



***Türk Telekom Group
2010 Q3 – Investor Presentation***

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Note: *EBITDA numbers in this presentation include revenues, direct cost of revenues, selling and marketing expenses, general administrative expenses, research & development costs, and other operating income/(expense), but exclude depreciation and amortization cost, financial income/(expense), income/(loss) from related parties, and minority interest.*

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MARKET UPDATE
&
CONSOLIDATED PERFORMANCE

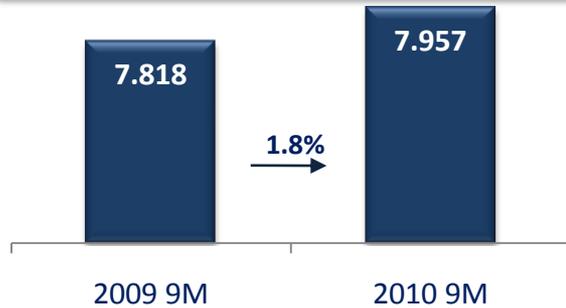


Market & Regulatory Update

- Hakam Kanafani appointed as Türk Telekom Group CEO and K.Gökhan Bozkurt as Türk Telekom CEO
- Türk Telekom awarded “The Most Valuable Brand of Turkey”
- Acquisition of Invitel International, the leading independent provider of wholesale data and capacity services in Central and South-Eastern Europe, completed in October 2010
- Mobile market remains competitive
- Regulatory Actions
 - Telecom Authority (TA) announced Naked ADSL fee as TL 8.13 excluding taxes, Price below cost being challenged in court
 - In Q3 2010 parliament resolved double taxation in MVNO business
 - Wholesale Line Rental is on TA’s agenda

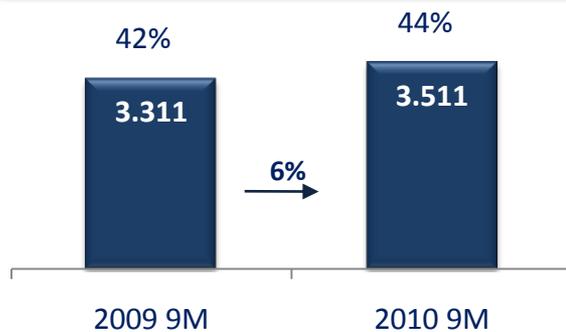
Consolidated Performance

Revenue (TL mn)



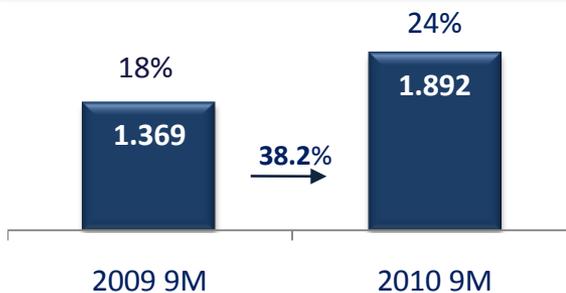
Robust mobile and broadband performance generated revenue growth

EBITDA* (TL mn)



EBITDA growth for both the fixed and mobile businesses

Net Income (TL mn)



Net income positively impacted by FX gain in 2010 (Significant FX loss during 2009)

*Please see reclassification note in appendix

FIXED LINE BUSINESS PERFORMANCE



Fixed Line Business – Voice & Convergence

- Bundle packages continue to support lower churn rate and higher MoU
 - Free on-net calls from 7 pm to 7am
 - Cheap calls towards GSM and selected international destinations
- In October 2010 partnership with Hansenet (owned by Telefonica) targeting the Turkish community in Germany with over 3 mn population;
 - Unlimited calls from Germany fixed lines to Turkey fixed lines
 - Unlimited calls from 3 fixed numbers in Turkey
 - Free access to Vitamin and I can Football

*Bundle Packages /
Total PSTN Subs*

over
30%

MoU at 106 minutes

3%
YoY

Share of fixed fee in

Q3 total PSTN revenue

60%

Almanya ve Türkiye'yi
birleştiren iletişim paketi:
Bizim Aile!

Sınırsız Konuşma Bedava

ALCAN FOOTBALL

VİTAMİN

BİZİM AİLE

Türkiye ve Almanya arasında sınırsız konuşma bedava. Sınırsız Almanya'dan Türkiye'ye, Türkiye'den Almanya'ya ve sınırsız uluslararası konuşma bedava. Her hafta farklı konularla ilgili yarışmalar ve hediyeler. Bizim Aile paketi'ni Türkiye'den Almanya'ya ve Almanya'dan Türkiye'ye de kullanabilirsiniz. Daha fazla bilgi için lütfen müşteri hizmetleri ile iletişime geçin. Hizmetlerimiz sadece Türkiye ve Almanya'da geçerlidir. Herkesin kullanabileceği bir hizmettir. Herkesin kullanabileceği bir hizmettir. Herkesin kullanabileceği bir hizmettir.

Fixed Line Business – ADSL

- Continuing upselling of customers to 8 Mbps packages and unlimited offers
- Web TV –Tivibu, almost 400K subscribers
- Ranking top 5 in the world in terms of # of Wi-Fi hotspots by an operator in a single country (over 8,300)

TTNET up to 8 Mbps

Packages /

Subscriber base

**over
60%**

TTNET Unlimited

packages /

Subscriber base

**over
40%**

Average monthly

**41%
YoY**

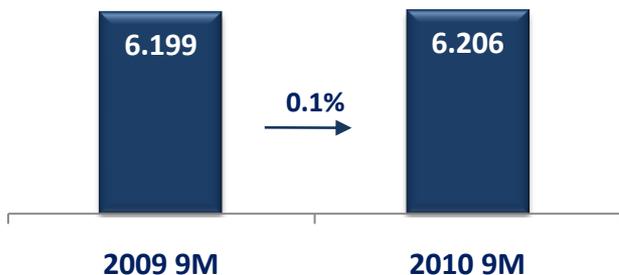
Data usage now 12.3GB

TTNET EVET!



