

TURKCELL ILETISIM HIZMETLERI A S
Form 6-K
March 16, 2009

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**Report of Foreign Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

For the month of **March 2008**

Commission File Number **001-15092**

TURKCELL ILETISIM HIZMETLERI A.S.
(Translation of registrant's name into English)

**Turkcell Plaza
Mesrutiyet Caddesi No. 153
34430 Tepebasi
Istanbul, Turkey**
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F

Form 20-F: **Form 40-F:**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

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EXHIBIT INDEX

- 1 Press Release dated November 5, 2008
 - 2 Turkcell Iletisim Hizmetleri A.S. Consolidated Interim Financial Statements As at As at 30 September 2008
-

EXHIBIT 99.1

TURKCELL ILETISIM HIZMETLERI A.S.

REPORTS RESULTS

FOR THE THIRD QUARTER OF 2008

Solid Results: Strong Execution, Robust Usage, Cash Generation Ability

Istanbul, Turkey, November 5, 2008 Turkcell (NYSE:TKC, ISE:TCELL), the leading provider of mobile communications services in Turkey, today announced results for the third quarter ended September 30, 2008. All financial results in this press release are unaudited, prepared in accordance with International Financial Reporting Standards (IFRS) and expressed in US\$ unless otherwise stated.

Please note that all financial data is consolidated and comprises Turkcell Iletisim Hizmetleri A.S., (the Company , or Turkcell) and its subsidiaries and its associates (together referred to as the Group). All non-financial data is unconsolidated and comprises Turkcell only. The terms we , us , and our in this press release refer only to the Company, except in discussions of financial data, where such terms refer to the Group, and where context otherwise requires.

Turkcell Iletisim Hizmetleri A.S. Reports Results for the Third Quarter 2008

Highlights for the Third Quarter 2008

- § Revenue increased by 19.3% to US\$2,055.9 million compared to Q3 2007 (US\$1,722.8 million).
- § EBITDA* increased by 8.6% to US\$837.8 million compared to Q3 2007 (US\$771.5 million).
- § Net income increased by 50.5% to US\$603.8 million compared to Q3 2007 (US\$401.2 million)
- § Recorded highest net additions with 972,500 subscribers in 2008. Subscriber base grew by 4.3% to 36.3 million (34.8 million) as of September 30, 2008.
- § Recorded a high level of blended minutes of usage (MoU) per subscriber at 109.2 minutes (83.0 minutes) with a 31.6% year on year increase.
- § Average revenue per user (ARPU) increased 13.1% to US\$17.3 compared to Q3 2007 (US\$15.3).
- § Astelit increased its revenues by 68.2% to US\$127.8 million compared to Q3 2007 (US\$76.0 million) and further improved its EBITDA margin.

**EBITDA is a non-GAAP financial measure. See pages 12-13 for the reconciliation of EBITDA to net cash from operating activities.*

(In this press release, a year on year comparison of our key indicators is provided and figures in brackets following the operational and financial results for the third quarter 2008 refer to the same item in the third quarter of 2007. For further details, please refer to our consolidated financial statements and notes as at and for the quarter ended September 30, 2008 which can be accessed via our web site in the investor relations section (www.turkcell.com.tr).

Comments from the CEO, Sureyya Ciliv

We are happy about our strong financial and operational results in a very challenging global environment. In the third quarter of 2008, we increased our consolidated revenue by 19.3% to US\$2.1 billion, recorded US\$838 million EBITDA, and increased net income by 50.5% to US\$604 million.

In Turkey, we are pleased with the momentum we have gained prior to important milestones in our market. During the quarter, our subscriber base grew to 36.3 million with net additions of 972,500 while minutes of usage increased by 31.6% compared to last year, due to our strong value propositions. We are well positioned for the new era with Mobile Number Portability starting on November 9, and 3G license tender expected on November 29, 2008.

On the international front, we are pleased with Astelit's performance in Ukraine as well as Fintur's contribution to our bottom line. In Belarus, we have started network roll out and rebranding activities.

On the potential macroeconomic volatilities, thanks to our strong cash position and balance sheet we feel we are well prepared to manage such challenges. We will remain very cautious monitoring developments and possible impacts.

In summary, we are happy about our solid performance in a challenging operating environment and I thank again all Turkcell Group employees and our business partners for their contributions.

