

2020 Q4

# Türk Telekom

## Investor Presentation

Türk Telekom  
Değerli Hissettirir





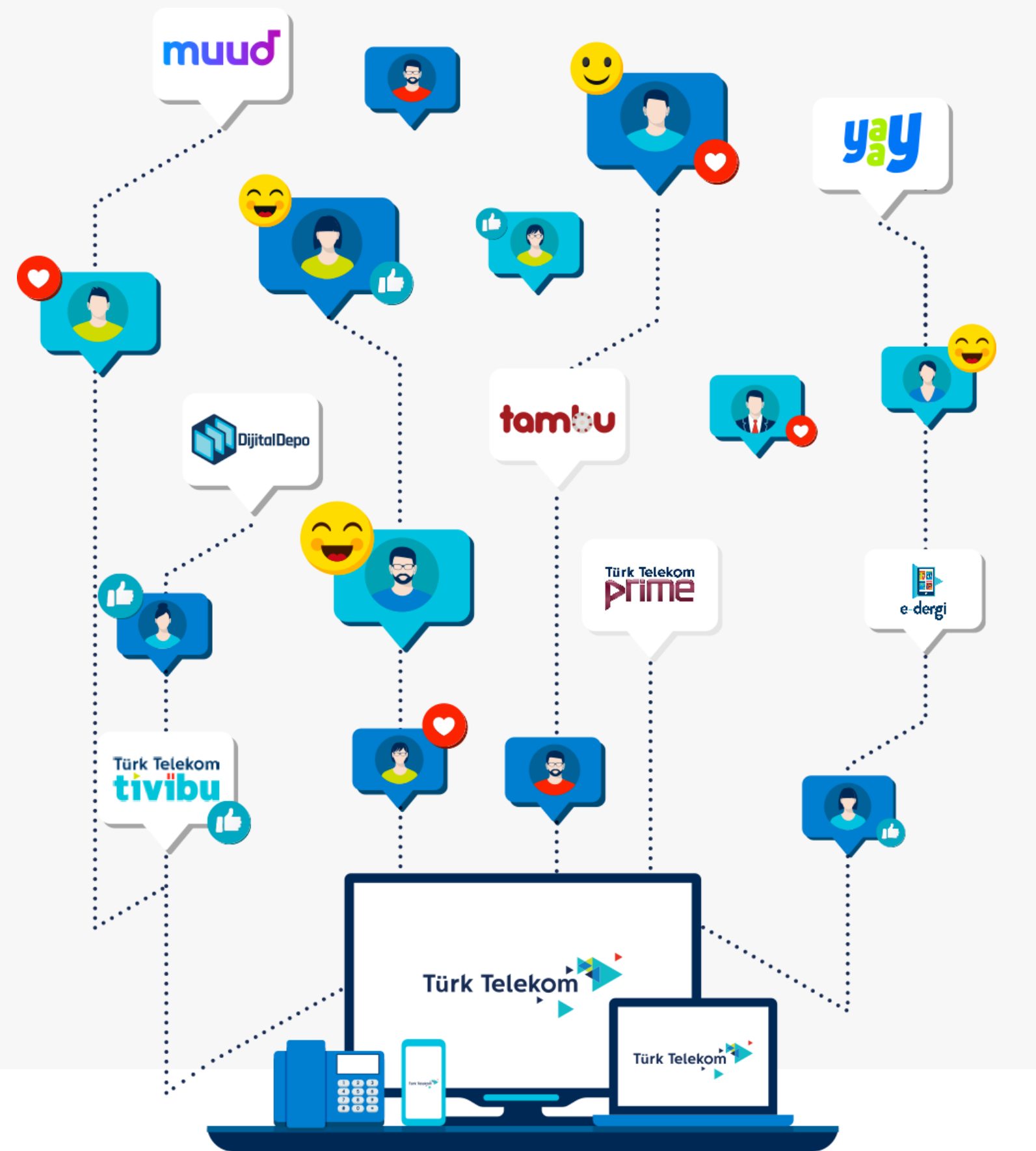
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Note: EBITDA is a non-GAAP financial measure. The EBITDA definition used in this investor presentation includes revenues, cost of sales, marketing, sales and distribution expenses, general administrative expenses, research and development expenses 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)

# 50.4mn subscribers



**827K**  
in Q4 '20

Net  
additions\*

**2.6mn**  
in 2020

\*Includes Tivibu

## Net Adds



Broadband

**639K**  
Q4 '20

**2.0mn**  
2020



Mobile

**98K**  
Q4 '20

**240K**  
2020



Fixed Voice

**138K**  
Q4 '20

**631K**  
2020

## 2020 Highlights



Total  
Subscribers

50.4 mn  
Up 5% YoY



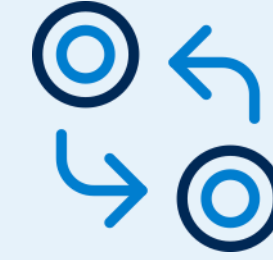
Net  
Income

TL 3.2 bn  
Up 32% YoY



Revenue

TL 28.3 bn  
Up 20% YoY



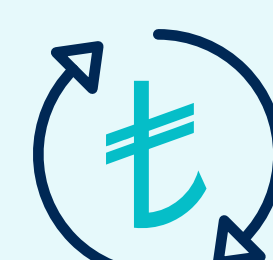
Free Cash  
Flow (FCF)

