

2021 Q4 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

266K
Q4 '21

919K
2021



Mobile

171K
Q4 '21

844K
2021



Fixed Voice

-15K
Q4 '21

-124K
2021



*Includes Tivibu



Financial & Operational Overview

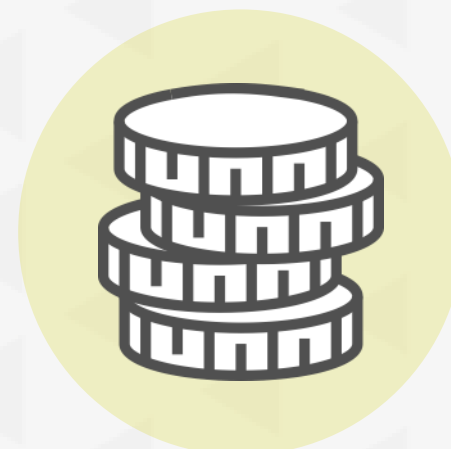
2021 Highlights



Total Subscribers

51.8 mn

▲ 3% YoY



Revenue

TL 34.3 bn

▲ 21% YoY



EBITDA

TL 16.4 bn

▲ 24% YoY



EBITDA Margin

47.9%

▲ 110bps YoY



Net Income

TL 5.8 bn

▲ 81% YoY



Free Cash Flow

TL 8.3 bn

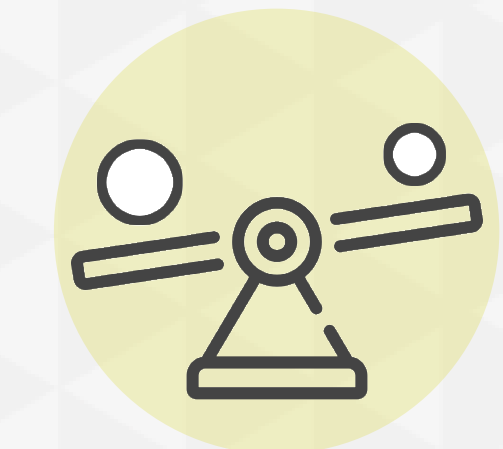
▲ 21% YoY



CAPEX

TL 8.8 bn

▲ 31% YoY

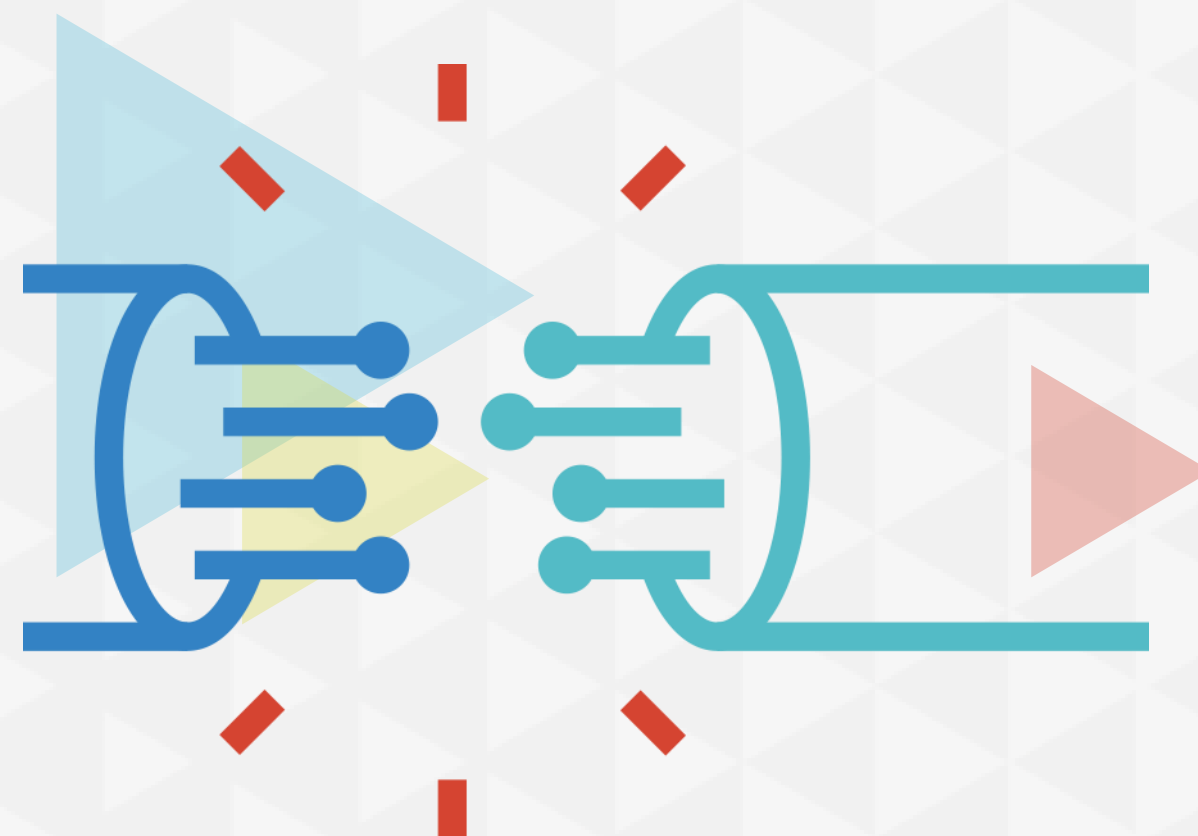


Net Leverage

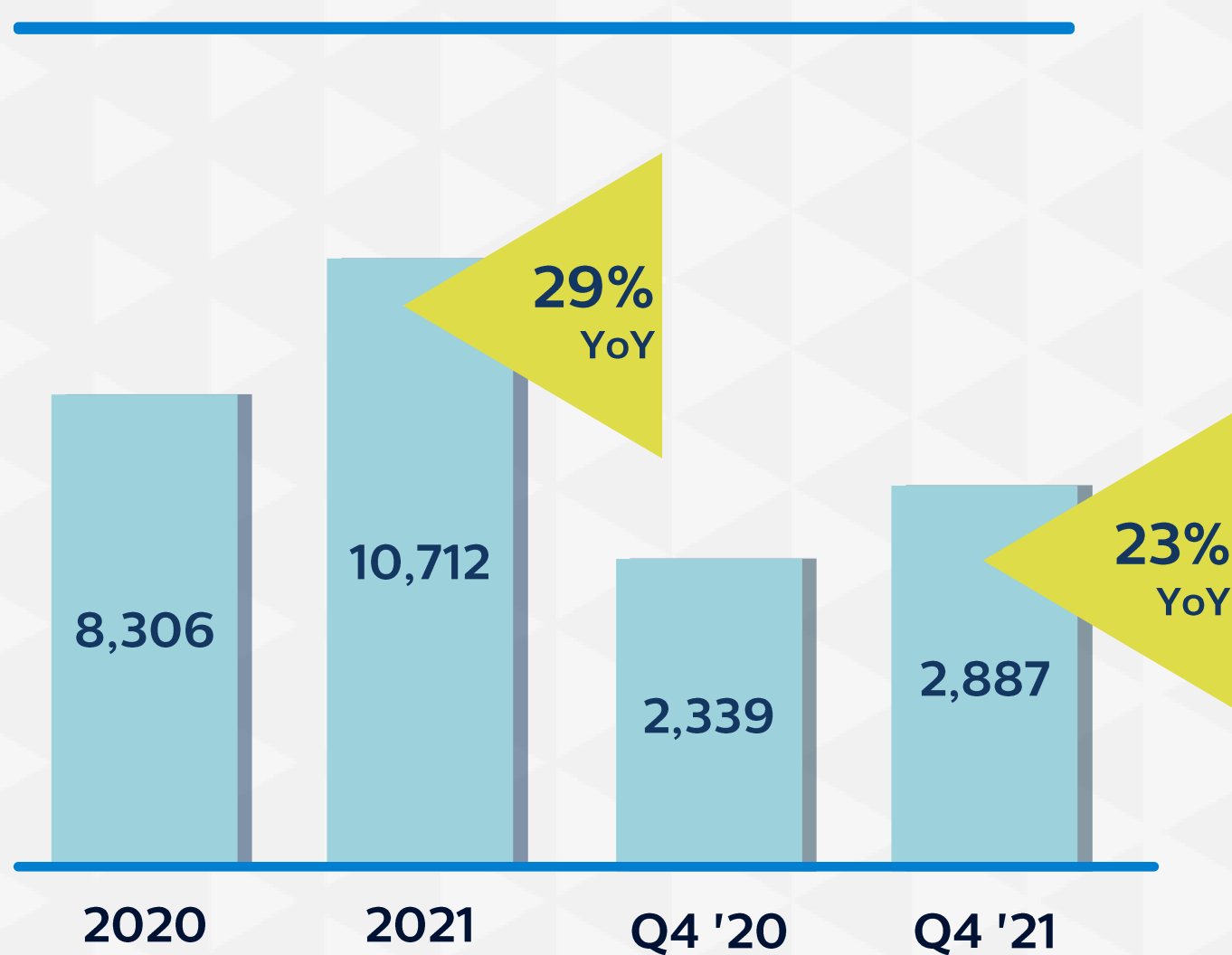
1.11x

Q4 '20 1.15x

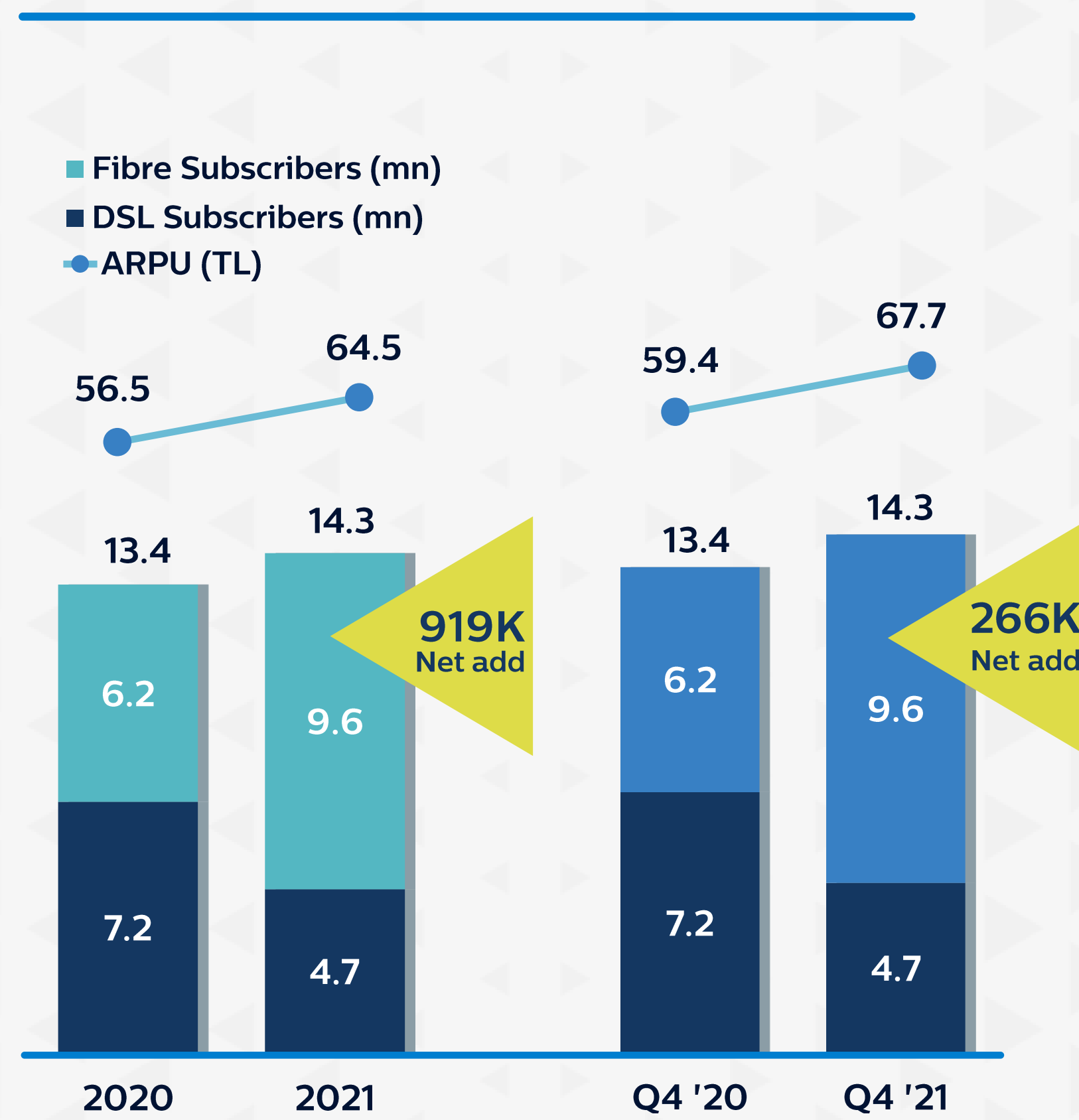
Fixed Broadband Performance



Fixed Broadband Revenue
(TL mn)

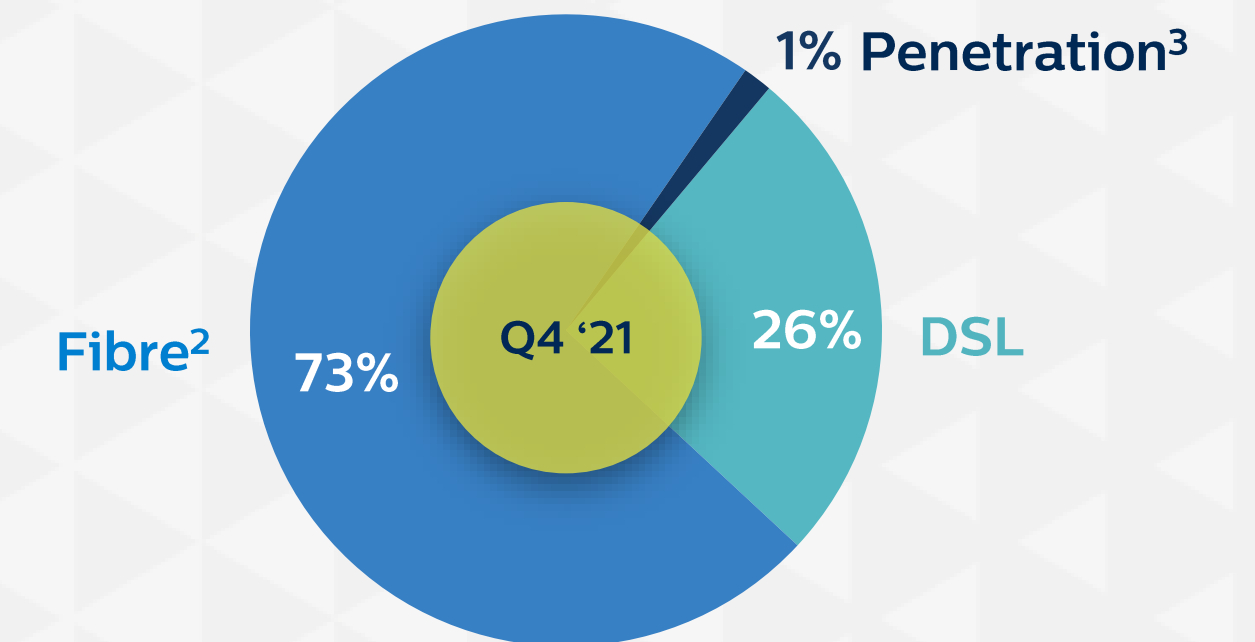
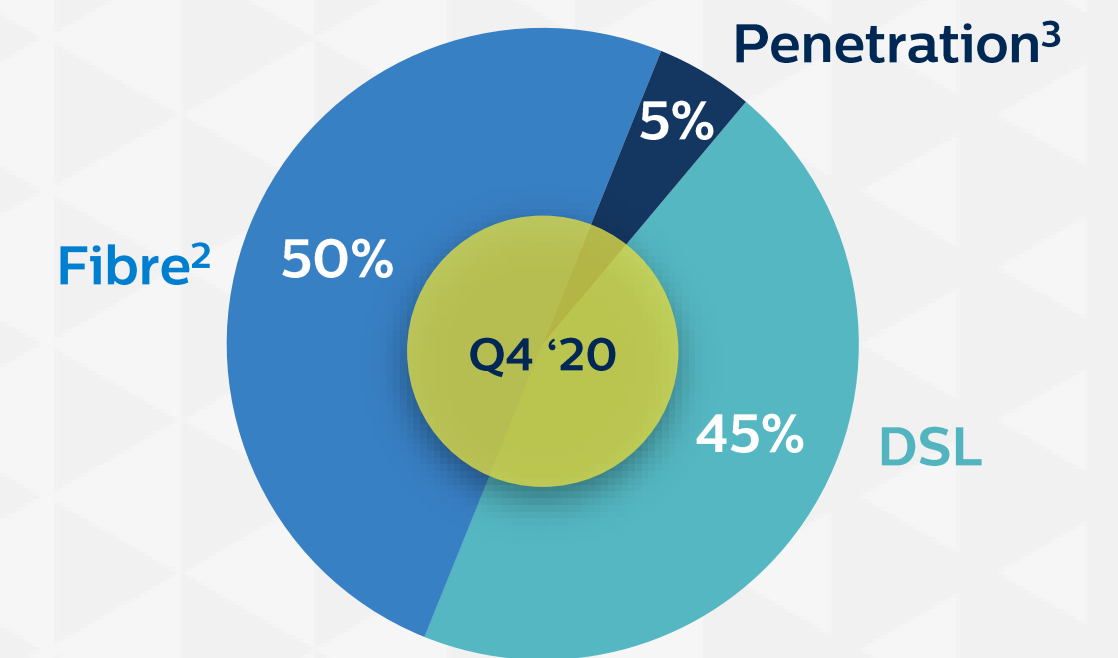


