TURKCELL ILETISIM HIZMETLERI A S
Form 6-K
April 25, 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 April 25, 2014

Commission File Number: 001-15092

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

Turkcell Plaza
Mesrutiyet Caddesi No. 71
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-
____

Enclosure: A press release dated April 24, 2014 announcing Turkcell's First Quarter 2014 results and Q1 2014 IFRS report.

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First Quarter 2014 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 March 31, 2014 refer to the same item as at March 31, 2013. For further details, please refer to our consolidated financial statements and notes as at and for March 31, 2014, 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 first and fourth quarters of 2013, and first quarter of 2014, both in TRY and US$, is based on IFRS figures.
- 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.

First Quarter 2014 Results

HIGLIGHTS OF THE FIRST QUARTER OF 2014

- Group revenues grew by 6% to TRY2,855 million (TRY2,688 million)
- Group EBITDA1 increased by 10% to TRY887 million (TRY808 million), while the EBITDA margin rose to 31.1% (30.0%)
- Group net income declined to TRY359 million (TRY566 million), adversely impacted by devaluation of UAH against US$ in Ukraine
- Mobile business revenues in Turkey were at TRY2,205 million (TRY2,201 million) with a 30.2% (29.4%) EBITDA margin
  - Mobile broadband revenues rose by 26% to TRY400 million (TRY319 million)
  - Voice revenues2 declined by 3% to TRY1,537 million (TRY1,585 million), due to regulatory decisions
- Revenues of subsidiaries3 grew by 33% to TRY650 million (TRY488 million), while EBITDA increased by 38% to TRY222 million (TRY161 million)

Excluding the impact of MTR cuts effective as of July 1, 20134:

- Turkcell Group revenues would be TRY2,955 million on 10% growth.
- Mobile business revenues in Turkey would be TRY2,305 million on 5% growth, with a 3% rise in voice revenues.
- Group EBITDA would be TRY886 million on 10% growth.

(1) EBITDA is a non-GAAP financial measure. See page 11 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, please refer to our consolidated financial statements and notes as at and for March 31, 2014 which can be accessed via our web site in the investor relations section (www.turkcell.com.tr).

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First Quarter 2014 Results

COMMENTS FROM CEO, SUREYYA CILIV

"In the first quarter of 2014, Turkcell Group revenues rose 6% to TRY2.9 billion, while EBITDA grew by 10% to TRY887 million. Meanwhile, EBIT increased by 9% to TRY488 million, while net income, adversely impacted by devaluation in Ukraine, realized at TRY359 million.

Turkcell's mobile business revenues in Turkey, negatively affected by regulatory decisions and increased competition, remained flat, whereas mobile broadband grew by 26%.

Our subsidiaries' revenues grew by 33%, continuing their strong contribution to Group revenues. Consequently, their contribution to group revenues and EBITDA rose to 23% and 25%, respectively. Revenues of Turkcell Superonline, continuously investing in the fiber broadband business, grew by 38% year on year. Meanwhile, revenues from our Ukrainian business rose by 24% in TRY terms, while being flat in USD terms due to devaluation of the local currency. We believe in the future potential of Ukraine. We sincerely hope for a normalization of the current political situation, and advancing a fast mobile internet infrastructure that will add value to its economy.

We are celebrating the 20th anniversary of Turkcell in Turkey this year. Over the past 20 years, we have taken confident steps in our transformation from "a GSM operator to a communications and technology company". We have provided 43.2 Mbps mobile broadband and 1,000 Mbps fiber broadband speed in a first for Turkey, thereby making information accessible anytime and anywhere, ranking us among the world's foremost players. And with investments of over TRY23 billion in our infrastructure, innovative services and social responsibility projects, we have created more value for the economy and for our customers. With this pioneering vision, we will continue our efforts to carry Turkey and all other markets that we operate in forward. And so we thank all of our customers, employees, business partners, board of directors and shareholders, who are always beside us."

OVERVIEW OF TURKCELL TURKEY

Competition in the first quarter of the year, which is seasonally slow, and historically aggressive, has increased through bundled offers with greater data incentives. Following the ICTA decision on a higher minimum limit on onnet voice and SMS tariffs and the extension of this decision on campaigns1, both of which apply only to Turkcell, the competitors increased their focus on market share gain. Furthermore, the ICTA decision on decreasing the maximum SMS price by 20%2 which came into effect this quarter, along with lower MTR rates since July 2013, have decreased unit prices in the market compared to a year ago, pressuring profitability. Thus far, in April, we observed that the competition has continued at an increasing pace with a decrease in some offer prices.

In this environment, as part of our strategy of profitable growth, we remained focused on expanding our postpaid customer base and increasing smartphone penetration. Accordingly, our postpaid customers grew by 93 thousand quarterly net additions to 14.1 million and 40.5% of the total base, while we recorded a 389 thousand decline in our customer base, mainly from among price-sensitive prepaid customers. Meanwhile, our smartphone base expanded by 711 thousand to 10.3 million, corresponding to 32% penetration, despite the macro challenges and regulatory change that abolished the availability of installments on credit card payments for handsets. This was achieved through our contracted offers and promotion of our affordable T40 model.

Overall, despite the challenges discussed above, in the first quarter, we recorded a topline and EBITDA performance in line with our full year guidance.

1: Decision date is 7 January 2014
2: Decision date is 23 September 2013 (Decreased from TRY 0.4154/SMS to TRY 0.3325/SMS)

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First Quarter 2014 Results

FINANCIAL AND OPERATIONAL REVIEW OF THE FIRST QUARTER 2014

The following discussion focuses principally on the developments and trends in our business in the first quarter of 2014 in TRY terms. Selected financial information presented in this press release for the first and fourth quarters of 2013, and the first quarter of 2014, both in TRY and US$ is based on IFRS figures.

Selected financial information for the first and fourth quarters of 2013, and the first quarter of 2014, both in TRY and in US$ prepared in accordance with IFRS and in TRY prepared in accordance with the Capital Markets Board of Turkey's standards are also included at the end of this press release.

Financial Review of Turkcell Group

Profit & Loss Statement (million TRY)	Q113	Q413	Q114	y/y %	q/q %
Total Revenue	2,688.4	2,883.6	2,855.2	6.2%	(1.0%)
Direct cost of revenues1	(1,687.3)	(1,851.3)	(1,742.3)	3.3%	(5.9%)
Direct cost of revenues1/revenues	(62.8%)	(64.2%)	(61.0%)	1.8pp	3.2pp
Depreciation and amortization	(360.4)	(481.6)	(399.6)	10.9%	(17.0%)
Gross Margin	37.2%	35.8%	39.0%	1.8pp	3.2pp
Administrative expenses	(128.9)	(152.0)	(142.1)	10.2%	(6.5%)
Administrative expenses/revenues	(4.8%)	(5.3%)	(5.0%)	(0.2pp)	0.3pp
Selling and marketing expenses	(425.0)	(510.4)	(483.1)	13.7%	(5.3%)
Selling and marketing expenses/revenues	(15.8%)	(17.7%)	(16.9%)	(1.1pp)	0.8pp
EBITDA2	807.6	851.5	887.3	9.9%	4.2%
EBITDA Margin	30.0%	29.5%	31.1%	1.1pp	1.6pp
EBIT3	447.2	369.9	487.7	9.1%	31.8%
Net finance income / (expense)	129.3	149.7	(303.3)	(334.6%)	(302.6%)
Finance expense	(37.4)	(89.7)	(551.9)	n.m	515.3%
Finance income	166.7	239.4	248.6	49.1%	3.8%
Share of profit of associates	68.6	75.8	73.6	7.3%	(2.9%)
Other income / (expense)	(0.3)	(35.6)	(3.5)	n.m	(90.2%)
Monetary gains / (losses)	53.5	72.5	64.5	20.6%	(11.0%)
Non-controlling interests	4.4	(7.9)	200.7	n.m	n.m
Income tax expense	(137.1)	(119.5)	(160.2)	16.8%	34.1%
Net Income	565.6	504.9	359.5	(36.4%)	(28.8%)

(1) Including depreciation and amortization expenses.
(2) EBITDA is a non-GAAP financial measure. See page 11 for the reconciliation of EBITDA to net cash from operating activities.
(3) EBIT is a non-GAAP financial measure and is equal to EBITDA minus depreciation and amortization expenses.

Revenue grew by 6.2% year-on-year, mainly due to:

- 8.5% rise in mobile broadband and services revenues in Turkey to TRY668.3 million (TRY616.2 million), constituting 30.3% (28.0%) of mobile business revenues in Turkey

- 25.6% increase in mobile broadband revenues to TRY400.3 million (TRY318.7 million), despite the tough competitive environment where, particularly, data incentives were increased

- 33.4% growth in revenues of subsidiaries to TRY650.3 million (TRY487.6 million) with an increasing contribution to the topline of 22.8% (18.1%)

  - 37.6% rise in Turkcell Superonline revenues to TRY279.7 million (TRY203.3 million)

First Quarter 2014 Results

Direct cost of revenues grew by 3.3% to TRY1,742.3 million (TRY1,687.3 million), while as a percentage of revenues declining to 61.0% (62.8%). This was mainly due to lower interconnect costs as a result of MTR cuts. Meanwhile, there was an increase in depreciation and amortization expenses and other cost items as a percentage of revenues.

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

Million TRY	Q113	Q413	Q114	y/y %	q/q %
Interconnect revenues	305.6	253.2	253.7	(17.0%)	0.2%
as a % of revenues	13.9%	11.3%	11.5%	(2.4pp)	0.2pp
Interconnect costs	(299.4)	(238.6)	(241.4)	(19.4%)	1.2%
as a % of revenues	(13.6%)	(10.7%)	(11.0%)	2.6pp	(0.3pp)

Administrative expenses as a percentage of revenues rose by 0.2pp to 5.0% (4.8%) year-on-year in Q114, driven mainly by increased bad debt expenses (0.4pp) as opposed to the decline in other cost items (0.2pp).

