2014 FULL YEAR RESULTS

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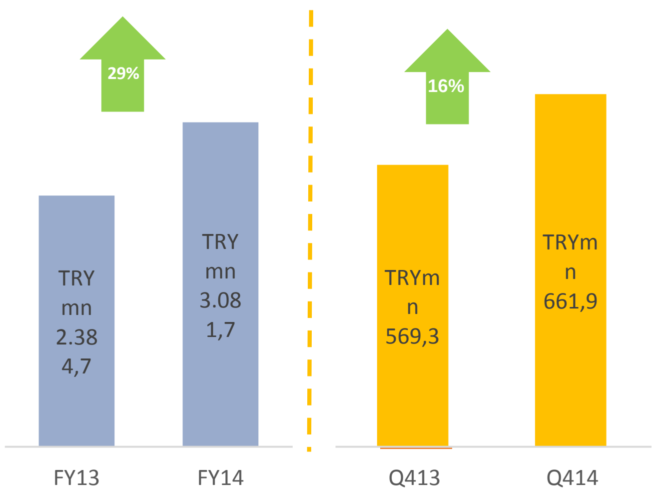
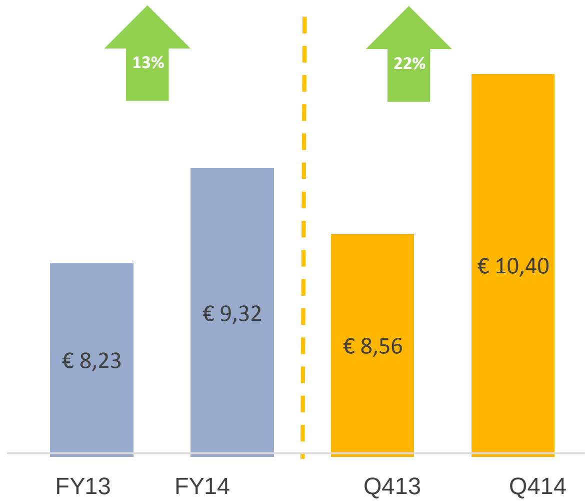
Financial and Operational Highlights

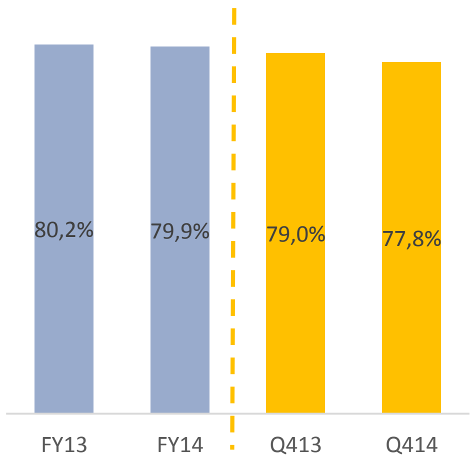
Operational Revenue mnTL (1)