ARPU & Subscribers



Subscriber Breakdown¹

(% of Subscribers)



¹Retail only

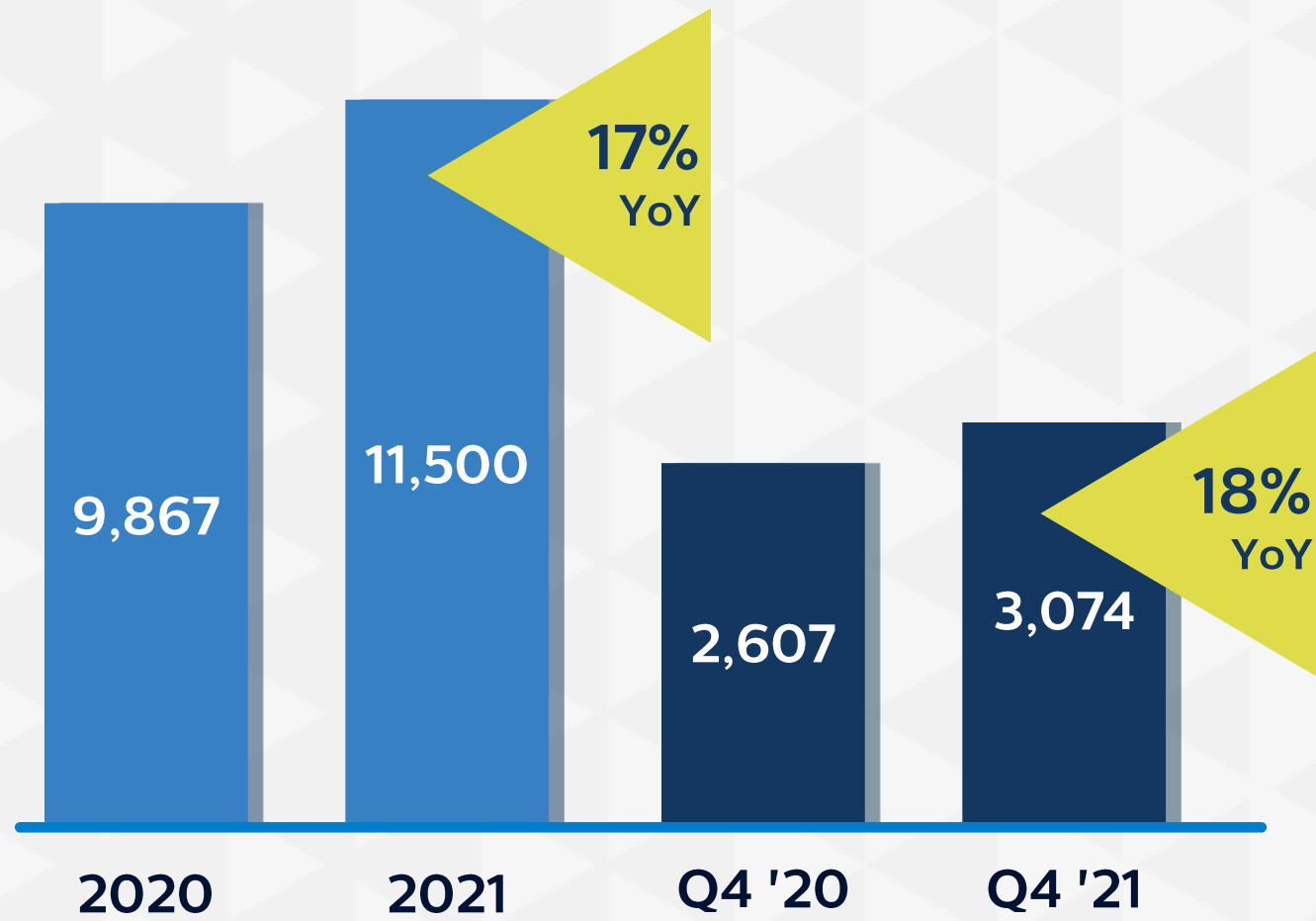
²Fibre subscribers include FTTH/B & FTTC subscribers