TL 6.9 bn  
Up 8% YoY



EBITDA

TL 13.2 bn  
Up 19% YoY



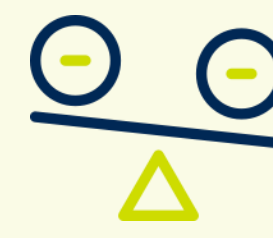
CAPEX

TL 6.7 bn  
Up 36% YoY



EBITDA  
Margin

46.8%  
Down 42bps YoY

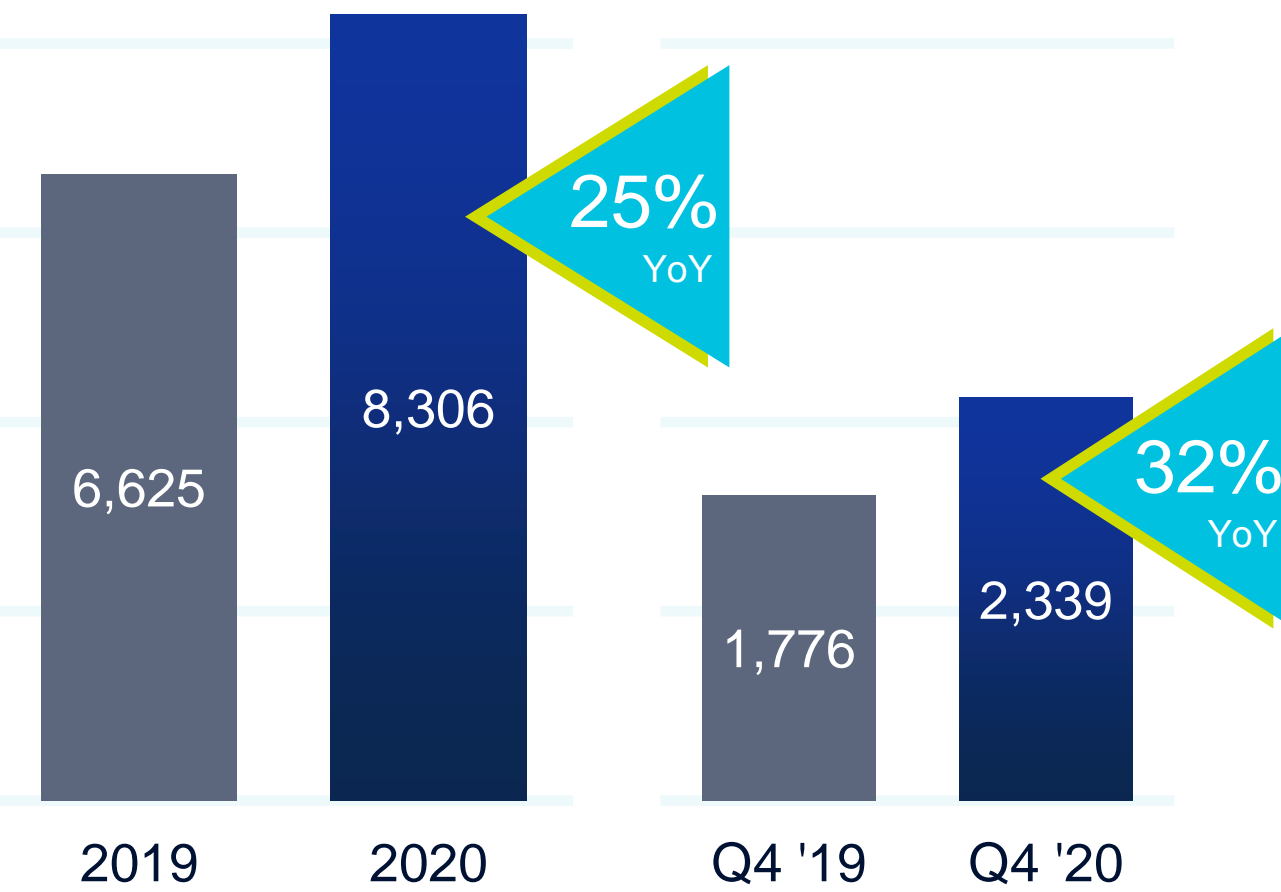


Net  
Leverage

1.15x  
Q4 '19 1.41x



## Fixed Broadband Revenue (TL mn)

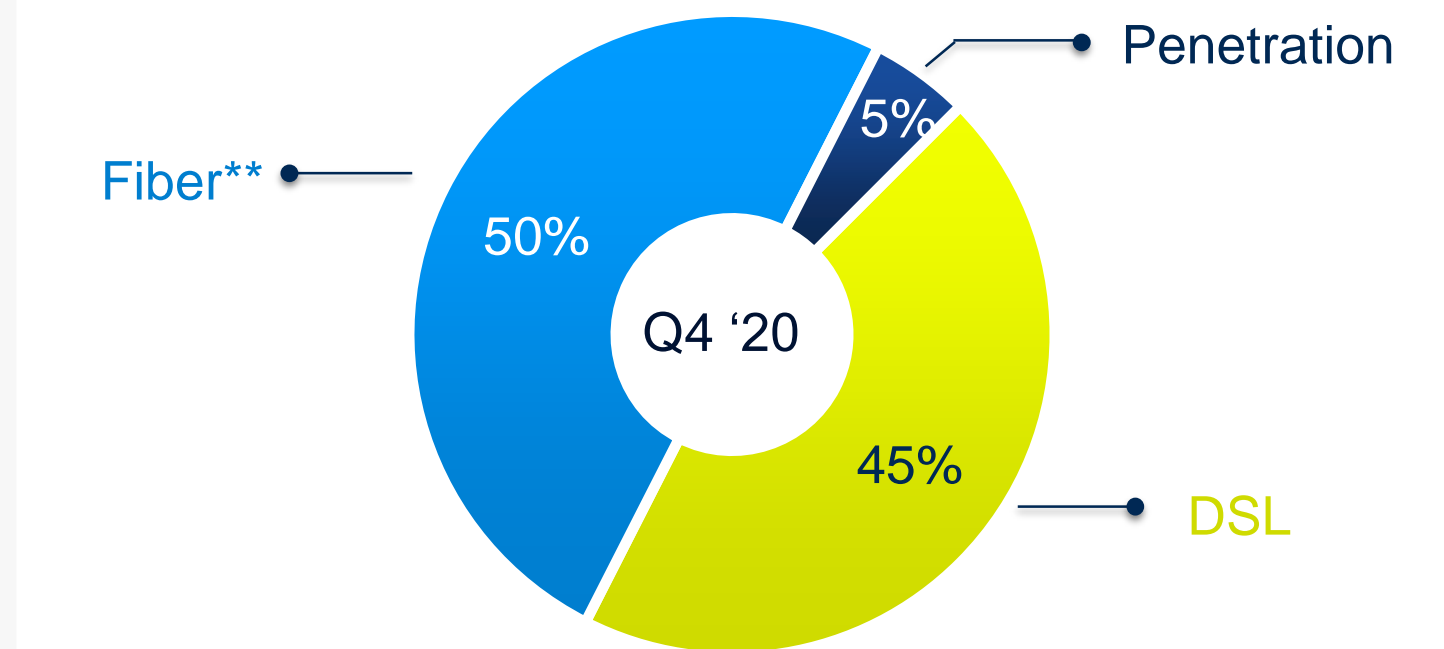
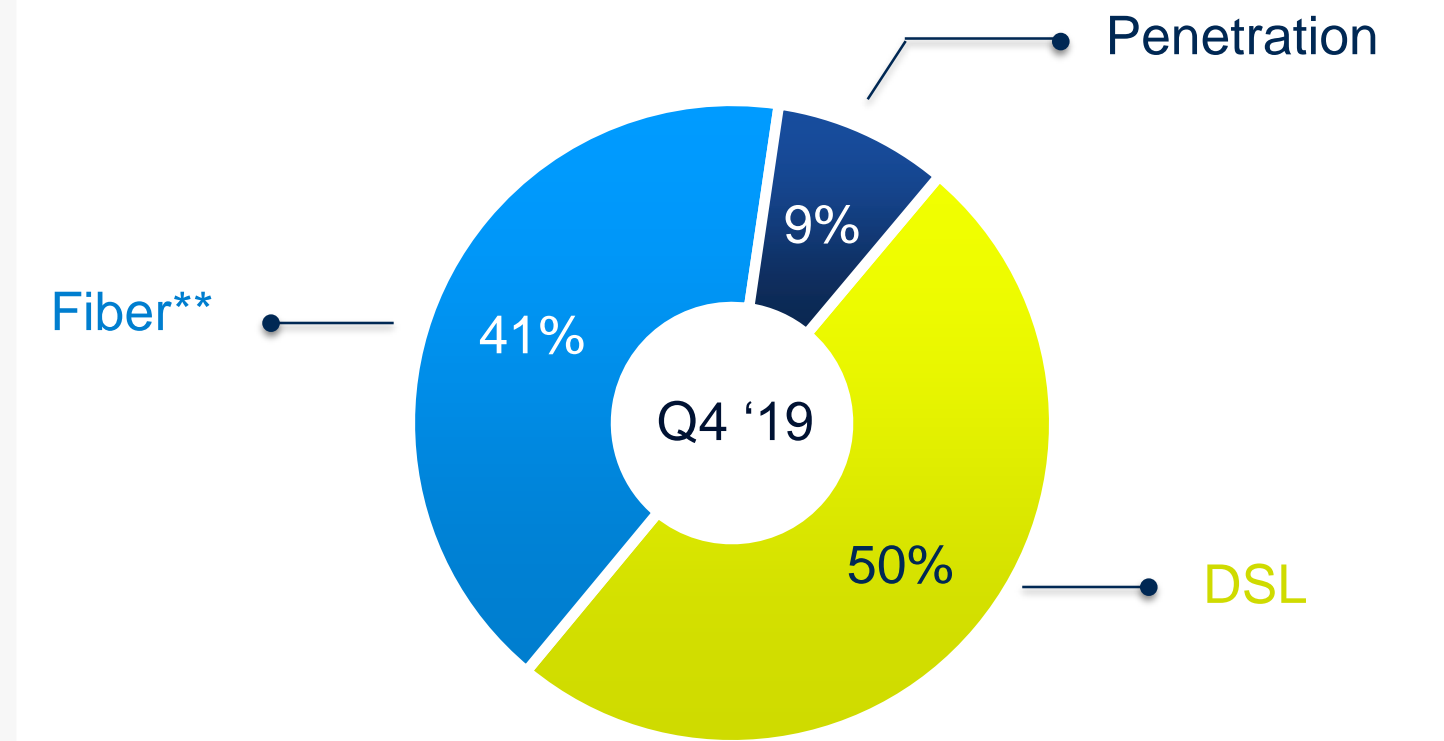


## ARPU & Subscribers

■ Fiber Subscribers (mn)  
■ DSL Subscribers (mn)  
○ ARPU (TL)



