

AEROFLOT GROUP

Q4 AND 12M 2019 IFRS RESULTS

3 March 2020



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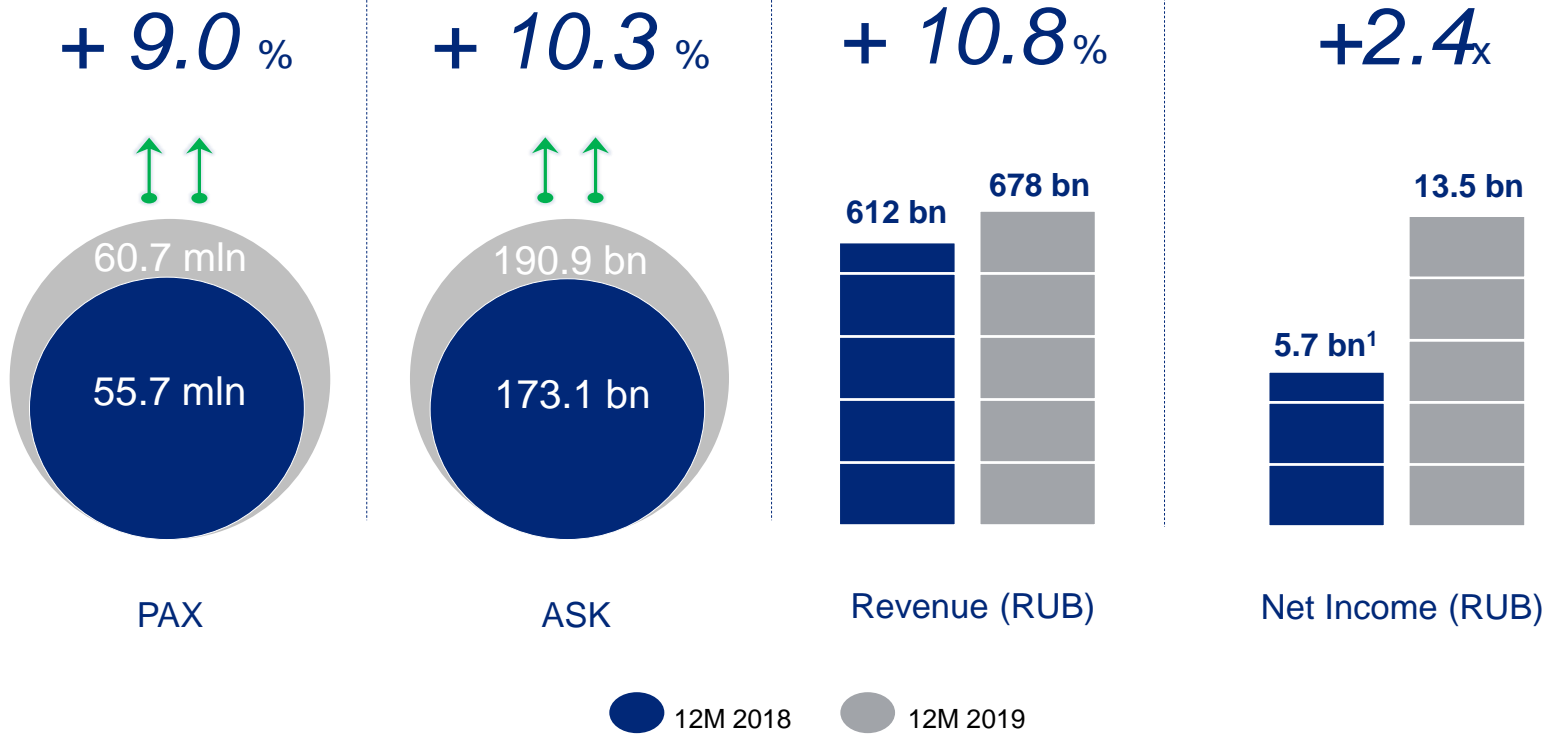
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Aeroflot Group 12M 2019 Highlights



- In 12M 2019 Aeroflot Group has continued operational development via expanding capacity on the back of opportunities provided by the market.
- Amid double-digit capacity growth which allowed the Group to significantly increase number of passengers transported, Aeroflot managed to improve yields and boost revenues y-o-y.

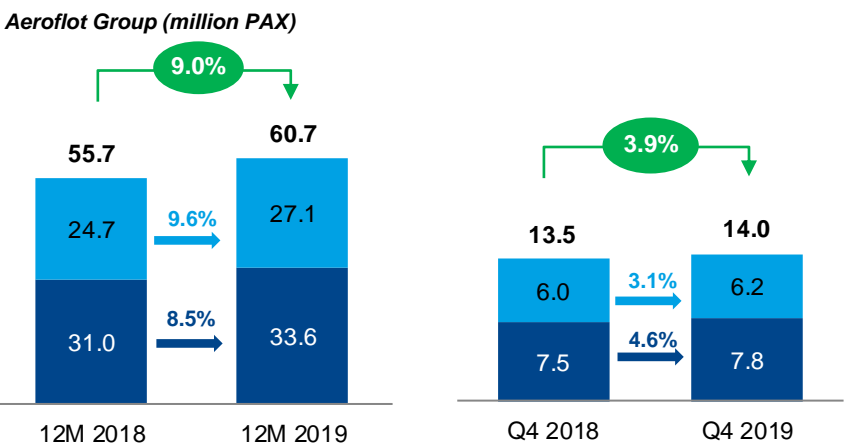
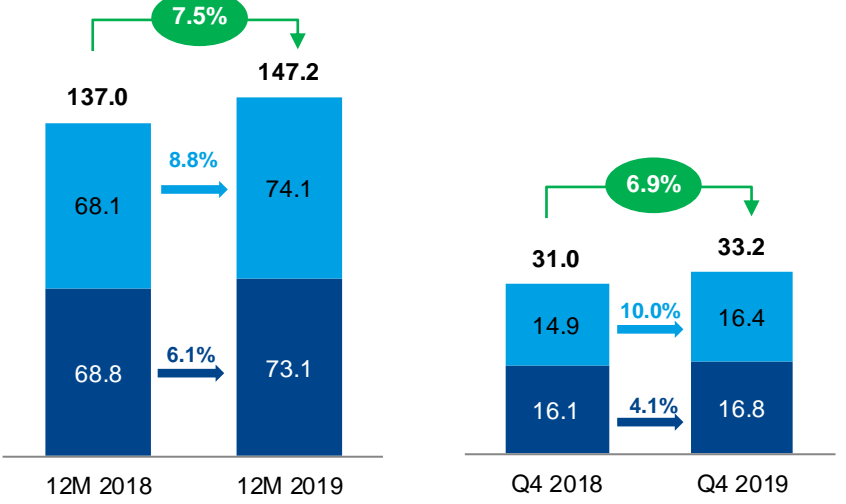
¹ 12M 2018 Net Income as reported, dividend base for 2019 payout.
 Note: immaterial deviations throughout the presentation are explained by rounding

- 1. Market Update and Operating Results**
2. Network and Schedule Overview
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Passenger Traffic: Market vs Aeroflot Group

Russian Air Transportation Market (million PAX)
incl. PAX of Russian and Foreign Carriers and intl. transit PAX

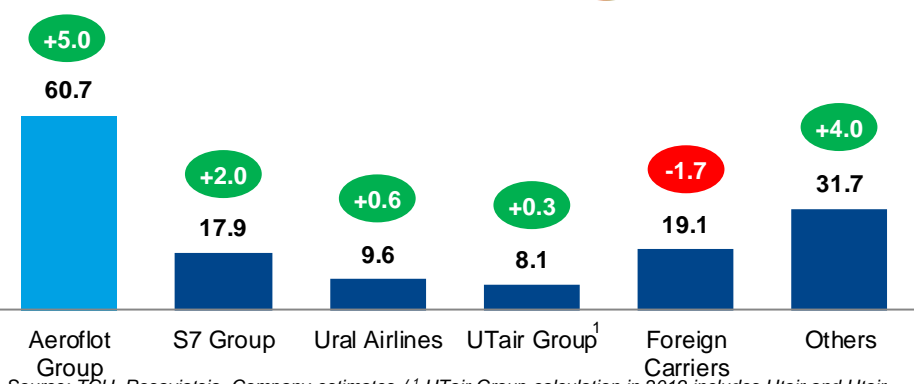
■ International Routes
■ Domestic Routes



Change in Airlines' Passenger Numbers

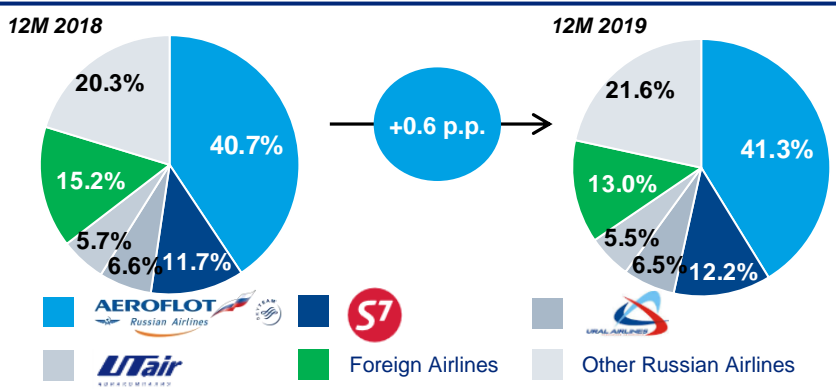
mln PAX, 12M 2019

Change in PAX million



Source: TCH, Rosaviatsia, Company estimates / ¹ UTair Group calculation in 2019 includes Utair and Utair-Cargo, in 2018 includes UTair, Utair-Cargo and Turukhan

Growing Market Share (PAX)



"Clean" Market Share of Aeroflot Group (Net of Intl.-Intl. Transit Traffic)²



Source: TCH, Company estimates. Figures include foreign carriers' traffic. ² Starting from 2019 calculation methodology of transit traffic and "clean" market share has been immaterially adjusted.

Aeroflot Group continued to deliver growth increasing PAX by 9.0% in 12M 2019 and expanding market share.

Aeroflot Group Multi-Brand Strategy



Brand	Business Model	Focus Airport	PAX Contribution ¹	PAX Growth
Premium	<ul style="list-style-type: none"> Flagship carrier Premium product (4 Stars) High income and middle class Hub and spoke model 	<ul style="list-style-type: none"> Moscow (Sheremetyevo) 	12M 2019 	
Regional and Charter	<ul style="list-style-type: none"> Scheduled network operated under SU (Aeroflot) code Scheduled flights from Moscow are integrated in Aeroflot network in SVO Charter operations 	<ul style="list-style-type: none"> Saint-Petersburg (Pulkovo) Moscow (Sheremetyevo, Vnukovo) 		
Low Cost	<ul style="list-style-type: none"> Short and mid-haul flights Focus on domestic segment, Popular underserved international routes Point-to-point carriage 	<ul style="list-style-type: none"> Moscow (Vnukovo) Flights from the regions 		
Regional / Far-East	<ul style="list-style-type: none"> The Far East airline flying on short- and mid-haul direct international and domestic routes Flights to remote cities (local flights) 	<ul style="list-style-type: none"> Vladivostok, Khabarovsk, Yuzhno-Sakhalinsk 		

¹ PAX contribution as of 12M 2019. Absolute number of passengers in million in green circle.

- Multi-brand product offering to capture customers in every market segment: from premium to low-cost.
- Aeroflot and Pobeda – key engines of the Group – increased traffic by 1.5 and 3.1 million PAX respectively.

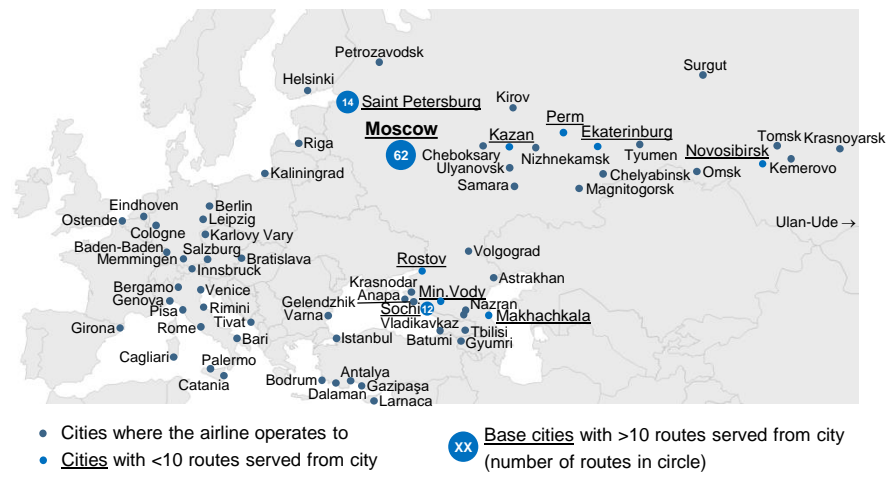
Pobeda Airline: Acceleration of Growth



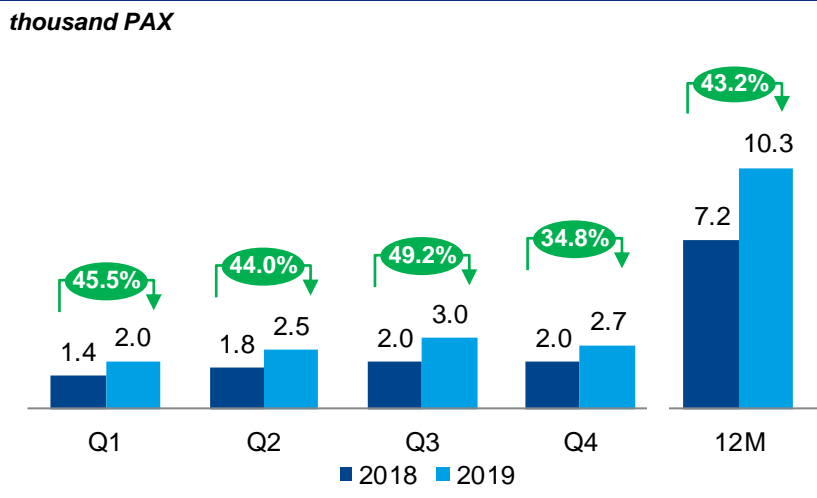
Overview of Pobeda

Network	<ul style="list-style-type: none"> Operating from Vnukovo airport (3rd Moscow airport by PAX) Network comprising 108 routes (62 unique for the Group)
Fleet	<ul style="list-style-type: none"> 30 Boeing 737-800 NG (31.12.2019) Single class cabin with 189 seats per plane
Key features and achievements in 2019	<ul style="list-style-type: none"> 10.3 million PAX in 12M 2019 (+43.2% y-o-y) 12M 2019 PLF of 94.0% International RPK is 28% of total Pobeda traffic Intra-region and international flights from the regions development
2023 Goals	<ul style="list-style-type: none"> Accelerated expansion in domestic and international segments c25-30 mln PAX annually

