

Air Traveller Trends to Istanbul

***January to June 2016 Year to Date
Forward Looking July to December 2016***

July 2016

***“Applied traveller operational intelligence to support
tactical business decisions”***

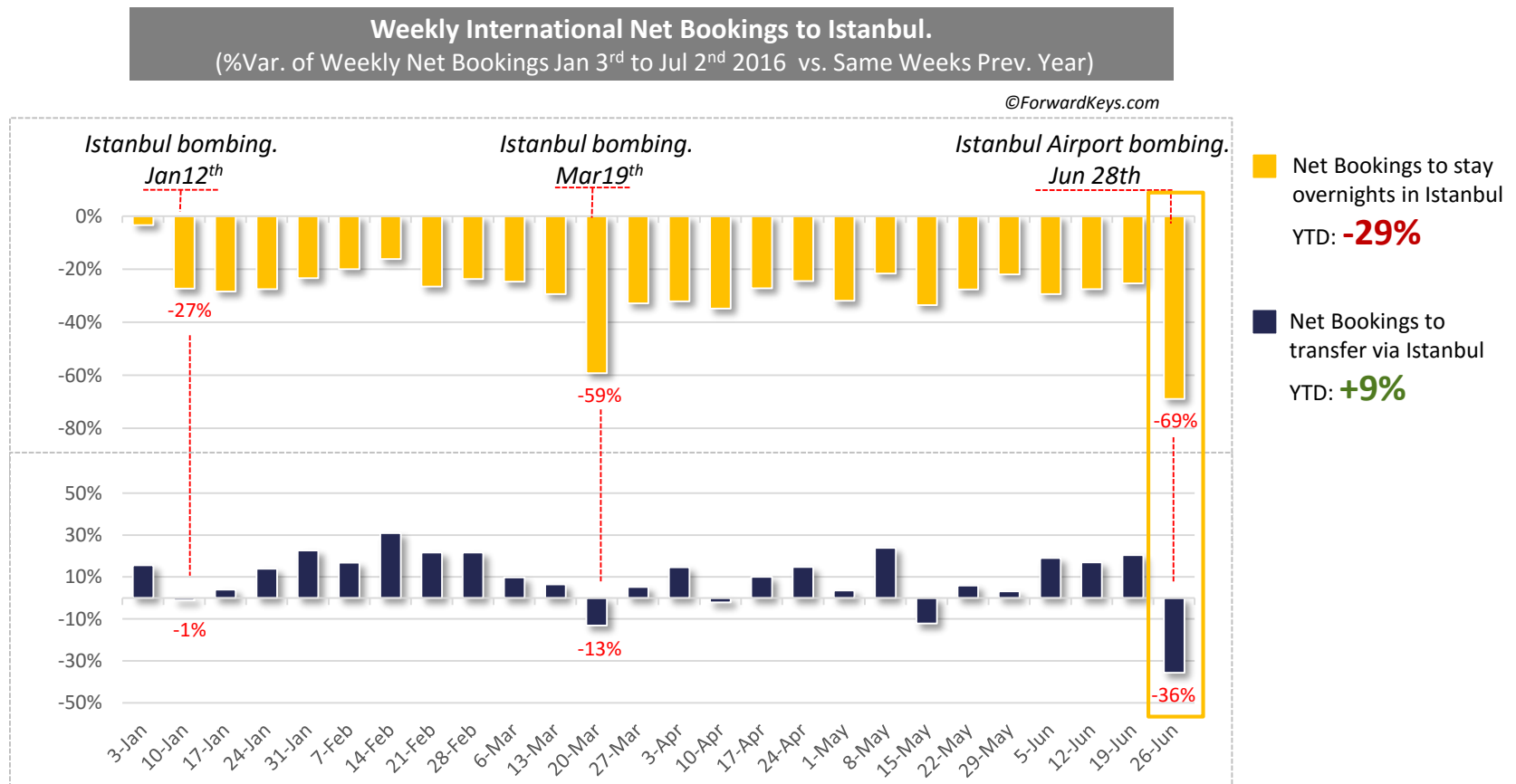


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Weekly Int'l Net Bookings to Istanbul 2016 Year to Date

Significant Reductions Always Followed Immediately

- Also affected by Ankara bombings, March attacks provoked a sharper and stronger reaction than January's ones. Without time to recover, every new terrorist action sets up a more negative scenario than the previous one with June setting a new negative record.



