2012 ANNUAL REPORT
JOINT STOCK COMPANY
“SUHKOI CIVIL AIRCRAFT”

President ____________________ A.V.Kalinovski
“_____” _________________ 2013

Chief Accountant ________________ M.A.Stolina
“_____” _________________ 2013
# Table of Contents

1. **Address of the Chairman of the Board of Directors and the sole executive body of the Company**
   - 1.1 Address of the Chairman of the Board of Directors
   - 1.2 Address on behalf of the sole executive body – the President

2. **About the Company**
   - 2.1 Company name
   - 2.2 Number and the date of issue of the Certificate of Incorporation
   - 2.3 Constituent entity of the Russian Federation where the Company is registered
   - 2.4 Place of business
   - 2.5 Contact telephone and fax number
   - 2.6 Email address and the corporate website address
   - 2.7 Core business
   - 2.8 Information about the inclusion into the list of strategic enterprises and strategic joint stock companies
   - 2.9 Company staff size
   - 2.10 Full name and address of the registrar
   - 2.11 Charter capital amount
   - 2.12 Total amount of shares
   - 2.13 Quantity and nominal value of ordinary shares
   - 2.14 State registration number of the common (preferred) stock issue and the date of the state registration
   - 2.15 State registration number of the additional common (preferred) stock issue and the date of the state registration
   - 2.16 Quantity and the nominal value of preferred stock
   - 2.17 Quantity of stocks owned by the Russian Federation
   - 2.18 Share of the Russian Federation in the charter capital with the indication of the share of the Russian Federation as to common and preferred stocks
2.19 Company shareholders whose share in the charter capital exceeds 2 percent
2.20 Availability of the special right of the Russian Federation to participate in the management of the Company (the “golden share”)
2.21 Full name and address of the Company auditor
2.22 Information on branches and representative offices

3 2012 main events
3.1 List of events and facts in the accounting period, characterizing most important achievements of the Company, its management and staff

4 Information on the general meeting of shareholders
4.1 Annual general meeting of shareholders
4.2 Extraordinary general meetings of shareholders

5 Information on the Board of Directors of the Company
5.1 Composition of the Board of Directors including information on the members of the Board of Directors, as well as their brief biographies and information on the company shares ownership within the accounting period
5.2 Availability of special committees at the Board of Directors
5.3 Information on holding the meetings of the Board of Directors
5.4 Information on the availability of the Board of Directors regulations
5.5 Information on the availability of regulations for special committees at the Board of Directors of the Company
5.6 Information on the availability of the regulations on remuneration for the members of the Board of Directors of the Company
5.7 Amount of remuneration payable to the members of the Board of Directors of the Company

6 Information on the board of auditors, their surnames, names, patronymics and positions
6.1 Quantity of members of the board of auditors, their surnames, names, patronymics and positions
6.2 Amount of the remuneration payable to the members of the board of auditors

7 Information on the executive body of the joint stock Company
7.1 Information on a person holding the position of the sole executive body of the Company; in the presence of the collective executive body - information on the members of the collective executive body of the Company, including their brief biographies, date of taking of their offices, term of office according to the employment agreement (contract) and information on the Company shares ownership within the accounting period

7.2 Information on the availability of the regulations on the remuneration for the executive body of the Company and its correlation to the system of key performance and efficiency indicators

7.3 Amount of remuneration paid to a person holding the position of the sole executive body and the members of the collective executive body of the Company within the accounting period, information on disclosure of the amount of the remuneration on the Company official website in the Internet

8 Position of the joint stock Company in the industry

8.1 Period of activity of the Company in the industry

8.2 Company's main competitors in the industry

8.3 Company's share in a relevant market segment in terms of the core business of the Company and the fluctuation of this indicator for the last 3 years

9 Priority directions of activity of the company

9.1 Designing and manufacture of products, services

9.2 Marketing Activities

9.3 Sales

9.4 Staff Management

9.4.1 Key trends of staff activities

9.4.2 Average staff number of the Company employees, including those working in branches and representative offices, as well as amount of allocations for salary and social services for the last 3 years

9.4.3 Average age of Company employees for the last 3 years

9.4.4 Distribution of Company employees by age groups and education level for the last 3 years

9.4.5 Number of doctors and candidates of science working at the Company

9.4.6 Training programs: total number of employees having passed training by the advanced training programs, including managers and specialists
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.4.7</td>
<td>Programs of personnel number optimization and stimulation</td>
<td>57</td>
</tr>
<tr>
<td>9.5</td>
<td>Social responsibility</td>
<td>57</td>
</tr>
<tr>
<td>9.6</td>
<td>Environmental activity</td>
<td>60</td>
</tr>
<tr>
<td>9.7</td>
<td>Information technologies</td>
<td>60</td>
</tr>
<tr>
<td>9.8</td>
<td>Certification</td>
<td>66</td>
</tr>
<tr>
<td>9.9</td>
<td>Quality control</td>
<td>68</td>
</tr>
<tr>
<td>10</td>
<td>Priority directions of Company development</td>
<td>75</td>
</tr>
<tr>
<td>10.1</td>
<td>Information on strategy and development programs of the Company</td>
<td>75</td>
</tr>
<tr>
<td>10.2</td>
<td>Investment volume - breakdown by projects and funding sources</td>
<td>75</td>
</tr>
<tr>
<td>11</td>
<td>Energy resources used by the Company</td>
<td>76</td>
</tr>
<tr>
<td>11.1</td>
<td>Volume of energy resources used by the Company in the reporting period (in physical and monetary terms)</td>
<td>76</td>
</tr>
<tr>
<td>12</td>
<td>Structure of Joint Stock Company</td>
<td>77</td>
</tr>
<tr>
<td>12.1</td>
<td>Information on all forms of the Company's shareholdings in profit-making and non-profit organisations</td>
<td>77</td>
</tr>
<tr>
<td>12.1.1</td>
<td>Information on business entities with the Company holding 2-20% of the charter capital</td>
<td>78</td>
</tr>
<tr>
<td>12.1.2</td>
<td>Information on affiliated entities with the Company holding 20-50% of the charter capital</td>
<td>78</td>
</tr>
<tr>
<td>12.1.3</td>
<td>Information on subsidiaries with the Company holding 50%+1 share or up to 100% of the charter capital</td>
<td>78</td>
</tr>
<tr>
<td>12.2</td>
<td>Information on sale-and-purchase contracts concluded in relation to shares, shareholdings and stakes of business partnerships and companies, including details of the parties, subject of such contracts, their price and other terms and conditions</td>
<td>78</td>
</tr>
<tr>
<td>13</td>
<td>Accounting reports and audit opinion certifying reliability of accounting for the reporting and previous year</td>
<td>78</td>
</tr>
<tr>
<td>13.1</td>
<td>Management comments to financial reports Dynamics of major financial and economic indicators for the last 3 years</td>
<td>79</td>
</tr>
<tr>
<td>13.2</td>
<td>Net assets of the Company</td>
<td>83</td>
</tr>
<tr>
<td>14</td>
<td>Information on major transactions made by the Company in the reporting year,</td>
<td>83</td>
</tr>
</tbody>
</table>
including the list of transactions made by the Company in the reporting year and recognized as major ones in accordance with the Federal Law "On Joint Stock Companies", as well as other transactions subject to special approval procedure as established by the Company’s Charter, with specification of material terms of each transaction and the Company’s management body which issued the decision on its approval

15 Information on interested-party transactions made by the Company in the reporting year, including the list of transactions made by the Company in the reporting year and recognized as interested-party transactions in accordance with the Federal Law "On Joint Stock Companies", with specification of the interested party (parties) in each of such transactions and the Company’s management body which issued the decision on its approval

16 Distribution of profit made by the Company in the reporting year

16.1 Report on payment of the announced (accrued) dividends on the Company’s shares

16.2 Amount of dividends transferred to the federal budget in the reporting period

16.3 Dividends payable to the federal budget

16.4 Contributions to the Company’s reserve fund

16.5 Contributions to other funds of the Company (with the name of such funds specified)

16.6 Funds used for implementation of the Company's investment projects (programs) and the report on implementation of investment projects (programs) by the Company

16.7 Other areas of net profit consumption

17 State support received by the Company in the reporting year, including information on subsidies granted (RUR), their purposes and funds used as of the end of the reporting period

18 Major risk factors connected with the Company’s activity

18.1 Information on the Company’s investments with the forecasted interest yield of over 10% per annum, with specification of the investment purpose, volume and funding sources

18.2 Information on pending court investigations in which the Company acts as a defendand under debt claims, with specification of the overall claim amount

18.3 Information on pending court investigations in which the Company acts as a claimant under debt claims, with specification of the overall claim amount
18.4 Information on potential circumstances which objectively impede the Company’s activity

18.5 List of business, financial, technical, political and legal risks. Description and assessment of the Company’s external and internal risk factors

19 Compliance of the Company with the Corporate Code of Conduct

20 Actual performance of instructions and orders issued by the President and Government of the Russian Federation

20.1 Instructions and orders issued by the President of the Russian Federation

20.2 Orders issued by the Government of the Russian Federation
1. Address of the Chairman of the Board of Directors and the sole executive body of the joint stock Company

1.1 Address of the Chairman of the Board of Directors

In the accounting year 2012, the staff, the Board of Directors and the shareholders of the JSC «Sukhoi Civil Aircraft» accomplished immense work in order to advance the Company’s main project – the Sukhoi Superjet 100 program.

The year was marked by the delivery of aircraft to Southeastern Asia – to the Company Sky Aviation, as well as by the handing over of the first aircraft Sukhoi Superjet 100 to SuperJet International for painting, assembly of the interior and further delivery to the first customer in the Latin America – to a Mexican airline Interjet.

The Type Certificate of the European Aviation Safety Agency (EASA) was obtained which confirmed that the company «Sukhoi Civil Aircraft» had shown the compliance of the Sukhoi Superjet 100 aircraft to the current EASA requirements as to the airworthiness and the environmental impact. The acquisition of the Certificate became an important landmark in the project development, as it allowed the European airlines and airlines in the states where EASA requirements are adopted as standard, to acquire and operate the Sukhoi Superjet 100 aircraft.

The experience related to the application of modern digital technologies in the full cycle of aircraft design and manufacture was accumulated and systematized, modern approaches in the organization and management of international cooperation, post-sale customer support, etc. were adopted.

It is no doubt that the most important events became possible thanks to the selfless labor of the company and its branches staff, and, to a certain degree, this is the result of the efficient interaction of the management and the Board of Directors of JSC «Sukhoi Civil Aircraft».

It is impossible to ignore a grievous stage of development of the project: the Sukhoi Superjet 100 aircraft crash in Indonesia. Russian party and the Company provided comprehensive support to the Investigation Commission. By the end of 2012, official results of the aircraft crash investigation were made public, which indicated the human factor as its reason. The Board of Directors and the shareholders of the JSC «Sukhoi Civil Aircraft» analyzed the results of the investigation, and measures were taken to prevent such disasters in the future.

The attention of the shareholders and the Board of Directors remained with the strategic issues of development of the Company and the Sukhoi Superjet 100 program implementation, development of the model range and sales in the long-term perspective, financial and economic planning, personnel management and other aspects of work.

Decisions taken at the sessions of the Board of Directors and general meetings of shareholders allowed the management to swiftly influence the economic indicators of the program implementation, establish and implement the plans of the perspective
development.

It is necessary to note the active participation in the corporate management of the Company of our Italian partner – the shareholder of the JSC «Sukhoi Civil Aircraft» – the company World’s Wing S.A. and its representatives in the Board of Directors. To a large extent, it is thanks to their efforts that the positive results were reached in 2012.

The upcoming year of 2013 will be no less exerting and demanding for the JSC «Sukhoi Civil Aircraft». Main tasks of the Company are the increase of rate of the aircraft production, provision of the comprehensive support to the aircraft operations, extension of the model range of Sukhoi Superjet 100 and execution of new contracts and agreements with customers. I am sure that the JSC «Sukhoi Civil Aircraft» will apply every effort to reach the goals set by the shareholders and the Board of Directors for the year of 2013.

1.2 Address on behalf of the sole executive body – the President

The past year of 2012 was marked by several important events in the area of implementation of the newest Russian aircraft program Sukhoi Superjet 100 and in the Company activities.

In January, following the completion of the certification tests programme, our aircraft was awarded the A-176 Type Certificate of the European Aviation Safety Agency (EASA). This achievement is the key factor of the support of the corporate goodwill of the Sukhoi Superjet 100 aircraft, which became the first Russian passenger aircraft, certified in accordance with the aviation rules CS-25 EASA. The acquisition of the EASA Certificate by means of validating the Type Certificate issued by the Aviation Register of Interstate Aviation Committee (AR IAC) became the result of completion of a large-scale certification programme implemented by EASA, AR IAC and JSC «Sukhoi Civil Aircraft» in collaboration with the certification centers, Alenia Aermacchi company and main providers of aircraft equipment and systems.

In April, the Mexican aviation authorities issued a validation letter with respect to the Sukhoi Superjet 100 aircraft. This document certifies the compliance of the SSJ100 aircraft to the certification requirements of aviation authorities of Mexico, and allows the export and operation of aircraft of this type to Mexico without limitations.

In June, within the framework of the 16th International St.-Petersburg Economic Forum, the JSC «Sukhoi Civil Aircraft» and the «Transaero» airline, the second top Russian air carrier, executed the contract for the delivery of six Sukhoi Superjet 100 aircraft in the standard configuration with an option for ten more such aircrafts.

In November, the validation letter of Indonesian aviation authorities was issued with respect to the aircraft. The Type Certificate validation allowed signing the Acceptance Certificate of the first Sukhoi Superjet 100 aircraft for the first customer in Southeastern Asia – Indonesian Sky Aviation by the end of December 2012. In December, the aviation authorities of Laos also validated the Type Certificate with respect to Sukhoi Superjet 100.
By the end of 2012, the delivery of the first aircraft Sukhoi Superjet 100 to the second Russian airline – a major air carrier of the Far East of Russia – the Yakutia airline – took place. Earlier, in November, the Sukhoi Superjet 100 aircraft got the Supplemental Type Certificate, which extended the conditions of its operation during flights at high latitudes – up to 78 degrees N and at low temperatures – up to minus 54 degrees.

During the year, the deliveries of the aircraft to the launch customer – JSC “Aeroflot Russian Airlines” continued. As of the end of the December 2012, over 179 standing orders were received worldwide with respect to the Sukhoi Superjet 100 aircraft. This means that the aircraft is in-demand in Russian and international markets of civil aircraft.

To summarize the year 2012, it is possible to state with certainty that the main objectives were reached. The year of 2013 is also expected to be as exerting and demanding for the JSC «Sukhoi Civil Aircraft». It was successfully marked by first deliveries of aircrafts to the Southeastern Asia – in the year 2012 first deliveries to the Sky Aviation airline and in the year 2013 first deliveries to Lao Central airlines. Our main goals are to increase the production rate, provision of the comprehensive support to the aircraft operations, execution of new contracts and agreements with customers.

2. About the Company

2.1 Company name

Full Company name of the Company in Russian language: Zakrytoye aktsionernoye obschestvo «Grazhdanskiye Samolety Sukhogo» (“Закрытое акционерное общество «Гражданские самолеты Сухого»).

Short Company name in Russian language: ZAO «GSS» (ЗАО «ГСС»).

Full Company name in English language: Joint Stock Company «Sukhoi Civil Aircraft».

Short Company name in English language: JSC «SCA».

2.2 Number and the date of issue of the Certificate of Incorporation

Information about the legal entity, registered prior to 1 July 2002, according to the data indicated in the Certificate of Incorporation:

- number of the Certificate of Incorporation - 002.003.097;
- date of the state registration - 25.05.2000;
2.3 Constituent entity of the Russian Federation where the Company is registered

The city of Moscow.

2.4 Place of business

Bldg 2, 23B Polikarpova str., 125284 Moscow, Russian Federation

2.5 Contact telephone and fax number

Contact telephone: +7 (495) 7271988
Fax: + 7 (495) 7271983

2.6 Email address and the corporate website address

Email: info@scac.ru
Corporate website address: www.sukhoi.superjet100.com

2.7 Core business

Codes of main industry-related activities as per the Russian National Classifier of Economic Activities («OKVED»):
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>73.10</td>
<td>Scientific researches and designs in the area of natural and technical sciences;</td>
</tr>
<tr>
<td>35.30.11</td>
<td>Production of spark ignited aerial vehicle engines and their parts;</td>
</tr>
<tr>
<td>35.30.3</td>
<td>Production of helicopters, aircrafts and other aerial vehicles;</td>
</tr>
<tr>
<td>35.30.5</td>
<td>Production of other parts and accessories of aerial vehicles and space vehicles;</td>
</tr>
<tr>
<td>35.30.9</td>
<td>Provision of repair and maintenance services and adaptation of aerial vehicles and aerial vehicle engines;</td>
</tr>
<tr>
<td>62.20.2</td>
<td>Schedule free cargo transport activities;</td>
</tr>
<tr>
<td>65.21</td>
<td>Financial leasing;</td>
</tr>
<tr>
<td>71.23</td>
<td>Leasing of aerial transportation vehicles and equipment;</td>
</tr>
<tr>
<td>74.14</td>
<td>Consultancy services on commercial activities and management;</td>
</tr>
<tr>
<td>74.20.1</td>
<td>Activities in the field of architecture, engineering and technical design in industry and construction;</td>
</tr>
<tr>
<td>74.30</td>
<td>Technical tests, researches and certification;</td>
</tr>
<tr>
<td>74.30.9</td>
<td>Other activities related to technical inspection, tests and analysis;</td>
</tr>
<tr>
<td>80.41.2</td>
<td>Training of cockpit and seafaring personnel.</td>
</tr>
</tbody>
</table>

2.8 Information about the inclusion into the list of strategic enterprises and strategic joint stock companies

JSC «SCA» is not included in the List of Strategic Enterprises and Strategic Joint Stock companies approved by the Decree of the President of the Russian Federation No.1009 dated 04.08.2008 (as amended on 17.02.2012).

2.9 Company staff size

As of 31.12.2012, the company staff size amounts to 2665 staffing positions.

2.10 Full name and address of the registrar

Joint Stock Company «Registrar R.O.S.T.»
Moscow, Stromynka str., 18, bldg. 13
2.11 Charter capital amount

3 065 725 000 (three billion sixty five million seven hundred twenty five thousand) rubles

2.12 Total amount of shares

3 065 725 pieces

2.13 Quantity and nominal value of ordinary shares

Quantity of ordinary shares: 3 065 725 pieces.
Nominal value of an ordinary share: 1000 (one thousand) rubles.