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Overview of the Third Quarter

Competition was active during the quarter with previous offers strengthened and minute packages and new tariffs launched. The advantageous offers contributed to market growth where we believe Turkcell remains the preferred brand in a comparatively slow growing market. We believe the restructuring of our sales channel also highly contributed to our results.

We continued to use effective pricing as a tool to balance the loyalty of our subscribers and our revenue generation capability. We have offered what we believe to be the most advantageous pricing for the largest community. Since early July, we effectively communicated our new offers as part of a new communication theme focused on reinforcing our advantages. We have seen positive outcomes from our actions including an improved price perception of Turkcell in the market.

During the third quarter, while reinforcing postpaid packages, we provided what we believe to be the best on-net offer for prepaid subscribers with refill requirements. Our unique homezone offer continued increasing usage while Kampuscell remains a well perceived campaign for the youth segment. Our newly designed SMS offers also contributed to our VAS revenues. We increased community advantages for the corporate segment and customized projects and office solutions to increase variety and penetration of value added services, while usage of mobile internet continued its upward trend. Co-branding offers continued for Istcell and gnctrkcell members, further underlining the Turkcell's customers win everywhere proposition.

All in all, these activities resulted in the highest number of net acquisitions in 2008, and an increase in MoU as well as ARPU. Our VAS revenues constituted 14% of the group's consolidated revenue in the third quarter of 2008, up from 11% in the third quarter of 2007.

We also led the market with the launch of the first Blackberry model supporting 3G, namely Blackberry Bold, placing Turkey as only the third country doing the launch. Additionally, we have launched the iPhone 3G starting to increase smart phones penetration which matches well with our focus of growing our VAS revenues.

All in all, during the third quarter, we further strengthened our advantageous offers and actions, successfully managed perception of our subscribers, and continued our preparation before important milestones such as the implementation of Mobile Number Portability and 3G in Turkey.

Financial and Operational Review of Third Quarter 2008

The following discussion focuses principally on the developments and trends in our business in the third quarter of 2008. Selected financial information for the third quarter of 2007, second quarter of 2008 and third quarter of 2008 is also included at the end of this press release.

Selected financial information in TRY prepared in line with the Capital Markets Board of Turkey's standards is also included at the end of this press release.

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Macro environment Information

	Q3 2007	Q2 2008	Q3 2008	Q3 2008-Q3 2007 % Chg	Q3 2008-Q2 2008 % Chg
TRY / US\$ rate					
Closing Rate	1.2048	1.2237	1.2316	2.2%	0.6%
Average Rate	1.2932	1.2448	1.1959	(7.5%)	(3.9%)
INFLATION					
Consumer Price Index	0.3%	2.8%	0.8%	-	-

We are in a period of global financial turmoil during which we have witnessed a significant deterioration of the capital markets and a contraction in liquidity in the global markets, especially in October. Even though it is hard to quantify, so far, the impact of these macroeconomic developments on our operational indicators has been limited. However, the developments in the macroeconomic environment, geopolitical environment, the competitive environment and the dynamics of consumer confidence in Turkey may affect our results of operations, business and financial performance, including our achievement of revenue and EBITDA targets described below. Consequently, we will cautiously continue to monitor the developments in these areas and take into consideration the potential impact of the global volatility on the Turkish economy.

Financial Review

Profit & Loss Statement	Q3 2007	Q2 2008	Q3 2008	Q3 2008- Q3 2007 % Chg	Q3 2008- Q2 2008 % Chg
(million US\$)					
Total revenue	1,722.8	1,755.0	2,055.9	19.3%	17.1%
Direct cost of revenue	(799.9)	(847.0)	(935.5)	17.0%	10.4%
Depreciation and amortization	(202.2)	(172.5)	(172.0)	(14.9%)	(0.3%)
Administrative expenses	(56.9)	(73.4)	(87.9)	54.5%	19.8%
Selling and marketing expenses	(296.9)	(366.1)	(366.8)	23.5%	0.2%
EBITDA	771.5	641.0	837.8	8.6%	30.7%
EBITDA Margin	44.8%	36.5%	40.8%	(4.0) p.p.	4.3 p.p.
Net finance income / (expense)	(147.2)	70.5	67.0	(145.5%)	(5.0%)
Finance expense	(230.7)	(15.3)	(16.7)	(92.8%)	9.2%
Finance income	83.5	85.8	83.7	0.2%	(2.4%)
Share of profit of equity accounted investees	17.2	29.3	25.1	45.9%	(14.3%)
Income tax expense	(50.2)	(118.9)	(160.3)	219.3%	34.8%
Net income	401.2	426.4	603.8	50.5%	41.6%

