

British TUI Travel Pumps Millions of Dollars Into Russian Venture

By [The Moscow Times](#)

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TUI Travel has agreed to pump millions of dollars into its Russian joint venture.

British tour operator TUI Travel has agreed to pump millions of pounds into its Russian joint venture to help ease the impact of challenging trading conditions.

TUI Travel said Wednesday it would invest up to 15.3 million pounds (\$24.4 million) and provide a new guarantee of 3 million pounds for its TUI Russia and CIS joint venture with S-Group.

Existing guarantees and shareholder loans would be renewed, the firm added.

"Given the ongoing challenging trading environment for tour operators located in the Russian and Ukrainian source markets the above arrangements are prudent as we enter into the off-peak Winter period," it said in a statement.

Earlier this month, the firm said it was cutting the number of holidays it offers to Russian

customers by 30 percent after the devaluation of the ruble prevented it from raising prices.

It also said it had made a provision of 27 million pounds in the fourth quarter against loans made by its Russian venture.

S-Group is owned and controlled by Russian businessman Alexei Mordashov, the largest shareholder of TUI AG.

TUI Travel is in the process of merging with its majority owner TUI AG to create the world's biggest leisure and tourism group.

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