

# READY TO GROW



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The annual financial statements and the management report of TUI AG for the financial year 2013/14 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 2013/14.

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

# ANNUAL FINANCIAL STATEMENTS

## BALANCE SHEET OF THE TUI AG AS AT 30 SEP 2014

€ '000	Notes	30 Sep 2014	30 Sep 2013
<b>Assets</b>			
<b>Fixed assets</b>			
	(1)		
Intangible assets		908	1,293
Property, plant and equipment		16,743	16,854
Investments			
Shares in Group companies		3,562,858	3,514,458
Other investments		616,777	606,742
		4,179,635	4,121,200
		<b>4,197,286</b>	<b>4,139,347</b>
<b>Current assets</b>			
Inventories	(2)	19	27
Receivables and other assets	(3)	362,956	407,568
Marketable securities	(4)	300,000	–
Cash in hand and bank balances	(5)	370,202	506,081
		<b>1,033,177</b>	<b>913,676</b>
<b>Prepaid expenses</b>	(6)	<b>254</b>	<b>682</b>
		<b>5,230,717</b>	<b>5,053,705</b>
<b>Equity</b>			
<b>Shareholders' equity</b>			
Subscribed capital	(7)	732,582	645,188
Conditional capital		231,658	318,797
Capital reserves	(8)	924,250	821,343
Revenue reserves	(9)	973,470	973,470
Profit available for distribution	(10)	161,272	308,566
of which retained earnings brought forward		270,710	116,617
		<b>2,791,574</b>	<b>2,748,567</b>
<b>Special non-taxed items</b>	(11)	<b>620</b>	<b>624</b>
<b>Provisions</b>			
Provisions for pensions and similar obligations	(12)	131,715	137,730
Other provisions	(13)	267,572	282,551
		<b>399,287</b>	<b>420,281</b>
<b>Liabilities</b>			
	(14)		
Bonds		964,422	854,103
of which convertible		364,422	554,103
Liabilities to banks		194,416	282,281
Trade accounts payable		6,970	2,050
Other liabilities		873,285	745,698
		<b>2,039,093</b>	<b>1,884,132</b>
<b>Deferred income</b>	(15)	<b>143</b>	<b>101</b>
		<b>5,230,717</b>	<b>5,053,705</b>

**PROFIT AND LOSS STATEMENT OF TUI AG FOR THE PERIOD FROM 1 OCT 2013 TO 30 SEP 2014**  
**(PREVIOUS YEAR FROM 1 OCT 2012 TO 30 SEP 2013)**

€ '000	Notes		<b>1 Oct 2013 – 30 Sep 2014</b>	1 Oct 2012 – 30 Sep 2013
Turnover	(19)	–		1,589
Other operating income	(20)	83,106		581,227
			83,106	582,816
Cost of materials	(21)	–		1,317
Personnel costs	(22)	34,104		55,885
Depreciation/amortisation	(23)	648		733
Other operating expenses	(24)	163,967		172,207
			–198,719	–230,142
Net income from investments	(25)	64,652		154,570
Write-downs of investments	(26)	5,031		33,547
Interest result	(27)	–61,123		–90,055
<b>Profit from ordinary business activities</b>			<b>–117,115</b>	<b>383,642</b>
Taxes	(28)	–7,677		693
<b>Net profit for the year</b>			<b>–109,438</b>	<b>382,949</b>
Retained earnings brought forward		270,710		116,617
Transfer to other reserves		–		–191,000
<b>Profit available for distribution</b>	(10)		<b>+161,272</b>	<b>+308,566</b>

## DEVELOPMENT OF FIXED ASSETS OF TUI AG FOR THE PERIOD FROM 1 OCT 2013 TO 30 SEP 2014

€ '000	Balance at 1 Oct 2013	Additions	Disposals	Reclassification	Historical cost
					Balance at 30 Sep 2014
<b>Intangible assets</b>					
Concessions, industrial property rights and similar rights and values	4,480	5	–	–	4,485
	<b>4,480</b>	<b>5</b>	<b>–</b>	<b>–</b>	<b>4,485</b>
<b>Property, plant and equipment</b>					
Real estate, land rights and buildings including buildings on third-party properties	21,721	–	68	–	21,653
Machinery and fixtures	1,209	–	–	–	1,209
Other plants, operating and office equipment	9,593	219	125	–	9,687
	<b>32,523</b>	<b>219</b>	<b>193</b>	<b>–</b>	<b>32,549</b>
<b>Investments</b>					
Shares in Group companies	5,684,561	53,400	31	–	5,737,930
Loans to Group companies	25,857	10,172	10,284	–	25,745
Investments	360,424	10,000	20	–	370,404
Loans to affiliates	845	–	–	–	845
Securities held as fixed assets	236,621	813	630	–	236,804
Other loans	28	–	6	–	22
Payments on account	–	–	–	–	–
	<b>6,308,336</b>	<b>74,385</b>	<b>10,971</b>	<b>–</b>	<b>6,371,750</b>
<b>Fixed assets</b>	<b>6,345,339</b>	<b>74,609</b>	<b>11,164</b>	<b>–</b>	<b>6,408,784</b>

	Balance at 1 Oct 2013	Depreciation/ Amortisation	Additions	Disposals	Value adjustments		Carrying amounts
					Balance at 30 Sep 2014	Balance at 30 Sep 2014	Balance at 30 Sep 2013
	3,187	390	–	–	3,577	908	1,293
	<b>3,187</b>	<b>390</b>	–	–	<b>3,577</b>	<b>908</b>	<b>1,293</b>
	9,382	58	–	–	9,440	12,213	12,339
	1,209	–	–	–	1,209	–	–
	5,078	200	–	121	5,157	4,530	4,515
	<b>15,669</b>	<b>258</b>	–	<b>121</b>	<b>15,806</b>	<b>16,743</b>	<b>16,854</b>
	2,170,103	5,000	–	31	2,175,072	3,562,858	3,514,458
	–	–	–	–	–	25,745	25,857
	16,159	–	–	20	16,139	354,265	344,265
	845	–	–	–	845	–	–
	27	31	–	–	58	236,746	236,594
	2	–	1	–	1	21	26
	–	–	–	–	–	–	–
	<b>2,187,136</b>	<b>5,031</b>	<b>1</b>	<b>51</b>	<b>2,192,115</b>	<b>4,179,635</b>	<b>4,121,200</b>
	<b>2,205,992</b>	<b>5,679</b>	<b>1</b>	<b>172</b>	<b>2,211,498</b>	<b>4,197,286</b>	<b>4,139,347</b>

# NOTES

## Accounting and measurement

### TUI AG Notes for financial year 2013 / 14

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

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.

### 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 depreciated on a straight-line basis over the expected useful life of up to three years, for trademark rights up to ten years. Self-generated intangible assets are not capitalised.

Property, plant and equipment are measured at cost, less depreciation for depreciable property, plant and equipment. For additions effected since financial year 2009 / 10, depreciation is calculated on a straight-line basis.

Movable depreciable assets with costs of €150 to €1,000 have been grouped into collective annual items and depreciated over a period of five years.

The economic useful lives underlying scheduled depreciation are based on tax depreciation tables.

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 or fair value. Non-interest or low-interest loans are recognised at their present values.

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. For these items, all identifiable individual risks are accounted for by means of appropriate value adjustments.

Liabilities are carried at the repayable amounts.



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 exceeded assets, the difference is shown under provisions.

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).

The 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, known as the "generation tables". Expected future salary and pension increases are appropriately reflected in actuarial calculations and assumptions. For the majority of obligations, annual salary increases of 2.5 % and pension increases of 6.0 % every three years have been assumed; for pension entitlements, a turnover discount based on age- and gender-specific tables has been deducted. The interest rate on the liabilities was the 7-year average market interest rate of 4.66 % published by the German central bank for an assumed remaining term of 15 years.

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. Other provisions are carried at nominal amounts, unless an interest portion has to be taken into account. If an interest portion has to be taken into account, Other provisions are measured at their present values.

Deferred taxes at TUI AG include deferred taxes of Group subsidiaries with which it forms a fiscal entity for income tax determination. The income tax rate applied in measuring deferred taxes is 31.5 % and embraces corporation tax, trade tax and the solidarity surcharge. The capitalisation option pursuant to section 274 (1) sentence 2 of the German Commercial Code is used for the overall resulting deferred tax asset in that no deferred tax assets are shown.

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.

Currency hedges entered into in order to hedge exposure to changes in the fair value of recognised receivables in foreign currencies are included in hedge accounting; recognition is based on the gross 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 an annex to the statement of financial position. A complete list of shareholdings is included in the Notes.

#### INVESTMENTS

Additions to shares in Group companies relate to a capital increase.

Disposals of shares in Group companies result from a liquidation.

Additional changes result, in particular, from a capital payment for new interests and from depreciation required due to the measurement of a hotel company.

### (2) Inventories

Inventories almost exclusively relate to heating fuels.

### (3) Receivables and other assets

#### RECEIVABLES AND OTHER ASSETS

€ '000	30 Sep 2014	30 Sep 2013
Trade accounts receivable	–	1
of which with a remaining term of more than 1 year	–	–
Receivables from Group companies	321,714	363,464
of which with a remaining term of more than 1 year	–	–
Receivables from companies in which shareholdings are held	12,754	10,794
of which with a remaining term of more than 1 year	–	–
Other assets	28,488	33,309
of which with a remaining term of more than 1 year	–	–
	<b>362,956</b>	<b>407,568</b>

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

The decline in receivables from Group companies mainly results from a debt waiver in the course of the capital funding of a Group company.

Other assets serving as insolvency-protected investments in reinsurance policies with the sole purpose of hedging pension obligations are offset against the underlying liabilities at their fair value, which corresponds to amortised cost, at an amount of €57.7 m as at 30 September 2014, almost flat on the previous year. Apart from lower other receivables from third parties, the decline in other assets results from lower tax assets versus the prior year.

#### (4) Marketable securities

Marketable securities of €300.0 m (previous year €0.0 m) are shares in a money market fund held by a trustee in trust for TUI AG.

The proceeds of €300.0 m from the bond issued in September 2014 will remain in an escrow account until the completion of the planned merger between TUI AG and TUI Travel PLC. Upon completion of the planned merger, the proceeds will be made available to TUI AG for its free disposal. If the planned merger is not completed by 30 November 2015 or if the merger plan is declared terminated before that date, the proceeds will immediately be remitted to the bondholders.

#### (5) Cash in hand and bank balances

This item consists almost exclusively of bank balances.

In the completed financial year, TUI AG repaid liabilities to banks worth €100.0 m so that bank balances declined accordingly. Moreover, time deposits were liquidated.

#### (6) Prepaid expenses

##### PREPAID EXPENSES

€ '000	30 Sep 2014	30 Sep 2013
Other prepaid expenses	254	682

Prepaid expenses mainly consisted of the fair value of an interest cap (€0.1 m) and accruals for a naming rights contract (€0.1 m). The decline in Other prepaid expenses results from lower accrued advance payments for sponsorship agreements.

#### (7) 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 by a total of €87.4 m to around €732.6 m due to the issuance of employee shares and conversions under the 2009/14 and 2011/16 convertible bonds. As a result, subscribed capital comprised 286,561,143 shares at the end of the financial year.

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

#### CONDITIONAL CAPITAL

The Annual General Meetings of 7 May 2008 and 13 May 2009 resolved to create additional conditional capital of €100.0m each and authorised the company to issue 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 €1.0bn under these two authorisations, which will expire on 6 May 2013 and 12 May 2014, respectively.

Using the conditional capital of 13 May 2009, TUI AG issued an uncollateralised, non-subordinated convertible bond of €217.8m on 17 November 2009, maturing on 17 November 2014. The bond was issued in denominations of nominal values of €56.30. The current conversion price is €5.5645 per no-par value share due to the cash dividend paid on 13 February 2014. The convertible bond can thus be converted into a maximum of 39,116,600 shares if the conditional capital is fully used. The bonds, carrying an interest coupon of 5.50% per annum, were issued at par. The bond is traded on five German stock exchanges. By 30 September 2014, 3,415,839 bonds had been converted into 34,554,834 new shares in TUI AG (including 34,084,104 bonds in the financial year under review).

Using the conditional capital of 7 May 2008, TUI AG issued an uncollateralised non-subordinated convertible bond of €339.0m on 24 March 2011, maturing on 24 March 2016. The bond was issued in denominations of nominal values of €59.26. The conversion price is €11.7127 per non-par value share due to the cash dividend paid on 13 February 2014. The convertible bond can thus be converted into a maximum of 28,939,860 shares. The bonds, carrying an interest coupon of 2.75% p.a., were issued at par. The bond is traded on five German stock exchanges. By 30 September 2014, 336 bonds had been converted into 1,684 new shares (including 1,669 shares in the financial year under review) in TUI AG.

Further conditional capital of €120.0m for the issue of bonds was resolved by the Annual General Meeting of 15 February 2012 and will expire on 14 February 2017. 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 €1.0bn.

Taking account of the conversions, TUI AG had total conditional capital of around €231.7m as at 30 September 2014.

#### AUTHORISED CAPITAL

The Annual General Meeting of 9 February 2011 resolved to create additional authorised capital of €246.0m for the issue of new shares against cash contribution. The authorisation for this authorised capital will expire on 8 February 2016.

The Annual General Meeting of 13 February 2013 resolved to issue new registered shares against cash contribution for up to a maximum of €64.5m. This authorisation will expire on 12 February 2018.

The Annual General Meeting of 13 February 2013 also 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 authorised capital in one or several transactions to issue employee shares against cash contribution by 12 February 2018. 99,800 new employee shares were issued in the completed financial year so that authorised capital totalled around €9.7m at the balance sheet date.

Unused authorised capital thus totalled around €320.2m at the balance sheet date (around €320.5m as at 30 September 2013).

## (8) 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 €102.9m due to the conversion of bonds into shares and the issue of employee shares.

## (9) Revenue reserves

Revenue reserves consisted solely of other revenue reserves. There are no rules in the Articles of Association on the formation of reserves.

## (10) Profit available for distribution

The net loss for the year totals €109.4 m. Taking account of the profit carried forward of €270.7 m, profit available for distribution amounts to €161.3 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 €0.33 per no-par value share and carry the amount of €66.7 m remaining after deduction of the dividend total of €94.6 m forward on new account.

## (11) Special non-taxed item

The special non-taxed item of €0.6 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.

## (12) Pension provisions

Elimination of the assets from reinsurance policies (€57.7 m) against the gross value of the pension provisions (€189.4 m) results in a liability of €131.7 m as at the balance sheet date.

## (13) Other provisions

OTHER PROVISIONS		
€ '000	30 Sep 2014	30 Sep 2013
Tax provisions	157,292	159,915
Other provisions	110,280	122,636
	<b>267,572</b>	<b>282,551</b>

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

The decline in other provisions mainly results from the reversal of a provision formed for investment risks and the execution of the social plan.

Provisions also include, 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 €0.7m for securing part-time working scheme credits for employees approaching retirement were eliminated against the corresponding provisions.

Around 19% (previous year around 24%) of other provisions have a remaining term of up to one year.

## (14) Liabilities

€ '000	30 Sep 2014		30 Sep 2013	
	Remaining terms	Total	Remaining terms	Total
<b>Bonds</b>		<b>964,422</b>		<b>854,103</b>
up to 1 year	25,478		–	
1–5 years	338,944		554,103	
more than 5 years	600,000		300,000	
of which convertible		364,422		554,103
up to 1 year	25,478		–	
1–5 years	338,944		554,103	
<b>Liabilities to banks</b>		<b>194,416</b>		<b>282,281</b>
up to 1 year	1,441		101,250	
1–5 years	192,975		181,031	
<b>Trade accounts payable (exclusively up to 1 year)</b>		<b>6,970</b>		<b>2,050</b>
<b>Other liabilities</b>		<b>873,285</b>		<b>745,698</b>
up to 1 year	872,391		744,269	
1–5 years	894		1,429	
more than 5 years	–		–	
of which liabilities to Group companies		847,707		715,300
up to 1 year	846,813		713,871	
1–5 years	894		1,429	
more than 5 years	–		–	
of which liabilities to companies in which shareholdings are held (exclusively up to 1 year)		22		14
of which other liabilities		25,556		30,384
up to 1 year	25,556		30,384	
1–5 years	–		–	
more than 5 years	–		–	
of which from taxes (exclusively up to 1 year)		507		1,583
of which relating to social security (exclusively up to 1 year)		510		577
		<b>2,039,093</b>		<b>1,884,132</b>

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.

The subordinated hybrid bond with a volume of €300.0m does not have a fixed maturity date. It carried a fixed rate interest coupon of 8.625 % per annum until January 2013 and has since carried a floating-rate interest coupon (3-month EURIBOR + 7.3 % per annum). TUI AG can defer the interest payments due until the next AGM provided that TUI AG's Annual General Meeting does not resolve payment of a dividend. As set out in the terms and conditions of the bond, the Company is obliged to settle any arrears in a timely manner if a coupon is deferred.

The convertible bonds include a five-year convertible bond issued in November 2009 and carried at an amount of €25.5m (previous year €215.1m) after conversion into shares. This convertible bond carries an interest coupon of 5.5 % per annum.

This item also includes the five-year convertible bond issued in March 2011 at an amount of €339.0m after conversion into shares. Taking account of conversions into shares, the outstanding volume of the bond is €338.9m as at the balance sheet date. This convertible bond carries an interest coupon of 2.75 % per annum.

In April 2010, TUI AG sold a 7.8 % stake of its shares in TUI Travel PLC to Deutsche Bank, which forwarded these shares to Antium Finance Ltd., an independent special-purpose vehicle not related to TUI. Antium Finance Ltd. acquired convertible bonds issued by TUI Travel PLC in April 2010 with a nominal volume of £200.0m. Antium Finance Ltd. undertook to convert a matching number of convertible bonds into TUI Travel PLC shares any time other investors exercise their conversion rights. TUI AG has concluded an agreement with Deutsche Bank under which the voting rights in TUI Travel PLC shares sold and legally held by Antium Finance Ltd. plus any additional TUI Travel PLC shares which Antium Finance Ltd. might receive from potential conversions will be exercised in the interest of TUI AG. In August 2013, TUI AG amended the agreement with Deutsche Bank in the framework of which TUI AG's right to acquire the assets of Antium Finance Ltd., comprising the TUI Travel shares and the convertible bonds of TUI Travel PLC, via Deutsche Bank at a price of £450.0m was extended until July 2016. TUI AG is entitled to the dividends from these shares and the interest on the convertible bonds acquired by Antium Finance Ltd. until that date. In terms of the commercial balance sheet, both the shares sold and the convertible bonds are attributable to TUI AG and therefore have to be recognised in TUI AG's statement of financial position. By the balance sheet date, TUI AG had already made a down payment of £300m on the purchase price (£450.0m). TUI AG has to pay interest (3-month GBP LIBOR plus a margin) on the remaining amount (£150m or €193.0m). When the agreement was modified in August 2013, the margin was reduced from 4.75 % p. a. to 3.7 % per annum. It was also agreed that the assets of Antium Finance Ltd. were going to be transferred to Deutsche Bank and Deutsche Bank was going to assume the rights and obligations of Antium Finance Ltd. This transfer took place in October 2013. The remaining repayment obligation of £150.0m has been classified as a liability to banks. In the framework of the planned merger between TUI AG and TUI Travel PLC, TUI AG has concluded an agreement with Deutsche Bank under which TUI will be entitled to acquire the asset item described above immediately upon completion of the merger if the merger takes effect.

The promissory notes with a volume of €100.0m, issued in September 2010, were repaid at the end of August, as scheduled. They carried a variable interest rate of a maximum of 15.0 % p. a.

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

Liabilities with a remaining term of more than five years total €600.0m (previous year €300.0m) and relate to the hybrid bond and the bond worth €300.0m issued in September 2014.

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, in particular for the financing of potential liabilities of TUI Travel PLC under TUI Travel's credit facility of £1.4bn. TUI AG will only be able to use this credit facility once TUI Travel PLC has cancelled its credit facilities of £1.4bn and £150.0m. If the planned merger between TUI AG and TUI Travel PLC is completed, it is planned for these facilities to be called as per the closing date. Accordingly, this credit facility had not been used as at 30 September 2014. It carries a floating interest rate which depends on the short-term interest rate level (EURIBOR or LIBOR) plus a margin.



Whereas in the prior year the liabilities shown were not secured by rights of lien or similar rights as at the balance sheet date, the proceeds from the bond worth €300.0m issued in September 2014 will remain in an escrow account until the completion of the planned merger between TUI AG and TUI Travel PLC. Upon the completion of the planned merger, the proceeds will be made available to TUI AG for its free disposal. If the planned merger is not completed by 30 November 2015, or if the merger plan is declared terminated before that date, the proceeds will immediately be remitted to the bondholders.

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

### (15) Deferred income

DEFERRED INCOME		
€ '000	30 Sep 2014	30 Sep 2013
Other deferred income	143	101

Deferred income relates to income from naming rights and income from projects to be taken through profit or loss in the following financial year.

### (16) Contingent liabilities

CONTINGENT LIABILITIES		
€ '000	30 Sep 2014	30 Sep 2013
Liabilities under guarantees, bill and cheque guarantees	848,643	952,779
Liabilities under warranties	26	25
	<b>848,669</b>	<b>952,804</b>
of which to Group companies	506,352	577,229

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 decrease in guarantee commitments by the Company on behalf of Group companies mainly results from the return of a guarantee on behalf of TUI Travel's cruise business and the scheduled payments of Hapag-Lloyd Kreuzfahrten under a charter contract. Guarantee commitments also declined due to repayments of ship financing schemes by Hapag-Lloyd AG and TUI Cruises GmbH.

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

**(17) Other financial commitments****OTHER FINANCIAL COMMITMENTS**

€ '000	30 Sep 2014	30 Sep 2013
Lease, rental, leasing and similar contracts	49,351	52,372
Other financial commitments	1,749	16,100
	<b>51,100</b>	<b>68,472</b>
up to 1 year	3,977	17,504
1–5 years	12,791	13,679
more than 5 years	34,332	37,289
of which to Group companies	177	–

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.

