



AEROFLOT ANNOUNCES RESULTS OF AGM 2016

News / Airlines



Aeroflot held its Annual General Meeting of shareholders (AGM). Aeroflot shareholders elected the new composition of the Board of Directors and adopted decisions on the other agenda items.

The AGM approved a motion not to declare and not to pay a dividend on ordinary shares of PJSCAeroflot for the 2015 financial year. The resolution followed the recommendation of Aeroflot's Board of Directors and is fully compliant with the Company's Dividend Policy, which establishes the consolidated net profit of Aeroflot Group under IFRS as the basis for calculating dividends.

Aeroflot achieved optimal financial results given the crisis currently affecting the Russian economy. The Company's results were significantly affected by external factors. In 2015 Group revenue increased by 29.8% year-on-year to RUB 415.2 billion. The Group's net loss for 2015 was RUB 6.5 billion.

Under mandate of the Government of Russian Federation, Aeroflot prevented a transportation collapse in the Country by carrying nearly two million Transaero passengers. This was almost four times more than the number of ticketed passengers following the bankruptcy of AirUnion in 2008. Reimbursements were made to all passengers who did not travel. The Group created 6,060 jobs

for former Transaero employees. The costs for the program amounted to RUB 17 billion, which significantly impacted 2015 financial results.

A key outcome for the Company in 2015 was significant growth in operating performance. Group passenger traffic increased by 13.4% year-on-year, reaching 39.4 million passengers, while PJSC Aeroflot's passenger traffic rose by 10.6% to 26.1 million passengers.

Aeroflot was awarded four stars by Skytrax, the world's leading rating agency of airline and airport service quality. For the fourth time Aeroflot was named the best airline in Eastern Europe at Skytrax World Airline Awards. The Group ranked among the top 20 global airlines in terms of new destinations launched, and was among the top three carriers in terms of new routes with highest initial frequency.

Aeroflot continues to make progress on its strategic objective to become a top 5 carrier in Europe and a top 20 global carrier in terms of revenue and passenger traffic. The Group's priorities remain further profitable growth of operating results and strengthening of its leadership position in service quality among European airlines. The Aeroflot Group strategy was updated for the period 2016-2020, long-term goals and the strategy for achieving them have been confirmed:

Aeroflot Group's key goals include comprehensive measures to make air travel and mobility more accessible to Russian citizens, as well as constant development while responding effectively to external factors.

The five-person Auditing Committee was elected:

Igor Belikov – CEO of the Russian Institute of Directors

Ekaterina Nikitina – Advisor to the President of Open Joint-Stock Company "Oil Transport Joint-Stock Company "Transneft".

Vasily Shipilov – Deputy Head of Department at the Russian Federation Ministry of Economic Development

Marina Mikhina – Advisor to the Head of the Federal Agency for State Property Management

Sergey Ubugunov – Head of Division at the Ministry of Transport of the Russian Federation

PJSC Aeroflot's Auditor for statutory (financial) reporting according to Russian Accounting Standards for 2016 and based on a competitive selection process held in 2016 will be BDO Unicon, for IFRS – PricewaterhouseCoopers.

The Annual General Meeting of Shareholders approved new editions of the following documents:

Regulation on remuneration and compensation of members of the PJSC Aeroflot Board of Directors;

Articles of Association of PJSC Aeroflot;

Regulation on the General Meeting of Shareholders of PJSC Aeroflot;

Regulation on the Board of Directors of PJSC Aeroflot;

Regulation on the Management Board of PJSC Aeroflot.

The makeup of the new Board of Directors was approved, with 11 members:

Mikhail Alekseev – Chairman of the Management Board of UniCredit Bank

Kirill Androsov – Managing partner of Altera Capital Management AG

Alexey Germanovich – Member of the Advisory Board of the Foundation for development of Saint-Petersburg State University.

Igor Kamenskyy – Managing Director of Renaissance Capital Financial Consultant

Roman Pakhomov – CEO of AviaCapital Service

Dmitry Peskov – Director of the Young Professionals programme at the Agency for Strategic Initiatives to Promote New Projects NGO
Vitaly Saveliev – CEO of PJSC Aeroflot
Dmitry Saprykin – CEO of Rossiya Airlines
Vasily Sidorov- CEO of the Agency for Recapitalisation of Infrastructure and Long-Term Assets
Yury Slyusar – President of United Aircraft Corporation
Sergey Chemezov – CEO of State Corporation Rostec

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