TURKCELL ILETISIM HIZMETLERI A S
Form 6-K
February 21, 2014

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

Report on Form 6-K dated February 21, 2014

Commission File Number: 001-15092

TURKCELL ILETISIM HIZMETLERI A.S.
(Translation of registrant's name in English)

Turkcell Plaza
Mesrutiyet Caddesi No. 153
34430 Tepebasi
Istanbul, Turkey

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Q Form 40-F £

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes £ No Q

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes £ No Q

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes £ No Q

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-
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Enclosure: A press release dated February 19, 2014 announcing Turkcell's Fourth Quarter and Full Year 2013 results and IFRS Report for Q4 2013.

Fourth Quarter and Full Year 2013 Results

Content

- 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"). All non-financial data is unconsolidated and comprises Turkcell only figures. The terms "we", "us", and "our" in this press release refer only to the Company, except in discussions of financial data, where such terms refer to the Group, and where context otherwise requires.

- 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 the year end 2013 refer to the same item at the year end of 2012 and figures in parentheses following the operational and financial results for the fourth quarter of 2013 refer to the same item in the fourth quarter of 2012. For further details, please refer to our consolidated financial statements and notes as at and for the year ended December 31, 2013, which can be accessed via our website in the investor relations section (www.turkcell.com.tr).

- Please note that selected financial information presented in this press release for the fourth quarters and year end of 2013 and 2012, both in TRY and US$ is based on IFRS figures.

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In the tables used in this press release totals may not foot due to rounding differences. The same applies for the calculations in the text.

Fourth Quarter and Full Year 2013 Results

HIGHLIGHTS

FULL YEAR 2013

- Turkcell Group delivered a solid performance in 2013. The Group, excluding the MTR cut and one-off impacts, reached revenues of TRY11,637 million and EBITDA of TRY3,585 million, both rising by 11%.
- On a reported basis, Turkcell Group, registering 9% growth, posted revenues of TRY11,408 million (TRY10,507 million). Group EBITDA1 rose by 9% to TRY3,544 million (TRY3,242 million), while the Group EBITDA margin rose slightly to 31.1% (30.9%).
- Turkcell's mobile business in Turkey recorded 5% revenue and EBITDA growth, reaching TRY9,123 million (TRY8,724 million) and TRY2,832 million (TRY2,710 million), respectively, while the EBITDA margin was at 31.0% (31.1%).
  - o Mobile broadband revenues grew by 38% to TRY1,437 million (TRY1,040 million).
  - o Voice revenues2 were slightly up by 0.3% to TRY6,460 million (TRY6,442 million).
- Subsidiaries3 grew their revenues by 28% to TRY2,285 million (TRY1,783 million) and EBITDA by 34% to TRY712 million (TRY532 million), increasing their profitability.
- Group net income increased by 12% to TRY2,326 million (TRY2,079 million).

Excluding MTR cut and one-off impacts4:

· Turkcell Group revenues would be TRY11,637 million on 11% growth.

· Turkcell's mobile business in Turkey would be TRY9,352 million on 7% growth, including 4% growth of voice revenues.

· EBITDA would be TRY3,585 million on 11% growth.

· Net income would increase by 9% to TRY2,495 million.

FOURTH QUARTER 2013

- Turkcell Group recorded revenues of TRY2,884 million (TRY2,807 million) on a 3% rise with EBITDA1 at TRY851 million (TRY848 million) and an EBITDA margin of 29.5% (30.2%).
- Revenues of Turkcell's mobile business in Turkey were down 2% to TRY2,240 million (TRY2,290 million), while EBITDA declined by 4% to TRY670 million (TRY702 million):
  - o Mobile broadband revenues rose by 34% to TRY394 million (TRY295 million).
  - o Voice revenues declined by 8% to TRY1,547 million (TRY1,675 million).

- Revenues of subsidiaries3 ramped up by 25% to TRY644 million (TRY517 million), while EBITDA increased by 24% to TRY181 million (TRY146 million).

- Group net income rose by 10% to TRY505 million (TRY459 million).

Excluding MTR cut and one-off impacts4:

- Turkcell Group revenues would be TRY3,012 million on 7% growth.

- Turkcell's mobile business in Turkey would be TRY2,367 million on 3% growth with flat voice revenues.

- EBITDA would be TRY872 million on 3% growth.

- Net income would increase by 11% to TRY626 million.

(1) EBITDA is a non-GAAP financial measure. See page 15 for the reconciliation of EBITDA to net cash from operating activities.
(2) Voice revenues include outgoing, incoming, roaming and other (comprising almost 1% of Turkcell Turkey) revenues.
(3) Including eliminations.
(4) The adjusted figures are non-IFRS measures. For further details on the factors for which adjustments have been made and on the calculation of the adjustments, please see page 7 and 9.
(*) For details, please refer to our consolidated financial statements and notes as at, and for the year ended December 31, 2013 which can be accessed via our web site.

COMMENTS FROM CEO, SUREYYA CILIV

“For the year of 2013 Turkcell Group accomplished its targets. Group consolidated revenues rose 9% to 11.4 billion TL, while EBITDA grew 9% to 3.5 billion TL. Meanwhile, EBIT grew by 7% to 1.95 billion TL and net income climbed 12% to 2.3 billion TL.