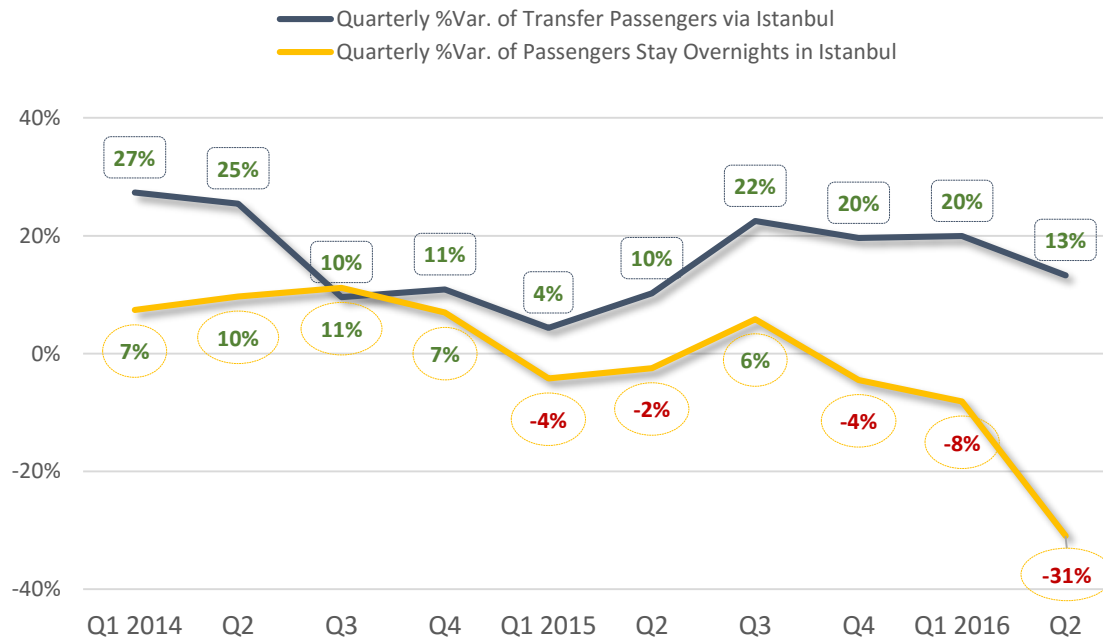
Importance of Istanbul as Transit Hub. 2014 to 2016 June.

Transfer Passengers Numbers Growing Significantly

- Linking Europe with the Middle East and Asia, Istanbul played a key role in passengers flows even when visitors volumes suffered from latest terror attacks in January, March and June 2016.

International Passengers Through Istanbul Overview
(Quarterly Performance 2014 Q1 to 2016 Q2)

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International Passengers through Istanbul January to June 2016

Transfer Passengers Unaffected by Terrorist Events - Year to Date



- International travelers that stayed at least one night in Istanbul decreased 21% when comparing first half of 2016 with 2015. Meanwhile, travellers that only transferred via Istanbul were not affected at all: positive monthly variations were seen for transfer traffic from all over the world.

