

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES**Condensed Consolidated Interim Balance Sheet as at 30 September 2021**

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

	<u>Not Reviewed</u>	<u>Audited</u>
ASSETS	30 September 2021	31 December 2020
Current Assets		
Cash and Cash Equivalents	26.492	13.293
Financial Investments	94	131
Trade Receivables		
-Related Parties	184	129
-Third Parties	8.146	4.543
Other Receivables		
-Related Parties	106	45
-Third Parties	7.374	8.037
Derivative Financial Instruments	783	14
Inventories	2.388	2.236
Prepaid Expenses	1.194	1.034
Current Income Tax Assets	160	280
Other Current Assets	561	917
TOTAL CURRENT ASSETS	47.482	30.659
Non-Current Assets		
Financial Investments	623	548
Other Receivables		
-Third Parties	9.219	8.809
Investments Accounted by Using Equity Method	2.293	1.881
Property and Equipment	38.459	30.431
Right of Use Assets	134.974	108.465
Intangible Assets		
- Other Intangible Assets	742	653
- Goodwill	110	91
Prepaid Expenses	7.229	5.862
Deferred Tax Assets	4	3
TOTAL NON-CURRENT ASSETS	193.653	156.743
TOTAL ASSETS	241.135	187.402

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Condensed Consolidated Interim Balance Sheet as at 30 September 2021

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

	Not Reviewed	Audited
	30 September 2021	31 December 2020
LIABILITIES		
Current Liabilities		
Short Term Borrowings		
-Related Parties		
-Bank Borrowings	-	101
-Third Parties		
-Bank Borrowings	12.784	11.108
Short-Term Portion of Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	5.382	3.216
-Third Parties		
-Bank Borrowings	7.061	5.491
-Lease Liabilities	14.862	12.684
Other Financial Liabilities	47	126
Trade Payables		
-Related Parties	1.149	1.036
-Third Parties	6.361	5.286
Payables Related to Employee Benefits	890	658
Other Payables		
-Related Parties	33	-
-Third Parties	1.698	645
Derivative Financial Instruments	245	470
Deferred Income	9.527	4.511
Current Tax Provision	82	-
Short-Term Provisions		
-Provisions for Employee Benefits	199	118
-Other Provisions	88	75
Other Current Liabilities	2.446	1.854
TOTAL CURRENT LIABILITIES	62.854	47.379
Non- Current Liabilities		
Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	11.852	10.288
-Third Parties		
-Bank Borrowings	12.831	9.389
-Lease Liabilities	80.359	70.317
Other Payables		
-Third Parties	610	162
Deferred Income	843	799
Long-Term Provisions		
-Provisions for Employee Benefits	1.167	984
-Other Provisions	430	359
Deferred Tax Liability	12.581	8.214
TOTAL NON-CURRENT LIABILITIES	120.673	100.512
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	(440)	(352)
Items That Are or May Be Reclassified to		
Profit or Loss		
-Foreign Currency Translation Differences	38.209	29.483
-Fair Value Gains on Hedging Instruments		
Entered into for Cash Flow Hedges	(39)	(3.301)
-Gains/(Losses) on Remeasuring FVOCI	(24)	12
Restricted Profit Reserves	238	211
Previous Years Profit	10.918	16.533
Net Profit/(Loss) for the Period	6.232	(5.588)
Equity of the Parent	57.598	39.502
Non-Controlling Interests	10	9
TOTAL EQUITY	57.608	39.511
TOTAL LIABILITIES AND EQUITY	241.135	187.402

