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

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

For the month of **November 2009**

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 office)

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: ý Form 40-F: o

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): ______

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

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): ______

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

EXHIBIT INDEX

EXHIBIT 99.1

PRESS RELEASE

Third Quarter 2009 Results

TURKCELL ILETISIM HIZMETLERI A.S.

THIRD QUARTER 2009 RESULTS

"Continued Solid Operational Performance"

Istanbul, Turkey, November 12, 2009 – Turkcell (NYSE:TKC, ISE:TCELL), the leading communications and technology company, today announced results for the third quarter ended September 30, 2009. All financial results in this press release are unaudited, prepared in accordance with International Financial Reporting Standards ("IFRS") and expressed in dollars 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.

Third Quarter 2009 Results

Highlights of the quarter

- Turkcell Group continued its solid performance in the third quarter of 2009 despite the tough macroeconomic environment and intense competition.
- Group revenue for the third quarter was TRY2,368.0 million (TRY2,458.4 million) declining by 3.7% yoy and increasing by 7.4% compared to the last quarter. Compared to last year, revenue was negatively impacted by decreasing revenues from outgoing calls and the declining contribution of our consolidated subsidiaries, particularly Astelit and Inteltek.
- Group EBITDA** came in at TRY813.7 million (TRY1,001.8 million). EBITDA margin was 34.4% in the third quarter representing a 6.4pp year on year decrease and a 2.2pp quarter on quarter increase. In addition to the decline in our revenue, the reason for the year-on-year decrease in EBITDA margin was the 4.4 pp increase in interconnection costs, 1.3 pp increase in network expenses, 0.4 pp increase in selling and marketing expenses, and 0.2 pp increase in other items.
- Group net income decreased by 31.4% year on year to TRY496.8 million (TRY724.2 million) but increased by 27.6% compared to the previous quarter in line with the EBITDA trend.
- In Turkey mobile communication revenues continued to grow in the first nine months of 2009. However, mobile line penetration in the market decreased due to the declining multiple SIM card usage. In the third quarter, our postpaid subscriber base grew to 9.1 million with 482,000 net additions, while the total net subscriber loss was 338,500 compared to the last quarter.
- MoU increased by 36.1% to 148.6 minutes and ARPU in TRY terms decreased by 4.4% year-on-year to TRY19.7.
- The performance of Turkcell Group Companies improved in the third quarter with Superonline recording positive EBITDA for the second consecutive quarter, Astelit improving its EBITDA margin and Inteltek improving its performance compared to a quarter ago.
- TRY depreciated by 24.7% year-on-year against the US Dollar, leading to a 22.8% decrease in Group revenue in US dollar terms to $1,587.9 million ($2,055.9 million), a 34.9% decrease in EBITDA to $545.4 million ($837.8 million), and a decrease in net income of 44.9% to $332.9 million ($603.8 million) in the third quarter.

** Authority: Turkey's Information and Communication Technologies Authority will be referred to as Authority hereafter.*

***EBITDA is a non-GAAP financial measure. See pages 13-14 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 parentheses following the operational and financial results for the third quarter 2009 refer to the same item in the third quarter of 2008. For further details, please refer to our consolidated financial statements and notes as at and for the nine months ended September, 2009 which can be accessed via our web site in the investor relations section (www.turkcell.com.tr).

Comments from the CEO, Sureyya Ciliv

"In the third quarter of 2009, we delivered solid operational results in a challenging environment: Turkcell Group revenue was TRY 2,368 million, with an EBITDA of TRY 814 million and net income of TRY 497 million.

In Turkey, we strengthened our competitive position through successful launch of Turkcell 3G network offering the fastest mobile broadband and the widest coverage. We are very pleased with the high level customer interest ahead of our expectations and excited about offering innovative mobile services to our consumer and corporate customers. We believe, going forward, our 3G business model will derive the growth in our VAS revenues through increased penetration of mobile broadband and services in this new 3G era.

In 2009, Turkish market was negatively impacted due to higher interconnection costs resulting from the unlimited flat rate offers triggered by competition. We have taken actions to minimize the impact of these challenges and are content to see signs of more rational behaviour beginning at the end of the quarter. During the third quarter, we also saw an improvement in operational results from our consolidated local and international subsidiaries.

Overall, I am satisfied with our performance so far in 2009 and we remain confident and optimistic about 2010. Next year, we expect our revenues and EBITDA to benefit from improvements in the economic environment and consumer confidence combined with growth in our mobile broadband business, a more rational market, and the increasing profitability of our subsidiaries.

I would like to thank all of our customers, employees, business partners, and shareholders for their continued support in such a challenging environment."

OVERVIEW OF THE QUARTER

Following GDP contraction of 10.6% in the first half of the year, the difficult macroeconomic environment in Turkey continued into the third quarter. This, coupled with unlimited flat rate offers introduced in our market, along with mobile number portability, led to a decline in multiple SIM card usage resulting in lower mobile line penetration rate. Mobile line penetration is around 88% as of September 30, 2009 and we expect year end mobile line penetration rate to stay aroundthese levels.

Competition in the third quarter remained intense, particularly due to the continuing unlimited flat rate offers for all directions, which resulted in a change in traffic trends towards off-net. Driven by competition, this trend led to reduced profitability across our sector in 2009. However, we have seen some upward revisions in monthly flat rate package pricing, limitations to the minute incentives on so called unlimited offers, and start up package pricing towards the end of the quarter, in an attempt to increase profitability. Including the recent price increases, our cumulative price increase totaled 9.9% so far in 2009. We view these developments as positive for the sector, although they are yet to translate into a long term trend.

Third Quarter 2009 Results

During the third quarter, we sustained our strong operational performance in the Turkish Mobile market through our unique value propositions. The strong uptake in postpaid subscriptions and usage continued despite Ramadan thanks to our segmented offers and strong sales efforts.

As for 3G implementation, we have ensured the best coverage and fastest 3G network in Turkey from day one. Our superior service and network quality, coupled with a comprehensive service portfolio and the best mobile broadband offer in the market, created higher than expected demand for our services, resulting in a strong rise in data usage. Our VAS revenues comprised 15% of our consolidated revenue in the third quarter of 2009, compared to 14% a year ago.

In Turkey, going forward we will maintain our focus on primary drivers of top line growth with an emphasis on increasing postpaid subscriptions and usage. In addition, we will capitalize on opportunites in mobile broadband and innovative mobile services, which we see as key drivers of future market growth in Turkey.

Overview of the Macroeconomic Environment

	Q3 2008	Q2 2009	Q3 2009	Q3 2009-Q3 2008 % Chg	Q3 2009-Q2 2009 % Chg
TRY / $ rate					
Closing Rate	1.2316	1.5301	1.4820	20.3%	(3.1%)
Average Rate	1.1959	1.5801	1.4910	24.7%	(5.6%)
INFLATION					
Consumer Price Index	0.8%	0.8%	0.3%	(0.5 pp)	(0.5 pp)
GDP Growth	1.0%	(7.0%)	n/a	-	-
UAH/$					
Average Rate	4.85	7.66	7.84	61.6%	2.3%

The data released in the third quarter of the year pointed to some improvement in the rate of GDP contraction, which slowed to 7% in the second quarter from 14.3% in the first quarter of the year. TRY continued its appreciation against the US dollar. However, it remained 24.7% weaker compared to the same period in 2008, which adversely impacted our financial results in US dollar terms. In addition, we have seen a decline in consumer confidence since June.

During the third quarter of 2009 the Ukrainian Hryvnia devalued by 62% against the US dollar year-on-year.

Financial and Operational Review of the Third Quarter 2009

The following discussion focuses principally on the developments and trends in our business in the third quarter of 2009. Selected financial information for the third quarter of 2008, second quarter of 2009 and third quarter of 2009 is also included at the end of this press release.

For your convenience, selected financial information in TRY prepared in line with IFRS and the Capital Markets Board of Turkey's standards is also included at the end of this press release.

Financial Review

(million $)						**(million TRY)**		
Profit & Loss Statement (million $)	**Q308**	**Q209**	**Q309**	**Q309-Q308 % Chg**	**Q309-Q209 % Chg**	**Q309**	**Q309-Q308 % Chg**	**Q309-Q209 % Chg**
Total Revenue	**2,055.9**	**1,398.0**	**1,587.9**	**(22.8%)**	**13.6%**	**2,368.0**	**(3.7%)**	**7.4%**
Direct cost of revenues	(935.5)	(741.4)	(836.4)	(10.6%)	12.8%	(1,246.9)	11.5%	6.8%
Depreciation and amortization	(172.0)	(132.8)	(150.5)	(12.5%)	13.3%	(224.2)	8.9%	7.1%
Administrative expenses	(87.9)	(63.6)	(67.6)	(23.1%)	6.3%	(100.8)	(4.1%)	0.6%
Selling and marketing expenses	(366.8)	(277.0)	(289.0)	(21.2%)	4.3%	(430.9)	(1.8%)	(1.4%)
EBITDA	**837.8**	**448.8**	**545.4**	**(34.9%)**	**21.5%**	**813.7**	**(18.8%)**	**14.7%**
EBITDA Margin	**40.8%**	**32.1%**	**34.3%**	**(6.5 pp)**	**2.2 pp**	**34.4%**	**(6.4 pp)**	**2.2 pp**
Net finance income / (expense)	67.0	(38.3)	(1.2)	(101.8%)	(96.9%)	(1.8)	(102.2%)	(97.0%)
Finance expense	(16.7)	(69.0)	(70.5)	322.2%	2.2%	(103.0)	415.0%	(3.8%)
Finance income	83.7	30.7	69.3	(17.2%)	125.7%	101.2	0.9%	115.8%
Share of profit of associates	25.1	15.1	27.2	8.4%	80.1%	40.5	26.6%	69.5%
Income tax expense	(160.3)	(47.4)	(93.8)	(41.5%)	97.9%	(139.9)	(27.0%)	85.8%
Net Income	**603.8**	**245.8**	**332.9**	**(44.9%)**	**35.4%**	**496.8**	**(31.4%)**	**27.6%**

Revenue: In the third quarter of 2009, revenue contracted by 3.7% year-on-year to TRY2,368.0 million as a result of the declining revenue from outgoing calls due to the unlimited offers in the market and the lower contribution of our consolidated subsidiaries. The contribution from Turkcell's consolidated subsidiaries was adversely affected by two key developments: the volatile macroeconomic environment in Ukraine which continued to have a negative impact on Astelit mainly due to the 62% depreciation of the Hryvnia against the US dollar, resulting in a 27.1% revenue decrease in US dollar terms to $93.2 million from $127.8 million at the same time in 2008; and a decrease in the revenue contribution of our betting business, Inteltek, due to the lower commission rates compared to the same period of last year. Inteltek recorded revenues of TRY10.5 million compared to TRY38.4 million in the third quarter of 2008.

In US dollar terms, Turkcell recorded revenue of $1,587.9 million for the third quarter, down 22.8% compared to the third quarter of 2008, mainly due to the 24.7% depreciation of the TRY against the US dollar.

Quarter-on-quarter, revenue increased by 7.4% in TRY terms mainly due to seasonally higher usage in Turkey, despite the month of Ramadan which generally adversely impacts usage.

Direct cost of revenues: Direct cost of revenues including depreciation and amortization decreased by 10.6% to $836.4 million in the third quarter of 2009. During the same period, direct cost of revenues as a percentage of total revenues increased to 52.7% from 45.5%. This was due to the increase in interconnection costs (4.4 pp) as a result of increasing off-net traffic, network related expenses (1.3 pp), higher depreciation and amortization expenses (1.1 pp), and other expenses (0.4 pp) as a percentage of revenues.

Compared to the previous quarter, direct cost of revenues including depreciation and amortization increased by 12.8%. However, as a proportion of revenues it remained almost flat mainly due to higher interconnection costs (0.2 pp) netted off with decreasing costs from handsets (0.6 pp) bundled for the loyalty programs.

Administrative expenses: General and administrative expenses as a percentage of revenue remained flat year-on-year at 4.3%.

Selling and marketing expenses: Selling and marketing expenses increased slightly by 0.4 pp to 18.2% as a percentage of revenue in the third quarter of 2009 mainly due to higher advertising expenses with the launch of 3G and a higher frequency usage fee due to higher fee per subscriber compared to the third quarter of the previous year.

Compared to the previous quarter, selling and marketing expenses as a percentage of revenue decreased by 1.6 pp mainly due to declining selling expenses as a result of our efficiency efforts.

EBITDA[1]: EBITDA, in nominal terms, decreased by 34.9% to $545.4 million and the EBITDA margin by 6.5 pp to 34.3%. This was mainly due to the decline in our revenue coupled with the 4.4 pp increase in interconnection costs, higher network related expenses by 1.3 pp, slight increase in selling and marketing expenses by 0.4 pp, and increase in other items by 0.4pp as a percentage of revenues,

EBITDA in TRY terms decreased by 18.8% to TRY813.7 million compared to the third quarter of 2008.

Compared to the second quarter of 2009, EBITDA margin increased by 2.2 pp. This was mainly due to absence of litigation provision set in the second quarter of 2009 related to Turkcell's ongoing dispute in regards to international voice traffic and the decrease in selling and marketing expenses as a percentage of revenues partially netted off with the increasing interconnect costs as a result of increasing off-net traffic.

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

Third Quarter 2009 Results

Share of profit of equity accounted investees: In the third quarter of 2009, our share in the net income of unconsolidated investees, consisting of the net income/(expense) impact of Fintur and A-Tel, increased by 8.4% to $27.2 million due to better contribution of Fintur.

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 $10.0 million, is netted out from the selling and marketing expenses in our consolidated financial statements in proportion to our ownership. The difference between the total net impact of A-Tel and the amount netted out from selling and marketing expenses amounted to $13.9 million and is recorded in the 'share of profit of equity accounted investees' line of our financial statements in the third quarter of 2009.

Net finance income/(expense): In the third quarter of 2009, we recorded a net finance expense of $1.2 million compared to a net finance income of $67.0 million in the same period of 2008, mainly due to a decrease in interest income as a result of a decrease in our cash balance and declining interest rates and the higher translation loss. During the quarter, we recorded a translation loss of $46.6 million mainly due to the exchange rate fluctuations between TRY and the US dollar on Turkcell's long foreign exchange position and Hryvnia and the US dollar on Astelit's foreign currency debt.

Compared to the previous quarter, the finance income increased to $69.3 million from $30.7 million mainly due to decrease in translation loss. The finance expense remained almost stable at $70.5 million due to increase in translation loss and loan interest expense netted off with the absence of the interest component of the litigation provisions recorded during the second quarter which amounted to $62.0 million.

Income tax expense: The total taxation charge in the third quarter of 2009 decreased to $93.8 million, from $160.3 million in the same quarter of last year.

The total tax charge of $94.4 million was related to current tax charges while deferred tax income of $0.6 million was recorded.

(million $)	**Q308**	**Q209**	**Q309**	**Q309-Q308 % Chg**	**Q309-Q209 % Chg**
Current tax expense	(172.5)	(83.6)	(94.4)	(45.3%)	12.9%
Deferred Tax income / (expense)	12.2	36.2	0.6	(95.1%)	(98.3%)
Income Tax expense	**(160.3)**	**(47.4)**	**(93.8)**	(41.5%)	97.9%

Net income: Net income decreased by 44.9% year-on-year to $332.9 million and net income margin by 8.4 pp to 21.0% mainly due to lower EBITDA.