³Customers acquired through penetration campaigns

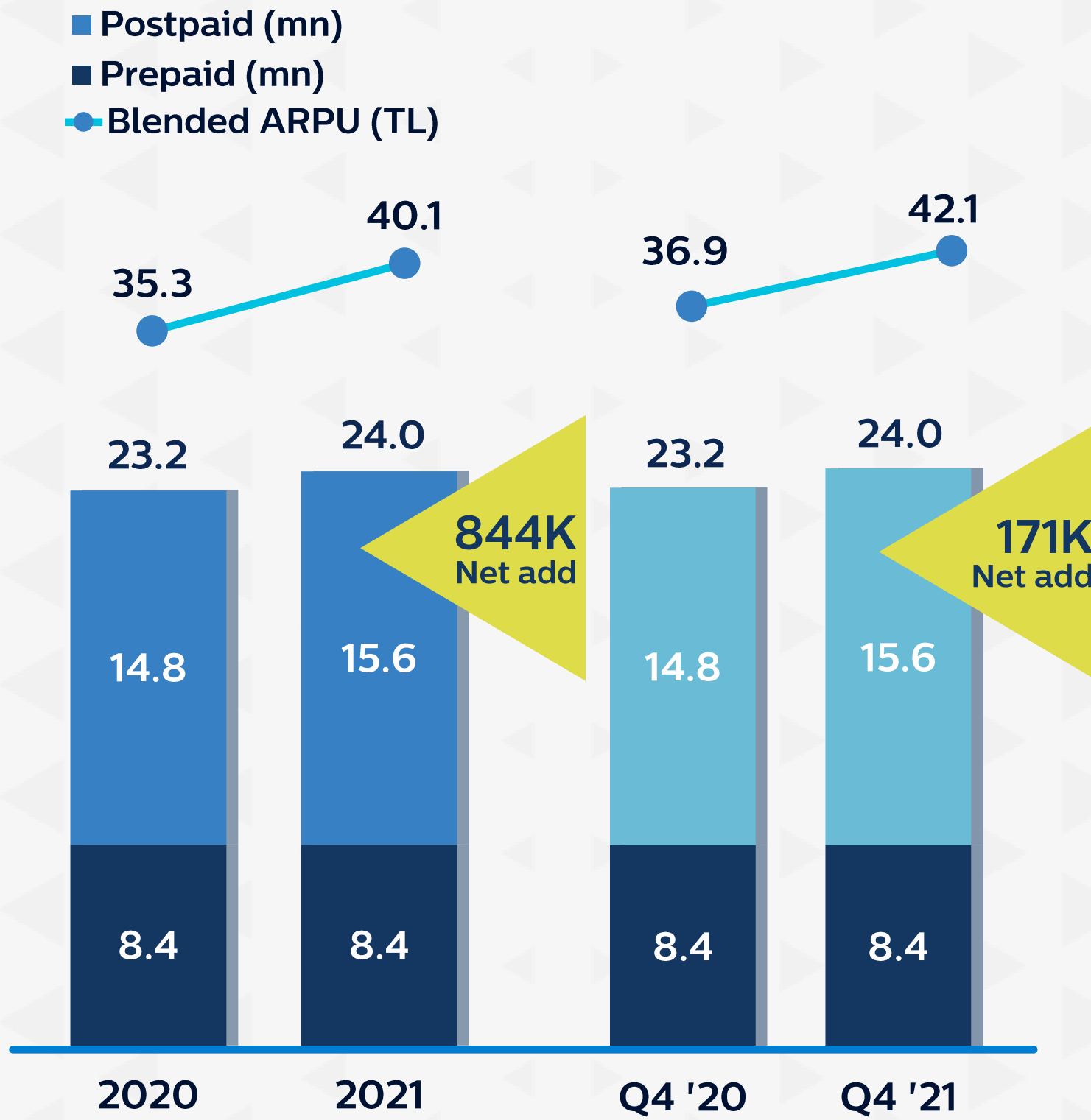
Mobile Performance



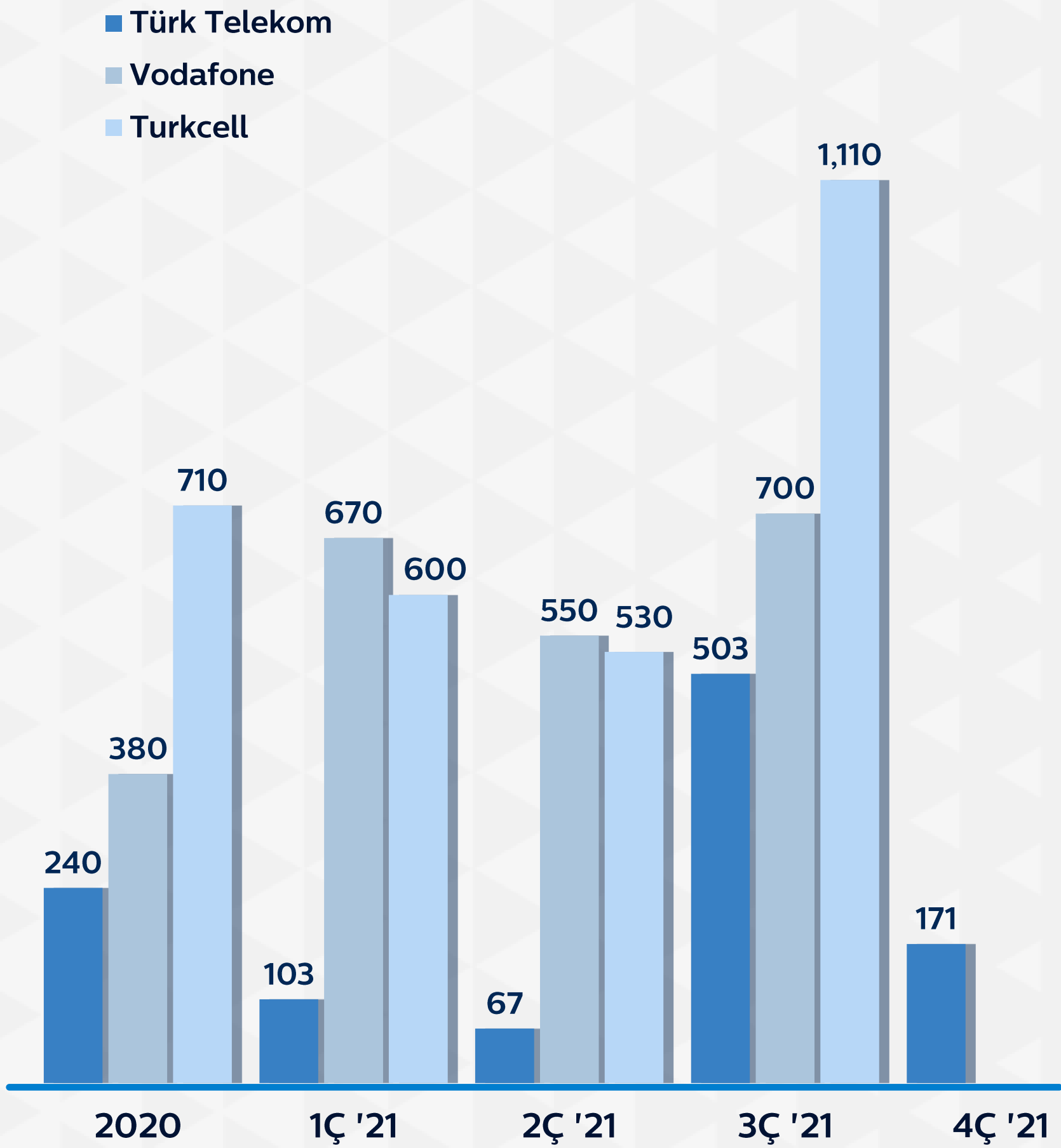
Mobile Revenue (TL mn)



ARPU & Subscribers



Net Subscriber Additions (thousand)



Source: ICTA, Türk Telekom

2021: A Year of Records

Fixed Broadband

- 29.0% highest revenue growth in fixed broadband
- 31.3% highest share of fixed broadband revenue in consolidated revenue
- 3.4 mn highest fibre subscriber gain

Mobile

- 13.8% highest mobile blended ARPU growth
- 55% Prime subscriber growth (70% in 2020)
- 1.9 mn subscribers transferred from non-Prime to Prime, up 61%
- 67% highest share of LTE subscribers in total base
- 1.9% lowest average monthly churn ratio
- 64% highest growth in online* postpaid upsells & contract renewals

Finance

- 47.9% highest EBITDA margin
- 1.11x lowest YE Net Debt/EBITDA ratio since 2013
- TL 5.8 bn highest net profit, up %81.3

*Includes transactions through Mobile Online Transactions Centre only



Guidance

	2021 Actuals	2022 Guidance
Revenue (exc. IFRIC 12) ¹	19.5% growth	23% - 25% growth
EBITDA	TL 16.4 bn	TL 17.5 bn – TL 18.3 bn
CAPEX	TL 8.8 bn	Around TL 12.5 bn

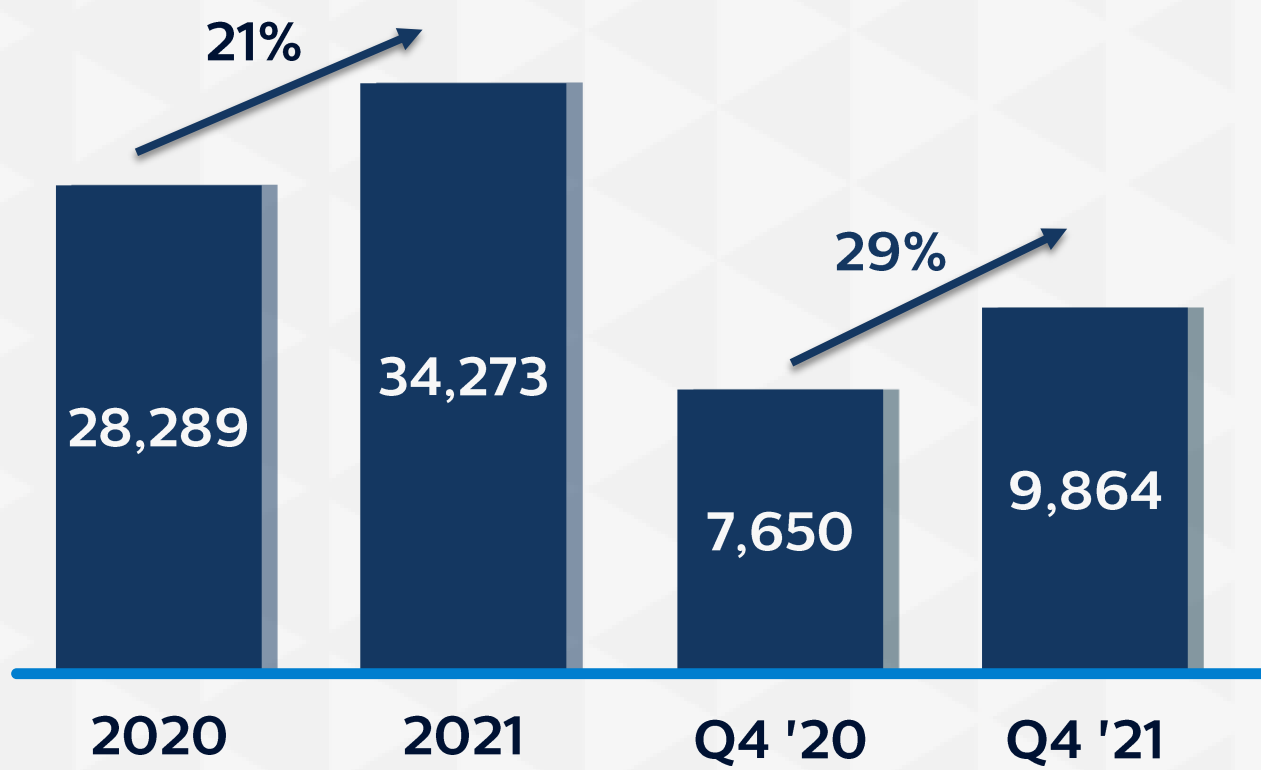
(1) IFRIC 12 adjustment is a non-operational revenue line booked in conjunction with upgrades to our fixed line infrastructure such as the upgrade from copper to fiber based network

