TUI Group Investor Presentation

September 2020

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.

OVERVIEW

TUI Group at a glance

TUI GROUP

21m Customers[1]

€18.9bn Turnover

€893m EBITA / excl. MAX **€1,186m** EBITA[2]

15.5% ROIC/ excl. MAX **~21%** ROIC[2]

~71,500 Employees

HOLIDAY EXPERIENCES (~70% EBITA[2])

HOTEL	**€452m** EBITA	Leading leisure hotel and club brands around the world; investments, operations, ownership
	€366m EBITA	Leading German & UK cruise brands
	€56m EBITA	Tours, activities and service provider in destination

MARKETS & AIRLINES (~30% EBITA[2])

€132m EBITA	Market leaders in packaged distribution, fulfilment, strong market and customer knowledge

* FY19 Results I 1 defined as our Markets & Airlines customers – excludes 7m customers from our joint ventures in Canada and Russia as well as direct and 3rd party distribution customers from our H&R and Cruise brands which would total 28m customers I 2 Excluding cost impact of Boeing 737 MAX grounding in Markets & Airlines segment

TUI's unique and integrated business model is the foundation of our success

INTEGRATED BUSINESS MODEL

Markets & Airlines

- 21m customers
- 150 aircraft
- Own & 3rd party Distribution
- Leading market shares 20-40%
- % 30% of profit pool[3]

Holiday Experiences

- 411 Hotels[1]
- 18 Cruise ships[2]
- 1m "things to do"
- % 70% of profit pool[3]

STRONG CUSTOMER BASE | **DIFFERENTIATED CONTENT**

- Integrated business model with differentiated product offering along the whole value chain
- Strong brand reputation across all source markets
- Customer ownership: digitalised product upselling
- Double diversification across Markets & Airlines and Holiday Experiences
- Strong yields and occupancies driven by access to broad customer base

Integrated business model allows quick restart of operations;
C-19 situation leads to acceleration of our already initiated digitalisation strategy

Note: All data as at Sep 2019 besides otherwise stated I 1 Includes Group hotels and 3rd party concept hotels as at end of FY19 | 2 As at December 2019 | 3 Excluding cost impact of 737 MAX in Markets & Airlines segment

TUI's four strategic initiatives - grow integrated business model through expanded distribution and content

1 MARKETS & AIRLINES

Protect and where possible extend leading positions in core markets

2 HOLIDAY EXPERIENCES

Asset-right expansion, driving returns, benefiting from vertical integration

- Grow own products
- Acceleration of digital customer acquisition
- Enlarge ecosystem, digitalised upselling
- Individualised offerings

3 GDN-OTA[1]

Building scale based on competitive pricing to extend TUI's ecosystem

4 DESTINATION EXPERIENCES

Building scale in the "things to do" market and attracting customers to extend TUI's ecosystem

1 Global Distribution Network – Online Travel Agency

Global realignment programme drives TUI's strategic initiatives

REDUCE COSTS

- Accelerate Transformation project
- Merge tasks and organizations across the Group
- Global consolidation of IT structures
- Targeting to permanently reduce our overhead cost base by 30% across the Group
- Impact on potentially 8,000 roles globally

REDUCE CAPITAL INTENSITY

- Asset-right strategy in Hotels & Cruises
- Reduction of investment levels
- Rightsizing of airlines & order book; restructuring
- Divest/address non-profitable activities

DRIVE DIGITALISATION

- Increase accommodation only, seat only and dynamic packaging
- Drive online strategy
- Enhance transformation of DX to a digital business
- Grow TUI ecosystem
- Save costs while enhancing quality

Overall cost reduction target is envisaged to be over €300m p.a. with first benefits to be expected in FY20

C-19 UPDATE

Opening statement

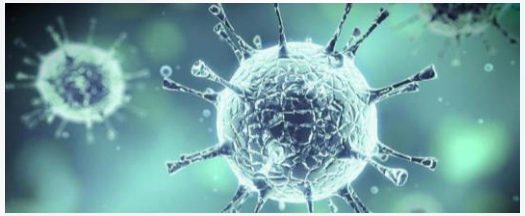
- ✓ Successful restart of operations in all source markets
- ✓ Partial restart of business has generated immediate working capital inflow
- ✓ Q3 results demonstrate the significant reduction of cash fixed costs
- ✓ Continue to expect Q4 cash outflow to be low single-digit hundreds €million per month
- ✓ Stabilisation package with German government agreed in the amount of €1.2bn
- ✓ Summer 21 bookings very promising up by around 84% compared to previous year
- ✓ Global realignment programme underway – targeting over €300m p.a. cost reduction by FY23

TUI entered into agreements to provide sufficient liquidity to cover seasonal swing through Winter 2020/21

Impact & response to C-19 and operational achievements

COVID-19 crisis and the impact on TUI

1 COVID-19 IMPACT



- Exceptional start to S20 trading
- Temporary travel suspension triggered mass cancellations of holidays
- Creating significant customer refund obligations

Liquidity squeeze due to customer refunds & standstill

2 TUI ACTIONS

- Reduced cash fixed cost base by >70% within four weeks
- Secured first KfW state aid bridging loan of €1.8bn within two weeks
- Completed Hapag-Lloyd disposal & agreed Boeing compensation
- Agreed terms for second package with German Federal Government for €1.2bn

Cost base reduced by >70% & liquidity secured

3 RIGHT-SIZING THE BUSINESS

- Global Realignment Programme initiated, targeting permanent 30% overhead cost reduction across the Group
- Potential impact on 8,000 roles globally
- Main projects already underway expected to deliver close to €300m target savings

Cost reduction target > €300m p.a. by FY23

4 RESTART OF OPERATIONS

- Holidays remain a high priority for consumers and TUI remains a trusted brand
- Integrated business model enabled quick restart
- Digital acceleration across Group platforms
- Customers are committing for future seasons

Digital transformation accelerated with restart

TUI has been the first holiday company to restart operations quickly & responsibly

Pilot project Majorca √

- Successful pilot project together with Balearic authorities and suppliers
- Key facts:
  - 15 June 2020
  - 2 TUI fly flights from Germany to Majorca
  - 378 guests
  - Guests stayed in RIU hotels
- In June, total of 4,200 German customers flew to Majorca, Ibiza and Formentera

RIU has reopened 59 hotels worldwide √

- Returning to operation in 14 of 19 countries
- All hotels will follow the health and safety protocols
- Specific training programme for all staff

Blue cruises with Mein Schiff fleet – from 24 July √

- 3 to 4 day cruises premium all inclusive sea days offer
- Occupancy on board limited to 60%
- 10-point-programme to ensure extensive health and safety measures

TUI's integrated model, experience and trusted brand enabled structured immediate restart

Successful operations since mid-June restart[1]

