

**Türk Telekomünikasyon  
Anonim Şirketi**

**Financial Statements as at 31 March 2008**

# TÜRK TELEKOMÜNİKASYON ANONİM ŞİRKETİ

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2008

(Currency – Thousands of New Turkish Lira (“TRY”))

	(Unaudited)	(Audited)
	Current Period31	Prior Period
	March 2008	31 December 2007
<b>ASSETS</b>		
<b>Current Assets</b>	<b>3.992.226</b>	<b>3.202.373</b>
Cash and Cash Equivalents	2.034.113	1.332.792
Investments	5.188	-
Trade Receivables		
- Due from related parties	75.252	83.172
- Other trade receivables	1.250.624	1.282.263
Other Receivables		
- Due from related parties - other	7.036	-
- Other Receivables	31.591	23.380
Inventories	56.240	37.959
Other Current Assets	532.182	442.807
<b>Assets Held For Sale</b>	<b>7.507</b>	<b>7.601</b>
<b>Non-Current Assets</b>	<b>9.289.207</b>	<b>9.544.115</b>
Trade Receivables		
- Due from related parties	-	-
- Other trade receivables	379	1.143
Investments In Associate	11.200	11.200
Investment Property	323.131	327.291
Tangible Assets	5.982.182	6.218.639
Intangible Assets	2.675.101	2.688.926
Goodwill	48.735	48.735
Deferred Tax Asset	245.085	245.000
Other Non-Current Assets	3.394	3.181
<b>TOTAL ASSETS</b>	<b>13.288.940</b>	<b>12.754.089</b>

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## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2008 (Currency – Thousands of New Turkish Lira (“TRY”))

	(Unaudited) Current Period 31 March 2008	(Audited) Prior Period 31 December 2007
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>	<b>2.576.086</b>	2.615.540
Financial Liabilities		
- Short-Term Borrowings	528.990	446.451
- Obligations under finance lease	4.230	4.039
Other Financial Liabilities		
-Derivative Financial Instruments	3.592	20.361
Trade Payables		
- Due to related parties	9.120	7.105
- Other trade payables	359.009	655.298
Other Payables		
- Due to related parties – other	-	-
- Other payables	33.148	13.176
Income Tax Payable	202.184	212.308
Expense Accruals	238.389	223.877
Other short-term liabilities	1.197.424	1.032.925
<b>NON-CURRENT LIABILITIES</b>	<b>4.328.873</b>	3.980.720
Long-Term Financial Liabilities		
- Long-term bank borrowings	1.888.555	1.661.048
- Obligations under finance lease	42.534	36.886
Other Financial Liabilities		
-Minority put option	860.397	788.000
-Derivative financial instruments	125.092	55.133
Other Payables		
- Due to related parties - other	1.735	-
- Other payables	12.685	13.814
Expense Accruals	3.388	3.388
Retirement Pay Liability	997.214	965.489
Deferred Tax Liability	386.575	445.564
Other Non-Current Liabilities	10.698	11.398
<b>EQUITY</b>	<b>6.383.981</b>	6.157.829
<b>Equity</b>		
Paid-In-Capital	3.500.000	3.500.000
Inflation difference on paid-in-capital (-)	(239.752)	(239.752)
Value Increment fund		
-Minority Put Option Valuation Fund	(563.392)	(436.811)
-Fair value due from the acquisitios	(294.065)	(294.065)
-Unrealized loss of derivatives	(101.474)	(55.554)
Legal Reserves	835.675	835.532
Retained Earnings	2.848.336	303.626
Net Income	398.653	2.544.853
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>13.288.940</b>	12.754.089

# TÜRK TELEKOMÜNİKASYON ANONİM ŞİRKETİ

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2008 (Currency – Thousands of New Turkish Lira (“TRY”))

	(Unaudited)	(Unaudited)
	For the periods between 01 January 2008 - 31 March 2008	For the periods between 01 January 2007 - 31 March 2007
<b>Continuing Operations</b>		
Revenue	2,423,338	2.137.574
Cost of Sales (-)	(1,229,735)	(1.202.084)
Gross Profit	1,193,603	935.490
<b>GROSS PROFIT</b>	<b>1,193,603</b>	<b>935.490</b>
Selling and Marketing Expenses (-)	(258,716)	(217.648)
General and Administrative Expenses (-)	(318,264)	(270.326)
Research and Development Expenses (-)	(3,199)	(80)
Other Operating Income	57,558	91.347
Other Operating Expenses (-)	(5,083)	(3.899)
<b>OPERATING PROFIT</b>	<b>665,899</b>	<b>534.884</b>
Financial Income	129,305	203.806
Financial Expense (-)	(291,464)	(79.051)
<b>PROFIT BEFORE TAX</b>	<b>503,740</b>	<b>659.639</b>
<b>Tax Expense</b>		
- Income Tax Expense	(207,651)	(213.224)
- Deferred Tax Income	59,068	54.679
<b>PROFIT AFTER TAX</b>	<b>355,157</b>	<b>501.094</b>
Minority Interest	43,496	13.726
<b>NET INCOME FOR THE PERIOD</b>	<b>398,653</b>	<b>514.820</b>
Basic earnings per share attributable to ordinary equity (in Kuruş)	0,0114	0,0147
Diluted earnings per share attributable to ordinary equity (in Kuruş)	0,0114	0,0147

# TÜRK TELEKOMÜNİKASYON ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDED 31 MARCH 2008 (Currency –Thousands of New Turkish Lira (“TRY”))

### SEGMENT REPORT

The Group has two operating segments. Fixed Line and Mobile Businesses, fixed line services are provided by Türk Telekom and TNet and the mobile services are provided by Avea. The segment results for operations, balance sheet and cash flow items are presented below:

	Fixed line		Mobile		Eliminations		Consolidated	
	1 January- 31 March 2008	1 January- 31 March 2007	1 January- 31 March 2008	1 January- 31 March 2007	1 January- 31 March 2008	1 January- 31 March 2007	1 January- 31 March 2008	1 January- 31 March 2007
Revenue	2.005.394	1.845.320	482.113	340.595	(64.169)	(48.341)	2.423.338	2.137.574
Segment Results	695.477	607.574	(29.578)	(72.690)	-	-	665.899	534.884
Depreciation and amortization	(290.133)	(301.347)	(125.254)	(117.692)	-	-	(415.387)	(419.039)
Capital Expenditures	(150.441)	(57.854)	(47.672)	(32.539)	-	-	(198.113)	(90.393)

	Fixed Line		Mobile		Eliminations		Consolidated	
	1 January- 31 March 2008	1 January- 31 March 2007	1 January- 31 March 2008	1 January- 31 March 2007	1 January- 31 March 2008	1 January- 31 March 2007	1 January- 31 March 2008	1 January- 31 March 2007
Total Segment Assets	9.169.565	8.546.761	4.230.645(**)	4.321.518	(111.270)	(114.190)	13.288.940	12.754.089
Total Segment Liabilities	(3.498.115)	(3.520.341)	(2.657.717)	(2.402.109)	(749.127)(*)	(673.810)	(6.904.959)	(6.596.260)

(\*) Includes minority put option liability amounting to 860.397 YTL.

(\*\*) Includes goodwill amounting to 29.695 YTL.