

2016/17 H1 Results

15 May 2017



FORWARD-LOOKING STATEMENTS

This presentation contains a number of statements related to the future development of TUI. These statements are based both on assumptions and estimates. Although we are convinced that these future-related statements are realistic, we cannot guarantee them, for our assumptions involve risks and uncertainties which may give rise to situations in which the actual results differ substantially from the expected ones. The potential reasons for such differences include market fluctuations, the development of world market fluctuations, the development of world market commodity prices, the development of exchange rates or fundamental changes in the economic environment. TUI does not intend or assume any obligation to update any forward-looking statement to reflect events or circumstances after the date of these materials.



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Opening Remarks



Good overall performance in H1



Delivering our **transformation**, with significant growth in **hotel** and **cruise** profits



Successful migration to **one brand** continues



More relevant to **more customers** – growth in customers in H1 and for Summer 2017



Proven **resilience** of the **integrated model** and **balanced portfolio** of markets and destinations

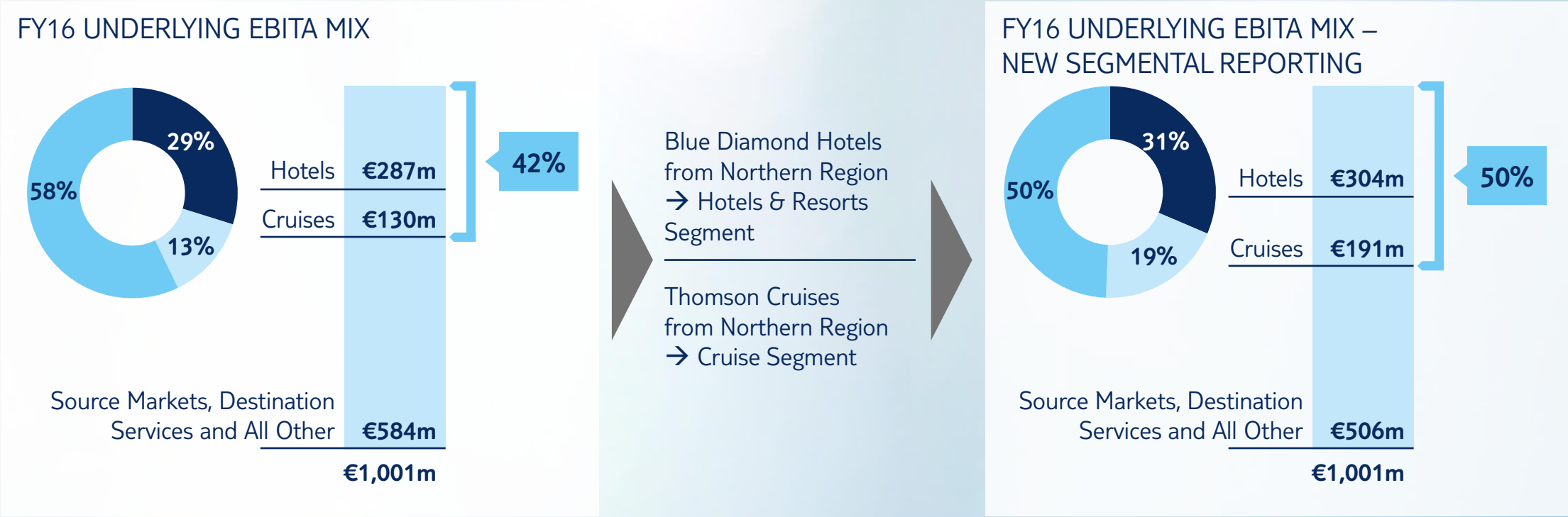


Reiterate our guidance of **at least 10% growth in underlying EBITA in 2016/17¹**

¹ At constant currency rates and based on current Group structure



Clearer reporting to reflect performance of our Hotel and Cruise Businesses



INTEGRATED MODEL ENABLES US TO DELIVER AROUND 50% OF EARNINGS FROM CONTENT

PERFORMANCE REVIEW & CURRENT TRADING

FRITZ JOUSSEN



H1 Review

TURNOVER €6.4bn

+3.3% / +8.2%¹

UNDERLYING
EBITA €-214.3m

-3.8% / +6.3%²

REPORTED
EBITA €-251.9m

-4.6% / +3.7%²

OPERATING CASHFLOW
IMPROVEMENT

+€0.3bn

- **Good overall performance in H1** driven by growth in Hotels & Resorts and Cruises
- Further **merger synergies of €10m** achieved in the half
- Current trading for Summer 2017 **in line with our expectations**
- **Improved** working capital seasonality as we deliver our transformation
- Clearer segmental reporting to better demonstrate the **performance of hotel and cruise businesses**
- Travelopia disposal on track to complete during H2

