



TURKISH AIRLINES INC

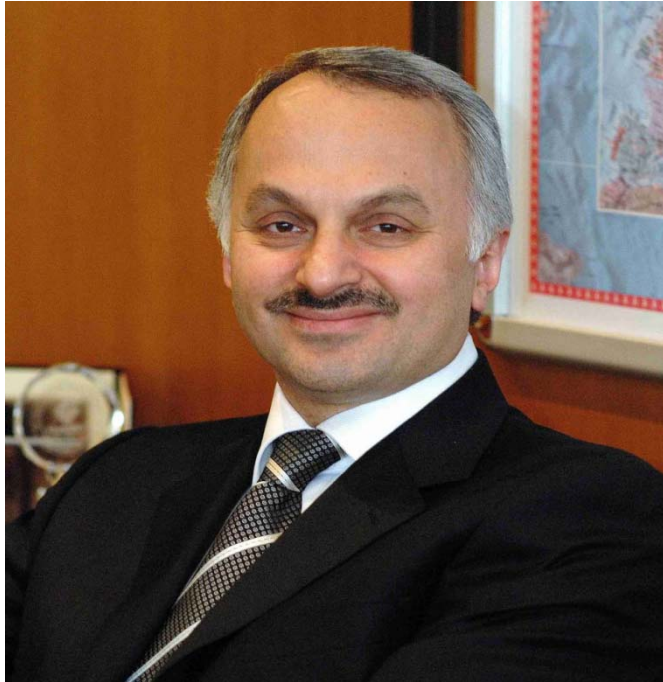
January- September 2008



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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

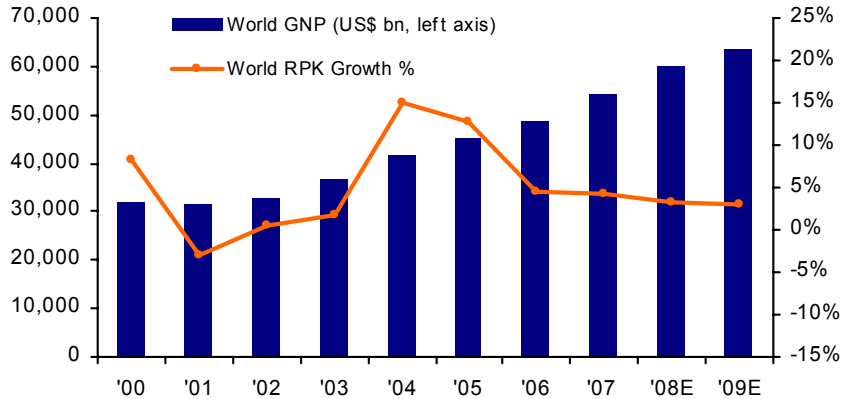
- ✦ CFO as of March 2006
- ✦ M.Sc. in Finance, Urbana Champaign Illinois University, USA
- ✦ M.A. Economics, Ankara University
- ✦ Certified Public Accountant
- ✦ Board Member of Sun Express

Turkish Economy

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



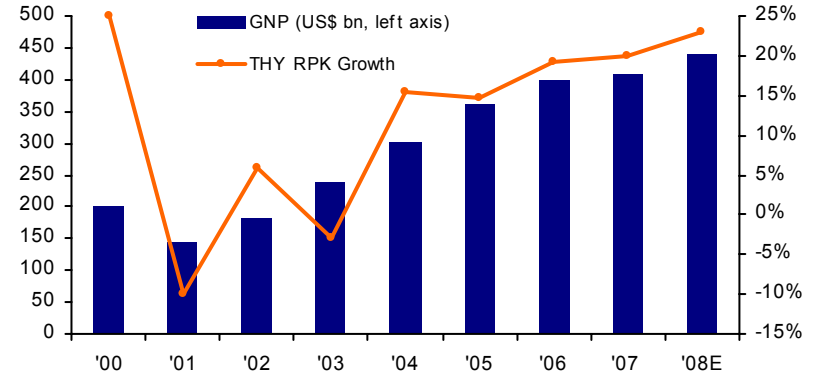
GNP growth vs RPK growth



Source:IMF

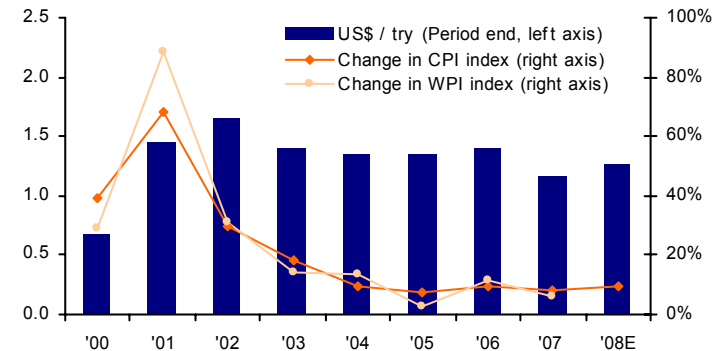
- ★ World GNP expected to grow by 3.2% , RPK growth is expected to be 5.8% for 2008.
- ★ While World RPK decreased after 2004, THY was able to sustain and increase RPK for the same years.
- ★ Middle East, Far East and Africa routes are expected to grow higher than average during the years 2008-2010.

GNP growth



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

Falling inflation

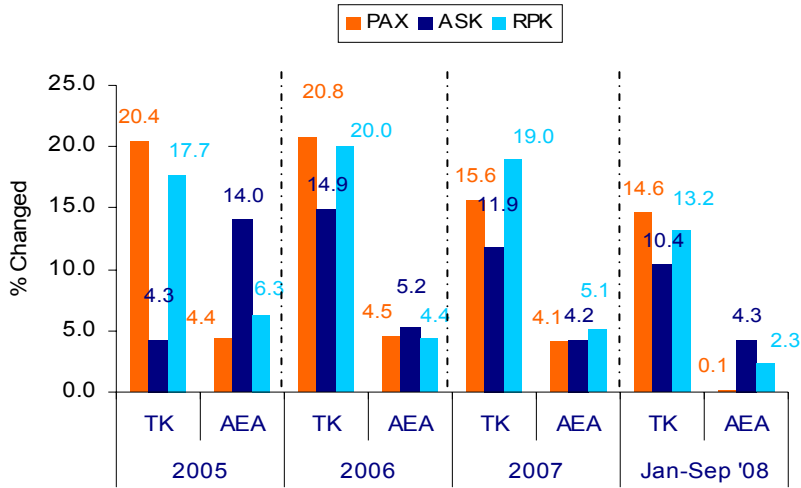


Source: Central Bank of Turkey; inflation and exchange rate realizations, inflation target for 2008 is revised as 9.3%

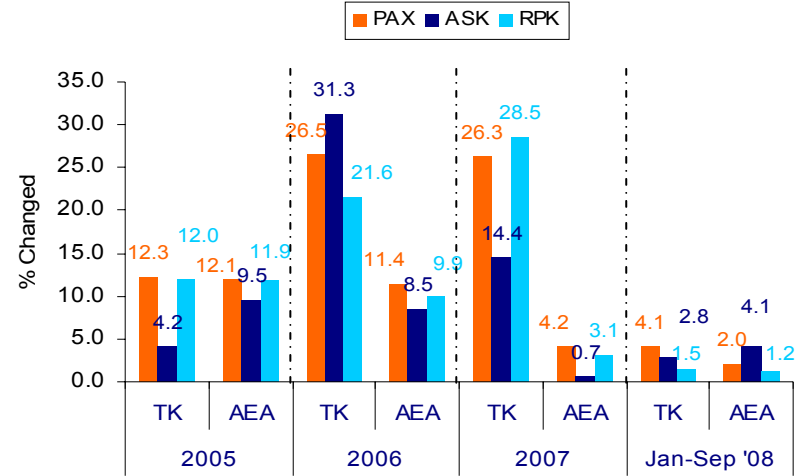
Reforms and growth on track



THY vs AEA (Total)

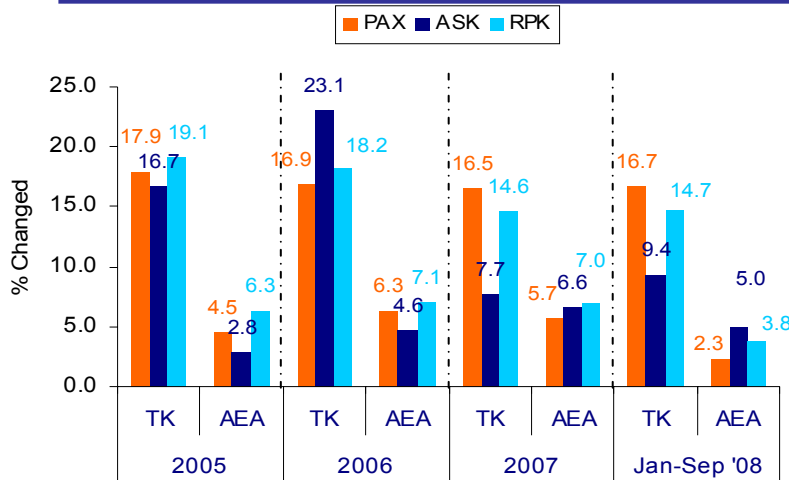


THY vs AEA (Far East)

