

Investor Presentation

2017 Q4



March 2018

Türk Telekom

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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).

Türk Telekom Highlights



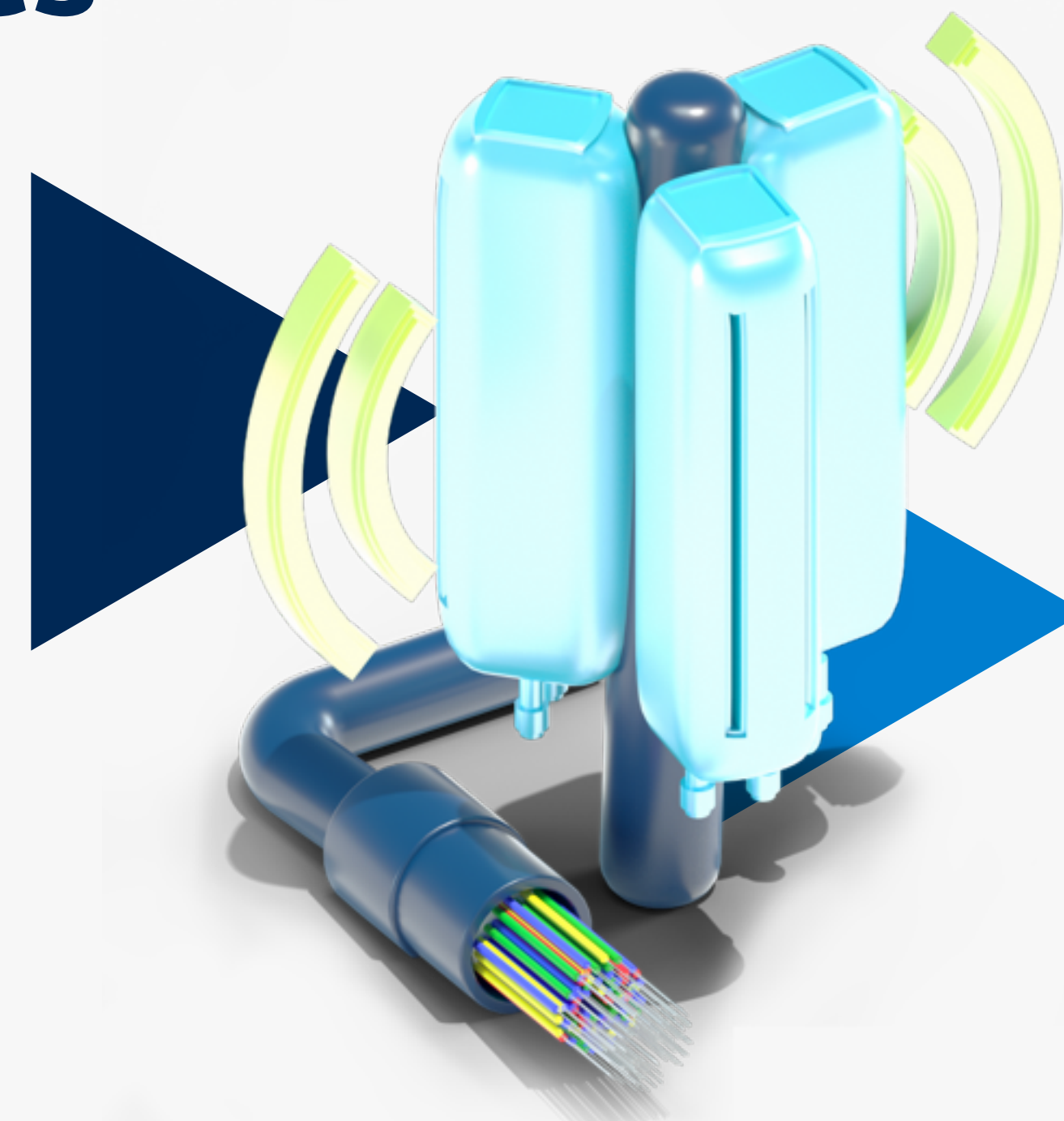
**Leading
COMPANY IN TURKEY**
Offering
Integrated telecom services



Most valuable
telco brand for
**10 CONSECUTIVE
YEARS**



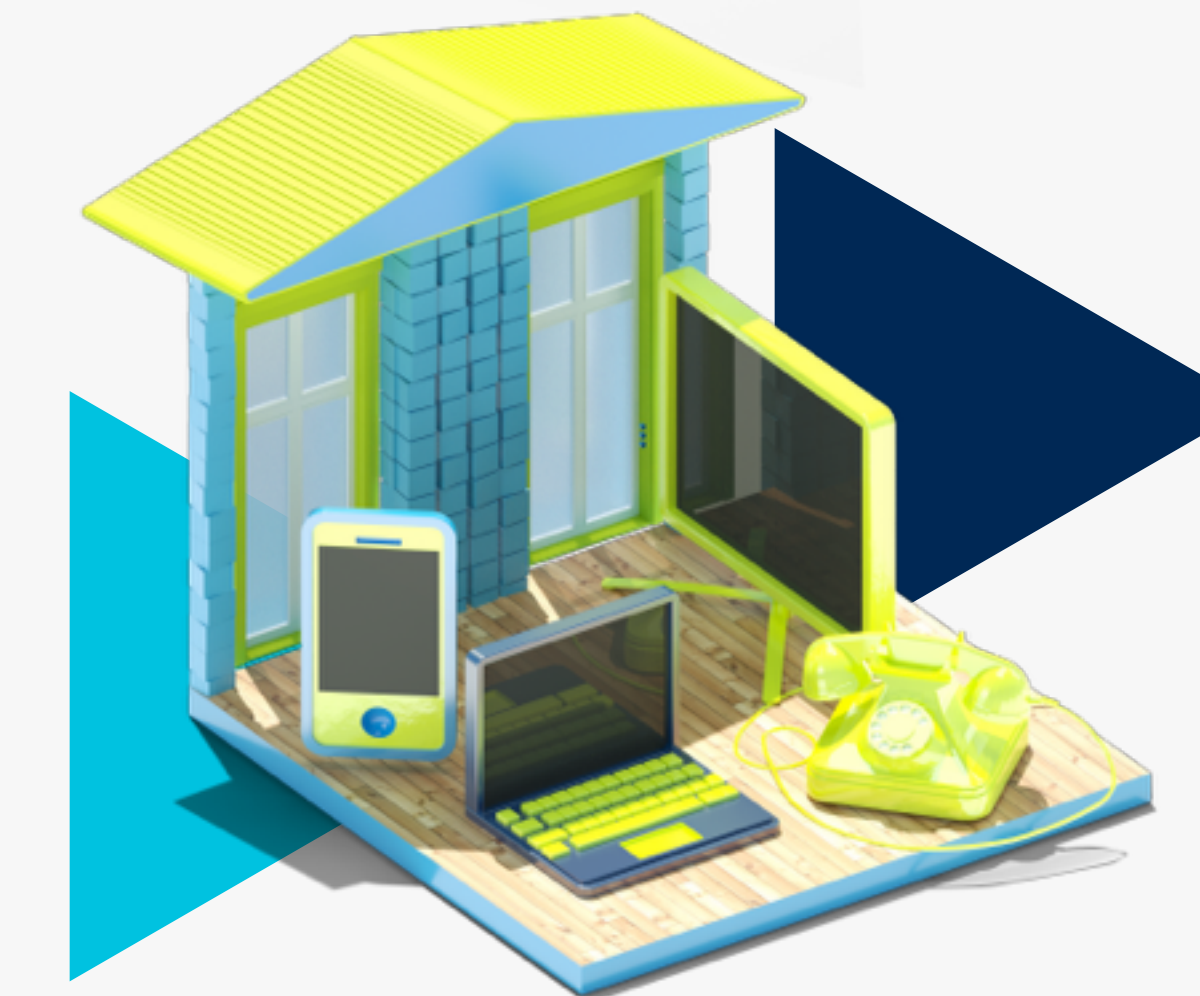
Serving
41.7mn
Subscribers



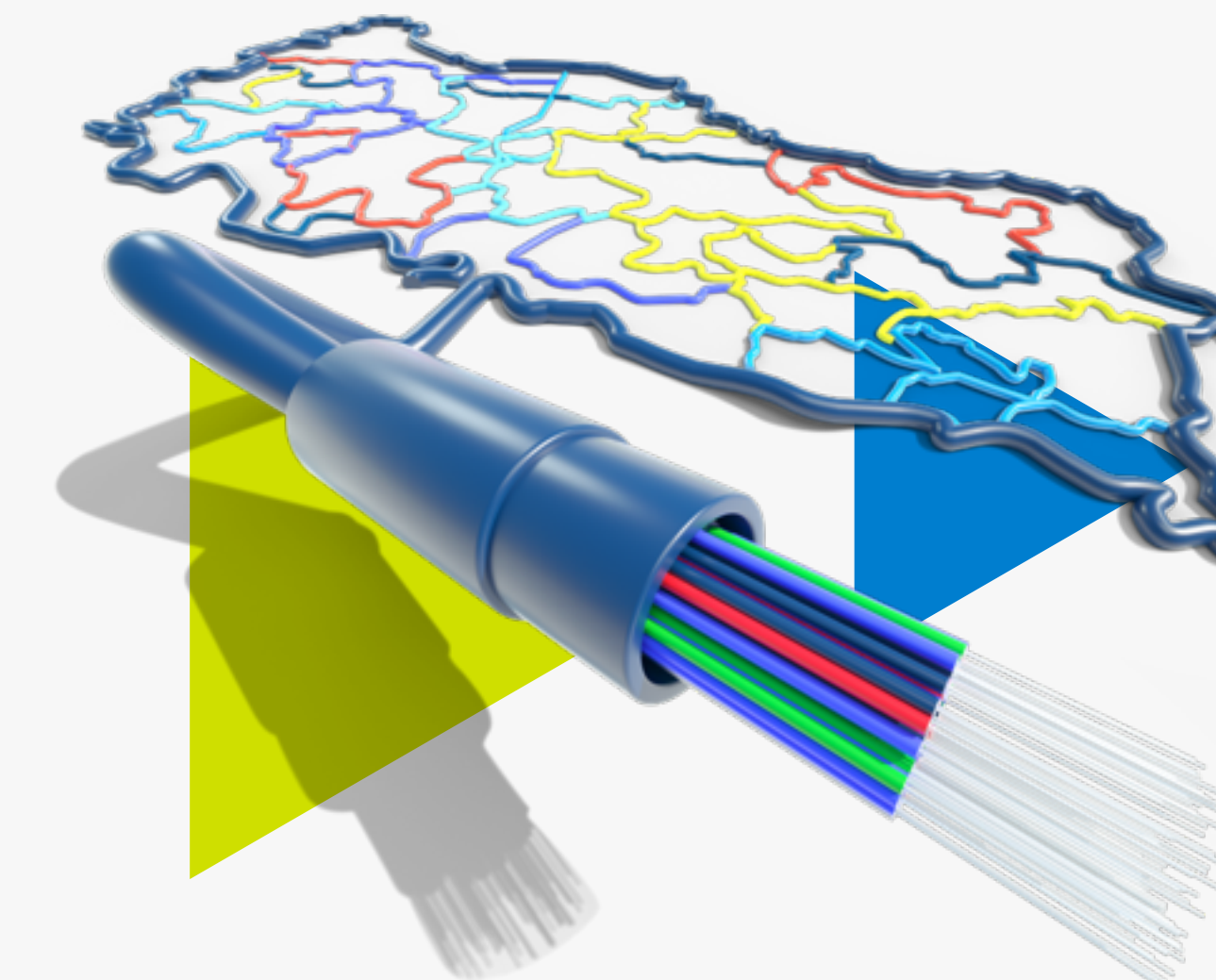
~60%
fiber connected
LTE Base Stations



83%
LTE
Population Coverage



98%
Fixed line
household coverage



256Kkm
fiber network in
81 cities



16.2mn
Fiber Homepass*

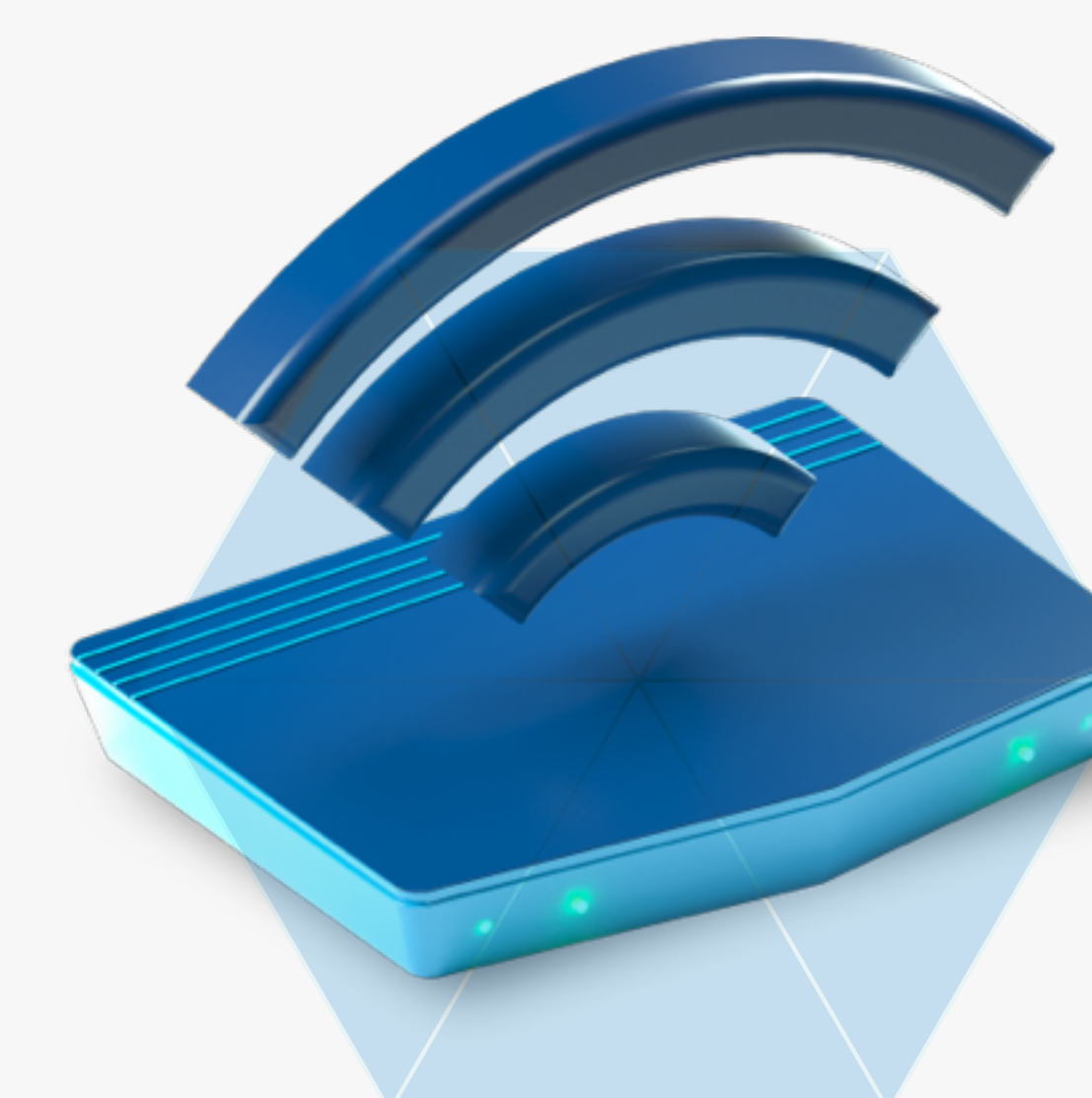
*Homepass includes FTTC & FTTH/B

Net Subscriber Additions

Broadband

368k
Q4 '17

1.1mn
2017



Mobile

423k
Q4 '17

1.0mn
2017



Home TV

139k
Q4 '17

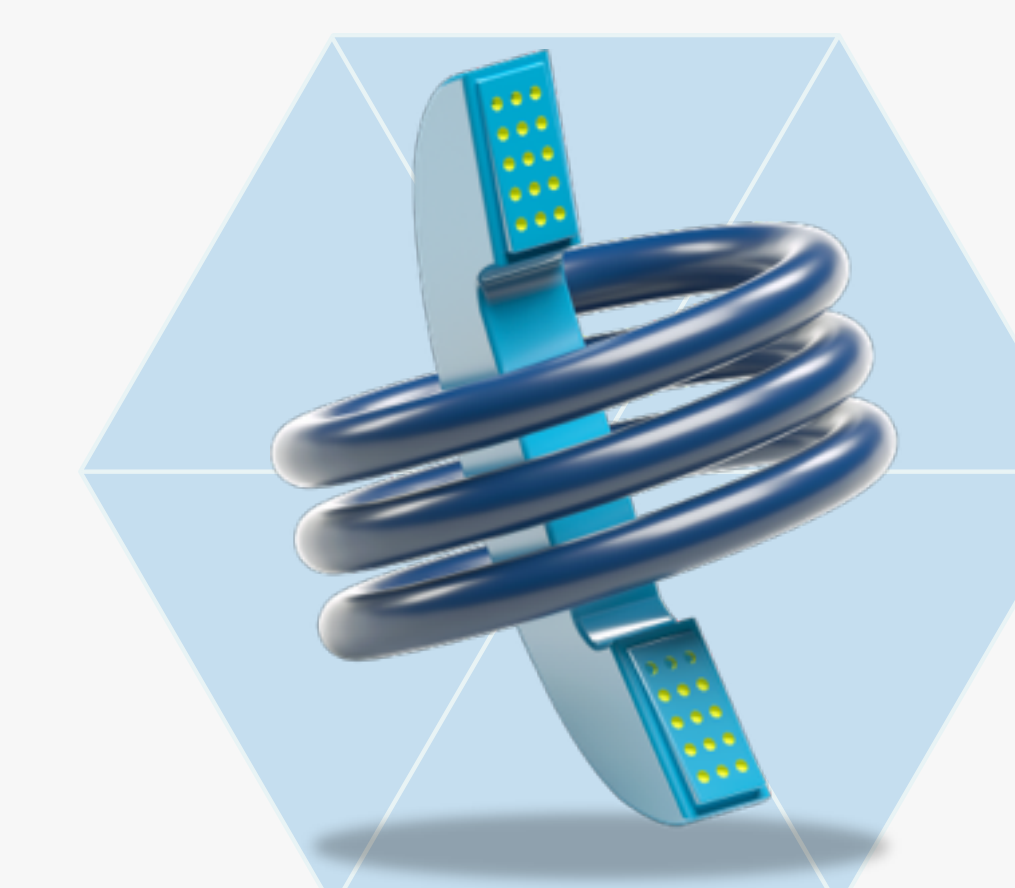
490k
2017



Fixed Voice

118k
Q4 '17

-65k
2017

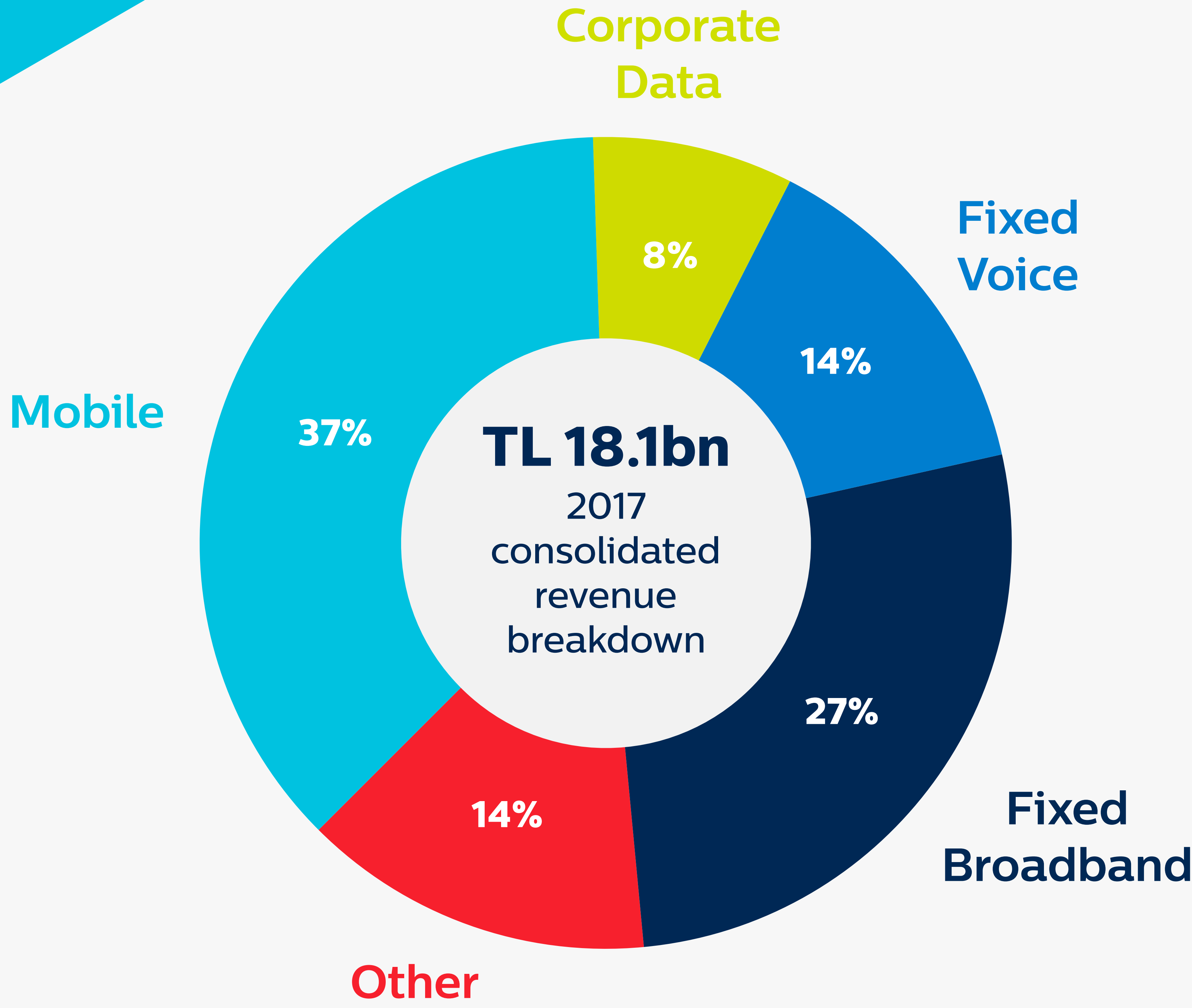


Financial Performance

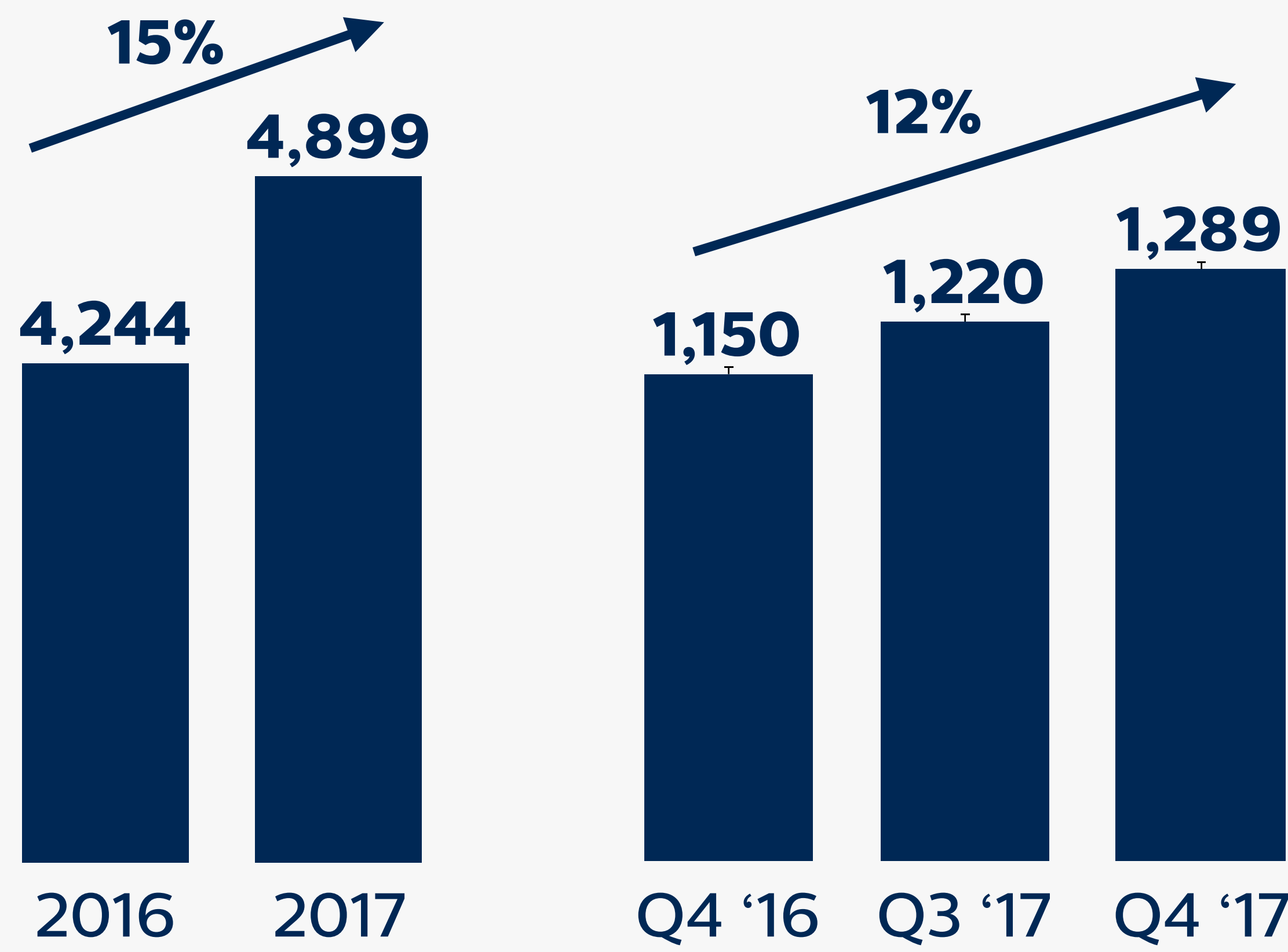
(TL mn)	2016	2017	Growth (YoY)	2016 Q4	2017 Q4	Growth (YoY)
Revenue	16,109	18,140	12.6%	4,250	4,800	12.9%
Revenue (exc. IFRIC12) ¹	15,696	17,435	11.1%	4,172	4,586	9.9%
EBITDA	5,470	6,452	18.0%	1,434	1,525	6.3%
EBITDA Margin	34.0%	35.6%		33.7%	31.8%	
Net Income	(724)	1,136	n.m.	(1,388)	(113)	n.m.
CAPEX	3,027	3,221	6.4%	963	1,722	78.8%

(1) IFRIC 12 is a non-operational revenue line booked in conjunction with upgrades to fixed line infrastructure, such as the upgrade

