



TURKISH AIRLINES

A STAR ALLIANCE MEMBER 



3Q'24 RESULTS



November 2024

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2024 EXPECTATIONS

3Q'24 at a Glance

Awards

Received three aircraft financing awards from 'Airline Economics'

- European Overall Deal of the Year
- European Supported Finance Deal of the Year
- European CFO of the Year



Financing

- Became the first airline to secure Chinese Yuan denominated aircraft financing outside of China
- Secured our First Sustainability-Linked Loan



Commercial

- Miles&Smiles reached 20 million members
- Expanded NDC Program with new partners
- Showcased our new Business Class Crystal Suites





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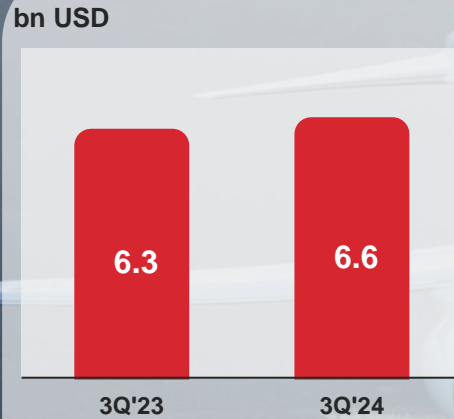
Passenger Capacity

5% higher annually.
Exceeded 2019 level by **c.33%**.



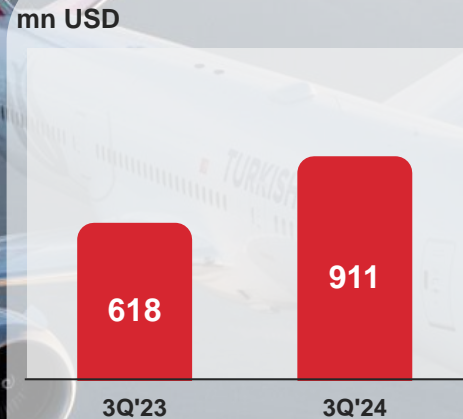
Total Revenues

Grew by **5%** on the back of substantially higher cargo revenue.



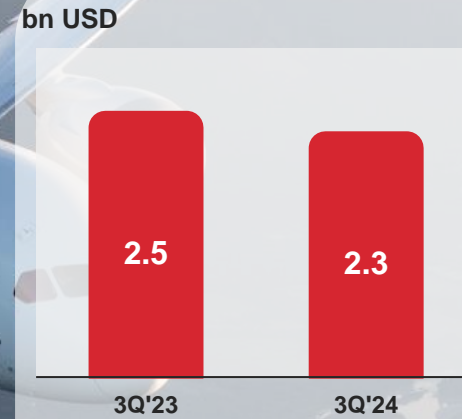
Cargo Revenues

Surged by **47%** as Turkish Cargo capitalized on robust demand originating from Asia.



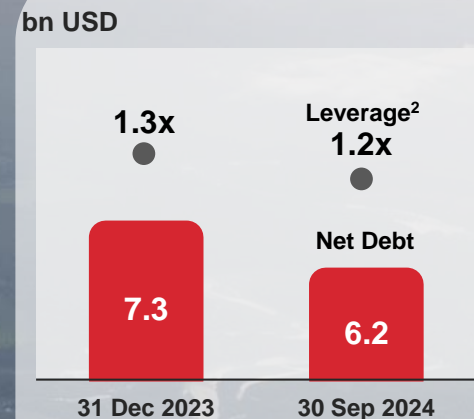
EBITDAR

Down by **8%** due to continuing cost pressures (i.e. personnel and GTF grounding expenses) and the conflict in M.East.



Net Debt & Leverage²

Net Debt improved by **1.1 bn USD** compared to year-end.



¹ASK: Available Seat Kilometers
²Leverage: Net Debt / LTM 3Q'24 EBITDAR

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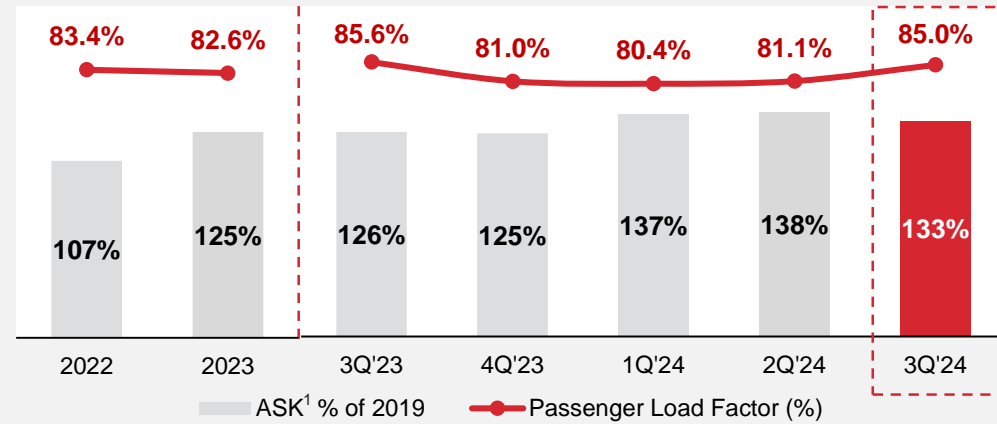
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2024 EXPECTATIONS

