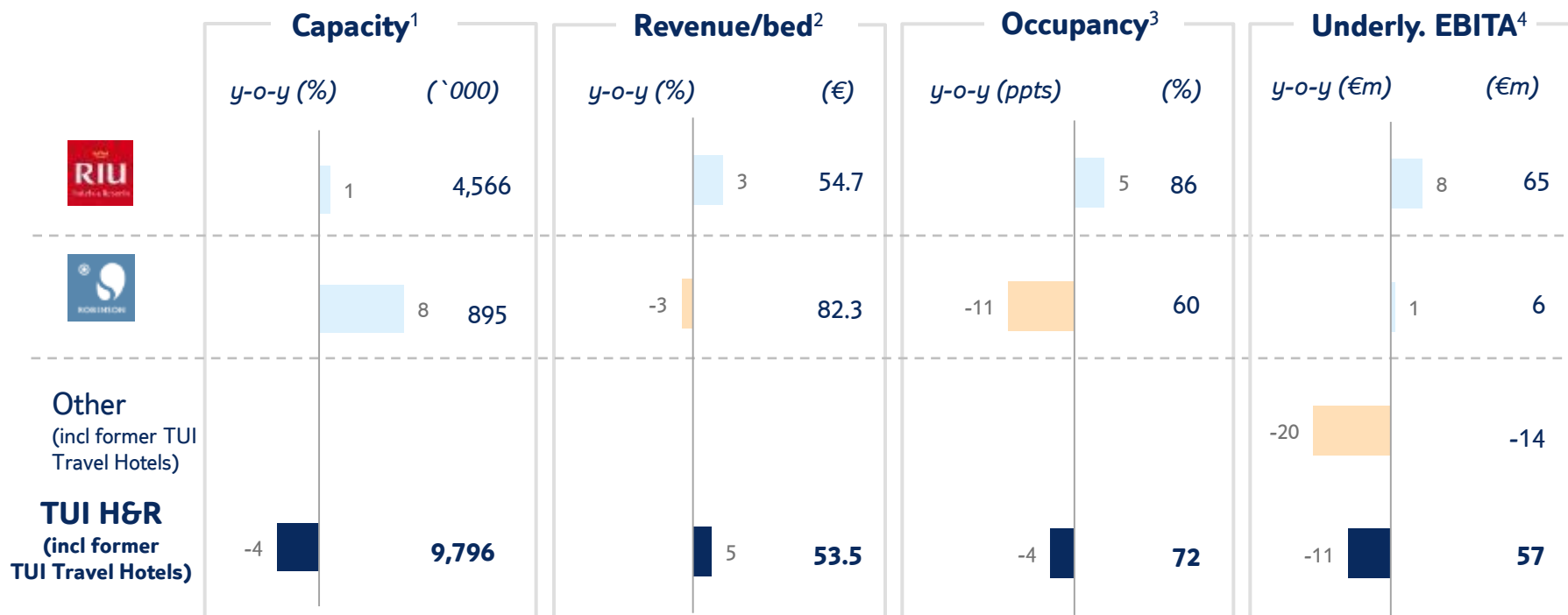
KPIs Q3 2015/16

	Customers		Direct Distribution		Online		Underly. EBITA	
	y-o-y (%)	('000)	y-o-y (ppts)	(%)	y-o-y (ppts)	(%)	y-o-y (€m)	(€m)
Northern Region*	2	2,090	0	92	5	62	-15	88
Central Region	-9	1,810	5	52	1	17	7	3
Western Region*	-4	1,360	4	70	4	51	4	-6
Source Markets	-4	5,260	4	73	4	44	-4	85

* Western now excludes Italy (reported in All Other Segments) and Northern now includes Crystal Ski, Thomson Lakes & Mountains (prev. in Specialist Group)