Compared to the second quarter, net income increased by 35.4% due to increase in EBITDA and the absence of litigation provisions negatively impacting results in the second quarter of 2009.

Total Debt: Consolidated debt amounted to $1,162.2 million as of September 30, 2009 increasing from $776.2 million as of June 30, 2009. $533.3 million of this was related to Turkcell's Ukrainian operations. $982.9 million of our consolidated debt is at a floating rate and $601.7 million will mature in less than a year. We believe that we have maintained a strong balance sheet throughout the financial crisis with a solid cash position and a debt/annual EBITDA ratio of 58%.

Consolidated Cash Flow (million $)	**Q308**	**Q209**	**Q309**
EBITDA	837.8	448.8	545.4
LESS:			
Capex and License	(175.7)	(789.5)	(326.1)
Turkcell	(80.8)	(670.8)	(196.4)
Ukraine	(47.7)	(35.1)	(31.9)
Investment & Marketable Securities	(300.0)	-	30.6
Net Interest Income/Expense	101.6	5.8	45.4
Other	(256.3)	166.7	(25.5)
Net Change in Debt	73.2	1.8	409.0
Dividend paid	-	(713.3)	-
Cash Generated	280.6	(879.7)	678.8
Cash Balance	3,156.8	1,963.5	2,642.3

Cash Flow Analysis: Capital expenditures in the third quarter of 2009 amounted to $326.1 million of which $31.9 million was related to our Ukrainian operations, $32.7 million to our Belarusian operations and $43.5 million to our Superonline operations.

Capital expenditures year to date totalled $1,367.6 million of which $1,048.8 million (including 3G license fee) was related to Turkcell Turkey, $109.2 million to our Ukranian operations, $69.6 million to our Belarusian operations and $92.1 million to our Superonline operations.

Turkcell recorded free cash flow (cash flow from operating activities minus capital expenditure) of $191.2 million, compared to $478.3 million in the same period of 2008, primarily due to an increase in capital expenditure and a decrease in EBITDA.

The increase in our cash balance to $2.6 billion from $2.0 billion a quarter ago was mainly due to the increase in cash flow from operating activities and lower capital expenditures related with the absence of 3G license fee payment in the third quarter of 2009.

Third Quarter 2009 Results

Operational Review

Summary of Operational Data (Turkcell)	Q308	Q209	Q309	Q309-Q308 % Chg	Q309-Q209 % Chg
Number of total subscribers (million)	36.3	36.3	36.0	(0.8%)	(0.8%)
Number of postpaid subscribers (million)	7.2	8.6	9.1	26.4%	5.8%
Number of prepaid subscribers (million)	29.1	27.7	26.9	(7.6%)	(2.9%)
ARPU (Average Monthly Revenue per User), blended ($)	17.3	11.8	13.2	(23.7%)	11.9%
ARPU, postpaid ($)	41.9	26.5	28.1	(32.9%)	6.0%
ARPU, prepaid ($)	11.2	7.5	8.4	(25.0%)	12.0%
ARPU, blended (TRY)	20.6	18.6	19.7	(4.4%)	5.9%
ARPU, postpaid (TRY)	50.1	41.8	41.8	(16.6%)	0.0%
ARPU, prepaid (TRY)	13.4	11.8	12.5	(6.7%)	5.9%
Churn (%)	6.2%	9.0%	10.2%	4.0 pp	1.2 pp
MOU (Average Monthly Minutes of usage per subscriber), blended	109.2	127.9	148.6	36.1%	16.2%

Subscribers: Our subscriber base totaled 36.0 million as of September 30, 2009 slightly down by 0.8% compared to the third quarter of 2008 and the second quarter of 2009. However, in the third quarter, we successfully grew our postpaid subscriber base by 26.4% to 9.1 million from 7.2 million a year ago. The share of the postpaid subscriber base improved to 25.3% from 19.8% in the same period last year.

In the third quarter of 2009, the number of prepaid subscribers decreased by 7.6% to 26.9 million as a result of market contraction due to declining multiple SIM card usage as a result of mobile number portability. Our postpaid subscriber base grew to 9.1 million with 482,000 net additions while we recorded a net subscriber loss of 338,500 stemming from the greater churn in a highly competitive market.

Churn Rate: Churn refers to voluntarily and involuntarily disconnected subscribers. In the third quarter of 2009, we recorded a churn rate of 10.2% mainly due to prepaid involuntary churn.

MoU: In the third quarter of 2009, our blended minutes of usage per subscriber (“MoU”) increased by 36.1% to 148.6 minutes compared to the same period of last year. Our successful campaigns and tariffs resulted in the highest usage levels since 2001, despite the negative impact of Ramadan in the third quarter.

ARPU: In the third quarter of 2009, our blended average revenue per user ("ARPU") in TRY terms decreased by 4.4% to TRY19.7 compared to the same period of last year with increasing subscriptions to minute packages and lower mobile termination rates. However, the 24.7% depreciation of the TRY against the US dollar resulted in a 23.7% decline in blended ARPU in US dollar terms to $13.2.

Third Quarter 2009 Results

Postpaid ARPU in TRY terms was TRY41.8, a 16.6% decrease year-on-year. This mainly stemmed from the subscriptions to tariffs in the form of minute packages, the adverse impact of the worsening macroeconomic conditions. However, postpaid ARPU remained flat compared to the last quarter, thanks to our segmented offers.

Prepaid ARPU in TRY terms decreased by 6.7% to TRY12.5 in the third quarter of 2009, mainly due to the effects of new tariffs and campaigns in a highly competitive market.

Regulatory and Legal Issues

On 27 April 2009, the Authority notified upper ceiling for onnet and offnet calling prices. On 20 October 2009, the Authority stated that the Company applied tariffs above upper ceiling and requested the Company to reimburse overcharged amounts to subscribers within one month. The calculation methodology for overcharged amounts and reimbursement method are not clarified by the Authority as of 12 November 2009 and negotiations between the Company Management and the Authority on this issue are continuing. Based on the management's estimation, an accrual amounting to TRY 23,7 million (equivalent to $16,0 million as at 30 September 2009) is set for the possible reimbursement to compensate the aforementioned issue and other complaints of the subscribers and deducted from revenues in the consolidated interim financial statements as at and for the nine months ended 30 September 2009.

We received another notification, based on the Tax Investigation Reports dated 2 October, 2009 from the Presidency of Large Taxpayers Office, Audit Group Management, on a different matter on 21 October, 2009 indicating that:

We should calculate Value Added Tax ("VAT") and Special Communication Tax ("SCT") on charges paid to international Mobile operators for the calls initiated by our subscribers abroad (roaming), charge VAT and SCT to and collect them from our subscribers. Based on this notification, we have been asked to provide collateral for the principal of VAT and SCT amounting to TRY258 million for the period from April 2005 to July 2009, and for an interest to be calculated until the day of payment.

Based on the ruling dated 9 February, 2005 from the Ministry of Finance, Presidency of Revenue Administration, we did not charge our subscribers any VAT and SCT related to roaming charges paid to international Mobile operators on the calls initiated abroad from April 2005 onwards.

The aforementioned VAT and SCT are collected and passed on to the government by Turkcell, which carries out all tax applications in accordance with the views and directives of the Ministry of Finance and related government bodies.

Our Company will cooperate with the representatives of the Presidency of Revenue Administration at the Ministry of Finance in an effort to eliminate all discrepancies to resolve this issue in a manner that is fair to both the government and our subscribers.

Our company provided the requested collateral and filed a lawsuit for the cancellation of the decision of Tax Authority requesting collateral.

Additionally, there is a development about the court case initiated by Turk Telekom due to international interconnection agreement for carrying the voice traffic through Milleni.com GMbH. The international interconnection agreement signed between our Company and Milleni.com GMbH for carrying voice traffic has been signed with the permission and the approval of the Ministry of Transportation and Information and Communication Technologies Authority (formerly known as Telecommunications Authority). Accordingly, the aforementioned agreement and the commercial activities conducted with this regard is legal; thus this court decision is not fair and in contradiction with the law and the practice. We are confident and maintain our view that this case has no legal basis. We, therefore, will appeal this decision once we receive the court decision.

As we have stated in our notes to our previous financial statements; following two expertise reports and taking into consideration the developments in the related case, a provision totaling to a nominal amount of TRY 122.3 million, including TRY44.9 million in principal and TRY 77.4 million in accrued interest, was provisioned in our consolidated interim financial statements dated June 30, 2009. Notwithstanding our constitution of a provision, we continue to disagree with the alleged legal basis on which Turk Telekom's claim has been made. We are not planning to set aside any additional provisions other than the one in our financial statements.

International Operations

Astelit

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

- The volatile political and macro-economic environment in Ukraine continued to have an adverse impact on the local currency. The year-on-year depreciation of Hryvnia against the US dollar was approximately 62% in the third quarter of 2009.
- Astelit's revenue decreased by 27.1% to $93.2 million compared to the third quarter of last year mainly due to the depreciation effect of the local currency against the US dollar.
- Astelit recorded positive EBITDA[2] of $7.4 million during the third quarter. The EBITDA margin decreased slightly to 7.9% from 8.8% in the same period of 2008. EBITDA margin improved by 5.2pp from 2.7% compared to a quarter ago.
- Astelit's net loss increased by 75.6% to $42.5 million compared to the third quarter of last year mainly due to higher translation loss.
- Astelit's number of subscribers grew by 10.3% on an annual basis to 11.8 million. In the third quarter of 2009:

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[2] EBITDA is a non-GAAP financial measure. See pages 14 for the reconciliation of Euroasia's EBITDA to net cash from operating activities. Euroasia holds a 100% stake in Astelit.

- o The 3 month active subscriber base grew 23.8% year-on-year, reaching 66% of the total subscriber base.
- o The 3 month active ARPU decreased by 45.7% on an annual basis.

§ Astelit's capital expenditure amounted to $31.9 million in the third quarter of the year.

To ensure effective cash management, our 100% subsidiary Financell B.V signed a vendor financing agreement for up to approximately US$75 million for Astelit LLC's 2G infrastructure investments on July 16, 2009. Our commitment to the Ukrainian market remains strong.

Summary Data for Astelit	**Q308**	**Q209**	**Q309**	**Q309-Q308**	**Q309-Q209**
				% Chg	**% Chg**
Number of subscribers (million)					
Total	10.7	11.7	11.8	10.3%	0.9%
Active (3 months)[3]	6.3	8.0	7.8	23.8%	(2.5%)
Average Revenue per User					
(ARPU) in $					
Total	4.1	2.5	2.6	(36.6%)	4.0%
Active (3 months)	7.0	3.5	3.8	(45.7%)	8.6%
Revenue	127.8	85.9	93.2	(27.1%)	8.5%
EBITDA	11.3	2.3	7.4	(34.5%)	221.7%
Net Loss	(24.2)	(19.6)	(42.5)	75.6%	116.8%
Capex	47.7	35.1	31.9	(33.1%)	(9.1%)

Fintur

Turkcell holds a 41.45% stake in Fintur and through Fintur has interests in Mobile operations in Kazakhstan, Azerbaijan, Moldova, and Georgia.

FINTUR	**Q308**	**Q209**	**Q309**	**Q309-Q308**	**Q309-Q209**
				% Chg	**% Chg**
Subscriber (million)					
Kazakhstan	7.0	7.1	7.1	1.4%	0.0%
Azerbaijan	3.4	3.6	3.7	8.8%	2.8%
Moldova	0.5	0.6	0.6	20.0%	0.0%
Georgia	1.5	1.6	1.6	6.7%	0.0%
TOTAL	**12.4**	**12.9**	**13.0**	4.8%	0.8%
Revenue					
Kazakhstan	276	210	223	(19.2%)	6.2%
Azerbaijan	148	124	132	(10.8%)	6.5%
Moldova	17	16	17	0.0%	6.3%
Georgia	59	42	47	(20.3%)	11.9%

Other*	-	1	1	-	0.0%
TOTAL	**500**	**393**	**420**	**(16.0%)**	**6.9%**

(*)includes intersegment eliminations

[3] Active subscribers are those who in the past three months made a transaction which brought revenue to the Company.

Fintur's subscriber base continued to grow in the third quarter despite continuing economic challenges in the countries where Fintur operates. The total number of subscribers increased by 4.8% to 13.0 million compared to the same period last year. Consolidated revenue decreased by 16.0% compared to the same period last year but grew by 6.9% compared to the second quarter mainly due to seasonality.

We account for our investment in Fintur using the equity pick up method. Fintur's contribution to our net income increased to $41.1 million in the third quarter of 2009 compared to the third quarter of 2008.

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 cash generation ability and liquidity position 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 Revenue, Direct Cost of Revenue excluding depreciation and amortization, Selling and Marketing expenses, Administrative expenses, translation gain/(loss), finance income, share of profit of equity accounted investees, gain on sale of investments, income/(loss) from related parties, minority interest and other income/(expense). Our new EBITDA definition includes Revenue, Direct Cost of Revenue excluding depreciation and amortization, Selling and Marketing expenses and Administrative expenses, but excludes translation gain/(loss), finance income, share of profit of equity accounted investees, gain on sale of investments, income/(loss) from related parties, minority interest and other income/(expense).

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 from operating activities, which we believe is the most directly comparable financial measure calculated and presented in accordance with IFRS.

TURKCELL **$ million**	**Q308**	**Q209**	**Q309**	**Q309-Q308** **% Chg**	**Q309-Q209** **% Chg**
EBITDA	837.8	448.8	545.4	(34.9%)	21.5%
Income Tax Expense	(160.3)	(47.4)	(93.8)	(41.5%)	97.9%
Other operating income/(expense)	3.7	(2.7)	7.0	89.2%	(359.3%)
Finance income	2.0	3.6	(0.5)	(125.0%)	(113.9%)
Finance expense	(8.4)	(68.5)	(26.9)	220.2%	(60.7%)
Net increase/(decrease) in assets and liabilities	(20.8)	3.7	86.1	(513.9%)	2227.0%
Net cash from operating activities	654.0	337.5	517.3	(20.9%)	53.3%

EUROASIA (Astelit) **$ million**	**Q308**	**Q209**	**Q309**	**Q309-Q308** **% Chg**	**Q309-Q209** **% Chg**
EBITDA	11.3	2.3	7.4	(34.5%)	221.7%
Other operating income/(expense)	0.6	(0.9)	2.1	250.0%	(333.3%)
Finance income	2.0	0.5	0.2	(90.0%)	(60.0%)
Finance expense	(8.5)	(6.9)	(0.2)	(97.6%)	(97.1%)
Net increase/(decrease) in assets and liabilities	36.4	27.2	13.2	(63.7%)	(51.5%)
Net cash from operating activities	41.8	22.2	22.7	(45.7%)	2.3%

Turkcell Group Subscribers

We had approximately 61.9 million subscribers as of September 30, 2009. This figure is calculated by taking the number of subscribers in Turkcell and each of our subsidiaries and unconsolidated investees. This figure includes the total number of subscribers in Astelit, BeST, in our operations in the Turkish Republic of Northern Cyprus (“Northern Cyprus”) and Fintur. In the past, when presenting our total group subscribers, we have presented this figure on a proportional basis, adjusted to reflect our ownership interest in each subsidiary. We believe that the method of calculation given above is a good indicator of our Group’s reach and intend to use this new method of calculation going forward.

