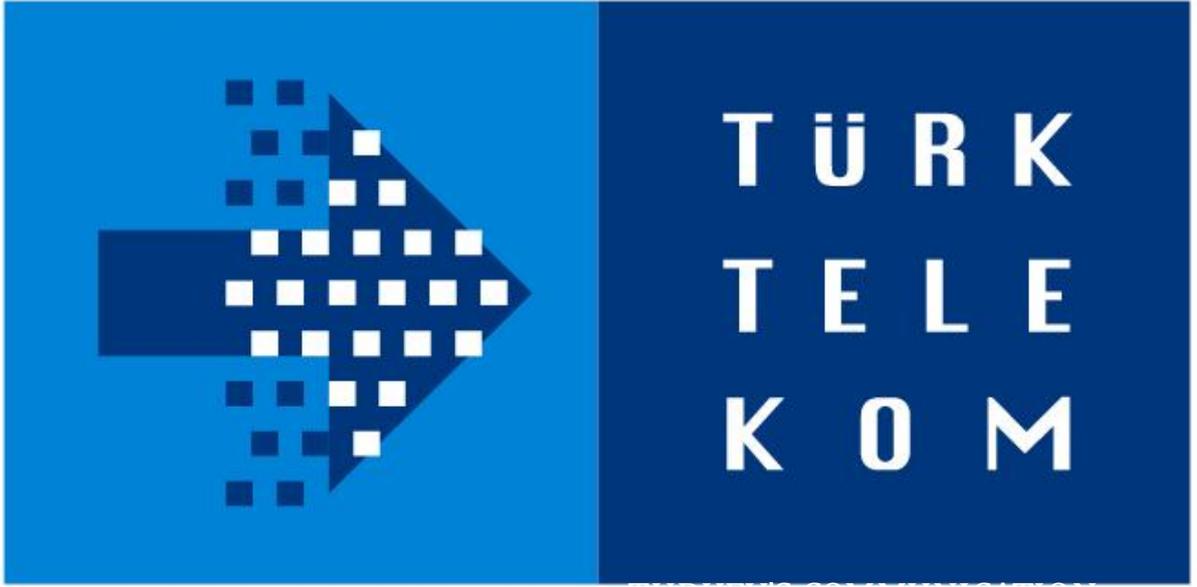


TÜRK TELEKOMÜNİKASYON A.Ş.



INTERIM ACTIVITY REPORT AS OF 31 MARCH 2010

BASED ON SERIAL:XI NO:29 COMMUNIQUÉ OF CAPITAL MARKET BOARD

20 APRIL 2010

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1. OVERVIEW OF TÜRK TELEKOM

Türk Telekomünikasyon A.Ş. (“Türk Telekom”) provides a wide range of communications services from PSTN to mobile, broadband to value-added services for customers in Turkey.

Türk Telekom is the leading fixed-line operator that provides value-added services beside voice and data services for its corporate and retail customers through its extensive fixed-line telecommunications network, which covers almost 100% of the population.

Turkey had 16.5 million PSTN access lines in service as of 2009 year end and this number decreased to 16.4 million in the first quarter of 2010. Türk Telekom’s PSTN access line capacity is approximately 21.2 million.

Türk Telekom offers wholesale infrastructure services for ISPs besides being broadband internet provider having the widest sales network in Turkey, through its wholly owned subsidiary TNet.

As of first quarter of 2010, TNET’s share of the retail fixed broadband market was 90.4%. The number of ADSL subscribers increased from 6.2 million as of 2009 year end to 6.4 million as of March 31, 2010.

Türk Telekom, having 81.37% shares of Avea, the third largest mobile operator in Turkey, provides a range of mobile communications services, including pre-paid, post-paid and value-added voice services.

Avea has been founded in 2004 as a result of the merger of Aycell and Aria brands. Thanks to its performance from its foundation to the first quarter of 2010, Avea has been the fastest growing mobile operator in the market, and in the same period its subscriber base rose from 4.8 million to 11.7 million.

