

TÜRK TELEKOMÜNİKASYON A.Ş.



**INTERIM ACTIVITY REPORT AS OF 30.06.2017
BASED ON NO:II-14.1 COMMUNIQUE OF CAPITAL MARKETS
BOARD**

July 25 , 2017

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1. OVERVIEW OF TÜRK TELEKOM

Türk Telekom, with 176 years of history, is the first integrated telecommunications company in Turkey. In 2015, Türk Telekomünikasyon A.Ş. adopted a “customer-oriented” integrated structure in order to respond to the rapidly changing communication and technology needs of customers in the most powerful and accurate way, while maintaining the legal entities of Avea İletişim Hizmetleri A.Ş. and TTNET A.Ş. intact and adhering to the rules and regulations to which they are subject.

In January 2016, Türk Telekom unified its mobile, fixed voice, broadband and TV products and services under the single “Türk Telekom” brand.

As the “Multi play provider of Turkey,” Türk Telekom Group Companies offer a complete range of mobile, fixed voice, broadband and TV services. Türk Telekom Group Companies have a wide service network and product range in the fields of individual and corporate services. As of June 30, 2017, Türk Telekom has 13.2 million fixed access lines, 9.1 million broadband and 18.8 million mobile subscribers. Türk Telekom Group Companies provide services in all 81 cities of Turkey with 33,621 employees with the vision of introducing new technologies to Turkey and accelerating Turkey’s transformation into an information society.

Türk Telekomünikasyon A.Ş., providing PSTN and wholesale broadband services, owns 100% of mobile operator Avea İletişim Hizmetleri A.Ş., retail internet services, IPTV, satellite TV, Web TV, Mobile TV, Smart TV services provider TTNET A.Ş., TV Broadcasting and VOD services provider Net Ekran Companies, convergence technologies company Argela Yazılım ve Bilişim Teknolojileri A.Ş., IT solution provider Innova Bilişim Çözümleri A.Ş., online education software company Sebit Eğitim ve Bilgi Teknolojileri A.Ş., call center company AssisTT Rehberlik ve Müşteri Hizmetleri A.Ş., wholesale data and capacity service provider Türk Telekom International and its subsidiaries.

2. CORPORATE STRUCTURE

Ownership Structure

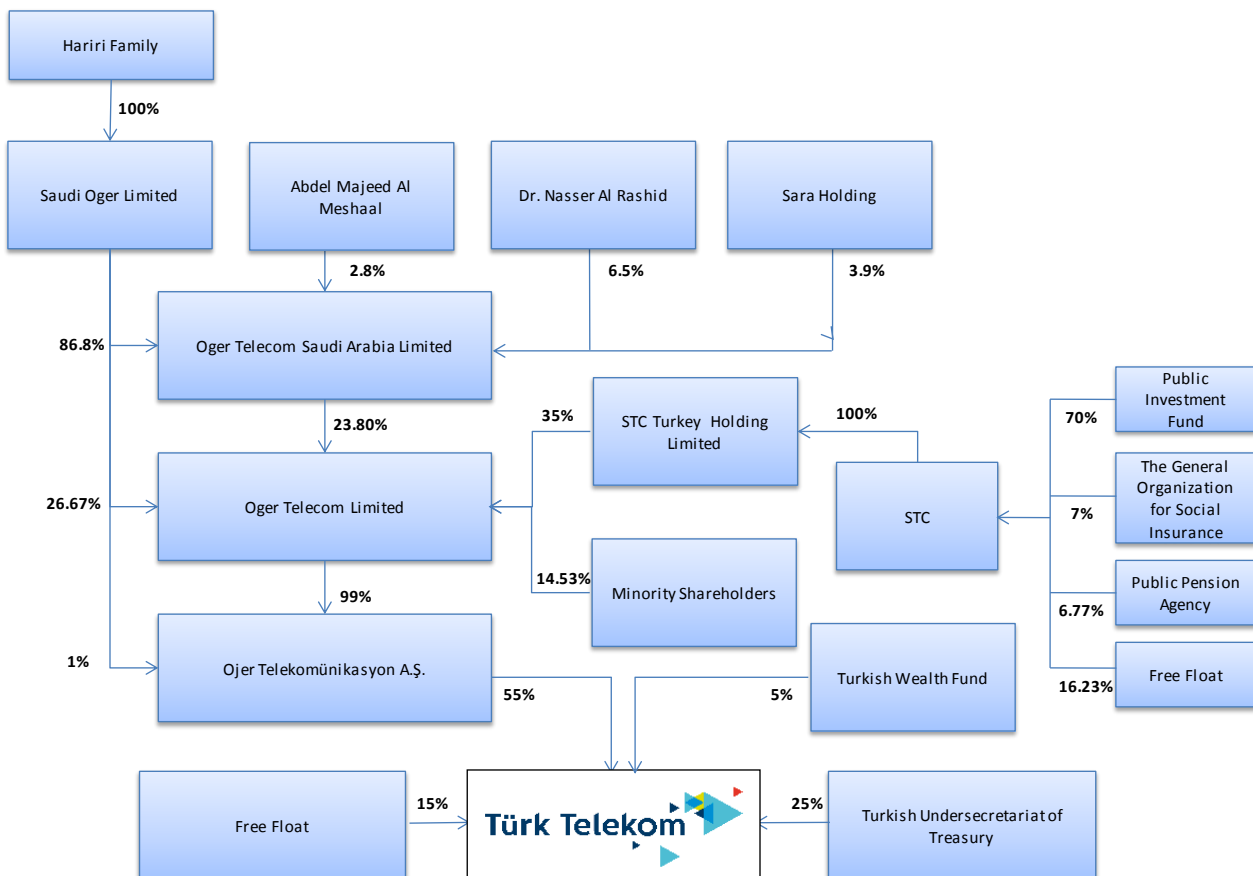
Group	Shareholder	Paid-in Capital Amount (TL)	Share (%)
A	Ojer Telekomünikasyon A.Ş.	1,925,000,000.00	55
B	Republic of Turkey Undersecretariat of Treasury	875,011,884.99	25
C	Republic of Turkey Undersecretariat of Treasury	0.01	
B	Turkish Wealth Fund	175,000,000.00	5
D	Free Float	525,000,000.00	15
Total		3,500,000,000.00	100

