

DELIVERING

FINANCIAL STATEMENTS TUI AG 2015 / 16

CONTENTS

2	Annual Financial statements
2	Balance sheet
3	Profit and loss statement
4	Development of fixed assets
6	Notes
6	Accounting and measurement
9	Notes to the statement of financial position
16	Notes to the income statement
19	Other notes
36	Refernce to Corporate Governance report
37	Responsibility statement by management
38	Independent auditor's report
40	Supervisory Board and Executive Board
40	Supervisory Board
42	Executive Board
43	Five-year summary

ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET OF THE TUI AG AS AT SEPTEMBER 2016

€ '000	Notes	30 Sep 2016	30 Sep 2015
Assets			
Fixed assets			
	(1)		
Intangible assets		4,252	576
Property, plant and equipment		13,217	13,148
Investments			
Shares in Group companies		6,361,653	5,277,938
Other investments		423,167	384,112
		6,784,820	5,662,050
		6,802,289	5,675,774
Current assets			
Inventories		–	16
Receivables and other assets	(2)	1,424,458	912,731
Marketable securities	(3)	299,947	–
Cash in hand and bank balances	(4)	637,014	833,656
		2,361,419	1,746,403
Prepaid expenses	(5)	776	807
		9,164,484	7,422,984
Equity			
Shareholders' equity			
Subscribed capital	(6)	1,500,739	1,499,627
Conditional capital		150,000	120,000
Capital reserves	(7)	1,201,635	1,198,942
Revenue reserves	(8)	1,287,470	1,287,470
Profit available for distribution	(9)	822,292	1,009,352
of which retained earnings brought forward		682,346	66,706
		4,812,136	4,995,391
Special non-taxed items	(10)	75	490
Provisions			
Provisions for pensions and similar obligations	(11)	134,780	138,956
Other provisions	(12)	346,005	266,656
		480,785	405,612
Liabilities			
	(13)		
Bonds		306,750	300,000
of which convertibel		–	–
Trade accounts payable		24,729	2,288
Other liabilities		3,540,009	1,719,203
		3,871,488	2,021,491
		9,164,484	7,422,984

PROFIT AND LOSS STATEMENT OF TUI AG FOR THE PERIOD FROM 1 OCT 2015 TO 30 SEP 2016
(PREVIOUS YEAR FROM 1 OCT 2014 TO 30 SEP 2015)

€ '000	Notes	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Other operating income	(17)	636,991	508,765
Personnel costs	(18)	50,349	37,756
Depreciation/amortisation	(19)	455	588
Other operating expenses	(20)	762,861	568,659
		–813,665	–607,003
Net income from investments	(21)	353,437	1,419,947
Write-downs of investments	(22)	3,674	24,557
Interest result	(23)	–24,674	–28,886
Profit from ordinary business activities		148,415	1,268,266
Taxes	(24)	8,469	11,620
Net profit for the year		139,946	1,256,646
Retained earnings brought forward		682,346	66,706
Withdrawal from capital reserves		–	–314,000
Profit available for distribution	(9)	+822,292	+1,009,352

DEVELOPMENT OF FIXED ASSETS OF TUI AG FOR THE PERIOD FROM 1 OCT 2015 TO 30 SEP 2016

€ '000	Balance at 1 Oct 2015	Additions	Disposals	Reclassification	Historical cost
					Balance at 30 Sep 2016
Intangible assets					
Concessions, industrial property rights and similar rights and values	4,517	2,077	24	–	6,570
Payments on account	–	1,816	–	–	1,816
	4,517	3,893	24	–	8,386
Property, plant and equipment					
Real estate, land rights and buildings including buildings on third-party properties	21,133	–	5,979	–	15,154
Machinery and fixtures	989	–	969	–	20
Other plants, operating and office equipment	6,378	600	781	–	6,197
Payments on account and assets under construction	–	180	–	–	180
	28,500	780	7,729	–	21,551
Investments					
Shares in Group companies	7,468,094	1,083,754	39	–300	8,551,509
Loans to Group companies	51,455	79,258	37,793	1,145	94,065
Investments	344,643	–	–	–	344,643
Loans to affiliates	845	–	–	–845	–
Securities held as fixed assets	4,746	126	–	–	4,872
Other loans	16	–	7	–	9
	7,869,799	1,163,138	37,839	–	8,995,098
Fixed assets	7,902,816	1,167,811	45,592	–	9,025,035

	Balance at 1 Oct 2015	Depreciation/ Amortisation	Additions	Disposals	Value adjustments		Carrying amounts
					Balance at 30 Sep 2016	Balance at 30 Sep 2016	Balance at 30 Sep 2015
	3,941	217	–	24	4,134	2,436	576
	–	–	–	–	–	1,816	–
	3,941	217	–	24	4,134	4,252	576
	9,113	26	–	5,507	3,632	11,522	12,020
	989	–	–	969	20	–	–
	5,250	212	–	780	4,682	1,515	1,128
	–	–	–	–	–	180	–
	15,352	238	–	7,256	8,334	13,217	13,148
	2,190,156	–	–	300	2,189,856	6,361,653	5,277,938
	–	–	–	–	–	94,065	51,455
	16,655	3,650	–	–	20,305	324,338	327,988
	845	–	–	845	–	–	–
	93	24	–	–	117	4,755	4,653
	–	–	–	–	–	9	16
	2,207,749	3,674	–	1,145	2,210,278	6,784,820	5,662,050
	2,227,042	4,129	–	8,425	2,222,746	6,802,289	5,675,774

NOTES

Accounting and measurement

TUI AG Notes for financial year 2015 / 16

As at 30 September 2016 TUI AG, Berlin and Hanover, is a large corporation as defined by section 267 of the German Commercial Code (HGB).

The annual financial statements of TUI AG are prepared in accordance with the provisions of the German Commercial Code and the German Stock Corporation Act (AktG).

The income statement is prepared in accordance with the nature of expense method pursuant to section 275 (2) (HGB).

Individual items in the statement of financial position and income statement of TUI AG are grouped together in the interests of clear presentation. These items are reported separately in the Notes, together with the necessary explanations.

The financial year of TUI AG comprises the period from 1 October of any one year until 30 September of the subsequent year.

Accounting and measurement

The accounting and measurement methods and the classification applied in the previous year were retained in the financial year under review.

Purchased intangible assets are measured at cost and amortised on a straight-line basis over the expected useful life of up to five years, for trademark rights up to fifteen years. Self-generated intangible assets are not capitalised.

Property, plant and equipment are measured at cost to purchase or cost to produce and depreciated over their expected useful life. For additions effected since financial year 2009/10, depreciation is calculated on a straight-line basis.

In line with section 6 (2a) of the German Income Tax Act (EStG), movable depreciable assets with costs to purchase of €150 to €1,000 have been grouped into collective annual items and depreciated over a period of five years.

Scheduled depreciation and amortisation are based on economic useful lives.

Fixed assets which, at the balance sheet date, have a lower market value likely to be of a lasting nature are impaired accordingly.

Shares in Group companies, participations and other investments are carried at the lower of cost to purchase or fair value. Impairments are only recognised where losses are long-term.

The requirement to reverse write-downs is met by means of write-backs.

Inventories are measured at the lower of cost to purchase or market value as at the balance sheet date.

Receivables and other assets are recognised at the lower of nominal or fair values at the balance sheet date. Non-interest bearing long-term receivables are carried at their present values. For these items, all identifiable individual risks are accounted for by means of appropriate value adjustments. Bad debt is written off.

Marketable securities are carried at the lower of cost to purchase or fair value at the balance sheet date.

Cash and bank balances are carried at nominal values.

Hedged foreign currency receivables and liabilities are recognised based on the hedging rate. Current unhedged currency items are recognised at the average spot exchange rate at the balance sheet date. Non-current unhedged currency receivables and liabilities are translated at the average spot exchange rate at the date of the transaction or the closing rate, if lower, in the case of receivables and the closing rate, if higher, in the case of liabilities.

Where liabilities from pension schemes or part-time working schemes for employees approaching retirement are covered by insolvency-protected reinsurance policies or fund investments so that other creditors do not have access, the fair values of the cover assets are eliminated against the fair values of the related liabilities. If liabilities exceed assets, the difference is shown under Provisions. Investments in reinsurance policies are measured at fair value, which corresponds to amortised cost.

Subscribed capital is carried at nominal value.

The special non-taxed item carried is based on the option to transfer book profits, used in prior years before conversion to the German Accounting Law Modernisation Act (BilMoG), and thus includes differences between tax-based and commercial-law depreciation in accordance with section 6b of the German Income Tax Act (EStG).

Provisions for pensions and similar obligations are measured in accordance with the projected unit credit method on the basis of biometric accounting data in Prof. Klaus Heubeck's 2005 G reference tables and discounted at an interest rate of 4.08% (previous year 4.06%). Discounting of the pension obligation is no longer based on the seven-year average market interest rate published by the German Central Bank for an assumed remaining term of 15 years (3.37%), but the interest rate change in accordance with section 253 (2) of the German Commercial Code for the past ten years, which was 4.08% in 2016. In determining the provisions for pensions and similar obligations, annual salary increases of 2.5% (previous year 2.5%) and pension increases of 5.25% every three years (previous year 5.25%) have been assumed; moreover, an age- and gender-specific fluctuation of 0.0% to 8.0% p.a. (previous year 0.0% to 8.0%) was assumed.

Provisions for taxes and other provisions are calculated on the basis of prudent business judgement principles and reflect all identifiable risks and doubtful obligations. They are measured at the repayable amounts, taking account of expected cost and price increases. Provisions with a remaining term of more than one year are always discounted at the average market interest rate for the past seven financial years corresponding to their remaining term.

Provisions for anniversary bonuses are determined based on a discount rate of 3.37% p.a. (previous year 4.06% p.a.), an age- and gender-specific fluctuation rate of 0.0% to 8.0% p.a. (previous year 0.0% to 8.0% p.a.) and an annual salary increase of 2.5% (previous year 2.5%).

Provisions for liabilities from part-time working schemes for employees approaching retirement are formed in accordance with the block model. The provisions are measured based on a discount rate of 1.91 % (previous year 2.53 %) and in accordance with actuarial principles founded on Prof. Klaus Heubeck's 2005 G reference tables and an annual salary increase of 2.5 % (previous year 2.5 %). The provision for liabilities from part-time working schemes for employees approaching retirement was formed for part-time working schemes for employees reaching retirement already concluded at the balance sheet date and potential future part-time early retirement schemes. They comprise top-up payments and settlement obligations accrued until the balance sheet date by the Company.

Liabilities are carried at the repayable amounts.

Deferred taxes at TUI AG include deferred taxes of Group subsidiaries with which it forms a fiscal unity for income tax determination. The income tax rate applied in measuring deferred taxes is 31.5 % (previous year 31.0 %) and embraces corporation tax, trade tax and the solidarity surcharge. Deferred tax assets are netted against deferred tax liabilities. The capitalisation option pursuant to section 274 (1) sentence 2 of the German Commercial Code is not used for the overall resulting deferred tax asset.

Provisions are formed for negative fair values of derivative financial instruments where there are no matching transactions with positive fair values and identical volumes and maturities.

The determination of the fair values for optional derivative financial instruments is based on the Black & Scholes model. Measurement of fixed-price transactions is based on the discounted cash flow of the transactions. Measurement of derivatives takes account of interest, price and volatility curves with matching maturities as at the balance sheet date.

Recognised IT systems are used to support measurement of the financial instruments. For quality assurance purposes, the amounts determined for externally concluded transactions are compared and reconciled with figures provided by external counterparties as at the balance sheet date.

All derivative financial instruments are fixed-price or optional over-the-counter (OTC) transactions for which a stock market price cannot be determined. The derivative fuel hedges are performed by means of cash compensation, as the difference between market price and hedge price. Physical delivery is not effected.

In order to recognise derivative fuel hedges in the balance sheet, they are included in hedge accounting; recognition is based on the net hedge presentation method.

Notes to the statement of financial position

(1) Fixed assets

Changes in the individual fixed assets in the financial year under review are shown in the statement of changes in assets, indicating depreciation and amortisation for the financial year under review.

INVESTMENTS

In the period under review, investments rose by a total of €1,122.8 m.

Additions of shares in Group companies relate in particular to the acquisition of TUI Belgium N.V. from TUI Travel Holdings Limited worth €864.0m and the acquisition of TUI Holding Spain S.L. (€141.7 m). In addition, 100 % of the interests in an incoming agency were acquired for €77.0m.

Impairments of shares in hotel companies worth €3.7 m were effected in the financial year under review.

The increase in loans to related companies of €42.6m results from non-current loans to subsidiaries.

Securities held as fixed assets include an amount of €0.7m for the statutory protection of the obligations from part-time early retirement schemes of two subsidiaries.

(2) Receivables and other assets

RECEIVABLES AND OTHER ASSETS

€ '000	30 Sep 2016	30 Sep 2015
Receivables from Group companies	1,368,652	865,756
of which with a remaining term of more than 1 year	–	–
Receivables from companies in which shareholdings are held	1,419	3,570
of which with a remaining term of more than 1 year	–	–
Other assets	54,387	43,405
of which with a remaining term of more than 1 year	1,000	9,960
	1,424,458	912,731

Receivables from Group companies and companies in which stakes are held include minor trade receivables at the respective balance sheet date.

Due to the restructuring of a cash pool, former TUI Travel subsidiaries were directly included in TUI AG's cash pooling structure in the completed financial year, causing an increase in receivables from Group companies.

The decline in receivables from companies in which shareholdings are held is attributable to lower dividend receivables from Egyptian hotel shareholdings.

Investments in reinsurance policies with the purpose of hedging pension obligations, pledged to the beneficiary without other creditors having right to access, are offset against the underlying liabilities at an amount of €56.0 m (previous year €57.0 m).

