

TURKCELL ILETISIM HIZMETLERI A S
Form 6-K
February 25, 2011

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

Report on Form 6-K dated February 25, 2011

Commission File Number: 001-15092

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

Turkcell Plaza
Mesrutiyet Caddesi No. 153
34430 Tepebasi
Istanbul, Turkey

(Address of Principal Executive Offices)

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

Form 20-F

Form 40-F

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

Yes

No

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):

Yes

No

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

Enclosure: A press release dated February 24, 2011 announcing Turkcell's Fourth Quarter and Full Year 2010 results and IFRS Report for Q4 2010.

PRESS RELEASE

Fourth Quarter and Full Year 2010 Results

TURKCELL ILETISIM HIZMETLERI A.S.
FULL YEAR 2010 RESULTS

Leading The New Mobile Internet Era
With Superior Network

Istanbul, Turkey, February 23, 2011 – Turkcell (NYSE:TKC, ISE:TCELL), the leading communications and technology company in Turkey, today announced results for the fourth quarter and year ended December 31, 2010. All financial results in this press release are unaudited, prepared in accordance with International Financial Reporting Standards (“IFRS”) and expressed in Turkish liras and 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 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.

Fourth Quarter and Full Year 2010 Results

Highlights of the Fourth Quarter and Full Year 2010

Full Year 2010

- Group revenue slightly improved to TRY9.0 billion (TRY8.9 billion) mainly due to increasing mobile internet revenues and the higher contribution of Group companies despite the negative impact of regulatory decisions in Turkey.
- Turkcell Turkey's revenue was TRY8.0 billion (TRY8.0 billion), which included higher mobile internet revenues, up 74% to TRY454 million (TRY261 million) and a higher postpaid subscriber base, despite the negative impact of significant regulatory changes.
 - The contribution of subsidiaries to Group revenue significantly improved in 2010:
- Top line contribution increased to 11.1% in 2010 (10.2%) mainly due to strong revenue growth of 32.8% to TRY335.1 million (TRY252.4 million) at Superonline.
- EBITDA contribution improved to 9% in 2010 from 5% in 2009 mainly as Superonline and Astelit significantly improved their operational performance.
- Despite challenging market conditions and regulatory changes, Group EBITDA margin was maintained at 32.7% (33.3%) while the Group EBITDA was at TRY2.9 billion (TRY3.0 billion).
 - Group net income increased by 3.7% to TRY1.8 billion (TRY1.7 billion).

Fourth Quarter 2010

- Group revenue in the fourth quarter of 2010 was TRY2.19 billion (TRY2.26 billion), a decline of 3.3% compared to a year ago due to the negative impact of regulatory decisions in Turkey, which was partially offset by the higher contribution of Group subsidiaries driven by strong performance at Superonline and growth in mobile internet and services revenues.
- The Group EBITDA margin was at 29.7% (30.2%) while the Group EBITDA* was at TRY649.0 million (TRY681.9 million). Turkcell Turkey's rising general administrative and selling and marketing expenses, were largely offset by the increasing contribution of subsidiaries', particularly by Astelit, to Group EBITDA.
- Net income increased by 45.6% to TRY368.1 million (TRY252.8 million) in Q4 2010 mostly due to the absence of one off items recorded in the fourth quarter of 2009 (e.g. charges related to fixed asset write offs and legal developments) and decrease in goodwill impairment costs, despite the increasing cost base in Turkey.

*EBITDA is a non-GAAP financial measure. See page 14-15 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 year end 2010 refer to the same item in the year end of 2009 and figures in parentheses following the operational and financial results for the fourth quarter 2010 refer to the same item in the fourth quarter of 2009. For further details, please refer to our consolidated financial statements and notes as at

and for the year ended December 31, 2010 which can be accessed via our web site in the investor relations section (www.turkcell.com.tr).

**Please note that the Information and Communication Technologies Authority in Turkey is referred to as “the Telecommunications Authority” herein.

Fourth Quarter and Full Year 2010 Results

Comments from the CEO, Sureyya Ciliv

“In 2010, Turkcell recorded revenues of TRY9.0 billion, EBITDA of TRY2.9 billion and net income of TRY1.8 billion.

During 2010, the Turkish mobile market experienced the most radical regulatory changes of recent years. Interconnection rates and maximum price cap levels decreased significantly in Turkey, negatively affecting our revenues. However, throughout 2010 we offered even more affordable prices for our customers, thereby increasing both usage and customer satisfaction.

During the year, we made major investments in our 3G and fiber network. Consequently, we have established one of the world's leading 3G networks. We believe that these investments position us very strongly against the competition and will ensure sustainable growth for us in Turkey.

We are also pleased with the performance of our Group Companies as the profitability of both Superonline in Turkey and Astelit in Ukraine significantly improved in 2010. We expect their contribution to continue to increase going forward.

In a strong macroeconomic environment in Turkey, we believe that we are very well positioned for the future as we have proactively driven the new 3G era. Our investments are well underway and we are very focused on ensuring growth through mobile internet, services and applications tailored to our customers' needs and expectations.

I would like to thank all our employees, customers, business partners and shareholders for their continued confidence in, and contribution to, Turkcell Group throughout the year. We look forward to a still better year overall in 2011.”

OVERVIEW

In 2010, mobile line penetration decreased by 4pp to 84% mainly due to the continuing decline in multiple SIM card usage. In 2011, we expect the number of mobile lines to grow in parallel to population growth, and mobile line penetration to remain in-line with the year-end 2010 level.

Furthermore, the Turkish mobile market witnessed some radical changes in 2010. The significant decrease in interconnection rates and maximum prices negatively impacted the market and put further pressure on per minute revenue and profitability. Additionally, we have seen some regulatory changes such as the introduction of an upper limit for calls up to 60 seconds, transition to TRY from unit based pricing, and the change in the definition of active subscribers.

The competitive offers in the market remained aggressive. All operators focused on increasing their postpaid subscriber base by providing high minute incentive port-in offers, launching lower priced voice packages and continuing to offer flat rate minute packages for all directions. The focus on segmented offers continued throughout the year while 3G and terminal bundled offers gained pace towards the year end.

Fourth Quarter and Full Year 2010 Results

During the year, we maintained our leadership in the Turkish market, continuing to grow our postpaid subscriber base and usage volumes in a healthy manner. We successfully differentiated ourselves through our unique mobile services and applications and marked a first in Turkcell's history, by introducing the Android-type Turkcell-branded smartphone, the T10. The number of smartphones on our network reached 2 million; representing 6% of total subscribers compared to 3% a year ago. We continued to see encouraging application and data usage trends by smartphone customers operating on our network.

