YAZICILAR HOLDİNG ANONİM ŞİRKETİ

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD JANUARY 1 - SEPTEMBER 30, 2010

(ORIGINALLY ISSUED IN TURKISH)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

Interim Condensed Consolidated Financial Statements as of September 30, 2010

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INTERIM CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2010

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

	Notes	**Unreviewed September 30, 2010**	Restated Audited December 31, 2009
ASSETS			
Current Assets		**3.889.745**	3.631.801
Cash and Cash Equivalents	6	**431.139**	311.651
Financial Instruments	7	**133.998**	303.638
Reserve Deposits at Central Bank	41.1	**95.089**	69.942
Banking Loans (net)	41.2	**2.644.571**	2.420.744
Trade Receivables (net)	10.1	**199.810**	143.914
Financial Lease Receivables (net)	12.1	**122.982**	139.148
Derivative Financial Instruments	41.5	**9.344**	7.237
Due From Related Parties (net)	37.2	**19.273**	11.812
Other Receivables (net)	11.1	**41.362**	46.109
Biological Assets (net)	14	**9.425**	9.453
Inventories (net)	13	**133.806**	123.023
Receivables from Construction Contracts in Progress (net)	15	**-**	-
Other Current Assets	26.1	**48.946**	45.130
Non-Current Assets		**2.651.682**	2.153.546
Financial Instruments	7	**470.835**	237.685
Banking Loans (net)	41.2	**384.153**	295.835
Trade Receivables (net)	10.1	**-**	-
Financial Lease Receivables (net)	12.1	**118.294**	113.177
Derivative Financial Instruments	41.5	**-**	-
Due from Related Parties (net)	37.2	**5.947**	5.651
Other Receivables (net)	11.2	**24.988**	10.682
Investments Accounted Through Equity Method	16	**1.180.187**	1.090.393
Goodwill (net)	20	**35.344**	35.344
Assets Held For Sale (net)	34	**32.665**	28.966
Property, Plant and Equipment (net)	18	**317.686**	276.293
Intangible Assets (net)	19	**12.695**	7.191
Deferred Tax Assets	35.1	**32.045**	29.500
Other Non-Current Assets	26.2	**36.843**	22.829
TOTAL ASSETS		**6.541.427**	5.785.347

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

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2010

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

	Notes	Unreviewed September 30, 2010	Restated Audited December 31, 2009
LIABILITIES			
Current Liabilities		**3.980.877**	3.479.480
Short-Term Borrowings (net)	8	**240.919**	216.276
Current Portion of Long-Term Borrowings (net)	8	**50.975**	50.796
Financial Lease Obligations (net)	12.2	**-**	-
Other Financial Liabilities (net)	9	**-**	-
Trade Payables (net)	10.2	**112.900**	46.316
Banking Customer Deposits	41.3	**2.629.992**	2.528.901
Funds Borrowed	41.4	**687.778**	460.320
Blocked Accounts		**86.402**	40.922
Due to Related Parties (net)	37.3	**143**	2.402
Other Payables	11.3	**23.150**	29.395
Deferred Income from Construction Contracts in progress (net)	15	**-**	-
Provisions	22	**19.313**	33.253
Income Tax Payable	35.3	**8.389**	2.544
Derivative Financial Instruments	41.5	**26.566**	8.687
Provisions for the Employee Benefits	24	**21.488**	12.932
Other Current Liabilities (net)	26.3	**72.862**	46.736
Non-Current Liabilities		**286.054**	232.664
Long-Term Borrowings (net)	8	**78.114**	24.521
Financial Lease Obligations (net)	12.2	**-**	-
Other Financial Liabilities (net)	9	**-**	-
Trade Payables (net)	10.2	**-**	-
Banking Customer Deposits	41.3	**-**	-
Funds Borrowed	41.4	**176.964**	180.736
Blocked Accounts		**-**	-
Due to Related Parties (net)	37.3	**-**	-
Other Payables	11.3	**314**	348
Provisions	22	**-**	-
Derivative Financial Instruments	41.5	**-**	-
Provisions for the Employee Benefits	24	**14.888**	14.012
Deferred Tax Liability	35.1	**15.520**	12.717
Other Liabilities (net)	26.3	**254**	330
EQUITY		**2.274.496**	2.073.203
Equity Attributable to Equity Holders of the Parent		**1.753.423**	1.597.438
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	**8.585**	8.266
Restricted Reserves Allocated from Net Profit	27	**16.063**	14.080
Currency Translation Differences		**(36.370)**	(6.292)
Other Reserves		**(1.861)**	-
Net Income		**222.767**	230.336
Retained Earnings	27	**1.374.765**	1.181.574
Minority Interest		**521.073**	475.765
TOTAL LIABILITIES AND EQUITY		**6.541.427**	5.785.347

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

(Convenience Translation into English of Financial Statements Originally Issued in Turkish)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED INCOME STATEMENT FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2010

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

				Restated	
		Unreviewed		Unreviewed	
	Notes	**01.01.2010 – 30.09.2010**	**01.07.2010 – 30.09.2010**	01.01.2009– 30.09.2009	01.07.2009 – 30.09.2009
CONTINUING OPERATIONS					
Revenue (net)	28	**808.651**	**280.628**	784.010	260.785
Cost of Sales (-)	28	**(659.239)**	**(225.154)**	(634.471)	(209.315)
Service Income (net)	28	**31.444**	**11.016**	28.584	8.584
Gross Profit from Trading Operations		**180.856**	**66.490**	178.123	60.054
Interest and Other Income	28	**296.871**	**101.223**	424.024	135.025
Interest and Other Expense (-)	28	**(128.636)**	**(44.302)**	(186.334)	(54.521)
Gross Profit from Financial Operations		**168.235**	**56.921**	237.690	80.504
GROSS PROFIT		**349.091**	**123.411**	415.813	140.558
Marketing, Selling and Distribution Expenses (-)	29	**(49.843)**	**(17.260)**	(45.223)	(10.819)
General Administrative Expenses (-)	29	**(168.246)**	**(47.402)**	(203.642)	(69.432)
Research and Development Expenses (-)	29	**(473)**	**(158)**	(478)	(237)
Other Operating Income	30	**12.520**	**4.313**	25.393	3.977
Other Operating Expense (-)	31	**(16.644)**	**(6.053)**	(10.422)	(3.218)
OPERATING INCOME		**126.405**	**56.851**	181.441	60.829
Gain/(Loss) from Investments Accounted Through Equity Method	16	**184.105**	**87.053**	146.291	68.212
Financial Income	32	**48.384**	**9.030**	32.890	(24.884)
Financial Expense (-)	33	**(52.659)**	**(14.461)**	(53.880)	17.186
INCOME BEFORE TAX FROM CONTINUING OPERATIONS		**306.235**	**138.473**	306.742	121.343
Tax Income/(Expense) from Continuing Operations		**(23.470)**	**(11.177)**	(23.508)	(7.221)
- Current Period Tax Expense (-)	35.2	**(23.143)**	**(9.380)**	(32.087)	(14.174)
- Deferred Tax Income/(Expense)	35.2	**(327)**	**(1.797)**	8.579	6.953
NET INCOME FOR THE PERIOD FOR CONTINUING OPERATIONS		**282.765**	**127.296**	283.234	114.122
Attributable to:					
- Minority Interests		**59.998**	**23.693**	72.488	25.556
- Equity Holders of the Parent		**222.767**	**103.603**	210.746	88.566
Earnings per share (full TRL)	36	**1,39**	**0,65**	1,32	0,55

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

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED COMPREHENSIVE INCOME STATEMENT FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2010

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

	Unreviewed		Restated Unreviewed	
	01.01.2010 – 30.09.2010	**01.07.2010 – 30.09.2010**	01.01.2009 – 30.09.2009	01.07.2009 – 30.09.2009
Net Income from Continuing Operations	**282.765**	**127.296**	283.234	114.122
Change in revaluation surplus of available for sale financial assets, net of tax	**(263)**	**15**	(3.753)	1.321
Currency translation difference	**(591)**	**(50)**	71	67
Group's share in other comprehensive income of investments accounted through equity method, net of tax	**(31.231)**	**(31.102)**	(12.256)	(4.231)
Other Comprehensive Income/(Loss), (net of tax)	**(32.085)**	**(31.137)**	(15.938)	(2.843)
Total Comprehensive Income	**250.680**	**96.159**	267.296	111.279
Attributable to:				
Minority interests	**57.672**	**21.664**	71.351	25.852
Equity holders of the parent	**193.008**	**74.495**	195.945	85.427

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(Convenience Translation into English of Financial Statements Originally Issued in Turkish)

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

REVIEWED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2010

(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	Other Reserves	Net Income	Retained Earnings	Attributable to Equity Holders of the Parent	Minority Interest	Total Equity
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	-	-	-
Capital increase of minority shareholders	-	-	-	-	-	-	-	-	-	9.440	9.440
Dividend paid	-	-	-	-	-	-	-	(34.000)	(34.000)	(4.925)	(38.925)
Effect of change in subsidiary consolidation rate	-	-	-	-	-	-	-	211	211	(350)	(139)
Other comprehensive income/(expense)	-	-	3.308	-	(18.109)	-	-	-	(14.801)	(1.137)	(15.938)
Net income	-	-	-	-	-	-	210.746	-	210.746	72.488	283.234
Total comprehensive income/(expense)	-	-	3.308	-	(18.109)	-	210.746	-	195.945	71.351	267.296
As of September 30, 2009	160.000	9.474	8.248	14.080	(10.741)	-	210.746	1.181.573	1.573.380	467.964	2.041.344

	Paid-in Share Capital	Share Premium	Revaluation Surplus	Restricted Reserves Allocated from Net Profit	Currency Translation Differences	Other Reserves	Net Income	Retained Earnings	Attributable to Equity Holders of the Parent	Minority Interest	Total Equity
As of January 1, 2010	**160.000**	**9.474**	**8.266**	**14.080**	**(6.292)**	**-**	**230.336**	**1.181.574**	**1.597.438**	**475.765**	**2.073.203**
Transfer of net income to the retained earnings	-	-	-	1.983	-	-	(230.336)	228.353	-	-	-
Dividend paid	-	-	-	-	-	-	-	(35.200)	(35.200)	(12.255)	(47.455)
Effect of change in subsidiary consolidation rate	-	-	-	-	-	-	-	38	38	20	58
Minority share purchase of investments accounted through equity method (Note 3)	-	-	-	-	-	(1.861)	-	-	(1.861)	(129)	(1.990)
Other comprehensive income/(expense)	-	-	319	-	(30.078)	-	-	-	(29.759)	(2.326)	(32.085)
Net income	-	-	-	-	-	-	222.767	-	222.767	59.998	282.765
Total comprehensive income/(expense)	-	-	319	-	(30.078)	-	222.767	-	193.008	57.672	250.680
As of September 30, 2010	**160.000**	**9.474**	**8.585**	**16.063**	**(36.370)**	**(1.861)**	**222.767**	**1.374.765**	**1.753.423**	**521.073**	**2.274.496**

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

YAZICILAR HOLDİNG ANONİM ŞİRKETİ

INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2010

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

	Notes	Unreviewed September 30, 2010	Restated Unreviewed September 30, 2009
Cash flow from operating activities			
Income before tax from continuing operations		**306.235**	306.742
Adjustments for:			
(Gain)/loss from disposal of property, plant and equipment, and intangible assets		**(249)**	(195)
Depreciation and amortization	18, 19	**31.251**	28.948
Provision for possible loan losses and impairment in receivables	10.1, 12.1, 41.2	**16.068**	70.928
Provision for warranty	22	**(1.587)**	518
Provision for label	22	**(10.212)**	(1.319)
Provision for vacation pay liability	24	**318**	(116)
Provision for employee termination benefits	24	**3.710**	3.378
Provision for bonus	24	**7.868**	12.872
Other provisions		**252**	4.439
Provision for inventories/(reversal)	13	**843**	1.137
Foreign exchange loss/(gain)		**(22.531)**	(1.529)
Interest expenses		**22.349**	51.615
Gain from investments accounted through equity method		**(184.105)**	(146.291)
Gain on sale of share in subsidiary	30	**-**	(11.811)
Net decrease/(increase) in derivative financial instruments – assets	41.5	**(2.107)**	19.066
Net (decrease)/increase in derivative financial instruments – liabilities	41.5	**17.879**	(17.054)
Other non-cash income		**11**	(322)
Operating profit before changes in operating assets and liabilities		**185.993**	321.006
Net (increase)/decrease in financial assets		**(63.772)**	(272.343)
Net decrease/(increase) in reserve deposits at Central Bank	41.1	**(25.147)**	26.491
Net (increase)/decrease in banking loans		**(322.676)**	(206.141)
Net decrease/(increase) in trade and other receivables and due from related parties		**(58.141)**	(38.930)
Net decrease/(increase) in inventories		**(11.598)**	35.385
Net decrease/(increase) in other assets		**(27.392)**	12.220
Net (decrease)/increase in trade and other payables and due to related parties		**81.701**	(32.579)
Net (decrease)/increase in banking customer deposits		**101.092**	(187.637)
Net increase/(decrease) in blocked accounts		**45.480**	8.820
Net increase/(decrease) in assets held for sale		**(3.699)**	(12.896)
Employee termination benefits paid	24	**(2.464)**	(2.044)
Taxes paid	35.3	**(17.298)**	(18.766)
Net cash (used in)/ provided by operating activities		**(117.921)**	(367.414)
Cash flows used in investing activities			
Purchase of property, plant and equipment, investment property and intangible asset	18, 19	**(96.975)**	(43.236)
Proceeds from sale of property, plant and equipment, and intangible asset		**19.082**	6.606
Purchase of financial assets and participation in capital increase		**(4.017)**	(16.961)
Net cash used in investing activities		**(81.910)**	(53.591)
Cash flows (used in)/provided by financing activities			
Dividends and other cash flows from equity participations		**65.108**	51.598
Capital increase of minority shareholders		**-**	9.440
Dividends paid to minority interests		**(12.255)**	(4.925)
Dividends paid		**(35.200)**	(34.000)
Proceeeds from borrowings from banks and other institutions		**1.362.398**	1.989.845
Repayments of borrowings and interest from banks and other institutions		**(1.046.110)**	(2.198.762)
Interest paid (-)		**(14.024)**	(40.090)
Net cash (used in)/provided by financing activities		**319.917**	(226.894)
Currency translation on cash and cash transaction		**(598)**	71
Net (decrease)/increase in cash and cash equivalents		**119.488**	(647.828)
Cash and cash equivalent at the beginning of the period	6	**311.651**	925.410
Total cash and cash equivalent at the end of the period		**431.139**	277.582
Interest income		**6.799**	4.666
Dividend income		**160**	82

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 wifes 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). 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 September 30, 2010 are authorized for issue by the Board of Directors on November 12, 2010, and are approved by the Chairman of the Board of Directors 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 interim consolidated financial statements.