The increase in other assets mainly results from a significant year-on-year rise in tax assets. An opposite effect is caused by the payment of a purchase price receivable worth €9.0 m.

(3) Marketable securities

The money market funds shown under this item serve the short-term investment of free cash and cash equivalents.

(4) Cash in hand and bank balances

This item consists almost exclusively of bank balances, primarily in the form of time deposits and overnight money.

As temporary excess liquidity was invested in money market funds carried as marketable securities, bank balances declined by €196.6 m.

(5) Prepaid expenses

PREPAID EXPENSES		
€ '000	30 Sep 2016	30 Sep 2015
Other prepaid expenses	776	807

Other prepaid expenses mainly comprised prepaid insurance premiums for the period from 2017 to 2026. To a minor extent, prepaid expenses also include prepaid rents and fees.

(6) Subscribed capital

TUI AG's subscribed capital consists of no-par value shares, each representing an identical share in the capital stock. The proportionate share in the capital stock attributable to each individual share is around €2.56. Since the conversion carried out in July 2005, the shares have been registered shares whose holders have been listed in the share register by name.

The subscribed capital of TUI AG, registered in the commercial registers of the district courts of Berlin-Charlottenburg and Hanover, rose due to the issuance of 434,970 employee shares in the financial year under review. As a result, subscribed capital comprised 587,038,187 shares at the end of the financial year. It grew by €1,1 m to €1,500.7 m.

As at 30 September 2016, 2,664,194 shares in TUI AG were held by an employee benefit trust of TUI Travel Limited.

The Annual General Meeting of 9 February 2016 authorised the Executive Board of TUI AG to acquire own shares of up to 5% of the capital stock. This authorisation will expire on 8 August 2017. To date, the option to acquire own shares has not been used.

CONDITIONAL CAPITAL

The Annual General Meeting of 9 February 2016 resolved to create conditional capital of €150.0 m for the issue of bonds. The issue of bonds with conversion options or warrants, profit-sharing rights and income bonds (with or without fixed terms) is limited to a total nominal volume of up to €2.0bn under this authorisation, which will expire on 8 February 2021.

As at 30 September 2016, TUI AG therefore had total conditional capital of €150.0 m.

AUTHORISED CAPITAL

The Annual General Meeting of 13 February 2013 resolved new authorised capital for the issue of employee shares worth €10.0m. The Executive Board of TUI AG has been authorised to use this capital in one or several transactions to issue employee shares against cash contribution by 12 February 2018. 434,970 new employee shares were issued in the completed financial year, so that authorised capital totalled around €8.3 m at the balance sheet date.

The General Meeting on 28 October 2014 resolved to create conditional capital of €18.0m for the issue of new shares against non-cash contribution in order to be able to service TUI Travel share awards granted by TUI Travel to its employees with new shares in TUI AG. The authorisation for this approved capital will expire on 27 October 2019.

The Annual General Meeting on 9 February 2016 resolved to authorise the issue of new registered shares against cash contribution of up to a maximum of €150.0m. This authorisation will expire on 8 February 2021.

The Annual General Meeting on 9 February 2016 also resolved to create authorised capital for the issue of new shares against cash or non-cash contribution of €570.0m. The issue of new shares against non-cash contribution is limited to €300.0m. The authorisation for this capital will expire on 8 February 2021.

Unused authorised capital thus totals around €746.3 m (previous year around €337.9 m).

(7) Capital reserves

Capital reserves include transfers from share premiums. They also comprise amounts from conversion options and warrants for the purchase of shares in TUI AG generated by bond issues. In addition, premiums from the exercise of conversion options and warrants were transferred to the capital reserves. In the financial year under review, the capital reserves rose by a total of €2.7 m due to the issue of employee shares.

(8) Revenue reserves

Revenue reserves consisted solely of Other revenue reserves. There are no provisions in the Articles of Association on the formation of reserves. In the prior year, an amount of €314.0 from the net profit for the year was transferred to revenue reserves in accordance with section 58 (2) of the German Stock Corporation Act.

(9) Profit available for distribution

Net profit for the year totals €139.9 m. Taking account of the profit carried forward of €682.4 m, profit available for distribution amounts to €822.3 m. A proposal will be submitted to the Annual General Meeting to use the profit available for distribution from the period under review to pay a dividend of €0.63 per no-par value share and carry the amount of €369.8 m remaining after deduction of the dividend total of €452.5 m forward on new account.

(10) Special non-taxed item

The special non-taxed item of €0.1 m (previous year €0.5 m), retained upon the first-time application of the BilMoG rules, includes tax-related depreciation of fixed assets effected in previous years in accordance with section 6b of the German Income Tax Act.

(11) Pension provisions

Elimination of the assets from reinsurance policies (€56.0 m) against the gross value of the pension provisions (€190.8 m) results in a liability of €134.8 m as at the balance sheet date.

(12) Other provisions

OTHER PROVISIONS		
€ '000	30 Sep 2016	30 Sep 2015
Tax provisions	176,124	165,360
Other provisions	169,881	101,296
	346,005	266,656

Tax provisions exist for income and sales taxes in Germany and abroad.

The increase in Other provisions mainly results from transfers to provisions for the assumption of risks in the framework of the disposal of Hotelbeds Group. This item also rose due to provisions for invoices outstanding and provisions for Executive Board members.

This item also includes, in particular, provisions for staff costs, for operational risks and investment risks and, to a minor extent, hedges on behalf of Tourism companies at the balance sheet date.

Insolvency-protected non-current investments with a fair value of €0.1 m (previous year €0.3 m) for securing part-time working scheme credits for employees approaching retirement were eliminated against corresponding provisions of €0.4 m (previous year €0.4 m).

An amount of €139.9 m (previous year €54.6 m) of Other provisions has a remaining term of up to one year, €193.2 m (previous year €198.5 m) a remaining term of one to five years and €12.9 m (previous year €13.6 m) a remaining term of more than five years.

(13) Liabilities

LIABILITIES

€ '000	30 Sep 2016		30 Sep 2015	
	Remaining items	Total	Remaining items	Total
Bonds		306,750		300,000
up to 1 year	306,750		–	
1 - 5 years	–		300,000	
more than 5 years	–		–	
of which convertible	–		–	
Trade accounts payable (exclusively up to 1 year)		24,729		2,288
Other liabilities		3,540,009		1,719,203
up to 1 year	3,540,009		1,719,203	
1–5 years	–		–	
more than 5 years	–		–	
of which liabilities to Group companies		3,512,635		1,694,547
up to 1 year	3,512,635		1,694,547	
1–5 years	–		–	
more than 5 years	–		–	
of which liabilities to companies in which shareholdings are held (exclusively up to 1 year)		19		–
of which other liabilities		27,355		–
up to 1 year	27,355		24,656	
1–5 years	–		–	
more than 5 years	–		–	
of which from taxes (exclusively up to 1 year)		5,176		4,248
of which relating to social security		380		446
		3,871,488		2,021,491

In September 2014, TUI AG issued an unsecured bond worth €300.0m maturing on 1 October 2019. The interest coupon is 4.5 % per annum. TUI AG called the bond as per 18 November 2016 and redeemed it ahead of its due date.

Liabilities to Group companies and companies in which interests are held include minor trade payables as at the respective balance sheet date.

Due to the restructuring of a cash pool, former TUI Travel subsidiaries have been directly included in TUI AG's cash pooling structure. Group companies have also included their proceeds from the sale of business shares in Hotelbeds Group in TUI AG's cash pool. These two effects caused an increase in liabilities to Group companies.

In September 2014, TUI AG signed a syndicated credit facility maturing in June 2018. The facility has a credit line of €1.75bn (including a tranche of €215.0m for a letter of credit facility) and is available to TUI AG for general corporate financing purposes. It carries a floating interest rate which depends on the short-term interest rate level (EURIBOR or LIBOR) plus a margin. In December 2015, TUI AG signed an agreement to extend the maturity of this credit facility until December 2020 with the banking consortium. In the course of the year, TUI AG used parts of this credit line. At the balance sheet date, no liability existed from this facility.

As in the previous year, the other liabilities shown were not secured by rights of lien or similar rights.

(14) Contingent liabilities

CONTINGENT LIABILITIES

€ '000	30 Sep 2016	30 Sep 2015
Liabilities under guarantees, bill and cheque guarantees	5,928,700	2,469,508
Liabilities under warranties	24	27
	5,928,724	2,469,535
of which to Group companies	5,619,218	2,167,695

TUI AG has taken over guarantees and warranties on behalf of subsidiaries and third parties, mainly serving the settlement of ongoing business transactions and the collateralisation of loans. The considerable increase in guarantee commitments by TUI AG to Group companies mainly results from the increase in guarantees for outstanding aircraft lease payments and guarantees assumed for pension plans in the UK.

The guarantees and warranties taken over by TUI AG are not likely to be used since the companies are expected to discharge the underlying liabilities.

(15) Other financial commitments

OTHER FINANCIAL COMMITMENTS

€ '000	30 Sep 2016	30 Sep 2015
Lease, rental, leasing and similar contracts	44,170	46,571
Other financial commitments	626	961
	44,796	47,532
up to 1 year	3,944	3,856
1–5 years	12,434	12,301
more than 5 years	28,418	31,375
of which to Group companies	66	110

The commitments from lease, rental and leasing contracts mainly comprise future rent payments for the administrative building.

At the balance sheet date, Other financial commitments primarily comprise commitments to IT and telecommunications companies.

(16) Derivative financial instruments

DERIVATIVE FINANCIAL INSTRUMENTS AS AT 30 SEP 2016

€ '000	Nominal volume	Fair values	
		positive	negative
Currency hedges	452,329	5,034	5,126
of which with Group companies	140,237	487	4,395
Commodity hedges	111,382	18,584	18,584
of which with Group companies	48,837	14,232	1,074
Interest rate hedges	150,000	–	–
of which with Group companies	–	–	–

The fuel hedges relate to bunker requirements for cruise ships.

PROVISIONS FOR NEGATIVE MARKET VALUES IN OTHER PROVISIONS

€ '000	30 Sep 2016	30 Sep 2015
Currency hedges	5,126	10,608
	5,126	10,608

For the fuel hedges, the negative fair values of € 18.6 m were matched by transactions with identical amounts and maturities with positive fair values (hedges), carried on the basis of the net hedge presentation method. The goal is to hedge fuel prices for up to 80% of the planned exposure. The time to maturity of the hedges is up to 48 months.

Notes to the income statement

(17) Other operating income

OTHER OPERATING INCOME		
€ '000	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Reversal of special non-taxed item	415	130
Miscellaneous other operating income	636,576	508,635
	636,991	508,765

Miscellaneous other operating income mainly includes gains on exchange of €449.0 m (previous year €238.5 m), which went hand in hand with economic losses on exchange of €453.8 m (previous year €247.6 m) carried under Other operating expenses.

This item also includes income from the intercompany elimination of services of €121.3 m (previous year €127.2 m). This income goes hand in hand with expenses passed on to TUI AG from other Group companies, carried under Other operating expenses.

Other operating income also includes income from the reversal of provisions, license and rental income no longer required and income from the sale of investments.

(18) Staff costs

PERSONNEL COSTS		
€ '000	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Wages and salaries	46,665	32,118
Social security contributions, pension costs and benefits	3,684	5,638
of which pension costs	1,745	4,270
	50,349	37,756

In the period under review, staff costs mainly rose due to an increase in expenses for Executive Board members. Staff costs also increased due to transfers to pension provisions, new recruitments and transfers of staff from a subsidiary to TUI AG with effect from 1 June 2016.

(19) Depreciation / amortisation

DEPRECIATION / AMORTISATION

€ '000	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Amortisation of intangible assets and depreciation of property, plant and equipment	455	588

(20) Other operating expenses

OTHER OPERATING EXPENSES

€ '000	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Miscellaneous other operating expenses	762,861	568,659

This item comprises in particular expenses for exchange losses of €453.8m (previous year €247.6m), carried alongside exchange gains of €449.0m (previous year €238.5m) shown under Other operating income.

This item also includes expenses for the intercompany elimination of services, which went hand in hand with income from the rebilling of expenses to other Group companies, carried under Other operating income.

Moreover, expenses were incurred above all for financial and monetary transactions, fees, charges, service fees and other administrative costs.

(21) Income from investments

MISCELLANEOUS OTHER OPERATING EXPENSES

€ '000	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Income from participations	282,129	1,492,846
of which from Group companies	217,985	1,455,764
Income from profit transfer agreements	151,869	96,866
of which from Group companies	151,869	96,866
Expenses relating to losses taken over	–80,561	–169,765
of which from Group companies	–80,561	–169,765
	353,437	1,419,947

In the previous financial year, net income from investments mainly comprised dividend payments from TUI Travel Ltd. In the financial year under review, TUI AG's net income from investments was driven, in particular, by the distribution of pre-fiscal unity profits by Leibniz-Service GmbH and profit distribution by TUI Cruises GmbH. Net income from profit transfer agreements included income from profit transfers from hotel companies and companies allocable to central operations. The expenses for loss transfers mainly related to TUI-Hapag Beteiligungs GmbH and TUI Beteiligungs GmbH.

(22) Write-down of investments

In the period under review, write-downs of investments worth €3.7 m were effected (previous year €24.6 m). They relate to two Egyptian hotel participations whose carrying amounts are no longer recoverable due to the uncertain situation in the country.

(23) Interest result

INTEREST RESULT		
€ '000	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Income from other securities and long-term loans	4,706	9,013
of which from Group companies	4,706	9,012
Other interest and similar income	38,197	36,006
of which from Group companies	32,914	30,311
Interest and similar expenses	–67,577	–73,905
of which to Group companies	–4,462	–1,568
	–24,674	–28,886

The development of the interest result was primarily driven by the decline in interest expenses to non-Group third parties. Whereas in financial year 2014 / 15 prorated interest expenses were carried for a bond of €339.0 m repaid in the financial year, a bank loan worth £150.0 m and a hybrid bond worth €300.0, these interest expenses did not recur in financial year 2015 / 16.

