

INFORMATION REQUIRED UNDER TAKEOVER LAW

Pursuant to sections 289 (4) and 315 (4) of the German Commercial Code (HGB) and explanatory report

Composition of subscribed capital

The subscribed capital of TUI AG consists of no-par value shares, each representing an equal share of the capital stock. The proportionate share in the capital stock per share is around €2.56.

The subscribed capital of TUI AG, registered in the commercial registers of the district courts of Berlin-Charlottenburg and Hanover, consisted of 286,561,143 shares at the end of financial year 2013 / 14 (previous year 252,375,570 shares) and totalled €732,581,929. Each share confers one vote at the Annual General Meeting.

RESTRICTIONS ON VOTING RIGHTS OR THE TRANSFER OF SHARES

The Executive Board of TUI AG is not aware of any restrictions on voting rights or the transfer of shares.

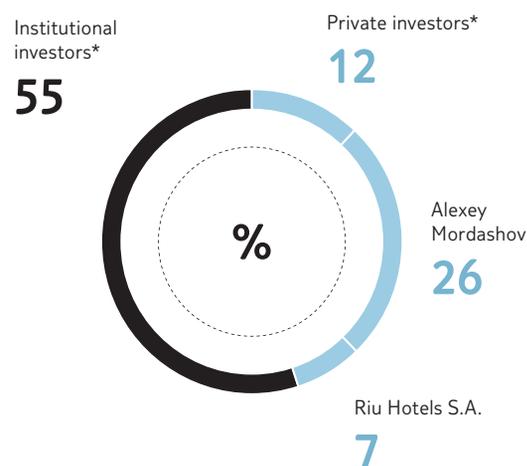
EQUITY INTERESTS EXCEEDING 10 % OF THE VOTING RIGHTS

The Executive Board of TUI AG has been notified of the following direct or indirect equity interests reaching or exceeding 10% of the voting rights:

The voting shares in TUI AG attributable to Alexey Mordashov, Russia, exceeded the 25% threshold on 10 July 2014. As per that date, voting shares totalling 25.6% were attributable to him via S-Group Travel Holding GmbH, Frankfurt, Germany, and Unifirm Limited, Cyprus.

At the end of financial year 2013 / 14, around 67% of the TUI shares were in free float. Around 12% of all TUI shares were held by private shareholders, around 55% by institutional investors, and around 33% by strategic investors. According to an analysis of the share register these were mainly investors from Germany and other EU countries.

SHAREHOLDER STRUCTURE* (30 SEP 2014)



*Free float according to the definition by Deutsche Börse

Shares with special control rights

There have not been any shares, nor are there any shares, with special control rights.

System of voting right control of any employee share scheme where the control rights are not exercised directly by the employees

Where TUI AG grants shares to employees under its employee share programme, the shares are directly transferred to the employees with a lock-up period. Beneficiaries are free to directly exercise the control rights to which employee shares entitle them, in just the same way as other shareholders, in line with legal requirements and the provisions of the Articles of Association.

Appointment and removal of Executive Board members and amendments to the Articles of Association

The appointment and removal of Executive Board members is based on sections 84 et seq. of the German Stock Corporation Act in combination with section 31 of the German Codetermination Act. Amendments to the Articles of Association are based on the provisions of sections 179 et seq. of the German Stock Corporation Act in combination with section 24 of the Articles of Association of TUI AG.

Powers of the Executive Board to issue or buy back shares

The Annual General Meeting of 12 February 2014 authorised TUI AG's Executive Board to acquire own shares of up to 10% of the capital stock existing as at the date of the resolution. The authorisation will expire on 11 August 2015. To date, the option to acquire own shares has not been used.

The Annual General Meeting of 13 February 2013 resolved two authorisations to increase the capital stock by a total of €74.5 m by 12 February 2018. This includes authorised capital for the issue of new shares with the option to exclude the shareholders' subscription rights worth €64.5 m and authorised capital to issue employee shares worth €10 m.

Conditional capital of €120 m was resolved by the Annual General Meeting of 15 February 2012. Accordingly, bonds with conversion options or warrants as well as profit-sharing rights and income bonds of up to a nominal amount of €1.0 bn may be issued up to 14 February 2017. This authorisation has not yet been used.

