TURKCELL ILETISIM HIZMETLERI

THIRD QUARTER 2018 RESULTS

"OUR DIGITAL BUSINESS MODEL HAS SUSTAINED PROFITABLE GROWTH"

Contents

- Please note that all financial data is consolidated and comprises that of Turkcell Iletisim Hizmetleri A.S. (the "Company", or "Turkcell") and its subsidiaries and associates (together referred to as the "Group"), unless otherwise stated.
- We have three reporting segments:
    - "Turkcell Turkey" which comprises all of our telecom related businesses in Turkey (as used in our previous releases in periods prior to Q115, this term covered only the mobile businesses). All non-financial data presented in this press release is unconsolidated and comprises Turkcell Turkey only figures, unless otherwise stated. The terms "we", "us", and "our" in this press release refer only to Turkcell Turkey, except in discussions of financial data, where such terms refer to the Group, and except where context otherwise requires.
    - "Turkcell International" which comprises all of our telecom related businesses outside of Turkey.
    - "Other subsidiaries" which is mainly comprised of our information and entertainment services, call center business revenues, financial services revenues and inter-business eliminations.
- In this press release, a year-on-year comparison of our key indicators is provided, and figures in parentheses following the operational and financial results for September 30, 2018 refer to the same item as at September 30, 2017. For further details, please refer to our consolidated financial statements and notes as at and for September 30, 2018, which can be accessed via our website in the investor relations section (www.turkcell.com.tr).
- Selected financial information presented in this press release for the third quarter and nine months of 2017 and 2018 is based on IFRS figures in TRY terms unless otherwise stated.
- In accordance with our strategic approach and IFRS requirements, Fintur is classified as 'held for sale' and reported as discontinued operations as of October 2016. Certain operating data that we previously presented with Fintur included has been restated without Fintur.
- In the tables used in this press release totals may not foot due to rounding differences. The same applies to the calculations in the text.
- Year-on-year and quarter-on-quarter percentage comparisons appearing in this press release reflect mathematical calculation.

FINANCIAL HIGHLIGHTS

TRY million	Q317	Q318	y/y %	9M17	9M18	y/y %
Revenue	4,597	5,799	*26.1%*	12,966	15,666	*20.8%*
EBITDA[1]	1,632	2,393	*46.6%*	4,489	6,549	*45.9%*
EBITDA Margin (%)	35.5%	41.3%	*5.8pp*	34.6%	41.8%	*7.2pp*
Net Income	601	241	*(59.8%)*	1,763	1,157	*(34.4%)*

THIRD QUARTER HIGHLIGHTS

- Strong set of results achieved in a challenging macro environment:
  - All-time high quarterly revenue and EBITDA at the Group level
  - Group revenues up 26% year-over-year, 59% on two-year cumulative basis
  - Resilience at operating profitability level; Group EBITDA including the impact of new IFRS standards up 47% year-over-year, 97% on two-year cumulative basis, EBITDA margin at 41.3%
  - Net Profitability despite high volatility in financial markets thanks to prudent financial risk management
  - Operational Capex/Sales at 16%, in line with our plan
- Operational performance continued with solid results:
  - Record-high mobile ARPU[2] growth of 18% on the back of successful execution of digital services-focused strategy and upsell performance
  - Strong customer loyalty reflected by mobile churn rate of 2.2%[3], and leading NPS in the sector
  - Mobile triple play subscriber ratio[4] at 63.9%, up 13.5pp year-over-year; multiplay with TV subscribers ratio[5] at 47.5%, up 5.2pp year-over-year
  - Data usage of 4.5G users at 7.0GB in Q318
  - 18.2 million 4.5G compatible smartphones on our network, up 0.5 million quarter-on-quarter
- Second installment of dividend distributed on September 17
- We upgrade our guidance[6] for 2018. Accordingly, we are targeting revenue growth of 20%-22% up from 16%-18% range and EBITDA margin of 39%-41% up from 37%-40% range. We keep our target operational capex over sales ratio[7] of 19%-18% unchanged.

(1) EBITDA is a non-GAAP financial measure. See page 13 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income.

(2) Excluding M2M

(3) Average monthly churn rate for the respective quarter

(4) Share of mobile voice line users which excludes subscribers who have not used their line in the last 3 months. Triple play refers to mobile customers who use voice, data and one of core digital services.

(5) Multiplay subscribers with TV: Fiber internet + IPTV users & fiber internet + IPTV + fixed voice users

(6) Please note that this paragraph contains forward looking statements based on our current estimates and expectations regarding market conditions for each of our different businesses. No assurance can be given that actual results will be consistent with such estimates and expectations. For a discussion of factors that may affect our results, see our Annual Report on Form 20-F for 2017 filed with U.S. Securities and Exchange Commission, and in particular, the risk factor section therein

(7) Excluding license fee

For further details, please refer to our consolidated financial statements and notes as at and for September 30, 2018 which can be accessed via our website in the investor relations section (www.turkcell.com.tr).

COMMENTS BY KAAN TERZIOGLU, CEO

Our digital business model has sustained profitable growth; we once again raise our guidance

Our business model developed over the past 3.5 years has successfully weathered the tough macro-environment of the third quarter of 2018. Our digital services, which aim to create value for every one of 1440 minutes each day, was downloaded nearly 130 million times. The data usage of 4.5G users reached 7GB per month on average this quarter. Even more customers have promoted us, reflecting higher satisfaction. Such strong operational performance coupled with prudent financial risk management has led to continued growth in revenues and EBITDA[1], despite strong macro headwinds.

Our revenues rose 26.1% to TRY5.8 billion with EBITDA reaching TRY2.4 billion on 46.6% year-on-year growth in the third quarter. The EBITDA margin reached 41.3%. In the first nine months, Turkcell Group grew 20.8% printing revenues of TRY15.7 billion with EBITDA of TRY6.5 billion on a 45.9% rise.

Considering the strong nine-month performance, we raise our full year revenue growth and EBITDA margin guidance[2] to 20-22% and 39-41%, respectively. Our capital expenditure, monitored for efficiency at all times, remains on track at 18-19% operational capex[3] over sales ratio guidance.

