



**TURKISH AIRLINES INC**

**January-March 2008**



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## Dr. Temel KOTİL, CEO, Turkish Airlines



- ★ Started his Turkish Airlines career in March 2003 as Executive Vice President (Technical) and was appointed as CEO in April 2005
- ★ Ph.D. in Mechanical Engineering University of Michigan, USA
- ★ M.Sc. in Mechanical Engineering University of Michigan, USA
- ★ M.Sc. in Aerospace Engineering University of Michigan, USA
- ★ B.Sc. in Aerospace Engineering, Istanbul Technical University, Istanbul
- ★ Board Members of IATA, Turkish Airlines Inc, Turkish Airlines Technical Inc. and Sun Express Inc.



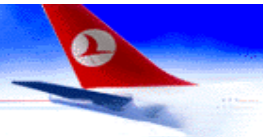
## **Coşkun KILIÇ, CFO, Turkish Airlines**

- ✦ CFO as of March 2006
- ✦ M.Sc. in Finance, Urbana Champaign Illinois University, USA
- ✦ M.A. Economics, Ankara University
- ✦ Certified Public Accountant
- ✦ Board Member of Sun Express

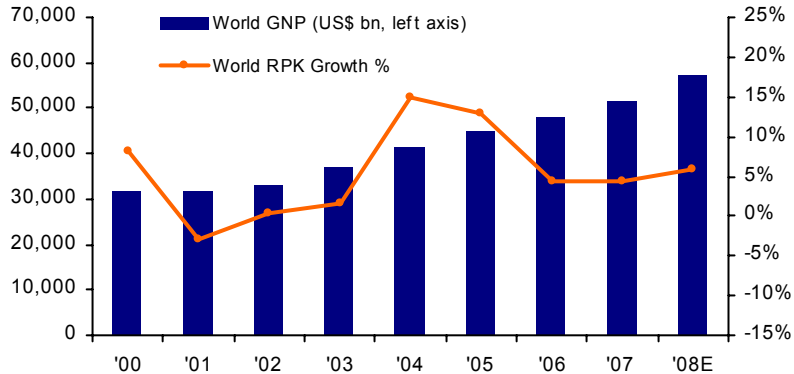


## Turkish Economy

- ✦ Airline Sector in Turkey
- ✦ Company Overview
- ✦ Financial Highlights
- ✦ Appendices

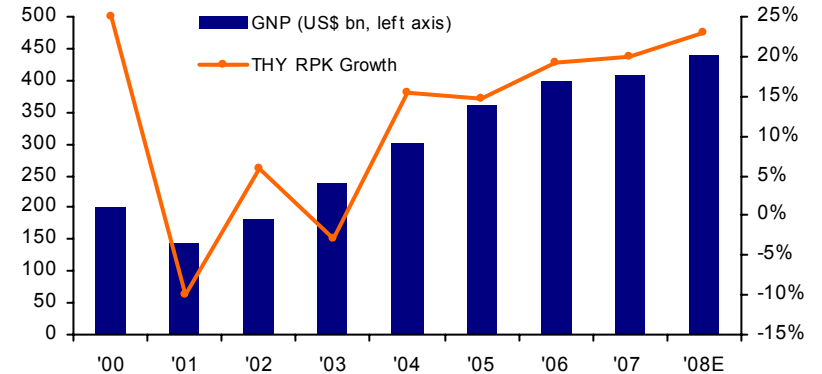


## GNP growth vs RPK growth



Source: WATS and ICAO

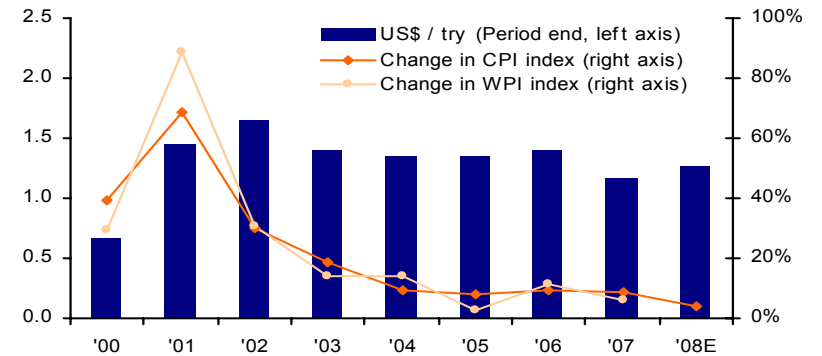
## GNP growth



Source: Realization and official targets by Central Bank of Turkey, General Directorate of Budget and Fiscal Control, State Institute of Statistics

- ✦ World GNP expected to grow by 4,8% , RPK growth is expected to be 5.8% for 2008
- ✦ While World RPK decreased after 2004 THY was able to sustain and increase RPK for the same years
- ✦ Middle East, Far East and Africa routes are expected to grow higher than average during the years 2008-2010

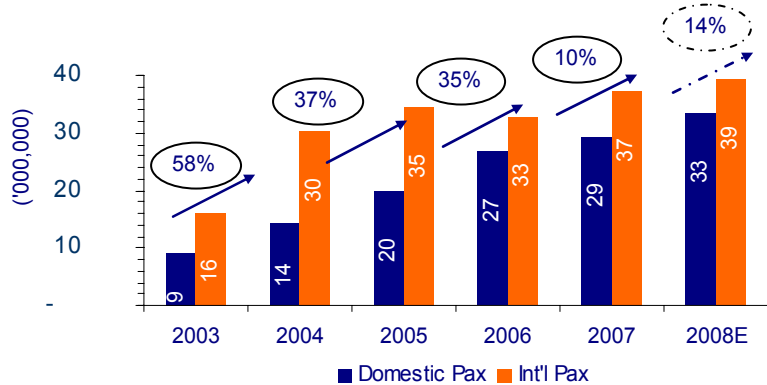
## Falling inflation



Source: Central Bank of Turkey; inflation and exchange rate realizations, inflation targets

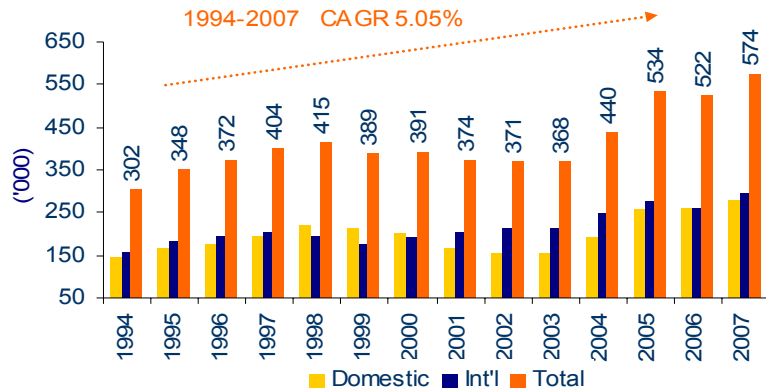


### Turkish Market Growth

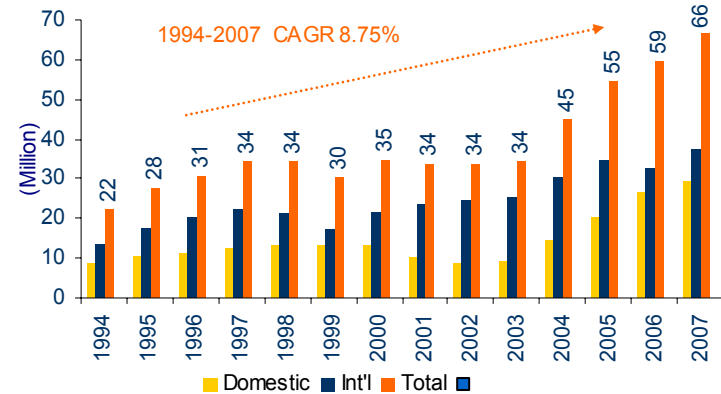


- ✦ Since 2002 Turkish domestic market continues to grow
- ✦ Turkish domestic traffic for 2007 has grown 10% compared to 2006
- ✦ International traffic for 2007 has grown 14% compared to 2006
- ✦ In 2008 Domestic and International traffic expected to increase by 14% and 6% respectively