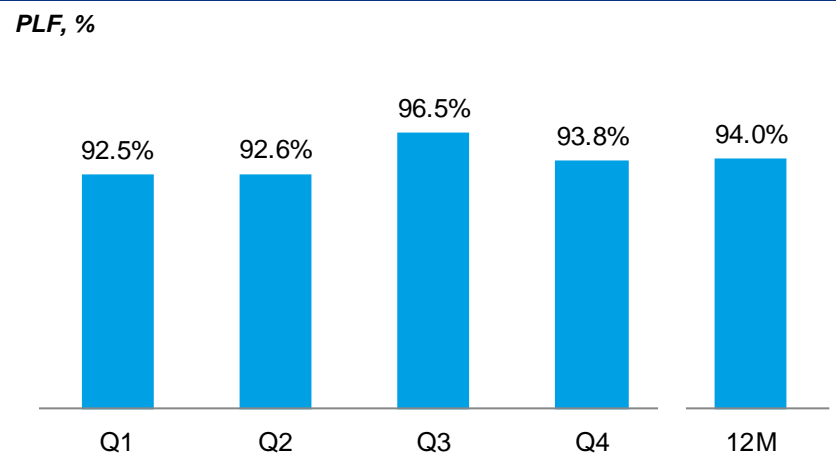
Pobeda's Network



Growing Passenger Flows

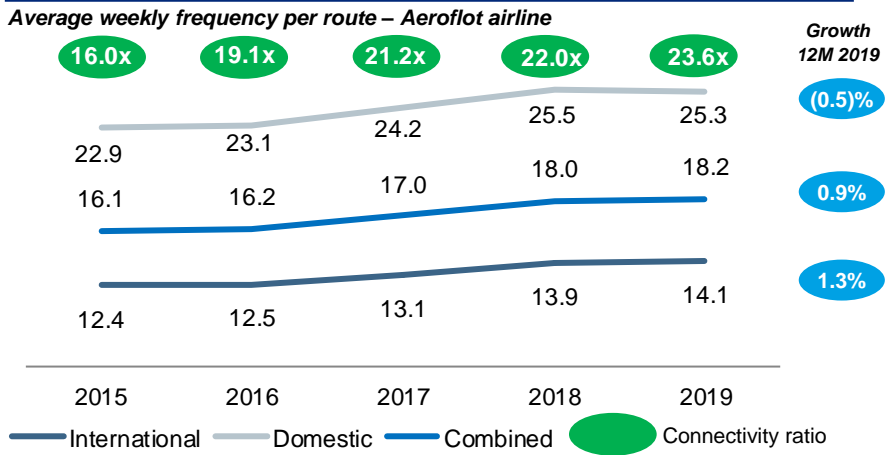


Strong Passenger Load Factor

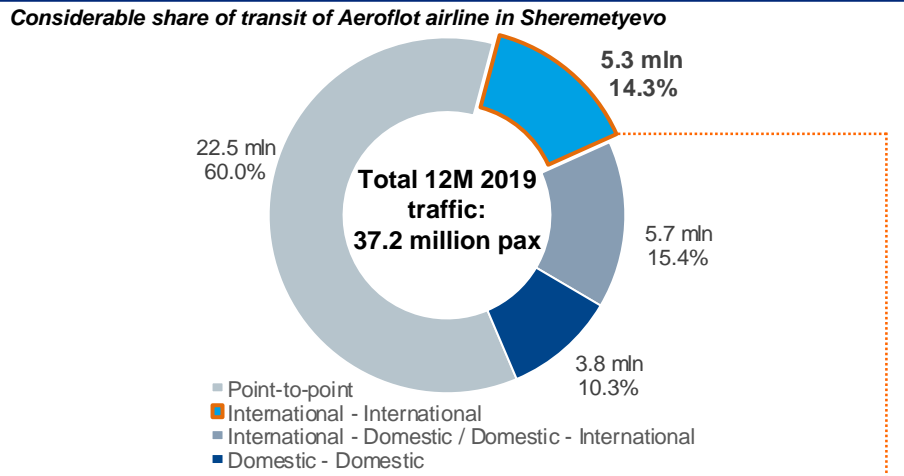


• Pobeda, the only Russian LCC, is a timely value proposition to cost conscious passengers.

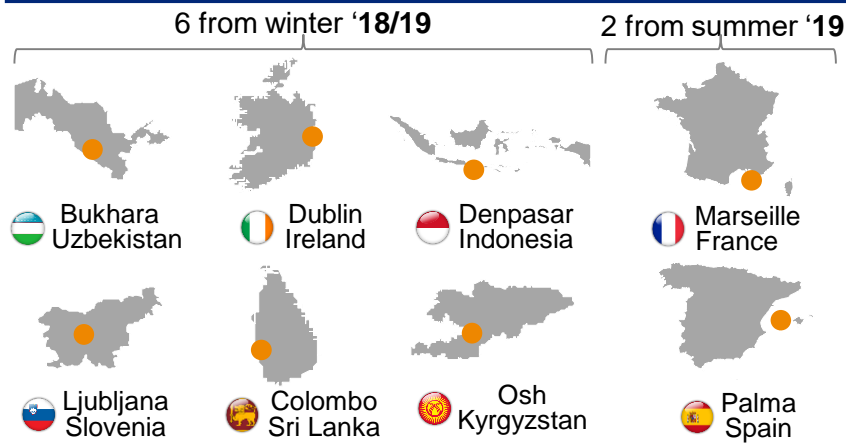
Growing Connectivity of Aeroflot Airline's Flights¹ ...



... Results into a Flexible Approach to Transit Flows

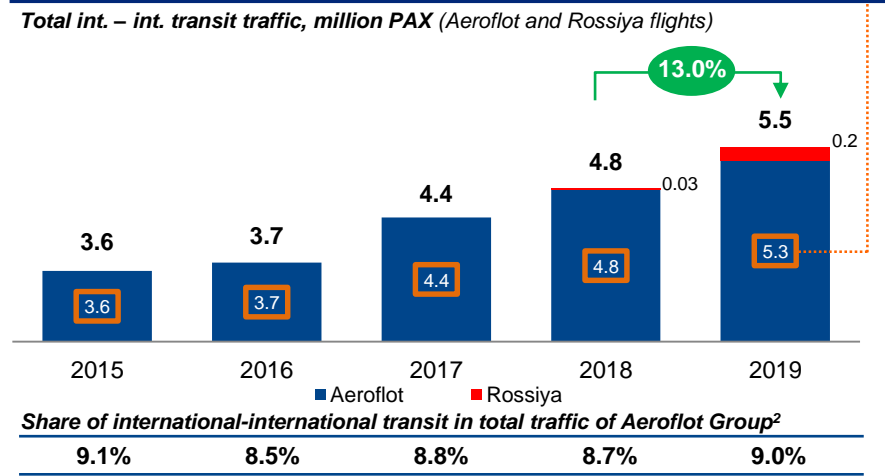


... Backed by expansion of international network...



Source: Company data. ¹ Data for Aeroflot airline's own flights. ² From 2018 total international-international transit figures include Rossiya airline passenger traffic of the segment.

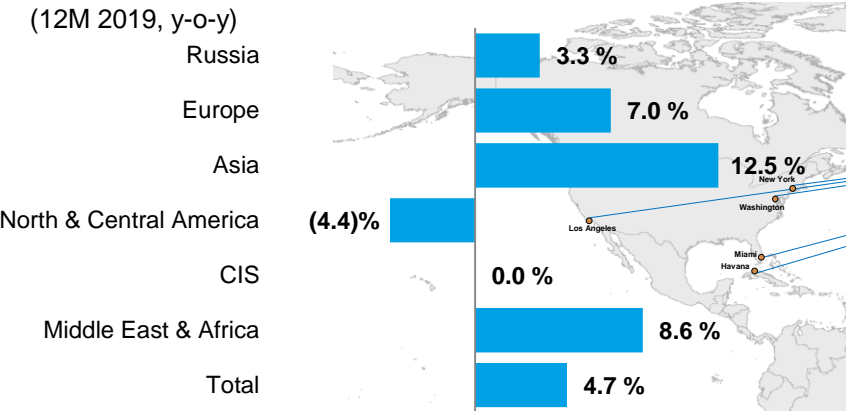
Increase in International – International Traffic²



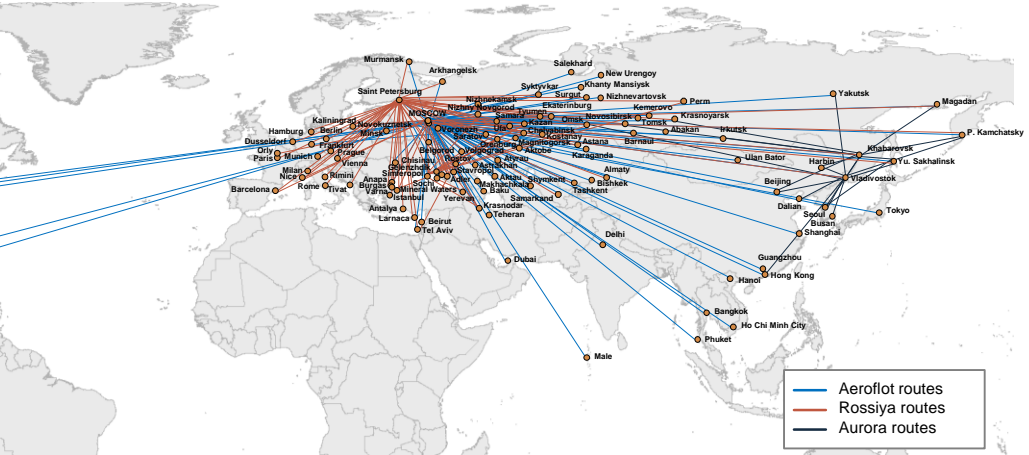
- Increasing flight frequency improves connectivity of flights while advantageous geographical position and Group's efforts in expanding international route network support traffic growth on key destinations.

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of Flights Evolution by Region¹

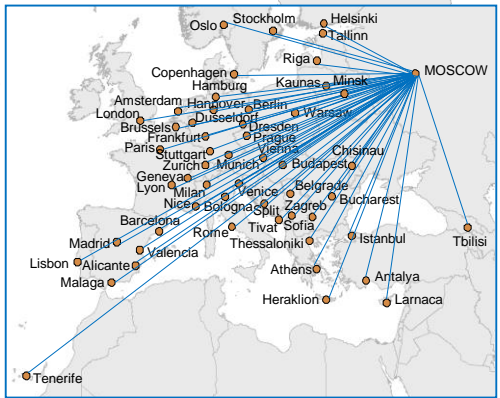
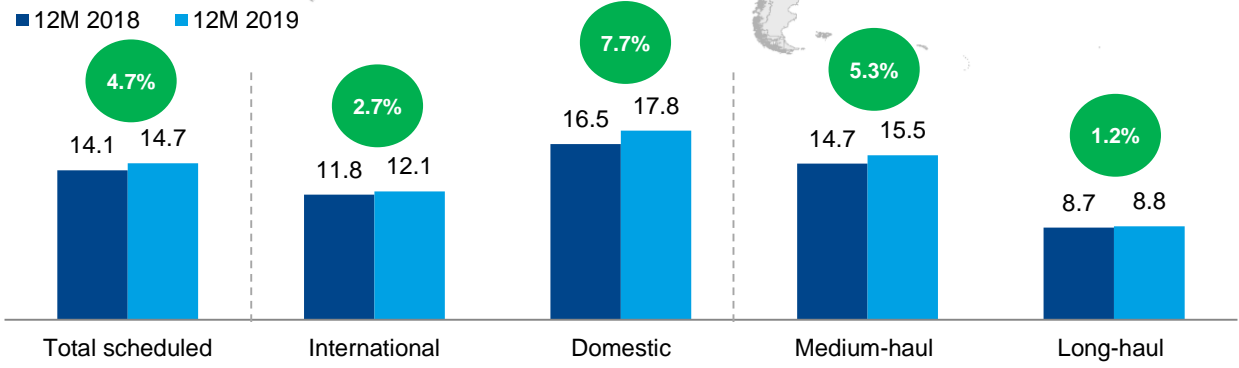


Geographic Network



Average Scheduled Flight Frequency per Route (Aeroflot Group ex-Pobeda)

Increase in Group frequencies by 4.7% was mainly supported by expansion of the number of frequencies in domestic segment (+7.7%) and in the sector of medium-haul routes (+5.3%).



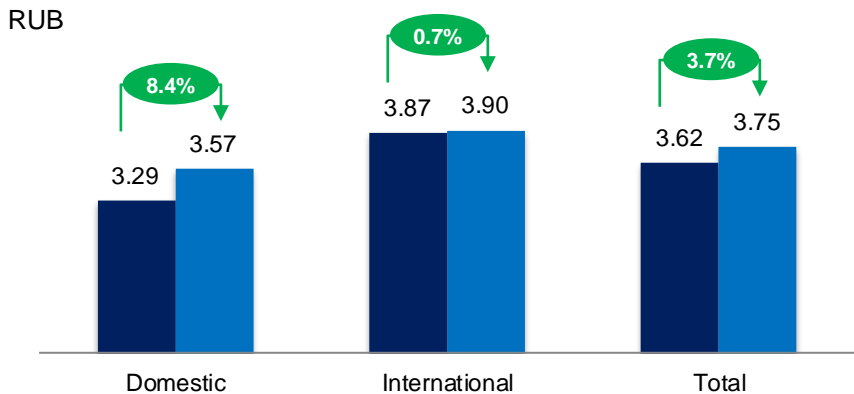
Note: ¹ Scheduled flights of Aeroflot Group (excluding Pobeda LCC)

- Aeroflot Group operated flights to 187 destinations (airports), including 163 points operated by network airlines (summer season).
- LCC segment served over 100 routes, most of them are unique for the Group.

