

# 2022 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



## Broadband

87K

Q2 '22

754K

LTM



## Mobile

246K

Q2 '22

1.3mn

LTM



## Fixed Voice

-264K

Q2 '22

-388K

LTM

52.2mn  
Subscribers

Net  
additions\*

53K  
in Q2 '22

1.5mn  
LTM

\* Includes Tivibu



# Financial & Operational Overview

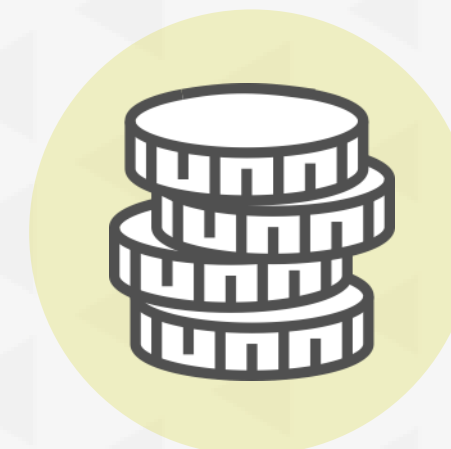
## 2022 Q2 Highlights



Total Subscribers

**52.2 mn**

▲ 3% YoY



Revenue

**TL 10.7 bn**

▲ 31% YoY



EBITDA

**TL 4.4 bn**

▲ 10% YoY



EBITDA Margin

**41.0%**

▼ 810bps YoY



Net Income