## Subscriber Breakdown\* (% of Subscribers)

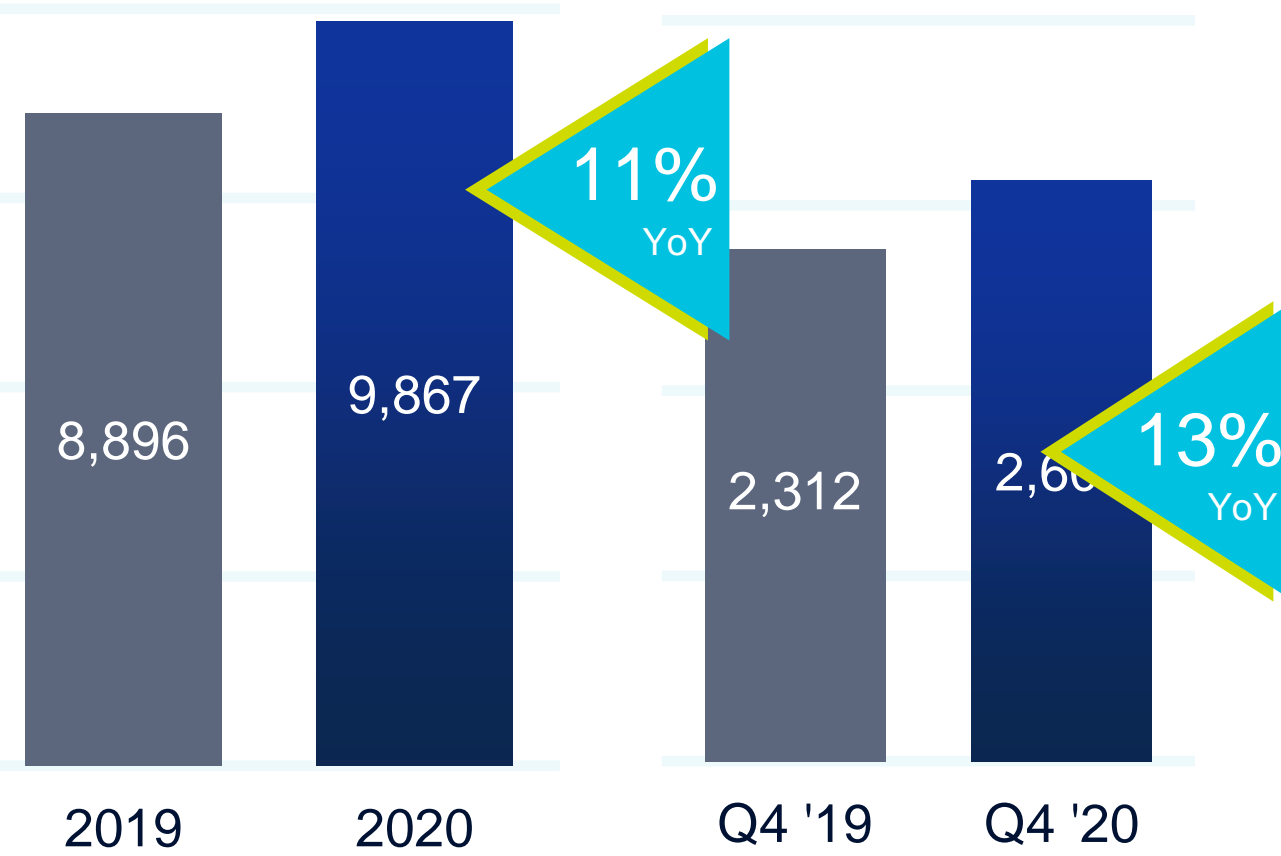


\*Retail only

\*\*Fiber subscribers include FTTH/B & FTTC subscribers

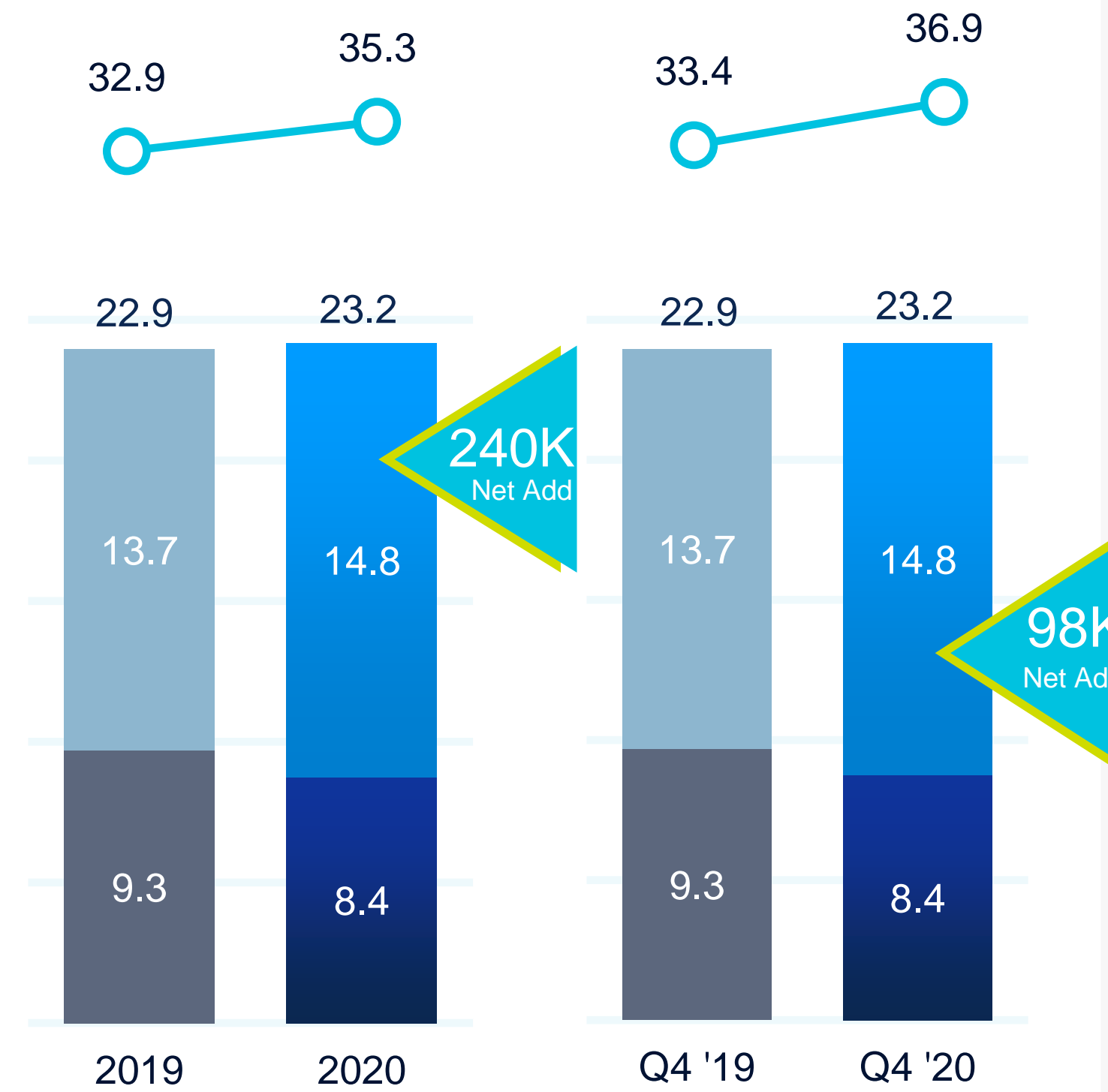


## Mobile Revenue (TL mn)



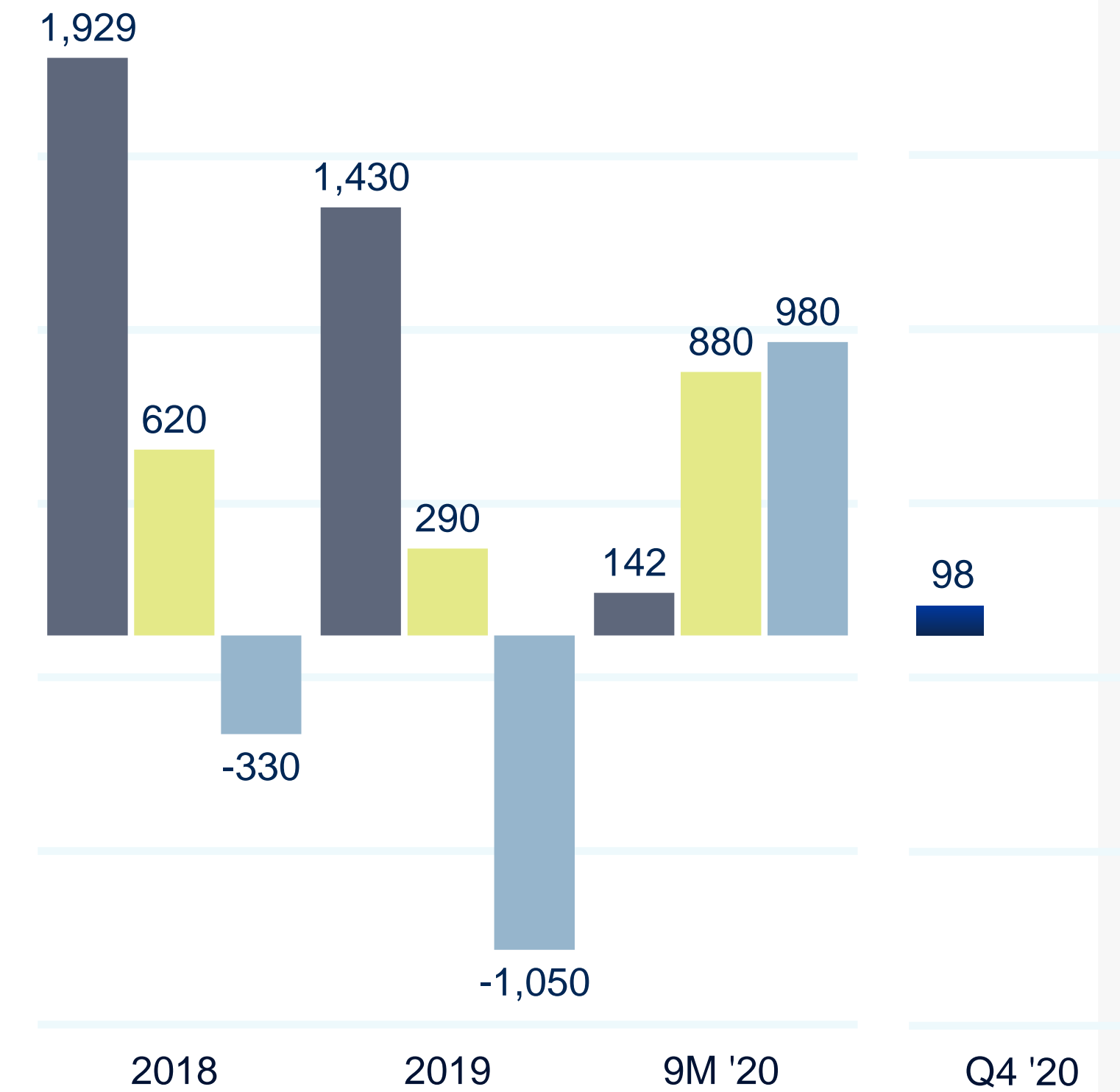
## Growing ARPU & Subscribers

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



## Net Subscriber Additions (thousand)

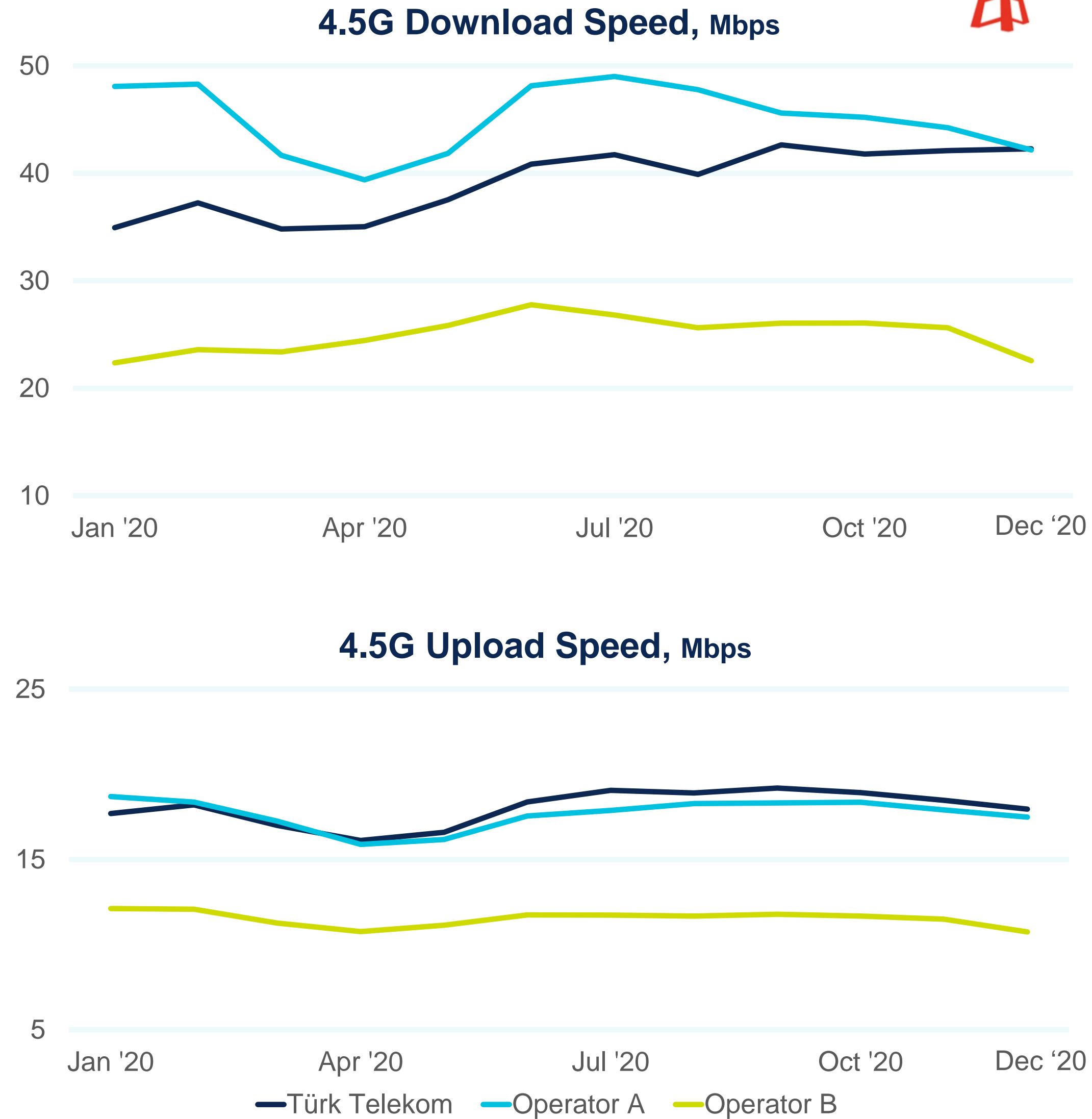
- Türk Telekom
- Vodafone
- Turkcell



Source: ICTA, Türk Telekom



## Leading position in 4.5G\*



## Improvement in Customer Experience\*\*






	Türk Telekom	Operator A	Operator B
4.5G Video	74.7	74.9	71.2
3G Video	58.9	64.1	50.2
4.5G Games	68.6	66.6	68.7
3G Games	42.0	39.3	34.8
4.5G Voice App	81.9	79.7	81.1
3G Voice App	75.2	72.0	68.3
4.5G Upload Speed	12.1	11.3	8.9
3G Upload Speed	1.9	1.6	1.4
4.5G Download Speed	29.8	30.1	18.1
3G Download Speed	8.5	9.2	5.7

