İhlas Gazetecilik Anonim Şirketi

Financial Statements and Independent Auditor's Report for the Accounting Year January 1 - December 31, 2010

PÜR BAĞIMSIZ DENETİM
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Independent Auditor's Report
of İhlas Gazetecilik A.Ş.
for the Accounting Period January 01 - December 31, 2010

To the Board of Directors of İhlas Gazetecilik Anonim Şirketi,
We have audited the following documents regarding İhlas Gazetecilik A.Ş. (the "Company") which were included in the appendix: table of financial conditions (balance sheet) prepared as of December 31, 2010, comprehensive income statement for the year ending on the same date, statement of changes in equity, cash flow statement, summary of significant accounting policies and the footnotes.

Liability of the Company Management Regarding Financial Statements
The Company Management is responsible for preparation and accurate presentation of financial statements in accordance with the financial reporting standards published by the Capital Markets Board. This responsibility includes design, implementation and continuation of the necessary internal control system, estimating the accounting required by conditions and selecting the appropriate accounting policies in order to ensure that financial statements reflect the truth in an honest way and that they are prepared in a manner that does not contain any significant errors derived from mistakes and / or fraud or misconduct.

Responsibility of the Independent Auditing Company
Our responsibility is to express our opinion on these financial statements, based on the independent audit we conduct. Our independent audit has been conducted in accordance with independent auditing standards published by the Capital Markets Board. These standards require compliance with ethical principles, as well as ensuring that the independent audit was planned and executed in a way that ensures a reasonable amount of assurance over whether or not the financial statements reflect the truth in an accurate and honest way.

Our independent audit includes the use of independent auditing techniques in order to gather independent audit evidence regarding the amounts and footnotes included in financial statements. The selection of the independent audit techniques to be used was made according to our professional opinions in a manner that also includes a risk assessment on whether or not the financial statements contain any significant errors derived from mistakes and / or fraud and misconduct. In this risk assessment, the entity's internal control system was also taken into consideration. However, our aim is not to state an opinion on the effectiveness of the internal control system. It is to reveal the relationship between the financial statements prepared by the management of the Company and the internal control system to design the independent auditing techniques in accordance with the conditions. Our independent audit also includes an assessment over the conformity of an aggregate presentation, consisting of accounting policies adopted by and significant accounting estimates made by the Company management and the financial statements.

We believe that the independent auditing evidence we have obtained, make an adequate and appropriate basis in the composing of our opinion.

Opinion
In our opinion, the enclosed financial statements accurately and honestly reflect İhlas Gazetecilik A.Ş.'s financial condition as of December 31, 2010, the Company's financial performance and cash flows regarding the year that ends on the same date, within the framework of financial reporting standards published by the Capital Markets Board.

Although it does not affect our opinion, we would like to draw attention to the following matter:
The Company's financial statements dated December 31, 2009 are presented as a comparison to the financial statements dated December 31, 2010 and are also enclosed. The financial statements in question were audited by another independent auditing company and a favorable opinion was reported.

Istanbul, February 22, 2011

Responsible Partner Chief Auditor
ŞÜKRÜ YAVUZ
PÜR BAĞIMSIZ DENETİM YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.

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As of December 31, 2010 and December 31, 2009

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	Footnote References	Independently Audited 31.12.2010	Audited 31.12.2009
ASSETS			
Current Assets		**70,353,511**	**92,555,805**
Cash and Cash Equivalents	6	6,068,379	6,829,951
Financial Investments	7	-	-
Trade Receivables	10	51,638,270	67,821,283
- Trade Receivables from Related Parties	10	8,026,380	8,993,499
- Other Trade Receivables	10	43,611,890	58,827,784
Receivables from Finance Sector Operations	12	-	-
Other Receivables	11	5,200	5,200
Inventories	13	6,424,827	3,479,369
Live Assets	14	-	-
Other Current Assets	26	6,216,835	14,420,002
(Sub Total)		70,353,511	92,555,805
Fixed Assets Held-for Sale	34	-	-
Fixed Assets		**174,298,523**	**152,887,354**
Trade Receivables	10	-	-
Receivables from Finance Sector Operations	12	-	-
Other Receivables	11	1,728	1,728
Financial Investments	7	-	-
Investment by Equity Method	16	-	-
Live Assets	14	-	-
Real Estate Held-for-Investment	17	72,418,658	56,228,289
Tangible Assets	18	34,600,981	15,108,996
Intangible Assets	19	56,125,860	51,876,165
Goodwill	20	-	-
Deferred Tax Liabilities	35	11,125,498	11,282,796
Other Non-Current Assets	26	25,798	18,389,380
TOTAL ASSETS		**244,652,034**	**245,443,159**

The accompanying footnotes form an integral part of the consolidated financial statements.

İhlas Gazetecilik A.Ş.

