

Material Fact
Resolutions adopted by the Board of Directors (Supervisory Board) of the issuer

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

2. Notice content	
2.1. Quorum for the session of the Board of Directors of the issuer: <i>11 of 11 members of the Board of Directors of the Issuer.</i>	
2.2 Content of resolutions adopted by the Board of Directors of the issuer and results of voting on the corresponding agenda items:	
2.2.1. Election of the Chairman of the Board of Directors of PJSC Aeroflot	
To elect Board of Directors member Kirill Gennadievich Androsov as Chairman of the Board of Directors of PJSC Aeroflot.	
<i>Results of voting:</i>	
FOR	10 (ten)
AGAINST	None
ABSTENTIONS	1 (1)
Resolution passed	
1. 2.2.2. Expediency of acquiring the movable assets of JSC Orenair	
To approve related-party transactions between PJSC Aeroflot and JSC Orenair to acquire movable property of JSC Orenair under the following conditions:	
<u>Parties to the transactions:</u> PJSC Aeroflot (Buyer) and JSC Orenair (Seller);	
<u>Subject:</u> The Seller transfers to the Buyer and the Buyer shall accept and pay for movable property, including machinery and equipment for maintenance and repair of aircraft (AC), lifting equipment for the hangar, control and measuring equipment, dock equipment, high-precision tools and engineering networks (in total 362 items).	
<u>Total value of transactions:</u> no more than 218,194,198 roubles, including VAT.	
<u>Period:</u> from 01.09.2016 until 31.12.2016	
<i>Results of voting:</i>	
FOR	9 (nine)
AGAINST	None
ABSTENTIONS	None
Resolution passed	
2.2.3. Approval of related-party property rent (lease) transactions between PJSC Aeroflot and A-Technics LLC	
1. To approve a related-party property rent (lease) transactions between PJSC Aeroflot and A-Technics LLC under the following conditions:	
<u>Parties to the transaction:</u> PJSC Aeroflot (Lessor), A-Technics LLC (Lessee);	
<u>Subject:</u> Lessor leases and the Lessee takes into temporary possession and paid use the following pieces of property:	

№	Item	Area, m³
1	Transformer substation #17	66.3
2	Plot of land on which Transformer substation #17 is located	178.0
3	Aircraft maintenance base building, including 104 pieces of inseparable movable property	6,219.0
4	Annex to the aircraft maintenance base building	325.0
5	Plot of land on which the aircraft maintenance base building is situated (including annex)	48,349.0
6	Warehouse B6	332.1
7	Warehouse B9	345.2
8	Compressor station litre B22	45.1
9	Plot of land on which warehouse B6 and B9, as well as compressor station B22, are located	1,880.0
10	Paint and varnish storage, including Fibre-optic communications lines to the paint and varnish storage place (inseparable movable property)	134.5
11	Plot of land where the paint and varnish storage is situated	239.0

Period: 11 (eleven) months from the date of signing the lease agreement

Transaction value: the rent rate is 264,320 roubles (including VAT) per month for the period from the date of the lease agreement is set up to 15.09.2016 at a monthly rate of 40,115 roubles (including VAT) per month. The total amount of the rent under the lease, based on the actual area of the leased properties and the lease term shall not exceed 2,907,520 roubles (including VAT).

2. To approve a related-party real estate lease transaction between PJSC Aeroflot and A-Technics LLC, under the following essential terms:

Parties to the transaction: PJSC Aeroflot (Lessor), LTD "A-Technics" (Lessee);

Subject: The Lessor leases and the Lessee takes into temporary possession for paid use the following immovable property:

№	Item	Total area; square metres/length
1	Hangar for technical maintenance of B737 aircraft	3844.4
2	Block modular boiler	171
3	High and intermediate pressure gas line to the boiler	548.5
4	Pumping station with emergency cisterns	44,1
5	External heating system	740
6	4 kW cable lines	850
7	Land plot on which hangar and pumping station are located	4832

Period: 11 (eleven) months from the date of signing the lease agreement

Transaction value: The rental rate is 861,400 roubles (including VAT) per month. The total amount of the rent under the lease, based on the actual area of the leased properties and the rental period shall not exceed 9,475,400 roubles (including VAT).

3. To determine the price and approve the property lease transaction between PJSC Aeroflot and A-Technics LLC, under the following essential conditions:

Parties to the transaction: PJSC Aeroflot (Lessor), LTD A-Technics LLC (Lessee);

Subject: The Lessor leases and the Lessee takes into temporary possession for paid use certain pieces of movable property, including machinery and equipment for maintenance and repair of aircraft (AC), lifting equipment for the hangar, control and measuring equipment, dock equipment, high-precision instruments, and utility networks (in total 362 items).

Period: 11 (eleven) months from the date of signing the lease agreement.