Revenue: Our consolidated revenue grew by 19.3% to US\$2,055.9 million in the third quarter of 2008 despite declining interconnection revenues compared to the same period of last year. The growth can be mainly attributed to 4.3% subscriber

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growth, 7.5% appreciation of TRY against US\$ and the partial impact of a 31.6% increase in usage combined with upward price adjustments. (Please note that the price adjustments realized compared to a year ago were 7.76% on December 18, 2007; 3.66% on June 25, 2008, and 1.35% on August 23, 2008.)

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We increased our revenue in the third quarter of 2008 by 17.1% compared to the prior quarter. This was mainly the result of 2.5% increase in our subscriber base, the partial impact of a 17.9% increase in usage, 3.9% appreciation of TRY against US\$ and upward price adjustments.

There are challenges in our operating environment and even though it may be hard to achieve, we will do our best to reach our target to record double digit revenue growth in TRY terms in 2008.

Direct cost of revenue: Although direct cost of revenue including depreciation and amortization increased year on year by 17.0% to US\$935.5 million, the proportion of direct cost of revenue to total revenue slightly decreased to 45.5% in the third quarter of 2008 from 46.4% a year ago. This was mainly due to lower depreciation and amortization expenses as a percentage of revenues. The proportion of direct cost of revenue excluding depreciation and amortization increased mainly due to higher network related expenses.

In the third quarter of 2008, direct cost of revenue including depreciation and amortization increased by 10.4% compared to the previous quarter. However, direct cost of revenues including depreciation and amortization as a percent of revenue decreased to 45.5% in the third quarter of 2008 from 48.3% a quarter ago. This was mainly due to the higher increase in revenue, in nominal terms, compared to the cost base as well as lower depreciation and amortization expenses as a percentage of revenues.

Selling and marketing expenses: The share of selling and marketing expenses as a percentage of total revenue in the third quarter of 2008 increased to 17.8% from 17.2% compared to same period in 2007. Selling and marketing expenses increased in nominal terms by 23.5% year on year, reaching US\$366.8 million in the third quarter of 2008 mainly due to higher acquisitions, 7.5% appreciation of TRY against US\$ as well as higher prepaid frequency usage fee.

Even though selling and marketing expenses remained flat nominally on a quarter on quarter basis, the share of selling and marketing expenses as a percentage of total revenue in the third quarter of 2008 declined to 17.8% from 20.9% due to a higher increase in revenues.

Administrative expenses: During the third quarter of 2008, administrative expenses as a proportion of revenue slightly increased from 3.3% to 4.3% and amounted to US\$87.9 million on annual basis. This was due to higher consultancy expenses as well as increasing bad debt in line with the increase in post-paid revenue.

Quarterly, administrative expenses as a proportion of revenue almost remained flat.

Share of profit of equity accounted investees: In the third quarter of 2008, our equity in net income of unconsolidated investees increased to US\$25.1 million from US\$17.2 million in the third quarter of 2007. This was mainly due to Fintur's solid operational performance.

The results of our 50% owned subsidiary A-Tel impacted two items in our financial statements. A-Tel's revenue generated from Turkcell, amounting to US\$15.2 million, is netted from the selling and marketing expenses in our consolidated financial statements. The difference between the total net impact of A-Tel and the amount netted from selling and marketing expenses amounted to US\$13.8 million and is recorded in the share of profit of equity accounted investees line of our financial statements.

Net finance income/ expense: We recorded a net finance income of US\$67.0 million in the third quarter of 2008 compared to a financial loss of US\$147.2 million in the third quarter of 2007. This was mainly attributable to the translation loss of only US\$34.6 million recorded in the third quarter of 2008, compared to a translation loss of US\$205.1 million in the third quarter of 2007. The translation loss recorded in the third quarter of 2007 was mainly due to translation losses on a foreign currency long position and

transaction losses accrued from structured forward contracts. Our interest income for the third quarter of 2008, as compared to the third quarter of 2007, also rose due to an increase in our cash balance.