Turkcell Group Subscribers **(million)**	**Q308**	**Q209**	**Q309**	**Q309-Q308** **% Chg**	**Q309-Q209** **% Chg**
Turkcell	36.3	36.3	36.0	(0.8%)	(0.8%)
Ukraine	10.7	11.7	11.8	10.3%	0.9%
Fintur	12.4	12.9	13.0	4.8%	0.8%

Northern Cyprus	0.3	0.3	0.3	0.0%	0.0%
Belarus	0.2	0.6	0.8	300.0%	33.3%
TURKCELL GROUP	**59.9**	**61.8**	**61.9**	3.3%	0.2%

Third Quarter 2009 Results

Forward-Looking Statements

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Safe Harbor provisions of the US Private Securities Litigation Reform Act of 1995. 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 Turkcell 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 particularly in the current operating and macro environment. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

For a discussion of certain factors that may affect the outcome of such forward looking statements, see our Annual Report on Form 20-F for 2008 filed with the U.S. Securities and Exchange Commission, and in particular the risk factor section therein.

We undertake no duty to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

www.turkcell.com.tr

ABOUT TURKCELL

Turkcell is the leading Mobile operator in Turkey with 36.0 million postpaid and prepaid customers as of September 30, 2009 operating in a three player market with a market share of approximately 56% as of September 30, 2009 (Source: operators' announcements). Turkcell, is the technology leader providing EDGE technology across the country. Turkcell also provides high quality data and voice services to 65% of the population (as at 30 September 2009) through the implementation of its 3G technology. Turkcell provides roaming with 628 operators in 206 countries as of September 18, 2009. Serving a large subscriber base in Turkey with its high-quality wireless telephone network, Turkcell reported $1.6 billion net revenue for the quarter ended September 30, 2009 as per IFRS financial statements. Turkcell has interests in international Mobile operations in Azerbaijan, Belarus, Georgia, Kazakhstan, Moldova, Northern Cyprus and Ukraine and together with Turkey had approximately 61.9 million subscribers as of September 30, 2009. Turkcell has been listed on the NYSE ("New York Stock Exchange") and the ISE ("Istanbul Stock Exchange") since July 2000 and is the only NYSE listed company in Turkey. 51.00% of Turkcell's share capital is held by Turkcell Holding, 0.05% by Cukurova Group, 13.07% by Sonera Holding, 2.32% by M.V. Group and 0.08% by others while the remaining 33.48% is free float.

Third Quarter 2009 Results

For further information please contact Turkcell

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EXHIBIT 99.2

TURKCELL ILETISIM HIZMETLERI A.S.

IFRS SELECTED FINANCIALS (US$ MILLION)

	Quarter Ended September 30, 2008	Quarter Ended June 30, 2009	Quarter Ended September 30, 2009	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2009
Consolidated Statement of Operations Data					
Revenues					
Communication fees	1,963.9	1,359.5	1,536.3	5,119.1	4,101.2
Commission fees on betting business	37.1	(5.2)	7.0	131.8	27.1
Monthly fixed fees	17.6	10.3	10.2	52.5	31.7
Simcard sales	9.4	6.7	6.6	21.1	18.2
Call center revenues and other revenues	27.9	26.7	27.8	60.9	90.7
Total revenues	2,055.9	1,398.0	1,587.9	5,385.4	4,268.9
Direct cost of revenues	(935.5)	(741.4)	(836.4)	(2,607.6)	(2,208.4)
Gross profit	1,120.4	656.6	751.5	2,777.8	2,060.5
Administrative expenses	(87.9)	(63.6)	(67.6)	(233.5)	(191.1)
Selling & marketing expenses	(366.8)	(277.0)	(289.0)	(1,025.5)	(804.7)
Other Operating Income / (Expense)	3.7	(3.0)	7.0	(16.5)	5.3
Operating profit before financing costs	669.4	313.0	401.9	1,502.3	1,070.0
Finance expense	(16.7)	(69.0)	(70.5)	(48.0)	(173.1)
Finance income	83.7	30.7	69.3	394.8	242.2
Share of profit of equity accounted investees	25.1	15.1	27.2	74.4	52.0
Income before taxes and minority interest	761.5	289.8	427.9	1,923.5	1,191.1
Income tax expense	(160.3)	(47.4)	(93.8)	(405.5)	(261.4)
Income before minority interest	601.2	242.4	334.1	1,518.0	929.7
Minority interest	2.6	3.4	(1.2)	(1.0)	(6.8)
Net income	603.8	245.8	332.9	1,517.0	922.9
Net income per share	0.274451	0.111719	0.151330	0.689558	0.419515
Other Financial Data					
Gross margin	54%	47%	47%	52%	48%
EBITDA(*)	837.8	448.8	545.4	2,055.8	1,466.3
Capital expenditures	175.7	789.5	326.1	597.5	1,367.6
Consolidated Balance Sheet Data (at period end)					
Cash and cash equivalents	3,156.8	1,963.5	2,642.3	3,156.8	2,642.3
Total assets	9,570.3	7,876.3	8,875.2	9,570.3	8,875.2
Long term debt	151.0	168.5	560.5	151.0	560.5
Total debt	738.3	776.2	1,162.2	738.3	1,162.2
Total liabilities	2,918.7	2,603.7	3,107.9	2,918.7	3,107.9
Total equity	6,651.5	5,272.5	5,767.3	6,651.5	5,767.3

* Please refer to the notes on reconciliation of Non-GAAP Financial measures on page 13-14
** For further details, please refer to our consolidated financial statements and notes as at 30 September 2009 on our web site.

TURKCELL ILETISIM HIZMETLERI A.S.

IFRS SELECTED FINANCIALS (TRY Million)

	Quarter Ended September 30, 2008	Quarter Ended June 30, 2009	Quarter Ended September 30, 2009	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2009
Consolidated Statement of Operations Data					
Revenues					
Communication fees	2,348.2	2,144.2	2,291.0	6,190.7	6,411.5
Commission fees on betting business	44.2	(8.8)	10.5	159.6	43.1
Monthly fixed fees	21.0	16.3	15.2	63.6	49.9
Simcard sales	11.3	10.6	9.9	25.4	28.4
Call center revenues and other revenues	33.7	42.1	41.4	73.7	142.9
Total revenues	2,458.4	2,204.4	2,368.0	6,513.0	6,675.8
Direct cost of revenues	(1,118.7)	(1,167.6)	(1,246.9)	(3,154.0)	(3,448.1)
Gross profit	1,339.7	1,036.8	1,121.1	3,359.0	3,227.7
Administrative expenses	(105.1)	(100.2)	(100.8)	(282.2)	(299.2)
Selling & marketing expenses	(438.6)	(436.8)	(430.9)	(1,241.2)	(1,259.4)
Other Operating Income / (Expense)	4.4	(4.5)	10.4	(20.1)	7.9
Operating profit before financing costs	800.4	495.3	599.8	1,815.5	1,677.0
Finance expense	(20.0)	(107.1)	(103.0)	(58.5)	(265.6)
Finance income	100.3	46.9	101.2	478.7	381.0
Share of profit of equity accounted investees	32.0	23.9	40.5	92.3	79.5
Income before taxes and minority interest	912.7	459.0	638.5	2,328.0	1,871.9
Income tax expense	(191.7)	(75.3)	(139.9)	(491.8)	(412.1)
Income before minority interest	721.0	383.7	498.6	1,836.2	1,459.8
Minority interest	3.2	5.6	(1.8)	(1.5)	(11.0)
Net income	724.2	389.3	496.8	1,834.7	1,448.8
Net income per share	0.329127	0.176918	0.225890	0.833997	0.658561
Other Financial Data					
Gross margin	54%	47%	47%	52%	48%
EBITDA(*)	1,001.8	709.2	813.7	2,484.9	2,296.5
Capital expenditures	219.7	1,168.2	433.2	735.9	2,026.8
Consolidated Balance Sheet Data (at period end)					
Cash and cash equivalents	3,887.9	3,004.3	3,915.9	3,887.9	3,915.9
Total assets	11,786.7	12,051.5	13,153.0	11,786.7	13,153.0
Long term debt	186.0	257.9	830.7	186.0	830.7
Total debt	909.3	1,187.7	1,722.4	909.3	1,722.4
Total liabilities	3,594.7	3,984.0	4,605.9	3,594.7	4,605.9
Total shareholders' equity / Net Assets	8,192.0	8,067.5	8,547.1	8,192.0	8,547.1

** For further details, please refer to our consolidated financial statements and notes as at and for the nine months ended 30 September 2009 on our web site.

EXHIBIT 99.3

TURKCELL ILETISIM HIZMETLERI A.S.

CMB* SELECTED FINANCIALS (TRY Million)

	Quarter Ended September 30, 2008	**Quarter Ended June 30, 2009**	**Quarter Ended September 30, 2009**	**Nine Months Ended September 30, 2008**	**Nine Months Ended September 30, 2009**
Consolidated Statement of Operations Data					
Revenues					
Communication fees	2,348.2	2,144.2	2,291.0	6,190.7	6,411.5
Commission fees on betting business	44.2	(8.8)	10.5	159.6	43.1
Monthly fixed fees	21.0	16.3	15.2	63.6	49.9
Simcard sales	11.3	10.6	9.9	25.4	28.4
Call center revenues and other revenues	33.7	42.1	41.4	73.7	142.9
Total revenues	2,458.4	2,204.4	2,368.0	6,513.0	6,675.8
Direct cost of revenues	(1,114.4)	(1,164.0)	(1,243.2)	(3,138.3)	(3,436.5)
Gross profit	1,344.0	1,040.4	1,124.8	3,374.7	3,239.3
Administrative expenses	(105.1)	(100.2)	(100.8)	(282.2)	(299.2)
Selling & marketing expenses	(438.6)	(436.8)	(430.9)	(1,241.2)	(1,259.4)
Other Operating Income / (Expense)	4.5	(4.1)	9.8	(19.8)	8.0
Operating profit before financing costs	804.8	499.3	602.9	1,831.5	1,688.7
Finance expense	(20.0)	(107.1)	(103.0)	(58.5)	(265.6)
Finance income	100.3	46.9	101.2	478.7	381.0
Share of profit of equity accounted investees	32.0	23.9	40.5	92.3	79.5
Income before taxes and minority interest	917.1	463.0	641.6	2,344.0	1,883.6
Income tax expense	(192.6)	(76.1)	(140.4)	(494.9)	(414.6)
Income before minority interest	724.5	386.9	501.2	1,849.1	1,469.0
Minority interest	3.2	5.5	(1.8)	(1.5)	(11.1)
Net income	727.7	392.4	499.4	1,847.6	1,457.9
Net income per share	0.330752	0.178384	0.226996	0.839800	0.662691
Other Financial Data					
Gross margin	55%	47%	48%	52%	49%
EBITDA(*)	1,001.8	709.7	813.7	2,485.0	2,297.0
Capital expenditures	219.7	1,168.2	433.2	735.9	2,026.8
Consolidated Balance Sheet Data (at period end)					
Cash and cash equivalents	3,887.9	3,004.3	3,915.9	3,887.9	3,915.9
Total assets	11,708.9	11,985.7	13,090.4	11,708.9	13,090.4
Long term debt	186.0	257.9	830.7	186.0	830.7
Total debt	909.3	1,187.7	1,722.4	909.3	1,722.4
Total liabilities	3,580.4	3,972.3	4,594.9	3,580.4	4,594.9

Total shareholders' equity / Net Assets	8,128.5	8,013.4	8,495.5	8,128.5	8,495.5

*Capital Markets Board

** For further details, please refer to our consolidated financial statements and notes as at and for the nine months ended 30 September 2009 on our web site.

EXHIBIT 99.4

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

	Note	30 September 2009	31 December 2008
Assets			
Property, plant and equipment	11	2,517,131	2,096,070
GSM and other telecommunication operating licences	12	1,091,327	587,770
Computer software	12	558,401	530,321
Other intangible assets	12	312,526	334,804
Investments in equity accounted investees	13	428,477	313,723
Other investments	14	35,311	34,614
Due from related parties	32	27,509	45,349
Other non-current assets	15	68,957	54,007
Deferred tax assets	16	2,698	1,144
Total non-current assets		**5,042,337**	**3,997,802**
Inventories		23,196	19,457
Other investments	14	62,226	689
Due from related parties	32	63,626	64,013
Trade receivables and accrued income	17	811,491	587,385
Other current assets	18	229,998	138,788
Cash and cash equivalents	19	2,642,309	3,259,792
Total current assets		**3,832,846**	**4,070,124**
Total assets		**8,875,183**	**8,067,926**

Equity			
Share capital	20	1,636,204	1,636,204
Share premium	20	434	434
Capital contributions	20	22,749	18,202
Reserves	20	(468,466)	(706,384)
Retained earnings	20	4,543,164	4,437,071
Total equity attributable to equity holders of Turkcell Iletisim Hizmetleri AS		**5,734,085**	**5,385,527**
Minority interest	20	**33,209**	**58,116**
Total equity		**5,767,294**	**5,443,643**
Liabilities			
Loans and borrowings	23	560,539	130,020
Employee benefits	24	28,364	26,717
Provisions	26	91,134	4,490
Other non-current liabilities	22	270,661	227,511
Deferred tax liabilities	16	131,736	130,491
Total non-current liabilities		**1,082,434**	**519,229**
Bank overdraft	19	15,769	4,372
Loans and borrowings	23	601,706	655,909
Income taxes payable	10	112,377	126,585
Trade and other payables	27	968,853	964,421
Due to related parties	32	16,215	21,032
Deferred income	25	241,785	250,386
Provisions	26	68,750	82,349
Total current liabilities		**2,025,455**	**2,105,054**
Total liabilities		**3,107,889**	**2,624,283**
Total equity and liabilities		**8,875,183**	**8,067,926**

The notes on page 7 to 92 are an integral part of these consolidated interim financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM INCOME STATEMENT

For the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

		Nine months ended		**Three months ended**	
	Note	**30 September 2009**	**30 September 2008**	**30 September 2009**	**30 September 2008**
Revenue	7	4,268,949	5,385,361	1,587,876	2,055,923
Direct cost of revenue		(2,208,402)	(2,607,614)	(836,357)	(935,499)
Gross profit		**2,060,547**	**2,777,747**	**751,519**	**1,120,424**
Other income		16,809	8,744	8,399	6,346
Selling and marketing expenses		(804,715)	(1,025,535)	(289,003)	(366,778)
Administrative expenses		(191,069)	(233,509)	(67,621)	(87,901)
Other expenses		(11,510)	(25,192)	(1,442)	(2,707)
Results from operating activities		**1,070,062**	**1,502,255**	**401,852**	**669,384**
Finance income	9	242,153	394,799	69,331	83,650
Finance expenses	9	(173,103)	(47,966)	(70,481)	(16,728)
Net finance income/(expense)		**69,050**	**346,833**	**(1,150)**	**66,922**
Share of profit of equity accounted investees	13	51,977	74,382	27,204	25,139
Profit before income tax		**1,191,089**	**1,923,470**	**427,906**	**761,445**
Income tax expense	10	(261,353)	(405,504)	(93,808)	(160,294)
Profit for the period		**929,736**	**1,517,966**	**334,098**	**601,151**
Attributable to:					
Equity holders of Turkcell Iletisim Hizmetleri AS		922,932	1,517,027	332,927	603,791
Minority interest		6,804	939	1,171	(2,640)
Profit for the period		**929,736**	**1,517,966**	**334,098**	**601,151**
Basic and diluted earnings per share (in full USD)	21	0.419515	0.689558	0.151330	0.274450