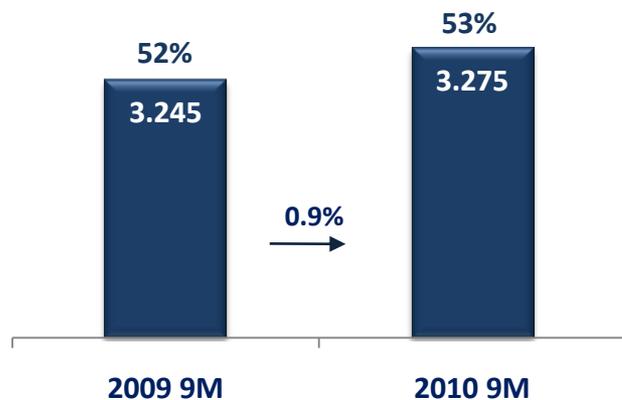
Fixed Line Business – Revenue & EBITDA Highlights

Revenue (TL mn)



Revenue improved slightly with ADSL revenue growth and slowing decline in PSTN revenue

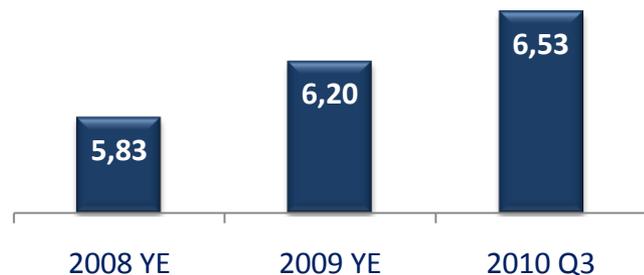
EBITDA* (TL mn)



Strong OPEX control, lower interconnection expenses and improvement in collecting the receivables pushed EBITDA margin to 53%

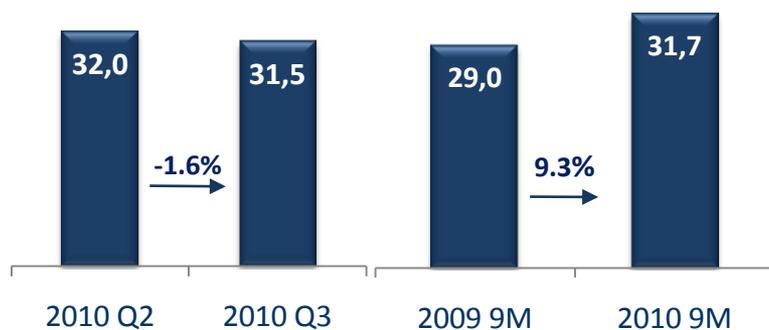
Fixed Line Business – ADSL Highlights

Wholesale ADSL Connections (millions)



Since refocusing on subscriber growth (Q3 2009) we managed to grow the market by 0.5 mn subscribers YoY (%8)

ADSL ARPU (TL)*

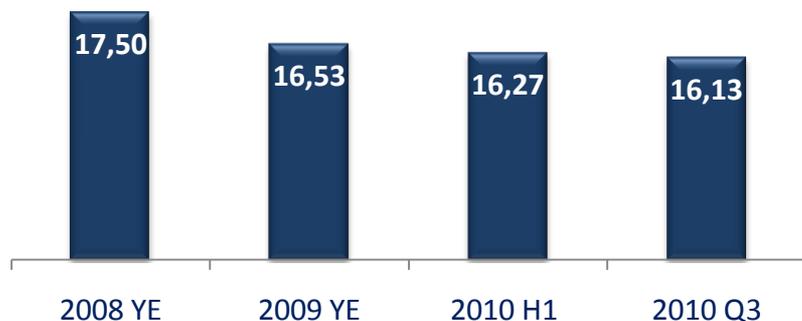


Good YoY ARPU growth

* Revenue divided by average number of access lines/connections

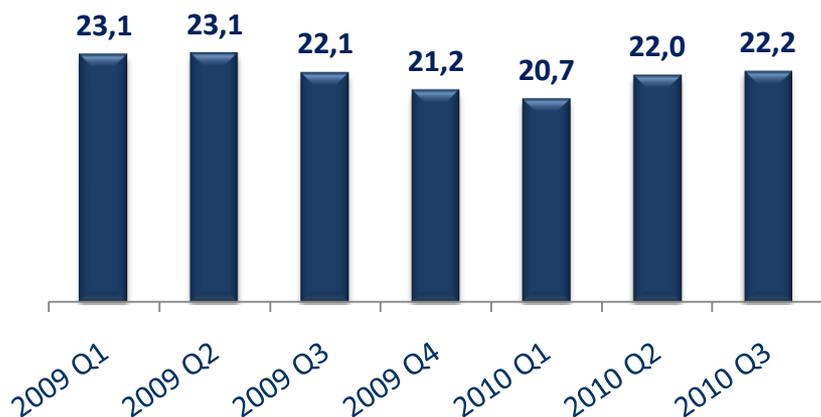
Fixed Line Business – PSTN Highlights

of PSTN Access Lines (millions)



Subscriber decline in 2010 reduced to half rate of decline seen in 2009

PSTN ARPU (TL)*

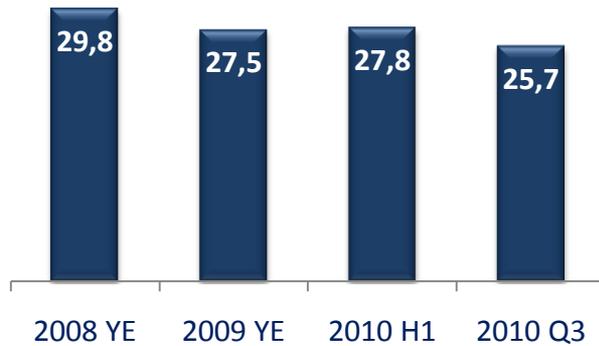


ARPU stabilizing at TL 22 due to the strength of home advantage offer

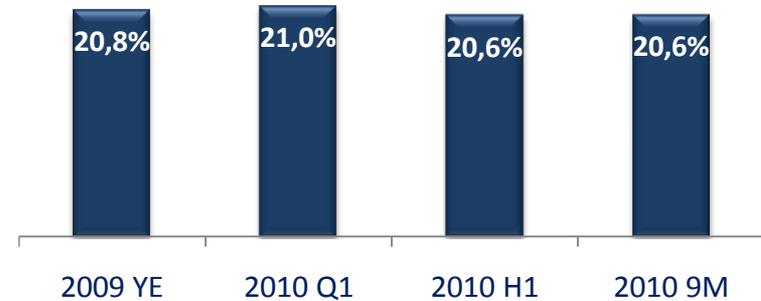
* Revenue divided by average number of access lines/connections

