



TURKCELL ILETISIM HIZMETLERI

**FOURTH QUARTER AND FULL YEAR
2022 RESULTS**



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- Please note that all financial data is consolidated and comprises that of Turkcell İletişim Hizmetleri A.Ş. (the “Company”, or “Turkcell”) and its subsidiaries and associates (together referred to as the “Group”), unless otherwise stated.
- We have four reporting segments:
 - “Turkcell Turkey” which comprises our telecom, digital services and digital business services related businesses in Turkey (as used in our previous releases in periods prior to Q115, this term covered only the mobile businesses). All non-financial data presented in this press release is unconsolidated and comprises Turkcell Turkey only figures, unless otherwise stated. The terms “we”, “us”, and “our” in this press release refer only to Turkcell Turkey, except in discussions of financial data, where such terms refer to the Group, and except where context otherwise requires.
 - “Turkcell International” which comprises all of our telecom and digital services related businesses outside of Turkey.
 - “Techfin” which comprises all of our financial services businesses.
 - “Other” which mainly comprises our non-group call center and energy businesses, retail channel operations, smart devices management and consumer electronics sales through digital channels and intersegment eliminations.
- In this press release, a year-on-year comparison of our key indicators is provided and figures in parentheses following the operational and financial results for December 31, 2022 refer to the same item as at December 31, 2021. For further details, please refer to our consolidated financial statements and notes as at and for December 31, 2022, which can be accessed via our website in the investor relations section (www.turkcell.com.tr).
- Selected financial information presented in this press release for the fourth quarter and for the full year of 2021 and 2022 is based on Turkish Accounting Standards (TAS) / Turkish Financial Reporting Standards (TFRS) figures in TRY terms unless otherwise stated.
- In the tables used in this press release totals may not foot due to rounding differences. The same applies to the calculations in the text.
- Year-on-year and quarter-on-quarter percentage comparisons appearing in this press release reflect mathematical calculation.



Our Initial Assessment of the Earthquakes' Impact

On February 6th, 2023, two high-magnitude earthquakes, epicentered in Kahramanmaraş yet impacting 11 cities across Southeastern Türkiye, have dramatically affected the lives of 14 million people. As Turkcell, we took immediate action after the quakes as quickly and efficiently as possible to ensure the safety of our colleagues and to provide communication to our 6.5 million subscribers in the region. On the very first day, almost half of our 3,300 base stations in the region was out of service mainly due to power outage and destruction. We rapidly deployed more than 1,200 network personnel to the region to make the necessary repairs. We swiftly reactivated 99% of our sites by deploying around 250 mobile base stations and 1,400 electric generators to compensate for one tower and around 150 base stations that were destroyed. We began to provide Wi-Fi services via mobile base stations in tent and container areas. While providing free communication packages to subscribers, healthcare personnel and emergency teams in the region, we have also provided 1-month of free communication to subscribers in the state of emergency region. Currently, 68% of our exclusive stores in the region are fully operational and all our services continue to run uninterruptedly through our digital channels and containers we have deployed in the area.

We are deeply saddened by the lives lost, which include 21 of our colleagues. We will continue providing aid and support for the families of our colleagues who lost their lives, and for our citizens affected by the earthquake, as we have done since the first day of the disaster.

We have prepared our 2023 guidance¹ considering all of the above developments, and based upon the initial impact assessment of the earthquake on our business. Accordingly, we target revenue growth of between 55-57%, an EBITDA of around TRY34 billion and an operational capex over sales ratio² of around 22%.

We estimate a negative revenue impact of around TRY1.5 billion. This arises from the steps we have taken to alleviate pressure on our affected subscribers, such as free communication packages, the cancellation of line opening-closing fees, the suspension fees, and from shrinking customer demand in the longer term triggered by the earthquakes' impact on people's purchasing power. In addition, we expect an impact of around TRY400 million on operational expenses due to personnel, infrastructure, and network expenses that we have incurred to date, and will continue to incur in the region. We expect a replacement CAPEX of circa TRY900 million for mobile and fixed network investments, particularly in the regions that have suffered extensive destruction. These assessments include the effect of the earthquakes based on our initial impact analysis; and all these estimations are already considered in the 2023 guidance. However, potential measures that may arise subsequent to this announcement and other developments over time may further affect our guidance. We will continue to provide information as such developments occur over the coming periods.

(1) Please note that this section contains forward-looking statements based on our initial impact assessment of the earthquake. Factors such as changes in the state of emergency measures and potential aftershocks, as well as the risk factors disclosed in our Annual Report on Form 20-F for 2021 filed with U.S. Securities and Exchange Commission, could cause actual impacts to differ materially from our expectations.

(1) 2023 guidance figures are based on TFRS, and do not include the effects of a likely adoption of inflationary accounting in accordance with IAS 29.

(2) Excluding license fee

**NOTICE**

We are publishing financial statements as of December 31, 2022 prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS”/“TFRS”) only. These standards are issued by the Public Oversight Accounting and Auditing Standards Authority (“POA”) and are in full compliance with IAS/IFRS Standards. In an announcement published by the POA on January 20, 2022, it is stated that TAS 29 “Financial Reporting in Hyperinflationary Economies” does not apply to TFRS financial statements as of December 31, 2021. Since then and as of the preparation date of our latest consolidated financial statements, no new statement has been made by the POA about TAS 29 application. Consequently, no TAS 29 adjustment was made to our consolidated financial statements.

Financial statements prepared in accordance with IFRS should apply IAS 29 “Financial Reporting in Hyperinflationary Economies” as of December 31, 2022. In this context, financial statements prepared in accordance with IFRS and TFRS would have significant differences and would not be comparable as of December 31, 2022. We intend to publish IFRS financial statements, compliant with IAS 29 to the extent that it remains applicable, with our Annual Report on Form 20-F that will be filed to the U.S. Securities and Exchange Commission.

Although we have not prepared a detailed comparison of differences between IFRS (unadjusted according to IAS 29) and TFRS, we have noted in our past financial statements that the most significant differences have appeared in the lines Other Operating Income/Expense, Finance Income/Expense, and Investment Activity Income/Expense. In the past, revenue, net income and EBITDA have generally not differed. While no assurance can be given that this will be the case for Q4 2022, we are not at present aware of changes that would cause other significant differences, other than those resulting from the application of IAS 29.