\* According to Ookla Speed Test

\*\* According to Open Signal Dec'20 Report

<https://www.opensignal.com/reports/2020/12/turkey/mobile-network-experience>



		2020 Actuals	2021 Guidance
	<b>Revenue</b> (exc. IFRIC 12) <sup>1</sup>	26,519	Around 14% growth
	<b>EBITDA</b>	13,237	Around TL 15 bn
	<b>CAPEX</b>	6,739	Around TL 7.7 bn

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





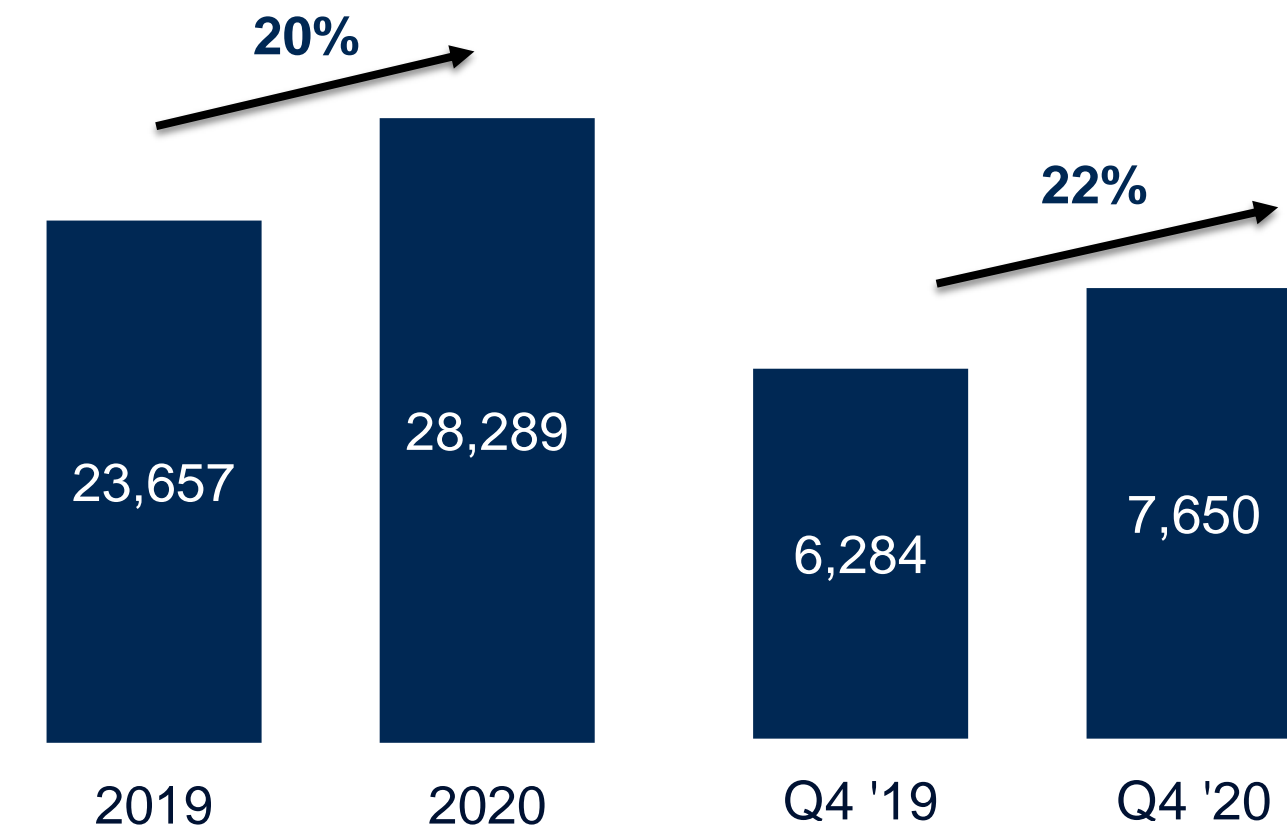
# 01 Financials





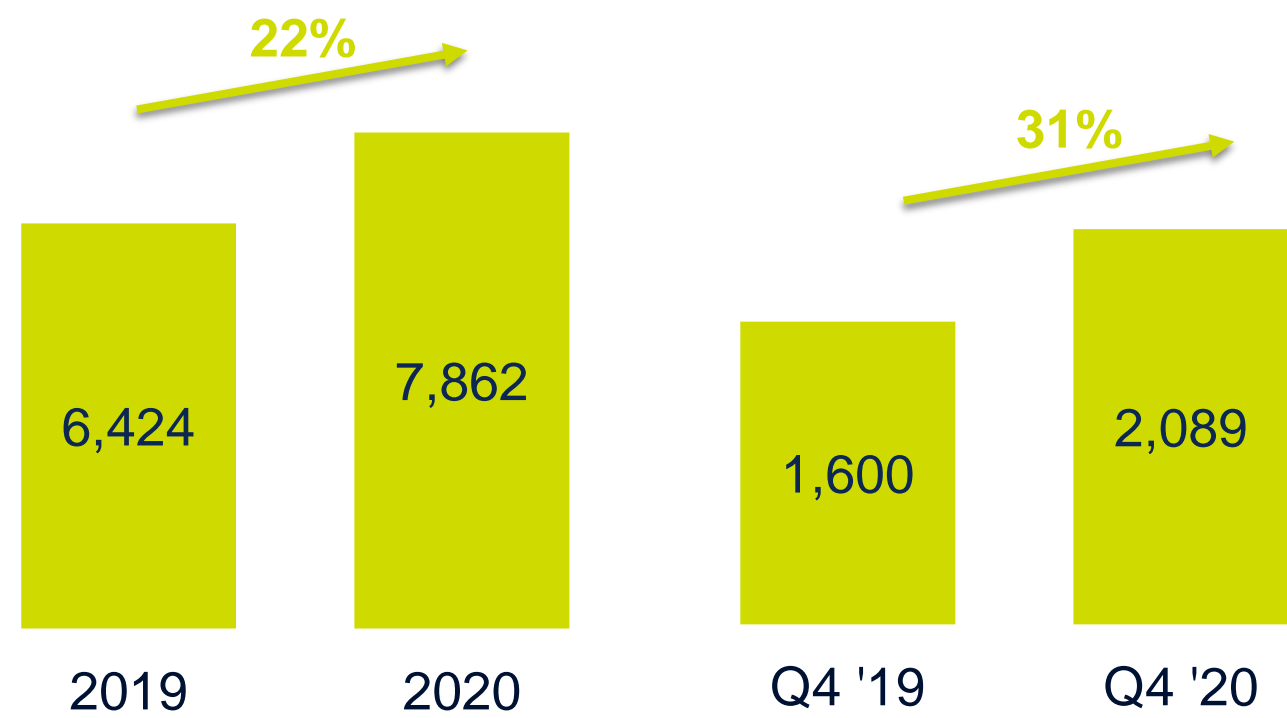
## Revenue

(TL mn)



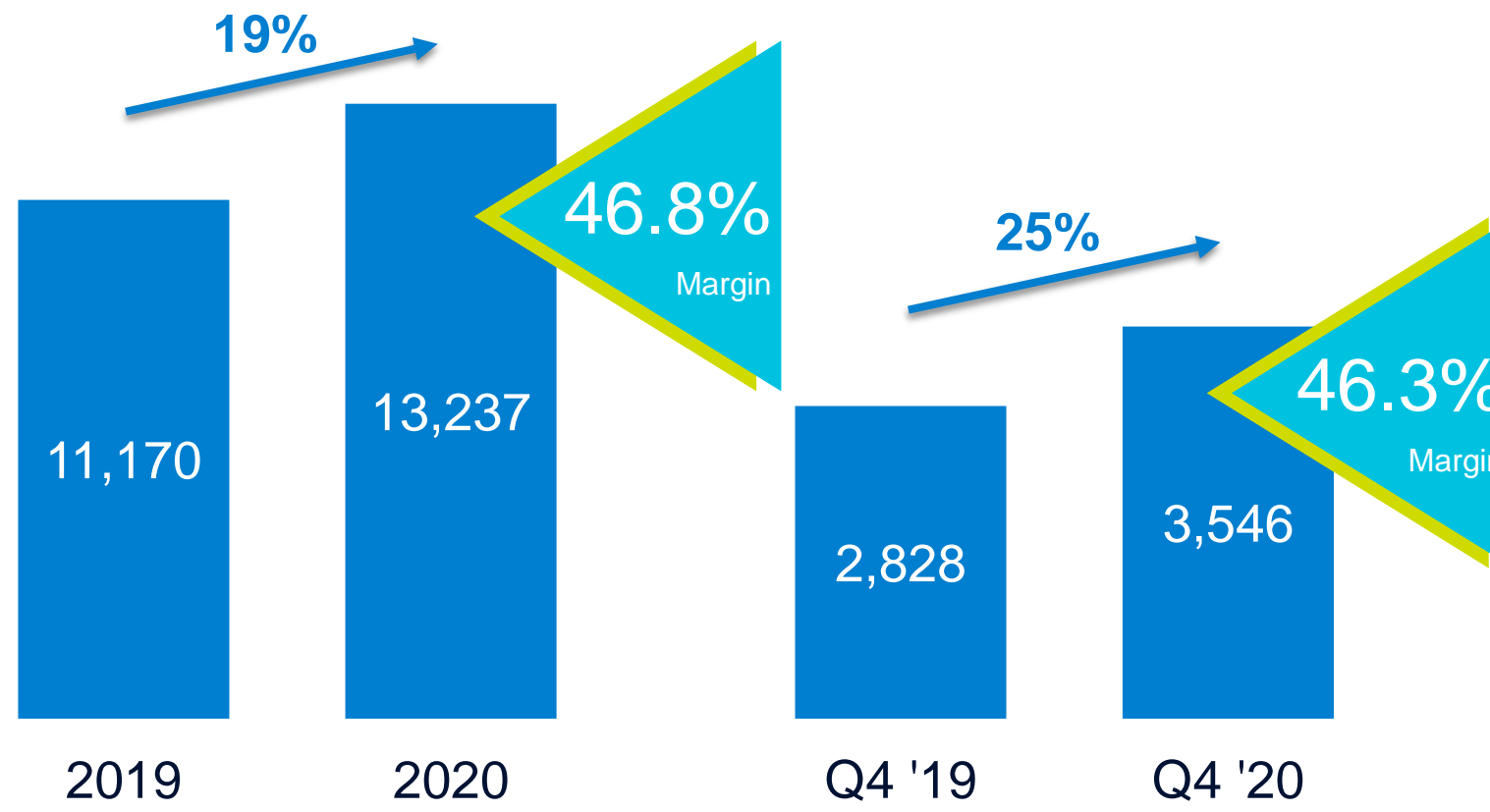
## Operating Profit

(TL mn)



