

'The best airline in Europe which flies to the most countries in the world'

TURKISH AIRLINES



Bloomberg Ticker: THYAO.TI

Ownership: 50.88% Free float
49.12% Republic of Turkey

Overview

Turkish Airlines, the flag carrier airline of the Republic of Turkey, is the only 4 Star airline in all categories in Europe and ranks the "Best Airline in Europe¹" for the fifth consecutive year.

The Company has grown steadily with double-digit growth rates and has transformed into one of the largest global network carriers in the world. Moreover, the carrier managed this growth while maintaining strong profitability, having one of the highest EBITDAR margins in the industry.

With the world's 4th largest flight network, Turkish Airlines flies to 235 international destinations in 113 countries. This country coverage is greater than any other airline in the world.

Route Network*	
Countries Served	113
# of Airports Served	287
Destination Cities	284
Weekly Departures	10,038

*As of 31 December 2015

Istanbul: A Natural Hub

Istanbul, as a transfer point on global routes, reduces flight time and introduces the flexibility to use a variety of aircraft of diverse capacity. Using Istanbul Ataturk Airport as a hub enables Turkish Airlines to utilize a narrow body fleet, thus providing a considerable cost advantage and contributing to competitive superiority. Istanbul Ataturk Airport was the 3th busiest airport in Europe in 2015.

Fleet

As of December 2015, the number of aircraft in the Turkish Airlines fleet is 299 including 10 cargo aircraft, with an average fleet age of 6.9 years.

Turkish Airlines' current expansion process is being governed by its '2008-2023 Fleet Projection Program'. In 2013, the Company ordered 117 aircraft from Airbus and 95 aircraft from Boeing which will all be delivered until 2021. With these additions, Turkish Airlines fleet will reach a total of 433 aircraft.

	Aircraft	Count
Wide Body	A330-200	20
	A330-300	26
	A340-300	4
	B777-300ER	23
	Total	73
Narrow Body	A319-100	14
	A320-200	29
	A321-200	56
	B737-900ER	15
	B737-800	92
	B737-700	4
	E190/E195	6
	Total	216
Cargo	A330-200F	6
	Wet Lease	4
	Total	10
Grand Total	299	

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Senior Management

Position	Name
CEO	Temel Kotil, Phd.
Chief Financial Officer	Coşkun Kılıç
Chief Marketing Officer	Ahmet Olmuşur
Chief Flight Operations Officer	Levent Yılmaz
Chief Investment Officer	Ahmet Bolat, Phd.
Chief Commercial Officer	Mehmet Akif Konar
Chief HR Officer	Abdulkerim Çay

Employees

Position	Headcount
Pilot	4,374
Cabin	8,676
Technicians	234
Other	8,746
Total	27,688*

As of 31.12.2015, THY Teknik and THY Aydın Çıdır are included.

Company Facts for Financial Year 2015

Financial* (Consolidated)	2015	YoY Growth
Revenue	10,522	-% 5
Passenger	9,368	-% 5
Cargo	935	-% 4
Other	219	-% 8
EBIT	1,039	% 29
EBITDA	1,963	% 27
EBITDAR	2,044	% 24
Net Profit	1,069	% 27
RASK (USC)	6.55	-% 17
CASK (USC)	6.42	-% 17

* USD in millions, except CASK and RASK figures

Operational	2015	YoY Growth
Passengers(mn)	61.2	12%
Domestic	26.3	16%
International	34.9	9%
ASK (million kms)	153,209	14%
RPK (million kms)	119,372	12%
Load Factor	77.9	-1,4 pt
Fleet	299	15%
Utilization	12:43	0,1%

Global Alliances and Code Share Partners

Turkish Airlines is a member of Star Alliance - the world's largest airline group. Star Alliance network offers more than 18,500 daily flights to 1,300 airports in 192 countries. Furthermore, Turkish Airlines has code share agreements with 39 airlines around the world as of December 2015.

Awards

In 2007, Turkish Airlines was ranked as a four star airline by Skytrax. While keeping its 4-star airline title again in 2008, Turkish Airlines was also named "The Best Airline in Southern Europe".

In 2010, Turkish Airlines continued to be the:

- "Best Airline in Southern Europe"; and
- "Best Catering in Economy Class" with the inflight service provided by Turkish Do&Co

In 2011, 2012, 2013 and 2014 four years in a row, Turkish Airlines was chosen as the winner of the two categories by Skytrax:

- "Best Airline in Europe"
- "Best Airline in Southern Europe"

In 2013, Turkish Airlines was chosen as the winner of two other categories:

- "Best Business Class Catering in the World"
- "International Award for the Fastest Growing Cargo Airline"

In 2014, Turkish Airlines was also chosen as the winner of five other categories:

- "Best Business Class Catering in the World"
- "Best Business Class Lounge Dining"
- "Best European Cargo Airline"
- "India Cargo Airline of the year"
- "Overall Carrier of the Year, Combination Carrier of the Year"
- "Structured Finance Deal of the Year"

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In 2015, Turkish Airlines was chosen as the winner of:

- "Best Corporate Governance"
- World's Best Business Class Airline Lounge
- World's Best Business Class Lounge Dining
- Airfinance Journal - Tax Lease Deal of the Year
- Airfinance Journal - Engine Deal of the Year
- Bonds&Loans Awards - Trade&Export Finance Deal of the Year (Turkey)
- Global Transport Finance - EETC Deal of the Year (Europe)

Frequent Flyer Programs **Miles&Smiles**

Turkish Airlines' Frequent Flyer Program, Miles&Smiles, allows program members to earn miles by flying on Turkish Airlines, AnadoluJet and other Star Alliance member airlines, by staying at the program partner hotels, and from the Miles&Smiles credit card expenditures.

Sponsorships

Clubs

	Borussia Dortmund
	Olympique de Marseille
	Galatasaray
	Fenerbahçe
	Beşiktaş
	Trabzonspor

Players

	Didier Drogba
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Team, Turkish Airlines Ladies Open and European Professional Club Rugby.

Subsidiaries and Affiliates

Name	Participation*
Turkish Technic	100%
Aydın Çıldır Airport Man.	100%
Sun Express	50%
Turkish Opet	50%
Turkish Ground Services	50%
Turkish Do&Co	50%
Turkish Engine Center	49%
Goodrich Turkish Technic	40%
Turkish Cabin Interior	51%
TSI Aviation Seats	50%
Turkbine Technic	50%
Vergi İade Aracılık A.Ş.	30%

* Direct & Indirect

Recently, Turkish Airlines decided to continue its unique partnership and title-sponsorship agreement with Euroleague Basketball for seven more seasons through 2020. A centerpiece of this relationship was added in 2012 as Turkish Airlines became Founding Partner of Euroleague Basketball's corporate social responsibility programme, One Team. Also Turkish Airlines has many sponsorships with celebrities/establishments such as Turkish Football Federation National Team, Basketball Japan League, Turkish Basketball Federation National