
kuoni's traditional >reliability< creates trust among travellers and business partners.

People travel with Kuoni to experience new and unique things, but they also appreciate the feeling of great safety and security that Kuoni always provides. Alongside fairness and transparency, a strong awareness of its responsibilities is one of the cornerstones on which Kuoni's work is built.



FINANCIAL REPORT 2009

Kuoni Group

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Statement of Financial Position

ASSETS CHF 1 000	Notes	31 Dec 2009	%	31 Dec 2008 restated ¹	%	1 Jan 2008 restated ¹
Non-current assets						
Tangible fixed assets	(13)	198 371	10.7	197 293	11.4	202 613
Goodwill	(14)	405 286	21.8	394 960	22.8	418 394
Other intangible assets	(15)	125 156	6.8	127 621	7.4	92 724
Investments in associates	(16)	12 591	0.7	1 690	0.1	1 716
Other financial assets	(17)	45 411	2.5	44 104	2.6	43 068
Deferred taxes	(23)	39 684	2.1	43 498	2.5	38 214
Total non-current assets		826 499	44.6	809 166	46.8	796 729
Current assets						
Cash and cash equivalents	(18)	660 379	35.7	445 602	25.8	571 488
Time deposits	(19)	4 167	0.2	9 257	0.5	37 513
Accounts receivable	(20)	198 230	10.7	293 258	17.0	254 559
Prepaid expenses		162 595	8.8	170 271	9.9	169 561
Assets held for sale	(26)	0	0.0	0	0.0	106 605
Total current assets		1 025 371	55.4	918 388	53.2	1 139 726
Total assets		1 851 870	100.0	1 727 554	100.0	1 936 455
EQUITY AND LIABILITIES CHF 1 000						
Equity						
Share capital	(21)	3 046	0.2	3 046	0.2	3 154
Treasury shares	(21)	- 6 775	- 0.4	- 8 605	- 0.5	- 80 088
Reserves	(21)	586 394	31.7	602 444	34.9	673 255
Equity attributable to shareholders of Kuoni Travel Holding Ltd.		582 665	31.5	596 885	34.6	596 321
Non-controlling interests	(21)	9 067	0.5	8 735	0.5	4 187
Total equity		591 732	32.0	605 620	35.1	600 508
Liabilities						
Provisions	(22)	19 022	1.0	16 841	1.0	14 290
Deferred taxes	(23)	43 059	2.3	50 346	2.9	47 491
Financial debts	(24)	257 140	13.9	30 915	1.8	53 107
Total non-current liabilities		319 221	17.2	98 102	5.7	114 888
Financial debts	(24)	6 204	0.3	7 396	0.4	15 577
Accounts payable	(25)	248 695	13.4	326 732	18.9	271 673
Advance payments by customers		341 913	18.5	328 511	19.0	451 483
Accrued expenses	(25)	344 105	18.6	361 193	20.9	459 246
Liabilities held for sale	(26)	0	0.0	0	0.0	23 080
Total current liabilities		940 917	50.8	1 023 832	59.2	1 221 059
Total liabilities		1 260 138	68.0	1 121 934	64.9	1 335 947
Total equity and liabilities		1 851 870	100.0	1 727 554	100.0	1 936 455

¹ We refer to the remarks on page 10.

Income Statement

CHF 1 000	Notes	2009	%	2008 restated ¹	%
Turnover	(3/4)	3 893 646	100.0	4 854 953	100.0
Direct costs		- 3 085 252	- 79.2	- 3 798 663	- 78.2
Gross profit	(3/5)	808 394	20.8	1 056 290	21.8
Personnel expense	(6)	- 450 012	- 11.6	- 495 825	- 10.2
Marketing and advertising expense		- 93 026	- 2.4	- 134 446	- 2.8
Other operating expense	(7)	- 197 828	- 5.1	- 226 460	- 4.7
Depreciation	(8)	- 52 404	- 1.3	- 49 160	- 1.0
Earnings before interest and taxes (EBIT)	(3/9)	15 124	0.4	150 399	3.1
Financial income	(10)	5 253	0.1	28 638	0.6
Financial expense	(10)	- 4 477	- 0.1	- 5 648	- 0.1
Result before taxes		15 900	0.4	173 389	3.6
Income taxes	(11)	- 14 324	- 0.4	- 22 361	- 0.5
Net result		1 576	0.0	151 028	3.1
Of which:					
Attributable to non-controlling interests		1 341	0.0	372	0.0
Attributable to shareholders of Kuoni Travel Holding Ltd.		235	0.0	150 656	3.1
Basic earnings per registered share B in CHF	(12)	0.08		52.68	
Diluted earnings per registered share B in CHF	(12)	0.08		52.68	

¹ We refer to the remarks on page 10.

Statement of Comprehensive Income

CHF 1 000	2009	2008 restated ¹
Net result	1 576	151 028
Other comprehensive income		
Realised gains of losses on financial instruments transferred to income statement	- 8 740	- 584
Recognised gains or losses on financial instruments	- 6 947	11 185
Translation differences	15 369	- 118 935
Income taxes on other comprehensive income	4 078	- 2 862
Total other comprehensive income	3 760	- 111 196
Total comprehensive income	5 336	39 832
Of which:		
Attributable to non-controlling interests	1 429	- 591
Attributable to shareholders of Kuoni Travel Holding Ltd.	3 907	40 423

¹ We refer to the remarks on page 10.

Statement of Changes in Equity

CHF 1000	Share capital	Treasury shares	Capital reserves	Retained earnings	Other reserves ¹	Total equity of Kuoni shareholders	Non-controlling interests	Total equity
Equity as at 1 January 2008 before Restatement	3 154	- 80 088	192 345	552 831	- 65 732	602 510	4 187	606 697
Restatement IAS 38 ²				- 6 189		- 6 189		- 6 189
Equity as at 1 January 2008 after Restatement	3 154	- 80 088	192 345	546 642	- 65 732	596 321	4 187	600 508
Net result				150 656		150 656	372	151 028
Other comprehensive income:								
› Realised gains or losses on financial instruments transferred to income statement					- 584	- 584		- 584
› Recognised gains or losses on financial instruments					11 185	11 185		11 185
› Translation differences					- 117 972	- 117 972	- 963	- 118 935
› Income taxes on other comprehensive income					- 2 862	- 2 862		- 2 862
Total comprehensive income				150 656	- 110 233	40 423	- 591	39 832
Dividends				- 48 738		- 48 738	- 351	- 49 089
Sale of treasury shares		407	3 011			3 418		3 418
Use of treasury shares		591		4 870		5 461		5 461
Deletion of treasury shares	- 108	70 485		- 70 377		0		0
Changes in the scope of consolidated companies							5 490	5 490
Equity as at 31 December 2008	3 046	- 8 605	195 356	583 053	- 175 965	596 885	8 735	605 620
Net result				235		235	1 341	1 576
Other comprehensive income:								
› Realised gains or losses on financial instruments transferred to income statement					- 8 740	- 8 740		- 8 740
› Recognised gains or losses on financial instruments					- 6 947	- 6 947		- 6 947
› Translation differences					15 281	15 281	88	15 369
› Income taxes on other comprehensive income					4 078	4 078		4 078
Total comprehensive income				235	3 672	3 907	1 429	5 336
Dividends				- 28 631		- 28 631	- 1 203	- 29 834
Sale of treasury shares		177	764			941		941
Use of treasury shares		1 653		7 910		9 563		9 563
Changes in the scope of consolidated companies							106	106
Equity as at 31 December 2009	3 046	- 6 775	196 120	562 567	- 172 293	582 665	9 067	591 732

¹ For further details see note 21.

² We refer to the remarks on page 10.

Accounting Principles

Kuoni Travel Holding Ltd. (the Company) is domiciled in Zurich. The consolidated financial statements for the year ended 31 December 2009 comprise the Company and all its subsidiaries and associates. The Company is one of Europe's leading tourism companies, active in the leisure travel and destination management field. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

BASIS OF PREPARATION

The consolidated financial statements are presented in Swiss francs (CHF), rounded to the nearest thousand. The consolidated financial statements are prepared on the historical cost basis except for derivative financial instruments, financial assets and financial instruments available for sale, which are stated at their fair value. Non-current assets and discontinued operations held for sale are stated at the lower of the carrying amount and fair value less costs to sell.

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Critical judgements made by management in the application of IFRS that have a significant effect on the financial statements and key sources of estimation uncertainties are discussed separately. The accounting policies have been applied consistently to all periods presented in these consolidated financial statements, with the exceptions described below.

ADOPTION OF NEW AND REVISED STANDARDS

The Kuoni Group adopted new and revised standards and new interpretations with effect from 1 January 2009:

Revised standards:

- › IFRS 2: Share-based Payment
- › IFRS 7: Financial Instruments: Disclosures
- › IAS 1: Presentation of Financial Statements
- › IAS 23: Borrowing Costs
- › IAS 32: Financial Instruments: Presentation
- › IAS 38: Intangible Assets
- › IAS 39/IFRIC 9: Reassessment of Embedded Derivatives
- › Improvements to IFRSs (May 2008)

New standards:

- › IFRS 8: Operating Segments
- › IFRIC 13: Customer Loyalty Programmes
- › IFRIC 15: Agreements for the Construction of Real Estate
- › IFRIC 16: Hedges of a Net Investment in a Foreign Operation
- › IFRIC 18: Transfers of Assets from Customers

With the exception of IAS 38, IFRS 7, IFRS 8 and IAS 1, the adoption and application of the above standards and interpretations had no effect on these consolidated financial statements.

The adoption and application of IAS 38 resulted in a restatement and an adjustment to prior-year figures, with the corresponding differences as of 1 January 2008 taken to group reserves. The impact of the adoption and application of IAS 38 on the statement of financial position, income statement, earnings per share, statement of changes in equity and statement of cash flows for the 2008 financial year is shown in the table on the previous page.

The adoption and application of the revised IAS 1 resulted in the additional presentation of the statement of comprehensive income, since the Kuoni Group has opted for a separate presentation of its comprehensive income result and the derivation thereof. In view of the new group structure centred on the three operating divisions: Northern Region, Southern Region and Destinations, the adoption and application of the new IFRS 8 resulted in a re-definition of the Group's operating segments and additional disclosures for the full business year.

The application of IFRS 7 resulted in the disclosure of the fair-value hierarchy.

Restatement

CHF MILLION	1 Jan 2008	31 Dec 2008
Statement of financial position		
Deferred tax assets	+1.4	+0.8
Prepaid expenses	-2.2	-1.8
Deferred tax liabilities	+0.1	-0.4
Accrued expenses	+5.3	+6.0
Equity	-6.2	-6.6
Income statement		
Marketing and advertising expense		-1.1
Income taxes		-0.0
Net result		-1.1
Earnings per registered share B in CHF		-0.38
Statement of cash flows		
Net result		-1.1
Changes in provisions and deferred taxes		+0.0
Changes in net working capital		+1.1
Net cash from operating activities (cash flow)		0.0

Future IFRS Changes

The Kuoni Group is currently considering the possible effects of the new and revised standards which came into effect on 1 January 2010 or later. The Kuoni Group does not expect these new and revised standards and interpretations to have any significant effect on its results and financial situation:

Revised standards:

- › IFRS 2: Share-based Payment
- › IFRS 3: Business Combinations
- › IAS 32/IAS 1: Financial Instruments: Presentation/Presentation of Financial Statements
- › IAS 24: Related Party Disclosures
- › IAS 27: Consolidated and Separate Financial Statements
- › IAS 39: Financial Instruments: Recognition and Measurement
- › IFRIC 14: Minimum Funding Requirements and their Interaction
- › Improvements to IFRSs (April 2009)

New standards:

- › IFRS 9: Financial Instruments
- › IFRIC 17: Distribution of Non-cash Assets to Owners
- › IFRIC 19: Extinguishing Financial Liabilities with Equity Instruments

SUBSIDIARIES

Subsidiaries are entities controlled by Kuoni Travel Holding Ltd. Control is the power to directly or indirectly govern the financial and operating policies of an entity so as to obtain benefits from its activities. This is the case where the Group holds more than 50% of the voting rights of an entity or where the Group has been granted management of an entity contractually or is exercising control by other means. Subsidiaries acquired in the course of the accounting year are consolidated from the date the control effectively commences. Subsidiaries sold in the course of the accounting year are deconsolidated as of the date on which control ceases.

The full consolidation method is used, under which all assets, liabilities, income and expenses of the subsidiaries are included in the consolidated financial statements. The share of net assets and net profit or loss attributable to minority shareholders is presented separately as non-controlling interest on the consolidated statement of financial position, and separately as non-controlling interest in the consolidated income statement.

ASSOCIATES

Associates are entities in which the Group is able to exercise significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounting basis, from the date significant influence commences until the date it ceases. When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has incurred further obligations in respect of the associate.

INTRAGROUP TRANSACTIONS AND BALANCES

All intragroup transactions and balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in the consolidation process.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated at the exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at year-end rates. Non-monetary assets and liabilities in foreign currencies that are stated at historical cost are translated at the exchange rate on the date of the transaction. Non-monetary assets and liabilities in foreign currencies that are stated at fair value are translated at the exchange rate at the date the values were determined. Foreign exchange gains or losses arising from translation are recognised in the income statement.

CONSOLIDATION OF FOREIGN SUBSIDIARIES

The consolidated financial statements are presented in Swiss francs (CHF). The financial statements of foreign subsidiaries are prepared in their corresponding functional currency. Assets and liabilities (including goodwill and fair-value adjustments) of foreign subsidiaries are translated to CHF at year-end exchange rates. Revenue, expenses and cash flow amounts are translated at weighted average exchange rates. Foreign exchange differences arising from the translation of foreign subsidiaries are recognised directly in equity as a translation difference.

TURNOVER

The Group renders a wide range of travel services. The revenue from rendering these services is recognised in the income statement at the time when the significant risks and rewards are transferred to the customer. This is generally the case on the date of departure or, in the case of destination management activities, on the date of arrival.

Turnover comprises net sales revenues from the tour operating business (after deduction of sales taxes, value-added tax, discounts and commissions) as well as commissions received from leisure travel retailing.

EMPLOYEE BENEFITS

Wages, salaries, social-security contributions, paid vacation and sickness-related absences, bonuses and non-monetary benefits are allocated to and shown in the year in which the employee provided the service concerned for the Kuoni Group. In cases in which Kuoni provides long-term employee benefits, the corresponding costs are apportioned in relation to the service to be provided by the employee, and the liabilities of the Kuoni Group to pay due regard to their current value are discounted where their effects are significant.

SHARE-BASED COMPENSATION

Certain employees participate in share-based employee participation plans, i.e. programmes based on equity instruments of Kuoni Travel Holding Ltd. For all share-based employee compensation, the current market value of the shares concerned is determined on the date the entitlement is granted, and is debited to personnel expense on the corresponding income statements throughout the period until the entitlement is awarded.

With all employee participation plans under which equity instruments are awarded, the compensation paid and any further amounts resulting from the exercising of such benefits are shown as increases in equity. In the case of cash-based employee participation plans, the compensation awarded is shown as a liability at its fair value on the balance sheet date.

RETIREMENT BENEFITS

State retirement benefits are provided in the majority of countries in which the Kuoni Group operates. The Group has additionally set up a number of legally independent retirement benefit plans or insurance schemes in the following countries, which are generally funded by the employee and the employer:

Defined benefit plans: Switzerland, the United Kingdom, Netherlands and Norway.

Defined contribution plans: Switzerland, the United Kingdom, Italy, France, Sweden, Denmark, Norway, the Netherlands, Austria, the USA, India and Japan.

The plans are funded by the Group's subsidiaries (employer) and the employees. Employer's contributions to defined contribution plans are recognised as an expense in the income statement when incurred.

from third parties or in a business combination. Intangible assets acquired in a business combination are recognised separately from goodwill if they are subject to contractual or legal rights or are separately transferable and their fair value can be reliably estimated. Intangible assets are stated at cost less accumulated depreciation and impairment losses. They are depreciated on a straight-line basis over their expected useful lives of three to ten years. The Group does not have any intangible assets with indefinite useful lives, except for goodwill.

GOODWILL

All business combinations are accounted for by applying the purchase method. Goodwill arising from the acquisition of a subsidiary represents the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired, and is allocated to cash-generating units. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is tested at least annually for impairment.

FINANCIAL INVESTMENTS

The Group has investments classified as available-for-sale which include minority investments in listed and non-listed companies.

Available-for-sale investments are stated at fair value, with any resultant gain or loss recognised directly in equity, except for impairment losses and, in the case of debt securities, foreign exchange gains and losses. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the income statement.

The fair value of listed available-for-sale investments is their quoted bid price at the balance sheet date. The fair value of unlisted investments is estimated using valuation techniques.

Time deposits (with a maturity exceeding 12 months from the date of acquisition), long-term loans and other long-term receivables are stated at their amortised cost less impairment losses. Interest is recognised using the effective interest rate method.

The Group does not have any instruments classified as “at fair value through profit and loss” (trading), with the exception of derivative financial instruments (see the accounting policy on Derivative Financial Instruments).

TIME DEPOSITS, LOANS AND ACCOUNTS RECEIVABLE

Time deposits (with a maturity between 3 and 12 months from the date of acquisition), short-term loans and accounts receivable are stated at their cost less impairment losses.

Impairment losses are recognised on an individual basis, or on a portfolio basis (for accounts receivable), where there is objective evidence that impairment losses have been incurred. The allowance on bad debt and the receivable is written off if there are clear indicators (such as a certificate of unpaid debts) that the receivable is not collectable.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents contain cash balances, postal giro accounts and bank current accounts as well as time deposits and money market investments with a maturity not exceeding 3 months from the date of acquisition.

IMPAIRMENT

The carrying amounts of the Group's assets (other than deferred tax assets and pension assets, for which separate accounting policies apply) are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Goodwill is tested for impairment every year.

An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of loans and other receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration carried at cost are not discounted. The recoverable amount of available-for-sale securities is their fair value. The recoverable amount of other assets is the greater of their fair value less costs to sell and their value in use.

An impairment loss in respect of goodwill is not reversed. An impairment loss in respect of financial investments classified as available-for-sale is reversed if there is a subsequent increase in the recoverable amount that can be related objectively to an event occurring after the impairment loss was recognised. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Reversals of impairment losses are recognised in the income statement, with the exception of reversals of impairment losses on equity investments classified as available-for-sale.

TREASURY SHARES

When the Company or its subsidiaries purchase the Company's own shares, the consideration paid, including any directly-attributable costs, is presented as treasury shares and deducted from equity. Where such shares are subsequently sold or reissued, any consideration received is included in equity.

FINANCIAL DEBT

Financial debt is initially recognised at fair value, less attributable transaction costs. Thereafter, financial debt is stated at amortised cost using the effective interest rate method, with any difference between cost and redemption value being recognised in the income statement under financial expense over the borrowing period.

PROVISIONS

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of economic benefits will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

CONTINGENT LIABILITIES

Contingent liabilities are possible obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control. They may also be present obligations that are unrecognised because the future outflow of resources is not probable or the amount concerned cannot be reliably determined. Contingent liabilities are not recognised in the statement of financial position, but are disclosed.

ACCOUNTS PAYABLE

Accounts payable are stated at cost.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments primarily to hedge its exposure to foreign exchange risks arising from operational, financing and investment activities. The Group largely uses forward-exchange contracts, currency options and aviation fuel options for this purpose. In accordance with

internal Group accounting principles, derivative financial instruments are not used for trading purposes. However, derivatives used for hedging purposes that do not qualify as hedge accounting are accounted for as trading instruments.

All derivative financial instruments are initially recognised at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. Derivative financial instruments with a positive fair value are included in accounts receivable, while those with negative fair value are included in accounts payable. Any gains or losses on the remeasurement of the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised immediately in the income statement. The fair value of the instruments used is the calculated amount that the Group would receive or pay to terminate the contracts at the balance sheet date, based on quotes from independent counterparties.

HEDGING**Cash Flow Hedges**

Where a derivative financial instrument is designated as a foreign currency hedge of the variability in cash flows of a firm commitment or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in equity. Contracts of this kind are classified as cash flow hedges.

When the firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, the cumulative gain or loss is removed from equity and included in the initial cost of the non-financial asset or liability. Otherwise, the cumulative gain or loss is removed from equity and recognised in the income statement at the same time as the hedged transaction. The ineffective part of any gain or loss is recognised immediately in the income statement.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes the designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs.

If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised immediately in the income statement.

