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OGER TELECOM LIMITED

("Oger Telecom" or the "Group")

Results for the Year Ended 31st December 2006

Oger Telecom a leading emerging markets telecommunication provider today, following its Annual General Shareholders Meeting, announces its strong results for the year ended December 2006.

Oger Telecom reports total Group revenues for the year of $5.79bn ($6.86bn on a proforma basis[1]) with an operating profit of $1.346bn, a Net Income of $1.283bn and an EBITDA of $2.745bn ($2.866bn on a proforma basis[1]).

2006 was a consolidating year for the Group having acquired Cell C in July, Avea in September following the Türk Telekom acquisition of 40.5% stake in Avea from Telecom Italia, and Cyberia, an Internet Service Provider operating in Saudi Arabia, Jordan and Lebanon, in December 2006.

Oger Telecom is a leading provider of telecommunications services. It operates fixed-line, mobile communications and Internet access businesses in Turkey, mobile communications in South Africa and it is a major regional ISP in Saudi Arabia, Lebanon and Jordan, below the Key Performance Indicators for each operation have been listed:

Türk Telekom

Turkey's largest telecommunications and information technology operator;

- 18.72 million access lines
- 83% surge in ADSL subscriber numbers to 2.82 million (2005: 1.54m)
- Revenues down to TRY7.219bn (US$5.052bn[2]) (2005: TRY7.478bn) due to lower PSTN revenues
- EBITDA was TRY3.828bn (US$2.679bn[2]) (2005 TRY3.932bn)
- Improved operational efficiency
- Strong cashflow

Avea

The third Turkish mobile operator in which the Group has an 81% shareholding through Türk Telekom;

- Subscriber numbers increased 23% to 7.5m (2005: 6.1m) due to prepaid subscriber growth
- Revenue increased 18% to TRY1.259bn (US$881m[2]) (2005: TRY1.067bn) due to strong growth in subscriber numbers
- Blended ARPU remained stable at TRY14.9 despite growth in subscriber numbers
- Churn down 3.3% to 26%
- Profitability significantly increased, first year to generate positive EBITDA, to TRY172million (US$120m[2]), and EBITDA margin surged 13.7%
- Network quality enhanced and market share increased to 14.5%
- Raised US$1.6 billion refinancing package

CellC

The third mobile operator in the Republic of South Africa;

- Subscribers up by 12% to 3.2million (2005: 2.9million) excluding CST.
- Blended ARPU increased by 7% to ZAR132 (US$19.5[2]) (2005: ZAR123)
- Revenues increased 19% to ZAR6.546bn (US$965m[2]) (2005: ZAR5.5bn)
- Successful launch of enhanced service provider agreement with Virgin Group
- EBITDA down 15% to ZAR459 million (US$67.7m[2]) due to Virgin Mobile SA start-up
- Geographical coverage increased
- Introduction of Mobile Number Portability
- Raised ZAR309 million through a shareholders loan and renegotiates its ZAR600 million credit facility

Cyberia

The internet services provider with operations in Saudi Arabia, Lebanon and Jordan;

- Substantial growth in broadband subscribers

Commenting on the strong results Mohammed Hariri, Chairman of Oger Telecom, said:

"I am delighted to report these encouraging results for Oger Telecom. Last year was one of dramatic change and progress for our group whose continuing strategy is to become an even greater force in telecommunications and internet services in emerging markets."

Dr. Paul Doany, Chief Executive Officer of Oger Telecom and Executive Chairman of Türk Telekom, added:

"The strong profitability performance of the Group is a result of a year of very hard work by all involved at Oger Telecom and the staff in all our operations. I am personally very pleased with the substantial growth in mobile operations, and particularly ADSL growth in Turk Telekom, which has exceeded 3.6 million by mid-year serving the total market in Turkey, including TTNet and other ISPs."

"In conclusion, 2006 was a transitional year for Oger Telecom, one that saw rapid change across its main operations. This year we are concentrating on improving operating efficiency and financial performance throughout the group. Both years have imposed considerable challenges and we would like to thank all our employees who have helped provide quality service to our existing customers and continue to attract many new ones."

[1] Proforma financials assume that OTL subsidiaries that are consolidated at the end of 2006 are consolidated for the full year 2006
[2] Average exchange rate 2006: TRY/USD 1.4289 and ZAR/USD 6.781
[3] EBITDA is not a recognised term under IFRS and does not purport to be an alternative to operating income or cash flow from operations or an indicator of operating and financial performance. We believe that EBITDA is a relevant measure for assessing operating performance because it eliminates variations caused by the effects of differences in taxation, the amounts and types of capital employed and amortisation policies and is intended to help investors evaluate the performance of our underlying businesses. Because companies do not calculate EBITDA identically, our reported EBITDA may not be comparable among the companies in the Group or to similarly titled measures of other companies.