**TL 1.4 bn**

▲ 9% YoY



Free Cash Flow

**TL 1.5 bn**

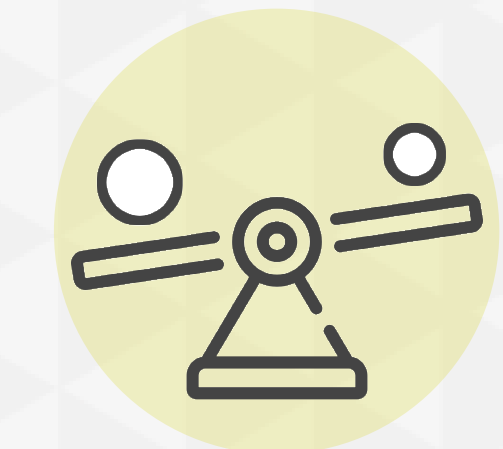
▼ 16% YoY



CAPEX

**TL 2.5 bn**

▲ 77% YoY

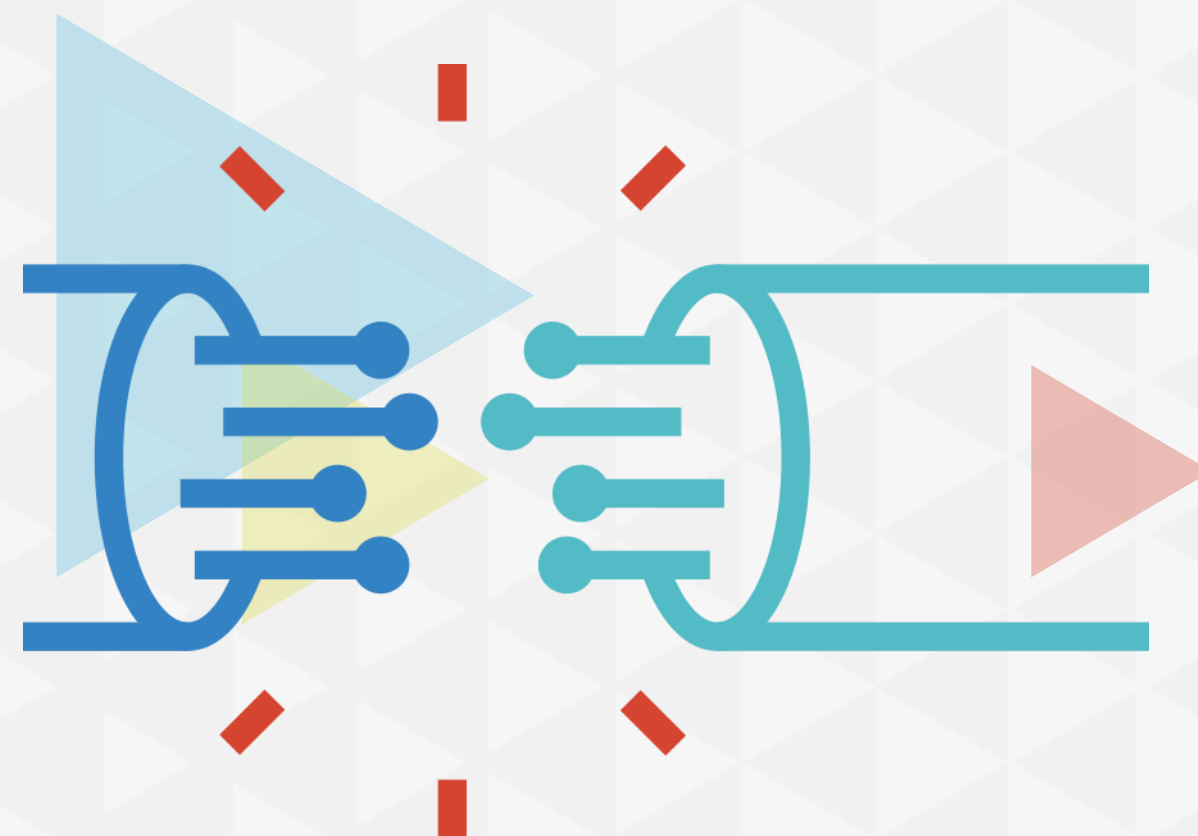


Net Leverage

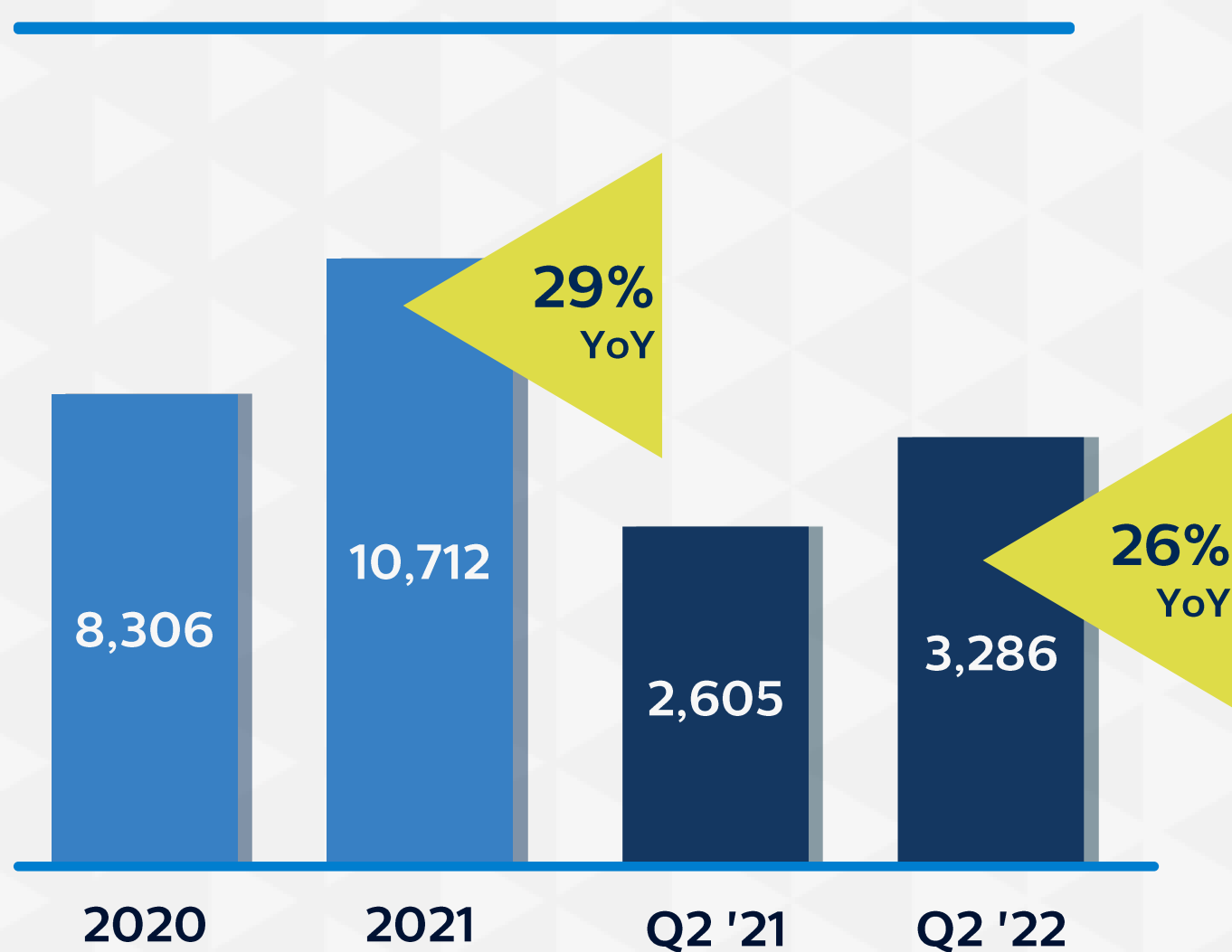
**1.54x**

Q2 '21 1.08x

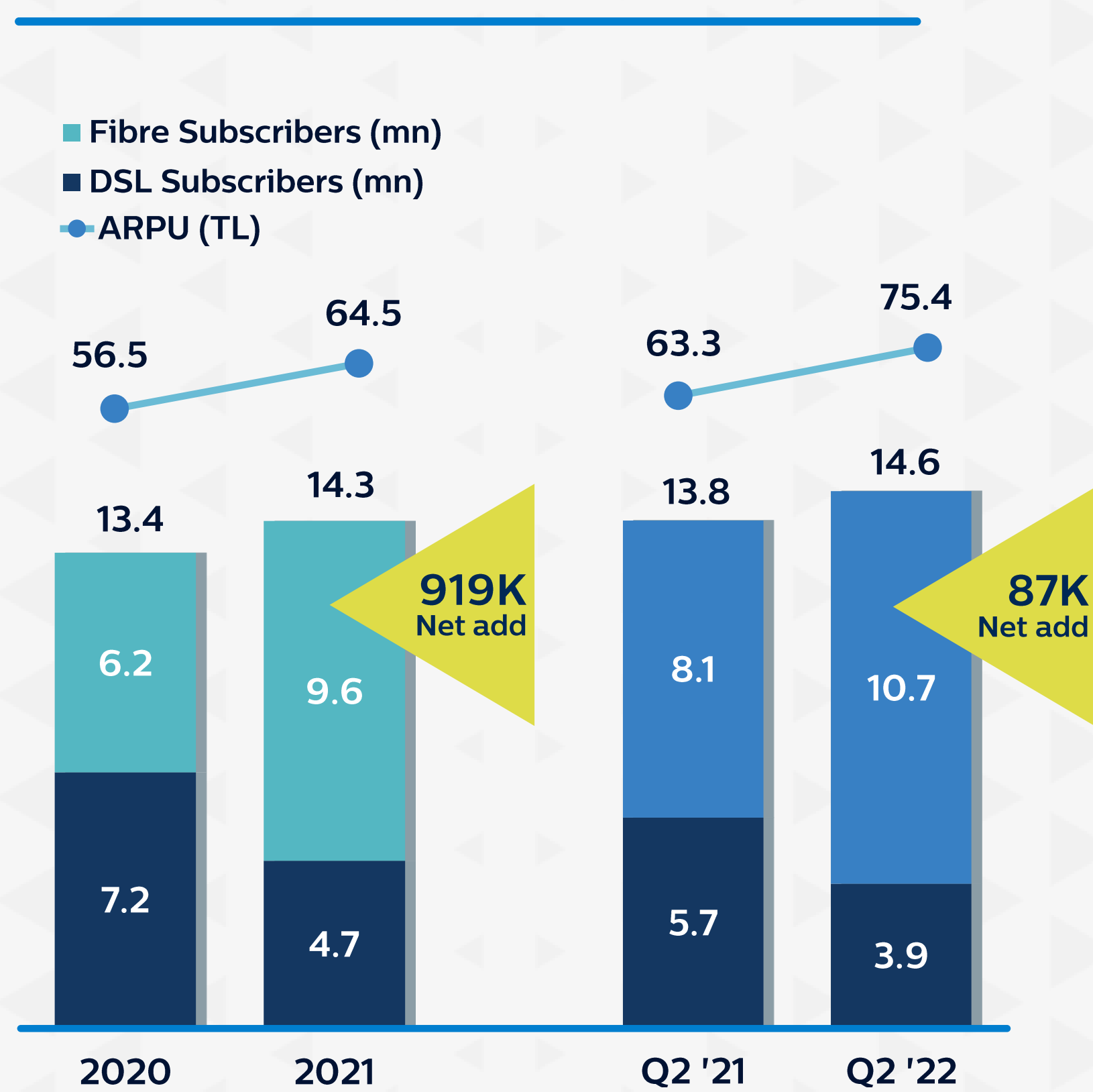
# Fixed Broadband Performance



**Fixed Broadband Revenue**  
(TL mn)

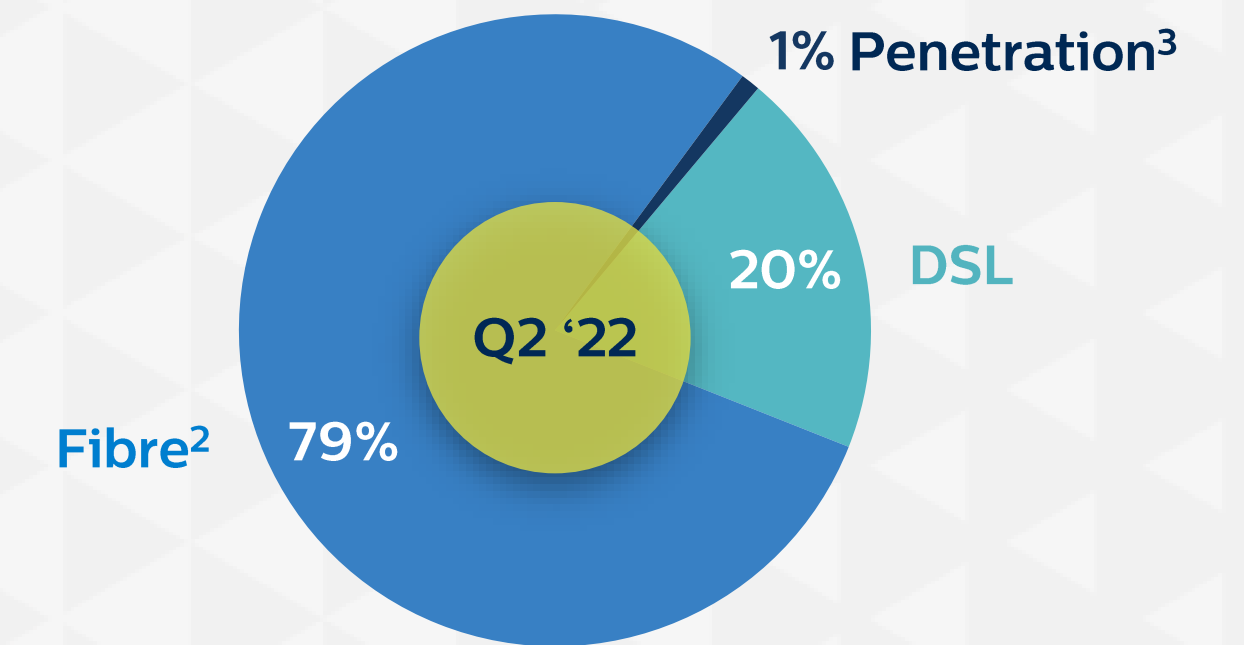
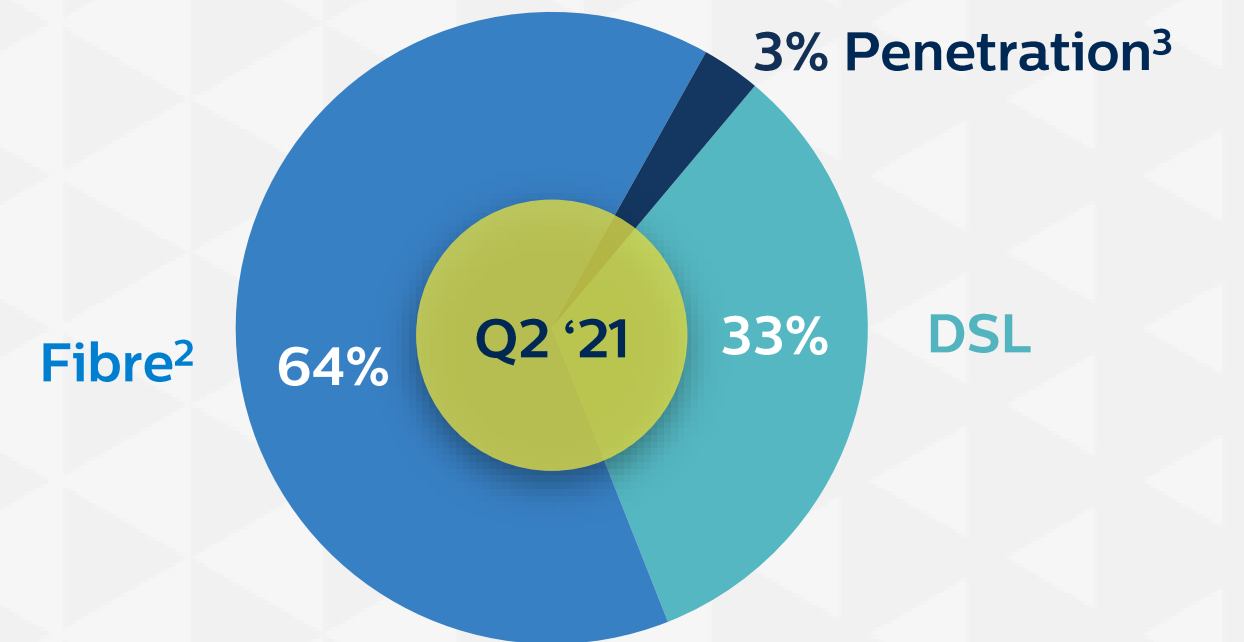


## ARPU & Subscribers



## Subscriber Breakdown<sup>1</sup>

(% of Subscribers)

