

2021 Q3

Türk Telekom Investor Presentation

Türk Telekom
Değerli Hissettirir



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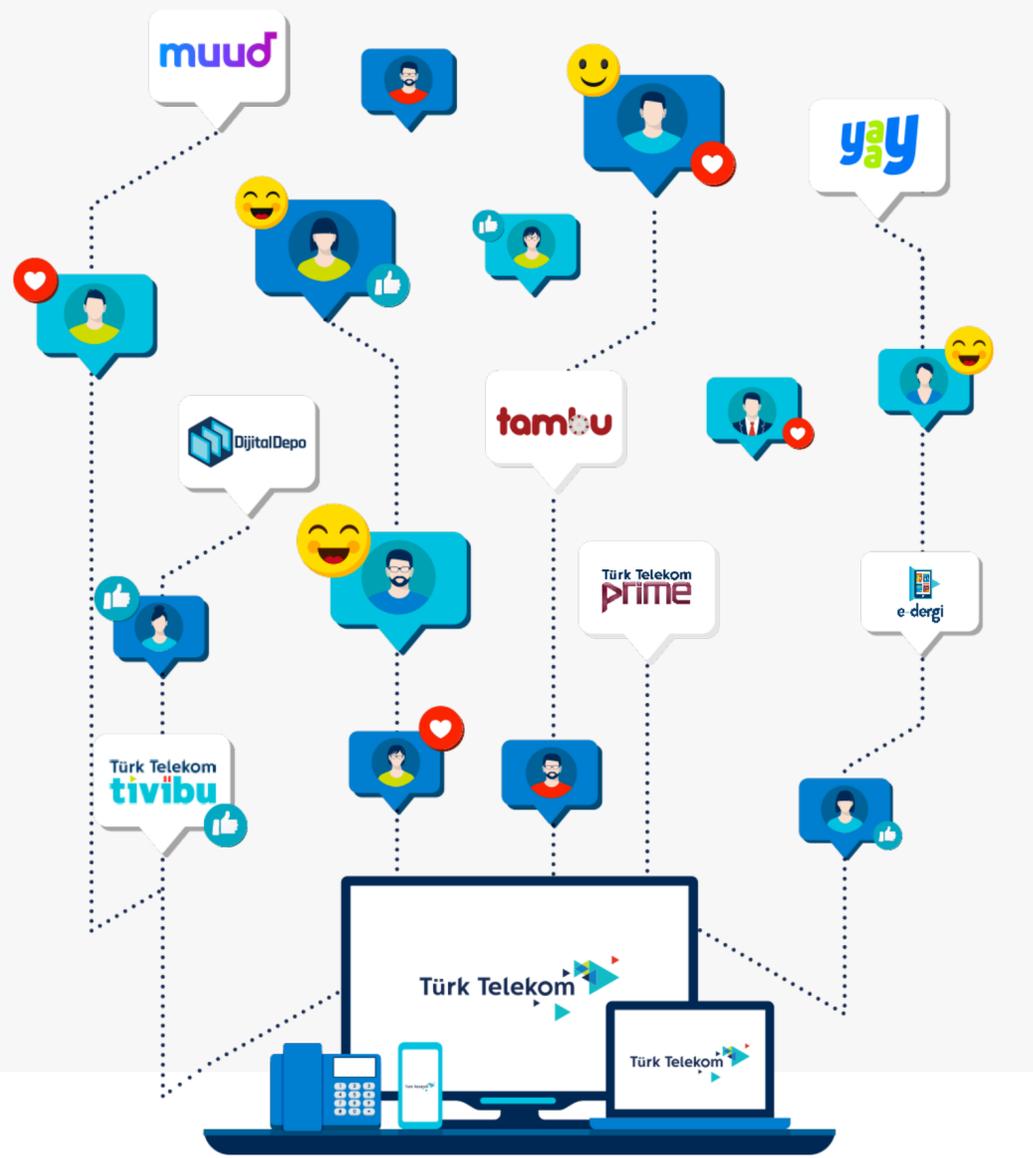
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Note: EBITDA is a non-GAAP financial measure. The EBITDA definition used in this investor presentation includes revenues, cost of sales, marketing, sales and distribution expenses, general administrative expenses, research and development expenses and other operating income/(expense), and income/(expense) from investing activities, but excludes depreciation, amortization and impairment expenses, financial income/(expenses) presented in other operating income/(expenses) (i.e. FX gain/(loss), interest and rediscount income/(expense) on current accounts excluding bank borrowings)