Moreover, Türk Telekom operates IT consulting services, telecommunications product and software services and education content businesses through its wholly owned subsidiaries Innova, Argela and Sebit. The Company also operates CRM systems, directory services and call centers through its wholly owned subsidiary AssisTT. In addition to these, Türk Telekom has 20% shares of CETEL that holds 76% shares of Albtelecom, incumbent fixed line operator in Albania.

In addition to providing quick, economic and high quality services everywhere and every time for its customers, Türk Telekom supports various education projects, sports, arts and environment sensibility related activities as part of its sense of social responsibility.

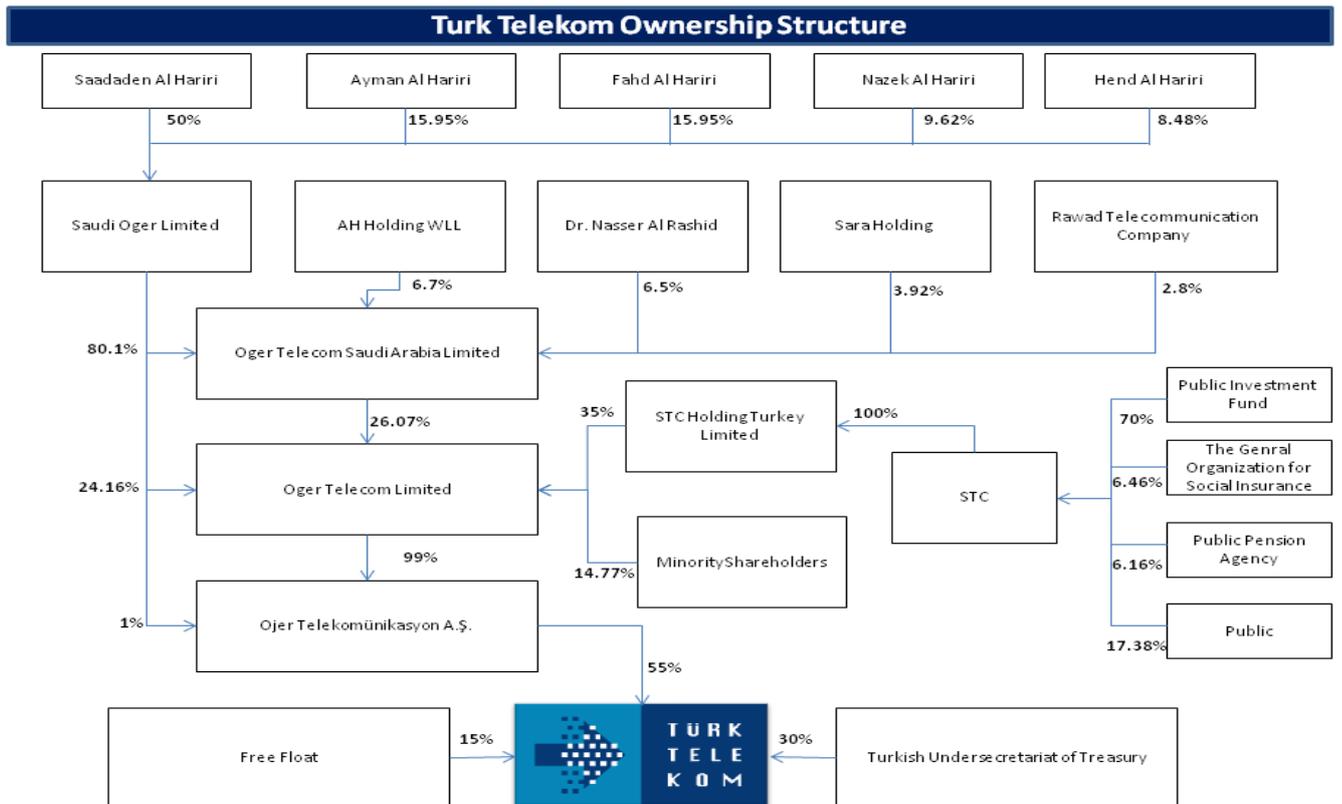
2. CORPORATE STRUCTURE

- Ownership Structure

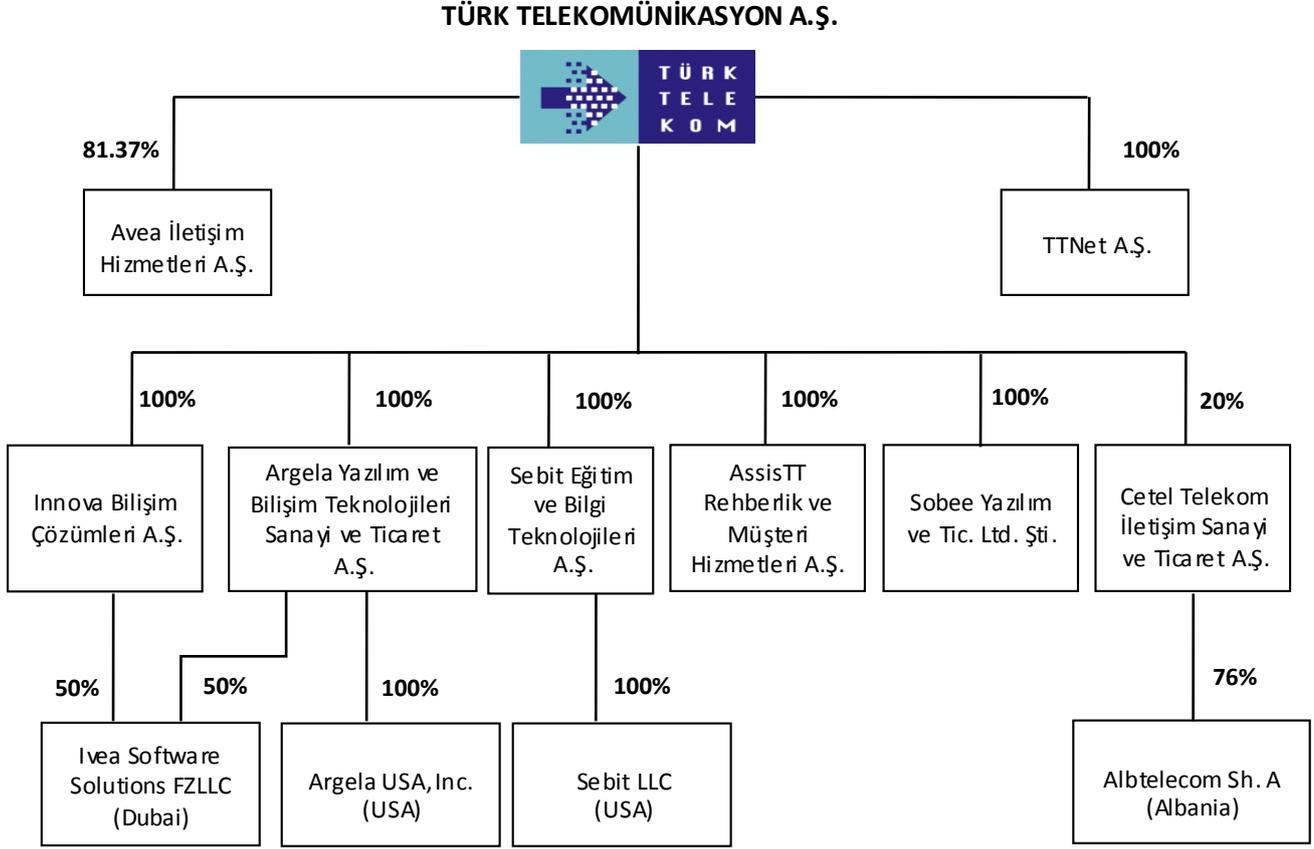
Class	Shareholder	Share Capital (TL)	Share (%)
A	Oger Telekomünikasyon A.Ş.	1,925,000,000.00	55
B	T.R. Undersecretariat of Treasury	971,249,999.99	30
C		0.01	
D		78,750,000.00	
D	Free float	525,000,000.00	15
Total		3,500,000,000.00	100