Consequently, in 2010, mobile internet revenues rose by 74% and comprised 28.0% of overall mobile Internet and service revenues in Turkey, up from 20.4% a year ago. The share of mobile internet and service revenues in Turkcell Turkey revenues increased by 4.3pp to 20.3% (16.0%). The share of our consolidated mobile Internet and service revenues rose by 3.9pp to 19.4% (15.5%).

Particularly in the fourth quarter of 2010, aggressive port-in offers for postpaid subscribers continued with intense communication, tailor-made corporate offers, and increasing usage advantages for the youth segment. Terminal bundled offers, data bundled packages and roaming offers accelerated as part of the year end campaigns. We invested in our brand for positive long term returns and started to communicate our new "Get more out of life, with Turkcell" motto. We further strengthened our sales channel to ensure the growth and retention of our postpaid subscriber base in 2011 and beyond.

In 2011, we expect high single-digit top line growth and a similar EBITDA margin compared to 2010. This growth will mainly be driven by higher voice and mobile internet revenues, as well as growing contributions from our subsidiaries.

However, it is important to note that the reduction in termination rates by 52% and the maximum price cap by 38% imposed by the Authority negatively affected the pricing environment in our market starting from April 1, 2010. Consequently, since second quarter of 2010; we have lower MTR and price cap structure; which is expected to negatively impact our revenue and EBITDA in the first quarter of 2011 compared to a year ago.

Additionally, marketing initiatives by the competition, which focus on increasing market share at the expense of profitability seem to continue into the first quarter of 2011. As a result, we are incurring higher operational expenses to further differentiate Turkcell in the intensely competitive Turkish market.

Accordingly, we expect first quarter of 2011 financial results to reflect the negative impact of such regulatory and competitive dynamics. However, we are confident that we will see a gradual improvement in our financials starting from the second quarter of 2011.

Fourth Quarter and Full Year 2010 Results

Overview of the Macroeconomic Environment

The foreign exchange rates which have been used in our financial reporting and certain macroeconomic indicators are set forth below.

	Q409	Quarter Q410	y/y % chg	2009	Year 2010	y/y % chg
TRY / \$ rate						
Closing Rate	1.5057	1.5460	2.7 %	1.5057	1.5460	2.7 %
Average Rate	1.4863	1.4717	(1.0 %)	1.5495	1.5050	(2.9 %)
Consumer Price Index	4.3 %	1.6 %	(2.7pp)	6.5 %	6.4 %	(0.1pp)
GDP Growth	6.0 %	n.a.	n.a.	(4.7 %)	n.a.	n.a.
UAH/\$						
Closing Rate	7.99	7.96	(0.4 %)	7.99	7.96	(0.4 %)
Average Rate	7.99	7.93	(0.8 %)	7.80	7.93	1.7 %

Financial and Operational Review of the Fourth Quarter 2010 and Full Year 2010

The following discussion focuses principally on the developments and trends in our business in the fourth quarter of and full year 2010 in TRY terms. Selected financial information for the fourth quarter of 2009, third quarter of 2010 and full year 2009 both in TRY and US\$ prepared in accordance with IFRS, and in TRY prepared in accordance with the Capital Markets Board of Turkey's standards are also included at the end of this press release.

Financial Review of Turkcell Group

Profit & Loss Statement (million TRY)	Q409	Quarter Q410	y/y % chg	2009	Year 2010	y/y % chg
Total Revenue	2,260.6	2,186.2	(3.3 %)	8,936.4	9,003.6	0.8 %
Direct cost of revenues	(1,321.2)	(1,268.6)	(4.0 %)	(4,769.3)	(5,039.2)	5.7 %
Depreciation and amortization	(281.3)	(297.3)	5.7 %	(908.7)	(1,139.7)	25.4 %
Gross Margin	41.6 %	42.0 %	0.4pp	46.6 %	44.0 %	(2.6pp)
Administrative expenses	(122.0)	(139.3)	14.2 %	(421.2)	(521.9)	23.9 %
Selling and marketing expenses	(416.8)	(426.6)	2.4 %	(1,676.2)	(1,633.9)	(2.5 %)
EBITDA	681.9	649.0	(4.8 %)	2,978.4	2,948.3	(1.0 %)
EBITDA Margin	30.2 %	29.7 %	(0.5pp)	33.3 %	32.7 %	(0.6pp)
Net finance income / (expense)	108.4	87.7	(19.1 %)	223.8	264.0	18.0 %

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Finance expense	(21.5)	(5.4)	(74.9 %)	(287.1)	(153.4)	(46.6 %)
Finance income	129.9	93.1	(28.3 %)	510.9	417.4	(18.3 %)
Share of profit of associates	39.3	40.8	3.8 %	118.8	184.7	55.5 %
Income tax expense	(117.0)	(104.8)	(10.4 %)	(529.1)	(483.5)	(8.6 %)
Net Income	252.8	368.1	45.6 %	1,701.6	1,764.3	3.7 %

(*): including depreciation and amortization expenses.

(**): EBITDA is a non-GAAP financial measure. See page 14-15 for the reconciliation of EBITDA to net cash from operating activities.

Fourth Quarter and Full Year 2010 Results

Revenue: In Q4 2010, revenue contracted by 3.3% year-on-year to TRY2,186.2million (TRY2,260.6 million). This decline resulted mainly from the decrease in Turkcell Turkey's mobile voice revenues as a result of the sharp decline in interconnect rates which was partially compensated by the 23.7% growth in mobile internet & services revenues of Turkcell Turkey and 3.1% growth in contribution from subsidiaries.

For the full year, consolidated revenues slightly improved to TRY9,003.6million (TRY8,936.4 million), mainly due to the 26.4% increase in mobile internet and services revenues of Turkcell Turkey to TRY1,619.1 million (TRY1,280.6 million), as well as the 11.1% higher contribution from subsidiaries year-on-year (particularly, through Superonline, which increased revenues by 32.8% to TRY335.1 million from TRY252.4 million) despite the adverse effects of MTR and price cap cuts.

At the same time, Turkcell Turkey's revenues remained almost flat in FY10, at around TRY7,991.2 million (TRY8,025.0 million), despite the regulatory decisions which were partially offset by the 26.4% growth in mobile internet and services revenues, as well as the increasing postpaid subscriber base.

In FY10, Turkcell Turkey's interconnect revenues decreased to TRY638.4 million (TRY808.1 million) mainly due to the MTR cuts, which led to a decline in the share of interconnection revenues in Turkcell Turkey's revenues from 10.1% in FY09 to 8.0% in FY10.

Direct cost of revenues: Direct cost of revenues including depreciation and amortization decreased by 4.0% to TRY1,268.6 million in Q4 2010 (TRY1,321.2 million). Meanwhile, direct cost of revenues as a percentage of total revenues decreased to 58.0% (58.4%) in Q4 2010. This mainly arose from the lower interconnect costs (down 3.1 pp), which were partially offset by the increase in depreciation and amortization expenses (up 1.2pp), wages and salaries (up 0.8 pp), network-related expenses (up 0.2pp) and other items (up 0.5pp).

