

PEGASUS HAVA TAŞIMACILIĞI A.Ş.
Financial Report
Consolidated
2018 - 3. 3 Monthly Notification

General Information About Financial Statements

Statement of Financial Position (Balance Sheet)

| | |
|--------------------------------|--------------|
| Presentation Currency | TL |
| Nature of Financial Statements | Consolidated |

| | Footnote Reference | Current Period 30.09.2018 | Previous Period 31.12.2017 |
|---|--------------------|------------------------------|-------------------------------|
| Statement of Financial Position (Balance Sheet) | | | |
| Assets [abstract] | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 26 | 3.436.659.515 | 1.988.110.247 |
| Trade Receivables | 6 | 610.904.419 | 187.401.375 |
| Trade Receivables Due From Unrelated Parties | | 610.904.419 | 187.401.375 |
| Other Receivables | | 328.617.968 | 109.210.842 |
| Other Receivables Due From Related Parties | 5 | 3.137.003 | 1.733.767 |
| Other Receivables Due From Unrelated Parties | | 325.480.965 | 107.477.075 |
| Derivative Financial Assets | 21 | 130.391.137 | 31.979.841 |
| Inventories | | 56.408.104 | 30.803.253 |
| Prepayments | 7 | 909.961.498 | 725.431.742 |
| Current Tax Assets | | 0 | 9.418.493 |
| Other current assets | | 17.362.565 | 14.476.253 |
| SUB-TOTAL | | 5.490.305.206 | 3.096.832.046 |
| Total current assets | | 5.490.305.206 | 3.096.832.046 |
| NON-CURRENT ASSETS | | | |
| Other Receivables | | 23.989.672 | 19.154.041 |
| Other Receivables Due From Unrelated Parties | | 23.989.672 | 19.154.041 |
| Investments accounted for using equity method | 3 | 41.817.174 | 29.144.259 |
| Property, plant and equipment | 8 | 9.509.330.628 | 4.662.521.058 |
| Intangible assets and goodwill | 9 | 47.024.000 | 24.488.486 |
| Prepayments | 7 | 392.654.410 | 255.931.627 |
| Total non-current assets | | 10.014.815.884 | 4.991.239.471 |
| Total assets | | 15.505.121.090 | 8.088.071.517 |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Current Borrowings | 22 | 575.059.202 | 541.267.652 |
| Current Portion of Non-current Borrowings | 22 | 771.235.522 | 355.987.254 |
| Trade Payables | 6 | 812.652.674 | 393.710.155 |
| Trade Payables to Related Parties | 5 | 715.728 | 764.389 |
| Trade Payables to Unrelated Parties | | 811.936.946 | 392.945.766 |
| Employee Benefit Obligations | | 54.811.887 | 47.977.139 |
| Other Payables | | 70.772.285 | 44.161.520 |
| Other Payables to Unrelated Parties | | 70.772.285 | 44.161.520 |
| Deferred Income | 7 | 730.877.506 | 415.447.882 |
| Current tax liabilities, current | | 4.587.247 | 0 |
| Current provisions | | 93.562.594 | 63.993.481 |
| Current provisions for employee benefits | | 78.207.014 | 48.679.796 |
| Other current provisions | | 15.355.580 | 15.313.685 |
| Other Current Liabilities | | 6.547.198 | 1.205.896 |
| SUB-TOTAL | | 3.120.106.115 | 1.863.750.979 |
| Total current liabilities | | 3.120.106.115 | 1.863.750.979 |
| NON-CURRENT LIABILITIES | | | |
| Long Term Borrowings | 22 | 5.970.520.688 | 2.711.225.518 |
| Deferred Income | | 3.481.714 | 7.379.754 |
| Non-current provisions | | 1.183.844.948 | 626.518.465 |
| Non-current provisions for employee benefits | | 21.470.616 | 13.638.842 |
| Other non-current provisions | | 1.162.374.332 | 612.879.623 |
| Deferred Tax Liabilities | | 698.338.757 | 394.558.595 |
| Total non-current liabilities | | 7.856.186.107 | 3.739.682.332 |
| Total liabilities | | 10.976.292.222 | 5.603.433.311 |
| EQUITY | | | |
| Equity attributable to owners of parent | | 4.562.973.890 | 2.505.869.714 |
| Issued capital | 14 | 102.272.000 | 102.272.000 |
| Share Premium (Discount) | | 455.687.025 | 455.687.025 |
| Effects of Business Combinations Under Common Control | | 29.504.957 | 29.504.957 |
| Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss | | 2.502.656.054 | 1.075.745.751 |
| | | | |