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

The average number of personnel of the Group is 6.098 (December 31, 2009: 6.007).

List of Shareholders

As of September 30, 2010 and December 31, 2009 the composition of shareholders and their respective percentage of shareholding rates can be summarized as follows:

	September 30, 2010		December 31, 2009	
	Amount	**%**	Amount	%
Yazıcı Families	**62.481**	**39,05**	62.567	39,10
Kamil Yazıcı Yönetim ve Danışma A.Ş.	**53.600**	**33,50**	53.600	33,50
Publicly traded (*)	**43.919**	**27,45**	43.833	27,40
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 September 30, 2010 and December 31, 2009 are as follows:

	Place of Incorporation	Principal Activities	Segment	Effective shareholding and voting rights % September 30, 2010	December 31, 2009
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**	61,75
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	**32,48**	32,48
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, sale of tractors	Automotive	**67,93**	67,93
Anadolu Otomotiv Dış Ticaret ve Sanayi A.Ş.	Turkey	Import of Kia and Lada 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	Retailing	**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	Retailing	**49,76**	49,76
Efes Turizm İşletmeleri A.Ş. (Efestur)	Turkey	Arrangement of travelling and organization facilities of the Group	Retailing	**51,60**	51,60
Anadolu Bilişim Hizmetleri A.Ş. (ABH)	Turkey	IT, internet and e-commerce services	Retailing	**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 A.S. 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	Retailing	**68,00**	68,00
Hamburger Restoran İşletmeleri A.Ş. (Hamburger)	Turkey	Restaurant chain management	Retailing	**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 (Investment in progress)	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 (Investment in progress)	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)	Netherlands	Inactive	Other	**68,00**	68,00
Anelsan Anadolu Elektronik Sanayi ve Ticaret A.Ş. (Anelsan) (5)	Turkey	Inactive	Retailing	**48,94**	48,94
Anadolu Kafkasya Enerji Yatırımları A.Ş. (Anadolu Kafkasya)	Turkey	Production and transmission of electricity, and establishment and operation of distribution facilities (Investment in progress)	Other	**68,00**	67,94
Antek Teknoloji Ürünleri Pazarlama ve Ticaret A.Ş. (Antek Teknoloji) (6)	Turkey	Whole sale and retail sale of electronic devices	Automotive	**68,00**	-
Georgian Urban Energy LLC (GUE) (7)	Georgia	Production and sale of electricity (Investment in progress)	Other	**68,00**	-

(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 Holding A.Ş.
(3) Shareholding rate changes 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) Ülkü controls Anelsan through its shareholding of 96,50%. As a result, Anelsan is controlled by Yazıcılar.
(6) AEH has 99,99% shareholding rate at Antek Teknoloji established on March 5, 2010. The indirect shareholding rate of Yazıcılar is 68,00%.
(7) Anadolu Kafkasya has 100,00% shareholding rate at GUE acquired on March 4, 2010. 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 September 30, 2010 and December 31, 2009 are as follows:

	Country of incorporation	Main activities	Effective shareholding and voting rights %	
			September 30, 2010	December 31, 2009
Anadolu Efes Biracılık ve Malt San. A.Ş. (Anadolu Efes)	Turkey	Production of beer	**36,27**	36,27

Joint Ventures

The investments in joint ventures included in consolidation by equity method and their shareholding percentages at September 30, 2010 and December 31, 2009 are as follows:

	Country of incorporation	Main activities	Effective shareholding and voting rights %	
			September 30, 2010	December 31, 2009
Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. (Anadolu Isuzu)	Turkey	Manufacturing and selling of Isuzu brand commercial vehicles	**37,56**	37,56
Ana Gıda İhtiyaç Maddeleri Sanayi ve Ticaret A.Ş. (Ana Gıda)	Turkey	Production and marketing of olive oil under Kırlangıç, Komili and Madra brands	**37,57**	37,57
Aslancık Elektrik Üretim ve Tic. Ltd. Şti. (Aslancık)	Turkey	Electricity production (Investment in progress)	**22,67**	17,00
D Tes Elektrik Enerjisi Toptan Satış A.Ş. (D Tes)	Turkey	Electricity wholesale (Investment in progress)	**17,00**	17,00

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.

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 September 30, 2010 have been prepared in accordance with compulsory reporting formats of CMB's. 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, 2009.

In accordance with the Communiqué No: XI-29, the entities are allowed to prepare a complete or condensed set of interim financial statements in accordance with IAS 34, "Interim Financial Reporting". In this respect, the Group has elected to prepare condensed consolidated interim financial statements at and for the interim period ended 30 September 2010 and prepared these condensed consolidated interim financial statements in compliance with CMB Financial Reporting Standards. Additionally, in accordance with the communiqué and the announcements explaining the communiqué, foreign currency risk table, total import and total export amounts and the amount of hedging total currency liability are presented in notes to the condensed financial statements (Note 38/39).

Convenience Translation into English of Consolidated Financial Statements

The accounting principles described in Note 2 to the condensed consolidated interim financial statements ("CMB Financial Reporting Standards") differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January and 31 December 2005 as described in detailed in Note 2. Accordingly, the accompanying condensed interim financial statements are not intended to present the financial position and the results of
operations and cash flows of the Group in accordance with IFRS.

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.

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.

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

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

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:

		September 30, 2010	December 31, 2009
	Local Currency	**Functional Currency**	Functional Currency
AEH und Co.	EUR	**EUR**	EUR
Oyex	EUR	**EUR**	EUR
Anatolia Energy	EUR	**EUR**	EUR
GUE	Georgian Lari (GEL)	**GEL**	-

Foreign subsidiaries are established as foreign corporate entities.

Restatements on Prior Period Financial Statements

Coca-Cola İçecek A.Ş.(CCİ) has completed 26,25% share purchase of Türkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) and purchase of certain real estates, movables, licenses and other assets related to the water business of Sandras in first half of 2009. Goodwill accounting of these transactions was provisionally recorded to September 30, 2009 interim financial statements to Anadolu Efes , an associate of the Company, in accordance with IFRS 3. Since fair value accounting of these transactions was reflected to the financial statements as of December 31, 2009, consolidated interim income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow of Anadolu Efes as of September 30, 2009 are restated and accounting of these transactions was recorded by the Group to the financial statements.

Accordingly, fair value increase amounting to TRL 1.784 occurred from the fair value financial statements of Turkmenistan CC which was reflected to books for the 33,25% shares formerly owned by CCİ is recorded by the Group as "share in other comprehensive income of investments accounted through equity method" to interim consolidated comprehensive income statement and statement of changes in equity (Note 3). Additionally, "gain from investments accounted through equity method" gained from Anadolu Efes amounts to TRL 158.605 by increasing TRL 2.020.

Reclassification Made to 2009 Consolidated Financial Statements

In order to be consistent with the current period's presentation,the reclassifications has been made in the consolidated balance sheet as of December 31,2009 and interim consolidated income statement as of September 30, 2009 are as follows;

a) Real estates amounting to TRL 28.966 in "Banking loans" account has been classified into "Assets held for sale" account.
b) Real estates amounting to TRL 12.355 in "Investment properties" account has been classified into "Other non-current assets account".
c) Loan loss provision (net) for non-cash loans amounting to TRL 10.906 in "Banking loans" account has been classified into "Provisions" account.
d) Personnel loans amounting to TRL 286 in "Other current assets" account and amounting to TRL 276 in "Other non-current assets" account has been classified into "Banking loans" account.

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

e) Sales bonus amounting to TRL 32.437 in "Marketing, Selling and Distribution Expenses" account has been classified into "Revenue" account.
f) Expenses related to operational fleet leasing business amounting to TRL 40.276 in "Marketing, selling and distribution expenses" account has been classified into "Cost of sales" account.
g) Gain on sale of property, plant and equipment related to operational fleet leasing business amounting to TRL 7.742 in "Revenue" account has been classified into "Cost of sales" account.
h) Foreign exchange gain related to financial lease receivables amounting to TRL 443 in "Interest and other income" account has been classified as "Financial income".
i) Marketing contribution income amounting to TRL 357 in "Other operating income" account and "Marketing, Selling and Distribution Expenses" account is offsetted.

Changes in Accounting Policies

New standards and interpretations

The accounting policies adopted in the preparation of the interim consolidated financial statements as at September 30, 2010 are consistent with those followed in the preparation of the consolidated financial statements of the prior year and for the year ended 31 December 2009, except for the adoption of new standards and IFRIC interpretations summarized below.

The new standards, amendments and interpretations which are effective for the year end and interim periods after January 1, 2010 (These standards have an affect on the Group's financial statements and adopted by the Group):

- IAS 27 (Revised), "Consolidated and separate financial statements" (Effective for annual periods beginning on or after July 1, 2009)
- IFRS 3 (Revised), "Business combinations" (Effective for annual periods beginning on or after July 1, 2009)
- IAS 38 (Revised), "Intangible asset" (Effective for annual periods beginning on or after July 1, 2009)
- IFRS 5 (Revised), "Assets held for sale or discontinued oparetions" (Effective for annual periods beginning on or after January 1, 2010)
- IAS 1 (Revised), "Presentation of financial statements" (Effective for annul periods beginning on or after January 1, 2010)
- UFRS 2 (Revised), "Share based payments" (Effective for annual periods beginning on or after January 1, 2010)
- Improvements to IFRS 2009

The new standards, amendments and interpretations which are effective for the year end and interim periods after January 1, 2010 (These standards do not have an affect on the Group's financial statements):

- IFRIC 17, "Distribution of non-cash assets owners " (Effective for annual periods beginning on or after July 1, 2009)
- UFRS Yorum 18, "Transfer of assets from customers" (Effective for annual periods beginning on or after July 1, 2009)

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

The new standards which are not issued as of the authorization date of the interim consolidated financial statement and not early adopted by the Group:

- IFRS 9 "Financial Instruments" (Effective for annual periods beginning on or after Janury 1, 2013)
- IAS 24 (Revised), "Related Party Disclosures" (Effective for annual periods beginning on or after Janury 1, 2013)
- IAS 32 (Revised) "Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements" (Effective for annual periods beginning on or after February 1, 2010)
- UFRYK 14 (Revised), "The limit on a defined benefit asset, minimum funding requirements and their interaction" (Effective for annual periods beginning on or after January 1, 2011)
- Improvements to IFRS 2010

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.

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.

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

The Group's investments in associates which the Group has direct interest or indirect interest by its subsidiaries are accounted under the equity method of accounting considering direct or indirect shareholding rate in total. Minority interest is calculated regarding the effective shareholding rate through its subsidiaries.

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.

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 renegotation conditions with these debtors are considered. The provision for doubtful receivables are followed in the Note 10.1.

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

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 goodwill

According to the determined accounting policies, the Group performs impairment test for goodwill annually or when circumstances indicate that the carrying value may be impaired. As of December 31, 2009, impairment test for 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 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.

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.

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

Summary of Significant Accounting Policies (cont'd)

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:

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 the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs incurred in order to realize sale.

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 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. 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, 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.

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 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.

Impairment of goodwill is not reversed.

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)

Financial assets

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 financial assets portfolio, as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss 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, financial assets at fair value through profit or loss 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 Financial Assets

Financial assets 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 financial assets 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 financial assets is included in interest income.

Available-for-Sale Financial Assets

After initial recognition, available-for-sale financial assets 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 financial assets 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 financial assets at fair value through profit or loss or available-for-sale financial assets 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 financial assets 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.

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.

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

Summary of Significant Accounting Policies (cont'd)

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 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 are recognized in profit or loss in the period in which they arise.

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.

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

Summary of Significant Accounting Policies (cont'd)

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.

2.13 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.

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

Summary of Significant Accounting Policies (cont'd)

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.

IAS 16 "Property, Plant and Equipment", items of property, plant and equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases.

