

2023 Q2 Investor Presentation



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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).

Net Subscriber Additions



Fixed Broadband

144K
Q2 '23

396K
LTM



Mobile

-9K
Q2 '23

995K
LTM



Fixed Voice

-237K
Q2 '23

-1.2mn
LTM



* Includes Tivibu



Financial & Operational Overview

2023 Q2 Highlights



Total Subscribers

52.4 mn

▲ 0.4% YoY



Revenue

TL 17.9 bn

▲ 67% YoY



EBITDA

TL 6.0 bn

▲ 37% YoY



EBITDA Margin

33.6%

▼ 740bps YoY



Net Income

TL -601 mn

▼ Q2 '22 TL 1.4 bn



Free Cash Flow

TL 2.3 bn

▲ Q2 '22 TL 1.5 bn



CAPEX

TL 3.7 bn

▲ 48% YoY

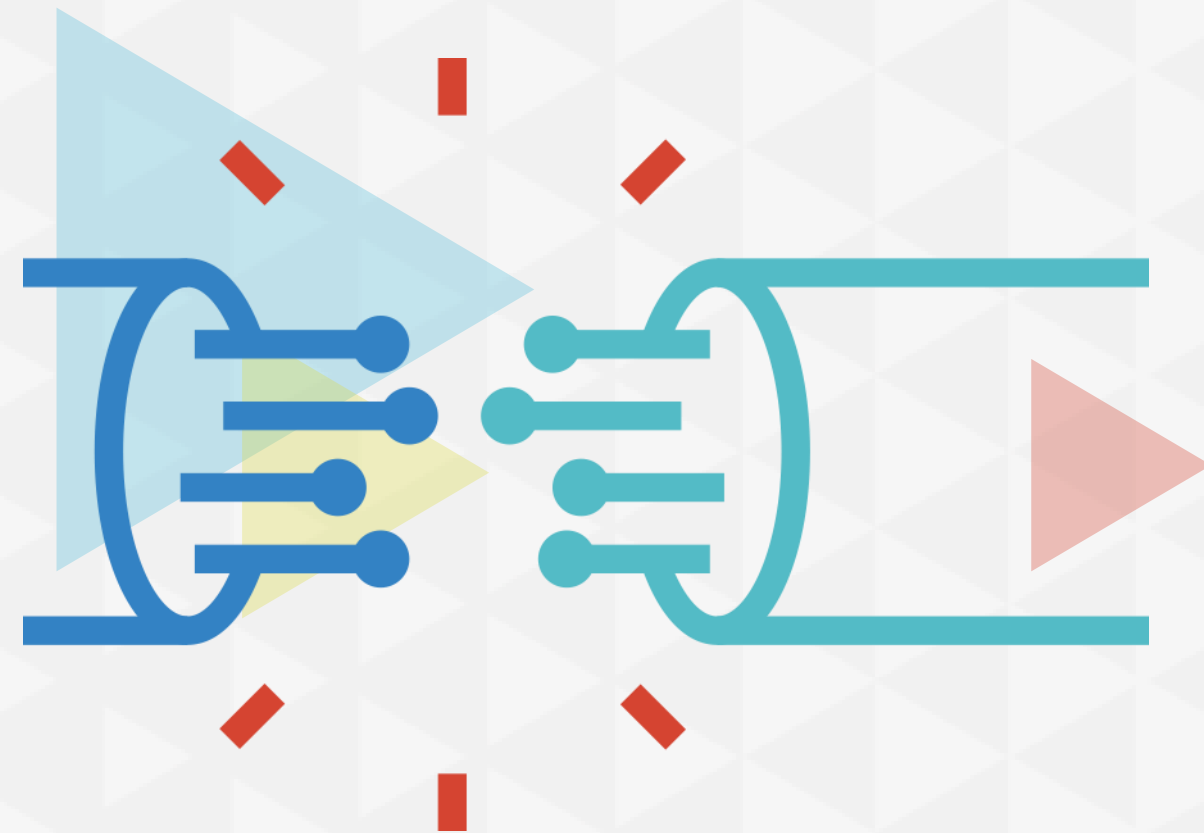


Net Leverage

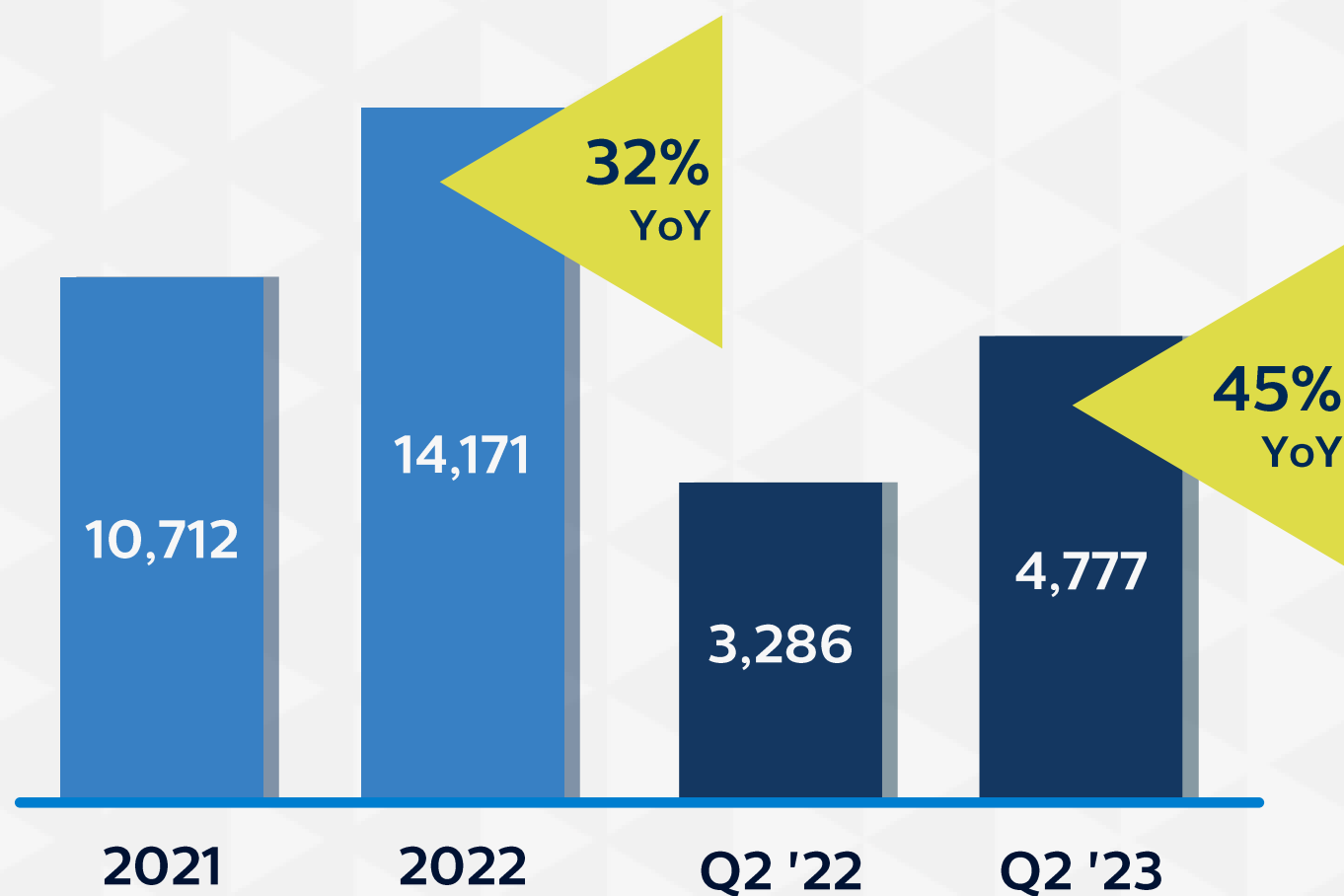
1.65x

Q1 '23 1.63x

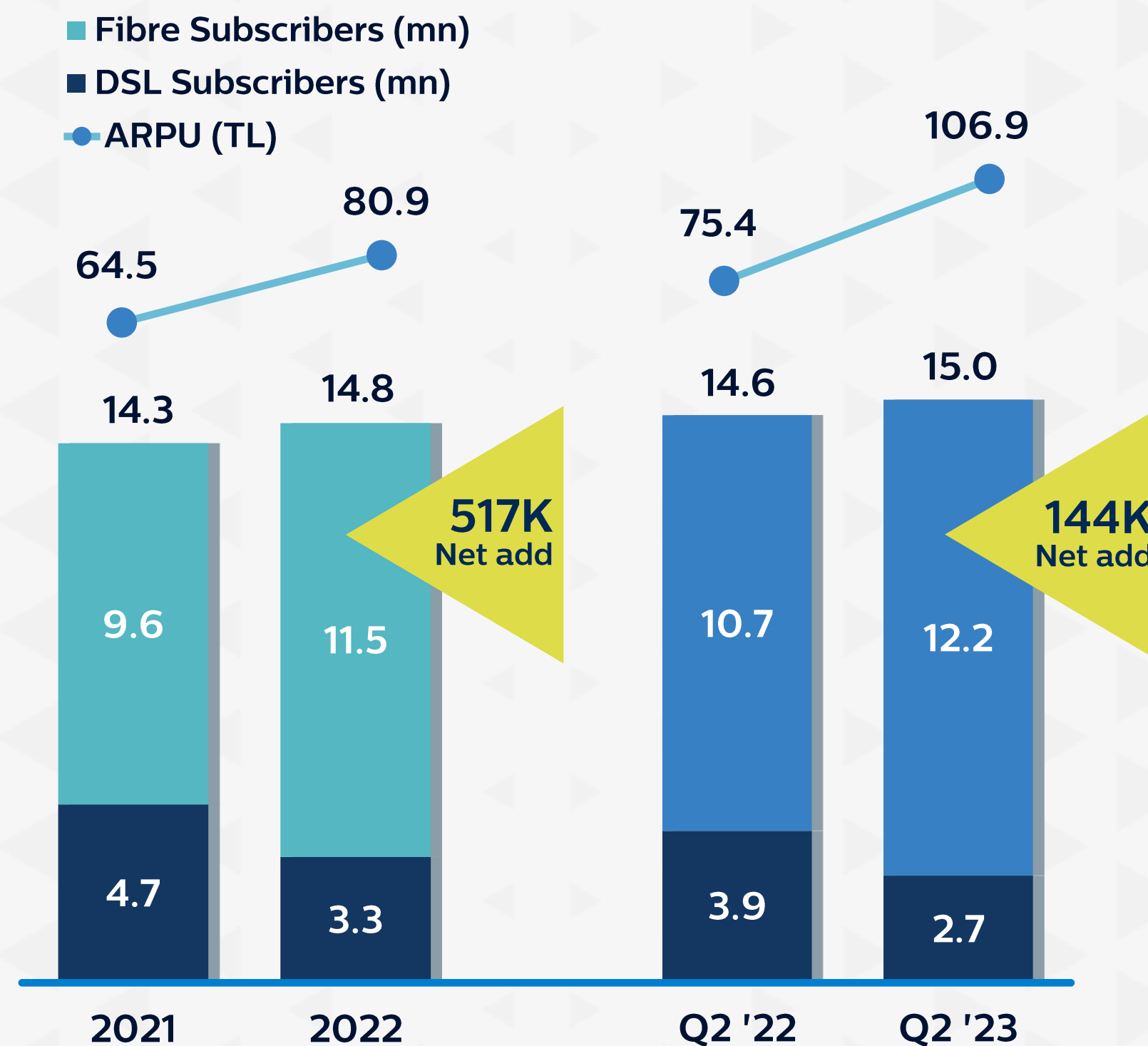
Fixed Broadband Performance



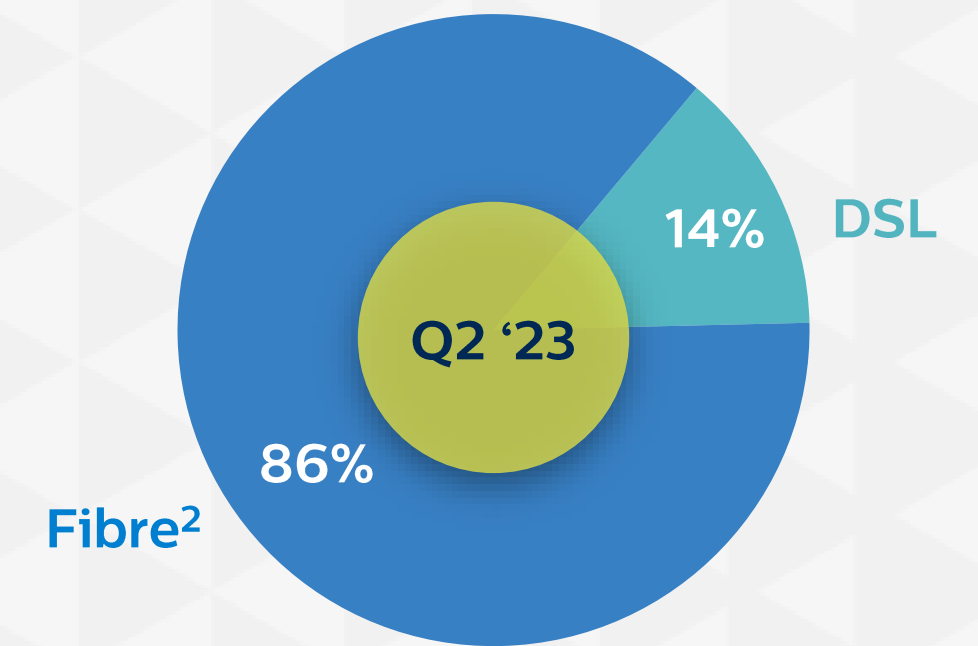
Fixed Broadband Revenue
(TL mn)



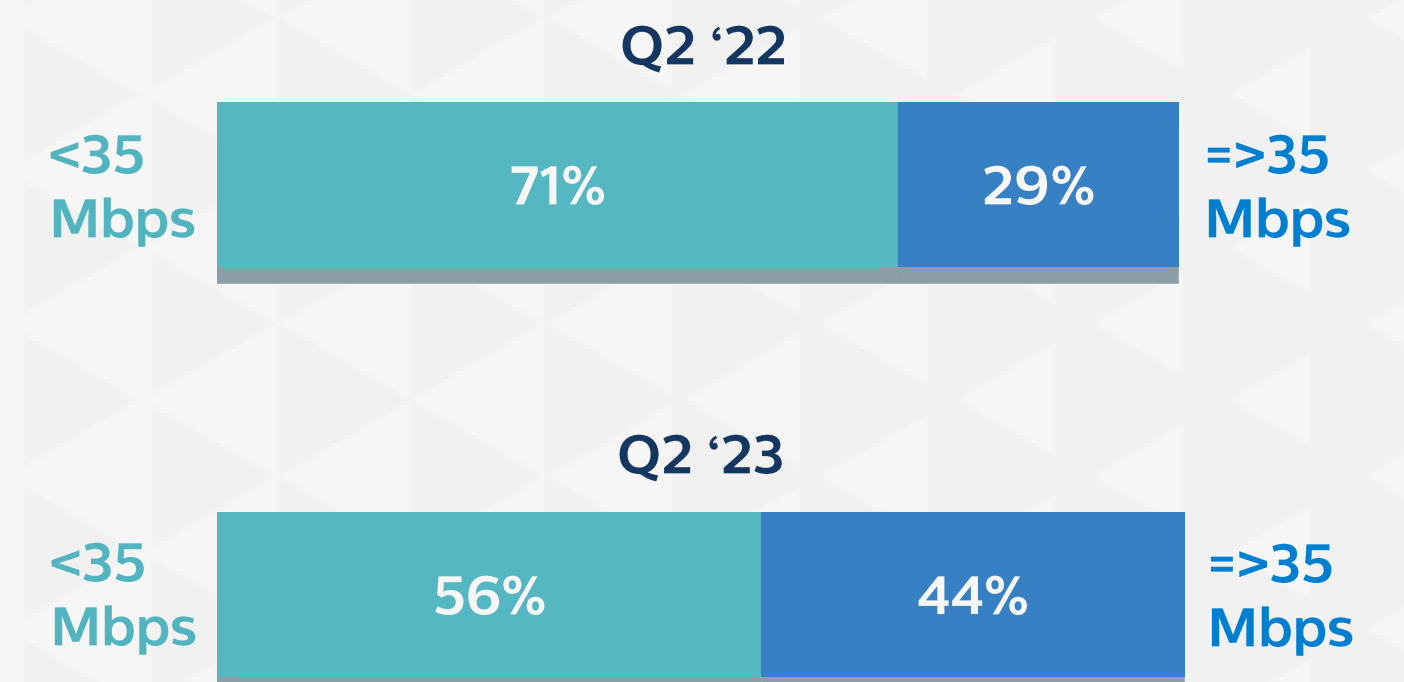
ARPU & Subscribers



Subscriber Breakdown¹
(% of Subscribers)



Subscriber Package Breakdown¹
(% of Subscribers)

