



TUI AG

Extraordinary General Meeting, 28 October 2014
Horst Baier, CFO



Agenda item 1

Adoption of resolution on the increase in the Company's capital stock against contributions in kind, excluding the shareholders' statutory subscription rights

- Creation of the shares transferred to the TUI Travel shareholders in exchange for their TUI Travel shares
- TUI AG "pays" one new TUI AG share for the acquisition of around 2.506 TUI Travel shares



Agenda item 2

Adoption of resolution on the creation of new conditional capital, the granting of subscription rights and an amendment to the Articles of Association

- New TUI Travel shares emerging in future as a result of the convertible bonds issued by TUI Travel have to be exchanged at an exchange ratio equal to that stipulated under agenda item 1 if the bondholders exercise their conversion option



Agenda item 3

Adoption of resolution on the creation of new authorised capital with authorisation of the Executive Board to exclude statutory shareholders' subscription rights and corresponding amendment to the Articles of Association

- Entitlements to TUI Travel shares to emerge in the next few years from TUI Travel's employee share award schemes might be served from this authorised capital



Exchange ratio

- TUI AG “pays” one new TUI AG share for the acquisition of around 2.506 TUI Travel shares
- Negotiations between TUI AG and TUI Travel as two equally strong and independent negotiation partners
- TUI AG shareholders will benefit from the merger:
 - Valuation report by Ernst & Young confirms the adequacy of the exchange ratio
 - Significant financial benefits for both shareholder groups
 - Fairness Opinion by investment bank JP Morgan



TUI Group financing

- Evidence of sufficient financing for the Combined Group was one of the conditions required for the takeover bid to the TUI Travel shareholders
- New revolving credit facility of €1.75bn has been agreed for the new company
- Strong investor demand for the new corporate bond worth €300m
- Standard & Poor's rating of TUI AG upgraded to "B+ positive outlook"
- Standard & Poor's and Moody's have envisaged a further improvement in their ratings for the Combined TUI Group



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