The Türk Telekom Shareholders' Agreement and the Articles of Association further state that the Turkish Treasury owns a "golden share" (Class C share). The "golden share" is required under the Telephone Law and provides that, in order to protect Turkey's national interests relating to national security and the economy, the Turkish Treasury's approval is required for the following matters:

- Any proposed amendments to the Articles of Association;
 - The transfer of any of the Company's registered shares (i.e., the Class A shares) which would result in a change in management control;
 - The registration of any transfer of the Company's registered shares in the shareholder ledger.
- The real and legal persons directly or indirectly holding a stake in the Company's share capital are listed below:



- **Subsidiaries**



- **Management and Organizational Structure**

Board of Directors

Mohammed Hariri

Chairman of the Board of Directors

İbrahim Şahin

Deputy Chairman of the Board of Directors

Dr. Paul (Boulos H.B.) Doany

Member of the Board of Directors and CEO

Saad Zafer M Al Kahtani

Member of the Board of Directors

Abdullah Tivnikli

Member of the Board of Directors

Samir Asaad O Matbouli

Member of the Board of Directors

Basile Yared

Member of the Board of Directors

İsmet Yılmaz

Member of the Board of Directors

Dr. Ali Arıdur

Member of the Board of Directors

Mehmet Habib Soluk

Member of the Board of Directors

Statutory Audit Board

Efkan Ala

Member of the Statutory Audit Board

Prof. Dr. Aydın Gülan

Member of the Statutory Audit Board

Doç. Dr. Tuna Tuğcu

Member of the Statutory Audit Board

Executive Committee

Mohammed Hariri	Chairman of the Executive Committee
İbrahim Şahin	Vice Chairman of the Executive Committee
Abdullah Tivnikli	Member of the Executive Committee
Dr. Paul (Boulos H.B.) Doany	Member of the Executive Committee
Saad M. Al Kahtani	Member of the Executive Committee

Audit Committee

Basile Yared	Chairman of the Audit Committee
Mehmet Habib Soluk	Member of the Audit Committee
Samir Asaad O Matbouli	Member of the Audit Committee

Senior Management

Dr. Paul (Boulos H.B.) Doany	Chief Executive Officer
Celalettin Dinçer	VP Operations
Mustafa Uysal	Group VP Finance
Mehmet Candan Toros	VP International Sales and Wholesale
Şükrü Kutlu	VP Regulation and Support Services
Kamil Gökhan Bozkurt	VP Human Resources
Dr. Mehmet Kömürcü	VP Legal
Dr. Ramazan Demir	VP Strategy and Business Development
Erem Demircan	VP Marketing and Communications
Aydın Çamlıbel	VP Sales
Haktan Kılıç	Acting VP Customer Relations
Dr. Nazif Burca	Head of Internal Audit

3. MEETINGS OF THE BOARD OF DIRECTORS

In the period of this report, meetings of the Board of Directors were held on January 11, 2010, January 13, 2010, February 1, 2010, February 11, 2010, March 8, 2009 and March 10, 2009.

- With the resolution no.1 at the meeting no.1 held on January 11, 2010, it was resolved that:

Our Company shall participate into the tender process initiated by Turkish Football Federation (“TFF”) for the transfer of Super League and 1st League broadcasting rights in respect of 2010-2011, 2011-2012, 2012-2013, and 2013-2014 football seasons (the “Tender Process”) and submit bid for the Packages A and C, as defined in the relevant Tender Specifications.

