

CUSTOMER AT OUR HEART



Thomas Cook Group

OVERVIEW

Thomas Cook is one of the world's leading travel groups with sales of £9.6bn.

Thomas Cook is supported by 21,000 colleagues and operates from 16 countries.

CUSTOMER AT OUR HEART

THE GROUP AT A GLANCE



GROUP TOUR OPERATOR

NECKERMANN
 Thomas Cook
 SPIES TJÖRNEBORG VING

	2018	2017
Revenue*	£7,394m	£7,136m
Gross margin %**	13.5%	15.4%
Underlying EBIT**	£161m	£249m
Underlying EBIT %**	2.2%	3.5%

11m

Tour operator customers***

186

Own-brand hotels and resorts

GROUP AIRLINE

Condor
 Thomas Cook Airlines

	2018	2017
Revenue*	£3,519m	£3,087m
EBITDAR margin %**	13.0%	13.1%
Underlying EBIT**	£129m	£94m
Underlying EBIT %**	3.7%	3.0%

20m

Airline customers***

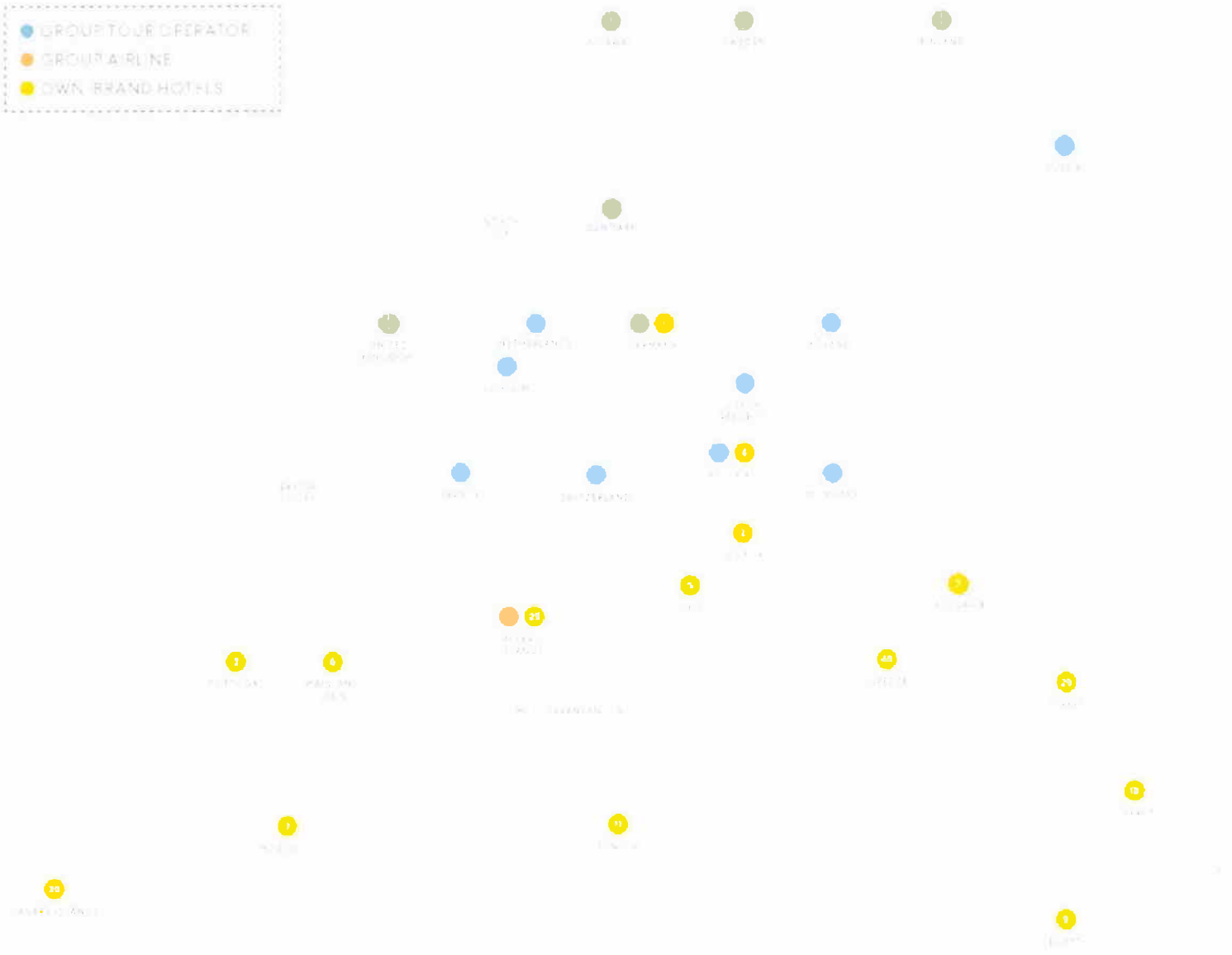
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Aircraft

* Segmental revenue of £10,913m does not include £1,329m of internal revenue, which results in Group revenue of £9,584m.