*According to Official Gazette published on 5 February 2017, Council of Ministers decided to transfer 6.68% (5% B Group shares & 1.68% D Group shares) of the shares of the Company belonging to the Turkish Treasury to the Turkish Wealth Fund.

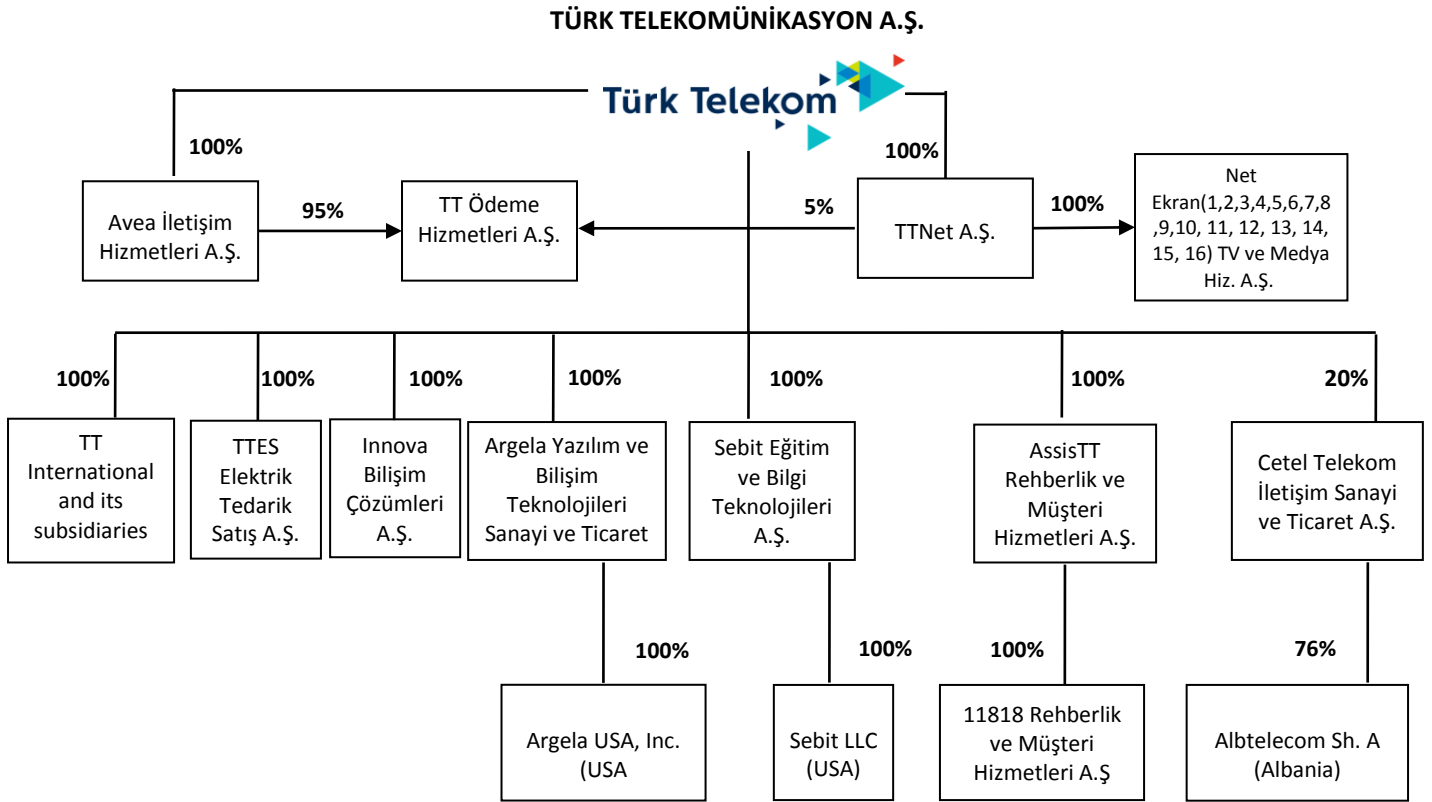
The Türk Telekom Shareholders’ Agreement and the Articles of Association further state that the Turkish Treasury owns a “golden share” (Class C share). The “golden share” is entitled to nominate a Board Member and has the below rights as per article 6 of the Articles of Association; “In order to protect Turkey’s national interests relating to national security and the economy, the Class C share’s positive vote is required for the following matters regardless of the voting result in the Board or General Assembly, otherwise accepted as null and void;