2.14 State registration number of the common (preferred) stock issue and the date of the state registration


2.15 State registration number of the additional common (preferred) stock issue and the date of the state registration

Individual codes of all additional issues were annulled.

2.16 Quantity and the nominal value of preferred stock

Amount of preferred stock: 0 pieces.
Nominal value of a preferred stock: 0 rubles 0 kop.
2.17 Quantity of stocks owned by the Russian Federation

0 pieces

2.18 Share of the Russian Federation in the charter capital with the indication of the share of the Russian Federation as to common and preferred stocks

0%

2.19 Company shareholders whose share in the charter capital exceeds 2 percent

- Joint Stock Company «Aviation Holding Company «Sukhoi»;
- World’s Wing SA;
- Joint Stock Company «Sukhoi Design Bureau».

2.20 Availability of a special right of the Russian Federation to participate in the management of the Company (the «golden share»)

Nil.

2.21 Full name and address of the Company auditor

Joint Stock Company «KPMG».

Registered office: 129110 Moscow, 18/1 Olimpiyskiy avenue, office 3035.

2.22 Information on branches and representative offices

Name: Komsomolsk-na-Amure JSC «SCA» branch.

Address: Russian Federation, 681018, Khabarovskiy Krai, Komsomolsk-na-Amure, Sovetskaya str., 1
Opening date (the date of the state registration of the changes to the Charter): 23.06.2005.

Head: Kalinovskiy Andrey Vladimirovich.

Name: Novosibirsk JSC «SCA» branch.
Address: Russian Federation, 630051, Novosibirsk, Polzunova str., 15
Opening date (the date of the state registration of the changes to the Charter): 23.06.2005.
Head: Prokopenko Roman Sergeevich.

Name: Voronezh JSC «SCA» branch in Voronezh
Address: Russian Federation, 394029, Voronezh, Tsiolkovskogo str., 27
Opening date (the date of the state registration of the changes to the Charter): 08.11.2006.
Head: Maymin Valeriy Borisovich.

3. 2012 main events

3.1 List of events and facts in the accounting period, characterizing most important achievements of the Company, its management and staff

Certification.

In 2012, the JSC «SCA» continued to promote the aircraft at external markets and extend the conditions of operation of RRJ-95 aircraft, as well as prepare supportive documents necessary for that purpose. In 2012, the JSC «SCA» received the type certificate of EASA (AR IAC validation).

During the mentioned period, the following works were performed and the documents acquired:
- Type Certificate of Mexican authorities – 16.04.2012;
- Type Certificate of Indonesian authorities - 19.11.2012;
STC (Supplemental Type Certificates) as to the Main Modifications to the type design
of the RRJ-95B aircraft:

- Extension of conditions of operation to perform flights in north latitudes – 02.11.2012;
- Extension of conditions of operation of aircraft at low temperatures of outer air – 02.11.2012;

**Production and delivery of the A/C.**

14 A/C were produced, 12 A/C were delivered:

<table>
<thead>
<tr>
<th>A/C serial number</th>
<th>Customer</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>95013-95018</td>
<td>JSC «Aeroflot Russian Airlines»</td>
<td>Handed over to the customer</td>
</tr>
<tr>
<td>95019</td>
<td>JSC «Yakutia Airlines»</td>
<td>Handed over to the customer</td>
</tr>
<tr>
<td>95022</td>
<td>Sky Aviation</td>
<td>Acceptance Certificate signed</td>
</tr>
<tr>
<td>95020</td>
<td>JSC «Yakutia Airlines»</td>
<td>Acceptance Certificate signed</td>
</tr>
<tr>
<td>95021</td>
<td>JSC «Moskovia Airlines»</td>
<td>Acceptance Certificate signed</td>
</tr>
<tr>
<td>95023</td>
<td>SJl/Interjet</td>
<td>Acceptance Certificate signed</td>
</tr>
<tr>
<td>95024</td>
<td>SJl/Interjet</td>
<td>Acceptance Certificate signed</td>
</tr>
<tr>
<td>95026</td>
<td>Lao Central Airlines</td>
<td>Manufactured. Final adjustments.</td>
</tr>
<tr>
<td>95032</td>
<td>Experimental Long Range</td>
<td>Manufactured. Final adjustments.</td>
</tr>
</tbody>
</table>

**4. Information on the general meeting of shareholders**

**4.1 Annual meeting of shareholders**

General Meeting of Shareholders of the JSC «SCA» is the supreme management body taking decisions on the key issues of the Company activities.

On 28 June 2012, the General Meeting of Shareholders of the JSC «SCA» took place. The following issues were reviewed:

- Definition of the procedure for the conduct of the annual general meeting of shareholders of the JSC «SCA»;
- Approval of the 2011 Annual Report of JSC «SCA»;
- Approval of accounting reports, including the profit and loss statement (earnings report) of JSC «SCA» according to the 2011 results;
- Approval of distribution of profits (including the payment (announcement) of dividends) and losses of the JSC «SCA» according to the results of the financial year;

- Election of the members of the Board of Directors of JSC «SCA»;

- Election of the members of the Board of Auditors of the JSC «SCA»;

- Approval of the JSC «SCA» auditor;

- Approval of the interested-party transaction (Credit Agreement No.110100/1289 with the State Corporation “Bank for Development and Foreign Economic Affairs” (Vnesheconombank);

- Assessment of the property value being acquired as per the interested-party transaction (Loan Agreement with JSC «Sukhoi Company»);

- Approval of the interested-party transaction (Loan Agreement with JSC «Sukhoi Company»).

4.2 Extraordinary general meetings of shareholders

In 2012, the following extraordinary General Meetings of Shareholders of JSC «SCA» took place.

**Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 25 January 2012):**

- Approval of the interested-party transaction (Credit Agreement with the JSC «Bank VTB» (financing of the acquisition of interest-bearing documentary inconvertible bearer exchange-traded bonds of series 5О-01 with obligatory centralized storage and the possibility of early repayment by request of owner and at the discretion of the Issuer with the State registration number 4B02-01-21927-H and payment of profits for the 2nd coupon);

- Definition of the price of the property being acquired as per the interested-party transaction (Supplementary Agreement No. 1 to the Loan Agreement No. 183-501-03/11 dated 14.03.2011 with JSC «UAC»);

- Approval of the interested-party transaction (Supplementary Agreement No. 1 to the Loan Agreement No. 183-501-03/11 dated 14.03.2011 with JSC «UAC»).

**Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 30 March 2012):**

- Definition of price of inter-related interested party transactions (Supplementary
Agreements Nos. 4, 6, 7 to the Agreement No. 580-506-09/11 dated 01.11.2011 and Supplementary Agreement No. 1 to the Agreement with JSC «UAC»;

- Approval of inter-related interested party transactions (Supplementary Agreements Nos. 4, 6, 7 to the Agreement No. 580-506-09/11 dated 01.11.2011; Agreement with JSC «UAC» and Supplementary Agreement No. 1 thereto);

- Definition of the price of the property being acquired as per the interested-party transaction (Loan Agreement No. 11-112/421 with the JSC «Sukhoi Company»);

- Approval of the interested-party transaction (Loan Agreement No. 11-112/421 with the JSC «Sukhoi Company»).

Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 14 May 2012):

- Definition of the price of the property being acquired as per the interested-party transaction (Loan Agreement with the JSC «Sukhoi Company»);

- Approval of the interested-party transaction (Loan Agreement with the JSC «Sukhoi Company»);

- Approval of the interested-party transaction (Credit Agreement with the JSC «Bank VTB»).

Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 25 May 2012):

- Approval of the interested-party transaction (Credit Agreement with the JSC «Bank VTB» (financing of the acquisition of interest-bearing documentary inconvertible bearer exchange-traded bonds of series 6О-02 with obligatory centralized storage and the possibility of early repayment by request of the owner and at the discretion of the Issuer with the State registration number 4B02-02-21927-H and payment of profits for the 2\textsuperscript{nd} coupon).

Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 08 June 2012):

- Definition of the price of the property being acquired as per the interested-party transaction (Agreement No. 17/10 dated 30 September 2010 with the JSC «Sukhoi Design Bureau» and the Supplementary Agreement No. 1 dated 20 December 2010 to the Agreement No. 17/10 dated 30 September 2010 with the JSC «Sukhoi Design Bureau»);

- Approval of the interested-party transactions (Agreements No. 17/10 dated 30
September 2010 with the JSC «Sukhoi Design Bureau» and the Supplementary Agreement No. 1 dated 20 December 2010 to the Agreement No. 17/10 dated 30 September 2010 with the JSC «Sukhoi Design Bureau»).

Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 20 July 2012):

- Definition of the price of the services as per the interested-party transaction (Supplementary Agreement No. 45 to the Agreement No. 04-214/369 dated 10.11.2004 with the JSC «Sukhoi Company»);

- Approval of the interested-party transaction (Supplementary Agreement No. 45 to the Agreement No. 04-214/369 dated 10.11.2004 with the JSC «Sukhoi Company»);

- Definition of the price of the services as per the interested-party transaction (Supplementary Agreements No. 8, No. 9 to the Agreement No. 580-506-09/11 dated 01.11.2011 with the JSC «UAC»);

- Approval of inter-related interested party transactions (Supplementary Agreements No. 8, No. 9 to the Agreement No. 580-506-09/11 dated 01.11.2011 with the JSC «UAC»).

Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 27 July 2012):

- Approval of the interested-party transaction (Supplementary Agreement No. 1 to the Credit Agreement No. KC-702000/2012/00040 dated 24.04.2012 with the JSC «Bank VTB»).

Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 31 August 2012 года):

- Approval of interested-party transactions, which will be executed by the JSC «SCA» in the future, during the normal course of business (Requests under the Agreement No. RRJ-95В-Инс/01-2012 with the open joint stock company «Aeroflot Russian Airlines»);

- Approval of the interested-party transaction (Service Agreement No. AFLSSJ-001 with the open joint stock company «Aeroflot Russian Airlines»);

- Definition of the price of the works as per the interested-party transaction (as per the Agreement No. МС-21/ИЦ-12/01-11 for the performance of a part of design work on the subject of «Development of elements of the MS-21 aircraft work design documents, documents on bench running and certification tests» dated 28.04.2012 with JSC «Irkut Corporation»);

- Approval of the interested-party transaction (Agreement No. МС-21/ИЦ-12/01-
11 for the performance of a part of design work on the subject of «Development of elements of the MS-21 aircraft work design documents, documents on bench running and certification tests» dated 28.04.2012 with JSC «Irkut Corporation»).

Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 19 October 2012):

- Approval of the interested-party transactions (Supplementary Agreements No. 1 to the lease re-assignment with JSC «KNAAPO»);
- Approval of the interested-party transactions (Supplementary Agreements No. 1 to the lease re-assignment with JSC «NAPO»);
- Approval of interested-party transactions, which will be executed by the JSC «SCA» in the future, during the normal course of business (placing orders within the framework of the Agreement No. 1633122080n dated 01.04.2012 with the Joint Stock Company «Gromov Flight Research Institute», including the Supplementary Agreement No. 1 thereto);
- Definition of price of property being acquired as per the inter-related interested party transactions (Supplementary Agreements to the Loan Agreements with JSC «UAC»);
- Approval of inter-related interested party transactions (Supplementary Agreements to the Loan Agreements with JSC «UAC»);
- Approval of an interested party transaction (Agreement No. 100003145 with JSC “RAC “MiG” with the reconciliation protocol);
- Approval of interested-party transactions, which will be executed by the JSC «SCA» in the future, during the normal course of business (Requests to the Agreement No. 100003145 with JSC «RAC «MiG» with the reconciliation protocol);
- Definition of the price of the works as per the interested-party transaction (Agreement No. NG/УГ-12/13 for the performance of a part of design work on the subject «Development of schematic design and technical project for the creation of a new generation of the short range aircraft (NG). Preparation for the mock-up committee, key «New Generation» with the JSC «UAC»);
- Approval of interested-party transaction (Agreement No. NG/УГ-12/13 for the performance of a part of design work on the subject «Development of schematic design and technical project for the creation of a new generation of the short range aircraft (NG). Preparation for the mock-up committee», key «New Generation» with the JSC «UAC»);
- Approval of interested-party transactions, which will be executed by the JSC «SCA» in the future, during the normal course of business (Agreements for the bank guarantee with the Bank VTB (open joint stock company).
Extraordinary General Meeting of Shareholders with the agenda (Minutes dated 22 October 2012):

- Definition of price of the right to the temporary use of non-residential premises as per the Non-Residential Premises Lease Agreement No. A186/12-0490 dated 01.01.2012 with JSC «Voronezh Aircraft Joint Stock Company»;

- Approval of the interested-party transaction (Non-Residential Premises Lease Agreement No. A186/12-0490 dated 01.01.2012 with JSC «Voronezh Aircraft Joint Stock Company»);

- Approval of interested-party transactions, which will be executed by the JSC «SCA» in the future, during the normal course of business (Requests as per the Agreement No. 155.RRJ.08.2011 dated 02.02.2012 for the assembly, development of the interior and system assemblies on the aircraft of the RRJ family (subject to the reconciliation protocol dated 02.02.2012 thereto) with JSC «Aviastar-SP»).

5. Information on the Board of Directors of the joint stock company

5.1 Composition of the Board of Directors including information on the members of the Board of Directors, as well as their brief biographies and information on the company shares ownership within the accounting period

During the period from 01 January 2012 through 28 June 2012 in accordance with the decision taken at the Annual General Meeting of Shareholders of JSC «SCA» which took place on 27 June 2011 (Minutes dated 28 June 2011), as well as during the period from 28 June 2012 through 31 December 2012 in accordance with the decision taken at the Annual General Meeting of Shareholders of JSC «SCA» which took place on 28 June 2012 (Minutes dated 28 June 2012), the general management of the JSC «SCA» was performed by the Board of Directors consisting of:

<table>
<thead>
<tr>
<th>No.</th>
<th>Surname, name, patronymic</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Komm Leonid Naftolievich</td>
<td>Vice-President, Programs and innovations JSC «UAC»</td>
</tr>
<tr>
<td>2</td>
<td>Keondjian Vitaliy Pavlovich</td>
<td>General Director, OOO «Alliance Group»</td>
</tr>
<tr>
<td>3</td>
<td>Giuseppe Giordo</td>
<td>CEO Alenia Aermacchi S.p.A.</td>
</tr>
<tr>
<td>4</td>
<td>Lopukhin Vladimir Mikhailovich</td>
<td>President, OOO “Vanguard”</td>
</tr>
<tr>
<td>5</td>
<td>Ozar Igor Yakovlevich</td>
<td>General Director, JSC «Sukhoi Company», Executive Director JSC «Sukhoi Design Bureau»</td>
</tr>
<tr>
<td>6</td>
<td>Pogosyan Mikhail Aslanovich</td>
<td>President JSC «UAC», Chairman of Executive Board JSC «UAC»</td>
</tr>
<tr>
<td>7</td>
<td>Ugo Vinti</td>
<td>Chief Operating Officer for Business,</td>
</tr>
</tbody>
</table>
Komm Leonid Naftolievich

Year of birth: 1947

Education: higher, Leningradskiy Kalinin Institute of Technology, of the Order of Lenin.

From 2009 through 07.08.2011 Chairman of the Board of Directors, JSC «SCA».

Since 07.08.2011 – present, member of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

   Organization: JSC «Sukhoi Company».
   Position: Counsel to the General Director

   Organization: JSC «Aerocomposit».
   Position: Chairman of the Board of Directors

   Organization: JSC «Sukhoi Design Bureau».
   Position: member of the Board of Directors.

   Organization: JSC «UAC».
   Position: Vice President, programs and innovations.

   Organization: JSC «UAC».
   Position: Member of the Executive Board.

6) Period: 2009 – 2012
Organization: JSC «RPKB».
Position: Member of the Supervisory Board.
Organization: JSC «Prepreg – Modern Composition Materials».
Position: member of the Board of Directors.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

Keondjian Vitaliy Pavlovich

Year of birth: 1946
Education: higher, Lomonosov State University, Doctor of Physical and Mathematical Sciences
Since 2009 onwards, member of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

Organization: OOO «Alliance Group».
Position: General Director.

Position: Chief Research Scientist.

Organization: Association «For the Cardinal Resolution of the Nuclear Non-Proliferation Problems and Ecological Recovery».
Position: Chairman of the Association.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

Giuseppe Giordo

Year of birth: 1965
Education: higher, University of Rome «La Sapienza».
C 2010 member of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

1) Period: 2003 - 2010
Organization: Alenia Aeronautica S.p.A.
Position: Vice President, marketing.
2) Period: 2010 – 2011
Organization: Alenia Aeronautica S.p.A.
Position: General Director
Organization: Alenia Aermacchi S.p.A.
Position: CEO.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

Lopukhin Vladimir Mikhailovich

Year of birth: 1952
Education: higher, Lomonosov State University.

Since 2005 onwards, member of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

Organization: OOO «Vangvard».
Position: president.
Organization: JSC «British American Tobacco - Java».
Position: Member of the Board of Directors.
Organization: Superjet International S.p.A.
Position: Member of the Board of Directors.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.
Ozar Igor Yakovlevich

Year of birth: 1961

Education: higher, Ordzhonikidze Moscow State Institute of Management of the Order of the Red Banner of Labour.

From 2005 through 07.08.2011 member of the Board of Directors of JSC «SCA». Since 07.08.2011 onwards, Chairman of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

   Organization: JSC «Sukhoi Design Bureau».
   Position: Executive Director.

   Organization: JSC «Sukhoi Design Bureau».
   Position: Member of the Executive Board – scientific and technical cooperation.

3) Period: 2002 – 2010
   Organization: JSC «Sukhoi Company».
   Position: Deputy General Director, corporate finance.

   Organization: JSC «Sukhoi Company».
   Position: First Deputy General Director, economics and finance.

   Organization: JSC «Sukhoi Company».
   Position: General Director.

   Organization: JSC «Sukhoi Company».
   Position: member of the Board of Directors.

7) Period: 2004 – 2012
   Organization: JSC «Sukhoi Design Bureau».
   Position: member of the Board of Directors.

8) Period: 2004 – 2012
Organization: JSC «KNAAPO».
Position: member of the Board of Directors.