| | | | |
|---|--|----------------|---------------|
| Gains (Losses) on Revaluation and Remeasurement | | -3.305.232 | -3.305.232 |
| Gains (Losses) on Remeasurements of Defined Benefit Plans | | -3.305.232 | -3.305.232 |
| Exchange Differences on Translation | | 2.505.961.286 | 1.079.050.983 |
| Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss | | -16.383.932 | -20.165.944 |
| Exchange Differences on Translation | | -123.631.162 | -43.927.223 |
| Gains (Losses) on Hedge | | 107.247.230 | 23.761.279 |
| Restricted Reserves Appropriated From Profits | | 5.016.306 | 5.016.306 |
| Prior Years' Profits or Losses | | 839.053.617 | 355.561.802 |
| Current Period Net Profit Or Loss | | 645.167.863 | 502.247.817 |
| Non-controlling interests | | -34.145.022 | -21.231.508 |
| Total equity | | 4.528.828.868 | 2.484.638.206 |
| Total Liabilities and Equity | | 15.505.121.090 | 8.088.071.517 |

Statement of Profit or Loss and Other Comprehensive Income

| | |
|--------------------------------|--------------|
| Presentation Currency | TL |
| Nature of Financial Statements | Consolidated |

| | Footnote Reference | Current Period 01.01.2018 - 30.09.2018 | Previous Period 01.01.2017 - 30.09.2017 | Current Period 3 Months 01.07.2018 - 30.09.2018 | Previous Period 3 Months 01.07.2017 - 30.09.2017 |
|--|--------------------|--|---|--|---|
| Statement of Profit or Loss and Other Comprehensive Income | | | | | |
| PROFIT (LOSS) | | | | | |
| Revenue | 15 | 6.243.781.039 | 4.162.118.008 | 3.351.381.307 | 2.052.853.486 |
| Cost of sales | 15 | -4.970.600.145 | -3.398.938.437 | -2.219.703.840 | -1.277.784.601 |
| GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS | | 1.273.180.894 | 763.179.571 | 1.131.677.467 | 775.068.885 |
| GROSS PROFIT (LOSS) | | 1.273.180.894 | 763.179.571 | 1.131.677.467 | 775.068.885 |
| General Administrative Expenses | 16 | -182.470.214 | -128.330.649 | -72.966.039 | -44.624.529 |
| Marketing Expenses | 16 | -183.655.623 | -133.140.446 | -72.285.778 | -48.164.762 |
| Other Income from Operating Activities | 17 | 903.382 | 58.299.523 | 254.642 | 42.195.312 |
| Other Expenses from Operating Activities | 17 | -126.260.954 | -3.836.503 | -224.471.870 | -871.621 |
| PROFIT (LOSS) FROM OPERATING ACTIVITIES | | 781.697.485 | 556.171.496 | 762.208.422 | 723.603.285 |
| Investment Activity Income | 18 | 28.330.672 | 142.498.427 | 4.737.770 | -1.402.586 |
| Share of Profit (Loss) from Investments Accounted for Using Equity Method | 3 | 8.900.835 | 3.347.932 | 5.614.584 | 883.961 |
| PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE) | | 818.928.992 | 702.017.855 | 772.560.776 | 723.084.660 |
| Finance income | 19 | 90.404.988 | 25.955.935 | 47.194.611 | 15.025.871 |
| Finance costs | 19 | -173.562.367 | -89.645.365 | -3.843.551 | -57.788.917 |
| PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX | | 735.771.613 | 638.328.425 | 815.911.836 | 680.321.614 |
| Tax (Expense) Income, Continuing Operations | | -92.377.060 | -146.166.358 | -72.782.472 | -141.850.070 |
| Current Period Tax (Expense) Income | | -18.358.293 | -5.759.446 | -18.358.293 | -5.759.446 |
| Deferred Tax (Expense) Income | | -74.018.767 | -140.406.912 | -54.424.179 | -136.090.624 |
| PROFIT (LOSS) FROM CONTINUING OPERATIONS | | 643.394.553 | 492.162.067 | 743.129.364 | 538.471.544 |
| PROFIT (LOSS) | | 643.394.553 | 492.162.067 | 743.129.364 | 538.471.544 |
| Profit (loss), attributable to [abstract] | | | | | |
| Non-controlling Interests | | -1.773.310 | -2.030.232 | 723.925 | 1.708.363 |
| Owners of Parent | | 645.167.863 | 494.192.299 | 742.405.439 | 536.763.181 |
| Earnings per share [abstract] | | | | | |
| Earnings per share [line items] | | | | | |
| Basic earnings per share | | | | | |
| Basic Earnings (Loss) Per Share from Continuing Operations | | | | | |
| | 20 | 6,30835285 | 4,83213684 | 7,25912702 | 5,24838842 |
| Diluted Earnings Per Share | | | | | |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Other Comprehensive Income that will not be Reclassified to Profit or Loss | | 1.415.770.099 | 238.198.369 | 1.086.108.472 | 97.216.864 |
| Exchange Differences on Translation | | 1.415.770.099 | 238.198.369 | 1.086.108.472 | 97.216.864 |
| Other Comprehensive Income That Will Be Reclassified to Profit or Loss | | 3.782.012 | 4.342.442 | -6.592.041 | 21.649.524 |
| Exchange Differences on Translation | | -79.703.939 | 0 | -51.066.752 | 0 |
| Other Comprehensive Income (Loss) Related with Cash Flow Hedges | | 94.859.644 | 5.428.052 | 44.083.654 | 27.061.905 |
| Gains (Losses) on Cash Flow Hedges | | 94.859.644 | 5.428.052 | 44.083.654 | 27.061.905 |
| Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss | | -11.373.693 | -1.085.610 | 391.057 | -5.412.381 |
| Deferred Tax (Expense) Income | | -11.373.693 | -1.085.610 | 391.057 | -5.412.381 |
| OTHER COMPREHENSIVE INCOME (LOSS) | | 1.419.552.111 | 242.540.811 | 1.079.516.431 | 118.866.388 |
| TOTAL COMPREHENSIVE INCOME (LOSS) | | 2.062.946.664 | 734.702.878 | 1.822.645.795 | 657.337.932 |
| Total Comprehensive Income Attributable to | | | | | |
| Non-controlling Interests | | -12.913.514 | -2.105.400 | -6.341.211 | 1.390.187 |
| Owners of Parent | | 2.075.860.178 | 736.808.278 | 1.828.987.006 | 655.947.745 |

