

# H1 Results 2015/16

11 May 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 | Opening Remarks           | Fritz Jousen |
| 2 | H1 Review                 | Fritz Jousen |
| 3 | Financial Performance     | Horst Baier  |
| 4 | Current Trading & Outlook | Fritz Jousen |
| 5 | Appendix                  |              |

## Opening Remarks

- In our first year post merger, we delivered our **best year of underlying EBITA**, with constant currency growth of over 15%, ahead of guidance.
- **Our second year has started well**, we are well positioned to deliver full year underlying EBITA growth of at least 10%\*.
- We are focussed on delivering our TUI Group strategy as a content centric, vertically integrated tourism business following the **agreement to dispose Hotelbeds Group** for €1.2bn.
- Having completed our strategic review of the segment, **we confirm also our intention to dispose Specialist Group.**

**Focus on growth strategy and strengthening the balance sheet**

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









# TUI Group 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**

# H1 Review

Fritz Jousen

## Review of the Half

**Brand turnover: €8.4bn**  
**+3.0% / +3.0%\***

**Turnover: €6.8bn**  
**+2.7% / +1.9%\***

**Underlying EBITA: €-237m**  
**+16.3% / +17.7%\***

**Reported EBITA: €-288m**  
**+21.8% / +22.8%\***

- **Brand turnover growth** driven by Source Markets and Cruises
- **17.7%\*** improvement in underlying EBITA loss
- **UK, Riu and Cruises** have performed particularly well
- Further **€15m merger synergies** delivered in the half in relation to corporate streamlining and Destination Services

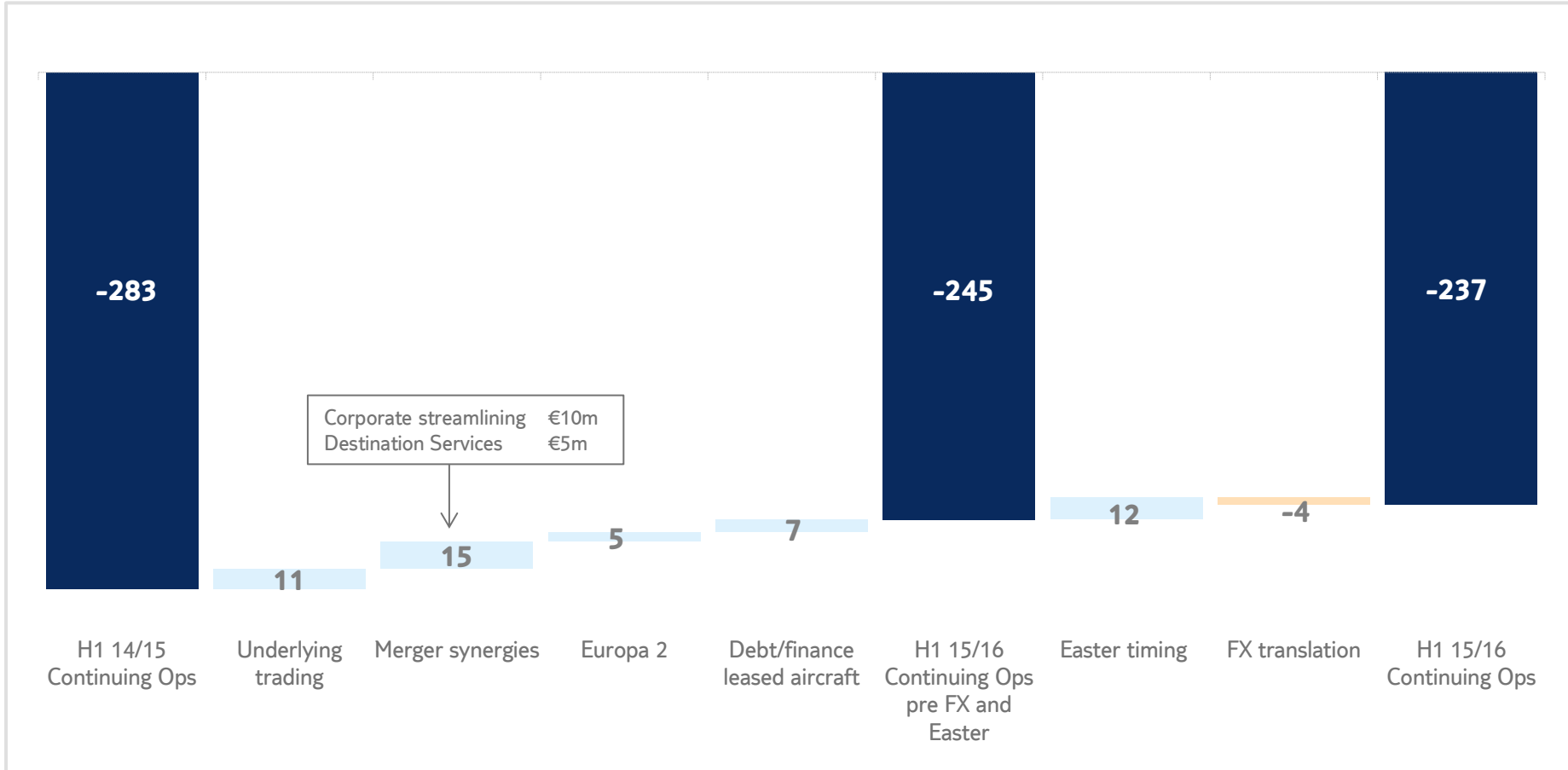
**Continuing to deliver against our growth plans**