Organization: JSC «NAPO».
Position: member of the Board of Directors.

Organization: JSC «RAC MiG».
Position: member of the Board of Directors.

Organization: Superjet International S.p.A.
Position: member of the Board of Directors.

Organization: JSC «Aerocomposit».
Position: member of the Board of Directors.

Organization: JSC «Voronezh Aircraft Joint Stock Company».
Position: member of the Board of Directors.

Organization: JSC «Irkut Corporation».
Position: member of the Board of Directors.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

**Pogosyan Mikhail Aslanovich**

Year of birth: 1956

Education: higher, Moscow Ordzhonikidze Aviation Institute, academician of the Russian Academy of Sciences.

Since 2009 onwards, member of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

1) Period: 1999 – 2011
Organization: JSC «Sukhoi Company».
Position: General Director.

Organization: JSC «Sukhoi Company».
Position: member of the Board of Directors.

Organization: JSC «UAC».
Position: First Vice President, program coordination.

Organization: JSC «UAC».
Position: President, Chairman of the Executive Board.

Organization: JSC «UAC».
Position: member of the Executive Board.

Organization: Superjet International S.P.A.
Position: member of the Board of Directors.

Organization: JSC «Aircraft Engineering Concern».
Position: member of the Board of Directors.

Organization: JSC «Tupolev».
Position: member of the Board of Directors.

Organization: JSC “OPK “Oboronprom”.
Position: member of the Board of Directors.

Organization: JSC «Aviastar-SP».
Position: member of the Board of Directors.

Organization: OOO, «UAC – Antonov».

Position: member of the Board of Directors.

Organization: JSC «Aerocomposit».
Position: member of the Board of Directors.

Organization: JSC «RAC MiG».
Position: General Director.

Organization: JSC «UAC».
Position: member of the Board of Directors.

Organization: JSC «RAC MiG».
Position: member of the Board of Directors.

Organization: JSC «Sukhoi Design Bureau».
Position: member of the Board of Directors.

17) Period 2011 – present
Organization: JSC «Sukhoi Design Bureau»
Position: Chairman of the Board of Directors

Organization: JSC «KNAAPO».
Position: member of the Board of Directors.

Organization: JSC «NAZ Sokol».
Position: member of the Board of Directors.
Organization: JSC «Irkut Corporation».
Position: member of the Board of Directors.

Organization: JSC «RUSNANO».
Position: member of the Board of Directors.

Organization: OOO «UAC-TC».
Position: member of the Board of Directors.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

**Ugo Vinti**

Year of birth: 1963

Education: higher, Luiss Guido Carli University, Rome, Italy.

Since 27.06.2011 onward member of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

1) Period: 27.06.2011 – December 2011
Organization: Alenia Aeronautica S.p.A.
Position: Deputy General Director

2) Period: December 2011 – present.
Organization: Alenia Aermacchi S.p.A.
Position: Chief Operating Officer for Business, General Manager.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

**Chirikov Vladimir Lvovich**

Year of birth: 1952

Education: higher, Moscow Technological Institute of Light Industry, Candidate of technical sciences.
Since 27.06.2011 onward member of the Board of Directors of JSC «SCA». The said position was combined with the following positions:

Organization: JSC «UAC».
Position: Vice President, economics and finance.
Organization: JSC «UAC-TS».
Position: member of the Board of Directors.
Organization: JSC «Irkut Corporation».
Position: member of the Board of Directors, member of the Executive Board.
Organization: JSC «Aviastar-SP».
Position: member of the Board of Directors.
Organization: JSC «Voronezh Aircraft Joint Stock Company».
Position: member of the Board of Directors.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

5.2 Availability of special committees at the Board of Directors

Audit Committee at the Board of Directors JSC «SCA» (created pursuant to the decision of the Board of Directors – Minutes No.04 dated 17.09.2012). No meetings took place during the accounting period.

5.3 Information on holding the meetings of the Board of Directors

The following sessions of the Board of Directors of JSC «SCA» took place during the accounting period:
Meeting of the Board of Directors with the Agenda (Minutes dated 24 February 2012, No. 09):

- Approval of the Order No. PO/649-RRJ-SM to the Main Conditions and Regulations of Delivery No. DDC-RRJ-SCA-SM-523 with Sacheon Aerospace Manufacturing Ind. Co., Ltd;

- Approval of inter-related transactions with Liebherr-Aerospace Lindenberg GmbH;

- Approval of the Agreement on the Amendment of the Credit Agreement for the amount of 50 million US dollars with VTB BANK (Deutschland) AG dated 29.01.2010, as amended and restated by the Agreement for the Amendment of the Credit Agreement dated 21.02.2011;

- Approval of the Non-Revolving Credit Facility Agreement No.7475 with JSC «Sberbank of Russia»;

- Approval of the additional financing of JSC «SCA» for the period from December 2011 through February 2012;

- Approval of the Loan Agreement No. 11-112/421 with JSC «Sukhoi Company»;

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».

Meeting of the Board of Directors with the Agenda (Minutes dated 05 March 2012, No. 10):

- Inclusion of shareholders’ proposals to the agenda of the annual general meeting of shareholders of the JSC «SCA» and nomination of the candidates to the Board of Directors and Board of Auditors of the Company.

Meeting of the Board of Directors with the Agenda (Minutes dated 09 April 2012, No. 11):

- Approval of the Loan Agreement with the JSC «Sukhoi Company»;

- Approval of the additional financing of JSC «SCA» for the period of the Q2 2012;

- Approval of the Credit Agreement with the JSC «Bank VTB»;

- Definition of the price of the property as per the interested-party transaction (Credit Agreement with the JSC «Bank VTB»);

- Approval of the Agreement for the Bank Guarantees No. 00/0000/51/743 with JSC «Sberbank of Russia»;

- Calling of the extraordinary general meeting of shareholders of the JSC
Meeting of the Board of Directors with the Agenda (Minutes dated 20 April 2012, No. 12):

- Approval of a transaction (series of transactions) for the sales of interest-bearing documentary inconvertible bearer exchange-traded bonds of series БО-02 with obligatory centralized storage and the possibility of early repayment by request of owner and at the discretion of the Issuer with the State registration number 4B02-02-21927-H;

- Definition of the price of the property as per the interested-party transaction (Credit Agreement with the Bank VTB (financing of the acquisition of interest-bearing documentary inconvertible bearer exchange-traded bonds of series БО-02 with obligatory centralized storage and the possibility of early repayment by request of owner and at the discretion of the Issuer with the State registration number 4B02-02-21927-H and payment of profits for the 2nd coupon));

- Approval of the Credit Agreement with the Bank VTB (financing of the acquisition of interest-bearing documentary inconvertible bearer exchange-traded bonds of series БО-02 with obligatory centralized storage and the possibility of early repayment by request of owner and at the discretion of the Issuer with the State registration number 4B02-02-21927-H and payment of profits for the 2nd coupon);

- Approval of a transaction (series of transactions) for the acquisition of interest-bearing documentary inconvertible bearer exchange-traded bonds of series БО-02 with obligatory centralized storage and the possibility of early repayment by request of the owner and at the discretion of the Issuer with the State registration number 4B02-02-21927-H;

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».

Meeting of the Board of Directors with the Agenda (Minutes dated 04 May 2012, No. 13):

- Approval of series of inter-related transactions with BE Aerospace Inc.;

- Approval of series of inter-related transactions with Liebherr-Aerospace Toulouse SAS;

- Approval of the Amendment No.5 and Supplementary Agreement No.2 to the Main Conditions and Regulations of Delivery No. DDC-RRJ-SCA-SM-523 with Sacheon Aerospace Manufacturing Ind. Co.;

- Approval of the Order No. PO/714-RRJ-SM to the Main Conditions and Regulations of Delivery No. DDC-RRJ-SCA-SM-523 with Sacheon Aerospace Manufacturing Ind. Co.;
- Approval of the Supplementary Agreement No.14 to the Contract No. DDC-RRJ-SCA-TA-005, DJ/ARA/AD/0492 dated 14.05.2005 with Thales Avionics S.A.;

- Approval of the Decree on the amendment No.9 to the Contract No. DDC-RRJ-SCA-TTS-040 dated 30 June 2006 with Thales Training and Simulation Limited;

- Definition of the price of the property as per the interested-party transaction (Agreement No. 365И/1926 with JSC «Aviastar-SP»);

- Approval of the interested-party transaction, Agreement No. 365И/1926 with JSC «Aviastar-SP»;

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».

Meeting of the Board of Directors with the Agenda (Minutes dated 24 May 2012, No. 14):

- Taking of the decision to hold the annual general meeting of shareholders of the JSC «SCA», definition of the form, date, time and venue thereof;

- Definition of the date for the preparation of the list of persons entitled to participate in the annual general meeting of shareholders;

- Approval of the agenda of the annual general meeting of shareholders;

- Approval of the text of the announcement of the annual general meeting of shareholders;

- Approval of the list of information (materials) presented to the shareholders during the preparations for the annual general meeting of shareholders, and the method of provision thereof;

- Definition of the method of communicating to the shareholders of the information on holding of the annual general meeting of shareholders;

- Preliminary approval of the 2011 annual report of JSC «SCA»;

- Recommendations to the annual general meeting of shareholders concerning the distribution of profits for the year of 2011, including the amount of the dividends per share and method of payment thereof;

- Recommendations to the general meeting of shareholders concerning the approval of the auditor for the year 2012, definition of the amount of the auditor’s remuneration;

- Approval of the form and text of ballot papers at the annual general meeting of shareholders;

- Definition of the price of the property as per the interested-party transaction (Credit Agreement No. 110100/1289 with the «Bank for Development and
Foreign Economic Affairs» (Vnesheconombank));

- Approval of the Credit Agreement No. 110100/1289 with the «Bank for Development and Foreign Economic Affairs» (Vnesheconombank);

- Approval of the additional financing of JSC «SCA» for the period of the II quarter 2012;

- Approval of the Loan Agreement with the JSC «Sukhoi Company»;

- Approval of the updated Business Plan for the SSJ-100 Program.

**Meeting of the Board of Directors with the Agenda (Minutes dated 14 June 2012, No. 15):**

- Approval of inter-related transactions with Power Jet S.A.;

- Approval of the Order No. PO/711-RRJ-SM to the Main Conditions and Regulations of Delivery No. DDC-RRJ-SCA-SM-523 with Sacheon Aerospace Manufacturing Ind. Co.;

- Approval of the Amendment No.2 to the Preliminary Agreement dated 30.07.2010 with Sogitec Industries S.A.;

- Definition of the price of the property being pledged as per the interested-party transaction (Supplementary Agreement No. 1 to the Pledge Agreement No. 110200/870-ДЗ dated 30.12.2010 with the State Corporation «Bank for Development and Foreign Economic Affairs» (Vnesheconombank);

- Approval of Supplementary Agreement No.1 to the Pledge Agreement No. 110200/870-ДЗ dated 30.12.2010 with the State Corporation “Bank for Development and Foreign Economic Affairs» (Vnesheconombank);

- Approval of the Amendment No.1 to the Letter of Credit Facility Agreement dated 05.08.2010 with VTB BANK FRANCE S.A.;

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».

**Meeting of the Board of Directors with the Agenda (Minutes dated 22 June 2012, No. 16):**

- Approval of the Supplementary Agreement No.1 to the Non-Revolving Credit Facility Agreement No.7475 dated 24.02.2012 with JSC «Sberbank of Russia»;

- Definition of the price of the property as per the interested-party transaction (Supplementary Agreement No. 1 to the Credit Agreement No. KC-702000/2012/00040 dated 24.04.2012 with JSC Bank VTB);

- Approval of the Supplementary Agreement No. 1 to the Credit Agreement
No. KC-702000/2012/00040 dated 24.04.2012 with JSC Bank VTB;

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».

Meeting of the Board of Directors with the Agenda (Minutes dated 12 July 2012, No. 01):

- Election of the Chairman of the Board of Directors of JSC «SCA»;
- Appointment of the Secretary and the Assistant Secretary of the Board of Directors of JSC «SCA»;
- Appointment of the President of JSC «SCA»;
- Approval of the conditions of the Employment Agreement with the President of JSC «SCA».

Meeting of the Board of Directors with the Agenda (Minutes dated 27 July 2012, No. 02):

- Approval of the interested-party transaction (Agreement No. RRJ-95В-Инс/01-2012 with the open joint stock company «Aeroflot – Russian Airlines»);
- Approval of series of inter-related transactions with Honeywell International Inc.;
- Approval of series of inter-related transactions with Liebherr-Aerospace Toulouse SAS;
- Approval of the Non-Revolving Credit Facility Agreement No.7498 with JSC «Sberbank of Russia»;
- Approval of the Supplement No.3 to the Bank Guarantee Agreement No. 1808/3836/1932 dated 30.06.2006 with Bank VTB (open joint stock company);
- Definition of price of services being provided as per the interested-party transactions (Supplement No. 3 to the Bank Guarantee Agreement No. 1808/3836/1932 dated 30.06.2006 with Bank VTB (open joint stock company));
- Approval of the interested-party transaction (Supplement No. 3 to the Bank Guarantee Agreement No. 1808/3836/1932 dated 30.06.2006 with Bank VTB (open joint stock company));
- Approval of the Supplementary Agreement No.17 to the Contract No. DDC-RRJ-SCA-TA-005, DJ/ARA/AD/0492 dated 14.05.2005 with Thales Avionics S.A.;
- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».
Meeting of the Board of Directors with the Agenda (Minutes dated 14 September 2012, No. 03):

- Approval of the allotment of a series of inter-related transactions with Honeywell International Inc.;

- Approval of the Order No. PO/675-RRJ-IN and the Supplementary Agreement No.3 to the Contract for Development and Delivery of Systems and OEM Components of the Aircraft of RRJ Family No. DDC-RRJ-SCA-IN-002 dated 29.07.2005 with INTERTECHNIQUE SAS;

- Approval of Supplementary Agreements No.1 to the Lease Transfer Agreements with JSC «KNAAPO»;

- Approval of Supplementary Agreements No.1 to the Lease Transfer Agreements with JSC «NAPO»;

- Approval of a series of inter-related transactions with Liebherr-Aerospace Lindenberg GmbH;

- Approval of a series of inter-related transactions with Messier-Dowty Inc.;

- Approval of Supplementary Agreements No.1 to the Sublease Agreements: No. 219/08-ГСС/3-Sublease; No. M785/Л/0407-Sublease; No. M842/Л/0607-Sublease dated 01.03.2010 with JSC «NAPO»;

- Definition of the price of the property being pledged as per the interested-party transaction (Supplementary Agreement No. 2 to the Pledge Agreement No. 110200/870-Д3 dated 30.12.2010 with the State Corporation «Bank for Development and Foreign Economic Affairs» (Vnesheconombank));

- Approval of Supplementary Agreement No.2 to the Pledge Agreement No. 110200/870-Д3 dated 30.12.2010 with the State Corporation «Bank for Development and Foreign Economic Affairs» (Vnesheconombank);

- Approval of the interested-party transaction (Supplementary Agreement No. 1 to the Agreement No. 1633122080л dated 01.04.2012 with the joint stock company «Gromov Flight Research Institute»);

- Approval of a series of inter-related transactions with Power Jet S.A.;

- Approval of the additional financing of JSC «SCA»;

- Approval of a series of inter-related transactions (Supplementary Agreements to the Loan Agreements with JSC «UAC»);

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».

Meeting of the Board of Directors with the Agenda (Minutes dated 17 September 2012, No. 04):
- Approval of the accounting statements of JSC «SCA» for the year 2011 under IFRS;

- Approval of the amount of bonuses following the results of the year 2011 to the JSC «SCA» employees holding senior management positions;

- Establishment of the Audit Committee at the Board of Directors of the JSC «SCA»;

- Approval of a transaction (series of transactions) for the sales of interest-bearing documentary inconvertible bearer bonds of JSC «SCA» of series 01 with obligatory centralized storage with the State registration number 4-01-21927-H;

- Approval of the Right (Claim) Pledge Agreement No. 7498 – 3АЛ with JSC «Sberbank of Russia»;

- Approval of the price of works as per the inter-related interested-party transactions (Order No. 1 dated 13.03.2012, Order No. 2 dated 10.07.2012 and Supplementary Agreement No. 4 dated 25.06.2012 to the Agreement No. 155.RRJ.08.2011 dated 02.02.2012 for the assembly, development of the interior and system assemblies on the aircraft of the RRJ family (subject to the reconciliation protocol dated 02.02.2012 thereto) with ZAO “Aviastar-SP”);

- Approval of inter-related interested-party transactions (Agreement No. 155.RRJ.08.2011 dated 02.02.2012 for the assembly, development of the interior and system assemblies on the aircraft of the RRJ family (subject to the reconciliation protocol dated 02.02.2012 thereto) with ZAO «Aviastar-SP», Orders No. 1, No. 2 and Supplementary Agreements No. No. 1, 2, 4 thereto);

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA»;

- Approval of changes being introduced to the organizational structure of JSC «SCA»;

- Approval of the Employment Agreement and employment conditions of Albert Thomas Hunter for the position of the first Vice-President for the business development.

Meeting of the Board of Directors with the Agenda (Minutes dated 27 September 2012, No. 05):

- Approval of the Non-Revolving Credit Facility Agreement No.7498 with JSC «Sberbank of Russia»;

Meeting of the Board of Directors with the Agenda (Minutes dated 19 October 2012, No. 06):

- Review of the production plan results of JSC «SCA» for the first half of the 2012 and corrected production plan for the 2012;

- Review of the JSC «SCA» budget fulfillment for the first half of the 2012, approval of the corrected budget for the 2012;

- Approval of target values for the JSC «SCA» for the period of 2013-2015;

- Approval of changes introduced to the organizational structure of JSC «SCA» (postpone their consideration for the next meeting):
  - Changes introduced to the organizational structure of the unit subjected to the senior vice-president for post-sale support;
  - Changes introduced to the organizational structure of the unit subjected to the first vice-president for the business development;
  - Changes introduced to the organizational structure of the unit subjected to the senior vice-president for strategy and program management.

- Approval of the supplementary agreement to the employment agreement and conditions of transfer of Nedosekin Andrey Olegovich to the position of the senior vice-president for post-sale support (postpone its consideration for the next meeting).

- Approval of the supplementary agreement to the employment agreement and conditions of transfer of Kamenskiy Sergey Alexandrovich to the position of the vice-president for the programs coordination (postpone its consideration for the next meeting).