In FY10, direct cost of revenues including depreciation and amortization increased by 5.7% to TRY5,039.2 million (TRY4,769.3 million). As a percentage of revenue, direct costs increased from 53.4% to 56.0%, mainly due to increases in depreciation and amortization (up 2.5pp), network-related expenses (up 0.4pp), and other items (up 0.7pp); which were partially offset by the decrease in interconnect costs (down 1.0pp).

For the full year, Turkcell Turkey's interconnect costs decreased to TRY690.8 million (TRY699.7 million) which resulted in a decline in Turkcell Turkey's interconnect costs as a percentage of revenues to 8.6% (8.7%). At the same time, Turkcell Group's interconnect costs declined to TRY802.6million (TRY881.7 million), while as a percentage of consolidated group revenues they decreased to 8.9% (9.9%).

Administrative expenses: General and administrative expenses as a percentage of revenue increased by 1.0pp to 6.4% in Q4 2010 (5.4%) and by 1.1 pp to 5.8% in FY10 (4.7%). This was mainly due to higher bad debt expenses arising from the increase in the postpaid subscriber base together with higher wages and salaries.

Selling and marketing expenses: Selling and marketing expenses as a percentage of revenue increased by 1.1pp to 19.5% in Q4 2010 (18.4%), resulting mainly from intensified marketing campaigns.

Fourth Quarter and Full Year 2010 Results

For the full year, selling and marketing expenses as a percentage of revenue decreased by 0.7ppt to 18.1% (18.8%) mainly due to lower selling expenses and frequency usage fees paid for prepaid subscribers as a result of the decline in the prepaid subscriber base, which were partially offset by the higher wages and salaries.

EBITDA¹: In Q4 2010, EBITDA in nominal terms was at TRY649.0 million (TRY681.9 million), while the EBITDA margin was at 29.7% (30.2%). 1.1pp higher selling and marketing expenses and 1.0pp higher general and administrative expenses were largely offset by the 1.6pp decrease in the direct cost of revenues (excluding depreciation and amortization).

In FY10, nominal EBITDA was at TRY2,948.3 million (TRY2,978.4 million), while the EBITDA margin was at 32.7% (33.3%). 1.1pp higher general and administrative expenses together with 0.2pp higher direct cost of revenues were partially compensated by the 0.7pp lower selling and marketing expenses.

Net finance income/(expense): In Q4 2010, we recorded net finance income of TRY87.7 million (TRY108.4 million). The decrease in net finance income mainly stems from the decline in translation gain to TRY24.2 million in Q4 2010 (TRY63.5 million) as a result of a translation loss recognized by the Group companies, particularly Astelit and Superonline, due to their long position partially netted off by the translation gain of Turkcell Turkey arising from TRY/US\$ depreciation of 6.5% in Q4 2010, despite higher net interest income to TRY63.5 million in Q4 2010 (TRY44.9 million).

For the full year, we recorded net finance income of TRY264.0 million (TRY223.8 million) mainly due to an increase in interest income in FY10 arising from the absence of legal provisions in FY09, partially netted off by the decrease in interest income on deposits due to lower interest rates and the increase in interest expense on loans as a result of the increase in outstanding debt balance.

Share of profit of equity accounted investees: Our share in the net income of unconsolidated investees, consisting of the net income/(expense) impact of Fintur and A-Tel, increased by 3.8% to TRY40.8 million (TRY39.3 million) in Q4 2010 and by 55.5% to TRY184.7 million (118.8 million) for the full year, mainly due to the higher net income contribution from Fintur (particularly from the operations in Kazakhstan).

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 TRY11.4 million in Q4 2010 and TRY47.1 million for FY10, 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 TRY11.6 million in Q4 2010 and TRY39.5 million in FY10 and is recorded in the 'share of profit of equity accounted investees' line of our financial statements.

(1): EBITDA is a non-GAAP financial measure. See page 14-15 for the reconciliation of EBITDA to net cash from operating activities

Fourth Quarter and Full Year 2010 Results

Income tax expense: The total taxation charge in Q4 2010 decreased to TRY104.8 million (TRY117.0 million). The total tax charge of TRY141.5 million was related to current tax charges, while deferred tax income of TRY36.7 million was recorded.

For FY10, the total taxation charge decreased by 8.6% to TRY483.5 million as a result of a decrease in profit before tax. Of the total tax charge for FY10, TRY508.1 million is related to current tax charges while the deferred tax income totaled TRY24.6 million.

(million TRY)	Quarter Q409	Quarter Q410	y/y % chg	2009	Year 2010	y/y % chg
Current tax expense	(133.5)	(141.5)	6.0 %	(544.9)	(508.1)	(6.8 %)
Deferred Tax income / (expense)	16.5	36.7	122.4 %	15.8	24.6	55.7 %
Income Tax expense	(117.0)	(104.8)	(10.4 %)	(529.1)	(483.5)	(8.6 %)

Net income: In Q4 2010, net income increased by 45.6% year-on-year to TRY368.1 million (TRY252.8 million), mainly due to the weak base year effect.

In Q4 2009, charges related to goodwill impairment, fixed asset write offs, and legal developments totaling TRY256 million resulted in a decline in our net income. On the other hand, in Q4 2010 we recorded a goodwill impairment of TRY36 million for Belarusian operation which led to a net income decrease.

For the full year, net income increased by 3.7% to TRY1,764.3 million (TRY1,701.6 million).

Total Debt: Consolidated debt amounted to TRY2,841 million as of December 31, 2010. TRY941 million of this was related to Turkcell's Ukrainian operations. TRY1,878 million of our consolidated debt is at a floating rate and TRY665 million will mature in less than a year. During FY10, our debt/annual EBITDA ratio increased to 96.4%.

Consolidated Cash Flow (million TRY)	Quarter		Year	
	Q409	Q410	2009	2010
EBITDA*	681.9	649.0	2,978.4	2,948.3
LESS:				
Capex and License	(637.2)	(630.3)	(2,664.0)	(1,667.5)
Turkcell	(268.8)	(234.9)	(1,823.1)	(782.4)
Ukraine**	(163.4)	(37.3)	(325.2)	(102.7)
Investment & Marketable Securities	(150.5)	(154.0)	(232.1)	(64.3)
Net Interest Income/Expense	44.9	63.4	223.5	283.8
Other	287.5	492.2	(595.7)	(662.6)
Net Change in Debt	518.4	62.4	1,119.0	465.9
Dividends paid	0.0	0.0	(1,098.0)	(859.3)
Cash Generated	745.0	482.7	(268.9)	444.3

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Cash Balance	4,660.9	5,105.1	4,660.9	5,105.1
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(*) EBITDA is a non-GAAP financial measure. See page 14-15 for the reconciliation of EBITDA to net cash from operating activities.

