

**MINUTES OF THE ORDINARY GENERAL ASSEMBLY MEETING
OF TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI
HELD ON 27.03.2014**

Ordinary General Assembly Meeting of Türk Hava Yolları Anonim Ortaklığı was held on 27.03.2014 Thursday at 14.00 hours at its Headquarter, in the Conference Hall located at General Management Building, Atatürk Hava Limanı, Yeşilköy, Bakırköy, Istanbul under the supervision of Ministry Commissar Ms. Ayten YAVUZ appointed by the letter of The City Directorate of Science, Industry and Technology of the Ministry dated 26.03.2014 and numbered 7807.

It was realized that, the invitation to the meeting which also included the agenda has been announced at the Turkish Commercial Gazette dated 05.03.2014 numbered 8521 and at the newspaper Sabah dated 04.03.2014 in accordance with the Turkish Commercial Code (TCC), the Capital Markets Board Legislation (CMB), and the Articles of Association and the shareholders have been notified of the date and agenda of the meeting on time.

Homage was made, The Turkish National Anthem was sung. Upon examination of the List of Attendants List, was established that out of shares corresponding to TL 979,363,716.726 of TL 1,380,000,000 which was the paid capital of the company, were represented in the meeting as follows: the shares corresponding to TL 685,565,173.575 were represented per procuration, the shares corresponding to TL 293,598,705.078 were represented by proxy, and the shares corresponding to TL 199,838.073 were represented in person. In this way, it was realized that the minimum quorum set forth in both law and the articles of association was available. The discussions of the meeting was opened by the Chairman of the Board Mr. Hamdi TOPÇU in physical environment and electronic environment simultaneously pursuant to the TCC and CMB legislation. The negotiation of the meeting agenda was launched.

1- The 1st item of the agenda, the proposal of Privatization Administration for election of the Chairman of the Board Mr. Hamdi TOPÇU as the chairman of meeting was discussed. The proposal was submitted for approval in both physical and electronic environment. At the end of the voting, Mr. Hamdi TOPÇU was elected as the Chairman of Meeting by majority votes of the attendees by 977,576,290.188 affirmative votes against 1,787,426.629 negative votes. Chairman of the Assembly Mr. Hamdi TOPÇU established the Meeting Committee by determining Ms. Melek Gülden ÇINAR as secretary in accordance with the article 419 of TCC.

2- The 2th article of the agenda was discussed. Mr. Fatih SAYDAM has taken the floor in order to read the Report of Auditor and Group Auditor belonging to the year 2013.

Report of Auditor and Group Auditor belonging to the year 2013 were read by Mr. Fatih AKSOY.

3- The 3th article of the agenda was discussed.

The Chairman of the Assembly, Mr. Hamdi TOPÇU has informed the attendees as follows:

"According to the legal books related to the accounting period 2013 of our Incorporation prepared within the framework of tax legislation, net loss for the period is TL (1,023,653,930) However, net profit for the period is TL 682,707,427 according to the financial statements drawn up in accordance with IFRS pursuant to TCC and CMB legislation."

The proposal of the Privatization Administration representatives that the balance sheets and profit and loss accounts of the year 2013 prepared according IFRS pursuant to TCC and CMB

regulations should be negotiated without being read as it has already been submitted for the information of shareholders was submitted for approval in physical and electronic environment.

At the end of the voting of the proposal, the proposal that the balance sheet and profit and loss accounts of the year 2013 prepared according to IFRS pursuant to TCC and CMB regulations should be negotiated without being read as it has already been submitted for the information of shareholders was accepted by majority vote, of the attendees by 977,574,892.818 affirmative votes, against 1,788,824.000 negative votes.

Accordingly, balance sheet and profit and loss accounts of the year 2013 were approved both physically and electronically. Upon voting, they were approved by majority votes by 977,576,292.818 affirmative votes, against 1,787,424.000 negative votes.

4- The 4th article of the agenda was discussed. The proposal of the Privatization Administration representatives that the activity report should not be read as the Activity Report of the Board of Directors for the year 2013 had already been submitted for the information of shareholders, submitted for approval both physically and electronically.

Upon voting, the proposal that the activity report should not be read as the Activity Report of the Board of Directors for the year 2013 had already been submitted for the information of shareholders, approved by majority votes of the attendees by 977,576,292.818 affirmative votes against 1,878,424.000 negative votes.

The Activity Report of the Board of Directors was negotiated.