Turkcell’s mobile business revenues in Turkey grew by 5% on 38% growth in mobile broadband. Meanwhile, subsidiaries’ contribution continued to increase, where Turkcell Superonline grew by 35% year on year, while our Ukrainian business rose by 11% in USD terms registering its first ever positive EBIT on a full year basis.

We continue to ease and enrich our customers’ lives by providing a unique experience through technology and innovation. In 2013, with our vision of widening access to mobile broadband, we introduced Turkey’s first domestically designed and produced smartphone, the “T40”, at half the average market price of a smartphone. We believe that the T40 plays a key role in reaching the goals of higher smartphone penetration, equal access to information, contribution to the economy, and the promotion of locally developed software.

In 2013, as Turkcell Group, we invested 1.8 billion TL to further boost mobile and fiber network quality in Turkey. Today, with Turkcell’s superior network infrastructure, information is accessible anytime and anywhere by our customers. With our emphasis on equal access to information, we recently digitized Turkcell Academy in cooperation with the world’s leading educational institutions to make digital learning available to the public with over 2000 items of content.

In 2014, and in line with our growth strategy, we aim to create value for our stakeholders by increasing our investments in mobile and fiber infrastructure, including network modernization.

We thank all of our customers, employees, business partners and shareholders for their contribution to our success.”

OVERVIEW OF TURKCELL TURKEY

In 2013, the total number of mobile subscribers in the market rose by 1.9 million on the back of population growth and increased mobile data subscriptions, resulting in a 91% market penetration.

2013 was a challenging year in terms of competition and regulation. Pressure on price levels, coupled with the implementation of the Information and Communication Technologies Authority's (ICTA) decisions in the second half, had a negative impact on market growth.

On the competitive front, competitors' pursuit of market share continued throughout the year. Specifically in the fourth quarter, increased data incentives at lower prices led to higher mobile number portability (MNP) activity, compared to the prior quarter. Thus far, in 2014, this trend has continued at an increasing pace with further increase in incentives offered.

On the regulatory front, the ICTA's voice and SMS MTR cut decisions negatively impacted total market revenue growth by an amount that we estimate at nearly three percent, which also negatively impacted our revenue growth. Yet, we met our targets through growth in mobile broadband and the increased contribution of our subsidiaries.

In this challenging environment, our subscriber base continued to grow. Our postpaid subscriber base growth remained strong with 849 thousand yearly net additions, driven mainly by our initiatives aimed at superior customer experience. Blended full year ARPU rose by 4% yearly, driven mainly by continued strong growth in data usage and the increased postpaid subscriber base, despite the MTR cut impact.

As an extension of our mobile broadband growth strategy, we added 3.3 million smartphones to our base throughout the year. As a result, the number of smartphones on our network reached 9.6 million with 30% penetration, up from 19% penetration a year ago. Thus, we sustained our leadership in the smartphone market by offering a wide product portfolio including Turkey's first domestically designed and produced smartphone, the T40.

We continued to differentiate ourselves through our innovative products and services aimed at various customer segments. These diverse services range from technology initiatives for corporates to facilitate initiating and doing business, to services that make consumers' lives easier, like Turkcell Security service that keeps our customers and their children safely connected, particularly in an emergency. Moreover, Turkcell Academy, launched on the digital platform, and covering many topics from entrepreneurship to innovation, provides equal opportunity in information access and brings us closer to our customers.

Regarding the 2014 outlook, macroeconomic challenges may continue in our countries of operation and globally. Meanwhile, we foresee the continuation of the prevailing competitive environment. Yet, we have positioned ourselves accordingly and target further growth, primarily through our mobile broadband business and the increased contribution of our subsidiaries. Consequently, we expect consolidated revenues in the range of TRY12,000 million - TR12,200 million and consolidated EBITDA in the range of TRY 3,700 million - TRY3,800 million. Parallel to our growth targets, we expect an operational group capex to sales ratio of around 17%, having planned to increase our mobile and fiber investments, including network modernization for future technologies*.

(*)Please note that this paragraph contains forward looking statements based on our current estimates and expectations. Actual results may differ. For a discussion of factors that may affect our results, see our Annual Report on Form 20-F for 2012 filed with U.S. Securities and Exchange Commission, and in particular the risk factor section therein.

FINANCIAL AND OPERATIONAL REVIEW

The following discussion focuses principally on the developments and trends in our business in the fourth quarter and full year 2013 in TRY and US$ terms where applicable. Selected financial information presented in this press release for the fourth quarter and for the full year 2013 and 2012, both in TRY and US$, is based on IFRS figures. Selected financial information for the fourth quarter of 2012, third quarter of 2013 and full year 2012, both in TRY and US$ prepared in accordance with IFRS, and in TRY prepared in accordance with the Capital Markets Board of Turkey's standards is also included at the end of this press release.

