

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Condensed Consolidated Interim Balance Sheet as at 31 December 2020
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	31 December 2020	31 December 2019
ASSETS		
Current Assets		
Cash and Cash Equivalents	13.293	12.328
Financial Investments	131	2.377
Trade Receivables		
-Related Parties	129	5
-Third Parties	4.543	3.200
Other Receivables		
-Related Parties	45	166
-Third Parties	8.037	6.258
Derivative Financial Instruments	14	312
Inventories	2.236	1.723
Prepaid Expenses	1.034	884
Current Income Tax Assets	280	257
Other Current Assets	917	829
TOTAL CURRENT ASSETS	30.659	28.339
Non-Current Assets		
Financial Investments	548	532
Other Receivables		
-Third Parties	8.809	7.577
Investments Accounted by Using Equity Method	1.881	2.191
Property and Equipment	30.431	21.640
Right of Use Assets	108.465	80.894
Intangible Assets		
- Other Intangible Assets	653	489
- Goodwill	91	74
Prepaid Expenses	5.862	5.135
Deferred Tax Assets	3	-
TOTAL NON-CURRENT ASSETS	156.743	118.532
TOTAL ASSETS	187.402	146.871

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(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	31 December 2020	31 December 2019
LIABILITIES		
Current Liabilities		
Short Term Borrowings		
-Related Parties		
-Bank Borrowings	101	-
-Third Parties		
-Bank Borrowings	11.108	7.374
Short-Term Portion of Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	3.216	310
-Third Parties		
-Bank Borrowings	5.491	2.604
-Lease Liabilities	12.684	8.162
Other Financial Liabilities	126	113
Trade Payables		
-Related Parties	1.036	1.019
-Third Parties	5.286	5.689
Payables Related to Employee Benefits	658	948
Other Payables		
-Third Parties	645	580
Derivative Financial Instruments	470	416
Deferred Income	4.511	6.361
Short-Term Provisions		
-Provisions for Employee Benefits	118	233
-Other Provisions	75	76
Other Current Liabilities	1.854	1.532
TOTAL CURRENT LIABILITIES	47.379	35.417
Non- Current Liabilities		
Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	10.288	1.548
-Third Parties		
-Bank Borrowings	9.389	8.670
-Lease Liabilities	70.317	50.758
Other Payables		
-Third Parties	162	223
Deferred Income	799	713
Long-Term Provisions		
-Provisions for Employee Benefits	984	804
-Other Provisions	359	265
Deferred Tax Liability	8.214	7.678
TOTAL NON-CURRENT LIABILITIES	100.512	70.659
Equity		
Share Capital	1.380	1.380
Inflation Adjustment on Share Capital	1.124	1.124
Items That Will Not Be Reclassified to		
Profit or Loss		
-Actuarial (Losses) on Retirement Pay Obligation	(352)	(226)
Items That Are or May Be Reclassified to		
Profit or Loss		
-Foreign Currency Translation Differences	29.483	20.757
-Fair Value Gains on Hedging Instruments		
Entered into for Cash Flow Hedges	(3.301)	1.017
-Gains/(Losses) on Remeasuring FVOCI	12	(4)
Restricted Profit Reserves	211	184
Previous Years Profit	16.533	12.024
Net (Loss)/Profit for the Year	(5.588)	4.536
Equity of the Parent	39.502	40.792
Non-Controlling Interests	9	3
TOTAL EQUITY	39.511	40.795
TOTAL LIABILITIES AND EQUITY	187.402	146.871