- With the resolution no.3 held on February 1, 2010, it was resolved that:

Mustafa Uysal is appointed as TT Group CFO in charge of financial coordination of Türk Telekom and its subsidiaries shall report to him; Mustafa Uysal shall also be acting as Türk Telekom Finance VP until a new Finance VP for TT is appointed.

- With the resolution no.4 at the meeting no.2 held on February 11, 2010, it was resolved that:

Approval of the consolidated financial statements regarding the period between 01.01.2009 – 31.12.2009 which was prepared as per the International Financial Reporting Standards under the Turkish Capital Board Communiqué 20 Serial No. XI and was approved by the Independent Auditors.

- With the resolution no.5 at the meeting no.2 held on February 11, 2010,

It was decided to recommend to distribute the 100% of the remaining profit of 2009 as cash dividend after first and second legal reserves are set aside which is 1,589,712,275 TL to the General Assembly to be held on April 6, 2010. This amount corresponds to 0.4542035 Kurus (%45.42035) gross cash dividend per each share worth for 1 Kurus nominally.

The details of the proposal to General Assembly are the following,

It is resolved for the decision of our Company's General Assembly to be held on April 6,2010;

1. Our company's net profit of the fiscal year 2009 according to the independently audited consolidated financials prepared in accordance with "CMB Communiqué About Financial Reporting in Capital Markets Serial: XI No:29" is 1,831,730,000 TL and according to the Turkish Commercial Code clauses and Tax Procedure Law is 2,746,613,306 TL,
2. According to the CMB announcement dated January 27, 2010, the profit after tax amount of 1,831,730,000 TL is the base amount for dividend distribution,
3. In accordance with Article 466 of Turkish Commercial Code, it is obligatory to set aside first legal reserves until the reserve amount reaches 20% of the paid in capital. Since the reserve amount will reach to 20% of the paid in capital, by setting aside 100,546,497 TL as first legal reserves, to set aside 100,546,497 TL as first legal reserves for 2009.
4. After setting aside the first legal reserve of 100,546,497 TL from consolidated net profit of 1,831,730,000 TL (base amount for dividend distribution), remaining 1,731,183,503 TL shall be the distributable profit of 2009. Adding the donations made in 2009 of 33,644,220 TL, 1,764,827,723 TL shall be the base for first dividend.
5. Although the minimum dividend payout ratio determined by CMB for 2009 is 0%, it is decided to distribute 20% of 1,764,827,723 TL (first dividend base), 352,965,545 TL as cash first dividend, in accordance with "CMB Communiqué Serial IV No: 27" . The second legal reserve of 141,471,228 TL shall be set aside and the remaining 1,236,746,731 TL shall be distributed as cash second dividend.
 - a. Total cash dividend amount to be distributed of 1,589,712,275 TL shall be covered by current period net profit
 - b. Accordingly 0.4542035 Kurus (%45.42035) gross cash dividend per each share worth for 1 Kurus nominally shall be distributed to our shareholders and total gross cash dividend distribution amount shall be 1,589,712,275 TL.

6. The distribution of the cash dividends to our shareholders shall begin on May 24, 2010, at Merkezi Kayıt Kuruluşu A.Ş. Süzer Plaza Askerocağı Caddesi No:15 Kat:2 34367 Elmadağ-Şişli İstanbul.

- With the resolution no.09 at the meeting no.2 held on February 11, 2010,

It was resolved that the approval of signing a new contract with Ernst& Young, an independent audit company, in 2010 and in each year for the following three years on the basis of the opinions of the Audit Committee, shall be submitted to the General Assembly.

- With the resolution no.22 held on March 8, 2010,

It was resolved that TT 2009 Annual Report shall be approved.

- With the resolution no.23 held on March 8, 2010,

It has been unanimously resolved by the Board that;
The Ordinary General Assembly Meeting for the year 2009 shall be held on April 06, 2010 (Tuesday) at 10.30 a.m. to discuss the below mentioned agenda at the address of Türk Telekomünikasyon A.Ş. Head Quarters Cultural Center, Turgut Özal Bulvarı 06103 Aydınlıkevler Ankara.

