

## TUI Share 2007 Strong share price fluctuations. TUI share outperforming the DAX.

2007 was a year characterised by strong fluctuations in the stock markets. After an initially good start, a crash on the Shanghai Stock Exchange triggered a worldwide slump in share indices at the end of February. Subsequently, however, prices quickly rose back to record levels, only to be substantially impacted again in July by the repercussions of the sub-prime crisis in the US. In the second half of the year, the market sentiment improved although prices continued to be significantly affected by the aftermath of the sub-prime crisis.

This environment also characterised the development of the German Share Index (DAX), which rose by more than 5% in the first two months of the year from an initial level of 6,597 points. Following an annual low of 6,448 points in March, the DAX then reached a historical high of 8,106 points in July 2007. The subsequent decline, temporarily amounting to more than 800 points, was offset in second half of the year by positive corporate news. However the index continued to be impacted by the sub-prime crisis and an increase in inflation. The DAX closed the year at 8,067 points, up 22% on its level at the beginning of the year.

### Information on the TUI share

31 December 2007

WKN	TUAG00
ISIN	DE000TUAG000
Reuters/Bloomberg	TUIGn.DE/TUI1.GR
Stock category	Registered ordinary shares
Capital stock	€ 642,299,113.43
Number of shares	251,245,575 units
Market capitalisation	€ 4,806,327,850

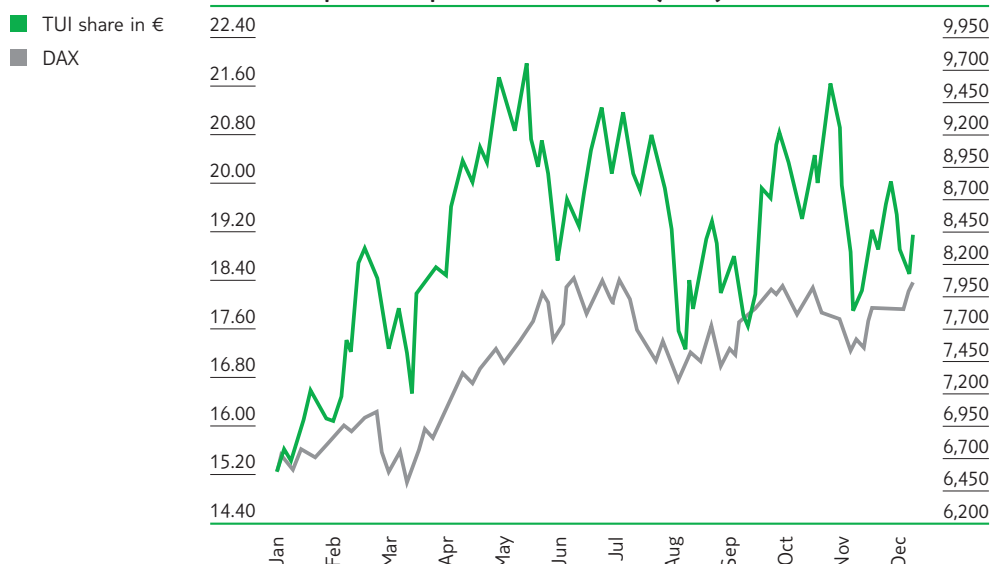
### Development of TUI share price in 2007

From its annual low of € 15.19 on 2 January 2007, the TUI share price rose at the beginning of 2007. In May 2007, the TUI share reached its annual high of € 21.95. During this, the share price benefited from sound worldwide economic development which increasingly boosted world trade and thus prospects for the container shipping sector. In the middle of the year, the share price was determined by differing developments. On the one hand, the share price benefited from positive news in the tourism sector, whilst on the other hand it declined when the Group announced its weaker half-year performance figures in August. Following presentation of the interim report as at the third quarter of 2007 featuring performance figures that exceeded expectations and a positive outlook, the share price picked up again and almost reaching its previous high. The subsequent drop was caused by a slight slow-down in economic activity, high

Share price fluctuation

crude oil prices and the ongoing repercussions of the sub-prime crisis in the US. At the end of the year, the TUI share was nevertheless quoted at € 19.13, up by 26% on the opening price. It thus outperformed the DAX throughout most of the year.