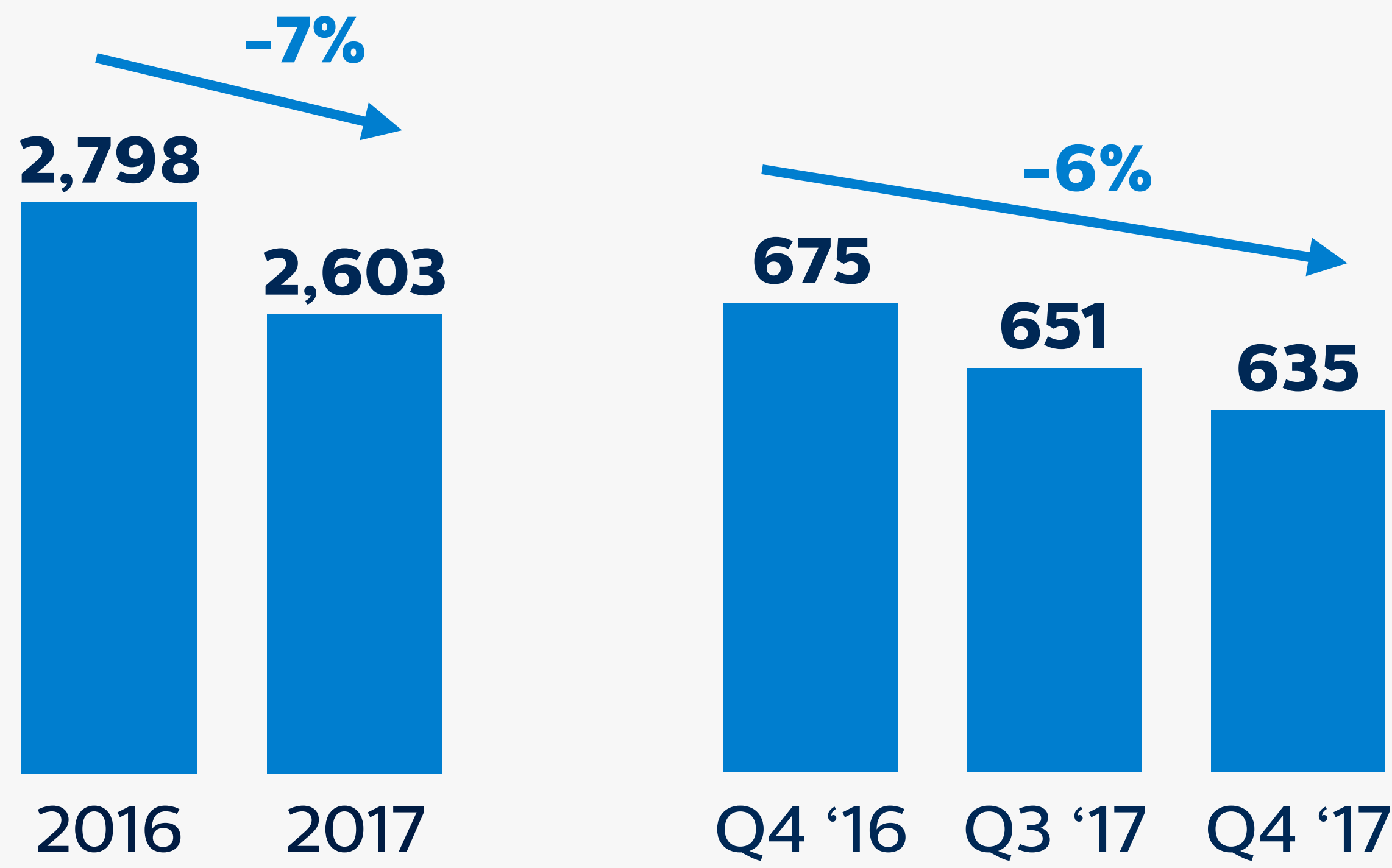
Focused on High Growth Areas



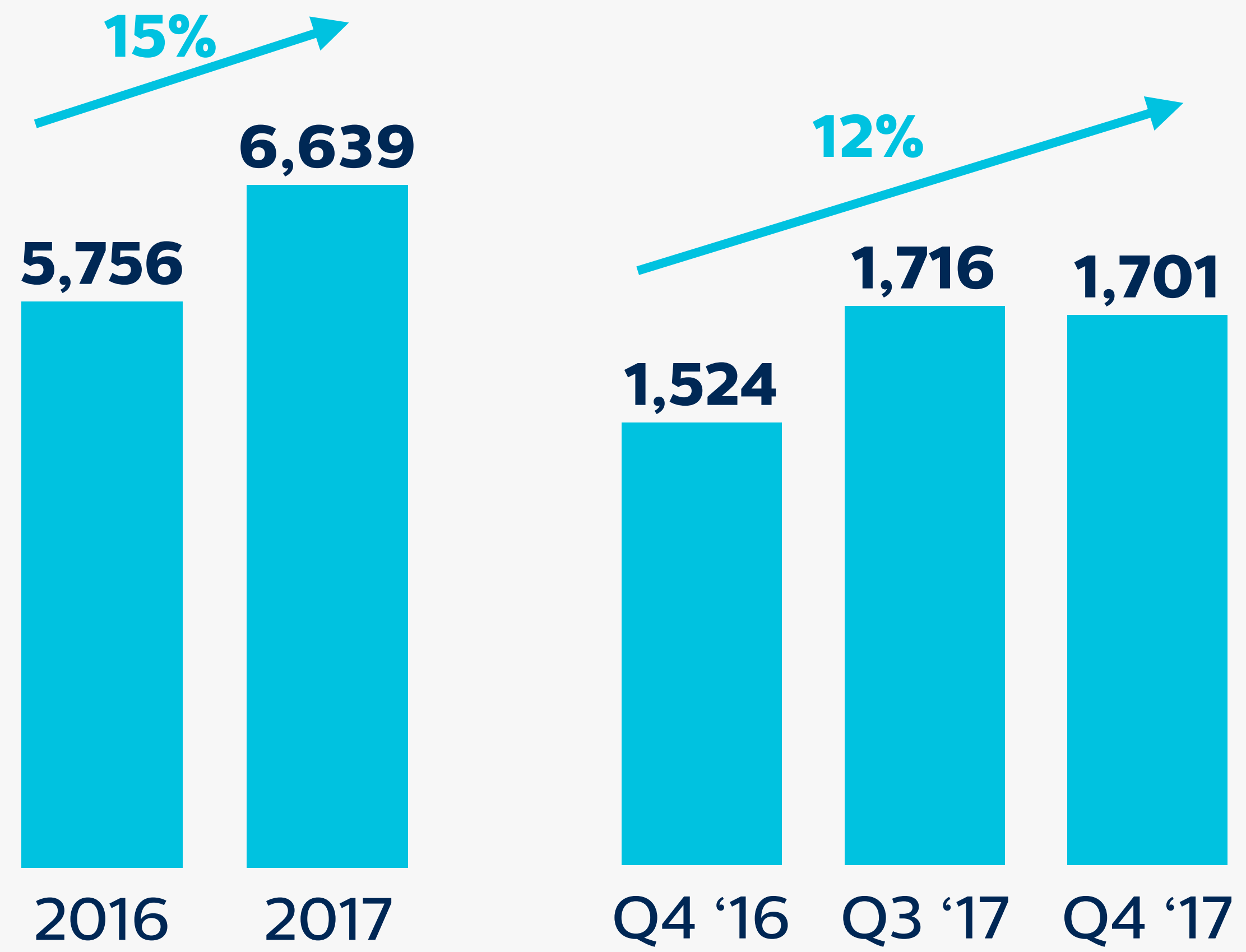
Fixed Broadband
(TL mn)



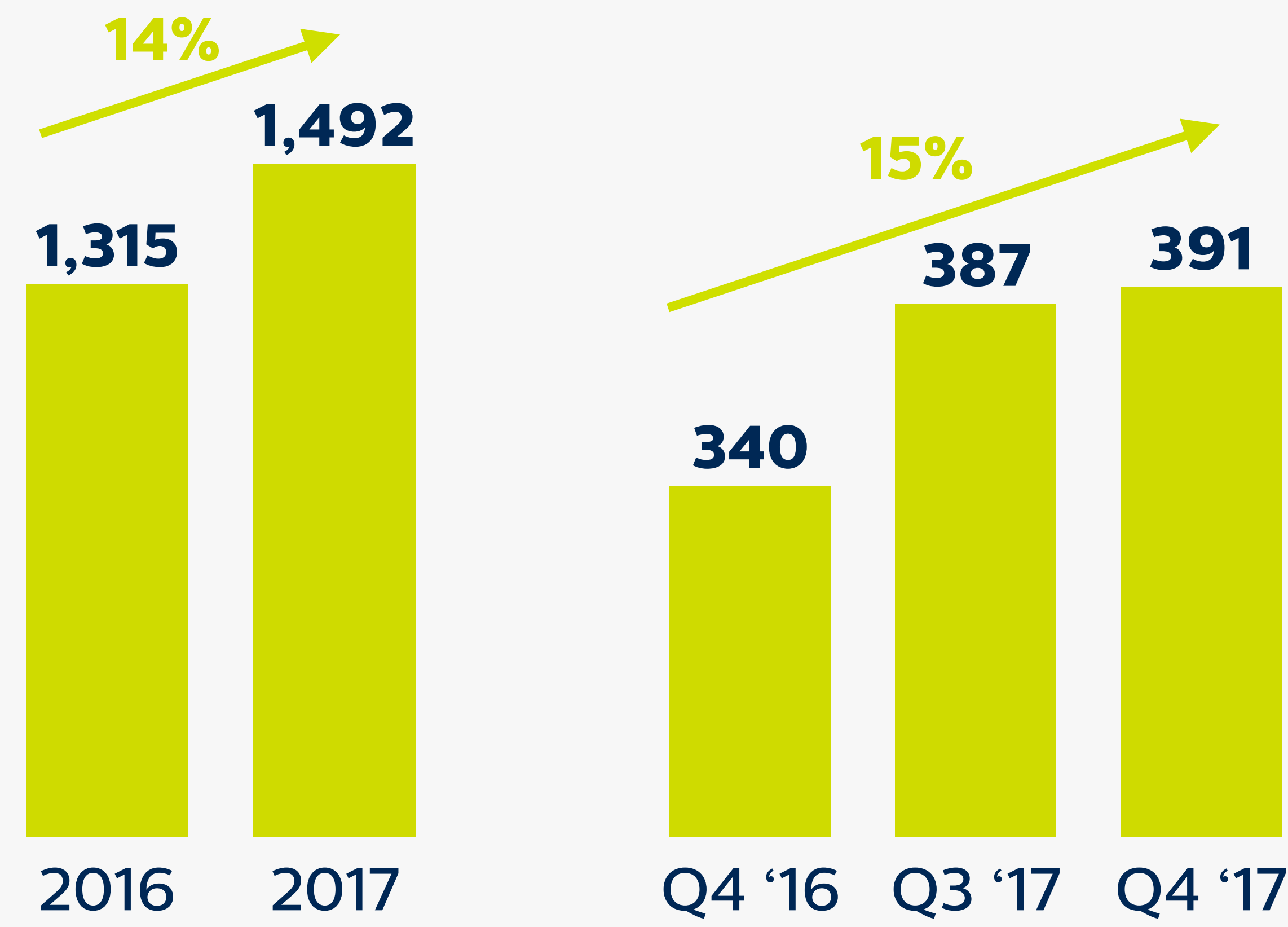
Fixed Voice
(TL mn)



Mobile
(TL mn)



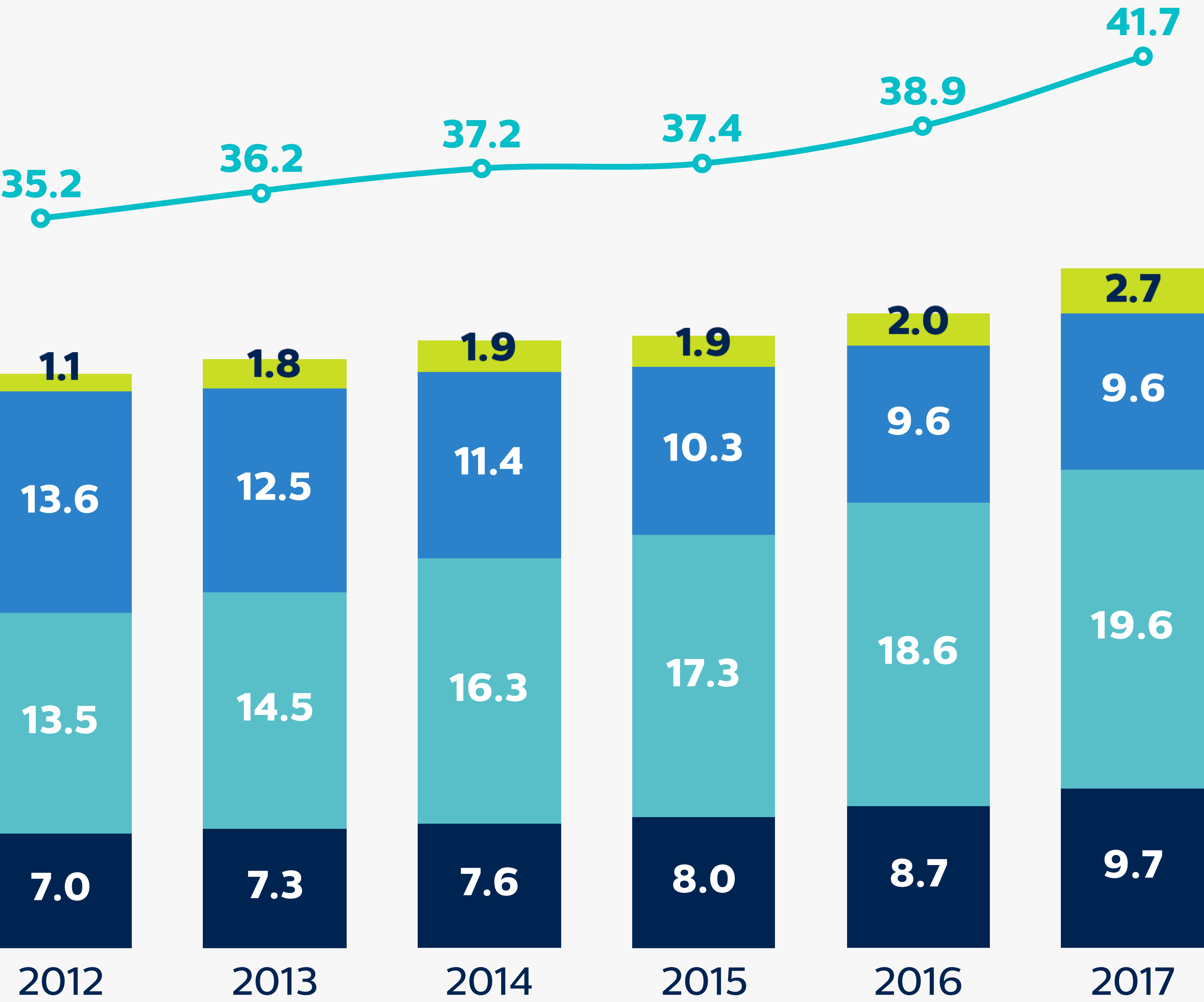
Corporate Data
(TL mn)



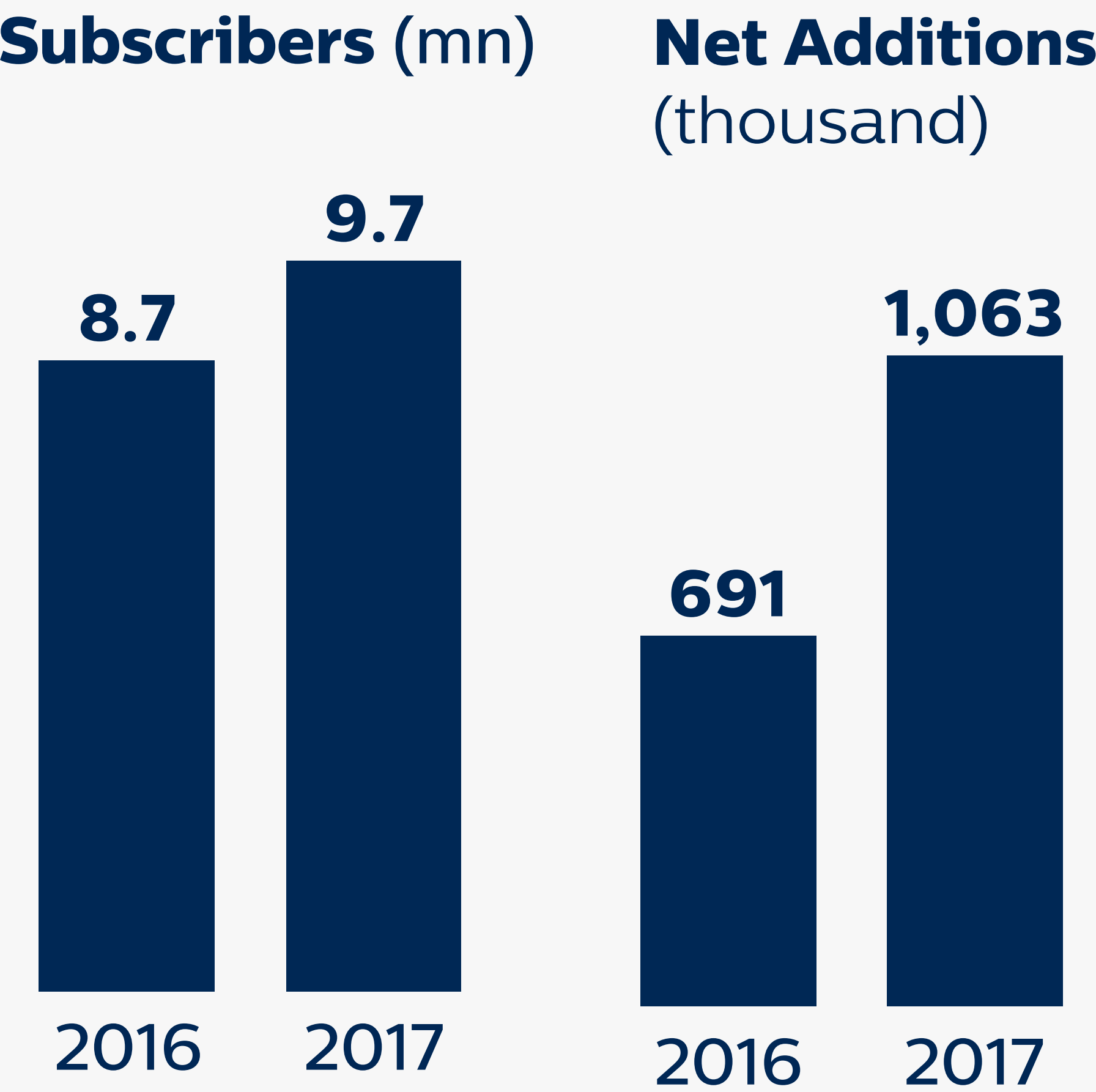
Accelerated Net Additions

Subscriber Breakdown (mn)

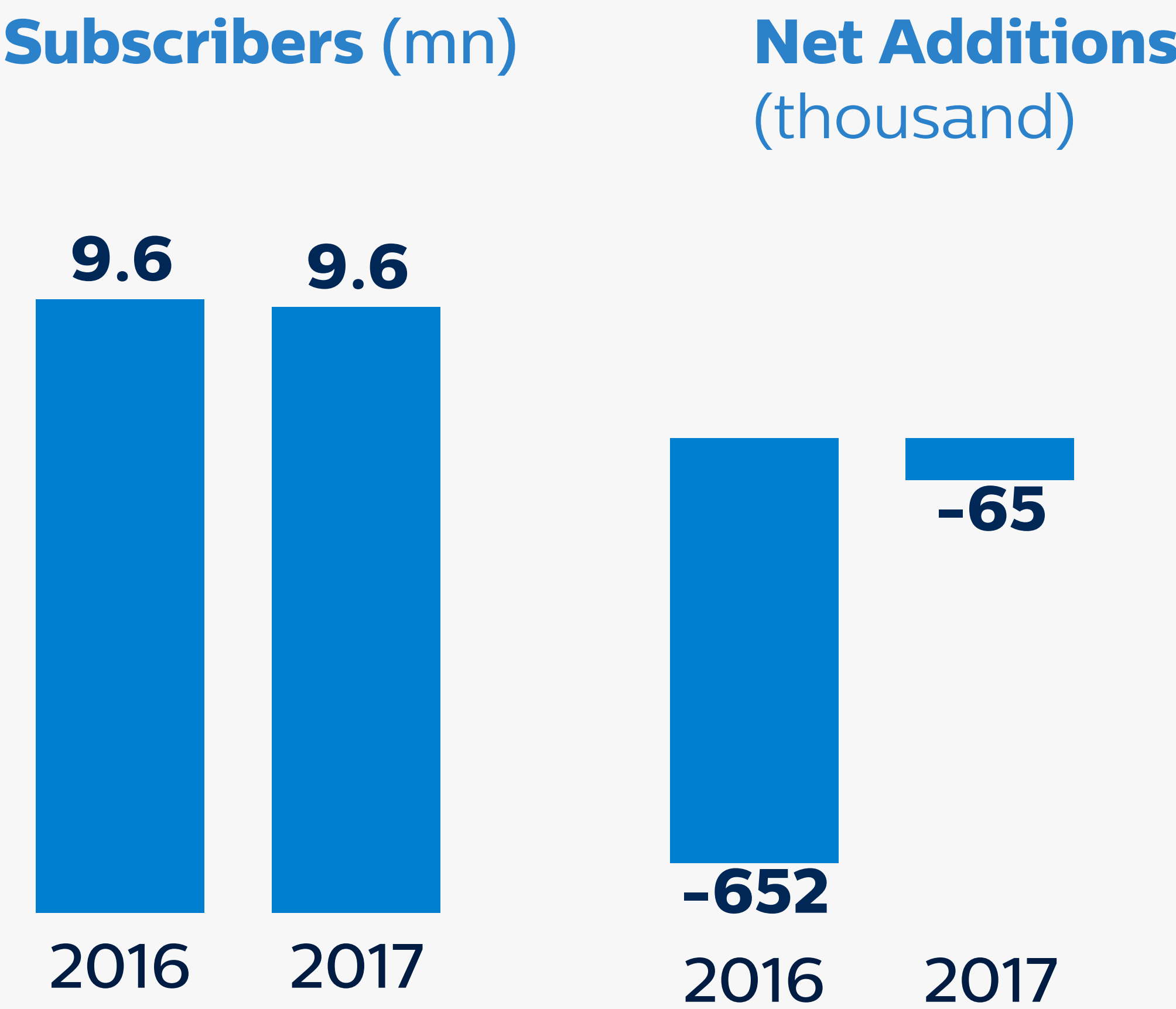
- Fixed Broadband
- Mobile
- Fixed Voice
- TV
- Total Subscriber



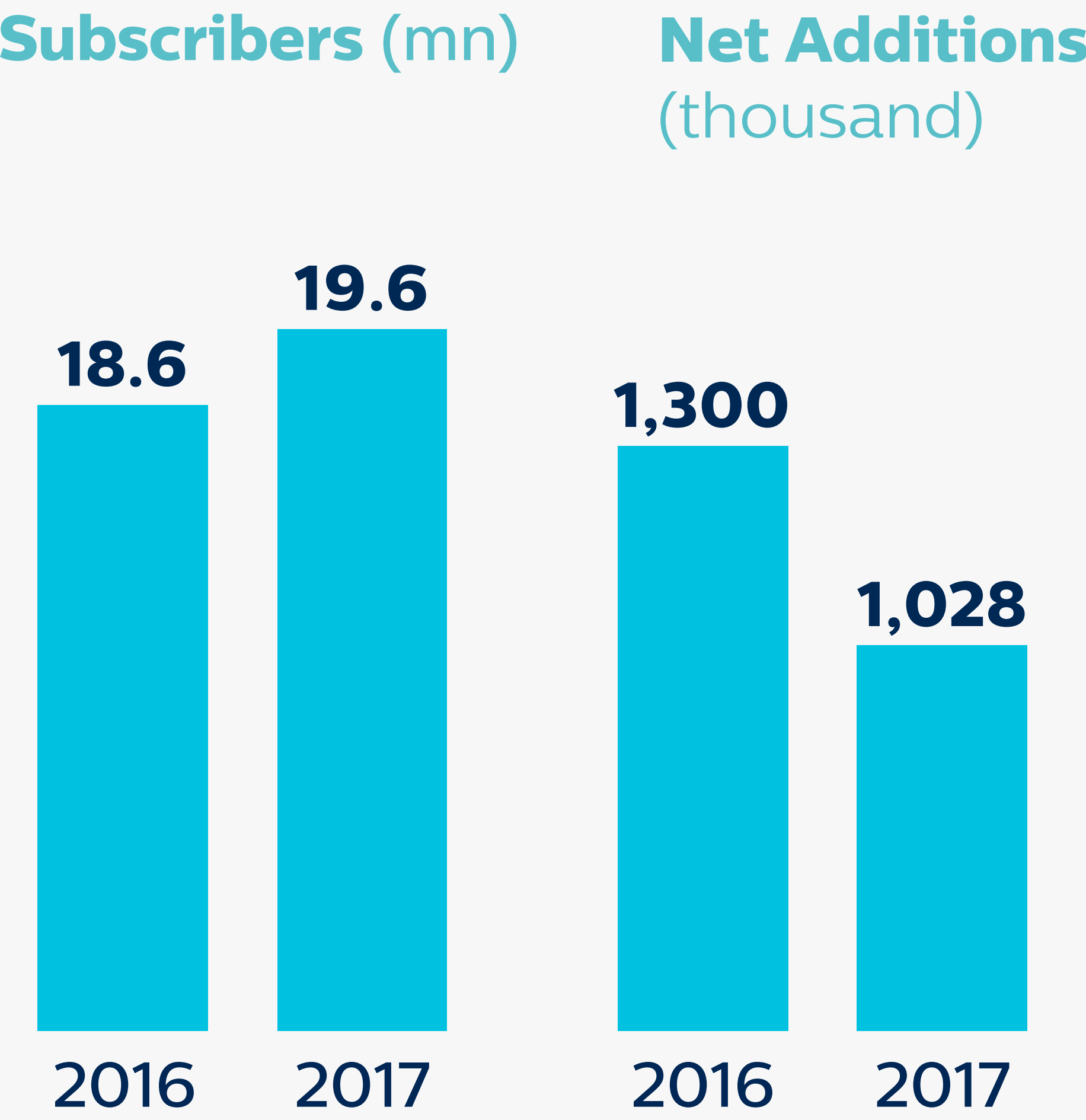
Fixed Broadband



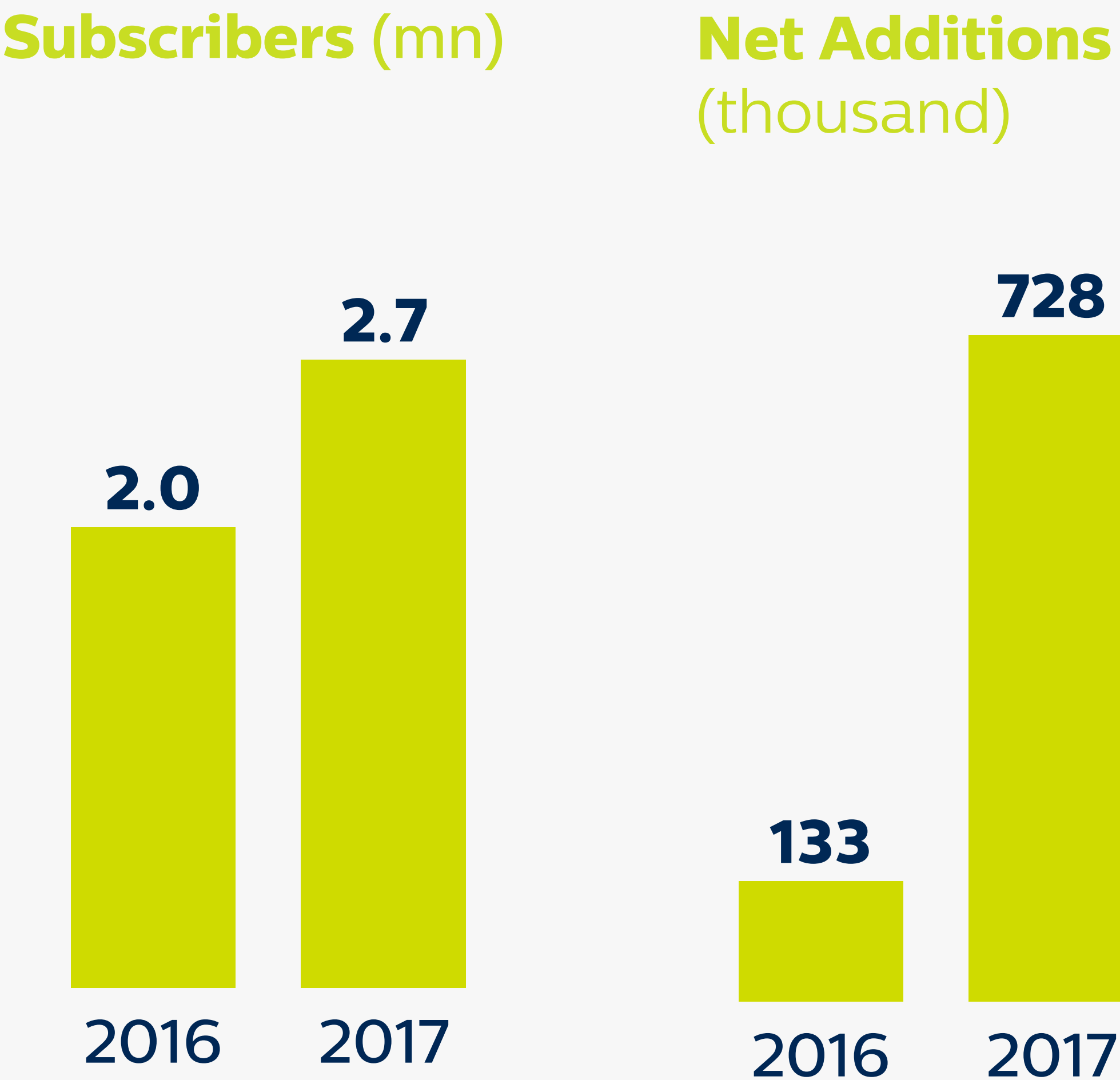
Fixed Voice



Mobile



TV

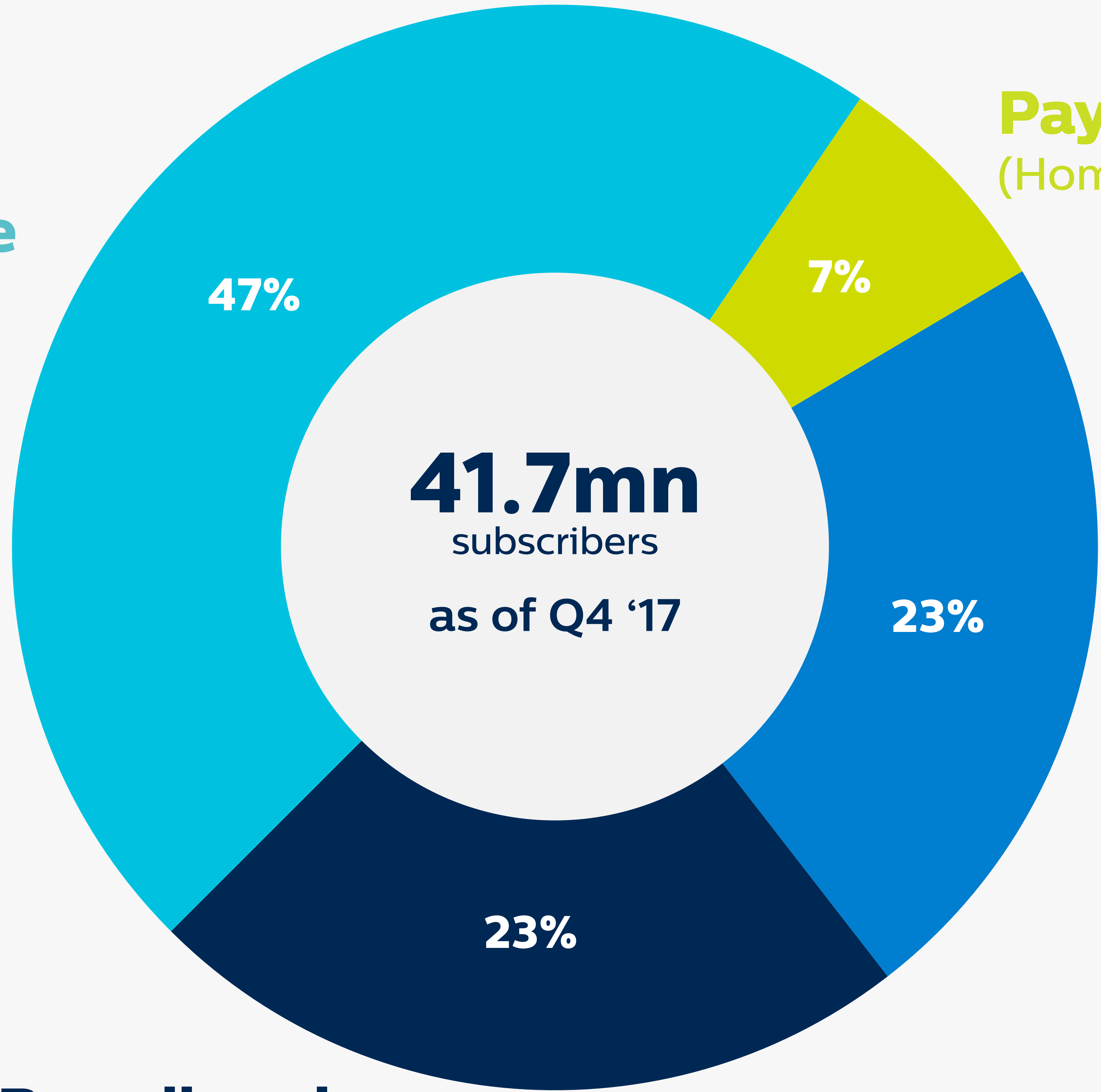


Strongest Position in Multiplay Offers



ARPU Generation (Q4 '17)	
Mobile	TL 27.9
Broadband	TL 44.8
Pay TV	TL 16.4
Fixed Voice	TL 22.2