All figures restated to treat Hotelbeds Group as discontinued operations

\* At constant currency rates

# TUI Group

## Underlying EBITA Bridge H1 2015/16 in €m



**17.7% improvement in underlying EBITA loss at constant currency**

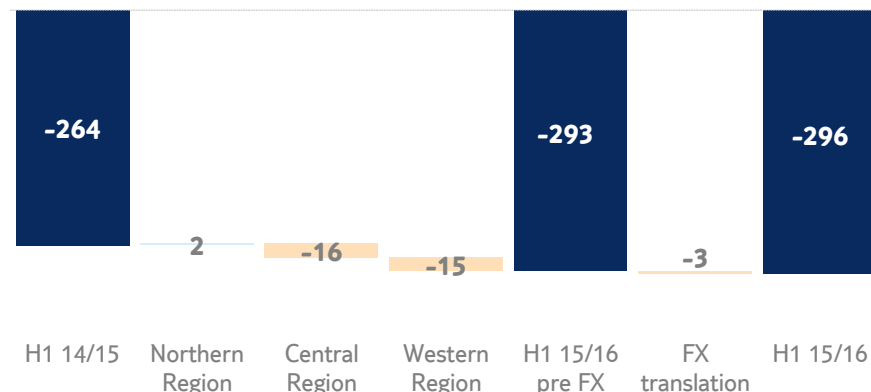


# Source Markets

## Turnover and Earnings (€m)

	H1 15/16	H1 14/15	%
Turnover	5,191.2	4,992.7	4.0
Underlying EBITA	-296.4	-264.2	-12.2

## Bridge Underlying EBITA (€m)



### Business development H1 2015/16\*



#### Northern Region +€2m:

- Strong UK trading performance, in particular Canaries, long haul and cruise
- Nordics in line with prior year with a good Q1 performance impacted by pressure in the lates market in Q2
- Challenging trading in Canada compounded by unfavourable USD to CAD

#### Central Region -€16m:

Decrease driven by Germany where trading conditions continue to be difficult due to competitive pressures and lower demand for North Africa and Turkey, combined with increased spend on marketing and online to deliver benefits in H2.

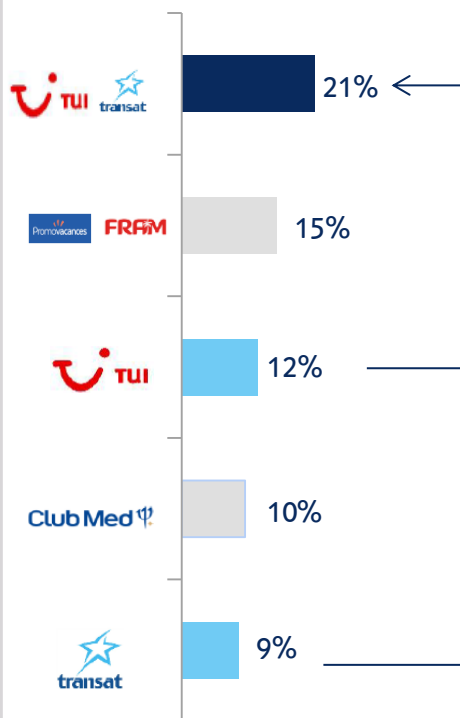
#### Western Region -€15m:

Prior year included €12m non-recurring credit. Operational result down €3m with improved performance in France to EU destinations offset by impact of North Africa and closure of Brussels airport.

\* At constant currency rates. Western Region has been restated to exclude Italy, now reported in All Other Segments

# Strategic rationale for acquisition of Transat France

## Market shares \*/ France



\* Company estimates

## Acquisition opportunity in the French market

### Acquisition Valuation

- Enterprise value of €55m with completion anticipated by October 2016

### Regain market leadership in France

- Transat France is the #4 tour operator in France with a 9% market share and a 30 year long market presence
- Market consolidation will increase TUI France relevance in the market with a combined market share of c.21%

### Add scale, complementary distribution and product

- More product choice and more product flexibility for our customers

### Margin improvement potential

- Significant margin improvement identified by 2019/20 - expect to move margins in France towards current level of Western Region resulting in improvement in overall segment margin

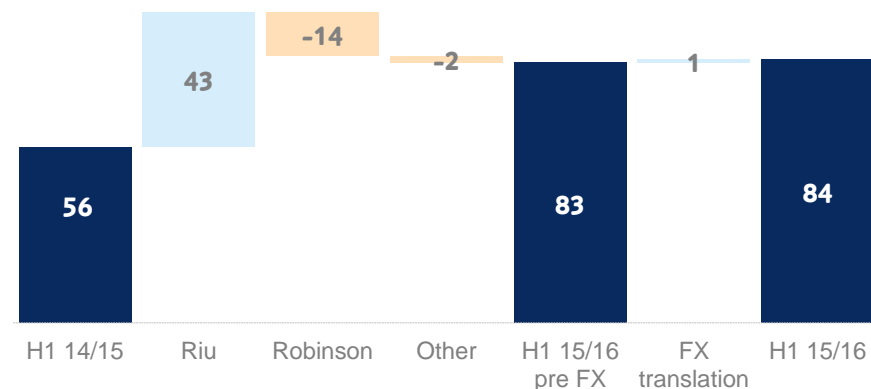
**Supports growth strategy and enhances turnaround plan for France**

# Hotels & Resorts

## Turnover and Earnings (€m)

	H1 15/16	H1 14/15	%
Total Turnover	530.3	500.0	6.1
<i>o/w Turnover 3rd party</i>	266.0	245.4	8.4
Underlying EBITA	83.7	55.6	50.5
<i>o/w Equity result</i>	18.5	3.1	496.8

## Bridge Underlying EBITA (€m)



### Business development H1 2015/16\*



#### Riu +€43m:

Strong operating performance with a 2% increase in capacity, 4% point improvement in occupancy and 8% increase in average rate per bed, seeing good performances particularly in the Canaries and Long Haul. Includes €11m gain on disposal of hotel in Majorca.

#### Robinson -€14m:

Impacted by investment in marketing to grow the brand, pre-opening costs of new resorts, additional lease costs in Tunisia (new in Summer 2015) and the anticipated lower demand for Turkey.

#### Other -€2m:

Result adversely impacted by events in Egypt and reduced demand for Turkish destinations, offset by €5m gain on sale of hotels in Spain and Bulgaria and exclusion of Grecootel losses following disposal last year.

