

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

Statement on insider information

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

2. Notice content	
2.1. Quorum for the meeting of the Board of Directors of the issuer: 10 out of 10 members of the Board of Directors of the Issuer.	
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. Approval of transactions to be carried out by subsidiaries.	
In accordance with sub-clauses 21 and 25 of clause 19.2 of the Charter of PJSC Aeroflot:	
<ol style="list-style-type: none"> 1) To approve the disposal by Aeroflot-Finance LLC of ordinary shares of PJSC Aeroflot (quasi-treasury shares) under the terms of the transaction provided for in paragraph (b) of this resolution; and 2) To advise representatives of PJSC Aeroflot to vote in favour of adopting of the following resolution on the agenda of the extraordinary general meeting of members of Aeroflot-Finance LLC, a subsidiary of PJSC Aeroflot, on approving a major transaction: <ol style="list-style-type: none"> 1. In accordance with Article 46 of the Federal Law of 8 February, 1998 №14 – FZ “On Limited Liability Companies”, and sub-clauses 21, 28 and 30 of Clause 10.10 of the Charter of Aeroflot-Finance LLC, to approve the Agreement on the sale of ordinary shares of PJSC Aeroflot by Aeroflot-Finance LLC (Secondary Block Trade Agreement) (the “Sale Agreement”) and other related-party agreements and documents concerning the major transaction, on the following material terms and conditions: <ol style="list-style-type: none"> 1.1 <u>Parties and beneficiaries</u> Seller – Aeroflot-Finance LLC Managers – J.P. Morgan Securities plc and Goldman Sachs International 1.2 <u>Subject of the transaction</u>: The managers undertake to act as agents of the Seller and make reasonable efforts to find buyers for the acquisition of ordinary registered uncertificated shares of PJSC Aeroflot. The volume of shares shall be determined based on the total volume of applications that the Managers receive from potential buyers in accordance with market practices, but shall not exceed 53,716,189 shares (the “Sale Shares”). Managers shall ensure that the Seller is paid for the Shares that are sold, and the Seller undertakes the obligation to transfer the Sale Shares to the Managers and remunerate Managers. 1.3 <u>Value</u>: the value of the transaction (value of the assets that may be disposed of by the Seller through the means of this transaction) consists of the following: <ol style="list-style-type: none"> 1. The price of the Sale Shares shall be determined based on the total volume of applications that the Managers receive from potential buyers in accordance with market practices and shall not be less than 	

the closing price of PJSC Aeroflot shares on Moscow Exchange on the date of conclusion of the Sales Agreement minus 10 per cent;

2. Remuneration of Managers and reimbursement of their expenses shall be determined based on the volume of Sale Shares (excluding applicable VAT), and shall not exceed (i) 0.75% of the total price of the Sale Shares as main remuneration; (ii) 0.75% of the total price of the Sale Shares as additional remuneration paid at the discretion of the Seller; and (iii) USD 150,000 as compensation to the Managers for transaction costs;
3. Payments to Parties Receiving Reimbursement in the cases specified in clause 1.5 (d) below

The total value of assets owned by the Seller that may be disposed of as a result of the fulfilment of transaction obligations exceeds 50% of the book value of the Seller's total assets according to the Seller's records (financial statements) as of the last date of the accounting period.

1.4 Order of the transaction:

1. The Managers shall pay for the sold shares at once or in several instalments within 15 working days of the transfer of the sold shares to the Managers.
2. Managers' remuneration and reimbursement of their expenses shall be made within 10 working days of the Seller receiving invoice and certificate for acceptance of services.

