### Open Society " Russian airline " Эрлен " OJSC " AIRLEN Russian airlines

**Development of Holding in Hong Kong** 

Creation of budgetary air transportations with the purpose development new Russian aircraft technicians

Silt - 476 SSj-100 MC-21.

Assistance of entrance visa-free tourism with China with use of planes A-330 .и A-320 and preservation of Pilot-technical structure "

" the plane not luxury instead of means movement.



Cheaply, does not mean badly.

**Social - responsible business** 

MC-21



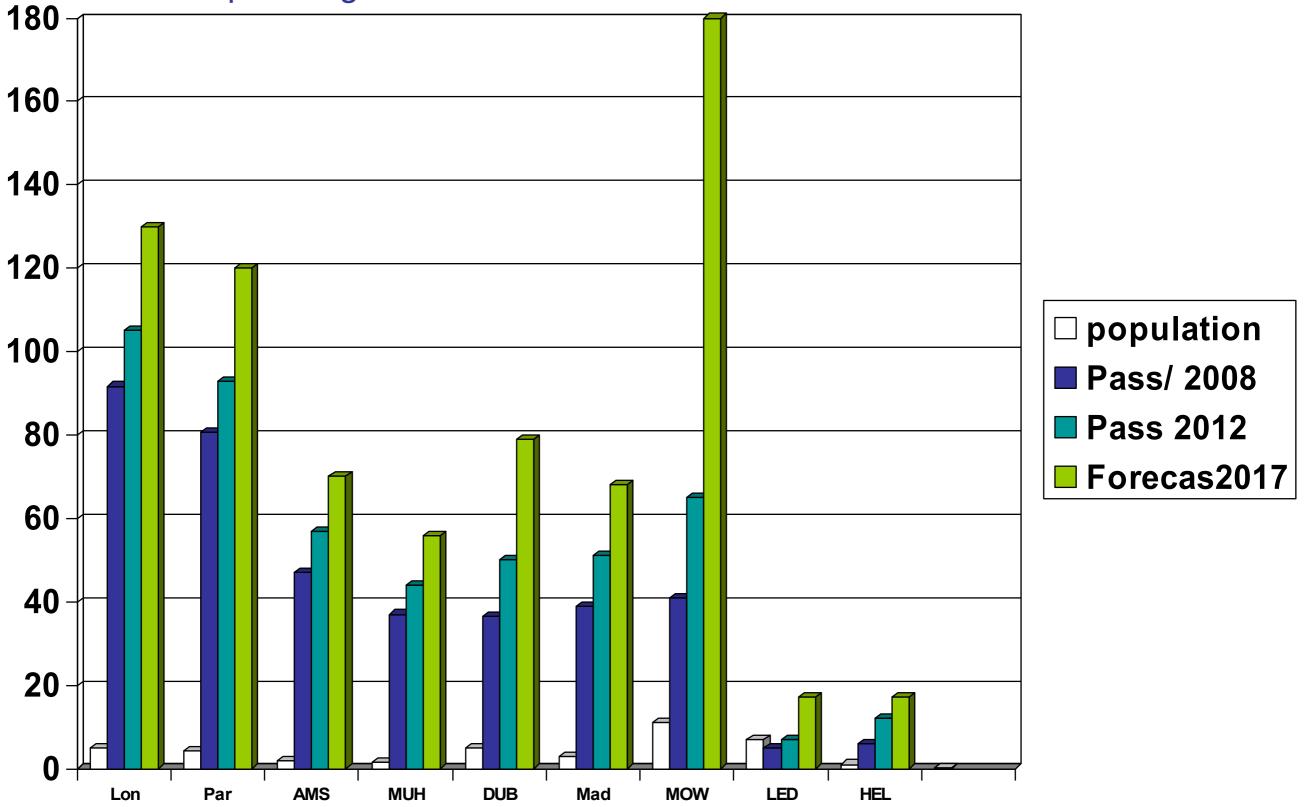
# The analysis of passenger movement all over the world.



