

*'Airline which flies to the most countries in the world'*

# TURKISH AIRLINES



**Bloomberg Ticker:** THYAO.TI

## Overview

According to the announced results of BrandFinance, Turkish Airlines, our national flag-carrier airline of the Republic of Turkey, which was previously awarded this title in recent years, has been listed once again as "Turkey's Most Valuable Brand" in 2019, with a value exceeding \$2.0 billion.

Besides our superior products and services, many prestigious awards, granted by the leading institutions across the aviation industry recently, increased the brand awareness of Turkish Airlines. We, at Turkish Airlines, believe that this enhanced level of recognition paves the way for our Incorporation to become a five-star airline across Europe. While taking concrete steps to achieve this, Turkish Airlines was named as the "Five-Star Global Airline" in APEX Official Airline Ratings for 2019 again.

The Company has grown steadily with double-digit growth rates and has transformed into one of the largest global network carriers in the world.

As of December 2019, with the world's 4<sup>th</sup> largest flight network, Turkish Airlines flies to 318 destinations in 126 countries. This country coverage is greater than any other airline in the world.

Route Network	
Countries Served	126
# of Airports Served	321
Destination Cities	318

## 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.

Istanbul Airport provides a significant cost advantage by allowing Turkish Airlines to operate in a single terminal

building, thus providing a considerable cost advantage and contributing to competitive superiority. As of the end of 2019, 52 million passengers were transported at Istanbul Airport with the effect of the successful tourism season after the big move to new Home in April.

The number of passengers that hosted Istanbul Airport in 2019, it has become the 7<sup>th</sup> busiest airport in Europe and 28<sup>th</sup> in the World.

## Shareholding Structure:

Shareholder	Ownership	# of Shares
Turkey Wealth Fund (Group A)	49.12	67,788,484,857
The Republic of Turkey Ministry of Treasury and Finance Privatization Administration (Group C)		1
Open for Public (Group A)	50.88	70,211,515,142
<b>TOTAL</b>	<b>100.00</b>	<b>138,000,000,000</b>

## Fleet

As of December 2019, the number of aircraft in the Turkish Airlines fleet is 350 including 23 cargo aircraft, with an average fleet age of 8.3 years.

On March 9, 2018, in order to insure the need for wide body aircraft, the Incorporation has decided to purchase 50 firm and 10 optional aircraft, a total of 60 wide body aircraft. According to this, a total of 30 B787-9 aircraft, of which 25 firm and 5 optional, will be purchased from Boeing and a total of 30 A350-900 aircraft, of which 25 firm and 5 optional will be purchased from Boeing.

On March 15 and April 9, 2013, in order to insure the need for single-aisle passenger aircraft, the Incorporation had decided to purchase 92 A321 NEO and 75 B737 MAX aircraft from Airbus and Boeing. Twelve A321 NEO aircraft and five B737-8 MAX aircraft of these order has been delivered by the end of December 2019.

By the end of December 2019, the operation has been carried out by 97 double-aisle passenger aircraft, 230 single-aisle passenger aircraft and 23 cargo aircraft.

# 'Airline which flies to the most countries in the world'

Double-aisle aircraft constitute about 28 % of the total number of aircraft in fleet. Due to the effect of stage length and seat capacity, contribution of wide body aircraft to the production is more than 50%.

	Aircraft	Total
<b>Wide Body</b>	A330-200	18
	A330-300	40
	B777-300ER	33
	B787-9	6
	<b>Total</b>	<b>97</b>
<b>Narrow Body</b>	A319-100	6
	A320-200	17
	A321-200	68
	A321 NEO	14
	B737-900ER	15
	B737-800	77
	B737-700	1
	B737-8 MAX	11
	B737-9 MAX	1
	B737-800 WL	20
	<b>Total</b>	<b>230</b>
<b>Cargo</b>	A330-200F	10
	B777F	6
	Wet Lease	7
	<b>Total</b>	<b>23</b>
<b>Grand Total</b>	<b>350</b>	