Hedging of Monetary Assets and Liabilities

Where a derivative financial instrument is used to economically hedge the foreign exchange exposure of a recognised monetary asset or liability, no hedge accounting is applied, and any gain or loss on the hedging instrument is recognised in the income statement. Related foreign exchange gains and losses are also recognised in the income statement as incurred.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than from continuing use. The asset (or disposal group) must be available for immediate sale in its present condition and the sale must be highly probable. Immediately before reclassification as held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is brought up-to-date in accordance with the applicable accounting standards. On initial reclassification as held for sale, non-current assets and disposal groups are recognised at the lower of their carrying amount or fair value less costs to sell. Any impairment losses on initial classification as held for sale are recognised in the income statement.

A discontinued operation is a component of the Group's business that represents a separate major line of business or a geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be reclassified as held for sale, if earlier.

SEGMENT REPORTING

A segment is a distinguishable component of the Group which provides products and/or services in a particular geographical area or a particular tourism activity and for which separate financial information is available.

The results of the Group's operating segments are regularly reviewed by the Board of Directors (as the Group's chief operating decision-maker) to determine how resources should be distributed and performance potential assessed. Segments are managed at the EBIT level.

The segment reporting reflects the management structure implemented within the Kuoni Group. This results in a breakdown of leisure travel activities which is based on the geographical location

of the revenue-generating Group company, which in turn largely corresponds to the origin of the customers concerned. The same geographical breakdown based on the location of the Group company would be less meaningful for the activity of destination management, which largely provides services at the holiday destination.

The Group's six reportable segments are Scandinavia, the United Kingdom & Benelux, Switzerland, Southern Europe, Asia and Destinations. These are organised into three divisions, with Destinations forming both a division and a reportable segment.

Interdivisional revenues are accounted for at market rates. The reportable segments apply the same accounting principles as the Group.

All operational assets and liabilities which can be directly or reasonably assigned to a reportable segment are shown within the divisions concerned.

EARNINGS PER SHARE (EPS)

Earnings per share are calculated by dividing the net result attributable to Kuoni Travel Holding Ltd. shareholders by the weighted average number of registered shares entitled to dividends during the year under review.

Diluted earnings per share further take into account any dilution effect which might have resulted from the exercise of options.

MANAGEMENT ESTIMATES AND ASSUMPTIONS

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based, or as a result of new information or additional experience. Such changes are recognised in the period in which the estimate is revised.

The key assumptions about the future and key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next twelve months are described below.

Tangible Fixed Assets, Goodwill and Other Intangible Assets

The Kuoni Group has tangible fixed assets with a carrying value of CHF 198 million (see note 13), other intangible assets with a carrying value of CHF 125 million (see note 15) and goodwill with a carrying value of CHF 405 million (see note 14).

Goodwill is reviewed annually for impairment. The net book values of tangible fixed assets are reviewed if there is any indication of impairment. To assess if any impairment exists, estimates are made of the future cash flows expected to result from the use of the asset and its eventual disposal. Actual outcomes could vary significantly from such estimates of discounted future cash flows. Factors such as changes in the planned use of buildings, the presence or absence of competition, technical obsolescence or lower-than-anticipated turnover from cash-generating units with capitalised goodwill could result in shortened useful lives or impairment.

Provisions for Warranties and Onerous Contracts

Group companies may become involved in warranty proceedings or onerous contracts in the course of their ordinary operating activities. Provisions for warranties and onerous contracts are measured on the basis of the information available and a realistic estimate of the expected outflow of resources. The outcome of these proceedings may result in claims against the Kuoni Group that cannot be met at all or in full through provisions or insurance cover.

Litigation Provisions

The Kuoni Group is party to various legal proceedings. Further claims could also arise which might not be covered by existing liabilities or by insurance. Moreover, no assurance can be given that the extent of such matters will not increase, or that possible future lawsuits, claims or proceedings will not be material. Any such changes that arise could impact the litigation provisions recognised in the statement of financial position in future periods.

Income Taxes

As at 31 December 2009, the net receivable for current income taxes amounts to CHF 9.1 million, the net payable for current income taxes amounts to CHF 8.9 million and the net liability for deferred income taxes amounts to CHF 3.4 million (see note 23). Significant estimates are required in determining the current and deferred tax assets and liabilities. Some of these estimates are based on interpretations of existing tax laws and regulations. Management believes that these estimates are reasonable and that the recognised liabilities for income-tax-related uncertainties are adequate. Various internal and external factors may have favourable or unfavourable effects on the income tax assets and liabilities. These factors include, but are not limited to, changes in tax laws and regulations or their interpretation, and changes in tax rates. Any such changes that arise could impact the current and deferred income tax assets and liabilities recognised

in the statement of financial position in future periods. Furthermore, in order to determine whether tax loss carry-forwards may be carried as assets, it is first necessary to critically assess the probability of future taxable profits against which to offset them. Such profits depend themselves on a variety of influencing factors and developments.

Notes to the Consolidated Financial Statements

1. EXCHANGE RATES

The following exchange rates were used for the most important currencies of the Group:

CURRENCY	Unit	Year-end rates		Average rates for the year	
		2009	2008	2009	2008
USD	1	1.032	1.060	1.085	1.082
GBP	1	1.665	1.538	1.697	1.991
EUR	1	1.486	1.492	1.510	1.586
DKK	1	0.200	0.200	0.203	0.213
NOK	1	0.179	0.152	0.173	0.193
SEK	1	0.145	0.137	0.143	0.165
HKD	1	0.133	0.137	0.140	0.139
INR	1	0.022	0.022	0.022	0.025
KES	1	0.014	0.014	0.014	0.016
THB	1	0.031	0.031	0.032	0.033

2. ACQUISITIONS AND DISPOSALS

Acquisitions 2009

- ▶ Cotravel AG, Allschwil (100 % acquired 1 January 2009), Leisure Travel
- ▶ TCS, Geneva (asset deal effective 1 December 2009), Leisure Travel

In addition, our shareholdings in the following company were increased in the course of the year:

- ▶ Direkt Reisen AG, Urdorf (from 60 % to 100 %), Leisure Travel

Acquisitions and Disposals 2008

- ▶ Conference & Touring GmbH, Berlin (100 % acquired 1 January 2008), Destination Management
- ▶ Unique Travel GmbH, Zurich (100 % acquired 1 January 2008), Leisure Travel
- ▶ Golf Plaisir Resebyra AB, Stockholm (100 % acquired 1 July 2008), Leisure Travel
- ▶ Direkt Reisen AG, Urdorf (60 % acquired 1 July 2008), Leisure Travel
- ▶ Desert Adventures Tourism LLC, Dubai (80 % acquired 1 July 2008), Destination Management
- ▶ Reisebüro Kuoni GmbH, Vienna (100 % sold 31 July 2008), Leisure Travel
- ▶ Carrier Ltd., Cheshire (100 % acquired 1 October 2008), Leisure Travel
- ▶ Edelweiss Air AG, Zurich (100 % sold 31 October 2008), Leisure Travel
- ▶ Australian Tours Management Pty Ltd., Melbourne (100 % acquired 1 November 2008), Destination Management

CHF MILLION	Total acquired 2009	Total sold 2009	Total acquired 2008	Total sold 2008
Tangible fixed assets	0.0	0.0	2.2	-75.2
Goodwill	1.5	0.0	81.3	-7.3
Other intangible assets	3.7	0.0	63.1	-0.3
Financial assets	0.0	0.0	8.1	-8.9
Cash and cash equivalents	1.3	0.0	32.7	-21.5
Time deposits	0.0	0.0	0.0	0.0
Other current assets	1.1	0.0	21.1	-38.3
Non-current liabilities	-0.5	0.0	-11.7	14.2
Current liabilities	-2.1	0.0	-49.0	49.7
Non-controlling interest	-0.1	0.0	-5.5	0.0
Gain from sale of subsidiaries	-	0.0	-	-3.8
Purchase price/sales price in cash	4.9	0.0	142.3	-91.4
Cash and cash equivalents acquired/transferred	-1.3	0.0	-32.7	21.5
Purchase price not yet paid/sales price not yet received	0.0	0.0	-1.8	2.4
Sales price received from prior year acquisitions	0.5	0.0	8.1	0.0
Cash flow from acquisitions/sale of consolidated companies	4.1	0.0	115.9	-67.5

All the companies acquired in 2009 based their annual accounts on local accounting principles which deviated from IFRS. The fair-value adjustments relate largely to intangible assets (CHF 5.2 million) and the corresponding deferred taxation amounts (CHF 0.5 million). The goodwill deriving from acquisition activities largely reflects the value of the buyer-specific synergies expected, the business processes and the employees taken over. The asset and liability values shown for acquisitions effected in the second half of 2009 are not final, since the corresponding valuation process has not yet been completed. The asset and liability values of the companies acquired in 2008 were not adjusted in 2009.

The acquisitions effected in 2009 are of negligible significance in terms of their size. The total purchase price of all these acquisitions amounted to CHF 4.9 million in cash. The companies acquired generated an aggregate turnover of CHF 6.3 million under their Kuoni Group ownership in 2009 (or a turnover of CHF 26.0 million for the full year) and reported an aggregate positive EBIT (after amortisation of intangible assets) of CHF 0.1 million (and a negative EBIT of CHF 0.1 million for the full year).

If all these acquisitions had been completed on 1 January 2009, the Kuoni Group would have reported a CHF 19.7 million higher turnover and a CHF 0.2 million lower EBIT for the 2009 business year.

The following significant transactions occurred in 2008:

Desert Adventures Tourism, Dubai

The Kuoni Group acquired an 80% shareholding in the company at the beginning of July 2008. Desert Adventures Tourism is active in the United Arab Emirates, Oman, Qatar and Bahrain in the destination management field. The company's results are included in those of the reportable segment Destinations. The purchase price amounted to AED 163 million in cash. No significant assets or liabilities were acquired: the resulting goodwill amounted to CHF 26 million, while other intangible assets were valued at CHF 24 million. For the six months of its Kuoni ownership in 2008, the company generated turnover of CHF 55 million (or CHF 117 million for the full year) and reported an EBIT (after amortisation of intangible assets) of CHF 0.8 million (and an EBIT of CHF 4.1 million for the full year).

Carrier Ltd., Cheshire

The Kuoni Group acquired the company in full at the beginning of October 2008. Carrier specialises in individual service-oriented luxury travel arrangements all over the world, with a particular focus on the Caribbean, the Indian Ocean and European destinations. Its results are included in those of the reportable segment United Kingdom & Benelux. The purchase price amounted to GBP 36 million in cash. No significant assets or liabilities were acquired: the resulting goodwill amounted to CHF 40 million, and other intangible assets were valued at CHF 20 million. For the three months of its Kuoni ownership in 2008, the company generated turnover of CHF 20 million (or CHF 71 million for the full year) and reported an EBIT (after amortisation of intangible assets) of CHF 1.1 million (and an EBIT of CHF 1.9 million for the full year).

The remaining acquisitions in 2008 are of negligible significance in terms of their size. The total purchase price of all these acquisitions amounted to CHF 27 million in cash. The companies acquired generated an aggregate turnover of CHF 70 million under their Kuoni Group ownership in 2008 (or a turnover of CHF 120 million for the full year) and reported an aggregate negative EBIT (after amortisation of intangible assets) of CHF 1.9 million (and an EBIT of CHF 0.9 million for the full year).

If all of these acquisitions had been completed on 1 January 2008, the Kuoni Group would have reported a CHF 163 million higher turnover and a CHF 6.9 million higher EBIT for the 2008 business year.

3. SEGMENT REPORTING¹

INFORMATION BY REPORTABLE SEGMENTS/DIVISIONS CHF 1000	Scandinavia		UK & Benelux		Northern Region		Switzerland		Southern Europe	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
External turnover	1 011 737	1 191 668	652 187	824 786	1 663 924	2 016 454	821 015	1 027 796	371 412	534 211
Turnover with other segments	525	663			525	663	4	20	3 083	4 376
Turnover of Divisions	1 012 262	1 192 331	652 187	824 786	1 664 449	2 017 117	821 019	1 027 816	374 495	538 587
Eliminations Turnover										
GOP	154 051	227 908	110 170	144 243	264 221	372 151	174 880	252 023	73 952	107 287
GOP – margin	15.2%	19.1%	16.9%	17.5%	15.9%	18.4%	21.3%	24.5%	19.7%	19.9%
Depreciation and amortisation	- 5 115	- 6 206	- 8 946	- 7 762	- 14 061	- 13 968	- 9 797	- 9 376	- 2 567	- 3 816
Earnings before interest and taxes (EBIT)	5 344	28 998	9 160	32 213	14 504	61 211	1 521	39 402	6 080	18 954
EBIT – margin	0.5%	2.4%	1.4%	3.9%	0.9%	3.0%	0.2%	3.8%	1.6%	3.5%
Assets	364 663	401 497	285 558	277 137	650 221	677 680	304 708	293 718	86 710	89 034
Liabilities	223 653	255 515	166 170	169 988	389 823	424 549	199 531	195 245	77 721	86 145
Capital expenditure	5 315	14 021	3 776	4 635	9 091	18 656	2 813	5 661	6 349	3 617
Number of staff (Full-Time Equivalents):										
Average number of staff	1 021	1 122	736	756	1 757	1 878	1 190	1 426	546	718
Number of staff at year-end	1 042	1 163	727	764	1 769	1 927	1 095	1 265	494	588

¹ The segment reporting does not correspond to the one disclosed in the Half-Year Report 2009. This is because the corporate reorganisation announced at the end of September 2009 requires a new reporting structure.

² The assets and liabilities shown under "Corporate" include the Corporate items from the statement of financial position and the financial assets/liabilities and tax assets/liabilities of the Kuoni Group.

Asia		Southern Region		Destinations		Total reportable segments/divisions		Corporate		Group	
2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
266 835	304 385	1 459 346	1 866 395	770 376	972 104	3 893 646	4 854 953				
	64	2 606	3 838	123 797	129 003	126 928	133 504				
266 835	304 449	1 461 952	1 870 233	894 173	1 101 107	4 020 574	4 988 457				
						- 126 928	- 133 504			3 893 646	4 854 953
138 090	145 082	386 922	504 392	157 251	179 747	808 394	1 056 290			808 394	1 056 290
51.8%	47.7%	26.5%	27.0%	17.6%	16.3%					20.8%	21.8%
- 9 195	- 8 238	- 21 559	- 21 430	- 7 835	- 7 127	- 43 455	- 42 525	- 8 949	- 6 635	- 52 404	- 49 160
25 853	22 471	33 454	80 827	15 551	38 510	63 509	180 548	- 48 385	- 30 149	15 124	150 399
9.7%	7.4%	2.3%	4.3%	1.7%	3.5%					0.4%	3.1%
156 241	127 241	546 751	509 695	352 573	374 594	1 549 545	1 561 969	302 325 ²	165 585 ²	1 851 870	1 727 554
62 933	56 148	339 278	337 241	204 648	212 836	933 749	974 626	326 389 ²	147 308 ²	1 260 138	1 121 934
8 197	16 910	17 359	26 188	1 696	4 574	28 146	49 418	16 042	10 072	44 188	59 490
3 178	3 413	4 914	5 557	2 264	2 256	8 935	9 691	135	106	9 070	9 797
2 982	3 352	4 571	5 205	2 211	2 348	8 551	9 480	118	108	8 669	9 588

Additional information

Breakdown of turnover by geographical area ¹

CHF 1 000	2009	2008	Change in %
Switzerland	848 240	1 064 080	- 20.3
International	3 089 124	3 837 636	- 19.5
Eliminations	- 43 718	- 46 763	+ 6.5
Total	3 893 646	4 854 953	- 19.8

¹ Leisure Travel and Destination Management

Breakdown of turnover by activity

CHF 1 000	2009	2008	Change in %
Leisure Travel	3 121 446	3 880 214	- 19.6
Destination Management	894 173	1 100 186	- 18.7
Eliminations	- 121 973	- 125 447	+ 2.8
Total	3 893 646	4 854 953	- 19.8

Information on significant customers

No customer accounts for more than 10 % of total turnover.

Breakdown of EBIT

CHF 1 000	2009	2008	Change in %
Division in total	63 509	180 548	- 64.8
Corporate			
› Corporate cost	- 18 247	- 25 208	+ 27.6
› Investment and cost-reduction programme	- 30 138	0	- 100.0
› Transformation programme	0	- 4 941	+ 100.0
Total	15 124	150 399	- 89.9

An exceptional investment and cost-reduction programme was launched at the end of January 2009. The three-year programme envisages total investments of CHF 106 million and is intended to reduce costs. The programme has seen key initiatives launched in the areas of electronic distribution channels, global marketing and branding and raising employee skills and efficiency. A total of CHF 30 million was spent on the programme in 2009.

As part of this exceptional investment and cost-reduction programme, a fundamental restructuring of the Kuoni Group was announced at the end of September 2009. The new structure moves the Group from a decentralised to a global function-based organisation. The new organisation is focused on marketing and sales and on a new global unit for the Group's procurement and production.

Breakdown of assets by geographical area

CHF 1 000	Tangible fixed assets	Intangible assets	Total	Tangible fixed assets	Intangible assets	Total
	31 Dec 2009	31 Dec 2009	31 Dec 2009	31 Dec 2008	31 Dec 2008	31 Dec 2008
Switzerland	77 384	48 418	125 802	81 180	46 393	127 573
International	120 987	482 024	603 011	116 113	476 188	592 301
Total	198 371	530 442	728 813	197 293	522 581	719 874

4. TURNOVER

Turnover for 2009 showed a decline of CHF 961 million or 19.8 % from the prior year. Organic growth decreased turnover by 14.8 %, acquisitions and disposals added 0.7 % and currency movements reduced turnover volume by 5.7 %.

5. GROSS PROFIT

Gross profit comprises turnover less all directly allocable airline, ship, rail, hotel, car rental and similar costs. Gross profit also includes the currency gains or losses from exchange rate differences realised or incurred by individual subsidiaries in the course of their operations.

6. PERSONNEL EXPENSE

Personnel expense was reduced by 9.2 %. Organic growth accounted for 1.3 %, acquisitions for 2.9 % and currency movements for 5.0 % of the overall reduction.

CHF 1 000	2009	2008	Change in %
Wages and salaries	352 392	388 504	- 9.3
Pension costs	38 263	39 409	- 2.9
Other social security costs	31 399	34 038	- 7.8
Other personnel costs	27 958	33 874	- 17.5
Total	450 012	495 825	- 9.2

Share-Based Compensation

The members of the Board of Directors (exclusively non-executive directors) receive remuneration for their services in the form - in equal portions - of a fixed number of registered shares B of Kuoni Travel Holding Ltd., Zurich and a cash payment.

The members of the Group Executive Board and senior management groupwide receive their compensation under the "Management Performance Plan" or MPP.

The members of the Group Executive Board receive compensation which is divided equally into a fixed and a variable performance-based component. One-third of this variable component takes the form of a Short-Term Incentive (cash), while the remaining two-thirds take the form of a Long-Term Incentive (shares). The Short-Term Incentive (STI) is based in equal amounts on the achievement of financial and individual targets which are

newly set each year. The Long-Term Incentive (LTI), which uses a “Performance Share Plan” to assign the persons entitled thereto a certain number of Kuoni shares at the beginning of each annual plan period, is based by contrast on value-adding performance over a three-year period. The key element in this financial performance assessment is the value-based management performance indicator known as the “Kuoni Economic Profit” or KEP. The KEP target underlying this bonus component for each business unit, which is used to determine the payment of any bonus amount, is itself based on investors’ expected returns on the market value of the Kuoni Group and the corresponding investment risk.

The members of the groupwide senior management are remunerated under the same MPP, but with different proportions of the fixed and variable and the Short-Term and Long-Term Incentive components.

The expenses incurred through share-based payments amounted to CHF 10.5 million in 2009 (2008: CHF 7.1 million). An option plan was also maintained up until 2004. The last of the options issued thereunder expired at the end of 2008, and no further options are now outstanding. Further details are provided in note 21. The average price of the 36 591 shares issued in 2009 amounted to CHF 287 (prior year: 19 969 shares issued at an average price of CHF 454). The price of each share issued is determined by its stockmarket price on the day of issue, less a discount granted in view of the associated blocking period.

Defined Benefit Retirement Plans

The Group incurs costs for retirement benefit plans in accordance with prevailing regulations in the countries in which it operates. The benefits paid to insured employees are generally calculated as a percentage of their expected salary in the last few years prior to retirement.

The following assumptions (weighted averages) used in actuarial calculations were adjusted to take account of the economic situation in the country concerned:

	2009	2008
Discount rate	3.70%	3.70%
Expected return on investment	4.20%	4.60%
Salary increases	1.70%	1.60%
Rate of pension increase	0.50%	0.40%

The expected return on the investments of funded pension plans is based on the long-term historical performance of the individual asset categories for each pension plan.

