

# Consolidated financial results of Aeroflot Group companies according to IFRS as at and for the year ended 31 December 2009

Moscow

Speaker:

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Deputy General Director on finance and investments

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This document was used to accompany verbal report and does not contain a complete statement of the topic.

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## 1. Market position of the Group

2. Performance indicators

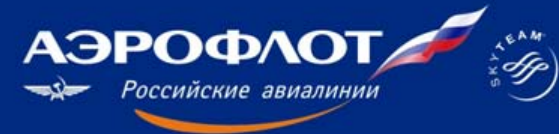
3. Financial results

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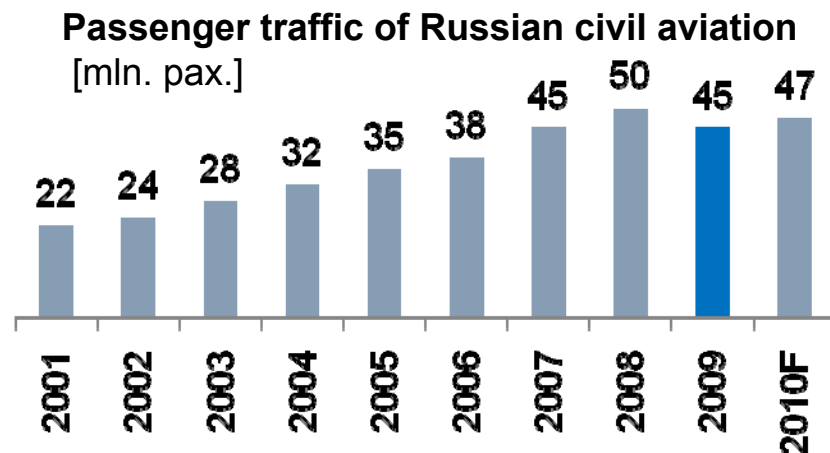
# Aeroflot at a Glance



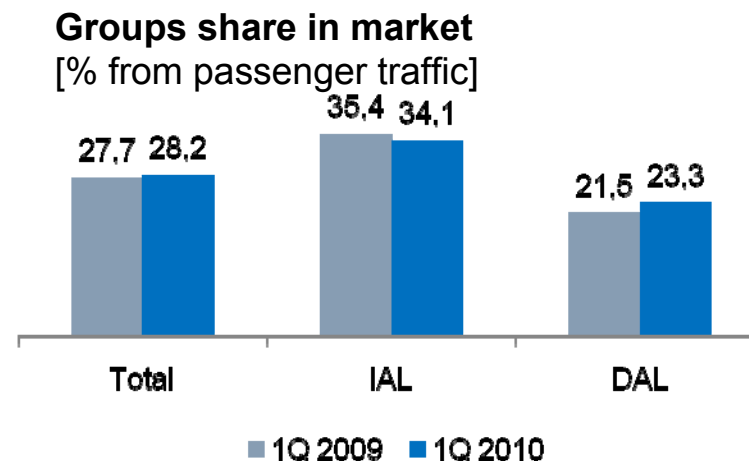
- Aeroflot – is Russia’s national carrier and largest airline
- Founded in 1923 and is one of the most well-known Russian brands.
- Strong and sustainable governmental support (lending and equity participation of the state banks) .  
The Board of Directors is headed by the Minister of transport of the Russian Federation.
- The Company has one of the most youngest fleet in Europe.
- Accounts for 32% of international scheduled and 25% of domestic passenger turnover at the end of 1 quarter 2010.
- Extensive route network allows to transporting more than 11 mln passengers p.a.
- Brand new hub in Moscow (based on Terminal D) allows company to optimize its routes network.
- Strong track record of resilience and profitability in crises.
- Fitch Rating BB+/Stable.



# Russian air transport market



Source: TCH, Company forecast

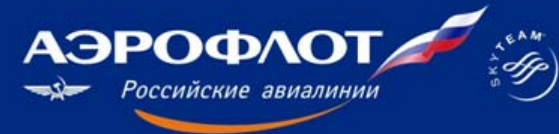


Source: TCH

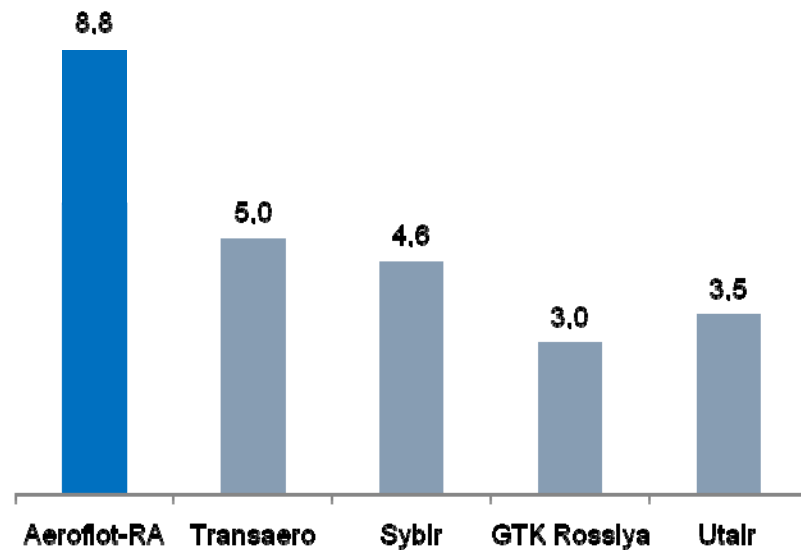
IAL – international air lines  
DAL – domestic air lines

- Sustained growth dynamic of passenger traffic and passenger yields was replaced by the slowing development in connection with the financial crisis of 2008-2009.
- Aeroflot demonstrated higher results than the other airlines, increasing its market share. Smaller and regional airlines are more affected by the crisis.
- The bottom of crisis is overcome, and it's expected (by pessimistic scenario) passenger traffic increase by 4% in 2010. Macroeconomic indicators improvement will boost demand for Company's services.

# Aeroflot's market position on Russian air transportation market in 2009

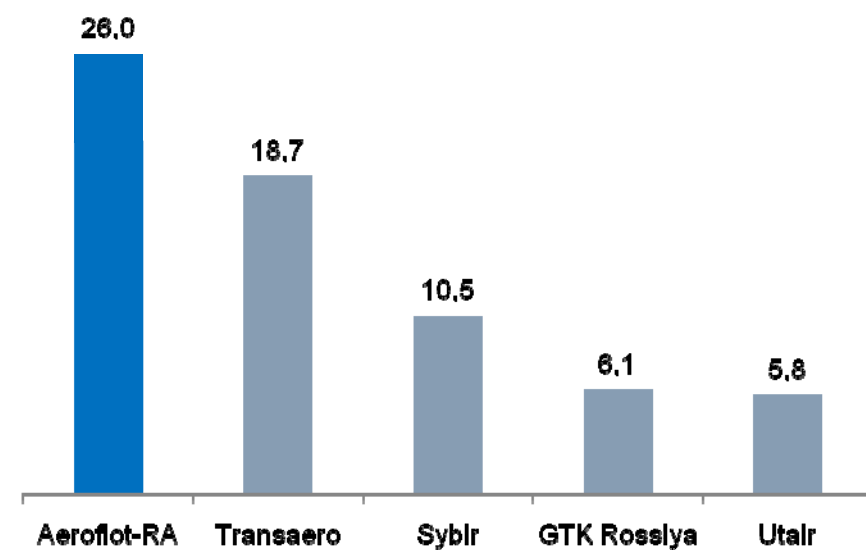


**Passenger traffic**  
[mln pax]



Source: TCH

**Passenger turnover**  
[bln rpk]



Source: TCH

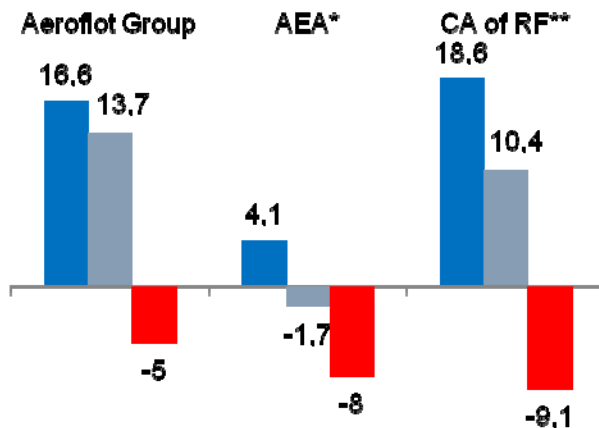
Aeroflot is a backbone enterprise and a recognized leader on the domestic market.

# Aeroflot vs Russian Civil Aviation and AEA

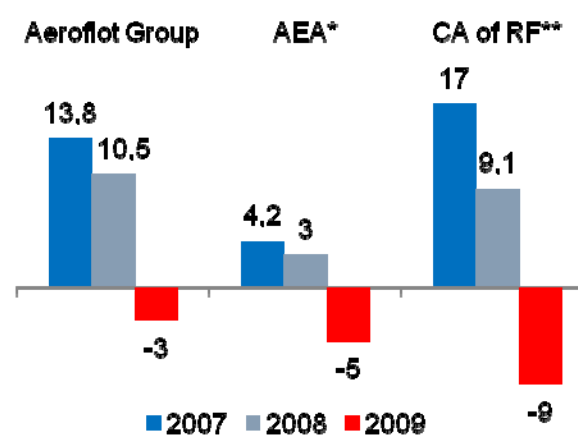


## Growth/fall rates of main operating indicators [%]

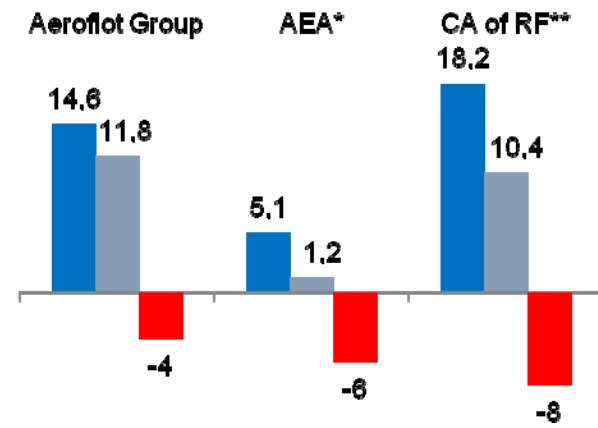
### Passenger traffic [% of change]



### Available seat kilometers [% of change]



### Passenger turnover [% of change]



Source: AEA, Aeroflot estimates

\* Association of European Airlines

\*\* Russian Civil Aviation

- In 2007-2008 the Group had higher rates of main operational indicators comparing to the AEA airlines and Russian Civil Aviation.
- By the end of 2009, the Group demonstrated less significant reduction of operating indicators in comparison with Russian and European airlines.

