



KPMG Audit Plc
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The Registrar
Companies House
Crown Way
Maidy
Cardiff
CF14 3UZ

Our ref JS/LW
Contact Jane Sawyer

19 October 2011

Dear Sir/Madam,

Copy of the Statement on ceasing to hold office as auditors of each of the multiple companies listed in the appendix pursuant to section 521 of the Companies Act 2006

In accordance with section 521 of the Companies Act 2006, we enclose a copy of our statutory statement, which was delivered to the Registered Office of the Companies listed in the appendix, in accordance with section 519 of the Companies Act 2006

Yours faithfully,

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Jane Sawyer
Director
KPMG Audit Plc





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Private & confidential

TUI Travel PLC
Attn: Jovee Walter
TUI Travel House
Fleming Way, Crawley
West Sussex RH10 9QL

Our ref: ck/643

Contact: Mike Harper
020 7311 2411

26 September 2011

Dear Sirs

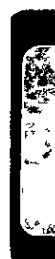
Statement in respect of the subsidiary companies of TUI Travel PLC set out in Appendix 1 (together "the Companies") on ceasing to hold office as auditors, pursuant to section 519 of the Companies Act 2006

In accordance with section 519 of the Companies Act 2006 we set out below the circumstances connected with our ceasing to hold office that we consider should be brought to the attention of the Companies' members or creditors.

The audited consolidated financial statements of TUI Travel Plc and its subsidiaries ("the Group") for the year ended 30 September 2010 contain, inter alia, a restatement of its results for the year ended 30 September 2009 and its financial position as that date. The directors have restated the 2009 financial statements because they contained material errors arising from the overstatement of revenues and the inappropriate release of unmatched credits to the income statement. Details of the circumstances giving rise to the restatements are set out in note 1(B)(ii) to the financial statements.

As set out in note 1(B)(ii) the major part of the restatement is attributable to failures in the systems and controls of the Group's UK tour operator business over an extended period of time. Most of this period pre-dated our appointment as auditors of the entity concerned. In relation to the release of unmatched credits, note 1(B)(ii) refers to inappropriate analysis, judgements and accounting processes undertaken by the directors of that entity to book the unmatched credits in the accounting records of the entity concerned.

We had extensive discussions with the directors of the TUI Travel Plc over the background to these restatements, the implications arising from them and their disclosure and accounting treatment in the financial statements. Over the course of these discussions our relationship with certain directors became increasingly strained. As a result we were not confident that in the future we could carry out an audit of the TUI Travel Plc to the appropriate standard, but others may be able to do so. Accordingly we decided not to seek reappointment as auditors of TUI Travel Plc on 29 December 2010 and, further, we have also decided to resign as auditors of the Companies.





KPMG Audit Plc

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We request that any correspondence in relation to this statement be sent to our registered office
15 Canada Square, London E14 5GL marked for the attention of the Audit Regulation
Department

Yours faithfully

KPMG Audit Plc

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KPMG LLP/ KPMG Audit Pte

Procedures on ceasing to Act as auditors

The Companies Act 2006 regime – mandatory checklist

First Choice Expedition Cruising Limited	5882466
First Choice Holiday Hypermarkets Limited	3647615
First Choice Holidays & Flights Limited	1450256
First Choice Holidays Ltd	48967
First Choice Leisure Ltd	4530356
First Choice Marine Limited	2746852
First Choice Office Services Limited	2469040
First Choice Holidays Finance Limited	4094619
First Choice USA	05675241
First Choice Retail (Management Services) Limited	3657755
First Choice Tour Operations Limited	1961830
First Choice Travel Shops (SW) Limited	3276161
First Choice Travel Shops Limited	1019392
First Choice Turkey Limited	2224615
Fly Thomson Limited	4484398
Globesavers Limited	1858135
Gullivers Group Limited	05108247
Gullivers Sports Travel Limited	02746479
Hayes & Jarvis (Travel) Limited	509596
Headwater Holidays Limited	4484400
Holiday Hypermarkets (2000) Limited	3933408
Horizon Midlands (Properties) Limited	1136950
1 to 1 UK Limited	4539983
JNB (Bristol) Limited	626942