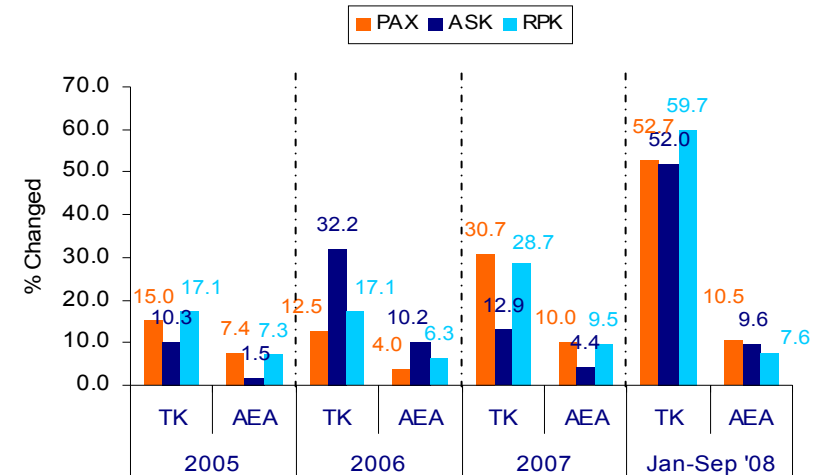


Middle East, Far East and Africa routes are expected to grow higher than average during the years 2008-2010, where THY has been successful in growing faster than AEA....

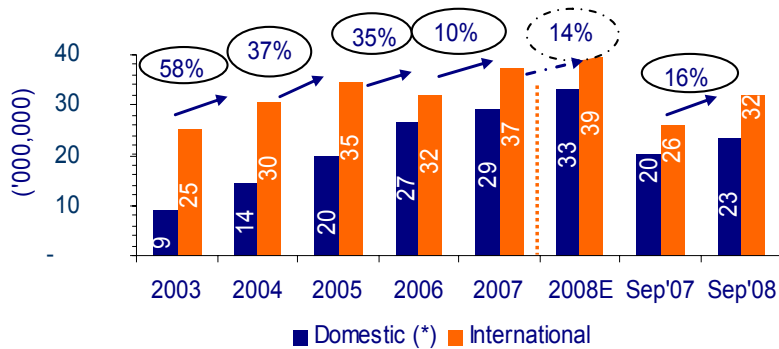
THY vs AEA (Europe)



THY vs AEA (Middle East)

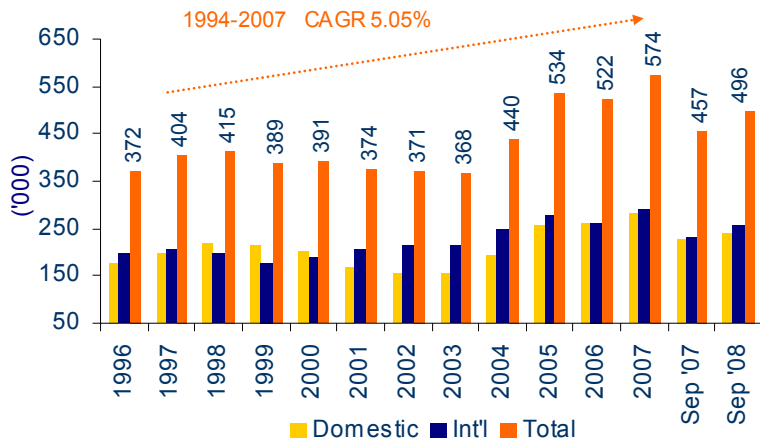


Turkish Market Growth



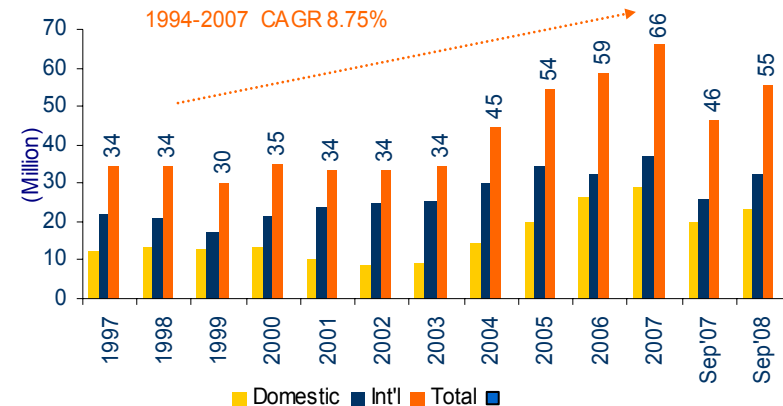
Source: SAA (*) Airport Pax number

Number of Flights ('000)



Source: SAA

Number of Passengers (mn)



- Since 2002 Turkish domestic market continues to grow.
- Turkish domestic traffic for 9M 2008 has grown 16% compared to 9M 2007.
- International traffic for 9M 2008 has grown 23% compared to 2007.
- In 2008, Domestic and International traffic expected to increase by 14% and 6% respectively.

Increasing Number of Tourists and GDP are driving factors behind passenger traffic growth

welcome



TURKISH AIRLINES



Company Overview Destinations



TURKISH AIRLINES
TÜRK HAVA YOLLARI



A STAR ALLIANCE MEMBER

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HABOM Project

- ✦ The Joint Venture Company, established by THY Technic AS and Grup Company of Technologies Corporation, Pratt & Whitney has been registered as `THY Technic Aircraft Engine Maintenance Center Limited Corporation` to commercial registrar as of October 10th,2008.
- ✦ JV agreement on engine maintenance was signed on January 7th 2008, with Pratt & Whitney.
- ✦ Revenue stream from engine maintenance is expected to start by the first half of 2009.
- ✦ MoU was 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.

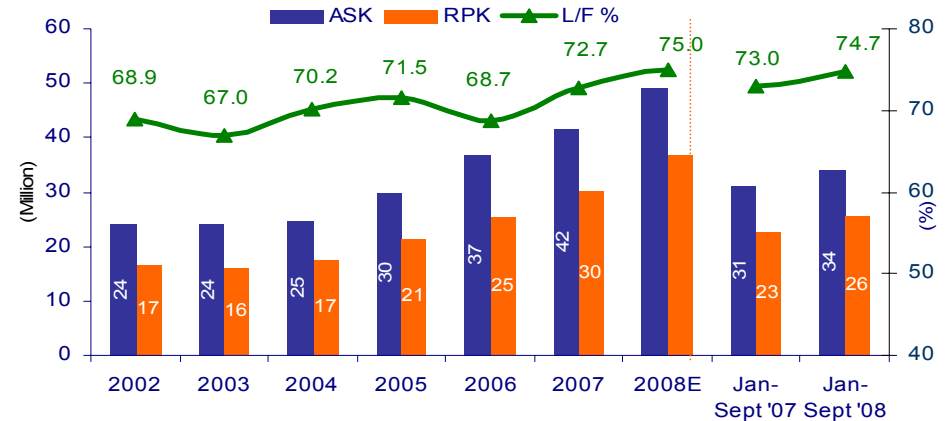
Training

- ✦ THY has 4 full flight simulators RJ-100, B737-400, B737-800 and A320 for cockpit crew training.
- ✦ THY has
 - A340 "Business 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 airlines cabin and cockpit training in 2008, excluding movie companies. Out of 42, 23 domestic and 19 international.
 - ✦ Besides third party training, THY has provided in-house training for its 6,796 cabin crew and 5,950 cockpit crew until October 31st, 2008.

THY will be developing its technical service and maintenance business through the HABOM Project

- ✦ In Jan-Sept 2008, capacity on domestic routes increased by 4%, traffic increased by 7%, load factor increased by 2.1 pt to 75.9. Anadolu Jet's L/F was 83.9%.
- ✦ On international routes; capacity increased by 11%, traffic increased by 14%, while load factor increased by 2.9 pt to 72.7%.
- ✦ Total capacity increased by 10% while traffic increased by 13%. Load factor was 74.7% (+1.7pt).

