SUPPLEMENT

TO THE PROSPECTUS DATED OCTOBER 2, 2014

for the offer to the public in the Federal Republic of Germany and
for the admission to trading on the

regulated market of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)
with simultaneous admission to the sub-segment of the regulated market with additional
post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange as well as the regulated markets of the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart

of
up to 267,270,189 ordinary registered shares with no par value from a capital increase against contribution in kind

and
for the admission to the premium listing segment of the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange

of
up to 587,331,271 ordinary registered shares with no par value (entire share capital)
– each such share with a notional value (the proportionate amount of the share capital attributable to each share) of approximately €2.56 –

of

TUI AG

Berlin and Hanover

International Securities Identification Number (ISIN) for Existing Shares issued prior to October 1, 2014: DE000TUAG000
International Securities Identification Number (ISIN) for Existing Shares issued since October 1, 2014: DE000TUAG232
International Securities Identification Number (ISIN) for New TUI AG Shares: DE000TUAG265
German Securities Identification Number (WKN) for Existing Shares issued prior to October 1, 2014: TUAG00
German Securities Identification Number (WKN) for Existing Shares issued since October 1, 2014: TUAG32
German Securities Identification Number (WKN) for New TUI AG Shares: TUAG26

December 10, 2014

Listing Agent

Deutsche Bank

IMPORTANT INFORMATION

This document constitutes a supplement (the "**Supplement**") to the prospectus of TUI AG dated October 2, 2014 (the "**Prospectus**"). This Supplement has been drawn up in accordance with Section 16 (1) and (2) of the German Securities Prospectus Act (*Wertpapierprospektgesetz* –WpPG) which implements Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003, as amended, (the "**Prospectus Directive**") into German law.

This Supplement and the Prospectus should be read in conjunction only and together constitute one prospectus for the purpose of the Prospectus Directive and the German Securities Prospectus Act. This Supplement shall only be distributed in connection with the Prospectus.

Terms defined or otherwise attributed meanings in the Prospectus have the same meaning when used in this Supplement.

In accordance with Section 16 (3) of the German Securities Prospectus Act, where the Prospectus relates to an offer of securities to the public, investors who have already agreed to purchase or subscribe for securities before a supplement is published have the right, exercisable within two working days after the publication of such supplement, to withdraw their acceptances provided that the new factor, mistake or inaccuracy referred to in Section 16 (1) of the German Securities Prospectus Act arose before the final closing of the offer to the public and the delivery of the securities. Revocations should be sent to: TUI AG, Karl-Wiechert-Allee 4 30625 Hanover, Germany.

SUPPLEMENTAL AND REPLACEMENT INFORMATION PERTAINING TO THE PROSPECTUS

TUI AG announces that, as a result of the publication of the TUI AG annual report for the financial year ended September 30, 2014 on December 10, 2014 the Prospectus is supplemented and amended as follows:

1. Supplemental and replacement information pertaining to the table of contents

1.1 The section "General Information" in the table of contents shall be amended as follows:

A new sub-section "Documents incorporated by Reference" is added after "Inspection of Documents".

1.2 The section "Recent Developments and Outlook" in the table of contents shall be amended as follows:

The sub-section "Profit Estimate" is renamed "Profit Forecast".

1.3 The section "Financial Statements" in the table of contents shall be amended as follows:

The sub-section "Audited interim consolidated financial statements (IFRS) of TUI AG as of and for the nine-month period ended June 30, 2014" shall be renamed "Audited Consolidated Financial Statements of TUI AG as of and for the financial year ended September 30, 2014.

The section "Financial Statements" in the table of contents shall further be amended:

After the sub-section "Audited Consolidated Financial Statements of TUI AG as of and for the financial year ended September 30, 2011" a new sub-section "Audited Financial Statements of TUI AG as of and for the financial year ended September 30, 2014 (HGB)" shall be inserted.

2. Supplemental and replacement information pertaining to the section "Summary"

2.1 The content of Element "B.6 – Persons who, directly or indirectly, have a (notifiable) interest in the issuer's capital or voting rights or have control over the issuer" shall be replaced as follows:

As of the date of this Supplement, the Company is aware of the following shareholdings in the Company's registered shares that exceed the applicable thresholds under the German Securities Trading Act (*Wertpapierhandelsgesetz* - WpHG):

Name of shareholder	**Share of ordinary registered shares (%)**
S-Group Travel Holding GmbH (ultimately controlled by A. Mordashov)(1) (2)	22.55
Riu Hotels S.A., Palma de Mallorca(2)..	6.83

(1) In addition, Unifirm Limited (a limited liability company incorporated in Cyprus which the Company believes is also ultimately controlled by Alexey Mordashov) holds 2.62% of the issued share capital of the Company.
(2) Opening Position Disclosure under Rule 8 of the UK City Code on Takeovers and Mergers (July 10, 2014)

The Company is not aware of any other shareholders holding, directly or indirectly, more than 3% of the Company's voting rights.

2.2 In Element "B.7 – Selected financial and business information" the first sentence of the first paragraph shall be replaced as follows:

The financial information contained in the following tables is taken (unless otherwise stated) from TUI's audited consolidated financial statements as of and for the financial years ended September 30, 2014, 2013, 2012 and 2011.

Due to changes in applicable accounting standards some financial information relating to the financial year ended September 30, 2013 have subsequently been restated in the consolidated financial statements as of and for the financial year ended September 30, 2014. Unless specified otherwise the financial information contained in the following tables relating to the financial year ended September 30, 2013 are taken from the consolidated financial statements as of and for the financial year ended September 30, 2014.

The second paragraph shall be replaced by the following:

PwC audited the consolidated financial statements for TUI AG as of and for the financial years ended September 30, 2014, 2013, 2012 and 2011 and issued in each case an unqualified auditor's report.

2.3 In Element "B.7 – Selected financial and business information" the table "Selected Information from the Income Statement" shall be replaced by the following:

Selected Information from the Income Statement

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Turnover	**17,480.3**	**18,330.3**	**18,477.5**	**18,714.7**
Cost of sales	15,655.2	16,285.8	16,436.3	16,436.6
Gross profit	**1,825.1**	**2,044.5**	**2,041.2**	**2,278.1**
Earnings before income taxes (EBT)	**206.8**	**252.7**	**311.4**	**505.6**
plus: Loss on Container Shipping measured at equity	2.1	49.0	22.3	38.9
less: Gain on reduction and measurement of financial investment in Container Shipping(2)	(51.2)	(61.6)	–	–
plus: Net Interest expense and expense from measurement of interest hedges	286.8	284.9	252.8	229.3
plus: Impairment of goodwill	–	13.8	8.3	–
EBITA(1)	**444.5**	**538.8**	**594.8**	**773.8**
Adjustments:	155.6	206.9	167.1	94.7
Underlying EBITA(1)	**600.1**	**745.7**	**761.9**	**868.5**
Earnings before income taxes (EBT)	**206.8**	**252.7**	**311.4**	**505.6**
Tax expenses	88.6	110.8	145.0	221.7
Group profit for the period	**118.2**	**141.9**	**166.4**	**283.9**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in the framework of restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) In connection with and following the sale of Hapag-Lloyd, we had entered into various financing arrangements, including the provision of a bridge loan and a vendor loan.

2.4 In Element "B.7 – Selected financial and business information" the table "Selected Information from the Balance Sheet" shall be replaced by the following:

Selected Information from the Balance Sheet and from the corresponding Notes

	As of September 30,			
	2011	**2012**	**2013**	**2014**
		(in €millions)		
	(audited)	**(audited)**	**(audited)**	**(audited)**
Non-Current Assets	9,107.6	8,668.2	8,645.8	8,647.2
Current assets	4,384.3	4,544.4	4,808.5	5,379.0
Total assets	**13,491.9**	**13,212.6**	**13,454.3**	**14,026.2**
Financial liabilities				
Convertible bonds[1]	1,389.7	1,318.3	1,333.5	821.7
Other bonds[1]	250.1	232.8	–	292.4
Liabilities to banks[1]	886.7	566.1	1,004.3	260.7
Liabilities from finance leases[1]	154.8	233.2	335.6	500.6
Financial liabilities due to non-consolidated Group companies[1]	17.6	7.1	6.0	5.6
Financial liabilities due to affiliates[1]	11.2	11.6	–	–
Other financial liabilities[1]	88.2	87.5	90.2	81.9
Total financial liabilities[1]	**2,798.3**	**2,456.6**	**2,769.6**	**1,962.9**

(1) Figures derived from the Notes to the consolidated statement of financial position.

2.5 In Element "B.7 – Selected financial and business information" the table "Selected Information from the Statement of Cash Flows" shall be replaced by the following:

Selected Information from the Statement of Cash Flows

	Financial year ended September 30,			
	2011	**2012**[1]	**2013**	**2014**
		(in €millions)		
	(audited)	**(audited)**	**(audited)**	**(audited)**
Cash inflow from operating activities	1,085.5	841.5	875.3	1,074.7
Cash inflow / (outflow) from investing activities[2]	875.4	314.7	(444.3)	(586.2)
Cash outflow from financing activities	(2,249.2)	(894.2)	(620.9)	(318.9)
Net change in cash and cash equivalents	(288.3)	262.0	(189.9)	169.6
Development of cash and cash equivalents:				
Cash and cash equivalents at beginning of period	2,274.3	1,981.3	2,278.4	2,701.7
Cash and cash equivalents at end of period	1,981.3	2,278.4	2,701.7	2,286.0

(1) Figures derived from the audited consolidated financial statements as of and for the financial year ended September 30, 2013. Historically, dividends received from associates and joint ventures were recorded within cash flows from investing activities. During the financial year ended September 30, 2013, it was determined dividends received from associates and joint ventures would be more appropriately reflected in operating activities and the financial year ended September 30 2012 figures were adjusted accordingly. The Company is of the view that this presents more relevant information about the ability to generate cash flows from operating activities.

(2) Cash inflow from investing activities includes dividends from joint ventures and associates of €11.9 million for the financial year ended September 30, 2011. For the financial years ended September 30, 2012, September 30, 2013 and September 30, 2014 dividends from joint ventures and associates are recorded under the Cash inflow from operating activities, instead.

2.6 In Element "B.7 – Selected financial and business information" the table "Other Financial Data" shall be replaced by the following:

Other Financial Data

	As of and for the financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited) [(1)]	(audited) [(1)]	(audited) [(1)]	(audited) [(1)]
Earnings before interest, taxes, and impairment of goodwill (EBITA)[(2)]	444.5	538.8	594.8	773.8
Underlying EBITA[(2)]	600.1	745.7	761.9	868.5
Net debt (net cash)[(3)(4)]	817.0	178.2	67.9	(323.1)
Cash and cash equivalents	1,981.3	2,278.4	2,701.7	2,286.0
EBITA as per Segment				
TUI Travel	321.4	441.0	532.8	597.9
TUI Hotels & Resorts	144.2	177.5	170.6	203.0
Cruises	11.2	0.8	(30.4)	24.2
All other segments	(32.3)	(80.5)	(78.2)	(51.3)

(1) Unless otherwise stated.

(2) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(3) Net debt consists of financial liabilities less cash and cash equivalents.

(4) Unaudited.

2.7 In Element "B.7 – Selected financial and business information", the first paragraph of the section "Significant changes to the issuer's financial condition and operating results" and the sub-section "Nine-month period ended June 30, 2014 and 2013" shall be replaced by the following:

The following changes in the Company's financial condition and its operating results of operations, as shown on the basis of turnover, EBT and Underlying EBITA, occurred in the financial years ended September 30, 2014, 2013, 2012 and 2011:

Financial years 2014 and 2013

Turnover increased from €18,477.5 million in the financial year ended September 30, 2013, by €237.2 million, or 1.3%, to €18,714.7 million in the financial year ended September 30, 2014. The increase primarily resulted from higher average selling prices, mainly driven by a higher proportion of unique product sales, while the number of customers in the Mainstream Business of TUI Travel decreased by 2.4% compared to the previous financial year.

Underlying EBITA improved from €761.9 million in the financial year ended September 30, 2013, by €106.6 million, or 14.0%, to €868.5 million in the financial year ended September 30, 2014. This positive development was mainly attributable to the improvement in earnings of TUI Travel and the TUI Hotels & Resorts Sector and a decline in expenses by central operations.

Earnings before income taxes improved from €311.4 million in the financial year ended September 30, 2013, by €194.2 million, or 62.4%, to €505.6 million in the financial year ended September 30, 2014 as a result of the factors described above.

2.8 <u>In Element "B.7 – Selected financial and business information" in the section "Significant changes to the issuer's financial condition and operating results" the last sub-section "Recent developments since June 30, 2014" shall be replaced by the following:</u>

Recent Developments since September 30, 2014

While a number of indicators still show that the global economy may continue to grow, we expect that the growth rates in 2014 will be lower than in 2013. In light of the current risks, in particular including political risks from the on-going conflicts in the Ukraine and the Middle East, the further development of the world economy remains fragile and susceptible to external disturbances.

The Group's trading performance in October 2014 was slightly above the same period in the prior year. Due to the seasonal nature of the Group's tourism business with the peak during the summer season, October and November are typically characterized by lower demand and therefore of less significance to the Group's overall business throughout the financial year.

On October 28, 2014, for purposes of implementation of the TUI Merger the Company's extraordinary shareholders' meeting (the "**EGM**") approved the Direct Capital Increase and the Conditional Capital Increase and resolved on the creation of new authorized capital, an increase in the number of members of the Company's Supervisory Board from 16 to 20 members, the election of five new Supervisory Board members and associated amendments to the Company's articles of association including amendments to allow for the election of a second deputy chairman of the Supervisory Board, the increase in the number of members of the presiding committee (*Präsidium*) of the Supervisory Board, the remuneration of the members of the Integration Committee as well as to allow for the appointment of a further Executive Board member. This satisfied the relevant conditions to the TUI Merger relating to such resolutions.

All resolutions other than the Direct Capital Increase resolution will be filed for registration with the commercial registers only once the implementation of the Direct Capital Increase has been registered with the commercial registers, or such filings will be made subject to the provision that registration will not be effected before the implementation of the Direct Capital Increase has been registered, and will therefore only become effective upon effectiveness of the TUI Merger.

Regarding the resolution concerning the election of new Supervisory Board members, due to the resolution concerning the increase in the number of Supervisory Board members two additional shareholder representative Supervisory Board members needed to be elected, whose term of office will begin only after the implementation of the Direct Capital Increase has been registered with the commercial registers and the required amendments to the Company's articles of association have become effective. In addition, before the EGM two Supervisory Board members, Ms. Angelika Gifford and Mr. Vladimir Lukin, had declared to resign from the Supervisory Board prematurely with effect from the date of registration of the implementation of the Direct Capital Increase with the commercial register. In addition, Mr. Anass Houir Alami had already resigned from office as Supervisory Board member effective as of June 27, 2014. With regard to the TUI Merger, a new election for his position had not been carried out before the EGM. Consequently, a total of five new Supervisory Board members were newly elected by the EGM. Their term of office will only start after effectiveness of the TUI Merger. Due to the resolution concerning the increase in the number of Supervisory Board members, in addition to the two new shareholder representatives (see above) two employee representative Supervisory Board members will need to be elected by the employees of the Company. Following a specific procedure set out in the German Co-Determination Act (*Mitbestimmungsgesetz*), this election process will only be concluded and the term of office of the two Supervisory Board members will only begin after the registration of the implementation of the Direct Capital Increase and therefore after effectiveness of the TUI Merger.

Also on October 28, 2014, a resolution to approve the Scheme was passed by the requisite majorities of the Scheme Shareholders of TUI Travel in the TUI Travel Court Meeting and a special resolution to approve the Reduction of Capital, the alteration of TUI Travel's articles of association and all other matters as may be necessary to implement the Scheme was passed by the requisite majorities of TUI Travel's shareholders in the TUI Travel General Meeting. This satisfied the relevant conditions to the TUI Merger relating to such resolutions.

The TUI Merger remains subject to the sanction of the Scheme and the confirmation of the Reduction of Capital by the UK Court, the delivery of the Scheme Court Order and the Statement of Capital with the Registrar of Companies and, if so required by the UK Court, the registration of the Scheme Court Order and Statement of Capital by the Registrar of Companies. As set out in the anticipated timetable below, the relevant UK Court hearing will be held on December 10, 2014 and, subject to UK Court sanction and confirmation being obtained, the Scheme Court Order and Statement of Capital will be delivered to (and, if required, registered by) the Registrar of Companies on December 11, 2014.

In December 2014 the business combination agreement between Hapag-Lloyd AG ("**Hapag-Lloyd**") and the container shipping activities of Compañía Sud America de Vapores ("**CSAV**") received the approval of all relevant competition authorities and the business combination closed. As a result of the business combination and of a planned subsequent Hapag-Lloyd capital increase that TUI AG will not participate in, TUI AG's stake in Hapag-Lloyd will decline from 22.0% to 14.0%.

2.9 <u>The content of Element "B9 – Profit forecast and estimate" shall be replaced by the following:</u>

For the financial year ending September 30, 2015, the Company currently anticipates the reported EBITA to increase by 5% to 10% of the reported EBITA for the financial year ended September 30, 2014 of €773.8 million. For the Underlying EBITA for the Group, the Company expects an improvement by 10% to 15% of the Underlying EBITA for the financial year ended September 30, 2014 of €868.5 million.

2.10 <u>In the Element "C1 – Type and the class of the securities being offered and/or admitted to trading", the paragraph "Security identification number" shall be replaced by the following:</u>

International Securities Identification Number (ISIN) for Existing Shares issued prior to October 1, 2014: DE000TUAG000

International Securities Identification Number (ISIN) for Existing Shares issued since October 1, 2014: DE000TUAG232

International Securities Identification Number (ISIN) for New TUI Shares: DE000TUAG265

German Securities Identification Number (*Wertpapierkennnummer*, WKN) for Existing Shares issued prior to October 1, 2014: TUAG00

German Securities Identification Number (*Wertpapierkennnummer*, WKN) for Existing Shares issued since October 1, 2014: TUAG23

German Securities Identification Number (*Wertpapierkennnumme*r, WKN) for New TUI Shares: TUAG26

Ticker Symbol for Existing Shares issued prior to October 1, 2014 on the Frankfurt Stock Exchange: TUI1

Ticker Symbol for Existing Shares issued prior to October 1, 2014 on the London Stock Exchange: TUI

Ticker Symbol for Existing Shares issued since October 1, 2014 on the Frankfurt Stock Exchange and the London Stock Exchange: TUIN

Ticker Symbol for New TUI Shares on the Frankfurt Stock Exchange and the London Stock Exchange: TUIJ

The New TUI AG Shares (ISIN: DE000TUAG265) and the Existing TUI AG Shares issued since October 1, 2014 upon the exercise of conversion rights (ISIN: DE000TUAG232) rank *pari passu* in all respects with the Existing TUI AG Shares issued prior to October 1, 2014 (ISIN: DE000TUAG000) other than in respect of dividend rights for the financial year ended September 30, 2014, as the New TUI Shares and the Existing TUI AG Shares issued from 1 October 2014 will not be entitled to a dividend for the financial year ended September 30, 2014.

The New TUI AG Shares (ISIN: DE000TUAG265) and the Existing TUI AG Shares issued since October 1, 2014 upon the exercise of conversion rights (ISIN: DE000TUAG232) will trade under separate ISINs until the annual general meeting of TUI AG in respect of the financial year ended September 30, 2014, expected to be held in February 2015, after which they will transfer to, and trade under, the same ISIN as the Existing TUI AG Shares issued prior to October 1, 2014 (ISIN: DE000TUAG000).

2.11 The content of Element "C.3 – The number of shares issued and fully paid" shall be replaced by the following:

As of the date of this Supplement the registered share capital of the Company amounts to €732,922,807.71 and is divided into 286,694,483 no par value ordinary registered shares. The share capital of the Company is fully paid.

2.12 In the Element "C.7 - Description of dividend policy" the first sentence of the third paragraph shall be replaced by the following:

The TUI Travel interim dividend of 4.05 pence per TUI Travel Share previously announced by TUI Travel was paid on October 2, 2014.

The first and second sentence of the fourth paragraph shall be replaced by the following:

As a consequence TUI Travel Shareholders will not be eligible for any final dividend paid by TUI AG to existing TUI AG Shareholders for the financial year ended September 30, 2014. TUI AG anticipates that it will declare a final dividend for the financial year ended September 30, 2014 (subject to approval at the TUI AG annual general meeting in 2015) of €0.33 per TUI AG Share.

2.13 In Element "E.6 - The amount and percentage of immediate dilution resulting from the offering" the second and subsequent paragraphs shall be replaced by the following:

On a consolidated IFRS basis, the equity of the Company before non-controlling interests and the book value of the Hybrid Capital (the "**Net Book Value**") as of September 30, 2014 amounted to € 2,110.6 million or €6.59 per share (based on 320,061,082 outstanding shares on a fully diluted basis).

If the Direct Capital Increase had already been implemented as of September 30, 2014, a Net Book Value of €-424.9 million would have accrued to the Company from the Direct Capital Increase, as the TUI Merger is a transaction within a fully consolidated group among equity holders under which non-controlling interests attributable to the Scheme Shareholders of €-366.7 million (portion attributable to TUI Travel of the non-controlling interest of €111.7 million shown in the Company's consolidated financial statements as of September 30, 2014) would have been reclassified into the Net Book Value and taking into account the expected total costs in connection with the TUI Merger of approximately €58.2 million after tax (corresponding to approximately €85.0 million before tax). The negative Net Book Value primarily results from remaining consolidation effects of TUI Travel. Had the Direct Capital Increase already been implemented as of September 30, 2014, the Net Book Value would therefore have amounted to €1,685.7 million or €2.87 per share (based on the maximum total number of 587,331,271 shares outstanding on a fully diluted basis after the implementation of the Direct Capital Increase).

This would have represented a direct decrease in the Net Book Value of €3.72 per share (difference between the Net Book Value of €6.59 per share prior to the Direct Capital Increase and the Net Book Value of €2.87

per share after the implementation of the Direct Capital Increase) or 56.5% for the Company's existing shareholders.

Based on non-controlling interests attributable to the Scheme Shareholders as of September 30, 2014 of € -366.7 million or €-1.37 per share (based on the maximum number of 267,270,189 New TUI Shares to be issued to the Scheme Shareholders) prior to the implementation of the Direct Capital Increase, had the Direct Capital Increase already been implemented as of September 30, 2014, this would have represented a direct increase in non-controlling interests attributable to the Scheme Shareholders of €4.24 per share (difference between the non-controlling interests attributable to the Scheme Shareholders of €-1.37 per share prior to the Direct Capital Increase and the Net Book Value of €2.87 per share after the implementation of the Direct Capital Increase) for the Scheme Shareholders.

3. Supplemental and replacement information pertaining to the section "Zusammenfassung des Prospektes / German Translation of the Summary of the Prospectus"

3.1 The content of Element "B.6 – Personen, die eine (meldepflichtige) direkte oder indirekte Beteiligung am Eigenkapital des Emittenten oder einen Teil der Stimmrechte halten oder einen beherrschenden Einfluss ausüben" shall be replaced as follows:

Zum Datum dieses Nachtrags bestanden nach Kenntnis der Gesellschaft in Form von Namensaktien die folgenden Beteiligungen der Gesellschaft, die die anwendbaren Schwellenwerte des Wertpapierhandelsgesetzes (WpHG) überschreiten:

Name des Aktionärs	**Gehaltener Anteil an Namens-Stammaktien (%)**
S-Group Travel Holding GmbH (letztendlich kontrolliert von A. Mordashov)(1) (2)	22,55
Riu Hotels S.A., Palma de Mallorca(2)	6,83

(1) Daneben hält die Unifirm Limited (eine in Zypern errichtete Gesellschaft mit beschränkter Haftung, die nach Kenntnis der Gesellschaft letztendlich auch von Alexey Mordashov kontrolliert wird) 2,62 % des ausgegebenen Grundkapitals der Gesellschaft.

(2) Ausgangsbestandsmeldung (Opening Position Disclosure) nach Rule 8 des britischen Übernahmekodex (City Code on Takeovers and Mergers) (10. Juli 2014)

Es bestehen nach Kenntnis der Gesellschaft keine weiteren unmittelbaren oder mittelbaren Stimmrechtsanteile von über 3 % an der Gesellschaft.

3.2 In Element "B.7 - Ausgewählte Finanz- und Geschäftsinformationen" the first sentence of the first paragraph shall be replaced as follows:

Die in den nachstehenden Tabellen enthaltenen Finanzinformationen sind den geprüften Konzernabschlüssen von TUI für die zum 30. September 2014, 2013, 2012 und 2011 endenden Geschäftsjahre entnommen (sofern nicht anders angegeben).

Auf Grund von Änderungen an den anzuwenden Rechnungslegungsstandards wurden bestimmte Finanzinformationen für das zum 30. September 2013 endende Geschäftsjahr im konsolidierten Konzernabschluss für das zum 30. September 2014 endende Geschäftsjahr nachträglich geändert. Soweit nicht anders angegeben sind die in den nachfolgenden Tabellen enthaltenen Finanzinformationen für das zum 30. September 2013 endende Geschäftsjahr dem konsolidierten Konzernabschluss für das zum 30. September 2014 endende Geschäftsjahr entnommen.

The second paragraph shall be replaced by the following:

Die Konzernabschlüsse der TUI AG für die zum 30. September 2014, 2013, 2012 und 2011 endenden Geschäftsjahre wurden von PwC geprüft und jeweils mit einem uneingeschränkten Bestätigungsvermerk versehen.

3.3 In Element "B.7 - Ausgewählte Finanz- und Geschäftsinformationen " the table "Ausgewählte Informationen aus der Gewinn- und Verlustrechnung" shall be replaced by the following:

Ausgewählte Informationen aus der Gewinn- und Verlustrechnung

	Geschäftsjahr zum 30. September			
	2011	**2012**	**2013**	**2014**
		(in Mio. EUR)		
Umsatzerlöse	**17.480,3**	**18.330,3**	**18.477,5**	**18.714,7**
Umsatzkosten	15.655,2	16.285,8	16.436,3	16.436,6
Bruttogewinn	**1.825,1**	**2.044,5**	**2.041,2**	**2.278,1**
Ergebnis vor Ertragsteuern (EBT)	**206,8**	**252,7**	**311,4**	**505,6**
zuzüglich Verlusten aus der nach der Equity-Methode bewerteten Containerschifffahrt	2,1	49,0	22,3	38,9
abzüglich Erträgen aus der Verminderung und Bewertung des Engagements in der Containerschifffahrt(2)	(51,2)	(61,6)	–	–
zuzüglich Nettozinsbelastung und Aufwand aus der Bewertung von Zinssicherungsinstrumenten	286,8	284,9	252,8	229,3
zuzüglich Wertminderung auf Geschäfts- oder Firmenwerte	–	13,8	8,3	–
EBITA(1)	**444,5**	**538,8**	**594,8**	**773,8**
Bereinigungen	155,6	206,9	167,1	94,7
Bereinigtes EBITA(1)	**600,1**	**745,7**	**761,9**	**868,5**
Ergebnis vor Ertragsteuern (EBT)	**206,8**	**252,7**	**311,4**	**505,6**
Steuern vom Einkommen und vom Ertrag	88,6	110,8	145,0	221,7
Konzerngewinn	**118,2**	**141,9**	**166,4**	**283,9**

(1) EBITA und Bereinigtes EBITA sind keine Finanzkennzahlen nach IFRS. Für die Berechnung solcher nicht nach IFRS ermittelter Kennzahlen gibt es keine allgemein anerkannten Rechnungslegungsgrundsätze. Wir definieren EBITA als Ergebnis vor Zinsen, Steuern, Wertminderungen auf Geschäfts- oder Firmenwerte, Verlusten aus der nach der Equity-Methode bewerteten Containerschiffahrt, Erträgen oder Verlusten aus der Verminderung und Bewertung des Engagements in der Containerschiffahrt und Nettozinsbelastung und Aufwand aus der Bewertung von Zinssicherungsinstrumenten. Unser Bereinigtes EBITA ermitteln wir durch Bereinigung des EBITA um Erträge (Verluste) aus der Veräußerung von Finanzanlagen, Restrukturierungsaufwand, Auswirkungen von Kaufpreisallokationen und sonstige Einmaleffekte. EBITA und Bereinigtes EBITA dienen nicht der Messung von betrieblichen Erträgen, operativer Geschäftsentwicklung oder Liquidität nach IFRS. Diese Kennzahlen sollten nicht isoliert oder als Ersatz für den nach IFRS ermittelten Posten „Ergebnis vor Ertragsteuern" betrachtet werden, noch als Indikator für die operative Geschäftsentwicklung der Gesellschaft oder den nach IFRS berechneten Mittelzufluss aus der laufenden Geschäftstätigkeit. Die Art und Weise, in der wir EBITA und Bereinigtes EBITA ermitteln, entspricht möglicherweise nicht der Berechnungsmethode, die andere Unternehmen zur Ermittlung dieser oder ähnlich bezeichneter Kennzahlen anwenden. Folglich sind die von uns ausgewiesenen Kennzahlen des EBITA und des Bereinigten EBITA unter Umständen nicht vergleichbar mit diesen oder ähnlich bezeichneten Kennzahlen, die von anderen Unternehmen ausgewiesen werden.

(2) Im Zusammenhang mit dem Verkauf der Hapag-Lloyd und in dessen Folge hatten wir verschiedene Finanzierungsvereinbarungen geschlossen, darunter auch Verträge über die Bereitstellung eines Überbrückungsdarlehens und eines Verkäuferdarlehens.

