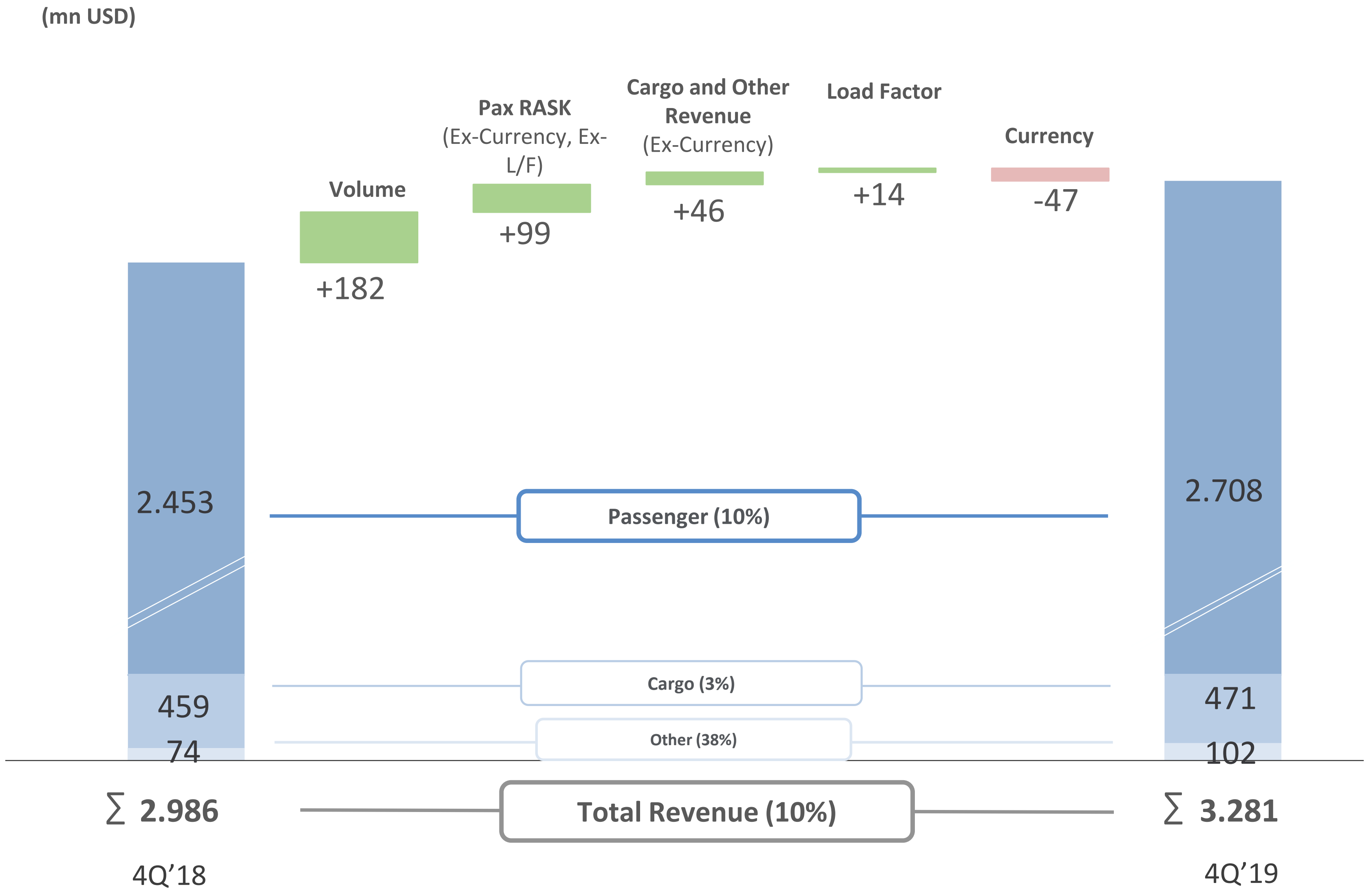
4Q'19 RESULTS SUMMARY

Key Financial Data

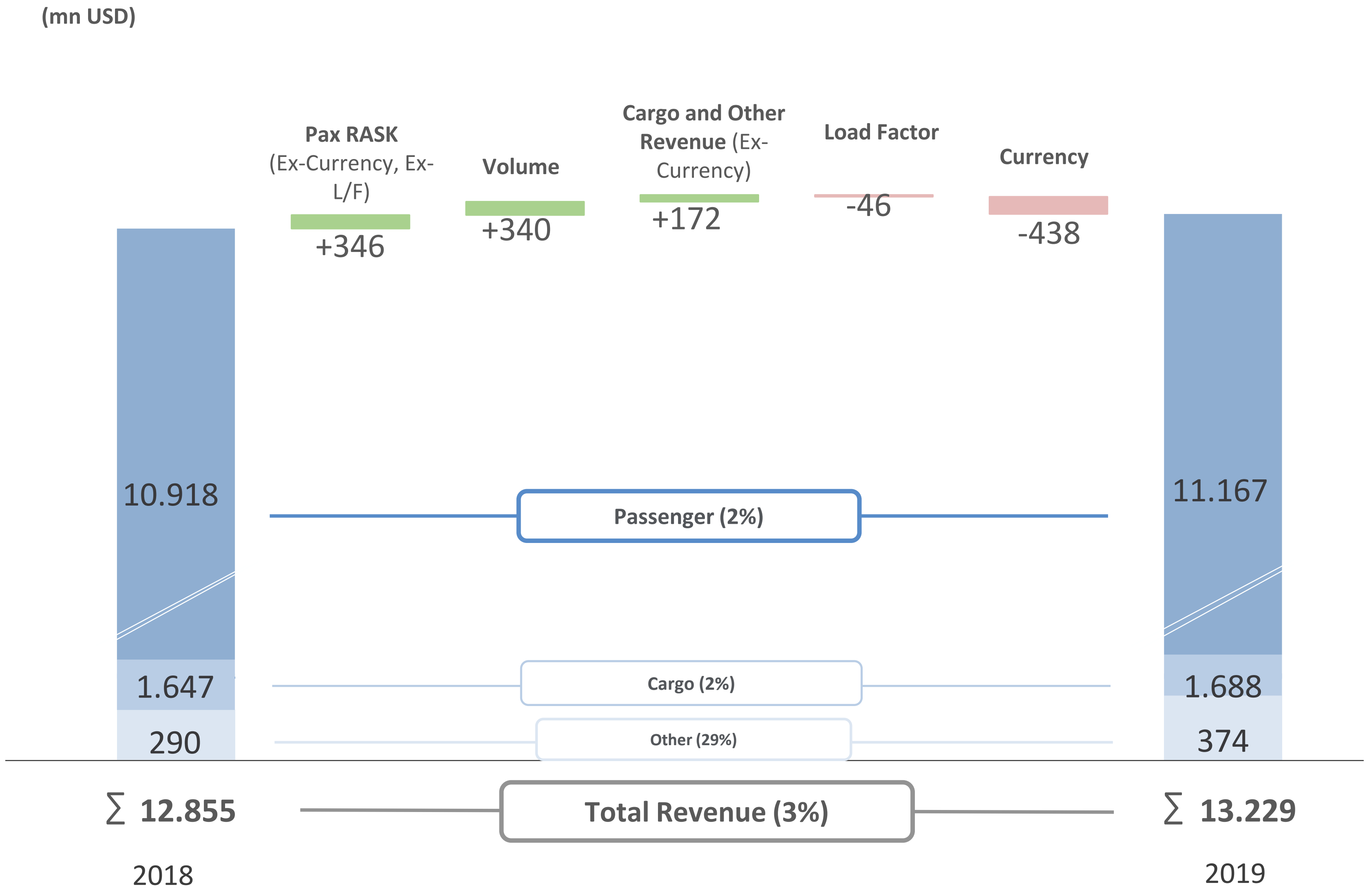
4Q'18	4Q'19	Change	(USD mn)	2018	2019	Change	IFRS16 Impact
2.986	3.281	9,9%	**Revenue**	12.855	13.229	2,9%	
2.453	2.708	10,4%	Passenger Revenue	10.918	11.167	2,3%	
459	471	2,6%	Cargo Revenue	1.647	1.688	2,5%	
3	137	4466,7%	**Net Operating Profit / Loss**	1.169	585	-50,0%	+38
42	336	700,0%	**Profit From Main Operations**	1.191	876	-26,4%	+38
-2	336	-	**Net Income**	753	788	4,6%	-19
-0,1%	10,2%	10,3 pt	Net Income Margin	5,9%	6,0%	0,1 pt	
576	892	54,9%	**EBITDAR**	3.349	3.107	-7,2%	+17
19,3%	27,2%	7,9 pt	EBITDAR Margin	26,0%	23,5%	-2,6 pt	

Total Operating Lease Liabilities on Balance Sheet: 1.527

Revenue Development (4Q'18 vs 4Q'19)

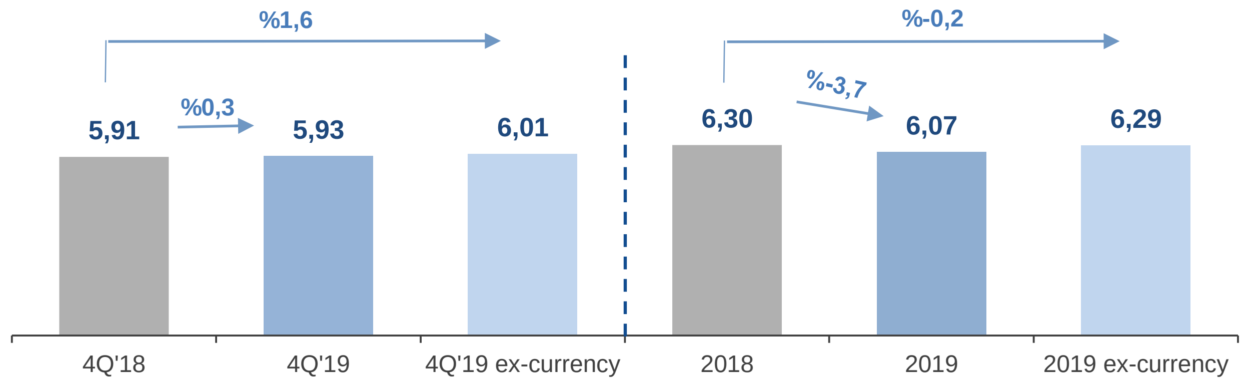


Revenue Development (2018 vs 2019)

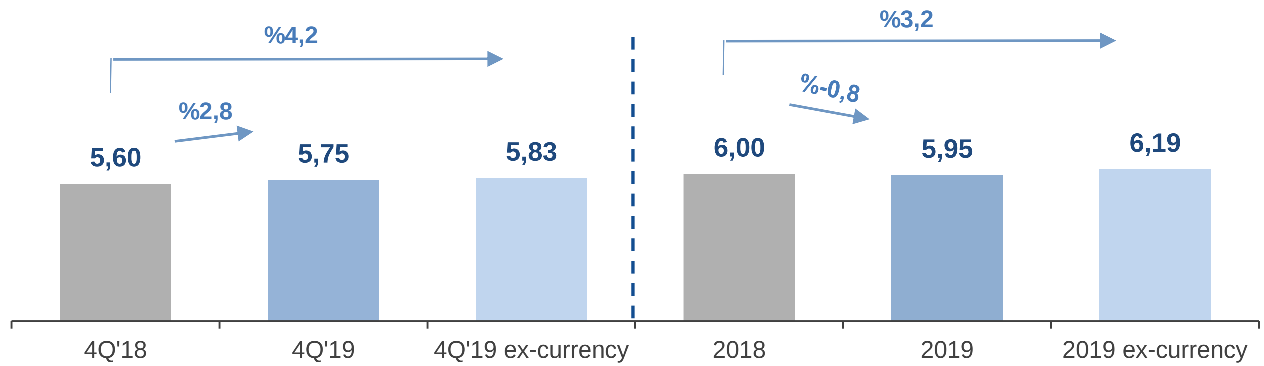


Unit Revenue Development

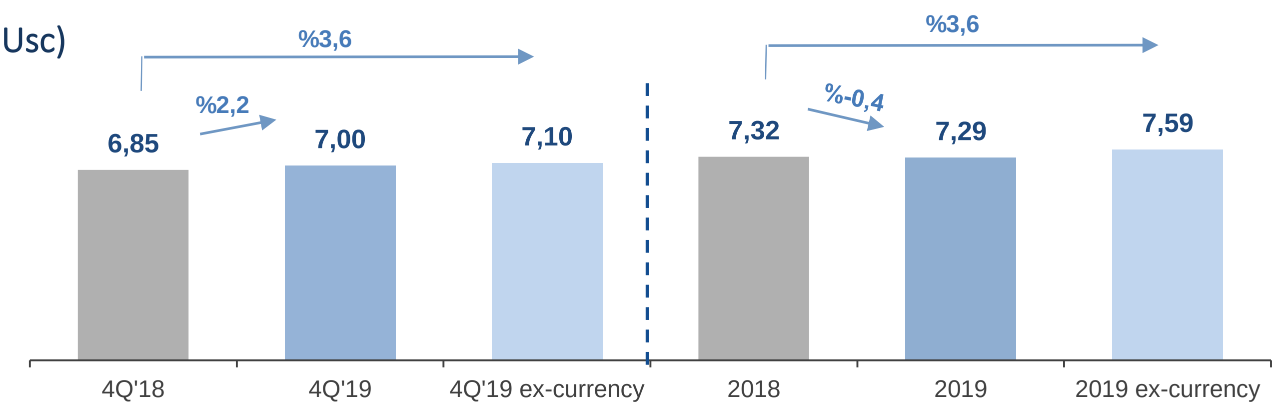
RASK (USc)



Passenger RASK (USc)



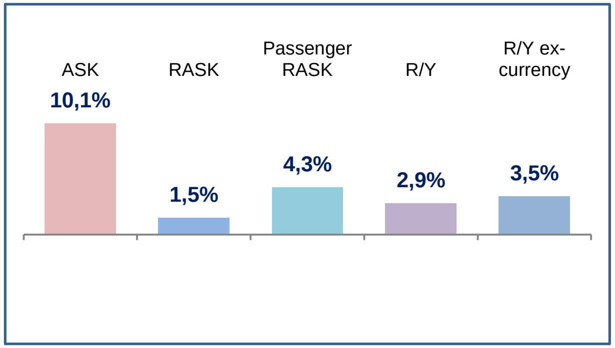
Revenue Yield (R/Y) (Usc)



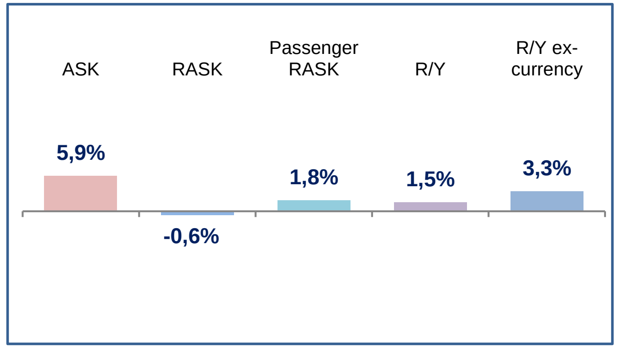
Revenue Yield (R/Y) Total Passenger Revenue / RPK
Passenger RASK: Total Passenger Revenue / ASK
RASK: Total Passenger and Cargo Revenue / ASK* *ASK value is adjusted for cargo operations adding Cargo Available Ton Km.