Capacity-Traffic Development Load Factor %



THY Passenger Traffic

THY Passenger Traffic Domestic	2005	2006	2007	Jan-Sept '07	Jan-Sept '08	07 vs '08
Landings	65,448	78,910	87,162	65,496	69,444	6.0%
ASK (million)	5,431	7,123	8,087	6,093	6,348	4.2%
RPK (million)	3,992	5,213	5,899	4,497	4,818	7.1%
Passenger # ('000)	7,197	8,906	9,935	7,529	8,318	10.5%
L/F %	73.5	73.2	72.9	73.8	75.9	2.1 pt
THY Passenger Traffic Int'l	2005	2006	2007	Jan-Sept '07	Jan-Sept '08	07 vs '08
Landings	61,689	73,626	81,737	62,403	71,731	14.9%
ASK (million)	22,741	29,811	33,532	24,966	27,817	11.4%
RPK (million)	16,355	20,170	24,352	18,167	20,708	14.0%
Passenger # ('000)	6,937	8,040	9,701	7,231	8,558	18.3%
L/F %	71.9	67.7	73.3	69.8	72.7	2.9 pt
THY Passenger Traffic Total	2005	2006	2007	Jan-Sept '07	Jan-Sept '08	07 vs '08
Landings	127,137	152,536	168,899	127,899	141,175	10.4%
ASK (million)	28,172	36,934	41,619	31,059	34,166	10.0%
RPK (million)	20,347	25,383	30,251	22,664	25,526	12.6%
Passenger # ('000)	14,134	16,946	19,636	14,760	16,876	14.3%
L/F %	71.5	68.7	72.7	73.0	74.7	1.7 pt

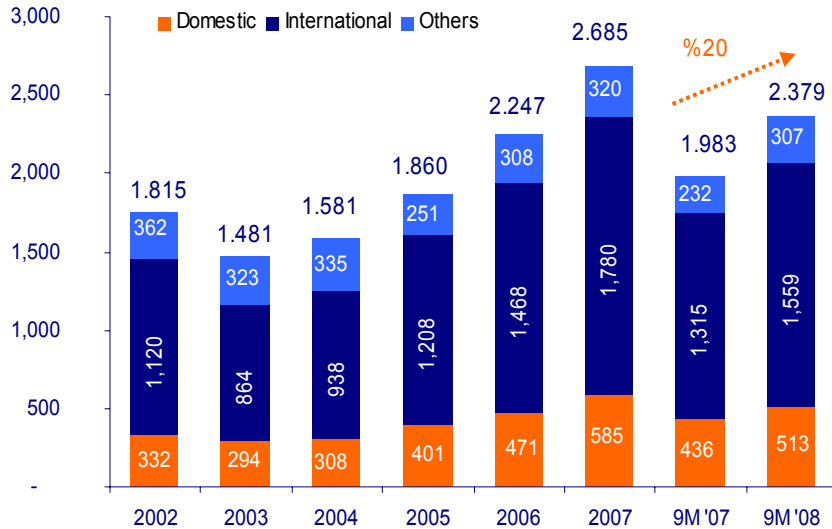
Total Passenger Traffic (January – September 2008)

	2007 vs 2008
Landing	: up by 10.4%
ASK	: up by 10%
RPK	: up by 12.6%
Passenger	: up by 14.3%
L/F	: 1.7.points

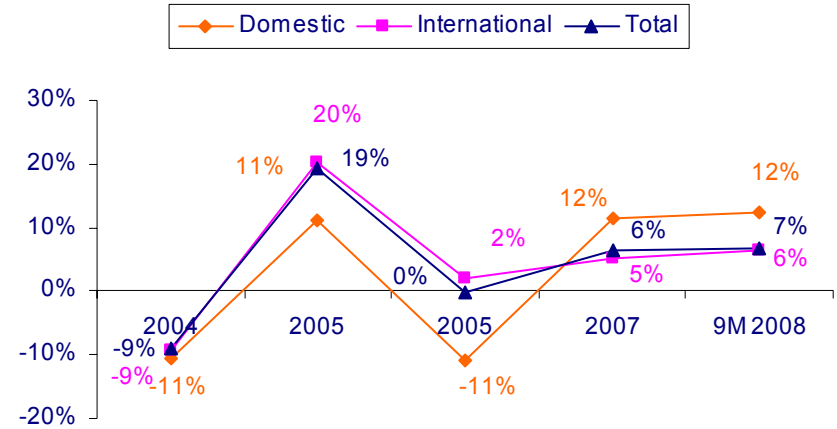
Source: Company

Significant Growth in Operational Data

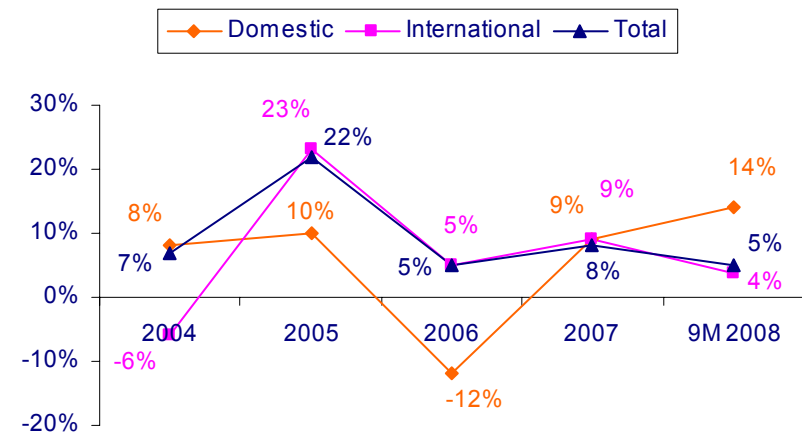
Total Revenues (Mn€ 9M 2008)



Change In R/Y (€)



Change In RASK (€)

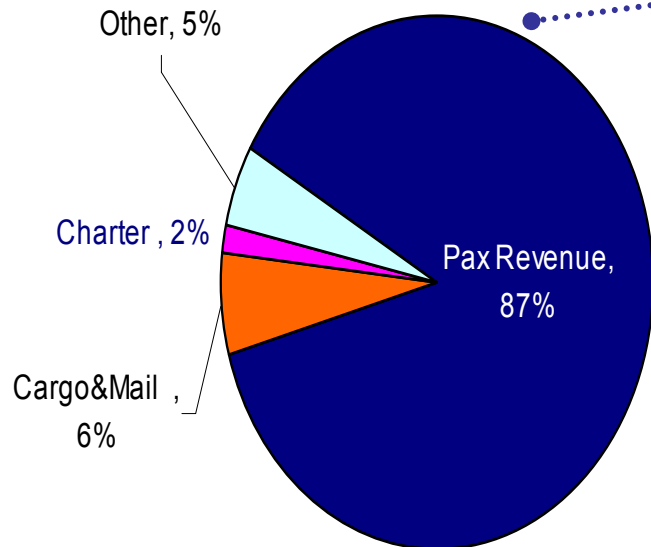


Source: Financial statements released under Turkish CMB standards, converted to € Euro using average exchange rates

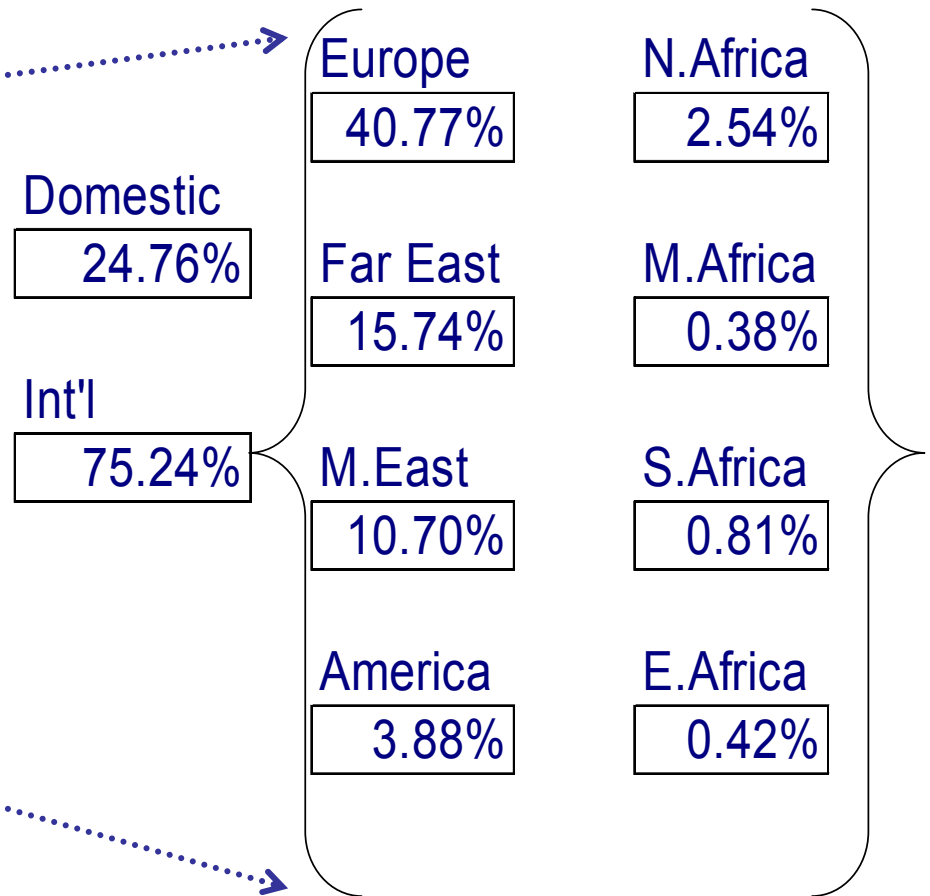
Revenue has positive correlation with growth in GDP in Turkey



Revenues Split (9M 2008)