Compared to the previous quarter, net finance income in the third quarter of 2008 decreased by 5.0% to US\$67.0 million. This was mainly due to US\$34.6 million translation loss in the third quarter of 2008 compared to US\$19.4 million during the previous quarter. However, part of the decrease in net finance income due to translation loss was compensated for with the increase in interest income due to an increased cash balance.

Income tax expense: The total taxation charge in the third quarter of 2008 increased to US\$160.3 million from US\$50.2 million in the third quarter of 2007.

Out of the total tax charge during the third quarter of 2008, US\$172.5 million was related to current tax charges and a deferred tax income of US\$12.2 million was realized during the quarter. The increase in the deferred tax income was mainly due to the differences between our Turkish statutory financial statements and our financial statements prepared in accordance with the IFRS.

Income tax expense (million US\$)	Q3	Q2	Q3	Q3 2008-	Q3 2008-
	2007	2008	2008	Q3 2007	Q2 2008
				% Chg	% Chg
Current Tax expense	(104.2)	(112.6)	(172.5)	65.5%	53.2%
Deferred Tax income /(expense)	54.0	(6.3)	12.2	(77.4%)	(293.7%)
Income Tax expense	(50.2)	(118.9)	(160.3)	219.3%	34.8%

EBITDA: In the third quarter of 2008, EBITDA in nominal terms increased 8.6% year on year and reached US\$837.8 million. However, the EBITDA margin decreased to 40.8% from 44.8% in the third quarter of 2007 mainly due to operating expenses stemming from network related expenses in the third quarter of 2008. Higher general and administrative expenses due to consultancy costs and bad debt in the third quarter of 2008 were another reason for year on year decline in EBITDA.

Quarterly, EBITDA increased by 30.7% in the third quarter 2008. EBITDA margin improved to 40.8% from 36.5% in 2Q08 mainly due to higher growth in revenues compared to the controlled cost base.

We expect our sales and marketing costs to increase in the fourth quarter, due to more active competition ahead of Mobile Number Portability implementation in Turkey. Despite these challenges in our operating environment, we will do our best to reach our target to record about 38% EBITDA margin in 2008.

Net income: Net income in the third quarter of 2008 increased 50.5% year on year to US\$603.8 million. The increase was mainly attributable to US\$205.1 million translation loss that we recorded in third quarter of 2007 as opposed to a translation loss of just US\$34.6 million this quarter. Net income margin increased to 29.4% from 23.3% in the third quarter of 2007.

On a quarterly basis, net income in the third quarter of 2008 increased by 41.6% to US\$603.8 million. This mainly resulted from the increase in operational profit during the quarter.

Total Debt: Our consolidated debt amounted to US\$738.3 million as of September 30, 2008. While Turkcell Turkey has no financial debt of its own, US\$543.4 million of this was related to our Ukrainian operations. All

of our consolidated debt is at a floating rate and US\$587.3 million will mature in less than a year. We believe that we have a strong balance sheet with a debt/annual EBITDA of 27% as of September 30, 2008; however, we may consider a roll-over of Astelit s \$390 million debt in 2009.

Consolidated Cash Flow	Q3	Q2	Q3
(million US\$)	2007	2008	2008
EBITDA	771.5	641.0	837.8
LESS:			
Capex and License	(188.1)	(229.4)	(175.7)
Turkcell	(130.3)	(99.2)	(80.8)
Ukraine	(26.1)	(57.8)	(47.7)
Investment & Marketable Securities	10.4	(7.1)	(300.0)
Net Interest Income	57.9	89.9	101.6
Other	151.9	(198.4)	(256.3)
Net Change in Debt	38.4	(6.9)	73.2
Turkcell	-	-	-
Ukraine	21.3*	-	-
Dividend paid by Turkcell	-	(502.3)	-
Cash Generated	842.0	(213.2)	280.6
Cash Balance	2,514.5	2,876.2	3,156.8

(*) This financing has been drawn down by Financell B.V., a wholly owned subsidiary of Turkcell, in July and has been provided to Astelit.

Cash Flow Analysis: Capital expenditures in the third quarter of 2008 amounted to US\$175.7 million of which US\$47.7 million was related to our Ukrainian operations.

US\$300 million in the investment and marketable securities item belongs to the cash paid for the acquisition of BeST.