(**) The appreciation of reporting currency (TRY) against USD is included in this line.

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Cash Flow Analysis: Capital expenditures in Q4 2010 amounted to TRY630.3 million, of which TRY234.9 million was related to Turkcell Turkey, TRY37.3 million to our Ukrainian operations, TRY227.7 million to Superonline and TRY74.2 million to our Belarusian operations.

In 2010, major cash outflows included capital expenditures and the dividend payment. In FY10, our capital expenditures totaled TRY1,667.5 million, of which TRY782.4 million was related to Turkcell Turkey, TRY102.7 million to our Ukrainian operations, TRY480.3 million to Superonline and TRY185.4 million to our Belarusian operations. In FY10 we also paid a cash dividend of TRY859.3 million to our shareholders.

Group capex for FY11 is expected to be in line with FY10 (TRY1.7 billion).

Operational Review in Turkey

Summary of

Operational Data (Turkcell Turkey)	Q409	Quarter Q410	y/y % chg	2009	Year 2010	y/y % chg
Number of total subscribers (million)	35.4	33.5	(5.4 %)	35.4	33.5	(5.4 %)
Number of postpaid subscribers (million)	9.4	10.1	7.4 %	9.4	10.1	7.4 %
Number of prepaid subscribers (million)	26.0	23.3	(10.4 %)	26.0	23.3	(10.4 %)
ARPU (Average Monthly Revenue per User), blended (US\$)	12.5	12.9	3.2 %	12.0	13.0	8.3 %
ARPU, postpaid (US\$)	26.3	26.0	(1.1 %)	26.6	26.6	0.0 %
ARPU, prepaid (US\$)	7.7	7.3	(5.2 %)	7.5	7.6	1.3 %
ARPU, blended (TRY)	18.6	18.9	1.6 %	18.5	19.5	5.4 %
ARPU, postpaid (TRY)	39.0	38.2	(2.1 %)	41.0	40.0	(2.4 %)
ARPU, prepaid (TRY)	11.5	10.8	(6.1 %)	11.6	11.4	(1.7 %)
Churn (%)	9.7 %	9.4 %	(0.3pp)	32.6 %	33.9 %	1.3pp
MOU (Average Monthly Minutes of usage per subscriber), blended	153.6	194.9	26.9 %	134.3	179.1	33.4 %

Subscribers: Our subscriber base in Turkey totaled 33.5 million as of December 31, 2010, down by 5.4% year-on-year. In 2010, we maintained our focus on the postpaid segment with newly launched campaigns and offers, increased data lines and promoted switches from the prepaid to the postpaid segment. This resulted in a 7.4% increase in our postpaid subscriber base to 10.1 million, from 9.4 million a year earlier. Demonstrating the success of our value

focused subscriber acquisition approach; in 2010 we registered 734,000 net new postpaid subscribers, of which 264,000 were added in the fourth quarter. Accordingly, the postpaidsubscriber base made up 30.1% of our overall subscriber base, up from 26.6% in the

Fourth Quarter and Full Year 2010 Results

same period of last year. At the same time, we saw a slowdown in the contraction of the prepaid subscriber base which declined by 10.4% to 23.3 million, from 26.0 million a year earlier.

In FY11, we expect to maintain our high value subscriber base with a focus on growing our postpaid subscriber base further.

Churn Rate: Churn refers to voluntarily and involuntarily disconnected subscribers. In Q4 2010, our churn rate slightly improved to 9.4%, down from 9.7% a year ago. Our annual churn rate increased by 1.3pp to 33.9% (32.6%) mainly due to declining multiple SIM card usage. The majority of the churners comprised of the low ARPU generating prepaid subscribers.

MoU: MoU declined slightly by 1.1% compared to Q3 2010 to 194.9 minutes in Q4 2010, mainly due to seasonal trends.

MoU increased by 33.4% to 179.1 minutes in FY10, up from 134.3 minutes in FY09, driven by attractive tariffs and campaign offers.

In FY11, we expect healthy growth in usage as our successful incentives and loyalty programs continue.

ARPU: In Q4 2010 and in FY10 as a whole, blended average revenue per user (“ARPU”) in TRY terms increased by 1.6% and 5.4% to TRY18.9 and TRY19.5, respectively, despite decreasing interconnection rates. The increase was mainly attributable to rising mobile internet revenues and postpaid subscriber base.

Postpaid ARPU in TRY terms fell by 2.1% to TRY38.2 in Q4 2010 and by 2.4% to TRY40.0 in FY10, while prepaid ARPU decreased by 6.1% to TRY10.8 in Q4 2010 and slightly by 1.7% to TRY11.4 in FY10 year-on-year. This was mainly due to the negative impact of declining MTRs and the reduction of the maximum price cap, as well as the dilutive impact of prepaid to postpaid switches.

In FY11, we expect higher TRY ARPU than in 2010.

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Other Domestic and International Operations

Superonline

Superonline, our wholly owned subsidiary, is providing fixed broadband services by investing in the build up of a fiber-optic network.

Summary data for Superonline	Quarter				Year			
	Q409	Q410	y/y % chg		2009	2010	y/y % chg	
Revenue (TRY million)	74.9	92.0	22.8	%	252.4	335.1	32.8	%
EBITDA1 (TRY million)	5.7	5.4	(5.3	%)	3.6	32.9	813.9	%
EBITDA margin	7.6	5.8	(1.8pp)	1.4	9.8	8.4pp	
Capex (TRY million)	125.6	227.7	81.3	%	259.5	480.3	85.1	%

1 EBITDA is a non-GAAP financial measure. See page 14-15 for the reconciliation of Superonline's EBITDA to net cash from operating activities.

- InQ4 2010, Superonline's fiber-optic network reached 580,000 home passes (HP) and 22,400 km.
- Superonline's share in Turkcell's transmission costs reached 46% in Q4 2010, while the share of non-group revenues was 62%.
- Superonline recorded 22.8% year-on-year revenue growth in Q4 2010 which mainly arose from the increasing share in Turkcell's transmission costs together with the 104.5% growth in residential and 27.1% in corporate segments. In the meantime, EBITDA decreased by 5.3% year-on-year, mainly due to increasing marketing activities in Q4 2010.
- For the full year, Superonline's contribution to Turkcell's financials continued to improve with 32.8% revenue growth and an EBITDA margin of 9.8% (1.4%).
- In FY10, focus on the higher-margin residential segment increased resulting in year-on-year top line growth of 70%. Corporate segment revenues grew by 30%, leveraging the strengths of the Turkcell Group, while wholesale revenues grew by 26% in line with increasing Group synergies.
- Topline growth in FY11 is expected to be at a higher rate compared to FY10, while EBITDA margin is expected to improve compared to 2010.