51.4mn subscribers



711K
in Q3 '21

Net
additions*

1.9mn
in LTM

Net Adds



Broadband

250K
Q3 '21

1.3mn
LTM



Mobile

503K
Q3 '21

771K
LTM



Fixed Voice

-2K
Q3 '21

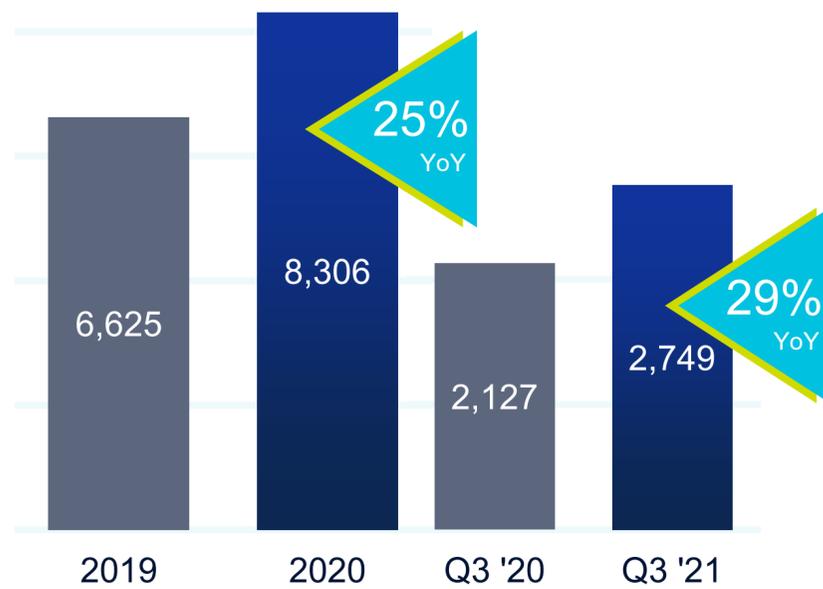
29K
LTM

*Includes Tivibu

2021 Q3 Highlights

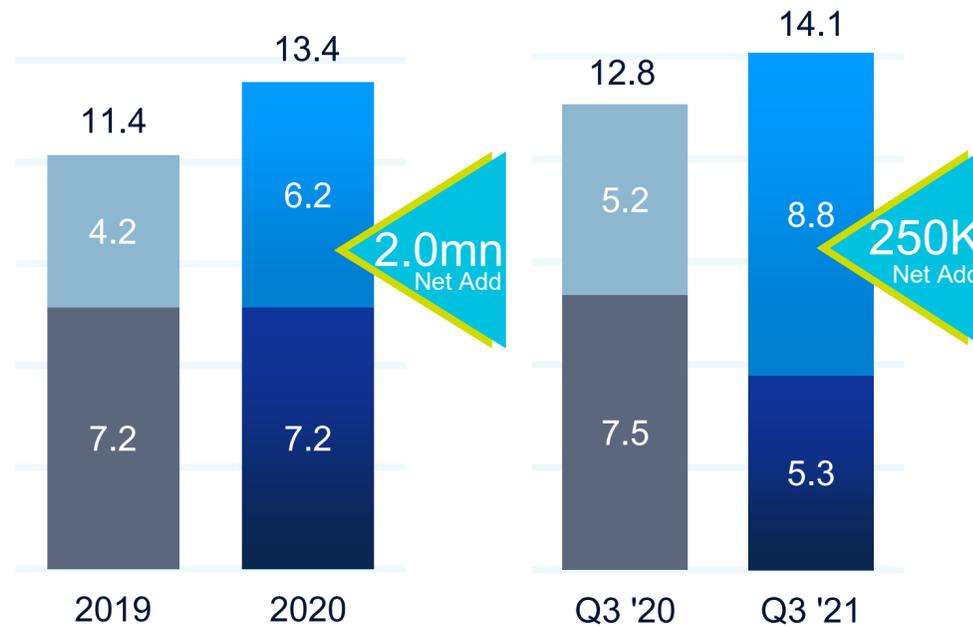
 <p>Total Subscribers</p>	<p>51.4 mn Up 4% YoY</p>	 <p>Net Income</p>	<p>TL 2.0 bn Up 374% YoY</p>
 <p>Revenue</p>	<p>TL 8.6 bn Up 17% YoY</p>	 <p>Free Cash Flow</p>	<p>TL 2.5 bn Up 37% YoY</p>
 <p>EBITDA</p>	<p>TL 4.3 bn Up 23% YoY</p>	 <p>CAPEX</p>	<p>TL 1.7 bn Down 9% YoY</p>
 <p>EBITDA Margin</p>	<p>49.6% Up 240bps YoY</p>	 <p>Net Leverage</p>	<p>0.96x Q3 '20 1.35x</p>

Fixed Broadband Revenue (TL mn)

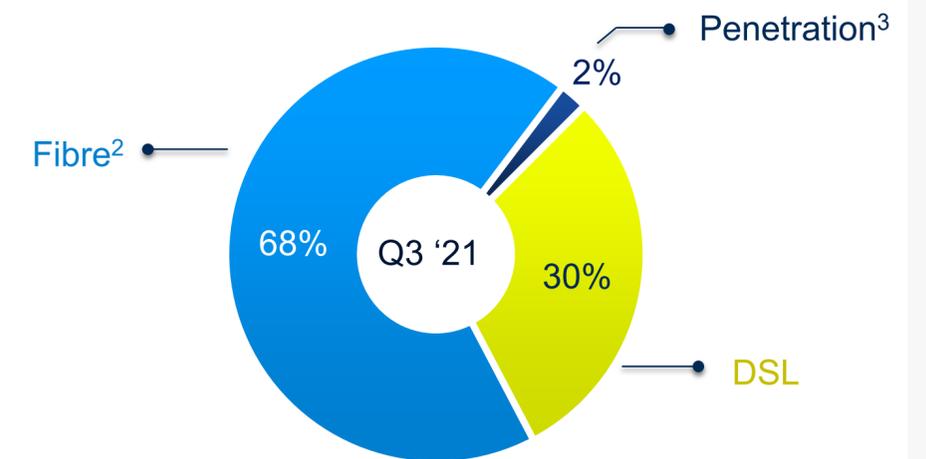
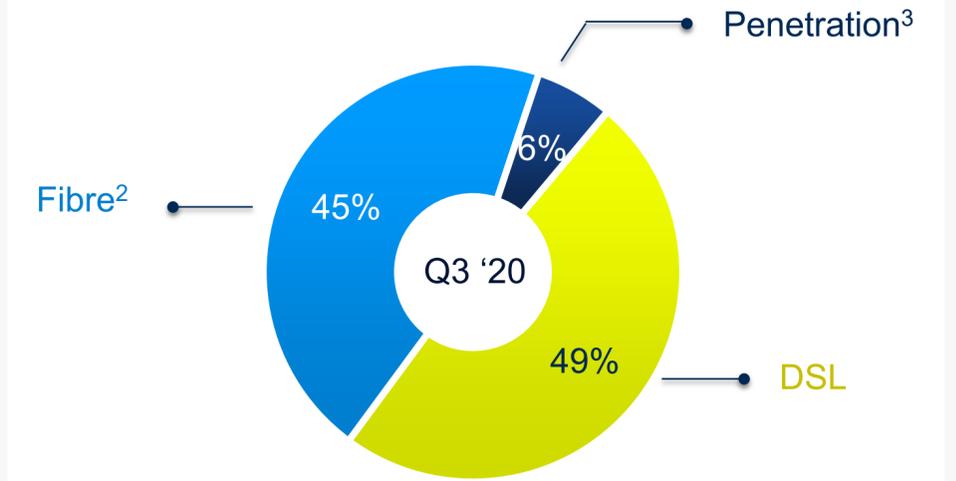