The notes on page 7 to 92 are an integral part of these consolidated interim financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE

INCOME AND EXPENSE

For the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

	Nine months ended		**Three months ended**	
	30 September 2009	**30 September 2008**	**30 September 2009**	**30 September 2008**
Profit for the period	929,736	1,517,966	334,098	601,151
Other comprehensive (expense)/income:				
Foreign currency translation differences	129,434	(313,573)	156,308	(57,282)
Net change in fair value of available-for-sale securities	2,156	(8,914)	403	2,930
Income tax on other comprehensive income	3,430	1,718	805	(612)
Other comprehensive (expense)/income for the period, net of income tax	**135,020**	**(320,769)**	**157,516**	**(54,964)**
Total comprehensive income for the period	**1,064,756**	**1,197,197**	**491,614**	**546,187**
Attributable to:				
Equity holders of Turkcell Iletisim Hizmetleri AS	1,057,309	1,192,145	490,223	548,334
Minority interest	7,447	5,052	1,391	(2,147)
Total comprehensive income for the period	**1,064,756**	**1,197,197**	**491,614**	**546,187**

The notes on page 7 to 92 are an integral part of these consolidated interim financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

	Attributable to equity holders of the Company								
	Share Capital	**Capital Contribution**	**Share Premium**	**Legal Reserves**	**Fair Value Reserve**	**Reserve for Minority Put Option**	**Translation Reserve**	**Retained Earnings**	**Tota**
Balance at 1 January 2008	1,636,204	-	434	256,834	5,481	-	669,598	3,224,526	5,79
Total comprehensive income and expense									
Profit for the period	-	-	-	-	-	-	-	1,517,027	1,51
Other comprehensive income and expense									
Foreign currency translation differences, net of tax	-	-	-	-	-	-	(317,686)	-	(317
Net change in fair value of available-for-sale securities, net of tax	-	-	-	-	(7,196)	-	-	-	(7,19
Total other comprehensive income and expense	-	-	-	-	(7,196)	-	(317,686)	-	(324
Total comprehensive income and expense	-	-	-	-	(7,196)	-	(317,686)	1,517,027	1,19
Increase in legal reserves	-	-	-	121,945	-	-	-	(121,945)	-
Dividends paid	-	-	-	-	-	-	-	(502,334)	(502
Change in minority interest	-	-	-	-	-	-	-	-	-
Capital contribution granted	-	-	-	-	-	-	-	-	-
Balance at 30 September 2008	**1,636,204**	**-**	**434**	**378,779**	**(1,715)**	**-**	**351,912**	**4,117,274**	**6,48**
Balance at 1 January 2009	1,636,204	18,202	434	378,779	121	(286,922)	(798,362)	4,437,071	5,38
Total comprehensive income and expense									
Profit for the period	-	-	-	-	-	-	-	922,932	922,
Other comprehensive income and expense									
Foreign currency translation differences, net of tax	-	-	-	-	-	-	132,221	-	132,
Net change in fair value of available-for-sale securities, net of tax	-	-	-	-	2,156	-	-	-	2,15
Total other comprehensive income and expense	-	-	-	-	2,156	-	132,221	-	134,
Total comprehensive income and expense	-	-	-	-	2,156	-	132,221	922,932	1,05
Increase in legal reserves	-	-	-	103,541	-	-	-	(103,541)	-
Dividends paid	-	-	-	-	-	-	-	(713,298)	(713
Change in minority interest	-	-	-	-	-	-	-	-	-

Capital contribution granted	-	4,547	-	-	-	-	-	-	4,547
Balance at 30 September 2009	**1,636,204**	**22,749**	**434**	**482,320**	**2,277**	**(286,922)**	**(666,141)**	**4,543,164**	**5,734**

The notes on page 7 to 92 are an integral part of these consolidated interim financial statements.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

	Note	Nine months ended 30 September 2009	30 September 2008
Cash flows from operating activities			
Profit for the period		**929,736**	**1,517,966**
Adjustments for:			
Depreciation	11	254,473	347,020
Amortization of intangibles	12	147,091	190,052
Net finance income	9	(141,935)	(368,314)
Income tax expense	10	261,353	405,504
Share of profit of equity accounted investees		(79,578)	(112,405)
(Gain)/loss on sale of property, plant and equipment		317	2,068
Translation reserve		83,291	(38,249)
Deferred income		(13,720)	25,805
		1,441,028	**1,969,447**
Change in trade receivables	17	(212,975)	(203,008)
Change in due from related parties	32	19,194	(9,551)
Change in inventories		(3,341)	105
Change in other current assets	18	(91,202)	(113,924)
Change in other non-current assets	15	(14,482)	(6,229)
Change in due to related parties	32	(4,994)	(5,675)
Change in trade and other payables		53,391	(58,852)
Change in other current liabilities		(67,183)	185,243
Change in other non-current liabilities	22	8,429	4,322
Change in employee benefits	24	1,101	5,263
Change in provisions	26	71,361	(9,209)
		1,200,327	**1,757,932**
Interest paid		(14,539)	(16,238)
Income tax paid		(295,445)	(673,107)
Dividend received	13	-	10,184
Net cash from operating activities		**890,343**	**1,078,771**
Cash flows from investing activities			
Proceeds from sale of property plant and equipment		2,581	6,356
Proceeds from currency option contracts		7,840	12,461
Proceeds from sale of available-for-sale financial assets		33,270	33,059

Interest received		243,007	304,265
Acquisition of property, plant and equipment	11	(718,946)	(450,104)
Acquisition of intangibles	12	(648,672)	(139,195)
Payment of currency option contracts premium		(294)	(3,921)
Acquisition of available-for-sale financial assets		(74,519)	(58,386)
Acquisition of subsidiary, net of cash acquired		-	(299,975)
Net cash used in investing activities		**(1,155,733)**	**(595,440)**
Cash flows from financing activities			
Proceeds from issuance of loans and borrowings		954,858	541,500
Payment of transaction costs		(14,357)	-
Repayment of borrowings		(551,640)	(470,405)
Change in minority interest		-	87,856
Proceeds from capital contribution		4,547	-
Dividends paid		(744,380)	(556,973)
Net cash used in financing activities		**(350,972)**	**(398,022)**
Effects of foreign exchange rate fluctuations on statement of financial position items		**30,855**	**(163,059)**
Net increase in cash and cash equivalents		**(585,507)**	**(77,750)**
Cash and cash equivalents at 1 January		**3,255,420**	**3,093,175**
Effect of exchange rate fluctuations on cash and cash equivalents		(43,373)	71,713
Cash and cash equivalents at 30 September		**2,626,540**	**3,087,138**

The notes on page 7 to 92 are an integral part of these consolidated interim financial statements.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

Notes to the consolidated interim financial statements

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

1. Reporting entity

Turkcell Iletisim Hizmetleri Anonim Sirketi (the "Company") was incorporated in Turkey on 5 October 1993 and commenced its operations in 1994. The address of the Company's registered office is Turkcell Plaza, Mesrutiyet caddesi No. 71, 34430 Tepebasi/Istanbul. It is engaged in establishing and operating a Global System for Mobile Communications ("GSM") network in Turkey and regional states.

In April 1998, the Company signed a license agreement (the "2G License") with the Ministry of Transportation and Communications of Turkey (the "Turkish Ministry"), under which it was granted a 25 year GSM license in exchange for a license fee of $500,000. The License permits the Company to operate as a stand-alone GSM operator and releases it from some of the operating constraints in the Revenue Sharing Agreement, which was in effect prior to the License. Under the License, the Company collects all of the revenue generated from the operations of its GSM network and pays the Undersecretariat of Treasury (the "Turkish Treasury") an ongoing license fee equal to 15% of its gross revenue from Turkish GSM operations. The Company continues to build and operate its GSM network and is authorized to, among other things, set its own tariffs within certain limits, charge peak and off-peak rates, offer a variety of service and pricing packages, issue invoices directly to subscribers, collect payments and deal directly with subscribers. Following the 3G tender held by the Information Technologies and Communications Authority ("ICTA") regarding the authorization for providing IMT-2000/UMTS services and infrastructure, the Company has been granted the A-Type license (the "3G License") providing the widest frequency band, at a consideration of EUR 358,000 (excluding Value Added Tax ("VAT")). Above mentioned provisions of the 2G License are also valid for the 3G License. Payment of the 3G license was made in cash, following the necessary approvals, on 30 April 2009.

On 25 June 2005, the Turkish government declared that GSM operators are required to pay 10% of their existing monthly ongoing license fee to the Turkish Ministry as a universal service fund contribution in accordance with Law No: 5369. As a result, starting from 30 June 2005, the Company pays 90% of the ongoing license fee to the Turkish Treasury and 10% to the Turkish Ministry as universal service fund.

In July 2000, the Company completed an initial public offering with the listing of its ordinary shares on the Istanbul Stock Exchange and American Depositary Shares, or ADSs, on the New York Stock Exchange.

As at 30 September 2009, two significant founding shareholders, Sonera Holding BV and Cukurova Group, directly and indirectly, own approximately 37.1% and 13.8%, respectively of the Company's share capital and are ultimate counterparties to a number of transactions that are discussed in the related party footnote. On the basis of publicly available information, Alfa Group, which previously held, indirectly through Cukurova Telecom Holdings Limited and Turkcell Holding AS, 13.2% of Company's shares, has reduced its stake to 4.99% following litigation with Telenor ASA ("Telenor Group"). On the basis of publicly available information, it has been understood that Alfa Group sold 62.2% of its holdings in Alfa Telecom Turkey Limited ("ATTL") to Visor Group affiliate Nadash International Holdings Inc. ("Nadash") and Alexander Mamut's Henri Services Limited ("HSL") which now own indirectly 4.26% and 3.97%, respectively, of Company's share capital.

The consolidated interim financial statements of the Company as at and for the nine and three months ended 30 September 2009 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in one associate and one joint venture. Subsidiaries of the Company, their locations and their business are given in note 33. The Company's and each of its subsidiaries', associate's and joint venture's interim financial statements are prepared as at and for the nine and three months ended 30 September 2009.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

2. Basis of preparation

(b) Statement of compliance

The consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") for interim financial statements.

The Group's consolidated interim financial statements were approved by the Board of Directors on 12 November 2009.

(b) Basis of measurement

The accompanying consolidated interim financial statements are based on the statutory records, with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRSs as issued by the IASB. They are prepared on the historical cost basis adjusted for the effects of inflation during the hyperinflationary period lasted by 31 December 2005, except that the following assets and liabilities are stated at their fair value: derivative financial instruments and financial instruments classified as available-for-sale. The methods used to measure fair value are further discussed in note 4.

(c) Functional and presentation currency

The consolidated interim financial statements are presented in US Dollars ("USD"), rounded to the nearest thousand. Moreover, all financial information expressed in Turkish Lira ("TL"), Euro ("EUR") and Swedish Krona ("SEK") have been rounded to the nearest thousand. The functional currency of the Company and its consolidated subsidiaries located in Turkey and Turkish Republic of Northern Cyprus is TL. The functional currency of Euroasia Telecommunications Holding BV ("Euroasia") and Financell BV ("Financell") is USD. The functional currency of East Asian Consortium BV ("Eastasia"), Beltur BV and Surtur BV is EUR. The functional currency of LLC Astelit ("Astelit"), Global Bilgi LLC ("Global LLC") and UkrTower LLC ("UkrTower") is Ukrainian Hryvnia ("HRV"). The functional currency of Belarussian Telecommunications Network ("Belarussian Telecom") is Belarussian Roubles ("BYR").

According to the Article No:33 of the Ministry of State, it has been decided to change the name of New Turkish Lira as Turkish Lira removing the phrase "New" which is executed on 1 January 2009 in accordance with the first item of Law No: 5083.

(d) Use of estimates and judgments

The preparation of interim financial statements in conformity with International Accounting Standards No.34 (IAS 34) "*Interim Financial Reporting*" ("IAS 34") requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated interim financial statements are described in notes 4 and 31 and detailed analysis with respect to accounting estimates and critical judgments of bad debts, useful lives or expected patterns of consumption of the future economic benefits embodied in depreciable assets, income taxes and revenue recognition are provided below:

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

2. Basis of preparation (continued)
(d) Use of estimates and judgments (continued)
Key sources of estimation uncertainty

In note 28, detailed analysis is provided for the foreign exchange exposure of the Group and risks in relation to foreign exchange movements.

Critical accounting judgments in applying the Group's accounting policies

Certain critical accounting judgments in applying the Group's accounting policies are described below:

Allowance for doubtful receivables

The impairment losses in trade and other receivables are based on management's evaluation of the volume of the receivables outstanding, historical collection trends and general economic conditions. Should economic conditions, collection trends or any specific industry trend worsen compared to management estimates, allowance for doubtful receivables recognised in consolidated interim financial statements may not be sufficient to cover bad debts.

Useful lives of assets

The useful economic lives of the Group's assets are determined by management at the time the asset is acquired and regularly reviewed for appropriateness. The Group defines useful life of its assets in terms of the assets' expected utility to the Group. This judgment is based on the experience of the Group with similar assets. In determining the useful life of an asset, the Group also follows technical and/or commercial obsolescence arising on changes or improvements from a change in the market. The useful life of the licenses are based on duration of the license agreement.

The GSM license that is held by Belarussian Telecom, newly acquired consolidated subsidiary, expires in 2015. According to the Share Purchase Agreement signed, the State Committee on Property of the Republic of Belarus committed to grant the license from the acquisition date of 26 August 2008 for a period of 10 years and such license shall be extended for an additional 10 years for an insignificant consideration. In the consolidated interim financial statements, amortization charge is recorded on the assumption that the license will be extended.

Commission fees

Commission fees relate to services performed in relation to betting games where the Group acts as an agent in the transaction rather than as a principal. In the absence of specific guidance under IFRSs on distinguishing between an agent and a principal, management considered the following factors:

- The Group does not take the responsibility for fulfilment of the games.
- The Group does not collect the proceeds from the final customer and it does not bear the credit risk.
- The Group earns a stated percentage of the total turnover.

Revenue recognition

In arrangements which include multiple elements, the Group considers the elements to be separate units of accounting in the arrangement. Deliverables are accounted separately where a market for each deliverable exists and if the recognition criterion is met individually. The arrangement consideration is allocated to each deliverable in proportion to the fair value of the individual deliverables.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

2. Basis of preparation (continued)
(d) Use of estimates and judgments (continued)
Critical accounting judgments in applying the Company's accounting policies (continued)

Income taxes

The calculation of income taxes involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through formal legal process.