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income
For the Nine-Month Period Ended 30 September 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	<u>Not Reviewed</u> <u>1 January-</u> <u>30 September 2021</u>	<u>Not Reviewed</u> <u>1 July-</u> <u>30 September 2021</u>	<u>Not Reviewed</u> <u>1 January-</u> <u>30 September 2020</u>	<u>Not Reviewed</u> <u>1 July-</u> <u>30 September 2020</u>
<u>PROFIT OR LOSS</u>				
Revenue	60.518	29.033	32.525	11.018
Cost of Sales (-)	(47.846)	(20.584)	(31.950)	(10.085)
GROSS PROFIT	12.672	8.449	575	933
General Administrative Expenses (-)	(1.689)	(645)	(1.091)	(352)
Marketing Expenses (-)	(4.734)	(1.855)	(3.341)	(993)
Other Operating Income	1.211	491	1.805	1.020
Other Operating Expenses (-)	(632)	(276)	(220)	(68)
OPERATING PROFIT/(LOSS) BEFORE INVESTMENT ACTIVITIES	6.828	6.164	(2.272)	540
Income from Investment Activities	1.297	482	878	289
Expenses from Investment Activities	(51)	(17)	(69)	(69)
Share of Investments' Profit/(Loss) Accounted by Using The Equity Method	432	638	(645)	(37)
OPERATING PROFIT/(LOSS)	8.506	7.267	(2.108)	723
Financial Income	808	1.031	402	67
Financial Expenses (-)	(2.354)	(858)	(4.340)	(2.533)
PROFIT/(LOSS) BEFORE TAX	6.960	7.440	(6.046)	(1.743)
Tax (Expense)/Income	(728)	(1.149)	843	797
Current Tax Expense	(144)	(75)	-	4
Deferred Tax (Expense)/Income	(584)	(1.074)	843	793
NET PROFIT/(LOSS) FOR THE PERIOD	6.232	6.291	(5.203)	(946)
Non-controlling interest	-	-	-	-
Equity holders of the parent	6.232	6.291	(5.203)	(946)

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For the Nine-Month Period Ended 30 September 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	<u>Not Reviewed</u> <u>1 January-</u> <u>30 September 2021</u>	<u>Not Reviewed</u> <u>1 July-</u> <u>30 September 2021</u>	<u>Not Reviewed</u> <u>1 January-</u> <u>30 September 2020</u>	<u>Not Reviewed</u> <u>1 July-</u> <u>30 September 2020</u>
<u>OTHER COMPREHENSIVE INCOME</u>				
Items That May Be Reclassified Subsequently To Profit or Loss	11.952	2.451	8.518	4.165
Currency Translation Adjustment	8.726	1.334	11.405	5.681
Losses on Remeasuring FVOCI	(45)	(21)	(53)	(20)
Related Tax of Remeasuring FVOCI	9	4	10	3
Fair Value Gains/(Losses) on Hedging Instruments Entered into for Cash Flow Hedges	4.015	1.397	(3.490)	(1.866)
Fair Value Gains/(Losses) Hedging Instruments of Investment Accounted by Using the Equity Method Entered into for Cash Flow Hedges	84	22	(89)	(2)
Related Tax of Other Comprehensive (Expense)/Income	(837)	(285)	735	369
Items That Will Not Be Reclassified Subsequently To Profit or Loss	(88)	(8)	(127)	(45)
Actuarial Losses on Retirement Pay Obligation	(110)	(10)	(159)	(56)
Related Tax of Other Comprehensive Income	22	2	32	11
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	11.864	2.443	8.391	4.120
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD	18.096	8.734	3.188	3.174
Basic Profit/(Loss) Per Share (Kr)	4,52	4,56	(3,77)	(0,69)
Diluted Profit/(Loss) Per Share (Kr)	4,52	4,56	(3,77)	(0,69)

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Condensed Consolidated Interim Statement of Changes in Equity
For the Nine-Month Period Ended 30 September 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Share Capital	Inflation Adjustment on Share Capital	Items That Will Not Be Reclassified Subsequently To Profit or Loss	Items That May Be Reclassified Subsequently To Profit or Loss			Retained Earnings					Total Equity
			Actuarial (Losses) Retirement Pay Obligation	Foreign Currency Translation Differences	Fair Value Losses on Hedging Instruments Entered Into For Cash Flow Hedges	Gains / (Losses) on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit/(Loss) for The Year	Equity Holders of the Parent	Non-controlling Interests	
As of 1 January 2021	1.380	1.124	(352)	29.483	(3.301)	12	211	16.533	(5.588)	39.502	9	39.511
Transfers	-	-	-	-	-	-	-	(5.588)	5.588	-	-	-
Total comprehensive income	-	-	(88)	8.726	3.262	(36)	27	(27)	6.232	18.096	-	18.096
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	1	1
As of 30 September 2021	1.380	1.124	(440)	38.209	(39)	(24)	238	10.918	6.232	57.598	10	57.608