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Condensed Consolidated Interim Statement of Profit or Loss and
Other Comprehensive Income For the Year Ended 31 December 2020
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	31 December 2020	31 December 2019
<u>PROFIT OR LOSS</u>		
Revenue	46.448	75.118
Cost of Sales (-)	(43.765)	(62.039)
GROSS PROFIT	2.683	13.079
General Administrative Expenses (-)	(1.518)	(1.695)
Marketing Expenses (-)	(4.542)	(8.015)
Other Operating Income	2.391	2.043
Other Operating Expenses (-)	(396)	(370)
OPERATING PROFIT BEFORE INVESTMENT ACTIVITIES	(1.382)	5.042
Income from Investment Activities	1.344	963
Expenses from Investment Activities	(83)	(452)
Share of Investments' Profit Accounted by Using The Equity Method	(578)	469
OPERATING PROFIT	(699)	6.022
Financial Income	504	780
Financial Expenses (-)	(5.906)	(1.746)
PROFIT BEFORE TAX	(6.101)	5.056
Tax Expense	513	(520)
Current Tax Expense	(1)	(1)
Deferred Tax Expense	514	(519)
NET PROFIT FOR THE YEAR	(5.588)	4.536
Non-controlling interest	-	1
Equity holders of the parent	(5.588)	4.535
<u>OTHER COMPREHENSIVE INCOME</u>		
Items That May Be Reclassified Subsequently To Profit or Loss	4.424	5.119
Currency Translation Adjustment	8.726	4.070
Gains on Remeasuring FVOCI	20	42
Related Tax of Remeasuring FVOCI	(4)	(9)
Fair Value (Losses)/Gains on Hedging Instruments Entered into for Cash Flow Hedges	(5.325)	1.258
Fair Value (Losses)/Gains Hedging Instruments of Investment Accounted by Using the Equity Method Entered into for Cash Flow Hedges	(73)	35
Related Tax of Other Comprehensive Income/(Expense)	1.080	(277)
Items That Will Not Be Reclassified Subsequently To Profit or Loss	(126)	(42)
Actuarial Losses on Retirement Pay Obligation	(158)	(52)
Related Tax of Other Comprehensive Income	32	10
OTHER COMPREHENSIVE INCOME FOR THE YEAR	4.298	5.077
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR	(1.290)	9.613
Basic (Loss)/Gain Per Share (Kr)	(4,05)	3,29
Diluted (Loss)/Gain Per Share (Kr)	(4,05)	3,29

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Condensed Consolidated Interim Statement of Changes in Equity
For the Year Ended 31 December 2020
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

			Items That Will Not Be Reclassified Subsequently To Profit or Loss	Items That May Be Reclassified Subsequently To Profit or Loss			Retained Earnings					
				Foreign Currency Translation Differences	Fair Value Gains on Hedging Instruments Entered Into For Cash Flow Hedges	Gains / (Losses) on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit for The Year	Equity Holders of the Parent	Non-controlling Interests	Total Equity
As of 1 January 2020	1.380	1.124	(226)	20.757	1.017	(4)	184	12.024	4.536	40.792	3	40.795
Transfers	-	-	-	-	-	-	-	4.536	(4.536)	-	-	-
Total comprehensive income	-	-	(126)	8.726	(4.318)	16	27	(27)	(5.588)	(1.290)	-	(1.290)
Dividends paid	-	-	-	-	-	-	-	-	-	-	6	6
As of 31 December 2020	1.380	1.124	(352)	29.483	(3.301)	12	211	16.533	(5.588)	39.502	9	39.511

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Condensed Consolidated Interim Statement of Changes in Equity
For the Year Ended 31 December 2020
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

		Items That Will Not Be Reclassified Subsequently To Profit or Loss	Items That May Be Reclassified Subsequently To Profit or Loss				Retained Earnings					
Share Capital	Inflation Adjustment on Share Capital	Actuarial (Losses) Retirement Pay Obligation	Foreign Currency Translation Differences	Fair Value Gains on Hedging Instruments Entered Into For Cash Flow Hedges	Gains / (Losses) on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit for The Year	Equity Holders of the Parent	Non- controlling Interests	Total Equity	
As of 1 January 2019	1.380	1.124	(184)	16.687	1	(37)	59	8.206	4.045	31.281	3	31.284
Adjustment on initial application of IFRS 16	-	-	-	-	-	-	(102)	-	(102)	-	-	(102)
Restated As of 1 January 2019	1.380	1.124	(184)	16.687	1	(37)	59	8.104	4.045	31.179	3	31.182
Transfers	-	-	-	-	-	-	4.045	(4.045)	-	-	-	-
Total comprehensive income	-	-	(42)	4.070	1.016	33	125	(125)	4.536	9.613	-	9.613
As of 31 December 2019	1.380	1.124	(226)	20.757	1.017	(4)	184	12.024	4.536	40.792	3	40.795