## Senior Management

Position	Name
General Manager	Bilal Ekşi
Chief Financial Officer	Murat Şeker, Assoc. Prof.
Chief Marketing Officer	Ahmet Olmuştur
Chief Flight Operations Officer	Aykut Alpa
Chief Investment Officer	Ahmet Bolat, PhD.
Chief Commercial Officer	Mehmet Akif Konar
Chief Cargo Officer	Turhan Özen
Chief HR Officer	Abdulkerim Çay
Chief Corporate Development & IT Officer	Ali Serdar Yakut

## Employees

Position	Headcount
Pilot	5.839
Cabin	12.247
Technicians	72
<b>Total</b>	<b>38.804*</b>

\*As of 31.12.2019, THY Teknik and THY Uçuş Eğitim ve Havalimanı İşletme A.Ş are included.

## Company Facts for December 2019

Financial* (Consolidated)	2019	YoY Growth
<b>Revenue</b>	13.229	% 2,9
<i>Passenger</i>	11.167	% 2,3
<i>Cargo</i>	1.688	% 2,5
<i>Other</i>	374	% 29,0
<b>EBIT</b>	1.068	% -22,4
<b>EBITDA</b>	2.589	% 5,1
<b>EBITDAR</b>	3.107	% -7,2
<b>Net Profit</b>	788	% 5,0
<b>RASK (USc)</b>	6,07	% -3,7
<b>CASK (USc)</b>	6,74	% 4,9

\* USD in millions, except CASK and RASK figures

Operational	2019	2019/2018 Change
<b>Passengers(mn)</b>	74,3	% -1,1
<i>Domestic</i>	30,5	% -7,5
<i>International</i>	43,8	% 3,8
<b>ASK (million km)</b>	187.696	% 3,1
<b>RPK (million km)</b>	153.186	% 2,7
<b>Load Factor (%)</b>	81,6	-0,3 pt
<b>Fleet</b>	350	% 5,4
<b>Utilization</b>	12:40	% 3,3

## 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 19,000 daily flights to 1,350 airports in 195 countries. Furthermore, Turkish Airlines has code share agreements with 53 airlines around the world as of December 2019.

# 'Airline which flies to the most countries in the world'

## Awards

### In 2014, Turkish Airlines was also chosen as the winner of:

- Best European Cargo Airline (Air Cargo News)
- Best Corporate Governance Award (Ethical Boardroom)
- Structured Finance Deal of the Year Award (Bonds & Loans)
- Tax Lease Deal of the Year 2014 (Airfinance Journal)
- Engine Deal of the Year 2014 (Airfinance Journal)
- Overall Carrier Of The Year and Combination Carrier of the Year (Payload Asia Awards 2014)
- Best Operational Excellence (Airbus Awards for Excellence)
- Most Innovative Kit and Trio Amenity Kit awards (Travel Plus Awards)

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

- Best Corporate Governance
- Tax Lease Deal of the Year 2015 (Airfinance Journal)
- Engine Deal of the Year (Airfinance Journal)
- EETC Deal of the Year (Global Transport Finance) (Europe)
- Best Investor Relations in Turkey (IR Magazine)
- Trade & Export Finance Deal of the Year (Turkey) (Bonds & Loans)

### In 2016, Turkish Airlines was chosen as the winner of:

- Airline of the Year (Air Transport News)
- Cargo Airline of the Year (Air Transport News)
- Capital Markets Deal Of the Year (Airfinance Journal)
- Tax Lease Deal of the Year (Airfinance Journal)
- Finalist in the "Transport Finance Deal of the Year" Category (Bonds & Loans)
- Runner Up in "Trade and Export Finance Deal" Category (Bonds & Loans)
- Runner Up in "Structured Finance Deal of the Year" Category (Bonds & Loans)
- Logistics Project of the Year (Annual Success in Logistics Award)
- Sustainability Report Gold Award (LACP)
- Gold Prize (Epica Awards)
- Best International Air Cargo Company (Atlas Logistics Award)