### Number of Flights ('000)



### Number of Passengers (mn)



Source: SAA

**Increasing GDP and tourism is the driving factor behind passenger traffic growth**



- ✦ During the year 2007
  - ✦ Carried 19,6 mn passengers
  - ✦ Flies to 69 countries, 138 cities and 140 points
  - ✦ Fleet of 102 aircraft
  - ✦ Seat capacity of 17,594
- ✦ Generates 90% of revenues from passenger traffic and 10% from scheduled cargo traffic
- ✦ Strong growth since 2001 - operating revenues increased on average by 13% per annum, higher than average growth in the EU
- ✦ Became a full pledge member to Star Alliance on April 1st. 2008





welcome

 **TURKISH AIRLINES**




# Company Overview

## Destinations



**Türk Hava Yolları**  
**TURKISH AIRLINES**

A STAR ALLIANCE MEMBER   
Gulfstream flights by American Airlines

**Gürbüz**  
YATIRILARI  
GİRİŞİM SERMAYESİ

### HABOM Project

- ✦ JV agreement on engine maintenance is signed on January 7th 2008, with Pratt & Whitney.
- ✦ By the first half of 2009 revenue stream is expected from engine maintenance JV Company.
- ✦ MoU is signed on November 8, 2007 with Goodrich Aerostructures (Rohr Inc.) on Nacelle and Thrust Reverser maintenance.
- ✦ Under HABOM, the plan is to increase the airframe maintenance capacity to approximately 400 aircraft per annum.
- ✦ Expect over 500 mn\$ revenue by 2016 from HABOM Project and First JV (Turkish Engine Center) will be established by THY Technic Inc. and Pratt & Whitney in 2008

### Training

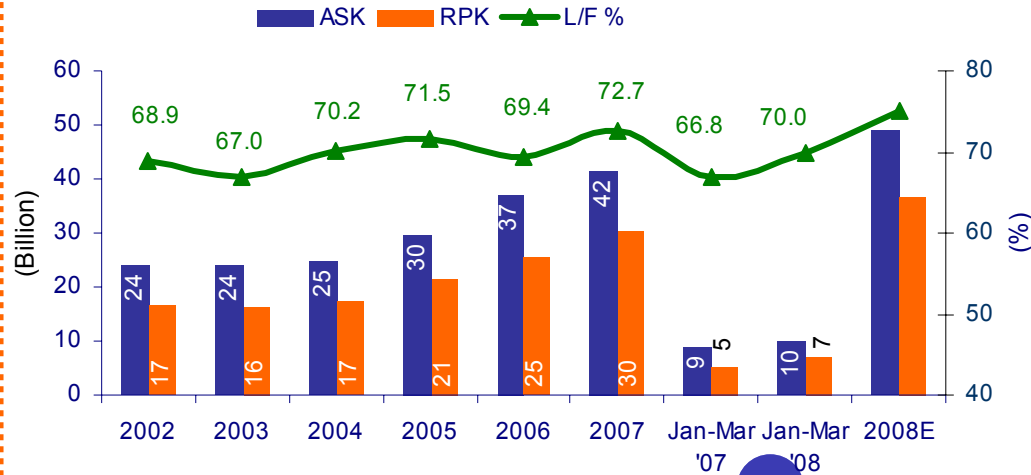
- ✦ THY has 4 full flight simulators RJ-100, B737-400, B737-800 and A320 for cockpit crew training.
- ✦ THY has
  - A340 "First class", B737 "Economy Class" Cabin Service Trainer(CST)
  - B737/A310/A340 Cabin Emergency Evacuation Trainer(CEET)
- ✦ For cabin crew training.
  - ✦ THY provided training to 42 other airline's cabin and cockpit training in 2007, excluding movie companies. Out of 42, 23 domestic and 19 international.
  - ✦ Besides third party training, THY has provided in-house training for its 8,673 cabin crew and 6,380 cockpit crew in 2007.

- ✦ In Jan-Mar 2008, capacity on domestic routes increased by 9,4%, traffic increased by 9,7%, load factor decreased by 0.2 pt to 71,4%
- ✦ On international routes; capacity increased by 10%, traffic increased by 16,5%, while load factor increased by 3.4pt to 70,2%
- ✦ Total capacity increased by 9,9% while traffic increased by 15,1%. Load factor was 70% (+3.2 pt)

### THY Passenger Traffic

THY Passenger Traffic Domestic	2006	2007	Jan-Mar '07	Jan-Mar '08	07 vs '08
Landings	78,910	86,825	18,873	20,526	8.8%
ASK (million)	7,123	8,087	1,777	1,943	9.4%
RPK (million)	5,213	5,899	1,265	1,388	9.7%
Passenger # (million)	8,906	9,935	2,090	2,335	11.7%
L/F %	73.2	72.9	71.2	71.4	0.2 pt
THY Passenger Traffic Int'l	2006	2007	Jan-Mar '07	Jan-Mar '08	07 vs '08
Landings	73,626	82,074	17,123	19,469	13.7%
ASK (million)	29,811	33,532	7,243	7,968	10.0%
RPK (million)	20,170	24,352	4,760	5,548	16.5%
Passenger # ( '000)	8,040	9,701	1,832	2,206	20.4%
L/F %	67.7	73.3	66.8	70.2	3.4 pt
THY Passenger Traffic Total	2006	2007	Jan-Mar '07	Jan-Mar '08	07 vs '08
Landings	152,536	168,899	35,996	39,995	11.1%
ASK (million)	36,934	41,619	9,019	9,911	9.9%
RPK (million)	25,383	30,251	6,026	6,936	15.1%
Passenger # (million)	16,946	19,636	3,923	4,541	15.8%
L/F %	68.7	72.7	66.8	70.0	3.2 pt

### Capacity-Traffic Development Load Factor %



### Total Passenger Traffic (January – March)

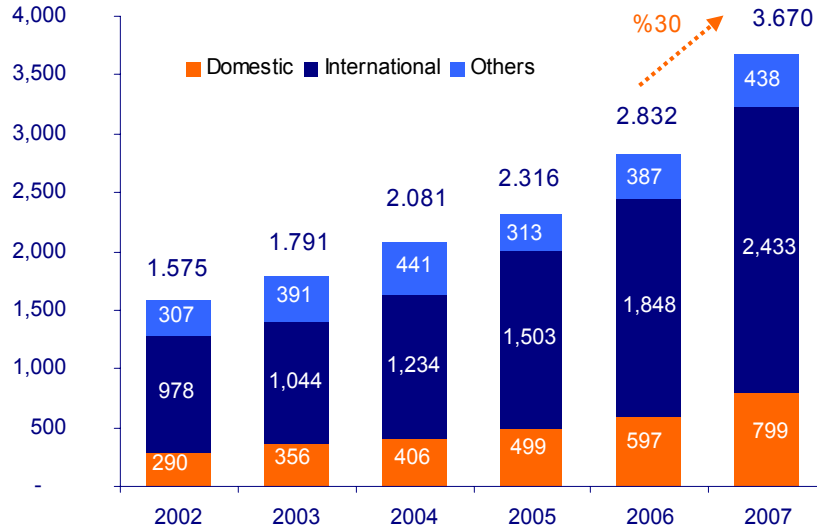
2007 vs 2008

- Landing : up by 11%
- ASK : up by 9,9%
- RPK : up by 15,1%
- Passenger : up by 15,8%
- L/F : 3.2 points

Source: Company

Significant growth in operational highlights

### Total Revenues (Mn\$ 2007)

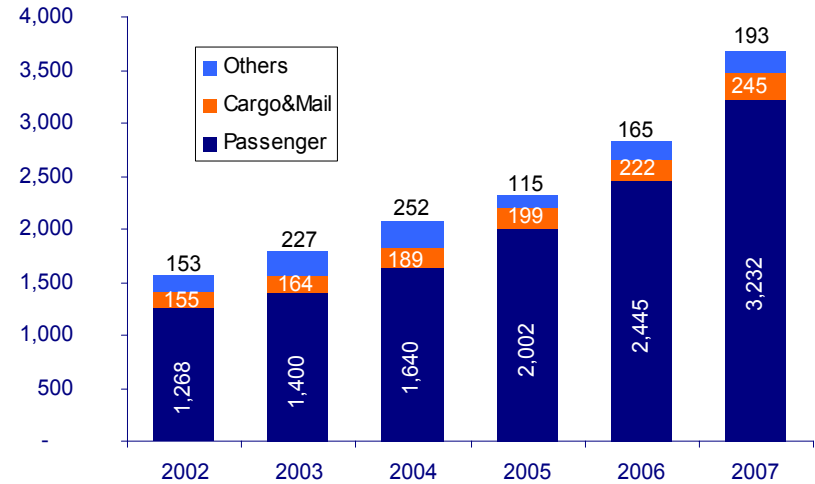


Source: Financial statements released under Turkish CMB standards, converted to US\$ using exchange rates 1.634,501, 1.3958, 1.3421, 1.3418, 1.4296, 1.3003 for the years 2002,2003, 2004 ,2005,2006 and 2007 respectively.