- a) Any proposed amendments to the Articles of Association;
- b) The transfer of any of the Company’s registered shares which would result in a change in management control;
- c) The registration of any transfer of the Company’s registered shares in the shareholder ledger.

Natural and legal persons owning shares of our Company, directly or indirectly are stated below:



- Subsidiaries and financial investments:**



- Management and Organization**

Board of Directors

Mohammed Hariri

Fuat Oktay

Abdullah Tivnikli

Suat Hayri Aka

Cenk Serdar

Hakam Kanafani

Nasser Sulaiman A Al Nasser

Mazen Abou Chakra

Rami Aslan

Fahri Kasirga

İbrahim Eren

Yiğit Bulut

Chairman of the Board of Directors

Independent Member and Vice Chairman of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

Independent Member of the Board of Directors

Independent Member of the Board of Directors

Independent Member of the Board of Directors

Statutory Audit Board

İsmail Kartal

Ali Polat

Salih Orakcı

Member of the Statutory Audit Board

Member of the Statutory Audit Board

Member of the Statutory Audit Board

Senior Management

Dr. Paul (Boulos H.B) Doany	CEO and General Manager
Şükrü Kutlu	Human Resources, Regulation and Support Assistant General Manager
Kaan Aktan	Finance Assistant General Manager
Cengiz Doğan	Technology Assistant General Manager
Hakan Dursun	Marketing Assistant General Manager
Fırat Yaman Er	Strategy, Planning and Business Development Assistant General Manager
Ümit Önal	Sales and Customer Care Assistant General Manager
Yakup Öztunç	Legal Assistant General Manager
Yavuz Yıldırım	Wholesale Assistant General Manager
Yavuz Türkmen	Head of Internal Audit

3. SIGNIFICANT BOARD RESOLUTIONS

Significant Board Resolutions taken during the period are presented under Material Issues During the Period section.

4. PERSONNEL MOVEMENTS

Consolidated headcount as of the 30.06.2017 and 31.12.2016 are 33,621 and 33,224 respectively.

5. FINANCIAL RISK MANAGEMENT

Main financial instruments of the Company are forward market transactions, bank loans and cash and short-term deposits. They are being used with the aim of raising funds for the Group's operations and hedging interest rate risk. The risks stemming from these instruments are liquidity risk, foreign exchange risk, interest rate risk, and credit risk.

