

Sukhoi Loses \$900M Contract With Indonesia

By The Moscow Times

March 05, 2013



United Aircraft Corporation lost a major contract to build 30 Sukhoi Superjet 100 passenger aircraft after Indonesian carrier Kartika Airlines went out of business, a news report said Tuesday.

Kartika Airlines became one of Sukhoi's main clients after signing a contract in 2010 to buy 30 SSJ100 aircraft for \$900 million.

United Aircraft president Mikhail Pogosyan said Kartika's development plans relied heavily on the Indonesian Transportation Ministry's support.

The contract was not approved by Indonesian authorities because Kartika could not verify its financial solvency, a source close to the United Aircraft told Vedomosti.

Roman Gusarov, editor-in-chief of aviation portal Avia.ru, said Kartika's fleet consists of only

three aircraft. The airline was banned from flying to the European Union in 2012.

"The contract with Kartika was mythical from the very beginning. A company cannot expand its fleet tenfold as a result of a single contract," Gusarov said.

Gusarov noted that a similar fate had befallen other potential buyers of SSJ100 aircraft.

Hungarian carrier Malev and Russia's Kuban stopped operating flights, and leasing company FLK went bankrupt.

The first buyer of the SSJ100, Armenia's Armavia, is also experiencing difficulties, Gusarov said.

However, Indonesia remains an important market for Sukhoi. In 2011, it signed a \$380 million contract with Indonesian carrier Sky Aviation to supply 12 SSJ100 aircraft until 2015. The first plane was delivered last week, the company said.

Sukhoi, which is part of United Aircraft, has contracts worth \$5.4 billion to build 179 SSJ100s. Russia's biggest carrier, Aeroflot, and Mexico's Interjet are among its main clients, Vedomosti said.

Related articles:

- Sukhoi Drops \$900M Deal
- Sky Aviation Gets SSJ-100
- Sukhoi Successfully Tests T-50 Stealth Fighter

Original url:

https://www.themoscowtimes.com/2013/03/05/sukhoi-loses-900m-contract-with-indonesia-a22078