**(18) Derivative financial instruments****DERIVATIVE FINANCIAL INSTRUMENTS AS AT 30 SEP 2014**

€ '000	Nominal volume	Fair values	
		positive	negative
Currency hedges	443,748	6,412	6,823
of which with Group companies	90,887	24	5,687
Commodity hedges	110,200	2,214	2,214
of which with Group companies	55,100	2,033	180
Interest rate hedges	278,650	100	258
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 2014	30 Sep 2013
Currency hedges	6,823	3,068
Interest rate hedges	258	576
	<b>7,081</b>	<b>3,644</b>

For the foreign exchange transactions included in hedge accounting in order to hedge the fair value of a recognised foreign exchange receivable on the basis of the gross hedge presentation method, there are negative fair values totalling €0.2 m.

For the fuel hedges, the negative fair values of €2.2 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 44 months.

## Notes to the income statement

### (19) Geographical breakdown of turnover

#### GEOGRAPHICAL BREAKDOWN OF TURNOVER

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Germany	–	1,588
of which with Group companies	–	1,570
EU (excl. Germany)	–	1
of which with Group companies	–	–
	<b>–</b>	<b>1,589</b>

In the current financial year, no aircraft were leased. As a result, no turnover was generated from renting out leased aircraft, whereas such turnover had been carried in the prior year.

### (20) Other operating income

#### OTHER OPERATING INCOME

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Reversal of special non-taxed item	4	4
Miscellaneous other operating income	83,102	581,223
	<b>83,106</b>	<b>581,227</b>

The decline in miscellaneous other operating income is mainly attributable to intra-Group gains on disposal of shareholdings carried in the prior year. In addition, this item primarily includes gains on exchange and income from intercompany transfer pricing as well as income from the reversal of provisions.

### (21) Cost of materials

#### COST OF MATERIALS

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Cost of purchased services	–	1,317

The cost of purchased services carried in prior years related to expenses for aircraft lease agreements with third parties. The last leasing contracts concluded by TUI AG expired in the previous financial year.

## (22) Staff costs

### PERSONNEL COSTS

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Wages and salaries	29,915	49,659
Social security contributions, pension costs and benefits	4,189	6,226
of which pension costs	2,580	2,947
	<b>34,104</b>	<b>55,885</b>

In the period under review, staff costs declined primarily due to the headcount reduction based on a decision adopted in the prior year and lower restructuring costs as well as lower transfers to pension provisions.

Transfers to pension and other longer-term staff provisions of €9.3 m (previous year €9.3 m) result from compounding these provisions; they are therefore included in the interest result.

## (23) Depreciation / amortisation

### DEPRECIATION / AMORTISATION

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Amortisation of intangible assets and depreciation of property, plant and equipment	648	733
of which impairments	–	0

## (24) Other operating expenses

### OTHER OPERATING EXPENSES

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Miscellaneous other operating expenses	163,967	172,207

This item comprises in particular expenses for exchange losses of €49.7 m (previous year €44.6 m), carried alongside exchange gains of €30.5 m (previous year €54.0 m) shown under other operating income. Moreover, expenses were incurred above all for financial and monetary transactions, fees, charges, service fees, additions to value adjustments and other administrative costs.

Due to changes in accounting for value adjustments to trade accounts receivable, year-on-year comparability of the relevant numbers is limited.

**(25) Income from investments****NET INCOME FROM INVESTMENTS**

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Income from participations	107,052	123,500
of which from Group companies	97,939	108,462
Income from profit transfer agreements	68,602	78,010
of which from Group companies	68,602	78,010
Expenses relating to losses taken over	–111,002	–46,940
of which from Group companies	–111,002	–46,940
	<b>64,652</b>	<b>154,570</b>

In the financial year under review and in the previous financial year, net income from investments mainly comprised dividend payments from TUI Travel PLC and the hotel companies, in particular Robinson Club GmbH. The income from profit transfer agreements includes profit transfers from subsidiaries and the related tax portion charged. The expenses for loss transfers mainly relate to TUI-Hapag Beteiligungs GmbH and Hapag-Lloyd Kreuzfahrten GmbH.

**(26) Write-down of investments**

Write-downs of investments worth €5.0m were effected in a hotel project company.

**(27) Interest result****INTEREST RESULT**

€ '000	1 Oct 2013 – 30 Sep 2014	1 Oct 2012 – 30 Sep 2013
Income from other securities and long-term loans	14,311	13,613
of which from Group companies	14,310	13,612
Other interest and similar income	9,610	10,025
of which from Group companies	7,446	6,973
Interest and similar expenses	–85,044	–113,693
of which to Group companies	–3,166	–3,133
	<b>–61,123</b>	<b>–90,055</b>

Liquid funds declined in the completed financial year, causing a decrease in interest income.

In financial year 2012 / 13, prorated interest expenses were carried for a bond, a convertible bond and the liability, classified as a liability to banks, in connection with an exchangeable bond for shares in TUI Travel PLC until the redemption of these financial instruments. In financial year 2013 / 14, these expenses did not recur. Moreover, promissory notes were redeemed in financial year 2013 / 14; in addition, a repayment obligation from another convertible bond declined considerably as the bondholders converted a large number of bonds into equity. Accordingly, interest-bearing financial liabilities decreased considerably so that interest expenses declined.

Interest expenses include expenses for the compounding of, in particular, pension and other longer-term provisions of € 16.7 m (previous year € 15.6 m) after elimination of interest income of € 2.3 m from reinsurance policies serving as cover assets.

## (28) Taxes

<b>TAXES</b>		
€ '000	<b>1 Oct 2013 – 30 Sep 2014</b>	1 Oct 2012 – 30 Sep 2013
Taxes on income	–10,354	79
Other taxes	2,677	614
	<b>–7,677</b>	<b>693</b>

Income tax expenses do not include any deferred taxes. Receivables initially result in deferred tax liabilities which, however, are eliminated in full against deferred tax assets from 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. Income carried in income taxes results from reversals of provisions for income taxes payable in Germany and abroad.

### EXPENSES AND INCOME ATTRIBUTABLE TO PRIOR PERIODS

Income of € 17.6 m and expenses of € 0.1 m are attributable to prior financial years and carried under Other operating income and expenses.

Taxes also include an amount of € 11.0 m on income relating to prior reporting periods from the reversal of tax provisions.

## Other Notes

### Related parties

In financial year 2013 / 14, there were no business relations with related parties involving transactions not executed on an arm's length basis.

### Employees

#### ANNUAL AVERAGE HEADCOUNT IN THE FINANCIAL YEAR (EXCL. APPRENTICES)

	2013 / 14	2012 / 13
Employees Corporate Center	106	193
Employees BKK	123	124
<b>Total employees</b>	<b>229</b>	<b>317</b>

The employees of TUI BKK joined a different sponsoring undertaking outside the TUI Group as at 1 January 2014. The headcount shown above for TUI BKK corresponds to the average number in the first quarter of financial year 2013 / 14.

The decline in the number of employees in the Corporate Center is primarily attributable to the measures implemented in the framework of the Lean Holding concept.

### Total auditor's fee

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

### Shareholder structure



More detailed information is available on the Company website ([www.tui-group.com](http://www.tui-group.com)).

In financial year 2013 / 14 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 2014 are listed below in short form.

#### ALEXEY MORDASHOV

The voting shares in TUI AG attributable to Alexey Mordashov, Russia, exceeded the 25 % threshold on 5 March 2012. As per that date, voting shares totalling 25.29 % were attributable to him via Sungrebe Investments Ltd., Tortola, British Virgin Islands. According to the notification dated 3 June 2014, 24.11 % of these voting shares are attributable to him via S-Group Travel Holding GmbH, Frankfurt, Germany, and Artcone Ltd., Limassol, Cyprus.

#### RIU HOTELS S.A.

The voting shares in TUI AG attributable to Riu Hotels S.A., Palma de Mallorca, Spain, exceeded the 5 % threshold on 29 March 2005. As per that date, voting shares totalling 5.1 % were attributable to the company.



**DEUTSCHE ASSET & WEALTH MANAGEMENT INVESTMENT GMBH**

The voting shares in TUI AG attributable to Deutsche Asset & Wealth Management Investment GmbH, Frankfurt, Germany, exceeded the 3% threshold on 8 July 2014. As per that date, voting shares totalling 3.09% were attributable to the company, including voting shares of 0.09% attributable pursuant to section 22 (1) sentence 1 no. 6 of the German Securities Trading Act.

**CAISSE DE DÉPÔT ET DE GESTION**

The voting shares in TUI AG attributable to Caisse de Dépôt et de Gestion, Rabat, Morocco, fell below the 3% threshold on 17 March 2014. As per that date, voting shares totalling 2.99% were attributable to the company. All voting shares are attributable to Caisse de Dépôt et de Gestion pursuant to section 22 (1) sentence 1 no 1 of the German Securities Trading Act.

**BLACKROCK INC.**

BlackRock, Inc., New York, US, notified us that it held 2.70% of the voting shares in TUI AG as at 25 September 2014. BlackRock Holdco 2, Inc., Wilmington, DE, US, notified us that it held 2.68% of the voting shares in TUI AG as at 25 September 2014. BlackRock Financial Management, Inc., New York, US, notified us that it held 2.59% of the voting shares in TUI AG as at 25 September 2014.

**JOHN FREDRIKSEN**

The voting shares in TUI AG attributable to John Fredriksen, Cyprus, fell below the 15%, 10%, 5% and 3% thresholds on 24 February 2014. As per that date, voting shares in TUI AG totalling 0.0% were attributable to him.

More detailed information is available on the Company's website ([www.tui-group.com](http://www.tui-group.com)).

## Remuneration Report

⊕  
Executive Board of TUI AG:  
[www.tui-group.com/en/  
company/management](http://www.tui-group.com/en/company/management)

Upon the proposal of the Chairman's Committee, the Supervisory Board determines the remuneration of the individual Executive Board members. It regularly adopts and reviews the remuneration system for the Executive Board. The criteria governing the appropriateness of remuneration are the tasks of each individual Board member, their personal performance, the economic position, the performance and sustainable development of the Company, the benchmark remuneration customary in the peer environment, and the remuneration structure otherwise applied in German companies. Moreover, remuneration is set at a level that is competitive in the market for highly qualified managerial staff.

In financial year 2013/14, the Supervisory Board commissioned a renowned consultancy company with preparing an expert report for Executive Board members based in Germany. The focus of the assessment included general and specific appropriateness, new requirements in the framework of the German Corporate Governance Code (DCGK) and recommendations for action derived from the Code. The overall finding was that the level of remuneration for Executive Board members based in Germany was appropriate in the peer market and hence, in particular, in conformity with section 87 (1) of the German Stock Corporation Act as well as DCGK 4.2.2 and DCGK 4.2.3.

For Executive Board members based in Germany, a new remuneration system was drawn up in financial year 2009/10. Its purpose is to promote sustained corporate development, and it applies to new or amended service contracts. This remuneration system was approved by TUI AG's Annual General Meeting on 17 February 2010.

In financial year 2013/14, the remuneration of Mr. Long, based in the UK, was exclusively paid by TUI Travel PLC and fixed by its own Remuneration Committee.

### REMUNERATION OF THE EXECUTIVE BOARD IN FINANCIAL YEAR 2013/14

#### 1. GENERAL

The remuneration granted to TUI AG's Executive Board members for financial year 2013/14 comprises fixed components, fringe benefits and variable components. Fringe benefits comprise a company car with driver services as well as travel and insurance benefits. The variable components consist of an annual management bonus and a multi-annual bonus covering a period of four years under a long-term incentive programme.

#### 2. VARIABLE COMPENSATION

##### a) Annual management bonus

The management bonus is linked to target achievement and the individual performance of the Board member concerned. Since 1 October 2010, the performance target has been reported earnings before interest, tax and amortisation of goodwill (reported Group EBITA). If less than 50% of the annual target is achieved, the management bonus for the year is not paid. If more than 50% of the target is achieved, the target amount fixed in the service contract of the Executive Board member concerned is multiplied by the degree of target achievement; however a cap of 150% applies.

The amount determined in this way is adjusted by the Supervisory Board by means of a factor ranging between 0.8 and 1.2 in order to take account of the Board member's personal performance. The annual management bonus for Mr. Joussem is paid out in full upon the adoption of the relevant annual financial statements of the Company. 50% of the annual management bonus for Mr Baier is paid upon adoption of the relevant annual financial statements of the Company. The remaining 50% of the management bonus is carried forward in equal tranches to the two subsequent years and adjusted in accordance with the degree of target achievement in those two years. The maximum amount payable for the annual performance bonus has been capped at €1,400.0 thousand for Mr Joussem and €1,147.5 thousand for Mr Baier.

### b) Long-term incentive programme

The long-term incentive programme (LTIP) is based on phantom stocks and covers a period of four years. For Executive Board members, an individual target amount has been fixed in their service contracts. This amount is translated annually into a preliminary number of phantom stocks based on the average price of TUI AG shares over a period of twenty days prior to the beginning of any financial year. Entitlements for the beneficiary under the LTIP always arise upon completion of the four-year performance period (plan term in accordance with the model tables related to section 4.2.5 of the German Corporate Governance Code).

At the end of the four-year period, the degree of target achievement is determined by comparing the change in total shareholder return (TSR) at TUI AG with the change in the Dow Jones Stoxx 600 Travel & Leisure index. The degree of target achievement is determined as a function of the TSR rank at TUI AG compared with the TSR value of the companies in the Dow Jones STOXX 600 Travel & Leisure over the performance period. If the degree of target achievement is less than 25 % of the reference value, no remuneration is paid under the long-term incentive programme. If the degree of target achievement exceeds 25 % based on defined TSR ranks of TUI AG, the resulting degree of target achievement is multiplied by the preliminary number of phantom stocks determined for the first financial year of the four-year service period; however, a cap of 175 % applies.

At the end of the four-year performance period, the final number of phantom stocks determined in this way is multiplied by the average price of TUI AG shares (20 trading days prior to the end of the service period), and the resulting amount is paid out in cash. The maximum amount payable in cash under the long-term incentive programme has been capped at €2,100.0 thousand for Mr Jousen and €1,530.0 thousand for Mr Baier per performance period.

The table shows the fair value of the phantom stocks granted this year as per 30 September 2014 as benefits granted (in accordance with the model tables related to section 4.2.5 DCGK) for the completed financial year on the basis of an assumed target achievement of 100 %. An entitlement to a cash payment ("allocation" in accordance with model tables related to section 4.2.5 DCGK) generally only arises upon the termination of the four year performance period from 1 October 2013 to 30 September 2017 "LTIP 2013/14–2016/17" in the month following the adoption of the annual financial statements of TUI AG as per 30 September 2017 and depends solely on future target achievement for the period "LTIP 2013/14–2016/17". The allocation for the completed financial year thus shows the cash payment for the performance period "LTIP 2013/14–2016/17" for Mr Baier. By way of derogation, a contractual advance payment of €1,280.0 thousand has been agreed with Mr Jousen for the performance period "LTIP 2013/14–2016/17", payable upon the adoption of the annual financial statements for financial year 2013/14. It is shown as an allocation and will be offset against the actual entitlement that will have arisen at the end of the performance period "LTIP 2013/14–2016/17". Mr Jousen will receive additional advance payments of €100.0 thousand each for the performance periods "LTIP 2012/13–2015/16" and "LTIP 2013/14–2016/17", along with the advance payment for the performance period "LTIP 2014/15–2017/18".

Provisions totalling €2,660.8 thousand (previous year €6,617.0 thousand) and liabilities worth €1,839.2 thousand (previous year €2,047.6 thousand) were formed to cover entitlements under TUI AG's long-term incentive programme. The total expense for share-based payments and the amount attributable to each individual Executive Board member are shown in the table "Remuneration of individual Executive Board members".

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**DEVELOPMENT OF AGGREGATE PHANTOM STOCKS OF EXECUTIVE BOARD MEMBERS OF TUI AG  
(INCL. FOUR-YEARS-MODEL)**

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	Units
<b>Balance as at 30 Sep 2013</b>	<b>621,292</b>
Phantom stocks granted for the financial year 2013/14	207,464
Decrease of phantom stocks	-149,655
<b>Balance as at 30 Sep 2014</b>	<b>679,101</b>

On 30 September 2014, former Executive Board members did not hold any phantom stocks in TUI AG (previous year 450,025 shares).

**REMUNERATION OF INDIVIDUAL EXECUTIVE BOARD MEMBERS**

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**REMUNERATION OF INDIVIDUAL EXECUTIVE BOARD MEMBERS GRANTED BY TUI AG  
FOR THE FINANCIAL YEAR 2013/14**

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€ '000	Fixed remuneration	Annual management bonus	Long-term incentive programme	Supervisory Board member-ships in the Group*	Total	
					2013 / 14	2012 / 13
Friedrich Joussen	1,056.5	1,108.0	1,731.4	–	3,895.9	3,874.3
Horst Baier	690.8	614.2	639.9	-245.4	1,699.5	1,957.7
<b>Total</b>	<b>1,747.3</b>	<b>1,722.2</b>	<b>2,371.3</b>	<b>-245.4</b>	<b>5,595.4</b>	<b>5,832.0</b>
Previous year	1,682.0	1,549.1	2,600.9	–	5,832.0	

\* The remuneration received by Mr Baier since 1 January 2010 for his Supervisory Board mandate in Hapag-Lloyd AG, a Group shareholding, is deducted as remuneration from an intra-Group mandate.

As in the prior year, the members of the Executive Board did not receive any loans or advances in financial year 2013 / 14.

The two tables below show the benefits already granted by TUI AG and payments received by the individual members of the Executive Board.

#### BENEFITS GRANTED

€ '000	Friedrich Joussen CEO since 15 Oct 2012				Horst Baier CFO and Chief Human Resources Officer since 8 Nov 2007			
	2012/13	2013/14	(Min. p.a.)	(Max. p.a.)	2012/13	2013/14	(Min. p.a.)	(Max. p.a.)
Fixed remuneration	963.8	1,000.0	1,000.0	1,000.0	680.0	680.0	680.0	680.0
Perquisites	25.4	56.5	56.5	56.5	12.8	10.8	10.8	10.8
<b>Total</b>	<b>989.2</b>	<b>1,056.5</b>	<b>1,056.5</b>	<b>1,056.5</b>	<b>692.8</b>	<b>690.8</b>	<b>690.8</b>	<b>690.8</b>
Annual performance-based remuneration	920.0	920.0	–	1,400.0	255.0	255.0	–	459.0
Multi-year variable remuneration	1,899.1	1,731.4	–	2,100.0	956.8	849.9	–	2,218.5
Cash deferral (FY 2012/13)	–	–	–	–	255.0	–	–	688.5
Cash deferral (FY 2013/14)	–	–	–	–	–	255.0	–	–
LTIP (2012/13–2015/16)	1,899.1	–	–	–	701.8	–	–	–
LTIP (2013/14–2016/17)	–	1,731.4	–	2,100.0	–	639.9	–	1,530.0
<b>Total</b>	<b>3,808.3</b>	<b>3,707.9</b>	<b>1,056.5</b>	<b>4,556.5</b>	<b>1,904.6</b>	<b>1,840.7</b>	<b>690.8</b>	<b>3,368.3</b>
Pension	189.4	196.5	196.5	196.5	594.7	346.9	346.9	346.9
<b>Total remuneration</b>	<b>3,997.7</b>	<b>3,904.4</b>	<b>1,253.0</b>	<b>4,753.0</b>	<b>2,499.3</b>	<b>2,187.6</b>	<b>1,037.7</b>	<b>3,715.2</b>

#### ALLOCATION

€ '000	Friedrich Joussen CEO since 15 Oct 2012		Horst Baier CFO and Chief Human Resources Officer since 8 Nov 2007	
	2013/14	2012/13	2013/14	2012/13
Fixed remuneration	1,000.0	963.8	680.0	680.0
Perquisites	56.5	25.4	10.8	12.8
<b>Total</b>	<b>1,056.5</b>	<b>989.2</b>	<b>690.8</b>	<b>692.8</b>
Annual performance-based remuneration	1,108.0	986.0	307.1	273.3
Multi-year variable remuneration (total)	1,280.0	1,280.0	866.3	1,057.2
Cash Deferral (from FY 2010/11)	–	–	–	138.6
Cash Deferral (from FY 2011/12)	–	–	169.9	151.2
Cash Deferral (from FY 2012/13)	–	–	137.1	–
LTIP (2009/10–2012/13)	–	–	–	767.4
LTIP (2010/11–2013/14)	–	–	559.2	–
LTIP (2012/13–2015/16)	–	1,280.0	–	–
LTIP (2013/14–2016/17)	1,280.0	–	–	–
Other	–	–	–245.4	–
<b>Total</b>	<b>3,444.5</b>	<b>3,255.2</b>	<b>1,618.8</b>	<b>2,023.3</b>
Pension	196.5	189.4	346.9	594.7
<b>Total remuneration</b>	<b>3,641.0</b>	<b>3,444.6</b>	<b>1,965.7</b>	<b>2,618.0</b>

The remuneration received by Mr Baier since 1 January 2010 for his Supervisory Board mandate in Hapag-Lloyd AG, a Group shareholding, is deducted as remuneration from an intra-Group mandate ("Other").

**BENEFITS IN THE EVENT OF A TERMINATION OF POSITION****1. PENSION ENTITLEMENTS**

Pensions are paid to former Executive Board members if they reach the predefined age limit or are permanently incapacitated. The Executive Board members are not entitled to receive transition payments upon leaving the Board.

Mr Jousen receives an annual amount of €196.5 thousand, paid into an existing pension plan for Mr Jousen. Interest on these plan contributions is paid by the provider of the pension plan and is therefore not shown by TUI AG. The Company has not assumed any additional obligations in the framework of the company pension plan for the first service period.

Mr Baier receives an annual contribution to the company pension plan agreed in his service contract. The pension contribution amounts to 22.5 % of the target cash remuneration per contribution year (fixed remuneration and annual management bonus at 100 % target achievement excluding any cash deferrals). The contributions to the company pension plan carry an interest rate established in the pension obligation; the interest rate currently stands at 5 % p.a. Board members become eligible for payment of the pension upon reaching the age of 60. The beneficiary may choose between a one-off payment, payment by instalments or pension payments.