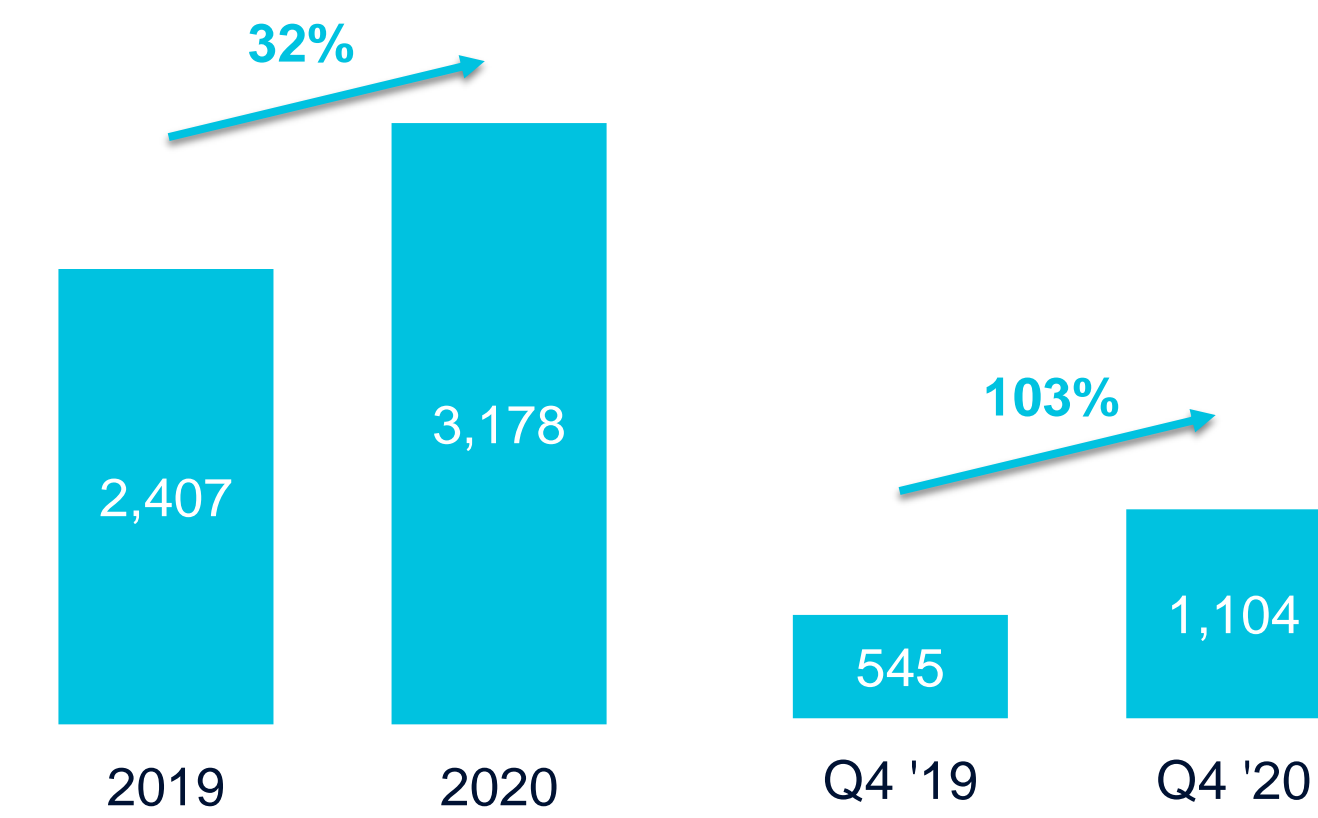
## EBITDA

(TL mn)



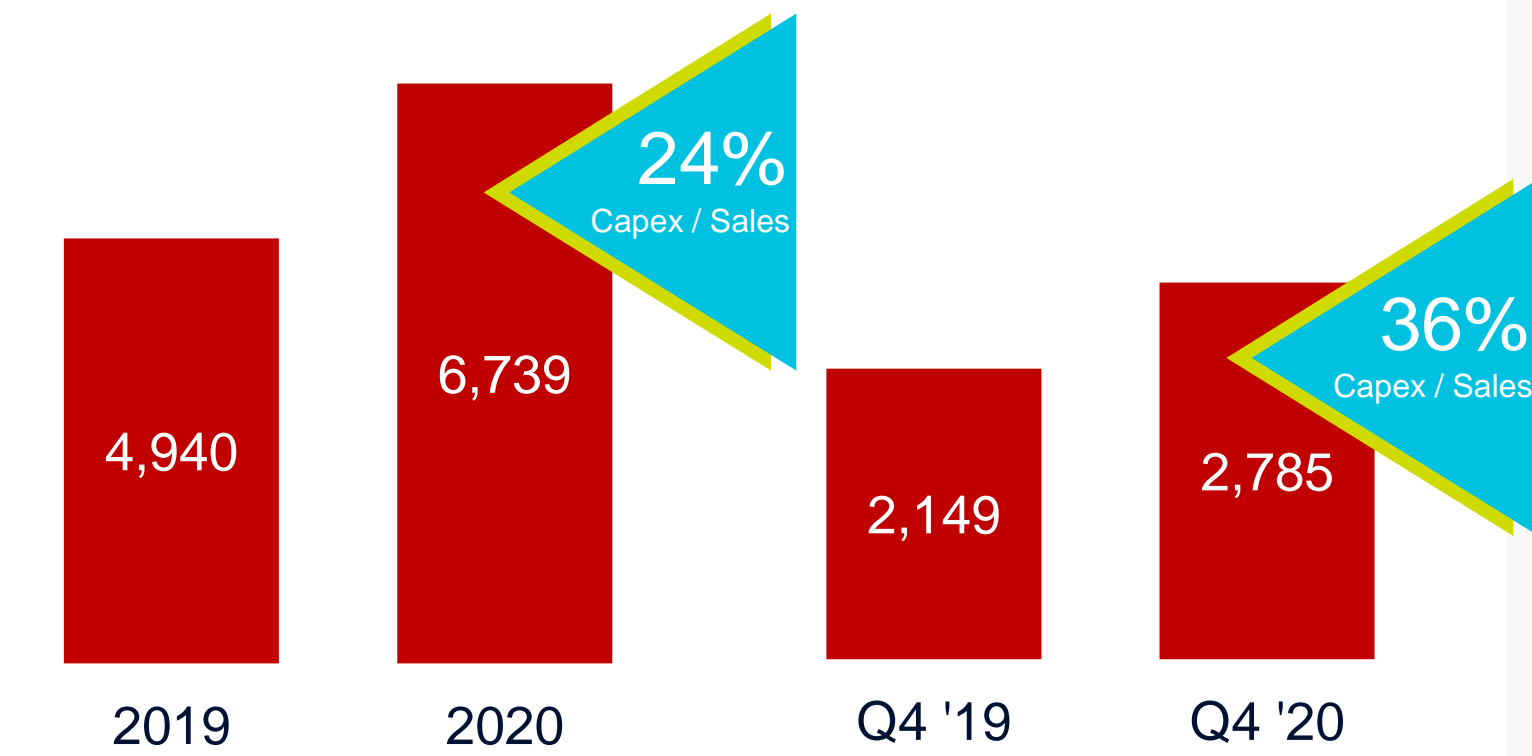
## Net Income

(TL mn)



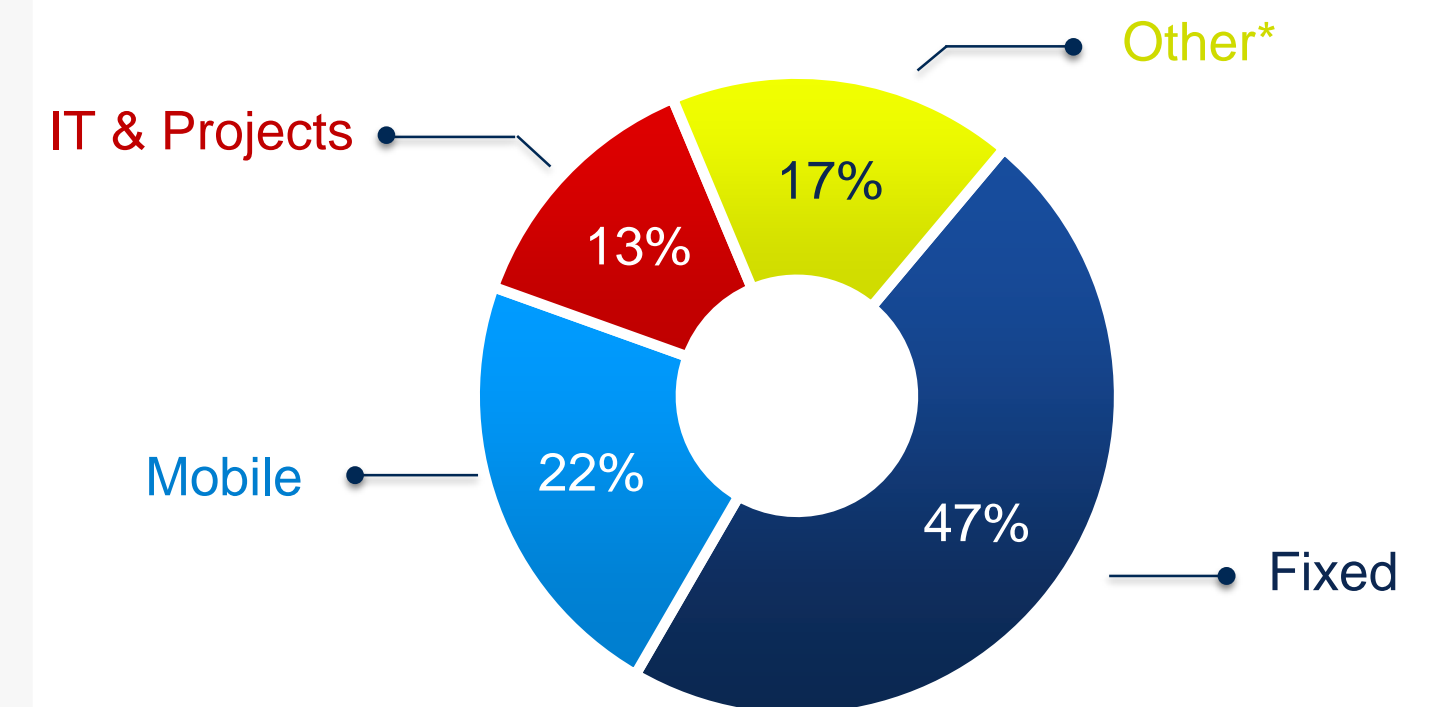
## CAPEX

(TL mn)



