

FINANCIAL DATA

> January – September 2009

OPERATIONAL DATA

> January – September 2009



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Speakers



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.

Speakers

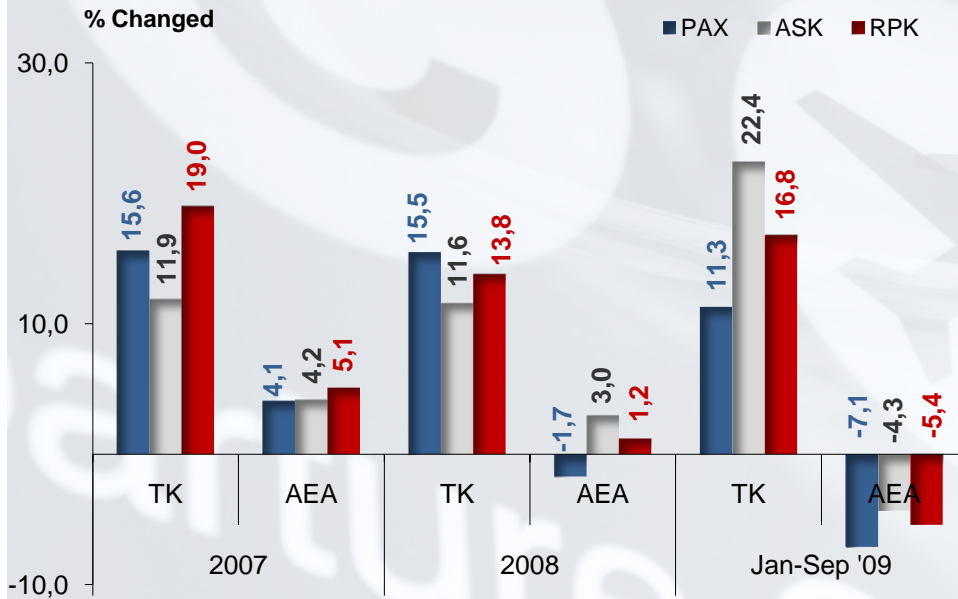


COŞKUN KILIÇ, CFO, Turkish Airlines

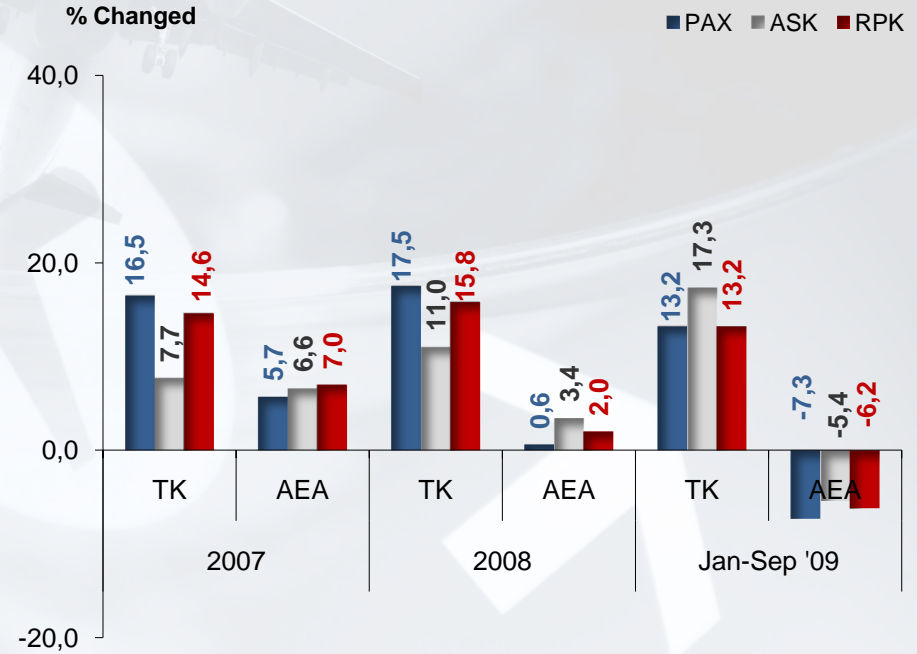
- › CFO as of March 2006
- › M.Sc. in Finance, Urbana Champaign Illinois University, USA
- › M.A. Economics, Ankara University
- › Certified Public Accountant
- › Board Member of Sun Express
- › Board Member of THY Opet Havacilik Yakitlari A.S.
- › Auditor of THY Technic A.S.

THY vs AEA

THY vs AEA (Total)



THY vs AEA (Europe)

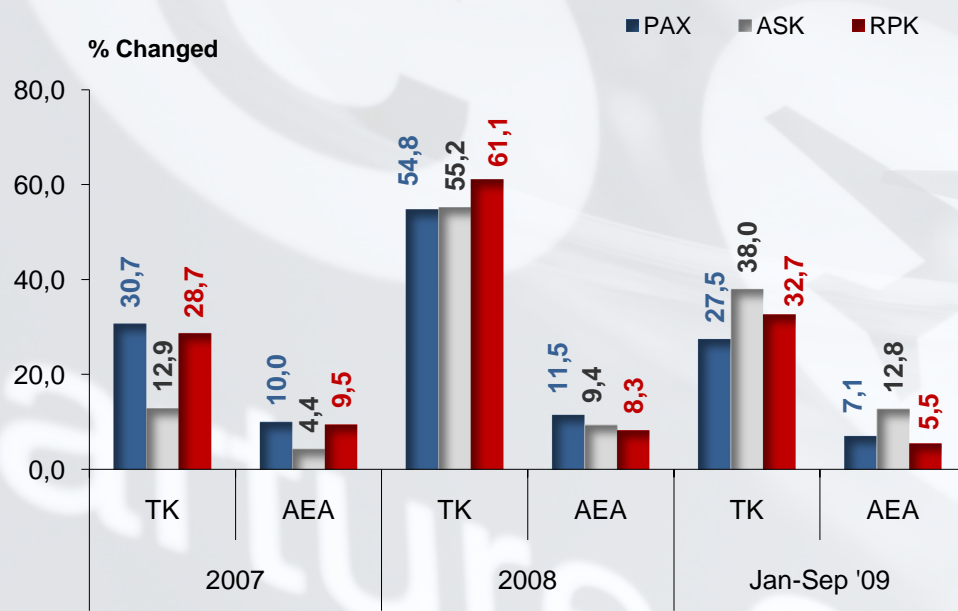


In Jan-Sep' 2009, THY is the leader in terms of traffic and capacity growth among AEA member airlines

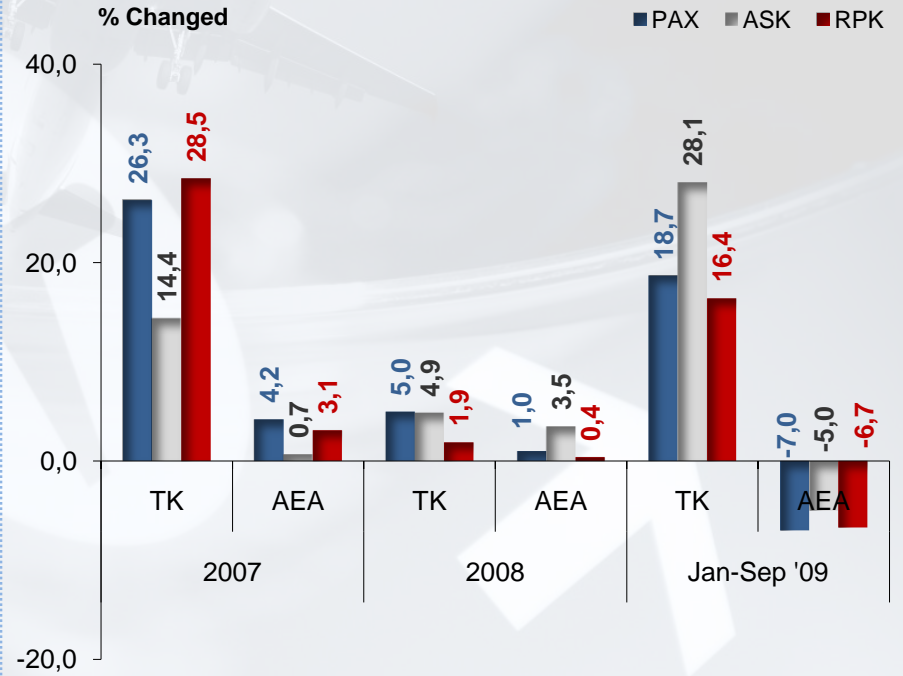
Source: AEA

THY vs AEA

THY vs AEA (Middle East)



THY vs AEA (Far East)



Middle East, Far East and Africa routes are expected to grow higher than average during the years 2009-2010, where THY has been successful in growing faster than AEA....

Source: AEA

119 International Lines

AMERICAS (3)

CHICAGO
NEW YORK
SAO PAULO

CANADA (1)

TORONTO

NORTH AFRICA (7)

ALGIERS
CAIRO
CASABLANCA
KHARTOUM
TRIPOLI
TUNUS
BENGHAZI

MID- AFRICA (4)

ADISABABA
LAGOS
NAIROBI
DAKAR

SOUTH AFRICA (2)

JOHANNESBURG
CAPETOWN

EUROPE (65)

GERMANY(9)

BERLIN
STUTT GART
DUSSELDORF
FRANKFURT
HAMBURG
HANNOVER
COLOGNE
MUNICH
NUREMBERG

RUSSIA(6)

MOSCOW
ROSTOV
KAZAN
ST.PETERSBURG
YEKATERINBURG
UFA

UKRAINE(6)

ODESSA
KIEV
SIMFEROPOL
DONETSK
DNEPROPETROVSK
LVOV

SPAIN(2)

BARCELONA
MADRID

U.K.(3)

LONDON
MANCHESTER
BIRMINGHAM
SWITZERLAND (3)
BASEL
ZURICH
GENEVA

OTHERS (30)

AMSTERDAM	BUCHAREST	HELSINKI	PRAG	STOCKHOLM
ATHENS	BUDAPEST	LEFKOSA	RIGA	TBILISI
BAKU	CHISINAU	LISBON	PRISTINA	TIRANA
BATUMI	COPENHAGEN	LJUBLJANA	SARAJEVO	VIENNA
BELGRADE	DUBLIN	MINSK	SKOPJE	ZAGREB
BRUSSELS	GOTHENBURG	OSLO	SOFIA	WARSAW

FRANCE(3)

PARIS
NICE
LYON
ITALY(3)
MILAN
ROME
VENICE

FAR EAST (18)

ALMATY	KARACHI
ASKGABAD	MUMBAI
ASTANA	NEW DELHI
BANGKOK	SHANGHAI
BEIJING	SEOUL
BISHKEK	SINGAPORE
DUSHANBE	TASHKENT
HONG KONG	TOKYO
JAKARTA	OSAKA

MIDDLE EAST (19)