**CONTRIBUTIONS TO THE COMPANY PENSION SCHEME IN FINANCIAL YEAR 2013/14**

€ '000	Pension contribution
Friedrich Jousen	196.5
Horst Baier	267.7

Mr Long does not have a pension entitlement vis-à-vis TUI AG.

Under certain circumstances, widows of Executive Board members will receive a widow's pension worth 60 % of the above-mentioned pension for their lifetime or until remarriage. Children of Executive Board members receive an orphan's pension, paid as a maximum until they reach the age of 27. Orphans who have lost one parent receive 20 % of the pension, and orphans who have lost both parents receive 25 %.

**2. CHANGE OF CONTROL AGREEMENT**

In the event of a loss of Board membership through a change of control or by executing the right granted to Board members, specifically accorded for this case, to resign their position and terminate their contract of employment as a Board member, every Board member is entitled to receive compensation for the financial entitlements that he or she would have derived from the remainder of the agreed contract term, a maximum of two or three years, respectively.

The performance-related remuneration and the phantom stocks granted for the remainder of the contract term are based on the average remuneration received in the last two financial years for Mr Jousen and the average remuneration received in the last three financial years for Mr Baier.

**3. PAYMENTS TO PAST EXECUTIVE BOARD MEMBERS**

Past Executive Board members received payments of €2,451.0 thousand for financial year 2013/14.

#### 4. TERMINATION AND SEVERANCE ARRANGEMENTS

The service contracts of Mr Jousen and Mr Baier limit potential severance payments upon early termination of their service contracts by the Company without good cause to an amount corresponding to two annual remuneration payments.

The service contract of Mr Long can be terminated without a severance payment with twelve months' notice.

#### 5. PENSION OBLIGATIONS

At 30 September 2014, pension obligations for active members of the Executive Board totalled €6,626.2 thousand (previous year balance sheet date: €20,253.6 thousand) according to IAS 19 and €6,137.9 thousand (previous year balance sheet date €17,830.2 thousand) according to commercial law. In the period under review, the provision according to IAS 19 was reduced by an amount of €13,627.4 thousand (previous year €7,878.9 thousand), with a reduction of €11,692.3 thousand (previous year €6,137.0 thousand) according to commercial law provisions.

#### PENSIONS OF CURRENT EXECUTIVE BOARD MEMBERS

€ '000	Addition to/reversal from		Net present value	
	2013/14	2012/13	30 Sep 2014	30 Sep 2013
Friedrich Jousen	–	–	–	–
Horst Baier	707.0	321.0	6,626.2	5,919.2
<b>Total</b>	<b>707.0</b>	<b>321.0</b>	<b>6,626.2</b>	<b>5,919.2</b>

Where the above table shows a corresponding amount, the pension obligations for German beneficiaries are funded via the conclusion of pledged reinsurance policies. As the reinsurance policy fully covers the pension obligations for former and active Executive Board members, the insurance was deducted as an asset from the pension obligation.

Pension provisions for former members of the Executive Board and their dependents amounted to €69,626.6 thousand (previous year: €49,587.7 thousand) as measured according to IAS 19 at the balance sheet date, and €63,193.0 thousand (previous year €51,633.7 thousand) as measured according to commercial law provisions'. In financial year 2013/14, obligations for this group of persons increased by €20,038.9 thousand (in financial year 2012/13 by €6,468.6 thousand) according to IAS 19 and €11,559.3 thousand (in the prior year by €6,935.3 thousand) according to commercial law provisions.

In financial year 2013/14, the remuneration paid to former Executive Board members and their surviving dependents totalled €4,455.8 thousand (previous year €4,002.4 thousand).

#### REMUNERATION OF THE SUPERVISORY

The remuneration of Supervisory Board members comprises fixed components and a long-term variable component. For parts of a financial year, when a member leaves or joins the Supervisory Board, the remuneration is paid on a pro rata basis. It is determined in accordance with section 18 of TUI AG's Articles of Association, which have been made permanently accessible to the public on the internet.

The members of the Supervisory Board receive a fixed remuneration of €50.0 thousand, payable upon completion of the financial year, besides reimbursement of their expenses.

The Supervisory Board members also receive remuneration related to the Company's long-term performance. It amounts to €400 per €0.01 of the average undiluted earnings per share (earnings per share) carried in the consolidated financial statements for the respective last three financial years. The new long-term variable compensation is payable for the first time upon the close of the Annual General Meeting (expected to be held in



Articles of Association at:  
[www.tui-group.com/en/corporate\\_governance](http://www.tui-group.com/en/corporate_governance)

February 2016), which will vote on the ratification of the acts of management of the Supervisory Board for the third completed financial year. The amount payable has been capped at €50.0 thousand.

The chairman of the Supervisory Board receives three times the fixed and long-term variable remuneration of a regular member, the deputy chair one and a half times the total remuneration of a regular member. An additional fixed remuneration of €40.0 thousand is paid for membership of committees (with the exception of the Nomination Committee). The chairman of the Audit Committee receives three times the remuneration of the regular committee members.

The members of the Supervisory Board and the committees receive a meeting fee of €1.0 thousand per meeting for participating in meetings.

The remuneration of the Supervisory Board for financial year 2013 / 14, in comparison with the prior year, broke down as follows:

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**REMUNERATION OF THE SUPERVISORY BOARD**

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€ '000	2013 / 14	2012 / 13
Fixed remuneration	906.7	875.0
Long-term variable remuneration	235.1	93.1
Remuneration for committee memberships	559.6	560.0
Attendance fee	249.0	135.0
<b>Total</b>	<b>1,950.4</b>	<b>1,663.1</b>

In addition, travel and other expenses totalling €362.1 thousand (previous year: €413.9 thousand) were reimbursed. Total remuneration of the Supervisory Board members thus amounted to €2,312.5 thousand (previous year: €2,077.0 thousand).



**REMUNERATION OF INDIVIDUAL SUPERVISORY BOARD MEMBERS FOR THE FINANCIAL YEAR 2013/14**

€ '000	Fixed	Long-term variable	Committee membership	Attendance fee	Supervisory Board mandates in the Group	Total
Prof. Dr. Klaus Mangold (Chairman)	150.0	45.3	80.0	31.0	–	<b>306.3</b>
Petra Gerstenkorn (until 30 June 2014) (Deputy Chairwoman until 15 May 2014)	53.1	7.6	30.0	9.0	18.8	<b>118.5</b>
Frank Jakobi (Deputy Chairman since 15 May 2014)	59.4	16.7	40.0	21.0	–	<b>137.1</b>
Anass Hour Alami (until 24 June 2014)	36.7	5.0	–	1.0	–	<b>42.7</b>
Andreas Barczewski	50.0	15.1	46.7	21.0	–	<b>132.8</b>
Arnd Dunse	50.0	15.1	40.0	15.0	–	<b>120.1</b>
Peter Bremme (since 2 July 2014)	12.4	2.0	–	3.0	13.1	<b>30.5</b>
Prof. Dr. Edgar Ernst	50.0	15.1	120.0	15.0	–	<b>200.1</b>
Angelika Gifford	50.0	15.1	–	10.0	–	<b>75.1</b>
Ingo Kronsfoth (until 31 July 2014)	41.7	5.5	33.3	12.0	18.8	<b>111.3</b>
Vladimir Lukin (since 12 Feb 2014)	31.8	5.2	25.5	16.0	–	<b>78.5</b>
Mikhail Noskov (until 12 Feb 2104)	18.3	3.1	–	4.0	–	<b>25.4</b>
Michael Pönipp	50.0	15.1	–	10.0	15.2	<b>90.3</b>
Carmen Riu Güell	50.0	15.1	40.0	22.0	–	<b>127.1</b>
Carola Schwirn (since 1 Aug 2014)	8.3	1.4	–	2.0	–	<b>11.7</b>
Maxim G. Shemetov (since 14 March 2014)	27.4	4.4	–	6.0	–	<b>37.8</b>
Anette Stempel	50.0	15.1	10.0	13.0	8.2	<b>96.3</b>
Prof. Christian Strenger	50.0	15.1	40.0	14.0	–	<b>119.1</b>
Ortwin Strubelt	50.0	15.1	40.0	15.0	–	<b>120.1</b>
Vladimir Yakushev (until 7 Feb 2014)	17.6	3.0	14.1	9.0	–	<b>43.7</b>
<b>Total</b>	<b>906.7</b>	<b>235.1</b>	<b>559.6</b>	<b>249.0</b>	<b>74.1</b>	<b>2,024.5</b>

The Supervisory Board members who left in the course of the financial year receive their entitlements from the long-term programme on a prorated basis and, if applicable, on the basis of budget numbers upon the ratification of the acts of management of the Supervisory Board for the financial year in which they left.

The entitlements of the Supervisory Board members under the long-term remuneration arrangement are covered by a prorated provision.

Apart from the work performed by the employees' representatives pursuant to their contracts, the members of the Supervisory Board did not provide any personal services such as consultation or agency services for TUI AG or its subsidiaries in financial year 2013/14 and thus did not receive any remuneration.

## 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
<b>Consolidated related companies</b>					
<b>Tourism – TUI Travel</b>					
600035 B.C. LTD, Canada		100	54.1	-2,742.6	-145.8 CAD
AB Caller & Sons Ltd., Crawley		100	54.1	1,244.3	48.5 GBP
Abbey International Insurance PCC Limited, Malta		100	54	6,981.7	EUR
Absolut Holding Limited, Malta		99,9	54	6,877.3	4,126.4 EUR
Absolut Insurance Limited, Guernsey		100	54.1	9,698	-100 GBP
Acampora Travel S.r.l., Sorrent		51	27.6	1,219	798.2 EUR
Adehy Limited, Dublin		100	54.1	0	0 EUR
Advantos Brazil Operadora de Turismo LTDA, Rio de Janeiro		100	54.1	-390.3	-1,339.8 BRL
Adventure Center (First Choice) Inc, Emeryville, CA		100	32.4	-1,570.9	-21.8 USD
Adventure Tours Australia Group Pty Ltd, Wayville, SA		100	32.4	-9,194.5	-8,013.7 AUD
Adventures Worldwide Limited, Crawley		100	32.4	4,171	-32 GBP
Africa Focus Tours Namibia Pty. Ltd., Windhoek		100	40.6	4,404.3	2,142.3 ZAR
Air Two Thousand (Ireland) Limited, Dublin		100	54.1	0	0 EUR
Alcor Yachting SA, Genf		100	54.1	797.4	-21 CHF
Alkor Yat Turizm Isletmacileri A.S., Izmir		99,7	53.9	-1,976.8	-83.3 TRY
Ambassador Tours S.A., Barcelona		100	54.1	-680	-12 EUR
Amber Nominee GP Limited, Crawley		100	54.1	0	0 GBP
American Holidays (NI) Limited, Belfast		100	54.1	430.4	0 GBP
Americas Corporate Business Services, Inc., New Castle DE		100	54.1	0.6	0.6 USD
AMP Management Ltd., Crawley		100	54.1	477.5	0 GBP
Antigua Charter Services, St. John's		100	54.1	6	153.1 USD
Apartment Zarevo EOOD, Varna		100	54.1	13,332.7	280.7 BGN
Aragon Tours Limited, Crawley		100	54.1	0	0 GBP
Arccac Eurl, Bourg St. Maurice		100	54.1	-401	-206 EUR
AsiaRooms Business Services (Thailand) Co., Ltd, Bangkok		100	54.1	26,828.2	-6,310.3 THB
Asiarooms Pte Ltd, Singapore		100	54.1	-106,310	-16,542.9 SGD
ATC African Travel Concept Pty. Ltd., Cape Town		100	40.6	19,770.1	3,460.1 ZAR
ATC Namibian Reflections Pty. Ltd., Cape Town		100	40.6	0	0 ZAR
atraveo GmbH, Düsseldorf		74,8	40.4	1,350.5	1,283.1 EUR
Audio Tours and Travel of Hong Kong Limited, Kowloon		99	53.5	-1,668.7	-12.2 HKD
Australian Sports Tours Pty Ltd, Ballarat, Victoria		100	54.1	1,599	0 AUD
B.D.S Destination Services Tours, Cairo		67	36.2	3,330.5	-663.5 EGP
BAL Trustee Limited, Crawley		100	54.1	0	0 GBP
Beds on line SL, Palma de Mallorca		100	54.1	9,605.7	-533.1 EUR
Berge & Meer Touristik GmbH, Rengsdorf <sup>1</sup>		100	54.1	2,996.4	0 EUR
Blue Scandinavia Holding AB, Stockholm		100	54.1	416,425	-7,075 SEK
Blue Travel Partner Services S.A., Santo Domingo		99	53.5	650,775.8	36,544.6 DOP
Boomerang Reisen GmbH, Trier		100	40.6	586.5	410.3 EUR
Boomerang Reisen Vermögensverwaltungs GmbH, Trier		75	40.6	587.5	272.3 EUR
Brightspark Travel Inc, State of Delaware		100	54.1	66.8	-246 USD
Britannia Airways Limited, Crawley		100	54.1	-94.8	0 GBP
Britannia Sweden AB, Stockholm		100	54.1	340,099.5	324.2 SEK
C & C Yacht Management Limited, Cayman Islands		100	54.1	-1,205.8	0 USD
Callers-Pegasus Pension Trustee Ltd., Crawley		100	54.1	0	0 GBP
Callers-Pegasus Travel Service Ltd., Crawley		100	54.1	1,564	0 GBP
Cassata Travel s.r.l., Cefalù (Palermo)		66	18.2	2.1	-72.8 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
Cel Obert SL, Sant Joan de Caselles		100	54.1	2,592.6	327.7 EUR
Cheqqr B.V., Rijswijk		100	54.1	1,888.6	0 EUR
CHS Tour Services GmbH, Innsbruck		100	54.1	1,549.9	310.4 GBP
CHS Tour Services Ltd, Crawley		100	54.1	192.7	18.9 GBP
Citirama Ltd., Quatre Bornes		100	27.6	20,258.7	3,564.3 MUR
Club Turavia SA de CV, Cancún		100	54.1	221,368.9	69,652.7 MXN
Connoisseur Belgium BVBA, Nieuwpoort		100	54.1	166.7	-5.4 EUR
Corsair S.A., Rungis		100	54.1	21,695.5	-30,441 EUR
Crown Blue Line France SA, Castelnaudary		100	54.1	2,117.3	56.3 EUR
Crown Blue Line GmbH, Kleinzerlang		100	54.1	5,805.7	667.6 EUR
Crown Blue Line Limited, Crawley		100	54.1	55,792.9	242.7 GBP
Crown Holidays Limited, Crawley		100	54.1	16,430.3	7.7 GBP
Crown Travel Limited, Crawley		100	54.1	453.3	-506.8 GBP
Crystal Holidays Ltd., Crawley		100	54.1	2,703	0 GBP
Crystal Holidays, Inc., Breckenridge		100	54.1	592.4	286.2 USD
Crystal International Travel Group Ltd., Crawley		100	54.1	24.4	0 GBP
Destination Services Singapore Pte Limited, Singapore <sup>7</sup>		100	54.1		
EAC Language Centres (UK) Limited, Edinburgh		100	54.1	1,779	4,676 GBP
Easy Market S.p.A., Rimini		100	54.1	2,073.7	-78.9 EUR
Educatours Limited, Mississauga, Ontario		100	54.1	1,372.6	-2,612.6 CAD
Edwin Doran (UK) Limited, Crawley		100	54.1	0	0 GBP
EEFC, Inc., State of Delaware		100	54.1	20,539.8	698.3 USD
Elena SL, Palma de Mallorca		100	54.1	4,162.9	-43.4 EUR
Emerald Star Limited, Dublin		100	54.1	2,722.4	214.2 EUR
Entreprises Hotelières et Touristiques PALADIEN Lena Mary S.A., Argolis		100	54.1	3,250	-0.3 EUR
Event Logistics (UK) Limited, Crawley		100	54.1	70.7	-0.4 GBP
Event Logistics International Limited, Crawley		100	54.1	57.2	-2.6 GBP
Events International (Sports Travel) Limited, Crawley		100	54.1	123.7	15.5 GBP
Events International Limited, Crawley		100	54.1	1,458.4	-266.5 GBP
Exodus Travels Limited, Crawley		100	32.4	12,294	3,523 GBP
Expediciones Amazonicas, S.A.C., Iquitos		100	54.1	-333.5	-333.8 USD
Experience English Limited, Crawley		100	54.1	116	-1,676 GBP
Explorers Travel Club Limited, Crawley		100	54.1	2,291.8	14.6 GBP
Falcon Leisure Group (Overseas) Limited, Crawley		100	54.1	15,483	-2,729 GBP
Fanatics Sports & Party Tours UK Limited, Crawley		100	54.1	1,276.1	124.8 GBP
Fanatics Sports and Party Tours PTY Limited, Banksia		100	54.1	1,374.7	47.8 GBP
FanFirm Pty Ltd, Banksia		100	54.1	5,614	1,060.9 AUD
Fantravel.com, Inc., Wilmington DE		100	54.1	-345.5	-345.5 USD
First Choice (Euro) Limited, Crawley		100	54.1	0	0 GBP
First Choice (Turkey) Limited, Crawley		100	54.1	-12,170.6	909 EUR
First Choice Airways Limited, Crawley		100	54.1	0	0 GBP
First Choice Aviation Limited, Crawley		100	54.1	2	0 GBP
First Choice Expedition Cruising Limited, Crawley		100	54.1	0	1,496.9 USD
First Choice Expeditions, Inc., State of Delaware		100	54.1	0	-1,300.9 USD
First Choice Holdings Australia Pty Ltd, Melbourne		100	32.4	42,547.6	0 AUD
First Choice Holdings, Inc., Delaware		100	54.1	215,137.8	25,715.2 USD
First Choice Holiday Hypermarkets Limited, Crawley		100	54.1	0	2,849 GBP
First Choice Holidays & Flights Limited, Crawley		100	54.1	2	74 GBP
First Choice Holidays Finance Limited, Crawley		100	54.1	82,129	118,954 GBP
First Choice Holidays Limited, Crawley		100	54.1	773,779	46,718 GBP
First Choice Holidays Quest Limited, Crawley		100	54.1	0	0 GBP

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

COMPANY	SHARE-	SHARE-	SHARE-	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
	HOLDINGS* DIRECT	HOLDINGS* INDIRECT	HOLDINGS* GROUP SHARE		
First Choice Land (Ireland) Limited, Dublin		100	54.1	-210.2	0 EUR
First Choice Leisure Limited, Crawley		100	54.1	11,105	0 GBP
First Choice Marine (BVI) Ltd, British Virgin Islands		100	54.1	-4,148	-14.3 USD
First Choice Marine (Malaysia) Snd Bhd, Malaysia		100	54.1	59	184.6 MYR
First Choice Marine Limited, Crawley		100	54.1	84,455	-16,231 GBP
First Choice Office Services Limited, Crawley		100	54.1	0.1	0 GBP
First Choice Olympic Limited, Crawley		100	54.1	-451	0 GBP
First Choice Overseas Holdings Limited, Crawley		100	54.1	-55,039	-136 GBP
First Choice Sailing, Inc. (USA) (also known as Sunsail, Inc.), State of Delaware		100	54.1	11,753.5	2,395.3 USD
First Choice Spain Limited, Crawley		100	54.1	18,725.1	0 GBP
First Choice Travel Shops (SW) Limited, Crawley		100	54.1	0	61.3 GBP
First Choice Travel Shops Limited, Crawley		100	54.1	15,532	903 GBP
First Choice USA, Crawley		100	54.1	10,488.7	28,682.9 USD
First Choice Web Holdings, Inc., Chicago		100	54.1	-1,117.5	-320.1 USD
FOX-TOURS Reisen GmbH, Rengsdorf <sup>1</sup>		100	54.1	51.1	0 EUR
Francotel Limited, Crawley		100	54.1	0	0 GBP
Fritidsresor AB, Stockholm		100	54.1	1,300,874	468,113 SEK
Fritidsresor Holding Spain S.A.U., San Bartolomé de Tirajana		100	54.1	32,569.2	-45.3 EUR
Fritidsresor Ltd., Crawley		100	54.1	0	0 GBP
Fritidsresor Tours & Travels India Pvt Ltd, Bardez, Goa		100	54.1	600	-202.2 INR
GeBeCo Gesellschaft für internationale Begegnung und Cooperation mbH & Co. KG, Kiel		50,1	27.1	4,781.2	EUR <sup>2</sup>
GEI-Moorings, LLC, State of Delaware		100	54.1	0	0 USD
Germanair Flugzeug Leasing GmbH, Hamburg <sup>1</sup>		100	54.1	6,000	0 EUR
Global Obi, S.L., Palma de Mallorca		51	27.6	672.2	435 EUR
Great Atlantic Sports Travel, Inc, Virginia Beach		75	40.6	1,442.9	-1,433.4 USD
Groupement Touristique International S.A.S., Lille		100	54.1	1,999.1	430.9 EUR
Gulliver Rent-A-Car d.o.o., Cavtat		100	37.9	-1,884.5	-212 HRK
Gulliver Travel d.o.o., Dubrovnik		70	37.9	2,809.4	2,890.6 HRK
Gullivers Group Limited, Crawley		100	54.1	353.4	-0.3 GBP
Gullivers Sports Travel Limited, Crawley		100	54.1	4,396	-3,681 GBP
Hannibal Tour SA, Tunis		100	54.1	55.8	148.1 TND
Hapag-Lloyd Executive GmbH, Hanover <sup>1</sup>		100	54.1	25	0 EUR
Hayes & Jarvis (Travel) Limited, Crawley		100	54.1	10,922	5,827 GBP
Headwater Holidays Limited, Crawley		100	32.4	4,307.2	768.4 GBP
Hellenic Sailing Holidays SA, Athens		100	54.1	-5,909.6	-2,341 EUR
Hellenic Sailing SA, Athens		100	54.1	76.5	-9.5 EUR
Holiday Hypermarkets (2000) Limited, Crawley		100	54.1	30,971	2,301 GBP
Holidays Services S.A., Agadir		100	54.1	35,000.4	5,518.1 MAD
Horizon Holidays Ltd., Crawley		100	54.1	4,571	0 GBP
Horizon Midlands (Properties) Ltd., Crawley		100	54.1	-8,696	411 GBP
Hotelbeds (Shanghai) Commercial Services Co., Limited, Shanghai		100	54.1	-3,595.2	-9,658.8 CNY
Hotelbeds (Thailand) Limited, Bangkok		100	54.1	288,684.2	-30,716.6 THB
Hotelbeds Costa Rica SA, San José		100	54.1	-213,120.2	-256,019.8 CRC
Hotelbeds Dominicana SA, Santo Domingo		100	54.1	821,598.8	97,115.5 DOP
Hotelbeds Hong Kong Limited, Kowloon		100	54.1	8,036	3,261 HKD
Hotelbeds Product SLU, Puerto de la Cruz, Tenerife		100	54.1	24,106.7	16,685.2 EUR
Hotelbeds Spain, S.L.U., Palma de Mallorca		100	54.1	68,574.5	10,996.9 EUR
Hotelbeds Technology SLU, Palma de Mallorca		100	54.1	20,072.6	-279.8 EUR
Hotelbeds UK Limited, Crawley		100	54.1	10,069.8	3,112.2 GBP
Hotelbeds USA Inc, Orlando		100	54.1	20,911.4	12,265.9 USD

