

An aerial photograph of a Turkish Airlines Dreamliner aircraft in flight, banking to the right. The aircraft is white with a red tail fin featuring the airline's logo. The fuselage has "TURKISH AIRLINES" written in black, and "DREAMLINER" and "TC-LLC" are visible on the rear fuselage. The aircraft is flying over a dense urban area with a river and a suspension bridge in the background. The sky is a deep blue.

# Turkish Airlines Investor Presentation

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4Q'23 Results



# Key Financial Data

4Q'22	4Q'23	Change	(USD mn)	2022	2023	Change
4,772	5,119	7.3%	<b>Total Revenues</b>	18,426	20,942	13.7%
3,843	4,141	7.8%	Passenger Revenue	14,291	17,727	24.0%
814	787	-3.3%	Cargo Revenue	3,735	2,596	-30.5%
102	156	52.9%	Technic Revenue	367	531	44.7%
678	215	-68.3%	<b>Profit From Main Operations</b>	2,779	2,859	2.9%
473	3,233	583.5%	<b>Net Income</b>	2,725	6,021	121.0%
9.9%	63.2%	53.2 pt	Net Income Margin	14.8%	28.8%	14.0 pt
473	127	-73.2%	<b>Net Income Before Inf. Acc.</b>	2,725	2,915	7.0%
1,395	1,213	-13.0%	<b>EBITDAR</b>	5,377	6,077	13.0%
29.2%	23.7%	-5.5 pt	EBITDAR Margin	29.2%	29.0%	-0.2 pt
50,801	58,818	15.8%	<b>ASK (Million)</b>	201,735	234,839	16.4%
8.16	7.41	-9.2%	<b>RASK2<sup>1</sup> (incl. ACTK)</b>	7.92	7.77	-1.9%
9.07	8.69	-4.3%	<b>Revenue Yield<sup>2</sup> (R/Y) (Usc)</b>	8.79	9.14	4.0%
17,930	19,455	8.5%	<b>Passengers Carried ('000)</b>	71,818	83,378	16.1%
83.4%	81.0%	-2.3 pt	<b>L/F (%)</b>	80.6%	82.6%	1.9 pt

## Financial Highlights

**Total Revenues** exceeded 2022 level by **14%**.

**Passenger Revenue** increased by **24%** year-over-year.

**Cargo Revenue** decline slowed down to **3%** in the fourth quarter.

**EBITDAR Margin** was on par with last year at **29.0%**.

### Disclaimer:

This slide contains unaudited financial information to illustrate the effects of inflation accounting on our financials. It is prepared under the responsibility of our Board of Directors and the Executives responsible for financial reporting.



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<sup>1</sup> RASK2: Total Passenger and Cargo Revenue / ASK (Adjusted ASK by available cargo ton kilometer)

<sup>2</sup> Revenue Yield (R/Y): Total Passenger Revenue / RPK

## What is Inflation Accounting?

Applied when the Producer Price Index-PPI increase exceeds 100% over the past three years. This is the case for our statutory accounts prepared under the Tax Procedure Law (TPL).

Important for accurately representing the real value of non-monetary assets (such as aircraft) in financial statements for the relevant period.

From the year 2004 onward, the value of non-monetary assets will be updated to reflect the PPI index increase since their recording date.

## Effects on Turkish Airlines

Although the reporting currency for Turkish Airlines' international financial statements (IFRS) is the US Dollar, our financial statements prepared under the Tax Procedure Law (TPL) are denominated in Turkish Lira.

The most significant non-monetary asset in our TPL financial statements is aircraft. As a result, their values in Turkish Lira remained lower than their actual worth over the years.

Following the inflation adjustment of our non-monetary assets held in TPL financial statements, our IFRS and TPL reports converged.

## Effects on the Income Statement

(USD mn)	2023 Before Inflation Accounting	2023 As Reported	One-off Inflation Accounting Effect	Commentary
<b>Profit From Main Operations</b>	2,859	2,859	-	-
<b>Profit Before Tax</b>	3,580	3,641	<b>+63</b>	Inflation adjustments for our subsidiaries
Tax	-663	+2,380	<b>+3,043</b>	-
Effect of Deferred Tax Income From Inflation Adjustment		+3,043	<b>+3,043</b>	Reversal of Deferred Tax Liability on the Balance Sheet due to inflation adjustment on the Statutory Tax Accounts
<b>Net Profit</b>	2,915	6,021	<b>+3,106</b>	-

Inflation adjustments in our Tax-based financial statements resulted in reversal of Deferred Tax Liability in our IFRS Balance Sheet, and respectively recording one-off gain in the IFRS income statement.

After the adjustments, the differences between our IFRS statements and Tax-based financial statements decreased significantly.

## Financial Ratios

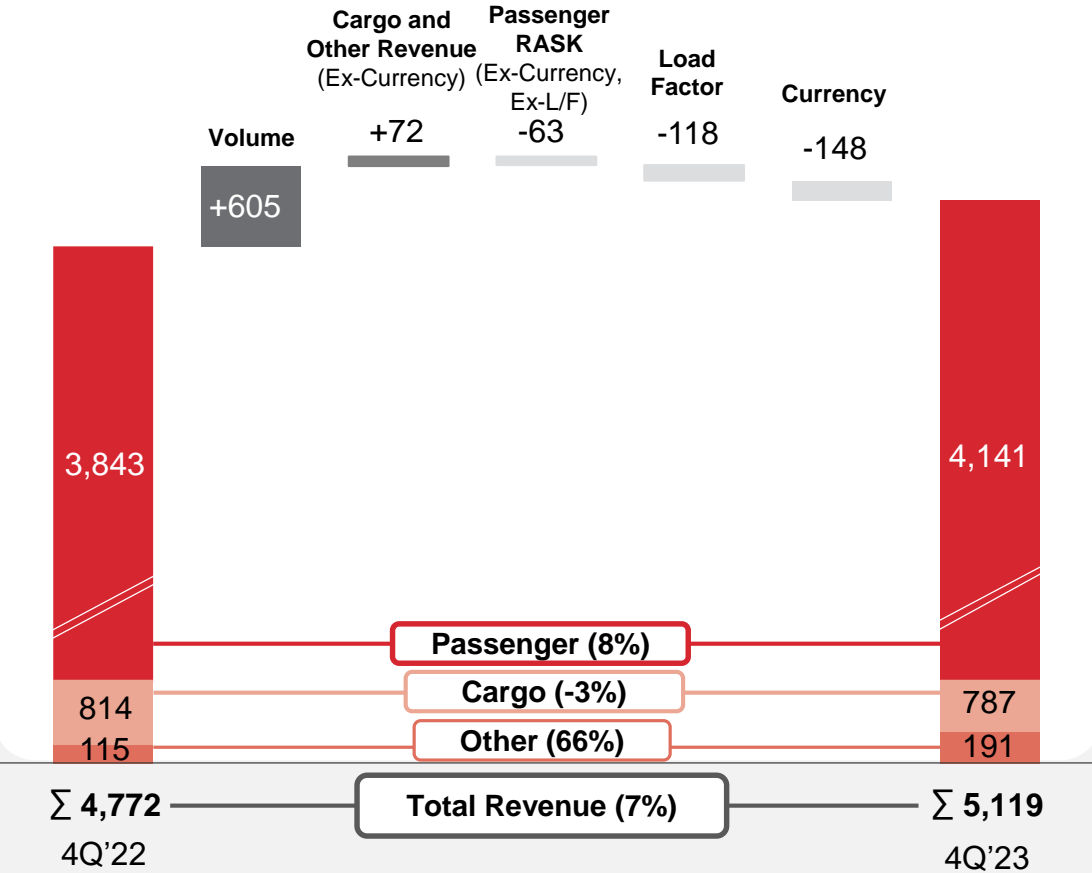
(as of 31.12.2023)	Before Inf. Acc.	After Inf. Acc.	Change
P/E	3.7	1.8	-52%
P/B	0.9	0.7	-20%
Net Debt/EBITDA	1.3	1.3	-1%
EV/EBITDA	3.3	3.3	-1%

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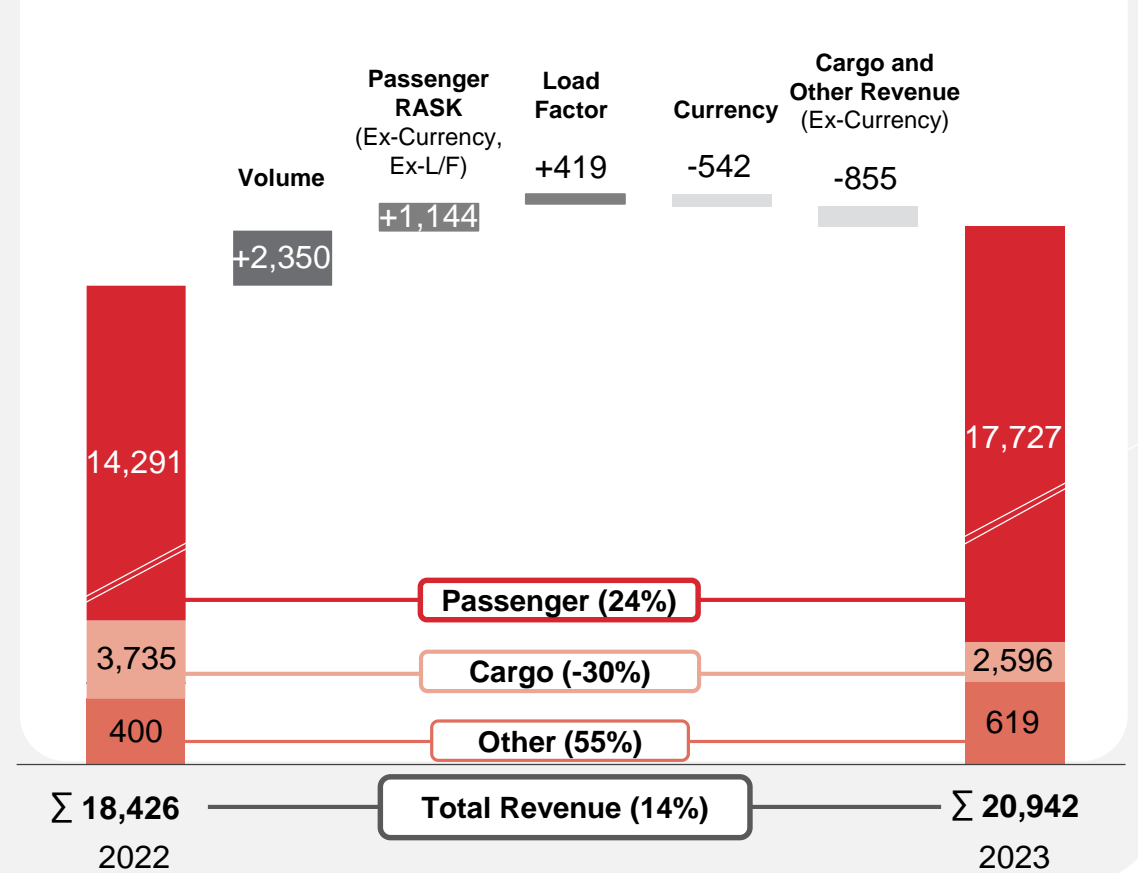
## Revenue Development (4Q'23 vs 4Q'22)

(mn USD)

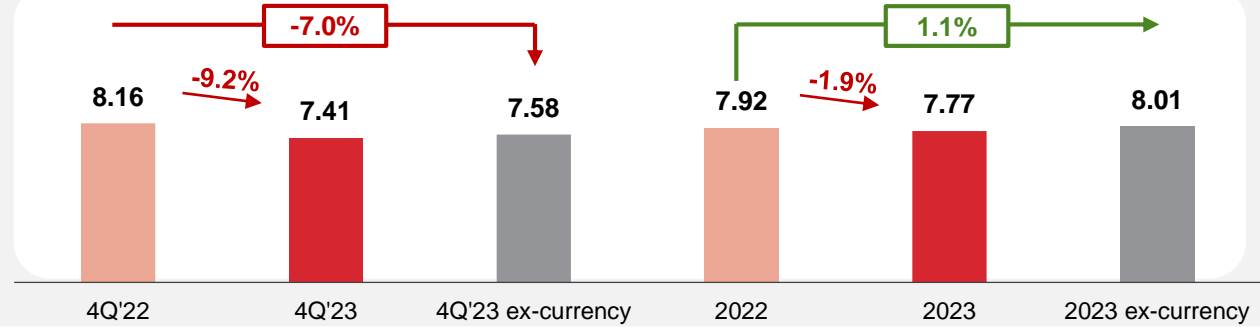


## Revenue Development (2023 vs 2022)

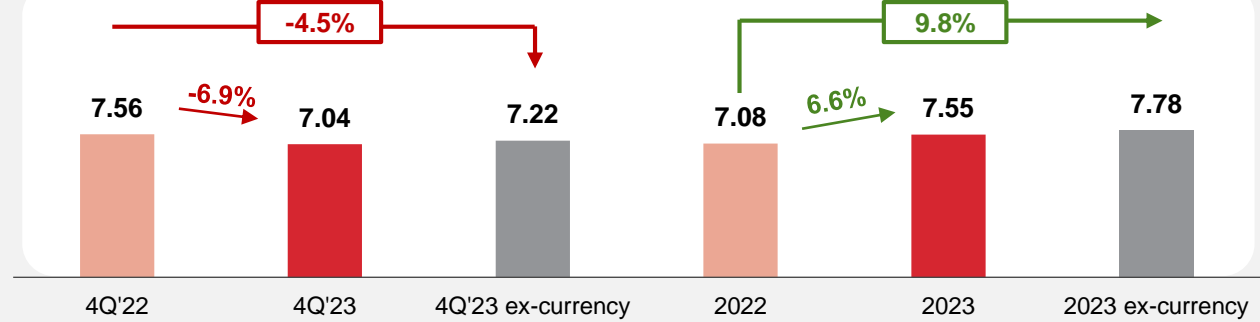
(mn USD)