Where funded retirement plans exist, the costs of occupational pension coverage are transferred in accordance with the legislation in force in the country concerned. The surplus/deficit of the major defined-benefit plans are shown below:

CHF 1 000	31 Dec 2009	31 Dec 2008
Assets of independent retirement plans at fair value	340 322	308 713
Defined benefit obligations (DBO) of the funded pension plans	- 338 054	- 313 984
Surplus	2 268	- 5 271
Cumulative, unrecognised actuarial and investment loss (net)	14 907	21 474
Unrecognised part of defined benefit assets	0	0
Defined benefit assets recognised in the statement of financial position (net)	17 175	16 203
Pension assets	17 532	16 464
Pension liabilities	357	261

The assets of the independent retirement plans showed the following developments:

CHF 1 000	2009	2008
Fair value of assets as at 1 January	308 713	398 321
Expected return on assets	14 165	17 887
Employer contributions	8 788	9 137
Employee contributions	5 410	5 707
Benefits paid	- 15 433	- 19 541
Actuarial gains on assets	17 005	- 73 333
Translation differences	1 674	- 9 746
Changes in the scope of consolidated companies	0	- 19 719
Fair value of assets as at 31 December	340 322	308 713

Employers' contributions for 2010 are estimated at CHF 8.9 million. Actual income from investments for 2009 amounted to CHF 31.2 million (2008: CHF -55.4 million).

The assets of the retirement plans were invested in the following asset categories at year-end:

CHF 1 000	31 Dec 2009	31 Dec 2008
Equity securities	30%	23%
Debt securities	57%	60%
Real estate	8%	5%
Other assets	5%	12%
Total assets	100%	100%

The retirement plans hold no shares or other equity instruments of Kuoni Travel Holding Ltd., Zurich.

Retirement plan obligations showed the following developments:

CHF 1 000	2009	2008
Present value of obligation as at 1 January	313 984	348 133
Current employer service cost	9 084	9 233
Interest cost	11 557	12 312
Employee contributions	5 410	5 707
Benefits paid	- 15 433	- 19 541
Actuarial losses on obligation	11 730	- 11 998
Translation differences	1 722	- 10 769
Changes in the scope of consolidated companies	0	- 19 093
Present value of obligation as at 31 December	338 054	313 984

The actuarially-determined retirement benefit costs stated above are set against the Group's contributions to retirement benefit plans. The following table gives a calculation of the pension costs of the Group's major defined benefit plans:

CHF 1 000	2009	2008
Current employer service cost	9 084	9 233
Interest cost	11 557	12 312
Expected return on assets	- 14 165	- 17 887
Recognition of actuarial losses	71	152
Effect of the asset ceiling	2 293	5 137
Pension costs recognised in income statement	8 840	8 947
Other pension costs (defined contribution plans and state retirement benefits)	29 423	30 462
Total pension costs	38 263	39 409

The following table shows the surplus/deficit held by the Group's pension plans, the impact of differences between the expected and the actual returns on pension fund assets and the components in the actuarial profits/(losses) on the defined benefit obligation for the past five years.

CHF 1 000	2009	2008	2007	2006	2005
Assets of independent retirement plans at fair value	340 322	308 713	398 321	397 755	380 668
Defined benefit obligations (DBO) of the funded pension plans	- 338 054	- 313 984	- 348 133	- 369 424	- 365 089
Surplus	2 268	- 5 271	50 188	28 331	15 579
Experience-based adjustments to plan assets held	17 005	- 73 333	- 14 998	7 942	29 184
Experience-based adjustments to DBO	- 5 161	- 1 307	3 197	- 2 289	- 24 727
Impact of changes in actuarial assumptions on DBO	- 6 569	13 305	29 380	2 831	- 18 969

7. OTHER OPERATING EXPENSE

CHF 1 000	2009	2008	Change in %
Rent and utilities	62 974	63 128	- 0.2
Aircraft leasing	26 171	35 753	- 26.8
Administrative and other expenses	108 683	127 579	- 14.8
Total	197 828	226 460	- 12.6

8. DEPRECIATION

Breakdown of Depreciation by Type of Asset

CHF 1000	2009	2008	Change in %
On buildings	5 318	5 351	-0.6
On other tangible fixed assets	22 203	23 410	-5.2
On intangible assets	24 883	20 399	+22.0
Total	52 404	49 160	+6.6

9. EARNINGS BEFORE INTEREST AND TAXES (EBIT)

EBIT for 2009 was CHF 135 million or 89.9 % down on the prior-year result. Organic growth decreased EBIT by 72.1 %, acquisitions and disposals reduced it by 15.3 % and currency movements lowered EBIT by 2.5 %.

10. FINANCIAL RESULT

CHF 1000	2009	2008
Interest income	3 302	15 582
Dividend income	11	120
Gain on disposal of available-for-sale financial assets	2	93
Gain on sale of consolidated companies	0	3 802
Share in profits from associates	42	142
Non-operational exchange differences	787	0
Other financial income	1 109	8 899
Financial income	5 253	28 638
Interest expenses	-4 087	-3 496
Non-operational exchange differences	0	-2 085
Share in losses from associates	-390	-67
Financial expense	-4 477	-5 648

The decline in interest income is due to the lower interest-rate levels.

Other financial income for 2008 included the release of CHF 6.4 million of provisions following the settlement of the legal dispute relating to the sale of BTI Central Europe.

11. INCOME TAXES

CHF 1 000	2009	2008
Current taxes	14 868	27 617
Deferred taxes	- 544	- 5 256
Total	14 324	22 361

Tax expense can be analysed as follows:

CHF 1 000	2009	2008
Tax expense at the average weighted Group tax rate (net)	486	33 817
Non-tax-deductible expenses	881	1 179
Tax-free income	- 487	- 303
Capitalised deferred tax assets from previously not recognised tax loss carry-forwards	- 243	- 8 363
Utilisation of tax loss carry-forwards, not recognised in the statement of financial position	- 589	- 12 356
Tax effect from current losses, not eligible for recognition as assets	14 174	9 103
Effect of changes in tax legislation	603	- 33
Tax income for earlier periods	- 501	- 683
Tax expense reported	14 324	22 361

The weighted average tax rate of the Group for the year under review was 3 % (2008: 19 %). The various tax rates applicable to the group subsidiaries's positive and negative results had a tax rate reducing impact.

Depending on the country involved, profit distributions have varying tax consequences, the extent of which cannot be estimated.

The Group has the following unrecognised tax loss carried forward:

EXPIRING CHF 1 000	2009	2008
Up to 1 year	688	1 809
1 to 5 years	128 506	84 217
Over 5 years	26 786	7 224
Unlimited	154 400	177 144
Total	310 380	270 394
Not capitalised maximum positive tax effect	92 607	83 903

12. EARNINGS PER SHARE (EPS)

	2009	2008
Basic earnings per registered share B in CHF	0.08	52.68
Net result attributable to shareholders of Kuoni Travel Holding Ltd. in CHF 1 000	235	150 656
Weighted average number of shares outstanding	2 865 088	2 860 046
Diluted earnings per registered share B in CHF	0.08	52.68
Theoretical net result attributable to shareholders of Kuoni Travel Holding Ltd. assuming exercise of outstanding options in CHF 1 000	235	150 656
Weighted average number of shares after dilution	2 865 088	2 860 046

13. TANGIBLE FIXED ASSETS

CHF 1 000	Land and buildings	Other tangible fixed assets	Total tangible fixed assets
Purchase cost as at 1 January 2008	205 128	155 384	360 512
Additions	11 460	32 580	44 040
Disposals	- 3 276	- 15 110	- 18 386
Acquisitions	0	2 163	2 163
Sale of subsidiaries	0	- 8 909	- 8 909
Translation differences	- 11 888	- 20 603	- 32 491
Purchase cost as at 31 December 2008	201 424	145 505	346 929
Accumulated depreciation as at 1 January 2008	62 581	95 318	157 899
Additions	5 351	23 410	28 761
Disposals	- 1 604	- 13 776	- 15 380
Sale of subsidiaries	0	- 6 675	- 6 675
Translation differences	- 2 858	- 12 111	- 14 969
Accumulated depreciation as at 31 December 2008	63 470	86 166	149 636
Net book value as at 31 December 2008	137 954	59 339	197 293
Purchase cost as at 1 January 2009	201 424	145 505	346 929
Additions	3 764	25 005	28 769
Disposals	0	- 20 367	- 20 367
Translation differences	428	1 917	2 345
Purchase cost as at 31 December 2009	205 616	152 060	357 676
Accumulated depreciation as at 1 January 2009	63 470	86 166	149 636
Additions	5 318	22 203	27 521
Disposals	0	- 19 162	- 19 162
Translation differences	299	1 011	1 310
Accumulated depreciation as at 31 December 2009	69 087	90 218	159 305
Net book value as at 31 December 2009	136 529	61 842	198 371

Fire Insurance Values

CHF 1 000	31 Dec 2009	31 Dec 2008
Buildings	305 072	258 026
Furniture, fixtures and equipment	156 795	118 220

14. GOODWILL

CHF 1 000	2009	2008
Net book value as at 1 January	394 960	418 394
Acquisitions	1 519	81 283
Purchase price adjustments	- 4 077	- 12 677
Sale of subsidiaries	0	- 5 516
Translation differences	12 884	- 86 524
Net book value as at 31 December	405 286	394 960

The cash-generating units of the Kuoni Group are considered to be its reportable segments. These are examined to determine whether currently capitalised goodwill amounts still reflect the value thereof, or whether impairments are required. Goodwill is allocated to the cash-generating units of the Kuoni Group as follows:

CHF 1 000	Discount rate before taxes	31 Dec 2009	31 Dec 2008
Total Northern Region		243 810	234 238
Scandinavia	13.3%	124 545	121 995
UK & Benelux	13.0%	119 265	112 243
Total Southern Region		62 489	60 881
Switzerland	10.9%	32 188	30 709
Southern Europe	14.0%	12 248	12 298
Asia	22.0%	18 053	17 874
Destinations	13.3%	98 987	99 841
Total		405 286	394 960

The value of goodwill is assessed once a year, or if certain factors or general conditions suggest that its carrying amount can no longer be recovered. The Kuoni Group applies a standard method to assess goodwill values. The basic amount which should be recovered by any goodwill reappraised is based on value-in-use, which is determined from cash flow projections that are themselves based on the latest management-approved business plan. This plan pays due and full regard to the organisational changes and includes the latest management estimates on turnover and margin trends and on operating costs. The business plan also pays due regard to historic values based on past experience and includes projections for the next five years. Subsequent years are considered on a perpetual-annuity basis, using unchanged growth rates from 1 % to 2 %. The discount rates have been calculated on the basis of the weighted average capital costs of the Kuoni Group, with due and full regard to country- and currency-specific risks relating to cash flows. The management believes that - excluding extraordinary events - there are no possible changes to the assumptions made which would lead the carrying amount of the Group's goodwill to exceed its recoverable value.

15. OTHER INTANGIBLE ASSETS

CHF 1 000	Intangible assets from acquisitions	Further intangible assets	Total other intangible assets
Purchase cost as at 1 January 2008	95 524	38 289	133 813
Additions	0	15 450	15 450
Disposals	- 243	- 6 413	- 6 656
Acquisitions	62 926	215	63 141
Sale of subsidiaries	0	- 3 815	- 3 815
Translation differences	- 24 637	- 3 449	- 28 086
Purchase cost as at 31 December 2008	133 570	40 277	173 847
Accumulated depreciation as at 1 January 2008	18 039	23 050	41 089
Additions	12 448	7 951	20 399
Disposals	- 243	- 3 728	- 3 971
Sale of subsidiaries	0	- 3 599	- 3 599
Translation differences	- 5 280	- 2 412	- 7 692
Accumulated depreciation as at 31 December 2008	24 964	21 262	46 226
Net book value as at 31 December 2008	108 606	19 015	127 621
Purchase cost as at 1 January 2009	133 570	40 277	173 847
Additions	0	15 419	15 419
Disposals	- 39	- 3 096	- 3 135
Acquisitions	3 734	0	3 734
Translation differences	3 908	264	4 172
Purchase cost as at 31 December 2009	141 173	52 864	194 037
Accumulated depreciation as at 1 January 2009	24 964	21 262	46 226
Additions	15 213	9 670	24 883
Disposals	- 39	- 2 879	- 2 918
Translation differences	574	116	690
Accumulated depreciation as at 31 December 2009	40 712	28 169	68 881
Net book value as at 31 December 2009	100 461	24 695	125 156

Intangible assets deriving from acquisitions consist largely of capitalised trademark rights, while further intangible assets include software purchased.

16. INVESTMENTS IN ASSOCIATES

CHF 1 000	2009	2008
Net book value as at 1 January	1 690	1 716
Share in profits	42	142
Share in losses	- 390	- 67
Acquisitions	11 249	0
Sale of subsidiaries	0	- 89
Translation differences	0	- 12
Net book value as at 31 December	12 591	1 690

17. OTHER FINANCIAL ASSETS

CHF 1 000	2009	2008
Net book value as at 1 January	44 104	43 068
Additions	6 407	12 863
Disposals	- 5 356	- 8 107
Acquisitions	0	1 719
Sale of subsidiaries	0	- 5 864
Reclassifications	0	4 600
Translation differences	256	- 4 175
Net book value as at 31 December	45 411	44 104

Other financial assets comprise minority holdings and loans amounting to CHF 27.9 million (2008: CHF 27.6 million) and pension assets from funded pension plans totalling CHF 17.5 million (2008: CHF 16.5 million) - see note 6. As in the previous year, no loans exist towards associates.

18. CASH AND CASH EQUIVALENTS

CHF 1 000	31 Dec 2009	31 Dec 2008
Cash holdings and bank current accounts	535 334	318 746
Time deposits and money market investments with a term up to 90 days	125 045	126 856
Total	660 379	445 602

Cash and cash equivalents are denominated in the following currencies:

CHF 1 000	31 Dec 2009	31 Dec 2008
CHF	291 552	137 661
GBP	90 135	57 275
EUR	54 979	43 523
USD	48 928	48 261
Other	174 785	158 882
Total	660 379	445 602

The average interest rates were:

	2009	2008
CHF	0.1 %	2.1 %
GBP	0.8 %	5.1 %
EUR	0.8 %	4.2 %
USD	0.3 %	2.6 %

19. TIME DEPOSITS

This position contains time deposits maturing in more than 90 days.

Time deposits are denominated in the following currencies:

CHF 1000	31 Dec 2009	31 Dec 2008
GBP	0	1 692
EUR	65	146
USD	696	734
Other	3 406	6 685
Total	4 167	9 257

The average interest rates were:

	2009	2008
GBP	1.2 %	5.4 %
EUR	1.0 %	4.6 %
USD	0.7 %	2.9 %

20. ACCOUNTS RECEIVABLE

CHF 1 000	31 Dec 2009	31 Dec 2008
Receivables from customers	142 301	152 547
Receivables from associates	41	0
Other receivables	50 808	59 158
Flat-rate value adjustments	- 15 478	- 13 977
Positive fair values of derivative financial instruments held	20 558	95 530
Total	198 230	293 258

Other receivables include tax receivables of CHF 9.1 million.

Accounts receivable show the following payment dates:

CHF 1 000	31 Dec 2009	31 Dec 2008
Payment not yet due	118 943	204 388
Payment overdue 1 to 30 days	49 450	48 255
Payment overdue 31 to 60 days	14 764	30 893
Payment overdue 61 to 90 days	10 759	8 656
Payment overdue by more than 90 days	19 792	15 043
	213 708	307 235
Flat-rate value adjustments	- 15 478	- 13 977
Total	198 230	293 258

Flat-rate value adjustments to overdue receivables totalled CHF 2.3 million (2008: CHF 1.1 million) to receivables between 61 and 90 days overdue and CHF 13.2 million (2008: CHF 12.9 million) to receivables over 90 days overdue. Some of the underlying receivables are expected to be paid. The receivables with no payment date relate largely to long-term customer relations with agents or processing companies.

Flat-rate value adjustments showed the following developments:

CHF 1 000	2009	2008
Flat-rate value adjustments 1 January	13 977	16 181
Change (net)	1 606	- 1 191
Acquisitions	0	362
Sale of subsidiaries	0	- 140
Translation differences	- 105	- 1 235
Flat-rate value adjustments 31 December	15 478	13 977

21. EQUITY

The capital administered by the Kuoni Group corresponds to the consolidated equity. Kuoni's aims in administering this capital are:

- › to maintain a sound statement of financial position structure based on going-concern values;
- › to maintain the financial scope required for future investments and acquisitions;
- › to ensure a return for investors that is commensurate with their investment risk.

The Kuoni Group administers its equity by means of its statement of financial position equity ratio, i.e. the proportion of equity to the statement of financial position total. The equity ratio amounted to 32.0 % on 31 December 2009.

The Kuoni Group has no minimum-equity covenants.

CHF 1 000	31 Dec 2009	31 Dec 2008
Equity attributable to shareholders of Kuoni Travel Holding Ltd.	582 665	596 885
Non-controlling interest	9 067	8 735
Total equity	591 732	605 620
Total assets	1 851 870	1 727 554
Equity ratio	32.0 %	35.1 %

The Board of Directors makes a proposal to the Annual General Meeting of Shareholders on the use of any profit or balance available for distribution. The Kuoni Group pursues a results-based distribution policy and generally distributes between 30 % and 35 % of its net profit for the year to its shareholders. In doing so, the Group makes use of dividend distributions. The Board of Directors will propose to the Annual General Meeting of Shareholders of 20 April 2010 that a dividend of CHF 1.60 per registered share A and CHF 8.00 per registered share B be distributed for the 2009 financial year.

Composition of Share Capital

Type of share	Registered share A	Registered share B	Total
Number	952 000	2 856 000	3 808 000
Nominal value in CHF	0.20	1.00	-
Share capital			
CHF	190 400	2 856 000	3 046 400
in %	6.25	93.75	100.00
Voting rights			
Number	952 000	2 856 000	3 808 000
in %	25.00	75.00	100.00

Conditional Capital

Conditional capital issuable via the exercise of conversion rights and/or warrants linked to bonds or similar debt issued by Kuoni Travel Holding Ltd. or any of its subsidiaries in the domestic or international capital markets and/or via the exercise of options granted to shareholders amounts to a maximum of CHF 384 000, with a further maximum of CHF 96 000 reserved for employee stock option plans.

Authorised Capital

There is no authorised capital.

Restricted Transferability Provisions

The Articles of Incorporation stipulate that no more than 3 % of the total voting rights may be entered in the name of any one shareholder.

Opting out/Opting up

There is no opting-out or opting-up clause in the Articles of Incorporation.

Principal Shareholders

The following principal shareholders are known to us:

Kuoni and Hugentobler-Foundation, Zurich

31 December 2009: 952 000 registered shares A = 25.00 % of the voting rights

31 December 2008: 952 000 registered shares A = 25.00 % of the voting rights

Silchester International Investors Limited, London

31 December 2009: 688 099 registered shares B = 18.07 % of the voting rights ¹

31 December 2008: 482 325 registered shares B = 12.67 % of the voting rights ¹

The Capital Group Companies, Inc., Los Angeles

31 December 2009: less than 3 % of the voting rights

31 December 2008: 218 990 registered shares B = 5.75 % of the voting rights ¹

Barclays plc, London

31 December 2009: less than 3 % of the voting rights

31 December 2008: 150 260 registered shares B = 3.95 % of the voting rights ¹

Federation of Migros Cooperatives, Zurich together with Anlagestiftung der Migros Pensionskasse, Zurich Pensionskasse der Globus-Unternehmen, Spreitenbach

31 December 2009: 284 656 registered shares B and 39 000 options = 8.50 % of the voting rights ¹

31 December 2008: 154 206 registered shares B and 106 600 options = 6.85 % of the voting rights ¹

¹ Voting rights restricted to 3 % in accordance with Article 5 of the Articles of Incorporation of Kuoni Travel Holding Ltd.

Treasury Shares

	Share buyback Number of registered shares A	Share buyback Number of registered shares B	Share plan Number of registered shares B	Book value CHF 1 000
Held on 1 January 2008	33 600	100 800	192 054	80 088
Sales	0	0	- 8 143	- 407
Deletion	- 33 600	- 100 800	0	- 70 485
Use	0	0	- 11 826	- 591
Held on 31 December 2008	0	0	172 085	8 605
Sales	0	0	- 3 531	- 177
Use	0	0	- 33 060	- 1 653
Held on 31 December 2009	0	0	135 494	6 775

Share Buyback Programme

The Kuoni Group launched a two-year share buyback programme for a total of around CHF 100 million on 16 March 2006. The shares acquired were initially held by the company as treasury shares, with the following ordinary General Meeting of Shareholders asked to approve their deletion via a capital reduction. The share buyback programme was concluded in October 2007. A total of 144 000 registered shares B and 48 000 registered shares A were repurchased for a total of CHF 100.3 million. Of these, 43 200 registered shares B and 14 400 registered shares A were deleted in July 2007 and 100 800 registered shares B and 33 600 registered shares A were deleted in July 2008 following corresponding resolutions by the General Meeting of Shareholders.