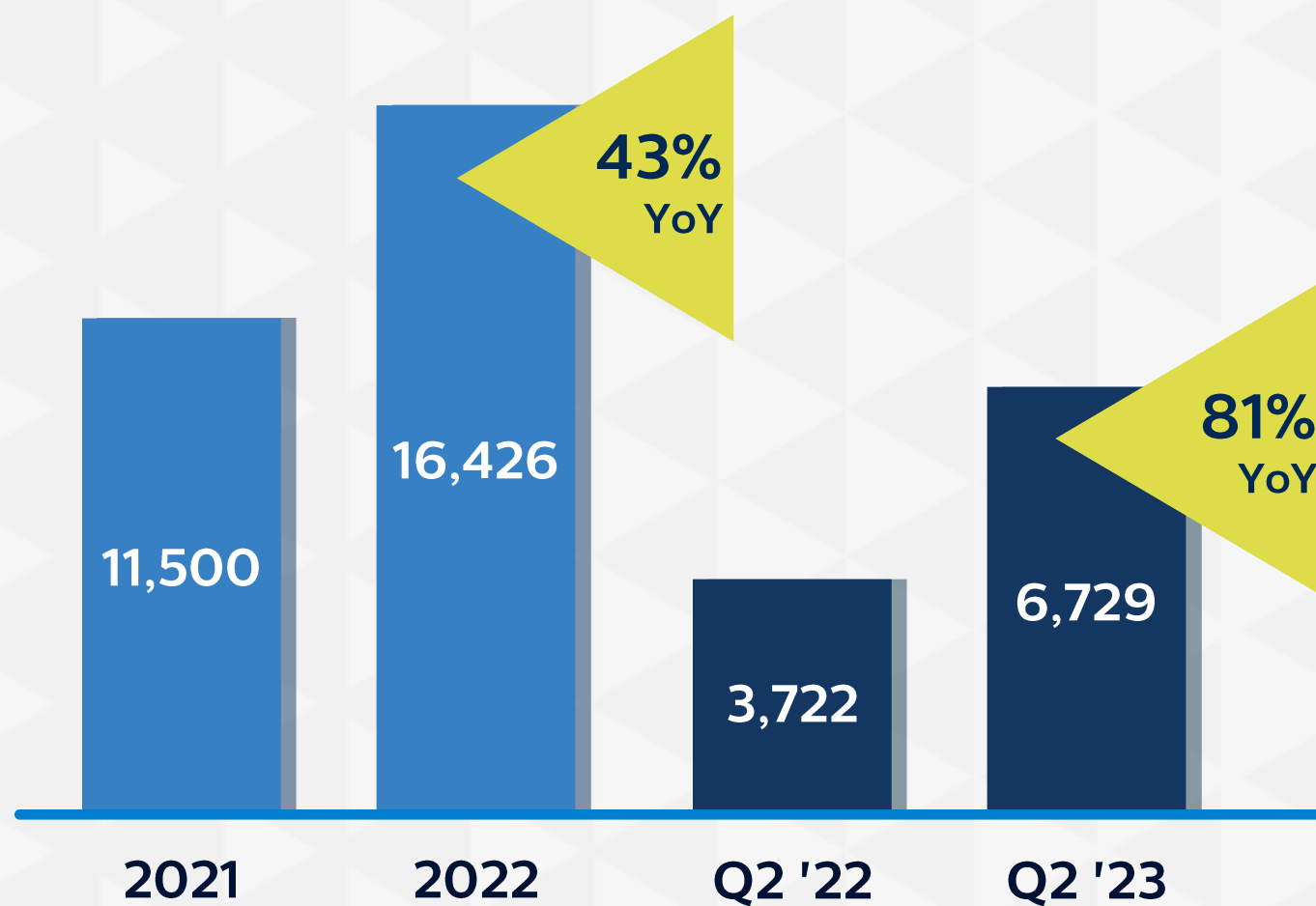


(1) Retail only
(2) Fibre subscribers include FTTH/B & FTTC subscribers

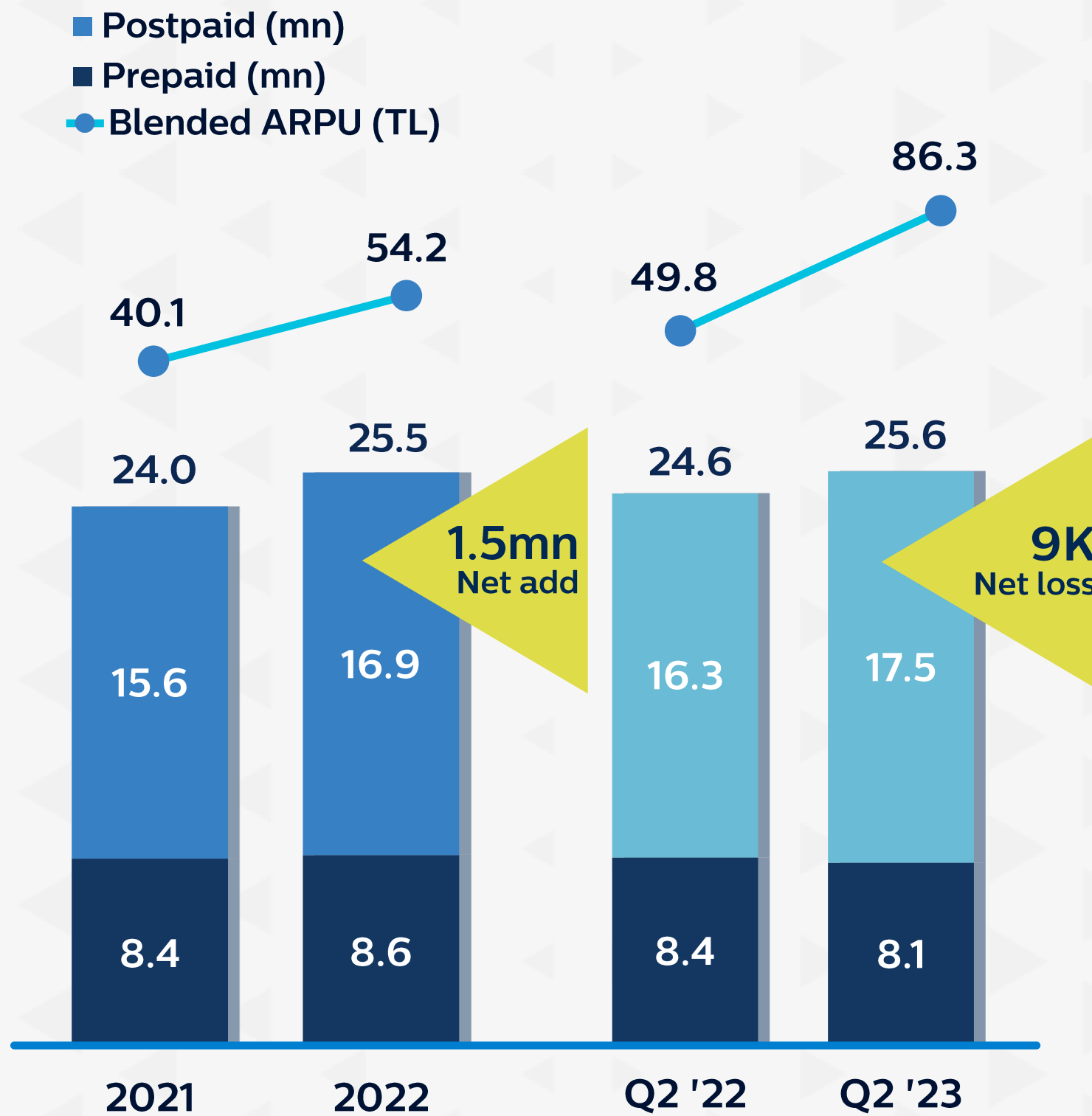
Mobile Performance



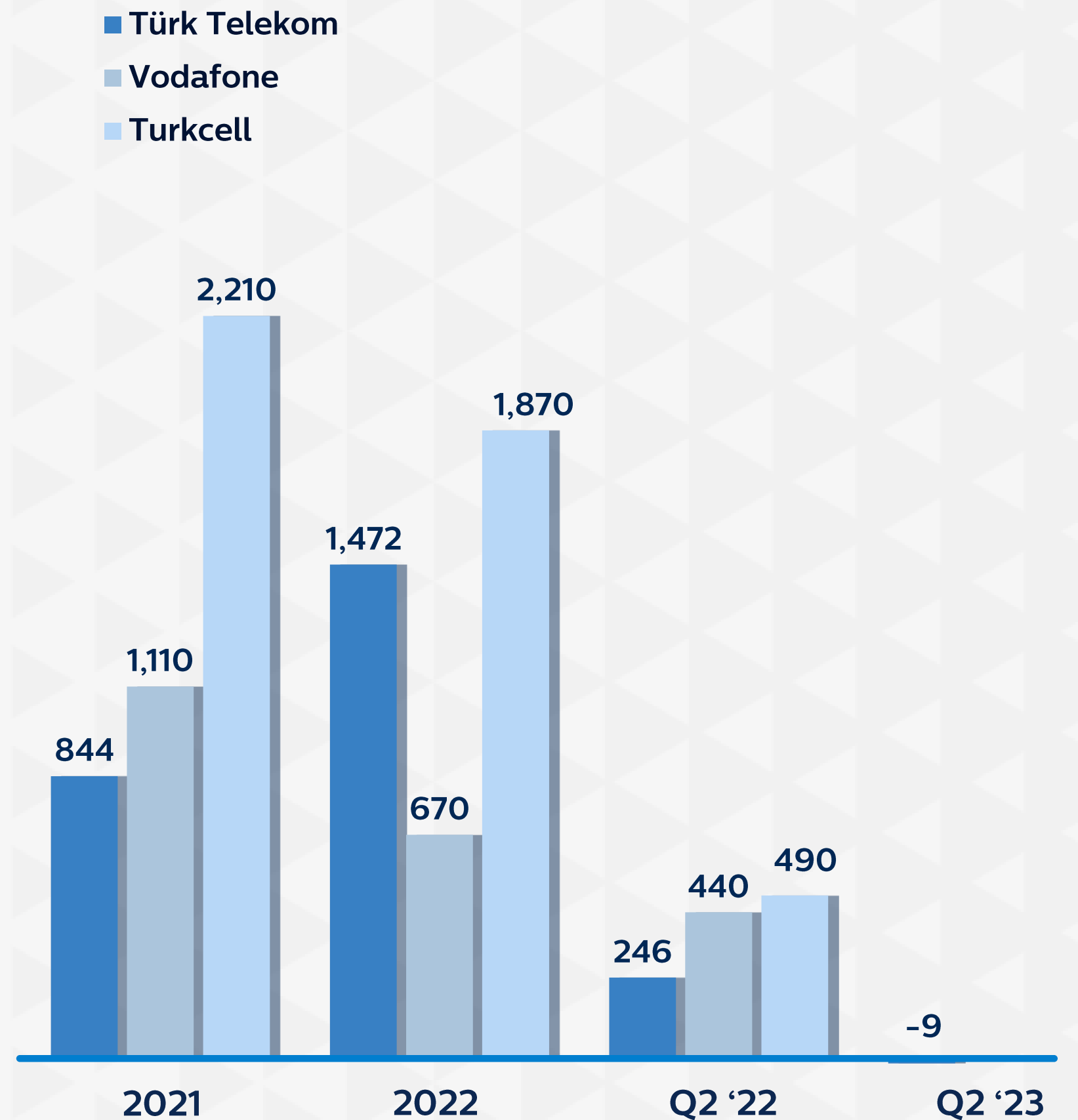
Mobile Revenue (TL mn)



ARPU & Subscribers



Net Subscriber Additions (thousand)



Source: ICTA, Türk Telekom

Guidance

	2022 Actuals	2023 Previous Guidance ¹	2023 Revised Guidance ¹
Revenue (exc. IFRIC 12) ²	40.1% growth	52-55% growth	67-70% growth
EBITDA	TL 19.1 bn	TL 23-25 bn	TL 25-27 bn
CAPEX	TL 13.9 bn	TL 17-19 bn	TL 19-21 bn

(1) 2023 guidance expectations represent approximate values.

