(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

Interim Condensed Consolidated Financial Statements as of June 30, 2009 Together with Independent Auditor's Review Report

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

Interim Condensed Consolidated Financial Statements as of June 30, 2009

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(Convenience translation of auditors' review report originally issued in Turkish – see additional paragraph below for convenience translation)

Independent auditor's review report on the interim condensed consolidated financial statements
for the interim period January 1 – June 30, 2009

To the Board of Directors of
Yazıcılar Holding Anonim Şirketi:

We have reviewed the accompanying interim consolidated balance sheet of Yazıcılar Holding A.Ş. and its subsidiaries (collectively referred to as "the Company") as of June 30, 2009, the related interim consolidated income statement, the comprehensive income statement, the statement of changes in shareholder's equity and the cash flow statement for the six-month period then ended.

We did not review the financial statements of subsidiaries, which are consolidated, Alternatifbank A.Ş., Alternatif Yatırım A.Ş., Alternatif Finansal Kiralama A.Ş., Alternatif Yatırım Ortaklığı A.Ş., Anadolu Varlık Yönetim A.Ş. and Adel Kalemcilik ve Ticaret Sanayi A.Ş.; that contributed 72% of total assets, 41% of revenues and 34% of the net income. We also did not review the financial statements of the investment in joint ventures; which are accounted for under the equity method of accounting, Anadolu Isuzu Otomotiv Sanayi ve Ticaret Anonim Şirketi (Anadolu Isuzu), Aslancık Elektrik Üretim Limited Şirketi (Aslancık) and D-Tes Elektrik Enerjisi Toptan Satış A.Ş. (D Tes); that represents 1.2% of the total assets. TRL 7.039 thousands of loss from those investments in joint ventures is included in interim consolidated income statement. Those statements were reviewed by other auditors, whose reports have been furnished to us, and our review report on the interim condensed consolidated financial statements, insofar as it relates to the amounts included for those companies in the interim condensed consolidated financial statements is based solely upon the report of the other auditors. The Company management is responsible for the preparation and presentation of those interim condensed consolidated financial statements in accordance with financial reporting standards issued by Capital Market Board. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with standards on auditing issued by Capital Market Board. A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing issued by Capital Market Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with financial reporting standards issued by Capital Markets Board.

Additional paragraph for convenience translation to English:

As of June 30, 2009, the accounting principles described in Note 2 (defined as CMB Financial Reporting Standards) to the accompanying interim condensed consolidated financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting and the presentation of the basic financial statements and the notes to them. Accordingly, the accompanying interim condensed consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Ertan Ayhan, SMMM
Partner

August 27, 2009
Istanbul, Turkey

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2009

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Notes	Reviewed June 30, 2009	Audited December 31, 2008
ASSETS			
Current Assets		**3.357.133**	3.605.513
Cash and Cash Equivalents	6	**390.164**	925.410
Financial Assets	7	**261.266**	22.593
Reserve Deposits at Central Bank	41.1	**75.195**	96.913
Banking Loans (net)	41.2	**2.026.167**	1.943.650
Trade Receivables (net)	10.1	**198.620**	128.321
Financial Lease Receivables (net)	12.1	**147.491**	148.814
Derivative Financial Instruments – Assets	41.5	**19.390**	25.105
Due From Related Parties (net)	37.1	**17.204**	10.262
Other Receivables (net)	11.1	**47.905**	44.453
Biological Assets (net)	14	**6.671**	6.209
Inventories (net)	13	**122.372**	183.762
Receivables from Construction Contracts in Progress (net)	15	**-**	-
Other Current Assets	26.1	**44.688**	70.021
Non-Current Assets		**2.111.189**	2.207.182
Financial Assets	7	**265.988**	287.396
Banking Loans (net)	41.2	**388.442**	434.076
Trade Receivables (net)	10.1	**-**	-
Financial Lease Receivables (net)	12.1	**111.708**	127.811
Derivative Financial Instruments – Assets	41.5	**-**	3.807
Due from Related Parties (net)	37.1	**4.889**	6.107
Other Receivables (net)	11.2	**6.269**	9.491
Investments Accounted Through Equity Method	16	**1.009.502**	941.021
Goodwill (net)	20	**35.344**	56.595
Investment Property (net)	17	**8.466**	9.265
Property, Plant and Equipment (net)	18	**257.894**	257.239
Intangible Assets (net)	19	**6.684**	43.863
Deferred Tax Assets	35.1	**6.023**	10.278
Other Non-Current Assets	26.2	**9.980**	20.233
TOTAL ASSETS		**5.468.322**	5.812.695

The explanatory notes form an integral part of these interim condensed consolidated financial statements.

(Convenience Translation of Financial Statements Originally Issued in Turkish)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2009

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Notes	Reviewed June 30, 2009	Audited December 31, 2008
LIABILITIES			
Current Liabilities		**3.356.273**	3.812.012
Short-Term Borrowings (net)	8	**180.809**	311.571
Current Portion of Long-Term Borrowings (net)	8	**37.382**	58.268
Financial Lease Obligations (net)	12.2	-	-
Other Financial Liabilities (net)	9	-	-
Trade Payables (net)	10.2	**54.935**	80.027
Banking Customer Deposits	41.3	**2.394.472**	2.524.432
Funds Borrowed	41.4	**525.253**	671.243
Blocked Accounts		**22.649**	29.605
Due to Related Parties (net)	37.2	**434**	734
Other Payables	11.3	**28.020**	33.950
Deferred Income from Construction Contracts in progress (net)	15	-	-
Provisions	22	**16.631**	14.605
Income Tax Payable	35.3	**9.603**	437
Derivative Financial Instruments – Liabilities	41.5	**7.608**	27.385
Provisions for the Employee Benefits	24	**14.605**	8.646
Other Current Liabilities (net)	26.3	**63.872**	51.109
Non-Current Liabilities		**195.478**	197.011
Long-Term Borrowings (net)	8	**6.214**	22.927
Financial Lease Obligations (net)	12.2	-	-
Other Financial Liabilities (net)	9	-	-
Trade Payables (net)	10.2	-	-
Banking Customer Deposits	41.3	**7.294**	7.164
Funds Borrowed	41.4	**158.628**	142.080
Blocked Accounts		-	-
Due to Related Parties (net)	37.2	-	-
Other Payables	11.3	**381**	-
Provisions	22	**384**	-
Derivative Financial Instruments – Liabilities	41.5	-	-
Provisions for the Employee Benefits	24	**12.706**	12.975
Deferred Tax Liability	35.1	**9.871**	11.865
Other Liabilities (net)	26.3	-	-
EQUITY		**1.916.571**	1.803.672
Equity Attributable to Equity Holders of the Parent		**1.484.164**	1.411.224
Paid-in Share Capital	27	**160.000**	160.000
Adjustment to Share Capital and Equity Instruments	27	-	-
Share Premium		**9.474**	9.474
Revaluation Surplus	27	**3.854**	4.940
Restricted Reserves Allocated from Net Profit	27	**14.080**	12.110
Currency Translation Differences		**(5.108)**	7.368
Net Income		**120.291**	159.833
Retained Earnings	27	**1.181.573**	1.057.499
Minority Interest		**432.407**	392.448
TOTAL LIABILITIES AND EQUITY		**5.468.322**	5.812.695

The explanatory notes form an integral part of these interim condensed consolidated financial statements.

(Convenience Translation of Financial Statements Originally Issued in Turkish)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2009

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Notes	Reviewed 01.01.2009 – 30.06.2009	01.04.2009 – 30.06.2009	Reviewed 01.01.2008– 30.06.2008	01.04.2008– 30.06.2008
CONTINUING OPERATIONS					
Revenue (net)	28	**546.040**	**299.566**	557.009	278.373
Cost of Sales (-)	28	**(402.137)**	**(213.193)**	(414.550)	(205.387)
Service Income (net)	28	**20.000**	**10.639**	15.744	8.643
Gross Profit from Trading Operations		**163.903**	**97.012**	158.203	81.629
Interest and Other Income	28	**290.753**	**107.051**	229.995	101.371
Interest and Other Expense (-)	28	**(131.813)**	**(54.239)**	(94.392)	(50.163)
Gross Profit from Financial Operations		**158.940**	**52.812**	135.603	51.208
GROSS PROFIT		**322.843**	**149.824**	293.806	132.837
Marketing, Selling and Distribution Expenses (-)	29	**(80.238)**	**(55.246)**	(58.730)	(32.598)
General Administrative Expenses (-)	29	**(134.210)**	**(57.555)**	(106.836)	(52.457)
Research and Development Expenses (-)	29	**(241)**	**(70)**	(203)	(112)
Other Operating Income	31.1	**21.416**	**1.482**	17.809	7.659
Other Operating Expense (-)	31.2	**(7.204)**	**(3.736)**	(7.727)	(5.852)
OPERATING INCOME		**122.366**	**34.699**	138.119	49.477
Gain/(Loss) from Investments Accounted through Equity Method	16	**76.059**	**93.355**	95.763	76.466
Financial Income	32	**56.020**	**29.985**	25.044	11.577
Financial Expense (-)	33	**(71.066)**	**(17.925)**	(84.161)	(13.633)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS		**183.379**	**140.114**	174.765	123.887
Tax Income/(Expense) from Continuing Operations		**(16.287)**	**(7.353)**	(14.590)	(7.280)
- Current Period Tax Expense (-)	35.2	**(17.913)**	**(10.125)**	(11.709)	(7.821)
- Deferred Tax Income/(Expense)	35.2	**1.626**	**2.772**	(2.881)	541
NET INCOME FOR THE PERIOD		**167.092**	**132.761**	160.175	116.607
Attributable to:					
- Minority Interests		**46.801**	**27.512**	34.818	22.777
- Equity Holders of the Parent		**120.291**	**105.249**	125.357	93.830
Earnings per share (full TRL)	36	**0,7518**	**0,6578**	0,7835	0,5864

The explanatory notes form an integral part of these interim condensed consolidated financial statements.

(Convenience Translation of Financial Statements Originally Issued in Turkish)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED COMPREHENSIVE INCOME STATEMENT FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2009

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Reviewed 01.01.2009 – 30.06.2009	01.04.2009 – 30.06.2009	Reviewed 01.01.2008 – 30.06.2008	01.04.2008– 30.06.2008
Net Income / (Loss) for the period	**167.092**	**132.761**	160.175	116.607
Change in revaluation surplus of available for sale financial assets, net of tax	**(4.862)**	**349**	(2.004)	(896)
Currency translation difference	**(859)**	**(1.022)**	3.077	2.596
Group's share in other comprehensive income of investments accounted through equity method, net of tax	**(9.406)**	**(19.196)**	32.097	(16.575)
Other Comprehensive Income/(Loss), (net of tax)	**(15.127)**	**(19.869)**	33.170	(14.875)
Total Comprehensive Income	**151.965**	**112.892**	93.345	01.732
Attributable to:				
Minority interests	**45.236**	**26.233**	37.639	21.931
Equity holders of the parent	**106.729**	**86.659**	55.706	79.801

The explanatory notes form an integral part of these interim condensed consolidated financial statements.

(Convenience Translation of Financial Statements Originally Issued in Turkish)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

**INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2009**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Paid-in Share Capital	Share Premium	Revaluation Surplus	Restricted Reserves Allocated from Net Profit	Currency Translation Differences	Net Income	Retained Earnings	Attributable to Equity Holders of the Parent	Minority Interest	Total Equity
As of January 1, 2008	160.000	9.467	15.800	8.780	(56.470)	242.245	850.346	1.230.168	328.329	1.558.497
Transfer of net income to the retained earnings	-	-	-	-	-	(242.245)	242.245	-	-	-
Capital increase of minority shareholders	-	-	-	-	-	-	-	-	10.065	10.065
Dividend paid	-	-	-	-	-	-	(32.000)	(32.000)	(1.822)	(33.822)
Increase in share premium	-	5	-	-	-	-	-	5	3	8
Effect of change in subsidiary consolidation rate	-	-	-	-	-	-	(615)	(615)	(878)	(1.493)
Other comprehensive income/(expense)	-	-	(9.494)	-	39.843	-	-	30.349	2.821	33.170
Net income for the period	-	-	-	-	-	125.357	-	125.357	34.818	160.175
As of June 30, 2008	160.000	9.472	6.306	8.780	(16.627)	125.357	1.059.976	1.353.264	373.336	1.726.600
As of January 1, 2009	**160.000**	**9.474**	**4.940**	**12.110**	**7.368**	**159.833**	**1.057.499**	**1.411.224**	**392.448**	**1.803.672**
Transfer of net income to the retained earnings	-	-	-	1.970	-	(159.833)	157.863	-	-	-
Dividend paid	-	-	-	-	-	-	(34.000)	(34.000)	(4.925)	(38.925)
Effect of change in subsidiary consolidation rate	-	-	-	-	-	-	211	211	(352)	(141)
Other comprehensive income/(expense)	-	-	(1.086)	-	(12.476)	-	-	(13.562)	(1.565)	(15.127)
Net income for the period	-	-	-	-	-	120.291	-	120.291	46.801	167.092
As of June 30, 2009	**160.000**	**9.474**	**3.854**	**14.080**	**(5.108)**	**120.291**	**1.181.573**	**1.484.164**	**432.407**	**1.916.571**

The explanatory notes form an integral part of these interim condensed consolidated financial statements.

(Convenience Translation of Financial Statements Originally Issued in Turkish)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2009

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

		Reviewed	
	Notes	June 30, 2009	June 30, 2008
Cash flow from operating activities			
Income before tax from continuing operations		**183.379**	174.765
Adjustments for:			
Loss/(gain) from disposal of property, plant and equipment and intangible assets		**(4.952)**	(3.348)
Loss/(gain) from disposal of investment property		**-**	(33)
Depreciation and amortization	17, 18, 19	**18.045**	14.737
Provision for possible loan losses and impairment in receivables	10.1, 12.1, 41.2	**41.884**	22.360
Provision for warranty		**(1.281)**	372
Provision for label		**694**	1.420
Provision for employee termination benefits and vacation pay liability		**3.301**	3.592
Provision for bonus	24	**5.453**	3.083
Other provisions		**2.592**	3.836
Provision for inventories/(reversal)	13	**(279)**	684
Foreign exchange loss/(gain)		**(268)**	31.030
Interest expenses		**36.368**	18.075
Gain from investments accounted through equity method		**(76.059)**	(95.763)
Gain on sale of share in subsidiary	31.1	**(11.811)**	-
Other non-cash income		**(918)**	(188)
Operating profit before changes in operating assets and liabilities		**196.148**	174.622
Net (increase)/decrease in financial assets		**(222.365)**	9.773
Net decrease in reserve deposits at Central Bank	41.1	**21.718**	4.020
Net (increase) in banking loans		**(75.301)**	(546.821)
Net (increase) in trade and other receivables and due from related parties		**(46.015)**	(115.462)
Net decrease/(increase) in derivative financial instruments – assets	41.5	**9.522**	(3.166)
Net decrease/ (increase) in inventories		**34.900**	(18.215)
Net changes in other assets		**17.020**	(8.576)
Net (decrease)/increase in trade and other payables and due to related parties		**(13.605)**	18.909
Net (decrease)/increase in banking customer deposits		**(130.567)**	207.684
Net (decrease)/increase in blocked accounts		**(6.956)**	(23.080)
Net (decrease)/increase in derivative financial instruments – liabilities	41.5	**(19.777)**	(21.150)
Employee termination benefits paid	24	**(1.474)**	(1.088)
Taxes paid		**(8.747)**	(7.179)
Net cash used in operating activities		**(245.499)**	(329.729)
Cash flows used in investing activities			
Purchase of property, plant and equipment, investment property and intangible asset	18, 19	**(32.142)**	(30.699)
Proceeds from sale of property, plant and equipment, and intangible asset		**13.745**	23.639
Sale of investment porperty		**-**	(1.179)
Purchase of financial assets and participation in capital increase		**(15.586)**	(162)
Net cash used in investing activities		**(33.983)**	(8.401)
Cash flows (used in) / provided by financing activities			
Dividends from equity participations		**51.627**	52.343
Capital increase of minority shareholders		**-**	10.065
Dividends paid to minority interests		**(4.927)**	-
Dividends paid		**(34.000)**	(32.000)
Proceeeds from borrowings from banks and other institutions		**554.094**	688.012
Repayments of borrowings and interest from banks and other institutions (-)		**(791.683)**	(357.738)
Interest paid (-)		**(30.880)**	(15.916)
Net cash (used in) / provided by financing activities		**(255.769)**	344.766
Currency translation on cash and cash transaction		**5**	334
Net (decrease) /increase in cash and cash equivalents		**(535.246)**	6.970
Cash and cash equivalent at the beginning of the period	6	**925.410**	452.744
Total cash and cash equivalent at the end of the period		**390.164**	459.714
Interest income		**3.858**	**3.169**
Dividend income		**82**	**2**

The explanatory notes form an integral part of these interim condensed consolidated financial statements.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

1. ORGANIZATION AND NATURE OF ACTIVITIES

Yazıcılar Holding A.Ş., a company incorporated in Istanbul, Turkey ("Yazıcılar" or the "Company") is a holding company of which majority shares are owned by three Yazıcı families. Three Yazıcı families consist of Mr. Kamil Yazıcı, his two deceased brothers, their wives and children. The Company controls its subsidiaries through Anadolu Endüstri Holding (AEH) in which it has 68.00% stake. Certain shares of the Company are listed on the Istanbul Stock Exchange (ISE) and Luxembourg Stock Exchange. The Company was incorporated in 1976.

The registered office address of the Company is Umut Sokak No:12, İçerenköy, Ataşehir, İstanbul, Turkey.