ABU DHABI	KUWAIT
ALEPPO	MASHAD
AMMAN	MADINAH
BAGHDAD	MUSCAT
BAHRAIN	RIYADH
BEIRUT	SANAA
DAMASCUS	TABRIZ
DOHA	TEHRAN
DUBAI	TEL AVIV
JEDDAH	

37 Domestic Lines



*Isparta as of October 2009

Company Overview

Passenger Traffic

Domestic	2007	2008	9M'08	9M'09	08 vs 09 %
Number of Landing	87.162	92.593	69.444	72.241	4.0%
ASK (million)	8.117	8.488	6.348	6.619	4.3%
RPK (million)	5.924	6.417	4.817	5.046	4.8%
Passenger # ('000)	9.984	11.063	8.317	8.715	4.8%
Passenger L/F (%)	73	75,6	75,9	76,2	0.36 pt

International	2007	2008	9M'08	9M'09	08 vs 09 %
Number of Landing	81.737	96.735	72.006	85.392	18.6%
ASK (million)	33.502	37.855	27.828	34.594	24.3%
RPK (million)	24.327	27.848	20.770	24.174	16.4%
Passenger # ('000)	9.652	11.534	8.604	9.920	15.3%
Passenger L/F (%)	72,6	73,6	74,5	69,8	-4.69 pt

Total	2007	2008	9M'08	9M'09	08 vs 09 %
Number of Landing	168.899	189.328	141.450	157.633	11.4%
ASK (million)	41.619	46.343	34.177	41.214	20.6%
RPK (million)	30.251	34.265	25.587	29.220	14.2%
Passenger # ('000)	19.636	22.597	16.920	18.635	10.1%
Passenger L/F (%)	72,7	73,9	74,9	70,9	-3,97 pt

THY Passenger Traffic Jan - Sep 2008 vs 2009	
Landing	up by 11.4%
ASK	up by 20.6%
RPK	up by 14.2%
Passenger # ('000)	up by 10.1%
L/F	down by 4 points

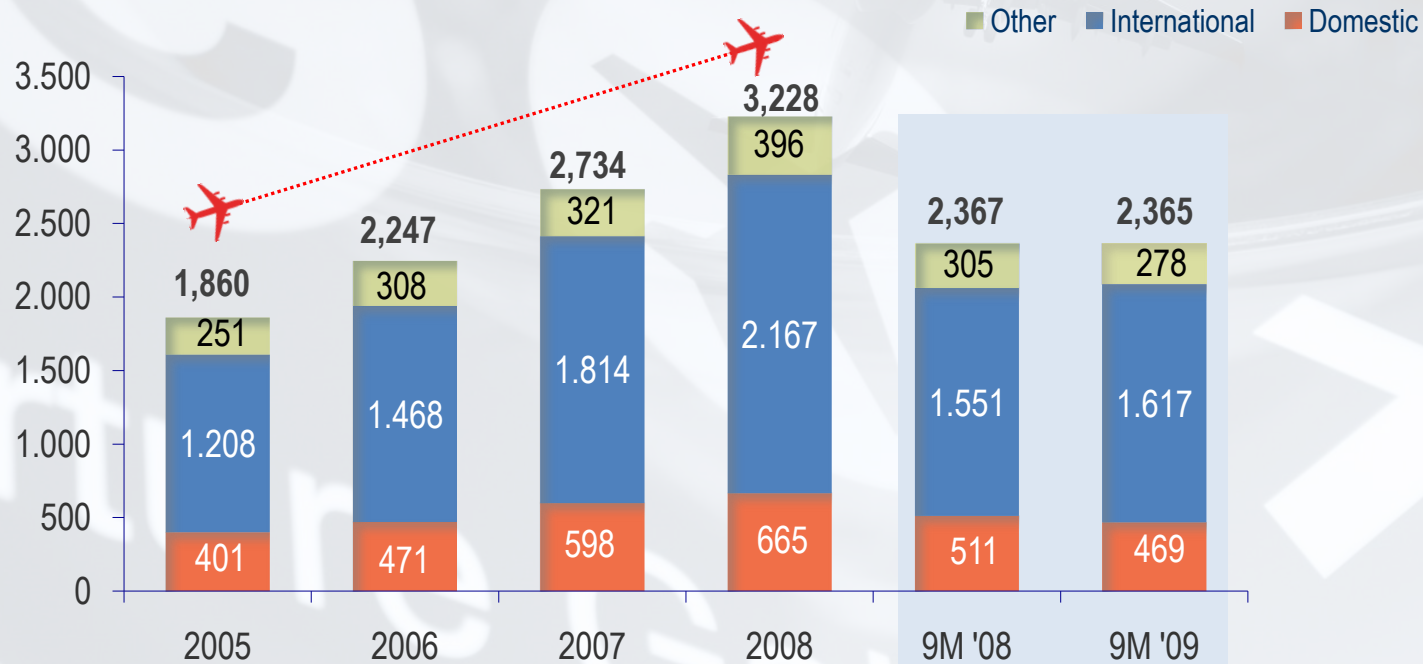
Significant Growth in
Operational Data

Capacity-Traffic Development Load Factor %



- › In 2009, capacity on domestic routes increased by 4.3% , traffic increased by 4.8%, load factor increased by 0.36 pt to 76.2. Anadolu Jet's L/F was 82%.
- › On international routes; capacity increased by 24.3%, traffic increased by 16.4%, while load factor decreased by 4.7 pt to 69.8%.AnadoluJet's L/F was 72%
- › Total capacity increased by 20.6% while traffic increased by 14.2%. Load factor was 70.9 % (-3,97pt).

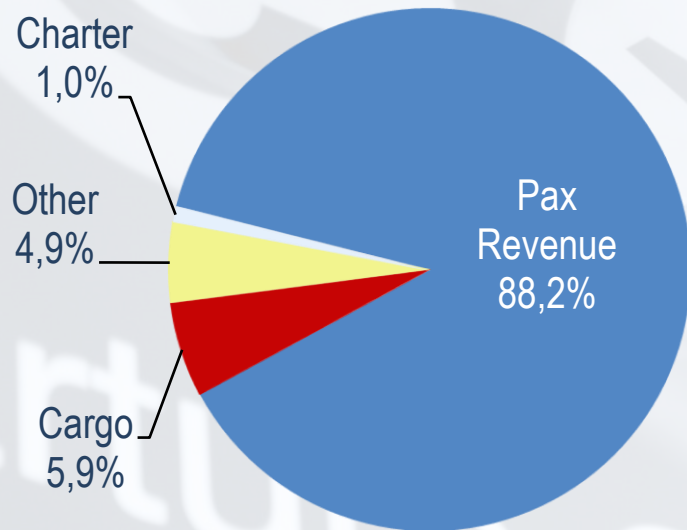
Total Revenues (Mn€)



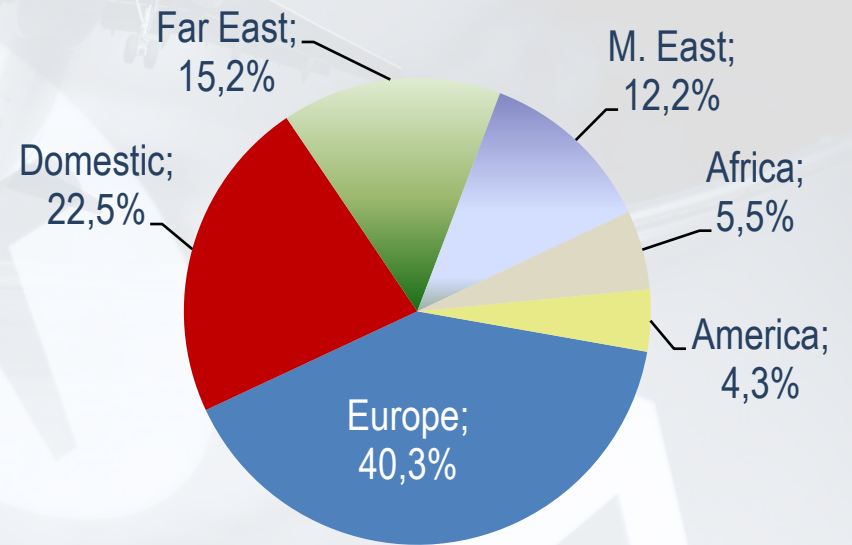
Source: Financial statements released under Turkish CMB standards, converted to € Euro using average exchange rates

Able to Sustain Revenue Growth While Increasing Capacity

Revenues Split (9M '09)



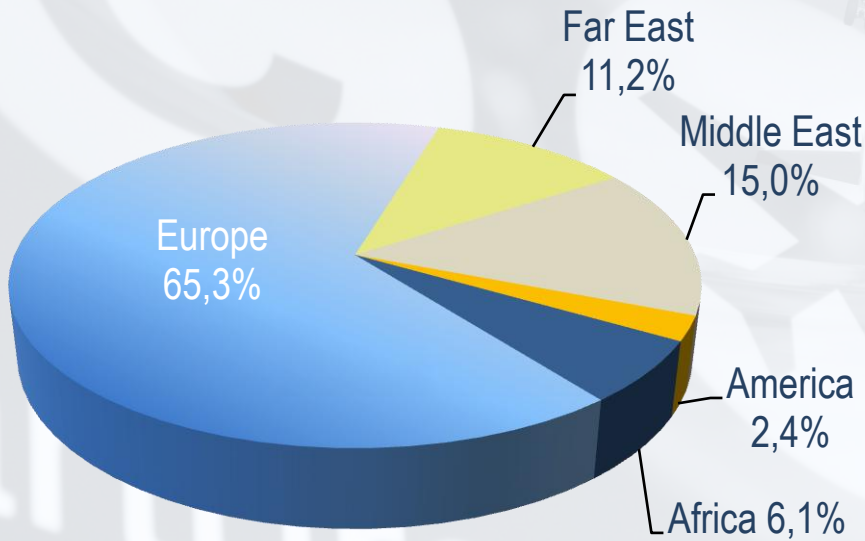
Passenger Revenues Split by Geography



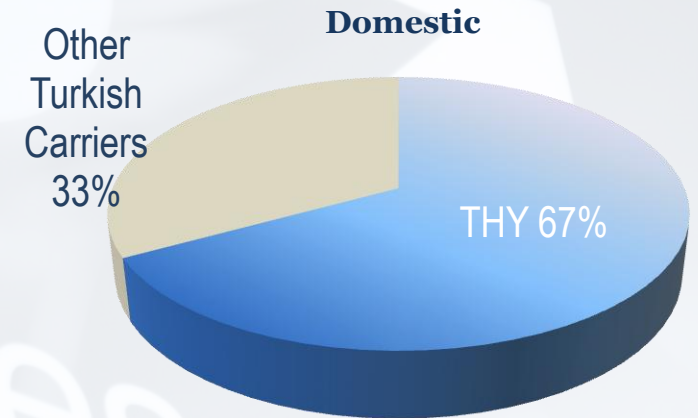
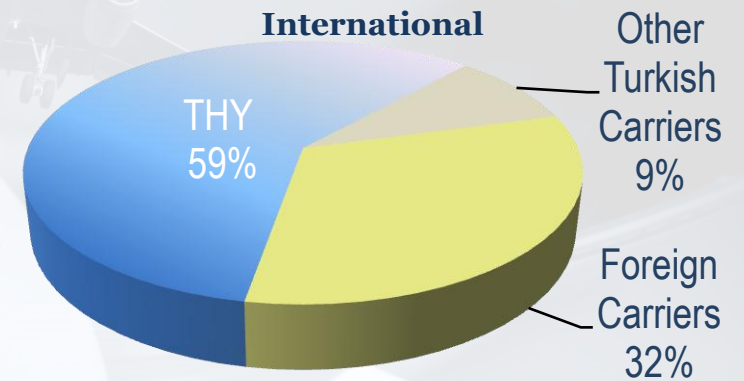
Source: Financial statements released under Turkish CMB standards, converted to € Euro using average exchange rates