Mobile



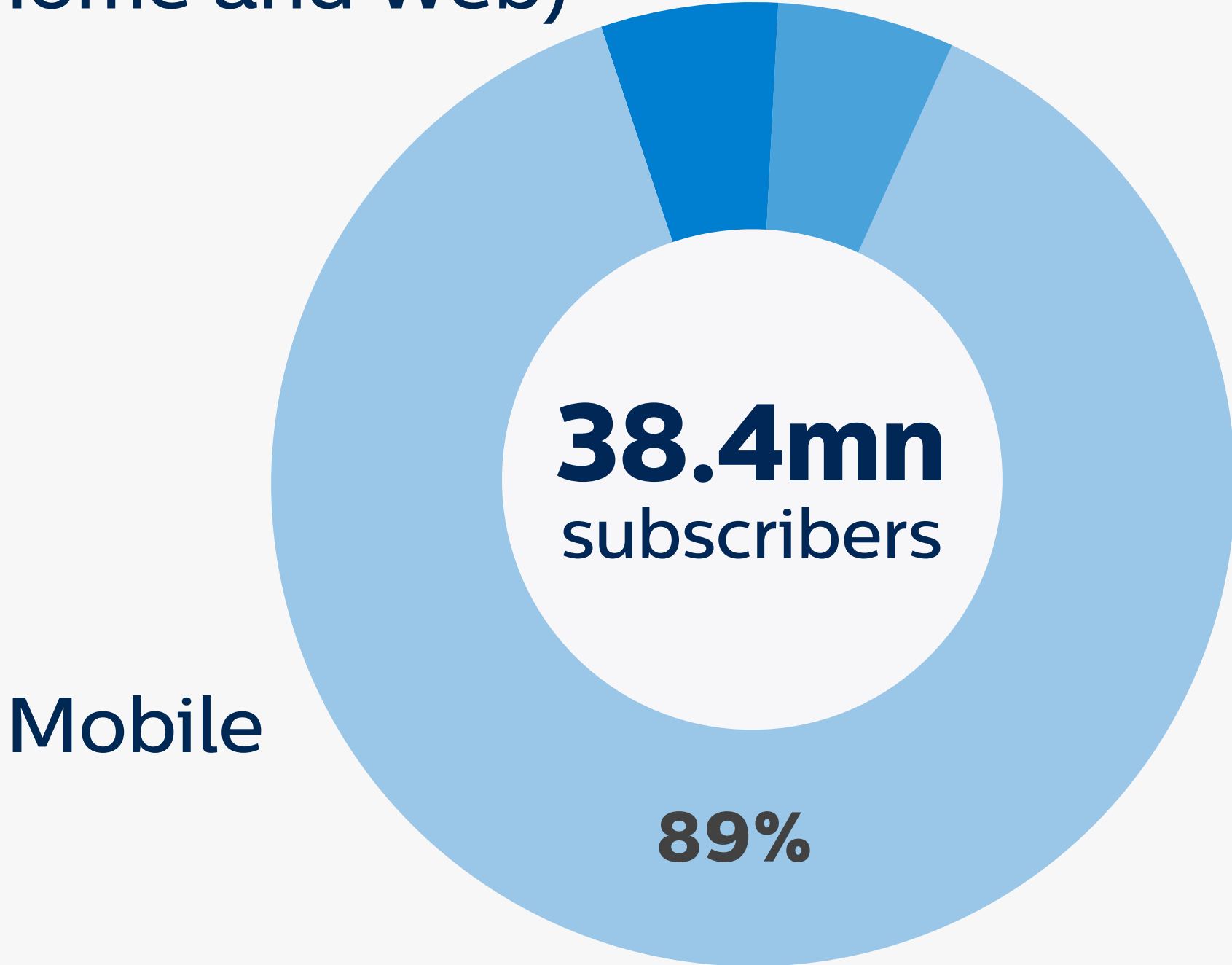
Pay TV
(Home and Go)

Fixed
Voice*

Broadband

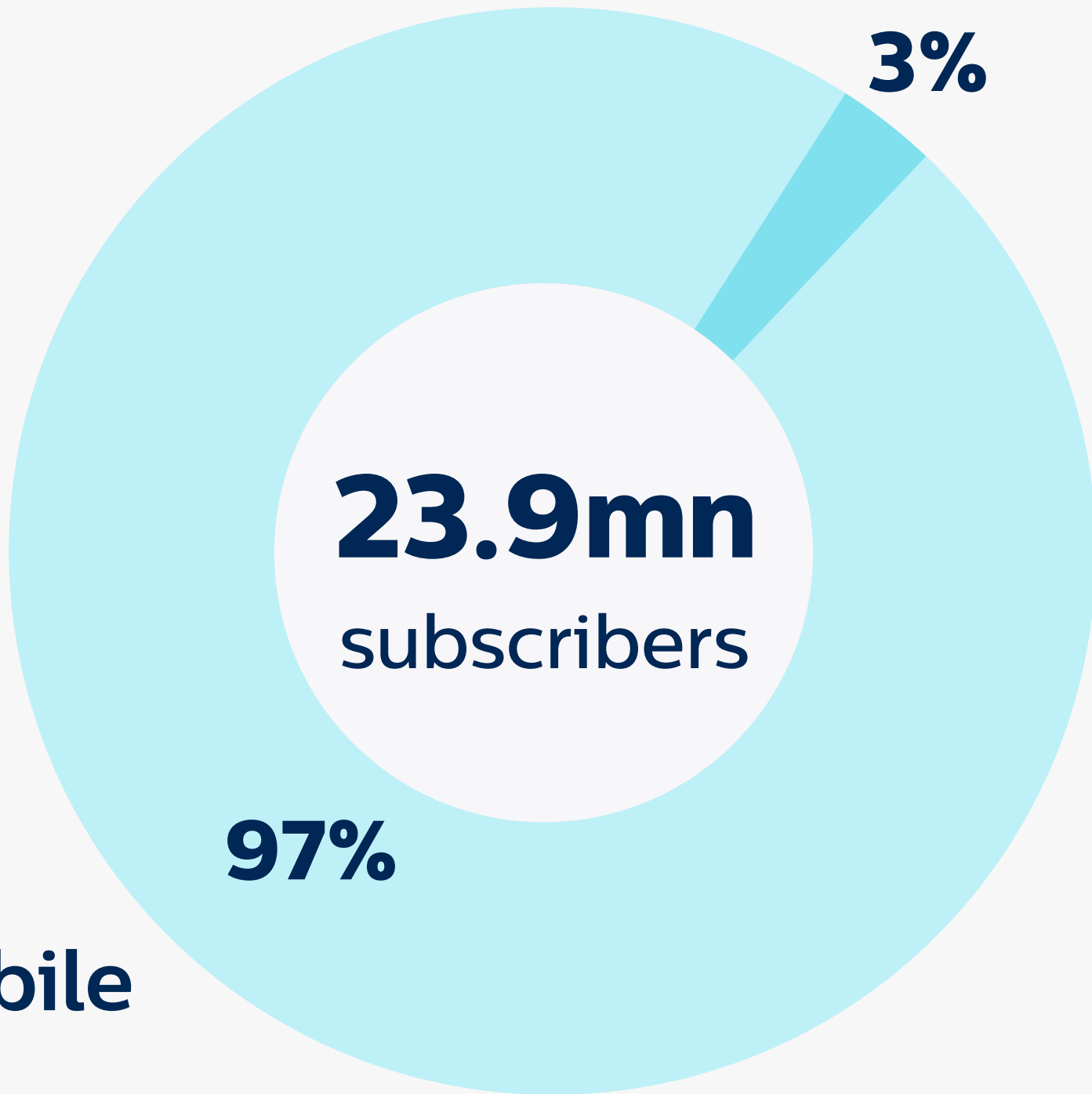
Türk Telekom

Pay TV
(Home and Web) 6% 6% Broadband



Turkcell

Broadband



Mobile

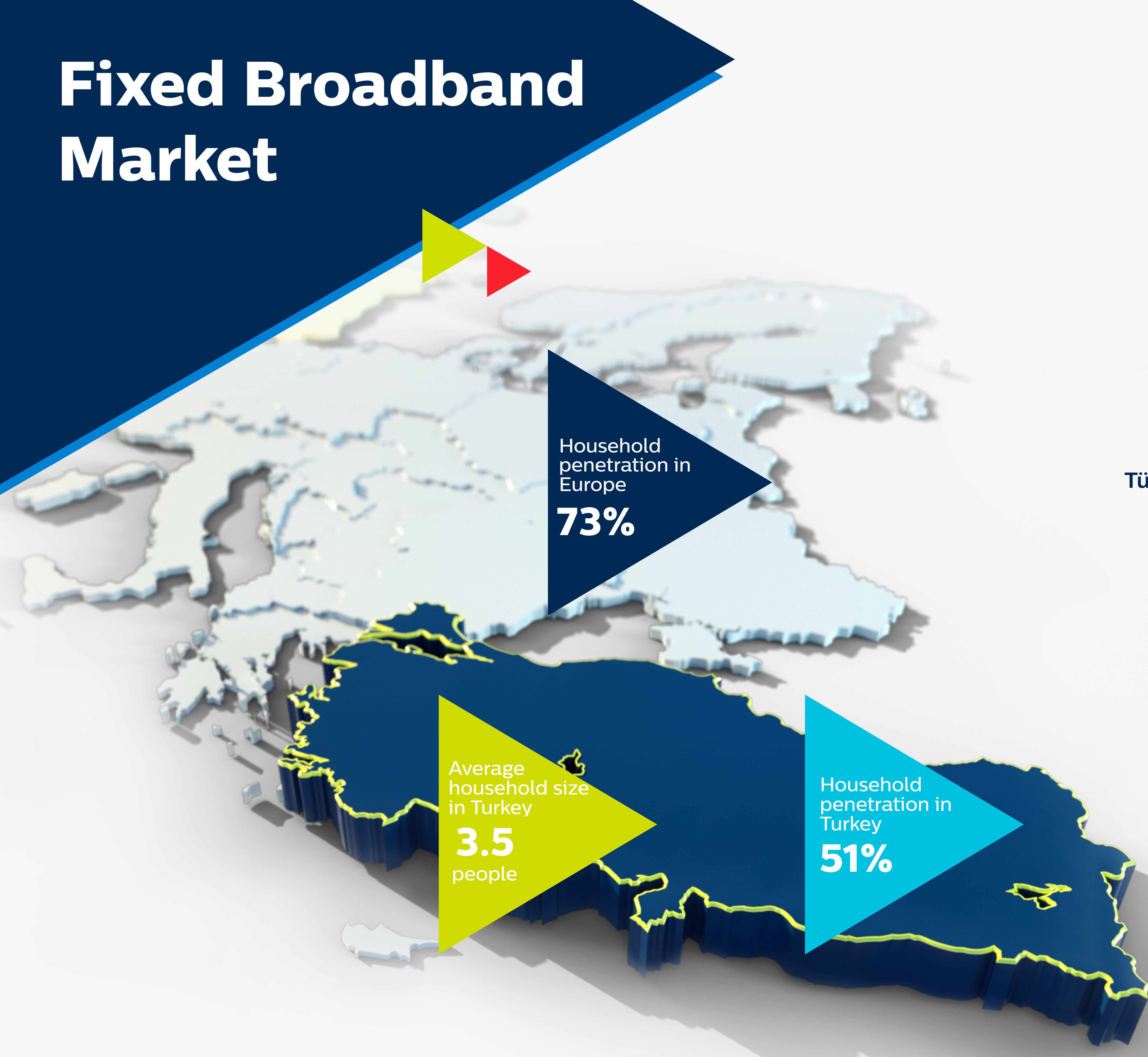
Vodafone

Turkcell and Vodafone data are from their own publications as of Q4 '17.
* VOIP is not included.

Business Lines

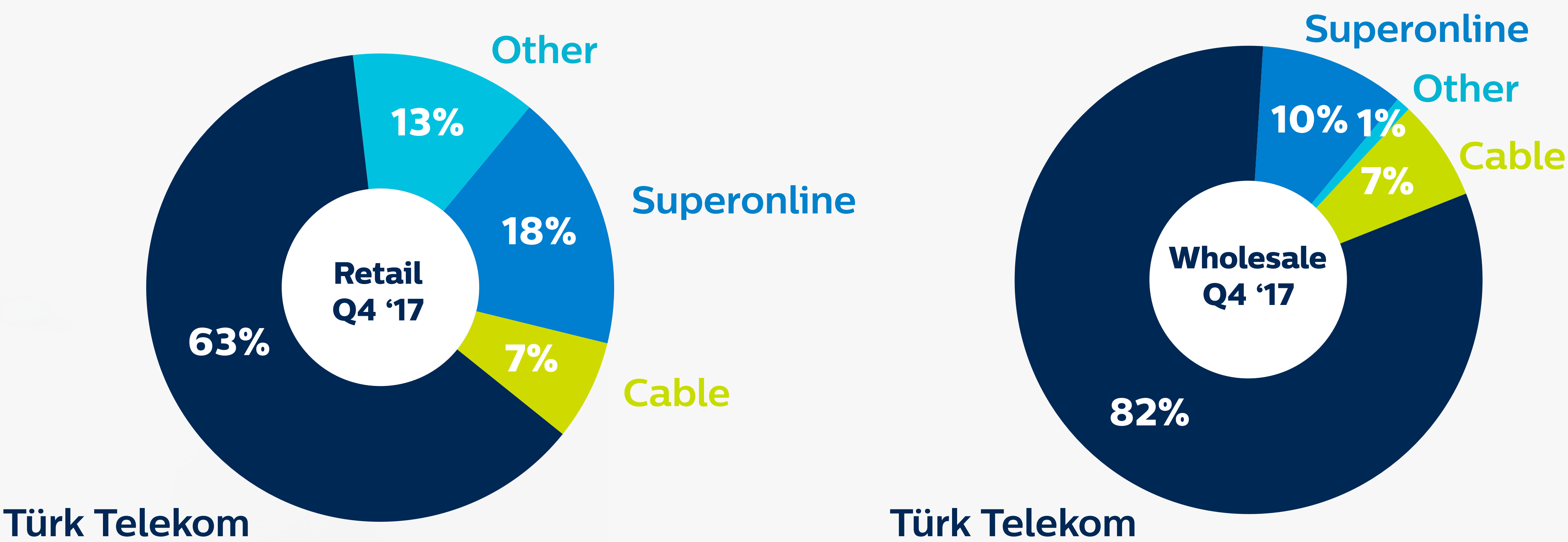


Fixed Broadband Market



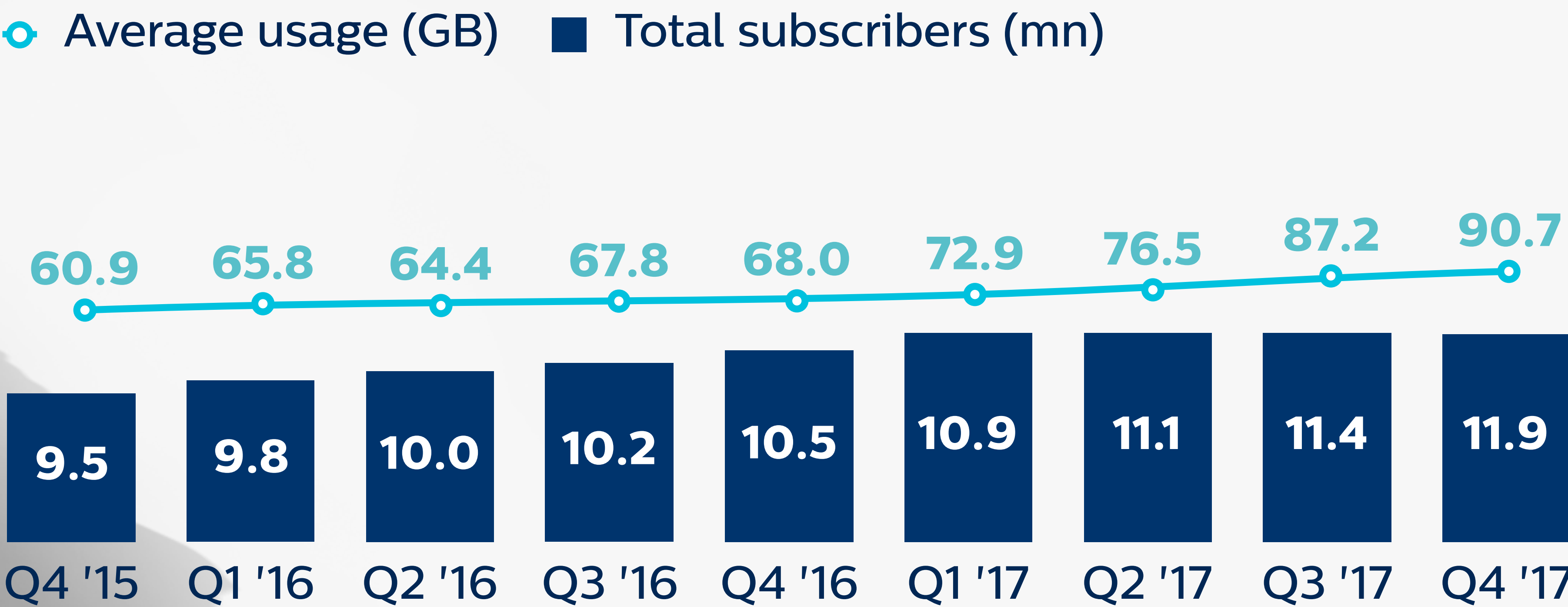
Source: Analysys Mason, Q3'17 CEE&WE Telecom Matrix, TR data is from ICTA, Q4 '17 Market Report
European countries include Austria, Denmark, Finland, Italy, Bulgaria, Estonia and Romania

Subscriber Market Share



Source: Other operators' data are from ICTA Q4 '17 report

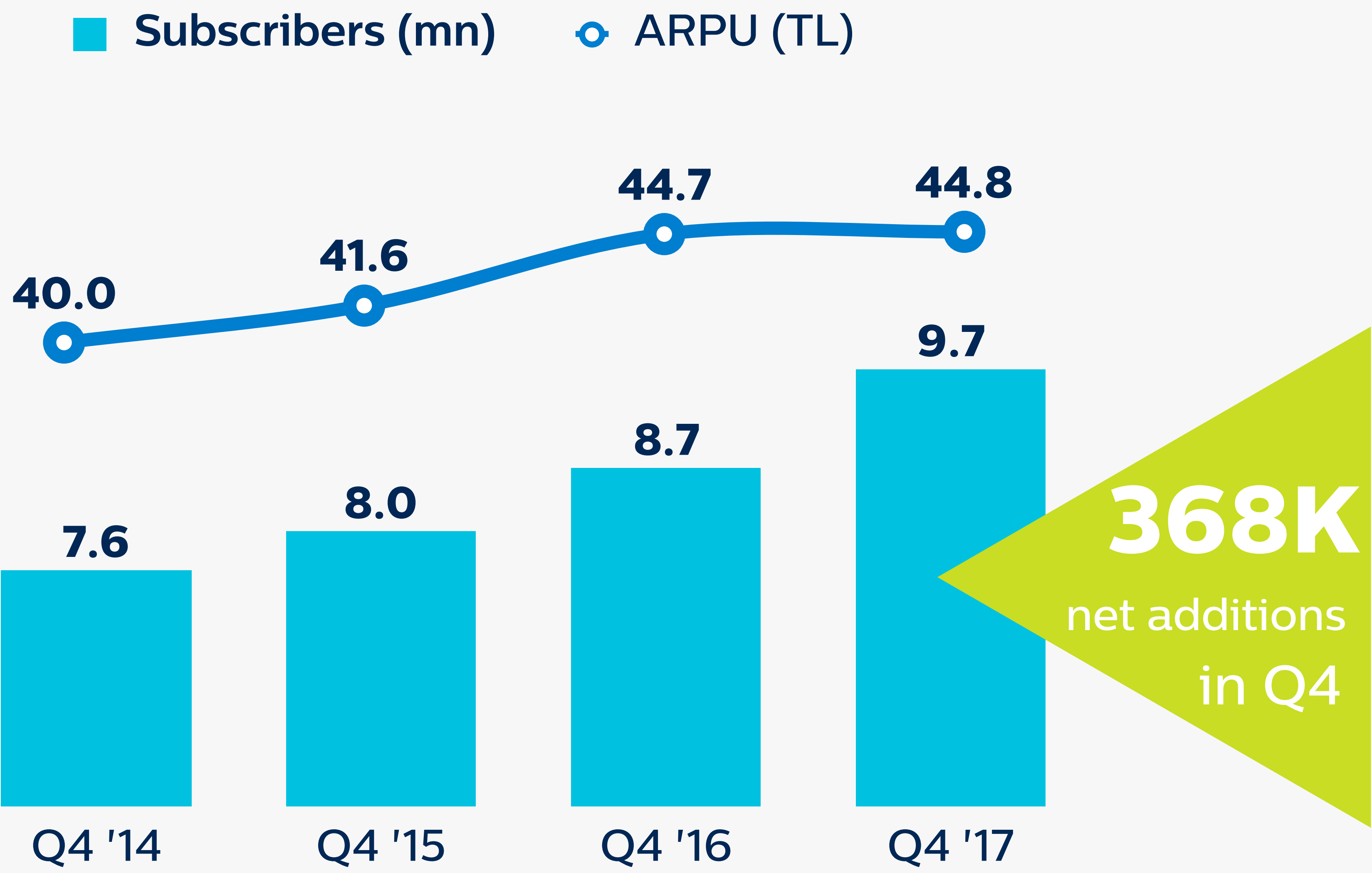
Subscribers & Avg. Monthly Data Usage



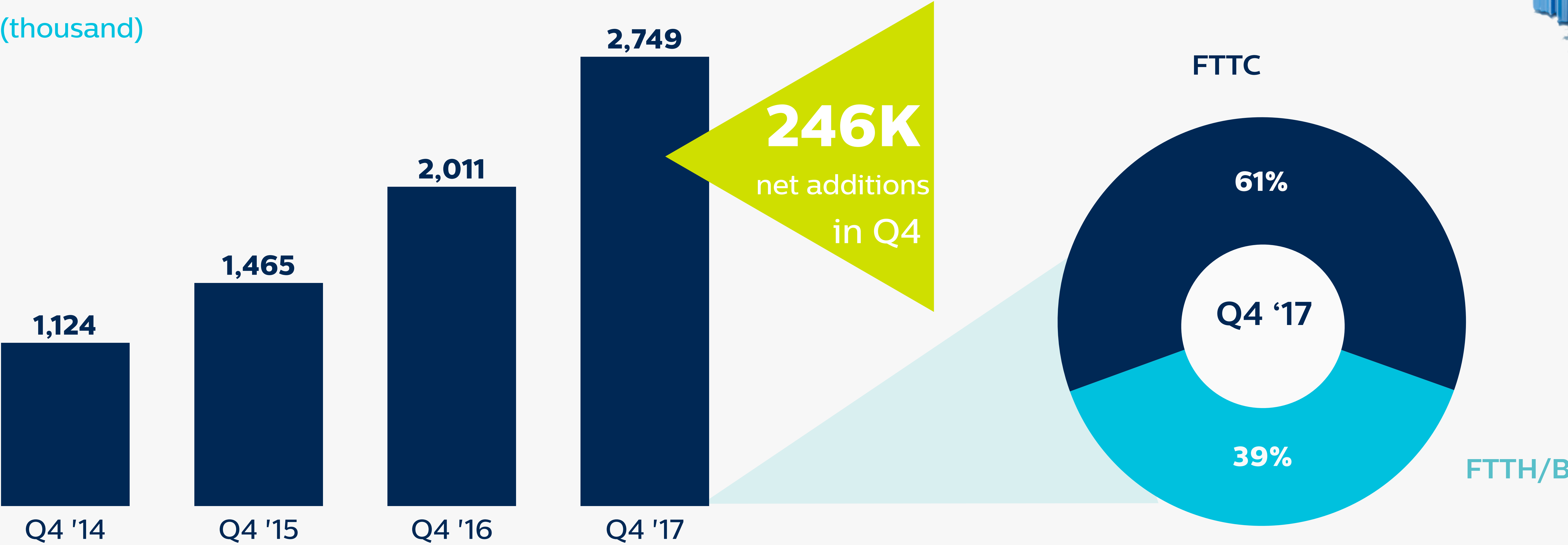
Source: ICTA Q4 '17 report

Fixed Broadband Performance

ARPU & Subscribers



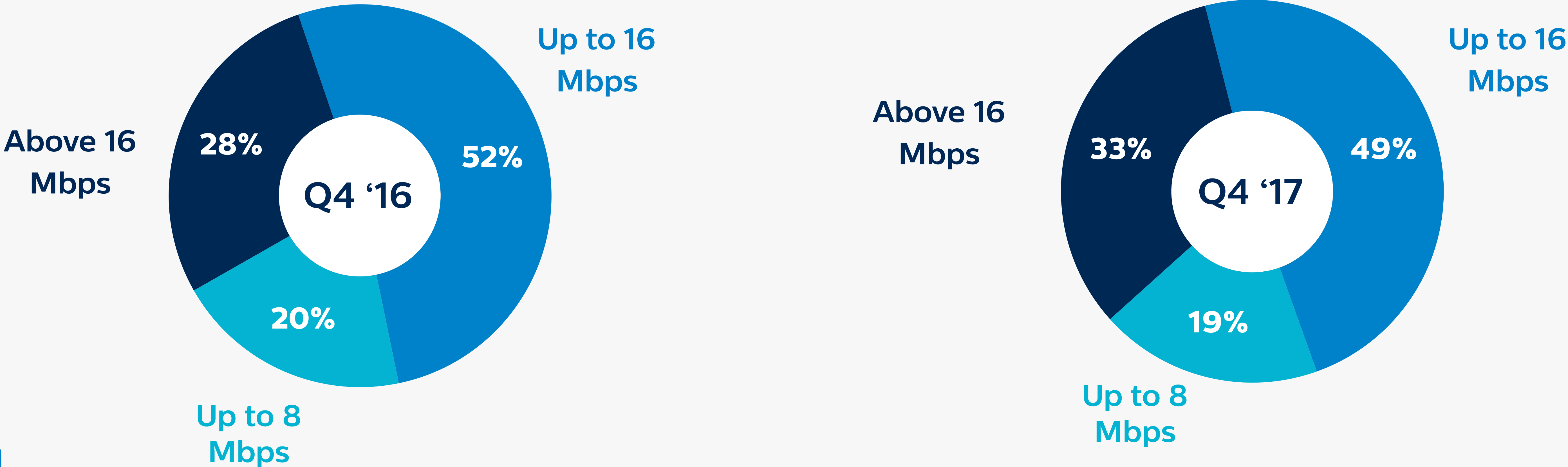
Fiber Subscribers (thousand)



Upsell Dynamics in Fixed Broadband

Speed Breakdown

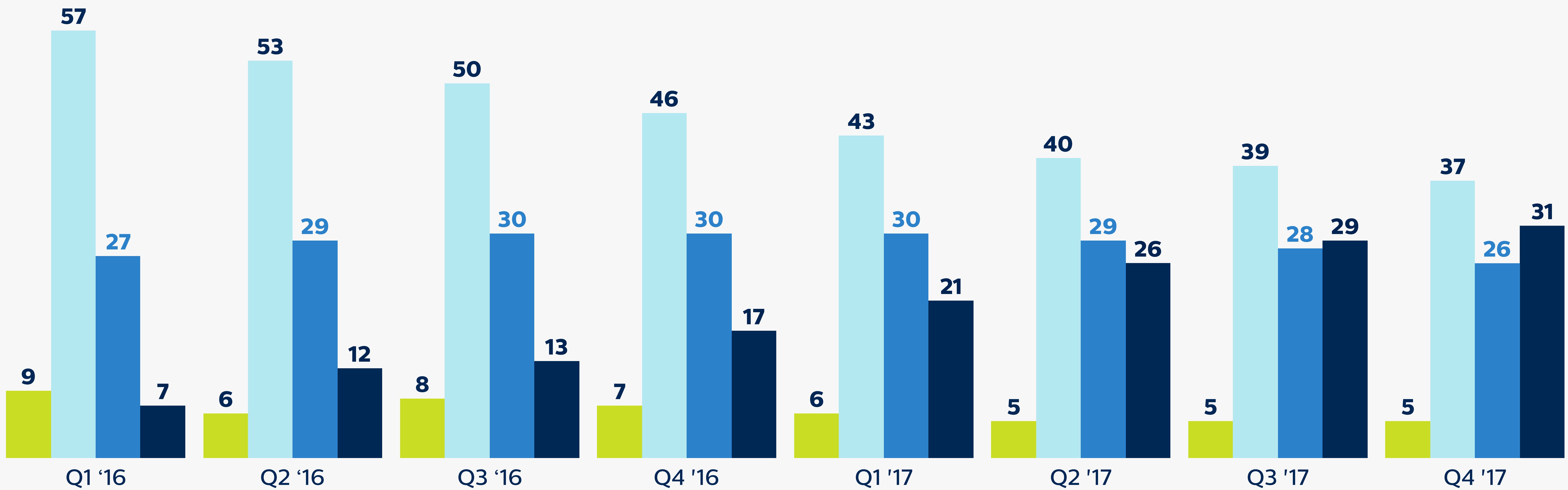
(% of Subscribers)