** The term 'underlying' refers to trading results that are adjusted for separately disclosed items that are significant in understanding the ongoing results of the Group. Separately disclosed items are included on the face of the income statement and are detailed in Note 7 to the Group financial statements. This applies to all references of 'underlying' in this report. Underlying segmental EBIT of £290m does not include corporate costs of £(40)m, which results in Group underlying EBIT of £250m.

*** Segmental customers of 31.0m does not include 9.1m of internal customers, resulting in Group customers of 22.0m.



...MAKES US WHO WE ARE

In 2015, we launched a pledge to put our customer back at the heart of everything we do. Our aim is to ensure we do all that we can to give our customers great holidays which inspire them to come back to Thomas Cook.

OVERVIEW	1
The Group at a glance	1
Customer at our heart	2
Our culture	4
STRATEGIC REPORT	6
Our strategy	6
Our business model	8
Chairman's statement	11
Chief Executive's review	12
Our operating overview	16
Progress against strategy	18
Our key performance indicators	32
Our approach to our people	34
Our approach to sustainability	38
Financial review	42
Risk management	56
GOVERNANCE	62
Directors' Report	
Chairman's Governance Statement	62
Board of Directors	64
Corporate Governance Report	67
Other disclosures	85
Annual Statement by Chair of Remuneration Committee	88
Directors' Remuneration Policy	91
Annual Report on Directors' Remuneration	100
FINANCIAL STATEMENTS	110
Independent Auditor's Report	110
Group income statement	118
Group statement of comprehensive income	119
Group cash flow statement	120
Group balance sheet	121
Group statement of changes in equity	123
Notes to the financial statements	124
Company balance sheet	171
Company cash flow statement	172
Company statement of changes in equity	173
Notes to the Company financial statements	174
Eight-year financial summary	185
Shareholder Information	187

CUSTOMER AT OUR HEART

LISTENING TO WHAT CUSTOMERS WANT.

'Customer at our Heart' is the cornerstone of our strategy for profitable growth. Our desire to create a genuinely customer-centric organisation shapes the way in which we think about the culture of our business, the values by which we work and the services we provide to everyone who holidays with us. It continues to act as a powerful catalyst for change and we believe it is where we have the biggest opportunity to differentiate ourselves from the competition.

We know that happy customers are more likely to come back to Thomas Cook and to recommend us to their friends. As customer loyalty increases, our cost of sale goes down as customers choose Thomas Cook because of our reputation rather than our marketing. We also know that on average customers that return to Thomas Cook spend more with us than new customers, reflecting their increased trust in our holiday offering.

We see the tangible value our customer focus creates across the business, shown most clearly in how customers are willing to pay more for a hotel following improvements in its quality performance: generating better returns for the business.

Operationally, we focus our Customer at our Heart strategy in two areas: the care and reassurance we provide to our customers, set out in our three Customer Promises of Quality, Service and Reliability; and the contact we maintain with customers, ensuring that we are accessible however they choose to interact with us and forming long-lasting relationships throughout the year.





OUR CULTURE MAKES US DIFFERENT.

In 2016, we launched our three Customer Promises: **Quality, Service, Reliability**. These promises shape everything we do as a business. They also form the basis of our corporate values against which we measure the performance of all of our 21,000 colleagues. We believe our promises help to set us apart from the competition.

QUALITY *Put our heart into it*



We are passionate travel experts & have been creating great holiday memories since 1841.

We share customer reviews before you book to help you choose the perfect trip for you.

We listen & act on your feedback.

Our teams & the partners we work with are always looking to improve to make your next holiday even better.

SERVICE *Wear their flip flops*



We'll be there whenever you need us. Our teams are available around the world, 24/7.

We are happy to make you happy & we promise to put you at the heart of everything we do.

Your holiday means the world to us.

We'd love to welcome you again & are committed to sending you home with great memories of your holiday.

RELIABILITY *We're one Thomas Cook*



We care. You can trust us to always be open and honest with you.

We always give you all the information you need to make your time away stress-free.

Your money's safe when booking with us.

We're ATOL protected for peace of mind.