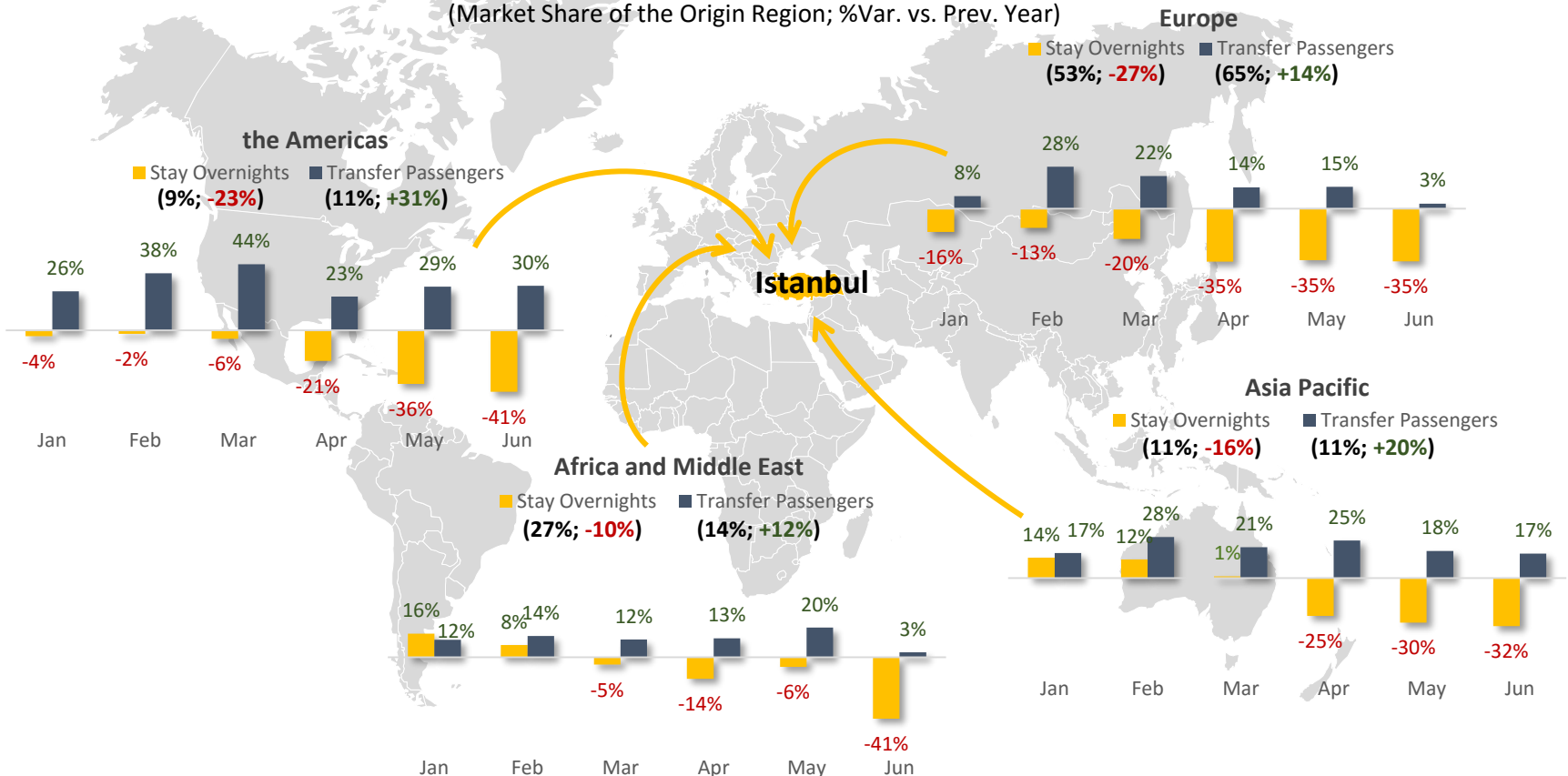
International Passengers through Istanbul by Origin Region.
(%Var. of Monthly Arrivals Jan to Jun 2016 vs. 2015)

Transfer via Istanbul (100%; 16%)

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Stay Overnights in Istanbul (100%; -21%)