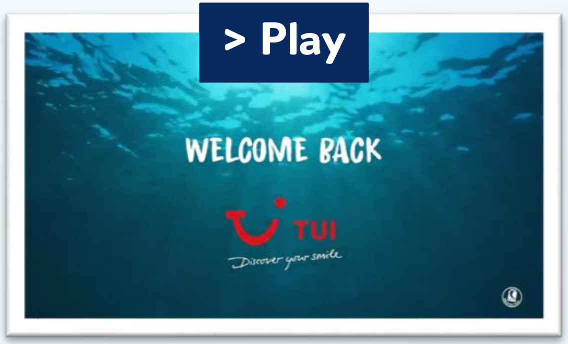
OPERATIONS SINCE RESTART[1]

NORTHERN REGION	193k PAX
CENTRAL REGION	757k PAX
WESTERN REGION	455k PAX
HOTELS & RESORTS	**157** Hotels reopened
CRUISES	**6** Cruise ships in operation

M&A DEPARTURES SINCE RESTART[1]

Cumulative PAX (risk & non-risk)	**1,405K**
Load Factor	**84%**

RESTART IN ACTION

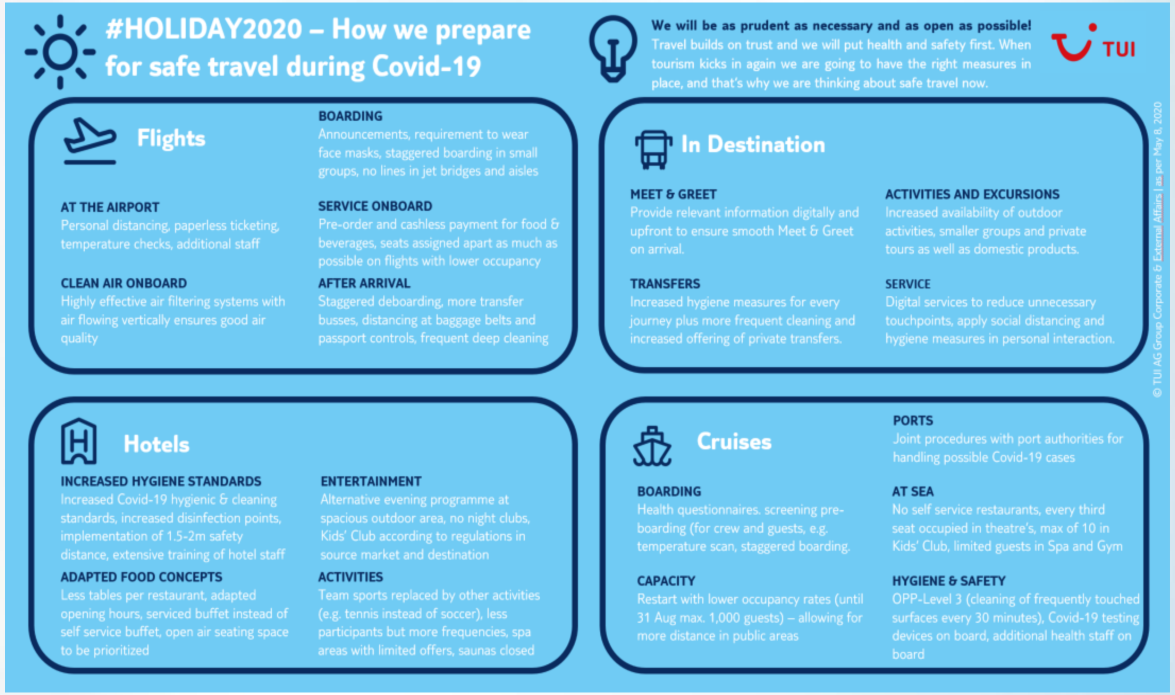


Integrated model allows flexible capacity management along the whole value chain

1 Figures relate to passengers departing between the restart of operations in mid-June to the end of August 2020

Health and safety protocols allow relaxing travels in times of pandemic

RECAP OF PROTOCOLS AS SHARED AT H1



HIGHLIGHTS

- Health and safety measures successfully implemented
- New hygiene standards are as strict as necessary and as relaxing as possible
- **Positive customer feedback shows that holiday enjoyment is not adversely affected by these measures**

On average our customers rate the measures 8.5 out of 10[1]

1 Score range of 0 to 10, with 0 being very dissatisfied and 10 being very satisfied. 8.5 rating score reflects average of 5,746 customer responses, who travelled during the restart period between mid-June and beginning of August, when asked "How satisfied are you with the implementation of hygiene measures so far?

2.4m new bookings since global travel bans were lifted – Summer 21 looks promising

RECENT BOOKING DEVELOPMENT[1]

	S20	W20	S21
New bookings since June[1] (previous year)	1,555k (4,100k)	285k (1,125k)	605k (745k)
Total net bookings[2] (previous year)	~2,400k (~14,000k)	~642k (~1,570k)	~1,800k (~980k)
Current view of original capacity	25%	40%	80%

- Short notice travel restrictions, e.g. in UK, may mean situation remains volatile -> TUI's flexible business model allows quick shifting of capacity to alternative destinations

OVERALL BOOKING DEVELOPMENT[2]

- 82% of **adjusted Summer 20** programme sold
- 15% of our **original Summer 20** programme sold; Overall bookings down 83% & ASP down 19% compared to prior year
- **Winter 20/21**:
  - Total bookings down 59% and ASP up 3% YoY
  - Bookings broadly in line with reduced capacity
  - ~30% of **adjusted** programme sold to date in line with prior year
- **Summer 21** incl. amendments and voucher rebookings remains promising with bookings up by 84% in part reflecting early launch of the programme with ASP up 10%
- Occupancy levels of TUI Cruises for **Summer 21** broadly in line YoY

Summer 21 looks promising as customers are committing to future seasons

1 Key markets excl. Switzerland and Poland; up to 15 September 2020 2 These statistics are up to 13 September 2020 shown on a constant currency basis and relate to all customers whether risk or non-risk; Statistics based of original planned capacity unless otherwise mentioned

Financial achievements during restart & current priorities

TUI reached agreement with German Federal Government on additional financial headroom of €1.2bn

- TUI Management reached agreement of €1.2 billion to further strengthen TUI's position in a volatile market environment and is now better positioned in case of any further long-term travel restrictions and disruptions related to C-19
  - Stabilisation package with German Federal Government agreed, consisting of a further **KfW loan** increasing TUI's existing RCF[1] by **€1.05bn**
  - The drawing of the additional KfW tranche is subject to an issuance of a **€150m Convertible Bond** (alternatively a bond with warrant) subscribed by German **Economic Stabilisation Fund** (WSF) by 30 September 2020 at the latest
- The additional state aid was furthermore subject to **a waiver by the bondholders** for a potential future limitation of TUI's financial indebtedness under the **€300m Senior Notes** (due in October 2021) which was **received on 9 September 2020.**