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# Performance indicators

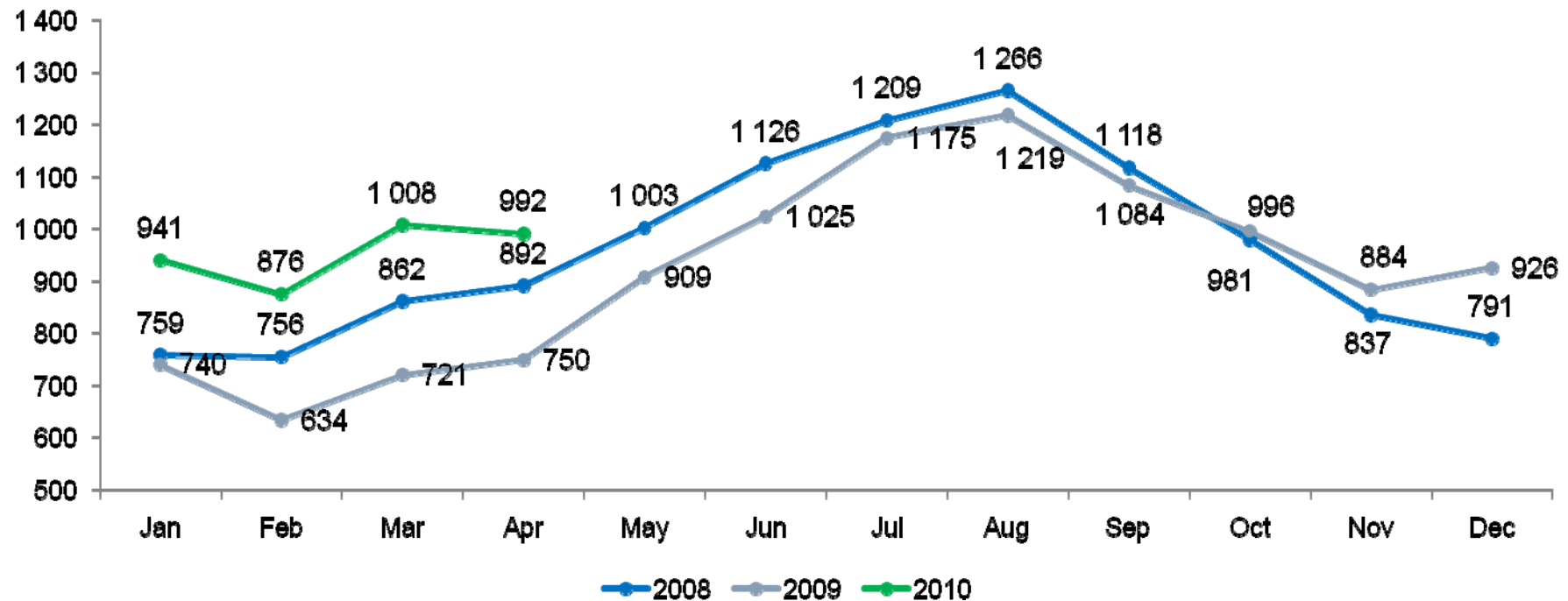
Operating indicators	S.U.	Group			Aeroflot		
		2008	2009	% change	2008	2009	% change
<b>Passenger turnover</b>	<b>mln pkm</b>	<b>31 162</b>	<b>29 906</b>	<b>-4%</b>	<b>27 248</b>	<b>25 986</b>	<b>-5%</b>
IAL		20 522	19 073	-7%	18 746	17 346	-7%
DAL		10 640	10 833	2%	8 502	8 640	2%
<b>Available seat kilometers</b>	<b>mln skm</b>	<b>43 924</b>	<b>42 619</b>	<b>-3%</b>	<b>38 412</b>	<b>37 399</b>	<b>-3%</b>
IAL		29 143	27 774	-5%	26 889	25 770	-4%
DAL		14 781	14 845	0%	11 523	11 629	1%
<b>Tonne-kilometer</b>	<b>mln tkm</b>	<b>3 640</b>	<b>3 529</b>	<b>-3%</b>	<b>2 843</b>	<b>2 739</b>	<b>-4%</b>
IAL		2 523	2 377	-6%	1 949	1 793	-8%
DAL		1 118	1 152	3%	894	945	6%
<b>Passenger transportation</b>	<b>ths PAX</b>	<b>11 600</b>	<b>11 062</b>	<b>-5%</b>	<b>9 271</b>	<b>8 755</b>	<b>-6%</b>
IAL		6 550	6 169	-6%	5 696	5 413	-5%
DAL		5 050	4 893	-3%	3 575	3 343	-6%
<b>Cargo and mail carriage</b>	<b>tn</b>	<b>159 162</b>	<b>148 949</b>	<b>-6%</b>	<b>87 945</b>	<b>86 762</b>	<b>-1%</b>
IAL		117 919	107 448	-9%	57 518	51 284	-11%
DAL		41 243	41 501	1%	30 427	35 477	17%
<b>Seat load factor</b>	<b>%</b>	<b>71%</b>	<b>70%</b>	<b>-1%</b>	<b>71%</b>	<b>69%</b>	<b>-1%</b>
IAL		70%	69%	-1%	70%	67%	-3%
DAL		72%	73%	1%	74%	74%	0%
<b>Flight hours</b>	<b>hours</b>	<b>391 202</b>	<b>363 272</b>	<b>-7%</b>	<b>306 746</b>	<b>286 276</b>	<b>-7%</b>

Operating indicators in 2009 slightly fell in comparison with 2008



# Recovery of demand: Passenger traffic dynamic

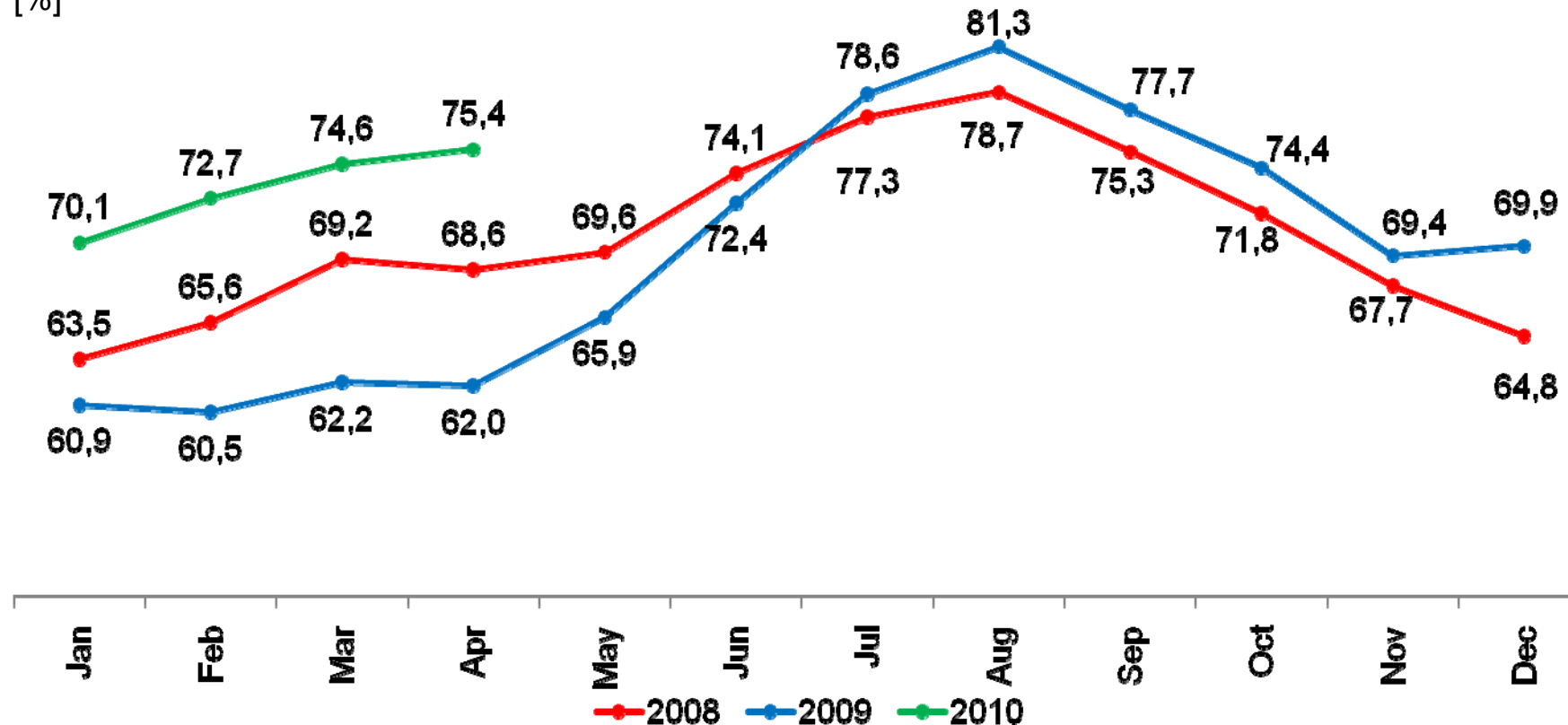
Recovery of demand  
[ths PAX]



- From January till October 2009 the Group's passenger traffic was lower than in 2008. In 4Q 2009 passenger traffic became higher in comparison with the same period of 2008, and increased by 7%.
- The beginning of 2010 demonstrated recovery of the demand.
- Aeroflot is planning to increase its passenger traffic by 23,4%, passenger turnover by 27% in 2010.

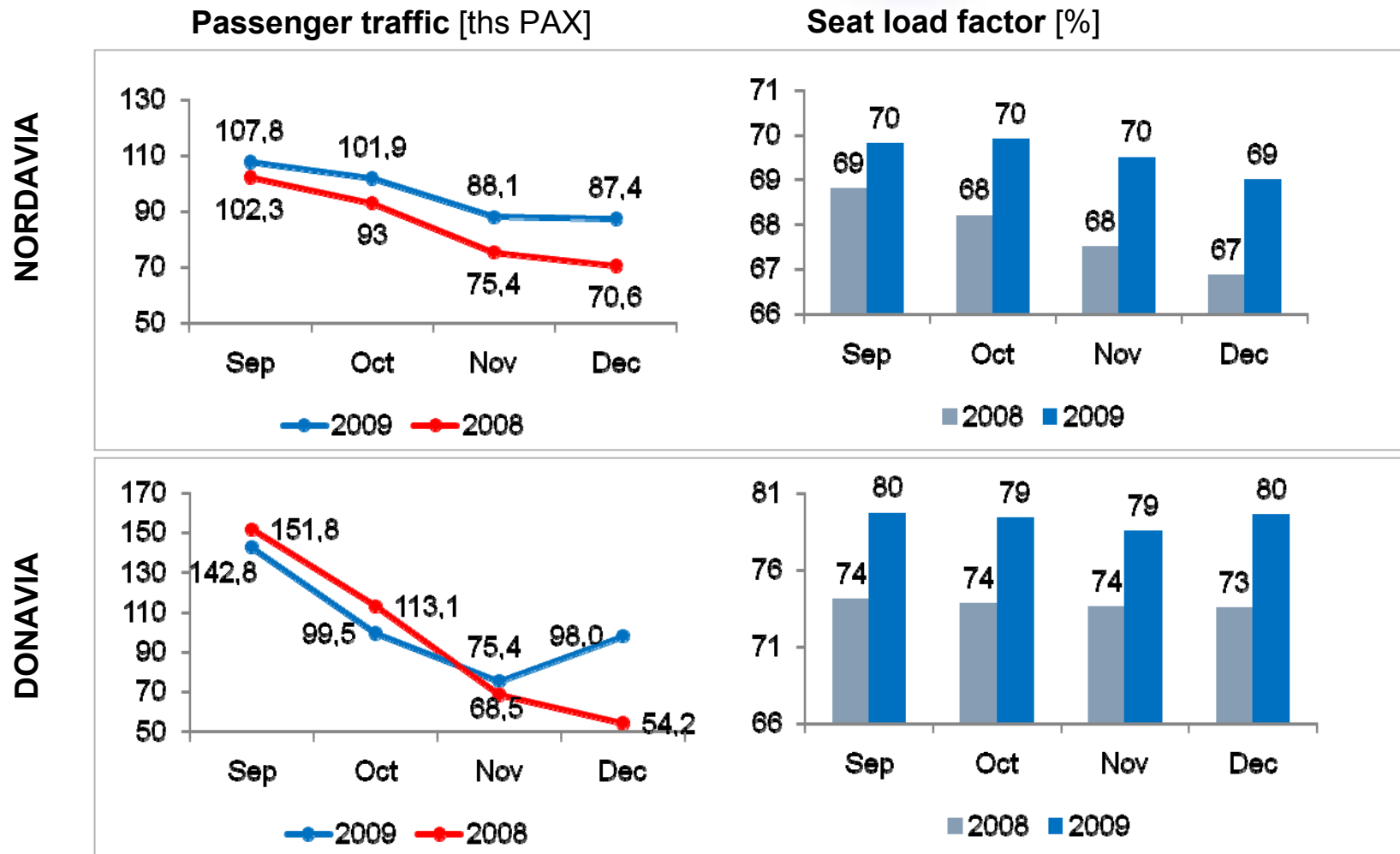
# Recovery of demand : Passenger load factor