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

Summary of Significant Accounting Policies (cont'd)

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 four principal segments: Automotive (including passenger vehicles, commercial vehicles, generators, spare and component parts, consumer durables); financial services (banking, leasing, brokerage and investment banking services); retailing (stationery, chain restaurant management, food, information technologies, and tourism) and other (trade, 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.

2.17 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.

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.

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

Summary of Significant Accounting Policies (cont'd)

2.17 Taxes

Deferred Tax (cont'd)

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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.18 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.

2.19 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, check, demand deposits, time deposit with original maturity less than three months 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)

2.20 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 imparement 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.

If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets are collectively assessed for impairment.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

2.21 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 September 30, 2010

Anadolu Efes , an associate of the Company, acquired 11.187.288 GDRs of Efes Breweries International N.V. (EBI), a subsidiary of Anadolu Efes, representing approximately 26,46% of the issued share capital of EBI from a group of shareholders at a price of USD 17,00 per GDR (each GDR representing 5 shares) at a total consideration of TRL 289.679. According to IAS 27, difference amounting to TRL 1.861 between the net asset value of EBI and the acquisition cost has been reflected by the Group to other reserves under the equity attributable to equity holders of the parent.

Anadolu Kafkasya, a subsidiary of the Company, purchased 100% shares of GUE, which will perform the Paravani Hydroelectric Power Plant Project in Georgia, amounting to USD 3.500.000 from Energon International Ltd. (Energon) on March 4, 2010. Since GUE has not been operating at the acquisition date, the acquisition is not subject to IFRS 3 "Business Combinations". The acquired net assets except for electricity production license are accounted with their carrying values (Note 19).

Transactions for year of 2009

In January 2009, Coca Cola Içecek A.Ş (CCI), has increased its existing shareholding in Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) with the acquisition of 13,75% shares of Turkmenistan CC which previously owned by The Coca-Cola Export Corporation (TCCEC) and 12,50% shares from Day Investments Ltd. which had 25% shares in total of Turkmenistan CC, for a cash consideration of TRL 7.026. Following the completion of the acquisitions, CC's share in Turkmenistan CC reached to 59,5% and it is included in consolidation by using the full consolidation method. In accordance with the change in the scope of consolidation and in conformity with IFRS 3, TRL 1.784 fair value difference occurred from the financial statements of Turkmenistan CC prepared according to fair value basis was recorded by the Group as "Group's share in other comprehensive income of investments accounted through equity method" in consolidated comprehensive income statement.

4. JOINT VENTURES

Joint Ventures

			September 30, 2010			December 31, 2009		
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 of Isuzu brand commercial vehicles	Turkey	**62.296**	**37,56**	**(2.169)**	64.465	37,56	(7.347)
Ana Gıda	Production and marketing of olive oil under Kırlangıç, Komili and Madra Brands, sunflower and corn oil	Turkey	**46.978**	**37,57**	**(394)**	47.372	37,57	(4.963)
Aslancık	Production of electricity	Turkey	**8.289**	**22,67**	**(461)**	4.328	17,00	286
D Tes	Wholesale of electricity	Turkey	**-**	**17,00**	**(17)**	-	17,00	(56)
			117.563		**(3.041)**	116.165		(12.080)

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

AEH, a subsidiary of the Company, purchased 96.000 Aslancık shares at a nominal value of TRL 0,025 amounting to TRL 1.105 from Unit Investment N.V. As a consequence of this transaction, the shareholding rate of the Group in Aslancık has increased to 22,67% by increasing 5.67 point.

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

4. JOINT VENTURES (cont'd)

Joint Ventures (cont'd)

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

	September 30, 2010	December 31, 2009
Anadolu Isuzu		
Total assets	**306.154**	279.292
Total liabilities	**145.451**	112.940
Net assets	**160.703**	166.352
Group's interest in net assets	**62.296**	64.465

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Anadolu Isuzu				
Revenues	**222.251**	**81.429**	175.950	78.745
Net income/(loss) for the period	**(5.644)**	**(704)**	(17.877)	1.558
Group's share in net income/(loss) of the joint venture	**(2.169)**	**(271)**	(5.445)	2.022

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

	September 30, 2010	December 31, 2009
Other joint ventures		
Total assets	**170.568**	156.200
Total liabilities	**53.438**	45.639
Net assets	**117.130**	110.561
Group's interest in net assets	**55.267**	51.700

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Other joint ventures				
Revenues	**100.610**	**33.249**	126.820	37.990
Net income/(loss) for the period	**(1.384)**	**664**	(11.451)	(2.398)
Group's share in net income/(loss) of the joint ventures	**(872)**	**44**	(5.445)	(1.224)

5. SEGMENT REPORTING

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

Since segment reporting and information used in the Group management reporting is consistent with interim consolidated balance sheet and interim consolidated income statement the Group does not need to perform reconciliation between the interim consolidated income statement, interim consolidated balance sheet and the segment reporting disclosure.

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

5. SEGMENT REPORTING (cont'd)

September 30, 2010	**Financial institutions**	**Automotive**	**Retailing**	**Other**	**Unallocated**	**Consolidated**
Sales	296.871	453.569	345.827	40.699	-	1.136.966
Inter-segment sales	733	2.619	5.291	7.232	(15.875)	-
Total Sales	**297.604**	**456.188**	**351.118**	**47.931**	**(15.875)**	**1.136.966**
GROSS PROFIT	**166.949**	**84.895**	**82.164**	**24.814**	**(9.731)**	**349.091**
Marketing, selling, and distribution expenses (-)	-	(27.848)	(23.050)	(28)	1.083	(49.843)
General administrative expenses (-)	(97.661)	(31.239)	(24.150)	(30.224)	15.028	(168.246)
Research and development expenses (-)	-	(479)	-	-	6	(473)
Other operating income	4.094	10.763	966	78.238	(81.541)	12.520
Other operating expense (-)	(8.989)	(1.414)	(4.981)	(569)	(691)	(16.644)
OPERATING INCOME	**64.393**	**34.678**	**30.949**	**72.231**	**(75.846)**	**126.405**
Gain/Loss from the investments accounted through equity method (*)	-	-	-	-	184.105	184.105
Financial income	18.545	12.034	2.522	17.305	(2.022)	48.384
Financial expense (-)	(24.163)	(15.501)	(2.589)	(11.164)	758	(52.659)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS	**58.775**	**31.211**	**30.882**	**78.372**	**106.995**	**306.235**
Tax Income/(Expense) from Continuing Operations	**(11.392)**	**(4.807)**	**(6.256)**	**(1.014)**	**(1)**	**(23.470)**
- Current period tax expense (-)	(11.969)	(3.271)	(7.464)	(439)	-	(23.143)
- Deferred tax income / (expense)	577	(1.536)	1.208	(575)	(1)	(327)
NET INCOME FOR THE PERIOD	**47.383**	**26.404**	**24.626**	**77.358**	**106.994**	**282.765**
Attributable to:						
- Minority interest	1.686	3.054	-	-	55.258	59.998
- Equity holders of the parent	45.697	23.350	24.626	77.358	51.736	222.767
Total Assets (**)	**4.343.295**	**517.248**	**338.074**	**1.567.775**	**(224.965)**	**6.541.427**
Investments accounted through equity method	-	-	-	-	1.180.187	1.180.187
Total Liabilities	**3.767.070**	**298.355**	**136.065**	**113.585**	**(48.144)**	**4.266.931**
Property, plant and equipment and intangible asset purchases	3.250	58.845	25.880	9.000	-	96.975
Depreciation and amortization	4.800	17.882	8.105	644	(180)	31.251

(*) Income recognized from Anadolu Efes amounting to TRL 187.146 and expense recognized from Anadolu Isuzu, Anagıda, Aslancık and D Tes amounting to TRL 3.041 are recorded to gain/loss from the investments accounted through equity method in 'unallocated' segment.

(**) Unallocated segment includes goodwill amounting to TRL 35.344 (Note 20).

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

5. SEGMENT REPORTING (cont'd)

July 1 - September 30, 2010	Financial institutions	Automotive	Retailing	Other	Unallocated	Consolidated
Sales	101.224	154.345	123.518	13.780	-	392.867
Inter-segment sales	254	849	1.918	2.406	(5.427)	-
Total Sales	**101.478**	**155.194**	**125.436**	**16.186**	**(5.427)**	**392.867**
GROSS PROFIT	**56.546**	**31.180**	**30.665**	**8.547**	**(3.527)**	**123.411**
Marketing, selling, and distribution expenses (-)	-	(11.369)	(6.153)	(11)	273	(17.260)
General administrative expenses (-)	(24.486)	(9.819)	(8.499)	(9.919)	5.321	(47.402)
Research and development expenses (-)	-	(161)	-	-	3	(158)
Other operating income	1.644	2.298	521	756	(906)	4.313
Other operating expense (-)	(3.391)	(289)	(2.550)	(44)	221	(6.053)
OPERATING INCOME	**30.313**	**11.840**	**13.984**	**(671)**	**1.385**	**56.851**
Gain/Loss from the investments accounted through equity method (*)	-	-	-	-	87.053	87.053
Financial income	2.594	998	877	5.194	(633)	9.030
Financial expense (-)	(4.815)	(6.162)	(1.396)	(2.351)	263	(14.461)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS	**28.092**	**6.676**	**13.465**	**2.172**	**88.068**	**138.473**
Tax Income/(Expense) from Continuing Operations	**(6.639)**	**(1.565)**	**(2.870)**	**(103)**	**-**	**(11.177)**
- Current period tax expense (-)	(6.448)	(591)	(2.255)	(86)	-	(9.380)
- Deferred tax income / (expense)	(191)	(974)	(615)	(17)	-	(1.797)
NET INCOME FOR THE PERIOD	**21.453**	**5.111**	**10.595**	**2.069**	**88.068**	**127.296**
Attributable to:						
- Minority interest	283	920	-	-	22.490	23.693
- Equity holders of the parent	21.170	4.191	10.595	2.069	65.578	103.603
Property, plant and equipment and intangible asset purchases	1.651	18.541	11.036	1.837	-	33.065
Depreciation and amortization	1.623	6.435	2.596	198	(58)	10.794

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

5. SEGMENT REPORTING (cont'd)

September 30, 2009	Financial institutions	Automotive	Retailing	Other	Unallocated	Consolidated
Sales	424.025	467.534	304.416	40.643	-	1.236.618
Inter-segment sales	2.832	2.576	3.472	6.603	(15.483)	-
Total Sales	426.857	470.110	307.888	47.246	(15.483)	1.236.618
GROSS PROFIT	234.309	86.506	74.136	24.554	(3.692)	415.813
Marketing, selling, and distribution expenses (-)	-	(27.806)	(18.060)	(23)	666	(45.223)
General administrative expenses (-)	(142.305)	(27.347)	(20.586)	(27.150)	13.746	(203.642)
Research and development expenses (-)	-	(481)	-	-	3	(478)
Other operating income	2.629	6.564	606	60.034	(44.440)	25.393
Other operating expense (-)	(6.140)	(1.876)	(2.001)	(93)	(312)	(10.422)
OPERATING INCOME	88.493	35.560	34.095	57.322	(34.029)	181.441
Gain/Loss from the investments accounted through equity method (*)	-	-	-	-	146.291	146.291
Financial income	9.166	12.282	3.693	13.964	(6.215)	32.890
Financial expense (-)	(16.763)	(27.466)	(3.498)	(9.019)	2.866	(53.880)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS	80.896	20.376	34.290	62.267	108.913	306.742
Tax Income/(Expense) from Continuing Operations	(13.649)	(3.190)	(5.331)	286	(1.624)	(23.508)
- Current period tax expense (-)	(19.295)	(6.114)	(5.763)	(915)	-	(32.087)
- Deferred tax income / (expense)	5.646	2.924	432	1.201	(1.624)	8.579
NET INCOME FOR THE PERIOD	67.247	17.186	28.959	62.553	107.289	283.234
Attributable to:						
- Minority interest	4.112	8.087	-	-	60.289	72.488
- Equity holders of the parent	63.135	9.099	28.959	62.553	47.000	210.746
Total Assets (**)	3.757.012	406.223	269.781	1.519.136	(363.132)	5.589.020
Investments accounted through equity method	-	-	-	-	1.078.965	1.078.965
Total Liabilities	3.242.192	215.698	82.021	104.546	(96.782)	3.547.675
Property, plant and equipment and intangible asset purchases	1.013	28.058	13.120	1.045	-	43.236
Depreciation and amortization	4.479	16.773	7.302	680	(286)	28.948

(*) Income recognized from Anadolu Efes and Aslancık amounting to TRL 159.003 and expense recognized from Anadolu Isuzu, Anagıda, and D Tes amounting to TRL 12.712 recorded to gain/loss from the investments accounted through equity method in 'unallocated' segment.

(**) Unallocated segment includes goodwill amounting to TRL 35.344.