3.4 In Element "B.7 - Ausgewählte Finanz- und Geschäftsinformationen" the table "Ausgewählte Informationen aus der Bilanz" shall be replaced by the following:

Ausgewählte Informationen aus der Bilanz und den zugehörigen Erläuterungen im Anhang zum Konzernabschluss

	Zum 30. September			
	2011	**2012**	**2013**	**2014**
	(in Mio. EUR)			
	(geprüft)	**(geprüft)**	**(geprüft)**	**(geprüft)**
Langfristige Vermögenswerte	9.107,6	8.668,2	8.645,8	8.647,2
Kurzfristige Vermögenswerte.....................................	4.384,3	4.544,4	4.808,5	5.379,0
Gesamtvermögen	**13.491,9**	**13.212,6**	**13.454,3**	**14.026,2**
Finanzschulden				
Wandelschuldverschreibungen[1]................................	1.389,7	1.318,3	1.333,5	821,7
Sonstige Schuldverschreibungen[1].............................	250,1	232,8	–	292,4
Verbindlichkeiten gegenüber Kreditinstituten[1].........	886,7	566,1	1.004,3	260,7
Verbindlichkeiten aus Finanzierungsleasingverträgen[1]	154,8	233,2	335,6	500,6
Finanzschulden gegenüber verbundenen, nicht konsolidierten Unternehmen[1]	17,6	7,1	6,0	5,6
Finanzschulden gegenüber Beteiligungsunternehmen[1]..	11,2	11,6	–	–
Sonstige Finanzschulden[1]	88,2	87,5	90,2	81,9
Finanzschulden insgesamt[1]	2.798,3	2.456,6	2.769,6	1.962,9

(1) Die Zahlen sind den Erläuterungen zur Konzernbilanz entnommen.

3.5 In Element "B.7 - Ausgewählte Finanz- und Geschäftsinformationen" the table " Ausgewählte Informationen aus der Kapitalflussrechnung" shall be replaced by the following:

Ausgewählte Informationen aus der Kapitalflussrechnung

	Geschäftsjahr zum 30. September			
	2011	**2012[1]**	**2013**	**2014**
	(in Mio. EUR)			
	(geprüft)	**(geprüft)**	**(geprüft)**	**(geprüft)**
Mittelzufluss aus der laufenden Geschäftstätigkeit......	1.085,5	841,5	875,3	1.074,7
Mittelzufluss/(-abfluss) aus der Investitionstätigkeit[2]	875,4	314,7	(444,3)	(586,2)
Mittelabfluss aus der Finanzierungstätigkeit	(2.249,2)	(894,2)	(620,9)	(318,9)
Zahlungswirksame Veränderungen des Finanzmittelbestands	(288,3)	262,0	(189,9)	169,6
Entwicklung des Finanzmittelbestands:				
Finanzmittelbestand am Anfang der Periode	2.274,3	1.981,3	2.278,4	2,701,7
Finanzmittelbestand am Ende der Periode..................	1.981,3	2.278,4	2.701,7	2,286,0

(1) Die Zahlen sind dem geprüften Konzernabschluss für das zum 30. September 2013 abgelaufene Geschäftsjahr entnommen. In der Vergangenheit wurden von assoziierten Unternehmen und aus Gemeinschaftsunternehmen erhaltene Dividenden als Mittelzuflüsse aus der Investitionstätigkeit ausgewiesen. Im Lauf des zum 30. September 2013 abgelaufenen Geschäftsjahrs wurde beschlossen, dass von assoziierten Unternehmen und aus Gemeinschaftsunternehmen erhaltene Dividenden sinnvoller innerhalb des Mittelzuflusses aus der laufenden Geschäftstätigkeit auszuweisen wären, woraufhin die Zahlen für das zum 30. September 2012 abgelaufene Geschäftsjahr entsprechend angepasst wurden. Nach Auffassung der Gesellschaft werden dadurch relevantere Informationen über die Fähigkeit, Mittelzuflüsse aus der laufenden Geschäftstätigkeit zu erwirtschaften, vermittelt.

(2) Im zum 30. September 2011 abgelaufenen Geschäftsjahr enthielten die Mittelzuflüsse aus der Investitionstätigkeit Dividenden aus Gemeinschaftsunternehmen und von assoziierten Unternehmen in Höhe von EUR 11,9 Mio. Für die zum 30. September 2012, zum 30. September 2013 und zum 30 September 2014 abgelaufenen Geschäftsjahre sind Dividenden aus Gemeinschaftsunternehmen und assoziierten Unternehmen statt dessen in den Mittelzuflüssen aus der laufenden Geschäftstätigkeit ausgewiesen.

3.6 <u>In Element “B.7 - Ausgewählte Finanz- und Geschäftsinformationen” the table “Sonstige Finanzdaten” shall be replaced by the following:</u>

Sonstige Finanzdaten

	Geschäftsjahr zum 30. September			
	2011	**2012**	**2013**	**2014**
	(in Mio. EUR)			
	(geprüft)[1]	**(geprüft)[1]**	**(geprüft)[1]**	**(geprüft)[1]**
Ergebnis vor Zinsen, Steuern und Wertminderungen auf Geschäfts- oder Firmenwerte (EBITA)[2]	444,5	538,8	594,8	773,8
Bereinigtes EBITA[2]	600,1	745,7	761,9	868,5
Nettoverschuldung (netto Kasse)[3][4]	817,0	178,2	67,9	(323,1)
Finanzmittel	1.981,3	2.278,4	2.701,7	2.286,0
EBITA nach Segmenten				
TUI Travel	321,4	441,0	532,8	597,9
TUI Hotels & Resorts	144,2	177,5	170,6	203,0
Kreuzfahrten	11,2	0,8	(30,4)	24,2
Alle sonstigen Segmente	(32,3)	(80,5)	(78,2)	(51,3)

(1) Soweit nicht anders angegeben.

(2) EBITA und Bereinigtes EBITA sind keine Finanzkennzahlen nach IFRS. Für die Berechnung solcher nicht nach IFRS ermittelter Kennzahlen gibt es keine allgemein anerkannten Rechnungslegungsgrundsätze. Wir definieren EBITA als Ergebnis vor Zinsen, Steuern, Wertminderungen auf Geschäfts- oder Firmenwerte, Verlusten aus der nach der Equity-Methode bewerteten Containerschiffahrt, Erträgen und Verlusten aus der Verminderung und Bewertung des Engagements in der Containerschiffahrt und Nettozinsbelastung und Aufwand aus der Bewertung von Zinssicherungsinstrumenten. Unser Bereinigtes EBITA ermitteln wir durch Bereinigung des EBITA um Erträge (Verluste) aus der Veräußerung von Finanzanlagen, Restrukturierungsaufwand, Auswirkungen von Kaufpreisallokationen und sonstige Einmaleffekte. EBITA und Bereinigtes EBITA dienen nicht der Messung von betrieblichen Erträgen, operativer Geschäftsentwicklung oder Liquidität nach IFRS. Diese Kennzahlen sollten nicht isoliert oder als Ersatz für den nach IFRS ermittelten Posten „Ergebnis vor Ertragsteuern” betrachtet werden, noch als Indikator für die operative Geschäftsentwicklung der Gesellschaft oder den nach IFRS berechneten Mittelzufluss aus der laufenden Geschäftstätigkeit. Die Art und Weise, auf die wir EBITA und Bereinigtes EBITA messen, entspricht möglicherweise nicht der Berechnungsmethode, die andere Unternehmen zur Ermittlung dieser oder ähnlich bezeichneter Kennzahlen anwenden. Folglich sind die von uns ausgewiesenen Kennzahlen des EBITA und des Bereinigten EBITA unter Umständen nicht vergleichbar mit diesen oder ähnlich bezeichneten Kennzahlen, die von anderen Unternehmen ausgewiesen werden.

(3) Der Posten „Nettoverschuldung” ergibt sich aus den Finanzschulden abzüglich der Finanzmittel.

(4) Ungeprüft.

3.7 <u>In Element “B.7 - Ausgewählte Finanz- und Geschäftsinformationen”, the first paragraph of the section “Signifikante Veränderungen in Finanzlage und operativen Ergebnissen des Emittenten” and the sub-section “Neunmonatszeitraum bis zum 30. Juni 2014 und 2014” shall be replaced by the following:</u>

In den am 30. September 2014, 2013, 2012 und 2011 abgelaufenen Geschäftsjahren ergaben sich mit Blick auf die Finanzlage und die operativen Ergebnisse, wie sie im Umsatz, dem EBT und dem bereinigten EBITA erfasst werden, die folgenden Entwicklungen:

Geschäftsjahre 2014 und 2013

Die Gesamtumsatzerlöse betrugen im am 30. September 2013 abgelaufenen Geschäftsjahr €18.477,5 Mio. und stiegen damit im am 30. September 2014 abgelaufenen Geschäftsjahr um €237,2 Mio., oder 1,3%, auf €18.714,7 Mio. an. Dieser Anstieg war primär auf gestiegene durchschnittliche Reisepreise zurückzuführen, bedingt durch einen höheren Anteil differenzierter Produkte, während im Mainstream Geschäft von TUI Travel die Anzahl der Kunden um 2,4% zurückging.

Das bereinigte EBITA verbesserte sich von €761,9 Mio. im am 30. September 2013 abgelaufenen Geschäftsjahr um €106,6 Mio., oder 14,0%, auf €868,5 Mio. im am 30. September 2014 abgelaufenen

Geschäftsjahr. Diese positive Entwicklung war wesentlich auf Ergebnisverbesserungen bei TUI Travel und TUI Hotels & Resorts und Kostenreduzierungen beim Corporate Center der TUI AG zurückzuführen.

Das EBT verbesserte sich infolge der vorgenannten Faktoren von €311,4 Mio. im am 30. September 2013 abgelaufenen Geschäftsjahr um €194,2 Mio., oder 62,4%, auf €505,6 Mio. im am 30. September 2014 abgelaufenen Geschäftsjahr.

3.8 In Element "B.7 - Ausgewählte Finanz- und Geschäftsinformationen" in the section "Signifikante Veränderungen in Finanzlage und operativen Ergebnissen des Emittenten" the last sub-section "Relevante Entwicklungen seit dem 30. Juni 2014" shall be replaced by the following:

Relevante Entwicklungen seit 30. September 2014

Einige Indikatoren deuten zwar noch immer auf ein fortgesetztes weltweites Konjunkturwachstum hin, doch gehen wir davon aus, dass die Wachstumsraten 2014 niedriger liegen werden als 2013. Angesichts der aktuellen Risiken insbesondere im politischen Bereich aufgrund der andauernden Konflikte in der Ukraine und im Nahen Osten bleibt die weitere Entwicklung der Weltwirtschaft fragil und anfällig für externe Störungen.

Die Geschäftsentwicklung des Konzerns im Oktober 2014 lag leicht über der des Vorjahreszeitraums. Da es sich bei dem Tourismusgeschäft des Konzerns um ein saisonales Geschäft mit Schwerpunkt auf der Sommersaison handelt, ist die Nachfrage im Oktober und November typischerweise geringer und somit für das Gesamtgeschäft des Konzerns über das ganze Geschäftsjahr hinweg von untergeordneter Bedeutung.

Im Zuge der Umsetzung des TUI-Zusammenschlusses genehmigte die außerordentliche Hauptversammlung der Gesellschaft (die "**aoHV**") am 28. Oktober 2014 die Direkte Kapitalerhöhung und die Bedingte Kapitalerhöhung und beschloss die Schaffung eines neuen genehmigten Kapitals, eine Erhöhung der Anzahl der Aufsichtsratsmitglieder der Gesellschaft von 16 auf 20, die Wahl von fünf neuen Aufsichtsratsmitgliedern sowie damit verbundene Änderungen der Satzung der Gesellschaft, darunter auch Änderungen zur Ermöglichung der Wahl eines zweiten stellvertretenden Aufsichtsratsvorsitzenden, der Erweiterung des Präsidiums des Aufsichtsrats, der Vergütung der Mitglieder des Integrationsausschusses sowie zur Ermöglichung der Ernennung eines weiteren Vorstandsmitglieds. Damit wurden die maßgeblichen Bedingungen für den TUI-Zusammenschluss in Bezug auf diese Beschlussfassungen erfüllt.

Bis auf den Beschluss über die Direkte Kapitalerhöhung werden sämtliche Beschlüsse erst nach erfolgter Eintragung der Durchführung der Direkten Kapitalerhöhung in die Handelsregister zur Eintragung in die Handelsregister angemeldet bzw. die Anmeldungen erfolgten unter dem Vorbehalt, dass die Eintragungen nicht vor der Eintragung der Durchführung der Direkten Kapitalerhöhung erfolgten; sie werden somit erst nach Wirksamwerden des TUI-Zusammenschlusses Wirksamkeit erlangen.

Was den Beschluss zur Wahl neuer Aufsichtsratsmitglieder betrifft, so waren aufgrund der Beschlussfassung über die Erhöhung der Anzahl der Aufsichtsratsmitglieder zwei zusätzliche Mitglieder der Anteilseigner in den Aufsichtsrat zu wählen, deren Amtszeit erst nach Eintragung der Durchführung der Direkten Kapitalerhöhung in die Handelsregister und nach Wirksamwerden der erforderlichen Änderung der Satzung der Gesellschaft beginnt. Darüber hinaus hatten zwei Aufsichtsratsmitglieder, Frau Angelika Gifford und Herr Vladimir Lukin, vor der aoHV erklärt, ihr Amt als Aufsichtsratsmitglied vorzeitig mit Wirkung zum Zeitpunkt der Eintragung der Durchführung der Direkten Kapitalerhöhung in das Handelsregister niederzulegen. Ferner hatte Herr Anass Houir Alami sein Amt als Aufsichtsratsmitglied bereits zum 27. Juni 2014 niedergelegt. Mit Blick auf den TUI Zusammenschluss war vor der aoHV keine Nachwahl für ihn erfolgt. Demgemäß wurden von der aoHV insgesamt fünf Aufsichtsratsmitglieder neu gewählt, deren Amtszeit erst nach Wirksamwerden des TUI-Zusammenschlusses beginnt. Aufgrund des Beschlusses über die Erhöhung der Anzahl der Aufsichtsratsmitglieder sind neben den beiden neuen Mitgliedern der Anteilseigner auch zwei neue Mitglieder der Arbeitnehmer von den Arbeitnehmern der Gesellschaft in den Aufsichtsrat zu wählen. Aufgrund des hierfür im MitbestG vorgesehenen Verfahrens wird diese Wahl erst abgeschlossen und beginnt die Amtszeit dieser beiden Aufsichtsratsmitglieder erst nach der Eintragung der Durchführung der Direkten Kapitalerhöhung und somit nach Wirksamwerden des TUI-Zusammenschlusses.

Ebenfalls am 28. Oktober 2014 wurde in der Gerichtlich Einberufenen Hauptversammlung der TUI Travel ein Beschluss zur Billigung des Verfahrens mit der erforderlichen Mehrheit der von dem Verfahren betroffenen Aktionäre der TUI Travel gefasst, und in der Hauptversammlung der TUI Travel wurden der Sonderbeschluss zur Genehmigung der Kapitalherabsetzung, der Änderung der Satzung der TUI Travel sowie der sonstigen zur Umsetzung des Verfahrens notwendigen Maßnahmen mit den erforderlichen Mehrheiten der Aktionäre der TUI Travel gefasst. Damit wurden die maßgeblichen Bedingungen für den TUI-Zusammenschluss in Bezug auf diese Beschlussfassungen erfüllt.

Der TUI-Zusammenschluss steht weiterhin unter dem Vorbehalt der Genehmigung des Verfahrens und der Bestätigung der Kapitalherabsetzung durch das zuständige Gericht im Vereinigten Königreich, der Übermittlung des Verfahrensbeschlusses und des Kapitalausweises an das Gesellschaftsregister und, sollte das Gericht im Vereinigten Königreich dies anordnen, der Eintragung des Verfahrensbeschlusses und des Kapitalausweises in das Gesellschaftsregister. Wie dem nachfolgenden erwarteten Zeitplan zu entnehmen ist, wird die entsprechende Anhörung vor dem Gericht im Vereinigten Königreich am 10. Dezember 2014 stattfinden, und sofern das Gericht die angestrebte Genehmigung und Bestätigung erteilt, soll die Übermittlung des Verfahrensbeschlusses und des Kapitalausweises an das Gesellschaftsregister (sowie, falls verlangt, deren Eintragung darin) am 11. Dezember 2014 erfolgen.

Im Dezember 2014 hat die Vereinbarung zum Unternehmenszusammenschluss zwischen Hapag-Lloyd AG ("**Hapag-Lloyd**") und der Containerschifffahrtsparte der Compañía Sud America de Vapores ("**CSAV**") die Freigabe durch alle beteiligten Wettbewerbsbehörden erhalten und wurde sodann vollzogen. Als Folge der Vereinbarung zum Unternehmenszusammenschluss und einer geplanten sich anschließenden Kapitalerhöhung bei Hapag-Lloyd, an der die TUI AG sich nicht beteiligen wird, wird der von der TUI AG gehaltene Anteil an Hapag-Lloyd von 22,0% auf 14,0% zurückgehen.

3.9 The content of Element "B.9 – Gewinnprognose und –schätzung" shall be replaced by the following:

Für das am 30. September 2015 endende Geschäftsjahr geht die Gesellschaft derzeit davon aus, dass sich das EBITA um 5% bis 10% des Betrages von €773,8 Mio. für das am 30. September 2014 abgelaufene Geschäftsjahr erhöhen wird. Für das Bereinigte EBITA der Gruppe geht die Gesellschaft von einer Verbesserung um 10% bis 15% des Bereinigten EBITA für das am 30. September 2014 abgelaufene Geschäftsjahr von €868,5 Mio. aus.

3.10 In Element " C1 –Art und Gattung der zum Handel anzubietenden und/oder zuzulassenden Wertpapiere", the paragraph "Wertpapierkennnummer" shall be replaced by the following:

Internationale Wertpapierkennnummer (ISIN) der vor dem 1. Oktober 2014 ausgegebenen Bestehenden Aktien: DE000TUAG000

Internationale Wertpapierkennnummer (ISIN) der ab dem 1. Oktober 2014 ausgegebenen Bestehenden Aktien: DE000TUAG232

Internationale Wertpapierkennnummer (ISIN) der Neuen TUI Aktien: DE000TUAG265

Wertpapierkennnummer (WKN) der der vor dem 1. Oktober 2014 ausgegebenen Bestehenden Aktien: TUAG00

Wertpapierkennnummer (WKN) der der ab dem 1. Oktober 2014 ausgegebenen Bestehenden Aktien: TUAG23

Wertpapierkennnummer (WKN) der Neuen TUI Aktien: TUAG26

Ticker Symbol der vor dem 1. Oktober 2014 ausgegebenen Bestehenden Aktien an der Frankfurter Wertpapierbörse: TUI1

Ticker Symbol der vor dem 1. Oktober 2014 ausgegebenen Bestehenden Aktien an der London Stock Exchange: TUI

Ticker Symbol der ab dem 1. Oktober 2014 ausgegebenen Bestehenden Aktien an der Frankfurter Wertpapierbörse und an der London Stock Exchange: TUIN

Ticker Symbol der Neuen TUI Aktien an der Frankfurter Wertpapierbörse und an der London Stock Exchange: TUIJ

Die Neuen TUI AG Aktien (ISIN: DE000TUAG265) und die Bestehenden TUI AG Aktien, die ab dem 1. Oktober nach Ausübung von Wandelrechten ausgegeben wurden (ISIN: DE000TUAG232), stehen in Bezug auf sämtliche Rechte im Rank *pari passu* mit den Bestehenden TUI AG Aktien, die vor dem 1. Oktober 2014 ausgegeben wurden (ISIN: DE000TUAG000), mit Ausnahme des Dividendenrechts für das zum 30. September 2014 beendete Geschäftsjahr, da die Neuen TUI AG Aktien und die ab dem 1. Oktober 2014 ausgegeben Bestehenden TUI AG Aktien keine Dividendenberechtigung für das zum 30. September 2014 beendete Geschäftsjahr besitzen.

Die Neuen TUI AG Aktien (ISIN: DE000TUAG265) und die Bestehenden TUI AG Aktien, die ab dem 1. Oktober nach Ausübung von Wandelrechten ausgegeben wurden (ISIN: DE000TUAG232), werden bis zur Jahreshauptversammlung der TUI AG für das zum 30. September 2014 beendete Geschäftsjahr, deren Durchführung für den Februar 2015 vorgesehen ist, unter separaten ISINs gehandelt. Im Anschluss an die Jahreshauptversammlung für das zum 30. September 2014 beendete Geschäftsjahr werden diese Aktien auf die ISIN der vor dem 1. Oktober 2014 ausgegebenen Bestehenden TUI AG Aktien (ISIN: DE000TUAG000). übertragen und unter dieser handelbar sein.

3.11 The content of Element "C.3 – Anzahl der ausgegebenen und voll eingezahlten Aktien" shall be replaced by the following:

Zum Datum des Nachtrags beträgt das eingetragene Grundkapital der Gesellschaft €732.922.807,71 und ist eingeteilt in 286.694.483 auf den Namen lautende Stückaktien.

Das Grundkapital der Gesellschaft ist vollständig eingezahlt.

3.12 In Element "C.7 - Beschreibung der Dividendenpolitik" the first sentence of the third paragraph shall be replaced by the following:

Die von TUI Travel kürzlich bekanntgegebene Zwischendividende in Höhe von 4,05 Pence wurde am 2. Oktober 2014 ausgeschüttet.

The first and second sentences of the fourth paragraph shall be replaced by the following:

Folglich stehen die von der TUI AG an die bestehenden TUI AG Aktionäre für das am 30. September 2014 abgelaufene Geschäftsjahr auszuschüttenden Dividenden nicht den TUI Travel Aktionären zu. Die TUI AG beabsichtigt für das am 30. September abgelaufene Geschäftsjahr eine Dividende in Höhe von €0,33 (vorbehaltlich der Zustimmung auf der Jahreshauptversammlung in 2015) pro TUI AG Aktie auszuschütten.

3.13 In Element "E.6 - Betrag und Prozentsatz der aus dem Angebot resultierenden unmittelbaren Verwässerung" the second and subsequent paragraphs shall be replaced by the following:

Auf konsolidierter IFRS Basis betrug das Eigenkapital der Gesellschaft ohne den Anteil der nicht beherrschenden Gesellschafter und den Buchwert des hybriden Kapitals (der „**Nettobuchwert**") zum 30.

September 2014 €2.110,6 Mio. oder €6,59 pro Aktie (basierend auf 320.061.082 ausstehenden Aktien auf vollständig verwässerter Basis).

Wäre die Direkte Kapitalerhöhung bereits am 30. September 2014 umgesetzt worden, hätte sich am Nettobuchwert der Gesellschaft durch die Direkte Kapitalerhöhung eine Veränderung von €-429,9 Mio. ergeben, da der TUI-Zusammenschluss eine Transaktion innerhalb einer vollkonsolidierten Gruppe zwischen Anteilseignern ist, bei der der Anteil der vom Verfahren betroffenen Aktionäre am Anteil der nicht beherrschenden Gesellschafter in Höhe von €-366,7 Mio. (dies entspricht dem Anteil von TUI Travel am gesamten im Konzernabschluss der Gesellschaft zum 30. September 2014 ausgewiesenen Anteil der nicht beherrschenden Gesellschafter von €111,7 Mio.) in den Nettobuchwert umklassifiziert worden wäre und sich zusätzlich die erwarteten Gesamtkosten im Zusammenhang mit dem TUI Zusammenschluss in Höhe von rund €58,2 Mio. nach Steuern (dies entspricht rund €85,0 Mio. vor Steuern) ausgewirkt hätten. Dieser negative Nettobuchwert ist primär auf verbleibende Konsolidierungseffekte bei TUI Travel zurückzuführen. Wäre die Direkte Kapitalerhöhung bereits am 30. September 2014 umgesetzt worden, hätte der Nettobuchwert daher €1.685,7 Millionen oder €2,87 pro Aktie betragen (basierend auf einer Gesamtzahl von 587.331.271 ausstehenden Aktien auf vollständig verwässerter Basis nach Durchführung der Direkten Kapitalerhöhung).

Dies hätte eine Verringerung des Nettobuchwertes um €3,72 pro Aktie (Differenz zwischen dem Nettobuchwert von €4,42 pro Aktie vor der Direkten Kapitalerhöhung und dem Nettobuchwert von €2,87 pro Aktie nach der Umsetzung der Direkten Kapitalerhöhung) oder 56,5% für die Altaktionäre der Gesellschaft dargestellt.

Verglichen mit dem Anteil der vom Verfahren betroffenen Aktionäre am Anteil der nicht beherrschenden Gesellschafter von €-366,7Mio. oder €-1,37 pro Aktie (basierend auf der maximalen Anzahl von 267.270.189 an die vom Verfahren betroffenen Aktionäre auszugebenden Neuen TUI Aktien) zum 30. September 2014 vor Durchführung der Direkten Kapitalerhöhung hätte sich im Falle einer Durchführung der Direkten Kapitalerhöhung bereits zum 30. September 2014 der Anteil der vom Verfahren betroffenen Aktionäre am Anteil der nicht beherrschenden Gesellschafter um €4,24 pro Aktie (Differenz zwischen dem Anteil der vom Verfahren betroffenen Aktionäre am Anteil der nicht beherrschenden Gesellschafter von €-1,37 vor Durchführung der Direkten Kapitalerhöhung und dem Nettobuchwert von €2.87 pro Aktie nach der Durchführung der Direkten Kapitalerhöhung) erhöht.

4. Supplemental and replacement information pertaining to the section "Risk Factors"

4.1 The fourth paragraph in the risk factor "We operate in regulated industries, which may limit our operational flexibility, and non-compliance with regulations applicable to our businesses could lead to legal or regulatory sanctions." shall be replaced by the following:

For example, the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), administers certain laws and regulations that impose restrictions upon U.S. companies and persons, or U.S. persons, and, in some contexts, foreign entities and persons, with respect to activities or transactions with certain countries, governments, entities and individuals that are the subject of such sanctions laws and regulations have undertaken, and continue to undertake, business in countries subject to U.S. sanctions laws, including limited operations in Cuba and revenues in immaterial amounts from operations in other countries which are the subject of such OFAC sanction laws and regulations. Ahead of the publication of the Prospectus we made an application to OFAC for release of blocked funds relating to conduct in 2014 that may implicate certain OFAC sanctions laws. In addition, in November 2014, a subsidiary of TUI Travel voluntarily submitted an initial notice of disclosure to OFAC concerning its Cuba-related business. Our review of these matters is on-going, and we will continue to cooperate with OFAC to address these issues. We will have to bear the costs of the related investigative and remedial measures and, depending on the outcome, could be subject to fines or criminal penalties in respect of such conduct.

4.2 <u>The risk factor "We have significant liabilities in connection with under-funded pension benefit plans, particularly in the United Kingdom." shall be replaced by the following:</u>

We have significant liabilities in the form of pension commitments arising from defined benefit pension plans that are currently under-funded. We finance our obligations under our defined benefit pension plans in Germany mainly through establishing provisions, and outside of Germany (in particular in the United Kingdom), mainly through investment in independent pension funds. The pension provisions recognized for defined benefit plans correspond to the net present value of the defined benefit obligations as of the balance sheet date less the fair value of the plan assets. Pension fund assets are determined annually on the basis of the fair values of invested funds, whereas pension obligations as reflected in the respective provisions are ascertained annually based on actuarial calculations and assumptions, including discount rate, life expectancies and projected future salary increases, among others. As of September 30, 2014, our total pension obligations from funded plans amounted to €2,523.5 million. The corresponding plan assets amounted to €1,980.0 million. Our unfunded pension obligations amounted to €731.0 million. As of September 30, 2014, the established provisions based on IFRS accounting standards overall amounted to €1,274.5 million for our Group, including €899.7 million for TUI Travel PLC ("**TUI Travel**"). The contributions to the defined benefit schemes may change as a result of changes in investment performance, mortality, inflation and interest rates and as a result of other actuarial experience factors not matching the assumptions. TUI Travel has provided guarantees to the trustees of some of its UK defined benefit schemes in which it guarantees the payment of contributions to those schemes (up to the total deficit on a buy-out basis) by its subsidiary undertakings and has given certain negative pledge commitments to those trustees. The Company has also agreed to provide such guarantees after the TUI Merger. Changes to the funding position of the pension schemes may lead to TUI Travel being required to contribute additional funding to satisfy pension obligations. Underfunded pension benefit plans could have a material adverse effect on the business, results of operations and financial condition of our Group.

4.3 <u>The second sentence of the risk factor "We face risks associated with the restructuring of our business" shall be replaced by the following:</u>

As of September 30, 2014, our Group had outstanding guarantees, indemnities (in particular tax indemnities), warranties and other contingent obligations, totalling €375.1 million net of provisions.

4.4 <u>The first sentence of the risk factor "Labor disturbances could disrupt our business." shall be replaced by the following:</u>

With over 77,300 employees around the world as of September 30, 2014, our relationships with employees, European and local works councils, trade unions and other employee representatives are important to our business.

5. Supplemental and replacement information pertaining to the section "General Information"

5.1 <u>In the section "Information on the Shares" the paragraph "ISIN/WKN/Common Code/Ticker Symbol" shall be replaced by the following:</u>

International Securities Identification Number (ISIN) for Existing Shares issued prior to October 1, 2014: DE000TUAG000

International Securities Identification Number (ISIN) for Existing Shares issued since October 1, 2014: DE000TUAG232

International Securities Identification Number (ISIN) for New TUI Shares: DE000TUAG265

German Securities Identification Number (*Wertpapierkennnummer*, WKN) for Existing Shares issued prior to October 1, 2014: TUAG00

German Securities Identification Number (*Wertpapierkennnummer*, WKN) for Existing Shares issued since October 1, 2014: TUAG23

German Securities Identification Number (*Wertpapierkennnummer*, WKN) for New TUI Shares: TUAG26

Ticker Symbol for Existing Shares issued prior to October 1, 2014 on the Frankfurt Stock Exchange: TUI1

Ticker Symbol for Existing Shares issued prior to October 1, 2014 on the London Stock Exchange: TUI

Ticker Symbol for Existing Shares issued since October 1, 2014 on the Frankfurt Stock Exchange and the London Stock Exchange: TUIN

Ticker Symbol for New TUI Shares on the Frankfurt Stock Exchange and the London Stock Exchange: TUIJ

The New TUI AG Shares (ISIN: DE000TUAG265) and the Existing TUI AG Shares issued since October 1, 2014 upon the exercise of conversion rights (ISIN: DE000TUAG232) rank *pari passu* in all respects with the Existing TUI AG Shares issued prior to October 1, 2014 (ISIN: DE000TUAG000) other than in respect of dividend rights for the financial year ended September 30, 2014, as the New TUI Shares and the Existing TUI AG Shares issued from 1 October 2014 will not be entitled to a dividend for the financial year ended September 30, 2014.