Our postpaid subscribers have reached 19 million

Our postpaid base reached 19 million with 191 thousand quarterly net additions, bringing total mobile subscribers to 34.9 million. Nearly 64% of our mobile customers have opted for multi-play[4] and actively used our voice, data and at least one digital service, marking a 13.5pp yearly increase. In the fixed segment, total fiber subscribers exceeded 1.3 million on a 43 thousand quarterly increase, while multiplay with TV+ users[5] rose to 47.5% of fiber residential subscribers.

Our customers' higher data and digital services usage, upsell to higher tariffs, and the rising share of postpaid subscribers have led to higher ARPU. Mobile ARPU[6] grew by 18% year-on-year to TRY38.7, while fixed residential ARPU reached TRY55.3.

Lifecell customer base expanded with freedom of choice

We introduced a unique curation model for our subscribers using Lifecell tariffs, namely our data-only offering built on the digital services and mobile data platform, in the last quarter. With this model, Lifecell tariff users are free to choose services other than Turkcell's as part of their tariffs. Fueled by this new model, Lifecell subscribers have almost doubled this quarter too, reaching 1.6 million by October.

Digital exports on track with BiP

Total downloads of our digital services that enrich our customers' lives have reached 130 million this quarter. We will continue to work towards expanding and improving our portfolio with the ultimate aim of reaching one billion downloads within three years.

Our communication and experience platform, BiP was proudly developed through internal resources in Turkey to provide an enriched messaging service. And now, it allows the use of two numbers on a single handset, and money transfer in addition to its multiuser video and voice call capability, and subscription to service provider channels. With a significant hike this quarter, total BiP downloads reached 30.3 million with 9.7 million active users[7]. BiP's first ads abroad were broadcast on digital screens in New York's Times Square during the week of the UN General Assembly in September, accelerating the global communication of our flagship service.

Total downloads of our digital music platform fizy reached 19.2 million where more than 7.8 million songs are streamed daily on average. 36 live concerts were broadcasted this quarter on fizy. Moreover, fizy is now equipped with "voice over" capability for the visually-impaired. Turkey's most popular digital publishing platform, Dergilik, with its rich content that includes international magazines has 13 million active users. Over 43 million magazines and newspapers were read in the first nine months. Launched a year ago, Turkey's search engine, Yaani has been downloaded 6.5 million times to date, with around 1.8 million searches conducted daily on average.

Meanwhile, we have achieved significant milestones in providing a digital infrastructure to other service providers. Our "Fast Log-in" app, which enables safe and fast entry to mobile applications and online websites, has 12.2 million registered users. Fast Log-in is integrated to some 31 services through which around 23 million logins were facilitated during the quarter. With this application, Turkey became the first market in the world to meet the commercial sustainability criteria set by the GSMA (Global Mobile Operators Association). Live-contest application, Hadi is one of those applications integrated to Fast Log-in. Making use of Turkcell e-commerce competences and infrastructure, it is a new media and entertainment platform for mobile internet users. Hadi takes place every evening for 25 minutes where to date, some 700 thousand people have attended in a single session.

We continue to invest in our future, the younger generation

We have continued to invest in our human capital with a view to enlarging our economy though digitization. 232 new graduates have now joined the Turkcell family through our innovative recruitment program GNÇYTNK.

We have already announced our agenda of helping children to avoid cyber risks and thrive in the digital world, and our partnership with the DQ Institute for this purpose. DQ Institute practices were set as global standards for digital literacy and capability by the OECD and IEEE at the World Economic Forum in September. We are proud to offer this valuable service to children and their families over the coming months.

If Turkey wins, Turkcell wins

As Turkey's Turkcell, we have fully supported the "All-Out War Program Against Inflation" unveiled by the Turkish Government, doubling the data quota assigned to each tariff and our digital services. We believe that Turkey will emerge from this period of volatile macro conditions with an economy stronger than before, and fully support this effort with our digital capacities.

We thank all our colleagues for the role they have played in the successful exceeding of our targets, along with our Board of Directors for their unyielding trust and support. We also express our gratitude to our customers, who have remained with us throughout our success story.

(1) EBITDA is a non-GAAP financial measure. See page 13 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income.

(2) Please note that this paragraph contains forward looking statements based on our current estimates and expectations regarding market conditions for each of our different businesses. No assurance can be given that actual results will be consistent with such estimates and expectations. For a discussion of factors that may affect our results, see our Annual Report on Form 20-F for 2017 filed with U.S. Securities and Exchange Commission, and in particular, the risk factor section therein

(3) Excluding license fee

(4) Share of mobile voice line users which excludes subscribers who have not used their line in the last 3 months. Triple Play refers to mobile customers who use voice, data and one of core digital services.

(5) Multiplay subscribers with TV: Fiber internet + IPTV users & fiber internet + IPTV + fixed voice users

(6) Excluding M2M

(7) 3-month active users

FINANCIAL AND OPERATIONAL REVIEW

Financial Review of Turkcell Group

Profit & Loss Statement (million TRY)	Quarter			Nine Months		
	Q317	Q318	y/y %	9M17	9M18	y/y %
Revenue	**4,597.4**	**5,799.2**	***26.1%***	**12,966.0**	**15,666.2**	***20.8%***
Cost of revenue[1]	(2,282.3)	(2,769.8)	*21.4%*	(6,437.5)	(7,250.4)	*12.6%*
Cost of revenue[1]/Revenue	**(49.6%)**	**(47.8%)**	***1.8pp***	**(49.6%)**	**(46.3%)**	***3.3pp***
Gross Margin[1]	**50.4%**	**52.2%**	***1.8pp***	**50.4%**	**53.7%**	***3.3pp***
Administrative expenses	(194.3)	(226.8)	*16.7%*	(577.9)	(635.5)	*10.0%*
Administrative expenses/Revenue	**(4.2%)**	**(3.9%)**	***0.3pp***	**(4.5%)**	**(4.1%)**	***0.4pp***
Selling and marketing expenses	(488.4)	(409.8)	*(16.1%)*	(1,461.3)	(1,231.1)	*(15.8%)*
Selling and marketing expenses/Revenue	**(10.6%)**	**(7.1%)**	***3.5pp***	**(11.3%)**	**(7.9%)**	***3.4pp***
EBITDA[2]	**1,632.4**	**2,392.8**	***46.6%***	**4,489.3**	**6,549.0**	***45.9%***
EBITDA Margin	**35.5%**	**41.3%**	***5.8pp***	**34.6%**	**41.8%**	***7.2pp***
Depreciation and amortization	(651.0)	(975.1)	*49.8%*	(1,896.4)	(3,001.0)	*58.2%*
EBIT[3]	**981.4**	**1,417.7**	***44.5%***	**2,592.9**	**3,548.0**	***36.8%***
Net finance income / (costs)	(165.4)	(868.7)	*425.2%*	(216.2)	(1,668.5)	*671.7%*
Finance income	175.7	1,911.3	*987.8%*	619.1	3,158.0	*410.1%*
Finance costs	(341.1)	(2,779.9)	*715.0%*	(835.3)	(4,826.5)	*477.8%*
Other income / (expense)	(39.9)	(123.0)	*208.3%*	(73.0)	(186.6)	*155.6%*
Non-controlling interests	(14.4)	(39.9)	*177.1%*	(38.2)	(78.5)	*105.5%*
Share of profit of equity accounted investees	-	(0.4)	*n.m*	-	(0.4)	*n.m*
Income tax expense	(161.1)	(144.4)	*(10.4%)*	(502.2)	(456.8)	*(9.0%)*
Discontinued operations	-	-	-	-	-	-
Net Income	**600.6**	**241.3**	***(59.8%)***	**1,763.2**	**1,157.2**	***(34.4%)***