(2) 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 fibre based network.

Financials

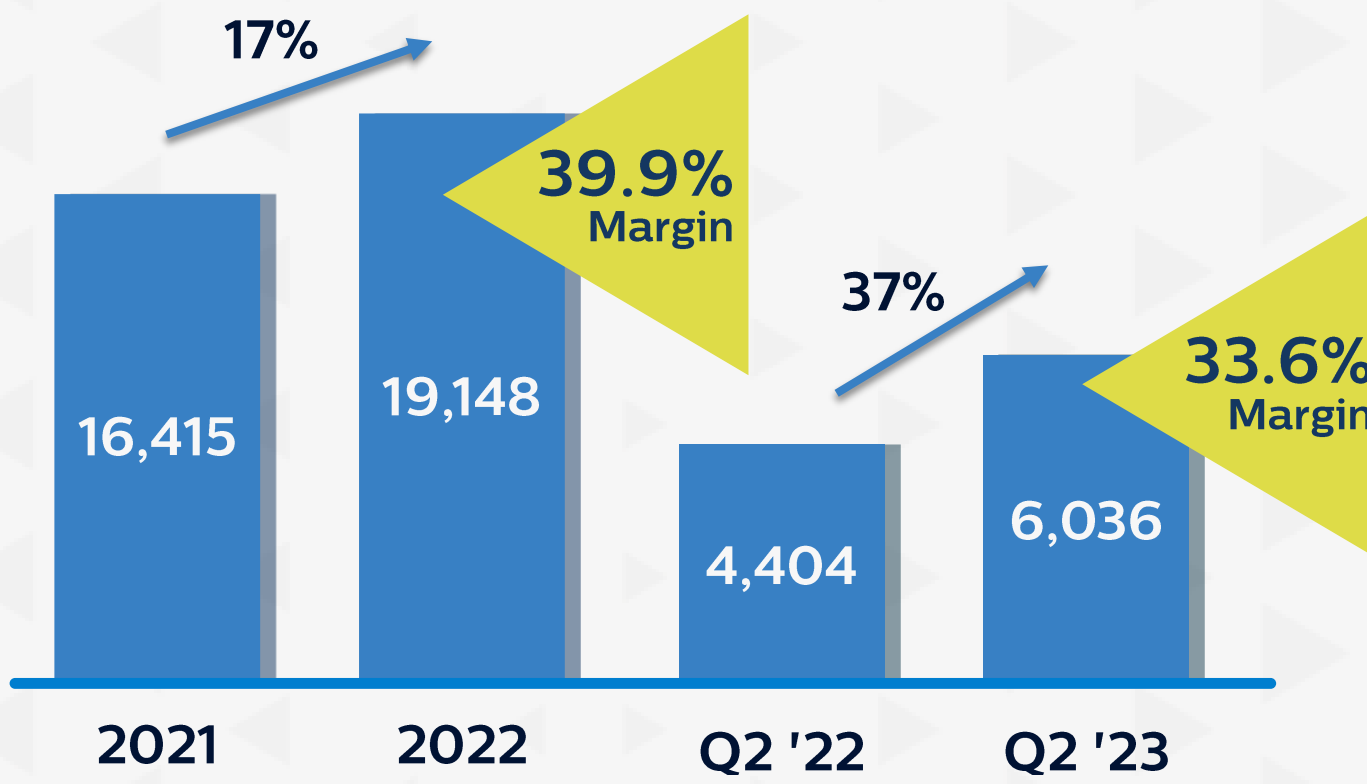


Financial Performance

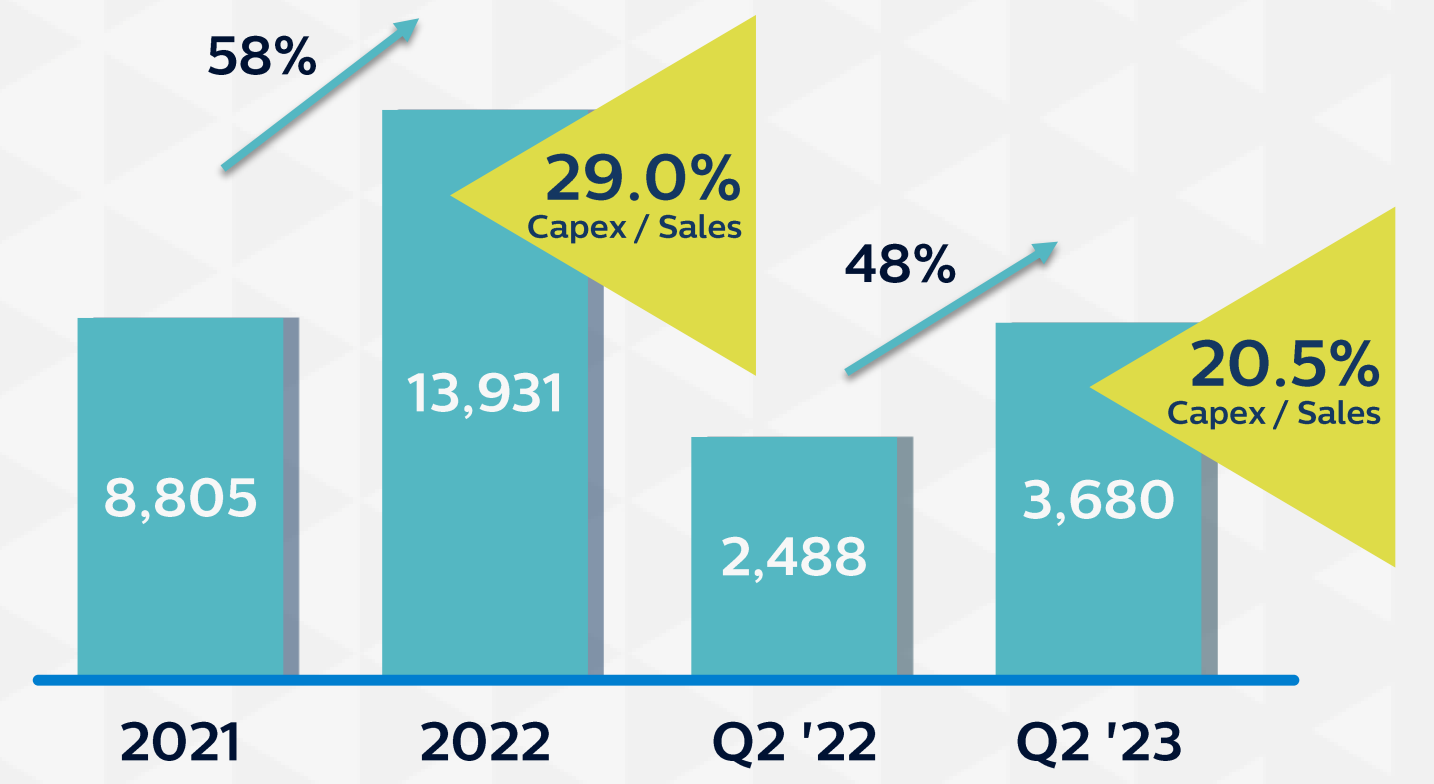
Revenue
(TL mn)