The interim consolidated financial statements as of June 30, 2009 are authorized for issue by the Board of Directors on August 27, 2009, and are approved by the General Manager and the Finance Manager on behalf of Board of Directors. General Assembly and other regulatory institutions have the right to change the financial statements after the consolidated financial statements are issued.

Activities of the Group

The Company and its subsidiaries will be referred as the "Group" henceforth for the purposes of the consolidated financial statements.

The Group is organized and primarily managed in five principal segments: automotive (including passenger vehicles, commercial vehicles, generators, spare and component parts, consumer durables); financial services (including banking, leasing and brokerage); stationery; food (chain restaurant management and food) and other (tourism, trade, information technologies, asset management, energy).

The average number of personnel of the Group is 5.910 (December 31, 2008: 5.795).

List of Shareholders

As of June 30, 2009 and December 31, 2008 the composition of shareholders and their respective percentage of shareholding rates can be summarized as follows:

	June 30, 2009		December 31, 2008	
	Amount	**%**	Amount	%
Yazıcı Families	**65.280**	**40,80**	65.280	40,80
Kamil Yazıcı Yönetim ve Danışma A.Ş.	**53.600**	**33,50**	53.600	33,50
Publicly traded (*)	**41.120**	**25,70**	41.120	25,70
Paid-in share capital	**160.000**	**100,00**	160.000	100,00

(*) TRL 2.906 of the publicly traded portion, which is 1,816% of the paid-in share capital, is owned by Kamil Yazıcı Yönetim ve Danışma A.Ş.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

1. ORGANIZATION AND NATURE OF ACTIVITIES (cont'd)

List of Subsidiaries

The subsidiaries included in consolidation and their shareholding percentages at June 30, 2009 and December 31, 2008 are as follows:

	Place of Incorporation	Principal Activities	Segment	Effective Shareholding and Voting Rights % June 30, 2009	December 31, 2008
Anadolu Endüstri Holding A.Ş. (AEH)	Turkey	Holding company	Other	68,00	68,00
Alternatifbank A.Ş. (ABank) (1)	Turkey	Banking services	Finance	61,75	61,75
Alternatif Yatırım A.Ş. (A Yatırım)	Turkey	Brokerage company	Finance	61,75	61,64
Alternatif Finansal Kiralama A.Ş. (ALease)	Turkey	Leasing company	Finance	64,94	64,94
Alternatif Yatırım Ortaklığı A.Ş. (AYO) (1) (3)	Turkey	Investment company	Finance	31,48	31,36
Alternatif Portföy Yönetimi A.Ş. (Alternatif Portföy) (5)	Turkey	Portfolio management	Finance	-	61,64
Çelik Motor Ticaret A.Ş. (Çelik Motor)	Turkey	Import, distribution and marketing of Lada and Kia motor vehicles and operating lease	Automotive	68,00	68,00
Anadolu Motor Üretim ve Pazarlama A.Ş. (Anadolu Motor)	Turkey	Production of industrial engines	Automotive	67,93	67,93
Anadolu Otomotiv Dış Ticaret ve Sanayi A.Ş.	Turkey	Import of Lada, Geely and Kia motor vehicles	Automotive	67,38	67,38
Anadolu Elektronik Aletler Pazarlama ve Ticaret A.Ş. (Anadolu Elektronik) (4)	Turkey	Distribution of Samsung-branded consumer durables in Turkey	Automotive	34,65	34,65
Adel Kalemcilik Ticaret ve Sanayi A.Ş. (Adel) (1) (2)	Turkey	Production of writing instruments under Adel, Johann Faber and Faber Castell brand names	Stationery	38,68	38,68
Ülkü Kırtasiye Ticaret ve Sanayi A.Ş. (Ülkü) (2)	Turkey	Distribution of the products of Adel, and other imported stationery products	Stationery	49,76	49,76
Ana Gıda İhtiyaç Maddeleri Sanayi ve Ticaret A.Ş. (Ana Gıda) (*)	Turkey	Production and marketing of olive oil under Kırlangıç, Komili and Madra Brands, sunflower and corn oil, and automotive trading	Food	-	68,00
Efes Turizm İşletmeleri A.Ş. (Efestur)	Turkey	Arrangement of travelling and organization facilities of the Group	Other	51,60	51,60
Anadolu Bilişim Hizmetleri A.Ş. (ABH)	Turkey	IT, internet and e-commerce services	Other	65,53	65,53
Oyex Handels GmbH (Oyex)	Germany	Trading of various materials used in the Group	Other	67,32	67,32
Anadolu Endüstri Holding und Co. KG (AEH und Co.)	Germany	Provides necessary market research of products abroad	Other	67,32	67,32
Anadolu Restoran İşletmeleri Limited Şirketi (McDonald's)	Turkey	Restaurant chain management, ranch management	Food	68,00	68,00
Hamburger Restoran İşletmeleri A.Ş. (Hamburger)	Turkey	Restaurant chain management	Food	68,00	68,00
Anadolu Varlık Yönetim A.Ş. (Anadolu Varlık)	Turkey	Asset management	Other	67,99	67,99
Anadolu Taşıt Ticaret A.Ş. (Anadolu Taşıt)	Turkey	Industrial and commercial operations in automotive sector	Other	68,00	68,00
Anadolu Araçlar Ticaret A.Ş. (Anadolu Araçlar)	Turkey	Import, distribution and marketing of Geely motor vehicles	Automotive	68,00	68,00
Anadolu Termik Santralleri A.Ş. (Anadolu Termik)	Turkey	Production of electricity	Other	68,00	68,00
AES Toptan Elektrik Tic. A.Ş. (AES Elektrik)	Turkey	Whole sale and retail sale of electricity and/or its capacity	Other	68,00	68,00
AEH Sigorta Acenteliği A.Ş. (AEH Sigorta)	Turkey	Insurance agency	Other	68,00	68,00
Anatolia Energy B.V. (Anatolia Energy) (6)	Netherlands	Production of electricity	Other	68,00	-

(*) Closing transactions corresponding to the shareholding agreement between SEEF Foods and Ana Gıda has been completed as of March 4, 2009. With the share transfer, Ana Gıda has been recognized within joint venture framework and accounted in the interim consolidated financials with equity method.

(1) Shares of ABank, Adel and AYO are quoted on the Istanbul Stock Exchange (ISE).

(2) AEH controls Adel and Ülkü through its shareholding of 56,89% and 68,78%, respectively. Moreover, Adel has 7,67% stake at Ülkü. As a result, Adel and Ülkü are controlled by Yazıcılar.

(3) Decrease is due to the change in ABank's effective consolidation rate of AYO.

(4) Anadolu Motor and AEH have 50,00% and 1,00% shareholding at Anadolu Elektronik respectively. As a result, Anadolu Elektronik is controlled by Yazıcılar.

(5) A Yatırım has 99,99% shareholding rate at Alternatif Portföy established on August 13, 2008. The indirect shareholding rate of Yazıcılar is 61,64%. As of March 11, 2009 liquidation decision of Alternatif Portföy has been registered on the Trade Registry Gazette and striken off the register.

(6) AEH has 100,00% shareholding at Anatolia Energy established on March 20, 2009. The indirect shareholding rate of Yazıcılar is 68,00%.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

1. ORGANIZATION AND NATURE OF ACTIVITIES (cont'd)

Investment in Associate

The associate included in consolidation by equity method and its shareholding percentages at June 30, 2009 and December 31, 2008 are as follows:

	Country of incorporation	Main activities	Effective shareholding and voting rights %	
			June 30, 2009	December 31, 2008
Anadolu Efes Biracılık ve Malt San. A.Ş. (Anadolu Efes)	Turkey	Production of beer	**36,27**	36,24

Joint Ventures

The investments in joint ventures included in consolidation by equity method and their shareholding percentages at June 30, 2009 and December 31, 2008 are as follows:

	Country of incorporation	Main activities	Effective shareholding and voting rights %	
			June 30, 2009	December 31, 2008
Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. (Anadolu Isuzu)	Turkey	Manufacturing and selling of Isuzu brand commercial vehicles	**37,56**	37,48
Ana Gıda (*)	Turkey	Production and marketing of olive oil under Kırlangıç, Komili and Madra brands	**37,57**	(*)
Aslancık Elektrik Üretim ve Tic. Ltd. Şti. (Aslancık)	Turkey	Electricity production	**17,00**	17,00
D Tes Elektrik Enerjisi Toptan Satış A.Ş. (D Tes)	Turkey	Electricity wholesale	**17,00**	17,00

(*) Closing transactions corresponding to the shareholding agreement between SEEF Foods and Ana Gıda has been completed as of March 4, 2009. With the share transfer, Ana Gıda has been recognized within joint venture framework and accounted in the interim consolidated financials with equity method. Refer to Note 3, Business Combinations for further detailed explanation.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Basis of Preparation of Financial Statements

The Company and its subsidiaries incorporated in Turkey maintains its books of account and prepares its statutory financial statements in Turkish Lira (TRL) in accordance with Turkish Commercial Code and Banking Legislation, Tax Legislation and the Uniform Chart of Accounts issued by the Ministry of Finance.

The subsidiaries incorporated outside of Turkey maintain their books of account and prepare their statutory financial statements in accordance with the regulations of the countries in which they operate. The consolidated financial statements have been prepared from the statutory financial statements of the Company's subsidiaries' in accordance with Turkish Capital Market Board (CMB) Accounting Standards with certain adjustments and reclassifications for the purpose of fair presentation. Adjustment entries are mainly; application of consolidation accounting, booking of business combinations, calculation of deferred tax, calculations of employee termination benefits and other provisions. Except financial assets carried at fair value and assets or liabilities acquired through business combinations, financial statements are prepared on the historical cost basis.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Basis of Preparation of Financial Statements (cont'd)

The financial statements of the Company and its subsidiaries until 31 December 2007 have been prepared in accordance with the Communiqué No: XI-25 'Communiqué on Accounting Standards in Capital Markets'. In this Communiqué is stated that alternatively, the application of accounting standards prescribed by the International Accounting Standards Board (IASB) and International Accounting Standards Committee (IASC) will be also considered to be compliant with the CMB Accounting Standards. Accordingly, the consolidated financial statements of the Company until 31 December 2007 had been prepared in accordance with the alternative methods allowed by the CMB.

In accordance with the CMB's "Communiqué on Financial Reporting in Capital Market" No: XI-29, published in the Official Gazette dated 9 April 2008, effective 1 January 2008, listed companies are required to prepare their financial statements in conformity with International Accounting/Financial Reporting Standards (IAS/IFRS) as prescribed in the CMB Communiqué. Since, there are not any difference between the accounting policies of the alternative method of Communiqué No: XI-25 (previously applied) and the Communiqué Serial No: XI-29, there is no change in the accounting policies applied in preparation of the financial statements of the current and prior period.

The interim consolidated financial statements at June 30, 2009 have been prepared in accordance with compulsory reporting formats of CMB's "Communiqué on Financial Reporting in Capital Market" No: XI-29, published on April 9, 2008. The interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2008.

Functional and Presentation Currency

The functional and presentation currency of the Company and subsidiaries , joint ventures and associates incorporated in Turkey is TRL.

In accordance with CMB announcement No.11/367 dated March 17, 2005; since the objective conditions for the application of restatement is no longer available and since CMB foresees that the probability of the re-occurrence of the conditions is remote, lastly the financial statements as of December 31, 2004 have been subject to the restatement per IAS 29 (Financial Reporting in Hyperinflationary Economies). Therefore, the non-monetary assets, liabilities and shareholders' equity including share capital reported in the balance sheet as of June 30, 2009 and December 31, 2008 are derived by indexing the additions occurred until December 31, 2004. The additions after December 31, 2004 are carried with their nominal amounts.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Functional and Local Currencies of Foreign Subsidiaries

The foreign subsidiaries maintain their books of accounts in accordance with the laws and regulations in force in the countries in which they are registered and necessary adjustments and reclassifications made for the fair presentation in accordance with IFRS. The assets and liabilities of foreign subsidiaries are translated into Turkish Lira using the relevant foreign exchange rates prevailing at the balance sheet date.

The incomes and expenses of the foreign subsidiaries are translated into Turkish Lira using average exchange rate for the period. Exchange differences arising from using year-end and average exchange rates are included in the shareholders' equity as currency translation differences. Functional and local currency of foreign subsidiaries are as follows:

		June 30, 2009	December 31, 2008
	Local Currency	**Functional Currency**	Functional Currency
AEH und Co.	EUR	**EUR**	EUR
Oyex	EUR	**EUR**	EUR
Anatolia Energy	EUR	**EUR**	EUR

Foreign subsidiaries are established as foreign corporate entities.

Changes in Accounting Policies

New standards and interpretations

The accounting policies adopted in the preperation of the interim consolidated financial statements as of June 30, 2009 are applied consistently with the consolidated financial statements as of December 31, 2008, except the new statndards and IFRIC interpretations summarized below. These standards and interpretations, except IAS 1 and IFRS 8, have no effect on the financial position or performance of the Group, only the presantation of additional explanations are required.

The application of new and revised International Financial Reporting Standards

The new standards which are effective as of January 1, 2009 and changes and interpretations of current standards are as follows:

(i) New standards and changes that have effect on the financial position or performance of Group are summarized below:

IAS 1, "Presentation of Financial Statements" (Revised)

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income"; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the balance sheet. The Group applied the related changes to the consolidated financial statements, with respect to the changes in mandatory reporting format of CMB.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

IFRS 8, Operating Segments

IFRS 8 replaces IAS 14 'Segment Reporting' and adopts a management-based approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. The Group applied the related changes regarding operating segments, with respect to the changes in mandatory reporting format of CMB.

(ii) New standards and changes that don't have an effect on the financial position or performance of Group are summarized below:

Amendments to IFRS 1, "First-time Adoption of International Financial Reporting Standards" and IAS 27, "Consolidated and Separate Financial Statements"
IFRS 2, "Share Based Payments (Revised) - Vesting Conditions and Cancellation"
IFRS 7 "Financial Instruments: Disclosures"
IFRIC 13, "Customer Loyalty Programmes"
IFRIC 15 - "Agreements for the Construction of Real Estate"
IFRIC 16 - "Hedges of a Net Investment in a Foreign Operation"
IAS 23, "Borrowing Costs" (Revised)
Amendments to IAS 32 and IAS 1: "Puttable Financial Instruments and Obligations Arising on Liquidation" (Revised)

Improvements to IFRSs – May, 2008

In May 2008, International Accounting Standards Board (IASB) made changes in standards and changes are summarized below:

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"
IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"
IAS 10 "Events after the Reporting Period"
IAS 16 "Property, Plant and Equipment"
IAS 18 "Revenue"
IAS 19 "Employee Benefits"
IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance"
IAS 27 "Consolidated and Separate Financial Statements" (Revised)
IAS 28 "Investment in Associates"
IAS 29 "Financial Reporting in Hyperinflationary Economies"
IAS 31 "Interest in Joint Ventures"
IAS 36 "Impairment of Assets"
IAS 38 "Intangible Assets"
IAS 39 "Financial Instruments: Recognition and Measurement- Eligible Hedged items"
IAS 40 "Investment Property":
IAS 41 "Agriculture" (Revised)
IFRIC 9 "Reassessment of Embedded Derivatives" and IAS 39 "Financial Instruments: Recognition and Measurement"
IAS 34 "Interim Financial Reporting"

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Standards that are published as of the approval date of the interim consolidated financial statements and effective for annual periods beginning on or after July 1, 2009 and not early adopted by the Group and interpretations and amendments to published standards are as follows:

IFRS 3, "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements" (Revised) (effective for annual periods beginning on or after July 1, 2009). A revised version of IFRS 3 Business Combinations and an amended version of IAS 27 Consolidated and Separate Financial Statements were issued by IASB on January 10, 2008.

IFRS 3 revised introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). IAS 27 revised requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. This amendment will be applied prospectively. The Group will assess the future business combinations within the context of these changes.

Changes in IAS 39 are published in July 2008 and effective at starting date of July 1, 2009. Changes according to IAS 32, IAS 1 and IFRS 3 and changes of IAS 39 made in May 2008 also includes all changes. The Group is currently assessing the effect of this change on the consolidated financial statements.

Changes in IFRS 1 are published in November 2008 and effective at starting date of 1 July 2009. Untill July 3, 2008, changes in IAS and IFRS includes changes in IFRS 1. The Group is currently assessing the effect of this change on the consolidated financial statements.

IFRIC 17 "Distributions of Non-cash Assets to Owners" (effective for annual periods beginning on or after July 1, 2009 and must be applied prospectively). The interpretation of IFRIC 17 applies to all non-reciprocal distributions of non-cash assets, including those giving the shareholders a choice of receiving noncash assets or cash. The Group is currently assessing the effect of this change on the consolidated financial statements.

IFRIC 18 "Transfers of Assets from Customers" (effective for annual periods beginning on or after July 1, 2009). The interpretation provides guidance on how to account for transfers of items of property, plant and equipment by entities that receive such transfers from their customers. The Group is currently assessing the effect of this change on the consolidated financial statements.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Improvements to IFRSs

In April 2009, International Accounting Standards Board (IASB) made 15 changes in 12 standards. Changed standards are summarized below:

- IFRS 2: Scope of IFRS 2 and IFRS 3
- IFRS 5: Disclosure of assets held for sale and discontinued operations
- IFRS 8: Disclosure of segmental assets
- IAS 1: Classification of convertible instruments under current or non-current assets
- IAS 7: Classification of expenses related to non accounted assets
- IAS 17: Classification of rentals of lands and buildings
- IAS 18: Determination of the treatment of the company principal or agent
- IAS 36: Accounting unit in testing impairment of goodwill
- IAS 38: Additional changes in revised IFRS 3
- IAS 38: Fair value determination of intangible assets acquired in business combinations
- IAS 39: Assumption of prepaid penalties related to bank loans as derivative instrument
- IAS 39: Exception in scope of business combination agreements
- IAS 39: Cash flow hedge accounting
- IFRIC 9: Scope of IFRIC 9 and IFRS 3
- IFRIC 16: Revision related restrictions to company with hedge accounting instrument

Basis of Consolidation

The principal accounting policies adopted in preparing the consolidated financial statements of the Group are as follows:

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The consolidated financial statements of the Group include Yazıcılar Holding A.Ş. and subsidiaries under its control. This control is normally evidenced when the Group owns, either directly or indirectly, more than 50% of the voting rights of a company's share capital and is able to govern the financial and operating policies of an enterprise so as to benefit from its activities.

