

## **SkyExpress looks at charters to supplement income**

Air Transport Intelligence news Tom Zaitsev, Moscow (20Jun08)

Russian low-fare airline SkyExpress is studying whether turning to cross-border charter services will help lift revenues and counter soaring fuel costs.

Such a step would be a sharp deviation from the carrier's stated policy of operating scheduled domestic flights.

Speaking at this week's Russia and CIS Airfinance Conference in Moscow, SkyExpress managing director Marina Bukalova said fuel costs per flight hour had risen by almost a quarter over the past two months and by 85% since May last year.

Airport charges have also increased, she says, and this has raised by 30% the average cost of transporting each passenger. "To cope with the situation, we don't rule out using several aircraft for international charter flights," adds Bukalova.

SkyExpress is expecting to receive a tenth Boeing 737, and had been intending to have 16 of the type before the year-end. But Bukalova concedes that having a total of 10 appears more realistic, given the lack of available aircraft.

She believes that charter services, starting in the autumn, would generate a steady income until growth in fuel prices moderates, allowing the company to devote its entire capacity to its original business plan.