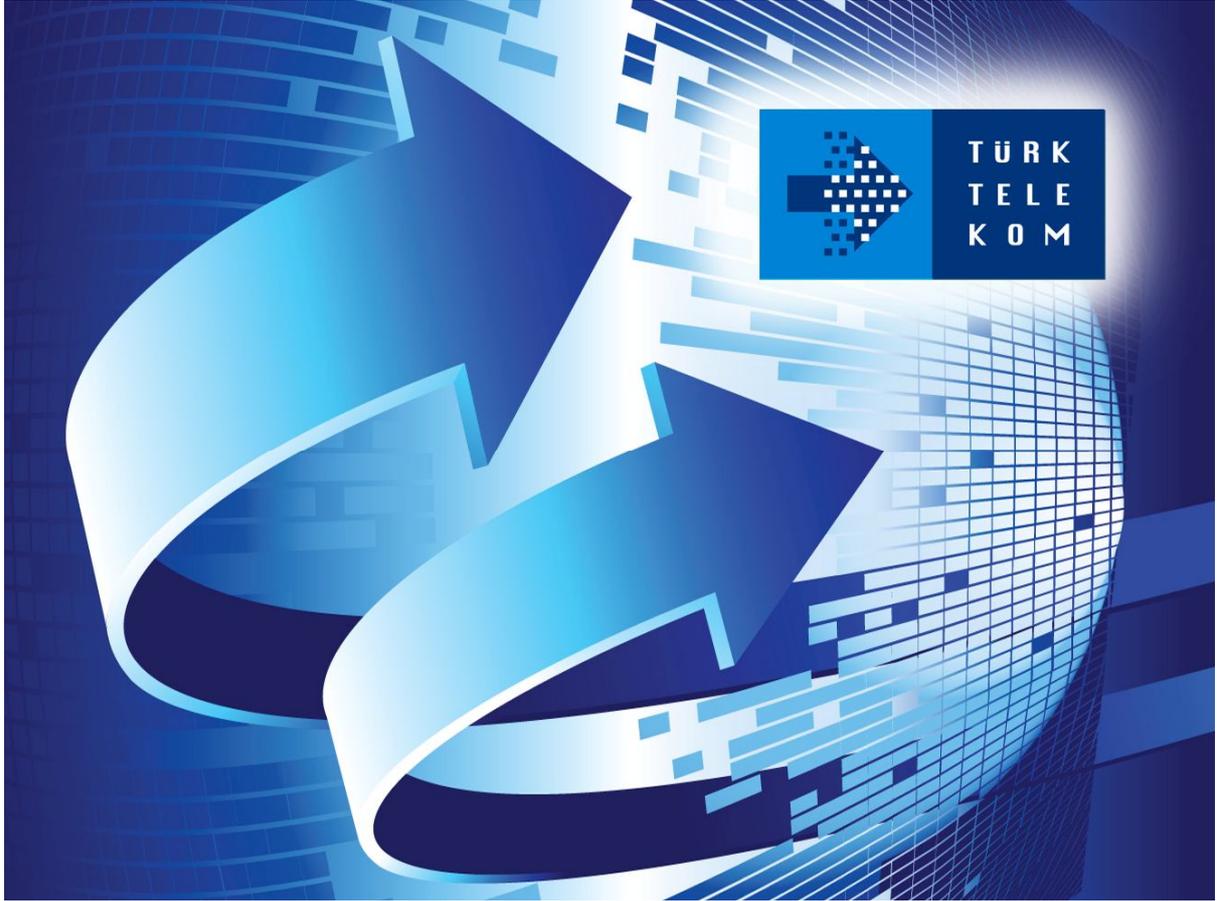


TÜRK TELEKOMÜNİKASYON A.Ş. ANNOUNCES H1 2008 RESULTS





Türk Telekom Announces H1 2008 Results

Turkey's telecommunication giant Türk Telekom announced 2008 first half results. The company's H1 2008 consolidated revenues have reached 5 billion TRY with an increase of 12 percent compared to the same period of 2007. Türk Telekom's Net Income is 1.026 billion TRY in first half of 2008, with a second quarter profit of 627 million TRY, which represents a 10 percent increase compared to second quarter of 2007.

