

WIDEN YOUR
WORLD

TURKISH
AIRLINES 

2020 RESULTS SUMMARY

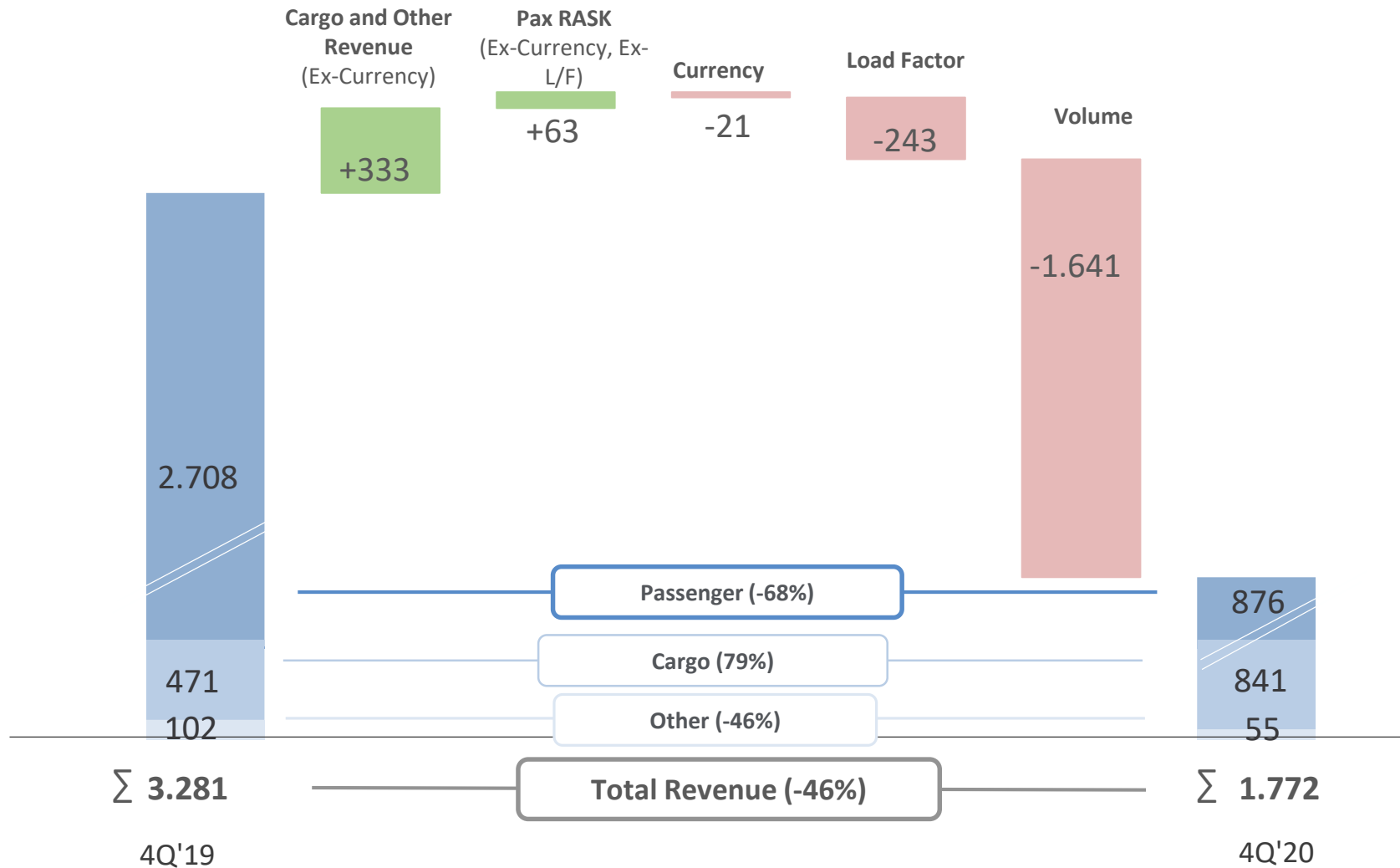


Key Financial Data

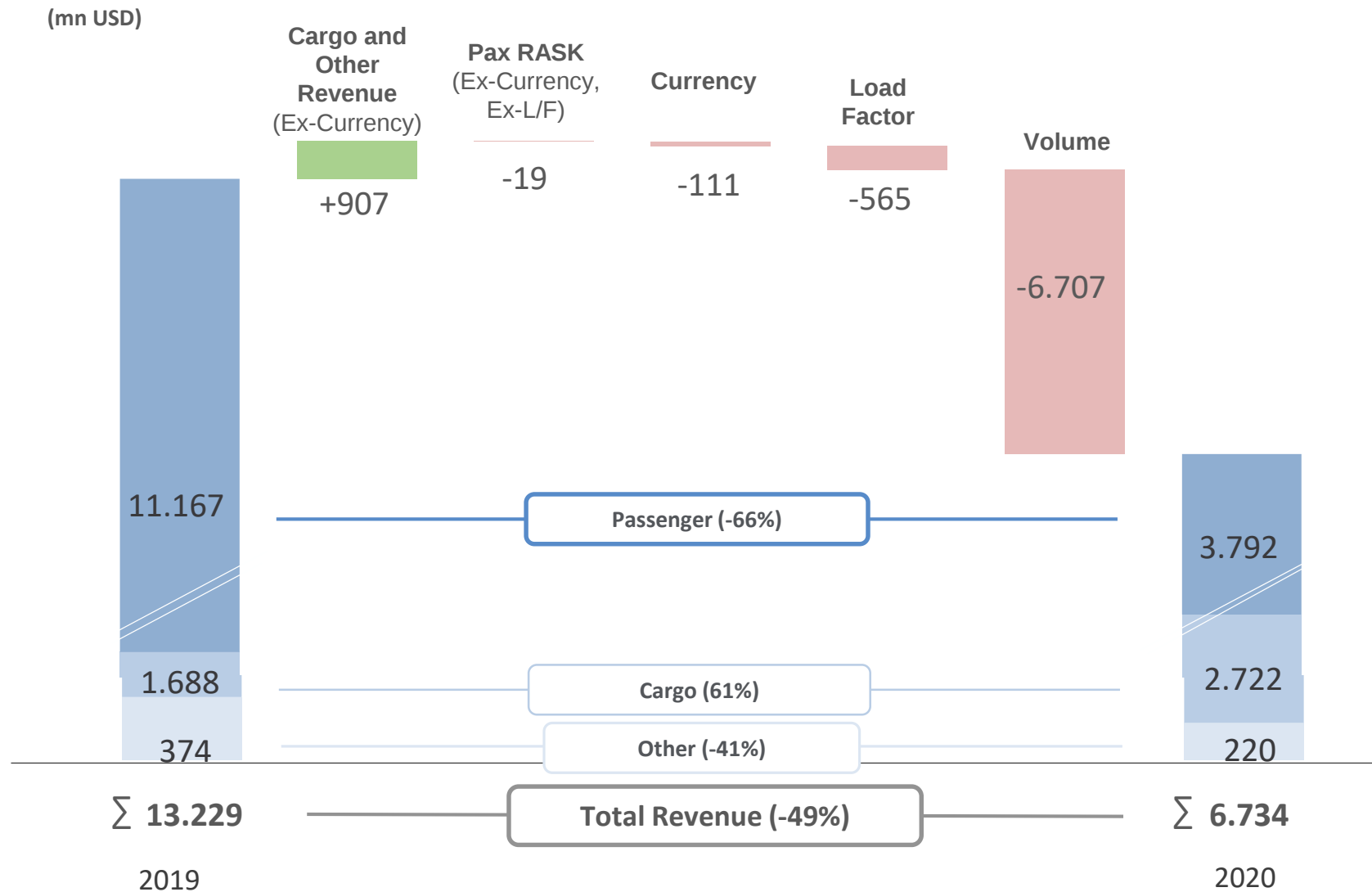
4Q'19	4Q'20	Change	(USD mn)	2019	2020	Change
3.281	1.772	-46,0%	Revenue	13.229	6.734	-49,1%
2.708	876	-67,7%	Passenger Revenue	11.167	3.792	-66,0%
471	841	78,6%	Cargo Revenue	1.688	2.722	61,3%
137	61	-55,5%	Net Operating Profit / Loss	585	-530	-
336	112	-66,7%	Profit From Main Operations	876	-255	-
336	-50	-	Net Income	788	-836	-
10,2%	-2,8%	-13,1 pt	Net Income Margin	6,0%	-12,4%	-18,4 pt
892	689	-22,8%	EBITDAR	3.107	1.866	-39,9%
27,2%	38,9%	11,7 pt	EBITDAR Margin	23,5%	27,7%	4,2 pt

Revenue Development (4Q'19 vs 4Q'20)

(mn USD)

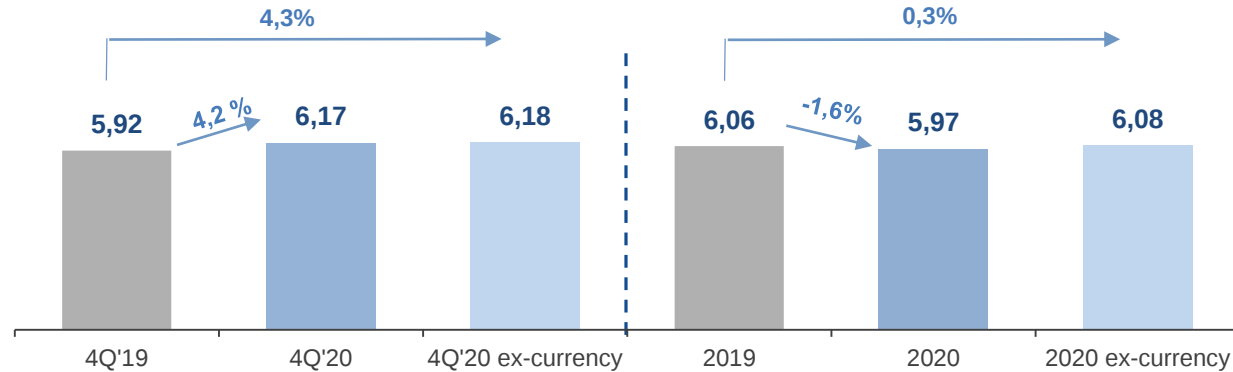


Revenue Development (2019 vs 2020)

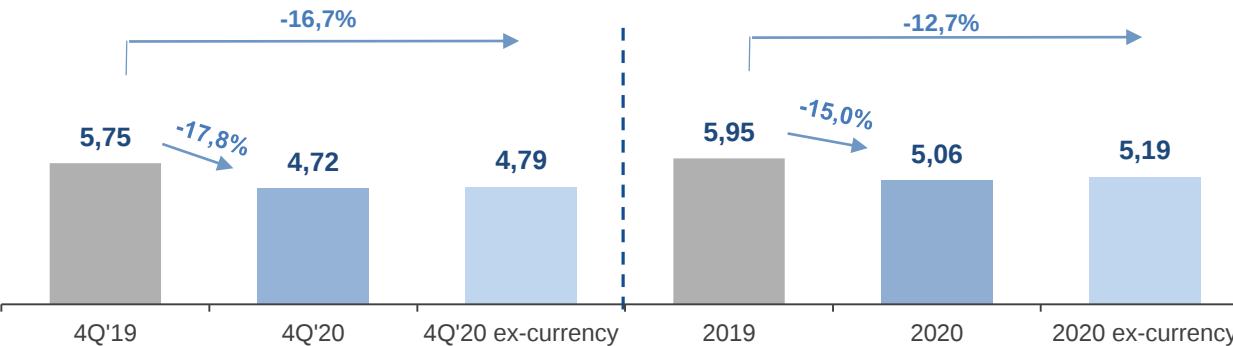


Unit Revenue Development

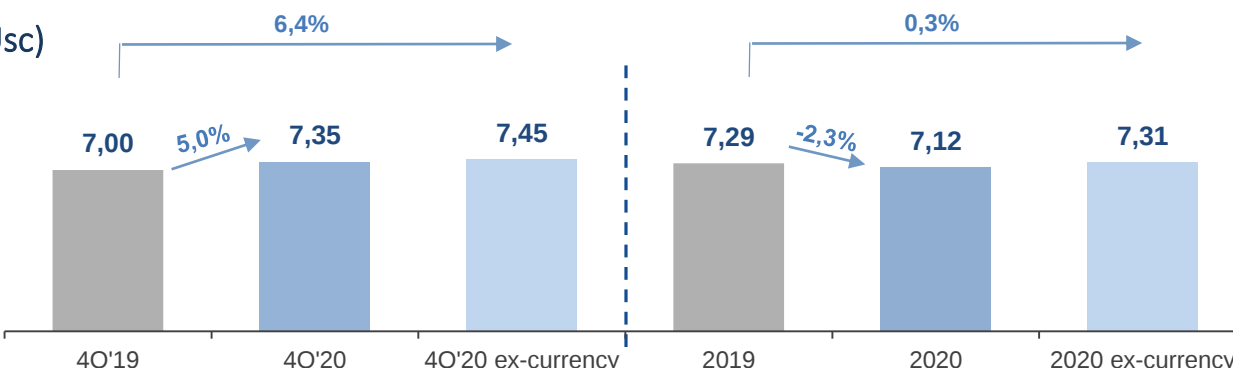
RASK (USc)