The definitive acquisition of the registered shares A offered irrevocably for sale by the Kuoni and Hugentobler Foundation in this connection was subject to the proviso that the ordinary General Meeting of Shareholders legally approved the associated capital reductions and that Kuoni Travel Holding Ltd., Zurich, effected these and had them entered accordingly in the Commercial Register.

Share Plan

The remaining treasury shares held are reserved for the employee share plan of the Board of Directors, the Group Executive Board and management. The changes to treasury shares reflect the registered shares B purchased by or issued to the Board of Directors, the Group Executive Board and management (see note 6).

Options

Options have not been issued from 2005 onwards. The Kuoni Group has had no options outstanding since 31 December 2008.

Retained Earnings

Only a limited amount of retained earnings is available for distribution:

- the free reserves of Kuoni Travel Holding Ltd. subsequent to the approval of an appropriate resolution by the General Meeting of Shareholders;
- the reserves of subsidiaries in accordance with local fiscal and legal provisions, provided they are distributed first to the parent company.

Other Reserves

Other reserves contain translation differences as well as hedging reserves and fair-value reserves. The last two of these are shown with due consideration for deferred taxation amounts.

CHF 1 000	Translation differences	Hedging reserves	Fair-value reserves	Total
Reserves as at 1 January 2008	- 65 848	- 172	288	- 65 732
Realised gains or losses transferred to income statement		- 310	- 274	- 584
Adjustments recognised directly in equity		8 323	0	8 323
Translation differences	- 118 505	547	- 14	- 117 972
Reserves as at 31 December 2008	- 184 353	8 388	0	- 175 965
Realised gains or losses transferred to income statement		- 8 740	0	- 8 740
Adjustments recognised directly in equity		- 2 869	0	- 2 869
Translation differences	15 281	0	0	15 281
Reserves as at 31 December 2009	- 169 072	- 3 221	0	- 172 293

Translation Differences

The biggest translation differences derived from the translation of the assets and liabilities of Group companies reporting in GBP and SEK and of USD-denominated intragroup loans of an equity nature.

Hedging Reserves

The hedging reserves correspond to the positive or negative fair value of currency and fuel price hedging contracts classified as cash flow hedges. They are expected to be removed from equity within 12 months.

Fair-Value Reserves

The fair-value reserves relate to financial assets available for sale.

22. PROVISIONS

CHF 1 000	Employee benefits 2009	Direct costs 2009	Other 2009	Total 2009	Total 2008
Provisions as at 1 January	12 830	2 539	1 472	16 841	14 290
Additions	881	1 934	42	2 857	3 374
Used	- 343	- 60	0	- 403	- 1 359
Released	- 126	- 39	- 58	- 223	- 424
Acquisitions	0	0	0	0	738
Sale of subsidiaries	0	0	0	0	- 3 076
Reclassification	0	0	0	0	4 600
Translation differences	16	- 31	- 35	- 50	- 1 302
Provisions as at 31 December	13 258	4 343	1 421	19 022	16 841

The provisions for employee benefits relate to defined benefit retirement plans, termination benefits to be paid out in accordance with the law and other retirement benefit obligations.

Provisions for direct costs include amounts payable to service providers which are uncertain as to their due dates or size.

23. DEFERRED TAXES

Deferred taxes changed as follows:

CHF 1 000	2009	2008
Deferred tax assets	43 498	36 827
Deferred tax liabilities	50 346	47 457
Deferred taxes as at 1 January (net) before Restatement	6 848	10 630
Restatement IAS 38	-	- 1 353
Deferred taxes as at 1 January (net) after Restatement	6 848	9 277
Changes recognised in the income statement	- 544	- 5 256
Changes not recognised in the income statement	- 4 078	2 862
Acquisitions	570	4 209
Translation differences	579	- 4 244
Deferred taxes as at 31 December (net)	3 375	6 848
Deferred tax assets	39 684	43 498
Deferred tax liabilities	43 059	50 346

At year-end the cumulative deferred taxes recognised directly in equity amounted to CHF 1.1 million (2008: CHF - 2.9 million). They arise largely from the positive and negative current market values of the currency and fuel price hedging contracts classified as cash flow hedges.

Deferred taxes are derived from the following statement of financial position items:

CHF 1 000	Deferred tax assets 31 Dec 2009	Deferred tax liabilities 31 Dec 2009	Deferred tax assets 31 Dec 2008	Deferred tax liabilities 31 Dec 2008	Deferred tax assets 1 Jan 2008	Deferred tax liabilities 1 Jan 2008
Current assets	765	6 157	752	22 623	1 179	8 069
Tangible fixed assets	1 595	5 508	844	6 138	1 680	7 686
Other non-current assets	14	29 445	1 008	26 757	586	29 488
Accrued expenses and provisions	12 880	2 371	23 087	2 960	11 762	2 717
Deferred taxes deriving from timing differences	15 254	43 481	25 691	58 478	15 207	47 960
Netting of deferred taxes within each Group company	- 10 061	- 10 061	- 16 746	- 16 746	- 9 283	- 9 283
Deferred taxes deriving from timing differences (net)	5 193	33 420	8 945	41 732	5 924	38 677
Tax effect on undistributed retained earnings of subsidiaries		9 639		8 614		8 814
Deferred taxes on recognised tax loss carry-forwards	34 491		34 553		32 290	
Total	39 684	43 059	43 498	50 346	38 214	47 491

24. FINANCIAL DEBTS

CHF 1 000	31 Dec 2009	31 Dec 2008
Bond	198 165	0
Bank debts	63 198	33 084
Other	1 981	5 227
Total	263 344	38 311
Of which:		
Current financial debts	6 204	7 396
Non-current financial debts	257 140	30 915

Kuoni Travel Holding Ltd. issued a CHF 200 million bond at an annual interest rate of 3 % in October 2009. The bond was issued at 100.309 %. The bond has a duration of four years and matures on 28 October 2013. The effective interest rate applied is 3.27 %. The bond had a market value of 103 % at year-end (stock exchange price on 31 December).

Bank debts consist of mortgages on properties and subsidiaries' bank overdrafts.

Financial debts are due as follows:

CHF 1 000	31 Dec 2009	31 Dec 2008
Statement of financial position value	263 344	38 311
Contractual cash flows	298 090	43 953
Up to 6 months	5 912	1 059
7 – 12 months	8 311	6 337
1 to 2 years	19 896	6 107
2 to 5 years	248 049	4 646
Over 5 years	15 922	25 804

Financial debts are denominated in the following currencies:

CHF 1 000	31 Dec 2009	31 Dec 2008
CHF	243 200	15 119
EUR	16 715	17 135
USD	0	1 712
GBP	436	349
Other	2 993	3 996
Total	263 344	38 311

Average interest rates were:

	2009	2008
CHF	3.1 %	3.3 %
EUR	3.4 %	5.3 %
GBP	5.6 %	5.9 %

25. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The reported amount contains taxes owed but not yet paid amounting to CHF 8.9 million (2008: CHF 7.0 million).

26. ASSETS AND LIABILITIES HELD FOR SALE

In 2007 these items showed the assets and liabilities of Edelweiss Air AG, Zurich (Switzerland), which was sold in 2008. The Kuoni Group concluded a strategic partnership with Swiss International Air Lines Ltd. (which included the sale to the latter of Edelweiss Air) at the end of 2007, and announced the sale of Edelweiss Air to Swiss International Air Lines on 8 February 2008. In view of the organisational system modifications required, the transaction was effected as planned with the cutover to the winter timetable period at the end of October 2008. The assets of Edelweiss Air consisted largely of the residual values of three short-haul Airbus A320 aircraft which the company continues to operate under its new ownership, plus liquid funds. The company's liabilities consisted mainly of accounts payable and accrued liabilities.

27. RISK MANAGEMENT

The Board of Directors and the management have maintained a risk management process under which a report is compiled every six months on Kuoni's present risk exposure and the current status of defined risk-reducing actions and activities. The probabilities of such risks occurring and the anticipated impact of the risk scenarios analysed also form part of this semi-annual risk management reporting. The Kuoni risk management process further extends to quarterly reporting on any newly-identified risk scenario or changed risk assessment.

Risks are assessed by conducting interviews with management members and further key personnel. The associated risk scenarios are then developed on the basis of these and further considerations, including corporate goals and strategies. Kuoni's groupwide risk management covers 15 top Group-level risks and five specific top risks for each of its three divisions: Northern Region, Southern Region and Destinations.

Kuoni's Internal Control System (ICS) includes, for each business process, the systematic recording of those specific risks which are of relevance thereto in terms of erroneous or fraudulent reporting. The key controls derived therefrom have been implemented and have had their due documentation ensured wherever these had not previously been fully available. Procedures have also been defined to monitor and assess the existence of internal controls.

28. FINANCIAL RISK MANAGEMENT AND DERIVATIVE FINANCIAL INSTRUMENTS

The table below shows the financial instruments held by the Kuoni Group.

CHF 1 000	Loans, receivables and payables at amortised cost	Available- for-sale	Derivative financial instruments		Other ¹	Total carrying amount ²
			at fair value through profit and loss	used as cash flow hedges		
31 Dec 2009						
Other financial assets	26 620	1 259			17 532	45 411
Cash and cash equivalents	660 379					660 379
Time deposits	4 167					4 167
Accounts receivable	168 579		606	19 952	9 093	198 230
Total financial instruments – assets	859 745	1 259	606	19 952	26 625	908 187
Financial debts	263 344					263 344
Accounts payable	217 607		6 784	24 304		248 695
Accrued expenses	335 186				8 919	344 105
Total financial instruments – liabilities	816 137	0	6 784	24 304	8 919	856 144
31 Dec 2008						
Other financial assets	26 590	1 050			16 464	44 104
Cash and cash equivalents	445 602					445 602
Time deposits	9 257					9 257
Accounts receivable	197 728		14 393	81 137		293 258
Total financial instruments – assets	679 177	1 050	14 393	81 137	16 464	792 221
Financial debts	38 311					38 311
Accounts payable	250 460		6 470	69 802		326 732
Accrued expenses	354 009				7 184	361 193
Total financial instruments – liabilities	642 780	0	6 470	69 802	7 184	726 236

¹ The "Other" position shows financial instruments to which the provisions of IAS 39 do not apply.

² The fair values of the financial instruments do not deviate substantially from their carrying amounts.

In the normal course of its business, the Kuoni Group is exposed to liquidity, credit and market risks (interest rate, currency and fuel price risks). To manage these risks, various derivative financial instruments are used. While these are subject to the risk of market rates changing subsequent to their acquisition, such changes are generally offset by opposite effects on the items being hedged.

Liquidity Risk

Liquidity risk is the risk that the Kuoni Group may be unable to meet its financial obligations when these become due for payment. Kuoni permanently monitors its liquidity to keep it at adequate levels, with monthly reports to the Group Executive Board. This is done partly by maintaining liquidity reserves, to even out the usual fluctuations in liquidity levels and needs. Kuoni also has unutilised credit facilities to cope with any major liquidity fluctuations. These unused credit facilities totalled CHF 182 million on 31 December 2009 and are available for loans, overdrafts and hedging activities. The facilities are spread among several banks, to avoid excessive dependence on a single banking institution.

The due dates of the financial debts held are shown in note 24. The other financial instruments held (accounts payable and accrued expenses) are all payable within six months.

Credit Risk

Exposure to credit risk is monitored on an ongoing basis and covered by appropriate value adjustments on accounts receivable and prepayments made (see note 20). Credit risks are limited because the customer base of the Kuoni Group consists of a large number of customers who are spread over a wide range of geographical regions. There are no risk concentrations.

The counterparties to derivative financial instruments and cash are carefully selected financial institutions. Given their high credit ratings, the Kuoni Group does not expect any counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Interest Rate Risk

The Kuoni Group is exposed to interest rate risk as a result of movements in interest rates in the capital market. Generally, all non-current financial liabilities have fixed interest rates. Consequently, changes in interest rates can result in fluctuations in the fair value of such financial liabilities. This would not have any impact on the net result or future cash flows, however. The fair values of financial liabilities do not differ significantly from their carrying amounts on the balance sheet date. No corresponding derivatives are outstanding on the balance sheet date.

Cash flow sensitivity analysis for financial instruments with variable interest rates: a one percentage point increase in the interest rate applicable would have reduced the net result by CHF 0.7 million. A one percentage point reduction in the interest rate applicable would have increased the net result by the same amount. This analysis is based on the assumption that all other influencing factors remain unchanged.

Foreign Currency Risk

The Kuoni Group incurs foreign currency risk primarily on purchases and borrowings denominated in a currency other than the functional currency of the subsidiary concerned. A further foreign currency risk of smaller significance derives from the amount of turnover denominated in a currency other than the measurement currency of the subsidiary concerned. On a consolidated basis, the Group is also exposed to currency fluctuations between the Swiss franc and the local measurement currencies of its subsidiaries. The major currencies giving rise to currency risk for the Kuoni Group are the euro, the pound sterling, the Swedish krona and the US dollar.

Foreign currency risks are monitored within the Kuoni Group in accordance with specified guidelines. These guidelines contain principles on risk limits, the forms of hedging instruments permitted and the relevant risk monitoring processes. The guidelines prohibit on principle the use of derivative financial instruments for speculative purposes. The enforcement of these guidelines and general risk management are provided by the Kuoni Group's treasury units in the form of a hedging strategy. Monthly reports are submitted to the Group Executive Board on the current risk situation.

The Kuoni Group uses forward exchange contracts and currency options to hedge its foreign currency risk. Most hedging contracts have maturities of up to 12 months. Where necessary, the forward exchange contracts are rolled over at maturity. The Kuoni Group does not hedge against the foreign currency risks associated with its net investment in foreign entities or the related foreign currency translation of local earnings.

The currency hedging contracts outstanding at year-end are summarised in the following table. Gains and losses on hedge contracts qualifying as cash flow hedges are expected to be removed from equity within 12 months. Changes in the fair value of forward exchange contracts, currency options and swaps that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied are recognised in the income statement. Both the changes in fair value of the forward contracts and the foreign exchange gains and losses relating to the monetary items are reported under direct costs.

Fuel Price Risk

Novair, the airline of the Kuoni Group, is exposed to changes in fuel prices. It uses standardised forward fuel contracts, which are always settled net. Accordingly, these contracts qualify as cash flow hedges, and are also summarised in the table below.

Derivative Financial Instruments

CHF 1 000	Positive fair values 31 Dec 2009	Negative fair values 31 Dec 2009	Contract values 31 Dec 2009	Positive fair values 31 Dec 2008	Negative fair values 31 Dec 2008	Contract values 31 Dec 2008
Cash flow hedges						
Currency-related forward contracts, swaps and options	16 718	- 24 276	915 724	81 092	- 34 281	960 044
Commodity options (aviation fuel)	3 234	- 28	35 291	45	- 35 521	66 041
Other derivative financial instruments						
Currency-related forward contracts, swaps and options	606	- 6 784	201 037	14 393	- 6 470	307 779
Total	20 558	- 31 088	1 152 052	95 530	- 76 272	1 333 864

The fair value is the (higher or lower) value at which a derivative contract could be concluded on the balance sheet date. The fair values calculated on the balance sheet date should be looked at not in isolation but together with the calculated value of anticipated future transactions and hence in the context of the aggregate reduction in the Group's exposure to currency movements. Positive or negative fair values of derivative financial instruments are carried on the statement of financial position under accounts receivable or accounts payable.

Derivative financial instruments by currency:

CHF 1 000	Positive fair values 31 Dec 2009	Negative fair values 31 Dec 2009	Contract values 31 Dec 2009	Positive fair values 31 Dec 2008	Negative fair values 31 Dec 2008	Contract values 31 Dec 2008
EUR	4 393	- 9 439	448 541	35 263	- 11 537	507 963
USD	7 706	- 16 582	391 874	42 075	- 9 941	396 191
THB	648	- 964	44 646	2 909	- 463	33 133
Other currencies	4 577	- 4 075	231 700	15 238	- 18 810	330 536
Commodity options (aviation fuel)	3 234	- 28	35 291	45	- 35 521	66 041
Total	20 558	- 31 088	1 152 052	95 530	- 76 272	1 333 864

Maturities of derivative financial instruments:

CHF 1 000	Positive fair values 31 Dec 2009	Negative fair values 31 Dec 2009	Contract values 31 Dec 2009	Positive fair values 31 Dec 2008	Negative fair values 31 Dec 2008	Contract values 31 Dec 2008
Up to 6 months	9 002	- 19 595	688 796	66 443	- 47 183	833 810
7 to 12 months	8 539	- 8 903	393 951	28 772	- 28 422	493 839
1 to 2 years	3 017	- 2 590	69 305	315	- 667	6 215
2 to 3 years	0	0	0	0	0	0
Total	20 558	- 31 088	1 152 052	95 530	- 76 272	1 333 864

The table below shows the financial instruments used, valued at their fair market values and using their valuation method.

The levels have been defined as follows:

Level 1: Current market value in an active market of an identical financial instrument.

Level 2: Current market value in an active market of a similar financial instrument or a valuation method whose prime input factors are not based on observable market data.

Level 3: Valuation method whose prime input factors are not based on observable market data.

CHF 1 000

31 Dec 2009	Level 1	Level 2	Level 3	Total
Derivative financial assets	0	20 558	0	20 558
Other financial assets	0	0	0	0
Total financial assets	0	20 558	0	20 558
Derivative financial liabilities	0	31 088	0	31 088
Other financial liabilities	0	0	0	0
Total financial liabilities	0	31 088	0	31 088

The table below shows the currency risk deriving from financial instruments whose currency differs from the functional currency of the subsidiary holding the instrument concerned:

IN MILLION FOREIGN CURRENCY	USD	EUR	THB	USD	EUR	THB
	31 Dec 2009	31 Dec 2009	31 Dec 2009	31 Dec 2008	31 Dec 2008	31 Dec 2008
Intercompany loans	1.0	0.0	0.0	9.3	0.0	0.0
Other financial assets	2.9	0.4	0.0	4.8	0.6	0.0
Cash and cash equivalents	32.5	12.1	72.6	19.6	9.4	24.4
Time deposits	0.6	0.0	0.0	0.0	0.0	0.0
Accounts receivable 3rd party	11.6	23.5	1.1	12.3	19.5	0.0
Accounts receivable intercompany	6.0	3.5	0.3	10.3	0.9	0.0
Prepaid expenses	6.9	17.0	155.3	9.1	11.9	205.2
Less assets hedged (fair value hedge)	-2.4	-4.0	0.0	-4.4	-15.0	0.0
Assets exposure	59.1	52.5	229.3	61.0	27.3	229.6
Intercompany loans	9.5	25.1	0.0	14.0	21.0	0.0
Accounts payable 3rd party	17.5	10.3	129.6	20.5	42.3	104.0
Accounts payable intercompany	10.5	7.0	27.5	20.6	3.4	44.0
Accrued expenses	34.4	22.7	184.5	31.5	16.8	205.3
Advance payments by customers	4.4	3.4	0.0	0.9	2.1	0.0
Less liabilities hedged (fair value hedge)	-38.2	-22.1	-260.0	-58.5	-36.3	-290.5
Liabilities exposure	38.1	46.4	81.6	29.0	49.3	62.8
Net balance sheet exposure	21.0	6.1	147.7	32.0	-22.0	166.8
Estimated forecast sales	12.3	15.4	0.0	10.4	40.1	0.0
Estimated forecast purchases	-421.9	-334.5	-1 602.1	-354.2	-368.6	-1 424.9
Gross estimated forecast exposure	-409.6	-319.1	-1 602.1	-343.8	-328.5	-1 424.9
Foreign currency hedges	279.3	221.1	1 047.3	265.7	264.2	1 068.4
Net exposure	-109.3	-91.9	-407.1	-46.1	-86.3	-189.7

A change in the foreign-currency positions shown at year-end as a result of a 5% or 3% change in currency exchange rates would have increased or decreased consolidated equity and the net Group result by the amounts shown below. This analysis is based on the assumption that all other variables (and interest rates in particular) remained unchanged. The consolidated income statement may also be substantially affected by any changes in currency exchange rates relating to financial instruments bought and sold within the business year to which the provisions of IFRS 7 do not apply.

