

TUI Travel Looks Beyond Europe for Clients

By [The Moscow Times](#)

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TUI is planning to book more trips among the BRIC countries as its parent company exits the shipping business. **Ekaterina Kuzmina**

HANOVER, Germany — German travel group TUI is eyeing a new wave of holidaymakers from emerging countries such as Brazil, Russia, India and China for future growth after setting out plans to exit its shipping interests.

TUI, which controls Europe's largest travel group TUI Travel, said a deal Tuesday to sell part of its stake in shipper Hapag-Lloyd with the option either to float or sell the rest to other investors was an important step in its long-held aims to cut debt and focus on tourism activities.

Chief executive Michael Frenzel said TUI would now look at bringing holidaymakers from countries such as China, Russia, Ukraine and also India and Brazil to Europe.

TUI last year became the first European tour operator to win a license to organize international travel for Chinese holidaymakers, who industry experts expect will overtake Germans as the world's biggest spenders on holidays within the next few years.

Frenzel said TUI would bring its first groups from China to Europe in the summer.

TUI said that while it was looking at all options for its tourism business now that it has an exit strategy for the shipping stake, it did not currently plan a takeover of TUI Travel.

The agreement with Hapag's other majority shareholder will see 700 million euros (\$919 million) go to TUI through a combination of a sale of a 17 percent stake and the repayment of hybrid capital loaned to the shipper.

As expected, TUI reported a wider first-quarter underlying loss before interest, tax and amortization of 147.3 million euros after political unrest in North Africa affected holiday bookings.

Chief financial officer Horst Baier said he expected demand for destinations to North Africa to recover slowly over the course of the year.

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