



# Türk Telekom Group Corporate Fact Sheet – 2011 Q1

ISTANBUL STOCK EXCHANGE TTKOM

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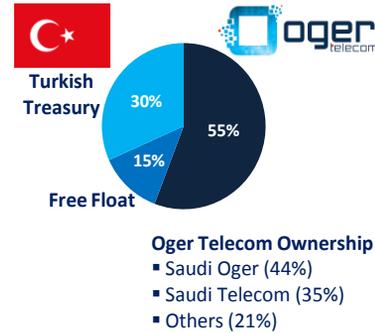
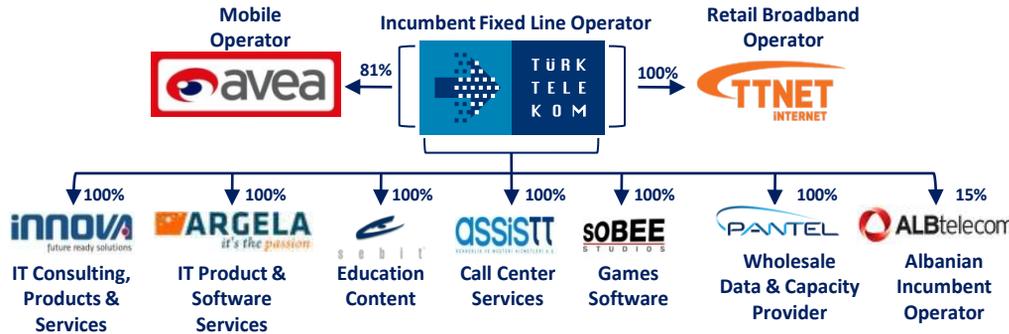
Türk Telekom group is Turkey's world-class, integrated telecommunication and technology services provider offering its customers the complete range of fixed line, mobile, data, and internet services as well as innovative convergence technologies.



Turkey is one of the largest telecom markets in EMEA region with its 73 mn growing population and increasing number of households.

## Group Companies

## Ownership Structure

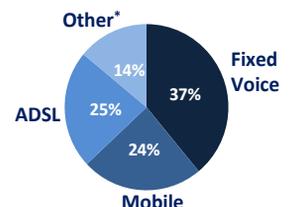


## Overview of Türk Telekom Group

- Turkey's leading communication and technology group; TL 10.9 bn Revenue and TL 4.9 bn EBITDA generated in 2010
- Number one non-bank market cap in Istanbul Stock Exchange and a member of ISE-30 and MSCI Turkey
- Privatized in 2005 and IPO'ed in 2008; a successful transformation resulting in increased efficiency, significant OPEX savings and enlarged service scope
- Strong management team with a broad range of international and sector experience building a pioneering perspective
- Extensive service and distribution networks of Türk Telekom, AVEA and TTNET providing significant opportunities
- Robust revenue and strong cash flow capacity enabling investment in promising segments and continuous growth
- One of the largest and most efficient fixed-line operators in the region
- Turkey's leading fixed-voice and data provider with 15.8 mn PSTN Access Lines and 6.7 mn wholesale ADSL Connections
- AVEA - Turkey's youngest and growing mobile operator with 11.8 mn Mobile Subscribers



### Revenue Breakdown – 2011 Q1



\*Includes leased lines, interconnection, and international revenues

## Türk Telekom Investor Relations

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## Q1 2011 Performance and 2011 Guidance

- Successful performance in all business segments; 12% Revenue growth and 20% EBITDA growth achieved
- 2011 Guidance - Consolidated**
  - Revenue: 5-7% Growth
  - EBITDA Margin: Low-to-mid 40%'s
  - CAPEX: Around TL 2bn

## Market & Regulation Highlights

- Fixed voice revenue stabilized at Q4 2009 levels with the success of bundle tariffs introduced in 2010
- ADSL revenue growth continues at double digit levels on the back of ARPU improvement and continued subscriber gains
- Subscriber & Revenue growth at AVEA despite intensified competition compared to Q4 2010
- Strategic partnership with Telefonica targeting Turkish community in Germany
- Wholesale Fixed voice offers are under discussion with the Telecom Authority