Foreign-currency Sensitivity Analysis

FUNCTIONAL CURRENCY CHF MILLION	Nominal currency USD +/- 5 %		Nominal currency EUR +/- 3 %		Nominal currency THB +/- 5 %	
	Equity	Income Statement	Equity	Income Statement	Equity	Income Statement
31 Dec 2009						
CHF	1.9	0.3	2.5	0.9	0.1	0.0
GBP	3.6	0.1	0.5	0.1	0.3	0.0
SEK	4.3	0.2	5.4	0.0	0.8	0.2
EUR	2.2	0.0	n.a.	n.a.	0.1	0.0
31 Dec 2008						
CHF	2.1	0.2	3.5	0.0	0.2	0.0
GBP	3.7	0.2	1.1	0.0	0.1	0.0
SEK	2.6	1.0	5.2	0.1	0.6	0.2
EUR	3.1	0.1	n.a.	n.a.	0.1	0.0

29. FREE CASH FLOW

CHF 1 000	2009	2008
Cash flow from operating activities	46 738	108 704
Purchase of tangible fixed assets	– 28 769	– 44 040
Purchase of intangible assets	– 15 419	– 15 450
Disposal of tangible fixed assets	2 178	6 265
Free cash flow	4 728	55 479

30. ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

CHF 1 000	2009	2008
Interest received	4 232	15 510
Interest paid	– 3 589	– 3 108
Income taxes paid	– 23 201	– 38 867

These three positions are included in cash flow from operating activities.

31. RELATED PARTIES

Related parties refer to directors and Group Executive Board members (together with members of their families), major shareholders and companies controlled by these parties, associates and pension plans. Transactions with related parties are priced on an arm's-length basis.

Kuoni and Hugentobler-Foundation, Zurich

The Kuoni and Hugentobler-Foundation received a (gross) dividend of CHF 1.9 million on the basis of its shareholding.

Associates

All transactions with associates are priced on an arm's-length basis. The Kuoni Group made sales to associates totalling CHF 0.8 million in 2009 (2008: CHF 2.0 million), while purchases from associates amounted to CHF 0.1 million (2008: CHF 2.9 million). For receivables outstanding, please see notes 16 and 20. As in the previous year, no profits were distributed by associates in 2009.

Pension Plans

The transactions between the Kuoni Group and the various defined benefits pension plans for its employees are shown in note 6. As in the previous year, the Kuoni Group currently has no liabilities towards these pension plans.

Group Executive Board and Board of Directors Compensation

The total compensation (including employer's contributions to social-security and pension funds) paid to members of the Group Executive Board and the Board of Directors, which is included in personnel expense (see note 6), consisted of:

CHF MILLION	Group Executive Board		Board of Directors		Total	
	2009	2008	2009	2008	2009	2008
Short-term employee benefits	4.8	4.4	0.8	0.8	5.6	5.2
Post-employment benefits	0.8	0.5	0.1	0.0	0.9	0.5
Termination benefits	1.8	0.0	0.0	0.0	1.8	0.0
Share-based payments	3.5	1.7	0.7	0.7	4.2	2.4
Total	10.9	6.6	1.6	1.5	12.5	8.1

The compensation paid to and shares held by members of the Board of Directors and the Group Executive Board are shown in detail on pages 72 to 75 of the financial statements of Kuoni Travel Holding Ltd., in compliance with Swiss law.

32. CONTINGENT LIABILITIES, ASSETS PLEDGED

CHF 1 000	31 Dec 2009	31 Dec 2008
Contingent liabilities	0	1 492
Assets pledged	88 001	88 536

The assets pledged were used to secure bank loans with mortgage collateral.

33. LEASING LIABILITIES

Finance Leases

As in the prior year, there are no finance leasing liabilities.

Operating Leases

This position mainly relates to leasing liabilities of Novair for certain aircraft and to lease contracts for buildings.

CHF 1 000	31 Dec 2009	31 Dec 2008
Liabilities payable up to 1 year	55 216	57 896
Liabilities payable 1 to 5 years	108 076	73 652
Liabilities payable over 5 years	29 404	16 163
Total leasing liabilities not recognised in the statement of financial position	192 696	147 711
Amount recognised in the income statement in current year	60 208	69 911

34. POST-YEAR-END EVENTS

The consolidated financial statements of the Kuoni Group were approved and released for publication by the Board of Directors on 18 March 2010. The Board of Directors also resolved on the same date to propose to the General Meeting of Shareholders that a dividend of CHF 1.60 per registered share A and CHF 8.00 per registered share B be paid for the 2009 financial year. The final approval of the above is subject to the General Meeting of Shareholders of 20 April 2010.

No events have occurred since 31 December 2009 that would either necessitate an adjustment to the carrying amounts of the Group's assets and liabilities or need to be disclosed here.

The US operations of the destination management division of TBA Global, LLC of the USA were acquired on 1 February 2010. The business acquired generated turnover of around CHF 24 million in 2009. The acquisition specialises in organising destination management services in the fields of meeting, incentive, conference and event (M.I.C.E.).

Principal Subsidiaries and Associates

EUROPE

	Activity	Currency	Paid-in share capital	Investment in %	Consolidation	
Switzerland						
	Kuoni Reisen AG, Zurich	L/D	CHF	7 000 000	100	C
	Kontiki-Saga Reisen AG, Baden	L	CHF	200 000	100	C
	Manta Reisen AG, Zurich	L	CHF	50 000	100	C
	PRZ AG, Zurich	L	CHF	200 000	100	C
	Railtour Suisse SA, Berne	L	CHF	1 600 000	93	C
	Frantour Suisse SA, Geneva	L	CHF	1 500 000	100	C
	Direkt Reisen AG, Urdorf	L	CHF	500 000	100	C
Austria						
	Kuoni Destination Management Ges.m.b.H., Vienna	D	EUR	253 000	100	C
Belgium						
	Kuoni Travel Belgium B.V. B.A., Ghent	L	EUR	3 235 000	100	C
Denmark						
	Kuoni Scandinavia Danmark, Copenhagen	L	DKK	0	100	C
	Kuoni Destination Management A/S, Copenhagen	D	DKK	600 000	100	C
	Falk Lauritsen Rejser A/S, Herning	L	DKK	500 000	100	C
France						
	Voyages Kuoni S.A., Paris	L/D	EUR	507 000	100	C
Hungary						
	Kuoni Destination Management Kft., Budapest	D	HUF	3 000 000	100	C
Italy						
	Kuoni Italia S.p.A., Genoa	L	EUR	3 000 000	100	C
	Kuoni Destination Management S.p.A., Rome	D	EUR	1 548 000	100	C
The Netherlands						
	Kuoni Travel Nederland B.V., Amsterdam	L	EUR	13 230 000	100	C
	Kuoni Destination Management B.V., Amsterdam	D	EUR	55 815	100	C
	Kuoni Specialists B.V., Amsterdam	L	EUR	83 000	100	C

EUROPE

	Activity	Currency	Paid-in share capital	Investment in %	Consolidation	
Norway						
	Kuoni Scandinavia AB, Oslo	L	NOK	0	100	C
Russia						
	UTE Megapolis Group Co. Ltd., Moscow	L	RUB	10 000	80	C
	Universal Touroperator for Europe Co. Ltd., Moscow	L	RUB	8 400	80	C
Spain						
	Viajes Kuoni S.A., Madrid	L	EUR	2 614 600	100	C
	Kuoni Destination Management S.L., Madrid	D	EUR	150 000	100	C
	Sotavento S.A., Fuerteventura	L	EUR	3 060 000	100	C
Sweden						
	Kuoni Scandinavia AB, Stockholm	L	SEK	23 000 000	100	C
	Nova Airlines AB, Stockholm	L	SEK	15 000 000	100	C
United Kingdom						
	Kuoni Travel Ltd., Dorking	L/D	GBP	1 500 000	100	C
	CV Travel Holdings Ltd., London	L	GBP	650 000	100	C
	Holiday Supplies Ltd., Liverpool	L	GBP	50 000	100	C
	Kirker Holdings Ltd., London	L	GBP	4 442 000	100	C
	Voyages Jules Verne Ltd., London	L	GBP	100	100	C
	Carrier Ltd., Cheshire	L	GBP	139 000	100	C

Activity:

L = Leisure Travel

D = Destination Management

C = Corporate

Consolidation:

C = consolidated

E = equity-consolidated

OVERSEAS

	Activity	Currency	Paid-in share capital	Investment in %	Consolidation	
Australia						
	Australian Tours Management Pty Ltd., Melbourne	D	AUD	500 000	100	C
China						
	Kuoni Travel (China) Ltd., Hong Kong	L	HKD	2 400 000	100	C
	S.K.Y. Travel Company Ltd., Guangzhou	L	CNY	5 101 000	100	C
	Et-china.com International Holdings Ltd., Guangzhou	L	CNY	0	30	E
Dubai						
	Desert Adventures Tourism LLC, Dubai	D	AED	300 000	80	C
India						
	Kuoni Travel (India) Pvt. Ltd., Mumbai	L/D	INR	83 500 000	100	C
	Kuoni Business Travel India Pvt. Ltd., Delhi	L	INR	8 450 000	100	C
	VFS Global Services Pvt. Ltd., Mumbai	L	INR	283 670 000	100	C
Japan						
	Kuoni Travel (Japan) Ltd., Tokyo	D	JPY	50 000 000	100	C
Kenya						
	Private Safaris (E.A.) Ltd., Nairobi	D	KES	62 500 000	80	C
Mauritius						
	Kuoni Asian Investments (Mauritius) Ltd., Port Louis	C	USD	1 000 000	100	C
	VF Worldwide Holdings Ltd., Port Louis	L	USD	665 000	100	C
Nepal						
	Sita World Travel (Nepal) Pvt. Ltd., Kathmandu	D	NPR	2 250 000	63	C

OVERSEAS

	Activity	Currency	Paid-in share capital	Investment in %	Consolidation
Singapore					
Kuoni Travel (S) PTE Ltd., Singapore	D	SGD	100 000	100	C
South Africa					
Kuoni Private Safaris (Pty) Ltd., Cape Town	D	ZAR	500 000	100	C
South Korea					
Kuoni Travel (Korea) Ltd., Seoul	D	KRW	100 000 000	100	C
Sri Lanka					
Sita World Travel (Lanka) Pvt. Ltd., Colombo	D	LKR	2 500 000	76	C
Thailand					
Asian Trails Ltd., Bangkok	D	THB	24 000 000	49	C
Kuonissimo (Thailand) Ltd., Bangkok	D	THB	2 451 000	49	C
United States					
AlliedTPro, Inc., New York	D	USD	170 000	100	C
Kuoni Travel (Atlanta) Inc., Atlanta	D	USD	50 000	100	C
Kuoni Holding Delaware, Inc., Wilmington	C	USD	1	100	C

Activity:

L = Leisure Travel

D = Destination Management

C = Corporate

Consolidation:

C = consolidated

E = equity-consolidated

Report of the Statutory Auditor

Report of the Statutory Auditor on the Consolidated Financial Statements to the General Meeting of Shareholders of Kuoni Travel Holding Ltd., Zurich.

As statutory auditor, we have audited the consolidated financial statements of Kuoni Travel Holding Ltd., Zurich, which are presented on pages 4 to 59 and comprise the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes for the year ended 31 December 2009.

Board of Directors' Responsibility

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used

and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2009 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards and comply with Swiss law.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the board of directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG LTD.



MARTIN SCHAAD
Licensed Audit Expert
Auditor in Charge



CHRISTOPH VON AESCH
Licensed Audit Expert

Zurich, 18 March 2010



Five-Year Summary of Key Data

CHF MILLION	2009	2008 restated	2007	2006	2005
Turnover	3 894	4 855	4 699	4 082	3 688
Total Northern Region	1 664	2 017	1 970	1 681	1 569
Scandinavia	1 012	1 193	1 004	808	704
UK & Benelux ¹	652	824	966	873	865
Total Southern Region	1 462	1 871	1 856	1 676	1 537
Switzerland	821	1 028	1 001	975	847
Southern Europe	374	539	558	494	500
Asia	267	304	297	207	190
Destinations	894	1 101	1 009	839	668
Corporate	0	0	0	0	0
EBIT	15.1	150.4	139.5	121.7	120.4
Total Northern Region	14.5	61.2	84.3	79.2	74.6
Scandinavia	5.3	29.0	38.9	24.2	24.4
UK & Benelux ¹	9.2	32.2	45.4	55.0	50.2
Total Southern Region	33.5	80.8	55.9	46.2	48.3
Switzerland	1.5	39.4	19.7	18.4	26.7
Southern Europe	6.1	18.9	20.1	17.3	13.5
Asia	25.9	22.5	16.1	10.5	8.0
Destinations	15.5	38.5	32.0	24.2	19.5
Corporate	-48.4	-30.1	-32.7	-27.9	-22.0
Net result	1.6	151.0	135.7	116.7	-42.0
Investments in tangible fixed assets and intangible assets	44.2	59.5	53.2	42.6	35.3
Depreciation	52.4	49.2	56.3	46.8	47.0
Cash flow (net cash from operating activities)	46.7	108.7	256.9	190.3	153.7
Net cash	59.3	88.0	88.8	173.8	285.6
Non-current assets	827	809	795	819	610
Current assets	1 025	919	1 142	975	1 049
Equity	592	606	607	601	582
Equity ratio	32.0 %	35.1 %	31.3 %	33.5 %	35.1 %
Non-current liabilities	319	98	115	103	187
Current liabilities	941	1 024	1 216	1 090	890
Total assets	1 852	1 728	1 937	1 794	1 659
Invested capital²	760	701	711	637	798
Return on Invested Capital (ROIC)³	0.1 %	18.8 %	17.0 %	16.1 %	11.3 %
Kuoni Economic Profit (KEP)⁴	-64.3	71.9	60.4	48.1	22.4
Average number of personnel (FTE)	9 070	9 797	8 826	7 502	6 943
Total Northern Region	1 757	1 878	1 725	1 483	1 402
Scandinavia	1 021	1 122	992	802	676
UK & Benelux ¹	736	756	733	681	726
Total Southern Region	4 914	5 557	5 052	4 376	4 031
Switzerland	1 190	1 426	1 434	1 374	1 323
Southern Europe	546	718	789	810	834
Asia	3 178	3 413	2 829	2 192	1 874
Destinations	2 264	2 256	1 950	1 508	1 355
Corporate	135	106	99	135	155

CHF	2009	2008 restated	2007	2006	2005
Cash flow (net cash from operating activities)					
Per registered share A	3.26	7.60	17.62	12.74	10.32
Per registered share B	16.31	38.01	88.11	63.70	51.59
Net result					
Per registered share A	0.02	10.54	9.27	7.80	-2.87
Per registered share B	0.08	52.68	46.36	39.02	-14.33
Equity					
Per registered share A	40.67	41.74	41.33	40.00	38.88
Per registered share B	203.37	208.70	206.67	200.00	194.39
Dividend					
Per registered share A	1.60 ⁵	2.00	3.40	3.00	0.00
Per registered share B	8.00 ⁵	10.00	17.00	15.00	0.00
Total dividend payout	24 371 200⁶	28 631 310	48 737 640	44 326 545	0
Nominal value reduction	0	0	0	0	44 800 000
Payout ratio	>100%	19.0%	35.9%	38.0%	n.a.
Yield	2.29%	2.78%	2.88%	2.30%	2.57%
Registered share A (nominal value CHF 0.20)					
Number outstanding	952 000	952 000	985 600	1 000 000	1 000 000
Number entitled to dividend	952 000	952 000	985 600	1 000 000	1 000 000
Stock market prices	not listed	not listed	not listed	not listed	not listed
Registered share B (nominal value CHF 1.00)					
Number outstanding	2 856 000	2 856 000	2 956 800	3 000 000	3 000 000
Number entitled to dividend	2 678 221 ⁶	2 672 731	2 669 800	2 755 103	2 788 284
Stock market prices	high	387	616	784	713
	low	253	290	517	543
	at year-end	349	360	590	652
Annual trading volume in CHF million	697	1 447	1 931	1 635	1 294
Stock market capitalisation as at 31 December in CHF million	1 063	1 097	1 861	2 086	1 741

The data presented are based on the consolidated financial statements. Any changes made to Kuoni Group accounting policies as a result of changes to International Financial Reporting Standards are not retroactively applied.

¹ Until 31 December 2005 incl. North America.

² Invested capital is the average annual total of all net current assets, tangible fixed assets, goodwill actually paid (less any impairments effected) and other net assets (excluding interest-bearing assets and liabilities).

³ Return on Invested Capital (ROIC) is defined as net operating profit after tax (NOPAT) as a proportion of average invested capital. NOPAT is defined as earnings before interest and taxes (EBIT) less income-dependent taxes.

⁴ Kuoni Economic Profit or KEP is defined as net operating profit after tax (NOPAT) less the cost of capital invested in operations. The cost of capital invested in operations is determined by multiplying average invested capital by a weighted average cost of capital (WACC) of 8.50% of the Kuoni Group.

⁵ Proposal of the Board of Directors to the General Meeting of Shareholders on 20 April 2010. Subject to definitive approval by the General Meeting of Shareholders.

⁶ As at 31 December 2009.

Kuoni Travel Holding Ltd.

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Statement of Financial Position

ASSETS CHF	Notes	31 Dec 2009	%	31 Dec 2008	%
Non-current assets					
Investment in subsidiaries	(6)	483 117 815	44.2	474 023 704	52.8
Loans to group companies		337 869 864	30.9	321 578 864	35.9
Loans to associates and third parties		2 616 515	0.2	2 702 078	0.3
Other financial assets		261 951	0.0	268 784	0.0
Tangible fixed assets					
> Land and building	(2)	4 460 000	0.4	4 560 000	0.5
> Furniture, fixtures and equipment	(2)	1	0.0	1	0.0
Total non-current assets		828 326 146	75.7	803 133 431	89.5
Current assets					
Cash and cash equivalents		250 924 374	23.0	82 743 986	9.2
Securities	(10)	8 889 850	0.8	9 195 550	1.0
Accounts receivable					
> from third parties		56 483	0.0	396 736	0.1
> from group companies		2 764 703	0.3	1 877 275	0.2
Prepaid expenses		1 989 738	0.2	1 089 975	0.0
Total current assets		264 625 148	24.3	94 322 522	10.5
Total assets		1 092 951 294	100.0	897 455 953	100.0
EQUITY AND LIABILITIES					
CHF	Notes	31 Dec 2009	%	31 Dec 2008	%
Equity					
Share capital	(7)	3 046 400	0.3	3 046 400	0.3
Legal reserves					
> General reserves		8 000 000	0.7	8 000 000	0.9
> Share premium reserve		171 778 732	15.7	170 316 835	19.0
> Reserve for treasury shares	(10)	8 889 850	0.8	9 195 550	1.0
Other reserves	(7)	371 110 150	34.0	331 804 450	37.0
Retained earnings					
> Profit carried forward		5 124 235	0.5	5 864 276	0.6
> Net result		24 806 902	2.3	66 891 269	7.5
Total equity		592 756 269	54.3	595 118 780	66.3
Liabilities					
Provisions		239 219 000	21.9	239 177 000	26.7
Bond	(9)	200 000 000	18.3	0	0.0
Accounts payable					
> to third parties		2 716 369	0.2	2 696 852	0.3
> to group companies		35 031 514	3.2	44 117 846	4.9
Accrued expenses		23 228 142	2.1	16 345 475	1.8
Total liabilities		500 195 025	45.7	302 337 173	33.7
Total equity and liabilities		1 092 951 294	100.0	897 455 953	100.0

Income Statement

CHF	Notes	2009	2008
Income			
Financial income	(3)	2 782 431	3 458 712
Income from investments in subsidiaries	(4)	62 126 318	110 310 265
Other operating income		819 182	1 019 700
Total income		65 727 931	114 788 677
Expenses			
Personnel expense		21 635 058	22 302 345
Administrative expense		8 486 102	11 812 253
Expenses related to investments in subsidiaries	(5)	8 656 514	9 043 254
Other expenses		445 190	1 274 673
Depreciation		100 000	700 000
Financial expense		1 486 413	2 266 254
Income taxes		111 752	498 629
Total expenses		40 921 029	47 897 408
Net result		24 806 902	66 891 269

Notes

INTRODUCTION

In legal terms, Kuoni shareholders are shareholders of Kuoni Travel Holding Ltd., Zurich, which controls the subsidiaries listed at the end of the consolidated accounts. From an economic standpoint, the shareholders of Kuoni Travel Holding Ltd. are invested in the entire Group, and for this reason the consolidated accounts are of primary importance.

The accounts of Kuoni Travel Holding Ltd. are drawn up in conformity with Swiss company law.

1. CONTINGENT LIABILITIES, ASSETS PLEDGED

CHF	31 Dec 2009	31 Dec 2008
Contingent liabilities	452 620 000	423 877 000
Assets pledged	0	0

Contingent liabilities consist of sureties and guarantees for consolidated subsidiaries.

2. FIRE INSURANCE VALUES

CHF	31 Dec 2009	31 Dec 2008
Buildings	11 322 000	10 458 400
Furniture, fixtures and equipment	658 000	650 400

3. FINANCIAL INCOME

The financial income derives largely from interest on investments.

4. INCOME FROM INVESTMENT IN SUBSIDIARIES

The income from investment in subsidiaries consists of dividends received as well as income from the sale of subsidiaries. As in the prior year, all wholly-owned subsidiaries were charged management fees to cover Group overheads.