TUI entered into agreements to provide sufficient liquidity to cover seasonal swing through Winter 2020/21

1 €1.75bn Revolving Credit Facility; already increased by €1.8bn (KfW April 2020 Tranche)

Details of TUI's government stabilisation financing measures

	1st stabilisation measure	2nd stabilisation measures	
Item	**RCF – Apr KfW tranche**	**RCF – Aug KfW tranche**	**Convertible Bond (Bond with warrant) subscribed by WSF[4]**
Amount	€1.8 billion	€1.05 billion	€150 million
Maturity Date	Oct 21 / July 2022[1]	Oct 21 / July 2022[1]	Min. six years from issuance

Other	• Financial covenant[2] waiver for Mar 20; Sep 20 & Mar 21 agreed	• Financial covenant[2] waiver for Mar 20; Sep 20 & Mar 21 unchanged
		• Draw down conditions by 30 Sep 20:
		  • Issuance of €150m Convertible Bond/Bond with warrant
		  • Waiver consent received for Senior Notes Oct 21 on 9 Sep[3]
			• Underlying shares: 10%[5]
			• Conversion price: 60% of prevailing TUI share price[6]
			• Coupon: 9.5%
			• TUI with redemption right once €1.05bn tranche is redeemed

Further conditions	No dividend payments and share buybacks, further regarding restrictions regarding executive remuneration and investments as long as WSF remains invested		

1 Provided the €300m senior bond is refinanced in time, final maturity date shall be automatically extended from 15 October 2021 to 20 July 2022; 2 Covenants tested as per March and September: Net debt/LTM EBITDA ≤ 3.0x and Interest cover ≥ 1.5x; 3 The waiver consent results in an increase of the coupon to 9.5% p.a. of the nominal amount of the Senior Notes as of 1 October 2020 and an additional payment of 2.0% of the nominal amount of the Senior Notes per quarter as of 1 April 2021. The amendment of the terms and conditions of the Senior Notes is expected to become effective during the course of October 2020; 4 Issuance of convertible bond until 30 Sep 20 at the latest as draw-down condition for the €1.05bn KfW tranche, otherwise KfW tranche will be cancelled; 5 Existing conditional capital authorization excl. pre-emption rights will be used; 6 min €2.56;

Successful closing of Hapag-Lloyd transaction further enhances liquidity position

DISPOSAL OF HLC TO TUI CRUISES JV

Fully consolidated

HAPAG LLOYD CRUISES

"Luxury & Expedition"

At equity consolidated

TUI Cruises | HAPAG LLOYD CRUISES

"Premium all-inclusive" | *"Luxury & Expedition"*

COMMENTS

- Disposal at an attractive valuation
- **Cash in** of **~€690m**, of which ~€70m to be received over next two years
- Deconsolidation of **~€400m** of **net debt & debt** like items
- **Disposal gain** of **~€400m** in Q4 20
- Joint Venture TUI Cruises combines
  - RCCL's shipbuilding, operational & digital expertise
  - TUI's strong distribution power

Cash in of ~€690m and reduced future investment requirements

Comprehensive compensation agreement with Boeing enhances liquidity and allows flexible fleet planning for duration of crisis

BOEING AGREEMENT

- Compensation over next two years

- 61 deliveries deferred by on average 25 months
- Reduced financing needs in coming years

- Credits for future aircraft orders

FLEET CAPACITY PLANNING

- Supports plans for fleet reduction
- Overall aircraft fleet is expected to support the anticipated reduction within TUI fly Germany
- Flexibility for all different capacity scenarios
- Recertification of Boeing 737 MAX currently expected before year end 2020

Agreement covers significant portion of 737 MAX grounding impact

Liquidity development in line with expectations

LIQUIDITY DEVELOPMENT SINCE LAST UPDATE

Pro forma cash and available facilities on 12 Aug 2020 (incl. KfW2/WSF)[1] **= €2.4bn**

− Customer refunds & cash costs & other

+ Positive cash inflow due to restart of business

= **Pro forma cash and available facilities on 20 Sep 2020[1]** **= €2.0bn**

COMMENTS

- Successful management of liquidity position during standstill & restart
- Cash and available facilities on 12 Aug positively influenced by remaining HLC disposal proceeds
- Higher cash outflow in late August and September in light of recent volatile travel restrictions
- Overall cash outflow in FY20 Q4 in line with Q3 communication (low single digit hundred m p.m.)

TUI entered into agreements to provide sufficient liquidity to cover seasonal swing through Winter 2020/21

1 Pro forma cash and available facilities includes new state support package of €1.2bn which is subject to the issuance of a €150m convertible bond to WSF by 30 Sep 20 at the latest

Restart leads to significant reduction of monthly cash out – strict liquidity management maintained

	STANDSTILL	RESTART SCENARIO	
	FY20 Q3	**FY20 Q4**	**FY21 Q1**
Monthly cash costs & customer refunds	**€550m - €650m per month**	Expect **low single digit hundreds €m p.m.** including net special items and working capital	muted cash out of **low to mid-single digit hundreds €m p.m.;** based on less pronounced liquidity curve

- Standstill cash out successfully managed as planned
- Volatility in recent travel advice has led to higher customer refunds in late August and September and subsequently softer working capital inflow from new bookings in both FY20 Q4 and FY21 Q1
- Normalised tourism swing expected for FY22 after transitional year FY21

Note: including costs / payment obligations below EBIT, i.e. minimum invest, interest, pensions, debt amortisation: total ~€50m per month during standstill period

Partial restart of business generates immediate working capital inflow

1. Reduced customer refund obligations due to lift of global travel bans
2. Cash inflow due to partial restart of business, new bookings for Summer 20 & future seasons
3. Lower than "normal" cash out to suppliers due to reduced summer business; utilisation of certain prepayments
4. Flattened liquidity curve in Summer 20 based on restart, less pronounced seasonal patterns for Winter 20/21 expected

Next priority will be rebuilding a robust financial profile

REBUILD A SOLID FINANCIAL PROFILE	
Pre C-19 Gross leverage target	**2.25x – 3.0x**
FY 2020 & 2021	**Guidance withdrawn**
Medium-term	**Rebuild solid balance sheet profile**

TUI entered into agreements to provide sufficient liquidity to cover seasonal swing through Winter 2020/21.

The Group will now evaluate options to achieve the optimal balance sheet structure to support the business over the longer term.