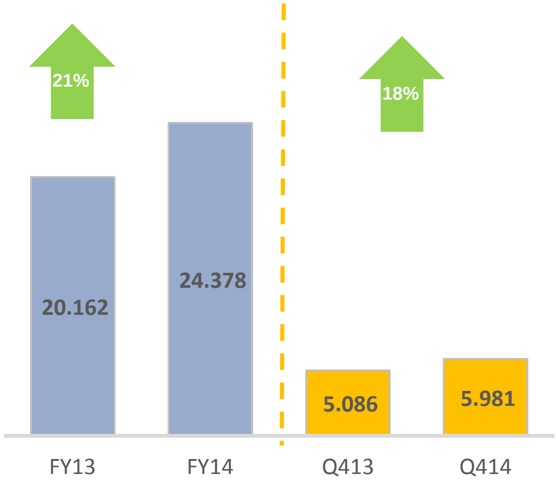
Ancillary Revenue/Pax



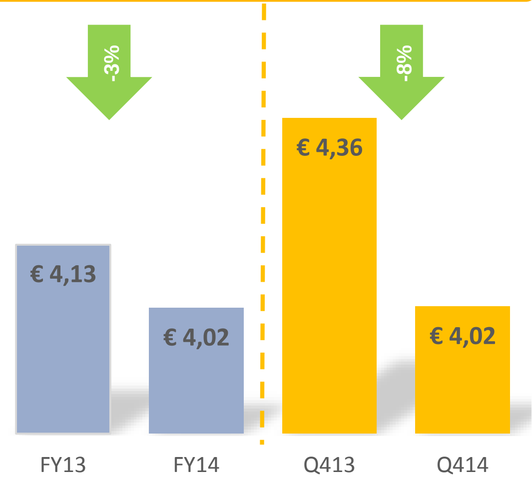
Load Factor



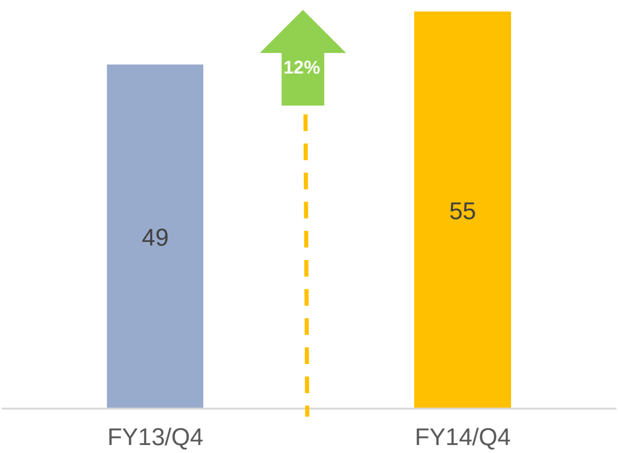
ASK(mn)



CASK



YEAR END FLEET



1. Revenue excluding revenue derived from the AirBerlin Turkey Project for FY13

Route and Frequency Update

New destinations

- Nice
- Oslo
- Lyon
- London-Gatwick
- Milan-Malpensa
- Turkmenbashi
- Dammam
- Sharm el-Sheikh,
- Hurghada as of October 2014

Major Frequency increase

- Basel weekly 10 (additional 3 frequencies)
- Dusseldorf Daily 2 (additional 4 frequencies)
- Kuwait Daily 2 (additional 7 frequencies)
- Tel Aviv Daily 4 / (additional 7 frequencies)
- Moscow Weekly 7 (additional 4 frequencies)