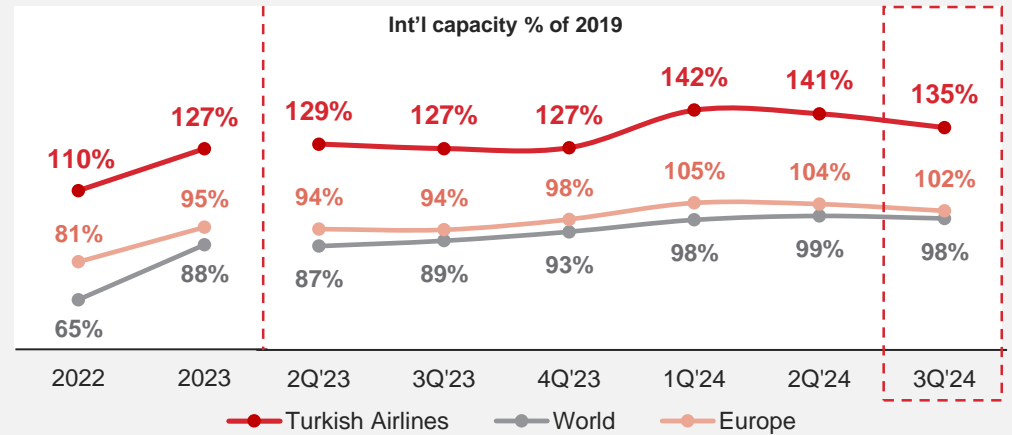
Capacity and Demand Development

In 3Q'24, we surpassed 3Q'19 ASK by 33% and LF by 1.4 pp.



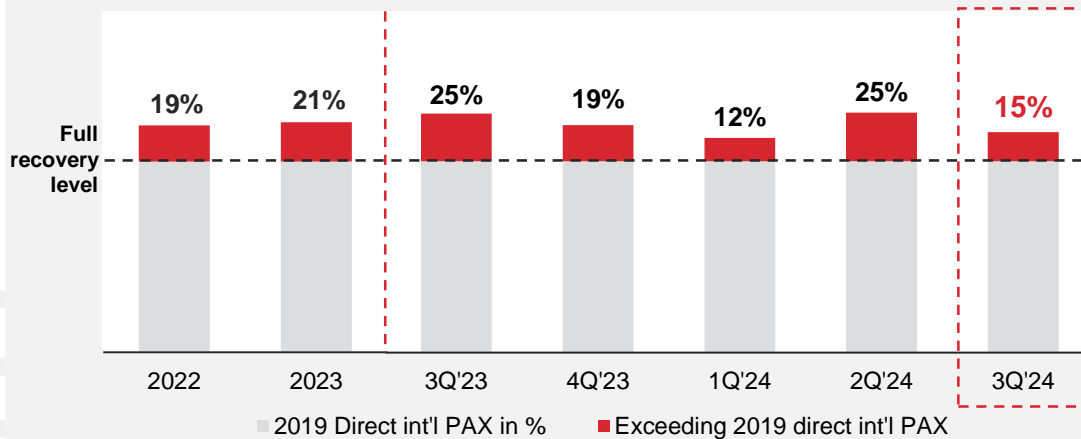
¹ASK: Available Seat Kilometers

As a proportion of the pre-pandemic level, our int'l passenger capacity remains substantially above European and Global averages.