5. EXPENSES RELATED TO INVESTMENT IN SUBSIDIARIES

This item relates to support given to subsidiaries as well as to currency-related value adjustments and provisions. Where necessary, losses incurred by subsidiaries were either offset by direct subsidies or appropriate allocations were made to provisions earmarked for that purpose.

6. INVESTMENT IN SUBSIDIARIES

We refer to the information on principal subsidiaries and associates on pages 56 to 59 of the Financial Report.

7. EQUITY

CHF	Share capital	Legal reserves	Other reserves	Retained earnings	Total equity
Equity as at 1 January 2007	3 200 000	208 469 047	332 856 389	106 091 909	650 617 345
Net result				64 622 722	64 622 722
Appropriation of retained earnings			57 628 438	- 57 628 438	0
Dividends				- 44 326 545	- 44 326 545
Capital deletion	- 46 080		- 29 780 362		- 29 826 442
Sale of treasury shares		2 820 978	304 700		3 125 678
Share buyback		43 877 117	- 43 877 117		0
Equity as at 31 December 2007	3 153 920	255 167 142	317 132 048	68 759 648	644 212 758
Net result				66 891 269	66 891 269
Appropriation of retained earnings			14 157 732	- 14 157 732	0
Dividends				- 48 737 640	- 48 737 640
Capital deletion	- 107 520		- 70 377 370		- 70 484 890
Sale of treasury shares		2 830 133	407 150		3 237 283
Share buyback		- 70 484 890	70 484 890		0
Equity as at 31 December 2008	3 046 400	187 512 385	331 804 450	72 755 545	595 118 780
Net result				24 806 902	24 806 902
Appropriation of retained earnings			39 000 000	- 39 000 000	0
Dividends				- 28 631 310	- 28 631 310
Sale of treasury shares		527 298	176 550		703 848
Use of treasury shares		628 899	129 150		758 049
Equity as at 31 December 2009	3 046 400	188 668 582	371 110 150	29 931 137	592 756 269

The share capital is composed as follows:

CHF	31 Dec 2009
952 000 registered shares A CHF 0.20 nominal value	190 400
2 856 000 registered shares B CHF 1.00 nominal value	2 856 000
Total share capital	3 046 400

Conditional Capital

Conditional capital issuable via the exercise of conversion rights and/or warrants linked to bonds or similar debt issued by Kuoni Travel Holding Ltd. or any of its subsidiaries in the domestic or international capital markets and/or via the exercise of options granted to shareholders amounts to a maximum of CHF 384 000, with a further maximum of CHF 96 000 reserved for employee stock option plans.

Authorised Capital

There is no authorised capital.

Restricted Transferability Provisions

The Articles of Incorporation stipulate that no more than 3 % of the total voting rights may be entered in the share register in the name of any one shareholder.

Opting out/Opting up

There is no opting-out or opting-up clause in the Articles of Incorporation.

8. PRINCIPAL SHAREHOLDERS

We are aware of the following principal shareholders:

Kuoni and Hugentobler-Foundation, Zurich

31 December 2009: 952 000 registered shares A = 25.00 % of the voting rights

31 December 2008: 952 000 registered shares A = 25.00 % of the voting rights

Silchester International Investors Limited, London

31 December 2009: 688 099 registered shares B = 18.07 % of the voting rights ¹

31 December 2008: 482 325 registered shares B = 12.67 % of the voting rights ¹

The Capital Group Companies, Inc., Los Angeles

31 December 2009: less than 3 % of the voting rights

31 December 2008: 218 990 registered shares B = 5.75 % of the voting rights ¹

Barclays plc, London

31 December 2009: less than 3 % of the voting rights

31 December 2008: 150 260 registered shares B = 3.95 % of the voting rights ¹

Federation of Migros Cooperatives, Zurich together with Anlagestiftung der Migros Pensionskasse, Zurich Pensionskasse der Globus-Unternehmen, Spreitenbach

31 December 2009: 284 656 registered shares B and 39 000 options = 8.50 % of the voting rights ¹

31 December 2008: 154 206 registered shares B and 106 600 options = 6.85 % of the voting rights ¹

¹ Voting rights restricted to 3% in accordance with Article 5 of the Articles of Incorporation of Kuoni Travel Holding Ltd.

9. BOND

Kuoni Travel Holding Ltd. issued a CHF 200 million 3% bond in October 2009. The bond has a duration of four years and matures on 28 October 2013.

10. TREASURY SHARES

CHF 1 000	Share buyback: Number of registered shares A	Share buyback: Number of registered shares B	Share plan: Number of registered shares B	Book value CHF 1 000
Held on 1 January 2008	33 600	100 800	192 054	80 088
Purchase	0	0	0	0
Sale	0	0	- 8 143	- 407
Deletion	- 33 600	- 100 800	0	- 70 485
Held on 31 December 2008	0	0	183 911	9 196
Purchase	0	0	0	0
Sale	0	0	- 3 531	- 177
Use	0	0	- 2 583	- 129
Held on 31 December 2009	0	0	177 797	8 890

Share Buyback Programme

The Kuoni Group launched a two-year share buyback programme for a total of around CHF 100 million on 16 March 2006. The shares acquired were initially held by the company as treasury shares, with the following ordinary General Meeting of Shareholders asked to approve their deletion via a capital reduction. The share buyback programme was concluded in October 2007. A total of 144 000 registered shares B and 48 000 registered shares A were repurchased for a total of CHF 100.3 million. Of these, 43 200 registered shares B and 14 400 registered shares A were deleted in July 2007 and 100 800 registered shares B and 33 600 registered shares A were deleted in July 2008 following corresponding resolutions by the General Meeting of Shareholders.

The definitive acquisition of the registered shares A offered irrevocably for sale by the Kuoni and Hugentobler Foundation in this connection was subject to the proviso that the ordinary General Meeting of Shareholders legally approved the associated capital reductions and that Kuoni Travel Holding Ltd., Zurich, effected these and had them entered accordingly in the Commercial Register.

Share Plan

The remaining treasury shares held are reserved for the share purchase plan of the Group Executive Board and management. The changes to treasury shares reflect the registered shares B purchased by or issued to the Board of Directors, the Group Executive Board and management (see note 6 to the consolidated financial statements).

11. RELATED PARTIES

The Kuoni and Hugentobler-Foundation received a dividend payment of CHF 1.9 million in 2009.

12. COMPENSATION PAID

Compensation paid to members of the Board of Directors

For their service in 2009, the members of the Board of Directors received the compensation shown in the table below.

The aggregate compensation paid to the members of the Board of Directors in 2009 amounted to CHF 1.6 million (2008: CHF 1.5 million).

No compensation was paid in 2009 to members of the Board of Directors who had left in the prior period or earlier. Kuoni Travel Holding Ltd. and its Group companies had not granted any collateral, loans, advances or credits to members of the Board of Directors or to persons associated with them as at 31 December 2009. No options were allocated in the year under review.

	Basic cash compensation (fixed)		Share-based compensation (fixed)		Social security contributions	Total
	CHF 1 000	Number of shares	CHF 1 000		CHF 1 000	CHF 1 000
2009						
Henning Boysen, Chairman	254	920	210		28	492
Wolfgang Beeser	91	331	75		8	174
Heinz Karrer	102	368	84		12	198
John Lindquist	77	276	63		10	150
David Schnell	145	460	105		0	250
Annette Schömmel	77	276	63		10	150
Raymond D. Webster	77	276	63		10	150
Total	823	2 907	663		78	1 564
2008						
Henning Boysen, Chairman	250	462	210		0	460
Wolfgang Beeser	90	167	76		0	166
Heinz Karrer	111	185	84		12	207
John Lindquist	75	139	63		0	138
David Schnell	157	231	106		0	263
Annette Schömmel	84	139	63		9	156
Raymond D. Webster	75	139	63		0	138
Total	842	1 462	665		21	1 528

Compensation paid to the Group Executive Board

For their service in 2009, the members of the Group Executive Board received the compensation shown in the table below. The aggregate compensation paid to the members of the Group Executive Board in 2009 amounted to CHF 8.3 million. The highest individual total compensation paid in 2009 amounted to CHF 2.9 million.

2009 CHF 1 000	Group Executive Board ¹	Of which: Reto Wilhelm
Basic cash compensation (fixed)	3 639	466
Variable compensation (bonus):		
> in cash	1 797	457
> in shares ²	0	0
Pension scheme contributions ³	666	113
Social security contributions	385	64
Other compensation amounts	27	5
Termination benefits	1 792	1 792
Total	8 306	2 897

2008 CHF 1 000	Group Executive Board ⁴	Of which: Max E. Katz
Basic cash compensation (fixed)	2 380	642
Variable compensation (bonus):		
> in cash	1 056	439
> in shares ⁵	1 718	490
Pension scheme contributions ³	519	188
Social security contributions	257	87
Other compensation amounts	24	6
Termination benefits	0	0
Total	5 954	1 852

¹ Six members. The amounts shown include the compensation paid to Reto Wilhelm until his departure on 30 September 2009, and the compensation paid for the last three months of the year to Leif V. Larsen, who joined the Group Executive Board on 1 October 2009.

² No member of the Group Executive Board was awarded any shares in 2009. The share-based component of the 2008 bonus awards will be paid on completion of the corresponding three-year performance assessment period in spring 2011.

³ Three members of the present Group Executive Board are entitled to take early retirement in accordance with the regulations of the "Patronale Fürsorgestiftung". The non-contribution-based costs of the corresponding benefits are included in the pension fund contributions shown. The corresponding regulations have not been extended to any new Group Executive Board member since 2005.

⁴ Four members.

⁵ The members of the Group Executive Board received 1 332 registered shares B in bonus payments in 2008. These shares are subject to a blocking period extending until 2010. An additional 1 332 matching shares are available to the Group Executive Board after the three-year vesting period. The cost of these matching shares is included in the compensation disclosed above.

The compensation includes basic salaries for 2009 and bonus payments for 2008. No compensation was paid in 2009 to members of the Group Executive Board who had left in the prior period or earlier. Kuoni Travel Holding Ltd. and its Group companies had not granted any collateral, loans, advances or credits to any members of the Group Executive Board or to persons associated with them as at 31 December 2009. No options were allocated in the year under review.

13. SHARE OWNERSHIP

Board of Directors and Group Executive Board

	Registered share B as at 31 December		Other equity instruments	
	Number of shares	Voting rights	Number of shares	Voting rights
2009				
Board of Directors				
Henning Boysen, Chairman	2 587	0.07 %	0	
Wolfgang Beeser	621	0.02 %	0	
Heinz Karrer	689	0.02 %	0	
John Lindquist	517	0.01 %	0	
David Schnell	2 048	0.05 %	0	
Annette Schömmel	967	0.03 %	0	
Raymond D. Webster	667	0.02 %	0	
Group Executive Board				
Max E. Katz	2 890	0.08 %	0	
Stefan Leser	889	0.02 %	0	
Rolf Schafroth	460	0.01 %	0	
Leif Vase Larsen ¹	505	0.01 %	0	
Reto Wilhelm ²	2 277	0.06 %	0	
Total	15 117	0.40 %	0	0%
2008				
Board of Directors				
Henning Boysen, Chairman	1 667	0.04 %	0	
Wolfgang Beeser	290	0.01 %	0	
Heinz Karrer	321	0.01 %	0	
John Lindquist	241	0.01 %	0	
David Schnell	1 588	0.04 %	0	
Annette Schömmel	691	0.02 %	0	
Raymond D. Webster	391	0.01 %	0	
Group Executive Board				
Max E. Katz	2 698	0.07 %	0	
Stefan Leser	742	0.02 %	0	
Rolf Schafroth	460	0.01 %	0	
Reto Wilhelm	2 292	0.06 %	0	
Total	11 381	0.30 %	0	0%

¹ Member of the Group Executive Board newly appointed during 2009.

² Member of the Group Executive Board who left the company during 2009.

Board of Directors (non-executive members only)

NUMBER OF SHARES	Blocking period
2 653	none
1 074	2010
1 462	2011
2 907	2012

Group Executive Board (current)

NUMBER OF SHARES	Blocking period
5 300	none
1 426	2010
146	2011
149	2012

14. RISK MANAGEMENT

The Board of Directors and the management have maintained a risk management process under which a report is compiled every six months on Kuoni's present risk exposure and the current status of defined risk-reducing actions and activities. The probabilities of such risks occurring and the anticipated impact of the risk scenarios analysed also form part of this semi-annual risk management reporting. The Kuoni risk management process further extends to quarterly reporting on any newly-identified risk scenario or changed risk assessment.

Risks are assessed by conducting interviews with management members and further key personnel. The associated risk scenarios are then developed on the basis of these and further considerations, including corporate goals and strategies. Kuoni's groupwide risk management covers 15 top Group-level risks and five specific top risks for each of its three divisions: Northern Region, Southern Region and Destinations.

Kuoni's Internal Control System (ICS) includes, for each business process, the systematic recording of those specific risks which are of relevance thereto in terms of erroneous or fraudulent reporting. The key controls derived therefrom have been implemented and have had their due documentation ensured wherever these had not previously been fully available. Procedures have also been defined to monitor and assess the existence of internal controls.

Board of Directors' Proposal for the Appropriation of Retained Earnings

CHF	2009	2008
Profit carried forward	5 124 235	5 864 276
Net result for the year	24 806 902	66 891 269
Retained earnings	29 931 137	72 755 545
Dividends:		
Per registered share A CHF 1.60 gross	1 523 200	1 904 000
Per registered share B CHF 8.00 gross		
› on 2 678 221 shares entitled to dividend at 31 December 2009	21 425 768	26 727 310
› on 177 779 treasury shares set aside for the employee stock option plan at 31 December 2009	1 422 232 ¹	
Total dividends	24 371 200	28 631 310
Allocation to other reserves	5 000 000	39 000 000
Appropriation of profit	29 371 200	67 631 310
Profit carried forward to new account	559 937	5 124 235
Retained earnings	29 931 137	72 755 545

¹ The dividends on treasury shares B which have been set aside for the employee stock option plan and are in our possession on the date of the dividend payment will be added to retained earnings.

Report of the Statutory Auditor

Report of the Statutory Auditor on the Financial Statements to the General Meeting of Shareholders of Kuoni Travel Holding Ltd., Zurich.

As statutory auditor, we have audited the financial statements of Kuoni Travel Holding Ltd., Zurich, which are presented on pages 66 to 75 and comprise the statement of financial position, income statement and notes for the year ended 31 December 2009.

Board of Directors' Responsibility

The board of directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2009 comply with Swiss law and the company's articles of incorporation.


Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG LTD.



MARTIN SCHAAD
Licensed Audit Expert
Auditor in Charge



CHRISTOPH VON AESCH
Licensed Audit Expert

Zurich, 18 March 2010

Corporate Governance

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Introduction

This Corporate Governance Report describes the principles of management and control as they apply to the top decision-making bodies of the Kuoni Group. It has been prepared in conformity with the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange. Unless otherwise specified, all the information contained in the report is based on data as at 31 December 2009. The Kuoni Group's corporate governance policy complies with the Corporate Governance Directive of the SIX Swiss Exchange which was issued on 1 July 2002 and supplemented on 1 January 2008. The principles and rules of corporate governance as practised by the Kuoni Group are set out in the company's Articles of Incorporation, the company bylaws and the regulations of the Board of Directors committees. The Chairman of the Board of Directors reviews the content and current relevance of these regularly, and proposes any additions or amendments required to the Board of Directors.

This document follows the sequence of the SIX Directive on Information Relating to Corporate Governance and includes, under Section 10, the Compensation Report of the Board of Directors.

1 Group Structure and Shareholders

1.1 GROUP STRUCTURE

Kuoni Travel Holding Ltd. is a holding company under Swiss law which has direct or indirect shareholdings in all the companies worldwide which belong to the Kuoni Group. The Kuoni Group maintains lean and efficient management structures at all levels. While the Board of Directors devotes itself to overall management, strategic and supervisory duties, the Group Executive Board is entrusted with operational management tasks. For a diagram of the operational structure of the Kuoni Group, see page 20 of the Annual Report.

The registered shares B of Kuoni Travel Holding Ltd., Zurich, are traded on the SIX Swiss Exchange (securities number 350 485, ISIN CH 0003504856). The company's legal domicile is at Neue Hard 7, Zurich. Kuoni Travel Holding Ltd. acquired a 32% equity holding in Et-china.com International Holding Ltd., a travel corporation domiciled in Southern China which is listed on the London AIM exchange, on 3 June 2009. Kuoni Travel Holding Ltd. does not hold any further equity interests in any stock-exchange-listed companies.

For details of the unlisted companies that belong to the Kuoni Group of consolidated companies, see pages 56 to 59 of the Financial Report.

1.2 PRINCIPAL SHAREHOLDERS

The information on principal shareholders of Kuoni Travel Holding Ltd. is provided in the table on page 38 of the Financial Report.

There are no shareholders' agreements in effect.

1.3 CROSS-SHAREHOLDINGS

Kuoni Travel Holding Ltd. has no cross-shareholdings, whether purely of a capital nature or involving voting rights.

2 Capital Structure

2.1 CAPITAL

For further details and the composition of the amounts of ordinary, authorised and conditional capital of the Kuoni Group at year-end, please see note 21 on page 37 of the Financial Report. Further information on the capital structure is available at <http://www.kuoni-group.com/Investor+Relations/Share+Capital+Structure/>.

2.2 AUTHORISED AND CONDITIONAL CAPITAL IN PARTICULAR

Conditional capital amounts issuable via the exercising of conversion rights and/or warrants linked to bonds or similar debt issued by Kuoni Travel Holding Ltd. or any of its subsidiaries in the domestic or international capital markets and/or via the exercise of options granted to shareholders amounts to a maximum of CHF 384 000, with a further maximum of CHF 96 000 reserved for employee stock option plans.

In the case of issues of bonds or similar debt instruments to which conversion and/or warrant rights are attached, the pre-emptive rights of the existing shareholders are excluded. The holders of the said conversion and/or warrant rights are entitled to subscribe for new registered shares. The acquisition of registered shares through the exercise of conversion and/or warrant rights and any subsequent transfer thereof are subject to the transfer and voting restrictions contained in the Articles of Incorporation. The Board of Directors is authorised to restrict or revoke the pre-emptive rights of shareholders when such bonds or similar debt instruments to which conversion and/or warrant rights are attached are issued to finance the acquisition of other companies or parts of companies. If shareholders' pre-emptive rights are revoked by a decision of the Board of Directors, the conversion and/or warrant rights concerned will be issued at the prevailing market price, and the new registered shares will be issued at market rates, with due regard to the current market price of the registered shares concerned and/or of comparable financial instruments with a market price. The exercise period is limited to ten years for conversion rights and to seven years from the date of the bond issue for warrant rights.

2.3 CHANGES IN CAPITAL AND SHARE BUYBACK PROGRAMME

For 2007, 2008 and 2009, please refer to note 7 on page 69 of the Financial Report.

2.4 SHARES AND PARTICIPATION CERTIFICATES

The composition of the share capital of Kuoni Travel Holding Ltd. is shown on page 37 of the Financial Report. At the General Meeting of Shareholders of Kuoni Travel Holding Ltd. each registered share carries one vote. These voting rights can only be exercised if the shareholder is registered as a shareholder with voting rights in the Kuoni Travel Holding Ltd. share register. Under Swiss law, such registration also requires a declaration from the shareholder that they have acquired the shares concerned in their own name and for their own account.

The registered shares of Kuoni Travel Holding Ltd. are not evidenced by certificates (registered shares with deferred certificate printing) but as book-entry securities deposited with SIX SIS Ltd. Shareholders can demand, however, that certificates for their registered shares be printed and delivered to them free of charge at any time, and Kuoni Travel Holding Ltd. can arrange the printing of uncertificated registered shares at any time. If certificates for registered shares are printed, Kuoni Travel Holding Ltd. can issue a single certificate for a multiple of registered shares. The registered shares bear a facsimile signature of the Chairman and a member of the Board of Directors. The registered shares are fully paid up.

All registered shares are entitled to a dividend. Kuoni Travel Holding Ltd. waives its entitlement to a dividend on any shares held by the company as treasury shares at the time of the dividend payment.

2.5 DIVIDEND-RIGHT CERTIFICATES

Kuoni Travel Holding Ltd. has no dividend-right certificates.

2.6 RESTRICTIONS ON TRANSFERABILITY AND NOMINEE REGISTRATIONS

The Board of Directors of Kuoni Travel Holding Ltd. denies the registration of an acquirer of registered shares as the holder or usufructuary of the registered shares with voting rights concerned if, as a result of such registration, the acquirer were to acquire or collectively hold, directly or indirectly, more than 3 % of the registered share capital entered in the Commercial Register. For the registered shares exceeding this 3 % ceiling, the acquirer shall be registered in the share register as the holder or usufructuary of these registered shares without voting rights.