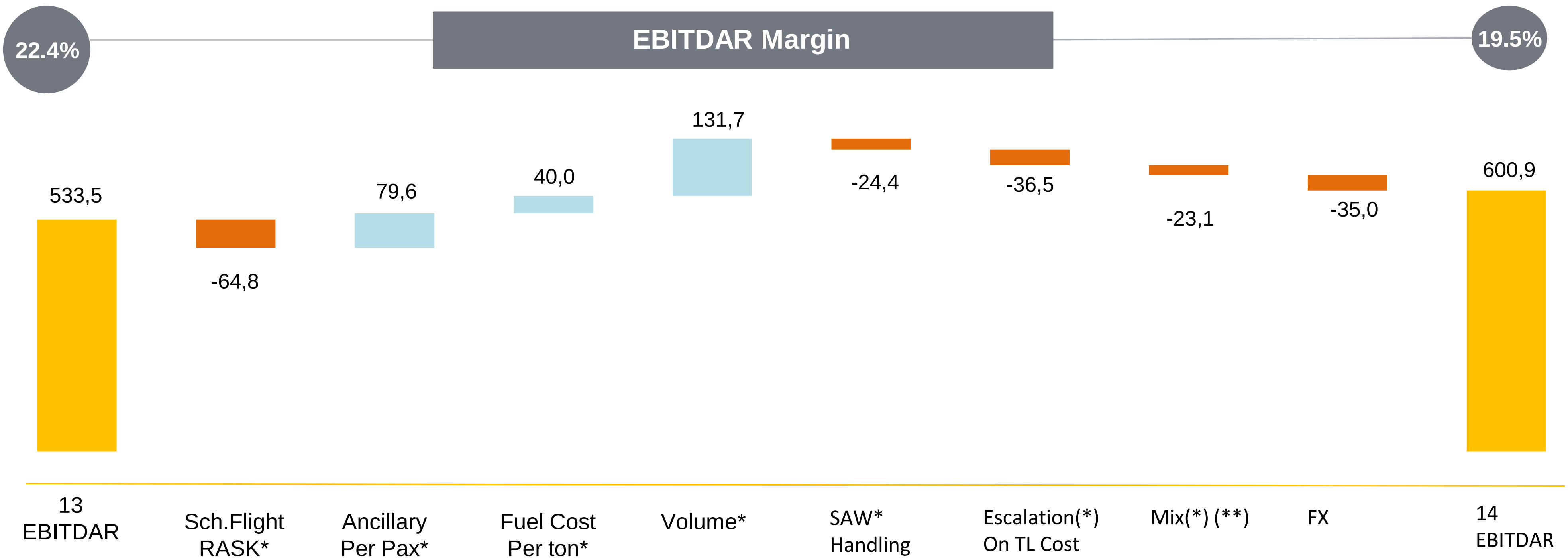
Domestic growth in frequencies

Pegasus Today

- Fleet of 58 aircraft with average age of 4.9 years as of March 2015
- Second biggest airline in domestic market with market share of 28%
- Operates 88 routes to 36 countries

EBITDAR Analysis – 2014

2013-2014 EBITDAR Bridge (TRYmn)



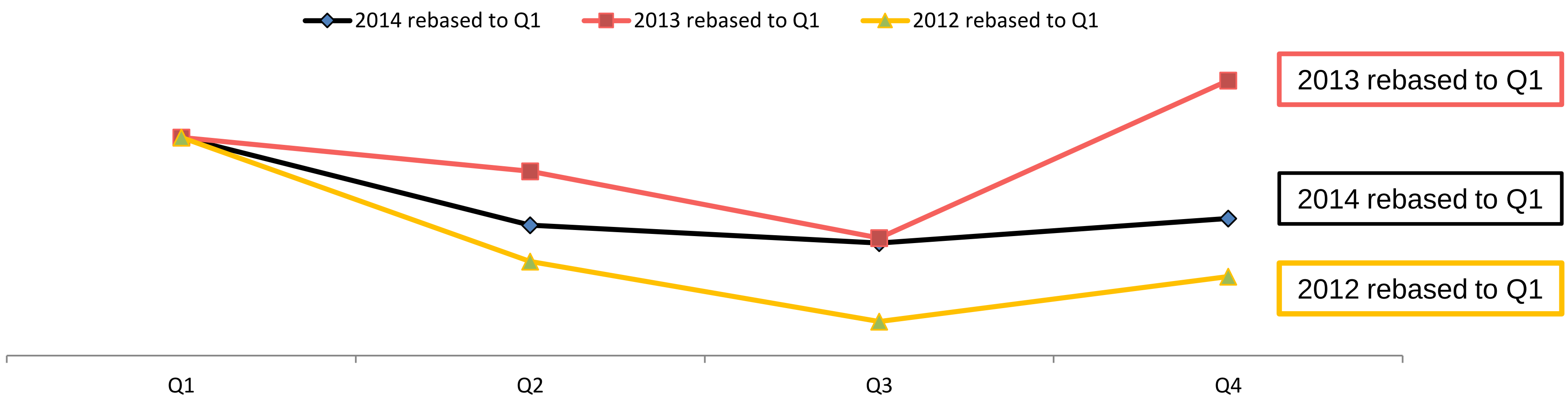
(*) Excluding fx impact
(**) Mix includes Fleet ownership structure and İzAir&Air Manas fixed costs

