

SUMMARY OF THE NOTES

The summary below describes the principal terms of the Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The "Description of the Notes" section of this Offering Memorandum contains a more detailed description of the terms and conditions of the Notes, including the definitions of certain terms used in this summary.

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| Issuer | TUI AG |
| Notes Offered | €625,000,000 aggregate principal amount of 6.625% senior notes due 2011. |
| Issue Date | April 30, 2004 |
| Maturity Date | May 16, 2011. |
| Interest Payment Dates | May 15 and November 15, of each year, commencing November 15, 2004. |
| Interest Step-up | If the Notes are not assigned a rating by both Standard & Poor's and Moody's within eighteen months of the issue date, interest on the Notes will increase by 0.75% and will thereafter accrue at a rate of 7.375% per annum. |
| Denominations | Each Note will have a minimum denomination of €1,000 and will be offered initially only in amounts exceeding €50,000. |
| Ranking | <p>The Notes will be our senior unsecured obligations. The Notes will:</p> <ul style="list-style-type: none">• rank equally with all of our existing and future unsecured and unsubordinated indebtedness;• rank senior to all of our existing and future subordinated indebtedness;• be effectively subordinated to all of our existing and future secured indebtedness to the extent of the assets securing such indebtedness; and• be effectively subordinated to all existing and future indebtedness of our subsidiaries (other than indebtedness of any subsidiary that in the future guarantees the Notes, to the extent of the guarantee). <p>As of December 31, 2003, on a <i>pro forma</i> basis, after giving effect to this offering and the application of the proceeds as described in "Use of Proceeds," there would have been:</p> <ul style="list-style-type: none">• €0 million of secured indebtedness of TUI AG to which the Notes would have been effectively subordinated;• €2,780 million of indebtedness of TUI AG ranking equally with the Notes; and• €1,331 million of indebtedness of our subsidiaries to which the Notes would have been effectively subordinated. <p>The Indenture governing the Notes will permit us and our subsidiaries to incur substantial additional indebtedness, subject to certain limitations with respect to subsidiary debt.</p> |
| No Optional Redemption | Except as set forth below under "Tax Redemption," we may not redeem the Notes before the Maturity Date. |

Tax Redemption

We may redeem the Notes, in whole but not in part, upon giving notice at any time at a redemption price equal to the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed for redemption, in the event of a change in tax law which would require us to pay additional amounts with respect to the Notes. See “Description of the Notes — Redemption upon Changes in Withholding Taxes.”

Change of Control

If there is a change of control, as defined under “Description of the Notes — Purchase of Notes upon a Change of Control,” we must offer to repurchase all or part of the Notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date.

Certain Covenants

The Indenture governing the Notes will limit our ability and the ability of our subsidiaries to:

- create or incur liens;
- sell assets;
- merge or consolidate or transfer and sell substantially all of our assets; and
- engage in transactions with affiliates.

The Indenture governing the Notes will also:

- limit the ability of our subsidiaries to incur more debt; and
- impose restrictions on the ability of our subsidiaries to limit dividends or other payments to us or any of our subsidiaries.

These covenants are subject to a number of important exceptions and limitations, which are described in the section entitled “Description of the Notes — Certain Covenants.”

If the Notes are assigned certain target ratings, and so long as no default or event of default has occurred and is continuing, our obligation to comply with certain of these covenants will terminate. This termination will not, however, affect our obligation to pay principal and interest on the Notes or to offer to repurchase the Notes in the event of a change of control.

No Registration Rights

We have not registered, and will not be required to register, the Notes under the U.S. Securities Act.

Use of Proceeds

We intend to use the net proceeds from the offering of the Notes to refinance our existing short- and medium-term indebtedness. See “Use of Proceeds.”

Form of Notes

The Notes will initially be issued in the form of global notes and will be deposited with, and registered in the name of, a common depository for Euroclear and/or Clearstream.

Transfers of Notes will be effected in accordance with the rules and operating procedures of Euroclear and/or Clearstream and their participants. See “Book-Entry, Delivery and Form.”

Transfer Restrictions

The Notes are subject to restrictions on transfer and may only be offered or sold in transactions that are exempt from or not subject to the

registration requirements of the U.S. Securities Act. See “Notice to U.S. Investors” and “Notices to Non-U.S. Investors.”

No Prior Market

The Notes will be new securities for which there is currently no market. Although the Initial Purchasers have informed us that they intend to make a market in the Notes, they are not obligated to do so and may discontinue market-making at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained.

Listing

We have applied for listing of the Notes on the Luxembourg Stock Exchange. We also intend to apply to have the Notes quoted on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange. In addition, we have agreed to seek to have the Notes made eligible for trading on the PORTALSM market.

Trustee and Principal Paying Agent

The Bank of New York.

Governing Law

The Notes and the Indenture will be governed by the laws of the State of New York.

ISIN

Regulation S: XS0191794782
144A: XS0191795672

Common Code

Regulation S: 019179478
144A: 019179567

German Security Code

Regulation S: A0A8CY
144A: A0A8CZ