### In 2017, Turkish Airlines was chosen as the winner of:

- LACP Spotlight Gold Award (League of American Communications Professionals)
- 5 Star Global Airline Award (Apex Passenger Choice Awards)
- First Prize for Fuel Saving Project (Sustainable Business Awards)
- Award for Best Corporate Service Provider Airline Serving to Africa (IMA Italian Mission Awards)
- Awards in Three Categories (Bonds & Loans Turkey Awards)
- Innovation Transformation Special Award and Second Award in the category of Innovation Cycle (Turkey Innovation and Entrepreneurship Week)
- Silver Lion Award for "Best Brand Collaboration" with Batman v Superman ( Cannes Lions )
- Best Product Placement Award with Batman v Superman (Epica Awards)
- Best License Promotion Award with Batman v. Superman (LIMA International License Awards)
- Airline Brand of the Year Award (First Turkey Golden Brand Awards)
- Cargo Carrier of the Year (Stat Times Awards)
- Fastest Growing Cargo Carrier of the Year (South Korea)

### In 2018, Turkish Airlines was chosen as the winner of:

- Five-Star Global Airline (APEX)
- Most Valuable Brand of Turkey (Brand Finance)
- Best Air Cargo Carrier-Europe (Asian Freight Logistics and Supply Chain Awards)
- Best Green Airline (Asian Freight Logistics and Supply Chain Awards)
- Award for Sustainability Politics and Support for the Zero Waste Project (Ministry of Environment and Urbanisation)
- Best Business Class Lounge Catering
- Cargo Airline of the Year (Stat Times Awards)
- AirCargo Carrier of the Year (World AirCargo Awards)
- Second Best Cargo Airline of Europe (Schiphol Aviation Awards)
- The Airline that Connects Africa to the World and Flies to Most Destinations in Africa (Turkey-African Economics and Business Forum)

# 'Airline which flies to the most countries in the world'

In 2019, Turkish Airlines was chosen as the winner of:

- TripAdvisor Travelers' Choice – Award in Europe's Leading Airline and Passenger Comfort in Europe Categories and Turkey's Best Airline Award
- Brand Finance – Turkey's Most Valuable Brand Award
- Campaign Turkey -Brand of the Year Award in Travel & Accommodation Category
- Webby Awards - Webby Honoree Award for The Journey
- PR Week - Best Communication Campaign Award in February for Lego Safety Movie
- World Travel Awards - Europe's Leading Airline Award
- Apex Passenger Choice Awards –Five Star Global Airline
- National Geographic Traveler Awards –The Best Airline Award
- Prime Traveller Awards –The Best Airline Award
- TheDesignAir Awards –Best Design Airline Europe

Federation National Team ve Basketball Turkish Basketball Federation National Team.

## Subsidiaries and Affiliates





Name	Participation*
Turkish Opet Aviation Fuels	50%
Sun Express	50%
Turkish Technic	100%
Turkish Do&Co	50%
Pratt Whitney THY Turkish Engine Center (TEC)	49%
Turkish Ground Services (TGS)	50%
Turkish Cabin Interior Systems (TCI)	50%
Goodrich Turkish Technic Service Center	40%
TSI Aviation Seats	50%
THY Uçuş Eğitim ve Havalimanı İşl. A.Ş.	100%
Tax Free Zone (Tax Refund)	30%
THY Havaalanı Gayri. Yat. ve İşl. A.Ş.	100%
THY Uluslararası Yatırım ve Taş. A.Ş.	100%
Cornea Havacılık Sis. San. Ve Tic. A.Ş.	80%
Air Albania	49%
We World Express Ltd.	45%

\* Direct & Indirect

## 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	
	Galatasaray
	Beşiktaş
	Trabzonspor
	Medipol Başakşehir

Turkish Airlines decided to continue its unique partnership and title-sponsorship agreement with Euroleague Basketball 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