Regional Yield Development in USD (4Q'18 vs 4Q'19)

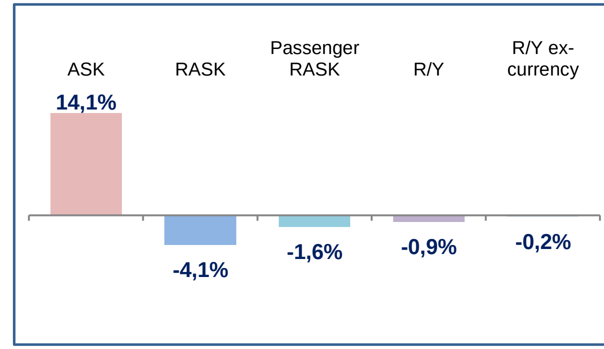
America



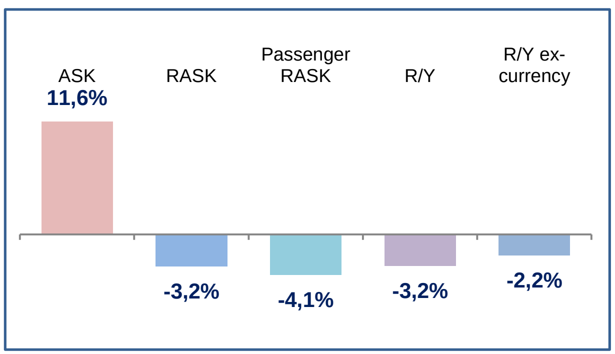
Europe



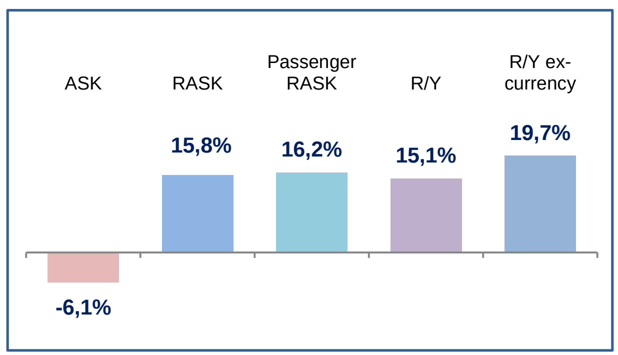
Asia / Far East



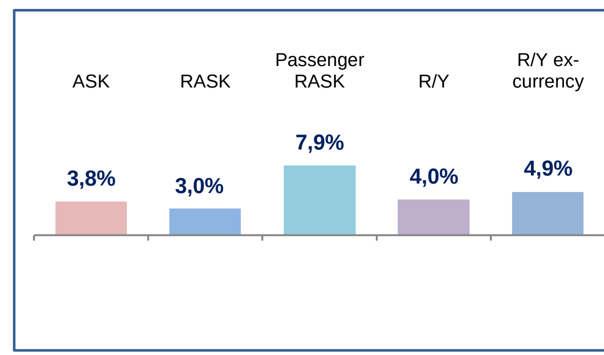
Africa



Domestic



Middle East



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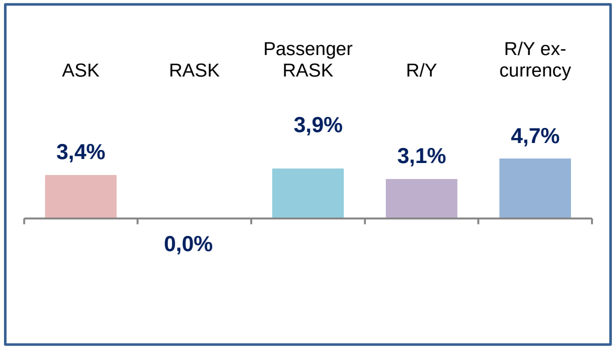
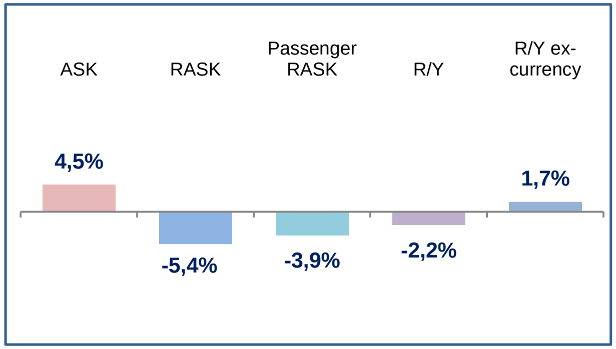
RASK: Total Passenger and Cargo Revenue / ASK* *ASK value is adjusted for cargo operations adding Cargo Available Ton Km.

Regional Yield Development in USD (2018 vs 2019)

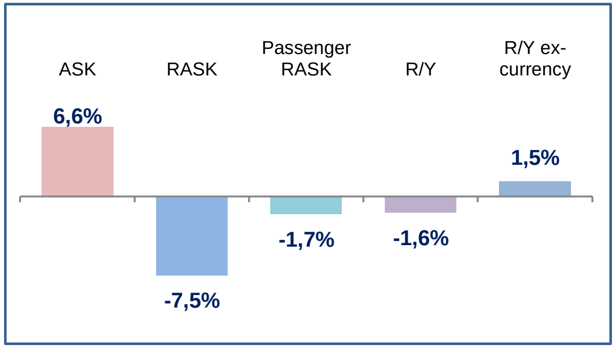
America



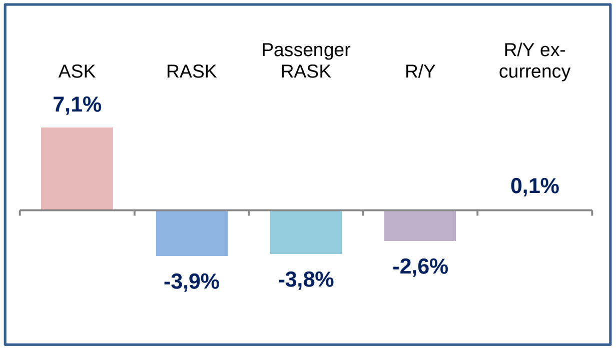
Europe



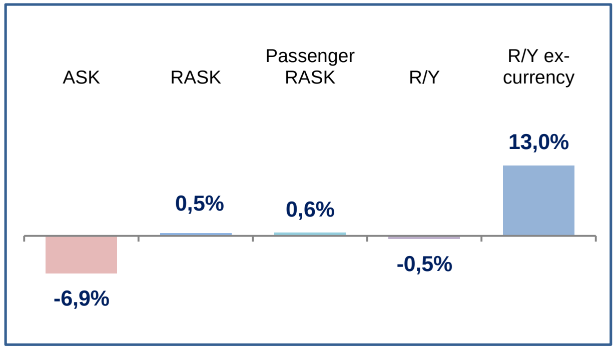
Asia / Far East



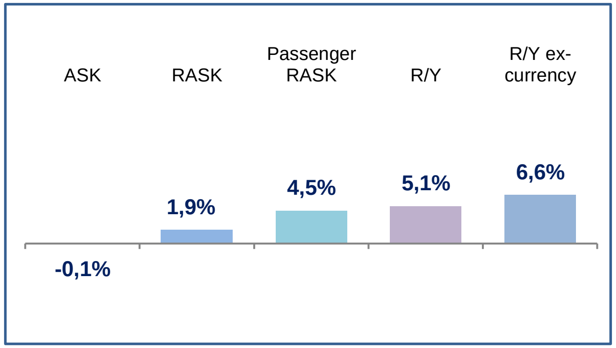
Africa



Domestic

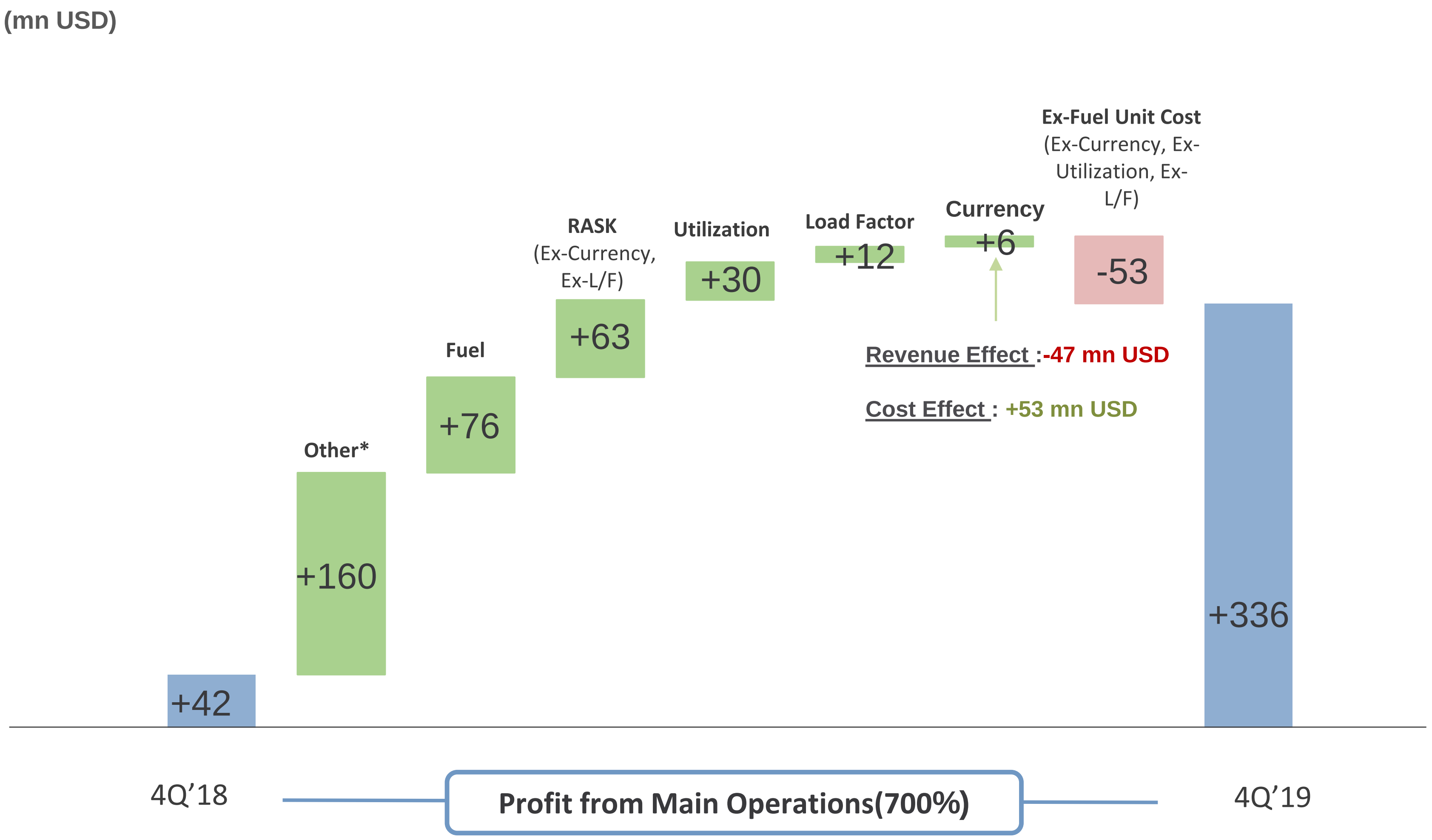


Middle East



Revenue Yield (R/Y) Total Passenger Revenue / RPK
Passenger RASK: Total Passenger Revenue / ASK
RASK: Total Passenger and Cargo Revenue / ASK* *ASK value is adjusted for cargo operations adding Cargo Available Ton Km.

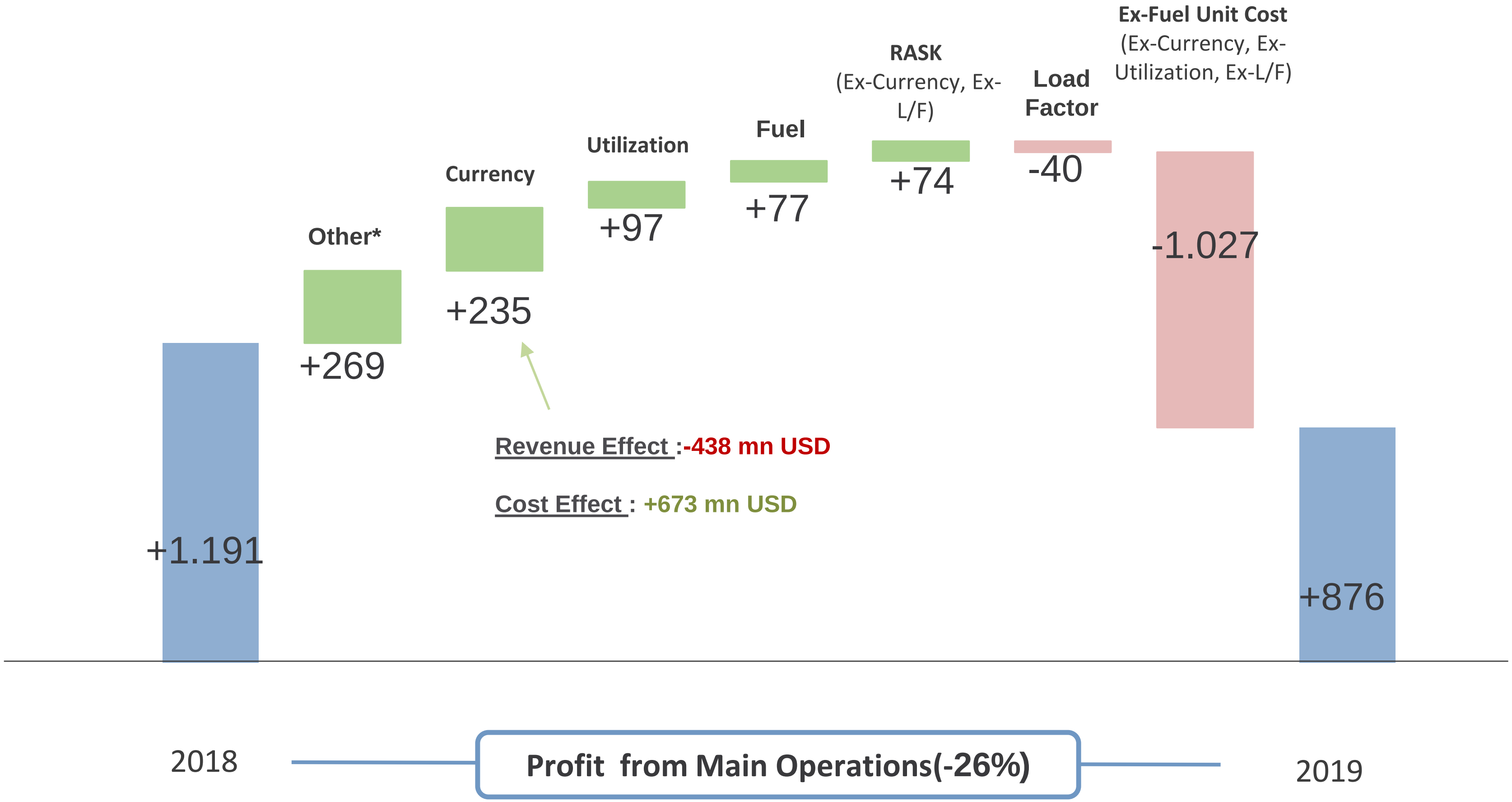
Profit From Main Operations Bridge (4Q'18 vs 4Q'19)



*Includes other operating income, other operating expense and FX gains/losses from operational activities.