Passenger RASK (USc)

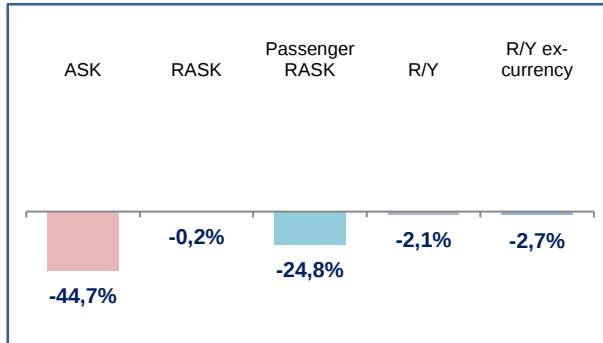


Revenue Yield (R/Y) (Usc)

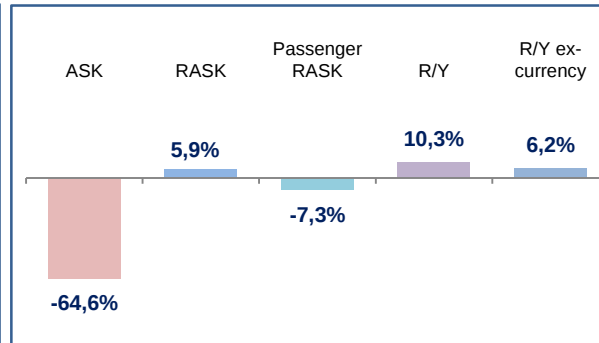


Regional Yield Development in USD (4Q'19 vs 4Q'20)

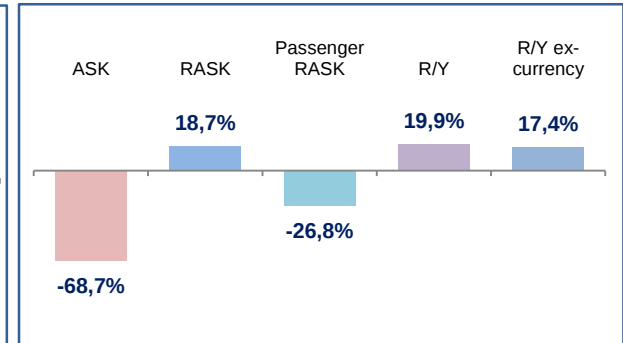
America



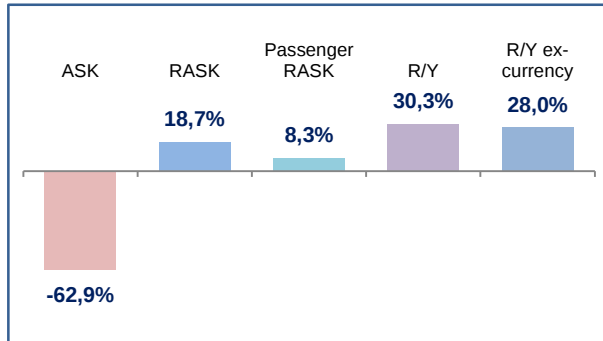
Europe



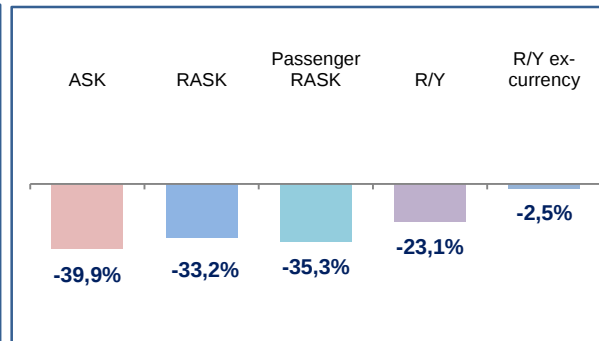
Asia / Far East



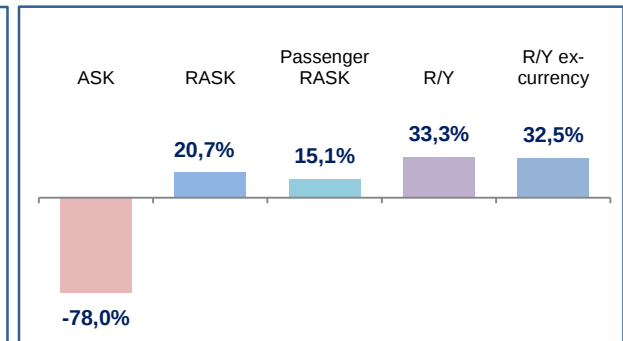
Africa



Domestic

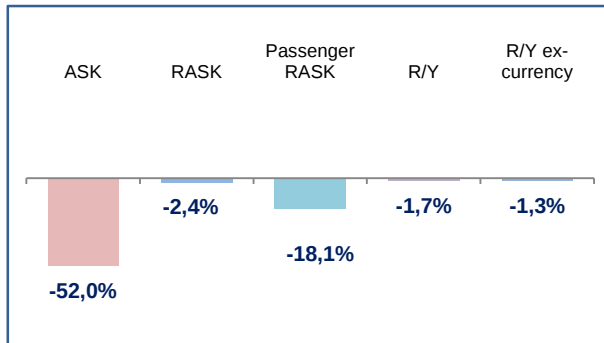


Middle East

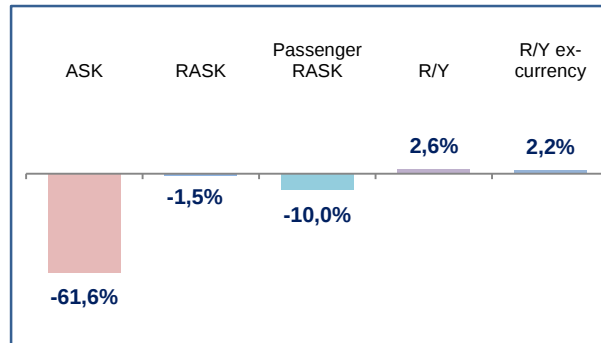


Regional Yield Development in USD (2019 vs 2020)

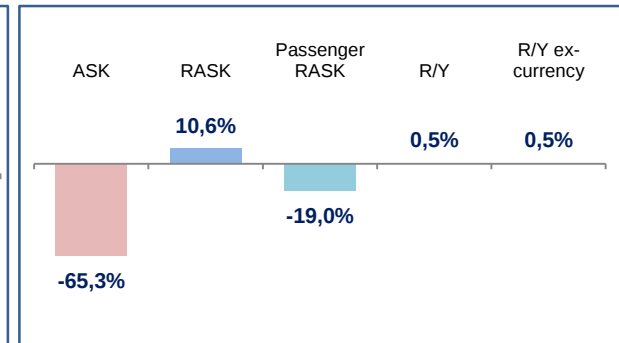
America



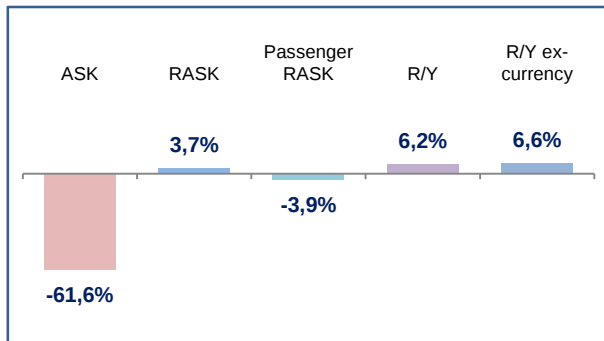
Europe



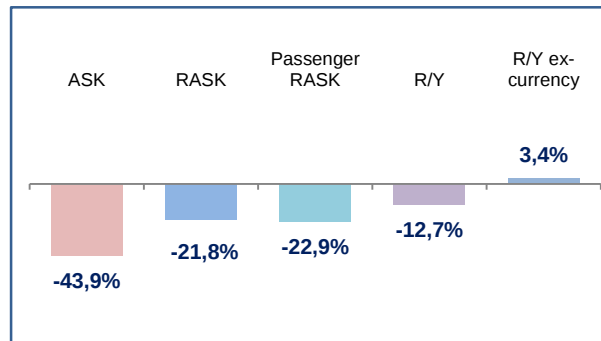
Asia / Far East



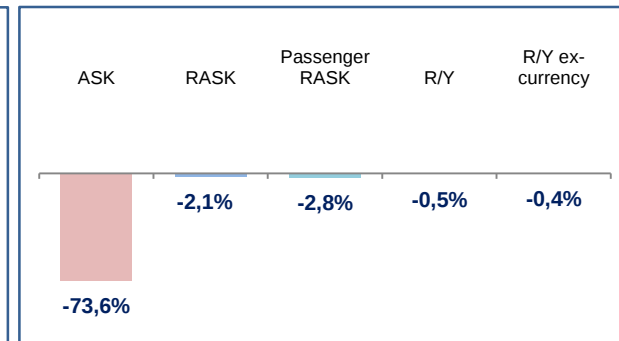
Africa



Domestic

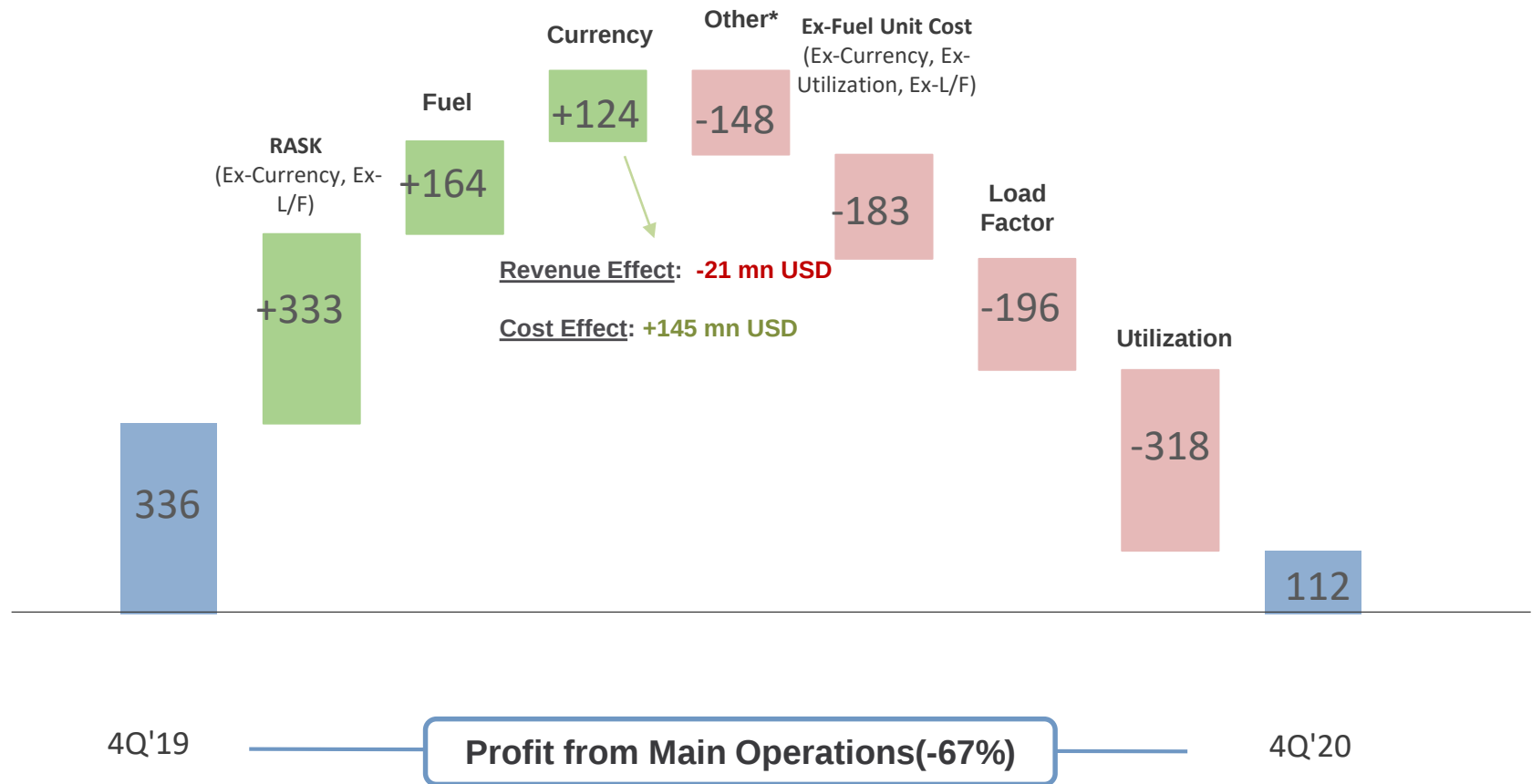


Middle East



Profit / Loss From Main Operations Bridge (4Q'19 vs 4Q'20)

