

steady growth over the months. The recovery in price levels in the course of the year went hand in hand with stable growth. The ongoing weakness of the US dollar against the euro and the continuing high level of bunker costs had an adverse effect on earnings. Overall, however, underlying earnings rose substantially year-on-year.

The development of the performance of the divisions year-on-year shows a significant increase in the profitability of the core businesses.

Overall, earnings by tourism was slightly over the Executive Board's expectations. The earnings level posted by shipping fell short of expectations, in particular due to the weakness of the US dollar and average freight rate which fell under 2006 level, but developed significant positively at the end of the year.

Continuing operations

Development of turnover by divisions

Turnover by continuing operations comprised the tourism and shipping divisions and central operations.

Turnover by divisions

€ million	2007	2006	Var. %
Tourism	15,638.5	14,085.1	+ 11.0
TUI Travel PLC	15,258.7	13,676.0	+ 11.6
TUI Hotels & Resorts	379.8	346.7	+ 9.5
Others/Consolidation	0.0	62.4	n. m.
Shipping	6,201.6	6,254.0	- 0.8
Container shipping	6,018.4	6,093.7	- 1.2
Cruises	183.2	160.3	+ 14.3
Central operations	25.5	175.5	- 85.5
Continuing operations	21,865.6	20,514.6	+ 6.6
Discontinuing operations	0.0	401.0	n. m.
Turnover by divisions	21,865.6	20,915.6	+ 4.5

At € 15.6 billion, turnover by tourism grew by 11.0% year-on-year. Both TUI Travel PLC and the TUI Hotels & Resorts sector increased their turnover year-on-year. Turnover by TUI Travel PLC included a merger-induced increase of € 1,342.5 million due to the first-time consolidation of the First Choice activities as of September 2007. Adjusted for the turnover of First Choice and the turnover of the divested business travel operations still included in 2006, underlying turnover for the tourism division grew by 1.9%.

In shipping, turnover declined slightly by 0.8% to € 6.2 billion despite a continued rise in transport volumes. The main reason for the slight decline in turnover year-on-year was the relative weakness of the US dollar compared with 2006 and the slight year-on-year decline in average freight rates for the year.

Turnover by central operations fell considerably year-on-year by 85.5% to € 26 million. This was primarily due to the divestment of the majority interest in Wolf GmbH, a heating and air conditioning company, in October 2006 and the resulting impact on turnover.

Discontinuing operations

In the completed 2007 financial year, the TUI Group no longer included any discontinuing operations. In 2006, turnover of € 401 million had been generated in the trading sector.