1.5 Other terms:

1. The Sale Agreement will be concluded if on the same day PJSC Aeroflot enters into an additional contract with the Managers which provides for representations, warranties and obligations of PJSC Aeroflot to the Managers in connection with the Sale Shares;
2. Conditions for closing the transaction are, inter alia, the provision of legal advice by legal advisors to the Managers and the Seller and the validity of all Representations and Warranties of the Seller under the Sales Agreement;
3. The Seller provides Representations and Warranties to the Managers in cases which concern, in particular (i) the Seller's authority in the Sales Agreement and other related agreements and documents, (ii) the Seller's legal status (iii) obtaining necessary approvals from the Seller for the transaction (iv) the Seller's ownership rights to the Sale Shares, as well as other issues related to the Seller and their affiliates.
4. The Seller undertakes to compensate the Managers, their affiliates and other related persons ("Parties Receiving Reimbursement") (1) possible costs, fees and damages incurred by the Parties Receiving Reimbursement in connection with the Sales Agreement, in particular (i) as a result of a breach or an alleged breach by the Seller of representations, warranties or obligations contained in the Sales Agreement, or (ii) in connection with the fulfilment of obligations by the Parties Receiving Reimbursement under the Sales Agreement, and (2) possible legal costs and expenses incurred by the Parties Receiving Compensation as a result of legal claims or proceedings;
5. The Seller undertakes that neither the Seller, nor their controlled entities or other related parties execute any transactions related to the sale or possible sale of PJSC Aeroflot shares, or other related-party transactions within 90 days after the Managers have been remunerated for the Shares sold.

1.6. To authorise the General Director of Aeroflot-Finance LLC Kolchanov D.A. to conclude the transaction based on material terms and conditions specified in this document, to approve other terms of the transaction, as well as to conclude the relevant Sales Agreement and signing of other contracts and documents related to the formulation (including preliminary market research), approval and completion of the transaction.

To authorise the General Director of Aeroflot-Finance LLC Kolchanov D.A. to issue power of attorney (if necessary) to sign documents and perform other duties specified in this resolution.

In accordance with Clause 2 of “Regulations on the procedure and terms for disclosing insider information of persons specified in clauses 1 to 4, 11 and 12 of Article 4 of the Federal Law on Countering the Illegal Use of Insider Information and Market Manipulation and on Amending Certain Legislative Acts of the Russian Federation” approved by Order of the Federal Financial Markets Service of Russia of February 28, 2012 No. 12-9 / pz-n, part 16 of Article 30 of the Federal Law of April 22, 1996 No. 39-FZ “On the securities market” and paragraph 15.7 of the Regulation on Disclosure of information by issuers of securities No. 454-P, approved by the Bank of Russia on December 30, 2014, determine that information on the terms of the transaction specified in this resolution, its parties and beneficiaries are not disclosed prior to the completion of this transaction and are subject to disclosure after its completion.

Results of vote*:

FOR	10 (ten)
AGAINST	none
ABSTENTIONS	none

*Note: Slyusar, Y.B., member of the Board of Directors of PJSC Aeroflot, did not participate in the meeting of the Board of Directors of PJSC Aeroflot

Resolution adopted.

2.2.2 Approval of a contract for a transaction to be carried out by a subsidiary

In accordance with sub-clause 19 of Clause 19.2 of the Charter of PJSC Aeroflot, to approve the Support Deed between PJSC Aeroflot and J.P Morgan Securities plc and Goldman Sachs International (“Support Deed”) in connection with the Agreement on the sale of ordinary shares of PJSC Aeroflot (“Secondary Block Trade Agreement”) between Aeroflot-Finance LLC and J.P Morgan Securities plc and Goldman Sachs International (“Sale Agreement”) as well as other agreements and documents related to the Support Deed, as a transaction related to the disposal or possible disposal of direct or indirect property of PJSC Aeroflot exceeding \$100,000 000 (one hundred million US dollars) (or the equivalent of this amount) amounting to less than 25% of the book value of PJSC Aeroflot assets, determined according to Company’s financial statements as of the last accounting date, on the following material terms:

1.1 Parties:

Managers - J.P. Morgan Securities plc and Goldman Sachs International
PJSC Aeroflot.