\* At constant currency rates

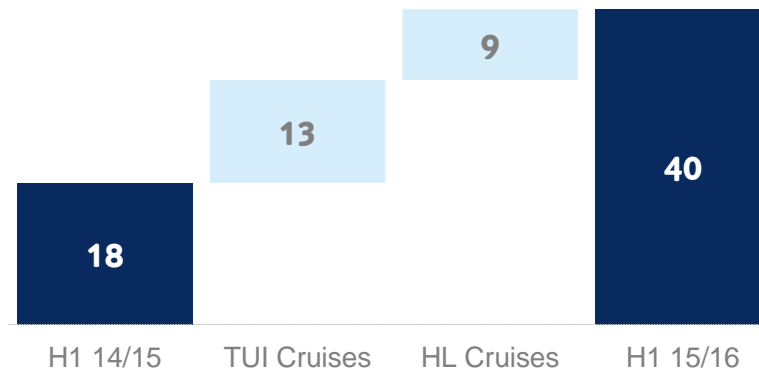
# Cruises

## Turnover and Earnings (€m)

	H1 15/16	H1 14/15	%
Turnover HL Cruises	143.1	136.2	5.1
<i>Memo: TUI Cruises Turnover</i>	364.2	263.7	38.1
Underlying EBITA	40.1	18.3	119.1
<i>o/w EAT TUI Cruises*</i>	29.8	17.1	74.3

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

## Bridge Underlying EBITA (€m)



### Business development H1 2015/16

#### TUI Cruises +€13m:

- Growth driven by high demand for Mein Schiff 4 (Launched June 2015)
- Strong occupancy and yield performance across fleet
- Prior year result included €2m benefit in respect of the release of a shipyard loan provision

#### Hapag-Lloyd Cruises +€9m:

Increased result principally driven by improved daily rate up 7% and occupancy up 1% point. Also includes €5m benefit from the refinancing of Europa 2 in January 2015, partially offset by planned dry dock period for Europa and Hanseatic (€2m).

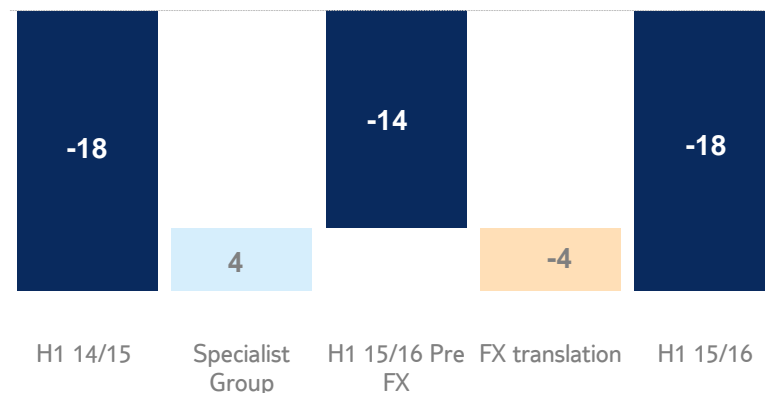


# Specialist Group

## Turnover and Earnings (€m)

	H1 15/16	H1 14/15	%
Turnover	850.1	885.2	-4.0
Underlying EBITA	-17.5	-17.7	1.1

## Bridge Underlying EBITA (€m)



### Business development H1 2015/16\*



### Specialist Group +€4m:

- Good performance by Luxury Travel and Tailormade brands
- Benefit from exclusion of PEAK losses following exit from venture last year

### Strategic Review

- Disposals made to rationalise the business e.g. language schools
- Crystal Ski and Lakes & Mountains to be transferred to UK Source Market
- Decision to dispose remaining business in one transaction
- Marketing expected to commence Autumn 2016

\* At constant currency rates

# Specialist Business – Portfolio of profitable specialist travel brands

## Adventure

Portfolio of adventure travel businesses in the UK, Mainland Europe, North America and Australia

## Tailormade

High end, tailormade holidays to worldwide destinations

## Luxury

Private jet holidays and luxury touring holidays worldwide

## Marine

Global sailing, yachting and inland waterways holidays

## Education

Educational, experiential and leisure trips for schools in the UK and North America

## Events

Events travel businesses in the UK, North America and Australia

## Ski

Crystal and Thomson Lakes & Mountains to be transferred to UK source market



# Financial Performance

Horst Baier

# Income Statement

In €m	H1 2015/16	H1 2014/15
Turnover	6,792.3	6,612.1
<b>Underlying EBITA</b>	<b>-236.9</b>	<b>-283.1</b>
Adjustments (SDI's and PPA)	-51.4	-85.4
<b>EBITA</b>	<b>-288.3</b>	<b>-368.5</b>
Net interest expense	-82.0	-106.6
Hapag-Lloyd AG	-100.3	0.9
<b>EBT</b>	<b>-470.6</b>	<b>-474.2</b>
Income taxes	89.1	273.8
<b>Group result continuing operations</b>	<b>-381.5</b>	<b>-200.4</b>
Discontinued operations	-13.4	-18.3
Minority interest	-54.0	17.2
<b>Group result after minorities</b>	<b>-448.9</b>	<b>-201.5</b>
Hybrid dividend	-	10.0
Basic EPS (€)	-0.77	-0.48
<b>Proforma underlying EPS (€, cont.)</b>	<b>-0.50</b>	<b>-0.55</b>

## Adjustments €51.4m

- Includes PPA of €33.5m and merger related costs €7.1m.
- Full-year outlook improved to **~€160m**

## Interest decrease of €24.6m driven by

- Lower convertible bond interest (€22m)

## Hapag- Lloyd AG

- Non-cash book value adjustment made to reflect share price at 31.3.2016 (€16.10)

## Tax credit

- Prior year reflected the impact of post-merger tax restructuring. Current year includes a provision of €37m, reflecting the risk associated with a recent German trade tax ruling.