Breakdown of Passenger Revenue Constant Over the Years

Int'l. Traffic Breakdown by Geography (9M'09)

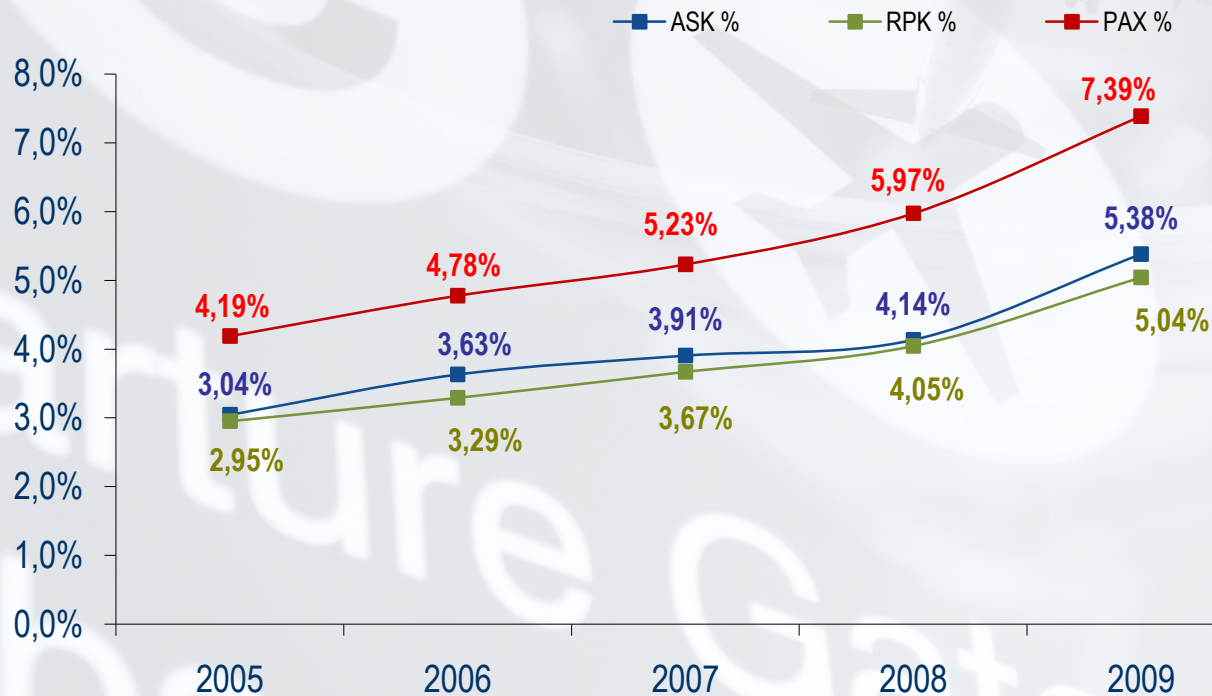


Market Shares (9M'09)



Stable Market Share in International Traffic

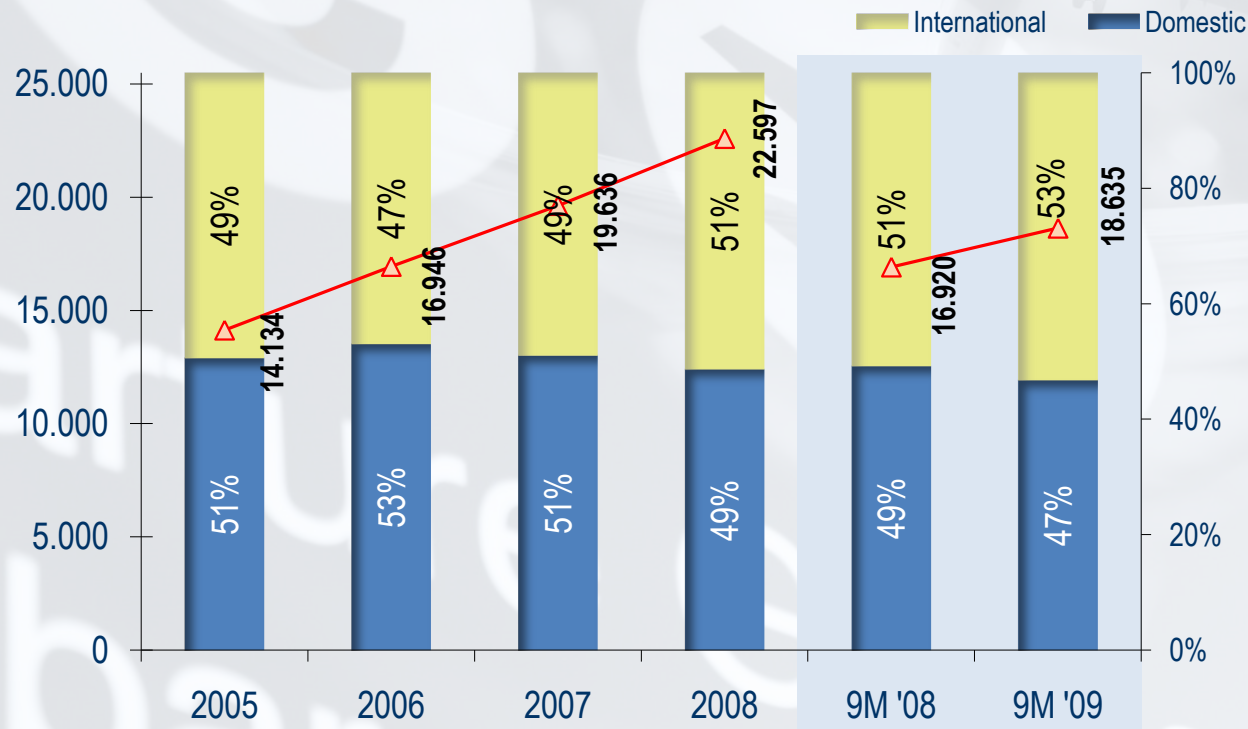
THY Market Share Among AEA Airlines (January-September)



- › As of Jan-Sep'09, THY increased its ASK market share from 4.1% to 5.4% and RPK market share from 4% to 5%.
- › In terms of passengers carried, THY increased its market share from 6% to 7.4%.

**THY ranks fourth
in passenger market share,
ranks sixth
in ASK and RPK market share
among AEA member airlines**

Passenger Breakdown (2005 – 2009)



- › THY carried 18.6 million passengers in Jan-Sep'09, with an increase of 10% compared to the same period of 2008.
- › Domestic and International passenger breakdown consistent over the years.
- › Haj and charter passengers accounted for 2% of the passenger traffic.

Balanced Breakdown Between Domestic and International Traffic

Int'l to Int'l Transit Passengers (2005 – 2009)



- › THY carried total of 3.707.907 transit passengers in Jan-Sep'09, with an increase of 26% compared to the same period of 2008.
- › Total transit passengers accounted for 19.9% of the passenger traffic.
- › Int'l to int'l transit passengers' share in total transit passengers is 42%. During Jan-Sep'09, int't to int'l passengers increased by %44 reaching to 1.574.415.

Significant increase in Int'l to Int'l Transit Passengers

Fleet as of September 2009

	Type	Total	Owned	Financial Lease	Operational Lease	Seat Capacity	Fleet Age
Wide Body 15%	A330-200	7	-	5	2	1.812	3,3
	A340	9	7	-	2	2.451	12,9
	B777-3ER	3	-	-	3	936	2,1
	Total	19	7	5	7	5.199	7,7
Narrow Body 82%	B737-800	51	-	38	13	8.487	6,2
	B737-700	4	-	-	4	596	2,8
	B737-400	5	-	-	5	796	20,5
	A320	22	-	12	10	3.512	2,7
	A321	21	-	15	6	3.986	3,3
	A319	4	-	-	4	528	3,6
	Total	107	-	65	42	17.905	5,4
Cargo	A310	4	3	-	1	-	21,3
TOTAL		130	10	70	50	23.104	6,2
	%		8%	54%	38%	-	-

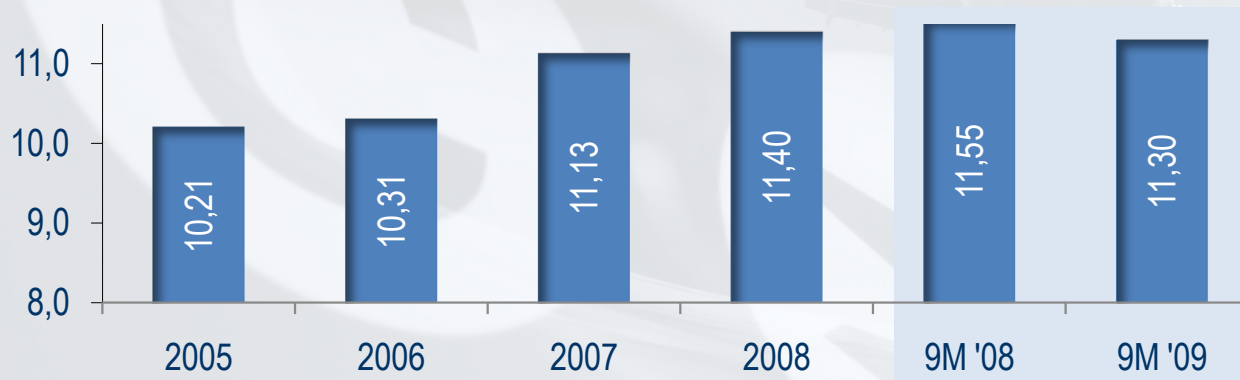
- › At the end of Sep'09, total fleet reached to 130, with an average age of 6,2 years.
- › During 2009, annual lease payments expected to be approximately around \$522 million.
- › According to the Fleet Plan for 2009-2023, decision was made to purchase total of 105 aircraft:
 - › WB Long-Haul: 25 firm/10 optional = 35
 - › 12/ B777-300ER and 7/A330 ordered as of June 2009. Optional right exercised on 3/A330 as of October 2009. 13 left to be decided.
 - › Approximately 900 Mn\$ PDP payment will be made in 2009
 - › NB Medium-Haul: 50 firm/20 optional = 70

Seat capacity increased by 15% in Sep'09 compared to the same period of 2008.