6. MATERIAL ISSUES DURING THE PERIOD

As we have disclosed on April 3, 2017,

The maturity of our USD 100 million loan agreement with Bank of Tokyo Mitsubishi UFJ announced via 26th March 2014 dated Regulatory Disclosure and maturing on 31st March 2017 has been extended for 3 years. Annual interest rate of the new 3-year loan is LIBOR + 1.75%.

As we have disclosed on April 6, 2017,

As per the decision by our Company's Board of Directors pursuant to the Capital Markets Board and Turkish Commercial Code regulations, an independent auditing agreement has been signed with Akis Bağımsız Denetim ve Serbest Mali Müşavirlik A.Ş. (KPMG Türkiye) for the audit of our Company for the accounting period of 2017, which is subject to the approval of the shareholders during the upcoming Ordinary General Assembly Meeting.

As we have disclosed on April 6, 2017,

Via our Company's 01.02.2017 dated regulatory disclosure, we informed that our wholly owned subsidiary Avea İletişim Hizmetleri A.Ş. ("Avea") received two different reports from Treasury Controllers Board alleging an underpayment of its Treasury Share regarding 2G and 3G services.

Litigation proceedings regarding international arbitration decision in favour of Avea before ICC related to 2G services are ongoing before national courts. Likewise, lawsuits regarding treasury reports which were previously received for 3G services have not been concluded yet. Legal actions were taken for both of the reports disclosed on 01.02.2017 and the cases are still in progress.

This public disclosure is made by our Company under article 23 paragraph 7 of CMB's Material Events Communiqué numbered II-15.1, and relevant legislations.

As we have disclosed on April 18, 2017,

Yakup Öztunç, who has been serving as Acting Legal Assistant General Manager of our Company, is appointed as Legal Assistant General Manager.

As we have disclosed on April 25, 2017,

Our Board of Directors has resolved that our Company's Ordinary General Assembly Meeting for the year 2016 shall be held at the address of Türk Telekomünikasyon A.Ş. Head Quarters The Cultural Center, Turgut Özal Bulvarı 06103 Aydınlikevler, Ankara and by electronic means on 24.05.2017 at 11:00 a.m. and in order to discuss the below agenda items.

Agenda Items

- 1 - Opening and Election of the Chairmanship Committee
- 2 - Authorizing the Chairmanship Committee to sign the minutes of the General Assembly Meeting and the List of Attendees
- 3 - Reading the Board of Directors annual report for the year 2016
- 4 - Reading the Auditor's Report for the year 2016
- 5 - Reading, discussing and approving the balance sheet and profit/loss accounts for the year 2016
- 6 - Releasing the members of the Board of Directors for the operations and transactions of our Company during 2016
- 7 - Approval of the temporary appointments made to the Board of Directors to the positions which became vacant because of the resignations by the General Assembly pursuant to Article 363 of the Turkish Commercial Code
- 8 - Defining the salaries of the Members of the Board of Directors
- 9 - Defining the salaries of the Members of the Board of Auditors
- 10 - Discussing and resolving on the proposal of the Board of Directors regarding the distribution of the profit generated in 2016
- 11 - Election of the Auditor for the purpose of auditing our Company's operations and accounts for the year 2017 pursuant to Article 399 of Turkish Commercial Code and Article 17/A of the Articles of Association of our Company
- 12 - Informing the General Assembly about the donations and aids made in 2016
- 13 - Informing the General Assembly about the guarantees, pledges and mortgages given by our Company in 2016 in favour of third parties, and about revenues or interests generated
- 14 - Informing the General Assembly of the changes that have material impact on the management and the activities of our Company and its subsidiaries and that were realized within the previous fiscal year or being planned for the following fiscal year and of the reasons of such changes, pursuant to the Corporate Governance Principle No:1.3.1 (b)
- 15 - Informing the General Assembly of the transactions of the controlling shareholders, the Board of Directors Members, the executives who are under administrative liability, their spouses and their relatives by blood and marriage up to the second degree that are performed within the year 2016 relating to make a material transaction which may cause conflict of interest for the Company or Company's subsidiaries and/or to carry out works within or out of the scope of the

Company's operations on their own behalf or on behalf of others or to be a unlimited partner to the companies operating in the same kind of fields of activity in accordance with the Communiqué of the Capital Markets Board No:II-17.1 pursuant to the Corporate Governance Principle No:1.3.6

16 - Informing the Shareholders regarding the "Remuneration Policy" determined for the Board of Directors Members and the Senior Executives in accordance with the Corporate Governance Principle No:4.6.2