The interest income includes income from the deduction of other long-term provisions of €0.4 m (previous year €0.0 m).

Interest expenses include expenses for the compounding of pension and other longer-term provisions of €15.0 m (previous year €25.2 m), after elimination of interest income of €2.2 m (previous year €2.5 m) from the reinsurance policies serving as cover assets.

(24) Taxes

TAXES		
€ '000	1 Oct 2015 – 30 Sep 2016	1 Oct 2014 – 30 Sep 2015
Taxes on income	6,674	9,407
Other taxes	1,795	2,213
	8,469	11,620

Income tax expenses result from advance payments made and the formation of provisions for domestic and foreign income taxes. An amount of €2.3 m of taxes on income relates to expenses attributable to prior periods.

Income tax expenses do not include deferred taxes. Receivables initially result in deferred tax liabilities which, however, are eliminated in full against deferred tax assets from other provisions and pension provisions. In accordance with the capitalisation option under section 274 (1) sentence 2 of the German Commercial Code, deferred tax assets exceeding the netted tax assets and liabilities (primarily from liabilities and provisions) are not recognised.

EXPENSES AND INCOME ATTRIBUTABLE TO PRIOR PERIODS

Income of €42.9 m and expenses of €3.8 m are attributable to prior financial years and carried under Other operating income and expenses.

Income attributable to prior periods relates in particular to income from intercompany elimination of services for prior years and income from the reversal of provisions no longer required.

Expenses attributable to prior periods mainly relate to subsequent charges for intercompany elimination of services.

Other notes

Difference according to section 253 (6) of the German Commercial Code (HGB)

The differential amount according to section 253 (6) of the German Commercial Code accounts for €11.8 m in the financial year under review. The payout block does not apply as disposable reserves (€1,969.8 m) exceed the amount of the payout block.

Related parties

In financial year 2015/16, there were no related party transactions that were not concluded in line with arm's length principles.

Employees

The average headcount for the financial year under review is 167 (previous year 99), including twelve executives. Trainees are not included in this figure. The increase in the headcount is mainly due to the transfer of employees from a subsidiary.

Remuneration for former Executive Board members and their surviving dependants

Remuneration for former Executive Board members or their surviving dependants totalled €4.9 m (previous year €4.9 m) in the financial year under review. Provisions for pension obligations for former Executive Board members and their surviving dependants amounted to €65.5 m (previous year €68.2 m).

Disclosures of the relevant amounts for individual Board members and further details on the remuneration system are provided in the Remuneration Report included in the Management Report.

Total auditors' fees

For the level and breakdown of total auditors' fees for the financial year under review in accordance with section 285 (17) of the German Commercial Code, we refer to the corresponding information in the Notes to the consolidated financial statements.

Group affiliation

TUI AG, the parent company of the TUI AG Group, prepares the consolidated financial statements for the largest and smallest group of companies as required by section 315a of the German Commercial Code in line with international accounting standards (IFRS). TUI AG's consolidated financial statements and consolidated management report are electronically submitted to the operator of the federal gazette in line with section 325 of German Commercial Code (IFRS) and released to the general public. They are available on the Internet at www.bundesanzeiger.de and at www.unternehmensregister.de under the key words TUI AG / TUI Aktiengesellschaft. They are also published at www.tuigroup.com/en-en/investors.

Shareholder structure

In financial year 2015 / 16 and in prior years, TUI AG was notified of changes in equity interests held by third parties pursuant to section 21 (1) of the German Securities Trading Act, published these notifications pursuant to section 26 (1) sentence 1 of the German Securities Trading Act and communicated them to the business register. Notifications still applicable as at 30 September 2016 are listed below in short form.

ALEXEY MORDASHOV

In compliance with section 22(1) sentence 1 no. 1 of the German Securities Trading Act, Alexey Mordashov, Russia, notified us that 15.02 % of the voting rights in TUI AG (88,146,961 voting rights) were attributable to him on 20 November 2015.

LUIS RIU UND CARMEN RIU

Luis Riu and Carmen Riu, Spain, notified us that their voting shares in TUI AG fell below the threshold value of 5 % on 11 December 2014 for each of them and now stand at 3.72 % (19,854,616 voting shares) for each of them. These 3.72 % are attributable to each of them due to the joint exercise of control over RIU HOTELS S.A. and SARANJA S.L. pursuant to section 22 (1) sentence 1 no. 1 of the German Securities Trading Act (the voting shares attributable to them relate to the same shareholding).



More detailed information is available on the Company's website (www.tuigroup.com/en-en/investors).

STANDARD LIFE INVESTMENTS LIMITED

Standard Life Investments Limited, Edinburgh, United Kingdom (UK), notified us that its voting shares in TUI AG, Berlin and Hanover, Germany, exceeded the threshold of 5 % on 19 May 2015 and amounted to 5.013 % (29,404,832 voting rights) as at that date. 5.013 % (29,404,832 voting rights) are attributable to Standard Life Investments Limited, Edinburgh, United Kingdom, pursuant to section 22 (1) sentence 1 no. 6 of the German Securities Trading Act. 1.158 % (6,793,920 voting rights) are attributable to Standard Life Investments Limited, Edinburgh, UK, pursuant to section 22 (1) sentence 1 no. 6 in combination with sentence 2 of the German Securities Trading Act.

ARTEMIS**ARROW BIDCO LIMITED**

Arrow Bidco Limited, London, UK, notified us that its voting shares in TUI AG, Hanover, Germany, exceeded the threshold of 3 % on 22 December 2014 and amounted to 3.867 % (20,641,464 voting rights) as at that date. All voting rights are attributable to Arrow Bidco Limited, London, UK, pursuant to section 22 (1) sentence 1 no. 6 in combination with sentence 2 of the German Securities Trading Act.

ARTEMIS STRATEGIC ASSET MANAGEMENT LIMITED

Artemis Strategic Asset Management Limited, Edinburgh, UK, notified us that its voting shares in TUI AG, Hanover, Germany, exceeded the threshold of 3 % on 22 December 2014 and amounted to 3.867 % (20,641,464 voting rights) as at that date. All voting rights are attributable to Artemis Strategic Asset Management Limited, Edinburgh, UK, pursuant to section 22 (1) sentence 1 no. 6 in combination with sentence 2 of the German Securities Trading Act.

ARTEMIS ASSET MANAGEMENT LIMITED

Artemis Asset Management Limited, Edinburgh, UK, notified us that its voting shares in TUI AG, Hanover, Germany, exceeded the threshold of 3 % on 22 December 2014 and amounted to 3.867 % (20,641,464 voting rights) as at that date. All voting rights are attributable to Artemis Asset Management Limited, Edinburgh, UK, pursuant to section 22 (1) sentence 1 no. 6 in combination with sentence 2 of the German Securities Trading Act.

ARTEMIS INVESTMENT MANAGEMENT LLP

Artemis Investment Management LLP, London, UK, notified us that its voting shares in TUI AG, Hanover, Germany, exceeded the threshold of 3 % on 22 December 2014 and amounted to 3.866 % (20,641,464 voting rights) as at that date. 2.91 % of the voting rights (15,540,391 voting rights) are attributable to Artemis Investment Management LLP, London, UK, pursuant to section 22 (1) sentence 1 no. 1 and no. 6 of the German Securities Trading Act. 0.956 % of the voting rights (5,101,073 voting rights) are attributable to Artemis Investment Management LLP, London, UK, pursuant to section 22 (1) sentence 1 no. 6 of the German Securities Trading Act.

BLACKROCK INC.

BlackRock Inc., Wilmington, DE, USA, notified us that its voting shares in TUI AG, Berlin and Hanover, Germany, amounted to 5.29 % (31,032,630 voting rights) on 18 April 2016. 5.29 % of the voting rights (31,032,630 voting rights) are attributable to BlackRock Inc., Wilmington, DE, USA, pursuant to section 22 of the German Securities Trading Act.



More detailed information is available on the Company's website (www.tuigroup.com/en-en/investors).

List of shareholdings of TUI AG pursuant to section 285 (11) and (11a) of the German Commercial Code

COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Consolidated related companies					
Tourism					
"MAGIC LIFE" Assets AG, Vienna		100	100	3,979.3	-21,900.7 EUR
Abbey International Insurance PCC Limited, Qormi		100	99.9	6,673.1	2,377.2 EUR
Absolut Holding Limited, Luqa		99.9	99.9	3,787.1	4,308 EUR
Adehy Limited, Dublin		100	100	578.9	254.6 EUR
Aeolos Malta Ltd., Pieta		100	100	799.1	26.8 EUR
Aeolos Travel LLP, Nicosia		100	100	5,091.8	1,604.9 EUR
AMP Management Ltd., Crawley		100	100	0	0 GBP
Anse Marcel Riusa II SNC, Paris		100	50	-28,498.9	-4,134.4 EUR
Apart Hotel Zarevo EOOD, Varna		100	100	6,187.8	97.9 BGN
aQi Hotel Schladming GmbH, Bad Erlach	99.5	0.5	100	235.4	97.1 EUR
Arccac Eurl, Bourg St. Maurice		100	100	-900	-296 EUR
atraveo GmbH, Düsseldorf ¹		100	100	75.8	0 EUR
Berge & Meer Touristik GmbH, Rengsdorf ¹		100	100	2,996.4	0 EUR
Boomerang-Reisen GmbH, Trier		100	75	-370.4	-486.5 EUR
Boomerang-Reisen Vermögensverwaltungs GmbH, Trier		75	75	837.8	273 EUR
Brunalp SARL, Venosc		100	100	-568.9	-94.5 EUR
BU RIUSA II EOOD, Sofia		100	50	7.7	0 BGN
Cabotel-Hotelaria e Turismo Lda., Santiago		100	50	192,837.4	8,566.4 CVE
Callers-Pegasus Pension Trustee Limited, Crawley		100	100	0	0 GBP
Club Hôtel Management Tunisia SARL, Djerba ⁴		100	100	-1,302.7	-3,602.7 TND
Corsair S.A., Rungis		100	100	-16,223.5	431.1 EUR
Crystal Holidays Ltd., Crawley		100	100	2,703	0 GBP
Crystal Holidays, Inc, Wilmington (Delaware)		100	100	108.8	-301.6 USD
Crystal International Travel Group Ltd., Crawley		100	100	24.4	0 GBP
Daidalos Hotel- und Touristikunternehmen A.E., Athens		89.8	89.8	8,547.3	1,858.8 EUR
Dominicanotel S.A., Puerto Plata		100	50	774,905.3	140,455 DOP
Egyptian Germany Co. for Hotels (L.T.D), Cairo	66.6		66.6	509.6	434.6 EGP
Elena SL, Palma de Mallorca		100	100	5,101.3	941.2 EUR
Entreprises Hotelières et Touristiques PALADIEN Lena Mary S.A., Argolis		100	100	6,304.1	-469.9 EUR
Europa 2 Ltd, Valletta		100	100	10.9	14.5 EUR
Explorers Travel Club Limited, Crawley		100	100	1,403	-885.4 GBP
Falcon Leisure Group (Overseas) Limited, Crawley		100	100	16,456	655 GBP
First Choice (Turkey) Limited, Crawley		100	100	5,622.2	-101.6 EUR
First Choice Airways Limited, Crawley		100	100	0	0 GBP
First Choice Holiday Hypermarkets Limited, Crawley		100	100	0	0 GBP
First Choice Holidays & Flights Limited, Crawley		100	100	5	0 GBP
First Choice Land (Ireland) Limited, Dublin		100	100	-210.2	0 EUR
First Choice Travel Shops (SW) Limited, Crawley		100	100	0	0 GBP
First Choice Travel Shops Limited, Crawley		100	100	0	0 GBP
Follow Coordinate Hotels Portugal Unipessoal Lda, Albufeira Freguesia		100	100	880.9	342.4 EUR
FOX-TOURS Reisen GmbH, Rengsdorf ¹		100	100	51.1	0 EUR
Fritidsresor AB, Stockholm		100	100	1,492,778	370,298 SEK
Fritidsresor Tours & Travels India Pvt Ltd, Bardez, Goa		100	100	339.4	-1.5 INR
GEAFOND Número Dos Fuerteventura S.A., Las Palmas, Gran Canaria		100	50	1,399.3	-6 EUR
GEAFOND Número Uno Lanzarote S.A., Las Palmas, Gran Canaria		100	50	3,208.8	2,693.5 EUR
Groupement Touristique International S.A.S., Lille		100	100	2,352	353 EUR
Hannibal Tour SA, Tunis		100	100	-97.8	-11.3 TND