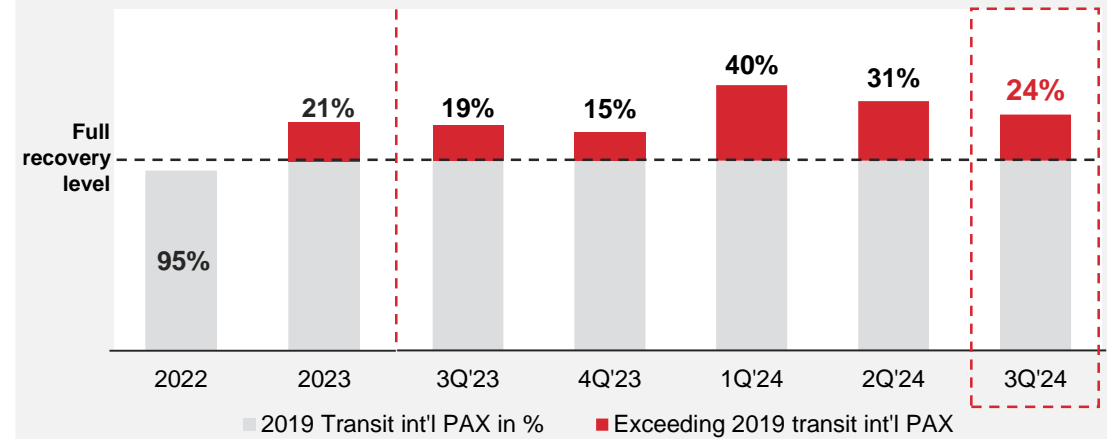
Source: IATA

Number of direct international passengers recorded materially above pre-pandemic levels in the last three years.



Direct Int'l PAX: International passengers travelling to/from Türkiye carried by Turkish Airlines.

Performance of our international transit segment continues to be robust.

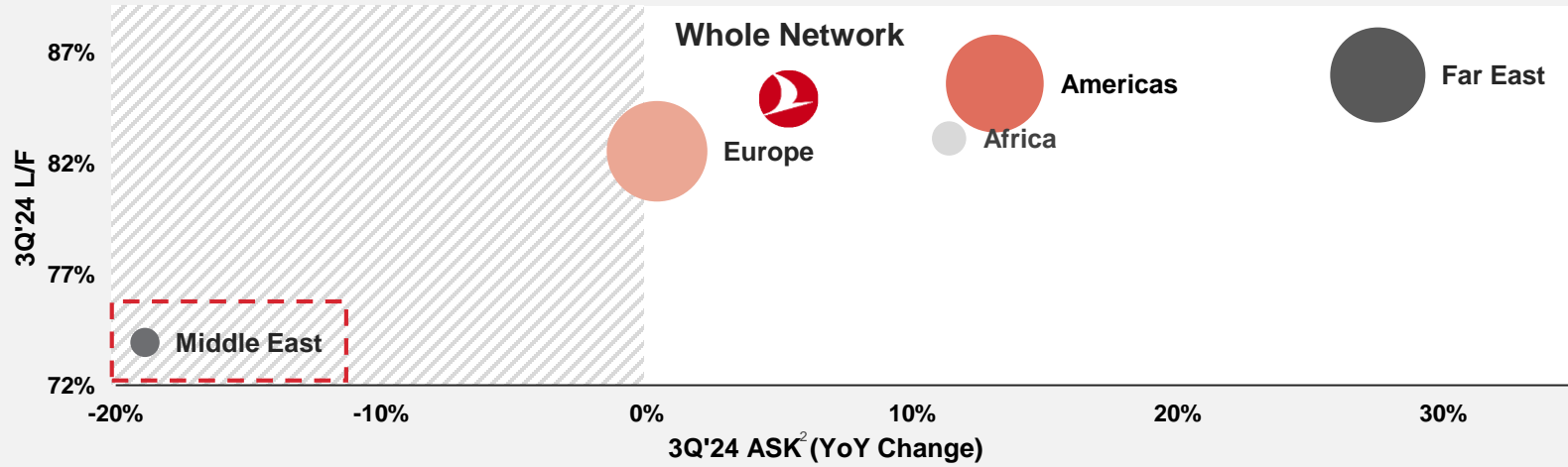


Transit Int'l PAX: International passengers excluding direct.



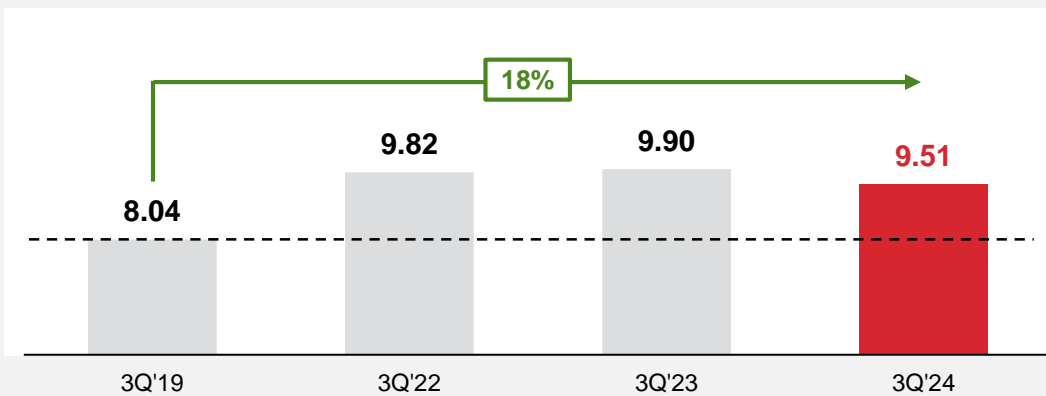
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3Q'24 Regional Capacity and Load Factor¹