In figure it is visible that the volume of transportations in the USA will increase in 1.7 times in the Great Britain in 1.8 times in Germany 1.2 times in Russia in 2.8 times in China 4,2 times in India 8 times and it not a limit.

231 → 993 Количество граждан, пользующихся услугами авиаперевозчиков (в млн человек) в 2011 году → 2042 году (прогноз)

The attitude of the population of region to a volume of passenger traffic.



### Economy

Development of Airport "Lappeenranta" has key values for development of economy of Region and Russian aviaprom.

- <u>The economy of Russia is connected to</u> <u>extraction and primary processing of</u> <u>combustible minerals (oil, gas, coal) and</u> <u>wood.</u>
- <u>Thus it practically sits on a raw needle.</u> <u>Also depends on the price of raw</u> <u>material.</u>
  - <u>BUT there is an area which on a</u> <u>revolution gives profit on falling the</u> <u>prices for oil. This area AIRCRAFT and</u> <u>Tourism. it is very important for</u> <u>economy of Russia and Finland for their</u> <u>development.</u>

" the most expensive airport the monopoly does not give Airport " Pulkovo " to develop of airtransportation and limits inflow of passengers. On it(him), Airline " AVIANOVA " has faced a problem

- The new airport or on periphery is necessary.
- The problem is solved due to demonopolization of the market, use with an opportunity of transfer to us of the closed terminal " Pulkovo 2 " not used, and accessible in the market round of services "
- For development of budgetary transportations I suggest to use to restore air station Siverskaja and also the Airports of Crimea Belbek and other. In result the consumer receives the Opportunity at once to arrive to sea.
- - such opportunities create comfort saves a significant part of means.
- also Therefore I also suggest to make base in Crimea. And to use nearby airport Lappeenranta. For LOW Cost transportations.



## The consumer and the market

During the Soviet period the volume of transportations reached up to 11 million.

Passengers in one year.

At not satisfied demand.

#### And practically absence of the international transportations. Today it Only comes

#### back to this period.

And then airport " Rzhevka " transported 30 % that is still 3.3млн passengers

After reconstruction of Airport "Pulkovo " we are provided to 2015 increase in a volume of passenger traffic up to 15 million grazed. In one year.

Volume of the market and the forecast pocta\*

Jnder the international standards. Each city has a volume of passenger traffic in 6 times more than his(its) population. Hence the City should have today already a volume of passenger traffic in 30 one million grazed.

And if to count all Northwest region that 60 million. As in Paris. That is quite probable.

Well and than St-Petersburg is worse.

Describe the market and the consumer

The consumer even more often uses Airports Vantaa and Лаппеенранта. However to Crimea it while is inaccessible to flight..

- Therefore accessible cost of Tickets to Crimea 26000 roubles.
  - For example Paris 5000 Peking 10000. Sochis 9000. roubles.

Draw conclusions sirs!

#### \* The reference to a source of the information

## Key metricss

- On what the project earns or plans to earn?
  - On transportation of tourists
  - Destitution (a way to the final buyer):

Through construction system of direct sales round of services with use the Internet and construction of own network and partners on business.

- we agree with independent networks by sale of a full complex of services without intermediaries.
  - How plan to keep competitive advantage?
- Have come in the register of tour operators № MTB 013309.4 we can work without their participation. Have received the right To carry tourists from China without the visa Having own aircraft.