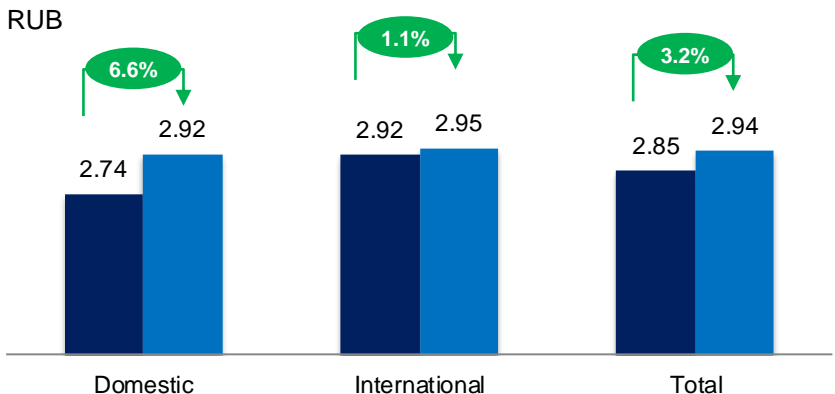
Aeroflot Group Scheduled Flights Revenue Units



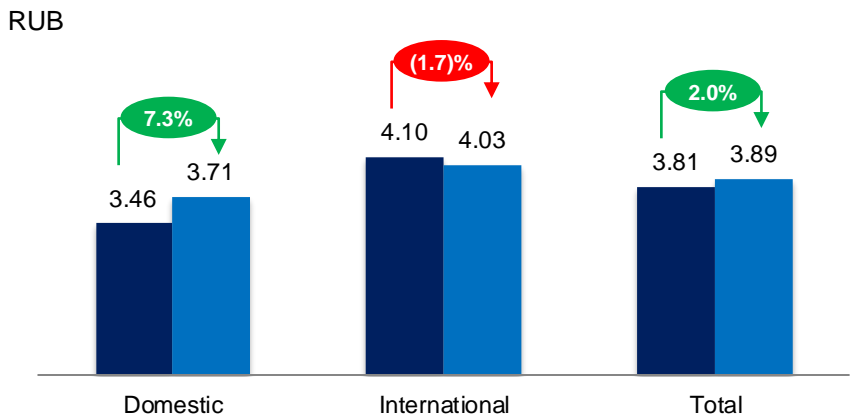
Q4 Yield (PAX Revenue / RPK)



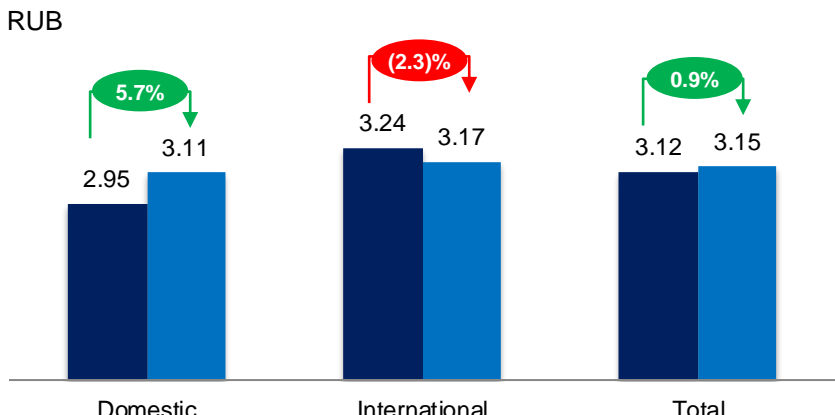
Q4 RASK (PAX Revenue / ASK)



12M Yield (PAX Revenue / RPK)



12M RASK (PAX Revenue / ASK)



% Y-o-Y increase ■ 2018 ■ 2019

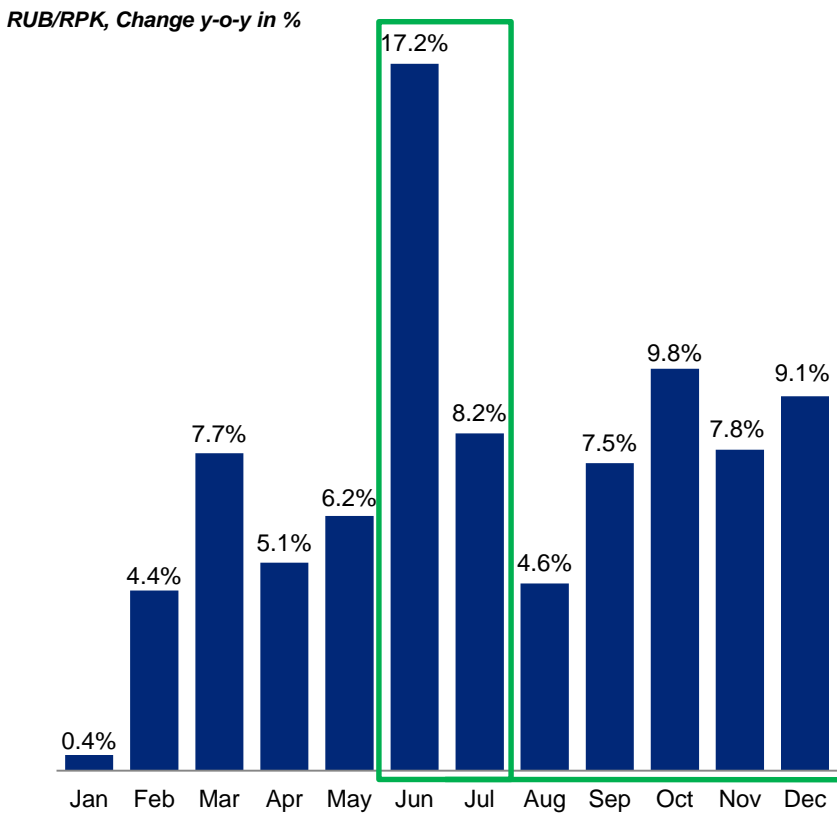
Note: Data presented based on management accounting figures, scheduled flights revenue is used for calculations.

- Competitive positioning, adjustment of fuel surcharges, changing mix of operations at subsidiaries' level due to rapid expansion of LCC and high base of previous year affected RUB yields in 12M 2019.

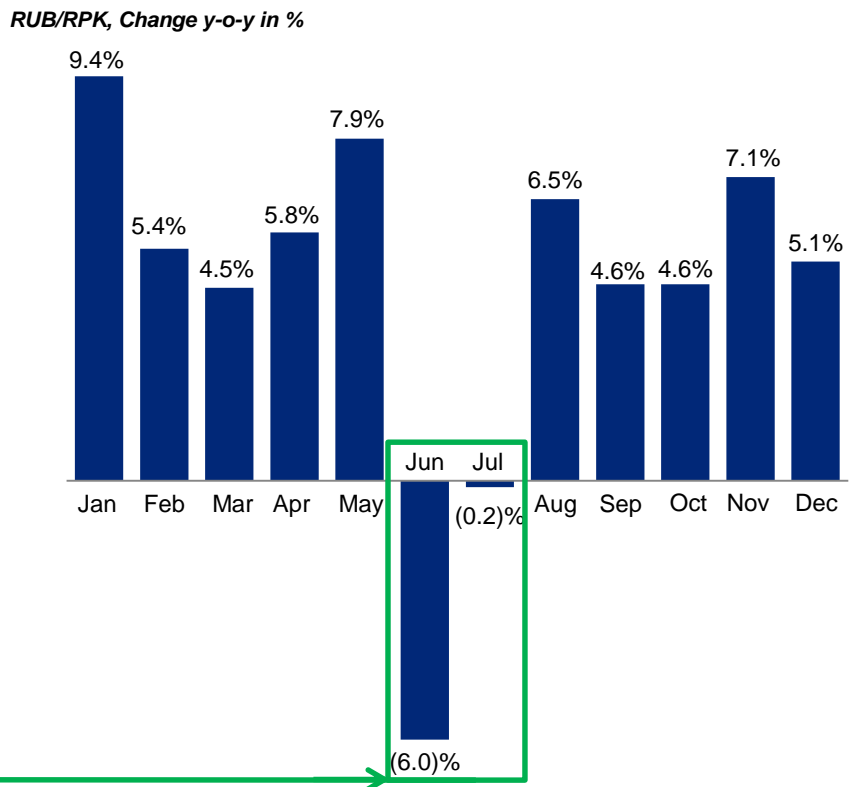
Aeroflot Airline Yield Dynamics (Monthly)



Aeroflot Airline Total Yield, 2018



Aeroflot Airline Total Yield, 2019



Source: Company calculations, data presented based on management accounting figures for Aeroflot airline standalone; immaterial deviations vs. historical data may occur due to adjustments in Revenue Management System (RMS)

- Aeroflot airline yields showed significant improvement on a monthly basis throughout 2018 and 2019 (y-o-y).
- June and July 2018 represented high base for further yield increases in 2019 which resulted into adjustment of 2019 yields in the respective months exacerbated in international segment by exchange rate dynamics of 2019.

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Delivery/Phase-out Schedule¹

Type of aircraft	12M 2019		Fleet as at 31.12.2019 ¹	2020E ³	
	Delivery	Phase out		Delivery	Phase out
Wide-body (long-haul)	2	(1)	59	13	(9)
A-330	-	(1)	21	-	(9)
A-350	-	-	-	11	-
B-777	2	-	29	2	-
B-747	-	-	9	-	-
Narrow-body (medium-haul)	7	(13)	238	16	(2)
A-319	-	(5)	30	-	-
A-320	1	(4)	82	6	(2)
A-321	-	(4)	33	3	-
B-737	6	-	93	7	-
Narrow-body (regional)	-	(2)	62	26	(2)
SSJ-100 ²	-	(1)	49	22 ⁴	-
DHC-8	-	(1)	10	2	(2)
DHC-6	-	-	3	2	-
TOTAL	9	(16)	359	55	(13)

¹ As of 31.12.2019, not including aircraft leased or subleased to other operators.

² Additions are subject to corporate approval.

³ Not including aircraft transfers within the Group.



⁴ Includes 12 SSJ planned for delivery in 2020 and 10 SSJ deliveries transferred from 2019.

- **Aeroflot Group continues to intelligently manage capacity additions and develop its fleet taking into account market trends and opportunities.**

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Financial Highlights: 12M 2019



Q4 2018 restated ¹	Q4 2019	Change	RUB mln (where applicable)	12M 2018 restated ¹	12M 2019	Change
13,461	13,990	3.9%	Passenger Traffic (mln PAX)	55,710	60,719	9.0%
145,225	153,898	6.0%	Revenue	611,570	677,881	10.8%
124,319	132,536	6.6%	PAX Traffic Revenue	534,292	594,570	11.3%
18,776	27,249	45.1%	EBITDA	151,517	168,924	11.5%
12.9%	17.7%	4.8 p.p.	EBITDA margin	24.8%	24.9%	0.1 p.p.
(6,231)	(1,032)	n/a	Operating Income/(Loss)	60,736	60,663	(0.1)%
(38,312)	(6,793)	n/a	Net Income/(Loss)	(55,694)	13,512	n/a
			Loss on FX (Operating Lease Aircraft Liabilities Revaluation) After Tax			
(22,040)				(64,364)		
(16,272)	(6,793)	n/a	Adjusted Net Income/(Loss) (ex. Loss on FX)	8,670	13,512	55.9%

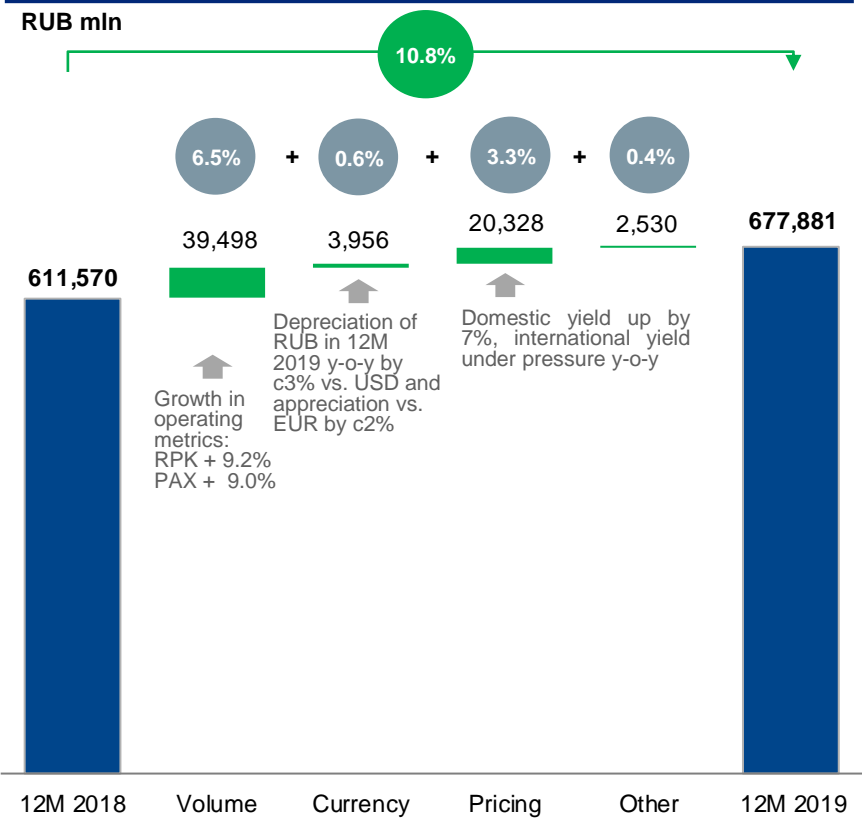
¹ Restated financial results presented based on IFRS 16 full retrospective application where applicable. Q4 and 12M 2019 presented based on IFRS 16 full retrospective application.

