

TUI OBTAINS A NEW FINANCIAL AID PACKAGE WORTH 1.8 BILLION EUROS



TUI Group is to receive a new and generous boost from the German government and private investors. This is the third time since the beginning of the health crisis that the state has come to the rescue of the global tourism giant.

The world's number 1 in tourism has reached an agreement with the Economic Support Fund (ESF), the state-owned KfW Bank, banks and the main shareholder Unifirm Ltd. (Mordashov family) for a financial aid package of 1.8 billion euros, the tour operator states in a press release. **Berlin alone is releasing 1.3 billion euros, in particular in the form of participation without voting rights on the capital (700 million).**

With this new aid, the group is securing liquidity in the event that the pandemic persists in 2021. TUI now has financial resources and credit facilities of 2.5 billion euros.

"Prior to the Covid pandemic, TUI was a very healthy company," says CEO Fritz Jousen in the release. "The market is intact, the demand is there. But we have not been able to generate significant revenues since March."

The German group's activity has been virtually at a standstill since the beginning of the health crisis. In the third quarter of its postponed fiscal year 2019/2020, the tourism giant lost 1.4 billion euros, after a loss of 764 million euros in the second quarter. In April, management announced the elimination of 8,000 jobs worldwide, out of a total of 70,000 positions.

Germany had already granted three billion euros to the tour operator. The German government announced in August that it would grant 1.2 billion euros in public aid, after 1.8 billion euros in March.

In total, the world's number 1 in tourism thus received almost 5 billion euros in just over six months. A sufficient windfall? After the hopes raised by the vaccines, TUI hopes for an improvement in the pandemic situation in the first half of 2021, with more leisure trips.

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