Comments

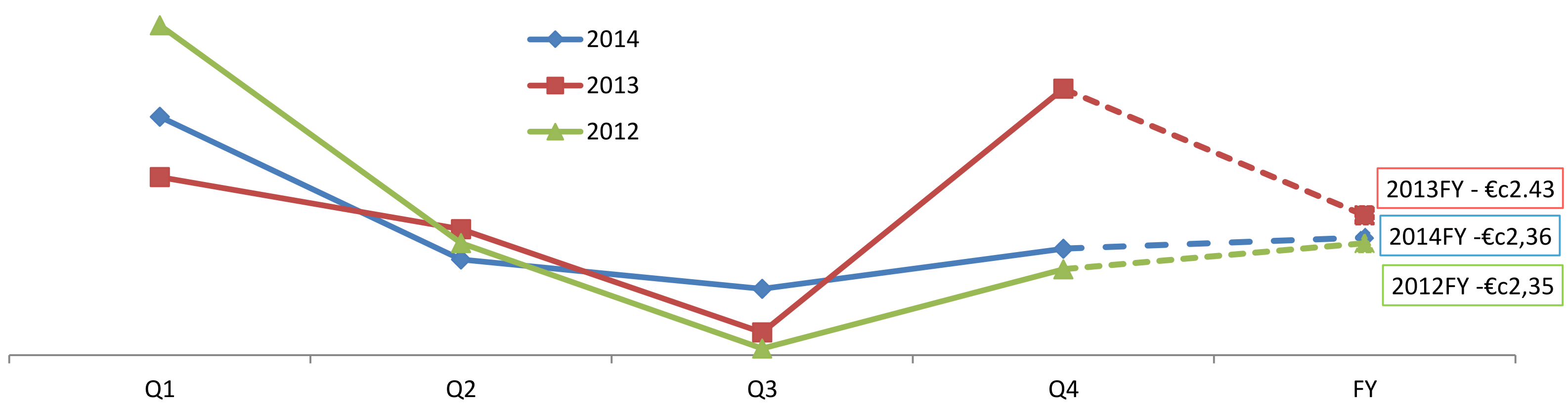
- EBITDAR increased by 13%. Key drivers of change; Increase in volume , Ancillary per pax, FX
- Contraction in margin mainly driven by yield decreases due to competition

CASK Seasonality Analysis

CASK non-fuel Seasonality Relationship



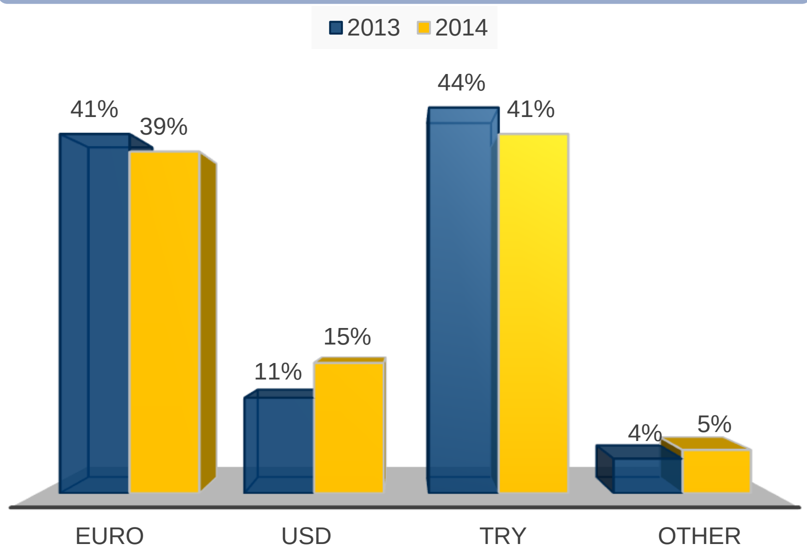
Nominal CASK non-fuel values



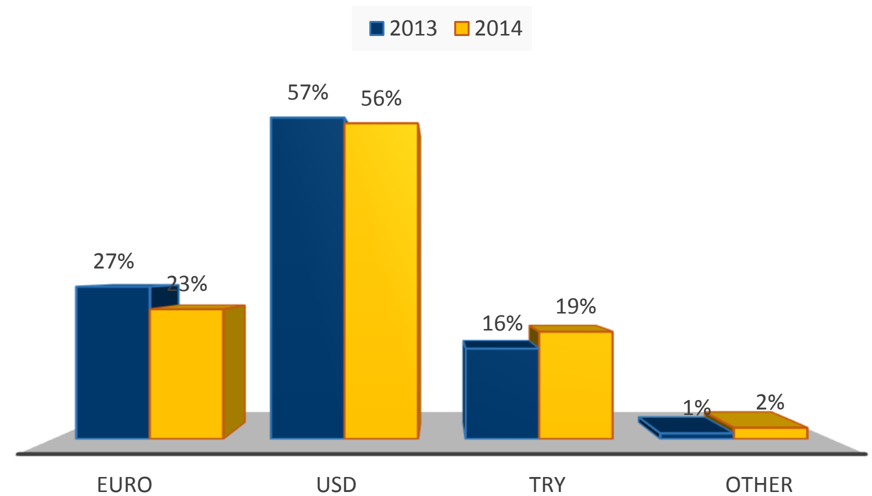
Currency exposure

Fig. 1: Foreign Currency Profile of Income Statement (%)