Financials

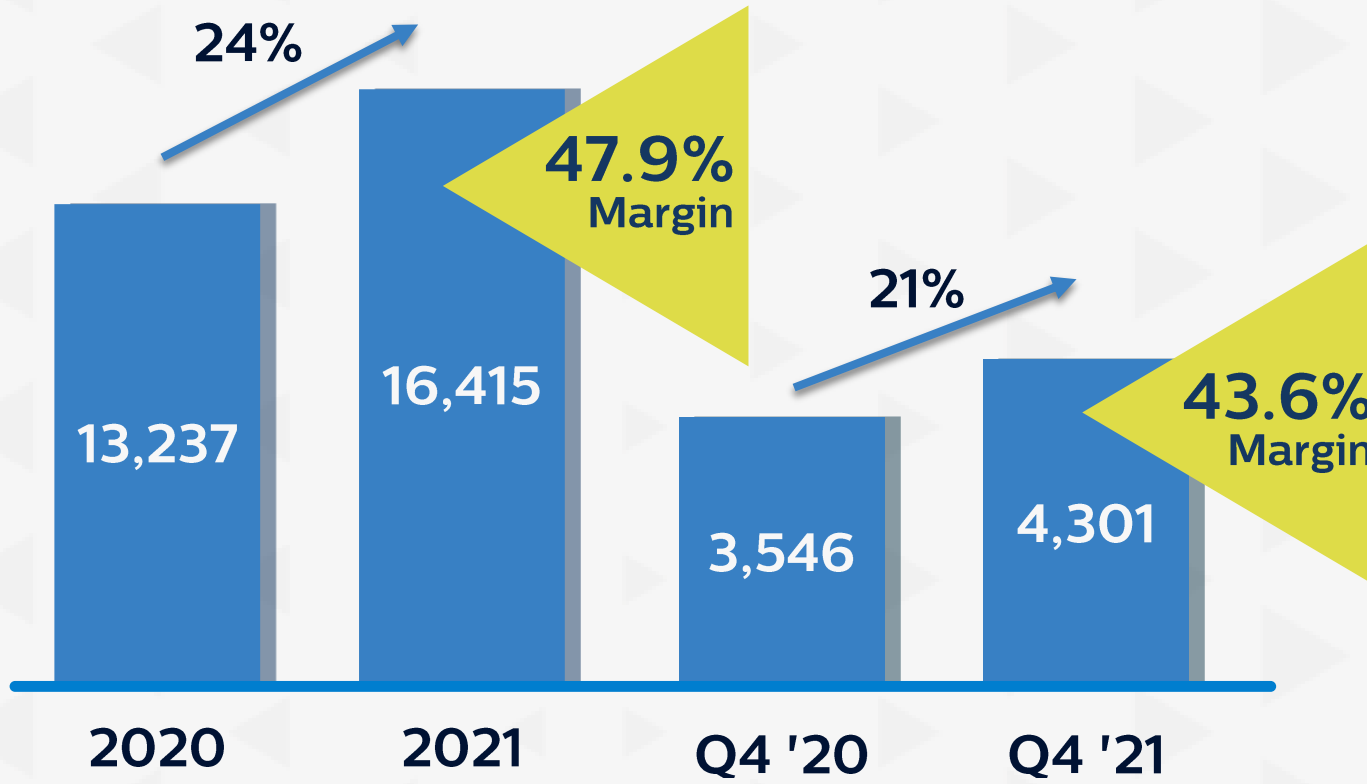


Financial Performance

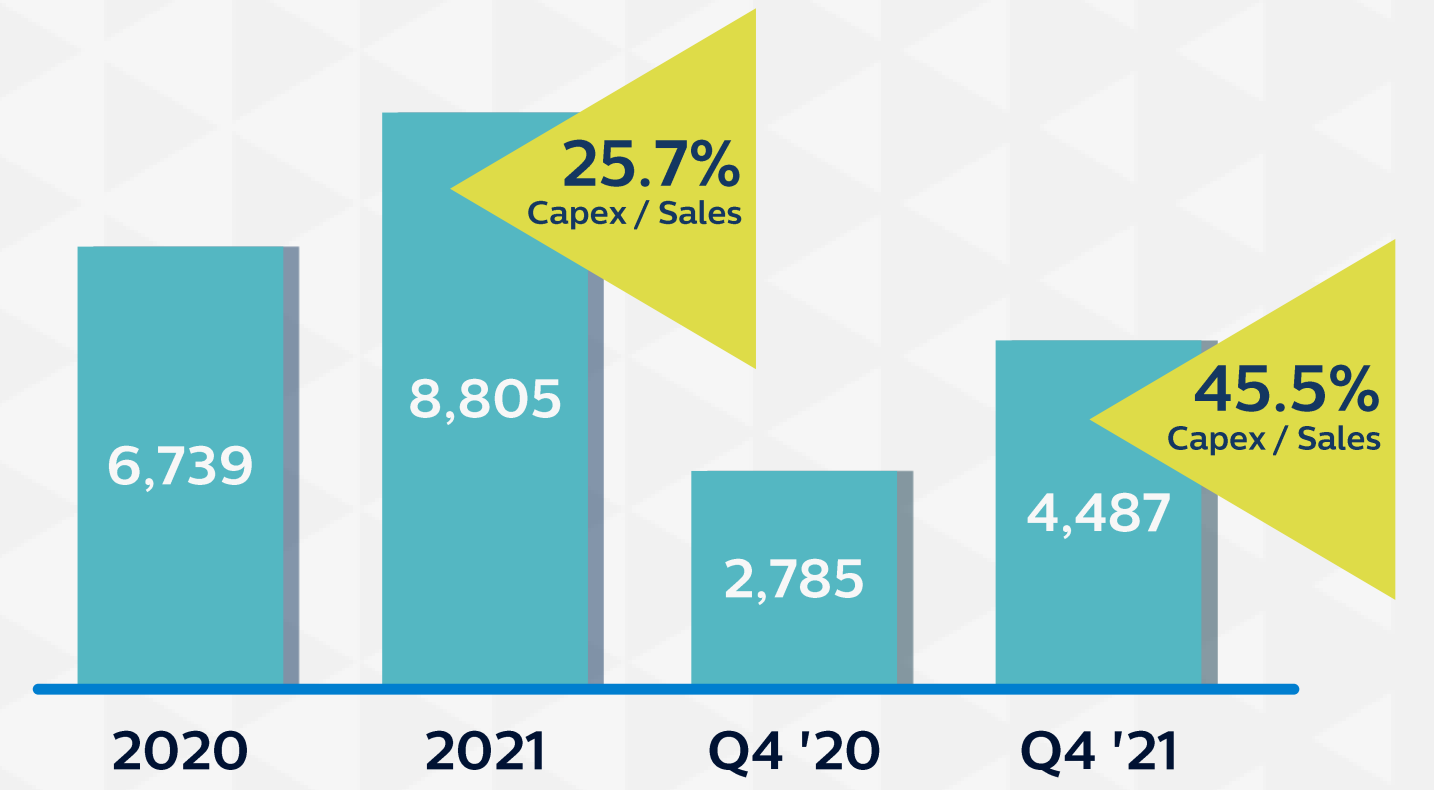
Revenue
(TL mn)



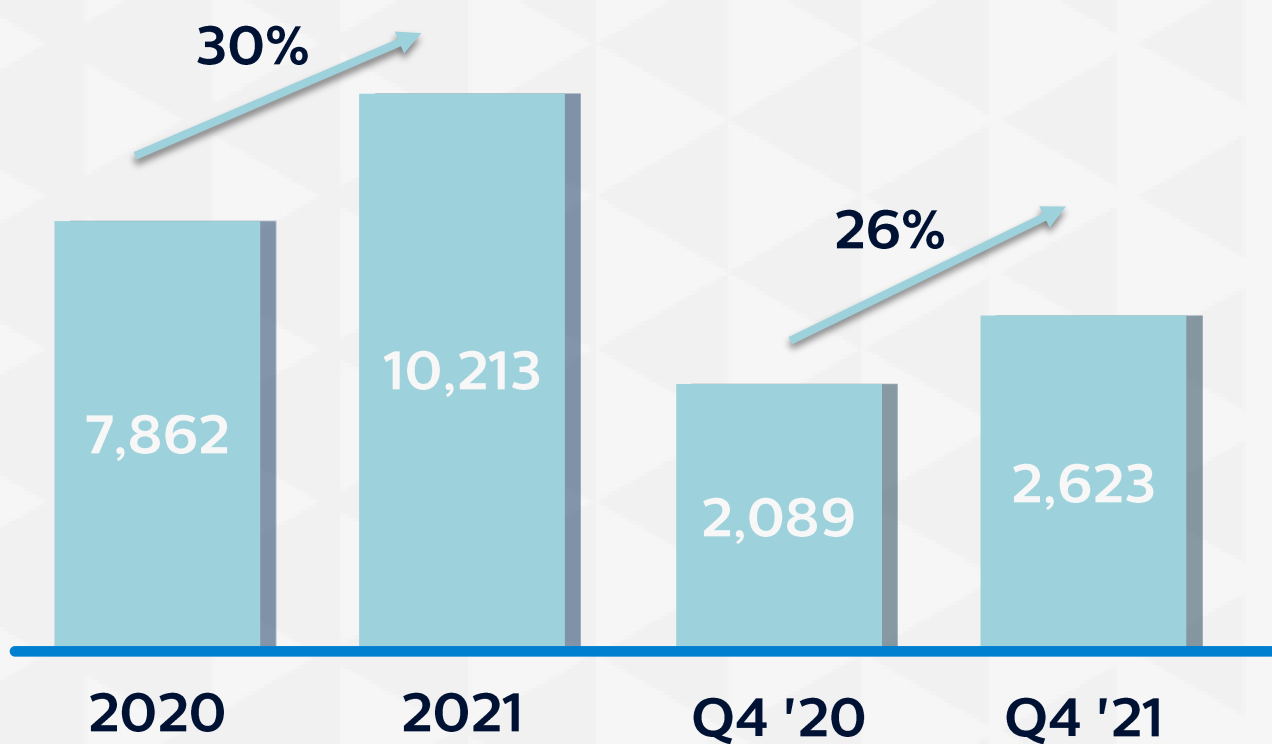
EBITDA
(TL mn)