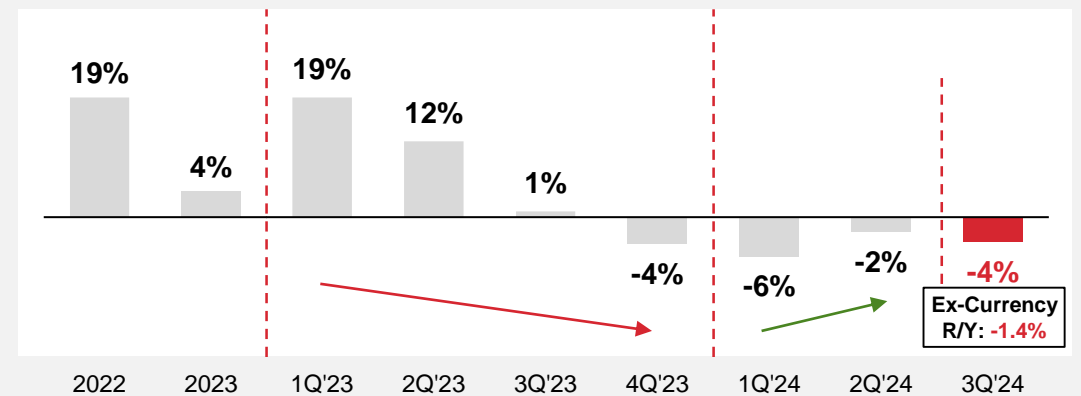
R/Y³ Development (USc/per km)

Higher R/Y level compared to pre-pandemic level



R/Y Change (Year-over-Year)

R/Y recovery interrupted by geopolitics and aircraft delivery delays.



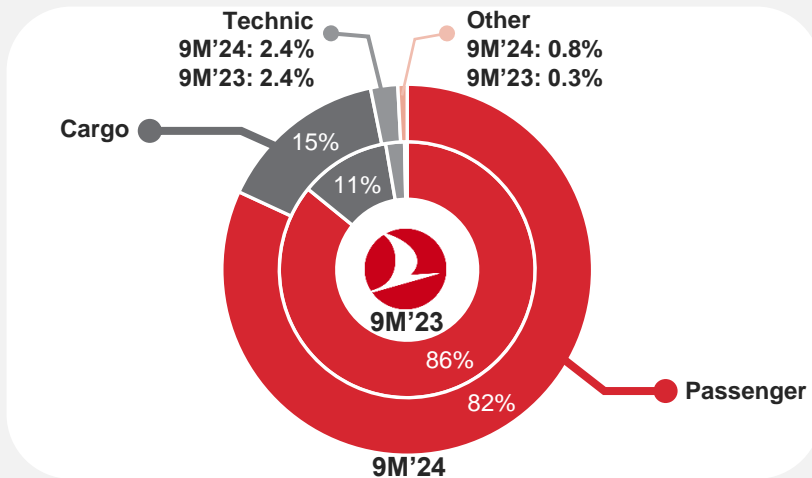
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¹ The scale of the bubbles represent regional ASK contribution. Data contains only scheduled flights.