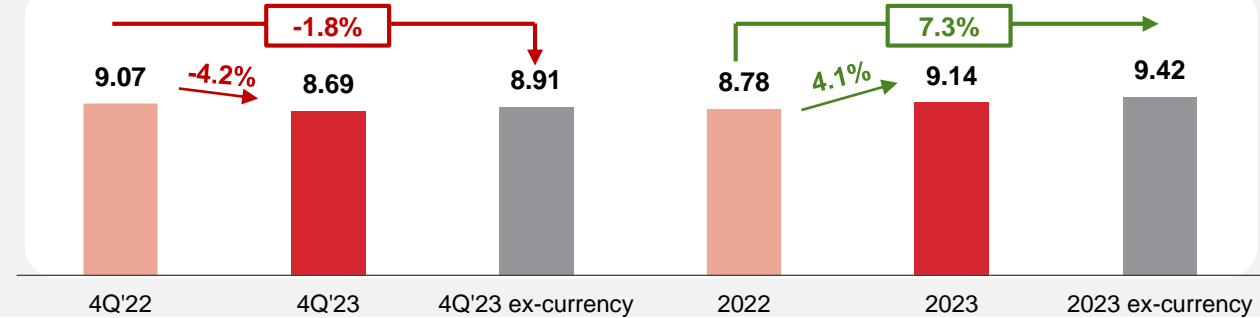
## RASK2 (incl. ACTK) (USc)



## Passenger RASK (USc)



## Revenue Yield (R/Y) (USc)



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RASK2: Total Passenger and Cargo Revenue / ASK (Adjusted ASK by available cargo ton kilometer)

Revenue Yield (R/Y): Total Passenger Revenue / RPK

Passenger RASK: Total Passenger Revenue / ASK

ASK: Available Seat Kilometers, RPK: Revenue Passenger Kilometers

# Regional Unit Revenue Change in USD (2023/2022)

## Americas

	4Q	12M
ASK	20.6%	10.0%
RASK2	-7.9%	4.5%
Passenger RASK	-3.6%	16.9%
R/Y	-0.2%	11.1%
R/Y ex-currency	0.3%	12.1%

## Europe

	4Q	12M
ASK	12.6%	9.4%
RASK2	-8.9%	3.5%
Passenger RASK	-8.0%	6.8%
R/Y	-3.7%	7.1%
R/Y ex-currency	-4.9%	7.2%

## Far East

	4Q	12M
ASK	32.3%	33.5%
RASK2	-10.0%	-11.2%
Passenger RASK	-5.3%	10.2%
R/Y	-4.3%	1.4%
R/Y ex-currency	-5.6%	2.1%

## Africa

	4Q	12M
ASK	6.3%	6.3%
RASK2	-8.0%	0.1%
Passenger RASK	-6.3%	5.0%
R/Y	-2.4%	3.5%
R/Y ex-currency	-3.6%	3.9%

## Middle East

	4Q	12M
ASK	-9.3%	23.0%
RASK2	-10.4%	-7.1%
Passenger RASK	-9.1%	-4.7%
R/Y	-5.2%	-0.7%
R/Y ex-currency	-6.0%	-0.8%

## Domestic

	4Q	12M
ASK	12.8%	23.5%
RASK2	-3.1%	-2.2%
Passenger RASK	-2.6%	-1.9%
R/Y	-1.0%	-0.1%
R/Y ex-currency	38.9%	32.6%



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RASK2: Total Passenger and Cargo Revenue / ASK (Adjusted ASK by available cargo ton kilometer)

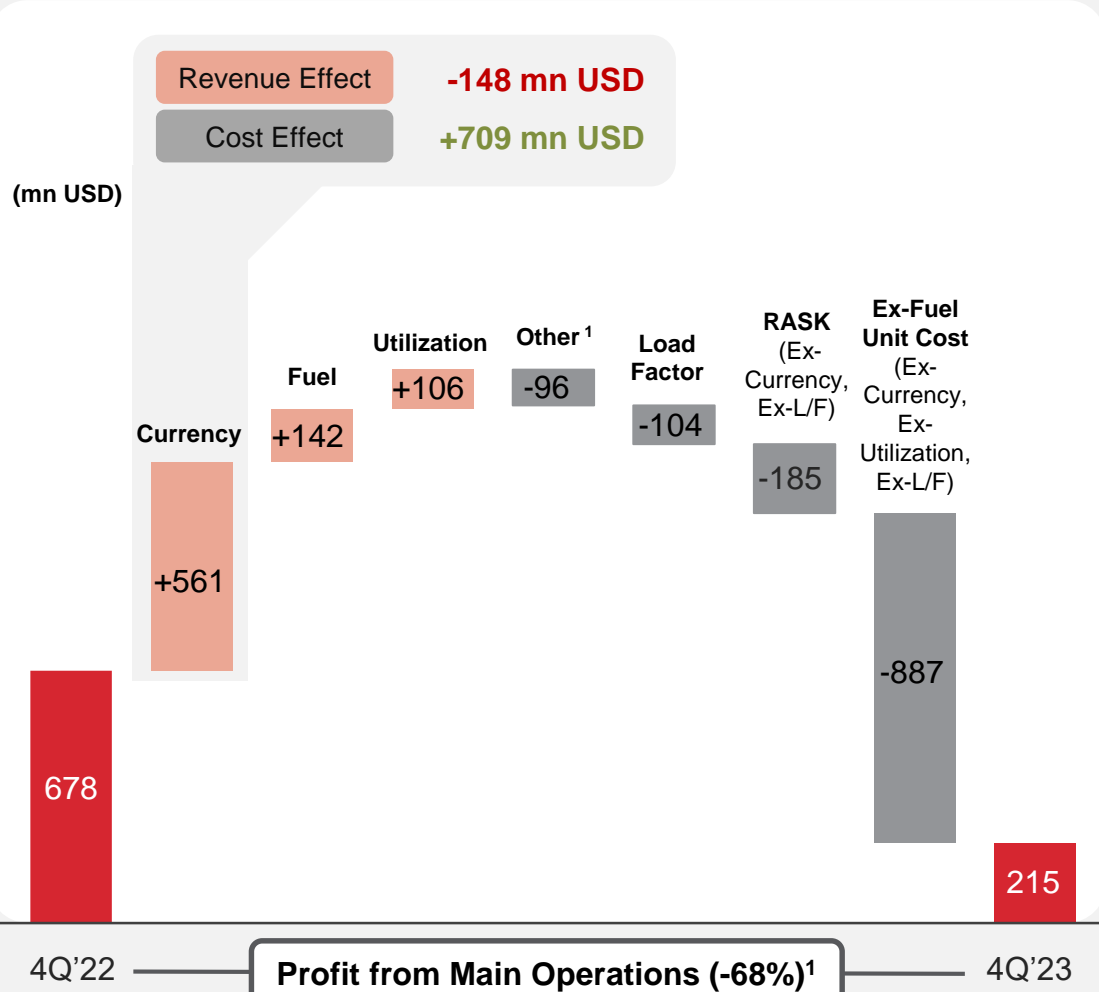
Revenue Yield (R/Y): Total Passenger Revenue / RPK

Passenger RASK: Total Passenger Revenue / ASK

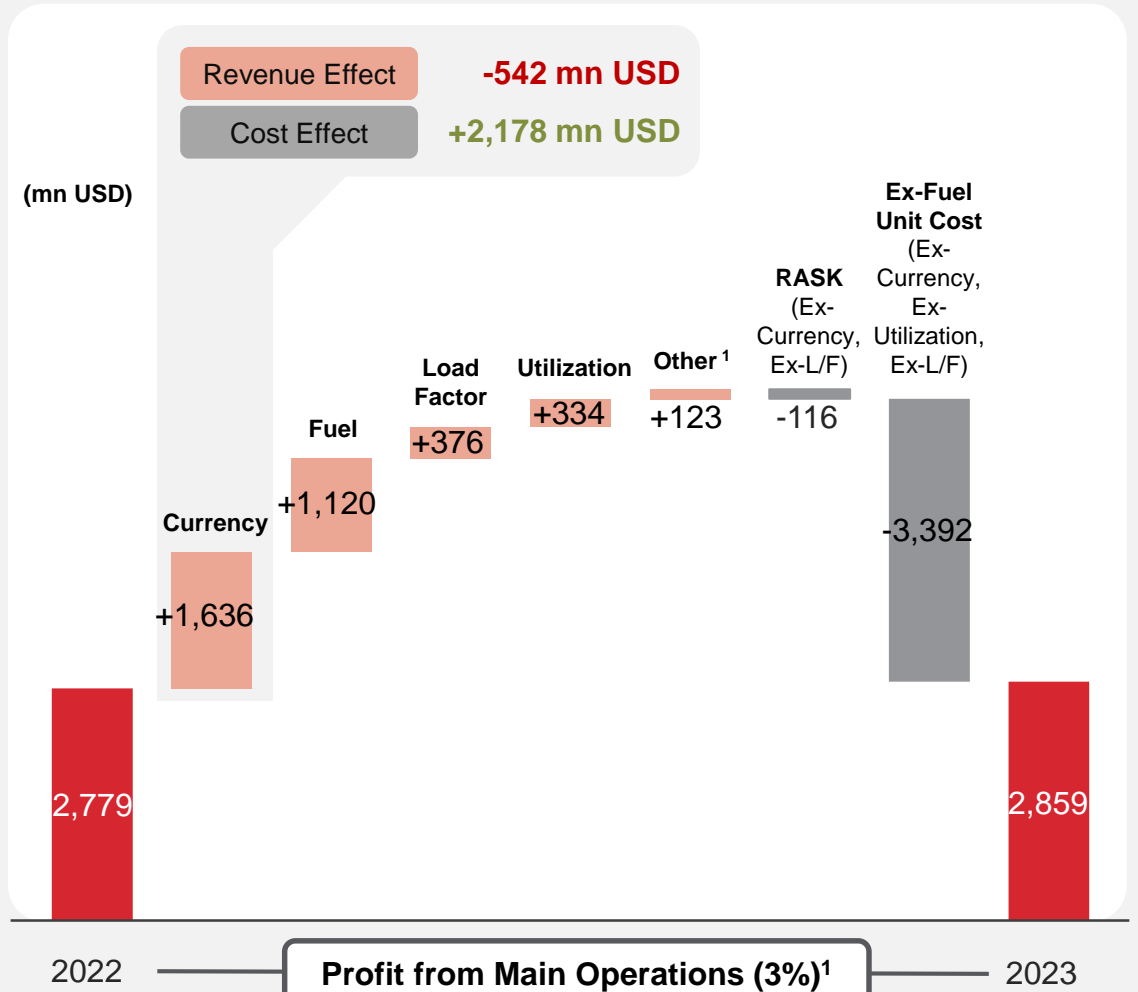
ASK: Available Seat Kilometers, RPK: Revenue Passenger Kilometers

