

TÜRK HAVA YOLLARI A.O.
Financial Report
Consolidated
2017 - 3. 3 Monthly Notification

General Information About Financial Statements

Statement of Financial Position (Balance Sheet)

Presentation Currency	1.000.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 30.09.2017	Previous Period 31.12.2016
Statement of Financial Position (Balance Sheet)			
Assets [abstract]			
CURRENT ASSETS			
Cash and cash equivalents	5	8.679	5.159
Financial Investments	6	1.290	1.228
Time Deposits		1.290	1.228
Trade Receivables		2.031	1.334
Trade Receivables Due From Unrelated Parties		2.031	1.334
Other Receivables		1.507	2.977
Other Receivables Due From Related Parties	9	10	9
Other Receivables Due From Unrelated Parties	10	1.497	2.968
Derivative Financial Assets		331	694
Derivative Financial Assets Held for Hedging	28	331	694
Inventories		754	763
Prepayments		491	346
Prepayments to Unrelated Parties		491	346
Current Tax Assets	26	91	79
Other current assets		281	93
Other Current Assets Due From Unrelated Parties		281	93
SUB-TOTAL		15.455	12.673
Total current assets		15.455	12.673
NON-CURRENT ASSETS			
Financial Investments	6	127	165
Financial Assets Available-for-Sale		123	0
Financial Investments Held To Maturity		0	161
Other Financial Investments		4	4
Other Receivables	10	2.150	1.815
Other Receivables Due From Unrelated Parties		2.150	1.815
Investments accounted for using equity method	3	1.180	869
Investment property		2	2
Property, plant and equipment	12	45.301	47.422
Land and Premises		525	534
Machinery And Equipments		601	669
Leasehold Improvements		1.202	1.279
Construction in Progress		1.088	827
Operational Lease Assets		37.972	40.255
Other property, plant and equipment		3.913	3.858
Intangible assets and goodwill		283	303
Goodwill		44	44
Other Rights	13	83	104
Licenses	13	156	155
Prepayments		1.734	1.825
Prepayments to Unrelated Parties		1.734	1.825
Total non-current assets		50.777	52.401
Total assets		66.232	65.074
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Current Borrowings	7	4.861	4.776
Current Borrowings From Unrelated Parties		4.861	4.776
Bank Loans		4.861	4.776
Current Portion of Non-current Borrowings		3.513	3.746
Current Portion of Non-current Borrowings from Related Parties		3.513	3.746
Bank Loans		102	90
Leasing Debts		3.411	3.656
Other Financial Liabilities	8	62	13
Other Miscellaneous Financial Liabilities		62	13
Trade Payables	9	2.965	2.169
Trade Payables to Related Parties		516	455
Trade Payables to Unrelated Parties		2.449	1.714
Employee Benefit Obligations		501	504

Other Payables	9	434	326
Other Payables to Related Parties		24	0
Other Payables to Unrelated Parties		410	326
Derivative Financial Liabilities	28	371	514
Derivative Financial Liabilities Held for Hedging		371	514
Deferred Income	11	3.811	2.803
Deferred Income from Unrelated Parties		3.811	2.803
Current tax liabilities, current	26	56	8
Current provisions		239	215
Current provisions for employee benefits	15	165	155
Other current provisions	15	74	60
Other Current Liabilities		664	758
Other Current Liabilities to Unrelated Parties		664	758
SUB-TOTAL		17.477	15.832
Total current liabilities		17.477	15.832
NON-CURRENT LIABILITIES			
Long Term Borrowings	7-13	25.908	27.526
Long Term Borrowings From Unrelated Parties		25.908	27.526
Bank Loans		305	337
Leasing Debts		25.603	27.189
Other Financial Liabilities		0	0
Trade Payables	9	0	0
Other Payables		53	39
Other Payables to Unrelated parties		53	39
Derivative Financial Liabilities		0	0
Deferred Income	11	156	20
Deferred Income from Unrelated Parties		156	20
Non-current provisions		422	397
Non-current provisions for employee benefits	17	422	397
Deferred Tax Liabilities	26	3.350	3.361
Total non-current liabilities		29.889	31.343
Total liabilities		47.366	47.175
EQUITY			
Equity attributable to owners of parent	19	18.866	17.899
Issued capital		1.380	1.380
Inflation Adjustments on Capital		1.124	1.124
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-35	-37
Gains (Losses) on Revaluation and Remeasurement		-35	-37
Gains (Losses) on Remeasurements of Defined Benefit Plans		-35	-37
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		7.896	7.754
Exchange Differences on Translation		7.986	7.685
Gains (Losses) on Hedge		-93	69
Gains (Losses) on Cash Flow Hedges		-93	69
Gains (Losses) on Revaluation and Reclassification		3	0
Gains (Losses) on Remeasuring and/or Reclassification of Available-for-sale Financial Assets		3	0
Restricted Reserves Appropriated From Profits		59	59
Legal Reserves		59	59
Prior Years' Profits or Losses		7.619	7.666
Current Period Net Profit Or Loss		823	-47
Total equity		18.866	17.899
Total Liabilities and Equity		66.232	65.074