Fixed Line Business - Headcount

Number of Employees (thousands)*



Personnel Cost as a % of Revenue**



- **Personnel cost stabilized around 21% of revenue**
- **Access lines per employee is 626 in Q3 2010 compared to 585 in Q2 2010**

*Fixed network operating unit

**Please see reclassification note in appendix

MOBILE BUSINESS PERFORMANCE



Mobile Business

- New or re-launched tariffs to boost activations & reduce churn in youth, SME, institutional segments
- Device campaigns with Samsung & Nokia positively contributed to increase 3G subscriber base
- Partnerships with various retailers & banks increased customer loyalty via offering GSM & non-GSM benefits
- Innovative service launches such as AveaMüzik Mp3 version, Star Takip, Canlı Ekran, League Pack, 5555 service & Corporate MMS
- Avea R&D Center opened

Telecoms World Conference

“The Best Product Award”

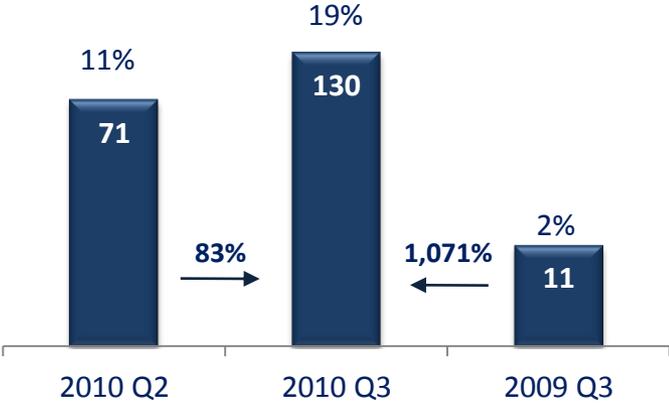
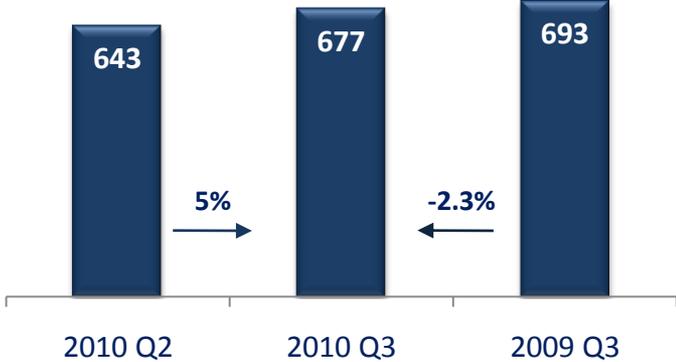
**NFC- Credit card application
inside Avea SIM**



Mobile Business – Revenue & EBITDA Highlights

Revenue (TL mn)

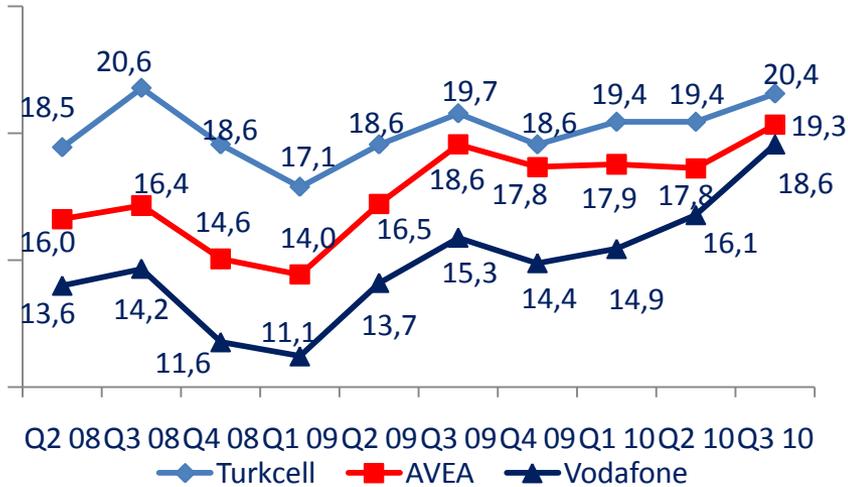
EBITDA (TL mn)



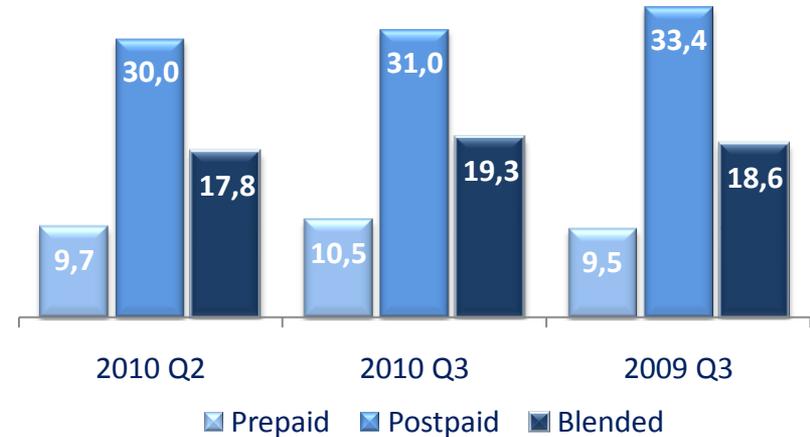
EBITDA margin growth maintained in Q3 despite continuing competitive pricing environment