# Profit From Main Operations Bridge

## Profit From Main Operations (4Q'23 vs 4Q'22)



## Profit From Main Operations (2023 vs 2022)





# Operational Expense Breakdown

4Q'22	4Q'23	Change	(mn USD)	2022	2023	Change	% of Total Costs
1,581	1,687	6.7%	<b>Fuel</b>	6,467	6,232	-3.6%	34.1%
664	907	36.6%	<b>Personnel</b>	2,140	3,256	52.1%	17.8%
530	672	26.8%	<b>Aircraft Ownership<sup>1</sup></b>	2,021	2,298	13.7%	12.6%
303	393	29.7%	<b>Airports &amp; Air Navigation</b>	1,234	1,614	30.8%	8.8%
274	317	15.7%	<b>Sales &amp; Marketing</b>	1,036	1,321	27.5%	7.2%
233	319	36.9%	<b>Ground Handling</b>	931	1,241	33.3%	6.8%
185	232	25.4%	<b>Passenger Services &amp; Catering</b>	618	863	39.6%	4.7%
276	241	-12.7%	<b>Maintenance</b>	865	997	15.3%	5.5%
111	103	-7.2%	<b>Other</b>	398	447	12.3%	2.4%
<b>4,157</b>	<b>4,871</b>	<b>17.2%</b>	<b>TOTAL</b>	<b>15,710</b>	<b>18,269</b>	<b>16.3%</b>	<b>100.0%</b>

# Unit Cost Breakdown

4Q'22	4Q'23	Change	(USc)	2022	2023	Change
3.11	2.87	-7.8%	Fuel	3.21	2.65	-17.2%
1.31	1.54	18.0%	Personnel	1.06	1.39	30.7%
1.04	1.14	9.5%	Aircraft Ownership <sup>1</sup>	1.00	0.98	-2.3%
0.60	0.67	12.0%	Airports & Air Navigation	0.61	0.69	12.4%
0.54	0.54	-0.1%	Sales & Marketing	0.51	0.56	9.5%
0.46	0.54	18.2%	Ground Handling	0.46	0.53	14.5%
0.36	0.39	8.3%	Passenger Services & Catering	0.31	0.37	20.0%
0.54	0.41	-24.6%	Maintenance	0.43	0.42	-1.0%
0.22	0.18	-19.9%	Other	0.20	0.19	-3.5%
<b>8.18</b>	<b>8.28</b>	<b>1.2%</b>	<b>CASK</b>	<b>7.79</b>	<b>7.78</b>	<b>-0.1%</b>
<b>5.07</b>	<b>5.41</b>	<b>6.8%</b>	<b>Ex-Fuel CASK</b>	<b>4.58</b>	<b>5.13</b>	<b>11.9%</b>
<b>7.28</b>	<b>7.32</b>	<b>0.6%</b>	<b>CASK2 (incl. ACTK)<sup>2</sup></b>	<b>6.90</b>	<b>6.99</b>	<b>1.2%</b>
<b>4.51</b>	<b>4.79</b>	<b>6.1%</b>	<b>Ex-Fuel CASK2 (incl. ACTK)<sup>2</sup></b>	<b>4.06</b>	<b>4.60</b>	<b>13.3%</b>

## Highlights

**Fuel-CASK** decreased by **7.8%** due to lower annual fuel prices.

Increase in **Ex-fuel CASK** was less pronounced than the first nine months.

**16%** higher passenger capacity led to eased cost pressure.

Main contributors to the unit cost growth were personnel, airport and commission expenses.

<sup>1</sup> includes Depreciation and Aircraft Rent expenses.

CASK: Total Expenses / ASK (Available Seat Kilometers)

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

<sup>2</sup> CASK2: 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)



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4Q'22	4Q'23	Change		2022	2023	Change
1,113	1,025	-8.0%	<b>Fuel Price (Usd/ton)</b>	1,144	969	-15.3%
3.11	3.09	-0.5%	<b>Fuel Consumption (lt) per 100 ASK<sup>1</sup></b>	3.10	3.07	-1.0%
1,400	1,537	9.8%	<b>Aircraft Ownership Cost per BH</b>	1,342	1,328	-1.1%
729	551	-24.4%	<b>Maintenance Cost per BH</b>	574	576	0.3%
2,088	2,577	23.4%	<b>Handling Cost per Landing</b>	2,061	2,388	15.8%
1,275	1,443	13.2%	<b>Airports &amp; Air Navigation Cost per km Flown</b>	1,293	1,495	15.7%
10.3	11.9	15.6%	<b>Passenger Services &amp; Catering Cost per Pax</b>	8.6	10.4	20.3%
5.7%	6.2%	0.5 pt.	<b>Sales &amp; Marketing Cost / Total Revenue</b>	5.6%	6.3%	0.7 pt.

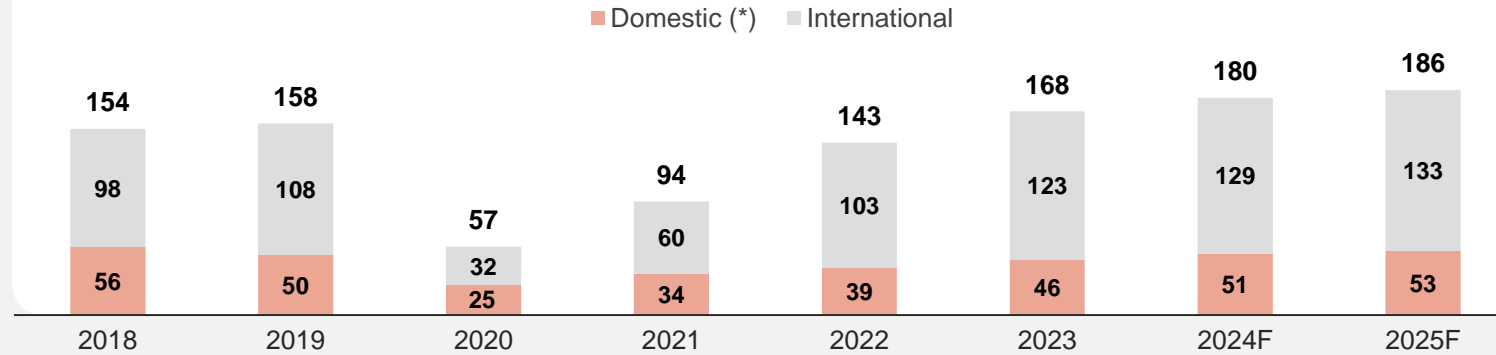


# 2023 Results



### Turkish Market Growth

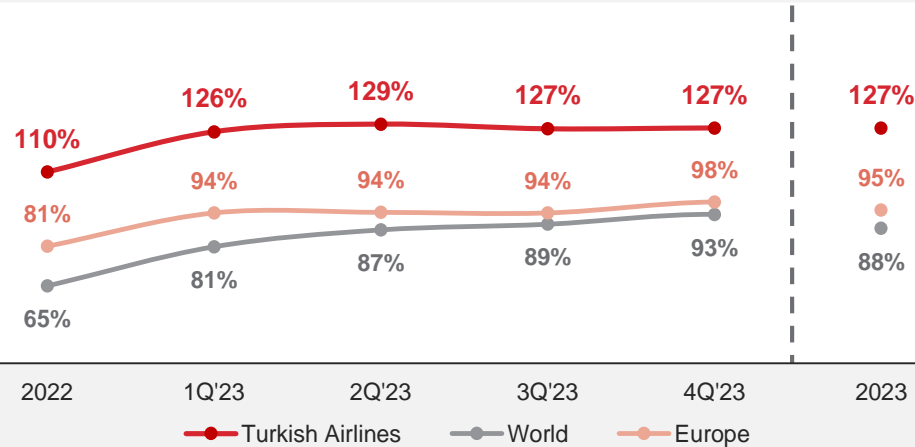
(mn passengers)



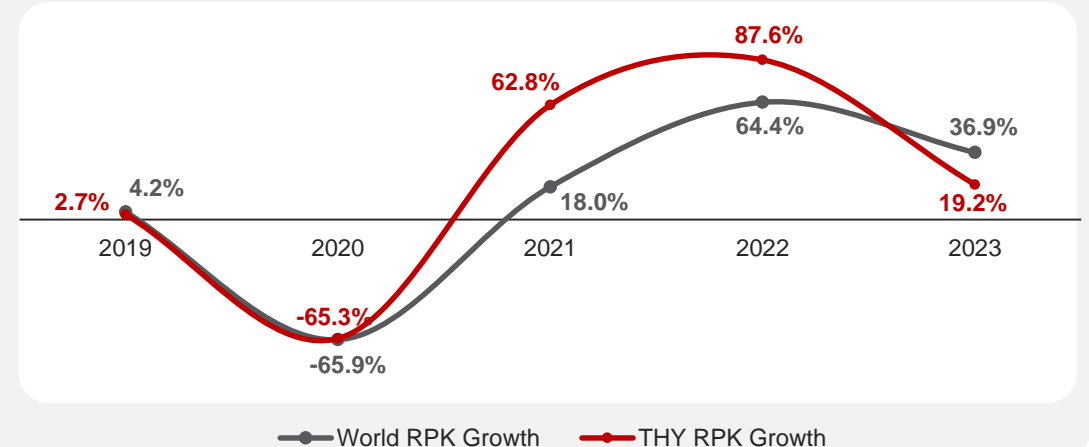
Source: General Directorate of State Airports Authority (DHMI) – October 2023

(\*) Adjusted for double count on Domestic Pax

### International ASK (% of 2019)



### Annual RPK Growth (%)

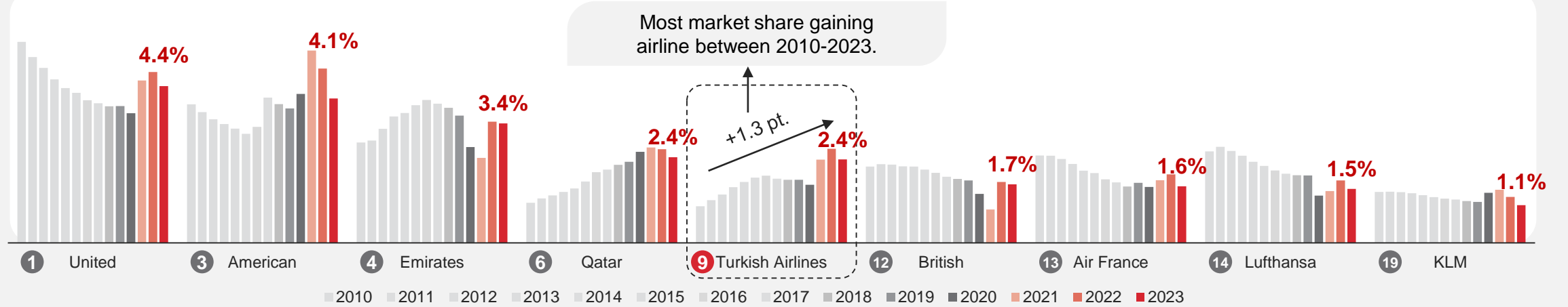


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ASK: Available Seat Kilometers  
 RPK: Revenue Passenger Kilometers  
 Source: IATA.

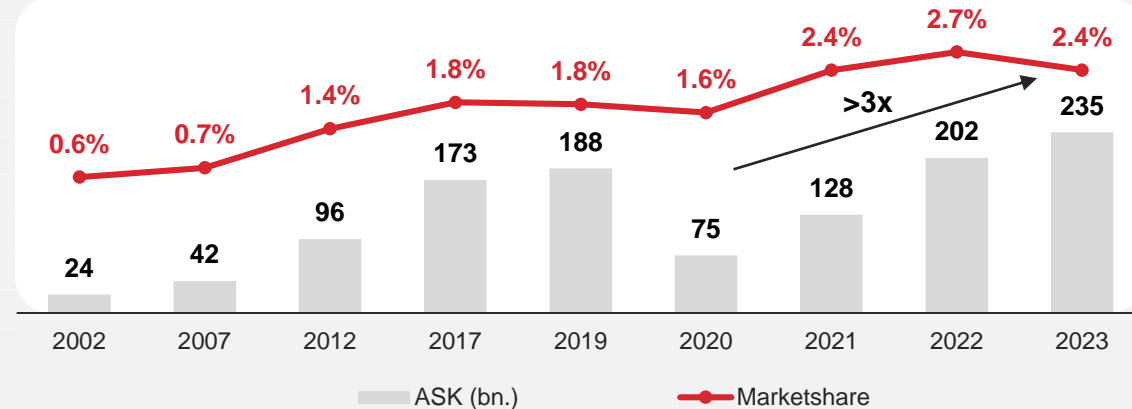
## Turkish Airlines' market share quadrupled in the last two decades

### Global Market Share Trends<sup>1</sup> (2010-2023)



<sup>1</sup> In terms of billion Available Seat Kilometers (ASK). Ranking and market shares in the graph are according to 2023 data.

### Turkish Airlines Market Share Development<sup>2</sup>



<sup>2</sup> In terms of ASK (Available Seat Kilometers).

Turkish Airlines experienced a robust recovery after the initial shock of the pandemic and significantly increased its market share.