Global Realignment Programme underway

Global realignment programme drives TUI's strategic initiatives

REDUCE COSTS

- Accelerate Transformation project
- Merge tasks and organizations across the Group
- Global consolidation of IT structures
- Targeting to permanently reduce our overhead cost base by 30% across the Group
- Impact on potentially 8,000 roles globally

REDUCE CAPITAL INTENSITY

- Asset-right strategy in Hotels & Cruises
- Reduction of investment levels
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DRIVE DIGITALISATION

- Increase accommodation only, seat only and dynamic packaging
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- Save costs while enhancing quality

**Overall cost reduction target is envisaged to be over €300m p.a.
with first benefits to be expected in FY20**

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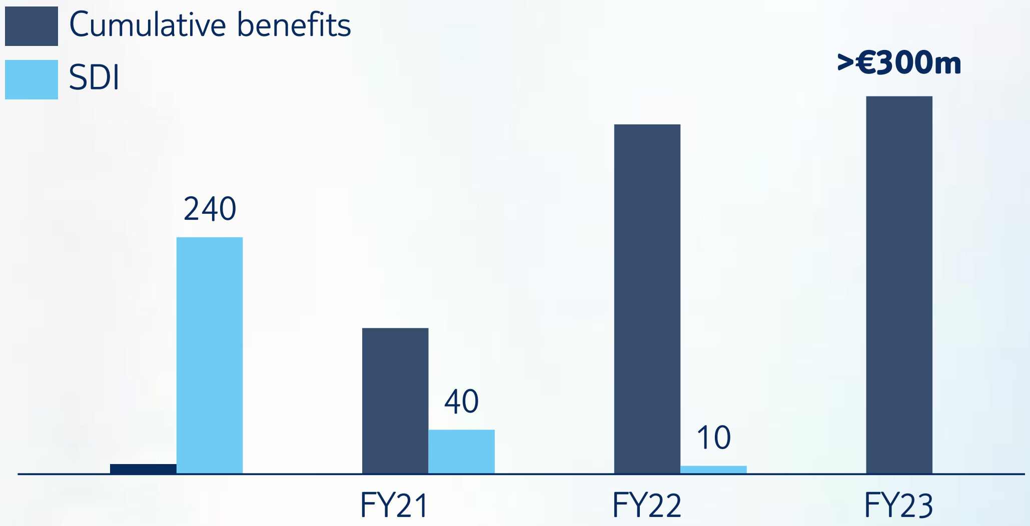
PHASING OF GLOBAL REALIGNMENT PROGRAMME

P&L view



COMMENTS

- Majority of restructuring costs already in current financial year
- Main benefits to be delivered in FY21 & FY22
- Cash out primarily in FY21 & FY22

Programme is one key pillar for returning to normalised EBIT levels

Global realignment programme: Main projects already underway

TUI fly GERMANY	• Start of negotiations with work councils & trade unions regarding restructuring • Reduction in number of aircraft by around 50% from 39 • Reduce number of bases to five as well as headcount	Transformation plan presented & in negotiations
TUI FRANCE	• Repositioning of business – focus on high margin business with a few core brands • Own travel agencies to be sold or closed and overall headcount reduction of 500-600	Restructuring in rollout
TUI DX	• Accelerate transformation to a digital platform business • Develop service model to "digital first" • Restructuring programme will impact 1,000 roles	Transformation started
TUI UK	• Closure of 166 high street stores in UK & Ireland • Business looks to retain 70% of 900 impacted roles • Future retail network will consist of ~350 retail stores	Restructuring in rollout
TUI HEAD OFFICES	• Optimised Target Operating models with streamlined service delivery • Process improvement and further digitalisation/ automation of processes • Targeting 30% cost reduction	Restructuring plan presented & in negotiations

Projects underway expected to deliver close to €300m target savings

SUMMARY

Summary: Successful restart driving transition and return to normalised levels in FY22

FY20: RESTART

- Successful and responsible restart
- Uptake in bookings since travel bans lifted
- Excellent liquidity management
- Stabilisation package agreed to cover seasonal swing through Winter 2020/21

Liquidity management is key

FY21: TRANSITION

- Recovery of bookings expected
- Deliver on cost reduction and digitalisation initiatives
- Rebuild robust financial profile

Work towards profitability; Drive digitalisation

FY22+: BACK TO NORMAL

- Trusted, leading brand with differentiated products well positioned to benefit from recovery
- Normalised booking levels
- First synergies from global realignment programme visible
- Results from digital acceleration

Profitable growth - Lean, less capital intensive & more digital

FY20 9M RESULTS

Q3/9M: Group EBIT loss mitigated by immediate fixed cost reduction in response to C-19 impact

Q3 TURNOVER	9M YTD TURNOVER
€75m[1]	€6.7bn[1]
-98%[1]	**-42%[1]**

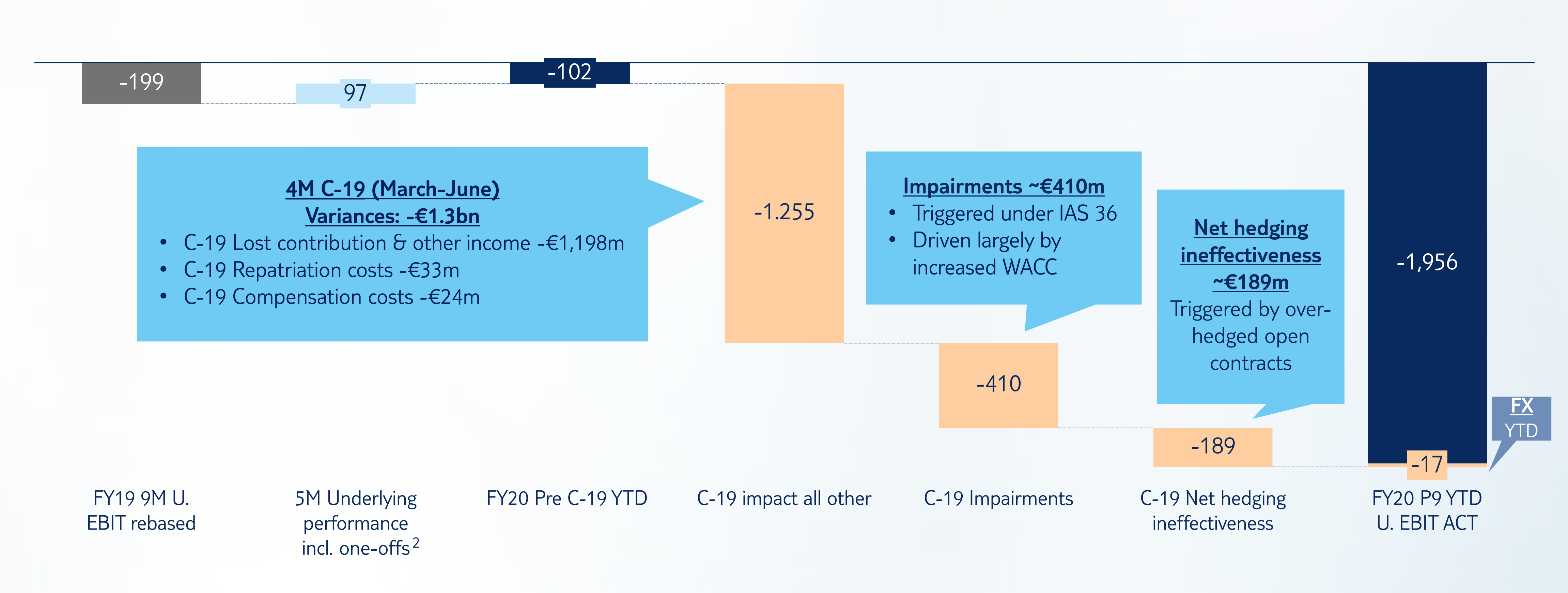
Q3 UND. EBIT	9M YTD UND. EBIT
-€1.1bn[1]	-€2.0bn[1]
-€1.2bn[1] vs. PY	**-€1.8bn[1] vs. PY**
Incl. one-off items	**Incl. one-off items**
€0.4bn	**€0.6bn**

