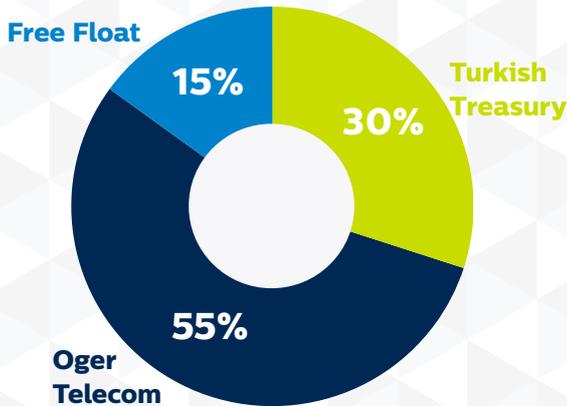


## Ownership



## TTKOM Bloomberg: TTKOM TI Reuters: TTKOM IS

Türk Telekom Group is Turkey's world-class, integrated telecommunication and technology services provider offering its customers the complete range of mobile, broadband, data, TV and fixed voice services as well as innovative convergence technologies under the unified "Türk Telekom" brand. Turkey is one of the largest telecom markets in EMEA region with over 78 mn growing population and increasing number of households.

## Overview of Türk Telekom

Privatized in 2005 and IPO'ed in 2008; underwent a successful transformation resulting in increased efficiency and enlarged service scope

Strong management team with a broad international and sector experience

Türk Telekom Group unified its mobile, broadband, TV and fixed voice brands under single "Türk Telekom" brand

Robust revenue and strong cash flow capacity enabling investment in promising segments and continuous growth

## 2016 Guidance

- ▶ 7% - 9% Revenue growth\*
  - ▶ Between TL 5.5 bn & TL 5.7 bn EBITDA
  - ▶ Around TL 3.2 bn CAPEX
- \* Excluding construction adjustment

## Financial and Operational Highlights

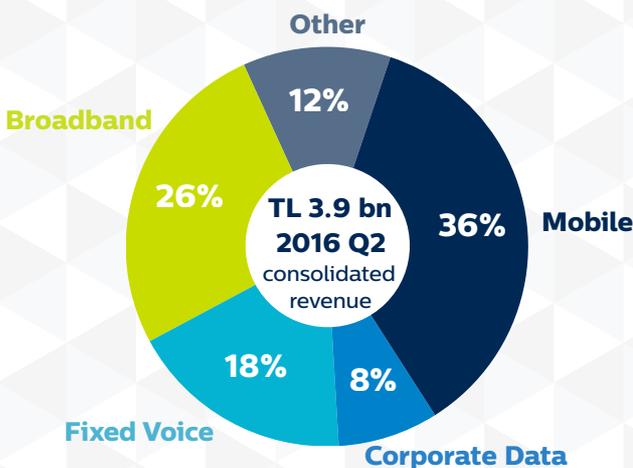
Turkey's first integrated operator recorded TL 3.9 bn revenue and TL 1.3 bn EBITDA in Q2'16

Turkey's youngest and growing mobile operator with 18.0 mn subscribers as of Q2'16

Turkey's leading fixed-voice and data provider with 12.9 mn total access lines, 8.3 mn broadband subscribers of which 1.7 mn is fiber subscribers as of Q2'16

Solid dividend policy of maximum payout as defined in the Articles of Association

## Revenue Breakdown (Q2'16)



# Türk Telekom



IT Consulting Products and Services



IT Product & Software Services



Education Content



Call Center Services



Wholesale data and capacity provider

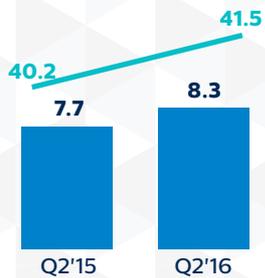
While Türk Telekom unified mobile, fixed voice, fixed broadband and TV brands under single "Türk Telekom" brand, TNET A.S., and Avea İletişim Hizmetleri A.S. legal entities remain intact

# Türk Telekom Group

## Operational Performance

### Fixed Broadband

— ARPU (TL) ■ Subscribers (mn)