Mobile Business – ARPU Highlights

Market Blended ARPU Trend (TL)



AVEA ARPU (TL)

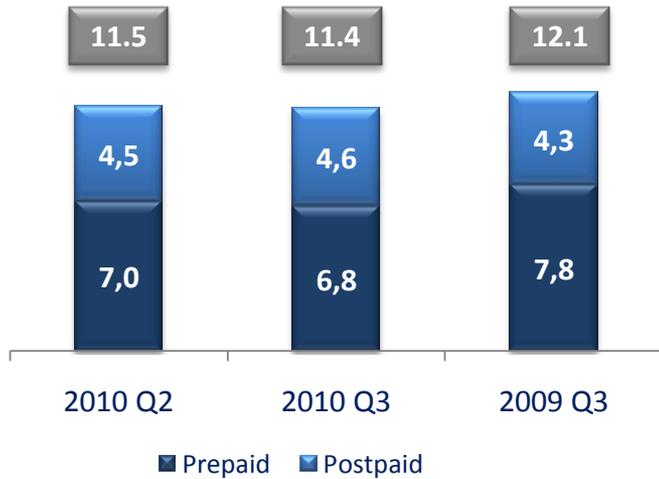


All-time high ARPU, improved by 9% QoQ driven by

- Increase in Incoming Traffic & SMS usage
- Increase in Roaming visitors traffic due to seasonality
- Shift in subscriber base from prepaid to postpaid

Mobile Business - Subscriber Composition & MoU

Subscriber Composition (millions)*



Postpaid subscriber numbers continue to increase

Blended MoU



MoU levels sustained

FINANCIALS



TT Consolidated - Summary P&L Statement

TL millions	2009 YE	2009 9M	2010 9M
Revenues	10,568	7,818	7,957
EBITDA	4,321	3,311	3,511
<i>Margin</i>	41%	42%	44%
Operating Profit	2,763	2,111	2,383
<i>Margin</i>	26%	27%	30%
Financial Income/Expense, net	(438)	(401)	28
FX & Hedging Gain/Loss, net	(237)	(223)	115
Interest Income/Expense, net	(132)	(54)	(37)
Other Financial Income/Expense, net	(69)	(124)	(50)
Tax Expense	(673)	(474)	(607)
Net Income*	1,832	1,369	1,892
<i>Margin</i>	17%	18%	24%

- Improvement in operational performance led EBITDA margin reach to 44%
- Net financial income helped improvement in net income

* After minority interest

TT Consolidated - Summary Balance Sheet

TL millions	2009 YE	2009 9M	2010 9M
Intangible Assets ^(a)	3,286	3,141	3,166
Tangible Assets ^(b)	6,920	6,710	6,726
Other Assets ^(c)	2,441	2,527	2,634
Cash and Equivalents	754	856	917
Total Assets	13,401	13,234	13,443
Share capital	3,260	3,260	3,260
Reserves and Retained Earnings	2,162	1,740	2,429
Interest Bearing Liabilities ^(d)	3,974	4,418	3,964
Provisions for Long-term Employee Benefits	634	732	659
Other Liabilities ^(e)	3,371	3,084	3,132
Total Equity and Liabilities	13,401	13,234	13,443

Sound capital structure with low leverage

(a) Intangible assets excluding goodwill

(b) Tangible assets include property, plant and equipment and investment property.

(c) Major items within Other Assets are Trade Receivables, Due from Related Parties, Other Current Assets and Deferred Tax Asset.

(d) Includes short-term and long-term borrowing and short-term and long-term obligations under finance leases

(e) Major items within Other Liabilities are Deferred Tax Liability, Trade Payables, Provisions, Income Tax Payable, Due to Related Parties, Other Current Liabilities, Provisions for Employee Termination Benefits and Minority Put Option Liability

TT Consolidated - Summary Cash Flow Statement

TL millions	2009 YE	2009 9M	2010 9M
Cash Flow from Operating Activities	3,252	1,917	2,659
Cash Flow from Investing Activities	(2,079)	(1,376)	(935)
<i>CAPEX</i>	(2,321)	(1,549)	(923)
<i>Other Investing Activities</i>	242	172	(12)
Cash Flow from Financing Activities	(1,472)	(717)	(1,589)
Net Change in Cash Position ^(a)	(298)	(177)	135

Strong cash generation continues

(a) Blocked deposits are included in operating activities rather than net cash position.

TT Consolidated- Summary Revenue Breakdown

TL millions	2009 YE	2009 9M	2010 9M
Domestic PSTN	4,581	3,520	3,182
ADSL	2,143	1,565	1,829
GSM	2,504	1,850	1,967
Data service revenue	305	220	278
International interconnection revenue	194	148	126
Domestic interconnection revenue	244	173	210
Leased lines	579	425	371
Rental income from GSM operators	115	89	75
Other	103	56	100
Eliminations	(322)	(232)	(217)
Sub-Total Revenue	10,445	7,814	7,921
Construction Revenue (IFRIC 12)	123	3	36
Total Revenue	10,568	7,818	7,957

➤ **ADSL and GSM revenue constitutes 48% of consolidated revenue (compared to 44% in 2009 9M)**

➤ **PSTN revenues in the first 3 quarters of 2010 stable with Q4 2009**

TT Consolidated - Summary OPEX Breakdown

TL millions	2009 YE	2009 9M	2010 9M
Personnel ^(a)	1,908	1,377	1,423
Interconnection	950	698	501
Commercial ^(b)	773	577	722
Maintenance and Operations	384	289	238
Taxes & Government Fees	705	520	532
Doubtful Receivables	183	135	79
Others	1,235	907	919
Sub-Total	6,138	4,504	4,415
Construction Cost (IFRIC 12)	109	3	32
Total OPEX	6,247	4,507	4,446

1% decrease YoY in total OPEX on the back of better operational efficiency and MTR cut

(a) Interest cost of severance expenses have been reclassified to severance pay interest cost under financial expenses from Cost of sales, marketing, sales and distribution expenses and general administrative expenses.