ARPU & Subscribers

- Fibre Subscribers (mn)
- DSL Subscribers (mn)
- ARPU (TL)



Subscriber Breakdown¹ (% of Subscribers)

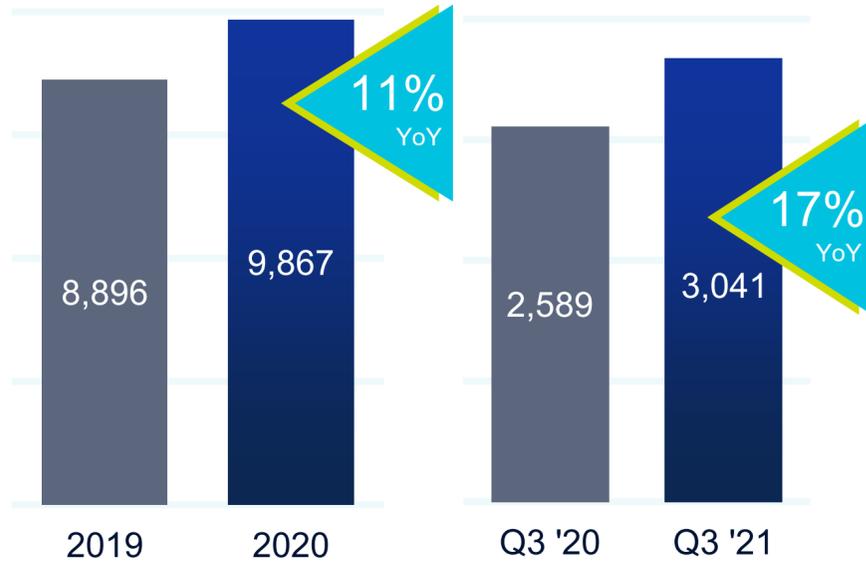


¹Retail only

²Fibre subscribers include FTTH/B & FTTC subscribers

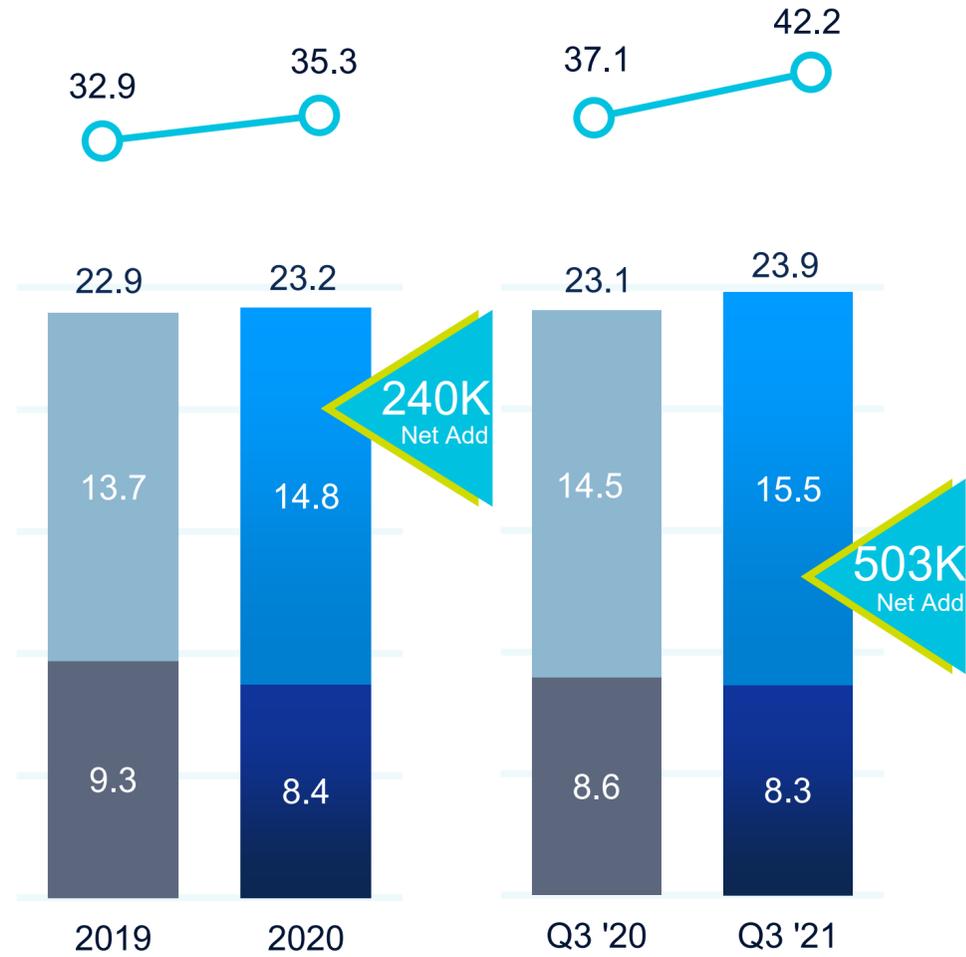
³Customers acquired through penetration campaigns

Mobile Revenue (TL mn)