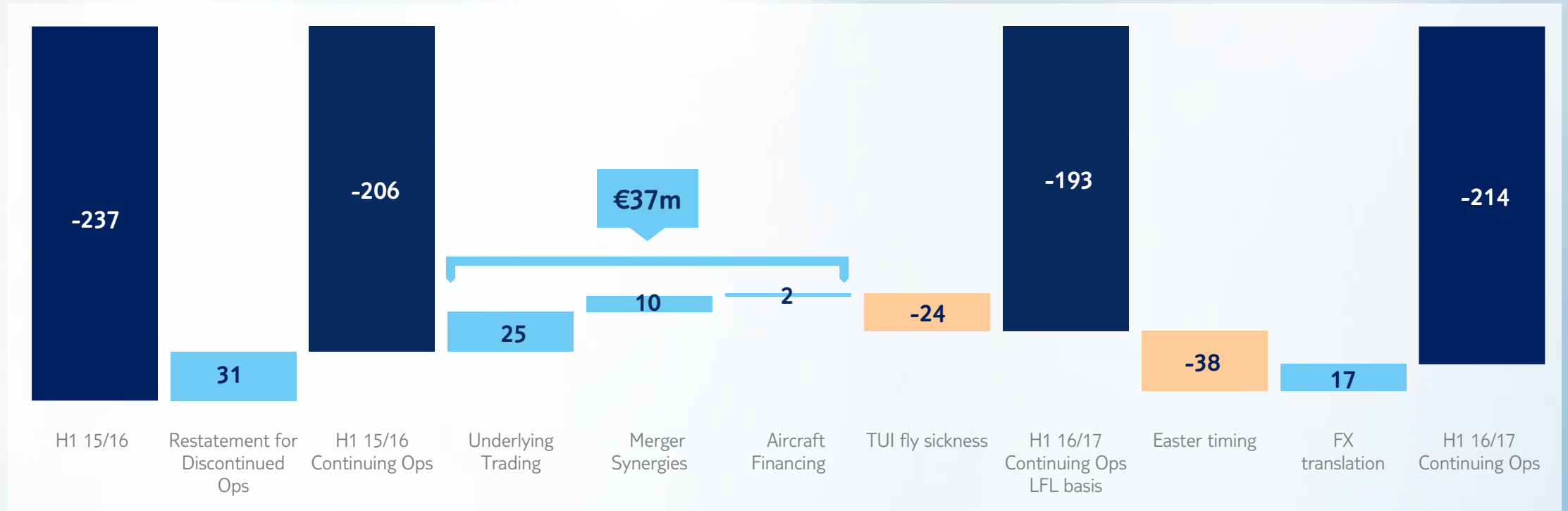
¹ At constant currency rates

² On LFL basis excluding Easter timing and at constant currency



TUI Group

Underlying EBITA Bridge H1 2016/17 in €m



REDUCTION IN THE SEASONAL UNDERLYING EBITA LOSS



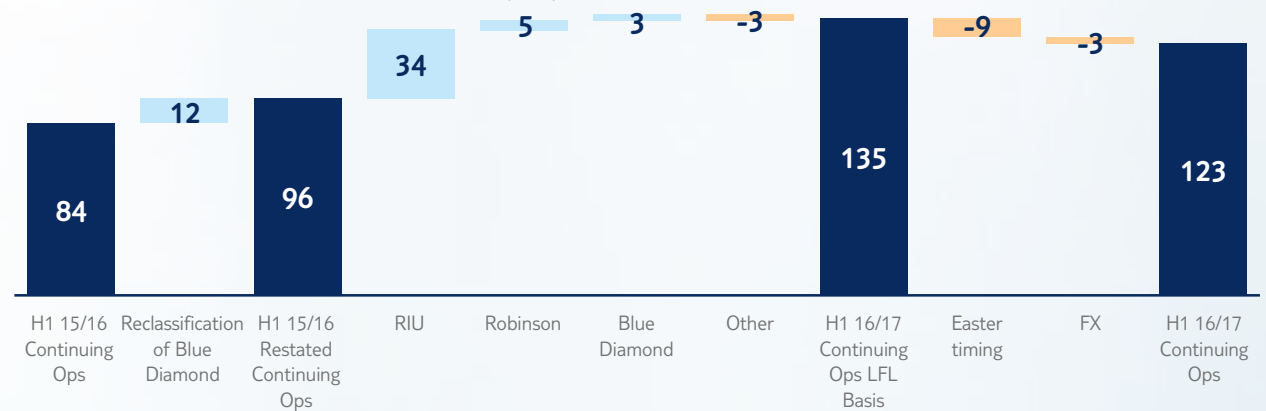
Hotels & Resorts

TURNOVER AND EARNINGS (€M)

	H1 16/17	H1 15/16	%
Turnover	300.0	266.0	12.8
Underlying EBITA	122.8	96.0	27.9
<i>o/w Equity results</i>	42.8	30.8	39.0

Segment now includes Blue Diamond Hotels

BRIDGE UNDERLYING EBITA (€M)



BUSINESS DEVELOPMENT H1 2016/17*



- Our popular brands, integrated model and strong presence in year round destinations continue to drive high levels of **occupancy rates** - Riu 88%, overall Hotels & Resorts 75% whilst still delivering 5% growth in average revenue per bed
- **Riu** delivered another **strong** performance, particularly in **Spain and Mexico** with **7% growth** in average revenue per bed. The result was partly offset by the gain on disposal of Riu Tropicana in the prior year
- **Robinson** also delivered a **good** performance with **3% growth** in average revenue per bed overall
- As expected result were partly offset by adverse impact from subdued demand for **Turkey and North Africa**

* At constant currency rates and excluding Easter timing



Hotel Openings & Pipeline

OCT 2016

MAY 2017

DEC 2017

RIU
Hotels & Resorts

Opened Nov 2016
**RIU Reggae
Jamaica**

O



BlueDiamond
Resorts

Opened Nov 2016
**Blue Diamond Royalton
Blue Waters Jamaica**

O



BlueDiamond
Resorts

2 Hotels, 1 Resort, Opened March 2017
**Blue Diamond Royalton
& Hideaway Negril**

O



TUI BLUE

Openings calendar H2
**TUI Blue Jadran
Croatia**

F



RIU
Hotels & Resorts

Openings calendar H2
**Riu Dunamar
Mexico**

O



TUI BLUE

Repositioned Nov 2016
**TUI Blue Pulse
Schladming, Austria**

O



TUI BLUE

Repositioned Dec 2016
**TUI Blue Fleesensee
Germany**

M



TUI BLUE

Opened Apr 2017
**TUI Blue Selection
Il Castelfalfi, Italy**

O



ROBINSON

Openings calendar H2
**Robinson Club Noonu
Maldives**

O



ROBINSON

Openings calendar H2
**Robinson Club Khao Lak
Thailand**

O



TUI BLUE

Opened Nov 2016
**TUI Blue Jardin Tropical
Tenerife**

F



BlueDiamond
Resorts

2 Hotels, 1 Resort, Opened Feb 2017
**Blue Diamond Royalton
& Hideaway St Lucia**

O



DELIVERING GROWTH AND SUPERIOR RETURNS WITH A BALANCED OWNERSHIP MODEL

Key- O = Ownership; L = Lease; M = Management; F = Franchise



Cruises

TURNOVER AND EARNINGS (€M)

	H1 16/17	H1 15/16	%
Turnover	345.9	308.9	12.0
<i>Memo:</i> TUI Cruises Turnover	458.8	364.2	26.0
Underlying EBITA	75.0	49.3	52.1
<i>o/w EAT TUI Cruises*</i>	38.3	29.8	28.5

Segment now includes Thomson Cruises

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

BRIDGE UNDERLYING EBITA (€M)



BUSINESS DEVELOPMENT H1 2016/17*



- **TUI Cruises** continues to deliver significant growth whilst maintaining a **strong occupancy** and **rate** performance, with an additional ship (Mein Schiff 5) this Winter. This was offset partly by a planned increase in dry dock days
- **Thomson Cruises'** result has also **increased significantly**, with the first Winter of operations of TUI Discovery and a **good** occupancy and **rate** performance across the fleet
- **Hapag-Lloyd Cruises** has delivered an **increase** in earnings, benefitting from improvements to itineraries and fewer dry docks than prior year

* At constant currency rates and excluding Easter timing



Cruise additions and pipeline

							
Mein Schiff 6	New Mein Schiff 1	New Mein Schiff 2	TUI Discovery 2	Currently MS1 (TUI Explorer)	Currently MS2 (Name TBC)	Hanseatic Nature	Hanseatic Inspiration
							