- Financial results of 12M 2019 are impacted by high base of previous year as well as continuing fuel and aircraft and passenger servicing costs pressure.
- IFRS 16 implementation also resulted in major changes on the EBITDA, Operating and Net Loss lines.
- Restated bottom line figure in 12M 2018 is connected with FX revaluation of operating lease liabilities on the balance sheet as hedge accounting has been implemented prospectively starting from January 1, 2019.¹⁶

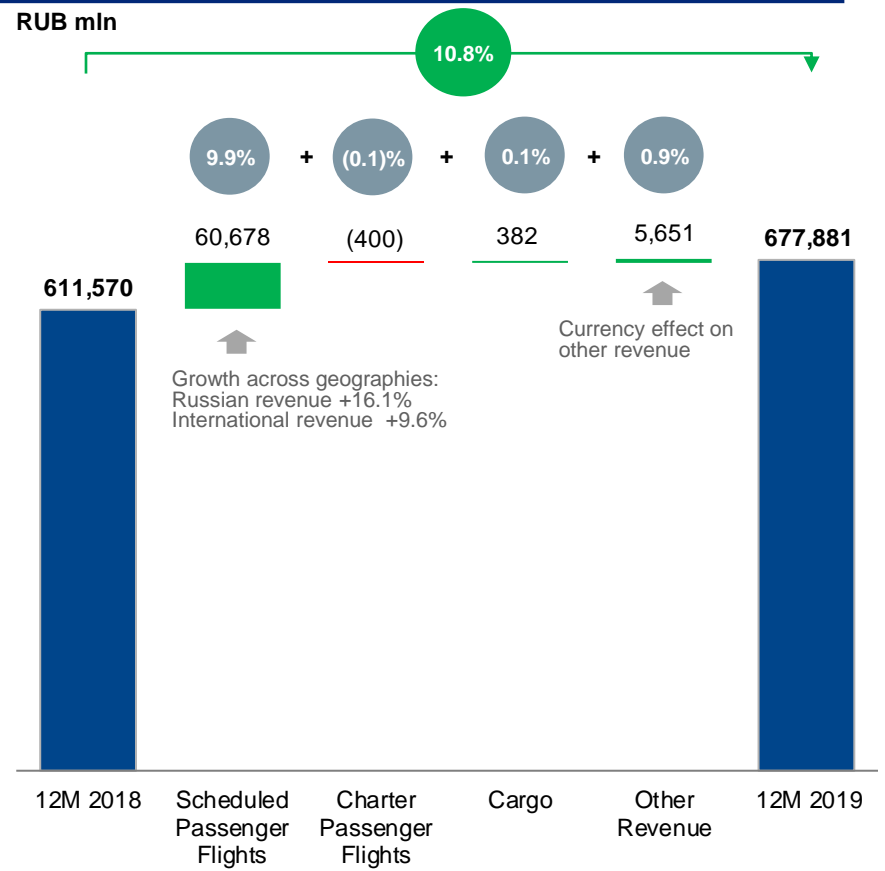
Revenue Growth Decomposition



Revenue by Key Factors












Revenue by Business Segments



- Positive contribution of volume and pricing as well as support from FX were the main factors influencing revenue.
- Primary driver of revenue growth was expansion of scheduled passenger flights across all segments, notably in Russia, Europe and Asia

Operating Costs

Q4 2018 restated ¹	Q4 2019	Change y-o-y	Change ex. FX	Operating Expense (RUB mln If not stated otherwise)	12M 2018 restated ¹	12M 2019	Change y-o-y	Change ex. FX	% of Total OpEx (12M 2019)
49,899	45,307	(9.2)%	(9.2)%	Fuel	181,864	190,876	5.0%	4.0%	 30.9%
101,557	109,623	7.9%	8.8%	Opex (ex. Fuel)	368,970	426,342	15.5%	15.4%	69.1%
28,090	30,347	8.0%	8.0%	Aircraft and passenger servicing	108,371	127,240	17.4%	17.5%	 20.6%
25,007	28,281	13.1%	13.1%	D&A and customs duties	90,781	108,261	19.3%	19.3%	 17.5%
21,340	25,554	19.7%	19.7%	Staff	82,186	92,413	12.4%	12.4%	 15.0%
9,470	8,926	(5.7)%	(5.7)%	SG&A ²	29,328	31,407	7.1%	6.1%	 5.1%
7,671	6,624	(13.6)%	(13.6)%	Maintenance	24,229	30,566	26.2%	24.8%	 5.0%
1,369	2,341	71.0%	89.6%	Short-term and variable leases	5,601	8,099	44.6%	44.6%	 1.3%
8,610	7,550	(12.3)%	(5.0)%	Other expenses ³	28,474	28,356	(0.4)%	(0.4)%	 4.6%
151,456	154,930	2.3%	2.9%	Total Opex	550,834	617,218	12.1%	11.6%	 100.0%

¹ Restated financials presented based on IFRS 16 full retrospective application. Q4 and 12M 2019 presented based on IFRS 16 full retrospective application.

² Includes sales and marketing expenses and administration and general expenses.

³ Other expenses include Global Distribution Systems cost, reserves accrual and reversal, catering expenses, banks' commissions and other operating income and loss.

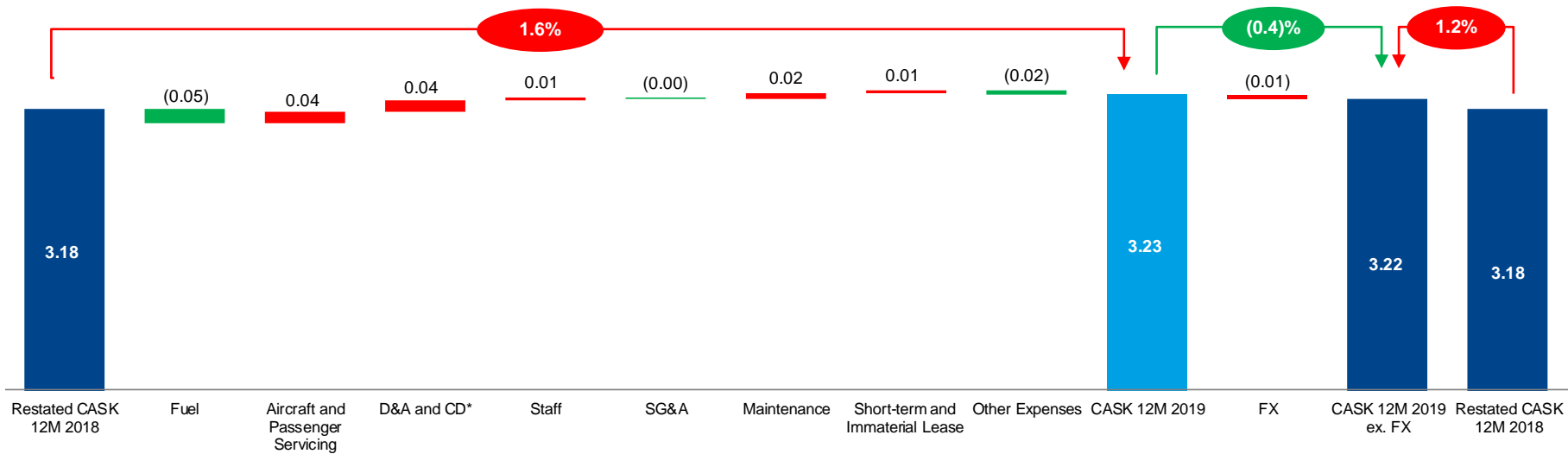
- In 12M 2019 operating costs were significantly impacted by expansion of operations with aircraft and passenger servicing being the key contributor to growth.
- Lease, amortization, maintenance and other lines have been affected by IFRS 16 implementation.

Group Unit Costs



Q4 2018 restated ¹	Q4 2019	Change	Operating Expense per ASK (CASK), RUB	12M 2018 restated ¹	12M 2019	Change
1.14	1.00	(12.8)%	Fuel	1.05	1.00	(4.8)%
2.32	2.41	3.7%	Opex (ex. Fuel):	2.13	2.23	4.8%
0.64	0.67	3.8%	Aircraft and Passenger Servicing	0.63	0.67	6.5%
0.57	0.62	8.6%	D&A and Customs Duties	0.52	0.57	8.1%
0.49	0.56	15.0%	Staff	0.47	0.48	2.0%
0.22	0.20	(9.5)%	SG&A	0.17	0.16	(2.9)%
0.18	0.15	(17.1)%	Maintenance	0.14	0.16	14.4%
0.03	0.05	64.3%	Short-term and Immaterial Lease	0.03	0.04	31.1%
0.20	0.17	(15.8)%	Other Expenses	0.16	0.15	(9.7)%
3.47	3.41	(1.7)%	Total Opex	3.18	3.23	1.6%

¹ Restated financials presented based on IFRS 16 full retrospective application. Q4 and 12M 2019 presented based on IFRS 16 full retrospective application.



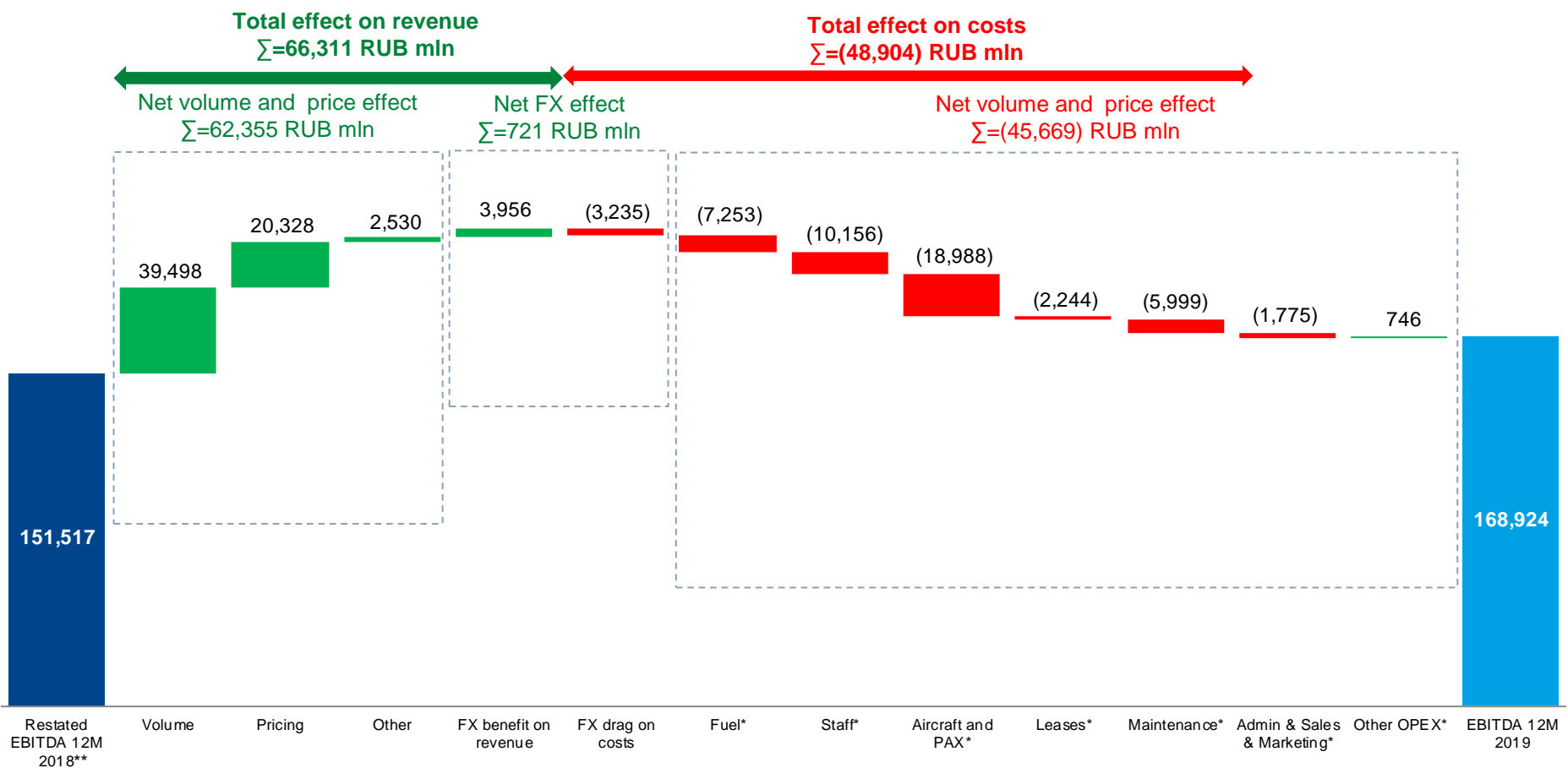
* Customs duties

- Cost per ASK increased by 1.6% from RUB 3.18 in 12M 2018 to RUB 3.23 in 12M 2019 on the back of aircraft and passenger servicing and maintenance growth.

EBITDA Evolution



(RUB mln)



* Excluding currency impact
 ** Restated EBITDA presented based on IFRS 16 full retrospective application.

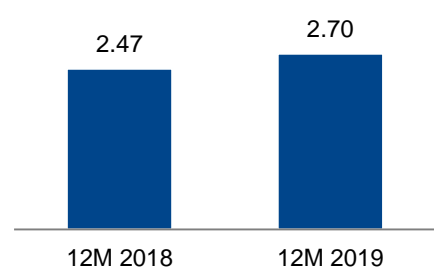
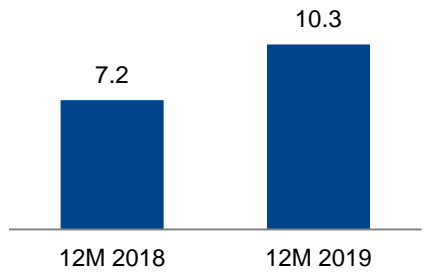
- **Positive FX impact was observed on revenue side, which outpaced pressure on operating costs.**
- **Key driver of EBITDA adjustment along with the growth in size and scale of operations was increase in aircraft and passenger servicing costs.**

Increasing PAX Traffic

Million passengers

+ RASK¹ dynamics

RUB



PAX up by 43.2% in 12M 2019

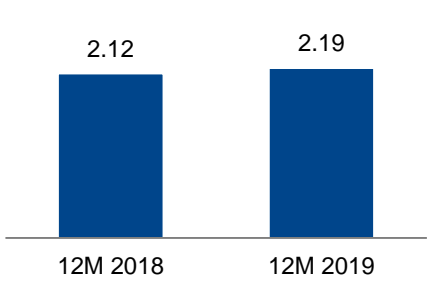
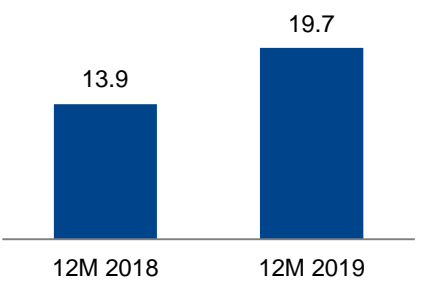
RASK up by 9.3% in 12M 2019

Increasing ASK

Billion ASK

+ CASK dynamics

RUB



ASK up by 41.5% in 12M 2019

CASK up by 3.7% in 12M 2019

Note: based on managerial accounts transformed under IFRS principles. Includes 12 aircraft subleased from Aeroflot.