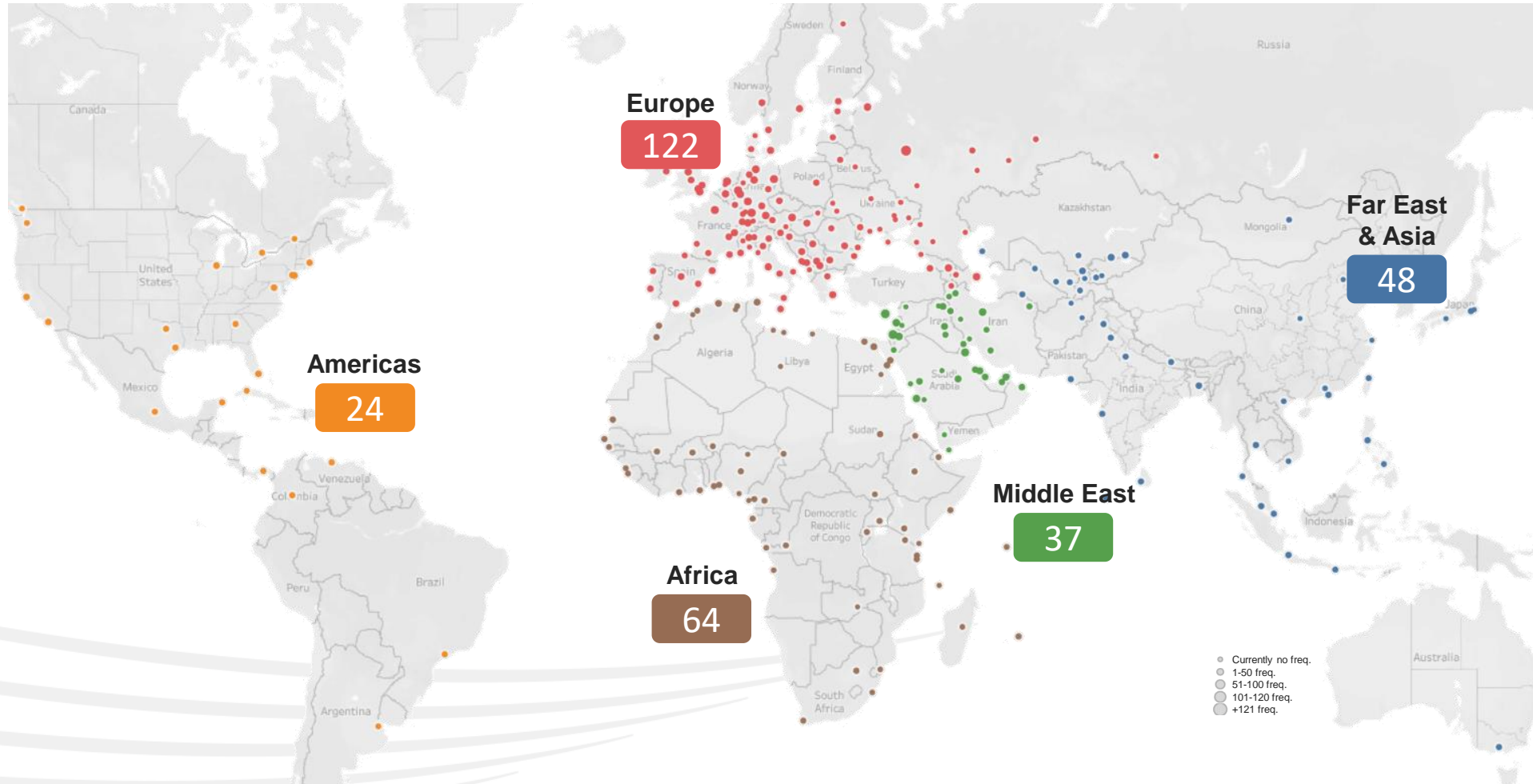
## Turkish Airlines ranks #1 in the World by international destinations

Turkish Airlines flies to **295** international destinations in **130** countries<sup>1</sup>

Provides **52 thousand** connection options<sup>2</sup>

**528** international destinations (including offline<sup>3</sup>)

Our network reaches more than **90%** of the world's population, GDP and trade volume<sup>4</sup>



### 24 New Routes in 2021-24

#### Americas

Seattle, Newark, Dallas, Vancouver, Detroit

#### Europe

Palermo, Bergamo, Krakow, Tivat, Rize- Artvin

#### Middle East

Kirkuk, Urmia

#### Africa

Juba, Luanda, Lusaka

#### Far East & Asia

Melbourne, Cebu, Bukhara, Turkistan, Fergana, Urgench, Aktau, Turkmenbashi, Osaka

### Future Routes

#### Americas

Denver, Orlando, Lima, Santiago, Rio de Janeiro

#### Europe

Bergen, Glasgow, Iasi, Katowice, Nantes, Newcastle, Timisoara, Bayburt, Yozgat

#### Middle East

Abha, Salalah, Mitiga

#### Africa

Aswan, Brazzaville, Hargeisa, Lome, Monrovia, Port Sudan, Windhoek

#### Far East & Asia

Sydney, Phnom Penh, Atyrau



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<sup>1</sup> As of 01.04.2024. <sup>2</sup> Meaningful O&D's with detour factor <1.4. <sup>3</sup> Including codeshare agreements. <sup>4</sup> On a country basis. World Bank. Circle sizes represent the number of weekly frequencies. The boxes show the number of destinations in the corresponding region.

## Turkish Airlines offers the most diverse set of flight itineraries with minimum detour<sup>1</sup>

### Top Airlines by Connectivity

#### Number of International City Pairs<sup>2</sup>

##### Europe to the World

1. Turkish Airlines	~17,800
2. Lufthansa	~7,200
3. Air France	~6,300

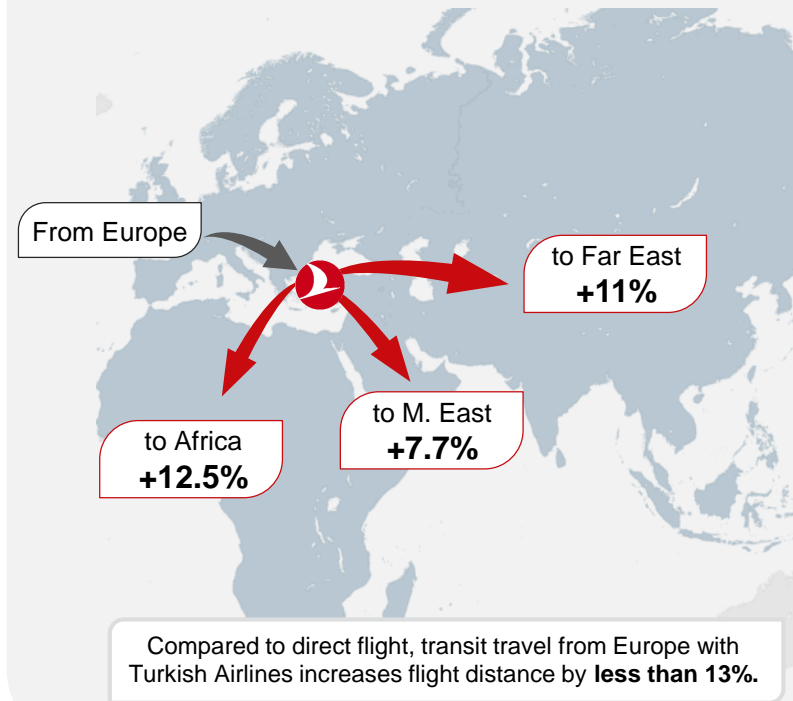
##### Middle East to the World

1. Turkish Airlines	~6,800
2. Qatar Airways	~3,500
3. Indigo	~1,600

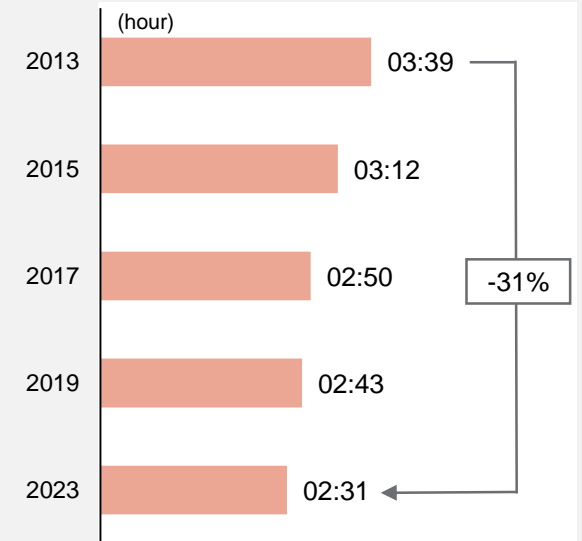
##### Africa to the World

1. Turkish Airlines	~4,000
2. Ethiopian	~3,000
3. Air France	~2,200

### Detour Advantage<sup>3</sup>



### Transit Connection Time



Average international transfer time **decreased by 30%** for optimum connectivity.



We reach over **215** international passenger destinations with narrow body aircraft which constitutes c.**70%** of our fleet.

Around half of the world population is within our narrow body range.

Turkish Airlines can connect **35%** of the world's GDP and **50%** of trade volume in just **5 hours**.

## Within Narrow Body Range

99 countries / % of the World  
3.8 billion people / ~50%  
33 trillion USD GDP / 35%  
47 tn USD Trade Volume / 50%

## Europe

Population: 742 million  
GDP: 23.7 trillion USD  
Trade Vol.: 18.8 trillion USD

## M. East & Asia

Population: 2.1 billion  
GDP: 7.4 trillion USD  
Trade Vol.: 3.9 trillion USD

## Africa

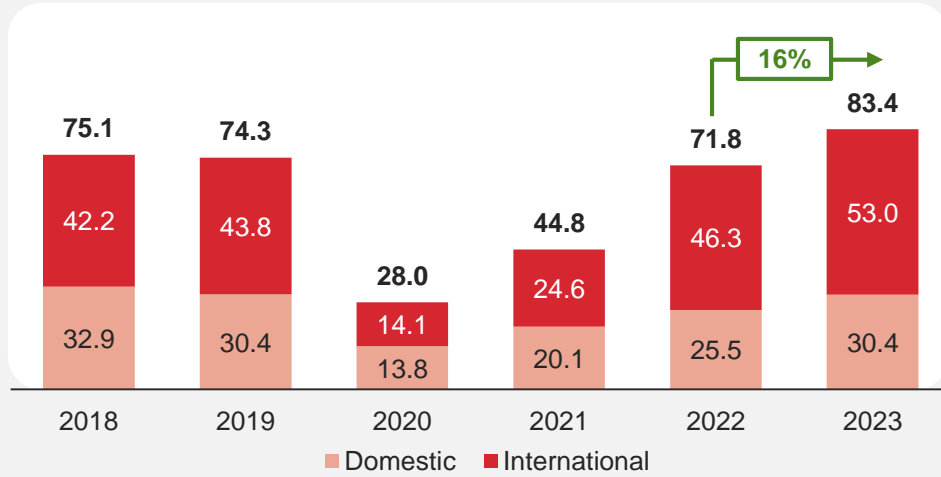
Population: 1 billion  
GDP: 1.8 trillion USD  
Trade Vol.: 850 billion USD



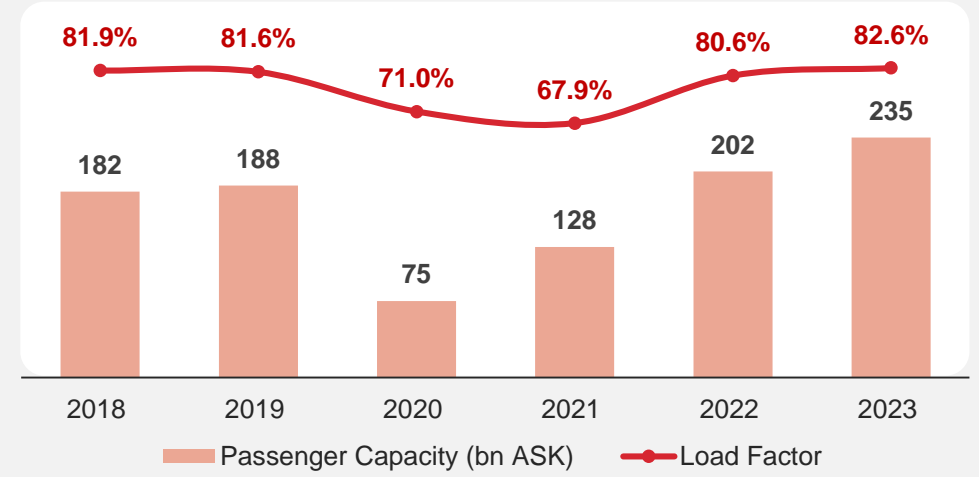
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Source: World Bank  
Note: Population, GDP: 2021,  
Trade Volume: 2019