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Astelit

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

Summary Data for Astelit	Quarter			Year		
	Q409	Q410	y/y % chg	2009	2010	y/y % chg
Number of subscribers (million)						
Total	12.2	9.1	(25.4 %)	12.2	9.1	(25.4 %)
Active (3 months) ¹	7.8	6.1	(21.8 %)	7.8	6.1	(21.8 %)
MoU (minutes)	158.2	206.8	30.7 %	158.7	171.9	8.3 %
Average Revenue per User (ARPU) in US\$						
Total	2.6	2.9	11.5 %	2.5	2.6	4.0 %
Active (3 months)	4.0	4.4	10.0 %	3.7	3.9	5.4 %
Revenue (UAH)	741.7	648.3	(12.6 %)	2,740.0	2,691.0	(1.8 %)
Revenue (US\$ million)	92.8	81.8	(11.9 %)	351.1	339.3	(3.4 %)
EBITDA ² (US\$ million)	6.9	16.9	144.9 %	20.2	64.5	219.3 %
EBITDA margin	7.4 %	20.6 %	13.2pp	5.7 %	19.0 %	13.3pp
Net Loss (US\$ million)	(25.2)	(30.9)	22.6 %	(111.8)	(101.0)	(9.7 %)
Capex (US\$ million)	106.8	21.4	(80.0 %)	216.0	66.5	(69.2 %)

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

²EBITDA is a non-GAAP financial measure. See page 14-15 for the reconciliation of Euroasia’s EBITDA to net cash from operating activities. Euroasia holds 100% stake in Astelit.

•In Q4 2010, revenues decreased by 11.9% to \$81.8 million compared to a year ago mainly due to the close-down of our non-profitable carrier business line and the reductions in interconnect rates during the year. Meanwhile, in Q4 2010 Astelit continued to improve its operational profitability, which was up by 13.2pp to 20.6% (7.4%).

- For the full year, Astelit's EBITDA tripled compared to FY09 within the context of the turnaround strategy and effective cost control initiatives. Astelit's EBITDA margin increased to 19.0% in FY10 from 5.7% in FY09. The main drivers of this increase were the tariff redesigns resulting in a decrease in interconnection costs together with the cost cutting measures.
- In FY10, Astelit's number of registered and three-month active subscriber stood at 9.1 million and 6.1 million, respectively. Astelit recorded 724,000 net subscriber loss in Q4 2010. This was mainly due to the change in subscriber definition and churn in 2010, aimed at monitoring value adding subscribers and their behavior more closely.
- The 3-month active ARPU increased by 10.0% in Q4 2010 and 5.4% in FY10 mainly due to a decline in the number of active subscribers along with the change in the active subscriber definition.
- MoU increased by 30.7% in Q4 2010 and 8.3% in FY10 year-on-year.
- In FY11, revenue is expected to grow around 20% in US\$ terms. In the meantime, EBITDA margin is expected to increase compared to FY10.

Fourth Quarter and Full Year 2010 Results

Fintur

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

FINTUR	Quarter			Year		
	Q409	Q410	y/y % chg	2009	2010	y/y % chg
Subscriber (million)						
Kazakhstan	7.2	8.9	23.6 %	7.2	8.9	23.6 %
Azerbaijan	3.8	4.0	5.3 %	3.8	4.0	5.3 %
Moldova	0.7	0.9	28.6 %	0.7	0.9	28.6 %
Georgia	1.9	2.0	5.3 %	1.9	2.0	5.3 %
TOTAL	13.6	15.9	16.9 %	13.6	15.9	16.9 %

Revenue (US\$ million)							
Kazakhstan	231	283	22.5 %	863	1,013	17.4 %	
Azerbaijan	127	131	3.1 %	501	504	0.6 %	
Moldova	17	19	11.8 %	63	67	6.3 %	
Georgia	45	34	(24.4 %)	175	152	(13.1 %)	
Other*	-	2	-	3	1	(66.7 %)	
TOTAL	420	470	11.9 %	1,605	1,737	8.2 %	

(*)Includes intersegment eliminations

(US\$ million)	Quarter			Year		
	Q409	Q410	y/y % chg	2009	2010	y/y % chg
Fintur's contribution to Turkcell Group's net income	32.6	36.7	12.6 %	119.6	153.0	27.9 %

Fintur's subscriber base continued to grow in Q4 2010. The total number of subscribers increased by 16.9% to 15.9 million (13.6 million), mainly as a result of the strong growth in Kazakhstan.

Fintur's consolidated revenue increased by 11.9% year-on-year to US\$470 million in Q4 2010 while revenues grew by 8.2% to US\$1,737 million in FY10 mainly driven by a 17.4% increase in revenues of our operation in Kazakhstan along with strong subscriber acquisitions and an improved macroeconomic environment.

We account for our investment in Fintur using the equity method. Fintur's contribution to net income increased to TRY53.9million (\$36.7 million) in Q4 2010, from TRY48.0 million (\$32.6 million) a year ago. Fintur's contribution to income was \$153.0 million in 2010 (\$119.6 million).

Fourth Quarter and Full Year 2010 Results

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.

Our 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* US\$ million	Q409	Q410	y/y % chg	2009	2010	y/y % chg
EBITDA	459.1	441.9	(3.7 %)	1,925.4	1,957.4	1.7 %
Income tax expense	(78.7)	(71.3)	(9.4 %)	(340.1)	(320.8)	(5.7 %)
Other operating income/(expense)	(119.6)	(17.4)	(85.5 %)	(85.2)	(49.4)	(42.0 %)
Financial income	91.3	1.5	(98.4 %)	1.0	0.5	(50.0 %)
Financial expense	(61.1)	(35.9)	(41.2 %)	(188.3)	(100.4)	(46.7 %)
Net increase/(decrease) in assets and liabilities	130.6	227.0	73.8 %	(84.2)	(205.1)	143.6 %
Net cash from operating activities	421.6	545.8	29.5 %	1,228.6	1,282.2	4.4 %

Superonline TRY million	Q409	Q410	y/y % chg	2009	2010	y/y % chg
EBITDA	5.7	5.4	(5.3 %)	3.6	32.9	813.9 %
Other operating income/(expense)	(1.4)	0.2	(114.3 %)	(1.5)	0.4	(126.7 %)
Finance income	8.6	(28.1)	(426.7 %)	5.5	(9.5)	(272.7 %)
Finance expense	(8.2)	22.1	(369.5 %)	(9.7)	(18.5)	90.7 %
Net increase/(decrease) in assets and liabilities	-	26.6	-	(21.7)	(2.6)	(88.0 %)
	4.7	26.2	457.4 %	(23.8)	2.7	(111.3 %)

Net cash from operating
activities

(*): Translation reserve amounting to \$66,325 in 2009 and (\$344,346) in 2008 is now disclosed under the “Effects of the foreign Exchange rate fluctuations on statement of financial position items” instead of under “Cash Flows from Operating Activities” starting from 2010. Therefore, the presentation of cash flow in the 2010 audit report for prior years has been revised to reflect this change.