Revenue Currency Breakdown



Expense Currency Breakdown



Pegasus manages its FX exposure by Hedging

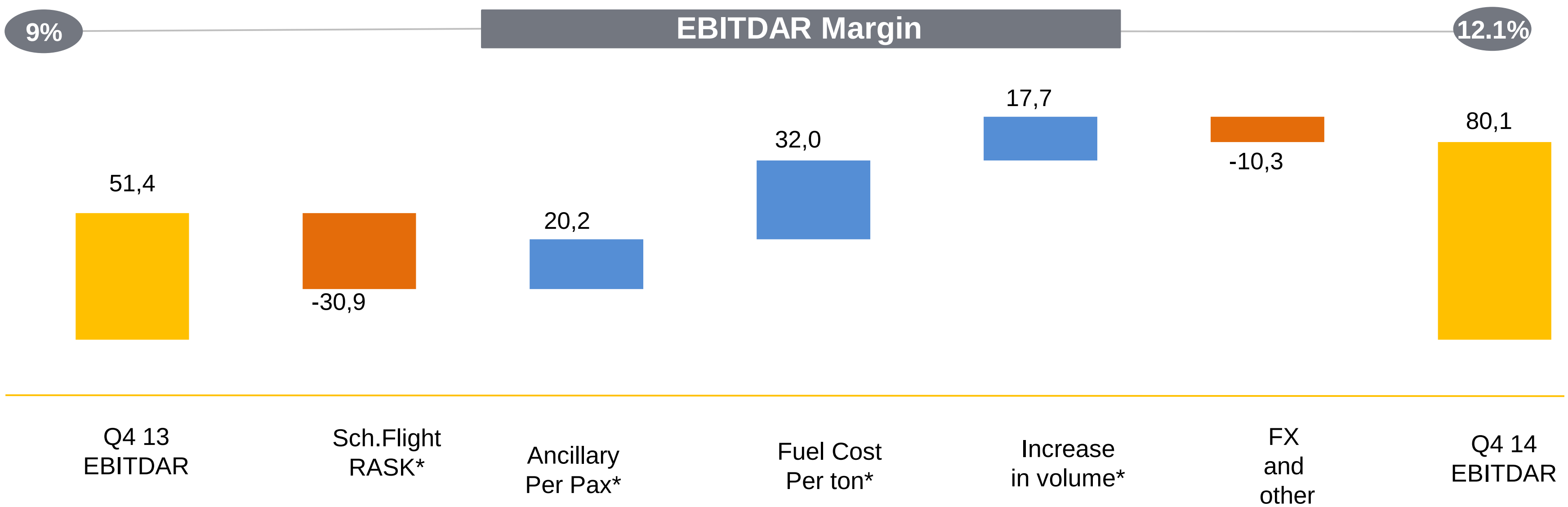
- Hedging volumes:
  - Fuel – 2014: 59%; 2015: 46%
  - Dollar – 2014: 78%; 2015: 12%

Fig. 2: Sensitivity Table (TLm)

2014 FY	EUR/TL	USD/TL	Jet Fuel /tonn
Δ	*+0.01*	*+0.01*	*+$10*
	EUR/TL	USD/TL	Fuel
Revenues	4.2	2.1	-
Opex	2.3	7.3	11.6
EBIT	1.9	-5.1	-11.6
EBITDAR	2.5	-4.3	-11.6