Passenger load factor  
[%]



- There was a reversal of negative tendency June 2009. In the second semiannual the passenger load factor became higher compare to the same period of 2008.
- The positive tendency continued in the 1Q 2010 and confirms the effectiveness of measures undertaken by the Company's management and air transportation market recovery.

# Recovery of demand : Regions



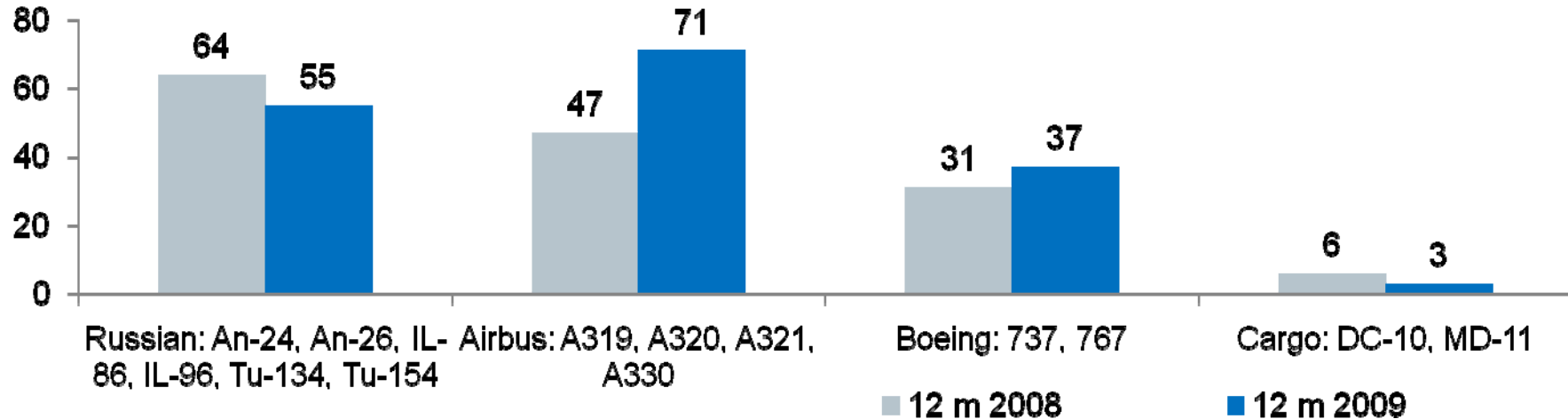
Donavia and Nordavia airlines are demonstrating gradual recovery of demand for the air transportation in regions.

# Group's fleet composition as for 31.12.2009



Aircraft type	Aeroflot	Donavia	Nordavia	Aeroflot-Cargo	Aeroflot Plus	Total
<b>Owned</b>						
Antonov An-24				2		2
Ilyushin Il-86	2					2
Ilyushin Il-96-300	6					6
Tupolev Tu-134	1		9		1	11
Tupolev Tu-154	22	4				26
<b>Total owned</b>	<b>31</b>	<b>4</b>	<b>11</b>		<b>1</b>	<b>47</b>
<b>Aircrafts under finance lease</b>						
Airbus A-319	4					4
Airbus A-320	1					1
Airbus A-321	16					16
Boeing 737		5	2			7
<b>Total finance lease</b>	<b>21</b>	<b>5</b>	<b>2</b>			<b>28</b>
<b>Aircrafts under operating lease</b>						
Airbus A-319	11					11
Airbus A-320	31					31
Airbus A-330	8					8
Antonov An-24			3			3
Antonov An-26			1			1
Boeing B-737		5	14			19
Boeing B-767-300ER	11					11
Ilyushin Il-86		1				1
McDonnell Douglas MD-11	3					3
Tupolev Tu-134					1	1
Yak-42					2	2
<b>Total under operating lease</b>	<b>64</b>	<b>6</b>	<b>18</b>		<b>3</b>	<b>91</b>
<b>Total</b>	<b>116</b>	<b>15</b>	<b>31</b>		<b>4</b>	<b>166</b>

# Fleet optimization



## Aeroflot's Fleet change in 2010

### Aircraft additions in 1Q – 2Q 2010

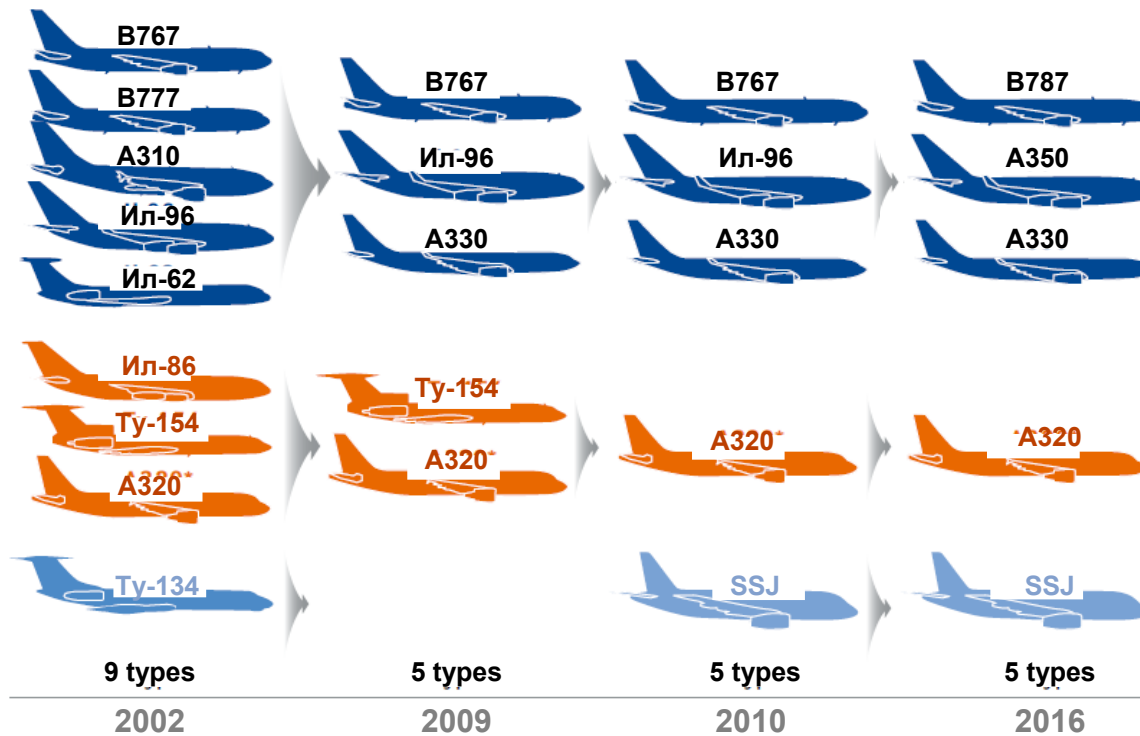
Airbus A-320 - 1 BC  
Airbus A-330 - 2 BC

### Plans of fleet change in 3Q-4Q 2010

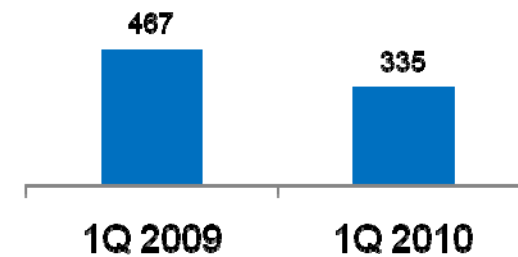
Plans for realization of 22 Tu-154 aircrafts  
Plans for realization of 2 aircrafts Il-86  
Plans for realization of 1 aircraft Tu-134  
Addition of 2 aircrafts A-320  
Addition of 2 aircraft A-321  
Addition of 2 aircraft SSJ-100

- Specific fuel consumption declined by 9% and amounted to 392 gr/tkm in 2009.
- By 2020 total fuel consumption should decrease by 44% in comparison with 2007 due to continued fleet modernization program.

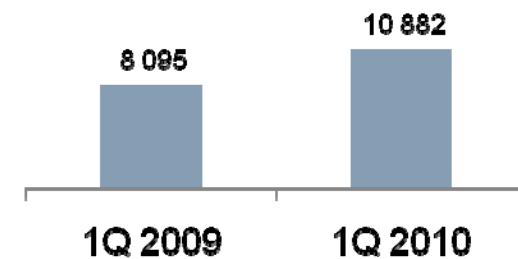
# Aeroflot's Fleet modernization program



Specific fuel consumption [gr/tkm]



Flight productivity [tkm/h]



- The Company has one of the most modern and young fleet in Europe.
- The Average age of the fleet is 5 years.
- The Group adheres to the highest environmental, safety and noise standards.