Capacity Breakdown

(% of Subscribers)

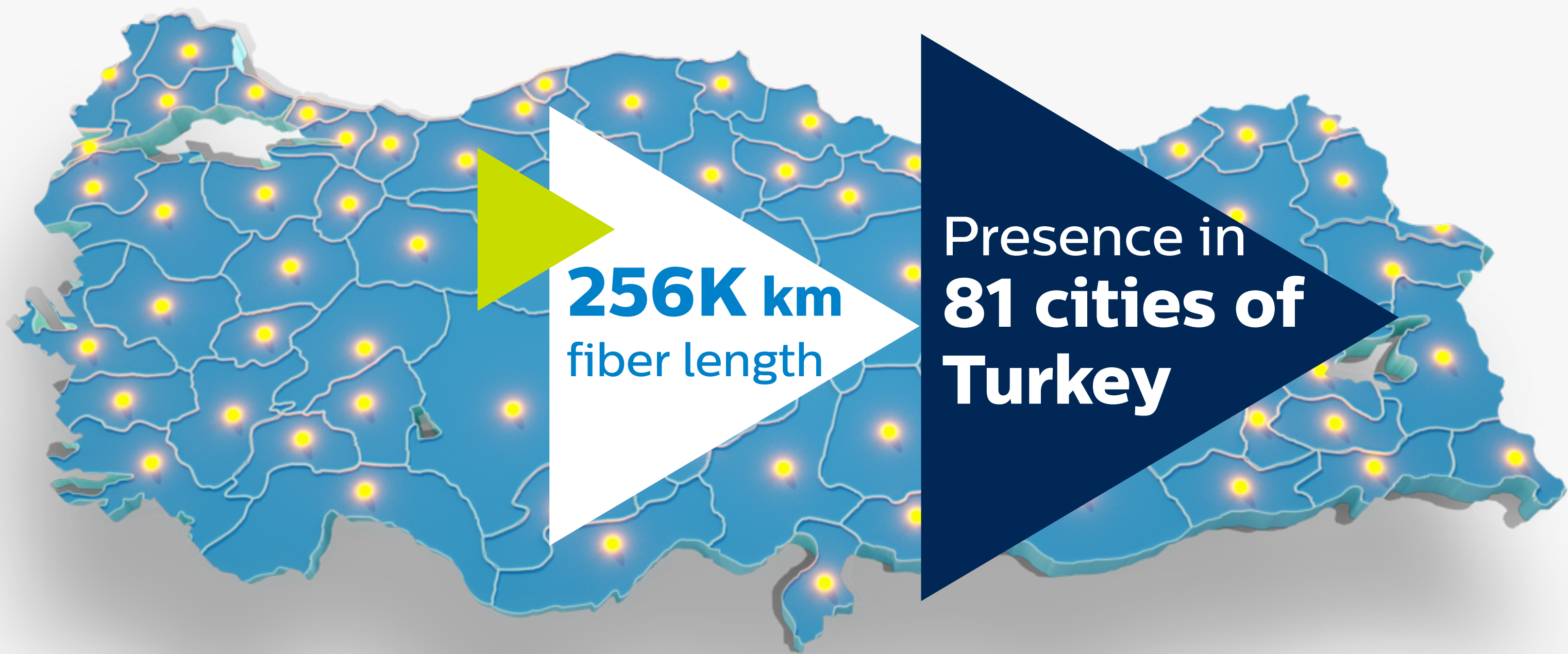
■ 25 GB & Below ■ 25 to 50 GB ■ 50 to 75GB ■ Above 75 GB



All figures are based on Turk Telekom's retail subscribers

Nationwide Fiber

Türk Telekom Fiber Network



Superonline Fiber Network

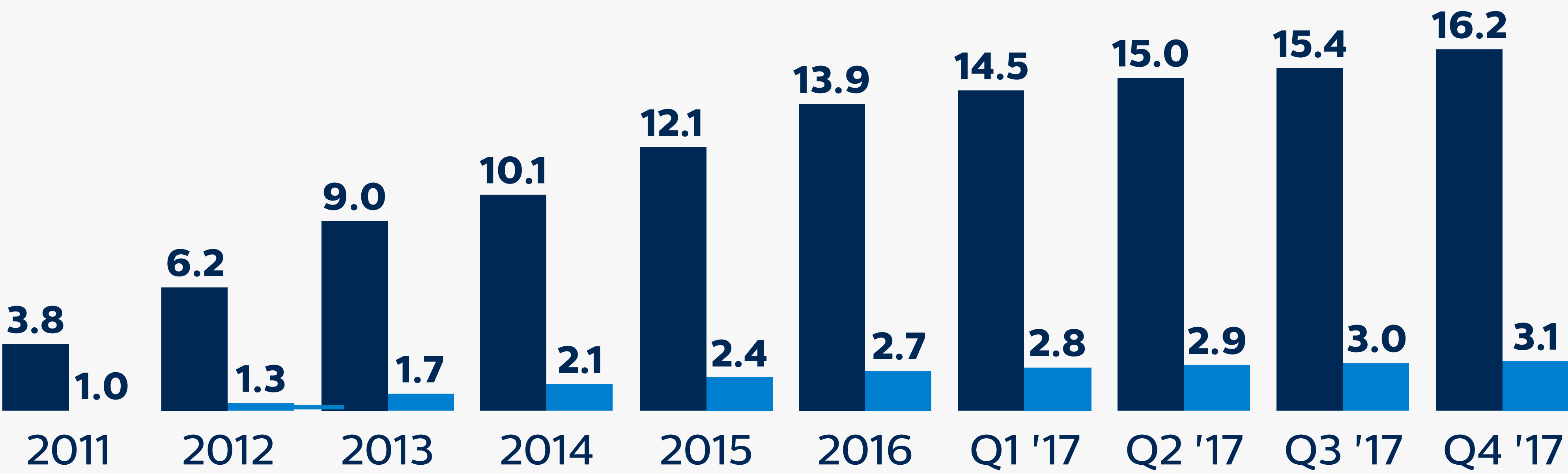


- ▶ Presence in 21 cities of Turkey
- ▶ 40.2K km fiber length
- ▶ Wholesale customer of Türk Telekom

Based on Turkcell's own publications as of March,2018

Fiber Homepass (mn)

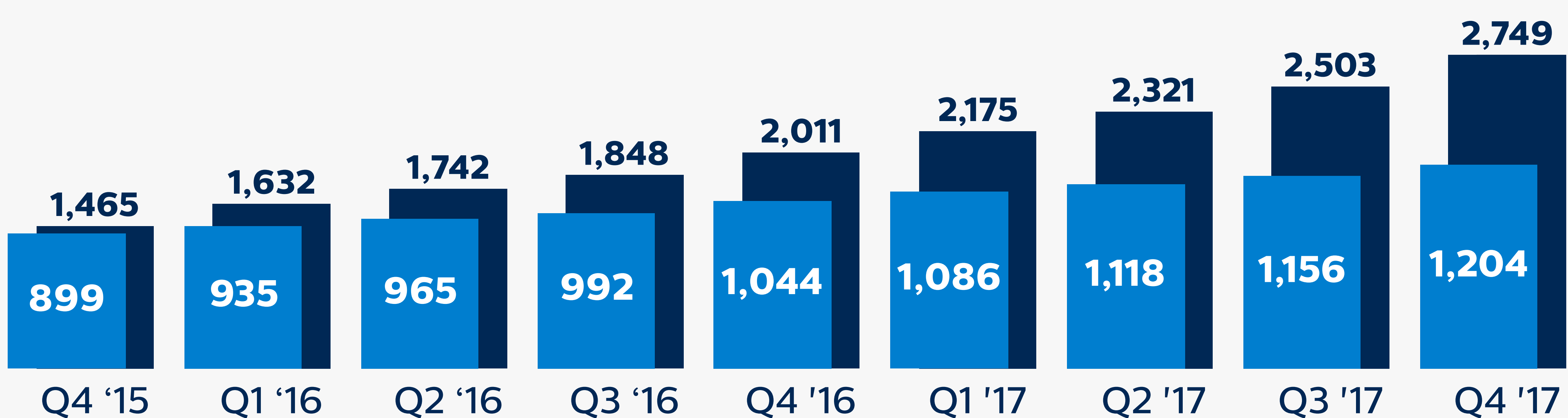
■ Türk Telekom ■ Superonline



Fiber homepass includes FTTH/B & FTTC
16.2mn homepass consists 4.5mn FTTH/B and 11.7 mn FTTC

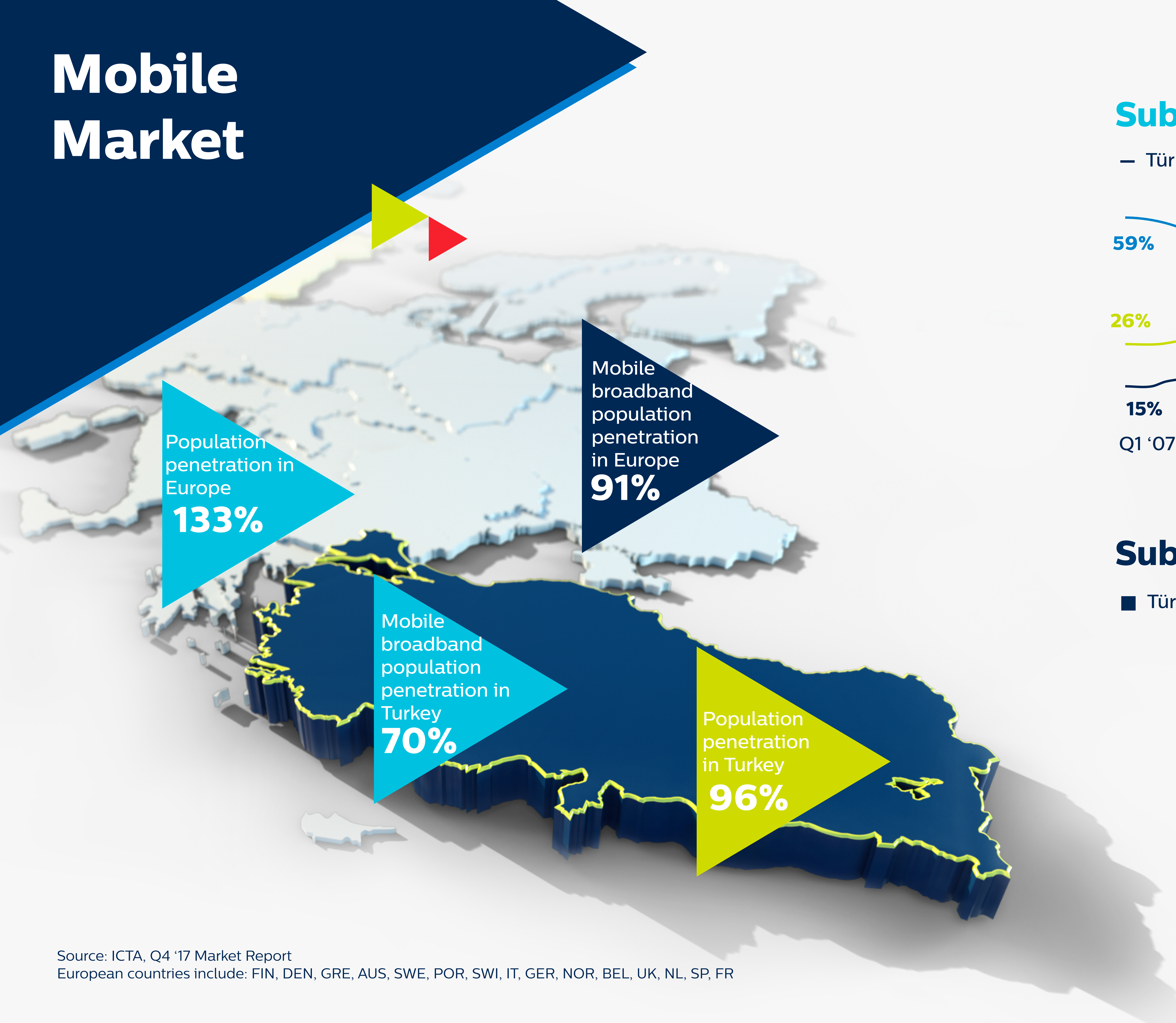
Fiber Subscribers (thousands)

■ Türk Telekom ■ Superonline



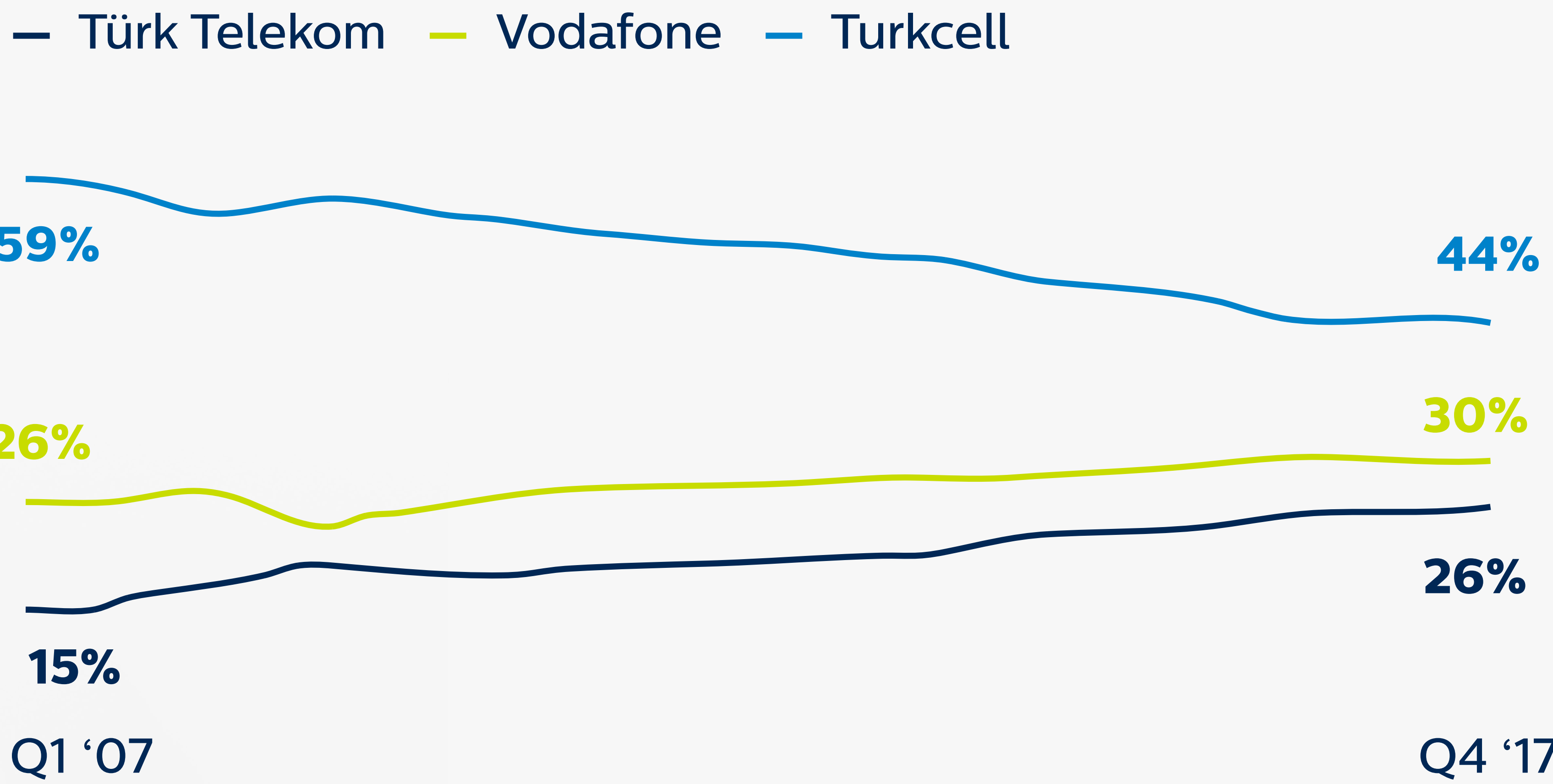
Fiber subscribers include FTTH/B & FTTC subscribers

Mobile Market

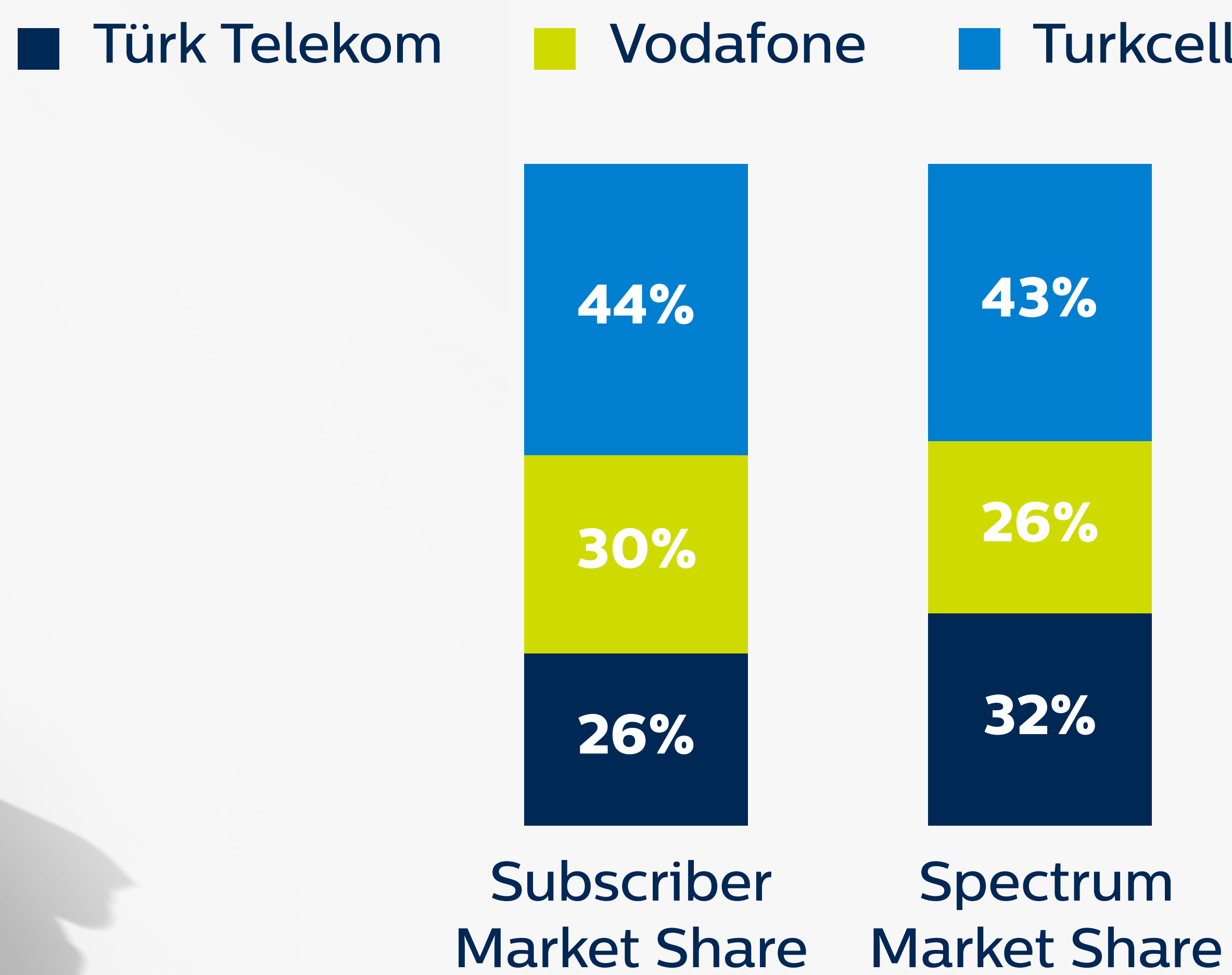


Source: ICTA, Q4 '17 Market Report
European countries include: FIN, DEN, GRE, AUS, SWE, POR, SWI, IT, GER, NOR, BEL, UK, NL, SP, FR

Subscriber Market Share



Subscriber vs. Spectrum Market Share

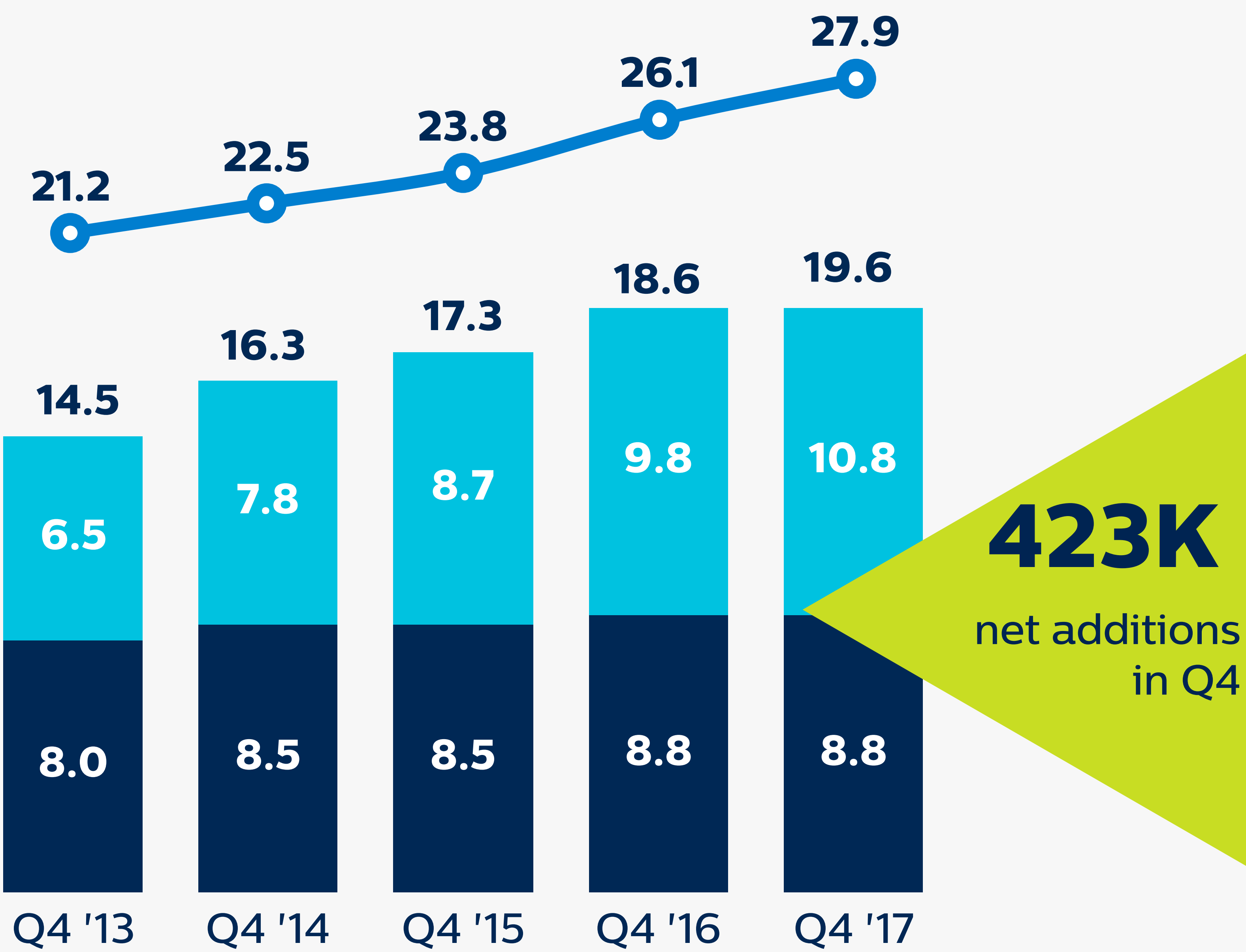


Other operators' data are from their own publications as of Q4 '17

Mobile Performance

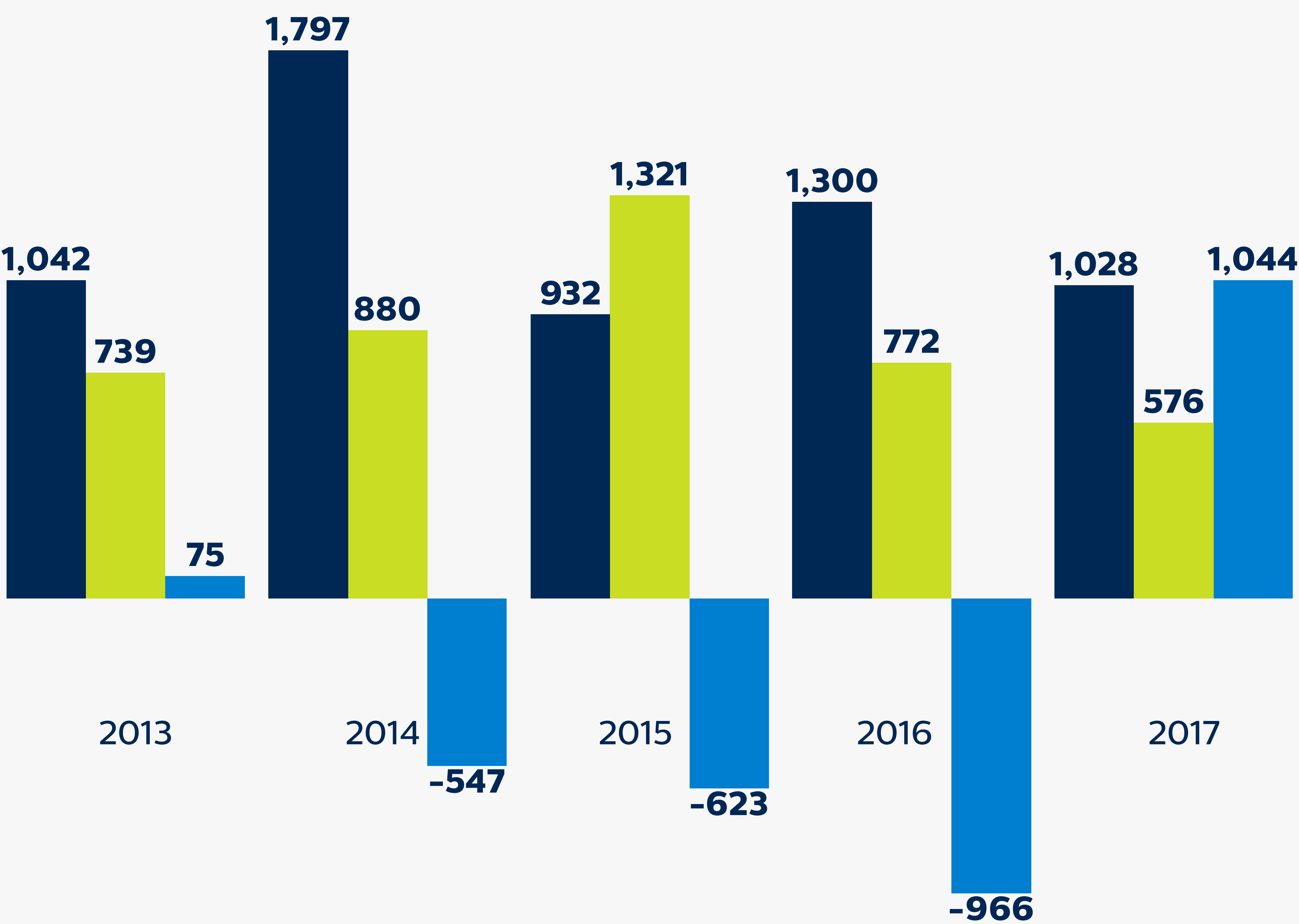
Growing ARPU & Subscribers

○ Blended ARPU (TL)
■ Prepaid (mn) ■ Postpaid (mn)



Net Subscriber Addition

■ Türk Telekom ■ Vodafone ■ Turkcell

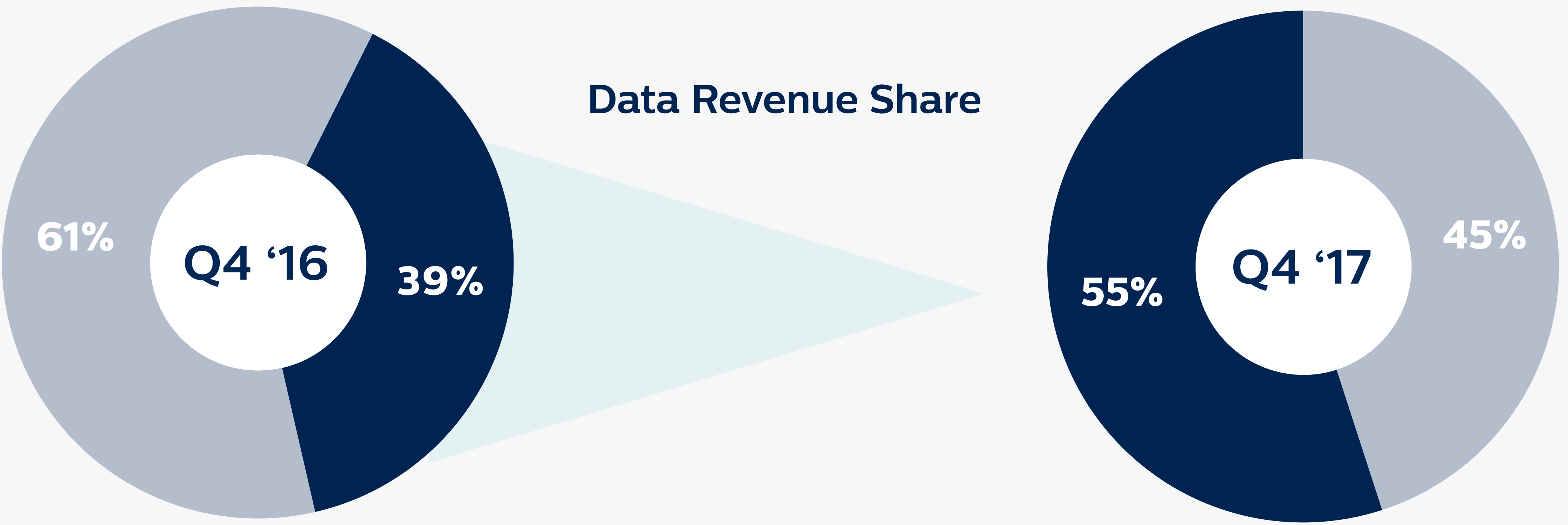


Other operators' data are from their own publications.