- ▶ 113K net additions in Q2'16
- ▶ Fiber subscribers increased to 1.7 mn in Q2'16
- ▶ Türk Telekom's length of total fiber network in Turkey is 219K kilometers with 12.8 mn homepass coverage\* as of Q2'16

\*12.8 mn homepass consists of 3.6 mn FTTH/B and 9.2 mn FTTC

### Mobile

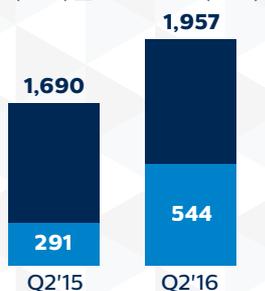
— Blended ARPU (TL) ■ Prepaid (mn) ■ Postpaid (mn)



- ▶ 310K net additions in Q2'16
- ▶ Smartphone penetration increased to 71% - the highest in the market

### TV

■ Tivibu Go (000) ■ Home TV (000)



- ▶ 76K Home TV net additions in Q2'16
- ▶ Home TV ARPU realized at TL 19.0 in Q2'16

### Fixed Voice

■ Fixed Voice (mn) ■ Naked Broadband (mn)  
— Fixed Voice ARPU (TL)

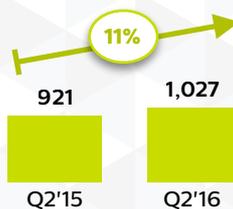


Türk Telekom Investor Relations

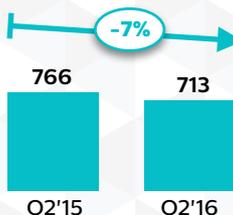
# Corporate Fact Sheet Q2 2016

## Financial Performance

### Fixed Broadband (TL mn)



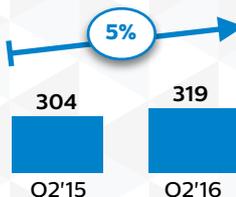
### Fixed Voice (TL mn)



### Mobile (TL mn)



### Corporate Data (TL mn)



## Summary Financials

Consolidated Income Statement (TL mn)	2015	Q2'15	Q1'16	Q2'16
<b>Revenues</b>	14,523	3,526	3,801	3,940
<b>EBITDA</b>	5,334	1,320	1,262	1,322
<i>Margin</i>	36.7%	37.4%	33.2%	33.6%
<b>Operating Profit</b>	3,062	788	604	627
<i>Margin</i>	21.1%	22.3%	15.9%	15.9%
<b>Financial Income/ (Expense)</b>	(1,801)	(339)	(30)	(212)
<b>Tax Expense</b>	(399)	(125)	(166)	(168)
<b>Net Income</b>	907	335	408	248
<i>Margin</i>	6.2%	9.5%	10.7%	6.3%
<b>EPS</b>	0.26	0.10	0.12	0.07
<b>DPS (TL)</b>	0.24			
<b>Dividend</b>	841			

Consolidated Cash Flow Statement (TL mn)	2015	Q2'15	Q1'16	Q2'16
<b>Operating Cash Flow</b>	4,498	1,189	496	880
<b>Investing Cash Flow</b>	(3,166)	(450)	(460)	(1,513)
CAPEX	(3,320)	(478)	(468)	(1,526)
Other Investing Activities	153	28	9	13
<b>Financing Cash Flow</b>	(1,089)	(1,767)	1,750	1,690
<b>Net Change in Cash Position</b>	243	(1,028)	1,787	1,057

Consolidated Balance Sheet (TL mn)	Q2'15	Q1'16	Q2'16
<b>Total Assets</b>	19,803	27,840	26,626
Intangible Assets	4,692	8,064	8,076
Tangible Assets	8,042	8,752	8,752
Other Assets	5,078	6,383	6,583
Cash and Equivalents	1,991	4,640	3,214
<b>Total Equity and Liabilities</b>	19,803	27,840	26,626
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	1,318	2,041	1,395
Interest Bearing Liabilities	10,421	13,484	13,722
Provisions for Employee Termination Benefits	594	579	601
Other Liabilities	4,210	8,476	7,648

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