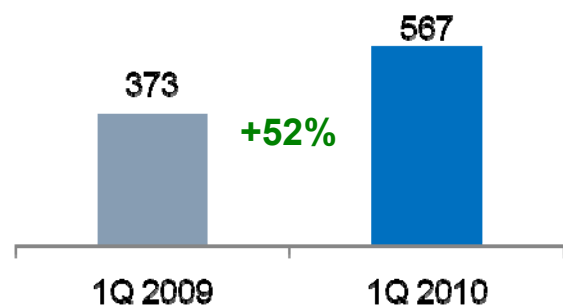
# Headcount



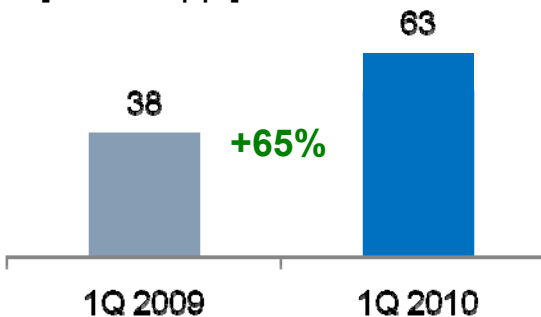
Aeroflot Group Companies	01.01.09	30.06.09	30.09.09	31.12.09
OJSC Aeroflot	15 641	14 907	14 261	13 306
OJSC Donavia	1 560	1 549	1 507	1 221
CJSC Nordavia	1 710	1 665	1 605	1 498
CJSC Sherotel	316	293	298	283
CJSC Aeroflot-Plus	71	84	76	76
CJSC Aeromar	1 257	1 300	1 853	1 810
OJSC Terminal	109	220	321	625
CJSC Aeroflot-Cargo	372	326	299	216
OJSC IC Moskva	34	36	34	30
<b>Total</b>	<b>21 070</b>	<b>20 380</b>	<b>20 254</b>	<b>19 065</b>

## Labor efficiency in JSC Aeroflot

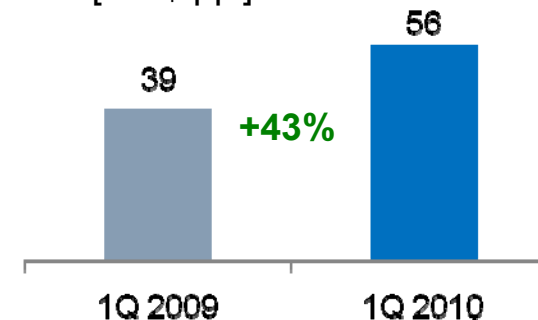
Passenger turnover/headcount  
[ths pkm/ppl]



Tonne-kilometers/headcount  
[ths tkm/ppl]



Revenue/headcount  
[ths \$/ppl]



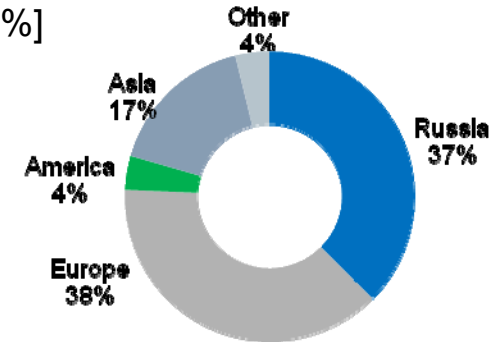
- Headcount of the Group decreased in 2009 by 10% in comparison with 2008 while headcount in Aeroflot decreased by 15%.
- Labor efficiency in Company has improved significantly.

# Route network

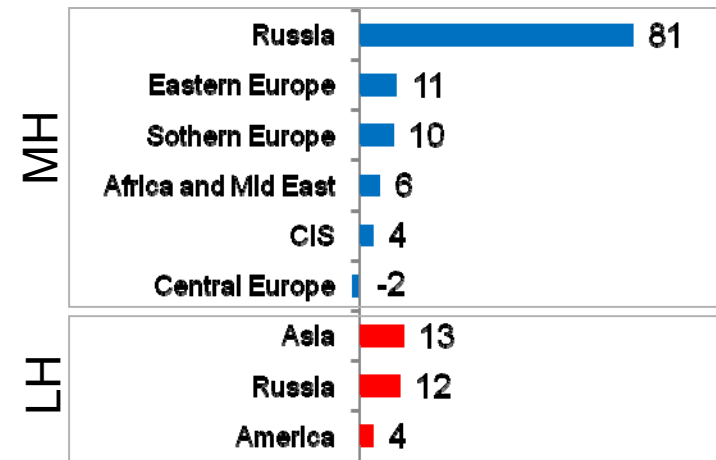
- Aeroflot flies to 111 destinations in 46 countries with an average frequency of 8 flights a week per route (average for 2009).
- The Group undertakes constant structural development and optimization of international and domestic routes.
- In 2009 11 new routes were opened on the most profitable directions.
- The share of scheduled flights is more than 99% of all flights .
- The Group has code sharing agreements with 28 companies.

	Quantity of routes	Average quantity of flights
DAL	35	9,6
IAL	76	7,4
Long-haul (LH)	24	4,7
Medium-haul (MH)	87	8,9

Traffic revenue structure [%]



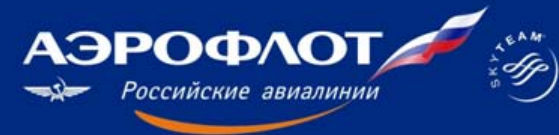
Changes of flights quantity per week on summer timetable 2010/2009 [+/-]



Europe and Russia regions have a biggest shares in revenue structure. The company plans to increase the frequency of flights on most profitable directions.



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# Key financial indicators Aeroflot and the Group



Indicators	s.u.	Aeroflot			Group		
		2009	2008	% change	2009	2008	% change
Revenue	mIn \$	2 849	3 976	-28%	3 346	4 603	-27%
Operating costs	mIn \$	2 490	3 502	-29%	3 068	4 273	-28%
Operating income	mIn \$	359	474	-24%	278	330	-16%
Profit before tax	mIn \$	242	306	-21%	206	167	24%
Net income	mIn \$	122	154	-20%	86	24	261%
EBITDA	mIn \$	516	628	-18%	461	516	-11%
EBITDA margin	%	18%	16%		14%	11%	
EBITDAR	mIn \$	748	856	-13%	747	723	3%
EBITDAR margin	%	26%	22%		22%	16%	

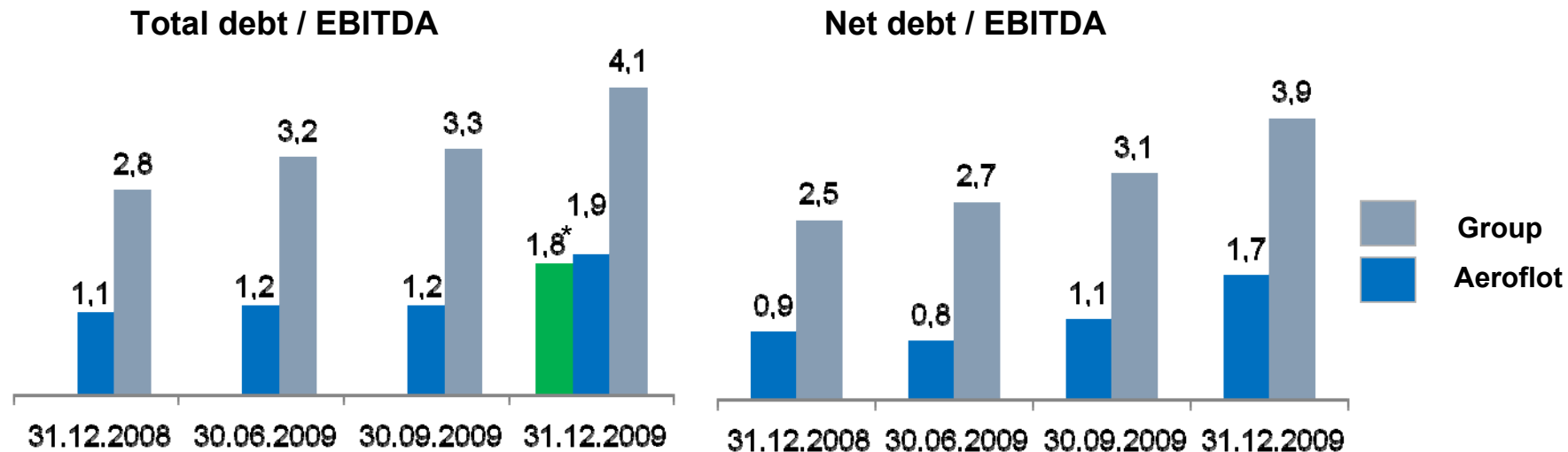
\*EBITDA = Operating profit + Depreciation and amortization + Custom duties expenses

\*\* EBITDAR = EBITDA + Operating lease expenses

EBITDA Margin of the Aeroflot Group demonstrates significant increase – from 11% in 2008 to 14% by the end of 2009, which confirms effectiveness of anti-recession measures implemented by the management.

# Debt structure

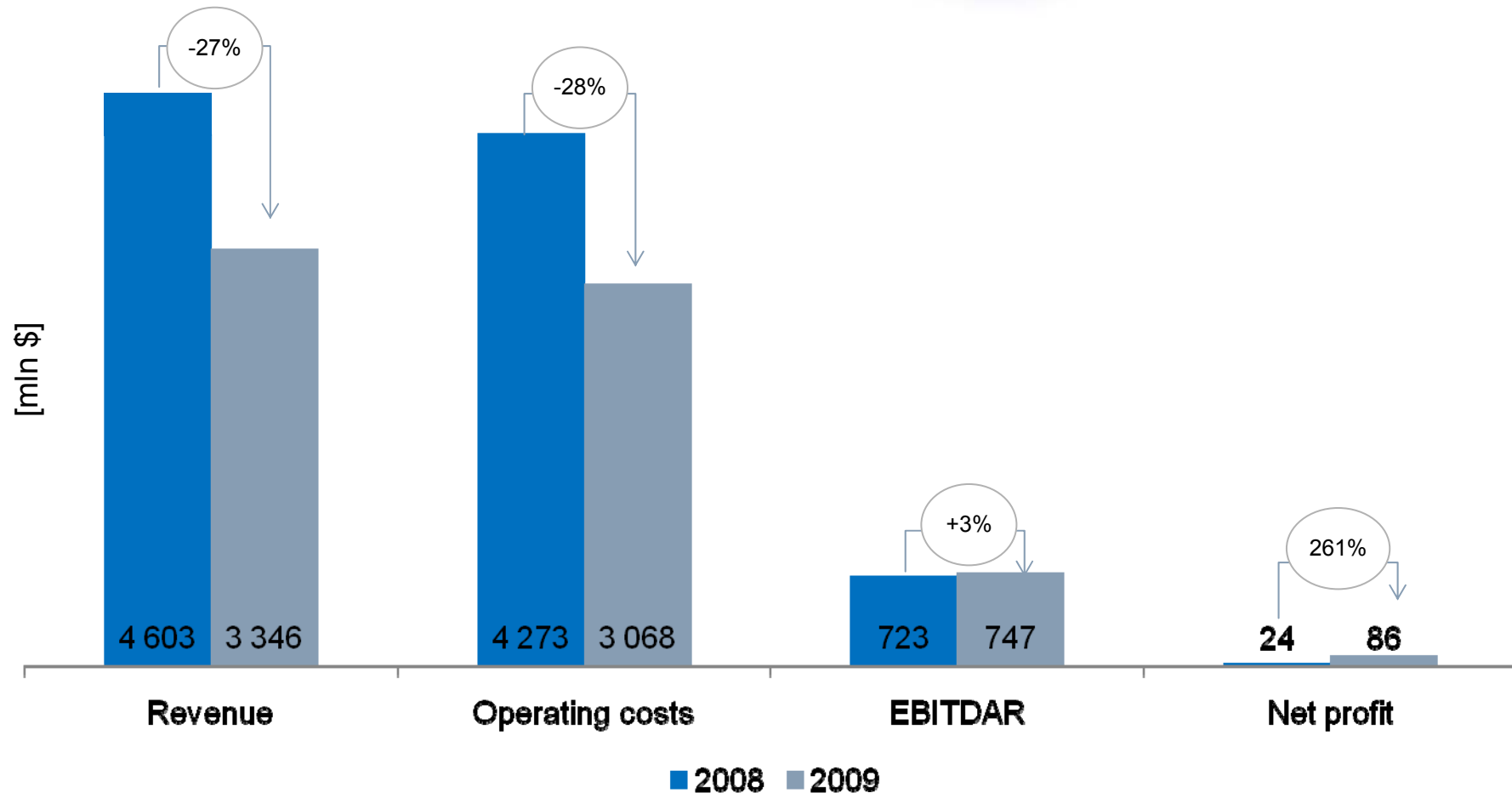
Indicators	s.u.	Aeroflot			Group		
		2009	2008	% change	2009	2008	% change
Borrowings	mln \$	82	62	31%	976	737	33%
Finance lease payable	mln \$	702	495	42%	735	538	37%
Pension obligation	mln \$	9	10	-9%	9	10	-9%
Custom duties payable	mln \$	179	126	42%	187	138	36%
<b>Total debt</b>	mln \$	<b>971</b>	<b>693</b>	<b>40%</b>	<b>1 907</b>	<b>1 422</b>	<b>34%</b>
Cash and ST investments	mln \$	95	108	-12%	132	156	-16%
<b>Net debt</b>	mln \$	<b>876</b>	<b>585</b>	<b>50%</b>	<b>1 776</b>	<b>1 266</b>	<b>40%</b>



\* Ratio excludes revolving credit of OJSC «Aeroflot» - 2 bln roubles which was repaid in full in January 2010.