Mobile Data

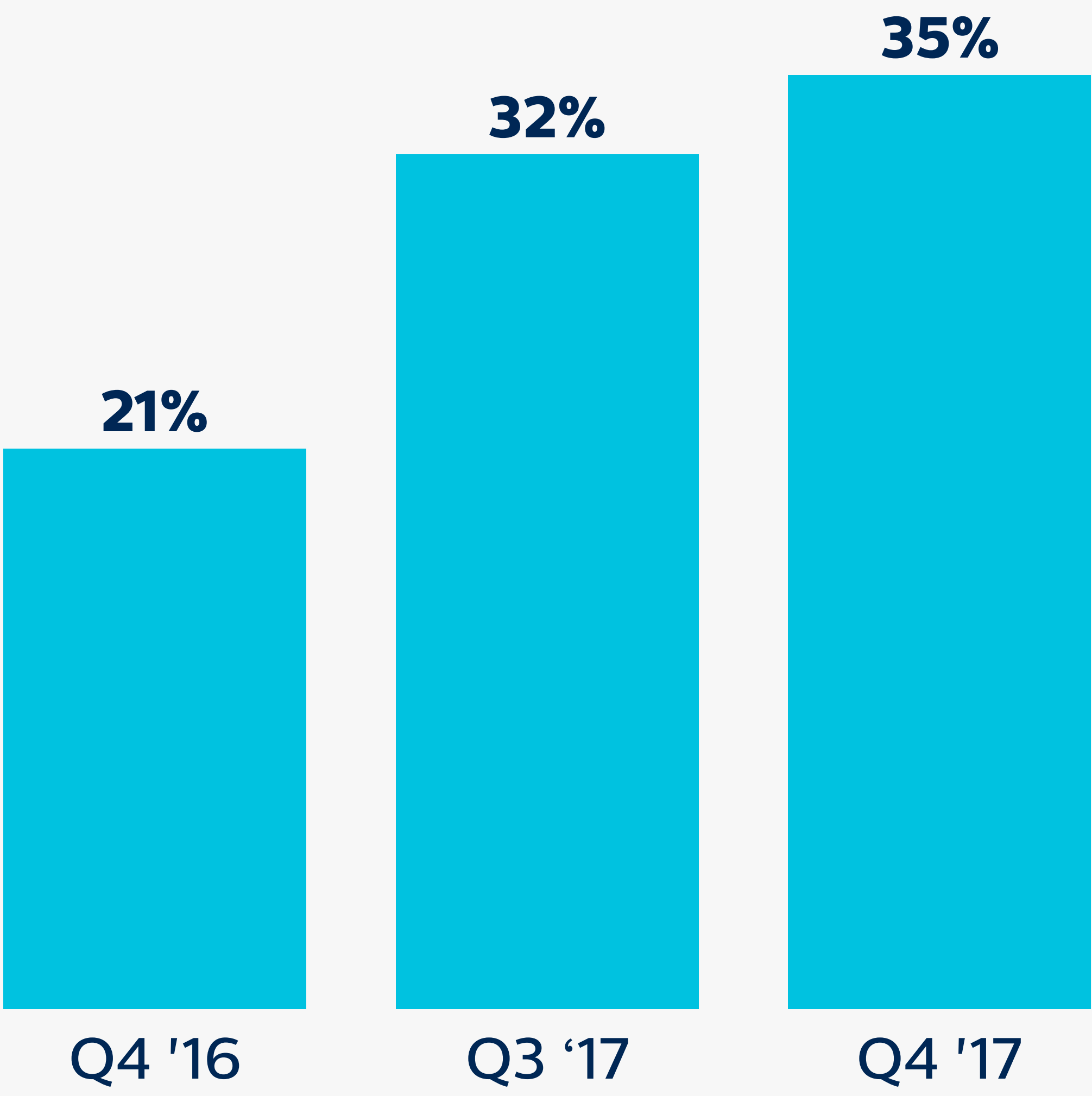
Data Revenue

(Mobile service revenue share)

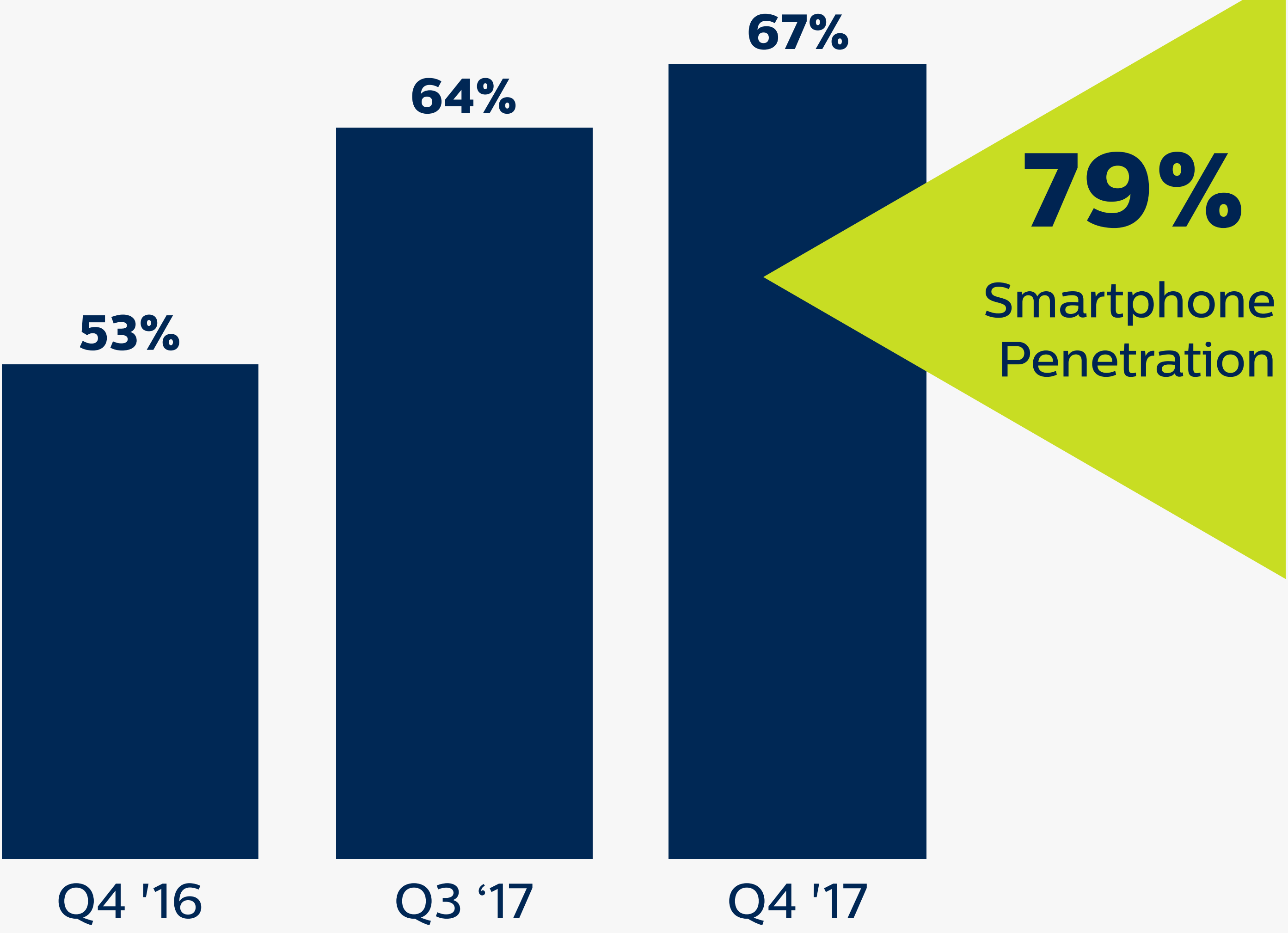


LTE Users*

(Total subscriber share)

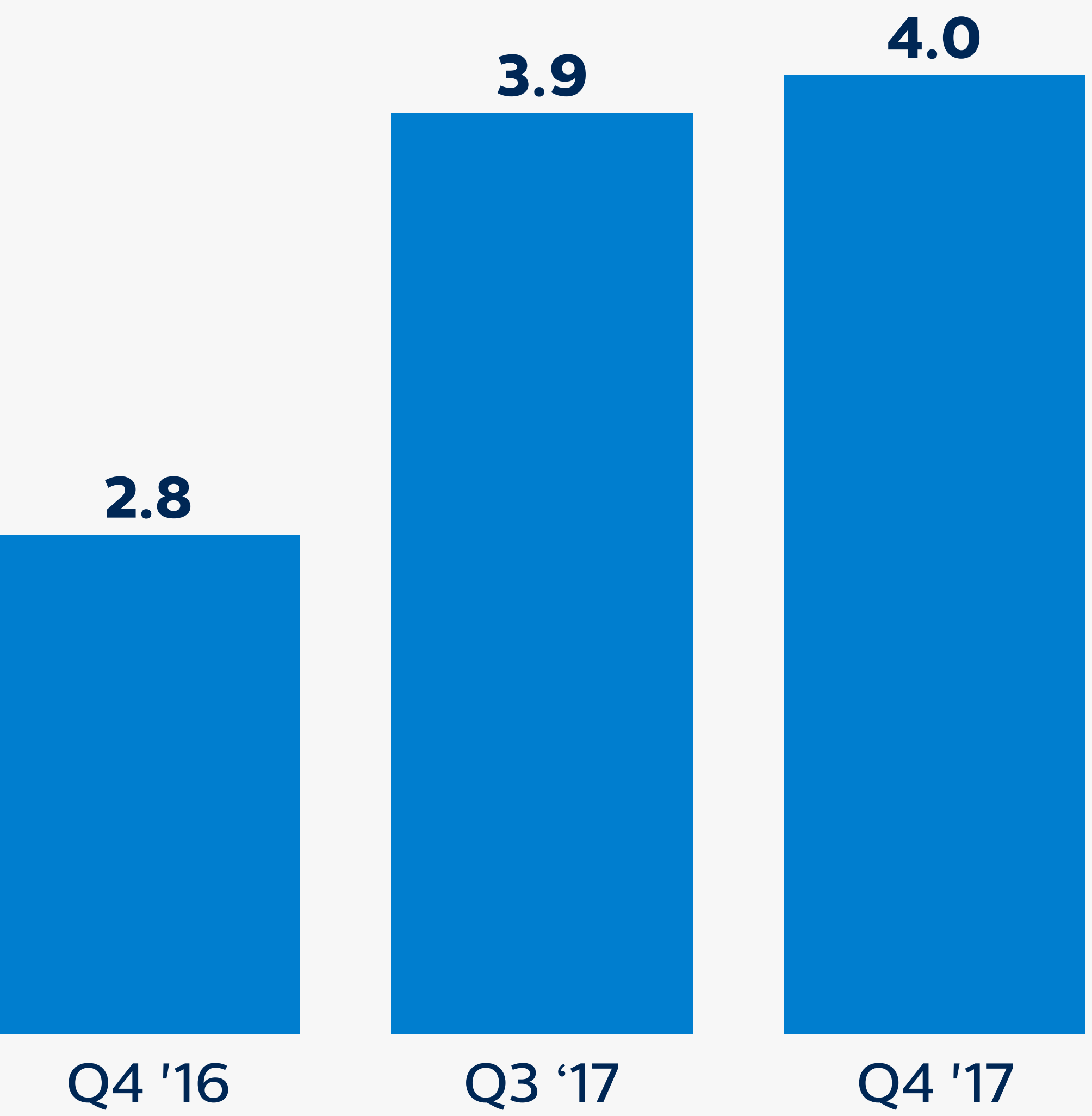


LTE Compatible Smartphone



Avg. Monthly Mobile Data Usage

(GB per user¹)



*Subscribers who
1) registered for LTE
2) have LTE compatible device and simcard

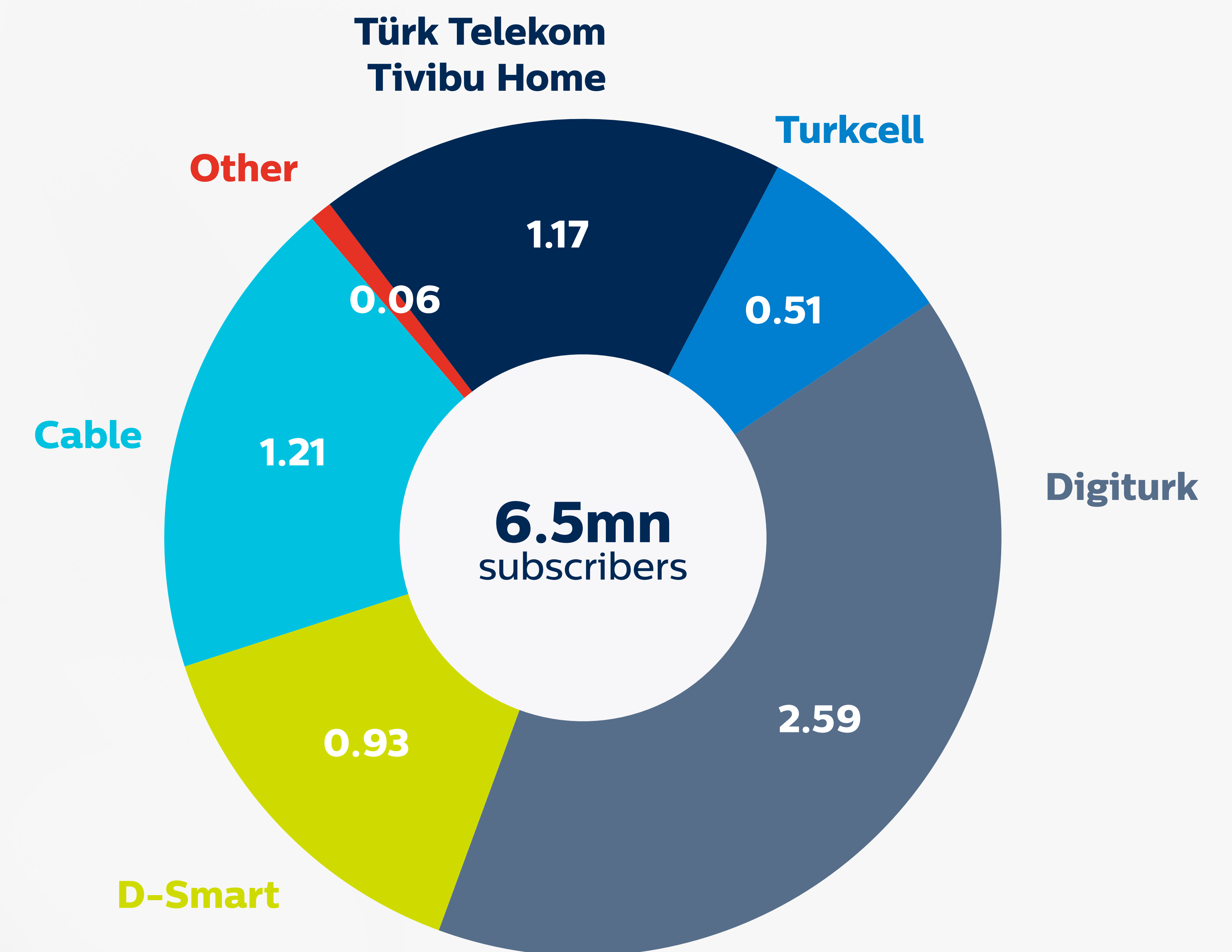
(1) Türk Telekom smartphone users

Pay TV Market



Source: Analysys Mason, Pay-TV quarterly Metrics, Q3 '17 Report
European countries include Denmark, France, Ireland, Italy, Portugal, Sweden, UK and Estonia
TR Data is calculated from ICTA Q3 '17

Subscribers (mn)



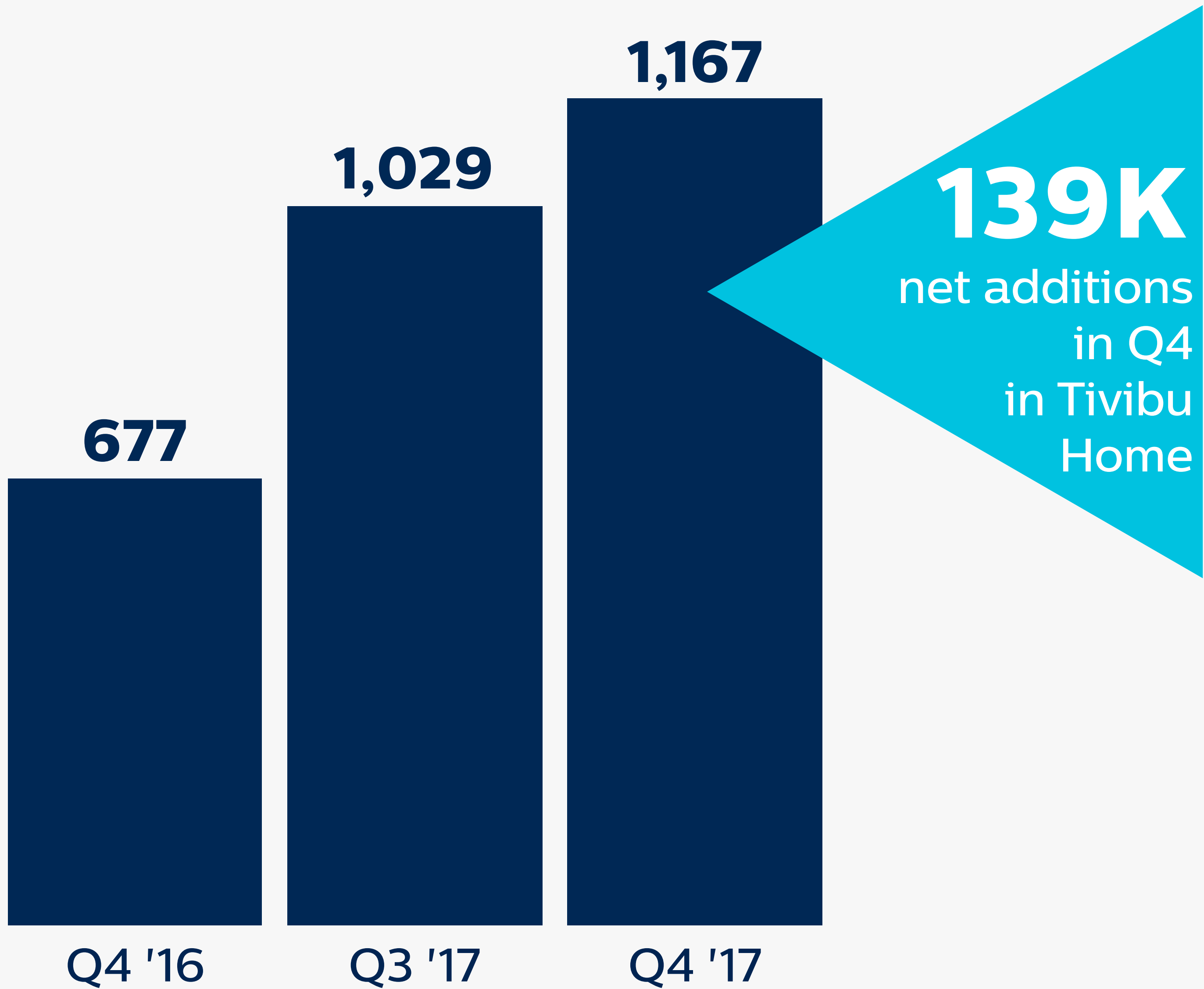
Source: ICTA Q4 '17 report

TV Performance

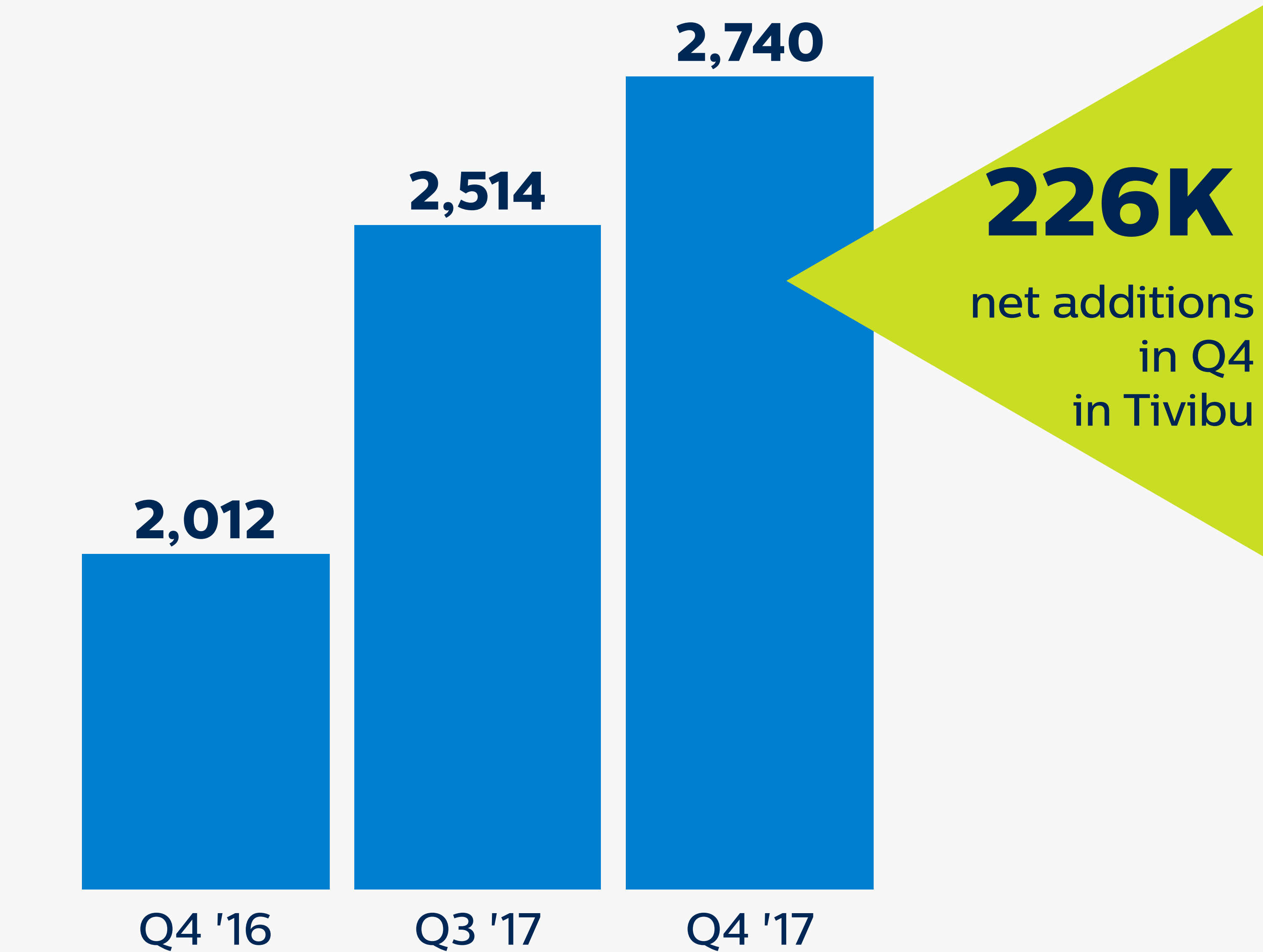
Türk Telekom
Tivibu

Subscribers (thousand)

■ Tivibu Home



■ Total TV (Tivibu Home + Tivibu Go)



Platform

IPTV + DTH + Web TV + Smart TV

Content

- ▶ Champions League
- ▶ UEFA Europe League
- ▶ Italia Serie A
- ▶ NBA
- ▶ English Premier League

- ▶ 3 Cinema & 5 Sports Inhouse Channels
- ▶ Kids & Documentary Channels
- ▶ 8500+ on demand assets

Number
2 player*

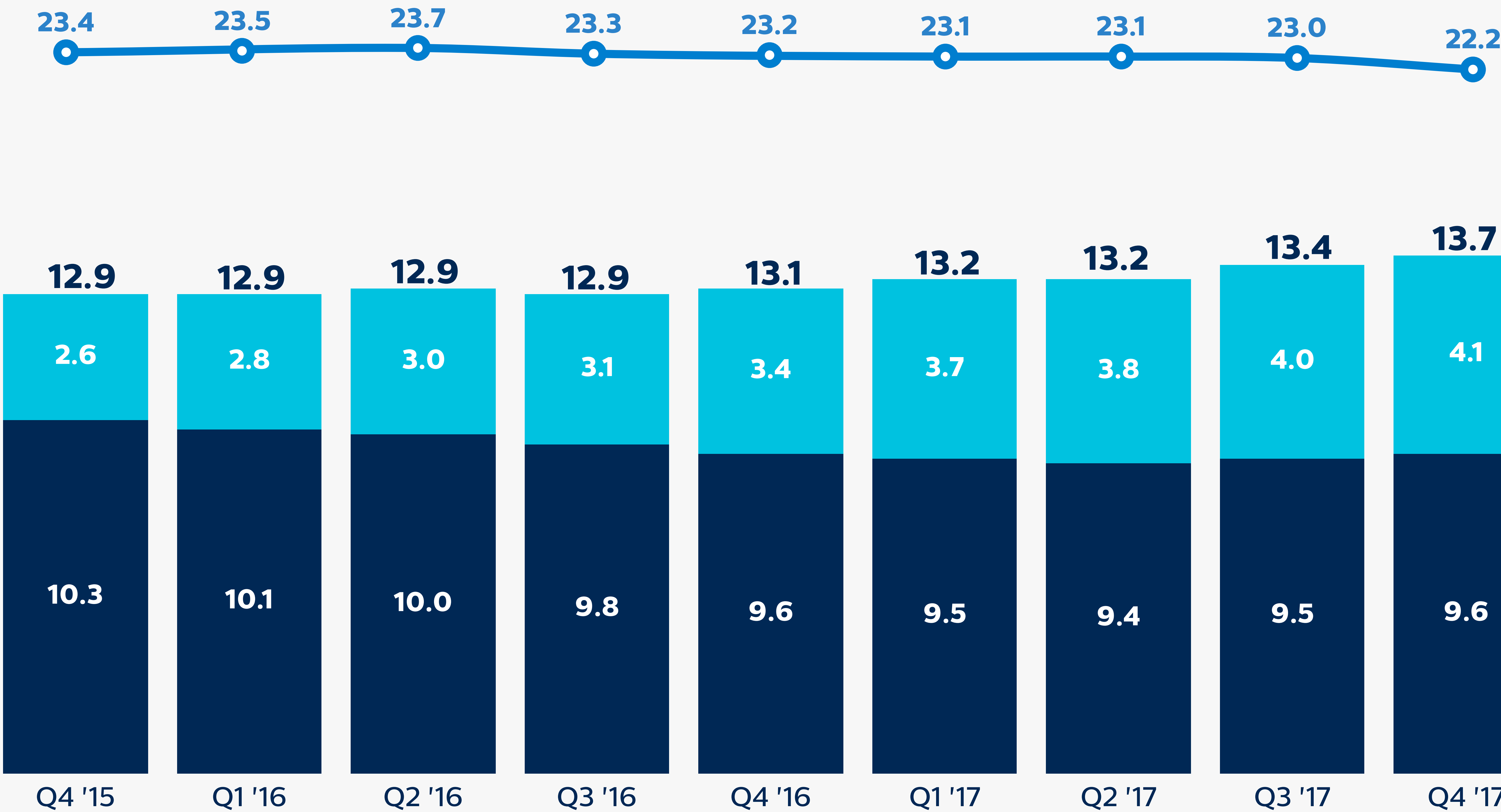
* In pay TV market including OTT

Fixed Voice

Access Lines and ARPU

■ Fixed Voice (mn) ■ Naked Broadband (mn)

○ Fixed Voice ARPU (TL)



118K
net additions
in Q4

Digital Transformation

Technology

Custom solutions by using both internal and subsidiary resources for serving both Turk Telekom and 3rd parties

Türk Telekom

innova

ARGELA

s e b i t

Marketing

Diverse portfolio addressing the consumer segment with 200+ value added services and mobile applications



Tambu



Tivibu Go



Türk Telekom Music



Wirofon



e-dergi

Branding & Comm.