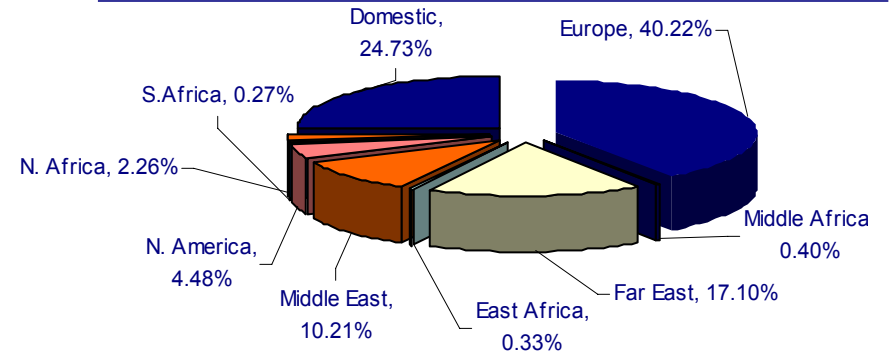
- Revenue breakdown has been relatively constant over the years, passengers accounting for around 80%
- THY benefits from the large Turkish population living in Europe, creating a steady revenue stream

Source: Company

### Total Revenue Breakdown by service (Mn\$ 2007)



### Passenger Revenue Breakdown by Geography (%)



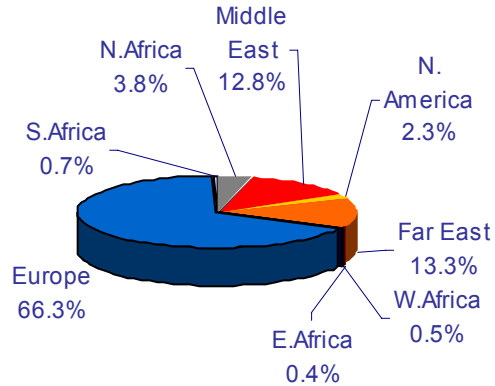
Revenue has positive correlation with growth in GNP in Turkey



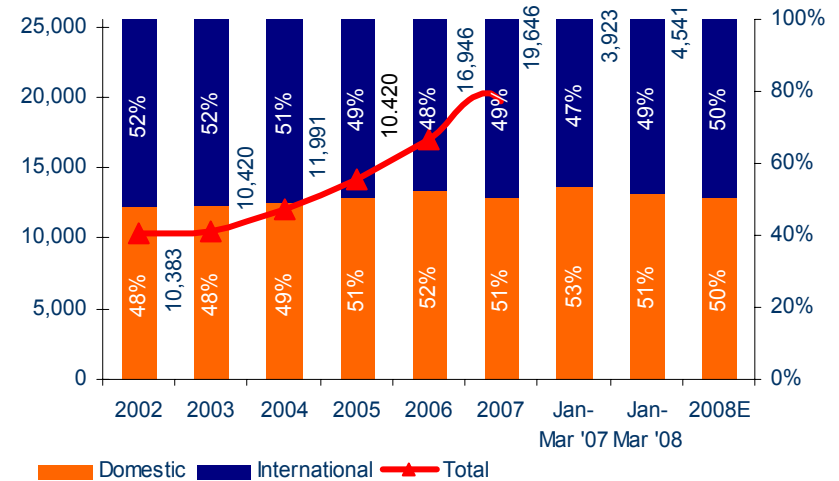
# Company Overview

## Passenger Breakdown

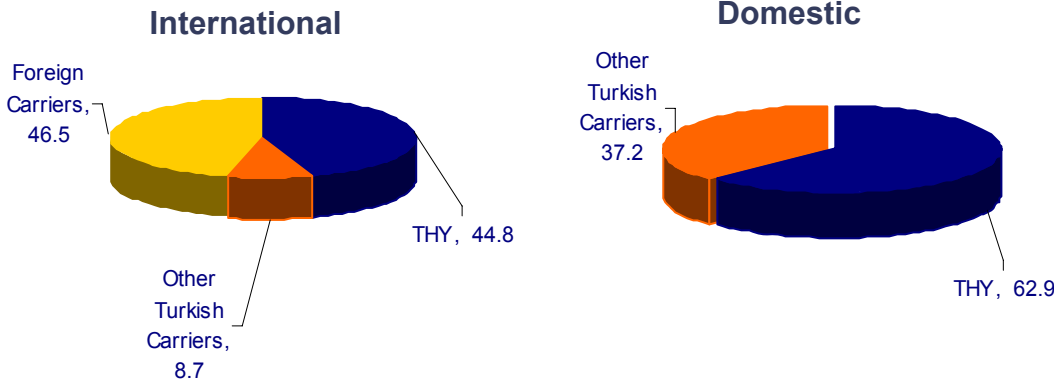
### Int'l. Traffic Breakdown by Geography (Jan-Mar '08)



### Passenger Breakdown 2002 – Mar '08



### Market Shares (2007)



- ✦ THY carried 4,5 million passengers in Jan-Mar '08, with an increase of 16% compared to 2006
- ✦ In 2008 around 20% increase is expected on pax growth
- ✦ Domestic and International passenger breakdown consistent over the years
- ✦ Haj and charter passengers each accounted for 2% of the passenger traffic

Source: SAA

**Stable market share in int'l traffic & Balanced breakdown between domestic and int'l traffic**



Fleet ( As of March 11th 2008)				
TYPE	#	Financial		Operational
		Owned	Lease	Lease
B737-800	41	-	31	10
B737-400	9	-	-	9
A320-200	16	-	6	10
A321-200	15	-	10	5
A319-100	2	-	-	2
A330-200	5	-	5	-
A340	7	7	-	-
A310	5	4	-	1
A310 Cargo	2	1	-	1
<b>Total</b>	<b>102</b>	<b>12</b>	<b>52</b>	<b>38</b>

TYPE	Additions		
	2008	2009	TOTAL
B737-800	8	-	8
A320-200	6	-	6
A321-200	2	-	2
A340	2	-	2
A330-200	-	2	2
<b>Total</b>	<b>18</b>	<b>2</b>	<b>20</b>
Seat capacity	21588	22150	22150

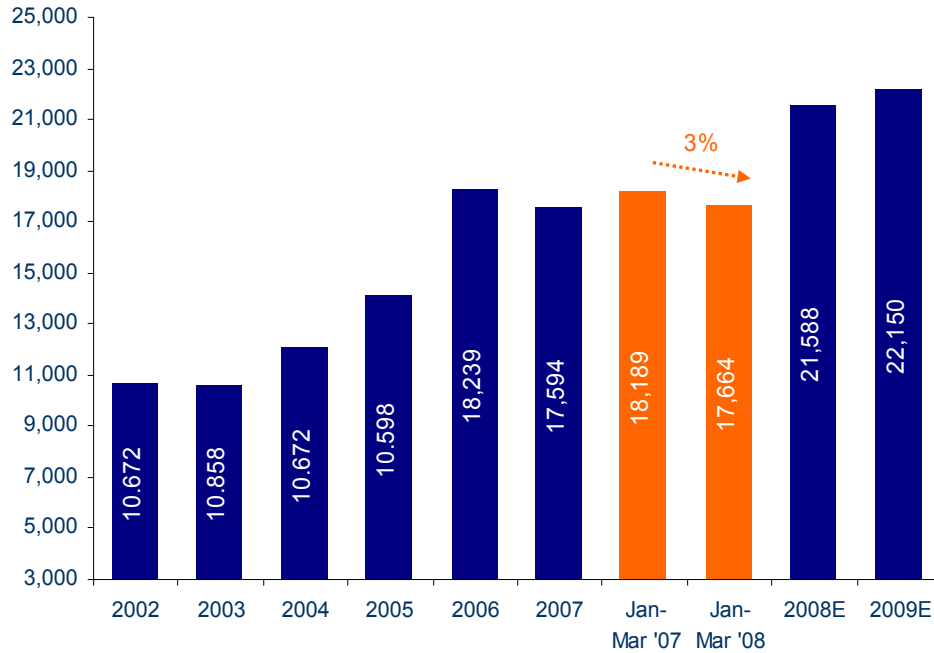
TYPE	Fleet Exits		
	2008	2009	TOTAL
A 321 - 200	0	1	1
A310	1	0	1
<b>Total</b>	<b>1</b>	<b>1</b>	<b>2</b>

- ✦ Out of 59 aircraft, 43 of them joined the fleet as of 2008.
- ✦ As of 2008 average age of the fleet will be around 6 yrs.
- ✦ Total of 2.7 billion dollars financing were completed for the aircraft delivered in 2005,2006, 2007 as well as 19 aircraft in 2008, at Libor and Euribor.
- ✦ At the end of 2008, annual lease expenses will be approximately around \$422 million; of which 70% Financial leases and 30% Operational Leases.

