



PRESS RELEASE

İstanbul, 15 November 2005

Oger Telecom: “We will transform Türk Telekom into a leading operator”

Oger Telecom declared its strategy for Türk Telekom in a press conference organized in İstanbul, following the signature of the Shareholders Agreement relating to the sale of 55% of the shares of the company. The press conference was held with the participation of Mohammed Hariri, Saudi Oger Ltd. Senior Vice President-Secretary General and Board Member; Giampaolo Zambelletti, Telecom Italia Group Senior Vice President International Affairs - Oger Telecom Board Member and Colin Brooks, General Manager of BT Telconsult. Dr. Paul Doany, CEO of Oger Telecom made a presentation to the press.

In his presentation Dr. Paul Doany, stressed that despite the operational restraints as a state-owned company, Türk Telekom management achieved some impressive results and added that Türk Telekom will now have the same operational freedom that its direct and indirect competitors enjoy and will be able to realize its full potential. Doany stated: “We are looking forward to working with the management of Türk Telekom, to invest in its human resources, which can be further developed through re-training programmes.” Doany announced that there will be new job opportunities, particularly in expanding the operation in several areas of the business, including sales, marketing and customer care.

Doany further stated that Oger Telecom’s vision for Türk Telekom is to transform it into a leading operator on par with the best telecommunications companies worldwide, deploying cutting-edge technology, offering quality service, and increasing shareholder value.

Doany stated the following regarding the competition: “One of our major goals is for Turk Telekom to be a fair market competitor and a good business partner, extending partnerships in the interest of the consumer. Turk Telekom will work with the Telecommunications Authority, in promoting fair competition and level playing field, within the regulatory framework and the sector policy in place.”

Doany also declared Oger Telecom’s primary business objectives for Turk Telekom. In that regard, he stated that Oger Telecom will continue with earlier rebalancing efforts for fixed-line voice pricing and deploy new products and services. In addition, he emphasized the importance of driving broadband penetration to EU levels over a period of five years, continuously improving bandwidth offerings, quality and service availability in the country. Doany continued: “Turk Telekom will also introduce new value-added data services and increasing take up rates. Furthermore, increasing basic data access among corporations and setting up a dedicated division for such purpose, to design, market, deliver and support a full package of business solutions. Wholesale products will also be developed as a distinct business-line opportunity allowing Türk Telekom to leverage its network assets and encourage the faster adoption of broadband and new data products.”

In line with its customer service strategy Turk Telekom will introduce 'best-in-class' customer care, with advanced procedures and systems. The purchase procedures and the activation of service will be simplified, especially for ADSL. Service and billing enquiries will be handled in a customer-focused and efficient manner. Effective help-desk services will be introduced. Customers will be advised on offered products and services. New programs to increase customer loyalty will be introduced. Turk Telekom will also deploy appropriate technologies to offer cost-effective services in under-serviced areas, in line with the universal services obligations, following regulations, and the concession agreement.

The comprehensive investment plan envisages investments primarily in the fields of network, IT systems, new service platforms, marketing and sales organization and human resources. An investment of \$3.5 billion over six to seven years is planned.

New management team of Türk Telekom

Türk Telekom's Board of Directors will be composed of six members appointed by Oger Telecom and four members appointed by the Treasury. The members representing Oger Telecom are: Mr Mohammed Hariri , Saudi Oger Board Member, Secretary General and Senior Vice President; Mr Basile Yared, Saudi Oger Board Member and Chief Legal ; Mr Ghassan Taher Fadlallah, Saudi Oger's Vice President Investments; Mr Ayman R. B. Hariri, Saudi Oger Board Member. The Board has one independent member, Dr. Metin Ercan, professor of Finance at Bosphorus University. Dr Paul Doany, CEO of Oger Telecom was appointed Chairman of the Board and Mr. Mehmet Ekinalan was appointed General Manager.

The Treasury will be represented in the Board by Mr. İsmet Yılmaz Undersecretary of Maritime, Dr Hüseyin Altaş, professor at Ankara University Faculty of Law and Mr. Emin Başer, former PTT General Manager. Mr. Talat Aydın, General Manager of Land Transportation, will represent the golden share.

An Executive Committee will be formed, headed by the Chairman. The General Manager and all existing management and structure of Turk Telekom will remain in place for an interim period. An executive project management team comprised of Oger Telecom and BT Telconsult specialist managers, covering all activities of the company, will manage a number of critical activities ahead, providing support to the existing management structure.

Oger Telecom and Telecom Italia will make for a strong commitment to the development of Avea, its management, its employees, and its network facilities and systems. Turk Telekom will have four representatives on the Board of Avea, including Mr. Mohammed Hariri, Dr. Paul Doany and the independent board member Dr. Metin Ercan, whereas Telecom Italia's representatives will be: Mr. Giampaolo Zambelletti; Mr. Giuseppe Farina; Mr. Stefano Ciurli and Mr. Nicola Verdicchio. İşbank members will remain as currently: Mr. Mahmut Magemizoglu and Mr. Metin Yılmaz.

For detailed information

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