Utilization of internal products for external sale

Segmented digital advertises

PROGRAMATİK

Sales

Diversification towards virtual channels

Easy, quick, secure online payment



Direct Carrier Billing



Web-sites / Applications

Customer Services

Improved customer services via online channels



Visual IVR

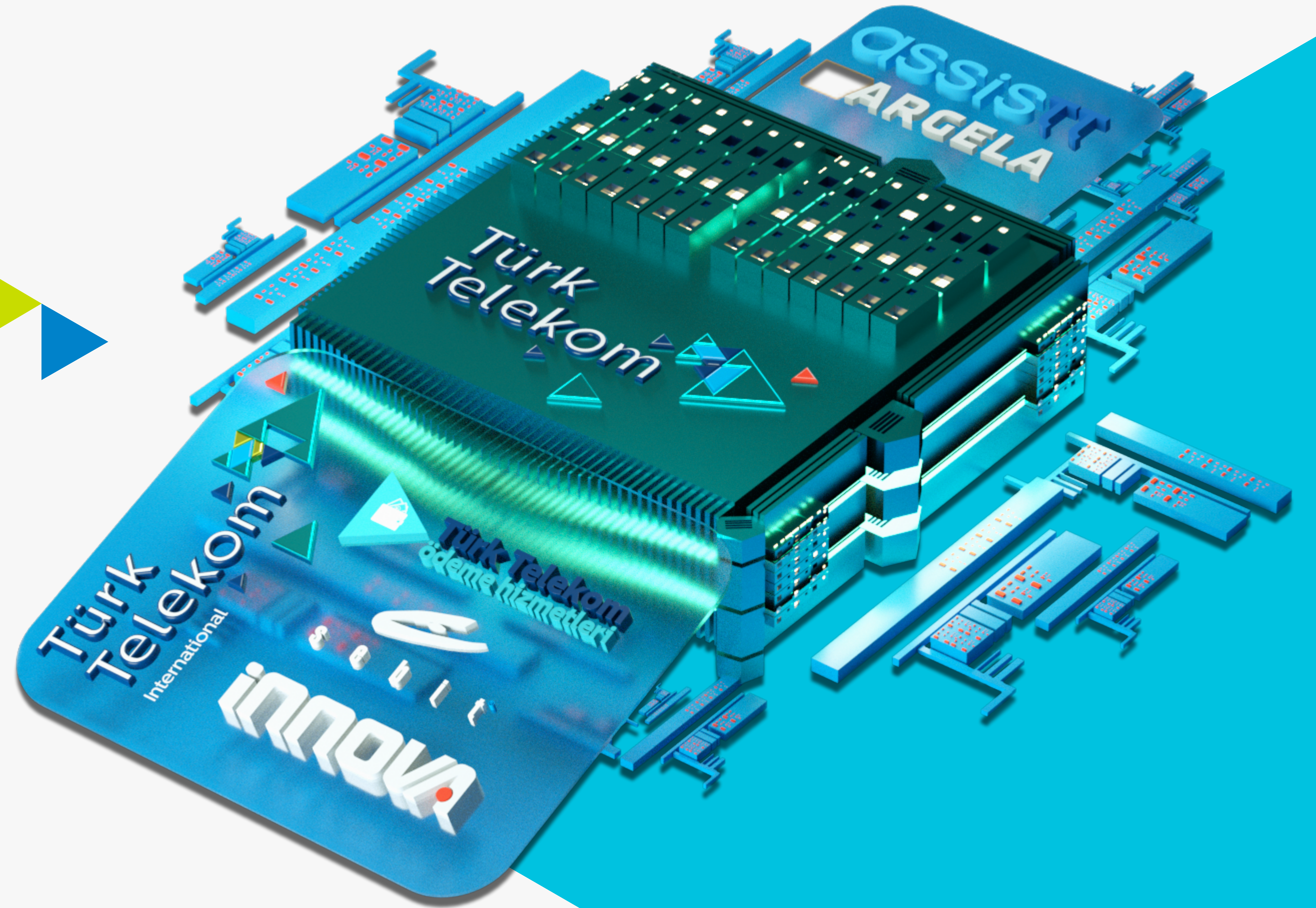


Account Management



Jetfix

Group Companies





Leading software developer & integrator in Turkey

- End-to-end solutions for large scale ICT projects
 - Smart Cities
 - Health Campuses
 - E-education transformation project (FATIH)
- PayFlex Innova: Payment, collection and loyalty solutions platform
- Kiosk Innova: Self-service solutions (in banks, hospitals, airports etc.)



Next generation telco technologies R&D company

- ProgRAN: SDN based RAN solutions for LTE and 5G with 20 patent applications
- ULAK: Turkey's first and only LTE base station development project
- MILAT: SDN & NFV based cybersecurity & cyberdefence solutions
- From pure R&D to commercialization
 - Developer of Turkey's first national digital keyboard, TAMBU
- Member of ONF and ONAP via US based subsidiary NETSIA



Leading and largest edtech company in Turkey

- E-educational products, covering all Grades from Pre-School to High School
- Leading education products: Raunt, VCloud and Vitamin
- Content and platform support to national E-education transformation project (FATIH)

The logo for aSSiSTT, featuring the company name in a blue, lowercase, sans-serif font. The background is a light blue triangle pointing right, set against a darker blue background with a geometric pattern of triangles.

Leader customer service solutions company

- Beyond traditional call center services, solutions such as sales and marketing, social media management, e-mailing and payroll
- Serving largest private and public institutions with more than 10 thousand employees

The logo for Türk Telekom International, featuring the company name in a white, sans-serif font. The background is a white triangle pointing right, set against a dark blue background with a geometric pattern of triangles.

International arm of the Group in wholesale data, voice and roaming services

- Over 40K km fiber network in CEE, Turkey, the Middle East and the Caucasus
- More than 70 major POPs in Europe, ME and Asia
- Unique Solutions
 - AMEERS: New path connecting WE to ME
 - SEA-ME-WE-5: Submarine cable system connecting Europe to Africa, ME and Asia

The logo for Türk Telekom ödeme hizmetleri, featuring the company name in a white, sans-serif font. The background is a white triangle pointing right, set against a blue background with a geometric pattern of triangles.

Payment services company

- Payment services license from the Banking Regulation and Supervision Agency (BRSA)
- Strong position in Direct Carrier Billing (DCB)
- Expansion plans in other payment related services & products (Digital Wallets, Carrier-Billing, Money Transfers, Tax/Bill payments, E-money)

Financials



Income Statement

(TL mn)	2016	2017	YoY Change	Q4 '16	Q4 '17	YoY Change
Revenues	16,109	18,140	12.6%	4,250	4,800	12.9%
EBITDA	5,470	6,452	18.0%	1,434	1,525	6.3%
Margin	34.0%	35.6%		33.7%	31.8%	
Operating Profit	2,621	3,433	31.0%	658	713	8.4%
Margin	16.3%	18.9%		15.5%	14.8%	
Financial Income / (Expense)	(3,018)	(1,954)	(35.2%)	(2,180)	(1,061)	(51.3%)
FX & Hedging Gain / (Loss)	(2,517)	(1,454)	(42.2%)	(2,007)	(886)	(55.8%)
Interest Income/(Expense)	(360)	(340)	(5.6%)	(90)	(91)	1.7%
Other Financial Income/ (Expense)	(141)	(160)	13.5%	(84)	(84)	(0.0%)
Tax Expense	(328)	(343)	4.6%	134	235	74.9%
Net Income	(724)	1,136	n.m.	(1,388)	(113)	(91.8%)
Margin	n.m.	6.3%		n.m.	n.m.	

Note: FX Rates used in financial income/expense calculation are as follows:

Balance Sheet

(TL mn)	31.12.2016	30.09.2017	31.12.2017
Total Assets	26,874	26,519	29,149
Intangible Assets ¹	8,341	8,148	8,438
Tangible Assets ²	8,760*	8,362	9,138
Other Assets ³	6,757*	7,247	7,473
Cash and Equivalents	3,016	2,761	4,100
Total Equities and Liabilities	26,874	26,519	29,149
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	126	1,389	1,295
Interest Bearing Liabilities ⁴	15,041	15,398	16,492
Provisions for Employee Termination Benefits	696	673	711
Other Liabilities ⁵	7,751	5,798	7,391

(1) Intangible assets excluding goodwill

(2) Tangible assets include property, plant and equipment and investment property

(3) Major items within other assets are trade receivables, prepaid expenses, other current assets and

(4) Includes short-term and long-term borrowing and short-term and long-term obligations under finance leases

(5) Major items within other liabilities are deferred tax liability, trade payables, provisions, income tax payable, employee benefit obligations, deferred revenue, other current liabilities

*As of 2017 YE, set-top boxes and satellite receivers amounting to TL 49 mn for the year ended 31 December 2016 which were previously presented in inventory in consolidated financial statements, are classified in property, plant and equipment

Cash Flow Statement

(TL mn)	2016	2017	YoY Change	Q4 '16	Q4 '17	YoY Change
Operating Cash Flow	4,933	5,944	20.5%	2,243	3,063	36.5%
Investing Cash Flow	(4,612)	(4,278)	(7.3%)	(1,910)	(1,674)	(12.4%)
CAPEX	(4,667)	(4,224)	(9.5%)	(1,943)	(1,713)	(11.8%)
Other Investing Activites	55	(54)	n.m.	33	39	18.2%
Financing Cash Flow ¹	(219)	(595)	171.2%	(503)	(12)	(97.5%)
Net Change in Cash Position ²	102	1,072	951.7%	(170)	1,376	n.m.

(1) Includes currency translation differences
(2) Blocked deposits are included in operating activities rather than net cash position

Revenue Breakdown

(TL mn)	2016	2017	YoY Change	Q4 '16	Q4 '17	YoY Change
Fixed Voice	2,798	2,603	(7.0%)	675	635	(6.0%)
Broadband	4,244	4,899	15.4%	1,150	1,289	12.1%
TV	177	228	29.0%	50	62	23.7%
Mobile	5,756	6,639	15.3%	1,524	1,701	11.6%
Corporate Data ¹	1,315	1,492	13.5%	340	391	15.1%
International Revenue	510	639	25.3%	126	170	34.6%
Domestic Interconnection	18	12	(31.8%)	5	3	(40.5%)
Rental income from GSM Operators	77	80	3.8%	21	18	(14.5%)
Other ²	896	929	3.7%	303	338	11.4%
IFRIC-12	413	704	70.7%	78	214	173.6%
Eliminations	(95)	(87)	(8.1%)	(23)	(21)	(7.2%)
Total Revenue	16,109	18,140	12.6%	4,250	4,800	12.9%

(1) Includes leased line and data services

(2) Includes ICT companies, device sales, other

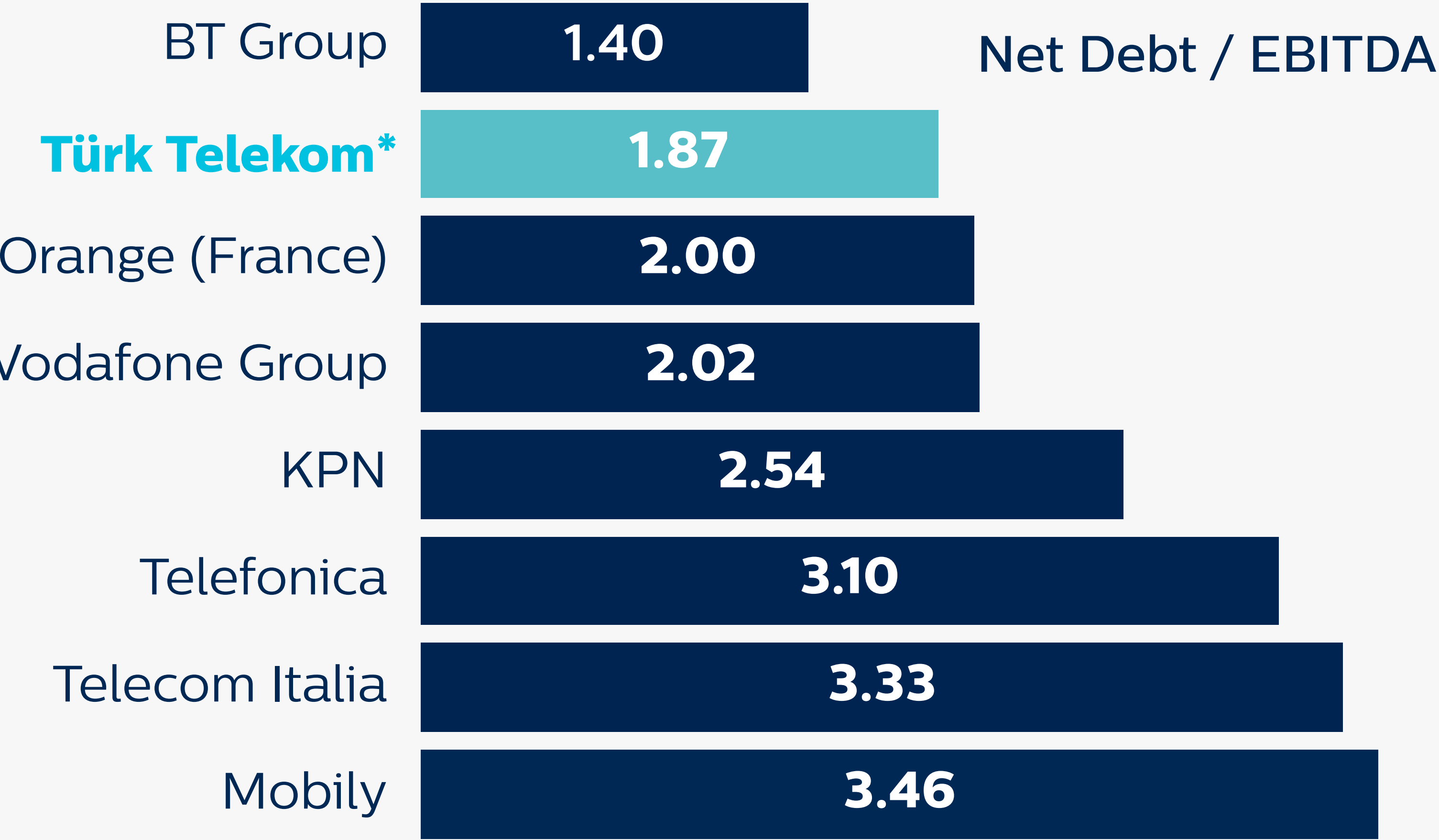
OPEX Breakdown

(TL mn)	2016	2017	YoY Change	Q4 '16	Q4 '17	YoY Change
Direct Costs	3,581	4,075	13.8%	967	1,141	18.0%
Interconnection	1,344	1,519	13.0%	345	381	10.5%
Tax	1,156	1,313	13.6%	307	343	11.9%
Provisions for Doubtful Receivables	370	468	26.4%	91	133	46.1%
Cost of Equipment and Technology Sales	437	493	12.8%	151	211	39.5%
Other Direct Costs	273	282	3.4%	74	73	(0.3%)
Commercial Costs	1,639	1,748	6.7%	419	487	16.2%
Other Costs	5,054	5,241	3.7%	1,360	1,458	7.2%
Network & Technology	1,549	1,764	13.9%	415	454	9.5%
Personnel	2,768	2,854	3.1%	714	776	8.6%
Other	737	623	(15.5%)	232	228	(1.5%)
Sub Total	10,273	11,064	7.7%	2,746	3,086	12.4%
IFRIC-12	365	623	70.7%	69	189	173.5%
Total OPEX	10,639	11,688	9.9%	2,815	3,275	16.3%

(1) Note: Please find the reclassifications as of 31 March 2017 related to operational expenses on our website in Summary Financial Operational Information xls.

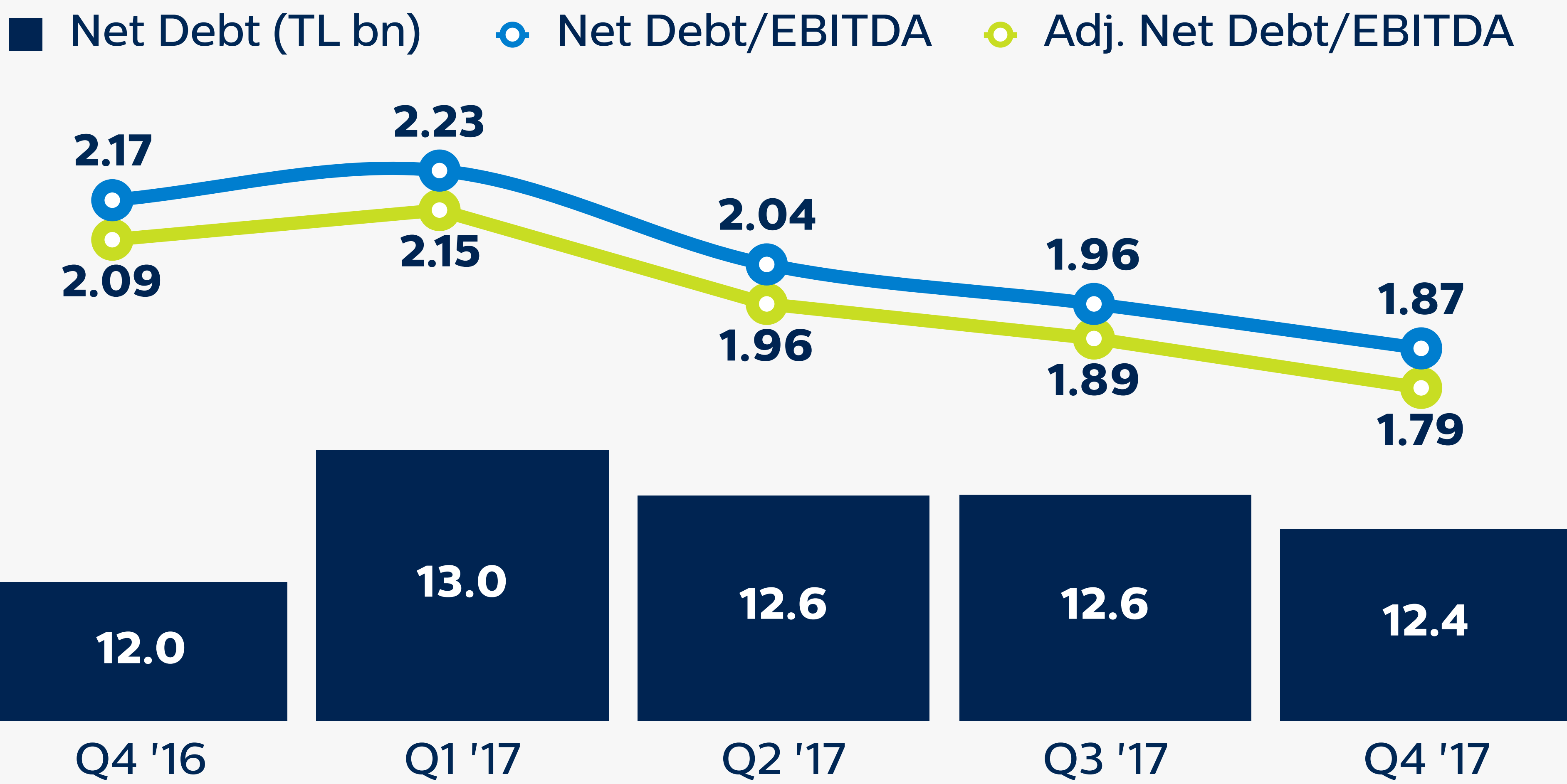
Debt Profile

Low debt burden compared to peers



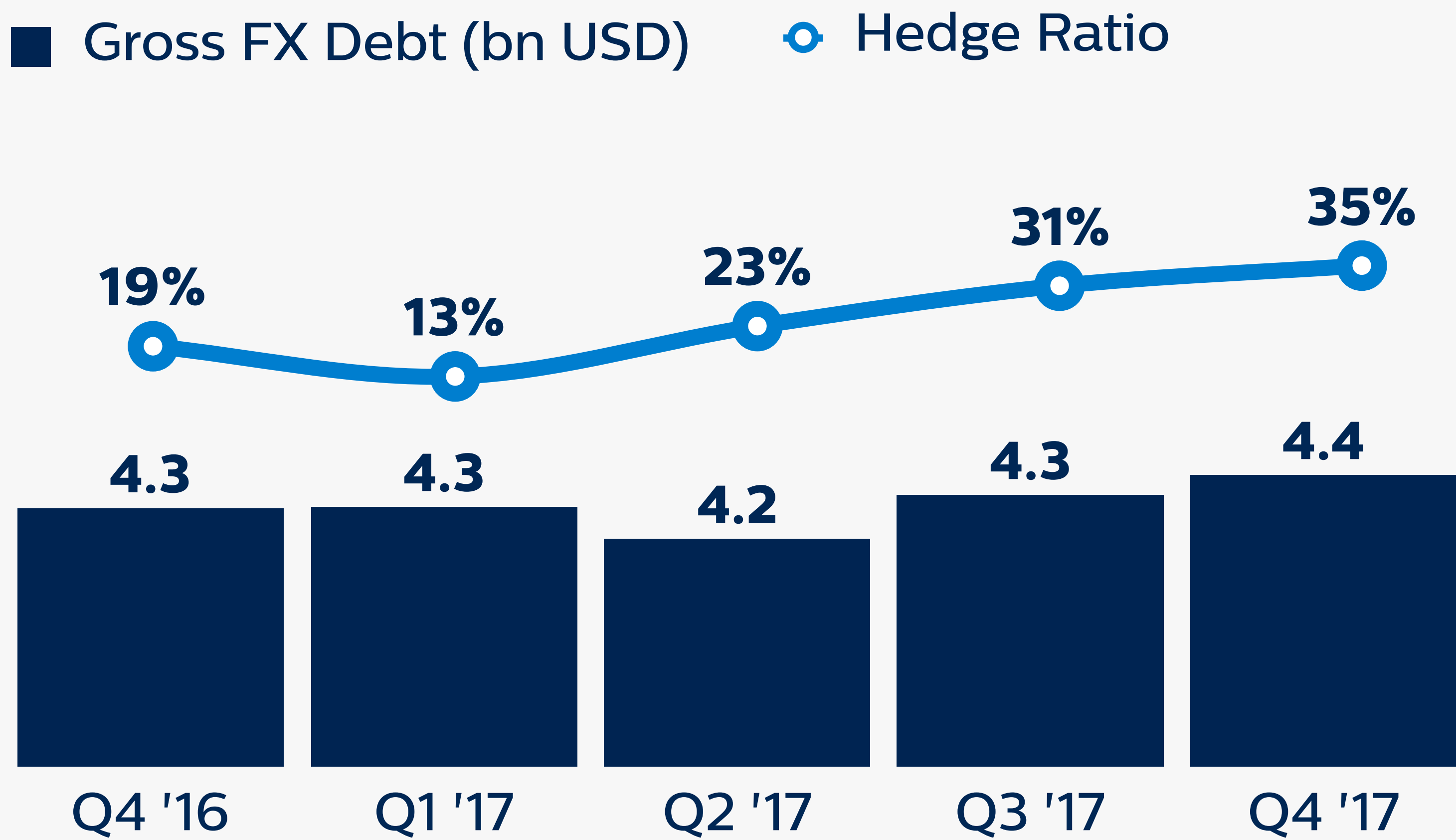
Source: Bloomberg
Türk Telekom's ratio is based on Q4'17 financials; other's based on their latest data

Net Debt



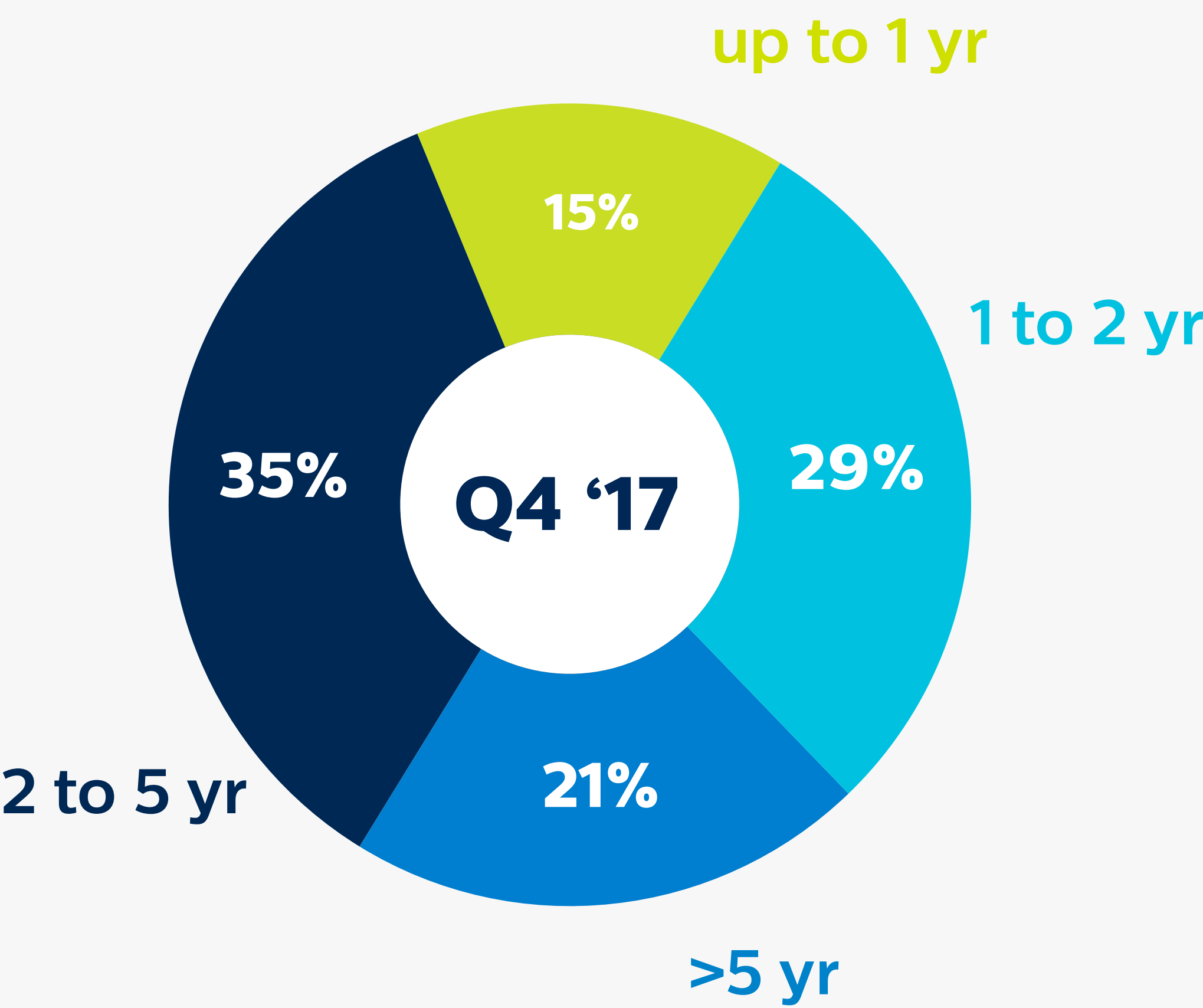
Note: Net Debt/EBITDA calculation excludes extraordinary claims.
Adjusted Net Debt/EBITDA includes MTM from USDTRY CCS

Hedge Ratio



Hedge Ratio includes participating CCS & FX swaps & FX based cash

Maturity Profile



Operational Highlights

	2016 Q4	2017 Q3	2017 Q4	YoY Change	QoQ Change
Total Access Line (mn)	13.1	13.4	13.7	4.6%	1.9%
Fixed Voice Lines ¹ (mn)	9.6	9.5	9.6	(0.7%)	1.2%
Naked DSL Lines (mn)	3.4	4.0	4.1	19.3%	3.3%
Fixed Voice ARPU (TL)	23.2	23.0	22.2	(4.1%)	(3.3%)
Broadband Total Subscribers (mn)	8.7	9.4	9.7	12.2%	3.9%
FTTH/B Subscribers ('000)	869	986	1,065	22.6%	8.0%
FTTC Subscribers ('000)	1,143	1,517	1,684	47.4%	11.0%
Broadband ARPU (TL)	44.7	44.1	44.8	0.3%	1.6%
Total Tivibu Subscribers ² (mn)	2.0	2.5	2.7	36.2%	9.0%
Tivibu Home Subscribers ³ ('000)	677	1,029	1,167	72.4%	13.5%
Tivibu Home ARPU (TL)	19.2	16.4	16.4	(14.9%)	(0.1%)
Mobile Total Subscribers (mn)	18.6	19.2	19.6	5.5%	2.2%
Mobile Postpaid Subscribers (mn)	9.8	10.4	10.8	10.3%	4.2%
Mobile Prepaid Subscribers (mn)	8.8	8.8	8.8	0.2%	(0.1%)
Mobile Blended ARPU (TL)	26.1	28.8	27.9	6.8%	(3.1%)
Mobile Postpaid ARPU (TL)	34.0	36.8	35.7	4.9%	(3.0%)
Mobile Prepaid ARPU (TL)	17.1	18.5	18.0	5.7%	(2.3%)

(1) Includes PSTN and WLR Lines
(2) Includes IPTV, DTH, and Tivibu Go (Web TV + Smart TV) subscribers
(3) Includes IPTV and DTH subscribers

TL mn	2017 YE	2018 Guidance
Revenue (exc. IFRIC 12) ¹	17,435	~11% growth
EBITDA	6,452	TL 7.0 to 7.2 bn
CAPEX	3,221	~TL 3.5 bn

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

Strategy

► GROWTH

- FBB penetration drive & upsell focus, partnerships with electricity companies
- Mobile market share growth
- TV reach increase, Wireless Homes
- Synergy offers & crossells
- New revenue streams: Smart Cities, Health Campuses etc.