As part of the process of preparing the consolidated interim financial statements, the Group is required to estimate the income taxes in each of the jurisdictions and countries in which they operate. This process involves estimating the actual current tax exposure together with assessing temporary differences resulting from differing treatment of items, such as deferred revenue and reserves for tax and accounting purposes. The Company management assesses the likelihood that the deferred tax assets will be recovered from future taxable income, and to the extent the recovery is not considered probable the deferred asset is adjusted accordingly.

The recognition of deferred tax assets is based upon whether it is probable that future taxable profits will be available, against which the temporary differences can be utilized. Recognition, therefore, involves judgment regarding the future financial performance of the particular legal entity in which the deferred tax asset has been recognized.

3. Significant accounting policies
The accounting policies set out below have been applied consistently to all periods presented in these consolidated interim financial statements, and have been applied consistently by the Group entities.

(a) Basis of consolidation
(i) Subsidiaries
Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are changed as necessary to align them with the policies adopted by the Group.

Losses that exceed the minority interest in the equity of a subsidiary may create a debit balance on minority interests only if the minority has a binding obligation to fund the losses and is able to make an additional investment to cover the losses. Unless this is the case, the losses are attributed to the Company's majority interest within the profit for the period. If the subsidiary subsequently reports profits then these profits are allocated to the parent until the share of losses absorbed previously by the parent has been recovered.

(ii) Acquisition from entities under common control
Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are excluded from the scope of International Financial Reporting Standards No. 3 ("IFRS 3") "*Business Combinations*" and are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. The assets and liabilities acquired from entities under common control are recognised at the carrying amounts recognised previously in the Group's controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group equity.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

3. Significant accounting policies (contined)

(a) Basis of consolidation (contined)

(iii) Associates and jointly controlled entities (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Associates and jointly controlled entities (equity accounted investees) are accounted for using the equity method and are initially recognised at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment loss. The consolidated interim financial statements include the Group's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. The Group's equity accounted investees as at 30 September 2009 are Fintur Holdings BV ("Fintur") and A-Tel Pazarlama ve Servis Hizmetleri AS ("A-Tel").

(iv) Transactions eliminated on consolidation

Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated interim financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Minority interests

Where a put option is granted by the Group to the minority shareholders in existing subsidiaries that provides for settlement in cash or in another financial asset, the Group recognised a liability for the present value of the estimated exercise price of the option. The interests of the minority shareholders that hold such put options are derecognised when the financial liability is recognised. The corresponding interests attributable to the holder of the puttable minority interests are presented as attributable to the equity holders of the parent and not as attributable to those minority shareholders. The difference between the put option liability recognised and the amount of minority interest derecognised is recorded under equity. Subsequent changes in the fair value of the put options granted to the minority shareholders in existing subsidiaries are also recognised in equity, except the imputed interest on the liability is recognised in the consolidated interim income statement.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on translation of foreign currency transactions are recognised in the income statement. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

3. Significant accounting policies (contined)

(b) Foreign currency (continued)

(i) Foreign currency transactions (continued

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, which are recognised directly in equity.

(i) Foreign operations

The assets and liabilities of foreign operations, including fair value adjustments arising on acquisition, are translated to USD from the functional currency of the foreign operation at foreign exchange rates ruling at the reporting date. The income and expenses of foreign operations are translated to USD at exchange rates approximating to the exchange rates at the dates of the transactions.

Foreign currency differences arising on retranslation are recognized directly in the foreign currency translation reserve, as a separate component of equity. Since 1 January 2005, the Group's date of transition to IFRSs, such differences have been recognized in the foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign currency translation reserve is transferred to profit or loss.

Foreign exchange gains and losses arising from a monetary item receivable from or payables to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the foreign currency translation reserve.

(iii) Translation from functional to presentation currency

Items included in the interim financial statements of each entity are measured using the currency of the primary economic environment in which the entities operate, normally under their local currencies.

The consolidated interim financial statements are presented in USD, which is the presentation currency of the Group. The Group uses USD as the presentation currency for the convenience of investor and analyst community.

Assets and liabilities for each statement of financial position presented (including comparatives) are translated to USD at exchange rates at the statement of financial position date. Income and expenses for each income statement (including comparatives) are translated to USD at monthly average exchange rates.

Foreign currency differences arising on retranslation are recognised directly in a separate component of equity.

(iv) Net investment in foreign operations

Foreign currency differences arising from the translation of the net investment in foreign operations are recognized in foreign currency translation reserve. They are transferred to the income statement upon disposal of the foreign operations.

(c) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

3. Significant accounting policies (continued)

(c) Financial instruments (continued)

(i) Non-derivative financial instruments (continued)

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Accounting for finance income and expenses is discussed in note 3(o).

- *Held-to-maturity investments*

If the Group has the positive intent and ability to hold debt securities to maturity, then they are classified as held-to-maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses.

- *Available-for-sale financial assets*

The Group's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see note 3(j)(i)), and foreign exchange gains and losses on available-for-sale monetary items (see note 3(b)(i)), are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

- *Financial assets at fair value through profit or loss*

An instrument is classified as financial asset at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

- *Estimated exercise price of put options*

Under the terms of certain agreements, the Group is committed to acquire the interests owned by minority shareholders in consolidated subsidiaries, if these minority interests wish to sell their share of interests.

As the Group has unconditional obligation to fulfil its liabilities under these agreements, International Accounting Standards No: 32 ("IAS 32") "*Financial instruments: Disclosure and Presentation*", requires the value of such put option to be presented as a financial liability on the statement of financial position for the present value of the estimated option redemption amount. The Group accounted such transactions under the anticipated acquisition method and the interests of minority shareholders that hold such put option are derecognised when the financial liability is recognised. The Group accounted the difference between the amount recognised initially for the exercise price of the put option and the carrying amount of minority in equity.

- *Other*

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine and three months ended 30 September 2009

(Amounts expressed in thousands of US Dollars unless otherwise indicated except share amounts)

3. Significant accounting policies (continued)

(c) Financial instruments (continued)

(ii) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency risk exposures arising from operational, financing and investing activities. In accordance with its treasury policy, the Group engages in forward and option contracts. However, these derivatives do not qualify for hedge accounting and are accounted for as trading instruments.

Embedded derivatives are separated from the host contract and accounted for separately if a) the economic characteristics and risks of the host contract and the embedded derivative are not closely related, b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and c) the combined instrument is not measured at fair value through profit or loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

(d) Property, plant and equipment

(ii) Recognition and measurement

Items of property, plant and equipment are stated at cost adjusted for the effects of inflation during the hyperinflationary period lasted by 31 December 2005 less accumulated depreciation (see below) and accumulated impairment losses (see note 3(j)(ii)).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, if any. Borrowing costs related to the acquisition or constructions of qualifying assets are capitalized during the period.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains/losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within other income or other expenses in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced item is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

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3. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(iii) Depreciation

Depreciation is recognized in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	21 – 50 years
Network infrastructure	3 – 8 years
Equipment, fixtures and fittings	4 – 5 years
Motor vehicles	4 – 5 years
Central betting terminals	10 years
Leasehold improvements	5 years

Depreciation methods, useful lives and residual values are reviewed at least annually unless there is a triggering event.

(e) GSM and other telecommunication operating licences

GSM and other telecommunication operating licences that are acquired by the Group are measured at cost adjusted for the effects of inflation during the hyperinflationary period lasted by 31 December 2005 less accumulated amortization (see below).

(i) Amortization

Amortization is recognized in the profit or loss on a straight line basis primarily by reference to the unexpired licence period. The useful lives for the GSM and other telecommunication operating licences are as follows:

GSM and other telecommunications license	3 – 25	years

(f) Computer Software

Computer software includes software that work as an integral part of the Group's GSM network equipment. GSM network equipment and its related software are purchased separately from third party vendors as well as the cost of internally developed software. Although the computer software is an integral part of the GSM network equipment, it can be purchased, upgraded or sold separately from the hardware, if necessary. Computer software, which is purchased from third parties is capitalized when it is capable of operating in the manner intended by management.

Computer software which is purchased from the vendors, whenever the hardware is ready for intended use, are capitalized immediately. The cost of this software is the cash paid as consideration plus installation cost. Internally developed software does not include any costs in relation to research phase.

(i) Amortization

Amortisation is recognized in the profit or loss on a straight-line basis over the estimated useful lives from the date the software is available for use. The useful lives for computer software are as follows:

Computer software	3 – 8	years

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3. Significant accounting policies (continued)

(g) Other intangible assets

Intangible assets that are acquired by the Group which have finite useful lives are measured at cost adjusted for the effects of inflation during the hyperinflationary period lasted by 31 December 2005 less accumulated amortization (see below) and accumulated impairment losses (see note 3(j)(ii)).

(i) Goodwill

Goodwill or negative goodwill arises on the acquisition of subsidiaries, associates and joint ventures.

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquire. When the excess is negative (negative goodwill), it is recognised immediately in profit or loss.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset (that is purchased from independent third parties) to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred. Capitalized costs generally relate to the application of development stage; any other costs incurred during the pre and post-implementation stages, such as repair, maintenance or training, are expensed as incurred.

(iii) Amortization

Amortization is recognized in the profit or loss on a straight line basis over the estimated useful lives of intangible assets unless such useful lives are indefinite from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

Transmission lines	10	years
Central betting system operating right	10	years
Customer base	2 – 8	years
Brand name	10	years
Customs duty and VAT exemption right	4.4	years

(h) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognized on the Group's statement of financial position.

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3. Significant accounting policies (continued)

(i) Inventors

Inventories are measured at the lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses. The cost of inventory is determined using the weighted average method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. As at 30 September 2009, inventories mainly consist of simcards, scratch cards and handsets.

(j) Impairment

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(ii) Non-fFinancial assets

The carrying amounts of the Group’s non-financial assets, other than inventories, and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the “cash-generating unit”).

The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

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3. Significant accounting policies (continued)

(j) Impairment (continued)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

(k) Employee benefits

(i) Retirement pay liability

In accordance with existing labor law in Turkey, the Company and its subsidiaries in Turkey are required to make lump-sum payments to employees who have completed one year of service and whose employment is terminated without cause or who retire, are called up for military service or die. Such payments are calculated on the basis of 30 days' pay maximum full TL 2,365 as at 30 September 2009 (equivalent to full $1,596 as at 30 September 2009), which is effective from 1 July 2009, per year of employment at the rate of pay applicable at the date of retirement or termination. Reserve for retirement pay is computed and reflected in the consolidated interim financial statements on a current basis. The reserve has been calculated by estimating the present value of future probable obligation of the Company and its subsidiaries in Turkey arising from the retirement of the employees.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss when they are due.

The assets of the plan are held separately from the consolidated interim financial statements of the Group. The Company and other consolidated companies that initiated defined contribution retirement plan are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement plan is to make the specified contributions.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract. The Company did not recognize any provision for onerous contracts as at 30 September 2009.

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3. Significant accounting policies (continued)

(l) Provisions (continued)

Site restoration

In accordance with one of the Group subsidiaries' published environmental policy and applicable legal requirements, a provision for site restoration and future dismantling costs of base stations is recognized.

(m) Revenue

Revenues are recognized as the fair value of the consideration received or receivable, net of returns, trade discounts and rebates. Communication fees include postpaid revenues from incoming and outgoing calls, additional services, prepaid revenues, interconnect revenues and roaming revenues. Communication fees are recognized at the time the services are rendered.

With respect to prepaid revenues, the Group generally collects cash in advance by selling scratch cards to distributors. In such cases, the Group does not recognize revenue until the subscribers use the telecommunications services. Deferred income is recorded under current liabilities.

In connection with campaigns, both postpaid and prepaid services may be bundled with handset or other goods / services and these bundled services and products involve consideration in the form of fixed fee or a fixed fee coupled with continuing payment stream. Loyalty programs for both postpaid and prepaid services may be bundled with other services. Deliverables are accounted separately where a market for each deliverable exists and if the recognition criterion is met individually. Costs associated with each deliverable are recognized at the time of revenue recognized. The arrangement consideration is allocated to each deliverable in proportion to the fair value of the individual deliverables.

Revenues allocated to handsets given in connection with campaigns, which is included in other revenue, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, collection is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

Monthly fixed fees represent a fixed amount charged to postpaid subscribers on a monthly basis without regard to the level of usage. Fixed fees are recognized on a monthly basis when billed.

Commission fees mainly comprised of net takings earned to a maximum of 1.4% of gross takings, as a head agent of fixed odds betting games starting from 1 March 2009 (between 15 March 2007 and 1 March 2009, commission rate was 7% of gross takings and 4.3% commission was recognized based on the para-mutual and fixed odds betting games operated on Central Betting System).

Commission revenues are recognized at the time all the services related with the games are fully rendered. Under the agreement signed with Spor Toto Teskilat Mudurlugu AS ("Spor Toto"), Inteltek Internet Teknoloji Yatirim ve Danismanlik AS ("Inteltek") is obliged to undertake any excess payout, which is presented on net basis with the commission fees.

Simcard sales are recognized upfront upon delivery to subscribers, net of returns, discounts and rebates. Simcard costs are also recognized upfront upon sale of the simcard to the subscriber.

Call center revenues are recognized at the time services are rendered.

The revenue recognition policy for other revenues is to recognise revenue as services are provided.

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3. **Significant accounting policies (continued)**

(n) Lease payments

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(o) Finance income and expenses

Finance income comprises interest income on funds invested (including available-for sale financial assets), late payment interest income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss and gains on derivative instruments that are recognised in profit or loss. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. Borrowing costs that are recognised in profit or loss or capitalized are accounted using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

(p) Transactions with related parties

A related party is essentially any party that controls or can significantly influence the financial or operating decisions of the Group to the extent that the Group may be prevented from fully pursuing its own interests. For reporting purposes, investee companies and their shareholders, minority shareholders at subsidiaries, key management personnel, shareholders of the Group and the companies that the shareholders have a relationship with are considered to be related parties.

(q) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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3. Significant accounting policies (continued)

(q) Income taxes (continued)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Earnings per share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is equal to basic EPS because the Group does not have any convertible notes or share options granted to employees.

(s) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company Management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Group identified Turkcell, Euroasia and Belarussian Telecom as operating segments.

(t) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective at 30 September 2009, and have not been applied in preparing these consolidated interim financial statements:

- *Revised IFRS 3 "Business Combinations"* (2008) incorporates the following changes that are likely to be relevant to the Group's operations:

- The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations.

- Contingent consideration will be measured at fair value, with subsequent changes therein recognised in profit or loss.

- Transaction costs, other than share and debt issue costs, will be expensed as incurred.

- Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss.

- Any non-controlling (minority) interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

Revised IFRS 3, which becomes mandatory for the Group's 2010 consolidated financial statements, will be applied prospectively and therefore there will be no impact on prior periods in the Group's 2010 consolidated financial statements.

- *Amended IAS 27 "Consolidated and Separate Financial Statements"* (2008) requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The amendments to IAS 27, which become mandatory for the Group's 2010 consolidated financial statements, are not expected to have a significant impact on the consolidated financial statements.