Statement of Profit or Loss and Other Comprehensive Income

Presentation Currency	1.000.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2017 - 30.09.2017	Previous Period 01.01.2016 - 30.09.2016	Current Period 3 Months 01.07.2017 - 30.09.2017	Previous Period 3 Months 01.07.2016 - 30.09.2016
Statement of Profit or Loss and Other Comprehensive Income					
PROFIT (LOSS)					
Revenue	20	29.332	22.170	12.658	8.662
Cost of sales	21	-22.693	-19.420	-8.270	-6.902
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		6.639	2.750	4.388	1.760
GROSS PROFIT (LOSS)		6.639	2.750	4.388	1.760
General Administrative Expenses	22	-734	-709	-228	-228
Marketing Expenses	22	-3.057	-2.793	-1.042	-860
Other Income from Operating Activities	23	597	397	226	163
Other Expenses from Operating Activities	23	-106	-89	-44	-73
PROFIT (LOSS) FROM OPERATING ACTIVITIES		3.339	-444	3.300	762
Investment Activity Income	24	554	257	166	93
Investment Activity Expenses	24	-5	-59	0	0
Share of Profit (Loss) from Investments Accounted for Using Equity Method	3	370	139	292	147
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		4.258	-107	3.758	1.002
Finance income	25	149	310	36	97
Finance costs	25	-3.437	-1.924	-820	-429
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		970	-1.721	2.974	670
Tax (Expense) Income, Continuing Operations		-147	375	-536	-122
Current Period Tax (Expense) Income	26	-140	-74	-54	-33
Deferred Tax (Expense) Income	26	-7	449	-482	-89
PROFIT (LOSS) FROM CONTINUING OPERATIONS		823	-1.346	2.438	548
PROFIT (LOSS)		823	-1.346	2.438	548
Profit (loss), attributable to [abstract]					
Non-controlling Interests		0	0	0	0
Owners of Parent		823	-1.346	2.438	548
Earnings per share [abstract]					
Earnings per share [line items]					
Basic earnings per share					
Diluted Earnings Per Share					
OTHER COMPREHENSIVE INCOME					
Other Comprehensive Income that will not be Reclassified to Profit or Loss		2	4	0	-1
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss		3	5	0	-1
Gains (Losses) on Remeasurements of Defined Benefit Plans of Associates and Joint Ventures Accounted for Using Equity Method		3	5	0	-1
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		-1	-1	0	0
Taxes Relating to Share Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss		-1	-1	0	0
Other Comprehensive Income That Will Be Reclassified to Profit or Loss		142	1.155	293	504
Exchange Differences on Translation		301	407	259	460
Gains (Losses) on Exchange Differences on Translation		301	407	259	460
Gains (Losses) on Remeasuring or Reclassification Adjustments on Available-for-sale Financial Assets		4	0	0	0
Gains (losses) on Remeasuring Available-for-sale Financial Assets		4	0	0	0
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		-168	940	38	64
Gains (Losses) on Cash Flow Hedges		-168	940	38	64
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss		-35	-5	4	-9