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

5. SEGMENT REPORTING (cont'd)

July 1 - September 30, 2009	Financial institutions	Automotive	Retailing	Other	Unallocated	Consolidated
Sales	135.026	157.473	101.748	10.147	-	404.394
Inter-segment sales	684	940	1.206	3.063	(5.893)	-
Total Sales	135.710	158.413	102.954	13.210	(5.893)	404.394
GROSS PROFIT	79.540	32.483	23.464	7.314	(2.243)	140.558
Marketing, selling, and distribution expenses (-)	-	(8.807)	(2.261)	(7)	256	(10.819)
General administrative expenses (-)	(48.175)	(9.241)	(6.916)	(9.438)	4.338	(69.432)
Research and development expenses (-)	-	(237)	-	-	-	(237)
Other operating income	1.409	(982)	(133)	3.689	(6)	3.977
Other operating expense (-)	(2.171)	(449)	(626)	26	2	(3.218)
OPERATING INCOME	30.603	12.767	13.528	1.584	2.347	60.829
Gain/Loss from the investments accounted through equity method (*)	-	-	-	-	68.212	68.212
Financial income	(26.238)	(1.359)	1.322	3.041	(1.650)	(24.884)
Financial expense (-)	22.888	(2.648)	(1.786)	(1.958)	690	17.186
INCOME BEFORE TAX FROM CONTINUING OPERATIONS	27.253	8.760	13.064	2.667	69.599	121.343
Tax Income/(Expense) from Continuing Operations	(4.880)	(1.587)	(1.079)	326	(1)	(7.221)
- Current period tax expense (-)	(10.336)	(2.326)	(1.428)	(84)	-	(14.174)
- Deferred tax income / (expense)	5.456	739	349	410	(1)	6.953
NET INCOME FOR THE PERIOD	22.373	7.173	11.985	2.993	69.598	114.122
Attributable to:						
- Minority interest	1.378	3.386	-	-	20.792	25.556
- Equity holders of the parent	20.995	3.787	11.985	2.993	48.806	88.566
Property, plant and equipment and intangible asset purchases	439	9.679	4.742	279	-	15.139
Depreciation and amortization	1.490	6.877	2.265	348	(27)	10.953

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(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.

Associate: The Group's effective shareholding rate for Anadolu Efes is 36,27% (December 31, 2009: 36,27%). 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 September 30, 2010 and September 30, 2009 are reflected in "gain/loss from the investments accounted through equity method" line of the interim consolidated income statement as gain amounting to TRL 187.146 and gain amounting to TRL 158.605 respectively.

6. CASH AND CASH EQUIVALENTS

	September 30, 2010	December 31, 2009
Non-Banking	**211.849**	87.284
Banking	**219.290**	224.367
Cash and cash equivalents in the consolidated cash flow statement	**431.139**	311.651

Non-Banking

The details of cash and cash equivalents are as follows:

	September 30, 2010	December 31, 2009
Cash on hand	**1.293**	1.294
Cash in banks	**206.819**	84.676
Other	**3.737**	1.314
	211.849	87.284

	September 30, 2010			December 31, 2009		
	Amount	**Maturity**	**Interest rate %**	Amount	Maturity	Interest rate %
Cash in banks						
Demand deposit	**28.778**	-	-	10.190	-	-
-EUR	**11.783**	-	-	1.396	-	-
-USD	**227**	-	-	77	-	-
-GBP	**322**	-	-	8.627	-	-
-TRL	**16.446**	-	-	90	-	-
Time deposit	**178.041**			74.486		
-EUR	**22.091**	**1 – 30 days**	**3,00 - 4,25**	22.926	1 – 12 days	3,10
-USD	**22.503**	**1 – 18 days**	**3,00 - 4,25**	768	7 days	4,00
-TRL	**133.447**	**1 – 39 days**	**6,50 - 9,35**	50.792	5 – 42 days	7,00 – 10,75
	206.819			84.676		

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

6. CASH AND CASH EQUIVALENTS (cont'd)

Banking

	September 30, 2010	December 31, 2009
Cash on hand	**24.875**	30.394
Balances with the Central Bank	**121.046**	113.371
Cash and balances with the Central Bank	**145.921**	143.765
Deposits with banks and other financial institutions	**53.732**	63.218
Funds lent under reverse repurchase agreements	**19.637**	17.384
Other money market placements	**19.637**	17.384
	219.290	224.367

As of September 30, 2010 and December 31, 2009 the interest rate range of deposits and placements are as follows:

	September 30, 2010				December 31, 2009			
	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	**80.208**	**40.838**	-	**-**	79.269	34.102	-	-
Deposits with banks and other financial institutions	**5.490**	**48.242**	**9,79**	**0,47-1,00**	8.493	54.725	6,50	0,20
Funds lent under reverse repurchase agreements	**19.637**	**-**	**6,97**	**-**	17.384	-	6,66	-
	105.335	**89.080**			105.146	88.827		

7. FINANCIAL INSTRUMENTS

	September 30, 2010	December 31, 2009
Non-Banking	**11.309**	7.146
Banking	**593.524**	534.177
	604.833	541.323

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

7. FINANCIAL INSTRUMENTS (cont'd)

Non-Banking

	September 30, 2010		December 31, 2009	
	Amount	**Effective interest rate %**	Amount	Effective interest rate %
Investment funds	**4.850**	**-**	687	-
Non-current financial assets	**6.459**		6.459	
- 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	**88**		88	
	11.309		7.146	

Banking

	September 30, 2010	December 31, 2009
Financial assets at fair value through profit and loss	**204.019**	27.235
Available for sale financial assets	**9.852**	31.605
Held to maturity financial assets	**379.653**	475.337
	593.524	534.177

Financial assets at fair value through profit and loss

	September 30, 2010		December 31, 2009	
	Amount	**Effective interest rate %**	Amount	Effective interest rate %
Financial assets at fair value through profit and loss				
Debt instruments – TRL				
-Turkish government bonds	**120.362**	**8,25**	2.671	7,82
-Turkish treasury bills	**94**	**7,50**	75	7,39
-Corporate bonds	**203**	**2,70**	-	-
Debt instruments – foreign currency				
-Eurobonds	**74**	**6,75**	-	-
	120.733		2.746	
Equity securities				
Listed on the ISE	**21.565**	**-**	18.981	-
	21.565		18.981	
Total financial assets at fair value through profit and loss	**142.298**		21.727	

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

7. FINANCIAL INSTRUMENTS (cont'd)

Banking (cont'd)

Available for sale financial assets

	September 30, 2010		December 31, 2009	
	Amount	**Effective interest rate %**	Amount	Effective interest rate %
Available-for-sale financial assets at fair value-TRL				
Turkish government bonds	**359**	**8,20**	31.605	11,82
Total available-for-sale financial assets	**359**		31.605	

Held to maturity financial assets

	September 30, 2010		December 31, 2009	
	Amount	**Effective interest rate %**	Amount	Effective interest rate %
Held to maturity financial assets				
Debt instruments-TRL				
Turkish government bonds	**141.675**	**9,09**	375.324	10,43
Turkish treasury bills	**-**		-	-
Total held to maturity financial assets	**141.675**		375.324	

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

	September 30, 2010	December 31, 2009
Financial assets at fair value through profit or loss	**61.721**	5.508
Available for sale financial assets	**9.493**	-
Held to maturity financial assets	**237.978**	100.013
Carrying value of financial assets given as collateral under repurchase agreement	**309.192**	105.521
Related liability	**304.442**	93.818

As of September 30, 2010, 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 62.481 and the cost of it is TRL 57.732 (December 31, 2009: TRL 49.180 and TRL 46.004).

Current financial assets is TRL 133.998 (December 31, 2009: TRL 303.638) and non-current financial assets is TRL 470.835 (December 31, 2009: TRL 237.685).

8. BORROWINGS

	September 30, 2010	December 31, 2009
Bank borrowings	**240.919**	216.276
Current portion of long term borrowings	**50.975**	50.796
Short term borrowings	**291.894**	267.072
Bank borrowings	**78.114**	24.521
Long term borrowings	**78.114**	24.521
Total borrowings	**370.008**	291.593

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

8. BORROWINGS (cont'd)

As of September 30, 2010, the Group does not have any secured bank borrowings (December 31, 2009: None).

	September 30, 2010			December 31, 2009		
Short term	**Amount**	**Fixed interest rate**	**Floating interest rate**	Amount	Fixed interest rate	Floating interest rate
Borrowing in Turkish Lira	**203.731**	**7,20% - 9,75 %**	**-**	139.481	6,85% -12,50 %	-
Borrowing in foreign currency (EUR)	**70.984**	**3,10% - 5,32%**	**Euribor + (1,3%)**	94.637	3,1% - 11,0%	Euribor + (0,9% - 1,3%)
Borrowing in foreign currency (USD)	**17.179**	**3,11% - 3,95 %**	**Libor + (2,3%)**	32.954	6,75% - 8,51%	-
	291.894			267.072		
Long term		**Fixed interest rate**	**Floating interest rate**	Amount	Fixed interest rate	Floating interest rate
Borrowing in foreign currency (EUR)	**54.169**	**2,86% - 3,75%**	**-**	24.521	3,3% - 3,5%	Euribor + (1,3%)
Borrowing in foreign currency (USD)	**23.945**	**-**	**Libor + (1,6% - 2,3%)**	-	-	-
	78.114			24.521		
	370.008			291.593		

Repayments schedules of long-term borrowings are as follows :

	September 30, 2010	December 31, 2009
2011	**26.751**	24.521
2012	**31.068**	-
2013	**17.473**	-
2014	**1.411**	-
2015 and thereafter	**1.411**	-
	78.114	24.521

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

9. OTHER FINANCIAL LIABILITIES

None (December 31, 2009: None).

10. TRADE RECEIVABLES AND TRADE PAYABLES

10.1 Trade Receivables

	September 30, 2010	December 31, 2009
Trade receivables, net	**64.773**	112.025
Notes receivable and post-dated cheques, net	**136.453**	33.232
Less: provision for doubtful trade receivables	**(1.416)**	(1.343)
	199.810	143.914

As of September 30, 2010, the Group has no long term trade receivables (December 31, 2009: None).

Movement of provision for doubtful trade receivables is as follows:

	September 30, 2010	September 30, 2009
Balance at January 1	**1.343**	4.612
Provisions	**401**	387
Reversal of provision (collections)	**(328)**	(263)
Change in scope of consolidation (*)	**-**	(3.393)
Balance at the end of the period	**1.416**	1.343

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the prior year (Note 30).

10.2 Trade Payables

	September 30, 2010	December 31, 2009
Non-Banking	**110.750**	44.770
Banking	**2.150**	1.546
	112.900	46.316

As of September 30, 2010, the Group has no long term trade payables (December 31, 2009: None).

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

11. OTHER RECEIVABLES AND PAYABLES

11.1 Other Short Term Receivables

	September 30, 2010	December 31, 2009
Non-Banking	**41.362**	46.109
-Receivables from loans (*)	**37.712**	42.903
-Other	**3.650**	3.206
	41.362	46.109

(*) Receivables from loans consists of the loans carried at ABank that are transferred to Anadolu Varlık, a subsidiary. The amount of provision for the related receivable at the end of period is TRL 5.437 (December 31, 2009: TRL 5.902).

11.2 Other Long Term Receivables

	September 30, 2010	December 31, 2009
Non-Banking	**2.409**	2.369
Banking		
-Collaterals given for derivatives and financial assets	**22.579**	8.313
	24.988	10.682

11.3 Other Short Term Payables

	September 30, 2010	December 31, 2009
Non-Banking	**9.353**	15.006
Banking	**13.797**	14.389
	23.150	29.395

Non-Banking

	September 30, 2010	December 31, 2009
Taxes payable	**6.323**	12.262
Due to personnel	**2.057**	1.487
Deposits and collaterals taken	**894**	1.112
Other	**79**	145
	9.353	15.006

Banking

	September 30, 2010	December 31, 2009
Taxes payable	**7.546**	8.534
Collaterals given for financial assets	**6.251**	5.855
	13.797	14.389

As of September 30, 2010 the non-current portion of other liabilities is amounting to TRL 314 (December 31, 2009: TRL 348).

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

12. FINANCIAL LEASE RECEIVABLES AND OBLIGATIONS

12.1 Financial Lease Receivables

Gross investments in finance lease receivables are as follows:

	September 30, 2010	December 31, 2009
Not later than one year	**159.828**	173.468
Later than one year and not later than five years	**139.607**	137.565
Minimum lease payment receivables, gross	**299.435**	311.033
Less: Unearned interest income	**(41.966)**	(46.610)
Net investment in finance leases	**257.469**	264.423
Less: Reserve for doubtful financial lease receivables	**(16.193)**	(12.098)
Minimum lease payment receivables, net	**241.276**	252.325

Maturities of net investment in finance leases:

	September 30, 2010	December 31, 2009
Not later than one year	**122.982**	139.148
Later than one year and not later than five years	**118.294**	113.177
	241.276	252.325

	September 30, 2010		December 31, 2009	
	Amount	**Interest rate %**	Amount	Interest rate %
EUR	**121.201**	**7,80 – 14,19**	151.030	7,05 – 23,13
USD	**67.478**	**5,84 – 14,96**	60.511	7,36 – 21,37
TRL	**52.597**	**16,05 – 23,07**	40.784	17,80 – 36,39
	241.276		252.325	

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

	September 30, 2010	September 30, 2009
Balance at January 1	**12.098**	5.447
Provision	**7.475**	3.955
Collections (-)	**(1.041)**	(612)
Write-off (-)	**(2.339)**	-
Balance at the end of the period	**16.193**	8.790

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

12. FINANCIAL LEASE RECEIVABLES AND OBLIGATIONS (cont'd)

12.2 Financial Lease Obligations

None (December 31, 2009: None).