#### TUI share price compared with the DAX (2007)



#### Long-term development of the TUI share price

€	2003	2004	2005	2006	2007
High	16.02	19.04	20.47	18.40	21.95
Low	7.22	12.05	16.10	14.51	15.19
Year-end share price	15.39	16.22	17.30	15.14	19.13

#### Quotations, indices and trading

The TUI share is officially traded on all German trading floor systems and in the Xetra electronic trading system. No other company with similar operations in tourism and shipping is listed in the German stock market. Several European competitors in the tourism sector such as Thomas Cook, Club Méditerranée and Kuoni are traded on stock markets in the UK, France and Switzerland. In the shipping sector, listed international competitors include Maersk in Denmark, Evergreen Line in Taiwan, COSCO and CSCL in China and NYK Lines in Japan.

#### TUI Travel PLC share

Upon completion of the merger between TUI's tourism division and First Choice Holidays PLC, the First Choice Holidays PLC share was no longer listed. At the same time, the shares in TUI Travel PLC were admitted to the official list by the British admission authority on 3 September 2007 and admitted to trading of listed securities on the London Stock Exchange. On 24 December 2007, the share was admitted to the FTSE 100, the key share index on the London Stock Exchange.

### Information on the TUI Travel PLC share

31 December 2007

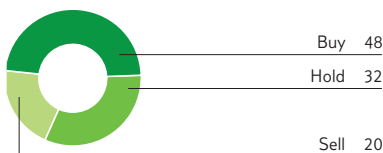
ISIN	GB00B1Z7RQ77
Reuters/Bloomberg	TT.L / TT/LN
Stock category	Registered ordinary shares
Number of shares	1,118 million
Market capitalisation	GBP 3,284,156,343

#### TUI share in the DAX30 and Prime Standard

The TUI share has been included in the DAX30 – the German Stock Index – since 1990. When the composition of the index was reviewed in December 2007, TUI shares ranked 26th in terms of trading volume and 37th in terms of market capitalisation. At that point in time, the TUI share had a weighting of 0.48% in the DAX. Since its launch in January 2003, TUI has been a member of the Prime Standard of Deutsche Börse and thus meets the high international transparency standards of this segment which are over and above legal requirements.

The TUI share is included in several industry indices in the German stock market and at European level. These include the European sub-indices Dow Jones Travel & Leisure Titans 30 and Dow Jones Euro Stoxx Travel & Leisure. Its year-end weightings in these subindices were 2.20% and 8.41%, respectively. Moreover, the TUI share is listed in the FTSE Eurotops 300 index. In terms of sustainability indices, the TUI share is listed in FTSE4Good, ASPI Eurozone (Advanced Sustainable Performance Indices), ESI (Ethibel Pioneer Index), the Dow Jones Sustainability Index World and ECPI Ethical Index Euro. In the German stock market, it is, inter alia, included in the calculation of the DAXplus Seasonal Strategy.

#### Analysts' recommendations (in %)



As of December 2007

Both for institutional and private investors, the recommendations by financial analysts form an important basis for their decisions. In 2007, almost 30 banks regularly published studies concerning TUI AG. At year-end, 48% of analysts recommended buying the TUI AG share, with 32% recommending 'hold' and 20% recommending 'sell'.

Trading in TUI shares rose again in 2007. On average, 4,083,813 no-par value shares were traded per day, an increase of around 14% year-on-year. For the first time, the total trading volume exceeded one billion no-par value shares. The number of option contracts on TUI shares traded on the European futures and options exchange EUREX rose by 40% to 9,405 contracts per day, i.e. a total of 2,379,552 contracts for the entire year.

#### Capital stock and number of shares

In December 2007, TUI AG's capital stock rose by a further € 577,044 due to the issuance of 225,720 employee shares. At the balance sheet date, it therefore totalled € 642,299,113, comprised of 251,245,575 no-par value shares, certificated by global certificates. The proportionate share capital attributable to each individual share was approx. € 2.56. Apart from subscribed capital, both authorised and conditional capital were available, as outlined in the notes on the consolidated financial statements.

#### Employee shares

## Convertible bonds

In 2007, no bonds were converted from the 2003/2008 and 2007/2012 convertible bonds. Investors therefore held conversion rights for a total of 19,385,784 TUI shares from the 2003 convertible bond and 25,072,254 TUI shares from the 2007 convertible bond at the balance sheet date.