Hotels & Resorts

KPIs Q3 2015/16



¹ Group owned or leased hotel beds multiplied by opening days per quarter

² Arrangement revenue divided by occupied beds

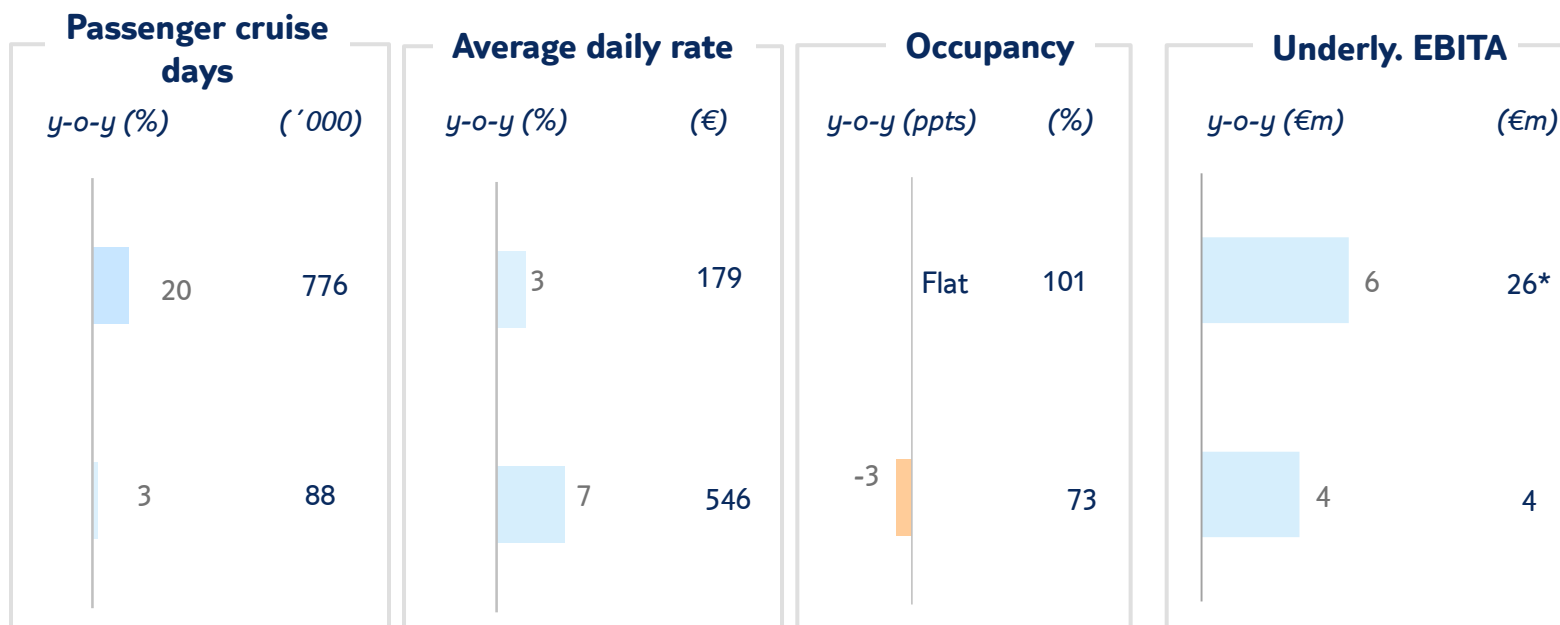
³ Occupied beds divided by capacity

⁴ Segment figures

Note: capacity, revenue/bed and occupancy have been restated to exclude Grecotel which was disposed during 2014/15