**FINANCIAL HIGHLIGHTS**

TRY million	Q421	Q422	y/y%	FY21	FY22	y/y%
Revenue	10,192	16,044	57.4%	35,921	53,878	50.0%
EBITDA ¹	4,212	6,671	58.4%	15,014	21,994	46.5%
EBITDA Margin (%)	41.3%	41.6%	0.3pp	41.8%	40.8%	(1.0pp)
EBIT ²	2,136	4,156	94.6%	7,722	12,516	62.1%
EBIT Margin (%)	21.0%	25.9%	4.9pp	21.5%	23.2%	1.7pp
Net Income	1,385	5,996	333.1%	5,031	11,053	119.7%
Net Income Exc. Fixed Asset Revaluation Net Impact ³	354	1,903	437.4%	3,509	6,445	83.7%

FULL YEAR HIGHLIGHTS

- Solid financial performance:
 - Group revenues up 50.0% supported mainly by accelerated ARPU growth, and strong subscriber net add performance as well as the contribution of the digital business services and techfin business
 - EBITDA up 46.5% leading to an EBITDA margin of 40.8%; EBIT up 62.1% resulting in an EBIT margin of 23.2%
 - Net income up 119.7% to TRY11.1 billion including a major one-off (net TRY4.6 billion deferred tax income impact) resulting from fixed asset revaluation; without the one-off net income rose 83.7% to TRY6.4 billion
 - Free cash flow⁴ generation of TRY1.7 billion; net leverage⁵ level at 0.9x; net short FX position of US\$25 million
- Robust operational momentum continued:
 - Turkcell Turkey subscriber base up by 2.3 million net additions; 1.9 million mobile postpaid net additions the highest performance since 2009
 - 220 thousand fixed subscriber net additions; 234 thousand fiber net additions, best net add performance ever
 - 887 thousand new fiber homepasses
 - Mobile ARPU⁶ growth of 40.3%; residential fiber ARPU growth of 26.5%
- 2023 guidance⁷; revenue growth target of between 55-57%, EBITDA target of around TRY34 billion, and operational capex over sales ratio⁸ target of around 22%

FOURTH QUARTER HIGHLIGHTS

- Strong financial results:
 - Group revenues up 57.4% on the back of the strong ARPU performance of Turkcell Turkey and contribution from digital business services and techfin business
 - EBITDA up 58.4% leading to an EBITDA margin of 41.6%; EBIT up 94.6% resulting in an EBIT margin of 25.9%
 - Net income up 333.1% to TRY6.0 billion (including TRY4.1 billion net impact of tax income resulting from fixed asset revaluation)
- Robust operational performance maintained:
 - Quarterly mobile postpaid subscriber net additions of 599 thousand; postpaid subscriber share at 68.1% of mobile subscriber base
 - Quarterly fixed subscriber net additions of 69 thousand



- Year-on-year mobile ARPU⁵ increased 55.6% mainly driven by price adjustments, upsell to higher tariffs, and higher postpaid share
- Residential fiber ARPU growth of 33.3% year-on-year mainly by price adjustments and upsell efforts, as well as increased IPTV penetration
- Average monthly data usage of 4.5G subscribers at 16.9 GB in Q422; smartphone penetration at 87%
- Digital channels' share⁹ in sales at 24.9%

(1) EBITDA is a non-GAAP financial measure. See page 20 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income.

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

(3) Excludes the impact of fixed assets revaluation. Please refer to table on page 22 for details.

(4) Free cash flow calculation includes EBITDA and the following items as per Turkish Financial Reporting Standards (TFRS) cash flow statement; acquisition of property, plant and equipment, acquisition of intangible assets, change in operating assets/liabilities, payment of lease liabilities and income tax paid.

(5) Starting from Q421, we have revised the definition of our net debt calculation to include "financial assets" reported under current and non-current assets. Required reserves held in CBRT balances are also considered in net debt calculation. We believe that these assets are highly liquid and can be easily converted to cash without significant change in value.

(6) Excluding M2M

(7) Please note that this section contains forward-looking statements based on our initial impact assessment of the earthquake. Factors such as changes in the state of emergency measures and potential aftershocks, as well as the risk factors disclosed in our Annual Report on Form 20-F for 2021 filed with U.S. Securities and Exchange Commission, could cause actual impacts to differ materially from our expectations.

(7) 2023 guidance figures are based on TFRS, and do not include the effects of a likely adoption of inflationary accounting in accordance with IAS 29.

(8) Excluding license fee

(9) Share of all sales from digital channels (including voice, data, services & smart devices) in Turkcell Turkey consumer sales (excluding fixed business) and equipment related revenues in other segment.

For further details, please refer to our consolidated financial statements and notes as at December 31, 2022 via our website in the investor relations section (www.turkcell.com.tr).

**COMMENTS BY CEO, MURAT ERKAN****The disaster of the century...**

Two devastating earthquakes, epicentered in Kahramanmaraş, with magnitudes of 7.7 and 7.6 have marked themselves as the greatest disaster of Türkiye's modern history. The earthquakes that struck Türkiye and Syria have claimed thousands of lives and placed our country into deep mourning. We wish Allah's mercy upon the victims, among whom were 21 of our colleagues. We offer our sincere and heartfelt condolences to those who lost their families and loved ones. From the first moment of the earthquake, Turkcell made an initial assessment to swiftly take all necessary actions. On the first day of the earthquake, we lost approximately half of the 3,300 sites in the region. We deployed mobile base stations, generators and batteries to the region and within four days increased our active site rate to over 90%. We provided free voice, SMS, and internet packages to close to 6.5 million subscribers in the earthquake region. Additionally, we provided a "Kahraman Paketi (Hero Package)" to meet the needs of emergency team and health care professionals. We sustained free Wi-Fi and charging stations in the region and supported victims with a donation commitment of TRY3.5 billion to the "Türkiye Tek Yürek (Türkiye One Heart)" quake relief campaign. Being Türkiye's Turkcell, we will remain by our people as always.

In 2022, as inflationary pressures topped the agenda, the tightening policies of Central Banks against inflation and concerns over recession were in focus. Energy and commodity prices rose massively in the wake of the Russia-Ukraine war. As we saw an easing of the pandemic's impact on Türkiye, the agenda turned to deterioration in pricing behaviour and the expectation of high inflation propping up consumer spending. Strong tourism inflows that returned to pre-pandemic levels supported the current account balance, as well as the telecommunication sector.

Best mobile postpaid subscriber net addition of the past 13 years

In 2022 we outperformed our expectations. At the start of the year we targeted adding 1 million net subscribers and ended up exceeding 2.3 million net subscriber additions thanks to our value propositions that meet our customers' needs, increased tourism activity and strong demand from the corporate segment. By keeping our focus of enlarging our mobile postpaid base which provides a higher revenue contribution, we added 1.9 million subscribers, the record of the past 13 years. Accordingly, the postpaid share in the mobile base increased to 68.1%.

The mobile churn rate slightly increased to 2.7%, as we deactivated a higher number of inactive subscribers in the fourth quarter, since Türkiye had a greater tourist and visitor inflow in 2022 compared to the previous year. The Mobile Number Portability (MNP) market, which was rationalized as our sequential price increases were followed by competitors throughout the year, was triggered by aggressive price offerings in the market during the last quarter of the year.

With an awareness of Türkiye lagging behind OECD countries in terms of speed and capacity of fixed broadband services, we continued to invest to our fiber infrastructure to provide fiber services that our customers demand. In 2022, we reached 887 thousand homes with our end-to-end fiber, and total fiber homepasses reached 5.4 million. For the year we had a record net fiber add of 234 thousand subscribers. Thanks to the increased penetration of our complementary, content-rich TV+ service, and our superior customer experience, the fiber churn rate decreased to an all-time low of 1.1%. Moreover, we sustained our focus on high speed internet packages. On the fiber subscriber acquisition side, 37% of the subscribers preferred speeds of 100 Mbps and above.