### Creation of regional airline.

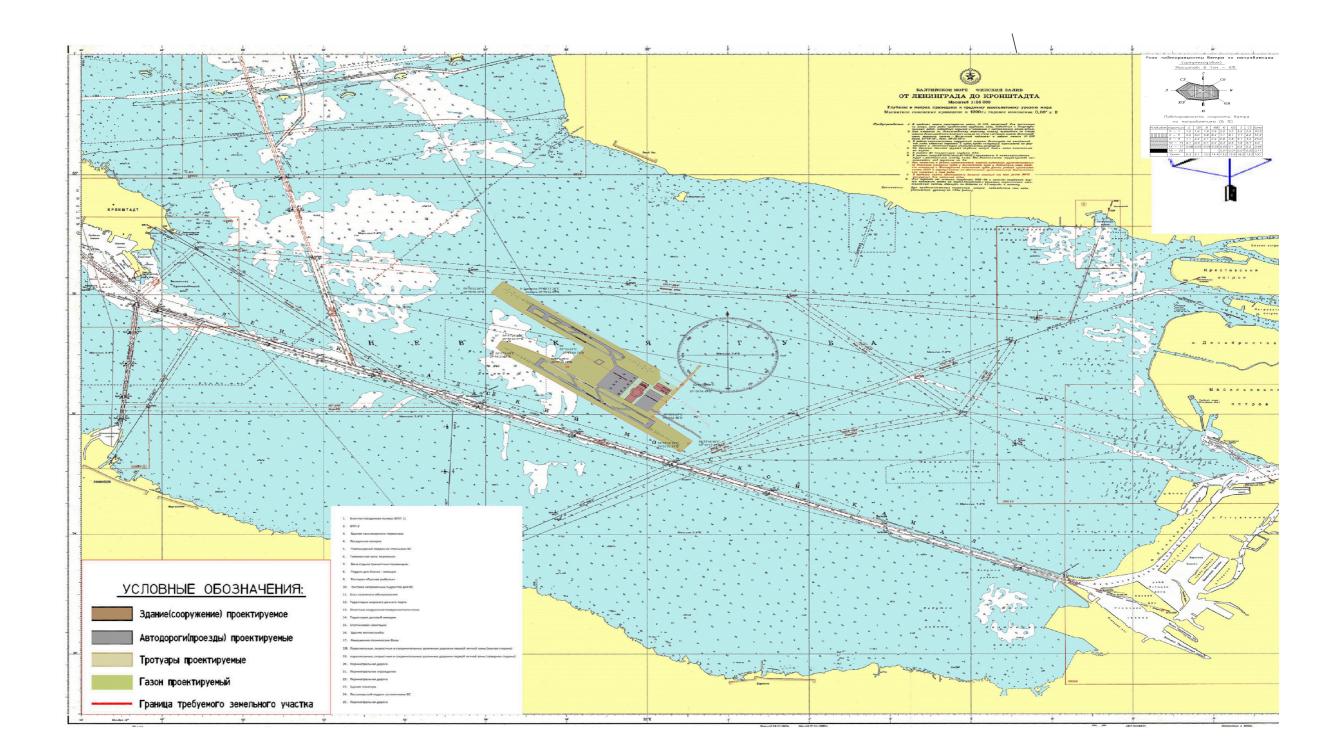
Creation On the basis of Airport Lappeenranta Finnish airline ' AirLen OY ' Already spoke, that Is necessary for development In Lappeenrantaå and creations Hab and the Center local airlines. Creation of new airline is especial. We have experience of creation and have spent many means what to begin flights, I therefore want to offer the experience saved up for 20 years Open Joint-stock the Society " Russian airline ERLEN " (AIRLEN Russian airlines) "

