



AEROFLOT GROUP PASSENGER TRAFFIC UP 13.7% IN 10M 2015

News / Airlines



Aeroflot PJSC (Moscow Exchange ticker: AFLT) announces **operating results** for Aeroflot Group («the Group») and Aeroflot — Russian Airlines («the Company») for October and ten months of 2015.

The operating results of Aeroflot Group and Aeroflot — Russian Airlines for October and ten months of 2015 were significantly influenced by the Group's participation in a major program to carry passengers of Transaero airline. During the month of October, until all Transaero flights ceased on October 26, Transaero passengers flew aboard Transaero flights operated by Aeroflot Group as well as aboard Aeroflot Group's own scheduled flights. A special operational centre was established to handle the situation, and it reassigned Transaero passengers with the goal of minimising financial expenses associated with carrying passengers.

The traffic figures presented in this document account only for Transaero passengers carried aboard Aeroflot Group flights. This totalled 88,700 passengers, or 259.2 million revenue passenger kilometres. Aeroflot — Russian Airlines carried the largest number of Transaero passengers, 61,100 passengers or 178.3 million revenue passenger kilometres. When including passengers that flew aboard Transaero flights under Aeroflot Group operational management in September and October 2015, the total number of passengers carried was 1.9 million.

Servicing Transaero passengers required insignificant changes in Aeroflot Group's flight timetable, including additional flights on a number of routes and allocation of larger aircraft. These tactical changes, though they had an effect on available seat kilometres, were a part of the operational programme. OrenAir supplied additional capacities for Transaero passengers who were clients of the travel agency Biblio Globus, beyond the scope of the operational programme.

Transportation of Transaero passengers was the key factor that explains year-on-year passenger load factor increase of the Group and the Company in October 2015.

January — October 2015 Operating Highlights

Passenger traffic for Aeroflot Group in 10M 2015 was 33.5 million, up 13.7% year-on-year. Aeroflot airline's passenger traffic was 22.0 million during the same period, up 10.6% year-on-year.

Group revenue passenger kilometres («RPKs») rose by 8.1% year-on-year for 10M 2015, while the Company posted 10.3% year-on-year RPK growth. Group available seat kilometres («ASKs») increased by 7.8% year-on-year for 10M 2015, while the Company's ASKs increased by 9.1% year-on-year. Group passenger load factor increased 0.2 percentage point (p.p.) year-on-year to 79.2%, while the Company's passenger load factor increased by 1.0 p.p. year-on-year to 80.3%.

October 2015 Operating Highlights

In October 2015, Aeroflot Group passenger traffic was 3.4 million, up 17.9% year-on-year. Aeroflot airline's passenger traffic was 2.3 million, a year-on-year increase of 13.1%.

Group and Company RPKs increased by 11.3% and 11.9% year-on-year, respectively, in October 2015. ASKs for the same period rose by 9.3% year-on-year for Aeroflot Group and by 8.8% for Aeroflot airline.

On domestic routes, Group traffic and RPKs grew by 37.1% and 31.1% year-on-year, respectively, in October 2015. This was mainly attributable to increased demand for domestic flights, growth of in-country tourism, a rise in low-cost travel, combined with a 29.0% year-on-year increase in ASKs, including increased flight frequencies on high-demand routes. Company traffic and RPKs on domestic routes in October 2015 were up 17.9% and 17.2% year-on-year, respectively, driven by increased demand for domestic flights and a corresponding increase in ASKs of 13.4%.

On international routes, Group traffic and RPKs were down by 3.1% and 1.8% year-on-year, respectively, in October 2015. This decline was attributable to a 3.4% year-on-year decrease in ASKs on international routes, as the Group continued to optimise capacities in its subsidiaries (mainly in the charter flights segment) and reallocate capacity to domestic routes. Aeroflot airline's traffic and RPKs on international routes increased by 8.8% and 8.8% year-on-year, respectively, in October 2015. The Company's growth on international routes was supported by a continuing decrease in competition as several foreign carriers reduced flight frequencies to Russia, as well as by increased international transit traffic through Sheremetyevo airport.

In October 2015, the passenger load factor increased by 1.4 p.p. year-on-year to 78.8% for the Group and by 2.2 p.p. year-on-year to 80.6% for the Company.

Fleet Update

During 10M 2015, Aeroflot airline added six Boeing 737-800s, five SSJ100s and three Boeing 777-300ERs. During the same period, five IL-96 aircraft were phased out of the fleet. The net increase in the Company's fleet amounted to nine aircraft. As of 31 October 2015, the Aeroflot airline's fleet included 164 aircraft.

During 10M 2015, the Group added eleven Boeing 737-800s, one Airbus A319, five SSJ100s and three Boeing 777-300ERs. Nine Boeing 737-800s, one Airbus A320 and five IL-96s were phased out of Aeroflot Group fleet. The net increase in the Group's fleet amounted to five aircraft. As of 31 October 2015, the Group's fleet included 262 aircraft.

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