Fleet Additions		
	2010	2011
B777-3ER	5	7
A330-300	4	3
A330-200F	1	1
Total	10	11

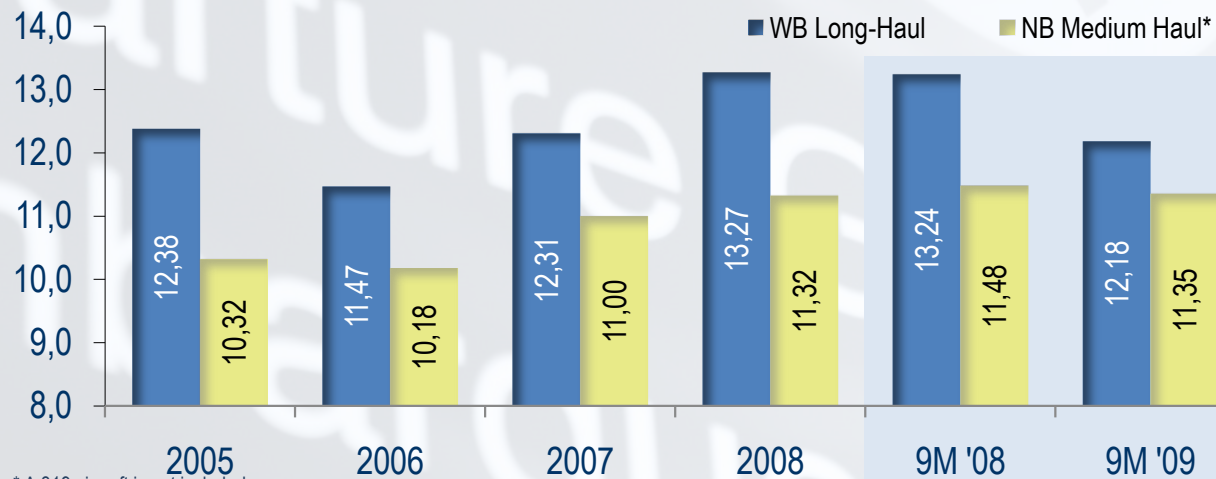
Seat Capacity After Additions & Exits		
	2010	2011
Seat Capacity	27.019	28.337
Wide Body	20%	23%
Narrow Body	77%	74%

Average Daily Flight Utilization* (hrs)



* Based on actual aircraft flown (128)

Average Daily Flight Utilization (hrs)



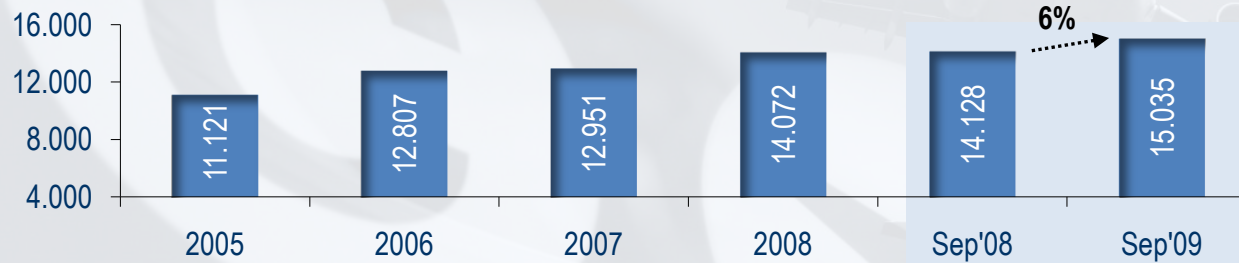
* A 319 aircraft is not included

- › Aircraft utilization has been rising due to better fleet composition and a more dynamic scheduling process. However for Jan-Sep'09 due to rapid capacity increase, the utilization has decreased.
- › While average daily flight utilization decreased by 8% in WB Long Haul aircraft, in NB Medium Haul aircraft the utilization decreased by 2%.

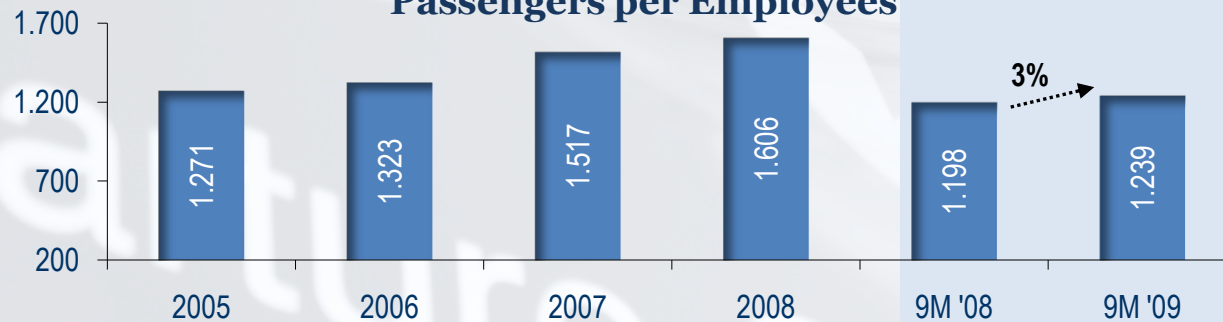
Company Overview

Operating Efficiency

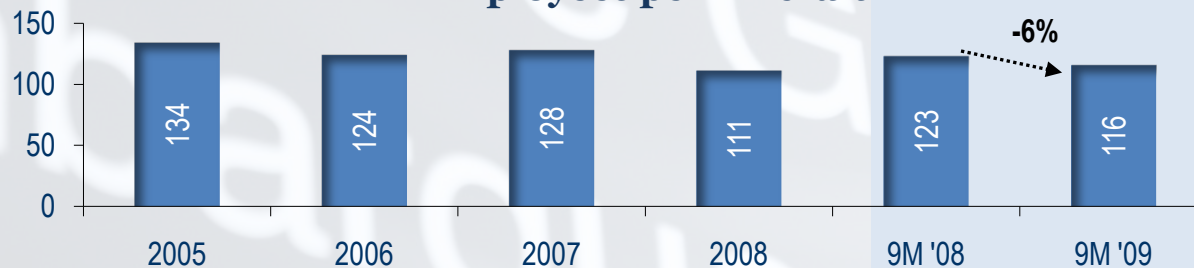
Number of Personnel*



Passengers per Employees



Employees per Aircraft



* THY Technic Personnel is included.

- › THY enjoys high personnel efficiency compared to its competitors.
- › Personnel cost of THY per ASK was only €1.18 cents for 9M'09.
- › 116 employees per aircraft and 1.239 passengers per employee for Jan-Sep'09.

Personnel efficiency is the key driven while increasing fleet size

Operating Expenses

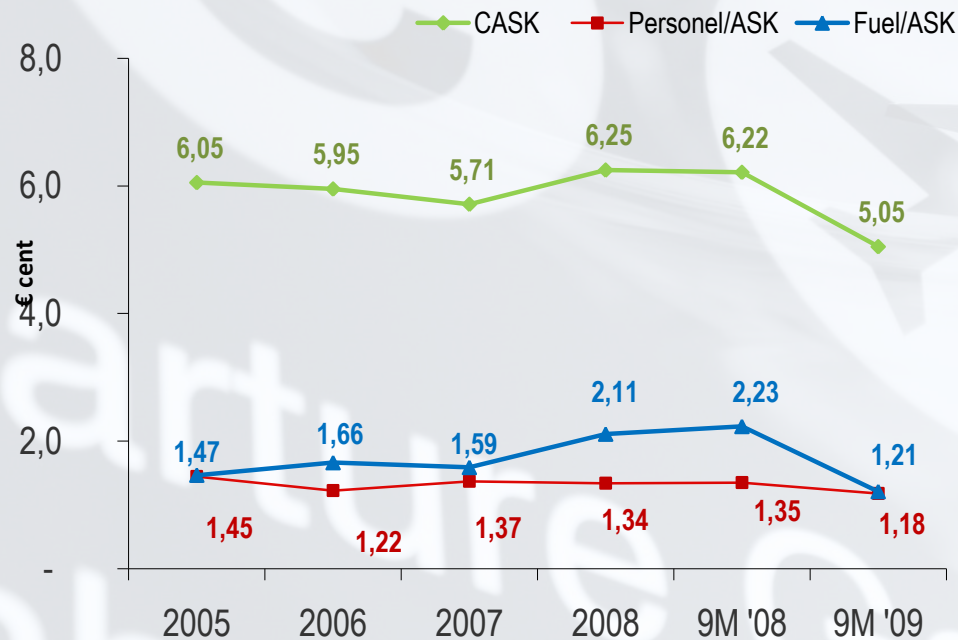
(€ Mn)	9M '08	% in Total	9M '09	% in Total	09/'08 %
Fuel	762	36%	499	24%	-35%
Personnel	461	22%	487	23%	6%
Landing	152	7%	192	9%	26%
Sales and Marketing	147	7%	182	9%	24%
Rents	87	4%	155	7%	77%
Depreciation	148	7%	143	7%	-3%
Ground handling	107	5%	130	6%	22%
Maintenance	103	5%	119	6%	16%
Passenger Catering	104	5%	119	6%	14%
Insurance	10	0,1%	17	1%	66%
General Administration	16	1%	17	1%	3%
Others	26	1%	21	1%	-17%
TOTAL	2.124		2.079		-2%
Op.Cost per ASK (€)	6,22		5,05		-19%

Effective cost cutting reflecting on operating expenses

Financial Highlights

Operating Expenses

€ Cost Per ASK (2005-9M '09)



Change in CASK € (9M '09)