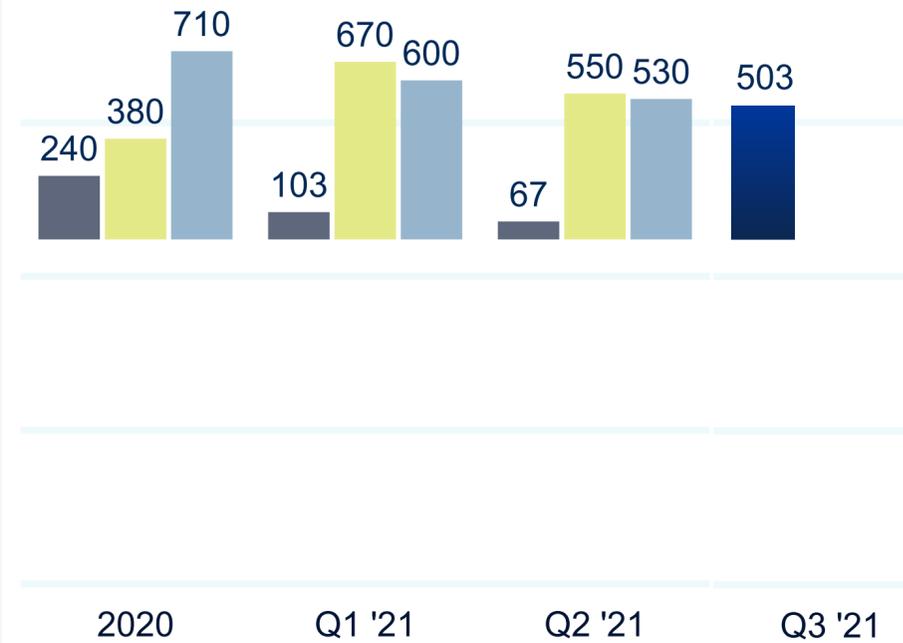
Growing ARPU & Subscribers

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



Net Subscriber Additions (‘000)

- Türk Telekom
- Vodafone
- Turkcell

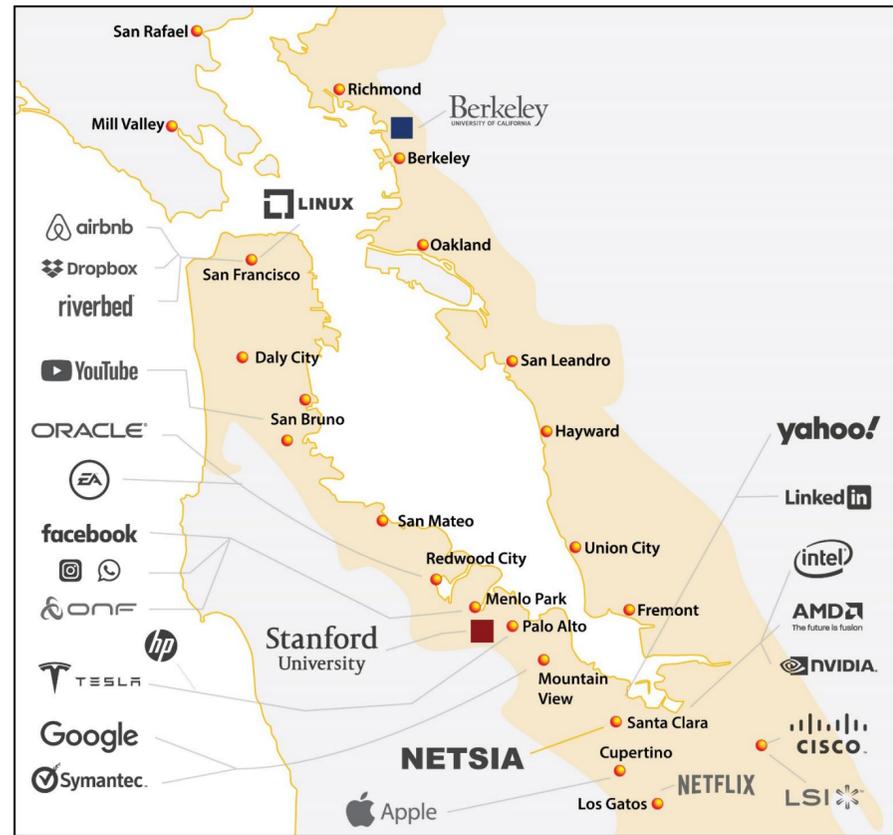


Source: ICTA, Türk Telekom

Next generation network solutions: **Netsia**



56 patents in 5G and next generation technologies



Strategic position in Silicon Valley

- The world's largest tech arena
- Proximity to innovation centric ecosystem and tech foundations
- Network of business partners, large tech investors and customers
- Expert human resources
- Large investor capital

Netsia actively participates in...



Netsia Solutions

Broadband

SEBA
SDN Enabled Broadband Access

Netsia BB Suite

Live on Türk Telekom network
Testing phase with leading operators in Latin America, Europe and Asia

Mobile

vRAN
Software Defined and Sliceable Virtualised RAN

Radio Intelligent Controller

In partnership with Juniper Networks

	2020 Actuals	2021 Previous Guidance	2021 Revised Guidance
 Revenue (exc. IFRIC 12) ¹	TL 26.5 bn	Around 17% growth	Around 18% growth
 EBITDA	TL 13.2 bn	Around TL 15.8 bn	Around TL 16.2 bn
 CAPEX	TL 6.7 bn	Around TL 8.5 bn	Around TL 8.7 bn

(1)IFRIC 12 adjustment is a non-operational revenue line booked in conjunction with upgrades to our fixed line infrastructure such as the upgrade from copper to fiber based network