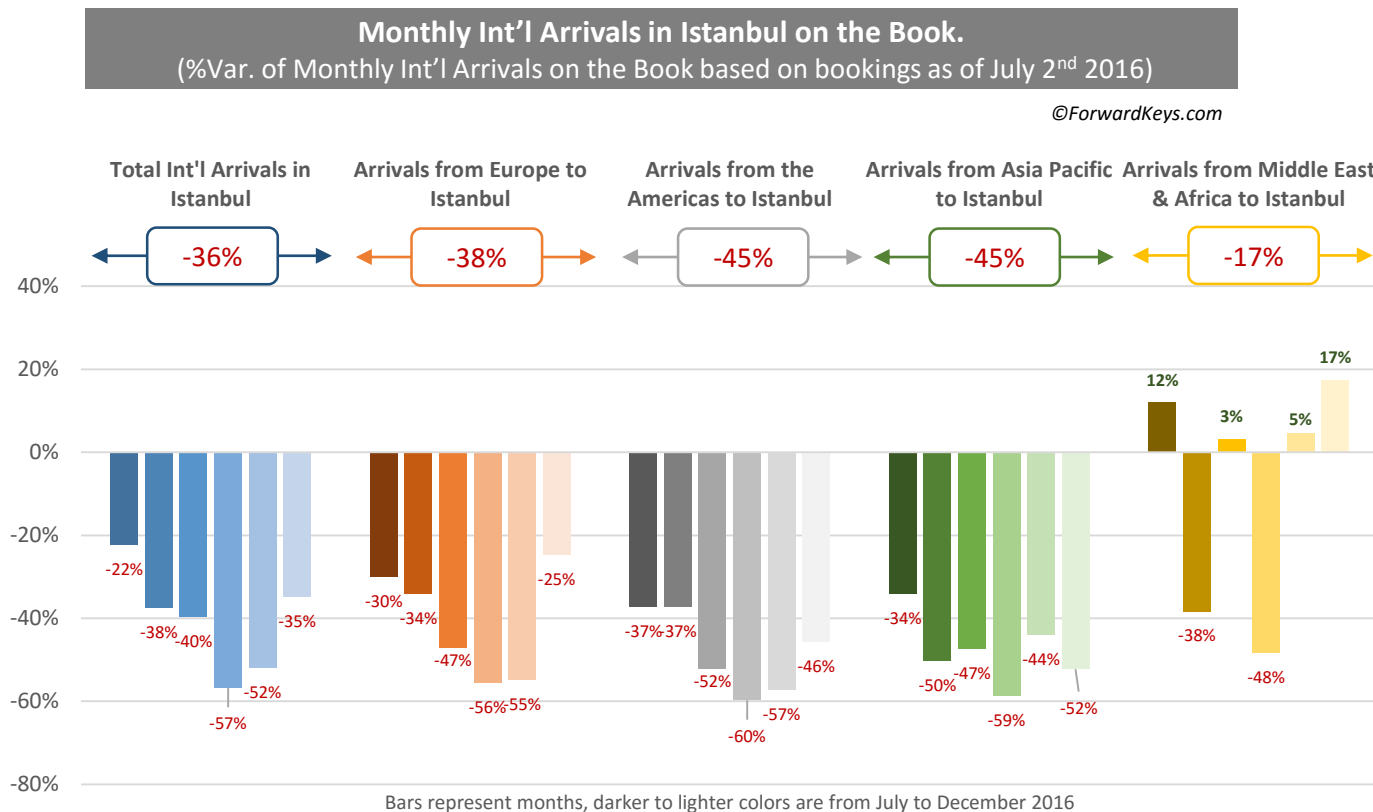
(Market Share of the Origin Region; %Var. vs. Prev. Year)