Profit From Main Operations Bridge (2018 vs 2019)

(mn USD)



* Includes other operating income, other operating expense and FX gains/losses from operational activities

Operational Expense Breakdown

4Q'18	4Q'19	Change	(mn USD)	2018	2019	Change
983	974	-0,9%	**Fuel**	3.768	3.873	2,8%
472	473	0,2%	**Personnel**	1.772	2.067	16,6%
424	458	8,0%	**Aircraft Ownership**	1.682	1.832	8,9%
246	304	23,6%	**Airports & Air Navigation**	1.056	1.175	11,3%
214	243	13,6%	**Sales & Marketing**	986	1.101	11,7%
187	205	9,6%	**Ground Handling**	733	815	11,2%
137	151	10,2%	**Passenger Services & Catering**	560	623	11,3%
235	230	-2,1%	**Maintenance**	804	791	-1,6%
85	106	24,7%	**Other[1]**	325	367	12,9%
2.983	**3.144**	**5,4%**	**TOTAL**	**11.686**	**12.644**	**8,2%**

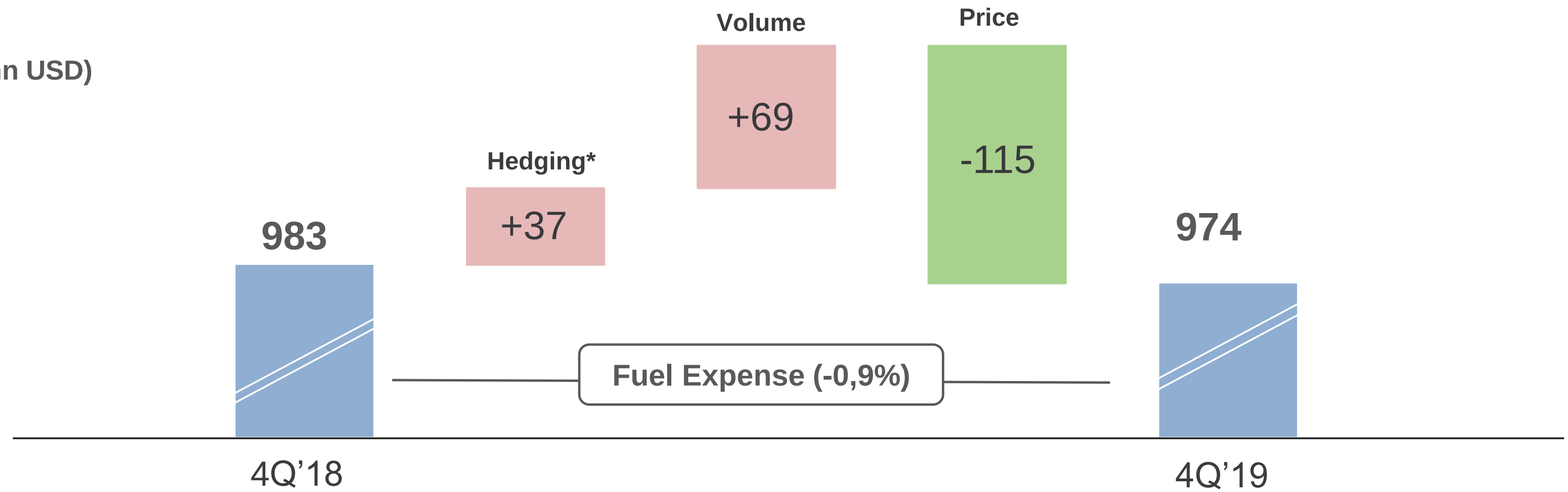
ASK Growth: **7,4%**

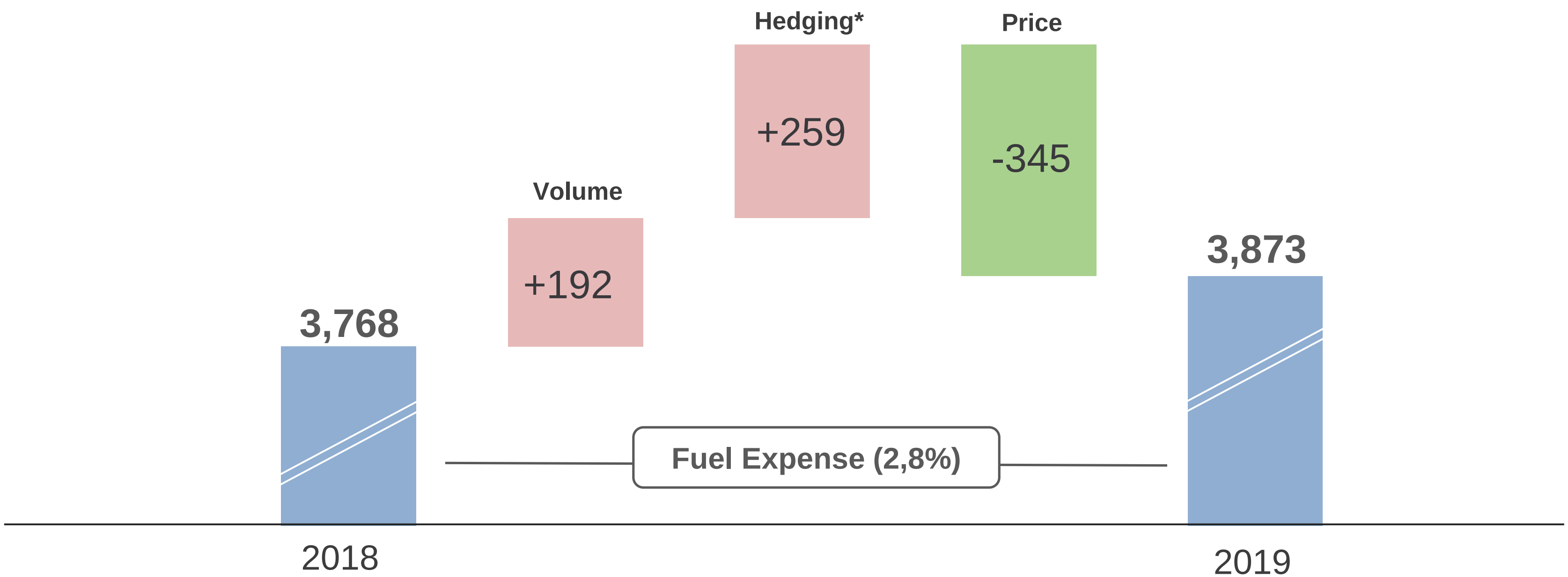
ASK Growth: **3,1%**

[1]Includes General Administration and Other Cost of Sales.

Fuel Expense Breakdown

(mn USD)





*Hedge gain in 2019 decreased significantly compared to 2018.

CASK Breakdown

4Q'18	4Q'19	Change	(USc)	2018	2019	Change
2,24	2,07	-7,8%	**Fuel**	2,07	2,06	-0,3%
1,08	1,00	-6,7%	**Personnel**	0,97	1,10	13,1%
0,97	0,97	0,6%	**Aircraft Ownership**	0,92	0,98	5,6%
0,56	0,65	15,0%	**Airports & Air Navigation**	0,58	0,63	7,9%
0,49	0,52	5,7%	**Sales & Marketing**	0,54	0,59	8,3%
0,43	0,44	2,0%	**Ground Handling**	0,40	0,43	7,8%
0,31	0,32	2,6%	**Passenger Services & Catering**	0,31	0,33	7,9%
0,54	0,49	-8,9%	**Maintenance**	0,44	0,42	-4,6%
0,19	0,23	16,1%	**Other**	0,18	0,20	9,5%
6,81	**6,68**	**-1,9%**	**TOTAL**	**6,42**	**6,74**	**4,9%**

Ex-Fuel CASK: **1,0%**

Ex-Fuel CASK: **7,4%**

Ex-Fuel CASK (incl. ATK)*: **-0,3%**

Ex-Fuel CASK (incl. ATK)*: **4,4%**

*ASK value is adjusted for cargo operations adding Available Cargo Ton Km.

Note: ASK value is adjusted to indicate effect of cargo because cargo expenses has reasonable share in our total expenses.

Selected KPI’s

4Q’18	4Q’19	Change		2018	2019	Change
759	704	-7,2%	**Fuel Price (Usd/ton)**	714	701	-1,9%
3,28	3,22	-1,9%	**Fuel Consumption (lt) per 100 ASK2**	3,30	3,26	-1,3%
1.220	1.246	2,2%	**Aircraft Ownership Cost per BH**	1.174	1.228	4,6%
676	626	-7,4%	**Maintenance Cost per BH**	561	530	-5,5%
1.604	1.765	10,0%	**Handling Cost per Landing**	1.484	1.674	12,8%
1.137	1.309	15,1%	**Airports & Air Navigation Cost per km Flown**	1.192	1.269	6,5%
7,80	8,45	8,4%	**Passenger Services & Catering Cost per Pax**	7,46	8,39	12,5%
7,2%	7,1%	-0,1 pt	**Sales & Marketing Cost / Total Revenue**	7,7%	8,2%	0,6 pt

EBITDAR Calculation

4Q'18	4Q'19	Change	EBITDAR (mn USD)	2018	2019	Change	IFRS16 Impact
2.986	3.281	9,9%	Sales Revenue	12.855	13.229	2,9%	
2.635	2.754	4,5%	Cost of Sales (-)	10.136	10.928	7,8%	
351	**527**	**50,1%**	**GROSS PROFIT / (LOSS)**	**2.719**	**2.301**	**-15,4%**	
56	77	37,5%	General Administrative Expenses (-)	260	299	15,0%	
292	313	7,2%	Marketing and Sales Expenses (-)	1.290	1.417	9,8%	
3	**137**	**4466,7%**	**NET OPERATING PROFIT / (LOSS)**	**1.169**	**585**	**-50,0%**	**+38**
51	213	317,6%	Other Operating Income	165	355	115,2%	
12	14	16,7%	Other Operating Expense (-)	143	64	-55,2%	
42	**336**	**700,0%**	**Profit / (Loss) from Main Operations**	**1.191**	**876**	**-26,4%**	**+38**
14	**38**	**171,4%**	**Adjustments**	**185**	**192**	**3,8%**	
-5	2	-	Share of Investments' Profit / Loss Accounted by Using The Equity Method	123	82	-33,3%	
19	36	89,5%	Income From Government Incentives	62	110	77,4%	
56	**374**	**567,9%**	**EBIT**	**1.376**	**1.068**	**-22,4%**	
280	398	42,1%	Depreciation	1.087	1.521	39,9%	+315
336	**772**	**129,8%**	**EBITDA**	**2.463**	**2.589**	**5,1%**	**+353**
208	86	-58,5%	Adjusted Operating Lease Expenses[1]	743	361	-51,4%	-336
32	34	5,1%	Adjusted Short term Lease Expenses (Wet-lease)[2]	142	156	9,7%	
576	**892**	**54,9%**	**EBITDAR**	**3.349**	**3.107**	**-7,2%**	**+17**
19,3%	**27,2%**	**7,90**	**EBITDAR MARGIN**	**26,0%**	**23,5%**	**-2,57**	

Notes:

- For 2019 Turkish Technic's contribution to EBITDAR through consolidation is 305 mn USD, compared to 226 mn in 2018
- For 2019 adjustments for heavy maintenance of operational lease expenses is 334 mn USD compared to 407 mn USD in 2018.

[1] Adjusted for A/C heavy maintenance
[2] Adjusted for A/C rent and heavy maintenance portion (Aprox. 55%)

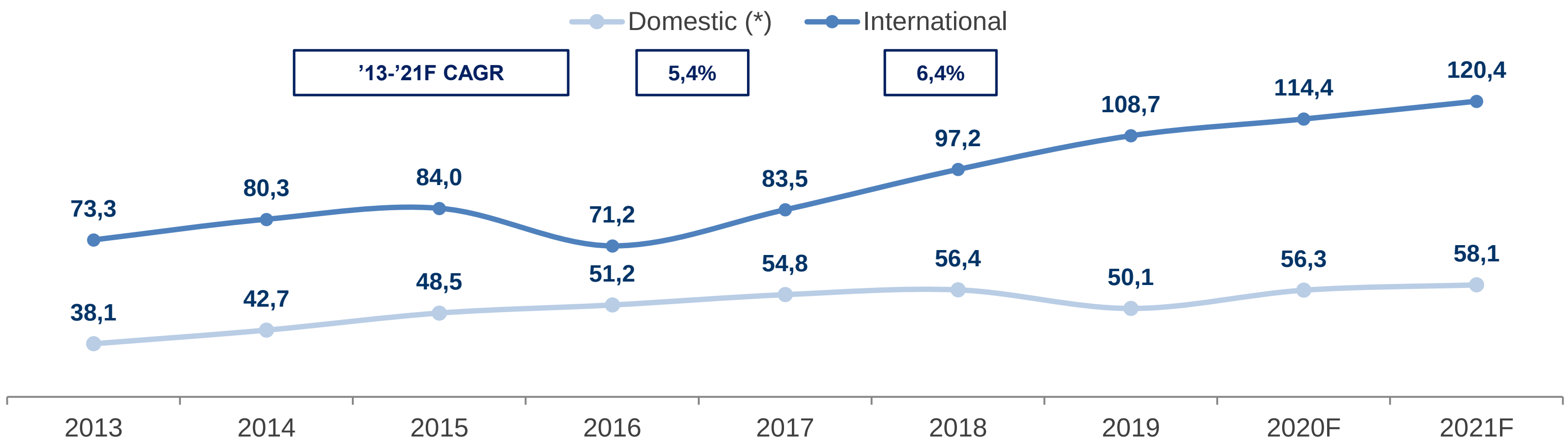
WIDEN YOUR WORLD

TURKISH AIRLINES

4Q’19 RESULTS

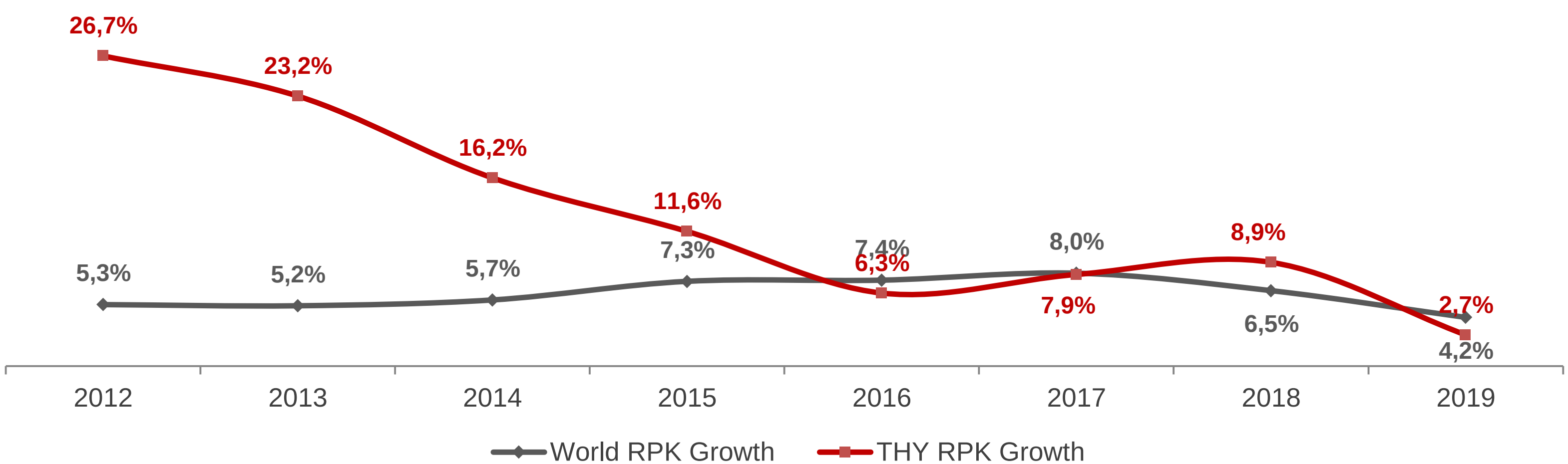
Aviation Sector & Economy

Turkish Market Growth (mn passengers)