1.2. Subject of the transaction:

1. PJSC Aeroflot undertakes, among other things, to compensate the Managers, their affiliates and other related persons (“Parties Receiving Reimbursement”) (1) possible costs, fees and damages incurred by the Parties Receiving Reimbursement in connection with the Sales Agreement and Support Deed and in particular (i) as a result of a breach or an alleged breach by Aeroflot-Finance or PJSC Aeroflot of representations, warranties or obligations contained in the Sales Agreement and the Support Deed, or (ii) in connection with the fulfilment of obligations by the Parties Receiving Reimbursement under the Sales Agreement and Support Deed, and (2) possible legal costs and expenses incurred by the Parties Receiving Compensation as a result of legal claims or proceedings;
2. PJSC Aeroflot provides Representations and Warranties to the Managers, in cases which concern in particular (i) the authority of PJSC Aeroflot in the conclusion of the Support Deed and other related agreements and documents, (ii) the legal status of PJSC Aeroflot (iii) obtaining the necessary approvals for the transaction from PJSC Aeroflot, (iv) financial records of PJSC Aeroflot, (v) completeness and reliability of information disclosed by PJSC Aeroflot, (vi) the business of PJSC Aeroflot and its affiliates, as well as other issues related to PJSC Aeroflot, its affiliates and the Sales Agreement;
3. PJSC Aeroflot undertakes that neither PJSC Aeroflot, nor its controlled entities or other related parties execute any transactions related to the sale or possible sale of PJSC Aeroflot shares, or other related-party transactions within 90 days after payment has been made to the Managers for the shares sold under the

Sales Agreement.

1.3 **Price:** total amount of assets that may be disposed of by PJSC Aeroflot as a result of fulfilling the obligations under the Support Deed) may exceed USD 100,000,000 (one hundred million US dollars) (or the equivalent of this amount), but shall not exceed RUB 50,000,000 000 (fifty billion roubles)

To authorise the CEO of PJSC Aeroflot Saveliev V.G to conclude the transaction based on material terms and conditions specified in this document, to approve other terms of the transaction, as well as to conclude the relevant Support Deed and signing of other contracts and documents related to the formulation, approval and completion of this transaction and Sales Agreement.

To authorise the CEO of PJSC Aeroflot Savelyev V.G. to issue power of attorney (if necessary) to sign documents and perform other duties specified in this resolution.

In accordance with Clause 2 of “Regulations on the procedure and terms for disclosing insider information of persons specified in clauses 1 to 4, 11 and 12 of Article 4 of the Federal Law on Countering the Illegal Use of Insider Information and Market Manipulation and on Amending Certain Legislative Acts of the Russian Federation” approved by Order of the Federal Financial Markets Service of Russia of February 28, 2012 No. 12-9 / pz-n, part 16 of Article 30 of the Federal Law of April 22, 1996 No. 39-FZ “On the securities market” and paragraph 15.7 of the Regulation on Disclosure of information by issuers of securities No. 454-P, approved by the Bank of Russia on December 30, 2014, determine that information on the terms of the transaction specified in this resolution, its parties and beneficiaries are not disclosed prior to the completion of this transaction and are subject to disclosure after its completion.

Results of vote*:

FOR 10 (ten)
AGAINST none
ABSTENTIONS none

***Note:** Slyusar, Y.B., member of the Board of Directors of PJSC Aeroflot, did not participate in the meeting of the Board of Directors of PJSC Aeroflot

Resolution adopted.

2.3 Date of the meeting of the Issuer’s Board of Directors (Supervisory Board) at which these resolutions were adopted: **18 September 2017.**

2.4. Date of compilation and minutes number of the Issuer’s Board of Directors (Supervisory Board) meeting at which these resolutions were adopted: **Minutes No.2 of September 18, 2017.**

3. Signature

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

(signature)

S.E. Denisenko

3.2. Date «20» September 2017

Stamp