## 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 expected to be **~€600m**

# Deliver Merger Synergies

In €m	Per Capital Markets Update May 2015		Realised to FY15		Realised to Date	
	Synergies	One-off costs to achieve	Synergies	One-off costs to achieve	Synergies	One-off costs to achieve
Corporate streamlining	50	35	10	31	20	35
Occupancy improvement	30	-	10	-	10	-
Destination Services	20	69*	-	23*	5	36
<b>TOTAL</b>	<b>100</b>	<b>104</b>	<b>20</b>	<b>54</b>	<b>35</b>	<b>71</b>

**Underlying effective tax rate for 2015/16 at 25%**

**On track to deliver synergies in full by end of 2016/17**

\* One-off costs to achieve Destination Services synergies include SDIs (total €43m), tax (total €11m) and capex (total €15m)

# Cash Flow

In €m	H1 2015/16	H1 2014/15*
<b>EBITA reported</b>	<b>-288.3</b>	<b>-368.5</b>
Depreciation	218.6	182.1
Working capital	-373.4	-567.8
At equity income	-65.0	-56.4
Dividends received from JVs and associates	18.3	8.6
Other cash effects	122.3	-133.1
Tax paid	-117.1	-72.9
Interest (cash)	-41.1	-49.1
Pension contribution	-91.3	-93.9
<b>Operating Cashflow</b>	<b>-617.0</b>	<b>-1,151.0</b>
Net capex	-228.9	-258.3
Net investments	-44.9	-141.0
Net pre-delivery payments	-21.3	-18.4
<b>Free Cashflow</b>	<b>-912.1</b>	<b>-1,568.7</b>
Dividends & Hybrid Interest	-329.3	-291.6
<b>Movement in Cash Net of Debt</b>	<b>-1,241.2</b>	<b>-1,860.3</b>

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

## Movement in Net Debt

€m	31 Mar 2016	31 Mar 2015
<b>Opening net (debt)/ cash</b>	<b>-214</b>	<b>293</b>
Movement in cash net of debt	-1,241	-1,860
Disposal of shares in Money Market fund	-	300
Foreign exchange movement	59	-167
Non cash movement in debt - Asset backed finance*	-10	-547*
Non cash movement in debt - Other	-	287
<b>Closing net debt including discontinued operations</b>	<b>-1,406</b>	<b>-1,694</b>
Discontinued operations - Hotelbeds Group	-173	-
<b>Closing net debt as per Balance Sheet</b>	<b>-1,579</b>	<b>-1,694</b>

\*incl. financing Europa 2 and six new aircraft which are finance leased

Comment: As at 31 March 2016, cash and cash equivalents worth €179m were subject to disposal restrictions

# Outlook 2015/16\* - net debt continuing operations

## Net debt FY16 pre disposal of Hotelbeds



€0.5bn

- |  | €bn  |
|--|------|
| ▪ Disposal Hotelbeds post tax/costs  | +1.1 |
| ▪ Working capital cash Hotelbeds<br>(expected position; pre-emption of seasonal swing) | -0.3 |
| ▪ Pension deficit contribution to further<br>strengthen balance sheet                  | -0.2 |

## Net debt FY16 post disposal of Hotelbeds

**Broadly  
neutral**

**Net debt continuing operations expected to be broadly neutral**

\* At constant currency rates



## Update on Hotelbeds, Specialist Group & Hapag-Lloyd

### Hotelbeds Group

- Agreement reached to sell Hotelbeds business for €1.2bn
- Expected completion by end of September 2016

### Specialist Group

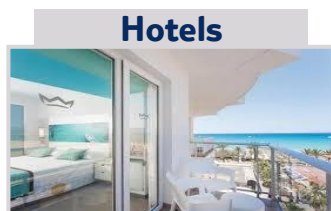
- Strategic Review complete
- Decision to dispose
- Marketing to commence Autumn 2016

### Hapag-Lloyd AG

- Fair value of stake at 31.3.2016 €234m based on share price of €16.10 – latest share price €19.42
- Lock up agreement restriction date of 4 May 2016 now passed

**Maximising growth and value of our other businesses**

# Investing in transformational growth



## Strengthening the Core

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

**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



# Current Trading & Outlook

Fritz Jousen

# Winter 2015/16 and Summer 2016

- **Winter 2015/16**

- Closed out as expected
- Source Market Revenue **up 3%**, and bookings flat
- Long-haul bookings **up 9%**
- Good bookings growth in the **UK and Benelux**

- **Summer 2016**

- Source Market revenue **up 2%** and bookings **up 1%**
- Continued strong performance in **UK** – revenue and bookings up **7%**
- As expected, Turkish destinations remain subdued, bookings excluding Turkey up **8%**
- More significant impact on **Germany** and **Nordics** from lower demand for Turkey and **Belgium** demand affected by recent events

**Overall, current trading remains in line with our expectations**

These statistics are up to 1 May 2016 and are shown on a constant currency basis

## Outlook 2015/16\* Confirmed – Continuing operations basis

€m	2014/15	2015/16 e
<b>Brand Turnover</b>	€21,590m	<b>At least 5% growth</b>
<b>Turnover</b>	€19,018m	<b>At least 3% growth</b>
<b>Underlying EBITA</b>	€1,001m	<b>At least 10% growth</b>
<b>Adjustments</b>	€176m	~€160m
<b>Net Interest</b>	€182m	~€170m
<b>Net capex &amp; investments</b>	€655m	~€750m
<b>Net debt</b>	€214m	<b>Broadly neutral</b>
<b>Underlying ETR</b>	~25%	~25%

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

## Summary

- Good **first half performance**
- Maximising growth and value of our **other businesses**, with the sale of Hotelbeds agreed and confirmation of intention to dispose Specialist Group
- **Well-positioned and confident** to deliver at least 10%\* growth in underlying EBITA for financial year 2015/16 and over the three years to 2017/18
- Clear strategy to **becoming a content centric, vertically integrated business**