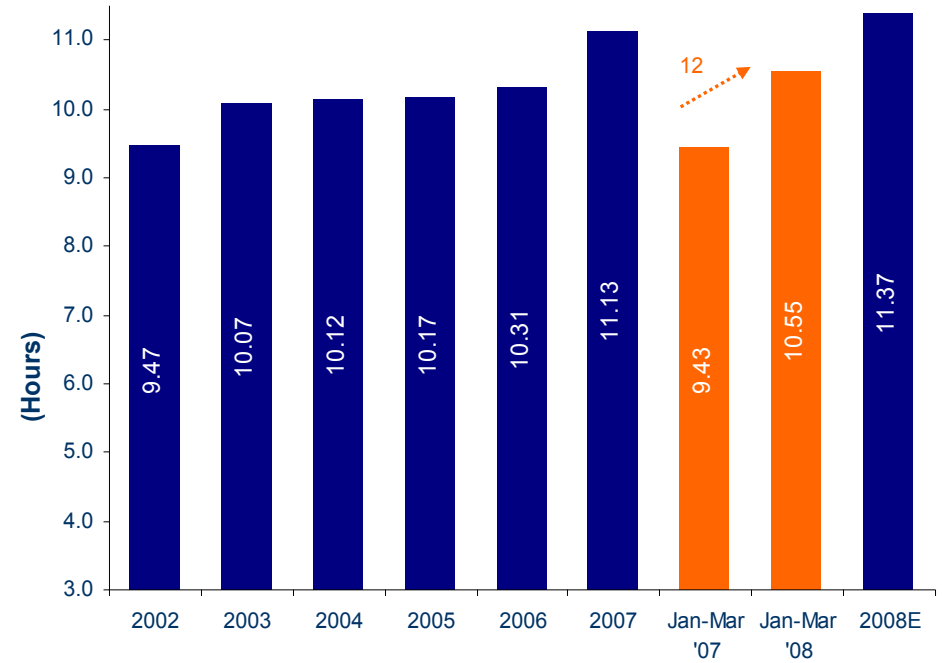
CAPEX 1.043 Mn\$	
Items	%
Aircraft & Engine & Upgrade	93%
Others (IT,Flight training)	7%

**Seat capacity to be increased by 12% by 2008, fleet age to drop around 6 years**

### Seat Capacity



### Average Daily Flight Utilization (hrs)

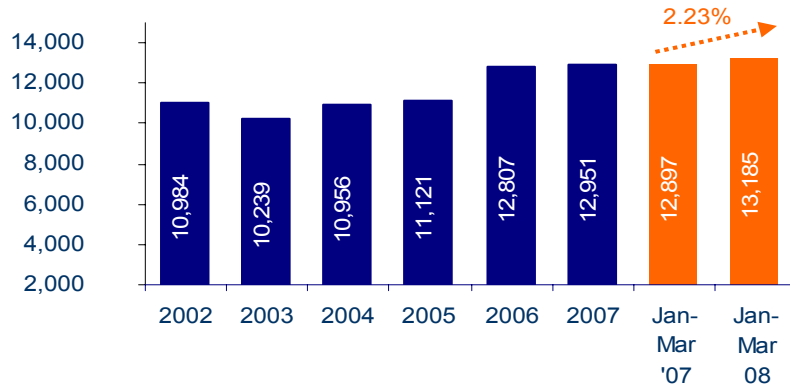


- ✦ Since 2004, seat capacity has increased by 46% as of March 2008
- ✦ Aircraft utilization has been rising due to a good mix of fleet composition and dynamic scheduling process

**Strong capacity growth**

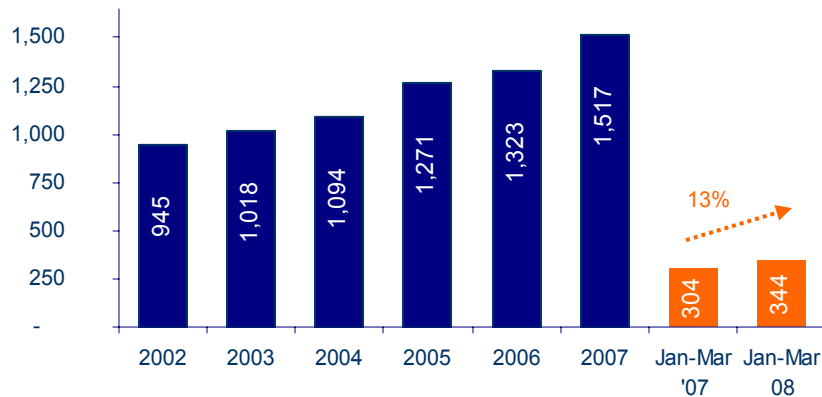


### No. of Personnel

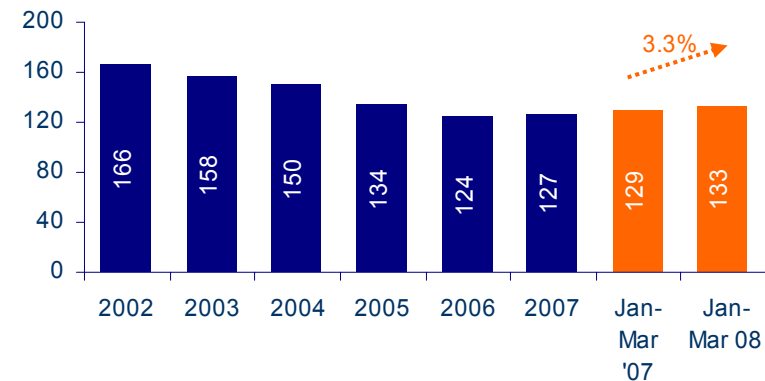


- Due to fleet expansion the total number of personnel increased by 2,2% from Mar'07 to Mar'08 due to fleet expansion.
- THY Technic AŞ. personnel 2,532 is included
- The number of employees per aircraft decreased by 23% since 2002

### Passengers per Employee



### Employees per Aircraft

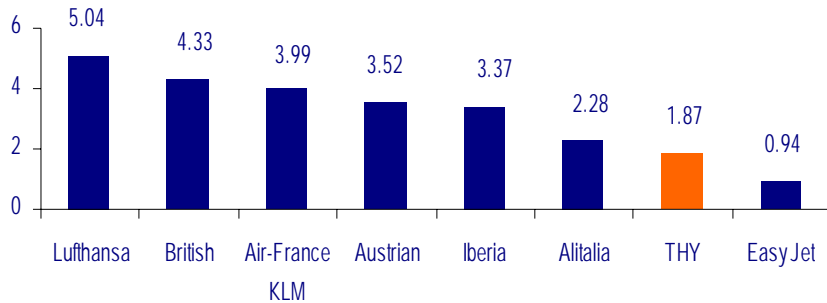


**Personnel Efficiency is The key Driven While Increasing Fleet**



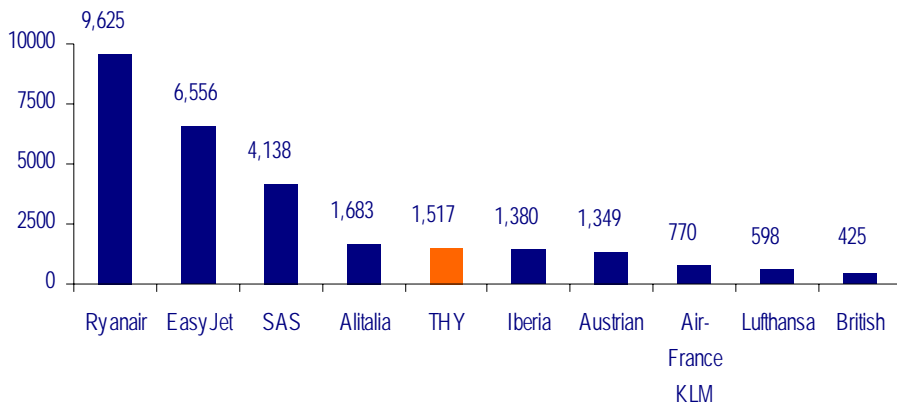


### Personnel Cost per ASK (US¢, 2007)



Source: Company annual reports & websites

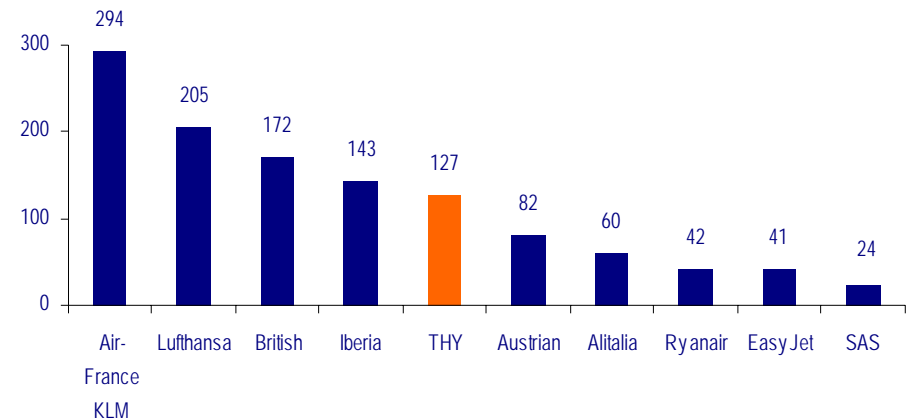
### Passenger per Employee (2007)



Source: Company annual reports & websites

- ✦ THY enjoys high personnel efficiency compared to its competitors
- ✦ Personnel cost of THY per ASK was only 1.87 US cents for 2007
- ✦ 127 employees per aircraft and 1,517 passengers per employee renders THY as one of the most efficient airline.