Total debt / EBITDA ratio of Aeroflot stand alone remains relatively low. Group's debt growth is due to the construction of Terminal-D.

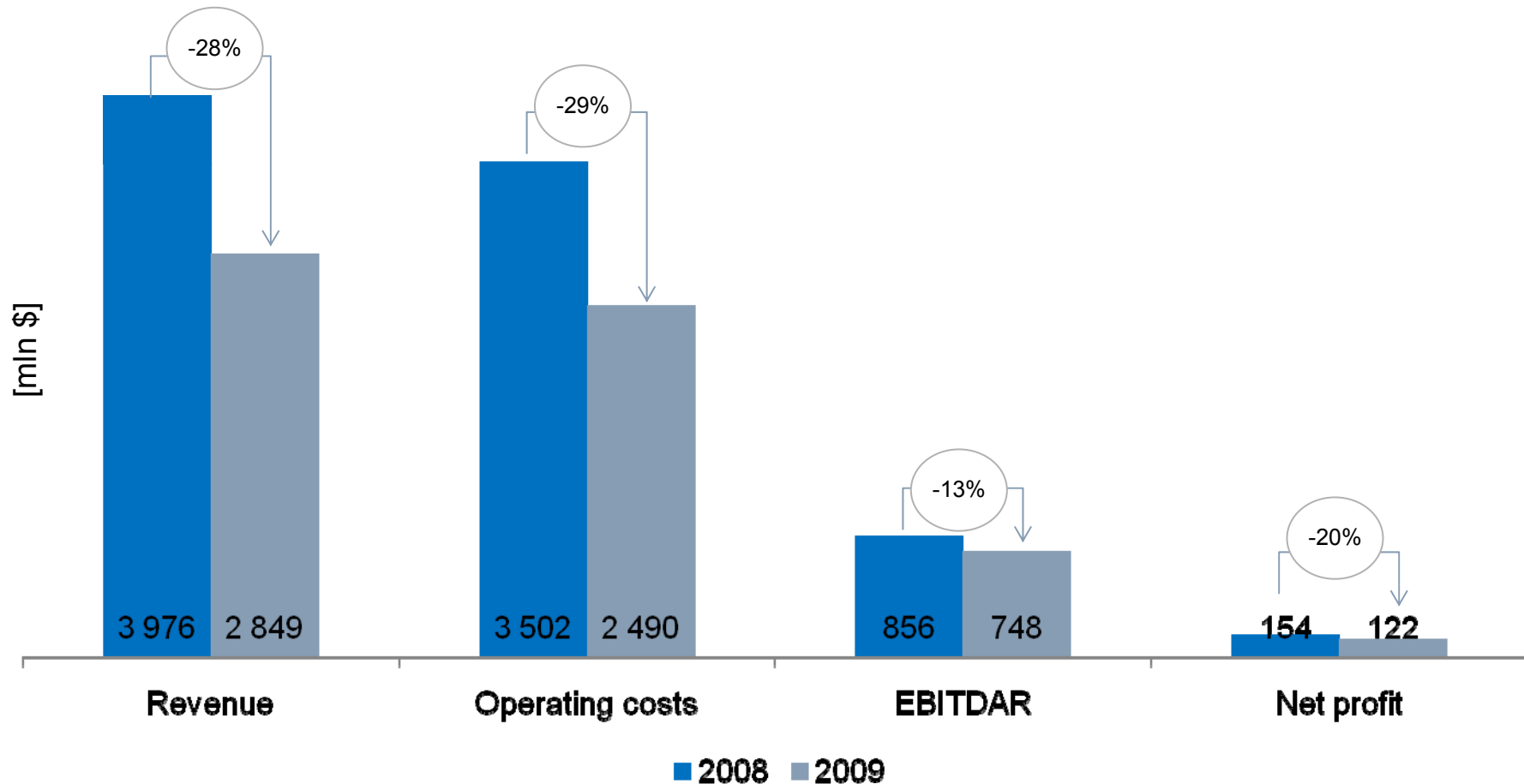
# The main financial indicators of the Group



Operating expenses reduced by 28% in 2009, while revenue decreased by 27%, which had an impact on the Group's financial results.

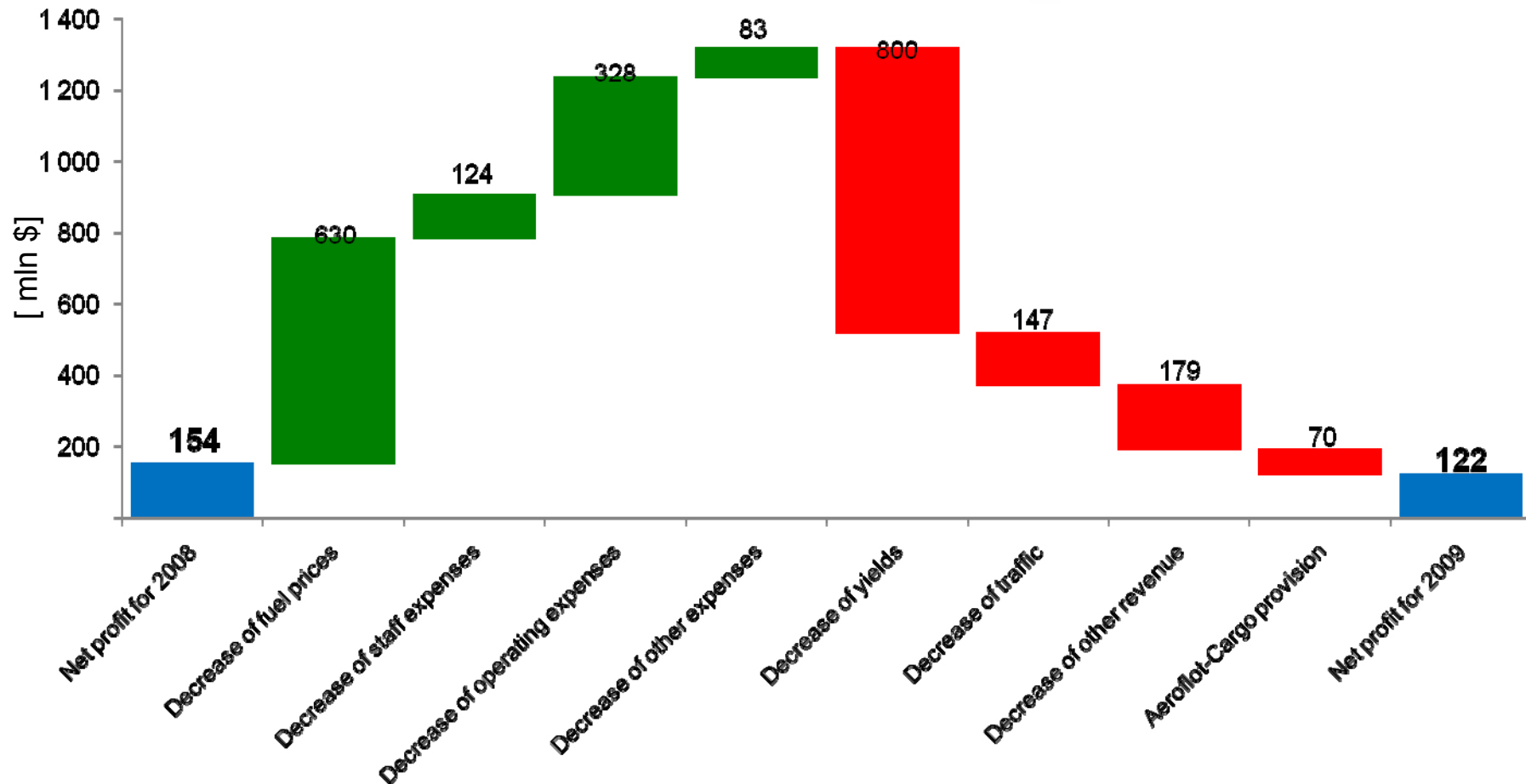
Net profit for the year increased by 261%.

# The main financial indicators of JSC Aeroflot



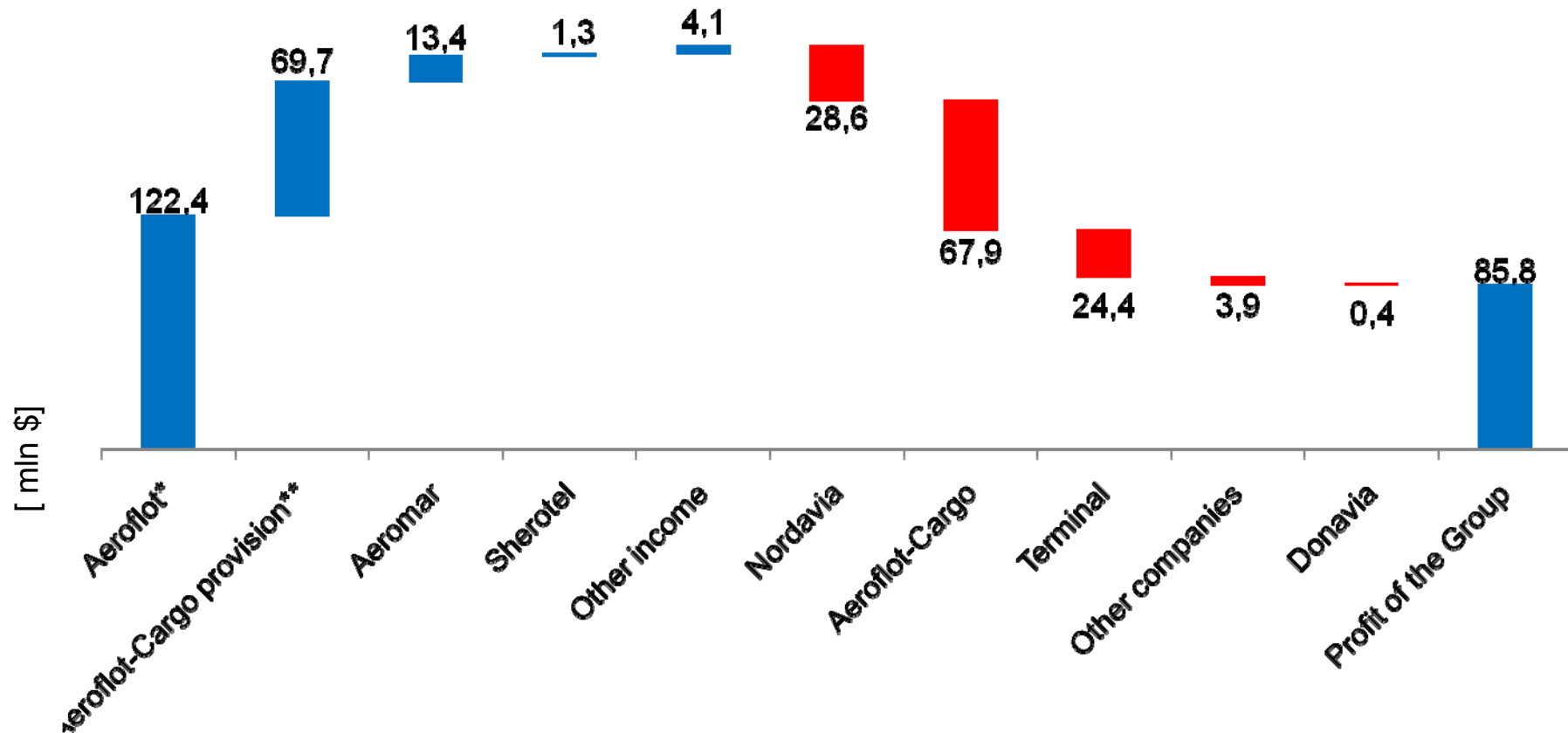
Reserve for doubtful accounts of subsidiary Aeroflot-Cargo negatively affected net profit of Aeroflot, which was restored at the Group level.