17 - Discussing and voting for authorizing the Board of Directors or person(s) designated by the Board of Directors for company acquisitions to be made by our Company or its subsidiaries until the next ordinary general assembly meeting up to 500 Million Euro which will be separately valid for each acquisition

18 - Discussing and voting for authorizing the Board of Directors to establish Special Purpose Vehicle(s) when required for above mentioned acquisitions

19 - Resolving on giving permission to the Board of Directors Members to carry out works within or out of the scope of the Company's operations on their own behalf or on behalf of others or to be a partner to companies who does such works, and to carry out other transactions, as per Article 395 and 396 of Turkish Commercial Code

20 - Comments and Closing

As we have disclosed on April 25, 2017,

Subject to the decision of our Company's Ordinary General Assembly to be convened for the year 2016,

It is resolved that;

- As a result of our Company's activities performed between 01/01/2016 – 31/12/2016, a loss of TL 724,339,772.42 has occurred according to the independently audited consolidated financial tables prepared in accordance with the provisions of "CMB Communique About Financial Reporting in Capital Markets No.II-14.1", on the other hand, the commercial profit of our Company has been calculated as TL 1,436,292,604.03 within the scope of the provisions of Tax Procedure Law;

- Pursuant to the CMB Communique on Dividends No: II-19.1, the loss of TL 724,339,772.42 which is the after tax amount calculated in accordance with consolidated financial tables shall be the base amount for dividend distribution;

- Accordingly, no dividend shall be distributed for the activity year 2016 due to the loss after tax calculated in accordance with consolidated financial tables.

As we have disclosed on April 28, 2017,

The collective bargaining agreement negotiations between our company and Türkiye Haber-İş Union will begin on May 08, 2017 at 13:30 p.m., at our company's headquarters in Ankara.

As we have disclosed on May 11, 2017,

Via our Company's 13.03.2017 dated regulatory disclosure, we informed that our wholly owned subsidiary Avea İletişim Hizmetleri A.Ş. ("Avea") submitted a joint offer together with Vodafone Telekomünikasyon A.Ş. ("Vodafone") for the Tender issued by the Communication General Directorate of Ministry of Transport, Maritime and Communication ("Ministry") in relation to the establishment and operation of mobile communication infrastructure in 1,472 locations with no mobile communication infrastructure in 3-year project duration time.

Tender Commission's evaluation continues regarding the issue.

This public disclosure is made by our Company under article 23 paragraph 7 of CMB's Material Events Communiqué numbered II-15.1, and relevant legislations.

As we have disclosed on May 17, 2017,

Our Board of Directors has resolved that our Company's Ordinary General Assembly Meeting for the activities of 2016 shall be held at the address of Türk Telekomünikasyon A.Ş. Head Quarters The Cultural Center, Turgut Özal Bulvarı 06103 Aydınlıkevler, Ankara and by electronic means on 21.06.2017 at 11:00 a.m. instead of previously announced date of 24.05.2017.

Agenda Items

- 1 - Opening and Election of the Chairmanship Committee
- 2 - Authorizing the Chairmanship Committee to sign the Minutes of the General Assembly Meeting and the List of Attendees
- 3 - Reading the Board of Directors Annual Report for the year 2016
- 4 - Reading the Auditor's Report for the year 2016
- 5 - Reading, discussing and approving the Balance Sheet and Profit/Loss accounts for the year 2016
- 6 - Releasing the Members of the Board of Directors for the operations and transactions of our Company during 2016
- 7 - Approval of the temporary appointments made to the Board of Directors to the positions which became vacant because of the resignations by the General Assembly pursuant to Article 363 of the Turkish Commercial Code
- 8 - Defining the salaries of the Members of the Board of Directors
- 9 - Defining the salaries of the Members of the Statutory Audit Board
- 10 - Discussing and resolving on the proposal of the Board of Directors regarding the distribution of the profit generated in 2016
- 11 - Election of the Auditor for the purpose of auditing our Company's operations and accounts for the year 2017 pursuant to Article 399 of Turkish Commercial Code and Article 17/A of the Articles of Association of our Company
- 12 - Informing the General Assembly about the donations and aids made in 2016
- 13 - Informing the General Assembly about the guarantees, pledges and mortgages given by our Company in 2016 in favour of third parties, and about revenues or interests generated
- 14 - Informing the General Assembly of the changes that have material impact on the management and the activities of our Company and its subsidiaries and that were realized within the previous fiscal year or being planned for the following fiscal year and of the reasons of such changes, pursuant to the Corporate Governance Principle No:1.3.1 (b)
- 15 - Informing the General Assembly of the transactions of the controlling shareholders, the Board of Directors Members, the executives who are under administrative liability, their spouses and their relatives by blood and marriage up to the second degree that are performed within the year 2016 relating to make a material transaction which may cause conflict of interest for the Company or Company's subsidiaries and/or to carry out works within or out of the scope of the Company's operations on their own behalf or on behalf of others or to be a unlimited partner to the companies operating in the same kind of fields of activity in accordance with the Communiqué of the Capital Markets Board No:II-17.1 pursuant to the Corporate Governance Principle No:1.3.6
- 16 - Informing the Shareholders regarding the "Remuneration Policy" determined for the Board of Directors Members and the Senior Executives in accordance with the Corporate Governance Principle No:4.6.2
- 17 - Discussing and voting for authorizing the Board of Directors or person(s) designated by the Board of Directors for company acquisitions to be made by our Company or its subsidiaries until