## Capex Breakdown

(2020, %)

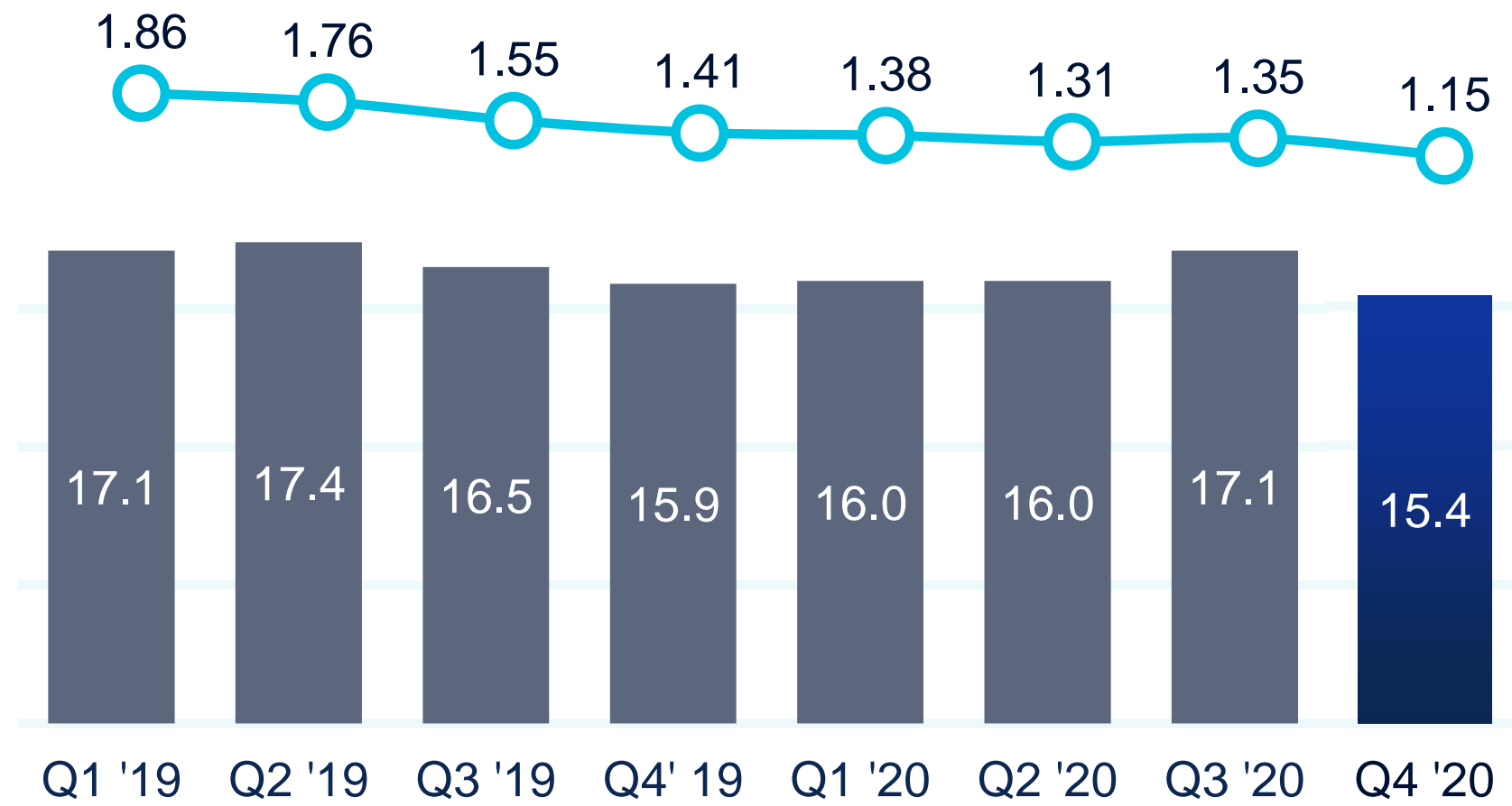


\* Other Capex includes capex for subsidiaries (excl TTI), new revenue streams, IFRS 15 capitalization, etc.



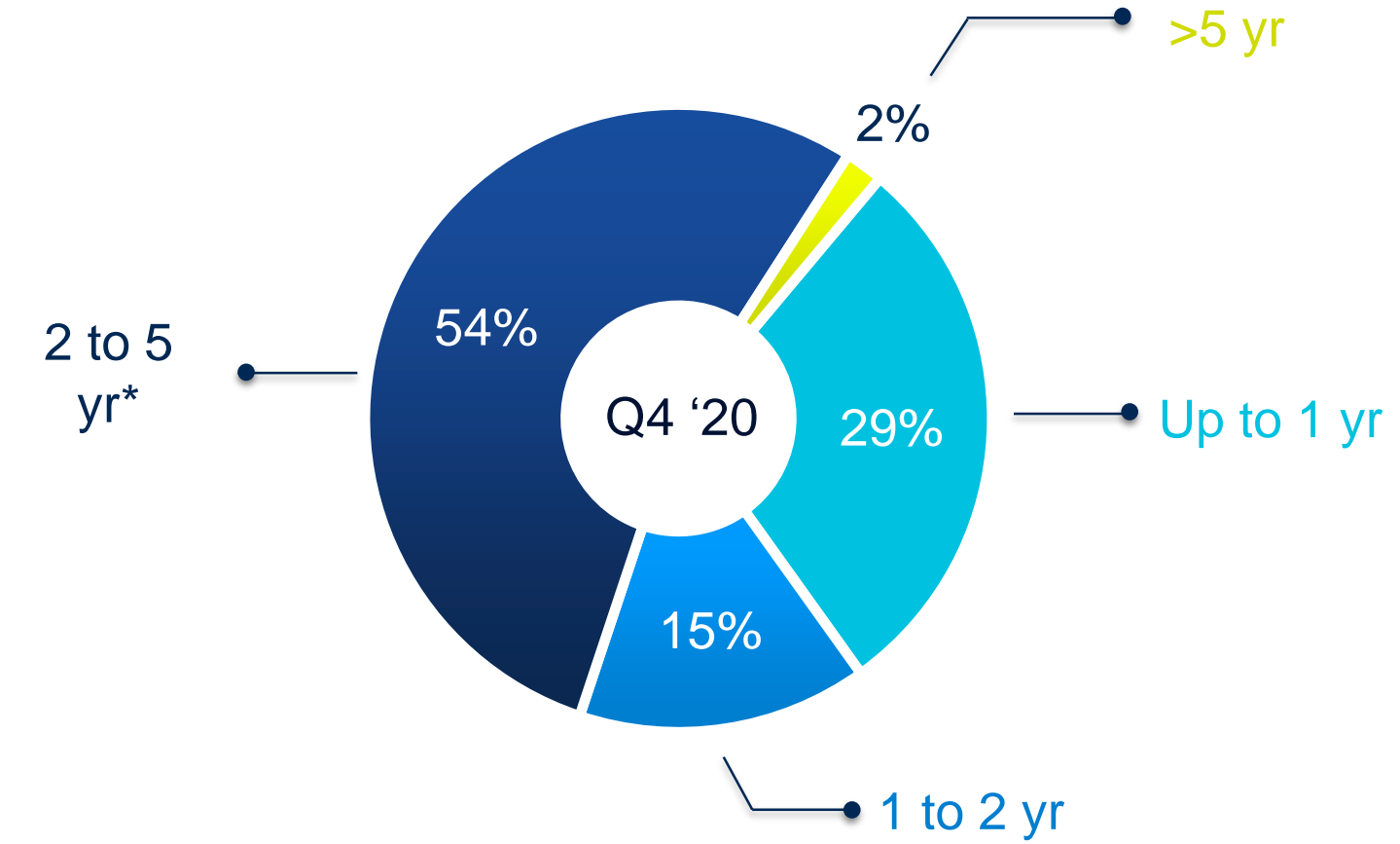
## Net Debt

■ Net Debt (TL bn)    ● Net Debt/EBITDA



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.