► EFFICIENCY

- Go-to-market & customer care effectiveness
- Strict cost control
- Streamlined organization
- Simple and effective portfolio
- Rigorous CAPEX management & asset efficiency initiatives

► STRATEGIC INITIATIVES

- Customer Experience Program: EMPATHY
- Enhanced value creation for subsidiaries, Argela (R&D and innovation centre), Innova (Large scale ICT projects), Sebit (edtech) and others
- Focus on verticals: Energy, Healthcare & Education
- Network and IT transformation: Commercialization of SDN & NFV
- Digitalization for consumers (Muud, e-dergi, Tambu, Tivibu Go) and enterprise digital transformation
- CVC initiative: Türk Telekom Ventures

FBB Penetration Drive

Internet Bizden &
Regional Campaigns

c.30%

of Q4 '17 FBB net adds via
Internet Bizden campaign



Wireless Homes

c.80%

of Q4 '17 of gross DTH
subs adds via mobile
synergy offers



Partnerships with Electricity Companies



tamhou

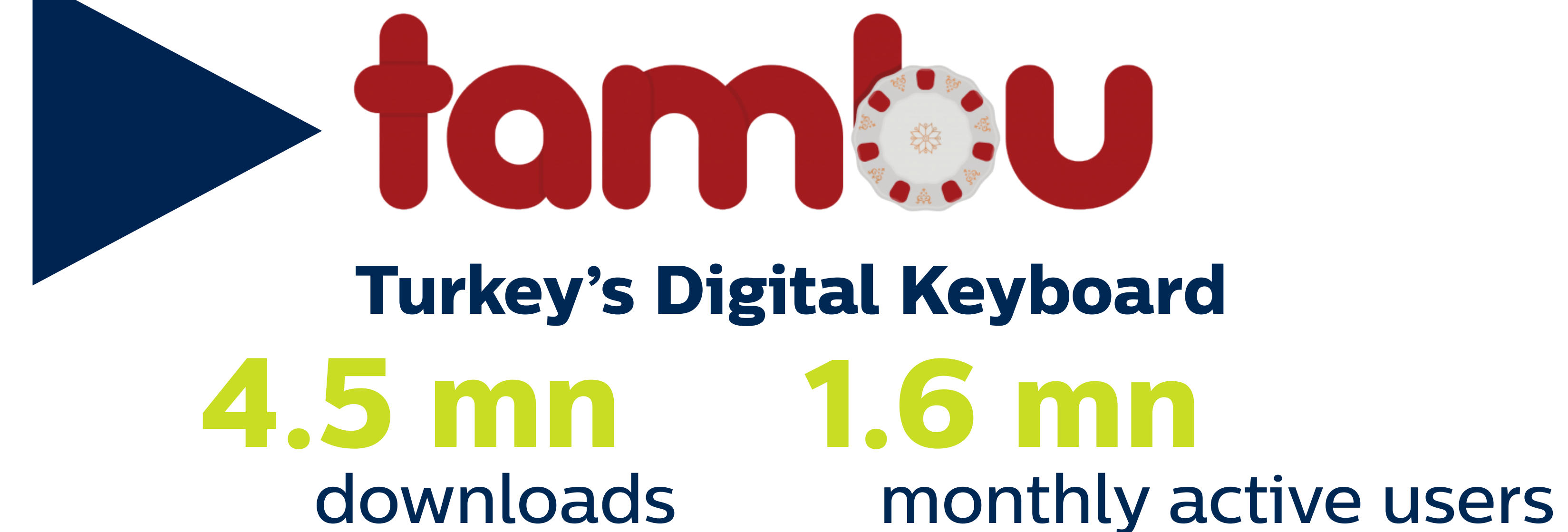
Turkey's Digital Keyboard

4.5 mn

downloads

1.6 mn

monthly active users



TÜRK TELEKOM VENTURES

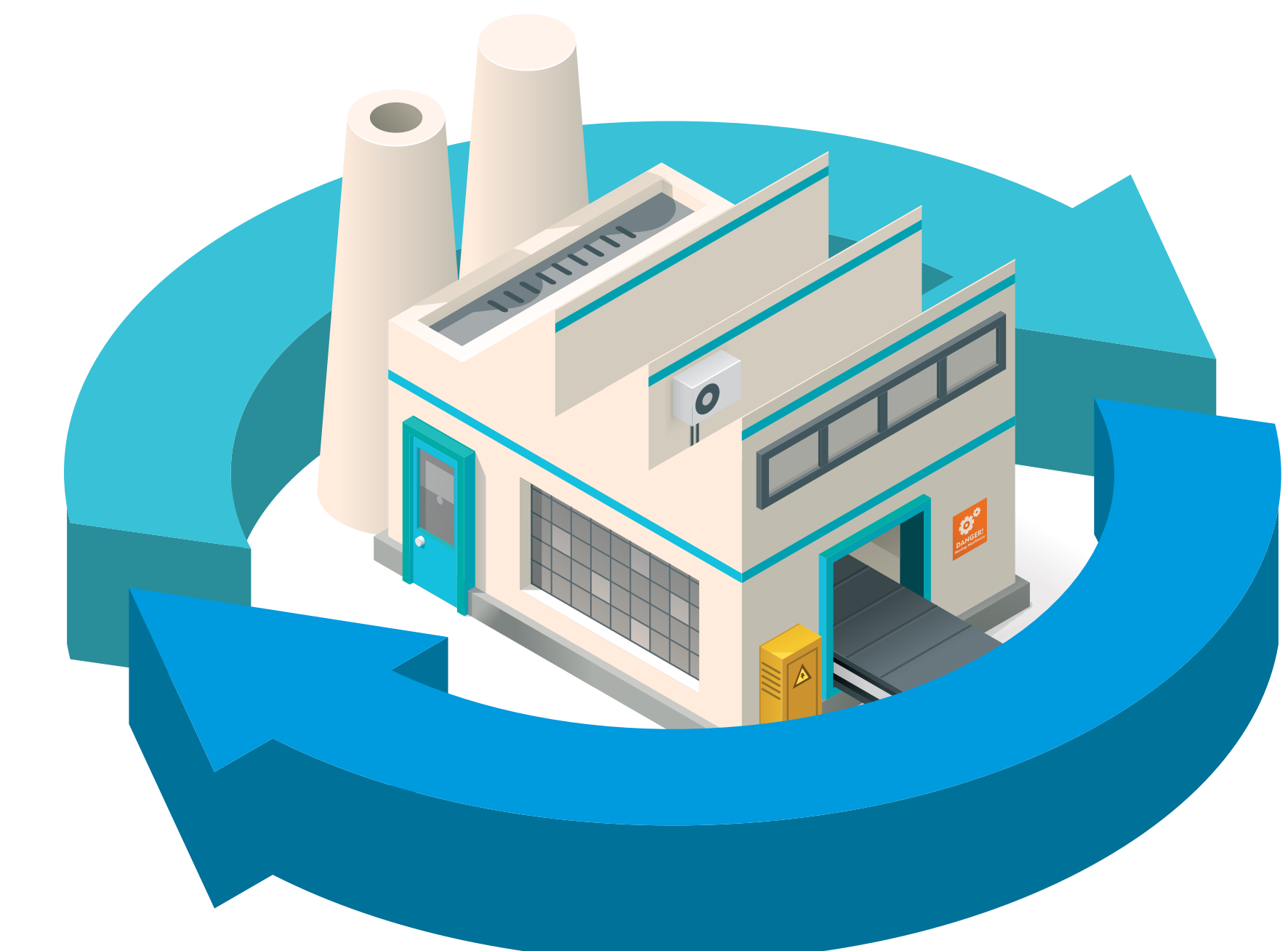
Network Transformation

SDN & NFV solutions for NextGen
Technologies

ARGELA



Enterprise Digital Transformation



Differentiated Verticals



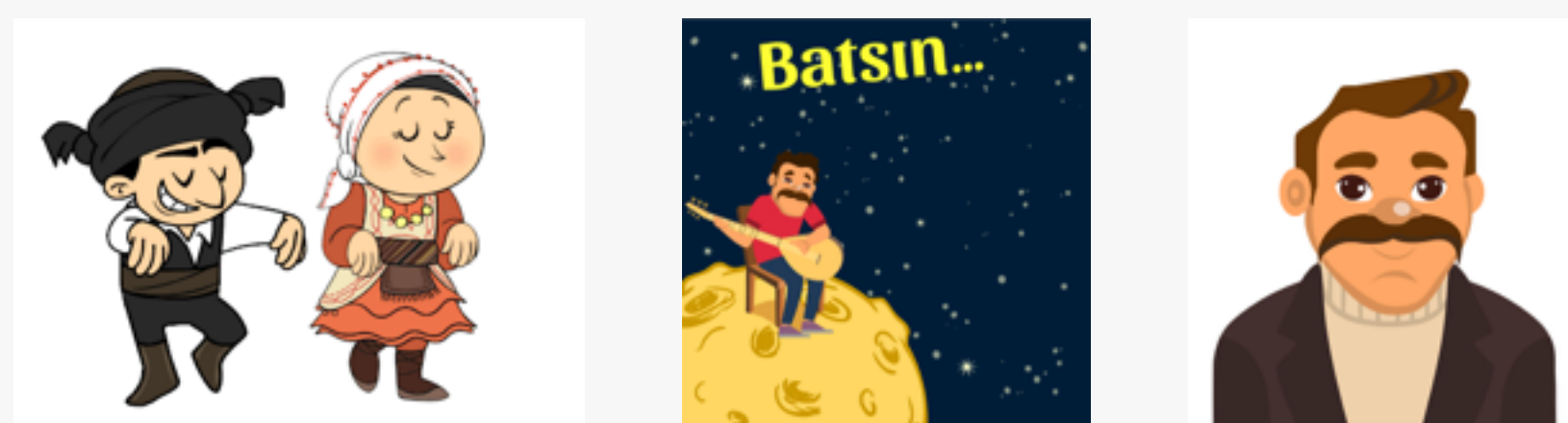
Tambu

Keyboard app
evolving into
platform

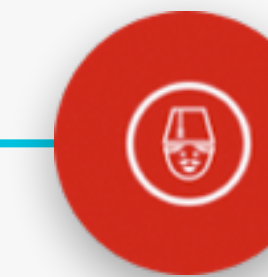
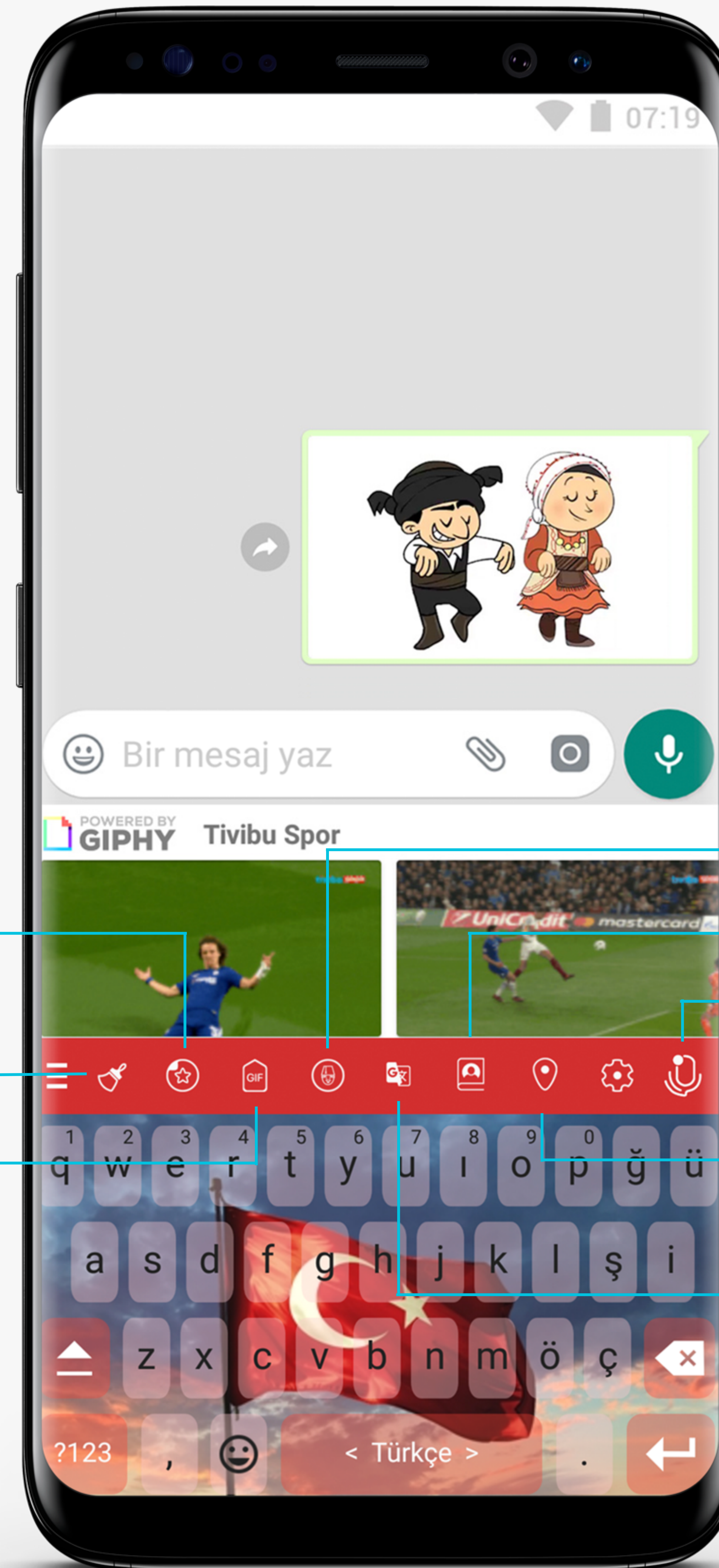


Hyper local animated stickers to
express yourself
1st in Turkey

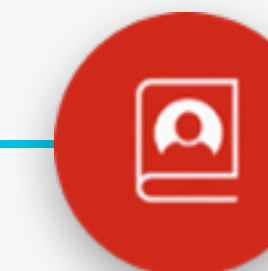
Customizable themes;
personalized background and
colors



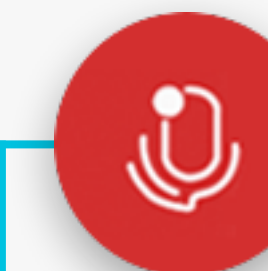
Exclusive GIFs for Tambu
including videos from Champions
League and music videos



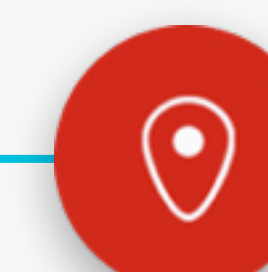
Rich set of proverbs to
discover, learn and share



Personalized dictionary for
frequently used text
shortcuts



Speech to Text



Share location in all
platforms



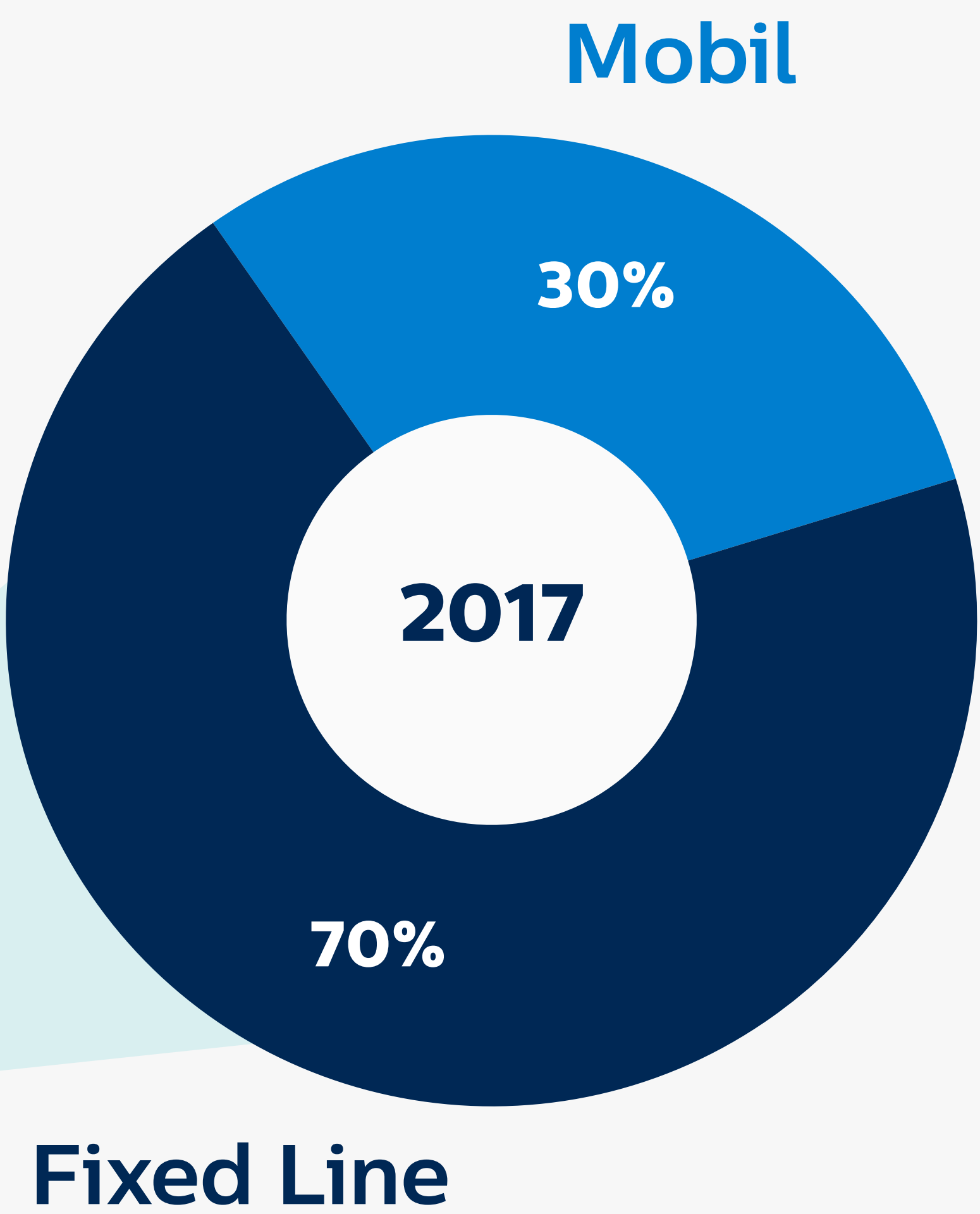
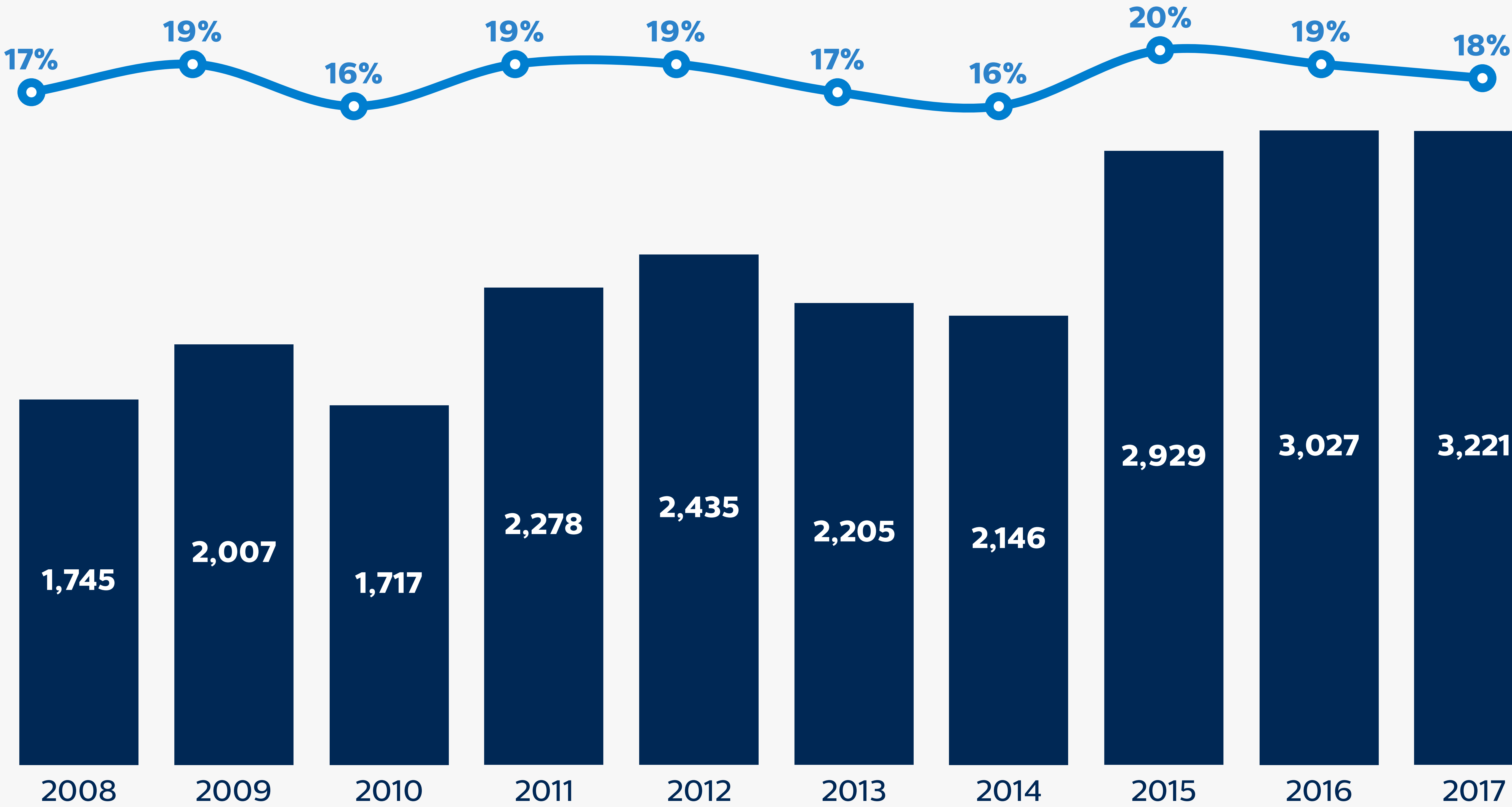
Translation in more than
100 language

Capex

Major Capex areas are fiber network roll-out in fixed line, network investments in mobile and IT transformation projects

Capex* & Capex / Sales

■ CAPEX (TL mn) ○ CAPEX/Sales



* Capex figures exclude license fees

Shareholder Remuneration

► Dividend policy is to distribute the maximum amount of distributable profit subject to relevant articles of the Company’s Articles of Association

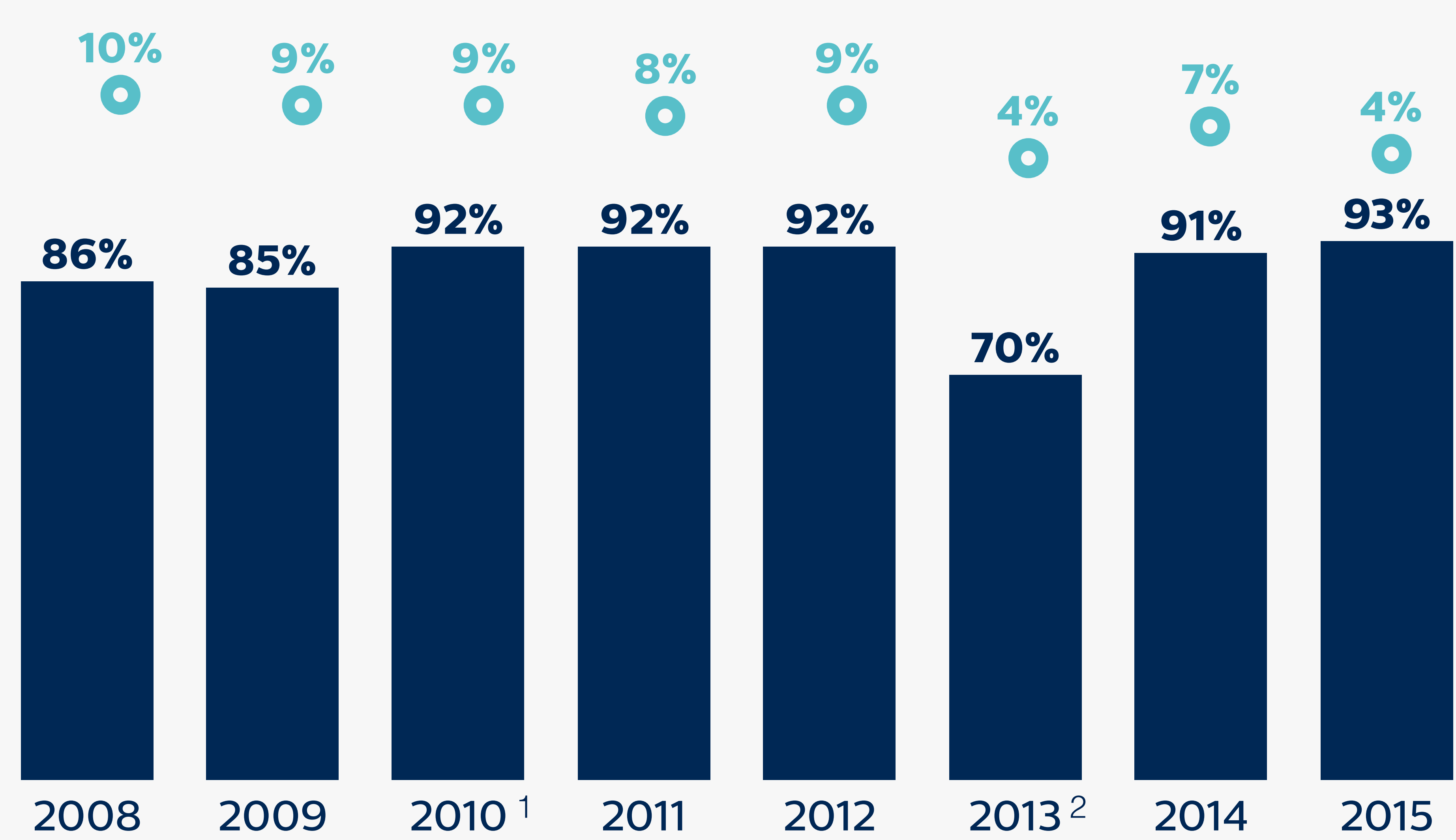
Dividend Distribution

■ Dividend (TL mn) ● Dividend per Share (TL)



Dividend Yield & Payout Ratio

■ Dividend Payout Ratio ● Dividend Yield



1) The cap in the first legal reserve was reached in 2010

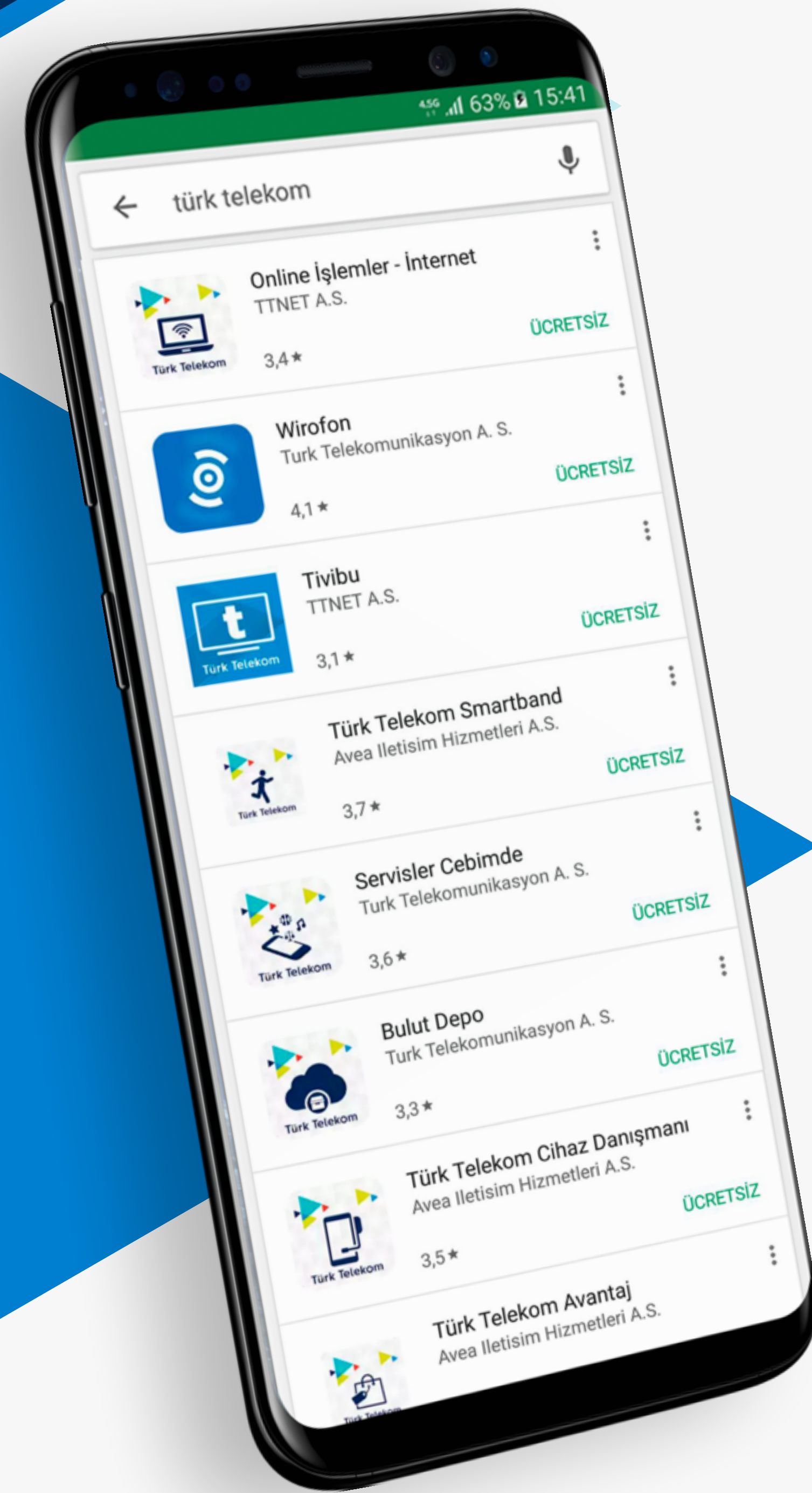
2) 2013 dividend payout ratio was revised to 70% with BoD decision to prepare for any potential transaction for implementation of integration of the group

Note: No dividend distributed for the activity year 2016 according to General Assembly Decision

Appendix



Digital Service Portfolio



Turk Telekom has **40+ mobile applications**, and **200+ value added services**.