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES

Condensed Consolidated Interim Statement of Cash Flows

For the Year Ended 31 December 2020

(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	31 December 2020	31 December 2019
Net (Loss)/Profit for the year	(5.588)	4.536
Adjustments to Reconcile Profit / (Loss)		
Adjustments for Depreciation and Amortisation Expense	11.638	8.624
Adjustments for Provisions Related with Employee Benefits	36	117
Adjustments for Provisions for Payables	(1)	(10)
Adjustments for Reversal of Probable Risks	152	108
Adjustments for Interest Income	(544)	(552)
Adjustments for Interest Expense	1.977	1.453
Adjustments For Unrealised Foreign Exchange Losses	5.702	(3.643)
Adjustments for Manufacturers' Credits	-	1
Adjustments for Fair Value (Gains) / Losses on Investment Property	-	2
Adjustments for Fair Value (Gains) / Losses on Derivative Financial Instruments	113	123
Adjustments for Undistributed Profits of Associates	578	(469)
Adjustments for Tax Expense	(514)	520
Adjustments for Gains Arised From Sale of Tangible Assets	(23)	415
Adjustments for Losses Arised from Sale of Other Non-Current Assets	273	220
Operating Profit Before Changes in Working Capital	13.799	11.445
(Increase) / Decrease in Trade Receivables from Related Parties	(117)	6
(Increase) / Decrease in Trade Receivables from Non Related Parties	(562)	170
Decrease in Other Related Party Receivables Related with Operations	121	-
(Increase) / Decrease in Other Non-Related Party Receivables Related with Operations	(1.545)	451
Adjustments for Increase in Inventories	(102)	(567)
Adjustments for Decrease / (Increase) in Prepaid Expenses	517	(305)
Decrease in Trade Payables to Related Parties	(213)	(335)
(Decrease) / Increase in Trade Payables to Non Related Parties	(1.664)	945
Adjustments for Increase in Payables Due to Employee Benefits	(490)	(230)
(Decrease) / Increase in Other Operating Payables to Non-Related Parties	(911)	756
(Decrease) / Increase in Deferred Income	(3.316)	1.004
Decrease / (Increase) in Other Assets Related with Operations	161	(194)
Cash Flows From Operations	5.678	13.146
Payments for Provisions Related with Employee Benefits	(98)	(55)
Income Taxes Received / (Paid)	23	(62)
Net Cash From Operating Activities	5.603	13.029
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Cash Receipts Proceed From Sales of Property, Plant and Equipment	96	99
Cash Payments From Purchasing of Property, Plant and Equipment	(8.000)	(5.751)
Cash Receipts From Purchasing of Other Long-term Assets	2.661	599
Other Cash Advances and Loans	2.057	(1.282)
Dividends Received	18	341
Interest Received	458	481
Net Cash Flows / (Used In) Investing Activities	(2.710)	(5.513)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds From Loans	28.576	18.010
Payments of Loans	(17.928)	(12.975)
Payments of Lease Liabilities	(10.877)	(7.489)
Interest Paid	(1.710)	(1.413)
Other Cash Inflows	11	73
Net Cash Used in Financing Activities	(1.928)	(3.794)
Net Change in Cash and Cash Equivalents	965	3.722
CASH AND CASH EQUIVALENTS		
AT THE BEGINNING OF THE YEAR	12.328	8.606
CASH AND CASH EQUIVALENTS		
AT THE END OF THE YEAR	13.293	12.328