13. INVENTORIES

	September 30, 2010	December 31, 2009
Raw materials	**17.367**	14.870
Work-in-progress	**3.212**	3.487
Finished goods	**9.624**	13.253
Merchandise	**79.039**	57.735
Goods in transit	**26.113**	31.062
Others	**100**	3.422
Provision for inventories (-)	**(1.649)**	(806)
	133.806	123.023

The movement of provision for inventories is as follows:

	September 30, 2010	September 30, 2009
Balance at January 1	**806**	2.403
Provision	**850**	1.964
Reversal (-)	**(7)**	(827)
Change in scope of consolidation (*)	**-**	(169)
Balance at the end of the period	**1.649**	3.371

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the prior year (Note 30).

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

14. BIOLOGICAL ASSETS

Biological assets amounting to TRL 9.425 (December 31, 2009: TRL 9.453) consist of cattles in the farm carried out at fair value. For the period ended as of September 30, 2010, cattle additions and disposals are 3.939 units and 4.418 units, respectively (September 30, 2009: additions 5.345 units , disposal 4.567 units).

15. RECEIVABLES AND DEFERRED INCOME FROM CONSTRUCTION CONTRACTS IN PROGRESS

None (December 31, 2009 : None).

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

16. INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

	September 30, 2010	December 31, 2009
Investment in associate	**1.062.624**	974.228
Interest in joint ventures (Note 4)	**117.563**	116.165
	1.180.187	1.090.393

16.1 Associate

			September 30, 2010			December 31, 2009		
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 Efes (*)	Production of beer	Turkey	**1.062.624**	**36,27**	**187.146**	974.228	36,27	163.880
			1.062.624		**187.146**	974.228		163.880

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

Summary financial information of associate is as follows:

	September 30, 2010	December 31, 2009
Anadolu Efes		
Total assets	**5.854.927**	5.430.041
Total liabilities	**3.151.670**	2.695.863
Net assets	**2.703.257**	2.734.178
Group's interest in net assets	**1.062.624**	974.228

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Anadolu Efes				
Revenues	**3.294.217**	**1.256.655**	3.072.769	1.112.520
Net income for the period	**482.584**	**225.064**	408.987	177.511
Group's share in net income of the associate	**187.146**	**87.280**	158.605	68.838
- Minority Interests	**12.107**	**5.646**	10.261	4.454
- Equity Holders of the Parent	**175.039**	**81.634**	148.344	64.384

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

16. INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD (cont'd)

16.1 Associate (cont'd)

The movement of carrying value of the associate in the interim consolidated financial statements as of September 30, 2010 and September 30, 2009 is as follows:

	September 30, 2010	September 30, 2009
Balance at January 1	**974.228**	866.748
Additions	**-**	1.693
Gain from investments accounted through equity method	**187.146**	158.605
Currency translation differences	**(31.729)**	(19.412)
Revaluation surplus	**498**	7.156
Other reserves	**(1.990)**	-
Dividend received	**(65.529)**	(51.754)
Dönem sonu bakiyesi	**1.062.624**	963.036

16.2 Joint Ventures

			September 30, 2010			December 31, 2009		
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 of Isuzu brand commercial vehicles	Turkey	**62.296**	**37,56**	**(2.169)**	64.465	37,56	(7.347)
Ana Gıda	Production and marketing of olive, sun flower and corn oils under Kırlangıç, Komili and Madra brands	Turkey	**46.978**	**37,57**	**(394)**	47.372	37,57	(4.963)
Aslancık	Production of electricity	Turkey	**8.289**	**22,67**	**(461)**	4.328	17,00	286
D Tes	Wholesale of electricity	Turkey	**-**	**17,00**	**(17)**	-	17,00	(56)
			117.563		**(3.041)**	116.165		(12.080)

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

17. INVESTMENT PROPERTY

None (December 31,2009: None).

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

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

Movements of property, plant and equipment during the nine months period ended on September 30, 2010 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, 2010	43.591	76.509	188.631	105.301	38.713	14.506	82.120	2.417	551.788
Additions	2.262	17	5.613	57.805	2.577	76	1.148	20.493	89.991
Disposals (-)	-	(2.676)	(3.438)	(25.207)	(128)	(66)	(25)	(1.999)	(33.539)
Currency translation differences	18	-	-	(1)	-	-	-	(10)	7
Transfers	44	563	3.778	141	262	249	2.432	(7.469)	-
September 30, 2010	45.915	74.413	194.584	138.039	41.424	14.765	85.675	13.432	608.247
Accumulated depreciation									
At January 1, 2010	1.853	17.422	145.230	26.466	26.767	12.655	45.102	-	275.495
Depreciation charge for the period	175	1.125	6.178	14.376	2.750	187	4.980	-	29.771
Disposals (-)	-	(345)	(3.185)	(11.028)	(117)	(28)	(2)	-	(14.705)
September 30, 2010	2.028	18.202	148.223	29.814	29.400	12.814	50.080	-	290.561
Net carrying amount	43.887	56.211	46.361	108.225	12.024	1.951	35.595	13.432	317.686

(*) The carrying amount of motor vehicles in operational fleet leasing business at September 30, 2010 is TRL 106.818.

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

The carrying amount of PP&E held under finance leases at September 30, 2010 is TRL 23.361 According to the finance lease law, PP&E under finance lease are owned by the finance lease company during the lease term. Hence, these PP&E are regarded as colleterals by the finance lease company.

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

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

Movements of property, plant and equipment during the nine months period ended on September 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									
January 1, 2009	43.112	77.074	178.664	80.139	34.758	14.450	75.686	5.535	509.418
Additions	327	2	2.243	26.150	2.069	79	454	10.624	41.948
Disposals (-)	-	-	(231)	(13.279)	(24)	-	(194)	(641)	(14.369)
Change in scope of consolidation (**)	(323)	-	(815)	(140)	(297)	(22)	(854)	(4.033)	(6.484)
Transfers	-	-	2.900	80	235	-	2.165	(5.510)	(130)
September 30, 2009	43.116	77.076	182.761	92.950	36.741	14.507	77.257	5.975	530.383
Accumulated depreciation									
January 1, 2009	1.631	15.617	139.044	20.293	24.042	12.453	39.099	-	252.179
Depreciation charge for the period	166	823	5.725	13.602	2.088	176	5.115	-	27.695
Disposals (-)	-	-	(242)	(7.521)	(1)	-	(194)	-	(7.958)
Change in scope of consolidation (**)	-	-	(692)	(121)	(210)	(15)	(230)	-	(1.268)
September 30, 2009	1.797	16.440	143.835	26.253	25.919	12.614	43.790	-	270.648
Net carrying amount	41.319	60.636	38.926	66.697	10.822	1.893	33.467	5.975	259.735

(*) The carrying amount of motor vehicles in operational fleet leasing business at September 30, 2009 is TRL 60.062.
(**) Change in scope of consolidation involves the effects of the change of in Ana Gıda's consolidation method in the prior year (Note 30).

Property, plant and equipment held under finance lease

The carrying amount of PP&E held under finance leases at September 30, 2009 is TRL 25.200. According to the finance lease law, PP&E under finance lease are owned by the finance lease company during the lease term. Hence, these PP&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 nine months period ended on September 30, 2010 are as follows:

	Rights	Patents and licenses	Franchise	Other intangible assets	Total
Cost					
January 1, 2010	41.821	5.529	1.051	1.380	49.781
Additions (*)	6.902	11	-	71	6.984
September 30, 2010	**48.723**	**5.540**	**1.051**	**1.451**	**56.765**
Accumulated amortization					
January 1, 2010	36.126	5.380	617	467	42.590
Amortization charge for the period	1.267	1	178	34	1.480
September 30, 2010	**37.393**	**5.381**	**795**	**501**	**44.070**
Net carrying amount	**11.330**	**159**	**256**	**950**	**12.695**

(*) Related with the acqusition of GUE realised by Anadolu Kafkasya, one of the subsidiaries of the Company, TRL 6.138 is associated with electricity production license and accounted for as intangible assets for the difference between the acqusition cost and the net book value of the acquired net assets.

Movements of intangible assets during the nine months period ended on September 30, 2009 are as follows:

	Rights	Patents and licenses	Franchise	Other intangible assets	Total
Cost					
January 1, 2009	76.226	10.677	1.051	1.381	89.335
Additions	1.211	-	-	77	1.288
Disposals	(2)	-	-	-	(2)
Change in scope of consolidation (**)	(36.844)	(5.148)	-	(85)	(42.077)
Transfers	130	-	-	-	130
September 30, 2009	40.721	5.529	1.051	1.373	48.674
Accumulated amortization					
January 1, 2009	35.291	9.307	378	496	45.472
Amortization charge for the period	1.041	-	179	33	1.253
Disposals	-	-	-	-	-
Change in scope of consolidation (**)	(603)	(3.927)	-	(74)	(4.604)
September 30, 2009	35.729	5.380	557	455	42.121
Net carrying amount	4.992	149	494	918	6.553

(**) Change in scope of consolidation involves the effects of the change of in Ana Gıda's consolidation method in the prior year (Note 30).

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

20. GOODWILL

As of September 30, 2010, the goodwill amount of the Group is TRL 35.344 (December 31, 2009: TRL 35.344).

21. GOVERNMENT INCENTIVES AND GRANTS

As of September 30, 2010, research, development and support premiums received from Tübitak amounting to TRL 101 are accounted under other expenses (September 30, 2009: 101). As of September 30, 2010, the Group has investment incentives amounting to TRL 111.517 (December 31, 2009: TRL 106.540).

22. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

The provisions as of September 30, 2010 and December 31, 2009 are as follows:

	September 30, 2010	December 31, 2009
Non-Banking	**9.324**	20.765
Banking	**9.989**	12.488
	19.313	33.253

Non-Banking

	September 30, 2010	December 31, 2009
Warranty provisions (*)	**7.185**	8.772
Provision for litigations	**1.226**	876
Label provisions (**)	**296**	10.508
Other provisions	**617**	609
	9.324	20.765

(*) Result from sales including warranty provisions of Çelik Motor, Anadolu Motor and Anadolu Elektronik which are subsidiaries of the Company.

(**) Consist of tax stamp provisions of Anadolu Elektronik and Antek Teknoloji, a subsidiary of the Company. These provisions which are resulted from television import will be paid to Turkish National Broadcasting Corporation.

Banking

	September 30, 2010	December 31, 2009
Loan loss provision	**8.560**	10.906
Provision for litigations	**826**	519
Others	**603**	1.063
	9.989	12.488

As of September 30, 2010, the Group has no long term provisions (December 31, 2009: None).

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

23. COMMITMENTS

Non-Banking

As of September 30, 2010 and December 31, 2009 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and non-banking subsidiaries included in full consolidation are as follows:

30.09.2010	**Total TRL Equivalent**	**Original Currency TRL**	**Original Currency USD**	**Original Currency EUR**
Guarantee pledge and mortgages provided by the Company				
A. Total amount of GPMs given on behalf of the Company's legal personality	**38.244**	34.402	2.054.738	435.441
B. Total amount of GPMs given in favor of subsidiaries included in full consolidation	**151.348**	123.794	11.500.000	5.500.000
C. Total amount of GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	**-**	-	-	-
D. Total amount of other GPM's	**-**	-	-	-
i. Total amount of GPMs given in favor of the parent Company	**-**	-	-	-
ii. Total amount of GPMs given in favor of other group companies not in the scope of B and C above	**452**	-	311.449	-
iii. Total amount of GPMs given in favor of third party companies not in the scope of C above	**-**	-	-	-
	190.044	158.196	13.866.187	5.935.441

31.12.2009	**Total TRL Equivalent**	**Original Currency TRL**	**Original Currency USD**	**Original Currency EUR**
Guarantee pledge and mortgages provided by the Company				
A. Total amount of GPMs given on behalf of the Company's legal personality	68.254	49.988	10.760.104	955.849
B. Total amount of GPMs given in favor of subsidiaries included in full consolidation	149.585	120.387	11.500.000	5.500.000
C. Total amount of GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-
D. Total amount of other GPM's	-	-	-	-
i. Total amount of GPMs given in favor of the parent Company	-	-	-	-
ii. Total amount of GPMs given in favor of other group companies not in the scope of B and C above	938	-	622.898	-
iii. Total amount of GPMs given in favor of third party companies not in the scope of C above	-	-	-	-
	218.777	170.375	22.883.002	6.455.849

As of September 30, 2010, the ratio of other GPMs over the Company's equity is 0%. (December 31, 2009: 0%).

GPM tables prepared as of September 30, 2010 and December 31, 2009 have been presented according to the CMB bulletin, number 2010/45, which was published on October 28, 2010.

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

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

23. COMMITMENTS (cont'd)

Non-Banking (cont'd)

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 77.217, TRL 2.332, TRL 16.882 and TRL 1.236, respectively (December 31, 2009: TRL 53.022, TRL 2.155, TRL 15.140 and TRL 1.256).

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.

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:

	September 30, 2010	December 31, 2009
Letters of guarantees issued (by ABank)	**1.418.848**	1.197.207
Letters of credit	**274.379**	245.626
Acceptance credits	**202.694**	117.084
Other	**19.248**	13.227
Total non-cash loans	**1.915.169**	1.573.144
Other commitments (*)	**991.441**	999.010
	2.906.610	2.572.154

(*) Other commitments include commitments for reserve deposits requirements, loan granting commitments and asset purchase and sale commitments.

As of September 30, 2010, ALease has no letters of guarantees given for funds borrowed from banks and various leasing transactions (December 31, 2009: None).