In line with our inflationary pricing policy, we have made sequential price adjustments since December 2021, where inflation began to rise. We have emphasized that price adjustments would be reflected in ARPU growth



with a lag, due to the contract-based nature of our business. Accelerating from the first quarter of the year, Mobile ARPU¹ rose 55.6%, and Residential Fiber ARPU rose 33.3% year-over-year in the fourth quarter. For 2022, respective ARPU growth levels were 40.3% and 26.5%. Mobile ARPU growth was driven by sequential price adjustments, a higher postpaid subscriber base and upsell efforts, whereas Fiber ARPU growth was sustained by price adjustments, higher speed package preference of new subscribers in particular and increasing IPTV penetration.

Our consolidated revenue increased by 50.0% year-over-year in 2022 to TRY53.9 billion. Rising 46.5% we registered TRY22.0 billion EBITDA². Thanks to our strong operational performance and the contribution of TRY4.6 billion net deferred tax income arising from fixed asset revaluation, net income realized at TRY11.1 billion.

The support of our strategic focus areas continues

In 2022, the standalone paid users³ of our digital services and solutions, which are developed by Turkcell Engineers, increased by 1.1 million year-on-year to 5.1 million, while standalone revenues rose 30.3%. Digital TV platform TV+ continues to differentiate itself from the peers. According to 3rd quarter ICTA data, the pay TV market reached 7.7 subscribers, where TV+, with its 15.9% market share, is the only provider to have steadily increased its market share since the second quarter of 2014. This performance is attributable to its extensive sales network, strong brand recognition and rich content. IPTV subscribers increased by 200 thousand year-on-year to 1.3 million while OTT TV users reached 1.0 million. With an effort to increase the international penetration of BiP, our instant messaging app, we entered the 120 million mobile user Pakistani market through a partnership agreement with “Jazz” in December. Currently, 37% of 17.9 million BiP users³ are from global markets.

The revenues of our digital business services, the greatest supporter of the digital transformation of its customers, rose 88.3% year-on-year, exceeding TRY4.3 billion. End-to-end tailored digital transformation projects, data center and cloud storage services were the main focus areas contributing to growth. While we have signed 2,800 system integrator and managed service projects to date, we have a contract value (backlog) from system integration projects of TRY2.8 billion to be realized beyond 2022, doubling the level of last year.

Serving with Paycell and Financell brands, our techfin segment sustained its strong contribution to topline growth this year. In 2022, Financell’s revenue rose 59.4% to TRY980 million, while its loan portfolio reached TRY3.4 billion up from last year’s TRY2.1 billion. With its wide-range product portfolio, Paycell serves 7.7 million users³, and its revenues rose 87.2% to TRY877 million. Mobile payment services “Pay Later”, driving 66% of the topline, was the main driver of the growth, while POS solutions, accelerating its reach from the last quarter of 2021, was also supportive. During the year, Paycell launched new services almost in every vertical of the Turkish techfin ecosystem. And as of December, its users are able to invest in shares listed on the NYSE and Nasdaq Stock Exchange via the Paycell application.

We entered 2023 with uncertainties

As we left 2022 behind, having experienced consecutive macroeconomic and political challenges, we are entering 2023 with hopes of healing our wounds caused by the greatest disaster of the past century. Yet 2023 comes with series of challenges: the global economies face recession concerns arising in the post pandemic period, political uncertainty caused by the ongoing war in the central-Europe, energy, commodity and labor cost pressure on producer costs, and domestically, a much busier political agenda. Therefore, we foresee that our guidance⁴ may change in the light of changing conditions. At this stage, we target revenue growth of 55-57% and EBITDA of around TRY34 billion. We expect an operational CAPEX over sales ratio of around 22%.



I would like to thank all of my colleagues those who have given their all in tackling the impact of the devastating earthquakes. As Türkiye's Turkcell, we will continue working hard and heal our wounds together.

(1) Excluding M2M

(2) EBITDA is a non-GAAP financial measure. See page 20 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income

(3) 3-month active

(4) Please note that this section contains forward-looking statements based on our initial impact assessment of the earthquake. Factors such as changes in the state of emergency measures and potential aftershocks, as well as the risk factors disclosed in our Annual Report on Form 20-F for 2021 filed with U.S. Securities and Exchange Commission, could cause actual impacts to differ materially from our expectations.

(4) 2023 guidance figures are based on TFRS, and do not include the effects of a likely adoption of inflationary accounting in accordance with IAS 29.



FINANCIAL AND OPERATIONAL REVIEW

Financial Review of Turkcell Group

Profit & Loss Statement (million TRY)	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Revenue	10,191.5	16,043.9	57.4%	35,920.5	53,878.5	50.0%
Cost of revenue ¹	(5,019.9)	(7,935.3)	58.1%	(17,938.1)	(27,310.6)	52.2%
Cost of revenue¹/Revenue	(49.3%)	(49.5%)	(0.2pp)	(49.9%)	(50.7%)	(0.8pp)
Gross Margin¹	50.7%	50.5%	(0.2pp)	50.1%	49.3%	(0.8pp)
Administrative expenses	(276.8)	(473.4)	71.0%	(919.0)	(1,519.0)	65.3%
Administrative expenses/Revenue	(2.7%)	(3.0%)	(0.3pp)	(2.6%)	(2.8%)	(0.2pp)
Selling and marketing expenses	(576.6)	(899.8)	56.1%	(1,778.5)	(2,700.1)	51.8%
Selling and marketing expenses/Revenue	(5.7%)	(5.6%)	0.1pp	(5.0%)	(5.0%)	-
Net impairment losses on financial and contract assets	(106.7)	(63.9)	(40.1%)	(271.2)	(354.9)	30.9%
EBITDA²	4,211.6	6,671.5	58.4%	15,013.8	21,993.8	46.5%
EBITDA Margin	41.3%	41.6%	0.3pp	41.8%	40.8%	(1.0pp)
Depreciation and amortization	(2,075.5)	(2,515.7)	21.2%	(7,291.9)	(9,478.0)	30.0%
EBIT³	2,136.1	4,155.8	94.6%	7,721.9	12,515.8	62.1%
EBIT Margin	21.0%	25.9%	4.9pp	21.5%	23.2%	1.7pp
Net finance income / (expense)	(6,645.2)	(3,424.2)	(48.5%)	(10,144.6)	(13,489.0)	33.0%
Finance income	2,569.6	(642.4)	(125.0%)	3,051.1	210.8	(93.1%)
Finance expense	(9,214.8)	(2,781.8)	(69.8%)	(13,195.7)	(13,699.8)	3.8%
Other income / (expense)	4,355.8	1,028.9	(76.4%)	6,409.6	6,800.9	6.1%
Investment activity income / (expense)	474.7	157.6	(66.8%)	464.1	1,779.9	283.5%
Non-controlling interests	(0.1)	0.9	n.m	(0.2)	1.0	n.m
Share of profit of equity accounted investees	63.6	(10.0)	(115.7%)	90.1	(71.4)	(179.3%)
Income tax expense	999.7	4,087.3	308.9%	490.2	3,516.1	617.3%
Net Income	1,384.6	5,996.3	333.1%	5,031.1	11,053.2	119.7%

(1) Excluding depreciation and amortization expenses.

(2) EBITDA is a non-GAAP financial measure. See page 20 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income.

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

Revenue of the Group grew by 57.4% year-on-year in Q422. Turkcell Turkey's growing customer base was the main driver of this performance with strong ARPU growth as a result of price adjustments to reflect inflationary impacts, larger postpaid subscriber base, and upsell efforts. Solid demand for digital business services and techfin also contributed to revenue growth.