Turkey's New Generation TV Platform: **Tivibu GO** Launch: 2010

Türk Telekom's TV platform which provides national and exclusive linear channels, VoDs, and catchup programs in HD quality



Turkey's Enriched Digital Music Platform: **Türk Telekom Music** Launch: 2008

Turkey's most preferred digital music platform to listen and download millions of songs and watch videos



Turkey's Leader Digital Gaming Platform: **Playstore** Launch: 2011

Turkey's first and leader digital game platform and e-pin sales platform



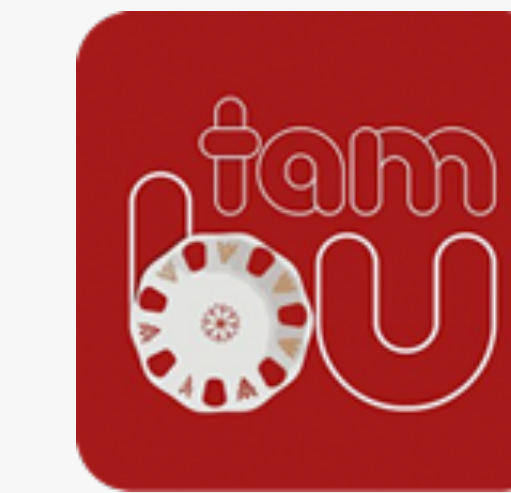
Turk Telekom's Education Platform: **Turk Telekom Academy** Launch: 2018

Education platform for Turk Telekom employees has been relaunched and now available to all Turk Telekom internet subscribers



Turkey's First Interactive Education Platform Launch: 2008

Turkey's biggest online education platforms: Vitamin for pre-school to high grades students, Raunt for university preparation, ProG for professionals



Turkey's first smart and hyperlocal digital keyboard Launch: 2017

Turkey's first local and customized smart digital keyboard



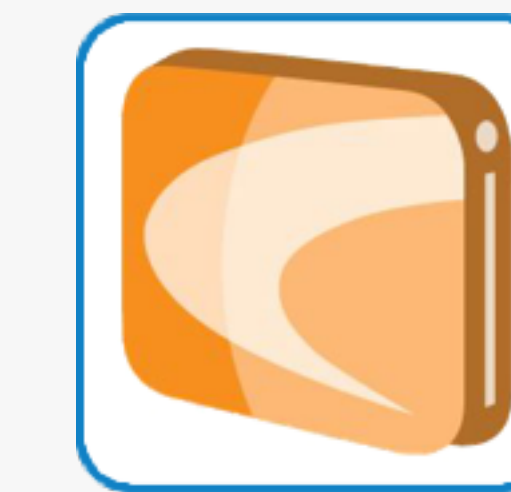
Turkey's Most Comprehensive Online Reading Platform: **E-Dergi** Launch: 2017

Turkey's online magazine and newspaper reading platform with advantageous campaigns for Turk Telekom mobile users



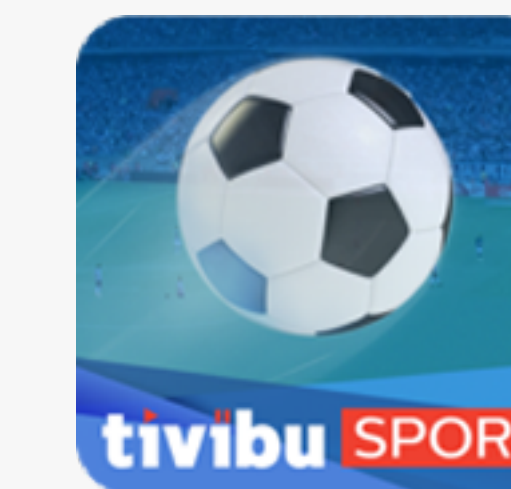
Turkey's Most Comprehensive Security Platform: **TT Security** Launch: 2009

Turkey's most comprehensive and secure anti-virus and family protection service



Turk Telekom's Advantageous Cloud Solution: **Netdisk** Launch: 2010

Turk Telekom's cloud storage solution specialized for Turk Telekom internet subscribers



Turkey's Real-Time Integrated Sport Platform: **Tivibuspor** Launch: 2010

Türk Telekom's sport platform presents sport news, videos, UEFA matches and instant match video delivery



Turkey's Widest Wifi Broadband Network: **TT WiFi** Launch: 2006

Turkey's widest WiFi hotspot coverage and services for Turkish Airlines flights

Corporate Credit Rating

Investment grade
from Fitch and S&P

Fitch Ratings

BBB- Rating

Negative Outlook

Fixed-mobile and pay-TV convergent service offering is built on the company's leading fixed line position

Broadband subscribers and ARPU continue to grow, helped by increasing demand for high-speed connectivity

Improved mobile service capability, helped by spectrum bought in the 2015 auction

S&P Global Ratings

BBB- Rating

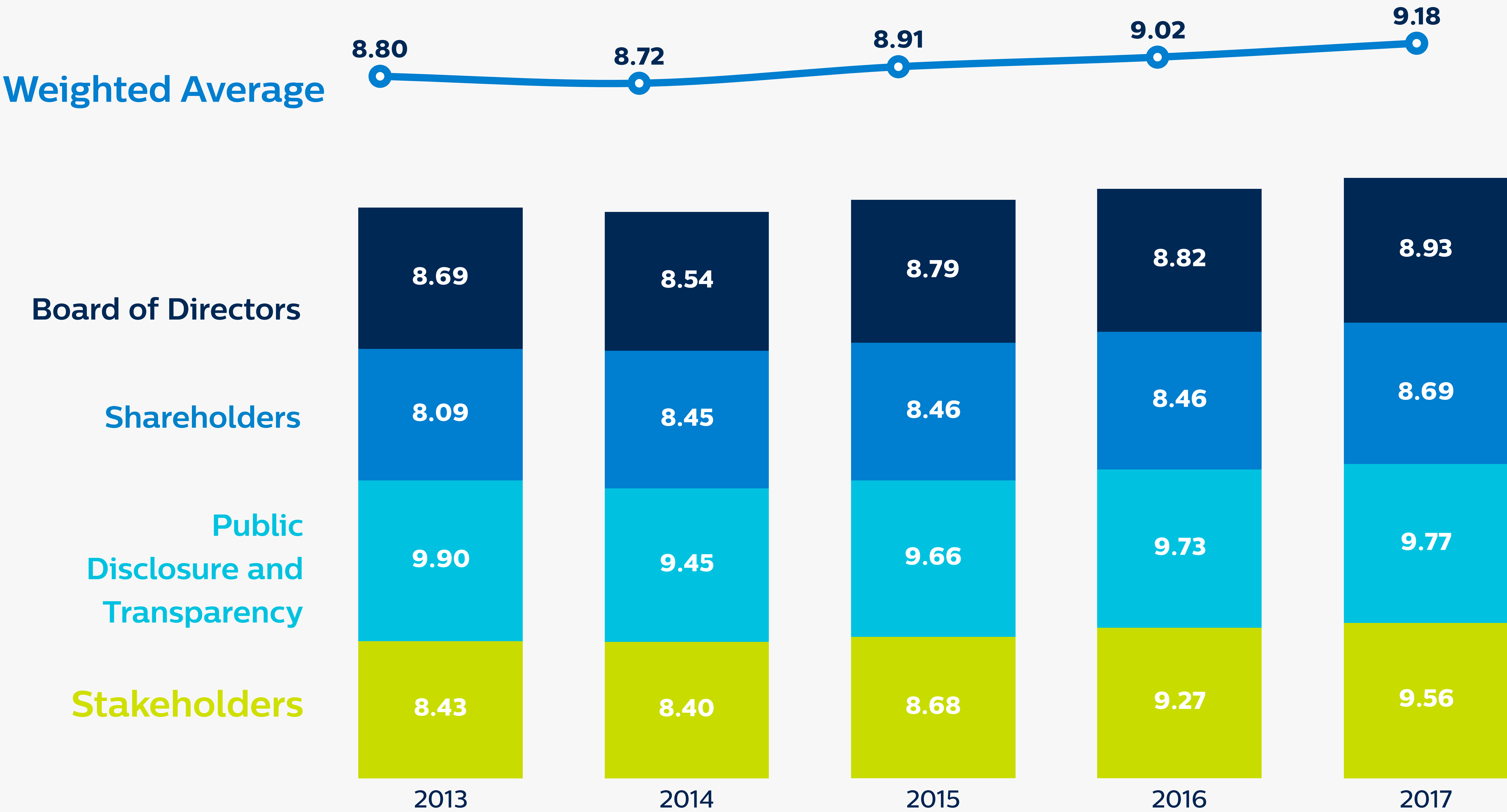
Negative Outlook

Strong leadership position in domestic fixed-line business

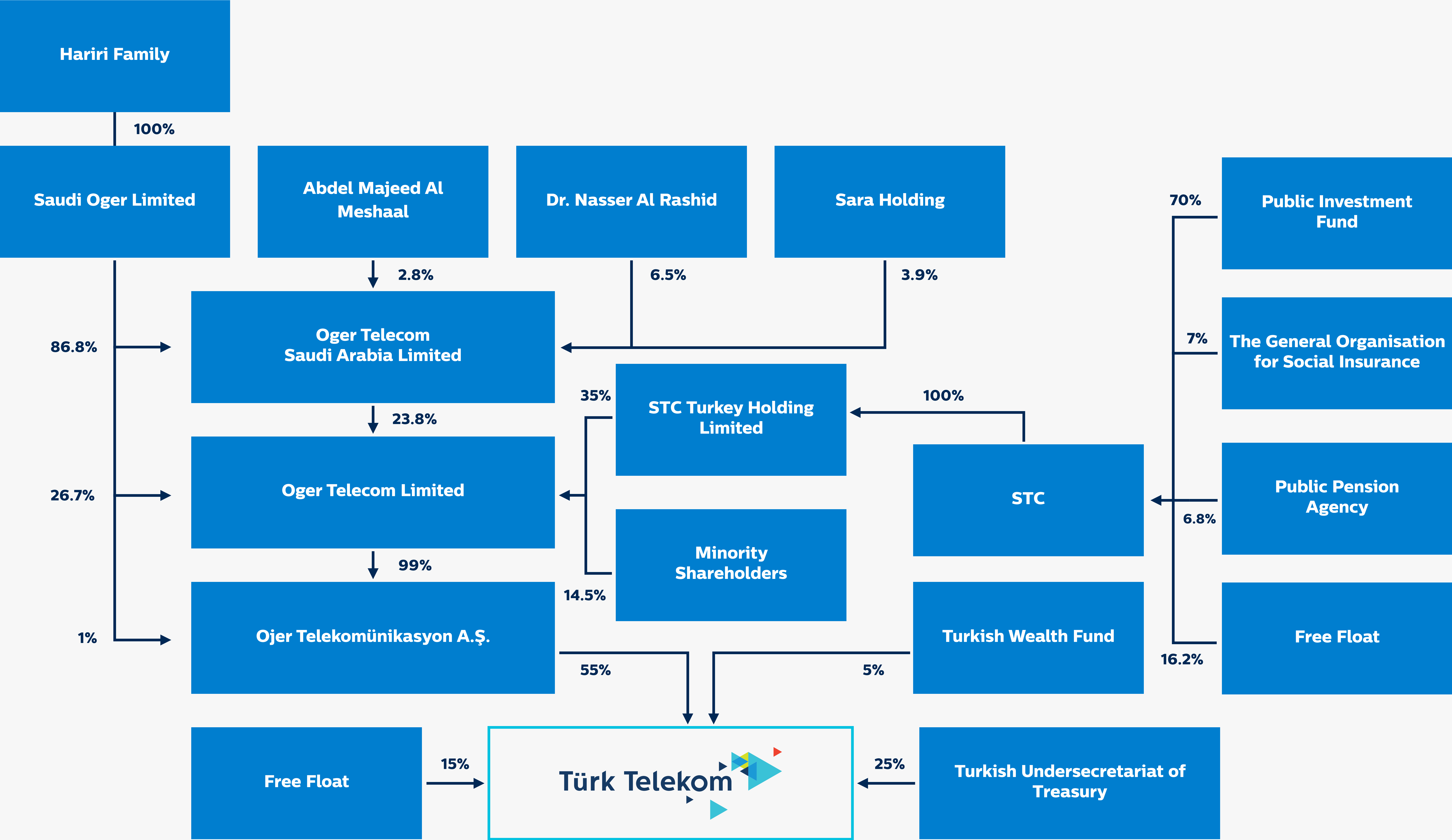
Good growth prospects, solid profitability

Corporate Governance

- ▶ Türk Telekom is member of BIST Sustainability Index since creation with its long lasting emphasis on Environmental, Social and Governance policies and exemplary practices
- ▶ The only telecom company qualified to be included in the BIST Corporate Governance Index since 2009



Shareholder Structure



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

Regulatory Actions

2008

- **April**
 - Interconnection rate decrease in Fixed (10%) and Mobile (33%)
- **November**
 - 3G tender held
 - Mobile Number Portability introduced
 - New Electronic Communications Law passed

2009

- **January**
 - About 50%-55% reduction in MTRs on SMS
- **March**
 - Reduction in SCT rate (25% to 5%) on internet services
- **April**
 - On-net price floor for TCELL
- **May**
 - About 29% reduction in MTRs
 - MVNO regulation in place
- **July**
 - 3G service launch
- **September**
 - Fixed number portability introduced
 - Local call liberalization

2010

- **April**
 - About 52% reduction in MTRs
 - 17% cut in double tandem FTR
 - 38% decrease in GSM to GSM retail price cap
 - TL per minute pricing introduced
- **December**
 - Naked DSL services started

2011

- **April**
 - Mobile off-net price cap was increased by 4%
 - SMS price cap was decreased by 48%
- **September**
 - Deregulation on MTRs on international calls and liberalization on their pricing
- **October**
 - ICTA's fiber decision: FTTH/B will be excluded from the market analysis process until 25% fiber market share or for 5 years

2012

- **January**
 - WLR was introduced
- **November**
 - Deregulation on FTRs on international calls and liberalization on their pricing

2013

- **March**
 - Mobile on-net price floor for TCELL formulated by Mobile Termination Rate 1.7x
- **April**
 - 75% reduction in MTRs on SMS
- **July**
 - 20% reduction in MTRs
- **September**
 - Duct Sharing officially started

2014

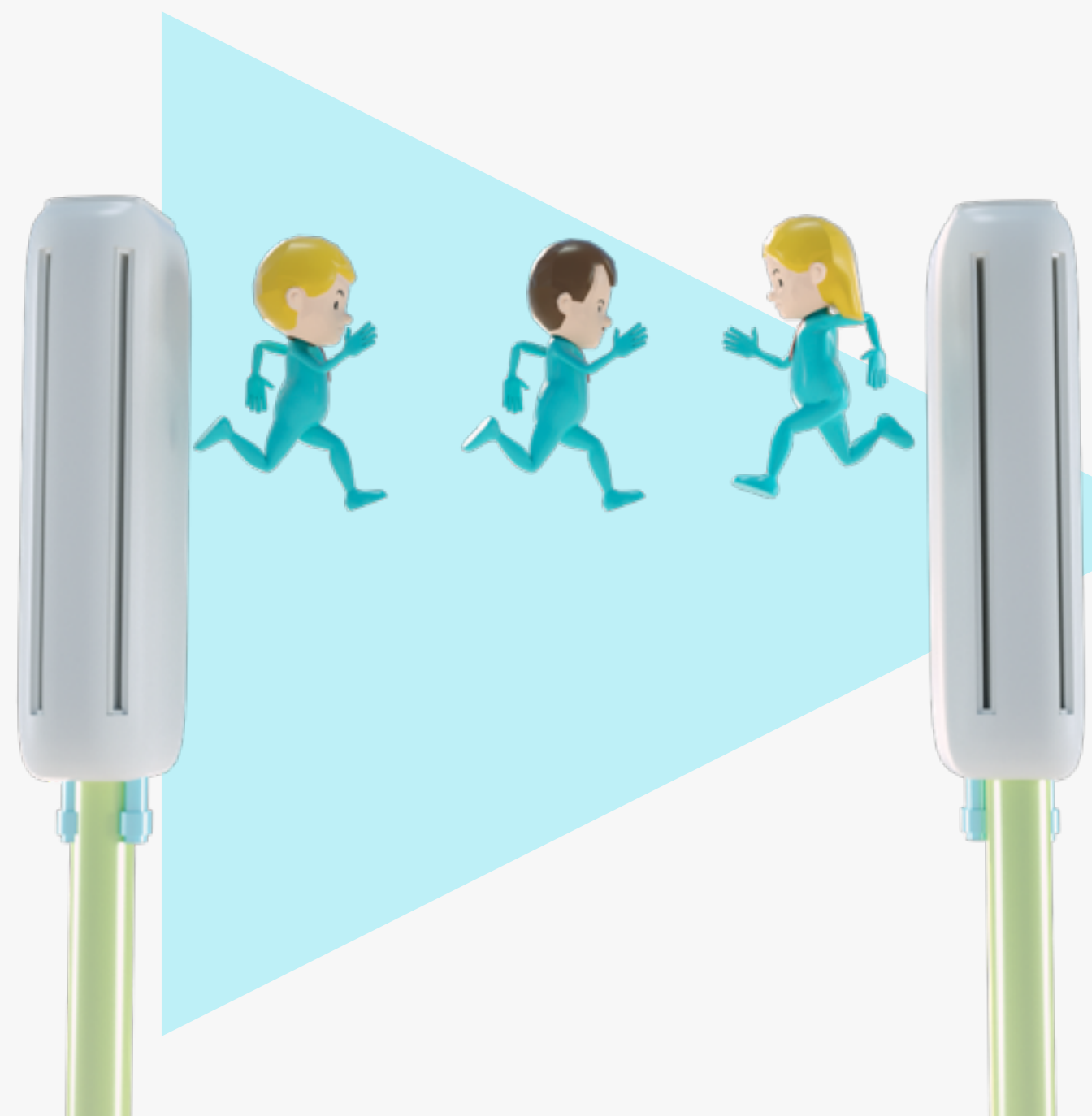
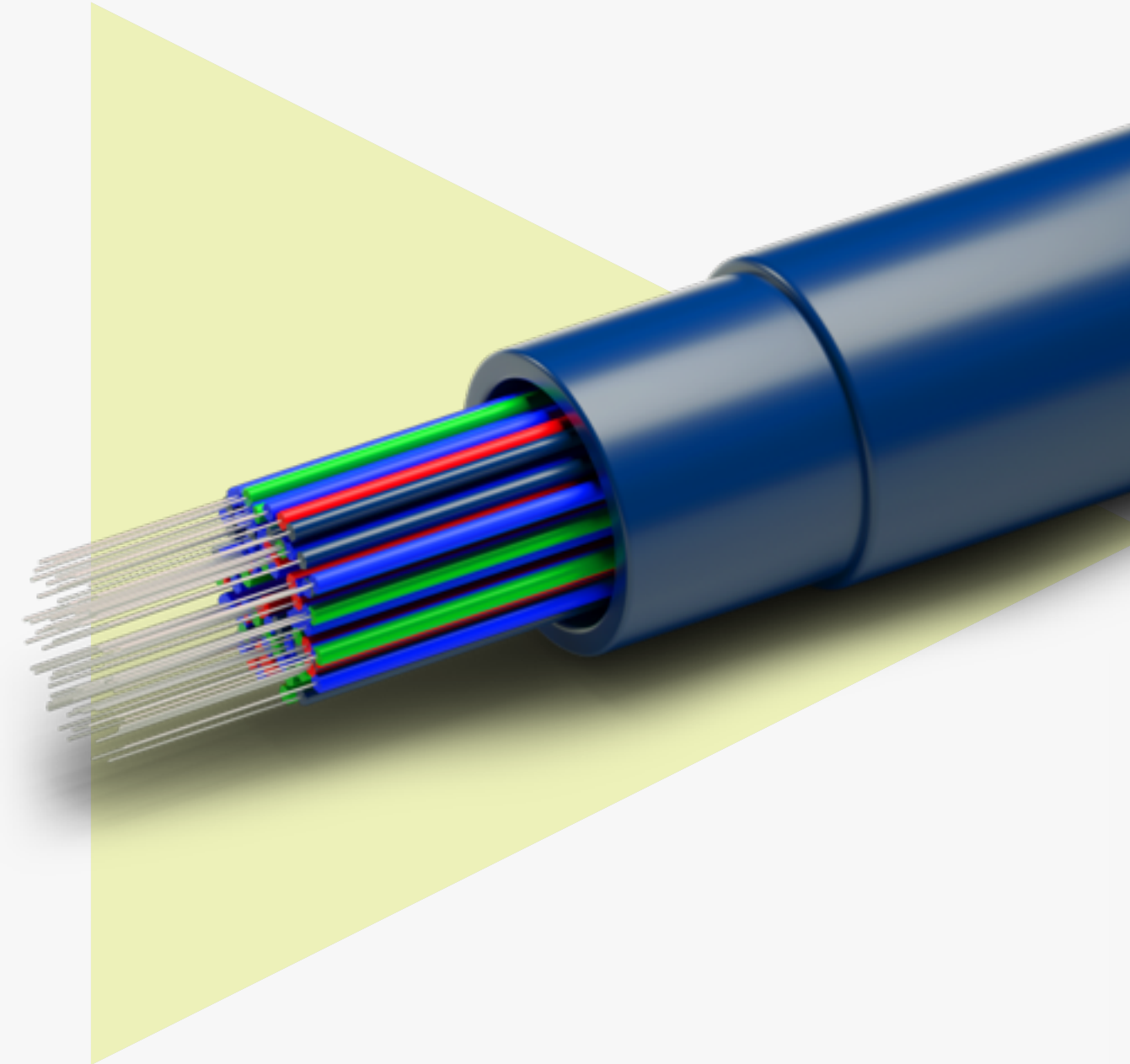
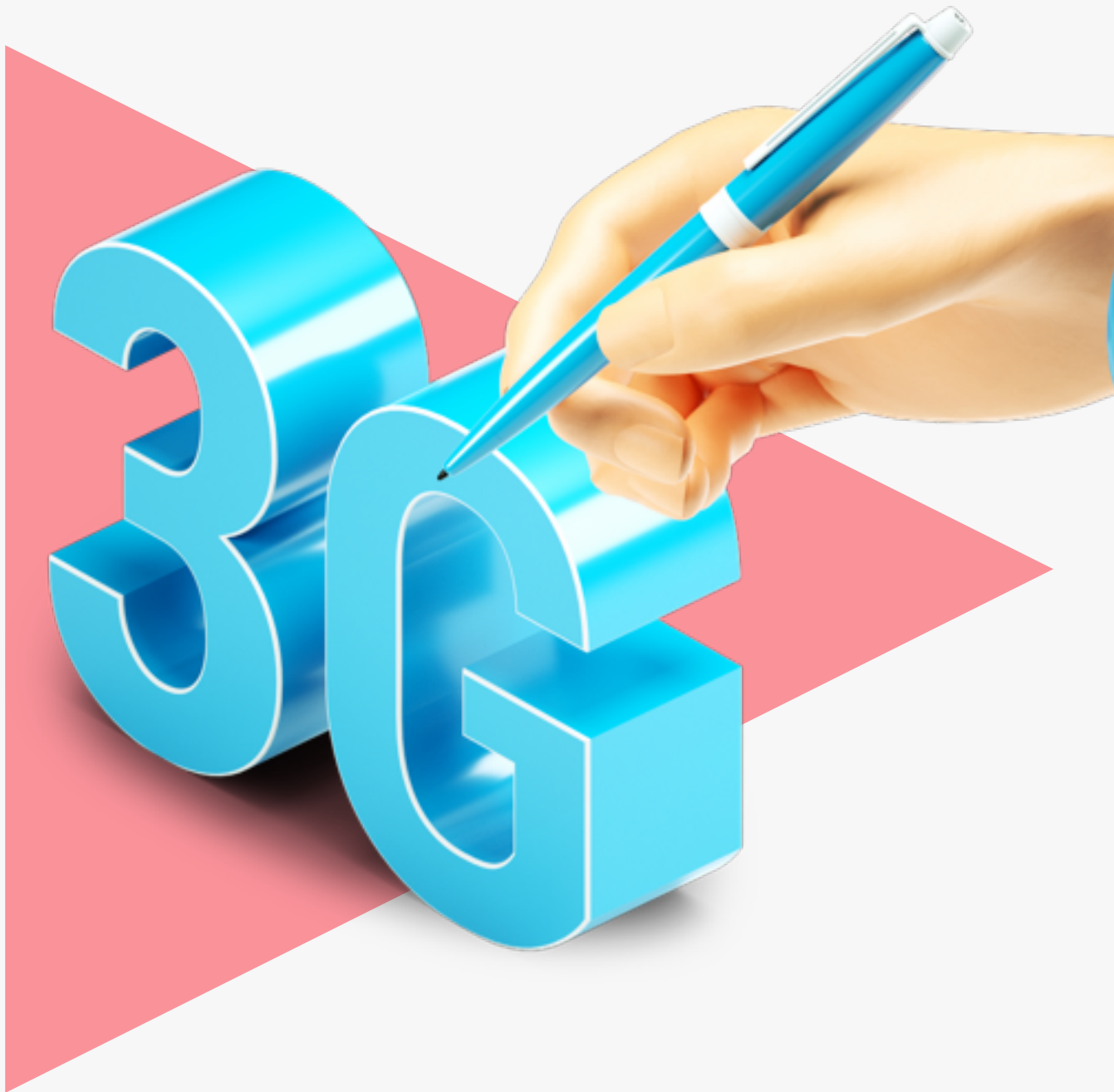
- **July**
 - Calls over fixed line infrastructure was deregulated. Accordingly, Türk Telekom is no longer designated as having SMP (significant market power) in fixed voice market

2016

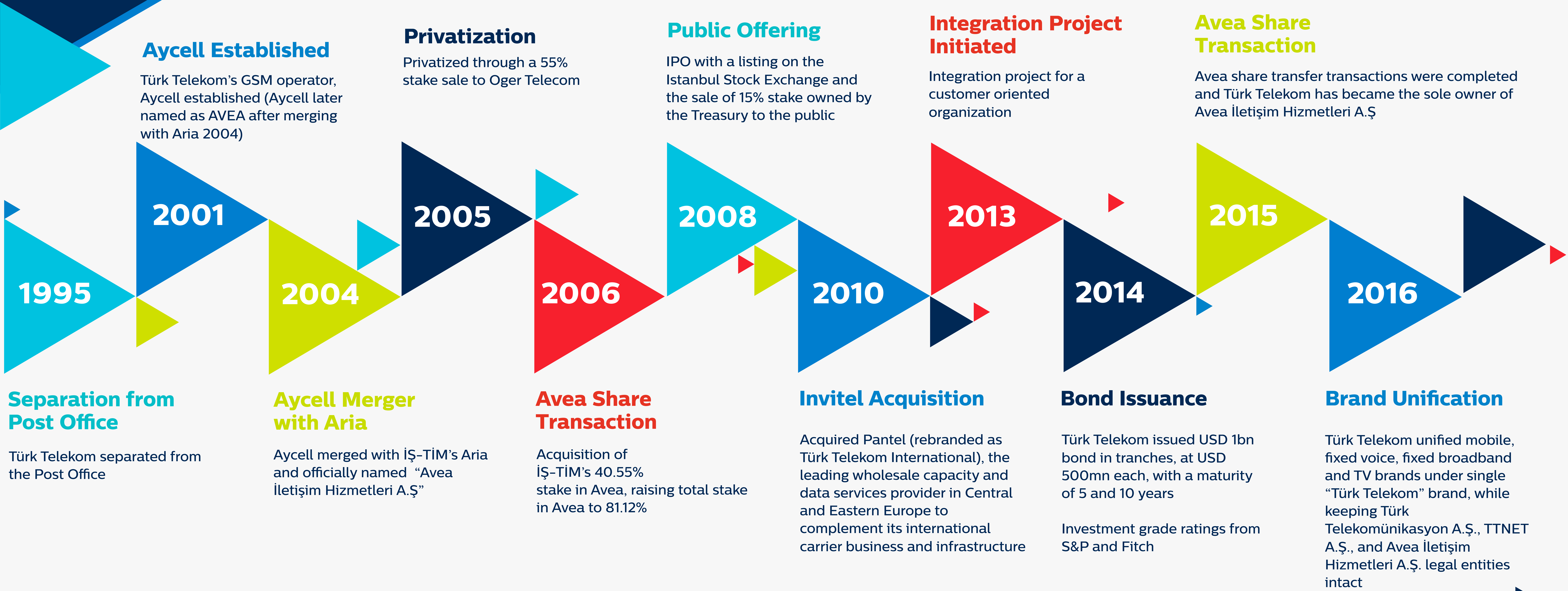
- **April**
 - LTE Service Launch
- **August**
 - Mobile on-net price floor regulation for TCELL was lifted
- **October**
 - The deadline to shift Port Transmission Model

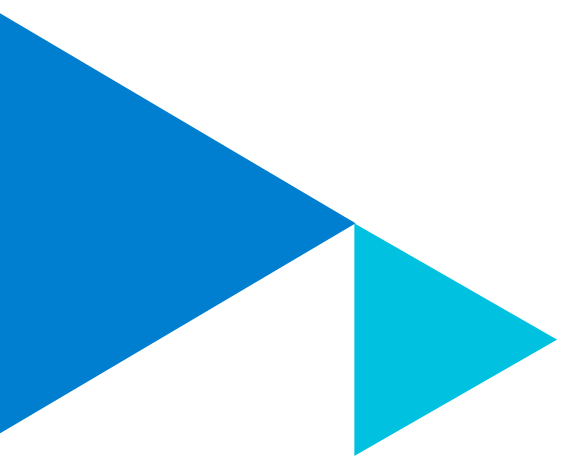
2018

- **January**
 - SCT rates for mobile voice, fixed voice, mobile data, and fixed data was determined as 7.5%



History





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