Blocked Assets

As of September 30, 2010, the fair values of the TRL denominated assets held by ABank in fiduciary, agency or custodian capacities amounted to TRL 974.124 (December 31, 2009: TRL 939.360) and foreign currency denominated assets amounted to TRL 109.772 (December 31, 2009: TRL 29.451).

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

23. COMMITMENTS (cont'd)

***Banking** (cont'd)*

Litigation

There were a number of legal proceedings outstanding against ABank as of September 30, 2010 amount to TRL 6.307 (December 31, 2009: TRL 6.333). 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 826 (December 31, 2009: TRL 519).

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.

24. PROVISIONS FOR THE EMPLOYEE BENEFITS

	September 30, 2010	December 31, 2009
Short term	**21.488**	12.932
Bonus provisions	**16.665**	8.797
Vacation pay liability	**4.453**	4.135
Employee termination benefits	**370**	-
Long term	**14.888**	14.012
Employee termination benefits	**14.888**	14.012
	36.376	26.944

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 2,5170 /year at September 30, 2010 and TRL 2,3652/year December 31, 2009, 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 September 30, 2010 and December 31, 2009 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.

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

24. PROVISIONS FOR THE EMPLOYEE BENEFITS (cont'd)

Provision for Employee Termination Benefits (cont'd)

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

	September 30, 2010	December 31, 2009
Discount rate	**%11**	%11
Expected rates of salary/limit increases (inflation rate)	**%4,8**	%4,8

In addition, the principal assumption that the maximum liability, TRL 2,5170, 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 September 30, 2010.

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

	September 30, 2010	September 30, 2009
Balance at January 1	**14.012**	12.828
Interest cost	**1.156**	1.061
Charge for the period (net)	**2.554**	2.317
Paid (-)	**(2.464)**	(2.044)
Change in scope of consolidation (*)	**-**	(1.061)
Balance at the end of the period	**15.258**	13.101

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the prior year (Note 30).

25. PENSION PLANS

None (December 31, 2009 : None).

26. OTHER ASSETS AND LIABILITIES

26.1 Other Current Assets

	September 30, 2010	December 31, 2009
Non-Banking	**30.699**	30.875
Banking	**18.247**	14.255
	48.946	45.130

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

26. OTHER ASSETS AND LIABILITIES (cont'd)

26.1 Other Current Assets (cont'd)

Non-Banking

	September 30, 2010	December 31, 2009
Prepaid expenses	**16.791**	20.280
VAT receivable	**8.292**	5.005
Advances given	**3.782**	1.401
Prepaid taxes	**560**	2.909
Other current assets	**1.274**	1.280
	30.699	30.875

Banking

	September 30, 2010	December 31, 2009
VAT receivable	**10.298**	8.655
Prepaid expenses and others	**7.578**	3.717
Receivables from insurance policies	**351**	1.873
Prepaid tax	**20**	10
	18.247	14.255

26.2 Other Non-Current Assets

	September 30, 2010	December 31, 2009
Non-Banking	**1.501**	1.090
VAT receivable	**505**	253
Other	**996**	837
Banking	**35.342**	21.739
Assets held for sale	**27.055**	12.355
Prepaid expenses	**5.424**	3.468
VAT receivable	**-**	2.892
Other	**2.863**	3.024
	36.843	22.829

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

26. OTHER ASSETS AND LIABILITIES (cont'd)

26.3 Other Current Liabilities

	September 30, 2010	December 31, 2009
Non-Banking	**6.890**	6.773
Banking	**65.972**	39.963
	72.862	46.736

Non-Banking

	September 30, 2010	December 31, 2009
Advances taken	**6.343**	5.709
Deferred income	**545**	1.064
Other payables	**2**	-
	6.890	6.773

Banking

	September 30, 2010	December 31, 2009
Cheques in collection	**26.867**	16.502
Collections regarding assets held for sale	**16.729**	10.694
Advances taken from customers	**5.569**	3.392
Other	**16.807**	9.375
	65.972	39.963

As of September 30, 2010, other non-current liability amounts to TRL 254 (December 31, 2009: TRL 330).

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

27. EQUITY

Shared Capital / Adjustments to Share Capital and Equity Instruments

	September 30, 2010		December 31, 2009	
	Amount	**%**	Amount	%
Yazıcı Families	**62.481**	**39,05**	62.567	39,10
Kamil Yazıcı Yönetim ve Danışma A.Ş.	**53.600**	**33,50**	53.600	33,50
Publicly traded (*)	**43.919**	**27,45**	43.833	27,40
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 September 30, 2010 and December 31, 2009 is as follows (historical amounts):

	September 30, 2010		December 31, 2009	
	Number of shares	**Amount**	Number of shares	Amount
Balance at January 1	**160.000.000**	**160.000**	160.000.000	160.000
-Inflation adjustment to share capital	**-**	**-**	-	-
Balance at the end of the period	**160.000.000**	**160.000**	160.000.000	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)

Shared Capital / Adjustments to Share Capital and Equity Instruments (cont'd)

Class	Number of shares	Percentage of capital %	Number of members on Board
A (Bearer)	87.818.037	54,89	1
B (Registered)	31.999.964	20,00	3
C (Registered)	19.235.049	12,02	1
D (Registered)	20.946.950	13,09	1
	160.000.000	**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.

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

27. EQUITY (cont'd)

Restricted Reserves Allocated from Net Profit, Revaluation Surplus (cont'd)

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.

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.

As a result of the decision of CMB on January 27, 2010, there are no obligations for the minimum dividend payments subject to public incorporated companies whose shares are traded in the stock exchange.

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.

	September 30, 2010	December 31, 2009
Revaluation surplus	**8.585**	8.266

	September 30, 2010	December 31, 2009
Restricted reserves allocated from net profit	**16.063**	14.080

Retained Earnings

As of September 30, 2010 and December 31, 2009 the summary of equity reserves, extraordinary reserves, other profit reserves, and retained earnings are as follows:

	September 30, 2010	December 31, 2009
Equity reserves	**1.166**	1.166
Extraordinary reserves	**115.376**	112.900
Other profit reserves	**2.558**	2.558
Retained earnings	**1.255.665**	1.064.950
	1.374.765	1.181.574

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	January 1 - September 30, 2010	July 1 - September 30, 2010	January 1 - September 30, 2009	July 1 - September 30, 2009
Non-Banking	**180.856**	**66.490**	178.123	60.054
Revenue net off cost of sales	**149.412**	**55.474**	149.539	51.470
Service Income (*)	**31.444**	**11.016**	28.584	8.584
Banking – Gross profit from financial sector operations	**168.235**	**56.921**	237.690	80.504
	349.091	**123.411**	415.813	140.558

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

29. OPERATING EXPENSES

	January 1 - September 30, 2010	July 1 - September 30, 2010	January 1 - September 30, 2009	July 1 - September 30, 2009
Non-Banking	**125.992**	**42.127**	111.465	33.818
Banking	**92.570**	**22.693**	137.878	46.670
	218.562	**64.820**	249.343	80.488

	January 1 - September 30, 2010	July 1 - September 30, 2010	January 1 - September 30, 2009	July 1 - September 30, 2009
Marketing, selling and distribution expenses	**49.843**	**17.260**	45.223	10.819
General administrative expenses	**168.246**	**47.402**	203.642	69.432
Research and development expenses	**473**	**158**	478	237
	218.562	**64.820**	249.343	80.488

Non-Banking

	January 1 - September 30, 2010	July 1 - September 30, 2010	January 1 - September 30, 2009	July 1 - September 30, 2009
Marketing, selling and distribution expenses	**49.843**	**17.260**	45.223	10.819
General administrative expenses	**75.676**	**24.709**	65.764	22.762
Research and development expenses	**473**	**158**	478	237
	125.992	**42.127**	111.465	33.818

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

29. OPERATING EXPENSES (cont'd)

Banking

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
General administrative expenses	**74.394**	**19.019**	127.752	46.670
Bank's foreign exchange losses, net	**18.176**	**3.674**	10.126	-
	92.570	**22.693**	137.878	46.670

30. OTHER OPERATING INCOME

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Income from agreements-financial leasing	**3.722**	**1.522**	2.263	1.281
Insurance compensation income	**2.560**	**843**	2.229	623
Commission income	**753**	**253**	587	382
Gain on sale of property, plant and equipment	**556**	**214**	279	122
Gain on sale of share in subsidiary (*)	**-**	**-**	11.811	-
Other	**4.929**	**1.481**	8.224	1.569
	12.520	**4.313**	25.393	3.977

(*) 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. 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.

31. OTHER OPERATING EXPENSE

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Financial leasing-provision for receivables	**6.434**	**2.631**	3.341	1.187
Financial leasing-agreement expenses	**2.267**	**682**	2.417	865
Donation	**1.988**	**470**	1.469	421
Provision for doubtful receivables	**379**	**147**	391	178
Other	**5.576**	**2.123**	2.804	567
	16.644	**6.053**	10.422	3.218

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

32. FINANCIAL INCOME

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Foreign exchange gain	**35.718**	**5.033**	17.919	(26.881)
Gain on sale of financial assets	**2.622**	**352**	7.673	173
Other income	**10.044**	**3.645**	7.298	1.824
	48.384	**9.030**	32.890	(24.884)

33. FINANCIAL EXPENSE

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Foreign exchange loss	**31.900**	**6.886**	14.584	(30.056)
Interest expense	**20.156**	**7.446**	38.674	12.575
Other expense	**603**	**129**	622	295
	52.659	**14.461**	53.880	(17.186)

34. ASSETS HELD FOR SALE

The carrying amount of assets held for sale at September 30, 2010 is TRL 32.665 (December 31, 2009: TRL 28.966).

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 (2009: 20%). Corporate tax returns are required to be filed until the twentyfifth 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% (2009: 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.

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:

	September 30, 2010	December 31, 2009
Deferred tax asset	**32.045**	29.500
Deferred tax liability (-)	**(15.520)**	(12.717)
Total deferred tax asset / (liability), net	**16.525**	16.783

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

35. TAX ASSETS AND LIABILITIES (cont'd)

35.1 Deferred Tax Assets and Liabilities (cont'd)

The movement of net deferred tax asset as of the nine months period ended on September 30, 2010 is as follows:

	Balance December 31, 2009	Recorded to income statement	Balance September 30, 2010
Property, plant and equipment, and intangibles	**(15.455)**	**(4.877)**	**(20.332)**
Tax loss carried forward	**3.499**	**(343)**	**3.156**
Employee termination benefit	**2.798**	**247**	**3.045**
Financial leases	**(1.136)**	**20**	**(1.116)**
Investment incentive	**18.109**	**802**	**18.911**
Other	**8.968**	**3.893**	**12.861**
Net deferred tax (liability)/asset	**16.783**	**(258)**	**16.525**
Reclassification to revaluation surplus	**-**	**(69)**	**-**
	16.783	**(327)**	**16.525**

The movement of net deferred tax asset as of the nine months period ended on September 30, 2009 is as follows:

	Balance December 31, 2008	Change in scope of consolidation (*)	Recorded to income statement	Balance September 30, 2009
Property, plant and equipment, and intangibles	(17.564)	1.539	726	(15.299)
Tax loss carried forward	9.861	(4.695)	(2.176)	2.990
Employee termination benefit	2.565	(212)	629	2.982
Financial leases	(1.162)	-	975	(187)
Investment incentive	-	-	-	-
Other	4.713	(519)	7.897	12.091
Net deferred tax (liability)/asset	(1.587)	(3.887)	8.051	2.577
Reclassification to revaluation surplus	-	-	528	-
	(1.587)	(3.887)	8.579	2.577

(*) Change in scope of consolidation involves the effects of the change in Ana Gıda's consolidation method in the prior year (Note 30).

35.2 Tax Expense

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Income tax (expense)	**(23.143)**	**(9.380)**	(32.087)	(14.174)
Deferred tax (expense)/income	**(327)**	**(1.797)**	8.579	6.953
	(23.470)	**(11.177)**	(23.508)	(7.221)

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

35. TAX ASSETS AND LIABILITIES (cont'd)

35.3 Tax Provision

	September 30, 2010	September 30, 2009
Balance at January 1	**2.544**	437
Income tax expense	**23.143**	32.087
Prepaid tax (-)	**(17.298)**	(18.766)
Balance at the end of the period	**8.389**	13.758

36. EARNINGS PER SHARE

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Net profit (full TRL)	**222.767.000**	**103.603.000**	210.746.000	88.566.000
Weighted average number of shares	**160.000.000**	**160.000.000**	160.000.000	160.000.000
Earning per share (full TRL)	**1,39**	**0,65**	1,32	0,55

37. RELATED PARTY BALANCES AND TRANSACTIONS

37.1 Bank Balances with Related Parties

	September 30, 2010	December 31, 2009
Anadolu Efes (1)	**65.804**	195.891
Coca-Cola Satış ve Dağıtım A.Ş. (3)	**34.331**	856
Özilhan Sınai Yatırım A.Ş. (5)	**18.416**	12.430
Tarbes Tarım Ürünleri ve Besicilik San. Tic. A.Ş. (Tarbes) (3)	**13.072**	20.477
Anadolu Isuzu (2)	**11.821**	14.450
Anadolu Eğitim ve Sosyal Yardım Vakfı (5)	**2.741**	10.699
Anadolu Etap Tarım ve Gıda A.Ş. (3)	**1.187**	-
Other	**34.307**	24.617
	181.679	279.420

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

37. RELATED PARTY BALANCES AND TRANSACTIONS (cont'd)

37.2 Due from Related Parties

	September 30, 2010	December 31, 2009
Anadolu Etap Tarım ve Gıda A.Ş. (3)	**5.984**	2.589
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tes. İkt. İşl. (5)	**4.500**	6.744
Krasny Vostok Group (3)	**3.867**	1.290
OAO Amstar (3)	**1.775**	1.659
Anadolu Efes (1)	**1.160**	841
Efes Pazarlama Ticaret A.Ş. (Efpa) (3)	**949**	469
JSC Efes Karaganda Brewery (Efes Karaganda) (3)	**738**	378
Anadolu Isuzu (2)	**611**	385
Coca-Cola Satış ve Dağıtım A.Ş. (3)	**516**	1.013
Coca-Cola İçecek A.Ş. (3)	**328**	130
Other	**4.792**	1.965
	25.220	17.463

As of September 30, 2010, the loan amount given to related parties is TRL 7.896, which is included under "Banking Loans" in the interim consolidated financial statements (December 31, 2009: TRL 1.691). As of September 30, 2010, TRL 2.281 due from related parties is included in other liabilities and blocked accounts at the financial statement of the bank (December 31, 2009: TRL 1.610). As of September 30, 2010, the non-cash loan amount given by the bank to related parties is TRL 46.628 (December 31, 2009: TRL 30.238).

