

Aeroflot Group Announces Operating Results for September 2020

Moscow, 16 October 2020 – Aeroflot PJSC (Moscow Exchange ticker: AFLT) today announces operating results for Aeroflot Group (“the Group”) for September, Q3 and 9M 2020¹.

September 2020 Key highlights:

- Aeroflot Group carried 3.4 million passengers;
- Passenger load factor was 83.5%;
- 3.1 million passengers carried in domestic segment which is comparable to September 2019 result;
- Further improvement in dynamics of the Group’s airlines’ operating indicators on domestic market. Pobeda Airlines carried 1.1 million passengers domestically, a year-on-year increase of 17.8%.

Q3 2020 Key highlights:

- Aeroflot Group carried 10.1 million passengers;
- Passenger load factor was 83.0%;
- 9.5 million passengers carried in domestic segment, just 7.3% lower year-on-year, while matching the levels of domestic passenger traffic of 2019 in August and September 2020;
- In Q3 2020 airlines of the Group further improved operating indicators dynamics in domestic segment. Important contribution was made by Pobeda Airlines, which carried 3.4 million passengers, a year-on-year increase of 12.0%.

Andrey Chikhanchin, PJSC Aeroflot Deputy CEO for Commerce and Finance, said:

“The operating results for September and Q3 2020 demonstrate Aeroflot Group’s resilience and the significant potential for a rebound in the Russian market. According to IATA, the Russian domestic passenger aviation market is the only major market globally where volumes fully recovered on a year-on-year basis; Russian domestic travel recovered much faster than other markets, including the rapidly recovering Chinese domestic market, which is still 20% below comparable indicators for the same period in 2019, while globally there has been a 50% decrease in domestic volumes.

“In Q3 Aeroflot Group carried 9.5 million passengers on domestic routes. Moreover, in August and September domestic passenger numbers were at comparable levels to August and September 2019. In addition to passenger numbers, we also saw improvement in load factors on domestic routes, which stood at around 87% in August and September – a significant recovery compared with around 52% in Q2 2020.

“We are pleased to see that Russians are ready to travel, and that, given the suspension of international flights, passengers continue to fly and choose to take their holidays in Russia. We have seen elevated demand not only for resort destinations along the Black Sea coast, but also for nature and culture destinations including the northern Caucasus, Lake Baikal, Altai mountains, the Russian Far East and cities in Northwest Russia (Kaliningrad, Murmansk and St. Petersburg).

“Pobeda was virtually the only major carrier anywhere in the world that recorded growth in passenger numbers in Q3 2020, with traffic up by 12.0% year-on-year. In September Pobeda’s passenger numbers grew by a total of 17.8% year-on-year, while total domestic traffic rose by 41.4% year-on-year. In addition to passenger numbers, Pobeda achieved a high load factor of 95%. These results once again confirm our strategic focus on continuing to grow the low-cost segment.

“As individual international routes open up, we are seeing a rapid recovery of passenger numbers to 2019 levels. For example, in September 2020 passenger numbers on routes to Turkey significantly exceeded the comparable result for last year; moreover, to meet high demand we launched new flights to Bodrum and Dalaman in addition to our regular scheduled flights to Istanbul and Antalya. We are also seeing active forward bookings, including for the New Year holiday season, with Dubai and Malé proving particularly popular.

“Restrictions on international flights are undoubtedly continuing to put pressure on airlines around the world. However, based on the operational results of Aeroflot Group and the Russian market as a whole, we look forward with confidence to the recovery of the Russian aviation sector as restrictions are lifted.”

¹ Management accounts.

September 2020 Operating Highlights

Aeroflot Group airlines: All flights

	Aeroflot	Pobeda	Rossiya	Aurora	Total
Passengers carried, thousand PAX	1,318.1	1,137.4	882.4	80.0	3,418.0
<i>Change, %</i>	<i>(59.5%)</i>	<i>17.8%</i>	<i>(32.5%)</i>	<i>(47.8%)</i>	<i>(39.9%)</i>
Available Seat Kilometres, mn	3,580.7	2,027.5	2,734.2	185.5	8,527.9
<i>Change, %</i>	<i>(66.9%)</i>	<i>11.3%</i>	<i>(35.5%)</i>	<i>(33.6%)</i>	<i>(50.3%)</i>
Revenue flights	11,181	6,315	4,963	1,445	23,904
<i>Change, %</i>	<i>(55.0%)</i>	<i>18.4%</i>	<i>(29.1%)</i>	<i>(35.6%)</i>	<i>(39.3%)</i>
Passenger load factor, %	77.3%	95.3%	84.6%	58.2%	83.5%

