

Japanese Aircraft to Rival SSJ

Japanese Mitsubishi Heavy Industries is about to start commercial production of the novel regional aircraft, Mitsubishi Regional Jet (MRJ), holding 70 to 90 passengers. Putting the jet into mainstream production will cost more than \$1.5 billion, but the Japanese are set to make a comeback to the aviation market. In the 1970s, MHI used to manufacture turbo/prop airplanes but haven't had own production in the latest decades. Along with the state, a big pool represented by Toyota Motor, Mitsubishi and Mitsui & Co will invest in the project. Experts say that MRJ is going to rival Bombardier, Embraer, and Russia's SSJ-100. However, according to our estimates, the Japanese liner, costing around \$40 million, is not likely to beat the Russian regional aircraft SSJ-100's whose starting price is just \$27 million. Besides, the first shipments of SSJ-100 will be made in 2008, while the first MRJ is expected to come out not earlier than in 2012. However, after the UAC's current contracts are fulfilled, it will have to enter into new agreements, so the jets can be in competition after 2012.

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