

## Journey through time



### Act of state

In 1923 officials are appointed by the Prussian Parliament to convert the state-run coal mines, steel mills and salt works not located in the Ruhr into stock corporations. Provided with a capital stock of 500,000 Goldmark "Preußische Bergwerks- und Hütten-Aktiengesellschaft" entered into activity as a mining and steel company operating from Berlin.

### The beginning – Preussag in a difficult environment

The Annual Report for 1924 is rather modest. The newly established company shows a profit of only 2.5 million Reichsmark, even though it does not have to pay any wages or salaries. One million Reichsmark is transferred to the owner, the State of Prussia. Only two years later is the real estate on which it operates formally assigned to the company.

Despite the continuing economic crisis Preussag starts to grow. Further works are transferred to it, and new business activities such as oil exploration are added. In 1929 – when the economic crisis in Germany reaches its peak – the company's balance sheet shows a net profit of over seven million Reichsmark.

### Shareholder change

To overcome the regularly recurring liquidity bottlenecks suffered by the companies owned by Prussia, the state government decides to establish VEBA. The capital stock of Preussag, 140 million Reichsmark, is transferred to VEBA.

In financial terms VEBA is very successful, but the hope that the companies would cooperate more closely under the umbrella of a holding company proves to be mistaken. By now the various companies have developed their own profile and in some cases are in competition with each other.

### State-owned group in the Third Reich

With its key activities in coal, oil, potash, salt and nonferrous metals it was inevitable that Preussag would become a major pillar of the National Socialist autarchy and armaments programmes. At the same time the decree establishing the company which committed the state-owned group to particular principles of serving the public benefit provided an ideological anchor. But is it justified to characterise Preussag as the "heavy-industrial arm" of the National Socialist economy? This and many other critical questions relating to the participation of industry in the preparation and conduct of the War, in the plundering of the occupied territories, in the use of forced labour and in the so-called Aryanisation of Jewish businesses were examined by the historian Johannes Laufer as part of a comprehensive history of the company. Extensive passages on this can be found in "From Preussag to TUI. A Company's Journey Through Change 1923-2003", by Bernhard Stier and Johannes Laufer. Published by Klartext-Verlag, 2005.



### **New beginning in Hannover**

During the War Preussag lost over half of all its property and employees. The Berlin head office was destroyed. In 1950 the newly established administration moves from Goslar to Hannover and in 1953 becomes the company's official headquarters. The Berlin location is, however, also retained. It remains one of the domiciles of the company and proves its value over the decades as the coordination point for business with Eastern Europe and Berlin. Since 2001 Preussag's corporate office in Berlin has been located at Unter den Linden 17.

### **The first people's share**

In 1959 Preussag issues DM100 shares in the total value of DM81.5 million. The remaining approx. 22 percent of the capital stock remains in the ownership of VEBA. The aim of the federal government is to distribute ownership of the Preussag shares as widely as possible. The people's share has been created: Only citizens with a maximum annual income of DM16,000 are allowed to buy the shares; an exception is made in the case of Preussag employees. The share issue is greeted with enthusiasm. Overnight Preussag gains around 216,000 small shareholders and thus at a stroke becomes Germany's biggest stock corporation.

### **Short and succinct: the new name**

At the Annual General Meeting in July 1964 the already familiar abbreviation "Preussag" is adopted officially as the new company name. With the change in name the company continues to grow away from its traditional business sectors. In addition to the extraction and processing of primary products the Group now also becomes more strongly involved in transport. Particularly significant here is the acquisition of tank farm and transport specialist company VTG. The construction of wells, waterworks and pipelines plays a steadily increasing role. The new name gives the Group more latitude and the opportunity to enter new business sectors.

### **Consumer goods adieu**

Preussag chief executive Dr. Friedrich Krämer decides to diversify the Group to solve the problem of its dependence on the raw materials business. To this end he even acquires companies in the consumer goods sector. The policy does not prove to be a success, however, and Preussag is soon operating in the red. In 1972 a new Executive Board Chairman, Dr. Günther Saßmannshausen, is appointed and one of his first acts is to sell the consumer goods interests and the loss-making steel construction business. In 1975 the company pays its shareholders a dividend again, for the first time in four years.