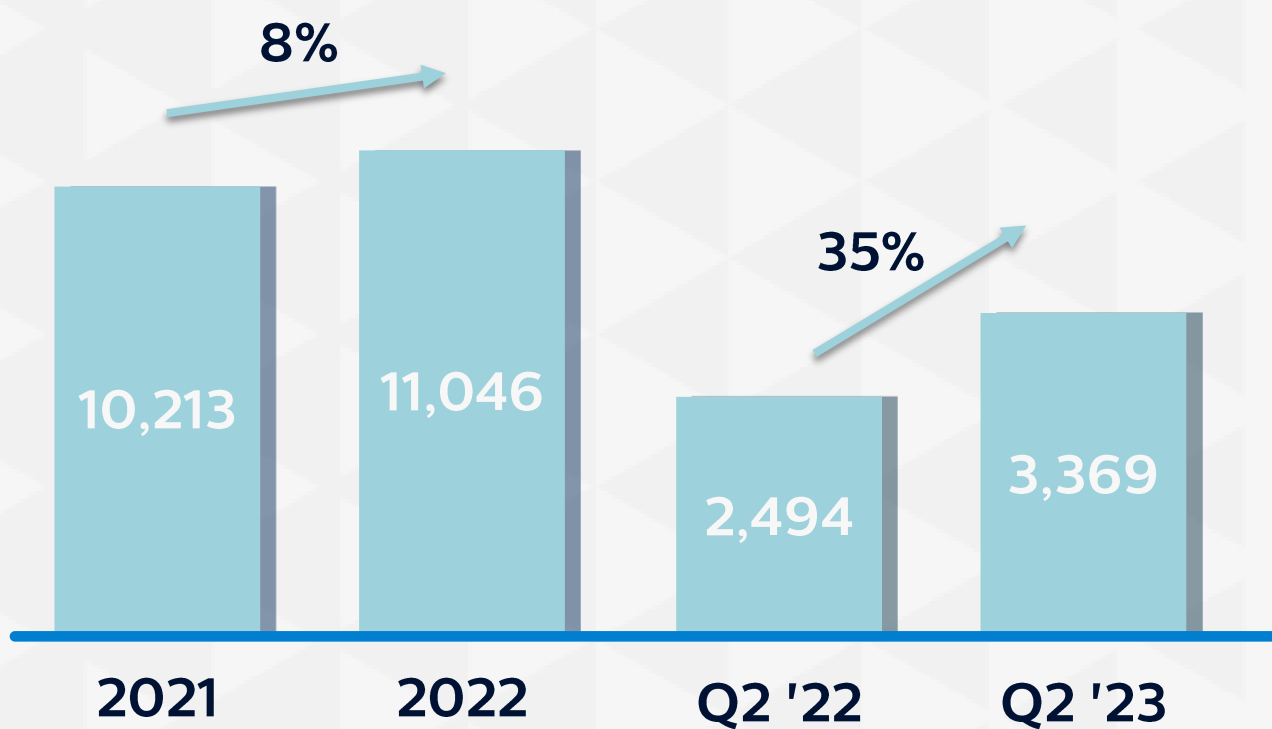
EBITDA
(TL mn)



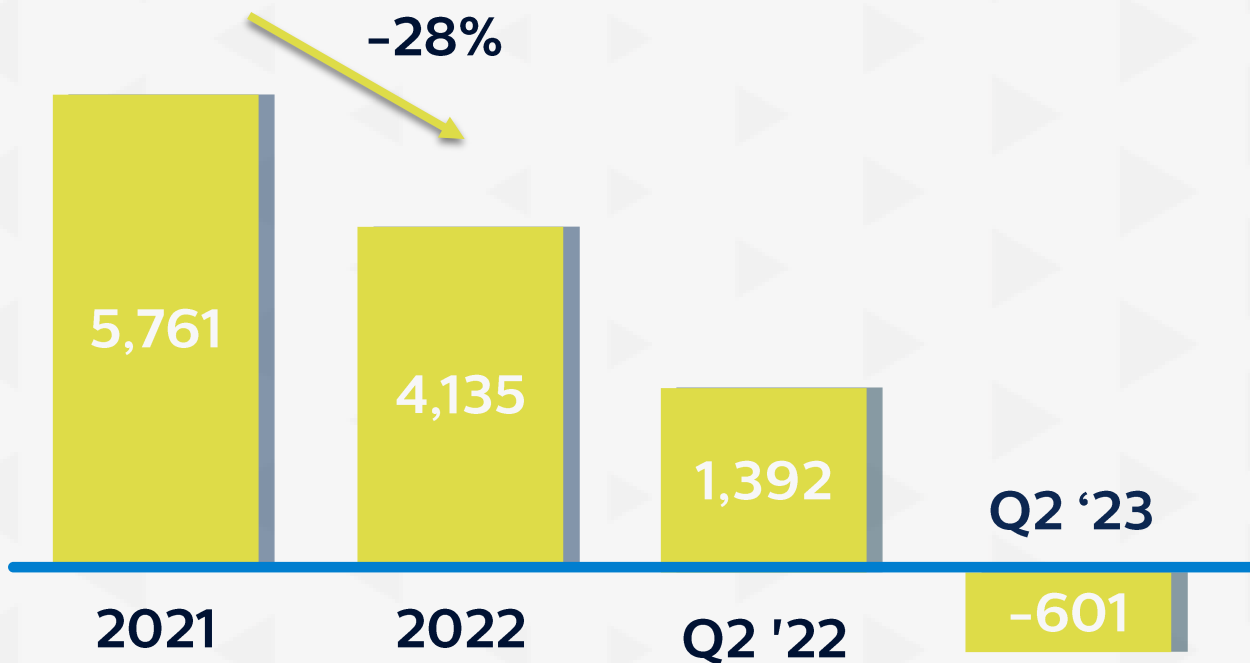
CAPEX
(TL mn)



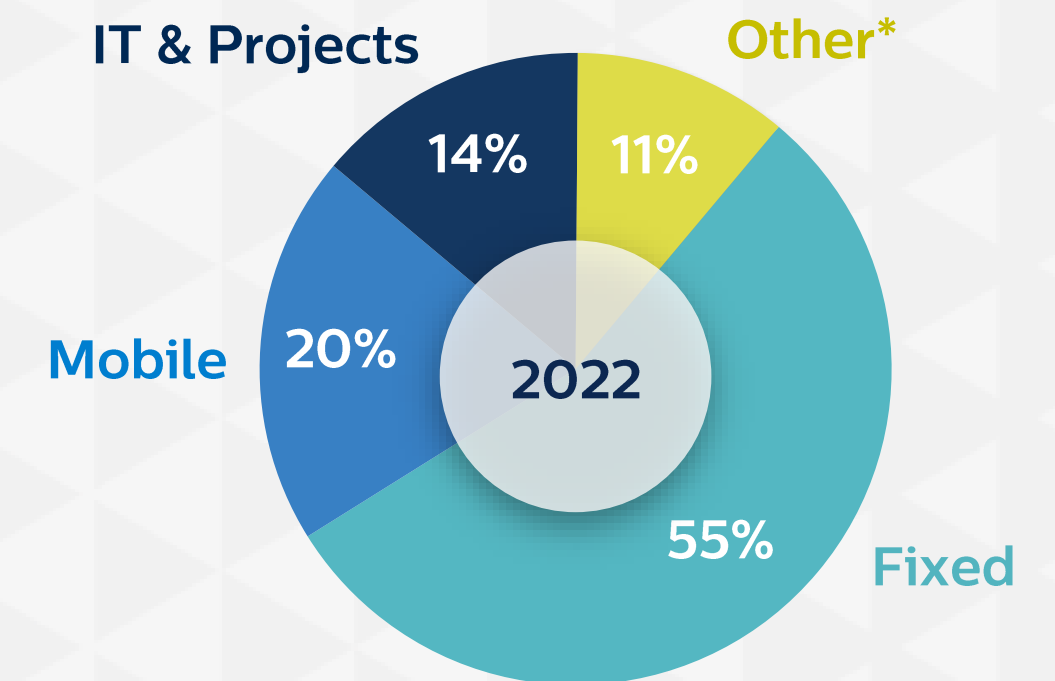
Operating Profit
(TL mn)



Net Income
(TL mn)



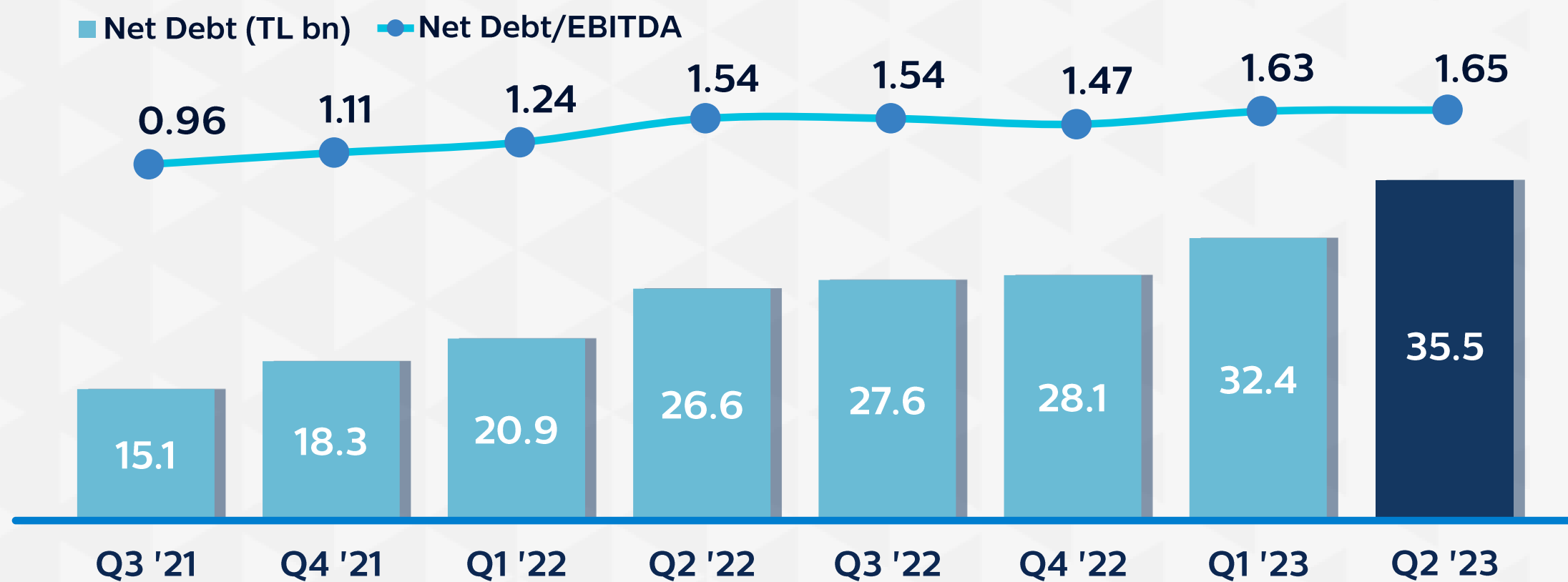
Capex Breakdown
(2022, %)



