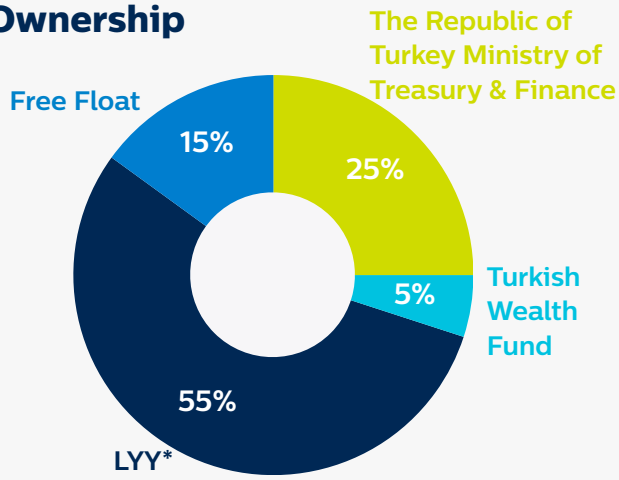
Türk Telekom

Corporate Fact Sheet 2018 YE

Ownership



Note: Turkish Wealth Fund has 1.68% share in free float

*Levent Yapılandırma Yönetimi A.Ş.

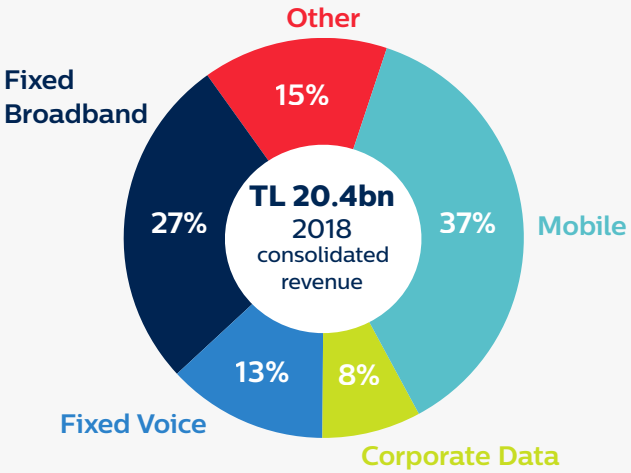
2019 Guidance

- 15% - 16% Revenue growth*
- TL 10.0 bn - TL 10.2 bn EBITDA levels
- TL 5.5 bn - TL 5.7 bn CAPEX

* Excluding IFRIC 12

Türk Telekom adopted IFRS 16 accounting standards starting from 1 January 2019.. Guidance includes IFRS 16 impact on EBITDA and CAPEX.

Revenue Breakdown (2018)



TTKOM Bloomberg: TTKOM TI Reuters: TTKOM IS

Türk Telekom Group is Turkey's world-class, integrated telecommunication and technology services provider offering its customers the complete range of mobile, broadband, data, TV and fixed voice services as well as innovative convergence technologies under the unified "Türk Telekom" brand. Turkey is one of the largest telecom markets in EMEA region with over 80 mn growing population and increasing number of households.

Overview of Türk Telekom

Türk Telekom was privatized in 2005 and IPO'ed in 2008; underwent a successful transformation resulting in increased efficiency and enlarged service scope

Unification of mobile, broadband, TV and fixed voice brands under single Türk Telekom brand with a customer oriented and integrated structure

Strong portfolio of subsidiaries, all well positioned to provide equity value both via supporting core businesses and via third party sales

Covering 81 cities of Türk Telekom with its 282K km fiber network

LTE population coverage expanded to 91% in Q4'18 from 83% a year ago.

Financial and Operational Highlights

Consolidated Revenues increased by 12.6% to TL 20.4 bn, the highest annual growth since IPO.

Excluding IFRIC 12, total revenue growth was at 12.8%.

The Group delivered the highest annual EBITDA growth since IPO at 30.7% YoY - 2018 EBITDA was TL 8.4 bn.

EBITDA margin was 41.3%, supported by revenue growth and efficiency measures undertaken in opex management. Excluding IFRS 15 impact, EBITDA margin was again outstanding at 38.1%, 2.6ppt higher than 2017.

Total number of Türk Telekom subscribers reached 46.0 mn in 2018. For the full year, net subscriber gain was 4.3 mn, outperforming the previous full year's record of 2.8 mn.