The New TUI AG Shares (ISIN: DE000TUAG265) and the Existing TUI AG Shares issued since October 1, 2014 upon the exercise of conversion rights (ISIN: DE000TUAG232) will trade under separate ISINs until the annual general meeting of TUI AG in respect of the financial year ended September 30, 2014, expected to be held in February 2015, after which they will transfer to, and trade under, the same ISIN as the Existing TUI AG Shares issued prior to October 1, 2014 (ISIN: DE000TUAG000).

5.2 The section "Costs of the Offering and Listing " shall be replaced by the following:

The costs related to the offering and listing of the Shares (total costs of the Group in connection with the TUI Merger) are expected to total approximately €85.0 million, including listing fees of €700.000 payable to the Listing Agent.

5.3 In the section "Dilution" the second and subsequent paragraphs shall be replaced by the following:

On a consolidated IFRS basis, the equity of the Company before non-controlling interests and the book value of the Hybrid Capital (the "**Net Book Value**") as of September 30, 2014 amounted to €2,110.6 million or €6.59 per share (based on 320,061,082 outstanding shares on a fully diluted basis).

If the Direct Capital Increase had already been implemented as of September 30, 2014, a Net Book Value of €-424.9 million would have accrued to the Company from the Direct Capital Increase, as the TUI Merger is a transaction within a fully consolidated group among equity holders under which non-controlling interests attributable to the Scheme Shareholders of €-366.7 million (portion attributable to TUI Travel of the non-controlling interest of €111.7 million shown in the Company's consolidated financial statements as of September 30, 2014) would have been reclassified into the Net Book Value and taking into account the expected total costs in connection with the TUI Merger of approximately €58.2 million after tax (corresponding to approximately €85.0 million before tax). The negative Net Book Value primarily results from remaining consolidation effects of TUI Travel. Had the Direct Capital Increase already been implemented as of September 30, 2014, the Net Book Value would therefore have amounted to €1,685.7 million or €2.87 per share (based on the maximum total number of 587,331,271 shares outstanding on a fully diluted basis after the implementation of the Direct Capital Increase).

This would have represented a direct decrease in the Net Book Value of €3.72 per share (difference between the Net Book Value of €6.59 per share prior to the Direct Capital Increase and the Net Book Value of €2.87 per share after the implementation of the Direct Capital Increase) or 56.5% for the Company's existing shareholders.

Based on non-controlling interests attributable to the Scheme Shareholders as of September 30, 2014 of € -366.7 million or €-1.37 per share (based on the maximum number of 267,270,189 New TUI Shares to be issued to the Scheme Shareholders) prior to the implementation of the Direct Capital Increase, had the Direct Capital Increase already been implemented as of September 30, 2014, this would have represented a direct increase in non-controlling interests attributable to the Scheme Shareholders of €4.24 per share (difference between the non-controlling interests attributable to the Scheme Shareholders of €-1.37 per share prior to the Direct Capital Increase and the Net Book Value of €2.87 per share after the implementation of the Direct Capital Increase) for the Scheme Shareholders.

5.4 The section " Statutory Auditors" shall be replaced by the following:

PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Fuhrberger Straße 5, 30625 Hanover, Germany ("**PwC**") audited the consolidated financial statements for TUI AG prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and the additional requirements of German commercial law pursuant to Section 315a para. 1 of the German Commercial Code (*Handelsgesetzbuch* or HGB) as of and for the financial years ended September 30, 2014, 2013, 2012 and 2011, as well as the unconsolidated financial statements of TUI AG prepared in accordance with the German Commercial Code (*Handelsgesetzbuch* or HGB) for the financial years ended September 30, 2014 and 2013 and issued in each case an unqualified auditor's report. PwC is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Rauchstraße 26, 10787 Berlin, Germany.

5.5 The section "Inspection of Documents" shall be replaced by the following:

The following documents will be available for inspection during regular business hours at the offices of the Company, Karl-Wiechert-Allee 4, 30625 Hanover, Germany:

- the articles of association of TUI AG (the "**Articles of Association**");
- the audited consolidated financial statements of TUI AG prepared in accordance with IFRS for the financial years ended September 30, 2014, 2013, 2012 and 2011; and
- the audited unconsolidated financial statements of TUI AG prepared in accordance with the German Commercial Code (HGB) for the financial years ended September 30, 2014 and 2013.

5.6 A new section "Documents incorporated by Reference" shall be inserted, following the section "Inspection of Documents":

Documents incorporated by Reference

To the extent set out in the "Table of documents incorporated by reference" below, (i) the audited consolidated financial statements of TUI AG prepared in accordance with IFRS for the financial year ended September 30, 2014 contained in the English-language TUI AG "Annual Report 2013/14" and (ii) the audited unconsolidated financial statements of TUI AG prepared in accordance with the German Commercial Code (HGB) for the financial years ended September 30, 2014 contained in the "Financial Statements TUI AG 2013/14", shall be incorporated in the section "*Financial Statements*" (page F-1 et seq.), and form part of the Prospectus pursuant to Section 11 (1) No. 3 of the German Securities Prospectus Act (*Wertpapierprospektgesetz* – WpPG).

The "Annual Report 2013/14" and the "Financial Statements TUI AG 2013/14" have been published on the website of the Issuer under "http://www.tui-group.com/en/ir/downloads" and will be published in the company register (*Unternehmensregister*) in due course.

The Issuer will provide, without charge, upon request, a copy of the "Annual Report 2013/14" and the "Financial Statements of TUI AG – Financial Year 2013/14". Requests for such documents should be directed to the Issuer at: TUI AG, Karl-Wiechert-Allee 4 30625 Hanover, Germany.

Table of documents incorporated by reference:

Annual Report 2013/14

Financial Statements TUI AG 2013/14

6. Supplemental and replacement information pertaining to the section "Information on the TUI Merger and Description of the Scheme of Arrangement and the Offer"

6.1 The table "Expected Timetable of Events" shall be replaced by the following:

Event	**Time and/or date**[1,2]
Approval and publication of the Prospectus	October 2, 2014
Posting of Scheme Document	October 2, 2014
Latest time for receipt of BLUE TUI Travel Forms of Proxy/CREST Proxy instructions for the TUI Travel Court Meeting	4:00pm on October 24, 2014
Latest time for receipt of WHITE TUI Travel Forms of Proxy/CREST Proxy instructions for the TUI Travel General Meeting	4:15pm on October 24, 2014
Scheme Voting Record Time	6:00pm on October 26, 2014
TUI AG EGM	October 28, 2014
TUI Travel Court Meeting	October 28, 2014
TUI Travel General Meeting	October 28, 2014
Last date for registration of transfers of TUI Travel Shares	December 9, 2014 (or on the Business Day prior to the Court Hearing)
Scheme Record Time	6:00pm on December 9, 2014
Approval and publication of first supplement to Prospectus	December 10, 2014
Hearing by the UK Court of the application to confirm the Reduction of Capital and to sanction the Scheme	December 10, 2014
Last day of dealings in TUI Travel Shares	December 10, 2014
Declaration of TUI Travel second interim dividend	December 10, 2014
Suspension of listing of, and dealings in, TUI Travel Shares	By 8:00am on December 11, 2014
Scheme Effective Date	December 11, 2014
Issue of the New TUI Shares (and crediting of the New TUI Shares in uncertificated form to CREST Accounts)	December 12, 2014
Admission to trading of the New TUI Shares on the regulated market of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt	December 15, 2014

(1) All references in this table to times are to London time.

(2) Each of the above dates is subject to change at the absolute discretion of the Company and TUI Travel. Any changes will be announced via a Regulatory Information Service, an ad-hoc announcement in, in a form of a supplement to the prospectus (if applicable) or other publication, as appropriate.

Stock Exchange as well as the regulated markets of the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart	
Admission to premium listing segment of the Official List and to trading on the main market of the London Stock Exchange of the New TUI Shares and the Company's Existing Shares and commencement of dealings in DIs	December 17, 2014
Commencement of trading of the New TUI Shares on the regulated market of the Frankfurt Stock Exchange with additional post-admission obligations (*Prime Standard*) and to the regulated markets of the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart	December 17, 2014
TUI Travel second interim dividend credited to relevant accounts	December 24, 2014
Latest date for Scheme to become effective	September 30, 2015

7. Supplemental and replacement information pertaining to the section "Capitalization and Indebtedness"

The section "Capitalization and Indebtedness" up to the sub-section "Working Capital Statement" shall be replaced by the following:

The following tables set forth, in each case on the basis of the Company's accounting records, an overview of the consolidated capitalization, as well as the net indebtedness of the TUI Group as of September 30, 2014:

Capitalization*	As of September 30, 2014 (in €millions) (unaudited)
Current financial liabilities	**214.5**
Current loans and borrowings[1]	128.0
thereof guaranteed by third parties[2]	46.8
thereof secured by assets of the Company[3]	20.7
thereof unguaranteed/unsecured	60.5
Other current financial liabilities	86.5
thereof guaranteed by third parties	-
thereof secured by assets of the Company	-
thereof unguaranteed/unsecured	86.5
Other current liabilities	**6,796.7**
thereof guaranteed by third parties[4]	2,195.7
thereof secured by assets of the Company	-
thereof unguaranteed /unsecured	4,601.0
Total current debt	**7,011.2**
Non-current financial liabilities	**1,748.4**
Non-current loans and borrowings	1,747.4
thereof guaranteed by third parties[2]	-
thereof secured by assets of the Company[3]	593.3
thereof unguaranteed/unsecured(	1,154.1
Other non-current financial liabilities	1.0
thereof guaranteed by third parties	-
thereof secured by assets of the Company	-
thereof unguaranteed/unsecured	1.0
Other non-current liabilities	**401.4**
thereof guaranteed by third parties[4]	10.6
thereof secured by assets of the Company	-
thereof unguaranteed /unsecured	390.8
Total non-current debt	**2,149.8**
Total equity	**2,517.1**
Subscribed capital[5]	732.6
Legal Reserve[6]	1,056.3
Hybrid Capital[7]	294.8
Other Reserves[8]	321.7
Equity before non-controlling interest	**2,405.4**
Non-controlling interest	111.7

*Columns and rows may not add due to rounding.

(1) Current loans and borrowings comprise the outstanding amounts as per September 31, 2014 of the €217,789,399.90 5.5% Convertible Bonds of 2009/2014 of TUI AG which was due in November 2014, and of the TUI Travel 2014 Bonds, which was due in October 2014. As of the date of this Supplement, the outstanding bonds have been redeemed, see "*Material Agreements—Certain Financing Arrangements*".

(2) TUI Travel has letters of credit in place which are used to secure finance lease liabilities.

(3) Secured by assets are financial liabilities from finance leases and bank loans. The assets pledged as securities are those assets for which the raised funds have been used, in the case of finance lease liabilities especially aircrafts and cruise ships. In the case of bank loans predominantly land and buildings and aircrafts have been pledged as security.

(4) According to the "Package Travel Directive" described in the section "Regulation", companies that sell package holidays in the EU are obliged to secure advanced payments for package tours. As per September 30, 2014 TUI Group had liabilities from

advanced payments of €2,463.3 million, which are predominantly advanced payments to tour operators in the EU and which are accordingly secured either by insurance or letter of credit.

(5) Subscribed capital of TUI AG.

(6) The legal reserve consists of the Capital Reserve (Kapitalrücklage) of TUI AG according to IFRS.

(7) The €300,000,000 Perpetual Subordinated Fixed to Floating Rate Bonds ("Hybrid Capital") described under "Material Agreements—Certain Financing Arrangements" are classified as equity under IFRS. The book value represents the nominal value less issuance costs.

(8) All other reserves of TUI AG and TUI Group attributable to shareholders of TUI AG, including the accumulated profit of the Group for the financial year until September 30, 2014.

Net financial indebtedness*	As of September 30, 2014
	(in €millions) (unaudited)
Liquidity	**2,286.0**
Cash	35.2
Cash equivalent (Checks and bank balances)	2,250.8
Trading securities	-
Current financial receivables	**47.8**
Current financial liabilities	**214.5**
Current loans and borrowings	38.8
Current bonds	28.1
Current portion of non-current liabilities	61.1
Other current financial liabilities	86.5
Current net financial indebtedness (current net cash)	**(2,119.3)**
Non-current financial liabilities	**1,748.4**
Non-current loans and borrowings	661.5
Bonds	1,085.9
Other non-current financial liabilities	1.0
Total net financial indebtedness (total net cash)	**(370.9)**

*Columns and rows may not add due to rounding.

Off-balance sheet positions*	As of September 30, 2014
	(in €millions) (unaudited)
Off-balance sheet positions and contingent liabilities	**7,915.2**
Financial commitments	7,540.1
Order commitments in respect of capital expenditure(1)	3,160.9
Other financial commitments	210.7
Financial commitments from operating lease, rental and charter contracts	4,168.5
Contingent liabilities	375.1

*Columns and rows may not add due to rounding.

(1) "Order commitments in respect of capital expenditure" represents firm commitments for future investments, in particular commitments under the Boeing Contract (see "*Material Agreements – Boeing Contract for the Purchase of 60 Boeing 737 MAX Aircraft*")

8. Supplemental and replacement information pertaining to the section "Selected Consolidated Financial Information"

<u>The information in the section "Selected Consolidated Financial Information" shall be replaced by the following:</u>

The financial information contained in the following tables is taken or derived from TUI's audited consolidated financial statements as of and for the financial years ended September 30, 2014, 2013, 2012 and 2011. These consolidated financial statements were prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). For TUI's audited consolidated financial statements as of and for the financial years ended September 30, 2013, 2012, and 2011, see "Financial Statements" included elsewhere in the Prospectus. The audited consolidated financial statements as of and for the financial year ended September 30, 2014 are incorporated in the Prospectus by reference.

Due to changes in applicable accounting standards certain financial information relating to the financial year ended September 30, 2013 have subsequently been restated in the consolidated financial statements as of and for the financial year ended September 30, 2014. Unless specified otherwise the financial information relating to the financial year ended September 30, 2013 contained in the following tables are taken from the consolidated financial statements as of and for the financial year ended September 30, 2014. For further information on the restated figures see "Operating and Financial Review - Recently Adopted Accounting Principles.

Where financial data in the following tables is labelled "audited", this means that it was taken from the audited financial statements mentioned above. The label "unaudited" is used in the following tables to indicate financial data that was taken from a source other than the audited financial statements mentioned above or recomputed from the audited financial statements mentioned above or sources other than these audited financial statements. All of the financial data presented in the following tables is shown in millions of euro (€million), commercially rounded to one decimal point. Unless expressly otherwise noted, the percentage changes have been commercially rounded to one decimal point. Because of this rounding, the figures shown in the tables do not in all cases add up exactly to the respective totals given, and the percentages shown do not always add up exactly to 100%. Financial information presented in parentheses denotes the negative of such number presented. In respect of financial data set out in the Prospectus, a dash ("-") signifies that the relevant figure is not available, while a zero ("0") signifies that the relevant figure is available but has been rounded to zero.

PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft audited the consolidated financial statements for TUI as of and for the financial years ended September 30, 2014, 2013, 2012, and 2011 and in each case issued an unqualified auditor's report.

The following selected financial information should be read together with the section "Operating and Financial Review", the consolidated financial statements, including the related notes, contained in the section "Financial Statements" of the Prospectus and included by reference herein and additional financial information contained elsewhere in the Prospectus.

Selected Information from the Income Statement

	Financial year ended September 30,			
	2011	2012	2013	2014[)]
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Turnover..	**17,480.3**	**18,330.3**	**18,477.5**	**18,714.7**
Cost of sales..	15,655.2	16,285.8	16,436.3	16,436.6
Gross profit	**1,825.1**	**2,044.5**	**2,041.2**	**2,278.1**
Administrative expenses.................................	1,508.8	1,555.7	1,557.3	1,577.3
Other income/other expenses..........................	77.1	71.1	26.3	35.9
Impairment of goodwill	–	13.8	8.3	-
Financial result	(239.5)	(284.7)	(249.8)	(269.0)
Financial income...	*254.3*	*159.9*	*42.7*	*36.2*
Financial expenses	*493.8*	*444.6*	*292.5*	*305.2*
Share of result of joint ventures and associates	52.9	(8.7)	59.3	40.0
Earnings before income taxes (EBT)...........	**206.8**	**252.7**	**311.4**	**505.6**
Reconciliation to underlying earnings[(1)]				
Earnings (loss) before income taxes	206.8	252.7	311.4	505.6
plus: Loss on Container Shipping measured at equity...	2.1	49.0	22.3	38.9
less: Gain on reduction and measurement of financial investment in Container Shipping[(2)]	(51.2)	(61.6)	–	–
plus: Net Interest expense and expense from measurement of interest hedges...................	286.8	284.9	252.8	229.3
plus: Impairment of goodwill	–	13.8	8.3	-
EBITA[(1)]	444.5	538.8	594.8	773.8
Adjustments:..				
plus: Losses on disposals	–	*1.8*	*1.4*	*(3.6)*
plus: Restructuring expense	*70.8*	*63.2*	*62.3*	*43.6*
plus: Expense from purchase price allocation	*96.1*	*75.1*	*75.0*	*73.7*
plus: Expense (income) from other one off items	*(11.3)*	*66.8*	*28.4*	*(19.0)*
Underlying EBITA[(1)]	**600.1**	**745.7**	**761.9**	**868.5**
Earnings before income taxes	**206.8**	**252.7**	**311.4**	**505.6**
Tax expense	88.6	110.8	145.0	221.7
Group profit for the period..........................	**118.2**	**141.9**	**166.4**	**283.9**
Group result for the year attributable to shareholders of TUI AG	23.9	(15.1)	(11.1)	104.7
Group profit (loss) for the period attributable to non-controlling interests.................................	94.3	157.0	177.5	179.2

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposals of investments, expenses in connection with measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as a substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) In connection with and following the sale of Hapag-Lloyd, we had entered into various financing arrangements, including the provision of a bridge loan and a vendor loan. See "*Material Agreements — Agreements Related to Hapag-Lloyd*"**.**

Selected Information from the Balance Sheet and from the corresponding Notes

	As of September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Non-Current Assets	**9,107.6**	**8,668.2**	**8,645.8**	**8,647.2**
Thereof:				
Goodwill	2,907.2	3,046.4	2,976.4	3,136.2
Other intangible assets	856.6	890.9	866.2	933.5
Property, plant and equipment	2,445.1	2,651.3	2,682.0	2,836.6
Investments in joint venture and associates	1,735.5	1,394.0	1,386.4	988.0
Current assets	**4,384.3**	**4,544.4**	**4,808.5**	**5,379.0**
Thereof:				
Assets held for sale	24.2	16.5	11.6	483.3
Cash and cash equivalents	1,981.3	2,278.4	2,701.7	2,286.0
Financial liabilities				
Convertible bonds [(1)]	1,389.7	1,318.3	1,333.5	821.7
Other bonds[(1)]	250.1	232.8	–	292.4
Liabilities to banks[(1)]	886.7	566.1	1,004.3	260.7
Liabilities from finance leases[(1)]	154.8	233.2	335.6	500.6
Financial liabilities due to non-consolidated Group companies[(1)]	17.6	7.1	6.0	5.6
Financial liabilities due to affiliates[(1)]	11.2	11.6	–	–
Other financial liabilities[(1)]	88.2	87.5	90.2	81.9
Total financial liabilities[(1)]	**2,798.3**	**2,456.6**	**2,769.6**	**1,962.9**

(1) Figures derived from the Notes to the consolidated statement of financial position.

Selected Information from the Statement of Cash Flows

	Financial year ended September 30,			
	2011	2012[(1)]	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Cash inflow from operating activities	**1,085.5**	**841.5**	**875.3**	**1,074.7**
Cash inflow / (outflow) from investing activities[(2)]	**875.4**	**314.7**	**(444.3)**	**(586.2)**
Cash outflow from financing activities	**(2,249.2)**	**(894.2)**	**(620.9)**	**(318.9)**
Net change in cash and cash equivalents	**(288.3)**	**262.0**	**(189.9)**	**169.6**
Development of cash and cash equivalents:				
Cash and cash equivalents at beginning of period	**2,274.3**	**1,981.3**	**2.278.4**	**2,701.7**
Change in cash and cash equivalents due to exchange rate fluctuation	(4.7)	35.1	25.7	(1.6)
Change in cash and cash equivalents due to change of basis of consolidation	-	-	-	3.8
Change in cash and cash equivalents with cash effects	(288.3)	262.0	(189.9)	169.6
Change in cash and cash equivalents without cash effect	–	–	587.5	(587.5)
Cash and cash equivalents at end of period	**1,981.3**	**2,278.4**	**2,701.7**	**2,286.0**

(1) Figures derived from the audited consolidated financial statements as of and for the financial year ended September 30, 2013. Historically, dividends received from associates and joint ventures were recorded within cash flows from investing activities. During the financial year ended September 30, 2013, it was determined dividends received from associates and joint ventures would be more appropriately reflected in cash inflow from operating activities and the figures for the financial year ended September 30, 2012 were adjusted accordingly. The Company is of the view that this presents more relevant information about the ability to generate cash flows from operating activities.

(2) Cash inflow from investing activities includes dividends from joint ventures and associates of €11.9 million for the financial year ended September 30, 2011. For the financial years ended September 30, 2012, September 30, 2013 and September 30, 2014, dividends from joint ventures and associates are recorded under the Cash inflow from operating activities.

Other Financial Data

	As and for the Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)[1]	(audited)[1]	(audited)[1]	(audited)[1]
Earnings before interest, taxes, and impairment of goodwill (EBITA)[2]	444.5	538.8	594.8	773.8
Underlying EBITA[2]	600.1	745.7	761.9	868.5
Net debt (net cash)[3][4]	817.0	178.2	67.9	(323.1)
Cash and cash equivalents at end of period	1,981.3	2,278.4	2,701.7	2,286.0
EBITA as per Segment				
TUI Travel	321.4	441.0	532.8	597.9
TUI Hotels & Resorts	144.2	177.5	170.6	203.0
Cruises	11.2	0.8	(30.4)	24.2
All other segments	(32.3)	(80.5)	(78.2)	(51.3)

(1) Unless otherwise stated.

(2) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(3) Net debt (net cash) consists of financial liabilities less cash and cash equivalents.

(4) Unaudited.

The following table shows the reconciliation of net debt (net cash) for the periods indicated.

	As of September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)[1]	(audited)[1]	(audited)[1]	(audited)[1]
Financial liabilities	2,798.3	2,456.6	2,769.6	1,962.9
less: Cash and cash equivalents at end of period	1,981.3	2,278.4	2,701.7	2,286.0
Net debt (net cash)[2]	**817.0**	**178.2**	**67.9**	**(323.1)**

(1) Unless otherwise stated.

(2) Unaudited.

The following table reconciles EBT to EBITA for the periods indicated

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Earnings (loss) before income taxes	206.8	252.7	311.4	505.6
Result from Container Shipping measured at equity	2.1	49.0	22.3	38.9
Gain on reduction and measurement of financial investment in with Container Shipping(1)	(51.2)	(61.6)	-	–
Net Interest expense and expense from the measurement of interest hedges	286.8	284.9	252.8	229.3
Impairment of goodwill	–	13.8	8.3	-
EBITA[2]	**444.5**	**538.8**	**594.8**	**773.8**

(1) In connection with and following the sale of Hapag-Lloyd, we had entered into various financing arrangements, including the provision of a bridge loan and a vendor loan. See "Material Agreements — Agreements Related to Hapag-Lloyd".

(2) EBITA is a non-IFRS financial measure. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest

expense and expense from measurement of interest hedges. EBITA is not a measure of operating income, operating performance or liquidity under IFRS. This measure should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA may not be consistent with the manner in which this measure or other measures with similar names are calculated by other companies. Accordingly, EBITA as presented by us may not be comparable to this measure or other measures with similar names as presented by other companies.

The following table reconciles EBITA to Underlying EBITA for the periods indicated.

	Financial year ended September 30,			
	2011	**2012**	**2013**	**2014**
		(in €millions)		
	(audited)	**(audited)**	**(audited)**	**(audited)**
EBITA(1)	444.5	538.8	594.8	773.8
Adjustments	155.6	206.9	167.1	94.7
Underlying EBITA(2)	**600.1**	**745.7**	**761.9**	**868.5**

(1) EBITA is a non-IFRS financial measure. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. EBITA is not a measure of operating income, operating performance or liquidity under IFRS. This measure should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA may not be consistent with the manner in which this measure or other measures with similar names are calculated by other companies. Accordingly, EBITA as presented by us may not be comparable to this measure or other measures with similar names as presented by other companies.

(2) Underlying EBITA is a non a-IFRS financial measure. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. Underlying EBITA is not a measure of operating income, operating performance or liquidity under IFRS. This measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure Underlying EBITA may not be consistent with the manner in which this measure or other measures with similar names are calculated by other companies. Accordingly, Underlying EBITA as presented by us may not be comparable to this measure or other measures with similar names as presented by other companies

The following table reconciles EBITA to EBITDA for the periods indicated

	Financial year ended September 30,			
	2011	**2012**	**2013**	**2014**
		(in €millions)		
	(audited)	**(audited)**	**(audited)**	**(audited)**
EBITA(1)	444.5	538.8	594.8	773.8
Amortization of other intangible assets and depreciations of property, plant, and equipment	405.6	385.3	421.2	407.6
EBITDA(2)	**850.1**	**924.1**	**1,010.6**	**1,172.1**

(1) EBITA is a non-IFRS financial measure. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. EBITA is not a measure of operating income, operating performance or liquidity under IFRS. This measure should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA may not be consistent with the manner in which this measure or other measures with similar names are calculated by other companies. Accordingly, EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) EBITDA is a non-IFRS financial measure. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We have calculated EBITDA by adjusting EBITA for amortization of intangible assets and depreciation of property, plant and equipment. EBITDA is not a measure of operating income, operating performance or liquidity under IFRS. EBITDA should not be considered in isolation or as substitute for earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITDA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITDA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

Selected Segment Information

TUI Travel

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)[4]	(audited)[4]	(audited)[4]	(audited)[4]
Turnover	**16,867.0**	**17,681.5**	**17,796.0**	**17,954.6**
Inter-segment turnover	26.0	36.0	27.4	24.1
Segment turnover	**16,893.0**	**17,717.5**	**17,823.4**	**17,978.7**
Earnings before income taxes (EBT)	**193.2**	**314.1**	**386.0**	**445.4**
of which share of result of joint ventures and associates	*24.4*	*6.9*	*21.3*	*9.7*
Net interest expense and expense from the measurement of interest hedges	128.2	126.9	146.8	152.5
Earnings before interest, taxes and impairment of goodwill (EBITA)[1]	**321.4**	**441.0**	**532.8**	**597.9**
Adjustments:	178.7	196.4	107.7	109.7
Losses on disposals[3]	—	—	1.4	(4.2)
Restructuring[3]	70.8	61.0	51.4	42.1
Purchase price allocation[2][3]	96.1	75.1	75.0	73.7
Other one-off items	11.8	60.3	(20.1)	(1.9)
Underlying EBITA[1]	**500.1**	**637.4**	**640.5**	**707.6**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Purchase price allocations primarily relate to TUI Travel and include amortization of intangible assets from acquisitions under IFRS 3.

(3) Unaudited.

(4) Unless otherwise stated.

TUI Hotels & Resorts sector

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)[3]	(audited)[3]	(audited)[3]	(audited)[3]
Turnover	**362.6**	**384.7**	**403.1**	**464.6**
Inter-segment turnover	418.2	441.3	423.5	396.7
Segment turnover	**780.8**	**826.0**	**826.6**	**861.3**
Earnings before income taxes (EBT)	**116.5**	**138.8**	**141.4**	**183.4**
of which share of result of joint ventures and associates	*26.0*	*20.8*	*42.9*	*37.9*
Net interest expense and expense from the measurement of interest hedges	27.7	24.9	20.9	19.6
Impairment of goodwill	—	13.8	8.3	-
Earnings before interest, taxes and impairment of goodwill (EBITA)[1]	**144.2**	**177.5**	**170.6**	**203.0**
Adjustments:	1.1	1.1	26.6	(0.5)
Restructuring expense[2]	—	—	2.5	—
Losses(gains) on disposals[2]	—	—	—	0.6
Other one-off items	1.1	1.1	24.1	(1.1)
Underlying EBITA[1]	**145.3**	**178.6**	**197.2**	**202.5**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, including goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Unaudited.

(3) Unless otherwise stated.

Cruises sector

	Financial year ended September 30,			
	2011	**2012**	**2013**	**2014**
	(in €millions)			
	(audited)[3]	**(audited)[3]**	**(audited)[3]**	**(audited)[3]**
Turnover	**200.8**	**231.0**	**261.0**	**281.0**
Inter-segment turnover	—	—	—	1.0
Segment turnover	**200.8**	**231.0**	**261.0**	**282.0**
Earnings (loss) before income taxes (EBT)	**11.1**	**0.7**	**(30.6)**	**24.1**
of which share of result of joint ventures and associates	*4.6*	*12.6*	*17.4*	*31.3*
Net interest expense (income)and expense (income) from the measurement of interest hedges	0.1	0.1	0.2	0.1
Earnings before interest, taxes and impairment of goodwill (EBITA)[1]	**11.2**	**0.8**	**(30.4)**	**24.2**
Adjustments:	—	2.2	16.5	(14.5)
Restructuring expense[2]	—	2.2	0.5	1.5
Other one-off items	—	—	16.0	(16.0)
Underlying EBITA[1]	**11.2**	**3.0**	**(13.9)**	**9.7**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Unaudited.