\* At constant currency rates and restated for discontinued operations



# Appendix

## 2015/16 H1 Turnover by Segment (excludes intra-group turnover)\*

In €m	H1 2015/16	H1 2014/15	Change	FX	Change ex FX
Northern Region	2,287.6	2,158.8	128.8	41.2	87.6
Central Region	1,988.0	1,934.2	53.8	3.1	50.7
Western Region	915.6	899.7	15.9	-0.2	16.1
<b>Source Markets</b>	<b>5,191.2</b>	<b>4,992.7</b>	<b>198.5</b>	<b>44.1</b>	<b>154.4</b>
Riu	220.0	200.9	19.1	-6.3	25.4
Robinson	24.6	24.0	0.6	0.2	0.4
Other (incl former TUI Travel hotels)	21.4	20.5	0.9	-0.4	1.3
<b>Hotels &amp; Resorts</b>	<b>266.0</b>	<b>245.4</b>	<b>20.6</b>	<b>-6.5</b>	<b>27.1</b>
TUI Cruises	-	-	-	-	-
Hapag-Lloyd Cruises	143.1	136.2	6.9	-	6.9
<b>Cruises</b>	<b>143.1</b>	<b>136.2</b>	<b>6.9</b>	<b>-</b>	<b>6.9</b>
Other Tourism	289.1	300.4	-11.3	-0.1	-11.2
<b>Tourism</b>	<b>5,889.4</b>	<b>5,674.7</b>	<b>214.7</b>	<b>37.5</b>	<b>177.2</b>
Specialist Group	850.1	885.2	-35.1	16.5	-51.6
All Other Segments	52.8	52.2	0.6	0.6	-
<b>TUI Group continuing operations</b>	<b>6,792.3</b>	<b>6,612.1</b>	<b>180.2</b>	<b>54.6</b>	<b>125.6</b>
Discontinued Operations	453.9	359.3	94.6	-4.6	99.2

\*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	1,124.9	1,033.9	1,866.3	2,989.8	7,014.9
Central Region	1,058.2	876.0	1,406.1	2,260.6	5,600.9
Western Region	487.3	412.4	760.4	1,186.9	2,847.0
<b>Source Markets</b>	<b>2,670.4</b>	<b>2,322.3</b>	<b>4,032.8</b>	<b>6,437.3</b>	<b>15,462.8</b>
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	40.3	79.8
<b>Hotels &amp; Resorts</b>	<b>118.0</b>	<b>127.4</b>	<b>135.8</b>	<b>193.6</b>	<b>574.8</b>
TUI Cruises	-	-	-	-	-
Hapag-Lloyd Cruises	53.5	82.7	63.9	73.2	273.3
<b>Cruises</b>	<b>53.5</b>	<b>82.7</b>	<b>63.9</b>	<b>73.2</b>	<b>273.3</b>
Other Tourism	153.3	147.1	149.4	255.0	704.8
<b>Tourism</b>	<b>2,995.2</b>	<b>2,679.5</b>	<b>4,381.9</b>	<b>6,959.1</b>	<b>17,015.7</b>
Specialist Group	333.4	551.8	453.4	496.5	1,835.1
All Other Segments	27.8	24.4	40.8	73.7	166.7
<b>TUI Group continuing operations</b>	<b>3,356.4</b>	<b>3,255.7</b>	<b>4,876.1</b>	<b>7,529.3</b>	<b>19,017.5</b>
Discontinued Operations	187.2	172.1	223.6	480.8	1,063.7

\*Table contains unaudited figures and rounding effects

## 2015/16 H1 Underlying EBITA by Segment\*

In €m	H1 2015/16	H1 2014/15	Change	FX	Change ex FX
Northern Region	-110.9	-109.6	-1.3	-3.0	1.7
Central Region	-109.8	-93.7	-16.1	0.3	-16.4
Western Region	-75.7	-60.9	-14.8	-	-14.8
<b>Source Markets</b>	<b>-296.4</b>	<b>-264.2</b>	<b>-32.2</b>	<b>-2.7</b>	<b>-29.5</b>
Riu	153.6	113.8	39.8	-3.3	43.1
Robinson	-3.8	9.6	-13.4	0.6	-14.0
Other (incl former TUI Travel hotels)	-66.1	-67.8	1.7	3.9	-2.2
<b>Hotels &amp; Resorts</b>	<b>83.7</b>	<b>55.6</b>	<b>28.1</b>	<b>1.2</b>	<b>26.9</b>
TUI Cruises	29.8	17.1	12.7	-	12.7
Hapag-Lloyd Cruises	10.3	1.2	9.1	-	9.1
<b>Cruises</b>	<b>40.1</b>	<b>18.3</b>	<b>21.8</b>	<b>-</b>	<b>21.8</b>
Other Tourism	-18.5	-30.9	12.4	-0.3	12.7
<b>Tourism</b>	<b>-191.1</b>	<b>-221.2</b>	<b>30.1</b>	<b>-1.8</b>	<b>31.9</b>
Specialist Group	-17.5	-17.7	0.2	-3.1	3.3
All Other Segments	-28.3	-44.2	15.9	1.0	14.9
<b>TUI Group continuing operations</b>	<b>-236.9</b>	<b>-283.1</b>	<b>46.2</b>	<b>-3.9</b>	<b>50.1</b>
Discontinued Operations	8.6	1.5	7.1	-	7.1