Meeting of the Board of Directors with the Agenda (Minutes dated 26 November 2012, No. 07):

- Definition of the price of the property being acquired as per the interested-party transaction (Bank Guarantee Agreement No. 00/0000/51/770 with JSC «Sberbank of Russia»);

- Approval of the Bank Guarantee Agreement No. 00/0000/51/770 with JSC «Sberbank of Russia»;


- Approval of series of inter-related transactions with Liebherr-Aerospace
Lindenberg GmbH;

- Approval of the Multicurrency Credit Facility Agreement No. 00XF8L with JSC «Alfa-Bank»;

- Approval of the Supplementary Agreement No.1 to the Right (Claim) Pledge Agreement No. 7498 – 3АП with JSC «Sberbank of Russia»;

- Approval of the Non-Revolving Credit Facility Agreement No.7513 with JSC «Sberbank of Russia»;

- Definition of price of the services being acquired as per the interested-party transaction (Agreement for sales/consumption of heat energy in hot water No. ЭСЧ-41/11 dated 01.10.2011 with JSC «Energoservis «Chkalovets»);

- Approval of the interested-party transaction (Agreement for sales/consumption of heat energy in hot water No. ЭСЧ-41/11 dated 01.10.2011 with JSC «Energoservis «Chkalovets»);

- Approval of the Order No. PO/842-RRJ-SM to the Main Conditions and Regulations of Delivery No. DDC-RRJ-SCA-SM-523 with Sacheon Aerospace Manufacturing Ind. Co.;

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA».

**Meeting of the Board of Directors with the Agenda (Minutes dated 28 November 2012, No. 08):**

- Approval of changes being introduced to the organizational structure of JSC «SCA»:

  - Changes introduced to the organizational structure of the unit subjected to the First Vice-President for the business development;

  - Changes introduced to the organizational structure of the unit subjected to the Senior Vice-President for strategy and program management.

  - Approval of the supplementary agreement to the employment agreement and conditions of transfer of Kamenskiy Sergey Alexandrovich to the position of the vice-president for the programs coordination.

**Meeting of the Board of Directors with the Agenda (Minutes dated 17 December 2012, No. 09):**

- Approval of changes introduced to the organizational structure of the unit subjected to the senior vice-president for post-sale support of JSC «SCA»;

- Approval of the supplementary agreement to the employment agreement and conditions of transfer of Nedosekin Andrey Olegovich to the position of the senior vice-president for post-sale support;
- Approval of the supplementary agreement to the employment agreement and conditions of transfer of Zerkaliy Vladislav Igorevich to the position of the vice president for technical support of JSC «SCA»;

- Calling of the extraordinary general meeting of shareholders of the JSC «SCA» with the following agenda:
  - Approval of the Supplementary Agreement No.4 to the Shareholder Agreement JSC «SCA»;
  - Approval of amendments introduced to the Charter of JSC «SCA»;
  - Increase of the charter capital of the JSC «SCA» by way of issue of additional shares.

**Meeting of the Board of Directors with the Agenda (Minutes dated 21 December 2012, No. 10):**

- Approval of the Supplementary Agreement No.1 to the Non-Revolving Credit Facility Agreement No. 7513 dated 02.11.2012 with JSC «Sberbank of Russia»;

- Approval of a transaction (series of transactions) on the repurchase of bonds issued by JSC «SCA»;

- Approval of series of inter-related transactions with Power Jet S.A.;

- Approval of series of inter-related transactions with INTERTECHNIQUE SAS;

- Approval of series of inter-related transactions with Liebherr-Aerospace Lindenberg GmbH;

- Approval of series of inter-related transactions with Liebherr-Aerospace Toulouse SAS;

- Definition of the price of the property being acquired as per the interested-party transaction (Agreement No. 148/15 with CSJC «Aviastar-SP», including the reconciliation protocol thereto);

- Approval of an interested-party transaction (Agreement No. 148/15 with CSJC «Aviastar-SP», including the reconciliation protocol thereto);

- Definition of the price of the property being acquired as per the interested-party transaction (Order No. PO/622-RRJ-SCA to the Agreement No. П183/11-2272 dated 06.04.2012 with JSC “Voronezh Aircraft Joint Stock Company”);

- Approval of the Agreement No. П183/11-2272, subject to the Reconciliation Protocol thereto, and Order No. PO/622-RRJ-SCA to the Agreement No. П183/11-2272 with JSC «Voronezh Aircraft Joint Stock Company»;

- Definition of the price of the right to ownership, use and subsequent purchase of property as per the interested-party transaction (Sublease Agreement
No. 650-Sublease with JSC «KNAAPO»; 
- Approval of an interested-party transaction (Sublease Agreement No. 650-Sublease with JSC «KNAAPO»);
- Approval of Supplementary Agreements No.1 to the Sublease Agreements No. 683/Л/0107-Sublease dated 01.03.2010, No. M742/Л/0307-Sublease dated 01.03.2010 with JSC «NAPO»;
- Definition of the price of property being alienated as per the inter-related interested-party transactions (Purchase Agreements No. М683/КП/0107 and No. М742/КП/0307 with JSC «NAPO»);
- Approval of Purchase Agreements No. М683/КП/0107 and No. М742/КП/0307 with JSC «NAPO»;
- Calling of the extraordinary general meeting of shareholders.

Meeting of the Board of Directors with the Agenda (Minutes dated 29 December 2012, No. 11):
- Approval of the Purchase Agreement with respect to SSJ-100 Aircraft Crew Team Trainers with JSC «Sberbank Leasing»;
- Approval of the Leaseback Agreement with JSC «Sberbank Leasing».

5.4 Information on the availability of the Board of Directors regulations

Regulations on the Board of Directors of JSC «SCA» (approved by the extraordinary general meeting of shareholders of JSC «SCA», Minutes No. no number dated 28 August 2006).

5.5 Information on the availability of regulations for special committees at the Board of Directors of the Company

Regulations of the Committee on staff and remunerations at the Board of Directors of the JSC «SCA» approved by the Board of Directors of JSC «SCA», Minutes No.8 dated 02 March 2006.

Regulations of the Audit Committee at the Board of Directors of the JSC «SCA» approved by the Board of Directors of JSC «SCA», Minutes No.04 dated 20 November 2007.
5.6 Information on the availability of the regulations on remuneration for the members of the Board of Directors of the Company

Regulations are not present.

5.7 Amount of remuneration payable to the members of the Board of Directors of the Company

Remunerations (compensations) to the members of the Board of Directors of JSC «SCA» have not been paid during the accounting period.

6. Information on the board of auditors of the Company

6.1 Quantity of members of the board of auditors, their surnames, names, patronymics and positions

During the accounting period, the board of auditors consisting of 3 persons acted at the JSC «SCA» (places of work and positions are indicated as of the moment of the candidates nomination):

- Aleksashina Olga Anatolyevna – Head of the Legal Department of JSC «Sukhoi Company», Head of Legal Department JSC “Sukhoi Design Bureau”;
- Kurbatova Svetlana Gennadyevna – Internal Audit Manager, Department of Internal Audit, JSC «UAC»;
- Perfido Camillo – Senior Vice President, economics and finance, JSC «SCA».

6.2 Amount of the remuneration payable to the members of the board of auditors

Remunerations (compensations) to the members of the Board of Auditors of JSC «SCA» have not been paid during the accounting period.

7. Information on the executive body of the joint stock Company

7.1 Information on a person holding the position of the sole executive body of the Company; in the presence of the collective executive body - information on the members of the collective executive body of the Company, including their brief biographies,
During the accounting period, in accordance with the decision taken at the meeting of the Board of Directors of JSC «SCA», the management of the day-to-day operations was performed by the President of the Company – Prisyazhnyuk Vladimir Sergeyevich.

During the accounting period, the said person did not own any JSC «SCA» shares, nor did it commit any transactions on acquisition or alienation thereof.

**Table 7.1.1.** During the accounting period, the sole executive body of JSC «SCA» was the President of the Company, Prisyazhnyuk Vladimir Sergeyevich.

<table>
<thead>
<tr>
<th>Full name</th>
<th>Prisyazhnyuk Vladimir Sergeyevich</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date and place of birth</td>
<td>21.03.1947, Voronezh</td>
</tr>
<tr>
<td>Marital status</td>
<td>Married, two children</td>
</tr>
<tr>
<td>Education</td>
<td>Higher professional,</td>
</tr>
<tr>
<td></td>
<td>1972 Moscow Aviation Institute,</td>
</tr>
<tr>
<td></td>
<td>Specialty: aircraft engineering;</td>
</tr>
<tr>
<td></td>
<td>Qualification: mechanic engineer.</td>
</tr>
<tr>
<td></td>
<td>1991 – Oklahoma City University, USA, Meinders School of Business</td>
</tr>
<tr>
<td>Linguistic skills</td>
<td>English – fluent</td>
</tr>
<tr>
<td>Information on national awards and honorary ranks</td>
<td>The Order of Merit II Medal, Decree of the President of the Russian Federation dated 04 February 2002</td>
</tr>
<tr>
<td></td>
<td>03.1977-07.1984 Sukhoi Machine Engineering Plant, senior engineer, 1 category structural engineer, head of team.</td>
</tr>
<tr>
<td></td>
<td>08.1984-01.1992. Ministry of Aircraft Production of USSR, Deputy Head of the 10th General Directorate, Deputy Head of the 1st General Directorate, Deputy Head of the Scientific and Technical Center No.1, Deputy Head of the General Directorate for Scientific Development and Production of light aircraft</td>
</tr>
<tr>
<td></td>
<td>02.1993-05.1996. joint-stock company «Aviatsionnaya Promyshlennost» («aviation industry»), deputy general director, firm «Legkiye Samolety» («light airplanes»), deputy general director, Center for Scientific Research and Programs</td>
</tr>
</tbody>
</table>
Creation of a collective executive body is not provided for by the JSC «SCA» Charter.

7.2 Information on the availability of the regulations on the remuneration for the executive body of the Company and its correlation to the system of key performance and efficiency indicators

In accordance with the cl.3.3 of the Decision of the Board of Directors dated 22.02.2010 (Minutes No.13), pursuant to the Decree of the President No.333 dated 30.06.2010, the corporate standard СТП 04-338-10 «Regulation on Bonuses» was enacted on 01.07.2010, based on which the President of the Company could be paid an annual bonus following the results of the year, subject to the fulfillment of corporate and individual tasks in accordance with the key performance indicators of the Company, as approved by the Board of Directors.

7.3 Amount of remuneration paid to a person holding the position of the sole executive body and the members of the collective executive body of the Company within the accounting period, information on disclosure of the amount of the remuneration on the Company official website in the Internet

All types of bonus payments to the employees of JSC «SCA» are performed on a case-by-case basis following the results of fulfillment of the work plans. No separate decision was taken with respect to the President of the JSC «SCA». No remuneration was paid to the members of the Board of Directors of the Company in 2012. No remuneration was paid to the members of the Board of Auditors of the Company in 2012.
8. Position of the joint stock Company in the industry

8.1 Period of activity of the Company in the industry

Joint-stock company “Sukhoi Civil Aircraft” was founded in the year of 2000, for the purposes of designing of new types of civil aircraft. JSC «SCA» occupies the leading position in the Russian industry, acting as the system facilitator for development and serial production of the family of the regional civil aircraft, compliant with the modern international requirements, being created on the basis of international cooperation.

Main program of the Company is the regional aircraft Sukhoi Superjet 100. The history of the JSC «SCA» company is, first and foremost, is the history of development of this program.

On 19 May 2008, the first Sukhoi Superjet 100 took its virgin flight in the city of Komsomolsk-na-Amure

8.2 Company's main competitors in the industry

Main competitors of the SSJ-100 aircraft in the 120-seat segment on the world market are the aircraft of Embraer, Bombardier. In the years to come, the market will see the entry of the new players: Chinese aircraft manufacturer, COMAC company, with the ARJ-21 aircraft, Japanese aircraft manufacturer, Mitsubishi Aircraft Corporation, with the MRJ aircraft, Canadian aircraft manufacturer, Bombardier with the lesser CSeries family member – CS100. Chinese aircraft is aimed at a quite narrow market segment – mostly at the internal Chinese market, and their market share will depend on the demands of Chinese air carriers (although the export of ARJ aircraft could possibly concern the countries of Southeastern Asia, CIS and Russia). MRJ aircraft, developed by the Japanese manufacturer, is mostly aimed at North American, European and Asian Pacific markets. CS100 aircraft is planned to be sold worldwide.

The Bombardier aircraft share on the international market is decreasing, and will continue to drop due to the obsolescence of base models and acquisition of more advanced analogues by the competitors. It is also necessary to consider, that the CRJ 700/900/100 aircrafts are mostly used as regional jets due to the limitations to the commercial capabilities imposed by their flying range, and also due to high cost level (being manufactured in Canada) and delivery price. For 2014, the new aircraft of the company is planned, the CS100, designed to carry 110 passengers in a single class arrangement. The CS100 will be equipped with a new propulsion unit, allowing for an increased fuel efficiency, extended operating capacity, comparable to those of short-range jets, modern systems.

As of today, the main competitor for the SSJ-100 aircraft is the family of Embraer, E-jets aircraft. Proposing a wide range of in-family modifications combined with the commercial capabilities, the aircraft family occupies the leading position in deliveries in its market segment. Moreover, in 2011, the remotorization of the E-jets aircraft family was announced (according to the preliminary information, by 2018), which would increase the economic efficiency of operation of the aircraft, and also present
a serious additional competitive challenge during the realization and promotion of the SSJ 100 aircraft.

Nonetheless, considering the entirety of specifications of Sukhoi Superjet 100, embedded in the project during the development phase, the airlines, when acquiring the aircraft, are getting an entire range of additional possibilities, compared to the main competitors, concerning the economic efficiency of operation, modern level of main systems, achieving the increase of profitability on regional and long-haul routes, allowing for an efficient aircraft fleet planning and decrease of the expenses for the technical maintenance in accordance with the company objectives and plans, optimizing of the schedule and route network as per the fluctuations of passenger flow and seasonal demand. Also, the JSC «SCA»’s commitment to the constant improvement and planned modernization of the aircraft at separate stages of the SSJ-100 program lifecycle, active cooperation with the program partners will allow to preserve the competitive level in the long-term perspective.

8.3 Company’s share in a relevant market segment in terms of the core business of the Company and the fluctuation of this indicator for the last 3 years

Main activity of the JSC «SCA» is the design of new civil aircraft. Main project of the Company is the Sukhoi Superjet 100 program. Therefore, the activities of JSC «SCA» are focused on the segment of aircraft of 60 to 120 seats, and directed at the increase of its share in the given segment by way of increasing the stock of orders.

| Table 8.3.1. Structure of stock of orders in the 60-120 seats segment by the end of 2012. |
|-----------------------------------------------|-------|------|----------------|
| **Ordered** | 1093 | 908  | 185           |
| **Delivered** | 794  | 621  | 173           |
| **Orders remaining** | 179  | 17   | 162           |
| **Other** | 324  | 12   | 312           |

| Table 8.3.2. Structure of deliveries for the last three years in the 60-120 seats segment. |
|-----------------------------------------------|------|------|------|
| **2010** | 94   | 70%  | 71   |
| **2011** | 41   | 30%  | 41   |
| **2012** | 0    | 0%   | 5    |

In 2012, the economic recession continued, which limited the demand for regional aircraft, however, after the global economy returns to the pre-crisis level, the demand for regional aircraft will increase again, and SSJ-100, showing good operation results, could occupy up to 15% or 16% of the 60-120 seat aircraft market, by the
year of 2030. The share of JSC «SCA» could be increased due to the business jets and the extended size aircraft.

9. Priority directions of activity of the company

9.1 Designing and manufacture of products, services

Designing.

In 2012 the design efforts were performed towards the following tasks to be accomplished:

1) Development of design documentation for extention of life cycle up to 6 000 flights, 9 000 flight hours;

2) Delivery, assembling, installation, conducting of transfer and acceptance testings of FFS for Aircraft Staff Training Department of JSC Aeroflot – Russian airlines;

3) Delivery, assembling, installation, conducting of transfer and acceptance testings of FFS for SJI Training Center in Venice;

4) Development, manufacturing, delivery, assembling and installation of FFS for Ulyanovsk higher civil aviation school;

5) Certificate of state registration of the PC software for training of flight crew, engineering staff and cabin crew for the aircraft Sukhoi Superjet 100 was obtained;

6) Substantiation of detailed design for the A/C SSJ 100 NG;

7) Function of airborne centralized maintenance system for the aircrafts RRJ-95 was developed, implemented and certified;

8) Development of documentation for 7 supplements to the Type Certificate of IAC AR;

9) Development of documentation for validation of Type Certificate at EASA.

Bench tests.

During 2011 the following bench tests were conducted:

1) Periodic static tests of agregates made of composite materials (rudder, elevator, inboard and outboard flap, aileron, 1\textsuperscript{st} section of airbrake, NLG door) in Federal State Unitary Enterprise Central Institute of Aerohydrodynamics;

2) Periodic static tests of lock pins «weak unit» between MLG and wing torque-box in Riga R&D Center Aviatest LNK;

3) Certification endurance testings «ACS-RCS», airframe and landing gear of the aircraft type design RRJ-95B (rev. 95021);
4) Preliminary endurance testings of loop «ACS-RCS» under CAT IIIA;

5) Perform jointing of the right outer wing of the A/C RRJ-95LR to the airframe of A/C 95002 in Federal State Unitary Enterprise Central Institute of Aerohydrodynamics;

6) Tests for survivability and residual strength of the walling of nosewheel well on the bench «Barrel #1» in Riga R&D Center Aviatest LNK;

7) Endurance testings of one-stringer samples of outer wing and center-wing section in Riga R&D Center Aviatest LNK;

8) Testings for bearing capacity and residual strength of horizontal tail on the isolated bench in Federal State Unitary Enterprise Central Institute of Aerohydrodynamics;

9) Operating time under certification endurance testing of airframe of the A/C 95006 in the Federal State Unitary Enterprise SibNIA amounted to 24000 lab flights (l.f.);

10) Operating time under certification endurance testing of wing high-lift devices on the bench S0114 in Riga R&D Center Aviatest LNK amounted to:

- slat - min 40000 l.f.;
- inboard flap segment - 45000 l.f.;
- outboard flap segment - 140000 l.f.;
- aileron - 48000 l.f.;
- airbrake - 60000 l.f.