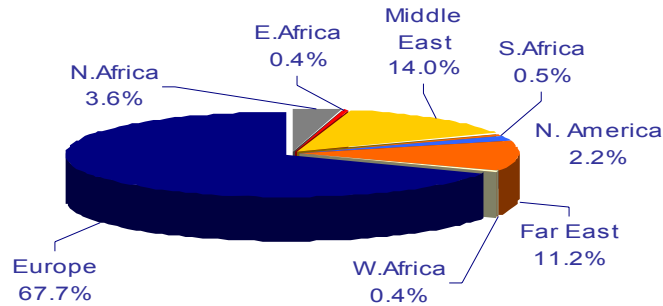
Passenger Revenues Split by Geography



Source: Company

Breakdown of Passenger Revenue Constant Over the Years

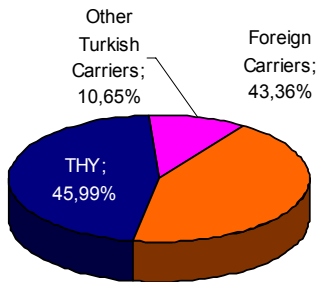
Int'l. Traffic Breakdown by Geography (Jan-Sept '08)



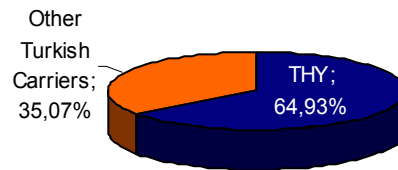
P.S. Haj Pax is not included in Middle East

Market Shares (9M 2008)

International

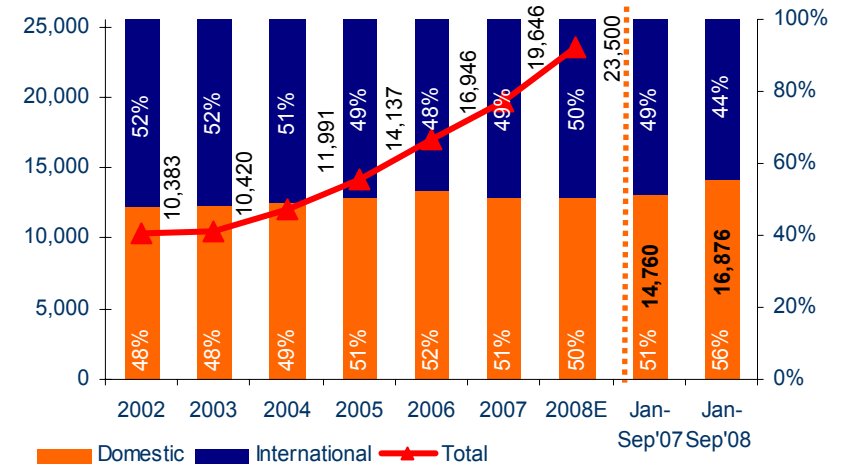


Domestic



Source: SAA

Passenger Breakdown 2002 – Sept '08



- ✦ THY carried almost 17 million passengers in Jan-Sep'08, with an increase of 14.3% compared to 2007.
- ✦ In 2008, around 20% increase is expected in number of pax.
- ✦ Domestic and International passenger breakdown consistent over the years.
- ✦ Haj and charter passengers each accounted for 2% of the passenger traffic.

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

Fleet (As of November 7th, 2008)

TYPE	#	Financial		Operational
		Owned	Lease	Lease
B737-800	49	-	37	12
B737-400	9	-	-	9
A320-200	19	-	9	10
A321-200	17	-	12	5
A319-100	4	-	-	4
A330-200	5	-	5	-
A340	8	7	-	1
A310	3	3	-	-
A310 Cargo	3	2	-	1
Total	117	12	63	42

TYPE	Additions		
	2008	2009	TOTAL
B737-800	2	-	2
A320-200	3	-	3
A330-200	-	2	2
Total	5	2	7

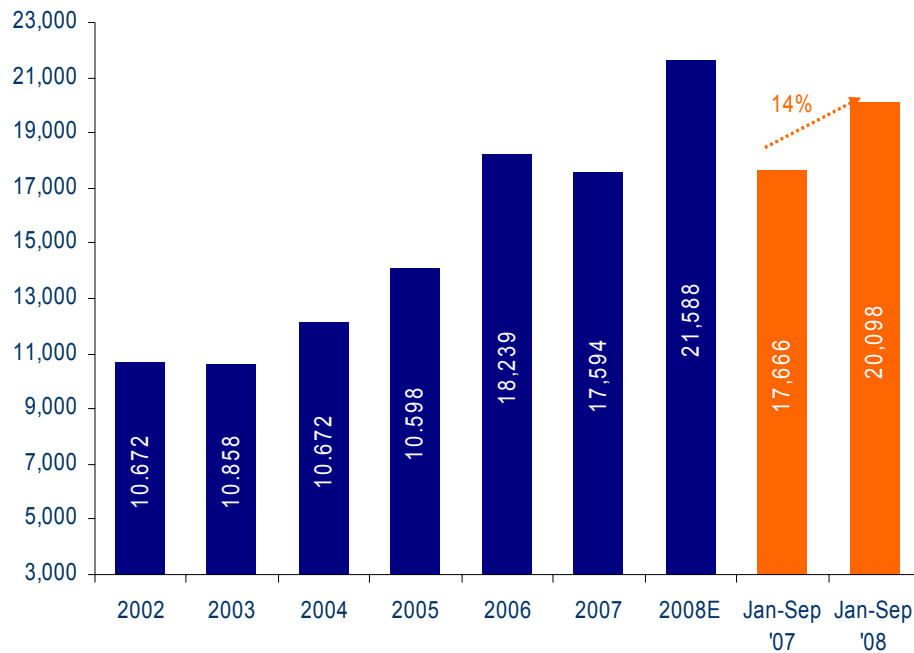
TYPE	Fleet Exits		
	2008	2009	TOTAL
A 321 - 200	0	1	1
Total	0	1	1

TYPE	Seat Capacity After Additions&Exits	
	2008	2009
Seat Capacity	21588	22150

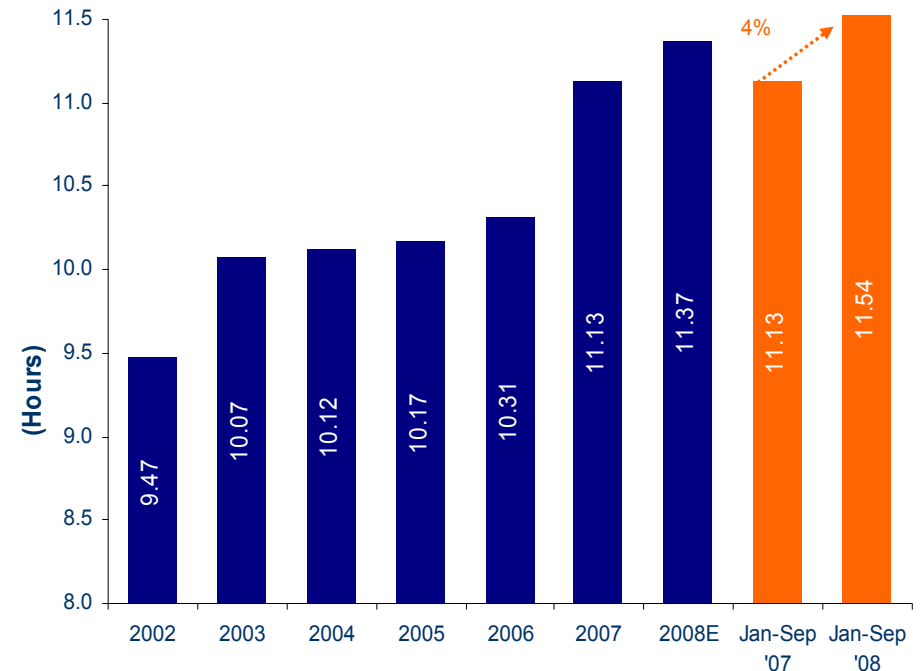
- ✦ Out of 59 aircraft, 54 has already joined the fleet.
- ✦ At the end of 2008, average age of the fleet will be around 6 yrs.
- ✦ Total of 2.7 billion dollars financing were completed for the aircraft delivered in 2005,2006, 2007 as well as 19 aircraft in 2008, at Libor and Euribor.
- ✦ At the end of 2008, annual lease payments will be approximately around \$392 million; of which 70% Financial Leases and 30% Operational Leases.
- ✦ During 2009, annual lease payments expected to be approximately around \$504 million, including 2 A330 aircraft to be delivered in 2009.
- ✦ According to the Fleet Plan for 2009-2023, decision was made to purchase 25 firm, 10 optional total of 35 Wide Body Long-Haul aircraft with double aisle and 50 firm, 20 optional total of 70 Narrow Body Medium-Haul aircraft.

Seat capacity to be increased by 7% by end of 2008, fleet age to drop around 6 years

Seat Capacity



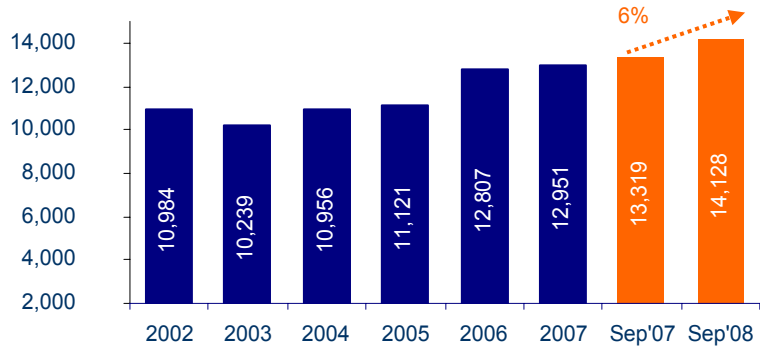
Average Daily Flight Utilization (hrs)



- ✦ Since 2004, seat capacity has increased by 66% as of September 2008.
- ✦ Aircraft utilization has been rising due to better fleet composition and a more dynamic scheduling process.