(3) Unless otherwise stated.

All Other Segments

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)[3]	(audited)[3]	(audited)[3]	(audited)[3]
Turnover	**49.9**	**33.1**	**17.4**	**14.5**
Inter-segment turnover	31.9	8.5	22.5	11.6
Segment turnover	**81.8**	**41.6**	**39.9**	**26.1**
Earnings (loss) before income taxes (EBT)	**(114.0)**	**(200.9)**	**(185.4)**	**(147.3)**
of which share of result of joint ventures and associates	*(2.1)*	*(49.0)*	*(22.3)*	*(38.9)*
Net interest expense and expense from the measurement of interest hedges	130.8	133.0	84.9	57.1
Impairment of goodwill	—	—	—	—
Result from Container Shipping measured at equity	2.1	49.0	22.3	38.9
Effect the measurement of loans to Container Shipping	51.2	61.6	—	—
Earnings before interest, taxes and impairment of goodwill (EBITA)[1]	**(32.3)**	**(80.5)**	**(78.2)**	**(51.3)**
Adjustments:	(24.2)	7.2	16.3	—
Losses on disposals[2]	—	1.8	—	—
Restructuring expense[2]	—	—	7.9	—
Other one-off items	(24.2)	5.4	8.4	—
Underlying EBITA[1]	**(56.5)**	**(73.3)**	**(61.9)**	**(51.3)**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Unaudited.

(3) Unless otherwise stated.

Key Figures by Region

	Germany				Great Britain			
	Financial year ended September 30,				Financial year ended September 30,			
	2011	2012	2013	2014	2011	2012	2013	2014
	(in €millions)							
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
External turnover by region(1)..........	4,710.4	5,026.3	5,200.4	5,146.0	5,182.7	5,522.2	5,578.0	5,749.3

	Spain				Other EU			
	Financial year ended September 30,				Financial year ended September 30,			
	2011	2012	2013	2014	2011	2012	2013	2014
	(in €millions)							
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
External turnover by region(1)..........	582.5	524.1	570.8	651.4	5,330.6	5,591.7	5,396.5	5,384.2

	Rest of Europe				North and South America			
	Financial year ended September 30, ,				Financial year ended September 30,			
	2011	2012	2013	2014	2011	2012	2013	2014
	(in €millions)							
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
External turnover by region(1)..........	466.7	565.2	577.7	509.6	629.2	682.8	715.4	773.0

	Other Regions				Group			
	Financial year ended September 30,				Financial year ended September 30,			
	2011	2012	2013	2014	2011	2012	2013	2014
	(in €millions)							
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
External turnover by region(1)..........	578.2	418.0	438.7	501.2	17,480.3	18,330.3	18,477.5	18,714.7

(1) The external turnover by region represents the aggregated and consolidated turnover of the TUI Companies domiciled in the respective country or region.

9. Supplemental and replacement information pertaining to the section "Operating and Financial Review"

9.1 The information at the start of the section "Operating and Financial Review" shall be replaced by the following:

The financial information contained in the following operating and financial review is taken or derived from TUI's audited consolidated financial statements as of and for the financial years ended September 30, 2014, 2013, 2012 and 2011. These consolidated financial statements were prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) and the additional requirements of German commercial law pursuant to Section 315a para 1 of the German Commercial Code (HGB). For TUI's audited consolidated financial statements as of and for the financial years ended September 30, 2013, 2012, and 2011, see "Financial Statements" included elsewhere in the Prospectus. The audited consolidated financial statements as of and for the financial year ended September 30, 2014 are incorporated in the Prospectus by reference.

Due to changes in applicable accounting standards certain financial information relating to the financial year ended September 30, 2013 have subsequently been restated in the consolidated financial statements as of and for the financial year ended September 30, 2014.. Unless specified otherwise the financial information relating to the financial year ended September 30, 2013 contained in the following operating and *financial review are taken from the consolidated financial statements as of and for the financial year ended September 30, 2014.. For further information on the restated figures see "Operating and Financial Review - Recently Adopted Accounting Principles.*

Investors should read the following discussion of our financial condition and results of operations in conjunction with our consolidated financial statements including the related notes, and the other financial information included elsewhere in the Prospectus.

Where financial data in the following tables is labeled "audited", this means that it was taken from the audited financial statements mentioned above. The label "unaudited" is used in the following tables to indicate financial data that was taken from a source other than the audited financial statements mentioned above or recomputed from the audited financial statements mentioned above or sources other than these audited financial statements. All of the financial data presented in the following tables is shown in millions of euro (€million), commercially rounded to one decimal point. Unless expressly otherwise noted, the percentage changes have been commercially rounded to one decimal point. Because of this rounding, the figures shown in the tables do not in all cases add up exactly to the respective totals given, and the percentages shown do not always add up exactly to 100%. Financial information presented in parentheses denotes the negative of such number presented. In respect of financial data set out in the Prospectus, a dash ("-") signifies that the relevant figure is not available, while a zero ("0") signifies that the relevant figure is available but has been rounded to zero.

9.2 In the section "Overview" the fourth and fifth sentences of the second paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, we reported a turnover in our Tourism segment of €18,700.2 million, accounting for over 99.9% of turnover of all our segments combined. In the same period, our Tourism segment reported an Underlying EBITA of €919.8 million.

The second sentence of the third paragraph shall be replaced by the following:

All Other Segments reported a negative Underlying EBITA of €51.3 million in the financial year ended September 30, 2014.

The fourth paragraph shall be replaced by the following:

As of September 30, 2014 we had 77,309 employees.

The fifth and sixth sentences in the fifth paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, TUI Travel reported turnover of €17,954.6 million and an Underlying EBITA of €707.6million and as of September 30, 2014 had 62,205 employees.

The fourth and fifth sentences in the sixth paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, TUI Hotels & Resorts reported turnover of €464.6 million, Underlying EBITA of €202.5 million and as of September 30, 2014 had 14,649 employees.

The fourth and fifth sentences in the seventh paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, our Cruises sector reported turnover of €281.0 million, an Underlying EBITA of €9.7 million and had as of September 30, 2014 had 228 employees.

The third and fourth sentences in the eighth paragraph shall be replaced by the following:

In financial year ended September 30, 2014, All Other Segments reported turnover of €14.5 million, negative Underlying EBITA of €51.3 million and as of September 30, 2014 had 227 employees.

9.3 In the section "Results of Operation" the paragraph "Group Income Statement" shall be replaced by the following:

Group income-statement. The table below sets forth our consolidated income statement for the financial year ended September 30, 2011, 2012, 2013 and 2014.

9.4 In the section "Result of Operations" the table "Group Income and Loss Statement" shall be replaced by the following:

Group Profit and Loss Statement

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Turnover	**17,480.3**	**18,330.3**	**18,477.5**	**18,714.7**
Cost of sales	15,655.2	16,285.8	16,436.3	16,436.6
Gross profit	**1,825.1**	**2,044.5**	**2,041.2**	**2,278.1**
Administrative expenses	1,508.8	1,555.7	1,557.3	1,577.3
Other income/other expenses	77.1	71.1	26.3	33.8
Impairment of goodwill	–	13.8	8.3	—
Financial result	(239.5)	(284.7)	(249.8)	(269.0)
Financial income	*254.3*	*159.9*	*42.7*	*36.2*
Financial expenses	*493.8*	*444.6*	*292.5*	*305.2*
Share of result of joint ventures and associates	52.9	(8.7)	59.3	40.0
Earnings before income taxes (EBT)	**206.8**	**252.7**	**311.4**	**505.6**
Reconciliation to underlying earnings(1)				
Earnings (loss) before income taxes	206.8	252.7	311.4	505.6
plus: Loss on Container Shipping measured at equity	2.1	49.0	22.3	38.9
less: Gain on reduction and measurement of financial investment in Container Shipping(2)	(51.2)	(61.6)	–	—
plus: Net Interest expense and expense from measurement of interest hedges	286.8	284.9	252.8	229.3
plus: Impairment of goodwill	–	13.8	8.3	-
EBITA(1)	444.5	538.8	594.8	773.8
Adjustments:				
plus: Losses (gains) on disposals	–	*1.8*	*1.4*	*(3.6)*
plus: Restructuring expense	*70.8*	*63.2*	*62.3*	*43.6*
plus: Expense from purchase price allocation	*96.1*	*75.1*	*75.0*	*73.7*
plus: Expense (income) from other one off items	*(11.3)*	*66.8*	*28.4*	*(19.0)*
Underlying EBITA(1)	**600.1**	**745.7**	**761.9**	**868.5**
Earnings before income taxes	**206.8**	**252.7**	**311.4**	**505.6**
Tax expense	88.6	110.8	145.0	221.7
Group profit (loss) for the period	**118.2**	**141.9**	**166.4**	**283.9**
Group profit (loss) for the period attributable to shareholders of TUI AG	23.9	(15.1)	(11.1)	104.7
Group profit (loss) for the period attributable to non-controlling interests	94.3	157.0	177.5	179.2

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with measures, effects of

purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) In connection with and following the sale of Hapag-Lloyd, we had entered into various financing arrangements, including the provision of a bridge loan and a vendor loan. See "*Material Agreements — Agreements related to Hapag-Lloyd*".

9.5 In the section "Result of Operations" the table "Segment Turnover" shall be replaced by the following:

Segment Turnover

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
TUI Travel	16,893.0	17,717.5	17,823.4	17,978.7
TUI Hotels & Resorts	780.8	826.0	826.6	861.3
Cruises	200.8	231.0	261.0	282.0
Consolidation	(427.5)	(459.3)	(432.9)	(408.5)
Tourism Segment	**17,447.1**	**18,315.2**	**18,478.1**	**18,713.5**
All Other Segments	81.8	41.6	39.9	26.1
Consolidation	(48.6)	(26.5)	(40.5)	(24.9)
Group	**17,480.3**	**18,330.3**	**18,477.5**	**18,714.7**

9.6 In the section "Result of Operations" the table "EBITA" shall be replaced by the following:

EBITA(1)

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
TUI Travel	321.4	441.0	532.8	597.9
TUI Hotels & Resorts	144.2	177.5	170.6	203.0
Cruises	11.2	0.8	(30.4)	24.2
Consolidation	0.0	—	—	—
Tourism Segment	**476.8**	**619.3**	**673.0**	**825.1**
All Other Segments	(32.3)	(80.5)	(78.2)	(51.3)
Consolidation	—	—	—	—
Group	**444.5**	**538.8**	**594.8**	**773.8**

(1) EBITA is a non-IFRS financial measure. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, impairment of goodwill and other non-recurring gains and losses, including goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. EBITA is not a measure of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA as presented by us may not be comparable to this measure or other measures with similar names as presented by other companies.

9.7 In the section "Result of Operations" the Table "Underlying EBITA" shall be replaced by the following:

Underlying EBITA(1)

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
TUI Travel	500.1	637.4	640.5	707.6
TUI Hotels & Resorts	145.3	178.6	197.2	202.5
Cruises	11.2	3.0	(13.9)	9.7
Consolidation	—	—	—	—
Tourism Segment	**656.6**	**819.0**	**823.8**	**919.8**
All Other Segments	(56.5)	(73.3)	(61.9)	(51.3)
Consolidation	—	—	—	—
Group	**600.1**	**745.7**	**761.9**	**868.5**

(1) Underlying EBITA is a non-IFRS financial measure. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. Underlying EBITA is not a measure of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, Underlying EBITA as presented by us may not be comparable to this measure or other measures with similar names as presented by other companies.

9.8 In the section "Result of Operations" the sub-section "Comparison of the nine-month period ended June 30, 2013 and nine-month period ended June 30, 2014" shall be replaced by the following:

Comparison of the financial year ended September 30, 2013 with the financial year ended September 30, 2014

Turnover. Turnover increased from €18,477.5 million in the financial year ended September 30, 2013, by €237.2 million, or 1.3%, to €18,714.7 million in the financial year ended September 30, 2014. The increase primarily resulted from higher average selling prices, mainly driven by a higher proportion of unique product sales, while the number of customers in the Mainstream Business of TUI Travel decreased by 2.4% compared to the previous financial year.

Cost of sales. Cost of sales increased slightly from €16,436.3 million in the financial year ended September 30, 2013, by €0.3 million to €16,436.6 million in the financial year ended September 30, 2014. Cost of sales remained stable compared to the previous financial year.

Gross profit. Gross profit increased from €2,041.2 million in the financial year ended September 30, 2013, by €236.9 million, or 11.6%, to €2,278.1 million in the financial year ended September 30, 2014. This increase was mainly caused by the factors described above.

Administrative expenses. Administrative expenses increased from €1,557.3 million in the financial year ended September 30, 2013, by €20.0 million, or 1.3%, to €1,577.3 million in the financial year ended September 30, 2014.

Other income/other expenses. Other income/other expenses increased from €26.3 million in the financial year ended September 30, 2013, by €7.5 million, or 28.5%, to €33.8 million in the financial year ended September 30, 2014. This line item primarily relates to one-off items. In the financial year ended September 30, 2014, other income primarily relates to the book profits from the sale of the science park in Kiel, the industrial park in Berlin-Tempelhof and the sale of a hotel company in Switzerland.

Impairment of goodwill. In the financial year ended September 30, 2014 we recorded no impairment of goodwill. In the financial year ended September 30, 2013 we recorded impairment of goodwill in an amount of €8.3 million, related to the hotel project Tenuta di Castelfalfi.

Financial result. The financial result comprises financial income and financial expenses. The financial result changed from negative €249.8 million in the financial year ended September 30, 2013, by €19.2 million, or 7.7%, to negative €269.0 million in the financial year ended September 30, 2014.

Financial income decreased from €42.7 million in the financial year ended September 30, 2013, by €6.5 million, or 15.2%, to €36.2 million in the financial year ended September 30, 2014, primarily due to lower returns on bank deposits as a result of lower interest rates.

Financial expenses in the financial year ended September 30, 2014 increased from €292.5 million in the financial year ended September 30, 2013 by €12.7 million, or 4.3%, to €305.2 million in the financial year ended September 30, 2014. This increase resulted primarily from expenses of €35.6 million related to the impairment of loans to Togebi Holdings Limited ("**TUI Russia**") and a related provision. TUI Russia is primarily operating in the source markets Russia and the Ukraine. For further information on such impairments, carried under expenses related to the measurement of other financial instruments, see "*Related Party Transactions*".

Result from joint ventures and associates. Result from joint ventures and associates decreased from €59.3 million in the financial year ended September 30, 2013, by €19.3 million, or 32.5%, to €40.0 million in the financial year ended September 30, 2014. The decline in the share of results of joint ventures and associates is mainly attributable to the increase in the loss from Container Shipping attributable to TUI to negative €38.9 million (previous year negative €22.3 million). In the Tourism segment the improved performance of hotels and cruises in financial year ended September 30, 2014 was partly offset by further losses of €21.4 million recorded by TUI Russia. The share of results of joint ventures and associates does not include the expenses for the impairment of loans to TUI Russia of €35.6 million or the unrecognized losses of TUI Russia of €14.7 million. Recognition of these losses would have resulted in a reduction in the carrying amount of the joint venture to below zero.

In the financial year ended September 30, 2014, the share of results of joint ventures and associates did not include any impairments, as in the prior year. An impairment recognized in prior years was reversed in the financial year ended September 30, 2014 in an amount of € 1.1 million.

Earnings before income taxes (EBT). Earnings before income taxes improved from €311.4 million in the financial year ended September 30, 2013, by €194.2 million, or 62.4%, to €505.6 million in the financial year ended September 30, 2014 as a result of the factors described above.

Earnings before interest, taxes and impairment of goodwill (EBITA). EBITA improved from €594.8 million in the financial year ended September 30, 2013, by €179.0 million, or 30.1%, to €773.8 million in the financial year ended September 30, 2014 as a result of the factors described above.

Underlying EBITA. Underlying EBITA improved from €761.9 million in the financial year ended September 30, 2013, by €106.6 million, or 14.0%, to €868.5 million in the financial year ended September 30, 2014. This positive development was mainly attributable to the improvement in earnings of TUI Travel and the TUI Hotels & Resorts Sector and a decline in expenses by central operations.

Adjustments. To ensure a transparent presentation of how operating earnings developed in the sectors, Underlying EBITA was derived by adjusting EBITA for gains on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and one-off items by sector. The adjustments are outlined as follows:

Adjustments decreased from €167.1 million in the financial year ended September 30, 2013, by €72.4 million, or 43.3%, to €94.7 million in the financial year ended September 30, 2014.

Adjustments for TUI Travel increased from €107.7 million in the financial year ended September 30, 2013, by €2.0 million, or 1.9%, to €109.7 million in the financial year ended September 30, 2014. In the financial year ended September 30, 2014 this line item included purchase price allocations in the amount of €73.7 million and, above all, one-off expenses for the on-going restructuring activities in Germany, France and the Specialist & Activity and Accommodation & Destinations Businesses and for the repayment of VAT on the margin for prior years as well as expenses of €35.6 million for the impairment of loans to TUI Russia, outlined in the section "*Related Party Transactions*".

TUI Hotels & Resorts recorded total adjustments of positive €26.6 million in the financial year ended September 30, 2013 compared to negative €0.5 million in the financial year ended September 30, 2014. The adjustments of negative €0.5 million in the financial year ended September 30, 2014 are primarily attributable to differences arising from the currency translation related to a capital decrease in a Riu group company. The adjustments in the financial year ended September 30, 2013 mainly related to impairment on properties of the hotel project Tenuta di Castelfalfi.

Cruises recorded negative €14.5 million of adjustments in the financial year ended September 30, 2014 resulting from the utilization of a provision for expected losses from onerous contracts established during the previous year by Hapag-Lloyd Kreuzfahrten. In the financial year ended September 30, 2013 Cruises recorded positive €16.5 million of adjustments, mainly related to a provision for onerous contracts due to occupancy risk especially for Europa 2.

In the financial year ended September 30, 2014, All Other Segments recorded no further adjustments, whereas in the financial year ended September 30, 2013 All Other Segments combined recorded adjustments of €16.3 million, mainly resulting from the implementation of the TUI AG Lean Holding concept.

Tax expense. Tax expense increased from €145.0 million in the financial year ended September 30, 2013, by €76.7 million, or 52.9%, to €221.7 million in the financial year ended September 30, 2014. The increase in income taxes expenses was primarily attributable to the development in earnings before income taxes (EBT), which increased from €311.4 million in the financial year ended September 30, 2013 by €194.2 million to €505.6 million in the financial year ended September 30, 2014.

Group profit. Group profit improved from €166.4 million in the financial year ended September 30, 2013 by €117.5 million, or 70.6%, to €283.9 million in the financial year ended September 30, 2014. This increase was primarily attributable to operative improvements as well as the decrease in one-time expenses as described in the factors above.

9.9 In the section "Result of Operations" in the sub-section "Comparison of the financial year ended September 30, 2012 with the financial year ended September 30, 2013" the paragraph "Financial result. "shall be replaced by the following:

Financial result. Financial result comprises financial income and financial expenses. Financial result improved from negative €284.7 million in the financial year ended September 30, 2012, by €34.9 million, or 12.3%, to negative €249.8 million in the financial year ended September 30, 2013 due to the reduction in the TUI Group's net debt and lower interest paid on bank balances on account of a decline in interest rate levels. Financial income decreased from €159.9 million in the financial year ended September 30, 2012, by €117.2 million, or 73.3%, to €42.7 million in the financial year ended September 30, 2013 due to reduced income from securities and loans and decreased interest on pension scheme assets. In the financial year ended September 30, 2012, there was financial income from loans granted to Hapag-Lloyd, which were redeemed in full in the financial year ended September 30, 2012.

The financial expenses decreased from €444.6 million in the financial year ended September 30, 2012, by €152.1 million, or 34.2%, to €292.5 million, in the financial year ended September 30, 2013 due to the reduction in interest expenses in the financial year ended September 30, 2013. The decline in interest expenses mainly results from the reduction in financial liabilities in the financial year ended September 30, 2013. The financial year ended September 30, 2012 included interest of €25.0 million in connection with the litigation with the Babcock Borsig AG administrator.

In the sub-section "Comparison of the financial year ended September 30, 2012 with the financial year ended September 30, 2013" the paragraph "Earnings (loss) before income taxes (EBT)" shall be replaced by the following:

Earnings (loss) before income taxes (EBT). Earnings (loss) before income taxes improved from €252.7 million in the financial year ended September 30, 2012, by €58.7 million, or 23.2%, to €311.4 million in the financial year ended September 30, 2013 as a result of the factors described above.

In the sub-section "Comparison of the financial year ended September 30, 2012 with the financial year ended September 30, 2013", the paragraph "Tax expense" shall be replaced by the following:

Tax expense. Tax expense of €110.8 million increased in the financial year ended September 30, 2012, by €34.2 million, or 30.9%, to €145.0 million in the financial year ended September 30, 2013. The expenses in the financial year ended September 30, 2013 comprised effective tax charges of €191.0 million, offset in part by deferred tax income of €46.0 million. The increase in current tax expenses was largely attributable to TUI Travel. The deferred tax assets in the period under review were mainly driven by the capitalization of tax loss carry-forwards. Effective income taxes related to prior periods amounted to €42.4 million in the financial year ended September 30, 2013 (compared to income of €63.2 million in the prior financial year).

In the sub-section "Comparison of the financial year ended September 30, 2012 with the financial year ended September 30, 2013" the paragraph "Group profit "shall be replaced by the following:

Group profit. Group profit increased from €141.9 million in the financial year ended September 30, 2012, by €24.5 million, or 17.3 %, to €166.4 million in the financial year ended September 30, 2013.

9.10 In the section "Segment Analysis - TUI Travel", the table "TUI Travel" shall be replaced by the following:

TUI Travel

	Financial year ended September 30,			
	2011	**2012**	**2013**	**2014**
	(in €millions)			
	(audited)[(4)]	(audited)[(4)]	(audited)[(4)]	(audited)[(4)]
Turnover	**16,867.0**	**17,681.5**	**17,796.0**	**17,954.6**
Inter-segment turnover	26.0	36.0	27.4	24.1
Segment turnover	**16,893.0**	**17,717.5**	**17,823.4**	**17,978.7**
Earnings (loss) before income taxes (EBT)	**193.2**	**314.1**	**386.0**	**445.4**
of which share of result of joint ventures and associates	*24.4*	*6.9*	*21.3*	*9.7*
Net interest expense and expense from the measurement of interest hedges	128.2	126.9	146.8	152.5
Earnings before interest, taxes and impairment of goodwill (EBITA)[(1)]	**321.4**	**441.0**	**532.8**	**597.9**
Adjustments:	178.7	196.4	107.7	109.7
Losses (gains) on disposals[(3)]	—	—	1.4	(4.2)
Restructuring[(4)]	70.8	61.0	51.4	42.1
Purchase price allocation[(2) (3)]	96.1	75.1	75.0	73.7
Other one-off items	11.8	60.3	(20.1)	(1.9)
Underlying EBITA[(1)]	**500.1**	**637.4**	**640.5**	**707.6**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Purchase price allocations primarily fall into TUI Travel and include amortization of intangible assets from acquisitions under IFRS 3.

(3) Unaudited.

(4) Unless otherwise stated.

9.11 In the section "Segment Analysis - TUI Travel", the sub-section "Comparison of the nine-month period ended June 30, 2013 and nine-month period ended June 30, 2014" shall be replaced by the following:

Comparison of the financial year ended September 30, 2013 with the financial year ended September 30, 2014

Segment turnover. Segment turnover generated by TUI Travel increased slightly from €17,823.4 million in the financial year ended September 30, 2013, by €155.3 million, or 0.9%, to €17,978.7 million in the financial year ended September 30, 2014. The slight increase in turnover was primarily attributable to an increase in the average selling price, mainly due to a higher proportion of unique holidays, despite deliberate capacity reductions in the Mainstream business, particularly in France.

Earnings before income taxes (EBT). Earnings before income taxes improved from €386.0 million in the financial year ended September 30, 2013, by 59.4€ million, or 15.4%, to €445.4 million in the financial year ended September 30, 2014. The increase was mainly due to continued strong demand for unique holidays and growth in the online share.

Net interest expense and expense from the measurement of interest hedges. Net interest expense and expense from the measurement of interest hedges increased from €146.8 million in the financial year ended

September 30, 2013, by €5.7 million, or 3.9%, to €152.5 million in the financial year ended September 30, 2014. The increase was mainly due to lower interest received on bank balances due to lower interest rate levels.

Earnings before interest, taxes and impairment of goodwill (EBITA). EBITA improved from €532.8 million in the financial year ended September 30, 2013, by €65.1 million, or 12.2%, to €597.9 million in the financial year ended September 30, 2014, as a result of the factors described above.

Adjustments. Adjustments increased from €107.7 million in the financial year ended September 30, 2013, by €2.0 million, or 1.9%, to €109.7 million in the financial year ended September 30, 2014. In the financial year ended September 30, 2014 this line items included purchase price allocations in the amount of €73.7 million and, above all, one-off expenses for the on-going restructuring activities in Germany, France and the Specialist & Activity and Accommodation & Destinations Businesses and for the repayment of VAT on the margin for prior years as well as expenses of €35.6 million for the impairment of loans to TUI Russia, outlined in the section "*Related Party Transactions*".

Underlying EBITA. Underlying EBITA increased from €640.5 million in the financial year ended September 30, 2013, by €67.1 million, or 10.5%, to €707.6 million in the financial year ended September 30, 2014. This increase was primarily due to the factors described above.

9.12 <u>In the section "Segment Analysis - TUI Travel", in the sub-section "Comparison of the financial year ended September 30, 2012 with the financial year ended September 30, 2013" the paragraph "Earnings (loss) before income taxes (EBT)" shall be replaced by the following:</u>

Earnings (loss) before income taxes (EBT). Earnings (loss) before income taxes increased from €314.1 million in the financial year ended September 30, 2012, by €71.9 million, or 22.9%, to €386.0 million in the financial year ended September 30, 2013. The increase was mainly due to the continuing performance of the sector and lower net one-off expenses in the financial year ended September 30, 2013.

<u>In the sub-section "Comparison of the financial year ended September 30, 2012 with the financial year ended September 30, 2013" the paragraph "Net interest expense and expense from the measurement of interest hedges" shall be replaced by the following:</u>

Net interest expense and expense from the measurement of interest hedges. The net interest expense and expense from the measurement of interest hedges increased from €126.9 million in the financial year ended September 30, 2012, by €19.9 million, or 15.7%, to €146.8 million in the financial year ended September 30, 2013. The increase was primarily due to increased finance lease liabilities relating primarily to the leasing of aircraft, boats, cruise ships and equipment primarily resulting from the acquisition of four aircraft in the financial year ended September 30, 2013 compared to three aircraft in the financial year ended September 30, 2012. These are treated as finance leases based on the terms of the leases, which include purchase options.

9.13 In the section "Segment Analysis - TUI Hotel & Resorts Sector", the table "TUI Hotels & Resorts Sector" shall be replaced by the following:

TUI Hotels & Resorts Sector

	Financial year ended September 30,			
	2011	**2012**	**2013**	**2014**
	(in €millions)			
	(audited)(3)	(audited)(3)	(audited)(3)	(audited)(3)
Turnover...	**362.6**	**384.7**	**403.1**	**464.6**
Inter-segment turnover	418.2	441.3	423.5	396.7
Segment turnover	**780.8**	**826.0**	**826.6**	**861.3**
Earnings before income taxes (EBT)............	**116.5**	**138.8**	**141.4**	**183.4**
of which share of result of joint ventures and associates..	*26.0*	*20.8*	*42.9*	*37.9*
Net interest expense and expense from the measurement of interest hedges.......................	27.7	24.9	20.9	19.6
Impairment of goodwill...................................	—	13.8	8.3	-
Earnings before interest, taxes and impairment of goodwill (EBITA)(1)	**144.2**	**177.5**	**170.6**	**203.0**
Adjustments:	1.1	1.1	26.6	(0.5)
Restructuring expense(2)	—	—	2.5	—
Losses (gains) on disposals(2)	—	—	—	0.6
Other one-off items..	1.1	1.1	24.1	(1.1)
Underlying EBITA(1)	**145.3**	**178.6**	**197.2**	**202.5**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Unaudited.

(3) Unless otherwise stated.

9.14 In the section "Segment Analysis - TUI Hotel & Resorts Sector", the sub-section "Comparison of the nine-month period ended June 30, 2013 and nine-month period ended June 30, 2014" shall be replaced by the following:

Comparison of the financial year ended September 30, 2013 with the financial year ended September 30, 2014

Segment turnover. TUI Hotels & Resorts' segment turnover increased from €826.6 million in the financial year ended September 30, 2013, by €34.7 million, or 4.2%, to €861.3 million in the financial year ended September 30, 2014. The increase was primarily attributable to increased capacity and higher average revenues per bed. In the financial year ended September 30, 2014, turnover with non-Group third parties grew by 15.2% to €464.6 million.

Earnings before income taxes (EBT). Earnings before income taxes increased from €141.4 million in the financial year ended September 30, 2013, by €42.0 million, or 29.7%, to €183.4 million in the financial year ended September 30, 2014. This increase was mainly driven by the strong operating performance of Riu and Robinson. Furthermore the financial year ended September 30, 2013 included impairments related to the Tenuta di Castelfalfi hotel in amount of €34.1 million in total.

Net interest expense and expense from the measurement of interest hedges. Net interest expense and expense from the measurement of interest hedges decreased from €20.9 million in the financial year ended September 30, 2013, by €1.3 million, or 6.2%, to €19.6 million in the financial year ended September 30, 2014. The decrease was primarily attributable to a reduction in debt.