US\$143.1 million withholding tax payment from the previous quarter is included in the other item in the cash flow.

As a result, at the end of the third quarter, our cash balance was US\$3,156.8 million

In 2008, we originally planned a total of US\$1,050 million capital expenditures for Turkey and Ukraine, including US\$300 million for the Ukrainian subsidiary. We now expect a capital expenditure of around US\$850 million, approximately US\$600 million to be spent in Turkey and up to US\$250 million in Ukraine.

Operational Review

Summary of	Q3	Q2	Q3	Q3 2008- Q3 2007	Q3 2008- Q2 2008
Operational Data	2007	2008	2008	% Chg	% Chg
Number of total subscribers (million)	34.8	35.4	36.3	4.3%	2.5%
Number of postpaid subscribers (million)	6.3	6.9	7.2	14.3%	4.3%
Number of prepaid subscribers (million)	28.5	28.5	29.1	2.1%	2.1%
ARPU (Average Monthly Revenue per User), blended (US\$)	15.3	14.9	17.3	13.1%	16.1%
ARPU, postpaid (US\$)	39.5	37.6	41.9	6.1%	11.4%
ARPU, prepaid (US\$)	10.0	9.5	11.2	12.0%	17.9%
ARPU, blended (TRY)	19.8	18.5	20.6	4.0%	11.4%
ARPU, postpaid (TRY)	51.1	46.7	50.1	(2.0)%	7.3%
ARPU, prepaid (TRY)	13.0	11.8	13.4	3.1%	13.6%
Churn (%)	5.7%	6.9%	6.2%	0.5 p.p.	(0.7) p.p.
MOU (Average Monthly Minutes of usage per subscriber), blended	83.0	92.6	109.2	31.6%	17.9%

Subscribers: In the third quarter of 2008 we recorded the highest net additions of 2008 along with our new communication theme and increased efficiency of the restructured sales channel. We added 972,500 net new subscribers during the quarter and our subscriber base grew by 4.3% on an annual basis, reaching 36.3 million as of September 30, 2008. Our subscriber base consists of 7.2 million postpaid and 29.1 million prepaid customers.

The growth in the subscriber base was due to the continuing positive impact of attractive postpaid acquisition campaigns resulting in a 14.3% increase in the postpaid subscriber base, which now accounts for 20% of our total subscriber base. Successful tariff launches, our new communication theme, increased efficiency of a restructured sales channel, dealer incentives and the continuous positive effect of ongoing campaigns led to a 2.1% growth in our pre-paid subscriber base on an annual basis.

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In the third quarter of 2008 our subscriber base grew by 2.5% compared to the previous quarter. This is mainly attributable to our successful tariff launches and our new communication theme.

Churn Rate: Churn refers to voluntarily and involuntarily disconnected subscribers. In the third quarter of 2008, our churn rate was recorded at 6.2%. The active competitive environment led to a 0.5 percentage point increase in the churn rate year on year.

However, on a quarterly basis, the churn rate continued its decreasing trend with a further 0.7 percent point decrease compared to the second quarter of 2008. This was mainly due to our efforts to keep churn under

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control along with the positive impact of the new offers, tariffs, and ongoing campaigns. The majority of the churners were involuntary and low ARPU generating prepaid subscribers.

MoU: In the third quarter of 2008, blended minutes of usage per subscriber (MoU) increased 31.6% annually and 17.9% quarterly to 109.2 minutes despite the impact of the full month of Ramadan. This can be attributed mostly to the positive impact of the new on-net tariff (Super Tariff), postpaid packages (Alo Packages) to incentivize usage, as well as youth tariff (Bizbize Kampus), Home Zone and effective communication for managing price perception of our subscribers.

ARPU: Our average revenue per user (ARPU) grew by 13.1% year on year to US\$17.3 in the third quarter of 2008 despite lower interconnect rates effective as of April 1, 2008. This mainly stemmed from the increase in usage along with our new campaigns and tariffs launched to manage price perception. Also, 7.5% appreciation of TRY against US\$ and upward price adjustments contributed to the increase in ARPU.

On a quarterly basis blended ARPU grew 16.1% in US\$ terms driven by a 3.9% appreciation of TRY against USD, upward price adjustments and the positive revenue effect of newly launched campaigns and tariffs.