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE-HOLDINGS* DIRECT	SHARE-HOLDINGS* INDIRECT	SHARE-HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Hapag-Lloyd (Bahamas) Ltd., Nassau	100		100	6,019	93.6 EUR
Hapag-Lloyd Kreuzfahrten GmbH, Hamburg ¹	100		100	1,422.8	0 EUR
Hellenic EFS Hotel Management E.P.E., Athens		100	100	2,015	1,015 EUR
Holiday Center S.A., Cala Serena/ Cala d'Or		100	100	9,364.4	2,184.8 EUR
Holidays Services S.A., Agadir		100	100	3,082.9	-83 MAD
Horizon Holidays Ltd., Crawley		100	100	4,571	0 GBP
Horizon Midlands (Properties) Ltd., Crawley		100	100	-8,180	205 GBP
Iberotel International A.S., Antalya	100		100	-1,954	-1,954 TRY
Iberotel Otelcilik A.S., Istanbul	0.2	99.8	100	23,765.7	548.1 TRY
Imperial Cruising Company SARL, Heliopolis-Cairo		90	90	3,661.3	359.3 USD
Inter Hotel SARL, Tunis		100	100	-29,878	-2,793.7 TND
Itaria Limited, Nikosia		100	100	-3,002.7	-127.8 EUR
Jandia Playa S.A.U., Morro Jable/Fuerteventura		100	100	55,335.4	5,285.5 EUR
Jetair Real Estate N.V., Brussels		100	100	8,867.6	1,459.9 EUR
Jetair Travel Distribution N.V., Oostende		100	100	608.4	108.7 EUR
Jetaircenter N.V., Mechelen		100	100	25,385	2,053.2 EUR
JNB (Bristol) Limited, Crawley		100	100	4,221	0 GBP
Kras B.V., Ammerzoden		100	100	15,871.2	3,664.8 EUR
Label Tour EURL, Montreuil		100	100	1,150	-180.6 EUR
Lapter Eurl, Macot La Plagne		100	100	1,038	103 EUR
Last-Minute-Restplatzreisen GmbH, Baden-Baden ¹		100	80	27.4	0 EUR
Lodges & Mountain Hotels SARL, Notre Dame de Bellecombe, Savoie		100	100	-6,472	-310 EUR
L'TUR Suisse AG, Dübendorf/ZH ³		99.5	79.6	234.9	83.7 CHF
l'tur tourismus Aktiengesellschaft, Baden-Baden ¹		80	80	758.5	0 EUR
Lunn Poly (Jersey) Ltd., St. Helier		100	100	485	80 GBP
Lunn Poly Ltd., Crawley		100	100	0	0 GBP
Magic Hotels SA, Tunis		100	100	-1,015	-814.6 TND
Magic Life Egypt for Hotels LLC, Sharm el Sheikh		100	100	-663	-4,158.7 EGP
Magic Life GmbH & Co KG, Vienna		100	100	-14,806	EUR ²
Magic Life Greece S.A., Athens		100	100	-3,474	0 EUR
Magic Tourism International S.A., Tunis		100	100	40.1	-3.4 TND
Mainstream DS Dominicana S.A.S., Higüey		100	100	2,101	1,147.3 DOP
Medico Flugreisen GmbH, Baden-Baden ¹		100	80	127.8	0 EUR
Morvik EURL, Bourg Saint Maurice		100	100	-1,194	-512 EUR
MX RIUSA II S.A. de C.V., Cabo San Lucas		100	50	3,734,671.7	714,286.5 MXN
Nazar Nordic AB, Malmö		100	100	6,627.2	158.4 SEK
Nordotel S.A.U., San Bartolomé de Tirajana		100	100	84,893.4	14,928.3 EUR
Nouvelles Frontières Senegal S.R.L., Dakar		100	100	830.7	81.3 EUR
Ocean College LLC, Sharm el Sheikh		100	100	585.2	-364.3 EGP
Ocean Ventures for Hotels and Tourism Services SAE, Sharm el Sheikh		98	98	-1,059.4	0 EGP
Orion Airways Ltd., Crawley		100	100	-399.4	0 GBP
Oy Finnmatkat AB, Helsinki		100	100	3,963.7	-641.4 EUR
PATS N.V., Oostende		100	100	760.7	34.8 EUR
Petit Palais Srl, Valtournenche		100	100	2,451.6	-19.3 EUR
Preussag Beteiligungsverwaltungs GmbH IX, Hanover ¹		100	100	105,025	0 EUR
Professor Kohts Vei 108 AS, Stabekk		100	100	3,605.3	996.6 NOK
Promociones y Edificaciones Chiclana S.A., Palma de Mallorca		100	50	2,362.2	70.1 EUR
ProTel Gesellschaft für Kommunikation mbH, Rengsdorf ¹		100	100	143.1	0 EUR
Puerto Plata Caribe Beach S.A., Puerto Plata		100	50	525	0 DOP
RC Clubhotel Cyprus Limited, Limassol ⁹		100	100		
RCHM S.A.S., Agadir	0	100	100	3,215.1	-6,578.6 MAD
Rideway Investment Ltd., London		100	50	-5	0 EUR

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE-HOLDINGS* DIRECT	SHARE-HOLDINGS* INDIRECT	SHARE-HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Riu Jamaicotel Ltd., Negril		100	50	135,913.6	9,777.1 JMD
Riu Le Morne Ltd, Port Louis		100	50	44,232.1	–865.6 MUR
RIUSA II S.A., Palma de Mallorca ⁸		50	50	697,301.2	93,946.2 EUR
RIUSA NED B.V., Amsterdam		100	50	219,826.2	54,427.7 USD
ROBINSON AUSTRIA Clubhotel GmbH, Villach-Landskron		100	100	3,800.7	–71.2 EUR
Robinson Club GmbH, Hanover ¹	100		100	30,658.5	0 EUR
Robinson Club Italia S.p.A., Marina di Ugento		100	100	13,192.1	1,398.2 EUR
Robinson Club Maldives Private Limited, Malé		100	100	–8,688.4	–759.3 USD
Robinson Clubhotel Turizm Ltd. Sti., Istanbul	1	99	100	18,356.6	8,771.6 TRY
Robinson Hoteles España S.A., Cala d'Or	0.6	99.4	100	2,633.3	1,904.7 EUR
Robinson Hotels Portugal S.A., Vila Nova de Cacela		67	67	6,836.2	288.4 EUR
Robinson Otelcilik A.S., Istanbul		100	100	35,314.2	972.1 TRY
Saint Martin RIUSA II SAS, Basse Terre		100	50	13,683.1	–1,813.4 EUR
SERAC Travel GmbH, Zermatt		100	100	13.1	–80.4 CHF
Simply Travel Holdings Ltd., Crawley		100	100	–2	0 GBP
Skymead Leasing Ltd., Crawley		100	100	0	653 GBP
Société d'Exploitation du Paladien Marrakech SA, Marrakesh		100	100	–97.3	–32.2 EUR
Société d'Investissement Aérien S.A., Casablanca		100	100	–4,757.6	4,888.3 MAD
Société d'Investissement et d'Exploration du Paladien de Calcatoggio (SIEPAC), Montreuil		100	100	–34.2	161.7 EUR
Société d'investissement hotelier Almoravides S.A., Marrakesh		100	100	–1,755.8	–620.6 MAD
Société Marocaine pour le Developpement des Transports Touristiques S.A., Agadir		100	100	2,414.2	410.2 MAD
Sons of South Sinai for Tourism Services and Supplies SAE, Sharm el Sheikh		84.1	83.4	829.5	0 EGP
Specialist Holidays Group Ltd., Crawley		100	100	25,615.1	0 GBP
Specialist Holidays, Inc., Mississauga, Ontario		100	100	418.1	32.3 CAD
Star Tour A/S, Copenhagen		100	100	133,809	–38,341 DKK
Star Tour Holding A/S, Copenhagen		100	100	10,043.2	206.6 DKK
Startour-Stjernereiser AS, Stabekk		100	100	105,902.2	12,927 NOK
STIVA RII Ltd., Dublin		100	50	7,248.2	35,424.1 USD
Sunshine Cruises Limited, Crawley		100	100	33,270	–1,507 GBP
Tantur Turizm Seyahat A.S., Istanbul	100		100	73,340.3	32,149.9 EUR
TCV Touristik-Computerverwaltungs GmbH, BadenBaden ¹		100	80	102.3	0 EUR
TdC Agricoltura Società agricola a r.l., Florence		100	100	497.9	–947.9 EUR
TdC Amministrazione S.r.l., Florence		100	100	861.8	–362.8 EUR
Tec4Jets B.V., Rijswijk ZH		100	100	558.8	123.3 EUR
Tec4Jets NV, Oostende		100	100	6,410.3	728.4 EUR
Tenuta di Castelfalfi S.p.A., Florence	100		100	–10,999.4	–35,103.7 EUR
Thomson Airways Limited, Crawley		100	100	889,000	200,000 GBP
Thomson Reisen GmbH, St. Johann		100	100	–989.5	96.6 EUR
Thomson Services Ltd., St. Peter Port		100	100	–0.8	–8.8 GBP
Thomson Travel Group (Holdings) Ltd., Crawley		100	100	69,000	–105,000 GBP
TICS GmbH Touristische Internet und Call Center Services, Baden-Baden ¹		100	80	25	0 EUR
Tigdiv Eurl, Tignes		100	100	844	99 EUR
TLT Reisebüro GmbH, Hanover		100	100	10,536.6	–6 EUR
Transfar - Agencia de Viagens e Turismo Lda., Faro		100	100	32,121	11,929 EUR
Travel Choice Limited, Crawley		100	100	29,068	51.1 GBP
travel-Ba.Sys GmbH & Co KG, Mülheim an der Ruhr		83.5	83.5	1,499.8	EUR ²
Tropical Places Ltd., Crawley		100	100	6,199	0 GBP
TT Hotels Italia S.R.L., Rome		100	100	540.5	–146.7 EUR
TT Hotels Turkey Otel Hizmetleri Turizm ve ticaret AS, Antalya		100	100	106,720.3	–3,613.1 TRY

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE-HOLDINGS* DIRECT	SHARE-HOLDINGS* INDIRECT	SHARE-HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
TUI (Cyprus) Limited, Nicosia		100	100	9,011.6	905.6 EUR
TUI (Suisse) AG, Zürich		100	100	27,064.7	2,061.7 CHF
TUI (Suisse) Holding AG, Zürich		100	100	4,263.3	164.1 CHF
TUI 4 U GmbH, Bremen ¹		100	100	153.4	0 EUR
TUI Airlines Belgium N.V., Oostende		100	100	36,697.7	1,671.8 EUR
TUI Airlines Nederland B.V., Rijswijk		100	100	6,351	7,249 EUR
TUI aqtv GmbH, Hanover ¹		100	100	197.7	0 EUR
TUI Austria Holding GmbH, Vienna		100	100	51,402	1,123.1 EUR
TUI Belgium NV, Oostende	100		100	177,113	19,606.1 EUR
TUI Bulgaria EOOD, Varna		100	100	7,351.7	867.8 BGN
TUI Curaçao N.V., Curaçao		100	100	91.4	45.5 ANG
TUI Customer Operations GmbH, Hanover ¹		100	100	85.2	0 EUR
TUI Denmark Holding A/S, Copenhagen		100	100	76,568.1	-39,929.6 DKK
TUI Deutschland GmbH, Hanover ¹		100	100	66,125	0 EUR
TUI DS USA, Inc, Wilmington (Delaware) ⁹		100	100		
TUI España Turismo S.A., Barcelona		100	100	68,249.3	8,916.2 EUR
TUI France SAS, Nanterre		100	100	-4,198	-31,444.4 EUR
TUI Hellas Travel Tourism and Airline SA, Athens		100	100	9,574	1,924.5 EUR
TUI Holding Spain S.L., Barcelona	100		100	46,484.2	-179.3 EUR
TUI Hotel Betriebsgesellschaft mbH, Hanover ¹		100	100	25	0 EUR
TUI InfoTec GmbH, Hanover ¹		100	100	12,863.3	0 EUR
TUI Leisure Travel Special Tours GmbH, Hanover ⁵		100	100	206.3	0 EUR
TUI Magic Life GmbH, Hanover ¹		100	100	25	0 EUR
TUI Mexicana SA de CV, Mexico		100	100	2,090.9	1,641.1 MXN
TUI Nederland Holding N.V., Rijswijk		100	100	128,476	25,850 EUR
TUI Nederland N.V., Rijswijk		100	100	104,834	18,415 EUR
TUI Nordic Holding AB, Stockholm		100	100	6,065,946	352,423 SEK
TUI Northern Europe Ltd., Crawley		100	100	125,000	83,000 GBP
TUI Norway Holding AS, Stabekk		100	100	561,816.4	-6,091.9 NOK
TUI Österreich GmbH, Vienna		100	100	16,546.1	7,539.2 EUR
TUI Pension Scheme (UK) Ltd., Crawley		100	100	0	0 GBP
TUI Poland Dystrybucja Sp. z o.o., Warsaw		100	100	-8,736.6	-7,358.6 PLN
TUI Poland Sp. z o.o., Warsaw		100	100	17,255.3	24.6 PLN
TUI PORTUGAL - Agencia de Viagens e Turismo S.A., Faro		100	100	22,412.8	3,921.9 EUR
TUI Reisecenter Austria Business Travel GmbH, Vienna		74.9	74.9	3,664.8	246.2 EUR
TUI Service AG, Altendorf		100	100	12,052.3	4,998.8 CHF
TUI Suisse Retail AG, Zürich		100	100	6,827.2	452.9 CHF
TUI Travel (Ireland) Limited, Dublin		100	100	1,538	319.2 EUR
TUI Travel Group Solutions Limited, Crawley		100	100	-19,217.8	-19,375.8 GBP
TUI Travel Holdings Sweden AB, Stockholm		100	100	6,520,888	239,999 SEK
TUI UK Italia S.r.L., Turin		100	100	861.6	164.5 EUR
TUI UK Ltd., Crawley		100	100	187,000	-79,000 GBP
TUI UK Retail Limited, Crawley		100	100	8,000	6,000 GBP
TUI UK Transport Ltd., Crawley		100	100	15,265	135,243 GBP
TUIfly GmbH, Langenhagen ¹		100	100	89,144.1	0 EUR
TUIfly Nordic AB, Stockholm		100	100	8,655.3	6,035.9 SEK
TUIfly Vermarktungs GmbH, Hanover ¹		100	100	40.9	0 EUR
Tunisie Investment Services Holding S.A., Tunis		100	100	124.2	-73 TND
Tunisie Voyages S.A., Tunis		100	100	-8,628	-2,442.9 TND
Tunisotel S.A.R.L., Tunis		100	50	2,748.1	506 TND
Turcotel Turizm A.S., Istanbul		100	100	2,754.3	-9,925.9 TRY
Turkuaz Insaat Turizm A.S., Ankara	100		100	28,989	4,717.5 TRY