Impairment of goodwill. In the financial year ended September 30, 2014, we incurred no impairment of goodwill. In the financial year ended September 30, 2013 impairment of goodwill amounted to €8.3 million. These impairments related solely to the hotel project Tenuta di Castelfalfi.

Earnings before interest, taxes and impairment of goodwill (EBITA). EBITA increased from €170.6 million in the financial year ended September 30, 2013, by €32.4 million, or 19.0%, to €203.0 million in the financial year ended September 30, 2014. This increase was mainly driven by the factors described above.

Adjustments. Adjustments changed from positive €26.6 million in the financial year ended September 30, 2013, by €27.1 million to negative €0.5 million in the financial year ended September 30, 2014. The adjustment in the financial year ended September 30, 2014 relates to a capital reduction in a subsidiary of Riu, which was operating in a functional currency other than EUR, the accumulated foreign exchange translation rate differences in this subsidiary had to be taken to "profit and loss".

Underlying EBITA. Underlying EBITA increased from €197.2 million in the financial year ended September 30, 2013, by €5.3 million, or 2.7%, to €202.5 million in the financial year ended September 30, 2014. The increase was mainly due to factors described above.

9.15 In the section “Segment Analysis - Cruises Sector”, the table “Cruises Sector” shall be replaced by the following:

Cruises Sector

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)[3]	(audited)[3]	(audited)[3]	(audited)[3]
Turnover	**200.8**	**231.0**	**261.0**	**281.0**
Inter-segment turnover	—	—	—	1.0
Segment Turnover	**200.8**	**231.0**	**261.0**	**282.0**
Earnings (loss) before income taxes (EBT)	**11.1**	**0.7**	**(30.6)**	**24.1**
of which share of result of joint ventures and associates	*4.6*	*12.6*	*17.4*	*31.3*
Net interest expense (income) and expense (income) from the measurement of interest hedges	0.1	0.1	0.2	0.1
Impairment of goodwill	—	—	—	—
Earnings before interest, taxes and impairment of goodwill (EBITA)[1]	**11.2**	**0.8**	**(30.4)**	**24.2**
Adjustments:	—	2.2	16.5	**(14.5)**
Restructuring expense[2]	—	2.2	0.5	1.5
Other one-off items	—	—	16.0	(16.0)
Underlying EBITA[1]	**11.2**	**3.0**	**(13.9)**	**9.7**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company’s operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Unaudited.

(3) Unless otherwise stated.

9.16 In the section “Segment Analysis - Cruises Sector, the sub-section “Comparison of the nine-month period ended June 30, 2013 and nine-month period ended June 30, 2014” shall be replaced by the following:

Comparison of the financial year ended September 30, 2013 with the financial year ended September 30, 2014

Segment turnover. Cruises segment turnover increased from €261.0 million in the financial year ended September 30, 2013, by €21.0 million, or 8.0%, to €282.0 million in the financial year ended September 30, 2014. This increase was mainly attributable to the capacity expansion due to the commissioning of the Europa 2. As the joint venture TUI Cruises is measured at equity in the consolidated financial statements, no turnover is recorded for TUI Cruises.

Earnings (loss) before income taxes (EBT). Earnings (loss) before income taxes increased from negative €30.6 million in the financial year ended September 30, 2013, by €54.7 million to positive €24.1 million in the financial year ended September 30, 2014. The change was primarily due to a strong performance of the Cruises sector in the second half of the financial year and the launch of the new ship “Mein Schiff 3” in June 2014.

Net interest expense (income) and expense (income) from the measurement of interest hedges. Net interest expense and expense from the measurement of interest hedges decreased from €0.2 million in the financial year ended September 30, 2013, by €0.1 million, or 50.0%, to €0.1 million in the financial year ended September 30, 2014.

Earnings before interest, taxes and impairment of goodwill (EBITA). EBITA improved from negative €30.4 million in the financial year ended September 30, 2013, by €54.6 million to positive €24.2 million in the financial year ended September 30, 2014. This increase was primarily a result of the factors described above.

Adjustments. Adjustments changed from positive €16.5 million in the financial year ended September 30, 2013, by €31.0 million to negative €14.5 million in the financial year ended September 30, 2014. The change of adjustments was related primarily to the set-up of provisions formed in the prior year for pending losses from occupancy risks at Hapag-Lloyd Kreuzfahrten.

Underlying EBITA. Underlying EBITA changed from negative €13.9 million in the financial year ended September 30, 2013 by €23.6 million to positive €9.7 million in the financial year ended September 30, 2014. This increase was primarily a result of the factors described above.

9.17 In the section "Segment Analysis – All Other Segments", the table "All Other Segments" shall be replaced by the following:

All Other Segments

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)[3]	(audited)[3]	(audited)[3]	(audited)[3]
Turnover	**49.9**	**33.1**	**17.4**	**14.5**
Inter-segment turnover	31.9	8.5	22.5	11.6
Segment turnover	**81.8**	**41.6**	**39.9**	**26.1**
Earnings (loss) before income taxes (EBT)	**(114.0)**	**(200.9)**	**(185.4)**	**(147.3)**
of which share of result of joint ventures and associates	*(2.1)*	*(49.0)*	*(22.3)*	*(38.9)*
Net interest expense and expense from the measurement of interest hedges	130.8	133.0	84.9	57.1
Result from Container Shipping measured at equity	2.1	49.0	22.3	38.9
Effect the measurement of loans to Container Shipping	51.2	61.6	—	—
Earnings before interest, taxes and impairment of goodwill (EBITA)[1]	**(32.3)**	**(80.5)**	**(78.2)**	**(51.3)**
Adjustments:	(24.2)	7.2	16.3	—
Losses on disposals[2]	—	1.8	—	—
Restructuring expense[2]	—	—	7.9	—
Other one-off items	(24.2)	5.4	8.4	—
Underlying EBITA[1]	**(56.5)**	**(73.3)**	**(61.9)**	**(51.3)**

(1) EBITA and Underlying EBITA are non-IFRS financial measures. There are no generally accepted accounting principles governing the calculation of non-IFRS measures. We define EBITA as earnings before interest, taxes, goodwill impairment, losses incurred in the Container Shipping investment measured at equity, gains and losses from the sale of investments in Container Shipping, and Net Interest expense and expense from measurement of interest hedges. Our Underlying EBITA is derived by adjusting EBITA for gains (losses) on disposal of investments, expenses in connection with restructuring measures, effects of purchase price allocations and other one-off items. EBITA and Underlying EBITA are not measures of operating income, operating performance or liquidity under IFRS. These measures should not be considered in isolation or as substitute for Earnings (loss) before income taxes as determined by IFRS, or as an indicator of the Company's operating performance, or of cash flows from operating activities as determined in accordance with IFRS. The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

(2) Unaudited.

(3) Unless otherwise stated.

9.18 In the section "Segment Analysis – All Other Segments", the sub-section "Comparison of the nine-month period ended June 30, 2013 and nine-month period ended June 30, 2014" shall be replaced by the following:

Comparison of the financial year ended September 30, 2013 with the financial year ended September 30, 2014

Turnover. All Other Segments turnover decreased from €17.4 million in the financial year ended September 30, 2013, by €2.9 million, or 16.7%, to €14.5 million in the financial year ended September 30, 2014. This decrease was mainly due to reduced revenues in real estate.

Inter-segment turnover. Inter-segment turnover decreased from €22.5 million in the financial year ended September 30, 2013, by €10.9 million, or 48.4%, to €11.6 million in the financial year ended September 30, 2014. This decrease is mainly attributable to reduced inter-segment services offered by central functions.

Earnings (loss) before income taxes (EBT). Earnings (loss) before income taxes improved from negative €185.4 million in the financial year ended September 30, 2013, by €38.1 million, or 20.6%, to negative €147.3 million in the financial year ended September 30, 2014. This reduction was mainly a result of the introduction of the Lean Holding concept.

Net interest expense and expense from the measurement of interest hedges. Net interest expense and expense from the measurement of interest hedges decreased from €84.9 million in the financial year ended September 30, 2013, by €27.8 million, or 32.7%, to €57.1 million in the financial year ended September 30, 2014. The improvement was primarily attributable to further reduction in Group debt.

Earnings before interest, taxes and impairment of goodwill (EBITA). EBITA improved from negative €78.2 million in the financial year ended September 30, 2013, by €26.9 million, or 34.4%, to negative €51.3 million in the financial year ended September 30, 2014. This increase was primarily a result of the factors described above.

Adjustments. No adjustments were recorded for the financial year ended September 30, 2014, whereas in the financial year ended September 30, 2013 we recorded adjustments of positive €16.3 million, related to expenses mainly associated with the implementation of the Lean Holding concept of TUI AG.

Underlying EBITA. Underlying EBITA improved from negative €61.9 million in the financial year ended September 30, 2013, by €10.6 million, or 17.1%, to negative €51.3 million in the financial year ended September 30, 2014. This increase was primarily a result of the factors described above.

9.19 In the section "Cashflow", the first paragraph and the corresponding table shall be replaced by the following:

The following table sets forth our cash flow statements for the financial years ended September 30, 2011, 2012, 2013 and 2014. In accordance with IFRS, cash flows from operating activities are determined indirectly from a reconciliation of Group profit to cash from operating activities. Consequently, the effects on operating cash flow caused by the initial recognition of changes to the group of consolidated companies are eliminated in the table.

	Financial year ended September 30,			
	2011	2012[1]	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Group profit (loss)	118.2	141.9	166.4	283.9
Depreciation, amortization and impairments (write-back)	412.2	398.7	429.4	398.6
Other non-cash expenses (income)	(112.7)	33.8	(40.9)	(11.3)
Interest expenses (excl. interest relating to pension obligations)	367.7	262.9	287.3	254.0
Dividends from joint ventures and associates	—	22.4	58.5	33.5
(Profit) loss from disposals of non-current assets	(47.0)	(66.1)	(24.1)	(30.4)
Change in non-financial assets/liabilities	347.1	47.9	(1.3)	146.4
Cash inflow from operating activities	**1,085.5**	**841.5**	**875.3**	**1,074.7**
Payments received from disposals of property, plant and equipment, investment property and intangible assets	456.6	171.7	270.5	334.4
Payments received from disposals of consolidated companies (excluding disposals of cash and cash equivalents due to divestments)	—	2.1	—	13.5
Payments received from disposals of other non-current assets	951.5[2]	679.2	8.7	39.4
Payments made for investments in property, plant and equipment, investment property and intangible assets	(444.8)	(480.1)	(597.7)	(601.2)
Payments made for investments in consolidated companies (excluding cash and cash equivalents received due to acquisition)	(50.7)	(27.5)	(14.4)	(24.1)
Payments made for investments in other non-current assets	(37.2)	(30.7)	(111.4)	(348.2)
Cash inflow / (outflow) from investing activities	**875.4**	**314.7**	**(444.3)**	**(586.2)**
Payments received from capital increases	0.6	0.4	0.4	(7.1)
Payments made for interest increase in consolidated companies	(34.8)	(23.7)	(25.4)	(50.6)
Dividend payment by TUI AG	(25.9)	(25.9)	(37.2)	(60.9)
Dividend payment by subsidiaries to other shareholders	(141.1)	(102.4)	(111.9)	(108.2)
Payments received from the issue of bonds and the raising of financial liabilities	524.1	18.3	228.5	309.7
Payments made for redemption of loans and financial liabilities	(2,304.1)	(560.8)	(573.1)	(263.9)
Interest paid	(268.0)	(200.1)	(102.2)	(137.9)
Cash outflow from financing activities	**(2,249.2)**	**(894.2)**	**(620.9)**	**(318.9)**
Net change in cash and cash equivalents	**(288.3)**	**262.0**	**(189.9)**	**169.6**
Cash and cash equivalents at beginning of period	**2,274.3**	**1,981.3**	**2,278.4**	**2,701.7**
Change in cash and cash equivalents due to exchange rate fluctuations	(4.7)	35.1	25.7	(1.6)
Change in cash and cash equivalents due to change of basis of consolidation	-	-	-	3.8
Change in cash and cash equivalents with cash effects	(288.3)	262.0	(189.9)	169.6
Change in cash and cash equivalents without cash effects	-	-	587.5	(587.5)
Cash and cash equivalents at end of period	**1,981.3**	**2,278.4**	**2,701.7**	**2,286.0**

(1) Figures derived from the audited consolidated financial statements as of and for the year ended September 30, 2013. Historically, dividends received from associates and joint ventures were recorded within cash flows from investing activities. During the year ended September 30, 2013, it was determined dividends received from associates and joint ventures would be more appropriately reflected in operating activities and the financial year 2012 figures were adjusted accordingly. The Company is of the view that this change presents more relevant information about the ability to generate cash flows from operating activities.

(2) The payments received from disposals of other non-current assets for the financial year ended September 30, 2011 includes dividends from joint ventures and associates of €11.9 million. For the financial years ended September 30, 2012, September 30, 2013 and September 30, 2014, dividends from joint ventures and associates are recorded as a separate line item under the cash inflow from operating activities, instead.

9.20 <u>In the section "Cashflow", the sub-section "Comparison of the nine-month period ended June 30, 2013 and nine-month period ended June 30, 2014" shall be replaced by the following:</u>

Comparison of the financial year ended September 30, 2013 with the financial year ended September 30, 2014

Cash inflow from operating activities

The cash inflow from operating activities increased from €875.3 million in the financial year ended September 30, 2013, by €199.4 million, or 22.8%, to €1.074.7 million in the financial year ended September 30, 2014. The reconciliation from Group profit to cash inflow from operating activities included amortization and impairments in the financial year ended September 30, 2014 in the amount of €398.6 million, while in the financial year ended September 30, 2013, this position amounted to €429.4 million. Furthermore, €33.5 million dividends from joint ventures and associates were included in cash inflow from operating activities in the financial year ended September 30, 2014, while in the financial year ended September 30, 2013 dividends from joint ventures and associates in the amount of €58.5 million were included. The cash inflow from operating activities was positively impacted by changes in non-financial assets/liabilities in the amount of positive €146.6 million in the financial year ended September 30, 2014, compared to negative €1.3 million in the financial year ended September 30, 2013.

Cash inflow from investing activities

The cash flows from investing activities increased from a cash outflow of €444.3 million in the financial year ended September 30, 2013, by €141.9 million, or 31.9%, to a cash outflow of €586.2 million in the financial year ended September 30, 2014. The cash flow from investing activities includes a cash outflow for capital expenditures related to property, plant and equipment and intangible assets of €475.9 million for the TUI Travel sector and €114.7 million for the TUI Hotels & Resorts sector but also a cash inflow from the sale of fixed assets of €271.3 million for the TUI Travel sector (in particular related to aircraft assets), and €56.3 million for central operations from the sale of real property.

The cash outflow from investing activities included cash payments of €30.7 million for the acquisition of companies to be included in consolidation. This amount includes payments of €8.3 million for acquisitions related to prior years. The cash and cash equivalents acquired through acquisitions total €6.6 million so that the total cash outflow amounts to €24.1 million. The cash outflow for investments in other non-current assets of €48.1 million relates to capital increases in companies measured at equity and purchase of an associated company by the Riu group. The sale of a part of an investment and the sale of three consolidated companies generated an inflow of €37.6 million and €13.5 million, respectively.

The cash outflow from investing activities included the investment in a money market fund of the gross proceeds of €300.0 million from the issuance of €300,000,000 Senior Notes due 2019.

Cash outflow from financing activities

Cash flows from financing activities improved from a cash outflow of €620.9 million in the financial year ended September 30, 2013, by €302.0 million, or 48.6%, to a cash outflow of €318.9 million in the financial year ended September 30, 2014. The credit facility drawn by TUI Travel to finance the tourism season at the beginning of the reporting period has now been fully repaid. Moreover, the companies of the TUI Travel Sector repaid further loans in the amount of €51.9 million and liabilities from finance leases in the amount of €31.7 million. The TUI Hotels & Resorts Sector took out loans in the amount of €46.8 million, while repaying loans in the amount of €80.3 million.

TUI AG received €295.1 million after costs of funds from the issuance of Senior Notes due 2019 in an aggregate principal amount of €300.0 million. Until the occurrence or satisfaction of certain conditions in connection with the TUI Merger, the gross proceeds from the offering of the bond will be held in escrow for the benefit of a trustee. Outflows of €19.9 million relate to payments for credit facilities of TUI Travel and TUI AG. Conversions of convertible bonds of TUI AG in the current financial year did not have an impact on the cash outflow from financing activities.

Additional outflows of €60.9 million related to the interest on the hybrid capital issued by TUI AG, to be carried as a dividend according to IFRS, and dividends paid to TUI AG shareholders. In addition, dividends in the amount of €108.2 million were paid to non-controlling interests, in particular in TUI Travel and RIUSA II SA.

Outflows of €7.7 million related to the costs for the capital increase against contributions in kind of TUI AG, resolved by the extraordinary shareholder's meeting on October 28, 2014, payments received from capital increases of €0.6 million related to the issuance of employee shares of TUI AG.

The cash outflow for increases in stakes in consolidated companies included an amount of €39.4 million spent by TUI Travel to acquire own shares to be passed on to employees under long-term incentive programs and €9.6 million spent for the preparations to acquire the shares of the non-controlling shareholders of TUI Travel.

An amount of €148.0 million was used for interest payments, of which €10.1 million were capitalized in accordance with IAS 23 (Borrowing costs) and are reported within the cash flow from investing activities.

Development of cash and cash equivalents

Cash and cash equivalents decreased from €2,701.7 million in the financial year ended September 30, 2013, by €415.7 million, or 15.4%, to €2,286.0 million in the financial year ended September 30, 2014. Certain amounts from a cash pooling agreement are presented on a net basis in the statement of financial position as of September 30, 2014, whereas a gross presentation of cash and cash equivalents in the statement of financial position in the financial year ended September 30, 2013 is shown. Within the cash flow statement a reconciliation is provided showing this non-cash change in cash and cash equivalents totalling €587.5 million.

As of September 30, 2014, cash and cash equivalents of €180.3 million were subject to restrictions on disposal. They included an amount of €116.3 million for cash collateral received, deposited in a Belgian subsidiary by Belgian tax authorities in the prior financial year in connection with litigation regarding VAT refunds for the years 2001 to 2011. In order to secure a potential repayment claim, the Belgian government was granted a bank guarantee. Due to the bank guarantee, TUI's ability to dispose of the cash and cash equivalents has been restricted. The other restrictions relate to cash and cash equivalents to be held due to legal or regulatory requirements.

9.21 The section "Capital Expenditures" and the corresponding table shall be replaced by the following:

Investments made by the individual segments and sectors in intangible and tangible assets for the financial years ended September 30, 2011, 2012, 2013 and 2014 are set forth below:

	Financial year ended September 30,			
	2011	**2012**	**2013**	**2014**
	(in €millions)			
	(audited)	**(audited)**	**(audited)**	**(audited)**
Tourism	469.0	630.6	787.9	801.6
TUI Travel	380.6	568.6	695.7	654.6
TUI Hotels & Resorts	79.9	53.1	80.7	136.6
Cruises	8.5	8.9	11.5	10.4
Other	2.7	2.5	3.5	1.9
Total	**471.7**	**633.1**	**791.4**	**803.5**

Our capital expenditures increased from €633.1 million in the financial year ended September 30, 2012, by €158.3 million, or 25.0%, to €791.4 million in the financial year ended September 30, 2013, following an increase of €161.4 million, or 34.2%, from €471.7 million in the financial year ended September 30, 2011. Capital expenditures in the Tourism segment increased from €630.6 million in the financial year ended September 30, 2012, by €157.3 million, or 25.0%, to €787.9 million in the financial year ended September 30, 2013, following an increase of €161.6 million, or 34.5%, from €469.0 million in the financial year ended September 30, 2011. In the financial year ended September 30, 2014 our capital expenditures increased from €791.4 million in the financial year ended September 30, 2013, by €12.1 million, or 1.5% to €803.5 million.

The capital expenditures of TUI Travel increased from €568.6 million in the financial year ended September 30, 2012, by €127.1 million, or 22.4%, to €695.7 million in the financial year ended September 30, 2013, following an increase of €188.0 million, or 49.4%, from €380.6 million in the financial year ended September 30, 2011. The increase in the financial year ended September 30, 2012 was mainly attributable to new aircraft deliveries or prepayments made for aircraft. Further, substantial investment had been made into the reservation system for Mainstream UK as well as the joint new financial accounting software SAP in the mainstream markets UK and Germany in the financial years ended September 30, 2012, 2013 and 2014. The capital expenditures of TUI Travel decreased from €695.7 million in the financial year ended September 30, 2013, by €41.1 million, or 6.3% to €654.6 million in the financial year ended September 30, 2014. The capital expenditures in the financial year ended September 30, 2014 of TUI Travel related to principal investments in two Boeing 787 aircrafts with a total amount of €158.2 million. These aircrafts, of which one is operated in Belgium and the other in the United Kingdom, are financed through finance leases. Moreover TUI Travel spent €36.1 million for pre-delivery payments of Boeing 737 Max aircrafts, which will be delivered in 2018 and later. TUI Travel spend a further €37.0 million for pre-delivery payments for five Boeing 737 aircrafts, which are expected to be delivered in 2015. We plan to use these aircraft in Germany. Two of the aircraft will be financed through finance leases and three of them will be financed through operating leases.

The remaining expenditures of TUI Travel related to a large number of smaller investments.

In our TUI Hotels & Resorts sector, capital expenditures increased from €53.1 million in the financial year ended September 30, 2012, by €27.6 million, or 52.0%, to €80.7 million in the financial year ended September 30, 2013, following a decrease of €26.8 million, or 33.5%, from €79.9 million in the financial year ended September 30, 2011. This was mainly due to the phasing of renovations which had been limited in the financial year ended September 30, 2012.

Capital expenditures in the TUI Hotel & Resorts sector increased from € 80.7 million in the financial year ended September 30, 2013, by €55.9 million, or 69.3% to € 136.6 million in the financial year ended September 30, 2014. This increase was mainly attributable to the principal investment in a new Riu resort in Mauritius with an overall amount of €53.0 million. The opening of this resort is planned for February 2015. The remaining expenditures in the TUI Hotel & Resorts sector related to a larger number of smaller investments.

In our Cruises sector, capital expenditures increased from €8.9 million in the financial year ended September 30, 2012, by €2.6 million, or 29.2%, to €11.5 million in the financial year ended September 30, 2013, following an increase of €0.4 million, or 4.7%, from €8.5 million in the financial year ended September 30, 2011. Capital expenditures in the Cruises sector decreased from €11.5 million the financial year ended September 30, 2013, by €1.1 million, or 9.6% to €10.4 million in the financial year ended September 30, 2014.

In addition, as of September 30, 2014, the Group had order commitments in respect of capital expenditures, *i.e.*, firm commitments for future investments, of €3,160.9 million. Such order commitments primarily related to the purchase of new aircraft under the Boeing Contract (see "*Material Agreements—Boeing Contract for the Purchase of 60 Boeing 737 MAX Aircraft*").

9.22 <u>In the section “Liabilities”, the sub-section “Financial Liabilities” and the corresponding tables shall be replaced by the following:</u>

The tables below set out our financial liabilities as of September 30, 2011, 2012, 2013 and 2014, as well as our maturity profile.

	As of September 30,			
	2011	**2012**	**2013**	**2014**
	(in €millions)			
	(audited)	**(audited)**	**(audited)**	**(audited)**
Bonds	1,639.8	1,551.1	1,333.5	1,114.1
Convertible bonds	1,389.7	1,318.3	1,333.5	821.7
Other bonds	250.1	232.8	—	292.4
Liabilities to banks	886.7	566.1	1,004.3	260.7
Liabilities from finance leases	154.8	233.2	335.6	500.6
Financial liabilities due to non-consolidated Group companies	17.6	7.1	6.0	5.6
Financial liabilities due to affiliates[1]	11.2	11.6	—	—
Other financial liabilities	88.2	87.5	90.2	81.9
Total	**2,798.3**	**2,456.6**	**2,769.6**	**1,962.9**

(1) Consists of financial liabilities owed to companies in which we have a shareholding interest or which have a shareholding interest in any Group company.

	As of September 30,									
	2011		**2012**		**2013**			**2014**		
	Remaining term of more than 1 year	**Total**	**Remaining term of more than 1 year**	**Total**	**Up to 1 year**	**1-5 years**	**Total**	**Up to 1 year**	**1-5 years**	**Total**
	(in €millions)									
	(audited)	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**
Other liabilities due to non-consolidated Group companies	—	1.1	0.8	15.2	4.7	1.4	6.1	5.0	-	5.0
Other liabilities due to affiliates	—	10.6	—	12.2	33.6	—	33.6	38.0	0.3	38.3
Other miscellaneous liabilities	57.2	200.00	41.1	208.7	223.9	49.7	273.6	215.5	67.6	283.1
Other liabilities relating to other taxes	1.0	40.7	—	52.8	33.3	—	33.3	48.3	-	48.3
Other liabilities relating to social security	0.1	49.2	—	50.8	42.3	—	42.3	44.2	-	44.2
Other liabilities relating to employees	2.9	137.3	8.5	138.8	246.6	12.1	258.7	283.3	10.5	293.8
Other liabilities relating to members of the Boards	2.8	7.3	—	2.9	1.1	—	1.1	0.3	-	0.3
Advance payments received	—	2,013.7	2.1	2,149.1	2,179.8	9.1	2,188.9	2,451.5	11.8	2,463.3
Other liabilities	**64.0**	**2,459.9**	**52.5**	**2,630.5**	**2,765.3**	**72.3**	**2,837.6**	**3,086.1**	**90.2**	**3,176.3**
Deferred income	41.1	108.0	15.7	95.3	54.3	26.1	80.4	65.9	44.7	110.6
Total	**105.1**	**2,567.9**	**68.2**	**2,725.8**	**2,819.6**	**98.4**	**2,918.0**	**3,152.0**	**134.9**	**3,268.9**

In total, other liabilities increased from €2,918.0 million as of September 30, 2013, by €350.9 million to €3,268.9 million as of September 30, 2014. This increase was mainly due to increased advance payments received from customers.

In total, other liabilities increased from €2,725.8 million as of September 30, 2012, by €192.2 million to €2,918.0 million as of September 30, 2013, following an increase of €157.9 million, from €2,567.9 million as of September 30, 2011.

9.23 In the section "Liabilities", the sub-section "Long-term Financial Liabilities" and the corresponding table shall be replaced by the following:

To fund our financing needs on a long-term basis, we have issued bonds in the past, with the table below showing our outstanding issuances as of September 30, 2014.

	Issuer	Nominal amount	Interest rate	Book value as per September 30, 2013	2014
		(millions of €/£)	% p.a.	(millions €/£)	
				(audited)	(audited)
2009/14 convertible bond(2)...........	TUI AG	€217.8	5.500	196.0	25.2
2011/16 convertible bond..............	TUI AG	€339.0	2.750	303.6	317.1
2014/19 bond	TUI AG	€300.0	4.500	-	292.4
2009/14 convertible bond(3)...........	TUI Travel	£350.0	6.000	402.2	3.0
2010/17 convertible bond..............	TUI Travel	£400.0	4.900	431.7	476.4
2005/—hybrid capital(1)	TUI AG	€300.0	Until Jan 2013 8.625, subsequently 3M EURIBOR plus 7.300	294.8	294.8
Total				**1,628.3**	**1,408.9**

(1) In accordance with IAS 32, this bond constitutes equity. Accordingly, the interest paid on this bond is reported as dividends.
(2) The outstanding bonds have been redeemed at the principal amount of €2.4 million on November 17, 2014, together with interest accrued on the principal amount until (but excluding) such date.
(3) The outstanding bonds have been redeemed at their principal amount of £2.3 million, together with accrued but unpaid interest to such date, on October 5, 2014.

We also rely on loans from banks for a significant portion of our financing needs. As of September 30, 2014, total bank liabilities amounted to €260.7 million, of which €207.7 million had a remaining term of more than one year. As of December 31, 2013, we had €2,028.6 million liabilities to banks, of which €1,896.7 million were long-term liabilities.

9.24 In the section "Liabilities", the sub-section "Reconciliation of future lease payments to liabilities from finance leases" and the corresponding tables shall be replaced by the following:

In addition to loans from banks and affiliates, a key part of our financing strategy involves the use of financial leases, primarily for aircraft and buildings. We also make use of these types of assets through operating leases, which are described under "—*Liabilities—Other financial commitments*".

We recognize liabilities from finance leases without consideration of future interest expenses. The following table reconciles our total future leasing payments to the carrying value of our liabilities from finance leases shown in the table above under "*Financial Liabilities*":

	As of September 30, 2011	As of September 30, 2012	As of September 30, 2013	As of September 30, 2014			
	Total	Total	Total	Up to 1 year	1 to 5 years	More than 5 years	Total
						(in €millions)	
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
Total future lease payments...............	191.8	294.7	435.1	64.9	196.3	351.5	612.7
Interest portion	37.0	61.5	99.5	18.1	59.3	34.7	112.1
Liabilities from finance leases...........	154.8	233.2	335.6	46.8	137.0	316.8	500.6

The following table shows the development of property, plant and equipment held under finance leases, broken down by the type of asset financed:

Development of leased assets

	September 30, 2011	September 30, 2012	September 30, 2013	September 30, 2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Other real estate, land rights and buildings including buildings on third-party properties	9.8	7.8	14.5	15.2
Aircraft	30.1	144.5	250.9	418.6
Ships, yachts and boats	119.0	117.8	106.1	101.8
Machinery and fixtures	0.7	0.1	0.4	0.8
Other plants, operating and office equipment	8.9	10.8	11.6	16.8
Total	**168.5**	**281.0**	**383.5**	**553.5**

As of September 30, 2014, we recognized leased assets in the amount of €553.5 million measured at amortized cost.

As of September 30, 2013, we recognized leased assets in the amount of €383.5 million measured at amortized cost.