(b) Includes Commissions, Advertising & Marketing, Subscriber Acquisition & Retention Costs

Fixed Line Business- Summary P&L Statement

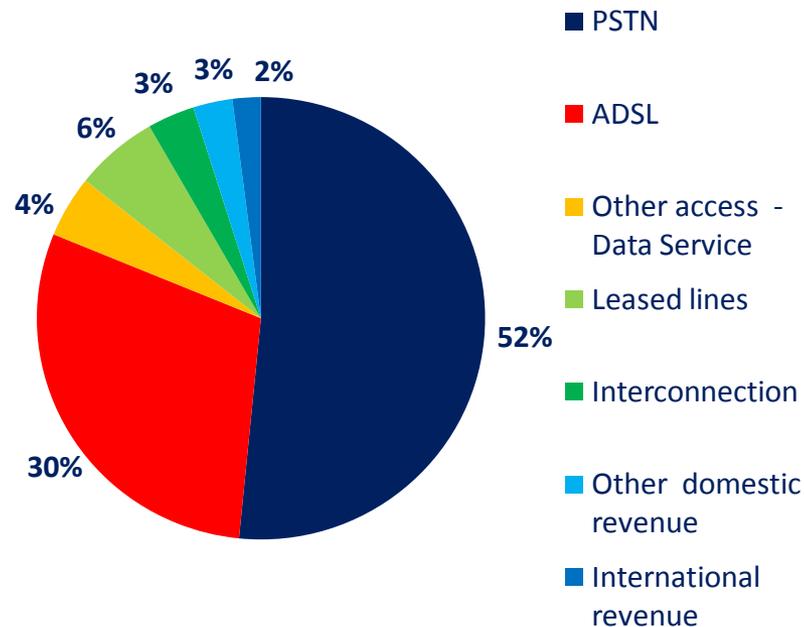
TL millions	2009 YE	2009 9M	2010 9M
Revenues	8,386	6,199	6,206
EBITDA	4,268	3,245	3,275
<i>Margin</i>	51%	52%	53%
Operating Profit	3,287	2,469	2,623
<i>Margin</i>	39%	40%	42%
CAPEX	1,327	853	642
<i>CAPEX as % of Revenue</i>	16%	14%	10%

High EBITDA margin maintained whilst operating profit benefited from lower depreciation expenses

Fixed Line Business- Summary Revenue Breakdown

TL millions	2009 YE	2009 9M	2010 9M
PSTN	4,581	3,520	3,182
ADSL	2,140	1,565	1,829
Other access - Data Service	302	220	278
Leased lines	579	425	371
Interconnection ^(a)	244	173	210
Other domestic revenue	224	145	175
International revenue ^(b)	194	148	126
Sub-Total Revenue	8,264	6,196	6,171
Construction Revenue (IFRIC 12)	123	3	36
Total Revenue	8,387	6,199	6,206

2010 9M Breakdown



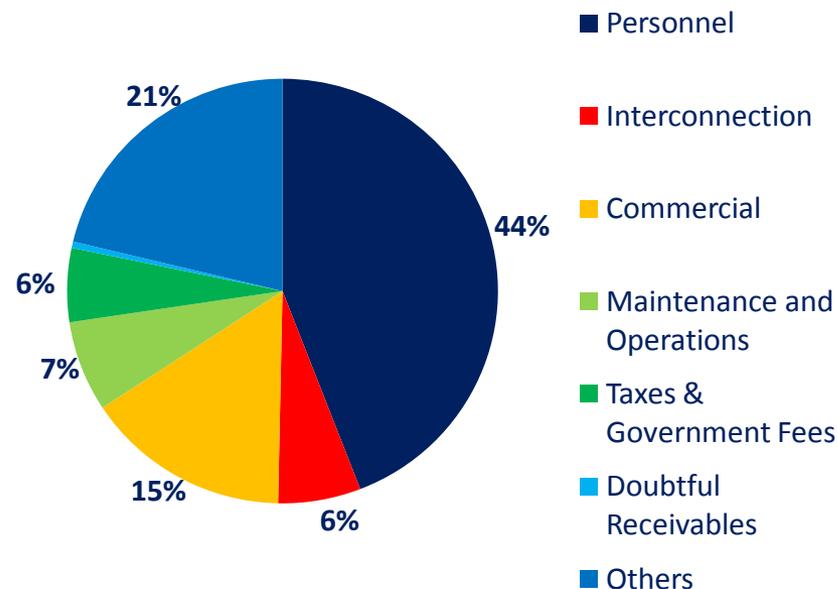
(a) Domestic Interconnection

(b) Revenue from international data services and inbound traffic terminated at Türk Telekom's international gateway

Fixed Line Business – Summary OPEX Breakdown

TL millions	2009 YE	2009 9M	2010 9M
Personnel	1,748	1,258	1,279
Interconnection	351	265	180
Commercial (a)	460	331	447
Maintenance and Operations	332	251	200
Taxes & Government Fees	215	156	163
Doubtful Receivables	88	74	14
Others	815	617	616
Sub-Total	4,009	2,951	2,899
Construction Cost (IFRIC 12)	109	3	32
Total OPEX	4,118	2,954	2,931

2010 9M Breakdown



(a) Includes Commissions, Advertising & Marketing, Subscriber Acquisition & Retention Costs

Mobile Business – Summary P&L Statement

TL millions	2009 YE	2009 9M	2010 9M
Revenues	2,504	1,850	1,967
EBITDA	54	67	237
<i>Margin</i>	2%	4%	12%
Operating Profit / Loss	(523)	(358)	(239)
<i>Margin</i>	(21%)	(19%)	(12%)
CAPEX (excluding leasing)	1,155*	897*	191
<i>CAPEX as % of Revenue</i>	46%	48%	10%