### **New strength**

With the merger of Preussag and Salzgitter AG a new, strong group with improved structures is created which ranks among the twelve biggest companies in Germany. With the integration of the Salzgitter group Preussag grows at a stroke by 75 percent. In addition to the classic core business sectors, the new Group is active in particular in growth areas such as environmental technology, electronics, information systems and building technology. Both companies benefit from having worked together earlier. In 1971 Preussag and Salzgitter AG had jointly established Kavernen Bau- und Betriebs- GmbH (KBB), which later became a wholly owned subsidiary of Preussag Energie GmbH.



### **The “Year of Destiny” – from coal face to sunny beach**

Preussag redefines itself and moves into services, focusing on the travel industry. The company acquires Hapag Lloyd AG, a global player in transport and tourism. The entry into the travel business is complete: The Hamburg-based company with its fleet of aircraft, its cruise ships and chain of travel agencies is one of the leading German travel companies. It also owns 30 percent of Europe’s biggest travel company, Touristik International GmbH & Co, TUI, based in Hannover. You can access the company history of tour operator TUI Deutschland at [www.tui-deutschland.de](http://www.tui-deutschland.de)

#### **January/February 1998**

Preussag severs its links with steel producer Salzgitter. All the shares in steel company Preussag Stahl AG are sold to Hannover-Beteiligungs-GmbH.

#### **June 1998**

Preussag is officially appointed the fifth world partner in EXPO 2000.

#### **March 1999**

The Preussag Foundation, today the TUI Foundation, is established.

#### **April 1999**

Hapag Touristik Union (HTU) takes over First Reisebüro Management GmbH & Co. KG – creating the biggest travel agency chain.

#### **December 1999**

Hapag Touristik Union (HTU) is renamed with effect from the start of the year: TUI Group is now the family name for all the travel interests and brands.

#### **July 2000**

Preussag takes over the British travel company Thomson Travel Group.

#### **October 2000**

Preussag acquires a 34.4 percent stake in the French market leader for package holidays Nouvelles Frontières.

#### **August 2001**

Preussag acquires a 50 percent shareholding in Magic Life International Hotelbetriebsgesellschaft mbH, Vienna.

#### **October 2001**

New management structure at Thomson Travel Group: the lead companies are renamed TUI UK, TUI Ireland and TUI Nordic.

#### **April 2002**

The six airlines owned by the Group are put under the central control of Airline Management. TUI España is established and pools all the Spanish sales, tour operator and destination activities of the Group.

**May 2002**

The one hundred percent acquisition of Hapag-Lloyd is completed.

**June 2002**

The new name TUI AG is accepted by a majority of the shareholders at the Annual General Meeting.

**July 2002**

TUI is the first travel company to float its shares on the stock market.

**August 2002**

With the HLX brand TUI enters the no-frills airline market.

**October 2002**

Nouvelles Frontières is taken over completely by TUI AG.

**December 2002**

TUI sells the German activities of Preussag Energie to Gaz de France.

**January 2003**

The international activities of Preussag Energie GmbH are sold to the Austrian holding company OMV based in Vienna

**April 2003**

TUI China Incoming Europe is established.

**October 2003**

TUI Austria Holding AG is established. TUI successfully places a convertible bond with a maturity of five years.

**March 2004**

TUI AG holds a 100 percent interest in its Swiss subsidiary TUI Suisse/ The TUI hotel online portal [www.tui-hotels.com](http://www.tui-hotels.com) is developed.

**April 2004**

TUI takes off in Belgium with TUI Airlines Belgium. The first low-cost travel agency in Germany is opened under the name of Touristik Express.

**August 2004**

TUI forms the joint venture TUI Mostravel Russia with the Russian tour operator Mostravel.