Financial Review of Turkcell Group

Profit & Loss Statement (million TRY)	Quarter Q412	Q413	y/y%	Year FY12	FY13	y/y%
Total Revenue	2,807.3	2,883.6	2.7%	10,507.0	11,407.9	8.6%
Direct cost of revenues1	(1,760.1)	(1,851.3)	5.2%	(6,487.3)	(7,063.9)	8.9%
Direct cost of revenues1/Revenues	(62.7%)	(64.2%)	(1.5pp)	(61.7%)	(61.9%)	(0.2pp)
Depreciation and amortization	(395.5)	(481.6)	21.8%	(1,411.7)	(1,594.4)	12.9%
Gross Margin	37.3%	35.8%	(1.5pp)	38.3%	38.1%	(0.2pp)
Administrative expenses	(125.9)	(152.0)	20.7%	(484.2)	(550.3)	13.7%
Administrative expenses/Revenues	(4.5%)	(5.3%)	(0.8pp)	(4.6%)	(4.8%)	(0.2pp)
Selling and marketing expenses	(469.0)	(510.4)	8.8%	(1,705.7)	(1,843.6)	8.1%
Selling and marketing expenses/Revenues	(16.7%)	(17.7%)	(1.0pp)	(16.2%)	(16.2%)	-
EBITDA2	847.8	851.5	0.4%	3,241.5	3,544.5	9.3%
EBITDA Margin	30.2%	29.5%	(0.7pp)	30.9%	31.1%	0.2pp
EBIT	452.3	369.9	(18.2%)	1,829.7	1,950.1	6.6%
Net finance income / (expense)	79.4	149.7	88.5%	467.5	555.3	18.8%
Finance expense	(79.5)	(89.7)	12.8%	(224.2)	(204.6)	(8.7%)
Finance income	158.9	239.4	50.7%	691.7	759.9	9.9%
Share of profit of associates	42.5	75.8	78.4%	218.5	297.3	36.1%
Other income / (expense)	(23.9)	(35.6)	49.0%	(105.2)	(58.9)	(44.0%)
Monetary gains / (losses)	42.6	72.5	70.2%	169.9	176.9	4.1%
Non-controlling interests	3.2	(7.9)	(346.9%)	21.0	(3.4)	(116.2%)
Income tax expense	(136.9)	(119.5)	(12.7%)	(522.5)	(591.4)	13.2%
Net Income	459.2	504.9	10.0%	2,079.0	2,325.9	11.9%

(1) Including depreciation and amortization expenses.

(2) EBITDA is a non-GAAP financial measure. See page 15 for the reconciliation of EBITDA to net cash from operating activities.

Fourth Quarter and Full Year 2013 Results

Turkcell Group - Summary of MTR cuts* and one-off** impacts (million TRY)	Quarter Q412	Q413	y/y%	Year FY12	FY13	y/y%
Revenue (reported)	2,807	2,884	3 %	10,507	11,408	9 %
MTR cut*	-	(101)	-	-	(202)	-
One-off (1)	-	(27)	-	-	(27)	-
Revenue without impacts	2,807	3,012	7 %	10,507	11,637	11 %
EBITDA (reported)	848	851	0.4 %	3,242	3,544	9 %
MTR cut*	-	6	-	-	20	-
One-off (1,2)	-	(27)	-	-	(61)	-
EBITDA without impacts	848	872	3 %	3,242	3,585	11 %
Net Income (reported)	459	505	10 %	2,079	2,326	12 %
MTR cut*	-	4	-	-	16	-
One-off (1,2,3)	(106)	(125)	-	(212)	(185)	-
Net Income without impacts	565	626	11 %	2,291	2,495	9 %

* Calculated by multiplying actual traffic by MTR rates prior to the cut
** Although we expect that the specific items represented in this adjustment are non-recurring, no assurance can be given that this will be the case and that we will not be affected by similar items in the future.
(1) One-off item regarding ICTA's decision on a tariff. For details, please refer to consolidated financial statements and notes as at, and for the year ended December 31, 2013 under note 34, which can be accessed via our website.
(2) Tax expense in relation to ICTA decision explained in direct cost of revenues section below.
(3) Please refer to net income section below.

Revenue in Q413 grew by 2.7% year-on-year to TRY2,883.6 million (TRY2,807.3 million) mainly through mobile broadband business and subsidiaries.

- Turkcell Turkey revenues declined by 2.2%.

  - Voice revenues fell by 8% (nearly flat excl. MTR cut and one-off impact) to TRY1,547 million (TRY1,675 million).

  - Mobile broadband and services revenues increased by 12% to TRY692 million (TRY615 million), constituting 31% (27%) of Turkcell Turkey revenues.

- The revenues of subsidiaries ramped up by 25%, reaching 22% (18%) of Group revenues. In particular, Turkcell Superonline's revenues increased by 38% to TRY262 million (TRY190 million), while Astelit's revenues grew by 11% to US$114 million (US$103 million).

For the full year, revenues grew by 9% to TRY11,407.9 million (TRY10,507.0 million), driven by Turkcell Turkey and subsidiaries.

- Turkcell Turkey registered revenue growth of 5%.

- o Voice revenues slightly rose by 0.3% (3.8% excl. MTR cut and one-off impact) to TRY6,460 milllion (TRY6,442 million).