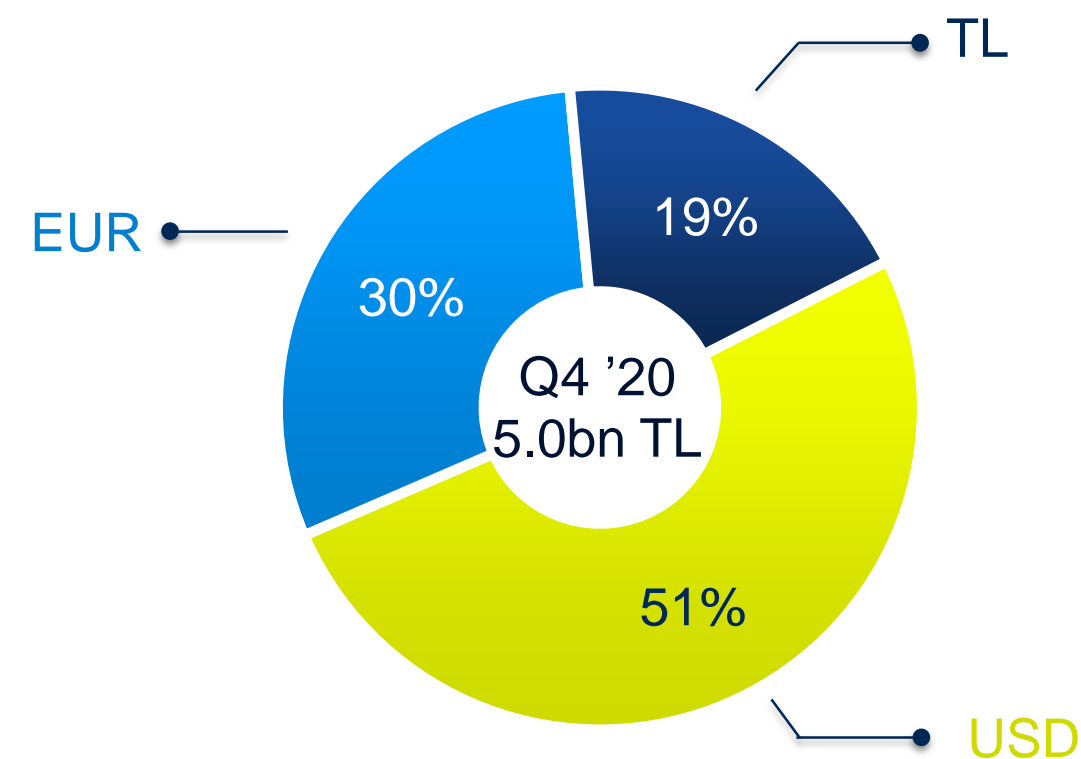
## Maturity Profile



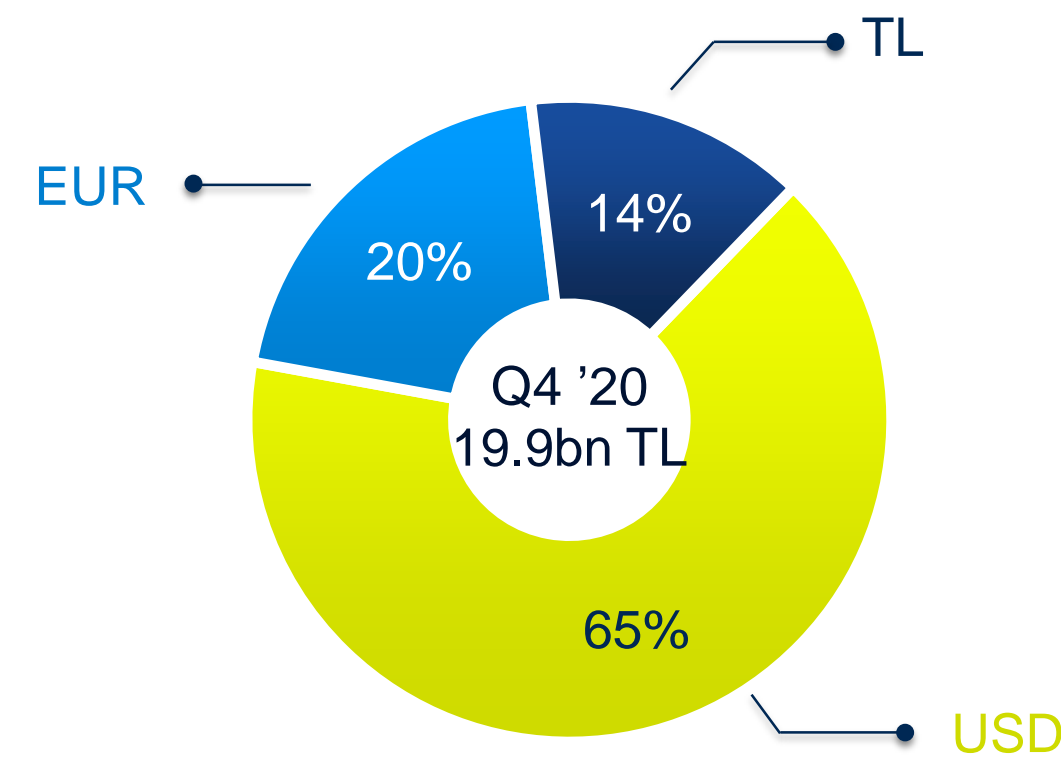
All loans are senior secured

\* including 2024 & 2025 maturity bonds (USD 500 mn each)