Compared to last year, blended ARPU increased by 4.0% to TRY 20.6. This was mainly due to the positive effect of new campaigns and price increases, while the quarterly increase of 11.4% in TRY ARPU terms is attributable to the increase in usage along with ongoing campaigns and price adjustments. Post paid ARPU in TRY terms decreased by 2.0% year on year with the increase in subscriptions to incentivized tariff plans however increased 7.3% on a quarterly basis due to higher usage. Prepaid ARPU increased by 3.1% compared to a year ago and quarterly prepaid ARPU increased 13.6% mainly due to an increase in usage through new incentives.

Regulatory Developments

3G

Based on the official announcement of the Telecommunications Authority (TA) in the Official Gazette dated October 9, 2008, the 3G license tender process for the granting of four separate licenses by the TA is expected to take place on November 28, 2008. The minimum prices for the four licenses range between 178 million and 285 million.

Licence Type	A	B	C	D
Bandwidth to be allocated (MHz)	40	35	30	25
Minimum value (million)	285	250	214	178

In September 2007, Turkcell had been granted an A Type license at a consideration of 321 million (excluding VAT) in the 3G tender launched by TA. However, the tender has been cancelled due to the fact that competitors did not participate.

International and Domestic Operations**Fintur**

We hold a 41.45% stake in Fintur and through Fintur we hold interests in GSM operations in Kazakhstan, Azerbaijan, Moldova and Georgia.

FINTUR as of September 30, 2008	Q3 2007	Q2 2008	Q3 2008	Q3 2008	Q3 2007	Q2 2008	Q3 2008	Q3 2008	Q3 2007
	Subscriber	Subscriber	Subscriber	2007	Revenue	Revenue	Revenue	2007	Revenue
	(mio)	(mio)	(mio)	%Chg	(US\$ mio)	(US\$ mio)	(US\$ mio)	%Chg	
Kazakhstan	5.4	6.9	7.0	29.6%	226	242	276	22.1%	
Azerbaijan	2.8	3.3	3.4	21.4%	124	134	148	19.4%	
Moldova	0.5	0.6	0.5	0%	14	16	17	21.4%	
Georgia	1.2	1.4	1.5	25.0%	47	54	59	25.5%	
TOTAL*	9.9	12.2	12.4	25.3%	411	446	500	22.0%	

* combined

Fintur's total number of subscribers in the third quarter of 2008 increased by 25.3% to 12.4 million compared to 3Q 2007. Consolidated revenues of Fintur totaled US\$500 million as of September 30, 2008.

We account for our investment in Fintur using the equity method. Fintur's contribution to income increased to US\$39.0 million along with a 21.9% year on year increase in the third quarter of 2008.

Astelit

Astelit, in which we hold a 55% stake through Euroasia, has operated in Ukraine since February 2005 under the brand (life:)

During the third quarter of 2008;

Astelit continued to lead net additions market with well designed and attractive tariff and value added services, and especially attractive on-net advantages.

Astelit's market share grew from 14.3% to 19.6% compared to the same period of last year.

Astelit's subscriber base grew by 40.8% to 10.7 million compared to a year ago.

Attractive life:) offers ensuring monthly payments resulted in a 20.7% increase in 3-month active subscribers ARPU to US\$7.0 from US\$5.8 a year ago.

Astelit's revenue surged by 68.2% to US\$127.8 million while EBITDA increased almost four times to US\$11.3 million.

Third Quarter 2008 Results

Summary Data for Astelit	Q3	Q2	Q3	Q3 2008	Q3
	2007	2008	2008	2007	2008
				%Chg	%Chg
Number of subscribers (million)					
Total	7.6	10.0	10.7	40.8%	7.0%
Active (3 months) ⁽¹⁾	4.7	5.9	6.3	34.0%	6.8%
Average Revenue per User					
(ARPU) in US\$					
Total	3.6	3.8	4.1	13.9%	7.9%
Active (3 months)	5.8	6.3	7.0	20.7%	11.1%
Revenue	76.0	110.1	127.8	68.2%	16.1%
EBITDA ⁽²⁾	2.9	3.6	11.3	289.7%	213.9%
Net Loss	(42.0)	(18.7)	(24.2)	(42.4%)	29.4%
Capex	26.1	57.8	47.7	82.8%	(17.5%)

The Ukrainian market is in a fragile phase due to the volatility in the global markets as well as the impact of the ongoing political uncertainties in the country. In this environment, we are doing our best to grow our business and sustain operational profitability with strong execution by management in line with ongoing strategies of the company.