2,534 BERTHS	2,894 BERTHS	2,894 BERTHS	1,832 BERTHS	1,924 BERTHS	1,912 BERTHS	230 BERTHS	230 BERTHS
Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	TBC OPERATING MODEL	TBC OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL
June 2017 LAUNCH DATE	Spring 2018 LAUNCH DATE	Spring 2019 LAUNCH DATE	May 2017 LAUNCH DATE	Summer 2018 LAUNCH DATE	Summer 2019 LAUNCH DATE	Spring 2019 LAUNCH DATE	Autum 2019 LAUNCH DATE

DELIVERING GROWTH AND SUPERIOR RETURNS IN OUR THREE CRUISE BRANDS



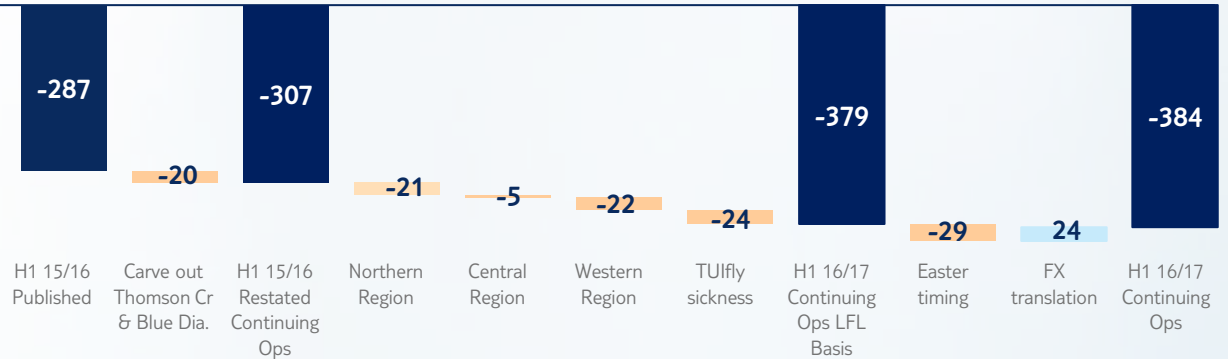
Source Markets – Sales & Marketing

TURNOVER AND EARNINGS (€M)

	H1 16/17	H1 15/16	%
Turnover	5,374.9	5,261.0	2.2
Underlying EBITA	-383.9	-307.2	-25.0

Thomson Cruises and Blue Diamond now reported in Cruise and H&R respectively

BRIDGE UNDERLYING EBITA (€M)



BUSINESS DEVELOPMENT H1 2016/17*



NORTHERN REGION -€21M

- UK customer **volumes increased by 8%** in H1 2016/17 with a good end to Summer and growth in **long haul in Winter**. This was offset by an increase in the valuation of US\$ based **maintenance reserves** (weaker GBP sterling) and an increase in **pension service costs** driven by lower interest rates. Result also impacted to some extent in Q2 by currency cost inflation, due to weakening of GBP sterling.
- Nordic performance impacted by **rebrand marketing costs** and **lower demand for Turkey and Egypt**
- Northern Region continues to deliver **high levels** of direct and online distribution – **90%** and **63%** respectively

CENTRAL REGION -€5M (UNDERLYING)

- Germany continues to build on its **market share gains** delivering an **improvement in trading** performance
- Result includes **additional aircraft repair costs**
- Further **improvement** in direct and online distribution – **47%** (up 2ppts) and **17%** (up 3ppts) respectively

WESTERN REGION -€22M

- Reflects the first time inclusion of **Transat's seasonal EBITA loss and rebrand marketing costs** in Belgium
- Netherlands negatively impacted by night slot restrictions at Schiphol Airport in the half and increased claims for DBC
- Further **growth** in both direct and online distribution – **73%** (up 3ppts) and **56%** (up 3ppts) respectively, aided by the rebrand in Belgium

* At constant currency rates and excluding Easter timing

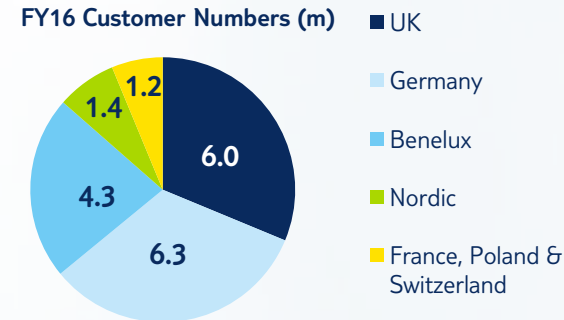


Source Markets – Sales & Marketing

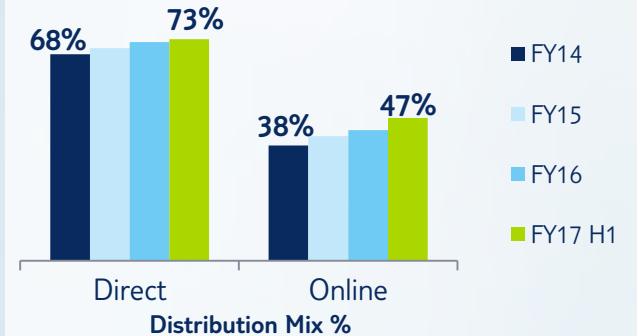
Strength in direct Distribution and Customer Relationships

- **Balanced portfolio** of source markets de-risks our business
- Strong **direct** and **online** distribution channels
- TUI **rebrand completed** in three source markets, with **higher unaided TUI brand awareness** shortly after rebranding. UK to follow in FY18
- Progressing with **digital transformation** and development of **common platforms**
- Acquisition of **Transat** builds on our market leadership in France
- **German airline JV** negotiations ongoing

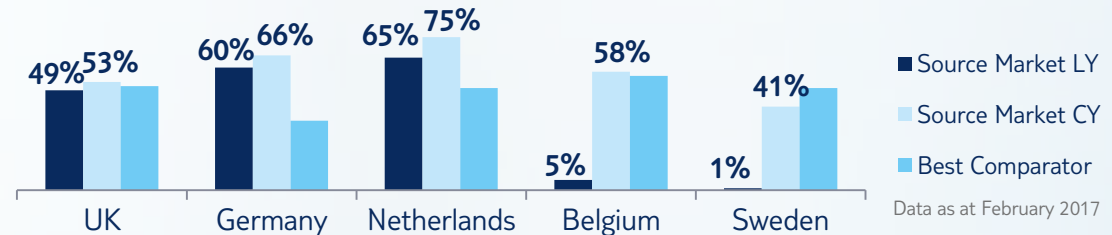
BALANCED PORTFOLIO



MORE DIRECT, MORE ONLINE



UNAIDED BRAND AWARENESS %



STRENGTH IN DISTRIBUTION ENABLES AND DE-RISKS CONTENT GROWTH



Current Trading – Summer 2017

HOTELS & RESORTS

- Two new **TUI Blue** hotel openings (Italy and Croatia)
- Subdued demand for Turkey and North Africa continue to be offset by the **popularity** of **Spain, Canaries, Greece and Caribbean**