## Fixed Line Highlights

(TL mn)	Q1 2010	Q1 2011	2010	KPI	Q1 2010	Q4 2010	Q1 2011
Revenue	2,011	2,265	8,511	PSTN Access Lines – mn	16.47	16.02	15.79
OPEX	982	1,054	4,004	PSTN ARPU – TL	20.68	22.21	22.12
EBITDA	1,029	1,211	4,507	ADSL Connections – mn	6.36	6.62	6.72
Margin	51%	53%	53%	ADSL ARPU – TL	31.82	32.71	36.04

- Fixed Voice bundle packages continue to grow strongly (now 40% of total base) and support MoU
- Tivibu Home (IPTV) launched in February following the success of Tivibu Web which reached 1 mn subscribers
- TTNET share of unlimited subscribers (53% of total) and Average Data Usage (16.8 GB monthly) continues to increase
- Triple Play offers introduced with IPTV and ADSL
- Up to 8Mbps ADSL packages reached 80% of total customer base thanks to strong up-sell campaigns and new acquisitions
- Fiber to the neighborhood (FTTN) investments now cover around 3 mn homes

## Mobile Highlights

(TL millions)	Q1 2010	Q1 2011	2010	KPI	Q1 2010	Q4 2010	Q1 2011
Revenues	647	703	2,646	Mobile Subscribers – mn	11.65	11.62	11.82
OPEX	612	634	2,314	Mobile ARPU – TL	17.95	19.22	19.13
EBITDA	36	70	332				
Margin	6%	10%	13%				

- Revenue grew 9% and EBITDA doubled compared to prior year
- New tariffs and campaigns to boost activations & reduce churn in Postpaid, Prepaid, Institutional and SME segments
- Gradual Jet Modem launched to increase data users
- Postpaid now over 42% of subscriber base compared to 37% in Q1 2010

## Summary Financials

Consolidated Income Statement (TL millions)	Q1 2010	Q1 2011	2010
Revenues	2,584	2,887	10,852
OPEX	1,520	1,610	6,017
EBITDA	1,064	1,277	4,835
Margin	41%	44%	45%
Operating Profit	689	874	3,311
Margin	27%	30%	31%
Net Financial In. /Ex.	9	(121)	(184)
Tax Expense	(194)	(181)	(799)
Net Profit*	546	609	2,451
Margin	21%	21%	23%
EPS – Kuruş	0.16	0.17	0.70
DPS – Kuruş (Gross)			0.64**
Total Dividend			2,244**
CAPEX	205	314	1,733

\* After Minority Interest

\*\* Subject to General Assembly approval

Consolidated Balance Sheet (TL millions)	Q1 2010	Q1 2011	2010 YE
Intangible Assets	3,211	3,466	3,517
Tangible Assets	6,823	7,399	7,435
Other Assets	2,525	3,164	2,929
Cash and Equivalents	727	1,133	1,219
<b>Total Assets</b>	<b>13,286</b>	<b>15,162</b>	<b>15,100</b>
Share capital	3,260	3,260	3,260
Reserves and Retained Earnings	2,686	3,497	2,915
Interest Bearing Liabilities	3,501	3,756	4,199
Provisions for LT Employee Benefits	656	615	607
Other Liabilities	3,183	4,034	4,119
<b>Total Equity and Liabilities</b>	<b>13,286</b>	<b>15,162</b>	<b>15,100</b>

Consolidated Cash Flow Statement (TL millions)	Q1 2010	Q1 2011	2010
CF from Operating Activities	643	722	3,844
CF from Investing Activities	(157)	(108)	(1,761)
CAPEX	(215)	(198)	(1,805)
Other Investing Activities	58	90	44
CF from Financing Activities	(512)	(663)	(1,805)
Net Change in Cash Position	(26)	(49)	278