- o Mobile broadband and services revenues rose by 17% to TRY2,663 million (TRY2,282 million), comprising 29% (26%) of Turkcell Turkey revenues.

- The revenues of subsidiaries rose by 28%, comprising 20% (17%) of Group revenues. Turkcell Superonline's revenues increased by 35% to TRY925 million (TRY684 million), while Astelit's revenues increased by 11% to US$450 million (US$405 million).

Direct cost of revenues rose by 5.2% to TRY1,851.3 million (TRY1,760.1 million) and as a percentage of revenues increased to 64.2% (62.7%). This was due to a higher depreciation and amortization expense (2.6pp) and other cost items (1.4pp), as opposed to the decrease in interconnect costs (2.5pp).

For the full year, direct cost of revenues rose by 8.9% to TRY7,063.9 million (TRY6,487.3 million). As a percentage of revenues, direct costs increased to 61.9% (61.7%), by increased depreciation and amortization expenses (0.6pp) and other cost items (0.3pp) as opposed to the decrease in interconnect costs (0.7pp).

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Fourth Quarter and Full Year 2013 Results

The table below presents the interconnect revenues and costs of Turkcell Turkey:

Million TRY	Quarter Q412	Q413	y/y%	Year FY12	FY13	y/y%
Interconnect revenues	314.1	253.2	(19.4 %)	1,098.1	1,171.3	6.7 %
as a % of revenues	13.7 %	11.3 %	(2.4 pp)	12.6 %	12.8 %	0.2 pp
Interconnect costs	(308.6)	(238.6)	(22.7 %)	(1,125.5)	(1,118.3)	(0.6 %)
as a % of revenues	(13.5 %)	(10.7 %)	2.8 pp	(12.9 %)	(12.3 %)	0.6 pp

Specific to this year, direct cost of revenues included a total tax expense of TRY34 million regarding the ICTA decision dated September 26, 2012 enabling users of mobile lines without subscription to register those lines under their names at no charge.

Administrative expenses as a percentage of revenues increased by 0.8pp to 5.3% (4.5%) in Q413, mainly due to increased bad debt expenses (0.4pp), wages and salaries (0.3pp) and other cost items (0.1pp) as a percentage of revenues. For the full year, administrative expenses as a percentage of revenues increased by 0.2pp to 4.8% (4.6%), mainly due to increased bad debt expenses (0.2pp).

Selling and marketing expenses as a percentage of revenues rose by 1.0pp to 17.7% (16.7%) in Q413, mainly driven by increased selling expenses (0.6pp) and wages and salaries (0.5pp), as opposed to the decrease in marketing expenses (0.1pp). For the full year, selling and marketing expenses as a percentage of revenues were flat at 16.2% (16.2%) as the increase in wages and salaries (0.3pp) and other cost items (0.1pp) were offset by decreased marketing expenses (0.4pp).

EBITDA* in Q413 rose by 0.4% to TRY851.5 million (TRY847.8 million), while the EBITDA margin declined by 0.7pp to 29.5% (30.2%). The margin decrease was driven by the 1.0pp increase in selling and marketing expenses and 0.8pp increase in administrative expenses, as opposed to the decrease in direct cost of revenues (excluding depreciation and amortization) of 1.1pp as a percentage of revenues.
For the full year, EBITDA increased to TRY3,544.5 million (TRY3,241.5 million) on an increase of 9% along with a margin rise of 0.2pp to 31.1% (30.9%). The increase in margin was due to the 0.4 pp decrease in direct cost of revenues (excluding depreciation and amortization) through lower interconnection costs resulting from MTR cuts, as opposed to the 0.2pp higher administrative expense.

The EBITDA of subsidiaries improved by 24% to TRY181 million (TRY146 million) with the higher EBITDA of Turkcell Superonline and Astelit in Q413. In the full year, the total EBITDA of subsidiaries increased by 34% to TRY712 million (TRY532 million).

Net finance income in Q413 increased by 88.5% to TRY149.7 million (TRY79.4 million), driven mainly by higher interest earned on time deposits and contracted receivables and lower interest payments for legal cases, as opposed to the increase in translation losses to TRY59 million (TRY6 million). In Q413, BeST recorded a TRY59 million, Turkcell Superonline recorded TRY18 million and other group companies recorded TRY4 million in translation losses, while Turkcell Turkey recorded a translation gain of TRY22 million stemming from local currency devaluation against the US$ as summarized in the table on page 14.

For the full year, net finance income rose by 18.8% to TRY555.3 million (TRY467.5 million), mainly driven by the higher interest earned on time deposits and lower interest payments for legal cases, as opposed to the increase in translation losses to TRY76 million (TRY5 million). For the full year, BeST recorded TRY124 million, Turkcell Superonline recorded TRY59 million and other group companies recoded TRY32 million in translation losses, while Turkcell Turkey recorded a translation gain of TRY139 million stemming from local currency devaluation against the US$ as summarized in the table on page 14.