CRUISES

- Newly built **Mein Schiff 6** will launch in June; demand for cruise remains buoyant in Germany
- Thomson Cruises continues its programme of modernisation with the launch of **TUI Discovery 2**

SOURCE MARKETS – Sales & Marketing

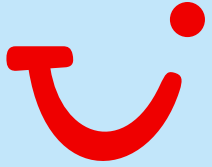
- Source Markets programme **62% sold to date** with revenues up **8%** and bookings up **4%**
- Growth in demand for Greece, Bulgaria, Croatia, Cyprus, Cape Verde and long haul
- Bookings ahead of prior year in all markets

POPULARITY OF HOTEL AND CRUISE BRANDS AND RESILIENCE OF INTEGRATED MODEL

These statistics are up to 7 May 2017 and are shown on a constant currency basis



Delivering the TUI Transformation



The world's leading integrated tourism business based on own hotel and cruise brands

- ✓ Merger complete + synergies delivered (end FY17)
- ✓ Integrated decision making + global scale based on common platforms (Brand, IT, Airline, Hotels, Cruises & Destination Services)
- ✓ Disposals of non-core businesses free up capital for reinvestment in Hotels, Cruises and strengthening the core
- ✓ Growth driven by higher margin, less seasonal hotels and cruise brands
- ✓ Focused on meaningful investments aligned to our strategy



FINANCIAL PERFORMANCE & OUTLOOK

HORST BAIER



Income Statement

In €m	H1 16/17	H1 15/16
Turnover	6,382.4	6,178.7
Underlying EBITA	-214.3	-206.4
Adjustments (SDI's and PPA)	-37.6	-34.5
EBITA	-251.9	-240.9
Net interest expense	-61.2	-81.7
Hapag-Lloyd AG	2.3	-100.3
EBT	-310.8	-422.9
Income taxes	65.3	76.0
Group result continuing operations	-245.5	-346.9
Discontinued operations	-63.1	-48.0
Minority interest	-54.3	-54.0
Group result after minorities	-362.9	-448.9
Basic EPS (€, continuing)	-0.51	-0.69

ADJUSTMENTS €38M

Consisting of €22m SDIs and €15m PPAs

Full year expected to be ~€100m due to earlier recognition of Transat integration costs

INTEREST €61M

Reduced by €21m due to lower RCF interest, lower interest on provisions and refinancing of High-Yield Bond to senior notes with lower coupon rate partly offset by additional finance lease interest for new aircraft and cruise ships

Full year outlook reduced by €20m to ~€140m as we continue to benefit from lower financing costs

TAX CREDIT €65M

Underlying effective tax rate reduced to **20%**

DISCONTINUED OPERATIONS

Includes Travelopia held for sale this year and Hotelbeds in the prior year



Cash Flow

In €m	H1 16/17	H1 15/16*
EBITA reported**	-251.9	-240.9
Depreciation**	199.6	187.7
Working capital	-73.3	-373.4
Other cash effects	48.6	105.6
At equity income**	-105.6	-64.7
Dividends received from JVs and associates	49.6	18.3
Tax paid	-84.6	-117.1
Interest (cash)	-30.0	-41.1
Pension contribution	-69.2	-91.3
Operating Cashflow	-316.8	-616.9
Net capex	-466.4	-228.9
Net financial investments	-111.3	6.3
Net pre-delivery payments	-117.5	-21.3
Free Cashflow	-1,012.0	-860.8
Dividends	-370.0	-329.2
Movement in Cash Net of Debt	-1,382.0	-1,190.0

IMPROVEMENT IN WORKING CAPITAL +€0.3bn

Improved seasonality in working capital following the disposal of Hotelbeds as we continue to deliver on our transformation plan and focus on the growth of our less seasonal content business

OVERALL IMPROVEMENT IN HALF YEAR OPERATING CASH FLOW

*Prior year restated due to exclusion of Hotelbeds & Travelopia in reported EBITA

**Continuing ops basis – non-continuing adjustment in Other cash effects



Delivering the TUI Transformation – Financial Discipline



Creating value and delivering superior returns for our shareholders

- ✓ Business balanced through markets and destinations
- ✓ Further de-risked through portfolio ownership structure
- ✓ JV partners provide expertise; require less invested capital on a consolidated basis; delivering cash through dividend
- ✓ Significant reduction in interest and effective tax rate – enhances EPS
- ✓ Attractive dividend policy supported by strong operational cashflow
- ✓ Divestment proceeds financing transformational growth
- ✓ Committed to improving corporate rating to ensure advantaged access to debt capital markets
- ✓ Delivering a growth strategy which is value accretive for our shareholders



Outlook 2016/17* – Continuing Operations Basis

Metric	2015/16	2016/17e
Turnover	€17,185m	~3% growth
Underlying EBITA	€1,001m	At least 10% growth
Adjustments	€102m	~€100m (increased from ~€80m)
Net Interest	€180m	~€140m (reduced from ~€160m)
Net Capex & Investments**	€642m	~€1bn
Net Cash/Debt	€32m net cash	~€0.8bn net debt see footnote
Underlying Effective Tax Rate	25%	20%

* Assuming constant foreign exchange rates are applied to the result in the current and prior period and based on the current group structure; **guidance relates to continuing operations and excludes the impact of the JV negotiations for TUI fly and any disposal proceeds for Travelopia and Hapag-Lloyd AG**

** 2015/16 excludes Hotelbeds Group proceeds



SUMMARY



Summary



The Group has delivered a good H1 overall



Summer 2017 continues to trade in line with our expectations



Continuing to deliver our transformation, focussed on growth of own **hotel** and **cruise** brands and driving further value from our source markets



Our strategy, operational experience and integrated model mean that we are **well placed to deal** with macro-economic and geopolitical challenges



Based on our first half performance and current trading, we reiterate our **guidance** of **at least 10% growth in underlying EBITA in 2016/17¹**