Minority interests in the net assets of the subsidiaries included in consolidation, appears as a seperate item in Group's equity. Minority interest consists of minority's amount that already exists as of the first acquisition date and the amounts take place during the changes in the parent company's equity related to minority interest after the first acquisition date. Losses exceeding the shares belonging to minority interest are distributed to the shares of the Group, unless there is a mandatory obligation to compensate the recognized losses and an opportunity to make additional investments to cover the stated losses of the minority interest. The equity and net income attributable to minority shareholders' interests are shown separately in the consolidated balance sheet and income statement, respectively.

Intercompany balances and transactions, including intercompany profits and unrealized profits and losses are eliminated. Consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar circumstances.

The purchase method of accounting is used for business combinations.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Investments in Associates

The Group's investments in associates are accounted under the equity method of accounting. Investments in associates are undertakings over which the Group generally has between 20% and 50% of the voting rights and the Group has significant influence and which are not subsidiaries or joint ventures of the Group. The investments in associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. The income statement reflects the Group's share of the results of operations of the associates.

The investments valued accounted through equity method are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. The consolidated income statement reflects the Group's share of the results of operations of the associates. The effect of the amounts that has not reflected to the profit or loss of the associate on the equity of the associate, may require an adjustment on the book value of the associate. Group's share in these changes is directly being recorded in Group's equity.

Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

Joint Ventures

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Group and its subsidiaries together with one or more other parties. The Group's interest in joint ventures are accounted for under the equity method of accounting.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the consolidated financial statements when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a basis or realize the assets and settle the liabilities simultaneously.

Use of Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of balance sheet date. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

The source of the risk carrying estimates, assumptions and calculation indefinitions which may cause to significant adjustments at assets and liabilities at following periods as of balance sheet date are; actuarial assumptions used for employee termination benefits, impairment of assets and useful lives of tangibles and intangibles.These estimates and assumptions are explained at related disclosure in detail.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Use of Estimates and Assumptions (cont'd)

Provision for doubtful receivables

Allowance for doubtful receivables reflect the future loss that the Group anticipates to incur from the trade receivables as of the balance sheet date which are subject to collection risk considering the current economical conditions. During the impairment test for the receivables, the debtors, other than the key accounts and related parties, are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements; and also the renegotiation conditions with these debtors are considered. The provision for doubtful receivables are followed in the Note 10.1.

Provision for inventories

During the assessment of the provision for inventory the following are considered; analyzing the inventories physically and historically, considering the employment and usefulness of the inventories respecting to the technical personnel view. Sales prices listed, average discount rates given for sale and expected cost incurred to sell are used to determine the net realizable value of the inventories. As a result of this, the inventories with the net realizable values below the costs are written down in the Note 13.

Impairment of intangible assets with indefinite useful life and goodwill

According to the determined accounting policies, the Group performs impairment test for intangible assets with indefinite useful life and goodwill annually or when circumstances indicate that the carrying value may be impaired. As of December 31, 2008, impairment test for the intangible assets with indefinite useful life and goodwill is generated by comparing its carrying amount with the recoverable amount. The recovarable amount is determined taking the value in use calculation as basis.

Employee termination benefit

Discount rates are determined using actuarial valuations which involve making assumptions about future salary increases and employee turnover rates The details related with the defined benefit plans are stated in Note 24.

Warranty provision

Group has determined the warranty provision by considering the realized warranty expense per vehicle in previous years for each vehicle model and the warranty period left per each vehicle.

Summary of Significant Accounting Policies

2.1 Revenue Recognition

Non-Banking

Revenue is recognized on accrual basis at the fair value of the amount obtained or to be obtained based on the assumptions that delivery is realized, the income can be reliably determined and the inflow of the economic benefits related with the transaction to the Group is probable. Net sales are calculated after deducting sales returns and sales discounts.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

Revenue from sale of goods is recognized when all the following conditions are satisfied:

- The Group transfers the significant risks and rewards of ownership of the goods to the buyer,
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity,
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Service income is recorded as revenue according to it's completed portion when it is calculated reliably. When it is not calculated reliably, the revenue is recognized only to the extent of the associated expenses that are recoverable.

Interest income is recorded on the basis of effective interest rate method and dividend income is recorded when the right of dividend income emerges.

Banking

Interest income and expense are recognized in the income statement in fair value for all interest bearing instruments on an accrual basis using the effective interest method (a method of calculating the amortized cost of a financial asset or a financial liability to reach net present value).

According to the related regulations, the interest accrual and discount of non-performing loans and other receivables are not considered and included in interest income till they are collected.

Fees and commissions are generally recognized on an accrual basis when the service has been provided. Commission and fees arising from cash and non-cash loans re recognized as revenue in the related period by discounting using the effective interest method.

Fees and commission expense related with financial borrowings and paid to third parties are recognized as prepaid expenses in the balance sheet. Commission and fees are recognized as expense in the related period by discounting using the effective interest method.

2.2 Inventories

Inventories are valued at the lower of cost and net realizable value after provision for obsolete and slow moving. Overheads that have been incurred in bringing the inventories to their present location and condition are accounted as stated below:

Motor vehicles imported by Çelik Motor are valued over specific costing for each vehicle.

Costs are accounted for weighted average method for other companies. Finished goods and work in progress include cost of direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity excluding borrowing costs.

Net realizable value is estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost to sell.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

2.3 Property, Plant and Equipment

Property, plant and equipment that are acquired before January 1, 2005 are carried with their restated cost as of December 31, 2004; and property, plant and equipment that are acquired after January 1, 2005 are carried with their cost after subtracting accumulated depreciation and impairment. Property, plant and equipment are depreciated principally on a straight-line basis. Land is not depreciated as it is deemed to have an indefinite life. The estimated useful lives of assets, are as follows:

Land improvements	5-50 years
Buildings	20-50 years
Machinery and equipment	5-10 years
Motor vehicles	5 years
Furniture and fixtures	5 years
Leasehold improvements	Lease period

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present values 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 an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the income statement.

The profit or loss as a result of selling property, plant and equipment is calculated as the difference between the carrying amount and proceeds and included in income statement in the period the asset is disposed.

2.4 Intangible Assets

(i) Goodwill and amortization

Goodwill represents the excess of the cost of the acquisition over the fair value of identifiable net assets of a subsidiary, associate or joint venture at the date of acquisition. The carrying values of goodwill is annually reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Starting from January 1, 2005, the goodwill arising from the business combinations before and/or after March 31, 2004 is not amortized in accordance with IFRS 3 "Business Combinations". In accordance with IFRS 3, goodwill is tested for impairment at least annually.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

(ii) Other intangible assets

Intangible assets acquired separately from a business are capitalized at cost. Intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill if the fair value can be measured reliably on initial recognition, subject to the constraint that, unless the fair value is limited to an amount that does not create or increase any negative goodwill arising on the acquisition. Intangible assets, excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the period in which it is incurred.

Useful lives of intangible assets are determined as either finite or infinite.

Intangible assets are amortized on a straight line basis over the estimated useful lives which are between 3 and 20 years. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangibles with infinite useful life (Komili and Kırlangıç brands), are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continue, to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

2.5 Impairment of Assets

All assets other than goodwill are tested whether there is an indication of impairment of asset or not for each periods of the balance sheet. If such an indication exists, recoverable amount of that asset is estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

2.6 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset. Capitalisation of borrowing costs shall cease when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs shall be recognised as an expense when incurred.

2.7 Financial Instruments

The Group recognizes a financial asset or financial liability in its balance sheet when and only when it becomes a party to the contractual provisions of the instrument. The Group derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion financial asset. The Group derecognizes a financial liability when and only when a liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired.

Cash and Cash Equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise cash at bank and in hand, deposits at the Central Bank of Turkey, which are easily convertible into cash and do not carry any material value changes, have high liquidity, with an original maturity of three months or less. The amounts paid under the reverse repurchase agreements are included in cash and cash equivalents.

Repurchase (repo) and Resale (reverse repo) Transactions

The Group enters into sales of securities under agreements to repurchase such securities at a fixed price at a fixed future date. Such securities, which have been sold subject to a repurchase agreement ('repos'), are recognized in the balance sheet and are measured in accordance with the accounting policy of the security portfolio which they are part of. The difference between sale and repurchase price is treated as interest expense and accrued over the life of the repurchase agreement using the effective interest method. Securities sold subject to repurchase agreements ('repos') are reclassified in the financial statements as loaned securities when the transferee has the right by contract or custom to sell or re-pledge the collateral. The counterparty liability for amounts received under these agreements is included in other money market deposits.

Securities purchased with a corresponding commitment to resell at a fixed price at a specified future date ('reverse repos') are not recognized in the balance sheet, as the Group does not obtain control over the assets. Amounts paid under these agreements are included in other money market placements. The difference between purchase and resale price is treated as interest income and accrued over the life of the reverse repurchase agreement using the effective interest method.

Accounting as of Transaction and Delivery Dates

All acquisitions and sales of financial assets are recorded in the transaction date, as of the date Group commits to perform the transaction. Regular acquisitions or sales are generally transactions which the delivery dates of assets are determined due to the legislations or arrangements in the market.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

Investments

All investments are initially recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. All regular way purchases and sales of financial assets are recognized on the date the asset delivered to or by the Group. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Changes in fair value of assets to be received during the period between the trade date and the settlement date are accounted for in the same way as the acquired assets i.e. for assets carried at cost or amortized cost, change in value is not recognized; for assets classified as trading or as available for sale, the change in value is recognized to profit and loss, and in equity respectively. The Group maintains three separate securities portfolio, as follows:

Trading Securities

Trading securities are securities, which were either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit exists. After initial recognition, trading securities are remeasured at fair value based on quoted bid prices. All related realized and unrealized gains or losses are recognized in trading income/(loss).

Held-to-Maturity Securities

Investment securities with fixed or determinable payments and fixed maturity where management has both the intent and the ability to hold to maturity are classified as held-to-maturity. Management determines the appropriate classification of its investments at the time of the purchase.

After initial recognition, held-to-maturity investments are carried at amortized cost using the effective yield method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. For investments carried at amortized cost, gains and losses are recognized in income when the investments are derecognized or impaired, as well as through the amortization process.

Interest earned whilst holding held-to-maturity securities is included in interest income.

Available-for-Sale Securities

After initial recognition, available-for-sale securities are remeasured at fair value. Gains or losses on remeasurement to fair value are recognized as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income.

Interest earned on available-for-sale securities is included in interest income. Dividends received are included in dividend income.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

For investments that are actively traded in organized financial markets, fair value is determined by reference to ISE quoted market bid prices at the close of business on the balance sheet date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment. Equity securities for which fair values can not be measured reliably are recognized at cost less impairment.

Trade Receivables and Payables

Trade receivables from the supply of products and services to a buyer, are carried at net of deferred finance income. Trade receivables net of deferred finance income, which are initially recorded at original invoice amounts, are measured at amortized cost of the amounts that will be collected in the subsequent periods with the effective interest rate. Short term trade receivables which do not have a determined interest rate, when the interest accrual effect is immaterial, are measured at the original invoice values.

The Group provides allowance for doubtful receivables when there is an indication that the collections are not probable. Related provision amount is the difference between the book value of the receivable and the probable collection amount. The probable collection amount is the cash flows, including collections from guarantees, which are discounted at the effective interest rate of the original receivable.

Subsequent to provide allowance for doubtful receivable, when all or a portion of the doubtful receivable is collected, the collection is deducted from the allowance and recorded as other income.

Banking Loans and Advances to Customers

Loans and receivables are non-derivative financial assets whose payments are fixed and can be determined, are unquoted in an active market and held for purchase or sale, financial assets at the fair value through profit or loss or financial assets held for resale. Counterparty expenses such as legal fees and deductions are considered as the part of transaction cost.

Loans and advances are reflected in financial statements when amount in cash is given to the customers.

Funds Borrowed, Banking Customer Deposits and Borrowings

All deposits and borrowings are initially recognized at the fair value of consideration received less directly attributable transaction costs. After initial recognition interest-bearing deposits and borrowings are subsequently measured at amortized cost using the effective interest method. Gains or losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

Derivative Financial Instruments

The Group enters into transactions with derivative instruments including forwards, swaps and options in the foreign exchange and capital markets. These derivative transactions are considered as effective economic hedges under the Group's risk management policies; however since they do not qualify for hedge accounting under the specific provisions of IAS 39, they are treated as derivatives held for trading. Derivative financial instruments are initially recognized in the balance sheet at cost and subsequently are remeasured at their fair values.

Fair values are obtained from quoted market prices, to the extent publicly available, discounted cash flows and options pricing models as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

For derivatives that do not qualify for special hedge accounting, any gains or losses arising from changes in fair value are taken directly to net profit or loss for the period.

2.8 Foreign Currency Transactions

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in TRL, which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the Company and its Turkish subsidiaries, transactions in currencies other than TRL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The foreign currency income or expenses incurred from the translation of foreign currency denominated transaction or restatement of monetary items is reflected within the statement of income in the related period.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in TRL using exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such exchange differences are recognized in profit or loss in the period in which the foreign operation is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

2.9 Earnings per Share

Earnings per share disclosed in the consolidated statement of income is determined by dividing net income by the weighted average number of shares in existence during the period concerned.

In Turkey, companies can raise their share capital by distributing shares ("Bonus Shares") to shareholders in their retained earnings. In computing earnings per share, such "bonus share" distributions are assessed as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

2.10 Subsequent Events

Subsequent events cover all events between the balance sheet date and authorization date of balance sheet for issue even if subsequent event has occurred after any announcement about the profit or any other selected financial information made public.

The Group; reflects the effect of such post-period-end adjusting events to the consolidated financial statements.

2.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are assessed continuously to determine whether the possibility of an outflow of resources embodying economic benefits is probable. When the possibility of an outflow of resources embodying economic benefits is probable for the accounts classified as contingent liabilities, provision is provided in the financial statements for related contingent liabilities except for the situations there is not a reliable estimation.

The Group discloses the contingent liabilities that are probable but there is not a reliable estimation for the amount of resources embodying economic benefits.

Assets that result from previous events that can not be controlled fully by the Group and depend on the realization of one or more uncertain events, is considered as a contingent asset. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.12 Changes in Accounting Policies, Accounting Estimates and Errors

Changes in accounting policies or accounting errors are applied retrospectively and the consolidated financial statements of the comparative period are restated. If estimated changes in accounting policies are for only one period, changes are applied on the current year but if the estimated changes are for the following periods, changes are applied both on the current and following years prospectively.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

2.13 Leases

The Group as a Lessee

Finance Lease

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset. If there is no reasonable certainity that the lessee will obtain ownership by the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating Lease

Leases where the lesser retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. These include rent agreements of premises, which are cancellable subject to a period of notice. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

The Group as a Lessor

Finance Lease

The Group presents leased assets as a receivable equal to the net investment in the lease. Finance income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding. Initial direct costs are included in the initial measurement of the finance lease receivable and reduce the amount of income recognized over the lease term.

Operating Lease

The Group presents assets subject to operating leases in the balance sheets according to their nature. Lease income from operating leases is recognized in income on a straight-line basis over the lease term. The aggregate cost of incentives provided to lessees is recognized as a reduction of rental income over the lease term on a straight-line basis. Operating leases are amortized based on their cost after deducting their residual values.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.14 Related Parties

Parties are considered related to the Group if;

(a) directly, or indirectly through one or more intermediaries, the party:
  (i) controls, is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and fellow subsidiaries);
  (ii) has an interest in the Company that gives it significant influence over the Company; or
  (iii) has joint control over the Company;
(b) the party is an associate of the Company;
(c) the party is a joint venture in which the Company is a venture;
(d) the party is member of the key management personnel of the Company or its parent;
(e) the party is a close member of the family of any individual referred to in (a) or (d);
(f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e);
(g) the party has a defined benefit plan for the employees of the Company or a related party of the Company.

Related party transactions are transfer of resources or obligations between related parties, regardless of whether a price is charged.

2.15 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 Group 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 is organized and primarily managed in five principal segments: automotive (including passenger vehicles, commercial vehicles, generators, spare and component parts, consumer durables); financial services (banking, leasing, brokerage); stationery; food (chain restaurant management and food) and other (tourism, trade, information technologies, asset management and energy).

2.16 Government Incentives and Grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to such grants, and that the grants will be received. They are recognized as income over the period to match them with the related costs that they are intended to compensate. Income relating to government grants is recognized as a deduction from the appropriate expense.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

2.17 Investment Properties

Investment properties are stated at cost less accumulated depreciation and any impairment in value. Investment properties are depreciated on a straight-line basis over the estimated useful live which is 50 years.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the income statement in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by the commencement of owner-occupation or commencement of development to sell.

2.18 Taxes

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes have been calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The current income tax payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

2.19 Employee Termination Benefits

Defined Benefit Plan

In accordance with existing social legislation in Turkey, the Group companies operating in Turkey are required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

In the consolidated financial statements, the Group has reflected a liability using the Projected Unit Credit Method and based upon estimated inflation rates and factors derived using the Group's experience of personnel terminating their services and being eligible to receive such benefits and discounted by using the current market yield at the balance sheet date on government bonds.

Defined Contribution Plan

The Group pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are accrued.