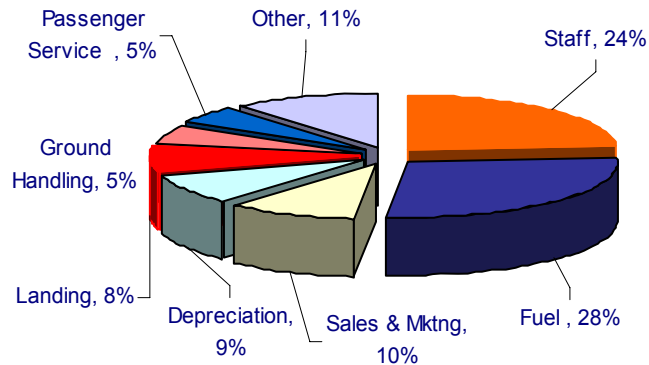
### Employee per Aircraft (2007)



Source: Company annual reports & websites

**One of the most efficient airlines in Europe**

### Operating Expenses Distribution (2007)



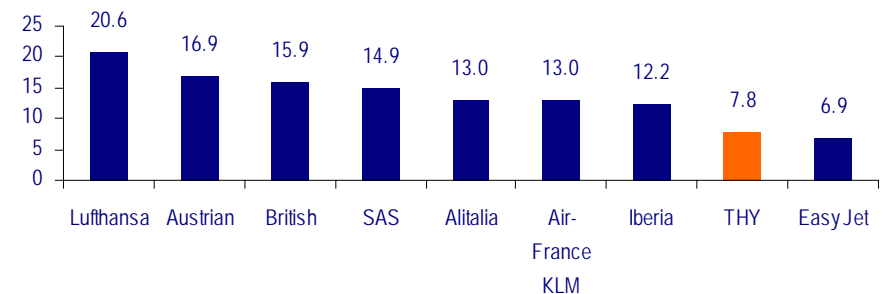
- ✦ Fuel and staff expenses constitute 52% of operating expenses
- ✦ Staff expenses increased with the expansion in fleet and operations
- ✦ THY has enhanced quality in catering during the year of 2007 with new subsidiary Turkish Do&Co Inc.

### Operating Expenses (US\$ mn)

(\$ Mn)	2006	% in Total	2007	% in Total	07/06 %
Staff	570	21%	779	24%	37%
Fuel	775	28%	903	28%	17%
Sales & Mktng	303	11%	325	10%	7%
Depreciation	236	9%	280	9%	19%
Landing	233	8%	255	8%	10%
Ground Handling	136	5%	172	5%	27%
Passenger Service	125	5%	162	5%	30%
Other	395	14%	373	11%	-6%
<b>TOTAL</b>	<b>2,773</b>		<b>3,250</b>		<b>17%</b>
Op.Cost per ASK (usc)	7.50		7.81		4%

Source: Financial statements released under Turkish CMB standards, converted to US\$ using 1.42 and 1.30 exchange rates for 2006 and 2007 respectively

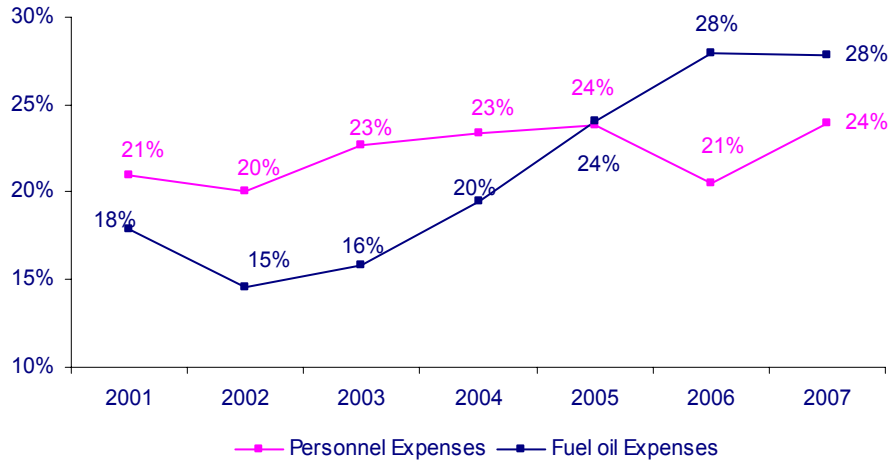
### Operating Costs per ASK (US¢, 2007)



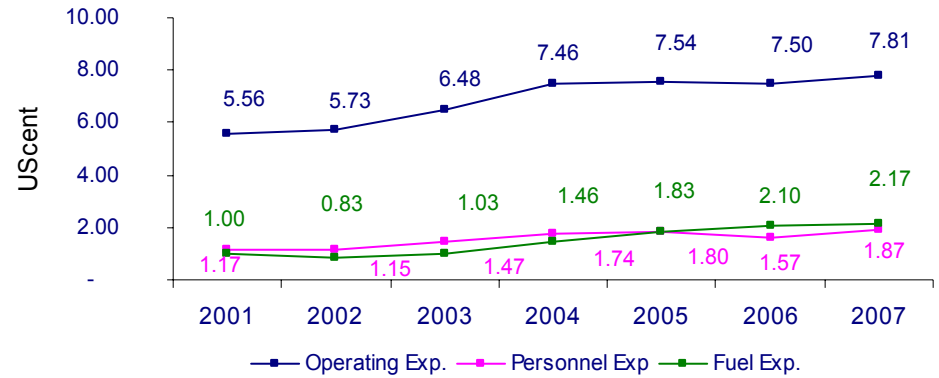
Source: Company annual reports & websites

**Operating expenses increased in 2007 mainly due to Personal Expenses**

**% in Total Operating Expenses 2001 - 2007**



**Cost Per ASK 2001-2007**



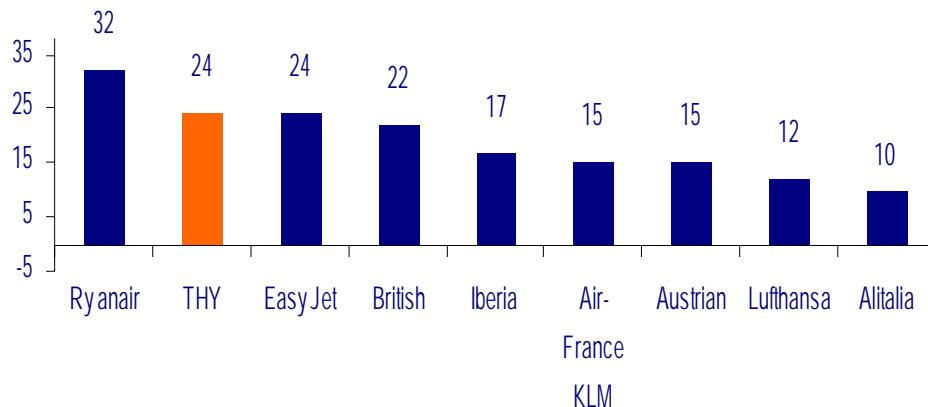
% in Total Operating Expenses	2001	2002	2003	2004	2005	2006	2007
Rents	3.8	3.0	3.1	4.3	4.7	5.9	5.3
Maintenance Expenses	5.4	4.8	4.5	5.5	4.7	6.1	4.4
Insurance	1.3	1.2	1.2	2.5	1.7	1.1	0.8
Depreciation	10.7	11.7	12.7	11.3	10.2	8.5	8.6
Landing and navigation expenses	9.5	9.1	9.6	9.1	8.1	8.4	7.9
Ground handling expenses	7.8	7.5	7.1	4.6	3.9	3.4	4.1
Passenger service and catering expenses	5.7	6.2	6.5	4.9	4.9	4.5	5.0
Sales and Marketing	12.6	14.0	12.9	11.7	10.8	10.2	9.2
General Administration	3.6	3.7	3.7	0.8	0.7	0.7	0.9
Others	0.7	4.1	0.0	2.5	2.4	2.7	2.1