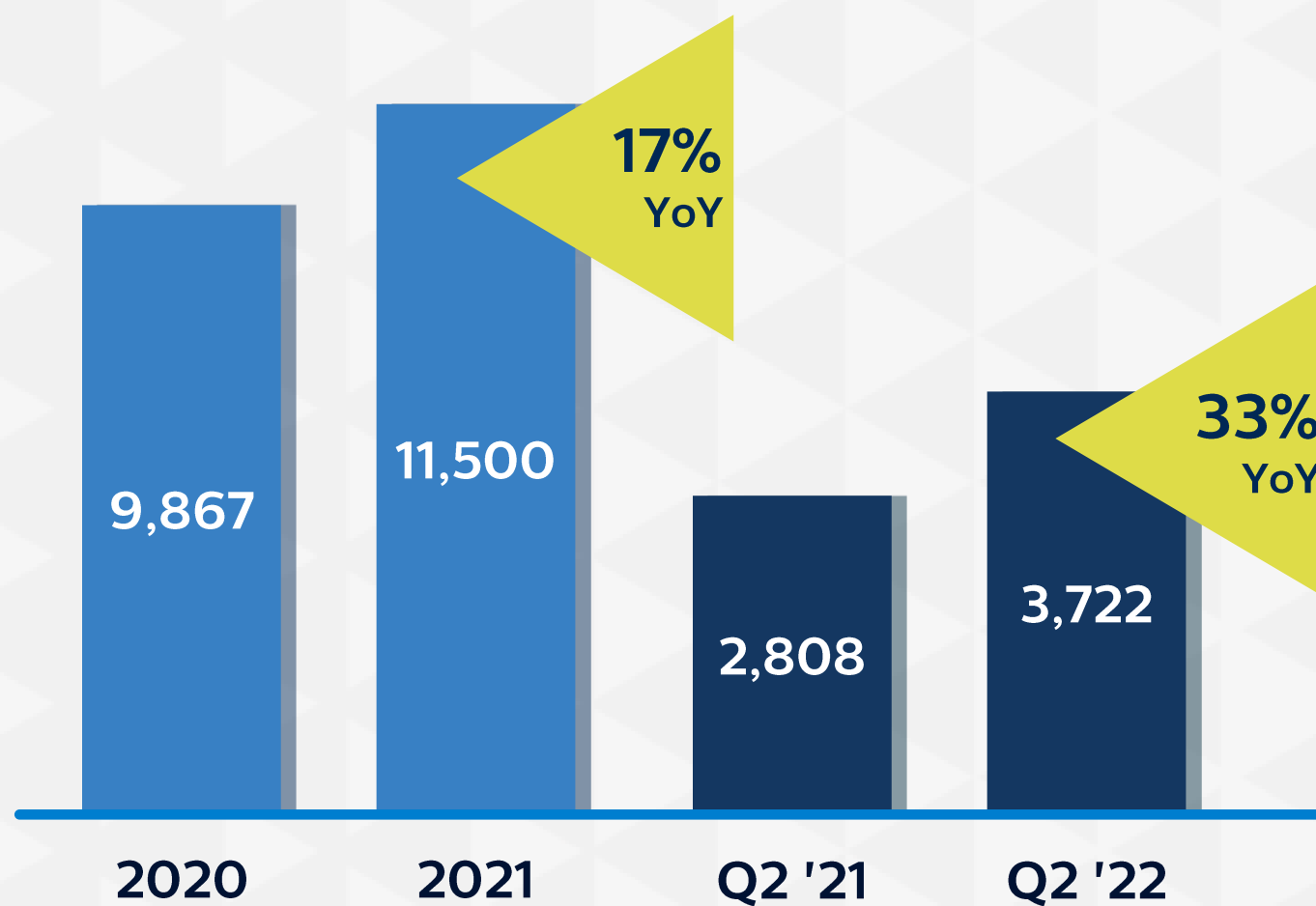


(1) Retail only  
 (2) Fibre subscribers include FTTH/B & FTTC subscribers  
 (3) Customers acquired through penetration campaigns

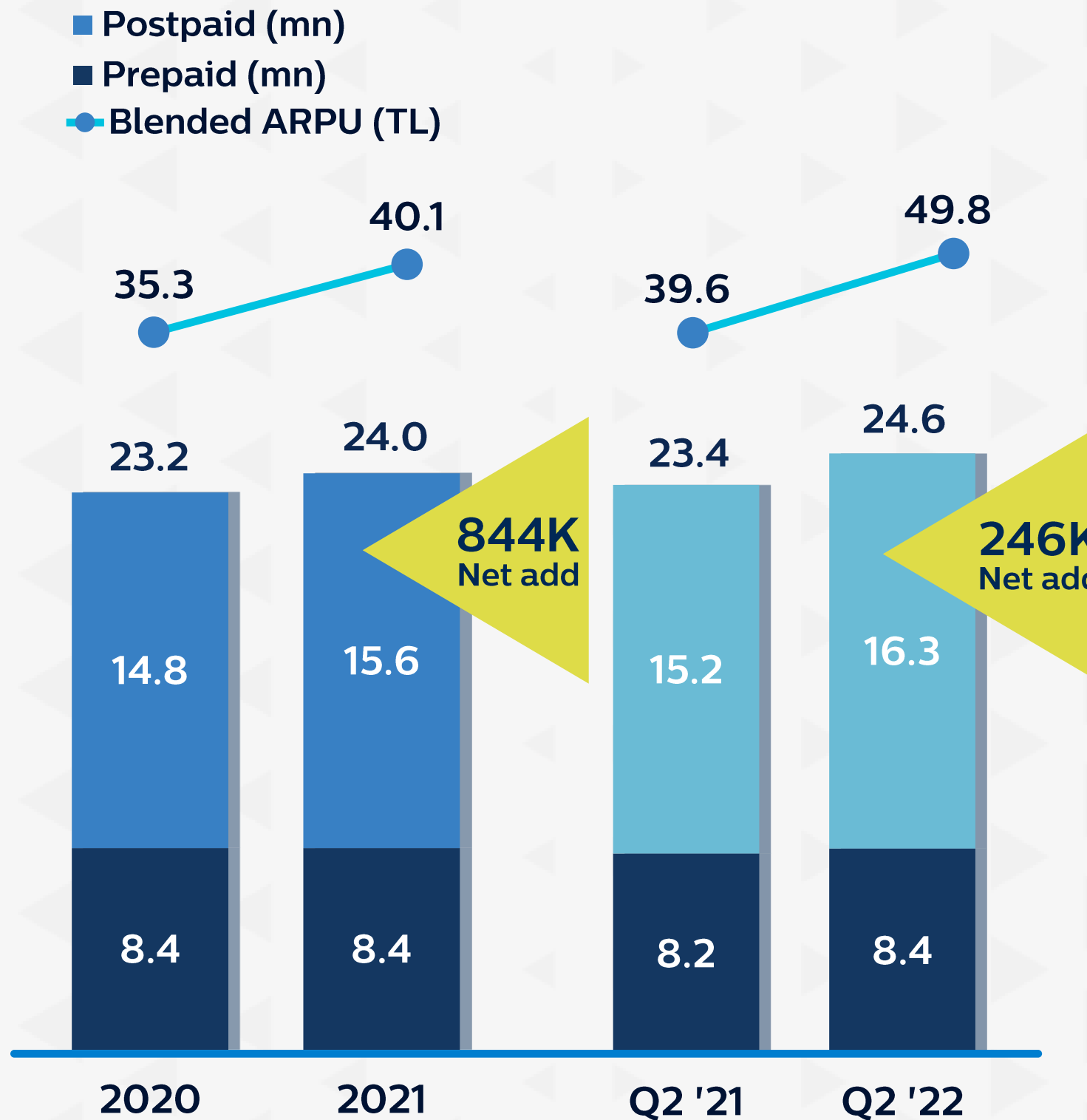
# Mobile Performance



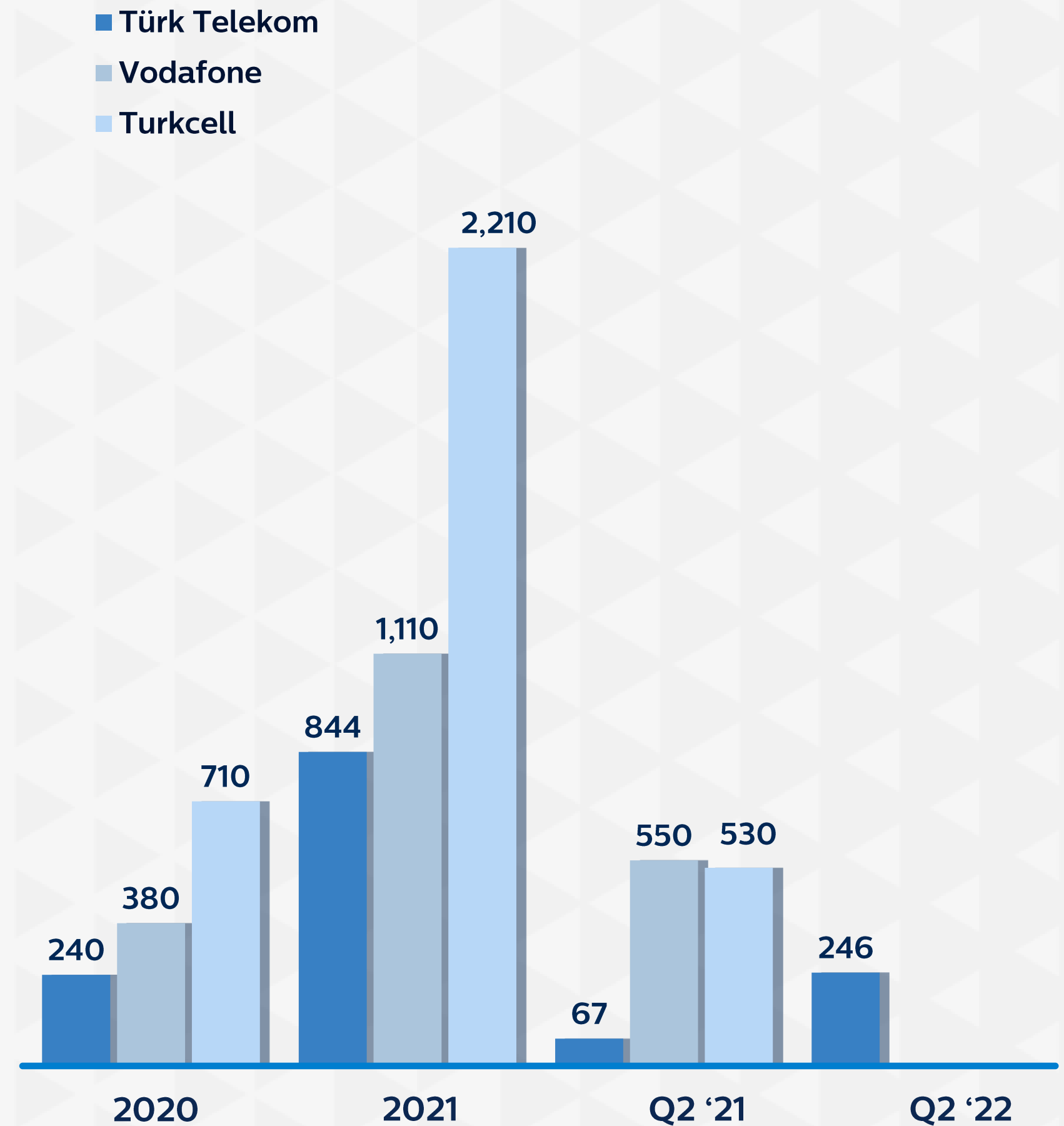
## Mobile Revenue (TL mn)