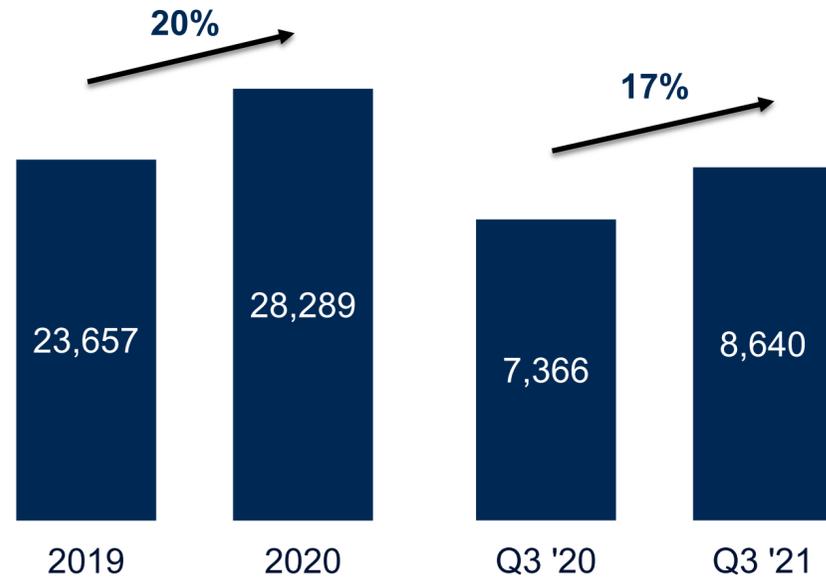


Financial Highlights



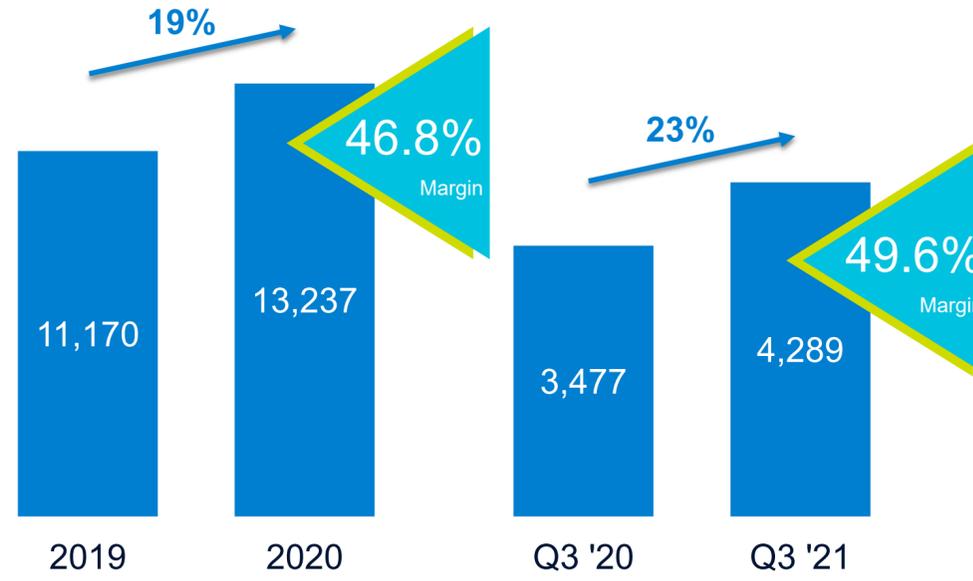
Revenue

(TL mn)



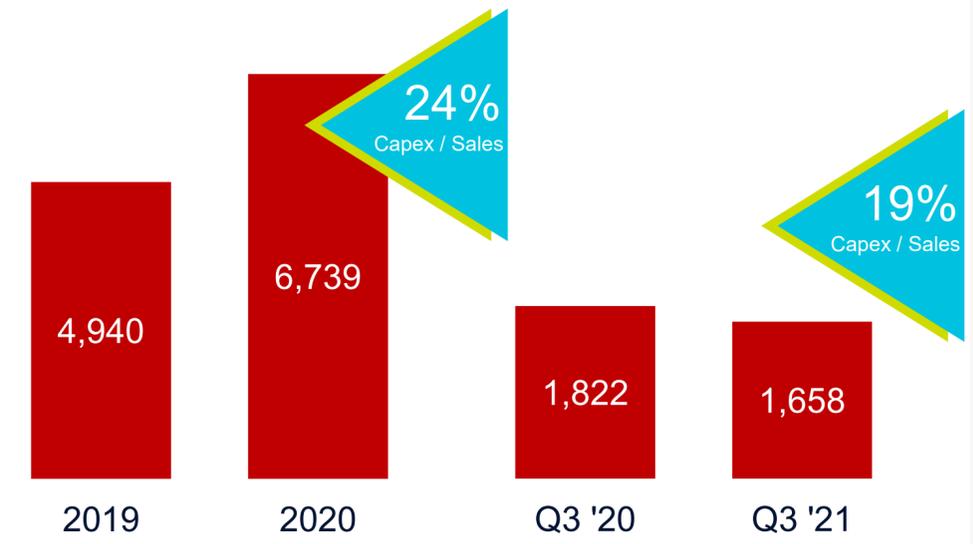
EBITDA

(TL mn)



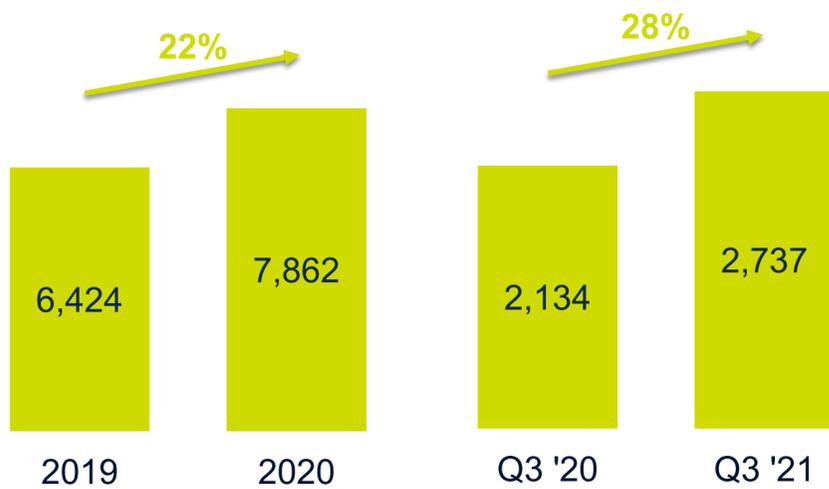
CAPEX

(TL mn)



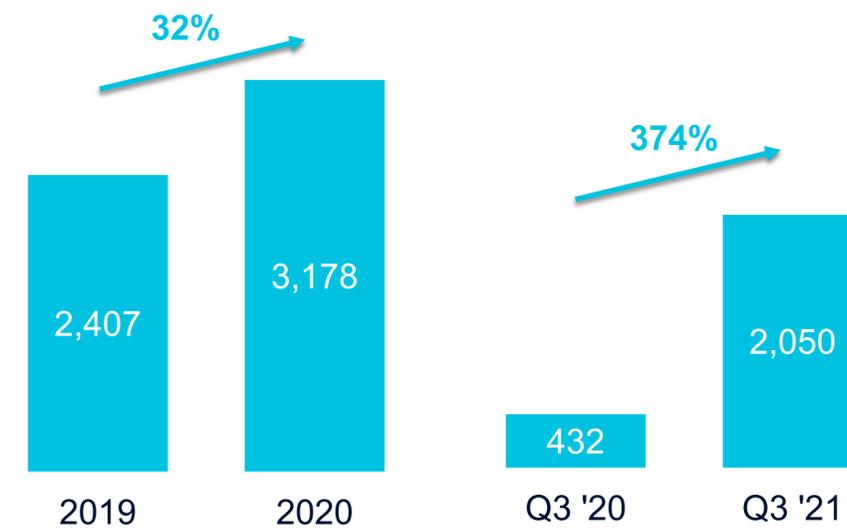
Operating Profit

(TL mn)