the next ordinary general assembly meeting up to 500 Million Euros which will be separately valid for each acquisition

18 - Discussing and voting for authorizing the Board of Directors to establish Special Purpose Vehicle(s) when required for above mentioned acquisitions

19 - Resolving on giving permission to the Board of Directors Members to carry out works within or out of the scope of the Company's operations on their own behalf or on behalf of others or to be a partner to companies who does such works, and to carry out other transactions, as per Article 395 and 396 of Turkish Commercial Code

20 - Comments and Closing

As we have disclosed on May 17, 2017,

Common and recurring asset, service and liability transfer transactions between TTNET A.Ş. and Türk Telekomünikasyon A.Ş. in 01.01.2016 – 31.12.2016 financial year exceeded 10% of the reported gross sales revenue of Türk Telekom as stated under its 2016 year-end financial tables and projected to exceed in 2017. These transactions are considered to be made with fair, reasonable and suitable to arm's length prices considering positive discrimination for operators excluding TTNET A.Ş. by current pricing regulations.

Apart from those there are no asset, service and liability transfer transactions exceeding the threshold with the related parties and is not projected to be done in 2017.

In addition, there is no non-recurring asset, service and liability transfers which reached or exceeded or projected to reach or exceed 5% of the publicly announced gross sales revenue, total assets or average of the adjusted daily weighted average market capitalization for 6 months period prior to the related Board Resolution date, as defined by the Article 9 of the Capital Markets Board Communique II-17.1 on Corporate Governance.

As we have disclosed on June 02, 2017,

Via our Company's 13.03.2017 dated regulatory disclosure, we informed that our wholly owned subsidiary Avea İletişim Hizmetleri A.Ş. ("Avea") submitted a joint offer together with Vodafone Telekomünikasyon A.Ş. ("Vodafone") for the Tender issued by the Communication General Directorate of Ministry of Transport, Maritime and Communication ("Ministry") in relation to the establishment and operation of mobile communication infrastructure in 1,472 locations with no mobile communication infrastructure in 3-year project duration time.

On June 1, 2017 we were notified that the tender was awarded to Avea - Vodafone business partnership that submitted the lowest bid (TL 1,587 million - excluding VAT). The agreement regarding the tender is planned to be signed after the completion of legal procedures.

As we have disclosed on June 05, 2017,

Via our Company's 01.02.2017 dated regulatory disclosure, we informed that our wholly owned subsidiary Avea İletişim Hizmetleri A.Ş. ("Avea") received two different reports from Treasury Controllers Board alleging an underpayment of its Treasury Share regarding 2G and 3G services. Litigation proceedings regarding international arbitration decision in favour of Avea before ICC related to 2G services are ongoing before national courts.

The lawsuit regarding the year 2009 in relation to previous treasury reports on 3G services was concluded in favour of Avea in the council of state. The lawsuits on this subject in relation to other years have not been concluded yet.

In this context, legal procedures for the two reports announced via the public disclosure dated 01.02.2017 are also still in progress.

This public disclosure is made by our Company under article 23 paragraph 7 of CMB's Material Events Communiqué numbered II-15.1, and relevant legislations.