(*)EBITDA is a non-GAAP financial measure. See page 15 for the reconciliation of EBITDA to net cash from operating activities

The share of profit of equity accounted investees, comprising our share in the net income of unconsolidated investees Fintur and A-Tel, rose by 78.4% to TRY75.8 million (TRY42.5 million) in Q413, mainly driven by the increase in the net income of Fintur. For the full year, our share in the net income of unconsolidated investees increased by 36.1% to TRY297.3 million (TRY218.5 million) due to the increase in net income of Fintur as well as the annulment of the A-Tel agreement in 2012.

Income tax expense decreased by 12.7% to TRY119.5 million (TRY136.9 million) year-on-year. Of the total tax charge, TRY166.7 million comprised current tax charges, while TRY47.2 million was the deferred tax income recorded. For the full year, the income tax expense rose by 13.2% to TRY591.4 million (TRY522.5 million), of which TRY650.5 million comprised current tax charges and TRY59.1 million was the deferred tax income recorded.

	Quarter			Year		
Million TRY	Q412	Q413	y/y%	FY12	FY13	y/y%
Current Tax expense	(172.3)	(166.7)	(3.3%)	(564.3)	(650.5)	15.3%
Deferred Tax Income/expense	35.4	47.2	33.3%	41.8	59.1	41.4%
Income Tax expense	(136.9)	(119.5)	(12.7%)	(522.5)	(591.4)	13.2%

Net income rose by 10% to TRY505 million (TRY459 million) in Q413, mainly due to higher net finance income, monetary gains and the contribution of equity accounted investees. Both in Q412 and Q413, net income was impacted by several one-off items. Excluding one-off items, net income in Q413 would be TRY626 million (TRY565 million in Q412).

For the full year, net income rose by 12% to TRY2,326 million (TRY2,079 million) due to higher EBITDA, net finance income and the contribution of equity accounted investees, along with a lower other expense item. Excluding one-off items, net income in FY13 would be TRY2,495 million (TRY2,291 million in FY12).

Net income impacts (million TRY)	Q412	FY12
Net income excluding one-offs*	565	2,291
A-Tel**	(28)	(100)
Useful Life Revision of assets	(31)	(31)
Other impacts	(47)	(81)
Net income reported	459	2,079

Net income impacts (million TRY)	Q413	FY13
Net income excluding one-offs*	626	2,495
BeST Impairment	(61)	(61)
ICTA Decision Regarding a Tariff***	(41)	(41)
Other impacts	(23)	(83)
MTR impact (net of tax) above EBITDA	4	16
Net income reported	505	2,326

* Net income excluding one-off impacts is a presentation of our net income, adjusted to exclude certain items that we consider to be exceptional. However, it should not be relied upon as comparable to reported net income prepared in accordance with the IFRS that we apply. Although we expect that the specific items represented in this adjustment are non-recurring, no assurance can be given that this will be the case and that we will not be affected by similar items in

the future.

** For details, please refer to consolidated financial statements and notes as at and for the year ended December 31, 2012 under the note 9 which can be accessed via our website.

*** For details, please refer to consolidated financial statements and notes as at and for the year ended December 31, 2013 under the note 34 which can be accessed via our website.

Other impacts in Q412 and FY12 mainly comprised provision for legal disputes and the BeST impairment. In Q413 and FY13, other impacts mainly included impairment charges, regulatory penalties and the tax expense regarding the ICTA decision as discussed under direct cost of revenues section.

Total debt as of December 31, 2013 was TRY3,332.5 million (US$1,561.4 million) in consolidated terms. The debt balance of Ukraine (including intra-group debt) was TRY1,386.2 million (US$649.5 million), Belarus was TRY1,274.2 million (US$597.0 million) and Turkcell Superonline was TRY655.3 million (US$307.1 million).

Fourth Quarter and Full Year 2013 Results

TRY2,470 million (US$1,157 million) of our consolidated debt is at a floating rate, while TRY1,804 million (US$845 million) will mature within less than a year. As of December 31, 2013, our debt/annual EBITDA ratio in TRY terms was 94%. (Please note that the figures in parentheses refer to US$ equivalents).

Cash flow analysis: Capital expenditures including non-operational items in Q413 amounted to TRY818.5 million, of which TRY500.2 million was related to Turkcell Turkey, TRY172.1 million to Turkcell Superonline, TRY61.2 million to Astelit and TRY36.6 million to BeST. The cash flow item noted as “other” mainly relates to corporate tax payment and change in net working capital.

For the full year, capital expenditures including non-operational items stood at TRY1,822.3 million, of which TRY1,057.8 million was related to Turkcell Turkey, TRY399.1 million to Turkcell Superonline, TRY144.6 million to Astelit and TRY101.5 million to BeST. The cash flow item noted as “other” mainly relates to corporate tax payment and change in net working capital.

In 2013, operational capex as a percentage of revenues resulted at around 15%.