As of September 30, 2010 the short term portion of due from related parties is amounting to TRL 19.273 (December 31, 2009: TRL 11.812), and the long term portion is TRL 5.947 (December 31, 2009: TRL 5.651).

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

37.3 Due To Related Parties

	September 30, 2010	December 30, 2009
Anadolu Isuzu (2)	**71**	467
Dividends to be paid to shareholders	**26**	21
Efpa (3)	**6**	305
Ana Gıda (2)	**-**	1.586
Other	**40**	23
	143	2.402

There is no long term amount of due to related parties as of September 30, 2010 (December 31, 2009: None).

(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 AND TRANSACTIONS (cont'd)

37.4 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 nine-month period ended September 30, 2010, the Group has not recorded any impairment of receivables, relating to amounts owned by related parties (December 31, 2009: 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.

Significant transactions with related parties during the period ended as of September 30, 2010 and September 30, 2009 are as follows:

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Sales of goods and services, net				
Anadolu Efes (1)	**16.027**	**4.506**	16.018	4.657
Efes Breweries International N.V. (3)	**16.545**	**8.907**	18.480	5.909
Efpa (3)	**13.691**	**4.441**	12.834	4.171
Coca-Cola Satış ve Dağıtım A.Ş. (3)	**7.571**	**3.007**	6.543	2.276
Anadolu Isuzu (2)	**5.316**	**1.702**	4.576	1.998
Tarbes (3)	**3.308**	**846**	2.776	724
Ana Gıda (2)	**957**	**293**	1.149	390
Efes Vitanta Moldova Brewery SA (3)	**396**	**195**	517	248
Other	**4.392**	**1.562**	4.132	1.479
	68.203	**25.459**	67.025	21.852

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Purchases of goods and other charges				
Anadolu Eğitim ve Sosyal Yardım Vakfı (5)	**1.774**	**409**	1.450	415
Anadolu Isuzu (2)	**622**	**166**	442	173
Efpa (3)	**268**	**136**	192	67
Other	**478**	**176**	71	40
	3.142	**887**	2.155	695

(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 AND TRANSACTIONS (cont'd)

37.4 Related Party Transactions (cont'd)

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Interest and other financial income (banking)				
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tes. İkt. İşl. (5)	**461**	**135**	437	147
Anadolu Efes (1)	**239**	**71**	124	50
Anadolu Isuzu (2)	**237**	**134**	81	24
Ana Gıda (2)	**193**	**15**	554	44
Other	**534**	**201**	209	57
	1.664	**556**	1.405	322

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Interest and other financial expense (banking)				
Anadolu Efes (1) (*)	**3.321**	**857**	7.587	1.546
Özilhan Sınai Yatırım A.Ş. (5)	**1.235**	**458**	1.844	506
Tarbes (3)	**1.210**	**359**	1.200	537
Efes Pilsen Spor Kulübü (5)	**613**	**126**	564	76
Anadolu Isuzu (2)	**560**	**135**	1.057	181
Coca-Cola İçecek A.Ş. (3)	**451**	**401**	1.249	142
Other	**1.403**	**278**	3.005	1.186
	8.793	**2.614**	16.506	4.174

(*) Interest rate range for TRL deposits is 6% and interest rate range for USD deposits is between 0,25% and 3,15%.

(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 AND TRANSACTIONS (cont'd)

37.4 Related Party Transactions (cont'd)

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Various sales included in other income (includes dividends received)				
Coca-Cola İçecek A.Ş. (3)	**454**	**2**	8	6
Coca-Cola Satış ve Dağıtım A.Ş. (3)	**356**	**8**	15	-
Efpa (3)	**58**	**17**	100	39
Other	**136**	**38**	650	525
	1.004	**65**	773	570

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Interest and other financial expense (non-banking)				
Anadolu Efes (1)	**6**	**2**	1.174	-
Anelsan (3)	**-**	**-**	25	7
	6	**2**	1.199	7

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Interest and other financial income (non-banking)				
Aslancık (2)	**19**	**19**	-	-
Ana Gıda (2)	**-**	**-**	1.506	-
Other	**-**	**-**	1	1
	19	**19**	1.507	1

(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 AND TRANSACTIONS (cont'd)

37.4 Related Party Transactions (cont'd)

Compensation of Key Management Personnel of the Group

Group has defined the key management personnel 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 ended on September 30, 2010 and September 30, 2009 are as follows:

	January 1 - September 30, 2010	**July 1 - September 30, 2010**	January 1 - September 30, 2009	July 1 - September 30, 2009
Short term benefits provided to key management personnel	**13.080**	**3.937**	9.723	3.771
Post-employement benefits	**480**	**-**	84	-
Total gain	**13.560**	**3.937**	9.807	3.771
Social Security employer share	**330**	**111**	167	36

Other

The Company and its subsidiaries other than McDonald's, Hamburger 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. As of September 30, 2010, donations amount to TRL 1.975 (September 30, 2009: TRL 1.650).

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

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 collateralization.

(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:

	TRL	USD	EUR	JPY	Other	Total
30.09.2010						
Assets						
Cash and balances with the Central Bank	90.581	47.169	7.908	-	264	145.922
Deposits with banks and other financial institutions	5.490	5.554	41.438	35	1.215	53.732
Other money market placements	19.637	-	-	-	-	19.637
Reserve deposits at the Central Bank	-	95.089	-	-	-	95.089
Financial assets at fair value through profit and loss	203.945	74	-	-	-	204.019
Financial assets	389.675	-	-	-	-	389.675
Banking loans	1.932.386	712.274	378.641	-	-	3.023.301
Minimum lease payments receivable	52.650	68.853	129.670	-	-	251.173
Derivative financial instruments	9.344	-	-	-	-	9.344
Investments	17	-	-	-	-	17
Assets held for sale	28.906	-	-	-	-	28.906
Property, plant and equipment	15.890	-	-	-	-	15.890
Intangible assets	2.352	-	-	-	-	2.352
Deferred tax assets	27.695	-	-	-	-	27.695
Other assets	100.281	10.312	7.035	-	-	117.628
Total Assets	**2.878.849**	**939.325**	**564.692**	**35**	**1.479**	**4.384.380**
Liabilities						
Deposits from other banks	7.132	21.709	207	-	40	29.088
Customers' deposits	1.421.944	564.660	346.601	5.541	2.246	2.340.992
Other money market deposits	310.872	-	-	-	-	310.872
Funds borrowed	44.943	383.288	436.511	-	-	864.742
Derivative financial instruments	26.566	-	-	-	-	26.566
Income tax payable	5.650	-	-	-	-	5.650
Other liabilities and provisions	156.144	46.515	27.119	-	457	230.235
Total Liabilities	**1.973.251**	**1.016.172**	**810.438**	**5.541**	**2.743**	**3.808.145**
Net on-balance sheet position	**905.598**	**(76.847)**	**(245.746)**	**(5.506)**	**(1.264)**	**576.235**
Off-balance sheet position						
Net nominal amount of derivatives	(329.756)	65.412	251.450	13.088	1.125	1.319
Non- cash loans	1.039.678	506.793	363.485	1.912	3.300	1.915.168
31.12.2009						
Total Assets	2.560.419	813.693	580.241	-	904	3.955.257
Total Liabilities	1.773.582	997.747	647.107	3.719	3.954	3.426.109
Net on-Balance Sheet Position	786.837	(184.054)	(66.866)	(3.719)	(3.050)	529.148
Non-cash loans	793.794	471.401	301.806	1.078	5.065	1.573.144

(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	
		September 30, 2010	December 31, 2009
USD	+/-%10	**+/-1.127**	+/- 2.354
EUR	+/-%10	**+/-570**	+/- 2.035

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 September 30, 2010 ABank's capital adequacy ratio calculated on consolidated basis based on statutory financial statements is 12,29% (December 31, 2009: 12,94%).

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, 2009	Average exchange buying rate in the period	Exchange buying rate at September 30, 2010
TRL /USD	Turkey	1,5057	1,5142	1,4512
TRL /EUR	Turkey	2,1603	1,9925	1,9754

(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.

30.09. 2010	TRL Equivalent (Functional currency)	Thousand USD	Thousand EUR	Thousand GBP	Thousand JPY
1. Trade receivables	2.737	506	1.014	-	-
2a. Monetary financial assets (cash and cash equivalents included)	51.781	14.774	15.197	140	-
2b. Non - monetary financial assets	-	-	-	-	-
3. Other	26	-	13	-	-
4. Current assets (1+2+3)	**54.544**	**15.280**	**16.224**	**140**	**-**
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non - monetary financial assets	-	-	-	-	-
7. Other	455	300	10	-	-
8. Non - current assets (5+6+7)	**455**	**300**	**10**	**-**	**-**
9. Total assets (4+8)	**54.999**	**15.580**	**16.234**	**140**	**-**
10. Trade payables	5.346	3.604	44	-	1.691
11. Short - term borrowings and current portion of long - term borrowings	88.163	11.838	35.934	-	-
12a. Monetary other liabilities	257	147	22	-	-
12b. Non - monetary other liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	**93.766**	**15.589**	**36.000**	**-**	**1.691**
14. Trade payables	-	-	-	-	-
15. Long - term borrowings	78.114	16.500	27.422	-	-
16 a. Monetary other liabilities	305	210	-	-	-
16 b. Non - monetary other liabilities	-	-	-	-	-
17. Non - current liabilities (14+15+16)	**78.419**	**16.710**	**27.422**	**-**	**-**
18. Total liabilities (13+17)	**172.185**	**32.299**	**63.422**	**-**	**1.691**
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)	**(117.186)**	**(16.719)**	**(47.188)**	**140**	**(1.691)**
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	**(117.667)**	**(17.019)**	**(47.211)**	**140**	**(1.691)**
22. Total fair value of financial instruments used to manage the foreign currency position	-	-	-	-	-
23. Export	**18.142**	**10.372**	**1.221**	**-**	**-**
24. Import	**233.139**	**53.438**	**76.283**	**79**	**2.400**

(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)

31.12.2009	TRL Equivalent (Functional currency)	Thousand USD	Thousand EUR	Thousand GBP	Thousand JPY
1. Trade receivables	11.402	6.693	613	-	-
2a. Monetary financial assets (cash and cash equivalents included)	21.876	62	10.041	38	-
2b. Non - monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets (1+2+3)	33.278	6.755	10.654	38	-
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non - monetary financial assets	-	-	-	-	-
7. Other	435	280	6	-	-
8. Non - current assets (5+6+7)	435	280	6	-	-
9. Total assets (4+8)	33.713	7.035	10.660	38	-
10. Trade payables	2.688	891	88	7	69.927
11. Short - term borrowings and current portion of long - term borrowings	127.590	21.886	43.807	-	-
12a. Monetary other liabilities	41	20	5	-	-
12b. Non - monetary other liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	130.319	22.797	43.900	7	69.927
14. Trade payables	238	19	46	46	-
15. Long - term borrowings	24.522	-	11.351	-	-
16 a. Monetary other liabilities	339	225	-	-	-
16 b. Non - monetary other liabilities	-	-	-	-	-
17. Non - current liabilities (14+15+16)	25.099	244	11.397	46	-
18. Total liabilities (13+17)	155.418	23.041	55.297	53	69.927
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)	(121.705)	(16.006)	(44.637)	(15)	(69.927)
21. Monetary items net foreign currency asset / (liability) position position (=1+2a+5+6a-10-11-12a-14-15-16a)	(122.140)	(16.286)	(44.643)	(15)	(69.927)
22. Total fair value of financial instruments used to manage the foreign currency position	-	-	-	-	-
23. Export	25.155	14.172	1.504	-	-
24. Import	396.055	114.112	101.909	96	3.120

(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	
	September 30, 2010	
	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	**(2.426)**	**2.426**
2- USD denominated hedging instruments(-)	**-**	**-**
3- Net effect in USD (1+2)	**(2.426)**	**2.426**
Change in the EUR against TRL by 10% +/-:		
4- Euro denominated net asset / liability	**(9.322)**	**9.322**
5- Euro denominated hedging instruments(-)	**-**	**-**
6- Net effect in Euro (4+5)	**(9.322)**	**9.322**
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset / liability	**29**	**(29)**
8- Other foreign currency hedging instruments(-)	**-**	**-**
9- Net effect in other foreign currency (7+8)	**29**	**(29)**
TOTAL (3+6+9)	**(11.719)**	**(11.719)**

	Foreign currency position sensitivity analysis	
	December 31, 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	(2.410)	2.410
2- USD denominated hedging instruments(-)	-	-
3- Net effect in USD (1+2)	(2.410)	2.410
Change in the EUR against TRL by 10% +/-:		
4- Euro denominated net asset / liability	(9.643)	9.643
5- Euro denominated hedging instruments(-)	-	-
6- Net effect in Euro (4+5)	(9.643)	9.643
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset / liability	(118)	118
8- Other foreign currency hedging instruments(-)	-	-
9- Net effect in other foreign currency (7+8)	(118)	118
TOTAL (3+6+9)	(12.171)	12.171

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

Antek Teknoloji which is a 100% subsidiary of AEH, a subsidiary of the Company, will start the marketing and sales of Hisense brand TVs in Turkey, following the press conference held October 27, 2010 with the participation representatives from Antek Teknoloji and Hisense International (HK) Co. Ltd, one of the leading TV manufacturers of China.