Aeroflot Group airlines: Domestic flights

	Aeroflot	Pobeda	Rossiya	Aurora	Total
Passengers carried, thousand PAX	1,121.8	1,086.7	775.5	79.8	3,063.7
<i>Change, %</i>	<i>(26.9%)</i>	<i>41.4%</i>	<i>12.1%</i>	<i>(28.7%)</i>	<i>(1.4%)</i>
Available Seat Kilometres, mn	2,797.3	1,894.2	2,419.3	184.4	7,295.1
<i>Change, %</i>	<i>(17.5%)</i>	<i>41.1%</i>	<i>5.6%</i>	<i>(4.8%)</i>	<i>1.1%</i>
Revenue flights	9,903	6,029	4,677	1,437	22,046
<i>Change, %</i>	<i>(22.1%)</i>	<i>42.0%</i>	<i>10.1%</i>	<i>(15.4%)</i>	<i>(3.8%)</i>
Passenger load factor, %	78.1%	95.4%	83.5%	58.5%	83.9%

In September 2020, Aeroflot Group carried 3.4 million passengers, a year-on-year decrease of 39.9%. RPK were down 51.2% year-on-year, ASK decreased by 50.3%. Passenger load factor was 83.5%.

On domestic routes, airlines of the Group continued to record strong operating results in September 2020 carrying a total of 3.1 million passengers, a marginal year-on-year decrease of 1.4%. Pobeda Airlines transported 1.1 million passengers, a 41.4% improvement year-on-year. Rossiya Airlines carried 775.5 thousand passengers, a year-on-year increase of 12.1%. Aeroflot Airlines in September 2020 transported 1.1 million passengers, a year-on-year decline of 26.9%, which is primarily explained by lower transfer traffic between domestic and international points of service. Aurora Airlines carried 79.8 thousand passengers, a year-on-year decline of 28.7%.

9M 2020 Operating Highlights

In 9M 2020, Aeroflot Group carried 23.1 million passengers, 50.7% down year-on-year. Group RPK decreased by 55.3% year-on-year, ASK decreased by 49.6% year-on-year. Passenger load factor was 73.3%.

Impact of coronavirus pandemic

In 9M and September 2020, operating results were affected by the dynamics of demand and significant flight restrictions imposed amid the spread of the novel coronavirus infection. Suspension of scheduled international flights and quarantine restrictions in Russia in the Q2 affected the decline in traffic indicators.

In September 2020 Aeroflot Group's domestic traffic volumes continued to recover, also the restoration of international flights has begun. In September 2020, in addition to flights to Turkey, the United Kingdom and Switzerland, due to regulatory approval, flights to Cairo (Egypt), Dubai (UAE), Male (Maldives), Nursultan (Kazakhstan), Bishkek (Kyrgyzstan), Minsk (Belarus) were added with limited frequency. Since October, flights to Seoul (South Korea) have also been resumed with limited frequency.

Fleet update

In September 2020, Aeroflot Airlines phased out one Airbus A320 aircraft. As of 30 September 2020, Group fleet had 357 aircraft.

	Net changes in the fleet		Number of aircraft as of 30.09.2020
	September 2020	9M 2019	
Aeroflot Group	-1	-2	357
Aeroflot Airlines	-1	-1	244

Aeroflot Group Operating Results

	September 2020	September 2019	Change	9M 2020	9M 2019	Change
Passengers carried, thousand PAX	3,418.0	5,682.9	(39.9%)	23,056.2	46,728.4	(50.7%)
- international	354.2	2,576.6	(86.3%)	5,185.5	20,957.5	(75.3%)
- domestic	3,063.7	3,106.3	(1.4%)	17,870.8	25,770.9	(30.7%)
Revenue Passenger Kilometres, mn	7,123.4	14,605.4	(51.2%)	53,731.0	120,267.8	(55.3%)
- international	1,001.4	8,336.2	(88.0%)	18,630.3	70,209.4	(73.5%)
- domestic	6,122.1	6,269.2	(2.3%)	35,100.7	50,058.3	(29.9%)
Available Seat Kilometres, mn	8,527.9	17,172.0	(50.3%)	73,262.4	145,379.8	(49.6%)
- international	1,232.8	9,956.0	(87.6%)	26,337.7	86,332.8	(69.5%)
- domestic	7,295.1	7,216.0	1.1%	46,924.6	59,047.0	(20.5%)
Passenger load factor, %	83.5%	85.1%	(1.5 p.p.)	73.3%	82.7%	(9.4 p.p.)
- international	81.2%	83.7%	(2.5 p.p.)	70.7%	81.3%	(10.6 p.p.)
- domestic	83.9%	86.9%	(3.0 p.p.)	74.8%	84.8%	(10.0 p.p.)
Cargo and mail carried, tonnes	21,788.0	28,969.4	(24.8%)	166,009.8	228,689.8	(27.4%)
- international	6,038.1	14,901.4	(59.5%)	63,129.9	125,662.0	(49.8%)
- domestic	15,749.9	14,068.0	12.0%	102,879.9	103,027.7	(0.1%)
Revenue Cargo Tonne Kilometres, mn	87.7	118.4	(25.9%)	726.9	943.1	(22.9%)
- international	31.5	68.8	(54.3%)	343.2	579.1	(40.7%)
- domestic	56.2	49.6	13.4%	383.7	364.0	5.4%
Revenue Tonne Kilometres, mn	728.8	1,432.9	(49.1%)	5,562.7	11,767.2	(52.7%)
- international	121.6	819.1	(85.2%)	2,019.9	6,898.0	(70.7%)
- domestic	607.2	613.8	(1.1%)	3,542.8	4,869.2	(27.2%)
Available Tonne Kilometres, mn	1,072.3	2,044.6	(47.6%)	9,231.6	17,290.8	(46.6%)
- international	218.5	1,181.6	(81.5%)	3,732.3	10,312.7	(63.8%)
- domestic	853.8	863.0	(1.1%)	5,499.3	6,978.1	(21.2%)
Revenue load factor, %	68.0%	70.1%	(2.1 p.p.)	60.3%	68.1%	(7.8 p.p.)
- international	55.7%	69.3%	(13.7 p.p.)	54.1%	66.9%	(12.8 p.p.)
- domestic	71.1%	71.1%	(0.0 p.p.)	64.4%	69.8%	(5.4 p.p.)
Revenue flights	23,904	39,404	(39.3%)	191,834	337,423	(43.1%)
- international	1,858	16,495	(88.7%)	41,683	141,691	(70.6%)
- domestic	22,046	22,909	(3.8%)	150,151	195,732	(23.3%)
Flight hours	56,939.6	107,827.7	(47.2%)	493,208	927,336	(46.8%)