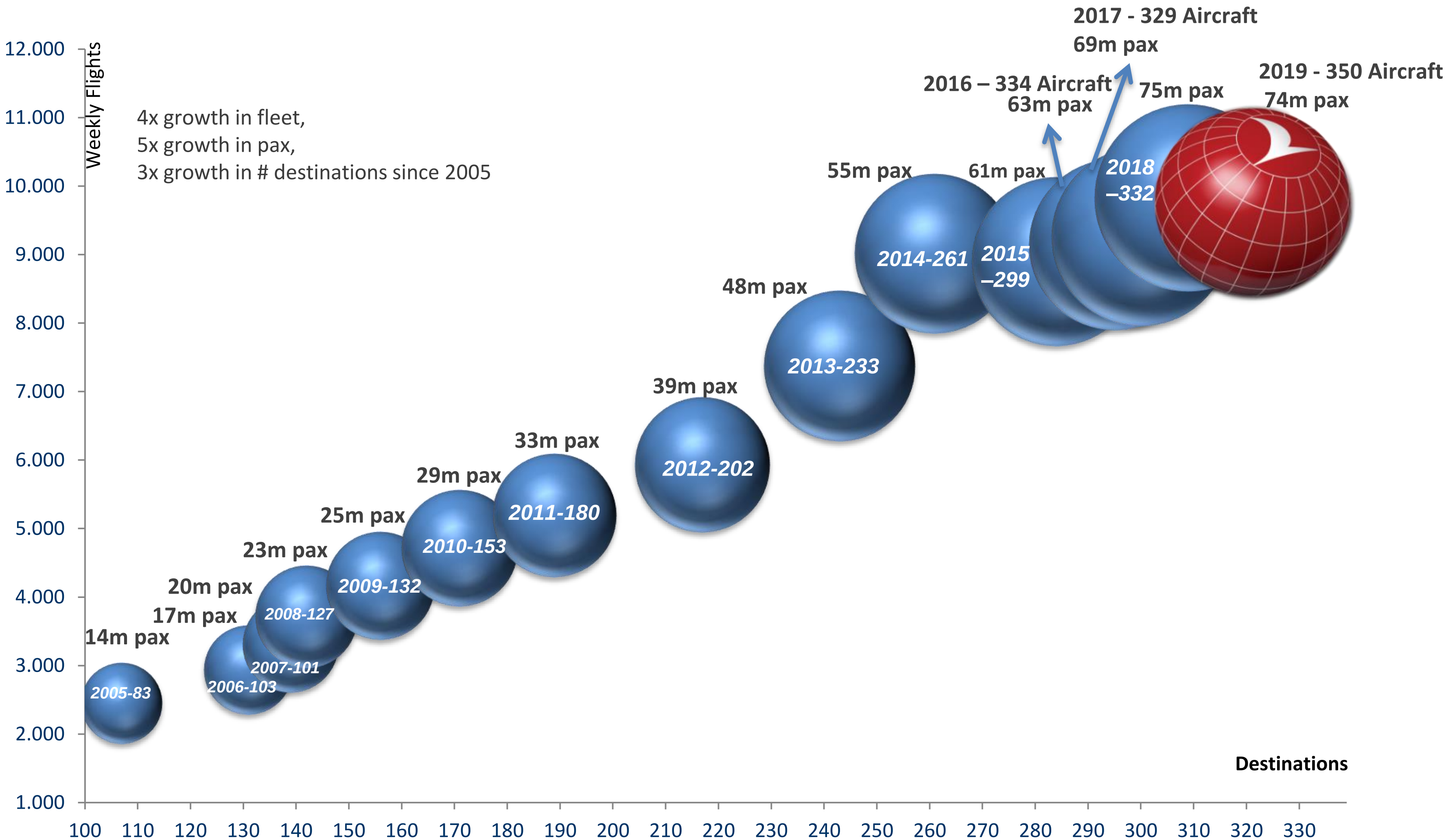
Source: General Directorate of State Airports Authority (DHMI) – September 2019
(*)Adjusted for double count on Domestic Pax

Annual RPK Growth (%)



Source: IATA

Turkish Airlines Historical Growth



Note: Diameters of the bubbles are proportional to the number of passengers carried.

We Fly to 126 Countries

EUROPE
43 COUNTRIES, 116 CITIES

Germany
Munich
Frankfurt
Berlin
Stuttgart
Düsseldorf
Cologne
Hamburg
Hanover
Nuremberg
Bremen
Friedrichshafen
Leipzig
Münster
Baden-Baden

Italy
Milan
Rome
Venice
Bologna
Naples
Catania
Turin
Pisa
Bari
Genoa

France
Paris
Lyon
Nice
Marseille
Toulouse
Bordeaux
Strasbourg

UK
London
Manchester
Birmingham

Spain
Barcelona
Madrid
Malaga
Valencia
Bilbao

Switzerland
Zurich
Geneva
Basel

Russia
Moscow
Sochi
St. Petersburg
Kazan
Rostov
Ekaterinburg
Ufa
Astrakhan
Novosibirsk
Stravropol
Voronezh
Samara
Krasnador

Ukraine
Kiev
Odessa
Ivano-Frankivsk
Dnepropetrovsk
Kharkiv
Kherson
Zaporijya
Lviv
Simferopol
Donetsk

Austria
Vienna
Salzburg
Graz

Northern Cyprus
Lefkosa

Azerbaijan
Ganja
Nakhichevan

Netherlands
Amsterdam
Rotterdam

Greece
Athens
Thessaloniki

Sweden
Stockholm
Gothenburg

Denmark
Copenhagen
Aalborg
Billund

Georgia
Tbilisi
Batumi

Belgium
Brussels

Bulgaria
Sofia
Varna

Romania
Bucharest
Cluj
Constanta

Hungary
Budapest

Czech Rep.
Prague

Croatia
Zagreb
Dubrovnik

Portugal
Lisbon
Porto

Bosnia
Sarajevo

Finland
Helsinki
Rovaniemi

Norway
Oslo

Albania
Tirana

Ireland
Dublin

Kosovo
Pristina

Macedonia
Skopje

Serbia
Belgrade

Malta
Malta

Slovenia
Ljublijana

Montenegro
Podgorica

Scotland
Edinburgh

Estonia
Tallinn

Latvia
Riga

Lithuania
Vilnius

Luxemburg
Luxembourg

Moldova
Chisinau

Poland
Warsaw

Belarus
Minsk

Slovakia
Kosice

Future Routes

Azerbaijan
Lankeran

Poland
Krakow

France
Nantes

Spain
La Coruna

Russia
Makhachkala

Italia
Palermo

AFRICA
38 COUNTRIES, 59 CITIES

Egypt
Cairo
Alexandria
Hurghada
Sharmel-Sheikh
Luxor

Algeria
Algiers
Oran
Constantine
Tlemcen
Batna

South Africa
Johannesburg
Cape Town
Durban

Nigeria
Lagos
Abuja
Kano
Port Harcourt

Cameroon
Douala
Yaounde

Kenya
Mombasa
Nairobi

Tanzania
Dar Es Selaam
Kilimenjaro
Zanzibar

Tunisia
Tunis

Djibouti
Djibouti

Ethiopia
Addis Ababa

Ghana
Accra

Morocco
Casablanca
Marrakech

Rwanda
Kigali

Somalia
Mogadishu

Sudan
Khartoum

Uganda
Entebbe

Mauritania
Nouakchott

Senegal
Dakar

Dem. Rep. Congo
Kinshasa

Gabon
Libreville

Mali
Bamako

Burkina Faso
Ougadougou

Cote D'Ivore
Abidjan

Chad
N'Djamena

Benin
Cotonou

Guinea
Conakry

Mozambique
Maputo

Niger
Niamey

Eritrea
Asmara

Madagascar
Antananarivo

Mauritius
Port Louis

Seychelles
Seychelles

Libya
Misurata
Benghazi
Sebha
Tripoli

Sierra Leone
Freetown

Comoros
Moroni

Gambia
Banjul

Zambia
Lusaka

Congo
Point-Noire

Future Routes

Angola
Luanda

Egypt
Aswan

South Sudan
Juba

Sudan
Port Sudan

Equatorial Guinea
Malabo

MIDDLE EAST
13 COUNTRIES, 35 CITIES

Saudi Arabia
Jeddah
Madinah
Riyadh
Dammam
Yanbu
El Qassim
Taif

Iran
Tehran
Mashad
Shiraz
Tabriz
Isfahan
Kermanshah
Ahvaz

Israel
Tel Aviv

Iraq
Erbil
Baghdad
Basra
Sulaymaniyah
Najaf
Mosul

Kuwait
Kuwait

UAE
Dubai
Abu Dhabi
Sharjah

Lebanon
Beirut

Jordan
Amman
Akabe

Qatar
Doha

Bahrain
Bahrain

Oman
Muscat

Syria
Aleppo
Damascus

Yemen
Aden
Sanaa

Future Routes

Saudi Arabia
Abha

AMERICAS
9 COUNTRIES, 19 CITIES

USA
New York
Los Angeles
Washington
Boston
Chicago
Houston
Miami
Atlanta
San Francisco

Canada
Toronto
Montreal

Argentina
Buenos Aires

Brazil
Sao Paulo

Columbia
Bogota

Panama
Panama

Cuba
Havana

Venezuela
Caracas

Mexico
Mexico City
Cancun

Future Routes

USA
Newark

Canada
Vancouver

FAR EAST
22 COUNTRIES, 39 CITIES

China
Beijing
Guangzhou
Shanghai
Taipei
Hong Kong
Xi'an

Pakistan
Karachi
Islamabad
Lahore

Kyrgyzstan
Bishkek
Osh

Kazakhstan
Almaty
Astana

Japan
Tokyo
Osaka

India
Mumbai
New Delhi

Thailand
Phuket
Bangkok

Turkmenistan
Ashgabat

Malaysia
Kuala Lumpur

South Korea
Seoul

Afghanistan
Kabul
Mazar-ı Sharif

Vietnam
Ho Chi Minh
Hanoi

Bangladesh
Dhaka

Indonesia
Jakarta
Denpasar

Maldives
Male

Singapore
Singapore

Sri Lanka
Colombo

Uzbekistan
Tashkent
Samarkand

Philippines
Manila

Tajikistan
Dushanbe
Khujand

Nepal
Kathmandu

Mongolia
Ulaanbaatar

DOMESTIC
50 CITIES

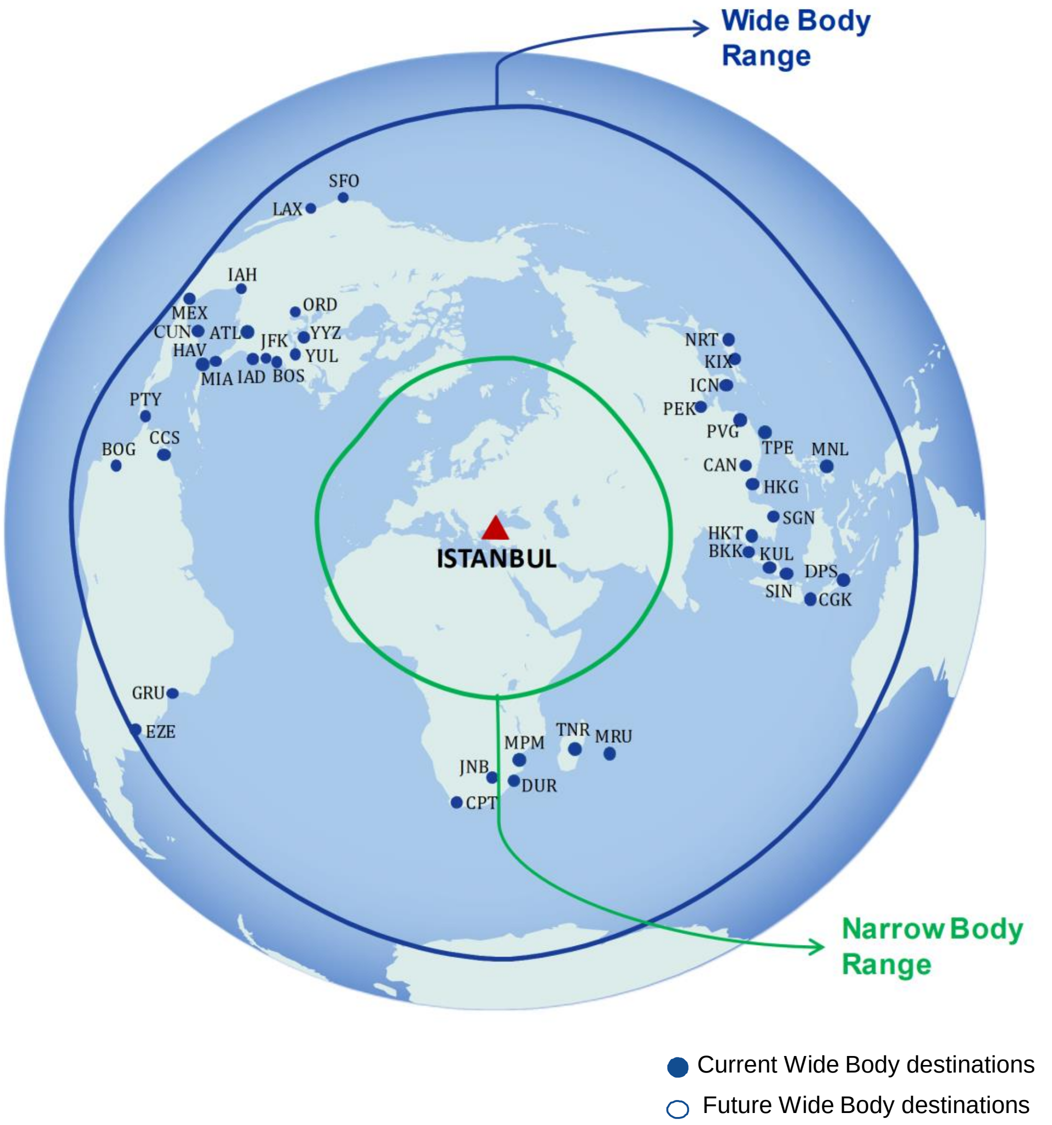
*As of 31.12.2019

Istanbul's Geographical Advantage - A Natural Hub

Narrow Body Range Capability to and from Istanbul

(with full passenger payload)