11) Certification endurance testings of three kits of lock pins «weak unit» between MLG and wing torque-box in Riga R&D Center Aviatest LNK on the bench S4176C.

**Aircraft production.**

During 2012, 14 SSJ 100 aircraft were manufactured at the facilities of Komsomolsk-na-Amure branch of JSC «SCA». The aircraft serial numbers are as follows: 95015, 95013, 95016, 95014, 95017, 95018, 95019, 95023, 95021, 95022, 95020, 95024, 95026, 95032. At the end of 2012 as many as 10 aircraft (S/N: 95029, 95035, 95036, 95025, 95028, 95027, 95030, 95031, 95033, 95009) and components for 6 A/C (S/N: 95034, 95037, 95038, 95039, 95040, 95045) were in work-in-progress condition with different degrees of product availability for such customers as GAZPROMAVIA Aviation Company Ltd., JSC Aeroflot-Russian Airlines, SJI, Sky Aviation, Lao Central Airlines, including the long-range RRJ-95 LR aircraft, which in prospect will be put into certification tests.

In order to meet the deadlines for the commissioning of the jets, the following events have been carried out:

- more than 65% of the production personnel have been transferred to the efficient incentive system;
- a remote structural unit has been established in Ulyanovsk;
- extension of production area of KoAB of JSC SCA through lease of an additional building;

- 100 general production workers have been hired. Number of general production workers as at the end of 2012 totalled 406 employees.

Pursuant to the Contract for «Setup, work-out of interior and system assemblies in aircraft of RRJ family» concluded with JSC Aviastar-SP, OSP JSC SCA in Ulyanovsk transfers aircraft for interior setup. Also, pursuant to the Contract for Aircraft Painting concluded with JSC Spektr-Avia, OSP JSC SCA in Ulyanovsk transfers aircraft for painting.

After a technical acceptance, aircraft is transferred to the Customer.

Post-Sales Customer Support.

World Class Training Centre.

The Training Center for the flight and technical staff has been certified in accordance with the requirements of Rosaviatsiya and EASA. The Training Centre provides a complete cycle of training for flight, engineering, technical and crew personnel of the SSJ 100 customers and users and has a wide range of state-of-the-art technical training means including Computer Based Training (CBT), Flight Procedure Training Device (FPTD), Flight Training Device (FTD LV), Full Flight Simulator (FFS) and Cabin Emergency Evacuation Trainer (CEET).

The training for pilots, technicians and cabin staff for airlines is being carried out in accordance with the programs approved by Rosaviatsiya and EASA that provide for the extensive use of technical means of training. Within the reporting period, 47 crews of pilots, 46 technicians and 8 air stewards have been trained for JSC Aeroflot-Russian Airlines, Moscovia, Yakutia, PT SKY and Aviaprestige.

Training for the customers’ flight personnel for SSJ 100 is carried out by SJI company. JSC «SCA» ensures proper functioning of the technical means of training, buildings and engineering systems in the Training Centre.

Aviation Technical Area.

Technical support has been provided for aircrafts used by JSC «Aeroflot – Russian Airlines» with regard to additional works, elimination of defects, design and production defects, and technical assistance has been rendered in terms of operational and routine maintenance of type RRJ-95B aircraft. Technical support has been rendered during the acceptance of aircraft from JSC Armavia Aircompany. Technical assistance has been provided to JSC Yakutia Aircompany during the acceptance of aircraft (serial numbers 95019 and 95020). Program for Technical Maintenance of Aircraft has been developed for JSC Yakutia Aircompany. A linear technical maintenance station for RRJ-95B type aircraft has been opened in Yakutsk within the framework of warranty maintenance of aircraft for the period of 1 year.
Pursuant to the existing Lease Contracts between JSC Sukhoi Civil Aircraft and JSC Aeroflot – Russian Airlines, JSC Yakutia Aircompany has obtained lease over the equipment and instruments required for the technical maintenance of RRJ-95B type aircraft.

System of Integrated Logistic Support.

As part of construction of the system of integrated logistic support of SSJ 100 aircraft (ILS), a database of logistic support analysis (DB LSA) for airframe and systems of aircraft has been prepared and is being updated. Its reports are used for preparing Aircraft Inspection Report (AIR), generating delivery composition of an aircraft for loading into information systems of customers, «Nadezhnost» (Reliability) system of the State Centre for Flight Safety, information systems of JSC SCA Erlan-2 and ESRA FRACAS UAC. Within the framework of LSA process, costs for technical maintenance of Aeroflot light configuration has been calculated and analyzed, proposals for savings of the maintenance costs have been prepared.

The works for collection and analysis of the operational statistics have been arranged using IMS Erlan-2. As part of this work, the information on flights and operation of all the aircrafts used, on failures and malfunctions, on replacement of units, on performance of maintenance, is entered in Erlan-2. The information is entered based on monthly reports obtained from the users. The reports from Erlan-2 are used in preparing regular reports and presentations for the Company's management, JSC UAC, Ministry of Industry and Commerce of the Russian Federation, airlines, and in carrying out various types of analyses by the structural units of JSC SCA in order to improve the design and maintenance system.

Development and implementation of ILS techniques allows to increase the promptness of decision-making, reduce labor consumption for SCA works and improve the quality of customer support.

Customer Support Web Site.

In 2012, pursuant to the Order of the President of the Company «On arrangement of works for creating a web-site for the support of JSC SCA customers», a web site for the support of JSC SCA's customers has been created. The web-site's main objective is the information support of the customers during their operation of the aircraft.

The web site was beta tested with the participation of the representatives of JSC Aeroflot-Russian Airlines; based on the testing results it was decided to commission the web-site, with the areas for the site’s fine-tuning and functional growth being determined.

The process for uploading and updating site information has been worked through, news are published and users are informed of the changes to the operational documentation in the web-site on a regular basis by e-mail.

The following functions have been implemented in the web-site:
- Publishing up-to-date operational documentation for customers in structured catalogues for flight and maintenance and engineering documentation. Views that ensure most convenient display of information on this documents and performance of search based on their key attributes have been developed for the access to service bulletins, information letters and Component Maintenance Manuals (CMM);

- News Block;

- Distribution of information to customer users via e-mail;

- Pages containing information on the web-site and contact details have been created;

- Publishing data on the statistics of aircraft operation (in a test mode);

Access to the web-site has been ensured for the users of JSC Aeroflot-Russian Airlines.

**Customers’ Logistics Support.**

Based on the initial operational period, the list of spare parts for the base warehouse has been analyzed in the joint efforts of SJI and JSC Aeroflot-Russian Airlines, with the relevant adjustments made.

SJI has arranged a support spare parts warehouse in Sheremetyevo airport and a main spare parts warehouse in the airport of Frankfurt.

Within the framework of the performance of Supply Contract, a service agreement has been signed with JSC Aeroflot-Russian Airlines.

It has been arranged for the parts malfunctioning during the operation to be sent to repair and for the parts that have been repaired by suppliers to be sent back to operation.

Delivery of spare parts has been arranged for the situations "Aircraft on Ground" 24/7/365.

**Warranties, claims and contracts with component suppliers and aircraft customers.**

In order to ensure performance of works involving warranty maintenance, appendices for after-sales service (ASS) and warranties have been developed and signed with new equipment suppliers. Clauses for ASS and warranties have been developed and agreed with Transaero and Moscovia air companies. A new version of the terms for ASS and warranties has been agreed and signed for the contract for the supply of aircraft to JSC Aircompany Yakutia. The work on the performance of the Aircraft Supply Contract with JSC Aircompany Yakutia has been commenced.

A database for complaints and claims has been established.
Works on the claims settlement with JSC Aeroflot-Russian Airlines have been commenced.

Works involving the approval and signing of the Service Agreement for Maintenance and Repair of Components with JSC Aeroflot-Russian Airlines and Agency Agreement with SJI for the performance of the terms and conditions of the Service agreement have been completed.

Technical and economical analysis of the initial stage of aircraft operation has been carried out. The main causes related to aircrafts downtime at their users' facilities have been revealed and classified, ATA systems and equipment suppliers having major influence upon the extent of the economical claims related to downtime has been identified, a conference with the suppliers has been held in order to improve the quality of the equipment supplied and service provided.

As the result of negotiations with the suppliers, we have managed to reduce the total guaranteed cost of technical maintenance by 5%, which increases the commercial attractiveness of the aircraft for potential customers.

Operational and Maintenance Documentation.

To obtain EASA type Certificate, operations and maintenance documentation (OMD) for aircraft as well as the required standard documents of the Company related to the procedures of issuing OMD have been translated into English and presented within the scope agreed with EASA.

To ensure issuing interactive OMD, additional agreements to the Contract with Sogitec Industries S.A. (France) have been developed and implemented.

In order to extend the scope of operation of the Type Certificate, a package of activities has been performed that ensure the obtaining of a supplement to the Type Certificate:

- «Inclusion of the Original Requirements to Planned Maintenance into operational documentation for RRJ-95B aircraft. Edition 2»;

- «Extension of operational conditions to perform flights in north latitudes»;

- «Extension of operational conditions for RRJ-95B aircraft under low temperatures of the surrounding air»;

- «RRJ-95B aircraft without setting up interior and equipping passenger cabin (version RRJ-95B-G, green aircraft).»

Provision of OMD has been ensured for the aircrafts supplied to JSC Aeroflot-Russian Airlines, Aircompany Yakutia. Operational support has been rendered for the aircrafts in terms of preparing and issuing service bulletins for improvement of the technical parameters of the aircraft and its OMD.
9.2 Marketing Activities

In accordance with the Company's goals and objectives, the main goals of the marketing operations in JSC SCA are:

- Determining the priorities and key positioning instruments for the successful sale of Sukhoi Superjet 100 family aircraft in different sales outlets both in Russia and CIS countries and abroad;

- Monitoring the competitiveness level of the project;

- Promotion and sales of Sukhoi Superjet 100 aircraft in the sales outlets of JSC SCA;

- Determining the areas for the diversification of the product line of JSC SCA.

In order to achieve the specified goals, JSC SCA uses various tools and mechanisms, among them being:

- arranging and holding the events, including active advertising and expo activity aimed at establishing a positive image of Sukhoi Superjet 100 aircrafts and increasing the interest towards them from the end user;

- state support of the project;

- reinforcement of international production, marketing and sales cooperation under the program and use of the experience of the world's leading aircraft producers; interaction and coordination of activities with the international partners (Superjet International, PowerJet);

- as part of the campaign of Sukhoi Superjet 100 aircraft sale, interaction with potential aircraft purchasers, revealing their individual requirements, evaluation and tracking their demand for Sukhoi Superjet 100 class aircraft in order to arrange negotiations, take part in biddings to sell Sukhoi Superjet 100 aircrafts at the sales outlets of JSC SCA;

- arranging the events for the improvement of the level of the product competitiveness in order to ensure its high competitive potential.

9.3 Sales

Together with the project artner-Companies SuperJet International and PowerJet, the Company Sukhoi Civil Aircraft conducted an active sales campaign of the aircraft both on the internal and external markets. In 2012, a strong emphasis was made on promotion of the products on the markets of Russia, CIS, Southeast Asia and Latin America. In 2012, the following contracts for A/C delivery were concluded:

- 6 A/C for JSC «Transaero Aviation Company»;
Due to bankruptcy of «FLC» Company, restructurization of the bargain on aircrafts delivery to air carrier JSC «Yakutiya Airlines» was carried out - the lessee of aircrafts has been changed and now it is "VEB-Leasing" company.

Works on restructurization of bargains with the air carriers Lao Central Airlines and Sky Aviation was performed in order to organize financing of A/C delivery.

The option for 5 aircrafts of Interjet company was implemented, and one more option for 10 aircrafts was prepared.

In 2012, the work on conclusion of delivery contracts was significantly complicated by intention of many customers to suspend negotiations in order to wait for results of accident investigation in Djakarta. Official conclusion of the investigation was published only on December 18, 2012. After that, the sales service resumed works with the majority of customers.

In 2012, 12 aircrafts were delivered to the following customers: JSC «Aeroflot-Russian Airlines», SJI / InterJet, JSC «Yakutia Airlines», JSC «Moscovia Airlines», Sky Aviation.

9.4 Staff Management

9.4.1 Key trends of staff activities

Priority goals of the Company staff activity in 2012 were formed on the basis of the
necessity in systematic approach to staff management. Among the key trends of staff activity, the following can be distinguished:

1) improvement of employees motivation system and, first of all, specialists directly engaged in production processes on creation of aviation equipment;

2) works on creation of a separate structural subdivision in Ulyanovsk and formation of labor collective capable of solving the specified production tasks;

3) organization of training process for specialists of flight-test complex, air-technical complex in training centers of foreign companies - partners of Sukhoi SuperJet 100 project;

4) organization of works on improvement of training system for Komsomolsk-na-Amure branch personnel with the use of innovative teaching aids: creation of software product «Multimedia teaching system «Testing of SSJ 100 aircraft systems»;

5) organization of shift work of labour collectives in flight-test complex, air-technical complex;

6) improvement of employee notification system with the use of internal corporate portal of JSC «SCA», Information boards in structural subdivisions;

7) development of concessionary programs of personal insurance of employees and their family members (full comprehensive insurance, civil responsibility insurance, property insurance, life insurance, etc.) by corporate tariffs;

8) optimization of staff number according to the decision of JSC «SCA» Board of Directors;

9) carrying-out of action plan on unconditional provision of labor legislation requirements in the process of organization and personnel changes in the functional units structure carried out in the company;

10) expansion of «social package» nomenclature of a Company employee by means of granting credits to JSC «SCA» employees on favorable terms within the salary project;

11) development of corporate culture system elements, namely, carrying out of creative competitions, participation in materials preparation for corporate publication «Vesti SCA» (SCA News) and others.

9.4.2 Average staff number of the Company employees, including those working in branches and representative offices, as well as amount of allocations for salary and social services for the last 3 years.

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 9.4.2.1. Average staff number</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average staff number of employees, persons</td>
<td>2 236</td>
<td>2 420</td>
<td>2554</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-------</td>
<td>-------</td>
<td>------</td>
</tr>
<tr>
<td>Average salary, RUR</td>
<td>54 868</td>
<td>64 555</td>
<td>66 579</td>
</tr>
<tr>
<td>Amount of monetary funds intended for social services, RUR</td>
<td>29 500 304</td>
<td>37 403 323</td>
<td>42 999 628</td>
</tr>
</tbody>
</table>

9.4.3 Average age of Company employees for the last 3 years

Average age of JSC «SCA» employees for the last 3 years is around 40.

**Table 9.4.3.1.** Age of employees

<table>
<thead>
<tr>
<th>Index</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average age of employees</td>
<td>39</td>
<td>41.7</td>
<td>38.6</td>
</tr>
</tbody>
</table>

9.4.4 Distribution of Company employees by age groups and education level for the last 3 years

**Table 9.4.4.1.**

<table>
<thead>
<tr>
<th>Index</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees under 30 years, %</td>
<td>34.3</td>
<td>32.0</td>
<td>32.7</td>
</tr>
<tr>
<td>Employees from 30 to 39 years, %</td>
<td>25.2</td>
<td>29.6</td>
<td>30.0</td>
</tr>
<tr>
<td>Employees from 40 to 49 years, %</td>
<td>14.6</td>
<td>14.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Employees from 50 to 59 years, %</td>
<td>17.8</td>
<td>16.2</td>
<td>15.0</td>
</tr>
<tr>
<td>Employees over 60 years, %</td>
<td>8.1</td>
<td>8.2</td>
<td>8.3</td>
</tr>
<tr>
<td>Total:</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Among them:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- high-school education and secondary-level professional education, %</td>
<td>19.1</td>
<td>25.0</td>
<td>27.0</td>
</tr>
<tr>
<td>- higher professional education, %</td>
<td>78.4</td>
<td>74.7</td>
<td>73.0</td>
</tr>
</tbody>
</table>

9.4.5 Number of doctors and candidates of science working at the Company

**Table 9.4.5.1.**

<table>
<thead>
<tr>
<th>Index</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of doctors and candidates of science</td>
<td>53</td>
<td>51</td>
<td>46</td>
</tr>
</tbody>
</table>
9.4.6 Training programs: total number of employees having passed training by the advanced training programs, including managers and specialists

Total in 2012, 641 Company employees were trained, among them 30 managers, 97 specialists and 514 workers.
Total costs for the personnel education and training in 2012 were RUR3,481,098.
Average costs for education of 1 Company employee are RUR1,297.

9.4.7 Programs of personnel number optimization and stimulation

In order to improve the staff management system, labor payment conditions, social and material welfare of employees:

- STP 04-338-10 «Regulations for bonus payment» shall apply to the employees of the separate structural subdivision of JSC «SCA» in Ulyanovsk;

- for support of A/C painting works, preparation and execution of A/C ground and flight acceptance tests, presentation and submission of A/C to the customer, organization of defective PCP (purchased component parts) delivery to suppliers and replenishment with standard PCP instead of non-conforming PCP the Separated structural subdivision of JSC «SCA» was created in Ulyanovsk, with a staff of 69 employees.

– Within the frames of arrangements for transition from military acceptance to independent one the Department of independent inspection of IAC AR with 8 employees was created.

– measures on optimization of personnel number in Novosibirsk branch have been taken. As at the end of the year 2012 personnel headcount of the branch amounted to 16 people as compared to 37 people by 01.01.2012 and their main objective is execution of functions on design supervision of component parts production at JSC «NAPO», increasing of quality level of products delivered to KF, prevention of repeating defects.

Number of personnel at the main production site (serial assembly and production) in Komsomolsk-na-Amure branch in 2012 was increased by 234 persons as compared to 2011 and amounted to 1135 people.

9.5 Social responsibility

Health programs (sanatorium-resort therapy, sport and recreation programs and measures).

In order to attract the working youth to regular exercises and sports, to organize cultural recreation of the youth, to promulgate active way of life, to strengthen business relations and informal communication of JSC «SCA» employees with the
employees of related enterprises, the JSC «SCA» team constantly participates in Youth Forums organized by JSC «SCA» Design Bureau and NPO Saturn JSC, as well as in friendly mini-football tournaments.

**Programs of health insurance and ambulatory service.**

Programs of health insurance and ambulatory service. Within the frames of effective staff policy implementation the following insurance programs are implemented in the Company:
– program of voluntary medical insurance of employees;
– program of voluntary collective insurance against accidents and deseases of foreign employees.