# Factor analysis of Aeroflot's net profit



In the case of the absence of provision for doubtful debts of the subsidiary Aeroflot-Cargo, cumulative effect of positive and negative factors would bring the company additional profit in the amount of \$ 38 mln

# The Group's net profit breakdown

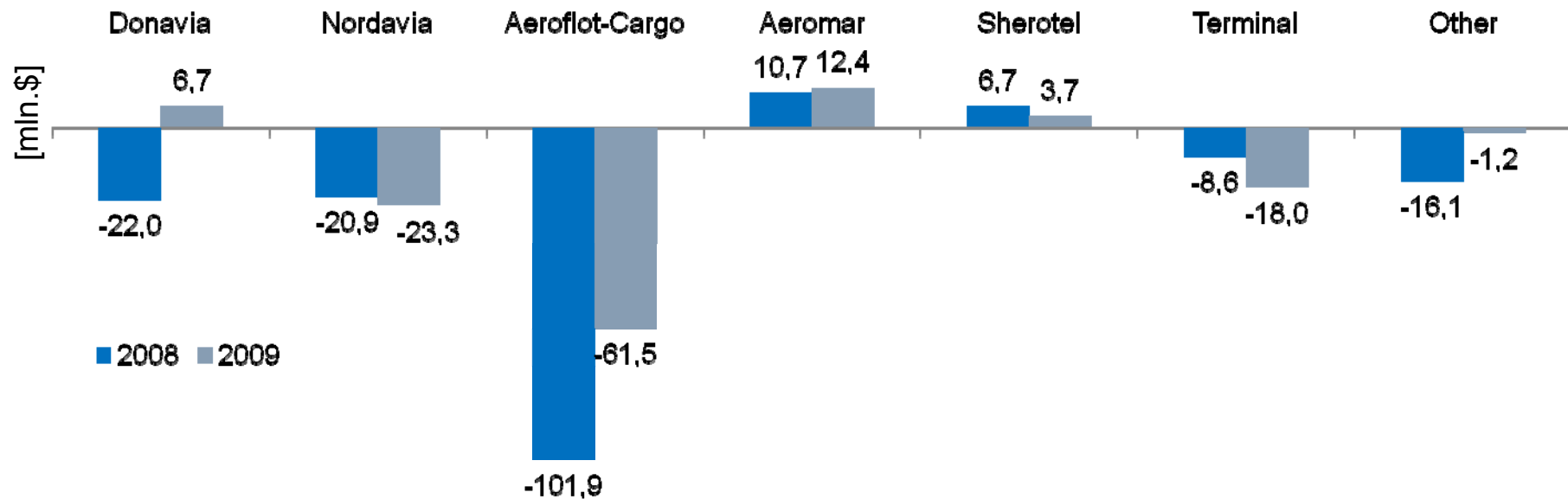


\* Net profit of Aeroflot includes provision for bad debt of Aeroflot-Cargo

\*\* Recovery of Aeroflot-Cargo bad debt provision

Despite the World financial crisis the Group demonstrated net profit.

# Operating profit of subsidiaries

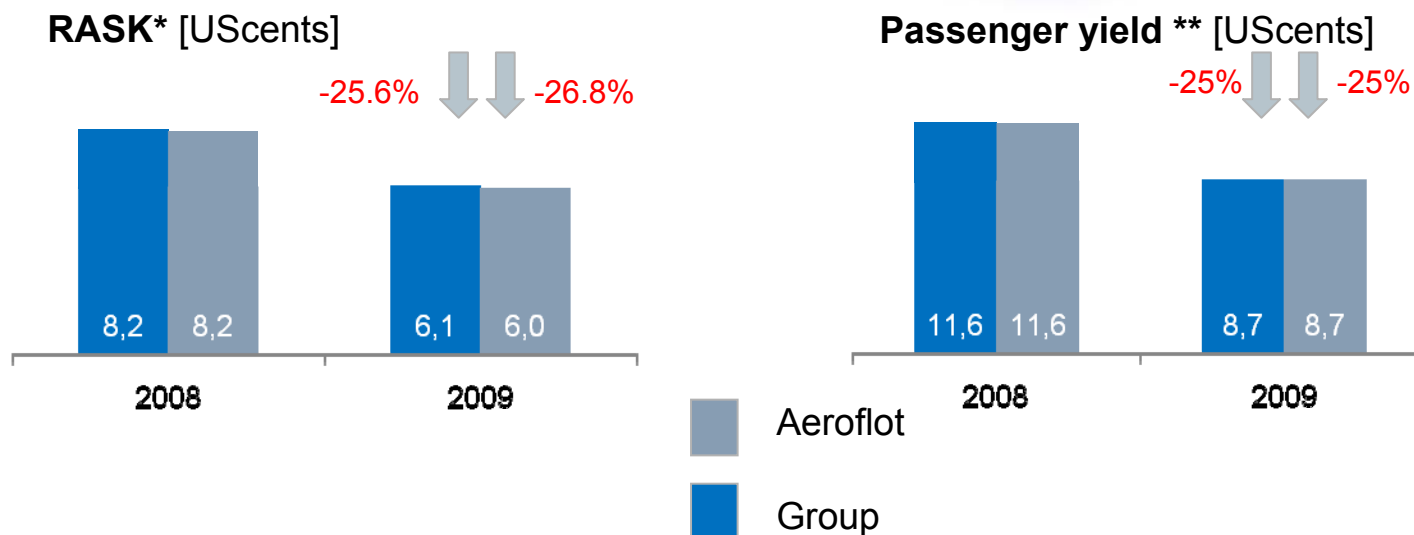


Donavia demonstrated an operating profit of \$6.7 mio vs. -\$22 mio loss in 2008.

Aeroflot – Cargo has substantially reduced it's operating loss from \$102 mio to \$62 mio.



# Yields and costs



\* RASK = PAX revenue/ ASK

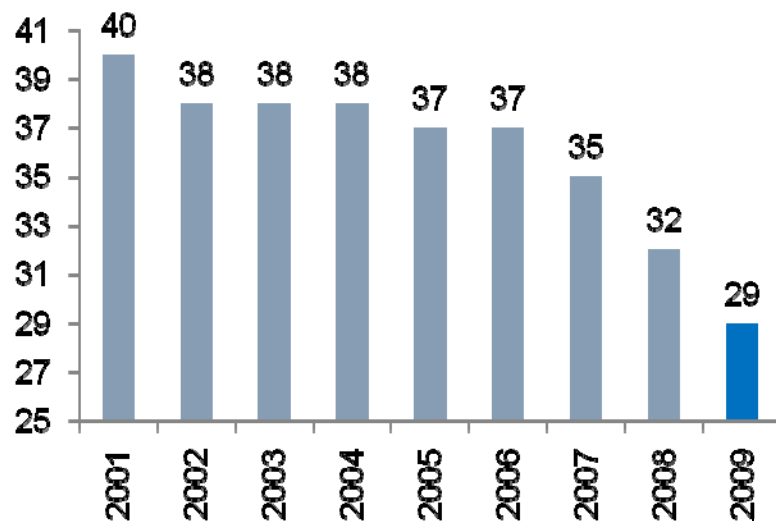
\*\* Passenger yield=PAX revenue/ RPK

- Yields reduction in 2009 was caused by general market trends of lowering tariffs. The measures and actions undertaken by the Company's Management secured comparable rates of decrease for both yields and costs.
- During the 1<sup>st</sup> Q 2010 yields began to recovering. RASK on international flights increased by 9.8%.
- Business class passenger traffic increased by 36% and exceeded growth in economy class.

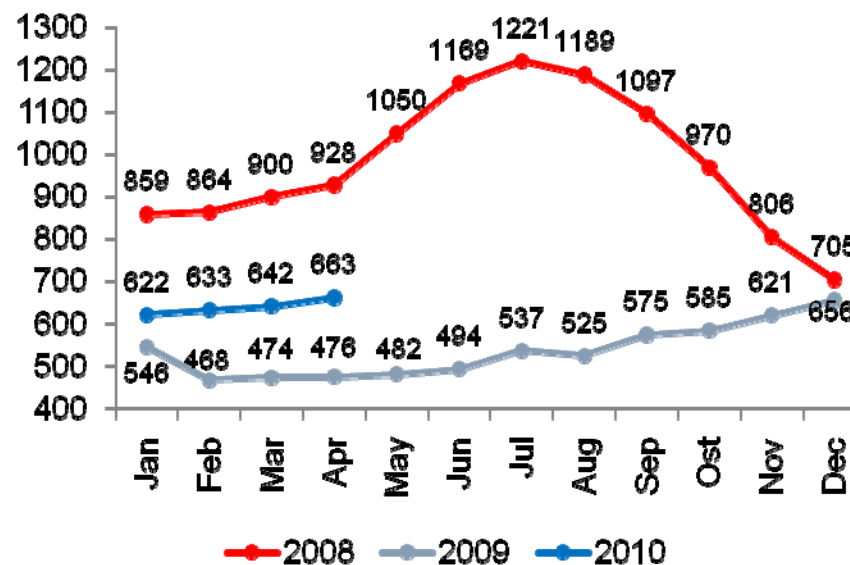
# Fuel expenses



**Fuel consumption**  
[gram/ASK]



**Weighted Average Jet Kerosene Price**  
[\$/ton]



- Aeroflot fleet's fuel efficiency improved by 9,4% in 2009 and reached 29 gram/ASK.
- Purchasing fuel on a competitive basis ensure comparatively low prices on jet-fuel for Aeroflot.
- Main fuel suppliers of Aeroflot are: Lukoil Aero, Gazpromneft, RN-Aero.