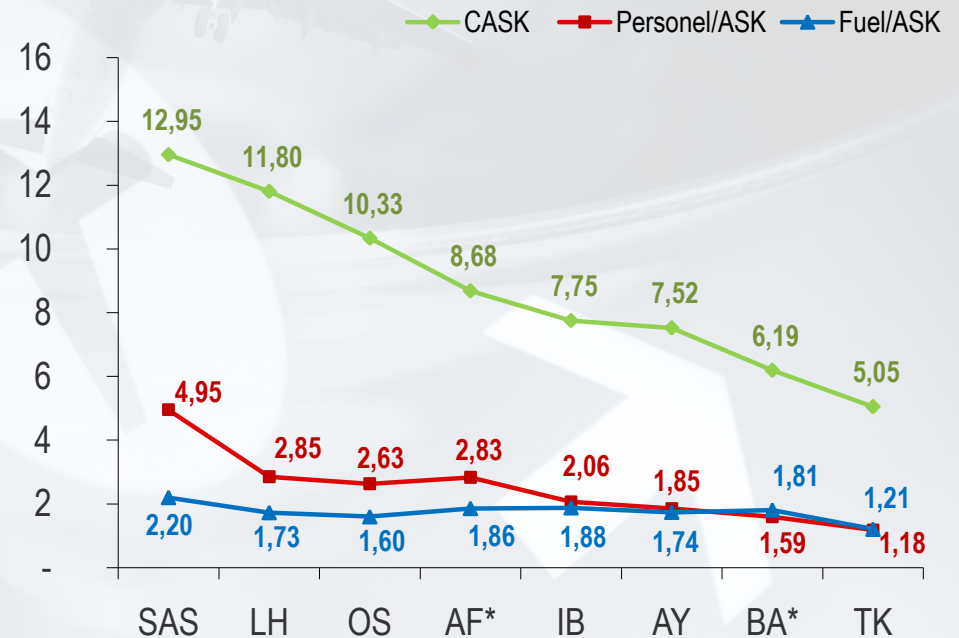
Peer Group vs THY

Operating Expenses

Operating Costs per ASK (€ Cent)-9M'09



Cost Per ASK (€ Cent)-9M'09



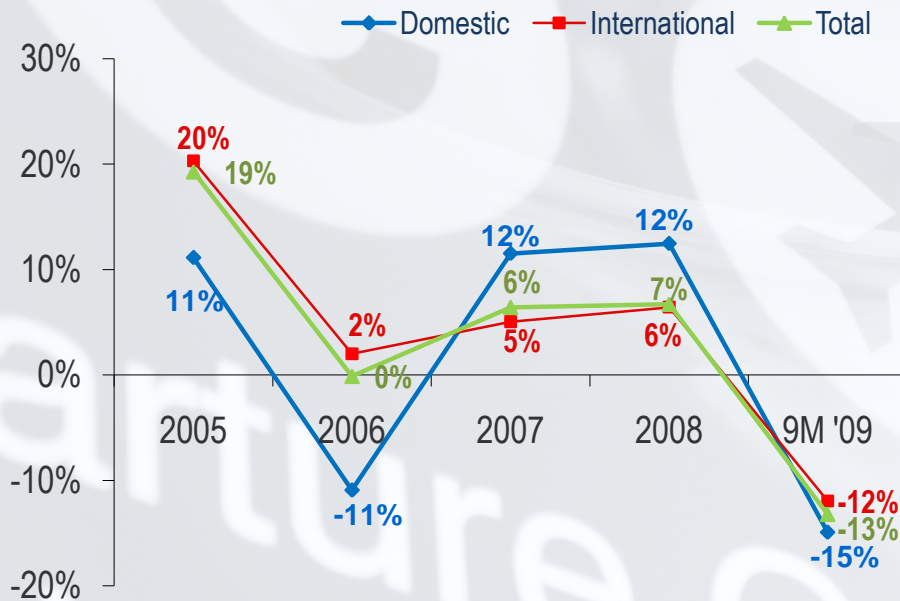
*1H 2009 results

THY is the most cost efficient among its European Peers

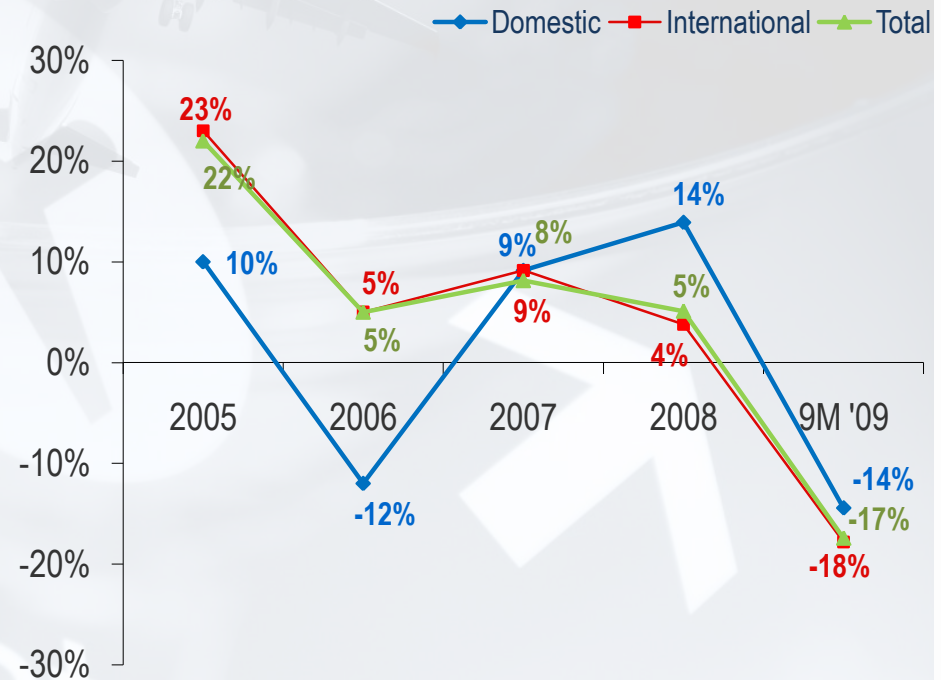
Financial Highlights

Revenues

Change In R/Y (€)



Change In RASK (€)

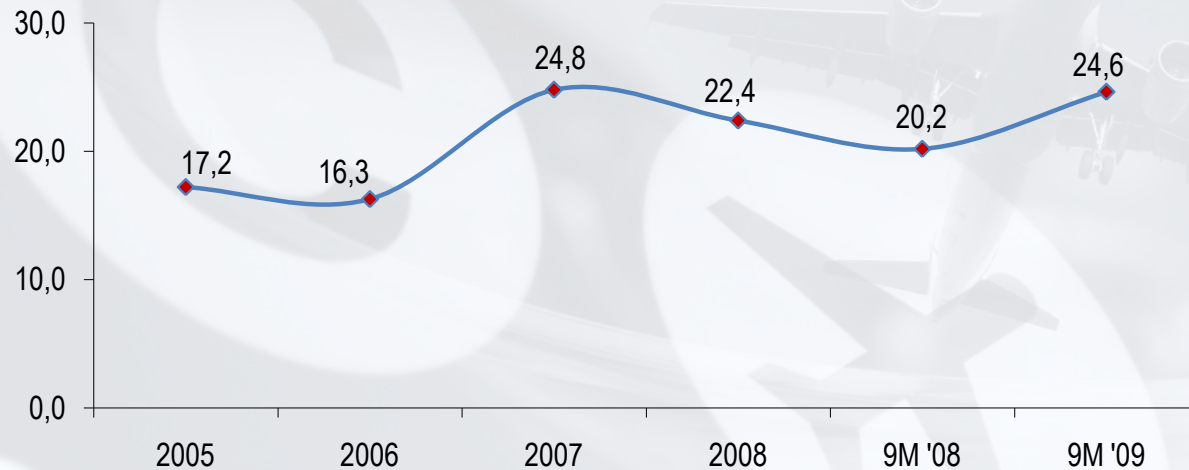


Source: Financial statements released under Turkish CMB standards, converted to € Euro using average exchange rates

Financial Highlights

EBITDAR Margin

EBITDAR Margin %



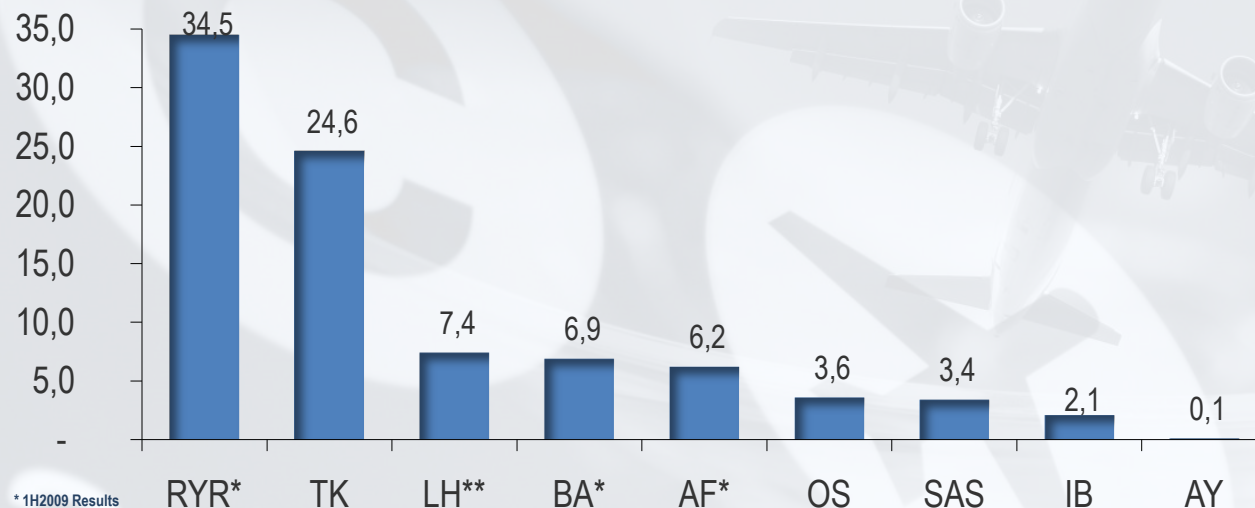
- › Cost cutting policies had a positive impact on EBITDAR.
- › Despite the ongoing crisis in the global aviation sector, THY managed to improve its' margins.