**Operating expenses increased in 2007 mainly due to Personnel Expenses**

(US\$ mn)	2003	2004	2005	2006	2007	'07/'06
Revenue	1,791	2,081	2,316	2,832	3,670	30
EBIT	233	106	70	63	420	567
EBIT Margin (%)	13.0	5.1	3.0	2.2	11.4	4.14 pt
EBITDA	431	330	293	299	700	134
EBITDA Margin (%)	24.1	15.9	12.6	10.6	19.1	0.81 pt
EBITDAR	480	415	399	460	874	90
EBITDAR Margin (%)	26.8	19.9	17.2	16.2	23.8	0.47 pt
Net Income	153	80	103	125	224	80
Depreciation	198	224	223	236	326	38
Operating Lease	49	85	106	161	174	8

- ★ Cost cutting policies had a positive effect on operating expenses.
- ★ 2008 Year-end targeted EBITDAR Margin is 19%
- ★ Expected average EBITDAR Margin among European Airlines for 2008 is 17,6%\*

### EBITDAR Margin Comparison (2007)



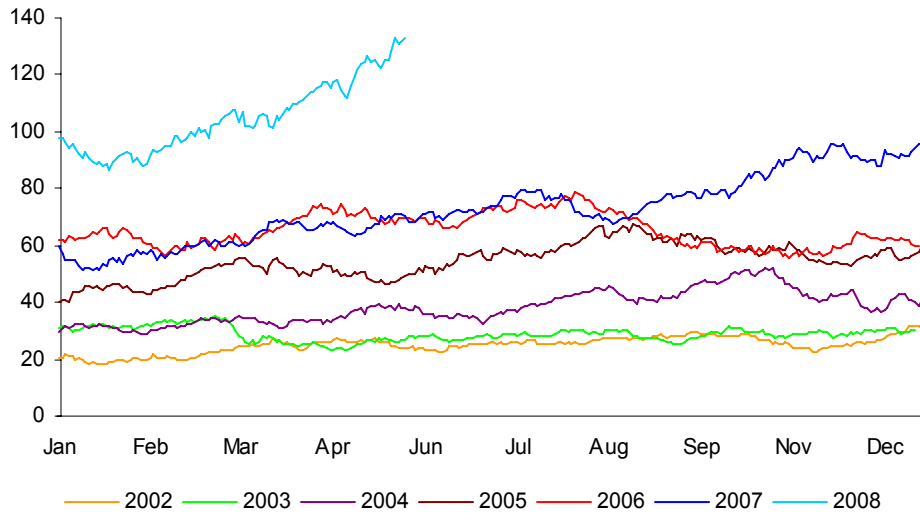
Source: Company annual reports & websites

\*Source Morgan Stanley

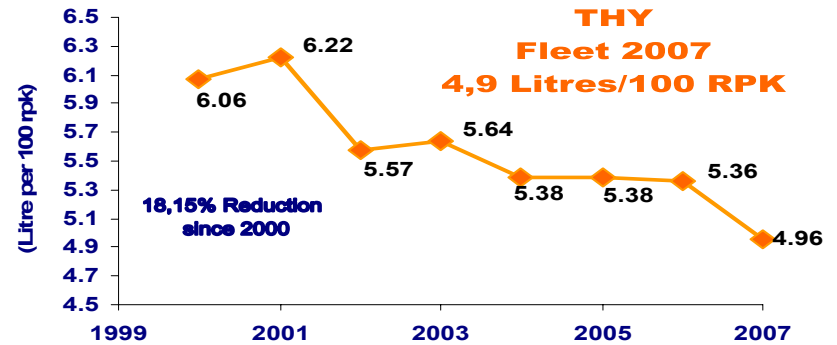
**Falling Fuel Price had a positive effect on EBITDAR Margin**

**Fleet Expansion will Reduce Fuel Cost as well as Fleet Age**

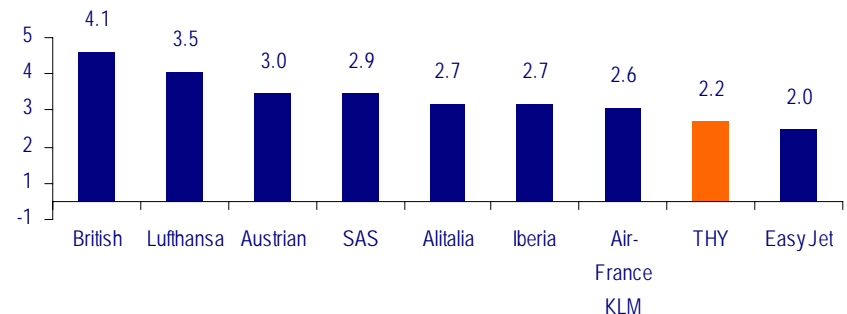
**Crude Oil Prices (Brent US\$/bbl)**



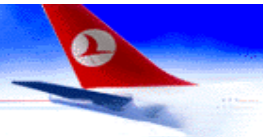
**Average Specific Fuel Consumption**



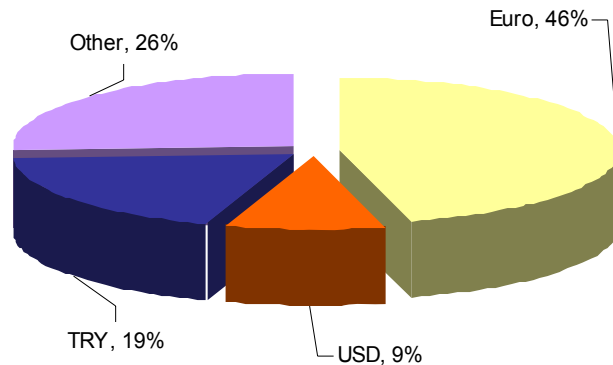
**Fuel Expense per ASK (US Cent) 2007**



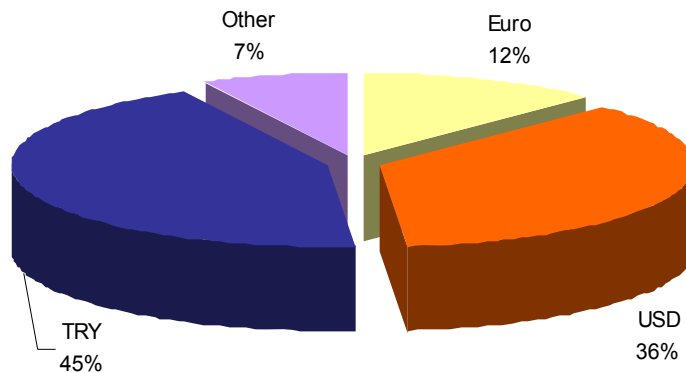
- ✦ Daily average crude oil prices increased by 70% in 2008 compared to 2007 (as of end of May)
- ✦ Although THY does not hedge, its fuel expense per ASK is lower in average compared to its peer groups.
- ✦ Due to fleet expansion, the fleet average age will be lower which in return will increase THY's fuel efficiency.