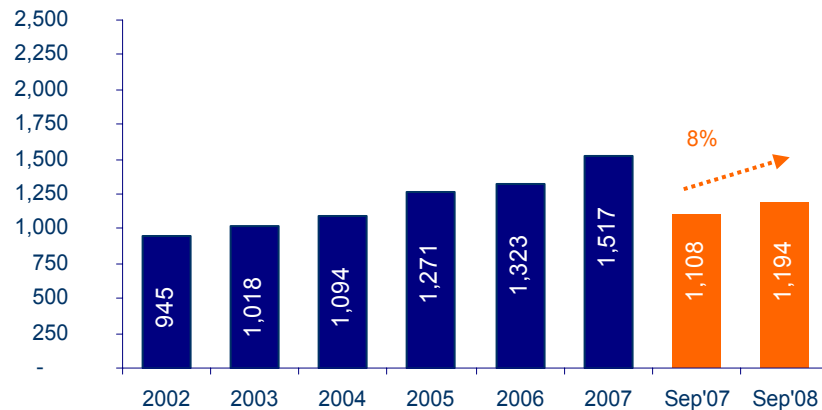
Strong capacity growth and better flight utilization

No. of Personnel

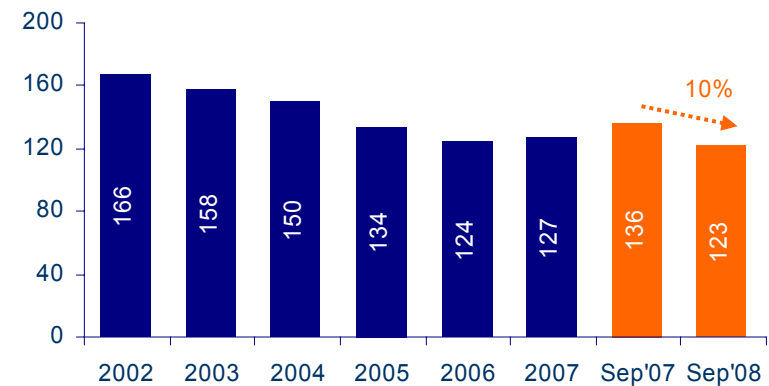


- Due to fleet expansion the total number of personnel increased by 6% from Sep'07 to Sep'08. Cockpit and cabin personnel increased by 19.3% during the same period.
- THY Technic Inc. personnel 2,556 is included.
- The number of employees per aircraft decreased by 26%, since 2002.

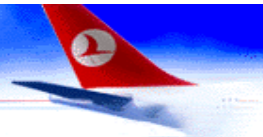
Passengers per Employee



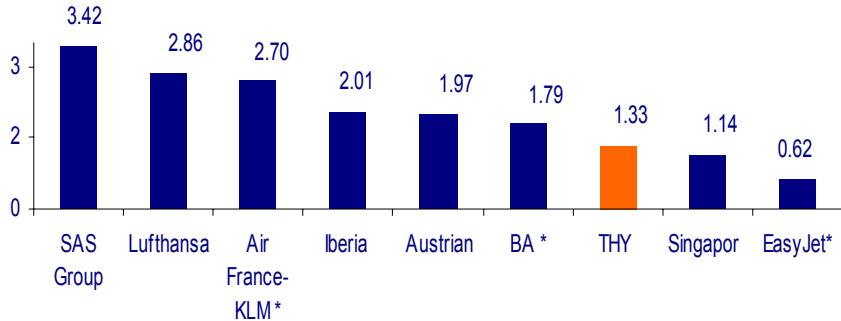
Employees per Aircraft



Personnel Efficiency is The key Driven While Increasing Fleet Size

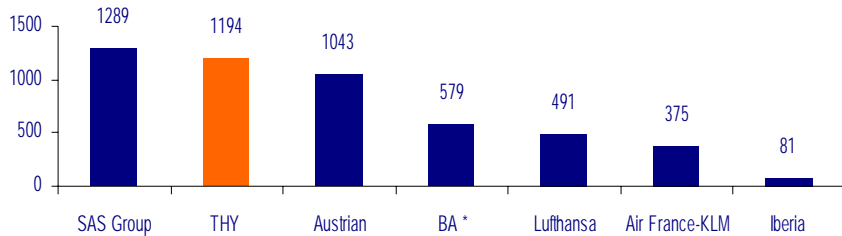


Personnel Cost per ASK (€ Cent, 9M'08)

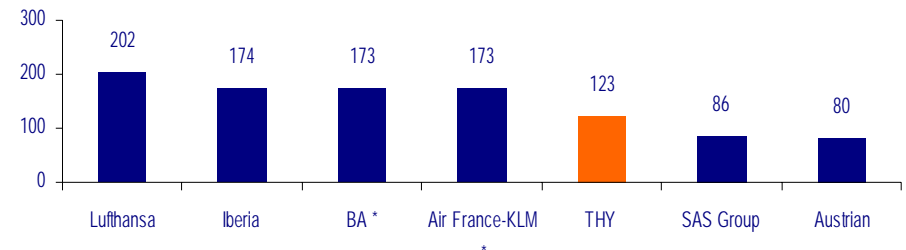


- ★ THY enjoys high personnel efficiency compared to its competitors.
- ★ Personnel cost of THY per ASK was only €1.3 cents for 9M 2008.
- ★ 123 employees per aircraft and 1194 passengers per employee.

Passenger per Employee (9M'08)



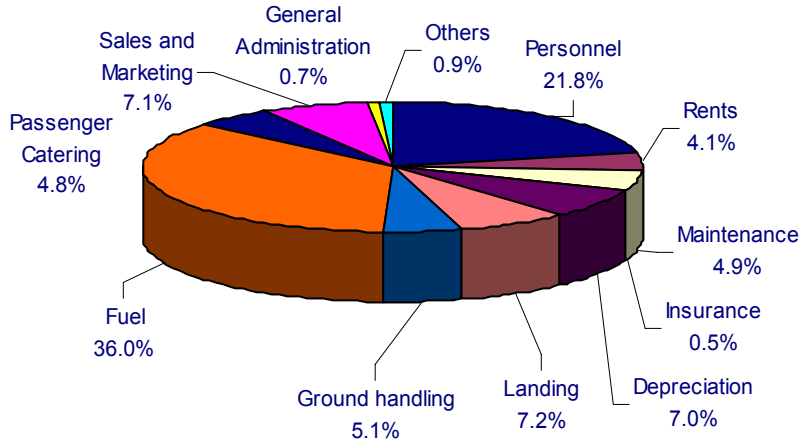
Employee per Aircraft (9M'08)



Source: Company annual reports & websites. (*)1H'09

One of the most efficient airlines in Europe

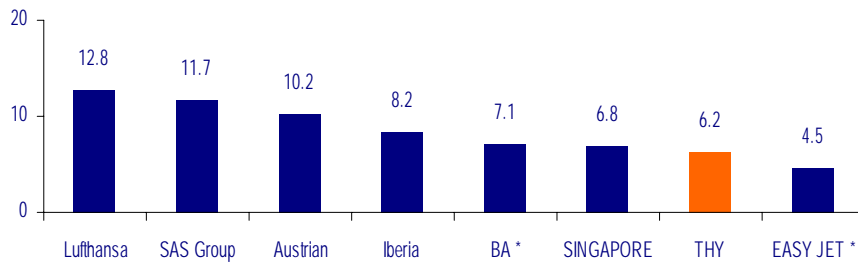
Operating Expenses Breakdown (9M 2008)



Operating Expenses (€ Euro Mn)

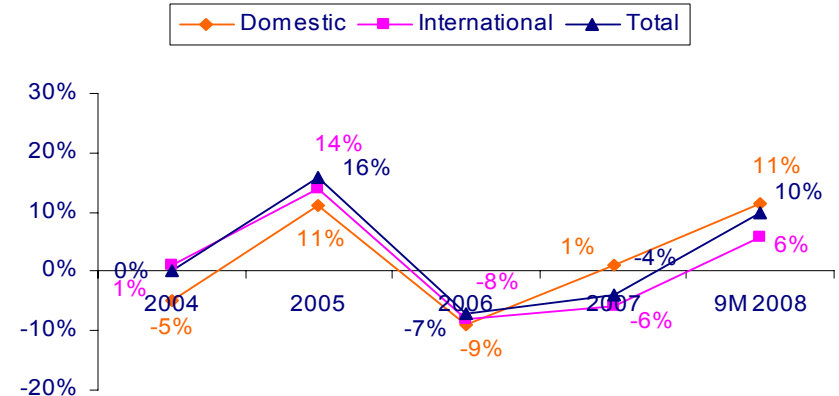
(€ Mn)	9M 2007	% in Total	9M 2008	% in Total	08/'07 %
Personnel	423	24%	460	22%	9%
Fuel	475	27%	762	36%	60%
Rents	103	6%	88	4%	-15%
Maintenance	63	4%	103	5%	64%
Insurance	15	1%	10	0%	-35%
Depreciation	150	9%	148	7%	-2%
Landing	139	8%	152	7%	10%
Ground handling	82	5%	107	5%	30%
Passenger Catering	85	5%	101	5%	19%
Sales and Marketing	165	9%	151	7%	-9%
General Administration	14	1%	14	1%	-3%
Others	35	2%	19	1%	-46%
TOTAL	1,750		2,115		21%
Op.Cost per ASK (€)	5.64		6.19		10%