<sup>1</sup> 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
Hotelbeds, S.L.U., Palma de Mallorca		100	54.1	13,590.2	4,366.2 EUR
Hotelopia Holidays, S.L., Ibiza		100	54.1	-2,487	-1 EUR
Hotelopia SL, Palma de Mallorca		100	54.1	212.2	-17.2 EUR
Hurricane Hole Hotel Ltd, St. Lucia		100	54.1	-499.4	26.4 USD
I TO I INTERNATIONAL PROJECTS LTD, Crawley		100	54.1	641	-1 GBP
I Viaggi del Turchese S.r.l., Fidenza		100	54.1	9,717.8	-3,778.3 EUR
Imperial Cruising Company SARL, Heliopolis-Cairo		90	48.7	3,661.3	359.3 USD
Inter Hotel SARL, Tunis		100	54.1	-26,450.9	-10,795.6 TND
Intercruises Shoreside & Port Services Canada Inc., Quebec		100	54.1	5,774.1	726.9 CAD
Intercruises Shoreside & Port Services PTY LTD, Stanmore NSW		100	54.1	3,470.7	665.4 AUD
Intercruises Shoreside & Port Services S.a.r.l., Paris		100	54.1	382.1	-175.3 EUR
Intercruises Shoreside & Port Services Sam, Monaco		100	54.1	-495.3	-422.6 EUR
Intercruises Shoreside & Port Services, Inc., State of Delaware		100	54.1	22,685.7	447.8 USD
Intercruises Shoreside & Port Services, SLU, Barcelona		100	54.1	15,752.2	450.1 EUR
International Expeditions, Inc., State of Delaware		100	54.1	1,084.4	375.9 USD
Interspecialists, SLU, Palma de Mallorca		100	54.1	-582.3	-936 EUR
Intrav, Inc., State of Delaware		100	54.1	18,933.1	-356.1 USD
Intrepid (Cambodia) CO. LTD, Siem Reap		100	32.4	434	200.6 USD
Intrepid (Thailand) Limited, Bangkok <sup>6</sup>	48,8		7.8	23,811.5	123.3 THB
Intrepid Andes S.A.C., Cusco		100	32.4	224.4	-14.2 USD
Intrepid Bundu (Pty) Ltd, Roodeport		100	32.4	2,290.5	1,062.1 ZAR
Intrepid Connections PTY LTD, Winnellie		100	32.4	-1,033.5	-319.7 AUD
Intrepid Guerba Tanzania Limited, Arusha		100	32.4	80,340.8	30,340.8 TZS
Intrepid HK Limited, Hongkong <sup>7</sup>		100	32.4		
Intrepid Holdings (Thailand) Limited, Bangkok <sup>6</sup>		49	15.9	8,250.9	0 THB
Intrepid Marrakech SARL, Marrakech		100	32.4	17,122.5	5,609.5 MAD
Intrepid Tours and Travel India Private Ltd, New-Delhi		100	32.4	5,836.9	3,547.5 INR
Intrepid Travel Australia Pty Ltd, Fitzroy, VIC		100	32.4	547	488.3 AUD
Intrepid Travel Beijing Co. Ltd, Beijing		100	32.4	5,952.6	563.1 CNY
Intrepid Travel Cairo, Cairo		100	32.4	4,238.8	1,120.2 EGP
Intrepid Travel GmbH, Holzkirchen		100	32.4	-481.8	-85.1 EUR
Intrepid Travel Inc, Vancouver <sup>7</sup>		100	32.4		
Intrepid Travel Incorporated, Venice, CA <sup>7</sup>		100	32.4		
Intrepid Travel New Zealand Limited, Auckland		100	32.4	137.6	-77.6 NZD
Intrepid Travel Pty Ltd, Fitzroy VIC		100	32.4	17,317.3	3,157.1 AUD
Intrepid Travel SA (Pty) Ltd, Summerveld <sup>7</sup>		100	32.4		
Intrepid Travel UK Limited, Crawley		100	32.4	490.8	562.2 GBP
Intrepid US, Inc., Wilmington DE		99,2	32.2	-579.6	161.9 USD
Isango India Private Limited, Delhi		100	54.1	32,936.9	5,429.7 INR
Isango! Limited, Crawley		100	54.1	-1,522.6	-510.9 GBP
Itaria Limited, Nicosia		100	54.1	-2,823.7	378.7 EUR
i-To-i Placements Limited, Carrick-on-Suir		100	54.1	73.9	-7.5 EUR
i-To-i PTY Ltd., Sydney		100	54.1	-476.6	-415.5 AUD
i-To-i UK Limited, Crawley		100	54.1	5,387	190 GBP
i-To-i, Inc., Los Angeles		100	54.1	-438.5	-199.5 USD
JBS Group, Inc., Pasadena		100	54.1	1,795.8	222.4 USD
JetAir N.V., Oostende		100	54.1	148,212.3	35,463.2 EUR
Jetair Real Estate N.V., Brussels		100	54.1	7,338.8	-235.3 EUR
Jetair Travel Distribution N.V., Oostende		100	54.1	388.3	60.6 EUR
Jetaircenter N.V., Mechelen		100	54.1	20,737.6	2,462.9 EUR
JNB (Bristol) Limited, Crawley		100	54.1	4,221	-585 GBP

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

COMPANY	SHARE-	SHARE-	SHARE-	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
	HOLDINGS* DIRECT	HOLDINGS* INDIRECT	HOLDINGS* GROUP SHARE		
Journeys Adventure Travel Limited, Rangun		60	19.5	834.1	–22.9 USD
JWT Holidays Limited, Crawley		100	54.1	0	0 GBP
Kras B.V., Ammerzoden		100	54.1	17,789.1	4,558.8 EUR
Label Tour EURL, Montreuil		100	54.1	1,721.5	–92.2 EUR
Lapter Eurl, Macot La Plagne		100	54.1	798	106 EUR
Late Rooms Limited, Crawley		100	54.1	19,282.2	1,923.9 GBP
Late Rooms Services Australia PTY LTD, Dawes Point		100	54.1	96	2.6 AUD
LateRooms Group Holding (Brazil) Limited, Crawley		100	54.1	7,750.6	0 GBP
LateRooms Group Holding (UK) Limited, Crawley		100	54.1	2,001	2,000 GBP
LateRooms Group Holding Limited, Crawley		100	54.1	45,897	2,030 GBP
Le Boat Netherlands B.V., Rotterdam		100	54.1	205.3	7 EUR
Le Passage to India Tours and Travels Pvt Ltd, Neu-Delhi		91	49.2	204,577.6	28,004.2 INR
Le Piolet SCI, St Martin de Belleville, Savoie		100	54.1	1,063.5	37.4 EUR
Leibniz-Service GmbH, Hanover		100	54.1	205,373.4	68,188.5 EUR
Les Tours Jumpstreet Tours, Inc., Montreal		100	54.1	7,177	451.4 CAD
Liberate SLU, Palma de Mallorca		100	54.1	626.4	–204.2 EUR
Lima Tours S.A.C., Lima		100	54.1	15,235.1	2,007.7 USD
Lodges & Mountain Hotels SARL, Notre Dame de Bellecombe, Savoie		100	54.1	–2,934	–674 EUR
l'tur tourismus Aktiengesellschaft, Baden-Baden <sup>1</sup>		70	37.9	825.3	66.8 EUR
Lunn Poly (Jersey) Ltd., St. Helier		100	54.1	485	80 GBP
Lunn Poly Ltd., Crawley		100	54.1	33,810.4	0.4 GBP
Lusomice, Unipessoal Lda., Lisbon		100	54.1	–203.9	–187.6 EUR
Magic Life Egypt for Hotels LLC, South Nabq		100	54.1	24,989.8	–12,767.1 EGP
Magic Life Greece S.A., Athens		100	54.1	–4,688	–1,368.9 EUR
Magic Life Hotels S.L., Las Palmas		100	54.1	0	–101.9 EUR
Magic Life Tunisie S.A., Tunis		100	54.1	–7,079.8	–11,439.5 TND
Magic Tourism International S.A., Tunis		100	54.1	40.1	–3.4 TND
Mala Pronta Viagens e Turismo Ltda., Curitiba		100	54.1	–7,006.8	–7,454.2 BRL
Manah Ltd., Quatre Bornes		51	27.6	65,238.4	11,722.8 MUR
Manchester Academy Holdings Limited, Crawley		100	54.1	0	0 GBP
Manchester Academy Tours Limited, Crawley		100	54.1	4,448.9	3,913.9 GBP
Mango Event Management Limited, Crawley		100	54.1	–116.3	0 GBP
Manufacturer's Serialnumber 852 Limited, Dublin		100	54.1	16,113.5	113.5 USD
Mariner International Asia Limited, Hongkong		100	54.1	2,411.4	1,274.3 HKD
Mariner International Travel, Inc., State of Delaware		100	54.1	–30,351.6	1,058.7 USD
Mariner Operations USA Inc, State of Delaware		100	54.1	3,433	–282.6 USD
Mariner Travel GmbH, Bad Vilbel		100	54.1	144.8	–118.9 EUR
Mariner Travel SARL, Paris		100	54.1	1,813.9	413.4 EUR
Mariner Yacht Services SA, Le Marin		100	54.1	–4,962.2	–510.2 EUR
Mariner Yachts (Proprietary) Limited, Illovo		100	54.1	–2,715.9	507.4 ZAR
Master-Yachting GmbH, Eibestad <sup>1</sup>		100	54.1	443.1	0 EUR
Maxi Yen SL, Palma de Mallorca		100	54.1	–3,709.9	–257.7 EUR
Medico Flugreisen GmbH, Baden-Baden <sup>1</sup>		100	37.9	127.8	0 EUR
Meetings & Events International Limited, Crawley		100	54.1	2,284.5	–55.6 GBP
Meetings & Events Spain S.L.U., Palma de Mallorca		100	54.1	–860.5	–1,222.2 EUR
Meetings & Events UK Limited, Crawley		100	54.1	–522.5	–436 GBP
MicronNexus GmbH, Hamburg <sup>1</sup>		100	54.1	–307.5	0 EUR
Molay Travel SARL, Molay-Littry, Calvados		100	54.1	160.8	–6 EUR
Molay Travel SCI, Molay-Littry, Calvados		100	54.1	357.8	–31.3 EUR
Mont Charvin Ski SARL, Paris		100	54.1	–6	0 GBP
Moorings (Seychelles) Limited, Mahé		100	54.1	–2,242.3	–515.7 USD

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COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Moorings Grenadines Ltd., St. Vincent and Grenadines		100	54.1	-1,802.8	-150.7 USD
Moorings Mexico SA de CV, La Paz		100	54.1	-2,077.3	-536.3 USD
Moorings Yachting SAS, Paris		100	54.1	-2,653.6	-787.5 EUR
Moorings Yat Isletmecilgi Turizm Ve Tic Ltd, Mugla		100	54.1	-4,677.1	2,436.8 EUR
MyPlanet Holding A/S, Holstebro		100	54.1	139,302.1	-40.7 DKK
MyPlanet International A/S, Holstebro		100	54.1	117.9	-6,540.7 DKK
MyPlanet Sweden AB, Göteborg		100	54.1	6,120.1	-12.2 SEK
Nazar Nordic AB, Malmö		100	54.1	60,573.9	29,500.5 SEK
Nordotel S.A.U., San Bartolomé de Tirajana		100	54.1	66,503.1	908 EUR
Nouvelles Frontières Senegal S.R.L., Dakar		100	54.1	663.8	54.8 EUR
Ocean College LLC, Sharm el Sheikh		90	48.7	9,147.3	189.3 EGP
Ocean Technical LLC, Cairo		100	53	3,177.8	582.5 EGP
Ocean Ventures for Hotels and Tourism Services SAE, Sharm el Sheikh		98	52.9	-7,833.3	-12 EGP
OFT REISEN GmbH, Rengsdorf		100	54.1	846.4	-668.7 EUR
Orion Airways Ltd., Crawley		100	54.1	-537.2	-149 GBP
Orion Airways Pension Trustees Ltd., Crawley		100	54.1	0	0 GBP
Owners Abroad España, S.A., Las Palmas		100	54.1	3,769.9	0 EUR
Oy Finnmatkat AB, Helsinki		100	54.1	14,605.1	10,818.5 EUR
Pacific World (Beijing) Travel Agency Co., Ltd., Beijing		100	54.1	0	0 CNY
Pacific World (Shanghai) Travel Agency Co. Limited, Shanghai <sup>7</sup>		100	54.1		
Pacific World Company Limited, HCM City		90	48.7	2,081.8	118.1 USD
Pacific World Destination East Sdn. Bhd., Penang		65	35.2	33,134.1	3,443.4 MYR
Pacific World Meetings & Events (Thailand) Limited, Bangkok <sup>6</sup>		49	26.5	-10,846	-10,292.7 THB
Pacific World Meetings & Events Hellas Travel Limited, Athens		100	54.1	-671.4	-318.4 EUR
Pacific World Meetings & Events Hong Kong, Limited, Hongkong <sup>7</sup>		100	54.1		
Pacific World Meetings & Events SAM, Monaco <sup>7</sup>		99.9	54		
Pacific World Meetings & Events Singapore Pte. Ltd, Singapore		100	54.1	162.6	-665.6 SGD
Pacific World Singapore Pte Limited, Singapore		100	54.1	-8,756.8	-14,274.6 SGD
Paradise Hotels Management Company LLC, Cairo		100	54.1	2,235.8	-905.9 EGP
Pasion, Excelencia, Aventura, Y Konocimiento Ecuador Travelpasion S.A. (Trading as PEAK Ecuador), Quito		100	32.4	76.4	120.5 USD
PATS N.V., Oostende		100	54.1	684.1	-9.2 EUR
PEAK (East Africa) Limited, Nairobi		100	32.4	156,039.9	53,747 KES
Peak Adventure Financing Pty Ltd, Melbourne		100	32.4	-17,092.4	-11,133.7 AUD
PEAK Adventure Travel (Malaysia) SDN BHD, Kota Kinabalu		100	32.4	1,346.1	749 MYR
PEAK Adventure Travel (UK) Limited, Crawley		100	32.4	28.5	14.1 GBP
Peak Adventure Travel Group Limited, Fitzroy Victoria		60	32.4	176,892.5	7,888.4 AUD
Peak Adventure Travel Turizm ve Seyahat Anonim Sirketi, Istanbul		100	32.4	206	326.6 TRY
Peak Adventure Travel USA Inc, Wilmington DE		100	32.4	3,975.4	0 USD
PEAK DMC North America Inc, Wilmington DE		100	32.4	-454.7	-1,230.7 USD
PEAK South America S.A.C., Lima		100	32.4	542	16.3 USD
Peregrine Adventures Pty Ltd, Melbourne		100	32.4	5,756.7	1,799.7 AUD
Peregrine Tours Ltd, Crawley		100	32.4	502.1	173 GBP
Petit Palais Srl, Valtournenche		100	54.1	2,447.1	162.3 EUR
Platinum Event Travel Limited, Crawley		100	54.1	139.1	77.9 GBP
Porter and Haylett Limited, Crawley		100	54.1	43,251	964 GBP
Portland Holidays Direct Ltd., Crawley		100	54.1	0	0 GBP
Premier Holidays Afloat Limited, Dublin		100	54.1	300	0 EUR
Premiere International Corp, Gardena		100	32.4	975.4	-5.6 USD
Prestige Boating Holidays Limited, Dublin		100	54.1	113.6	-10 EUR
Professor Kohts Vei 108 AS, Stabekk		100	54.1	4,030.1	1,573.5 NOK

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COMPANY	SHARE-	SHARE-	SHARE-	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
	HOLDINGS* DIRECT	HOLDINGS* INDIRECT	HOLDINGS* GROUP SHARE		
ProTel Gesellschaft für Kommunikation mbH, Rengsdorf <sup>1</sup>		100	54.1	143.1	0 EUR
PT. Pacific World Nusantara, Bali		100	54.1	-8,729,632.4	-2,555,478.6 IDR
Quark Expeditions, Inc., State of Delaware		100	54.1	1,529.6	-4,160.1 USD
Real Travel Ltd, Crawley		100	54.1	-749.1	-181 GBP
Real Travel Pty Ltd, Melbourne		100	54.1	499.1	-74.5 AUD
Revoli Star SA, San Bartolomé de Tirajana		100	54.1	3,915.7	477.5 EUR
Sawadee Amsterdam BV, Amsterdam		100	32.4	2,514.5	200.2 EUR
SERAC Travel GmbH, Zermatt		100	54.1	-29.3	68.7 CHF
Simply Travel Holdings Ltd., Crawley		100	54.1	-2	88.2 GBP
Ski Bound Limited, Crawley		100	54.1	-5,048	1,942 GBP
Skibound France SARL, Notre Dame de Bellecombe		100	54.1	-2,193.5	-11.7 EUR
Skymead Leasing Ltd., Crawley		100	54.1	-1,818	-693 GBP
Société d'Exploitation du Paladien Marrakech SA, Marrakech		100	54.1	-65.1	0 EUR
Société d'Investissement Aérien S.A., Casablanca		100	54.1	-328,947.2	155,987.4 MAD
Société d'Investissement et d'Exploration du Paladien de Calcatoggio (SIEPAC), Montreuil		100	54.1	-372.4	-391.7 EUR
Société d'investissement hotelier Almoravides S.A., Marrakech		100	54.1	-9,633.2	-7,474.8 MAD
Société Marocaine pour le Developpement des Transports Touristiques S.A., Agadir		100	54.1	29,561.9	5,764.4 MAD
Sons of South Sinai for Tourism Services and Supplies SAE, Sharm el Sheikh		84.1	45.1	-3,392.2	-127.2 EGP
Sovereign Tour Operations Limited, Crawley		100	54.1	-361,269.8	0 GBP
Specialist Holiday Group Ireland Ltd., Dublin		100	54.1	23,946.9	-495.7 EUR
Specialist Holidays (Travel) Limited, Crawley		100	54.1	11,271	6,318 GBP
Specialist Holidays Contracting Ltd., Crawley		100	54.1	1,952	-30 GBP
Specialist Holidays Group Ltd., Crawley		100	54.1	8,645.1	0 GBP
Specialist Holidays Ltd., Crawley		100	54.1	4,212.1	159.6 GBP
Specialist Holidays, Inc., Mississauga, Ontario		100	54.1	119.7	46.1 CAD
SplashLine Event und Vermarktungs GmbH, Vienna		100	54.1	1,700.4	-6.8 EUR
Sport Abroad (UK) Limited, Crawley		100	54.1	-1,233.4	-284.3 GBP
Sports Events Travel Limited, Crawley		100	54.1	0	0 GBP
Sports Executive Travel Limited, Crawley		100	54.1	0	0 GBP
Sportsworld Group Limited, Crawley		100	54.1	-2,509	-713 GBP
Sportsworld Holdings Limited, Crawley		100	54.1	7,584.3	29 GBP
Star Club SA, San Bartolomé de Tirajana		100	54.1	3,172.1	173.5 EUR
Star Tour A/S, Copenhagen		100	54.1	171,325	30,243 DKK
Star Tour Holding A/S, Copenhagen		100	54.1	9,836.6	200.7 DKK
Startour-Stjernerøiser AS, Stabekk		100	54.1	93,122.7	80,897.5 NOK
Student City S.a.r.l., Paris		100	54.1	-804.5	-80.7 EUR
Student City Travel Limited, Crawley		100	54.1	3,183	-425.2 GBP
Student Skiing Limited, Crawley		100	54.1	0	0 GBP
Student Skiing Transport Limited, Crawley		100	54.1	0	-0.2 GBP
Studentcity.com, Inc., State of Delaware		100	54.1	7,751.6	-553.5 USD
Summer Times International Ltd., Quatre Bornes <sup>7</sup>		100	27.6		
Summer Times Ltd., Quatre Bornes		100	27.6	924	-361 MUR
Summit Professional Services (Private) Limited, Nugegoda		100	32.4	108,482.6	107,737.8 LKR
Sunsail (Antigua) Limited, Antigua		100	54.1	-830.1	-3.9 USD
Sunsail (Australia) Pty Ltd, Hamilton Island, Queensland		100	54.1	-4,100.5	-656.6 AUD
Sunsail (Seychelles) Limited, Mahé		100	54.1	-43,042.4	4,157.1 SCR
Sunsail (Thailand) Company Ltd, Phuket <sup>6</sup>		30	16.2	-80,474.2	-24,680.4 THB
Sunsail Adriatic d.o.o., Split		100	54.1	-7,742.5	51,589.7 HRK
Sunsail Hellas MEPE, Athens		100	54.1	-515.8	-178.2 EUR

