



CONSOLIDATION OF SHEREMETYEVO INTERNATIONAL AIRPORT JSC ASSETS COMPLETED

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May 31, 2017 witnessed the virtual completion of the second stage of the consolidation of Sheremetyevo International Airport JSC assets: the reorganization took place in the form of the merger of Sheremetyevo Airport JSC with Sheremetyevo International Airport JSC (based on the respective resolutions of the general shareholders' meetings of Sheremetyevo International Airport JSC and Sheremetyevo Airport JSC dated January 26, 2017). The corresponding entry on the winding-up of Sheremetyevo Airport JSC was made in the Unified State Register of Legal Entities. Thus, Sheremetyevo International Airport JSC has become the legal successor to Sheremetyevo Airport JSC with respect to all of the corresponding rights and obligations, resulting in a change in the composition of Sheremetyevo International Airport JSC shareholders and the consolidation of Sheremetyevo International Airport JSC core assets.

The consolidation of Sheremetyevo International Airport JSC assets is being undertaken within the scope of execution of the RF Presidential Decree of August 28, 2015, envisioning the strategic

development of the Moscow aviation hub and the large-scale modernization and renovation of Sheremetyevo International Airport in advance of hosting the 2018 FIFA World Cup.

Within the scope of public-private interaction, the consolidation process unfolded in two stages:

At the first stage, the Russian Federation, represented by Federal Property Management Agency, and the private strategic investor, Sheremetyevo Holding LLC, created Sheremetyevo Airport JSC. Federal Property Management Agency contributed its state-owned stock in Sheremetyevo International Airport JSC to the new company's charter capital, while the private investor contributed the shares and stakes in the core businesses owned thereby. The private strategic investor's share in the charter capital of Sheremetyevo Airport JSC amounted to 68.44 percent, while the state's share amounted to 31.56 percent. Thus, the first stage of consolidation saw the unification of state- and private-investor-owned assets on the balance-sheet of the newly-established Sheremetyevo Airport JSC.

The second stage of consolidation featured reorganization in the form of the merger of Sheremetyevo Airport JSC with Sheremetyevo International Airport JSC.

As a result of the reorganization, the private strategic investor Sheremetyevo Holding LLC, and the state represented by Federal Property Management Agency, became the primary owners of Sheremetyevo International Airport JSC stock at 66 and 30.43 percent, respectively. The remaining stakes in Sheremetyevo International Airport JSC are owned by Aeroflot PJSC and VEB Capital LLC.

Sheremetyevo International Airport JSC manages the operations of Sheremetyevo International Airport — Russia's largest airport in terms of the volume of passenger traffic and cargo shipments, aircraft movement and air terminal size. Sheremetyevo International Airport's route network encompasses more than 200 destinations. Based on 2016 results, SIA has handled 34,030,000 passengers.

Sheremetyevo International Airport was recognized as the top European airport offering the best service quality in 2012, 2013, 2015 and 2016 according to the ratings of ASQ (Airport Service Quality) and ACI (Airports Council International).

Sheremetyevo International Airport is currently in the process of implementing a large-scale comprehensive development and modernization program through 2026. One of the most important development stages involves the airport's preparation for the 2018 FIFA World Cup.

By the time of the Championship, the following facilities will be commissioned: new Terminal B, terminal-to-terminal passageway with passenger and cargo tunnels, a third alternative refueling complex with an annual capacity of up to 1.2 million tons of jet fuel, a modern modular cargo complex with an annual capacity of 380 thousand tons of cargo and extension capability of up to 1 million tons of cargo a year, as well as a publicly-funded independent third air strip (Runway 3).

The terminal-to-terminal tunnel is a unique project. It is the first tunnel to be built under operational airstrips.

By 2018, the airport's yearly throughput capacity will increase to 58 million passengers while preserving a high service quality.

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