- **Cash fixed costs reduced by >70% from April** as anticipated
- **9M underlying EBIT driven by:**
  - Suspended or reduced operations since March mitigated by significant fixed cost reductions
  - Impairments of €0.4bn triggered by C-19 under IAS 36, with future CF discounted at a higher WACC
  - Net hedging ineffectiveness of €0.2bn
- **FY20 guidance remains withdrawn due to continued level of uncertainty**

Figures based on a pro-forma calculation according to IAS 17 | 1 At constant currency

Strong start to first 5M, with loss triggered by unprecedented C-19 travel suspension, limited by immediate fixed cost reductions

FY20 9M UNDERLYING EBIT IN €M[1]



1 FY20 9M financials based on a pro-forma calculation according to IAS 17 | 2 Includes 5M Pre C-19 (Oct-Feb) contribution and one-off's such as MAX and benefit of non-repeats over 9M from prior year

9M Income Statement – Underlying EBIT loss limited by immediate cost reductions in response to C-19

In €m	FY20 9M IFRS 16	FY20 9M IAS 17[1]	FY19 9M	*IAS 17 Δ YOY*
Turnover	6,710.4	6,717.4	11,421.4	-4,704.0
Underlying EBITDA	**-921.4**	**-1,345.7**	**142.2**	**-1,487.9**
Depreciation & Amortisation	-1,033.5	-626.9	-341.5	-285.4
Underlying EBIT	**-1,954.9**	**-1,972.6**	**-199.3**	**-1,773.3**
Adjustments (SDI's and PPA)	-220.5	-220.5	-63.7	-156.8
EBIT	**-2,175.4**	**-2,193.1**	**-263.0**	**-1,930.1**
Net interest expense	-165.7	-90.8	-60.3	-30.5
EBT	**-2,341.1**	**-2,283.9**	**-323.3**	**-1,960.6**
Income taxes	42.6	41.6	82.7	-41.2
Group result continuing operations	**-2,298.5**	**-2,242.3**	**-240.6**	**-2,001.7**
Minority interest	-18.1	-18.1	-79.7	61.6
Group result after minorities	**-2,316.6**	**-2,260.4**	**-320.3**	**-1,940.1**
Basic EPS (€)	**-3.93**	**-3.84**	**-0.54**	**-3.29**
Underlying EPS (€)	**-2.98**	**-2.90**	**-0.50**	**-2.41**

1 FY20 9M financials based on a pro-forma calculation according to IAS 17

9M Cash flow – cash burn limited by immediate cash fixed cost mitigations and strict working capital discipline

In €m	FY20 9M IFRS 16	FY20 9M IAS 17[1]	FY19 9M	*IAS 17 Δ YOY*
EBITDA underlying	**-921.4**	**-1,345.7**	**142.2**	**-1,487.9**
Adjustments	-89.0	-89.0	-37.0	-52.0
Working capital	-1,098.8	-1,122.0	807.5	-1,929.5
Other cash items[2]	-128.9	-57.3	-231.6	174.3
At equity income	116.7	116.7	-184.5	301.2
Dividends received from JVs and associates	7.0	7.0	120.4	-113.3
Operating Cash flow	**-2,114.4**	**-2,490.3**	**617.0**	**-3,107.3**
Net Investments	-64.4	-64.4	-890.3	825.9
Free Cash flow	**-2,178.8**	**-2,554.8**	**-273.1**	**-2,281.7**
Dividends	-318.6	-318.6	-448.4	129.7
Free Cash flow after Dividends	**-2,497.5**	**-2,873.4**	**-721.4**	**-2,151.9**
Cash flow from financing	2,802.5	3,178.4	-244.8	3,423.2
o/w Payments received from the issue of bonds, commercial paper and drawings from other financial facilities	*3,356.8*	*3,356.8*	*-50.7*	*3,407.5*
o/w Payments made for redemption of loans, commercial paper and other financial liabilities	*-554.3*	*-178.4*	*-194.1*	*15.7*
Total Cash Flow	**305.0**	**305.0**	**-966.2**	**1,271.2**

1 FY20 9M financials based on a pro-forma calculation according to IAS 17 | 2 Other cash items variance of €174m (on IAS 17 basis) include other cash effects (-€20m YoY), tax paid (+€157m YoY), cash interest (+€2m YoY) as well as pension contribution & payments (+€35m YoY)

9M Movement in Net Debt – seasonal swing driven by C-19, partly reduced by Hapag-Lloyd reclassification to disposal group

In €m	FY20 9M IFRS 16	FY20 9M IAS 17[1]	FY19 9M	YoY Δ IAS 17	FY20 9M IAS 17[1]	FY20 H1 IAS 17[1]	QoQ Δ IAS 17
	Net debt bridge 9M YoY				Net debt bridge H1 to Q3		
Opening net debt as at 1 October	**-910**	**-910**	**124**	**-1,034**	**-910**	**-910**	**-**
FCF after Dividends	-2,497	-2,873	-721	-2,152	-2,873	-1,695	-1,178
Asset Finance	-569	-375	-336	-39	-375	-369	-6
Other	180	19	-62	81	19	-5	24
Disposal group - Hapag-Lloyd Cruises	297	289	-	336	289	329	-40
Σ before lease liabilities first time adoption IFRS 16	**-3,500**	**-3,850**	**-995**	**-2,855**	**-3,850**	**-2,650**	**-1,200**
Lease liabilities first time adoption IFRS 16	-2,366	-	-	-	-	-	-
Closing Net Debt IFRS16 per Balance Sheet	**-5,866**	-	-	-	-	-	-
Net Debt Swing pro-forma IAS 17		-2,940	-1,119	-1,821	-2,940	-1,740	-1,200