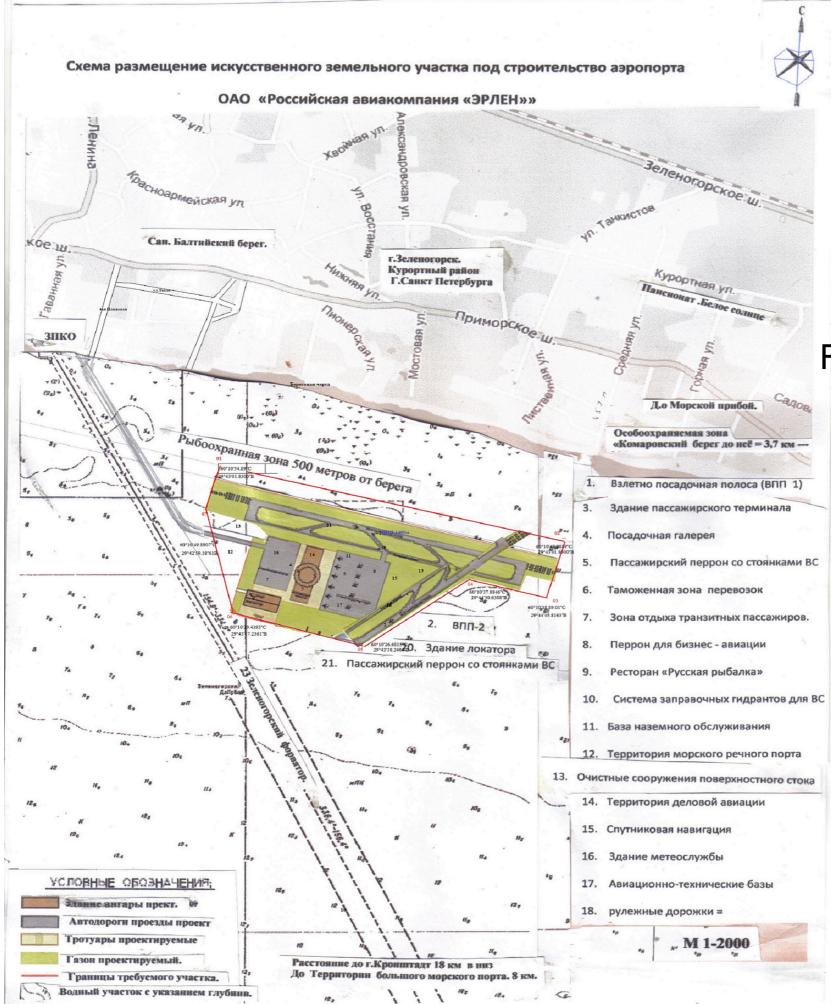
The open Society "AIRLEN" the Russian airline is registered in Petersburg on August, 2, 1991 (per. ÀÎL - 274). In the form of the Joint Russian Finnish enterprise, the decision of chamber of registration Mer of Saint Petersburg, for N-48351 since August, 02 1996r. on December, 102001 decision № 261427 additions of registration and the Open joint-stock company "Russian airline "AIRLEN" is brought in the uniform state Register of legal persons For № In November, 102781026903515, 2002. IMNS Saint Petersburg

The company is registered in ICAO, had (a code -"LNA"). Now the Company has stopped flights from absence of a constant place of basing and has no any financial duties, in connection with monopoly .и politics of local authorities C-Петерберга Which cannot prevent to make to us Airport Lappeenrantu the second airport St-Peterberg.



During 7 years we coordinated the location of the airport in " Markizovo to a pool ". Analogue of the airport in Hong Kong





There is also an idea to construct on border of Petersburg regional airport Terijoki on shoaliness of gulf of Finland http://wn.com/terijoki http://terijoki.spb.ru/index.php3

For small planes. It will enable to fly to much numerical airports SZFO and also Finland, All is already almost coordinated.



The basic terminals will be under the basis (ground.) On a surface, only putting Gallery. That it will be essential, will reduce area water areas.



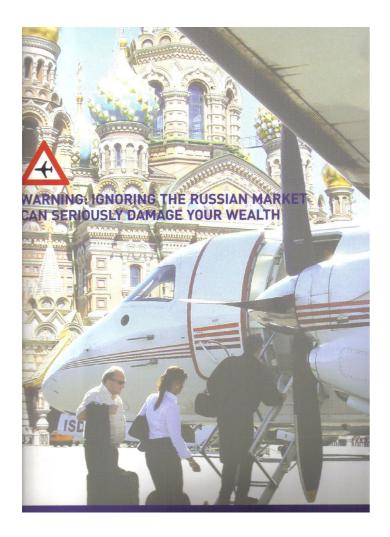
### There is an offer to use former military air stations Siverskaja (In a picture) and Belbek



Certainly, it is possible to find the ground under the airport far from Petersburg. In the Leningrad or Novgorod area. But expenses for drainage of bogs, moving of the population, the repayment of the grounds and creation of an infrastructure can increase cost of construction by the order. Also will demand time. But the main question in, whether passengers will go there?