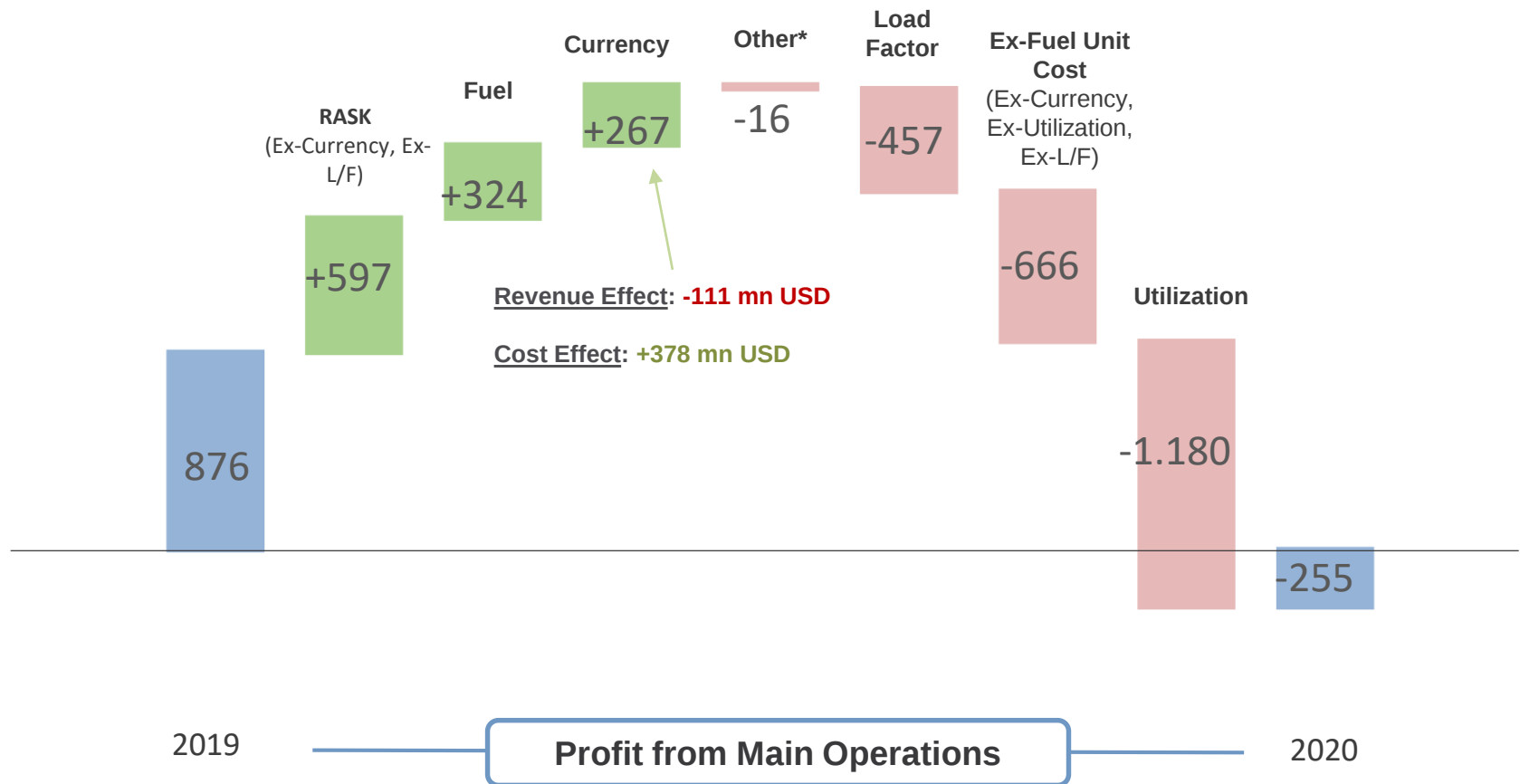
(mn USD)



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

Profit / Loss From Main Operations Bridge (2019 vs 2020)

(mn USD)



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

Operational Expense Breakdown

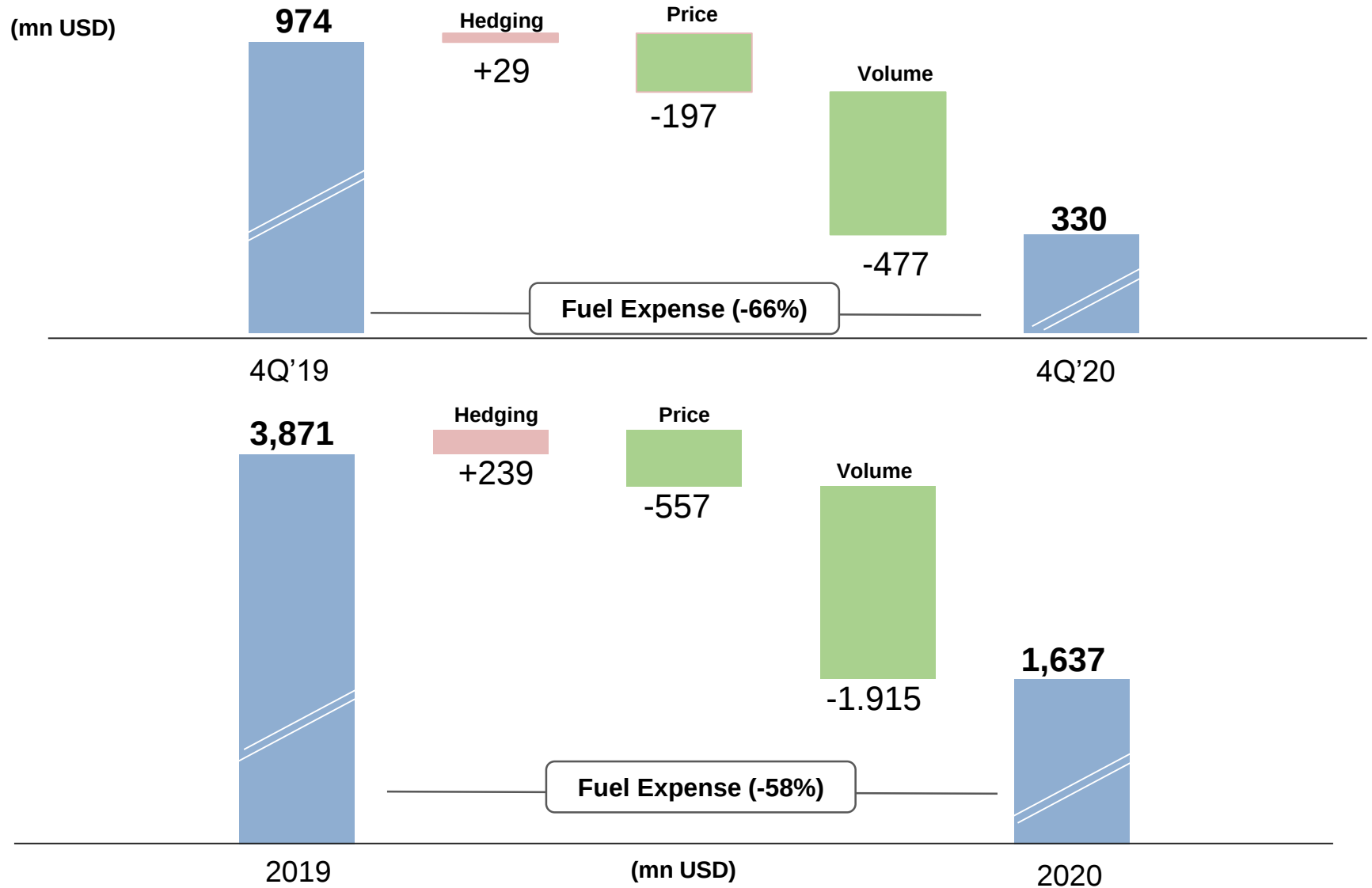
4Q'19	4Q'20	Change	(mn USD)	2019	2020	Change	% of Total Costs
974	330	-66,1%	Fuel	3.873	1.638	-57,7%	23%
473	270	-42,9%	Personnel	2.067	1.097	-46,9%	15%
458	512	11,8%	Aircraft Ownership	1.832	1.903	3,9%	26%
305	150	-50,8%	Airports & Air Navigation	1.176	611	-48,0%	8%
243	101	-58,4%	Sales & Marketing	1.101	459	-58,3%	6%
204	129	-36,8%	Ground Handling	815	485	-40,5%	7%
150	36	-76,0%	Passenger Services & Catering	622	217	-65,1%	3%
231	104	-55,0%	Maintenance	791	546	-31,0%	8%
106	79	-25,5%	Other ¹	367	308	-16,1%	4%
3.144	1.711	-45,6%	TOTAL	12.644	7.264	-42,5%	100%

ASK Growth: **-60,6%**

ASK Growth: **-60,1%**

¹Includes General Administration and Other Cost of Sales.

Fuel Expense Breakdown



CASK Breakdown

4Q'19	4Q'20	Change	(USc)	2019	2020	Change
2,07	1,78	-14,0%	Fuel	2,06	2,19	5,9%
1,00	1,46	45,0%	Personnel	1,10	1,46	32,9%
0,97	2,76	183,9%	Aircraft Ownership	0,98	2,54	160,1%
0,65	0,81	24,9%	Airports & Air Navigation	0,63	0,82	30,1%
0,52	0,54	5,5%	Sales & Marketing	0,59	0,61	4,4%
0,43	0,70	60,6%	Ground Handling	0,43	0,65	49,0%
0,32	0,19	-39,1%	Passenger Services & Catering	0,33	0,29	-12,6%
0,49	0,56	14,3%	Maintenance	0,42	0,73	72,9%
0,23	0,43	89,3%	Other	0,20	0,41	110,2%
6,68	9,23	38,2%	TOTAL	6,74	9,69	43,9%

Ex-Fuel CASK: **61,6%**

Ex-Fuel CASK: **60,6%**

Ex-Fuel CASK (incl. ATK)*: **22,7%**

Ex-Fuel CASK (incl. ATK)*: **24,6%**

*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'19	4Q'20	Change		2019	2020	Change
704	470	-33,3%	Fuel Price (Usd/ton)	701	584	-16,6%
3,22	3,15	-2,0%	Fuel Consumption (lt) per 100 ASK2	3,26	3,21	-1,5%
1.246	2.969	138,2%	Aircraft Ownership Cost per BH	1.228	2.711	120,7%
629	603	-4,1%	Maintenance Cost per BH	530	778	46,7%
1.755	2.556	45,6%	Handling Cost per Landing	1.674	2.314	38,3%
1.313	1.260	-4,0%	Airports & Air Navigation Cost per km Flown	1.270	1.294	1,9%
8,40	5,69	-32,2%	Passenger Services & Catering Cost per Pax	8,37	7,76	-7,3%
7,4%	5,7%	-1,7 pt	Sales & Marketing Cost / Total Revenue	8,3%	6,8%	-1,5 pt

EBITDAR Calculation

4Q'19	4Q'20	Change	EBITDAR (mn USD)	2019	2020	Change
3.281	1.772	-46,0%	Sales Revenue	13.229	6.734	-49,1%
2.754	1.505	-45,4%	Cost of Sales (-)	10.928	6.378	-41,6%
527	267	-49,3%	GROSS PROFIT / (LOSS)	2.301	356	-84,5%
77	54	-29,9%	General Administrative Expenses (-)	299	219	-26,8%
313	152	-51,4%	Marketing and Sales Expenses (-)	1.417	667	-52,9%
137	61	-55,5%	NET OPERATING PROFIT / (LOSS)	585	-530	-
213	73	-65,7%	Other Operating Income	355	330	-7,0%
14	22	57,1%	Other Operating Expense (-)	64	55	-14,1%
336	112	-66,7%	Profit / (Loss) from Main Operations	876	-255	-
38	61	60,5%	Adjustments	192	77	-59,9%
2	9	350,0%	Share of Investments' Profit / Loss Accounted by Using The Equity Method	82	-87	-
36	52	44,4%	Income From Government Incentives	110	164	49,1%
374	173	-53,7%	EBIT	1.068	-178	-
398	433	8,8%	Depreciation	1.521	1.659	9,1%
772	606	-21,5%	EBITDA	2.589	1.481	-42,8%
86	42	-50,9%	Adjusted Operating Lease Expenses ¹	361	262	-27,5%
34	41	19,4%	Adjusted Short term Lease Expenses (Wet-lease) ²	156	123	-21,1%
892	689	-22,8%	EBITDAR	3.107	1.866	-39,9%
27,2%	38,9%	11,7 pt	EBITDAR MARGIN	23,5%	27,7%	4,2 pt

Notes:

- For 2020 Turkish Technic's contribution to EBITDAR through consolidation is 175 mn USD, compared to 305 mn in 2019.