### Income by Currency ( 2007 )



### Expenses by Currency (2007)



- ✦ THY's income is diversified among the major currencies
- ✦ Due to its currency basket THY is very flexible on fx position
- ✦ Although USD income is lower than USD expenses THY is able to cover its USD expenses from Euro income due to strong Euro against USD
- ✦ Same concept on USD/Euro is applicable to cover Turkish Lira expenses

Diversified revenue & expense base and agility in pricing currency



# THANK YOU

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*Investor Relations Department*

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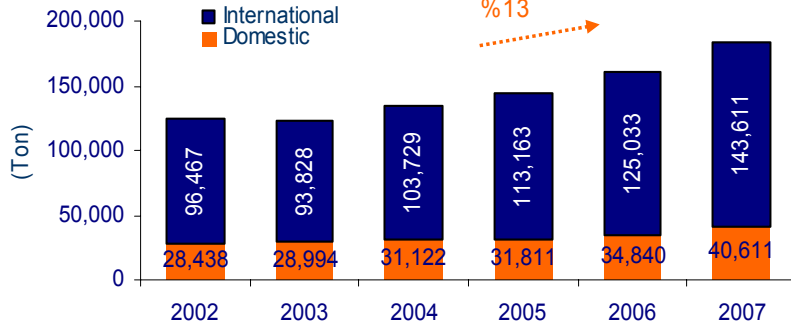


- ✦ **Turkish Economy**
- ✦ **Airline Sector in Turkey**
- ✦ **Company Overview**
- ✦ **Financial Highlights**

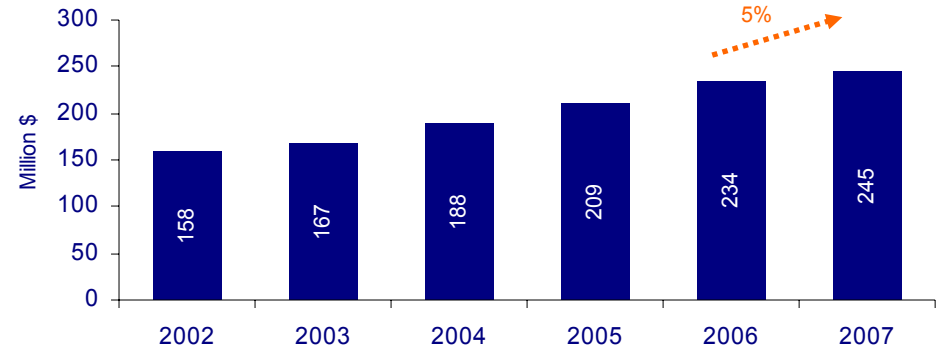
## Appendices



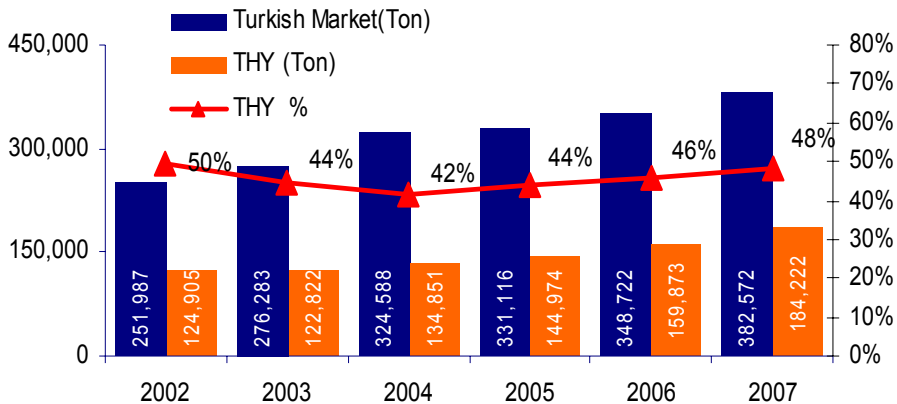
**THY - Cargo**



**Cargo Revenue**



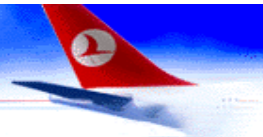
**Turkish Cargo Market vs THY**



- Domestic and International breakdown is consistent over the years
- As of January – December 2007 THY has carried total of 184,222 Tons cargo, increased by 13% compared to same period of 2006.
- Cargo revenue has increased by 5% in 2007 compared to 2006

Source: Company

**Plan to enlarge freighter fleet to increase cargo capacity as well as revenue**



## Benefits to TK Passengers

- Opportunity to fly upto **965 destinations and 162 countries with TK Ticket**
- TK passengers in frequent flyer programmes can earn and redeem miles or points with all 19 Star Alliance Member
- First Class and Business Class TK passengers will have access to Star Alliance VIP and CIP Lounges.
- TK passengers have option to check-in baggages to final destinations.
- Under Star Alliance “Move Under One Roof” concept has been developed. All Star Alliance members come together at one terminal which means much faster connections between flights. For the time being this concept already in place in Narita-Tokyo and Bangkok, in the near future Miami, Shanghai, Beijing, Singapore and Seoul to follow.
- Round the World Fare: TK Passenger can choose from as many as 15 stopovers, while a stopover is considered a stay in one city of more than 24hours, using any combination of Star Alliance member airlines up to a distance of 39,000 miles.
- Air Pass: TK Passengers can buy as few as four and as many as ten coupons, with each coupon varying in price, yet still costing much less than the regular fares to Africa, Asia, Europe, Japan; Chine, N.America, South Pacifics and Thailand.

**STAR ALLIANCE**  
The airline network for Earth.



**AIR CANADA** 

**bmi**

**SINGAPORE AIRLINES** 

**AIR NEW ZEALAND**

**LOT**

**Spanair**

**ANA**

**Lufthansa**

**Thai**

**Asiana Airlines**

**MEXICANA** 

**UNITED**

**Austrian** 

**SAS**

**VARIG**

## Benefits to Turkish Airlines

- Brand recognition all around the World.
- Star Alliance members provide more than 20.000 codeshare flights which will widen the network thru codeshare agreements, which will help to increase the number of passenger carried.
- Growth in Business Class passengers.
- Growth in Corporate Agreements.
- Service Agreements such as catering, handling etc will be signed under Star Alliance umbrella.

## Assets & Liabilities

Assets (in USD m)	2002	2003	2004	2005	2006	2007	07'06
Cash and Equivalents	247	473	272	360	260	663	155%
Net Trade Receivables	85	85	118	143	177	211	19%
Other Current Assets	83	71	114	113	318	404	27%
<b>Total Current Assets</b>	<b>416</b>	<b>628</b>	<b>505</b>	<b>616</b>	<b>755</b>	<b>1,277</b>	<b>69%</b>
Due from Related Parties (Long Term)	26	38	0	0	11	3	-71%
Net Fixed Assets	1,690	1,413	1,355	1,965	2,201	2,786	27%
Other Long Term Assets	41	33	337	261	189	160	-15%
<b>Total Long Term Assets</b>	<b>1,757</b>	<b>1,483</b>	<b>1,692</b>	<b>2,226</b>	<b>2,400</b>	<b>2,949</b>	<b>23%</b>
<b>Total Assets</b>	<b>2,173</b>	<b>2,111</b>	<b>2,197</b>	<b>2,842</b>	<b>3,155</b>	<b>4,226</b>	<b>34%</b>
Liabilities (in USD m)	2002	2003	2004	2005	2006	2007	07'06
Short Term Lease Obligations	209	175	151	133	156	193	24%
Accounts Payable	108	130	148	191	226	312	38%
Passenger Flight Liabilities	58	80	138	154	199	257	29%
Other Current Liabilities	120	140	106	415	179	218	21%
<b>Total Current Liabilities</b>	<b>496</b>	<b>525</b>	<b>542</b>	<b>894</b>	<b>760</b>	<b>979</b>	<b>29%</b>
Long Term Lease Obligations	1,171	861	714	638	1,027	1,347	31%
Retirement Pay Provision	53	56	74	85	83	113	36%
Other Long Term Liabilities	44	38	39	295	139	151	9%
<b>Total Long Term Liabilities</b>	<b>1,269</b>	<b>955</b>	<b>827</b>	<b>1,018</b>	<b>1,250</b>	<b>1,612</b>	<b>29%</b>
Capital	1,029	1,205	1,426	130	125	150	21%
Share Premium	0	1	1	1,396	1,330	1,608	21%
Reserves	76	89	105	6	6	7	21%
Accumulated Loss	(697)	(664)	(705)	(602)	(316)	(130)	-59%
<b>Total Shareholders Equity</b>	<b>408</b>	<b>631</b>	<b>827</b>	<b>930</b>	<b>1145</b>	<b>1635</b>	<b>43%</b>
<b>Total Liabilities &amp; Shareholders Equity</b>	<b>2,173</b>	<b>2,111</b>	<b>2,197</b>	<b>2,842</b>	<b>3,155</b>	<b>4,226</b>	<b>34%</b>

Source: In converting the TRY reported results to USD, year-end USD exchange rates were used

# Statement of Income

Income Statement (in USD m)	2002	2003	2004	2005	2006	2007	07/06 %
Operating Revenues	1,584	1,791	2,081	2,316	2,834	3,670	30%
Operating Expenses	(1,379)	(1,558)	(1,975)	(2,246)	(2,773)	(3,250)	17%
<b>Operating Profit</b>	<b>206</b>	<b>233</b>	<b>106</b>	<b>70</b>	<b>60</b>	<b>420</b>	<b>594%</b>
Income From Other Operations	23	64	44	317	193	87	-55%
Loss From Other Operations	(4)	(8)	(12)	(205)	(42)	(322)	659%
Income Before Financial Income/(Expens	225	290	139	181	211	184	-13%
Financial Income/(Loss)	(236)	186	28	(46)	(79)	126	61%
Monetary Gain/(Loss)	257	(270)	(84)	-	-		
<b>Income Before Taxation</b>	<b>246</b>	<b>206</b>	<b>82</b>	<b>135</b>	<b>132</b>	<b>311</b>	<b>135%</b>
Taxation	(60)	(53)	(2)	(32)	(7)	(86)	1070%
<b>Net Income</b>	<b>187</b>	<b>153</b>	<b>80</b>	<b>103</b>	<b>125</b>	<b>224</b>	<b>80%</b>