(€ Euro Mn)	2005	2006	2007	2008	9M '08	9M '09	09/'08 %
Revenue	1.860	2.247	2.734	3.228	2.367	2.365	0%
Net Income	83	99	149	598	349	223	-36%
EBIT	56	48	285	334	243	285	17%
EBIT Margin (%)	3,0	2,1	10,4	10,3	10,3	12,1	1.8 pt
EBITDA	235	235	490	541	391	428	10%
EBITDA Margin (%)	12,6	10,5	17,9	16,8	16,5	18,1	1.6 pt
EBITDAR	320	366	678	723	478	583	22%
EBITDAR Margin (%)	17,2	16,3	24,8	22,4	20,2	24,6	4.4 pt

Peer Group vs THY

EBITDAR Margin

EBITDAR Margin % Comparison

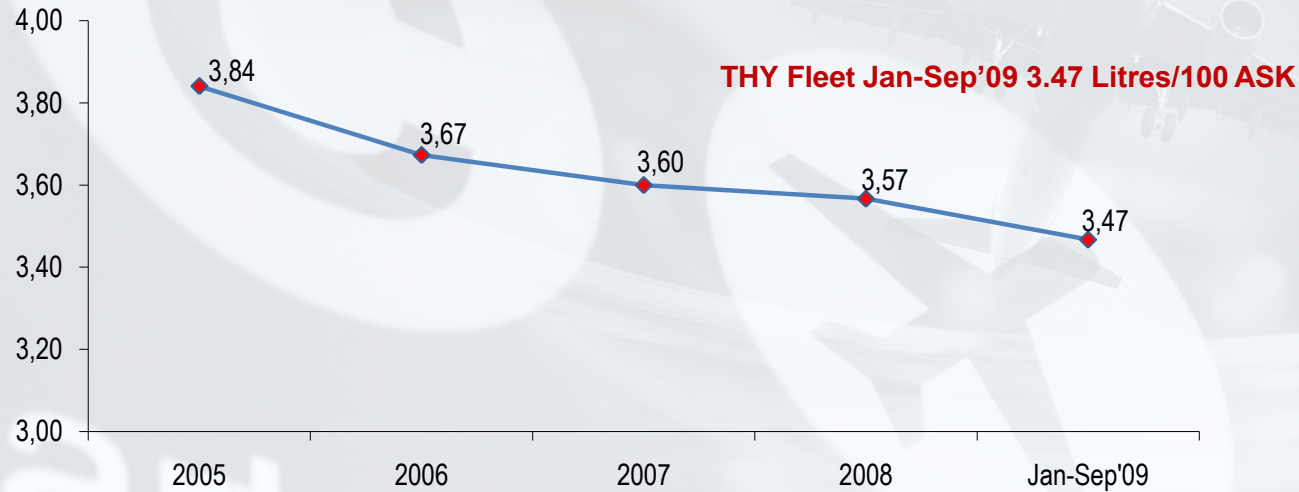


* 1H2009 Results
**EBITDA Margin

› While peer group posted losses in 9M'09, THY recorded net profit of 223 mn. €

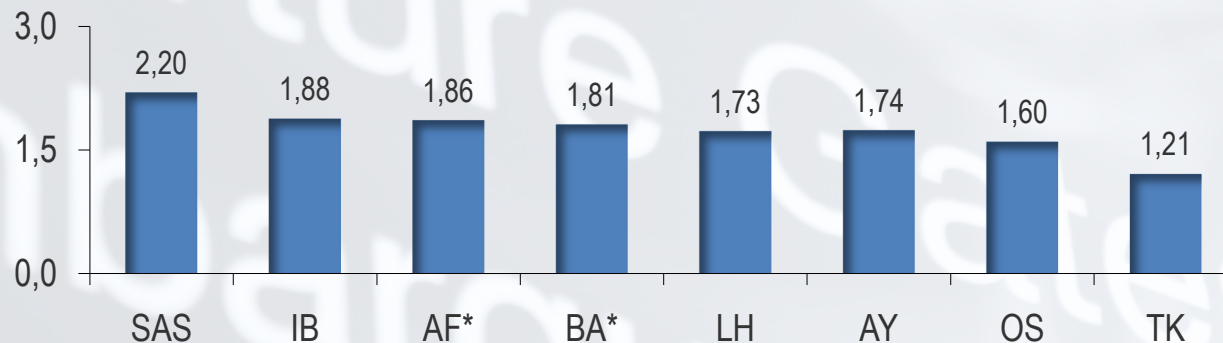
(€ Euro Mn)	TK	LH	OS	SAS	IB	AY
Revenue	2.365	18.126	1.573	3.387	3.337	1.424
Expense	2.079	17.810	1.799	3.550	3.667	1.505
Net Income	223	-32	-242	-161	-182	-65
EBIT	285	130	-225	-163	-331	-81
EBIT Margin (%)	12,1	0,7	-14,3	-4,8	-9,9	-5,7
EBITDA	428	1.339	20	-64	-198	6
EBITDA Margin (%)	18,1	7,4	1,2	-1,9	-5,9	0,4
EBITDAR	583	-	56	116	70	2
EBITDAR Margin (%)	24,6	-	3,6	3,4	2,1	0,1

Average Specific Fuel Consumption



- › THY's 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.

Per ASK Fuel Cost (€ Cent) 9M' 09



Fleet expansion will reduce fuel cost as well as fleet age

*1H 2009 Results

Source: Company annual reports & websites.

THY FUEL SAVING PROGRAM

As a result of the implementation of fuel saving initiatives; we have realized the below figures:

January-September 2009

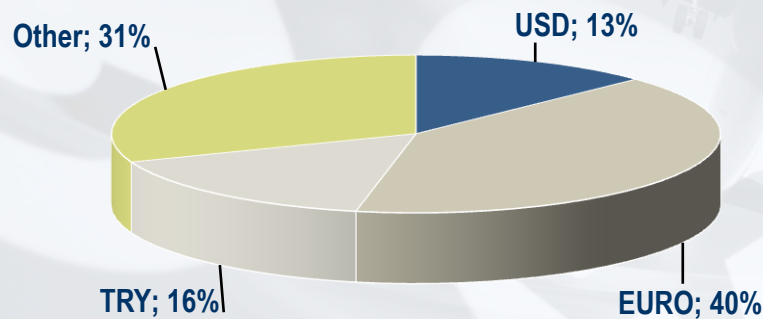
Fuel Savings (kg.)	95.164.115
CO2 Emission Reduction (kg.)	299.766.962

- › Turkish Airlines Fuel Saving Program started in April 2008 with the collaboration of IATA Green Team.
- › THY focuses on managing fuel accurately and efficiently.

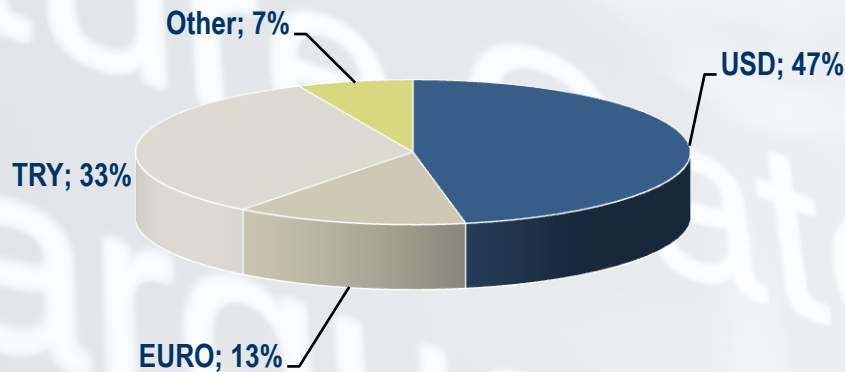


In 9M'09, THY reduced CO2 Emission by 300 tons with the help of its' young fleet and Fuel Saving Program

Income by Currency (9M'09)



Expenses by Currency (9M'09)



- › 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.

Currency exposure risk is minimized due to efficient cash management

Sector Comparison

Top Performing Companies

RANK	COMPANY	SCORE DATE	08 REVENUE \$ mn	TOTAL SCORE	LIQUIDITY	FINANCIAL HEALTH	EARNINGS PERF.	FUEL MGT.	ASSET MGT.
1	Singapore Airlines Ltd	Dec 08	11.825	75	81	87	28	46	33
2	Deutsche Lufthansa AG	Dec 08	35.807	65	86	56	22	51	31
3	Malaysian Airlines System Berhad	Dec 08	4.352	63	73	65	35	29	50
4	Türk Hava Yolları A.O.	Dec 08	3.982	62	62	84	33	31	46
5	Qantas Airways Ltd	Dec 08	14.562	59	85	36	47	30	36
6	Lan Airlines SA	Dec 08	4.534	55	36	66	65	28	99
7	Air New Zealand Ltd	Dec 08	3.203	51	70	52	21	18	41
8	Aer Lingus Group PLC	Dec 08	1.893	51	64	52	1	11	22
9	Iberia Lineas Aereas De Espana SA	Dec 08	7.281	49	83	38	2	21	19
10	Finnair OYJ	Dec 08	3.157	43	71	33	2	17	30
11	Hawaiian Holdings Inc.	Dec 08	1.211	42	37	44	64	15	69
12	Air France-KLM	Mar 09	31.823	35	63	26	1	32	25
13	All Nippon Airways Co Ltd Ana	Mar 09	14.102	35	50	37	33	36	37
14	Alaska Air Group Inc	Dec 08	3.620	35	64	31	6	11	31
15	Japan Airlines Corp	Mar 09	19.758	29	59	29	10	30	23
16	Continental Airlines Inc	Dec 08	15.241	28	45	35	21	28	44
17	British Airways PLC	Mar 09	12.196	28	61	21	1	15	13
18	Cathay Pasific Airways Ltd	Dec 08	11.185	24	67	22	1	9	4
19	TAM SA	Dec 08	4.107	22	33	39	1	8	48
20	Austrian Airlines	Dec 08	3.292	20	53	15	18	7	12
21	Sas Ab.Stockholm	Dec 08	6.743	19	45	37	1	12	15
22	Delta Air Lines	Dec 08	22.697	18	44	20	20	11	1
23	Thai Airways International	Dec 08	5.775	16	31	15	28	9	20
24	AMR Corp.	Dec 08	23.766	15	46	15	7	16	17
25	Air Canada	Dec 08	9.000	14	30	22	7	12	21
26	Asiana Airline Inc.	Dec 08	3.609	7	10	15	26	9	28
27	Korean Air Lines Co.Ltd	Dec 08	8.357	6	24	13	1	4	10
28	Air China Ltd	Dec 08	7.760	5	29	2	7	4	25
29	China Southern Airlines Co Ltd	Dec 08	8.104	2	25	1	8	5	17
30	US Airways Group Inc.	Dec 08	12.118	1	22	15	1	12	31
31	UAL Corp	Dec 08	20.194	1	28	6	1	1	1
32	China Eastern Airlines Corp. Ltd.	Dec 08	6.130	1	30	1	12	1	1

THY ranked No.2 in the financial health* category

* Representing a measure of an airline's overall financial strength based on assessments of solvency, current ratio, fixed-charge coverage, mix of debt and equity capital, operating income margin and debt service cover.

- › 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
 - › Included in MSCI Global Standard Indices as of November 2009

Substantial cost advantage over rivals

- › Labor costs only 1,18€ cent per ASK (Austrian: 2,63€ cent, Lufthansa :2,85€ cent, SAS: 4,95€ cent, British: 1,59€ cent, Iberia: 2,06)
- › Profitable with room for further cost reductions

TURKISH AIRLINES



TC-JPA

THANK YOU

Turkish Airlines Inc.