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3. Significant accounting policies (continued)

(t) New standards and interpretations not yet adopted (continued)

- *Eligible Hedged Items (amendment to IAS 39 "Financial Instruments: Recognition and Measurement")* introduces application guidance to illustrate how the principles underlying hedge accounting should be applied in the designation of i) a one-sided risk in a hedged item and ii) inflation in a financial hedged item. The amendment is effective, with retrospective application, for annual periods beginning on or after 1 July 2009 and is not expected to have any effect on the consolidated financial statements.
- *IFRIC 17, "Distributions of Non-cash Assets to Owners"*, requires entities to recognise certain distributions of non-cash assets at fair value, and to recognise in profit or loss the difference between the fair value of the assets distributed and their carrying amounts. IFRIC 17 provides guidance on when and how a liability for certain distributions of non-cash assets is recognised and measured, and how to account for settlement of that liability. Transactions within its scope will need to be measured at fair value. IFRIC 17 is effective for annual periods beginning on or after July 2009; earlier application is permitted only if IFRS 3 Business Combinations (2008), IAS 27 Consolidated and Separate Financial Statements (2008) and the related amendments to IFRS 5 are applied at the same time.
- Amendments to IFRIC 9 "*Reassessment of Embedded Derivatives*" and IAS 39 "*Financial Instruments: Recognition and Measurement*" require entities to assess whether they need to separate an embedded derivative from a hybrid (combined) financial instrument when financial assets are reclassified out of the fair value through profit or loss category. When the fair value of an embedded derivative that would be separated cannot be measured reliably, the reclassification of the hybrid (combined) financial asset out of the fair value through profit or loss category is not permitted. The amendments are applicable for annual periods ending on or after 30 September 2009 and are not expected to have significant effect on the consolidated financial statements.
- Amendments to IFRS 2 "*Share-based Payment Transactions*" require an entity receiving goods or services ("receiving entity") in either an equity-settled or a cash-settled share-based payment transaction to account for the transaction in its separate or individual financial statements. This principle applies even if another group entity or any shareholder of such an entity settles the transaction ("settling entity") and the receiving entity has no obligation to settle the payment. The amendments are applicable retrospectively to annual periods beginning on or after 1 January 2010 and are not expected to have any effect on the consolidated financial statements.
- Amendments to IAS 32 *"Financial instruments"* requires that rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. The amendments to IAS 32 will become effective for annual periods beginning on or after 1 February 2010 and are not expected to have a significant impact on the consolidated financial statements.

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4. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

(ii) Intangible assets

The fair value of the brand acquired in the Superonline Uluslararasi Elektronik Bilgilendirme Telekomunikasyon ve Haberlesme Hizmetleri AS ("Superonline") business combination is based on the discounted estimated royalty payments that have been avoided as a result of the brand being owned. The fair value of customer base acquired in the Superonline business combination are valued using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

The fair value of custom duty and VAT exemption agreement in the Belarussian Telecom business combination is based on the incremental cash flows method (cost saving approach) and this was used for the valuation analysis.

The fair value of mobile telephony licenses (GSM&UMTS) in the Belarussian Telecom business combination is based on the Greenfield (build-out) method, which is estimated to be appropriate and commonly used for the valuation of licenses, and this was used for the valuation analysis.

The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(iii) Investments in equity and debt securities

The fair value of financial assets at fair value through profit or loss, held-to-maturity investments and available-for-sale financial assets is determined by reference to their quoted bid price or over the counter market price at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only.

(iv) Trade and other receivables / due from related parties

The fair values of trade and other receivables and due from related parties are estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(v) Derivatives

The fair value of forward exchange contracts and option contracts are based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds) or option pricing models.

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4. Determination of fair values (continued)

(vi) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

(vii) Exercise price of financial liability related to minority share put option

The Group measures the estimated exercise price of the financial liability originating from put options granted to minorities as the present value of estimated option redemption amount. Present value of the estimated option redemption amount is based on the fair value of estimation for the company subject to the put option.

The Company has estimated a value based on multiple approaches including income approach (discounted cash flows) and market approach (comparable market multiples). The average of the values determined as of 31 August 2013, which is the exercise date of the put option, is then discounted back to 30 September 2009.

5. Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risks
- Liquidity risks
- Market risk

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk, and the Group’s management of capital.

The Company management has overall responsibility for the establishment and oversight of the Group’s risk management framework.

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities.

The instant impact of the global turmoil across global financial markets came out to be a sharp increase in foreign currency exchange rates in Turkey. Consequently, the depreciation of TL against USD and EUR was 29.8% and 25.2%, respectively, the depreciation of HRV against USD was 52% and the depreciation of BYR against USD was 2.3% as at 31 December 2008 when compared to the exchange rates as at 31 December 2007. Subsequently, TL appreciated against USD by 2.0% and depreciated against EUR by 0.9%, HRV depreciated against USD by 4.0% and BYR depreciated against USD by 25.6% as at 30 September 2009 when compared to the exchange rates as at 31 December 2008. Please refer to note 28 for additional information on the Group’s exposure to this turmoil.

Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group’s receivables from customers and investment securities.

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5. Financial risk management (continued)
Credit risk (continued)

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Group may require collateral in respect of financial assets. Also, the Group may demand letters of guarantee from third parties related to certain projects or contracts. The Group may also demand certain pledges from counterparties if necessary in return for the credit support it gives related to certain financings.

In monitoring customer credit risk, customers are grouped according to whether they are an individual or legal entity, ageing profile, maturity and existence of previous financial difficulties. Trade receivables and accrued service income are mainly related to the Group's subscribers. The Group exposure to credit risk on trade receivables is influenced mainly by the individual payment characteristics of postpaid subscribers.

Investments are preferred to be in liquid securities and mostly with counterparties that have a credit rating equal or better than the Group. Some of the collection banks have credit ratings that are lower than the Group's, or they may not be rated at all, however, policies are in place to review the paid-in capital and rating of counterparties periodically to ensure credit worthiness.

Transactions involving derivatives are with counterparties with whom the Group has signed agreements and which have sound credit ratings.

At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The Group establishes an allowance for doubtful receivables that represents its estimate of incurred losses in respect of receivables from subscribers. This allowance includes the specific loss component that relates to individual subscribers exposures, and adjusted for a general provision which is determined based on historical data of payment statistics. This allowance also includes specific provision for some dealers and roaming counterparties. Impairment loss as a percentage of revenues represented 1.2% of revenues for the nine months ended 30 September 2009. If impairment loss as a percentage of revenues increased to 1.5% of revenues, the impairment loss would have been increased by $14,397 negatively impacting profit for the nine months ended 30 September 2009.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically, the Group ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

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5. Financial risk management (continued)

Currency risk

The Group is exposed to currency risk on certain revenues such as roaming revenues, purchases and certain operating costs such as roaming expenses and network related costs and resulting receivables and payables, borrowings, deferred payments related to the acquisition of Belarussian Telecom and financial liability in relation to put option for the acquisition of minority shares of Belarussian Telecom that are denominated in a currency other than the respective functional currencies of Group entities, primarily TL for operations conducted in Turkey. The currencies in which these transactions are primarily denominated are EUR, USD and SEK.

Derivative financial instruments such as forward contracts and options are used to hedge exposure to fluctuations in foreign exchange rates. The Group uses forward exchange contracts to hedge its currency risk.

The Group's investments in its equity accounted investee Fintur and its subsidiaries in Ukraine and Republic of Belarus are not hedged with respect to the currency risk arising from the net assets as those net investments are considered to be long-term in nature.

Interest rate risk

The Group has not entered into any type of derivative instrument in order to hedge interest rate risk as at 30 September 2009.

6. Segment reporting

The Group has three reportable segments, as described below, which are based on the dominant source and nature of the Group's risk and returns as well as the Group's internal reporting structure. These strategic segments offer same types of services, however they are managed separately because they operate in different geographical locations and are affected by different economical conditions.

The Group comprises the following main operating segments: Turkcell, Euroasia and Belarussian Telecom, all of which are GSM operators in their countries.

Other operations mainly include companies operating in telecommunication and betting businesses and companies provide call center and value added services.

Information regarding the operations of each reportable segment is included below. Adjusted EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Adjusted EBITDA definition includes revenue, direct cost of revenues excluding depreciation and amortization, selling and marketing expenses and administrative expenses.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies.

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6. Segment reporting (continued)

	Nine months ended 30 September									
	Turkcell		**Euroasia**		**Belarussian Telecom**		**Other**		**Total**	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Total external revenues	3,835,311	4,787,502	257,031	326,826	8,730	90	167,877	270,943	4,268,949	5,385,361
Intersegment revenue	19,579	37,977	1,267	1,206	6	-	220,020	223,005	240,872	262,188
Adjusted EBITDA	1,397,612	1,921,350	13,286	17,014	(24,688)	(935)	96,427	124,818	1,482,637	2,062,247
Finance income	221,972	349,258	1,333	17,613	507	-	33,622	49,672	257,434	416,543
Finance expense	(130,934)	(23,809)	(45,610)	(30,186)	(5,297)	-	(17,286)	(34,393)	(199,127)	(88,388)
Depreciation and amortisation	283,985	424,480	56,822	79,320	20,940	3,192	39,817	30,080	401,564	537,072
Share of profit of equity accounted investees	-	-	-	-	-	-	51,977	74,382	51,977	74,382
Capital expenditure	1,048,762	277,342	109,196	160,910	69,560	833,402	140,100	159,262	1,367,618	1,430,916

	Three months ended 30 September									
	Turkcell		**Euroasia**		**Belarussian Telecom**		**Other**		**Total**	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Total external revenues	1,428,083	1,841,678	92,818	127,131	5,138	90	61,837	87,024	1,587,876	2,055,923
Intersegment revenue	7,684	15,618	412	638	1	-	84,895	85,545	92,992	101,801
Adjusted EBITDA	516,742	799,910	7,145	11,217	(10,122)	(935)	39,018	32,097	552,783	842,289
Finance income	57,346	85,053	(5,005)	(247)	151	-	6,075	13,213	58,567	98,019
Finance expense	(31,652)	(19,245)	(26,263)	(8,530)	337	-	(5,343)	(9,042)	(62,921)	(36,817)
Depreciation and amortisation	103,646	130,595	19,756	27,411	10,046	3,192	17,008	10,850	150,456	172,048
Share of profit of equity accounted investees	-	-	-	-	-	-	27,204	25,139	27,204	25,139
Capital expenditure	196,387	80,771	31,876	47,677	32,666	833,402	65,203	47,205	326,132	1,009,055

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6. Segment reporting (continued)

	As at 30 September 2009 and 31 December 2008									
	Turkcell		**Euroasia**		**Belarussian Telecom**		**Other**		**Total**	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Reportable segment assets	3,827,407	2,801,251	607,796	592,035	601,528	586,242	650,560	448,036	5,687,291	4,427,564
Investment in associates	-	-	-	-	-	-	428,477	313,723	428,477	313,723
Reportable segment liabilities	1,357,418	1,330,075	178,373	121,835	39,769	9,827	110,202	115,169	1,685,762	1,576,906

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6. Segment reporting (continued)

Reconciliations of reportable segment revenues, adjusted EBITDA, assets and liabilities and other material items:

	Nine months ended		**Three months ended**	
	30 September 2009	**30 September 2008**	**30 September 2009**	**30 September 2008**
Revenues				
Total revenue for reportable segments	4,121,924	5,153,601	1,534,136	1,985,155
Other revenue	387,897	493,948	146,732	172,569
Elimination of inter-segment revenue	(240,872)	(262,188)	(92,992)	(101,801)
Consolidated revenue	**4,268,949**	**5,385,361**	**1,587,876**	**2,055,923**

	Nine months ended		**Three months ended**	
	30 September 2009	**30 September 2008**	**30 September 2009**	**30 September 2008**
Adjusted EBITDA				
Total adjusted EBITDA for reportable segments	1,386,210	1,937,429	513,765	810,192
Other adjusted EBITDA	96,427	124,818	39,018	32,097
Elimination of inter-segment adjusted EBITDA	(16,310)	(6,472)	(7,432)	(4,496)
Consolidated adjusted EBITDA	**1,466,327**	**2,055,775**	**545,351**	**837,793**
Finance income	242,153	394,799	69,331	83,650
Finance expense	(173,103)	(47,966)	(70,481)	(16,728)
Other income	16,809	8,744	8,399	6,346
Other expense	(11,510)	(25,192)	(1,442)	(2,707)
Share of profit of equity accounted investees	51,977	74,382	27,204	25,139
Depreciation and amortization	(401,564)	(537,072)	(150,456)	(172,048)
Consolidated profit before income tax	**1,191,089**	**1,923,470**	**427,906**	**761,445**

	Nine months ended		**Three months ended**	

	30 September 2009	30 September 2008	30 September 2009	30 September 2008
Finance income				
Total finance income/(expense)				
for reportable segments	223,812	366,871	52,492	84,806
Other finance income	33,622	49,672	6,075	13,213
Elimination of inter-segment finance income	(15,281)	(21,744)	10,764	(14,369)
Consolidated finance income	**242,153**	**394,799**	**69,331**	**83,650**

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

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6. Segment reporting (continued)

	Nine months ended		**Three months ended**	
	30 September 2009	**30 September 2008**	**30 September 2009**	**30 September 2008**
Finance expense				
Total finance expense for reportable segments	181,841	53,995	57,578	27,775
Other finance expense	17,286	34,393	5,343	9,042
Elimination of inter-segment finance expense	(26,024)	(40,422)	7,560	(20,089)
Consolidated finance expense	**173,103**	**47,966**	**70,481**	**16,728**

	30 September 2009	**31 December 2008**
Assets		
Total assets for reportable segments	5,036,731	3,979,528
Other assets	650,560	448,036
Investments in equity accounted investees	428,477	313,723
Other unallocated amounts	2,759,415	3,326,639
Consolidated total assets	**8,875,183**	**8,067,926**

	30 September 2009	**31 December 2008**
Liabilities		
Total liabilities for reportable segments	1,575,560	1,461,737
Other liabilities	110,202	115,169
Other unallocated amounts	1,422,127	1,047,377
Consolidated total liabilities	**3,107,889**	**2,624,283**

Geographical information

In presenting the information on the basis of geographical segments, segment revenue is based on the geographical location of operations and segment assets are based on the geographical location of the assets.