Our consolidated subsidiary Astelit has now revised its capex guidance for 2008 to US\$250 million from US\$300 million. This is mainly due to the postponement of 3G related capex. Astelit's capex include planned investments for further coverage and capacity.

Inteltek

Inteltek is our 55% owned subsidiary that operates in the sports betting business. On August 28, 2008 Spor-Toto conducted a tender which allowed private companies to organize fixed-odds and paramutuel betting in sports games. Inteltek, gave the best offer with 1.4% for the tender. On August 29, 2008 Inteltek signed a contract with Spor Toto, receiving the rights to run the sport betting business (Iddaa) for the next 10 years. No material impact from Inteltek is expected for Turkcell's consolidated financials in 2008. For 2009 and beyond, the new commission rate to be applicable starting from March 2009 is low compared to the previous year and this will have an impact on Inteltek's contribution to Turkcell revenues. However, we view Inteltek as a new business and we will be working to create an efficient business model in this new environment for the next ten years.

(1) Active subscribers are those who in the past three months made a transaction which brought revenue to the Company.

(2) EBITDA is a non-GAAP financial measure. See page 13 for the reconciliation of Euroasia's EBITDA to net cash from operating activities. Eurasia hol

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Acquisition of BeST in Belarus

As part of our efforts to evaluate investment opportunities in the region and as previously announced on July 30, 2008, we signed a Share Purchase Agreement (SPA) to acquire an 80% stake in Belarusian Telecommunications Network (BeST). The completion of the transaction was subject to the fulfillment of the conditions set forth in the SPA.

As the necessary conditions to acquire 80% of BeST have been fulfilled as of August 26, 2008, the transfer of shares was realized and the payment of US\$300 million, which was undertaken as the first tranche of the deal, was made. As a result, the acquisition process has been completed and, accordingly, we began consolidating BeST into Turkcell 's financials starting from 26 August 2008. However, the impact of the consolidation is negligible at this time.

We believe that the acquisition of BeST represents an opportunity for Turkcell to gain access to a market with a growth potential. We also believe that we can use our complimentary skills gained in Ukraine and CIS very effectively in Belarus to differentiate BeST as soon as possible.

Reconciliation of Non-GAAP Financial Measures

We believe that EBITDA is a measure commonly used by companies, analysts and investors in the telecommunications industry, which enhances the understanding of our operating results and assists in the evaluation of our capacity to meet our financial obligations. We also use EBITDA as an internal measurement tool and, accordingly, we believe that the presentation of EBITDA provides useful and relevant information to analysts and investors.

Beginning from the 2006 fiscal year, we have revised the definition of EBITDA which we use and we report EBITDA using this new definition starting from the first quarter of 2006 results announcement to provide a new measure to reflect solely cash flow from operations.

The EBITDA definition used in our previous press releases and announcements had included Revenues, Direct Cost of Revenues excluding depreciation and amortization, Selling and Marketing expenses, Administrative expenses, translation gain/(loss), financial income, income on unconsolidated subsidiaries, gain on sale of investments, income/(loss) from related parties, minority interest and other income/(expense). Our new EBITDA definition includes Revenues, Direct Cost of Revenues excluding depreciation and amortization, Selling and Marketing expenses and Administrative expenses, but excludes translation gain/(loss), financial income, income on unconsolidated subsidiaries, gain on sale of investments, income/(loss) from related parties, minority interest and other income/(expense).

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EBITDA is not a measure of financial performance under IFRS and should not be construed as a substitute for net earnings (loss) as a measure of performance or cash flow from operations as a measure of liquidity.

The following table provides a reconciliation of EBITDA, which is a non-GAAP financial measure, to net cash provided by operating activities, which we believe is the most directly comparable financial measure calculated and presented in accordance with IFRS.

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Third Quarter 2008 Results

TURKCELL	Q3	Q2	Q3	Q3 2008-Q3 2007	Q3 2008-Q2 2008
US\$ million	2007	2008	2008	% Chg	% Chg
EBITDA	771.5	641.0	837.8	8.6%	30.7%
Income Tax Expense	(50.2)	(118.9)	(160.3)		