2.20 Cash Flow Statement

Cash flows are classified according to operating, investmenting and financing activities in the statement of cash flow. Cash and cash equivalents are presented including interest accruals and acquisition costs.

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are easily convertible into cash and are subject to an insignificant risk of changes in value.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Summary of Significant Accounting Policies (cont'd)

2.21 Provisions for Loans, Non-Performing Receivables and Lease Receivable

Based upon its evaluation of credits granted, management estimates the total credit risk provision that it believes is adequate to cover uncollectible amounts in the Group's loan and receivable portfolio and losses under guarantees and commitments. If there is objective evidence that the Group will not be able to collect all amounts due (principle and interest) according to original contractual terms of the loan, such loans are considered impaired and classified as "loans in arrears". The amount of the loss is measured as the difference between the loan's carrying amount and the present value of expected future cash flows discounted at the loan's original effective interest rate or as the difference between the carrying value of the loan and the fair value of collateral, if the loan is collateralized and foreclosure is probable.

The Group reviews its individually significant loans and advances in each balance sheet date to assess whether an impairement loss should be recorded in the income statement. In particular, judgement of management is required in the estimation of the amount and timing of future cash flows when determining the impairement loss. In estimating these cash flows, the Group makes judgements about the borrower's financial situation and the net realizable value of the colleteral. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Impairment and uncollectibility are measured and recognized individually for loans and receivables that are individually significant, and on a portfolio basis for a group of similar loans and receivables that are not individually identified as impaired.

The Group ceases to accrue interest on those loans that are classified as "loans in arrears" and for which the recoverable amount is determined primarily in reference to fair value of collateral.

The carrying amount of the asset is reduced to its estimated recoverable amount through use of an allowance for impairment account. A write off is made when all or part of a loan is deemed uncollectible or in the case of debt forgiveness. Write offs are charged against previously established allowances and reduce the principle amount of a loan. Recoveries of loans written off in earlier periods are included in income.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to the provision for loan losses expense. Unwinding of the discount is treated as income and remaining provision is then reassessed.

2.22 Biological Assets

Cattle grown up in farms belonging to McDonald's, are classified under biological assets and reflected at fair value as of balance sheet dates. The fair values are determined with the expected market rate according to IAS 41 "Biological Assets".

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

3. BUSINESS COMBINATIONS

Transactions for period of June 30, 2009

On February 20, 2009, a Subscription and Shareholders Agreement was signed between AEH and Ana Gıda, subsidiaries of the Company, and SEEF Foods S.A.R.L (Seef Foods) - owned by Southeast Europe Equity Fund II (B) L.P. and controlled by Bedminster Capital Management LLC- regarding SEEF Foods' EUR 25 million capital contribution to Ana Gıda - in addition AEH's contribution of 5 million Euros – in return for 44,75% shares. The closing transactions regarding this agreement were completed on March 4, 2009. Accordingly, a total of EUR 30 million capital increase was held in Ana Gıda; EUR 25 million paid by SEEF Foods and EUR 5 million by AEH and consequently SEEF Foods became the owner of 44,75% shares in Ana Gıda. According to the new shareholding structure and the articles of agreement, the Group has classified Ana Gıda as joint venture and included in consolidation through equity method. Income amounting to TRL 11.811 as a result of this transaction has been recorded in other operating income account in note 31.1 in detailed .

Transactions for year of 2008

On October 31, 2008, the Company purchased Komili brand name, stocks, supplier contracts, domain name, intellectual property and business information (Komili brand) from a company in Turkey. Komili brand is a well known and reputable brand for olive oil in Turkey.

The fair value of the identifiable assets and liabilities of Komili brand as of the date of acquisition and the corresponding carrying amounts immediately before the acquisition were:

	Previous carrying value	Fair value recognized on acquisition
Inventories	4.125	4.125
Intangibles – net	-	33.000
Total net assets acquired	4.125	37.125
Goodwill arising on acquisition (Note 20)		21.251
Net cash out flow		58.376

The goodwill of TRL 21.251 comprises the value of expected synergies arising from the acquisition of the Komili brand and the high reputation of the Komili.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

4. JOINT VENTURES

Joint Ventures

			June 30, 2009			December 31, 2008		
Entity	**Principle activities**	**Country of business**	**Carrying value**	**Effective shareholding and voting rights %**	**Group's share of income/ (loss)**	Carrying value	Effective shareholding and voting rights %	Group's share of income/ (loss)
Anadolu Isuzu (*)	Manufacturing and selling Isuzu brand commercial vehicles	Turkey	64.345	37,56	(7.467)	71.609	37,48	(180)
Ana Gıda (**)	Production and marketing of olive oil under Kırlangıç, Komili and Madra Brands, sunflower and corn oil	Turkey	47.686	37,57	(4.649)	-	-	-
Aslancık	Production of electricity	Turkey	3.093	17,00	450	2.642	17,00	([illegible]2)
D Tes	Wholesale of electricity	Turkey	-	17,00	(22)	22	17,00	([illegible]8)
			115.124		(11.688)	74.273		(3[illegible]0)

(*) Shares of Anadolu Isuzu are quoted on the ISE.

(**) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the fiscal year (Note 3).

AEH, a subsidiary of the Company, acquired 27.107 Anadolu Isuzu shares with varying prices in the range of TRL 2,80-2,84 on ISE in February 2009. As a consequence of this transaction, the Group's share in Anadolu Isuzu has increased to 37,56% by increasing 0,08 point.

Summary financial information of the Group's investment in joint venture Anadolu Isuzu are as follows:

Anadolu Isuzu	**June 30, 2009**	December 31, 2008
Total assets	**279.419**	359.415
Total liabilities	**113.382**	173.939
Net assets	**166.037**	185.476
Group's interest in net assets	**64.345**	71.609
Revenues	**98.735**	496.764
Net income/(loss) for the period	**(19.435)**	(468)
Group's share in net income/(loss) of the joint venture	**(7.467)**	(180)

Summary financial information of the Group's investment in other joint ventures are as follows:

Other joint ventures	**June 30, 2009**	December 31, 2008
Total assets	**162.700**	12.923
Total liabilities	**54.978**	669
Net assets	**107.722**	12.254
Group's interest in net assets	**50.779**	2.664
Revenues	**111.299**	99
Net income/(loss) for the period	**(9.053)**	(841)
Group's share in net income/(loss) of the joint ventures	**(4.221)**	(210)

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

5. SEGMENT REPORTING

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group is organized into five major operating segments.

June 30, 2009	Financial institutions	Automotive	Stationery	Food	Other	Unallocated	Consolidated
Sales	295.049	336.148	58.800	126.705	59.279	-	875.981
Inter-segment sales	(2.148)	(1.636)	(7)	(2)	(5.801)	9.594	-
Total Sales	**292.901**	**334.512**	**58.793**	**126.703**	**53.478**	**(9.594)**	**856.793**
GROSS PROFIT	**156.523**	**99.857**	**29.800**	**18.837**	**19.167**	**(1.341)**	**322.843**
Marketing, selling, and distribution expenses (-)	-	(64.833)	(8.411)	(6.822)	(1.115)	943	(80.238)
General administrative expenses (-)	(94.130)	(18.106)	(3.969)	(7.767)	(18.934)	8.696	(134.210)
Research and development expenses (-)	-	(244)	-	-	-	3	(241)
Other operating income	1.220	7.546	713	18	56.330	(44.411)	21.416
Other operating expense (-)	(3.969)	(1.427)	(733)	(537)	(225)	(313)	(7.204)
OPERATING INCOME	**59.644**	**22.793**	**17.400**	**3.729**	**55.223**	**(36.423)**	**122.366**
Gain/Loss from the investments accounted through equity method (*)	-	-	-	-	-	76.059	76.059
Non-operating financial income	33.650	13.641	223	1.311	11.760	(4.565)	56.020
Non-operating financial expense (-)	(39.651)	(24.818)	(872)	(164)	(7.737)	2.176	(71.066)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS	**53.643**	**11.616**	**16.751**	**4.876**	**59.246**	**37.247**	**183.379**
Tax Income/(Expense) from Continuing Operations	**(8.769)**	**(1.603)**	**(3.363)**	**(892)**	**(38)**	**(1.622)**	**(16.287)**
- Current period tax expense (-)	(8.959)	(3.788)	(4.112)	-	(1.054)	-	(17.913)
- Deferred tax income / (expense)	190	2.185	749	(892)	1.016	(1.622)	1.626
NET INCOME FOR THE PERIOD	**44.874**	**10.013**	**13.388**	**3.984**	**59.208**	**35.625**	**167.092**
Attributable to:							
- Minority interest	2.734	4.701	-	-	-	39.366	46.801
- Equity holders of the parent	42.140	5.312	13.388	3.984	59.208	(3.741)	120.291
Total Assets	**3.753.345**	**411.733**	**111.367**	133.612	1.484.141	(425.876)	**5.468.322**
Total Liabilities	**3.262.220**	**228.380**	**52.310**	26.754	93.595	(111.508)	**3.551.751**
Property, plant and equipment and intangible asset purchases	574	18.379	215	6.497	2.432	-	28.097
Investment property purchases	4.045	-			-		4.045
Depreciation and amortization	3.039	9.896	723	3.925	721	(259)	18.045

(*) Income recognized from Anadolu Efes and Aslancık amounting to TRL 88.197 and expense recognized from Anadolu Isuzu, Anagıda, and D Tes amounting to TRL 12.138 are recorded to gain/loss from the investments accounted through equity method in 'unallocated' segment.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

5. SEGMENT REPORTING (cont'd)

June 30, 2008	Financial institutions	Automotive	Stationery	Food	Other	Unallocated	Consolidated
Sales	230.463	289.159	52.048	196.963	50.895	-	819.528
Inter-segment sales	(234)	(1.400)	(5)	-	(6.751)	8.390	-
Total Sales	230.229	287.759	52.043	196.963	44.144	(8.390)	802.748
GROSS PROFIT	133.605	86.398	27.343	37.490	13.820	(4.850)	293.806
Marketing, selling, and distribution expenses (-)	-	(37.983)	(6.463)	(14.643)	(988)	1.347	(58.730)
General administrative expenses (-)	(49.437)	(30.651)	(4.844)	(10.408)	(19.419)	7.923	(106.836)
Research and development expenses (-)	-	(196)	(10)	-	-	3	(203)
Other operating income	2.156	11.066	1.872	109	57.991	(55.385)	17.809
Other operating expense (-)	(1.828)	(1.330)	(675)	(676)	(153)	(3.065)	(7.727)
OPERATING INCOME	84.496	27.304	17.223	11.872	51.251	(54.027)	138.119
Gain/Loss from the investments accounted through equity method (*)	-	-	-	-	-	95.763	95.763
Non-operating financial income	9.275	6.723	114	1.888	9.276	(2.232)	25.044
Non-operating financial expense (-)	(47.949)	(20.146)	(4.297)	(1.564)	(10.627)	422	(84.161)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS	45.822	13.881	13.040	12.196	49.900	39.926	174.765
Tax Income/(Expense) from Continuing Operations	(9.535)	(2.740)	(2.321)	-	6	-	(14.590)
- Current period tax expense (-)	(4.359)	(3.321)	(3.189)	-	(837)	-	(11.706)
- Deferred tax income / (expense)	(5.176)	581	868	-	843	-	(2.884)
NET INCOME FOR THE PERIOD	36.287	11.141	10.719	12.196	49.906	39.926	160.175
Attributable to:							
- Minority interest	(2.232)	3.744	-	-	-	33.306	34.818
- Equity holders of the parent	38.519	7.397	10.719	12.196	49.906	6.620	125.357
Total Assets	3.362.840	376.838	104.839	197.038	1.433.543	(459.453)	5.015.645
Total Liabilities	2.942.775	207.209	57.732	63.380	86.914	(68.964)	3.289.046
Property, plant and equipment and intangible asset purchases	4.675	17.400	593	6.528	776	(56)	29.916
Investment property purchases	783	-	-	-	-	-	783
Depreciation and amortization	2.267	7.930	753	2.968	819	-	14.737

(*) Income recognized from Anadolu Efes and Anadolu Isuzu amounting to TRL 95.840 and expense from Aslancık and D Tes amounting to TRL 77 recorded to gain/loss from the investments accounted through equity method in 'unallocated' segment.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

5. SEGMENT REPORTING (cont'd)

Substantially all of the consolidated revenues are obtained from operations located in Turkey. Similarly, substantially all of the consolidated assets are located in Turkey.

Associate: The Group's effective shareholding rate for Anadolu Efes is 36,27% (December 31, 2008: 36,24%). The operations of Anadolu Efes and its subsidiaries consist of production, distribution and marketing of beer under a number of trademarks and selling and distribution of sparkling and still beverages with The Coca-Cola Company trademark principally in Turkey, Central Asia and Middle East. The result of these operations, as of June 30, 2009 and June 30, 2008 are reflected in "gain/loss from the investments accounted through equity method" line of the interim consolidated income statement as gain amounting to TRL 87.747 and gain amounting to TRL 87.558 respectively.

6. CASH AND CASH EQUIVALENTS

	June 30, 2009	December 31, 2008
Non-Banking	32.567	42.504
Banking	357.597	882.906
Cash and cash equivalents in the consolidated cash flow statement	**390.164**	925.410

Non-Banking

The details of cash and cash equivalents are as follows:

	June 30, 2009	December 31, 2008
Cash on hand	1.360	946
Cash in banks	29.496	40.278
Other	1.711	1.280
	32.567	42.504

	June 30, 2009			December 31, 2008		
	Amount	**Maturity**	**Interest rate**	Amount	Maturity	Interest rate
Cash in banks						
Demand deposit	**16.490**	-	-	4.169	-	-
-EUR	**5.000**	-	-	2.406	-	-
-USD	**804**	-	-	2	-	-
-GBP	**104**	-	-	-	-	-
-TRL	**10.582**	-	-	1.761	-	-
Time deposit	**13.006**			36.109		
-EUR	**2.653**	**6 - 30 days**	**0,75 – 1,50**	27.191	2 - 180 days	1,65 - 9,50
-USD	**1.295**	**2 - 31 days**	**0,75 – 4,00**	811	2 days	1,00 - 2,00
-TRL	**9.058**	**27 - 30 days**	**13,00 - 14,00**	8.107	2 - 33 days	14,50 - 23,00
	29.496			40.278		

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

6. CASH AND CASH EQUIVALENTS (cont'd)

Banking

	June 30, 2009	December 31, 2008
Cash on hand	28.204	27.430
Balances with the Central Bank	172.807	87.245
Cash and balances with the Central Bank	**201.011**	114.675
Deposits with banks and other financial institutions	**81.450**	367.442
Funds lent under reverse repurchase agreements	15.122	12.831
Interbank placements	60.014	387.958
Other money market placements	**75.136**	400.789
	357.597	882.906

As of June 30, 2009 and December 31, 2008 the interest rate range of deposits and placements are as follows:

	June 30, 2009				December 31, 2008			
	Amount		Effective interest rate %		Amount		Effective interest rate %	
	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency
Balances with the Central Bank	135.099	37.708	-	-	38.692	48.553	-	0,15
Deposits with banks and other financial institutions	1.443	80.007	-	1,41	5.279	362.163	15,75-18,00	1,22
Funds lent under reverse repurchase agreements	15.122	-	8,96	-	12.831	-	14,99	-
Interbank placements	60.014	-	8,75	-	350.144	37.814	15,00	1,00
	211.678	117.715			406.946	448.530		

7. FINANCIAL ASSETS

	June 30, 2009	December 31, 2008
Non-Banking	7.209	13.554
Banking	520.045	296.435
	527.254	309.989

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

7. FINANCIAL ASSETS (cont'd)

Non-Banking

	June 30, 2009		December 31, 2008	
	Amount	**Effective interest rate %**	Amount	Effective interest rate %
Investment funds	**683**	**-**	7.054	-
Non-current financial assets	**6.526**		6.500	
- Polinas Plastik ve Ticaret A.Ş. (Polinas)	**6.276**	**10,57**	6.276	10,57
- Doğu Yatırım Holding A.Ş. (Doğu Yatırım)	**95**	**0,48**	95	0,48
- Other	**155**		129	
	7.209		13.554	

Banking

	June 30, 2009	December 31, 2008
Financial assets at fair value through profit and loss	**25.391**	31.768
Investment securities	**302.155**	252.116
Carrying value of securities given as collateral under repurchase agreement	**192.499**	12.551
	520.045	296.435

Financial assets at fair value through profit and loss:

	June 30, 2009		December 31, 2008	
Financial assets at fair value through profit and loss	**Amount**	**Effective interest rate %**	Amount	Effective interest rate %
Debt instruments – TRL				
Turkish government bonds	**6.591**	**10,57**	13.715	16,93
Turkish treasury bills	**315**	**9,12**	88	16,06
Debt instruments – foreign currency				
Eurobonds	**24**	**11,49**	4.942	7,74
	6.930		18.745	
Equity securities				
Listed on the ISE	**18.461**	**-**	13.023	-
	18.461		13.023	
Total financial assets at fair value through profit and loss	**25.391**		31.768	

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

7. FINANCIAL ASSETS (cont'd)

Banking (cont'd)

Investment Securities

	June 30, 2009		December 31, 2008	
	Amount	**Effective interest rate %**	Amount	Effective interest rate %
Available-for-sale securities at fair value-TRL				
Turkish government bonds	**41.882**	**11,79**	35.489	21,74
Available-for-sale securities at fair value-foreign currency				
Eurobonds	**-**	**-**	30.948	6,00
Total available-for-sale securities	**41.882**		66.437	
Held to maturity securities				
Debt Instruments-TRL				
Turkish government bonds	**260.273**	**15,80**	185.679	24,39
Total held to maturity securities	**260.273**		185.679	
Total investment securities	**302.155**		252.11[illegible]	

Carrying value of debt instruments given as collateral under repurchase agreements are and related liabilities are:

	June 30, 2009	December 31, 2008
Financial assets at fair value through profit or loss	**10.700**	662
Available for sale securities	**83.790**	8.297
Held to maturity securities	**98.009**	3.592
Carrying value of securities given as collateral under repurchase agreement	**192.499**	12.551
Related liability	**185.701**	11.729

As of June 30, 2009, the carrying value of government securities kept in the Central Bank of Turkey and in ISE Clearing and Custody Incorporation for legal requirements and as a guarantee for stock exchange and money market operations are TRL 81.308 and the cost of it is TRL 79.630 (December 31, 2008: TRL 188.414 and TRL 178.114).

