

Material Fact

Conclusion of major transaction by an entity controlled by the Issuer and materially important for 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. Type of entity which conducted the major transaction: <i>entity controlled by the issuer and materially important for the issuer.</i>	
2.2. Full legal name (for non-commercial organizations – name), address, TIN (if applicable), OGRN (if applicable) of relevant entity which conducted major transaction: <i>Limited Liability Company Aeroflot-Finance (hereinafter “Aeroflot-Finance LLC”).</i> Address of entity: <i>Russian Federation, 127051, Moscow, Petrovka Street, 20/1, TIN: 7707717363, OGRN: 1097746833689.</i>	
2.3. Transaction category: <i>major transaction.</i>	
2.4 Type and subject of transaction: <i>Agreement on the sale of ordinary shares of PJSC Aeroflot (Secondary Block Trade Agreement).</i>	
2.5. Content of transaction, including civil rights and obligations being determined, modified or terminated by means of transaction: <i>Managers undertake the obligation 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 number of applications that the Managers receive from potential buyers in accordance with market practice, but shall not exceed 53,716,189 shares (hereinafter referred to as “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.</i>	
2.6. Period of contractual obligations, transaction parties and beneficiaries, value of transaction in monetary terms and as percentage of the value of assets owned by the entity controlling the issuer or under the issuer’s control which conducted the transaction: Period of contractual obligations: <i>until obligations have been fulfilled in full;</i> Parties of transaction: <i>Aeroflot-Finance LLC (the “Seller”), J.P. Morgan Securities plc and Goldman Sachs International (the “Managers”);</i> Value of the transaction in monetary terms (value of the assets that may be disposed of by the Seller through the means of this transaction) consists of the following:	

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 the 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 by the Seller related to the compensation of Managers, their affiliates and other related persons ("Parties Receiving Reimbursement") for (1) possible costs, fees and damages incurred by the Parties Receiving Reimbursement in connection with the Sales Agreement and 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 contained in the Sales Agreement by the Parties Receiving Reimbursement, and (2) possible legal costs and expenses incurred by the Parties Receiving Compensation as a result of legal claims or proceedings;*

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.

2.7. Value of assets owned by entity under issuer's control which conducted the transaction as of the last date of the accounting period preceding the transaction (agreement): **RUB 10,486,629 as of 30 June, 2017.**

2.8. Date of transaction (agreement): **19 September 2017.**

2.9. Information on transaction approval in case such transaction was approved by authorized management body of entity under the issuer's control which conducted the transaction: **Transaction was approved by a decision at an extraordinary general meeting of members of Aeroflot-Finance LLC which took place on 18 September 2017 (Minutes No. 90 of 18 September 2017).**

2.10. Date on which issuer was informed or should have been informed about the transaction, including by means of receiving a relevant notice from the entity under issuer's control: **19 September 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