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Condensed Consolidated Interim Statement of Changes in Equity
For the Nine-Month Period Ended 30 September 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Share Capital	Inflation Adjustment on Share Capital	Items That Will Not Be Reclassified Subsequently To Profit or Loss	Items That May Be Reclassified Subsequently To Profit or Loss			Retained Earnings					Total Equity
			Actuarial Losses Retirement Pay Obligation	Foreign Currency Translation Differences	Fair Value Gains/(Losses) on Hedging Instruments Entered Into For Cash Flow Hedges	Losses on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit/(Loss) for The Year	Equity Holders of the Parent	Non-controlling Interests	
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	-	-	(127)	11.405	(2.844)	(43)	27	(27)	(5.203)	3.188	-	3.188
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	7	7
As of 30 September 2020	1.380	1.124	(353)	32.162	(1.827)	(47)	211	16.533	(5.203)	43.980	10	43.990

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES

Condensed Consolidated Interim Statement of Cash Flows

For the Nine-Month Period Ended 30 September 2021

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

	<u>Not Reviewed</u>	<u>Not Reviewed</u>
	<u>1 January - 30 September 2021</u>	<u>1 January - 30 September 2020</u>
Net Profit/(Loss) for the period	6.232	(5.203)
Adjustments to Reconcile Profit / (Loss)		
Adjustments for Depreciation and Amortisation Expense	10.396	8.233
Adjustments for Provisions Related with Employee Benefits	197	44
Adjustments for Provisions for Other Accruals	12	1
Adjustments for Reversal of Probable Risks	2	76
Adjustments for Interest Income	(445)	(314)
Adjustments for Interest Expense	2.080	1.576
Adjustments For Unrealised Foreign Exchange Gains	1.264	4.025
Adjustments for Fair Value Gains on Derivative Financial Instruments	(347)	(71)
Adjustments for Undistributed (Gains)/Losses of Associates	(432)	645
Adjustments for Tax Expense/(Income)	666	(843)
Adjustments for Gains Arised From Sale of Tangible Assets	(3)	(24)
Adjustments for Losses Arised from Sale of Other Non-Current Assets	332	134
Operating Profit Before Changes in Working Capital	19.954	8.279
Increase in Trade Receivables from Related Parties	(25)	(60)
(Increase)/Decrease in Trade Receivables from Non Related Parties	(2.416)	856
(Increase)/Decrease in Other Related Party Receivables Related with Operations	(61)	166
Increase in Other Non-Related Party Receivables Related with Operations	(29)	(1.278)
Adjustments for Decrease/(Increase) in Inventories	288	(158)
Adjustments for Decrease/(Increase) in Prepaid Expenses	(75)	25
Decrease in Trade Payables to Related Parties	(97)	(63)
Decrease in Trade Payables to Non Related Parties	(40)	(1.914)
Adjustments for Increase/(Decrease) in Payables Due to Employee Benefits	84	(352)
Increase in Other Operating Payables to Related Parties	33	-
Increase in Other Operating Payables to Non-Related Parties	1.493	19
Increase/(Decrease) in Deferred Income	3.737	(2.579)
Decrease in Other Assets Related with Operations	542	229
Cash Flows From Operations	23.388	3.170
Payments for Provisions Related with Employee Benefits	(46)	(90)
Income Taxes Paid	(120)	14
Net Cash From Operating Activities	23.222	3.094
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Cash Receipts Proceed From Sales of Property, Plant and Equipment	642	101
Cash Payments From Purchasing of Property, Plant and Equipment	(4.435)	(6.044)
Cash (Payments)/Receipts From (Purchasing)/Sales of Other Long-term Assets	(16)	2.474
Other Cash Advances and Loans	1.892	1.200
Dividends Received	172	18
Interest Received	445	186
Net Cash Flows / (Used In) Investing Activities	(1.300)	(2.065)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds From Loans	17.151	12.796
Payments of Loans	(12.738)	(7.324)
Payments of Lease Liabilities	(11.186)	(7.659)
Interest Paid	(1.859)	(1.193)
Other Cash Outflows	(91)	(113)
Net Cash Used in Financing Activities	(8.723)	(3.493)
Net Change in Cash and Cash Equivalents	13.199	(2.464)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	13.293	13.328
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	26.492	9.864