(1) Excluding depreciation and amortization expenses.

(2) EBITDA is a non-GAAP financial measure. See page 13 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income.

(3) EBIT is a non-GAAP financial measure and is equal to EBITDA minus depreciation and amortization expenses.

Revenue of the Group grew by 26.1% year-on-year in Q318. This was mainly driven by the robust ARPU performance of Turkcell Turkey on the back of successful execution of our digital services-focused strategy and upsell performance.

Turkcell Turkey revenues, comprising 86% of Group revenues, rose by 22.6% to TRY4,959 million (TRY4,044 million).

- Data and digital services revenues grew by 17.7% to TRY3,179 million (TRY2,702 million).
  - Larger number of data users, higher 4.5G smartphone penetration leading to higher data consumption per user and increased penetration of digital services were the main drivers on the mobile front.
  - On the fixed front, a larger subscriber base and increased ratio of multiplay subscribers with TV were the main drivers.
- Wholesale revenues grew by 75.0% to TRY319 million (TRY182 million) on the back of increased carrier traffic and the positive impact of TRY depreciation on FX based revenues.

Turkcell International revenues, at 7% of Group revenues, increased 55.4% to TRY424 million (TRY273 million), mainly with the rise in lifecell and BeST revenues.

Other subsidiaries' revenues, at 7% of Group revenues, and which includes information and entertainment services, call center revenues and revenues from financial services rose by 48.2% to TRY416 million (TRY280 million). This was mainly driven by the increase in the consumer finance company's revenues to TRY252 million (TRY166 million) in Q318.

Cost of revenue (excluding depreciation and amortization) declined to 47.8% (49.6%) as a percentage of revenues in Q318. This was mainly due to the decline in radio expenses (2.7pp), personnel expenses (1.1pp) and other cost items (0.5pp), despite the rise in TRX expenses (1.3pp) and cost of goods sold (1.2pp) as a percentage of revenues.

The impact of new IFRS standards is TRY216 million positive in cost of revenue items.

Administrative expenses declined to 3.9% (4.2%) as a percentage of revenues in Q318. The impact of new IFRS standards is TRY18 million positive.

Selling and marketing expenses declined to 7.1% (10.6%) as a percentage of revenues in Q318. This was driven by the decline in marketing expenses (1.0pp) and selling expenses (2.7pp) despite the increase in other cost items (0.2pp) as a percentage of revenues.

The impact of new IFRS standards is TRY162 million positive.

EBITDA[1] rose by 46.6% year-on-year in Q318 leading to a 5.8pp increase in EBITDA margin to 41.3% (35.5%). The impact of new IFRS standards on EBITDA is TRY382 million positive. Excluding IFRS impacts, EBITDA rose 23.2% on the back of strong revenue growth and effective cost management.

- Turkcell Turkey's EBITDA grew by 43.0% to TRY2,089 million (TRY1,461 million) with an EBITDA margin of 42.1% (36.1%) on a 6pp increase. The impact of new IFRS standards is TRY331 million positive.
- Turkcell International EBITDA rose by 104.8% to TRY151 million (TRY74 million) leading to an EBITDA margin of 35.5% (26.9%). The impact of new IFRS standards is TRY40 million positive.
- The EBITDA of other subsidiaries rose by 56.3% to TRY154 million (TRY98 million) with the increasing contribution of our consumer finance company. The impact of new IFRS standards is TRY10 million positive.

Depreciation and amortization expenses increased 49.8% in Q318. The impact of new IFRS standards is TRY246 million negative in depreciation and amortization expenses.

Net finance expense rose to TRY869 million (TRY165 million) in Q318, mainly due to higher net foreign exchange losses on FX volatility, and to higher interest expenses resulting from a larger loan portfolio. Our net foreign exchange loss after the positive impact of the hedging instruments this quarter was TRY716 million. Please note that the Group has started to apply hedge accounting as of July 1, 2018 for existing participating cross currency swap and cross currency swap transactions in accordance with the IFRS 9 hedge accounting requirement. Please see the IFRS report for details. Furthermore, the impact of new IFRS standards was TRY52 million negative on net finance expense.

See Appendix A for details of net foreign exchange gain and loss.

Income tax expense declined 10.4% year-on-year in Q318. Please see Appendix A for details.

Net income of the Group was at TRY241 million (TRY601 million) in Q318, mainly due to higher net foreign exchange loss, and increased interest expenses on loans, despite the robust operational performance.

Total cash & debt: Consolidated cash as of September 30, 2018 rose to TRY8,749 million from TRY7,081 million as of June 30, 2018. Excluding the FX swap transactions for TRY borrowing, 77% of our cash is in US$ and 23% is in EUR.

Consolidated debt as of September 30, 2018 rose to TRY23,055 million from TRY18,449 million as of June 30, 2018. This increase was mainly due to the FX impact on foreign currency denominated debt. Moreover, TRY1,086 million of our consolidated debt is comprised of lease obligations resulting from the implementation of IFRS 16.