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

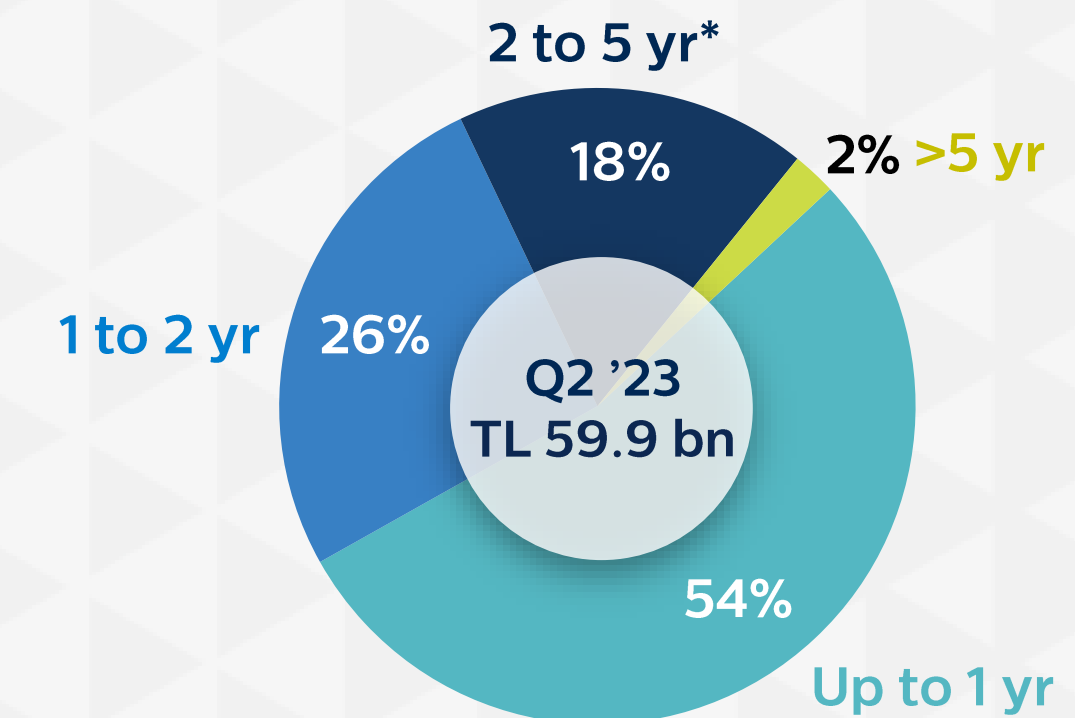
Debt Profile

Net Debt



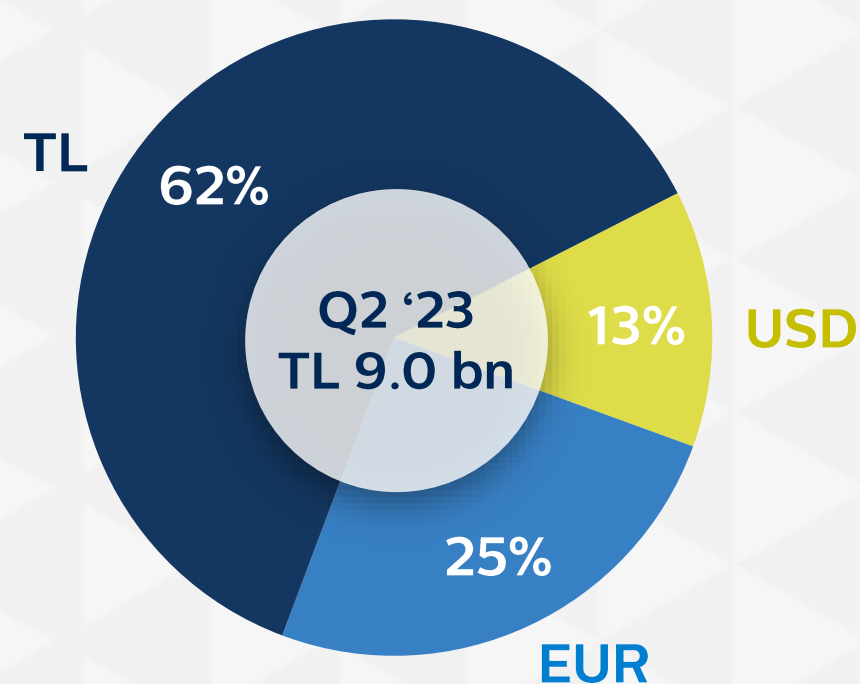
Note: Net Debt calculation includes market valuation (MTM) of Foreign Currency TL money swap transactions.
 Net Debt/EBITDA calculation does not include extraordinary provisions in EBITDA calculation
 Net Debt/EBITDA calculation includes fair value of Currency Protected Time Deposit included in Financial Investments.

Maturity Profile



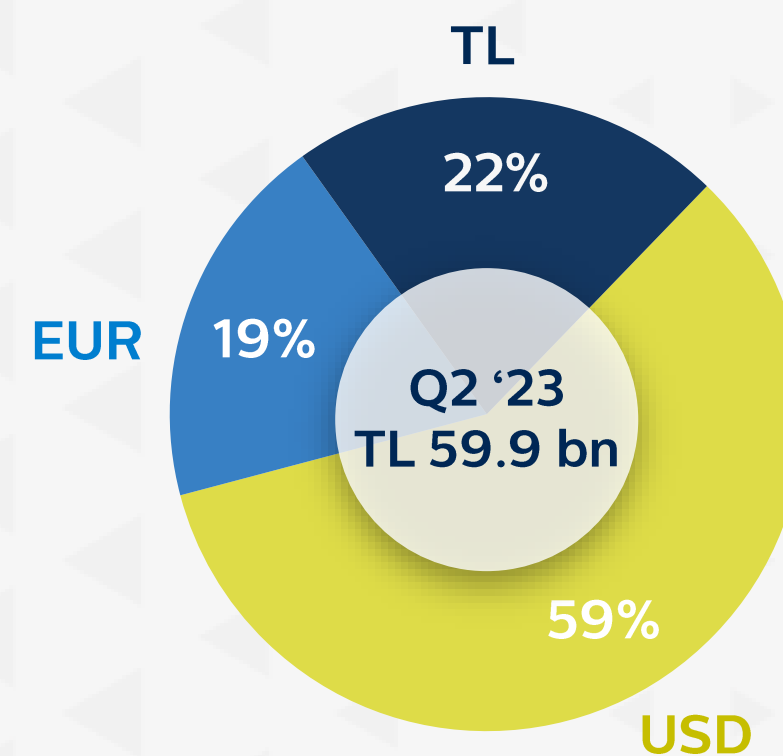
All loans are senior unsecured.
 * including 2024 & 2025 maturity bonds (USD 500 mn each)

Cash – Currency Breakdown*

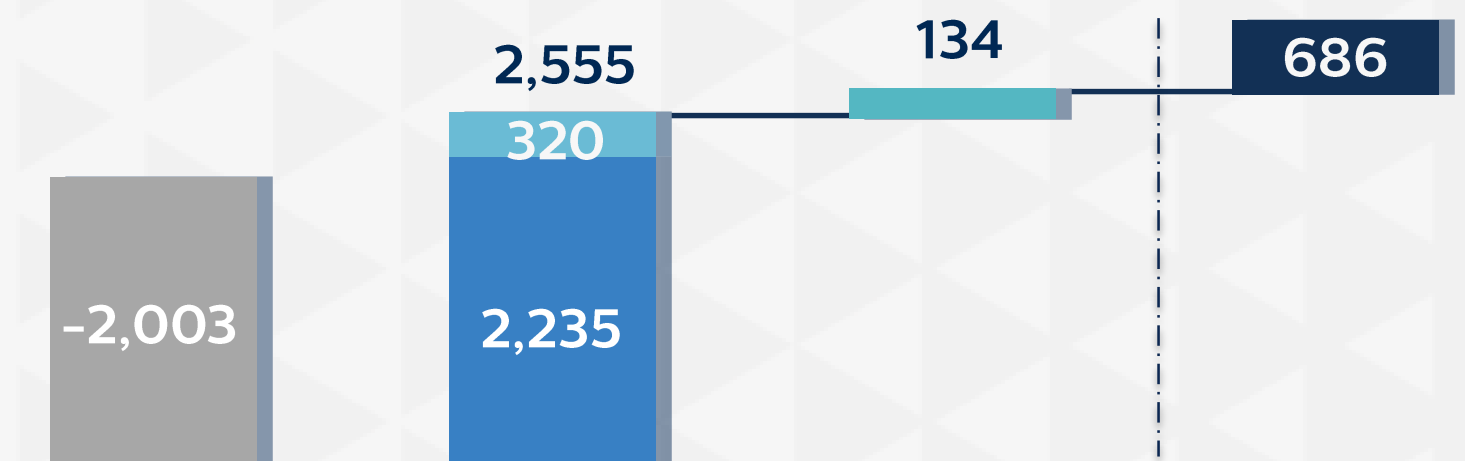


* TL 8.2 bn worth currency protected time deposit is not included in cash.