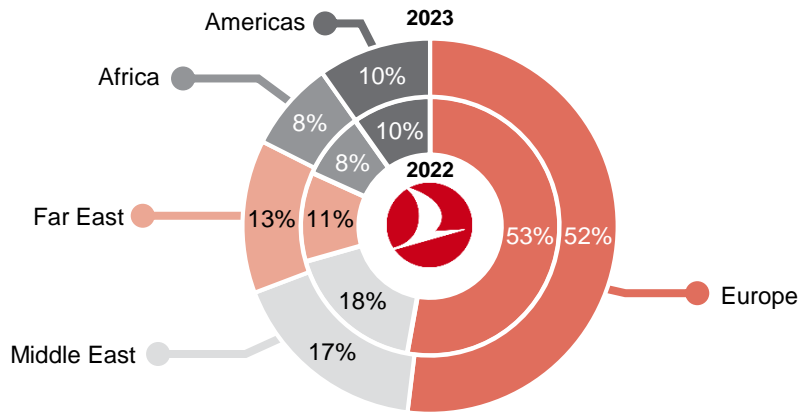
## Number of Passengers (mn)



## Passenger Capacity and Load Factor

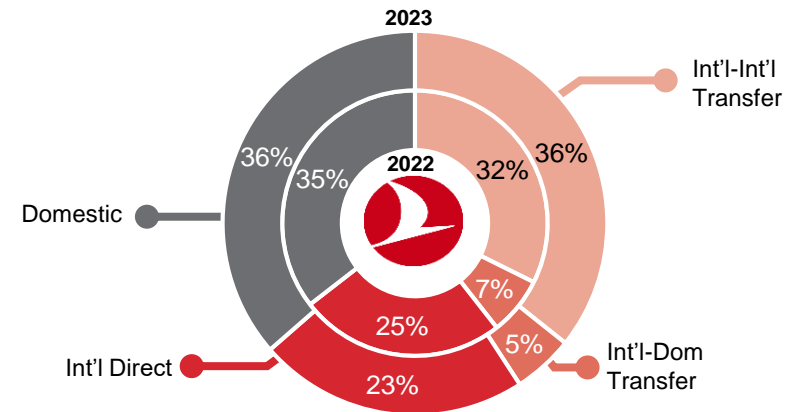


## Int'l Passenger Breakdown by Geography



Note: Includes only scheduled passengers.

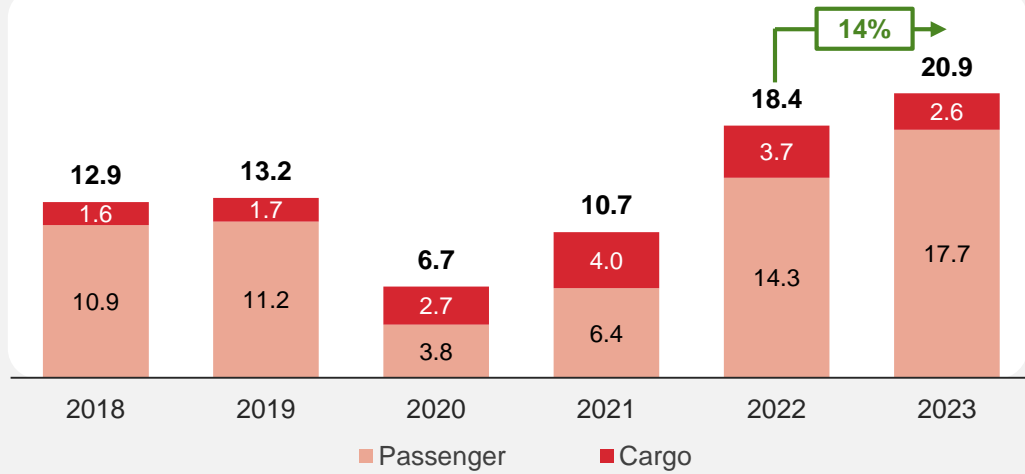
## Passenger Breakdown by Transfer Type



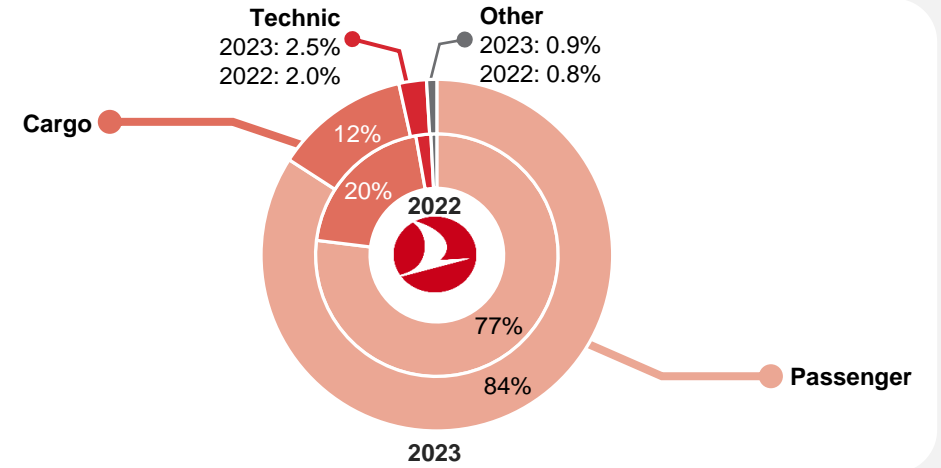
Note: Int'l to int'l transfer passengers' share in total international passengers is 56%.

# Revenue Breakdown (2023)

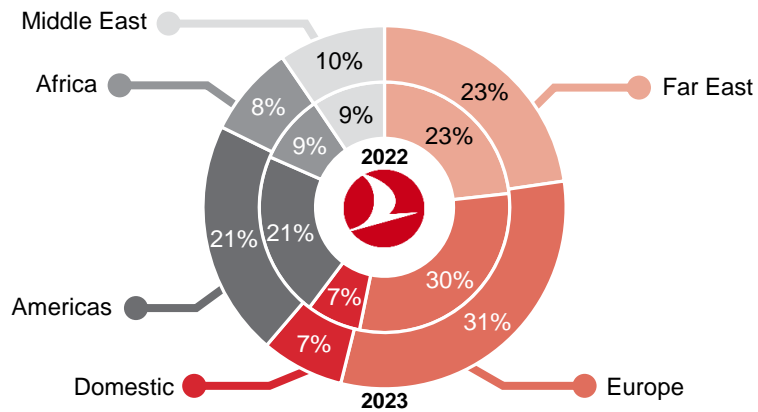
## Revenues (bn USD)



## Revenue by Business Type

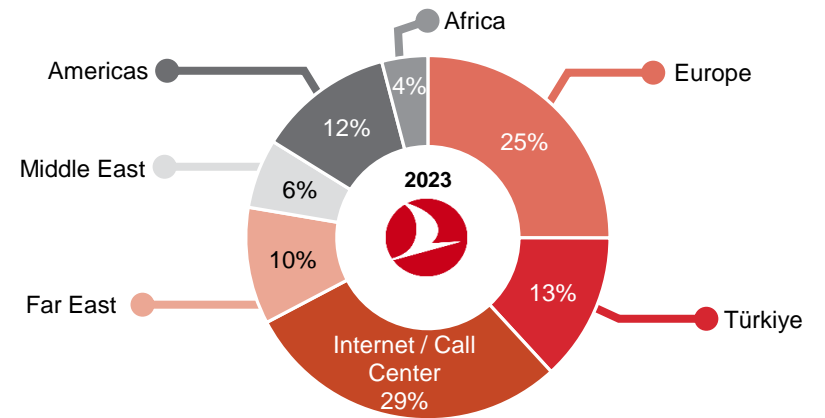


## Revenue by Geography



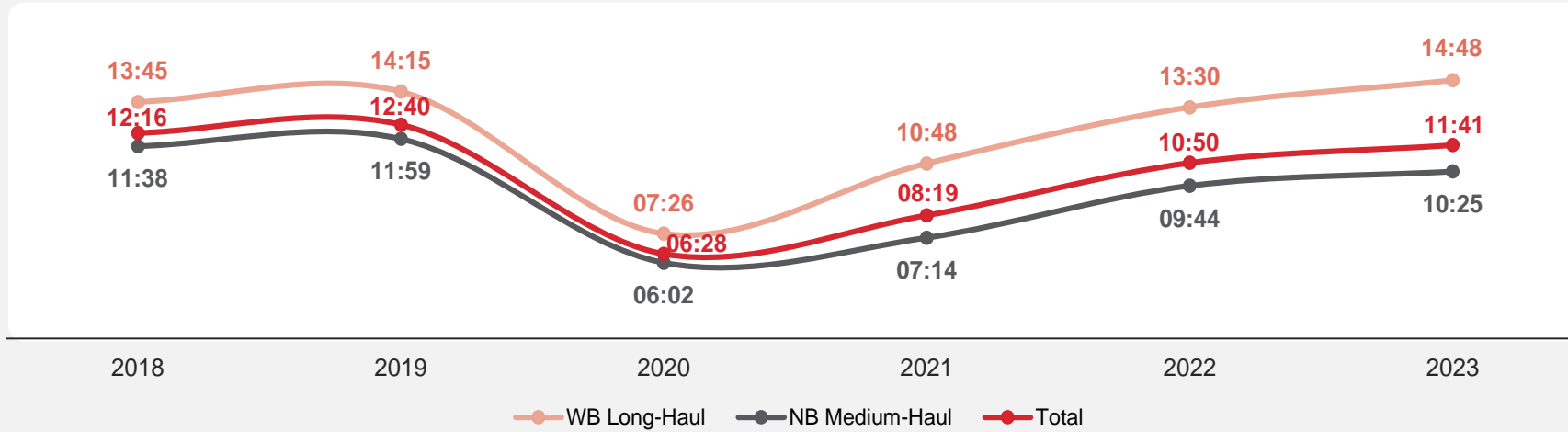
Note: Includes total passenger and cargo revenue