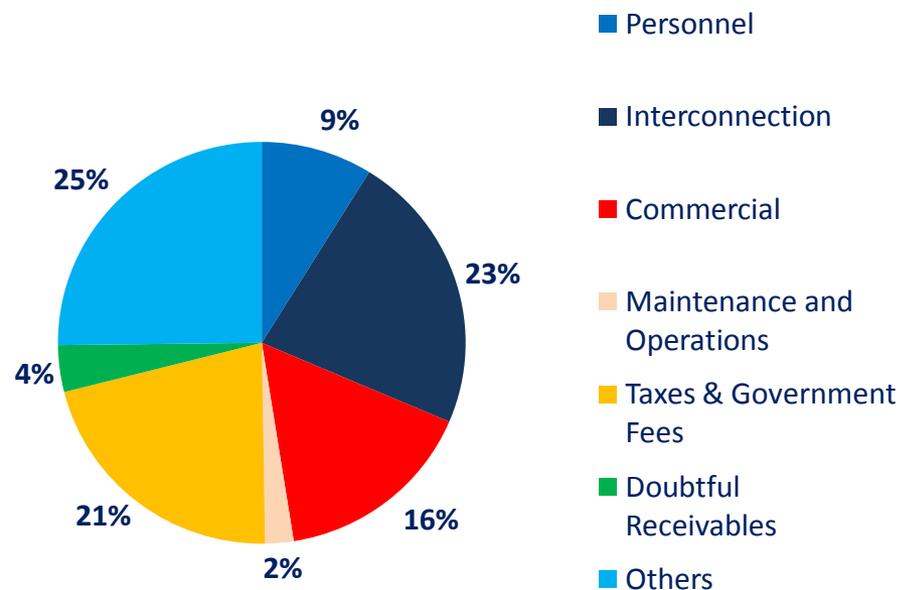
- Revenue up 6% YoY
- Q3 2010 EBITDA margin is 19% through combination of cost controls and commercial actions

* Includes 3G License Fee

Mobile Business – Summary OPEX Breakdown

TL millions	2009 YE	2009 9M	2010 9M
Personnel	172	127	153
Interconnection	712	521	391
Commercial (a)	314	246	278
Maintenance and Operations	53	38	39
Taxes & Government Fees	490	364	369
Doubtful Receivables	94	61	65
Others	615	426	436
Total	2,450	1,783	1,730

2010 9M Breakdown



(a) Includes Commissions, Advertising & Marketing, Subscriber Acquisition & Retention Costs

Debt Profile

2010 Q3 - in thousands			Maturities				
Debt	Total Amount in Original Currency	Total Amount in TL	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Total
TL Debt	533,188	533,188	533,188	0	0	0	533,188
USD Debt	1,288,655	1,870,096	153,856	578,893	1,061,195	76,152	1,870,096
EUR Debt	772,627	1,526,248	157,015	221,478	1,035,814	111,941	1,526,248
TOTAL	3,929,532	844,059	800,371	2,097,009	188,093	3,929,532	

Ratios	2009 YE	Q2 2010	Q3 2010
Net Debt / EBITDA	0.75	0.86	0.67
Net Debt / Assets	0.24	0.28	0.23
Debt (Total Liabilities) / Equity	1.47	1.69	1.36
Debt (Financial) / Equity	0.73	0.93	0.70
Current Ratio	0.61	0.68	0.82

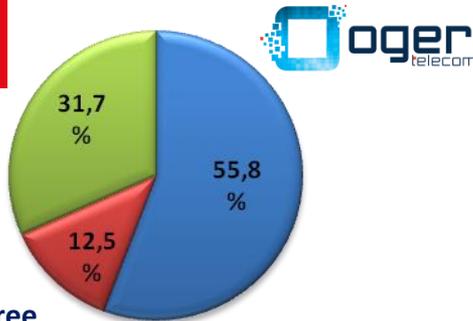
Long term debt now close to 50/50 split Euro/USD