- Consolidated debt breakdown excluding lease obligations resulting from the implementation of IFRS 16:
  - Turkcell Turkey's debt was TRY15,776 million, of which TRY8,690 million (US$1,451 million) was denominated in US$, TRY6,667 million (EUR959 million) in EUR, TRY180 million (CNY208 million) in CNY and the remaining TRY239 million in TRY.
  - The debt balance of lifecell was TRY1,027 million denominated in UAH.
  - Our consumer finance company had a debt balance of TRY5,161 million, of which TRY2,353 million (US$393 million) was denominated in US$, and TRY1,637 million (EUR236 million) in EUR with the remaining TRY1,171 million in TRY.

(1) EBITDA is a non-GAAP financial measure. See page 13 for the explanation of how we calculate adjusted EBITDA and its reconciliation to net income.

- TRY753.7 million of IFRS 16 lease obligations is denominated in TRY, TRY115.2 million (US$19.2 million) in US$, TRY66.6 million (EUR9.6 million) in EUR and the remaining balance in other local currencies (please note that the figures in parentheses refer to US$ or EUR equivalents).

TRY13,249 million of our consolidated debt is set at a floating rate. Excluding the consumer finance business borrowings, TRY4,385 million of consolidated debt will mature within less than a year.

Net debt as of September 30, 2018 was at TRY14,306 million. Excluding lease obligations resulting from the implementation of IFRS 16, net debt was at TRY13,220 million with a net debt to EBITDA ratio of 1.8 times. Excluding consumer finance company consumer loans, our telco only net debt was at TRY8,430 million with a leverage of 1.2 times.

Turkcell Group's short FX position was at US$255 million as at the end of Q318. This is below the US$500 million level advised by our Board considering the size of our operations and balance sheet. *(Please note that this figure takes into account advance payments and hedging but excludes FX swap transactions for TL borrowing).*

Capital expenditures: Capital expenditures, including non-operational items, amounted to TRY1,083.7 million (excluding the impact of new IFRS standards) in Q318.

In Q318 and 9M18, operational capital expenditures (excluding license fees) at the Group level were at 16.1% and 16.0% of total revenues, respectively.

Capital expenditures (million TRY)	Quarter		Nine Months	
	Q317	Q318	9M17	9M18
Turkcell Turkey	(873.1)	(780.0)	(2,104.6)	(2,309.8)
Turkcell International[1]	(60.5)	(301.6)	(163.1)	(712.2)
Other Subsidiaries[1]	(4.5)	(2.0)	(15.1)	(11.8)
Capex and License	**(938.1)**	**(1,083.7)**	**(2,282.8)**	**(3,033.8)**

(1) The impact from the movement of reporting currency (TRY) against local currencies of subsidiaries in other countries is included in these lines.

Operational Review of Turkcell Turkey

Summary of Operational Data	Q317	Q218	Q318	y/y %	q/q %
Number of subscribers *(million)*	**37.2**	**37.6**	**37.8**	***1.6%***	***0.5%***
Mobile Postpaid (million)	18.4	18.8	19.0	*3.3%*	*1.1%*
Mobile M2M (million)	*2.3*	2.5	*2.5*	*8.7%*	-
Mobile Prepaid (million)	16.3	16.0	15.9	*(2.5%)*	*(0.6%)*
Fiber (thousand)	1,156.5	1,288.5	1,331.3	*15.1%*	*3.3%*
ADSL (thousand)	917.4	916.7	917.6	-	*0.1%*
IPTV (thousand)	466.6	559.9	581.5	*24.6%*	*3.9%*
Churn (%)[1]					
Mobile Churn (%)[2]	1.9%	1.9%	2.2%	*0.3pp*	*0.3pp*
Fixed Churn (%)	1.8%	1.5%	1.8%	-	*0.3pp*
ARPU (Average Monthly Revenue per User) (TRY)					
Mobile ARPU, blended	30.9	32.7	36.2	*17.2%*	*10.7%*
Mobile ARPU, blended (excluding M2M)	32.8	34.9	38.7	*18.0%*	*10.9%*
Postpaid	44.3	47.1	50.8	*14.7%*	*7.9%*
Postpaid (excluding M2M)	50.0	53.7	58.1	*16.2%*	*8.2%*
Prepaid	15.7	15.8	18.9	*20.4%*	*19.6%*
Fixed Residential ARPU, blended	53.5	55.4	55.3	*3.4%*	*(0.2%)*
Average mobile data usage per user (GB/user)	**4.2**	**5.0**	**5.4**	***28.6%***	***8.0%***
Mobile MoU (Avg. Monthly Minutes of usage per subs) blended	**366.2**	**364.4**	**372.6**	***1.7%***	***2.3%***

(1) Presentation of churn figures has been changed to demonstrate average monthly churn figures for the respective quarters.
(2) In Q117, our churn policy was revised to extend from 9 months to 12 months (the period at the end of which we disconnect prepaid subscribers who have not topped up above TRY10). Additionally, under our revised policy, prepaid customers who last topped up before March will be disconnected at the latest by year-end. Please note that figures for prior periods have not been restated to reflect this change in churn policy.

In Q318, total Turkcell Turkey subscribers reached 37.8 million on 591 thousand annual additions on the back of our rich value proposition through quality of our 4.5G network and an attractive digital services portfolio.

Our mobile subscriber base reached 34.9 million by the end of Q318 on 128 thousand quarterly net additions. This was mainly driven by 191 thousand quarterly net additions to our postpaid subscribers, which reached 19 million mainly due to our rich value proposition and pre to post switch performance. Accordingly, the share of postpaid subscribers reached 54.5% (53.0%) of our total mobile subscriber base.

Our fixed subscriber base has continued to grow mainly on 43 thousand quarterly net additions to fiber subscribers. Our fiber customer base grew by 175 thousand on annual basis. IPTV subscribers reached 582 thousand on 22 thousand quarterly and 115 thousand annual net additions. Total TV users including OTT TV only customers reached 3.1 million. As of October, Turkcell TV+ mobile application downloads reached 10.1 million.

In Q318, our average monthly mobile churn rate was at 2.2%, while our average monthly fixed churn rate was at 1.8%.

Mobile ARPU (excluding M2M) rose 18.0% year-on-year driven mainly by increased data and digital services usage, upsell performance and a larger postpaid base. ARPU growth was also supported by the increased share of triple play customers, who use voice, data and digital services combined, to 63.9%[3].