## Revenue by Point of Sale

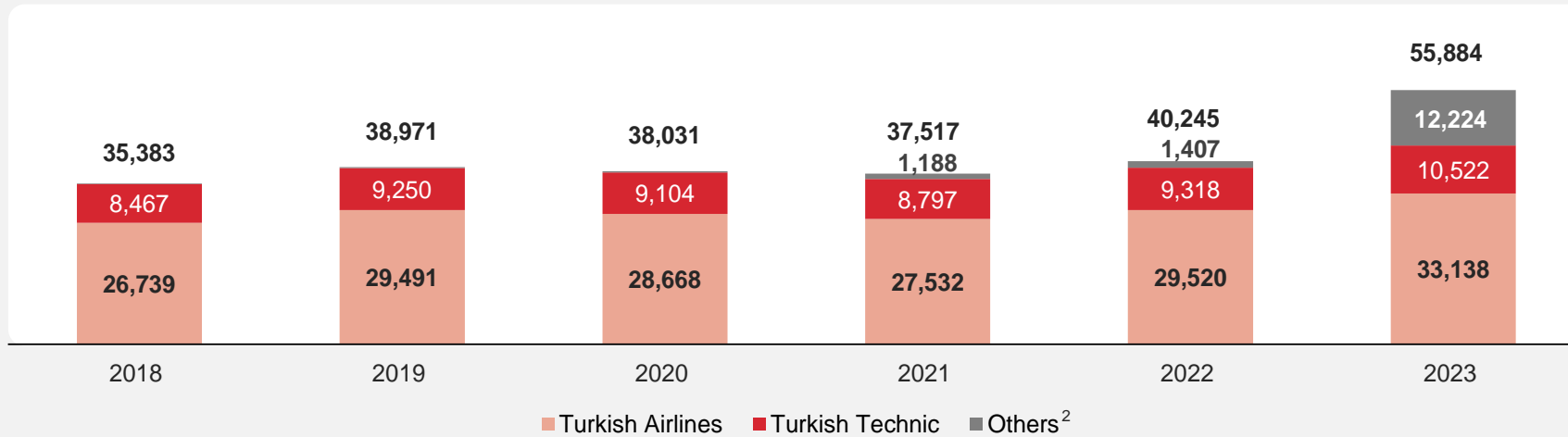


Note: Includes only scheduled passenger revenue

## Passenger Aircraft Average Daily Flight Utilization<sup>1</sup> (hrs)



## Number of Personnel



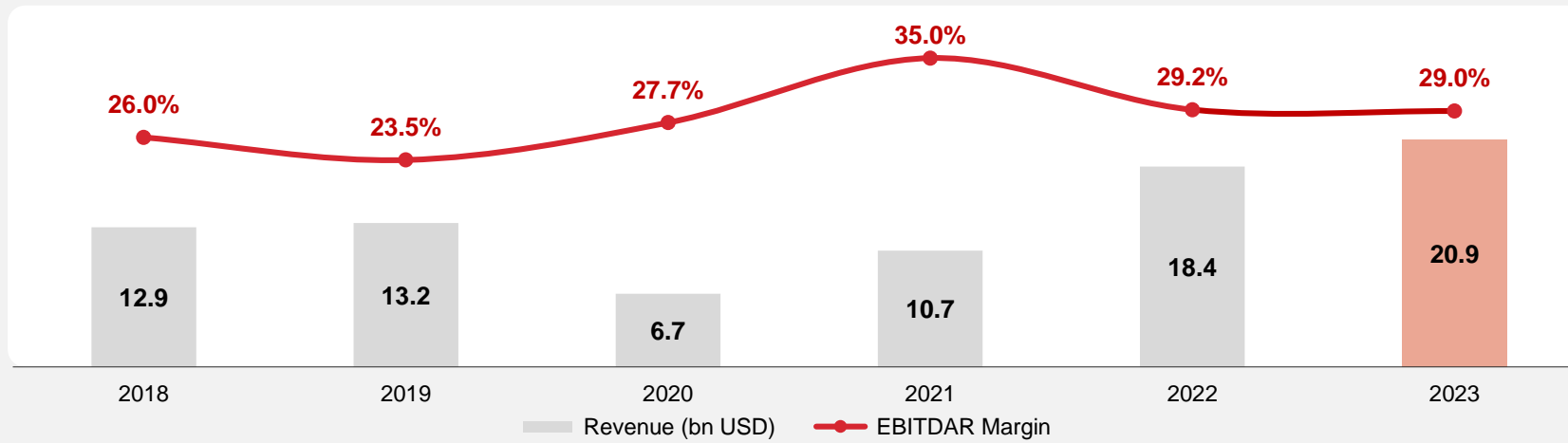
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<sup>1</sup> In terms of Block Time: Includes time from taxi-out to the runway, the actual flight duration and the time from taxi to the arrival gate.

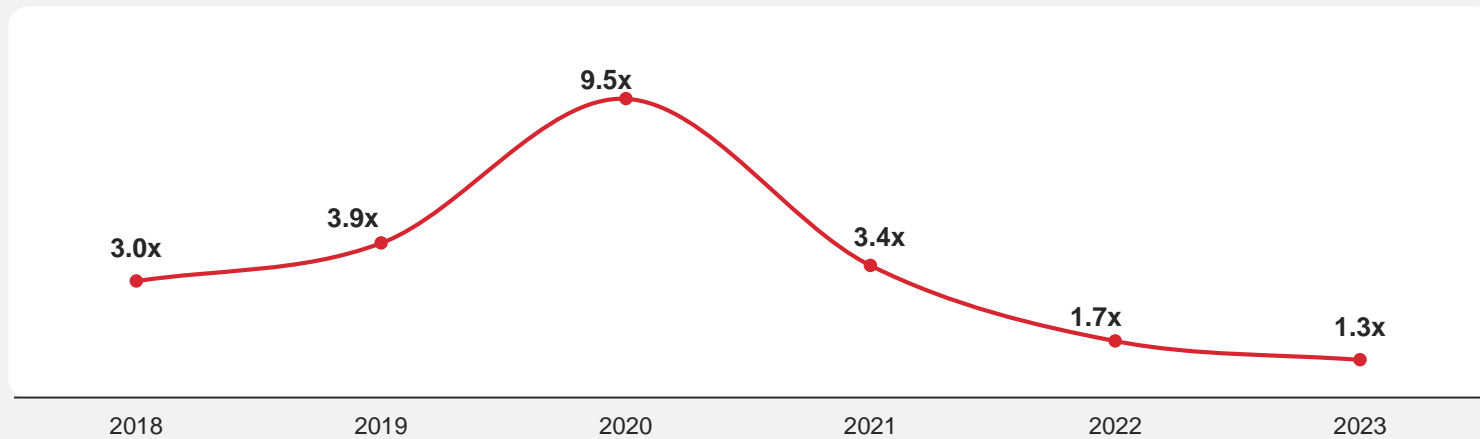
<sup>2</sup> Includes Turkish Airlines' fully consolidated subsidiaries (12,224).



## Avg. EBITDAR Margin (2018-2023): 28.4%



## Net Debt<sup>1</sup> to EBITDA



Fleet as of 31.12.2023

Type	Total	Owned	Financial Lease	Opr./Wet Lease	Seat Capacity ('000)	Average Fleet Age
Wide Body	A330-2/3	49	16	18	15	14.0
	B777-3ER	33	12	15	6	11.7
	A350-9	16		16		5.2
	B787-9	22		22		6.6
	<b>Total</b>	<b>120</b>	<b>28</b>	<b>71</b>	<b>21</b>	<b>37</b>
Narrow Body	B737-8/9 MAX	32	0	25	7	5.1
	A321/320 NEO	65		34	31	12.4
	B737-8/9	100	40	35	25	16.9
	A321/320/319	83	48	31	4	14.7
	B737-8 MAX WL	3			3	0.6
	A321/320 WL	13			13	2.6
	<b>Total</b>	<b>296</b>	<b>88</b>	<b>125</b>	<b>83</b>	<b>52</b>
Cargo	A330-200F	10	3	7		10.2
	B777F	8		8		4.9
	Wet Lease	6			6	23.8
	<b>Total</b>	<b>24</b>	<b>3</b>	<b>15</b>	<b>6</b>	<b>11.8</b>
<b>Grand Total</b>	<b>440</b>	<b>119</b>	<b>211</b>	<b>110</b>	<b>89.8</b>	<b>9.3</b>

# of New Generation Aircraft  
**138**  
(31% of total)

Airbus & Boeing Split  
**55% / 45%**

Ownership  
Owned: **27%**  
Fin. Lease: **48%**  
Op. Lease: **25%**

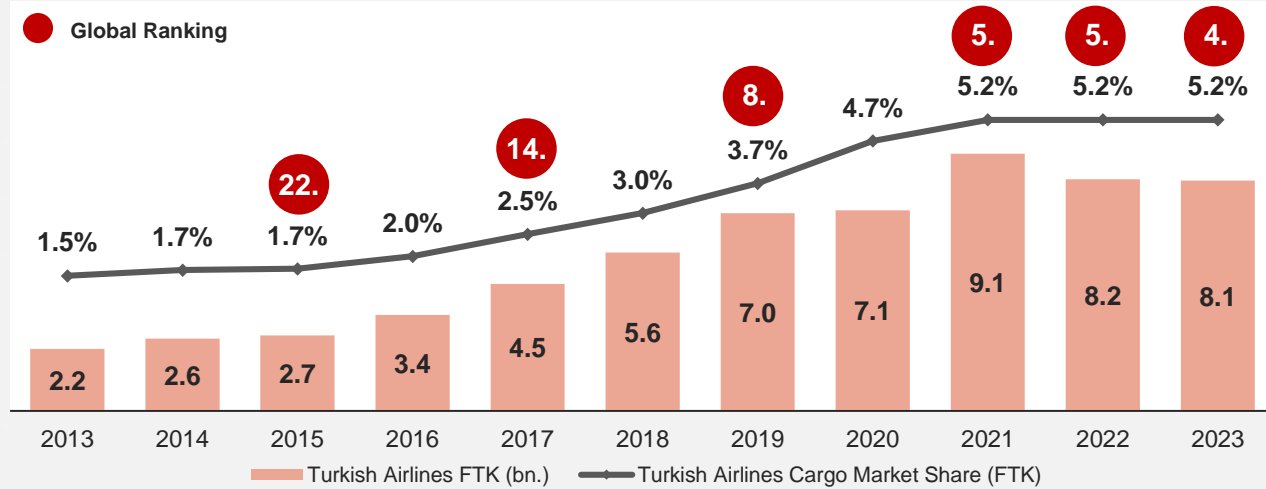
New Entries in 4Q 2023:

7 x A321/320 NEO

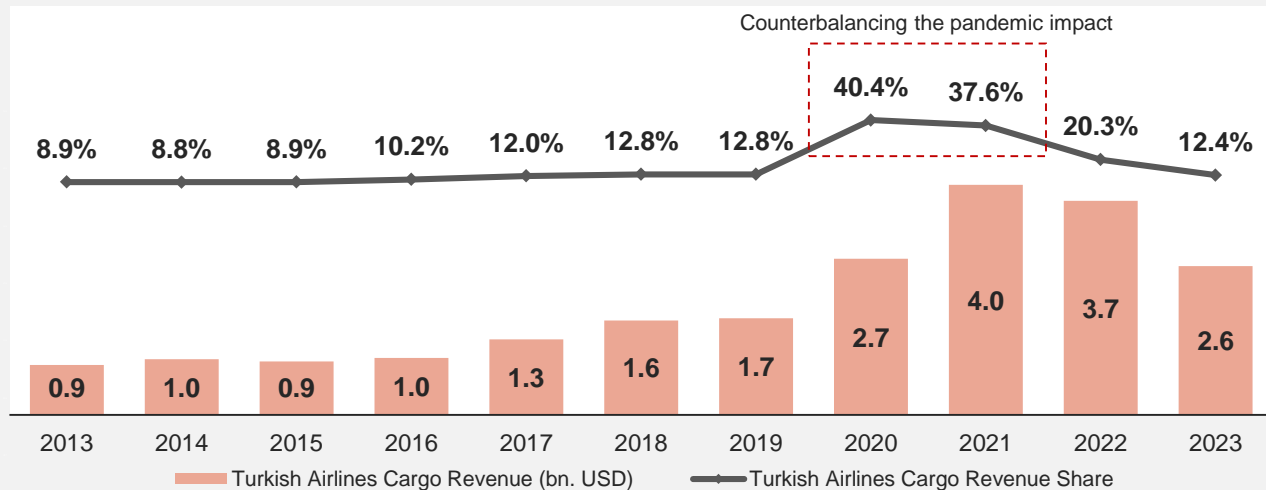
2 x B787-9

2 x A350-9

## Market Share Development (FTK)<sup>1</sup>



## Turkish Cargo Revenue Development



## Overview

Flies to **133** countries / **364** destinations with **24** freighters and **416** passenger aircraft.

Ranks **3<sup>rd</sup>** globally in terms of FTK<sup>1</sup> in December 2023.

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 fast growing express cargo segment
- 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 in 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

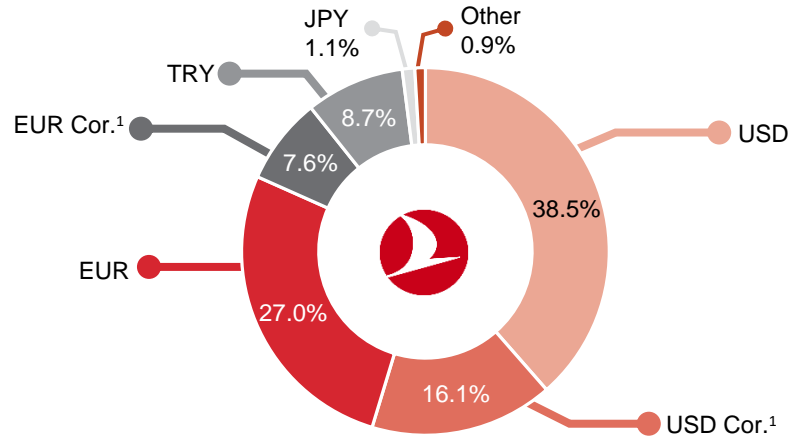


## Increased Focus on International Operations

	2019	2022	2023
Number of Aircraft	31	64	91
Number of Routes	129	180	177
International Capacity Share (%)	13.3%	64.5%	61.3%
Int'l Market Share in Hub (Ist. SAW Airport)	18%	24%	25%
Number of Passenger (mn)	14.6	16.1	20.9
Capacity (bn ASK <sup>1</sup> )	11.2	21.7	27.3
Load Factor	87.5%	82.9%	82.3%

<sup>1</sup>ASK: Available Seat Kilometers.

## Revenue by Currency

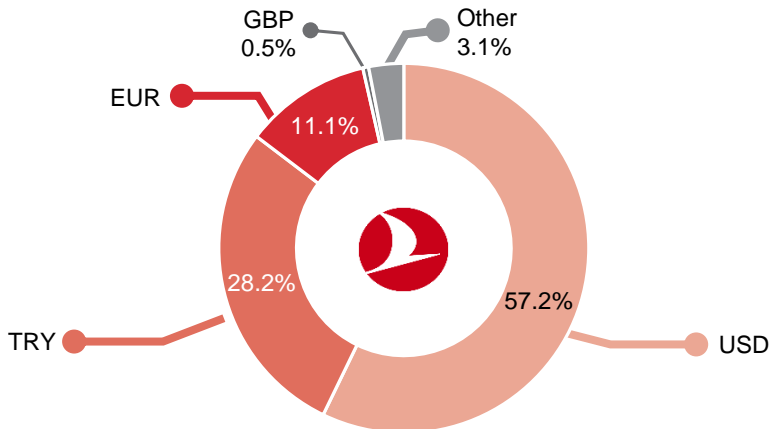


Diversified revenue base increases our ability to adapt to different macro economic conditions.