## ARPU & Subscribers



## Net Subscriber Additions (thousand)



Source: ICTA, Türk Telekom

# Guidance

	2021 Actuals	2022 Guidance	2022 Revised Guidance
<b>Revenue</b> (exc. IFRIC 12) <sup>1</sup>	19.5% growth	23% - 25% growth	Around 33% growth
<b>EBITDA</b>	TL 16.4 bn	TL 17.5 bn – TL 18.3 bn	Around TL 18.5 bn
<b>CAPEX</b>	TL 8.8 bn	Around TL 12.5 bn	Around TL 13.0 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 fibre based network.

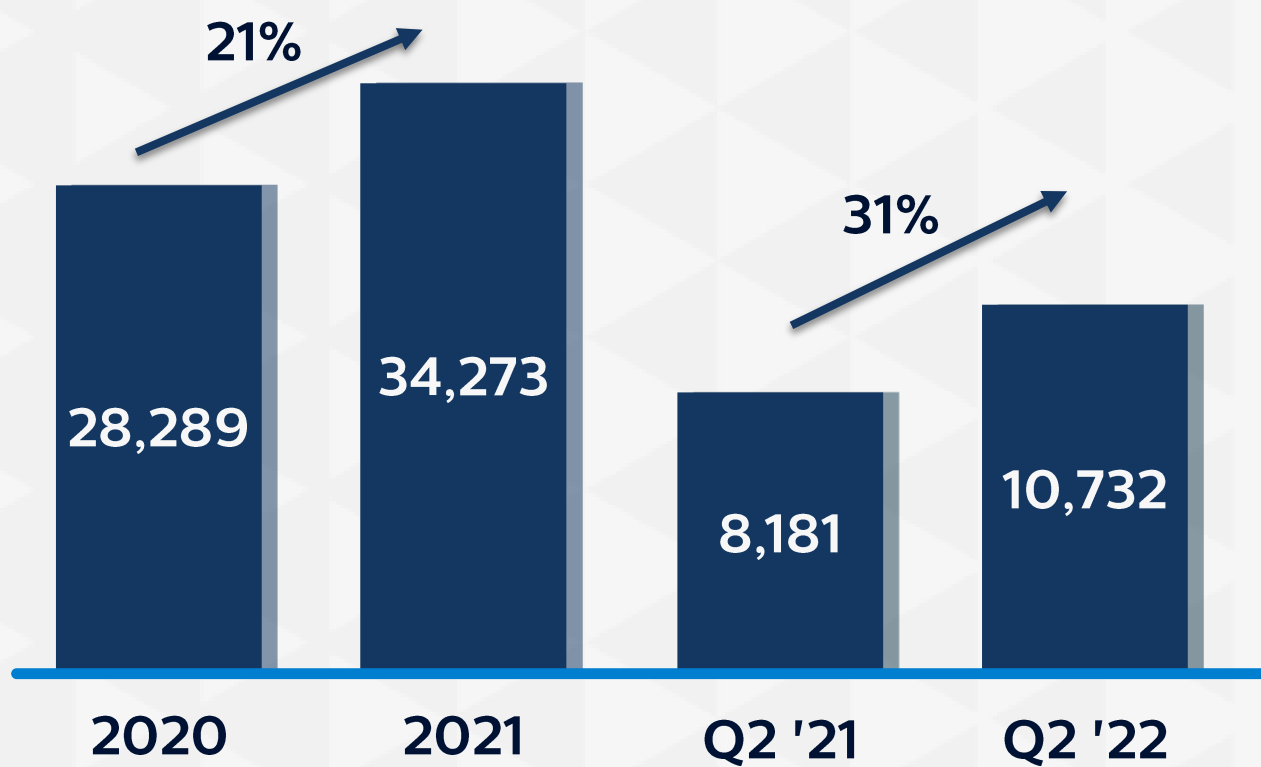
# Financials



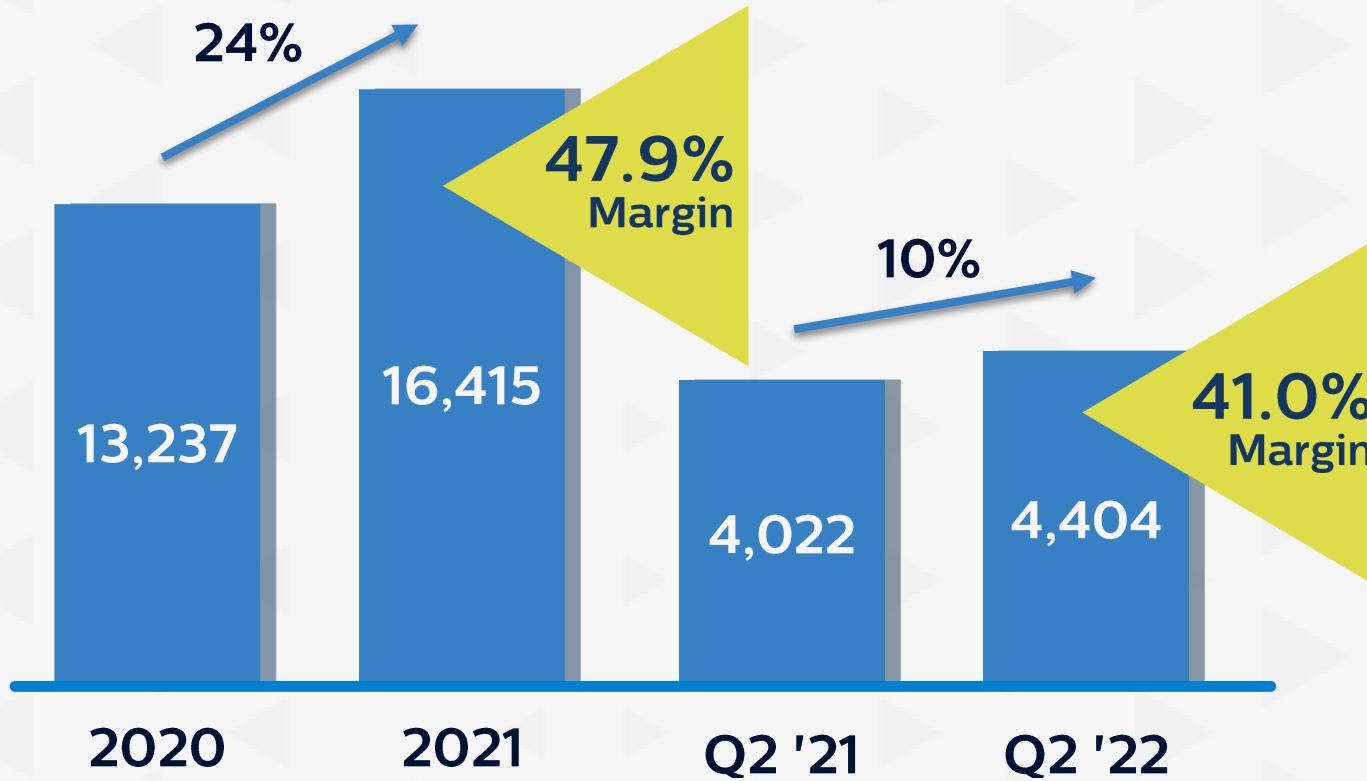


# Financial Performance

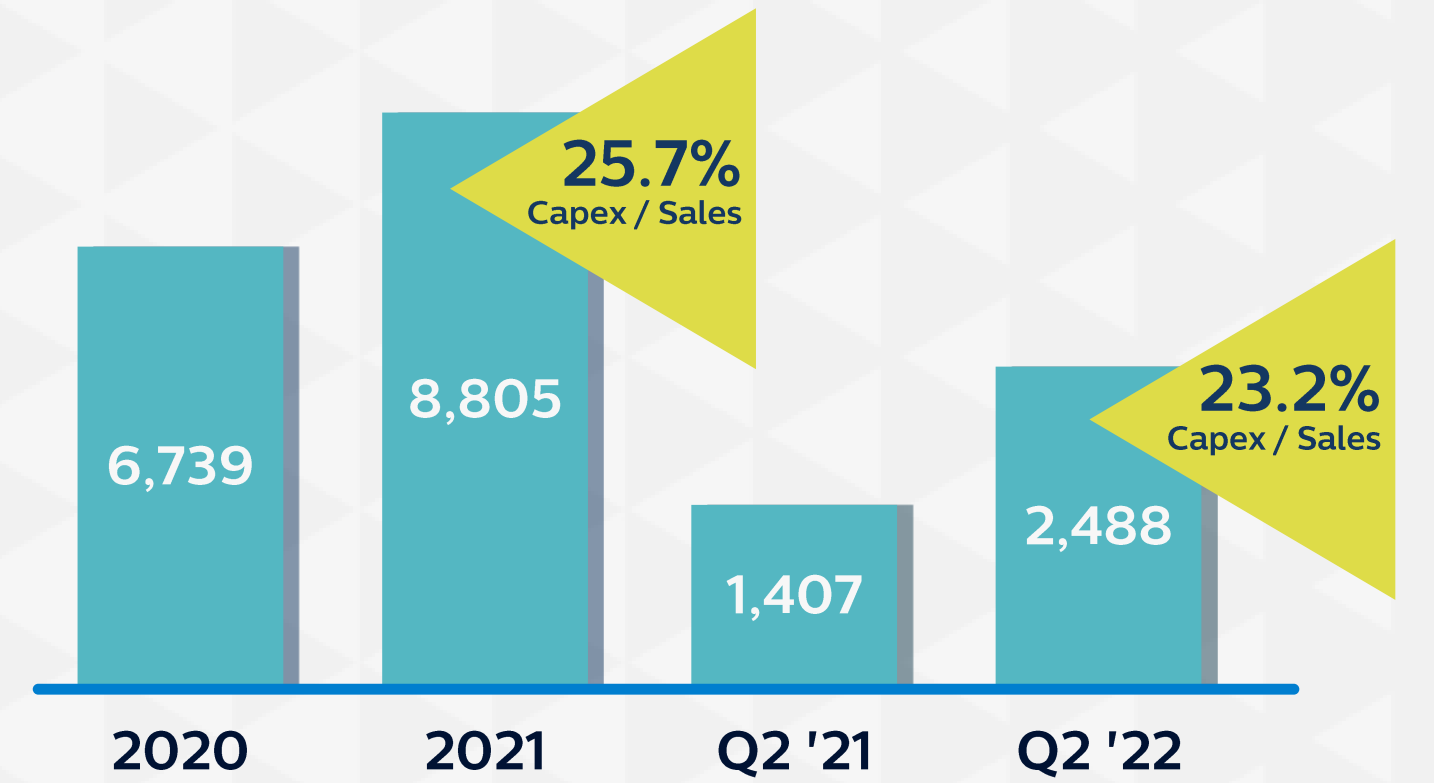
**Revenue**  
(TL mn)



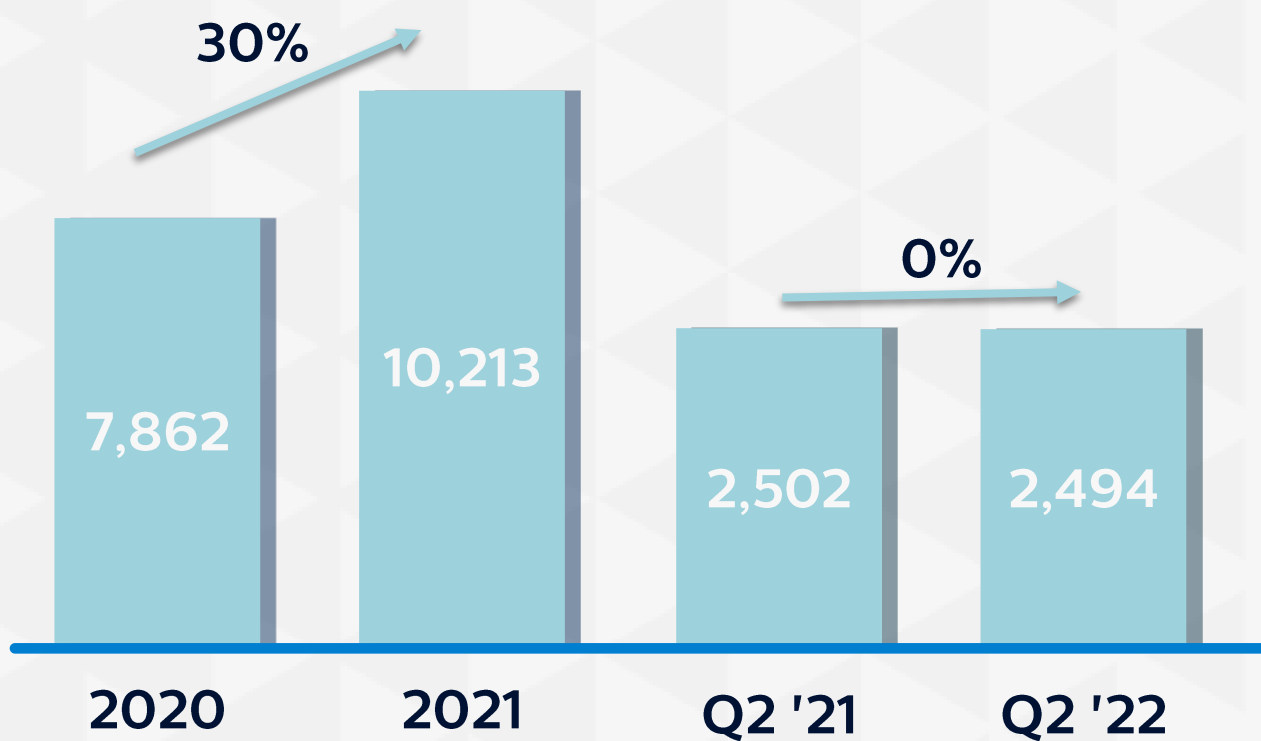
**EBITDA**  
(TL mn)



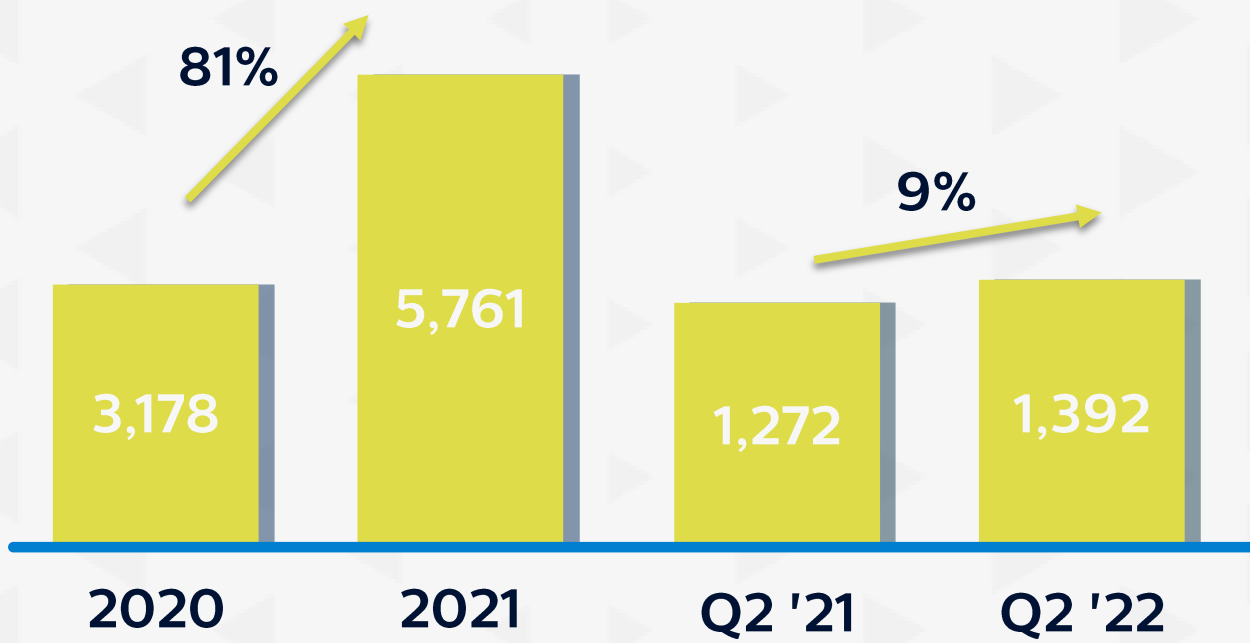
**CAPEX**  
(TL mn)



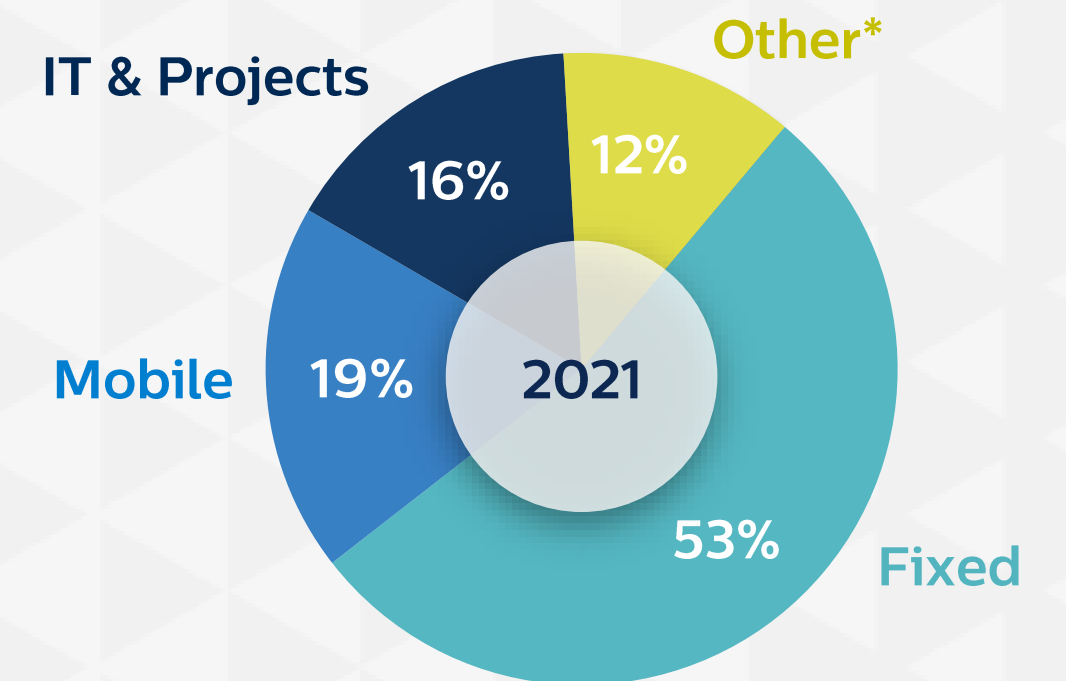
**Operating Profit**  
(TL mn)