Current financial assets is TRL 261.266 (December 31, 2008: TRL 22.593) and non-current financial assets is TRL 265.988 (December 31, 2008: TRL 287.396).

8. BORROWINGS

	June 30, 2009	December 31, 2008
Bank borrowings	**180.809**	311.571
Current portion of long term borrowings	**37.382**	58.268
Short term borrowings	**218.191**	369.839
Bank borrowings	**6.214**	22.927
Long term borrowings	**6.214**	22.927
Total borrowings	**224.405**	392.766

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

8. BORROWINGS (cont'd)

As of June 30, 2009, Group does not have any secured bank borrowings (December 31, 2008: None).

	June 30, 2009			December 31, 2008		
Short term	**Amount**	**Fixed interest rate**	**Floating interest rate**	Amount	Fixed interest rate	Floating interest rate
Borrowing in Turkish Lira	**107.604**	**9,3% - 15,2%**	**-**	254.469	15,0% - 27,6%	-
Borrowing in foreign currency (EUR)	**68.140**	**5,0% - 11,0%**	**Euribor + (1,3% - 4,8%)**	68.573	4,9% -10,5%	Euribor + (0,9% - 5,0%)
Borrowing in foreign currency (USD)	**42.447**	**5,3% - 8,5%**	**Libor + (2,5%)**	46.797	4,6% - 5,3%	Libor + (0,1% - 1,8%)
	218.191			369.839		
Long term				Amount	Fixed interest rate	Floating interest rate
Borrowing in foreign currency (EUR)	**6.214**	**5,3%**	**Euribor + (1,3%)**	13.171	5,3%	Euribor + (0,9% - 1,3%)
Borrowing in foreign currency (USD)	**-**			9.756	-	Libor + (0,1% - 0,5%)
	6.214			22.927		
	224.405			392.766		

Repayments schedules of long-term borrowings are as follows :

	June 30, 2009	December 31, 2008
2010	**4.954**	13.922
2011	**1.260**	9.005
	6.214	22.927

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

9. OTHER FINANCIAL LIABILITIES

None (December 31, 2008: None).

10. TRADE RECEIVABLES AND TRADE PAYABLES

10.1 Trade Receivables

	June 30, 2009	December 31, 2008
Trade receivables, net	**102.528**	129.165
Notes receivable and post-dated cheques, net	**97.340**	3.768
Less: provision for doubtful trade receivables	**(1.248)**	(4.612)
	198.620	128.321

As of June 30, 2009, Group has no long term trade receivables (December 31, 2008: None).

Movement of provision for doubtful trade receivables is as follows:

	June 30, 2009	June 30, 2008
Balance at January 1,	**4.612**	2.237
Provisions	**215**	257
Reversal of provision (collections)	**(186)**	(135)
Change in scope of consolidation (*)	**(3.393)**	-
Balance at the end of the period	**1.248**	2.359

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the fiscal year (Note 3).

10.2 Trade Payables

	June 30, 2009	December 31, 2008
Non-Banking	**52.527**	78.997
Banking	**2.408**	1.030
	54.935	80.027

As of June 30, 2009, Group has no long term trade payables (December 31, 2008: None).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

11. OTHER RECEIVABLES AND PAYABLES

11.1 Other Short Term Receivables

	June 30, 2009	December 31, 2008
Non-Banking	**47.905**	44.453
-Receivables from loans (*)	**44.748**	43.719
-Other	**3.157**	734
	47.905	44.453

(*) The amount TRL 44.223 consists of the loans carried at AEH and ABank that are transferred to Anadolu Varlık, a subsidiary. The amount of provision for the related receivable at the end of period is TRL 5.926 (December 31, 2008: TRL 7.750).

11.2 Other Long Term Receivables

	June 30, 2009	December 31, 2008
Non-Banking	**2.144**	1.822
Banking		
-Collaterals given for derivatives and financial assets	**4.125**	7.669
	6.269	9.491

11.3 Other Short Term Payables

	June 30, 2009	December 31, 2008
Non-Banking	**15.810**	14.720
Banking	**12.210**	19.230
	28.020	33.950

Non-Banking

	June 30, 2009	December 31, 2008
Taxes payable	**11.967**	11.460
Due to personnel	**1.606**	1.706
Deposits and collaterals taken	**2.040**	1.529
Other	**197**	25
	15.810	14.720

Banking

	June 30, 2009	December 31, 2008
Taxes payable	**9.350**	13.824
Collaterals given for financial assets	**2.860**	5.406
	12.210	19.230

As of June 30, 2009 the non-current portion of other liabilities is amounting to TRL 381 (December 31, 2008: None).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

12. FINANCIAL LEASE RECEIVABLES AND OBLIGATIONS

12.1 Financial Lease Receivables

Gross investments in finance leases receivables are as follows:

	June 30, 2009	December 31, 2008
Not later than one year	**178.728**	179.158
Later than one year and not later than five years	**129.698**	147.453
Minimum lease payment receivables, gross	**308.426**	326.611
Less: Unearned interest income	**(41.626)**	(44.539)
Net investment in finance leases	**266.800**	282.072
Less: Reserve for doubtful financial lease receivables	**(7.601)**	(5.447)
Minimum lease payment receivables, net	**259.199**	276.625

Maturities of net investment in finance leases:

	June 30, 2009	December 31, 2008
Not later than one year	**147.491**	148.814
Later than one year and not later than five years	**111.708**	127.811
	259.199	276.625

	June 30, 2009		December 31, 2008	
	Amount	**Interest rate %**	Amount	Interest rate %
EUR	**146.022**	**7,05 - 22,75**	148.939	5,97 - 19,22
USD	**66.603**	**7,36 - 21,37**	75.787	7,36 - 18,70
TRL	**46.574**	**17,80 - 36,39**	51.899	15,24 - 35,36
	259.199		276.625	

As of June 30, 2009, the Group has obtained collaterals from certain lease customers in relation to minimum lease payments receivables. These collaterals consist of mortgages, checks, letter of guarantees and liens on manufacturing equipments.

Movement of provision for doubtful financial lease receivables is as follows:

	June 30, 2009	June 30, 2008
Balance at January 1	**5.447**	2.209
Provision	**2.452**	1.777
Collections (-)	**(298)**	(420)
Balance at the end of the period	**7.601**	3.566

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

12. LEASE RECEIVABLES AND OBLIGATIONS (cont'd)

12.2 Finance Lease Obligations

None (December 31, 2008: None).

13. INVENTORIES

	June 30, 2009	December 31, 2008
Raw materials	16.532	31.601
Work-in-progress	3.783	6.931
Finished goods	11.234	19.416
Merchandise	71.425	104.593
Goods in transit	19.767	23.476
Others	1.586	148
Provision for inventories (-)	(1.955)	(2.403)
	122.372	183.762

The movement of provision for inventories is as follows:

	June 30, 2009	June 30, 2008
Balance at January 1	2.403	-
Provision	548	684
Reversal (-)	(827)	-
Change in scope of consolidation (*)	(169)	-
Balance at the end of the period	1.955	684

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the fiscal year (Note 3).

Provision for inventories amount has been recorded in cost of sales account.

14. BIOLOGICAL ASSETS

Biological assets amounting to TRL 6.671 (December 31, 2008: TRL 6.209) consist of cattle in the farm carried out at fair value. For the period ended as of June 30, 2009, cattle additions and disposals are 3.495 units and 2.828 units, respectively (June 30, 2008: additions 3.593 units , disposal 2.973 units).

15. RECEIVABLES AND DEFERRED INCOME FROM CONSTRUCTION IN PROGRESS

None (December 31, 2008 : None).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

16. INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

	June 30, 2009	December 31, 2008
Investment in associate	**894.378**	866.748
Interest in joint ventures (Note 4)	**115.124**	74.273
	1.009.502	941.021

16.1 Associate

Entity	Principle Activities	Country of business	June 30, 2009 Carrying value	June 30, 2009 Effective shareholding and voting rights %	June 30, 2009 Group's share of income/ (loss)	December 31, 2008 Carrying value	December 31, 2008 Effective shareholding and voting rights %	December 31, 2008 Group's share of income/(loss)
Anadolu Efes (*)	Production of beer	Turkey	**894.378**	**36,27**	**87.747**	866.748	36,24	119.706
			894.378		**87.747**	866.748		119.706

(*) Shares of Anadolu Efes are currently quoted on the ISE.

The Company, has acquired 169.331 Anadolu Efes shares with total amount of TRL 1.693.310 on ISE on February 20, 2009 and March 5, 2009. As a consequence of this transaction, the Company's share in Anadolu Efes has increased to 36,27% by increasing 0,03 point.

Summary financial information of associates are as follows:

Anadolu Efes	June 30, 2009	December 31, 2008
Total assets	**5.578.549**	5.123.529
Total liabilities	**3.034.157**	2.607.878
Net assets	**2.544.392**	2.515.651
Group's interest in net assets	**894.378**	866.748
Revenues	**1.960.249**	3.668.917
Net income for the period	**226.266**	309.678
Group's share in net income of the associate	**87.747**	119.706

16.2 Joint Ventures

Entity	Principle activities	Country of business	June 30, 2009 Carrying value	June 30, 2009 Effective shareholding and voting rights %	June 30, 2009 Group's share of income/ (loss)	December 31, 2008 Carrying value	December 31, 2008 Effective shareholding and voting rights %	December 31, 2008 Group's share of income/ (loss)
Anadolu Isuzu (*)	Manufacturing and selling of Isuzu brand commercial vehicles	Turkey	**64.345**	**37,56**	**(7.467)**	71.609	37,48	(180)
Ana Gıda (**)	Production and marketing of olive, sun flower and corn oils under Kırlangıç, Komili and Madra brands	Turkey	**47.686**	**37,57**	**(4.649)**	-	-	-
Aslancık	Production of electricity	Turkey	**3.093**	**17,00**	**450**	2.642	17,00	(172)
D Tes	Wholesale of electricity	Turkey	**-**	**17,00**	**(22)**	22	17,00	(38)
			115.124		**(11.688)**	74.273		(390)

(*) Shares of Anadolu Isuzu are quoted on the ISE.

(**) Change in scope of consolidation involves the effects of the change of in Ana Gıda's consolidation method in the fiscal year (Note 3).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

17. INVESTMENT PROPERTY

	June 30, 2009	June 30, 2008
Balance at January 1	**9.265**	21.206
Additions	**4.045**	78[illegible]
Disposal (-)	**(4.856)**	(13.231)
Depreciation for the current peroid	**(50)**	-
Reversal	**62**	-
Balance at the end of the period	**8.466**	8.758

Investment property represent land and buildings and parcels of land. As of June 30, 2009, the fair value of investment properties which have been determined based on the valuations performed by independent appraisal companies is TRL 12.664 (June 30, 2008, TRL 11.082).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

18. PROPERTY, PLANT AND EQUIPMENT (P,P&E)

Movements of property, plant and equipment during the six months period ended on June 30, 2009 are as follows:

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Other tangible assets	Leasehold improvements	Construction in progress	Total
Cost									
At January 1, 2009	43.112	77.074	178.664	80.139	34.758	14.450	75.686	5.535	509.418
Additions	46	-	1.432	17.400	1.119	114	137	6.815	27.063
Disposals (-)	-	-	(231)	(8.479)	(11)	-	(194)	(3)	(8.918)
Change in scope of consolidation (*)	(323)	-	(815)	(140)	(297)	(22)	(854)	(4.033)	(6.484)
Transfers	-	-	1.660	-	-	-	1.079	(2.820)	(81)
June 30, 2009	42.835	77.074	180.710	88.920	35.569	14.542	75.854	5.494	520.998
Accumulated depreciation									
At January 1, 2009	1.631	15.617	139.044	20.293	24.042	12.453	39.099	-	252.179
Depreciation charge for the period	111	459	3.781	8.009	1.326	113	3.377	-	17.176
Disposals (-)	-	-	(231)	(4.557)	(1)	-	(194)	-	(4.983)
Change in scope of consolidation (*)	-	-	(692)	(121)	(210)	(15)	(230)	-	(1.268)
June 30, 2009	1.742	16.076	141.902	23.624	25.157	12.551	42.052	-	263.104
Net carrying amount	41.093	60.998	38.808	65.296	10.412	1.991	33.802	5.494	257.894

(*) Change in scope of consolidation involves the effects of the change of in Ana Gıda's consolidation method in the fiscal year (Note 3).

Property, Plant and Equipment (P,P&E) held under finance lease

The carrying amount of P,P&E held under finance leases at June 30, 2009 is TRL 25.670. According to the finance lease law, P,P&E under finance lease are owned by the finance lease company during the lease term. Hence, these P,P&E are regarded as colleterals by the finance lease company.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

18. PROPERTY, PLANT AND EQUIPMENT (P,P&E) (cont'd)

Movements of property, plant and equipment during the six months period ended on June 30, 2008 are as follows:

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Other tangible assets	Leasehold improvements	Construction in progress	Total
Cost									
January 1, 2008	42.762	78.436	169.368	62.621	29.297	13.907	63.082	1.721	461.194
Additions	166	13	2.688	15.350	3.876	199	3.048	3.823	29.163
Disposals (-)	-	(2.026)	(1.142)	(3.895)	(559)	-	-	(1.919)	(9.541)
June 30, 2008	42.928	76.423	170.914	74.076	32.614	14.106	66.130	3.625	480.816
Accumulated depreciation									
January 1, 2008	1.419	14.627	132.945	14.505	22.916	12.262	34.524	-	233.198
Depreciation charge for the period	102	479	3.222	5.859	1.769	100	2.374	-	13.905
Disposals (-)	-	(88)	(1.038)	(2.010)	(557)	-	-	-	(3.693)
June 30, 2008	1.521	15.018	135.129	18.354	24.128	12.362	36.898	-	243.410
Net carrying amount	41.407	61.405	35.785	55.722	8.486	1.744	29.232	3.625	237.406

Property, plant and equipment held under finance lease

The carrying amount of P,P&E held under finance leases at June 30, 2008 is TRL 28.203. According to the finance lease law, P,P&E under finance lease are owned by the finance lease company during the lease term. Hence, these P,P&E are regarded as colleterals by the finance lease company.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

19. INTANGIBLE ASSETS

Movements of intangible assets during the six months period ending on June 30, 2009 are as follows:

	Rights	Patents and licenses	Franchise	Other intangible assets	Total
Cost					
January 1, 2009	76.226	10.677	1.051	.381	89.33[illegible]
Additions	1.034	-	-	-	1.03[illegible]
Disposals	(2)	-	-	-	(2[illegible]
Change in scope of consolidation (*)	(36.844)	(5.148)	-	(85)	(42.07[illegible]
Transfers	81	-	-	-	8[illegible]
June 30, 2009	**40.495**	**5.529**	**1.051**	**[illegible].296**	**48.3[illegible]**
Accumulated amortization					
January 1, 2009	35.291	9.307	378	496	45.4[illegible]
Amortization charge for the period	679	-	119	21	81[illegible]
Disposals	-	-	-	-	
Change in scope of consolidation (*)	(603)	(3.927)	-	(74)	(4.604
June 30, 2009	**35.367**	**5.380**	**497**	**443**	**41.68[illegible]**
Net carrying amount	**5.128**	**149**	**554**	**853**	**6.68[illegible]**

(*) Change in scope of consolidation involves the effects of the change of in Ana Gıda's consolidation method in the fiscal year (Note 3).

Movements of intangible assets during the six months period ending on June 30, 2008 are as follows:

	Rights	Patents and licenses	Franchise	Other intangible assets	Total
Cost					
January 1, 2008	41.293	10.677	1.051	1.[illegible]04	54.225
Additions	649	-	-	[illegible]04	753
June 30, 2008	41.942	10.677	1.051	1.[illegible]08	54.978
Accumulated amortization					
January 1, 2008	33.917	9.075	152	[illegible]49	43.593
Amortization charge for the period	662	39	26	1[illegible]5	832
June 30, 2008	34.579	9.114	178	[illegible]54	44.425
Net carrying amount	7.363	1.563	873	[illegible]54	10.553

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

20. GOODWILL

In accordance with IFRS 3, the Group ceased to amortize goodwill arising from the business combinations before March 31, 2004, starting from January 1, 2005. Amortization of goodwill is not applied for any acquisitions after March 31, 2004.

	June 30, 2009	December 31, 2008
Non-Banking (*)	-	21.251
Banking	35.344	35.344
	35.344	56.595

(*) Change in scope of consolidation involves the effects of the change of in Ana Gıda's consolidation method in the fiscal year (Note 3).

21. GOVERNMENT INCENTIVES AND GRANTS

None (December 31, 2008: None).

22. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

The provisions as of June 30, 2009 and December 31, 2008 are as follows:

	June 30, 2009	December 31, 2008
Non-Banking	15.980	13.840
Banking	651	765
	16.631	14.605

Non-Banking

	June 30, 2009	December 31, 2008
Warranty provisions	4.455	5.736
Label provisions	8.123	7.429
Provision for litigations	779	675
Dealer sales provision	2.623	-
	15.980	13.840

Banking

	June 30, 2009	December 31, 2008
Provision for litigations	519	469
Others	132	296
	651	765

Group has long term provisions amounting to TRL 384 as of June 30, 2009. (December 31, 2008: None).