Gains (Losses) on Cash Flow Hedges of Associates and Joint Ventures Accounted for Using Equity Method		-35	-5	4	-9
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		40	-187	-8	-11
Taxes Relating to Cash Flow Hedges		33	-188	-7	-13
Taxes Relating to Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss		7	1	-1	2
OTHER COMPREHENSIVE INCOME (LOSS)		144	1.159	293	503
TOTAL COMPREHENSIVE INCOME (LOSS)		967	-187	2.731	1.051
Total Comprehensive Income Attributable to					
Non-controlling Interests		0	0	0	0
Owners of Parent		967	-187	2.731	1.051

Statement of cash flows (Indirect Method)

Presentation Currency	1.000.000 TL
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	Footnote Reference	Current Period 01.01.2017 - 30.09.2017	Previous Period 01.01.2016 - 30.09.2016
Statement of cash flows (Indirect Method)			
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		6.446	1.357
Profit (Loss)		823	-1.346
Profit (Loss) from Continuing Operations		823	-1.346
Adjustments to Reconcile Profit (Loss)		4.768	3.289
Adjustments for depreciation and amortisation expense	12-13	2.725	2.485
Adjustments for provisions		67	101
Adjustments for (Reversal of) Provisions Related with Employee Benefits	15-17	77	77
Adjustments for (Reversal of) Free Provisions for Probable Risks		-22	9
Adjustments for (Reversal of) Other Provisions	15	12	15
Adjustments for Interest (Income) Expenses		243	207
Adjustments for Interest Income	24-25	-327	-204
Adjustments for interest expense	25	570	411
Adjustments for unrealised foreign exchange losses (gains)		2.000	1.061
Adjustments for Manufacturers' Grants		7	6
Adjustments for fair value losses (gains)		66	-185
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments	25	66	-185
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method		-370	-139
Adjustments for undistributed profits of associates	3	-370	-139
Adjustments for Tax (Income) Expenses	26	147	-375
Adjustments for losses (gains) on disposal of non-current assets		-117	128
Adjustments for Losses (Gains) Arised From Sale of Tangible Assets	24	-166	59
Adjustments for losses (Gains) Arised from Sale of Other Non-current Assets		49	69
Changes in Working Capital		907	-536
Adjustments for decrease (increase) in trade accounts receivable		-693	-386
Decrease (Increase) in Trade Accounts Receivables from Related Parties		0	1
Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties		-693	-387
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		-118	564
Decrease (Increase) in Other Unrelated Party Receivables Related with Operations		-118	564
Adjustments for decrease (increase) in inventories		16	-101
Decrease (Increase) in Prepaid Expenses		-34	-374
Adjustments for increase (decrease) in trade accounts payable		785	215
Increase (Decrease) in Trade Accounts Payables to Related Parties		58	33
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties		727	182
Increase (Decrease) in Employee Benefit Liabilities		-8	87
Adjustments for increase (decrease) in other operating payables		120	4
Increase (Decrease) in Other Operating Payables to Unrelated Parties		120	4
Increase (Decrease) in Deferred Income		1.028	-534
Other Adjustments for Other Increase (Decrease) in Working Capital		-189	-11
Decrease (Increase) in Other Assets Related with Operations		-189	-11
Cash Flows from (used in) Operations		6.498	1.407
Payments Related with Provisions for Employee Benefits	17	-40	-33
Income taxes refund (paid)	26	-12	-17
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		3.060	-285
Proceeds from sales of property, plant, equipment and intangible assets		3.375	5
Proceeds from sales of property, plant and equipment		3.375	5
Purchase of Property, Plant, Equipment and Intangible Assets		-1.978	-1.668
Purchase of property, plant and equipment	12-13	-1.978	-1.668
Purchase of other long-term assets		-13	-513
Cash advances and loans made to other parties		1.300	1.653
Other Cash Advances and Loans Made to Other Parties		1.300	1.653

Dividends received		63	66
Interest received		313	172
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		-5.986	489
Proceeds from borrowings		65	2.656
Proceeds from Loans		65	2.656
Payments of Finance Lease Liabilities		-5.744	-1.914
Interest paid		-356	-273
Other inflows (outflows) of cash		49	20
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		3.520	1.561
Net increase (decrease) in cash and cash equivalents		3.520	1.561
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		5.159	2.617
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		8.679	4.178

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[illegible]