¹ Calculation based on Total Revenue of the Company

² Restated financials presented based on IFRS 16 full retrospective application. 12M 2019 presented based on IFRS 16 full retrospective application.

³ Adjusted for (excluding) net FX gain from lease liabilities revaluation in the amount of 5.9 bn RUB in 12M 2019 (7.3 bn RUB net FX loss in 12M 2018) and the associated deferred tax; FX gain/loss eliminated in consolidated financials in 2019 due to hedging of FX-denominated liabilities with FX-denominated revenues (non-cash income).

Pobeda Statement of Profit and Loss (IFRS, standalone)

RUB mln	12M 2018 restated ²	12M 2019 ²	Change
Revenue	34,373	53,184	54.7%
Operating Expenses	29,452	43,222	46.8%
Operating Income	4,922	9,962	+2.0x
Operating margin	14.3%	18.7%	4.4 p.p.
Adjusted Net Income ³	1,379	3,982	+2.9x
EBITDA	9,966	17,925	79.9%
EBITDA margin	29.0%	33.7%	4.7 p.p.

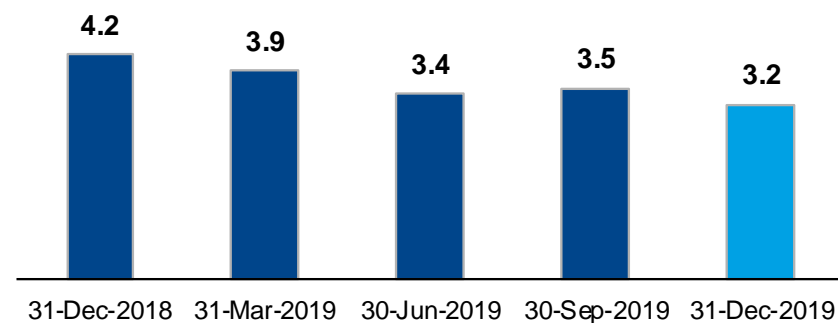
• Pobeda has demonstrated solid results backed by strong demand and active expansion of the fleet in 12M 2019.

Debt Profile¹

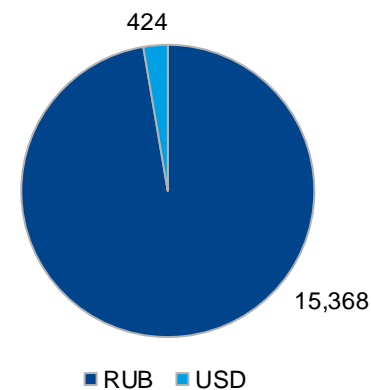
RUB mln	31-Dec-2018	31-Dec-2019	Change
Borrowings	3,486	15,792	+4.5x
Lease Liabilities	655,931	557,124	(15.1)%
Pension Liabilities	908	784	(13.7)%
Total Debt	660,325	573,700	(13.1)%
Cash and Short Term Investments	30,148	25,861	(14.2)%
Net Debt	630,177	547,839	(13.1)%

¹ Based on financial data under IFRS 16; 31-Dec-2019 exchange rate - 61.91 RUB per USD, 31-Dec-2018 exchange rate - 69.47 RUB per USD.

Net Debt / EBITDA



Borrowings breakdown by currency



- Total and Net debt both decreased by 13.1% on the back of lower lease liabilities.
- Cash position of RUB 25.9 billion and undrawn credit lines of RUB 101.0 billion.

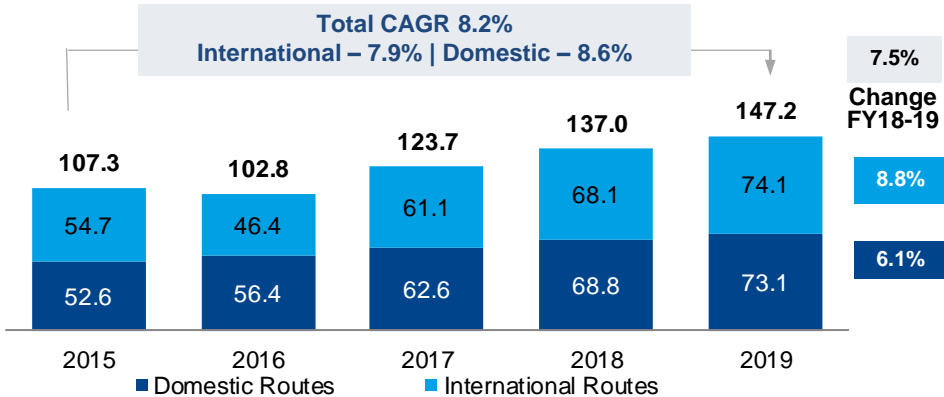
Market and External Environment

Indicator	2019 Targets	Checklist	Long-term targets
PAX trends	Single digit growth (6%-7%, in line with long-term CAGR)	+7.5% 	Long-term CAGR in the range of 6%-7% 2020 impacted by COVID-19 and B737-MAX delays
Aeroflot Group	2019 Targets	Checklist	2020 Targets
Passenger Traffic (PAX)	+9-10%	+9.0% 	Pressure from softer global demand on operating indicators because of COVID-19 Impact from redistribution of capacity between markets by carriers globally Macro factors impact (including tailwinds and headwinds)
Capacity (ASK)	+9-10%	+10.3% 	
Passenger Load Factor (%)	~82.0%	81.9% 	
Revenue	Revenue growth of over 10% (volume + pricing)	Revenue: +10.8% Blended yield: +2.0% 	
Costs	Stabilized costs, Ongoing cost control	CASK: +1.6% 	

- 2019 results in line with the guidance
- Covid-19 is the key headwind for airlines globally

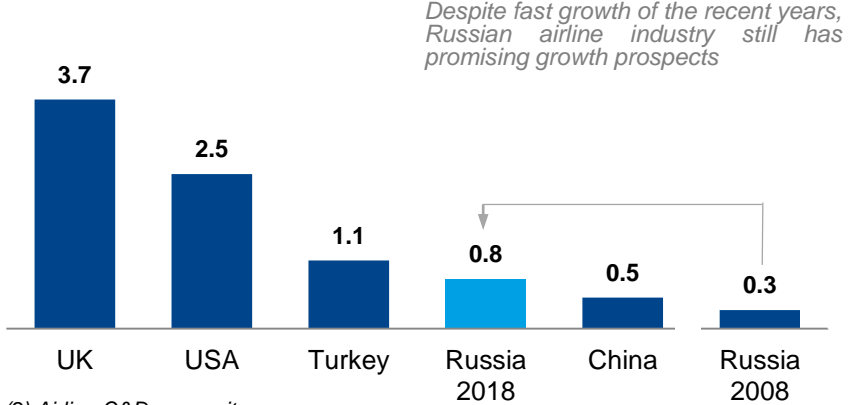
1. Market Update and Operating Results
2. Network and Schedule Overview
3. Fleet Overview
4. Financial Performance
- 5. Appendix**

Russian Total Passenger Traffic Growth, mln PAX⁽¹⁾



Notes: (1) Total local and foreign carriers' traffic
Sources: FAVT, Aeroflot estimates

Trips per Capita ⁽²⁾



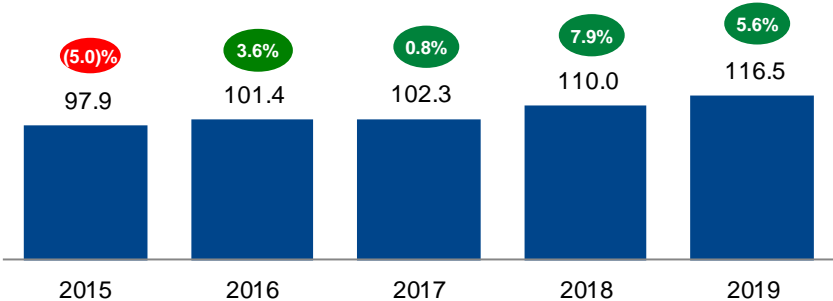
Despite fast growth of the recent years, Russian airline industry still has promising growth prospects

(2) Airline O&D per capita per year
Source: Aeroflot estimates

Railways facing increasing competition...

RZD long-haul rail traffic (mln PAX)

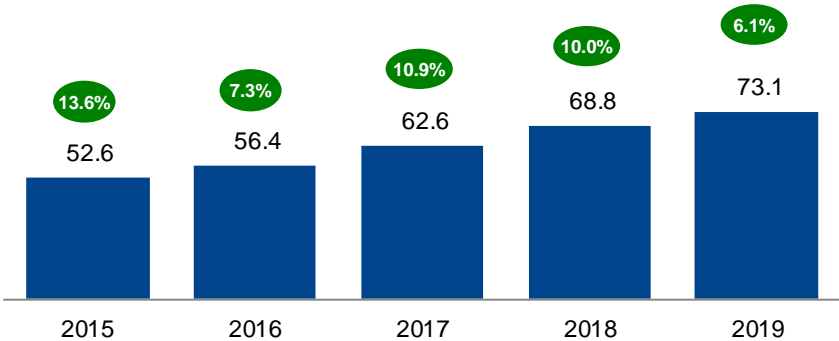
Long-distance rail routes faced volatile passenger traffic dynamics in the recent years and lost over 15 mln PAX since 2008



... from airlines on domestic routes

Domestic air traffic (mln PAX)

Domestic air traffic grew at a much higher pace than other means of transportation

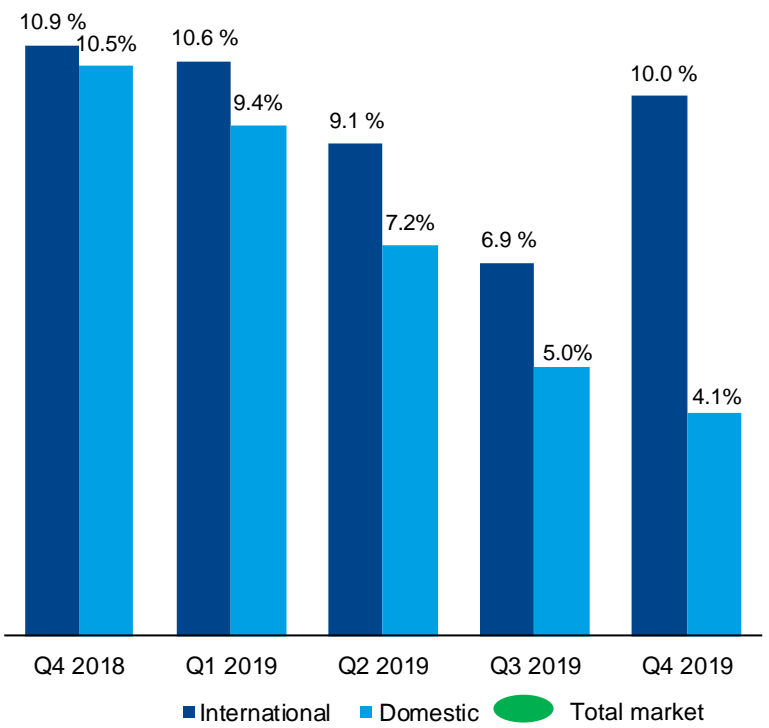


- Russian market is well positioned for long-term growth on the back of still low penetration, additional potential from ongoing structural changes and increasing propensity to travel by air as well as advantageous geographical location.

Passenger Traffic (Russian and Foreign Carriers)

Change in PAX traffic y-o-y, %

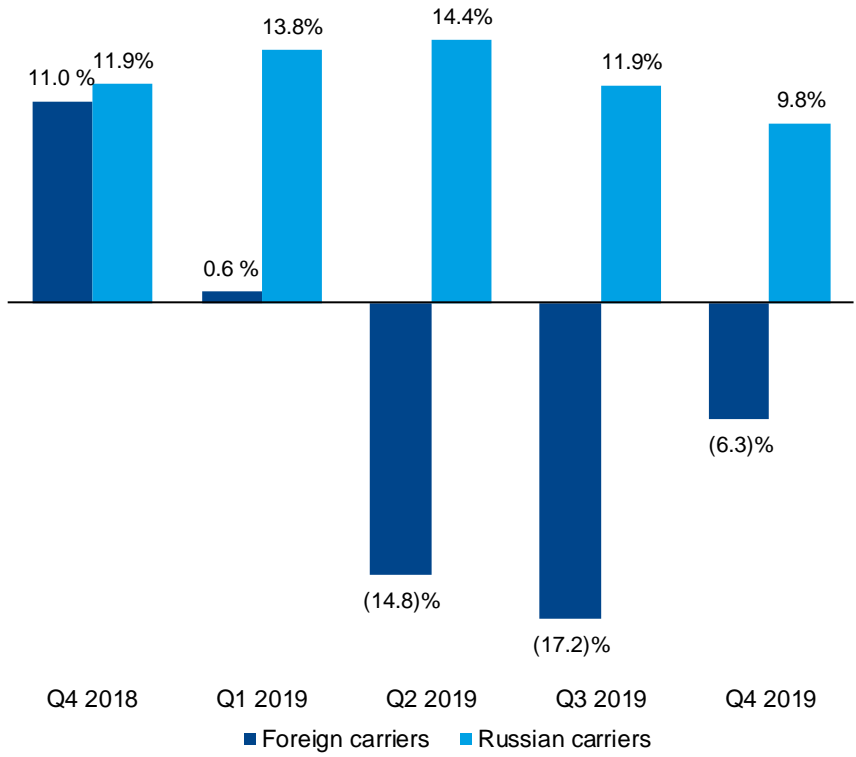
10.7% 10.0% 8.2% 5.9% 6.9%



Source: TCH, Company calculations

Capacity (Russian and Foreign Carriers)

Change in ASK y-o-y, %



Source: SRS for foreign carriers, TCH for domestic carriers, Company calculations.

- In 2019 market continues to grow on the back of higher demand in both international and domestic segments.
- Capacity additions are mostly carried out by Russian carriers with foreign airlines cutting their exposure to Russian market in Q2-Q4 2019.

