

Turkcell

BUY

Meeting Notes

Upside Potential 23%

Turkcell Analyst Meeting Notes – 05.02.2026

The company hosted an analyst meeting and data center site visit yesterday, during which management provided a comprehensive update on its digital infrastructure strategy.

Management highlighted that the company already operates a scaled and market-leading data center platform in Turkey with ~39% market share in corporate data center capacity.

- Total IT capacity stands at 54 MW, of which 50 MW is currently active.
- The company has invested a cumulative EUR 545m in data center infrastructure as of 2025.
- The operational footprint spans key economic and connectivity hubs, including Çorlu, Gebze, Torbalı, and Ankara (Temelli).
- The company is the first operator in Turkey to obtain Tier III certification across design, construction, and operations.

This leadership is reinforced by the recently announced strategic investment agreement with Google to build a Hyperscale Cloud Region in Turkey.

Under the partnership:

- Three hyperscale data centers will be developed in Ankara.
- Turkcell will invest approximately USD 1bn to deliver construction by the end of 2032
- Google will invest approximately USD 2bn for white-space infrastructure in 10 years.

All capacity across the three data centers will be fully allocated to Google, positioning the project as an anchor-tenant-driven development with high revenue visibility and limited demand risk.

Management provided further detail on the development and phasing model of the investment.

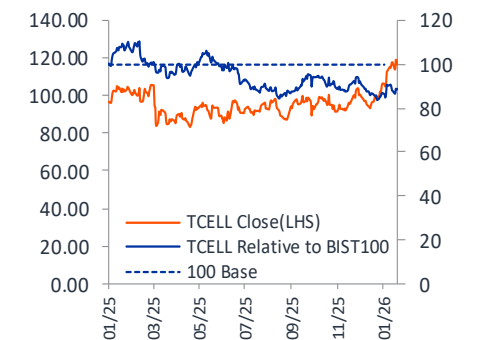
- Each of the three hyperscale data centers will consist of three modules.
- Modules will be delivered simultaneously and on a demand-driven basis, coming online as capacity is filled and incremental demand is confirmed.
- The first module is expected to be completed in 2028, with revenue contribution beginning post-2028.

Stock Data	TL
Price	116.10
Target Price*	143.07
Prev.TP	143.07
Mcap (mn)	255,420
Float Mcap (mn)	110,265
Avg.Daily Volume (3M, mn)	2622.9
No. of Shares Outstanding (mn)	2,200
Free Float (%)	43
Foreign Share (%)	76

Price Perf. (%)	1 Mn	Ytd	12 Mn
TL	16.5	24.7	14.0
US\$	15.2	23.0	-5.9
Rel.to BIST-100	3.6	3.3	-18.5

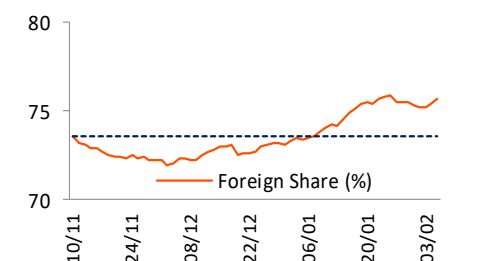
Multiples (\$)	2024	2025	2026
P/E	17.0	14.5	15.1
P/BV	0.9	1.0	1.1
EV/EBITDA	3.2	2.9	2.9

Price / Relative Price



3M Range (Close TL)	91.38	118.50
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Foreign Share (%)	Cur.(%) :	75.72
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The agreement is structured as a revenue-sharing model. Under the arrangement, Google will pay Turkcell a colocation-type service fee, while Turkcell will also receive a reseller revenue share from Google services offered through the data centers.

Management highlighted that Google currently offers 200+ products globally that are not yet available in Turkey. No further information was provided, regarding the expected revenues or the breakdown.

Management expects demand for data center and cloud services to be driven by structural rather than cyclical factors.

Globally, cloud adoption and AI-driven workloads are reshaping infrastructure requirements, favoring hyperscale-ready, energy-efficient, and scalable facilities. Locally, Turkey remains at an early stage of cloud adoption, particularly relative to EU peers, implying a multi-year catch-up opportunity. According to IDC, Türkiye's cloud services market is expected to grow at a ~20% CAGR over 2024–2029.

Management reiterated some of the growth targets for data center and cloud segment. The share of data center and cloud revenues in total company revenues is expected to rise from ~2% currently to 8–10% in the medium term.

- Active data center capacity to increase from 50 MW in 2025 to 100 MW by 2032.
- Corporate data center and cloud revenues to grow ~6x between 2025 and 2032.
- Segment's EBITDA is expected to grow above 20% CAGR in USD terms by 2032. 2/3 of the 100 mn USD EBITDA target for 2026 is driven from Turkcell customers, the rest is from internal use.