Turkcell Turkey revenues, comprising 78% of Group revenues, rose 61.9% year-on-year in Q422 to TRY12,449 million (TRY7,689 million).

- Consumer segment revenues grew 65.2% year-on-year on the back of a larger subscriber base and price adjustments to reflect inflationary impacts.
- Corporate segment revenues rose 75.8% year-on-year supported by the strong momentum of digital business services, which grew 86.7% year-on-year.
- Standalone digital services revenues registered as part of consumer and corporate segments grew 51.0% year-on-year in Q422. The increased number of stand-alone paid users and price adjustments of services were the main drivers of this growth. Similar to the previous three quarters, in Q422 digital services revenues



growth was negatively impacted by regulatory decision that amended the usage conditions of our voicemail service, the revenues of which are reported under digital services, as of December 1st, 2021. Excluding this impact, growth would have been 69%.

- Wholesale revenues rose 35.9% year-on-year to TRY934 million (TRY687 million), mainly due to customers' data capacity upgrades and the positive impact of currency movements.

Turkcell International revenues, comprising 11% of Group revenues, rose 40.9% year-on-year to TRY1,813 million (TRY1,286 million) mainly due to lifecell's performance and positive currency effects.

Techfin segment revenues, comprising 4% of Group revenues, rose 76.8% year-on-year to TRY583 million (TRY330 million). This was driven by a 93.6% rise in Paycell revenues and 64.4% growth the finance company, Financell. Please refer to the Techfin section for details.

Other subsidiaries' revenues, at 7% of Group revenues, including mainly non-group call center and energy business revenues, digital channels, and consumer electronics sales revenues, increased 35.4% year-on-year to TRY1,199 million (TRY886 million).

For the full year, Turkcell Group revenues rose 50.0%.

Turkcell Turkey revenues grew 50.1% to TRY40,851 million (TRY27,224 million).

- Consumer business rose 47.9% driven mainly by strong subscriber net additions both in mobile and fixed segments, price adjustments and upsell efforts.
- Corporate revenues rose 58.3% mainly supported by digital business services revenue growth of 88.3%.
- Standalone digital services revenues from consumer and corporate segments grew 30.3% driven mainly by expanding standalone paid user base.
- Wholesale revenues grew 72.7% to TRY3,285 million (TRY1,903 million).

Turkcell International revenues rose 69.4% to TRY6,354 million (TRY3,750 million).

Techfin segment revenues rose 71.9% to TRY1,849 million (TRY1,076 million).

Other subsidiaries' revenues were at TRY4,825 million (TRY3,871 million), indicating a 24.6% growth.

Cost of revenue (excluding depreciation and amortization) increased to 49.5% (49.3%) as a percentage of revenues in Q422. This was driven mainly by the increase in radio expenses (1.8pp) and other cost items (1.3pp), despite the decline in interconnection cost (1.6pp) and cost of goods sold (1.3pp) as a percentage of revenues.

For the full year, cost of revenue (excluding depreciation and amortization) rose to 50.7% (49.9%) as a percentage of revenues. This was due mainly to the rise in radio expenses (2.0pp) and other cost items (1.7pp), despite the decline in cost of goods sold (1.7pp) and interconnection expenses (1.2pp) as a percentage of revenues.

Administrative expenses increased to 3.0% (2.7%) as a percentage of revenues in Q422.

For the full year, administrative expenses were at 2.8% (2.6%) as a percentage of revenues.

Selling and marketing expenses decreased to 5.6% (5.7%) as a percentage of revenues in Q422. This was driven mainly by the decline in marketing expenses (0.2pp) despite the rise in selling expenses (0.1pp) as a percentage of revenues.

For the full year, selling and marketing expenses were at 5.0% (5.0%) as a percentage of revenues.

Net impairment losses on financial and contract assets was at 0.4% (1.0%) as a percentage of revenues in Q422.

For the full year, net impairment losses on financial and contract assets was at 0.7% (0.8%) as a percentage of revenues.

EBITDA¹ rose by 58.4% year-on-year in Q422 leading to an EBITDA margin of 41.6% (41.3%).

(1) EBITDA is a non-GAAP financial measure. See page 20 for the explanation of how we calculate adjusted EBITDA and its reconciliation to net income



- Turkcell Turkey's EBITDA rose 60.2% to TRY5,208 million (TRY3,252 million) leading to an EBITDA margin of 41.8% (42.3%).
- Turkcell International EBITDA increased 46.9% to TRY923 million (TRY628 million) driving an EBITDA margin of 50.9% (48.8%) on 2.1pp improvement.
- Techfin segment EBITDA rose 42.7% to TRY274 million (TRY192 million) with an EBITDA margin of 47.0% (58.2%).
- The EBITDA of other subsidiaries increased 90.3% to TRY267 million (TRY140 million).

For the full year, EBITDA grew 46.5% resulting in an EBITDA margin of 40.8% (41.8%).

- Turkcell Turkey's EBITDA rose 41.3% to TRY17,197 million (TRY12,168 million) leading to an EBITDA margin of 42.1% (44.7%).
- Turkcell International EBITDA increased 76.8% to TRY3,233 million (TRY1,828 million) driving an EBITDA margin of 50.9% (48.8%) on 2.1pp improvement.
- Techfin segment EBITDA rose 41.1% to TRY902 million (TRY639 million) with an EBITDA margin of 48.8% (59.4%).
- The EBITDA of other subsidiaries rose 74.9% to TRY662 million (TRY379 million).

Depreciation and amortization expenses increased 21.2% year-on-year in Q422. For the full year depreciation and amortization expenses increased 30.0%.

Net finance expense decreased to TRY3,424 million (TRY6,645 million) in Q422. This was mainly driven by lower FX losses.

For the full year, net finance expense increased to TRY13,489 million (TRY10,145 million) mainly due to lower fair value gain on derivate instruments compared to FY21.

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

Net other operating income decreased to TRY1,029 million (TRY4,356 million) in Q422. For the full year, net other operating income increased to TRY6,801 million (TRY6,410 million) mainly due to interest income from time deposits.

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

Net investment activity income was TRY158 million in Q422 compared to TRY475 million in Q421.

For the full year, net investment activity income increased to TRY1,780 million (TRY464 million). This was driven mainly by the fair value difference recognized on currency-protected time deposits.

Income tax expense: The deferred tax income of TRY3,895 million (TRY1,016 million) and positive impact of current tax expense of TRY193 million were reported, leading to an income tax gain of TRY4,087 million in Q422.

For the full year, deferred tax income of TRY4,047 million and current tax expense of TRY531 million were reported, leading to an income tax gain of TRY3,516 million.

Please note that in Q422, we made use of the right introduced by Law No. 7338, which allows the revaluation of properties and depreciable economic assets under certain conditions. This resulted in an impact on the deferred tax asset reported in Q422. For the full year, net impact was at TRY4.6 billion. Please refer to our consolidated financial statements and notes as at December 31, 2022 for details.

Net income of the Group increased by 333.1% to TRY5,996 million (TRY1,385 million) in Q422. This resulted mainly from strong operational performance and the positive impact of deferred tax income relating to the revaluation of assets as explained above.