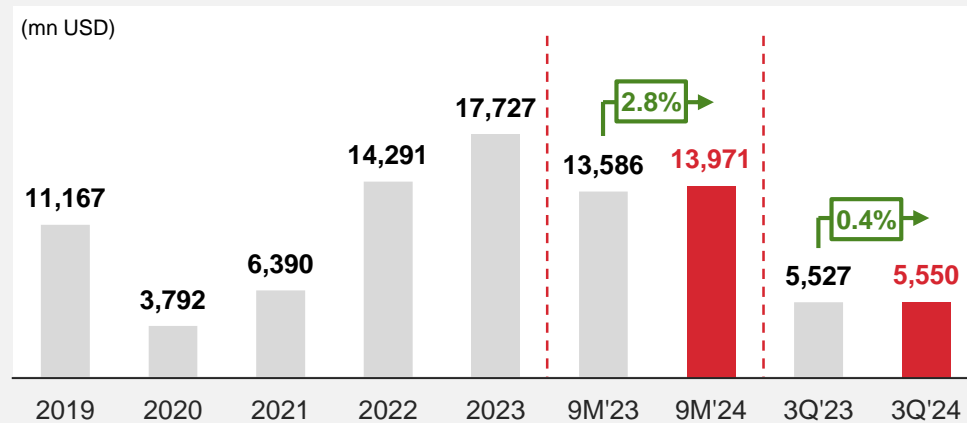
² ASK: Available Seat Kilometers

³ Revenue Yield (R/Y): Total Passenger Revenue / Revenue Passenger Kilometers

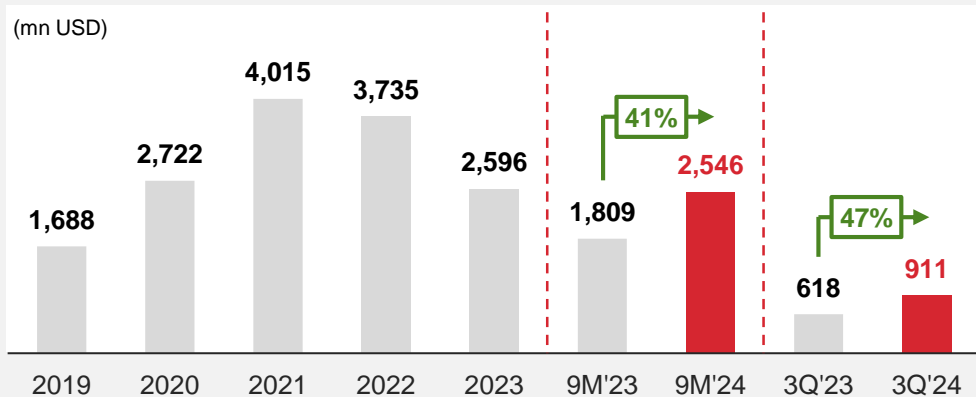
Revenue by Business Type



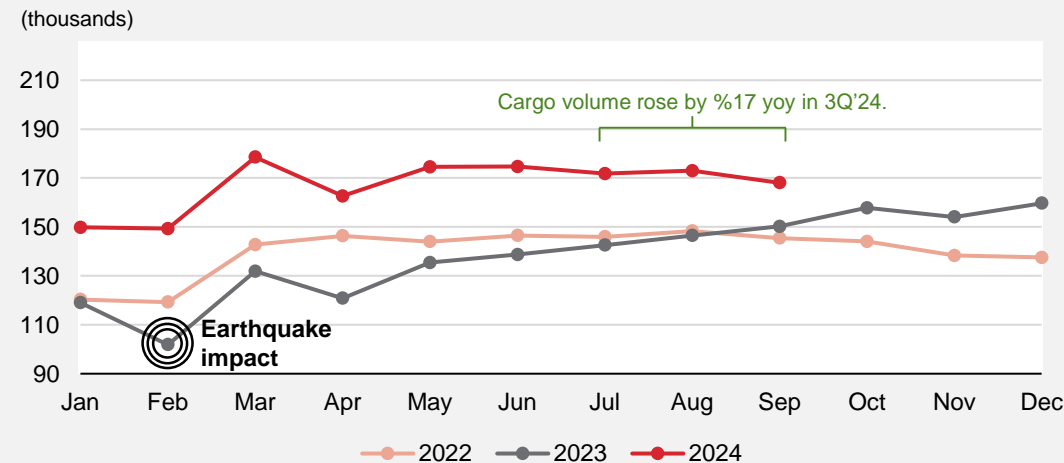
Passenger Revenue Evolution



Cargo Revenue Evolution

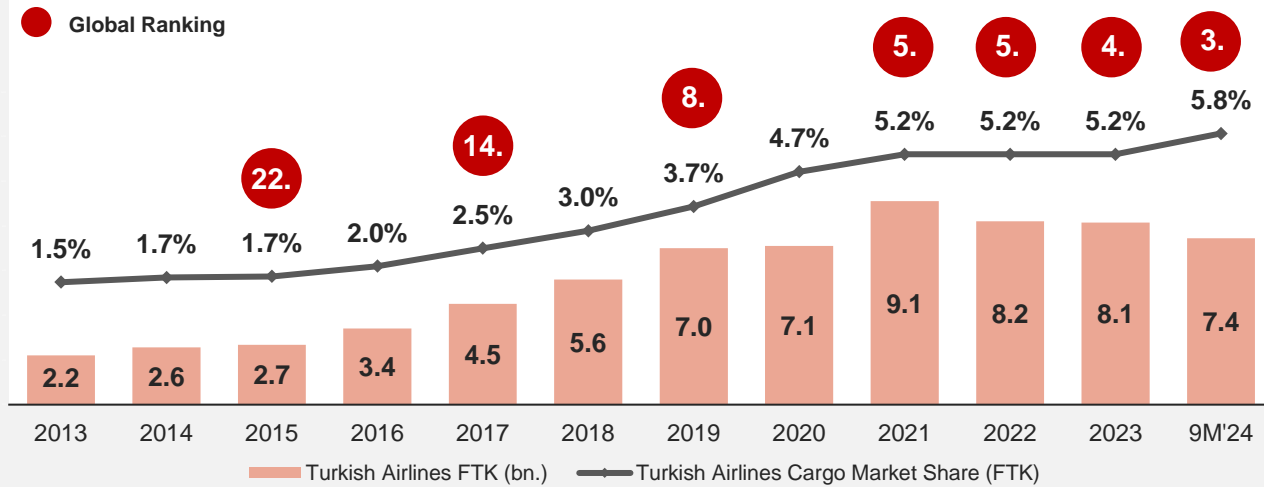


Monthly Cargo Volume

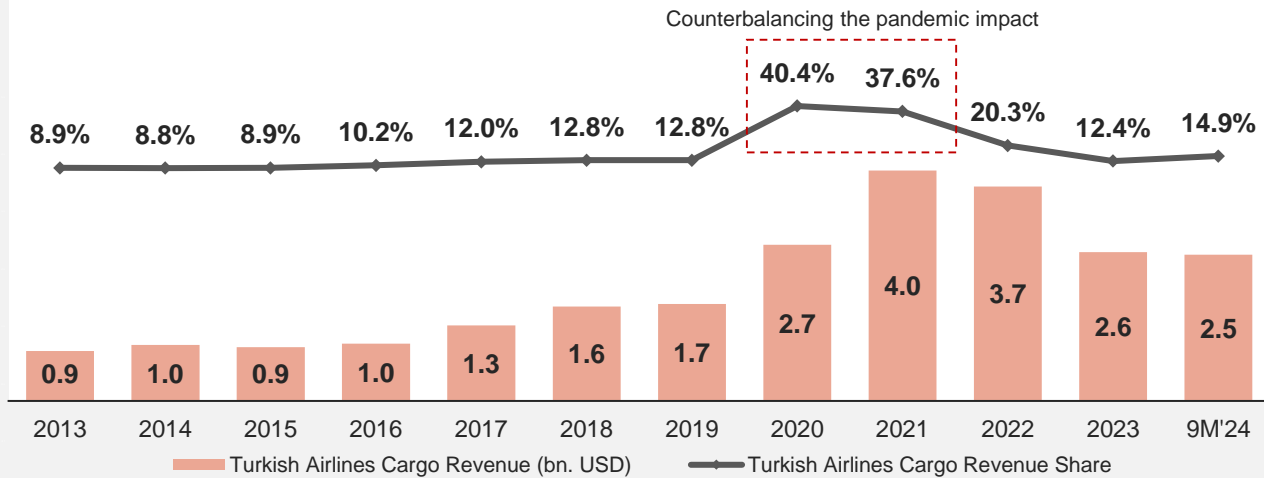


Robust growth of Turkish Cargo continues

Market Share Development (FTK)¹



Turkish Cargo Revenue Development



Overview

Flies to **133** countries / **367** destinations with **23** freighters and **451** passenger aircraft as of Sep 2024.

Ranks **3rd** globally in terms of FTK¹ in 9M'24.

Operates in **SmartIST**, one of the largest air cargo terminals in the world.



Opportunities

- Türkiye's ideal location as a global hub and increasing trade volume
- Penetration into the fast-growing express cargo segment (e-commerce)
- Growth opportunities in Asia through JVs and commercial partnerships
- Integrated solutions for intermodal transportation

Incorporation

- Incorporated in 2023 as a spinoff of AnadoluJet brand
- Independently operational since April 2024

Fleet Renewal

- Decreasing unit costs with more efficient and high density new generation aircraft entries

Expanding Network

- Increasing depth and breadth of the network with an international focus
- Penetration to high growth leisure and ethnic travel market

Digital Transformation

- Generating ancillary revenue by merchandising and unbundling
- Higher proportion of online ticket sales



Increased Focus on International Operations

	2019	2023	9M'23	9M'24
Number of Aircraft	31	91	85	102
Number of Routes	129	177	171	161
International Share of its Capacity ¹ (%)	13.3%	61.3%	61.4%	60.8%
Int'l Market Share ² in Istanbul Sabiha Airport	18%	25%	25%	23%
Number of Passenger (mn)	14.6	20.9	16.0	16.6
Capacity ¹ (bn ASK)	11.2	27.4	20.9	21.3
Load Factor	87.5%	82.3%	82.8%	82.5%

¹ In terms of Available Seat Kilometers (ASK). ² In terms of Number of Landings.