Net debt swing of ~€1.2bn since H1
driven by increased C-19 cash outflows

1 Based on a pro-forma calculation according to IAS 17

Net Financial Position, Pensions and Operating Leases

	9M YoY bridge			H1 to Q3 bridge		
In €m	**30-Jun-20**	**30-Jun-19**	**YoY Δ**	**30-Jun-20**	**31-Mar-20**	**QoQ Δ**
Financial liabilities	**-7,864**	**-2,637**	**-5,227**	**-7,864**	**-5,937**	**-1,927**
- Finance leases	-	-1,487	1,487	-	-	-
- Lease liabilities under IFRS16[1]	-3,645	-	-3,645	-3,645	-3,923	278
- Senior Notes	-299	-298	-1	-299	-298	-
- Liabilities to banks	-3,903	-835	-3,068	-3,903	-1,698	-2,205
- Other liabilities	-17	-17	-	-17	-18	1
Cash & Bank Deposits	**1,998**	**1,642**	**356**	**1,998**	**1,034**	**964**
Net debt	**-5,866**	**-995**	**-4,871**	**-5,866**	**-4,903**	**-963**
- Net Pension Obligation	-635	-878	243	-635	-247	-388
- Discounted value of operating leases[2]	-22	-2,791	2,769	-22	-46	24

FINANCIAL LIABILITIES

- **~€2.2bn higher** lease liabilities **versus prior year** as a result of new finance lease accounting standard IFR16 adoption
- **~€3.1bn higher** liabilities to bank **versus prior year** and **€2.2bn higher since H1** from additional RCF utilisation

1 Including existing finance leases under IAS 17 (~€1,629m) | 2 At simplified discount rate of 0.9% at 30.06.2020 and 30.06.2019

FY20 guidance withdrawn reflecting unknown period of worldwide travel suspension as a result of C-19

"… the Executive Board has decided today to ***withdraw the Financial Year 2020 guidance*** *as communicated on 11 February 2020. Furthermore the Executive Board also refrains from issuing a new guidance for the Financial Year 2020 under the current circumstances."*

TUI AG Ad-hoc announcement 15 March 2020

"TUI AG receives commitment of the German Federal Government for a KfW loan in the amount of € 1.8 billion. … One of the conditions of the KfW loan is that TUI de facto ***waives dividend payments for the term of the credit line.***

TUI AG Ad-hoc announcement 27 March 2020

APPENDIX – FY20 9M RESULTS

FY20 9M Turnover by Segment
(excludes Intra-Group Turnover and JVs/associates)*

In €m	FY20 9M IFRS 16	FY20 9M IAS 17[1]	FY19 9M	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	**304.7**	**304.7**	**425.5**	**-120.9**	**2.3**	**-123.2**
- Riu	231.3	231.3	294.5	-63.2	1.1	-64.3
- Robinson	36.7	36.7	67.4	-30.7	0.2	-30.9
- Blue Diamond	-	-	-	-	-	-
- Other	36.7	36.7	63.6	-26.9	1.1	-28.0
Cruises	**483.6**	**483.6**	**680.9**	**-197.3**	**8.0**	**-205.4**
- TUI Cruises	-	-	-	-	-	-
- Marella Cruises	298.9	298.9	455.5	-156.7	8.0	-164.7
- Hapag-Lloyd Cruises	184.7	184.7	225.4	-40.7	0.0	-40.7
Destination Experiences	**294.2**	**294.2**	**562.2**	**-268.0**	**4.4**	**-272.4**
Holiday Experiences	**1,082.5**	**1,082.5**	**1,668.7**	**-586.2**	**14.8**	**-601.0**
- Northern Region	2,202.2	2,205.8	3,725.7	-1,519.9	29.6	-1,549.5
- Central Region	2,244.0	2,245.4	3,824.3	-1,578.8	5.4	-1,584.2
- Western Region	1,095.5	1,097.5	1,862.9	-765.4	0.2	-765.6
Markets & Airlines	**5,541.7**	**5,548.7**	**9,412.9**	**-3,864.2**	**35.2**	**-3,899.4**
All other segments	86.2	86.2	339.8	-253.6	-0.0	-253.5
TUI Group	**6,710.4**	**6,717.4**	**11,421.4**	**-4,704.0**	**49.9**	**-4,754.0**

* Table contains rounding effects | 1 FY20 9M financials based on a pro-forma calculation according to IAS 17

FY20 9M Underlying EBIT by Segment*

In €m	FY20 9M IFRS 16	FY20 9M IAS 17[1]	FY19 9M	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	**-296.0**	**-293.4**	**227.3**	**-520.7**	**-24.8**	**-495.9**
- Riu	66.9	66.5	223.0	-156.5	3.6	-160.1
- Robinson	-34.7	-34.8	6.2	-41.1	1.5	-42.6
- Blue Diamond**	-16.3	-16.3	17.0	-33.3	-0.4	-32.9
- Other	-311.8	-308.8	-19.0	-289.8	-29.5	-260.3
Cruises	**-197.3**	**-197.8**	**207.9**	**-405.8**	**3.7**	**-409.4**
- TUI Cruises**	-7.8	-7.8	119.8	-127.6	0.0	-127.6
- Marella Cruises	-194.0	-194.0	60.7	-254.7	3.7	-258.4
- Hapag-Lloyd Cruises	4.4	3.9	27.4	-23.4	0.0	-23.4
Destination Experiences	**-66.5**	**-67.1**	**4.9**	**-72.0**	**0.3**	**-72.4**
Holiday Experiences	**-559.9**	**-558.4**	**440.2**	**-998.5**	**-20.8**	**-977.7**
- Northern Region	-592.4	-604.6	-231.4	-373.2	1.9	-375.2
- Central Region	-398.7	-404.3	-107.1	-297.3	0.2	-297.4
- Western Region	-285.9	-287.8	-200.3	-87.5	0.8	-88.4
Markets & Airlines	**-1,277.1**	**-1,296.7**	**-538.7**	**-758.0**	**3.0**	**-761.0**
All other segments	-118.0	-117.5	-100.7	-16.8	0.8	-17.6
TUI Group	**-1,955.0**	**-1,972.6**	**-199.3**	**-1,773.4**	**-17.1**	**-1,756.3**

*Table contains rounding effects | **Equity result | 1 FY20 9M financials based on a pro-forma calculation according to IAS 17

