

## Material Fact

### Meeting of the Issuer's Board of Directors (Supervisory Board) and its agenda

1. General information	
1.1. Full company name of the issuer (for non-commercial organisations – name)	<b>Public Joint Stock Company “Aeroflot – Russian Airlines”</b>
1.2. Short company name of the issuer	<b>PJSC Aeroflot</b>
1.3. Actual address of the issuer	<b>119002, Moscow, Arbat Str., 10</b>
1.4. PRSN code of the issuer	<b>1027700092661</b>
1.5. TIN code of the issuer	<b>7712040126</b>
1.6. Unique code of the issuer assigned by the registering authority	<b>00010 – A</b>
1.7. Web page used by the issuer to disclose information	<a href="http://ir.aeroflot.com/disclosure-of-information/ad-hoc-releases/">http://ir.aeroflot.com/disclosure-of-information/ad-hoc-releases/</a> <a href="http://disclosure.skrin.ru/disclosure/7712040126">http://disclosure.skrin.ru/disclosure/7712040126</a>

2. Notice content	
2.1. Quorum for the meeting of the Board of Directors: <b><i>11 of 11 members of the board</i></b>	
2.2 Resolutions adopted by the Board of Directors and voting records on the corresponding questions on the agenda:	
<b>2.2.1 Approval of a set of related-party transactions for the lease of a new regional class aircraft between Sukhoi Civil Aircraft, GTLK Europe Limited and Aeroflot</b>	
1. Approval of a set of interrelated transactions for the lease of a new regional class Sukhoi Superjet 100 aircraft (modification RRJ95B)	
1.1 Amendments to the Agreement for the supply of regional class aircraft of December 7, 2005 between Aeroflot and Sukhoi Civil Aircraft (the 2005 Supply Agreement), on the termination of Aeroflot's rights in relation to the purchase of a new regional class Sukhoi Superjet 100 (modification RRJ95B), serial number №28 according to the delivery schedule and improvements on the 2005 Supply Agreement (the aircraft), but for the preservation of Sukhoi Civil Aircraft guaranty of services towards Aeroflot in respect to its operation to be drawn up by the conclusion of a supplementary agreement to the 2005 Supply Agreement, concluded under the following essential terms: Rights and obligations of Aeroflot (Buyer) and Sukhoi Civil Aircraft (Supplier), provided for by the 2005 Supply Agreement, are terminated in respect to the supply of the aircraft to the property of Aeroflot for the purpose of Sukhoi Civil Aircraft's subsequent sale of the aircraft owned by GTLK Europe Limited, for onward lease of the aircraft to Aeroflot. At the same time Sukhoi Civil Aircraft retains all other obligations towards Aeroflot, including the provision of guaranty, services, personnel training, maintenance and repair, as well as the support of the operation of the aircraft.	
1.2 Transaction to lease a new regional class jet aircraft Sukhoi Superjet 100 (modification RRJ95B) with serial number №28 to Aeroflot by GTLK Europe Limited (or its affiliate), taking effect under the following substantive terms:	
<b><i>Parties to the transaction:</i></b> Aeroflot (Lessee) and GTLK Europe Limited (or its affiliate) (lessor).	
<b><i>Lease term:</i></b> no more than 144 months from the date of transfer of the aircraft to Aeroflot.	
<b><i>Planned transfer of the aircraft to Aeroflot: April 2016</i></b>	
<i>Results of vote*:</i>	
FOR	8 (eight)
AGAINST	none
ABSTAINED	none
Resolution adopted.	
<b><i>* Note: Yu.B. Slusar's vote not taken into account when calculating the results of this item of the agenda as he is an interested party. V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors.</i></b>	
<b>2.2.2 Approval of transaction to sublease a Boeing 737-800 aircraft (serial number 41212) from Aeroflot to Rossiya Airlines.</b>	

1. To approve the transaction to sublease a Boeing 737-800 aircraft (serial number 41212) with two CFM56-7B26E engines from Aeroflot to Rossiya Airlines, leased by Avia Capital Leasing Limited (an affiliate of VTB Leasing) (the "Lessor"), to take effect under the following substantive terms:  
Subject of the transaction: subleasing of Boeing 737-800 aircraft with serial number 41212 with twin engines CFM56-7B26E (the "aircraft").  
Parties taking part in the transaction:  
- Aeroflot - as sublessor;  
- STC Russia - as sublessee.  
Start of sublease: not later than 30 April 2016.  
Term of the sublease: no more than sixty (60) months from the date of transfer of the aircraft.