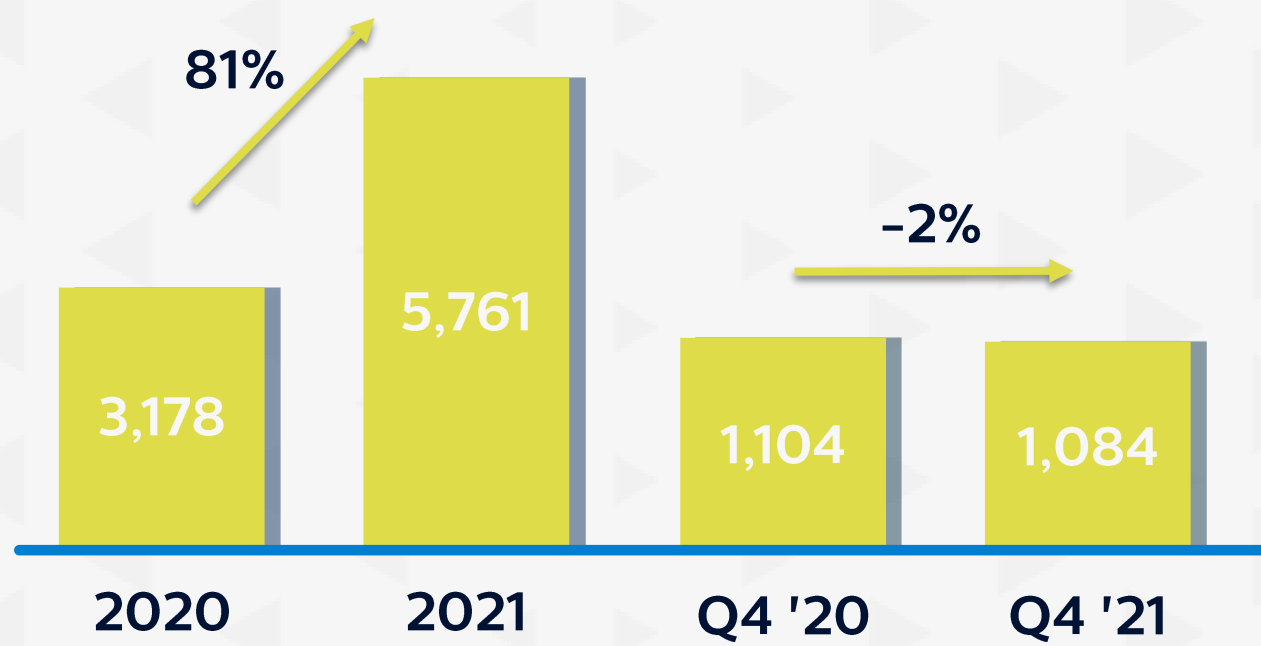
CAPEX
(TL mn)



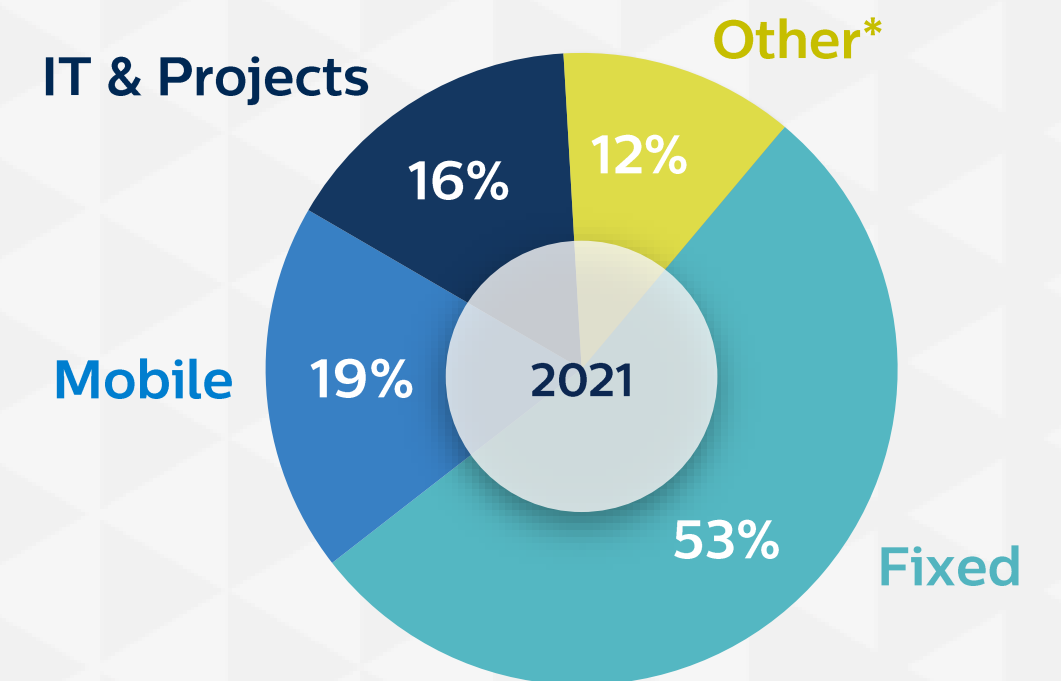
Operating Profit
(TL mn)



Net Income
(TL mn)



Capex Breakdown
(2021, %)



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

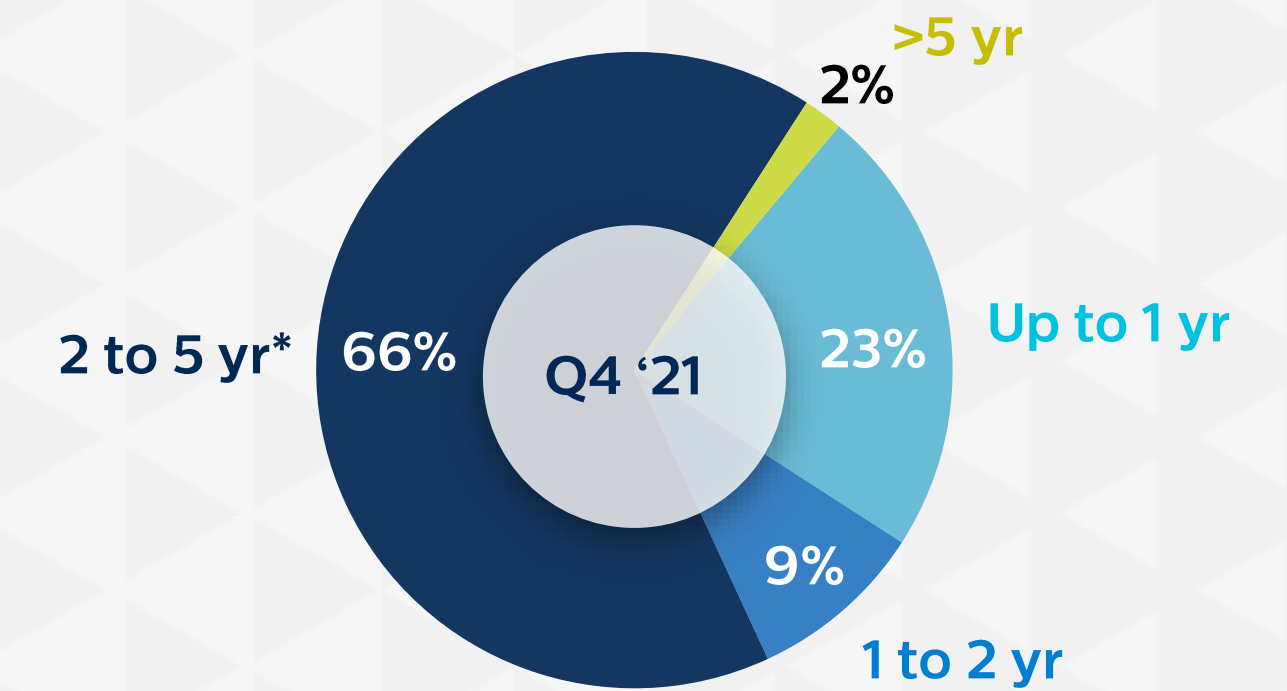
Debt Profile

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.

