



**Recommendation of the Board of Directors of PJSC "Aeroflot" for distribution of net profit and loss of PJSC "Aeroflot" for the year 2018**

"To approve and recommend to the next forthcoming annual general meeting of shareholders of PJSC "Aeroflot" to be held on 25 June 2019 to ratify distribution of net profit (including payment (declaration) of dividends) following the results of the financial year 2018 ". [attached hereto]

**Recommendation of the Board of Directors of PJSC "Aeroflot" in respect of dividends**

"1. To approve and to recommend to the next forthcoming annual general meeting of shareholders of PJSC "Aeroflot" to be held on 25 June 2019 to pay in the manner provided by the current laws of the Russian Federation by or before 09 August 2019 dividends on the shares of PJSC "Aeroflot" following the results of financial year 2018 in the amount of 2.6877 rubles per share in monetary form, in the total amount of 2,856,500.00 thous. rubles.

2. To propose to the next annual general meeting of shareholders to set 05 July 2019 as the date on which the persons entitled to receive dividends on the shares of PJSC "Aeroflot" shall be determined.".

**On Distribution of Net Profit of PJSC "Aeroflot"**  
**According to the Results of Financial Year 2018**  
 (Recommended by the Board of the Directors of PJSC "Aeroflot")

Net profit of the Company at the end of 2018 amounted to 2,796,104 thous. rub.

**Section I. Distribution of Net Profit at the End of 2018**

1. To use for payment of dividends for 2018 (Addendum No. 1)	2,856,500.00	thous. rub.
<i>- including in favor of the state</i>	<i>1,527,514.29</i>	<i>thous. rub.</i>
2. To transfer to create a financial source for payment of remuneration to the members of the Audit Commission of PJSC "Aeroflot"	4,514.34	thous. rub.

**Total for section I: 2,861,014.34 thous. rub.**

Deficit of net profit for the year 2018 after the formation of the sources of payment for Section I	64,910.34	thous. rub.
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**Sources of payment of dividends for the year 2018**

Net profit at the end of 2018 after creation of a financial source for payment of remuneration to the members of the Audit Commission of PJSC "Aeroflot"	2,791,589.66	thous. rub.
Retained earnings of previous years (funds of the Fund for Financing Target Programs and Unforeseen Expenses)	64,910.34	thous. rub.

**Section II. Unused Net Profit of the Previous Period**

Balance of unused net profit for the year 2017	2,419,447.17	thous. rub.
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**Total for section II: 2,419,447.17 thous. rub.**

<b>Total for sources to cover the loss and to form reserves</b>	<b>2,419,447.17</b>	<b>thous. rub.</b>
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**Section III. Spheres to allocate the sources to cover the loss and to form reserves**

1. To use for financing of capital investments of PJSC "Aeroflot" in 2019	2,419,447.17	thous. rub.
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### **Dividends According to Results of Financial Year 2018**

By resolution of the Board of Directors of PJSC "Aeroflot" dated 30.07.2014, the "Regulations on Dividend Policy of PJSC "Aeroflot" (hereinafter referred to as the Dividend Policy) was approved.

In accordance with Clause 3.6 of the Dividend Policy, the basis to calculate dividend payments is the net profit of "Aeroflot" Group under the consolidated financial statements (according to IFRS).

- 1.) Net profit of "Aeroflot" Group in 2018 according to IFRS = 5,713,000.00 thous. rub.
- 2.) Amount of dividends =  $5,713,000 \times 50\% = 2,856,500$  thous. rub.
- 3.) Number of shares of PJSC "Aeroflot" - 1,110,616,299 pcs.
- 4.) Number of shares redeemed by PJSC "Aeroflot" - 47,817,796 pcs.
- 5.) Number of shares for dividend accrual = 1,110,616,299 pcs. – 47,817,796 pcs.  
= 1,062,798,503 pcs.
- 6.)  $2,856,500 \text{ thous. rub.} / 1,062,798,503 \text{ pcs} = 2.6877 \text{ rub./pcs.}$