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE-HOLDINGS* DIRECT	SHARE-HOLDINGS* INDIRECT	SHARE-HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Ultramar Express Transport S.A., Palma de Mallorca		100	100	24,463.9	1,254.6 EUR
Voukouvalides Tours Tourism S.A., Kos		100	100	2,364.2	1,249.7 EUR
Wolters Reisen GmbH, Stuhr ¹		100	100	4,601.6	0 EUR
WonderCruises AB, Stockholm		100	100	2,512	-216 SEK
WonderHolding AB, Stockholm		100	100	3,835.1	-119 SEK
Xidias Coaches Limited, Larnaca		51	51	-50.6	19.9 EUR
Specialist Travel					
Adventure Transport Limited, Crawley		100	100	0	0 GBP
Adventure Travels USA, Inc., Wilmington (Delaware)		100	100	4,054.7	43.7 USD
Alcor Yachting SA, Geneva		100	100	1,033.2	19 CHF
Alkor Yat Turizm Isletmacileri A.S., Izmir		100	100	-1,953.9	2.7 TRY
American Adventures Travel, Inc, Wilmington (Delaware)		100	100	1,205	1,398.4 USD
Antigua Charter Services, St. John's		100	100	261.6	228.1 USD
Brightspark Travel Inc, State of Delaware		100	100	-630.6	23.1 USD
CBQ No. 2 (UK) Limited, Crawley		100	100	1,053	-3,997 GBP
CBQ No. 2 (US) Limited, State of Delaware		100	100	307.4	0.8 USD
CBQ No. 2 International Projects Limited, Crawley		100	100	585	-56 GBP
CBQ No.2 (Australia) Pty Ltd, Sydney		100	100	297.9	1.1 AUD
CHS Tour Services Ltd, Crawley		100	100	269.6	41.9 GBP
Connoisseur Belgium BVBA, Nieuwpoort		100	100	195.4	35.7 EUR
Crown Blue Line France SA, Castelnaudary		100	100	2,217.1	100 EUR
Crown Blue Line GmbH, Kleinzerlang		100	100	8,848.6	2,000.8 EUR
Crown Blue Line Limited, Crawley		100	100	57,740.8	1,211.2 GBP
Crown Holidays Limited, Crawley		100	100	20,124.1	358 GBP
Crown Travel Limited, Crawley		100	100	1,438.1	-191.8 GBP
Educatours Limited, Mississauga, Ontario		100	100	3,033.9	-2,612.6 CAD
EEFC, Inc., State of Delaware		100	100	23,536.6	2,609 USD
Emerald Star Limited, Dublin		100	100	2,497.4	178 EUR
Events International (Sports Travel) Limited, Crawley		100	100	266	145.1 GBP
Events International Limited, Crawley		100	100	770	251.8 GBP
Exodus Travels Australia Pty Ltd, Melbourne		100	100	47.9	-245.4 AUD
Exodus Travels Canada Inc, Toronto		100	100	-75.6	-143.8 CAD
Exodus Travels Limited, Crawley		100	100	7,747	305 GBP
Exodus Travels USA, Inc., Emeryville, CA		100	100	-968.9	120.4 USD
Fanatics Sports & Party Tours UK Limited, Crawley		100	100	1,527.6	156.5 GBP
Fanatics Sports and Party Tours PTY Limited, Banksia		100	100	4,114	1,059.3 AUD
FanFirm Pty Ltd, Banksia		100	100	2,466.7	-485.1 AUD
Fantravel.com, Inc., Wilmington (Delaware)		100	100	-611	-27.3 USD
FCM (BVI) Ltd, British Virgin Islands		100	100	-4,656.4	-109 USD
First Choice Expeditions, Inc., State of Delaware		100	100	41,388.2	-8,686.5 USD
First Choice Marine (Malaysia) Snd Bhd, Malaysia		100	100	288.8	220.2 MYR
First Choice Marine Limited, Crawley		100	100	67,225	-16,947 GBP
First Choice Sailing, Inc. (USA) (also known as Sunsail, Inc.), State of Delaware		100	100	9,436.8	3,132.3 USD
Francotel Limited, Crawley		100	100	0	0 GBP
GEI-Moorings, LLC, State of Delaware		100	100	44,363.3	0 USD
Gullivers Group Limited, Crawley		100	100	0	0.1 GBP
Gullivers Sports Travel Limited, Crawley		100	100	3,618	-6,496 GBP
Hayes & Jarvis (Travel) Limited, Crawley		100	100	8,229	5,382 GBP
Headwater Holidays Limited, Crawley		100	100	3,496.6	164.2 GBP
Hellenic Sailing Holidays SA, Athens		100	100	11,147.3	18,417.1 EUR

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Hellenic Sailing SA, Athens		100	100	-219.9	77.7 EUR
International Expeditions, Inc., State of Delaware		100	100	2,268.8	152.1 USD
Intrav, Inc., State of Delaware		100	100	0	0 USD
Le Boat Netherlands B.V., Rotterdam		100	100	872	330.9 EUR
Le Piolet SCI, St Martin de Belleville, Savoie		100	100	1,195.1	65.2 EUR
Les Tours Jumpstreet Tours, Inc., Montreal		100	100	7,464	183.6 CAD
Mariner International Asia Limited, Hong Kong		100	100	463.3	78.8 HKD
Mariner International Travel (UK) Limited, Crawley		100	100	-21,204	-9,232 GBP
Mariner International Travel, Inc., State of Delaware		100	100	-19,182.1	7,692.1 USD
Mariner Operations USA Inc, State of Delaware		100	100	2,490.2	24.4 USD
Mariner Travel GmbH, Bad Vilbel		100	100	-75.3	-583.2 EUR
Mariner Travel SARL, Paris		100	100	1,381	232 EUR
Mariner Yacht Services SA, Le Marin (Martinique)		100	100	-9,018.1	-3,941.8 EUR
Mariner Yachts (Proprietary) Limited, Illovo		100	100	-213	-344.8 ZAR
Master-Yachting GmbH, Eibelstadt ¹		100	100	443.1	0 EUR
Maxi Yen SL, Palma de Mallorca		100	100	37.5	-7.7 EUR
Molay Travel SARL, Molay-Littry, Calvados		100	100	193.5	-4.3 EUR
Molay Travel SCI, Molay-Littry, Calvados		100	100	351.7	-6.8 EUR
Mont Charvin Ski SARL, Paris		100	100	111,013.4	20.5 EUR
Moorings Grenadines Ltd., St. Vincent and Grenadines		100	100	-1,936.7	-624.5 USD
Moorings Yachting SAS, Paris		100	100	627.3	344 EUR
Moorings Yat Isletmecilgi Turizm Ve Tic Ltd, Mugla		100	100	-7,673.6	-1,127.9 EUR
MyPlanet Holding A/S, Holstebro		100	100	17,948.4	-448.6 DKK
MyPlanet International A/S, Aarhus		100	100	1,924	32 DKK
MyPlanet Sweden AB, Gothenburg		100	100	7,036.8	127.3 SEK
Platinum Event Travel Limited, Crawley		100	100	279	67.2 GBP
Porter and Haylett Limited, Crawley		100	100	41,568	-1,314 GBP
Premier Holidays Afloat Limited, Dublin		100	100	0	0 EUR
Premiere International Corp, Gardena		100	100	396.3	-412.1 USD
Prestige Boating Holidays Limited, Dublin		100	100	102.6	-11.5 EUR
Quark Expeditions, Inc., State of Delaware		100	100	11,111.8	5,652.5 USD
Real Travel Ltd, Crawley		100	100	-2,650.8	-1,804.2 GBP
Sawadee Amsterdam BV, Amsterdam		100	100	3,683.4	780.6 EUR
Ski Bound Limited, Crawley		100	100	3,482	52 GBP
Skibound France SARL, Notre Dame de Bellecombe		100	100	-2,904.5	-0.9 EUR
Specialist Holiday Group Ireland Ltd., Dublin		100	100	5,398.2	515.2 EUR
Specialist Holidays (Travel) Limited, Crawley		100	100	12,291	4,945 GBP
Specialist Holidays Contracting Ltd., Crawley		100	100	2,521	563 GBP
Specialist Holidays Ltd., Crawley		100	100	5,434	661 GBP
Sports Executive Travel Limited, Crawley		100	100	0	0 GBP
Sportsworld (Beijing) Sports Management Consulting Limited Company, Beijing		100	100	349.6	0 CNY
Sportsworld Eventos Ltda, São Paulo		100	100	915.5	779.1 BRL
Sportsworld Group Limited, Crawley		100	100	10,772	-1,338 GBP
Sportsworld Holdings Limited, Crawley		100	100	100.5	0 GBP
Student City S.a.r.l., Paris		100	100	-811.9	-7.4 EUR
Student City Travel Limited, Crawley		100	100	5,263.5	4,645.1 GBP
Student Skiing Limited, Crawley		100	100	0	0 GBP
Studentcity.com, Inc., State of Delaware		100	100	7,907.4	756.7 USD
Sunsail (Antigua) Limited, Antigua		100	100	-2,117.9	-1,367 USD
Sunsail (Australia) Pty Ltd, Hamilton Island, Queensland		100	100	-2,222.3	527.1 AUD
Sunsail (Seychelles) Limited, Mahé		100	100	-3,359.5	-1,093.1 SCR

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Sunsail (Thailand) Company Ltd, Phuket ⁸		30	30	-4,159.3	-1,536.6 THB
Sunsail Adriatic d.o.o., Split		100	100	-5,831.7	-3,980.2 HRK
Sunsail Hellas MEPE, Athens		100	100	0	0 EUR
Sunsail International B.V., Rotterdam		100	100	1,526.1	-26.3 EUR
Sunsail SAS, Castelnaudary		100	100	712.6	1,036.9 EUR
Sunsail Worldwide Sailing Limited, Crawley		100	100	26,818	6,282 GBP
Sunsail Worldwide Sailing St. Vincent Limited, St. Vincent and Grenadines		100	100	-3,948.5	-2,663 USD
TCS & Starquest Expeditions, Inc., Seattle		100	100	28,496.1	3,239.4 USD
TCS Expeditions, Inc., State of Delaware		100	100	646	-207 USD
Tealink Travel Limited, Crawley		100	100	0	0 GBP
The Moorings (Bahamas) Ltd, Nassau		100	100	-787.3	-1,829.3 USD
The Moorings (Seychelles) Limited, Mahé		100	100	-1,644.9	-601.3 USD
The Moorings (St. Lucia) LTD, St. Lucia		100	100	-4,919	-778.3 USD
The Moorings Belize Limited, Belize City		100	100	3,113.6	-537.3 USD
The Moorings d.o.o., Split		100	100	-239	-569.9 EUR
The Moorings Limited, British Virgin Islands		100	100	48,704.8	-4,821.3 USD
The Moorings Sailing Holidays Limited, Crawley		100	100	1,139.7	54.8 GBP
The Moorings SARL, Utoroa, Raiatea		100	100	1,542.1	-113.4 USD
Thomson Sport (UK) Limited, Crawley		100	100	0	5,284 GBP
TRAVCOA Corporation, State of Delaware		100	100	12,072.3	-460.5 USD
Travel Class Limited, Crawley		100	100	8,762.3	72.2 GBP
Travel Services Europe Spain SL, Barcelona		100	100	22	15.9 EUR
Travel Turf, Inc., Allentown		100	100	5,997.2	2,040.5 USD
Travelbound European Tours Limited, Crawley		100	100	700.3	0 GBP
Travelmood Limited, Crawley		100	100	-6,706	237 GBP
Travelopia Contract Services Limited, Crawley		100	100	0	0 GBP
Travelopia Holdings Limited, Crawley		100	100	22,571.6	-127,108.6 GBP
Travelopia USA, Inc., State of Delaware		100	100	315.4	-77,001.3 USD
Trek America Travel Limited, Crawley		100	100	6,377	783 GBP
Trek Investco Limited, Crawley		100	100	8,507.3	0 GBP
TTSS Limited, Crawley		100	100	7,083.8	-1,986.8 GBP
TTSS Transportation Limited, Crawley		100	100	2	0 GBP
TUI Holdings (Australia) PTY Limited, Queensland		100	100	2,351.7	-654.2 AUD
TUI Marine Grenada Limited, St. George's		100	100	442.7	76.5 USD
TUI Travel SAS Adventure Limited, Crawley		100	100	1,831.7	-66,884.7 GBP
Versun Yachts NSA, Athens		100	100	2,251.5	-6,617.6 EUR
We Love Rugby Pty Ltd, Banksia		100	100	0	0 AUD
Williment Travel Group Limited, Wellington		100	100	7,436.3	906.6 NZD
World Challenge Expeditions Limited, Crawley		100	100	547	-569 GBP
World Challenge Expeditions Pty Ltd, Victoria		100	100	2,265.4	386.9 AUD
World Challenge Expeditions, Inc., Cambridge, MA		100	100	-744.5	-669.4 USD
World Challenge NZ Limited, Wellington		100	100	17.8	151.2 NZD
Yachts International Limited, British Virgin Islands		100	100	8,539.8	906.1 USD
YIL, LLC, State of Delaware		100	100	0	0 USD
Your Man Tours, Inc., El Segundo, CA		100	100	4,637.3	77.1 USD
Zegrahm Expeditions, Inc., Seattle		100	100	5,688.8	-1,223 USD
All other segments					
Absolut Insurance Limited, St. Peter Port		100	100	90,639.2	2,626.7 GBP
Amber Nominee GP Limited, Crawley		100	100	0	0 GBP
Asiarooms Pte Ltd, Singapore		100	100	308.9	-27.2 SGD
B.D.S Destination Services Tours, Cairo		100	100	-2,321.2	-3,718.4 EGP