Gross Debt – Currency Breakdown



Hedge – Composition of FX Position



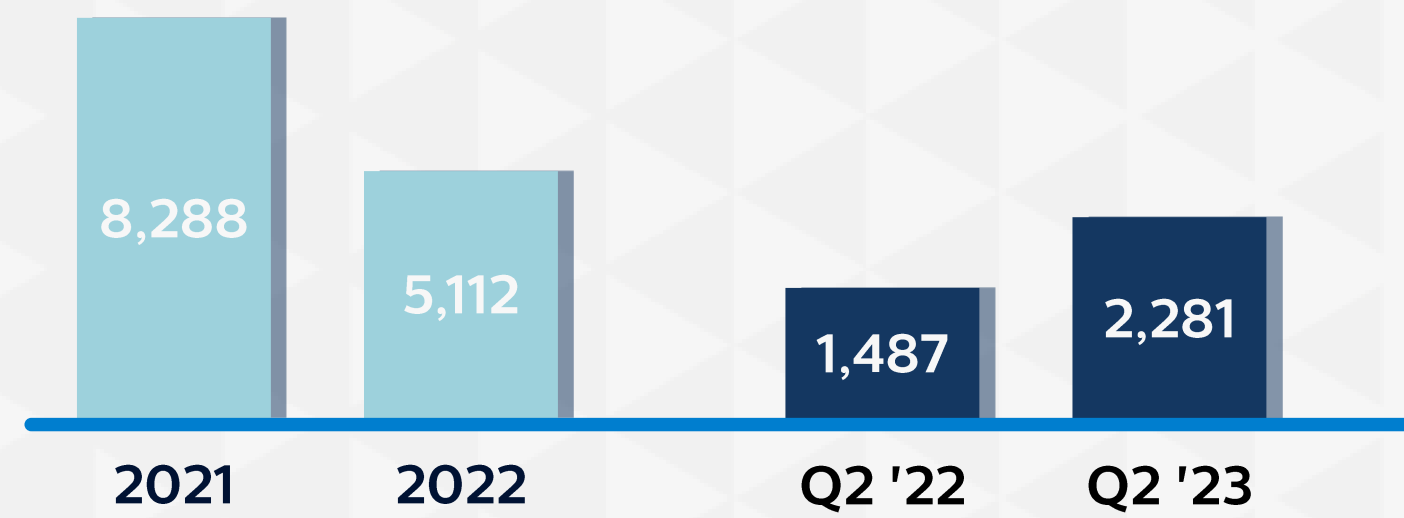
* FX Debt calculation includes FX financial debt (including FX lease obligations) and FX net trade payables. Hedged amount includes hedging of FX financial debt, currency protected time deposit, hedging of FX net trade payables and net investment hedge.

** Currency protected time deposit included in hedged amount is worth USD 320 mn.

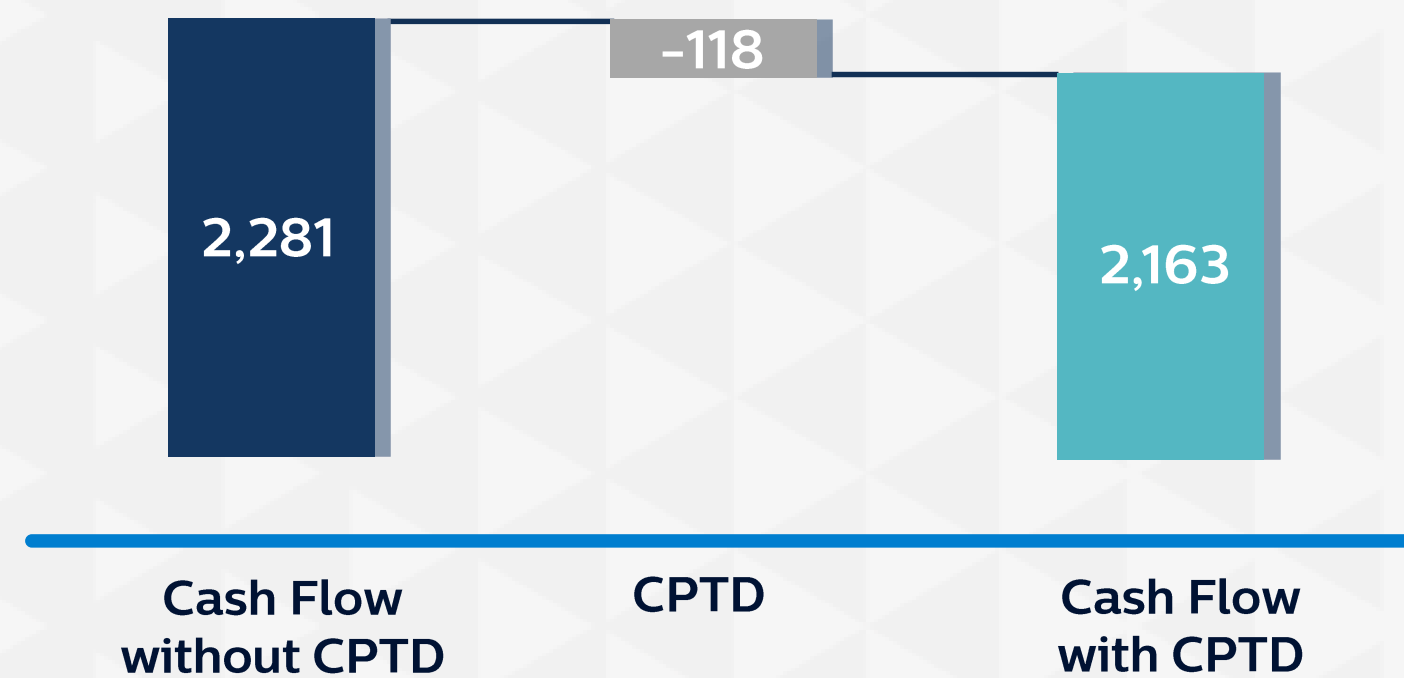
*** Excluding the ineffective portion of the hedge portfolio, mainly the existing PCCS contracts, net FX exposure would be USD 142 mn short position.

Prudent Balance Sheet Management

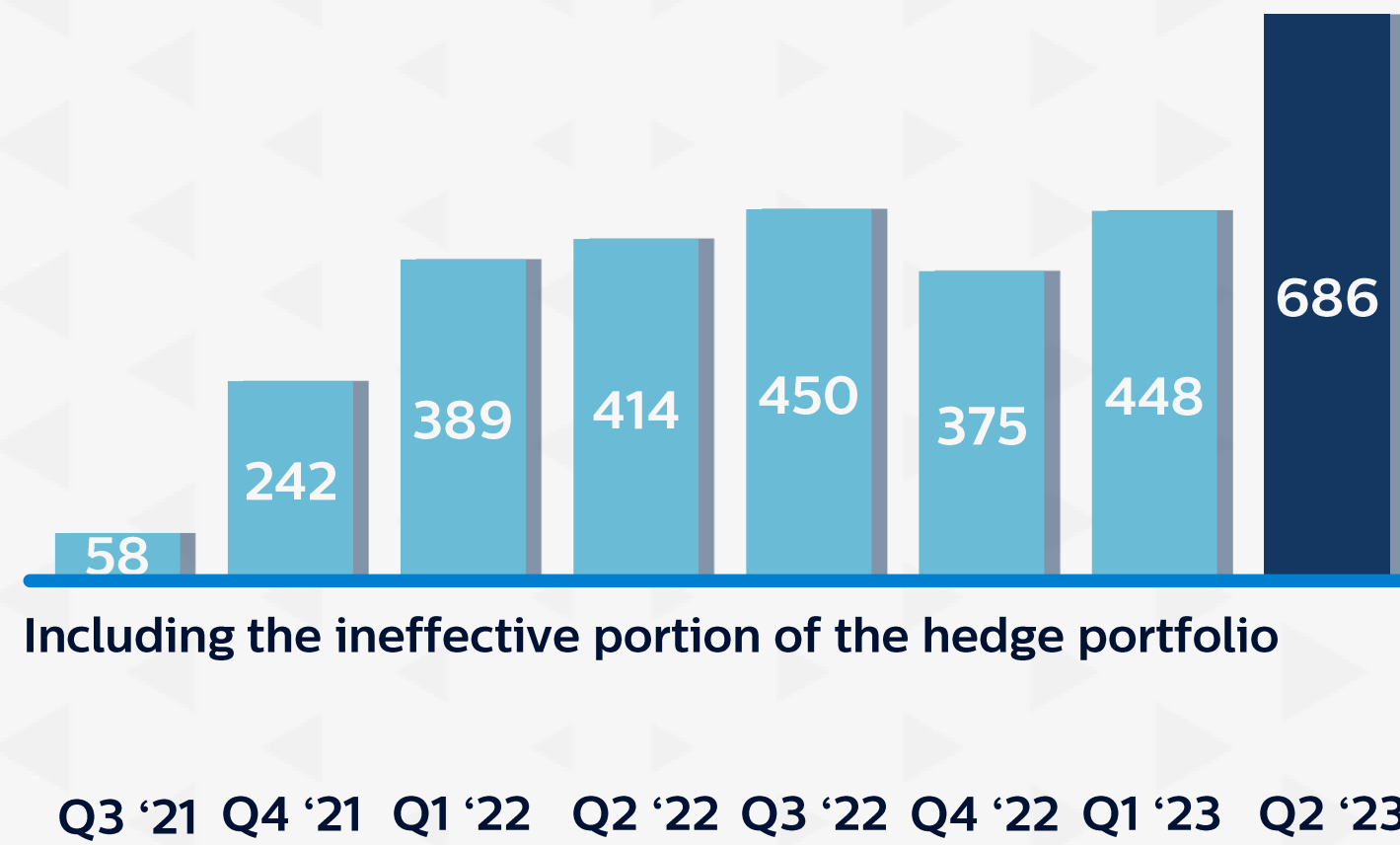
Cash Flow* (TL mn)