Statement of cash flows (Indirect Method)

| | |
|--------------------------------|--------------|
| Presentation Currency | TL |
| Nature of Financial Statements | Consolidated |

| | Footnote Reference | Current Period 01.01.2018 - 30.09.2018 | Previous Period 01.01.2017 - 30.09.2017 |
|---|--------------------|---|--|
| Statement of cash flows (Indirect Method) | | | |
| CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES | | 996.269.748 | 1.051.268.878 |
| Profit (Loss) | | 643.394.553 | 492.162.067 |
| Profit (Loss) from Continuing Operations | | 643.394.553 | 492.162.067 |
| Adjustments to Reconcile Profit (Loss) | | 783.140.269 | 512.848.669 |
| Adjustments for depreciation and amortisation expense | 8-9 | 371.594.567 | 248.153.946 |
| Adjustments for Impairment Loss (Reversal of Impairment Loss) | | 191.896 | 2.242.087 |
| Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables | | 191.896 | 2.242.087 |
| Adjustments for provisions | | 269.610.474 | 185.708.749 |
| Adjustments for (Reversal of) Provisions Related with Employee Benefits | | 66.685.402 | 47.607.579 |
| Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions | | 823.197 | 3.118.226 |
| Adjustments for (Reversal of) Restructuring Provisions | 11-17 | 54.764.816 | |
| Adjustments for (Reversal of) Provisions Arised From Sectoral Requirements | | 147.337.059 | 134.982.944 |
| Adjustments for Interest (Income) Expenses | 19 | 84.154.211 | 54.078.837 |
| Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method | 3 | -8.900.835 | -3.347.932 |
| Adjustments for Tax (Income) Expenses | | 92.377.060 | 146.166.358 |
| Other adjustments for which cash effects are investing or financing cash flow | | -25.887.104 | -120.153.376 |
| Changes in Working Capital | | -397.948.388 | 50.276.142 |
| Adjustments for decrease (increase) in trade accounts receivable | | -423.577.222 | -264.375.990 |
| Adjustments for Decrease (Increase) in Other Receivables Related with Operations | | -631.106.204 | 89.625.482 |
| Adjustments for decrease (increase) in inventories | | -25.604.851 | -2.685.898 |
| Adjustments for increase (decrease) in trade accounts payable | | 418.942.519 | 68.689.837 |
| Adjustments for increase (decrease) in other operating payables | | 263.397.370 | 159.022.711 |
| Cash Flows from (used in) Operations | | 1.028.586.434 | 1.055.286.878 |
| Payments Related with Provisions for Employee Benefits | | -32.288.151 | -3.967.391 |
| Payments Related with Other Provisions | | -28.535 | -50.609 |
| CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES | | -285.049.251 | 294.278.429 |
| Cash Outflows from Purchase of Additional Shares of Subsidiaries | | 0 | -4.725.720 |
| Proceeds from sales of property, plant, equipment and intangible assets | | 107.669.942 | 588.880.815 |
| Purchase of Property, Plant, Equipment and Intangible Assets | | -200.458.942 | -73.022.065 |
| Cash advances and loans made to other parties | | -192.260.251 | -216.854.601 |
| CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES | | -676.580.400 | -65.518.541 |
| Proceeds from borrowings | | 423.727.650 | 461.773.001 |
| Repayments of borrowings | | -661.693.250 | |
| Payments of Finance Lease Liabilities | | -360.376.626 | -472.585.756 |
| Interest paid | | -162.971.550 | -78.519.774 |
| Interest Received | | 84.733.376 | 23.813.988 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES | | 34.640.097 | 1.280.028.766 |
| Effect of exchange rate changes on cash and cash equivalents | | 1.413.909.171 | -149.263.627 |
| Net increase (decrease) in cash and cash equivalents | | 1.448.549.268 | 1.130.765.139 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 26 | 1.988.110.247 | 692.270.625 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 26 | 3.436.659.515 | 1.823.035.764 |