**Voluntary medical insurance (VMI).**

Within the applicable contract with Rosgosstrakh OOO on the programs of voluntary medical insurance, 1,290 employees have been insured in 2012 with total annual sum of 16,582 thousand roubles.

Service on the contract of voluntary medical insurance includes all main types of medical assistance, among them:
– ambulatory care;
– hospital care;
– dental care;
– domiciliary aid;
– emergency care.

As a bonus, a possibility is given to the insured employees to receive a go-abroad police, as well as a VMI police for close relatives by corporate tariffs;

**Voluntary collective insurance against accidents and diseases of foreign employees.**

Within the applicable contract with Rosgosstrakh OOO the total amount of employees insured by the contract of insurance against accidents and diseases is 34 persons, while the total insurance bonus by all insured persons is 1,577 thousand roubles.

Program of insurance against accidents and diseases includes insurance against such risks as:
– accidental death or death from disease;
– permanent total or partial disablement;
– reversible total disablement;
– diagnostics of life-threatening disease to insured person.
Territory and period of insurance coverage validity within the contract of insurance against accidents and diseases - all countries, 24 hours a day.

Within the Central office area, 2 times a week, the general practitioner is on duty. The scope of services rendered includes:

- initial, repeated call. Execution of neurological, ophthalmological, ENT examinations;
- drawing-up of medical documentation within the competence (patient medical records, sick slips, pool certificates, sanatorium-resort charts);
- health status follow-up;
- development of individual medical program;
- consultative and informative assistance, analysis of medical documents;
- drawing-up of prescriptions for pharmaceuticals according to medical indications, except for prescriptions for favourable purchase of medicaments;
- carrying out vaccination (without account of vaccine cost).

Works on social protection of close relatives of JSC «SCA» died employees.

In connection with tragedy in Indonesia on May 09, 2012, which led to JSC «SCA» employees death, the work should be performed to support families of died employees and to take measures on their social protection:

- payment of all costs and organization of funerals of died employees on the memorial complex «Bykovo Cemetery»;
- work on registration of burial places of died relatives has been performed;
- psychological adjustment of the died employees relatives was organized and carried out;
- organization of sanatorium-resort and health-improving treatment for the died employees relatives on account of JSC «SCA»;
- insurance payments connected with employees death were carried out according to the applicable legislation;

- According to the Order No. 420 dated 22.08.2012 «On material assistance» and on the basis of the Decision of JSC «SCA» management «On measures for social protection of close relatives of died employees» the following measures of social protection are approved and have unlimited validity term:
  1) Monthly material assistance for the died employee family;
  2) Monthly material assistance for close relatives - nonworking retirement pensioners;
  3) Monthly material assistance for keeping children under 18 years;
  4) Payment for children education in core institutions of higher and secondary professional education, namely MAI, MFTI, MGTU GA, MGTU of Bauman, Zhukovsky Aviation Technical School;
  5) Partial compensation of medical costs;
  6) Purchase of presents for children for the New Year, Birthday and Knowledge Day.
9.6 Environmental activity

According to the Environmental legislation the calculations and payments for negative environmental impact are made.

9.7 Information technologies

Implementation of product life cycle support systems.

In order to perform effective management of Sukhoi Superjet 100 data at all stages of its life cycle, the complex information system is being created at JSC «Sukhoi Civil Aircraft» (JSC «SCA») which manages the product data. At the present time the information systems are used which manage information on product at individual stages of the product life cycle (PLC): design and construction work, manufacture, post-sales support. Implementation of the product life cycle support system requires revision of information control methods at each PCL stage, increasing «information richness» of stages, development of brand new processes of data management, information coordination by each stage of creation and tracking of aircraft between each other.

The management of JSC «SCA» pays serious consideration to informatization of critical, weakly formalized lines of activity: automatization of production planning and post-sales support of customers.

Automatization of design and construction works.

Works on automatization of design and construction works in 2012 were aimed at automatization of the main design and construction tasks in the sphere of configuration control. Design works are mostly automatic. Designing of parts and assemblies is performed in CAD-systems CATIA V5 and NX. Product data management is carried out in the TeamCenter Engineering (TcEng) system.

In 2013, it is planned to automatize designing of onboard cable system schemes and work with composite materials.

The TcEng system allows storing the electronic dummy product, technical documentation for the product, additional information. The system makes it possible to control the products composition by their serial numbers, by options specified for each aircraft, to provide specialists with access to up-to-date documentation (information) only, to exchange product data in semi-automatic mode with the product co-designers and manufacturers of the aircraft parts.

JSC «SCA», manufacturers and associate contractors involved in design and construction works use the unified data model in the TcEng system for product data management.

In 2012, the TcEng system was significantly updated by JSC «SCA» own means in the following areas:
- Transition to new version of TeamCenter 8.3 was carried out;
- The module limiting the unauthorized access to TeamCenter system for remote users was developed;
- The software for PCP (purchased component parts) certificates control in the TeamCenter system was developed;
- Mechanisms of product composition configuration was updated;
- The software tools for creation of reports on the product composition and technical documentation were updated on the basis of the Company subdivisions requirements.

In order to reduce labor costs for data exchange and to improve electronic dummy data integrity, the Novosibirsk branch of JSC «SCA» was transferred to remote access to TeamCenter data base of the Central office in Moscow with the use of 4-level architecture of TcEng system. The software of TcEng data synchronization between the branches of JSC «SCA» and manufacturers in Novosibirsk, Komsomolsk-na-Amure, Voronezh was developed.

In 2012 there were created new remote sites in SSS (separate structural subdivisions) of JSC «SCA» in Ulyanovsk and JSC «PAKS», which made it possible for these companies’ employees to obtain access to the up-to-date design documentation by the related SSJ100 program elements with the use of 4-level architecture of TcEng system.

There were developed and tested the programming mechanisms for allocation the working design documentation developed by FACC company in the TeamCenter system.

There were developed the programming mechanisms of data transmission between TeamCenter, 1C:UPP (1C:Manufacturing enterprise management), Report and Erlan systems in order to synchronize and optimize the product data in information systems used at different stages of the product life cycle.

In order to carry out works on requirements management the RM DOORS system was implemented. To ensure automatization of OCN designing works the Zuken E3 system was implemented.

In 2012 the number of license software for specialists workplaces has increased as compared to 2011. At the present moment, the following is used in JSC «SCA»: 258 CATIA licenses, 91 NX licenses, 706 TeamCenter licenses. The growth rates of JSC «SCA» electronic dummy is given in Table 9.7.1.

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dummy size</td>
<td>251</td>
<td>455</td>
<td>679</td>
<td>902</td>
<td>1126</td>
<td>1180</td>
<td>1289</td>
<td>1456</td>
</tr>
</tbody>
</table>

The Sukhoi Superjet 100 project is executed in close cooperation with both Russian and foreign co-designers. Data exchange is carried out between JSC «SCA» and suppliers of systems and equipment, as well as between JSC «SCA» and
manufacturers of aircraft parts. At the present moment work with the product electronic dummy data is organized at 14 geographically-distributed sites.

Preproduction automation

Works of automation of technological preproduction in 2012 were directed upon automation of all working places of specialists of JSC «SCA» and its branches ensuring automation of special tasks of preproduction, creation of the unified electronic control system of all data and documents of the products of Sukhoi Superjet 100 project, transmission of technological documentation development to TeamCenter Mfg system. The following works have been carried out within the scope of works on TeamCenter Mfg system users support in 2012:

- Optimization of «Demands Plan» report uploading was carried out;
- The format of report on structure of the Technological delivery composition of the product was updated;
- Optimization and updating of approval processes of technological delivery composition of the product in the TeamCenter system was carried out;
- The functional of process assemblies formation of the technological delivery composition of the product was updated;
- The utility for comparison of technological delivery composition and design composition was updated;
- The interface of the «Manufacturing processes planning» application of TeamCenter Manufacturing system was updated;
- The utility of formation of the report documentation of the technological delivery composition was updated;
- The utility of Computer data uploading to Report (R1) system was updated and optimized.

The works on updating the TeamCenter Mfg system are in progress to ensure control over all process information and documentation on the product. The TcMfg system will serve as a core of unified electronic control system of technological data and documentation on the Sukhoi Superjet 100 program. Implementation of this system will make it possible to have the developed technological processes in electronic form completely connected with the design composition of the product.

Within the works on transition of technological documentation formation from Report system to TeamCenter Mfg system, the programming mechanisms on data exchange between the mentioned information systems were developed.

Support and development of information infrastructure.

In 2012 the works on optimization and development of information infrastructure were continued in the Company. The following works have been performed in the reporting period:
- Modernization of IT-infrastructure in Komsomolsk-na-Amure branch;
- Development of design documentation automatic processing system for exchange between CO and Komsomolsk-na-Amure branch;
- Creation of protected channel of communication with JSC «UAC»;
- Organization of videoconferencing system between JSC «UAC» and JSC «SCA» by the protected communication channel;
- Organization of connection to systems of JSC «UAC» (Hyperion, ESRA) by the protected communication channel;
- Commissioning of the Data Processing Center (DPC) of JSC «SCA»;
- Transmission of network and server equipment necessary to ensure serviceability of the main IT-systems of JSC «SCA» to DPC;
- Modernization of Active Directory domain in CO;
- Modernization of corporate e-mail system;
- Modernization of local area network in JSC «SCA» CO;
- Organization of protected communication channel between JSC «SCA» CO and OSP in Ulyanovsk;
- Organization of IT-infrastructure in OSP of JSC «SCA» in Ulyanovsk;
- Organization of additional workplaces in Sheremetevo airport;
- Organization of protected communication channel between JSC «SCA» CO and Moscow office of Pegas company;
- Organization of Active Directory domain and e-mail system in JSC «SCA» VB.

**Product aftersales service support.**

The works in the following areas have been performed in the reporting period:

- Information system of logistics support (TCEng, LSA Suite);
- Information analytical system of gathering and analysis of the operational data (Erlan-2);
- Support of creation of interactive electronic technical manuals (IETM);
- Works on the project of JSC «SCA» aftersales service systems integration with IFS Applications system;
- Internet-site of Customer support.

**Logistic support analysis (LSA DB - LSA Suite).**
The following works have been performed in the reporting period:

- Technical support of LSA DB (data base) industrial use is extended;

- Installation and testing of LSA Suite system updates was performed, in connection with TeamCenter updating to version 8 the adaptation of TeamCenter LSA modules was carried out.

**Gathering and analysis of operational data.**

The following works have been performed in the reporting period:

- Technical support of industrial use of the information system «Erlan-2C» was started;

- The «Erlan-2C» system was updated, a possibility of packet data upload from the operators concerning A/C (aircraft) flight hours, faults and units replacement was implemented. Works on modification of the system of access isolation to system data were carried out. There was developed a process of uploading the data about A/C, transmitted by operators to «Erlan-2C». Works on creation of basis for implementation of «Provision on creation of electronic version of certificate and inspection report on A/C composition in JSC «SCA» are in progress;

- Technical support of the industrial use of the software product MRB/MPD for preparation of MSG3-analysis data, preparation of documents of MRB- and MPD-reports with data version support was started. MRB/MPD database contains data on the approved MSG3, MRB- and MPD-reports. Export and import procedures of data concerning actual MRB and MPD versions are provided.

**Project of JSC «SCA» aftersales service systems integration with IFS Applications system.**

Works in this direction are carried out in the interests of JSC «UAC». The following works have been performed in the reporting period:

- The data were prepared, the acceptance tests within the II stage of IFS-SCA works were organized and executed;

- Demonstration of JSC «UAC» decisions within the integration of JSC «SCA» and IFS information systems was prepared and executed.

**Support of creation of IETM.**

The following works have been performed in the reporting period:

- Works on software-hardware support of Sogitec Doctec and PTC Arbortext products were started;
- The software-hardware support of the users-developers of interactive electronic technical manuals (IETM) is carried out.

- The works on incident management and elimination of system faults is started together with Sogitec company.

Internet-site of Customer support.

The following works have been performed in the reporting period:

- The project of customer support Internet-site creation was completed, the functionality was expanded in order to ensure location of operational statistics on site.

- Works on loading and support of information located on site up-to-date were organized.


The following works have been performed in the reporting period:

- Works on optimization of execution speed of the existing ORDCS (organization-regulatory documents conrol system), in particular, the system was transferred to more efficient servers, fine tuning of the system was carried out;

- Works on evaluation of the alternative decisions existing in the market were carried out together with the Administration of the President. Stands with the systems under evaluation were prepared and deployed, systems and users participating in the tests were provided with technical support. By the results of works the report was issued and submitted to the Administration of the President;

- Insignificant updating and allocation of information was carried out on site of the Company information disclosure.

Enterprise Resource Management.

The following works have been performed in the reporting period:

- The information system 1C:UPP was commissioned;

- The module «Logistics» on the basis of 1C:UPP was developed and tested;

- The commissioning works of the module «Logistics» on the basis of 1C:UPP were started;

- The module on contract base was developed and tested in 1C:Accounting;
- The works on integration of information bases 1C:ZUP (1C:Salary and personnel management) in CO (Moscow) and in Komsomolsk-na-Amure branch have been performed. The integrated data base was tested;
- Data exchange between the information bases 1C:ZUP in CO (Moscow) and in Komsomolsk-na-Amure branch has been fine tuned.
- The mechanism of income and write-off documents uploading from 1C:UPP to the Report information system was implemented;
- Works on TeamCenter and 1C:UPP integration were performed;
- Works on 1C:UPP support were started, support of 1C:Accounting and 1C:ZUP were continued.

9.8 Certification

The year of 2012 was the next milestone index of the certification works intensity for the Company.

In 2012, the Company has finished works on validation of the type certificate in EASA. On February 3, 2012, the type certificate of the European Aviation Safety Agency (EASA) No. EASA.IM.A.176 was obtained. Works have been performed since 2004.

In 2012, the works on validation of the type certificate by Mexican aviation authorities (DGAC) were started and completed on April 16, 2012, by the results of which DGAC issued the Type Certificate No. IA-165/2012; the works on validation of the type certificate by Indonesian aviation authorities (DGCA) were started and completed on November 19, 2012, by the results of which DGCA issued the Type Certificate No. A091; the works on validation of the type certificate by Laotian aviation authorities (DCA) were started and completed on December 19, 2012, by the results of which DCA issued the Type Certificate No. TC-05/12DCA.

These works required not only representation of the necessary documents, but execution of additional works on implementation of specific changes to the aircraft standard design in order to meet the requirements of the national authorities.

Thus, in order to meet the requirements of Indonesian DGCA it was required to make the following changes to the aircraft standard design:

- provision of correspondence to the requirements for fin birdproofness (bird weight 3.6 kg instead of 1.8 kg, as provided for in the aviation rules AR-25 and CS-25);
- detection of aircraft entry to the reactive windshear.

The works on expansion of the expected aircraft operation conditions and implementation of the optional equipment to the aircraft standard design in order to ensure aircrafts delivery to the customers in 2012 were the certification works of the
same importance. Thus, in 2012 there were 7 Amendments to Type Certificate of the IAC Aviation Register received:

- Implementation of the Main list of minimum equipment (issue 2) to the composition of the aircraft operation documentation - No.CТ 322-RRJ-95/Д03;

- Implementation of the Initial requirements to scheduled maintenance of the aircraft RRJ-95B – No.CТ 322-RRJ-95/Д04 to the composition of the aircraft RRJ-95B operation documentation;

- Expansion of the aircraft RRJ-95B operation conditions at high outside air temperatures - No.CТ 322-RRJ-95/Д05;

- The aircraft RRJ-95B without installation of interior and equipment of passenger cabin (version RRJ-95B-G – “green” aircraft) - No.CТ 322-RRJ-95/Д06;

- Expansion of operation conditions at flights in northern latitudes - No.CТ 322-RRJ-95/Д07;

- Expansion of the aircraft RRJ-95B operation conditions at low outside air temperatures - No.CТ 322-RRJ-95/Д08;

- Expansion of operational limitations of the aircraft RRJ-95B by the conditions of taxi lane and runway - No.CТ 322-RRJ-95/Д09.

The certification works on two more main changes «Main list of minimum equipment, Issue 3 (MLME-3)» and "Prolongation of specified life» were mainly completed in 2012, approvals of the evidentiary documents were received. The Addendum to the Type Certificate No.CТ 322-RRJ-95/Д10 dated 14.01.2013 was received by MLME-3.

In 2012, the Applications were sent to the IAC Aviation Register and joint works with the Certification centers were started connected with other main changes:

- Aircraft with increased take-off weight RRJ-95LR-100;

- Noise on the ground in connection with RRJ-95LR-100 modification creation with SaM146-1S18 engines;

- Implementation of software versions of V520 avionics system;

- Installation of radar with a function of windshear detection;

- Improvement of aircraft electronic control system characteristics (software version 5.02);

- Expansion of operation conditions by cross wind value more than 15 m/s when locating on dry runway;

- Expansion of operation conditions by limitation of cross wind value when locating on the runway with low traction coefficient;

- Improvement of initial climb characteristics after take-off by means of main landing gear doors modification.
Besides, 96 secondary changes were made to the aircraft standard design, in regard to which the necessary approval letters were received from the IAC Aviation Register.

In order to implement the specified main and secondary changes, the certification ground and flight tests were carried out both within the Russian Federation and abroad. In particular, the cross wind tests were carried out once more in Iceland.

Part of flight tests was carried out with participation of EASA expert pilots.

The main scope of certification ground and flight tests was carried out on the experimental aircrafts No. 95004 and No. 95005.

In order to perform a large number of flight tests, in November 2012 was restored and brought to flight condition the aircraft No. 95003 which was used in flight tests by landing category IIIa in December.

9.9 Quality control

Main directions in quality improvement.

Constant work in the Company is carried out on development, maintenance and improvement of the quality management system (QMS) according to the Quality Policy approved in the Company. In 2012 this work has covered the following areas:

- QMS certification and improvement;
- Quality assurance of processes performed by the Sukhoi SuperJet 100 program;
- products quality control;

Quality management system certification and improvement.

In the part of certification of A/C development and production.

In order to provide timely delivery of Sukhoi SuperJet 100 to the customers, JSC «SCA» has carried out in 2012 a complex of works on prolongation of the Certificate on production approval No. ОП 118-ПВС. As a result, the validity term of the Certificate on production approval was prolonged till May 3, 2014.