As we have disclosed on June 21, 2017,

2016 General Assembly Meeting was held. Please find List of Attendees and Minutes on: <http://www.ttinvestorrelations.com/en-us/corporate-governance/pages/general-assembly-meeting.aspx>

As we have disclosed on June 21, 2017,

It is resolved at our Company's Ordinary General Assembly for the year 2016 that;

- As a result of our Company's activities performed between 01/01/2016 – 31/12/2016, a loss of TL 724,339,772.42 has occurred according to the independently audited consolidated financial tables prepared in accordance with the provisions of "CMB Communiqué About Financial Reporting in Capital Markets No.II-14.1", on the other hand, the commercial profit of our Company has been calculated as TL 1,436,292,604.03 within the scope of the provisions of Tax Procedure Law;
- Pursuant to the CMB Communiqué on Dividends No: II-19.1, the loss of TL 724,339,772.42 which is the after tax amount calculated in accordance with consolidated financial tables shall be the base amount for dividend distribution;
- Accordingly, no dividend shall be distributed for the activity year 2016 due to the loss after tax calculated in accordance with consolidated financial tables.

As we have disclosed on June 23, 2017,

Via our Company's 01.02.2017 dated regulatory disclosure, we announced that our wholly owned subsidiary Avea İletişim Hizmetleri A.Ş. ("Avea") had received two different reports from Treasury Controllers Board alleging an underpayment of its Treasury Share regarding 2G and 3G services.

Litigation proceedings regarding international arbitration decision in favour of Avea before ICC related to 2G services are ongoing before national courts.

The lawsuits regarding the years of 2010, 2011, 2012 and 2013 in relation to previous Treasury reports on 3G services continue. At the same time, via our 05.06.2017 dated regulatory disclosure we announced that the lawsuit regarding the year 2009 in relation to 3G services was concluded in favour of Avea in the Council of State. Council of State's favourable ruling set a precedent for three more cases and lawsuits on Contribution Fee to Institution Expense, Universal Service Fee and Penalties related to the same period were concluded in favour of Avea in the Council of State. These four decisions set a precedent for the other ongoing cases.

While these developments are ongoing, a notification was sent by the Information and Communication Technologies Authority (ICTA) regarding treasury share payments announced via our 01.02.2017 dated regulatory disclosure. According to this notification, it was decided to impute TL 322,923,813.33 penalty related to 2G services (for periods including 2009, 2010, 2011, 2012 and 2013) and TL 182,476,806.88 penalty related to 3G services (for periods including 2011, 2012 and 2013) to Avea with the claim of its failure in fulfilling its treasury share obligations thoroughly as per the GSM concession agreement, IMT-2000 concession agreement and related regulations.

It has been considered that the Council of State's judgments were not taken into account in the notifications. In this regard, while proceeding with legal procedures regarding the two reports announced via our 01.02.2017 dated regulatory disclosure, our Company has requested reversal of the notification until the finalisation of the legal processes on the matter by taking into account that the Council of State's precedent decisions are in favour of Avea for the year 2009.

This public disclosure is made by our Company under article 23 paragraph 7 of CMB's Material Events Communiqué numbered II-15.1, and relevant legislations.

As we have disclosed on June 29, 2017,

The resolutions taken at our Company's 2016 Ordinary General Assembly Meeting held on June 21, 2017 have been registered by Ankara Trade Registry Office on June 23, 2017.

As we have disclosed on June 30, 2017,

The general assembly resolution dated 21.06.2017 on the selection of Akis Bağımsız Denetim ve Serbest Mali Müşavirlik A.Ş. (KPMG Türkiye) for the audit of our Company for the accounting period of 2017 has been registered by Ankara Trade Registry Office on 23.06.2017 and published on the Turkish Trade Registry Gazette on 30.06.2017.

7. MATERIAL ISSUES AFTER THE END OF THE PERIOD

As we have disclosed on July 5, 2017,

Via our Company's 13.03.2017 dated regulatory disclosure, we informed that our wholly owned subsidiary Avea İletişim Hizmetleri A.Ş. ("Avea") submitted a joint offer together with Vodafone Telekomünikasyon A.Ş. ("Vodafone") for the Tender issued by the Communication General Directorate of Ministry of Transport, Maritime and Communication ("Ministry") in relation to the establishment and operation of mobile communication infrastructure in 1,472 locations with no mobile communication infrastructure in 3-year project duration time.

Via our 02.06.2017 dated regulatory disclosure we were announced that the tender was awarded to Avea - Vodafone business partnership that submitted the lowest bid (TL 1,587 million - excluding VAT).