\*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	-45.4	-64.2	107.0	532.9	530.3
Central Region	-20.2	-73.5	-4.2	201.4	103.5
Western Region	-11.9	-49.0	-10.3	139.9	68.7
<b>Source Markets</b>	<b>-77.5</b>	<b>-186.7</b>	<b>92.5</b>	<b>874.2</b>	<b>702.5</b>
Riu	48.2	65.6	56.6	90.7	261.1
Robinson	7.7	1.9	4.7	27.4	41.7
Other (incl former TUI Travel hotels)	-27.2	-40.6	6.0	-6.4	-68.2
<b>Hotels &amp; Resorts</b>	<b>28.7</b>	<b>26.9</b>	<b>67.3</b>	<b>111.7</b>	<b>234.6</b>
TUI Cruises	10.3	6.7	19.5	31.5	68.0
Hapag-Lloyd Cruises	-8.3	9.6	-0.2	11.4	12.5
<b>Cruises</b>	<b>2.0</b>	<b>16.3</b>	<b>19.3</b>	<b>42.9</b>	<b>80.5</b>
Other Tourism	-14.2	-16.7	-12.5	51.1	7.7
<b>Tourism</b>	<b>-61.0</b>	<b>-160.2</b>	<b>166.6</b>	<b>1,079.9</b>	<b>1,025.3</b>
Specialist Group	-19.1	1.4	24.9	49.0	56.2
All Other Segments	-26.4	-17.8	-13.4	-23.4	-81.0
<b>TUI Group continuing operations</b>	<b>-106.5</b>	<b>-176.6</b>	<b>178.1</b>	<b>1,105.5</b>	<b>1,000.5</b>
Discontinued Operations	-1.4	2.9	14.9	43.6	60.1

\*Table contains unaudited figures and rounding effects

# Adjustments

€m	H1 2015/16	H1 2014/15
Restructuring expense	-5	-14
Losses on disposals	-1	-1
Other one-off items	-11	-42
PPA	-34	-28
<b>Total Adjustments</b>	<b>-51</b>	<b>-85</b>
<i>o/w merger-related</i>	<i>-7</i>	<i>-12</i>

\* At constant currency rates and restated for discontinued operations

## Net Interest Result

€m	H1 2015/16	H1 2014/15
Debt related interest	-58	-77
Non-debt related charge	-34	-38
Interest income	10	8
<b>Net interest result</b>	<b>-82</b>	<b>-107</b>
<i>o/w cash interest</i>	41	49

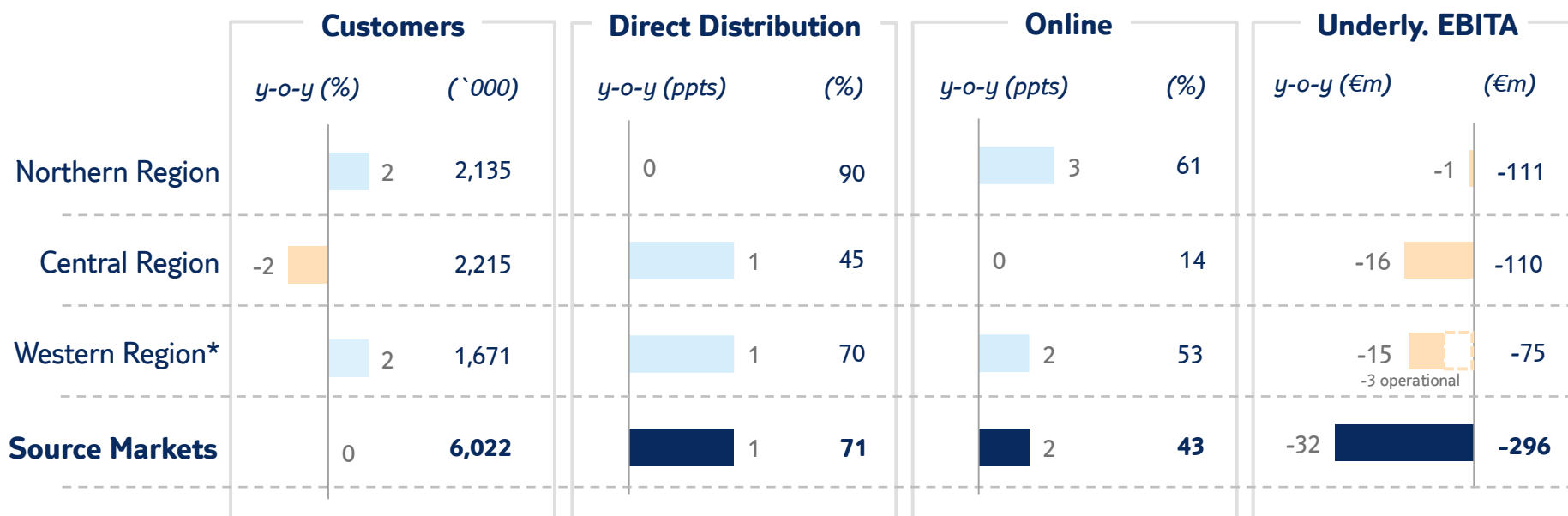
## Source Market KPIs\* H1

	Direct Distribution		Online Distribution		Customers (000)	
	15/16	14/15	15/16	14/15	15/16	14/15
UK	91%	90%	57%	54%	1,539	1,504
Nordics	89%	89%	71%	69%	596	598
Germany	43%	43%	14%	14%	2,065	2,062
Benelux	72%	70%	56%	54%	1,520	1,462
<b>Total Source Markets</b>	<b>71%</b>	<b>70%</b>	<b>43%</b>	<b>41%</b>	<b>6,022</b>	<b>5,999</b>