Financial Position Statements (Balance Sheets)
As of December 31, 2010 and December 31, 2009

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	Footnote References	Independently Audited 31.12.2010	Audited 31.12.2009
LIABILITIES			
Short-Term Liabilities		**10,881,732**	**21,643,642**
Financial Debts	8	2,456,101	2,341,189
Other Financial Liabilities	9	969,000	3,060,828
Trade Payables	10	3,544,309	13,065,553
- Trade Payables to Related Parties	10	113,674	2,057,496
- Other Trade Liabilities	10	3,430,635	11,008,057
Other Liabilities	11	969,779	843,022
Debts from Financial Sector Operations	12	-	-
Government Promotion and Aid	21	-	-
Tax Liability Profit for the Period	35	423,368	199,746
Provision of Debt	22-23	57,700	5,000
Other Short-Term Liabilities	26	2,461,475	2,128,304
(Sub Total)		10,881,732	21,643,642
Liabilities Related to Fixed Assets Held-for-Sale	34	-	-
Long-Term Liabilities		**26,342,437**	**22,988,073**
Financial Debt	8	1,760,230	665,500
Other Financial Liabilities	9	-	-
Trade Payables	10	-	-
Other Liabilities	11	-	-
Debts from Financial Sector Operations			
Financial Lease Payables	12	-	-
Government Promotion and Aid	21	-	-
Provision of Debt	22-23	236,180	201,480
Allowances Related to Extended Benefit to Employees	24	5,619,625	2,789,663
Deferred Tax Liability	35	18,726,402	19,328,548
Other Long-Term Liabilities	26	-	2,882
SHAREHOLDERS' EQUITY		**207,427,865**	**200,811,444**
Ödenmiş Paid-in Capital	27	80,000,000	79,520,016
Capital Correction Discrimination	27	78,494,868	78,494,868
Opposite Affiliate Capital Correction (-)		-	-
Share Premiums		-	-
Value Increase Funds		-	-
FX Conversion Differences		-	-
Restricted Reserves Derived from Profit	27	957,185	957,185
Profit / Loss for the Previous Period	27	41,839,375	25,712,098
Net Profit / Loss for the Period	36	6,136,437	16,127,277
TOTAL LIABILITIES		**244,652,034**	**245,443,159**

The accompanying footnotes form an integral part of the consolidated financial statements.

İhlas Gazetecilik A.Ş.

Comprehensive Income Statements

As of January 1 - December 31, 20010 and January 1 - December 31, 2009

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	Footnote References	Independently Audited 01.01.2010 31.12.2010	Audited 01.01.2009 31.12.2009
CONTINUING OPERATIONS			
Income from Sales	28	70,744,084	87,028,060
Cost of Goods Sold (-)	28	(58,655,538)	(69,295,819)
Gross Profit / (Loss) from Trade Activities		**12,088,546**	**17,732,241**
Interest, Fee, Premium, Commission and Other Income	28	-	-
Interest, Fee, Premium, Commission and Other Expenses (-)	28	-	-
Gross Profit / (Loss) from Financial Sector Activities		**-**	**-**
GROSS PROFIT / (LOSS		**12,088,546**	**17,732,241**
Marketing Sales and Distribution Expenses (-)	29	(5,037,280)	(2,951,895)
General Administration Expenses (-)	29	(12,066,527)	(6,733,413)
Research and Development Expenses (-)	29	-	-
Other Operating Income	31	6,928,297	1,920,298
Other Operating Expenses (-)	31	(288,940)	(547,552)
OPERATING PROFIT / (LOSS)		1,624,096	9,419,679
Shares of Investments Evaluated by Equity Method in Profit / (Loss)	16	-	-
Financial Income	32	9,207,384	14,725,862
Financial Expenses (-)	33	(3,242,255)	(4,409,649)
PRE-TAX PROFIT / (LOSS) OF CONTINUING OPERATIONS		**7,589,225**	**19,735,892**
Shares of Investments Evaluated by Equity Method in Profit / (Loss)		**(1,452,788)**	**(3,608,615)**
- Tax Income / (Expense) of the Period	35	(1,897,636)	(199,746)
- Deferred Tax Income / (Expense)	35	444,848	(3,408,869)
PROFIT / (LOSS) OF CONTINUING OPERATIONS	**36**	**6,136,437**	**16,127,277**
CEASED OPERATIONS			
After Tax Profit / (Loss) of Ceased Operations	**34**	**-**	**-**
PROFIT / (LOSS) FOR THE PERIOD		**6,136,437**	**16,127,277**
Earnings / (Loss) per Share	**36**	**0.08**	**0.20**
Earnings / (Loss) per Share from Continuing Operations	**36**	**0.08**	**0.20**

The accompanying footnotes form an integral part of the consolidated financial statements.

İhlas Gazetecilik A.Ş.