Forward Looking Int'l Travellers Staying in Istanbul Jul to Dec 2016

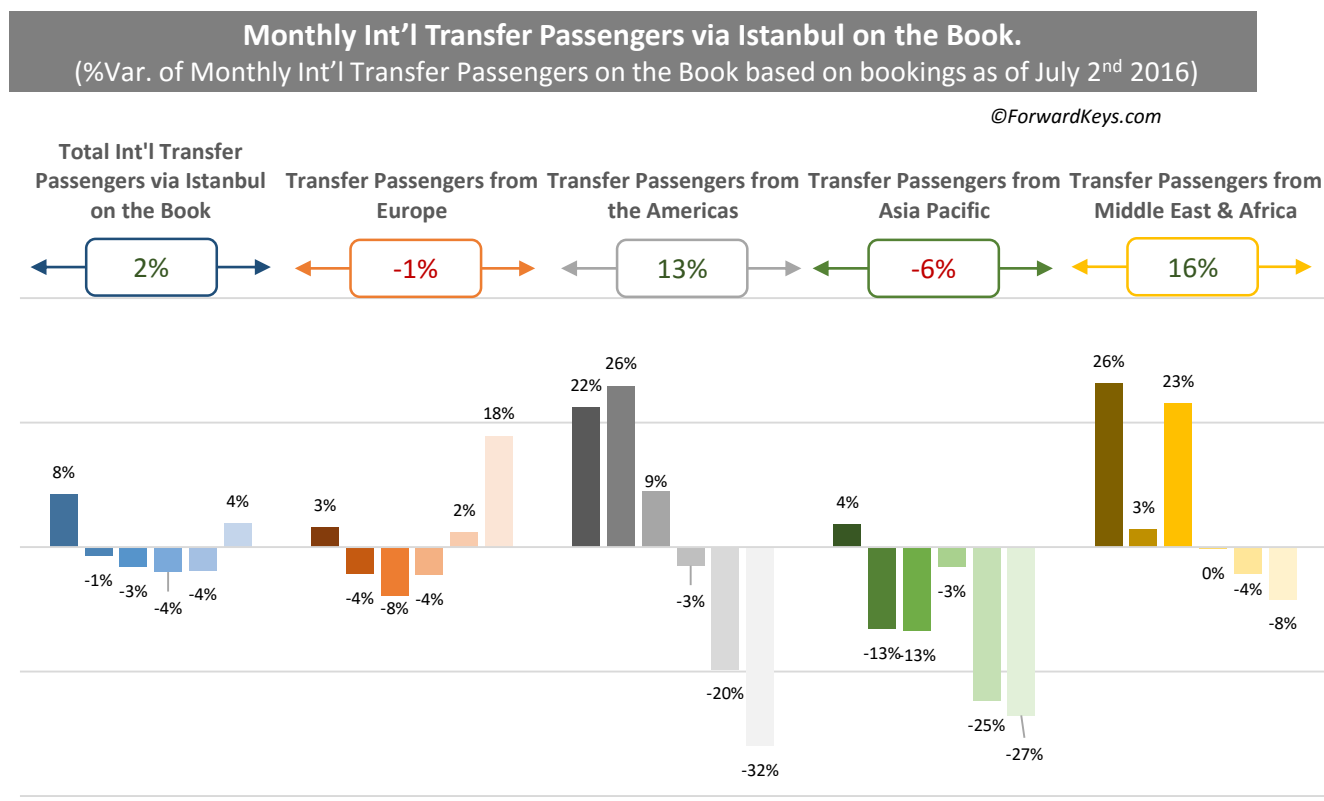
Down 36% in Forward Bookings for Second Half of 2016

- As of July 2nd 2016, forward bookings for int'l arrivals in Istanbul were down 36%, depicting a worrisome scenario, with only Middle East and Africa showing advanced bookings. July growth partially due to End of Ramadan travel and further bookings fueled by Turkish Airlines' new routes.



Second Half Still Positive; July Successful for All

- Main axis of communication transferring in Istanbul (Europe – Asia) shows somber booking situation for next few months. Meanwhile new business flourishes from America and Middle East – Africa.



Bars represent months, darker to lighter colors are from July to December 2016

Methodology and Glossary



- ▶ This analysis is based on Air Reservation Data propriety of ForwardKeys® as of 4th July 2016. Database contains reservations handled via the main GDS worldwide. Database updated as of **2nd July of 2016**.

- ▶ **Perimeter:**
 - ▶ Market: Total International.
 - ▶ Destination: Istanbul.

 - ▶ Period:
 - ▶ Arrival history: January 1st to June 30th 2016
 - ▶ Booking history: Weekly January 3rd to July 2nd 2016; Daily June 1st to July 2nd 2016
 - ▶ Arrivals on the book cover July 1st to December 31st 2016, Based on booking situation as of July 2nd 2016.

 - ▶ Stay Overnights: Air reservations that stay at least one night in destination Istanbul;

 - ▶ Transfers: Air reservations that stay in destinations for less than one night (transit and day trips);

- ▶ **Arrivals** refer to the number of airline passengers arriving at the destination within a specific time frame.

- ▶ **Bookings** represent air reservations made for travel to the specific destination (i.e. Barcelona) for any date of travel.

- ▶ **On the Book Information (OTB)**: Bookings already issued for air travel at future dates. These are actual bookings, reflecting demand for a specific destination on a particular day – compared with the booking status for the same destination on the same day 12 months earlier.