Upon negotiation, the Activity Report of the Board of Directors for the year 2013 was approved by majority vote, of the attendees by 977,576,292.818 affirmative votes against 1,787,424.000 negative votes.

5- The 5th article of the agenda was discussed. The proposal of the Privatization Administration Representatives concerning the release of the members of the Board of Directors for their accounts and activities in 2013 was read. The release of the members of the Board of Directors was voted both physically and electronically.

The release of the members of the Board of Directors was approved by majority votes of the attendees by 977,309,446.088 affirmative votes against 2,054,270.639 negative votes.

In the meantime, Ms. Sevda ALKAN who was attending the meeting electronically, wanted to learn the reason for the absence of a female Board member and asked the opinion of the Board related to the election of a female Board member.

The Chairman of the Assembly Mr. Hamdi TOPÇU, mentioned that there wasn't any article about Board Member Election within the meeting agenda. He also mentioned that this subject would be included within the agenda of the next meeting.

6- The 6th article of the agenda was discussed.

The Chairman of the Assembly Mr. Hamdi TOPÇU has informed the attendees as follows:

According to the consolidated financial statements belonging to the accounting period of 01.01.2013-31.12.2013 prepared in accordance with the International Financial Reporting Standards within the framework of the provisions of the Communiqué of the CMB Serial: XI and Number: 29 and audited by AKİS Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., net profit for the period is TL 682,707,427. On the other hand, the net loss of the period is TL 1,023,653,930 according

to the legal books. Within this framework, net loss for the period according to the legal books will be transferred to previous years' loss account. Because of not having net profit (according to the legal books) that is subject to profit distribution, transferring the net profit (according to IFRS) to the previous years' profit account will be suitable. The proposal of the Privatization Administration representatives for "the acceptance of the proposal of the Board of Directors concerning the profit distribution for the year 2013 and the Statement of Profit Distribution exactly as they are" was read.

The proposal of the Privatization Administration representatives for "the acceptance of the proposal of the Board of Directors concerning the profit distribution for the year 2013 and the Statement of Profit Distribution exactly as they are" was read. Then, voting started in the physical and electronic environments.

At the end of the voting, it was decided to accept the resolution of the Board of Directors dated 06.03.2014 and numbered 45 and the statement of profit distribution for the year 2013 given in the attachment of that resolution exactly as they were (**Attachment -1**) by a majority vote (965,284,751.288 affirmative votes and 14,078,965.439 negative votes).

7- The 7th article of the agenda was discussed. The proposal of our shareholder, Privatization Administration, that net wages of the members of the Board of Directors be 3 (three) times as much as the net wage determined by Higher Planning Council (HPC) for the board members working at the office at State Economic Enterprises, net wages of executive committee members be 4 (four) times as much as the wage determined by HPC, increased amounts be taken as basis for calculation)if any increase occurs in the wages determined for the board members working at the State Economic Enterprises as a result of a decision taken by HPC, such premiums be given to the members of the Board of Directors in values corresponding to their net monthly wages, for such premiums to be paid in the same number and time as those given to the staff, the amount of income tax, which occurs at the end of the financial year due to all these payments, to be covered by Turkish Airlines Incorporation by including in payments, and for no other daily allowance to be given" was read.

Shareholder Mr. Sefa İNAN , has taken the floor and wanted to find out the amount of daily allowance.

The Chairman of the Assembly Mr. Hamdi TOPÇU claimed that the resolution given by the representatives of the Privatization Administration is the same as the resolution taken at the general assembly held in 2013 and in line with this decision, he gave information about the salaries of Chairman of the Board of THY, Members of the Board and the Executive Committee.

Upon voting, conducted to determine the wages of the Board of Directors, it was decided that net wages of the members of the Board of Directors to be 3 (three) times as much as the net wage determined by Higher Planning Council (HPC) for the Board Members working at State Economic Enterprises, net wages of Executive Committee members to be 4 (four) times as much as the wage determined by HPC, for increased amounts to be taken as basis for calculation if any increase occurs in the wages determined for the board members holding office at State Economic Enterprises as a result of a decision taken by HPC, for premiums to be given to the members of the Board of Directors in values corresponding to their net monthly wages, for such premiums to be paid in the same pieces and times as those given to the staff , for the amount of income tax, which is to occur at the end of financial year due to all these payments, to be included in payments and covered by Turkish Airlines Incorporation, and for no other daily allowance to be given by majority votes of the attendees by 943,200,878.124 affirmative votes, against 36,162,838.693 negative votes.