*Results of vote\*:*

FOR	9 (nine)
AGAINST	none
ABSTAINED	none

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors.*

#### **2.2.3 Approval of transaction for Aeroflot to provide a guaranty to Rossiya Airlines for the lease of five Airbus A319-100 aircraft (serial numbers 1630, 1805, 1808, 3065 and 3179).**

1. To approve a transaction for Aeroflot to provide a guarantee for the obligations of STC Russia under the lease of five Airbus A319-100 aircraft contracts in favour of AerCap and/or its affiliates ILFC Ireland Limited in respect to the aircraft with serial numbers 1630 and 1805; ILFC Aircraft 32A-1808 Limited in respect to the aircraft with serial number 1808; ILFC Aircraft 32A-3065 Limited in respect to the aircraft with serial number 3065; and ILFC Aircraft 32A-3179 Limited in respect to the aircraft with serial number 3179; to take effect under the following substantive terms:

Parties to the transaction:

- Aeroflot - as the Guarantor;
- AerCap (and/or its affiliates) - as lessor (beneficiary);
- STC Russia as the lessee (the debtor).

The beneficiary: the beneficiary of this transaction is STC Russia.

Subject of the transaction: provision of guarantees (guarantees) by Aeroflot in favour of the Lessor for the obligations of the lessee under the lease of five Airbus A319-100 aircraft with serial numbers 1630, 1805, 1808, 3065 and 3179 (the "Aircraft") to take part under the following material terms and conditions (the "Leases"):

Term of the lease: from the signing until the end of the lease of the aircraft and the execution by the parties of their obligations.

*Results of vote\*:*

FOR	9 (nine)
AGAINST	none
ABSTAINED	none

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors.*

#### **2.2.4 Approval of four related-party transactions for PJSC Aeroflot to provide a guaranty to JSC Rossiya Airlines for lease of five Airbus A319-100 aircraft with serial numbers 1841, 2241, 2751, 2093 and 2179.**

1. Approve the related-party transaction between Aeroflot and Celestial Aviation Trading 33 Limited to exclude from the guarantee contract dated from the 22 April 2014 (as amended on March 4, 2016) Aeroflot guaranty of Rossiya Airlines' obligations under the lease of an Airbus A319-100 aircraft (serial number 2179)
2. To approve three related-party transactions for Aeroflot to provide a guarantee (surety) of Rossiya Airlines' obligations in favour of Celestial Aviation Trading 46 Limited (GECAS affiliate) under the leases of three air Airbus A319-100 aircraft with serial numbers 1841, 2241 and 2751; in favour of

Celestial Aviation Trading 32 Limited (GECAS affiliate) under the lease of one Airbus A319-100 (serial number 2093); and in favour of Celestial Aviation Trading 33 Limited (GECAS affiliate) under an Airbus A319-100 aircraft lease (serial number 2179), on the following terms:

Parties to the transactions:

- Aeroflot - as a guarantor;
- Celestial Aviation Trading 46 Limited, Celestial Aviation Trading 32 Limited, Celestial Aviation Trading 33 Limited (and / or the company GECAS and its other affiliates) - as lessor and beneficiaries;
- STC Russia- as a lessee (the debtor).

The intermediate lessor (if available), GECAS, financing entities and other persons specified in the guarantee (surety) also act as beneficiaries.

The beneficiary: STC Russia.

Subject of the transaction: provision of guarantees (guarantees) by Aeroflot in favour of the Lessor for all payment obligations of the Lessee under the lease agreements of five Airbus A319-100 aircraft with serial numbers 1841, 2241, 2751, 2093 and 2179 (the Aircraft) under the following material terms and conditions (the Leases):

Planned delivery: no later than 30 April 2016.

Term of transaction: not to exceed 50 months from the date of delivery of each aircraft.

Obligation to compensate for losses: The tenant must reimburse the Lessor and other persons specified in the lease agreements if any losses are incurred during the operation of the aircraft and any other actions in accordance with the conditions of the lease. The reimbursement is of indefinite duration.

**2.2.5 Approval of a transaction with Rossiya Airlines on the sale of a vehicle.**

1. To determine the cost and to approve the sale of a Mercedes-Benz S500 passenger car by PJSC Aeroflot to Rossiya Airlines under the following conditions:

Parties to take part in the transaction: Aeroflot (Seller) and STC Russia (Buyer).

Subject of the transaction: The Seller sells, and the Buyer acquires the ownership of the vehicle: Mercedes-Benz S 500 (VIN № WDD2211861A121207, engine number 27396830123023, year 2007, country of origin Germany);

Place of delivery: Arbat St, 10.

Term of the transaction: until 31.05.2016.

*Results of vote\*:*

FOR	9 (nine)
AGAINST	none
ABSTAINED	none

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item, as they are not independent directors*

**2.2.6 Approval of a related-party transaction with Rossiya Airlines on provision of technical assistance during technical maintenance of aircraft and operation support at Sheremetevo International Airport.**

1. To determine the cost and to approve a transaction between Aeroflot and Rossiya Airlines to provide technical assistance operation support for aircraft at Sheremetyevo Airport under the following material terms:

Parties to the transaction: Aeroflot (Contractor) and STC Russia (Client);

Subject of the transaction: provision of technical support and operation support of STC Russia's aircraft at Sheremetyevo airport (including the provision of maintenance and repair of the aircraft, assistance in correction of aircraft defects, provision of technical maintenance and repair of aircraft components, provision of services from the diagnostics laboratory, and provision of any other form of assistance for maintenance and repair of the aircraft by Aeroflot);

Transaction value: no more than 10 000 000 (ten million) roubles during the period of validity of the transaction.