Fixed Residential ARPU rose 3.4% in Q318 year-on-year.

Average mobile data usage per user rose by 28.6% in Q318 year-on-year on the back of higher data consumption of 4.5G users. Accordingly, the average mobile data usage of 4.5G users was at 7.0GB in Q318.

In Q318, we continued to increase the 4.5G compatible smartphone penetration on our network. 4.5G compatible smartphones rose to 18.2 million on 0.5 million quarterly additions to 79% of total smartphones in Q318.

(3) Share among mobile voice users excluding subscribers who have not used their lines in the last 3 months. Triple Play refers to mobile customers who use voice, data and one of core digital services

TURKCELL INTERNATIONAL

lifecell[1] Financial Data	Quarter			Nine Months		
	Q317	Q318	y/y%	9M17	9M18	y/y%
Revenue (million UAH)	1,253.3	1,367.1	9.1%	3,606.8	3,851.5	6.8%
EBITDA (million UAH)	371.9	610.0	64.0%	995.2	1,678.6	68.7%
EBITDA margin (%)	29.7%	44.6%	14.9pp	27.6%	43.6%	16.0pp
Net income / (loss) (million UAH)	(92.1)	(185.6)	101.5%	(324.1)	(570.5)	76.0%
Capex (million UAH)[2]	234.2	576.8	146.3%	915.8	3,099.3	238.4%
Revenue (million TRY)	169.1	275.0	62.6%	486.7	650.6	33.7%
EBITDA (million TRY)	50.2	115.0	129.1%	134.3	283.6	111.2%
EBITDA margin (%)	29.7%	41.8%	12.1pp	27.6%	43.6%	16.0pp
Net income / (loss) (million TRY)	(12.4)	(34.8)	180.6%	(43.7)	(93.9)	114.9%

(1) Since July 10, 2015, we hold a 100% stake in lifecell.
(2) Excluding the impact of new IFRS standards

lifecell (Ukraine) revenues rose by 9.1% year-on-year in Q318 in local currency terms, mainly driven by growth in mobile data revenues with increased data users and higher data consumption. EBITDA in local currency terms increased 64.0% year-on-year, which resulted in an EBITDA margin of 44.6% with effective cost control measures and the positive impact of new IFRS standards.

lifecell's revenues in TRY terms grew by 62.6%, while the EBITDA margin increased to 41.8% year-on-year in Q318. The impact of new IFRS standards on lifecell's EBITDA is TRY35 million positive in Q318.

lifecell Operational Data	Q317	Q218	Q318	y/y%	q/q %
Number of subscribers (million)[3]	11.7	10.1	10.1	(13.7%)	-
Active (3 months)[4]	8.2	7.8	7.6	(7.3%)	(2.6%)
MOU (minutes) (12 months)	128.2	147.4	145.8	13.7%	(1.1%)
ARPU (Average Monthly Revenue per User), blended (UAH)	34.6	41.7	45.0	30.1%	7.9%
Active (3 months) (UAH)	50.4	55.5	59.3	17.7%	6.8%

(3) We may occasionally offer campaigns and tariff schemes that have an active subscriber life differing from the one that we normally use to deactivate subscribers and calculate churn.
(4) Active subscribers are those who in the past three months made a revenue generating activity.

lifecell's three-month active subscriber base declined to 7.6 million in Q318, mainly due to the declining multiple SIM card usage trend in the country. Blended ARPU increased 30.1% year-on-year in Q318, mostly on rising mobile data consumption. Additionally, lifecell continued to grow higher ARPU customers leveraging the quality of its 3G and 4.5G networks, and its attractive digital services portfolio.

lifecell has continued its 4.5G network roll-out in Q318, launching its services on the 1800 MHz frequency on July 1st in addition to the introduction of services on the 2600 MHz frequency in March. The penetration of 4.5G services continued to rise as reflected by the number of 3-month active 4.5G users, which expanded by over 50% during the quarter. Overall, 3 month active data users on 3G and 4.5G networks in total exceeded 4.2 million, while average data consumption per user ramped up by 156% year-on-year, mainly with the higher data consumption of 4.5G users. Meanwhile, lifecell continued to lead the Ukrainian market with 73% smartphone penetration.

In line with Turkcell's global digital services strategy, lifecell continued to enrich its digital services portfolio and increase the penetration of these services within its customer base, which led to increased digitals services revenues.

BeST[1]	Quarter			Nine Months		
	Q317	Q318	y/y%	9M17	9M18	y/y%
Number of subscribers (million)	**1.6**	**1.6**	-	**1.6**	**1.6**	-
Active (3 months)	1.3	1.2	*(7.7%)*	1.3	1.2	*(7.7%)*
Revenue (million BYN)	**29.9**	**32.2**	***7.7%***	**81.4**	**92.0**	***13.0%***
EBITDA (million BYN)	1.9	5.5	*189.5%*	2.5	15.2	*508.0%*
EBITDA margin (%)	**6.5%**	**17.1%**	***10.6pp***	**3.0%**	**16.5%**	***13.5pp***
Net loss (million BYN)	(9.9)	(8.5)	*(14.1%)*	(32.6)	(28.8)	*(11.7%)*
Capex (million BYN)[2]	**3.0**	**1.8**	***(40.0%)***	**8.2**	**7.5**	***(8.5%)***
Revenue (million TRY)	53.9	87.1	*61.6%*	152.2	209.1	*37.4%*
EBITDA (million TRY)	**3.5**	**14.0**	***300.0%***	**4.5**	**34.8**	***673.3%***
EBITDA margin (%)	6.5%	16.1%	*9.6pp*	3.0%	16.6%	*13.6pp*
Net loss (million TRY)	**(17.9)**	**(23.2)**	***29.6%***	**(61.2)**	**(64.7)**	***5.7%***
Capex (million TRY)[2]	5.5	8.3	*50.9%*	14.8	21.3	*43.9%*

(1) BeST, in which we hold an 80% stake, has operated in Belarus since July 2008.
(2) Excluding the impact of new IFRS standards

BeST revenues rose by 7.7% year-on-year in Q318 in local currency terms, mainly on growth in voice, mobile data and device sale revenues. BeST's EBITDA margin rose to 17.1%, mainly driven by top-line growth and the implementation of new IFRS standards.