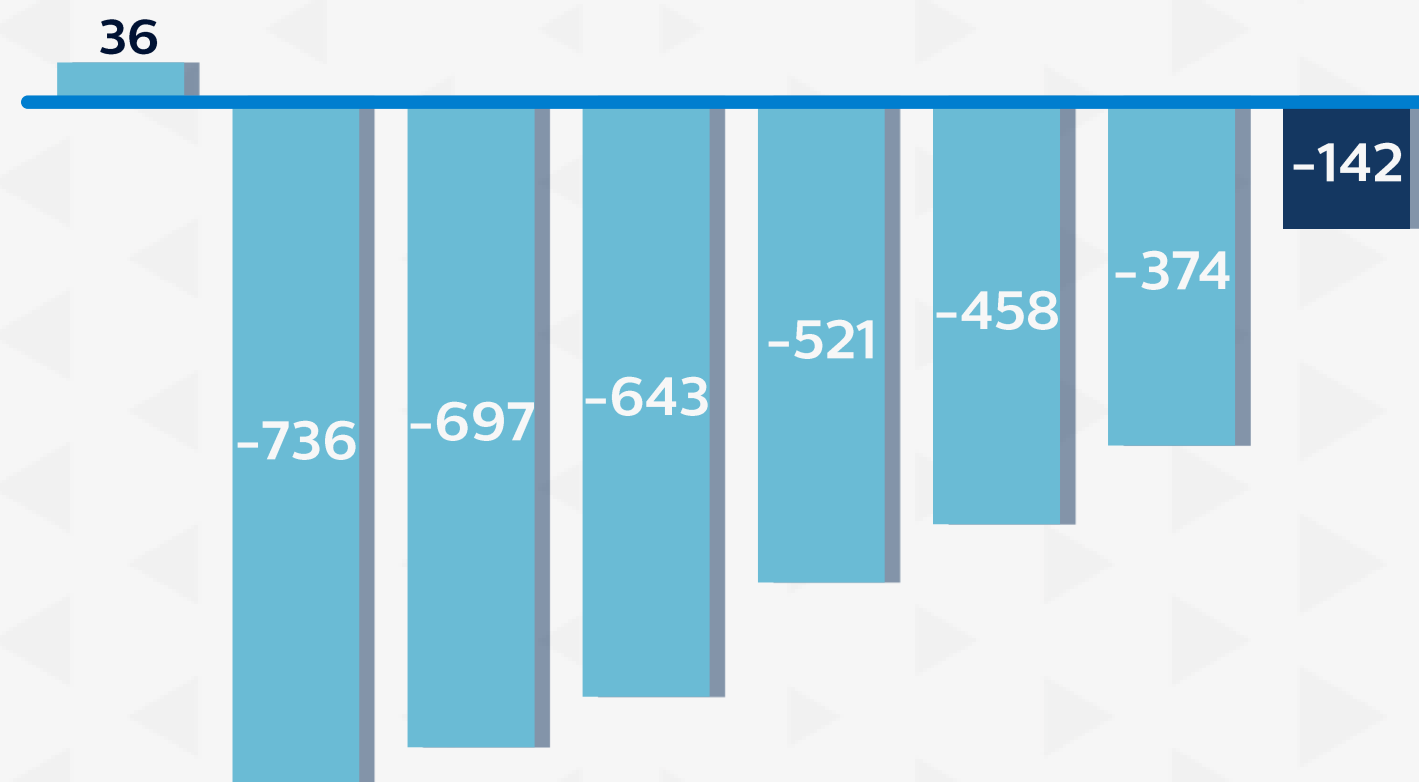
The Effect of CPTD** on Cash Flow (TL mn)



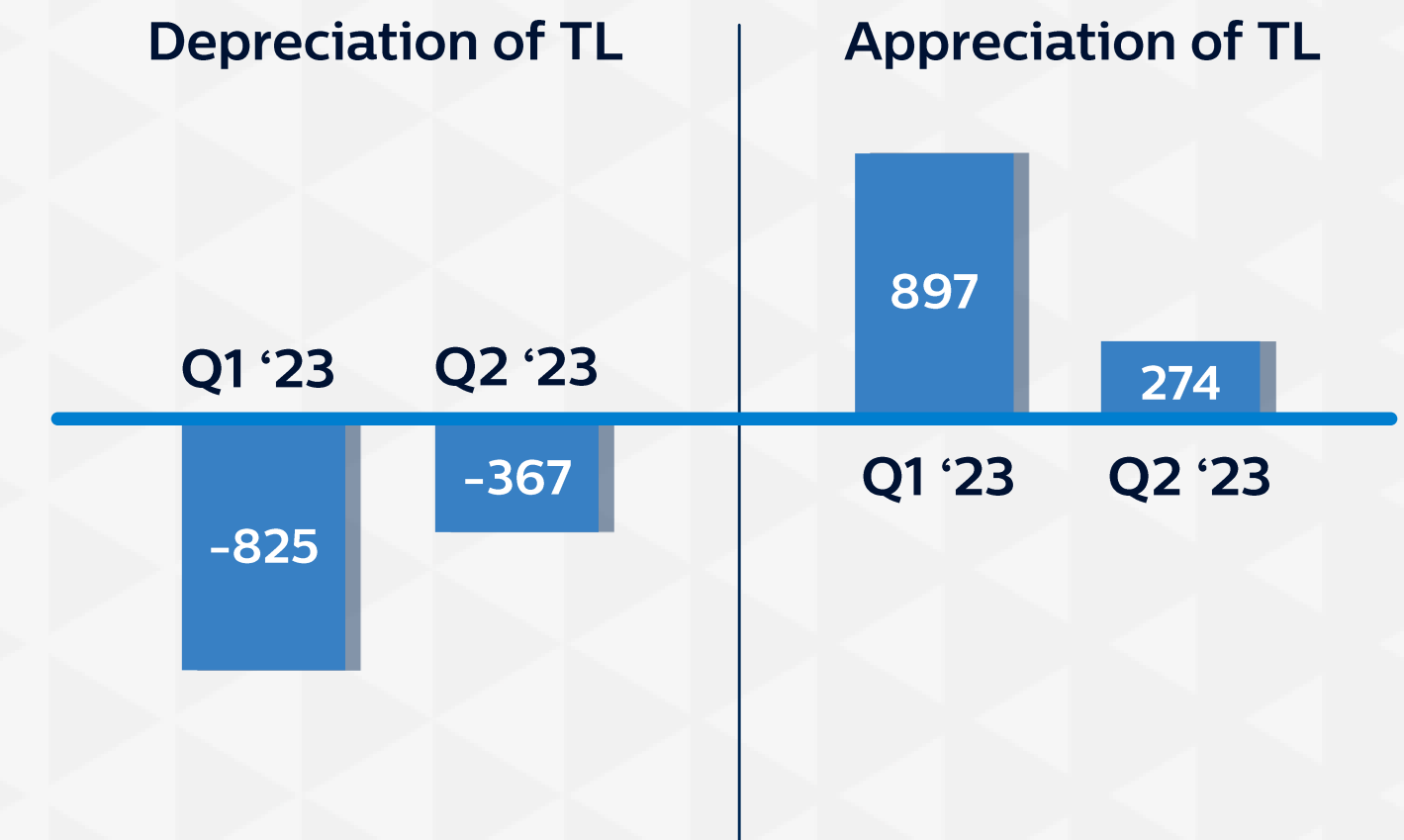
Net FX Exposure* (USD mn equivalent)



Excluding the ineffective portion of the hedge portfolio



Profit Before Tax Sensitivity (TL mn, 10% change in FX rates)



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

** Currency Protected Time Deposit

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



Appendix



Income Statement

(TL mn)	Q2 '22	Q1 '23	Q2 '23	QoQ Change	YoY Change
Revenues	10,732	15,253	17,947	17.7%	67.2%
EBITDA	4,404	4,781	6,036	26.2%	37.1%
Margin	41.0%	31.3%	33.6%		
Operating Profit	2,494	2,117	3,369	59.1%	35.1%
Margin	23.2%	13.9%	18.8%		
Financial Inc. / (Exp.)	(2,321)	(1,730)	(5,190)	200.1%	123.7%
FX & Hedging Gain / (Loss)	(1,774)	(575)	(4,184)	627.3%	135.9%
Interest Inc./ (Exp.)	(739)	(892)	(963)	7.9%	30.3%
Other Financial Inc./ (Exp.)	191	(262)	(43)	(83.5)%	n.m.
Tax Inc./ (Exp.)	1,219	258	1,221	372.8%	0.2%
Net Income	1,392	645	(601)	n.m	n.m.
Margin	13.0%	4.2%	(3.3)%		

Balance Sheet

(TL mn)	30.06.2022	31.03.2023	30.06.2023
Total Assets	65,226	88,552	103,787
Cash and Cash Equivalents	5,231	6,808	9,009
Tangible Assets ¹	19,479	30,624	31,772
Intangible Assets	15,024	18,324	19,843
Right of Use Assets	1,856	1,970	2,111
Other Assets ²	23,636	30,826	41,052
Total Equities and Liabilities	65,226	88,552	103,787
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	8,795	16,779	16,770
Interest Bearing Liabilities ³	39,963	50,228	61,766
<i>Bank Borrowings and Bonds</i>	38,300	48,604	59,923
<i>Lease Liabilities</i>	1,663	1,624	1,843
Other Liabilities ⁴	13,207	18,285	21,991

(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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