¹At constant currency and based on current group structure



Q&A



APPENDIX



2016/17 H1 Turnover by Segment (excludes Intra-Group Turnover)*

In €m	H1 16/17	H1 15/16	Change	FX	Change ex FX
Northern Region	2,232.9	2,358.3	-125.3	-266.2	140.9
Central Region	2,028.0	1,987.1	40.9	0.5	40.4
Western Region	1,114.0	915.6	198.3	0.2	198.1
Source Markets	5,374.9	5,261.0	113.9	-265.5	379.4
Riu	244.2	220.0	24.1	-8.2	32.3
Robinson	32.4	24.6	7.8	0.1	7.7
Blue Diamond	-	-	-	-	-
Other	23.4	21.4	2.1	-1.0	3.1
Hotels & Resorts	300.0	266.0	34.0	-9.1	43.1
TUI Cruises	-	-	-	-	-
Thomson Cruises	195.5	165.8	29.7	-30.5	60.2
Hapag-Lloyd Cruises	150.4	143.1	7.4	-	7.4
Cruises	345.9	308.9	37.1	-30.5	67.6
Other Tourism	290.4	290.0	0.4	-0.8	1.2
Tourism	6,311.2	6,125.9	185.4	-305.9	491.3
All Other Segments	71.2	52.8	18.3	-0.1	18.4
TUI Group continuing operations	6,382.4	6,178.7	203.7	-306.0	509.7

*Table contains unaudited figures and rounding effects; restated to treat Hotelbeds Group and Travelopia as discontinued operations, plus the reclassification of a Destination Services company from Central Region to Other Tourism, and Thomson Cruises from Northern Region to Cruise segment



2016/17 H1 Underlying EBITA by Segment*

In €m	H1 16/17	H1 15/16	Change	FX	Change ex FX
Northern Region	-138.0	-120.9	-17.1	23.9	-41.0
Central Region	-143.7	-110.6	-33.1	-0.1	-33.0
Western Region	-102.2	-75.7	-26.5	-	-26.5
Source Markets	-383.9	-307.2	-76.7	23.8	-100.5
Riu	175.2	153.6	21.6	-4.9	26.5
Robinson	1.3	-3.8	5.1	1.1	4.0
Blue Diamond**	15.1	12.3	2.8	0.5	2.3
Other	-68.8	-66.1	-2.7	0.4	-3.1
Hotels & Resorts	122.8	96.0	26.8	-2.9	29.7
TUI Cruises**	38.3	29.8	8.5	-	8.5
Thomson Cruises	21.5	9.2	12.3	-3.1	15.4
Hapag-Lloyd Cruises	15.2	10.3	4.9	-	4.9
Cruises	75.0	49.3	25.7	-3.1	28.8
Other Tourism	-13.4	-16.7	3.3	-4.9	8.2
Tourism	-199.5	-178.6	-20.9	12.9	-33.8
All Other Segments	-14.8	-27.8	13.0	4.0	9.0
TUI Group continuing operations	-214.3	-206.4	-7.9	16.9	-24.8

*Table contains unaudited figures and rounding effects; restated to treat Hotelbeds Group and Travelopia as discontinued operations, plus the reclassification of a Destination Services company from Central Region to Other Tourism, Blue Diamond to Hotels& Resorts and Thomson Cruises to Cruise segment both from Northern Region

**Equity result



2015/16 Restated Turnover by Quarter (excludes Intra-Group Turnover)*

In €m	Q1 2015/16	Q2 2015/16	Q3 2015/16	Q4 2015/16	FY 2015/16
Northern Region	1,188.2	1,170.1	1,661.7	2,575.0	6,595.0
Central Region	1,089.4	897.7	1,346.4	2,229.4	5,562.9
Western Region	486.9	428.7	734.6	1,219.7	2,869.9
Source Markets	2,764.5	2,496.5	3,742.7	6,024.1	15,027.8
Riu	106.9	113.1	106.5	135.1	461.6
Robinson	14.7	10.0	18.6	29.0	72.3
Blue Diamond	-	-	-	-	-
Other	10.8	10.5	18.1	45.3	84.7
Hotels & Resorts	132.4	133.6	143.2	209.4	618.6
TUI Cruises	-	-	-	-	-
Thomson Cruises	81.1	84.7	99.8	140.8	406.4
Hapag-Lloyd Cruises	53.9	89.2	71.3	82.3	296.7
Cruises	135.0	173.9	171.1	223.1	703.1
Other Tourism	148.0	142.0	143.6	235.7	669.3
Tourism	3,179.9	2,946.0	4,200.6	6,692.3	17,018.8
All Other Segments	32.4	20.4	40.1	72.9	165.8
TUI Group continuing operations	3,212.3	2,966.4	4,240.7	6,765.2	17,184.6

*Table contains unaudited figures and rounding effects; restated to treat Hotelbeds Group and Travelopia as discontinued operations, plus the reclassification of a Destination Services company from Central Region to Other Tourism and Thomson Cruises from Northern Region to Cruise segment



2015/16 Restated Underlying EBITA by Quarter*

In €m	Q1 2015/16	Q2 2015/16	Q3 2015/16	Q4 2015/16	FY 2015/16
Northern Region	-42.8	-78.1	71.9	432.1	383.1
Central Region	-27.0	-83.6	3.5	192.2	85.1
Western Region	-27.7	-48.0	-6.4	168.2	86.1
Source Markets	-97.5	-209.7	69.0	792.5	554.3
Riu	59.2	94.4	64.6	100.1	318.3
Robinson	0.9	-4.7	6.0	36.5	38.7
Blue Diamond**	3.1	9.1	0.5	3.7	16.5
Other	-34.8	-31.2	-13.9	10.3	-69.7
Hotels & Resorts	28.4	67.6	57.2	150.6	303.8
TUI Cruises**	13.2	16.7	25.8	44.5	100.1
Thomson Cruises	4.1	5.0	15.6	36.5	61.3
Hapag-Lloyd Cruises	-5.0	15.3	3.6	15.6	29.5
Cruises	12.3	37.0	45.0	96.6	190.9
Other Tourism	-10.3	-6.4	-5.3	29.9	7.9
Tourism	-67.1	-111.5	165.9	1,069.6	1,056.9
All Other Segments	-13.3	-14.5	-5.0	-23.7	-56.4
TUI Group continuing operations	-80.4	-126.0	160.9	1,045.9	1,000.5

*Table contains unaudited figures and rounding effects; restated to treat Hotelbeds Group and Travelopia as discontinued operations; plus the reclassification of a Destination Services company from Central Region to Other Tourism, Blue Diamond to Hotels& Resorts and Thomson Cruises to Cruise segment both from Northern Region

**Equity result



Deliver Merger Synergies

In €m	Per Capital Markets Update May 2015		Realised to FY16		Realised to H1 FY17	
	Synergies	One-off costs to achieve	Synergies	One-off costs to achieve	Synergies	One-off costs to achieve
Corporate streamlining	50	35	40	35	50	35
Occupancy improvement	30	-	30	-	30	-
Destination Services*	20	42	10	31	10	32
TOTAL	100	77	80	66	90	67

Underlying effective tax rate for 2016/17 at 20%

ON TRACK TO DELIVER SYNERGIES IN FULL BY END OF 2016/17

* Excludes Hotelbeds Group. One-off costs include SDI's and Capex.