BeST's revenues in TRY terms rose by 61.6% year-on-year in Q318, while its EBITDA margin increased to 16.1%. The impact of new IFRS standards on BeST's EBITDA is TRY10.7 million positive in Q318.

BeST continued to increase its 4G coverage offering its services in all regions of Belarus. Increasing penetration of 4G services leads to greater data consumption and paves the way for digital services usage. Accordingly, BeST continued to increase the penetration of its digital services within its customer base and saw increasing digital revenues on the back of music, TV and gaming platforms. BeST introduced its new game platform for the kids segment this quarter.

Kuzey Kıbrıs Turkcell[3] (million TRY)	Quarter			Nine Months		
	Q317	Q318	y/y%	9M17	9M18	y/y%
Number of subscribers (million)	**0.5**	**0.5**	-	**0.5**	**0.5**	-
Revenue	40.7	45.6	*12.0%*	117.0	134.3	*14.8%*
EBITDA	**14.2**	**16.0**	***12.7%***	**42.4**	**47.3**	***11.6%***
EBITDA margin (%)	34.8%	35.0%	*0.2pp*	36.3%	35.2%	*(1.1pp)*
Net income	**8.9**	**8.7**	***(2.2%)***	**26.3**	**24.0**	***(8.7%)***
Capex[4]	19.8	18.9	*(4.5%)*	27.6	30.4	*10.1%*

(3) Kuzey Kıbrıs Turkcell, in which we hold a 100% stake, has operated in Northern Cyprus since 1999.
(4) Excluding the impact of new IFRS standards

Kuzey Kıbrıs Turkcell revenues rose by 12.0% year-on-year in Q318, mainly driven by mobile data revenue growth and increase in device sales. EBITDA increased by 12.7%, which led to an EBITDA margin of 35.0% with the positive impact of new IFRS impacts despite the rise in costs of devices sold and interconnection expenses. The impact of new IFRS standards on Kuzey Kıbrıs Turkcell's EBITDA is TRY1.3 million positive in Q318.

Fintur had operations in Azerbaijan, Kazakhstan, Moldova and Georgia, and we hold a 41.45% stake in the company. In accordance with our strategic approach and IFRS requirements, Fintur is classified as 'held for sale' and reported as discontinued operations as of October 2016.

On March 5, 2018, Fintur transferred its 51.3% total shareholding in Azertel Telekomunikasyon Yatirim Diş Ticaret A.Ş to Azerbaijan International Telecom LLC, a fully state-owned company of the Republic of Azerbaijan, for EUR221.7 million.

On March 20, 2018, Fintur completed the transfer of its 99.99% total shareholding in Geocell LLC to Silknet JSC, a joint stock company organized under the laws of Georgia, for a total consideration of US$153 million.

These transactions have no impact on our financial statements since Fintur is classified as “assets held for sale” in our financials.

Turkcell Group Subscribers

Turkcell Group subscribers amounted to approximately 50.3 million as of September 30, 2018. This figure is calculated by taking the number of subscribers of Turkcell Turkey and each of our subsidiaries. It includes the total number of mobile, fiber, ADSL and IPTV subscribers of Turkcell Turkey, and the mobile subscribers of lifecell and BeST, as well as those of Kuzey Kıbrıs Turkcell and lifecell Europe.

Turkcell Group Subscribers	Q317	Q218	Q318	y/y%	q/q%
Mobile Postpaid (million)	18.4	18.8	19.0	3.3%	1.1%
Mobile Prepaid (million)	16.3	16.0	15.9	(2.5%)	(0.6%)
Fiber (thousand)	1,156.5	1,288.5	1,331.3	15.1%	3.3%
ADSL (thousand)	917.4	916.7	917.6	0.0%	0.1%
IPTV (thousand)	466.6	559.9	581.5	24.6%	3.9%
Turkcell Turkey subscribers (million)[1]	**37.2**	**37.6**	**37.8**	**1.6%**	**0.5%**
lifecell (Ukraine)	11.7	10.1	10.1	(13.7%)	-
BeST (Belarus)	1.6	1.6	1.6	-	-
Kuzey Kıbrıs Turkcell	0.5	0.5	0.5	-	-
lifecell Europe[2]	0.3	0.3	0.2	(33.3%)	(33.3%)
Turkcell Group Subscribers (million)	**51.3**	**50.1**	**50.3**	**(1.9%)**	**0.4%**

(1) Subscribers to more than one service are counted separately for each service.

(2) The “wholesale traffic purchase” agreement, signed between Turkcell Europe GmbH operating in Germany and Deutsche Telekom for five years in 2010, had been modified to reflect the shift in business model to a “marketing partnership”. The new agreement between Turkcell and a subsidiary of Deutsche Telekom was signed on August 27, 2014. The transfer of Turkcell Europe operations to Deutsche Telekom’s subsidiary was completed on January 15, 2015. Subscribers are still included in the Turkcell Group Subscriber figure. Turkcell Europe was rebranded as lifecell Europe on January 15, 2018.

OVERVIEW OF THE MACROECONOMIC ENVIRONMENT

The foreign exchange rates used in our financial reporting, along with certain macroeconomic indicators, are set out below.

	Quarter					Nine Months		
	Q317	Q218	Q318	y/y%	q/q%	9M17	9M18	y/y%
GDP Growth (Turkey)	11.5%	5.2%	n.a	n.a	n.a	7.5%	n.a	n.a
Consumer Price Index (Turkey) (yoy)	11.2%	15.4%	24.5%	13.3pp	9.1pp	11.2%	24.5%	13.3pp
US$ / TRY rate								
Closing Rate	3.5521	4.5607	5.9902	68.6%	31.3%	3.5521	5.9902	68.6%
Average Rate	3.4999	4.2639	5.5223	57.8%	29.5%	3.5763	4.5313	26.7%
EUR / TRY rate								
Closing Rate	4.1924	5.3092	6.9505	65.8%	30.9%	4.1924	6.9505	65.8%
Average Rate	4.1241	5.0636	6.4356	56.0%	27.1%	3.9867	5.3929	35.3%
US$ / UAH rate								
Closing Rate	26.52	26.19	28.30	6.7%	8.1%	26.52	28.30	6.7%
Average Rate	25.94	26.24	27.43	5.7%	4.5%	26.50	27.03	2.0%
US$ / BYN rate								
Closing Rate	1.9623	1.9898	2.1121	7.6%	6.1%	1.9623	2.1121	7.6%
Average Rate	1.9404	1.9975	2.0408	5.2%	2.2%	1.9100	2.0015	4.8%