Operating Costs per ASK (€ Cent 9M 2008)



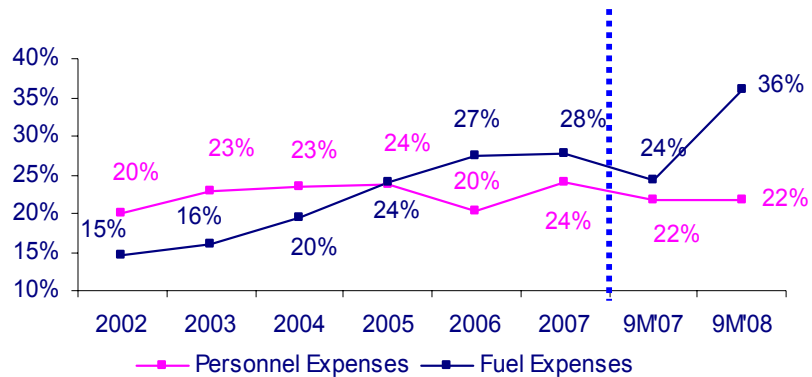
Source: Company websites. (*) in US

Change in CASK € (9M 2008)

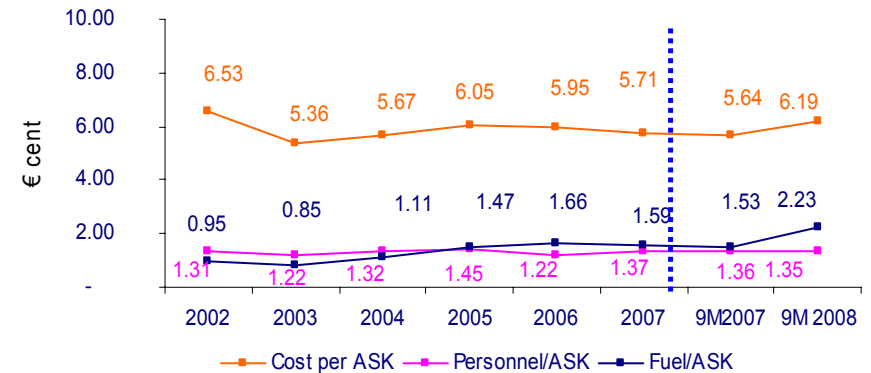


Total Expenses increased by 10% while Fuel Expense increased by 60%

% in Total Operating Expenses 2002 - 2008



€ Cost Per ASK 2002-2008



Operating Expenses (%)	2002	2003	2004	2005	2006	2007	9M'07	9M'08
Rents	3.0	3.1	4.3	4.7	5.8	5.3	5.3	4.1
Maintenance Expenses (*)	4.8	4.5	5.5	4.7	6.0	4.4	3.2	4.9
Insurance	1.2	1.2	2.5	1.7	1.1	0.8	0.8	0.5
Depreciation	11.7	12.7	11.3	10.2	8.4	8.6	7.7	7.0
Landing and navigation expenses	9.1	9.6	9.1	8.1	8.2	7.9	7.1	7.2
Ground handling expenses	7.5	7.1	4.3	3.9	3.4	4.5	4.2	5.1
Passenger service and catering expenses	6.2	6.5	4.9	4.9	4.4	5.0	4.4	4.8
Sales and Marketing	14.0	12.9	11.7	10.8	10.0	9.2	8.5	7.1
General Administration	3.7	3.7	0.8	0.7	0.7	0.9	0.7	0.7
Others	4.1	0.0	2.8	2.4	2.6	1.7	1.8	0.9

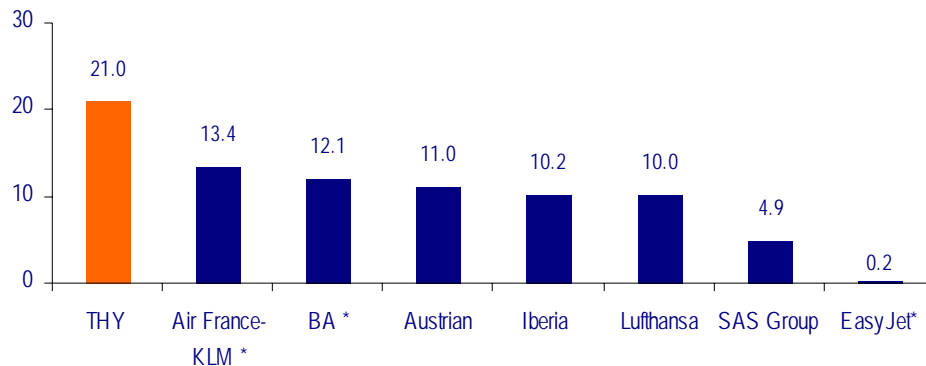
(*) If not consolidated, portion in Total Expenses is 12% for 2006 and 10% for 2007; 9% for 1H and 9M 2008

Operating expenses increased in 9M 2008 mainly due to Fuel Expenses

(€ Euro Mn)	2004	2005	2006	2007	9M 2007	9M 2008	08/'07 %
Revenue	1,581	1,860	2,247	2,685	1,983	2,379	20%
EBIT	81	56	48	307	233	264	13%
EBIT Margin %	5.1	3.0	2.1	11.4	11.7	11.1	-0.65 pt
EBITDA	251	235	235	513	383	412	7%
EBITDA Margin %	15.9	12.6	10.5	19.1	19.3	17.3	-2.01 pt
EBITDAR	315	320	366	639	486	499	3%
EBITDAR Margin %	19.9	17.2	16.3	23.8	24.5	21.0	-3.53 pt
Net Income	61	56	101	164	108	360	233%

- ✦ Cost cutting policies had a positive impact 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 (9M 2008)

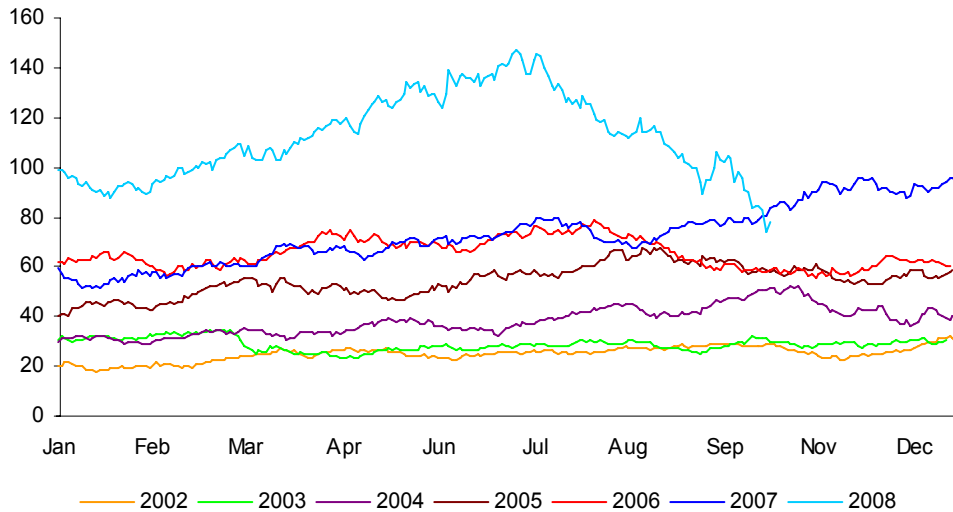


Source: Company websites (*) 1H'09; LH EBITDA

Increasing Fuel Price had a negative impact on Operating Profit

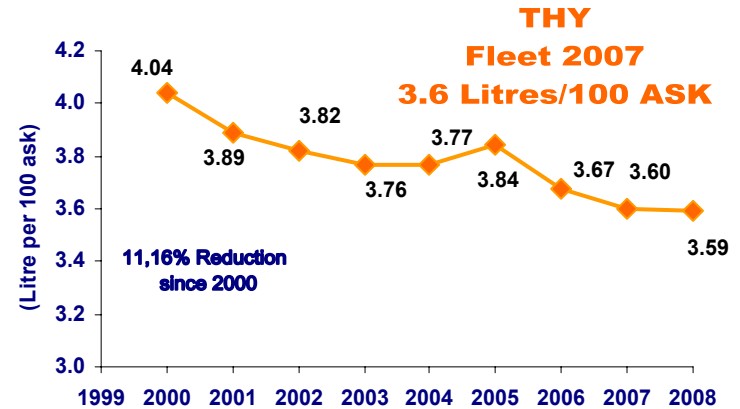
Fleet Expansion will Reduce Fuel Cost as well as Fleet Age

Crude Oil Prices (Brent US\$/bbl)

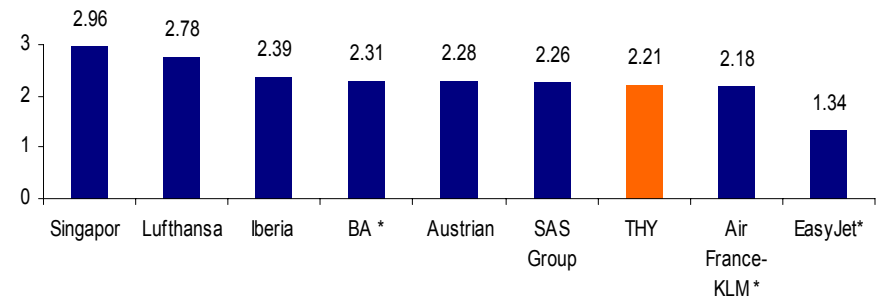


- ✦ Daily average crude oil prices increased by 78% in 2008 compared to 2007.
- ✦ Although THY does not hedge, its fuel expense per ASK is lower on the average compared to its peer group.
- ✦ Due to fleet expansion, the fleet average age will be lower which in return will increase THY's fuel efficiency.