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|---|--|-------------|-------------|-------------|------------|---------------|-------------|------------|-----------|-----------|-------------|--------------|---------------|---------------|---------------|---------------|
| Previous Period 01.01.2017 - 30.09.2017 | Statement of changes in equity (abstract) | | | | | | | | | | | | | | | |
| | Statement of changes in equity (line items) | | | | | | | | | | | | | | | |
| | Equity at beginning of period | | 102.272.000 | 455.687.025 | 29.504.957 | -3.305.232 | 638.375.994 | 0 | 291.850 | | 5.016.306 | 481.327.846 | -133.730.835 | 1.575.439.911 | -6.118.566 | 1.569.321.345 |
| | Adjustments Related to Accounting Policy Changes | | | | | | | | | | | | | | | |
| | Adjustments Related to Required Changes in Accounting Policies | | | | | | | | | | | | | | | |
| | Adjustments Related to Voluntary Changes in Accounting Policies | | | | | | | | | | | | | | | |
| | Adjustments Related to Errors | | | | | | | | | | | | | | | |
| | Other Restatements | | | | | | | | | | | | | | | |
| | Restated Balances | | | | | | | | | | | | | | | |
| | Transfers | | | | | | | | | | | -133.730.835 | 133.730.835 | 0 | | 0 |
| | Total Comprehensive Income (Loss) | | | | | | 238.273.537 | 0 | 4.342.442 | | | | 494.192.299 | 736.808.278 | -2.105.400 | 734.702.878 |
| | Profit (loss) | | | | | | | | | | | | | | | |
| | Other Comprehensive Income (Loss) | | | | | | | | | | | | | | | |
| | Issue of equity | | | | | | | | | | | | | | | |
| | Capital Decrease | | | | | | | | | | | | | | | |
| | Capital Advance | | | | | | | | | | | | | | | |
| | Effect of Merger or Liquidation or Division | | | | | | | | | | | | | | | |
| | Effects of Business Combinations Under Common Control | | | | | | | | | | | | | | | |
| | Advance Dividend Payments | | | | | | | | | | | | | | | |
| | Dividends Paid | | | | | | | | | | | | | | | |
| | Decrease through Other Distributions to Owners | | | | | | | | | | | | | | | |
| | Increase (Decrease) through Treasury Share Transactions | | | | | | | | | | | | | | | |
| | Increase (Decrease) through Share-Based Payment Transactions | | | | | | | | | | | | | | | |
| | Acquisition or Disposal of a Subsidiary | | | | | | | | | | | | | | | |
| | Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity | | | | | | | | | | | | | | | |
| | Transactions with noncontrolling shareholders | | | | | | | | | | | 7.964.791 | | 7.964.791 | -12.690.511 | -4.725.720 |
| | Increase through Other Contributions by Owners | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Cash Flow Hedges and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Change in Value of Time Value of Options and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Change in Value of Forward Elements of Forward Contracts and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Change in Value of Foreign Currency Basis Spreads and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Increase (decrease) through other changes, equity | | | | | | | | | | | | | | | |
| | Equity at end of period | | 102.272.000 | 455.687.025 | 29.504.957 | -3.305.232 | 876.649.531 | 0 | 4.634.292 | | 5.016.306 | 355.561.802 | 494.192.299 | 2.320.212.980 | -20.914.477 | 2.299.298.503 |
| Statement of changes in equity (abstract) | | | | | | | | | | | | | | | | |
| Statement of changes in equity (line items) | | | | | | | | | | | | | | | | |