- ✓ 207 out of 269 international destinations
- ✓ More than 40% of world-wide international traffic
- ✓ Over 60 national capitals
- ✓ All of Europe, Middle East, Central Asia and North and East Africa

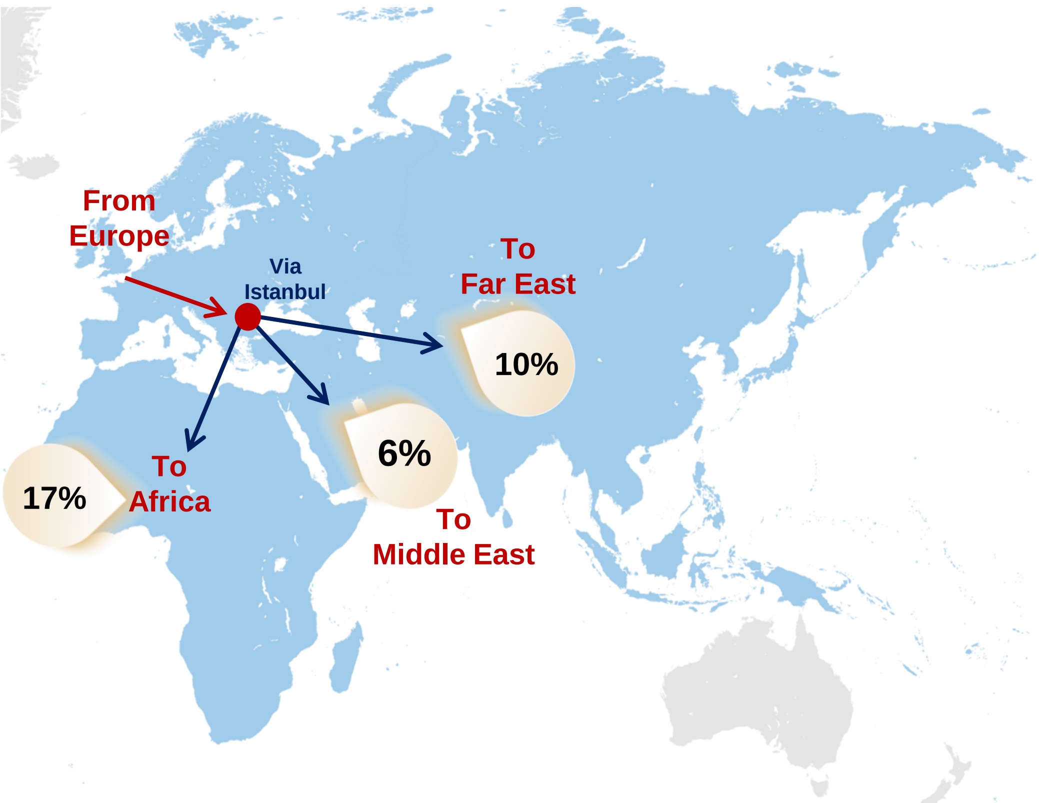


Highest Connectivity for Europe, Africa and Middle East

Airlines Connectivity by Number of O&D Pairs (Top Three)

Europe to the World	
Turkish Airlines	16,509
British Airways	12,096
Lufthansa	9,720
Middle East to the World	
Turkish Airlines	8,136
Qatar Airways	2,304
British Airways	1,120
Africa to the World	
Turkish Airlines	11,685
Air France	5,328
British Airways	3,485
Far East to the World	
United Airlines	8,694
Turkish Airlines	8,325
Air China	5,724

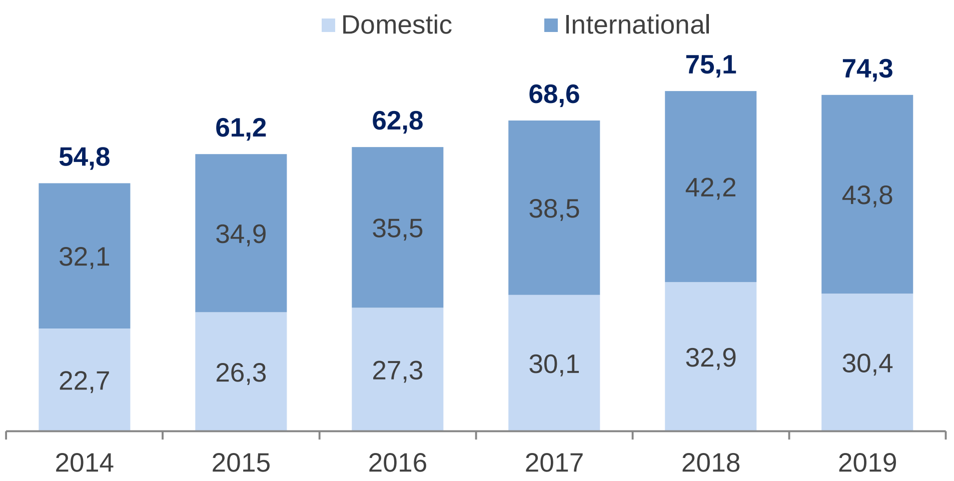
Detour* Advantage



*Detour: Increase in the flight distance compared to a non-stop flight. Forecasted by using 6,000 arrival-departure cities
Source: Retrieved from OAG. As of 24.06.2019.

Passenger Traffic

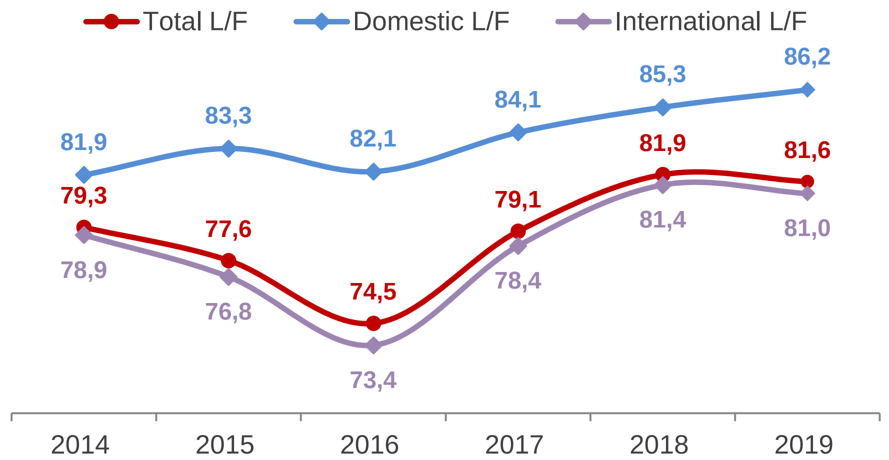
Total Passengers (mn)



Passenger Traffic

THY Passenger Traffic		
2018	**vs**	**2019**
Landing	down by	-1,4%
ASK	up by	3,1%
RPK	up by	2,7%
Passenger #	down by	-1,1%
L/F	down by	-0,3 pt

Load Factor (L/F %)

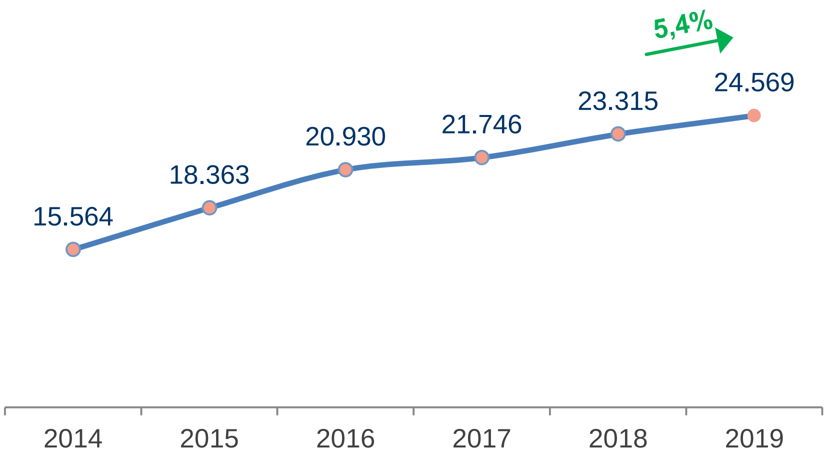


Annual Changes (%)

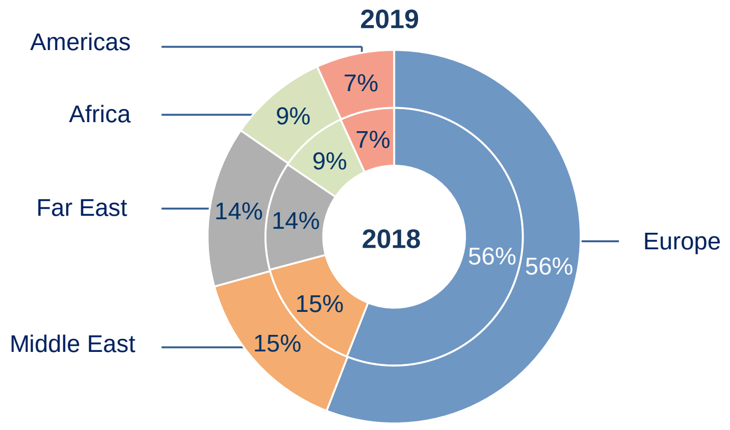
	ANNUAL CHANGES (%)				
	2015	**2016**	**2017**	**2018**	**2019**
ASK	14%	11%	2%	5%	3%
RPK	12%	6%	8%	9%	3%
PAX	12%	3%	9%	10%	-1%
L/F (Point)	-1,7	-3,1	4,6	2,8	-0,3

Passenger Breakdown

Int'l to Int'l Transfer Passengers ('000)

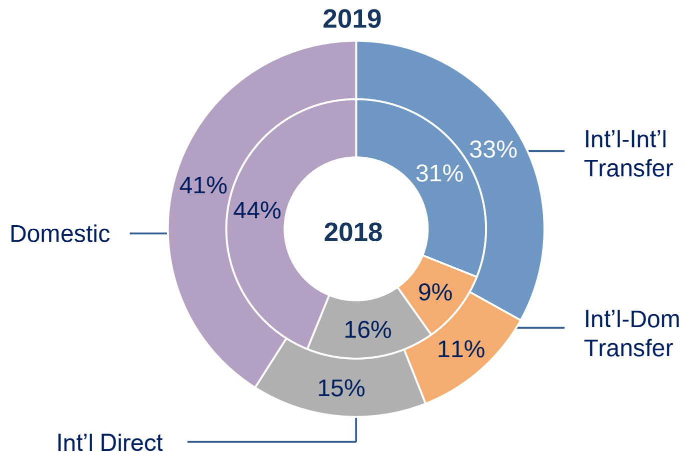


Int'l Passenger Breakdown by Geography



Note: Includes only scheduled passengers.

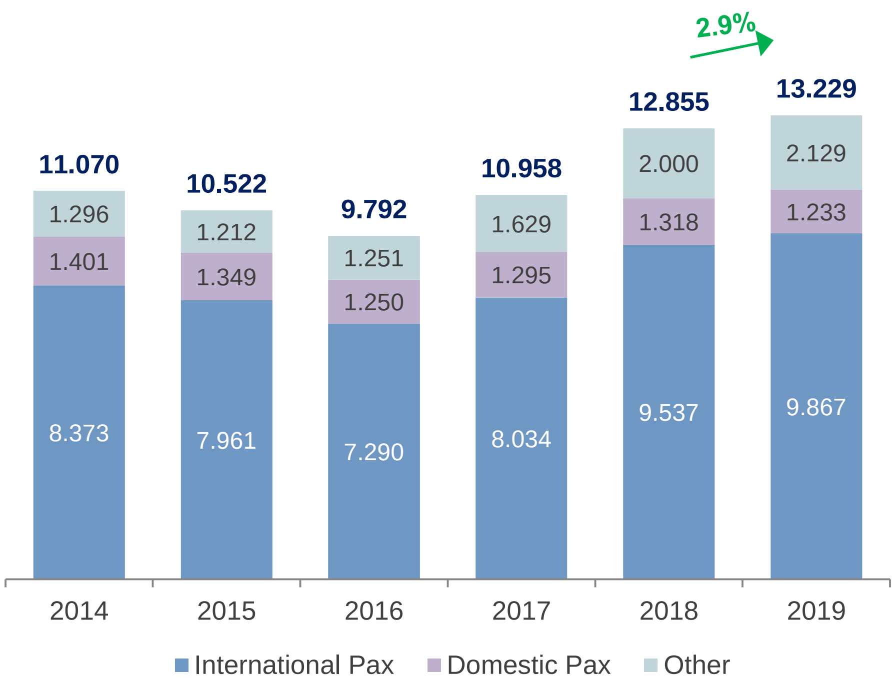
Passenger Breakdown by Transfer Type



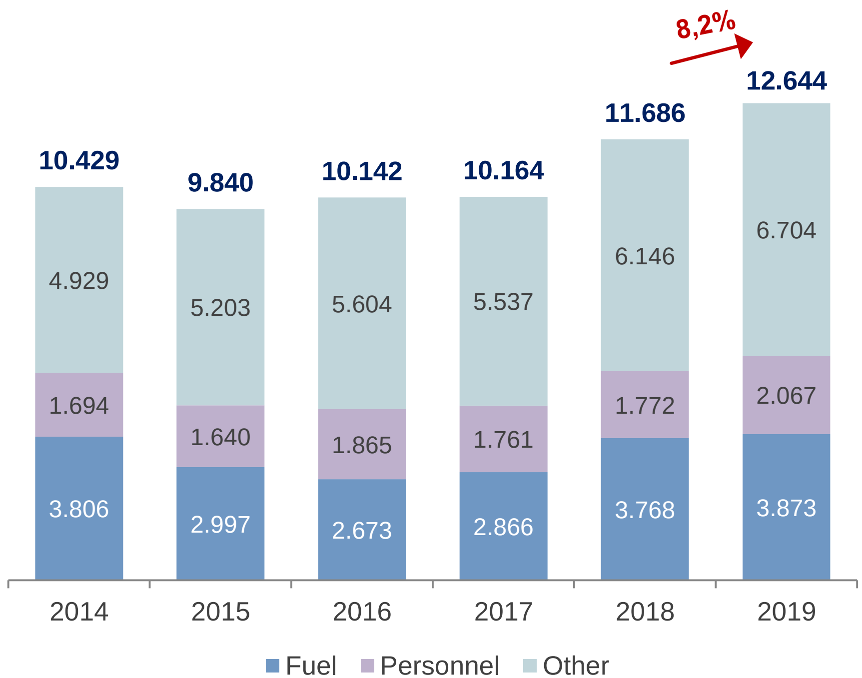
Note: Int'l to int'l transfer passengers' share in total international passengers is 56%.