Revenues	**Nine months ended**		**Three months ended**	
	30 September 2009	**30 September 2008**	**30 September 2009**	**30 September 2008**
Turkey	3,951,476	4,994,305	1,470,494	1,906,722
Ukraine	257,031	326,826	92,818	127,131
Belarus	8,730	90	5,138	90
Turkish Republic of Northern Cyprus	51,712	64,140	19,426	21,980
	4,268,949	**5,385,361**	**1,587,876**	**2,055,923**

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6. Segment reporting (continued)
Geographical information (continued)

	30 September	31 December
Non-current assets	**2009**	**2008**
Turkey	3,366,763	2,479,805
Ukraine	551,509	528,078
Belarus	592,691	582,634
Turkish Republic of Northern Cyprus	64,888	57,804
Unallocated non-current assets	466,486	349,481
	5,042,337	**3,997,802**

7. Revenue

	Nine months ended 30 September		Three months ended 30 September	
	2009	**2008**	**2009**	**2008**
Communication fees	4,101,190	5,119,057	1,536,279	1,963,904
Monthly fixed fees	31,680	52,503	10,214	17,608
Commission fees on betting business	27,139	131,778	7,017	37,067
Simcard sales	18,203	21,081	6,605	9,440
Call center revenues	13,854	12,696	6,059	4,479
Other revenues	76,883	48,246	21,702	23,425
	4,268,949	5,385,361	1,587,876	2,055,923

8. Personnel expenses

	Nine months ended 30 September		Three months ended 30 September	
	2009	**2008**	**2009**	**2008**
Wages and salaries (*)	294,263	393,517	106,835	137,156
Increase in liability for long-service leave	6,176	7,506	3,564	665
Contributions to defined contribution plans	3,000	3,425	1,058	973
	303,439	404,448	111,457	138,794

* Wages and salaries include compulsory social security contributions.

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TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

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9. Finance income and expenses

Recognised in profit or loss:

	Nine months ended 30 September		Three months ended 30 September	
	2009	**2008**	**2009**	**2008**
Interest income on bank deposits	171,734	257,237	43,249	94,321
Late payment interest income	29,293	35,047	10,827	14,775
Interest income on contracted receivables	18,731	-	11,716	-
Premium income on option contracts	7,840	12,461	2,496	6,496
Discount interest income	4,858	3,724	(786)	(571)
Interest income on available-for-sale financial assets	4,283	4,684	553	2,857
Net gain on disposal of available-for-sale financial assets transferred from equity	2,060	6,819	2,041	-
Net foreign exchange gain	-	71,713	(3,218)	(34,637)
Other interest income	3,354	3,114	2,453	409
Finance income	242,153	394,799	69,331	83,650
Litigation late payment interest expense	(76,347)	-	(1,746)	-
Discount interest expense on financial liabilities measured at amortised cost	(48,779)	(39,724)	(23,258)	(13,706)
Net foreign exchange loss	(43,373)	-	(43,373)	-
Option premium expense	(294)	(3,921)	(192)	(1,790)
Other	(4,310)	(4,321)	(1,912)	(1,232)
Finance expense	(173,103)	(47,966)	(70,481)	(16,728)
Net finance income / (expense)	69,050	346,833	(1,150)	66,922

Late payment interest income is interest received from subscribers who pay monthly invoices after due date specified on the invoices.

Interest income on contracted receivables is recognised over the amount related to the handset campaigns throughout the contract period.

Litigation late payment interest expense is recognised in relation to legal disputes and detailed explanations are given in note 31.

Interest expense on borrowings capitalized on fixed assets amounts to $1,862, $8,215, $1,862 and $2,466 for the nine and three months ended 30 September 2009 and 2008, respectively.

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10. Income tax expense

	Nine months ended		**Three months ended**	
	30 September 2009	**2008**	**30 September 2009**	**2008**
Current tax expense				
Current period	(263,358)	(432,056)	(94,373)	(172,505)
	(263,358)	(432,056)	(94,373)	(172,505)
Deferred tax benefit				
Origination and reversal of temporary differences	573	24,450	203	11,482
Benefit of investment incentive recognized	1,432	2,102	362	729
	2,005	26,552	565	12,211
Total income tax expense	(261,353)	(405,504)	(93,808)	(160,294)

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10. Income tax expense (continued)
Reconciliation of effective tax rate

The reported income tax expense for the nine and three months ended 30 September 2009 and 2008 are different than the amounts computed by applying the statutory tax rate to profit before income tax of the Company, as shown in the following reconciliation:

		Nine months ended				**Three months ended**		
		30 September 2009		**2008**		**30 September 2009**		**2008**
Profit for the period		929,736		1,517,966		334,098		601,151
Total income tax expense		261,353		405,504		93,808		160,294
Profit excluding income tax		1,191,089		1,923,470		427,906		761,445
Income tax using the Company's domestic tax rate	20%	(238,218)	20%	(384,694)	20%	(85,581)	20%	(152,289)
Effect of tax rates in foreign jurisdictions	(1%)	6,116	-	3,148	(1%)	2,825	-	1,004
Tax exempt income	-	693	-	5,036	-	-	-	-
Non deductible expenses	2%	(20,946)	-	(6,651)	4%	(15,391)	-	(3,298)
Tax incentives	-	1,432	-	2,102	-	362	-	729
Unrecognized deferred tax assets	2%	(20,217)	2%	(34,342)	2%	(10,554)	2%	(12,202)
Difference in effective tax rate of equity accounted investees	(1%)	12,761	(1%)	16,566	(1%)	6,031	(1%)	6,098
Other	-	(2,974)	-	(6,669)	(2%)	8,500	-	(336)
Total income tax expense		(261,353)		(405,504)		(93,808)		(160,294)

The income taxes payable of $112,377 as at 30 September 2009 represents the amount of current income tax provision in respect of related taxable profit for the nine months ended 30 September 2009 netted off with advance tax payment made as at 30 September 2009.

The income tax payable of $126,585 as at 31 December 2008 represents the amount of income taxes payable in respect of related taxable profit for the year ended 31 December 2008 netted off with advance tax payments made for the year.

The Turkish entities within the Group are subject to corporate tax at the rate of 20%. In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns at the end of April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years. Advance tax returns are filed on a quarterly basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting tax exempt income.

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10. Income tax expense (continued)

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

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11. Property, plant and equipment

Cost or deemed cost	**Balance at 1 January 2008**	**Additions**	**Disposals**	**Transfers**	**Disposal of subsidiary**	**Acquisitions through business combinations**	**Effect of movements in exchange rates**	**Balance at 31 December 2008**
Network infrastructure (All Operational)	5,483,739	187,343	(56,974)	319,691	(832)	26,917	(1,322,936)	4,636,948
Land and buildings	328,272	6,839	(614)	8,285	-	2,958	(76,646)	269,094
Equipment, fixtures and fittings	357,298	8,537	(5,207)	3,240	(96)	1,072	(83,858)	280,986
Motor vehicles	17,252	1,610	(1,048)	-	-	694	(3,771)	14,737
Leasehold improvements	153,962	2,960	(462)	11,829	-	1	(35,662)	132,628
Construction in progress	308,769	407,654	-	(343,045)	-	108,871	(46,142)	436,107
Total	**6,649,292**	**614,943**	**(64,305)**	**-**	**(928)**	**140,513**	**(1,569,015)**	**5,770,500**
Accumulated Depreciation and Impairment Losses								
Network infrastructure (All Operational)	3,841,990	399,217	(49,660)	-	(464)	-	(988,221)	3,202,862
Land and buildings	94,028	12,566	(143)	-	-	-	(24,151)	82,300
Equipment, fixtures and fittings	326,714	18,626	(3,681)	-	(42)	-	(80,745)	260,872
Motor vehicles	15,398	1,252	(853)	-	-	-	(3,705)	12,092
Leasehold improvements	149,267	2,281	(276)	-	-	-	(34,968)	116,304
Total	**4,427,397**	**433,942**	**(54,613)**	**-**	**(506)**	**-**	**(1,131,790)**	**3,674,430**
Total property, plant and equipment								
	2,221,895	**181,001**	**(9,692)**	**-**	**(422)**	**140,513**	**(437,225)**	**2,096,070**

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11. Property, plant and equipment

Cost or deemed cost	**Balance at 1 January 2009**	**Additions**	**Disposals**	**Transfers**	**Effect of movements in exchange rates**	**Balance at 30 September 2009**
Network infrastructure (All Operational)	4,636,948	120,620	(141,355)	477,296	88,886	5,182,395
Land and buildings	269,094	2,464	-	882	4,261	276,701
Equipment, fixtures and fittings	280,986	3,867	(8,196)	27,067	4,032	307,756
Motor vehicles	14,737	1,346	(967)	-	(69)	15,047
Leasehold improvements	132,628	1,229	(2,868)	869	2,552	134,410
Construction in progress	436,107	589,420	-	(506,114)	(40,559)	478,854
Total	**5,770,500**	**718,946**	**(153,386)**	**-**	**59,103**	**6,395,163**
Accumulated Depreciation						
Network infrastructure (All Operational)	3,202,862	234,117	(139,585)	-	93,099	3,390,493
Land and buildings	82,300	7,935	-	-	1,932	92,167
Equipment, fixtures and fittings	260,872	10,080	(7,811)	-	2,566	265,707
Motor vehicles	12,092	791	(928)	-	231	12,186
Leasehold improvements	116,304	1,550	(2,754)	-	2,379	117,479
Total	**3,674,430**	**254,473**	**(151,078)**	**-**	**100,207**	**3,878,032**
Total property, plant and equipment	**2,096,070**	**464,473**	**(2,308)**	**-**	**(41,104)**	**2,517,131**

Depreciation expenses for the nine and three months ended 30 September 2009 and 2008 are $254,473, $347,020, $98,395 and $111,385 respectively.

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11. Property, plant and equipment (continued)
Leased assets

The Group leases equipment under a number of finance lease agreements. At the end of each of the lease period, the Group has the option to purchase the equipment at a beneficial price. As at 30 September 2009, net carrying amount of fixed assets acquired under finance leases amounted to $67,483 (31 December 2008: $68,050).

Property, plant and equipment under construction

Construction in progress mainly consisted of expenditures in GSM network of the Company, Astelit, Kibris Mobile Telekomunikasyon Limited Sirketi ("Kibris Telekom") and Belarussian Telecom and non-operational items as at 30 September 2009 and 31 December 2008.

As at 30 September 2009, a mortgage is placed on Izmir and Davutpasa buildings amounting to $1,012 and $337, respectively (31 December 2008: $992 and $331, respectively).

12. Intangible assets
In April 1998, the Company signed the License with the Turkish Ministry, under which it was granted a GSM license, which is amortized over 25 years with a carrying amount of $418,868 as at 30 September 2009 (31 December 2008: $433,280). The amortization period of the license will end in 2023.

On 30 April 2009, the Company signed a license agreement with ICTA which provides authorization for providing IMT 2000/UMTS services and infrastructure. The Company acquired the A type license providing the widest frequency band for a consideration of EUR 358,000 (excluding VAT). The license is effective for a duration of 20 years starting from 30 April 2009. According to the agreement, operators have provided IMT 2000/UMTS services starting from 30 July 2009.

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12. Intangible assets (continued)

Cost	**Balance at 1 January 2008**	**Additions**	**Disposals**	**Transfers**	**Disposal of subsidiary**	**Acquisitions through business combinations**	**Effects of movements in exchange rates**	**Balance at 31 December 2008**
GSM and other telecommunication operating licenses	1,117,555	7,372	-	24,612	(52)	91,185	(254,225)	986,447
Computer Software	2,072,771	1,958	(585)	158,752	(1,478)	680	(488,834)	1,743,264
Transmission Lines	39,674	877	-	-	-	-	(9,120)	31,431
Central Betting System Operating Right	4,928	1,576	(9)	113	-	-	(1,132)	5,476
Brand name	-	-	-			4,655	-	4,655
Customer Base	1,515	-	-	-	-	5,204	(349)	6,370
Customs duty and VAT exemption right	-	-	-			51,101	-	51,101
Goodwill	-	-	-	-	-	244,642	-	244,642
Other	95	1,177	(36)	-	(6)	218	270	1,718
Construction in progress	4,177	180,259	-	(183,477)	-	18,218	3,329	22,506
Total	**3,240,715**	**193,219**	**(630)**	**-**	**(1,536)**	**415,903**	**(750,061)**	**3,097,610**
Accumulated Amortization								
GSM and other telecommunication operating licenses	441,581	57,020	-	-	(38)	-	(99,886)	398,677
Computer Software	1,390,791	180,044	(527)	-	(1,036)	-	(356,329)	1,212,943
Transmission Lines	26,785	3,533	-	-	-	-	(6,733)	23,585
Central Betting System Operating Right	4,576	361	(3)	-	-	-	(1,108)	3,826
Brand name	-	139	-	-	-	-	(23)	116
Customer Base	1,515	194	-	-	-	-	(372)	1,337
Customs duty and VAT exemption right	-	4,628	-	-	-	-	(757)	3,871
Other	64	66	(30)	-	(2)	-	262	360
Total	**1,865,312**	**245,985**	**(560)**	**-**	**(1,076)**	**-**	**(464,946)**	**1,644,715**
Total intangible assets	**1,375,403**	**(52,766)**	**(70)**	**-**	**(460)**	**415,903**	**(285,115)**	**1,452,895**

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12. Intangible assets (continued)

Cost	**Balance at 1 January 2009**	**Additions**	**Disposals**	**Transfers**	**Effects of movements in exchange rates**	**Balance at 30 September 2009**
GSM and other telecommunication operating licenses	986,447	16,792	(19,710)	515,437	(12,085)	1,486,881
Computer Software	1,743,264	15,038	(2,464)	113,606	27,935	1,897,379
Transmission Lines	31,431	1,223	-	-	644	33,298
Central Betting System Operating Right	5,476	27	-	-	112	5,615
Brand name	4,655	-	-	-	95	4,750
Customer Base	6,370	-	-	-	130	6,500
Customs duty and VAT exemption right	51,101	-	-	-	1,045	52,146
Goodwill	244,642	-	-	-	5,002	249,644
Other	1,718	507	(848)	-	(471)	906
Construction in progress	22,506	615,085	-	(629,043)	(3,770)	4,778
Total	**3,097,610**	**648,672**	**(23,022)**	**-**	**18,637**	**3,741,897**
Accumulated Amortization						
GSM and other telecommunication operating licenses	398,677	32,271	(19,710)	-	(15,684)	395,554
Computer Software	1,212,943	103,304	(2,425)	-	25,156	1,338,978
Transmission Lines	23,585	1,231	-	-	579	25,395
Central Betting System Operating Right	3,826	124	-	-	84	4,034
Brand name	116	338	-	-	21	475
Customer Base	1,337	472	-	-	53	1,862
Customs duty and VAT exemption right	3,871	8,431	-	-	537	12,839
Other	360	920	(296)	-	(478)	506
Total	**1,644,715**	**147,091**	**(22,431)**	**-**	**10,268**	**1,779,643**
Total intangible assets	**1,452,895**	**501,581**	**(591)**	**-**	**8,369**	**1,962,254**

Amortization expenses for the nine and three months ended 30 September 2009 and 2008 are $147,091, $190,052, $52,061 and $60,663, respectively.