For the full year, group net income rose 119.7% to TRY11,053 million (TRY5,031 million) on the back of strong operational performance and the deferred tax income impact despite lower finance income. Without the deferred tax income impact, group net income is TRY6,445 million.

Please note that in FY22 an impairment charge of TRY214 million has been recognized on the assets of Ukraine in territories under the control of Ukraine but not operating for more than 92 days and those in territories invaded by Russia.

Total cash & debt: Consolidated cash as of December 31, 2022 increased to TRY25,961 million from TRY24,344 million as of September 30, 2022. This was driven mainly by the positive impact of currency movements. Excluding FX swap transactions, 51% of our cash is in US\$, 15% in EUR, and 32% in TRY.

Consolidated debt as of December 31, 2022 increased to TRY53,854 million from TRY51,922 million as of September 30, 2022 due mainly to the impact of currency movements. Please note that TRY3,055 million of our consolidated debt is comprised of lease obligations. Please note that 46% of our consolidated debt is in US\$, 26% in EUR, 3% in CNY, 5% in UAH, and 19% in TRY.

Net debt¹ as of December 31, 2022 was at TRY20,838 million with a net debt to EBITDA ratio of 0.9 times. Excluding finance company consumer loans, our telco only net debt was at TRY17,473 million with a leverage of 0.8 times.

Turkcell Group had a short FX position of US\$25 million as at the end of the year (Please note that this figure takes hedging portfolio and advance payments into account). The short FX position of US\$25 million is in line with our FX neutral definition, which is between -US\$200 million and +US\$200 million.

Capital expenditures: Capital expenditures, including non-operational items, amounted to TRY6,434 million in Q422. For the full year, capital expenditures including non-operational items were at TRY16,361 million.

For Q422 and the full year, operational capital expenditures (excluding license fees) at the Group level were at 27.8% and 20.2% of total revenues, respectively.

Capital expenditures (million TRY)	Quarter		Year	
	Q421	Q422	FY21	FY22
Operational Capex	2,686.3	4,454.3	7,629.8	10,859.4
License and Related Costs	-	317.5	-	317.5
Non-operational Capex (Including IFRS15 & IFRS16)	1,611.1	1,662.5	3,849.6	5,183.6
Total Capex	4,297.4	6,434.3	11,479.4	16,360.6

(1) Starting from Q421, we have revised the definition of our net debt calculation to include "financial assets" reported under current and non-current assets. Required reserves held in CBRT balances are also considered in net debt calculation. We believe that these assets are highly liquid and can be easily converted to cash without significant change in value.



Summary of Operational Data	Quarter			Year		
	Q421	Q422	y/y %	FY21	FY22	y/y %
Number of subscribers (million)	39.4	41.7	5.8%	39.4	41.7	5.8%
Mobile Postpaid (million)	23.7	25.6	8.0%	23.7	25.6	8.0%
Mobile M2M (million)	3.3	4.0	21.2%	3.3	4.0	21.2%
Mobile Prepaid (million)	12.0	12.0	-	12.0	12.0	-
Fiber (thousand)	1,887.8	2,121.8	12.4%	1,887.8	2,121.8	12.4%
ADSL (thousand)	754.9	751.4	(0.5%)	754.9	751.4	(0.5%)
Superbox (thousand) ¹	603.6	670.7	11.1%	603.6	670.7	11.1%
Cable (thousand)	54.6	43.9	(19.6%)	54.6	43.9	(19.6%)
IPTV (thousand)	1,082.2	1,281.7	18.4%	1,082.2	1,281.7	18.4%
Churn (%)²						
Mobile Churn (%)	2.5%	2.7%	0.2pp	2.0%	2.0%	-
Fixed Churn (%)	1.6%	1.3%	(0.3pp)	1.5%	1.4%	(0.1pp)
ARPU (Average Monthly Revenue per User) (TRY)						
Mobile ARPU, blended	54.6	83.8	53.5%	50.5	70.0	38.6%
Mobile ARPU, blended (excluding M2M)	59.5	92.6	55.6%	54.9	77.0	40.3%
Postpaid	68.2	101.6	49.0%	62.8	84.7	34.9%
Postpaid (excluding M2M)	78.3	118.7	51.6%	71.7	98.4	37.2%
Prepaid	28.6	47.9	67.5%	26.9	40.5	50.6%
Fixed Residential ARPU, blended	82.2	110.5	34.4%	77.9	98.7	26.7%
Residential Fiber ARPU	83.0	110.6	33.3%	78.4	99.2	26.5%
Average mobile data usage per user (GB/user)	13.3	15.7	18.0%	13.3	14.7	10.5%
Mobile MoU (Avg. Monthly Minutes of usage per subs) blended	548.7	533.6	(2.8%)	551.2	546.4	(0.9%)

(1) Superbox subscribers are included in mobile subscribers.

(2) Churn figures represent average monthly churn figures for the respective quarters.

Turkcell Turkey subscriber base grew by 2.3 million net additions in FY22 to 41.7 million, thanks to our customer-centric strategy and differentiated value proposition offered to customers. In addition, we achieved and doubled our 1 million net subscriber additions target for the year on the back of our diversified solutions that meet customer needs and our innovative campaigns that facilitate their lives.

On the mobile front, our subscriber base expanded to 37.5 million on 1.9 million net annual additions in FY22. This was driven by net additions from the postpaid subscriber base, which reached 68.1% (66.4%) of total mobile subscribers. We had 599 thousand quarterly postpaid net additions in Q422. In FY22, we had a net 10 thousand decline in our prepaid subscribers, due mainly to the disconnection of 430 thousand inactive prepaid subscribers during the quarter in line with our churn policy.

On the fixed front, our fiber subscriber base grew by 58 thousand net additions in Q422. In FY22, we had 234 thousand fiber net additions, making the best net add performance ever. This resulted mainly by focus on fiber network investments, and the strong demand for high-speed and quality broadband connections. In FY22, we had a net 14 thousand decline in our ADSL and cable subscribers. Total fixed subscribers reached 2.9 million on 69 thousand quarterly and 220 thousand annual net additions. Meanwhile, IPTV customers reached 1.3 million on 51 thousand quarterly and 200 thousand annual net additions.

The average monthly mobile churn rate was at 2.7% in Q422, and 2.0% in FY22. Meanwhile, the average monthly fixed churn rate was at 1.3% in Q422 and 1.4% in FY22 on the back of our superior customer experience resulting



from the speed and quality we offer on our fiber infrastructure which plays an important role in maintaining a healthy churn level.

Our mobile ARPU (excluding M2M) rose 55.6% year-on-year in Q422 driven mainly by price adjustments to reflect inflationary impacts and upsell to higher tariffs, as well as larger postpaid subscriber base. Mobile ARPU (excluding M2M) grew 40.3% for the full year mainly on the same drivers.

Our residential fiber ARPU growth was 33.3% year-on-year in Q422. This resulted mainly from price adjustments, upsell to higher tariffs, and higher IPTV penetration at 67.0% in Q422. For the full year, fiber residential ARPU rose 26.5%.

Average monthly mobile data usage per user rose 10.5% in FY22 to 14.7 GB with the increasing number and data consumption of 4.5G users. Accordingly, the average mobile data usage of 4.5G users reached 16.0 GB in FY22.

Total smartphone penetration on our network reached 87% in Q422. 93% of those smartphones were 4.5G compatible.