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2024 EXPECTATIONS

3Q'23	3Q'24	Change	(USD mn)	9M'23	9M'24	Change
6,321	6,630	4.9%	Total Revenues	15,823	17,060	7.8%
5,527	5,550	0.4%	Passenger Revenue	13,586	13,971	2.8%
618	911	47.4%	Cargo Revenue	1,809	2,546	40.7%
151	120	-20.5%	Technic Revenue	375	404	7.7%
1,736	1,346	-22.5%	Profit From Main Operations	2,644	1,979	-25.2%
1,920	1,543	-19.6%	Net Income	2,788	2,712	-2.7%
30.4%	23.3%	-7.1 pt	Net Income Margin	17.6%	15.9%	-1.7 pt
2,543	2,334	-8.2%	EBITDAR	4,864	4,484	-7.8%
40.2%	35.2%	-5.0 pt	EBITDAR Margin	30.7%	26.3%	-4.5 pt
65.2	68.7	5.4%	ASK (Billion)	176.0	190.8	8.4%
8.53	8.59	0.7%	RASK2 (incl. ACTK)*	7.89	7.79	-1.3%
9.90	9.51	-4.0%	Revenue Yield (R/Y) (Usc)	9.29	8.90	-4.2%
25.2	24.5	-2.9%	Passengers Carried (Million)	63.9	65.1	1.8%
85.6%	85.0%	-0.7 pt	L/F (%)	83.1%	82.3%	-0.8 pt
439	513	16.8%	Carried Cargo Tons ('000)	1,187	1,502	26.5%

Financial Highlights (3Q'24)

Total Revenues exceeded 3Q'23 level by **5%**.

Cargo Revenues surged by **47%** due to strong demand from Far East.

EBITDAR Margin declined as a result of cost pressures.

A sizable contribution from our investment portfolio supported **Net Income**.

Unit Expenses

3Q'23	3Q'24	Change	(USc)	9M'23	9M'24	Change
2.60	2.42	-6.9%	Fuel	2.58	2.51	-2.9%
1.21	1.76	45.9%	Personnel	1.33	1.74	30.6%
0.80	0.91	14.2%	Aircraft Ownership ¹	0.89	0.99	10.4%
0.69	0.71	2.7%	Airports & Air Navigation	0.69	0.69	-0.6%
0.54	0.47	-12.9%	Sales & Marketing	0.57	0.53	-7.6%
0.49	0.56	15.2%	Ground Handling	0.52	0.58	10.3%
0.33	0.41	24.5%	Passenger Services & Catering	0.36	0.39	8.3%
0.43	0.44	2.0%	Maintenance	0.43	0.43	-0.2%
0.19	0.21	8.7%	Other	0.23	0.21	-9.1%
7.27	7.88	8.5%	CASK	7.61	8.05	5.8%
4.67	5.47	17.0%	Ex-Fuel CASK	5.03	5.55	10.3%
6.58	7.21	9.6%	CASK2 (incl. ACTK)²	6.87	7.25	5.5%
4.23	5.00	18.2%	Ex-Fuel CASK2 (incl. ACTK)²	4.54	4.99	9.9%

Highlights (3Q'24)

Fuel-CASK decreased by **7%** due to lower fuel prices.

Increase in **Ex-fuel CASK** driven by wages, GTF groundings and growing cargo operations.

Impact of GTF groundings on Ex-fuel CASK was around **1.5 pp**.

Sales & Marketing CASK declined by **13%** as a result of lower incentives and GDS expenses.

¹includes Depreciation and Aircraft Rent expenses.

CASK: Total Expenses / ASK (Available Seat Kilometers)

Ex-Fuel CASK: (Total Expenses - Fuel Expenses) / ASK

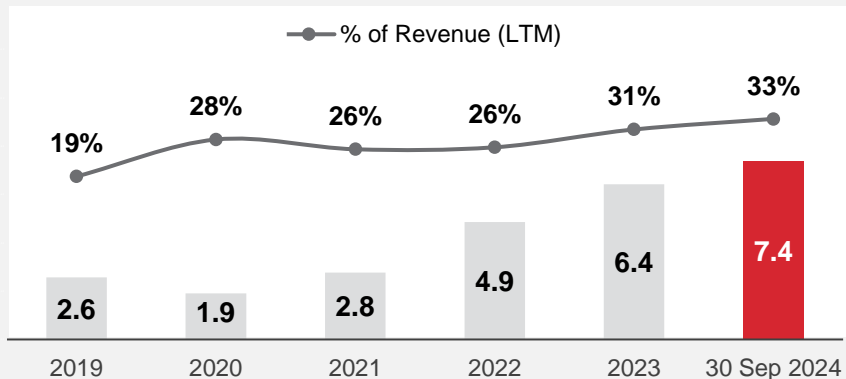
²CASK2: Total Expenses / ASK (Adjusted ASK by available cargo ton kilometer)

Ex-Fuel CASK2: (Total Expenses - Fuel Expenses) / ASK (Adjusted ASK by available cargo ton kilometer)