Average Specific Fuel Consumption



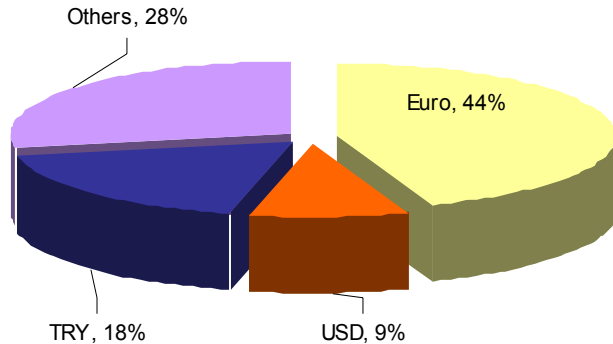
per ASK Fuel Cost (€ cent) 9M'08



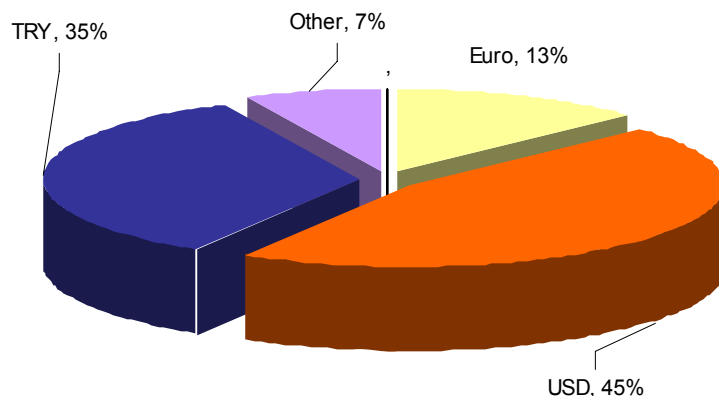
Source: Company annual reports & websites. (*)1H'09



Income by Currency (9M 2008)



Expenses by Currency (9M 2008)



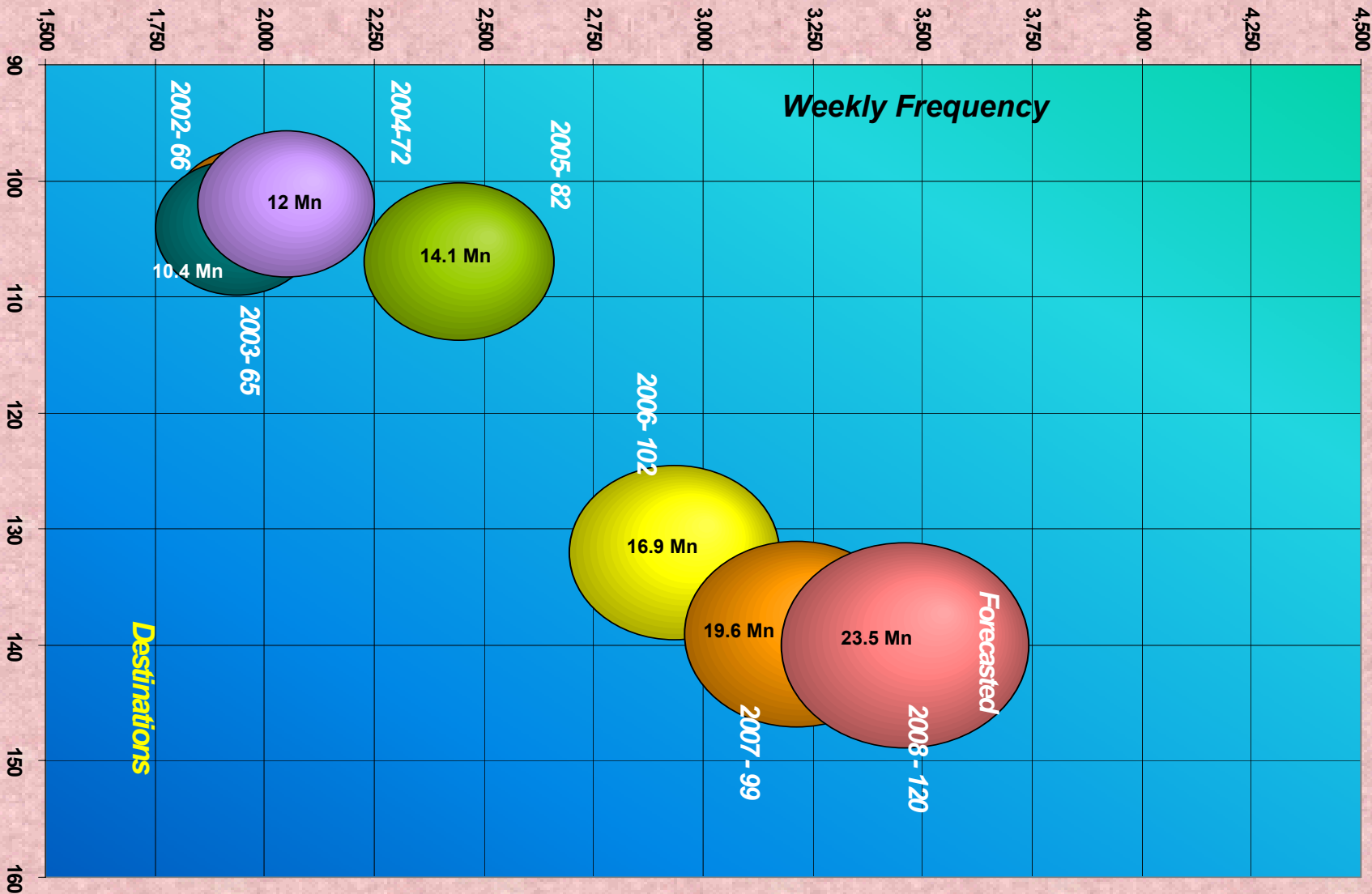
Source: Company

- ✦ 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.

Diversified revenue & expense base and agility in pricing currency

welcome

 **TURKISH AIRLINES**



THY Network Mapping



- ★ Blessed by its prime location
 - ★ Turkey only 3hrs flight from 50 different countries
 - ★ Increased focus on transit flights since 2002
 - ★ Increased focus on Business Class passengers since 2006
 - ★ Market leader in Turkey with a strong brand recognition
 - ★ Member of Star Alliance

- ★ Substantial cost advantage over rivals
 - ★ Labor costs only 1.3€ per ASK (Austrian : 1.9€, Lufthansa :2.9€, Iberia: 2.0€)
 - ★ Profitable with room for further cost reductions

welcome

 **TURKISH AIRLINES**

THANK YOU

Turkish Airlines Inc.

Investor Relations Department

Mr.Coşkun KILIÇ / CFO

Ms.Suna ÇELEBİ / IR Manager

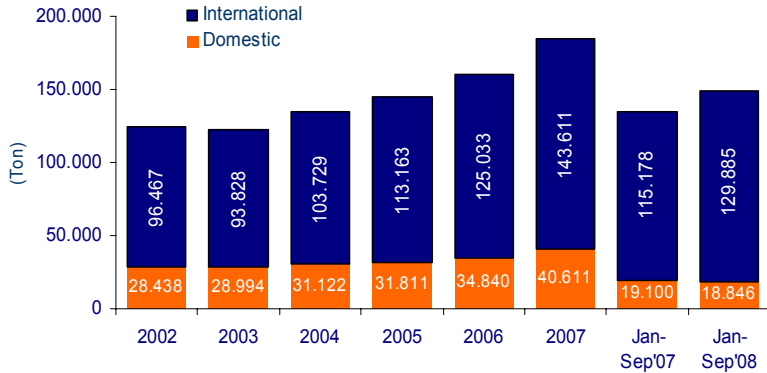
Tel: +90 212-463-6363 x-3630

E-mail: ir@thy.com

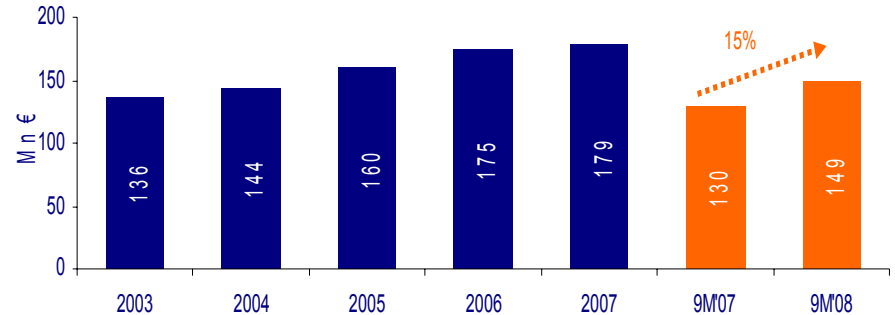
- ✦ **Turkish Economy**
- ✦ **Airline Sector in Turkey**
- ✦ **Company Overview**
- ✦ **Financial Highlights**