Consolidated Cash Flow (million TRY)	Quarter		Year	
	Q412	Q413	FY12	FY13
EBITDA1	847.8	851.5	3,241.5	3,544.5
LESS:				
Capex and License	(713.4)	(818.5)	(1,738.8)	(1,822.3)
Turkcell	(399.8)	(500.2)	(947.3)	(1,057.8)
Ukraine2	(60.6)	(61.2)	(138.6)	(144.6)
Investment & Marketable Securities	(32.6)	1.7	1,556.5	(17.1)
Net interest Income/ (expense)	85.5	208.7	472.1	630.9
Other	391.2	197.7	(977.5)	(978.1)
Net Change in Debt	(90.4)	(15.2)	(293.3)	(227.9)
Cash generated / (used)	488.1	425.6	2,260.5	1,130.0
Cash balance	6,998.9	8,128.9	6,998.9	8,128.9

(1) EBITDA is a non-GAAP financial measurement. See page 15 for the reconciliation of EBITDA to net cash from operating activities.
(2) The appreciation of reporting currency (TRY) against US$ is included in this line.
(*) For details, please refer to consolidated financial statements and notes as at, and for the year ended December 31, 2013 which can be accessed via our website.

Operational Review in Turkey

Summary of Operational Data	Quarter			Year		
	Q412	Q413	y/y%	FY12	FY13	y/y%
Number of total subscribers (million)	35.1	35.2	0.3%	35.1	35.2	0.3%
Postpaid	13.2	14.0	6.1%	13.2	14.0	6.1%
Prepaid	21.9	21.2	(3.2%)	21.9	21.2	(3.2%)
ARPU(Average Monthly Revenue per User), blended	21.7	21.3	(1.8%)	20.9	21.7	3.8%

(TRY)												
Postpaid	38.1		36.5		(4.2	%)	37.7		37.3		(1.1	%)
Prepaid	12.1		11.3		(6.6	%)	11.5		11.8		2.6	%
ARPU, blended (US$)	12.2		10.5		(13.9	%)	11.6		11.4		(1.7	%)
Postpaid	21.3		18.0		(15.5	%)	21.0		19.6		(6.7	%)
Prepaid	6.8		5.6		(17.6	%)	6.4		6.2		(3.1	%)
Churn (%)	7.2	%	6.7	%	(0.5	pp)	27.1	%	27.4	%	0.3	pp
MOU (Average Monthly Minutes of Usage per Subscriber), blended	244.1		257.5		5.5	%	243.3		259.3		6.6	%

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Subscribers of Turkcell Turkey rose by 75 thousand to 35.2 million in 2013 in a challenging competitive environment. Our postpaid subscriber base had expanded during the year with 849 thousand net additions through our value creation focus, and innovative products and services. Accordingly, our postpaid subscriber share in total subscriber base has further improved to 39.8% (37.5%).

Churn Rate refers to voluntarily and involuntarily disconnected subscribers. In Q413, our churn rate decreased 0.5pp to 6.7%, mainly on the back of superior customer experience and our improved customer retention practices. For the full year our churn rate increased to 27.4%, primarily with the impact of compliance with the ICTA decision discussed on page 8. Accordingly, each mobile line registered had to be recorded as a churn and also as an acquisition in operators' records. Excluding the impact of this decision, our churn rate would have been 26.4%.

MoU increased by 5.5% to 257.5 minutes and by 6.6% to 259.3 minutes in Q413 and in 2013, respectively. This increase in MoU was led by higher incentives and higher package utilization.

ARPU (blended) in TRY terms declined by 1.8% to TRY21.3 (TRY21.7) in Q413, impacted by the MTR cuts, despite higher data usage. For the full year, blended ARPU rose by 3.8% to TRY21.7 (TRY20.9) driven mainly by continued strong growth in data usage and the increased postpaid subscriber base, despite the MTR cut impact.

OTHER DOMESTIC AND INTERNATIONAL OPERATIONS

Astelit maintained its solid performance in Q413 recording double digit revenue and EBITDA growth. Revenues rose by 10.9% to US$114.2 million (US$103.0 million), driven by the increased subscriber base and higher mobile data and other value-added services revenues. EBITDA grew by 27.5% to US$35.2 million (US$27.6 million), while the EBITDA margin improved by 4.0pp to 30.8% (26.8%) with the continued focus on business efficiency and operational profitability.

For the full year, Astelit achieved topline growth of 11.0% to US$449.8 million (US$405.4 million) driven by the increased subscriber base and ability to generate additional revenues through mobile data and other value-added services. Furthermore, Astelit's EBITDA increased by 19.8% to US$137.1 million (US$114.4 million) and its EBITDA margin improved by 2.3pp to 30.5% (28.2%). Astelit marked a new milestone with its first positive full year EBIT, demonstrating the improved efficiency in its operational practices.

Astelit's strong execution also led to sustained growth in its subscriber base. Its registered subscribers increased to 12.6 million (11.1 million), and its three-month active subscribers reached 9.2 million (8.0 million). MoU declined by 6.8% to 172.0 minutes (184.5 minutes) in Q413 and 5.4% to 179.0 minutes (189.3 minutes) in 2013, driven by the changes in consumer behavior. ARPU (3 months active) fell 4.7% to US$4.1 (US$4.3) in Q413 and 4.4% to US$4.3 (US$4.5), mainly with the dilutive impact of a growing subscriber base and pressure from the aggressive competitive environment.