Operating Data – Q4 & 12M 2019

Indicator	Unit	Aeroflot airline						Aeroflot Group					
		Q4 2018	Q4 2019	Y-o-Y	12M 2018	12M 2019	Y-o-Y	Q4 2018	Q4 2019	Y-o-Y	12M 2018	12M 2019	Y-o-Y
Passenger Traffic	th PAX	8,992	8,787	(2.3%)	35,762	37,221	4.1%	13,461	13,990	3.9%	55,710	60,719	9.0%
International Routes	th PAX	4,526	4,516	(0.2%)	18,214	19,423	6.6%	5,978	6,161	3.1%	24,737	27,118	9.6%
Domestic Routes	th PAX	4,466	4,271	(4.4%)	17,549	17,797	1.4%	7,483	7,830	4.6%	30,973	33,601	8.5%
Passenger Turnover	mn pkm	24,431	24,018	(1.7%)	97,956	101,640	3.8%	34,722	35,985	3.6%	143,150	156,250	9.2%
International Routes	mn pkm	16,086	16,100	0.1%	64,044	68,924	7.6%	20,524	21,192	3.3%	83,250	91,401	9.8%
Domestic Routes	mn pkm	8,345	7,918	(5.1%)	33,912	32,716	(3.5%)	14,198	14,793	4.2%	59,901	64,849	8.3%
Passenger Capacity	mn ASK	31,574	31,540	(0.1%)	121,662	128,295	5.5%	43,682	45,474	4.1%	173,075	190,855	10.3%
International Routes	mn ASK	21,411	21,492	0.4%	81,465	88,245	8.3%	26,663	27,433	2.9%	102,843	113,766	10.6%
Domestic Routes	mn ASK	10,163	10,048	(1.1%)	40,197	40,050	(0.4%)	17,019	18,041	6.0%	70,231	77,089	9.8%
Passenger Load Factor	%	77.4%	76.2%	(1.2) p.p.	80.5%	79.2%	(1.3) p.p.	79.5%	79.1%	(0.4) p.p.	82.7%	81.9%	(0.8) p.p.
International Routes	%	75.1%	74.9%	(0.2) p.p.	78.6%	78.1%	(0.5) p.p.	77.0%	77.2%	0.3 p.p.	80.9%	80.3%	(0.6) p.p.
Domestic Routes	%	82.1%	78.8%	(3.3) p.p.	84.4%	81.7%	(2.7) p.p.	83.4%	82.0%	(1.4) p.p.	85.3%	84.1%	(1.2) p.p.
Tonne-Kilometres	mn tkm	2,490	2,446	(1.8%)	9,862	10,144	2.9%	3,487	3,610	3.5%	14,183	15,377	8.4%
International Routes	mn tkm	1,664	1,653	(0.6%)	6,515	6,931	6.4%	2,080	2,132	2.5%	8,296	9,030	8.9%
Domestic Routes	mn tkm	826	793	(4.0%)	3,346	3,213	(4.0%)	1,408	1,477	4.9%	5,888	6,346	7.8%
Revenue Flights	flights	72,526	72,756	0.3%	273,177	291,743	6.8%	105,725	108,586	2.7%	411,455	446,009	8.4%
International Routes	flights	35,328	35,134	(0.5%)	134,291	142,344	6.0%	45,049	45,292	0.5%	173,407	186,983	7.8%
Domestic Routes	flights	37,198	37,622	1.1%	138,886	149,399	7.6%	60,676	63,294	4.3%	238,048	259,026	8.8%
Flight Hours	hours	206,793	207,395	0.3%	778,795	833,574	7.0%	289,769	298,449	3.0%	1,123,546	1,225,785	1,123,546

Key Operating Data of Subsidiary Airlines – 12M 2019

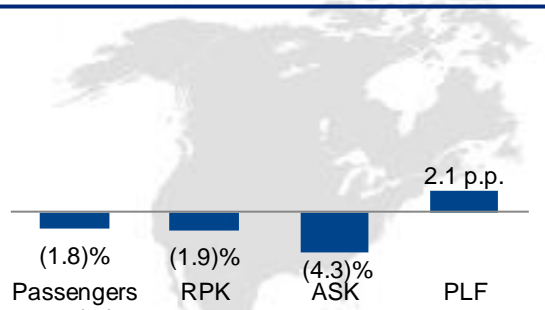


Indicator	Unit	Rossiya				Pobeda				Aurora			
		Q4 2019	Y-o-Y	12M 2019	Y-o-Y	Q4 2019	Y-o-Y	12M 2019	Y-o-Y	Q4 2019	Y-o-Y	12M 2019	Y-o-Y
Passenger Traffic	th PAX	2,120	1.2%	11,553	3.7%	2,706	34.8%	10,287	43.2%	378	2.9%	1,658	2.2%
International Routes	th PAX	954	20.8%	4,921	13.1%	579	1.4%	2,322	31.5%	111	22.1%	452	11.7%
Domestic Routes	th PAX	1,165	(10.7%)	6,632	(2.3%)	2,126	48.1%	7,965	47.0%	267	(3.4%)	1,206	(1.0%)
Passenger Turnover	mn pkm	6,596	8.5%	33,696	13.8%	4,839	31.9%	18,527	41.4%	530	(2.1%)	2,386	(4.1%)
International Routes	mn pkm	3,633	17.6%	16,645	12.5%	1,299	6.5%	5,192	35.6%	159	23.8%	640	10.4%
Domestic Routes	mn pkm	2,963	(0.9%)	17,051	15.2%	3,541	44.5%	13,335	43.8%	370	(10.2%)	1,745	(8.6%)
Passenger Capacity	mn ASK	7,997	8.2%	39,504	15.6%	5,159	30.5%	19,706	41.5%	777	1.4%	3,350	1.2%
International Routes	mn ASK	4,292	16.0%	18,886	15.0%	1,406	5.0%	5,682	37.9%	243	14.4%	953	14.4%
Domestic Routes	mn ASK	3,705	0.5%	20,618	16.1%	3,753	43.6%	14,025	43.1%	535	(3.6%)	2,397	(3.2%)
Passenger Load Factor	%	82.5%	0.2 p.p.	85.3%	(1.3) p.p.	93.8%	1.0 p.p.	94.0%	(0.1) p.p.	68.1%	(2.4) p.p.	71.2%	(4.0) p.p.
International Routes	%	84.6%	1.1 p.p.	88.1%	(2.0) p.p.	92.4%	1.4 p.p.	91.4%	(1.5) p.p.	65.6%	5.0 p.p.	67.2%	(2.4) p.p.
Domestic Routes	%	80.0%	(1.1) p.p.	82.7%	(0.7) p.p.	94.4%	0.6 p.p.	95.1%	0.5 p.p.	69.3%	(5.1) p.p.	72.8%	(4.3) p.p.
Flight Hours	hours	43,820	(1.4%)	207,638	3.4%	36,832	31.2%	139,284	41.7%	10,402	(0.6%)	45,288	(0.8%)

12M 2019 Operating Data by Region (Scheduled Routes)

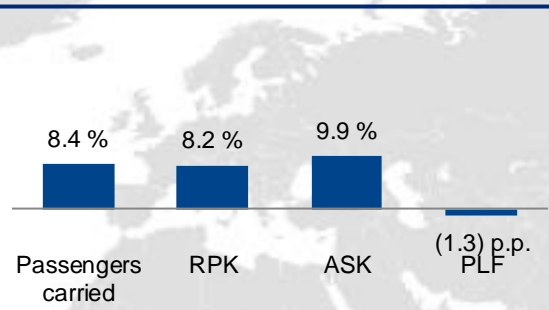


Americas



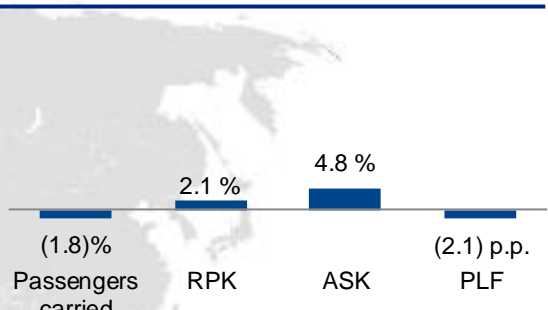
Performance of North and Central American market was influenced by reduction of capacity to JFK (two daily flights instead of three for Winter season) as well as some other destinations.

Russia



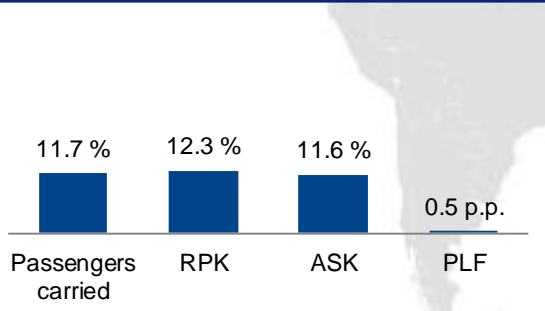
Capacity have been increased to key domestic markets as well as smaller regional cities. Additional contribution from new services to Caucasus, Ulyanovsk and Izhevsk.

CIS



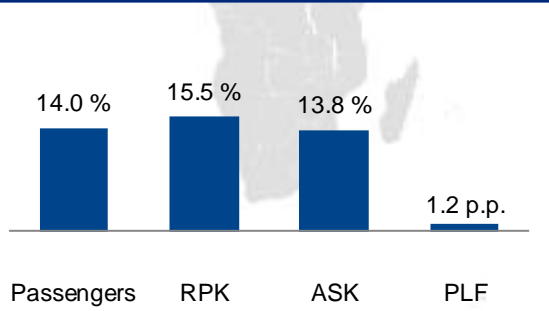
Increased frequencies of Aeroflot airline drove capacity growth to the regional destinations which slightly outpaced demand, weighing on PLF.

Europe



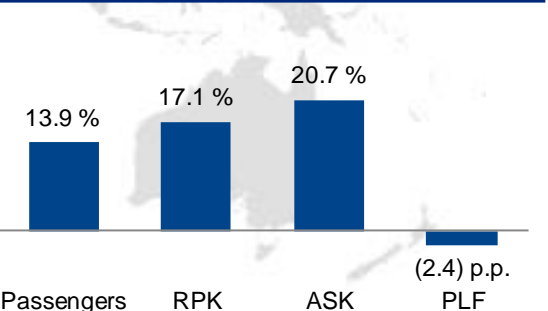
European markets performance benefited from launching of additional frequencies as well as new flights to Slovenia, Dublin, Naples, Verona, Marseille and Palma.

Middle East



Operating performance of the region significantly affected by increased frequencies to Istanbul, Antalya and Dubai backed by strong demand.

Asia



More traffic on key scheduled destinations (Beijing, Tokyo) as well as popular leisure destinations (Phuket, Male) amid increase in frequencies supportive for overall performance of the region.

Source: Data presented based on management accounting for scheduled flights of Aeroflot Group (excluding charter flights)

- Strong operating performance on scheduled routes supported by route network development.

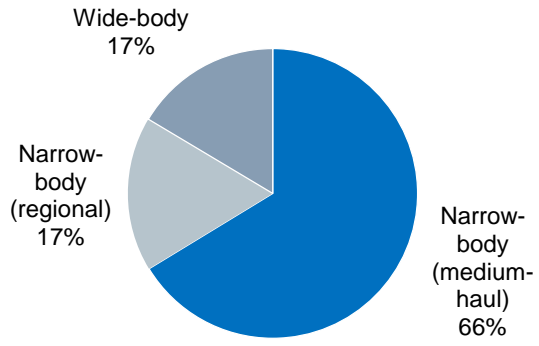
Aeroflot Group Fleet Breakdown



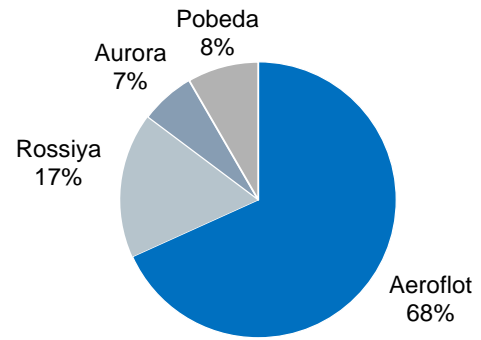
Aeroflot Group Fleet Overview

Aircraft Type	Operated by		Total as of 31-Dec-19	Total as of 31-Dec-18	Change vs. 31-Dec-18
	Aeroflot	Subsidiaries			
Wide-body	40	19	59	58	1
Airbus A330	21	-	21	22	(1)
Boeing 777	19	10	29	27	2
Boeing 747	-	9	9	9	-
Narrow-body (medium-haul)	156	82	238	244	(6)
Airbus A319	-	30	30	35	(5)
Airbus A320	76	6	82	85	(3)
Airbus A321	33	-	33	37	(4)
Boeing 737	47	46	93	87	6
Narrow-body (regional)	49	13	62	64	(2)
DHC 8	-	10	10	11	(1)
DHC 6	-	3	3	3	-
SSJ 100	49	-	49	50	(1)
Total fleet	245	114	359	366	(7)