Total Revenue and Expenses

Revenues (mn USD)



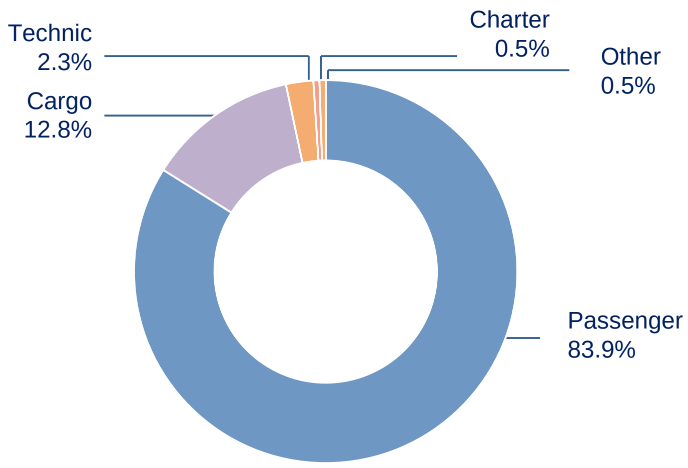
Expenses (mn USD)



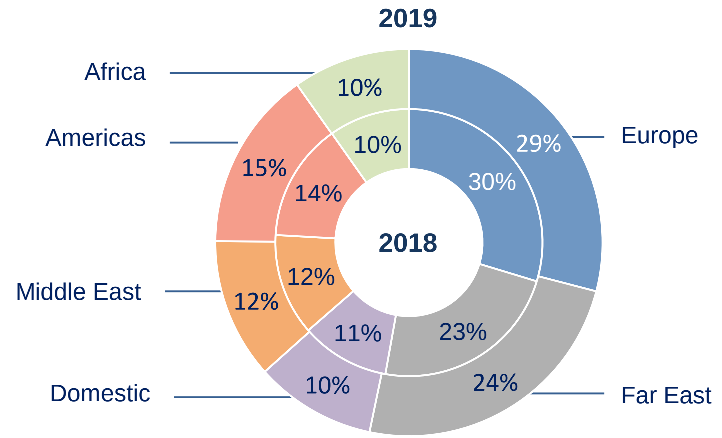
Note: International and domestic pax revenue indicates scheduled pax revenue.
Other revenue includes cargo, charter and other revenue.

Revenue Breakdown (2019)

Revenue by Business Type

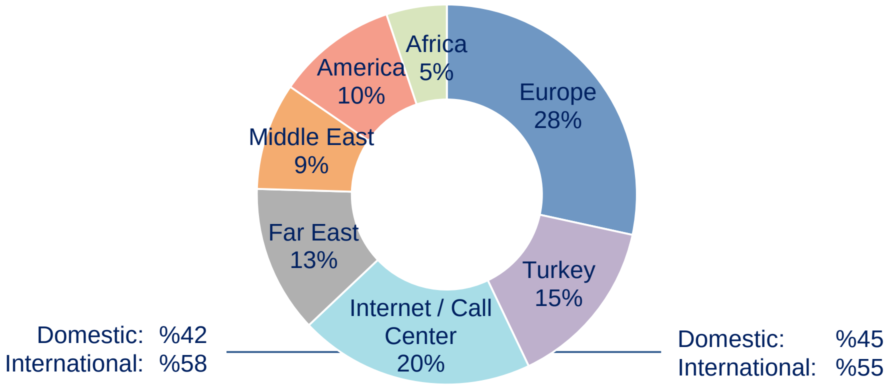


Revenue by Geography



Note: Includes total passenger and cargo revenue

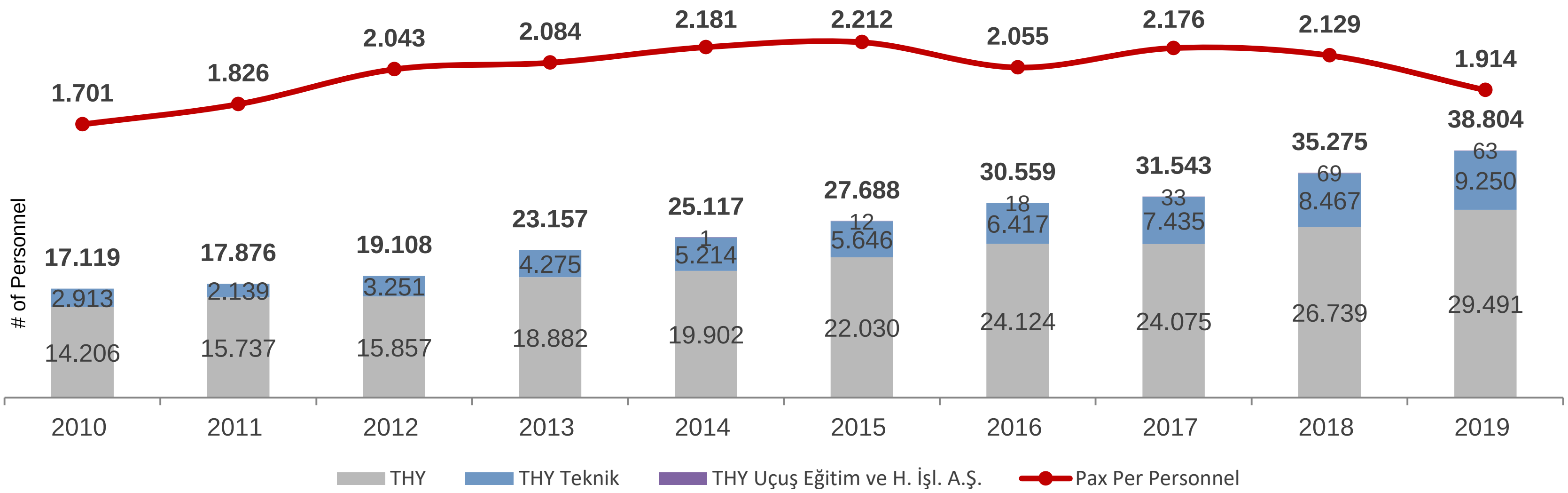
Revenue by Point of Sale



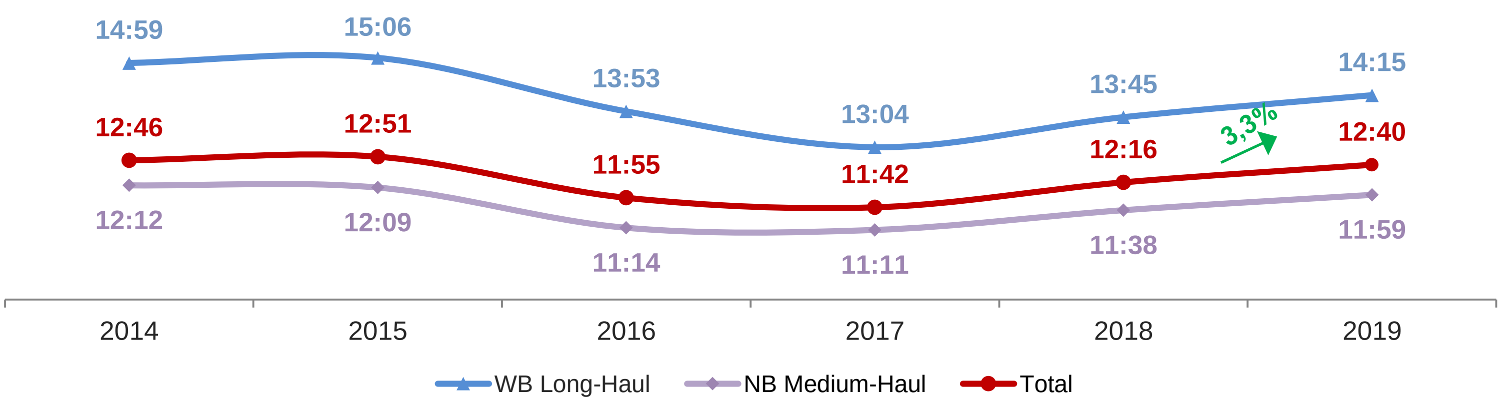
Note: Includes only scheduled passenger revenue

Operating Efficiency

Personnel Efficiency

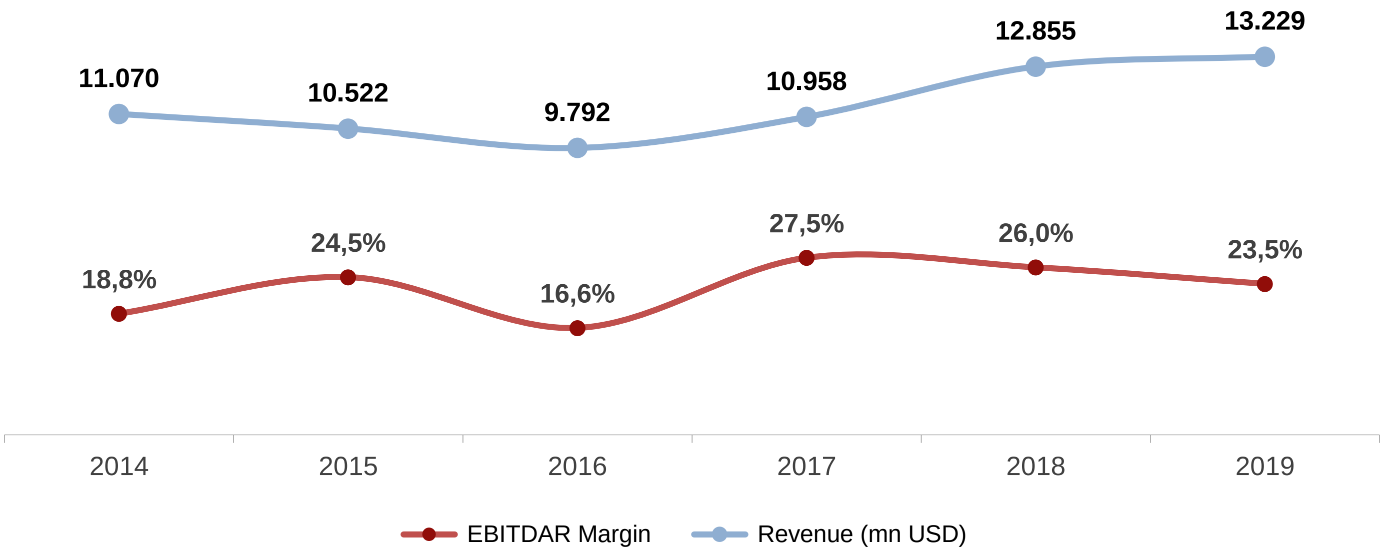


Average Daily Flight Utilization (hrs)



EBITDAR Margin

Avg. EBITDAR Margin (2014-2019): 23%



(mn USD)	2014	2015	2016	2017	2018	2019	YoY Change
Revenue (mn USD)	**11.070**	**10.522**	**9.792**	**10.958**	**12.855**	**13.229**	**2,9%**
EBITDAR	**2.085**	**2.580**	**1.628**	**3.017**	**3.349**	**3.107**	**-7,2%**
EBITDAR Margin	18,8%	24,5%	16,6%	27,5%	26,0%	23,5%	-0,1 pt

Fleet

31.12.2019	Type	Total	Owned	Financial Lease	Opr./Wet Lease	Seat Capacity	Average Fleet Age	Year End Fleet* 2020	Year End Fleet* 2024
Wide Body	A330-200	18	5		13	4.680	11,8	13	5
	A330-300	40		29	11	11.826	6,0	40	29
	A340-300								
	B777-3ER	33		27	6	11.670	6,1	33	30
	A350-900							5	25
	B787-9	6		6		1.800	0,4	15	25
	Total	**97**	**5**	**62**	**30**	**29.976**	**6,8**	**106**	**114**
Narrow Body	B737-900ER	15		15		2.355	6,6	15	15
	B737-9 MAX	1		1		169	0,8	1	10
	B737-800	77	25	37	15	12.540	10,5	88	88
	B737-700	1			1	124	13,9		
	B737-8 MAX	11		11		1.661	1,1	11	65
	A321 NEO	14		11	3	2.548	0,5	26	92
	A319-100	6		6		792	8,6	6	6
	A320-200	17	6	6	5	2.718	12,7	13	12
	A321-200	68	7	55	6	12.360	7,5	66	64
	A320-200 WL								
	B737-800 WL	20			20	3.780	15,4	13	5
	Total	**230**	**38**	**142**	**50**	**39.047**	**8,8**	**239**	**357**
Cargo	A330-200F	10	1	9			6,2	10	10
	B777F	6		6			1,3	8	8
	Wet Lease	7			7		22,7		
	Total	**23**	**1**	**15**	**7**		**9,9**	**18**	**18**
	GRAND TOTAL	**350**	**44**	**219**	**87**	**69.023**	**8,3**	**363**	**488**

*After exit-entry

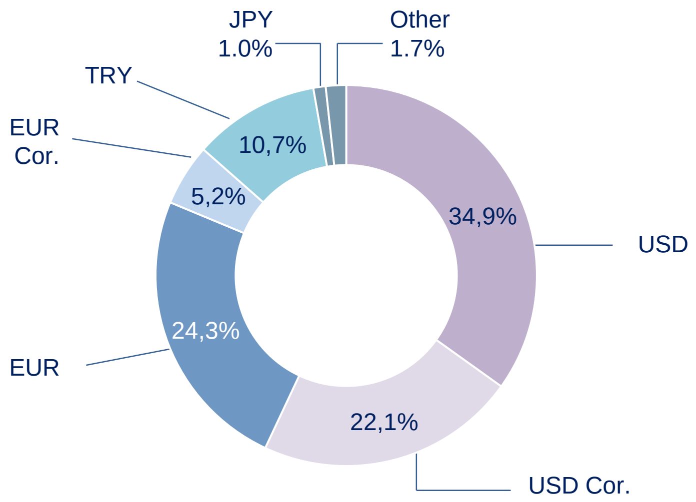
Fleet Development

31.12.2019		DELIVERED	DELIVERIES		
	Type	**2019**	**2020**	**2021-2024***	**Total**
Wide Body	A350-900		5	20	25
	B787-9	6	9	10	25
	Total	**6**	**14**	**30**	**50**
Narrow Body	B737-9 MAX	1		9	10
	B737-8 MAX	4		54	58
	A321 NEO	12	12	66	90
	Total	**17**	**12**	**129**	**158**
Cargo	B777F	1	2		3
	Total	**1**	**2**		**3**
	GRAND TOTAL	**24**	**28**	**159**	**211**

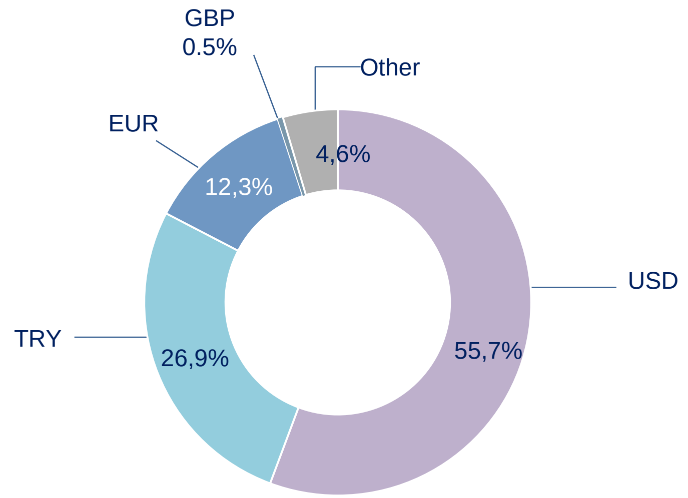
*Delivery time of MAX and NEO are based on the original fleet plan and they are subject to change upon the developments.