The Annual General Meeting of 9 February 2011 adopted a resolution to create authorised capital for the issue of new shares against cash contribution worth €246 m by 8 February 2016.

Conditional capital of €100 m had already been authorised at the Annual General Meeting on 13 May 2009. This authorised bonds with conversion options or warrants as well as profit-sharing rights and income bonds of up to a nominal amount of €1.0 bn to be issued up to 12 May 2014. TUI AG partly used this authorisation, issuing a convertible bond worth around €218 m in November 2009.

Additional conditional capital of €100 m was resolved by the Annual General Meeting of 7 May 2008. This authorised bonds with conversion options or warrants as well as profit-sharing rights and income bonds of up to a nominal amount of €1.0 bn to be issued up to 6 May 2013. This authorisation, too, was partly used by TUI AG, which issued a convertible bond worth around €339 m in March 2011.

The issue of bonds and profit-sharing rights in accordance with the two authorisations mentioned above has been limited to a total nominal amount of €1.0 bn.

Significant agreements taking effect in the event of a change of control of the Company following a takeover bid and the resulting effects

TUI AG's existing listed bonds and the syndicated credit line include change of control clauses. A change of control occurs in particular if a third party directly or indirectly acquires control over at least 30% or the majority of the voting shares in TUI AG, depending on the respective agreement.

In the event of a change of control, the holders of the fixed-interest bond must be offered a buyback. For the convertible bonds, a right of termination or reduction of the conversion price has been agreed.

For the hybrid bond, an interest step-up has been agreed to take effect should the rating be downgraded.

For the syndicated credit line, which will only enter into force upon completion of the planned merger between TUI AG and TUI Travel PLC, a right of termination by the lenders has been agreed in the event of a change of control.

The total volume of obligations under financing instruments with corresponding change of control clauses amounts to around €1.0bn as at the balance sheet date. On top of that, there are no agreements in guarantee, leasing, option or other financial contracts that might cause material early redemption obligations that would be of significant relevance for the Group's liquidity.

Apart from the financing instruments mentioned above, a framework agreement between the Riu family and TUI AG includes a change of control clause. A change of control occurs if a shareholder group represents a pre-defined majority of AGM attendees or if one third of the shareholder representatives on the Supervisory Board are attributable to a shareholder group. In the event of a change of control, the Riu family is entitled to acquire at least 20% and at most all shares held by TUI in RIUSA II S.A.

A similar agreement concerning a change of control at TUI AG has been concluded with the El Chiaty Group. Here, too, a change of control occurs if a shareholder group represents a predefined majority of AGM attendees or if one third of the shareholder representatives on the Supervisory Board are attributable to a shareholder group. In that case, the El Chiaty Group is entitled to acquire at least 15% and at most all shares held by TUI in the joint hotel companies in Egypt and the United Arab Emirates.

Under the license agreement concluded in the framework of the combination of the tourism business under TUI Travel PLC, the licensee, TUI Travel PLC, is entitled to acquire TUI AG's total tourism brand portfolio in the event of a change of control. A change of control agreement has also been concluded for the joint venture TUI Cruises between Royal Caribbean Cruises Ltd and TUI AG; it will take effect if a change of control occurs at TUI AG. The agreement gives the partner the right to demand termination of the joint venture and to purchase the stake held by TUI AG at a price which is lower than the selling price of their own stake.

Compensation agreements by the Company with Executive Board members or employees in the event of a takeover bid

CHANGE OF CONTROL AGREEMENT

In the event of loss of Executive Board membership through a change of control or by executing the right granted to Board members, specifically accorded for this event, of resigning from their office and terminating their service contract as a Board member, every Board member is entitled to receive remuneration for his or her financial entitlements for the remaining period of the service contract up to a maximum period of two or three years, respectively.

The annual management bonus and the entitlements from the long-term incentive programme for the remaining term of the service contract are based on the average for the past two financial years for the remuneration for Mr Joussem and the average for the past three financial years for Mr Baier.