Türk Telekom

100%	100%	100%	100%	100%
innova	ARGELA	sebit	assistt	Türk Telekom International
IT Consulting Products and Services	IT Product &SoftwareServices	Education Content	Call Center Services	Wholesale data and capacity provider

While Türk Telekom unified mobile, fixed voice, fixed broadband and TV brands under single "Türk Telekom" brand, TTNET A.S., and TT Mobil İletisim Hizmetleri A.S. legal entities remain intact

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Türk Telekom Group

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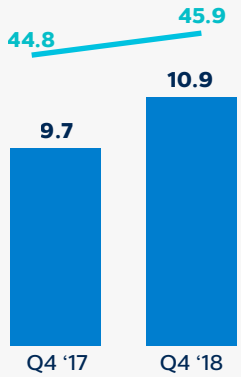
Operational Performance

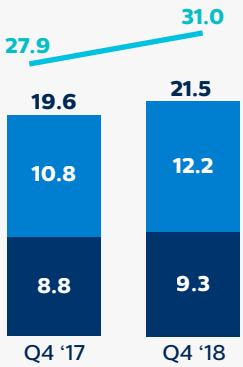
Fixed Broadband

Subscribers (mn) — ARPU (TL)



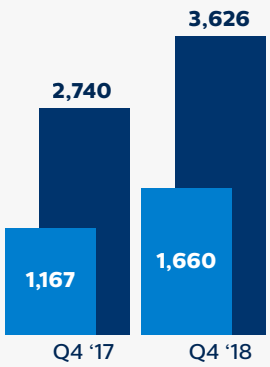
Mobile

Prepaid (mn) Postpaid (mn) — Blended ARPU (TL)



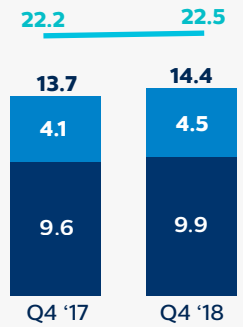
TV

Total TV (inc. Tivibu Go) (000) Tivibu Home (000)



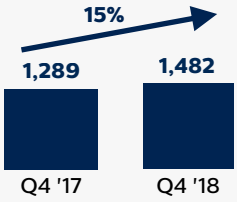
Fixed Voice

Fixed Voice ARPU (TL)
Fixed Voice (mn) Naked Broadband (mn)

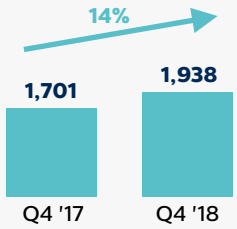


Revenue Performance (TL mn)

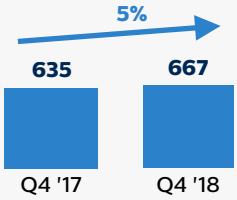
Fixed Broadband



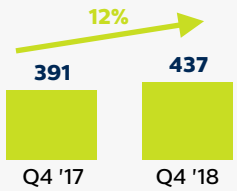
Mobile



Fixed Voice



Corporate Data



Summary Financials

Consolidated Income Statement (TL mn)	2018	Q4 '17	Q3 '18	Q4'18
Revenues	**20,431**	**4,800**	**5,396**	**5,398**
EBITDA	**8,436**	**1,525**	**2,267**	**2,229**
Margin	*41.3%*	*31.8%*	*42.0%*	*41.3%*
Operating Profit	**4,701**	**713**	**1,305**	**1,244**
Margin	*23.0%*	*14.8%*	*24.2%*	*23.0%*
Financial Income/ (Expense)	**(6,723)**	**(1,061)**	**(5,077)**	**1,413**
Tax Expense	**631**	**235**	**926**	**(442)**
Net Income	**(1,391)**	**(113)**	**(2,846)**	**2,215**
Margin	*n.m.*	*n.m.*	*n.m.*	*41.0%*

Consolidated Cash Flow Statement (TL mn)	2018	Q4 '17	Q3 '18	Q4 '18
Operating Cash Flow	**7,589**	**3,063**	**3,183**	**1,956**
Investing Cash Flow	**(4,126)**	**(1,674)**	**(1,141)**	**(1,524)**
CAPEX	(4,065)	(1,713)	(1,161)	(1,565)
Other Investing Activities	(61)	39	19	41
Financing Cash Flow	**(3,253)**	**(12)**	**(341)**	**(2,205)**
Net Change in Cash Position	**210**	**1,376**	**1,701**	**(1,773)**

Consolidated Balance Sheet (TL mn)	31.12.2017	30.09.2018	31.12.2018
Total Assets	**29,149**	**38,945**	**36,199**
Cash and Equivalents	4,100	6,187	4,495
Intangible Assets	8,482	9,679	9,783
Tangible Assets	9,138	14,147	14,274
Other Assets	7,428	8,931	7,647
Total Equity and Liabilities	**29,149**	**38,945**	**36,199**
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	1,295	2,262	4,193
Interest Bearing Liabilities	16,492	24,713	19,921
Other Liabilities	8,102	8,709	8,823

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