FY20 Q3 Turnover by Segment (excludes Intra-Group Turnover and JVs/associates)*

In €m	FY20 Q3 IFRS 16	FY20 Q3 IAS 17[1]	FY19 Q3	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	**4.5**	**4.5**	**154.5**	**-150.0**	**-0.1**	**-150.0**
- Riu	2.9	2.9	93.8	-90.9	-0.1	-90.9
- Robinson	0.5	0.5	24.8	-24.4	0.0	-24.4
- Blue Diamond	-	-	-	-	-	-
- Other	1.1	1.1	35.9	-34.7	-0.0	-34.7
Cruises	**2.0**	**2.0**	**256.3**	**-254.3**	**-0.1**	**-254.2**
- TUI Cruises	-	-	-	-	-	-
- Marella Cruises	10.2	10.2	180.8	-170.6	-0.1	-170.5
- Hapag-Lloyd Cruises	-8.3	-8.3	75.5	-83.8	0.0	-83.8
Destination Experiences	**-6.2**	**-6.2**	**259.4**	**-265.6**	**0.0**	**-265.6**
Holiday Experiences	**0.2**	**0.3**	**670.2**	**-670.0**	**-0.1**	**-669.8**
- Northern Region	15.3	16.5	1,601.9	-1,585.4	-0.3	-1,585.1
- Central Region	34.1	34.6	1,599.3	-1,564.7	0.0	-1,564.7
- Western Region	20.4	21.1	805.6	-784.5	0.1	-784.6
Markets & Airlines	**69.8**	**72.1**	**4,006.8**	**-3,934.6**	**-0.2**	**-3,934.5**
All other segments	1.7	1.7	68.0	-66.3	-0.1	-66.2
TUI Group	**71.8**	**74.1**	**4,745.0**	**-4,670.9**	**-0.4**	**-4,670.5**

* Table contains rounding effects | 1 FY20 Q3 financials based on a pro-forma calculation according to IAS 17

FY20 Q3 Underlying EBIT by Segment*

In €m	FY20 Q3 IFRS 16	FY20 Q3 IAS 17[1]	FY19 Q3	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	**-320.0**	**-335.5**	**92.8**	**-428.3**	**-7.9**	**-420.4**
- Riu	-62.7	-62.3	73.4	-135.7	2.0	-137.7
- Robinson	-27.7	-27.5	6.5	-34.0	0.6	-34.6
- Blue Diamond**	-16.1	-16.1	-0.8	-15.3	-0.5	-14.8
- Other	-213.6	-229.6	13.7	-243.3	-10.0	-233.3
Cruises	**-224.3**	**-224.3**	**101.5**	**-325.8**	**1.6**	**-327.4**
- TUI Cruises**	-49.9	-49.9	65.9	-115.7	0.0	-115.7
- Marella Cruises	-156.6	-156.6	30.5	-187.1	1.6	-188.7
- Hapag-Lloyd Cruises	-17.8	-17.8	5.2	-23.0	0.0	-23.0
Destination Experiences	**-37.6**	**-37.7**	**15.3**	**-53.0**	**-0.0**	**-53.0**
Holiday Experiences	**-582.0**	**-597.5**	**209.7**	**-807.1**	**-6.4**	**-800.8**
- Northern Region	-177.2	-179.8	-47.5	-132.3	3.9	-136.2
- Central Region	-219.2	-220.9	12.5	-233.4	0.0	-233.4
- Western Region	-96.3	-93.2	-47.6	-45.5	0.3	-45.9
Markets & Airlines	**-492.7**	**-493.8**	**-82.6**	**-411.2**	**4.3**	**-415.5**
All other segments	-53.4	-52.6	-24.7	-27.9	0.4	-28.3
TUI Group	**-1,128.1**	**-1,143.9**	**102.3**	**-1,246.2**	**-1.7**	**-1,244.6**

*Table contains rounding effects | **Equity result | 1 FY20 Q3 financials based on a pro-forma calculation according to IAS 17

APPENDIX – FY19 RESULTS

Income Statement – Full Year Group result after minorities mainly impacted by MAX grounding, underlying EPS benefit from lower underlying tax rate

In €m	FY19	FY18[1]	Δ YOY	% YOY
Turnover	18,928.1	18,468.7	459.5	+3%
Underlying EBITDA	**1,359.5**	**1,554.8**	***-195.3***	***-13%***
Depreciation	-466.2	-412.0	-54.2	
Underlying EBITA[2]	**893.3**	**1,142.8**	***-249.5***	***-22%***
Adjustments (SDI's and PPA)	-124.9	-88.3	-36.6	
EBITA	**768.4**	**1,054.5**	***-286.1***	***-27%***
Net interest expense	-77.0	-88.7	11.7	
EBT	**691.4**	**965.8**	***-274.4***	***-28%***
Income taxes	-159.5	-190.9	31.4	
Group result continuing operations	**531.9**	**774.9**	***-243.0***	***-31%***
Discontinued operations	-	38.7	-38.7	
Minority interest	-115.7	-86.4	-29.3	
Group result after minorities	**416.2**	**727.2**	***-311.0***	
Basic EPS (€, continuing)	**0.71**	**1.17**	***-0.46***	***-40%***
Underlying EPS (€, continuing)	**0.89**	**1.16**	***-0.27***	***-23%***

€1,186m pre Boeing MAX impact

TURNOVER
- Broadly stable excluding the effect of smaller M&A

DEPRECIATION
- Increase in depreciation driven by progressive investment strategy

UNDERLYING EBITA
- YoY decrease driven by MAX grounding – underlying EBITA in line with previous year excluding the MAX impact

ADJUSTMENTS
- In line with full year guidance of ~€125m

INTEREST
- Improvement of ~€53m vs. guidance of €130m mainly due to tax-related release of interest provisions, adjusted in underlying EPS

TAX
- Mainly driven by one-off depreciation on tax loss carryforwards

MINORITY INTEREST
- YoY increase driven by non-repeat of one off tax items in FY18

UNDERLYING EPS
- Decrease driven by MAX grounding, however lower underlying effective tax rate of 18% and lower adjusted minority interest in FY19

1 PY reported adjusted for retrospective application of IFRS 15 | 2 Underlying EBITA excluding the €40m adjustment for the negative impact from the revaluation of Euro loan balances in Turkey for FY18; including this €40m adjustment, underlying EBITA in FY19 is -24.5% YoY at actual rates and -25.6% at constant currency

Cash Flow & Movement in Net Debt – Full Year

In €m	FY19	FY18
EBITDA underlying	**1,359.5**	**1,554.8**
Adjustments	-82.1	-60.4
EBITDA reported	**1,277.4**	**1,494.4**
Working capital	-25.6	64.5
Other cash effects	138.4	75.0
At equity income	-297.5	-292.1
Dividends received from JVs and associates	244.6	222.7
Tax paid	-117.5	-236.0
Interest (cash)	-80.2	-80.8
Pension contribution & payments	-143.1	-207.5
Operating Cash flow	**996.6**	**1,040.2**
Net capex	-805.8	-746.2
Net financial investments	-313.2	-63.1
Net pre-delivery payments	0.8	-17.7
Free Cash flow	**-121.5**	**213.2**
Dividends	-475.4	-435.3
Free Cash flow after Dividends	**-596.9**	**-222.1**