1. Opening and Election of the Chairmanship Committee;
2. Authorization of the Chairmanship Committee to sign the minutes of the General Assembly Meeting and the List of Attendees;
3. Reading of the Board of Directors annual report for the year 2009
4. Reading of the Audit Board report for the year 2009;
5. Reading of the Independent Audit Company's report summaries for the year 2009;
6. Reading, discussing and approving of the balance sheet and the profit/loss accounts for the year 2009;
7. Release of the members of Board of Directors from the operations and actions of the Company during the year 2009;
8. Release of the Audit Board members from the operations and actions of the Company during the year 2009
9. Discussing and deciding on the proposal of the Board of Directors regarding dividend distribution for the year 2009;

10. Discussing and deciding on the Board of Directors' proposal, given pursuant to the recommendation of the Company's Audit Committee, offering that the Independent Audit Company Guney Bağımsız Denetim ve SMMM A.Ş. (Ernst&Young) shall continue its audit assignment on the operations and accounts of the Company for the year 2010 as per Article 14 of the Regulation on Independent External Audit in the Capital Markets issued by the Capital Market Board and Article 17/A of the Articles of Association of the Company;
 11. Giving information to the General Assembly regarding the code of ethics prepared by the Board of Directors in accordance with the Corporate Governance Principles ;
 12. Giving information to the General Assembly regarding the dividend distribution policy in accordance with the Corporate Governance Principles ;
 13. Reading the written explanation of the Independent Audit Company on the compliance of the financial statements and other reports with the standards, the accuracy and integrity of the information therein and the non-existence of any issues hindering its or its affiliates' independency in the services provided to our Company and to its subsidiaries/affiliates;
 14. Giving information to the General Assembly regarding the disclosure policy prepared by the Board of Directors;
 15. Giving information to the General Assembly regarding the donations made during 2009;
 16. Giving information to the General Assembly regarding the transactions made with the related parties during 2009;
 17. Giving information to the General Assembly regarding the guarantees, pledges and mortgages provided by the Company to third parties or the derived income or interest thereof, in accordance with the Decision of the Capital Markets Board dated 09/09/2009 and numbered 28/780;
 18. Deciding on permitting the members of the Board of Directors to carry out businesses directly or on behalf of others within or outside of the Company's fields of activity or to participate in companies engaged in such businesses and to perform other acts in accordance with the articles 334 and 335 of the Turkish Commercial Code;
 19. Wishes and closing
- With the resolution no.24 at the meeting no.3 held on March 10, 2010,

It has been resolved that Paul Taylor shall be appointed as Chief Advisor to CEO for Commercial Transformation and Haktan Kılıç shall be appointed as Acting VP of the recently established "Customer Care Department" and shall be given Group D Signature authority.

4. PERSONNEL MOVEMENTS

Headcount as of 2009 year end and first quarter of 2010 are 34.086 and 33.881 respectively.

5. FINANCIAL RISK MANAGEMENT

Main financial instruments of the Company are bank credits, open credits, cash and short term deposits. They are being used with the aim of increasing the use of funds for the operations. The risks stemming from these instruments are liquidity risk, foreign exchange risk, interest risk, and credit risk.

6. MATERIAL ISSUES IN THE PERIOD

Football Broadcasting Rights Tender

Our Company has been awarded the License C, which covers summary broadcasting rights on mobile devices, at USD 13.500.000 on a yearly basis at the "Digital Broadcasting Rights Tender" issued for the transfer of Turkish Football Federation Super League and Turkish Football Federation 1st League Broadcasting Rights by the Turkish Football Federation for the football seasons 2010-2011, 2011-2012, 2012-2013, 2013-2014.

The above-mentioned amount for the said rights of broadcasting do not include 10 percent Legal Turkish Football Federation Share and 2 percent League Organization Share, and 18 percent Value Added Tax.