**Net Income**  
(TL mn)



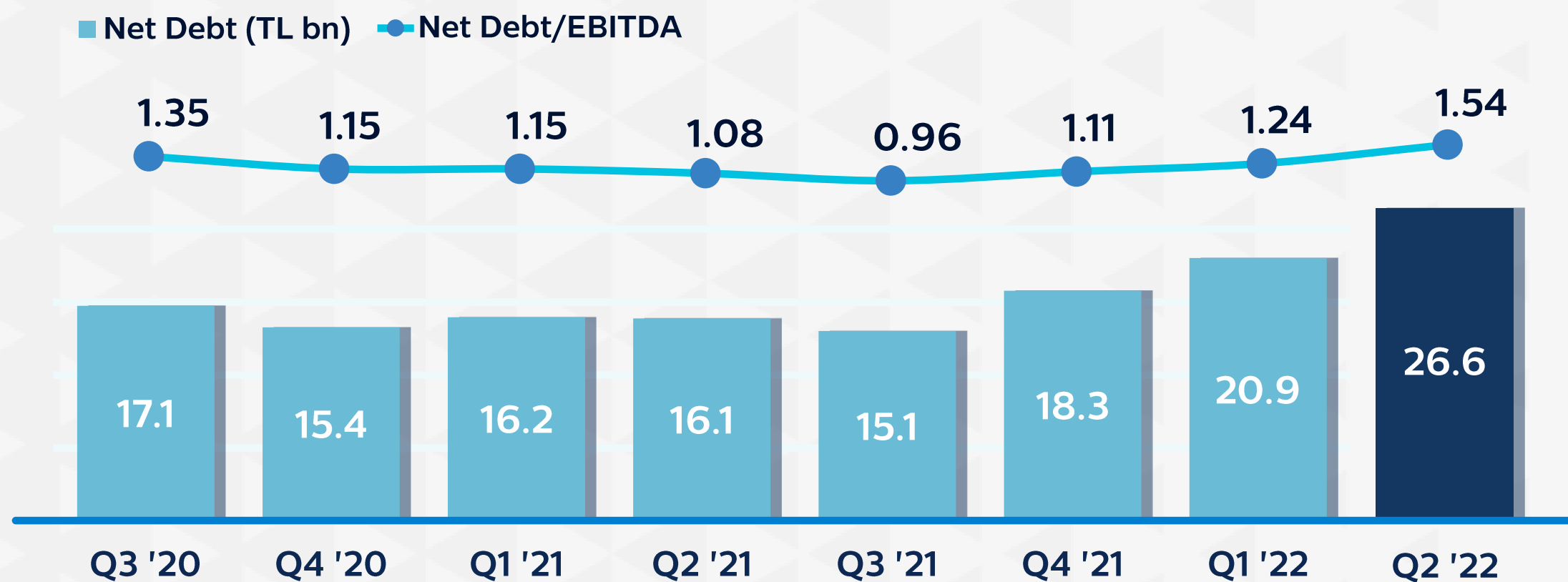
**Capex Breakdown**  
(2021, %)



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

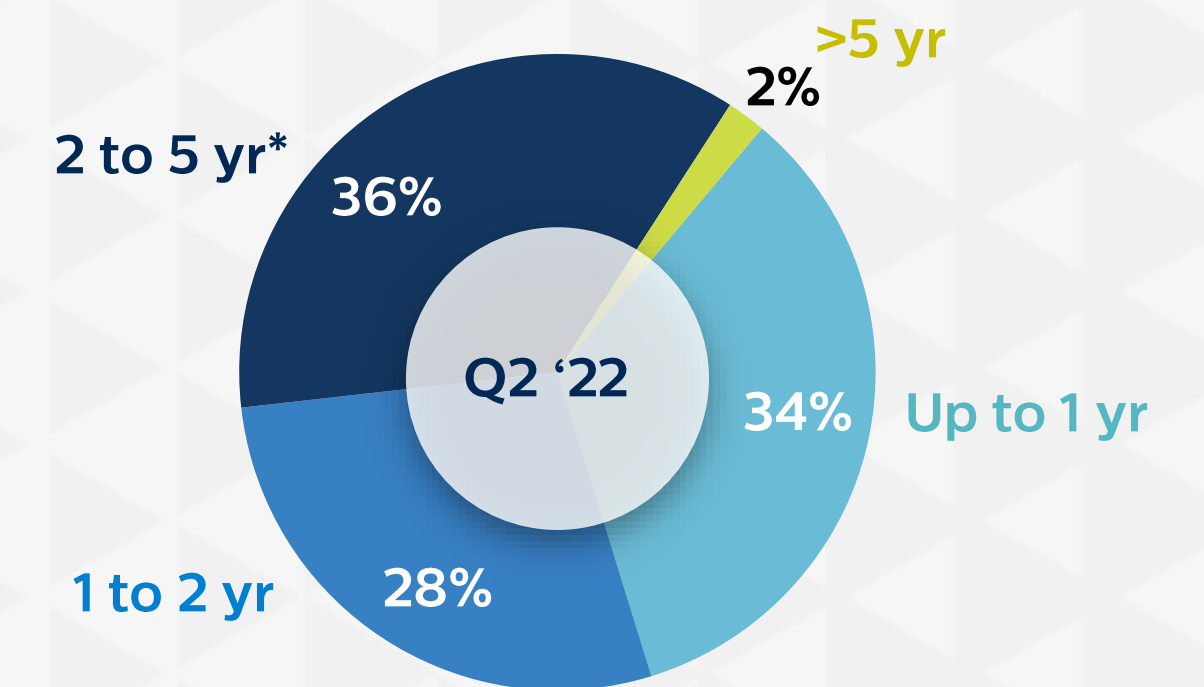
# Debt Profile

## Net Debt



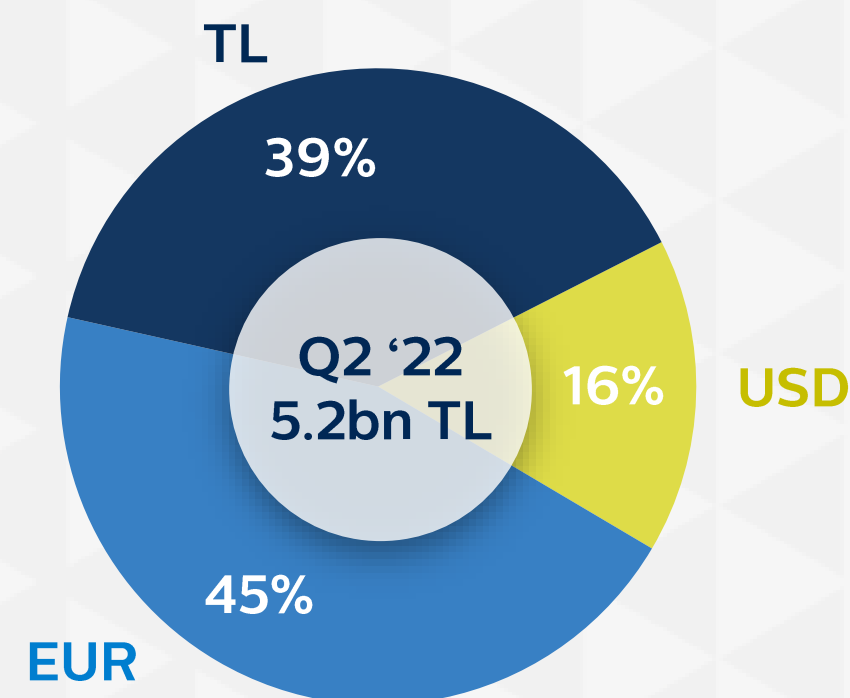
Note: Net Debt calculation includes market valuation (MTM) of Foreign Currency TL money swap transactions.  
 Net Debt/EBITDA calculation does not include extraordinary provisions in EBITDA calculation  
 Net Debt/EBITDA calculation includes fair value of Currency Protected Time Deposit included in Financial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

## Maturity Profile



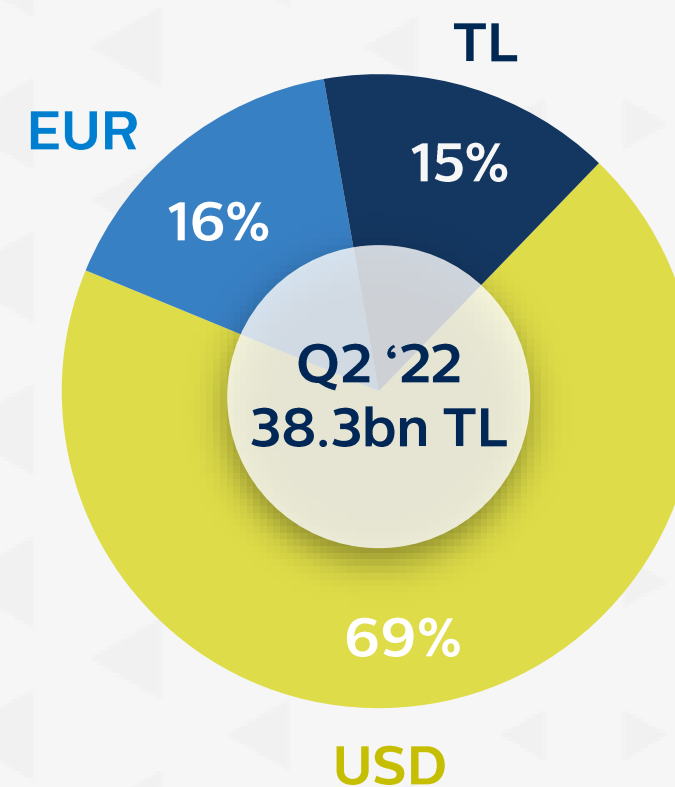
All loans are senior unsecured.  
 \* including 2024 & 2025 maturity bonds (USD 500 mn each)