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COMPANY	SHARE- HOLDINGS* DIRECT	SHARE- HOLDINGS* INDIRECT	SHARE- HOLDINGS* GROUP SHARE	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
Sunsail International B.V., Rotterdam		100	54.1	1,720.5	103.9 EUR
Sunsail Limited, Crawley		100	54.1	-13,606	-8,849 GBP
Sunsail SAS, Castelnaudary		100	54.1	-18,271	2,274 EUR
Sunsail Worldwide Sailing Limited, Crawley		100	54.1	33,600	-6,870 GBP
Sunsail Worldwide Sailing St. Vincent Limited, St. Vincent and Grenadines		100	54.1	-1,045	1,055 USD
Sunshine Cruises Limited, Crawley		100	54.1	35,729	927 GBP
T.T. Services Samoa Ltd, Apia		100	54.1	-71.2	-33.3 WST
Tantur Turizm Seyahat A.S., Istanbul		100	54.1	47,853.6	10,358.4 EUR
TCS & Starquest Expeditions, Inc., Seattle		100	54.1	21,997	12,305.8 USD
TCS Expeditions, Inc., State of Delaware		100	54.1	913.6	-236 USD
TCV Touristik-Computerverwaltungs GmbH, Baden-Baden <sup>1</sup>		100	37.9	102.3	0 EUR
Teamlink Travel Limited, Crawley		100	54.1	0	0 GBP
Tec4Jets B.V., Rijswijk ZH		100	54.1	162.9	39.1 EUR
Tec4Jets NV, Oostende		100	54.1	4,141.1	944.6 EUR
The English Language Centre York Limited, York		100	54.1	0.1	3,389.6 GBP
The Imaginative Traveller Australia Pty Limited, Melbourne		100	32.4	-139.2	119.4 AUD
The Magic Travel Group Ltd., Crawley		100	54.1	150	0 GBP
The Moorings (Bahamas) Ltd, Nassau		100	54.1	2,004.7	-268.8 USD
The Moorings (St. Lucia) LTD, St. Lucia		100	54.1	-4,229.7	-464.2 USD
The Moorings Belize Limited, Belize City		100	54.1	3,285.8	256.7 USD
The Moorings d.o.o., Split		100	54.1	547.7	-401.6 EUR
The Moorings Limited, British Virgin Islands		100	54.1	35,938	-432.5 USD
The Moorings Sailing Holidays Limited, Crawley		100	54.1	1,082.6	38.5 GBP
The Moorings SAS, Utoroa, Raiatea		100	54.1	1,226.8	-387.7 USD
Thomson Air Limited, Crawley		100	54.1	0	0 GBP
Thomson Airways (Services) Limited, Crawley		100	54.1	0	0 GBP
Thomson Airways Limited, Crawley		100	54.1	749,000	193,000 GBP
Thomson Airways Trustee Limited, Crawley		100	54.1	0	0 GBP
Thomson Holidays Ltd., Crawley		100	54.1	0	0 GBP
Thomson Holidays Ltd. (Ireland), Dublin		100	54.1	0	0 EUR
Thomson Holidays Services, Inc., Orlando		100	54.1	133.3	5.2 GBP
Thomson Reisen GmbH, St. Johann		100	54.1	-1,052.3	14.3 EUR
Thomson Services Ltd., St. Peter Port/Guernsey		100	54.1	31.7	23.2 GBP
Thomson Sport (UK) Limited, Crawley		100	54.1	-3,186	-1,690 GBP
Thomson Travel Group (Holdings) Ltd., Crawley		100	54.1	-207,000	-13,000 GBP
Thomson Travel Holdings SA, Luxembourg		100	54.1	420,475.2	-16 GBP
Thomson Travel International SA, Luxembourg		100	54.1	318,070.5	67.4 GBP
Thomson Viagens e Turismo Lda., Lisbon		100	54.1	67.4	17 GBP
TICS GmbH Touristische Internet und Call Center Services, Baden-Baden <sup>1</sup>		100	37.9	25	0 EUR
Tigdiv Eurl, Tignes		100	54.1	638	74 EUR
TKJ Pty Limited, Perth		100	32.4	388.3	0 AUD
TLT Reisebüro GmbH, Hanover		100	54.1	10,532.9	7.4 EUR
Transfar – Agencia de Viagens e Turismo Lda., Faro		99.9	54	22,302.2	482.3 EUR
TRAVCOA Corporation, State of Delaware		100	54.1	13,878.3	437.8 USD
Travel Choice Limited, Crawley		100	54.1	8,103.6	0 GBP
Travel Class Holdings Limited, Crawley		100	54.1	710.4	-675.9 GBP
Travel Class Limited, Crawley		100	54.1	9,146	-785.2 GBP
Travel Contracting Limited, Crawley		100	54.1	0	-0.1 GBP
Travel Partner Brasil Agencia de Turismo e Viagens Ltda, Jundiai, State of São Paulo		99.9	54	-2,815	-839.5 BRL
Travel Partner Bulgaria EOOD, Varna		100	54.1	11,980.3	-495.3 BGN

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

COMPANY	SHARE-	SHARE-	SHARE-	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
	HOLDINGS* DIRECT	HOLDINGS* INDIRECT	HOLDINGS* GROUP SHARE		
Travel Scot World Limited, Crawley		100	54.1	2,333.6	521.8 GBP
Travel Services Europe Spain SL, Barcelona		100	54.1	-8.9	-25.9 EUR
Travel Turf, Inc., Allentown		100	54.1	3,170.9	1,977.6 USD
travel-Ba.Sys GmbH & Co KG, Mülheim an der Ruhr		83,5	45.2	1,499.8	EUR <sup>2</sup>
Travelbound European Tours Limited, Crawley		100	54.1	700.3	0 GBP
Travelmood Limited, Crawley		100	54.1	-7,171	-348 GBP
Trek America Travel Limited, Crawley		100	32.4	4,545	743 GBP
Trek Investco Limited, Crawley		100	32.4	21,279.3	-508.8 GBP
Trina Group Limited, Crawley		100	54.1	-52,285.3	-40,217.4 GBP
Tropical Places Ltd., Crawley		100	54.1	6.2	0 GBP
TT Enterprises Private Ltd, Chennai		100	54.1	-31,511.9	-41,027.2 INR
TT Hotels Italia S.R.L., Rome <sup>7</sup>		100	54.1		
TT Hotels Turkey Otel Hizmetleri Turizm ve ticaret Anonim Sirketi, Istanbul		100	54.1	113,084.5	5,569.3 TRY
TT International Software Services LLC, Abu Dhabi <sup>6</sup>		49	26.5	-961.4	-444.4 AED
TT Services AB, Stockholm		90	48.7	1,800.9	-386 SEK
TT Services Kiribati Ltd, South Tarawa		100	54.1	-59.4	-11.5 AUD
TT Services Nauru Ltd, Yaren		100	54.1	-63.2	-23.2 AUD
TT Services New Zealand Ltd, Auckland		100	54.1	484.1	-334.5 NZD
TT Services Vanuatu Ltd, Port Vila		100	54.1	-3,114	-2,326.3 VUV
TT Visa Outsourcing Limited, Crawley		100	54.1	0	0 GBP
TT Visa Services Limited, Crawley		100	54.1	-44.7	-44.7 GBP
TT Visa Services Pte Limited, Singapore		100	54.1	-1,243.4	-1,243.4 SGD
TT Visa Services, Inc., Wilmington DE		100	54.1	47.9	47.9 USD
TTG (Jersey) Limited, Jersey		100	54.1	100	0 GBP
TTG (No. 14), Dublin		100	54.1	0.1	0 EUR
TTG (No. 2) Ltd., Crawley		100	54.1	442.5	0 GBP
TTS Consultancy Services Private Ltd, Chennai		92	49.8	4,512.4	12.4 INR
TTSS Limited, Crawley		100	54.1	4,660.3	244.8 GBP
TTSS Transportation Limited, Crawley		100	54.1	2	0 GBP
TUI (Cyprus) Ltd., Nikosia		100	54.1	4,370.8	415.1 EUR
TUI (IP) Ltd., Crawley		100	54.1	0	0 GBP
TUI (Suisse) AG, Zurich		100	54.1	25,651.8	8,351.1 CHF
TUI (Suisse) Holding AG, Zurich		100	54.1	19,682.9	112.8 CHF
TUI 4 U GmbH, Bremen <sup>1</sup>		100	54.1	153.4	0 EUR
TUI Airlines Belgium N.V., Oostende		100	54.1	13,702.6	3,351.3 EUR
TUI Airlines Nederland B.V., Rijswijk		100	54.1	-24,167.4	-8,387.5 EUR
TUI aqtv GmbH, Hanover <sup>1</sup>		100	54.1	197.7	0 EUR
TUI Austria Holding GmbH, Vienna		100	54.1	48,625.5	6,796.1 EUR
TUI Aviation GmbH, Hanover <sup>1</sup>		100	54.1	25	0 EUR
TUI Business Services GmbH, Hanover <sup>1</sup>		100	54.1	-2,638.6	-494.3 EUR
TUI Canada Holdings Inc, Toronto		100	54.1	165,226.3	53,990.4 CAD
TUI China Travel CO. Ltd., Beijing	75		75	2,341.5	1,512.7 CNY
TUI Curaçao N.V., Curaçao		100	54.1	45.9	24.7 ANG
TUI Denmark Holding A/S, Copenhagen		100	54.1	115,674.1	28,821.5 DKK
TUI Deutschland GmbH, Hanover <sup>1</sup>		100	54.1	66,125	0 EUR
TUI España Turismo S.A., Barcelona		100	54.1	54,031.1	14,050.3 EUR
TUI France SAS, Nanterre		100	54.1	-175,653.6	-192,772.7 EUR
TUI Hellas Travel and Tourism SA, Athens		100	54.1	1,466.4	1,830.1 EUR
TUI HOLDING SPAIN S.L., Barcelona		100	54.1	50,417	8,841.5 EUR
TUI Holdings (Australia) PTY Limited, Queensland		100	54.1	15,687.8	-1,694.7 AUD
TUI InfoTec GmbH, Hanover <sup>1</sup>		100	54.1	12,863.3	1,415.4 EUR

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TUI Italia S.R.L., Milan		100	54.1	6,398.8	2,077 EUR
TUI Leisure airport sales GmbH, Hanover <sup>1</sup>		90	48.7	511.3	0 EUR
TUI Leisure Travel Service GmbH, Neuss <sup>1</sup>		100	54.1	103	0 EUR
TUI Leisure Travel Special Tours GmbH, Hanover <sup>1</sup>		100	54.1	206.3	0 EUR
TUI Marine Grenada Limited, St. George's		100	54.1	840.3	1,966.2 USD
TUI Nederland Holding N.V., Rijswijk		100	54.1	75,549	11,534 EUR
TUI Nederland N.V., Rijswijk		100	54.1	69,994	2,833 EUR
TUI Nordic Administration AB, Stockholm <sup>7</sup>		100	54.1		
TUI Nordic Holding AB, Stockholm		100	54.1	5,237,489	722,758 SEK
TUI Northern Europe Ltd., Crawley		100	54.1	37,000	30,000 GBP
TUI Norway Holding AS, Stabekk		100	54.1	567,908.3	63,319.9 NOK
TUI Österreich GmbH, Vienna		100	54.1	5,731	910.6 EUR
TUI Pension Scheme (UK) Ltd., Crawley		100	54.1	0	0 GBP
TUI Poland Dystrybucja Sp. z o.o., Warsaw		100	54.1	-976	-6,152.7 PLN
TUI Poland Sp. z o.o., Warschau		100	54.1	16,954.6	6,250.5 PLN
TUI PORTUGAL – Agencia de Viagens e Turismo S.A., Faro		100	54.1	32,063.5	2,453.1 EUR
TUI Reisecenter Austria Business Travel GmbH, Vienna		74.9	40.5	4,073.2	654.6 EUR
TUI Service AG, Altendorf		100	54.1	14,485.3	3,856.9 CHF
TUI Suisse Retail AG, Zurich		100	54.1	6,356.7	-355.8 CHF
TUI Travel (Ireland), Dublin		100	54.1	1,219	646 EUR
TUI Travel Accommodation & Destinations SL, Palma de Mallorca		100	54.1	81,728	48,031 EUR
TUI Travel Amber E&W LLP, Crawley		100	54.1	477,454.4	-28,536 GBP
TUI Travel Amber Limited, Edinburgh		100	54.1	0.1	0 GBP
TUI Travel Amber Scot LP, Edinburgh		100	54.1	276,000	17,043.4 GBP
TUI Travel Aviation Finance Limited, Crawley		100	54.1	12,169.9	4,515.1 USD
TUI Travel Belgium N.V., Oostende		100	54.1	67,938.6	9,724.3 EUR
TUI Travel Common Investment Fund Trustee Limited, Crawley		100	54.1	0	0 GBP
TUI Travel Group Management Services Limited, Crawley		100	54.1	0	0 GBP
TUI Travel Group Solutions Limited, Crawley		100	54.1	0	0 GBP
TUI Travel Healthcare Limited, Crawley		100	54.1	0	0 GBP
TUI Travel Holdings Limited, Crawley		100	54.1	640,986	313,798 GBP
TUI Travel Holdings Sweden AB, Stockholm		100	54.1	1,310,488	1,061,241 SEK
TUI Travel Nominee Limited, Crawley		100	54.1	340	72.8 GBP
TUI Travel Overseas Holdings Limited, Crawley		100	54.1	34,045.4	-6,128.4 GBP
TUI Travel Partner Services Japan KK, Tokio		100	54.1	2,157.7	2,319.1 JPY
TUI TRAVEL PLC, Crawley	54.1		54.1	487,663.7	225,550.7 GBP
TUI Travel SAS Adventure Limited, Crawley		100	54.1	36,352.5	-7,710.8 GBP
TUI Travel SAS Benelux B.V., Rotterdam <sup>7</sup>		100	54.1		
TUI Travel SAS Holdings Limited, Tring, Hertfordshire		100	54.1	136,351	-15.2 GBP
TUI Travel SAS Services Limited, Crawley		100	54.1	0	0 GBP
TUI TRAVEL SAS Transport Limited, Crawley		100	32.4	0	0 GBP
TUI UK Italia S.r.L., Turin		100	54.1	385.3	16.3 EUR
TUI UK Ltd., Crawley		100	54.1	-128,000	-93,000 GBP
TUI UK Retail Limited, Crawley		100	54.1	-107,966	-5,372 GBP
TUI UK Transport Ltd., Crawley		100	54.1	172,912	144,187 GBP
TUI.com GmbH, Berlin <sup>1</sup>		100	54.1	518.3	0 EUR
TUIfly GmbH, Langenhagen <sup>1</sup>		100	54.1	89,144.1	0 EUR
TUIfly Nordic AB, Stockholm		100	54.1	15,526	183,461 SEK
TUIfly Vermarktungs GmbH, Langenhagen <sup>1</sup>		100	54.1	40.9	0 EUR
Tunisie Investment Services Holding S.A., Tunis		100	54.1	-100	-100 TND
Tunisie Voyages S.A., Tunis		100	54.1	-7,201.2	-2,225.7 TND

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Turismo Asia Company Ltd., Bangkok		100	54.1	-250,342.7	0 THB
Ultramar Express Transport S.A., Palma de Mallorca		100	54.1	20,795.6	2,424.3 EUR
Unijet Group Limited, Crawley		100	54.1	-4,255	-6,124 GBP
Unijet Leisure Limited, Crawley		100	54.1	-4,136	-717 GBP
Urban Adventures Limited, Hongkong		100	32.4	-89.2	-122.9 USD
Versun Yachts NSA, Athens		100	54.1	7,276	425.5 EUR
Viagens Aurora Limitada, Albufeira		95	51.4	-3.9	353.2 EUR
Viagens Elena Limitada, Albufeira		100	54.1	2,721.8	0 EUR
Viking Aviation Limited, Crawley		100	54.1	185.5	0 GBP
Voukouvalides Travel & Tourism S.A., Kos		100	54.1	1,640.9	638.6 EUR
We Love Rugby Pty Ltd, Banksia		100	54.1	0	0 AUD
Williment Travel Group Limited, Wellington		100	54.1	6,817.6	685.2 NZD
Wolters Reisen GmbH, Stuhr/Brinkum <sup>1</sup>		100	54.1	4,601.6	0 EUR
Wonder Cruises AB, Stockholm		100	27.6	1,926.5	-327.2 SEK
Wonder Holding AB, Stockholm		51	27.6	4,013	-179.1 SEK
World Challenge Expeditions Limited, Crawley		100	54.1	902	1,348 GBP
World Challenge Expeditions Pty Ltd, Victoria		100	54.1	323.4	294.5 AUD
World Challenge Expeditions, Inc., Cambridge, MA		100	54.1	-1,615.9	-49.1 USD
World Challenge NZ Limited, Wellington		100	54.1	450	447.7 NZD
World of TUI Ltd., Crawley		100	54.1	0	0 GBP
Yachts International Limited, British Virgin Islands		100	54.1	39,232.4	48.8 USD
YIL, LLC, State of Delaware		100	54.1	2,641.2	783.5 USD
Your Man Tours, Inc., El Segundo, CA		100	54.1	6,267.7	2,831.1 USD
Zegrahm Expeditions, Inc., Seattle		100	54.1	6,341.7	1,455.1 USD
<b>Tourism – TUI Hotels &amp; Resorts</b>					
„MAGIC LIFE“ Assets AG, Vienna		100	100	26,587.8	-501.8 EUR
BU RIUSA II EOOD, Sofia		100	50	15	0 BGN
Cabotel-Hoteleria e Turismo Lda., Santiago/Cape Verde		100	50	21,430,324	2,213,862.5 CVE
Carlson Anse Marcel SNC <sup>7</sup>		100	50		
Carlson Saint-Martin SAS, Basse Terre <sup>7</sup>		100	50		
Clubhotel Management AE, Athens		100	100	1,281.1	168 EUR
Daidalos Hotel- und Touristikunternehmen A.E., Athens <sup>3</sup>		89.8	89.8	6,950.2	608.1 EUR
Dominicanotel S.A., Puerto Plata		100	50	967,172.9	65,102.6 DOP
Egyptian Germany Co. for Hotels (L.T.D), Cairo	66,6		66.6	1,960.1	692.5 EGP
GEAFOND Número Dos Fuerteventura S.A., Las Palmas, Gran Canaria		100	50	1,865	3.1 EUR
GEAFOND Número Uno Lanzarote S.A., Las Palmas, Gran Canaria		100	50	4,358.2	-81.7 EUR
Holiday Center S.A., Cala Serena/Cala d'Or		100	100	5,444.6	1,116.7 EUR
Iberotel International A.S., Antalya	100		100	-2,841.2	-1,470.2 TRY
Iberotel Otelcilik A.S., Istanbul	0,2	99,8	100	23,040	509.4 TRY
Jandia Playa S.A., Morro Jable/Fuerteventura		100	100	45,301	2,353.5 EUR
Jaz Hotels & Resorts S.A.E., Cairo	51		51	38,820.6	4,694.1 EGP
Magic Life GmbH & Co KG, Vienna		100	100	-35,910	EUR <sup>2</sup>
Marina Riusa II SAS, Basse Terre <sup>7</sup>		100	50		
MX RIUSA II S.A. de C.V., Cabo San Lucas		100	50	3,402,805.3	356,533.5 MXN
Promociones y Edificaciones Chiclana S.A., Palma de Mallorca		100	50	2,018	108 EUR
Puerto Plata Caribe Beach S.A., Puerto Plata		100	50	26,999.4	0 DOP
RCHM S.A.S., Agadir	0	100	100	3,950.9	-5,392.1 MAD
Rideway Investment Ltd., London		100	50	-5	0 EUR
Riu Jamaicotel Ltd., Negril		100	50	15,864,264.5	1,408,347.5 JMD
Riu Le Morne Ltd, Port Louis <sup>7</sup>		100	50		

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RIUSA II S.A., Palma de Mallorca <sup>6</sup>		50	50	558,384.8	54,466.4 EUR
RIUSA NED B.V., Amsterdam		100	50	131,101.2	24,431.8 USD
ROBINSON AUSTRIA Clubhotel GmbH, Villach-Landskron		100	100	3,772.7	1,137.6 EUR
Robinson Club GmbH, Hanover <sup>1</sup>	100		100	30,658.5	0 EUR
Robinson Club Italia S.p.A., Marina di Ugento		100	100	11,016	624.6 EUR
Robinson Club Maldives Private Limited, Malé		100	100	-9,626	-1,602.9 USD
Robinson Clubhotel Turizm Ltd. Sti., Istanbul	1	99	100	19,237.9	4,303.1 TRY
Robinson Hoteles España S.A., Cala d'Or	0	100	100	1,014.9	423.4 EUR
Robinson Hotels Portugal S.A., Vila Nova de Cacela		67	67	7,154.8	-635.7 EUR
Robinson Otelcilik A.S., Istanbul		100	100	33,954.9	601.8 TRY
STIVA RII Ltd., Dublin		100	50	4,163.1	18,111.3 USD
TdC Agricoltura Società agricola a r.l., Florence		100	100	613.1	-307.2 EUR
TdC Amministrazione S.r.l., Florence		100	100	375.7	-844.1 EUR
Tenuta di Castelfalfi S.p.A., Florence	100		100	46,301.2	-10,556.7 EUR
Tunisotel S.A.R.L., Tunis		100	50	5,325.8	5,757.6 TND
Turcotel Turizm A.S., Istanbul		100	100	19,389.3	-11,777.3 TRY
Turkuaz Insaat Turizm A.S., Ankara	100		100	19,711.9	1,928.8 TRY
<b>Touristik – Cruises</b>					
Hapag-Lloyd (Bahamas) Ltd., Nassau	100		100	5,393.9	12.6 EUR
Hapag-Lloyd Kreuzfahrten GmbH, Hamburg	100		100	1,422.8	0 EUR
Preussag Beteiligungsverwaltungs GmbH IX, Hanover <sup>1</sup>		100	100	105,025	0 EUR
<b>Other companies</b>					
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	-20,461	0 USD
Cast Group Services Limited, Crawley		100	100	2,263.5	0 GBP
Cast Terminal Europe N.V., Antwerp		100	100	-54.2	0 EUR
Contship Holdings Limited, Crawley		100	100	6,787.4	0 USD
CP Ships (Bermuda) Ltd., Hamilton		100	100	1,980.4	-75.8 USD
CP Ships (UK) Limited, Crawley		100	100	28,722	-1,692 USD
CP Ships Ltd., Saint John		100	100	59,524.3	1,059.7 CAD
CPS Holdings (No. 2) Limited, Crawley		100	100	6,747.8	0 USD
CPS Number 4 Limited, Crawley		100	100	11,220	0 USD
DEFAG Beteiligungsverwaltungs GmbH I, Hanover	100		100	525,025	0 EUR
DEFAG Beteiligungsverwaltungs GmbH III, Hanover	100		100	250,025	0 EUR
PM Peiner Maschinen GmbH, Hanover	100		100	5,068.4	-623 EUR
Preussag Immobilien GmbH, Salzgitter <sup>1</sup>	100		100	73,958.2	0 EUR
Preussag UK Ltd., Crawley	100		100	112,017	785 GBP
TUI Beteiligungs GmbH, Hanover <sup>1</sup>	100		100	202,012.3	0 EUR
TUI Connect GmbH, Hanover <sup>1</sup>		100	100	25	0 EUR
TUI Group Services GmbH, Hanover <sup>1</sup>	100		100	18,146.3	0 EUR
TUI-Hapag Beteiligungs GmbH, Hanover	100		100	568,025	0 EUR
<b>Non-consolidated Group companies</b>					
<b>Tourism – TUI Travel</b>					
„Schwerin Plus“ Touristik-Service GmbH, Schwerin <sup>1</sup>		80	43.3	33.4	0 EUR
Airline Consultancy Services S.A.R.L., Casablanca		100	54.1	124.5	-3.1 MAD
All Pacific Travel Concept (Fiji) Ltd, Nadi		51	13.8	97.3	36.2 FJD
AMCP S.a.r.l., Montreuil		100	54.1	-20.9	-0.7 EUR