EBITDAR Analysis – Q4 2014

2013-2014 EBITDAR Bridge



Comments

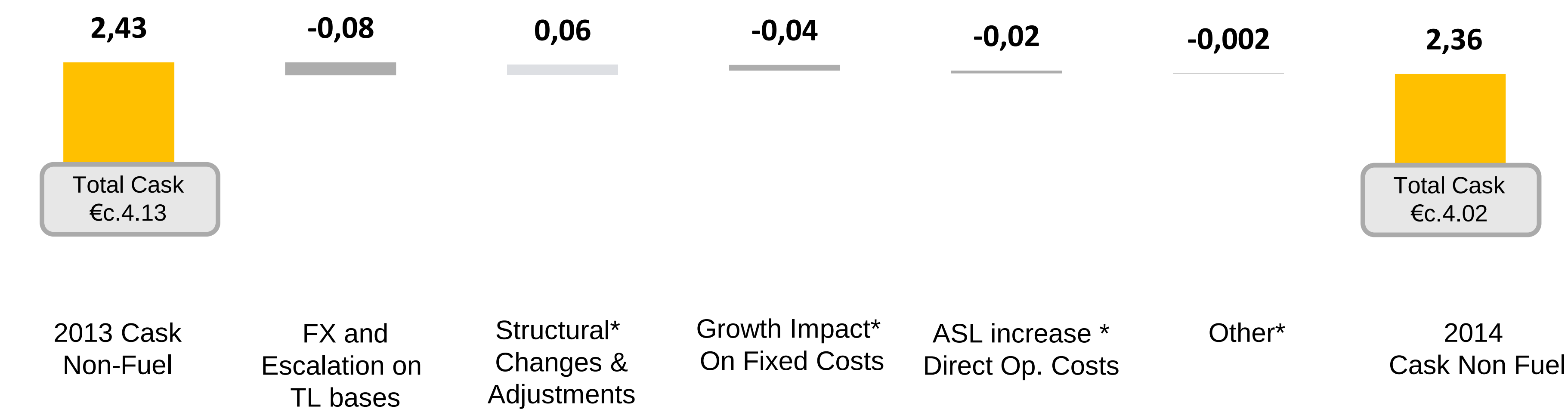
- TL 80.1mn EBITDAR recorded in the Q4 period
  - Nominally up by 56%
- Positive drivers of change; lower fuel cost, increase ancillary revenue per pax, overall volume growth,