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Canada Maritime Services Limited, Crawley		100	100	6,130.9	0 GBP
Canadian Pacific (UK) Limited, Crawley		100	100	-410	0 GBP
Cast Agencies Europe Limited, Crawley		100	100	-20,308	153 USD
Cast Group Services Limited, Southampton		100	100	0.1	0 GBP
Cheqger B.V., Rijswijk		100	100	1,883.7	0 EUR
Contship Holdings Limited, Southampton		100	100	39,941.9	0 USD
CP Ships (Bermuda) Ltd., Hamilton		100	100	1,916	-63 USD
CP Ships (UK) Limited, Crawley		100	100	41,521	15,532 USD
CP Ships Ltd., Saint John		100	100	2,421.7	-85.5 CAD
CPS Holdings (No. 2) Limited, Southampton		100	100	39,902.9	0 USD
CPS Number 4 Limited, Southampton		100	100	0	USD
DEFAG Beteiligungsverwaltungs GmbH I, Hanover ¹	100		100	525,025	0 EUR
DEFAG Beteiligungsverwaltungs GmbH III, Hanover ¹	100		100	250,025	0 EUR
First Choice Holidays Finance Limited, Crawley		100	100	47,748	117,977 GBP
First Choice Holidays Limited, Crawley		100	100	780,425	55,383 GBP
First Choice Leisure Limited, Crawley		100	100	11,092	13 GBP
First Choice Olympic Limited, Crawley		100	100	-451	0 GBP
First Choice Overseas Holdings Limited, Crawley		100	100	14,135	-34 GBP
First Choice USA Limited, Crawley		100	100	11,321.3	7,975.9 USD
Hapag-Lloyd Executive GmbH, Langenhagen ¹		100	100	25	0 EUR
I Viaggi del Turchese S.r.l., Fidenza		100	100	8,466.2	-1,103.1 EUR
Jetset Group Holding (Brazil) Limited, Crawley		100	100	0	-21,953.7 GBP
Jetset Group Holding (UK) Limited, Crawley		100	100	-10,152	-12,153 GBP
Jetset Group Holding Limited, Crawley		100	100	190	-35,955 GBP
Leibniz-Service GmbH, Hanover ¹	100		100	27	0 EUR
Mala Pronta Viagens e Turismo Ltda., Curitiba		100	100	2,386.8	3,648.2 BRL
Manufacturer's Serialnumber 852 Limited, Dublin		100	100	12,828.1	-1,465.4 USD
MSN 1359 GmbH, Hanover ¹		100	100	25	0 EUR
Paradise Hotels Management Company LLC, Cairo		100	100	252.8	-1,142.2 EGP
PM Peiner Maschinen GmbH, Hanover	100		100	4,990.6	-1,147 EUR
Preussag Immobilien GmbH, Salzgitter ¹	100		100	73,958.2	0 EUR
Preussag UK Ltd., Crawley		100	100	113,028	459 GBP
Sovereign Tour Operations Limited, Crawley		100	100	-363,344	40 GBP
Thomson Airways Trustee Limited, Crawley		100	100	0	0 GBP
TTG (Jersey) Limited, Jersey		100	100	116.1	0 GBP
TUI Ambassador Tours Unipessoal Lda, Lisbon ⁹		100	100		
TUI Aviation GmbH, Hanover ¹		100	100	25	0 EUR
TUI Beteiligungs GmbH, Hanover ¹	100		100	202,012.3	0 EUR
TUI Brasil Operadora e Agencia de Viagens LTDA, Curitiba	0	100	100	-718.9	-710 BRL
TUI Business Services GmbH, Hanover ¹		100	100	25	0 EUR
TUI Canada Holdings, Inc, Toronto		100	100	278,233.6	-1.9 CAD
TUI Chile Operador y Agencia de Viajes SpA, Santiago ⁹		100	100		
TUI China Travel CO. Ltd., Beijing	75		75	-1,748	-990.4 CNY
TUI Colombia Operadora y Agencia de Viajes SAS, Bogota ⁹		100	100		
TUI Connect GmbH, Hanover ¹		100	100	25	0 EUR
TUI Group Services GmbH, Hanover ¹	100		100	18,146.3	0 EUR
TUI Group UK Trustee Limited, Crawley		100	100	0	0 GBP
TUI India Private Limited, New Delhi	1	99	100	1,356.1	0 INR
TUI Leisure Travel Service GmbH, Neuss ¹		100	100	103	0 EUR
TUI LTE Viajes S.A de C.V, Mexico City ⁹	0	100	100		
TUI Spain, SLU, Madrid	100		100	-735.6	-1,607 EUR
TUI Travel Amber E&W LLP, Crawley		100	100	420,389.1	-28,529.6 GBP

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
TUI Travel Amber Limited, Edinburgh		100	100	0.1	0 GBP
TUI Travel Amber Scot LP, Edinburgh		100	100	276,000	17,060 GBP
TUI Travel Aviation Finance Limited, Crawley		100	100	26,113	14,628 USD
TUI Travel Common Investment Fund Trustee Limited, Crawley		100	100	0	0 GBP
TUI Travel Group Management Services Limited, Crawley		100	100	0	0 GBP
TUI Travel Healthcare Limited, Crawley		100	100	0	0 GBP
TUI Travel Holdings Limited, Crawley		100	100	559,059	261,760 GBP
TUI Travel Limited, Crawley	100		100	430,000	290,000 GBP
TUI Travel Nominee Limited, Crawley		100	100	290.4	34.2 GBP
TUI Travel Overseas Holdings Limited, Crawley		100	100	-28,335.7	-92,144.5 GBP
TUI-Hapag Beteiligungs GmbH, Hanover ¹	100		100	468,025	0 EUR
Non-consolidated Group companies					
Tourism					
"Schwerin Plus" Touristik-Service GmbH, Schwerin ¹		80	80	33.4	0 EUR
Aeolos Limited, Limassol		100	100	0	0 EUR
Airline Consultancy Services S.A.R.L., Casablanca		100	100	124.5	-3.1 MAD
Ambassador Tours S.A., Barcelona		100	100	-680	-12 EUR
AMCP S.a.r.l., Montreuil		100	100	-20.9	-0.7 EUR
Atora GmbH, Kiel		100	50.2	55	1.3 EUR
Best4Concept GmbH, Rengsdorf ¹		100	100	27	0 EUR
Boomerang - Solutions GmbH, Trier		95	71.3	18.4	18.6 EUR
Boomerang Reisen - Pacific Tours AG, Zürich		100	75	189.3	20.7 CHF
FIRST Reisebüro Güttler GmbH & Co. KG, Dormagen		75.1	75.1	51.1	EUR ²
FIRST Reisebüro Güttler Verwaltungs GmbH, Hanover		75	75	32.7	-0.8 EUR
FIRST Travel GmbH, Hanover ¹		100	100	25.6	0 EUR
Gebeco Verwaltungsgesellschaft mbH, Kiel		50.2	50.2	-170.3	-200.1 EUR
HANSEATIC TOURS Reisedienst GmbH, Hamburg		100	100	97.2	-1.1 EUR
Hapag-Lloyd Reisebüro Hagen GmbH & Co. KG, Hanover		70	70	100	EUR ²
Hapag-Lloyd Reisebüro Hagen Verwaltungs GmbH, Hanover		70	70	21.2	-0.6 EUR
HV Finance S.A.S., Montreuil		100	100	-219.3	-189 EUR
Loc Vacances S.A.R.L., Chartres de Bretagne		100	100	48	12 EUR
L'TUR Polska Sp.z o.o., Stettin		100	80	225	35.8 PLN
L'TUR S.A.R.L., Schiltigheim		100	80	73.2	54.7 EUR
Magic Life Bulgaria EOOD, Sosopol		100	100	-301	117 BGN
Magic Life GmbH, Vienna		100	100	92.7	10 EUR
Magyar TUI Utazásszervező, Kereskedelmi és Szolgáltató Kft., Budapest		100	100	8,782	-22,696 HUF
N.S.E. Travel and Tourism SA (i.L.), Athens		100	100	-204.6	-3.3 EUR
NOF Sociedade Imobiliaria, Lda, Lisboa		100	100	89.3	2.5 EUR
Nouvelles Frontières Maroc S.C.I. (i.L.), Marrakesh		99.9	99.9	740.3	-1.5 MAD
Orchideen-Reisebüro GmbH, Hamburg ¹		100	100	25.9	0 EUR
Reisefalke GmbH, Vienna		60	60	-1,945.5	-33.9 EUR
Résidence Hôtelière Les Pins SARL (i.L.), Montreuil		100	100	-55.9	-0.5 EUR
Societe de Gestion du resort Al Baraka, Marrakesh		100	100	20	0 EUR
STAR TOURS Reisedienst GmbH, Hamburg ¹		100	100	25.7	0 EUR
TLT Urlaubsreisen GmbH, Hanover ¹		100	100	27.1	0 EUR
travel-Ba.Sys Beteiligungs GmbH, Mülheim/Ruhr		83.5	83.5	42.2	0.1 EUR
Travelland GmbH, Neuss ¹		100	100	25.6	0 EUR
Trendturc Turizm Otelcilik ve Ticaret A.S., Istanbul		100	100	1.1	-5.8 TRL
TUI 4 U Poland sp.zo.o., Warsaw		100	100	1,245.5	301.8 PLN
TUI d.o.o., Maribor		100	100	17.7	-0.6 EUR
TUI Magyarország Utazasi Iroda Kft., Budapest		100	100	16,448	-4,820 HUF

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
TUI ReiseCenter GmbH, Salzburg		100	100	31	-0.5 EUR
TUI ReiseCenter Slovensko s.r.o., Bratislava		100	100	-3.3	-28.1 EUR
TUIFly Academy Brussels, Zaventem		100	100	209.1	30.7 EUR
Vögler's Angelreisen GmbH, Hamburg ¹		100	100	25	0 EUR
VPM Antilles S.R.L., Montreuil		100	100	-8,997	-3.3 EUR
VPM SA, Montreuil		100	100	-12,725	-8.3 EUR
All other segments					
Bergbau Goslar GmbH, Goslar	100		100	1,734.4	-267.5 EUR
Preussag Beteiligungsverwaltungs GmbH XIV, Hanover		100	100	15.7	-0.4 EUR
Preussag Finance B.V., Amsterdam	100		100	-0.9	-1.4 EUR
Società Consortile a r.l. Tutela dei Viaggiatori i Viaggi del Turchese, Fidenza (Pr) ⁹		100	100	10	EUR
TUI Insurance Services GmbH, Hanover ¹	100		100	30.9	0 EUR
Non-consolidated Group companies					
Tourism					
.BOSYS SOFTWARE GMBH, Hamburg		25.2	21	271.1	483.6 EUR
Ahungalla Resorts Limited, Colombo		40	20	5,918,650.6	-88,816.5 LKR
Aitken Spence Travels Ltd, Colombo		50	50	1,184,606.3	559,541.5 LKR
alps & cities 4ever GmbH, Vienna		50	50	-133	227.1 EUR
Atlantica Hellas S.A., Rhodos		50	50	70,934	2,764.4 EUR
Atlantica Hotels and Resorts Limited, Lemesos		49.9	49.9	17,806.5	2,950.8 EUR
Bartu Turizm Yatirimlari Anonim Sirketi, Istanbul		50	50	36,836.5	-383.6 TRY
Bonitos GmbH & Co KG, Frankfurt am Main		50	50	265.4	EUR ²
Daktari Travel & Tours Ltd., Limassol		33.3	33.3	777.3	157.6 EUR
DER ReiseCenter TUI GmbH, Berlin		50	50	2,187.3	97.1 EUR
ENC for touristic Projects Company S.A.E., Sharm el Sheikh	49	1	49.7	52,840.1	4,840.1 EGP
Etapex, S.A., Agadir		35	17.5	7,643.6	1,774.3 MAD
Fanara Residence for Hotels S.A.E., Sharm el Sheikh	50		50	6,679.6	-64.8 EGP
GBH Turizm Sanayi Isletmecilik ve Ticaret A.S., Istanbul		50	50	22,637.2	2,106.4 TRY
Gebeco Gesellschaft für internationale Begegnung und Cooperation mbH & Co. KG, Kiel		50.1	50.1	5,057.8	EUR ²
GRUPOTEL DOS S.A., Can Picafort	50		50	79,727	9,598.2 EUR
Holiday Travel (Israel) Limited, Airport City		50	50	2,340.4	56.8 ILS
Hydrant Refuelling System NV, Brussels		25	25	7,617.7	1,603.9 EUR
InteRes Gesellschaft für Informationstechnologie mbH, Darmstadt		25.2	25.2	1,447.1	405.7 EUR
Interyachting Limited, Limassol		45	45	-362.5	70.6 EUR
Jaz Hotels & Resorts S.A.E., Cairo	51		51	21,964.3	12,591.4 EGP
Kamarayat Nabq Company for Hotels S.A.E., Sharm el Sheikh	49	1	49.7	83,094	23,694 EGP
Karisma Hotels Adriatic d.o.o., Zagreb		33.3	33.3	14,837.2	308.3 HRK
Karisma Hotels Caribbean S.A., Panama		50	50	14,247.8	-3,345.5 USD
Nakheel Riu Deira Islands Hotel FZ CO, Dubai ⁹		40	20		
Raiffeisen-Tours RT-Reisen GmbH, Burghausen		25.1	25.1	4,606.7	2,689 EUR
Riu Hotels S.A., Palma de Mallorca		49	49	433,778.1	127,364.1 EUR
Sharm El Maya Touristic Hotels Co. S.A.E., Cairo	49	1	49.7	93,180.9	10,592.3 EGP
Sun Oasis for Hotels Company S.A.E., Hurghada	50		50	309,320	13,188.4 EGP
Sunwing Travel Group, Inc, Toronto		49	49	219,535	70,965 CAD
Teckcenter Reisebüro GmbH, Kirchheim unter Teck		50	50	1,015.7	313 EUR
Tikida Bay S.A., Agadir		34	34	134,657.4	9,982.9 MAD
TIKIDA DUNES S.A., Agadir		30	15	24,353	1,106.3 MAD
Tikida Palmeraie S.A., Marrakesh		33.3	16.7	12,290	915.6 MAD

* According to section 16 of the German Stock Corporation Act.

COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Togebi Holdings Limited, Nicosia		25	25	– 106,066.1	9,172.7 USD
Travco Group Holding S.A.E., Cairo		50	50	46,567.8	30,067.8 EGP
TRAVELStar GmbH, Hanover		50	50	1,347.9	847.9 EUR
TUI Cruises GmbH, Hamburg	50		50	517,180.2	124,698 EUR
UK Hotel Holdings FZC L.L.C., Fujairah	50		50	143,596.5	12,571.8 AED
All other segments					
ACCON-RVS Accounting & Consulting GmbH, Berlin		50	50	235.5	– 57.3 EUR
Sunwing Travel Group, Inc, Toronto		49	49	219,535	70,965 CAD
Other companies					
Tourism					
Belgian Travel Network cvba, Sint-Martens-Latem		50	50	261.3	0.1 EUR
Bonitos Verwaltungs GmbH, Frankfurt am Main		50	50	39.4	0.5 EUR
Clubhotel Kleinarl GmbH, Flachau		24	24	49.1	3.1 EUR
Clubhotel Kleinarl GmbH & Co KG, Flachau		24	24	7,028.6	EUR ²
Clubhotel Management AE, Athens		100	100	– 4,087.2	– 5,359.3 EUR
Emder Hapag-Lloyd Reisebüro GmbH & Co. KG, Emden		50	50	10.2	EUR ²
Emder Hapag-Lloyd Reisebüro Verwaltungs GmbH, Emden		50	50	26.4	0.4 EUR
FIRST-KVG Reisebüro Hameln GmbH, Hameln		50	50	43.7	– 19.4 EUR
Inter Loisirs Hotel SARL, Casablanca		45	45	– 139.7	– 451.5 MAD
Marmara Madina SARL, Marrakesh		45	45	3,125.5	242.7 MAD
Quinta da Ria Empreendimentos do Algarve, S.A., Vila Nova de Cacela		33	33	– 5,181.7	– 4,812.7 EUR
Smart Data Solution Co Ltd, Bangkok		49	49	4,340.9	322.2 THB
Südwest Presse + Hapag-Lloyd Reisebüro GmbH & Co.KG, Ulm		50	50	100	EUR ²
Südwest Presse + Hapag-Lloyd Reisebüro Verwaltungs GmbH, Ulm		50	50	21.2	– 0.4 EUR
TRAVELStar Touristik GmbH & Co. OHG, Vienna		50	50	142	EUR ²
Specialist Travel					
Fiddington Manor Limited, Tewkesbury		50	50	0	0 GBP
All other segments					
Elevator-Gesellschaft mit beschränkter Haftung, Hanover		50	50	143.9	– 13 EUR
Foban Beteiligungs GmbH & Co. Vermietungs-KG, Pullach ⁷	94		94	3,637.8	EUR ²
Hapag-Lloyd Aktiengesellschaft, Hamburg ⁶		12.3	12.3	5,046,200	113,900 EUR
TUI-Haus Verwaltung GmbH & Co. Vermietungs-KG, Pullach i. Isartal ⁷	89		89	8,598.6	EUR ²
Wissenschaftszentrum Kiel GmbH, Kiel		24.5	24.5	– 174.8	8.7 EUR

¹ Profit and loss transfer agreement with parent company.

² Result for the year is attributable to the shareholder accounts.

³ Short financial year 1 Jan – 30 Sep 2015

⁴ Short financial year 5 Jan – 30 Sep 2015

⁵ Short financial year 1 Oct – 31 Dec 2015

⁶ Shareholding in a large stock-corporation over 5%.

⁷ Voting restriction.

⁸ Entrepreneurial management.

⁹ Data not available.

* According to section 16 of the German Stock Corporation Act.

23 companies are not included in the list of shareholdings according to section 286 (3) sentence 1 of the German Commercial Code.

Disclosure pursuant to Section 285 (11a) of the German Commercial Code of participations in partnerships as general partner in the TUI Group as at 30 September 2016

NAME AND DOMICILE OF COMPANY

Bonitos GmbH & Co KG, Frankfurt am Main
 Clubhotel Kleinarl GmbH & Co KG, Flachau
 Emden Hapag-Lloyd Reisebüro GmbH & Co. KG, Emden
 FIRST Reisebüro Güttler GmbH & Co. KG, Dormagen
 Foban Beteiligungs GmbH & Co. Vermietungs-KG, Pullach
 Gebeco Gesellschaft für internationale Begegnung und Cooperation mbH & Co. KG, Kiel
 Hapag-Lloyd Reisebüro Hagen GmbH & Co. KG, Hanover
 Magic Life GmbH & Co KG, Vienna
 Südwest Presse + Hapag-Lloyd Reisebüro GmbH & Co.KG, Ulm
 travel-Ba.Sys GmbH & Co KG, Mülheim an der Ruhr
 TUI Travel Amber Scot LP, Edinburgh
 TUI-Haus Verwaltung GmbH & Co. Vermietungs-KG, Pullach i. Isartal

NAME AND DOMICILE OF GENERAL PARTNERS

Bonitos Verwaltungs GmbH, Frankfurt am Main
 Clubhotel Kleinarl GmbH, Flachau
 Emden Hapag-Lloyd Reisebüro Verwaltungs GmbH, Emden
 FIRST Reisebüro Güttler Verwaltungs GmbH, Hanover
 Foban Beteiligungs GmbH, Pöcking
 Gebeco Verwaltungsgesellschaft mbH, Kiel
 Hapag-Lloyd Reisebüro Hagen Verwaltungs GmbH, Hanover
 Magic Life GmbH, Vienna
 Südwest Presse + Hapag-Lloyd Reisebüro Verwaltungs GmbH, Ulm
 travel-Ba.Sys Beteiligungs GmbH, Mülheim/Ruhr
 TUI Travel Amber Limited, Edinburgh
 TUI-Haus Verwaltung GmbH, Pöcking

Exchange rates

CURRENCY	ISO CODE	EURO AVERAGE EXCHANGE RATE 1 EURO =
United Arab Emirates Dirham	AED	4.099
Afghanistan Afghani	AFN	73.288
Albanian Lek	ALL	136.25
Armenian Dram	AMD	529.297
Netherlands Antillean Guilder	ANG	2.025
Angolan Kwanza	AOA	186.330
Argentine Peso	ARS	17.084
Australian Dollar	AUD	1.466
Aruba Guilder	AWG	1.998
Azerbaijani New Manat	AZN	1.832
Barbadian Dollar	BBD	2.232
Bangladesh Taka	BDT	87.472
Bulgarian Lev	BGN	1.956
Bahraini Dinar	BHD	0.421
Burundi Franc	BIF	1874.582
Bermudian Dollar	BMD	1.116
Brunei Dollar	BND	1.522
Bolivian Boliviano	BOB	7.712
Brazilian Real	BRL	3.621
Bahamas Dollar	BSD	1.116
Botswanan Pula	BWP	11.681
Belizean Dollar	BZD	2.227
Canadian Dollar	CAD	1.469
Congolese Franc	CDF	1092.634
Swiss Franc	CHF	1.088
Chilean Peso	CLP	733.627
Chinese Yuan Renminbi	CNY	7.446
Colombian Peso	COP	3216.585
Costa Rican Colon	CRC	618.025
Serbian Dinar	CSD	122.199
Convertible Cuban Peso	CUC	1.116
Cuban Peso	CUP	29.576
Cape Verde Escudo	CVE	110.265
Czech Crown	CZK	27.021
Djiboutian Franc	DJF	198.404

CURRENCY	ISO CODE	EURO AVERAGE EXCHANGE RATE 1 EURO =
Danish Krone	DKK	7.451
Dominican Republic Peso	DOP	51.423
Algerian Dinar	DZD	122.340
Egyptian Pound	EGP	9.913
Ethiopian Birr	ETB	24.833
Euro	EUR	1.000
Fijian Dollar	FJD	2.307
British Pound Sterling	GBP	0.861
Georgian Lari	GEL	2.612
Ghana Cedi	GHC	44419.643
Gibraltar Pound	GIP	0.860
Gambian Dalasi	GMD	47.773
Guinean Franc	GNF	10141.239
Guatemalan Quetzal	GTQ	8.398
Guyanese Dollar	GYD	231.250
Hong Kong Dollar	HKD	8.655
Honduras Lempira	HNL	25.704
Croatian Kuna	HRK	7.522
Haitian Gourde	HTG	73.451
Hungarian Forint	HUF	309.790
Indonesian Rupiah	IDR	14566.220
Israel Shekel	ILS	4.181
Indian Rupee	INR	74.366
Iraqi Dinar	IQD	1333.416
Iranian Rial	IRR	39455.357
Iceland Krona	ISK	127.031
Jamaican Dollar	JMD	142.383
Jordanian Dinar	JOD	0.791
Japanese Yen	JPY	113.090
Kenyan Shilling	KES	113.025
Kyrgyzstan Som	KGS	75.783
South Korean Won	KRW	1229.760
Kuwaiti Dinar	KWD	0.337
Kazakhstan Tenge	KZT	374.821
Laotian Kip	LAK	9049.107
Lebanese Pound	LBP	1689.877
Sri Lanka Rupee	LKR	163.694
Liberian Dollar	LRD	94.308
Libyan Dinar	LYD	1.518
Moroccan Dirham	MAD	10.865
Moldovan Leu	MDL	22.009
Madagascar Ariary	MGA	3491.071
Macedonian Denar	MKD	61.032
Myanmar Kyat	MMK	1410.156
Mongolian Tugrik	MNT	2550.223
Macau Pataca	MOP	8.916
Mauritanian Ouguiya	MRO	399.020
Mauritius Rupee	MUR	39.598
Maldives Rufiyaa	MVR	17.132
Malawian Kwacha	MWK	804.766
Mexican Peso	MXN	21.739
Malaysian Ringgit	MYR	4.615
Mozambique New Metical	MZM	87142.857
Namibia Dollar	NAD	15.315

CURRENCY	ISO CODE	EURO AVERAGE EXCHANGE RATE 1 EURO =
Nigerian Naira	NGN	351.563
Nicaraguan Cordoba	NIO	32.096
Norwegian Kroner	NOK	8.987
Nepalese Rupee	NPR	118.893
New Zealand Dollar	NZD	1.537
Omani Rial	OMR	0.430
Panamian Balboa	PAB	1.116
Peruvian New Sol	PEN	3.776
Papua New Guinea Kina	PGK	3.538
Philippines Peso	PHP	54.015
Pakistani Rupee	PKR	116.579
Polish Zloty	PLN	4.319
Paraguay Guarani	PYG	6200.223
Qatari Rial	QAR	4.064
Romania New Leu	RON	4.454
Russian Rouble	RUB	70.514
Rwandan Franc	RWF	899.230
Saudi Riyal	SAR	4.189
Seychelles Rupee	SCR	14.896
New Sudanese Pound	SDD	7.194
Swedish Krona	SEK	9.621
Singapore Dollar	SGD	1.524
Sierra Leone Leone	SLL	5639.404
Somali Shilling	SOS	646.763
Sao Tome & Principe Dobra	STD	24325.335
El Salvador Colon	SVC	9.766
Soloman Island Dollars	SBD	8.651
Syrian Pound	SYP	238.895
Thai Baht	THB	38.695
Turkmenistan Manat	TMM	3.906
Tunisian Dinnar	TND	2.458
Tonga Pa'anga	TOP	2.412
Turkish New Lira	TRY	3.358
Trinidad & Tobago Dollar	TTD	7.491
Taiwan Dollar	TWD	34.994
Tanzanian Shilling	TZS	2435.268
Ukrainian Hryvnia	UAH	28.945
Ugandan Shilling	UGX	3783.482
United States Dollar	USD	1.116
Uruguayan Peso	UYU	31.775
Uzbekistani Soum	UZS	3359.319
Venezuelan Bolivar Fuerte	VEF	11.147
Vietnamese Dong	VND	24883.929
Vanuatu Vatu	VUV	119.542
Samoa Tala	WST	2.792
CFA Franc BEAC	XAF	659.464
East Caribbean Dollar	XCD	3.002
IMF Special Drawing Rights	XDR	0.800
CFA Franc BCEAO	XOF	661.138
French Pacific Franc	XPF	118.559
Yemeni Rial	YER	279.130
South African Rand	ZAR	15.524
Zambian Kwacha	ZMK	11216.518
Zimbabwean Dollar	ZWD	359.771

CORPORATE GOVERNANCE REPORT

For our Corporate Governance Report (corporate governance statement pursuant to section 289a of the German Commercial Code and Declaration of Compliance with the Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act in combination with section 3.10 of the German Corporate Governance Code), we refer to our website at:

www.tuigroup.com/en-en/investors/reports-and-presentations

As part of the combined Management Report of TUI AG and the TUI Group, the Corporate Governance Report is included in our printed Annual Report 2015/16 for the TUI Group and is also available online from the microsite:

<http://annualreport2015-16.tuigroup.com/>

RESPONSIBILITY STATEMENT BY MANAGEMENT

To the best of our knowledge, in accordance with the applicable reporting principles, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity, and the management report, which is combined with the Group management report of TUI AG, includes a fair review of the development and performance of the business and the position of the entity, together with a description of the principal opportunities and risks associated with the expected development of the entity.

