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TUI AG announces pricing of equity-linked financing in shares of TUI Travel PLC

Ad-hoc announcement according to § 15 WpHG

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Hanover, 10 January 2008:

TUI AG ("TUI") announces the pricing of its equity-linked financing in shares of TUI Travel PLC ("TTP") (the "Financing") using a part of its stake in TTP. The issue size of the Financing will be €450 million. As part of this Financing TUI will enter into contracts with Deutsche Bank which, in turn, will enter into contracts with Nero Finance Limited, a Jersey incorporated company which will issue exchangeable bonds with a cash settlement option (the "Bonds") with shares in TTP as underlying.

The Bonds will pay a coupon of 4.50% per annum. The exchange price has been set at EUR3.765, which constitutes a premium of 30% above the reference price of EUR2.8961.

Based on the exchange price, approximately 119.5 million Shares will be underlying the Bonds, representing 10.7% of TTP's share capital.

Deutsche Bank, Citi, Dresdner Kleinwort and UniCredit (Bayerische Hypo- und Vereinsbank) are acting as joint-lead managers and joint-bookrunners for the offering of the Bonds.

Hanover, 10 January 2008

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