- For 2020 adjustments for heavy maintenance of operational lease expenses is 242 mn USD compared to 334 mn USD in 2019.

¹ Adjusted for A/C heavy maintenance

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

WIDEN YOUR
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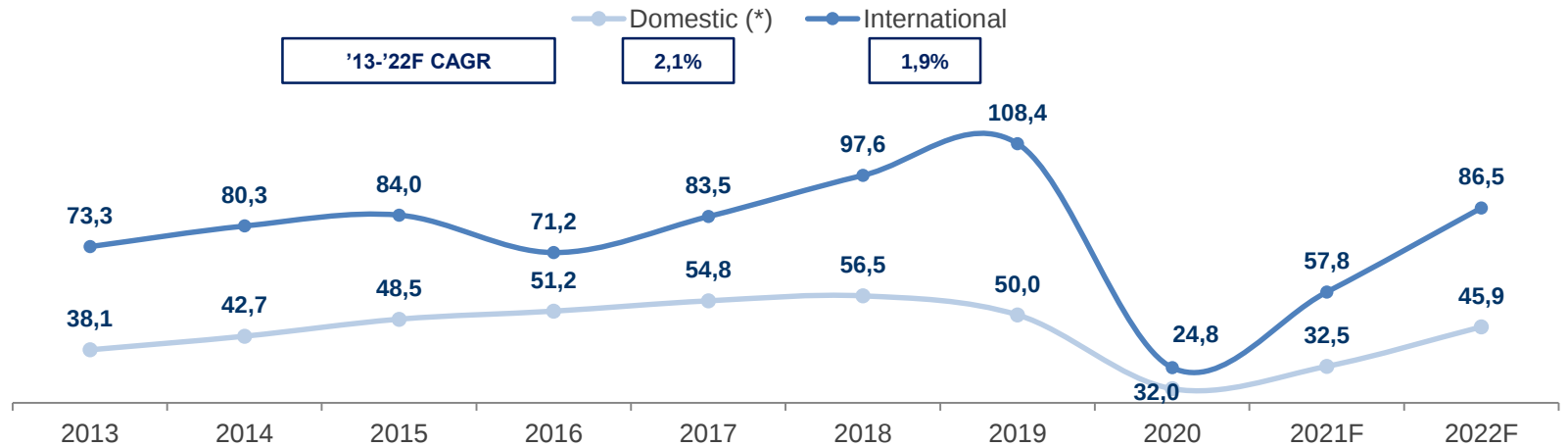
TURKISH
AIRLINES 

4Q'20 RESULTS



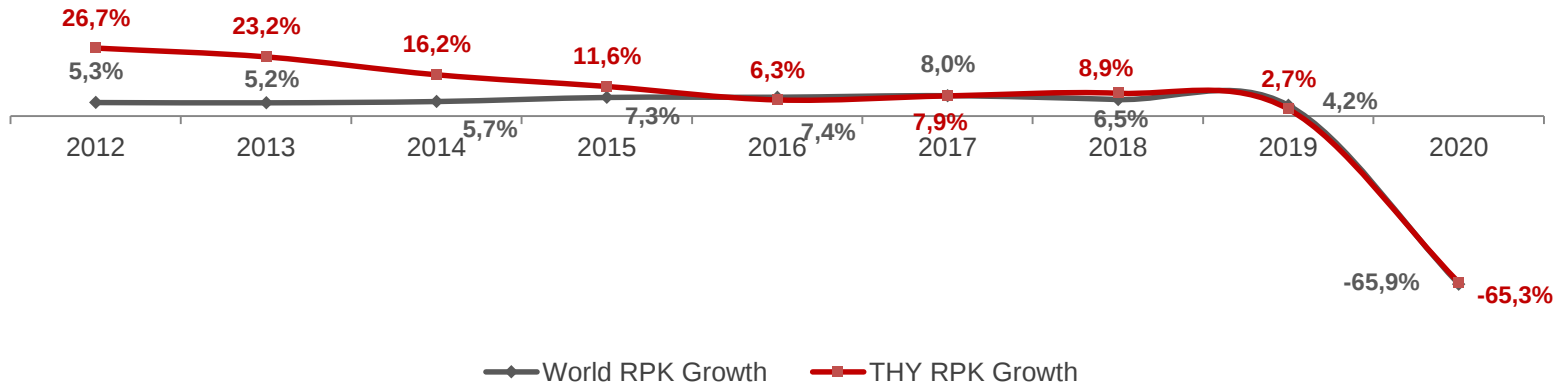
Aviation Sector & Economy

Turkish Market Growth (mn passengers)



Source: General Directorate of State Airports Authority (DHMI) – September 2020
(*)Adjusted for double count on Domestic Pax

Annual RPK Growth (%)



Source: IATA

We Fly to 127 Countries

EUROPE			
43 COUNTRIES, 116 CITIES			
Germany	Russia	Belgium	Moldova
Munich	Moscow	Brussels	Chisinau
Frankfurt	Sochi	Bulgaria	Poland
Berlin	St. Petersburg	Sofia	Warsaw
Stuttgart	Kazan	Varna	Belarus
Düsseldorf	Rostov	Romania	Minsk
Cologne	Ekaterinburg	Bucharest	Slovakia
Hamburg	Ufa	Cluj	Kosice
Hanover	Astrakhan	Constanta	
Nuremberg	Novosibirsk	Hungary	
Bremen	Stravropol	Budapest	
Friedrichshafen	Voronezh	Czech Rep.	
Leipzig	Samara	Croatia	
Münster	Krasnodor	Ukraine	
Baden-Baden		Zagreb	
Italy	Kiev	Dubrovnik	
Milan	Odessa	Portugal	
Rome	Ivano-Frankivsk	Lisbon	
Venice	Dnepropetrovsk	Porto	
Bologna	Kharkiv	Bosnia	
Naples	Kherson	Sarajevo	
Catania	Zaporizhzhia	Finland	
Turin	Lviv	Helsinki	
Pisa	Simferopol	Rovaniemi	
Bari	Donetsk	Norway	
Genoa	Austria	Oslo	
France	Vienna	Albania	
Paris	Salzburg	Tirana	
Lyon	Graz	Ireland	
Nice	Northern Cyprus	Dublin	
Marseille	Lefkosa	Kosovo	
Toulouse	Azerbaijan	Pristina	
Bordeaux	Ganja	Macedonia	
Strasbourg	Nakhichevan	Skopje	
UK	Netherlands	Serbia	
London	Amsterdam	Belgrade	
Manchester	Rotterdam	Malta	
Birmingham	Greece	Malta	
Spain	Athens	Slovenia	
Barcelona	Thessaloniki	Ljubljana	
Madrid	Sweden	Montenegro	
Malaga	Stockholm	Podgorica	
Valencia	Gothenburg	Scotland	
Bilbao	Denmark	Edinburgh	
Switzerland	Copenhagen	Estonia	
Zurich	Aalborg	Tallinn	
Geneva	Billund	Latvia	
Basel	Georgia	Riga	
	Tbilisi	Lithuania	
	Batumi	Vilnius	
		Luxembourg	
		Luxembourg	

Future Routes

Azerbaijan
Lankaran
Poland
Krakow
France
Nantes
Spain
La Coruna
Russia
Makhachkala
Italia
Palermo

AFRICA	
39 COUNTRIES, 60 CITIES	
Egypt	Dem. Rep. Congo
Cairo	Kinshasa
Alexandria	Gabon
Hurghada	Libreville
Sharmel-Sheikh	Mali
Luxor	Bamako
Algeria	Burkina Faso
Algiers	Ougadougou
Oran	Cote D'Ivoire
Constantine	Abidjan
Tlemcen	Chad
Batna	N'Djamena
South Africa	Benin
Johannesburg	Cotonou
Cape Town	Guinea
Krakov	Conakry
Nigeria	Mozambique
Lagos	Maputo
Abuja	Niger
Kano	Niamey
Port Harcourt	Eritrea
Cameroon	Asmara
Douala	Madagascar
Yaounde	Antananarivo
Kenya	Mauritius
Mombasa	Port Louis
Nairobi	Seychelles
Tanzania	Seychelles
Dar Es Salaam	Libya
Kilimenjaro	Misurata
Zanzibar	Benghazi
Tunisia	Sebha
Djibouti	Tripoli
Djibouti	Sierra Leone
Ethiopia	Freetown
Addis Ababa	Comoros
Ghana	Moroni
Accra	Gambia
Morocco	Banjul
Casablanca	Zambia
Marrakech	Lusaka
Rwanda	Congo
Kigali	Point-Noire
Somalia	Equatorial Guinea
Mogadishu	Malabo
Sudan	
Khartoum	
Uganda	
Entebbe	
Mauritania	
Nouakchott	
Senegal	
Dakar	

Future Routes

Angola
Luanda
Egypt
Aswan
South Sudan
Juba
Sudan
Port Sudan

MIDDLE EAST	
13 COUNTRIES, 35 CITIES	
Saudi Arabia	UAE
Jeddah	Dubai
Madinah	Abu Dhabi
Riyadh	Sharjah
Dammam	Lebanon
Yanbu	Beirut
El Qassim	Jordan
Taif	Amman
Iran	Akabe
Tehran	Qatar
Mashad	Doha
Shiraz	Bahrain
Tabriz	Bahrain
Isfahan	Oman
Kermanshah	Muscat
Ahvaz	Syria
Israel	Aleppo
Tel Aviv	Damascus
Iraq	Yemen
Erbil	Aden
Baghdad	Sanaa
Basra	
Sulaymaniyah	
Najaf	
Mosul	
Kuwait	

Future Routes

Saudi Arabia
Abha
Iran
Urmia

AMERICAS	
9 COUNTRIES, 19 CITIES	
USA	Panama
New York	Panama
Los Angeles	Cuba
Washington	Havana
Boston	Venezuela
Chicago	Caracas
Houston	Mexico
Miami	Mexico City
Atlanta	Cancun
San Francisco	
Canada	
Toronto	
Montreal	
Argentina	
Buenos Aires	
Brazil	
Sao Paulo	
Columbia	
Bogota	

Future Routes

USA
Newark
Canada
Vancouver

FAR EAST	
22 COUNTRIES, 39 CITIES	
China	Bangladesh
Beijing	Dhaka
Guangzhou	Indonesia
Shanghai	Jakarta
Taipei	Denpasar
Hong Kong	Maldives
Xi'an	Male
Pakistan	Singapore
Karachi	Singapore
Islamabad	Sri Lanka
Lahore	Colombo
Kyrgyzstan	Uzbekistan
Bishkek	Tashkent
Osh	Samarkand
Kazakhstan	Philippines
Almaty	Manila
Astana	Tajikistan
Japan	Dushanbe
Tokyo	Khujand
Osaka	Nepal
India	Kathmandu
Mumbai	Mongolia
New Delhi	Ulaanbaatar
Thailand	
Phuket	
Bangkok	
Turkmenistan	
Ashgabat	
Malaysia	
Kuala Lumpur	
South Korea	
Seoul	
Afghanistan	
Kabul	
Mazar-i Sharif	
Vietnam	
Ho Chi Minh	
Hanoi	