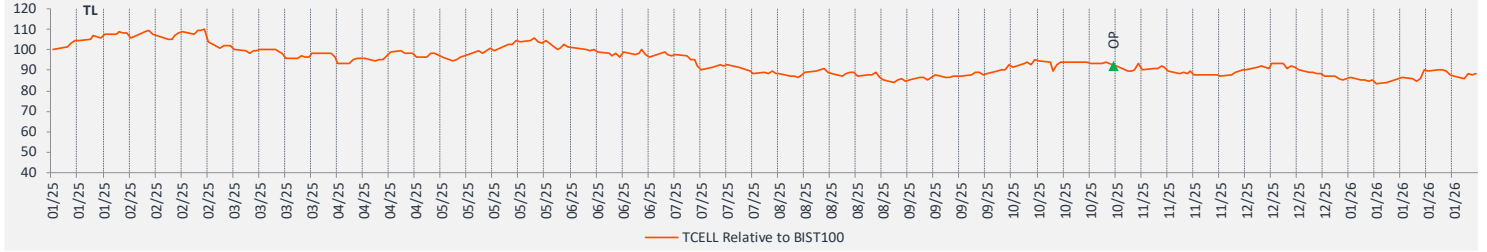
Management stated that data center investments typically generate USD-denominated IRRs of 10–16%, depending on location and contract structure, with payback periods of 5–10 years.

Management also discussed upcoming 5G-enabled Superbox products, including a portable version. The company currently has 678,000 Superbox subscribers, and management believes this base could scale toward fiber subscriber levels over the long term.

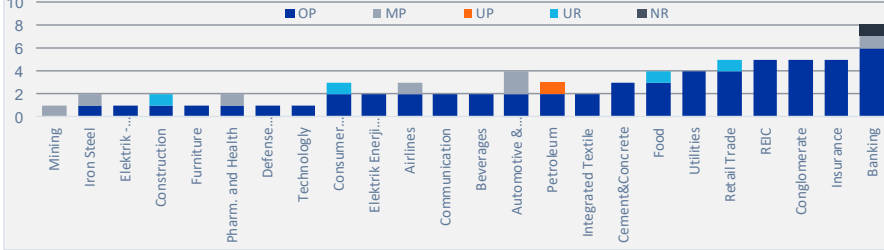
Overall, the analyst meeting and site visit reinforced management's message that the company is evolving into a scaled digital infrastructure platform with hyperscale exposure and sustainable growth profile. We maintain our positive view on TCELL with a target price of TRY 143 per share. We will revisit our estimates shortly.

Turkcell

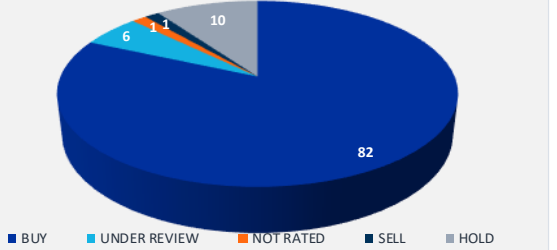
Relative to BIST 100 / Recommendations



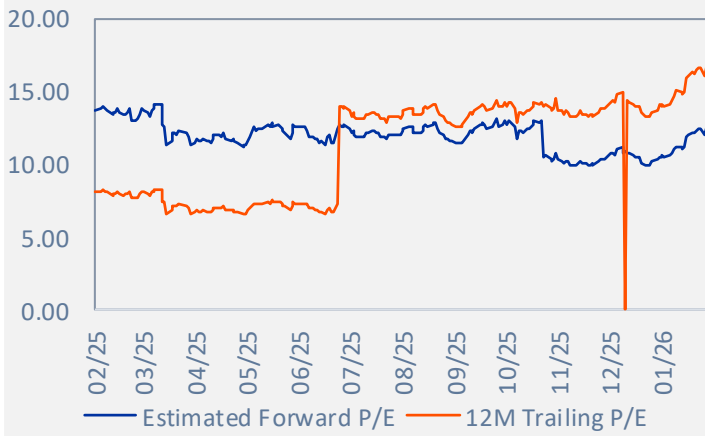
Number of Companies



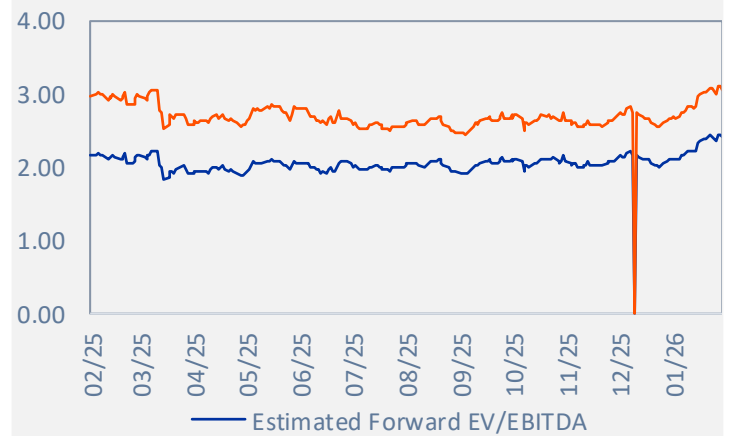
Rec. Breakdown for Coverage



Estimated Forward P/E & 12M Trailing P/E



Estimated Forward EV/EBITDA & 12M Trailing EV/EBITDA



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