TURKCELL INTERNATIONAL

lifecell ¹ Financial Data	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Revenue (million UAH)	2,406.4	2,606.8	8.3%	8,482.7	9,411.7	11.0%
EBITDA (million UAH)	1,319.1	1,505.6	14.1%	4,751.2	5,446.5	14.6%
EBITDA margin (%)	54.8%	57.8%	3.0pp	56.0%	57.9%	1.9pp
Net income (million UAH)	237.9	408.8	71.8%	610.9	972.3	59.2%
Capex (million UAH)	1,319.3	997.4	(24.4%)	3,593.6	3,007.6	(16.3%)
Revenue (million TRY)	996.6	1,326.1	33.1%	2,805.7	4,773.6	70.1%
EBITDA (million TRY)	544.5	765.8	40.6%	1,566.4	2,763.4	76.4%
EBITDA margin (%)	54.6%	57.7%	3.1pp	55.8%	57.9%	2.1pp
Net income (million TRY)	98.1	207.8	111.8%	210.8	485.5	130.3%

(1) Since July 10, 2015, we hold a 100% stake in lifecell.

lifecell (Ukraine) had another positive revenue growth performance. Accordingly, lifecell revenues rose 8.3% year-on-year in Q422 in local currency terms on the back of ARPU growth supported by price adjustments and increased data usage. lifecell's EBITDA grew 14.1% year-on-year leading to an EBITDA margin of 57.8%.

lifecell revenues in TRY terms grew 33.1% year-on-year in Q422 mainly due to price adjustments and the positive impact of currency movements. lifecell's EBITDA in TRY terms grew by 40.6%, leading to an EBITDA margin of 57.7%.

For the full year, lifecell revenues in local currency terms increased 11.0%, while its EBITDA rose 14.6% resulting in an EBITDA margin of 57.9%. lifecell also continued to report positive net income in 2022. In TRY terms, lifecell registered revenue growth of 70.1% with an EBITDA margin of 57.9%.

lifecell Operational Data	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Number of subscribers (million) ²	10.1	10.2	1.0%	10.1	10.2	1.0%
Active (3 months) ³	9.2	8.5	(7.6%)	9.2	8.5	(7.6%)
MOU (minutes) (12 months)	179.0	148.0	(17.3%)	180.9	156.9	(13.3%)
ARPU (Average Monthly Revenue per User), blended (UAH)	80.2	86.0	7.2%	73.7	77.1	4.6%
Active (3 months) (UAH)	88.5	104.5	18.1%	83.2	91.5	10.0%

(2) 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.

(3) Active subscribers are those who in the past three months made a revenue generating activity.

The three-month active subscriber base of lifecell declined to 8.5 million in Q422, as people have fled the country because of the ongoing war. Meanwhile, lifecell's 3-month active ARPU rose 18.1% year-on-year on the back of price adjustments and higher data usage. Meanwhile, lifecell continued its leadership of the Ukrainian market with 84.3% smartphone penetration as of the end of Q422.

lifecell remained focused on ensuring the safety of its employees and provide services to our Ukrainian customers. Meanwhile, our network is largely operational. On average, around 23% of nearly 9 thousand sites are temporarily down as of December 31, 2022 on a daily basis. The conditions of sites in occupied territories are unclear. At the end of December, around 92% of our stores are open nationwide on a daily average. In Q422 daily top-ups almost recovered to the pre-war period levels. Additionally, ICT systems, such as billing and CRM are fully operational. The country's banking system continues to operate and daily operations, including payments and collections continue as normal. The cash position of lifecell is conducive to sustain its operations.



BeST ¹	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Number of subscribers (million)	1.5	1.5	-	1.5	1.5	-
Active (3 months)	1.1	1.1	-	1.1	1.1	-
Revenue (million BYN)	35.6	38.8	9.0%	145.7	146.2	0.3%
EBITDA (million BYN)	10.1	12.4	22.8%	38.1	44.2	16.0%
EBITDA margin (%)	28.5%	32.0%	3.5pp	26.1%	30.2%	4.1pp
Net loss (million BYN)	(7.5)	(103.1)	1,274.7%	(31.6)	(124.8)	294.9%
Capex (million BYN)	16.7	25.3	51.5%	63.5	81.4	28.2%
Revenue (million TRY)	157.3	288.1	83.2%	507.8	936.0	84.3%
EBITDA (million TRY)	44.7	92.1	106.0%	133.9	284.5	112.5%
EBITDA margin (%)	28.4%	32.0%	3.6pp	26.4%	30.4%	4.0pp
Net loss (million TRY)	(32.9)	(745.4)	2,165.7%	(109.9)	(871.4)	692.9%

(1) BeST, in which we hold a 100% stake, has operated in Belarus since July 2008.

BeST revenues increased 9.0% year-on-year in local currency terms in Q422. This was mainly due to the data and outgoing voice revenues despite the decrease in handset sales revenues. BeST registered an EBITDA of BYN12.4 million in Q422, which led to an EBITDA margin of 32.0%. In Q422, financial obligation based on Investment Agreement signed between the Republic of Belarus, BeST and Turkcell has been booked in BeST standalone financial statements. This has no negative impact on consolidated financial statements since the previous obligation related to investment agreement booked on consolidated level has been reversed. BeST's revenues in TRY terms increased 83.2% year-on-year in Q422 with an EBITDA margin of 32.0%.

For the full year, BeST's revenue in local currency terms remained flat compared with the previous year. EBITDA rose 16.0%, resulting in a 30.2% EBITDA margin on 4.1pp improvement. BeST's revenue in TRY terms rose 84.3% with an EBITDA margin of 30.4%.

In Q422, BeST continued to expand its 4G network in 6 regions, reaching 4.1 thousand sites, which grew by 186 additions during the quarter. Extended LTE coverage allows BeST to increase penetration of 4G subscribers. Accordingly, 4G users comprised 78% of the 3-month active subscriber base as of Q422. Meanwhile, the average monthly data consumption of 4G subscribers rose 14% year-on-year to 18.3 GB.

Moreover, asymmetric MTR (mobile termination rates) which came into effect as of December 31, 2022 was a positive step towards further strengthening a fair competitive market.

Kuzey Kıbrıs Turkcell ² (million TRY)	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Number of subscribers (million)	0.6	0.6	-	0.6	0.6	-
Revenue	90.1	147.8	64.0%	306.6	473.1	54.3%
EBITDA	35.3	65.2	84.7%	121.1	195.1	61.1%
EBITDA margin (%)	39.2%	44.1%	4.9pp	39.5%	41.2%	1.7pp
Net income	25.5	106.8	318.8%	68.3	175.6	157.1%
Capex	26.6	361.2	1,257.9%	74.2	458.9	518.5%

(2) Kuzey Kıbrıs Turkcell, in which we hold a 100% stake, has operated in Northern Cyprus since 1999

Kuzey Kıbrıs Turkcell revenues increased by 64.0% year-on-year in Q422 driven by higher voice and roaming revenues as well as fixed broadband and handset sales revenues. In Q422, the EBITDA of Kuzey Kıbrıs Turkcell grew 84.7% yielding a 44.1% EBITDA margin.

For the full year, Kuzey Kıbrıs Turkcell revenues increased 54.3% with the same drivers. The EBITDA grew 61.1% leading to an EBITDA margin of 41.2%. Meanwhile, Kıbrıs Telekom was entitled to receive the 4G license for 18 years and the 5G license for 20 years.