9.25 In the section "Liabilities", the sub-section "Other financial commitments" and the corresponding table shall be replaced by the following:

In addition to liabilities to banks and affiliates and under finance leases, we have significant financial commitments with respect to order commitments for capital expenditures, other financial commitments and tenancy contracts relating to hotel complexes, travel agencies, administrative buildings, aircraft, yachts and motor boats.

The fair value of other financial commitments as of September 30, 2014 has been determined by discounting future expenses on the basis of a customary market interest rate of 2.25% (as of September 30, 2013: 3.5%, as of September 30, 2012: 3.3%).

	Financial year ended September 30,									
	2011	2012	2013				2014			
			Remaining term							
			Up to 1 year	1 to 5 years	More than 5 years	Total	Up to 1 year	1 to 5 years	More than 5 years	Total
	(in €million)									
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
Nominal values of other financial commitments										
Order commitments in respect of capital expenditure	2,258.9	1,945.8	541.5	1,333.6	1,359.3	3,234.4	589.8	1,603.6	967.5	3,160.9
Other financial commitments	201.7(1)	166.8	114.7	61.8	—	176.5	56.1	154.6	—	210.7
Commitments from lease, rental and leasing contracts	3,288.1	3,089.6	852.9	1,763.6	1,024.3	3,640.8	869.5	2,209.1	1,089.9	4,168.5
of which:										
Aircraft	1,377.7	1,391.3	352.3	861.1	508.8	1,722.2	363.8	1,090.4	581.9	2,036.1
Hotel complexes	859.6	688.9	217.6	420.1	97.9	735.6	225.1	537.6	110.6	873.3
Travel agencies	365.1	354.1	76.3	160.1	70.9	307.3	74.2	148.8	55.1	278.1
Administrative buildings	351.1	326.5	52.9	136.2	141.3	330.4	59.2	150.1	163.6	372.9
Ships, yachts and motor boats	269.3	216.2	116.4	147.0	177.4	440.8	118.2	248.3	152.8	519.3
Other	65.3	112.6	37.4	39.1	28.0	104.5	29.0	33.9	25.9	88.8
Total	**5,748.7**	**5,202.2**	**1,509.1**	**3,159.0**	**2,383.6**	**7,051.7**	**1,515.4**	**3,967.3**	**2,057.4**	**7,540.1**
Fair value	**4,938.7**	**4,738.9**	**1,486.9**	**2,849.3**	**1,799.2**	**6,135.4**	**1,482.0**	**3,711.2**	**1,715.3**	**6,908.5**

(1) Figures taken from the audited consolidated financial statements as of and for the year ended September 30, 2012.

As of September 30, 2014, order commitments in respect of capital expenditure relating almost exclusively to Tourism declined by €73.5 million as against September 30, 2013. This was due to various factors including the commissioning of new aircraft and aircraft equipment in connection with TUI Travel's modernization strategy as well as current down payments. The increase in financial commitments from lease, rental and leasing contracts as against September 30, 2013 results above all from the commissioning of several aircraft and contract extensions for hotels and cruise ships in the TUI Travel sector.

The decrease in total commitments in the financial year ended September 30, 2012 compared to the prior year resulted mainly from reduced order commitments, primarily from prepayments made alongside the construction of the cruise ship Europa 2 and was due to current down-payments and the delivery of two Boeing 737-800s.

The increase of €1,849.5 million of total commitments (+35.6%) in the financial year ended September 30, 2013 was due to a long-term order commitment, agreed to in July 2013, to purchase 60 narrow-body Boeing 737 MAX aircraft, to be delivered between January 2018 and March 2023. The existing option and right with Boeing to purchase up to a further 90 Boeing 737 MAX aircraft was not yet a commitment as of September 30, 2013 and hence not included in the figures above. The delivery and commissioning of the cruise ship Europa 2 in May 2013 caused a reduction in the order commitments. However, as the ship has been sold and leased back on a long-term basis, the lease commitments for cruise ships increased.

9.26 In the section "Liabilities", the sub-section "Pension obligations" and the corresponding table shall be replaced by the following:

We offer various types of retirement benefits to many of our employees worldwide, including both defined contribution pension plans and defined benefit pension plans. All defined contribution plans are funded by the payment of contributions to external insurance companies or funds, while defined benefit plans entail the formation of provisions within the Group or investment in funds outside the Group.

German employees enjoy benefits from a statutory defined contribution plan. Pension payments under this plan depend on the employees' income and paid contributions. Several additional pension organizations exist for companies of our Group. Once the contributions to state-run pension plans and defined contribution plans provided by private pension insurance organizations have been paid, our Group does not have further payment obligations. Current contribution payments are recognized as an expense. The pension costs for all defined contribution plans for the continuing operations increased from €65.9 million in the financial year ended September 30, 2013, by €4.4 million, to €70.3 million in the financial year ended September 30, 2014.

The pension costs for defined benefit obligations developed as follows:

	For the financial year ended September 30,			
	2011	**2012**	**2013** [(1)]	**2014**[(1)]
		(in €million)		
	(audited)	**(audited)**	**(audited)**	**(audited)**
Current service cost for employees service in the period..............	39.9	35.5	45.2	43.8
Curtailment gain..	74.2	-	30.1	4.7
Interest cost..	115.4	122.2	41.4[1)]	38.6[1)]
Expected return on external plan assets..	85.5	89.5		
Past service cost..	0.4	(0.5)	5.9	-76.6
Total..	**(4.0)**	**67.7**	**62.4**	**1.1**

(1) Disclosure of net interest on the net defined benefit liability according to IAS 19 (revised 2011).

Information relating to pension costs for defined benefit obligations is only calculated at the end of each respective financial year.

The amount of €1.1 million includes usual cost components, such as current service cost and the net interest on the net defined benefit liability which were nearly fully compensated by measures to reduce future risks from defined benefit plans. These measures generated negative past service cost of €75.9 million in the UK and curtailment gains of €5.1 million in Norway.

9.27 In the section “Liabilities”, the sub-section “Other liabilities and derivatives” and the corresponding table shall be replaced by the following:

In addition to the liabilities described above, we reported €3,549.6 million in derivatives, other liabilities and deferred income as September 30, 2014. Other liabilities include mainly advance payments received, liabilities to related parties, liabilities to affiliates and, general tax, social security, employee and other liabilities. The following table shows our other liabilities and derivatives.

	September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Derivative financial instruments	231.4	194.9	209.5	262.7
Advance payments received	2,013.7	2,149.1	2,188.9	2,463.3
Other liabilities relating to other taxes	40.7	52.8	33.3	48.3
Other liabilities due to non-consolidated Group companies	1.1	15.2	6.1	5.0
Other liabilities due to affiliates	10.6	12.2	33.6	38.3
Other liabilities(1)	393.8	401.2	575.7	621.4
Deferred income	108.0	95.3	80.4	110.6
Total	**2,799.3**	**2,920.7**	**3,127.5**	**3,549.6**

(1) Includes other liabilities relating to social security, relating to employees, relating to members of the Boards and other miscellaneous liabilities.

The liabilities from derivative financial instruments include negative fair values of instruments that we use predominantly to hedge the operating businesses. Risk strategies are outlined in detail in “—*Quantitative and Qualitative Disclosure about Risks Relating to Financial Instruments*”.

9.28 In the section “Liabilities - Other liabilities and derivatives”, the sub-section “Contingent liabilities” and the corresponding table shall be replaced by the following:

In connection with the operation of our business, we incur liabilities with respect to bills, guarantees, bill and check guarantees and warranties.

Contingent liabilities under warranties are all contractual liabilities to third parties and are not to be classified as guarantees going beyond the typical scope of business and the industry.

Contingent liabilities are carried at an amount representing the best estimate of the expenditure that would be required to meet the present obligation as of the balance sheet date.

	September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Liabilities under guarantees, bill and check guarantees due to non-consolidated Group companies	0.4	0.4	0.4	0.4
Other liabilities under guarantee, bill and check guarantees	497.1	478.1	382.6	374.4
Other liabilities under warranties	0.9	2.3	1.2	0.3
Total	**498.4**	**480.8**	**384.2**	**375,1**

Contingent liabilities as of September 30, 2014 are for the most part attributable to the granting of guarantees for the benefit of Hapag-Lloyd AG and TUI Cruises GmbH from the payment of collateralized ship financing schemes. Due to the cancellation of guarantees and on-going redemptions, contingent liabilities declined compared with September 30, 2013.

Contingent liabilities as of September 30, 2013 mainly related to the granting of guarantees for the benefit of Hapag-Lloyd and TUI Cruises from the payment of collateralized ship financing schemes. Due to the cancellation of guarantees and on-going redemptions in the financial year ended September 30, 2013, contingent liabilities declined as of September 30, 2013 as compared with September 30, 2012.

9.29 In the section "Currency risk", the table "Sensitivity analysis—currency risk" table shall be replaced by the following:

	September 30, 2011		September 30, 2012		September 30, 2013		September 30, 2014	
Variable: Exchange rate	**+10%**	**-10%**	**+10%**	**-10%**	**+10%**	**-10%**	**+10%**	**-10%**
				(in €millions)				
	(audited)	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**
Exchange rates of key currencies								
€/U.S. dollar								
Revaluation reserve	(90.2)	90.2	(99.0)	98.6	(87.7)	86.8	(105.7)	105.7
Earnings (loss) after income taxes	(2.7)	2.7	3.3	(2.7)	(5.2)	5.4	(7.8)	9.5
€/British pound sterling								
Revaluation reserve	97.5	(97.5)	105.2	(105.2)	(91.7)	91.7	(119.0)	119.0
Earnings (loss) after income taxes	108.7	(108.7)	123.8	(123.8)	(35.3)	35.3	(102.6)	104.6
British pound sterling/U.S. dollar								
Revaluation reserve	(102.3)	102.3	1.4	(1.4)	(71.7)	71.7	(95.7)	95.7
Earnings (loss) after income taxes	(45.3)	45.3	11.1	(11.1)	(14.8)	14.8	7.5	(7.5)
€/Swiss franc								
Revaluation reserve	3.2	(3.2)	(2.5)	2.6	(3.0)	3.0	4.1	(4.5)
Earnings (loss) after income taxes	4.0	(4.0)	(11.6)	11.6	(0.2)	0.2	0.3	(0.3)
€/Swedish krona								
Revaluation reserve	16.7	(16.7)	20.8	(20.8)	25.2	(25.2)	19.4	(11.3)
Earnings (loss) after income taxes	(3.6)	3.6	(10.1)	10.1	(5.0)	5.0	-	-

9.30 In the section "Interest rate risk", the first and second paragraphs shall be replaced by the following:

Market value interest rate risks, or potential fluctuations in the fair value of a financial instrument due to movements in market interest rates, arose primarily from medium- and long-term fixed-interest receivables and liabilities. For bonds issued, the fair values deviated from recognized carrying amounts. However, these financial instruments were carried at amortized cost rather than at fair value. As a result, neither equity nor profit and loss were directly affected.

In the financial year ended September 30, 2014, the Group was exposed to cash flow interest rate risks for balance sheet items and financial derivatives.

9.31 In the section "Interest rate risk", the table "Sensitivity Analysis—Interest Rate Risk" table shall be replaced by the following:

	September 30, 2011		September 30, 2012		September 30, 2013		September 30, 2014	
Variable: Interest rate level for floating interest-bearing debt	**+100 basis points**	**-100 basis points**	**+100 basis points**	**-100 basis points**	**+100 basis points**	**-100 basis points**	**+100 basis points**	**-100 basis points**
				(in €millions)				
	(audited)	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**
Hedging reserve	1.5	(1.1)	0.2	-	1.0	(0.7)	0.8	(0.3)
Earnings after income taxes	2.8	(2.2)	(0.8)	1.6	(4.4)	3.4	(3.6)	2.9

9.32 In the section "Fuel price risk", the table "Sensitivity analysis—fuel price risk" shall be replaced by the following:

Variable: Fuel prices for aircraft and ships	**September 30, 2011**		**September 30, 2012**		**September 30, 2013**		**September 30, 2014**	
	+10%	**-10%**	**+10%**	**-10%**	**+10%**	**-10%**	**+10%**	**-10%**
	(in €millions)							
	(audited)	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**	**(audited)**
Revaluation reserve......................................	80.8	(84.2)	94.9	(94.9)	77.5	(79.1)	80.2	(80.2)
Earnings after income taxes	3.5	(3.8)	0.5	(0.3)	0.1	0.2	-	-

9.33 The section "Other price risk" shall be replaced by the following:

In the financial year ended September 30, 2011, TUI Travel issued a convertible bond for which the TUI Group entered into a buyback obligation. It is treated separately in the form of a forward transaction and included as a hedge in connection with hedge accounting. A 10% increase or decrease in the bond price compared with the measurement as of September 30, 2014 would change the revaluation reserve by €+14.1/€-17.0 million (previous year €+14.3/€-14.3 million).

The gross proceeds from the €300,000,000 Senior Notes due 2019 issued in September 2014 invested in a money market fund would have an effect of € + 2.1/ € – 2.1 million on equity if the listed price of the money market fund changed by + / – 1 % as of September 30, 2014.

Moreover, an assumed change in the underlying price of +/-10% for the equity investment in AirBerlin would have an effect of €+0.4/€-0.4 million (previous year €+0.6 million revaluation reserve/€-0.6 million earnings after tax) on the revaluation reserve as of September 30, 2014.

9.34 The third paragraph of the section "Credit risk" shall be replaced by the following:

Since the TUI Group operated in many different business areas and regions, significant credit risk concentrations of receivables from and loans to specific debtors or groups of debtors were not to be expected. A significant concentration of credit risks related to specific countries was not to be expected either. The maximum credit risk is reduced by collateral held and other credit enhancements of €1.1 million in the financial year ended September 30, 2014 (compared to €1.1 million in the financial year ended September 30, 2013). Collateral held relates exclusively to financial assets of the category trade accounts receivable and other receivables. The collateral mainly constitutes collateral for financial receivables granted and maturing in more than one year and/or with a volume of more than €1 million. Rights *in rem*, directly enforceable guarantees, bank guarantees and comfort letters are used as collateral.

The fifth paragraph shall be replaced by the following:

As of the balance sheet dates for the financial years ended September 30, 2011, 2012, 2013 and 2014 there were no financial assets that would be overdue or impaired unless the terms and conditions of the contract had been renegotiated.

9.35 Before the table "Cash flow of financial instruments (September 30, 2013)" a new table shall be inserted:

Cash flow of financial instruments (September 30, 2014)

	Cash inflow/(outflow) until September 30,			
	2015	2016	2017-2019	as of 2019
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Financial liabilities				
Bonds	(77.3)	(382.3)	(580.3)	(306.8)
Liabilities to banks	(54.3)	(50.3)	(89.8)	(77.5)
Liabilities from finance leases	(74.0)	(39.9)	(99.8)	(327.4)
Financial liabilities due to non-consolidated Group companies	(5.6)	—	—	—
Financial liabilities due to affiliates	—	—	—	—
Other financial liabilities	(80.9)	(1.0)	—	—
Trade payables	(3,301.2)	—	—	—
Other liabilities	(238.0)	(21.8)	(2.2)	—
Derivative financial instruments				
Hedging transactions—inflows	6,177.2	753.0	34.6	—
Hedging transactions—outflows	(6,222.3)	(731.6)	(31.3)	—
Other derivative financial instruments—inflows	3,103.1	27.3	—	—
Other derivative financial instruments—outflows	(3,134.2)	(27.2)	(0.8)	—

9.36 The section "Derivative financial instruments and hedges" shall be replaced by the following:

According to the implementing regulations of the TUI Group, derivatives may be used if they are based on underlying recognized assets or liabilities, firm commitments or forecasted transactions. Hedge accounting was based on the rules of IAS 39, in particular in the framework of hedging against exposure to fluctuations in future cash flows. In the financial year ended September 30, 2014, in general hedges consisted of cash flow hedges.

9.37 The section "Cash flow hedges" shall be replaced by the following:

As of September 30, 2014, underlying transactions existed to hedge cash flows in foreign currencies with maturities of up to three years (previous year up to three years). The planned underlying transactions of fuel price hedges had terms of up to four years (previous year up to three years). In order to hedge TUI AG's variable interest payment obligations from the convertible bond issued by TUI Travel, interest hedges with a term of up to two years (previous year up to three years) were concluded in the financial year ended September 30, 2011 and in the financial year ended September 30, 2013.

In accounting for derivatives of cash flow hedges, the effective portion of the cumulative changes in market values is carried in the revaluation reserve outside profit and loss until the underlying transaction occurs. It is carried in the income statement through profit and loss when the hedged item is executed. In the financial year ended September 30, 2014, income of €150.6 million (financial year ended September 30, 2013: expenses of €10.3 million) for currency hedges and derivative financial instruments used as price hedges were carried in the cost of sales. Expenses of €0.7 million (financial year ended September 30, 2013: € 0.7 million) were carried in the financial result for interest hedges. Income of €0.1 million (financial year ended September 30, 2013: expenses of €2.4 million) were carried for the ineffective portion of the cash flow hedges.

9.38 The table "Nominal amounts of the derivative financial instruments used" shall be replaced by the following:

	September 30, 2011		September 30, 2012[1]		September 30, 2013		September 30, 2014		
	Remaining term		Remaining term		Remaining term		Remaining term		
	More than 1 year	Total	More than 1 year	Total	More than 1 year	Total	Up to 1 year	More than 1 year	Total
	(in €millions)								
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
Interest rate hedges									
Caps	207.7	207.7	212.7	212.7	222.0	281.8	—	225.6	225.6
Swaps	57.7	57.7	62.7	62.7	90.9	150.7	25.0	90.0	115.0
Currency hedges									
Forward	1,317.2	11,899.8	1,079.3	11,496.7	1,060.2	10,447.4	9,155.9	799.4	9,955.3
Options	—	—	77.6	100.4	—	39.2	4.0	—	4.0
Structured instruments	66.0	310.4	70.8	647.6	110.9	290.0	204.6	18.4	223.0
Commodity hedges									
Swaps	218.2	1,134.1	259.2	1,486.1	212.5	1,223.7	1,041.2	283.9	1,325.1
Options	137.5	137.5	19.8	129.5	—	31.1	3.0	—	3.0
Other financial instruments	173.1	173.1	188.0	188.0	179.4	179.4	—	193.0	193.0

(1) Figures taken from TUI's audited consolidated financial statements as of and for the year ended September 30, 2013.

9.39 The table "Positive and negative fair values of derivative financial instruments shown as receivables or liabilities" shall be replaced by the following:

	September 30, 2011		September 30, 2012		September 30, 2013		September 30, 2014	
	Receivables	Liabilities	Receivables	Liabilities	Receivables	Liabilities	Receivables	Liabilities
	(in €millions)							
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
Cash flow hedges for currency risks	139.4	48.3	79.0	137.3	40.4	147.4	188.0	123.9
Cash flow hedges for market price risks	64.3	110.5	56.6	23.1	43.3	28.4	37.5	82.9
Cash flow hedges for interest risks	0.4	0.2	0.2	1.7	0.1	0.6	-	0.3
Hedges	**204.1**	**159.0**	**135.8**	**162.1**	**83.8**	**176.4**	225.6	207.3
Other derivative financial instruments	70.7	72.4	24.1	32.8	3.2	33.1	22.1	55.4
Total	**274.8**	**231.4**	**159.9**	**194.9**	**87.0**	**209.5**	**247.7**	**262.7**

9.40 In the section "Critical Accounting Policies" the first sentence of the paragraph "Goodwill and consolidation" shall be replaced by the following:

The growth of the Group and our strategic realignment through acquisitions has created a significant amount of goodwill. As of September 30, 2014 (September 30, 2013), we carried goodwill of €3,136.2 million (€2,976.4 million), which represented 22.4% (22.1%) of our total assets.

9.41 In the section "Critical Accounting Policies" the first sentence of the paragraph "Property, Plant and Equipment" shall be replaced by the following:

With a carrying value as of September 30, 2014 (September 30, 2013) of €2,836.6 million (€2,682.0 million), Property, Plant and Equipment represent a significant portion of total assets. Property, Plant and Equipment are measured at amortized cost.

9.42 The section “Recently Adopted Accounting Principles” shall be replaced by the following:

The following standards and interpretations revised or newly published by the IASB have been mandatory since the beginning of the financial year ended September 30, 2014:

- Amendments to IAS 19: Employee Benefits
- IFRS 13: Fair Value Measurement
- Amendments to IFRS 7: Financial Instruments – Disclosures
- Annual Improvements Project (2009 – 2011)

In addition, the following standards amended by the IASB and transposed into European legislation by the European Union have been applied ahead of the effective date in the financial year ended September 30, 2014:

- Amendments to IAS 36: Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to IAS 39: Financial Instruments – Recognition and Measurement: Novation of Derivatives and Continuation of Hedge Accounting

With the exception of the amendments to IAS 19, the first-time application of the above provisions did not have any material effect on the presentation of the TUI Group’s net assets, financial position and results of operations in the audited consolidated financial statements as of and for the financial year ended September 30, 2014.

Amendments to IAS 19: Employee Benefits

The mandatory application of the amendments to IAS 19 on the accounting for employee benefits result in material effects on the TUI Group’s net assets, financial position and results of operations so that the prior year’s numbers were restated as at October 1, 2013.

The amendments to the standard, published in June 2011, have eliminated the existing option to use the corridor approach and have led to the immediate recognition of actuarial gains and losses in other comprehensive income outside profit and loss. In determining the net interest expense for defined benefit pension plans, income from plan assets will no longer have to be estimated as the expected return but will have to be determined as the interest on the plan based on the rate of interest used to determine the present value. Other amendments relate to the immediate recognition through profit and loss of past service costs in the event of future changes to plan arrangements or the presentation of the net interest on defined benefit pension plans. Amendments have furthermore been made to the distinction between termination benefits and other benefits provided by the employer. The revised standard also includes an extension of disclosure requirements in connection with employee benefits.

Elimination of the so-called corridor method does not have an impact as the immediate and full recognition of revaluations (in particular actuarial gains and losses) reflects the method already used by TUI. Accordingly, the amendment does not have an effect on the presentation of the consolidated statement of financial position. Changes in the TUI Group’s cash flow statement only result with regard to the indirect method of deriving the cash inflow from operating activities.

In line with the transition guidance, the amendments outlined above are applied with retroactive effect as of the beginning of the reference period, *i.e.* October 1, 2012. The quantitative effects of the first-time application of the amended IAS 19 on the TUI Group’s net assets, financial position and results of operations are presented in the sub-section "*Restatement of consolidated financial statements as of and for the financial year ended September 30, 2013*".

In the financial year ended September 30, 2014, the consolidated comprehensive income and the consolidated statement of financial position for the financial year ended September 30, 2014 would not change as a result of application of the amended version of IAS 19 compared with continued application of IAS 19 in its previous version. The only changes arising from the calculation according to the amended standard would relate to the statement of comprehensive income, as follows:

- Increase in Group profit after tax of €20.1 million with an increase in the financial result of €27.0 million and reduction in tax assets of €6.9 million;

- Decrease in other comprehensive income within the items not to be reclassified to the income statement by € 20.1 million due to lower actuarial gains on fund assets and a reduction in allocable taxes; and

- Increase in (basic and diluted) earnings per share of €0.04.

The amendments related to the recognition of past service costs do not have an impact on earnings in the audited consolidated financial statements as of and for the financial year ended September 30, 2014. The Group has examined the effects of the amended definition of termination benefits on the current and the previous consolidated financial statements. For materiality reasons, provisions for part-time early retirement arrangements were not restated.

IFRS 13: Fair Value Measurement

The amendments establish a uniform approach to determining fair value. According to IFRS 13, fair value is redefined as the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between the market participants at the measurement date. Moreover, the disclosures in the notes to our consolidated financial statements in connection with fair value measurement are expanded to cover all standards. Apart from additional disclosures in the notes, the prospective first-time application of the standard did not have any other material effect on the consolidated financial statements.

Amendments to IFRS 7: Financial Instruments – Disclosures

The amendments to IFRS 7 expand the existing qualitative and quantitative disclosure requirements in the notes to our consolidated financial statements on the offsetting of financial assets and financial liabilities affected. They also contain additional disclosure requirements for financial instruments subject to offsetting agreements, regardless of whether they have actually been offset according to IAS 32. The amendments give rise to additional disclosures in the notes to our consolidated financial statements.

Annual Improvements Project (2009—2011)

In the framework of the Annual Improvements Project (2009—2011), amendments to five standards (IFRS 1, IAS 1, IAS 16, IAS 32, and IAS 34) were decided. The amendments include minor changes in the contents and clarifications of the presentation, recognition and measurement. The Group does not expect the first-time application to have a material effect on the consolidated financial statements.

Amendments to IAS 36: Impairment of Assets

The amendments clarify and extend the disclosure requirements regarding the recoverable amount for non-financial assets. They make it clear that the recoverable amount of cash generating unit to which substantial goodwill has been assigned only has to be disclosed if impairment has been recorded for this unit in the period under review and if the recoverable amount is based on fair value less costs of disposal. It also introduces new disclosure requirements for impaired non-financial assets. The amendments were endorsed by the European Union in December 2013 and are effective for financial years beginning on or after January 1, 2014. The Group has applied these amendments ahead of the effective date as of October 1, 2013. The amendments give rise to additional disclosures in the notes to the audited consolidated financial statements as of and for the financial year ended September 30, 2014.

Amendments to IAS 39: Financial Instruments—Recognition and Measurement

As a result of the amendments to IAS 39 on the recognition and measurement of financial instruments, the novation of a hedge to a central counterparty due to legal requirements does not impose discontinuation of the hedging relationship if certain conditions are met. The amendments were transposed into European legislation by the EU in December 2013 and are effective for annual periods beginning on or after January 1, 2014. The Group has applied the amendments ahead of the effective date as of October 1, 2013. The retrospective first-time application has not had an impact on the Group's net assets, financial position and results of operations.

Standards and Interpretations not yet effective

The following table provides an overview of the new standards and amendments to existing standards which do not yet have been applied by the TUI Group for the financial year ended September 30, 2014:

Standard /Interpretation		Applicable for financial years from	Endorsement by the EU Commission
Standard			
IAS 32	Financial Instruments – Presentation: Offsetting Financial Assets and Financial Liabilities	January 1, 2014	Yes
IFRS 10	Consolidated Financial Statements	January 1, 2014	Yes
IFRS 11	Joint Arrangements	January 1, 2014	Yes
IFRS 12	Disclosures of Interests in Other Entities	January 1, 2014	Yes
IAS 27	Separate Financial Statements	January 1, 2014	Yes
IAS 28	Investments in Associates and Joint Ventures	January 1, 2014	Yes
various	Transition Guidance to IFRS 10, IFRS 11 and IFRS 12	January 1, 2014	Yes
various	Investment Entities (Amendments to IFRS 10, IFRS 11 and IAS 27)	January 1, 2014	Yes
various	Annual Improvements Project (2010 – 2012)	July 1, 2014	No
various	Annual Improvements Project (2011 – 2013)	July 1, 2014	No
IAS 19	Employee benefits: Defined Benefit Plans – Employee Contribution	July 1, 2014	No
IFRS 14	Regulatory Deferral Accounts	January 1, 2016	No
IFRS 11	Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations	January 1, 2016	No
IAS 16 & IAS 38	Clarification of Acceptable Methods of Depreciation and Amortization	January 1, 2016	No
IAS 16 & IAS 41	Agriculture: Bearer Plants	January 1, 2016	No
IAS 27	Separate Financial Statements: Equity Method in Separate Financial Statements	January 1, 2016	No
IAS 28 &IFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	January 1, 2016	No
various	Annual Improvements Project (2012 – 2014)	January 1, 2016	No
IFRS 15	Revenue from Contracts with Customers	January 1, 2017	No
IFRS 9	Financial Instruments	January 1, 2018	No
Interpretation			
IFRIC 21	Levies	January 1, 2014	Yes

TUI does not intend to voluntarily apply these standards and interpretations or the resulting amendments ahead of their effective dates.

Changes in Accounting and Measurement Methods

Due to an agenda decision adopted by the IFRS Interpretations Committee in May 2014, minimum taxation will also be taken into account in recognizing deferred tax assets on loss carry-forwards as from the financial year ended September 30, 2014 if deferred tax assets are only recognized to the extent that there is an overhang of deferred tax liabilities due to a lack of taxable profit. This recognition change is applied with retroactive effect as from the beginning of the reference period, *i.e*. as from October 1, 2012. The numbers for the financial year ended September 30, 2014 were restated accordingly.

The restatements of prior year's numbers resulting from this change are presented in the sub-section "*Restatement of consolidated financial statements as of and for the financial year ended September 30, 2013*".

If the recognition of deferred tax assets on loss carry-forwards had not changed, the following changes would have resulted in the income statement, statement of financial position and statement of comprehensive income for the financial year ended September 30, 2014:

- Increase in Group profit after tax of €2.6 million due to an increase in tax assets of the same amount;
- Increase in deferred tax assets of €3.6 million;
- Decrease in deferred tax liabilities of €31.6 million; and
- Increase in consolidated comprehensive income of €2.6 million.

The (basic and diluted) earnings per share would not have changed.