Legal entities or partnerships that are interrelated through capital ownership, voting rights or uniform management or are otherwise linked with one another, as well as individual persons or legal entities or partnerships who act in concert for the purpose of circumventing the limitation for registration in the share register shall, for the purposes of the preceding paragraph, be treated as one single acquirer.

The limitation for registration in the share register set forth in paragraph 1 shall, subject to Article 652b, Paragraph 3 of the Swiss Code of Obligations, also apply to registered shares which are acquired through the exercising of pre-emptive rights, warrants and conversion rights. The limitation for registration in the share register shall not apply to an acquisition of registered shares by succession or division of estate or under marital property law.

Other than set forth above, acquirers of registered shares shall be registered in the share register as shareholders with voting rights upon their application, provided they expressly declare that they have acquired the registered shares in their own name and for their own account.

The Board of Directors of Kuoni Travel Holding Ltd. may register individual persons who do not expressly declare that they hold the registered shares for their own account (nominees) in the share register with voting rights if the nominee has entered into an agreement with the Board of Directors with respect to such status and if the nominee is subject to the supervision of a recognised bank or financial market.

The Board of Directors of Kuoni Travel Holding Ltd. may also, after having heard the person concerned, cancel a person's registration in the share register as a shareholder or nominee with voting rights with retroactive effect to the date of registration if such registration was based on incorrect information from the acquirer, and shall then in such cases register the shareholder or nominee concerned in the share register as a shareholder or nominee without voting rights. In the event of any such action, the shareholder concerned must be immediately informed.

The Board of Directors of Kuoni Travel Holding Ltd. shall specify the particulars and give the necessary directions to ensure compliance with the preceding provisions. It may also allow exemptions in particular cases from the regulation regarding nominees and/or the percentage limitation specified in paragraph 1.

The vested rights of the shareholders entered in the share register on 25 February 1995 (including those of their legal successors by virtue of the devolution or partition of an estate, a matrimonial property regime or a merger with or incorporation into a directly-controlled, wholly-owned holding company) remain intact. The limitations outlined above shall also not apply to shares which have been or will be acquired by the shareholders entered in the share register on 25 February 1995 or their legal successors as defined above through the exercising of subscription, warrant, option or conversion rights arising from the shares entered in the share register on 25 February 1995 and any shares derived therefrom.

No exceptions were granted to the transferability and nominee registration restrictions during 2009.

2.7 CONVERTIBLE BONDS AND OPTIONS

Kuoni Travel Holding Ltd. had no convertible bonds outstanding in 2009. No options have been issued since 2005, and there were no options outstanding at the end of 2009.

3 Board of Directors

3.1 MEMBERS OF THE BOARD OF DIRECTORS

a) The Board of Directors of Kuoni Travel Holding Ltd. consists of the following seven members:

Name	Born	Nationality	Function	Joined	Current term expires
Henning Boysen	1946	Danish	Chairman	2003	2012
David Schnell	1947	Swiss	Member	2002	2012
Annette Schömmel	1965	Swiss/German	Member	2004	2010
Raymond D. Webster	1946	British/ New Zealander	Member	2006	2010
Wolfgang Beeser	1942	German	Member	2007	2010
Heinz Karrer	1959	Swiss	Member	2007	2011
John Lindquist	1950	British/US-American	Member	2007	2011

The curricula vitae of the individual Board members can be viewed at <http://www.kuoni-group.com/About+Us/Board+of+Directors/>.

- b) All the members of the Board of Directors are non-executive independent directors.
- c) None of the present Board members sat on the Group Executive Board of Kuoni Travel Holding Ltd. or on the executive board of any group subsidiary of Kuoni Travel Holding Ltd. within the last three years. Similarly, none of the present Board members maintains material business relationships with Kuoni Travel Holding Ltd. or with any group subsidiary of Kuoni Travel Holding Ltd.

3.2 OTHER ACTIVITIES AND FUNCTIONS

Details of other activities and functions of the members of the Board of Directors are available at <http://www.kuoni-group.com/About+Us/Board+of+Directors/>.

3.3 ELECTION AND TERM OF OFFICE

Each individual member of the Kuoni Travel Holding Ltd. Board of Directors is elected separately by the General Meeting of Shareholders. The Board of Directors determines its own organisation and appoints a Chairman from among its members. As specified in the Articles of Incorporation, the Board of Directors consists of a minimum of five and a maximum of nine members. These members are each elected for a term of office that shall not exceed three years, with each year extending from one Ordinary General Meeting of Shareholders to the next. The Board of Directors also appoints a Vice-Chairman and a Secretary, the latter of whom need not to be a Board member.

The organisational regulations and company bylaws of the Board of Directors also stipulate that members of the Board of Directors will automatically retire from the Board on the date of the General Meeting of Shareholders following their 70th birthday.

For information on the initial election and remaining period of office of each member of the present Board of Directors, please see the table under 3.1 above.

3.4. INTERNAL ORGANISATION

The Board of Directors is the company's supreme managing body and is responsible for supervising the management of the company and its business. It represents the company to the outside world and deals with all matters that are not entrusted to another body of the company under the law, the company's Articles of Incorporation or its organisational regulations. The Board of Directors may delegate its powers and management responsibilities or individual parts thereof to one or several persons, Board members or third parties, who need not be shareholders of the company, provided such powers and responsibilities are not compulsorily assigned to it by law or the Articles of Incorporation. The Board issues organisational regulations and arranges the appropriate contractual relationships.

The Board of Directors has in particular the following non-delegable and inalienable duties:

1. to provide the ultimate direction of the company and issue the requisite directives;
2. to determine the company organisation;
3. to organise the company's accounting, financial control and financial planning;
4. to appoint and dismiss the persons entrusted with the company's management and representation and to regulate signatory authorities and the authorities thereby bestowed;
5. to provide ultimate supervision of the persons entrusted with the company's management, specifically in terms of their compliance with the law and the company's Articles of Incorporation, regulations and directives;
6. to prepare the Annual Report and the General Meeting of Shareholders and implement the latter's resolutions;
7. to adopt resolutions on the subsequent paying-in of amounts on non-fully-paid-up registered shares and amend the Articles of Incorporation accordingly;
8. to adopt resolutions on increases in share capital insofar as such power is vested in the Board of Directors (Swiss Code of Obligations, article 651, paragraph 4), confirm capital increases, compile the corresponding capital increase reports and amend the Articles of Incorporation accordingly and
9. to notify the courts in the event of overindebtedness.

The Board of Directors may also, subject to the relevant legal provisions, delegate all or part of its duties to manage and represent the company to one or more of its members (as managing directors) or to third parties by issuing the appropriate bylaws.

The Board of Directors is quorate when a majority of its members are present. Two committees have been formed to assist the Board in its work: the Audit Committee and the Nomination and Compensation Committee.

Each of these committees has written regulations specifying its tasks and responsibilities, and each is chaired by a chairman elected by the Board of Directors. The committees meet regularly and are obligated to keep minutes of their meetings with a record of their recommendations to the regular meetings of the Board. The items to be discussed at the committees' meetings are tabled by their chairman. Committee members receive documentation prior to their meetings which enables them to prepare for discussion of the agenda items concerned.

The Audit Committee currently consists of David Schnell (chairman), Wolfgang Beeser and Raymond D. Webster. The Audit Committee has assured itself that the majority of its members have the requisite expertise in accounting and financial management. As a rule, the Chairman of the Board, the CEO, the CFO, a representative of the internal auditors and a representative of the statutory external auditors also attend Audit Committee meetings. The Audit Committee reports to the Board of Directors on its conclusions, and the Board of Directors takes appropriate action.

The prime duty of the Audit Committee is to support the Board of Directors in its monitoring and supervision of the company's accounting and financial management. Its main tasks therein comprise:

- › providing independent and objective monitoring of the integrity of the company's consolidated reporting process, internal financial control systems and accounting and their compliance with the relevant legal provisions;
- › assessing the independence and performance of both the external and the internal auditors;
- › ensuring open communications between the Group Executive Board, the Board of Directors and the internal and external auditors.

The Audit Committee further reviews:

- › the guidelines imposed by the Group Executive Board to ensure efficient financial reporting processes and controls;
- › periodic discussions of the current state of affairs with the Group Executive Board and the internal auditors and separately with the external auditors.

The Audit Committee also performs the following main tasks which have been assigned to it by the Board of Directors:

- › reviewing the Annual Report, the annual and interim financial statements and the auditing reports and management letters of the Kuoni Group and Kuoni Travel Holding Ltd. and submitting proposals to the Board of Directors;
- › ensuring compliance with set accounting standards within the Group;
- › approving the integrated audit plans of the external auditor as well as the internal auditor;
- › assessing and discussing the external auditors' audit reports;
- › assessing the performance, independence and compensation of the external auditors;
- › selecting the auditing company to be proposed to the General Meeting of Shareholders for election as the company's statutory auditor and submitting the corresponding proposal to the Board of Directors;
- › periodically reviewing internal processes and procedures;
- › periodically reviewing the suitability and effectiveness of the internal auditors;
- › submitting proposals to the Board of Directors on entries into the share register for shareholders with voting rights in connection with Article 5 of the Articles of Incorporation;
- › submitting proposals to the Board of Directors on notifying the courts in the event of overindebtedness.

The Audit Committee has its own authority on the following matters:

- › ensuring the auditors' fulfilment of the legal requirements on licensing as stipulated in the Auditor Oversight Act (AOA) and independence (Swiss Code of Obligations, Article 728);
- › maintaining the share register;
- › periodically reviewing the guidelines issued on ad-hoc publicity and the prevention of insider dealing;
- › periodically reviewing the organisation of assurance management and the internal auditor;
- › reviewing strategic tax planning issues;
- › appointing and remunerating external auditors for subsidiaries;
- › appointing and dismissing the heads of Internal Audit and Risk Management.

The Nomination and Compensation Committee is composed of Heinz Karrer (chairman), John Lindquist and Annette Schömmel. The main tasks of the Nomination and Compensation Committee are to monitor the organisation, qualification, performance and remuneration of management and the Board of Directors and to review the terms and conditions of any employee share purchase plan. Other tasks performed by the committee are assessing the performance of the CEO and the Group Executive Board as a team, arranging succession plans for the members of the Board of Directors and the Group Executive Board, seeking and proposing new members for the Board of Directors and furthering the development of management as a whole. The Nomination and Compensation Committee may also enlist the services of external specialists to assist it in its decisions and recommendations. The Nomination and Compensation Committee reports to the Board of Directors on its conclusions, and the Board of Directors takes appropriate action on the basis thereof. In this connection, please also see the Compensation Report (Section 10 below).

The Board of Directors and its committees meet as often as business requires. The Board of Directors met eight times for regular meetings in 2009 and held one further telephone conference. The Audit Committee and the Nomination and Compensation Committee held four and three regular meetings respectively.

The agenda of the Board of Directors' meetings is set by the Chairman. Any member of the Board of Directors may table an agenda item. The members of the Board of Directors each receive documentation prior to the meetings which enables them to prepare for discussion of the agenda items concerned.

An annual self-assessment procedure has been established to permanently monitor and if possible enhance the performance of the Board of Directors. This evaluates how efficiently the Board and its committees are performing their functions and meeting their responsibilities, whether each Board member participates actively in Board discussions and makes contributions based on independent judgement, and whether an environment of open discussions is maintained at Board meetings.

3.5. DEFINITION OF AREAS OF RESPONSIBILITY

The duties of the Board of Directors of Kuoni Travel Holding Ltd. are set out primarily in the Swiss Code of Obligations, the company's Articles of Incorporation and the company's organisational regulations. The Board of Directors of Kuoni Travel Holding Ltd. manages the subsidiaries under its legal and/or economic control as a corporate group. The responsibility for the resolutions taken by the Board of Directors therefore extends not only to the company in the legal sense but also to all the subsidiaries described above by virtue of the Board's authority to issue instructions to the representatives of the company in their respective governing bodies. Within the overall parameters imposed by the law and the Articles of Incorporation, the Board of Directors delegates the management of the company to the Group Executive Board by means of the relevant company organisational regulations, which can be viewed at <http://www.kuoni-group.com/Investor+Relations/Corporate+Governance.htm>.

The Group Executive Board has the duty and the authority to manage the Kuoni Group's business operations. It is responsible in particular for:

- › planning, managing and monitoring the company's profitability, risk positions, balance sheet structure and liquidity within the guideline parameters laid down by the Board of Directors;
- › devising the business strategy, multi-year business plan and budget for the following business year, and submitting these to the Board of Directors;
- › preparing and submitting proposals to the Board of Directors, particularly in relation to financing policy, investment policy, asset management policy, risk management and sourcing and trading policy, and in other areas as and where required;
- › compiling the annual and interim accounts and providing the additional information required in connection therewith, and submitting these to the Board of Directors.

The Group Executive Board also ensures the subsequent detailed adoption of such policies and the observance of the principles laid down in connection therewith, and reports regularly to the Board of Directors on such activities.

- › implementing the resolutions of the Board of Directors;
- › ensuring that all legal requirements are observed and that all applicable legal provisions are familiar to and observed by the company's employees (Corporate Compliance; the basic parameters here are laid down in the company's Code of Conduct);
- › the internal organisation and the internal control system;
- › hiring and dismissing employees;
- › monitoring the performance of external service providers;
- › preparing meetings of the Board of Directors together with its Chairman and presenting the necessary documents;
- › devising proposals and requests for submission to the Board of Directors;
- › reporting to the Board of Directors.

The Group Executive Board is empowered to pass resolutions on all business assigned to it. The Group Executive Board may submit such business to the Board of Directors for approval. The provisions on which items of business must be submitted to the Board of Directors for approval are laid down in the company organisational regulations (Article 4.3 thereof).

3.6 INFORMATION AND CONTROLLING INSTRUMENTS FOR SUPERVISING THE GROUP EXECUTIVE BOARD

The Management Information System (MIS) of the Kuoni Group is structured as follows. The financial statements of the individual subsidiaries are prepared on a monthly, quarterly, semi-annual and annual basis. These figures are aggregated per division and consolidated for the Group. The figures are compared with the previous year and the budget. The attainability of the budget, which is based on the first year of a three-year mid-term plan for each subsidiary, is assessed on the basis of quarterly reporting and forecasts. The heads of the divisions submit monthly written reports on the progress of business to the Group Executive Board and the Board of Directors. These reports are discussed with the Group Executive Board at the Board of Directors' meetings.

The Group Executive Board also provides the Board of Directors with monthly reports on the company's business activities, the implementation and observance of Board resolutions, the company's liquidity, pending legal items and regulatory matters.

Any member of the Board of Directors may demand to be informed about the company's affairs. The CEO is responsible for informing the Board of Directors about the current course of business and important business transactions occurring in the company and in its subsidiaries. The CEO reports to the Chairman of the Board at regular intervals. The CEO must also inform the Chairman immediately of any unusual events (if the CEO is unable to do so, this must be done by his deputy), and the Chairman will in turn pass such information on to the members of the Board.

To ensure the direct information of the full Board of Directors, the CEO regularly attends all meetings of the Board of Directors and its committees unless the Board or its committees need to conduct a closed meeting session. The CFO also attends all meetings of the Audit Committee and is further present for most agenda items at full Board meetings. The further members of the Group Executive Board attend Board meetings for particular agenda items as and when required. The Chairman of the Board also receives copies of the minutes of all meetings of the Group Executive Board.

The company's risk management function provides an established risk model for identifying, managing and monitoring strategic and operational risks throughout the Kuoni Group. The groupwide risk profile consists of the risks identified in the Group's country organisations (adopting the bottom-up approach) and groupwide strategic risks (adopting the top-down approach). The present risk profile and the current status of risk-reducing measures resolved are regularly monitored and are reported twice-yearly to the Board of Directors.

Internal Audit complements the controlling mechanisms available to the Board of Directors and reports directly to the same. Internal Audit supports the Group Executive Board in special projects as requested by the CEO or other members of the Group Executive Board, and in other matters. Internal Audit's main task is to conduct an independent assessment of internal control systems and their effectiveness with regard to potential risks. The reports prepared by Internal Audit regarding the audits carried out are submitted to the members of the Audit Committee, the Chairman of the Board, the CEO, the CFO, the Head of Corporate Controlling, the Group General Counsel and the external auditor. Each report also contains comments by the management regarding the key findings of the audits conducted in addition to suggested improvements.

4 The Group Executive Board

4.1 MEMBERS OF THE GROUP EXECUTIVE BOARD

For details of the members of the Group Executive Board, please see the pages 22 to 27 of the Annual Report.

4.2 OTHER ACTIVITIES AND FUNCTIONS

Details of other activities and functions of Group Executive Board members are provided at <http://www.kuoni-group.com/About+Us/Executive+Board/>.

No member of the Group Executive Board holds any official function or occupies any position of political office.

4.3 MANAGEMENT CONTRACTS

Kuoni Travel Holding Ltd. and its Group subsidiaries have not concluded any management contracts with any third parties.

5 Compensation, Shares and Loans

We refer to the remarks in the Compensation Report in Section 10 hereafter.

6 Shareholders' Participation Rights

6.1 RESTRICTION AND REPRESENTATION OF VOTING RIGHTS

Each share entitles its holder to one vote. When exercising their right to vote, no shareholder shall be able to vote, with respect to their own shares or shares represented as a proxy, directly or indirectly, with more than 3 % of the registered share capital entered in the Commercial Register. This limitation on voting rights does not apply to corporate proxies (Article 689c of the Swiss Code of Obligations), independent proxies (Article 689c of the Swiss Code of Obligations), depositaries (Article 689d of the Swiss Code of Obligations) or shareholders registered in the share register as shareholders with voting rights for more than 3 % of the registered share capital entered in the Commercial Register.

Legal entities or partnerships that are interrelated through capital ownership, voting rights or uniform management or that are otherwise linked with one another, as well as individual persons or legal entities or partnerships acting in concert for the purpose of circumventing the limitation on registration in the share register are regarded as one single shareholder, for the purposes of the preceding paragraph.

The Board of Directors of Kuoni Travel Holding Ltd. issues procedural rules regarding participation in and representation at the General Meeting of Shareholders. A shareholder may only be represented at the General Meeting of Shareholders by their legal representative, another shareholder with the right to vote, the corporate proxy, the independent proxy or a depositary. All the shares held by a shareholder may be represented by one person only.

The members of the Board of Directors of Kuoni Travel Holding Ltd. who are present at the General Meeting of Shareholders decide whether powers of attorney are to be recognised.

The vested rights of the shareholders entered in the share register on 25 February 1995 (including those of their legal successors by virtue of the devolution or partition of an estate, a matrimonial property regime or merger with or incorporation into a directly-controlled, wholly-owned holding company) remain intact. The limitations outlined above shall also not apply to shares which have been or will be acquired by the shareholders entered in the share register on 25 February 1995 or their legal successors as defined above through the exercising of subscription, warrant, option or conversion rights arising from the shares entered in the share register on 25 February 1995 and any shares derived therefrom.

No exceptions were granted during the year under review.

The Board of Directors can, in exceptional circumstances, approve a special dispensation from these regulations. The Board of Directors is also authorised to strike entries from the share register if these have come about as a result of false information, after hearing the position of the persons affected.

6.2 STATUTORY QUORUMS

The following resolutions of the General Meeting of Shareholders require at least two-thirds of the votes represented and an absolute majority of the nominal value of the shares represented to be passed:

- › amendments to the Articles of Incorporation, including any changes to the company's purpose;
- › the creation of shares with privileged voting rights;
- › limiting or relaxing the transferability of registered shares;
- › an authorised or conditional capital increase;
- › a capital increase through the conversion of capital surplus, in return for a non-cash contribution or for the purposes of acquiring property and granting special rights;
- › limiting or revoking pre-emptive rights;
- › changes to the location of the company's registered office;
- › the dissolution of the company through liquidation or by merger.

6.3 CONVENING THE GENERAL MEETING OF SHAREHOLDERS

The Ordinary General Meeting of Shareholders is convened in accordance with the relevant legal requirements. It is generally convened in April, and must be held within six months of the end of the financial year to which it relates. Every registered shareholder receives a personal invitation to attend, a detailed meeting agenda and notes on the various agenda items at least 20 days in advance of the meeting concerned. The agenda for the Ordinary General Meeting of Shareholders will also be published in various Swiss newspapers and on the internet at www.kuoni-group.com/agm.

An Extraordinary General Meeting of Shareholders can be convened if the Board of Directors or the auditor deem this appropriate or if so resolved by an Ordinary General Meeting of Shareholders. The convention of an Extraordinary General Meeting of Shareholders may also be demanded by shareholders representing at least 10% of share capital, provided this is done jointly and in writing stating the item(s) to be discussed and the corresponding proposal(s) or, in the event of elections, the name(s) of the candidate(s) proposed.