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# Development plans



## HUBs development

Sheremetyevo

Vladivostok/Khabarovsk

Pulkovo

## Directions of expansion

South

- Donavia,
- Orenburg Airlines,
- Kavminvodyavia,
- Saratov airlines

North-West

- Nordavia,
- GTK Rossiya

Far East

- Vladivostok Avia,
- Sakhalin Airroutes

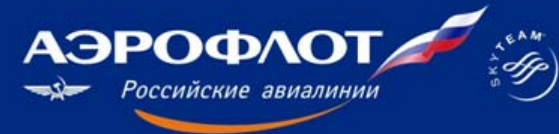
**NETWORK**

New opportunities of transit transportation – from Europe to Eastern Asia.

**Terminal- D**

Reaching the project's full capacity.

# Rostekhnologii air assets transaction(1/3)



- Government needs to develop a strong industry leader and does not intend to save carriers with bad management at the expense of Aeroflot.
- Ratification by the Federal Anti Monopoly Service on the way.
- Support of Government in key aspects of the deal.
- Consolidation would bring Aeroflot into 11 place of the TOP 30 airlines worldwide.

Post-merger  
#11

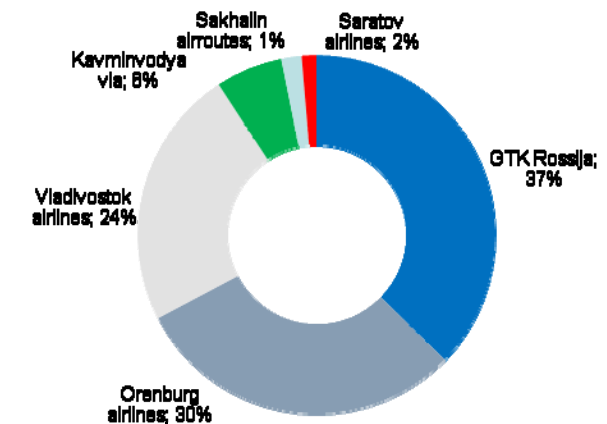
#	Airline	Mln.PAX
1	Ryanair	58.6
2	Lufthansa	57.1
3	Air France	50.0
4	EasyJet	43.7
5	British Airways	33.1
6	Air Berlin	28.6
7	Iberia Group	28.5
8	SAS	25.3
9	KLM	23.9
10	Turkish Airline	21.8
11	Alitalia	19.0
12	Swiss	13.5
13	Thomsonfly	12.2
14	Austrian	10.7
15	Tulfly	10.5
16	Aer Lingus	10.0
17	BMI Group	10.0
18	Air Europa	9.5
19	Aeroflot	9.2
20	Spanair	8.9
21	TAP	8.7
22	Finnair	8.3
23	Germanwings	7.6
24	Air One	7.6
25	MyTravel Airways	7.6

\* 2008 data.  
Source: IATA, Aeroflot

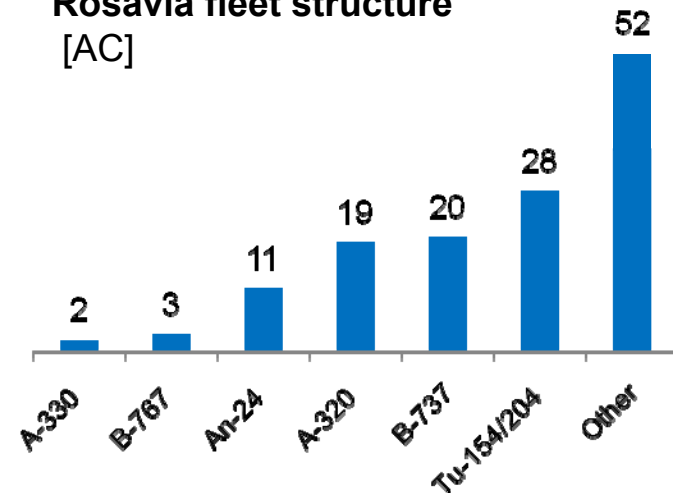
# Rostekhnologii air assets transaction (2/3)

- Aeroflot will receive operating control in 6 airlines owed by Rostekhnologii (GTK Rossiya, Vladivostokavia, Orenburg airlines, Kavminvodavia, Saratov airlines and Sakhalin airroutes)
- Unique opportunity to consolidate industry, control key routes, and increase annual total passenger traffic by a third
- Will expand share of total passenger turnover (RPK) from to 41% of the Russian market
- Will increase domestic passenger market share to 30%
- Opportunity to develop new hubs in Saint-Petersburg and Vladivostok
- Merger will almost double the Group's fleet. Aeroflot and its subsidiaries are familiar with merged aircrafts

**Rosavia PAX turnover by company [%]**



**Rosavia fleet structure [AC]**



# Rostekhnologii air assets transaction (3/3)



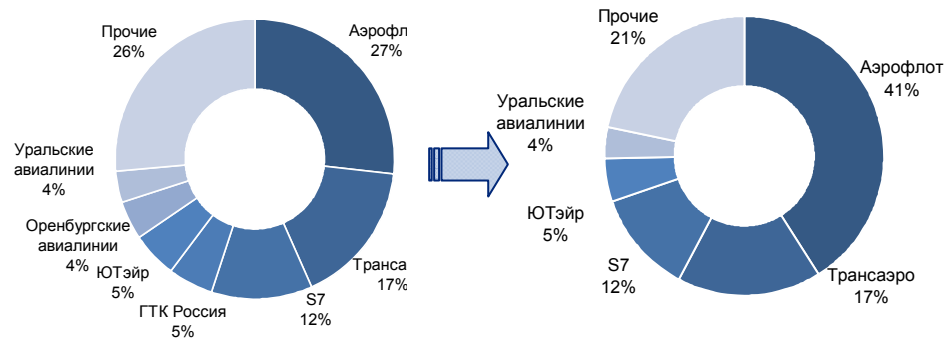
MS before transaction

MS after transaction

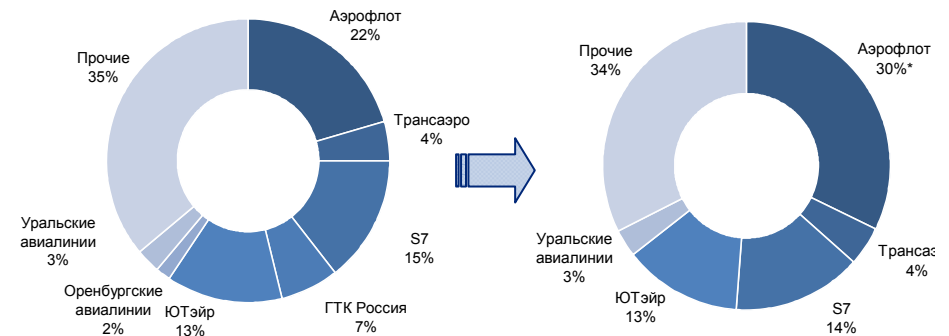
MS before transaction

MS after transaction

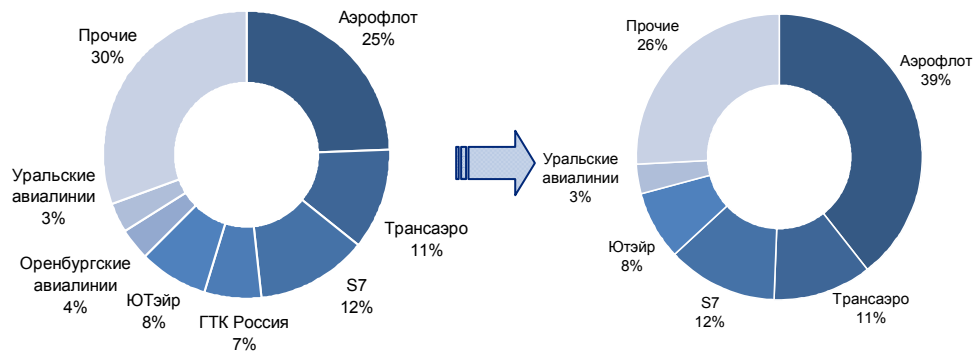
**Aeroflot's share in aggregate PAX turnover**



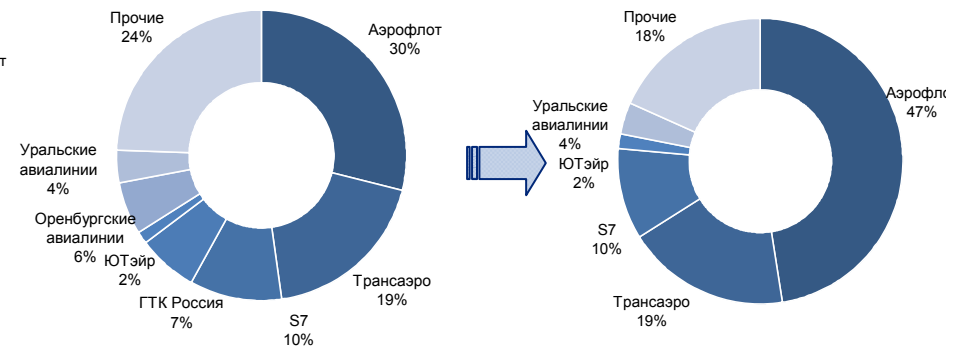
**Aeroflot's share in aggregate domestic PAX traffic**



**Aeroflot's share in aggregate PAX traffic**

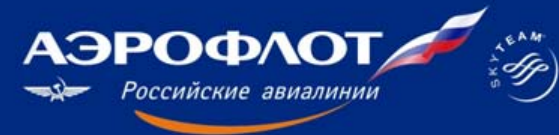


**Aeroflot's share in aggregate international PAX traffic**



Source: Aeroflot, 2009 data.

# Content



1. Market position of the Group

2. Performance indicators

3. Financial results

4. Development plans

**5. Conclusions**

Appendix



# Conclusion



- The world financial crisis exerted the main influence on the Group's revenue in 2009. A substantial decrease in yields resulted total revenue reduction by 27% in 2009 vs. 2008.
- However low jet kerosene prices and antirecessionary actions undertaken by the Company's Management had a positive effect on the Group's EBITDAR margin, EBITDA margin and net income.
- The Group's operating results reduction turned out to be less than expected. During the second half of 2009 several indicators even increased on the year-on-year basis, which indicated the beginning of air transportation market recovery.
- During the first 4 months of 2010 almost all operating results increased.