Adjustments

In €m	H1 16/17	H1 15/16
Restructuring expense	-17.1	-5.5
Loss on disposals	-0.7	-0.9
Other one-off items	-4.6	-10.5
PPA	-15.2	-17.6
Total Adjustments	-37.6	-34.5



Net Interest Result

In €m	H1 16/17	H1 15/16
Debt related interest	-54	-57
Non-debt related charge	-15	-35
Interest income	8	10
Net interest result	-61	-82
<i>o/w cash interest</i>	<i>-30</i>	<i>-41</i>



Movement in Net Debt

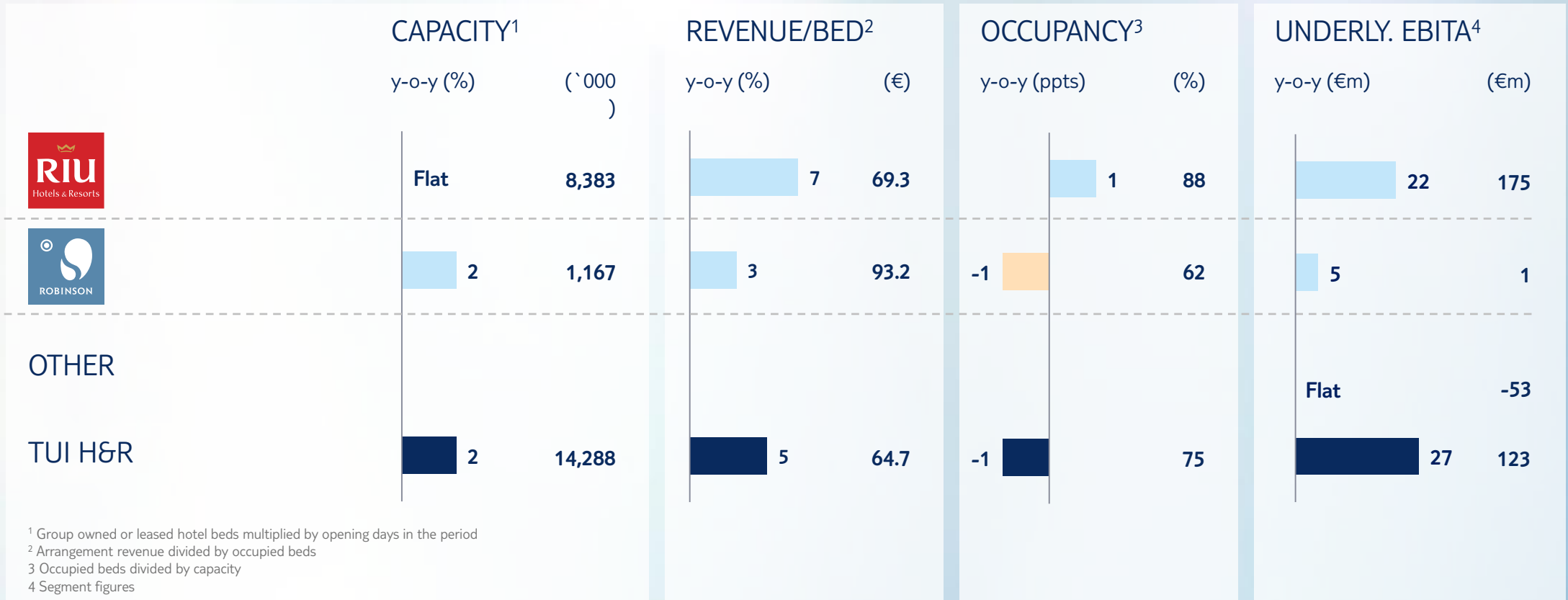
In €m	31 Mar 2017	31 Mar 2016
Opening net (debt)/ cash as at 30 September	350	-214
Movement in cash net of debt	-1,382	-1,190
Other cash movement - employee benefit trust	-21	-51
Foreign exchange movement	-54	63
Non cash movement in debt - Asset backed finance	-6	-10
Non cash movement in debt - Other	15	-4
Closing net debt including discontinued operations	-1,098	-1,406
Discontinued operations	-306	-173
Closing net debt as per Balance Sheet	-1,404	-,1579

Net Financial Position, Pensions and Operating Leases

In €m	31 Mar 2017	31 Mar 2016
Financial liabilities	-2,027	-2,505
- Finance Leases	-1,230	-939
- High Yield Bond	-	-294
- Senior Notes	-295	-
- Other liabilities (incl RCF)	-502	-1,272
Cash	623	926
Net debt	-1,404	-1,579
- Net Pension Obligation	-1,209	-1,199
- FV of Operating Leases	-3,233	-3,329



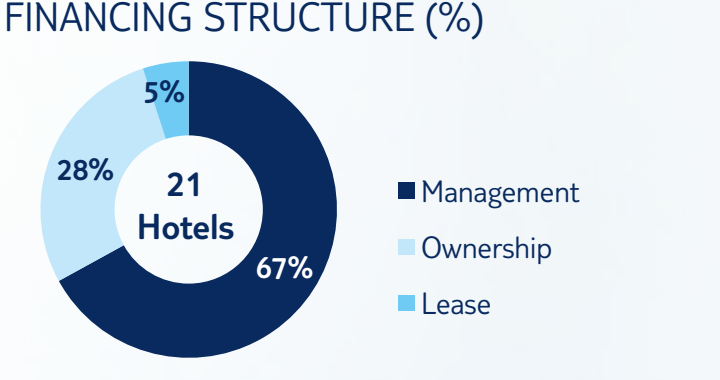
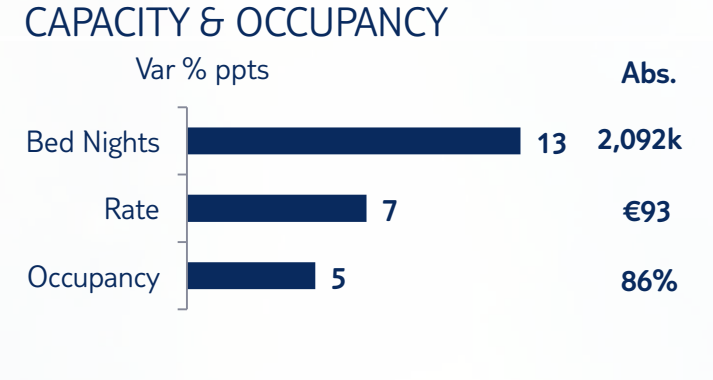
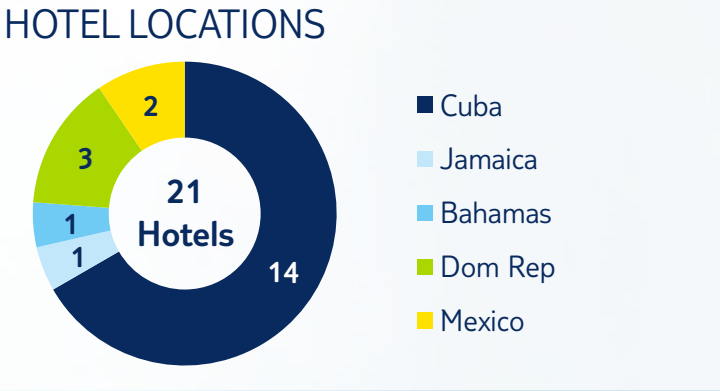
Hotels & Resorts KPIs H1 2016/17