Cruises

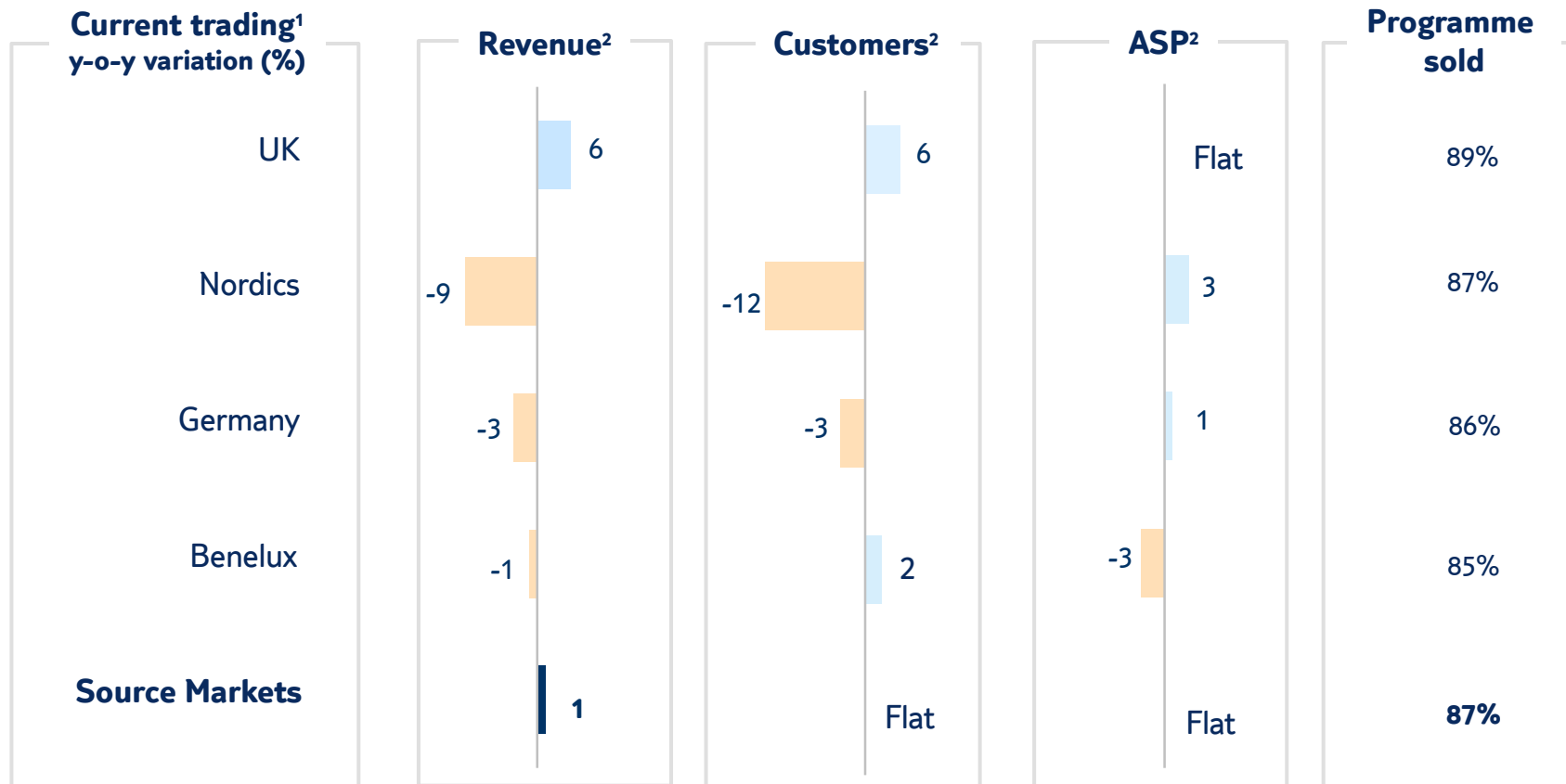
KPIs Q3 2015/16



* Equity result

Source Markets

Current Trading - Summer 2016



1. These statistics are up to 31 July 2016 and are shown on a constant currency basis

2. These statistics relate to all customers whether risk or non-risk

Key sources of funding 30 June 2016

Instrument	Issue	Maturity	Amount €m	Interest % p.a.*
Revolving Credit Facility	Sep 14	Dec 20	1,750**	1.55
High Yield Bond	Sep 14	Oct 19	300	4.5
Finance leases	Various	Various	1,258	Various

*Upgrade of our rating by Moody's has reduced our RCF interest margin from 1.7% to 1.55% p.a as of 27/04/2016.

**Including a tranche of €215.0m for the issue of bank guarantees

Destination update

Tunisia

- Adverse travel advice in UK, Belgium and Netherlands still in place
- TUI has **11 leased hotels** – most have been temporarily closed
- Tour operator charter capacity remixed for Summer 2016

Egypt

- Adverse travel advice to Sharm el Sheik airport from all major source markets
- Several hotels temporarily closed
- **44 hotels operating** end Jun 16 – 12 owned, 1 leased, 29 managed, 2 franchised

Turkey

- Adverse travel advice in Russia has recently been lifted
- Operations back to normal post attempted Coup on 15th July
- Programmes operating from source markets but with subdued demand
- **26 hotels operating** end Jun 2016 – 9 owned, 13 leased, 2 managed, 2 franchised

Aircraft order book deliveries – FY 2016 to FY 2021

	15/16	16/17	17/18	18/19	19/20	20/21
B737 NG	-	-	-	-	-	-
B737-MAX	-	-	5	18	18	12
B787-8	-	-	-	-	-	-
B787-9	1	1	2	-	-	-
Firm order book deliveries 2016-2021	1	1	7	18	18	12

Financial Years (FY) ending 30 September; figures correct as at 31 July 2016, and include post 30Jun16 announcement of 11 new firm order book aircraft (1 x B787-9 in FY18, 4 x B737-MAX in FY19, 4 x B737-MAX in FY20, 2 x B737-MAX in FY21).

In addition to the above firm orders, TUI Group has further aircraft options :

	15/16	16/17	17/18	18/19	19/20	20/21
B737-MAX	-	-	-	-	2	9
B787-9	-	-	-	1	-	-
Option order book deliveries 2016-2021	-	-	-	1	2	9

Financial Years (FY) ending 30 September; figures correct as at 31 July 2016

Aircraft commitments by financing type

	Operating Lease*	Finance Lease	Owned	Total
As at 30 September 2015	124	15	8	147
Order book financing	-	1	-	1
External Lessor deliveries	6	-	-	6
External Lessor Returns	(5)	-	-	(5)
As at 30 June 2016	125	16	8	149

* Includes aircraft leased from and operated on behalf of 3rd party airlines

Financial calendar 2016 & 2017

28 September 2016	Pre-close trading update
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8 December 2016	Annual Report for financial year 2015/16
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14 February 2017	Q1 Report and Annual General Meeting
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29 March 2017	Pre-close trading update
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