Restatement of consolidated financial statements as of and for the financial year ended September 30, 2013

The tables below present the restatements caused by the amended IAS 19 and the change in the recognition of deferred taxes on the financial year ended September 30, 2014. The numbers for the financial year ended September 30, 2013 were restated as follows:

Restated Items of the Income Statement of the TUI Group for the financial year ended September 30, 2013

	Before restatement	**Restatement IAS 19**	**Restatement Deferred tax**	**restated**
		(in €millions)		
Financial income..	124.0	(81.3)	-	42.7
Financial expenses..	359.7	(67.2)	-	292.5
Earnings before income taxes	**325.5**	**(14.1)**	**-**	**311.4**
....				
EBITA	594.8	-	-	594.8
Underlying EBITA	**761.9**	**-**	**-**	**761.9**
....				
Earnings before income taxes	**325.5**	**(14.1)**	**-**	**311.4**
Income taxes..	139.0	(3.5)	9.5	145.0
Group profit / loss for the year	**186.5**	**(10.6)**	**(9.5)**	**166.4**
Group profit / loss for the year attributable to shareholders of TUI AG..	4.3	(5.9)	(9.5)	(11.1)
Group profit / loss for the year attributable to non-controlling interest	182.2	(4.7)	-	177.5
Basic and diluted earnings per share..	(0.08)	(0.04)	(0.02)	(0.14)

Restated Items in the Statement of Comprehensive Income of the TUI Group for the financial year ended September 30, 2013

	Before restatement	Restatement IAS 19	Restatement Deferred tax	restated
	(in €millions)			
Group profit	**186.5**	**(10.6)**	**(9.5)**	**166.4**
Actuarial gains from pension provision and related fund assets	(19.5)	14.1	-	(5.4)
Income tax related to items that will not be reclassified	(12.8)	(3.5)	-	(16.3)
Items that will not be reclassified to profit or loss	**(37.2)**	**10.6**	**-**	**(26.6)**
Total comprehensive income	**52.0**	**-**	**(9.5)**	**42.5**
attributable to shareholders of TUI AG	*(105.1)*	-	*(9.5)*	*(114.6)*
Attributable to non-controlling interest	*157.1*	-	-	*157.1*

Restated Items in the Balance Sheet of the TUI Group for the financial year ended September 30, 2013

	October 1, 2012			September 30, 2013		
	Before restatement	Restatement Deferred tax	restated	Before restatement	Restatement Deferred tax	restated
	(in €millions)					
Revenue Reserves	185.2	(23.1)	161.1	151.3.	(32.6)	118.7
Equity	**2,067.1**	**(23.1)**	**2,044.0**	**2,029.4**	**(32.6)**	**1,996.8**
Deferred tax liabilities	69.5	23.1	92.6	76.6	32,6	109.2
Non-current provisions and liabilities	**3,772.7**	**23.1**	**3,795.8**	**3,824.8**	**32.6**	**3,857.4**

10. Supplemental and replacement information pertaining to the section "Dividend Policy"

10.1 The first sentence of the second paragraph of the section "Dividend Policy and Dividend Payments" shall be replaced by the following:

TUI AG anticipates that it will declare a final dividend for the financial year ended September 30, 2014 (subject to approval at the TUI AG annual general meeting in 2015) of €0.33 per TUI AG Share.

11. Supplemental and replacement information pertaining to the section "Recent Developments and Outlook"

11.1 The section "Recent Developments" shall be replaced by the following:

Recent Developments since September 30, 2014

While a number of indicators still show that the global economy may continue to grow, we expect that the growth rates in 2014 will be lower than in 2013. In light of the current risks, in particular including political risks from the on-going conflicts in the Ukraine and the Middle East, the further development of the world economy remains fragile and susceptible to external disturbances.

The Group's trading performance in October 2014 was slightly above the same period in the prior year. Due to the seasonal nature of the Group's tourism business with the peak during the summer season, October and November are typically characterized by lower demand and therefore of less significance to the Group's overall business throughout the financial year.

On October 28, 2014, for purposes of implementation of the TUI Merger the Company's extraordinary shareholders' meeting (the "**EGM**") approved the Direct Capital Increase and the Conditional

Capital Increase and resolved on the creation of new authorized capital, an increase in the number of members of the Company's Supervisory Board from 16 to 20 members, the election of five new Supervisory Board members and associated amendments to the Company's articles of association including amendments to allow for the election of a second deputy chairman of the Supervisory Board, the increase in the number of members of the presiding committee (*Präsidium*) of the Supervisory Board, the remuneration of the members of the Integration Committee as well as to allow for the appointment of a further Executive Board member. This satisfied the relevant conditions to the TUI Merger relating to such resolutions.

All resolutions other than the Direct Capital Increase resolution will be filed for registration with the commercial registers only once the implementation of the Direct Capital Increase has been registered with the commercial registers, or such filings will be made subject to the provision that registration will not be effected before the implementation of the Direct Capital Increase has been registered, and will therefore only become effective upon effectiveness of the TUI Merger.

Regarding the resolution concerning the election of new Supervisory Board members, due to the resolution concerning the increase in the number of Supervisory Board members two additional shareholder representative Supervisory Board members needed to be elected, whose term of office will begin only after the implementation of the Direct Capital Increase has been registered with the commercial registers and the required amendments to the Company's articles of association have become effective. In addition, before the EGM two Supervisory Board members, Ms. Angelika Gifford and Mr. Vladimir Lukin, had declared to resign from the Supervisory Board prematurely with effect from the date of registration of the implementation of the Direct Capital Increase with the commercial register. In addition, Mr. Anass Houir Alami had already resigned from office as Supervisory Board member effective as of June 27, 2014. With regard to the TUI Merger, a new election for his position had not been carried out before the EGM. Consequently, a total of five new Supervisory Board members were newly elected by the EGM. Their term of office will only start after effectiveness of the TUI Merger. Due to the resolution concerning the increase in the number of Supervisory Board members, in addition to the two new shareholder representatives (see above) two employee representative Supervisory Board members will need to be elected by the employees of the Company. Following a specific procedure set out in the German Co-Determination Act (*Mitbestimmungsgesetz*), this election process will only be concluded and the term of office of the two Supervisory Board members will only begin after the registration of the implementation of the Direct Capital Increase and therefore after effectiveness of the TUI Merger.

Also on October 28, 2014, a resolution to approve the Scheme was passed by the requisite majorities of the Scheme Shareholders of TUI Travel in the TUI Travel Court Meeting and a special resolution to approve the Reduction of Capital, the alteration of TUI Travel's articles of association and all other matters as may be necessary to implement the Scheme was passed by the requisite majorities of TUI Travel's shareholders in the TUI Travel General Meeting. This satisfied the relevant conditions to the TUI Merger relating to such resolutions.

The TUI Merger remains subject to the sanction of the Scheme and the confirmation of the Reduction of Capital by the UK Court, the delivery of the Scheme Court Order and the Statement of Capital with the Registrar of Companies and, if so required by the UK Court, the registration of the Scheme Court Order and Statement of Capital by the Registrar of Companies. As set out in the anticipated timetable above, the relevant UK Court hearing will be held on December 10, 2014 and, subject to UK Court sanction and confirmation being obtained, the Scheme Court Order and Statement of Capital will be delivered to (and, if required, registered by) the Registrar of Companies on December 11, 2014.

In December 2014 the business combination agreement between Hapag-Lloyd AG ("**Hapag-Lloyd**") and the container shipping activities of Compañía Sud America de Vapores ("**CSAV**") received the approval of all relevant competition authorities and the business combination closed. As a result of the business combination and of a planned subsequent Hapag-Lloyd capital increase that TUI AG will not participate in, TUI AG's stake in Hapag-Lloyd will decline from 22.0% to 14.0% in the new company.

Except as mentioned above, no significant change in our financial or trading position has occurred since September 30, 2014.

11.2 The section “Profit Estimate” shall be renamed “Profit Forecast” and be replaced by the following:

EBITA and Underlying EBITA forecast by TUI AG for TUI AG and its subsidiaries for the financial year ended September 30, 2015

As the profit forecast is prepared on the basis of assumptions about future events and actions including TUI AG’s assessment of opportunities and risks, it naturally entails substantial uncertainties. Because of these uncertainties it is possible that the actual profit of the company may differ materially from the forecasted profit.

The profit forecast expressed in this section relates to the EBITA and Underlying EBITA of TUI AG for the Group and is not a statement about facts and should not be interpreted as such by potential investors. Rather, it is a statement about the expectations of the Company’s management in respect of the EBITA and Underlying EBITA of the Group. Even if the Company believes that the assumptions used in the profit forecast are reasonable at the time of the forecast of the EBITA and Underlying EBITA by the Company’s management, they may prove erroneous or unfounded. If one or more of these assumption(s) prove(s) to be erroneous or unfounded, the actual result could deviate materially from the Company’s current EBITA and Underlying EBITA forecast. Potential investors should not place unreasonable reliance on this EBITA and Underlying EBITA forecast.

The members of the Executive Board of TUI AG confirm that the following profit forecast is valid, has been properly compiled on the basis of assumptions stated including TUI AG’s assessment of opportunities and risks and that the basis of accounting used is consistent with TUI AG’s accounting policies. Peter Long, CEO of TUI Travel, is not participating in the Executive Board of TUI AG for the purposes of the TUI Merger and in giving these confirmations.

Within the Group, EBITA and Underlying EBITA are calculated as follows:

	Earnings before income taxes
-/+	Profit/Loss on Container Shipping measured at equity
+	Net interest expense and expense from measurement of interest hedges
+	Impairment of goodwill
=	**EBITA**
	Separately disclosed items / Adjustments
-/+	*Gain/Loss on disposals*
-	*Restructuring expense*
-	*Amortisation from purchase price allocation*
-/+	*Income/expense from other one-off items*
=	**Underlying EBITA**

While EBITA/Underlying EBITA is not recognized as a GAAP measure under IFRS and should not be considered as a substitute for earnings (loss) before income taxes, cash flows from operating activities or any other performance indicator as determined/defined by IFRS, the management considers EBITA/Underlying EBITA as a useful indication for the profit or loss of the Company.

The manner in which we measure EBITA and Underlying EBITA may not be consistent with the manner in which these measures or other measures with similar names are calculated by other companies. Accordingly, EBITA and Underlying EBITA as presented by us may not be comparable to these measures or other measures with similar names as presented by other companies.

EBITA and Underlying EBITA forecast for the Group for the financial year ended September 30, 2015

€ million	**2013/14**	**Expected development 2014/15 vs. 2013/14**
EBITA	773.8	5% to 10% growth range
Underlying EBITA	868.5	10% to 15% growth range

For the financial year ending September 30, 2015, the Company currently anticipates the reported EBITA to increase by 5% to 10% of the reported EBITA for the financial year ended September 30, 2014 of €773.8 million. For the Underlying EBITA for the Group, the Company expects an improvement by 10% to 15% of the Underlying EBITA for the financial year ended September 30, 2014 of €868.5 million.

Explanatory notes to the EBITA and Underlying EBITA forecast

Principles

The EBITA and Underlying EBITA forecast for the financial year ended September 30, 2015 was prepared in accordance with the principles of the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*,"**IDW**") Accounting Practice Statement: Preparation of Profit Forecasts and Forecasts in accordance with the Special Requirements of the Regulation on Prospectuses IDWAcPS AAB 2.003 (IDW RH HFA 2.003).

Although not being an IFRS measurement of operating income, operating performance or liquidity, the EBITA and Underlying EBITA forecast for the financial year ending September 30, 2015 was derived using accounting principles of the International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). In respect of the accounting policies applied, please refer to the notes to the audited consolidated financial statements of the Company for the financial year ended September 30, 2014.

This EBITA and Underlying EBITA forecast does not consider any synergies from the expected merger between TUI AG and TUI Travel PLC in the financial year ending September 30, 2015.

The EBITA and Underlying EBITA forecast for the financial year ending September 30, 2015 is influenced by a number of factors and is based on certain assumptions about future events and actions including TUI AG's assessment of opportunities and risks.

Factors and Assumptions

Factors that can be influenced by TUI AG:

Factor: Customer increase in TUI Travel's Mainstream Business

For the purpose of the EBITA and Underlying EBITA forecast, we assume the volume in TUI Travel's Mainstream Business to increase moderately compared to last year's level.

Factor: Average selling price for TUI Travel's Mainstream Business

For the purpose of the EBITA and Underlying EBITA forecast, we assume the average selling price to increase slightly compared to last year. The main driver for this is an increasing proportion of unique and differentiated products targeting the top end of the market.

Factor: Committed capacity of TUI Travel

For the purpose of the EBITA and Underlying EBITA forecast, we assume the committed capacities in TUI Travel's Mainstream Business to increase compared to last year. This growth has mainly been enabled through flight reconfigurations, the introduction of the Boeing 787 aircraft and implementation of new integrated booking software in the UK and Ireland, facilitating the use of third party planes in bookings. In Germany the capacity is increased mainly due to the relaunch of 1-2 fly.

Factor: Cost of sales and fixed costs proportion at TUI Travel

For the purpose of the EBITA and Underlying EBITA forecast, we assume the cost of sales in TUI Travel to increase slightly in relation to turnover. The proportion of fixed costs to total costs is assumed to decline slightly.

Factor: Revenues in Accommodation & Destinations and Specialist & Activities

For our (TUI Travel's) "Accommodation & Destinations" business we aim to further leverage our leadership position in Accommodation Wholesaler and assume, for the purpose of the EBITA and Underlying EBITA forecast, a double-digit turnover growth in the financial year ending September 30, 2015. We also assume to achieve double-digit organic turnover growth in our (TUI Travel's) Specialist & Activity business.

Factor: TUI Hotels & Resorts capacity, occupancy and revenues per bed

For the purpose of the EBITA and Underlying EBITA forecast, we assume for the TUI Hotels & Resorts sector an increase in capacity by approximately 7 % (financial year ended September 30, 2014: 24.6 million hotel beds available). With a stable hotel occupancy (in 2013/14: 80.9%), we are planning for stable average revenues per bed (in 2013/14: €54.4/day) in the financial year ending September 30, 2015.

Factor: Cost of sales, salaries and wages at TUI Hotels & Resorts

For the purpose of the EBITA and Underlying EBITA forecast, we assume the cost of sales in our Hotels & Resorts sector to increase slightly in relation to turnover. Salaries and wages in relation to turnover are assumed to remain stable.

Factor: Cruises passenger days, average rates and occupancy

For the purpose of the EBITA and Underlying EBITA forecast, we assume that passenger days (financial year ended September 30, 2014: 401 thousand) at Hapag-Lloyd Cruises to decline considerably, while average rate (financial year ended September 30, 2014: €450/day) is assumed to increase considerably compared to last year. Occupancy of the Hapag-Lloyd Cruises fleet (financial year ended September 30, 2014: 68.2%) is forecasted to improve slightly.

TUI Cruises expects a considerable increase in passenger days (financial year ended September 30, 2014: 1.7 million) and a slight rise in the average daily rate (financial year ended September 30, 2014: €171/day) while planned occupancy (financial year ended September 30, 2014: 102.3%) is expected to decline compared to last year.

Factor: Cost of sales and vessel operating costs at Hapag-Lloyd Cruises

For the purpose of the EBITA and Underlying EBITA forecast, we assume the cost of sales and the vessel operating costs at Hapag-Lloyd Cruises to decline considerably in relation to turnover.

Factor: Cost margin in TUI Travel, Hotel & Resorts and Cruises

For the purpose of the EBITA and Underlying EBITA forecast, we assume our cost margin (costs in relation to turnover) to remain stable in the TUI Hotels & Resorts sector and to improve slightly in TUI Travel compared to last year. In our Cruises segment, the cost margin is expected to improve considerably.

Factor: TUI AG corporate center expenses

For the purpose of the EBITA and Underlying EBITA forecast, we assume a slight decline in TUI AG corporate center expenses.

Factor: Merger related transaction costs

In addition, we assume a closing of the intended merger between TUI AG and TUI Travel PLC with respect to the accounting treatment of merger related costs.

Factor: Separately disclosed items / Adjustments

For the purpose of the EBITA and Underlying EBITA forecast, we assume separately disclosed net expenses to increase in financial year ending September 30, 2015 compared to last year. The forecasted increase is mainly due to a contingency for unforeseen events.

Factors outside the control of TUI AG:

Factor: Unforeseen events such as force majeure

For the purpose of the EBITA and Underlying EBITA forecast, we assume that no material unforeseen events will occur which could result in material or lasting constraints on the ongoing operations of the entities of the Group such as force majeure (e.g. fire, floods, hurricanes, storms earthquakes, terrorist attacks or pandemics such as bird or swine flu), strikes, exceptional macroeconomic events or war.

Factor: Political, legislative and other regulatory measures

For the purpose of the EBITA and Underlying EBITA forecast, we assume that there will be a stable political environment, no material changes in the legal framework, such as in applicable tenancy law and fiscal law, and that there will be no or only insignificant changes in the current regulatory framework.

Factor: Foreign currency rates for the FY 2014/15

For the purpose of the EBITA and Underlying EBITA forecast, we assume a constant sterling exchange rate of 0.83 GBP/EUR.

Factor: Economic development of the global economy and tourism industry

For the purpose of the EBITA and Underlying EBITA forecast, we assume the global economy to grow by 3.8%, based on assumptions of the International Monetary Fund. Further, we assume the average weighted growth in the tourism industry to grow by approximately 3% for the next few years, based on publications of the World Tourism Organisation UNWTO.

Other explanatory notes

The EBITA and Underlying EBITA forecast does not include material extraordinary results or results from non-recurring activities within the meaning of the IDW accounting practice statement (IDW RH HFA 2.003).

This EBITA and Underlying EBITA forecast was issued on December 10, 2014.

Auditor's Report

To TUI AG, Berlin and Hanover

We have audited whether the profit forecast prepared by TUI AG, Hanover, for the period from October 1, 2014, to September 30, 2015, of TUI AG and its subsidiaries (together the "**TUI AG Group**") has been properly compiled on the basis stated in the explanatory notes to the profit forecast and whether this basis is consistent with the accounting policies of the TUI AG Group. The profit forecast comprises the forecast EBITA and the forecast Underlying EBITA for the period from October 1, 2014, to September 30, 2015, of the TUI AG Group and explanatory notes to the profit forecast.

The preparation of the profit forecast including the factors and assumptions presented in the explanatory notes to the profit forecast is the responsibility of TUI AG's management.

Our responsibility is to express an opinion based on our audit on whether the profit forecast has been properly compiled on the basis stated in the explanatory notes to the profit forecast and whether this basis is consistent with the accounting policies of the TUI AG Group. Our engagement does not include an audit of the assumptions identified by TUI AG and underlying the profit forecast or an audit of the historical financial information contained in the explanatory notes to the profit forecast.

We conducted our audit in accordance with IDW Prüfungshinweis: Prüfung von Gewinnprognosen und -schätzungen i.S.v. IDW RH HFA 2.003 (IDW PH 9.960.3) (IDW Auditing Practice Statement: The Audit of Profit Forecasts and Estimates in accordance with IDW AcPS AAB 2.003 (IDW AuPS 9.960.3)) issued by the Institut der Wirtschaftsprüfer in Deutschland e.V. (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that material errors in the compilation of the profit forecast on the basis stated in the explanatory notes to the profit forecast and in the compilation of this basis in accordance with the accounting policies of the TUI AG Group are detected with reasonable assurance.

As the profit forecast relates to a period not yet completed and is prepared on the basis of assumptions about future uncertain events and actions, it naturally entails substantial uncertainties. Because of these uncertainties it is possible that the actual EBITA and Underlying EBITA of the TUI AG Group for the period from October 1, 2014, to September 30, 2015, may differ materially from the forecast profit.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on the findings of our audit, the profit forecast has been properly compiled on the basis stated in the explanatory notes to the profit forecast. This basis is consistent with the accounting policies of the TUI AG Group.

December 10, 2014

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Thomas Stieve	Nadja Picard
Wirtschaftsprüfer	Wirtschaftsprüferin
(German Public Auditor)	(German Public Auditor)

12. Supplemental and replacement information pertaining to the section "Business Description"

12.1 In the section "Overview", the fifth and sixth sentences of the second paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, we reported a turnover in our Tourism segment of €18,700.2 million, accounting for over 99.9% of turnover of all our segments combined. In the same period, our Tourism segment reported an Underlying EBITA of €919.8 million.

The second sentence of the third paragraph shall be replaced by the following:

All Other Segments reported a negative Underlying EBITA of €51.3 million in the financial year ended September 30, 2014.

The fourth paragraph shall be replaced by the following:

As of September 30, 2014 we had 77,309 employees.

The fifth and sixth sentences of the fifth paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, TUI Travel reported turnover of €17,954.6 million and an Underlying EBITA of €707.6 million and as of September 30, 2014 had 62,205 employees.

The fourth and fifth sentences of the sixth paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, TUI Hotels & Resorts reported turnover of €464.6 million, Underlying EBITA of €202.5 million and as of September 30, 2014 had 14,649 employees.

The fourth and fifth sentences of the seventh paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, our Cruises sector reported turnover of €281.0 million, an Underlying EBITA of €9.7 million and had as of September 30, 2014 had 228 employees.

The third and fourth sentences of the eighth paragraph shall be replaced by the following:

In financial year ended September 30, 2014, All Other Segments reported turnover of €14.5 million, negative Underlying EBITA of €51.3 million and as of September 30, 2014 had 227 employees.

12.2 In the section "TUI Travel", the third paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, TUI Travel had turnover of €17,954.6 million and Underlying EBITA of €707.6 million and, as of September 30, 2014, had 62,205 employees. TUI Travel operates in approximately 180 countries and serves over 30 million customers in over 30 source markets annually, with a portfolio of 233 brands of tour operators and destination agencies as of September 30, 2014.

The fourth paragraph of the "Germany" sub-section shall be replaced by the following:

In the financial year ended September 30, 2014, TUIfly sold approximately 63 % of its aircraft capacity through its tour operators, with the remaining aircraft capacity sold to Air Berlin on a long-term basis for use in scheduled operations.

The "Key Performance Indicators" table of the "Germany" section shall be replaced by the following:

Key Performance Indicators (%)	**2014**	**2013**	**2012**
Unique mix (percentage of holidays only available from TUI Travel of entire holidays offered by TUI Travel)	52	51	47
Direct distribution mix (percentage of holidays directly distributed to the customer of entire holidays offered by TUI Travel)	37	36	34
Online mix (percentage of holidays distributed by online channels of entire holidays offered by TUI Travel)	11	8	4

The sixth paragraph of the "Germany" sub-section shall be replaced by the following:

The key destinations that TUI Travel offers in Germany are the Balearic Islands, Turkey and the Canary Islands. In the financial year ended September 30, 2014, TUI Travel served 6.2 million customers in Germany compared to 6.0 million customers in the financial year ended September 30, 2013 and 6.4 million in the financial year ended September 30, 2012.

The "Key performance Indicators" table of the "UK and Ireland" sub-section shall be replaced by the following:

Key Performance Indicators (%)	**2014**	**2013**	**2012**
Unique mix (percentage of holidays only available from TUI Travel of entire holidays offered by TUI Travel)	84	83	79
Direct distribution mix (percentage of holidays directly distributed to the customer of entire holidays offered by TUI Travel)	91	89	87
Online mix (percentage of holidays distributed by online channels of entire holidays offered by TUI Travel)	51	47	44

The third paragraph of the "UK and Ireland" sub-section shall be replaced by the following:

TUI Travel's key destinations offered in the UK and Ireland are the Canary Islands, the Balearic Islands and Greece. In the financial year ended September 30, 2014, TUI Travel served 5.2 million customers in the UK and Ireland compared to 5.2 million customers in each of the financial years ended September 30, 2013 and September 30, 2012, respectively.

The "Key performance Indicators" table of the "Nordics" sub-section shall be replaced by the following:

Key Performance Indicators (%)	**2014**	**2013**	**2012**
Unique mix (percentage of holidays only available from TUI Travel of entire holidays offered by TUI Travel)	94	93	92
Direct distribution mix (percentage of holidays directly distributed to the customer of entire holidays offered by TUI Travel)	90	89	87
Online mix (percentage of holidays distributed by online channels of entire holidays offered by TUI Travel)	70	67	65

The second paragraph of the "Nordics" sub-section shall be replaced by the following:

The key destinations that TUI Travel offers in the Nordics are the Canary Islands, Greece, and Turkey. In the financial year ended September 30, 2014, TUI Travel served 1.6 million customers in the Nordics compared to 1.6 million customers in the financial year ended September 30, 2013 and 1.4 million customers in the financial year ended September 30, 2012.

The "Key performance Indicators" table of the "France" sub-section shall be replaced by the following:

Key Performance Indicators (%)	**2014**	**2013**	**2012**
Unique mix (percentage of holidays only available from TUI Travel of entire holidays offered by TUI Travel)	89	81	74
Direct distribution mix (percentage of holidays directly distributed to the customer of entire holidays offered by TUI Travel)	56	56	59
Online mix (percentage of holidays distributed by online channels of entire holidays offered by TUI Travel)	24	18	21

The fourth paragraph of the "France" sub-section shall be replaced by the following:

The key destinations that TUI Travel offers in France are Morocco, Tunisia and Turkey. In the financial year ended September 30, 2014, TUI Travel served 1.4 million customers in France compared to 1.6 million customers in the financial year ended September 30, 2013 and 2 million customers in the financial year ended September 30, 2012.

The first paragraph of the "Other" sub-section shall be replaced by the following:

TUI Travel believes that it has market-leading positions through its tour operators in its other smaller source markets – Belgium, Netherlands, Canada, Austria, Switzerland, Poland and several countries in Southern Europe – and operates airlines in two of these (Belgium and Netherlands). In the financial year ended September 30, 2014 TUI Travel served 5.1 million customers in other countries compared to 5.6 million customers in the financial year ended September 30, 2013 and 5.1 million customers in the financial year ended September 30, 2012.

The second paragraph of the "Specialist & Activity" sub-section shall be replaced by the following:

In the financial year ended September 30, 2014, Specialist & Activity served approximately 1.3 million customers compared to 1.4 million in the previous year and 1.6 million in the financial year ended September 30, 2012.

12.3 In the section "Hotel & Resorts Sector", the first paragraph shall be replaced by the following:

With 238 hotels and 157.992 beds managed in the TUI Hotels & Resorts sector as of September 30, 2014, we believe we are globally the largest leisure hotelier based on capacity. We operate eleven hotel brands (including Robinson and Riu) covering a wide range of hotel concepts. 215 of our hotels are in the four- or five-star categories. As of September 2014, 50% were operated in the framework of management contracts, 41% were owned by the respective hotel company, 5% were leased and 4% of the hotels were managed under franchise agreements.

The fifth paragraph shall be replaced by the following:

In the financial year ended September 30, 2014, TUI Hotels & Resorts generated turnover of €464.6 million and Underlying EBITA of €202.5 million and as of September 30, 2014 had 14,649 employees.

The "Overview TUI Hotels & Resorts as of June 30, 2014:" shall be replaced by the following:

Overview TUI Hotels & Resorts as of September 30, 2014:

Hotel brand	Primary Countries	Total Hotels/Clubs	4 or 5 Star Hotels	Total Beds
Riu	Cape Verde, Caribbean, Mexico, Spain and Tunisia	103	97	88.932
Grupotel	Spain	35	20	13.910
Other hotel companies	Austria, Germany, Egypt, Greece, and Switzerland	30	28	17.184
Robinson	Spain and Turkey	23	23	13.557
Iberotel	Egypt, Germany and Turkey	24	24	13.329
Grecotel	Greece	23	23	11.080
Total		**238**	**215**	**157.992**

The third and fourth paragraphs of the "Riu" sub-section shall be replaced by the following:

In the financial year ended September 30, 2014, the Riu group operated 103 hotels with 88,932 beds. Capacity, defined as Group-owned or leased hotel beds multiplied by the number of days open per year, was 17.2 million in the financial year ended September 30, 2014 (17.0 million in the financial year ended September 30, 2013). Average occupancy rates in Riu hotels were 84.7% (83.6% in the financial year ended September 30, 2013) and average turnover per bed amounted to €50.5 in the financial year ended September 30, 2014 (€48.4 in the financial year ended September 30, 2013).

The third and fourth paragraphs of the "Robinson" sub-section shall be replaced by the following:

In the financial year ended September 30, 2014, Robinson, operated a total of 23 club facilities with 13,557 beds in eleven countries. Capacity (as defined above) was 2.84 million in the financial year ended September 30, 2014 (2.96 million in the financial year ended September 30, 2013). Average occupancy rates in Robinson hotels were 74.1% (73.0% in the financial year ended September 30, 2013) and average turnover per bed amounted to €88.9 in the financial year ended September 30, 2014 (€86.4 in the financial year ended September 30, 2013).

The second and third paragraph of the "Iberotel" sub-section shall be replaced by the following:

In the financial year ended September 30, 2014, Iberotel had 24 hotels with 13,329 hotel beds, located in Egypt, the United Arab Emirates, Turkey, Italy and Germany. Capacity (as defined above) was 2.36 million in the financial year ended September 30, 2014 (2.48 million in the financial year ended September 30, 2013). Average occupancy rates in Iberotel hotels were 58.1% (63.0% the financial year ended September 30, 2013) and average turnover per bed amounted to €41.4 in the financial year ended September 30, 2014 (€44.0 in the financial year ended September 30, 2013).

The second and third paragraph of the "Grupotel" sub-section shall be replaced by the following:

In the financial year ended September 30, 2014, the Grupotel chain operated 15 facilities on Mallorca, Menorca and Ibiza with 13,910 beds. Capacity (as defined above) was 1.11 million in the financial year ended September 30, 2014 (824,000 in the financial year ended September 30, 2013). Average occupancy rates in Grupotel hotels were 85.0% (85.0% in the financial year ended September 30, 2013) and average turnover per bed amounted to €45.6 in the financial year ended September 30, 2014 (€46.5 in the financial year ended September 30, 2013).

The second and third paragraphs of the "Grecotel" sub-section shall be replaced by the following:

In the financial year ended September 30, 2014, the Grecotel chain operated 23 holiday complexes with a total of 11,080 beds. Capacity (as defined above) was 922,000 in the financial year ended September 30, 2014 (746,000 the financial year ended September 30, 2013). Average occupancy rates in Grecotel hotels were 88.8% (90.0% in the financial year ended September 30, 2013) and average turnover per bed amounted to €64.2 in the financial year ended September 30, 2014 (€73.7 in the financial year ended September 30, 2013).

The "Other hotels" sub-section shall be replaced by the following:

Other hotel companies include Dorfhotels in Germany and other brands such as Jaz or Sol Y Mar Hotels & Resorts, operating premium four-and five star resorts in Egypt. In the financial year ended September 30, 2014, other hotel companies operated 30 hotels with a total of 18.184 beds compared to 32 hotels with a total of 17,837 beds in the financial year ended September 30, 2013.