8- The 8th article of the agenda was discussed. The Chairman of the Assembly Mr. Hamdi TOPÇU has informed the attendees as follows:

The proposal of the Privatization Administration for the election of AKİS Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., to be elected by the General Assembly for the fiscal year 2014 as the Auditor and Group Auditor pursuant to the article 399 and article 400 of the TCC was read. The proposal was put to vote of the General Assembly physically and electronically.

Upon voting, AKİS Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was elected as Auditor and Group Auditor of Türk Hava Yolları Anonim Ortaklığı for the fiscal year 2014, pursuant to the article 399 and article 400 of the TCC by majority votes of the attendees by 927,774,525.754 affirmative votes against 51,589,191.063 negative votes.

9- The 9th article of the agenda was discussed. The Chairman of the Assembly Mr. Hamdi TOPÇU has informed the attendees as follows:

"There is no guarantee, pledge, and mortgage given in favor of 3rd parties except for the purpose of conducting the ordinary commercial activities of our Incorporation, and there is no income or interest obtained in relation with the afore-mentioned."

10- The 10th article of the agenda was discussed. The Chairman of the Assembly Mr. Hamdi TOPÇU has informed the attendees as follows:

"The donations made by our Incorporation throughout the year must be submitted for the information of the General Assembly, in accordance with the article 1.3.10 of the Corporate Governance. Pursuant to the resolution of the Board of Directors dated 16.09.2011 and numbered 38, it was decided to donate the net rental income gained from various canteen / cafeteria locations for 3 years within the scope of Canteen/Cafeteria Operation Service Contract to THY Spor Kulübü (THY Sports Club). Within this scope, TL 116,608 was donated to THY Spor Kulübü (THY Sports Club) in 2013. There was no other donation.

On the other hand, the article 19/5 of the CMB includes the following provision: "In publicly-held corporations" ,the limit of the donation to be made shall be determined by the General Assembly of the publicly-held corporation" Pursuant to this provision, the limit of the donations to be made shall be determined by the General Assembly of the Incorporation.

The proposal of the Privatization Administration concerning the upper limit of the donations to be made in 2014 was read. The proposal was submitted for approval both physically and electronically.

Upon voting, it was decided for the donations to be made in 2014 not to exceed the upper limit to be determined by the CMB in accordance with the Article 19 of the CMB by majority votes of the attendees by 716,626,995.076 affirmative votes against 262,736,721.052 negative votes.

11- The 11th article of the agenda was discussed.

Shareholder Mr. Cahit BAŞARAN asked why the raise in number of passengers and revenue between 2012 and 2013 was not reflected on the profit of the company.

In order to answer this inquiry, the floor was given to the CFO, Mr. Coşkun KILIÇ on behalf of The Chairman of the Assembly, Hamdi TOPÇU.

Mr. Coşkun KILIÇ has taken the floor and stated that this situation is primarily a result of the re-engagement of A-340 class planes into the fleet even though they were expected to be sold in 2013; and secondly because of exchange differences. However, he claimed that they also expect

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profit due to the revenue increase in 2014.

Shareholder Mr. Ümit UTKU has taken the floor and claimed that he is appreciative of the decency of the General Assembly meetings and the shareholders. Mr. Ümit UTKU thanked to all executives especially Mr. Hamdi TOPÇU on the success of THY.

Shareholder Mr. Suphi AYVAZ has taken the floor and underlined that this meeting is the 24th assembly since the first public offering of THY, and that institutionalization has been absorbed. It would be better to avoid serving salt in TK flights because of health requirements, to announce the name of the passengers whose profession is medicine, to avoid changing names of the planes because it hurts those people who is passionately fond of planes, to name one of the cargo planes "kervan", to fasten the establishment of the aviation museum. He also mentioned his desire to see one of the planes colored in traditional pyjamas pattern, and to provide enough space in Skylife magazines to write personal opinions for the passengers.

Shareholder Sefa İNAN has taken the floor and stated that THY is a private company and free upgrade options on flights for the deputies of the parliament should not be applied, all the newspaper available in the plane should be free and if not, no newspapers should be delivered at all.

Since there was no other subject to discuss, the meeting was closed by the The Chairman of the Assembly. The minutes of the meetings is issued, read and executed at the meeting venue.27.03.2014

Attachment

1- Statement of profit distribution

(signature)

Ayten YAVUZ

Ministry Representative

(signature)

Melek Günden ÇINAR

Secretary

(signature)

Hamdi TOPÇU

Chairman of the Assembly