Hotels & Resorts

Blue Diamond – Key Figures 2015/16

(€M)	
Blue Diamond 100% view	Total
Turnover	312
EBITA	51
EBITA margin	16%
EAT	34
o/w EAT to TUI (49%)	17

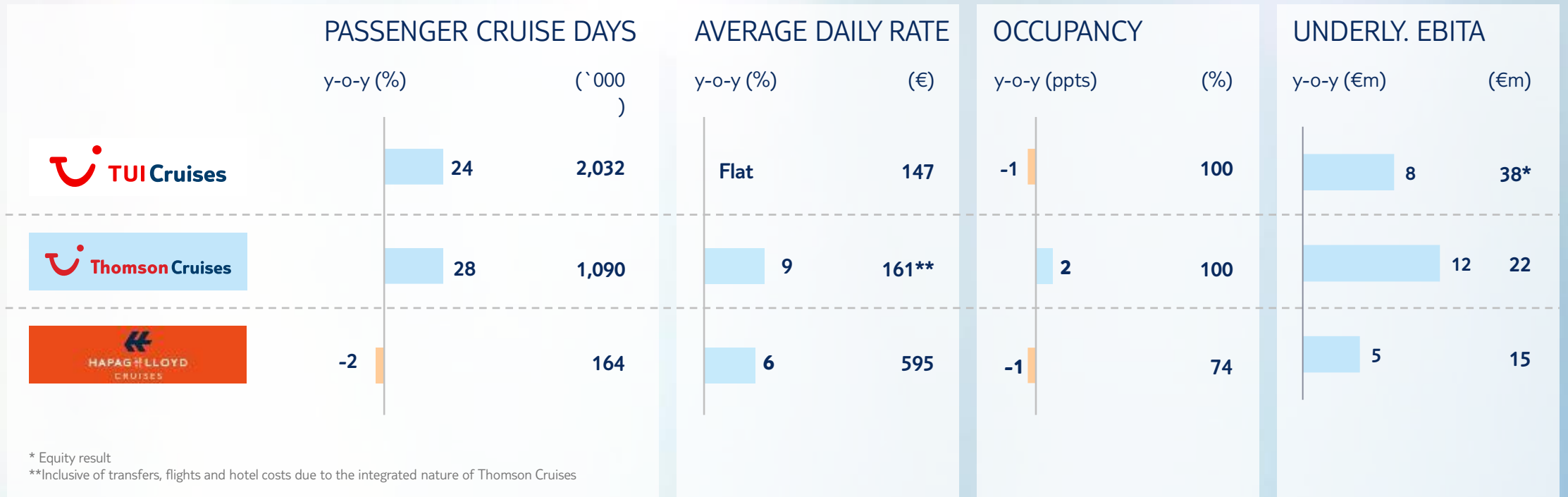


Above analysis includes owned hotels only.
 If this included managed hotels, total bed nights would increase by 6,163k



Cruises

KPIs H1 2016/17



Cruises

Thomson Cruises - Key Figures 2015/16

Turnover and Earnings (€m)	FY16
Turnover	406
Underlying EBITA	61

Passenger cruise days ('000)	2,081
Occupancy (%)	100.6
Average rate (€)	161
Passengers (k)	245
Fleet Size	5
Total Berths*	7,341

*Static count as at year-end



OWNERSHIP

100%

INTEGRATION

- Within Thomson (UK Source Market)
- ~100% Thomson Airways

PRODUCT

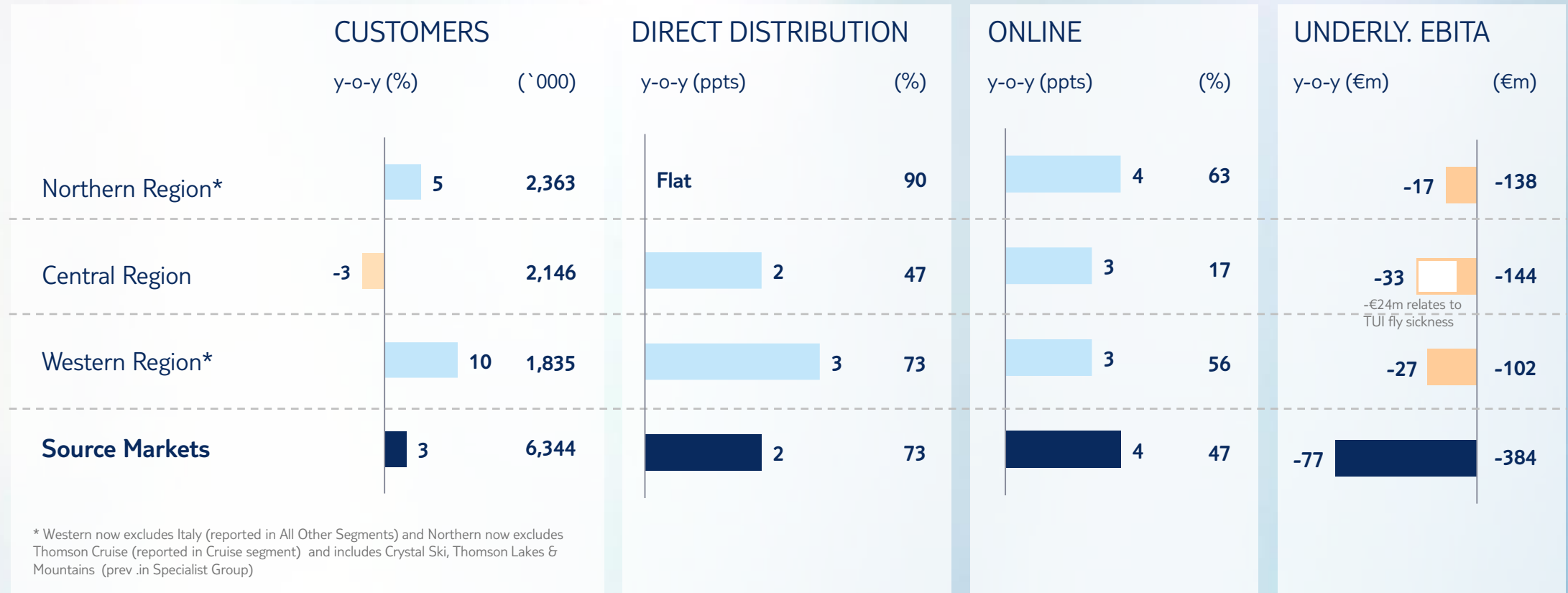
- UK leader in fly-cruising
- Cruise & Stay