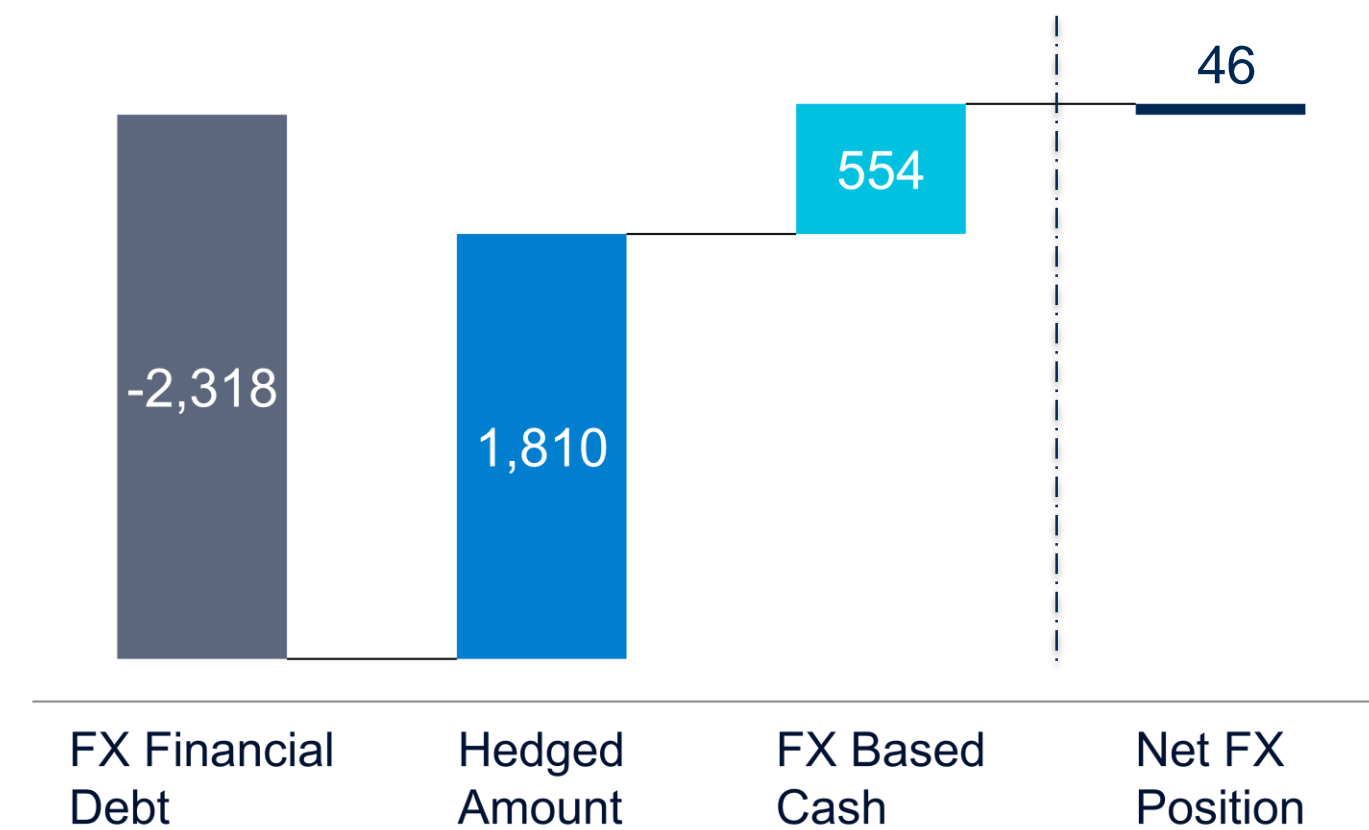
## Cash – Currency Breakdown



## Gross Debt – Currency Breakdown

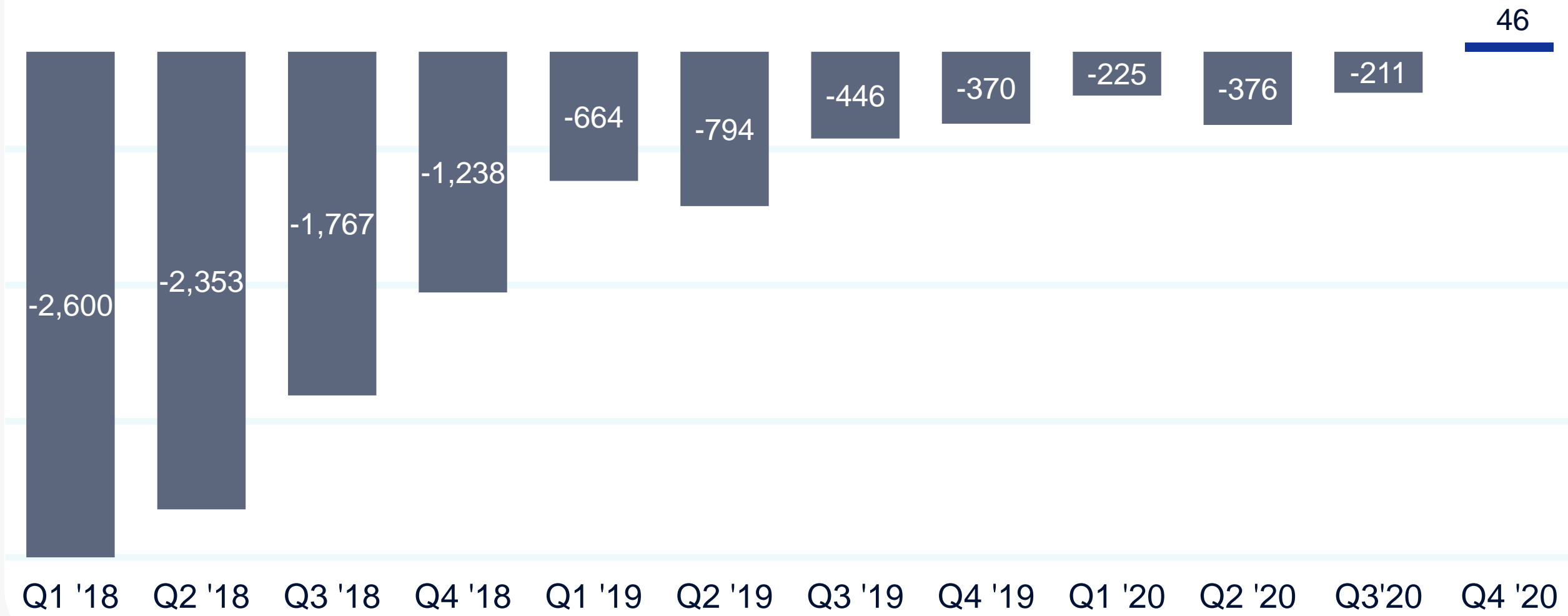


## Hedge – Composition of FX Position



## Net FX Exposure \*

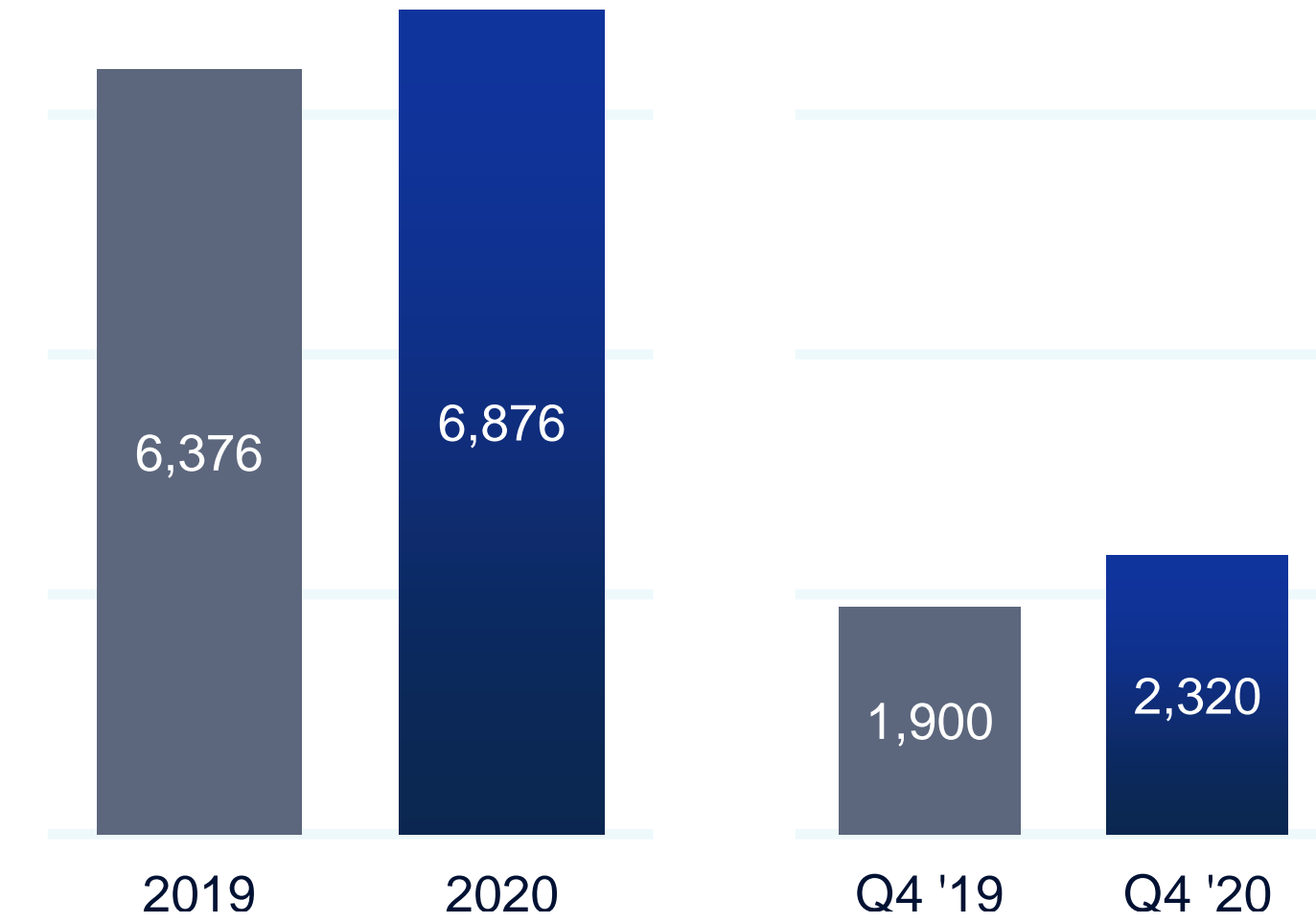
(USD mn equivalent)



\*Net FX exposure is calculated as FX based financial debt less FX hedge position less FX based cash and cash equivalents. Debt calculation excludes lease obligations.

## Increasing Cash Flow\*

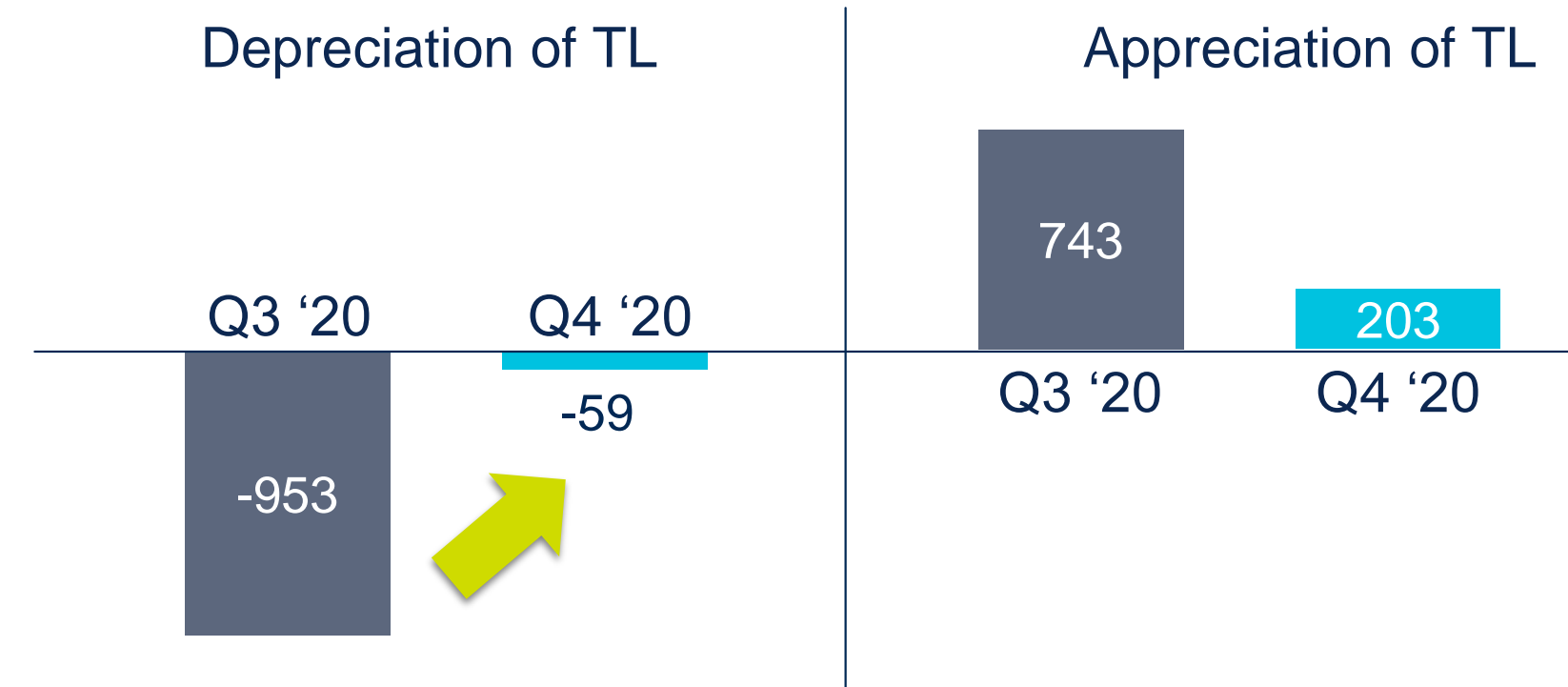
(TL mn)



\*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)







# 02 Appendix



(TL mn)	Q4 '19	Q4 '20	YoY Change	2019	2020	YoY Change
Revenues	6,284	7,650	21.7%	23,657	28,289	19.6%
EBITDA	2,828	3,546	25.4%	11,170	13,237	18.5%
Margin	45.0%	46.3%		47.2%	46.8%	
Operating Profit	1,600	2,089	30.6%	6,424	7,862	22.4%
Margin	25.5%	27.3%		27.2%	27.8%	
Financial Inc. / (Exp.)	(939)	(907)	(3.4)%	(3,689)	(4,060)	10.0%
FX & Hedging Gain / (Loss)	(366)	(337)	(8.0)%	(1,439)	(1,765)	22.6%
Interest Inc./ (Exp.)	(542)	(479)	(11.7)%	(1,919)	(2,049)	6.8%
Other Financial Inc./ (Exp.)	(30)	(91)	202.7%	(331)	(246)	(25.7)%
Tax Inc./ (Exp.)	(117)	(78)	(33.2)%	(328)	(624)	90.3%
Net Income	545	1,104	102.8%	2,407	3,178	32.0%
Margin	8.7%	14.4%		10.2%	11.2%	



(TL mn)	31.12.2019	31.09.2020	31.12.2020
<b>Total Assets</b>	<b>39,909</b>	<b>44,755</b>	<b>44,723</b>
Cash and Cash Equivalents	4,946	5,483	5,008
Tangible Assets <sup>1</sup>	14,727	15,249	16,083
Intangible Assets	10,328	11,451	12,137
Right of Use Assets	1,366	1,424	1,546
Other Assets <sup>2</sup>	8,543	11,149	9,948
<b>Total Equities and Liabilities</b>	<b>39,909</b>	<b>44,755</b>	<b>44,723</b>
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	6,183	7,463	8,777
Interest Bearing Liabilities <sup>3</sup>	20,783	24,350	21,235
<i>Bank Borrowings and Bonds</i>	19,642	23,074	19,897
<i>Lease Liabilities</i>	1,141	1,277	1,338
Other Liabilities <sup>4</sup>	9,683	9,682	11,451

(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

# Türk Telekom

## Investor Relations



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