RECONCILIATION OF NON-GAAP FINANCIAL MEASUREMENTS: *We believe Adjusted EBITDA, among other measures, facilitates performance comparisons from period to period and management decision making. It also facilitates performance comparisons from company to company. Adjusted EBITDA as a performance measure eliminates potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact of changes in effective tax rates on periods or companies) and the age and book depreciation of tangible assets (affecting relative depreciation expense). We also present Adjusted EBITDA because we believe it is frequently used by securities analysts, investors and other interested parties in evaluating the performance of other mobile operators in the telecommunications industry in Europe, many of which present Adjusted EBITDA when reporting their results.*

Our Adjusted EBITDA definition includes Revenue, Cost of Revenue excluding depreciation and amortization, Selling and Marketing expenses and Administrative expenses, but excludes translation gain/(loss), finance income, finance expense, share of profit of equity accounted investees, gain on sale of investments, minority interest and other income/(expense).

Nevertheless, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations, as reported under IFRS. The following table provides a reconciliation of Adjusted EBITDA, as calculated using financial data prepared in accordance with IFRS as issued by the IASB, to net profit, which we believe is the most directly comparable financial measure calculated and presented in accordance with IFRS as issued by the IASB.

Turkcell Group (million TRY)	Quarter			Nine Months		
	Q317	Q318	y/y%	9M17	9M18	y/y%
Adjusted EBITDA	**1,632.4**	**2,392.8**	***46.6%***	**4,489.3**	**6,549.0**	***45.9%***
Depreciation and amortization	(651.0)	(975.1)	*49.8%*	(1,896.4)	(3,001.0)	*58.2%*
Finance income	175.7	1,911.3	*987.8%*	619.1	3,158.0	*410.1%*
Finance costs	(341.1)	(2,779.9)	*715.0%*	(835.3)	(4,826.5)	*477.8%*
Other income / (expense)	(39.9)	(123.0)	*208.3%*	(73.0)	(186.6)	*155.6%*
Share of profit of equity accounted investees	-	(0.4)	*n.m*	-	(0.4)	*n.m*
Consolidated profit from continued operations before income tax & minority interest	**776.1**	**425.6**	***(45.2%)***	**2,303.7**	**1,692.5**	***(26.5%)***
Income tax expense	(161.1)	(144.4)	*(10.4%)*	(502.2)	(456.8)	*(9.0%)*
Consolidated profit from continued operations before minority interest	**615.0**	**281.2**	***(54.3%)***	**1,801.4**	**1,235.7**	***(31.4%)***
Discontinued operations	-	-	-	-	-	-
Consolidated profit before minority interest	**615.0**	**281.2**	***(54.3%)***	**1,801.4**	**1,235.7**	***(31.4%)***

ABOUT TURKCELL: *Turkcell is a digital operator headquartered in Turkey, serving its customers with its unique portfolio of digital services along with voice, messaging, data and IPTV services on its mobile and fixed networks. Turkcell Group companies operate in 8 countries – Turkey, Ukraine, Belarus, Northern Cyprus, Germany, Azerbaijan, Kazakhstan, Moldova. Turkcell launched LTE services in its home country on April 1st, 2016, employing LTE-Advanced and 3 carrier aggregation technologies in 81 cities. In 2G and 3G, Turkcell's population coverage in Turkey is at 99.68% and 98.23%, respectively, as of September 2018. Turkcell offers up to 10 Gbps fiber internet speed with its FTTH services. Turkcell Group reported TRY5.8 billion revenue in Q318 with total assets of TRY45.4 billion as of September 30, 2018. It has been listed on the NYSE and the BIST since July 2000, and is the only NYSE-listed company in Turkey. Read more at www.turkcell.com.tr*

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This press release can also be viewed using the Turkcell Investor Relation app, which can be downloaded ***here for iOS,*** *and* ***here for Android mobile devices.***

Appendix A – Tables

Table: Net foreign exchange gain and loss details

Million TRY	Quarter			Nine Months		
	Q317	Q318	y/y%	9M17	9M18	y/y%
Turkcell Turkey	(140.4)	(1,811.8)	n.m	(340.3)	(2,836.5)	733.5%
Turkcell International	(1.3)	(80.6)	n.m	1.1	(123.6)	n.m
Other Subsidiaries	(19.3)	(818.2)	n.m	(22.6)	(1,205.1)	n.m
Net FX loss before hedging	**(161.0)**	**(2,710.5)**	***n.m***	**(361.8)**	**(4,165.0)**	***n.m***
Fair value gain on derivative financial instruments[1]	87.3	1,993.9	n.m	215.7	2,775.2	n.m
Net FX gain / (loss) after hedging	**(73.7)**	**(716.5)**	***872.2%***	**(146.1)**	**(1,389.8)**	***851.3%***

(1) Definition of fair value gain on derivative financial instruments has been extended to include the impact of interest income and expense in relation to derivative instruments and fair value of FX swaps engaged in during the period to manage operational cash flow balance. Please note that figures for prior periods have not been restated to reflect this change in definition.