Astelit*	Quarter Q412	Q413	y/y%	Year FY12	FY13	y/y%
Number of subscribers (million)[1]	11.1	12.6	13.5%	11.1	12.6	13.5%
Active (3 months)[2]	8.0	9.2	15.0%	8.0	9.2	15.0%
MOU (minutes)	184.5	172.0	(6.8%)	189.3	179.0	(5.4%)
ARPU (Average Monthly Revenue per User), blended (US$)	3.1	3.1	-	3.3	3.2	(3.0%)
Active (3 months)	4.3	4.1	(4.7%)	4.5	4.3	(4.4%)
Revenue (million UAH)	823.4	912.8	10.9%	3,239.8	3,595.2	11.0%
Revenue (million US$)	103.0	114.2	10.9%	405.4	449.8	11.0%
EBITDA (million US$)[3]	27.6	35.2	27.5%	114.4	137.1	19.8%
EBITDA margin	26.8%	30.8%	4.0pp	28.2%	30.5%	2.3pp
Net profit/(loss) (million US$)	(18.5)	(2.4)	(87.0%)	(56.1)	(32.7)	(41.7%)
Capex (million US$)	34.1	26.8	(21.4%)	77.8	67.8	(12.9%)

(1) 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.
(2) Active subscribers are those who in the past three months made a revenue generating activity.
(3) EBITDA is a non-GAAP financial measurement. See page 15 for the reconciliation of Euroasia's EBITDA to net cash from operating activities. Euroasia holds a 100% stake in Astelit.
(*) Astelit, in which we hold a 55% stake through Euroasia, has operated in Ukraine since February 2005.

Turkcell Superonline continued its growth momentum in Q413 with 37.7% higher revenue and an EBITDA rise of 63.5%. The EBITDA margin rose by 3.8pp to 24.4% (20.6%), reflecting the increasing scale of the overall business and rising share of more profitable residential and corporate business segments. Accordingly, the share of residential and corporate segment revenues in total revenues reached 64% (62%).

Residential segment revenues grew by 44%, mainly driven by the 34% increase in the FTTH subscriber base in Q413. Meanwhile, corporate segment revenues rose by 43% on rising synergies at the group level. In the meantime, the share of non-group revenues remained at 74% (74%).

For the full year, Turkcell Superonline achieved a revenue increase of 35.2% and EBITDA rise of 66.9%. The EBITDA margin improved 4.9pp to 25.7% (20.8%) driven by scale increase and the more profitable residential and corporate businesses. The share of residential and corporate business in total revenues increased to 63% (58%). Residential segment revenues grew by 56%, while the corporate segment grew by 36%. The share of non-group revenues at Turkcell Superonline increased to 74% (71%).

Turkcell Superonline continued its fiber investments, increasing home passes to 1.7 million and FTTH subscribers to 570 thousand by the end of 2013 with 145 thousand net additions for the year. In 2014, by adding two new cities the in city coverage of Turkcell Superonline will include 14 cities.

Having doubled its revenues over the past three years along with an 8.0pp improvement in EBITDA margin, Turkcell Superonline has proven the strength of its business model as a niche fiber player.

Turkcell Superonline* (million TRY)	Quarter Q412		Q413		y/y%		Year FY12		FY13		y/y%	
Revenue	190.3		262.1		37.7	%	684.1		925.2		35.2	%
Residential	65.7		94.4		43.7	%	211.7		329.6		55.7	%
% of revenues	34.5	%	36.0	%	1.5pp		30.9	%	35.6	%	4.7pp	
Corporate	51.4		73.7		43.4	%	186.0		253.4		36.2	%
% of revenues	27.0	%	28.1	%	1.1pp		27.2	%	27.4	%	0.2pp	
Wholesale	73.2		94.0		28.4	%	286.4		342.3		19.5	%
% of revenues	38.5	%	35.9	%	(2.6pp	)	41.9	%	37.0	%	(4.9pp	)
EBITDA 1	39.2		64.1		63.5	%	142.5		237.8		66.9	%
EBITDA Margin	20.6	%	24.4	%	3.8pp		20.8	%	25.7	%	4.9pp	
Capex	159.6		172.1		7.8	%	451.7		399.1		(11.6	%)
FTTH subscribers	425.0		570.0		34.1	%	425.0		570.0		34.1	%

(1)EBITDA is a non-GAAP financial measure. See page 15 for the reconciliation of EBITDA to net cash from operating activities.
(*)Turkcell Superonline is our wholly-owned subsidiary, providing fiber broadband.

Fintur subscriber base grew by 0.3 million during the year, driven mainly by 0.8 million subscriber growth in Kazakhstan. In Q413, Fintur's consolidated revenues declined by 3% to US$527 million (US$541 million), while, for the full year, revenues grew by 0.4% to US$2,036 million (US$2,027 million).

We account for our investment in Fintur using the equity method. Fintur's contribution to net income increased from US$27 million to US$37 million in Q413. Fintur's contribution to Turkcell's net income was US$156 million in 2013 (US$143 million).