\* Table contains unaudited figures

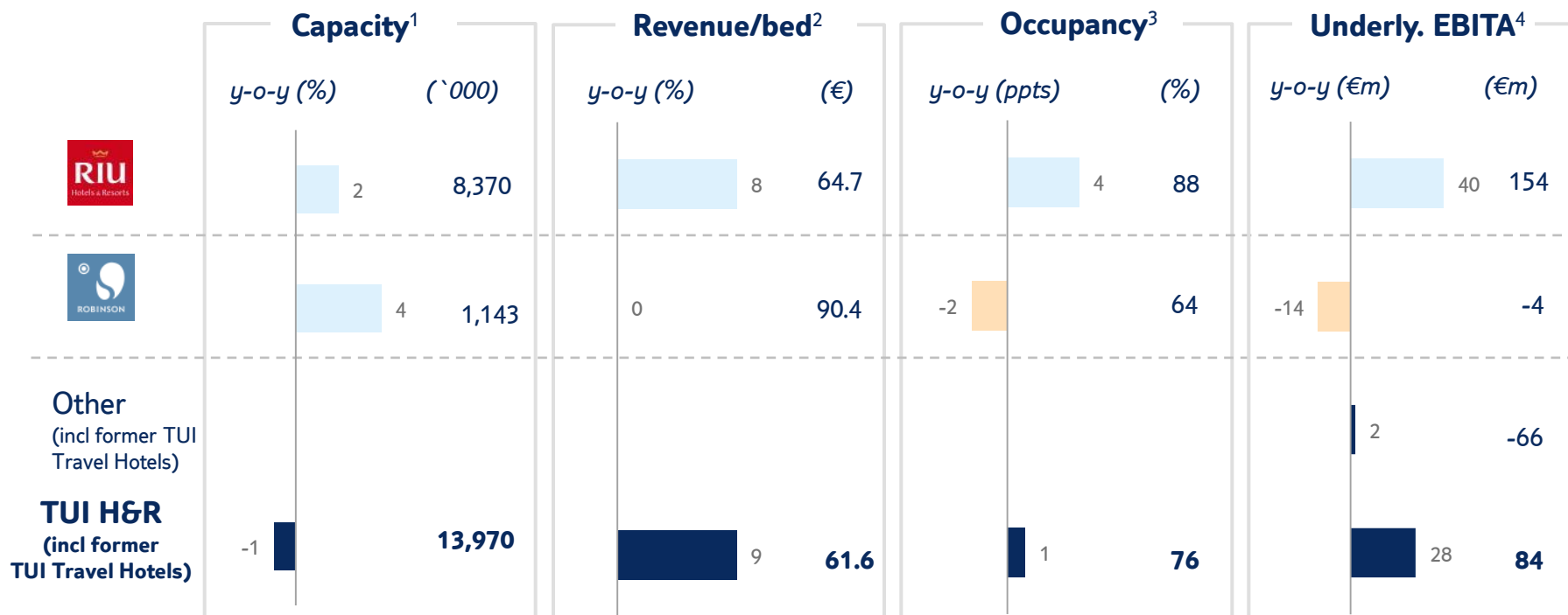


# Source Markets KPIs H1 2015/16



\*Western Region has been restated to exclude Italy, which is now reported in All Other Segments

# Hotels & Resorts KPIs H1 2015/16



**KPIs restated to include former TUI Travel Hotels**

<sup>1</sup> Group owned or leased hotel beds multiplied by opening days per quarter

<sup>2</sup> Arrangement revenue divided by occupied beds

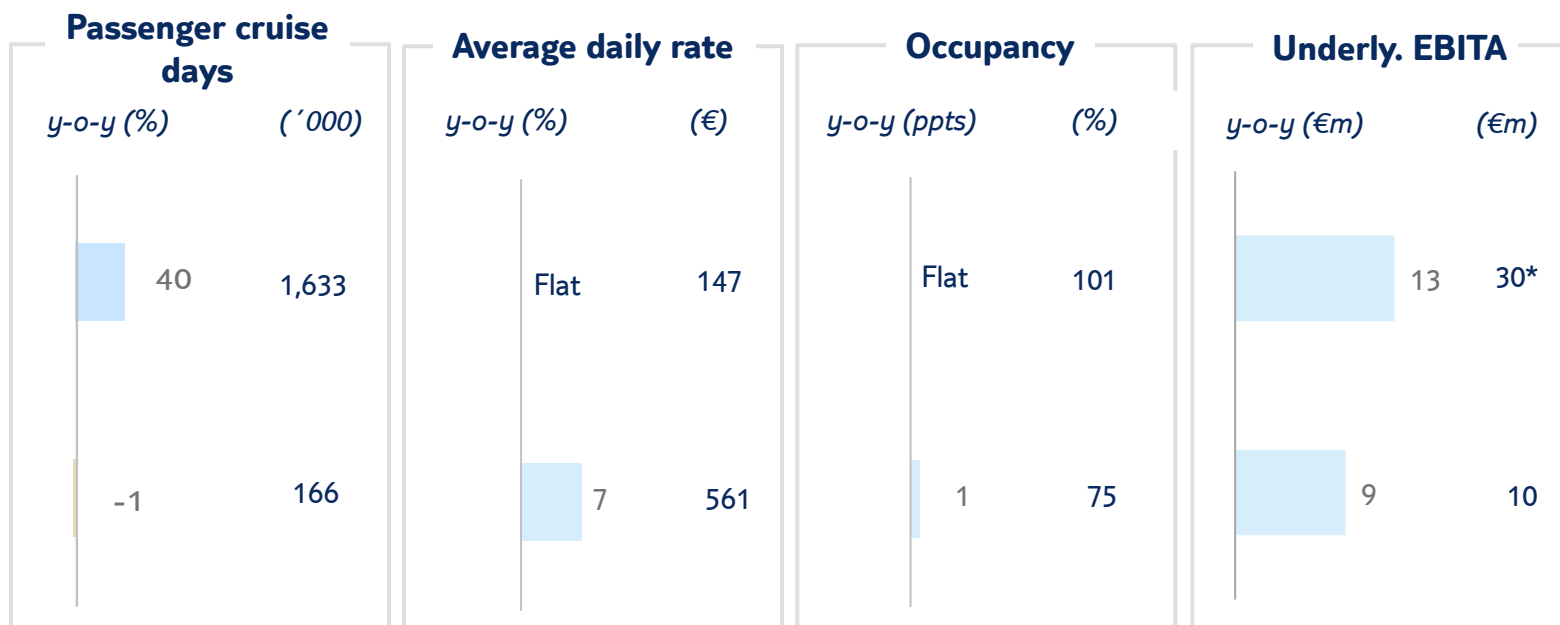
<sup>3</sup> Occupied beds divided by capacity