## Resolutions of the 2007 Annual General Meeting

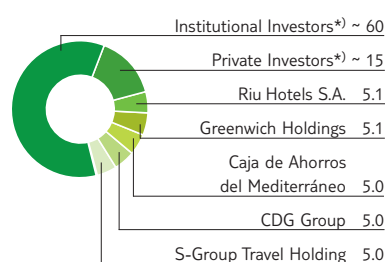
The 2007 Annual General Meeting was held in Hanover on 16 May 2007. Approx. 2,200 shareholders and shareholder representatives, representing 47.2% of the voting capital, participated in the AGM. Besides the formal ratification of the acts of the Executive and Supervisory Boards and the adoption of a resolution on the appropriation of profits from the 2006 financial year, the agenda also included a share buyback programme in accordance with section 71 sub-section 1 no 8 of the German Stock Corporation Act as well as amendments to the Articles of Association. In the 2007 financial year, the authorisation to purchase our own shares was not used.

## Shareholder structure

At the beginning of 2008, around 75% of the TUI shares floated freely. Around 15% of these shares were held by private shareholders, around 25% by strategic investors and the majority, around 60%, by institutional investors. According to an analysis of the share register, these were mainly investors from Germany and other EU countries.

Current information on the shareholder structure and voting right notifications pursuant to section 26 of the German Securities Trading Act are available on the internet at: [www.tui-group.com/de/ir/aktie/aktionersstruktur.html](http://www.tui-group.com/de/ir/aktie/aktionersstruktur.html)

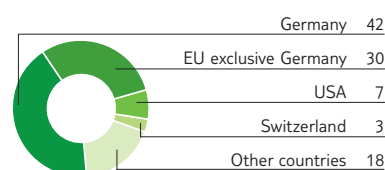
### Shareholder structure (in %)



As of January 2008

\*) Free float according to the definition by Deutsche Börse

### Geographical shareholder structure (in %)



As of December 2007

## Stock yield

As before, the TUI share was an attractive investment for yield-oriented investors in 2007. Shareholders with longer-term exposure who in 1990, for instance, bought then Preussag shares for the equivalent of € 500, exercised their subscription rights and reinvested their dividends, held a TUI share portfolio worth € 1,190 at the balance sheet date. Their average return per annum was more than 5%.

## Dividend and yields

From TUI AG's annual net profit of € 66 million and the profit carried forward of € 54 million, profit available for distribution of € 33 million was available for distribution to the shareholders after transfers to the revenue reserves of € 88 million. Accordingly, a recommendation to pay a dividend of 25 euro cents per no-par value share will be submitted to the Annual General Meeting. With 251,245,575 dividend-bearing shares, the amount available for distribution totals € 62.8 million.

### Development of dividends and earnings per share of TUI shares

€	2003	2004	2005	2006	2007
Earnings per share	1.54	2.96	2.28	- 3.66	0.61
Dividend	0.77	0.77	0.77	0.00	0.25

**Rating**

## Ratings

TUI's financial strength is subject to regular ratings by the international rating agencies Standard & Poor's and Moody's. At the end of 2007, their ratings were as follows:

Rating agency	Corporate rating	Outlook
Standard & Poor's	BB –	negative
Moody's	B1	negative

The respective ratings and additional detailed information on the bonds traded in the capital market are provided in the section 'Financial position'.

## Refinancing

In May 2007, unsecured unsubordinated convertible bonds were issued. They were exclusively offered to institutional investors outside the US. Due to the exceptionally high level of demand, the originally planned initial volume of € 550 million was increased by € 82.5 million. In addition, the banks managing the placement of the bond exercised the greenshoe option worth € 61.5 million in order to cover over-allotments. The total issue volume of the convertible bond was thus € 694 million. The issuing proceeds were used for general corporate purposes and made available for a refinancing of a part of TUI's existing debt.

## Investor Relations

In 2007, the activities of the Investor Relations team focused on the provision of up-to-date information and open communication with shareholders, institutional investors, analysts and lenders. Discussions with these stakeholder groups centred on Group strategy and business trends in the individual sectors in order to enable the market participants to make a realistic assessment of TUI's future development. The Executive Board met analysts and investors at regular roadshows in Europe and America, at one-on-one meetings and at the analysts' meeting in March 2007 convened to present the annual financial statements for 2006 and to announce the merger between the tourism division and First Choice PLC. Conference calls were held and were met with a high level of interest to present the respective quarterly interim reports. Another forum for discussion with the shareholders was the Annual General Meeting.

As in 2006, shareholders had the opportunity to use an internet tool on the Investor Relations website in order to register for the AGM, order a guest card and instruct one of the proxies provided by the Company. This service was again well received, with approx. 20% of shareholders ordering their admission tickets by means of the new internet tool.