Future Routes

Kazakhstan
Aktau
Atyrau
Pakistan
Sialkot

DOMESTIC

50 CITIES

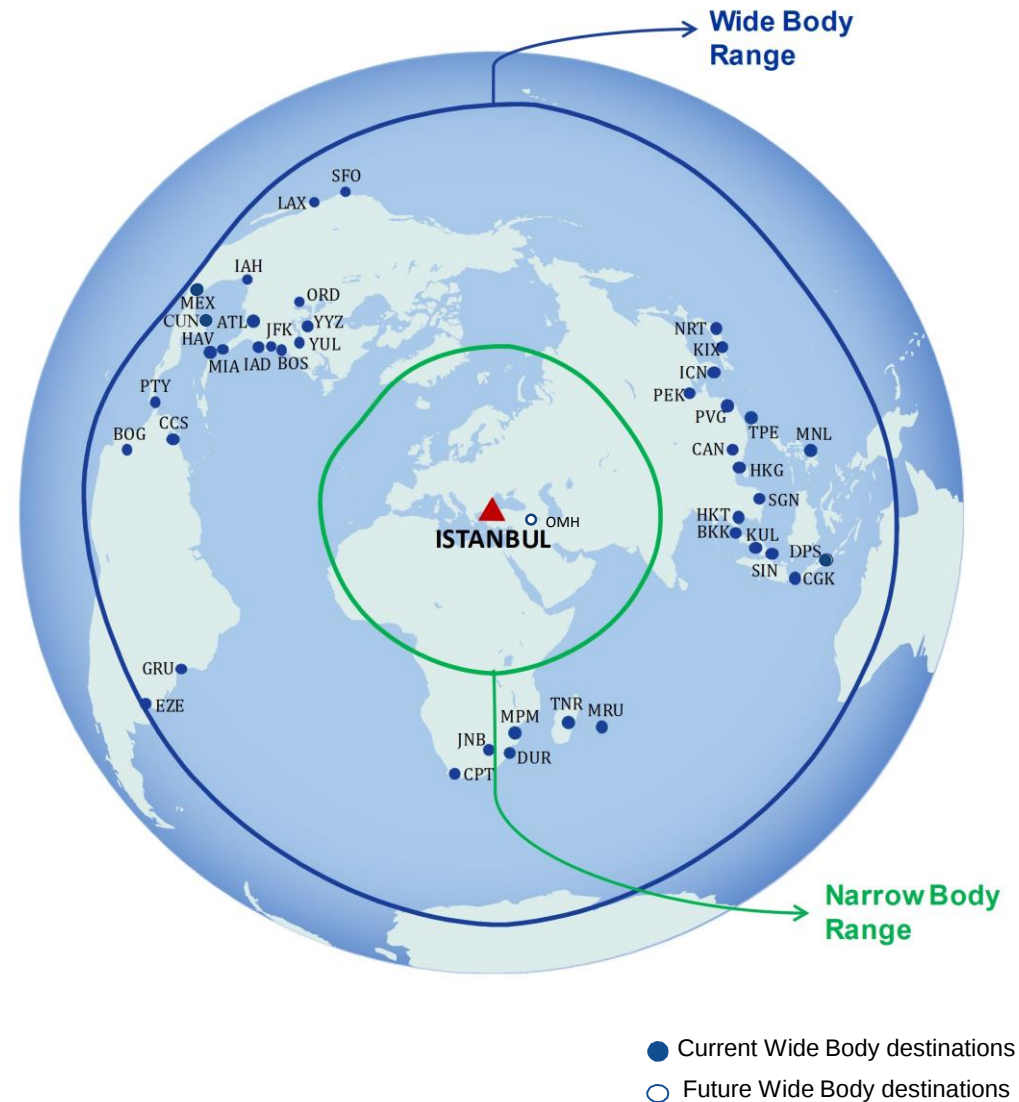
*As of 31.12.2020

Istanbul's Geographical Advantage - A Natural Hub

Narrow Body Range Capability to and from Istanbul

(with full passenger payload)

- ✓ 209 out of 272 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

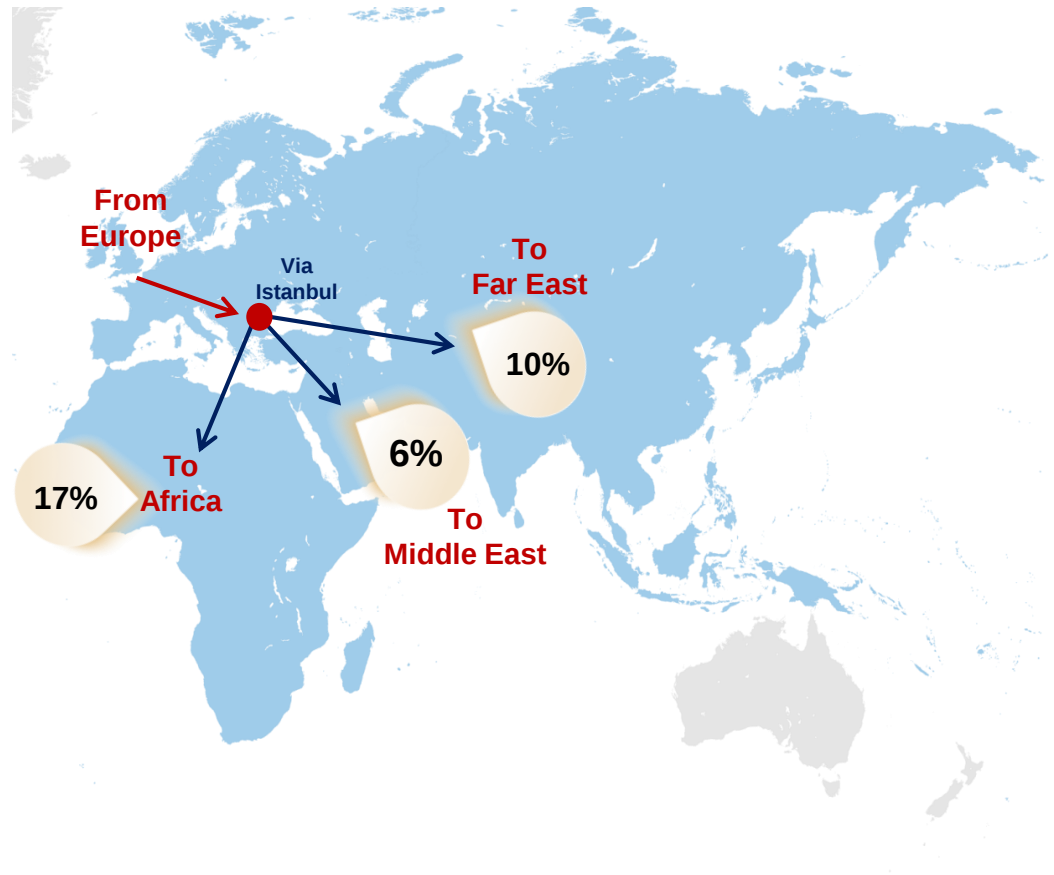
Africa to the World

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

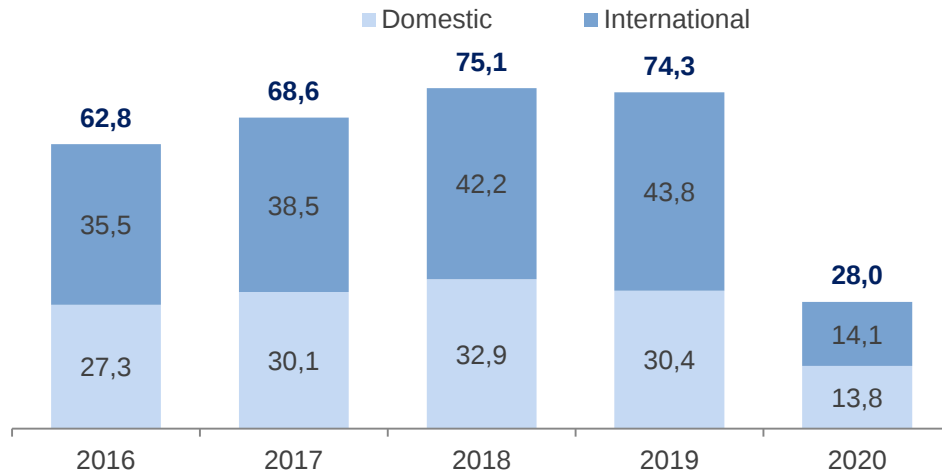


*Detour: Increase in the flight distance compared to a non-stop flight. Forecasted by using 6,000 arrival-departure cities

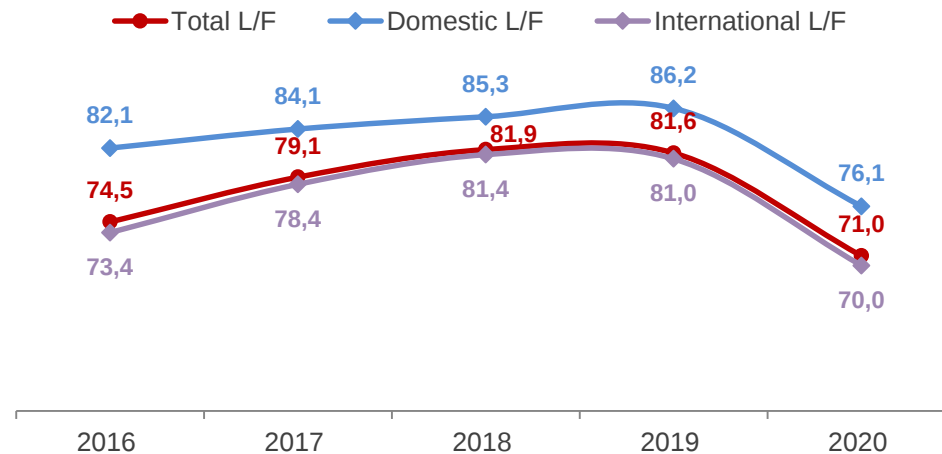
Source: Retrieved from OAG. As of 24.06.2019.

Passenger Traffic

Total Passengers (mn)



Load Factor (L/F %)



Passenger Traffic

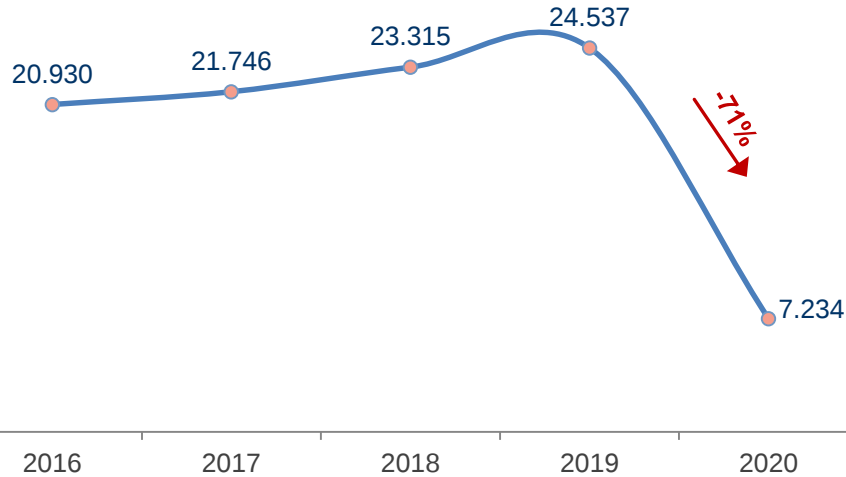
THY Passenger Traffic		
2019	vs	2020
Landing	down by	-57,0%
ASK	down by	-60,1%
RPK	down by	-65,2%
Passenger #	down by	-62,4%
L/F	down by	-10,6 pt

Annual Changes (%)

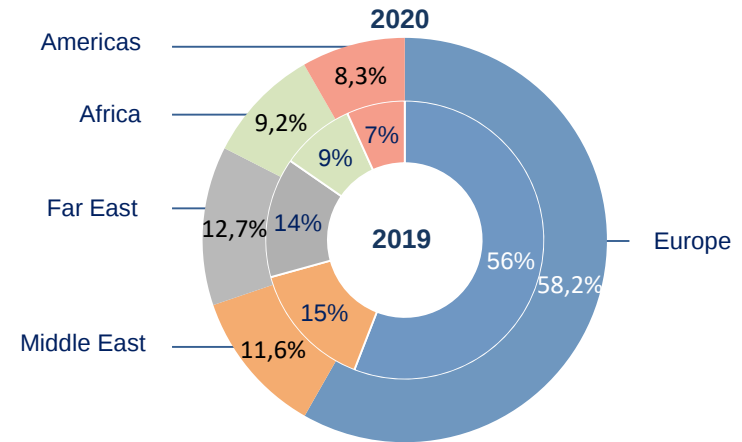
ANNUAL CHANGES (%)					
	2016	2017	2018	2019	2020
ASK	11%	2%	5%	3%	-60%
RPK	6%	8%	9%	3%	-65%
PAX	3%	9%	9%	-1%	-65%
L/F (Point)	-3,1	4,6	2,8	-0,3	-10,6

Passenger Breakdown

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

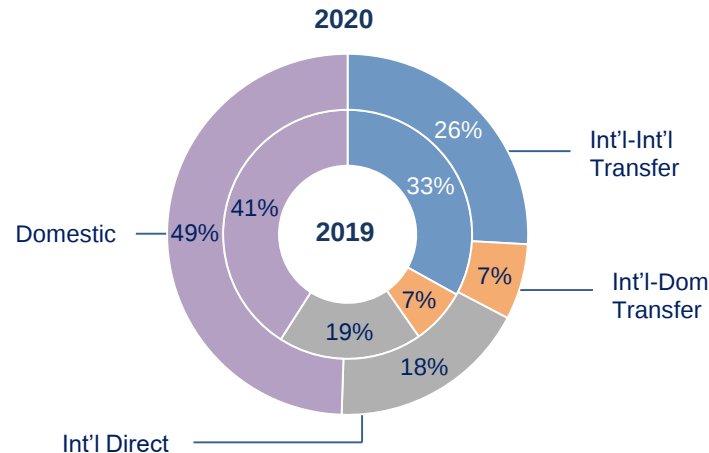


Int'l Passenger Breakdown by Geography



Note: Includes only scheduled passengers.