## Cash – Currency Breakdown\*

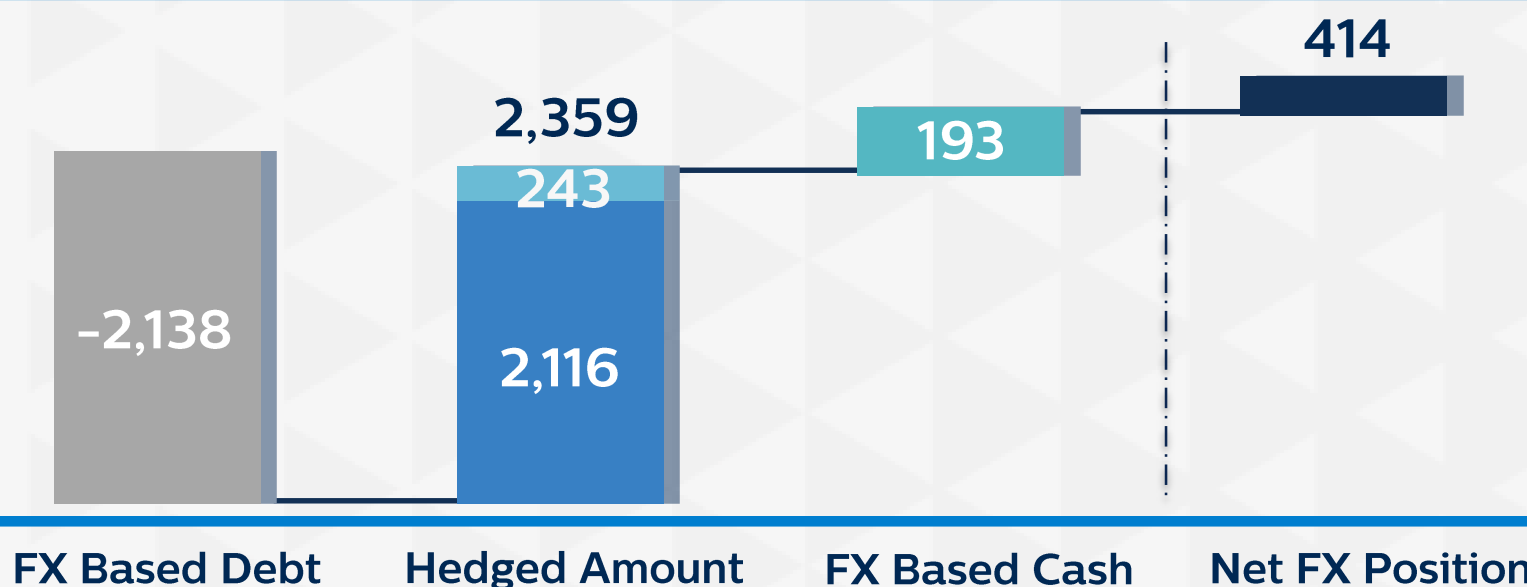


\* TL 4.3 bn worth currency protected time deposit is not included in cash.

## Gross Debt – Currency Breakdown



## Hedge – Composition of FX Position



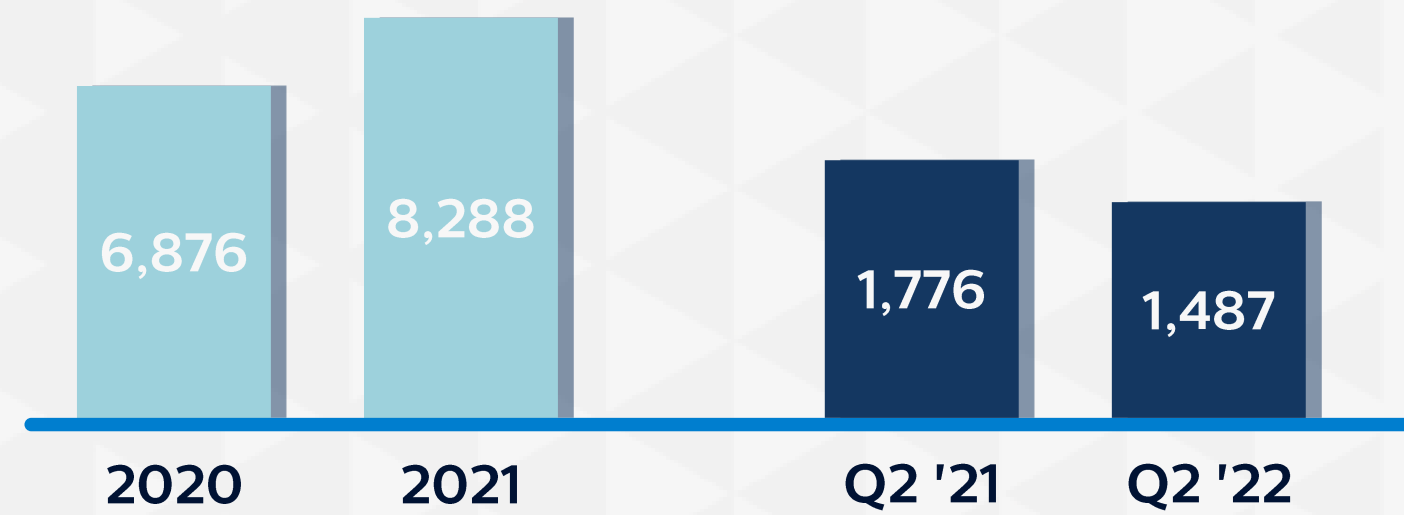
\* FX Debt calculation includes FX financial debt (including FX lease obligations) and FX net trade payables. Hedged amount includes hedging of FX financial debt, currency protected time deposit, hedging of FX net trade payables and net investment hedge.

\*\* Currency protected time deposit included in hedged amount is worth USD 243 mn.

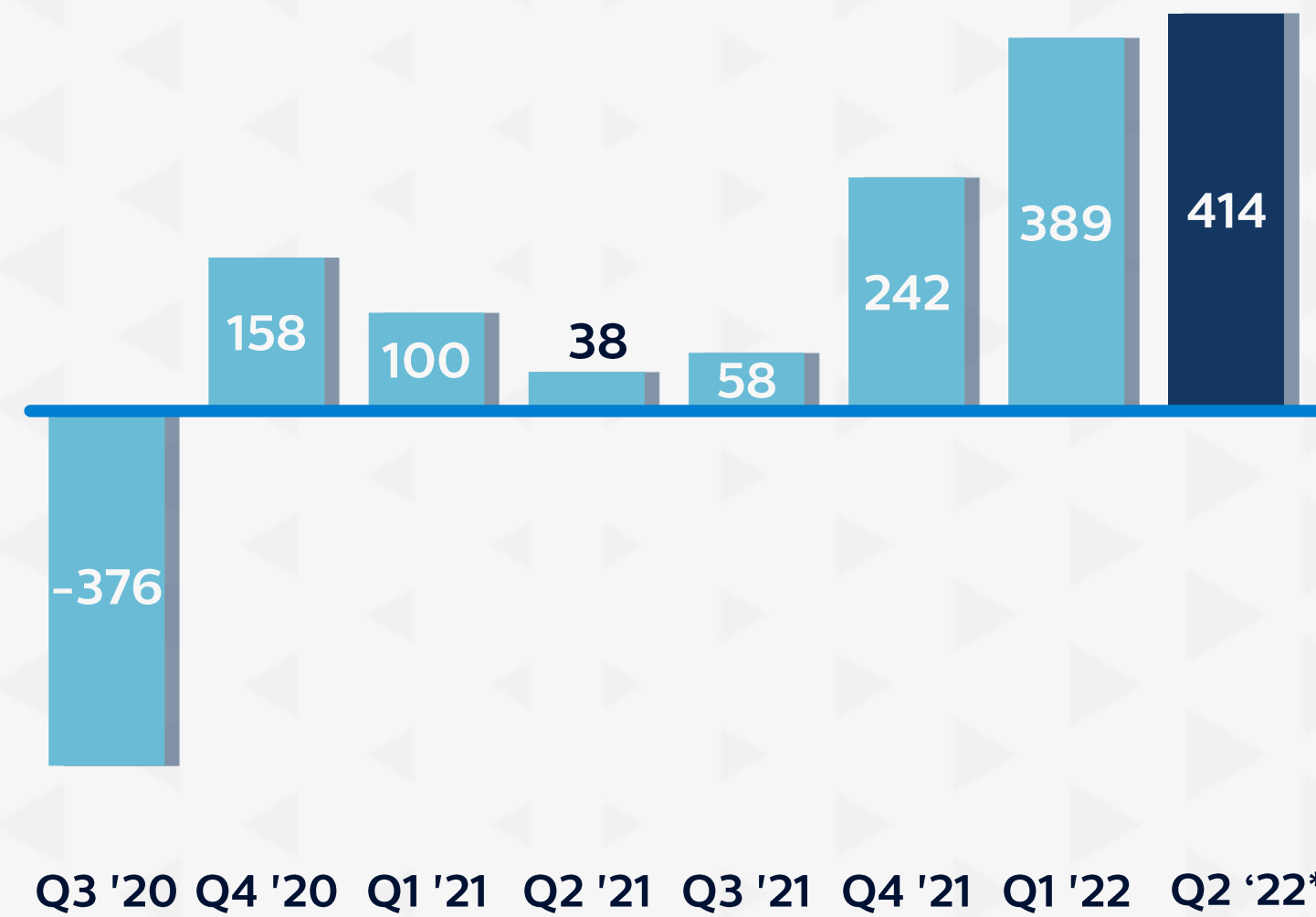
\*\*\* Excluding the ineffective portion of the hedge portfolio, mainly the existing PCCS contracts, net FX exposure would be USD 643 mn short position.