**November 2004**

TUI's stake in Austrian club holiday provider Magic Life is increased to 100 percent.

**December 2004**

RIU Gruppe becomes the biggest single shareholder in TUI AG with an interest of 10 percent.

**April 2005**

TUI acquires a 50 percent shareholding in Indian incoming agency "Le Passage to India". TUI Airlines Nederland is established.

**May 2005**

TUI acquires a 51 percent stake in Italian incoming agency Acampora Travel srl.  
TUI AG takes over the Canadian container shipping company CP Ships.

**June 2006**

1-2-Fly, Airtours and TUI Leisure Travel are merged with TUI Deutschland GmbH.

**September 2006**

TUI is once again listed in the Dow Jones Sustainability World Index. The Indian software company Sonata acquires a 50.1 percent shareholding in TUI Info Tec, the IT subsidiary of the Group.

**October 2006**

TUI AG receives an award from the Majorca Tourism Board for establishing the TUI Marathon Palma de Majorca.

**December 2006**

Hapagfly and HLX are combined to create the new TUI airline TUIfly.com.

**March 2007**

ROBINSON Club Playa Granada opens as the first facility on the Spanish mainland.

**June 2007**

The EU Commission in its capacity as the cartel authority approves the planned merger between TUI AG and British company First Choice Travel PLC. The First Choice shareholders have yet to give their approval.

**September 2007**

TUI Travel PLC begins trading on the London exchange.

**March 2008**

European antitrust authorities give the go-ahead for the joint venture cruise line planned by Royal Caribbean Cruises Ltd. and TUI AG.

Under the TUI Cruises brand, the approval will enable a new product to be developed for the German-speaking volume market for premium cruises.

**March 2009**

TUI sells the majority of the container shipping company Hapag-Lloyd AG to 'Albert Ballin' Holding GmbH & Co. KG. The shipping company is sold at an enterprise value of 4.45 billion euro. In the 12 years of affiliation to the TUI Group, Hapag-Lloyd has developed into the 5th biggest shipping company in the world. TUI AG initially holds a 43.33 per cent stake in 'Albert Ballin'.

With its three divisions TUI Travel (tour operators, airlines, retail and incoming), TUI Hotels & Resorts and TUI Cruises (Hapag-Lloyd Cruises, TUI Cruises) this move makes TUI a pure travel group. TUI is the leading travel group in Europe with sales of 18.6 billion euros (financial year 2008) and 27 million customers.

**May 2009**

Following the christening of "Mein Schiff" the new cruise company TUI Cruises has started up operations. The first ship in the fleet was previously sailing for Celebrity Cruises as the "MS Galaxy" and in the meantime has been converted in just 38 days for its new role. The conversion, which cost around €50 million, focussed on modernising various aspects of the ship, installing extra balconies and adapting it to the needs of the German-speaking market. The maiden voyage takes "Mein Schiff" to the Baltic Sea on a cruise entitled "Baltic impressions".

**March 2010**

The brand TUI is launched in Russia and the Ukraine. TUI Russia & CIS, a joint venture between TUI Travel and S-Group Capital Management, rolls out the new brand. Three tour operators and more than 200 corporate owned and franchise travel agencies in both countries operate under the new umbrella brand.

**May 2010**

TUI Cruises announces the expansion of its cruise fleet. After the launch of Mein Schiff a second cruise liner is acquired to expand TUI Cruises' market position in the volume cruise segment. The christening of the new ship is planned for May 2011.

**May 2011**

Mein Schiff 2 is christened. The second cruise liner in the TUI Cruises fleet sailed under the name Celebrity Mercury before being refit in the Lloyd Werft shipyard in Bremerhaven to adapt it to meet the requirements of German cruise passengers. There is space for some 1,900 passengers on Mein Schiff 2.

**May 2011**

TUI reduces its holding in Hapag-Lloyd. The "Albert Ballin" Consortium buys 11.33 per cent of the shares. TUI now holds 38.4 per cent.