Fintur*	Quarter Q412	Q413	y/y%		Year FY12	FY13	y/y%	
Subscribers (million)	21.2	21.5	1.4	%	21.2	21.5	1.4	%
Kazakhstan	13.5	14.3	5.9	%	13.5	14.3	5.9	%
Azerbaijan	4.4	4.4	-		4.4	4.4	-	
Moldova	1.3	1.0	(23.1	%)	1.3	1.0	(23.1	%)
Georgia	2.1	1.8	(14.3	%)	2.1	1.8	(14.3	%)
Revenue (million US$)	541	527	(2.6	%)	2,027	2,036	0.4	%
Kazakhstan	331	322	(2.7	%)	1,221	1,233	1.0	%
Azerbaijan	151	151	-		579	584	0.9	%
Moldova	21	20	(4.8	%)	79	79	-	
Georgia	38	35	(7.9	%)	148	140	(5.4	%)
	27	37	37.0	%	143	156	9.1	%

Fintur's contribution to Group's net income (million US$)

(*) We hold a 41.45% stake In Fintur, which has interests in Kazakhstan, Azerbaijan, Moldova, and Georgia.

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Fourth Quarter and Full Year 2013 Results

Turkcell Group Subscribers amounted to approximately 71.3 million as of December 31, 2013. This figure is calculated by taking the number of subscribers of Turkcell and each of our subsidiaries and unconsolidated investees. It includes the total number of mobile subscribers of Turkcell Turkey, Astelit and BeST, as well as of our operations in the Turkish Republic of Northern Cyprus ("Northern Cyprus"), Fintur and Turkcell Europe. Turkcell Group subscribers rose by 2.1 million year-on-year as a result of Astelit's increased subscriber base, and the contribution of Fintur and BeST.

Turkcell Group Subscribers (million)	2012	2013	y/y%
Turkcell Turkey	35.1	35.2	0.3%
Ukraine	11.1	12.6	13.5%
Fintur	21.2	21.5	1.4%
Northern Cyprus	0.4	0.4	0.0%
Belarus	1.1	1.2	9.1%
Turkcell Europe	0.3	0.4	33.3%
TURKCELL GROUP	69.2	71.3	3.0%

OVERVIEW OF THE MACROECONOMIC ENVIRONMENT

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

	Quarter			Year		
	Q412	Q413	y/y%	FY12	FY13	y/y%
TRY / US$ rate						
Closing Rate	1.7826	2.1343	19.7%	1.7826	2.1343	19.7%
Average Rate	1.7854	2.0302	13.7%	1.7913	1.9094	6.6%
Consumer Price Index (Turkey)	2.7%	2.3%	(0.4pp)	6.2%	7.4%	1.2pp
GDP Growth (Turkey)	1.4%	n.a.	n.a.	2.2%	n.a.	n.a.
UAH/ US$ rate						
Closing Rate	7.99	7.99	-	7.99	7.99	-
Average Rate	7.99	7.99	-	7.99	7.99	-
BYR/ US$ rate						
Closing Rate	8,570	9,510	11.0%	8,570	9,510	11.0%
Average Rate	8,548	9,282	8.6%	8,326	8,883	6.7%

Fourth Quarter and Full Year 2013 Results

RECONCILIATION OF NON-GAAP FINANCIAL MEASUREMENTS: We believe that EBITDA is a measurement commonly used by companies, analysts and investors in the telecommunications industry that enhances the understanding of our cash generation ability and liquidity position, and assists in the evaluation of our capacity to meet our financial obligations. We also use EBITDA as an internal measurement tool, and accordingly, we believe that its presentation provides useful and relevant information to analysts and investors. Our EBITDA definition includes Revenue, Direct Cost of Revenue excluding depreciation and amortization, Selling and Marketing expenses and Administrative expenses, but excludes translation gain/(loss), finance income, share of profit of equity accounted investees, gain on sale of investments, income/(loss) from related parties, minority interest and other income/(expense). EBITDA is not a measure of financial performance under IFRS, and should not be construed as a substitute for net earnings (loss) as a measure of performance, or cash flow from operations as a measure of liquidity. The following table provides a reconciliation of EBITDA, which is a non-GAAP financial measurement, to net cash from operating activities, which we believe is the most directly comparable financial measurement calculated and presented in accordance with IFRS.

Turkcell Group (million US$)	Quarter Q412	Q413	y/y%	Year FY12	FY13	y/y%
EBITDA	474.8	420.4	(11.5%)	1,808.4	1,858.0	2.7%
Income tax expense	(76.6)	(59.4)	(22.5%)	(291.5)	(310.7)	6.6%
Other operating income / (expense)	25.0	(16.9)	(167.6%)	17.5	(29.2)	(266.9%)
Financial income	(2.6)	117.3	(4611.5%)	5.0	395.4	7808.0%
Financial expense	(44.3)	(39.1)	(11.7%)	(125.3)	(95.5)	(23.8%)
Net increase / (decrease) in assets and liabilities	274	26.5	(90.3%)	(225.8)	(824.0)	264.9%
Net cash from operating activities	650.3	448.8	(31.0%)	1,188.3	994.0	(16.4%)

Turkcell Superonline (million TRY)	Quarter Q412	Q413	y/y%	Year FY12	FY13	y/y%
EBITDA	39.2	64.1	63.5%	142.5	237.8	66.9%
Income tax expense	-	35.3	-	-	38.4	-
Other operating income / (expense)						