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AIRBUS A320

TC-JPA

Air
PO

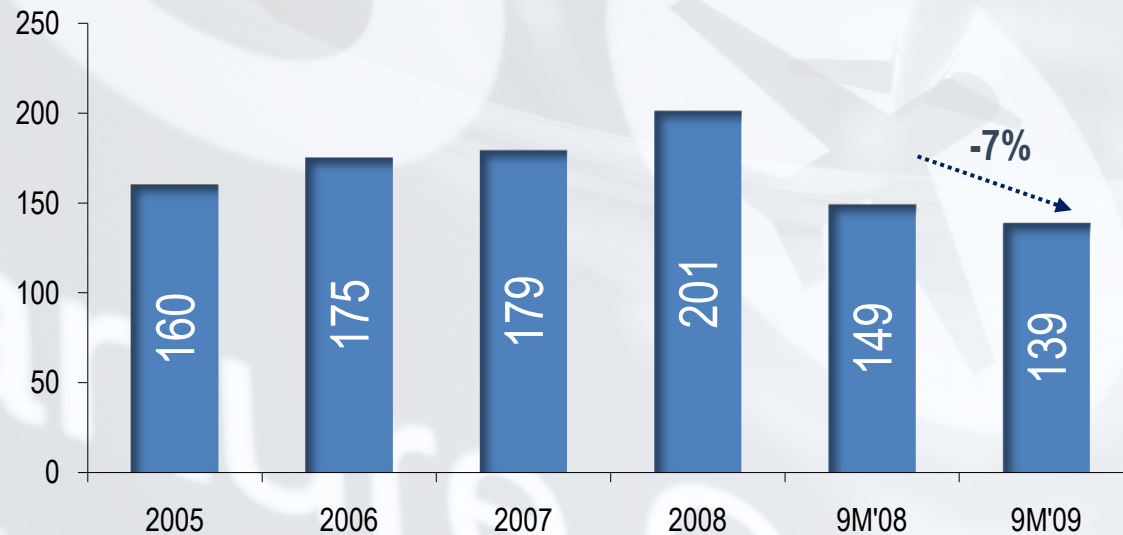
TURKISH CARGO

› Turkish Cargo

- › Leading cargo carrier in total export and import cargo in Turkey.
- › Operates 22 destinations with its 4 A310-300 freighters besides 156 destinations with 131 passenger aircraft.
- › During the 9M'09 posted revenue was 139 million Euro, carried cargo was 162,158 tons.



Cargo Revenue (€ Mn)

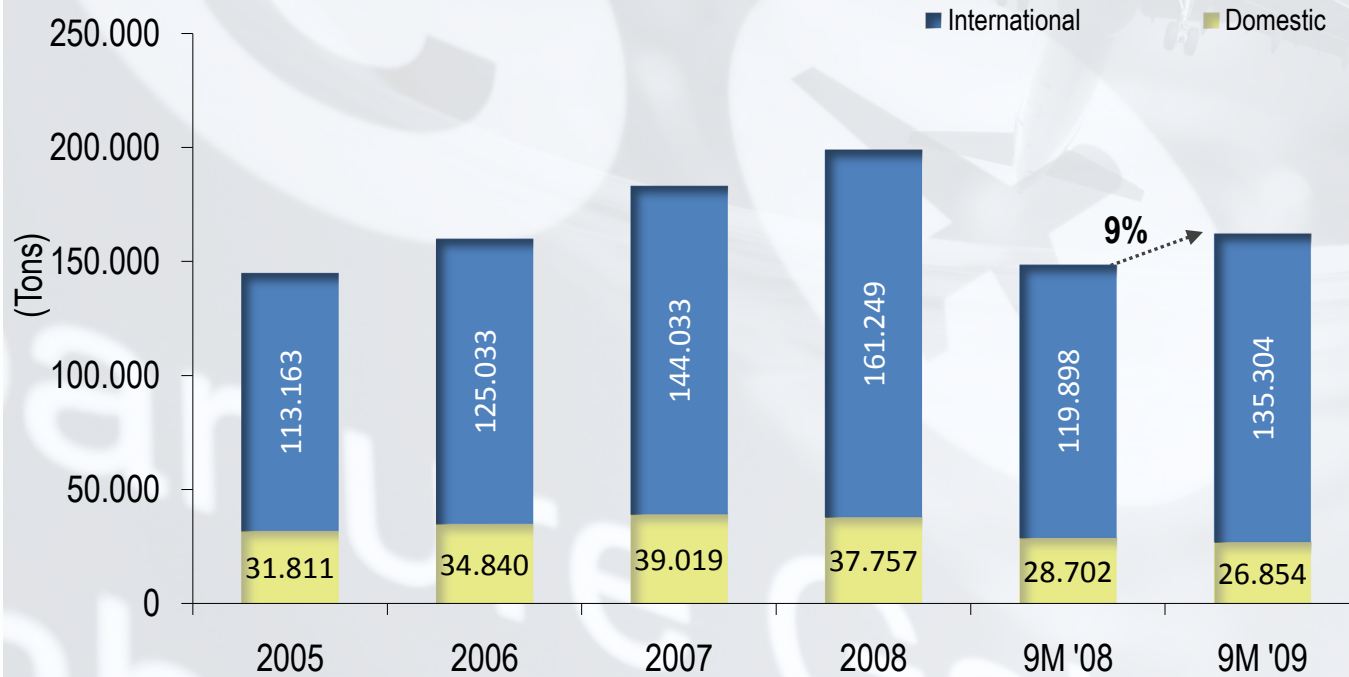


- › Cargo revenue has increased by 12% in 2008 compared to 2007. However, for the nine months of 2009, it has decreased by 7% compared to the same period of 2008.

Plans to Enlarge Freighter Fleet
Aiming Higher Cargo Revenues

Source: Company

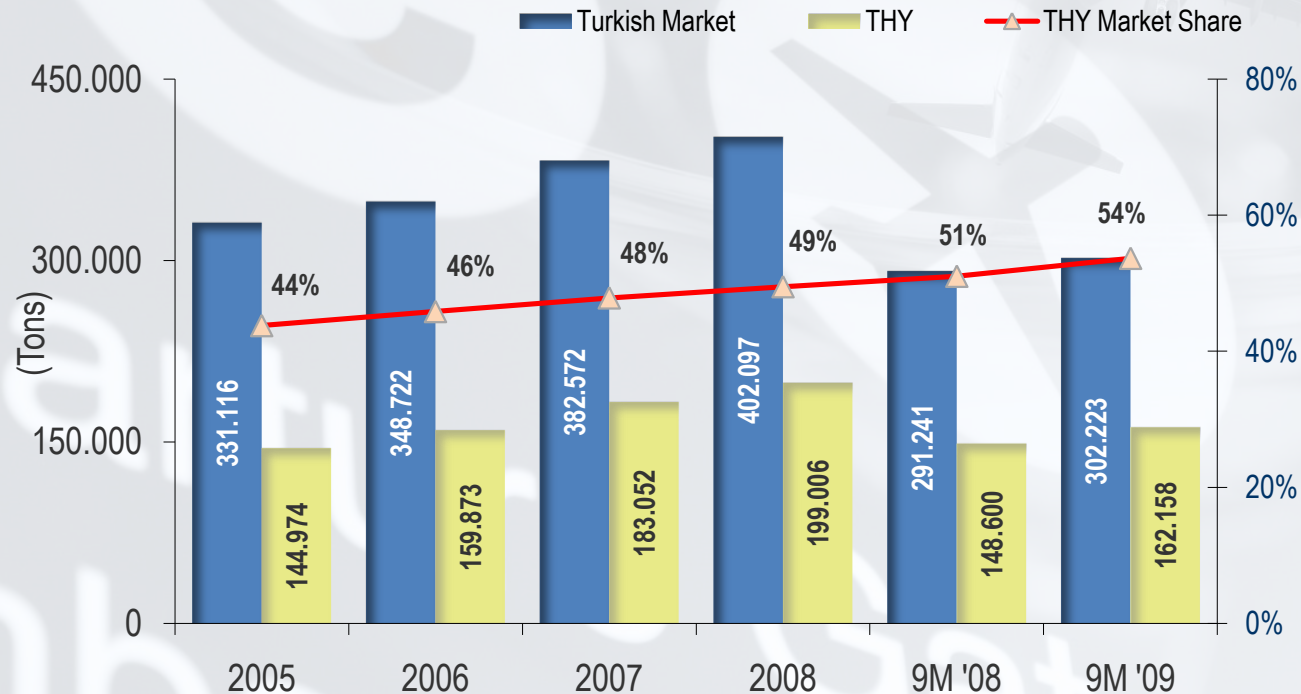
THY - Cargo



- › Domestic and international breakdown is consistent over the years.
- › As of January - September 2009, THY has carried total of 162.158 tons cargo, indicating 9% increase compared to the same period of 2008.

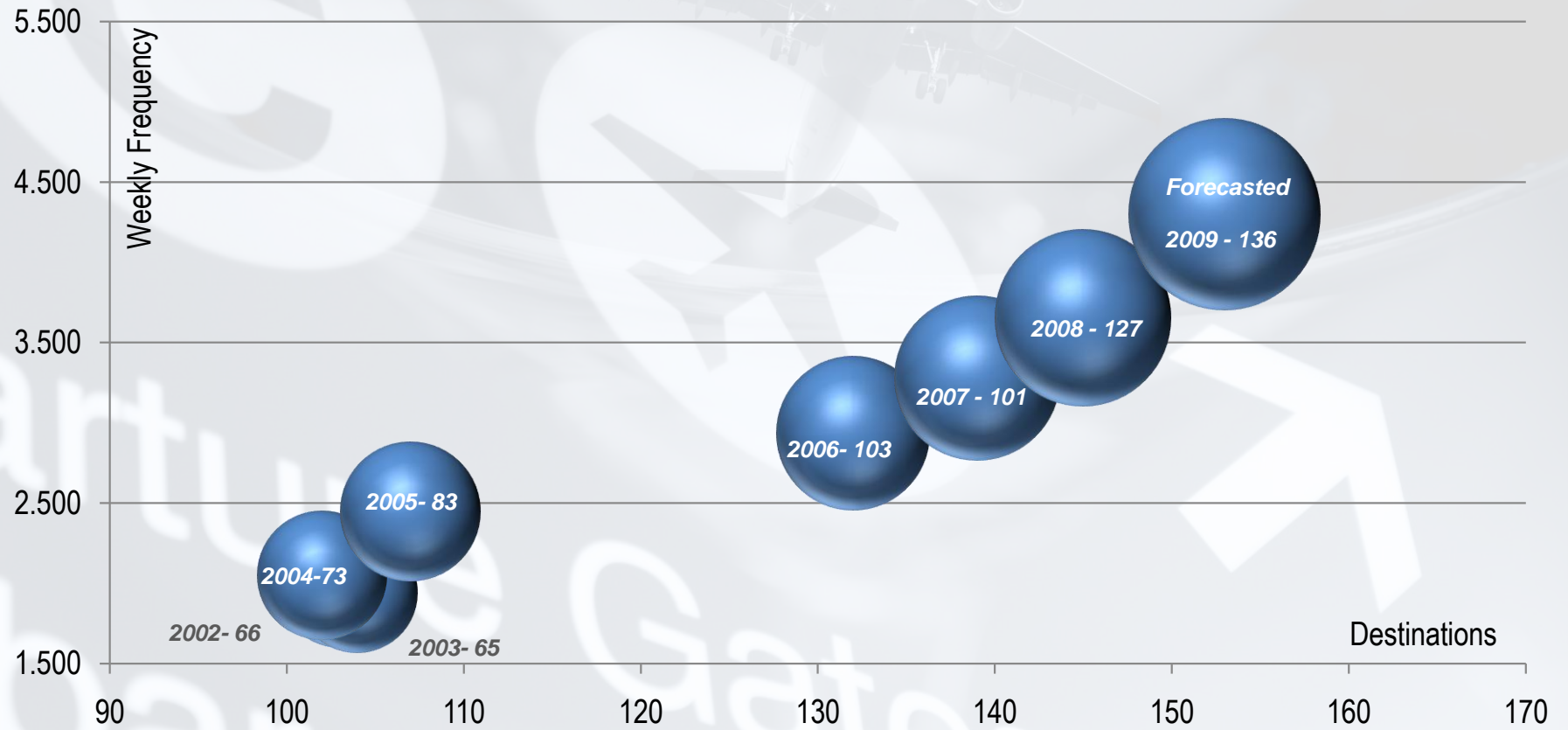
Source: Company

Turkish Cargo Market vs THY



- › As of Jan-Sep'09, THY increased its market share in Turkish cargo market from 51% to 54%.
- › According to the Fleet Plan, decision made to purchase 2 Airbus cargo aircraft A330-200F, which will be received in the year 2010 and 2011.