On the other hand, as announced on December 14, 2009 Anadolu Elektronik which is again a subsidiary of AEH, had been supplying Samsung products from Samsung Electronics İstanbul Pazarlama ve Ticaret Limited Şirketi ("Samsung Electronics") and selling them through non-chain retail points and Anadolu Elektronik's exclusive sales stores since the start of 2010. In the current situation, Anadolu Elektronik and Samsung Electronics have reached an agreement as of October 26, 2010, regarding Anadolu Elektronik's ending of sales of Samsung products.

Yazıcılar has been assigned Corporate Governance Rating of 8,04 out of 10 by SAHA Corporate Governance and Credit Rating Services Inc. (SAHA), one of the companies which has been certified by CMB to perform Corporate Governance Rating assessment.

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

40. SUBSEQUENT EVENTS (cont'd)

The breakdown of the rating in terms of principal rating areas is as follows;

Principal rating areas	Weight	Score
Shareholders	25%	79,78
Public disclosure and transparency	35%	87,88
Stakeholders	15%	91,66
Board of directors	25%	63,94
TOTAL	100%	80,44

The rating of 8,04 implies that Yazıcılar complies with the requirements of CMB's Corporate Governance Principles at an important degree and has implemented most of the related policies and procedures in its systems.

A copy of the rating report by SAHA will be available at www.yazicilarholding.com.

In October 2010, Anadolu Efes, an associate of the Company, as a result of holding over 95% of the outstanding issued share capital of EBI, a subsidiary of Anadolu Efes, concluded squeeze-out procedure in accordance with article 2:92a of the Dutch Civil Code before the Enterprise Chamber of the Court of Appeals in Amsterdam, the Netherlands (Enterprise Chamber) to acquire the remaining EBI shares. On October 12, 2010, the Enterprise Chamber rendered a judgement ordering the transfer of 162.615 shares in the capital of EBI, representing approximately 0,08% of the entire issued share capital of EBI, held by The Bank of New York Mellon to the Company, setting the price of the shares to be transferred at USD 3,40 per share. Following the ordered transfer, the Company holds 100% of the outstanding issued share capital of EBI.

41. OTHER ISSUES

41.1 Reserve Deposits at Central Bank

	September 30, 2010	December 31, 2009
Reserve deposits at Central Bank		
- Foreign currency	**95.089**	69.942
	95.089	69.942

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 September 30, 2010 and December 31, 2009, reserve deposit requirements applicable in Turkey for TRL liabilities is 5,50% and for foreign currency liabilites is 11,00% (December 31, 2009: 5,00% and 9,00%).

As of September 30, 2010, the interest rates applied for TRL reserve deposits is 5,00% whereas none for foreign currency reserve deposits (December 31, 2009: 5,20% and none).

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

41. OTHER ISSUES (cont'd)

41.2 Banking Loans

	September 30, 2010	December 31, 2009
Corporate loans	**1.326.114**	1.465.793
Small business loans	**1.593.412**	1.179.381
Consumer loans	**12.061**	4.235
Other	**5.137**	6.152
Total performing loans	**2.936.724**	2.655.561
Non performing loans	**224.825**	192.677
Allowance for individually impaired loans (-)	**(99.832)**	(114.786)
Allowance for collectively impaired loans (-)	**(32.993)**	(16.873)
	3.028.724	2.716.579

	September 30, 2010						
	Amount				**Effective interest rate %**		
	TRL	**Foreign Currency**	**Foreign Currency Indexed**	**Total**	**TRL**	**Foreign Currency**	**Foreign Currency Indexed**
Corporate loans (*)	**735.443**	**287.846**	**302.825**	**1.326.114**	**12,1**	**5,7**	**5,9**
Small business loans	**1.093.180**	**196.438**	**303.794**	**1.593.412**	**12,5**	**6,0**	**7,2**
Consumer loans	**12.048**	**-**	**13**	**12.061**	**16,4**	**-**	**9,1**
Other	**5.137**	**-**	**-**	**5.137**	**12,2**	**-**	**-**
Total performing loans	**1.845.808**	**484.284**	**606.632**	**2.936.724**			

	December 31, 2009						
	Amount				Effective interest rate %		
	TRL	Foreign Currency	Foreign Currency Indexed	Total	TRL	Foreign Currency	Foreign Currency Indexed
Corporate loans (*)	921.158	274.219	270.416	1.465.793	11,7	6,7	7,1
Small business loans	729.644	172.296	277.441	1.179.381	15,5	6,9	8,1
Consumer loans	2.971	-	1.264	4.235	29,2	-	7,8
Other	6.152	-	-	6.152	13,9	-	-
Total performing loans	1.659.925	446.515	549.121	2.655.561			

(*) Corporate loans also include restructured loans which amount to TRL 29.266 (December 31, 2009: TRL 31.641).

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

41. OTHER ISSUES (cont'd)

41.2 Banking Loans (cont'd)

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

	September 30, 2010	September 30, 2009
Balance at January 1	**142.565**	73.660
Charge for the allowance for probable losses	**10.531**	67.436
Collections (-)	**(20.271)**	(25.685)
Amount written off and sold during the period (-)	**-**	(850)
Balance at the end of the period	**132.825**	114.561

ABank has classified restructured loans separately that have been restructured through medium to long-term agreements signed by related borrowers. As of September 30, 2010, interest accrued on the restructured loans amounted to TRL 4.238 (December 31, 2009: TRL 2.559).

As of September 30, 2010, allowance for impaired loans also includes allowance provided for a portfolio amounting to TRL 32.994 (December 31, 2009: TRL 27.779).

As of September 30, 2010, loans and advances on which interest is not being accrued or where interest is suspended amounted to TRL 224.827 (December 31, 2009: 192.677).

The TRL 2.644.571 amount of Banking Loans covers (December 31, 2009: TRL 2.420.744) current loans and TRL 384.153 amount covers (December 31, 2009: TRL 295.835) non-current loans.

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

41. OTHER ISSUES (cont'd)

41.3 Banking Customers' Deposits

	September 30, 2010	December 31, 2009
Deposits from other banks	**29.088**	53.422
Customers' deposits	**2.290.037**	2.374.063
Other money market deposits	**310.867**	101.416
	2.629.992	2.528.901

Deposits from other banks

	September 30, 2010				December 31, 2009			
	Amount		**Effective interest rate %**		Amount		Effective interest rate %	
	TRL	**Foreign currency**	**TRL**	**Foreign currency**	TRL	Foreign Currency	TRL	Foreign currency
Demand deposit	**48**	**478**	**-**	**-**	11	2.701	-	-
Time deposit	**7.084**	**21.478**	**7,20**	**0,28**	1.020	49.690	8,40	0,43
	7.132	**21.956**			1.031	52.391		

Customers' deposits

	September 30, 2010				December 31, 2009			
	Amount		**Effective interest rate %**		Amount		Effective interest rate %	
	TRL	**Foreign currency**	**TRL**	**Foreign currency**	TRL	Foreign currency	TRL	Foreign currency
Saving								
Demand	**16.571**	**15.496**	**-**	**-**	16.036	21.848	-	-
Time	**916.618**	**477.815**	**9,42**	**3,18**	873.458	434.301	10,43	3,10
	933.189	**493.311**			889.494	456.149		
Commercial and other								
Demand	**102.631**	**83.999**	**-**	**-**	105.163	66.586	-	-
Time	**360.980**	**315.927**	**8,05**	**2,96**	463.602	393.069	8,98	2,91
	463.611	**399.926**			568.765	459.655		
	1.396.800	**893.237**			1.458.259	915.804		

Other money market deposits

	September 30, 2010				December 31, 2009			
	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	**9.455**	**-**	**5,70**	**-**	15.652	-	5,70	-
-Due to banks	**294.982**	**-**	**6,25**	**-**	78.166	-	6,61	-
	304.437				93.818	-		
Interbank deposits	**6.430**	**-**	**6,29**	**-**	7.598	-	6,68	-
	310.867				101.416	-		

TRL 2.629.992 is the current portion of deposits (December 31, 2009: TRL 2.528.901). There is no non-current portion of deposits as of September 30, 2010 (December 31, 2009: None).

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

41. OTHER ISSUES (cont'd)

41.4 Funds Borrowed

	September 30, 2010				December 31, 2009			
	Amount		**Effective interest rate %**		Amount		Effective interest rate %	
	TRL	**Foreign currency**	**TRL**	**Foreign currency**	TRL	Foreign currency	TRL	Foreign currency
Short-term	**43.105**	**644.673**			44.016	416.304		
Fixed interest	**43.105**	**222.196**	**7,30-8,27**	**2,71-3,65**	38.707	244.619	10,43	3,66-12,64
Floating interest	**-**	**422.477**	**-**	**1,98-4,70**	5.309	171.685	7,10-7,20	2,21-10,30
Medium-long term	**1.840**	**175.124**			-	180.736		
Fixed interest	**1.840**	**64.236**	**-**	**2,99-3,75**	-	35.943	-	2,75-6,30
Floating interest	**-**	**110.888**	**-**	**2,41-3,03**	-	144.793	-	2,21-4,85
	44.945	**819.797**			44.016	597.040		
Total funds borrowed	**864.742**				641.056			

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

	September 30, 2010		December 31, 2009	
	Fixed rate	**Floating rate**	Fixed rate	Floating rate
2010	**884**	**-**	2.838	-
2011	**3.764**	**3.226**	29.645	38.183
2012	**47.855**	**39.523**	-	54.133
2013 and thereafter	**13.575**	**68.137**	3.460	52.477
	66.078	**110.886**	35.943	144.793

There is no letters of guarantee denominated in foreign currency given to the lending institutions as collateral against the loans obtained (December 31, 2009: None).

TRL amount of 687.778 funds borrowed covers (December 31, 2009: TRL 460.320) current funds borrowed and TRL 176.964 amount covers (December 31, 2009: TRL 180.736) non-current funds borrowed.

41.5 Derivative Financial Instruments

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.

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.

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

41. OTHER ISSUES (cont'd)

41.5 Derivative Financial Instruments (cont'd)

	September 30, 2010								
	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	**2.048**	**1.171**	**105.338**	**37.455**	**53.325**	**11.050**	**3.508**	**-**	**-**
Forward sale contract	**234**	**740**	**105.377**	**37.511**	**53.235**	**10.988**	**3.643**	**-**	**-**
Currency swap purchase	**2.269**	**172**	**545.202**	**405.401**	**135.850**	**3.951**	**-**	**-**	**-**
Currency swap sale	**164**	**19.559**	**549.028**	**402.193**	**143.232**	**3.603**	**-**	**-**	**-**
Futures purchase	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Futures sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Buy option	**2.457**	**2.472**	**609.206**	**447.481**	**94.587**	**52.326**	**14.812**	**-**	**-**
Sell option	**2.172**	**2.452**	**608.878**	**447.161**	**94.582**	**52.325**	**14.811**	**-**	**-**
Interest swap purchase	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interest swap sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interest purchase options	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interest sale options	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	9.344	**26.566**	**2.523.029**	**1.777.202**	**574.811**	**134.243**	**36.774**	**-**	**-**

	December 31, 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	34	15	20.691	5.763	8.093	5.597	1.238	-	-
Forward sale contract	-	724	21.617	5.888	8.477	5.910	1.342	-	-
Currency swap purchase	145	465	283.610	223.381	60.229	-	-	-	-
Currency swap sale	4.871	5.074	266.088	209.318	56.770	-	-	-	-
Futures purchase	-	-	-	-	-	-	-	-	-
Futures sale	-	-	-	-	-	-	-	-	-
Buy option	319	1.863	175.310	88.940	64.677	15.182	6.511	-	-
Sell option	1.868	266	176.909	88.912	64.833	16.653	6.511	-	-
Interest swap purchase	-	-	-	-	-	-	-	-	-
Interest swap sale	-	-	-	-	-	-	-	-	-
Interest purchase options	-	-	-	-	-	-	-	-	-
Interest sale options	-	280	15.600	-	-	15.600	-	-	-
	7.237	8.687	959.825	622.202	263.079	58.942	15.602	-	-