Regional revenue distribution provides a natural hedge against FX volatility as well as geopolitical risks.

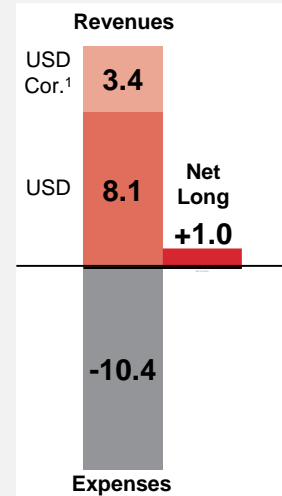
65% of our revenues are in hard currencies.

## Expenses by Currency

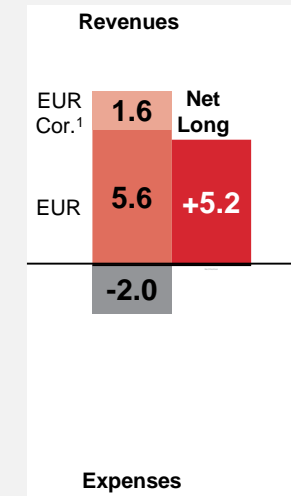


## Currency Exposure<sup>2</sup>

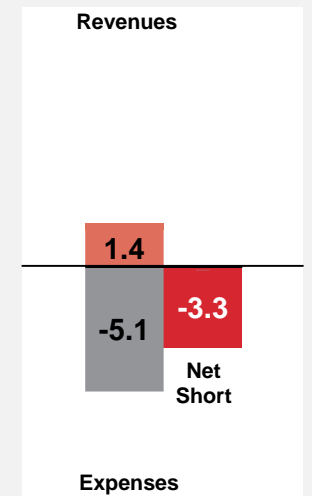
### USD (bn USD)



### EUR (bn USD)



### TRY (bn USD)



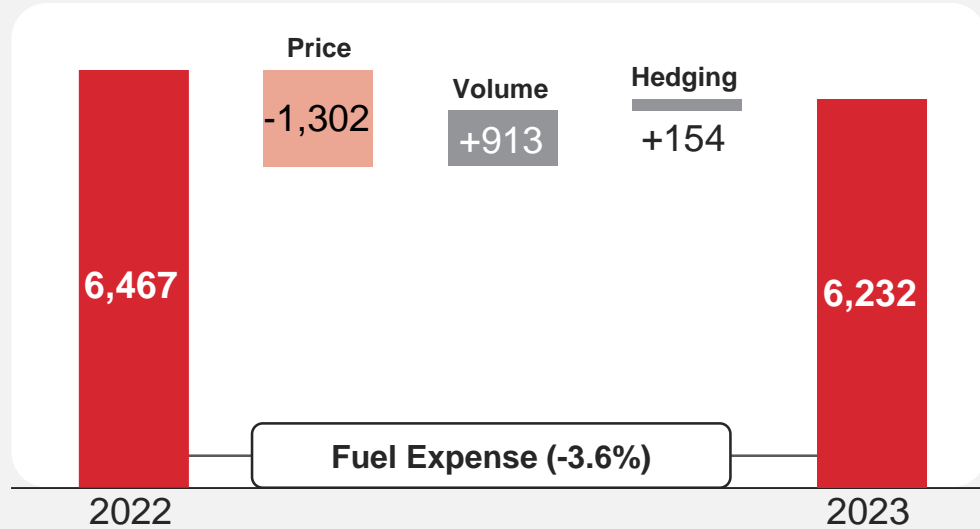
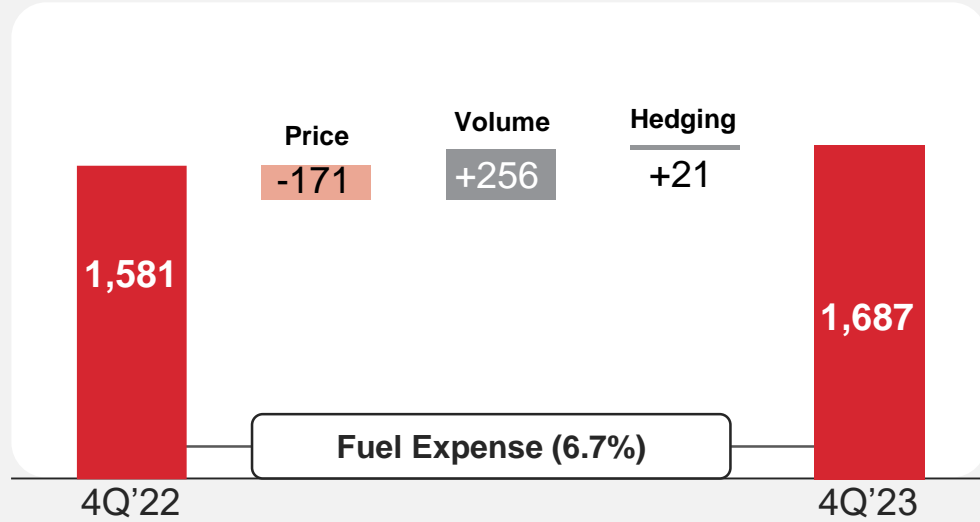
<sup>1</sup> Currencies that are highly correlated (85%) with USD and EUR comprise c.90% of our total revenues.

<sup>2</sup> 85% correlation with USD and EUR considered as USD and EUR correlated respectively.

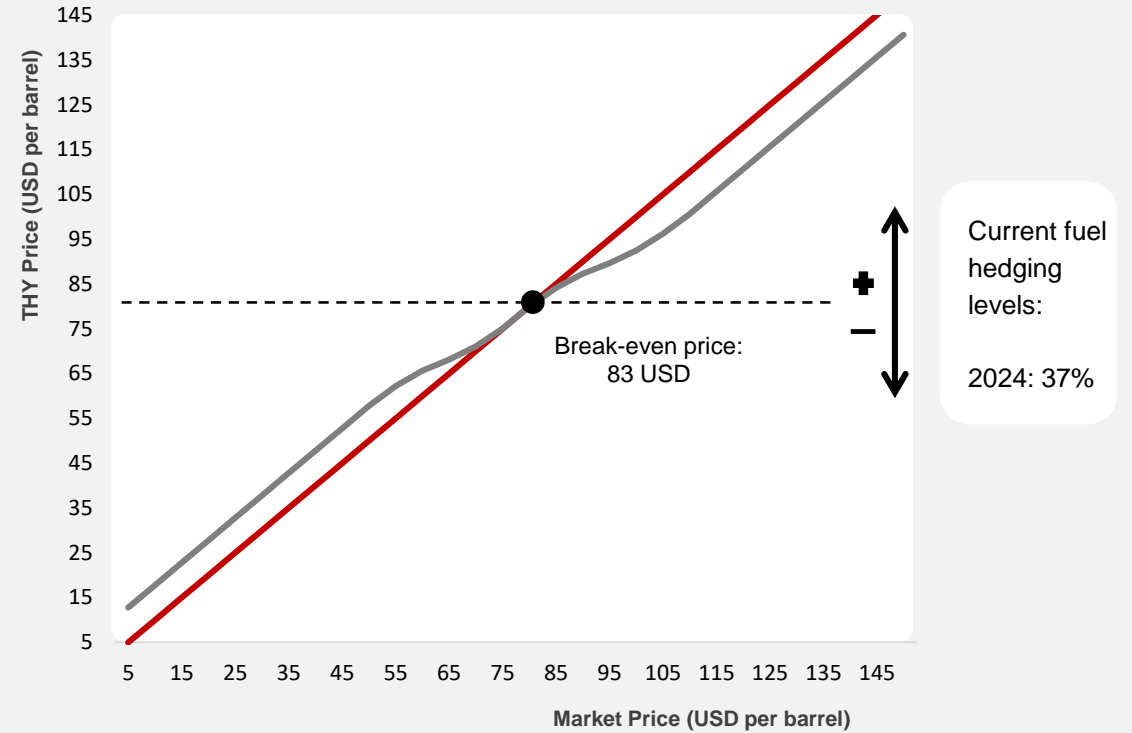


# Fuel Expense Bridge and Hedging

## Fuel Expense Bridge (4Q and 12M)

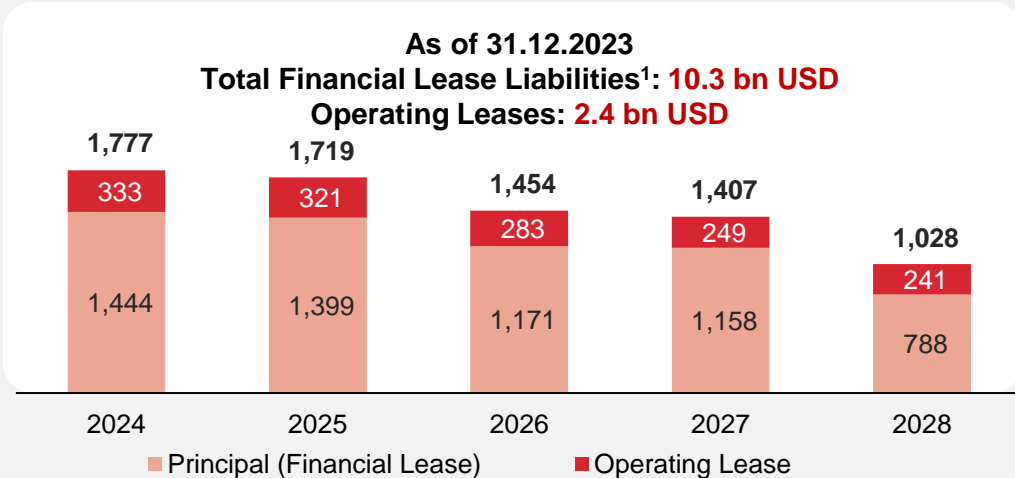


## Effect of Hedging on the Fuel Price

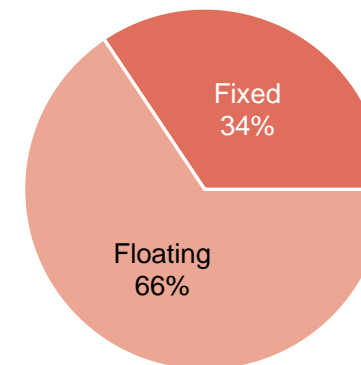


- Descending layered hedging strategy
- Crude oil based swaps and options
- Maximum of 60% for the following month is hedged using derivative instruments depending on the market conditions.

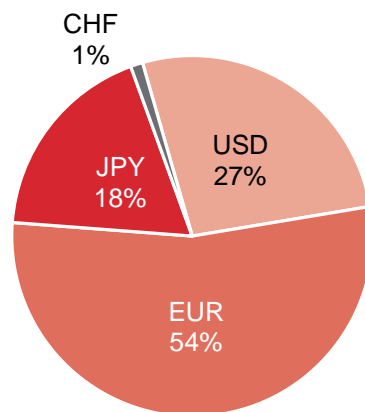
## 5 Year Maturity Profile (USD mn)



## Weighted Average Interest Rate<sup>2</sup>: 2.81%



## Currency Breakdown of Total Lease Liabilities



## Financial Lease Debt Service

(mn USD) 31.12.2023	Outstanding Amount	Maturity	Annual Avg. Debt Repayment
USD	970	10-12 Years	156
EUR	6,887	10-12 Years	940
JPY	2,336	10-12 Years	288
CHF	140	12 Years	29
<b>Total</b>	<b>10,333</b>		<b>1,413</b>

<sup>1</sup> Including interest payments.

<sup>2</sup> Post-Hedge Interest Rate breakdown.