Table: Income tax expense details

Million TRY	Quarter			Nine Months		
	Q317	Q318	y/y%	9M17	9M18	y/y%
Current tax expense	(120.7)	(178.3)	47.7%	(353.7)	(540.0)	52.7%
Deferred tax income / (expense)	(40.4)	33.9	(183.9%)	(148.5)	83.2	(156.0%)
Income Tax expense	**(161.1)**	**(144.4)**	***(10.4%)***	**(502.2)**	**(456.8)**	***(9.0%)***

TURKCELL ILETISIM HIZMETLERI A.S.
IFRS SELECTED FINANCIALS (TRY Million)

	Quarter Ended Sep 30, 2017	Quarter Ended June 30, 2018	Quarter Ended Sep 30, 2018	Nine Months Ended Sep 30, 2017	Nine Months Ended Sep 30, 2018
Consolidated Statement of Operations Data					
Turkcell Turkey	4,044.0	4,403.8	4,959.5	11,409.5	13,480.3
Turkcell International	272.9	331.5	424.2	778.8	1,035.1
Other	280.5	369.9	415.5	777.7	1,150.7
Total revenues	4,597.4	5,105.3	5,799.2	12,966.0	15,666.1
Direct cost of revenues	(2,933.4)	(3,391.8)	(3,745.0)	(8,333.9)	(10,251.5)
Gross profit	1,664.0	1,713.6	2,054.2	4,632.1	5,414.6
Administrative expenses	(194.3)	(193.9)	(226.8)	(577.9)	(635.5)
Selling & marketing expenses	(488.4)	(431.5)	(409.8)	(1,461.3)	(1,231.1)
Other Operating Income / (Expense)	(39.9)	(30.2)	(123.0)	(73.0)	(186.6)
Operating profit before financing costs	941.5	1,058.0	1,294.7	2,519.9	3,361.4
Finance costs	(341.1)	(1,268.3)	(2,779.9)	(835.4)	(4,826.5)
Finance income	175.7	781.9	1,911.3	619.1	3,158.0
Share of profit of equity accounted investees	-	-	(0.4)	-	(0.4)
Income before tax and non-controlling interest	776.1	571.6	425.6	2,303.6	1,692.5
Income tax expense	(161.1)	(142.2)	(144.4)	(502.2)	(456.7)
Income from continuing operations before non-controlling interest	615.0	429.5	281.2	1,801.4	1,235.8
Discontinued operations	-	-	-	-	-
Non-controlling interests	(14.4)	(14.4)	(39.9)	(38.2)	(78.5)
Net income	600.6	415.1	241.3	1,763.2	1,157.3
Net income per share	0.27	0.19	0.11	0.80	0.53
Other Financial Data					
Gross margin	36.2%	33.6%	35.4%	35.7%	34.6%
EBITDA(*)	1,632.4	2,134.3	2,392.8	4,489.3	6,549.0
Capital expenditures	938.1	1,548.9	1,263.7	2,282.8	5,406.8
Consolidated Balance Sheet Data (at period end)					
Cash and cash equivalents	4,906.5	7,080.9	8,749.2	4,906.5	8,749.2
Total assets	32,321.9	41,026.2	45,404.1	32,321.9	45,404.1
Long term debt	7,780.0	11,760.3	14,955.1	7,780.0	14,955.1
Total debt	11,867.0	18,448.6	23,055.1	11,867.0	23,055.1
Total liabilities	17,505.1	26,073.9	30,513.2	17,505.1	30,513.2
Total shareholders' equity / Net Assets	14,816.8	14,952.3	14,890.9	14,816.8	14,890.9

(*) Please refer to the notes on reconciliation of Non-GAAP Financial measures on page 13

For further details, please refer to our consolidated financial statements and notes as at 30 September 2018 on our web site

TURKCELL ILETISIM HIZMETLERI A.S.
TURKISH ACCOUNTING STANDARDS SELECTED FINANCIALS (TRY Million)

	Quarter Ended Sep 30, 2017	Quarter Ended June 30, 2018	Quarter Ended Sep 30, 2018	Nine Months Ended Sep 30, 2017	Nine Months Ended Sep 30, 2018
Consolidated Statement of Operations Data					
Turkcell Turkey	4,044.0	4,403.8	4,959.5	11,409.5	13,480.3
Turkcell International	272.9	331.5	424.2	778.8	1,035.1
Other	280.5	369.9	415.5	777.7	1,150.7
Total revenues	4,597.4	5,105.3	5,799.2	12,966.0	15,666.1
Direct cost of revenues	(2,933.4)	(3,391.8)	(3,745.0)	(8,333.9)	(10,251.5)
Gross profit	1,664.0	1,713.6	2,054.2	4,632.1	5,414.6
Administrative expenses	(194.3)	(193.9)	(226.8)	(577.9)	(635.5)
Selling & marketing expenses	(488.4)	(431.5)	(409.8)	(1,461.3)	(1,231.1)
Other Operating Income / (Expense)	189.1	623.2	1,169.5	462.6	1,893.2
Operating profit before financing and investing costs	1,170.4	1,711.4	2,587.1	3,055.5	5,441.2
Income from investing activities	6.9	7.7	9.5	17.4	25.9
Expense from investing activities	(8.6)	(42.6)	(120.1)	(24.5)	(177.0)
Share of profit of equity accounted investees	-	-	(0.4)	-	(0.4)
Income before financing costs	1,168.7	1,676.4	2,476.1	3,048.4	5,289.7
Finance income	54.3	656.8	1,758.5	256.7	2,813.3
Finance expense	(446.9)	(1,761.6)	(3,808.9)	(1,001.5)	(6,410.5)
Income from continuing operations before tax and non-controlling interest	776.1	571.6	425.6	2,303.6	1,692.4
Income tax expense from continuing operations	(161.1)	(142.2)	(144.4)	(502.2)	(456.7)
Income from continuing operations before non-controlling interest	615.0	429.5	281.3	1,801.4	1,235.7
Discontinued operations	-	-	-	-	-
Income before non-controlling interest	615.0	429.5	281.3	1,801.4	1,235.7
Non-controlling interest	(14.4)	(14.4)	(39.9)	(38.2)	(78.5)
Net income	600.6	415.1	241.4	1,763.2	1,157.2
Net income per share	0.27	0.19	0.11	0.80	0.53
Other Financial Data					
Gross margin	36.2%	33.6%	35.4%	35.7%	34.6%
EBITDA	1,632.4	2,134.2	2,392.8	4,489.3	6,549.0
Capital expenditures	938.1	1,548.9	1,263.7	2,282.8	5,406.8
Consolidated Balance Sheet Data (at period end)					
Cash and cash equivalents	4,906.5	7,080.9	8,749.2	4,906.5	8,749.2
Total assets	32,321.9	41,026.2	45,404.1	32,321.9	45,404.1
Long term debt	7,780.0	11,760.3	14,955.1	7,780.0	14,955.1
Total debt	11,867.0	18,448.6	23,055.1	11,867.0	23,055.1
Total liabilities	17,505.1	26,073.9	30,513.2	17,505.1	30,513.2
Total shareholders' equity / Net Assets	14,816.8	14,952.3	14,890.9	14,816.8	14,890.9