Selling and marketing expenses as a percentage of revenues grew by 1.1pp to 16.9% (15.8%) year-on-year in Q114 due to increased selling expenses (1.0pp), frequency usage fee (0.4pp) and other cost items (0.5pp) as opposed to the decrease in marketing expenses (0.8pp).

EBITDA increased by 9.9% to TRY887.3 million (TRY807.6 million) year-on-year, while the EBITDA margin climbed to 31.1% (30.0%). While selling and marketing, as well as administrative expenses increased by 1.1pp and 0.2pp as a percentage of revenues, respectively, the direct cost of revenues (excluding depreciation and amortization) decreased by 2.4pp.

The EBITDA of subsidiaries improved by 37.9% to TRY221.8 million (TRY160.9 million) with the higher EBITDA of both Turkcell Superonline and Astelit.

Net finance expense was at TRY303.3 million (net finance income of TRY129.3 million), due to the increase in translation losses to TRY508.6 million (TRY0.6 million) partially netted off with the increase in interest income recorded on time deposits.

In Q114, Astelit recorded a translation loss of TRY464.0 million, stemming from the devaluation of the UAH against the US$ during the quarter. Meanwhile, BeST recorded TRY48.7 million, Turkcell Superonline recorded TRY10.9 million and other group companies recorded TRY2.1 million translation losses, while Turkcell Turkey recorded a translation gain of TRY17.1 million.

Share of profit of equity accounted investees comprising our share in the net income of unconsolidated investees Fintur and A-Tel, rose by 7.3% year-on-year to TRY73.6 million (TRY68.6 million).

Income tax expense details in Q114 are presented in the table below:

Million TRY	Q113	Q413	Q114	y/y %	q/q %
Current Tax expense	(138.7)	(166.7)	(174.0)	25.5%	4.4%
Deferred Tax Income/expense	1.6	47.2	13.8	762.5%	(70.8%)
Income Tax expense	(137.1)	(119.5)	(160.2)	16.8%	34.1%

Net income fell by 36.4% to TRY359.5 million (TRY565.6 million) in Q114, mainly due to higher translation losses recorded during the quarter following the devaluation of the UAH against the US$ (for details, please see the Astelit section).

(*)EBITDA is a non-GAAP financial measure. See page 11 for the reconciliation of EBITDA to net cash from operating activities.

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Total debt as of March 31, 2014 increased to TRY3,515.5 million (US$1,605.4 million) from TRY3,014.6 million (US$1,666.7 million) as of March 31, 2013 in consolidated terms. The debt balance of Ukraine (including intra-group debt) was TRY1,433.2 million (US$654.5 million), while that of Belarus was TRY1,351.0 million (US$617.0 million) and of Turkcell Superonline was TRY757.7 million (US$346.0 million).

TRY2,752.9 million (US$1,257.1 million) of our consolidated debt is at a floating rate, while TRY2,151.9 million (US$982.7 million) will mature within less than a year. (Please note that the figures in parentheses refer to US$ equivalents).

Cash flow analysis: Capital expenditures, including non-operational items, amounted to TRY340.4 million in Q114, of which TRY230.2 million was related to Turkcell Turkey, TRY69.7 million to Turkcell Superonline, TRY15.0 million to Astelit and TRY6.6 million to BeST. The major cash outflow items in this quarter were capex and other items including corporate tax payment, frequency usage fee payment and the change in net working capital.

Consolidated Cash Flow (million TRY)	Q113	Q413	Q114
EBITDA1	807.6	851.5	887.3
LESS:			
Capex and License	(199.5)	(818.5)	(340.4)
Turkcell	(117.1)	(500.2)	(230.2)
Turkcell Superonline	(59.2)	(172.1)	(69.7)
Ukraine2	(6.1)	(61.2)	(15.0)
Investment & Marketable Securities	(2.4)	1.7	(22.7)
Net interest Income/ (expense)	129.9	208.7	205.4
Other	(1,063.2)	197.7	(973.2)
Net Change in Debt	(60.4)	(15.2)	103.8
Cash generated	(388.0)	425.6	(139.8)
Cash balance	6,610.9	8,128.9	7,989.1

(1) EBITDA is a non-GAAP financial measurement. See page 11 for the reconciliation of EBITDA to net cash from operating activities.
(2) The impact from the movement of reporting currency (TRY) against US$ is included in this line.

Operational Review in Turkey

Summary of Operational data	Q113	Q413	Q114	y/y %	q/q %
Number of total subscribers (million)	34.9	35.2	34.8	(0.3%)	(1.1%)
Postpaid	13.5	14.0	14.1	4.4%	0.7%
Prepaid	21.4	21.2	20.7	(3.3%)	(2.4%)
ARPU, blended (TRY)	21.0	21.3	21.0	-	(1.4%)
Postpaid	36.4	36.5	36.3	(0.3%)	(0.5%)
Prepaid	11.5	11.3	10.8	(6.1%)	(4.4%)
ARPU (Average Monthly Revenue per User), blended (US$)	11.7	10.5	9.5	(18.8%)	(9.5%)

Postpaid	20.4	18.0	16.3	(20.1%)	(9.4%)
Prepaid	6.4	5.6	4.8	(25.0%)	(14.3%)
Churn (%)	8.5%	6.7%	7.8%	(0.7pp)	1.1pp
MOU (Average Monthly Minutes of usage per subscriber), blended	238.8	257.5	254.6	6.6%	(1.1%)

Subscribers of our mobile business in Turkey declined by 389 thousand in Q114, mainly due to losses in the prepaid segment due to an intensely competitive environment. Yet, we continued to expand our postpaid subscriber base by 93 thousand net additions with our continued focus on contracting and switches from prepaid to postpaid segment. As a result, the share of our postpaid subscribers in the total subscriber base increased to 40.5% (38.6%).

First Quarter 2014 Results

Churn Rate refers to voluntarily and involuntarily disconnected subscribers. In Q114, our churn rate decreased to 7.8% (8.5%). The rate in Q113 was impacted by the ICTA decision enabling users of mobile lines without subscription to register those lines under their names. Each subscription line registered due to this decision had to be recorded as a churn and also as an acquisition in operators' records. Excluding the impact of this decision, the churn rate would have been 7.9% in Q113. The rate increased 1.1pp quarter-on-quarter driven by increased competition.

ARPU in TRY terms stayed flat year-on-year at TRY21.0 (TRY21.0), including the impact of the MTR cuts. Excluding this impact, blended ARPU would have increased by 4.8% to TRY22.0.

MoU increased 6.6% year-on-year to 254.6 minutes (238.8 minutes) driven by higher incentives and greater package utilization.

OTHER DOMESTIC AND INTERNATIONAL OPERATIONS

Astelit revenues remained nearly flat at US$99.0 million (US$99.2 million), while registering 13.5% growth in local currency terms year-on-year, mainly driven by a larger customer base and increased mobile data revenues. Furthermore, Astelit registered double-digit EBITDA growth of 12.5% to US$31.5 million (US$28.0 million), while operational profitability improved by 3.7pp to 31.9% (28.2%).

Astelit's three-month active subscribers increased by 122 thousand during the quarter to 9.3 million. ARPU (3 months active) fell by 12.2% to US$3.6 (US$4.1) given the impact of currency devaluation. MoU decreased by 9.9% to 167.1 minutes (185.4 minutes), mainly driven by changes in consumer behavior.

A challenging macroeconomic and political environment continues in Ukraine. Following the decision of the National Bank of Ukraine to adopt a floating currency regime in February, US$/UAH increased by 37% during the quarter. While Astelit's operational performance remained intact and uninterrupted, the devaluation has adversely impacted our consolidated financial statements through Astelit's FX-denominated debt with a TRY464.0 million translation loss, having a net income effect of TRY255.4 million.

Further currency devaluation coupled with increasing inflation, and decreasing consumer confidence in Ukraine, may put some pressure on Astelit's operational and financial performance over the coming quarters.

Astelit	Q113	Q413	Q114	y/y %	q/q %
Number of subscribers (million)1	11.1	12.6	12.5	12.6%	(0.8%)
Active (3 months)2	8.2	9.2	9.3	13.4%	1.1%
MOU (minutes)	185.4	172.0	167.1	(9.9%)	(2.8%)
ARPU (Average Monthly Revenue per User), blended (US$)	3.0	3.1	2.6	(13.3%)	(16.1%)
Active (3 months)	4.1	4.1	3.6	(12.2%)	(12.2%)
Revenue (million UAH)	792.5	912.8	899.5	13.5%	(1.5%)
Revenue (million US$)	99.2	114.2	99.0	(0.2%)	(13.3%)
EBITDA (million US$)3	28.0	35.2	31.5	12.5%	(10.5%)
EBITDA margin	28.2%	30.8%	31.9%	3.7pp	1.1pp
Net loss (million US$)	(14.9)	(2.4)	(213.1)	n.m	n.m

Capex (million US$)	3.4	26.8	6.9	102.9%	(74.3%)

(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 11 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.

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First Quarter 2014 Results

Turkcell Superonline continued its robust financial performance with revenue and EBITDA growth of 37.6% and 34.2%, respectively. The EBITDA margin of 26.7% (27.3%) was impacted by increased selling and marketing expenses compared to a year ago.

During the quarter, FTTH subscriber base1 expanded with 44 thousand net additions. Residential segment revenues grew by 51.2% while corporate segment revenues rose by 33.5% with further synergies at the group level year-on-year. Accordingly, the share of residential and corporate segment revenues in total revenues reached 65% (62%). Meanwhile, the share of non-group revenues reached 77% (74%).