# Content



1. Market position of the Group

2. Performance indicators

3. Financial results

4. Development plans

5. Conclusions

**Appendix**

# Profit and loss statement



Profit and loss statement \$ mln	Group			Aeroflot		
	2009	2008	%change	2009	2008	%change
Traffic revenue	2 819	3 950	-29%	2 324	3 271	-29%
Other revenue	527	653	-19%	525	704	-25%
<b>Total revenue</b>	<b>3 346</b>	<b>4 603</b>	<b>-27%</b>	<b>2 849</b>	<b>3 976</b>	<b>-28%</b>
Operating costs	2 384	3 427	-30%	1 943	2 822	-31%
Staff costs	539	687	-22%	423	547	-23%
Depreciation and amortization	145	159	-9%	124	133	-7%
<b>Total operating costs</b>	<b>3 068</b>	<b>4 273</b>	<b>-28%</b>	<b>2 490</b>	<b>3 502</b>	<b>-29%</b>
<b>Operating profit</b>	<b>278</b>	<b>330</b>	<b>-16%</b>	<b>359</b>	<b>474</b>	<b>-24%</b>
Finance income	3	4	-39%	2	3	-53%
Finance costs	(41)	(55)	-25%	(27)	(37)	-26%
FX gain (loss)	(12)	(141)	-91%	(14)	(74)	-81%
Share of results in equity accounted investments	7	8	-17%			
Other income (loss) net	(29)	19	-247%	(78)	(61)	28%
<b>Profit before tax</b>	<b>206</b>	<b>167</b>	<b>24%</b>	<b>242</b>	<b>306</b>	<b>-21%</b>
Income tax	(120)	(143)	-16%	(119)	(152)	-22%
<b>Profit for the year</b>	<b>86</b>	<b>24</b>	<b>261%</b>	<b>122</b>	<b>154</b>	<b>-20%</b>

The Group's net profit increased from \$24 mio to \$86 mio or by 261% despite the world financial crisis. These results became possible due to fuel prices decrease and antirecessionary actions undertaken.

# Operating profit

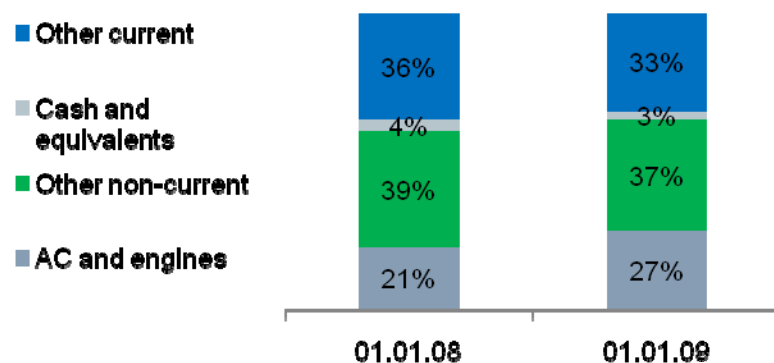


Operating profit \$ mln	Group			Aeroflot		
	2009	2008	%change	2009	2008	%change
Scheduled passenger flights	2 512	3 509	-28%	2 223	3 125	-29%
Cargo revenue	211	334	-37%	72	124	-42%
Charter passenger flights	95	108	-12%	28	23	24%
<b>Total traffic revenue:</b>	<b>2 819</b>	<b>3 950</b>	<b>-29%</b>	<b>2 324</b>	<b>3 271</b>	<b>-29%</b>
Airline revenue agreements	388	477	-19%	388	477	-19%
Ground handling and maintenance	20	25	-20%	23	30	-21%
Catering services	10	15	-35%			
Hotel revenue	15	22	-32%			
Refueling services	29	63	-54%	58	127	-54%
Other revenue	65	51	28%	55	70	-21%
<b>Total other revenue:</b>	<b>527</b>	<b>653</b>	<b>-19%</b>	<b>525</b>	<b>704</b>	<b>-25%</b>
<b>Total revenue:</b>	<b>3 346</b>	<b>4 603</b>	<b>-27%</b>	<b>2 849</b>	<b>3 976</b>	<b>-28%</b>
Aircraft fuel	(725)	(1 551)	-53%	(582)	(1 212)	-52%
Aircraft and traffic servicing	(507)	(595)	-15%	(386)	(442)	-13%
Maintenance	(271)	(295)	-8%	(201)	(214)	-6%
Sales and marketing	(139)	(228)	-39%	(129)	(210)	-38%
Operating lease expenses	(287)	(207)	38%	(233)	(227)	2%
Administration and general expenses	(127)	(150)	-15%	(90)	(114)	-21%
Taxes other than income tax	(13)	(12)	8%	(8)	(8)	4%
Passenger services	(115)	(142)	-19%	(131)	(150)	-13%
Communication expenses	(63)	(65)	-4%	(59)	(61)	-4%
Fines and penalties	(38)	(5)	600%	(2)	(1)	130%
Custom duties	(38)	(27)	40%	(33)	(21)	55%
Other expenses	(77)	(114)	-33%	(85)	(158)	-46%
Total staff costs	(539)	(687)	-22%	(423)	(547)	-23%
Depreciation and amortization	(145)	(159)	-9%	(124)	(133)	-7%
Gain (loss) on disposal of PPE, net	(13)	(7)	69%	(11)	(5)	142%
Release (increase) of reserve for fixed assets impairment	26	(27)	-197%	7	1	1013%
<b>Total operating costs:</b>	<b>(3 068)</b>	<b>(4 273)</b>	<b>-28%</b>	<b>(2 490)</b>	<b>(3 502)</b>	<b>-29%</b>
<b>Operating profit (loss)</b>	<b>278</b>	<b>330</b>	<b>-16%</b>	<b>359</b>	<b>474</b>	<b>-24%</b>

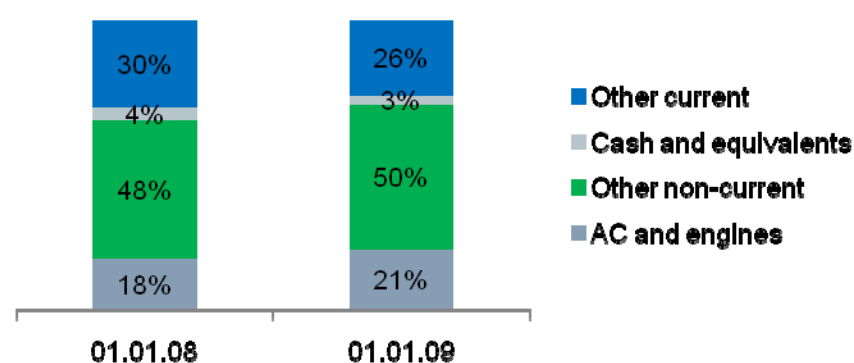
# Assets

Assets \$ mln	Aeroflot		Group	
	31/12/09	31/12/08	31/12/09	31/12/08
Cash and it's equivalents	90 773	100 983	121 136	146 780
Short-term investments	4 146	7 166	10 433	9 497
Assets held for sale	25 331		27 242	
Aircraft lease deposits				614
Accounts receivable and prepayments, net	920 722	856 794	943 827	916 097
Expendable parts and inventories	55 077	64 288	69 975	78 708
Total current assets	1 096 049	1 029 231	1 172 613	1 151 696
Long-term investments	189 663	172 955	40 032	37 850
Other non-current assets	543 437	320 584	619 669	372 405
PPE, net	1 193 456	1 044 697	2 167 836	1 774 314
Intangible assets	15 969	8 723	20 678	14 089
Total non-current assets	1 942 525	1 546 959	2 848 215	2 198 658
Total assets	3 038 574	2 576 190	4 020 828	3 350 354

**Aeroflot asset structure**  
[%]



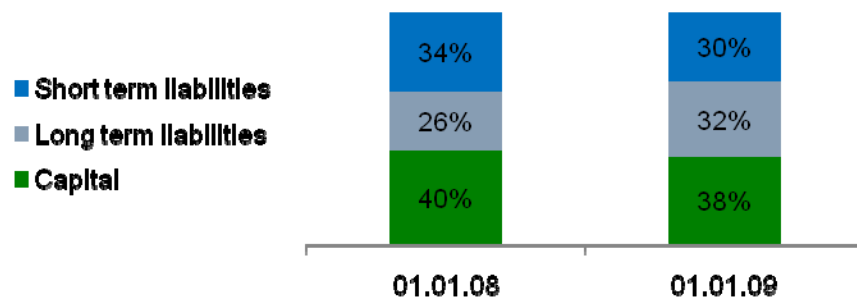
**The Group's asset structure**  
[%]



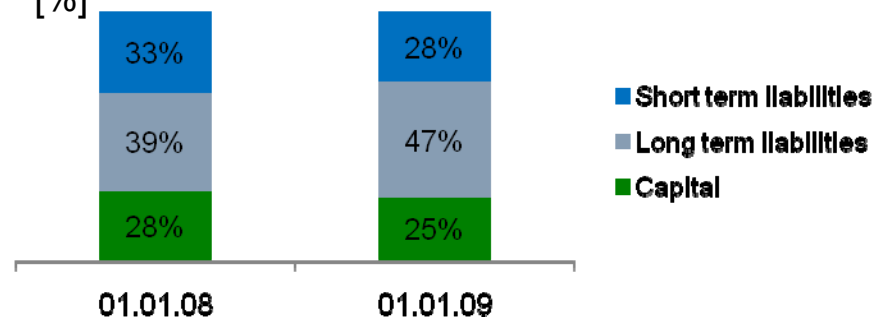
# Liabilities and Equity

Liabilities and Equity \$ mln	Aeroflot		Group	
	31/12/09	31/12/08	31/12/09	31/12/08
Accounts payable and accrued liabilities	535 660	542 452	674 568	667 107
Unearned revenue	181 200	169 429	186 111	172 881
Short-term borrowings	81 572	62 083	156 361	145 430
Provisions	361	21 920	756	22 841
Current portion of finance lease liabilities	99 721	66 144	111 196	77 967
Deferred revenue related to FFP	8 988	12 491	8 988	12 491
<b>Total current liabilities</b>	<b>907 502</b>	<b>874 520</b>	<b>1 137 980</b>	<b>1 098 718</b>
Long-term borrowings			819 666	591 090
Long-term portion of finance lease liabilities	602 484	429 149	623 536	460 193
Provisions	1 600	2 008	1 600	2 356
Deferred tax liabilities	47 149	22 590	85 549	44 831
Long-term portion of pension obligations	8 955	9 868	8 959	9 873
Other non-current liabilities	293 509	147 043	307 012	157 851
Deferred revenue related to FFP	30 709	48 133	30 709	48 133
<b>Total non-current liabilities</b>	<b>984 406</b>	<b>658 791</b>	<b>1 877 031</b>	<b>1 314 327</b>
Minority interest			43 218	53 007
Equity attributable to shareholders of the Company	1 146 666	1 042 880	962 599	884 303
<b>Total liabilities and Equity</b>	<b>3 038 574</b>	<b>2 576 190</b>	<b>4 020 828</b>	<b>3 350 354</b>

**Aeroflot's liabilities and equity structure**  
[%]



**The Group's liabilities and equity structure**  
[%]



# Consolidated Statement of Cash Flows



Cash flow statement \$mln	2009	2008
Profit before income tax	206	167
Non-cash expenses	222	396
Operating profit before working capital changes	428	563
Changes in working capital	(199)	(90)
<b>ЧистNet cash flows from operating activities</b>	<b>229</b>	<b>473</b>
Proceeds from sales of investments and fixed assets	27	137
Return of aircraft advances	79	
Dividends received	3	4
Lease prepayments, change in lease deposits	(1)	(0)
Purchases of investments	(23)	(105)
Purchases of PPE and intangible assets	(383)	(475)
<b>Net cash flows to investing activities</b>	<b>(299)</b>	<b>(439)</b>
Proceeds from borrowings	647	904
Repayment of borrowing	(399)	(654)
Interest paid	(108)	(104)
Dividends paid	(9)	(62)
Repayment of the principal element of finance lease liabilities	(102)	(75)
Sale (purchases) of treasury stock	19	36
<b>Net cash flows from financing activities</b>	<b>48</b>	<b>45</b>
Effect of exchange rate fluctuations	(3)	(22)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(26)</b>	<b>56</b>