LANGUAGE FOCUS

English speaking



Source Markets KPIs H1 2016/17



Source Market H1 KPIs by country¹

	Direct Distribution		Online Distribution		Customers (000)	
	H1 16/17	H1 15/16	H1 16/17	H1 15/16	H1 16/17	H1 15/16
UK	91%	91%	59%	57%	1,784	1,654
Nordics	89%	89%	75%	71%	579	596
Germany ²	47%	43%	17%	14%	1,980	2,079
Benelux	75%	72%	61%	56%	1,559	1,520
Total Source Markets³	73%	71%	47%	43%	6,344	6,137

¹ Table contains unaudited figures

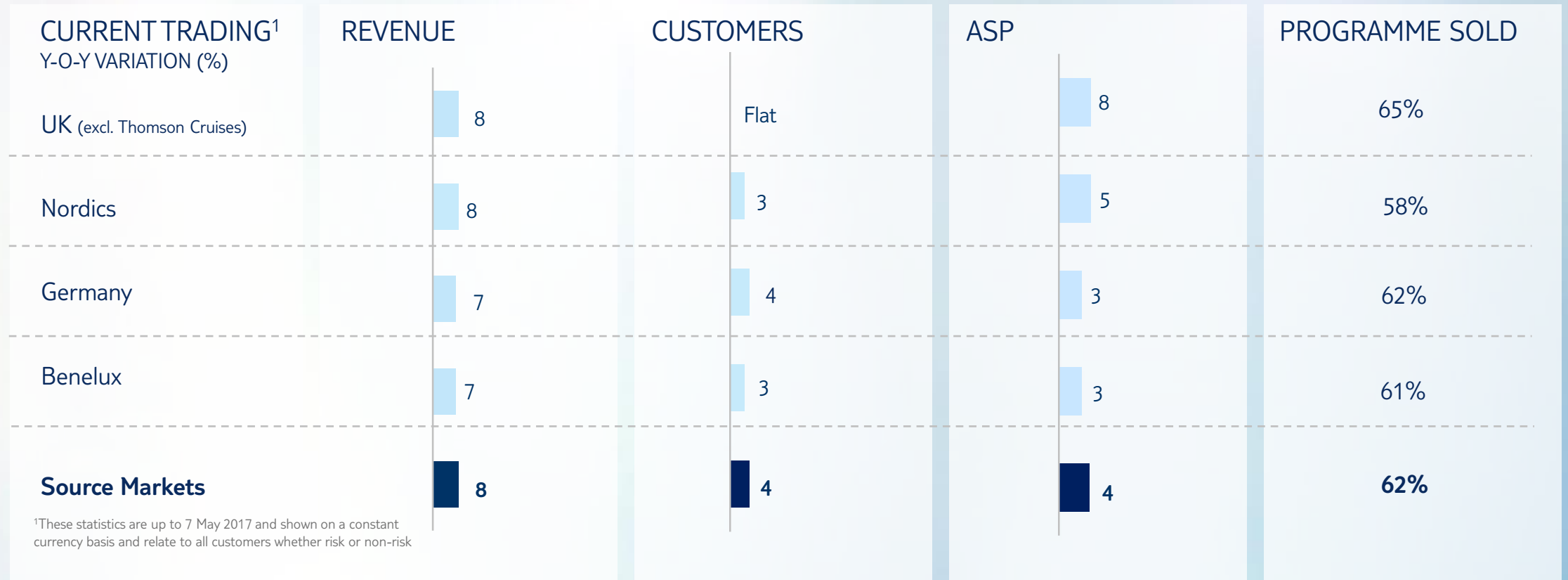
² Germany includes Austria

³ Source Markets restated as Western now excludes Italy (reported in All Other Segments) and Northern now excludes Thomson Cruises (reported in Cruise Segment) and includes Crystal Ski, Thomson Lakes & Mountains (prev. in Specialist Group).



Source Markets

Current Trading – Summer 2017



Key Sources of Funding 31 March 2017

Instrument	Issue	Maturity	Amount €m	Interest % p.a.*
Revolving Credit Facility	Sep 14	Dec 20	1,750**	E/L +1.40
Senior Notes	Oct 16	Oct 21	300	2.125
Finance leases	Various	Various	1,230	Various

*Upgrade of our rating by S&P has reduced our RCF interest margin from 1.55% to 1.40% p.a as of 14/02/2017

**Including a tranche of €215.0m for the issue of bank guarantees



Aircraft Commitments by Financing Type

	Operating Lease*	Finance Lease	Owned	Total
As at 30 September 2016	125	16	8	149
Order book financing	-	-	-	-
External Lessor deliveries	1	-	-	1
External Lessor Returns	(1)	-	-	(1)
As at 31 March 2017	125	16	8	149

* Includes aircraft leased from and operated on behalf of 3rd party airlines



Aircraft order book deliveries – FY 2017 to FY 2021

	16/17	17/18	18/19	19/20	20/21
B737 NG	-	-	-	-	-
B737-MAX	-	5	18	18	12
B787-8	-	-	-	-	-
B787-9	1	2	-	2	-
Firm order book deliveries 2017-2021	1	7	18	20	12

Financial Years (FY) ending 30 September; figures correct as at 31 March 2017

In addition to the above firm orders, TUI Group has further aircraft options:

	16/17	17/18	18/19	19/20	20/21
B737-MAX	-	-	-	2	9
B787-9	-	-	-	-	1
Option order book deliveries 2017-2021	-	-	-	2	10

Financial Years (FY) ending 30 September; figures correct as at 31 March 2017



Financial Calendar 2017

15 MAY 2017

**Q2 2016/17
REPORT**

10 AUGUST 2017

**9M 2016/17
REPORT**

28 SEPTEMBER 2017

**PRE-CLOSE
TRADING UPDATE**

13 DECEMBER 2017

**ANNUAL REPORT
FOR FINANCIAL
YEAR 2016/17**



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