Breakdown by Aircraft

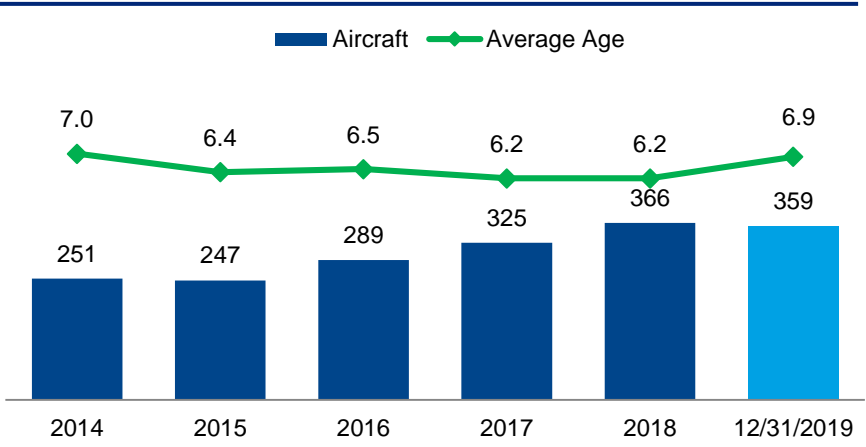


Breakdown by Company

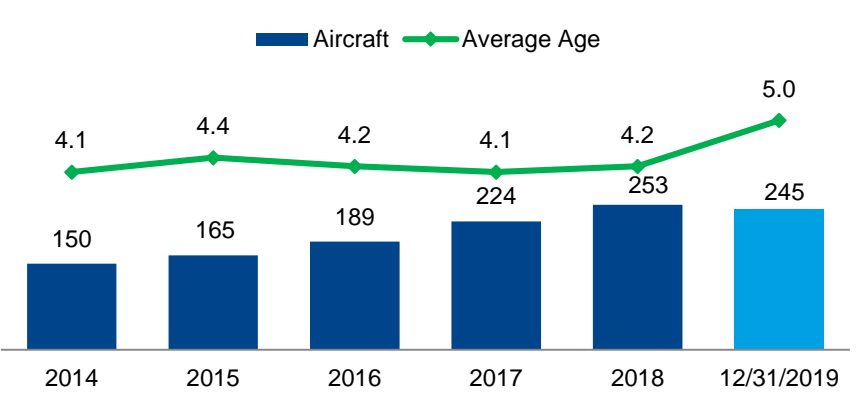


- Well-balanced fleet structure in line with Group's strategy

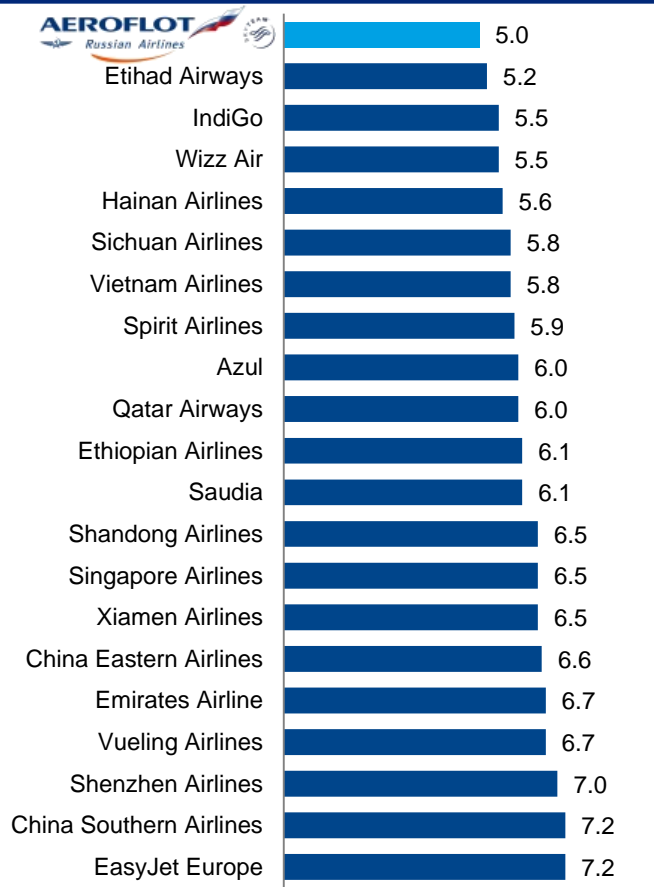
Aeroflot Group Fleet in Operation



Aeroflot Airline Fleet in Operation



Average Age of the Fleet ¹



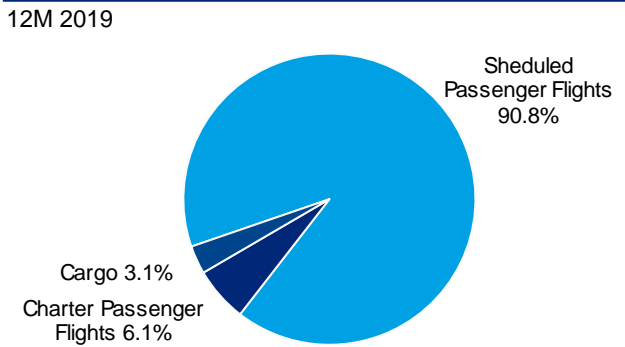
¹ Average Fleet Age of Selected Airlines with Active Fleet of 100+ Aircraft according to FlightGlobal data (as of December 2019, data by legal entity)

- Aeroflot operates the youngest fleet in the industry among airlines with active fleet of 100+ aircraft
- Aeroflot achieved significant progress in fleet renewal both for Aeroflot airline and for the Group

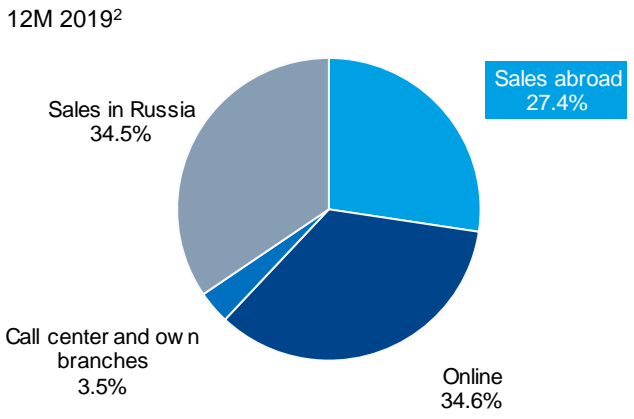
Traffic Revenue Analysis



Traffic Revenue Breakdown by Type



Scheduled Traffic Revenue by POS



Revenue from Scheduled Passengers (RUB mln)¹

Q4 2018	Q4 2019	Y-o-Y	Region	12M 2018	12M 2019	Y-o-Y	12M 2019, % of sch. revenue
46,300	52,385	13.1%	Russia	202,192	234,725	16.1%	42.1%
30,096	31,740	5.5%	Europe	136,673	145,889	6.7%	26.2%
21,116	20,809	(1.5)%	Asia	77,127	86,376	12.0%	15.5%
6,572	6,090	(7.3)%	CIS	25,216	26,748	6.1%	4.8%
6,206	6,372	2.7%	North and Central America	29,729	29,570	(0.5)%	5.3%
6,756	8,555	26.6%	Middle East and Africa	25,517	33,824	32.6%	6.1%
117,046	125,951	7.6%	Total	496,454	557,132	12.2%	100.0%

Total Passenger Revenue (Scheduled + Charter, RUB mln)

Q4 2018	Q4 2019	Y-o-Y	Segment	12M 2018	12M 2019	Y-o-Y	12M 2019, % of revenue
46,965	52,923	12.7%	Domestic	208,127	240,908	15.8%	40.5%
77,354	79,613	2.9%	International	326,166	353,662	8.4%	59.5%
124,319	132,536	6.6%	Total	534,292	594,570	11.3%	100.0%

- In 12M 2019 revenue from scheduled passengers grew by 12.2% mainly driven by revenue growth on Russian, European and Asian markets.

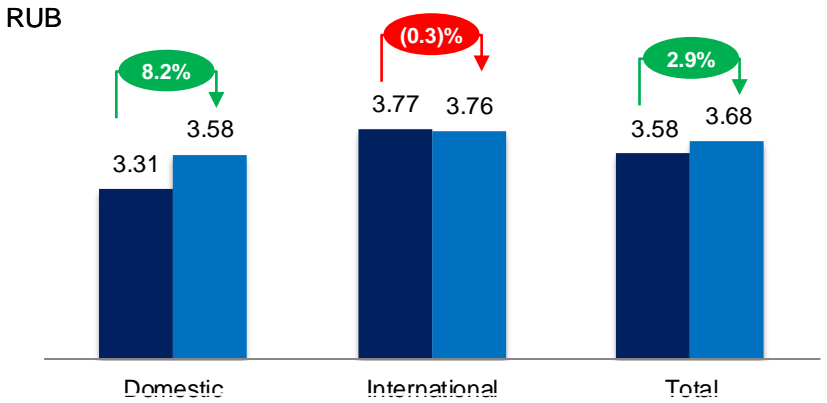
¹ Data presented based on management accounting

² Data presented based on management accounting for Aeroflot airline and routes of subsidiary airlines under commercial management of Aeroflot

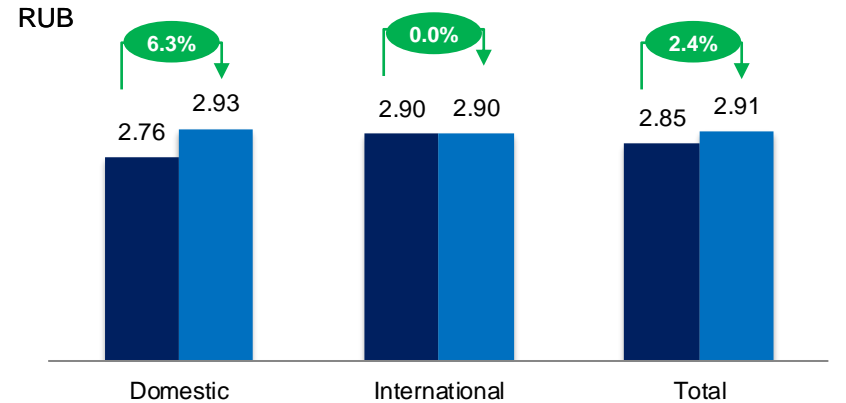
Aeroflot Group Blended Flights Revenue Units



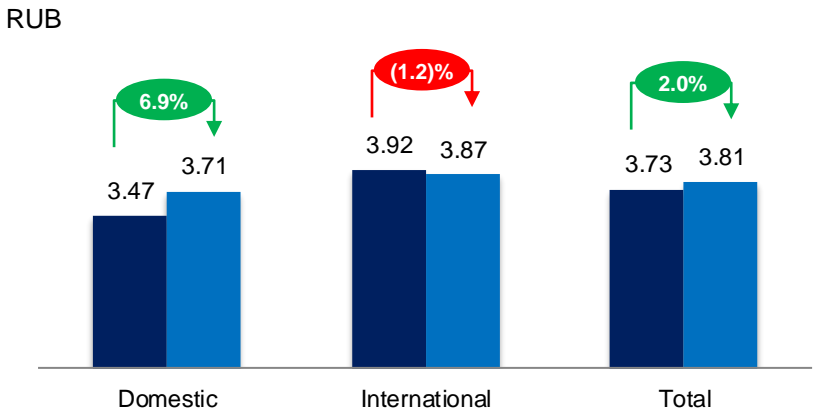
Q4 Yield (Scheduled + Charter PAX Revenue / RPK)



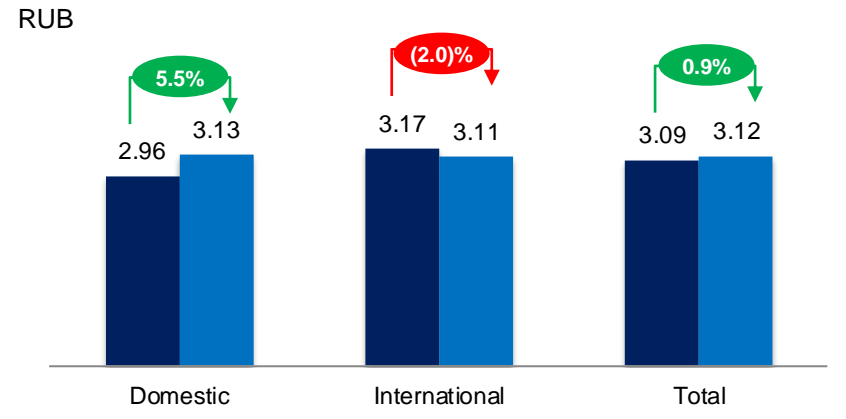
Q4 RASK (Scheduled + Charter PAX Revenue / RPK)



12M Yield (Scheduled + Charter PAX Revenue / RPK)



12M RASK (Scheduled + Charter PAX Revenue / RPK)



% Y-o-Y increase ■ 2018 ■ 2019

Note: Data presented based on management accounting figures, scheduled and charter flights revenue is used for calculations

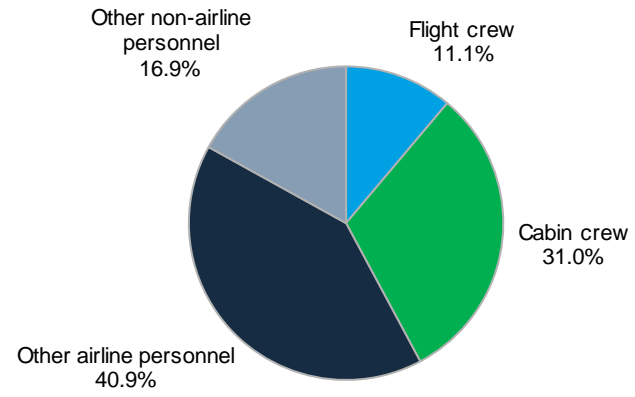
- Competitive positioning, adjustment of fuel surcharges and changing mix of operations at subsidiaries' level due to rapid expansion of LCC as well as high base of previous year affected RUB yields in 12M 2019.

Headcount Overview



Aeroflot Group Headcount by Category

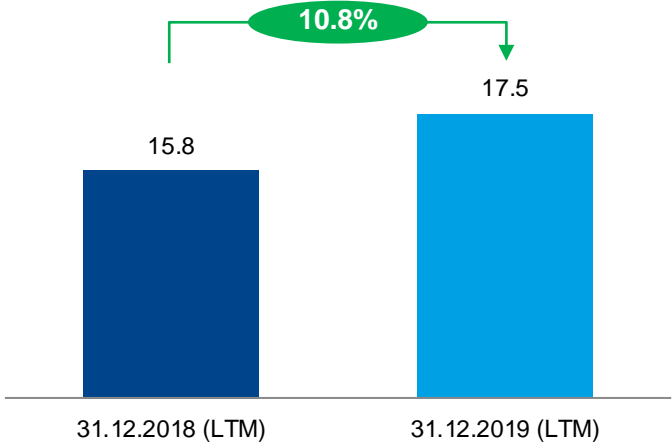
	31-Dec-2018	31-Dec-2019	%
Flight crew	4,119	4,596	11.6 %
Cabin crew	12,168	12,822	5.4 %
Other airline personnel (inc. airlines' head office)	19,690	16,885	(14.2)%
Other non-airline subsidiaries' personnel	5,322	6,993	31.4 %
Total¹	41,299	41,296	(0.0)%



¹ Aeroflot Group headcount table includes Aeroflot Aviation School headcount under Other non-airline subsidiaries' personnel

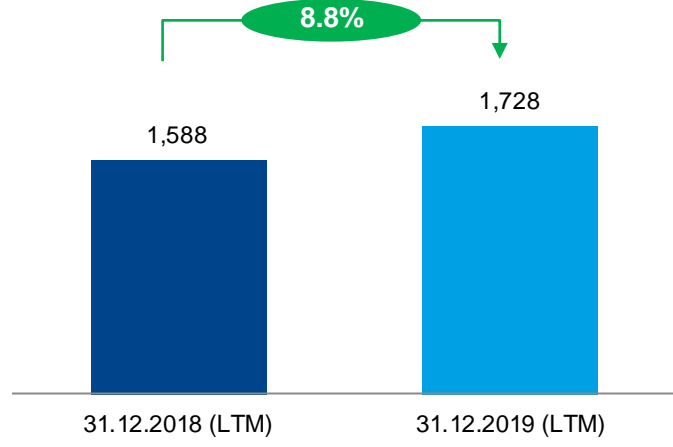
Traffic Revenue / Average Airlines' Headcount