| Equity at beginning of period | | 102.272.000 | 455.687.025 | 29.504.957 | -3.305.232 | 1.079.050.983 | -43.927.223 | 23.761.279 | | 5.016.306 | 355.561.802 | 502.247.817 | 2.505.869.714 | -21.231.508 | 2.484.638.206 | |
| Adjustments Related to Accounting Policy Changes | | | | | | | | | | | -18.756.002 | | -18.756.002 | | -18.756.002 | |
| Adjustments Related to Required Changes in Accounting Policies | | | | | | | | | | | | | | | | |
| Adjustments Related to Voluntary Changes in Accounting Policies | | | | | | | | | | | | | | | | |
| Adjustments Related to Errors | | | | | | | | | | | | | | | | |
| Other Restatements | | | | | | | | | | | | | | | | |
| Restated Balances | | 102.272.000 | 455.687.025 | 29.504.957 | -3.305.232 | 1.079.050.983 | -43.927.223 | 23.761.279 | | 5.016.306 | 336.805.800 | 502.247.817 | 2.487.113.712 | -21.231.508 | 2.465.882.204 | |
| Transfers | | | | | | | | | | | 502.247.817 | -502.247.817 | 0 | 0 | 0 | |
| Total Comprehensive Income (Loss) | | | | | | 1.426.910.303 | -79.703.939 | 83.485.951 | | 0 | 0 | 645.167.863 | 2.075.860.178 | -12.913.514 | 2.062.946.664 | |
| Profit (loss) | | | | | | | | | | | | | | | | |
| Other Comprehensive Income (Loss) | | | | | | | | | | | | | | | | |
| Issue of equity | | | | | | | | | | | | | | | | |
| Capital Decrease | | | | | | | | | | | | | | | | |
| Capital Advance | | | | | | | | | | | | | | | | |
| Effect of Merger or Liquidation or Division | | | | | | | | | | | | | | | | |
| Effects of Business Combinations Under Common Control | | | | | | | | | | | | | | | | |
| Advance Dividend Payments | | | | | | | | | | | | | | | | |
| Dividends Paid | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | |
|---|--|--|-------------|-------------|------------|------------|---------------|--------------|-------------|--|-----------|-------------|-------------|---------------|-------------|---------------|
| Current Period 01.01.2018 - 30.09.2018 | | | | | | | | | | | | | | | | |
| | Decrease through Other Distributions to Owners | | | | | | | | | | | | | | | |
| | Increase (Decrease) through Treasury Share Transactions | | | | | | | | | | | | | | | |
| | Increase (Decrease) through Share-Based Payment Transactions | | | | | | | | | | | | | | | |
| | Acquisition or Disposal of a Subsidiary | | | | | | | | | | | | | | | |
| | Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity | | | | | | | | | | | | | | | |
| | Transactions with noncontrolling shareholders | | | | | | | | | | 0 | | 0 | | 0 | 0 |
| | Increase through Other Contributions by Owners | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Cash Flow Hedges and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Change in Value of Time Value of Options and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Change in Value of Forward Elements of Forward Contracts and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Amount Removed from Reserve of Change in Value of Foreign Currency Basis Spreads and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied | | | | | | | | | | | | | | | |
| | Increase (decrease) through other changes, equity | | | | | | | | | | | | | | | |
| | Equity at end of period | | 102.272.000 | 455.687.025 | 29.504.957 | -3.305.232 | 2.505.961.286 | -123.631.162 | 107.247.230 | | 5.016.306 | 839.053.617 | 645.167.863 | 4.562.973.890 | -34.145.022 | 4.528.828.868 |