23. COMMITMENTS

Non-Banking

Letters of guarantee given to suppliers, Energy Market Regulatory Authority and custom offices are TRL 30.709 (December 31, 2008: TRL 27.924).

Collaterals given to banks for the loans of associates and other related parties are TRL 956 (December 31, 2008: TRL 945).

Letters of guarantee given to banks, suppliers, and custom offices by the joint venture are TRL 22 200 (December 31, 2008: TRL 13.145).

Letter of credits amount to TRL 12.929 (December 31, 2008: TRL 3.317).

ABH has service agreement liabilities for 1 to 2 years with its customers.

The Group's guarantee, letters of guarantee, cheques and notes of guarantee, mortgage and other guarantees received from its customers in consideration of its receivables amount to TRL 67.492, TRL 2.428, TRL 14.738 and TRL 1.531, respectively (December 31, 2008: TRL 73.670, TRL 3.848, TRL 14.846 and TRL 858).

The tax authority and other authorities (Social Security Institution) can inspect tax returns and the related accounting records for a retrospective maximum period of five years.Group has not provided any tax provision regarding prior years.

AEH, one of the subsidiary of the Company, has undertaken the obligation of preserving the corporate presence of McDonald's within the period of its license contract and the obligation of supporting to fulfill the financial and fiscal liabilities.

Çelik Motor, the subsidiary, operates in the operational fleet leasing business for the rental periods changing between 1 to 3 years.

Based on the Subscription and Shareholders Agreeement, AEH, one of the subsidiary of the Company, has granted a put option to SEEF Foods regarding its joint venture in Ana Gıda which may be exercisable between 2012 and 2014. As it is granted to the other shareholder of the joint venture, such put option is considered as derivative instrument with respect to IAS 39. As of June 30, 2009 there is no fair value of the put option.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

23. COMMITMENTS (cont'd)

Banking

In the normal course of business activities, ABank and its consolidated subsidiaries undertake various commitments. Commitments that are not presented in the financial statements including:

	June 30, 2009	December 31, 2008
Letters of guarantees issued (by Abank)	**1.187.165**	992.24[illegible]
Letters of credit	**197.143**	214.073
Acceptance credits	**56.051**	16.924
Other	**16.563**	21.069
Total non-cash loans	**1.456.922**	1.244.312
Other commitments (*)	**863.882**	500.169
	2.320.804	1.744.48[illegible]

(*) Other commitments include derivative purchase commitments and loan granting commitments.

As of June 30, 2009, ALease has no letters of guarantees given for funds borrowed from banks and various leasing transactions (December 31, 2008: None).

Blocked Assets

As of June 30, 2009, the fair values of the TRL denominated assets held by ABank in fiduciary, agency or custodian capacities amounted to TRL 953.475 (December 31, 2008: TRL 920.671) and foreign currency denominated assets amounted to TRL 46.349 (December 31, 2008: TRL 35.047).

Litigation

There were a number of legal proceedings outstanding against Abank as of June 30, 2009 amount to TRL 1.3[illegible]7 (December 31, 2008: TRL 1.163). These mainly include matters relating to personal claims of customers and former employees of ABank. Although the outcome of these matters can not always be ascertained with precision, the Management, based on professional advice, has provided provision amounting to TRL 519 (December 31, 2008: TRL 469).

Other

Abank manages six open-ended investment funds which were established under the regulations of the CMB of Turkey. In accordance with the funds' charters, ABank purchases and sells marketable securities on behalf of funds, markets their participation certificates and provides other services in return for a management fee and undertakes management responsibility for their operations.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

24. PROVISIONS FOR THE EMPLOYEE BENEFITS

	June 30, 2009	December 31, 2008
Short term	**14.605**	8.646
Bonus provisions	**9.814**	4.361
Vacation pay liability	**4.791**	4.208
Seniority pay liability (*)	-	77
Long term	**12.706**	12.975
Employee termination benefits	**12.706**	12.828
Seniority pay liability (*)	-	147
	27.311	21.621

(*) As a result of the effects of the change in Ana Gıda's consolidation method in the fiscal year, the accounts amount is zero (Note 3).

Provision for Employee Termination Benefits

In accordance with the existing social legislation, the Group is required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay (limited to a maximum of TRL 2,2601/year at June 30, 2009 and TRL 2,1732/year December 31, 2008, respectively) per year of employment at the rate of pay applicable at the date of retirement or termination.

In the consolidated financial statements as of June 30, 2009 and December 31, 2008 the Group reflected a liability calculated using the Projected Unit Method and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds.

The principal actuarial assumptions used at the balance sheet dates are as follows:

	June 30, 2009	December 31, 2008
Discount rate	**12%**	12%
Expected rates of salary/limit increases (inflation rate)	**5,4%**	5,4%

In addition, the principal assumption that the maximum liability, TRL 2,2601, for each year of service will increase in line with inflation is taken into consideration in the calculation of retirement pay liability provision as of June 30, 2009.

The movement of provision for employee termination benefits is as follows:

	June 30, 2009	June 30, 2008
Balance at January 1	**12.828**	11.361
Interest cost	**706**	625
Charge for the period (net)	**1.707**	1.055
Paid (-)	**(1.474)**	(1.088)
Change in scope of consolidation (*)	**(1.061)**	-
Balance at the end of the period	**12.706**	11.953

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the fiscal year (Note 3).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

25. PENSION PLANS

None (December 31, 2008 : None).

26. OTHER ASSETS AND LIABILITIES

26.1 Other Current Assets

	June 30, 2009	December 31, 2008
Non-Banking	29.543	54.685
Banking	15.145	15.336
	44.688	70.021

Non-Banking

	June 30, 2009	December 31, 2008
Prepaid expenses	22.483	28.529
VAT receivable	3.592	20.571
Advances given	1.030	312
Prepaid tax	552	3.470
Other current assets	1.886	1.803
	29.543	54.685

Banking

	June 30, 2009	December 31, 2008
VAT receivable	9.025	12.556
Receivables from insurance policies	1.518	1.455
Prepaid tax	43	58
Prepaid expenses, transitory accounts and others	4.559	1.267
	15.145	15.336

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

26. OTHER ASSETS AND LIABILITIES (cont'd)

26.2 Other Non-Current Assets

	June 30, 2009	December 31, 2008
Non-Banking	**1.161**	9.831
VAT receivable	**144**	9.148
Other	**1.017**	683
Banking	**8.819**	10.402
Prepaid expenses	**4.773**	3.696
VAT receivable	**2.395**	-
Other	**1.651**	6.706
	9.980	20.233

26.3 Other Current Liabilities

	June 30, 2009	December 31, 2008
Non-Banking	**13.679**	6.783
Banking	**50.193**	44.326
	63.872	51.109

Non-Banking

	June 30, 2009	December 31, 2008
Advances taken	**13.577**	6.716
Deferred income	**102**	20
Other payables	**-**	47
	13.679	6.783

Banking

	June 30, 2009	December 31, 2008
Cheques in collection	**24.271**	13.436
Assets held for sale (*)	**11.563**	11.915
Advances taken from customers	**3.682**	1.953
Other	**10.677**	17.022
	50.193	44.326

(*) Collections from banking loans.

As of June 30, 2009, there is no other non-current liability (December 31, 2008: None).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

27. EQUITY

Shared Capital / Adjustments to Share Capital and Equity Instruments

	June 30, 2009		December 31, 2008	
	Amount	**%**	Amount	%
Yazıcı Families	**65.280**	**40,80**	65.280	40,80
Kamil Yazıcı Yönetim ve Danışma A.Ş.	**53.600**	**33,50**	53.600	33,50
Publicly traded (*)	**41.120**	**25,70**	41.120	25,70
Paid-in share capital - historical	**160.000**	**100,00**	160.000	100,00
Inflation adjustment to share capital	-		-	
Total share capital - historical	**160.000**		160.000	

(*) TRL 2.906 amount of the publicly traded portion, which is 1,816% of the paid-in capital is owned by Kamil Yazıcı Yönetim ve Danışma A.Ş

Movement of paid in share capital as at June 30, 2009 and December 31, 2008 is as follows (historical amounts in TRL):

	June 30, 2009		December 31, 2008	
	Share	**Amount**	Share	Amount
Balance at January 1	**160.000**	**160.000**	160.000	160.000
Inflation adjustment to share capital	-	-	-	-
Balance at the end of the period	**160.000**	**160.000**	160.000	160.000

Kamil Yazıcı Yönetim ve Danışma A.Ş. (henceforth as Management Company) is a professional management company established by members of the Kamil Yazıcı Family to manage their investments. With the special board nomination rights granted to Class A and Class B shares (1 + 3) which it owns, it is entitled to appoint four of the six directors to the Company's board of directors. Namely;

Yazıcılar's common shares are divided into four classes, with each class of shares having equal voting rights on all matters except for the election of directors. Classes B, C and D consist of registered shares and are owned by the members of the three Yazıcı Families. Class A shares are all bearer type shares; shares belonging to two Yazıcı Families and publicly traded shares are included in Class A.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

27. EQUITY (cont'd)

Class	Number of shares	Percentage of capital %	Number of members on Board
A (Bearer)	87.818	54,89	1
B (Registered)	32.000	20,00	3
C (Registered)	19.235	12,02	1
D (Registered)	20.947	13,09	1
	160.000	**100,00**	**6**

Restricted Reserves Allocated from Net Profit, Revaluation Surplus

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory net income (inflation-restated income in accordance with CMB) at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's issued capital (inflation-restated issued capital in accordance with the communiqués and announcements of CMB). The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital (inflation-restated capital in accordance with CMB). In accordance with Turkish Commercial Code, the legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves can not be used.

In accordance with the Communiqué No. XI-25, items of statutory shareholders' equity such as "share capital, share premium, legal reserves, statutory reserves and extraordinary reserves", were presented at their historical amounts. The difference between the inflated and historical amounts of these items was presented in shareholders' equity as "adjustment to equity".

According to the CMB Communiqué No. XI-29, which is effective as of January 1, 2008 and explanatory announcements of CMB related with the communiqué, "paid in capital", "restricted reserves allocated from net profit" and "share premiums" have to be presented as the amounts in the statutory financial statements. The valuation differences appeared during the application of the communiqué (like the differences resulting from the inflation adjustments) are associated with the "adjustment to issued capital" which is presented after the "paid in capital", if they result from the "paid in capital" and have not been added to the capital yet; they are associated with the "retained earnings" if they result from the "restricted reserves allocated from net profit" and the "share premium" and have not been subject to dividend distribution or capital increase yet. Other equity items are presented with the amounts valued within the framework of CMB Financial Reporting Standards.

Quoted companies are subject to dividend requirements regulated by the CMB as follows:

Based on the CMB Decree 7/242, dated February 25, 2005, if the amount of profit distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the whole amount of distributable profit should be distributed. If it exceeds the statutory net distributable profit, the whole amount of the statutory net distributable profit should be distributed. There will be no profit distribution whether loss of the period is recognized either in the financial statements in accordance with CMB regulations or in the statutory financial statements.

Based on the CMB Decree 1/6, dated January 9, 2009, the principles regarding to the distribution of the profit of 2008 operations of quoted companies subject to capital market is as follows: the minimum dividend distribution rate is 20% in accordance with the article 5 of Communiqué Serial: IV, No:27; the distribution may be made by either as cash or bonus shares to be issued to the shareholders by including the dividend in capital or a certain amount as cash and a certain amount as bonus shares in accordance with the resolution taken in general assembly meeting

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

27. EQUITY (cont'd)

Also, in accordance with the above mentioned Decree, companies that take their consolidated financial statements as basis for their distributable profit, shall consider the profits of their subsidiaries, joint ventures and associates to the extent that such profits do not exceed the amount recorded in the statutory financial statements of these companies and without considering whether a profit distribution resolution is taken at their annual general meetings. Such profits as reported in the financial statement as per CMB Communiqué Serial XI, No: 29 "Financial Reporting Standards in Capital Market" shall be subject to distributable dividend computations.

Inflation adjustment to shareholders' equity can only be netted-off against prior years' losses and used as an internal source in capital increase where extraordinary reserves can be netted-off against prior years' loss and used in the distribution of bonus shares and dividends to shareholders. Inflation adjustment to shareholders' equity, in the case of cash used for profit distribution will be subject to corporate income tax.

	June 30, 2009	December 31, 2008
Revaluation surplus	**3.854**	4.940

	June 30, 2009	December 31, 2008
Restricted reserves allocated from net profit	**14.080**	12.110

Retained Earnings

As of June 30, 2009 and December 31, 2008 the summary of equity reserves, extraordinary reserves, other profit reserves, equity restatement differences, and retained earnings are as follows:

	June 30, 2009	December 31, 2008
Equity reserves	**1.166**	1.166
Extraordinary reserves	**112.900**	109.465
Other profit reserves	**2.558**	2.558
Equity restatement differences	**160.382**	160.382
Retained earnings	**904.567**	783.928
	1.181.573	1.057.499

Minority Interest

Minority interests are separately classified in the interim consolidated financial statements.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

28. CONTINUING OPERATIONS

GROSS PROFIT	June 30, 2009	June 30, 2008
Non-Banking	**163.903**	158.203
Revenue net off cost of sales	**143.903**	142.459
Service Income (*)	**20.000**	15.744
Banking – Gross profit from financial sector operations	**158.940**	135.603
	322.843	293.806

(*) Service income consists of ABH and AEH's service income.

29. OPERATING EXPENSES

	June 30, 2009	June 30, 2008
Non-Banking	**123.481**	118.789
Banking	**91.208**	46.980
	214.689	165.769

Non-Banking

	June 30, 2009	June 30, 2008
Marketing, selling and distribution expenses	**80.238**	58.730
General administrative expenses	**43.002**	59.856
Research and development expenses	**241**	203
	123.481	118.789

Banking

	June 30, 2009	June 30, 2008
General administrative expenses	**81.082**	43.070
Bank's foreign exchange losses, net	**10.126**	3.910
	91.208	46.980

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

30. EXPENSES BY NATURE

The amounts of depreciation and amortization expenses recorded in the interim consolidated income statement accounts are as follows:

Depreciation and amortization expenses	**June 30, 2009**	June 30, 2008
Cost of sales	**5.078**	3.554
Marketing, selling and distribution expenses	**8.430**	433
General administrative expenses	**4.526**	10.750
Research and development expenses	**11**	-
	18.045	14.737

The amounts of payroll expenses recorded in the interim consolidated income statement accounts are as follows:

Payroll expenses	**June 30, 2009**	June 30, 2008
Cost of sales	**27.858**	25.880
Marketing, selling and distribution expenses	**4.874**	5.834
General administrative expenses	**63.286**	62.332
Research and development expenses	**131**	-
	96.149	94.046

31. OTHER OPERATING INCOME/EXPENSE

31.1 Other Operating Income

	June 30, 2009	June 30, 2008
Gain on sale of share in subsidiary (*)	**11.811**	-
After sales service income	**2.107**	1.360
Reversal of provision for loan and other losses	**2.011**	242
Insurance compensation income	**1.606**	1.283
Income from agreements-financial leasing	**982**	1.277
Transportation income	**472**	793
Commission income	**205**	638
Gain on sale of property, plant and equipment	**157**	3.475
Return of labels	**-**	988
Other income	**2.065**	7.753
	21.416	17.809

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the fiscal year (Note 3).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

31. OTHER OPERATING INCOME/EXPENSE (cont'd)

31.2 Other Operating Expense

	June 30, 2009	June 30, 2008
Financial leasing-agreement expenses	**1.552**	1.506
Donation	**1.048**	405
Loss on sale of property, plant and equipment	**42**	94
Other	**4.562**	5.722
	7.204	7.727

32. FINANCIAL INCOME

	June 30, 2009	June 30, 2008
Foreign exchange gain	**43.046**	21.629
Gain on sale of financial assets	**7.500**	43
Interest income	**3.858**	3.169
Gain from capital market transactions	**1.616**	-
Other income	**-**	203
	56.020	25.044

33. FINANCIAL EXPENSE

	June 30, 2009	June 30, 2008
Foreign exchange loss	**44.640**	47.634
Interest expense	**26.099**	21.110
Loss from capital market transactions	**-**	13.866
Other expense	**327**	1.551
	71.066	84.161

34. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None (December 31, 2008: None).

35. TAX ASSETS AND LIABILITIES

The Group is subject to taxation in accordance with the tax procedures and the legislation effective in the countries in which the Group companies operate.