Our Company has received the option right to extend the contract for additional one year for the football season 2014-2015 under certain conditions.

New Termination Rates determined by Telecommunications Authority

Interconnection Fee Schedule determined by the Board Decision dated 10.02.2010 and No. 2010/DK-07/88, with effect from April 1, 2010 is located in the following table: Prices are net (excluding taxes).

Effective Date		Avea	Turkcell	Vodafone	
01.04.2010	2G Termination Rate (Kr/dk)	3,70	3,13	3,23	
	3G Network Termination Rate (Kr/dk)	Voice Call	3,70	3,13	3,23
		Video Call	7,75	7,75	7,75
	Fixed Network Termination Rate (Kr/dk)	Local	Single Tandem	Double Tandem	
1,39		1,71	2,24		

Oger Telecom's Announcement

Oger Telecom's announcement with regards to the media coverage on a possible increase in its stake at Turk Telekom is given below:

Oger Telecom Limited, would like to announce that upon the press coverage in 2009, of a potential SPO of Turk Telekom shares owned by the government, we sent an 'expression of interest' to the relevant Turkish authorities that OTL would be interested to increase its shares in Turk Telekom, particularly through a block share sale or other process that allows a block amount of no less than ten percent. We are currently waiting for information on launch of such a process by the relevant authorities.

Utilization of Long Term Loan

Our company utilized a long term loan from Akbank, aiming to further improve our debt structure with respect to maturity, interest rate and currency mix, with below details;

Amount: USD 300 Mn

Maturity: 5 years (including 1.5 years of grace period)

Interest payment period: 6 months (no grace period)

Interest rate: 6 months LIBOR+ 3.10%

Utilization of Long Term Loan

Our company utilized a long term loan from Halkbank, aiming to further improve our debt structure with respect to maturity, interest rate and currency mix, with below details;

Amount: 222 Mn Euro

Maturity: 5 years (including 1.5 years of grace period)

Interest payment period: 6 months (no grace period)

Interest rate: 6 months EURIBOR+ 2.85%

New Tariffs

Our Company composed new tariffs for its individual customers to be effective as of 6 March 2010. Within the scope of the tariff revision, we aim at enabling our on-net customers to talk in off-peak hours for free and call mobile numbers at more affordable prices, besides offering more value to our customers.

7. MATERIAL ISSUES AFTER THE END OF PERIOD

Ordinary General Assembly Meeting

The Ordinary General Assembly Meeting for the year 2009 was held on April 06, 2010 at 10.30 a.m. and below agenda items are discussed and resolved at the address of Türk

Telekomünikasyon A.Ş. Head Quarters Cultural Center, Turgut Özal Bulvarı 06103 Aydınlıkevler
Ankara.

1. Board of Directors annual report for the year 2009 has been read.
2. Audit Board report for the year 2009 has been read.
3. Independent Audit Company's report summary for the year 2009 has been read.
4. Balance sheet and the profit/loss accounts for the year 2009 has been read, discussed and approved.
5. Members of Board of Directors have been released from the operations and actions of the Company during the year 2009.
6. Members of Statutory Audit Board have been released from the operations and actions of the Company during the year 2009.
7. The proposal of the Board of Directors regarding dividend distribution for the year 2009 has been read, discussed and approved.
8. Board of Directors' proposal, given pursuant to the recommendation of the Company's Audit Committee, offering that the Independent Audit Company Guneş Bağımsız Denetim ve SMMM A.Ş. (Ernst&Young) shall continue its audit assignment on the operations and accounts of the Company for the year 2010 as per Article 14 of the Regulation on Independent External Audit in the Capital Markets issued by the Capital Market Board and Article 17/A of the Articles of Association of the Company has been discussed and approved.
9. Information has been given to the General Assembly regarding the code of ethics prepared by the Board of Directors in accordance with the Corporate Governance Principles.
10. Information has been given to the General Assembly regarding the dividend distribution policy in accordance with the Corporate Governance Principles.
11. The written explanation of the Independent Audit Company on the compliance of the financial statements and other reports with the standards, the accuracy and integrity of the information therein and the non-existence of any issues hindering its or its affiliates' independency in the services provided to our Company and to its subsidiaries/affiliates has been read.
12. Information has been given to the General Assembly regarding the disclosure policy prepared by the Board of Directors.
13. Information has been given to the General Assembly regarding the donations made during 2009.

