

Weststar Aviation puts hold on Iraq venture despite eyeing Africa, Brazil

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LONDON: Listing-bound Weststar Aviation Services Sdn Bhd has put on hold its plan to venture into the helicopter charter market in Iraq due to the political unrest in the country, its chief executive officer Tan Sri General Muhammad Ismail Jamaluddin said.

At the Farnborough International Airshow 2014, Muhammad Ismail described the present situation in Iraq as "quite risky" given the political insurgency that has broken out since last month.

"We have got to reassess the situation in Iraq," he said yesterday at the ceremony to receive Weststar's first AgustaWestland AW189 super medium helicopter. "At the moment, it is a risky venture into Iraq, but we are still hoping," he said.

Meanwhile, Weststar Aviations director of business development Datuk Anuar Noordin echoed Ismail, saying the "environment is not conducive".

"We are now waiting for the right environment to start our operation (rotary wing services)," he said.

Weststar Group managing director and owner Tan Sri Syed Azman Syed Ibrahim had earlier told *The Edge Financial Daily* that the company was planning to enter the Iraqi market as a early as next year



Muhammad Ismail (bottom left) and AgustaWestland chief executive officer Daniele Romiti signing the acceptance document of the AW189 helicopter at the Farnborough International Airshow yesterday.

and would be the first company to provide such charter services there.

Syed Azman had revealed that Weststar Aviation was in talks with an Iraqi counterpart to form a joint venture to start the charter business.

At the ceremony yesterday, Muhammad Ismail also said on the local front, Weststar Aviation will face intense competition going forward with the entrance of two to three players into the offshore transportation market.

"But, we still stand a good chance to bid for local contracts because we are the biggest operator and we have a good track record

in safety," he remarked.

He recalled that two years ago there were only three companies in the local offshore transportation, including Weststar Aviation.

On the global front, Weststar Aviation has been eyeing the lucrative South American market, in particular Brazil, but Muhammad Ismail said it is a challenging market.

Apart from Brazil, Weststar Aviation has also singled out Mozambique and Australia as viable potential markets in the near future for its expansion.

Weststar Aviations is targeting to

secure another RM3 billion worth of contracts by year-end to add to the RM10 billion the company is currently servicing.

Following the delivery of the AW189 helicopter, the firm's fleet of helicopters numbers 24, with the total to exceed 30 units by next year.

"The second aircraft will come in end of the first quarter or second quarter next year," Ismail said.

The delivery of the helicopter is part of the four AW189 helicopters Weststar Aviation had ordered earlier at the Langkawi International Maritime and Aerospace Exhibition 2013.