Turkcell Superonline has continued to invest in its fiber network, increasing home passes2 to 1.8 million.

Turkcell Superonline (million TRY)	Q113	Q413	Q114	y/y %	q/q %
Revenue	203.3	262.1	279.7	37.6%	6.7%
Residential	72.1	94.4	109.0	51.2%	15.5%
% of revenues	35.5%	36.0%	39.0%	3.5pp	3.0pp
Corporate	54.6	73.7	72.9	33.5%	(1.1%)
% of revenues	26.9%	28.1%	26.1%	(0.8pp)	(2.0pp)
Wholesale	76.6	94.0	97.8	27.7%	4.0%
% of revenues	37.7%	35.9%	35.0%	(2.7pp)	(0.9pp)
EBITDA 3	55.6	64.1	74.6	34.2%	16.4%
EBITDA Margin	27.3%	24.4%	26.7%	(0.6pp)	2.3pp
Capex	59.2	172.1	69.7	17.7%	(59.5%)
FTTH subscribers	464	570	614	32.3%	7.7%

(1) FTTH subscriber base refers to residential and corporate fiber subscribers.
(2) Home passes figure refers to the total of home passes and office passes figures.
(3) EBITDA is a non-GAAP financial measure. See page 11 for the reconciliation of EBITDA to net cash from operating activities.
(*)Turkcell Superonline is our wholly-owned subsidiary, providing fiber broadband.

Fintur's subscriber base decreased by 0.7 million year-on-year, mainly due to KCell's one-off clean up of database with the net effect of 789 thousand subscribers. Fintur's consolidated revenues declined by 8.7% mainly due to the decline in KCell's revenues as a result of devaluation of the Kazakhstani Tenge (KZT) against the US$ and the MTR cut. Accordingly, Fintur's contribution to net income decreased by 13.2% to US$33 million (US$38 million) year-on-year.

Fintur	Q113	Q413	Q114	y/y %	q/q %
Subscribers (million)	21.4	21.5	20.7	(3.3%)	(3.7%)
Kazakhstan	13.8	14.3	13.5	(2.2%)	(5.6%)
Azerbaijan	4.4	4.4	4.3	(2.3%)	(2.3%)
Moldova	1.3	1.0	1.0	(23.1%)	-
Georgia	1.9	1.8	1.8	(5.3%)	-
Revenue (million US$)	473	527	432	(8.7%)	(18.0%)
Kazakhstan	286	322	259	(9.4%)	(19.6%)

Azerbaijan	136	151	124	(8.8%)	(17.9%)
Moldova	18	20	17	(5.6%)	(15.0%)
Georgia	33	35	31	(6.1%)	(11.4%)
Fintur’s contribution to Group’s net income	38	37	33	(13.2%)	(10.8%)

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

First Quarter 2014 Results

Turkcell Group Subscribers amounted to approximately 70.1 million as of March 31, 2014. 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 declined by 1.2 million during the quarter.

Turkcell Group Subscribers (million)	Q113	Q413	Q114	y/y %	q/q %
Turkcell	34.9	35.2	34.8	(0.3%)	(1.1%)
Ukraine	11.1	12.6	12.5	12.6%	(0.8%)
Fintur	21.4	21.5	20.7	(3.3%)	(3.7%)
Northern Cyprus	0.4	0.4	0.4	-	-
Belarus	1.0	1.2	1.3	30.0%	8.3%
Turkcell Europe	0.4	0.4	0.4	-	-
TURKCELL GROUP	69.2	71.3	70.1	1.3%	(1.7%)

OVERVIEW OF THE MACROECONOMIC ENVIRONMENT

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

	Q113	Q413	Q114	y/y %	q/q %
US$ / TRY rate					
Closing Rate	1.8087	2.1343	2.1898	21.1%	2.6%
Average Rate	1.7865	2.0302	2.2253	24.6%	9.6%
Consumer Price Index (Turkey)	2.6%	2.3%	3.6%	1.0pp	1.3pp
GDP Growth (Turkey)	2.9%	4.4%	n.a.	n.a.	n.a.
US$ / UAH rate					
Closing Rate	7.99	7.99	10.95	37.0%	37.0%
Average Rate	7.99	7.99	9.15	14.5%	14.5%
US$ / BYR rate					
Closing Rate	8,670	9,510	9,870	13.8%	3.8%
Average Rate	8,627	9,282	9,697	12.4%	4.5%

First Quarter 2014 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 (million US$)	Q113	Q413	Q114	y/y %	q/q %
EBITDA	452.1	420.4	399.2	(11.7%)	(5.0%)
Income tax expense	(76.7)	(59.4)	(72.1)	(6.0%)	21.4%
Other operating income / (expense)	(0.6)	(16.9)	(2.1)	250.0%	(87.6%)
Financial income / (expense)	(16.3)	78.2	(16.2)	(0.6%)	(120.7%)
Net increase / (decrease) in assets and liabilities	(540.8)	26.5	(386.7)	(28.5%)	n.m
Net cash from operating activities	(182.3)	448.8	(77.9)	(57.3%)	(117.4%)

Turkcell Superonline (million TRY)	Q113	Q413	Q114	y/y %	q/q %
EBITDA	55.6	64.1	74.6	34.2%	16.4%
Income tax expense	(0.4)	35.3	(1.6)	300.0%	(104.5%)
Other operating income / (expense)	0.5	2.7	0.4	(20.0%)	(85.2%)
Financial income / (expense)	(14.4)	(18.4)	(18.3)	27.1%	(0.5%)
Net increase / (decrease) in assets and liabilities	(84.8)	15.2	(63.1)	(25.6%)	(515.1%)
Net cash from operating activities	(43.5)	98.9	(8.0)	(81.6%)	(108.1%)

Euroasia (million US$)	Q113	Q413	Q114	y/y %	q/q %
EBITDA	28.0	35.2	31.5	12.5%	(10.5%)
Other operating income / (expense)	0.9	(0.2)	0.8	(11.1%)	(500.0%)
Financial income / (expense)	(14.1)	(9.0)	(14.5)	2.8%	61.1%
Net increase / (decrease) in assets and liabilities	(13.6)	(27.4)	(1.3)	(90.4%)	(95.3%)
Net cash from operating activities	1.2	(1.4)	16.5	n.m	n.m

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First Quarter 2014 Results

FORWARD-LOOKING STATEMENTS: This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Safe Harbor provisions of the US Private Securities Litigation Reform Act of 1995. More generally, all statements other than statements of historical facts included in this press release, including, without limitation, certain statements regarding our operations, financial position and business strategy may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as, among others, "will," "expect," "intend," "estimate," "believe", "continue" and "guidance".
Although Turkcell believes that the expectations reflected in such forward-looking statements are reasonable at this time, it can give no assurance that such expectations will prove to be correct. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. For a discussion of certain factors that may affect the outcome of such forward looking statements, see our Annual Report on Form 20-F for 2013 filed with the U.S. Securities and Exchange Commission, and in particular the risk factor section therein. We undertake no duty to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

ABOUT TURKCELL: Turkcell is the leading communications and technology company in Turkey, with 34.8 million subscribers as of March 31, 2014. Turkcell is a leading regional player with its approximately 70.1 million subscribers in nine countries as of March 31, 2014. It has become one of the first among the global operators to have implemented HSPA+. It has achieved up to 43.2 Mbps speed using the Dual Carrier technology, and is continuously working to provide the latest technology to its customers. Turkcell Superonline, a wholly owned subsidiary of Turkcell, is the first telecom operator to offer households fiber broadband connection at speeds of up to 1,000 Mbps in Turkey. As of December 2013, Turkcell's population coverage is at 99.49% in 2G and 86.17% in 3G. Turkcell reported a TRY2.9 billion (US$1.3 billion) revenue with total assets of TRY21.5 billion (US$9.8 billion) as of March 31, 2014. 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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TURKCELL ILETISIM HIZMETLERI A.S.
CMB SELECTED FINANCIALS (TRY Million)

	Quarter Ended March 31, 2013	Quarter Ended December 31, 2013	12 Months Ended December 31, 2013	3 Months Ended March 31, 2014
Consolidated Statement of Operations Data				
Revenues				
Communication fees	2,430.6	2,545.3	10,242.8	2,496.0
Commission fees on betting business	54.3	73.1	230.4	76.2
Monthly fixed fees	20.2	18.2	75.9	16.7
Simcard sales	6.4	7.2	29.8	6.5
Call center revenues and other revenues	176.9	239.8	829.0	259.8
Total revenues	2,688.4	2,883.6	11,407.9	2,855.2
Direct cost of revenues	(1,685.7)	(1,848.9)	(7,058.9)	(1,740.9)
Gross profit	1,002.7	1,034.7	4,349.0	1,114.3
Administrative expenses	(128.9)	(152.0)	(550.3)	(142.1)
Selling & marketing expenses	(425.0)	(510.4)	(1,843.6)	(483.1)
Other Operating Income / (Expense)	211.5	35.3	907.9	255.9
Operating profit before financing and investing costs	660.3	407.6	2,863.0	745.0
Income from investing activities	5.3	8.9	30.2	4.9
Expense from investing activities	(1.5)	(15.3)	(58.1)	(10.8)
Share of profit of equity accounted investees	68.6	75.8	297.3	73.6
Income before financing costs	732.7	477.0	3,132.4	812.7
Finance income	-	-	-	-
Finance expense	(86.3)	85.1	(383.2)	(556.7)
Monetary gain/(loss)	53.5	72.5	176.9	64.5
Income before tax and non-controlling interest	699.9	634.6	2,926.1	320.5
Income tax expense	(137.4)	(120.0)	(592.4)	(160.6)
Income before non-controlling interest	562.5	514.6	2,333.7	159.9
Non-controlling interest	4.4	(7.9)	(3.4)	200.7
Net income	566.9	506.7	2,330.3	360.6
Net income per share	0.26	0.23	1.06	0.16
Other Financial Data				
Gross margin	37.3 %	35.9 %	38.1 %	39.0 %
EBITDA(*)	807.6	851.5	3,544.5	887.3
Capital expenditures	199.5	818.5	1,822.3	340.4
Consolidated Balance Sheet Data (at period end)				
Cash and cash equivalents	6,610.9	8,128.9	8,128.9	7,989.1
Total assets	18,829.8	21,255.6	21,255.6	21,480.5
Long term debt	1,401.5	1,528.5	1,528.5	1,363.5

Total debt	3,014.6	3,332.5	3,332.5	3,515.5
Total liabilities	5,573.2	6,544.8	6,544.8	6,478.1
Total shareholders’ equity / Net Assets	13,256.6	14,710.8	14,710.8	15,002.4

** For further details, please refer to our consolidated financial statements and notes as at 31 March 2014 on our web site.