Maturity Profile

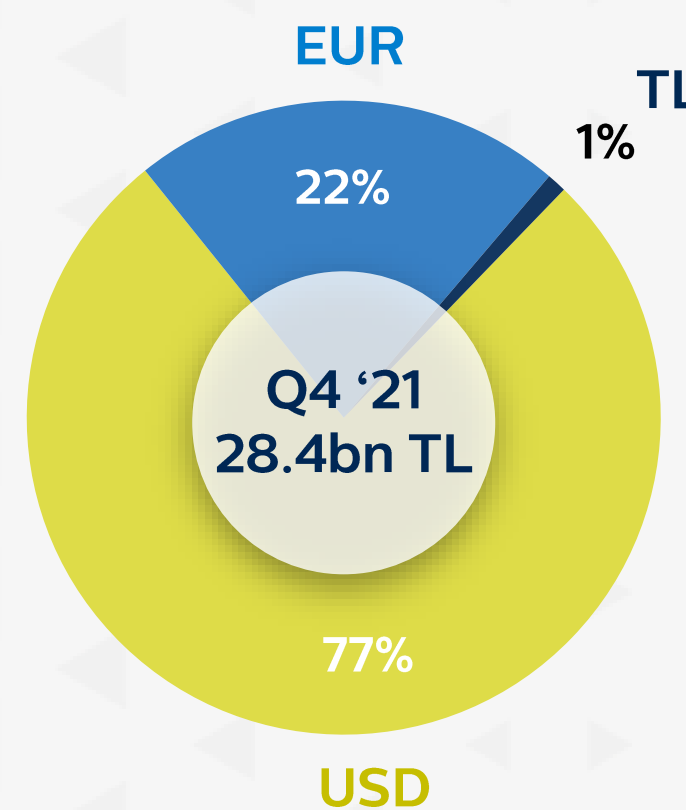


All loans are senior unsecured
*including 2024 & 2025 maturity bonds (USD 500 mn each)

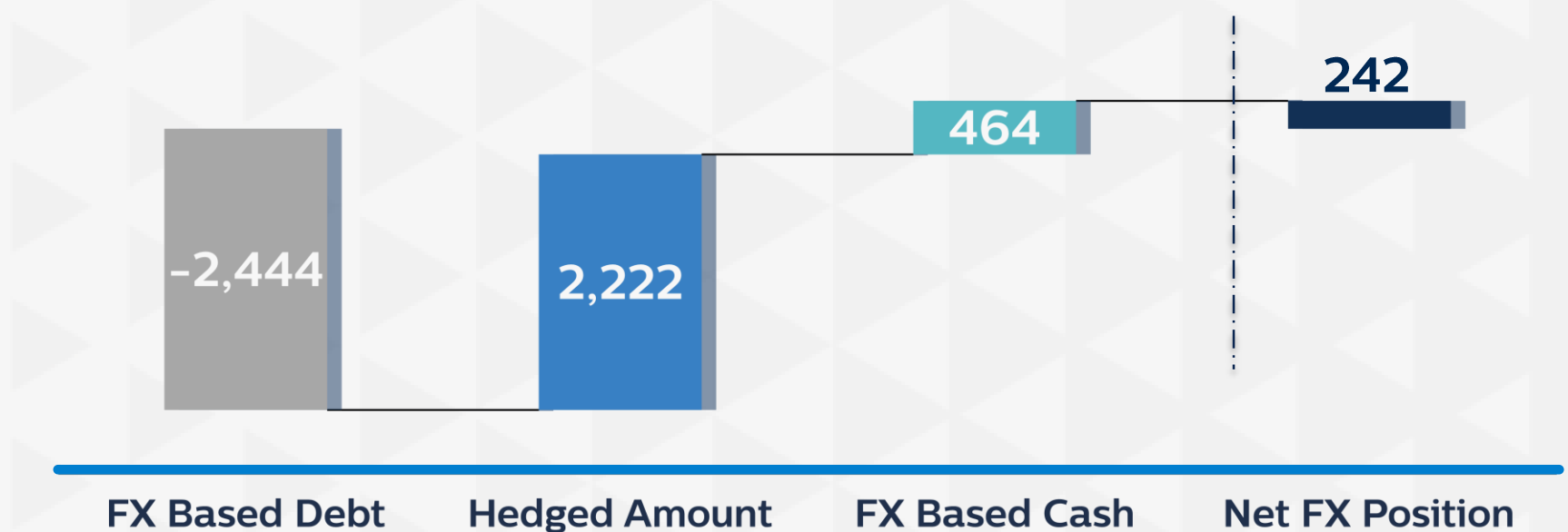
Cash – Currency Breakdown



Gross Debt – Currency Breakdown



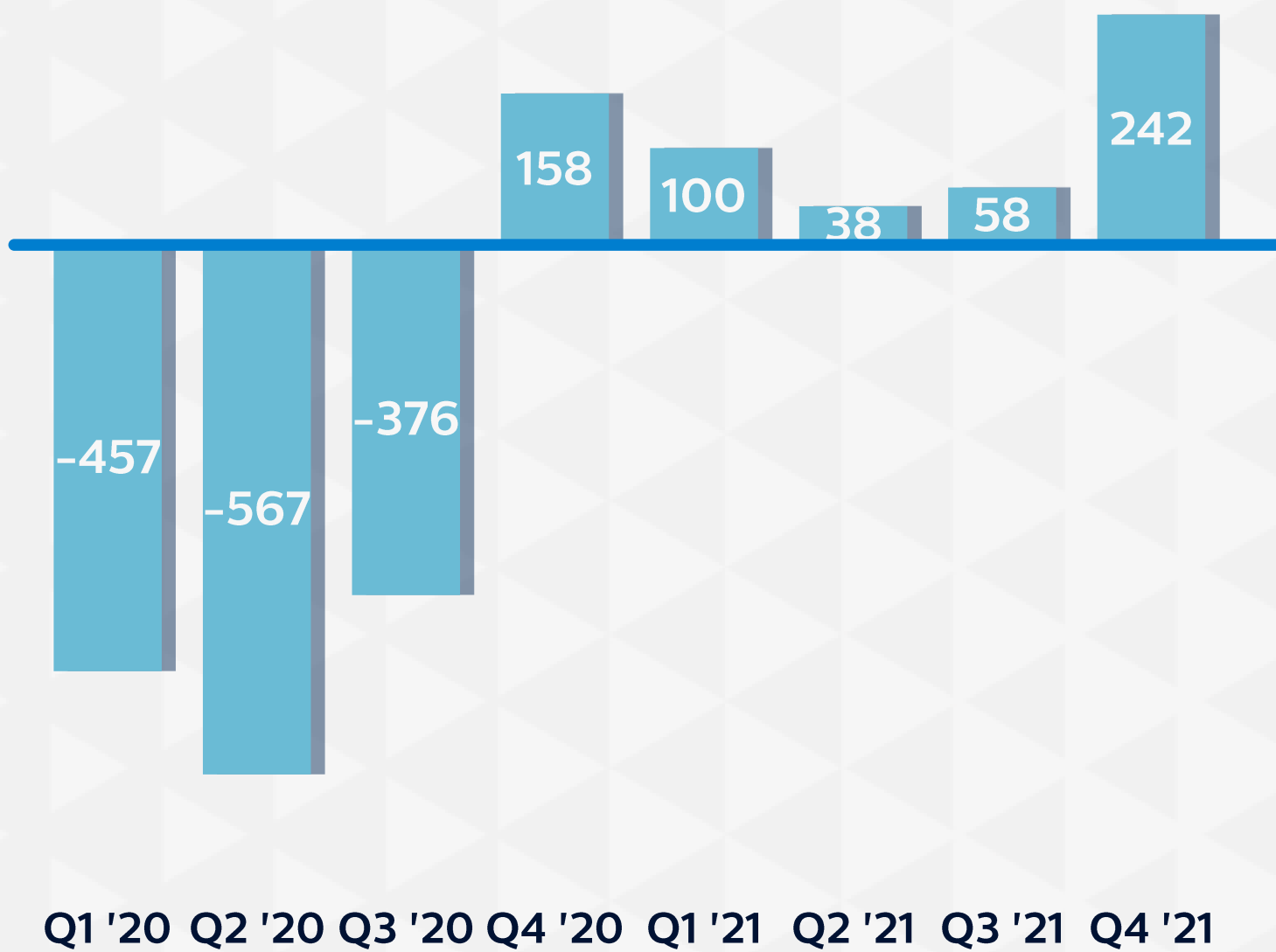
Hedge – Composition of FX Position



*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.