<sup>4</sup> Segment figures

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

# Cruises

## KPIs H1 2015/16

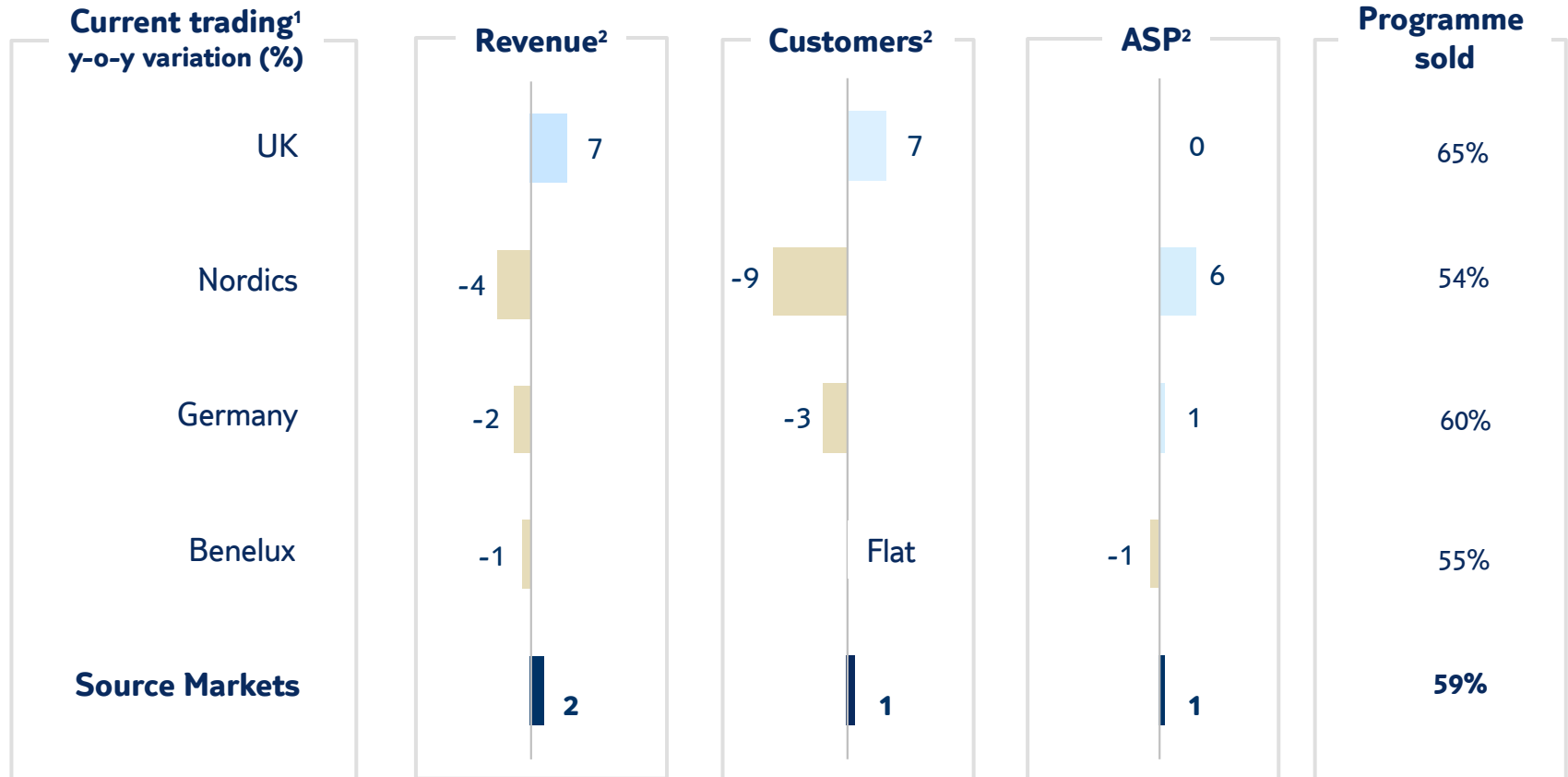


\* Equity result



# Source Markets

## Current Trading - Summer 2016



1. These statistics are up to 1 May 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 31 March 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	940	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.

## 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
- **45 hotels operating** end Mar 16 – 12 owned, 1 leased, 30 managed, 2 franchised

### Turkey

- Adverse travel advice in Russia following military incident
- Programmes operating from other source markets but with subdued demand
- **26 hotels operating** end Mar 2016 – 9 owned, 13 leased, 2 managed, 2 franchised

# Aircraft Order Book Deliveries

	15/16	16/17	17/18	18/19	19/20	20/21
B737 NG	-	-	-	-	-	-
B737-MAX	-	-	5	14	14	10
B787-8	-	-	-	-	-	-
B787-9	1	1	1	-	-	-
<b>Firm order book deliveries 2016-2021</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>14</b>	<b>14</b>	<b>10</b>

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

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	-	-	-	4	6	11
B787-9	-	-	-	1	-	-
<b>Option order book deliveries 2016-2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>6</b>	<b>11</b>

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

## Aircraft Commitments by Financing Type

	Operating Lease*	Finance Lease	Owned	Held for Sale	Total
<b>As at 31 March 2015</b>	119	13	7	1	140
Order book financing	1	2	1	-	4
External Lessor deliveries	11	-	-	-	11
External Lessor returns	(7)	-	-	-	(7)
Disposal	-	-	-	(1)	(1)
<b>As at 31 March 2016</b>	<b>124</b>	<b>15</b>	<b>8</b>	<b>-</b>	<b>147</b>

\* Includes aircraft leased to TUI airlines by 3<sup>rd</sup> party airlines to be operated for 3<sup>rd</sup> party airlines



# Financial Calendar 2016

11 August 2016

Q3 Report 2015/16

28 September 2016

Pre-close trading update

8 December 2016

Annual Report for financial year 2015/16

February 2017

Annual General Meeting