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

	Quarter Ended March 31, 2013	Quarter Ended December 31, 2013	12 Months Ended December 31, 2013	3 Months Ended March 31, 2014
Consolidated Statement of Operations Data				
Revenues				
Communication fees	2,430.6	2,545.3	10,242.8	2,496.0
Commission fees on betting business	54.3	73.1	230.4	76.2
Monthly fixed fees	20.2	18.2	75.9	16.7
Simcard sales	6.4	7.2	29.8	6.5
Call center revenues and other revenues	176.9	239.8	829.0	259.8
Total revenues	2,688.4	2,883.6	11,407.9	2,855.2
Direct cost of revenues	(1,687.3)	(1,851.3)	(7,063.9)	(1,742.3)
Gross profit	1,001.1	1,032.3	4,344.0	1,112.9
Administrative expenses	(128.9)	(152.0)	(550.3)	(142.1)
Selling & marketing expenses	(425.0)	(510.4)	(1,843.6)	(483.1)
Other Operating Income / (Expense)	(0.3)	(35.6)	(58.9)	(3.5)
Operating profit before financing costs	446.9	334.3	1,891.2	484.2
Finance costs	(37.4)	(89.7)	(204.6)	(551.9)
Finance income	166.7	239.4	759.9	248.6
Monetary gain/(loss)	53.5	72.5	176.9	64.5
Share of profit of equity accounted investees	68.6	75.8	297.3	73.6
Income before taxes and minority interest	698.3	632.3	2,920.7	319.0
Income tax expense	(137.1)	(119.5)	(591.4)	(160.2)
Income before minority interest	561.2	512.8	2,329.3	158.8
Non-controlling interests	4.4	(7.9)	(3.4)	200.7
Net income	565.6	504.9	2,325.9	359.5
Net income per share	0.26	0.23	1.06	0.16
Other Financial Data				
Gross margin	37.2%	35.8%	38.1%	39.0%
EBITDA(*)	807.6	851.5	3,544.5	887.3
Capital expenditures	199.5	818.5	1,822.3	340.4
Consolidated Balance Sheet Data (at period end)				
Cash and cash equivalents	6,610.9	8,128.9	8,128.9	7,989.1
Total assets	18,862.5	21,284.6	21,284.6	21,508.1
Long term debt	1,401.5	1,528.5	1,528.5	1,363.5
Total debt	3,014.6	3,332.5	3,332.5	3,515.5

Total liabilities	5,578.5	6,549.5	6,549.5	6,482.4
Total shareholders’ equity / Net Assets	13,284.0	14,735.1	14,735.1	15,025.6

** For further details, please refer to our consolidated financial statements and notes as at 31 March 2014 on our web site.

TURKCELL ILETISIM HIZMETLERI A.S.
IFRS SELECTED FINANCIALS (US$ MILLION)

	Quarter Ended March 31, 2013	Quarter Ended December 31, 2013	12 Months Ended December 31, 2013	3 Months Ended March 31, 2014
Consolidated Statement of Operations Data				
Revenues				
Communication fees	1,360.3	1,252.0	5,369.0	1,122.5
Commission fees on betting business	30.4	36.0	120.4	34.3
Monthly fixed fees	11.3	9.0	40.0	7.5
Simcard sales	3.6	3.6	15.6	2.9
Call center revenues and other revenues	98.9	117.0	430.4	116.8
Total revenues	1,504.5	1,417.6	5,975.4	1,284.0
Direct cost of revenues	(944.2)	(905.6)	(3,693.3)	(783.6)
Gross profit	560.3	512.0	2,282.1	500.4
Administrative expenses	(72.1)	(74.3)	(286.8)	(63.9)
Selling & marketing expenses	(237.7)	(250.7)	(964.1)	(217.1)
Other Operating Income / (Expense)	(0.2)	(16.9)	(29.2)	(1.5)
Operating profit before financing costs	250.3	170.1	1,002.0	217.9
Finance costs	(20.8)	(39.1)	(95.5)	(246.6)
Finance income	93.3	117.3	395.4	111.7
Monetary gain/(loss)	29.6	31.6	82.9	29.5
Share of profit of equity accounted investees	38.3	37.4	155.4	33.1
Income before taxes and minority interest	390.7	317.3	1,540.2	145.6
Income tax expense	(76.7)	(59.4)	(310.7)	(72.1)
Income before minority interest	314.0	257.9	1,229.5	73.5
Non-controlling interests	2.5	(3.9)	(1.3)	89.4
Net income	316.5	254.0	1,228.2	162.9
Net income per share	0.14	0.12	0.56	0.07
Other Financial Data				
Gross margin	37.2 %	36.1 %	38.2 %	39.0 %
EBITDA(*)	452.1	420.4	1,858.0	399.2
Capital expenditures	110.3	360.3	853.8	155.4
Consolidated Balance Sheet Data (at period end)				
Cash and cash equivalents	3,655.0	3,808.7	3,808.7	3,648.3
Total assets	10,428.8	9,972.6	9,972.6	9,821.9
Long term debt	774.9	716.2	716.2	622.7
Total debt	1,666.7	1,561.4	1,561.4	1,605.4

Total liabilities	3,084.3	3,068.7	3,068.7	2,960.3
Total equity	7,344.5	6,903.9	6,903.9	6,861.6

* Please refer to the notes on reconciliation of Non-GAAP Financial measures on page 11
** For further details, please refer to our consolidated financial statements and notes as at 31 March 2014 on our web site.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

(The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. The General Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.)

	Note	31 March 2014	31 December 2013
Assets			
Property, plant and equipment	9	2,564,029	2,747,813
Intangible assets	10	1,061,038	1,106,871
GSM and other telecommunication operating licenses		496,752	522,065
Computer software		522,702	544,140
Other intangible assets		41,584	40,666
Investment properties		7,380	7,639
Investments in equity accounted investees	11	259,425	250,959
Other investments		3,063	3,851
Other non-current assets		109,585	117,968
Trade receivables	12	258,910	247,823
Deferred tax assets		31,582	34,333
Total non-current assets		4,295,012	4,517,257
Inventories		29,627	32,845
Other investments		36,692	27,028
Due from related parties	21	10,663	10,012
Trade receivables and accrued income	12	1,313,401	1,294,636
Other current assets	13	488,235	282,152
Cash and cash equivalents	14	3,648,305	3,808,708
Total current assets		5,526,923	5,455,381
Total assets		9,821,935	9,972,638
Equity			
Share capital		1,636,204	1,636,204
Share premium		434	434
Capital contributions		22,772	22,772
Reserves		(3,267,316)	(3,105,434)

Retained earnings		8,597,444	8,435,045
Total equity attributable to equity holders of Turkcell Iletisim Hizmetleri AS		6,989,538	6,989,021
Non-controlling interests		(127,888)	(85,055)
Total equity		6,861,650	6,903,966
Liabilities			
Loans and borrowings	17	622,678	716,150
Employee benefits		40,970	38,709
Provisions		130,570	135,524
Other non-current liabilities		137,117	127,669
Deferred tax liabilities		21,727	30,751
Total non-current liabilities		953,062	1,048,803
Bank overdraft	14	-	237
Loans and borrowings	17	983,525	846,245
Income taxes payable		71,181	65,074
Trade and other payables		791,788	891,515
Due to related parties	21	49,110	42,278
Deferred income		77,006	92,221
Provisions		34,613	82,299
Total current liabilities		2,007,223	2,019,869
Total liabilities		2,960,285	3,068,672
Total equity and liabilities		9,821,935	9,972,638

The notes on page 7 to 81 are an integral part of these condensed interim consolidated financial statements.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

(The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. The General Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.)

		Three months ended 31 March	
	Note	2014	2013
Revenue		1,284,021	1,504,525
Direct costs of revenue		(783,556)	(944,255)
Gross profit		500,465	560,270
Other income		3,891	4,108
Selling and marketing expenses		(217,083)	(237,704)
Administrative expenses		(63,910)	(72,141)
Other expenses		(5,491)	(4,249)
Results from operating activities		217,872	250,284
Finance income	7	111,714	93,353
Finance costs	7	(246,551)	(20,816)
Net finance income / (expense)		(134,837)	72,537
Monetary gain		29,447	29,586
Share of profit of equity accounted investees	11	33,119	38,298
Profit before income tax		145,601	390,705
Income tax expense	8	(72,156)	(76,704)
Profit for the period		73,445	314,001
Profit / (loss) attributable to:			
Owners of Turkcell Iletisim Hizmetleri AS		162,853	316,498
Non-controlling interest		(89,408)	(2,497)
Profit for the period		73,445	314,001
Basic and diluted earnings per share (in full USD)	16	0.07	0.14

The notes on page 7 to 81 are an integral part of these condensed interim consolidated financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

(The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. The General Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.)