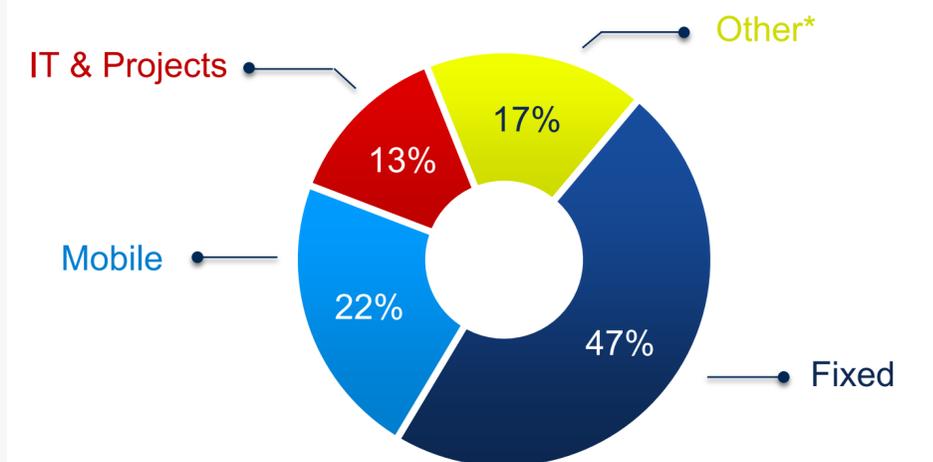
Net Income

(TL mn)



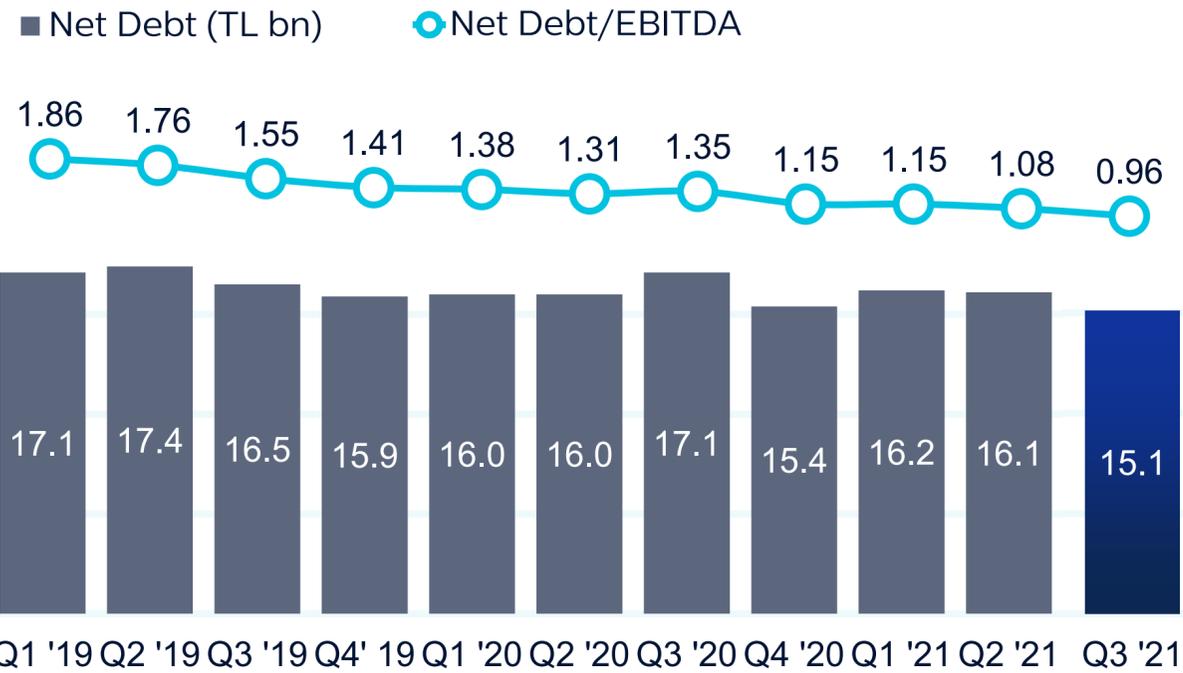
Capex Breakdown

(2020, %)



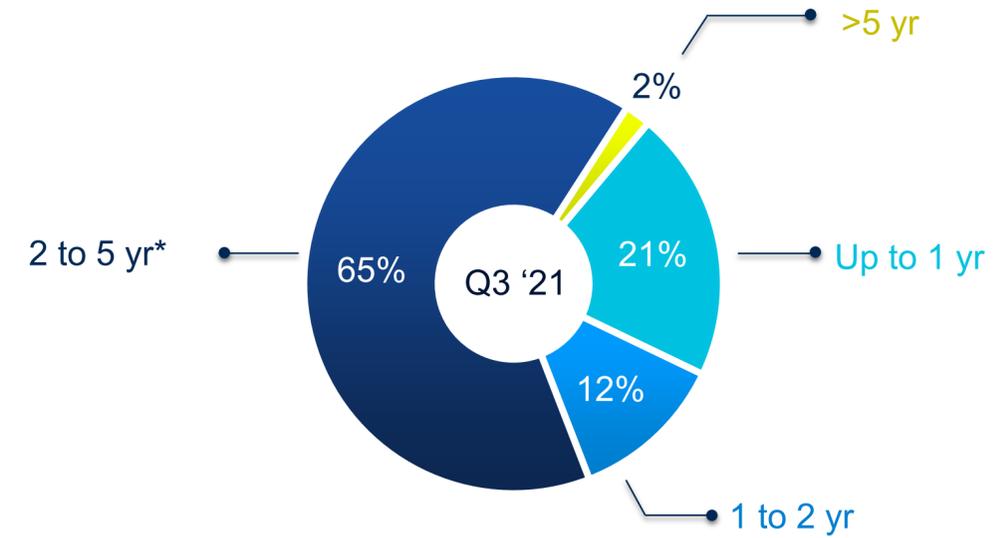
* Other Capex includes capex for subsidiaries (excl TTI), new revenue streams, IFRS 15 capitalisation, etc.