At such statement of a question, it is easier to take nearby ready international airport "Lappeenranta". As the proverb speaks; - " That to us there is a house will construct at the neighbour we shall select.) Finns only will be glad. Only incomes will be received at all by other subject of Federation. And other country. That it already also makes. (airport Lappeenranta (LPP) transports 90 % of the Russian citizens. With the beginning of movement of high-speed train "Алегро" the volume of transportations of Airport " VANTAA " (HEL) has increased about 6 million passengers one year up to 13.

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### an aircraft depot

Under plane Super Dzhet-100 and MC-21. IL - 476 is the state program of subsidizing and solid financing of a product. The perspective Legislation in for Freely economic zone usiness dealing in Crimea.

But more profitable all A-320. And while SSJ-100 MC-21. IL - 476 Makes the decision of a problem the offer will buy A-320, and A-330

Today Open Society "Russia "has deduced(removed) Planes and well prepared Pilot structure A-320 A-330-200F. From the park the Sin to not take advantage of It

#### Exclusive Listing

2013 Airbus A320-214 – Factory New

Certification:	EASA / Stage III IAW / ICAO Annex 16
Landings:	0
Total Time:	0
S/N XXXX	





Макс. взлетный вес. кг

Макс. посадочный вес, кг Макс. вес самолета без то

Макс. коммерческая наг

Макс. запас топлива, кг

	(ISA, SL,	MTOW), M	1555	1005
		осадочной дистан- , SL, MLW), м	1323	1323
	Максим скорости	альная ь полета, М	0.81M	0.81M
истики	LRS std.	ть (98 пас. @100 кг, conditions), км	2950	4420
	SSJ100/95B	SSJ100/95LR		
	42520	45880		
r	39400	39400		
оплива, кг	36730	36730		
рузка, кг	12245	12245		
	9550	12690		

Длина взлетной дистанции

Летно-технические характеристики

SSJ100/95B

1535

SSJ100/95LF

1805

#### ENGINES

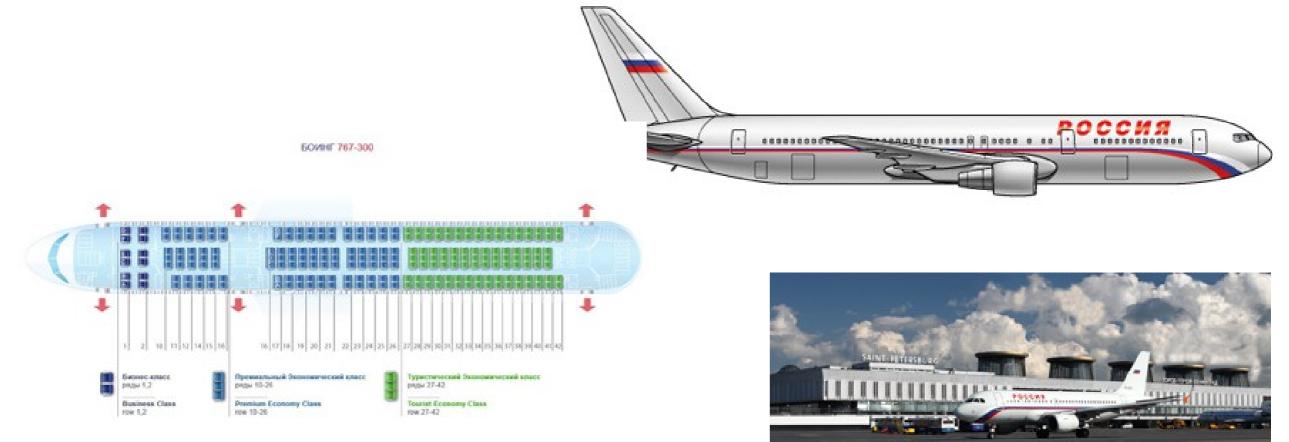
Make: CFM Left Engine S/N: N/A Right Engine S/N: N/A Model: CFM56-5B4/P Total Time: New Total Time: New