Aeroflot Airlines Operating Results

	September 2020	September 2019	Change	9M 2020	9M 2019	Change
Passengers carried, thousand PAX	1,318.1	3,257.1	(59.5%)	11,620.7	28,433.4	(59.1%)
- international	196.3	1,723.1	(88.6%)	3,827.3	14,907.1	(74.3%)
- domestic	1,121.8	1,534.1	(26.9%)	7,793.4	13,526.3	(42.4%)
Revenue Passenger Kilometres, mn	2,769.4	8,862.4	(68.8%)	28,961.7	77,622.1	(62.7%)
- international	583.9	6,002.0	(90.3%)	13,921.8	52,823.5	(73.6%)
- domestic	2,185.5	2,860.4	(23.6%)	15,039.9	24,798.6	(39.4%)
Available Seat Kilometres, mn	3,580.7	10,828.4	(66.9%)	43,307.9	96,754.7	(55.2%)
- international	783.4	7,439.7	(89.5%)	20,751.7	66,752.7	(68.9%)
- domestic	2,797.3	3,388.6	(17.5%)	22,556.2	30,002.0	(24.8%)
Passenger load factor, %	77.3%	81.8%	(4.5 p.p.)	66.9%	80.2%	(13.4 p.p.)
- international	74.5%	80.7%	(6.1 p.p.)	67.1%	79.1%	(12.0 p.p.)
- domestic	78.1%	84.4%	(6.3 p.p.)	66.7%	82.7%	(16.0 p.p.)
Cargo and mail carried, tonnes	12,179.3	18,983.2	(35.8%)	108,689.9	156,013.0	(30.3%)
- international	5,432.3	12,650.5	(57.1%)	55,855.5	106,720.6	(47.7%)
- domestic	6,746.9	6,332.7	6.5%	52,834.4	49,292.4	7.2%
Revenue Cargo Tonne Kilometres, mn	56.3	86.8	(35.1%)	537.1	712.2	(24.6%)
- international	29.6	62.8	(52.8%)	315.5	523.8	(39.8%)
- domestic	26.7	24.0	11.1%	221.6	188.5	17.6%
Revenue Tonne Kilometres, mn	305.5	884.4	(65.5%)	3,143.7	7,698.2	(59.2%)
- international	82.2	602.9	(86.4%)	1,568.4	5,277.9	(70.3%)
- domestic	223.4	281.4	(20.6%)	1,575.2	2,420.3	(34.9%)
Available Tonne Kilometres, mn	499.0	1,306.4	(61.8%)	5,699.2	11,648.4	(51.1%)
- international	167.7	911.2	(81.6%)	3,043.9	8,160.3	(62.7%)
- domestic	331.3	395.3	(16.2%)	2,655.3	3,488.1	(23.9%)
Revenue load factor, %	61.2%	67.7%	(6.5 p.p.)	55.2%	66.1%	(10.9 p.p.)
- international	49.0%	66.2%	(17.2 p.p.)	51.5%	64.7%	(13.1 p.p.)
- domestic	67.4%	71.2%	(3.8 p.p.)	59.3%	69.4%	(10.1 p.p.)
Revenue flights	11,181	24,826	(55.0%)	112,690	218,987	(48.5%)
- international	1,278	12,107	(89.4%)	33,381	107,210	(68.9%)
- domestic	9,903	12,719	(22.1%)	79,309	111,777	(29.0%)
Flight hours	26,352	70,310	(62.5%)	299,202	626,178	(52.2%)

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