Net Debt



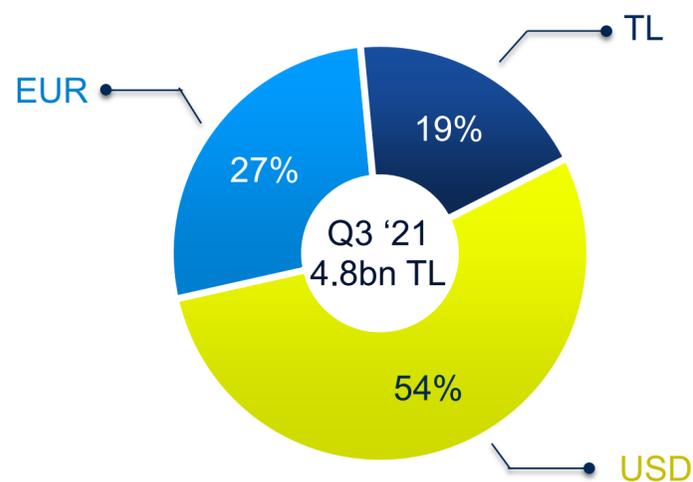
Note: Net Debt calculation includes market valuation (MTM) of Foreign Currency TL money swap transactions. Net Debt/EBITDA calculation does not include extraordinary provisions in EBITDA calculation.

Maturity Profile

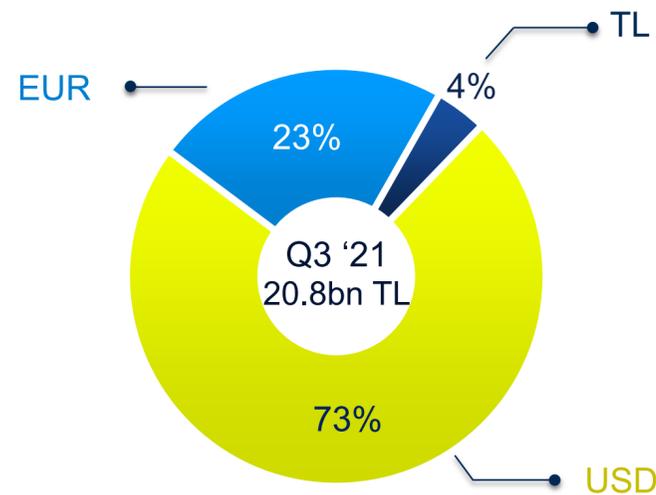


All loans are senior unsecured
* including 2024 & 2025 maturity bonds (USD 500 mn each)

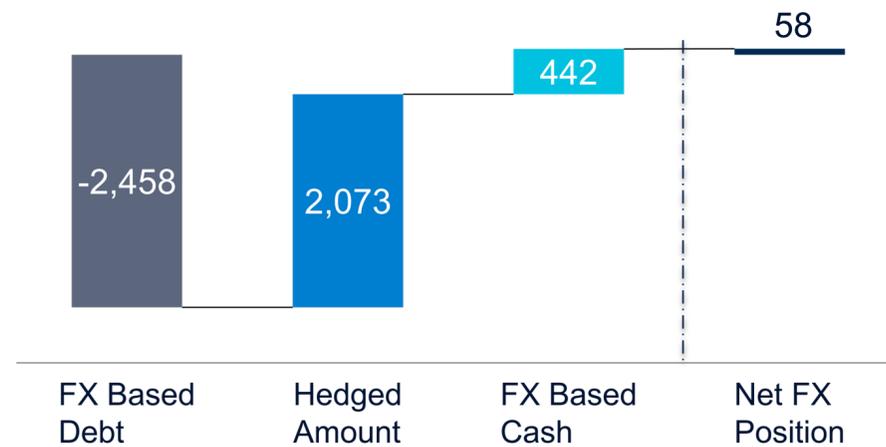
Cash – Currency Breakdown



Gross Debt – Currency Breakdown



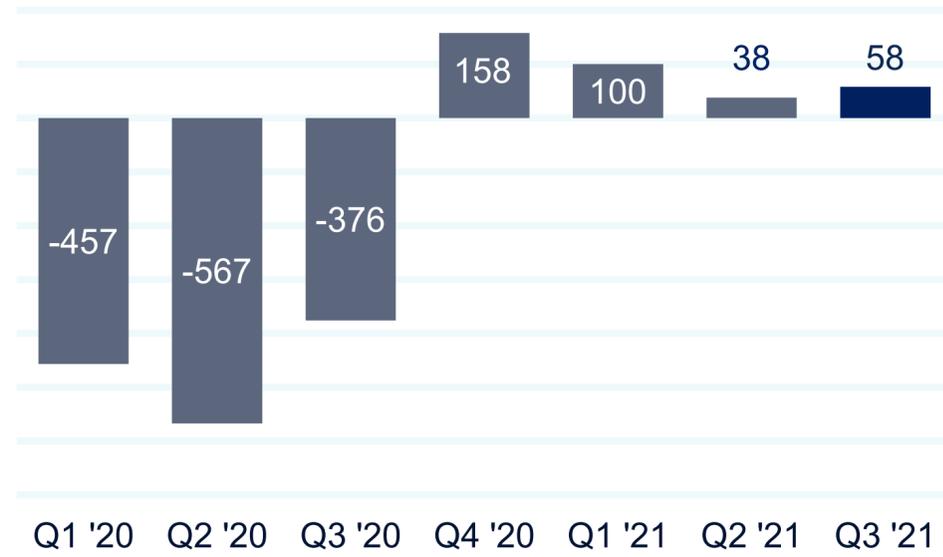
Hedge – Composition of FX Position



*FX Debt calculation includes FX financial debt (including FX lease obligations) and FX net trade payables. Hedged amount includes hedging of FX financial debt, hedging of FX net trade payables and net investment hedge.