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Fourth Quarter and Full Year 2010 Results

EUROASIA (Astelit) US\$ million	Q409	Q410	y/y % chg		2009	2010	y/y % chg	
EBITDA	6.9	16.9	144.9	%	20.2	64.5	219.3	%
Other operating income/(expense)	(0.4)	(1.6)	300.0	%	1.7	(1.3)	(176.5	%)
Financial income	0.8	0.1	(87.5	%)	2.0	0.8	(60.0	%)
Financial expense	(13.9)	(13.7)	(1.4	%)	(32.7)	(45.6)	39.4	%
Net increase/(decrease) in assets and liabilities	18.6	33.2	78.5	%	75.1	48.3	(35.7	%)
Net cash from operating activities	12.0	34.9	190.8	%	66.3	66.7	0.6	%

Turkcell Group Subscribers

We had approximately 60.4million subscribers as of December 31, 2010. This figure is calculated by taking the number of subscribers in Turkcell and each of our subsidiaries and unconsolidated investees. It includes the total number of mobile subscribers in Astelit, BeST, as well as 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 given this figure on a proportional basis, adjusted to reflect our ownership interest in each subsidiary. We believe that presenting total subscribers is a good indicator of our Group’s reach, and intend to use this new calculation method going forward.

During 2010, there have been changes in subscriber definition at Astelit in Ukraine and BeST in Belarus. For further information please refer to the press release for the period of third quarter 2010.

Turkcell Group subscribers declined by 2.3 million compared to the previous year, mainly due to the subscriber declines in Astelit and Turkcell Turkey.

Turkcell GroupSubscribers

(million)	2009	Year 2010	y/y % chg
Turkcell	35.4	33.5	(5.4 %)
Ukraine/ Astelit	12.2	9.1	(25.4 %)
Fintur	13.6	15.9	16.9 %
Northern Cyprus	0.3	0.4	33.3 %
Belarus/ BeST	1.2	1.5	25.0 %
TURKCELL GROUP	62.7	60.4	(3.7 %)

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, “will,” “expect,” “intend,” “estimate,” “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. All

Fourth Quarter and Full Year 2010 Results

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 2009 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 communications and technology company in Turkey with 33.5 million subscribers and a market share of approximately 54% as of 2010 (Source: Operator's announcements). Turkcell is a leading regional player, with market leadership in five of the nine countries in which it operates with its approximately 60.4 million subscribers as of 2010. Turkcell reported TRY9.0 billion (\$6.0 billion) net revenue and its total assets reached TRY15.1 billion (\$9.8 billion) as of 2010. Turkcell covers 82% of the Turkish population through its 3G and covers 99.07% of the Turkish population through its 2G technology supported network. Turkcell has become one of the first operators among the global operators to have implemented HSDPA+ and to reach to 42.2 Mbps speed with HSPA multi carrier solution. Turkcell has been listed on the NYSE and the ISE 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 Holding, 13.07% by Sonera Holding and 1.19% by others while the remaining 34.69% is free float. Read more at <http://www.turkcell.com.tr/en>

For further information please contact Turkcell

Corporate Affairs

KorayÖztürkler, Chief Corporate Affairs Officer

Tel: +90-212-313-1500

Email: koray.ozturkler@turkcell.com.tr

Investors:

NihatNarin, Investor and International

Media Relations

Tel: + 90-212-313-1244

Email: nihat.narin@turkcell.com.tr

investor.relations@turkcell.com.tr

Media:

FilizKaragulTuzun,

Corporate Communications

Tel: + 90-212-313-2304

Email: filiz.karagul@turkcell.com.tr

TURKCELL ILETISIM HIZMETLERI A.S.

IFRS SELECTED FINANCIALS (TRY Million)

	Quarter Ended December 31, 2009	Quarter Ended September 30, 2010	Quarter Ended December 31, 2010	12 Months Ended December 31, 2009	12 Months Ended December 31, 2010
Consolidated Statement of Operations Data					
Revenues					
Communication fees	2,164.2	2,210.3	2,042.6	8,575.7	8,535.3
Commission fees on betting business	23.0	10.3	15.9	66.1	46.7
Monthly fixed fees	16.1	34.8	31.0	66.0	113.5
Simcard sales	6.9	6.1	6.3	35.3	34.4
Call center revenues and other revenues	50.4	65.9	90.4	193.3	273.7
Total revenues	2,260.6	2,327.4	2,186.2	8,936.4	9,003.6
Direct cost of revenues	(1,321.2)	(1,272.5)	(1,268.6)	(4,769.3)	(5,039.2)
Gross profit	939.4	1,054.9	917.6	4,167.1	3,964.4
Administrative expenses	(122.0)	(120.6)	(139.3)	(421.2)	(521.9)
Selling & marketing expenses	(416.8)	(379.3)	(426.6)	(1,676.2)	(1,633.9)
Other Operating Income / (Expense)	(172.5)	(2.0)	(25.7)	(164.6)	(74.4)
Operating profit before financing costs	228.1	553.0	326.0	1,905.1	1,734.2
Finance costs	(21.5)	(29.7)	(5.4)	(287.1)	(153.4)
Finance income	129.9	101.8	93.1	510.9	417.4
Share of profit of equity accounted investees	39.3	52.6	40.8	118.8	184.7
Income before taxes and minority interest	375.8	677.7	454.5	2,247.7	2,182.9
Income tax expense	(117.0)	(138.6)	(104.8)	(529.1)	(483.5)
Income before minority interest	258.8	539.1	349.7	1,718.6	1,699.4
Non-controlling interests	(6.0)	17.2	18.4	(17.0)	64.9
Net income	252.8	556.3	368.1	1,701.6	1,764.3

Net income per share	0.114911	0.252870	0.167318	0.773472	0.801958					
Other Financial Data										
Gross margin	42	%	45	%	42	%	47	%	44	%
EBITDA(*)	681.9		863.6		649.0		2,978.4		2,948.3	
Capital expenditures	637.2		310.1		630.3		2,664.0		1,667.5	
Consolidated Balance Sheet Data (at period end)										
Cash and cash equivalents	4,660.9		4,622.5		5,105.1		4,660.9		5,105.1	
Total assets	14,034.3		14,496.4		15,142.4		14,034.3		15,142.4	
Long term debt	1,236.4		2,003.9		2,175.7		1,236.4		2,175.7	
Total debt	2,276.6		2,609.0		2,840.8		2,276.6		2,840.8	
Total liabilities	5,156.4		5,174.4		5,505.3		5,156.4		5,505.3	
Total shareholders' equity / Net Assets	8,877.9		9,322.0		9,637.1		8,877.9		9,637.1	

** For further details, please refer to our consolidated financial statements and notes as at 31 December 2010 on our web site.

