

## **Report on financial and economic activity JSC «Atyrau International Airport» for the 1-st half of 2016**

JSC " Atyrau International Airport" was created as a result of reorganization of JSC "Atyrauavia" on the basis of Government Resolution №1030 of 20.08.96 the decision of Atyrau Territorial Committee on State Property № 188 from 04.10.96.

100% shares belong to JSC "Samruk-Kazyna". Issued share capital - 786 978,0 thous. tenge.

Under the Charter, the purpose of the Company is to obtain net income in the implementation of an independent economic activity.

### **The main directions of Company's activity**

The main direction of Company's activity is the provision of land-based airport services.

JSC "Air Astana", JSC "Airline" Euro-Asia Air », AO« Bek Air », JSC" Airline "Scat», «Coyne Airways Limited», JSC «Prime Aviation» and other airlines carry out regular and charter flights to Atyrau airport .

Airport receives and maintains virtually all types of aircraft.

Atyrau connects regular flights with the cities of Astana, Almaty, Aktau, Aktobe, Moscow, Istanbul, Amsterdam. Charter flights are carried out all over the world, but the main areas are Dubai, Antalya, Baku, Tbilisi. The largest volume of passenger traffic is noted on directions of the cities of Astana, Almaty, Moscow, Amsterdam and Istanbul.

### **Production figures**

Key performance indicators of the airport are the number of serviced sorties and the amount of work done on the ground and aircraft maintenance (hereinafter - AC). The volume of all types of services is related to the maintenance of AC, expressed in tones with maximum take-off weight (MTOW).

As the result of the 1-st half of 2016, the volume of planned values for the service to ensure take-off and landing of AC is 99%.

The volume of cargo processed for the 1-st half of 2016 compared with the planned value was 202% or more at 766 tones. Increasing volumes of cargo handling in the reporting period is observed in AC «Coyne Airways Limited», «Silk Way Airlines» Company in connection with the provision of additional equipment needed to run the plant "Karabatan" and the field "Kashagan".

### **Key indicators of financial and economic activity**

**Revenues.** As the result of the 1-st half of 2016 operating income of the Company amounted to 1 192 595 thous.tenge or 89% of planned revenue. The reduction of income from operating activities due to the decreasing in income from services sale of aviation fuel, refueling the AC aviation fuel due to a decreasing orders from airlines and storing their own fuel JSC "Air Astana", JSC "Airline" Euro-Asia Air "JSC" Bek Air "and JSC "Airline"Scat".

Revenues from non-core activities carried out by 144%.

**Costs.** The Company's expenses for the 1-st half of 2016 amounted to 1 013 756 thous. tenge, which is less than the planned costs of 223 084 thous.tenge and is 82% of the planned target.

Cost of sales / service for the 1-st half of 2016 amounted to 907 014 thous.tenge, which is 81% of the planned value. The decrease is due to decreasing in the planned procurement prices for aviation fuel. Cost optimization, including outsourcing, reduction of material costs.

Administrative expenses for the 1-st half of 2016 amounted to 82 891 thous.tenge or 91% of the planned costs, due to decreasing in tax payments, training expenses, materials, fuels and lubricants.

Financial expenses for the 1-st half of 2016 includes accrued interest raised in 2015 of bank loan for working capital, the EBRD loan, the loan of Samruk-Kazyna, which in total amount to 14 419 thous.tenge.

Other expenses for the reporting period are 9 432 thous.tenge, made due to changes in exchange rates - 3 224 thousand tenge and other expenses 6 280 thous.tenge...

**Financial results.** According to the results of operations for the 1-st half of 2016 the Company obtained positive financial result 195 261 thous.tenge.