"Avea-Vodafone Evrensel İş Ortaklığı" has been established between Avea (51%) and Vodafone (49%) in particular to the operations to be carried within the scope of the project. The agreement regarding the tender is signed between "Avea-Vodafone Evrensel İş Ortaklığı" and Ministry today.

As we have disclosed on July 17, 2017,

On the 12th Collective Bargaining Agreement negotiations between our company and Türkiye Haber- İş Union, 60-day legal discussion duration has ended without agreement. Negotiations will continue via official mediator who will be appointed by Ministry of Labor and Social Security, and our Company and Union will always be able to meet and sign Collective Bargaining Agreement during this period.

As we have disclosed on July 24, 2017,

Via our Company's regulatory disclosure dated 01.02.2017 , we have announced that, our wholly owned subsidiary Avea İletişim Hizmetleri A.Ş. ("Avea") had received two separate reports from Treasury Controllers Board alleging an underpayment of Treasury Share regarding 2G and 3G services. In addition, via our regulatory disclosure dated 23.06.2017, we have also announced that, Information and Communication Technologies Authority (ICTA) had imposed a penalty regarding this issue.

At the lawsuit regarding the treasury share claims on 3G services, the Council of State has issued a stay of execution for the 96% of the litigated amount. Avea has requested cancellation of the imposed penalty related to 3G services in the light of the stay of execution decision on the principal amount.

At the same time, with respect to the notification and penalty related to 2G services, interim injunction order has been issued.

Lawsuits, arbitration and official appeals related to other periods are still in progress.

This public disclosure is made by our Company under article 23 paragraph 7 of CMB's Material Events Communiqué numbered II-15.1, and relevant legislations.

8. SUMMARY FINANCIAL RESULTS

• Summary Türk Telekom Consolidated Balance Sheet as of 31.12.2016 and 30.06.2017

TL millions	31.12.2016	30.06.2017
Intangible Assets ^(a)	8,341	8,252
Tangible Assets ^(b)	8,710	8,358
Other Assets ^(c)	6,806	7,000
Cash and Equivalents	3,016	2,123
Total Assets	26,874	25,733
Share capital	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	126	1,084
Interest Bearing Liabilities ^(d)	15,041	14,754
Provision for Employee Termination Benefits	696	651
Other Liabilities ^(e)	7,751	5,983
Total Equity and Liabilities	26,874	25,733

(a) Intangible assets excluding goodwill

(b) Tangible assets include property, plant and equipment and investment property.

(c) Major items within Other Assets are Trade Receivables, Due from Related Parties, Other Current Assets and Deferred Tax Asset.

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

(e) Major items within Other Liabilities are Deferred Tax Liability, Trade Payables, Provisions, Income Tax Payable, Due to Related Parties, Other Current Liabilities, Provisions for Employee Termination Benefits and Minority Put Option Liability

- **Summary Türk Telekom Consolidated Income Statement for the periods of 2016 Q2 and 2017 Q2**

TL millions	2016 Q2	2017 Q2
Revenues	3,940	4,501
EBITDA	1,322	1,712
<i>Margin</i>	<i>34%</i>	<i>38%</i>
Operating Profit ^(a)	627	939
<i>Margin</i>	<i>16%</i>	<i>21%</i>
Financial Income/Expense, net^(b)	-212	249
FX & Hedging Gain/Loss, net	-88	339
Interest Income/Expense, net	-93	-85
Other Financial Income/Expense, net	-31	-6
Tax Expense	-168	-298
Profit	248	890
<i>Margin</i>	<i>6%</i>	<i>20%</i>

(a) Operating profit includes revenues, cost of sales, depreciation and amortization, selling and marketing expenses, administrative expenses, other operating income/(expense), and income/(expense) from investing activities, but excludes financial income/(expenses) presented in other operating income/(expenses) (i.e. FX gain/(loss), interest income/(expenses), and discount income/(expense) on receivables and payables), income on unconsolidated subsidiaries, and minority interest. Reported operating profit on CMB financial statements is different due to reclassification requirements of the POA/CMB since 2013 Q3 financial statements. Further explanations are available on note 3 on financial statements.

(b) Net financial income/(expense) includes financial income/(expense) and FX gain/(loss), interest income/(expenses), discount income/(expense) on receivables and payables excluding financial borrowings which are presented in other operating income/(expenses). Net financial income/(expense) on CMB financial statements is different due to reclassification requirements of the POA/CMB since 2013 Q3 financial statements. Further explanations are available on note 3 on 2013 YE financial statements.