TBO: N/A Hrs. / Thrust: 27,000 Lbs. Cycles Since New: New Cycles Since New: New



It is offered to buy for the beginning Air court A-320 and A-330-200 and as Cargo court And 330-200F And Silt - 476 of km.

#### The optimum plane for flights to China and America.



#### it is necessary to create conditions for development of freight traffic By the modernized Russian plane Silt - 476

 The plane differs from Silt - 76 the new modified wing with application of lengthy panels of the caisson, new engines, modernized fuel and a control system, digital an aim - navigating complex and system of automatic control by plane, and as a new "glass" cabin (monitors executed with use -displays).





#### There is an offer to buy new planes A-320-214. That will allow us to use our branch in Chita with an output on the huge market of China

#### **Exclusive Listing**

#### 2013 Airbus A320-214 - Factory New

#### S/N XXXX

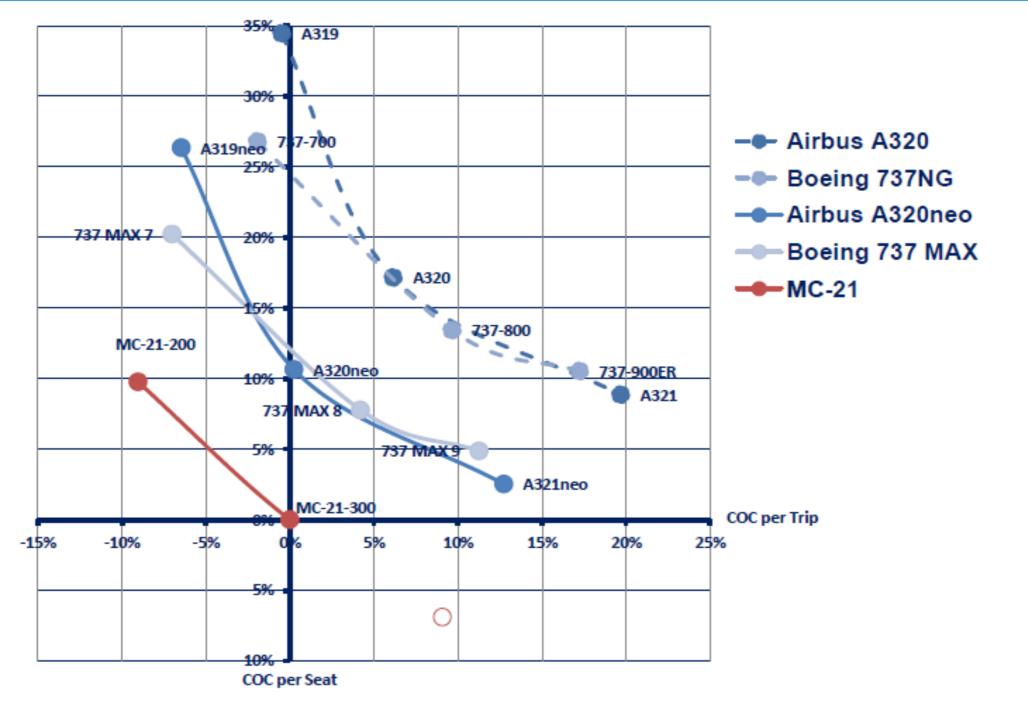
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### Снижение операционных расходов



СОС на кресло MC-21 меньше на 12% чем у сегодняшних самолетов и на 6 % ремоторизированных (MAX, NEO)



## Business - model of passenger transportations

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1. The company is focused exclusively on inhabitants, (in radius 200км their 10 million) as a rule, on travellers, or on those who did not presume tickets aboard the plane And also on transit passengers earlier.