The works on the Company preparation for repeated investigation of JSC «SCA» as a developer of commercial aviation technics were carried out.

In July-August of 2012 there was conducted a number of meetings with representatives of Indonesian Aviation Administration (DGCA). There were developed and submitted to DGCA the presentations on Company quality assurance
of development and production of aircrafts as per RRJ program, type and production certification procedures, interaction of JSC «SCA» with IAC AR. As a result, the Indonesian Aviation Authorities have validated the types certificate of RRJ-95B aircraft, which made it possible to deliver the aircraft RRJ-95B No.95022 to Indonesia.

In September 2012, within the frames of the «Program of Russian-Chinese cooperation in the sphere of civil aircraft engineering for 2011 – 2015» implementation, the works on familiarization of the Chinese Aviation Administration (CAAC) with fulfillment of IAC AR requirements by the Company were carried out. There was developed and submitted to CAAC the presentation of procedures for quality assurance of A/C development and production by the Company and interaction of JSC «SCA» with IAC AR.

In November 2012, a number of meetings with representatives of Aviation Administration (Lao DCA) and Aviation Company Laos Central Airlines was held. There were developed and submitted the presentations on Company quality assurance of development and production of aircrafts as per RRJ program, type and production certification procedures, interaction of JSC «SCA» with IAC AR. The results of meetings and negotiations made it possible to deliver the aircraft RRJ-95B No. 95026 to Laos.

In the part of quality management system improvement.

According to the certification requirements of IAC AR there were developed, updated and put into action the foundational documents of the Company QMS:

- ПК 02-075-12 Quality Policy of «Sukhoi Civil Aircrafts» JSC, issue 04 (Order No.46 dated 07.02.2012);

- Р 02-489-12 «Guidelines on quality of civil aviation technics manufacturer», issue 03 (Order No.146 dated 29.03.2012);

- Р 03-166-12 «Guidelines on quality of civil aviation technics developer», issue 02 (Order No.371 dated 26.07.2012);

- Р 02-549-12 «Description of manufacturing enterprise», issue 02 (Order No. 610 dated 20.12.2012);

- Р 02-589-12 «Description of developing enterprise», issue 01 (Order No. 569 dated 26.11.2012).

In order to support and improve the Company quality system, 9 internal audits were carried out, at that:

- 144 non-conformances were revealed;

- Plans of corrective and preventive actions were carried out, which are partially fulfilled by the end of 2012.

This allowed:
- increasing the level of Company correspondence to the requirements of external and internal ND (normative documentation);

- increasing the quality system effectiveness;

- reveal problems online and eliminate the reason of non-conformances.

Among the internal audits carried out in 2012, 5 were carried out concerning the quality issues of functional system installation: leakage detection system, complex system of air conditioning, wind engine, nose landing gear, VHF communication antenna, pedal posts, wing fillet windows, passenger and cargo doors, service door, elevators, heat insulation and cable network, hydraulic system.

There were carried out 19 audits of enterprise-suppliers, both Russian and foreign, and 203 non-conformances were revealed. The suppliers have implemented the corrective actions.

In the course of checking the existing suppliers, the JSC «SCA» specialists have revealed weak and strong points in the activity of enterprises, the recommendations on activity improvement were given. The impartial information which formed a basis for their approval (or disapproval) was prepared concerning the potential suppliers.

Among the external audits carried out in 2012, 4 were carried out concerning the quality issues of functional system installation: installations in outer wing, pylon, compartments F2-F4, installations of propulsion unit, slats, leakage detection system, plates and sensors of Air Data System (ADS).

There were 4 meetings performed with the suppliers concerning quality control with Power Jet and one meeting with Thales concerning interaction and consideration of component parts delivery results.

With suppliers: Goodrich, Thales, HANA, Aircruzer, Parker, MBD, Kamatics, Liebherr Toulouse, Liebherr Lindenberg, NAPO JSC, quality control reports for 2011 were reviewed.

There were developed the quality requirements for suppliers as part of the contractual documentation: KAPO JSC, Alpha-M, BAZ, Eiritech Aviation, Aero-Engineering, MAAS Aviation, VASO JSC (updated version of requirements), NAPO JSC (updated version of requirements), KnAAPO (updated version of requirements), Sirio Panel, Aviatest.

Bilateral contacts with suppliers were established, in the result of which the following documents were agreed:

- Plan of quality assurance in Pegas JSC;

- Plan of quality assurance in Aviastar-SP JSC;

- Reference case of Aviastar-SP JSC No. RRJ.286.01.ДВС.1.ПОС by the results of control and acceptance works on installation of interior, domestic and emergency rescue equipment of the passenger cabin on the aircraft RRJ-95 Ser.No.95017;

- Reference case No. RRJ.294.01.ДВС.2.ЛИС by the results of control and acceptance works on installation of interior, domestic and emergency rescue
equipment of the passenger cabin on the aircraft RRJ-95 Ser.No.95017;

- Instruction MBD «Requirements to packing, transportation and storage of landing gear system SSJ100 and its component parts»;

- List of approved suppliers of KnAAPO No. 73.1-07-1-2012 «List of approved suppliers of materials, PCP, semi-finished products, normals for production aircrafts SSJ-100»;

- Interface procedure with PowerJet SaM146.PWJ.QUA.PRO.00137-09 - PPS Delivery Documentation;

- Interface procedure with PowerJet SaM146.PWJ.QUA.PRO.00435-03 – PPS and BFE acceptance by JSC «SCA»;

- Interface procedure with PowerJet SaM146.PWJ.PGM.PRO.00719-02 Damage Report;

- Plan of quality improvement measures for component parts manufactured by VASO JSC for production aircrafts RRJ-95 No. 1125/ПТК for 2012;

- Plan of quality improvement measures for component parts manufactured by NAPO JSC for production aircrafts RRJ-95B No. 1273.Д01.95;

- Measures on quality improvement of painting and application of onboard information to aircraft frame of type RRJ-95B No. RRJ0000-PL-202-1237 Rev.C;

- Bilateral decision on JSC «SCA» approval of changes in the HANA suppliers chain;

The notification letters were sent to the European suppliers concerning the EASA validation of IAC AR Certificate for aircraft RRJ-95B. The arrangements were considered and signed according to Part 21A.133(b) and (c) with the following suppliers: ECE, Intertechnique, Thales, Leach, Saft, Amsafe, Liebherr Toulouse, SULLY, Messier-Bugatti-Dowty.

The work was performed to ensure correspondence to the accompanying documentation (airworthiness certificate) for the System/component parts to be installed on A/C (aircraft) upon reception of the EASA Certificate for A/C RRJ-95B.


The bilateral decision with HANA No. RRJ0000-OR-067-3215 «On procedure used by the parties at change in HANA component parts suppliers chain» was developed and agreed.

Works with suppliers on coordination of the delivery documentation complete set were carried out during replacement of P/N component part as a result of new software downloading.

Periodic control was carried out to check fulfillment of interface standard requirements by the suppliers. The check was carried out by means of analysis of the supplier's documentation submitted to JSC «SCA» subdivisions according to the requirements of these standards.
During the reporting period, the work was carried out on search, evaluation and attraction for deliveries of the alternative PCP (purchased component parts) suppliers.

Audits of the following suppliers have been performed: Pegas JSC, Alpha-M, «Eirtech Aviation Czech Republic a.s.», MAAS Aviation.

Materials on evaluation of the attracted suppliers were submitted to the Tender committee. The tender committee has made a decision to start works on conclusion of contracts with the mentioned firms.

There were carried out the audits of the following suppliers with participation of representatives of IAC AR within the frames of JSC «SCA» activity evaluation on operation and control over the suppliers: Thales, Liebherr Toulouse, ECE, Intertechnique.

Within the frames of production transfer the requirements to quality have been established which are aimed at products quality assurance and should be included in the contractual documentation.

**Quality assurance of processes performed by the Sukhoi SuperJet 100 program.**

The following has been elaborated, corrected and put into force in the Company:

- Normative documents and notifications on changes, developed by the structural subdivisions of branches - 58 documents;

- Provisions on design and production subdivisions of JSC «SCA» (Moscow) - 11 documents;

- Provisions on design and production subdivisions of JSC «SCA» - 6 documents.

There was developed the Decision on complete set of delivery documentation for aircraft RRJ-95B No. 95023 intended for delivery of SuperJet International SpA (Italy).

**Interaction with western aviation authorities (ENAC, EASA, FAA) and IAC AR.**

In order to ensure execution of the Bilateral Agreement requirements and working plans there were organized and held 2 joint meetings with ENAC and SJI, documents for the Working agreement between IAC AR and DGCA were prepared.

**Interaction with Superjet International.**

In order to ensure aftersales service of SSJ100 aircraft the interaction with Superjet International Company within the Service agreement was carried out:
- The JSC «SCA» Quality Committee - SJI was regularly convened in order to settle issues on improvement of joint activity of JSC «SCA» and Superjet International and to ensure interaction with Aviation Authorities (IAC AR, ENAC, EASA and FAA);

- 5 Committees on Service bulletins were held;

- 5 interface quality procedures were approved and issued with SJI.

**Products control (acceptance).**

**Products control.**

In 2012, there was performed a control of manufactured products and general technical inspections of A/C at JSC «SCA» Komsomolsk-na-Amure branch prior to the aircraft submission to FTC.

Predelivery and acceptance tests of A/C submitted to the customers were performed in full scope.

96 casual inspections were carried out, as a result of which 223 non-conformances were detected. Everyday and scheduled control of process discipline was performed. Designer supervision was carried out.

According to the non-conformances revealed during the control and acceptance the necessary corrective and preventive measures were established and taken under control of the Company quality service. Non-conformances were eliminated by production department.

Within the year, the control of component parts delivered by KnAAPO of Yu.A. Gagarin JSC, NAPO of V.P. Chkalov JSC, VASO JSC was carried out.

There were claims held against the suppliers concerning non-conformances revealed by the Company branches in the delivered products.

**Results of A/C technical acceptance.**

In 2012, 12 aircrafts were submitted to A/C customers.

In the course of technical acceptance by the customer - Aeroflot Russian Airlines JSC, 1257 non-conformances were revealed. The most number of non-conformances by interior - 310 and by external aircraft surface - 355 cases. Non-conformances were eliminated during acceptance and routinely. The reasons were analyzed, the corrective and preventive actions were developed and implemented.

The application was prepared and the set of documents was completed in order to receive the Export airworthiness certificate for the aircraft 95022. The Export certificate No. ЭСЛГ-161 obtained from IAC AR was submitted to Sky Aviation (Indonesia).
According to the results of non-conformance analysis revealed by the Customers during A/C acceptance and in the process of operation the following was developed:

- Comprehensive program of A/C No. RRJ–PL–069–1349 manufacture quality assurance, Rev. A;


- Measures on assurance of fault-free operation of the leakage detection system of RRJ–95B No. RRJ0000–PL–105–1513 aircraft, Rev. A;

- Measures on assurance of effective operation of the aircraft control system No. RRJ0000–PL–008–1509, Rev. A;

- Measures on assurance of effective operation of PPS with SaM146 engine as a part of the aircrafts RRJ–95B No. RRJ0000–PL–009–1499, Rev. A;

- Measures on quality improvement of painting and application of onboard information to aircraft frame of type RRJ–95B No. RRJ0000-PL-202-1237 Rev.C;

- Measures on quality improvement of functional system assembly of the aircrafts RRJ No. RRJ0000–PL–064–1300, Rev. A;


**Inspections of A/C spare parts.**

In 2012, the appointed representatives of IAC AR (among the employees of the Company quality service) have carried out inspections of A/C spare parts as a result of which the airworthiness coupons were issued as per form C-5 according to the directive letter of IAC AR No.4-2011.

As a result of these works:

- 534 forms C-5 were issued at SJI warehouses (390 in Sheremetevo; 141 in Frankfurt am Main; 3 in the territory of Armavia company in Yerevan);

- 779 spare parts were checked at SJI warehouses (567 in Sheremetevo; 208 in Frankfurt am Main; 4 in the territory of Armavia company in Yerevan);

- 318 forms C-5 were issued by the case «Aircraft on ground» (315 in SJI warehouse in Sheremetevo; 3 in the territory of Armavia company in Yerevan).
10. Priority directions of Company development

10.1. Information on strategy and development programs of the Company

<table>
<thead>
<tr>
<th>No.</th>
<th>Program / project name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SSJ 100</td>
</tr>
<tr>
<td>1.1</td>
<td>Serial production and delivery 100</td>
</tr>
<tr>
<td>1.2</td>
<td>RRJ-95B «Certification» (introduction of primary and secondary changes)</td>
</tr>
<tr>
<td>1.3</td>
<td>Air worthiness maintenance</td>
</tr>
<tr>
<td>2</td>
<td>RRJ-95LR</td>
</tr>
<tr>
<td>3</td>
<td>Improvement of aircraft design SSJ 100 (weight reduction, optimization of systems and frame construction)</td>
</tr>
<tr>
<td>4</td>
<td>Training (using the simulators)</td>
</tr>
<tr>
<td>5</td>
<td>NG</td>
</tr>
<tr>
<td>6</td>
<td>MC-21</td>
</tr>
<tr>
<td>7</td>
<td>Simulators</td>
</tr>
<tr>
<td>8</td>
<td>SBJ</td>
</tr>
</tbody>
</table>

Table 10.1.1. List of major programs / projects

10.2. Investment volume - breakdown by projects and funding sources

Total investment volume in 2012 amounted for RUR 3,106 million. JSC «SCA» during the reported period made investments in three projects: SSJ-100, SSJ-100 LR and SBJ.

The investments in SSJ-100 project were mostly related to R&D in respect of EASA certificate finalization and development of options by requests of the customers. The company also invested in CAPEX, reconstruction and modernization of production areas in particular. The investments in SSJ-100 LR project were connected with R&D in regard of new version development. The funds invested in SBJ project were related to R&D, in definition phase development of the AC.

In 2012 the main source of financing for investments were borrowed funds.
11. Energy resources used by the Company

11.1. Volume of energy resources used by the Company in the reporting period (in physical and monetary terms)

Table 11.1.1. Energy resources used by the Company in 2012

<table>
<thead>
<tr>
<th>JSC «SCA» with branch offices</th>
<th>Resource type</th>
<th>Measurem ent unit</th>
<th>Number</th>
<th>Monetary value, RUR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>without VAT</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DSEO territory, Moscow</td>
<td>Electric power</td>
<td>kWt/hour</td>
<td>1 479 520</td>
<td>4 611 424,57</td>
</tr>
<tr>
<td></td>
<td>Heating energy</td>
<td>Gkal</td>
<td>1 500</td>
<td>1 640 920,68</td>
</tr>
<tr>
<td></td>
<td>Water supply and disposal</td>
<td>m3</td>
<td>6 103</td>
<td>275 016,77</td>
</tr>
<tr>
<td></td>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A-92 litres</td>
<td></td>
<td>73 500</td>
<td>1 872 627,10</td>
</tr>
<tr>
<td></td>
<td>A-95 litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Diesel fuel</td>
<td>litres</td>
<td>7 800</td>
<td>198 372,88</td>
</tr>
<tr>
<td>ATK territory, Zhukovsky</td>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A-92 litres</td>
<td></td>
<td>3 875,00</td>
<td>89 411,86</td>
</tr>
<tr>
<td></td>
<td>A-80 litres</td>
<td></td>
<td>6 623,00</td>
<td>143 420,51</td>
</tr>
<tr>
<td></td>
<td>Diesel fuel</td>
<td>litres</td>
<td>48 145,00</td>
<td>1 180 293,73</td>
</tr>
<tr>
<td>DSEO territory, Zhukovsky</td>
<td>Electric power</td>
<td>kWt/hour</td>
<td>1 601 539,00</td>
<td>3 894 833,41</td>
</tr>
<tr>
<td></td>
<td>Heating energy</td>
<td>Gkal</td>
<td>3 132,2258</td>
<td>5 580 057,75</td>
</tr>
<tr>
<td></td>
<td>Water supply and disposal</td>
<td>m3</td>
<td>2 632,00</td>
<td>507 866,48</td>
</tr>
<tr>
<td></td>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A-92 litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>A-95 litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Diesel fuel</td>
<td>litres</td>
<td>5 203,90</td>
<td>126 618,73</td>
</tr>
<tr>
<td>Branch office of JSC «SCA»</td>
<td>Electric power</td>
<td>kWt/hour</td>
<td>5 259 679,00</td>
<td>15 120 088,00</td>
</tr>
<tr>
<td></td>
<td>Heating energy</td>
<td>Gkal</td>
<td>15 161,66</td>
<td>19 888 003,00</td>
</tr>
<tr>
<td>in Komsomolsk-on-Amur</td>
<td>Water supply and disposal</td>
<td>m³</td>
<td>17 099,00</td>
<td>601 458,00</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------------------------</td>
<td>----</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A-92</td>
<td>litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>A-95</td>
<td>litres</td>
<td></td>
<td>6 845,00</td>
<td>196 985,64</td>
</tr>
<tr>
<td>Diesel fuel</td>
<td>litres</td>
<td></td>
<td>14 921,00</td>
<td>452 375,18</td>
</tr>
<tr>
<td>ATB No.2, Khabarovsk</td>
<td>Electric power</td>
<td>kWt/hour</td>
<td>231 640,40</td>
<td>799 532,00</td>
</tr>
<tr>
<td>Heating energy</td>
<td>Gkal</td>
<td></td>
<td>6 312,24</td>
<td>13 000 123,00</td>
</tr>
<tr>
<td>Water supply and disposal</td>
<td>m³</td>
<td></td>
<td>5 328,87</td>
<td>203 122,00</td>
</tr>
<tr>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A-92</td>
<td>litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>A-95</td>
<td>litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Diesel fuel</td>
<td>litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Branch office of JSC «SCA» in Voronezh</td>
<td>Electric power</td>
<td>kWt/hour</td>
<td>76 436,24</td>
<td>242 794,43</td>
</tr>
<tr>
<td>Heating energy</td>
<td>Gkal</td>
<td></td>
<td>90,42</td>
<td>71 038,34</td>
</tr>
<tr>
<td>Water supply and disposal</td>
<td>m³</td>
<td></td>
<td>254,00</td>
<td>13 907,88</td>
</tr>
<tr>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A-92</td>
<td>litres</td>
<td></td>
<td>2 146,09</td>
<td>51 620,35</td>
</tr>
<tr>
<td>A-95</td>
<td>litres</td>
<td></td>
<td>348,48</td>
<td>10 006,21</td>
</tr>
<tr>
<td>Diesel fuel</td>
<td>litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Branch office of JSC «SCA» in Novosibirsk</td>
<td>Electric power</td>
<td>kWt/hour</td>
<td>42 495,00</td>
<td>76 067,00</td>
</tr>
<tr>
<td>Heating energy</td>
<td>Gkal</td>
<td></td>
<td>8 842,00</td>
<td>353 543,00</td>
</tr>
<tr>
<td>Water supply and disposal</td>
<td>m³</td>
<td></td>
<td>564,00</td>
<td>7 671,00</td>
</tr>
<tr>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A-92</td>
<td>litres</td>
<td></td>
<td>5 651,90</td>
<td>122 238,00</td>
</tr>
<tr>
<td>A-95</td>
<td>litres</td>
<td></td>
<td>25,00</td>
<td>552,00</td>
</tr>
<tr>
<td>Diesel fuel</td>
<td>litres</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total for the Company</td>
<td>Electric power</td>
<td>kWt/hour</td>
<td>8 691 309,64</td>
<td>24 744 739,41</td>
</tr>
<tr>
<td>Heating energy</td>
<td>Gkal</td>
<td></td>
<td>35 038,55</td>
<td>40 533 685,77</td>
</tr>
<tr>
<td>Water supply and disposal</td>
<td>m³</td>
<td></td>
<td>31 980,87</td>
<td>1 609 042,13</td>
</tr>
<tr>
<td>Petrol:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A-92</td>
<td>litres</td>
<td></td>
<td>11 672,99</td>
<td>263 270,21</td>
</tr>
<tr>
<td>A-95</td>
<td>litres</td>
<td></td>
<td>80 718,48</td>
<td>2 080 170,95</td>
</tr>
<tr>
<td>A-80</td>
<td>litres</td>
<td></td>
<td>6 623,00</td>
<td>143 420,51</td>
</tr>
<tr>
<td>Diesel fuel</td>
<td>litres</td>
<td></td>
<td>76 069,90</td>
<td>1 957 660,52</td>
</tr>
</tbody>
</table>

12. Structure of Joint Stock Company

12.1. Information on all forms of the Company's shareholdings in profit-making and non-profit organisations

No shareholdings
12.1.1. Information on business entities with the Company holding 2-20% of the charter capital

No shareholdings

12.1.2. Information on affiliated entities with the Company holding 20-50% of the charter capital

No shareholdings

12.1.3. Information on subsidiaries with the Company holding 50%+1 share or up to 100% of the charter capital

No shareholdings

12.2. Information on sale-and-purchase contracts concluded in relation to shares, shareholdings and stakes of business partnerships and companies, including details of the parties, subject of such contracts, their price and other terms and conditions

None.

