

## **ANNEX: Board of Directors Dividend Distribution Proposal**

The Board of Directors of the Company decided to distribute an aggregate dividend **TRY 1,010,000,000-** which corresponds to approximately 50% of Turkcell's net distributable income pertaining to year 2018 to be paid in cash to our shareholders within the below conditions explained hereunder as part of the resolution:

1. As a result of the activities of our Company, pertaining to the period between January 1, 2018 and December 31, 2018, our Company's profit, calculated according to the consolidated financial statements, which were audited independently in accordance with the Capital Markets Board Communiqué numbered II-14.1, named "Communiqué Regarding the Financial Reporting in Capital Markets" is TRY 2,516,545,524- and the commercial profit calculated according to the provisions of Turkish Commercial Code is TRY 766,758,644-,
2. TRY 2,021,064,152- after tax profit calculated according to the consolidated financial statements shall be taken as the basis for dividend distribution in accordance with "Capital Markets Board Dividend Guide" which was published on 27 January 2014,
3. As the ceiling designated in the Turkish Commercial Code (TCC) for first legal reserve has been reached by our company; no first legal reserve set aside,
4. TRY 2,021,064,152- is the distributable dividend of the Company, pertaining to year 2018 and TRY 2,197,384,773- calculated by adding TRY 176,320,621- which is the aggregate amount of the donations made during the year, to the above mentioned amount shall be taken as the first dividend basis,
5. In accordance with the provisions declared in Capital Markets Board ("CMB") Communiqué Serial: II-19.1 on "Dividends", clauses set in the article of association of our company and the dividend distribution policy that was approved during the Ordinary General Assembly Meeting of our Company held on March 26th, 2015; TRY 439,476,955-, which is 20% of the first dividend basis, amounting to TRY 2,197,384,773- shall be distributed as the first cash dividend and the secondary reserve amounting to TRY 90,000,000- shall be separated from the rest of the net distributable current year profit,
  - a. The total amount of TRY 1,010,000,000- which shall be distributed in cash, shall be distributed from statutory previous year's profit.
  - b. The withholding tax deductions shall be applicable on the amount to be distributed in cash, TRY 1,010,000,000- as mentioned hereinabove,
  - c. In this respect, gross amount of TRY 0.4590909- shall be distributed to our shareholders for each share, having a nominal value of TRY 1 - (One Turkish Lira), and hence the aggregate gross amount of dividend distribution shall be TRY 1,010,000,000-.
6. TRY 921,064,152- which is the remaining of the 2018 year's distributable profit after the cash dividend distribution shall be :
  - a. Regarded as previous year's profit and set aside within the Company,
  - b. The withholding tax deductions shall be applicable on the amount, which is set aside as 2018 fiscal year's profit, in case such amount shall be subject to redistribution.

**TURKCELL İLETİŞİM HİZMETLERİ A.Ş. 2018 DIVIDEND DISTRIBUTION TABLE (TL)**

1)	Paid / Issued Capital	2,200,000,000
2)	Total Legal Reserves (in accordance with statutory records)	1,577,763,533
If there is information about privilege in dividend distribution in accordance with the Articles of Association		

DISTRIBUTION OF THE PROFIT FOR THE PERIOD		According to CMB	According to Statutory Records (SR)
3)	Profit for the period	2,516,545,524	766,758,644
4)	Tax (-)	495,481,372	
5)	Net Profit for the period (=) (3-4)	2,021,064,152	766,758,644
6)	Prior Years' Losses (-)	-	-
7)	Primary Legal Reserves (-) ((5SR-6SR)*0.05)	-	-
8)	NET DISTRIBUTABLE PROFIT (=) (5-6-7)	2,021,064,152	766,758,644
9)	Donations made during the year	176,320,621	
10)	Net distributable profit including donations that is the base of calculation of first dividend (8+9)	2,197,384,773	
11)	First Dividend	439,476,955	
a	-Cash		
b	-Cash	439,476,955	
c	-Share		
	-Total (10*the minimum rate determined by the CMB)	439,476,955	
12)	Dividend paid to preference shares Amount of the dividend for privileged shareholders in accordance with the articles of Association		
13)	Dividends paid to Board Members, employees and etc.		
14)	Dividend paid to Redeemed Share Owners		
15)	Secondary Dividend	570,523,045	
16)	Secondary Legal Reserves ((11+12+13+14+15)-(1*0.05))/10	90,000,000	
17)	Status Reserves		
18)	Special Reserves		
19)	EXTRA ORDINARY RESERVES (*) 8-(11a+12+13+14+16+17+18)	921,064,152	
20)	Other Distributable Sources		
	-Prior years' profits (**)	-	1,010,000,000
	-Extra Ordinary Reserves		
	-Other Distributable Reserves in accordance with legislation and Articles of Association		

(\*) TRY 921,064,152- which is the remaining of the 2018 year's distributable profit after the cash dividend distribution made, shall be regarded as previous year's profit in CMB records,  
(\*\*) Pertaining to the period between January 1, 2018 and December 31, 2018, our Company's profit calculated according to the consolidated financial statements, which were audited independently in accordance with the "Communiqué Regarding the Financial Reporting in Capital Markets" the total amount of TRY 1,010,000,000, which shall be distributed in cash from statutory previous year's profit  
(\*\*\*) Dividend regarding to buy-back shares are recorded in free reserves at statutory accounts.

INFORMATION ON DIVIDEND PAY OUT RATIO(1)				
INFORMATION ON DIVIDEND PER SHARE				
	Group	TOTAL DIVIDEND AMOUNT (TRY)	DIVIDEND FOR A SHARE WITH A NOMINAL VALUE OF 1 TL	
			AMOUNT (TRY)	RATIO (%)
GROSS	A			
	B			
	TOTAL	1,010,000,000	0.4590909	45.91
There are no groups of shares in Our Company. Withholding tax will be applied on distributed gross dividend in accordance with applicable tax regulations on the distribution date.				
NET	A			
	B			
	TOTAL	858,500,000	0.3902273	39.02
There are no groups of shares in Our Company. Withholding tax will be applied on distributed gross dividend in accordance with applicable tax regulations on the distribution date.				
RATIO OF DIVIDEND DISTRIBUTION TO THE NET DISTRIBUTABLE PROFIT INCLUDING DONATIONS				
GROSS DIVIDEND DISTRIBUTION AMOUNT (TRY)	RATIO OF GROSS DIVIDEND DISTRIBUTION TO THE NET DISTRIBUTABLE PROFIT INCLUDING DONATIONS (%)			
1,010,000,000	45.96			
(1) Group shares will be disclosed separately if there exists any privileged shares				