2. ticket offices and Partner-intermediaries on sales of tickets are not present. All sales are carried out only through the Internet.

3. parking at the airport. Planes of the company carry out(spend) in air, on the average, more than 14 hours per day (an average indice for air carriers - 8 hours).

4. long procedures on unloadings and loadings of passengers. The average time necessary on a unloading and loading of passengers makes 23 minutes (an average indice for air carriers - 90 minutes).

5. the large airports. All flights are carried out from the small airports outside large cities, instead of from the central hubs.

6. many employees. Work on temporarily , for example in company RYANAIR 4000 employees annual quantity(amount) of passengers work exceeds 70 million person (for comparison, in company " Aeroflot " 15000 employees on 5 million transported passengers work).

The copied, modified and making a profit business - model, is better than anyone unique, but unchecked practice. Therefore for a basis we shall take the Example of a pattern of business - model of company RYANAIR And "Victory"

## Strategy of development

The basic purpose of the project, demonopolization of the market of an air transport. Promotion of development Konkurent capable airport Belbek in SeVostopol to the Western Europe. Creation on its base of a hub and development of his(its) infrastructure, introduction on the market of the newest planes of Russian and other manufacture. Which purpose is;

- Creations highly qualitative the transport bridge between Europe, China and the USA and the Crimean peninsula..
- Rise of the economic social status of region Crimea..
- Development of tourist business with China Introduction on the market of the newest Russian planes An-148 and after SSJ-100 MC-21. And as in the long term A-350
- That is why we have divided(shared) the plans on some namely;

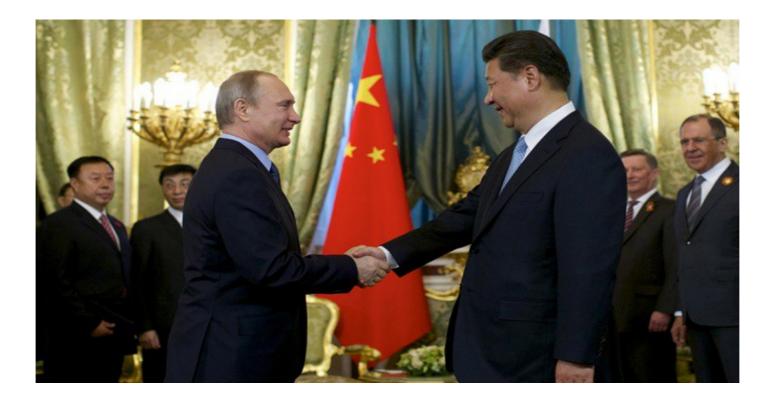
Key points in development of the project. Creation of system of sales of Airtransportations and accompanying services.

The plan And the Beginning of flights on A-330 and A320 With the purpose to delivery of tourists of visas of China To Petersburg, Yaroslavl of Sochi and Crimea. And for transit across Europe. By plane A-320 under the Russian Flag. Reception Certificate Эксплуатанта of general purpose aircraft AOH for transportation of the tourists

The plan In With reception of the certificate эксплуатанта performance of flights from northern cities of Russia. On A-320 and the Beginning of regular flights on. SSJ-100 And MC-21

# Russia and China want to create the general(common) economic space

Visit of the leader of Chinese People's Republic Ci Dzinpina to Russia appeared rather fruitful: the set of documents on a deepening of cooperation is signed in the field of trade and economy.



 The Russian fund of direct investments, Russian - Chinese investment fund (PKИΦ) and one of the largest banks of Chinese People's Republic China Construction Bank (CCB) have signed the agreement on creation of the mechanism which will allow to increase crediting of the companies of the Russian Federation by the Chinese banks in times.