2008 First Half Highlights;

- ❖ **Operating profit increased 13% to 1,351m TRY compared to the same period of 2007 based on a revenue growth of 12% (to 4,977 m TRY)**
- ❖ **Mobile operations saw a 36% increase of revenue to 1,017 m TRY and a doubling of EBITDA* to 224m TRY compared to the same period of 2007 with the EBITDA margin reaching 22%**
- ❖ **Mobile subscribers increased by 1.1m in the first half of 2008, reaching 11m subscribers with 485 K net additions in second quarter in 2008. Blended ARPU for the second quarter reached 16.0 TRY, 3% higher than Q2 2007**
- ❖ **The fixed line business EBITDA is 48% of revenue (1,958 m TRY), with revenue growing to 4,081m TRY in the first half of 2008, a growth of 7% compared to the 3,817m TRY of H1 2007**
- ❖ **Net new ADSL connections for H1 2008 were 0.7m, enabling total ADSL connections to reach 5.2m by the end of H1 2008. ADSL revenues have reached 791 m TRY with an increase of 36% compared to the same period of 2007**

**EBITDA is a non-GAAP financial measure. The EBITDA definition used in this press release includes Revenues, Direct Cost of Revenues excluding depreciation and amortization, Selling and Marketing expenses, Administrative expenses, and other operating income/(expense), but excludes translation gain/(loss), financial income, income on unconsolidated subsidiaries, gain on sale of investments, income/(loss) from related parties, and minority interest.*



Commenting on Türk Telekom's results, Dr. Paul Doany, Chief Executive Officer of Türk Telekom, said:

"I am glad to announce that Türk Telekom has continued its steady growth in the first half of 2008. Compared to H1 revenues of 2007, this year we increased our consolidated revenues 12 percent to reach 5 billion TRY. I am also pleased to see that Türk Telekom's Net Income reached 1 billion TRY in the first half of 2008, with an improved second quarter profit of 627 million TRY. Our Operating Profit, which excludes the impacts of profits / (losses) from the movement in the Turkish Lira against the US Dollar, continued to show a double digit growth compared to the same period of 2007.

The economic environment continued to be difficult in the second quarter, especially for our ADSL business where the lack of computer sales is restricting our ability to grow. The Voice communication market continued to be very competitive, though our AVEA Mobile business was able to repeat its successful progress of the first quarter and added a further 0.5 million subscribers, meaning that they have now added 1.1 million subscribers in this year to date.

As a Company we are very encouraged by the recent statements from the Transportation Minister about reducing taxes on Broadband services which we consider will be a vital, and necessary, measure to help the Turkish market reach the levels of penetration seen in major European markets. In the Mobile market we are ready for both MNP and 3G which we see as further important stages in the development of the Mobile market.

As TT group, we are enhancing all our business lines including mobile, fixed and broadband lines with the support of convergence technologies. Once again we lead the next step to the technology this time by convergence.

To this end, in addition to traditional voice services together with new bundled offerings, we have recently launched videophone service. On mobile side, we offer mobile cellular services over 2G and 2.5G (EDGE), expanding to 3G shortly. At broadband ADSL/VDSL services, new corporate data services will follow soon. Following the music portal the video portal is now ready, in addition to education software ready for launch very soon throughout all the public schools.

Widespread and more convenient internet services are offered in WiFi hotspot services at about 1500 locations to expand further, which will allow the use of FMC services.



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We are now trialling IPTV services with interactive voice/messaging/data services, supporting VOD/catch-up TV features.

Finally, Wi-Max is planned to be launched in underserved areas according to the pending Universal Service Fund decision after a successful tender process.

This will all serve to the purpose of offering fully integrated communication services ensuring full interactivity for the customers.

All these initiatives about products and services are crowned by domestic and international expansion of TT also through our IT companies."

Financial Highlights

(In millions TRY)	30 June 2008	30 June 2007	% Change
Revenue	4,977	4,463	11.5
Operating Expenses excluding Depreciation and Amortization ^(a)	(2,795)	(2,421)	15.5
Operating Profit before Depreciation and Amortization (EBITDA)	2,182	2,042	6.9
Depreciation and Amortization	(831)	(842)	(1.3)
Operating Profit	1,351	1,200	12.6
Net Income ^(b)	1,026	1,102	(6.9)
Capital Expenditure	(518)	(331)	56.5
Net Cash from operating activities	1,325	1,310	1.1

(a) Operating expenses includes other operating expenses and other operating income

(b) After deducting minority interest

Revenues

The Company's revenues for H1 2008 of 4,977m TRY showed a 12% growth compared to H1 2007. The main areas of revenue growth in H1 2008 compared to H1 2007 were the Mobile business (+36%, from 748m TRY to 1,017m TRY) and ADSL (+36%, from 580m TRY to 791m TRY).