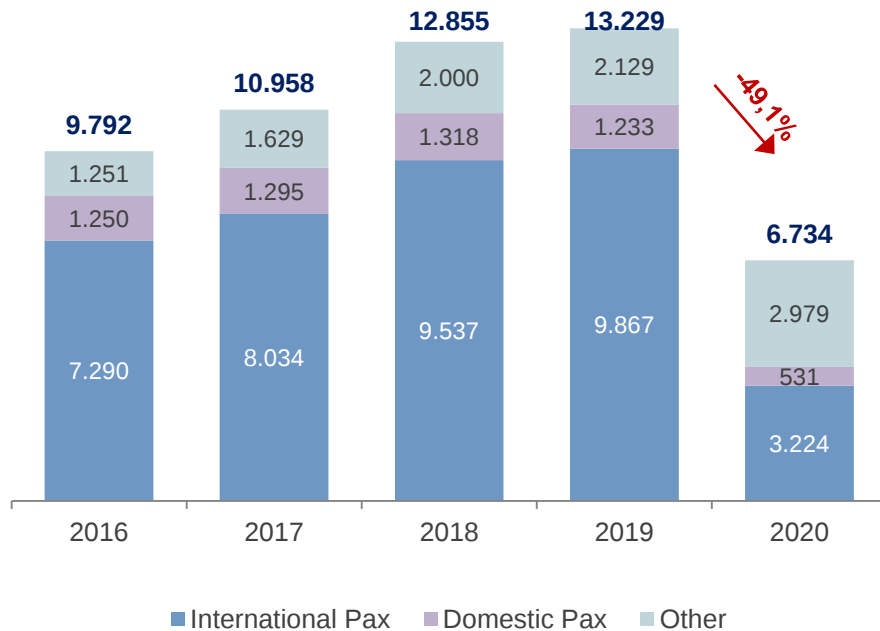
Passenger Breakdown by Transfer Type



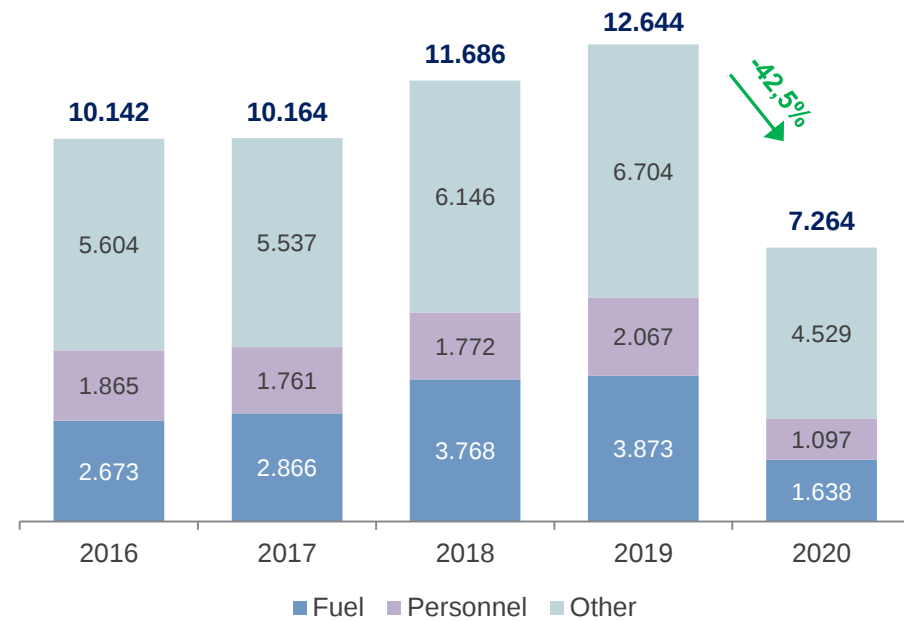
Note: Int'l to int'l transfer passengers' share in total international passengers is 51%.

Total Revenue and Expenses

Revenues (mn USD)



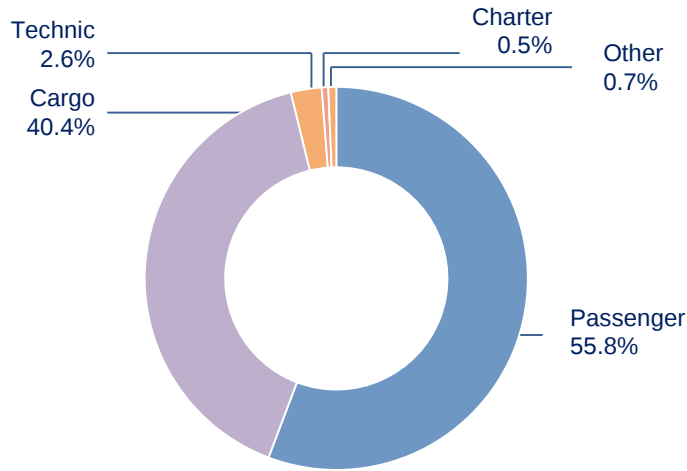
Expenses (mn USD)



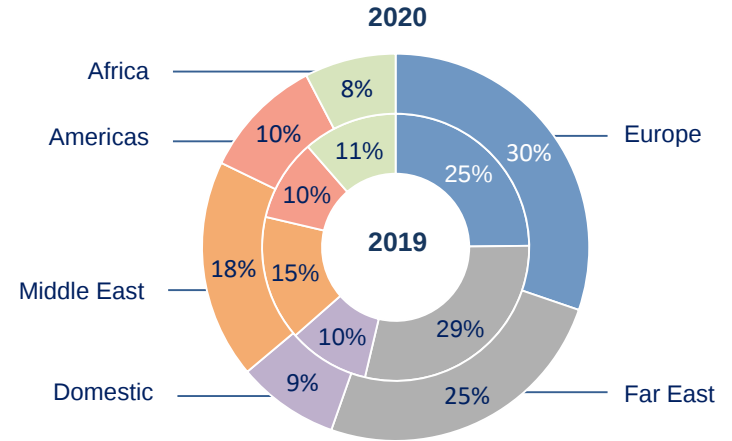
Note: International and domestic pax revenue indicates scheduled pax revenue.
Other revenue includes cargo, charter and other revenue.

Revenue Breakdown (2020)

Revenue by Business Type

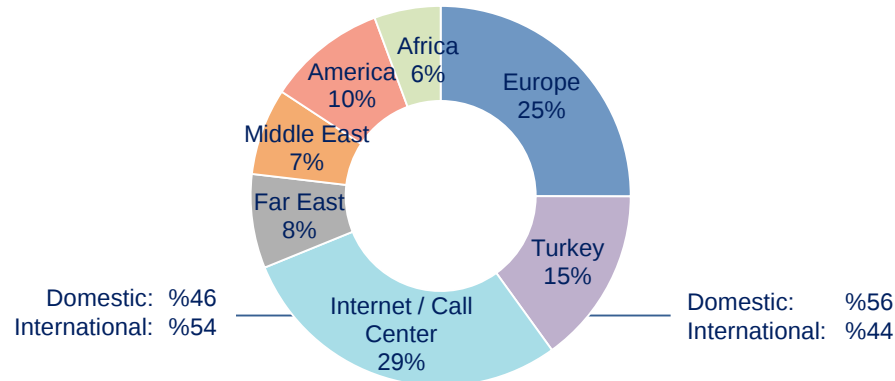


Revenue by Geography



Note: Includes total passenger and cargo revenue

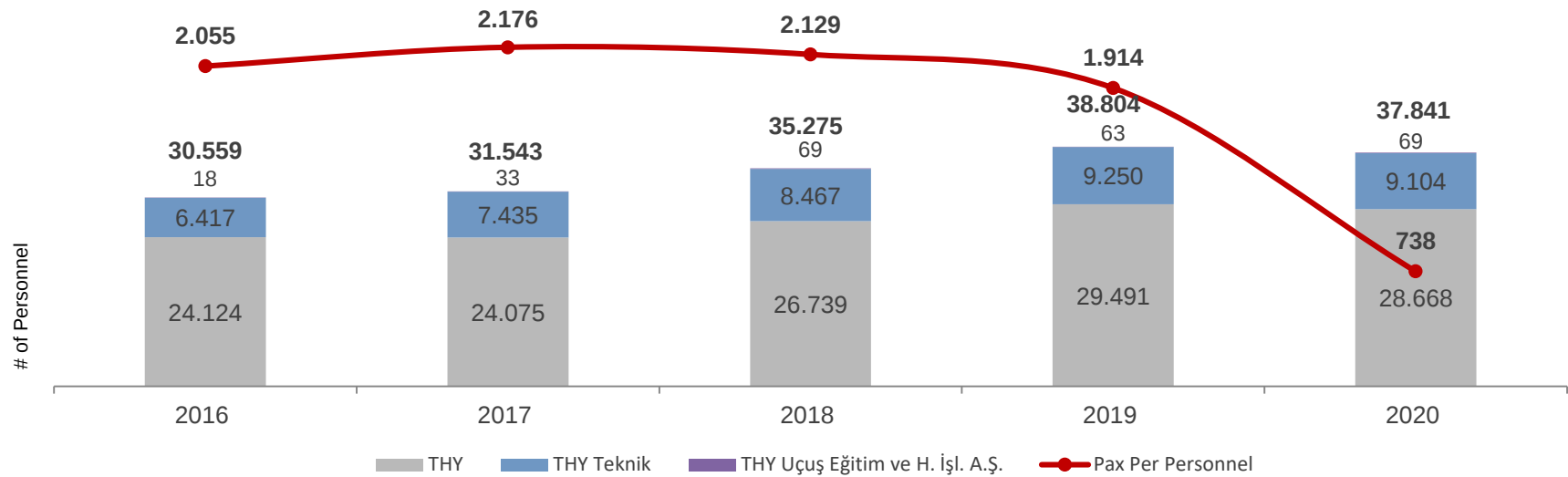
Revenue by Point of Sale



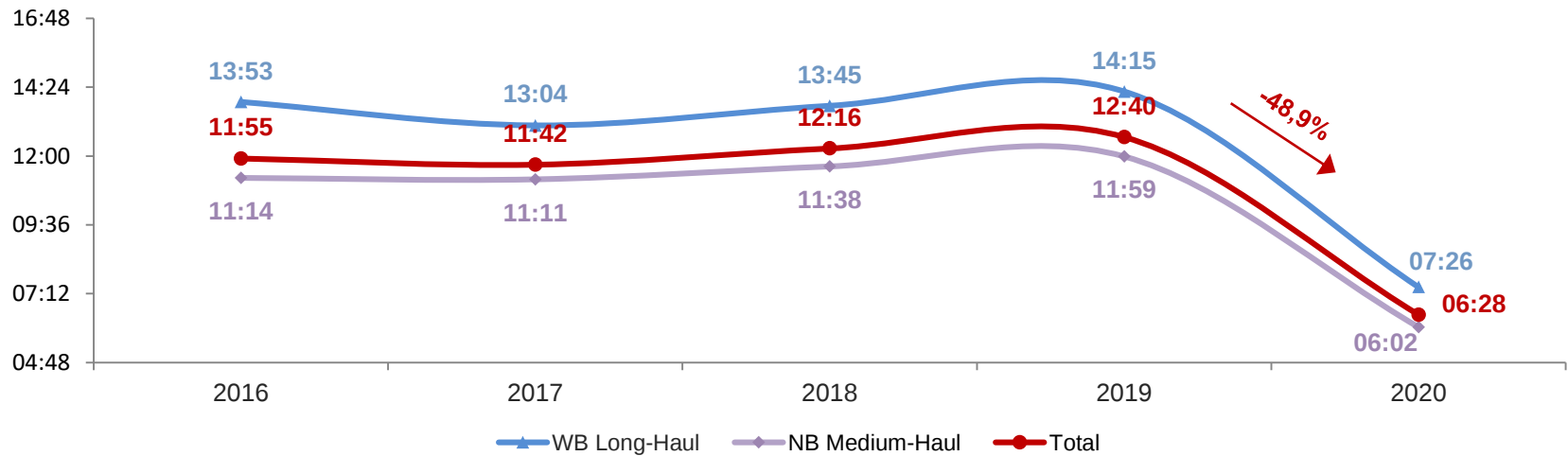
Note: Includes only scheduled passenger revenue