6.4 AGENDA

Shareholders representing shares with a nominal value of at least CHF 20 000 are entitled to demand that an item be included on the agenda of a General Meeting of Shareholders up to 45 days before the meeting concerned. This request must be submitted in writing, and must also specify the motion(s) to be put to the meeting. The submission deadline for the Ordinary General Meeting of Shareholders will be published at www.kuoni-group.com/agm.

6.5 ENTRY IN THE SHARE REGISTER

All shareholders entered in the share register as shareholders with voting rights up to three days before a General Meeting of Shareholders may vote at the meeting concerned. Shareholders who sell their shares before the General Meeting of Shareholders takes place are no longer entitled to vote. Shareholders who buy additional shares or sell part of their shareholding after their meeting admission card has been issued must exchange the card sent to them at the information desk on arriving at the meeting concerned.

7 Changes of Control and Defence Measures

7.1 DUTY TO MAKE AN OFFER

Under the Swiss Stock Exchange Act, any person owning more than one-third of the voting rights of a company they aim to acquire must make an offer for all the company's remaining stock-exchange-listed securities.

A company may raise this threshold value to 49 % (opting up), or may resolve not to impose any such threshold (opting out) in its Articles of Incorporation. There is no opting-up or opting-out clause in the Articles of Incorporation of Kuoni Travel Holding Ltd.

7.2 CHANGE-OF-CONTROL CLAUSES

There are no change-of-control clauses in the Articles of Incorporation of Kuoni Travel Holding Ltd.

8 Auditors

8.1 DURATION OF MANDATE AND TERM OF OFFICE OF THE AUDITOR-IN-CHARGE

The mandates issued to KPMG Ltd., Zurich, and the auditor-in-charge have a duration of one year each.

KPMG Ltd., Zurich, have been the auditors of Kuoni Travel Holding Ltd. since 1970.

The auditor-in-charge, Martin Schaad, has been in office since April 2009. The auditor-in-charge is changed at least every seven years.

8.2 AUDIT FEE

KPMG charged the Kuoni Group fees amounting to CHF 2.5 million during the 2009 financial year for services in connection with the auditing of the annual accounts of Kuoni Travel Holding Ltd. and its Group subsidiaries, as well as the consolidated financial statements of the Kuoni Group. An additional CHF 0.4 million was charged by other audit companies.

8.3 ADDITIONAL FEES

KPMG also charged the Kuoni Group fees amounting to CHF 0.5 million for additional services. No fees were charged by other audit companies for any further services.

8.4 SUPERVISORY AND CONTROLLING INSTRUMENTS WITH REGARD TO THE AUDITORS

Each year, the Audit Committee of the Board of Directors evaluates the performance, remuneration and independence of the statutory auditor and proposes an external auditor to the Board of Directors who will be put forward for election at the General Meeting of Shareholders. The Audit Committee also annually examines the scope of external auditing, the auditing plans and the relevant processes, and discusses the audit results with the external auditors.

9 Information Policy

Kuoni Travel Holding Ltd. maintains an open and transparent communication policy towards its shareholders, current and potential investors, financial analysts, customers, business partners and other stakeholder groups. Kuoni Travel Holding Ltd. provides prompt and comprehensive information on the Group's business activities, while paying due and full regard to all the applicable provisions and directives of the SIX Swiss Exchange. In its endeavours to present details of its business development to its stakeholder groups, Kuoni Travel Holding Ltd. also makes forward-looking statements. These statements are assessments by the management that are based on the present and future situation and performance of the company at the time the statement is made.

Key dates for 2010:

Financial year close:	31 December 2009
Annual results announced:	23 March
Annual Report published:	23 March
General Meeting of Shareholders:	20 April
Dividend paid to banks:	27 April (5 trading days post General Meeting of Shareholders)
First half-year close:	30 June
Half-year results announced:	19 August
Nine-months close:	30 September
Nine-month results announced:	11 November

The latest key dates are always available at <http://www.kuoni-group.com/Investor+Relations/Calendar.htm>.

Kuoni Travel Holding Ltd. publishes a comprehensive Annual Report each year informing its shareholders about business developments and the company's annual results. The Annual Report can be ordered by any shareholder via the invitation to the Ordinary General Meeting of Shareholders. Of particular importance are the report integrated into the Annual Report on Corporate Governance and the Financial Report on the past business year. All Kuoni's financial statements are compiled in compliance with International Financial Reporting Standards (IFRS).

The quarterly reports on the first-half and nine-month results of Kuoni Travel Holding Ltd. are published and distributed in the same way as the company's media releases. These reports contain unaudited financial results which are compiled in compliance with IFRS guidelines.

Kuoni Travel Holding Ltd. occasionally publishes information on current developments within its various business units or on other Group activities. In compliance with the relevant regulations of the SIX Swiss Exchange, these communications are always issued simultaneously to a broad circle of recipients.

An archive containing the company's Annual Reports, quarterly reports and further information and presentations is available at <http://www.kuoni-group.com/Investor+Relations/Reports+and+Presentations/Financial+Information/Annual+Results.htm>. Kuoni Travel Holding Ltd. further maintains an archive of all its published communications at <http://www.kuoni-group.com/Investor+Relations/Shareholder+Information/Ad+hoc+Information.htm>. All this information is publicly available to any interested party.

The information contained in these reports and communications is considered correct at the time of its publication. Kuoni Travel Holding Ltd. does not update media releases issued in the past in the light of subsequent market or business developments.

As part of its investor relations programme, Kuoni Travel Holding Ltd. organises:

- › the presentation of its annual results;
- › conference calls around the publication of its quarterly results or other information;
- › meetings with investors and analysts, either individually or in groups at roadshows in key financial centres;
- › analysts' and investors' events on specific topics or issues;
- › presentations at brokers' events.

These activities are conducted with a focus on recently-announced developments or financial results, and in full compliance with the disclosure directives of the SIX Swiss Exchange.

The presentations for financial analysts and investors are regularly archived on the Kuoni Group website at <http://www.kuoni-group.com/Investor+Relations/Reports+and+Presentations/Financial+Information/Investor+Presentations.htm>.

These presentations are not constantly updated, but document long-term developments within the company.

Details of the relevant contacts and the Kuoni Investor Relations mailbox are available at <http://www.kuoni-group.com/Investor+Relations/Investor+Relations.htm>.

Interested parties may also add their name to the Investor Relations e-mail list at <http://www.kuoni-group.com/Investor+Relations/Shareholder+Information/Ad+hoc+Information/Ad+hoc+Subscription.htm>.

Additional Information

Subject	Link
Share capital and capital structure	http://www.kuoni-group.com/Investor+Relations/Share+Capital+Structure/
Information on the Kuoni share	http://www.kuoni-group.com/Investor+Relations/Quoted+Share+Information/
Board of Directors	http://www.kuoni-group.com/About+Us/Board+of+Directors/
Group Executive Board	http://www.kuoni-group.com/About+Us/Executive+Board/
Company bylaws	http://www.kuoni-group.com/Investor+Relations/Corporate+Governance.htm
Corporate Governance (including Compensation Report)	http://www.kuoni-group.com/Investor+Relations/Corporate+Governance.htm
Key dates	http://www.kuoni-group.com/Investor+Relations/Calendar.htm

10 Compensation Report

As a company which is listed on the SIX Swiss Exchange, Kuoni Travel Holding Ltd. is required to observe the provisions of the Swiss Code of Obligations (Article 663b^{bis} and Article 663c, Paragraph 3) and the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange (Section 5.1) in terms of its reporting on its compensation policy for and the compensation paid to its Board of Directors and its Group Executive Board. In its corporate governance provisions and its reporting thereof, the Kuoni Group also observes the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*, the umbrella association for Swiss business and industry. The Kuoni Group's financial statements are compiled in accordance with International Financial Reporting Standards (IFRS). The directives issued by each of these bodies and authorities show slight variations in their presentation and interpretation provisions.

The Compensation Report below complies with the provisions of Section 5.1 of the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange, and also pays due regard to Annex 1 of the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*. The Report presents the compensation system used by the Kuoni Group. The compensation paid in accordance with the aforementioned provisions of the Swiss Code of Obligations is shown and commented in the financial statements of Kuoni Travel Holding Ltd. (pages 100 to 101).

The present Compensation Report is intended to inform interested parties among the public about the compensation paid by the Kuoni Group. This Compensation Report will be presented to the 2010 Ordinary General Meeting of Shareholders for approval as an integral part of the 2009 Annual Report.

The Kuoni Group strives to be a first-choice employer which is able to recruit, retain and motivate the best and most professional employees around the world who are of the calibre that is essential to Kuoni's continued success.

10.1 COMPENSATION GUIDELINES FOR THE BOARD OF DIRECTORS AND THE GROUP EXECUTIVE BOARD

The compensation guidelines of the Kuoni Group are an integral part of Kuoni's personnel policy, and are intended to motivate and retain our employees, to recruit talented new personnel and to help and encourage all employees to deliver a performance that is of a continuously high level. The principles of the Kuoni Group's compensation policy are laid down in its Compensation Policy document. The Kuoni Group's compensation system is based on the "total compensation" principle and comprises the following compensation components:

Basic salary
Short-term incentives (risks/opportunities deriving from personal performance and corporate results)
Long-term incentives (risks/opportunities deriving from personal performance and corporate results)
Fringe benefits
Total compensation

The compensation paid is directly linked to the company's financial development and success. This establishes and maintains a commonality of interests between the company's shareholders and its employees.

The Kuoni Group maintains various forms of pension and other benefit schemes for employees entitled to such retirement benefits. These schemes cover a large majority of the Kuoni Group's personnel. For further details, please refer to pages 24 to 27 in the Financial Report.

10.2 THE ROLE OF THE NOMINATION AND COMPENSATION COMMITTEE

The Kuoni Group's NCC is appointed by the Board of Directors and consists solely of independent non-executive members. The present members of the NCC are Heinz Karrer (chairman), Annette Schömmel and John Lindquist.

The main duty of the NCC is to monitor the organisation, qualification, performance and remuneration of executive management and the Board of Directors and to review the terms and conditions of any employee share purchase plan. Other tasks performed by the committee are assessing the performance of the CEO and the Group Executive Board as a team, arranging succession plans for the members of the Board of Directors and the Group Executive Board, seeking and proposing new members for the Board of Directors and furthering the development of management as a whole. The NCC reports to the Board of Directors on its resolutions and conclusions, and the Board of Directors takes appropriate action on the basis thereof.

The NCC submits to the Board of Directors its proposals in all forms on the terms and conditions of the contracts of service and the compensation for the Board of Directors and the members of the Group Executive Board. The NCC may also enlist the services of external advisors in these activities. "Compensation" here means salaries and all other benefits including, without restriction, shares and other securities, pension fund payments, discretionary bonuses, insurance, company cars, other bonus payments, leaving settlements and termination agreements. The NCC establishes and maintains a philosophy of payment for service and performance rendered that is in line with overall company strategy, and submits this to the Board of Directors for approval.

10.3 THE COMPENSATION SYSTEM

The overall role of the NCC within the Kuoni Group is to ensure that Kuoni recruits, cultivates, develops and retains the best executive management talents in the tourism industry. The NCC ensures that all Kuoni's top management personnel receive compensation that is fair, reasonable and competitive and complies with the strategic objectives of the Kuoni Group. The NCC devises proposals and submits these to the Board of Directors for approval, monitors the implementation of employee-related corporate guidelines and upholds the norms of good corporate management, in the long-term interests of the company's shareholders.

The members of the Board of Directors receive the compensation proposed by the NCC and approved by the full Board. 50% of this total compensation is paid in cash form; the remaining 50% is paid in shares. The issue price of the shares concerned is redefined each year and amounts to the average of all closing prices for the last ten trading days of the month before the Ordinary General Meeting of Shareholders. The shares are awarded three days after the Ordinary General Meeting of Shareholders, and are subject to a blocking period of three years.

A new "Management Performance Plan" (MPP) compensation system was introduced for Group Executive Board members and senior management groupwide at the beginning of the 2008 business year. Under the MPP, the members of the Group Executive Board now receive compensation which is divided equally into a fixed and a variable performance-based component. One-third of this variable component takes the form of a short-term incentive, while the remaining two-thirds take the form of a long-term incentive.

The short-term incentive is based in equal amounts on the achievement of financial and individual targets which are newly set each year. The long-term incentive, which uses a "Performance Share Plan" to assign the persons entitled thereto a certain number of Kuoni shares at the beginning of each plan period, is based by contrast on the value-adding performance of the person concerned over a three-year period extending from 2009 to 2011. The key element in this financial performance assessment is the value-based management performance indicator known as the "Kuoni Economic Profit" or KEP. The KEP target underlying this bonus component for each business unit, which is used to determine the payment of any bonus amount, is itself based on investors' expected returns on the market value of the Kuoni Group and the corresponding investment risk.

The plan is intended to provide the company's top management with a further incentive to contribute to the success and business health of the Kuoni Group, and thereby enhance the Group's market value, to the benefit of its shareholders. The plan should also enable the company's top management to participate in the Kuoni Group's long-term success. In determining the compensation levels to be set and the service agreements to be concluded, the NCC pays particular attention to:

- i) external comparisons with companies of similar size, within the same industry and in comparable business sectors;
- ii) internal comparisons of the salaries and further benefits paid to the various management personnel within the Kuoni Group;
- iii) the future development of the Kuoni Group in performance and profitability terms.

Identical contractual obligations dating from the period up to 2005 exist in respect of three members of the Group Executive Board. Under these obligations, should their employment be terminated by the employer, the Group Executive Board member concerned will receive six monthly salaries plus one monthly salary for every year of their age after age 47 until age 56. Apart from these exceptions, no Group Executive Board member is entitled to any benefits in the event of a change of control or to any leaving settlement, because no such agreements have been concluded since 2005.

No share options have been issued since 2005.

The Kuoni Group's compensation system excludes on principle any "golden parachute" agreements or arrangements in the event of a change of control. The system also excludes any form of "golden handshake" or other severance settlement in the event of termination of employment.

The Kuoni Group's compensation programmes have been designed to ensure that they are comparable and competitive with those of a benchmark group of other world-class corporations of similar rank and renown which are also constantly on the lookout for management talent worldwide. If necessary, the NCC will also enlist the services of reputed external specialists in this context and connection.

10.4 COMPENSATION PAID

Compensation paid to members of the Board of Directors

For their service in 2009, the members of the Board of Directors received the compensation shown in the table below.

The aggregate compensation paid to the members of the Board of Directors in 2009 amounted to CHF 1.6 million (2008: CHF 1.5 million).

No compensation was paid in 2009 to members of the Board of Directors who had left in the prior period or earlier. Kuoni Travel Holding Ltd. and its Group companies had not granted any collateral, loans, advances or credits to members of the Board of Directors or to persons associated with them as at 31 December 2009. No options were allocated in the year under review.

	Basis cash compensation (fixed)		Share-based compensation (fixed)		Social security contributions	Total
	CHF 1 000	Number of shares	CHF 1 000		CHF 1 000	CHF 1 000
2009						
Henning Boysen, Chairman	254	920	210		28	492
Wolfgang Beeser	91	331	75		8	174
Heinz Karrer	102	368	84		12	198
John Lindquist	77	276	63		10	150
David Schnell	145	460	105		0	250
Annette Schömmel	77	276	63		10	150
Raymond D. Webster	77	276	63		10	150
Total	823	2 907	663		78	1 564
2008						
Henning Boysen, Chairman	250	462	210		0	460
Wolfgang Beeser	90	167	76		0	166
Heinz Karrer	111	185	84		12	207
John Lindquist	75	139	63		0	138
David Schnell	157	231	106		0	263
Annette Schömmel	84	139	63		9	156
Raymond D. Webster	75	139	63		0	138
Total	842	1 462	665		21	1 528

Compensation paid to the Group Executive Board

The NCC's general authorities and competencies for determining the compensation to be paid to the members of the Group Executive Board are specified under 10.3 above. For their service in 2009, the members of the Group Executive Board received the compensation shown in the table below. The aggregate compensation paid to the members of the Group Executive Board in 2009 amounted to CHF 8.3 million. The highest individual total compensation paid in 2009 amounted to CHF 2.9 million.

2009 CHF 1 000	Group Executive Board ¹	Of which: Reto Wilhelm
Basic cash compensation (fixed)	3 639	466
Variable compensation (bonus):		
> in cash	1 797	457
> in shares ²	0	0
Pension scheme contributions ³	666	113
Social security contributions	385	64
Other compensation amounts	27	5
Termination benefits	1 792	1 792
Total	8 306	2 897

2008 CHF 1 000	Group Executive Board ⁴	Of which: Max E. Katz
Basic cash compensation (fixed)	2 380	642
Variable compensation (bonus):		
> in cash	1 056	439
> in shares ⁵	1 718	490
Pension scheme contributions ³	519	188
Social security contributions	257	87
Other compensation amounts	24	6
Termination benefits	0	0
Total	5 954	1 852

¹ Six members. The amounts shown include the compensation paid to Reto Wilhelm until his departure on 30 September 2009, and the compensation paid for the last three months of the year to Leif V. Larsen, who joined the Group Executive Board on 1 October 2009.

² No member of the Group Executive Board was awarded any shares in 2009. The share-based component of the 2008 bonus awards will be paid on completion of the corresponding three-year performance assessment period in spring 2011.

³ Three members of the present Group Executive Board are entitled to take early retirement in accordance with the regulations of the "Patronale Fürsorgestiftung". The non-contribution-based costs of the corresponding benefits are included in the pension fund contributions shown. The corresponding regulations have not been extended to any new Group Executive Board member since 2005.

⁴ Four members.

⁵ The members of the Group Executive Board received 1 332 registered shares B in bonus payments in 2008. These shares are subject to a blocking period extending until 2010. An additional 1 332 matching shares are available to the Group Executive Board after the three-year vesting period. The cost of these matching shares is included in the compensation disclosed above.

The compensation includes basic salaries for 2009 and bonus payments for 2008. No compensation was paid in 2009 to members of the Group Executive Board who had left in the prior period or earlier. Kuoni Travel Holding Ltd. and its Group companies had not granted any collateral, loans, advances or credits to any members of the Group Executive Board or to persons associated with them as at 31 December 2009. No options were allocated in the year under review.

10.5 SHARE OWNERSHIP

Board of Directors and Group Executive Board

	Registered share B as at 31 December		Other equity instruments	
	Number of shares	Voting rights	Number of shares	Voting rights
2009				
Board of Directors				
Henning Boysen, Chairman	2 587	0.07 %	0	
Wolfgang Beeser	621	0.02 %	0	
Heinz Karrer	689	0.02 %	0	
John Lindquist	517	0.01 %	0	
David Schnell	2 048	0.05 %	0	
Annette Schömmel	967	0.03 %	0	
Raymond D. Webster	667	0.02 %	0	
Group Executive Board				
Max E. Katz	2 890	0.08 %	0	
Stefan Leser	889	0.02 %	0	
Rolf Schafroth	460	0.01 %	0	
Leif Vase Larsen ¹	505	0.01 %	0	
Reto Wilhelm ²	2 277	0.06 %	0	
Total	15 117	0.40 %	0	0%
2008				
Board of Directors				
Henning Boysen, Chairman	1 667	0.04 %	0	
Wolfgang Beeser	290	0.01 %	0	
Heinz Karrer	321	0.01 %	0	
John Lindquist	241	0.01 %	0	
David Schnell	1 588	0.04 %	0	
Annette Schömmel	691	0.02 %	0	
Raymond D. Webster	391	0.01 %	0	
Group Executive Board				
Max E. Katz	2 698	0.07 %	0	
Stefan Leser	742	0.02 %	0	
Rolf Schafroth	460	0.01 %	0	
Reto Wilhelm	2 292	0.06 %	0	
Total	11 381	0.30 %	0	0%

¹ Member of the Group Executive Board newly appointed during 2009.

² Member of the Group Executive Board who left the company during 2009.

Board of Directors (non-executive members only)

NUMBER OF SHARES	Blocking period
2 653	none
1 074	2010
1 462	2011
2 907	2012

Group Executive Board (current)

NUMBER OF SHARES	Blocking period
5 300	none
1 426	2010
146	2011
149	2012

Agenda 2010

Annual General Meeting of Shareholders	20 April 2010
Half-year results	19 August 2010
Nine-month results	11 November 2010

KUONI EST. 1906

The Financial Report and the information on Corporate Governance constitute an integral part of the Kuoni Group Annual Report.

This Annual Report is also available in German. The German original shall prevail.

Der Geschäftsbericht ist auch in deutscher Sprache erhältlich. Massgebend ist der deutsche Originaltext.

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Agenda 2010

Annual General Meeting of Shareholders	20 April 2010
Half-year results	19 August 2010
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