12.4 In the section "Cruises" the first paragraph shall be replaced by the following:

The Cruises sector comprises Hapag-Lloyd Kreuzfahrten and the joint venture TUI Cruises. In the financial year ended September 30, 2014, the Cruises sector generated turnover of €281.0 million, Underlying EBITA of €9.7 million and as of September 30, 2014 had 228 employees.

The first paragraph of the "Hapag-Lloyd Kreuzfahrten" sub-section shall be replaced by the following:

Hamburg-based Hapag-Lloyd Kreuzfahrten GmbH is one of the leading cruise operators in the luxury and expedition cruises market in Germany (source: European Cruise Council 2012/2013 Report) and as of September 30, 2014 operates four cruise ships. In the financial year ended September 30, 2014 Hapag-Lloyd Kreuzfahrten had an occupancy rate for its ships of 68.2% and 401,000 passenger cruise days (70.6% respectively 407,000 for the financial year ended September 30, 2013).

The first paragraph of the "TUI Cruises" sub-section shall be replaced by the following:

TUI Cruises is a joint venture formed in 2008 between TUI AG and the U.S. shipping company Royal Caribbean Cruises Ltd., in which each partner holds a 50% stake (see "Material Agreements—Joint Venture Agreement with respect to TUI Cruises GmbH"). The Hamburg-based company offers cruises to the German-speaking premium market. TUI Cruises follows a concept primarily aimed at couples and families who attach particular importance to personal choice, generosity, quality and service on a cruise. As of September 30, 2014, TUI Cruises served this market with three ships, Mein Schiff 1, Mein Schiff 2 and Mein Schiff 3, commissioned in June 2014. TUI Cruises is planning to take advantage of additional growth opportunities by commissioning additional ships in 2015, 2016 and 2017, thereby further strengthening its position. In the financial year ended September 30, 2014 TUI Cruises had an occupancy rate for its ships of 102.3% and 1,681,300 passenger cruise days (101.8% respectively 1,425,400 for the financial year ended September 30, 2013).

12.5 The fifth sentence in the section "All Other Segments" shall be replaced by the following:

In the financial year ended September 30, 2014, All Other Segments generated turnover of €14.5 million, negative Underlying EBITA of €51.3 million and as of September 30, 2014 had 227 employees.

12.6 The first paragraph in the section "Hapag-Lloyd AG" shall be replaced by the following:

Hapag-Lloyd AG is a leading global container liner shipping company. Measured by the capacity of its fleet, it is the largest container shipping company based in Germany and one of the largest in the world (source: MDS Transmodal, July 2014). Hapag-Lloyd AG offers its customers a comprehensive range of services through an extensive network of 338 offices in 112 countries, as of September 30, 2014. It offers complete worldwide door-to-door container shipment services and port-to-port services, as well as a variety of possible combinations which are tailored to meet its customers' transport service requirements.

The third paragraph in the section "Hapag-Lloyd AG" shall be replaced by the following:

As of September 30, 2014, Hapag-Lloyd AG had a fleet of 147 container ships with a total capacity of 760,157 twenty-foot equivalent container units ("**TEU**"), of which it owned 61, chartered 81 and leased five. Therefore, its entire fleet as of September 30, 2014 represents one of the largest container ship fleets globally. As of September 30, 2014, Hapag-Lloyd AG also managed a fleet of 717,996 containers with a total capacity of 1,160,164 TEU.

The last sentence in the fifth paragraph in the section "Hapag-Lloyd AG" shall be replaced by the following:

In December 2014, the business combination received the approval of all relevant competition authorities and the business combination closed on December 2, 2014.

12.7 The first and second sentence in the section "Real Estate" shall be replaced by the following:

We own or lease a number of administrative buildings. The carrying amount of real estate properties, other than hotels, amounted to €152.4 million as of September 30, 2014.

The following most important administrative buildings as of September 30, 2014 were the head offices of TUI Travel and TUI AG as well as the buildings of our largest tour operators in Germany and the United Kingdom:

The sixth sentence in the section "Real Estate" shall be replaced by the following:

As of September 30, 2014, TUI's real estate portfolio comprised a total of approximately 1.55 million square meters.

12.8 The section "Other property" shall be replaced by the following:

As of September 30, 2014, we operated 145 aircrafts, of which six are owned and 139 are leased. As of September 30, 2014 we also operated twelve cruise ships, of which three cruise ships were operated through our joint venture, TUI Cruises.

12.9 The last sentence in the section "Risk Management" shall be replaced by the following:

In preparing the annual financial statements as of September 30, 2014, the system for the early detection of risks threatening the existence of the Company was reviewed by the auditors and was found to be fully operational.

12.10 The table in the section "Employees" shall be replaced by the following:

	As of September 30,			
	2011	2012	2013	2014
Tourism	73,079	73,391	74,040	77,082
TUI Travel	58,378	57,961	59,756	62,205
TUI Hotels & Resorts	14,424	15,141	14,013	14,649
Cruises	277	289	271	228
All Other Segments	628	421	405	227
Total	73,707	73,812	74,445	77,309

The second paragraph shall be replaced by the following:

As of September 30, 2014, we had 77,309 employees engaged in our operations around the world, compared to 74,445 as of September 30, 2013. Over 99% of our employees were employed in our Tourism segment, in particular TUI Travel, which alone employed approximately 80% of all of our employees, in both cases as of September 30, 2014.

The third paragraph shall be replaced by the following:

At the end of the financial year ended September 30, 2014, the headcount in our Tourism segment totaled 77,082, which represents an increase of 4.1% compared with September 30, 2013. The individual sectors recorded different trends. The headcount in TUI Travel increased by 4.1% year-on-year to 62,205. This increase was primarily driven by the increase in headcount in Mainstream due to capacity increases TUI Travel Hotel and in Accommodation & Destinations due to expansion projects. On the other hand, due to the realignment of the tour operator and airline businesses and the effects from restructuring measures, the headcount was reduced in the France and the Specialist & Activity Business. The headcount in TUI Hotels & Resorts increased by 4.5% year-on-year to 14,649 as of September 30, 2014. This increase in headcount was mainly driven by increased hotel capacity, especially in Riu. The Cruises sector reported a decrease in headcount of 15.9% to 228, primarily due to on-going restructuring measures with a view to exiting the premium segment of Hapag-Lloyd Kreuzfahrten.

The fourth paragraph shall be replaced by the following:

All Other Segments recorded a year-on-year decline in headcount of 44.0% to 227 as of September 30, 2014. In our head office, the headcount declined by 46.5%, in particular as the result of a cost-reduction program, to 106. The remaining Other Segments entities, comprised of real estate companies and the company health insurance scheme, recorded a decline in their headcount of 41.5% to 121 employees. The decrease in headcount was mainly driven by the sale of a part of the real estate company, the transfer of the company health scheme to an external party and HR measures related to the realignment of the Corporate Centre.

The fifth paragraph shall be replaced by the following:

As of September 30, 2014, we had 77,309 employees. Except for normal fluctuations due to the seasonal nature of our business, there have been no material changes to such number of employees as of the date of this Supplement.

12.11 In the section "Legal Proceedings", the ninth paragraph shall be replaced by the following:

In December 2008, TUI France entered into a lease for a yet to be constructed hotel complex in Marrakech, Morocco. The complex was due to be completed by the summer of 2011 with the lease then to run for thirteen years. The opening of the hotel complex was delayed on a number of occasions due to a failure to complete the construction within the timeframe envisaged under the lease agreement. As a result of the delay, TUI France's Moroccan subsidiary Société de Gestion du Resort Al Baraka, or SGRAB, terminated the lease and brought an arbitration claim for recovery of a €8 million deposit and prepayment previously made. In response to the claim, the contractual counterparty brought a counterclaim in an amount of €80 million for wrongful termination of the lease agreement. The matter was settled in October 2014.

The tenth paragraph shall be replaced by the following:

In April 2009, TUI France entered into allotment agreements with a hotel company in respect of a hotel complex located in Mauritius. TUI France agreed to purchase a certain number of bed-nights at the hotels and paid a deposit to the hotel company. The owner of the hotel company personally guaranteed performance of the hotel company's obligations. In 2011 and 2012, TUI France terminated the agreements on the basis of the hotel company's material breach. Following termination, TUI France brought an action before a French court against the guarantor personally for recovery of its deposit in an amount of approximately €3.5 million and a judgment was issued in favour of TUI France. In response, the hotel company brought an arbitration claim for €60 million against TUI France on the grounds of wrongful termination of the allotment agreements and TUI France brought a counterclaim for €13.8 million. Subsequently, the hotel company entered into judicial receivership. TUI France informed the arbitration panel of this fact and petitioned for the claim to be dismissed on the basis that the hotel company had no standing to issue, or maintain, the claim. In July 2014, the arbitration panel ordered the suspension of the arbitration proceeding, because the hotel company had entered judicial receivership. The suspension was lifted by order of the arbitration panel dated November 25, 2014, and the arbitration proceedings will now therefore proceed.

After the last paragraph of the section "Legal Proceedings", a new paragraph shall be added:

In November 2014, XL Airways ("**XL**") brought a claim against TUI France with a nominal value of €220 million, alleging that TUI France terminated certain charter contracts with XL with insufficient notice and an intention to cause XL to suffer losses and damages. The matter is at a very early stage, and a first hearing took place in November 2014. A court decision is expected to take 18 to 24 months or longer. As of the date of this Supplement, insufficient information is available to make an informed assessment of the likely outcome. The Company intends to vigorously defend the lawsuit.

13. Supplemental and replacement information pertaining to the section "Regulation"

13.1 In the section "Regulation affecting our Entire Business", the sub-section "National-Level Regulation" shall be replaced with the following:

The laws of certain jurisdictions set forth additional license or other requirements for the operation of our travel agency business. For instance, French law requires our travel agencies to be listed in a specific registry, whereas Italian law provides for local permit requirements.

In particular, we could become subject to the Cuban Assets Control Regulations ("**CACR**"). Travel service providers who are, or are owned or controlled by, U.S. citizens, U.S. residents, or U.S. corporations or their foreign branches or subsidiaries, are subject to the U.S. embargo against Cuba, expressed principally through CACR and administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"). The CACR also extend to all persons physically located in the United States as well as all persons engaging in transactions that involve property in or otherwise subject to the jurisdiction of the United States. Currently, we are not subject to the CACR, but we could become subject to the CACR if U.S. citizens or residents or a U.S. company or its foreign subsidiary obtained control of the Company. Additionally, any of our subsidiaries, directors, officers, and employees who are U.S. persons are directly subject to the CACR and may not be involved with business involving Cuba without authorization from OFAC. The CACR provide that companies subject to the CACR must obtain authorization from OFAC before providing travel-related services in connection with authorized travel to or from Cuba. Criminal penalties for violating the CACR range up to ten years in prison, $1,000,000 in corporate fines, and $250,000 in individual fines. Civil penalties up to $65,000 per violation may also be imposed. The CACR require those dealing with Cuba (including traveling to Cuba) to maintain records for five years and, upon request from OFAC, to furnish information regarding such dealings.

14. Supplemental and replacement information pertaining to the section "Material Agreements"

14.1 The second paragraph in the section "K-Sure-Financing Guarantee" shall be replaced by the following:

As of September 30, 2014, the amount outstanding under the K-Sure-Financing was $296.8 million.

14.2 After the last paragraph of the section "Agreements Related to Europa 2" a new paragraph shall be added:

The Company is currently considering to acquire legal title to the ship, subject to reaching an agreement with the Owner and the financing banks. Upon such acquisition the charter agreement would terminate.

14.3 The last sentence of the first paragraph in the section "Joint Venture Agreement with Respect to Jaz Hotels & Resorts S.A.E" shall be replaced by the following:

As of the December 1, 2014 (being the latest practical date prior to the publication of this Supplement), the Company holds 51.0% of the shares in Jaz Hotels & Resorts S.A.E..

14.4 The section "TUI AG €217,789,399.90 5.5% Convertible Bonds of 2009/2014" shall be replaced by the following:

In November 2009, TUI AG issued €217,789,399.90 5.5% convertible bonds, of which €215,366,923.50 have been converted into ordinary shares of TUI AG until the end of the conversion period. The outstanding bonds have been redeemed at the principal amount of €2.4 million on November 17, 2014, together with interest accrued on the principal amount until (but excluding) such date.

14.5 The section "TUI Travel's £350 million Convertible Bond" shall be replaced by the following:

In October 2009, TUI Travel issued £350,000,000 6.00% convertible bonds (the "**TUI Travel 2014 Bonds**"), of which £347,700,000 have been converted into ordinary shares of TUI Travel until the end of the conversion period. The outstanding bonds have been redeemed at their principal amount of £2.3 million, together with accrued but unpaid interest to such date, on October 5, 2014.

14.6 The section "TUI Travel's £400 million Convertible Bond" shall be replaced by the following:

In April 2010, TUI Travel issued £400,000,000 4.90% convertible bonds due April 27, 2017 ("**TUI Travel 2017 Bonds**"), of which £400,000,000 was outstanding as of December 1, 2014 (being the last practicable date prior to the date of this Supplement). The TUI Travel 2017 Bonds are unsubordinated and (subject to a customary negative pledge) unsecured obligations of TUI Travel, ranking *pari passu* with all TUI Travel's other existing and future unsecured and unsubordinated indebtedness. Unless previously purchased, redeemed or converted and cancelled, the TUI Travel 2017 Bonds will be redeemed at their principal amount, together with accrued but unpaid interest to such date, on April 27, 2017.

Under the terms and conditions of the TUI Travel 2017 Bonds, each bondholder has the right to convert its bonds into ordinary shares of TUI Travel in the circumstances set forth in the terms and conditions of the TUI Travel 2017 Bonds, up to the date that falls seven calendar days prior to the final maturity date.

The conversion price in respect of the TUI Travel 2017 Bonds in effect as of December 1, 2014 (being the last practicable date prior to the date of this Supplement) was £3.8234, which is subject to adjustment in the circumstances described in the terms and conditions of the TUI Travel 2017 Bonds. The number of ordinary shares of TUI Travel to be issued on conversion of a TUI Travel 2017 bond is calculated by dividing the principal amount of that bond (£100,000) by the conversion price in effect on the relevant conversion date.

It is expected that the second interim dividend to be declared in respect of the TUI Travel Shares to TUI Travel Shareholders immediately prior to the Scheme Effective Date, will cause an adjustment to the conversion price. Should the Scheme become effective, it is expected that the conversion price with effect from the ex-date in respect of the second interim dividend will be further adjusted as a result of the Change of Control, pursuant to the relevant adjustment provision provided in the terms and conditions of the TUI Travel 2017 Bonds, for a limited period of 60 days following the date of the occurrence of the Change of Control (as defined in the terms and conditions of the TUI Travel 2017 Bonds) or the date on which notice thereof is served to bondholders and certain other relevant persons (whichever is the later).

TUI Travel is entitled to redeem all but not some only of the TUI Travel 2017 Bonds, at their principal amount together with accrued but unpaid interest to the relevant date of redemption, if:

(a) the value of the TUI Travel ordinary shares underlying a TUI Travel 2017 Bond in the principal amount of £100,000 equals or exceeds £130,000 for at least 20 out of 30 consecutive dealing days; or

(b) at any time the aggregate principal amount of TUI Travel 2017 Bonds outstanding is 15% or less than the aggregate principal amount of 2017 Bonds that were initially issued.

The holder of a TUI Travel 2017 Bond is entitled to require TUI Travel to redeem its bonds at their principal amount together with accrued but unpaid interest to such redemption date:

(a) for a limited period of 60 days following the date of the occurrence of the Change of Control (as defined in the terms and conditions of the TUI Travel 2017 Bonds) or the date on which notice thereof is served to bondholders and certain other relevant persons (whichever is the later); and

(b) on October 27, 2015.

The terms and conditions of the TUI Travel 2017 Bonds are governed by English law.

14.7 <u>In the section “The 2017 Convertible Bond Financing Arrangement (Tranmere)” a new paragraph shall be added at the end:</u>

On December 5, 2014, the Company entered into a letter agreement in relation to the contingent forward purchase agreement with Deutsche Bank AG. This replaced a previous letter agreement dated September 15, 2014. Under this letter agreement it was agreed that the completion of the purchase under the contingent forward purchase agreement will occur in two stages. The first stage occurred on December 8, 2014, on which date Deutsche Bank AG transferred back to the Company the relevant TUI Travel shares. The second stage will occur, conditional on the Scheme having become effective, in January 2015 when Deutsche Bank AG will transfer back to the Company the relevant TUI Travel 2017 Convertible Bonds. Pending closing of the second stage Deutsche Bank AG has waived its right to terminate as a result of the Company becoming the holder of 65% or more of TUI Travel and/or TUI Travel’s shares ceasing to be publicly listed in consequence of closing of the Merger.

15. Supplemental and replacement information pertaining to the section “General Information about TUI”

15.1 The section “Shareholder Structure” shall be replaced by the following:

Notifications

As of the date of this Supplement, the Company is aware of the following shareholdings in the Company’s registered shares that exceed the applicable thresholds under the German Securities Trading Act (“WpHG”):

Name of shareholder	Share of ordinary registered shares (%)
S-Group Travel Holding GmbH (ultimately controlled by A. Mordashov)(1)(2)	22.55
Riu Hotels S.A., Palma de Mallorca(2).	6.83

(1) In addition, Unifirm Limited (a limited liability company incorporated in Cyprus which the Company believes is also ultimately controlled by Alexey Mordashow) holds approximately 2.62% of the issued share capital of the Company.
(2) Opening Position Disclosure under Rule 8 of the City Code on Takeovers and Mergers (July 10, 2014).

The major shareholders do not have different voting rights.

The Company is currently not aware of any other shareholders holding, directly or indirectly, more than 3% of the Company’s voting rights.

16. Supplemental and replacement information pertaining to the section “Description of the Company’s Share Capital”

16.1 The section “Issued Share Capital and Shares” shall be replaced by the following:

The current registered share capital totals €732,922,807.71. The share capital is divided into 286,694,483 ordinary shares without par value (no-par value shares). The share capital has been fully paid up.

16.2 At the end of the section “Development of the Share Capital” the following shall be added:

- on October 7, 2014, the share capital of the Company was increased by €81,113,557.92 from €645,443,034.42 to €726,556,592.34;
- on November 3, 2014, the share capital of the Company was increased by €6,025,337.07 from €726,556,592.34 to €732,581,929.41;
- on November 3, 2014, the share capital of the Company was increased by €340,878.30 from €732,581,929.41 to €732,922,807.71.

16.3 The section “Convertible Bonds” shall be replaced by the following:

TUI AG Convertible Bonds

TUI AG has in issue:

- €338,945,036.76 of convertible bonds with a coupon of 2.75% due in March 2016 (the “**TUI AG 2016 Bonds**”). The ISIN for the TUI AG 2016 Bonds is DE000TUAG158.

The TUI AG 2016 Bonds are convertible into TUI AG ordinary shares.

TUI Travel Convertible Bonds

TUI Travel has in issue:

- GBP 400,000,000 of convertible bonds with a coupon of 4.9% due in April 2017 (the "**TUI Travel 2017 Convertible Bonds**"). The ISIN for the TUI Travel 2017 Convertible Bonds is XS0503743949.

The TUI Travel 2017 Convertible Bonds are convertible into TUI Travel ordinary shares.

If any TUI Travel Convertible Bonds are exercised on or after the Scheme Effective Date, the converted shares will not be TUI Travel Scheme Shares and therefore will not be cancelled as part of the Scheme. Instead, at the TUI Travel General Meeting on October 28, 2014, a resolution was passed by the requisite majority of TUI Travel's shareholders amending the articles of association of TUI Travel, contingent on the Scheme becoming effective, to include a provision pursuant to which any TUI Travel shares issued after the Scheme Effective Date to any person other than TUI AG will be subject to a mandatory transfer to TUI AG in exchange for new shares in TUI AG at the Exchange Ratio.

The holders of TUI Travel Convertible Bonds will receive a letter from TUI Travel setting out more information in relation to the mandatory transfer of the converted shares to TUI AG.

17. Supplemental and replacement information pertaining to the section "Information about TUI AG's Corporate Bodies"

17.1 <u>The sub-section "Remuneration, Shareholdings" in the section "Executive Board" shall be replaced by the following:</u>

Remuneration of individual Executive Board members granted by TUI AG for the financial year ended September 30, 2014

	Fixed remuneration	Annual performance-based remuneration	Long-term incentive Plan	Supervisory Board mandates in the Group	Total ended September 30, 2014	Total 2012/13
			(€ thousands)			
Friedrich Joussen (since Oct 2012)	1,056.5	1,108.0	1,731.4	-	3,895.9	3,874.3
Horst Baier	690.8	614.2	639.9	(245.4)	1,699.5	1,957.7
Total	**1,747.3**	**1,722.2**	**2,371.3**	**(245.4)**	**5,595.4**	**5,832.0**

The remuneration of Peter Long determined by the Remuneration Committee of TUI Travel for the financial year ended September 30, 2014, amounted to €1.0 million for fixed remuneration, €8.3 million for the annual performance-based remuneration and €3.4 million for the long-term incentive program and totaled €12.8 million.

As in the prior year, the members of the Executive Board did not receive any loans or advances in the financial year ended September 30, 2014.

For further information on the remuneration of the Executive Board members see "TUI AG Annual Report 2013/14" pages 29 et seqq. "Remuneration Report".

17.2 The sub-section “Remuneration and Shareholdings” in the section “Supervisory Board” shall be replaced by the following:

Remuneration of individual Supervisory Board members for the financial year ended September 30, 2014

	Fixed	Long-term variable	Committee membership	Attendance fee	Supervisory Board mandates in the Group	Total
			(€ thousands)			
Prof. Dr. Klaus Mangold (Chairman)	150.0	45.3	80.0	31.0	-	306.3
Petra Gerstenkorn (until June 30, 2014) (Deputy Chairwoman until May 15, 2014)	53.1	7.6	30.0	9.0	18.8	118.5
Frank Jakobi (Deputy Chairman since May 15, 2014)	59.4	16.7	40.0	21.0	-	137.1
Anass Houir Alami (until June 24, 2014)	36.7	5.0	-	1.0	-	42.7
Andreas Barczewski	50.0	15.1	46.7	21.0	-	132.8
Arnd Dunse	50.0	15.1	40.0	15.0	-	120.1
Peter Bremme (since July 2, 2014)	12.4	2.0	-	3.0	13.1	30.5
Prof Dr. Edgar Ernst	50.0	15.1	120.0	15.0	-	200.1
Angelika Gifford	50.0	15.1	-	10.0	-	75.1
Ingo Kronsfoth (until July 31, 2014)	41.7	5.5	33.3	12.0	18.8	111.3
Vladimir Lukin (since February 12, 2014)	31.8	5.2	25.5	16.0	-	78.5
Mikhail Noskov (since February 12, 2014)	18.3	3.1	-	4.0	-	25.4
Michael Pönipp	50.0	15.1	-	10.0	15.2	90.3
Carmen Riu Güell	50.0	15.1	40.0	22.0	-	127.1
Carola Schwirn (since August 1, 2014)	8.3	1.4	-	2.0	-	11.7
Maxim G. Shemetov (since March 14, 2014)	27.4	4.4	-	6.0	-	37.8
Anette Strempel	50.0	15.1	10.0	13.0	8.2	96.3
Prof. Christian Strenger	50.0	15.1	40.0	14.0	-	119.1
Ortwin Strubelt	50.0	15.1	40.0	15.0	-	120.1
Vladimir Yakushev (until February 7, 2014)	17.6	3.0	14.1	9.0	-	43.7
Total	**906.7**	**235.1**	**559.6**	**249.0**	**74.1**	**2,024.5**

For further information on the remuneration of the Supervisory Board members see ”TUI AG Annual Report 2013/14” pages 29 et seqq. “Remuneration Report”.

18. Supplemental and replacement information pertaining to the section “Related Party Transactions”

18.1 The second paragraph of the information at the start of the section “Related Party Transactions” shall be replaced by the following:

Set forth below is a summary of such transactions with related parties for the fiscal years ended September 30, 2014, September 30, 2013, September 30, 2012 and September 30, 2011 up to and including the date of this Supplement. The companies which are directly or indirectly controlled by the Company are listed under section “TUI Group Shareholdings” of the notes to our audited consolidated financial statements for the fiscal years ended September 30, 2014 and September 30, 2013 and to our audited unconsolidated financial statements for the fiscal years ended September 30, 2012 and September 30, 2011.

18.2 The section “General” shall be replaced by the following:

We had business transactions with related parties in the fiscal years ended September 30, 2014, September 30, 2013, September 30, 2012 and September 30, 2011 in the ordinary course of business, in particular relating to management and consultancy services, the sale of tourism services, services in connection with lease, rental and leasing agreements, as well as with respect to the purchase of hotel services, incoming services, and distribution services. All such transactions with related parties were in our view carried out at arm’s length.

As of September 30, 2014, transactions with affiliated companies (*verbundene Unternehmen*) and companies in which an equity investment is held (*Beteiligungen*) resulted in receivables from affiliated companies and companies in which an equity investment is held of €185.4 million (September 30, 2013: €165.8 million; September 30, 2012: €141.1 million).

Togebi Holdings Limited (“**TUI Russia**”) is a joint venture of S-Group Capital Management Limited (“**SGCM**”) and the TUI Group. SGCM is majority-controlled by a significant shareholder of TUI AG. In the financial year ended September 30, 2014, TUI Russia continued to record significant losses as a result of the difficult market environment in Ukraine and Russia. A further €9.6 million of capital was injected into Togebi and additional loans of €10.7 million were provided to the company in the financial year ended September 30, 2014 for the purpose of maintaining business operations.

Due to the on-going losses and the aggravation of the conflict in Ukraine in the fourth quarter of the financial year ended September 30, 2014 and the significant increase in foreign travel cost caused by the devaluation of the Russian rouble, the TUI Russia management revised their future performance expectations for the company significantly downward. On the basis of the budget, repayment of the equity-replacing loans is no longer to be expected. Receivables from loans to TUI Russia were therefore impaired by an amount of €23.3 million in the financial year ended September 30, 2014. For additional loans provided to the company after the balance sheet date, additional provisions of €12.3 million were established.

The following table sets forth further information on our transactions with related parties.

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Services provided by the Group				
Management and consultancy services	56.3	68.2	68.4	65.8
Sales of tourism services	59.7	54.8	53.1	44.7
Total	**116.0**	**123.0**	**121.5**	**110.5**
Services received by the Group				
In the framework of lease, rental and leasing agreements	26.2	21.7	18.8	29.9
Purchase of hotel services	146.8	177.2	253.3	338.6
Incoming services	8.1	13.0	7.7	8.6
Distribution services	-	-	0.1	-
Other	77.6	43.2	42.2	37.7
Total	**258.7**	**255.1**	**322.1**	**414.8**

	Financial year ended September 30,			
	2011	2012	2013	2014
	(in €millions)			
	(audited)	(audited)	(audited)	(audited)
Services provided by the Group to				
non-consolidated Group companies	-	-	2.5	2.3
joint ventures	86.3	88.6	67.1	42.3
associates	3.1	3.0	18.4	30.5
other related parties	26.6	31.4	33.5	35.4
Total	**116.0**	**123.0**	**121.5**	**110.5**
Services received by the Group from				
non-consolidated Group companies	-	-	12.0	11.0
joint ventures	245.2	241.2	239.7	320.1
associates	3.6	4.0	60.4	73.2
other related parties	9.9	9.9	10.0	10.5
Total	**258.7**	**255.1**	**322.1**	**414.8**

All transactions with related parties were executed on an arm's-length basis, based on internal comparable uncontrolled price methods in accordance with IAS 24.

19. Supplemental and replacement information pertaining to the section "Financial Statements"

19.1 <u>In the "Index of Financial Information" of the section "Financial Statements" the header "Audited Interim Consolidated Financial Statements of TUI AG for the nine-month period ended June 30, 2014" and the following lines shall be amended as follows:</u>

The header "Audited Interim Consolidated Financial Statements of TUI AG for the nine-month period ended June 30, 2014" shall be renamed "Audited Consolidated Financial Statements of TUI AG as of and for the financial year ended September 30, 2014" and the following seven lines shall be removed.

<u>The "Index of Financial Information" of the section "Financial Statements" shall further be amended as follows:</u>

After the line "Auditor's Report" of the header "Audited Consolidated Financial Statements of TUI AG as of and for the financial year ended September 30, 2011" a new header "Audited Financial Statements of TUI AG as of and for the financial year ended September 30, 2014 (HGB)" shall be added.

19.2 The section “Audited Interim Consolidated Financial Statements of TUI AG for the nine-month period ended June 30, 2014” shall be renamed “Audited Consolidated Financial Statements of TUI AG as of and for the financial year ended September 30, 2014” and its content shall be replaced by the following:

The audited consolidated financial statements of TUI AG prepared in accordance with IFRS for the financial year ended September 30, 2014 have been incorporated into this Prospectus by reference. For further information see, “*General Information – Documents incorporated by Reference*”.

19.3 After the section “Audited Consolidated Financial Statements of TUI AG as of and for the financial year ended September 30, 2011”, a new section “Audited Financial Statements of TUI AG as of and for the financial year ended September 30, 2014 (HGB)” shall be inserted, with the following content:

The audited unconsolidated financial statements of TUI AG prepared in accordance with the German Commercial Code (HGB) for the financial years ended September 30, 2014 have been incorporated into this Prospectus by reference. For further information, see “G*eneral Information – Documents incorporated by Reference*”.

* * *

SIGNATURE PAGE

Berlin, Hanover, December 10, 2014

TUI AG

Signed by: Friedrich Joussen	Signed by: Horst Baier	Signed by: Peter Long

Deutsche Bank Aktiengesellschaft

Signed by: Berthold Fürst	Signed by: Malte Hopp