#### Marketing plan - output on the Chinese market CHINA IT

Создание комфортной среды пребывания для китайских туристов означает охват

всего спектра индустрии туризма и гостеприимства:



комфортное прохождение границы, в том числе по безвизовым спискам

> получение качественных туристических услуг в средствах размещения, объектах показа, торговых центрах и ресторанах



получение высокого уровня сервиса и общение с персоналом, владеющим навыками работы с туристами из Китая и понимающим их потребности

> обеспечение безопасности туризма и урегулирование чрезвычайных ситуа в случае возникновения страхового слу

#### <u>китай - это:</u>

### место > 1367 499 000 по численности населения в мире

## Mecto > 107 000 000

в мире среди всех путешествующих стран и наций жителей КНР отправились в заграничные поездки в 2014 году

место ) 16480 в мировом рейтинге расходов во время туристических поездок

китайские путешественники потратили в путешествиях за рубеж в 2014 году

Место по въездному туризму в Россию

туристов из Китая посетили нашу страну за 2014 год

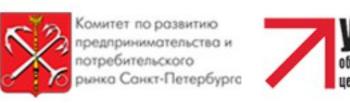
## LOCATION OF CHINA ZHUHAI AVIATON INDUSTRIAL PARK



Creation of Holding in Hong Kong. One of key priorities of the company. Holding BO3MET on itself all that is shown on the right - investment, management Servicing and training of the personnel And also management and construction of the airports in Russia.







# **Command(Team)**

- Besides our airline Wants to invite the Chinese stewardesses And also skilled commanders and the mechanic in the structure.
- "airline "Russia "has decided to reduce 300 employees. It is informed, that pilots and aircraft technicians fall under dismissal. Refuses operation of three x liners Boeing 767-300. To is They release the market for us.
- Pilot the structure passes procedure dismissal. They numbers(lines, beside) of our airline are dismissed about 50 pilots finished(stopped) training aboard the plane A-320 will fill up
- Show, why it is a team the project to will lead success.
- Because highly professional staff and them it is not necessary to prepare for it, years are spent for its preparation and hundred millions roubles.

## Investment

•the current sources of financing Increase in the Authorized capital with attraction of new shareholders.

- •Creation of affiliated company in Crimea And Hong Kong
- •The government of Crimea and other investors.
- •Investments into purchase of planes under a guarantee www.exiar.ru Russian Venture fund and fund of direct investments and also a pledge of planes and Preference the Governments of the Russian Federation
- •(new proprietors, business angels, investors, grants are possible probable). Returnable leasing.)
- •I not in that position to dictate conditions to the investor. Therefore I shall take part and it is ready to consider any offers of the investor.



## The current stage of the project



- At what stage of realization is.
- It is possible to name its prototype A\K "Victory" and an output on the market, new airline about continuation of working business a/κ (Russia) But aerofleet is afraid of sanctions. And of that are afraid to us?
- Any useful metricss of the project are lead(carried out) negotiations;
- With and Corporation Irkut. And GSS. Firm Sukhoy.
- With Vnescheconombank.и Gazprombank
- The offer is sent to the government of Saint Petersburg of Crimea and Sevastopol.
- With the Chinese party at which dynamics changes) of change of quantity amount) of tourists, and parameters of activity of the company grows.
- The nearest steps
- Participation in At a meeting in Crimea For development of the Crimean direction.
- The further negotiations with the Chinese party are appointed.
- Trip On air show MAKS and signing of contracts...
- Your current needs requirements). It is necessary support of the government of Crimea and participation ST.Petersburg. And also the governments of Finland and China.

## Финь-speak. " It is not necessary to be great to start- It is necessary to begin to become great. " So let's begin!

Сrisis on - китайски - ПП (вэйцзи). It, perhaps, one of the most known Chinese words, consisting of two hieroglyphs which can be treated as "danger and an opportunity". By the way, amusing concurrence - other often value of one of П(ц з и) - "the machine; the device, the mechanism, the plane ".

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