



10 April 2008

PRESS RELEASE

S-Group Capital Management and TUI Travel PLC to jointly develop Russian leisure tourism business

S-Group Capital Management Limited, Cyprus ("S Group") and TUI Travel PLC ("TUI Travel") announce that they have signed a Memorandum of Understanding ("MOU") to jointly develop TUI Travel's Russian and CIS* leisure tourism presence.

Under the terms of the MOU, a joint venture company will be established as the investment vehicle of the parties with the objective of becoming a leading player in the fast growing Russian and CIS leisure tourism markets.

"I am delighted we have taken this important step towards establishing the joint venture company which will focus its business on the fast growing Russian market. We believe it offers significant opportunities that we will be able to explore jointly with our partner", said Alexey Mordashov.

Commenting on the co-operation Peter Long, CEO of TUI Travel said "I am very excited by the huge growth potential of the Russian and CIS tourism markets and I am delighted to join forces with such a substantial organisation as S Group to develop our presence in the region."

*CIS (Commonwealth of Independent States)

Enquiries:

S-Group Capital Management

Irina Pchelova

CNC – Communications & Network Consulting AG

T +49 89 599 458-143

M +49 175 572 4998

Irina.Pchelova@cnc-communications.com

TUI Travel PLC

Press:

Lesley Allan – Corporate Communications Director

+44 (0) 1293 645 774

Jessica Rouleau - Hudson Sandler

+44 (0) 20 7796 4133

Analysts:

Andy Jones – Director of Finance & Investor Relations

+44 (0) 1293 645 795

About TUI Travel PLC

TUI Travel PLC is a leading international leisure travel group, which operates in approximately 180 countries worldwide and serves more than 30 million customers in over 20 source markets. Headquartered in Crawley, near Gatwick airport in the UK, the Group employs approximately 48,000 people and for the year ended 30 September 2007 generated proforma turnover and underlying operating profits of £12.8 billion and £287 million respectively. The company mainly serves the leisure travel consumer and is organised and managed through four business Sectors: Mainstream, Specialist & Emerging Markets, Activity and Online Destination Services.

About S-Group Capital Management Limited

S-Group Capital Management is backed by Alexey Mordashov, CEO and major shareholder of Severstal Group. S-Group Capital Management considers wide variety of investment opportunities ranging from venture capital investments in high technology companies to developing strategic partnerships with international conglomerates in Russia. Geography of investments includes Russia, US and Europe

Alexey Mordashov is a prominent Russian businessman. Among other positions he is the CEO and major shareholder of OAO Severstal, an international, vertically integrated steel producer with a listing on the Russian Trading System and the London Stock Exchange. Severstal has a successful track record of acquiring and integrating high-quality assets in North America and

Europe. In 2007, Severstal produced 17.5 million tons of steel. Revenues were \$15.2 billion and EBITDA was \$3.7 billion.

The CIS comprises of eleven former Soviet Republics: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Ukraine and Uzbekistan.