Value of the transaction: the rental rate is 1,234,280 roubles (including VAT) per month. The total amount of the rent under the lease, based on the term of the contract, shall not exceed 13,577,080 roubles (including VAT).

Results of voting:

FOR	9 (nine)
AGAINST	None
ABSTENTIONS	None

Resolution passed

2.2.4. Approval of related-party transaction with A-Technics LLC regarding the maintenance of the aircrafts of PJSC Aeroflot.

1. To approve a related-party transaction in which A-Technics LLC renders maintenance services and repair (MSR) of aircraft of PJSC Aeroflot, as well as the provision of ancillary services related to maintenance and repair, under the following conditions:

Parties to the transaction: PJSC Aeroflot (Client) and LLC "A-Technics" (Contractor).

Subject: The Contractor undertakes for remuneration to provide services for the maintenance and repair of the Client's aircraft, and to provide the Client with ancillary services related to maintenance and repair, including, but not limited to the following: parking the aircraft in a hangar, engineering, logistics services, supply of spare parts and materials, as well as their storage, lease of tools and equipment.

Period: a contract signing date until 30.06.2021.

Value of the transaction: not to exceed 2,000,000,000 (two billion) roubles.

Other important conditions: implementation of services is carried out on the basis of the Client's orders. Location of and the terms of service are to be agreed for each order separately.

Results of voting:

FOR	9 (nine)
AGAINST	None
ABSTENTIONS	None

Resolution passed

2.2.5. Approval of related-party transaction with NISSU regarding the execution of research and development works

Approve a related-party transaction between PJSC Aeroflot and NISSU for the implementation of research and development work performed on the following essential terms:

Parties to the transaction: PJSC Aeroflot (Client) of NISSU (Contractor).

Subject: The Contractor is engaged by the Client to carry out research and development work related to the "Development and implementation of a prototype integrated information security of PJSC Aeroflot."

Transaction value: not to exceed 99,600,365 (ninety-nine million six hundred thousand three hundred and sixty-five) roubles (including VAT) for the period of validity of the transaction.

Period: from the date of signing of the contract until 31.12.2017.

Results of voting:

FOR	8 (eight)
AGAINST	None
ABSTENTIONS	1 (one)

Resolution passed

2.2.6. Approval of related-party property rent (lease) transaction with CJSC Sherotel

To approve a related-party transaction concerning the lease of JSC Sherotel real estate on a non-residential basis, under the following terms:

Parties to the transaction: PJSC Aeroflot (Lessor), JSC Sherotel (Lessee);

Subject: The Lessor leases and the Lessee takes into temporary possession for paid use the non-residential premises number 16 with total area of 9.2 square meters on the 5th floor of building № 2 in PJSC Aeroflot's Melkisarovo office complex, located at the address: Moscow, International Highway 31, page 1 (hereinafter - the room).

Facilities to be used for: reception / delivery of orders dry cleaning, reception / delivery of orders for the production of confectionery, retail prints, souvenirs and consumer goods.

Period: from 01.08.2016 till 30.06.2017

Transaction value: the total amount of rent under the lease based on the actual area of the leased premises and the lease term is 118,066.63 (one hundred eighteen thousand sixty-six roubles and sixty-three kopecks) exclusive of VAT.

Results of voting:

FOR	9 (nine)
AGAINST	None
ABSTENTIONS	None

Resolution passed

2.2.7. Approval of related-party transaction with Aeroflot Flying School regarding the implementation of educational programmes and flying crew training

To determine the price and approve a related-party transaction between PJSC Aeroflot and Aeroflot Flying School for network wide implementation of educational programs and training flight crews, under the following terms:

Parties to the transaction: PJSC Aeroflot (Aeroflot) and Aeroflot Flying School" (the Flying School).

Subject: The Flying School and Aeroflot shall jointly develop and approve educational programs using for network wide implementation, preparing the training schedule, conducting training and final certification of flight crew, attracting instructors, monitoring the quality of education, issuing documents of qualification under the "flight personnel retraining program of PJSC Aeroflot for Boeing NG-737 aircraft" programme.

Period: from the time of signing of the contract until 31.12.2017.

Transaction value: total price of the transaction shall not exceed 31,920,000 (thirty-one million nine hundred twenty thousand) roubles, while in 2016 it shall not exceed 11,760,000 (eleven million seven hundred sixty thousand) roubles and in 2017 it shall not exceed 20,160,000 (twenty million one hundred sixty thousand) roubles.

Results of voting:

FOR	9 (nine)
AGAINST	None
ABSTENTIONS	None

Resolution passed

2.3. Date of the meeting of the Board of Directors (Supervisory Board) at which these resolutions were passed: **25 August 2016.**

2.4. Date of compilation and protocol number of the Issuer's Board of Directors (Supervisory Board) meeting at which these decisions were passed: **Protocol #1 from 25 August 2016.**

3. Signature

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

S.E. Denisenko

(signature)

3.2. Date 26 August 2016

stamp