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APTC NZ Limited, Wellington		100	27.1	164.2	5.6 NZD
APTC Pty. Ltd., Sydney		100	27.1	706.2	13 AUD
Atora GmbH, Kiel		85	23.1	28.9	25.1 EUR
Berge & Meer Polska Zp. z o.o (i.L.), Warsaw		100	54.1	73.8	-651 PLN
Best4Concept GmbH, Rengsdorf		100	54.1	27	0 EUR
BFS Touristik Ges.mbH Nachfolge Ges.mbH & Co KG, Innsbruck		100	54.1	142.2	EUR <sup>2</sup>
Boomerang – Solutions GmbH, Trier		95	38.5	46.3	5.1 EUR
Boomerang Reisen – Pacific Tours AG, Zurich		100	40.6	118.8	34.8 CHF
Brunalp SARL, Venosc		100	54.1	-373	-10 EUR
Creativ-Werbe- und Beratungsgesellschaft mbH, Kiel		100	27.1	230.8	32.7 EUR
FIRST Reisebüro Güttler GmbH & Co. KG, Dormagen		75,1	40.6	51.1	EUR <sup>2</sup>
FIRST Reisebüro Güttler Verwaltungs GmbH, Hanover		75	40.6	33.9	-1.7 EUR
FIRST Travel GmbH, Hanover <sup>1</sup>		100	54.1	25.6	0 EUR
GeBeCo Verwaltungsgesellschaft mbH, Kiel		50,2	27.1	25.3	1.5 EUR
Guerba Expeditions Namibia (Proprietary) Limited, Windhoek <sup>7</sup>		100	32.4		
Hapag-Lloyd Reisebüro Hagen GmbH & Co. KG, Hanover		70	37.8	100	EUR <sup>2</sup>
Hapag-Lloyd Reisebüro Hagen Verwaltungs GmbH, Hanover		70	37.9	22.1	-1.6 EUR
Hapag-Lloyd Reisebüro Lübeck Verwaltungs GmbH, Hanover		100	54.1	19.5	-1 EUR
Hotel Club du Carbet S.A., Montreuil		100	54.1	-7,903.5	-7.2 EUR
Hotels London Ltd, Crawley		100	54.1	0.1	0 GBP
HV Finance S.A.S., Montreuil		100	54.1	-219.3	-189 EUR
IRS Info-Reise-Service GmbH, Kiel		100	27.1	-338	-83.2 EUR
Last-Minute-Restplatzreisen GmbH, Baden-Baden <sup>1</sup>		100	37.9	27.4	0 EUR
LATC Turismo Ltda, Rio de Janeiro		100	27.1	11.4	-58.1 BRL
Loc Vacances S.A.R.L., Chartres de Bretagne		100	54.1	24	7.9 EUR
L'TUR Nederland B.V., Amsterdam		100	37.9	114.9	10.3 EUR
L'TUR Polska Sp.z o.o., Stettin		100	37.9	243.9	40.4 PLN
L'TUR S.A.R.L., Schiltigheim		100	37.9	74	56.2 EUR
LTUR Tourismus AG, Gesellschaft für Chartertouren und Reisen, Basel		99,5	37.7	288.8	129.6 CHF
Magyar TUI Utazásszervező, Kereskedelmi és Szolgáltató Kft., Budapest		100	54.1	8,782	-22,696 HUF
N.S.E. Travel and Tourism SA (i.L.), Athens		100	54.1	-204.6	-3.3 EUR
NOF Sociedade Imobiliaria, Lda, Lisbon		100	54.1	89.3	2.5 EUR
Nouvelles Frontières Maroc S.C.I. (i.L.), Marrakech		99,9	54	740.3	-1.5 MAD
Orchideen-Reisebüro GmbH, Hamburg <sup>1</sup>		100	54.1	25.9	0 EUR
Reisefalke GmbH, Vienna		60	32.4	-1,794.1	663.2 EUR
Résidence Hôtelière Les Pins SARL (i.L.), Montreuil		100	54.1	-55.9	-0.5 EUR
Societe de Gestion du resort Al Baraka, Marrakech		100	54.1	20	0 EUR
TLT Urlaubsreisen GmbH, Hanover <sup>1</sup>		100	54.1	27.1	0 EUR
travel-Ba.Sys Beteiligungs GmbH, Mülheim/Ruhr		83,5	45.2	41.9	0.2 EUR
Travelland GmbH, Neuss <sup>1</sup>		100	54.1	25.6	0 EUR
TUI 4 U Poland sp.zo.o., Warsaw		100	54.1	546.7	80.1 PLN
TUI d.o.o., Maribor		100	54.1	20.6	0.1 EUR
TUI Magyarország Utazási Iroda Kft., Budapest		100	54.1	15,797	12,180 HUF
TUI Reisecenter GmbH, Salzburg		100	54.1	34.7	-0.3 EUR
TUI ReiseCenter Slovensko s.r.o., Bratislava		100	54.1	243.6	53.4 EUR
TUI Travel Card Processing SARL, Luxembourg <sup>7</sup>		100	54.1		
TUIFly Academy Brussels, Zaventem		100	54.1	209.1	30.7 EUR
Vögler's Angelreisen GmbH, Hamburg <sup>1</sup>		100	54.1	25	0 EUR
VPM Antilles S.R.L., Montreuil		100	54.1	-8,997	-3.3 EUR
VPM SA, Montreuil		100	54.1	-12,725	-8.3 EUR

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<b>Tourism – TUI Hotels &amp; Resorts</b>					
Golfclub Toscana Resort Castelfalfi S.r.l., Florence		100	100	0.2	– 2.3 EUR
Ibérica Hotelera S.A., Palma de Mallorca		100	100	174.8	16.1 EUR
Magic Life Bulgaria EOOD, Sosopol		100	100	– 301	117 BGN
Magic Life GmbH, Vienna		100	100	92.7	9.5 EUR
Oberkirchleithn Hoteldorf Ges.m.b.H., Villach		100	100	281.3	– 6 EUR
Trendturc Turizm Otelcilik ve Ticaret A.S., Istanbul		100	100	1.1	– 5.8 TRL
Unterkirchleithn Hoteldorf Ges.m.b.H., Villach		100	100	259.5	– 6 EUR
<b>Tourism – Cruises</b>					
HANSEATIC TOURS Reisedienst GmbH, Hamburg		100	100	99.6	0.1 EUR
STAR TOURS Reisedienst GmbH, Hamburg <sup>1</sup>		100	100	25.7	0 EUR
<b>Other companies</b>					
Bergbau Goslar GmbH, Goslar	100		100	1,718.7	– 515.1 EUR
CP Ships Services, Inc., Alberta		100	100	4	0 CAD
Niedersachsen Versicherungs AG, Hamburg		100	100	3,504.6	– 76.4 EUR
Preussag Beteiligungsverwaltungs GmbH XIV, Hanover		100	100	18	– 0.7 EUR
Preussag Finance B.V., Amsterdam	100		100	5.9	– 8.4 EUR
TUI Beteiligungsverwaltungs GmbH II, Hanover		100	100	25	0 EUR
TUI Beteiligungsverwaltungs GmbH III, Hanover		100	100	25	0 EUR
TUI Insurance Services GmbH, Hanover	100		100	30.9	0 EUR
<b>Companies measured at equity</b>					
<b>Tourism – TUI Travel</b>					
.BOSYS SOFTWARE GMBH, Hamburg		25,2	11.4	907	869.5 EUR
2332491 Ontario Inc, Toronto <sup>7</sup>		49	26.5		
ACCON-RVS Accounting & Consulting GmbH, Berlin		50	27	533.5	0 EUR
Aeolos Travel LLP, Nicosia		49,9	27	0	1,224.2 EUR
Aitken Spence Travels Ltd, Colombo		50	27	1,296,365.7	498,693.3 LKR
Alpha Tourism and Marketing Services Ltd., Port Louis		25	13.5	7,068.1	3,900.6 USD
Alpha Travel (U.K.) Limited, Harrow		25	13.5	1,416	652.9 GBP
alps & cities 4ever GmbH, Vienna		50	27	– 215.8	– 250.8 EUR
Atlantica Hellas S.A., Rhodes		50	27	63,472.7	2,016.9 EUR
Atlantica Hotels and Resorts S.A., Lemesos		49,9	27	10,456.1	85.1 CYP
Bartu Turizm Yatirimlari Anonim Sirketi, Istanbul		50	27	144,917.8	6,268.7 TRY
Blue Diamond Hotels and Resorts Inc., St. Michael		49	26.5	98,338.3	9,914 USD
Bonitos GmbH & Co KG, Frankfurt		50	27	840.4	EUR <sup>2</sup>
DER Reisecenter TUI GmbH, Berlin		50	27	1,931.7	0 EUR
Himalayan Encounters PVT LTD, Kathmandu		33	10.7	41,670.9	24,471.5 NPR
Holiday Travel (Israel) Limited, Airport City		50	27	7,395	1,488 ILS
InteRes Gesellschaft für Informationstechnologie mbH, Darmstadt		25,2	13.6	930.5	313.2 EUR
Intrepid Connections Investments PTY LTD, South Melbourne		50	16.2	0	0 AUD
Intrepid Vietnam Travel Company Ltd, Hanoi		49	15.9	17,288,703.8	12,965,899.5 VND
Karisma Hotels Adriatic d.o.o., Zagreb		33,3	18	34,662.4	2,127.1 HRK
Pollman's Tours and Safaris Limited, Nairobi		25	13.5	380,400.5	– 19,520 KES
Raiffeisen-Tours RT-Reisen GmbH, Burghausen		25,1	13.6	1,476.4	3,659.4 EUR
Ranger Safaris Ltd., Arusha		25	13.5	6,585,926.3	820,082 TZS
Safeharbour One SL, Barcelona		50	27	11,030	1,048.3 EUR
Sunwing Travel Group Inc, Toronto		49	26.5	49,939.9	59,242.1 CAD
Teckcenter Reisebüro GmbH, Kirchheim/T.		50	27	706.6	194.7 EUR

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

COMPANY	SHARE-	SHARE-	SHARE-	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
	HOLDINGS* DIRECT	HOLDINGS* INDIRECT	HOLDINGS* GROUP SHARE		
Togebi Holdings Ltd, Cyprus		49	26.5	-7,184.6	0 USD
Traffic Sportsworld Eventos Ltda, São Paulo <sup>7</sup>		50	27		
Travco Group Holding S.A.E., Cairo		50	27	48,700.9 EGP	32,200.9 EGP
TRAVELStar GmbH, Hanover		50	27	500	952.2 EUR
TT Services Lanka Private Ltd, Colombo		50	27	12,775.7	4,594.1 LKR
Vacation Express USA Corp., Atlanta		49	26.5	-101.4	17.2 USD
<b>Tourism – TUI Hotels &amp; Resorts</b>					
Ahungalla Resorts Limited, Bentota <sup>7</sup>		40	20		
aQi Hotel Schladming GmbH, Bad Erlach	49		49	396.3	22.4 EUR
aQi Hotelmanagement GmbH, Bad Erlach <sup>5</sup>	51		51	71.7	5.5 EUR
ENC for touristic Projects Company S.A.E., Sharm el Sheikh	49	1	49.7	55,266.6	7,266.6 EGP
Etapex, S.A., Agadir		35	17.5	67,723.4	10,069.5 MAD
Fanara Residence for Hotels S.A.E., Sharm el Sheikh	50		50	9,526.2	1,056.2 EGP
First Om El Gorayfat Company for Hotels S.A.E., Mersa Allam	50		50	69,130.2	18,202.9 EGP
GBH Turizm Sanayi Isletmecilik ve Ticaret A.S., Istanbul		50	50	16,253.4	162.8 TRY
Golden Lotus Hotel Company S.A.E., Luxor	50		50	16,035.9	-2,610.8 EGP
Grecohotel S.A., Rethymnon	50		50	3,307.5	-765.8 EUR
GRUPOTEL DOS S.A., Can Picafort	50		50	70,197.8	5,575.9 EUR
Kamarayat Nabq Company for Hotels S.A.E., Sharm el Sheikh	49	1	49.7	99,717.9	40,317.9 EGP
Makadi Club for Hotels S.A.E., Hurghada	50		50	27,753.5	5,253.5 EGP
Mirage Resorts Company S.A.E., Hurghada	50		50	45,975.8	15,975.8 EGP
Oasis Company for Hotels S.A.E., Hurghada	50		50	32,993.7	5,517.5 EGP
Phaiax A.E.T.A., Corfu	50		50	70,181.1	6,517.2 EUR
Quinta da Ria Empreendimentos do Algarve, S.A., Vila Nova de Cacela		33	33	-433.4	-697.9 EUR
Riu Hotels S.A., Palma de Mallorca		49	49	365,817.7	27,291.2 EUR
Sharm El Maya Touristic Hotels Co. S.A.E., Cairo	49	1	49.7	95,756.7	14,406.7 EGP
Sun Oasis for Hotels Company S.A.E., Hurghada	50		50	72,385.9	15,185.9 EGP
Tikida Bay S.A., Agadir		34	34	124,584.5	3,462.5 MAD
TIKIDA DUNES S.A., Agadir		30	15	217,864.4	43,420.7 MAD
Tikida Palmeraie S.A., Marrakech		33.3	16.7	110,142.4	12,969.8 MAD
UK Hotel Holdings FZC L.L.C., Fujairah	50		50	126,749.3	21,742.1 AED
<b>Tourism – Cruises</b>					
TUI Cruises GmbH, Hamburg	50		50	380,499.1	32,717.6 EUR
<b>Other companies</b>					
Hapag-Lloyd Aktiengesellschaft, Hamburg		22	22	1,114,156.6	108,403.9 EUR
<b>Other companies</b>					
<b>Tourism – TUI Travel</b>					
Aeolos Ltd., Limassol		50	27	0	0 EUR
Agrupacion de Agencias de Viajes de Sevilla para el Turismo de Negocios AIE, Sevilla		25	13.5	0	0 EUR
Belgian Travel Network cvba, Sint-Martens-Latem		50	27	250.8	8.4 EUR
Bonitos Verwaltungs GmbH, Frankfurt		50	27	36.8	1.5 EUR
Ender Hapag-Lloyd Reisebüro GmbH & Co. KG, Emden		50	27	10.2	EUR <sup>2</sup>
Ender Hapag-Lloyd Reisebüro Verwaltungs GmbH, Emden		50	27	25.6	-0.6 EUR
Fiddington Manor Limited, Tewkesbury		50	27	0	0 GBP
FIRST-KVG Reisebüro Hameln GmbH, Hameln		50	27	79	-57.5 EUR
Hydrant Refuelling System NV, Brussels <sup>7</sup>		25	13.5		

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



COMPANY	SHARE-	SHARE-	SHARE-	EQUITY IN '000	RESULT FOR THE YEAR CURRENCY IN '000
	HOLDINGS* DIRECT	HOLDINGS* INDIRECT	HOLDINGS* GROUP SHARE		
Inter Loisirs Hotel SARL, Casablanca		45	24.3	-139.7	-451.5 MAD
Marmara Madina SARL, Marrakech		45	24.3	3,125.5	242.7 MAD
Peruvian Odyssey SA, Lima		20	10.8	0	0 PEN
Service Travel Tour SA, Tunis		50	27	610.3	-676.2 TND
Smart Data Solution Co Ltd, Bangkok		49	26.5	4,340.9	322.2 THB
Südwest Presse + Hapag-Lloyd Reisebüro GmbH & Co.KG, Ulm		50	27	100	EUR <sup>2</sup>
Südwest Presse + Hapag-Lloyd Reisebüro Verwaltungs GmbH, Ulm		50	27	20.9	-1.5 EUR
T.T. Visa Services India Private Limited, New Dehli <sup>7</sup>		49	26.5		
TMR OOO, Moscow		34	18.4	-8,279	-32,054 RUB
TMTI Limited, Nicosia		34	18.4	-10,405.4	-2,840.8 USD
TRAVELStar Touristik GmbH & Co. OHG, Vienna		50	27	118.2	EUR <sup>2</sup>
TUI Products & Services GmbH & Co. KG i.L., Hamburg		49	26.5	-145.7	EUR <sup>2</sup>
<b>Tourism – TUI Hotels &amp; Resorts</b>					
Clubhotel Kleinarl GmbH, Flachau <sup>4</sup>		24	24	43.5	3.6 EUR
Clubhotel Kleinarl GmbH & Co KG, Flachau <sup>4</sup>		24	24	5,239.9	EUR <sup>2</sup>
<b>Other companies</b>					
Elevator-Gesellschaft mit beschränkter Haftung, Hanover		50	50	192.3	-17.6 EUR
Foban Beteiligungs GmbH & Co. Vermietungs-KG, Pullach <sup>5</sup>	94		94	3,637.9	EUR <sup>2</sup>
Portmade NV, Antwerp		49	49	1,540.3	975.4 EUR
TUI-Haus Verwaltung GmbH & Co. Vermietungs-KG, Pullach i. Isartal <sup>5</sup>	89		89	8,598.6	EUR <sup>2</sup>
Wissenschaftszentrum Kiel GmbH, Kiel		24,5	24,5	-175.9	-112.2 EUR

<sup>1</sup> Profit and loss transfer agreement with parent company.

<sup>2</sup> Result for the year is attributable to the shareholder accounts.

<sup>3</sup> Extended financial year 1 Jan 2012 – 30 Sep 2013.

<sup>4</sup> Short financial year 1 Jan – 30 Sep 2013.

<sup>5</sup> Voting restriction.

<sup>6</sup> Entrepreneurial management.

<sup>7</sup> Data not available.

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

49 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 2014

### NAME AND DOMICILE OF COMPANY

BFS Touristik Ges.mbh Nachfolge Ges.mbh & Co KG, Innsbruck  
Bonitos GmbH & Co KG, Frankfurt  
Clubhotel Kleinarl GmbH & Co KG, Flachau  
Emder 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

TUI Austria Holding GmbH, Vienna  
Bonitos Verwaltungs GmbH, Frankfurt  
Clubhotel Kleinarl GmbH, Flachau  
Emder 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

# CORPORATE GOVERNANCE REPORT

Statement on Corporate Governance (as part of the Management Report)

The actions of TUI AG's management and oversight bodies are determined by the principles of good and responsible corporate governance.

In this chapter, the Executive Board – also acting on behalf of the Supervisory Board – provides its report on corporate governance in the Company pursuant to sub-section 3.10 of the German Corporate Governance Code and section 289a of the German Commercial Code (HGB).

## Declaration of compliance pursuant to section 161 of the German Stock Corporation Act

The Executive Board and the Supervisory Board discussed corporate governance issues several times in financial year 2013 / 14 and jointly submitted the declaration of compliance for 2014 in December 2014, pursuant to section 161 of the German Stock Corporation Act. The declaration was made permanently accessible to the general public on TUI AG's website.

### WORDING OF THE DECLARATION OF COMPLIANCE FOR 2014

"In accordance with section 161 of the German Stock Corporation Act, the Executive Board and Supervisory Board of TUI AG hereby declare:

For the new service contracts with Executive Board members and the extensions to the contracts of Mr Joussem, Mr Baier and Mr Long in 2014, an age limit has been specified (no. 5.1.2 German Corporate Governance Code). In that context it was also agreed that transactions between the Company on the one hand and Executive Board members or persons to whom they are close or companies with which they have a personal association must comply with standards customary in the sector and that important transactions of this type require the approval of the Supervisory Board (4.3.4 DCGK). No transactions were concluded between the Company and Executive Board members or persons to whom they are close or companies with whom they have a personal association.

The caps for the total compensation and variable compensation components were expressly agreed with Mr Joussem and Mr Baier in December 2013, including caps for individual compensation components (4.2.3 DCGK). This also applies to the service contracts newly concluded in 2014 and the extension to Mr Long's contract.

The service contracts previously did not comprise any clauses on the recommendations listed above as they constituted legacy contracts.

On 14 August 2014, the Company published a 'Trading update 9M 2013 / 14'. However, it only published the complete Interim Report as at 30 June 2014 on 15 September 2014, i.e. more than 45 days after the end of the reporting period (7.1.2 DCGK). This late publication was attributable to the full review of the Interim Report required due to the planned merger with TUI Travel PLC.

Other than that, the recommendations of the Government Commission on the German Corporate Governance Code in its version of 13 May 2013 were fully observed up until 29 September 2014. Since 30 September 2014, the Company has fully complied with the recommendations of the Government Commission on the German Corporate Governance Code in its version of 24 May 2014, as published by the Government Commission on the German Corporate Governance Code in the official section of the electronic Federal Gazette."