Source: In converting the TRY reported results to USD, the period average USD exchange rates were used



### THY TECHNIC A.S.(Consolidated)

#### Subsidiaries

- ✦ Owned 100% by THY
- ✦ Established on May 23rd, 2006 with the capital-in-kind valued at 271,325,800 New Turkish Lira (appx \$169 mn) which is mainly aircraft components and aircraft spare parts. Current capital is approximately around 198 mn\$
- ✦ For the year end 2007 posted revenues and loss of US\$506 (mn) and US\$ 5(mn) respectively
- ✦ Provides maintenance services to more than 10 international airlines including Lufthansa, KLM, BA and Alitalia as well as domestic airlines.
- ✦ Main goal is to become one of the biggest MRO Center in the region

### SUN EXPRESS A.S. (Equity pick-up)

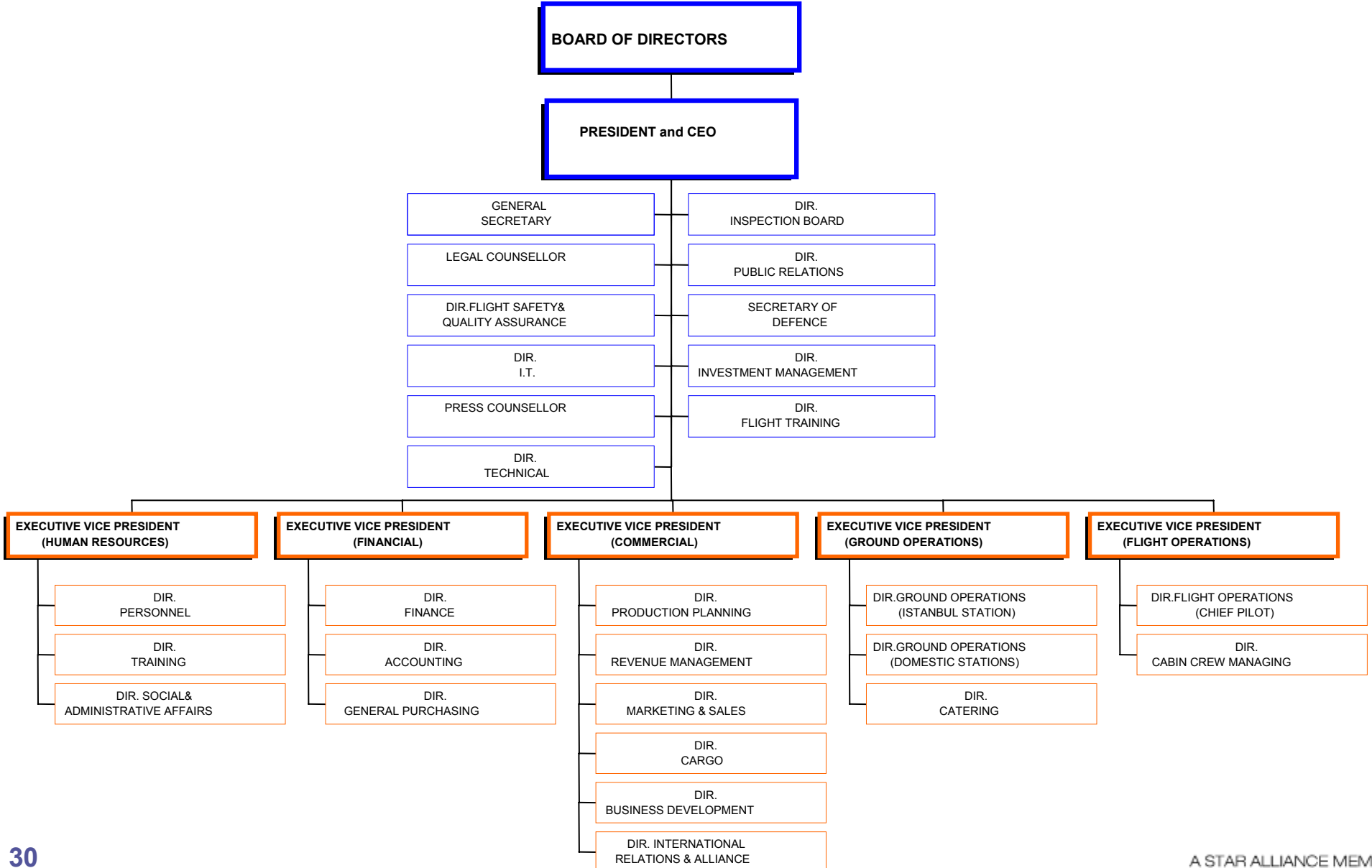
- ✦ Owned 50% - 50% by THY and Lufthansa, respectively.
- ✦ Operating mainly charter flights between Germany and Antalya (Turkey) airports. Scheduled operation have started from İzmir on November 3, 2005 . Also Domestic Operations has started from İzmir as of March 26, 2006
- ✦ Flies to/from 20 airports in Germany, 12 in Turkey and 42 in other countries with total of 832 personnel.
- ✦ Fleet consisted of 14 aircraft ; 10 B737 & 4 B757 aircraft with total seat capacity of 2,796 as of December 31, 2007. Carried 3.001.529 passengers in 2007 by achieving load factor of 76,5%
- ✦ 2007 yılında posted revenues and profit of 304.8 €mn and 13.9 €mn respectively.

### THY DO & CO Catering A.S. (Equity pick-up)

- ✦ Owned 50% - %50 by THY and Do & Co Restaurants & Catering A.G
- ✦ For the year-end 2007 posted revenues and net income of US\$127 (mn) and US\$8 (mn) respectively

**HABOM Project will be launched by THY Technic A.Ş.**





### Brief Description of THY's Operation Safety Condition

- ✦ As it is very well known and appreciated “Safety” is the key concept to be adopted for existence. THY is determined to operate with the highest operational standards. Accepting and implementing the standards dictated by the aviation authorities and manufacturers as the baseline, THY strives to attain safer operation conditions in respect to continuous development process and appreciates it as a must.
- ✦ Within the frame of this efforts, adoption of Safety Management System approach, implementation of Flight Data Monitoring (FDM) System, promotion of Voluntary Reporting System, introduction of Just Culture approach, trainings provided in risk assessed flight subjects and publications to flourish a widespread safety culture can be mentioned.
- ✦ In this context, it must be emphasized that THY is qualified as an IOSA operator after the IATA Operational Safety Audit as of April 07, 2006. In addition to the IOSA audit, due to its vast operation network, THY is in active contact with numerous Civil Aviation Authorities and subject to their audits as well as the audits of codeshared airlines. These audits, as well as providing the opportunity to the auditors to evaluate the current situation, input the required feedback for THY's safer operation from thereupon.

**STOCK INFORMATION**

	2002	2003	2004	2005	2006	2007
Sales (USD mn)	\$1,584	\$1,791	\$2,081	\$2,316	\$2,832	\$3,670
Number of Shares ('000)	175,000	175,000	175,000	175,000	175,000	175,000
EPS	1.21	0.87	0.46	0.59	0.74	1.28
P/E	3.11	5.31	13.32	11.01	6.25	5.78
Last Day Closed Price (USD)	3.61	5.55	5.92	6.48	4.60	7.40
Last Day Closed Price (NTL)	5.90	7.75	7.95	8.70	6.10	8.60
	2002	2003	2004	2005	2006	2007
Avg. High (NTL)	6.38	6.60	8.29	7.65	6.70	8.53
Avg. Low (NTL)	6.02	6.33	7.98	7.75	6.49	8.24
Average Closed (NTL)	6.20	6.47	8.14	7.70	6.60	8.39
Avg. High (USD)	\$3.90	\$4.73	\$6.18	\$5.70	\$4.75	\$6.60
Avg. Low (USD)	\$3.68	\$4.53	\$5.95	\$5.78	\$4.60	\$6.37
Average Closed (USD)	\$3.79	\$4.64	\$6.07	\$5.74	\$4.68	\$6.49
Avg. Daily Volume (USD mn)	\$1.00	\$1.02	\$0.568	\$5.88	\$9.92	\$10.30

**MCAP (USD mn) - April 14, 2008 \$ 952**