The corporation tax rate for the fiscal year is 20% in Turkey (2008 - 20%). Corporate tax returns are required to be filed until the fifteenth of the fourth month following the balance sheet date and paid in one installment until the end of the related month. The tax legislation provides for a provisional tax of 20% (2008 – 20%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the fiscal year.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

35. TAX ASSETS AND LIABILITIES (cont'd)

According to the Turkish Tax Law, corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

In Turkey, the tax legislation does not permit to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

35.1 Deferred Tax Assets and Liabilities

The distribution of deferred tax assets and liabilities is as follows:

	June 30, 2009	December 31, 2008
Deferred tax asset	**6.023**	10.278
Deferred tax liability (-)	**(9.871)**	(11.865)
Total deferred tax asset / (liability), net	**(3.848)**	(1.587)

The movement of net deferred tax liability as of the six months period ending on June 30, 2009 is as follows:

	Balance December 31, 2008	**Change in scope of consolidation**	**Recorded to income statement**	**Balance June 30, 2009**
Property, plant and equipment, and intangibles	**(17.564)**	**1.539**	**(1.525)**	**(17.550)**
Tax loss carried forward	**9.861**	**(4.695)**	**(2.079)**	**3.087**
Employee termination benefit	**2.565**	**(212)**	**182**	**2.535**
Financial leases	**(1.162)**	**-**	**644**	**(518)**
Investment incentive	**-**	**-**	**-**	**-**
Other	**4.713**	**(519)**	**4.404**	**8.598**
Net deferred tax (liability)/asset	**(1.587)**	**(3.887)**	**1.626**	**(3.848)**

The movement of net deferred tax liability as of the six months period ending on June 30, 2008 is as follows:

	Balance December 31, 2007	Recorded to income statement	Balance June 30, 2008
Property, plant and equipment, and intangibles	(8.510)	(37)	(8.547)
Tax loss carried forward	1.839	(1.839)	-
Employee termination benefit	1.800	501	2.301
Financial leases	(903)	(272)	(1.175)
Investment incentive	23.511	2.743	26.254
Other	7.181	(1.360)	5.821
Net deferred tax (liability)/asset	24.918	(264)	24.654
Reclassification to revaluation surplus	-	(478)	-
Allowance for deferred tax	(24.658)	(2.142)	(26.800)
	260	(2.884)	(2.146)

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

35. TAX ASSETS AND LIABILITIES (cont'd)

35.2 Tax Expense

	June 30, 2009	June 30, 2008
Income tax expense for the period	**17.913**	11.706
Deferred tax expense/(income)	**(1.626)**	2.884
	16.287	14.590

35.3 Tax Provision

	June 30, 2009	June 30, 2008
Balance at January 1	**437**	3.534
Income tax expense for the period	**17.913**	11.706
Prepaid tax (-)	**(8.747)**	(7.179)
Balance at the end of the period	**9.603**	8.061

36. EARNING PER SHARE

	June 30, 2009	June 30, 2008
Net profit for the period (full TRL)	**120.291.000**	125.357.000
Weighted average number of shares	**160.000.000**	160.000.000
Earning per share (full TRL)	**0,7518**	0,7835

37. RELATED PARTY BALANCES

37.1 Due from Related Parties

	June 30, 2009	December 31, 2008
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tes. İkt. İşl. (5)	**7.934**	7.110
JSC Efes Karaganda Brewery (Efes Karaganda) (3)	**2.763**	291
OAO Amstar (3)	**2.271**	1.133
ZAO Moscow Efes Brewery (Efes Moscow) (3)	**2.016**	521
Krasny Vostok Group (3)	**1.983**	646
Anadolu Efes (1)	**1.725**	1.734
Tarbes Tarım Ürünleri ve Besicilik San.Tic. A.Ş. (Tarbes) (3)	**796**	665
Efes Pazarlama Ticaret A.Ş. (Efpa) (3)	**791**	1.366
Anadolu Isuzu (2)	**659**	1.589
Coca-Cola Satış ve Dağıtım A.Ş. (3)	**498**	794
Coca-Cola İçecek A.Ş. (3)	**171**	186
Other	**486**	334
	22.093	16.369

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

37. RELATED PARTY BALANCES (cont'd)

37.1 Due from Related Parties (cont'd)

As of June 30, 2009, the loan amount given to related parties is TRL 6.114, which is included under "Banking Loans" in the interim consolidated financial statements (December 31, 2008: TRL 573). As of June 30, 2009, TRL 3.646 due from related parties is included in other liabilities and blocked accounts at the financial statement of the bank (December 31, 2008: TRL 1.636).

As of June 30, 2009 the short term portion of due from related parties is amounting to TRL 17.204 (December 31, 2008: TRL 10.262), and the long term portion is TRL 4.889 (December 31, 2008: TRL 6.107).

(1) An associate
(2) A joint venture
(3) A Company controlled by an associate
(4) Shareholder of the Company
(5) Other

37.2 Due To Related Parties

	June 30, 2009	December 31, 2008
Anelsan Anadolu Elektronik Sanayii ve Ticaret A.Ş. (Anelsan) (3)	**266**	263
Kamil Yazıcı Yönetim ve Danışma A.Ş. (4)	**-**	75
Anadolu Isuzu (2)	**74**	257
Ana Gıda (2)	**35**	-
Dividend will be paid to shareholders	**21**	18
Efpa (3)	**9**	79
Other	**29**	42
	434	734

There is no long term amount of due to related parties as of June 30, 2009 (December 31, 2008: None).

(1) An associate
(2) A joint venture
(3) A Company controlled by an associate
(4) Shareholder of the Company
(5) Other

37.3 Related Party Transactions

Terms and conditions of transactions with related parties

Outstanding balances at the end of the period are unsecured, interest, free and settlement occurs in cash. There have been no quarantees provided or received for any related party receivables or payables. For the six-month period ended June 30, 2009, the Group has not recorded any impairment of receivables, relating to amounts owned by related parties (December 31, 2008 – None). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related parties operate.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

37. RELATED PARTY BALANCES (cont'd)

37.3 Related Party Transactions (cont'd)

Significant transactions with related parties during the period ended as of June 30, 2009 and June 30, 2008 are as follows:

	June 30, 2009	June 30, 2008
Sales of goods and services, net		
Efes Breweries International N.V. (3)	**12.571**	10.255
Anadolu Efes (1)	**11.361**	11.626
Efpa (3)	**8.663**	9.927
Coca-Cola Satış ve Dağıtım A.Ş. (3)	**4.267**	1.728
Anadolu Isuzu (2)	**2.578**	6.063
Tarbes (3)	**2.052**	1.571
Ana Gıda (2)	**759**	-
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tes. İkt. İşl. (5)	**16**	238
Other	**2.906**	1.289
	45.173	42.697

	June 30, 2009	June 30, 2008
Purchases of goods and other charges		
Anadolu Isuzu (2)	**269**	2.740
Efpa (3)	**125**	168
Other	**1.066**	256
	1.460	3.164

	June 30, 2009	June 30, 2008
Interest and other financial income (banking)		
Ana Gıda (2)	**510**	-
Coca-Cola İçecek A.Ş. (3)	**78**	101
Anadolu Efes (1)	**74**	51
Anadolu Isuzu (2)	**57**	33
Other	**364**	191
	1.083	376

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

37. RELATED PARTY BALANCES (cont'd)

37.3 Related Party Transactions (cont'd)

Interest and other financial expense (banking)	**June 30, 2009**	June 30, 2008
Anadolu Efes (1) (*)	**6.041**	6.600
Özilhan Sınai Yatırım A.Ş. (5)	**1.338**	1.175
Coca-Cola İçecek A.Ş. (3)	**1.107**	106
Anadolu Isuzu (2)	**876**	3.457
Tarbes (3)	**663**	172
Efes Pilsen Spor Kulübü (5)	**488**	1.143
Efpa (3)	**73**	155
Other	**1.746**	576
	12.332	13.384

(*) Interest rate range for TRL deposits is 8,25% and 12,00%, for USD deposits are 0,75% and 4,25%.

Various sales included in other income (includes dividends received)	**June 30, 2009**	June 30, 2008
Efpa (3)	**61**	25
Anadolu Isuzu (2)	**58**	58
Polinas (5)	**28**	28
Ana Gıda (2)	**26**	-
Anadolu Efes (1)	**6**	138
Other	**24**	17
	203	266

Interest and other financial expense (non-banking)	**June 30, 2009**	June 30, 2008
Anadolu Efes (1)	**1.174**	-
Anelsan (3)	**18**	19
Kamil Yazıcı Yönetim ve Danışma A.Ş. (4)	-	273
Anadolu Isuzu (2)	-	619
	1.192	911

Interest and other financial income (non-banking)	**June 30, 2009**	June 30, 2008
Ana Gıda (2)	**1.506**	-
	1.506	-

(1) An associate
(2) A joint venture
(3) A Company controlled by an associate
(4) Shareholder of the Company
(5) Other

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

37. RELATED PARTY BALANCES (cont'd)

37.3 Related Party Transactions (cont'd)

Compensation of Key Management Personnel of the Group

Group has defined the key management personel as follows; the managers directly reporting to the general manager and board of directors, in ABank the board of directors, general manager and the assistant general manager, and the board of directors and general managers in the rest of the subsidiaries.

The details of benefits provided to the key management personnel during the periods ending on June 30, 2009 and June 30, 2008 are as follows:

	June 30, 2009	June 30, 2008
Short term benefits provided to key management personnel	**5.952**	9.39[illegible]
Post-employement benefits	**-**	3[illegible]
Total gain	**5.952**	9.42[illegible]
Social Security employer share	**131**	15[illegible]

Other

The Company and its subsidiaries other than McDonald's, Hamburger, Ana Gıda and AYO are obligated to donate 1% - 5% of their profit before corporate tax and such fiscal obligations to Anadolu Eğitim ve Sosyal Yardım Vakfı as stated in the entities' foundation agreements as long as these donations are exempt from tax.

The Company and its subsidiaries other than McDonald's, Hamburger, ABank, AYO, Anadolu Motor, A Yatırım and Ülkü, distribute a 5% dividend of their net profit to the board members , which is the amount left after the legal reserves and the first dividend are deducted consecutively. If a representative executes board membership for a company, the executive board dividend of that representative is recorded as board of members' dividend income at the related company.

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

General

Banking

To maintain and improve the soundness of its operations, ABank accords top management priority to upgrading its risk management systems and capabilities. According to ABank's "Risk Management Policy", Financial Risks are composed of Market, Credit and Liquidity risks. These risks are supervised by the "Bank Risk Committee" while the various Risk Committees and Risk Control Unit carry out the risk management related tasks. Risk Management Policy includes details about the framework for defining, measuring, monitoring and managing the risks taken by the business units across ABank. Risk Management Policy covers,

- Sound and optimum capital allocation
- Establishment of dynamic risk limits
- Quantification of the actual risks

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Banking (cont'd)

Building a capital management system lies at the core of ABank's Risk Management Policy. In addition to fully complying with regulatory capital requirements, ABank has its own estimate of required economic capital. This figure is believed to reflect a more realistic picture of ABank's risk profile. Based on the capital management tool, ABank conducts RaRoC (Risk-adjusted Return on Capital) analysis for different lines of business and uses the outcome as a performance measurement tool.

As a last step of Risk Management Policy, ABank determines risk-based limits, with respect to available economic capital and monitors actual risks against these limits.

Market Risk

Market risk is defined as the decrease in the market value of ABank due to relevant price fluctuations. This risk group is handled in two broad categories; Trading and Structural Interest Rate Risk, which requires different models and assumptions. Trading Risk refers to the daily volatility of values of tradable assets, such as Foreign Exchange, Fixed Income Securities, Stocks, and related derivative instruments. Value-at-Risk (VaR) is the primary tool for day-to-day monitoring of trading-related market risk. VaR is a statistical measure of the potential losses that could occur due to movements in market rates and prices under normal market circumstances. Secondly, Structural Interest Rate Risk, addresses the risk which stems from sensitivity of the relatively illiquid items of the balance sheet to the shifts of the yield curve. Market risk exposure of ABank as a whole is bound by the economic capital allocated by the Board.

Credit Risk

Seeking to maintain a sound asset portfolio and prevent non-performing loans, ABank has clearly separated its sales-related departments and credit management department. ABank has its own score-sheet and rating scale and uses the output of this internal rating tool in managing the credit portfolio, setting limits, pricing and collateralizing.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Banking (cont'd)

Currency Risk

ABank centralized their currency risk and assigned Treasury Department to manage this risk. In principal, the balance sheet is assumed to be currency risk free. Any residual currency risk is treated as trading risk and it is subject to Value-at-Risk limits and nominal limits set by the Board.

The details of ABank's and ALease's assets, liabilities and off- balance-sheet items in foreign currency is as follows:

30.06. 2009	TRL	USD	EUR	Japanese Yen	Other	Total
Assets						
Cash and balances with the Central Bank	147.544	45.402	7.585	-	480	201.01
Deposits with banks and other financial institutions	1.444	5.034	74.670	242	60	81.450
Other money market placements	75.136	-	-	-	-	75.136
Reserve deposits at the Central Bank	-	75.195	-	-	-	75.195
Trading securities	36.067	24	-	-	-	36.091
Investment securities	484.124	-	-	-	-	484.124
Loans and advances	1.422.251	622.070	410.131	-	358	2.454.810
Minimum lease payments receivable	46.656	68.957	150.557	-	-	266.170
Derivative financial instruments	19.081	309	-	-	-	19.390
Investments	17	-	-	-	-	17
Assets held for sale	8.466	-	-	-	-	8.466
Property, plant and equipment	18.768	-	-	-	-	18.768
Intangible assets	2.189	-	-	-	-	2.189
Deferred tax assets	2.384	-	-	-	-	2.384
Other assets	50.698	297	2.407	-	-	53.402
Total Assets	2.314.825	817.288	645.350	242	898	3.778.603
Liabilities						
Deposits from other banks	16	61.089	933	-	517	62.555
Customers' deposits	1.300.592	659.606	254.457	595	1.174	2.216.424
Other money market deposits	190.873	-	-	-	-	190.873
Funds borrowed	55.495	315.319	313.067	-	-	683.881
Obligations under finance lease	-	4	25	-	-	29
Derivative financial instruments	7.608	-	-	-	-	7.608
Other liabilities and provisions	96.493	12.649	12.064	-	23	121.229
Income tax payable	4.879	-	-	-	-	4.879
Total Liabilities	1.655.956	1.048.667	580.546	595	1.714	3.287.478
Net on-balance sheet position	658.869	(231.379)	64.804	(353)	(816)	491.125
Off-balance sheet position						
Net nominal amount of derivatives	(65.051)	237.002	(48.108)	352	879	125.074
Non- cash loans	735.276	454.656	255.847	1.619	8.420	1.455.818
31.12. 2008						
Total Assets	2.111.231	1.139.122	805.316	696	1.266	4.057.63
Total Liabilities	1.675.067	1.263.276	667.942	684	2.169	3.609.138
Net on-Balance Sheet Position	436.164	(124.154)	137.374	12	(903)	448.493
Off-balance sheet position, net notional amount	629.041	433.842	176.107	2.116	3.206	1.244.312

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Banking (cont'd)

Currency Risk (cont'd)

Foreign currency sensitivity

The following table details the Group's (Banking) sensitivity to a 10% change in the TRL against relevant foreign currency. A positive number indicates an increase/decrease in profit or loss where the TRL changes by 10% against relevant foreign currency.

	Change in exchange rate %	Effect on profit / loss	
		June 30, 2009	December 31, 2008
USD	+/-10%	+/- 2.002	+/- 1.653
EUR	+/-10%	+/- 107	+/- 2.340

Interest Rate Risk

The net present value of assets and liabilities are driven by interest rates differentials in terms of maturity and market characteristics. Trading securities are sensitive to treasury bill rates; therefore they are treated in the trading book and subject to Value-at-Risk limits. Items such as loans, deposits and other interest rate sensitive assets and liabilities are assumed to be sensitive to the structural changes in the interest rates and thus classified in the banking book. The relevant risk is measured with simulation based interest rate models. Applied limits on the risks posed by the asset-liability mismatches are derived from the capital set aside by the Board for Asset- Liability Management purposes.

Liquidity Risk

Liquidity risk refers to the possibility of an institution being unable to access necessary funds due to declining fund-raising capacity. The Group closely monitors its overall liquidity level.

The Group uses domestic and foreign markets for its liquidity needs. Low level of liquidity needs enables an easy way of loan borrowing from the corresponding markets (CBRT, ISE, Interbank money market, Settlement and Custody Bank and other markets). The Group has a lower ratio of the deposits compared to other banks with similar-sized balance sheets; this indicates that larger loans can be obtained from the markets when needed. The potential cash resources are: money market debts which can be obtained from the domestic banks and repurchase transactions in foreign markets with Eurobonds in the portfolio.

The Group's fund resources consist mainly of deposits. The investments portfolio consists mainly of the held to maturity investments.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Banking (cont'd)

Operational Risk

Operational risk is defined as the risk of direct or indirect loss resulting from inadequate or failed internal process, people and systems or from external events.

Operational risk which is inherent in all business activities is associated with human error, system failure and inadequate controls and procedures. Operational risk includes errors and omissions in business activities, internal and external fraud and natural disasters.

Banking has Risk Management and Internal Control practices, to keep operational risks under control and minimize it by operating under detailed written procedures. All documents, including Risk Management policies and contingency procedures, are kept up-to-date and accessible to all staff in electronic media.

Capital Adequacy

To monitor the adequacy of its capital, ABank uses ratios established by Banking Regulation and Supervision Agency (BRSA). These ratios measure capital adequacy (minimum 8% as required by BRSA) by comparing ABank's eligible capital with its balance sheet assets, off-balance sheet commitments and market and other risk positions at weighted amounts to reflect their relative risks. As of June 30, 2009 ABank's capital adequacy ratio calculated on consolidated basis based on statutory financial statements is 14,04% (December 31, 2008: 14,21%).

Non-Banking

The Group's principal financial instruments, comprise bank borrowings, finance leases, and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, price risk, credit risk, and liquidity risk. The Group manages these risks as stated below. The Group also monitors the market price risk arising from all financial instruments.

Foreign currency risk

The Group predominantly operates in Turkey.

The following table summarizes the exchange rate of Turkish Lira to 1 USD and 1 EUR:

		Exchange buying rate at December 31, 2008	Average exchange buying rate in the period	Exchange buying rate at June 30, 2009
TRL /USD	Turkey	1,5123	1,6056	1,5301
TRL /EUR	Turkey	2,1408	2,1400	2,1469

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Non-Banking (cont'd)

Foreign currency risk (cont'd)

The Group does not hedge investments, receivables, accounts payables, lease obligations and borrowings denominated in a foreign currency. The Group does not hedge their estimated foreign currency exposure in respect of sales and purchases.

Foreign currency risk arises from the EUR, USD, GBP, JPY, CAD, NOK denominated assets and liabilities of the Group. The Group has transactional currency exposures. Such exposures arise from sales or purchases or borrowings by the Group in currencies other than the Group's functional currency. The Group manages foreign currency risk by using natural hedges that arise from offsetting foreign currency denominated assets and liabilities.