TURKCELL ILETISIM HIZMETLERI A.S.
IFRS SELECTED FINANCIALS (US\$ MILLION)

	Quarter Ended December 31, 2009	Quarter Ended September 30, 2010	Quarter Ended December 31, 2010	12 Months Ended December 31, 2009	12 Months Ended December 31, 2010
Consolidated Statement of Operations Data					
Revenues					
Communication fees	1,456.1	1,462.0	1,388.9	5,557.3	5,670.2
Commission fees on betting business	15.6	6.8	10.8	42.7	31.2
Monthly fixed fees	10.8	23.0	21.1	42.5	75.4
Simcard sales	4.7	4.0	4.3	22.9	22.9
Call center revenues and other revenues	33.9	43.8	61.5	124.6	182.4
Total revenues	1,521.1	1,539.6	1,486.6	5,790.0	5,982.1
Direct cost of revenues	(888.7)	(842.9)	(861.9)	(3,097.1)	(3,349.0)
Gross profit	632.4	696.7	624.7	2,692.9	2,633.1
Administrative expenses	(82.0)	(79.8)	(95.2)	(273.1)	(347.3)
Selling & marketing expenses	(280.4)	(251.0)	(289.5)	(1,085.1)	(1,085.8)
Other Operating Income / (Expense)	(115.6)	(1.3)	(17.4)	(110.3)	(49.5)
Operating profit before financing costs	154.4	364.6	222.6	1,224.4	1,150.5
Finance costs	(14.4)	(20.0)	(4.5)	(187.5)	(102.6)
Finance income	87.4	67.3	63.0	329.6	277.1
Share of profit of equity accounted investees	26.4	35.0	27.8	78.4	122.8
Income before taxes and minority interest	253.8	446.9	308.9	1,444.9	1,447.8
Income tax expense	(78.7)	(91.4)	(71.3)	(340.1)	(320.8)
Income before minority interest	175.1	355.5	237.6	1,104.8	1,127.0
Non-controlling interests	(4.0)	11.5	12.4	(10.8)	43.2
Net income	171.1	367.0	250.0	1,094.0	1,170.2

Net income per share	0.077754	0.166817	0.113636	0.497269	0.531909
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Other Financial Data

Gross margin	42	%	45	%	42	%	47	%	44	%
EBITDA(*)	459.1		570.7		441.9		1,925.4		1,957.4	
Capital expenditures	401.7		253.0		363.9		1,769.3		1,078.6	

Consolidated Balance
Sheet Data (at period end)

Cash and cash equivalents	3,095.5		3,185.3		3,302.2		3,095.5		3,302.2	
Total assets	9,320.8		9,989.3		9,794.6		9,320.8		9,794.6	
Long term debt	821.2		1,380.8		1,407.3		821.2		1,407.3	
Total debt	1,512.0		1,797.8		1,837.5		1,512.0		1,837.5	
Total liabilities	3,424.6		3,565.6		3,561.0		3,424.6		3,561.0	
Total equity	5,896.2		6,423.7		6,233.6		5,896.2		6,233.6	

* Please refer to the notes on reconciliation of Non-GAAP Financial measures on page 11

** For further details, please refer to our consolidated financial statements and notes as at 31 December 2010 on our web site.

TURKCELL ILETISIM HIZMETLERI A.S.
CMB SELECTED FINANCIALS (TRY Million)

	Quarter Ended	Quarter Ended	Quarter Ended	12 Months Ended	12 Months Ended
	December 31, 2009	September 30, 2010	December 31, 2010	December 31, 2009	December 31, 2010
Consolidated Statement of Operations Data					
Revenues					
Communication fees	2,164.2	2,210.3	2,042.6	8,575.7	8,535.3
Commission fees on betting business	23.0	10.3	15.9	66.1	46.7
Monthly fixed fees	16.1	34.8	31.0	66.0	113.5
Simcard sales	6.9	6.1	6.3	35.3	34.4
Call center revenues and other revenues	50.4	65.9	90.4	193.3	273.7
Total revenues	2,260.6	2,327.4	2,186.2	8,936.4	9,003.6
Direct cost of revenues	(1,316.1)	(1,269.0)	(1,268.8)	(4,752.6)	(5,030.2)
Gross profit	944.5	1,058.4	917.4	4,183.8	3,973.4
Administrative expenses	(122.0)	(120.6)	(139.3)	(421.2)	(521.9)
Selling & marketing expenses	(416.8)	(379.3)	(426.6)	(1,676.2)	(1,633.9)
Other Operating Income / (Expense)	(170.3)	(2.8)	(24.3)	(162.3)	(74.2)
Operating profit before financing costs	235.4	555.7	327.2	1,924.1	1,743.4
Finance costs	(21.5)	(29.7)	(5.4)	(287.1)	(153.4)
Finance income	129.9	101.8	93.1	510.9	417.4
Share of profit of equity accounted investees	39.3	52.6	40.8	118.8	184.7
Income before taxes and minority interest	383.1	680.4	455.7	2,266.7	2,192.1
Income tax expense	(118.4)	(140.1)	(105.0)	(533.0)	(485.4)
Income before minority interest	264.7	540.3	350.7	1,733.7	1,706.7
Non-controlling interests	(5.9)	17.3	18.4	(17.0)	64.9

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Net income	258.8	557.6	369.1	1,716.7	1,771.6
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Net income per share	0.117634	0.253450	0.167773	0.780325	0.805271
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Other Financial Data

Gross margin	42	%	45	%	42.0	%	47	%	44.1	%
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EBITDA(*)	681.9	863.6	649.0	2,978.9	2,948.3
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Capital expenditures	637.2	310.1	630.3	2,664.0	1,667.5
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Consolidated Balance Sheet Data (at period end)

Cash and cash equivalents	4,660.9	4,622.5	5,105.1	4,660.9	5,105.1
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Total assets	13,978.9	14,449.0	15,096.0	13,978.9	15,096.0
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Long term debt	1,236.4	2,003.9	2,175.7	1,236.4	2,175.7
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Total debt	2,276.6	2,609.0	2,840.8	2,276.6	2,840.8
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Total liabilities	5,146.7	5,166.3	5,497.4	5,146.7	5,497.4
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Total shareholders' equity / Net Assets	8,832.2	9,282.7	9,598.6	8,832.2	9,598.6
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** For further details, please refer to our consolidated financial statements and notes as at 31 December 2010 on our web site.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