Hedging Currency Risk (2019)

Revenue by Currency[1]



Expenses by Currency



Hedging Currency Risk

Hedging Policy

EUR/TRY

- Maximum Tenor: 18 months
- Maximum Hedge Ratio: %50
- Instrument: Forward

EUR/USD

- Maximum Tenor: 24 months
- Maximum Hedge Ratio: %60
- Instrument: Forward, 2-way Collar, 3-way Collar or 4-way Collar

Current Currency Hedging Matrix

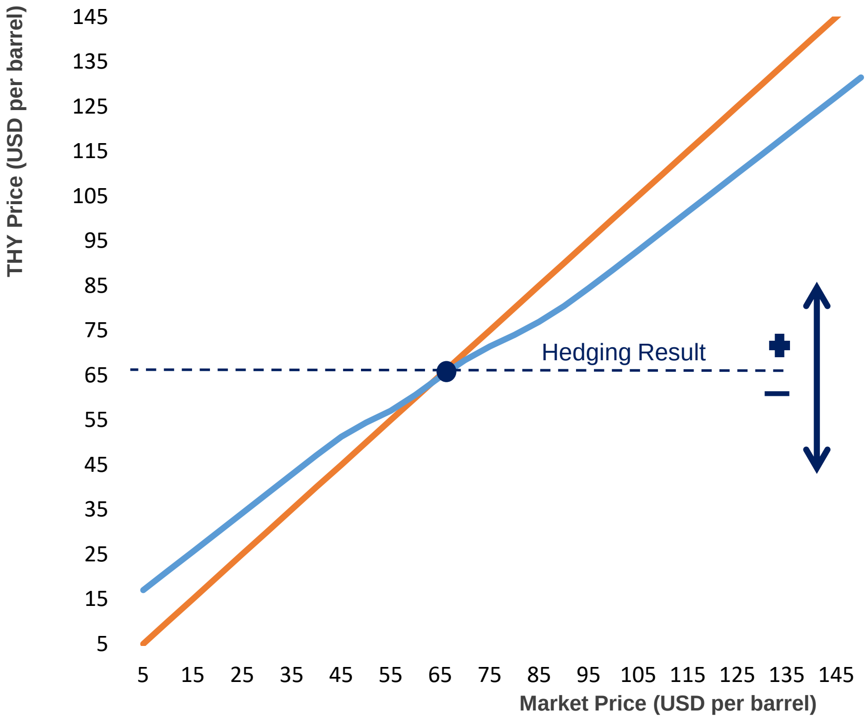
2019	Hedging Levels
EUR/USD	15%
EUR/TRY	21%

2020	Hedging Levels
EUR/USD	6%
EUR/TRY	6%

(1) Currencies that have 85% correlation with USD and EUR considered as USD and EUR correlated respectively.

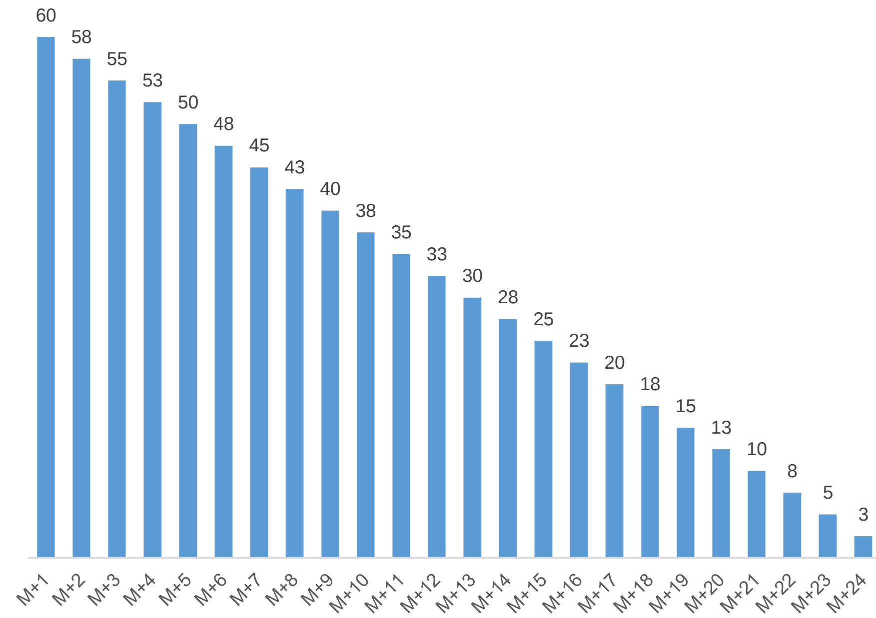
Hedging Fuel Price Risk

Effect of Hedging on the Fuel Price



- Current fuel hedging levels:
  - FY20: 45%
  - FY21: 7%

Fuel Hedging Policy (%)



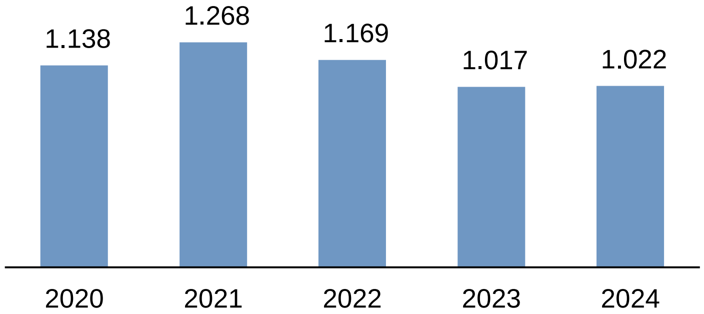
- Descending layered hedging strategy
- Crude oil based swaps and options
- Maximum of 60% for the following month is hedged using derivative instruments.

Aircraft Financing and Debt Management

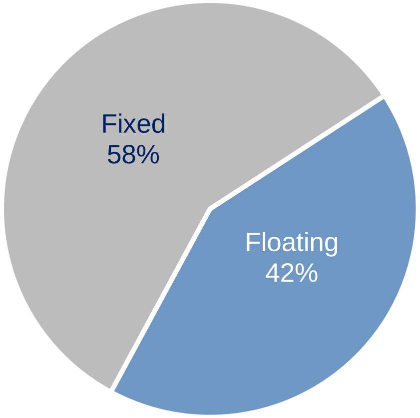
As of 31.12.2019

Total Financial Lease Liabilities: 9.0 bn USD
Operating Leases: 1.7 bn USD

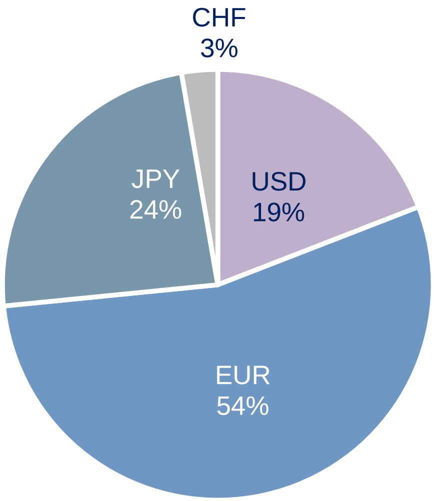
5 Year Maturity Profile[1] (USD mn)



Weighted Average Interest Rate[2]: 2.34%



Currency Breakdown of Financial Lease Liabilities



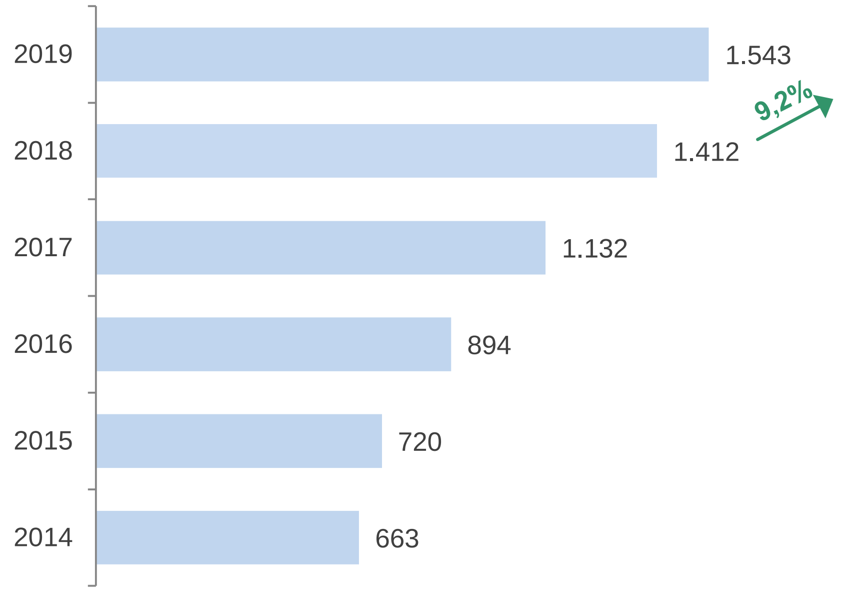
(mn USD)	31.12.2019 Total Debt	Maturity	Yearly Debt Service
USD	1.717	10-12 Years	269
EUR	4.881	10-12 Years	564
JPY	2.145	10-11 Years	328
CHF	243	12 Years	32
Total	**8.986**		**1.193**

[1]Principal payments.

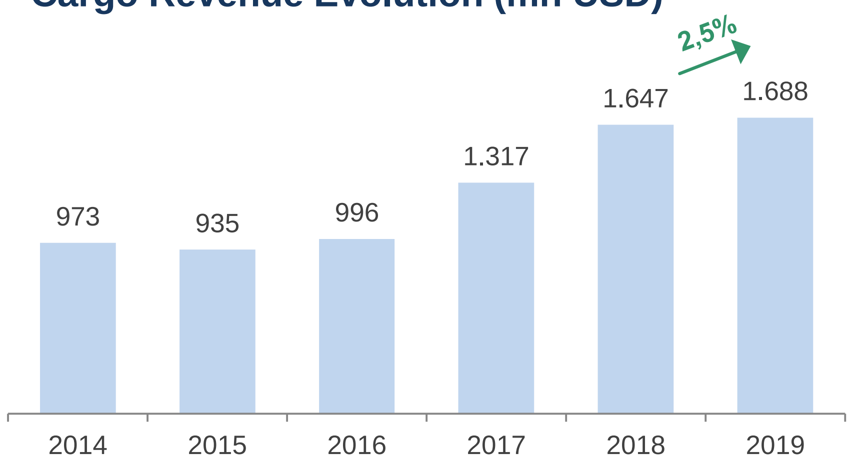
[2]Post-Hedge Interest Rate breakdown.

Cargo Operations

Cargo Tonnage Carried ('000 Ton)



Cargo Revenue Evolution (mn USD)



- Turkish Cargo serves 88 destinations with 23 freighters besides 321 destinations with 327 passenger aircraft as of December, 31 2019.
- Turkish Cargo global market share in revenue has increased from 0.6% in 2009 to 1.7% in 2019.
- In 2019, while World FTK decreased by 3,3%, Turkish Cargo FTK grew by 13% compared to the previous year.

Source: IATA Economic Performance of the Airline Industry Reports

THY 2020 Guidance - Consolidated

Passenger

	2020E
Domestic (mn.)	31.5-33
International (mn.)	46-47
Total (mn.)	78-80

Financial

	2020E
Total Revenue (USD bn.)	14.5 -14.8
EBITDAR	%23-%25

Operational

	2020E
L/F	%81-%82
ASK increase	8.5% - 10%
Cargo/Mail carried (mn./ton)	1.60-1.65
CASK (ex-fuel) increase	Flat
Avg. Into Plane Fuel Cost (USD/ton)	690-700

Environmental Practices and Performance

2008-2018

498.518

2018

29.608

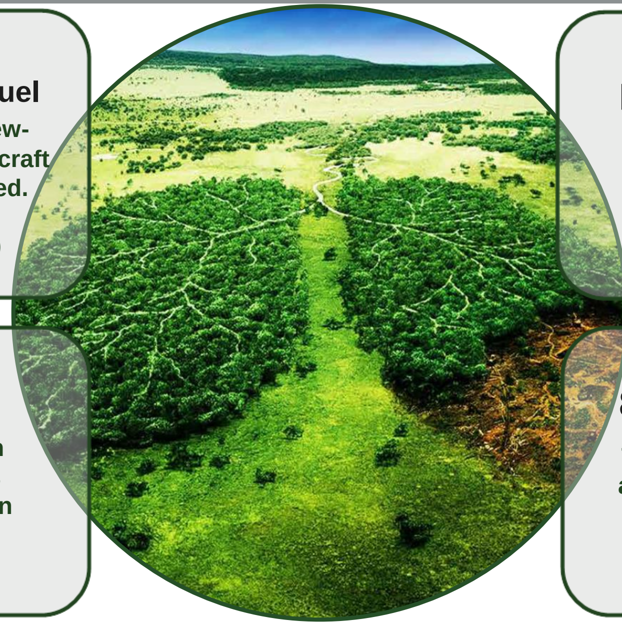
Tons of Fuel Saved

15% more fuel efficient New-Generation Aircraft to be delivered. (92 Airbus 75 Boeing)