	Three months ended 31 March	
	2014	2013
Profit for the period	73,445	314,001
Other comprehensive income / (expense):		
Items that will not be reclassified to profit or loss:		
Foreign currency translation differences	(175,920)	(109,446)
Actuarial gain / (loss) arising from employee benefits	(537)	64
Tax effect of actuarial gain from employee benefits	83	(14)
	(176,374)	(109,396)
Items that will or may be reclassified subsequently to profit or loss:		
Change in cash flow hedge reserve	176	(50)
Foreign currency translation differences	78,516	(23,368)
Share of foreign currency translation differences of the equity accounted investees	(18,875)	2,502
Tax effect of foreign currency translation differences	944	(125)
	60,761	(21,041)
Other comprehensive expense for the period, net of income tax	(115,613)	(130,437)
Total comprehensive income / (expense) for the period	(42,168)	183,564
Total comprehensive income / (expense) attributable to:		
Owners of Turkcell Iletisim Hizmetleri AS	517	186,613
Non-controlling interests	(42,685)	(3,049)
Total comprehensive income / (expense) for the period	(42,168)	183,564

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The notes on page 7 to 81 are an integral part of these condensed interim consolidated financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

(The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. The General Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.)

	Attributable to equity holders of the Company									
	Share Capital	Capital Contribution	Share Premium	Legal Reserves	Cash Flow Hedge Reserves	Reserve for Non-Controlling Interest Put Option	Translation Reserve	Retained Earnings	Total	Non-Co Inte
Balance at 1 January 2013	1,636,204	22,772	434	534,962	(1,319)	(258,695)	(1,903,058)	7,207,563	7,238,863	(78,
Total comprehensive income/(expense)										
Profit/(loss) for the period	-	-	-	-	-	-	-	316,498	316,498	(2,4
Other comprehensive income/(expense)										
Foreign currency translation differences, net of tax	-	-	-	-	-	(1,168)	(128,717)	-	(129,885)	(552
Defined benefit plan actuarial gains	-	-	-	-	-	-	-	50	50	-
Change in cash flow hedge reserve	-	-	-	-	(50)	-	-	-	(50)	-
Total other comprehensive income/(expense)	-	-	-	-	(50)	(1,168)	(128,717)	50	(129,885)	(552
Total comprehensive income/(expense)	-	-	-	-	(50)	(1,168)	(128,717)	316,548	186,613	(3,0
	-	-	-	-	-	-	-	-	-	813

Change in non-controlling interests										
Balance at 31 March 2013	1,636,204	22,772	434	534,962	(1,369)	(259,863)	(2,031,775)	7,524,111	7,425,476	(80,9
Total comprehensive income/(expense)										
Profit for the year	-	-	-	-	-	-	-	911,690	911,690	3,77
Other comprehensive income/(expense)										
Foreign currency translation differences, net of tax	-	-	-	-	-	(12,169)	(1,253,412)	-	(1,265,581)	(6,6
Defined benefit plan actuarial losses	-	-	-	-	-	-	-	1,946	1,946	-
Change in cash flow hedge reserve	-	-	-	-	521	-	-	-	521	-
Total other comprehensive income/(expense), net of tax	-	-	-	-	521	(12,169)	(1,253,412)	1,946	(1,263,114)	(6,6
Total comprehensive income/(expense)	-	-	-	-	521	(12,169)	(1,253,412)	913,636	(351,424)	(2,8
Transfers from legal reserves	-	-	-	2,702	-	-	-	(2,702)	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	(490
Change in non-controlling interest	-	-	-	-	-	-	-	-	-	(779
Change in reserve for non-controlling interest put option	-	-	-	-	-	(85,031)	-	-	(85,031)	-
Balance at 31 December 2013	1,636,204	22,772	434	537,664	(848)	(357,063)	(3,285,187)	8,435,045	6,989,021	(85,
Balance at 1 January 2014	1,636,204	22,772	434	537,664	(848)	(357,063)	(3,285,187)	8,435,045	6,989,021	(85,
Total comprehensive income/(expense)										
Profit/(loss) for the period	-	-	-	-	-	-	-	162,853	162,853	(89,
Other comprehensive income/(expense)										
	-	-	-	-	-	(1,713)	(160,345)	-	(162,058)	46,7

Foreign currency translation differences, net of tax										
Defined benefit plan actuarial gains	-	-	-	-	-	-		(454)	(454)	-
Change in cash flow hedge reserve	-	-	-	-	176	-		-	176	-
Total other comprehensive income/(expense)	-	-	-	-	176	(1,713)	(160,345)	(454)	(162,336)	46,7
Total comprehensive income/(expense)	-	-	-	-	176	(1,713)	(160,345)	162,399	517	(42,
Dividend paid (Note 15)	-	-	-	-	-	-	-	-	-	(154
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	6
Balance at 31 March 2014	1,636,204	22,772	434	537,664	(672)	(358,776)	(3,445,532)	8,597,444	6,989,538	(127

The notes on page 7 to 81 are an integral part of these condensed interim consolidated financial statements.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

(The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. The General Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.)

		Three months 31 March	
	Note	2014	2013
Cash flows from operating activities			
Profit for the period		73,445	314,001
Adjustments for:			
Depreciation and impairment of fixed assets and investment property	9	127,878	143,835
Amortization of intangible assets	10	51,876	57,851
Net finance income		(92,342)	(76,941)
Income tax expense		72,156	76,704
Share of profit of equity accounted investees	11	(33,119)	(38,298)
Gain on sale of property, plant and equipment		(606)	(430)
Unrealised foreign exchange and monetary gains / losses		198,517	(47,022)
Allowance for trade receivables and due from related parties	18	19,145	16,734
Deferred income		(9,003)	(1,757)
		407,947	444,677
Change in trade receivables	12	(79,820)	(145,861)
Change in due from related parties	21	(847)	(4,853)
Change in inventories		2,386	3,635
Change in other current assets	13	(208,401)	(210,444)
Change in other non-current assets		5,343	2,048
Change in due to related parties	21	7,894	(4,992)
Change in trade and other payables		(163,743)	(213,383)
Change in other current liabilities		80,311	73,578
Change in other non-current liabilities		3,569	383
Change in employee benefits		2,705	2,498
Change in provisions		(47,448)	(38,151)
		9,896	(90,865)
Interest paid		(12,474)	(17,439)
Income tax paid		(75,349)	(74,026)
Net cash used in operating activities		(77,927)	(182,330)

Cash flows from investing activities			
Acquisition of property, plant and equipment	9	(117,039)	(73,756)
Acquisition of intangible assets	10	(36,801)	(34,066)
Proceeds from sale of property, plant and equipment		1,215	1,366
Proceeds from currency option contracts		527	355
Payment of currency option contracts premium		(15)	(84)
Acquisition of financial assets		(9,476)	(1,226)
Interest received		104,880	90,654
Net cash (used in) / generated by investing activities		(56,709)	(16,757)
Cash flows from financing activities			
Proceeds from issuance of loans and borrowings		575,486	477,527
Repayment of borrowings		(528,301)	(512,195)
Change in non-controlling interest		6	813
Dividends paid		(154)	-
Net cash (used in) / generated by financing activities		47,037	(33,855)
Net (decrease)/increase in cash and cash equivalents		(87,599)	(232,942)
Cash and cash equivalents at 1 January	14	3,808,471	3,926,215
Effects of foreign exchange rate fluctuations on cash and cash equivalents		(72,567)	(38,231)
Cash and cash equivalents at 31 March	14	3,648,305	3,655,042

The notes on page 7 to 81 are an integral part of these condensed interim consolidated financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

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Notes to the consolidated financial statements

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

(The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. The General Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.)

1. Reporting entity

Turkcell Iletisim Hizmetleri Anonim Sirketi (the "Company") was incorporated in Turkey on 5 October 1993 and commenced its operations in 1994. The Company primarily is involved in establishing and operating a Global System for Mobile Communications ("GSM") network in Turkey and regional states.

The condensed interim consolidated financial statements of the Company as at and for the three months ended 31 March 2014 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in one associate and one joint venture.

The consolidated financial statements of the Company as at and for the year ended 31 December 2013 are available upon request from the Company's registered office at Turkcell Plaza, Mesrutiyet Caddesi No: 71, 34430 Tepebasi / Istanbul or at www.turkcell.com.tr.

2. Basis of preparation

The same accounting policies, presentation and methods of computation have been followed in these condensed interim consolidated financial statements as were applied in the preparation of the Group's consolidated financial statements as at and for the year ended 31 December 2013 other than the adoption of the following new standards or amendments to the standards which are effective for the annual periods on or after 1 January 2014.

The effects of the new standards or amendments to the standards adopted are explained in Note 3b.

The consolidated financial statements are presented in US Dollars ("USD" or "$"), rounded to the nearest thousand. Moreover, all financial information expressed in Turkish Lira ("TL"), Euro ("EUR") and Ukrainian Hryvnia ("UAH") and Belarusian Ruble ("BYR") has been rounded to the nearest thousand. The functional currency of the Company and its consolidated subsidiaries located in Turkey and Turkish Republic of Northern Cyprus is TL. The functional currency of Euroasia Telecommunications Holding BV ("Euroasia") and Financell BV ("Financell") is USD. The functional currency of Eastasian Consortium BV ("Eastasia"), Beltur Coöperatief UA, and Turkcell Europe is EUR. The functional currency of LLC Astelit ("Astelit"), LLC Global Bilgi ("Global LLC") and UkrTower LLC ("UkrTower") is UAH. The functional currency of Belarusian Telecommunication Network ("Belarusian Telecom"), LLC Lifetech and FLLC Global Bilgi ("Global FLLC") is BYR . The functional currency of Azerinteltek QSC ("Azerinteltek") is Azerbaijan Manat.

The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2013.

The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

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2. Basis of preparation (continued)

The Group's condensed interim consolidated financial statements as at and for the period ended 31 March 2014 were approved by the Board of Directors on 24 April 2014.