Operating Expenses (Excluding Depreciation and Amortization)

Operating expenses of 2,796m TRY for H1 2008 were 375m TRY (or 15%) above the same period last year. The main area of operating expenses increase was related to the Mobile business (158m TRY) where the cost increase is related to the 36% Mobile revenue growth. The other main area of expense increase were maintenance & repair (+120m TRY, supporting increased activity to improve network quality) and personnel costs (+69m TRY of which 21m TRY for notice period payments to leavers) from the Fixed Line business.

Operating Profit before Depreciation and Amortization (EBITDA)

Operating profit before depreciation and amortization improved 7% compared to H1 2007, resulting in a consolidated EBITDA margin of 44%.

Depreciation and Amortization

Total depreciation and amortization charges at 831m TRY were similar to the 842m TRY recorded in H1 2007.

Operating Profit

Operating profit increased 13% to 1,351m TRY compared to the same period of 2007 based on a revenue growth of 12% (to 4,977 m TRY) The operating profit margin was 27% in H1 2008, the same as H1 2007.

Non-Operating Expenses and Income

Financial Expense and Income

Net financial income situation has changed to a net financial expense of 52m TRY in H1 2008 from a net financial income of 204m TRY in H1 2007. The main reason for the change relates to the exchange gain / (loss) on the Company's US dollar denominated debt (level of \$1.8 billion at the end of June 2008).

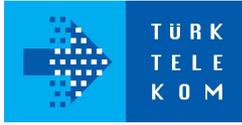
The company recognized a net foreign exchange loss of 114m TRY in H1 2008 (mainly as a result of the 5 percent decline of the TRY against the US Dollar during first half 2008) compared with a gain of 160m TRY in H1 2007.

Income Taxes

The lower income tax charge recognized in H1 2008 is a result of the lower underlying profitability of the company, with no change in the tax rate at 20% of taxable profits.

Net Income

The net income of the period was a profit of 1,026m TRY, or 0.2931 New Kurus per share, compared to a profit of 1,102m TRY, or 0.3149 New Kurus per share, in H1 2007**. The 76m TRY lower net income compared to H1 2007 is due to 274m TRY foreign exchange loss between H1 2008



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and H1 2007. [Noting that in H1 2008 net foreign exchange loss is 114m TRY and in H1 2007 net foreign exchange gain is 160m TRY]

*** 2007 value is based on the revised total shares of the company which were reduced by a factor of 10 in April 2008*

Additional Information

Capital expenditure in H1 2008 was 10% of revenue that is total capital expenditures for H1 2008 was 518m TRY, with 405m TRY related to the Fixed Line business and 113m TRY for the Mobile business.

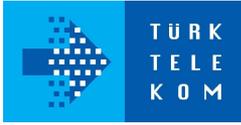
At June 30, 2008, the company had total loans outstanding of 2,899m TRY and cash and equivalents of 1,103m TRY.

The above cash and loans position is before the balance of the dividend payments related to 2007 (914m TRY of 2,744m TRY). 457m TRY of this balance of dividend payment was made in July 2008, and the remaining 457m TRY will be paid end of August 2008.

The company's headcount at June 30, 2008 was 37,455 (2,307 staff in AVEA) compared with 40,950 at March 30, 2008, and 40,800 at Dec. 31, 2007.

Outlook

The Company considers that despite the tough economic conditions high single digit revenue growth will be achieved in 2008. In terms of EBITDA, the Company considers that the consolidated EBITDA margin recorded for 1H08 should be maintained for the full year. There are risks in the second half of 2008 related to general market and competition environment.



DISCLAIMER

This release includes forward-looking statements. 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, "may," "will," "expect," "intend," "plan," "estimate," "anticipate," "believe" or "continue."

Although the Company 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. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

About Türk Telekomünikasyon A.Ş.

Türk Telekom Group, provides integrated telecommunication services from PSTN and GSM to broadband internet. As of 30 June 2008, Türk Telekom group companies has 17.8 million fixed Access lines, 5.2 million ADSL connections and 11 million GSM subscribers. Group companies has a modern network infrastructure covering the whole country and offers a wide variety of services to residential and commercial customers all over Turkey. Apart from 81 % shares in Avea, one of the three GSM operators in Turkey, Türk Telekom owns 99.9 % of TTnet, Argela, Innova, Sebit A.Ş. and AssisTT companies. Türk Telekom also has a minority share in Albtelecom, the Albanian incumbent telecom operator. 55 % of Turk Telekom shares belong to Ojer Telekomünikasyon A.Ş. and 30 % belongs to Turkish Treasury. The remaining 15 % is publicly traded. Türk Telekom shares are listed in Istanbul Stock Exchange since May 2008.

Turk Telekom (ISE: TTKOM)