TECHFIN

Paycell Financial Data (million TRY)	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Revenue	139.6	270.2	93.6%	468.4	876.9	87.2%
EBITDA	64.3	116.7	81.5%	222.4	387.8	74.4%
EBITDA Margin (%)	46.1%	43.2%	(2.9pp)	47.5%	44.2%	(3.3pp)
Net Income	48.7	83.3	71.0%	155.1	274.1	76.6%

Paycell's revenue rose by 93.6% year-on-year in Q422. This robust performance resulted mainly from the continued demand for digital payments which we addressed with a diversified product portfolio that includes mobile payment services, particularly the Pay Later solution, as well as POS solutions and Paycell card. The demand for digital payment services remained solid with changing consumer behavior. Paycell's EBITDA increased 81.5% year-on-year leading to an EBITDA margin of 43.2% in Q422.

The quarterly transaction volume (non-group) of Pay Later service exceed TRY1 billion, which was utilized by 3-month active Pay Later users of 5.0 million in Q422 as well as higher merchant penetration supported by the dual growth strategy of Paycell. Meanwhile, the Paycell Card transaction volume more than doubled year-on-year to TRY2.8 billion in Q422. In addition, the transaction volume of POS solutions reached TRY4.4 billion in Q422. Meanwhile, Paycell App added Stock Market (NYSE & Nasdaq) feature, launched with commission-free campaign. Paycell also continued to act as a market-place for gold, silver, and platinum trading in Q422. Overall, Paycell's total transaction volume across all services more than doubled to TRY11.8 billion year-on-year, driven mainly by 17% year-on-year rise in Paycell's total 3-month active users to 7.7 million, and their increased usage.

For the full year, Paycell registered 87.2% revenue growth and the total transaction volume of TRY37.1 billion more than doubled year-on-year. Paycell's EBITDA rose 74.4% year-on-year leading to an EBITDA margin of 44.2%. The decrease in the EBITDA margin was mainly due to the rise in personel expenses.

Financell Financial Data (million TRY)	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Revenue	190.4	313.1	64.4%	614.9	980.1	59.4%
EBITDA	128.9	160.9	24.8%	420.4	523.0	24.4%
EBITDA Margin (%)	67.7%	51.4%	(16.3pp)	68.4%	53.4%	(15.0pp)
Net Income	109.5	101.7	(7.1%)	334.6	318.6	(4.8%)

Financell's revenue increased 64.4% year-on-year in Q422. This growth was primarily due to the expansion of the loan portfolio and the higher average interest rate on the loan portfolio compared to the same period of last year. Meanwhile, Financell reported EBITDA growth of 24.8% year-on-year, resulting in an EBITDA margin of 51.4% in Q422. The decrease in EBITDA margin was due to higher funding costs compared to the Q421. Financell's net income declined 7.1% year-on-year.

Financell's revenues rose by 59.4% for the full year and EBITDA increased 24.4% yielding an EBITDA margin of 53.4%. Higher funding cost compared to the previous year was the main reason for the year-on-year decline in EBITDA margin.

Financell's loan portfolio increased to TRY3.4 billion at the end of Q422. Although the installment limitation on consumer loans for telecom devices continued to limit the growth of the loan portfolio, higher lending to corporate customers and greater mobility supported the loan portfolio. Accordingly, Financell has provided loans to over 22 thousand corporate customers. Financell's cost of risk decreased from 1.3% in Q322 to 1.0% in Q422 thanks to customer portfolio improvement and successful collection performance.

**Turkcell Group Subscribers**

Turkcell Group registered subscribers amounted to approximately 54.0 million as of December 31, 2022. This figure is calculated by taking the number of subscribers of Turkcell Turkey, and of each of our subsidiaries. It includes the total number of mobile, fiber, ADSL, cable and IPTV subscribers of Turkcell Turkey, and the mobile subscribers of lifecell, BeST, and Kuzey Kıbrıs Turkcell.

Turkcell Group Subscribers	Q421	Q322	Q422	y/y%	q/q%
Turkcell Turkey subscribers (million)¹	39.4	41.6	41.7	5.8%	0.2%
lifecell (Ukraine)	10.1	10.1	10.2	1.0%	1.0%
BeST (Belarus)	1.5	1.5	1.5	-	-
Kuzey Kıbrıs Turkcell	0.6	0.6	0.6	-	-
Turkcell Group Subscribers (million)	51.6	53.8	54.0	4.7%	0.4%

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

OVERVIEW OF THE MACROECONOMIC ENVIRONMENT

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

	Quarter					Year		
	Q421	Q322	Q422	y/y%	q/q%	FY21	FY22	y/y%
GDP Growth (Turkey)	9.6%	4.0%	3.5%	(6.1pp)	(0.5pp)	11.4%	5.6%	(5.8pp)
Consumer Price Index (Turkey)(yoy)	36.1%	83.5%	64.3%	28.2pp	(19.2pp)	36.1%	64.3%	28.2pp
US\$ / TRY rate								
Closing Rate	13.3290	18.5038	18.6983	40.3%	1.1%	13.3290	18.6983	40.3%
Average Rate	11.0757	17.8817	18.6010	67.9%	4.0%	8.8797	16.4900	85.7%
EUR / TRY rate								
Closing Rate	15.0867	17.9232	19.9349	32.1%	11.2%	15.0867	19.9349	32.1%
Average Rate	12.6591	18.0379	18.9748	49.9%	5.2%	10.4810	17.3108	65.2%
US\$ / UAH rate								
Closing Rate	27.2782	36.5686	36.5686	34.1%	-	27.2782	36.5686	34.1%
Average Rate	26.8092	35.3497	36.5686	36.4%	3.4%	27.3362	32.4854	18.8%
US\$ / BYN rate								
Closing Rate	2.5481	2.4803	2.7364	7.4%	10.3%	2.5481	2.7364	7.4%
Average Rate	2.5019	2.5585	2.5055	0.1%	(2.1%)	2.5448	2.6098	2.6%



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

Our Adjusted EBITDA definition includes Revenue, Cost of Revenue excluding depreciation and amortization, Selling and Marketing expenses, Administrative expenses and Net impairment losses on financial and contract assets, but excludes finance income and expense, other operating income and expense, investment activity income and expense, share of profit of equity accounted investees and minority interest.

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

Turkcell Group (million TRY)	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Adjusted EBITDA	4,211.6	6,671.5	58.4%	15,013.8	21,993.8	46.5%
Depreciation and amortization	(2,075.5)	(2,515.7)	21.2%	(7,291.9)	(9,478.0)	30.0%
EBIT	2,136.1	4,155.8	94.6%	7,721.9	12,515.8	62.1%
Finance income	2,569.6	(642.4)	(125.0%)	3,051.1	210.8	(93.1%)
Finance expense	(9,214.8)	(2,781.8)	(69.8%)	(13,195.7)	(13,699.8)	3.8%
Other operating income / (expense)	4,355.8	1,028.9	(76.4%)	6,409.6	6,800.9	6.1%
Investment activity income / (expense)	474.7	157.6	(66.8%)	464.1	1,779.9	283.5%
Share of profit of equity accounted investees	63.6	(10.0)	(115.7%)	90.1	(71.4)	(179.3%)
Consolidated profit before income tax & minority interest	385.0	1,908.0	395.6%	4,541.1	7,536.1	66.0%
Income tax expense	999.7	4,087.3	308.9%	490.2	3,516.1	617.3%
Consolidated profit before minority interest	1,384.7	5,995.3	333.0%	5,031.3	11,052.2	119.7%



NOTICE: *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. This includes, in particular, our targets for revenue, EBITDA and capex for 2022. More generally, all statements other than statements of historical facts included in this press release, including, without limitation, certain statements regarding the launch of new businesses, 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 2021 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.