CHAIRMAN'S STATEMENT

Last year was one of dramatic change and progress for our group whose continuing strategy is to become an even greater force in telecommunications and internet services in emerging markets.

Following the 55% acquisition of Türk Telekom, completed toward the end of 2005, our consortium agreed to pay the Turkish Government USS$6.55 billion for what is now the key asset in the group.

During 2006 we also increased our interests in mobile phone telephony in both Turkey and South Africa through Avea and CellC. We expanded our involvement in internet services through the purchase of 95% of Cyberia which operates in the Kingdom of Saudi Arabia, Jordan and Lebanon. In South Africa we have also formed an alliance with a new internationally known partner, Virgin Mobile, enabling us to benefit from a powerful brand name

Restructuring the group

In this radical transformation year for the Group we have received great support from our main shareholder Saudi Oger and others including Telecom Italia, Arab Bank, Sharjah Bank, Deutsche Bank and ABN Amro Capital.

The acquisition of Telecom Italia's 40.5% shareholding in Avea was of great importance to our future development. Türk Telekom now has majority ownership and management control of Avea which will provide enhanced opportunities for cooperation between the fixed line and mobile phone partners.

In a further mark of our progress we recently paid off the balance of US$4.3 billion owing to the Turkish Treasury for our shareholding in Türk Telekom. This completed the financing period for the acquisition of Türk Telekom four years ahead of time. We would like to register our thanks to the consortium of local and international banks that helped finance what was the largest-ever acquisition financing in Turkey. The consortium advanced the group $3.5 billion for an eight-year term loan together with an associated $200 million revolving credit. It is a measure of our financial standing that we raised the loans on excellent terms.

We have an outstanding management team lead by our chief executive Dr Paul Doany who also acts as executive chairman of Türk Telekom. We are also pleased to welcome to the group Jeffrey Hedberg as the new chief executive of CellC in South Africa. Jeffrey Hedberg was previously in charge of the US operations of T Mobile, the subsidiary of Deutsche Telecom. Cuneyt Turktan also joined us as CEO of Avea. He previously the Group through his appointment in Zapp, Romania, and then returned to Turkey to head Avea. Prior to Zapp he was Chief Executive of Turkcell, Turkey's largest mobile phone company. We are delighted that we are able to recruit such able executives with experience of telecommunications gained at the highest levels.

I would like to welcome to the Board of Oger Telecom Simon Duffy and Jean-Francois Pontal who have joined as senior Independent non-executive directors and I would like to offer my appreciation to the rest of the Board who have worked hard over the past year to grow Oger Telecom.

In addition to organic growth Oger management is also actively seeking acquisition opportunities. But we have a disciplined investment strategy and are determined to avoid the danger of over paying for telecom assets and licences. We were, for example, unsuccessful in the recent auction for the third mobile phone licence in Saudi Arabia but, given the excessive price paid by the winning bidder, our shareholders have no cause for regret.

Good citizens

The Group is committed to the highest standards of Corporate Social Responsibility as an example Oger is investing in the future of Turkey through a major investment in education

Education is of prime importance in securing the economic growth of the economies in which we do business. Türk Telekom is providing TRY200m over three years to finance the building of new schools across the nation. In July the company awarded the most successful 5,470 high school students in Turkey a package consisting of a desktop computer and an ADSL modem for broadband Internet access. Türk Telekom is also well on course to provide 40,000 schools with internet access. With the help of Intel a project is being developed to educate 600,000 teachers in computer literacy and wider skills through a distance learning programme.

Finally, on behalf of the board of directors our thanks go to all our employees, especially those tens of thousands at the operating companies which are now consolidated in Oger Telecom. It has been a period of considerable change for many and we are grateful to them for their efforts.

Mohammed Hariri
Chairman, Oger Telecom

GROUP CHIEF EXECUTIVE'S STATEMENT

We now look very different than we did only 18 months ago. In a remarkably short period of time we have forged an international telecommunications group with annual revenues last year of US$6.856bn (proforma) and EDITDA of US$2.866bn (proforma).

We now have 35 million customers for our services, individual and business users of fixed and mobile telephones and internet services, spread across five countries and three continents. Our key markets may seem diverse but they share important key characteristics, the prospect of rapid economic growth allied to favourable demographic developments.

Over the five years to 2006, Turkey's GDP per head more than doubled, to US$5,430, according to the Economist Intelligence Unit. South Africa's per capita GDP increased at a similar rate. Around 35% of Turkey's 73.3 million population are under the age of 20.

With rising prosperity comes rising demand for the services our group offers now and into the future. And as young people in particular grow up and form households of their own, we will see an increasing market for fixed and mobile phones and Internet access.

With our strong financial position and cashflow we are well placed to take advantage of growth opportunities in these expanding economies by cutting costs, expanding our ADSL broadband services and by introducing new products and services such as VOIP internet telephony and internet TV.