# Prudent Balance Sheet Management

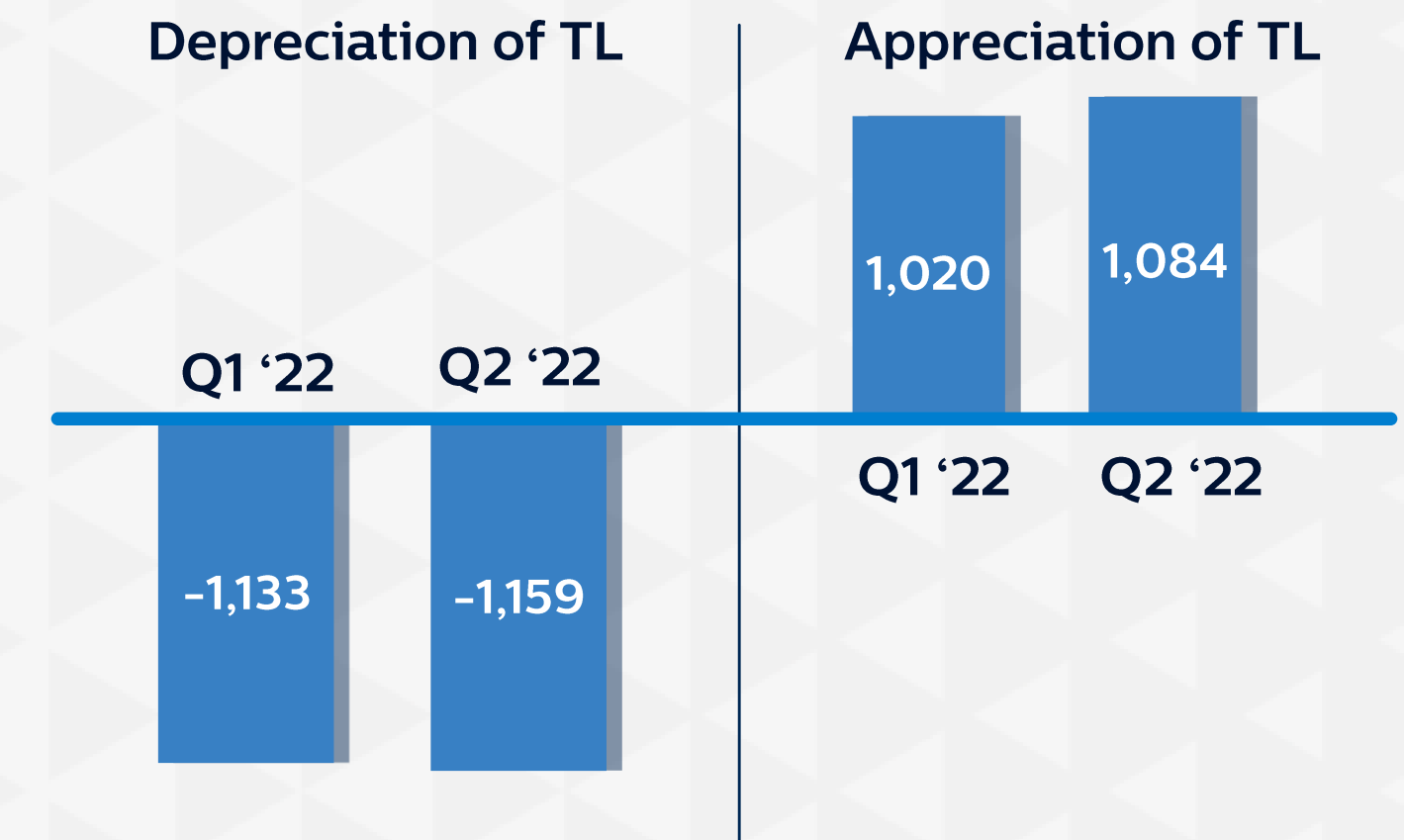
## Cash Flow\* (TL mn)



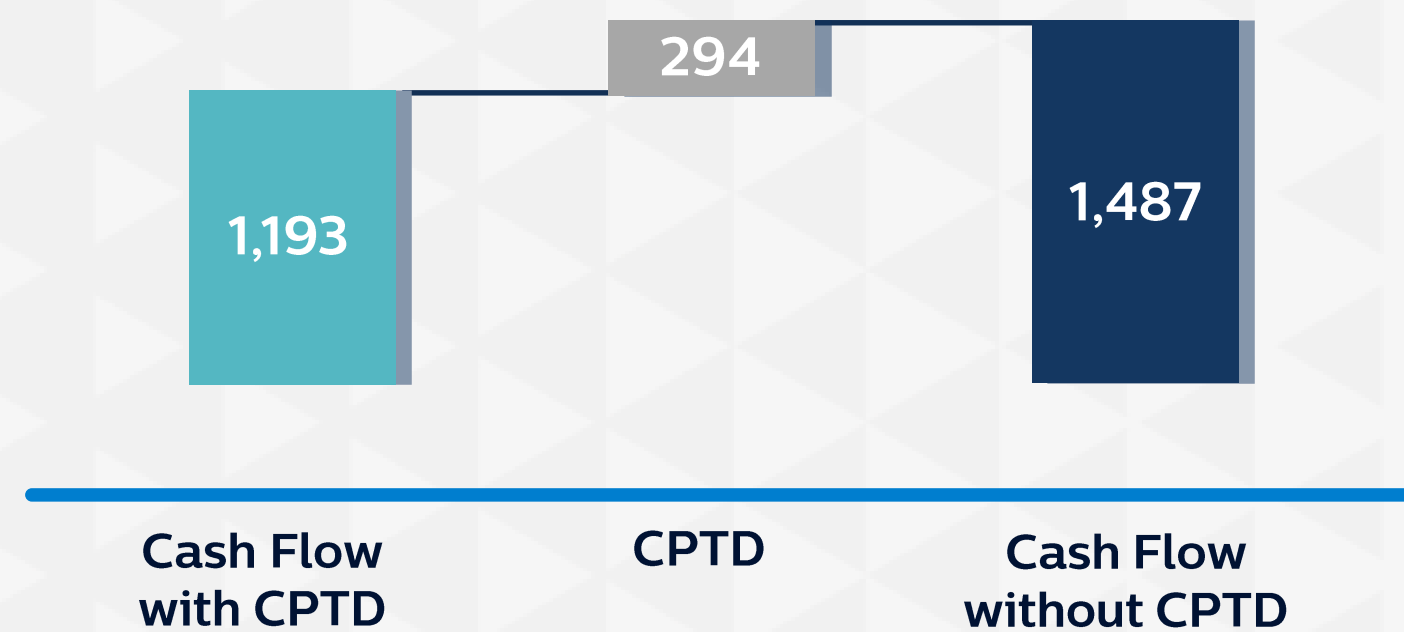
## Net FX Exposure\* (USD mn equivalent)



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



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



\* 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.  
 \*\* Excluding the ineffective portion of the hedge portfolio, mainly the existing PCCS contracts, net FX exposure would be USD 643 mn short position.



# Appendix



# Income Statement

(TL mn)	Q2 '21	Q1 '22	Q2 '22	QoQ Change	YoY Change
Revenues	8,181	9,471	10,732	13.3%	31.2%
EBITDA	4,022	4,115	4,404	7.0%	9.5%
Margin	49.2%	43.5%	41.0%		
Operating Profit	2,502	2,298	2,494	8.5%	(0.3)%
Margin	30.6%	24.3%	23.2%		
Financial Inc. / (Exp.)	(893)	(2,008)	(2,321)	15.6%	159.8%
FX & Hedging Gain / (Loss)	(408)	(1,426)	(1,774)	24.4%	334.3%
Interest Inc./ (Exp.)	(455)	(565)	(739)	30.7%	62.4%
Other Financial Inc./ (Exp.)	(30)	(17)	191	n.m.	n.m.
Tax Inc./ (Exp.)	(337)	270	1,219	350.8%	n.m.
Net Income	1,272	561	1,392	148.3%	9.4%
Margin	15.6%	5.9%	13.0%		

# Balance Sheet

(TL mn)	30.06.2021	31.03.2022	30.06.2022
<b>Total Assets</b>	<b>46,005</b>	<b>63,565</b>	<b>65,226</b>
Cash and Cash Equivalents	4,129	8,438	5,231
Tangible Assets <sup>1</sup>	16,191	19,010	19,479
Intangible Assets	12,425	14,446	15,024
Right of Use Assets	1,575	1,602	1,856
Other Assets <sup>2</sup>	11,686	20,070	23,636
<b>Total Equities and Liabilities</b>	<b>46,005</b>	<b>63,565</b>	<b>65,226</b>
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	9,222	7,174	8,795
Interest Bearing Liabilities <sup>3</sup>	22,251	36,488	39,963
<i>Bank Borrowings and Bonds</i>	<i>20,864</i>	<i>35,062</i>	<i>38,300</i>
<i>Lease Liabilities</i>	<i>1,387</i>	<i>1,426</i>	<i>1,663</i>
Other Liabilities <sup>4</sup>	11,272	16,643	13,207

(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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