APPENDIX



Türk Telekom Group

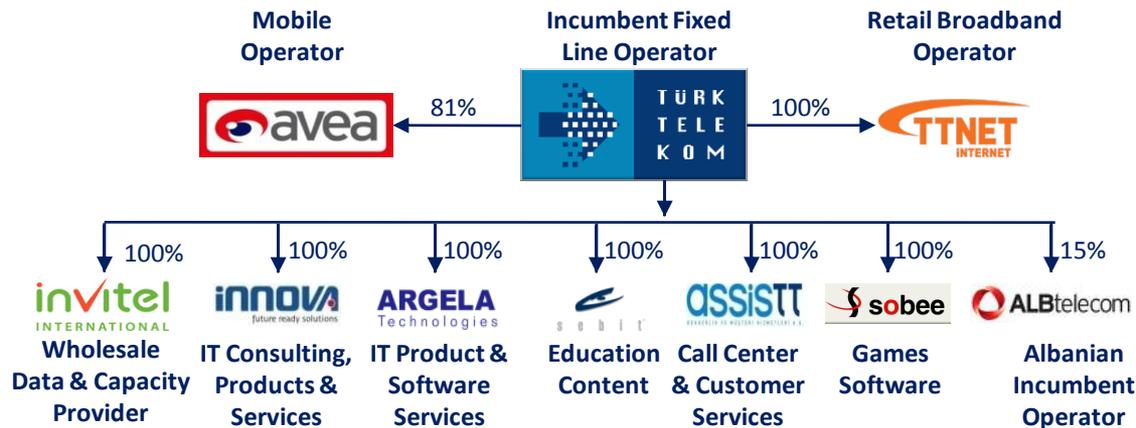
Ownership Structure



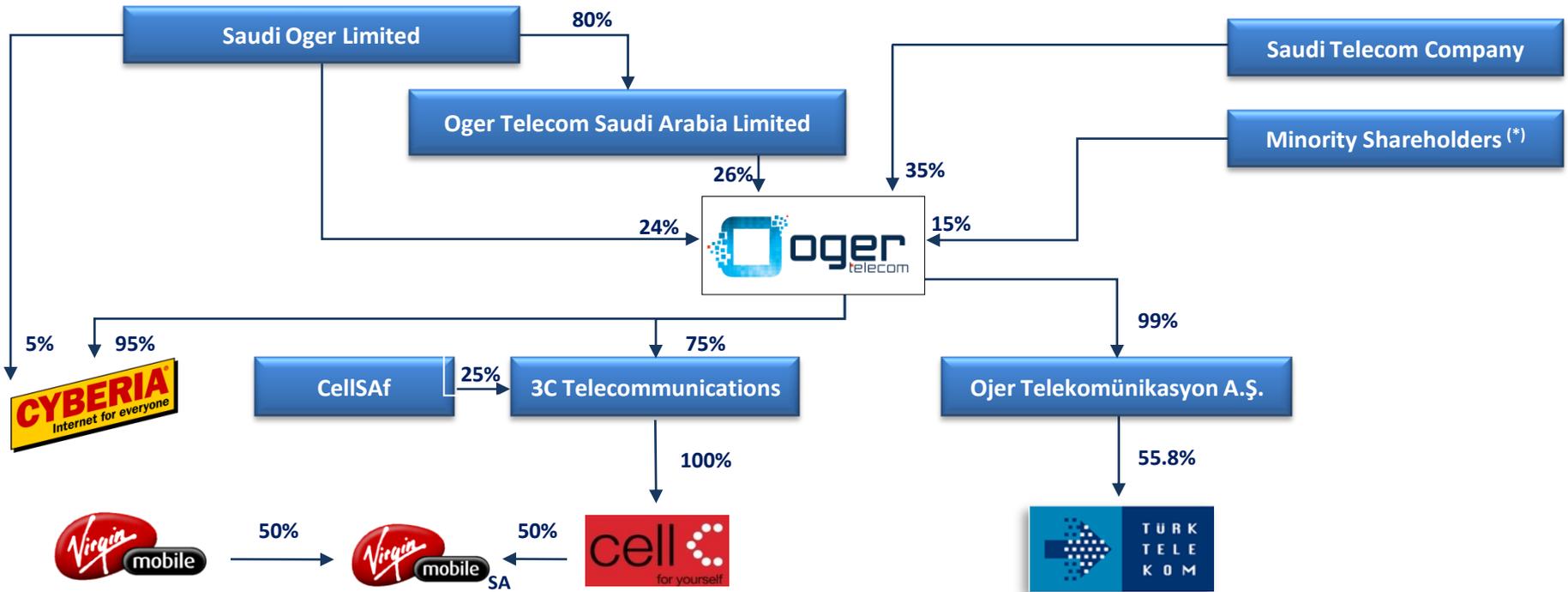
Effective Free Float

- Oger Telecom appoints 6 Board Members
- Turkish Treasury appoints 4 Board Members (1 represents Golden Share)
- Free Float is 15%; Turkish Treasury and Oger Telecom bought 1.7% and 0.8% additional stakes, respectively after the IPO in 2008

Group Companies



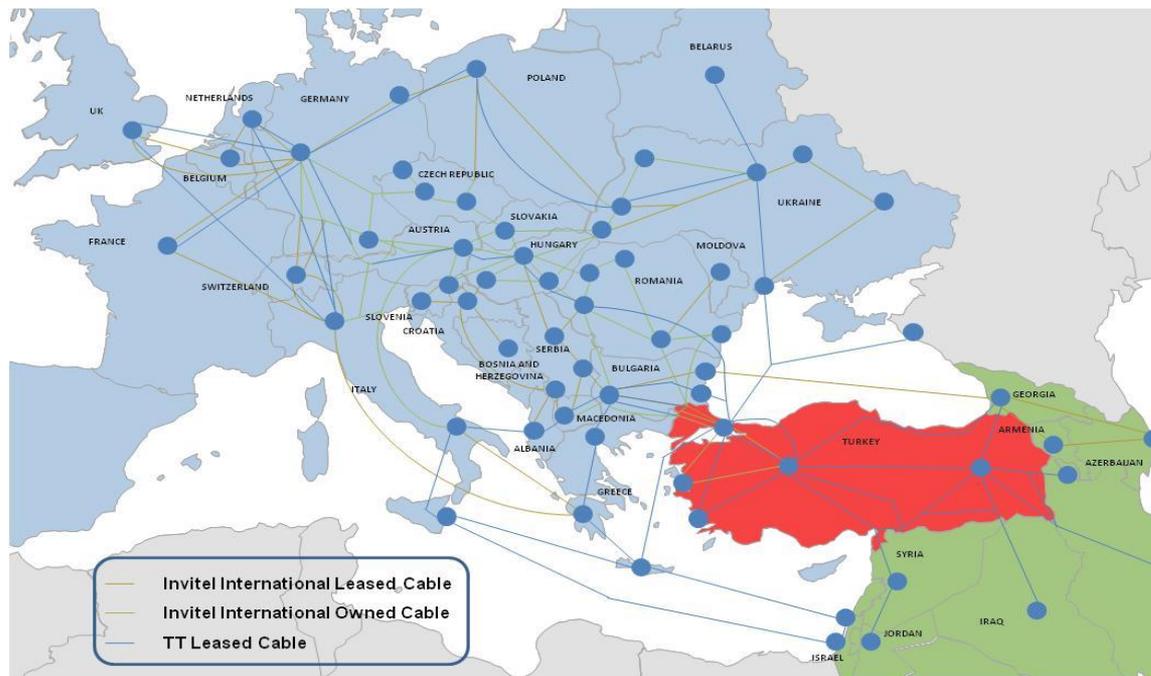
Oger Telecom Ownership Structure



(*) Among Oger Telecom's direct and indirect minority shareholders are regional and 'blue chip' global financial investors.

Acquisition of Invitel International

- Invitel International is the leading independent provider of wholesale data and capacity services in Central and South-Eastern Europe with a high-quality 27,000 km optical fiber network and presence in 16 countries. Invitel International's Revenue and Recurring EBITDA as of 2009 year-end are 121.1 and 41.6 Mn Euro, respectively.
- An SPA is signed to acquire 100% of Invitel International AG (including its subsidiaries), Invitel International Hungary Kft and S.C. EuroWeb Romania S.A. from Invitel Holdings A/S for an EV of 221 Mn Euro, representing an EV/EBITDA multiple of approx. 5.3x (2009A) and an EV/Revenue multiple of approx. 1.8x (2009A)
- The Competition Authority has recently approved the transaction and deal closed at 7th of October 2010.