Appendices

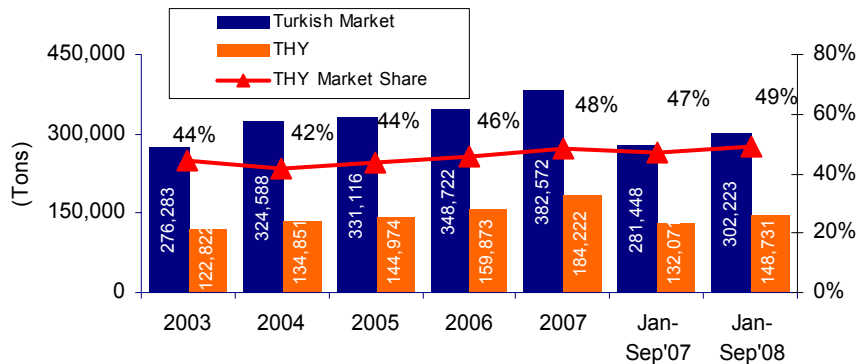
THY - Cargo



Cargo Revenue (€ Mn)



Turkish Cargo Market vs THY



- Domestic and International breakdown is consistent over the years.
- As of January – September 2008 THY has carried total of 148.731 Tons cargo, indicating 10.8% increase compared to same period of 2007.
- Cargo revenue has increased by 15% in 9M 2008 compared to 9M2007.

Source: Company

Plans to Enlarge Freighter Fleet Aiming Higher Cargo Revenues



Benefits to TK Passengers

- Opportunity to fly up to 975 destinations and 162 countries with TK Ticket.
- TK passengers in frequent flyer programmes can earn and redeem miles or points in all 21 Star Alliance Members.
- First Class and Business Class TK passengers will have access to Star Alliance VIP and CIP Lounges.
- TK passengers gain the 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 Passengers can choose from as many as 15 stopovers, using any combination of Star Alliance member airlines, up to a distance of 39,000 miles (a stopover is considered a stay of more than 24 hours in one city).
- 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; China, N.America, South Pacifics and Thailand.

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 passengers 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 € Mn)	2003	2004	2005	2006	2007	9M 2008	Annual '07/'06
Cash and Equivalents	378	200	304	197	452	841	129%
Net Trade Receivables	68	87	121	135	143	234	6%
Other Current Assets	57	84	95	241	275	159	14%
Total Current Assets	502	371	520	573	870	1,234	52%
Due from Related Parties (Long Term)	30	0	0	8	2	0	-74%
Net Fixed Assets	1,130	995	1,657	1,671	1,897	2,299	14%
Other Long Term Assets	26	248	224	143	109	125	-24%
Total Long Term Assets	1,186	1,243	1,882	1,822	2,008	2,424	10%
Total Assets	1,689	1,614	2,402	2,481	2,878	3,658	16%
Liabilities (in € Mn)	2003	2004	2005	2006	2007	9M 2008	Annual '07/'06
Short Term Lease Obligations	140	111	229	118	132	178	11%
Accounts Payable	104	108	161	172	212	208	23%
Passenger Flight Liabilities	64	101	0	151	175	230	16%
Other Current Liabilities	112	78	365	136	148	213	9%
Total Current Liabilities	420	399	755	577	667	829	16%
Long Term Lease Obligations	688	524	540	780	918	1,166	18%
Retirement Pay Provision	45	55	72	63	77	78	22%
Other Long Term Liabilities	31	29	249	106	103	155	-2%
Total Long Term Liabilities	764	608	861	949	1,098	1,399	16%
Capital	963	1,048	110	95	102	97	8%
Share Premium	0	0	1,180	1,010	1,095	962	8%
Reserves	71	77	5	4	5	0	8%
Accumulated Loss/Income	-530	-518	-509	-240	-89	371	-63%
Total Shareholders Equity	505	608	786	869	1113	1430	28%
Total Liabilities & Shareholders Equity	1,689	1,614	2,402	2,395	2,878	3,658	20%

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



Income Statement (in Euro mn)	2003	2004	2005	2006	2007	9M 2007	9M 2008	08/07 %
Operating Revenues	1,481	1,581	1,860	2,246	2,688	1,983	2,379	20%
Operating Expenses	(1,289)	(1,501)	(1,804)	(2,196)	(2,380)	(1,750)	(2,115)	21%
Operating Profit	193	81	56	50	307	233	264	13%
Income From Other Operations	53	34	255	486	64	101	118	17%
Loss From Other Operations	(6)	(9)	(166)	(376)	(236)	(10)	(11)	13%
Income Before Financial Income/(Expense)	240	105	145	159	135	323	370	14%
Financial Income/(Loss)	154	21	(36)	(54)	93	(182)	76	-142%
Monetary Gain/(Loss)	(223)	(64)	-	-	-	10	3	-71%
Income Before Taxation	170	62	109	105	228	152	449	196%
Taxation	(43)	(2)	(26)	(4)	(63)	(44)	(89)	105%
Net Income	127	61	83	101	164	108	360	233%

Source: In converting the TRY reported results to EURO, the period average EURO 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\$.
- ✦ In 9M 2008 posted revenues and net income of 222€mn and 11€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 21 airports in Germany, 17 in Turkey and 60 in other countries with total of 1,032 personnel.
- ✦ Fleet consisted of 18 aircraft (one of them wet-leased AC); 15 B737 (one of them wet-leased AC with total seat capacity of 189) & 3 B757 aircraft with total seat capacity of 3,522 as of September 2008. Carried 3,162,623 passengers in the first nine months of 2008, by achieving load factor of 78.32%.
- ✦ As of September 30, 2008 posted revenues and loss of 314€ thousands and 269€ thousands respectively.

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

- ✦ Owned 50% - %50 by THY and Do & Co Restaurants & Catering A.G.
- ✦ In the first 9 months of 2008 posted revenues and net income of 75€mn and 5€mn respectively.

TGS Ground Handling Inc. (Equity pick-up)

- ✦ Registered on August 28th, 2008 to Commerce Registry.

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, 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. The expiry date of renewed IOSA operatorship is October 2009. 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
- ✦ Turkish Airlines adopted TS-EN ISO 9001:2000 Quality Management System(QMS) in 2006. Flight Safety and Quality Assurance Directorate is in charge of the implementation and oversight of the system. The departments within this directorate are:

Flight Operations, Ground Operations, Technic,Cabin, Flight Training, Quality Management and Improvement, Safety. Each department implements scheduled and unscheduled operational audits annually to acquire the condition information. The QMS is in a development stage progressing into Integrated Management System. TS-EN ISO 14001:2004 – Environmental Management System and OHSAS 18001- Occupational Health and Safety System are planned to be integrated by the end of 2008.

In addition to its audits, Safety Department also implements the Flight Data Monitoring System, makes informal Line Observations and investigates the occurrences and reports(mandatory/voluntary) to promote safety.

As it is briefly described above, having all requirements fulfilled and systems in place with regards to Turkish Civil Aviation Law, Turkish Airlines has the AOC(Air Operator Certificate) approved by Turkish Civil Aviation Administration(CAA). The company is subject to a biannual operational audit by Turkish CAA as well as the IATA. Turkish Airlines has qualified from the IATA's Operational Safety Audit and renewed its IOSA operatorship till October 2009.

STOCK INFORMATION

USD Mn \$	2003	2004	2005	2006	2007	9M 2008
Sales	\$1,791	\$2,081	\$2,316	\$2,832	\$3,670	\$3,622
Number of Shares ('000)	175,000	175,000	175,000	175,000	175,000	175,000
EPS	0.87	0.36	0.59	0.72	1.28	3.13
P/E	5.31	17.09	11.01	6.35	5.72	1.79
EV/Sales	0.92	1.00	0.92	0.92	0.85	0.55
Last Day Closed Price USD	5.55	5.92	6.48	4.60	7.34	5.61
Last Day Closed Price NTL	7.75	7.95	8.70	6.10	8.60	6.60
Avg.Daily Volume USD Mn.	1.02	0.57	5.88	9.92	10.30	7.30
	2003	2004	2005	2006	2007	9M 2008
Gearing Ratio	2.34	1.66	2.05	1.85	1.58	1.56
Net Profit Margin (%)	8.6	3.8	4.4	4.5	6.1	15.1
ROE (%)	24.2	7.5	11.1	11.1	13.7	26.2
Current Ratio	1.20	0.93	0.69	0.80	1.30	1.49
Equity Ratio	0.30	0.38	0.33	0.36	0.39	0.39
Leverage (Debt) Ratio	0.70	0.62	0.67	0.67	0.61	0.61

MCAP (USD mn) - September 30, 2008 \$934