Term of the transaction: from 30.4.2016 to 31.4.2018

*Results of vote\*:*

FOR	9 (nine)
AGAINST	none
ABSTAINED	none

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors*

### **2.2.7 Approval of a transaction with Aurora Airlines to provide technical support for the operation of Aeroflot aircraft at Magadan airport**

1. Determine the cost and to approve a deal between Aeroflot and Aurora Airlines to provide technical support for the operation of Aeroflot aircraft at Magadan airport, under the following material conditions:

Parties to take part in the transactions: Aeroflot (Customer) and Aurora Airlines (the Contractor).

Subject of the transaction: provision of technical support for the operation of Aeroflot aircraft at Magadan airport (including provision of ground support and equipment maintenance, maintenance of individual components, and any other form of assistance for maintenance and repair of aircraft) by Aurora Airlines.

Term of transaction: from 26.03.2016g. to 28.03.2021

Transaction value: no more than 11 000 000 (eleven million) roubles for the period of validity of the transaction.

*Results of vote\*:*

FOR	9 (nine)
AGAINST	none
ABSTAINED	none

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors*

### **2.2.8 Approval of the acquisition of additional shares of Aurora Airlines.**

1. Approve a related-party transaction for the purchase of Aurora Airlines shares by Aeroflot as part of the issue of additional issue of Aurora Airlines shares, under the following material terms:

Parties to take part in the transaction: Purchaser - PJSC Aeroflot. Seller - Aurora Airlines.

Subject of transaction: Purchase and sale of ordinary registered uncertified shares of Aurora Airlines, placed as part of an additional share issue.

State registration number, date of state registration: № 1-01-32509-F-002D, 12.04.2015.

Number of shares: 96,843 (ninety-six thousand eight hundred and forty-three) shares.

Term of transaction: until both Parties fulfil their the obligations mentioned in the contract of sale and purchase of shares.

*Results of vote\*:*

FOR	9 (nine)
AGAINST	none
ABSTAINED	none

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors*

### **2.2.9 Approval of a transaction with Sherotel to provide services as part of the Aeroflot Bonus Program to accrue and write off miles.**

1. Determine the price and approve the transaction with Sherotel on the mutual provision of services to attract customers to the services of Aeroflot and Novotel Sheremetyevo Airport by providing members of the Aeroflot Bonus program with the possibility to receive and use miles for services provided by the hotel, under the following material terms:

Parties to take part in the transaction: Aeroflot and Sherotel.

Subject of the transaction: Aeroflot and Sherotel will provide each other with mutual services to attract customers to the services of Aeroflot and Sherotel by providing members of the Aeroflot Bonus program with the possibility to receive and write off miles for services provided by Sherotel.

Transaction value: no more than 93,600,000 (ninety-three million six hundred thousand) roubles for the entire term of the transaction.

Term of Transaction: from 01.01.2016 to 12.31.2020

*Results of vote\*:*

FOR	9 (nine)
AGAINST	none
ABSTAINED	none

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors*

#### **2.2.10 Monitoring of corporate governance.**

1. Determine the price and approve a transaction with the Russian Institute of Directors on the provision of services for the monitoring of Aeroflot's corporate governance and information support, under the following material terms:

Parties to the transaction: Aeroflot (Customer) and the Russian Institute of Directors non-profit partnership (Contractor);

Subject of the transaction: provision of services for the monitoring of Aeroflot's corporate governance and information support.

Transaction value: 1 000 000 (one million) roubles, excluding VAT (18%).

Term of transactions: 12 (twelve) months.

*Results of vote\*:*

FOR	8 (eight)
AGAINST	none
ABSTAINED	1 (one)

Resolution adopted.

*\*Note: V. Saveliev and D. Saprykin did not take part in voting on this item of the agenda, as they are not independent directors*

#### **2.2.11 Procurement policy for goods, work and services.**

1. To approve the new edition of the Procurement Policy for goods, work and services.

*Results of vote:*

FOR	11 (eleven)
AGAINST	none
ABSTAINED	none

Resolution adopted.

2.3. Date of the meeting of the Board of Directors (Supervisory Board) of the issuer that approved the relevant resolutions: 29 April, 2016.

2.4. Date of composition and number of the minutes of the meeting of the Board of Directors (Supervisory Board) of the issuer that approved the relevant resolutions: Minutes No. 16, 29 April, 2016

### 3. Signature

3.1. Head of Shareholder Communications and Information Disclosure at the Corporate Governance Department

S.E. Denisenko

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(Signature)

3.2. Date “ 4 ” May 20 16

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