Hanover, 6 December 2016

The Executive Board

Friedrich Jousen

Horst Baier

David Burling

Sebastian Ebel

Dr. Elke Eller

INDEPENDENT AUDITOR'S REPORT

To TUI AG, Berlin and Hanover

REPORT ON THE ANNUAL FINANCIAL STATEMENTS

We have audited the accompanying annual financial statements of TUI AG, Berlin and Hanover, which comprise the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, for the business year from 1 October 2015 to 30 September 2016.

BOARD OF MANAGING DIRECTORS' RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

The Board of Managing Directors of TUI AG is responsible for the maintenance of the books and records and the preparation of these annual financial statements. This responsibility includes that these annual financial statements are prepared in accordance with German commercial law and that these annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with (German) principles of proper accounting. The Board of Managing Directors is also responsible for the internal controls as the Board of Managing Directors determines are necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual financial statements, together with the bookkeeping system, based on our audit. We conducted our audit in accordance with § (Article) 317 HGB ("Handelsgesetzbuch": "German Commercial Code") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW) and additionally observed the International Standards on Auditing (ISA). Accordingly, we are required to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The selection of audit procedures depends on the auditor's professional judgment. This includes the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In assessing those risks, the auditor considers the internal control system relevant to the Company's preparation of annual financial statements that give a true and fair view. The aim of this is to plan and perform audit procedures that are appropriate in the given circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Managing Directors, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

AUDIT OPINION

According to § 322 Abs. (paragraph) 3 Satz (sentence) 1 HGB, we state that our audit of the annual financial statements has not led to any reservations.

In our opinion based on the findings of our audit, the annual financial statements comply, in all material respects, with the legal requirements and give a true and fair view of the net assets and financial position of the Company as at 30 September 2016 as well as the results of operations for the business year then ended in accordance with (German) principles of proper accounting.

REPORT ON THE MANAGEMENT REPORT

We have audited the accompanying management report of TUI AG, which is combined with the group management report, for the business year from 1 October 2015 to 30 September 2016. The Board of Managing Directors of TUI AG is responsible for the preparation of the combined management report in accordance with the legal requirements. We conducted our audit in accordance with § 317 Abs. 2 HGB and German generally accepted standards for the audit of the combined management report promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW). Accordingly, we are required to plan and perform the audit of the combined management report to obtain reasonable assurance about whether the combined management report is consistent with the annual financial statements and the audit findings, as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

According to § 322 Abs. 3 Satz 1 HGB we state, that our audit of the combined management report has not led to any reservations.

In our opinion based on the findings of our audit of the annual financial statements and combined management report, the combined management report is consistent with the annual financial statements, as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Hanover, 6 December 2016

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Thomas Stieve
Wirtschaftsprüfer
(German Public Auditor)

Prof. Dr. Mathias Schellhorn
Wirtschaftsprüfer
(German Public Auditor)

Executive Board and Supervisory Board

Annex to the Notes

SUPERVISORY BOARD

Name	Function/Occupation	Location
Prof. Dr Klaus Mangold	Chairman of the Supervisory Board of TUI AG Chairman of the Supervisory Board of Rothschild GmbH	Stuttgart
Frank Jakobi¹	Deputy Chairman of the Supervisory Board of TUI AG Travel Agent	Hamburg
Sir Michael Hodgkinson	Deputy Chairman of the Supervisory Board of TUI AG	London
Andreas Barczewski¹	Aircraft Captain	Hanover
Peter Bremme¹	Regional Head of the Special Division of ver.di – Vereinte Dienstleistungsgewerkschaft	Hamburg
Prof. Dr Edgar Ernst	President of Deutsche Prüfstelle für Rechnungslegung (DPR)	Berlin
Wolfgang Flintermann (since 13 June 2016)¹	Director Financial Accounting Group at TUI AG	Großburgwedel
Angelika Gifford (since 9 February 2016)	Vice President Hewlett Packard Enterprise and Director Software Germany	Kranzberg
Valerie Gooding	Member of supervisory bodies in different companies	Weybridge
Dr Dierk Hirschel¹	Business unit manager of the trade-union ver.di – Vereinte Dienstleistungsgewerkschaft	Berlin
Janis Kong	Member of supervisory bodies in different companies	London
Peter Long (since 9 February 2016)	Chairman Royal Mail Group PLC	London
Coline McConville	Member of supervisory bodies in different companies	London
Alexey Mordashov (since 9 February 2016)	Chairman Board of Directors of PAO Severstal	Moscow
Michael Pönipp¹	Hotel Manager	Hanover
Timothy Powell (until 9 February 2016)	Member of supervisory bodies in different companies	London
Wilfried H. Rau¹ (deceased on 30 March 2016)	Director Group Audit	Hanover
Carmen Riu Güell	Managing Director RIUSA II S.A.	Palma de Mallorca
Carola Schwirn¹	Department Coordinator in the Transportation Division of ver.di – Vereinte Dienstleistungsgewerkschaft	Berlin
Maxim Shemetov (until 9 February 2016)	Head of Investment Management, Travel Sector, ZAO Sever Group	Moscow
Anette Stempel¹	Travel Agent	Hemmingen
Prof. Christian Strenger (until 9 February 2016)	Member of supervisory bodies in different companies	Frankfurt/Main
Ortwin Strubelt¹	Travel Agent	Hamburg
Stefan Weinhofer¹ (since 9 February 2016)	International Employee Relations Coordinator at TUI AG	Wien
Marcell Witt¹	Referee of Group and European works council of TUI AG	Hanover

¹ Representative of the employees

² Information refers to 30 September 2016 or date of resignation from the Supervisory Board of TUI AG in financial year 2015/16.

³ Chairman

a) Membership in supervisory boards within the meaning of section 125 of the German Stock Corporation Act (AktG)

b) Membership in comparable German and non-German bodies of companies within the meaning of section 125 of the German Stock Corporation Act (AktG)

Initial Appointment	Appointed until AGM	Other Board Memberships ²	Number of TUI AG shares (direct and indirect) on 30 September 2016/ Date of withdrawal
7 Jan 2010	2021	a) Continental AG	0
		b) Alstom S.A. Baiterek Holding JSC Ernst & Young Rothschild GmbH ³	
15 Aug 2007	2021		590
11 Dec 2014	2021	b) Keolis (UK) Limited ³ Keolis Arney Docklands Ltd. World Airport Partners GmbH	7,980
10 May 2006	2021	a) TUIfly GmbH	0
2 Jul 2014	2021	a) TÜV Nord AG	0
9 Feb 2011	2021	a) Deutsche Postbank AG DMG Mori AG VONOVIA SE	0
13 Jun 2016	2021	a) TUI Deutschland GmbH Deutscher Reisepreis- Sicherungsverein V.V.a.G.	0
26 Mar 2012	2021	a) ProSiebenSat1 Media SE	4,100
11 Dec 2014	2020	b) Premier Farnell ³ Vodafone PLC	994
16 Jan 2015	2021	a) DZ-Bank AG	0
11 Dec 2014	2020	b) Bristol Airport Ltd. Copenhagen Airport	5,985
9 Feb 2016	2021	b) Royal Mail Group PLC ³ Countrywide PLC	1,207,317
11 Dec 2014	2020	b) Fevertree Drinks PLC Inchape PLC	0
9 Feb 2016	2021	b) AO „Severstal Management“ ³ OAO „Power Machines“ ³	113,790,116
17 Apr 2013	2021	a) TUI Deutschland GmbH MER-Pensionskasse V.V.a.G.	292
11 Dec 2014		b) Computacenter PLC Supergroup PLC	2,749
3 Dec 2014		a) TUI Deutschland GmbH	
14 Feb 2005	2021	b) Hotel San Francisco S.A. Productores Hoteleros Reunidos S.A.	19,854,616
1 Aug 2014	2021		0
14 Mar 2014			0
2 Jan 2009	2021		1,280
9 Feb 2011		a) Deutsche Asset & Wealth Management Investment GmbH ItN Nanovation AG	0
3 Apr 2009	2021		3,355
9 Feb 2016	2021		0
16 Jan 2015		b) TUI Austria Holding GmbH	1,850

EXECUTIVE BOARD¹

Name	Department	Other Board Memberships		Number of TUI AG shares (direct and indirect) on 30 Sep 2016/ Date of withdrawal
Friedrich Jousen (Age 53) Member of the Executive Board since Oct 2012, CEO of the Executive Board from Feb 2013, Joint-CEO since December 2014 CEO since February 2016 Current appointment until October 2020	CEO			278,081
Peter Long (Age 64) Member of the Executive Board since 2007, Joint-CEO December 2014 until February 2016	Joint-CEO		b) Royal Mail Group PLC ²	1,207,317
Horst Baier (Age 59) Member of the Executive Board since 2007 Current appointment until November 2018	Finance	a) TUI Deutschland GmbH ²	b) RIUSA II S.A. ² TUI Canada Holdings Inc. Sunwing Travel Group Inc.	40,717
David Burling (Age 48) Member of the Executive Board since June 2015 Current appointment until May 2018	Northern Region Airlines Hotel Purchasing	b) TUI Travel Holdings Ltd. TUI Travel Ltd. First Choice Holidays Ltd. Sunwing Travel Group Inc. Thomson Travel Group (Holdings) Ltd. TTG (Jersey) Ltd.	TUI Travel Overseas Holdings Ltd. TUI Canada Holdings Inc. TUI Northern Europe Ltd. TUI Travel Group Management Services Ltd. TUI UK Ltd. TUI UK Transport Ltd.	18,300
Sebastian Ebel (Age 53) Member of the Executive Board since December 2014 Current appointment until November 2017	Central Region Hotels Cruises TUI Destination Services IT	a) TUI Cruises GmbH TUIfly GmbH BRW Beteiligungs AG Eintracht Braunschweig GmbH & Co KG ² Eves Information Technology AG ²	b) RIUSA II S.A. TUI Spain S.A.	250
Dr Elke Eller (Age 54) Member of the Executive Board since October 2015 Current appointment until October 2018	Human Resources Personnel Director	a) Nord LB TUI Deutschland GmbH TUIfly GmbH TUI Nederland N.V.		12,545
William Waggott (Age 53) Member of the Executive Board December 2014 until June 2016	Specialist Group Hotelsbeds Group	b) TUI Nederland N.V. TUI Nederland Holding N.V.		1,089

¹ Information refers to 30 Sep 2016 or date of resignation from the Executive Board in financial year 2015/16.

² Chairman

a) Membership in Supervisory Boards required by law within the meaning of section 125 of the German Stock Corporation Act (AktG)

b) Membership in comparable Boards of domestic and foreign companies within the meaning of section 125 of the German Stock Corporation Act (AktG)

Five-year summary

BALANCE SHEET

€ million	2011/12	2012/13	2013/14	2014/15	2015/16
Assets					
Fixed assets	4,113.5	4,139.3	4,197.3	5,675.8	6,802.3
Cash and cash equivalents	1,128.9	506.1	370.2	833.7	637.0
Current assets (incl. prepaid expenses)	315.1	408.3	663.2	913.5	1,725.2
Liabilities					
Equity and liabilities	2,365.2	2,748.6	2,791.6	4,995.4	4,812.1
Subscribed capital	644.9	645.2	732.6	1,499.6	1,500.7
Special non-taxed item	0.6	0.6	0.6	0.5	0.1
Provisions	448.7	420.3	399.3	405.6	480.8
Third-party financial liabilities	1,593.2	1,138.4	1,165.9	302.3	306.7
Liabilities (incl. deferred income)	1,149.8	745.8	873.3	1,719.2	3,564.8
Balance sheet total	5,557.5	5,053.7	5,230.7	7,423.0	9,164.5

PROFIT AND LOSS STATEMENT

€ million	2011/12	2012/13	2013/14	2014/15	2015/16
Profit from ordinary activities	121.9	383.6	-117.1	1,268.3	148.4
Extraordinary profit/loss	-	-	-	-	-
Taxes	-6.0	0.7	-7.7	11.6	8.5
Group profit for the year	127.9	382.9	-109.4	1,256.7	139.9

PROFIT APPROPRIATION

€ million	2011/12	2012/13	2013/14	2014/15	2015/16
Withdrawal from capital reserves	-	-	-	-	-
Transfer to other revenue reserves	118.5	191.0	-	314.0	-
Profit available for distribution	116.6	308.6	161.3	1,009.4	822.3
Retained profit brought forward for the subsequent year	116.6	270.7	66.7	682.4	452.5
Dividend payment	-	37.9	94.6	327.0	369.8

SHARE PRICE DEVELOPMENT OF THE TUI SHARE

€ million	2011/12	2012/13	2013/14	2014/15	2015/16
High	6.97	9.85	13.88	17.71	17.21
Low	3.14	6.70	9.14	9.84	10.17
Year-end closing price	6.70	9.44	11.85	16.35	12.69

Financial calendar

8 DECEMBER 2016

Annual Report 2015/16

14 FEBRUARY 2017

Annual General Meeting 2017

14 FEBRUARY 2017

Q1 2016/17

29 MARCH 2017

Pre-Close Trading Update

MAY 2017

H1 2016/17

AUGUST 2017

9M 2016/17

DECEMBER 2017

Annual Report 2016/17

PUBLISHED BY

TUI AG
Karl-Wiechert-Allee 4
30625 Hanover, Germany
Tel.: + 49 511 566-00
Fax: +49 511 566-1901
www.tuigroup.com

CONCEPT AND DESIGN

3st kommunikation, Mainz, Germany

PHOTOGRAPHY

Michael Neuhaus (cover photo)

The annual financial statements and the management report of TUI AG for the financial year 2015/16 have been published in the electronic Federal Gazette (elektronischer Bundesanzeiger).

The management report of TUI AG has been combined with the management report of the Group and published in the TUI Annual Report 2015/16.

*The English and a German version of this report are available on the web:
www.tuigroup.com/en-en/investors/downloads*

The German version is legally binding. The Company cannot be held responsible for any misunderstandings or misinterpretation arising from this translation.