Net FX Exposure *

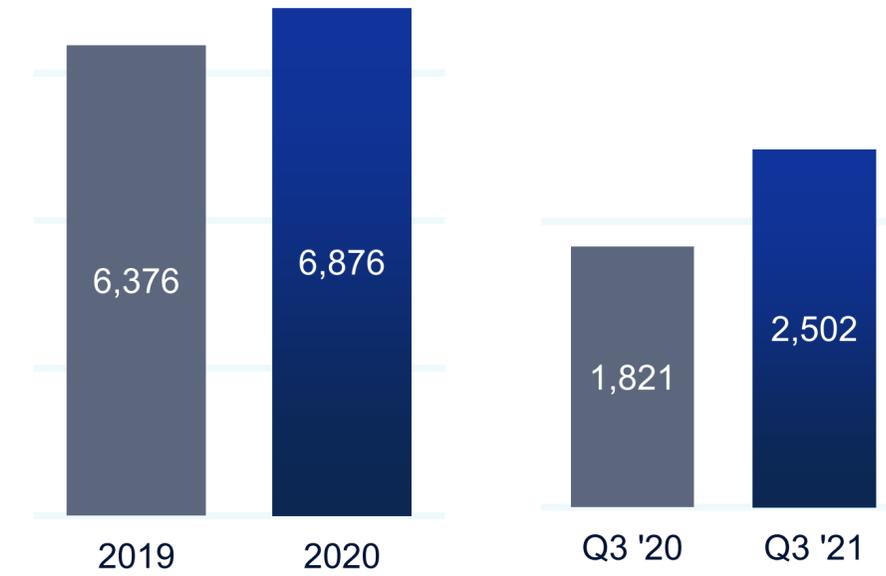
(USD mn equivalent)



*Net FX exposure is calculated as Total FX based Debt, less total Hedged Amount, less Total FX based Cash.

Cash Flow *

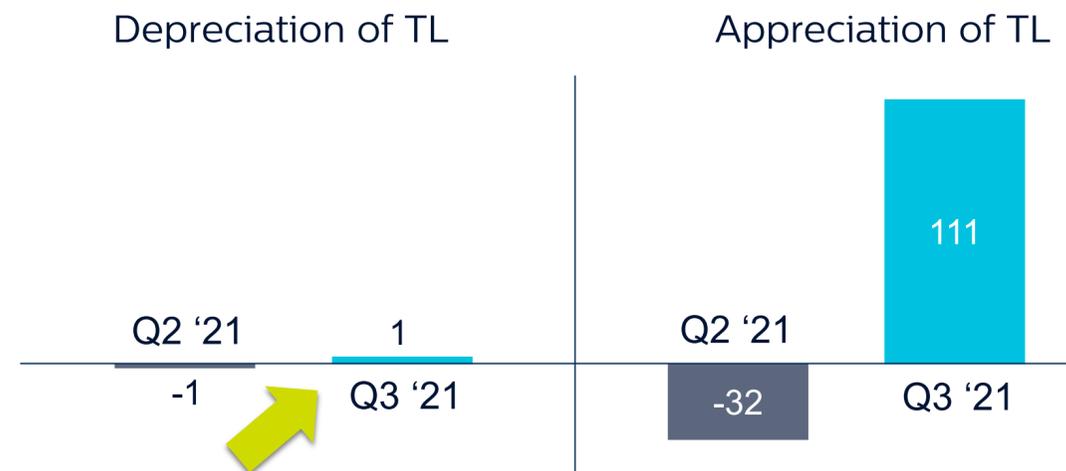
(TL mn)



*Unlevered cash flow is defined as net cash provided by operating and investing activities from operations.

Profit Before Tax Sensitivity

(TL mn, 10% change in FX rates)





Appendix

(TL mn)	Q3 '20	Q2'21	Q3 '21	QoQ Change	YoY Change
Revenues	7,366	8,181	8,640	5.6%	17.3%
EBITDA	3,477	4,022	4,289	6.6%	23.4%
Margin	47.2%	49.2%	49.6%		
Operating Profit	2,134	2,502	2,737	9.4%	28.2%
Margin	29.0%	30.6%	31.7%		
Financial Inc. / (Exp.)	(1,579)	(893)	(862)	(3.4)%	(45.4)%
FX & Hedging Gain / (Loss)	(1,007)	(408)	(367)	(10.1)%	(63.5)%
Interest Inc./ (Exp.)	(500)	(455)	(457)	0.5%	(8.7)%
Other Financial Inc./ (Exp.)	(72)	(30)	(38)	27.2%	(46.8)%
Tax Inc./ (Exp.)	(123)	(337)	176	n.m.	n.m.
Net Income	432	1,272	2,050	61.1%	374.2%
Margin	5.9%	15.6%	23.7%		

(TL mn)	30.09.2020	30.06.2021	30.09.2021
Total Assets	44,755	46,005	48,340
Cash and Cash Equivalents	5,483	4,129	4,829
Tangible Assets ¹	15,249	16,191	16,915
Intangible Assets	11,451	12,425	12,561
Right of Use Assets	1,424	1,575	1,562
Other Assets ²	11,149	11,686	12,473
Total Equities and Liabilities	44,755	46,005	48,340
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	7,463	9,222	12,007
Interest Bearing Liabilities ³	24,350	22,251	22,113
<i>Bank Borrowings and Bonds</i>	23,074	20,864	20,765
<i>Lease Liabilities</i>	1,277	1,387	1,348
Other Liabilities ⁴	9,682	11,272	10,959

(1) Tangible assets include property, building or plant and equipment and investment property

(2) Major items within other assets are trade receivables, due from related parties, inventories, deferred tax asset, tax assets and other current assets.

(3) Includes short-term and long-term borrowings and lease obligations

(4) Major items within other liabilities are deferred tax liability, trade payables, provisions, income tax payable, due to related parties, other current liabilities and provisions for employee termination benefits

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