(million RUB per employee, annualized to 31.12.2019)



PAX Traffic / Average Airlines' Headcount

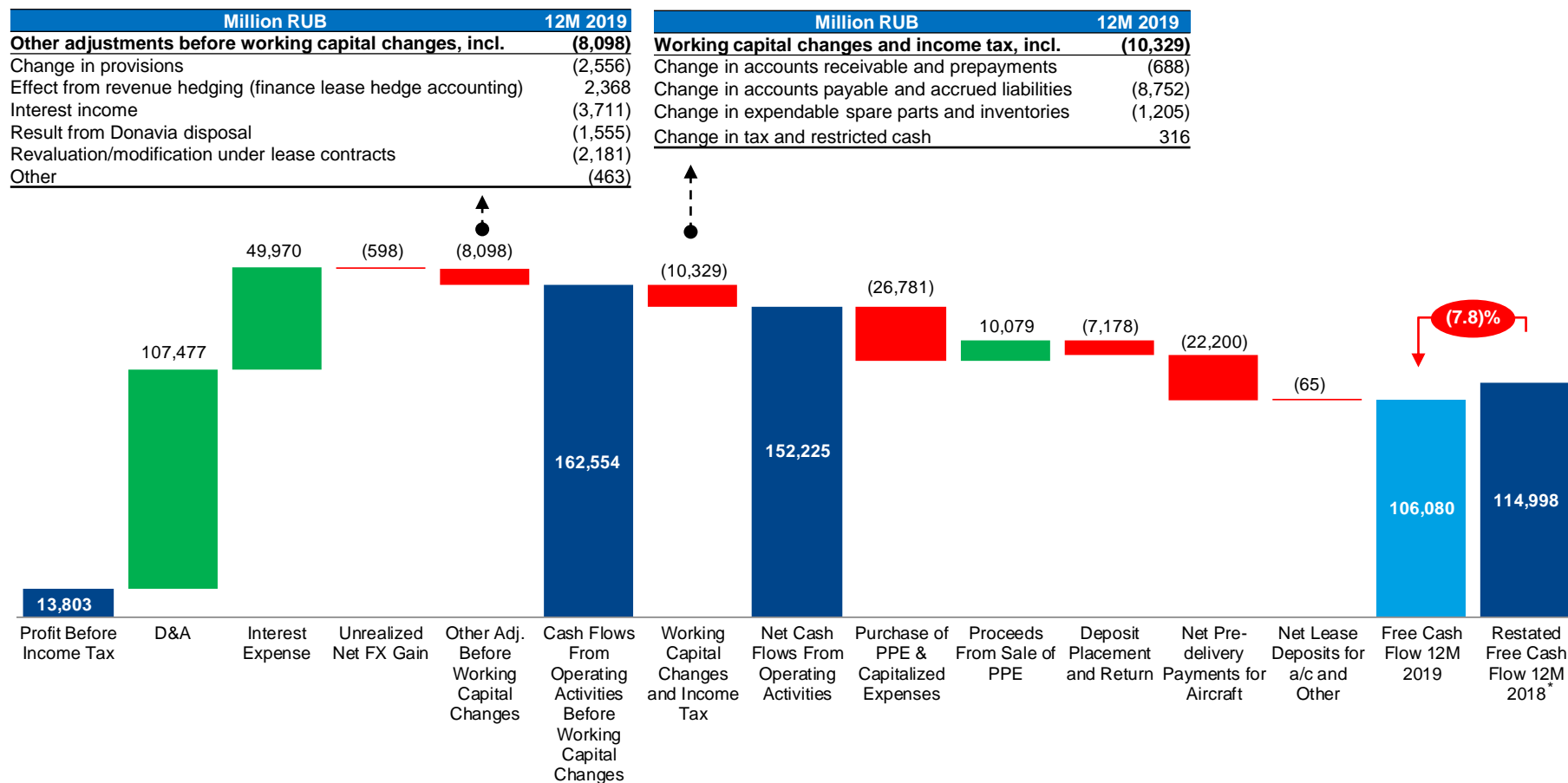
(passengers per employee, annualized to 31.12.2019)



- Improvement in labour productivity has resulted in increase of key performance indicators in 12M 2019.
- Aeroflot Group headcount stayed flat vs. December 31, 2018.

Operating and Free Cash Flows

(RUB mln)



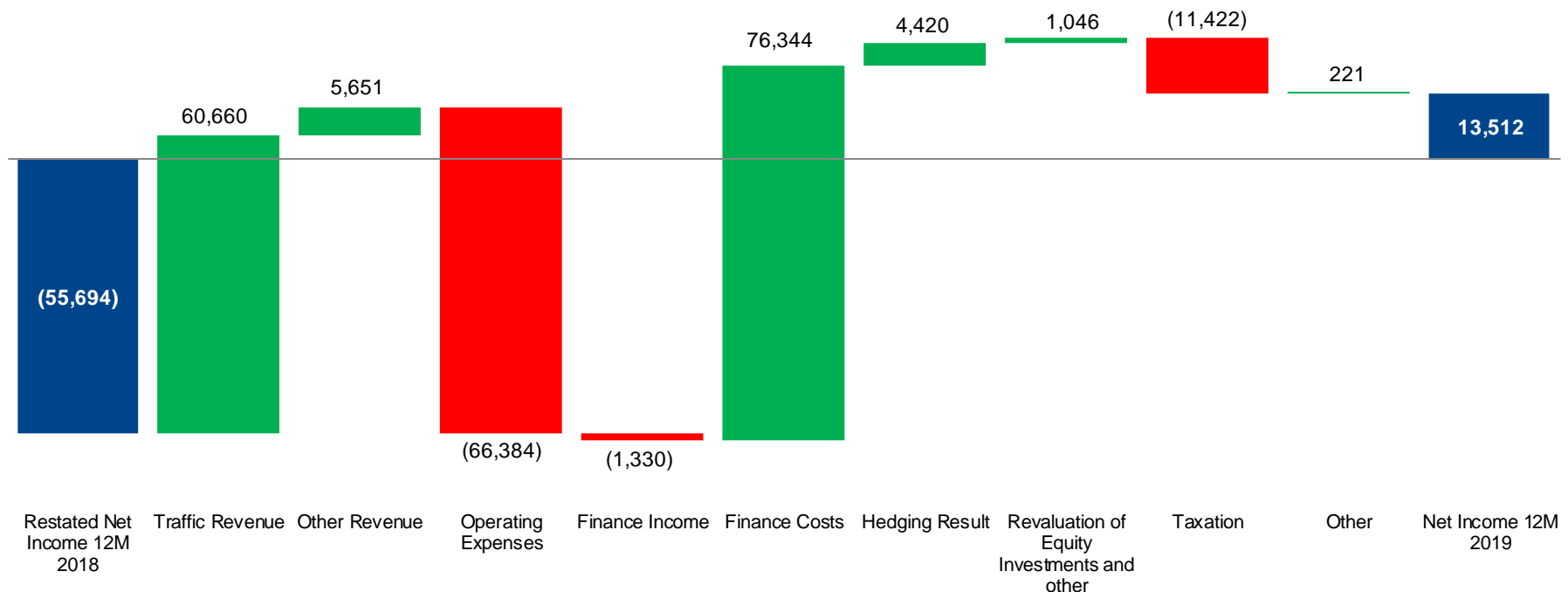
* Restated data

- Strong Operating and Free Cash Flow generation in 12M 2019 notwithstanding the macro challenges.

Net Income Evolution

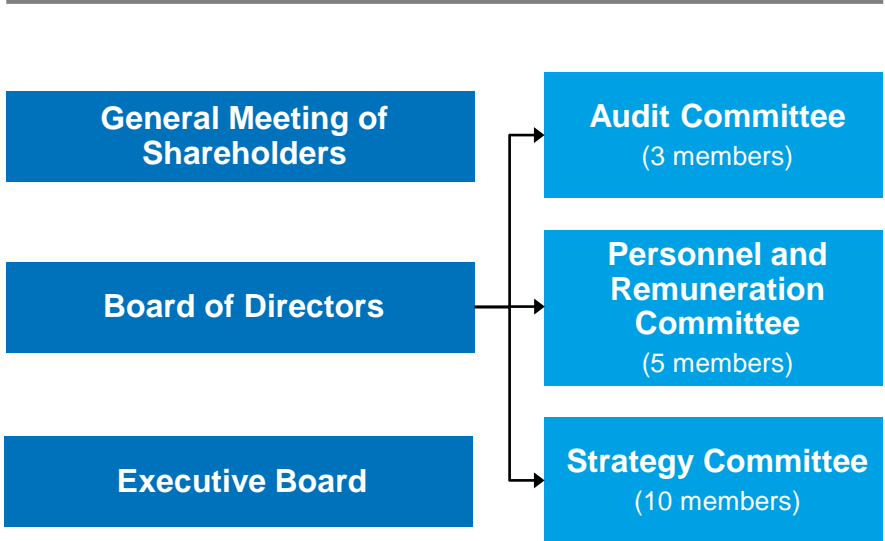


(RUB mln)



- Increase in revenue generated by growing volumes was offset by a less favorable operating cost environment.
- No FX losses related to revaluation of liabilities in 12M 2019 due to hedge accounting in place resulted in significant improvement of Finance Costs in the respective period and supported the bottom line.

Corporate Governance



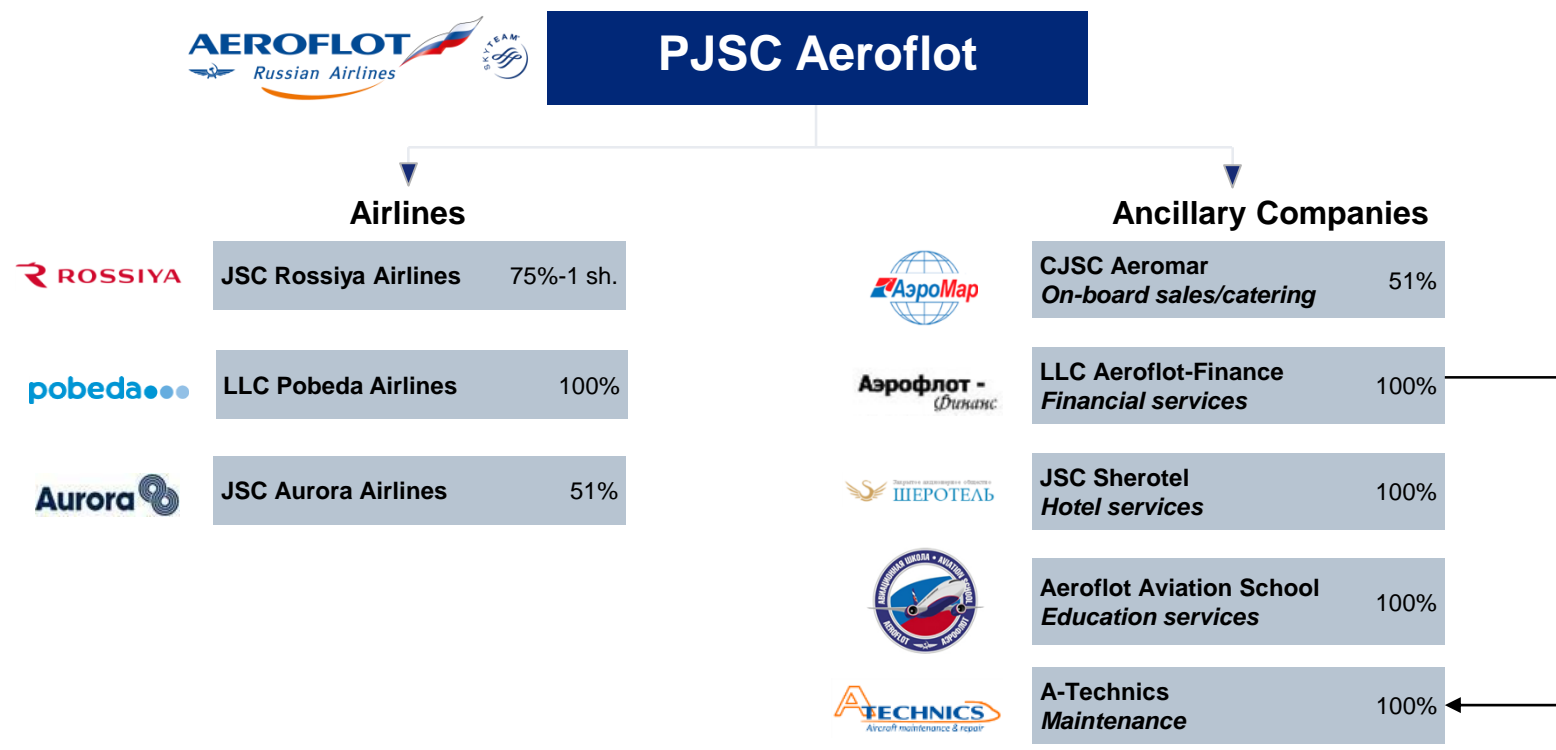
Incorporated in Russia, PJSC Aeroflot is subject to Russian corporate governance regulations and follows Russian Corporate Governance Code

The Board of Directors is currently composed of 11 members. The Board's composition is well balanced from members' background perspective.

Board of Directors

	Name	Audit Committee	Personnel and Remuneration Committee	Strategy Committee
	Evgeny Ditrich	Chairman		
	Mikhail Poluboyarinov	Deputy Chairman		
	Vitaly Saveliev			
	Alexander Galushka		Member	Member
	Igor Kamenskoy	Member	Member	Chairman
	Maksim Liksutov			
	Dmitry Peskov		Member	Member
	Vasily Sidorov	Chairman	Member	Member
	Yuri Slyusar			Member
	Maxim Sokolov	Member	Chairman	Member
	Sergey Chemezov			

 Independent director according to the Russian Corporate Governance Code



Note: The Group structure as at 31 December 2019; Aeroflot Group consolidates all entities: PJSC Aeroflot and all subsidiaries. PJSC Aeroflot also owns 45.0% of JSC AeroMASH-AB (Aviation security), 2.43% of JSC Sheremetyevo International Airport (base airport), 3.85% of PJSC Transport Clearing House (mutual settlements between agencies and airlines). JSC Orenair was liquidated in July 2019, JSC Donavia was liquidated in November 2019.

Over the past years the Group structure was refined with a focus on aviation assets and disposal of non-core assets, which is in compliance with the Group's strategy to streamline the core business.

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