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## **Ad-hoc announcement pursuant to section 15 of the German Securities Trading Act**

### **TUI AG sets indicative coupon range for the convertible bond**

Hanover, 29 October 2009. TUI AG ("TUI") has extended to its shareholders a subscription offer for convertible bonds ("Bonds") in an aggregate issue size of around EUR 250 million, with up to approximately 39.1 million ordinary shares of TUI underlying the Bonds. The subscription period ends on 11 November 2009 (including).

Subject to the exercise by shareholders of their subscription rights ("claw-back"), all Bonds for which subscription rights have not been exercised prior to such offer, will be offered today, by ABN AMRO Bank N.V. (London Branch), Citigroup Global Markets Limited, Deutsche Bank Aktiengesellschaft, Goldman Sachs International and UniCredit Group (Bayerische Hypo- und Vereinsbank AG), acting as Joint Bookrunners for this transaction, for purchase to selected qualified investors outside of the United States of America in the course of a bookbuilding.

Based on the authorisation of the Annual General Meeting held on 13 May 2009, the conversion price of the Bonds will be set at a premium of 20% to the reference price, which will equal the volume weighted average XETRA price of TUI's ordinary shares from start of trading today until end of trading on the day prior to the announcement of the final terms in the Federal Gazette (*elektronischer Bundesanzeiger*), which is expected to be published tomorrow.

The maturity of the Bonds is 5 years. The Bonds will be issued at 100% of their principal amount (which will be ten times the conversion price per Bond) on 17 November 2009 and are expected to pay a coupon of between 4.5% - 5.5%, payable semi-annually in arrears.

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The coupon will be determined based on today's bookbuilding process.

The Management Board will, with the consent of the Supervisory Board, determine the final and binding terms and conditions of the transaction and expects to publish such final conditions in the Federal Gazette (*elektronischer Bundesanzeiger*) around 30 October 2009 and in the *Börsen-Zeitung* around 31 October 2009.

With this transaction, TUI intends to extend its debt maturity profile. The proceeds from the issuance of the Bonds will be used for general corporate purposes.

TUI intends to include the Bonds to trading on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange.

## The Management Board

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