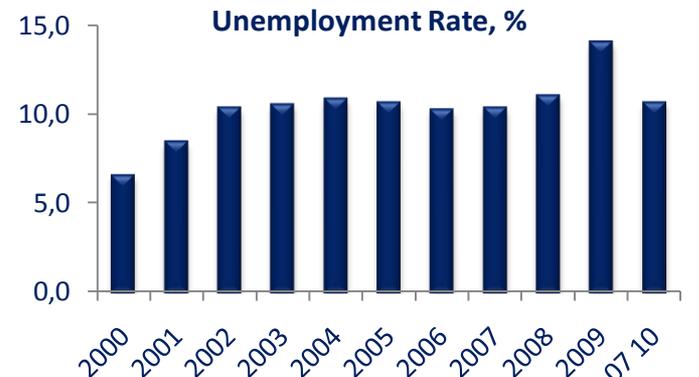
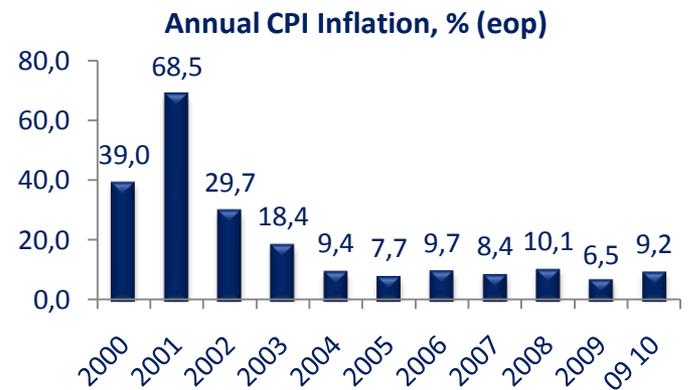
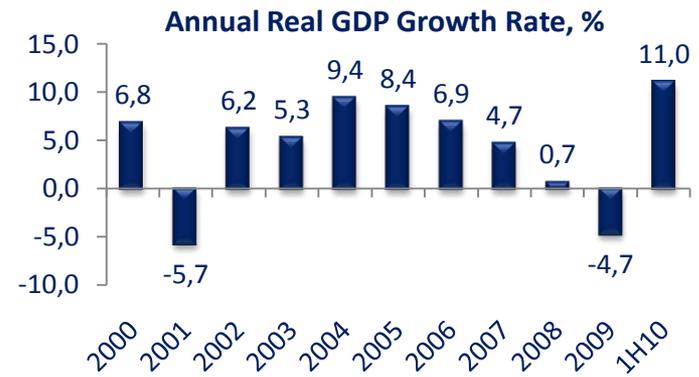


Türk Telekom: Main Hub for the Digital Silk Road



Macro Highlights

- On October 5, Moody's raised Turkey's rating outlook from "stable" to "positive". Currently, Moody's grades Turkey at Ba2, two notches below the investment grade.
- Annual GDP growth rate came in at 11.0% in 1H. Economic recovery is expected to continue in 2H, albeit at a slower pace.
- As of September, annual CPI inflation registered as 9.2%. Inflation is projected to revert to a declining path starting from 4Q.
- The Central Bank lowered overnight borrowing and lending rates by 75 bps and 25 bps to 5.75% and 8.75% respectively.
- Unemployment rate continues to improve compared to one year ago (10.6% in July, down by 2.2 percentage points y/y), yet remains high.
- As of September, central government budget deficit (TL 21.3 bn) equaled 42% of the TL 50.2 bn year-end target, while primary surplus (TL 18.0 bn) almost tripled the target of TL 6.6 bn.
- As of August, the year-to-date current account deficit stands at US\$ 28.0 bn, raising concerns regarding Turkey's reliance on hot money flows for the deficit financing instead of FDI inflows.
- Federal Reserve Chairman Mr. Ben Bernanke recently stated that the FOMC is ready to provide additional stimulus if needed and recent developments (too high unemployment rate and too low inflation) show that additional balance sheet expansion will be useful for the economy.



Source: TURKSTAT

Reclassification Note

(TL millions)	2009 Full Year After Reclassifications	2009 Full Year Before Reclassifications	9M 2009 After Reclassifications	9M 2009 Before Reclassifications
Consolidated EBITDA	4,321	4,249	3,311	3,257
Fixed EBITDA	4,268	4,196	3,245	3,191
Net Operating Expenses excluding Depreciation and Amortization	(6,247)	(6,319)	(4,507)	(4,560)
Operating Profit	2,763	2,692	2,111	2,057
Net Financial Income/ (Expense)	(438)	(367)	(401)	(348)
Consolidated OPEX – Personnel	(1,908)	(1,980)	(1,377)	(1,431)
Fixed OPEX – Personnel	(1,748)	(1,819)	(1,258)	(1,312)

In Q1 2010, interest cost of severance expenses have been reclassified to severance pay interest cost under financial expenses from Cost of sales, marketing, sales and distribution expenses and general administrative expenses.

(TL millions)	2010 Q1 After Reclassifications	2010 Q1 Before Reclassifications	2010 Q2 After Reclassifications	2010 Q2 Before Reclassifications	2010 H1 After Reclassifications	2010 H1 Before Reclassifications
Other access - Data Service (Fixed Line)	85	84	91	88	176	172
Other domestic revenue (Fixed Line)	64	65	52	56	117	121
Data Service Revenue (Consolidated)	85	84	91	88	176	172
Other (Consolidated)	38	39	28	31	66	70
Total Revenue	2,584	2,584	2,666	2,666	5,250	5,250

Other revenue amounting TL 4.5 mn in H1 2010 reclassified to data service revenue.



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