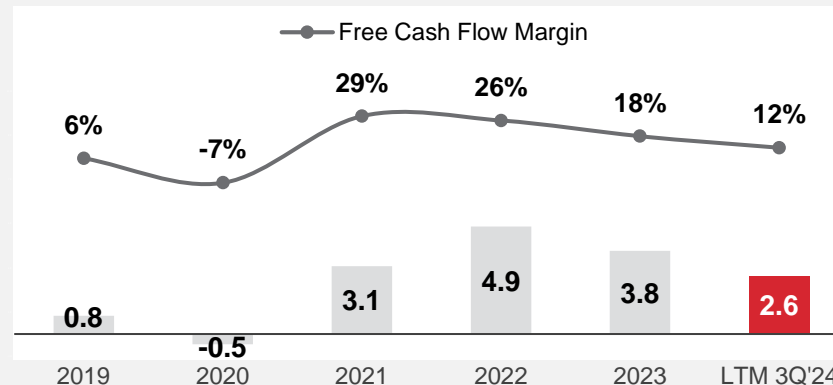
We have sound liquidity and comfortable leverage levels

Liquidity and Free Cash Flow

Liquidity¹ (bn USD)



Free Cash Flow² (bn USD)



Highlights

We have **~7.4 bn USD** liquidity as of Sep 30.

13.9 billion USD cumulative Free Cash Flow generation since 2021.

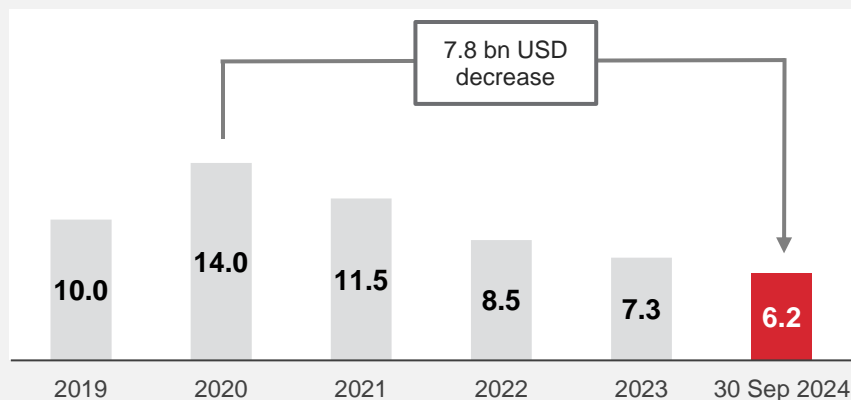
6.2 bn USD Net Debt as of Sep 30.

Net debt decreased by **7.8 billion USD** from its peak at the end of 2020.

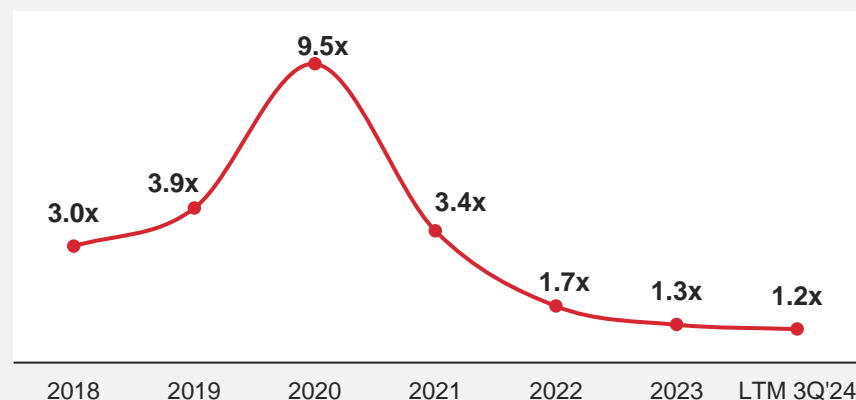
LTM Net Debt to EBITDA decreased to **1.2x** in 3Q'24.

Net Debt and Leverage

Net Debt³ (bn USD)



Net Debt to EBITDA



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¹ Liquidity: Cash & Cash eq.+ Financial Investments

² Free Cash Flow: Cash Flow from Operations - Net CAPEX

³ Net Debt: Total Debt - (Cash & Cash eq.+ Financial Investments + Short-term PDP Receivables + Restricted Cash)

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Passenger Capacity:

c.8% increase compared to 2023



Costs:

c.10 increase in Ex-fuel CASK compared to 2023



CAPEX:

Around 4 – 4.5 bn USD Gross CAPEX in 2024 including aircraft, engines and other investments



Fleet:

474 as of November 5

Year-end fleet expectation 493



New Int'l Routes in 2024:

Started:

Melbourne
Denver

Planned:

Sydney
Santiago

Network:

350 destinations
in 130 countries



Strategic Priorities

Leveraging our strengths and extracting value embedded in our business model

Targeting organic growth opportunities

Investing in efficiency and business excellence

Sustaining our competitive cost base

Preserving balance sheet strength and focus on shareholder returns



INVESTOR RELATIONS



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