Operating Efficiency

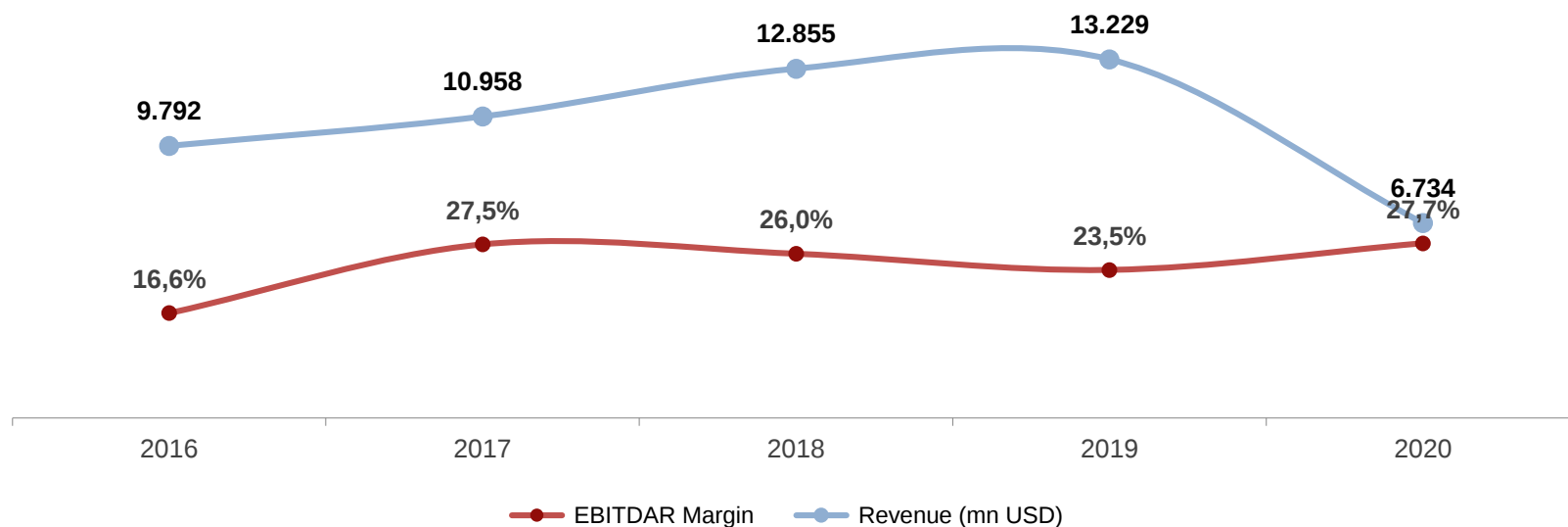
Personnel Efficiency



Average Daily Flight Utilization (hrs)



Avg. EBITDAR Margin (2016-2020): 24,3%

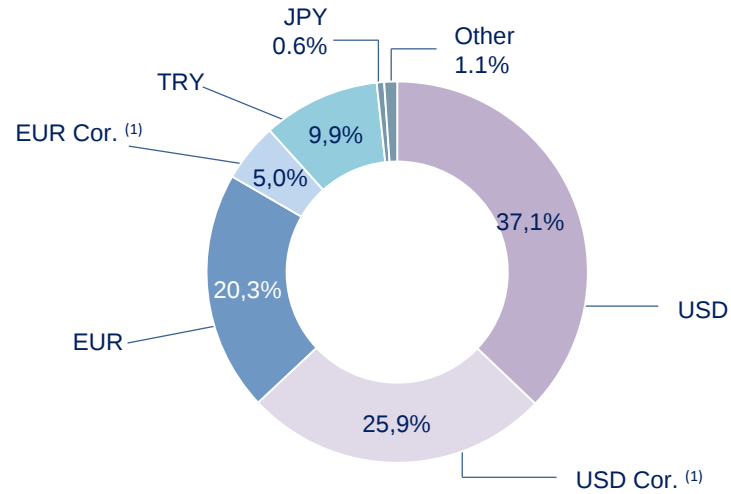


(mn USD)	2016	2017	2018	2019	2020	YoY Change
Revenue (mn USD)	9.792	10.958	12.855	13.229	6.734	-49,1%
EBITDAR	1.628	3.017	3.349	3.107	1.866	-39,9%
EBITDAR Margin	16,6%	27,5%	26,0%	23,5%	27,7%	4,2 pt

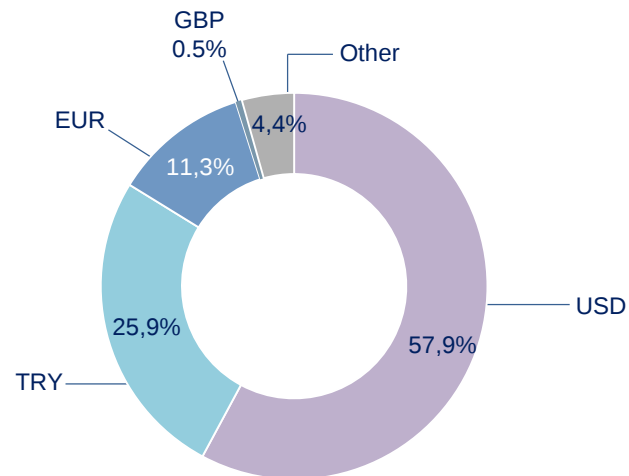
31.12.2020	Type	Total	Owned	Financial Lease	Opr./Wet Lease	Seat Capacity	Average Fleet Age
Wide Body	A330-200	14	5		9	3.702	12,8
	A330-300	40		29	11	11.826	6,9
	B777-3ER	33		27	6	11.670	7,1
	A350-900	2		2		658	0,1
	B787-9	15		15		4.500	0,9
	Total	104	5	73	26	32.356	6,8
Narrow Body	B737-900ER	15		15		2.355	7,6
	B737-9 MAX	1		1		169	1,8
	B737-800	82	32	29	21	13.521	11,1
	B737-8 MAX	11		11		1.661	2,0
	A321 NEO	25		17	8	4.550	1,0
	A319-100	6	1	5		792	9,6
	A320-200	13	12		1	2.070	12,9
	A321-200	66	13	49	4	12.016	8,3
	B737-800 WL	15			15	2.835	15,4
	Total	234	58	127	49	39.969	8,9
Cargo	A330-200F	10	1	9			7,1
	B777F	8		8			1,9
	Wet Lease	7			7		25,2
	Total	25	1	17	7		10,5
	GRAND TOTAL	363	64	217	82	72.325	8,4

Hedging Currency Risk (2020)

Revenue by Currency⁽¹⁾



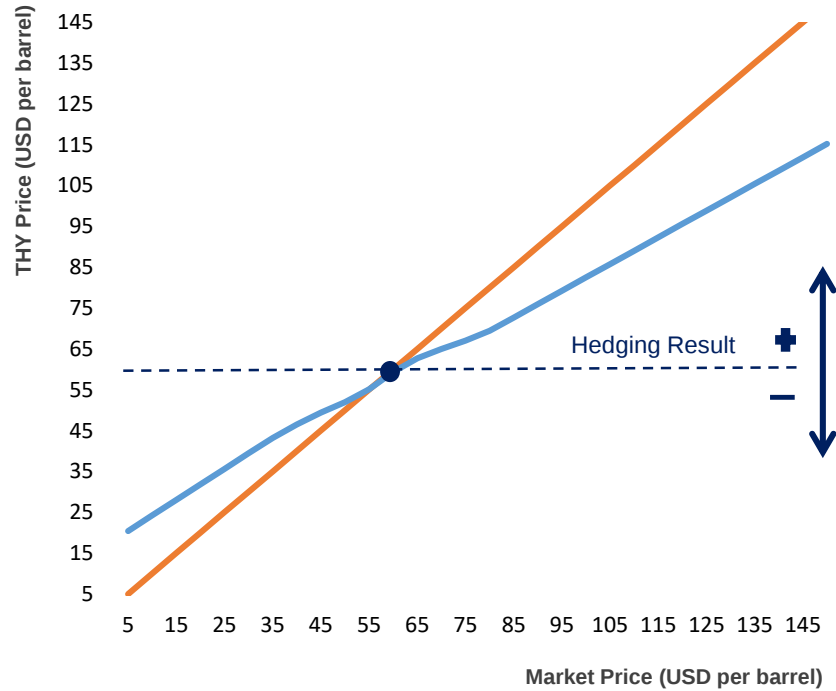
Expenses by Currency



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

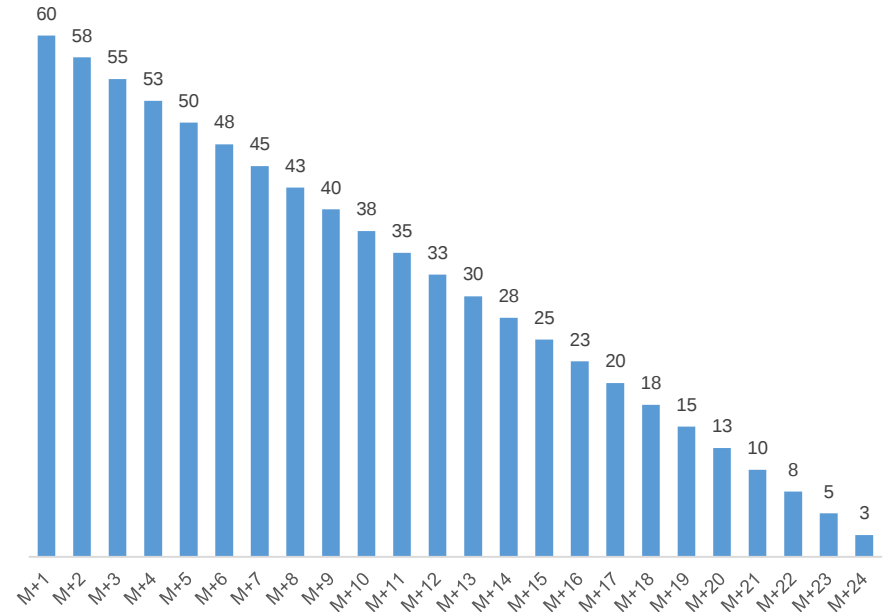
Hedging Fuel Price Risk

Effect of Hedging on the Fuel Price



- Current fuel hedging levels:
FY20: 60%
FY21: 23%

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.