3. Significant accounting policies

a) Comparative information and revision of prior period financial statements

The condensed interim consolidated financial statements of the Group have been prepared with the prior periods on a comparable basis in order to give consistent information about the financial position and performance. If the presentation or classification of the financial statements is changed, in order to maintain consistency, the financial statements of the prior periods are also reclassified in line with the related changes.

b) New and Revised International Financial Reporting Standards

(i) Amendments to IFRSs affecting amounts reported and/or disclosures in the financial statements

None.

(ii) New and Revised IFRSs applied with no material effect on the consolidated financial statements

Amendments to IFRS 10, 11, IAS 27	Investment Entities1
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities1
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets1
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting1
IFRIC 21	Levies1

1 Effective for annual periods beginning on or after 1 January 2014.

Amendments to IFRS 10, 11, IAS 27 Investment Entities

This amendment with the additional provisions of IFRS 10 provide “investment entities” (as defined) an exemption from the consolidation of particular subsidiaries and instead require that an investment entity measure the investment in each eligible subsidiary at fair value through profit or loss.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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3. Significant accounting policies (continued)

b) New and Revised International Financial Reporting Standards (continued)

(ii) New and Revised IFRSs applied with no material effect on the condensed interim consolidated financial statements (continued)

Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities

The amendments to IAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realization and settlement'.

Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets

As a consequence of IFRS 13 Fair Value Measurements, there are amendments in the explanations about the measurement of the recoverable amount of an impaired asset. This amendment is limited to non-financial assets and paragraphs 130 and 134 of IAS 36 have been changed.

Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting

This amendment to IAS 39 makes it clear that there is no need to discontinue hedge accounting if a hedging derivative is novated, provided certain criteria are met.

IFRIC 21 Levies

IFRIC 21 identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

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3. Significantaccounting policies (continued)

b) New and Revised International Financial Reporting Standards (continued)

(iii) New and revised IFRSs in issue but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments 1
Amendments to IFRS 9 and IFRS 7	Mandatory Effective Date of IFRS 9 and Transition Disclosures
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions 2
Annual Improvements to 2010 - 2012 Cycle	IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16 and IAS 38, IAS 24 2
Annual Improvements to 2011 - 2013 Cycle	IFRS 1, IFRS 3, IFRS 13, IAS 40 2
IFRS 14	Regulatory Deferral Accounts 3

1 Effective for annual periods beginning on or after 1 January 2014.
2 Effective for annual periods beginning on or after 1 July 2014.
3 Effective for annual periods beginning on or after 1 January 2016.

IFRS 9 Financial Instruments

IFRS 9, issued in November 2009, introduces new requirements for the classification and measurement of financial assets. IFRS 9 was amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Amendments to IFRS 9 and IFRS 7 Mandatory Effective Date of IFRS 9 and Transition Disclosures

On November 2013, it is tentatively decided that the mandatory effective date of IFRS 9 will be no earlier than annual periods beginning on or after 1 January 2017.

Amendments to IAS 19 Defined Benefit Plans: Employee Contributions

This amendment clarifies the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that contributions can, but are not required, be recognised as a reduction in the service cost in the period in which the related service is rendered.

Annual Improvements to 2010 - 2012 Cycle

IFRS 2: Amends the definitions of ‘vesting condition’ and ‘market condition’ and adds definitions for ‘performance condition’ and ‘service condition’.

IFRS 3: Require contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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3. Significant accounting policies (continued)

b) New and RevisedInternational Financial Reporting Standards (continued)

(iii) New and revised IFRSs in issue but not yet effective (continued)

IFRS 8: Requires disclosure of the judgements made by management in applying the aggregation criteria to operating segments, clarify reconciliations of segment assets only required if segment assets are reported regularly.

IFRS 13: Clarify that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis (amends basis for conclusions only).

IAS 16 and IAS 38: Clarify that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount.

IAS 24: Clarify how payments to entities providing management services are to be disclosed.

Annual Improvements to 2011 - 2013 Cycle

IFRS 1: Clarify which versions of IFRSs can be used on initial adoption (amends basis for conclusions only).

IFRS 3: Clarify that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

IFRS 13: Clarify the scope of the portfolio exception in paragraph 52.

IAS 40: Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.

IFRS 14 Regulatory Deferral Accounts

IFRS 14 Regulatory Deferral Accounts permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.

IFRS 14 was issued by the IASB on 30 January 2014 and is applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016.

The Group evaluates the effects of these standards on the condensed interim consolidated financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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4. Critical accounting judgments and key sources of estimation uncertainty

Key sources of estimation uncertainty

Belarus

Following severe balance of payments crisis in 2011, the economic data indicates that the Belarusian economy stabilized. This reflected the authorities' tightening of economic policies in late 2011 that was successful in reducing inflation and stabilizing the foreign exchange market. However, Belarusian economy grew only 1.5% in 2012 as the authorities failed to capitalize on improved competitiveness after the sharp currency depreciation in 2011. On the positive side, inflation fell sharply from over 100% at the end of 2011 to almost 22% in 2012. National Bank of the Republic Belarus ("NBRB") has been gradually decreased the refinancing rate by 15 percentage points during 2012, from 45% to 30% per annum.

As of March 2014, the inflation rate stood at 16% for the last twelve months, roughly unchanged from the December 2013 levels. Inflationary pressure remains elevated, despite headline inflation gradually moderating. CPI will stay in double digits (~14%) in 2014 due to continued communal tariffs indexation and BYR devaluation. NBRB cut the refinancing rate 1 percentage points to 22.5% in April 2014. This was the first rate cut this year, bringing the total amount of easing to 7.5 percentage points since the beginning of 2013.

NBRB has stabilized foreign exchange market with the help of a "managed float" exchange policy. As the cumulative inflation in the last three years exceeded 100% as of 31 December 2011, Belarus was considered a hyperinflationary economy. In this context, IAS 29 is applied by subsidiaries operating in Belarus in financial statements starting from their annual financial statements for the year ending 31 December 2011.

Although downside economic risks have been reduced, macroeconomic stability is still fragile. External vulnerability is still a concern and next year's financing picture remains challenging due to heavy debt redemption schedule and strong domestic demand keeping current account deficit wide. Given Belarus' record low level of foreign currency reserves coupled with the high debt repayments due this year and the current account deficit, these factors create devaluationary and inflationary pressure.

Ukraine

Ukraine continues to struggle economically while the political uncertainty with Russia continues. International Monetary Fund ("IMF") negotiations resulted with the IMF offering an aid package for $14-18 million, which can be further increased up to $27 million. In addition to this, the European Union has also committed to provide $15 million after the completion of the IMF deal. Inspite of these aid packages the economy continues to remain fragile due to increasing tensions with Russia and increasing taxes and gas prices.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Ukraine (continued)

The National Bank of Ukraine ("NBU") began implementing a free float regime for the UAH as of February 2014 in order to stop its FX reserves eroding further from their recent record low levels of USD 15 million. This low level of FX reserves implies a higher vulnerability to shocks and greater risks to market expectations. Upon beginning to free float, the UAH depreciated to record high levels of 12.70 and now stands around 11.38. The UAH has lost 37% of its value in the first quarter of 2014. In order to stem further loss in the currency, the NBU hiked its policy rate from 6.5% to 9.5%, the largest rate hike Ukraine has seen since the Russian moratorium in 1998. In addition to these, when the conditions of the IMF deal are also factored in, negative growth, higher inflation and further depreciation of the currency may be expected.

As of 24 April 2014, the Company has recorded an additional foreign exchange loss amounting to $25,359 due to its net foreign currency position.

The latest situation as of 31 March 2014 between Ukraine and Russia is that major cities in the eastern region of Ukraine such as Donetsk and Kharkov have been demanding referendums similar to the one held in Crimea which resulted in the peninsula's annexation by Russia. In the recently held Geneva summit, Ukraine, EU, the United States of America and Russia appeared to have reached a mutual agreement however the possible results still remain ambiguous. The potential consequences of the political ambiguity and related counterparty risks are being closely monitored.

The net book value of non-current assets of the Group located in the Crimea which was annexed by the Russian Federation in March 2014 amounts to $14,715 as of 31 March 2014. The impact of these events on the Company's assets and operations in Crimea cannot be reliably determined as of the date of issuance of these financial statements.

Therefore, economic uncertainties are likely to continue in the foreseeable future for these countries. Current and potential future political and economic changes in Belarus and Ukraine could have an adverse effect on the subsidiaries operating in these countries. The economic stability of Belarus and Ukraine depends on the economic measures that will be taken by the governments and the outcomes of the legal, administrative and political processes in these countries. These processes are beyond the control of the subsidiaries established in these countries.

Consequently, the subsidiaries operating within Belarus and Ukraine may subject to the risks, i.e. foreign currency and interest rate risks related to borrowings and the subscriber's purchasing power and liquidity and increase in corporate and personal insolvencies, that may not necessarily be observable in other markets. The accompanying condensed interim consolidated financial statements contain the Group management's estimations on the economic and financial positions of its subsidiaries operating in Belarus and Ukraine. The future economic situation of Belarus and Ukraine might differ from the Group's expectations. As of 31 March 2014, the Group's management believes that their approach is appropriate in taking all the necessary measures to support the sustainability of these subsidiaries' businesses in the current circumstances.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

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5. Operating Segments

The Group has three reportable segments, as described below, which are based on the dominant source and nature of the Group's risk and returns as well as the Group's internal reporting structure. These strategic segments offer the same types of services, however they are managed separately because they operate in different geographical locations and are affected by different economic conditions.

The Group comprises the following main operating segments: Turkcell, Euroasia and Belarusian Telecom, all of which are GSM operators in their countries.