# EBITDAR Calculation

4Q'22	4Q'23	Change	EBITDAR (mn USD)	2022	2023	Change
4,772	5,119	7.3%	Sales Revenue	18,426	20,942	13.7%
3,701	4,308	16.4%	Cost of Sales (-)	14,036	16,060	14.4%
<b>1,071</b>	<b>811</b>	<b>-24.3%</b>	<b>GROSS PROFIT / (LOSS)</b>	<b>4,390</b>	<b>4,882</b>	<b>11.2%</b>
64	119	85.9%	General Administrative Expenses (-)	284	449	58.1%
392	444	13.3%	Marketing and Sales Expenses (-)	1,390	1,760	26.6%
<b>615</b>	<b>248</b>	<b>-59.7%</b>	<b>NET OPERATING PROFIT / (LOSS)</b>	<b>2,716</b>	<b>2,673</b>	<b>-1.6%</b>
53	147	177.4%	Other Operating Income	145	509	251.0%
-10	180	-	Other Operating Expense (-)	82	323	293.9%
<b>678</b>	<b>215</b>	<b>-68.3%</b>	<b>Profit / (Loss) from Main Operations</b>	<b>2,779</b>	<b>2,859</b>	<b>2.9%</b>
<b>94</b>	<b>277</b>	<b>194.7%</b>	<b>Adjustments</b>	<b>304</b>	<b>631</b>	<b>107.6%</b>
17	86	405.9%	Share of Investments' Profit / Loss Accounted by Using The Equity Method	121	232	91.7%
77	191	148.1%	Income From Government Incentives	183	399	118.0%
<b>772</b>	<b>492</b>	<b>-36.3%</b>	<b>EBIT</b>	<b>3,083</b>	<b>3,490</b>	<b>13.2%</b>
491	577	17.5%	Depreciation	1,864	2,035	9.2%
<b>1,263</b>	<b>1,069</b>	<b>-15.4%</b>	<b>EBITDA</b>	<b>4,947</b>	<b>5,525</b>	<b>11.7%</b>
114	93	-18.0%	Adjusted Operating Lease Expenses <sup>1</sup>	353	419	18.8%
18	51	181.8%	Adjusted Short term Lease Expenses (Wet-lease) <sup>2</sup>	77	133	72.9%
<b>1,395</b>	<b>1,213</b>	<b>-13.0%</b>	<b>EBITDAR</b>	<b>5,377</b>	<b>6,077</b>	<b>13.0%</b>
<b>29.2%</b>	<b>23.7%</b>	<b>-5.5 pt</b>	<b>EBITDAR MARGIN</b>	<b>29.2%</b>	<b>29.0%</b>	<b>-0.2 pt</b>

Notes: - For 4Q'23, Turkish Technic's contribution to EBITDAR through consolidation is 156 mn USD (4Q'22: 102 mn USD).  
 - For 4Q'23, adjustments for heavy maintenance of operational lease expenses is 91 mn USD (4Q'22: 108 mn USD).

<sup>1</sup> Adjusted for aircraft heavy maintenance.

<sup>2</sup> Adjusted for aircraft rent and heavy maintenance portion. (Aprox. 55%)

## Operational Expense Breakdown

(mn USD)	2022	% in Total	2023	% in Total	Change
<b>Fuel</b>	<b>6,467</b>	<b>41.2%</b>	<b>6,232</b>	<b>34.1%</b>	<b>-3.6%</b>
<b>Personnel</b>	<b>2,140</b>	<b>13.6%</b>	<b>3,256</b>	<b>17.8%</b>	<b>52.1%</b>
<b>Landing, Navigation &amp; Air Traffic</b>	<b>1,234</b>	<b>7.9%</b>	<b>1,614</b>	<b>8.8%</b>	<b>30.8%</b>
Landing and navigation	639	4.1%	896	4.9%	40.2%
Air Traffic Control	595	3.8%	718	3.9%	20.7%
<b>Sales &amp; Marketing</b>	<b>1,036</b>	<b>6.6%</b>	<b>1,321</b>	<b>7.2%</b>	<b>27.5%</b>
Commissions and Incentives	517	3.3%	644	3.5%	24.6%
Reservation System	266	1.7%	299	1.6%	12.4%
Advertising	110	0.7%	193	1.1%	75.5%
Other	143	0.9%	185	1.0%	29.4%
<b>Depreciation</b>	<b>1,864</b>	<b>11.9%</b>	<b>2,035</b>	<b>11.1%</b>	<b>9.2%</b>
<b>Ground Handling</b>	<b>931</b>	<b>5.9%</b>	<b>1,241</b>	<b>6.8%</b>	<b>33.3%</b>
<b>Aircraft Rent</b>	<b>157</b>	<b>1.0%</b>	<b>263</b>	<b>1.4%</b>	<b>67.5%</b>
Operational Lease	17	0.1%	21	0.1%	23.5%
Wet Lease	140	0.9%	242	1.3%	72.9%
<b>Passenger Services &amp; Catering</b>	<b>618</b>	<b>3.9%</b>	<b>863</b>	<b>4.7%</b>	<b>39.6%</b>
<b>Maintenance</b>	<b>865</b>	<b>5.5%</b>	<b>997</b>	<b>5.5%</b>	<b>15.3%</b>
<b>General Administration</b>	<b>118</b>	<b>0.8%</b>	<b>116</b>	<b>0.6%</b>	<b>-1.7%</b>
<b>Other</b>	<b>280</b>	<b>1.8%</b>	<b>331</b>	<b>1.8%</b>	<b>18.2%</b>
<b>TOTAL</b>	<b>15,710</b>	<b>100%</b>	<b>18,269</b>	<b>100%</b>	<b>16.3%</b>
Operating Cost per ASK (USc)	7.79	-	7.78	-	-0.1%
Ex-fuel Operating Cost per ASK (USc)	4.58	-	5.13	-	11.9%
<b>Fixed Costs</b>	<b>3,681</b>	<b>23.4%</b>	<b>4,774</b>	<b>26.1%</b>	<b>29.7%</b>

# Income Statement

(mn USD)	2018	2019	2020	2021	2022	2023	YoY Change
Operating Revenue	12,855	13,229	6,734	10,686	18,426	20,942	14%
Operating Expenses (-)	11,686	12,644	7,264	9,411	15,710	18,269	16%
of which Fuel	3,768	3,873	1,638	2,756	6,467	6,232	-4%
of which Personnel	1,772	2,067	1,097	1,298	2,140	3,256	52%
of which Depreciation	1,087	1,521	1,659	1,740	1,864	2,035	9%
of which Rent	595	311	244	197	157	263	68%
<b>Net Operating Profit / Loss</b>	<b>1,169</b>	<b>585</b>	<b>-530</b>	<b>1,275</b>	<b>2,716</b>	<b>2,673</b>	<b>-2%</b>
Other Operating Income	165	355	330	174	145	509	251%
Other Operating Expenses (-)	143	64	55	35	82	323	294%
<b>Profit / Loss From Main Operations</b>	<b>1,191</b>	<b>876</b>	<b>-255</b>	<b>1,414</b>	<b>2,779</b>	<b>2,859</b>	<b>3%</b>
Income From Investment Activities (Net)	99	89	179	200	293	868	196%
Share of Investments' Profit / Loss	123	82	-87	75	121	232	92%
Financial Income	129	139	72	101	378	611	62%
Financial Expense (-)	588	310	835	767	632	931	47%
Monetary Gain	-	-	-	-	-	2	-
<b>Profit Before Tax</b>	<b>954</b>	<b>876</b>	<b>-926</b>	<b>1,023</b>	<b>2,939</b>	<b>3,641</b>	<b>24%</b>
Tax (-)	201	88	-90	64	214	-2,380	-
Current Tax Expense	-40	-	-	-28	-35	-66	-
Deferred Tax Income	-161	-88	90	-36	-179	2,446	-
<b>Net Profit</b>	<b>753</b>	<b>788</b>	<b>-836</b>	<b>959</b>	<b>2,725</b>	<b>6,021</b>	<b>121%</b>



# Balance Sheet

Assets (mn USD)	2018	2019	2020	2021	2022	2023
Cash and Cash Eqv. & Short-Term Financial Investments	2,155	2,475	1,829	2,682	4,701	6,027
Trade Receivables	570	540	637	925	995	856
Pre-delivery Payment (PDP) Receivables	809	778	731	546	511	305
Other Current Assets	971	977	981	785	1,018	1,407
<b>Total Current Assets</b>	<b>4,505</b>	<b>4,770</b>	<b>4,178</b>	<b>4,938</b>	<b>7,225</b>	<b>8,595</b>
Net Fixed Assets <sup>1</sup>	13,918	3,643	4,145	4,364	4,723	6,118
of which Aircraft and Engines <sup>2</sup>	12,127	1,493	1,859	2,041	2,351	3,678
Rights of Use of Assets	-	13,618	14,777	15,110	16,577	16,928
Pre-delivery Payment (PDP) Receivables	505	761	515	279	291	501
Other Non-Current Assets	1,804	15,550	16,692	16,956	18,705	20,457
<b>Total Non-Current Assets</b>	<b>16,227</b>	<b>19,954</b>	<b>21,352</b>	<b>21,599</b>	<b>23,719</b>	<b>27,076</b>
<b>Total Assets</b>	<b>20,732</b>	<b>24,724</b>	<b>25,530</b>	<b>26,537</b>	<b>30,944</b>	<b>35,671</b>
Liabilities (mn USD)	2018	2019	2020	2021	2022	2023
Lease Obligations	9,509	9,919	11,307	10,244	10,766	11,812
Bank Borrowings	1,099	3,453	5,394	4,659	3,273	2,435
Passenger Flight Liabilities	1,002	1,032	580	1,216	2,291	2,656
Accounts Payable	1,022	1,130	861	891	1,200	1,291
Other Liabilities	2,155	2,326	2,005	2,690	3,672	1,914
<b>Total Liabilities</b>	<b>14,787</b>	<b>17,860</b>	<b>20,147</b>	<b>19,700</b>	<b>21,202</b>	<b>20,108</b>
<b>Total Shareholders Equity</b>	<b>5,945</b>	<b>6,864</b>	<b>5,383</b>	<b>6,837</b>	<b>9,742</b>	<b>15,563</b>
of which Issued Capital	1,597	1,597	1,597	1,597	1,597	1,597
of which Retained Earnings	3,760	4,463	5,246	4,406	5,405	8,097
of which Differences from Currency Translation	-160	-184	-201	-275	-294	-221
of which Net Profit for the Period	753	788	-836	959	2,725	6,021
<b>Total Liabilities &amp; Shareholders Equity</b>	<b>20,732</b>	<b>24,724</b>	<b>25,530</b>	<b>26,537</b>	<b>30,944</b>	<b>35,671</b>

## Subsidiaries & Affiliates

31.12.2023	Field of Activity	Revenue (mn USD)	Number of Personnel	Partnership Structure
Turkish Airlines (Türk Hava Yolları A.O.) <sup>1 2</sup>	Transportation	20,942	33,138	49.1% Türkiye Wealth Fund - 50.9% Open to Public
1 Turkish Technic Inc.	MRO	-	10,522	100% Turkish Airlines
2 Turkish Airlines Technology Inc.	IT	-	1,454	100% Turkish Airlines
3 Turkish Flight Training and Airport Operations Inc.	Flight Trainings & Airport Operations	-	154	100% Turkish Airlines
4 AJet Hava Taşımacılığı A.Ş.	Transportation	-	151	100% Turkish Airlines
5 Turkish Airlines Air Cargo Transport Inc.	Cargo	-	7	100% Turkish Airlines
6 Turkish Support Services Inc.	Support Services	-	9,975	100% Turkish Airlines
7 Turkish Airlines Financial Technologies Inc.	Payment Systems	-	-	100% Turkish Airlines
8 Turkish Cabin Interior Systems Inc.	Cabin Interior	-	483	80.1% Turkish Airlines & Turkish Technic - 17% TUSAS – 2.9% HAVELSAN
9 Turkish Fuel Services Inc.	Fuel	4,010	120	25% Turkish Airlines - 25% Taya - 25% Demiroren - 25% Zirve
10 Sun Express Aviation Inc.	Transportation	1,704	3,812	50% Turkish Airlines - 50% Lufthansa
11 Turkish Opet Aviation Fuels Inc.	Fuel	967	524	50% Turkish Airlines - 50% Opet
12 Turkish Ground Services Inc.	Ground Services	658	17,209	50% Turkish Airlines - 50% Havas
13 Turkish Do&Co Catering Services Inc.	Catering	476	5,448	50% Turkish Airlines - 50% Do&Co
14 Pratt&Whitney Turkish Engine Center Co. Ltd.	MRO	549	503	51% P&W - 49% Turkish Technic
15 We World Express Limited	Cargo	65	57	45% Turkish Airlines - 45% ZTO - 10% Pal Air
16 Goodrich Turkish Technic Service Center Co. Ltd.	MRO	17	73	60% Collins Aerospace - 40% Turkish Technic
17 Air Albania SHPK	Transportation	-	179	49% Turkish Airlines - 41% MDN Inv. - 10% Albcontrol
	<b>Total</b>		<b>83,809</b>	



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<sup>1</sup> Revenue of 100% consolidated subsidiaries are included.

<sup>2</sup> Includes parent company personnel only



# **TURKISH AIRLINES**

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INVESTOR RELATIONS

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