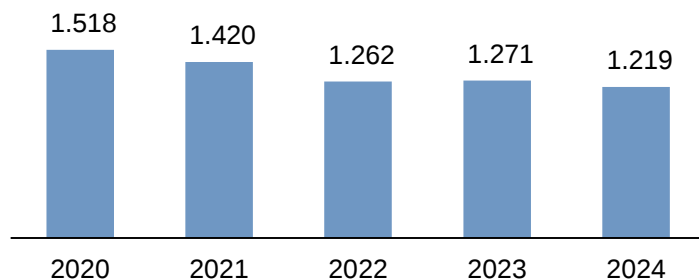
Aircraft Financing and Debt Management

As of 31.12.2020

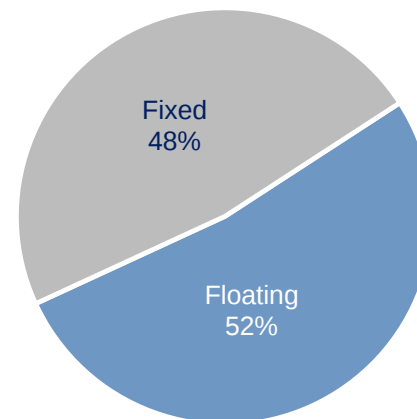
Total Financial Lease Liabilities: **10.3 bn USD**

Operating Leases: **1.8 bn USD**

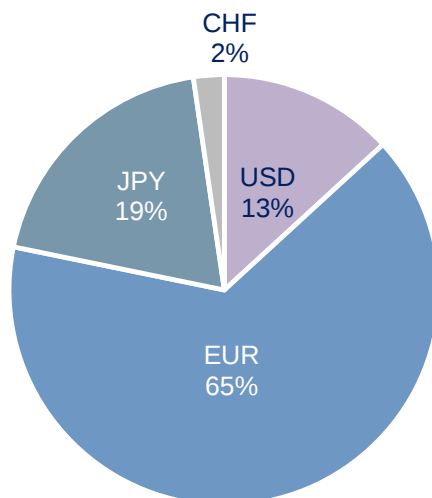
5 Year Maturity Profile⁽¹⁾ (USD mn)



Weighted Average Interest Rate⁽²⁾: **2.00%**



Currency Breakdown of Financial Lease Liabilities



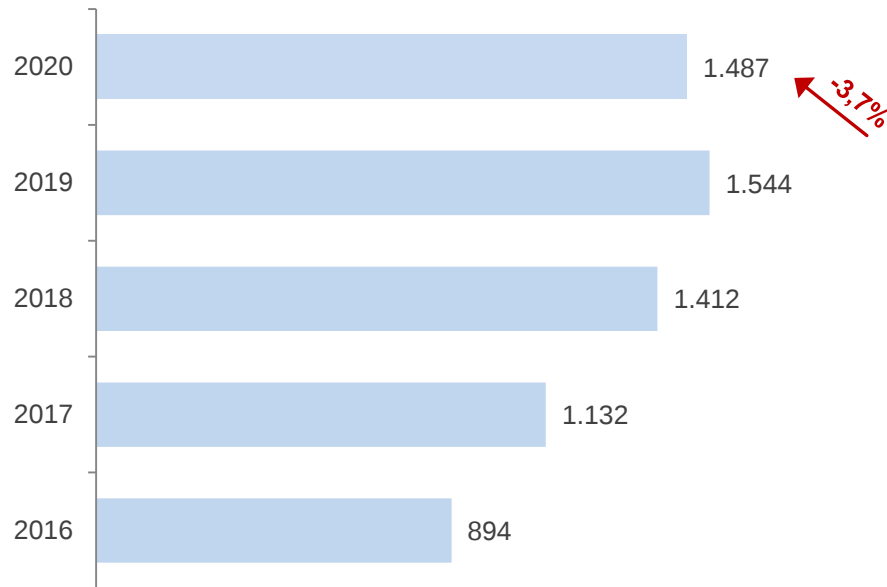
(mn USD)	31.12.2020 Total Debt	Maturity	Yearly Debt Service
USD	1.353	10-12 Years	218
EUR	6.671	10-12 Years	771
JPY	1.998	10-11 Years	379
CHF	237	12 Years	35
Total	10.259		1.402

⁽¹⁾Principal payments.

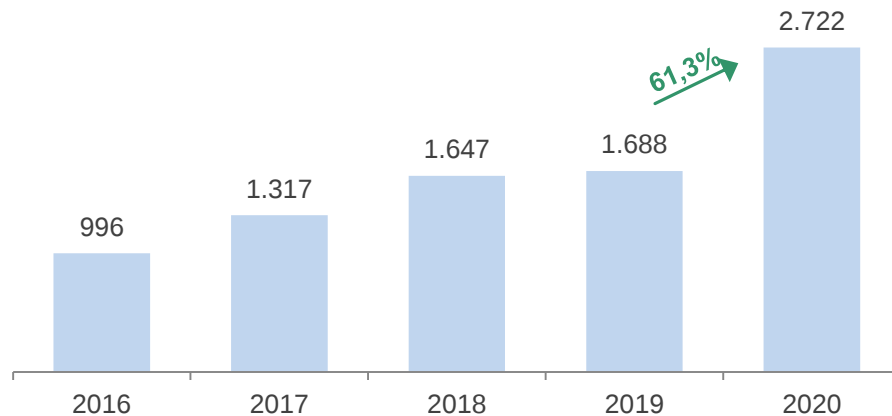
⁽²⁾Post-Hedge Interest Rate breakdown.

Cargo Operations

Cargo Tonnage Carried ('000 Ton)



Cargo Revenue Evolution (mn USD)



- Turkish Cargo serves 95 destinations with 25 freighters besides actively 209¹ destinations with 338 passenger aircraft as of December, 31 2020.
- Turkish Cargo global market share in revenue has increased from 0.6% in 2009 to 4.7% in 2020.
- In 2020, while World FTK decreased by 10.6%, Turkish Cargo FTK increased by 0.7% compared to previous year.

Source: IATA Economic Performance of the Airline Industry Reports

¹Due to the COVID-19 pandemic we have listed the number of active destinations. The number of Pre-COVID-19 destinations is 324.

SUSTAINABLE DEVELOPMENT GOALS MAP



Balance Sheet

Assets (mn USD)	2015	2016	2017	2018	2019	2020
Cash and Equivalents	962	1.815	2.086	2.155	2.475	1.829
Trade Receivables	361	379	592	570	540	637
Pre-delivery Payment (PDP) Receivables	1.139	596	117	809	778	731
Other Current Assets	684	811	836	971	977	981
Total Current Assets	3.146	3.601	3.631	4.505	4.770	4.178
Net Fixed Assets	11.415	13.476	13.002	13.918	3.643	4.145
of which Aircraft and Engines	10.177	12.134	11.683	12.127	1.493	1.859
Rights of Use of Assets	-	-	-	-	13.618	14.777
Pre-delivery Payment (PDP) Receivables	392	207	247	505	761	515
Other Non-Current Assets	1.430	1.207	1.317	1.804	15.550	16.692
Total Non-Current Assets	13.237	14.890	14.566	16.227	19.954	21.352
Total Assets	16.383	18.491	18.197	20.732	24.724	25.530

Liabilities (mn USD)	2015	2016	2017	2018	2019	2020
Lease Obligations	7.399	8.886	8.322	9.509	12.131	15.174
Passenger Flight Liabilities	1.091	785	1.000	1.002	1.032	580
Accounts Payable	671	616	855	1.022	1.130	861
Other Liabilities	2.380	3.117	2.674	3.254	3.567	3.532
Total Liabilities	11.541	13.404	12.851	14.787	17.860	20.147
Total Shareholders Equity	4.842	5.087	5.346	5.945	6.864	5.383
of which Issued Capital	1.597	1.597	1.597	1.597	1.597	1.597
of which Retained Earnings	2.559	3.628	3.551	3.760	4.463	5.246
of which Differences from Currency Translation	-84	-106	-108	-160	-184	-201
of which Net Profit for the Period	1.069	-77	223	753	788	-836
Total Liabilities & Shareholders Equity	16.383	18.491	18.197	20.732	24.724	25.530

*Before 2019 values include leases, after 2019 values show only unencumbered aircraft & engine values.

Income Statement

(mn USD)	2015	2016	2017	2018	2019	2020	YoY Change
Operating Revenue	10.522	9.792	10.958	12.855	13.229	6.734	-49%
Operating Expenses (-)	9.840	10.142	10.164	11.686	12.644	7.264	-42,5%
of which Fuel	2.997	2.673	2.866	0	3.873	1.638	-58%
of which Personnel	1.640	1.865	1.761	0	2.067	1.097	-47%
of which Depreciation	924	1.148	1.066	0	1.521	1.659	9%
of which Rent	496	496	527	0	311	244	-22%
Net Operating Profit / Loss	682	-350	794	1.169	585	-530	-
Income From Other Operations	244	145	264	165	355	330	-7%
Expense From Other Operations (-)	31	86	36	143	64	55	-14%
Profit / Loss From Main Operations	895	-291	1.022	1.191	876	-255	-
Income From Investment Activities (Net)	101	117	177	99	89	179	101%
Share of Investments' Profit / Loss	80	44	102	123	82	-87	-
Financial Income	532	300	56	129	139	72	-48%
Financial Expense (-)	201	229	1.078	588	310	835	169%
Profit Before Tax	1.407	-59	279	954	876	-926	-
Tax (-)	338	18	56	201	88	-90	-
Net Profit	1.069	-77	223	753	788	-836	-

Operational Expense Breakdown

(mn USD)	2019	% in Total	2020	% in Total	Change
Fuel	3.873	30,6%	1.638	22,5%	-57,7%
Personnel	2.067	16,3%	1.097	15,1%	-46,9%
Landing, Navigation & Air Traffic	1.176	9,3%	611	8,4%	-48,0%
Landing and navigation	623	4,9%	315	4,3%	-49,4%
Air Traffic Control	553	4,4%	296	4,1%	-46,5%
Sales & Marketing	1.101	8,7%	459	6,3%	-58,3%
Commissions and Incentives	504	4,0%	176	2,4%	-65,1%
Reservation System	267	2,1%	84	1,2%	-68,5%
Advertising	175	1,4%	82	1,1%	-53,1%
Other	155	1,2%	117	1,6%	-24,5%
Depreciation	1.521	12,0%	1.659	22,8%	9,1%
Ground Handling	815	6,4%	485	6,7%	-40,5%
Aircraft Rent	311	2,5%	244	3,4%	-21,5%
Operational Lease	27	0,2%	20	0,3%	-25,9%
Wet Lease	284	2,2%	224	3,1%	-21,1%
Passenger Services & Catering	622	4,9%	217	3,0%	-65,1%
Maintenance	791	6,3%	546	7,5%	-31,0%
General Administration	113	0,9%	95	1,3%	-15,9%
Other	254	2,0%	213	2,9%	-16,1%
TOTAL	12.644	100%	7.264	100%	-42,5%
Operating Cost per ASK (USc)	6,74	-	9,69	-	43,9%
Ex-fuel Operating Cost per ASK (USc)	4,67	-	7,51	-	60,6%
Fixed Costs	3.623	28,7%	2.690	37,0%	-25,7%

Subsidiaries & Affiliates

Turkish Airlines Group 31.12.2020		Revenue (mn USD)	Number of Personnel	Partnership Structure
1	Turkish Airlines	6.734	28.668*	%49 Turkey Wealth Fund - %51 Open to Public
2	Turkish Opet Aviation Fuels	286	496	%50 THY - %50 Opet
4	Sun Express (Turkey)	564	3.818	%50 THY - %50 Lufthansa
3	Turkish Technic	-	9.104	% 100 THY
5	Turkish Do&Co	116	3.936	%50 THY - %50 Do&Co
6	Pratt Whitney THY Turkish Engine Center (TEC)	349	392	%51 PW - %49 THY Teknik
7	Turkish Ground Services (TGS)	180	13.210	%50 THY - %50 Havaş
8	Turkish Cabin Interior Systems (TCI)	3	172	%50 THY & THY Teknik - %50 TAI
9	Goodrich Turkish Technic Service Center	16	77	%60 Collins Aerospace - %40 THY Teknik
10	TSI Aviation Seats	20	141	%50 THY & THY Teknik - %50 Assan Hanil
11	THY Uçuş Eğitim ve Havalimanı İşletme A.Ş.	-	69	%100 THY
12	Tax Free Zone (Tax Refund)	-	19	%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.	-	49	%80 THY Teknik %20 Havelsan
16	Air Albania	16	76	%49 THY - %41 MDN Investment - %10 Albcontrol
17	We World Express Ltd.	24	29	%45 THY - %45 ZTO - %10 Pal Air
18	TFS Akaryakıt Hizmetleri A.Ş.	524	82	%25 THY - %25 Taya Liman – %25 Demirören Akaryakıt - %25 Zirve Holding

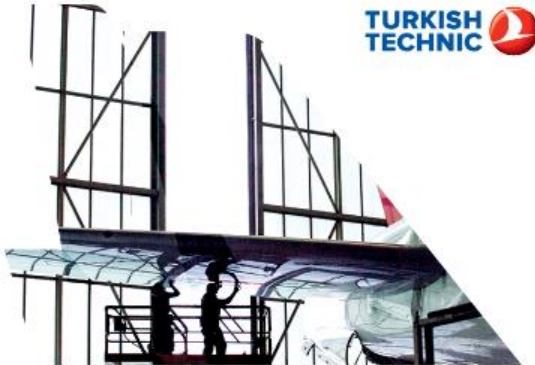


Business Model	Charter + Scheduled
Destinations	165
Fleet	54
Seat Capacity	10.206
# of Passengers	3.668.654
Load Factor (2020)	65,3%
Revenues (2020) mn. USD	564

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

Market leader in charter flights between Germany and Turkey.

*Based on SunExpress Turkey's amount.



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 8,000 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.



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 m² 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 Gökçen), 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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