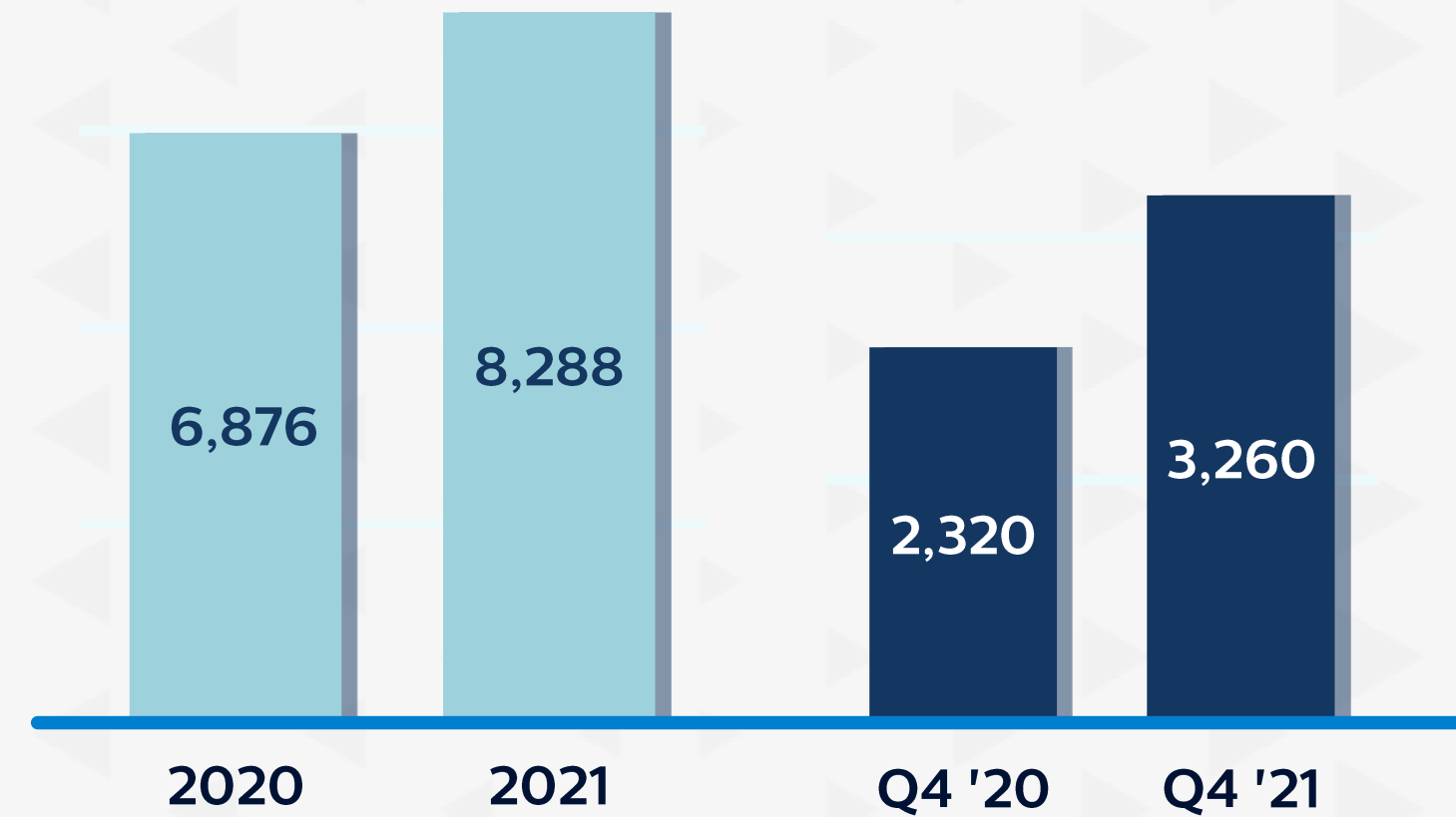
Prudent Balance Sheet Management

Net FX Exposure*
(USD mn equivalent)



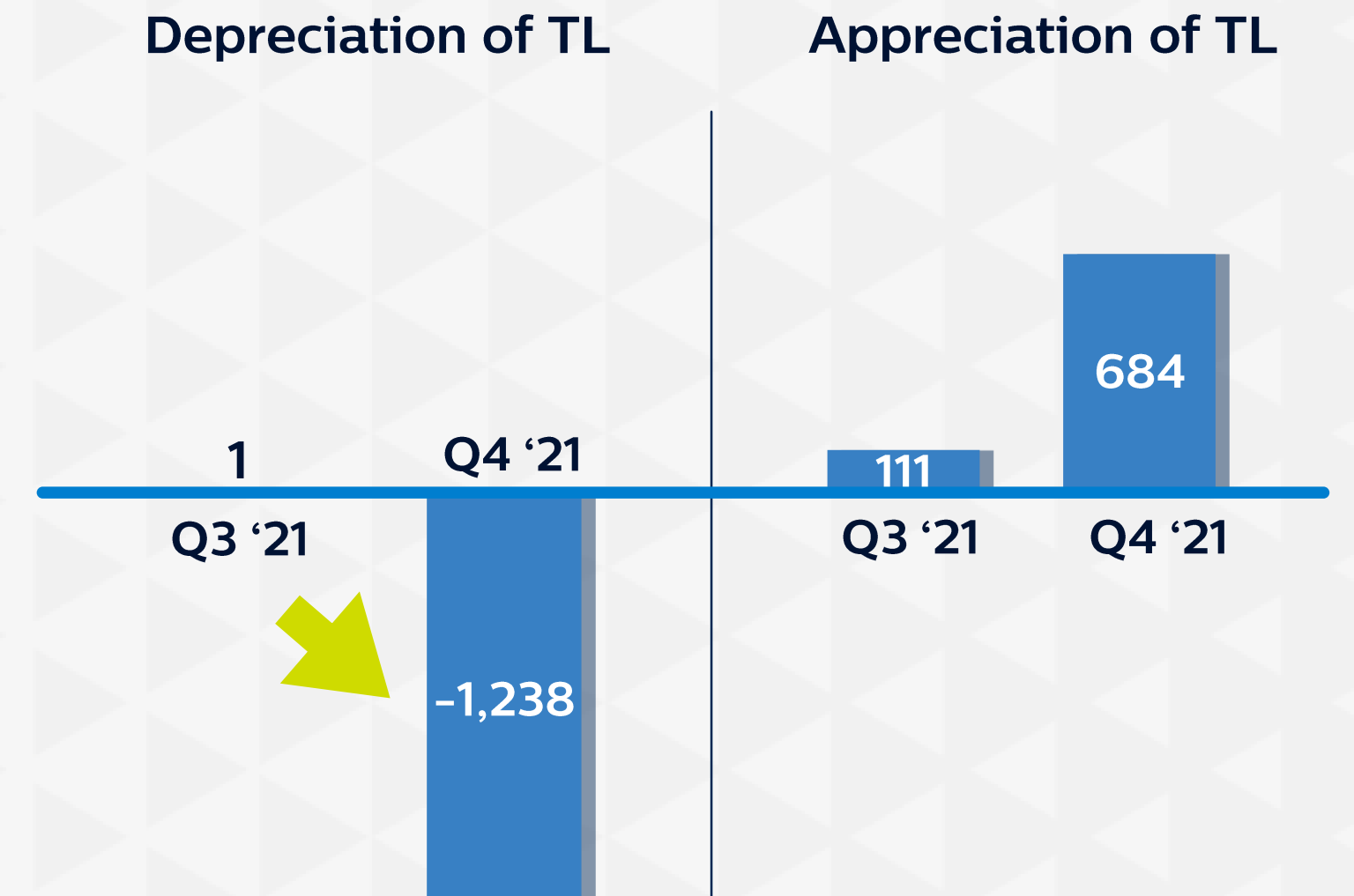
*Net FX exposure is calculated as Total FX based Debt, less total Hedged Amount, less Total FX based Cash.

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



Income Statement

(TL mn)	Q4 '20	Q4 '21	YoY Change	2020	2021	YoY Change
Revenues	7,650	9,864	28.9%	28,289	34,273	21.2%
EBITDA	3,546	4,301	21.3%	13,237	16,415	24.0%
Margin	46.3%	43.6%		46.8%	47.9%	
Operating Profit	2,089	2,623	25.6%	7,862	10,213	29.9%
Margin	27.3%	26.6%		27.8%	29.8%	
Financial Inc. / (Exp.)	(907)	(2,176)	139.9%	(4,060)	(4,592)	13.1%
FX & Hedging Gain / (Loss)	(337)	(1,592)	372.4%	(1,765)	(2,557)	44.9%
Interest Inc./ (Exp.)	(479)	(536)	12.1%	(2,049)	(1,858)	(9.3%)
Other Financial Inc./ (Exp.)	(91)	(47)	(48.7%)	(246)	(177)	(27.9%)
Tax Inc./ (Exp.)	(78)	636	n.m.	(624)	141	n.m.
Net Income	1,104	1,084	(1.9)%	3,178	5,761	81.3%
Margin	14.4%	11.0%		11.2%	16.8%	

Balance Sheet

(TL mn)	31.12.2020	30.09.2021	31.12.2021
Total Assets	44,723	48,340	58,338
Cash and Cash Equivalents	5,008	4,829	7,697
Tangible Assets ¹	16,083	16,915	18,989
Intangible Assets	12,137	12,561	14,332
Right of Use Assets	1,546	1,562	1,579
Other Assets ²	9,948	12,473	15,741
Total Equities and Liabilities	44,723	48,340	58,338
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	8,777	12,007	10,990
Interest Bearing Liabilities ³	21,235	22,113	29,803
<i>Bank Borrowings and Bonds</i>	<i>19,897</i>	<i>20,765</i>	<i>28,364</i>
<i>Lease Liabilities</i>	<i>1,338</i>	<i>1,348</i>	<i>1,439</i>
Other Liabilities ⁴	11,451	10,959	14,284

(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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