*The current and all previous declarations of compliance have been made permanently available on the web at: [www.tui-group.com/en/ir/corporate\\_governance](http://www.tui-group.com/en/ir/corporate_governance)*

## Functioning of the Executive and Supervisory Boards

TUI AG is a company under German law. One of the fundamental principles of German stock corporation law is the dual management system involving two bodies, the Executive Board in charge of managing the company and the Supervisory Board in charge of monitoring the company. TUI AG's Executive Board and Supervisory Board cooperate closely and in a spirit of trust in managing and overseeing the Company, with strict separation between the two bodies in terms of their membership and competences. Both bodies are obliged to ensure the continued existence of the Company and sustainable creation of added value in harmony with the principles of the social market economy.

TUI AG's Executive Board comprised three members as at the closing date 30 September 2014. The Executive Board is responsible for managing the Company's business operations in the interests of the Company. The allocation of functions and responsibilities to individual Board members is presented in a separate section.

In accordance with the Articles of Association, the Supervisory Board had 16 members at the balance sheet date, i.e. 30 September 2014. It advises and oversees the Executive Board in the management of the Company. It is involved in strategic and planning decisions and all decisions of fundamental importance to the Company. In accordance with the terms of reference, decisions taken by the Executive Board on major transactions such as the annual budget, major acquisitions or divestments require the approval of the Supervisory Board. The Chairman of the Supervisory Board coordinates the work in the Supervisory Board, chairs its meetings and represents the concerns of the body externally.

The Executive Board provides the Supervisory Board with comprehensive up-to-date information at regular meetings and in writing about the strategy, the budget, business performance and the situation of the Group, including risk management and compliance. The Supervisory Board has adopted terms of reference governing its work. In the run-up to the Supervisory Board meetings, the representatives of shareholders and employees meet separately.

TUI AG has taken out a D&O insurance policy with an appropriate deductible for all members of the Executive Board and Supervisory Board. The deductible amounts to 10 % of the loss up to the amount of one and a half times the fixed annual compensation.

### COMPOSITION OF THE SUPERVISORY BOARD

As at the balance sheet date, 30 September 2014, the Supervisory Board of TUI AG comprised 15 members. The vacancy that had arisen when Anass Hour Alami left the Supervisory Board as a shareholder representative on 24 June 2014 was not filled again for the time being in the light of the planned merger between TUI AG and TUI Travel PLC. Pursuant to section 8 of the Terms of Reference for the Supervisory Board of TUI AG and in line with the recommendations of the German Corporate Governance Code, the composition of the Supervisory Board should ensure that its members jointly have the knowledge, skills and technical experience required for the proper implementation of their tasks. The goals set by the Supervisory Board itself for its composition include in particular comprehensive industry knowledge, internationality, diversity and an appropriate participation of women. More specifically, the goal has been to have four female members, four members with considerable international experience and at least three independent shareholder representatives.

In line with the Company's own objectives, the Supervisory Board of TUI AG included four female members throughout the completed financial year 2013/14. Ten Supervisory Board members have considerable international experience. Due to the different career paths of its members, the composition of the Supervisory Board reflects strong diversity in terms of relevant experience, skills and industry knowledge. The Supervisory Board comprised three shareholder representatives who do not have a business or personal relationship with the Company, its Executive Board or any third parties that might give rise to a major conflict of interests.



*For functions, see section on Executive Board and Supervisory Board on page 62 et seq.*



*For details about the activities of the Supervisory Board, see Supervisory Board Report from page 65*



*For current composition, go to: [www.tui-group.com/en/company/management](http://www.tui-group.com/en/company/management)*

In accordance with the recommendations of the German Corporate Governance Code, the eight original shareholder representatives were individually elected for five-year terms of office in the elections to the Supervisory Board at the Annual General Meeting in 2011. Three shareholder representatives stepped down from the Supervisory Board in the course of financial year 2013/14. Vladimir Lukin was elected by the 2014 ordinary Annual General Meeting to replace one of these former members. Another new representative, Maxim Shemetov, was appointed by the district court of Hanover by order of 14 March for a term of office expiring upon the close of the Annual General Meeting adopting a resolution regarding the financial statements for the financial year ended 30 September 2015. The vacancy that arose when the third shareholder representative, Anass Houir Alami, left the Supervisory Board was not filled in the light of the planned merger between TUI AG and TUI Travel PLC. Two of the eight employee representatives elected in January 2011 left the Supervisory Board in the course of financial year 2013/14. The district court of Hanover appointed two new members, Peter Bremme and Carola Schwirn, to replace them. None of the Supervisory Board members were older than 68 years of age upon election. In financial year 2013/14, no former Executive Board members of TUI AG were represented on the Supervisory Board.

#### COMMITTEES OF THE SUPERVISORY BOARD

At 30 September 2014, the balance sheet date, the Supervisory Board had established four committees from among its members to support its work: the Presiding Committee, the Audit Committee, the Nomination Committee and the Galaxy Committee. It also decided to set up an Integration Committee for a period of two years after completion of the planned merger with TUI Travel PLC.

The Presiding Committee and Audit Committee have six members each, with an equal number of shareholder and employee representatives. The Presiding Committee prepares the issues and resolutions to be discussed at the Supervisory Board meetings. It also prepares the appointment of Executive Board members, including the terms and conditions of service contracts and remuneration proposals. The Audit Committee's task is to support the Supervisory Board in exercising its oversight function. The Chairman of the Audit Committee is an independent financial expert and has particular knowledge and experience in the application of accounting principles and internal control methods from his own professional practice. The Nomination Committee consists exclusively of shareholder representatives, in accordance with the German Corporate Governance Code. Its task is to suggest suitable candidates to the Supervisory Board for its proposal to the Annual General Meeting. The Galaxy Committee prepares issues related to the planned merger of TUI AG and TUI Travel PLC for the Supervisory Board and has also been authorised to take decisions in these matters on behalf of the Supervisory Board.

Executive and Supervisory Board members are obliged to act in TUI AG's best interests. In the completed financial year 2013/14, there were no conflicts of interest requiring disclosure to the Supervisory Board. None of the Executive Board members of TUI AG sat on more than three supervisory boards of listed non-Group companies or supervisory bodies of companies with similar requirements.

### Additional corporate governance disclosures

#### SHAREHOLDERS AND ANNUAL GENERAL MEETING

TUI AG shareholders exercise their co-determination and monitoring rights at the Annual General Meeting, which takes place at least once a year. The AGM takes decisions on all statutory matters, and these are binding on all shareholders and the Company. For voting on resolutions, each share confers one vote.

All shareholders registering in due time are entitled to participate in the Annual General Meeting. Shareholders who are not able to attend the AGM in person are entitled to have their voting rights exercised by a bank, a shareholder association, one of the representatives provided by TUI AG and acting on the shareholders' behalf in accordance with their instructions, or some other proxy of their own choosing. Shareholders also have the opportunity of authorising the representative provided by TUI AG via the web in the run-up to the AGM. Shareholders can, moreover, register for electronic dispatch of the AGM documents.



Information on the AGM at:  
[www.tui-group.com/en/ir/agm](http://www.tui-group.com/en/ir/agm)

The invitation to the AGM and the reports and information required for voting are published in accordance with the provisions of the German Stock Corporation Act and provided in German and English on TUI AG's website. During the AGM, the presentations by the chairmen of the Supervisory Board and the Executive Board can be followed live over the internet.

#### RISK MANAGEMENT

Good corporate governance entails the responsible handling of commercial risks. The Executive Board of TUI AG and the management of the TUI Group have comprehensive general and company-specific reporting and monitoring systems available to identify, assess and manage these risks. These systems are continually developed, adjusted to match changes in overall conditions and reviewed by the auditors. The Executive Board regularly informs the Supervisory Board about existing risks and changes to these risks. The Audit Committee deals in particular with monitoring the accounting process, including reporting, the effectiveness of the internal control and risk management systems and the internal auditing system, compliance and audit of the annual financial statements.

More detailed information about risk management in the TUI Group is presented in the Risk Report. It also contains the report on the accounting-related internal control and risk management system required in accordance with the German Commercial Code (sections 289 (5), 315 (2) no 5 HGB).



*Risk Report in Annual Report of TUI AG 2013/14 from page 116*

#### TRANSPARENCY

TUI provides immediate, regular and up-to-date information about the Group's economic situation and new developments to capital market participants and the interested public. The Annual Report and the Interim Reports are published within the applicable timeframes. The Company publishes press releases and ad hoc announcements, if required, on topical events and any new developments. Moreover, the company website at [www.tui-group.com](http://www.tui-group.com) provides comprehensive information on the TUI Group and the TUI share.

The scheduled dates for the main regular events and publications – such as the AGM, Annual Report and Interim Reports – are set out in a financial calendar. The calendar is published well in advance and made permanently accessible to the public on TUI AG's website.



*Financial calendar online at: [www.tui-group.com/en/ir/calendar](http://www.tui-group.com/en/ir/calendar)*

#### DIRECTORS' DEALINGS

The Company was informed of notifiable purchase and sale transactions of TUI AG shares or related financial instruments by directors (directors' dealings) concerning financial year 2013 / 14 by Prof. Dr Klaus Mangold, Friedrich Jousen and Horst Baier as well as Teck Capital Management.



*Directors' dealings online at: [www.tui-group.com/en/ir/corporate\\_governance/directors\\_dealings](http://www.tui-group.com/en/ir/corporate_governance/directors_dealings)*

#### ACCOUNTING AND AUDITING

TUI AG prepares its consolidated financial statements and consolidated interim financial statements in accordance with the provisions of the International Financial Reporting Standards (IFRS) as applicable in the European Union. The statutory annual financial statements of TUI AG, which form the basis for the dividend payment, are prepared in accordance with the German Commercial Code (HGB). The consolidated financial statements are prepared by the Executive Board, audited by the auditors and approved by the Supervisory Board. The interim reports are discussed between the Audit Committee and the Executive Board prior to publication. The consolidated financial statements and the financial statements of TUI AG were audited by PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Hanover, the auditors elected by the 2014 Annual General Meeting. The audit was based on German auditing rules, taking account of the generally accepted auditing standards issued by the German Auditors' Institute as well as the International Standards on Auditing. It also covered risk management and compliance with reporting requirements concerning corporate governance pursuant to section 161 of the German Stock Corporation Act.



*See audit opinion by the auditors*

The condensed interim consolidated financial statements and management reports as at 31 December 2013 and 31 March 2014 were reviewed by the auditors. The interim report as at 30 June 2014 prepared in the framework of a merger between TUI AG and TUI Travel PLC, was audited by the auditors, who issued their unqualified audit certificate.

In addition, a contractual agreement was concluded with the auditors to the effect that the auditors will immediately inform the Supervisory Board of any grounds for disqualification or partiality as well as of all findings and events of importance arising during the performance of the audit. There was no ground to provide such information in the framework of the audit of financial year 2013 / 14.

## Compliance

The TUI Group's Compliance Management System, the basis of TUI's corporate governance, reflects our commitment to commercial, environmental and social activity and operations. It is an indispensable part of the TUI Group's corporate culture.



Compliance online:  
[www.tui-group.com/en/  
company/compliance](http://www.tui-group.com/en/company/compliance)

### CODE OF CONDUCT/SUPPLIERS' CODE OF CONDUCT

The Code of Conduct, drawn up for the entire TUI Group, enshrines guiding principles for everyone to follow, from executives and senior management to every Group employee. It defines minimum standards aimed at assisting our employees in their everyday work and providing orientation in conflict situations.

The Suppliers' Code of Conduct forms the basis of business relations with TUI. It sets out our economic, legal and social expectations of our suppliers.

The principles established in the Code of Conduct are further developed, in conjunction with the legal requirements, in a number of policies and instructions. They provide all TUI executives and employees with the guidelines they need in their day-to-day operations.

### COMPLIANCE MANAGEMENT SYSTEM

TUI's Compliance Management System is built on three pillars: prevention, discovery and response, which, in turn, comprise a large number of internal measures and processes. TUI's Compliance Management System focuses on prevention, with a key role played by the Compliance Rules, information and communication and Compliance hazard analysis. The findings derived from any misconduct are taken up and used to enhance the Compliance Management System within an integrated approach to Governance, Risk and Compliance Management.

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**COMPLIANCE MANAGEMENT PROCESSES**


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PREVENTION	↔	EXPOSURE	↔	REACTION
<b>COMPLIANCE POLICIES</b> <ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Compliance Policy</li> <li>• “Gift” Policy</li> <li>• Supplier Code of Conduct</li> </ul>		<b>REPORTING</b> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Ad hoc</li> </ul>		<b>IMPLEMENTATION OF PROCESS CONTROLS</b>
<b>COMPLIANCE TRAINING</b> <ul style="list-style-type: none"> <li>• Face-to-face</li> <li>• E-Learning</li> <li>• Guide</li> </ul>		<b>LEADS</b> <ul style="list-style-type: none"> <li>• TUI SpeakUp</li> <li>• Other sources, e.g. anonymous letter</li> </ul>		<b>EXCHANGE WITH MANAGEMENT AND LOCAL COMPLIANCE OFFICERS</b>
<b>COMPLIANCE COMMUNICATION</b> <ul style="list-style-type: none"> <li>• Intranet</li> <li>• Internet</li> </ul>		<b>INVESTIGATIONS</b> <ul style="list-style-type: none"> <li>• Compliance Assessment Committee</li> <li>• Internal, e.g. Internal Audit</li> <li>• External, e.g. Lawyers, Auditors, Public Prosecutors</li> </ul>		<b>DISCIPLINARY MEASURES</b>
<b>COMPLIANCE INFORMATION</b> <ul style="list-style-type: none"> <li>• Helpdesk</li> <li>• Intranet</li> <li>• Information cards</li> </ul>				
<b>COMPLIANCE RISK ASSESSMENT</b>				

**COMPLIANCE RULES**

TUI’s Compliance Management System is founded on the Compliance Rules, which were designed to communicate the guiding principles and goals defined in TUI’s Code of Conduct to the organisation as a whole. To this end, a Group Compliance Policy has been adopted, setting out the goals and tasks of TUI’s Compliance Management System. Moreover, a separate Group Policy provides binding rules for dealing with gifts and benefits in business transactions. TUI AG has thus created a uniform framework, concordant with international practice, for Group companies with their specific requirements. In addition, all current TUI Group Policies are checked and optimised regularly to ensure effective policy management.

**COMPLIANCE STRUCTURE**

The TUI Group’s Compliance structure supports those responsible in communicating the values and rules and anchoring them in the Group. It ensures that the compliance requirements are implemented on a Group-wide level in the individual countries and cultures. Under the aegis of the Chief Compliance Officer, the Head Compliance Officers and Compliance Officers in TUI AG and the Group companies perform the following tasks with the support of the central Compliance Office:

- Raising awareness for Compliance
- Achieving the goals of the Code of Conduct and the Compliance Rules
- Providing training
- Advising managers and employees
- Securing the required exchange of information
- Implementing the integrated approach to Governance, Risk & Compliance
- Providing regular reports

#### COMPLIANCE TRAINING

Compliance training is an indispensable element of TUI's Compliance Management System, with its focus on preventing misconduct. It is carried out according to a graded concept. Managers and staff at TUI have all benefited from face-to-face teaching, an e-learning programme and the "Compliance Compass" brochure, enabling all our employees to acquaint themselves with Compliance and the underlying corporate values, regardless of their position in the company hierarchy and their geographical location. Moreover, some TUI companies and sectors offer training schemes with a particular focus to raise the participants' awareness for specific challenges as and when necessary.

#### WHISTLEBLOWING

With the implementation of the Compliance Management System, a whistleblower system, the TUI SpeakUp Line, has been established in agreement with various stakeholder groups within TUI. It offers the opportunity to report severe infringements of the corporate values anchored in TUI's Code of Conduct. Any infringements reported are rigorously investigated in the interests of all stakeholders and the Company. Our top priority is to ensure confidentiality and handle information discreetly. Apart from notifying supervisors, compliance officers or the Compliance Office, employees can also report infringements anonymously if they so wish. Information can be submitted by telephone or using a web-based facility. Any incidents reported are analysed by an evaluation committee and the necessary action is then taken. Infringements are fully investigated in the interests of all our staff and the Company itself.



# 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, 8 December 2014

The Executive Board

Joussen

Baier

Long

# 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 2013 to 30 September 2014.

## 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 2014 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 2013 to 30 September 2014. 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, 8 December 2014

PricewaterhouseCoopers  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft

Thomas Stieve  
Wirtschaftsprüfer  
(German Public Auditor)

Prof. Dr Mathias Schellhorn  
Wirtschaftsprüfer  
(German Public Auditor)

## Executive Board and Supervisory Board

### SUPERVISORY BOARD

Name	Initial Appointment	Function/Occupation	Location	Presiding Comm.
<b>Prof. Dr. Klaus Mangold</b>	7 Jan 2010	Chairman of the Supervisory Board of TUI AG Chairman of the Supervisory Board of Rothschild GmbH	Stuttgart	• Chair
<b>Petra Gerstenkorn</b> <sup>1</sup> (until 30 June 2014)	2 Jan 2009	Deputy Chairwoman of the Supervisory Board of TUI AG Member of the Federal Executive Board of ver.di – Vereinte Dienstleistungsgewerkschaft	Berlin	• Deputy Chair (until 15 May 2014)
<b>Frank Jakobi</b> <sup>1</sup>	15 Aug 2007	Travel Agent	Hamburg	• Deputy Chair (since 15 May 2014)
<b>Anass Hour Alami</b> (until 24 June 2014)	7 Aug 2009	Chief Executive of Caisse de Dépôt et de Gestion (CDG)	Rabat	
<b>Andreas Barczewski</b> <sup>1</sup>	10 May 2006	Aircraft Captain	Hanover	•
<b>Peter Bremme</b> <sup>1</sup> (since 2 July 2014)	2 July 2014	Regional Head of the Special Division of ver.di – Vereinte Dienstleistungsgewerkschaft	Hamburg	
<b>Arnd Dunse</b> <sup>1</sup>	1 Oct 2008	Head of Group Controlling Department of TUI AG	Bad Nenndorf	
<b>Prof. Dr. Edgar Ernst</b>	9 Feb 2011	President of Deutsche Prüfstelle für Rechnungslegung	Bonn	
<b>Angelika Gifford</b>	26 March 2012	President Hewlett Packard Deutschland, Vice President HP Software DACH	Kranzberg	
<b>Ingo Kronsfoth</b> <sup>1</sup> (until 31 July 2014)	2 Jan 2009	Head of Aviation Sector of ver.di – Vereinte Dienstleistungsgewerkschaft	Berlin	
<b>Vladimir Lukin</b> (since 12 February 2014)	12 Feb 2014	Senior Vice President Legal Affairs, OAO Severstal First Deputy CEO, ZAO Sever Group First Deputy CEO, OOO Kapital	Moscow	•
<b>Mikhail Noskov</b> (until 12 February 2014)	9 Feb 2011	Chief Financial Officer of Sever Group	Moscow	
<b>Michael Pönipp</b> <sup>1</sup>	17 April 2013	Hotel Clerk	Hanover	
<b>Carmen Riu Güell</b>	14 Feb 2005	Entrepreneur	Palma de Mallorca	•
<b>Carola Schwirn</b> <sup>1</sup> (since 1 August 2014)	1 Aug 2014	Department Coordinator in the Transportation Division of ver.di – Vereinte Dienstleistungsgewerkschaft	Berlin	
<b>Maxim G. Shemetov</b> (since 14 March 2014)	14 March 2014	Head of Investment Management, Travel Sector, ZAO Sever Group	Moscow	
<b>Anette Stempel</b> <sup>1</sup>	2 Jan 2009	Travel Agent	Hemmingen	• (since 1 July 2014)
<b>Prof. Christian Strenger</b>	9 Feb 2011	Member of Supervisory Boards	Frankfurt/Main	
<b>Ortwin Strubelt</b> <sup>1</sup>	3 April 2009	Travel Agent	Hamburg	
<b>Vladimir Yakushev</b> (until 7 February 2014)	22 April 2008	Managing Director of SGCM Ltd.	Moscow	•

<sup>1</sup> Representative of the employees

<sup>2</sup> Information refers to 30 September 2014 or date of resignation from the Supervisory Board of TUI AG in financial year 2013/14

<sup>3</sup> Chairman

<sup>4</sup> Deputy 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)

Audit Committee	Nomination Comm.	Galaxy Committee	Other Board Memberships <sup>2</sup>	Name
•	• Chair	• Chair	a) Alstom AG <sup>3</sup> Continental AG	<b>Prof. Dr. Klaus Mangold</b>
			b) Alstom S. A. Ernst & Young Rothschild GmbH <sup>3</sup> Swarco AG <sup>4</sup> Baiterek Holding JSC	
			a) TUI Deutschland GmbH <sup>4</sup>	<b>Petra Gerstenkorn<sup>1</sup></b> (until 30 June 2014)
		•		<b>Frank Jakobi<sup>1</sup></b>
			b) Atlanta BMCE Bank Ciments du Maroc-Italcementi Group Morocco Fonds d'Équipement Communal Fonds Marocain de Placement Holding Al Omrane	<b>Anass Hour Alami</b> (until 24 June 2014)
•				<b>Andreas Barczewski<sup>1</sup></b>
			a) TUI Deutschland GmbH TÜV Nord AG	<b>Peter Bremme<sup>1</sup></b> (since 2 July 2014)
•				<b>Arnd Dünse<sup>1</sup></b>
• Chair		•	a) Deutsche Annington SE Deutsche Postbank AG	<b>Prof. Dr. Edgar Ernst</b>
			b) Paris Orléans SCA	<b>Angelika Gifford</b>
•			a) TUIfly GmbH <sup>4</sup>	<b>Ingo Kronsfoth<sup>1</sup></b> (until 31 July 2014)
	•		b) OAO AB Rossiya OAO Severstal OJSC Power Machines OOO T2 RTK Holding	<b>Vladimir Lukin</b> (since 12 February 2014)
			b) ABR Management CJSC Bank "Rossiya" Mostotrest National Media Group Non-state Pension Fund Gazfond	<b>Mikhail Noskov</b> (until 12 February 2014)
			a) TUI Deutschland GmbH	<b>Michael Pönipp<sup>1</sup></b>
	•		b) Hotel San Francisco S.A. Riu Hotels S.A. RIUSA II S.A.	<b>Carmen Riu Güell</b>
				<b>Carola Schwirn<sup>1</sup></b> (since 1 August 2014)
			b) LLC Svoy-TT	<b>Maxim G. Shemetov</b> (since 14 March 2014)
•		•	a) Deutsche Asset & Wealth Management Investment GmbH	<b>Anette Stempel<sup>1</sup></b>
•			b) The Germany Funds, Inc. <sup>3</sup>	<b>Prof. Christian Strenger</b>
	•		b) Advanced Diamond Technologies, Inc. Centice Corp. Fiberzone Networks, Inc. Nano-Optic Devices, LLC <sup>3</sup> OJSC Metallurgical	<b>Ortwin Strubelt<sup>1</sup></b> <b>Vladimir Yakushev</b> (until 7 February 2014)
				OOO Aksimed <sup>3</sup> OOO Innolume <sup>3</sup> OOO Nanooptic Devices <sup>3</sup> OOO Spectralus <sup>3</sup> Spectralus Corp. <sup>3</sup>

EXECUTIVE BOARD<sup>1</sup>

Name	Department	Other Board Memberships	
<b>Friedrich Jousen</b> (Age 51)	Chairman	b) TUI Travel PLC <sup>2</sup>	
Member of the Executive Board from Oct 2012, Chairman of the Executive Board from Feb 2013, current appointment until Oct 2015			
<b>Horst Baier</b> (Age 57)	Finance Director Chief HR Officer	a) Hapag-Lloyd AG TUIfly GmbH TUI Deutschland GmbH	b) RIUSA II S.A. <sup>2</sup> TUI Travel PLC
Member of the Executive Board from 2007, current appointment until Nov 2015			
<b>Peter Long</b> (Age 62)	Tourism	b) Peak Adventure Travel Group Limited Rentokil Initial PLC TUI Nederland N.V. TUI Deutschland GmbH	TUI Nederland Holding N.V. TUI Travel Belgium N.V.
Member of the Executive Board from 2007, current appointment until Aug 2015			

<sup>1</sup> Information refers to 30 Sep 2014 or date of resignation from the Executive Board in financial year 2013/14.