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

	Note	2010	2009
Assets			
Property, plant and equipment	12	3,068,021	2,652,222
Intangible assets	13	1,709,311	1,897,981
GSM and other telecommunication operating licenses		955,703	1,058,098
Computer software		547,607	595,218
Other intangible assets		206,001	244,665
Investments in equity accounted investees	14	399,622	383,490
Other investments	15	33,849	34,755
Due from related parties	33	1,044	21,039
Other non-current assets	16	107,277	75,120
Trade receivables	18	35,024	-
Deferred tax assets	17	2,876	2,058
Total non-current assets		5,357,024	5,066,665
Inventories		24,386	28,205
Other investments	15	8,201	62,398
Due from related parties	33	88,897	108,843
Trade receivables and accrued income	18	816,151	783,752
Other current assets	19	197,740	175,417
Cash and cash equivalents	20	3,302,163	3,095,486
Total current assets		4,437,538	4,254,101
Total assets		9,794,562	9,320,766
Equity			
Share capital	21	1,636,204	1,636,204
Share premium	21	434	434
Capital contributions	21	22,772	22,772
Reserves	21	(660,121)	(512,095)
Retained earnings	21	5,258,327	4,712,254
Total equity attributable to equity holders of Turkcell Iletisim Hizmetleri AS		6,257,616	5,859,569
Non-controlling interests	21	(24,019)	36,632
Total equity		6,233,597	5,896,201
Liabilities			
Loans and borrowings	24	1,407,316	821,179
Employee benefits	25	29,742	27,776

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Provisions	27	57,055	5,676
Other non-current liabilities	23	160,832	154,991
Deferred tax liabilities	17	93,105	118,432
Total non-current liabilities		1,748,050	1,128,054
Bank overdraft	20	5,896	5,244
Loans and borrowings	24	430,205	690,780
Income taxes payable	11	96,080	93,260
Trade and other payables	28	951,976	1,038,762
Due to related parties	33	10,760	14,780
Deferred income	26	164,186	248,518
Provisions	27	153,812	205,167
Total current liabilities		1,812,915	2,296,511
Total liabilities		3,560,965	3,424,565
Total equity and liabilities		9,794,562	9,320,766

The notes on page 7 to 109 are an integral part of these consolidated financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

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

	Note	2010	2009	2008
Revenue	7	5,982,093	5,789,972	6,970,408
Direct costs of revenue		(3,349,035)	(3,097,097)	(3,409,013)
Gross profit		2,633,058	2,692,875	3,561,395
Other income		14,668	978	14,136
Selling and marketing expenses		(1,085,750)	(1,085,081)	(1,351,692)
Administrative expenses		(347,290)	(273,139)	(309,349)
Other expenses	8	(64,233)	(111,220)	(17,990)
Results from operating activities		1,150,453	1,224,413	1,896,500
Finance income	10	277,130	329,550	442,099
Finance costs	10	(102,662)	(187,514)	(136,769)
Net finance income		174,468	142,036	305,330
Share of profit of equity accounted investees	14	122,839	78,448	102,990
Profit before income tax		1,447,760	1,444,897	2,304,820
Income tax expense	11	(320,799)	(340,093)	(549,758)
Profit for the year		1,126,961	1,104,804	1,755,062
Profit attributable to:				
Owners of Turkcell Iletisim Hizmetleri AS		1,170,176	1,093,992	1,836,824
Non-controlling interest		(43,215)	10,812	(81,762)
Profit for the year		1,126,961	1,104,804	1,755,062
Basic and diluted earnings per share (in full USD)	22	0.53	0.50	0.83

The notes on page 7 to 109 are an integral part of these consolidated financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

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

	2010	2009	2008
Profit for the year	1,126,961	1,104,804	1,755,062
Other comprehensive income/(expense):			
Foreign currency translation differences	(184,352)	53,046	(1,458,709)
Net change in fair value of available-for-sale securities	(1,318)	1,197	(6,385)
Income tax on other comprehensive (expense)/income	(754)	(1,091)	1,368
Other comprehensive income/(expense) for the year, net of income tax	(186,424)	53,152	(1,463,726)
Total comprehensive income for the year	940,537	1,157,956	291,336
Total comprehensive income/(expense) attributable to:			
Owners of Turkcell Iletisim Hizmetleri AS	984,187	1,146,681	363,504
Non-controlling interest	(43,650)	11,275	(72,168)
Total comprehensive income for the year	940,537	1,157,956	291,336

The notes on page 7 to 109 are an integral part of these consolidated financial statements.

TURKCELL ILETISIM HIZMETLERI AS AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

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

	Attributable to equity holders of					
	Reserve					
	for					
	Non-Controlling					
	Share	Capital	Share	Legal	Fair	Interest
	Capital	Contributions	Premium	Reserves	Value	Put
	Reserve				Reserve	Option
Balance at 1 January 2008	1,636,204	-	434	256,834	5,481	-
Total comprehensive income						
Profit for the year	-	-	-	-	-	-
Other comprehensive income/(expense)						
Foreign currency translation differences, net of tax	-	-	-	-	-	-
Net change in fair value of available-for-sale securities, net of tax	-	-	-	-	(5,360)	-
Total other comprehensive income/(expense)	-	-	-	-	(5,360)	-
Total comprehensive income/(expense)	-	-	-	-	(5,360)	-
Increase in legal reserves	-	-	-	121,945	-	-
Dividends paid	-	-	-	-	-	-
Change in non-controlling interest	-	-	-	-	-	-
Change in reserve for non-controlling interest put option	-	-	-	-	-	(286,920)
Capital contribution granted	-	18,202	-	-	-	-
Balance at 31 December 2008	1,636,204	18,202	434	378,779	121	(286,920)
Balance at 1 January 2009	1,636,204	18,202	434	378,779	121	(286,920)
Total comprehensive income						
Profit for the year	-	-	-	-	-	-
Other comprehensive income/(expense)						
Foreign currency translation differences, net of tax	-	-	-	-	-	-
Net change in fair value of available-for-sale securities, net of tax	-	-	-	-	1,197	-
Total other comprehensive income/(expense)	-	-	-	-	1,197	-
Total comprehensive income/(expense)	-	-	-	-	1,197	-
Increase in legal reserves	-	-	-	105,512	-	-
Dividends paid	-	-	-	-	-	-
Change in non-controlling interest	-	-	-	-	-	-
Change in reserve for non-controlling interest put option	-	-	-	-	-	36,088
Capital contribution granted	-	4,570	-	-	-	-
Balance at 31 December 2009	1,636,204	22,772	434	484,291		