14. Information has been given to the General Assembly regarding the transactions made with the related parties during 2009.
15. Information has been given to the General Assembly regarding the guarantees, pledges and mortgages provided by the Company to third parties or the derived income or interest thereof, in accordance with the Decision of the Capital Markets Board dated 09.09.2009 and numbered 28/780.
16. The members of the Board of Directors to carry out businesses directly or on behalf of others within or outside of the Company's fields of activity or to participate in companies engaged in such businesses and to perform other acts in accordance with the articles 334 and 335 of the Turkish Commercial Code have been permitted.

Long Term Loan Agreement

Our company signed a loan agreement with European Investment Bank, with below details;

Purpose: Investment financing

Principal amount: EUR 100 million

Interest: Euribor+2.5% p.a.

Grace period: 2 years

Interest repayments: Every 6 months after utilization

Principal repayment: Every 6 months after grace period

8. SUMMARY FINANCIAL RESULTS

Summary Türk Telekom Consolidated Balance Sheet as of 2009 Q1 and 2010 Q1

TL million	2009 Q1	2010 Q1
Intangible Assets	2,695	3.211
Tangible Assets	6,431	6.823
Other Assets	2,455	2.525
Cash and equivalents	927	727
Total Assets	12,508	13.286
Share capital	3,260	3.260
Reserves and retained earnings	2,061	2.686
Interest Bearing Liabilities	3,206	3.501
Provisions for long-term employee benefits	689	656
Other Liabilities	3,292	3.183
Total Equity And Liabilities	12,508	13.286

Summary Türk Telekom Consolidated Income Statement as of 2009 Q1, 2009 year-end and 2010 Q1

<i>TL million</i>	2009	2009 Q1	2010 Q1
Revenues	10,195	2,508	2.584
<i>Change</i>		4%	3%
EBITDA	4,342	1,087	1.064
<i>Margin</i>	43%	43%	41%
Operating Profit	2,710	664	689
<i>Margin</i>	27%	26%	27%
Financial Income /(Expense) net	-438	-314	9
Profit Before Tax	2,136	368	698
<i>Margin</i>	21%	15%	27%
Tax expense	-673	-148	-194
Minorities	180	71	43
Profit/(Loss) For The Year	1,752	291	546
<i>Margin</i>	17%	12%	21%

Summary Türk Telekom Consolidated Revenue Breakdown as of 2009 Q1 and 2010 Q1

<i>TL million</i>	31.03.2010	31.03.2009
Domestic PSTN	1.025	1.205
ADSL	601	496
GSM	647	532
Data service revenue	84	72
International interconnection revenue	41	51
Domestic interconnection revenue	68	46
Leased lines	127	136
Rental income from GSM operators	26	28
Other	39	8
Eliminations	-75	-68
Subtotal	2.583	2.507
Construction revenue (IFRIC 12)	1	1
Total net revenue	2.584	2.508

Consolidated OPEX Breakdown as of 2009 Q1, 2009 year-end and 2010 Q1

TL millions	2009 YE	2009 Q1	2010 Q1
Personnel*	1,908	471	469
Interconnection	950	165	222
Commercial ^(a)	773	192	226
Maintenance and Operations	384	72	69
Taxes & Government Fees	705	150	180
Doubtful Receivables	183	25	39
Others	1,235	326	315
Sub-Total	6,139	1,401	1,519
Construction Cost (IFRIC 12)	109	1	0
Total OPEX	6,248	1,402	1,520

*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.