The Company makes no representation as to the accuracy or completeness of the information contained in this press release, which remains subject to verification, completion and change. No responsibility or liability is or will be accepted by the Company or any of its subsidiaries, board members, officers, employees or agents as to or in relation to the accuracy or completeness of the information contained in this press release or any other written or oral information made available to any interested party or its advisers.

ABOUT TURKCELL: *Turkcell is a digital operator headquartered in Turkey, serving its customers with its unique portfolio of digital services along with voice, messaging, data and IPTV services on its mobile and fixed networks. Turkcell Group companies operate in 4 countries – Turkey, Ukraine, Belarus, and Northern Cyprus. Turkcell launched LTE services in its home country on April 1st, 2016, employing LTE-Advanced and 3 carrier aggregation technologies in 81 cities. Turkcell offers up to 10 Gbps fiber internet speed with its FTTH services. Turkcell Group reported TRY53.9 billion revenue in FY22 with total assets of TRY101.3 billion as of December 31, 2022. 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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Appendix A – Tables

Table: Net foreign exchange gain and loss details

Million TRY	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Net FX loss before hedging	(4,137.2)	(383.0)	(90.7%)	(5,538.5)	(3,834.0)	(30.8%)
Swap interest income/(expense)	(89.2)	29.0	n.m	(422.4)	(127.0)	(69.9%)
Fair value gain on derivative financial instruments	2,613.3	(945.3)	(136.2%)	3,312.8	(130.8)	(103.9%)
Net FX gain / (loss) after hedging	(1,613.1)	(1,299.3)	(19.5%)	(2,648.1)	(4,091.7)	54.5%

Table: Income tax expense details

Million TRY	Quarter			Year		
	Q421	Q422	y/y%	FY21	FY22	y/y%
Current tax expense	(106.6)	192.8	n.m	(681.5)	(530.6)	(22.1%)
Deferred tax income / (expense)	1,106.3	3,894.6	252.0%	1,171.7	4,046.7	245.4%
Income Tax expense	999.7	4,087.4	308.9%	490.2	3,516.1	617.3%

Table: Fixed asset revaluation net impact

Million TRY	Q421	Million TRY	Q422
Tax effect of fixed asset revaluation	1,137.3	Tax effect of fixed asset revaluation	4,311.4
2% payment of fixed asset revaluation	(106.7)	2% payment of fixed asset revaluation	(217.6)
Total	1,030.6	Total	4,093.8

Million TRY	FY21	Million TRY	FY22
Tax effect of fixed asset revaluation	1,680.7	Tax effect of fixed asset revaluation	4,862.7
2% payment of fixed asset revaluation	(158.2)	2% payment of fixed asset revaluation	(254.0)
Total	1,522.5	Total	4,608.7

TURKCELL İLETİŞİM HİZMETLERİ A.Ş.
TURKISH ACCOUNTING STANDARDS SELECTED FINANCIALS (TRY Million)

	Quarter Ended	Year Ended	Quarter Ended	Quarter Ended	Year Ended
	Dec 31,	Dec 31,	Sep 30,	Dec 31,	Dec 31,
	<u>2021</u>	<u>2021</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>
Consolidated Statement of Operations Data					
Turkcell Turkey	7,689.4	27,223.5	11,075.7	12,448.8	40,851.1
Turkcell International	1,286.4	3,750.1	1,634.7	1,812.6	6,353.6
Fintech	329.9	1,075.7	499.1	583.2	1,849.1
Other	885.9	3,871.2	1,453.0	1,199.4	4,824.7
Total revenues	10,191.5	35,920.5	14,662.5	16,043.9	53,878.5
Direct cost of revenues	(7,095.4)	(25,230.0)	(9,852.1)	(10,451.0)	(36,788.6)
Gross profit	3,096.2	10,690.6	4,810.4	5,592.9	17,089.8
General administrative expenses	(276.8)	(919.0)	(393.8)	(473.4)	(1,519.0)
Selling & marketing expenses	(576.6)	(1,778.5)	(683.7)	(899.8)	(2,700.1)
Other Operating income / (expenses)	4,355.8	6,409.6	2,414.8	1,028.9	6,800.9
Operating profit	6,598.6	14,402.7	6,147.8	5,248.5	19,671.6
Impairment losses and reversals of impairment losses determined in accordance with TFRS 9	(106.7)	(271.2)	(140.4)	(63.9)	(354.9)
Investment Income	402.6	464.1	526.1	157.6	1,779.9
Investment Expense	72.1	-	-	-	-
Share on (loss) profit of investments valued by equity method	63.6	90.1	13.1	(10.0)	(71.4)
Income before financing costs	7,030.2	14,685.7	6,546.6	5,332.2	21,025.2
Financial income	2,569.6	3,051.1	4.2	(642.4)	210.8
Financial expenses	(9,214.8)	(13,195.7)	(3,654.0)	(2,781.8)	(13,699.8)
Profit from Continuing Operations Before Taxation	385.0	4,541.1	2,896.9	1,908.0	7,536.1
Tax income from continuing operations	999.7	490.2	(501.1)	4,087.3	3,516.1
Profit for the period	1,384.7	5,031.3	2,395.8	5,995.3	11,052.2
Non-controlling interest	(0.1)	(0.2)	(0.1)	0.9	1.0
Owners of the Parent	1,384.6	5,031.1	2,395.8	5,996.3	11,053.2
Earnings per share	0.6	2.3	1.1	2.7	5.1
Other Financial Data					
Gross margin	30.4%	29.8%	32.8%	34.9%	31.7%
EBITDA(*)	4,211.6	15,013.8	5,990.3	6,671.5	21,993.8
Total Capex	4,297.4	11,479.4	3,897.8	6,434.3	16,360.6
Operational capex	2,686.3	7,629.8	2,513.0	4,454.3	10,859.4
Licence and related costs	-	-	-	317.5	317.5
Non-operational Capex	1,611.1	3,849.6	1,384.8	1,662.5	5,183.6
Consolidated Balance Sheet Data (at period end)					
Cash and cash equivalents	18,628.7	18,628.7	24,344.2	25,960.7	25,960.7
Total assets	70,682.6	70,682.6	90,655.4	101,264.8	101,264.8
Long term debt	27,929.7	27,929.7	37,700.3	37,133.1	37,133.1
Total debt	36,778.1	36,778.1	51,921.7	53,854.4	53,854.4
Total liabilities	48,120.4	48,120.4	65,123.7	70,369.8	70,369.8
Total shareholders' equity / Net Assets	22,562.3	22,562.3	25,531.8	30,891.1	30,891.1

(*) Please refer to the notes on reconciliation of Non-GAAP Financial measures on page 20.