In €m	30. Sep 19	30. Sep 18
Opening net debt as at 1 October	**124**	**583**
FCF after Dividends	-597	-222
Asset Finance	-337	-204
Other[1]	-100	-33
Closing net debt as per Balance Sheet	**-910**	**124**

1 Incl. -€6m from discontinued operations from German specialists disposal

Net Financial Position, Pensions and Operating Leases

In €m	30-Sep-19	30-Sep-18
Financial liabilities	**-2,682**	**-2,443**
- Finance leases	-1,495	-1,343
- Senior Notes	-298	-297
- Liabilities to banks	-870	-780
- Other liabilities	-20	-23
Cash & Bank Deposits	**1,772**	**2,567**
Net debt	**-910**	**124**
Net Pension Obligation	-758	-870
Discounted value of operating leases[1]	-2,580	-2,654

FINANCIAL LIABILITIES

- Higher versus prior year as a result of new finance leases relating to historically committed aircraft re-fleeting as well as cruise ship financing

1 At simplified discount rate of 0.9% at 30.09.2019 and 1.7% at 30.09.2018

FY19 Full Year Turnover by Segment – restated for IFRS15 (excludes Intra-Group Turnover and JVs/associates)*

In €m	FY19	FY18[1]	Change	FX	Change ex FX
Hotels & Resorts	**660.0**	**606.8**	**53.2**	**2.8**	**50.4**
- Riu	415.1	407.0	8.1	9.5	-1.4
- Robinson	103.1	89.3	13.8	-0.6	14.4
- Blue Diamond	-	-	-	-	-
- Other	141.8	110.5	31.3	-6.1	37.4
Cruises	**965.8**	**900.3**	**65.5**	**-0.3**	**65.8**
- TUI Cruises	-	-	-	-	-
- Marella Cruises	660.6	579.3	81.3	-0.3	81.5
- Hapag-Lloyd Cruises	305.2	321.0	-15.8	0.0	-15.8
Destination Experiences[2]	**856.2**	**309.7**	**546.5**	**6.5**	**540.0**
Holiday Experiences	**2,482.0**	**1,816.8**	**665.2**	**9.0**	**656.2**
- Northern Region	6,345.2	6,457.7	-112.5	-46.6	-65.9
- Central Region	6,413.0	6,222.4	190.6	5.2	185.4
- Western Region	3,231.9	3,328.5	-96.6	0.0	-96.6
Markets & Airlines	**15,990.1**	**16,008.6**	**-18.5**	**-41.4**	**22.9**
All other segments	456.0	643.3	-187.3	1.0	-188.3
TUI Group	**18,928.1**	**18,468.7**	**459.4**	**-31.4**	**490.8**

*Table contains rounding effects | 1 PY reported adjusted for retrospective application of IFRS 15 |
2 PY restated for reclassification of TUI DX Crystal to Destination Experiences from Markets & Airlines Northern Region and TUI Italy to Markets & Airlines Central Region from All other segments

FY19 Full Year Underlying EBITA by Segment*

In €m	FY19	FY18[1]	Change	FX	Change ex FX
Hotels & Resorts	**451.5**	**420.0**	**31.5**	**14.0**	**17.5**
- Riu	326.2	390.3	-64.1	4.3	-68.4
- Robinson	54.7	41.8	12.8	1.9	10.9
- Blue Diamond**	9.9	18.4	-8.4	1.1	-9.5
- Other	60.7	-30.4	91.1	6.7	84.4
Cruises	**366.0**	**323.9**	**42.1**	**-0.7**	**42.8**
- TUI Cruises**	202.6	181.3	21.3	0.0	21.3
- Marella Cruises	120.4	106.4	14.0	-0.7	14.7
- Hapag-Lloyd Cruises	43.0	36.2	6.8	0.0	6.8
Destination Experiences[2]	**55.7**	**45.6**	**10.1**	**0.8**	**9.3**
Holiday Experiences	**873.2**	**789.5**	**83.7**	**14.2**	**69.5**
- Northern Region	56.8	278.2	-221.4	-6.9	-214.5
- Central Region	102.0	94.9	7.1	0.5	6.6
- Western Region	-27.0	124.2	-151.2	0.0	-151.2
Markets & Airlines	**131.8**	**497.3**	**-365.5**	**-6.4**	**-359.1**
All other segments	-111.7	-144.0	32.3	5.6	26.7
TUI Group	**893.3**	**1,142.8**	**-249.5**	**13.4**	**-262.9**

*Table contains rounding effects | **Equity result | 1 PY reported adjusted for retrospective application of IFRS 15 |
2 PY restated for reclassification of TUI DX Crystal to Destination Experiences from Markets & Airlines Northern Region and TUI Italy to Markets & Airlines Central Region from All other segments

APPENDIX - SUSTAINABILITY

Pioneering Sustainability – Ambition and achievement

TUI Airways and TUI fly Germany ranked **#1 & #4** most carbon-efficient airlines globally[1]

TUI's airlines are **18%** more carbon-efficient than the average of the 6 largest EU airlines[2]. Relative CO_2 improved by **14%** in last 11 years

~14% reduction in relative cruise carbon emissions since 2015 (**23%** reduction water YoY)

83% of TUI Hotels & Resorts hold sustainability certifications (up from 69% in 2015)

Women in ~**36%** of managerial positions

10.3m 'greener and fairer' TUI holidays delivered in hotels with sustainability certification (up from 5.6m in 2015)

1.2m TUI Collection excursions delivered with sustainability at their heart

Removal of over **250m** pieces of single-use plastics across airlines, cruise, hotels, destinations and offices[3]

€8m invested in good causes and initiatives to enhance the positive impacts of tourism

Colleague engagement score of **76** in 2019

ESG Indices: TUI Group is represented in the sustainability indices **FTSE4Good** and **Ethibel Sustainability Index (ESI) Excellence Europe**. TUI was included in the **RobecoSam Sustainability Yearbook with a 'Bronze Class' distinction**, and participated again in the **CDP Climate Change** assessment, receiving an **'A' score** for climate change reporting based on our 2019 CDP disclosure.[4]

1 atmosfair Airline index 2018 | 2 Calculation based on the latest CO2 performance data published by each airline as of January 2020 and weighted by the total passengers flown in 2019 |
3 In September 2019, TUI signed the International Tourism Plastic Pledge to reduce plastic pollution | 4 An 'A' list score means we are in the top 2% of 8,400 responding companies – TUI Group improved from 'A-' last year to 'A' this year

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