13. Accounting reports and audit opinion certifying reliability of accounting for the reporting and previous year

Accounting reports for 2012, including balance sheet, income statement, attachments to the balance sheet and income statement (as established by Russian legislation) are provided in Appendix 1.

The Auditor of JSC «SCA» - JSC KPMG - has confirmed reliability of the annual accounting reports.
13.1. Management comments to financial reports Dynamics of major financial and economic indicators for the last 3 years

Revenue

Figure 13.1.1. Revenue structure

In 2012 JSC «SCA» produced and delivered to its customers 12 aircraft, which resulted in earnings of RUR 9,520 million and facilitated significant increase of figures (+177%) as compared with RUR 3,431 million in 2011 (the year of first 5 deliveries of aircraft). Sharp increase of earnings was due mainly to the growing sales volume at the initial stage of serial production. In addition, the earnings of 2012 were influenced by the growing R&D volume.

EASA certificate obtained by the Company the beginning of 2012 enabled it to start export sales.

In 2012 the Company delivered 12 aircraft to the following airline companies:

- 6 aircraft to Aeroflot as a launch customer;
- 2 aircraft to Yakutia Aircompany;
- 1 aircraft to Moskovia Aircompany;
- 2 aircraft to Interjet Aircompany (Mexico);
- 1 aircraft to Sky Aviation Aircompany (Indonesia);
The prime cost made RUR 11,528 million in 2012. Its growth in absolute terms from the level of RUR 5,593 million in 2011 was mainly due to bigger production costs connected with the increasing volume of aircraft production. At the same time, priority growth rates of earnings (+177%) over the prime cost (+106%) in relative terms reflect active sales policy used by the Company, growing sales price of aircraft and lower prime cost within the reporting period. JSC «SCA» has been implementing cost reduction policy in the following areas: optimization of procurement costs, salary costs, implementation of Lean-technology in production and optimization of overheads.
In spite of the fact that the Company's performance in 2012 was not positive and made RUR -4,582 million, the results in relative terms have improved significantly as compared with 2011; net profit negative value reduced to the level of -48% in 2012 compared to -112% in 2011.

Major factors facilitating the improvement of figures were as follows:

- sales volume increased more than twofold (RUR 9,520 million in 2012 compared to RUR 3,430 million in 2011);
- higher sale prices of aircraft;
- cost optimization policy implemented by the Company's management.
During 2012 JSC «SCA» was investing in current and non-current assets; their aggregate volume increased from RUR 60,488 million in 2011 to RUR 77,700 million in 2012 (+28% y-o-y).

Growing volume of non-current assets (+10%) was due to further improvement of SSJ-100, including Long Range version, and the development of new options based on demands of customers under firm order.

In 2012 current assets reached the level of RUR 34,323 million (+60% as compared with 2011). The growth of current assets was mainly due to the bigger share of work in progress and stocks in the Company’s warehouses ensuring the growth of production volume and building-up of production line.

Within the reporting period the Company obtained additional production capacity, opened a Separated structural subdivision of JSC «SCA» in Ulyanovsk, carried out production optimization. The measures implemented should enable JSC «SCA» to achieve target production figures in 2013.
Figure 13.1.5. Liabilities and equity

Financial debt as of the end 2012 amounted to RUR 62,828 million (+28% as compared with 2011). Aggregate debt growth results from borrowings needed to finance the Company's operating activity in connection with the increasing production volume.

Taking into account the level of retained loss at the end 2012 (RUR -13,142 million), the shareholders of JSC «SCA» decided to increase the equity by means of capital injections starting from 2013 for the purposes of continuous development of the program and further improvement of the production line.

13.2. Net assets of the Company

Net assets of the Company as of 31.12.2012 were of negative value - 4 027 138 (four million twenty-seven thousand and one hundred and thirty-eight) thousand roubles.).

14. Information on major transactions made by the Company in the reporting year, including the list of transactions made by the Company in the reporting year and recognized as major ones in accordance with the Federal Law "On Joint Stock Companies", as well as other transactions subject to special approval procedure as established by the Company's Charter, with specification of
The material terms of each transaction and the Company's management body which issued the decision on its approval

The report on major transactions is provided in Appendix 2.

15. Information on interested-party transactions made by the Company in the reporting year, including the list of transactions made by the Company in the reporting year and recognized as interested-party transactions in accordance with the Federal Law "On Joint Stock Companies", with specification of the interested party (parties) in each of such transactions and the Company's management body which issued the decision on its approval

The report on interested-party transactions is provided in Appendix 3.

16. Distribution of profit made by the Company in the reporting year

16.1. Report on payment of the announced (accrued) dividends on the Company's shares

The Annual General Meeting of Shareholders held on June 28, 2012, issued the decision as follows: "To approve the order for profit distribution (including payment (announcement) of dividends and losses of JSC «SCA») following the results of 2011:

- profit shall not be distributed;
- the year-end dividends shall not be paid".

The Annual General Meeting of Shareholders of JSC «SCA» for 2012 has not been held yet, decision on distribution of profit made in 2012 has not been made.

16.2. Amount of dividends transferred to the federal budget in the reporting period

No dividends were transferred to the federal budget in the reporting period.
16.3. Dividends payable to the federal budget

No debts to the federal budget.

16.4. Contributions to the Company's reserve fund

Due to the lack of profit in 2012, no contributions were made to the reserve fund.

16.5. Contributions to other funds of the Company (with the name of such funds specified)

No monetary contributions were made to the Company's funds in 2012.

16.6. Funds used for implementation of the Company's investment projects (programs) and the report on implementation of investment projects (programs) by the Company

In 2012 JSC «SCA» did not have any net profit; due to this, it did not use any funds out of net profit for implementation of investment projects.

16.7. Other areas of net profit consumption

Following the results of financial year 2012, the Company did not make any net profit.

17. State support received by the Company in the reporting year, including information on subsidies granted (RUR), their purposes and funds used as of the end of the reporting period

In 2012 JSC «SCA» obtained subsidies from the Ministry of Industry and Trade of the Russian Federation; total amount of subsidies - RUR 39 million; purpose of subsidies - to compensate costs incurred previously by the Company in connection with
production investments. The aforementioned funds were used to finance current activity of JSC «SCA».

18. Major risk factors connected with the Company’s activity

18.1. Information on the Company’s investments with the forecasted interest yield of over 10% per annum, with specification of the investment purpose, volume and funding sources

In 2012 JSC «SCA» made investments of RUR 3,740 million in aggregate. The breakdown of the investments is the following:

- 89% related to R&D, in particular to finalization of EASA certificate and development of LR version;
- 8% of funds were invested into capital construction and reconstruction in regard of the assembly line optimization;
- 3% were invested into acquisition and modernization of equipment.

Figure 18.1.1. Structure of investments in 2012, RUR, million
18.2. Information on pending court investigations in which the Company acts as a defendand under debt claims, with specification of the overall claim amount

The lawsuit against CJSC «Sukhoi Civil Aircraft» on collecting interests for use of funds due to late delivery of paid aircraft:

On August 23, 2012 JSC «Finance Leasing Company» appealed to the Arbitration Court of Moscow with the claim against CJSC «Sukhoi Civil Aircraft» in the amount of 2 677 777.78 U.S. dollars. Out of this amount of money 1,505,555.56 U.S. dollars - for a delay in the delivery of aircraft № 95019 during the period from October 2011 and 1 172 222.22 U.S. dollars - for the delay in delivery of aircraft № 95022 during the period from December 2011.

By the decision of the Arbitration Court of Moscow dtd November 30, 2012 which is kept in force by the Determination of the Federal Arbitration Court of Moscow District dtd February 1, 2013 about review by appeal, the amount of interest to be collected was reduced by 2 377 777, 78 U.S. dollars, with reference to the second aircraft the claim was denied completely, with reference to the first aircraft the amount of money was reduced to the minimum contractual limiter equal to 300,000 U.S. dollars.

However, the Court of Cassation of the Federal Arbitration Court of Moscow District by its Resolution dtd April 24, 2013 referred the case to the first instance for a retrial with the requirement for additional identification of the legal nature of the claimed interest. On the date May 14, 2013 the case was not yet assigned for a new trial in the first instance.

18.3. Information on pending court investigations in which the Company acts as a claimant under debt claims, with specification of the overall claim amount

As of the end of the year 2012 there were no pending court investigations in which JSC «SCA» acted as a claimant.

18.4. Information on potential circumstances which objectively impede the Company's activity

Taking into account the seismic hazards and possible seasonal floods in each of the regions where the Company operates, reconstruction and modernization of objects and current maintenance thereof is carried out.
18.5 List of business, financial, technical, political and legal risks. Description and assessment of the Company's external and internal risk factors

Risks related to core activity of the Company

This category includes the following:

1) Impact on production volume and period:
   - failure to deliver on time purchased components (including engine units and onboard cable network) for serial aircrafts and certification software;
   - late delivery of optional purchased components;
   - late delivery of design documentation for optional items;
   - low-quality products delivered by suppliers;
   - lack of common informational system for enterprise resource planning (ERP);
   - need for improvement of the outer wing and body based on tests and operation results;
   - aging computers, lack of server resources resulting in violation of timeframes, malperformance of IT infrastructural components, possible data loss due to violation of information security;

2) Impact on prime cost and production financing:
   - growing price for purchased components as compared with value specified in contracts;
   - failure to reach agreement on target reduction of price for purchased components in accordance with repricing program;
   - further deterioration of the Company's liquidity;
   - untimely payment for services rendered under the contracts;
   - growing costs connected with changes in aircraft design;

3) Quality-related risks:
   - violation by the suppliers of the Company's quality requirements under the contracts in relation to serial production;
   - failure to carry out timely elimination of defects of the 1st category discovered during the audit inspection in JSC «SCA»;

4) HR risks:
- lack of comprehensive system aimed at improvement of staff qualification;
- insufficient competitiveness of salaries in JSC «SCA» and key specialists leaving the Company;
- lack of skilled personnel.

Legal risks

This category includes the following:

1) Changes in currency regulation

JSC «SCA» takes part in foreign economic relations; its liabilities are partially denominated in foreign currency and changes in currency regulation may produce negative influence on the Company. In particular, it may impede proper performance of obligations under agreements (contracts) previously concluded, require additional agreements thereto, affect the scope of obligations, etc.

2) Changes in tax legislation

JSC «SCA» is a taxpayer paying federal, regional and local taxes, and changes in tax legislation (growing tax rates, new taxes and duties, etc.) may increase tax burden for the Company and affect key performance indicators, including smaller net profit.

3) Changes in custom legislation

JSC «SCA» is a player at foreign economic market, its activity is connected with the possibility to transfer goods over the Russian customs border, and changes in customs clearance and export control along with the size of customs duties and the rules of payment thereof may adversely affect the Company's activity and financial figures.

4) Changes in licensing and certification rules

In view of the fact that the Company’s core activity is subject to obligatory licensing and the manufactured products are subject to obligatory certification, strengthening rules of licensing and certification may require special measures in order to bring JSC «SCA» and/or its products in compliance with the new rules; moreover, this may result in longer preparation of documents needed for extension or obtaining a license and/or certificates. In case JSC «SCA» and/or its products fail to meet the new rules or such compliance is connected with significant costs, the Company's activity may be terminated.

5) Changes in legislation governing intellectual property relations

Since JSC «SCA» is involved in research and development activities in the sphere of aviation equipment, changes in intellectual property relations may adversely affect the Company.
6) Changes in court practice

Changes in court practice on issues connected with the Company's activity may result in bigger litigation costs paid by the Company, including fees for qualified lawyers and court judgments issued against JSC «SCA».

Financial risks.

This category includes the following:

1) Changes in interest rates

In order to maintain its continuous development, JSC «SCA» raises borrowings at financial markets. Fluctuations of interest rates and debt servicing burden produce significant impact on business sustainability, in particular on profit, profitability and capital adequacy. Nevertheless, the Company's diversified structure and the absence of floating-rate credits in its portfolio enable minimization of liquidity risks and effective management of financial costs. In addition, the Company's positive credit history characterizing it as a reliable borrower makes it possible to count upon optimization of borrowings in comparison with other similar companies.

2) Currency risk

Currency risk to which the Company is exposed is connected with fluctuations of rouble exchange rate against currencies in which part of the Company's income, expenses and liabilities are denominated - mainly against US dollar and euro. In particular, the weakening of rouble against US dollar and euro will detrimentally affect the Company's credit portfolio and costs incurred. Nevertheless, this negative influence is to a greater extent compensated by the Company's growing earnings, because contracts for the delivery of aircrafts are made in US dollars. Due to this, the currency risk is unlikely for the Company.

3) Liquidity risk

This risk is connected with the Company being unable to discharge its financial obligations upon maturity. JSC «SCA» is implementing a set of measure to manage the aforementioned risk. In particular, the Company's financial department is engaged in cash flow planning in order to discover the potential shortage of funds. If needed, the Company raises short-term financing from partner banks in order to make up the deficit. In this way, due to realistic approach to liquidity management, the Company always has enough funds to cover the forecasted operating costs, including bond payments.

4) Inflation risk

This risk is permanent in current environment; it is typical practically for all of the Company's financial transactions, which may produce negative influence on future financial results.

5) Tax risk
This risk directly affects the Company's financial results. Introduction of new taxes, growing tax rates and customs duties, changes in timeframes and terms of certain taxes, cancellation of the existing tax benefits in the middle-run period and contradictions in tax legislation may significantly affect the Company's performance.

6) Risk connected with changes in customs clearance and duties

JSC «SCA» is a player at foreign economic market, its activity is connected with the possibility to transfer goods over the Russian customs border, and changes in customs clearance and export control along with the size of customs duties and the rules of payment thereof may adversely affect the Company's activity and financial figures.

7) Insufficient financing

Violation of timeframes for implementation of projects by the Company.

**General risk mitigation measures.**

Primary measures to mitigate the aforementioned risks are as follows:

- developing plans to eliminate non-compliances;
- timely fulfilment of plans;
- constant control over the observance of timeframes for elimination of non-compliances;
- introducing risk management system, including probability estimation of certain risks and the Company's ability to compensate their influence;
- analysing resource sufficiency in the most important areas;
- preparing schedules for the development and clarification of regulatory documents;
- improving activity planning system and decision-making process used in the Company;
- market monitoring, negotiations with suppliers under the repricing program, arrangements with suppliers, search for interchangeable proposals related to aircraft systems;
- monitoring the changes in current legislation and court practice, follow-up of new legislation and assessment of its potential influence on the Company's activity;
- measures (both material and non-material) aimed at retaining key specialists;
- staff training and improving personnel qualification;
- implementing measures at currency market and capital market (fixed-term contracts for currency transactions and other hedging instruments) in order to maintain profitability and stable financial status;
- taking into account possible negative influence of currency risk upon contract conclusion through currency diversification of credit portfolio in order to mitigate negative consequences of currency fluctuations in course of activity connected with the conclusion of contracts denominated in foreign currency; hedging significant currency fluctuations in order to avoid possible losses upon conversion of export earnings;

- revising credit and investment portfolio, analysing the situation and making relevant decisions in case the Company needs additional external financing sources amid negative influence of interest rates and currency fluctuations.

Should one or several of the aforementioned risks occur, JSC «SCA» will use its best efforts to mitigate negative consequences.

19. Compliance of the Company with the Corporate Code of Conduct

Report on compliance with the Corporate Code of Conduct is provided in Appendix 4.

20. Actual performance of instructions and orders issued by the President and Government of the Russian Federation

20.1. Instructions and orders issued by the President of the Russian Federation

No information on instructions and orders issued by the President of the Russian Federation and on performance results.

20.2. Orders issued by the Government of the Russian Federation

No information on orders issued by the Government of the Russian Federation and on performance results.