Other operations mainly include companies operating in telecommunication and betting businesses and companies provide internet and broadband services, call center and value added services.

Information regarding the operations of each reportable segment is included below. Adjusted EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Adjusted EBITDA definition includes revenue, direct cost of revenues excluding depreciation and amortization, selling and marketing expenses and administrative expenses. Adjusted EBITDA is not a financial measure defined by IFRS as a measurement of financial performance and may not be comparable to other similarly-titled indicators used by other companies.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

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5. Operating segments (continued)

	Three months ended 31 March									
	Turkcell		Euroasia		Belarusian Telecom		Other		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2
Total external revenues	985,223	1,224,854	97,971	98,035	18,192	14,944	182,635	166,692	1,284,021	1,504,5
Intersegment revenue	6,175	6,972	1,054	1,116	20	21	114,027	107,204	121,276	115,313
Reportable segment adjusted EBITDA	299,532	362,116	31,542	27,996	433	36	72,258	69,273	403,765	459,421
Finance income	104,472	85,934	286	1,272	1,106	1,760	14,296	18,358	120,160	107,324
Finance cost	5,075	5,213	(221,623)	(14,894)	(35,258)	(17,528)	(16,467)	(16,138)	(268,273)	(43,347
Monetary gain	-	-	-	-	29,390	29,586	57	-	29,447	29,586
Depreciation and amortization	(112,384)	(127,659)	(24,064)	(30,233)	(8,808)	(8,205)	(40,029)	(41,388)	(185,285)	(207,48
Share of profit of equity accounted investees	-	-	-	-	-	-	33,119	38,298	33,119	38,298
Capital expenditure	107,541	71,513	6,867	3,395	3,017	4,215	41,443	39,260	158,868	118,383
Bad debt expense	(16,010)	(15,363)	(83)	(132)	(1,375)	174	(1,677)	(1,413)	(19,145)	(16,734

	As at 31 March 2014 and 31 December 2013									
	Turkcell		Euroasia		Belarusian Telecom		Other		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	20
Reportable segment assets	3,945,561	3,825,648	320,983	455,918	194,909	198,722	1,360,990	1,351,040	5,822,443	5,831,3
Investment in associates	-	-	-	-	-	-	259,425	250,959	259,425	250,95
Reportable segment liabilities	892,539	970,443	66,397	97,841	54,721	59,222	248,338	283,702	1,261,995	1,411,2

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5. Operating segments (continued)

	Three months ended 31 March	
	2014	2013
Revenues		
Total revenue for reportable segments	1,108,635	1,345,942
Other revenue	296,662	273,896
Elimination of inter-segment revenue	(121,276)	(115,313)
Consolidated revenue	1,284,021	1,504,525

	Three months ended 31 March	
	2014	2013
Adjusted EBITDA		
Total adjusted EBITDA for reportable segments	331,507	390,148
Other adjusted EBITDA	72,258	69,273
Elimination of inter-segment adjusted EBITDA	(4,539)	(7,310)
Consolidated adjusted EBITDA	399,226	452,111
Finance income	111,714	93,353
Finance costs	(246,551)	(20,816)
Monetary gain	29,447	29,586
Other income	3,891	4,108
Other expenses	(5,491)	(4,249)
Share of profit of equity accounted investees	33,119	38,298
Depreciation and amortization	(179,754)	(201,686)
Consolidated profit before income tax	145,601	390,705
Income tax expense	(72,156)	(76,704)
Profit for the period	73,445	314,001

	Three months ended 31 March	
	2014	2013
Finance income		

Total finance income for reportable segments	105,864	88,966
Other finance income	14,296	18,358
Elimination of inter-segment finance income	(8,446)	(13,971)
Consolidated finance income	111,714	93,353

	Three months ended 31 March	
	2014	2013
Finance costs		
Total finance cost for reportable segments	251,806	27,209
Other finance cost	16,467	16,138
Elimination of inter-segment finance cost	(21,722)	(22,531)
Consolidated finance cost	246,551	20,816

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5. Operating segments (continued)

	Three months ended 31 March	
	2014	2013
Depreciation and amortization		
Total depreciation and amortization for reportable segments	145,256	166,097
Other depreciation and amortization	40,029	41,388
Elimination of inter-segment depreciation and amortization	(5,531)	(5,799)
Consolidated depreciation and amortisation	179,754	201,686

	Three months ended 31 March	
	2014	2013
Capital expenditure		
Total capital expenditure for reportable segments	117,425	79,123
Other capital expenditure	41,443	39,260
Elimination of inter-segment capital expenditure	(3,438)	(8,085)
Consolidated capital expenditure	155,430	110,298

	31 March 2014	31 December 2013
Assets		
Total assets for reportable segments	4,461,453	4,480,288
Other assets	1,360,990	1,351,040
Investments in equity accounted investees	259,425	250,959
Other unallocated amounts	3,740,067	3,890,351
Consolidated total assets	9,821,935	9,972,638

	31 March 2014	31 December 2013
Liabilities		

Total liabilities for reportable segments	1,013,657	1,127,506
Other liabilities	248,338	283,702
Other unallocated amounts	1,698,290	1,657,464
Consolidated total liabilities	2,960,285	3,068,672

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5. Operating Segments (continued)

Geographical information

In presenting the information on the basis of geographical segments, segment revenue is based on the geographical location of operations and segment assets are based on the geographical location of the assets.

	Three months ended 31 March	
Revenues	2014	2013
Turkey	1,123,163	1,352,709
Ukraine	99,354	99,342
Belarus	18,192	14,944
Turkish Republic of Northern Cyprus	14,638	16,442
Azerbaijan	21,634	16,201
Germany	7,040	4,887
	1,284,021	1,504,525

	31 March 2014	31 December 2013
Non-current assets		
Turkey	3,465,931	3,543,214
Ukraine	326,869	467,779
Belarus	155,317	161,456
Turkish Republic of Northern Cyprus	43,950	46,176
Azerbaijan	4,849	4,959
Germany	4,008	4,415
Unallocated non-current assets	294,088	289,258
	4,295,012	4,517,257

6. Seasonality of operations

The Turkish mobile communications market is affected by seasonal peaks and troughs. Historically, the effects of seasonality on mobile communications usage had positively influenced the Company's results in the second and third quarters of the fiscal year and negatively influenced the results in the first and fourth quarters of the fiscal year. Recently, however, due to changing market dynamics, such as the ICTA's intervention in tariffs and increasing competition in the Turkish telecommunications market, the effects of seasonality on the Company's subscribers' mobile communications usage has decreased. Local and religious holidays in Turkey also affect the Company's operational results.

7. Finance income and costs

Net finance income or cost amounts to $(134,837) and $72,537 for the three months ended 31 March 2014 and 2013, respectively.

The foreign exchange income amounting to $9,167 and $11,716 have been presented on net basis with foreign exchange losses for the periods ended 31 March 2014 and 2013, respectively. The foreign exchange losses mainly attributable to the foreign exchange loss in Belarus and Ukraine operations amounting to $236,253 and $12,034 for the periods ended 31 March 2014 and 2013, respectively.

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8. Income tax expense

Effective tax rates are 50% and 20% for the three months ended 31 March 2014 and 2013, respectively.

Since it is not probable that taxable profit will be available against which the unused tax losses or unused tax credits of Astelit and Belarusian Telecom can be utilised, no deferred tax asset is recognized on any loss incurred as a result of Ukraine and Belarus.

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9. Property, plant and equipment

Cost or deemed cost	Balance as at 1 January2014	Additions	Disposals	Transfers	Impairment	Effect of movements in exchange rates and hyperinflation	Balance as at 31 March 2014
Network infrastructure (All operational)	5,214,435	13,554	(2,319)	88,069	-	(341,697)	4,972,042
Land and buildings	237,132	1,083	-	20	-	(9,420)	228,815
Equipment, fixtures and fittings	247,806	2,645	(329)	291	-	(8,820)	241,593
Motor vehicles	16,441	349	(85)	-	-	(346)	16,359
Leasehold improvements	109,397	234	(2,309)	63	-	(3,395)	103,990
Construction in progress	248,083	101,095	(22)	(96,383)	(120)	(14,599)	238,054
Total	6,073,294	118,960	(5,064)	(7,940)	(120)	(378,277)	5,800,853
Accumulated depreciation							
Network infrastructure (All operational)	2,914,030	118,331	(2,148)	-	2,189	(197,942)	2,834,460
Land and buildings	101,857	2,058	-	-	-	(3,558)	100,357
Equipment, fixtures and fittings	205,910	3,472	(306)	-	24	(7,298)	201,802
Motor vehicles	12,731	452	(84)	-	10	(244)	12,865
	90,953	1,150	(2,044)	-	7	(2,726)	87,340

Leasehold improvements							
Total	3,325,481	125,463	(4,582)	-	2,230	(211,768)	3,236,824
Total property, plant and Equipment	2,747,813	(6,503)	(482)	(7,940)	(2,350)	(166,509)	2,564,029

Depreciation expenses for the years ended 31 March 2014 and 2013 are $127,813 and $143,835 respectively including impairment losses and recognized in direct cost of revenues.

The impairment losses on property, plant and equipment for the years ended 31 March 2014 and 2013 are $2,350 and $1,522 respectively and recognized in depreciation expense.