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13. Equity accounted investees

The Group's share of profit in its equity accounted investees for the nine and three months ended 30 September 2009 and 2008 are $51,977, $74,382, $27,204 and $25,139, respectively. Summary financial information for equity accounted investees adjusted for the accounting policy differences for the same events under similar circumstances and not adjusted for the percentage ownership held by the Group is as follows:

	Ownership	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities
30 September 2009							
Fintur (associate)	41.45%	701,794	1,448,799	2,150,593	290,749	912,207	1,202,956
A-Tel (joint venture)*	50.00%	58,653	202,335	260,988	17,048	40,642	57,690
		760,447	1,651,134	2,411,581	307,797	952,849	1,260,646
31 December 2008							
Fintur (associate)	41.45%	492,587	1,786,728	2,279,315	443,808	962,823	1,406,631
A-Tel (joint venture)*	50.00%	73,924	207,342	281,266	22,157	44,924	67,081
		566,511	1,994,070	2,560,581	465,965	1,007,747	1,473,712

	Nine months ended			Three months ended		
	Revenue	Direct cost of revenue	Profit/(loss) for the period	Revenue	Direct cost of revenue	Profit/(loss) for the period
30 September 2009						
Fintur (associate)	1,186,151	(496,589)	232,365	419,713	(171,508)	99,227
A-Tel (joint venture)*	55,562	(68,616)	(14,692)	19,996	(26,231)	(7,913)
	1,241,713	(565,205)	217,673	439,709	(197,739)	91,314
30 September 2008						
Fintur (associate)	1,350,288	(549,337)	262,347	500,410	(198,219)	94,006
A-Tel (joint venture)*	76,465	(62,423)	7,417	30,263	(23,658)	2,566
	1,426,753	(611,760)	269,764	530,673	(221,877)	96,572

* Figures mentioned in the above table includes fair value adjustments that arose during acquisition of A-Tel.

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13. Equity accounted investees (continued)

The Company's investment in Fintur and A-Tel amounts to $327,230 and $101,247 respectively as at 30 September 2009 (31 December 2008: $207,019 and $106,704).

In April 2008, the privatization of the Republic of Azerbaijan's 35.7% ownership in Azercell Telecom B.M. ("Azercell"), a 51% owned consolidated subsidiary of Fintur, was completed. The minority shareholders in Azercell acquired the 35.7% shares of Republic of Azerbaijan increasing their effective ownership in Azercell to 49%. One of the minority shareholders was also granted a put option, giving the shareholder the right to sell its 42.2% stake to Fintur at fair value in certain deadlock situations regarding material decisions at the General Assembly. Fintur has initially accounted for the present value of the estimated option redemption amount as a provision and derecognized the minority interest. The difference between the present value of the estimated option redemption amount and the derecognized minority interest amounting to $662,534 is accounted under equity, in accordance with the Group's accounting policy.

14. Other investments

Non-current investments:

		30 September 2009		31 December 2008	
	Country of incorporation	**Ownership (%)**	**Carrying Amount**	**Ownership (%)**	**Carrying Amount**
Aks Televizyon Reklamcilik ve Filmcilik Sanayi ve Ticaret AS ("Aks TV")	Turkey	6.24	22,851	6.24	22,393
T Medya Yatirim Sanayi ve Ticaret AS ("T-Medya")	Turkey	10.23	12,460	10.23	12,221
			35,311		34,614

In 2003, the Group acquired a 6.24% interest in Aks TV and an 8.23% interest in T-Medya, media companies owned by Cukurova Group. On 27 June 2007, T-Medya took over Asli Gazetecilik ve Matbaacilik AS and, by this restructuring, interest of the Group in T-Medya increased from 8.23% to 9.23%. As a result of the acquisition of Superonline, interest of the Group in T-Medya increased to 10.23%.

Investment in Aks TV and T-Medya is classified as available-for-sale financial assets. However, there is not active market available for these equity instruments, and application of valuation techniques is impracticable. Accordingly, the Company measured these investments at cost.

Current investments:

	30 September 2009	**31 December 2008**
Available-for-sale government bonds, treasury bills	62,226	689

TL denominated government bonds with a carrying amount of $61,930 are discounted as at 30 September 2009 (31 December 2008: nil). Interest bearing available-for-sale EUR denominated government bonds and treasury bills with a carrying amount of $296 as at 30 September 2009 have stated interest rates of Euribor+1.8% and mature in 1 to 2 years. As at 31 December 2008, interest bearing available-for-sale USD denominated and EUR denominated government bonds and treasury bills with a carrying amount of $403 and $286, respectively have stated interest rates of Libor+1.0% and Euribor+1.8%, respectively and mature in 1 to 2 years.

The Group's exposure to credit, currency and interest rate risks related to other investments is disclosed in note 28.

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15. Other non-current assets

	30 September 2009	**31 December 2008**
Value added tax (“VAT”) receivable	34,428	20,579
Prepaid expenses	22,344	17,921
Deposits and guarantees given	6,629	5,840
Prepayment for subscriber acquisition cost	3,099	7,652
Others	2,457	2,015
	68,957	54,007

Subscriber acquisition costs are subsidies paid to dealers for engaging a fixed term contract with the subscriber that require a minimum consideration.

16. Deferred tax assets and liabilities

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	30 September 2009	**31 December 2008**
Deductible temporary differences	14,165	4,841
Tax losses	136,768	125,875
Total unrecognised deferred tax assets	150,933	130,716

The deductible temporary differences do not expire under current tax legislation. Turkish tax legislation does not allow companies to file tax returns on a consolidated basis. Therefore, deferred tax assets have not been recognised in respect of these items resulting from certain consolidated subsidiaries because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

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16. Deferred tax assets and liabilities
Unrecognised deferred tax assets (continued)

As at 30 September 2009, expiration of tax losses is as follows:

Year Originated	Amount	Expiration Date
2004	1,119	2009
2005	1,111	2010
2006	4,277	2011
2007	12,926	2012
2008	80,479	2013
2009	24,054	2014 thereafter
	123,966	

As at 30 September 2009, net operating loss carry forwards which will be carried indefinitely are as follows:

Year Originated	Amount
2004	21,622
2005	56,217
2006	98,515
2007	38,395
2008	220,908
2009	12,241

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities as at 30 September 2009 and 31 December 2008 are attributable to the following:

	Assets		**Liabilities**		**Net**	
	30 September		**30 September**		**30 September**	**31 December**
	2009	**31 December 2008**	**2009**	**31 December 2008**	**2009**	**2008**
Property, plant & equipment and intangible assets	150	166	(169,187)	(168,802)	(169,037)	(168,636)
Investment	-	-	(15,995)	(10,267)	(15,995)	(10,267)

Provisions	26,692	10,070	-	-	26,692	10,070
Trade and other payables	34,371	45,242	(20)	(1,003)	34,351	44,239
Other items	7,119	4,883	(12,168)	(9,642)	(5,049)	(4,759)
Tax credit carry forwards	-	6	-	-	-	6
Tax assets / (liabilities)	**68,332**	**60,367**	**(197,370)**	**(189,714)**	**(129,038)**	**(129,347)**
Set off of tax	(65,634)	(59,223)	65,634	59,223	-	-
Net tax assets / (liabilities)	**2,698**	**1,144**	**(131,736)**	**(130,491)**	**(129,038)**	**(129,347)**

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16. Deferred tax assets and liabilities (continued)

Movement in temporary differences as at 30 September 2009 and 31 December 2008

	Balance at 1 January 2008	**Recognised in profit or loss**	**Recognised in equity**	**Acquired in business combinations**	**Disposal of subsidiary**	**Effect of moveme in excha rates**
Property, plant & equipment and intangible assets	(200,730)	46,147	-	(50,989)	98	36,838
Investment	(7,816)	(8,133)	343	-	-	5,339
Provisions	12,813	367	-	-	(5)	(3,105)
Trade and other payables	54,749	3,675	-	-	-	(14,185)
Other items	10,519	(23,942)	1,025	(476)	-	8,115
Tax credit carry forwards	523	(703)	-	-	-	186
Total	**(129,942)**	**17,411**	**1,368**	**(51,465)**	**93**	**33,188**

	Balance at 1 January 2009	**Recognised in profit or loss**	**Recognised in equity**	**Acquired in business combinations**	**Disposal of subsidiary**	**Effect of moveme in excha rates**
Property, plant & equipment and intangible assets	(168,636)	2,864	-	-	-	(3,265)
Investment	(10,267)	(8,410)	3,430	-	-	(748)
Provisions	10,070	15,428	-	-	-	1,194
Trade and other payables	44,239	(10,144)	-	-	-	256
Other items	(4,759)	2,273	-	-	-	(2,563)
Tax credit carry forwards	6	(6)	-	-	-	-
Total	**(129,347)**	**2,005**	**3,430**	**-**	**-**	**(5,126)**

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17. Trade receivables and accrued income

	30 September 2009	**31 December 2008**
Receivables from subscribers	362,126	298,294
Accrued service income	287,369	175,429
Accounts and checks receivable	139,589	105,822
Receivables from Turk Telekomunikasyon AS (“Turk Telekom”)	22,407	7,840
	811,491	587,385

Trade receivables are shown net of allowance for doubtful debts amounting to $252,086 as at 30 September 2009 (31 December 2008: $196,637). The impairment loss recognized for the nine and three months ended 30 September 2009 and 2008 are $49,637, $48,645, $18,293 and $22,054, respectively.

Letters of guarantee received with respect to the accounts and checks receivable are amounted to $165,738 and $165,310 as at 30 September 2009 and 31 December 2008, respectively.

The accrued service income represents revenues accrued for subscriber calls (air-time) and contracted receivables related to handset campaigns, which have not been billed. Due to the volume of subscribers, there are different billing cycles; accordingly, an accrual is made at each period end to accrue revenues for rendered but not yet billed.

Receivables from Turk Telekom as at 30 September 2009 and 31 December 2008 represent net amounts that are due from Turk Telekom under the Interconnection Agreement. The Interconnection Agreement provides that Turk Telekom will pay to the Company for Turk Telekom’s fixed-line subscribers’ calls to GSM subscribers.

The Group’s exposure to credit and currency risks and impairment losses related to trade receivables are disclosed in note 28.

18. Other current assets

	30 September 2009	**31 December 2008**
Prepaid expenses	142,419	54,899
VAT receivable	29,494	22,979
Advances to suppliers	20,475	9,157
Interest income accruals	14,081	19,760
Prepayment for subscriber acquisition cost	12,598	23,822
Receivable from personnel	2,847	3,488

Other	8,084	4,683
	229,998	138,788

Prepaid expenses mainly consist of prepaid frequency usage fees amounting to $59,754 as at 30 September 2009 (31 December 2008: nil).

Subscriber acquisition costs are subsidies paid to dealers for engaging a fixed term contract with the subscriber that require a minimum consideration.

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19. Cash and cash equivalents

	30 September 2009	**31 December 2008**
Cash in hand	196	4,567
Cheques received	901	599
Banks	2,640,928	3,254,582
-Demand deposits	175,939	149,149
-Time deposits	2,464,989	3,105,433
Bonds and bills	284	44
Cash and cash equivalents	2,642,309	3,259,792
Bank overdrafts	(15,769)	(4,372)
Cash and cash equivalents in the statement of cash flows	2,626,540	3,255,420

As at 30 September 2009, there was no cash and cash equivalents amount deposited in banks, that are owned and/or controlled by Cukurova Group, a significant shareholder of the Company (31 December 2008: $50,000).

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 28.

20. Capital and reserves
Share capital

As at 30 September 2009, common stock represented 2,200,000,000 (31 December 2008: 2,200,000,000) authorized, issued and fully paid shares with a par value of TL 1 each. In accordance with the Law No. 5083 with respect to TL, on 9 May 2005, par value of each share is registered to be one TL.

In connection with the redenomination of the Turkish Lira and as per the related amendments of Turkish Commercial Code, in order to increase the nominal value of the shares to TL 1, 1,000 units of shares, each having a nominal value of TL 0.001 shall be merged and each unit of share having a nominal value of TL 1 shall be issued to represent such shares. The Company is still in the process of merging 1,000 existing ordinary shares, each having a nominal value of TL 0.001 to one ordinary share having a nominal value of TL 1 each. After the share merger which appears as a provisional article in the Articles of Association to convert the value of each share with a nominal value of TL 0.001 to TL 1, all shares will have a value of TL 1. Although the merger process has not been finalized, the practical application is to state each share having a nominal value of TL 1 which is consented by Capital Markets Board of Turkey ("CMB"). Accordingly, number of shares data is adjusted for the effect of this merger.

The holders of shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

Capital contribution

Capital contribution comprises the contributed assets and certain liabilities that the government settled on behalf of the Group that do not meet the definition of a government grant which the government is acting in its capacity as a shareholder.

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20. **Capital and reserves (continued)**

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the interim financial statements of foreign and domestic operations from their functional currencies to presentation currency of USD.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognized or the asset is impaired.

Legal reserve

Under the Turkish Commercial Code, Turkish companies are required to set aside first and second level legal reserves out of their profits. First level legal reserves are set aside 5% of the distributable income per statutory accounts each year. The ceiling on the first legal reserves is 20% of the paid-up capital. The reserve requirement ends when the 20% of paid-up capital level has been reached. Second legal reserves correspond to 10% of profits actually distributed after the deduction of the first legal reserves and the minimum obligatory dividend pay-out (5% of the paid-up capital). There is no ceiling for second legal reserves and they are accumulated every year.

Reserve of minority put option liability

The reserve for minority put option liability includes the difference between the put option liability granted to the minority shareholders in existing subsidiaries recognised and the amount of minority interest derecognized. Subsequent changes in the fair value of the put option liability are also recognised in this reserve.

Dividends

The Company has adopted a dividend policy, which is set out in its corporate governance guidance. As adopted, the Company’s general dividend policy is to pay dividends to shareholders with due regard to trends in the Company’s operating performance, financial condition and other factors.

The Board of Directors intends to distribute cash dividends in an amount of not less than 50% of the Company’s lower of distributable profit based on the financial statements prepared in accordance with the accounting principles accepted by the CMB or statutory records, for each fiscal year starting with profits for fiscal year 2004. However, the payment of dividends will still be subject to cash flow requirements of the Company, compliance with Turkish law and the approval of and amendment by the Board of Directors and the General Assembly of Shareholders.

On 30 March 2009, the Company’s Board of Directors has proposed a dividend distribution for the year ended 31 December 2008 amounting to TL 1,098,193 (equivalent to $713,298 and $741,021 as at 8 May 2009 and 30 September 2009, respectively), which represented 50% of distributable income. This represents a net cash dividend of full TL 0.4991787 (equivalent to full $0.336828 as at 30 September 2009) per share. This dividend proposal was approved at the Company’s Ordinary General Assembly of Shareholders held on 8 May 2009. Dividend distribution was started on 18 May 2009 and completed as of 30 September 2009.

	2009		2008	
	TL	**USD***	**TL**	**USD***
Cash dividends	1,098,193	713,298	648,714	502,334

*USD equivalents of dividends are computed by using the Central Bank of Turkey's TL/USD exchange rate on 8 May 2009 and 25 April 2008, which are the dates that the General Assembly of Shareholders approved the dividend distribution.

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21. Earnings per share

The calculation of basic and diluted earnings per share as at 30 September 2009 were based on the profit attributable to ordinary shareholders for the nine and three months ended 30 September 2009 and 2008 of $922,932, $1,517,027, $332,927 and $603,791 respectively and a weighted average number of shares outstanding during the nine and three months ended 30 September 2009 and 2008 of 2,200,000,000 calculated as follows:

	Nine months ended		**Three months ended**	
	30 September 2009	**30 September 2008**	**30 September 2009**	**30 September 2008**
Numerator:				
Net profit for the period	922,932	1,517,027		