<sup>2</sup> 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)

# REPORT OF THE SUPERVISORY BOARD

Ladies and Gentlemen,

The Report of the Supervisory Board presented below informs you about our activities in financial year 2013 / 14. As TUI AG's monitoring body, the Supervisory Board continually monitored the Executive Board's management activities, guided by the principles of corporate governance. Our monitoring activities essentially served to ensure that the management of business operations and the management of the Group were lawful, orderly, fit for purpose and commercially robust.

At the beginning of the financial year, our activities focused on monitoring the implementation of phase one of our oneTUI strategy programme. In the second half of the financial year, we intensively discussed the planned merger between TUI AG and TUI Travel PLC and provided intensive consultation in the negotiation process. An agreement was reached on 15 September 2014 to recommend the merger in the form of an all-share nil-premium merger to the TUI AG and TUI Travel PLC shareholders. On 28 October 2014, extraordinary General Meetings were held both in Germany and in the UK, with the shareholders adopting the necessary resolutions to implement the transaction.



*Details to the planned merger see Annual Report of TUI AG 2013/14 page 59 et seq.*

We also provided advice and resolved a number of technical issues and business transactions requiring approval. Our Supervisory Board activities focused in particular on compliance with the Corporate Governance Code, consultation with regard to the financial statements of TUI AG and the Group and resolutions on personnel issues – in particular the appointment of Executive Board members in connection with the planned merger.

## Advising the Executive Board and monitoring management activities

In the completed financial year 2013 / 14, the Supervisory Board monitored and advised the Executive Board on the management of the Company.



*Current composition of the Supervisory Board: [www.tui-group.com/en/company/management](http://www.tui-group.com/en/company/management)*

In written and verbal reports, the Executive Board provided us with regular, timely and comprehensive information. The reports encompassed all relevant facts about strategic development, planning, business performance and the position of the Group in the course of the year, the risk situation, risk management and compliance. The Executive Board discussed with us all key transactions of relevance to the Company and the further development of the Group. Any deviations in business performance from the approved plans were explained in detail. The Supervisory Board was involved in all decisions of fundamental relevance to the Company. We comprehensively discussed and adopted the resolutions required in accordance with the law, the Articles of Association and our terms of reference. We were fully and speedily informed about specific and particularly urgent plans and projects, including those arising between the regular meetings. As Chairman of the Supervisory Board, I was regularly informed about current business developments and key transactions in the Company between Supervisory Board meetings. Naturally, this exchange with the Executive Board was particularly intensive in the course of negotiations around the merger with TUI Travel PLC.

## Deliberations in the Supervisory Board

In financial year 2013 / 14, six ordinary and four extraordinary Supervisory Board meetings were held. Two resolutions were passed by written circulation procedure.

Prior to Supervisory Board meetings, the shareholder representatives on the Supervisory Board and the employees' representatives met in separate meetings. No Supervisory Board member attended fewer than half of the Supervisory Board meetings in financial year 2013 / 14. Average attendance at plenary meetings was 94.8% (previous year 96.3%), at committee meetings 93.3% (previous year 96.0%).

### ATTENDANCE AT MEETINGS OF SUPERVISORY BOARD 2013/14

Name	Supervisory Board meetings	Presiding committee	Audit committee	Nomination committee	Galaxy committee
Prof. Dr Klaus Mangold (Chairman)	10 (10)	9 (9)	3 (4)	7 (7)	2 (2)
Petra Gerstenkorn (until 30 June 2014)					
(Deputy Chairwoman until 15 May 2014)	5 (5)	4 (6)	–	–	–
Frank Jakobi					
(Deputy Chairman since 15 May 2014)	10 (10)	9 (9)	–	–	2 (2)
Anass Hourir Alami (until 24 June 2014)	1 (6)	–	–	–	–
Andreas Barczewski	10 (10)	9 (9)	1 (1)	–	–
Peter Bremme (since 2 July 2014)	3 (3)	–	–	–	–
Arnd Dunse	10 (10)	–	4 (4)	–	–
Prof. Dr Edgar Ernst	10 (10)	–	4 (4)	–	2 (2)
Angelika Gifford	9 (10)	–	–	–	–
Ingo Kronsfoth (until 31 July 2014)	8 (8)	–	3 (3)	–	–
Vladimir Lukin (since 12 February 2014)	6 (6)	6 (6)	–	4 (4)	–
Mikhail Noskov (until 12 February 2014)	4 (4)	–	–	–	–
Michael Pönipp	10 (10)	–	–	–	–
Carmen Riu Güell	8 (10)	7 (9)	–	5 (7)	–
Carola Schwirn (since 1 August 2014)	2 (2)	–	–	–	–
Maxim G. Shemetov (since 14 March 2014)	6 (6)	–	–	–	–
Anette Stempel	10 (10)	3 (3)	–	–	–
Prof. Christian Strenger	10 (10)	–	4 (4)	–	2 (2)
Ortwin Strubelt	10 (10)	–	4 (4)	–	–
Vladimir Yakushev (until 7 February 2014)	3 (3)	2 (2)	–	2 (2)	–

(In brackets: number of meetings held)

The Executive Board's reports and discussions at Supervisory Board meetings regularly focused on the latest turnover, earnings and employment in the Group as well as its financial situation and structural development. The work of the Presiding Committee, Audit Committee and Nomination Committee was regularly presented at the Supervisory Board meetings. Our deliberations and reviews also focused on the following topics:



## PLENARY MEETINGS

At our meeting on 23 October 2013, we discussed, in particular, the development of the individual Sectors and the corporate budget for financial year 2013/14 as well as the forecast accounts for 2014/15 and 2015/16. We also adopted the declaration of compliance with the German Corporate Governance Code for 2013 in accordance with section 161 of the German Stock Corporation Act.

On 24 November 2013, we held an extraordinary meeting dealing with Supervisory Board matters and notified changes in the shareholder structure of TUI AG and TUI Travel PLC.

The meeting on 17 December 2013 focused on reporting and discussing the annual financial statements as per 30 September 2013, a comparison between target and actual figures for 2012/13 and the HR and social report for 2012/13. The discussions were also attended by representatives of the auditors, who were available to answer questions. At that meeting, the value of the reference indicator was established for the annual performance bonus for 2012/13 for Executive Board members (reported Group EBITA). A further item was the resolution setting an agenda for the 2014 Annual General Meeting.

The meeting on 11 February 2014 served primarily to prepare for the ordinary Annual General Meeting, to be held the next day. In the framework of its regular reporting, the Executive Board also informed us about the first quarter of the financial year 2013/14 and the status of the negotiations between Hapag-Lloyd AG and Compañía Sud Americana de Vapores (CSAV), following the signing of a memorandum of understanding regarding the merger of their container shipping liner businesses.

The extraordinary Supervisory Board meeting of 13 April 2014 focused on the forthcoming decision to be taken by Hapag-Lloyd AG regarding the business combination agreement for the merger with the container shipping operations of CSAV.

On 15 May 2014, the Supervisory Board meeting focused on the future strategic alignment of TUI AG. The meeting also focused on a comprehensive discussion on the status of considerations regarding the planned merger with TUI Travel PLC and the relevant options for potential action. Much of the meeting was devoted to the report from the Executive Board on current business performance and the quarterly and half-year financial statements for 2013/14. As in prior years, the Supervisory Board also approved the issuance of employee shares.

The Supervisory Board met for an extraordinary meeting on 27 June 2014 for a comprehensive discussion of the contents and communication of plans for a potential merger between TUI AG and TUI Travel PLC. We received, in particular, a report by the Executive Board on potential terms and conditions of the planned merger and discussed the strategic options for the Combined Group.

At a further extraordinary meeting held on 10 July 2014, we again discussed the planned merger between TUI AG and TUI Travel PLC. We decided, in particular, to mandate JP Morgan to prepare a Fairness Opinion. We also decided to set up an Integration Committee.

At our strategy meeting on 3 and 4 September 2014 our discussions again focused on the planned merger between TUI AG and TUI Travel PLC, in particular the status of the negotiations and the planned publication in mid-September of the merger terms and conditions, and the corporate ratings.

In an extraordinary meeting held on 11 September 2014 we discussed open issues with the Executive Board in the run-up to the publication related to the merger between TUI AG and TUI Travel PLC, planned for the subsequent week.

The Executive Board member Peter Long did not take part in Supervisory Board or committee meetings held in connection with the planned merger in order to avoid any potential conflicts of interest.



Composition of  
the committees on  
pages 62/63

## Committee meetings

At the balance sheet date of 30 September 2014, the Supervisory Board had set up four committees to support its work: the Presiding Committee, the Audit Committee, the Nomination Committee and the so-called Galaxy Committee to deal with issues in connection with the planned merger with TUI Travel PLC. A preliminary decision to set up an Integration Committee for a maximum period of two years upon completion of the planned merger was adopted on 10 July 2014. The committee members are shown in a separate list in the section on the Supervisory Board. The Chairman of the Supervisory Board chairs the Presiding Committee, the Galaxy Committee and the Nomination Committee. He will also chair the Integration Committee, which will meet for the first time upon completion of the merger with TUI Travel PLC.

### PRESIDING COMMITTEE

The Presiding Committee is responsible for long-term succession planning for the Executive Board and prepares the appointment of Board members including the terms and conditions of the service contracts and remuneration to be discussed by the Supervisory Board. It also prepares the plenary meetings of the Supervisory Board. In the period under review, the Presiding Committee held six ordinary and three extraordinary meetings.

At its meeting on 23 October 2013, the Presiding Committee prepared recommendations for resolutions on Executive Board matters to be adopted by the Supervisory Board (appropriateness of Executive Board remuneration and pensions, determining the reference indicators for the Executive Board's annual performance bonus for 2013/14, determining the personal performance factor for the Executive Board's annual performance bonus for 2012/13).

At its meeting on 16 December 2013, the Presiding Committee focused on the key findings of an external expert report on the efficiency review of the work performed by the Supervisory Board.

The Presiding Committee met on 11 February 2014 in order to discuss a number of potential new appointments and prepare corresponding recommendations for resolutions to be adopted by the Supervisory Board.

At its extraordinary meeting on 10 April 2014, the Executive Board presented details of the forthcoming conclusion of an agreement to merge the container shipping liner business of Hapag-Lloyd AG and CSAV.

On 15 May 2014, apart from its regular tasks, the Presiding Committee dealt with the planned merger between TUI AG and TUI Travel PLC.

On 27 June 2014, the Presiding Committee held an extraordinary meeting dealing with a number of Executive Board matters and preparing the plenary Supervisory Board meeting including communication of the planned merger between TUI AG and TUI Travel PLC and the contents of the related publication.

An extraordinary Presiding Committee meeting held on 10 July 2014 focused, in particular, on a preliminary discussion and recommendation to the Supervisory Board to set up an Integration Committee. The role of the Integration Committee will be to support and monitor the Executive Board in implementing the tasks required upon the completion of the merger with TUI Travel. The Integration Committee, a committee within the current Supervisory Board, will comprise the members of the Galaxy Committee (see below).

The agenda at the Presiding Committee meeting on 3 September 2014 focused on a number of personnel issues in connection with the planned merger.

On 9 September 2014, the Presiding Committee held an extraordinary meeting in order to discuss the status of the planned merger and prepare the extraordinary plenary meeting on 11 September 2014.

#### AUDIT COMMITTEE

The Audit Committee supports the Supervisory Board in exercising its monitoring function. It discusses in particular accounting and reporting issues, the effectiveness of the internal control system, the risk management system, internal audit and compliance. The half-year and quarterly financial reports are discussed by the Audit Committee with the Executive Board and the auditors prior to publication.

In the completed financial year, the Audit Committee held four ordinary meetings. One resolution was passed by written circulation procedure. The work of the committee focused on the annual financial statements of TUI AG, the consolidated financial statements, the consolidated management report and the interim reports. All ordinary meetings were attended by auditor representatives, who presented detailed reports on the audits and their reviews of the financial reports. The Audit Committee was, moreover, kept up to date about the planning and reporting systems and the development of compliance activities in the Group. The Audit Committee was likewise informed about the latest ratings for TUI AG and the status of the planned merger between TUI AG and TUI Travel PLC. In this context, it engaged, in particular, in an in-depth evaluation, from the shareholders' perspective, of the interim communication on 30 June 2014 and of the merger.

#### NOMINATION COMMITTEE

The Nomination Committee proposes suitable candidates to the Supervisory Board for its suggestions for the elections at the Annual General Meeting. In the completed financial year 2013/14, it held seven meetings. It primarily focused on the proposals for new Supervisory Board members in connection with the planned merger with TUI Travel PLC.

#### GALAXY COMMITTEE

At its meeting on 3 September 2014, the Supervisory Board decided that under certain circumstances the final discussion about the planned merger between TUI AG and TUI Travel PLC, as well as any resolutions to be adopted, should be referred to the Galaxy Committee. The main purpose of the decision was to ensure immediate discussion and decision-making in the event of any ad hoc questions that may emerge. The Galaxy Committee held two meetings in the period under review, on 11 and 14 September 2014.

### Corporate Governance

The Supervisory Board regularly discusses corporate governance issues and, together with the Executive Board, submits a joint annual declaration of compliance with the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act. The most recent declaration of compliance for 2014 was published on TUI AG's website in December 2014. This declaration of compliance for 2014 and additional information on corporate governance is provided in the Corporate Governance Report prepared by the Executive Board and Supervisory Board of TUI AG, which will be found in the present Annual Report.



See page 52 et seq.

Upon completion of the planned merger of TUI AG and TUI Travel PLC and the associated future quotation on the London Stock Exchange, the (Combined) TUI AG will need to observe the UK Corporate Governance Code in addition to the German Corporate Governance Code. However, TUI AG will continue to make information which must be published in London under the relevant capital market law regulations similarly available in Germany without delay (6.2 DCGK).

## Audit of the annual and consolidated financial statements of TUI AG and the Group

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Hanover, audited the annual financial statements of TUI AG prepared by the Executive Board in accordance with the provisions of the German Commercial Code (HGB), as well as the joint management report of TUI AG and the TUI Group, and the consolidated financial statements for the 2013/14 financial year prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS), and issued their unqualified audit certificate. The above documents, the Executive Board's proposal for the use of the net profit available for distribution and the audit reports by the auditors had been submitted in good time to all members of the Supervisory Board. They were discussed in detail at the Audit Committee meeting of 8 December 2014 and the Supervisory Board meeting of 9 December 2014, convened to discuss the annual financial statements, where the Executive Board provided comprehensive explanations of these statements. At those meetings, the Chairman of the Audit Committee and the auditors reported on the audit findings, having determined the key audit areas for the financial year under review beforehand with the Audit Committee. Neither the auditors nor the Audit Committee identified any weaknesses in the early risk detection and internal control system. On the basis of our own review of the annual financial statements of TUI AG and the Group and the joint management report, we did not have any grounds for objections and therefore concur with the Executive Board's evaluation of the situation of TUI AG and the TUI Group. Upon the recommendation of the Audit Committee, we approve the annual financial statements for financial year 2013/14; the annual financial statements of TUI AG are thereby adopted. We comprehensively discussed the proposal for the appropriation of profits with the Executive Board and approved the proposal in the light of the current and expected future financial position of the Group.

## Changes in the composition of Executive Board, Supervisory Board and committees

In financial year 2013/14, the following changes occurred:

### SUPERVISORY BOARD

Mikhail Noskov stepped down as a member of TUI AG's Supervisory Board with effect from 12 February 2014. For the remaining term of office on the Supervisory Board (i.e. until the close of the 2016 ordinary Annual General Meeting), the ordinary Annual General Meeting 2014 elected Vladimir Lukin upon the proposal of the Supervisory Board.

Vladimir Yakushev stepped down as a member of TUI AG's Supervisory Board with effect from 7 February 2014. The district court of Hanover appointed Maxim G. Shemetov as a new Supervisory Board member from 14 March 2014.

Anass Houir Alami stepped down as a member of TUI AG's Supervisory Board with effect from 24 June 2014. In the light of the planned merger, a new member to replace him has not yet been appointed.

Petra Gerstenkorn stepped down from her function as Vice-Chairperson of TUI AG's Supervisory Board on 15 May 2014. Frank Jakobi, chairman of TUI AG's Group works council, was elected Vice-Chairman of the Group's Supervisory Board as from 15 May 2014. Ms Gerstenkorn also stepped down as a regular member of the Supervisory Board with effect from 30 June 2014. The district court of Hanover appointed Peter Bremme as her successor with effect from 2 July 2014.

Ingo Kronsfoth left the Supervisory Board with effect from 31 July 2014. The district court of Hanover appointed Carola Schwirn as his successor with effect from 1 August 2014.

The Supervisory Board thanks all members who left the Supervisory Board in financial year 2013/14 for the excellent cooperation based on trust.

**AUDIT COMMITTEE**

Ingo Kronsforth, who also left the Audit Committee when he stepped down from the Supervisory Board, has been succeeded by Andreas Barczewski as a new member of the Audit Committee.

**NOMINATION COMMITTEE**

The vacancy on the Nomination Committee resulting when Vladimir Yakushev left the Supervisory Board was filled by Vladimir Lukin.

**AD HOC GALAXY COMMITTEE**

The Galaxy Committee comprised the Chairman of the Supervisory Board, Prof. Dr Klaus Mangold, alongside Prof. Dr Edgar Ernst, Frank Jakobi und Prof. Christian Strenger.

On behalf of the Supervisory Board

Prof. Dr. Klaus Mangold  
Chairman of the Supervisory Board

Hanover, 9 December 2014

## Five-year Summary

### BALANCE SHEET

€ '000	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Assets</b>					
Fixed assets	4,031.6	4,005.1	4,113.5	4,139.3	4,197.3
Cash and cash equivalents	1,037.4	825.2	1,128.9	506.1	370.2
Current assets (incl. prepaid expenses)	1,801.9	678.2	315.1	408.3	663.2
<b>Liabilities</b>					
Equity and liabilities	2,047.6	2,234.5	2,365.2	2,748.6	2,791.6
Subscribed capital	643.1	643.5	644.9	645.2	732.6
Special non-taxed item	33.0	0.6	0.6	0.6	0.6
Provisions	450.3	440.8	448.7	420.3	399.3
Third-party financial liabilities	3,641.8	2,024.8	1,593.2	1,138.4	1,165.9
Liabilities (incl. deferred income)	698.2	807.8	1,149.8	745.8	873.3
<b>Balance sheet total</b>	<b>6,870.9</b>	<b>5,508.5</b>	<b>5,557.5</b>	<b>5,053.7</b>	<b>5,230.7</b>

### PROFIT AND LOSS STATEMENT

€ '000	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Profit from ordinary activities</b>	<b>22.7</b>	<b>188.1</b>	<b>121.9</b>	<b>383.6</b>	<b>-117.1</b>
Extraordinary profit/loss	-6.1	-	-	-	-
Taxes	+3.0	+2.2	-6.0	0.7	-7.7
<b>Group profit for the year</b>	<b>13.6</b>	<b>185.9</b>	<b>127.9</b>	<b>382.9</b>	<b>-109.4</b>

### PROFIT APPROPRIATION

€ '000	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Withdrawal from capital reserves</b>	-	-	-	-	-
Transfer to other revenue reserves	-	92.4	118.5	191.0	-
Profit available for distribution	13.6	107.1	116.6	308.6	161.3
Retained profit brought forward for the subsequent year	13.6	107.1	116.6	270.7	66.7
<b>Dividend payment</b>	-	-	-	<b>37.9</b>	<b>94.6</b>

### SHARE PRICE DEVELOPMENT OF THE TUI SHARE

€ '000	2009/10	2010/11	2011/12	2012/13	2013/14
High	9.05	10.86	6.97	9.85	13.88
Low	4.69	3.68	3.14	6.70	9.14
Year-end closing price	8.98	3.88	6.70	9.44	11.85



World of  TUI

TUI AG  
Karl-Wiechert-Allee 4  
30625 Hanover, Germany