30.06. 2009	TRL Equivalent (Functional currency)	USD	EUR	GBP	Other
1. Trade receivables	5.323	1.636	1.313	-	-
2a. Monetary financial assets (cash and cash equivalents included)	9.880	1.376	3.573	41	-
2b. Non - monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets (1+2+3)	**15.203**	**3.012**	**4.886**	**41**	-
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non - monetary financial assets	-	-	-	-	-
7. Other	402	254	6	-	-
8. Non - current assets (5+6+7)	**402**	**254**	**6**	-	-
9. Total assets (4+8)	**15.605**	**3.266**	**4.892**	**41**	-
10. Trade payables	1.478	723	173	-	-
11. Short - term borrowings and current portion of long - term borrowings	110.587	27.741	31.739	-	-
12a. Monetary other liabilities	-	-	-	-	-
12b. Non - monetary other liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	**112.065**	**28.464**	**31.912**	-	-
14. Trade payables	-	-	-	-	-
15. Long - term borrowings	6.214	-	2.894	-	-
16 a. Monetary other liabilities	344	225	-	-	-
16 b. Non - monetary other liabilities	-	-	-	-	-
17. Non - current liabilities (14+15+16)	**6.558**	**225**	**2.894**	-	-
18. Total liabilities (13+17)	**118.623**	**28.689**	**34.806**	-	-
19. Off balance sheet derivative items' net asset / (liability) position (19a-19b)	-	-	-	-	-
19a. Total hedged assets	-	-	-	-	-
19b. Total hedged liabilities	-	-	-	-	-
20. Net foreign currency asset / (liability) position (9-18+19)	**(103.018)**	**(25.423)**	**(29.914)**	**41**	-
21. Monetary items net foreign currency asset / (liability) position position (=1+2a+5+6a-10-11-12a-14-15-16a)	**(103.420)**	**(25.677)**	**(29.920)**	**41**	-
22. Total fair value of financial instruments used to manage the foreign currency position	-	-	-	-	-
23. Export	**34.061**	**7.935**	**9.908**	-	-
24. Import	**215.817**	**33.602**	**75.615**	**72**	**720**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

38./39.FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Non-Banking (cont'd)

Foreign Currency Risk (cont'd)

31.12.2008	TRL Equivalent (Functional currency)	USD	EUR	GBP	Other
1. Trade receivables	8.428	3.978	1.066	-	105
2a. Monetary financial assets (cash and cash equivalents included)	30.436	545	13.833	-	-
2b. Non - monetary financial assets	-	-	-	-	-
3. Other	175	104	8	-	-
4. Current assets (1+2+3)	39.039	4.627	14.907	-	105
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non - monetary financial assets	-	-	-	-	-
7. Other	331	210	6	-	-
8. Non - current assets (5+6+7)	331	210	6	-	-
9. Total assets (4+8)	39.370	4.837	14.913	-	105
10. Trade payables	32.689	434	14.959	4	-
11. Short - term borrowings and current portion of long - term borrowings	115.370	30.944	32.031	-	-
12a. Monetary other liabilities	-	-	-	-	-
12b. Non - monetary other liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	148.059	31.378	46.990	4	-
14. Trade payables	-	-	-	-	-
15. Long - term borrowings	22.927	6.451	6.152	-	-
16 a. Monetary other liabilities	363	240	-	-	-
16 b. Non - monetary other liabilities	-	-	-	-	-
17. Non - current liabilities (14+15+16)	23.290	6.691	6.152	-	-
18. Total liabilities (13+17)	171.349	38.069	53.142	4	-
19. Off balance sheet derivative items' net asset / (liability) position (19a-19b)	-	-	-	-	-
19a. Total hedged assets	-	-	-	-	-
19b. Total hedged liabilities	-	-	-	-	-
20. Net foreign currency asset / (liability) position (9-18+19)	(131.979)	(33.232)	(38.229)	(4)	105
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(132.485)	(33.546)	(38.243)	(4)	105
22. Total fair value of financial instruments used to manage the foreign currency position	-	-	-	-	-
23. Export	71.183	26.664	17.339		
24. Import	570.571	95.457	218.410	85	-

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Non-Banking (cont'd)

Foreign Currency Risk (cont'd)

	Foreign currency position sensitivity analysis	
	June 30, 2009	
	Income / (loss)	Income /(loss)
	Increase of the foreign currency	Decrease of the foreign currency
Change in the USD against TRL by 10% +/-:		
1- USD denominated net asset / liability	(3.890)	3.890
2- USD denominated hedging instruments(-)	-	-
3- Net effect in USD (1+2)	(3.890)	3.890
Change in the EUR against TRL by 10% +/-:		
4- Euro denominated net asset / liability	(6.422)	6.422
5- Euro denominated hedging instruments(-)	-	-
6- Net effect in Euro (4+5)	(6.422)	6.422
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset / liability	10	(10)
8- Other foreign currency hedging instruments(-)	-	-
9- Net effect in other foreign currency (7+8)	10	(10)
TOTAL (3+6+9)	**(10.302)**	**10.302**

	Foreign currency position sensitivity analysis	
	December 31, 2008	
	Income /(loss)	Income /(loss)
	Increase of the foreign currency	Decrease of the foreign currency
Change in the USD against TRL by 10% +/-:		
1- USD denominated net asset / liability	(5.026)	5.026
2- USD denominated hedging instruments(-)	-	-
3- Net effect in USD (1+2)	(5.026)	5.026
Change in the EUR against TRL by 10% +/-:		
4- Euro denominated net asset / liability	(8.184)	8.184
5- Euro denominated hedging instruments(-)	-	-
6- Net effect in Euro (4+5)	(8.184)	8.184
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset / liability	12	(12)
8- Other foreign currency hedging instruments(-)	-	-
9- Net effect in other foreign currency (7+8)	12	(12)
TOTAL (3+6+9)	(13.198)	13.198

38./39. FINANCIAL INSTRUMENTS, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Non-Banking (cont'd)

Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by using natural hedges that arise from offsetting interest rate of assets and liabilities or derivative financial instruments.

Certain parts of the interest rates related to borrowings are based on market interest rates; therefore the Group is exposed to interest rate fluctuations on domestic and international markets. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations.

Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle within the normal terms of trade. To manage this risk the Group periodically assesses the financial viability of customers. Liquidity risk arises from the possibility that a market for derivatives may not exist in some circumstances.

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

40. SUBSEQUENT EVENTS

According to Board of Directors decision dated July 10, 2009, AEH, a subsidiary of the Company, decided to increase its capital amount from TRL 120.500 to TRL 150.000 in cash. According to Board of Directors decision dated July 28, 2009, Yazıcılar decided to participate in TRL 29.500 share capital increase decision of AEH with its proportionate share of TRL 20.059.

On July 17, 2009, Anadolu Efes, investment in associate, has announced its firm intention to make a cash offer for the entire issued share capital of EBI, not already owned by Anadolu Efes. The aforementioned shares are held in the form of Global Depositary Receipts (GDR), listed on the London Stock Exchange, held only by qualified institutional buyers and represent approximately 29,78% of the entire issued share capital of EBI. The Offer values EBI at USD 11,10 in cash for each GDR (representing 5 (five) EBI ordinary shares). On August 20, 2009, the Company had received valid acceptance in respect of 6.858.785 EBI shares, representing approximately 3,24% of the issued share capital of EBI and extented the Offer until September 3, 2009.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

41. OTHER ISSUES

41.1 Reserve Deposits at Central Bank

	June 30, 2009	December 31, 2008
Reserve Deposits at Central Bank		
- Foreign Currency	**75.195**	96.913
	75.195	96.913

According to the regulations of the Central Bank, banks are obliged to reserve a portion of certain liability accounts as specified in the related decrees. Such reserves are deposited with the Central Bank.

As of June 30, 2009 and December 31, 2008, reserve deposit requirements applicable in Turkey for TRL liabilities is 6,00% and for foreign currency liabilites is 9,00% (December 31, 2008: 6,00% and 9,00%).

As of June 30, 2009, the interest rates applied for TRL reserve deposits is 7,00% whereas none for foreign currency reserve deposits (December 31, 2008: 12,00% and 0,15%).

41.2 Banking Loans

	June 30, 2009	December 31, 2008
Corporate loans (*)	**1.077.557**	879.993
Small business loans	**1.259.765**	1.425.433
Consumer loans	**8.158**	13.032
Other	**4.455**	4.025
Total performing loans	**2.349.935**	2.322.493
Non performing loans	**167.232**	128.893
Allowance for individually impaired loans	**(78.900)**	(49.255)
Allowance for collectively impaired loans	**(23.658)**	(24.405)
	2.414.609	2.377.726

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

41. OTHER ISSUES (cont'd)

41.2 Banking Loans (cont'd)

	June 30, 2009						
	Amount				Effective interest rate %		
	TRL	Foreign Currency	Foreign Currency Indexed	Total	TRL	Foreign Currency	Foreign Currency Indexed
Corporate loans (*)	560.648	237.874	279.035	1.077.557	18,0	8,86	[illegible],1
Small business loans	750.463	222.458	286.844	1.259.765	21,8	8,61	[illegible],9
Consumer loans	2.053	-	6.105	8.158	30,6	-	[illegible],8
Other	4.455	-	-	4.455	16,2	-	-
Total performing loans	1.317.619	460.332	571.984	2.349.935			

	December 31, 2008						
	Amount				Effective interest rate %		
	TRL	Foreign Currency	Foreign Currency Indexed	Total	TRL	Foreign Currency	Foreign Currency Indexed
Corporate loans (*)	404.034	192.913	283.051	879.998	27,0	9,8	10.[illegible]
Small business loans	801.909	256.399	367.130	1.425.438	27,8	9,9	10.[illegible]
Consumer loans	1.135	-	11.897	13.032	31,7	-	9.[illegible]
Other	4.025	-	-	4.025	21,6	-	[illegible]
Total performing loans	1.211.103	449.312	662.078	2.322.493			

(*) Corporate loans include restructured loans which amount to TRL 5.662 (December 31, 2008: TRL 2.530).

A reconciliation of the allowance for individual impairment losses on loans is as follows;

	June 30, 2009	June 30, 2008
Balance at January 1	73.660	65.786
Charge for the allowance for probable losses	40.215	20.533
Collections (-)	(10.319)	(7.575)
Amount written off and sold during the period (-)	(998)	(207)
Balance at the end of the period	**102.558**	78.537

ABank has classified restructured loans separately that have been restructured through medium to long-term agreements signed by related borrowers. As of June 30, 2009 interest accrued on the restructured loans amounted to TRL 1.639 (December 31, 2008: TRL 1.723).

As of June 30, 2009, allowance for impaired loans also includes allowance provided for a portfolio amounting to TRL 23.658 (December 31, 2008: TRL 24.405).

As of June 30, 2009, loans and advances on which interest is not being accrued or where interest is suspended amounted to TRL 167.232 (December 31, 2008: 128.893).

The TRL 2.026.167 amount of Banking Loans covers (December 31, 2008: TRL 1.943.650) current loans and TRL 388.442 amount covers (December 31, 2008: TRL 434.076) non-current loans.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

41. OTHER ISSUES (cont'd)

41.3 Deposits

	June 30, 2009	December 31, 2008
Deposits from other banks	62.555	1.244
Customer deposits	2.148.338	2.513.020
Other money market deposits	190.873	17.332
	2.401.766	2.531.596

Deposits from other banks

	June 30, 2009				December 31, 2008			
	Amount		Effective interest rate %		Amount		Effective interest rate %	
	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency
Demand deposit	15	2.100	-	-	11	123	-	-
Time deposit	-	60.440	-	0,37	1.110	-	21,30	-
	15	62.540			1.121	123		

Customer deposits

	June 30, 2009				December 31, 2008			
	Amount		Effective interest rate %		Amount		Effective interest rate %	
	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency
Saving								
Demand	13.512	14.803	-	-	11.644	13.525	-	-
Time	840.175	472.885	13,21	4,54	957.585	565.448	22,24	7,69
	853.687	487.688			969.229	578.973		
Commercial and other								
Demand	69.217	49.600	-	-	52.201	42.605	-	-
Time	318.517	369.629	11,91	3,87	359.242	510.770	19,83	7,15
	387.734	419.229			411.443	553.375		
	1.241.421	906.917			1.380.672	1.132.348		

Other money market deposits

	June 30, 2009				December 31, 2008			
	Amount		Effective interest rate %		Amount		Effective interest rate %	
	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign Currency	TRL	Foreign Currency
Obligations under repurchase agreements:								
-Due to customers	8.584	-	7,64	-	11.729	-	13,17	-
-Due to banks	177.117	-	8,87	-	-	-	-	-
	185.701				11.729			
Inter bank deposits	5.172	-	8,28	-	5.603	-	14,37	-
	190.873				17.332			

TRL 2.394.472 is the current portion of Deposits (December 31, 2008: TRL 2.524.432) and TRL 7.294 is non-current portion of Deposits as of June 30, 2009 (December 31, 2008: TRL 7.164).

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

41. OTHER ISSUES (cont'd)

41.4 Funds Borrowed

	June 30, 2009				December 31, 2008			
	Amount		Effective interest rate %		Amount		Effective interest rate %	
	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency	TRL	Foreign currency
Short-term	57.140	468.113			68.111	603.132		
Fixed interest	57.140	271.863	14,00-22,75	4,47-13,5	68.111	225.731	16,66-22,75	4,76-13,5
Floating interest	-	196.250	-	2,78-12,0	-	377.401	-	3,29-12,62
Medium-long term	206	158.422				142.080		
Fixed interest	206	17.377	12,00	3,19-6,50	-	21.206	-	4,90-12,64
Floating interest	-	141.045	-	2,78-4,03	-	120.874	-	5,15-6,08
	57.346	626.535			68.111	745.212		
Total funds borrowed	683.881				813.323			

Repayment plan of medium-long-term borrowing as per original contractual terms are as follows:

	June 30, 2009		December 31, 2008	
	Fixed rate	**Floating rate**	Fixed rate	Floating rate
2009	**3.989**	-	9.034	-
2010	**13.594**	**22.694**	12.172	29.821
2011	-	**16.150**	-	16.126
2012 and thereafter	-	**102.201**	-	74.927
	17.583	**141.045**	21.206	120.874

There is no letters of guarantee denominated in foreign currency given to the lending institutions as collateral against the loans obtained (December 31, 2008: None).

TRL amount of 525.253 Funds Borrowed covers (December 31, 2008: TRL 671.243) current funds borrowed and TRL 158.628 amount covers (December 31, 2008: TRL 142.080) non-current funds borrowed.

41.5 Derivatives

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instruments, reference rates or indices. Derivative financial instruments include forwards, swaps, futures and options.

The table below shows the favourable (assets) and unfavourable (liabilities) fair values of derivative financial instruments together with the notional amounts analyzed by the term to maturity. The notional amount is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at year-end and are neither indicative of the market risk nor credit risk.

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

41. OTHER ISSUES (cont'd)

The fair value of derivative financial instruments is calculated by using forward exchange rates at the balance sheet date. In the absence of reliable forward foreign currency market rates and reliable forward rate estimations in a volatile market, values of foreign currency forward and swap transactions are determined by comparing the period end foreign exchange rates with the forward rates discounted to the balance sheet date.

	June 30, 2009								
	Fair value assets	**Fair value liabilities**	**Notional amount**	**Up to 1 month**	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**More than 5 years**
Derivatives held for trading									
Forward purchase contract	2.107	285	110.226	37.892	37.238	32.912	2.184	-	-
Forward sale contract	120	1.683	110.526	37.646	36.822	33.645	2.413	-	-
Currency swap purchase	115	593	92.876	90.729	-	2.147	-	-	-
Currency swap sale	-	40	93.447	91.208	-	2.239	-	-	-
Futures purchase	487	-	149.011	-	149.011	-	-	-	-
Futures sale	-	-	148.673	-	148.673	-	-	-	-
Buy option	1.168	2.585	341.179	137.402	98.777	73.990	31.010	-	-
Sell option	2.515	1.186	340.723	137.379	98.361	73.980	31.003	-	-
Interest swap purchase	309	-	153.010	91.807	61.203	-	-	-	-
Interest swap sale	12.569	948	133.493	76.723	56.770	-	-	-	-
Interest purchase options	-	288	141.750	95.000	15.750	15.400	15.600	-	-
Interest sale options	-	-	47.950	32.200	15.750	-	-	-	-
	19.390	**7.608**	**1.862.864**	**827.986**	**718.355**	**234.313**	**82.210**		

	December 31, 2008								
	Fair value assets	Fair value liabilities	Notional amount	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years
Derivatives held for trading									
Forward purchase contract	6.971	3.350	209.801	120.813	33.541	50.772	4.675	-	-
Forward sale contract	1.784	3.108	208.171	120.333	33.338	49.485	5.015	-	-
Currency swap purchase	9.316	2.748	176.035	107.616	31.579	36.840	-	-	-
Currency swap sale	-	-	166.666	105.997	30.423	30.246	-	-	-
Futures purchase	-	8.700	139.103	-	139.103	-	-	-	-
Futures sale	-	-	148.250	-	148.250	-	-	-	-
Buy option	5.414	224	178.670	34.546	73.737	42.032	28.355	-	-
Sell option	74	5.225	180.193	34.493	75.314	42.032	28.354	-	-
Futures interest sale	-	164	3.025	-	3.025	-	-	-	-
Interest swap purchase	1.109	3.844	176.410	37.808	62.987	-	-	75.615	-
Interest swap sale	4.244	22	158.949	13.240	43.386	-	-	102.323	-
	28.912	27.385	1.745.273	574.846	674.683	251.407	66.399	177.938	-