We are also looking at acquisition possibilities across the region. Türk Telekom recently entered into an agreement with Calik Energy for a controlling stake in Albatelekom for fixed and mobile telephony in Albania. We are also pursuing possible new opportunities in Central and Eastern Europe, Central Asian Republics and the Middle East.

Key elements of our strategy for this year and beyond involve restructuring, taking further advantage of increased links between our fixed and mobile phone services, and improving our competitive position in South Africa. We are focusing our efforts equally on improving top line revenue growth and cost reduction while improving customer satisfaction, which is of vital importance in the competitive markets in which we operate.

Türk Telekom

Even though Türk Telekom is the leading fixed-line operator and provider of broadband services in Turkey, we faced major challenges. These included striving to boost top-line revenue growth, boosting operational efficiency and setting up a customer-orientated organizational structure.

We made considerable progress in all these areas. A successful marketing campaign resulted in a large increase in our revenues from broadband customers helping offset the threat from declining fixed line voice traffic and the switch to mobile usage. When Oger acquired 55% of Türk Telekom it had only 1.54 million ADSL subscribers we increased this to 2.82 million by the end of 2006 and we hope to have in excess of 3.6 million by mid-2007.

This represents a significant opportunity for Türk Telekom as broadband brings with it not just additional revenue but also an improvement in margin. Our growth is being helped by the boom in the personal computer market in Turkey where penetration rates have hitherto been very low.

There were an estimated 5 million PCs in the country just 18 months ago. Now there are 10 million. We have exciting plans to introduce new value-added services including internet telephony (VOIP) and are experimenting with offering TV over the internet.

We are taking steps to boost revenues and margins in the traditional fixed line business.

Türk Telekom continues to play its part in the economic development of the country by devoting a large share of its cashflow to renewing and expanding the telephone network. Planned capital expenditure for the next three years exceeds TRY3.6 billion. We plan to replace all our rural switches in rural Turkey, covering 3.8 million lines, over the next two to three years. We have also just put out to tender a $650 million project to replace 4 million lines.

Avea

The doubling of Türk Telekom's shareholding in Avea, Turkey's third largest mobile phone company, to 81% in September represented a major strategic advance. The two companies have now developed synergies in sales, marketing and customer care. With unified management control, Avea now has a 14.5% market share and continues to focus on increasing distribution channels, bringing in new dealers, opening up its own flagship stores and gaining a presence in chain stories.

As a result of important changes in the regulatory and competitive environment Avea now has more freedom to improve margins and improve the quality of its service. Avea added over one million new subscribers during the year and also took steps to improve the quality of its customer base by sharply reducing the number of inactive accounts. Overall the number of customers increased to 7.5 million at the end of 2006, an increase of over 23 per cent.

These changes had a dramatic effect on financial performance. Total revenues increased 18 per cent to TRY1259 million (US$881 million) and EBITDA rose from a barely positive figure in 2005 to TRY 172 million (US $120 million) in 2006.

Avea is confident of performing even better in the current year now that it offers 93 per cent population coverage after major investment in network switching capacity.

We are particularly pleased that in achieving these results there was no sacrifice in our service to customers. The quality of the service continues to exceed standards laid down by the regulator.

South Africa

During the year Cell C, holder of South Africa's third mobile phone licence, was incorporated into Oger Telecom. With penetration rates lower than in other developing markets there is considerable scope for growth. The company continues to focus on improving customer satisfaction by improving the service offered by our call centres and is fully supported by the Board of Oger.

We are also proud of our new relationship with Virgin Mobile. Last year we formed a joint venture, Virgin Mobile South Africa, under which CellC carries all the company's voice and data traffic. This well known brand will appeal to different market segments to Cell C.

During the year Cell C's total revenues rose 19 per cent to R6546 million (US$965 million) and the total customer base increased 12% per cent to 3.2 million (excluding CST). This year is seeing a much improved financial performance and we hope the company will be cash positive in 2008.

Cyberia

Oger Telecom purchased 95% of the company, which is an Internet Service Provider in the Kingdom of Saudi Arabia, Lebanon and Jordan, in December 2006. It is the smallest part of our operation in revenue terms but is based in important markets offering great opportunities. During the year the number of broadband subscribers grew nearly fivefold. This was from a small base but, with penetration rates in these markets low, the increase illustrates the enormous scope for further growth. Cyberia is also actively seeking out opportunities to provide virtual communications services rather than spending heavily on new network facilities.

Summary

In conclusion, 2006 was a transitional year for Oger Telecom, one that saw rapid change across its main operations. This year we are concentrating on improving operating efficiency and financial performance throughout the group. Both years have imposed considerable challenges and we would like to thank all our employees who have helped provide quality service to our existing customers and continue to attract many new ones.

Dr Paul Doany
Chief executive officer, Oger Telecom
Executive chairman, Türk Telekom