(*) Excluding fx impact

CASK Analysis

CASK €c (non- fuel) Bridge – Q4 2014

CASK €c (non fuel) Bridge – 2014FY



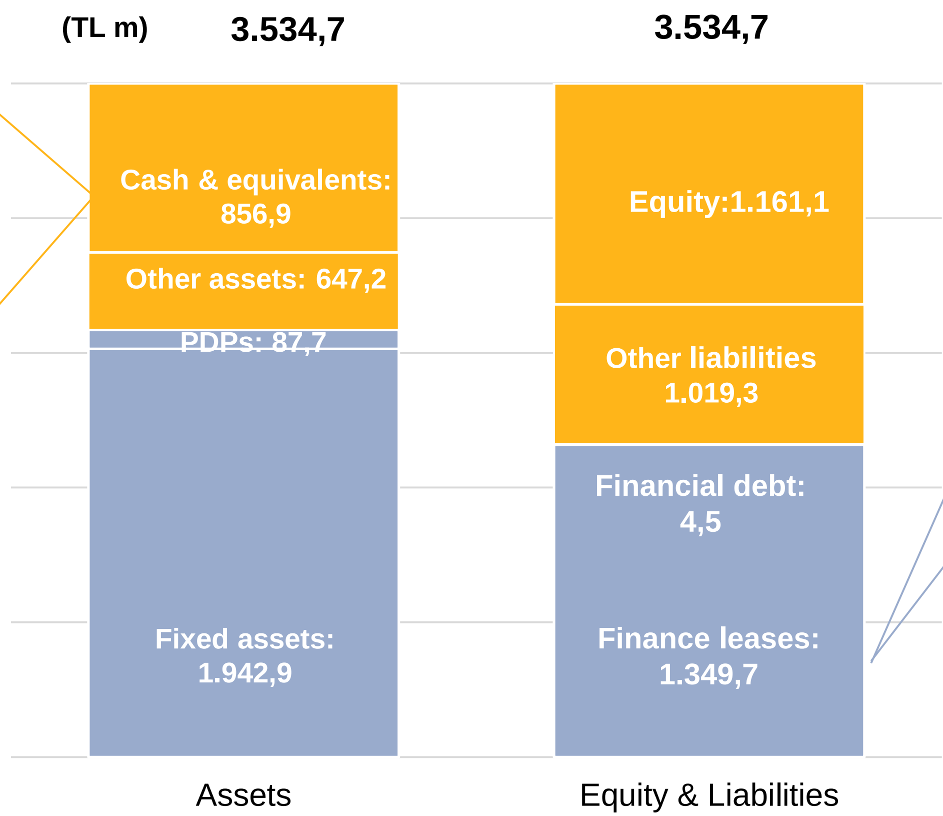
(*) Excluding fx impact

Balance Sheet Update

Balance Sheet Structure (31 December 2014)

Cash & equivalents currency breakdown

	2014
TL	17.9%
USD	63.2%
EUR	14.8%
GBP	2.9%
Other	1.2%



Financial lease maturity breakdown

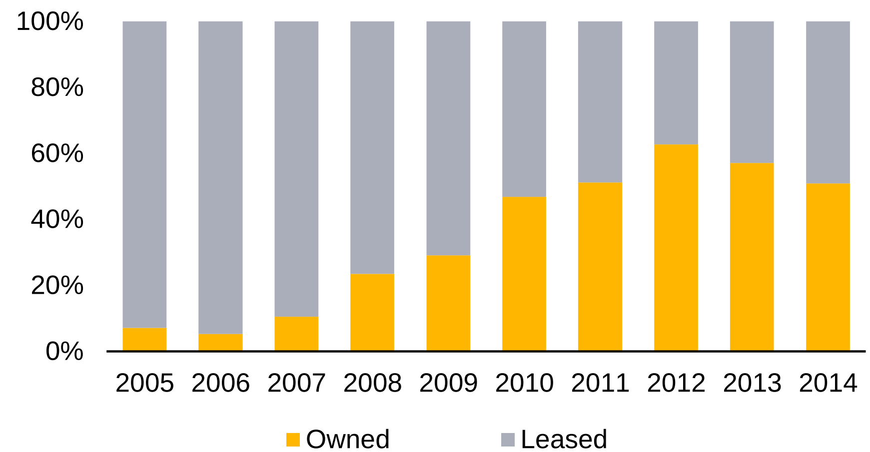
< 1 year	12.1%
1 – 5 years	49.2%
> 5 years	38.8%

Pegasus Fleet Update

Fleet Overview

Fleet at Dec. 2014	Owned	Leased	Total
Boeing 737-800	27	23	50
Boeing 737-400	1	0	1
Airbus A320 CEO	0	4	4
Total Fleet	**28**	**27**	**55**

Ownership Profile



Fleet Expansion (Under Contract)

Fleet	FY 2014	FY 2015	FY2016
Owned	3	3	3
Financial Lease	25	25	32
Operational Lease	27	37	37
Total	**55**	**65**	**72**

Source: Pegasus information.

Anticipated financing of Airbus order book

We envisage to finance the first half of Airbus Neo's

by using ECA backed financing, EETC and JOLCO structures and keep them on our balance sheet

Outlook & Trends

Traffic – Market Growth

- We expect another double digit PAX growth in international and domestic aviation market
  - DHMI forecasts a passenger growth of 12% in Turkey in 2015
  - We target a total PAX growth of c.16-18 % in 2015

Capacity Increase

- In total, we expect to add c. 18-20% of additional ASKs in 2015
- Aircraft utilization will remain at comparable levels in 2015

Load Factors and Yields

- Domestic & International
  - Stable yield in TL and Euro terms and flat load factor will be the outlook for FY15

Ancillary Revenues/Pax

- €10 per pax revenue expectation for the FY15
- €10-12 per PAX range within the two years

Operating Costs (CASK)

- in 2015 we expect total CASK will go up c.5-6 %. mainly stemming from FX and fleet mix change

2015 EBITDAR margin

- Between 18-20%

Capex and Cash Flow

- $mn50 aircraft pre delivery payment and two spare engines
- Approximately €mn20 for potential ramp handling capex
- Other marginal non aircraft capex,

1. *These trends and targets involve a number of risks and uncertainties and actual results may differ materially. See disclaimer at the end of the presentation.*

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