12 %

Decrease in natural gas consumption

2017-2018



Bio-Fuels

Related Research and Development Investments

8.246.712

The number of avoided plastic packages

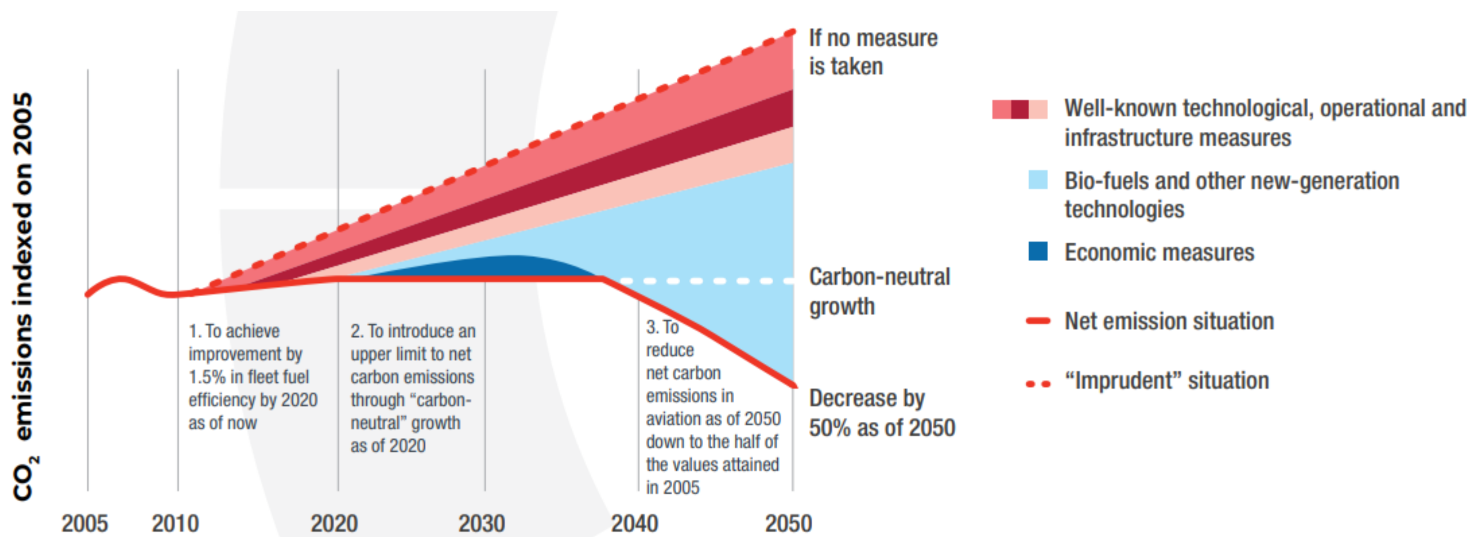
2008-2018

1.570.168

2018

93.267

Tons of CO2 Avoided



Balance Sheet

Assets (mn USD)	2014	2015	2016	2017	2018	2019
Cash and Equivalents	722	962	1.815	2.086	2.155	2.475
Trade Receivables	456	361	379	592	570	540
Pre-delivery Payment (PDP) Receivables	990	1.139	596	117	809	778
Other Current Assets	663	684	811	836	971	977
Total Current Assets	**2.831**	**3.146**	**3.601**	**3.631**	**4.505**	**4.770**
Net Fixed Assets	9.201	11.415	13.476	13.002	13.918	17.261
of which Aircraft and Engines	8.167	10.177	12.134	11.683	12.127	15.044
of which Right of Use Assets	-	-	-	-	-	1.576
Pre-delivery Payment (PDP) Receivables	650	392	207	247	505	761
Other Non-Current Assets	1.064	1.430	1.207	1.317	1.804	1.932
Total Non-Current Assets	**10.915**	**13.237**	**14.890**	**14.566**	**16.227**	**19.954**
Total Assets	**13.746**	**16.383**	**18.491**	**18.197**	**20.732**	**24.724**

Liabilities (mn USD)	2014	2015	2016	2017	2018	2019
Lease Obligations	5.931	7.399	8.886	8.322	9.509	12.131
Passenger Flight Liabilities	1.398	1.091	785	1.000	1.002	1.032
Accounts Payable	662	671	616	855	1.022	1.130
Other Liabilities	1.805	2.380	3.117	2.674	3.254	3.567
Total Liabilities	**9.796**	**11.541**	**13.404**	**12.851**	**14.787**	**17.860**
Total Shareholders Equity	**3.950**	**4.842**	**5.087**	**5.346**	**5.945**	**6.864**
of which Issued Capital	1.597	1.597	1.597	1.597	1.597	1.597
of which Retained Earnings	1.714	2.559	3.628	3.551	3.760	4.463
of which Differences from Currency Translation	-47	-84	-106	-108	-160	-184
of which Net Profit for the Period	845	1.069	-77	223	753	788
Total Liabilities & Shareholders Equity	**13.746**	**16.383**	**18.491**	**18.197**	**20.732**	**24.724**

Income Statement

(mn USD)	2014	2015	2016	2017	2018	2019	YoY Change
Operating Revenue	11.070	10.522	9.792	10.958	12.855	13.229	3%
Operating Expenses (-)	10.429	9.840	10.142	10.164	11.686	12.644	8,2%
of which Fuel	3.806	2.997	2.673	2.866	3.768	3.873	3%
of which Personnel	1.694	1.640	1.865	1.761	1.772	2.067	17%
of which Depreciation	743	924	1.148	1.066	1.087	1.521	40%
of which Rent	543	496	496	527	595	311	-48%
Net Operating Profit / Loss	**641**	**682**	**-350**	**794**	**1.169**	**585**	**-50%**
Income From Other Operations	80	244	145	264	165	355	115%
Expense From Other Operations (-)	45	31	86	36	143	64	-55%
Profit / Loss From Main Operations	**676**	**895**	**-291**	**1.022**	**1.191**	**876**	**-26%**
Income From Investment Activities (Net)	72	101	117	177	99	89	-10%
Share of Investments' Profit / Loss	75	80	44	102	123	82	-33%
Financial Income	419	532	300	56	129	139	8%
Financial Expense (-)	196	201	229	1.078	588	310	-47%
Profit Before Tax	**1.046**	**1.407**	**-59**	**279**	**954**	**876**	**-8%**
Tax (-)	201	338	18	56	201	88	-56%
Net Profit	**845**	**1.069**	**-77**	**223**	**753**	**788**	**5%**

Operational Expense Breakdown

(mn USD)	2018	% in Total	2019	% in Total	Change 19/18
Fuel	**3.768**	**32,2%**	**3.873**	**30,6%**	**2,8%**
Personnel	**1.772**	**15,2%**	**2.067**	**16,3%**	**16,6%**
Landing, Navigation & Air Traffic	**1.056**	**9,0%**	**1.175**	**9,3%**	**11,3%**
Landing and navigation	514	4,4%	622	4,9%	21,0%
Air Traffic Control	542	4,6%	553	4,4%	2,0%
Sales & Marketing	**986**	**8,4%**	**1.101**	**8,7%**	**11,7%**
Commissions and Incentives	401	3,4%	504	4,0%	25,7%
Reservation System	255	2,2%	267	2,1%	4,7%
Advertising	189	1,6%	175	1,4%	-7,4%
Other	141	1,2%	155	1,2%	9,9%
Depreciation	**1.087**	**9,3%**	**1.521**	**12,0%**	**39,9%**
Ground Handling	**733**	**6,3%**	**815**	**6,4%**	**11,2%**
Aircraft Rent	**595**	**5,1%**	**311**	**2,5%**	**-47,7%**
Operational Lease	336	2,9%	27	0,2%	-92,0%
Wet Lease	259	2,2%	284	2,2%	9,7%
Passenger Services & Catering	**560**	**4,8%**	**623**	**4,9%**	**11,3%**
Maintenance	**804**	**6,9%**	**791**	**6,3%**	**-1,6%**
General Administration	**122**	**1,0%**	**113**	**0,9%**	**-7,4%**
Other	**203**	**1,7%**	**254**	**2,0%**	**25,1%**
TOTAL	**11.686**	**100%**	**12.644**	**100%**	**8,2%**
Operating Cost per ASK (USc)	6,42	-	6,74	-	4,9%
Ex-fuel Operating Cost per ASK (Usc)	4,35	-	4,67	-	7,4%
Fixed Costs	**3.158**	**27,0%**	**3.580**	**28,3%**	**13,4%**

Subsidiaries & Affiliates

	Turkish Airlines Group 31.12.2019	Revenue (mn USD)	Number of Personnel	Partnership Structure
1	Turkish Airlines	13.229	29.491*	%49 Turkey Wealth Fund - %51 Open to Public
2	Turkish Opet Aviation Fuels	977	501	%50 THY - %50 Opet
4	Sun Express (Turkey & Germany Consolidated)	1.567	4.667	%50 THY - %50 Lufthansa
3	Turkish Technic	1.292	9.250	% 100 THY
5	Turkish Do&Co	344	5.708	%50 THY - %50 Do&Co
6	Pratt Whitney THY Turkish Engine Center (TEC)	399	443	%51 PW - %49 THY Teknik
7	Turkish Ground Services (TGS)	358	14.723	%50 THY - %50 Havaş
8	Turkish Cabin Interior Systems (TCI)	13	205	%50 THY & THY Teknik - %50 TAI
9	Goodrich Turkish Technic Service Center	24	68	%60 Collins Aerospace - %40 THY Teknik
10	TSI Aviation Seats	30	131	%50 THY & THY Teknik - %50 Assan Hanil
11	THY Uçuş Eğitim ve Havalimanı İşletme A.Ş.	13	63	%100 THY
12	Tax Free Zone (Tax Refund)	1	20	%30 THY - %45 Maslak Oto - %25 VK Holding
13	THY Havaalanı Gayrimenkul Yatırım ve İşletme A.Ş.	-	-	% 100 THY
14	THY Uluslararası Yatırım ve Taşımacılık A.Ş.	-	-	%100 THY
15	Cornea Havacılık Sistemleri San. Ve Tic. A.Ş.	-	36	%80 THY Teknik %20 Havelsan
16	Air Albania	-	49	%49 THY - %41 MDN Investment - %10 Albcontrol
17	We World Express Ltd.	3	18	%45 THY - %45 ZTO - %10 Pal Air

* THY A.O. Personnel

Subsidiaries & Affiliates

SunExpress *

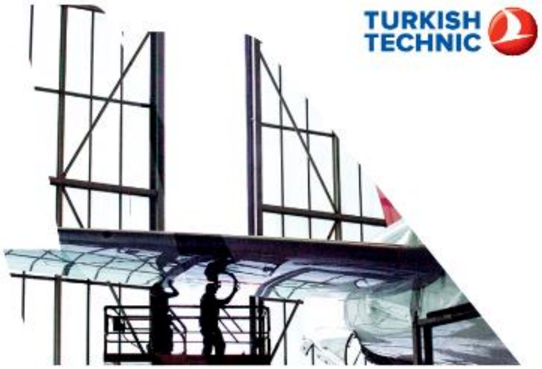
Business Model	Charter + Scheduled
Destinations	274
Fleet	69
Seat Capacity	13.888
# of Passengers	10.132.446
Load Factor (2019)	83,2%
Revenues (2019) mn. USD	1.567

50% - 50% subsidiary company of Lufthansa and Turkish Airlines.

Market leader in charter flights between Germany and Turkey.

*Based on consolidated amounts of SunExpress Turkey and Germany.

Subsidiaries & Affiliates



Turkish Technic

- Turkish Technic Inc. is fully owned by Turkish Airlines.
- Provides maintenance, repair, overhaul (MRO) services and pooling, engineering and Part 21 services to customers worldwide, including all domestic airlines and international airlines such as Air Arabia, Citilink, SpiceJet, Ariana Afghan Airlines.
- Facilities are located at Istanbul Ataturk International Airport (4 hangar), a new world-class facility at Istanbul Sabiha Gökçen International Airport (2 hangar), Ankara Esenboga Airport (1 hangar) and Aydın Çıldır Airport.
- The official opening of the new world-class facility was on June 2014 with an investment of USD 550 million, doubling maintenance, repair and overhaul capacity. Turkish Technic's unique location makes it a convenient MRO provider for around 40% of the world's civilian aircraft within a 3.5 hour flying radius reach of 55 countries.
- On January 2015, facility has been awarded LEED (Leadership in Energy and Environmental Design) Gold Certificate by U.S. Green Building Council for its sustainable building design.
- Turkish Technic has a tremendous MRO capacity to provide maintenance, repair and overhaul services to 30 narrow body aircraft and 10 wide body aircraft with over 9,000 skilled personnel.

Turkish Cabin Interior Systems

- TCI is a joint venture of Turkish Airlines and TAI (Turkish Aerospace Industries).
- Located in Turkish Technic's Sabiha Gökçen Airport Facility and produces Aircraft Galleys.
- The company is a certified supplier of Boeing and is in the Global Offerable List for B-737 Galleys.

Subsidiaries & Affiliates

Turkish Seat Industries (TSI)

- Formed in 2011, stakes of 50%, 45%, and 5% are respectively held by Assan Hanil Group, Turkish Airlines and Turkish Technic.
- The company was set up to design and manufacture airline seats and to make, modify, market and sell spare parts to Turkish Airlines and other international airline companies. Whole production takes place in Turkey and 2016 deliveries for third parties completed assuring superior customer satisfaction.
- The first aircraft equipped with the new seats is a Turkish Airlines B737-800. The seats were initially used on the B737-800s of Turkish Airlines fleet and then were installed on the Airbus single-aisle fleet of A319s, A320s and A321s.
- The company, which commenced its operations in 2014, has an annual seat production capacity of 10 thousand. By 2024, it is planned to increase seat production capacity to 50 thousand.

Goodrich Turkish Technic Service Center

- Provides repair, overhaul and modification services for Nacelle, Thrust Reverser and its components for Turkish Airlines and other customers from Turkish domestic and International markets.
- The company is located in Turkish Technic's HABOM facility.

Pratt Whitney THY Turkish Engine Center (TEC)

- Provides engine maintenance, repair and overhaul (MRO) services to customers located in Turkey, surrounding regions and worldwide.
- The environmentally efficient engine overhaul facility has total usage area of 100,000 m^2 located at the Sabiha Gokcen International Airport.

Subsidiaries & Affiliates

Turkish OPET

- In terms of investment on jet fuel supply Turkish Airlines established a jet fuel supply company together with local oil retailer OPET on September 2009.
- Today, the Company has the largest integrated jet fuel facility in Turkey and has fuel servicing capability at all domestic airports across Turkey.
- In 2016, the Company maintained its market leader position with jet fuel sales of over 3.7 million cubic meters.

Turkish Do&Co

- Established in 2007, Turkish Do&Co operates in nine gourmet kitchens all over Turkey: Istanbul (Atatürk and Sabiha Gökcen), Ankara, Antalya, Izmir, Bodrum, Trabzon, Dalaman and Adana. Over 60 national and international airlines are catered from these locations.
- Turkish Do&Co has significantly improved the quality of catering service offered by Turkish Airlines on board, bringing many international awards to our Company.

Turkish Ground Services

- Owned 50% - 50% by THY and Havaş Havaalanları Yer Hizmetleri A.Ş.
- Provides ground services to Turkish Airlines and other customers since the beginning of 2010 and currently operates at eight major airports in Turkey: Istanbul (Ataturk and Sabiha Gokcen), Izmir, Ankara, Antalya, Adana, Bodrum, Dalaman.

TURKISH AIRLINES

INVESTOR RELATIONS

THANK YOU..

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