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9. Property, plant and equipment (continued)

Cost or deemed cost	Balance as at 1 January 2013	Additions	Disposals	Transfers	Impairment	Acquisitions through business combinations	Effect of movements in exchange rates and hyperinflation	Transfer to Investment Property	Balance as at 31 December 2013
Network infrastructure (All operational)	5,836,623	96,505	(478,198)	505,108	-	568	(746,171)	-	5,214,435
Land and buildings	267,728	7,156	-	3,628	-	-	(41,380)	-	237,132
Equipment, fixtures and fittings	273,436	19,695	(4,888)	1,761	-	33	(42,231)	-	247,806
Motor vehicles	17,915	1,348	(705)	288	-	-	(2,405)	-	16,441
Leasehold improvements	123,661	9,909	(139)	5,028	-	-	(19,050)	(10,012)	109,397
Construction in progress	281,123	508,050	(1,773)	(516,768)	(1,686)	-	(20,863)	-	248,083
Total	6,800,486	642,663	(485,703)	(955)	(1,686)	601	(872,100)	(10,012)	6,073,294
Accumulated depreciation									
Network infrastructure (All operational)	3,276,644	520,507	(477,241)	-	38,564	-	(444,444)	-	2,914,030
Land and buildings	111,538	9,105	-	-	314	-	(19,100)	-	101,857
Equipment, fixtures and	231,696	13,244	(4,848)	-	261	-	(34,443)	-	205,910

fittings									
Motor vehicles	13,286	1,926	(665)	-	-	-	(1,816)	-	12,731
Leasehold improvements	106,123	4,157	(119)	-	-	-	(17,300)	(1,908)	90,953
Total	3,739,287	548,939	(482,873)	-	39,139	-	(517,103)	(1,908)	3,325,481
Total property, plant and Equipment	3,061,199	93,724	(2,830)	(955)	(40,825)	601	(354,997)	(8,104)	2,747,813

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10. Intangible assets

Impairment testing for long-lived assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets, cash generating units. Long-lived assets in Astelit were tested as at 31 March 2014 and other long lived assets in Superonline and Best were tested for impairment as at 31 December 2013.

Astelit

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets, cash generating units. As at 31 March 2014, impairment test for long-lived assets of Astelit is made on the assumption that Astelit is the cash generating unit.

As the recoverable amount based on the value in use of cash generating units approximated the carrying amount of cash-generating units of Astelit, no impairment was recognized as at 31 March 2014. The assumptions used in value in use calculation of Astelit were:

A 18.2% post-tax WACC rate for 2014 to 2018, a 17.7% post-tax WACC rate for after 2018 and 2.5% terminal growth rate were used to extrapolate cash flows beyond the 5-year forecasts based on the business plans. Independent appraisal was obtained for fair value to determine recoverable amounts for Astelit. The pre-tax rate for disclosure purposes was 19.3%.

Impairment testing for cash-generating unit containing goodwill

Goodwill allocated to cash generating units and carrying values of all cash generating units are annually tested for impairment. The recoverable amounts (that is, higher of value in use and fair value less cost to sell) are normally determined on the basis of value in use, applying discounted cash flow calculation. Independent appraisals were obtained for fair values to determine recoverable amounts for Belarusian Telecom and Turkcell Superonline as at 31 December 2013.

In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of growth in adjusted EBITDA, calculated as results from operating activities before depreciation and amortization and other income / (expenses), timing and quantum of future capital expenditure, long term growth rates, and the selection of discount rates to reflect the risks involved.

Belarusian Telecom

As at 31 December 2013, impairment test was performed for Belarusian Telecom and after tax impairment at the amount of $28,674 was calculated for the cash-generating unit, allocated to the fixed assets of the cash-generating unit on a pro-rata basis based on the carrying amount of each asset in the cash-generating unit and included in depreciation expense. Tax effect of the long-lived asset impairment of $1,710 is included in deferred taxation benefit.

Value in use was determined by discounting the expected future cash flows to be generated by the cash-generating unit and the terminal value.

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10. Intangible assets (continued)

Impairment testing for cash-generating unit containing goodwill (continued)

Turkcell Superonline

As at 31 December 2013, the aggregate carrying amount of goodwill allocated to Turkcell Superonline is $15,384. As the recoverable value based on the value in use of the cash generating units was estimated to be higher than carrying amount, no impairment was required for goodwill arising from the acquisition of Superonline as at 31 December 2013.

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10. Intangible assets (continued)

Cost	Balance at 1 January 2014	Additions	Disposals	Transfers	Impairment	Effects of movements in exchange rates and hyperinflation	Balance at 31 March 2014
GSM and other telecommunication operating licenses	1,112,175	64	(758)	2,442	-	(37,320)	1,076,603
Computer software	1,988,791	24,395	(101)	14,361	-	(67,159)	1,960,287
Transmission lines	24,398	-	-	-	-	(639)	23,759
Central betting system operating right	5,372	139	-	-	-	(90)	5,421
Indefeasible right of usage*	18,488	-	(39)	-	-	(514)	17,935
Brand name	3,298	-	-	-	-	(84)	3,214
Customer base	6,758	-	-	-	-	(171)	6,587
Goodwill	15,384	-	-	-	-	(390)	14,994
Other	2,603	754	-	2,299	-	(54)	5,602
Construction in progress	1,321	11,449	-	(11,162)	-	(298)	1,310
Total	3,178,588	36,801	(898)	7,940	-	(106,719)	3,115,712
Accumulated amortization							
GSM and other telecommunication operating licenses	590,110	11,466	(758)	-	-	(20,967)	579,851
Computer software	1,444,651	38,759	(13)	-	419	(46,231)	1,437,585
Transmission lines	22,380	137	-	-	-	(584)	21,933
Central betting system operating	3,892	78	-	-	-	(51)	3,919

right								
Indefeasible right of usage*	4,406	525	-	-	-	(150	)	4,781
Brand name	1,731	79	-	-	-	(43	)	1,767
Customer base	3,434	145	-	-	-	(85	)	3,494
Other	1,113	268	-	-	-	(37	)	1,344
Total	2,071,717	51,457	(771)	-	419	(68,148	)	2,054,674
Total intangible assets	1,106,871	(14,656)	(127)	7,940	(419)	(38,571	)	1,061,038

Amortization expenses on intangible assets other than goodwill for the three months ended 31 March 2014 and 2013 are $51,876 and $57,851 respectively including impairment losses and recognized in direct cost of revenues.

The impairment losses on intangible assets for the three months ended 31 March 2014 is $419 and recognized in depreciation expense (31 March 2013: nil). Computer software includes internally generated capitalized software development costs that meet the definition of an intangible asset. The amount of internally generated capitalized cost is $6,234 for the three months ended 31 March 2014 (31 March 2013: $8,535).

(*)The decrease resulted from the change in payment schedule of the indefeasible rights of use has been presented in disposals.

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10. Intangible assets (continued)

Cost	Balance at 1 January 2013	Additions	Disposals	Transfers	Impairment	Acquisitions through business combinations	Effects of movements in exchange rates and hyperinflation	Balance at 31 December 2013
GSM and other telecommunication operating licenses	1,271,274	2,811	-	414	-	-	(162,324)	1,112,175
Computer software	2,113,345	142,891	(4,817)	67,600	-	-	(330,228)	1,988,791
Transmission lines	28,569	526	-	-	-	-	(4,697)	24,398
Central betting system operating right	5,966	280	-	-	-	-	(874)	5,372
Indefeasible right of usage	19,541	2,289	-	-	-	-	(3,342)	18,488
Brand name	3,949	-	-	-	-	-	(651)	3,298
Customer base	7,959	-	-	-	-	117	(1,318)	6,758
Goodwill	18,419	-	-	-	-	-	(3,035)	15,384
Other	2,746	98	-		-	5	(246)	2,603
Construction in progress	1,739	66,641	-	(67,059)	-	-	-	1,321
Total	3,473,507	215,536	(4,817)	955	-	122	(506,715)	3,178,588
Accumulated amortization								
GSM and other telecommunication operating licenses	592,580	53,485	-	-	10,237	-	(66,192)	590,110
Computer software	1,544,898	164,673	(4,186)	-	4,823	-	(265,557)	1,444,651
Transmission lines	25,881	834	-	-	-	-	(4,335)	22,380
	3,989	362	-	-	-	-	(459)	3,892

Central betting system operating right								
Indefeasible right of usage	3,785	1,388	-	-	-	-	(767)	4,406
Brand name	1,678	369	-	-	-	-	(316)	1,731
Customer base	3,455	641	-	-	-	-	(662)	3,434
Other	1,124	182	-	-	-	-	(193)	1,113
Total	2,177,390	221,934	(4,186)	-	15,060	-	(338,481)	2,071,717
Total intangible assets	1,296,117	(6,398)	(631)	955	(15,060)	122	(168,234)	1,106,871

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2014
(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

(The Group's audited consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 were approved by the Audit Committee and the Board of Directors (Board Resolution dated 23 February 2011 and numbered 797, dated 22 February 2012 and numbered 908 and dated 21 February 2013 and numbered 1019, respectively). However, consolidated financial statements prepared as at and for the year ended 31 December 2010 were not approved by the General Assemblies on 21 April 2011, 11 August 2011 and 12 October 2011. The General Assemblies on 29 June 2012, 22 May 2013 and 24 June 2013 could not convene since the quorum required had not been reached and the consolidated financial statements prepared as at and for the year ended 31 December 2010, 2011 and 2012 could not be presented for approval.)

11.Investments in equity accounted investees

The Group's share of profit in its equity accounted investees for the three months ended 31 March 2014 and 2013 are $33,119 and $38,298 respectively.

The Company's investment in Fintur Holdings BV ("Fintur") amounts to $238,011 as at 31 March 2014 (31 December 2013: $229,114).

In 2013, Fintur has decided to distribute dividend amounting to $105,000. The Company reduced the carrying value of investments in Fintur by the accrued dividend of $43,523 and this amount has been collected in July 2013.

The Company's investment in A-Tel amounts to $21,414 as at 31 March 2014 (31 December 2013: $21,845).

12. Trade receivables and accrued income

	31 March 2014	31 December 2013
Accrued service income	755,002	748,647
Receivables from subscribers	441,915	445,574
Accounts and checks receivable	116,484	