Source: Company



Assets (in € Mn)	2005	2006	2007	2008	9M '08	9M'09	09/'08
Cash and Equivalents	304	197	281	236	198	476	141%
Net Trade Receivables	121	135	144	163	234	221	-6%
Other Current Assets	95	241	445	825	802	461	-42%
Total Current Assets	520	573	870	1.224	1.234	1.158	-6%
Net Fixed Assets	1.657	1.667	1.891	2.359	2.299	2.271	-1%
Other Long Term Assets	224	155	117	113	125	551	340%
Total Long Term Assets	1.882	1.822	2.008	2.471	2.424	2.822	16%
Total Assets	2.402	2.395	2.878	3.695	3.659	3.980	9%
Liabilities (in € Mn)	2005	2006	2007	2008	9M '08	9M'09	09/'08
Short Term Lease Obligations	113	118	132	196	178	186	4%
Accounts Payable	161	172	213	203	219	242	11%
Passenger Flight Liabilities	149	174	222	206	230	284	23%
Other Current Liabilities	332	113	127	167	202	235	16%
Total Current Liabilities	755	577	694	773	829	946	14%
Long Term Lease Obligations	540	780	918	1.307	1.166	1.228	5%
Retirement Pay Provision	72	63	77	67	78	68	-13%
Other Long Term Liabilities	249	106	109	154	155	187	21%
Total Long Term Liabilities	861	949	1.104	1.528	1.399	1.483	6%
Share Capital	116	99	139	84	97	418	329%
Change in Hedging Reserves	0	0	0	0	0	-6	-
Accumulated Loss /Income	-596	-336	-230	0	0	399	-
Net Profit For the Year	87	97	155	530	371	220	-41%
Total Shareholders Equity	786	869	1.081	1.395	1.431	1.551	8%
Total Liabilities & Shareholders Equity	2.402	2.395	2.878	3.695	3.659	3.980	9%

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

Income Statement (in Euro mn)	2005	2006	2007	2008	9M'08	9M'09	09/08 %
Operating Revenues	1.860	2.247	2.734	3.228	2.367	2.365	0%
Operating Expenses	-1.804	-2.199	-2.449	-2.894	-2.124	-2.079	-2%
Operating Profit	56	48	285	334	243	285	17%
Income From Other Operations	255	153	127	30	117	35	-70%
Loss From Other Operations	-166	-34	-6	-54	-3	-19	568%
Income Before Financial Income/(Expense)	145	167	407	310	357	301	-16%
Income/Loss due From Asset Valuation			9	2	3	10	264%
Financial Income			174	753	167	77	-54%
Financial Expense	-36	-62	-380	-376	-91	-90	-1%
Income Before Taxation	109	105	209	688	436	298	-32%
Taxation	-26	-6	-59	-90	-87	-75	-13%
Net Income	83	99	149	598	349	223	-36%

In converting the TRY reported results to EURO, the period average EURO exchange rates were used

Subsidiaries

- › **THY Technic A.S.(Consolidated)**
 - › **Turkish Engine Center**
- › **Anadolu Jet (to be Established)**
- › **THY Do & Co Catering A.S. (Equity Pick-up)**
- › **TGS Ground Handling Inc. (Equity Pick-up)**
- › **JP`B&H Airlines`d.o.o.Sarajevo (Equity Pick-up)**
- › **Sun Express A.S. (Equity Pick-up)**
- › **THY Academy (to be Established)**
 - › **THY Flight Training**
- › **THY OPET Havacılık Yakıtları A.S**

TURKISH TECHNIC A.S.

› THY Technic A.S.(Consolidated)

- › Owned 100% by THY.
- › During the 9M'09 posted revenues and net income was 236.4 mn€ and 23.9 mn€ respectively.
- › Provides maintenance services to more than 100 customers, including international airlines such as Lufthansa, KLM, BA and Alitalia as well as domestic airlines.
- › Main goal is to become one of the biggest MRO Center in the region.
- › HABOM (Maintenance Repair & Overhaul Center) Project will be launched by THY Technic.
- › 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.



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

TURKISH ENGINE CENTER

› Turkish Engine Center

- › In 2008, THY Technic and Pratt & Whitney signed a joint venture to establish a new company, Turkish Engine Center, under HABOM Project
- › Operations expected to start in December 2009.
- › Owned 51% - 49% by Pratt&Whitney and THY Technic, respectively.
- › Established to provide engine maintenance, repair and overhaul (MRO) services to customers located in Turkey, surrounding regions and worldwide.
- › The new environmentally efficient CFM56® and V2500 engine overhaul facility is planned to be comprised of approximately 25,000 sq. meters located at the Sabiha Gokcen International Airport.
- › Expect around 180 mn\$ revenue in 2010.

ANADOLU JET

› Anadolu Jet (To be Established)

- › Anadolu Jet has been registered as a sub-brand of Turkish Airlines as of February 2008.
- › Based in Ankara operating domestically with full economy B737 aircraft, Anadolu Jet offers low cost and attractive ticket prices.
- › As of November 2009, Turkish Airlines has decided Anadolu Jet to continue its operations as a separate airline company, which will be owned 100% by THY.
- › The establishment of the new company is still under process.



THY DO&CO CATERING A.S.

- › **THY Do & Co Catering A.S. (Equity Pick-up)**
 - › Owned 50% - %50 by THY and Do & Co Restaurants & Catering A.G.
 - › Since 2007, operating nine gourmet kitchens all over Turkey: Istanbul (Atatürk and Sabiha Gökçen), Ankara, Antalya, Izmir, Bodrum, Trabzon, Dalaman and Adana. Over 60 national and international airlines are catered from these locations.
 - › During the 9M'09 posted revenues and net income was 92.1 mn€ and 6.3 mn€ respectively.



› TGS Ground Handling Inc. (Equity Pick-up)

- › Registered on August 28th, 2008 to Commerce Registry.
- › At the end of Sep'09, posted revenues and income was 413 € and 104.4 thousand €, respectively.

› JP`B&H Airlines`d.o.o.Sarajevo (Equity Pick-up)

- › Owned 49% by THY.
- › Founded in 1994 as Bosnia Herzegovina's national airline under the name Air Bosna.
- › During the 9M'09 posted revenues and loss was 6.8 mn€ and 3.1 mn€, respectively.



SUN EXPRESS

› Sun Express A.S. (Equity Pick-up)

- › Founded in October 1989 as a subsidiary company of Lufthansa and Turkish Airlines.
- › Owned 50% - 50% by THY and Lufthansa, respectively.
- › Market leader in charter flights between Germany and Turkey.
- › Flies to/from 22 airports in Germany, 19 in Turkey and 65 in other countries.
- › Fleet consisted of 20 aircraft; 17 B737& 3 B757 aircraft with total seat capacity of 3,855 as of September 2009.
- › Carried 4,081,966 passengers in 9M'09, by achieving load factor of 79.4%.
- › As of September 2009, number of personnel:1,235
- › During the 9M'09 posted revenues and net income was 323.5 mn€ and 17.6 mn€ respectively.



THY ACADEMY

› THY ACADEMY(To be Established)

- › One of the most outstanding training centers in the aviation industry.
- › Has been applying ISO 9001 Quality Management System since 1998.
- › Gives training services about 10.000 people each year with its trainers, specialized in their areas.
- › Addresses the training needs of cargo and passenger agents, universities and other airlines besides Turkish Airlines.

› Gives training at the areas which are given below:

- Technic: including Airbus, Boeing and RJ70/100 trainings
- Reservation
- Ticketing
- Cargo Operations
- Passenger Services
- Ground Handling
- Computer
- Personal Development and Quality



› THY Flight Training

- › Turkey's sole flight training center, certified by Type Rating Training Organization (TRTO) offers training in line with the standards of JAR-FCL.
- › THY not only address airlines within co-partnerships, but also other airlines.
- › Turkish Airlines Flight Training Center offers:
 - › **Cockpit Crew Training**
 - › **Cabin Crew Training**
 - › **Simulators**
 - › 4 full flight simulators for RJ-100, B737-400, B737-800 and A320s aircraft
 - › A340 "Business class", B737 "Economy Class" Cabin Service Trainer(CST)B737/A310/A340 Cabin Emergency Evacuation Trainer(CEET)
 - › **Ground Training**
 - › **Turkish Flight Academy**

› Turkish Flight Academy

- › Founded on November 2004 as a result of a need for new flight personnel for THY.
- › Started training with 16 pilot candidates on May 2006.
- › Giving 210 hours flight training and 1200 hours ground training.



2 new simulators (A320-A330/340) will be in service as of 2010

THY OPET HAVACILIK YAKITLARI A.S.

› THY Opet Havacılık Yakıtları A.S

- › In terms of investment on jet fuel supply; Turkish Airlines established a jet fuel supply company together with local oil retailer OPET on the 18th of September 2009.
- › Owned 50% - %50 by THY and OPET.
- › The business activity of the established company is to supply jet fuel to any type of aircraft.



› Safety:

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. The Flight Safety Department that has direct access to the Accountable Manager is in charge of the management and oversight of the system’s safety. In addition to its audits, it also implements the Flight Data Monitoring System, makes informal Line Observations and investigates the occurrences and reports (mandatory/voluntary) to promote safety.

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. 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.

› Quality:

Turkish Airlines adopted TS-EN ISO 9001:2000 Quality Management System (QMS) in 2006. Quality Assurance Directorate which is also connected directly to Accountable Manager is in charge of the implementation and oversight of the quality system. The departments within this directorate are; Flight Operations, Ground Operations, Technic, Cabin, Flight Training, Quality Management and Improvement. 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 mid of 2009.

In addition to 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).