Comprehensive Income Statements

As of January 1 - December 31, 20010 and January 1 - December 31, 2009

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	Footnote References	Independently Audited 01.01.2010 31.12.2010	Audited 01.01.2009 31.12.2009
PROFIT / LOSS FOR THE PERIOD	**36**	**6,136,437**	**16,127,277**
OTHER COMPREHENSIVE PROFIT			
Change in Financial Assets Value Increase Fund		-	-
Change in Fixed Assets Value Increase Fund		-	-
Change in the Fund of Protection from Financial Risk		-	-
Change in Foreign Currency Conversion Difference		-	-
Actuarial Gains and Loss in Pension Plans		-	-
Shares of Partnerships, Valued with Equity Method, in Other Comprehensive Income		-	-
Tax Income / Expenditure(s) Related with Other Comprehensive Income Items		-	-
OTHER COMPREHENSIVE INCOME (AFTER TAX)		**-**	**-**
TOTAL COMPREHENSIVE INCOME	**36**	**6,136,437**	**16,127,277**

The accompanying footnotes form an integral part of the consolidated financial statements.

İhlas Gazetecilik A.Ş.

Statement of Changes in Shareholders' Equity as of January 1 - December 31, 2010 and January 1 - December 31, 2009

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	Footnote References	Paid-in Capital	Capital Correction Differences	Restricted Reserves Derived from Profit	Profit / (Loss) for the Previous Year	Net Profit / (Loss) for the Period	Total Shareholders' Equity
January 01, 2010		**79,520,016**	**78,494,868**	**957,185**	**25,712,098**	**16,127,277**	**200,811,444**
Capital Payment	27	479,984	-	-	-	-	479,984
Transfers	27	-	-	-	16,127,277	(16,127,277)	-
Net Profit / (Loss) for the Period	36	-	-	-	-	6,136,437	6,136,437
December 31, 2010		**80,000,000**	**78,494,868**	**957,185**	**41,839,375**	**6,136,437**	**207,427,865**

	Footnote References	Paid-in Capital	Capital Correction Differences	Restricted Reserves Derived from Profit	Value Increase Fund	Profit / (Loss) for the Previous Year	Net Profit / (Loss) for the Period	Total Shareholders' Equity
January 01, 2009		**74,773,500**	**78,494,868**	**957,185**	**324,141**	**(4,027,372)**	**29,415,329**	**179,937,651**
Capital Increase - Cash Payment	27	746,516	-	-	-	-	-	746,516
Capital Increase - no. 5811 Assets Peace	27	4,000,000	-	-	-	-	-	4,000,000
Transfers	27	-	-	-	-	29,415,329	(29,415,329)	-
Net Profit / (Loss) for the Period	36	-	-	-	-	-	16,127,277	16,127,277
Revaluation of Fixed Assets	27	-	-	-	(324,141)	324,141	-	-
December 31, 2009		**79,520,016**	**78,494,868**	**957,185**	**-**	**25,712,098**	**16,127,277**	**200,811,444**

The accompanying footnotes form an integral part of the consolidated financial statements.

Cash Flow Statements

As of January 1 - December 31, 2010 and January 1 - December 31, 2009

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	Footnote References	Independently Audited 31.12.2010	Audited 31.12.2009
Cash flows from operating activities			
Net profit / (loss) for the period	36	6,136,437	16,127,277
Mutual agreement between cash flows from operating activities and net profit			
Depreciation	17, 18	6,913,305	9,322,513
Amortization and depletion allowance	19	165	8,865
Provisions for severance pay	24	3,459,826	1,428,407
Tax	35	1,452,788	3,608,615
Cancellation of brand impairment	31	(4,249,860)	-
Provision for law suits	31	132,400	55,000
Cancellation of law suits	31	(45,000)	-
Interest income	32	(1,378,120)	(1,273,892)
Interest expense	33	965,861	1,936,297
Profit / (loss) on fixed assets sold	31	(4,493)	(24,749)
Other income / (expenses) not requiring cash inflow / (outflow), net		-	(17,057)
Net operating profit before changes in operating assets and liabilities		**13,383,309**	**31,171,276**
Changes in assets and liabilities			
Changes in trade receivables	10	16,183,013	9,692,988
Changes in other receivables	11	-	1,899,520
Changes in inventories	13	(2,945,458)	3,245,031
Changes in other current assets	26	8,203,167	1,905,567
Changes in other fixed assets	26	18,389,380	14,175
Changes in trade payables	10	(9,521,244)	(24,984,185)
Changes in other debts	11	126,757	98,382
Changes in other short and long-term debts	26	330,289	(4,995,725)
Taxes paid	35	(1,674,014)	-
Paid severance pays	24	(629,864)	(603,631)
Net cash provided by operating activities (A)		**41,845,335**	**17,443,398**
Investment activities			
Tangible fixed asset and held-for-investment real estate purchases	17, 18	(42,809,128)	(956,800)
Intangible fixed assets purchases	19	-	-
Cash from fixed assets sales		217,962	4,526,077
Advances given for fixed assets	26	(25,798)	(18,375,000)
Net cash extended from investment activities (B)		**(42,616,964)**	**(14,805,723)**
Financial activities:			
Taken and paid Interest - net	32, 33	412,259	(662,405)
Capital payment	27	479,984	4,746,516
Changes in financial debt	8, 9	(882,186)	(309,731)
Net cash used in financial activities (C)		**10,057**	**3,774,380**
Net increase in cash and cash equivalents (D=A+B+C)		**(761,572)**	**6,412,055**
Outstanding balance of cash and cash equivalents at the beginning of the period (E)	**6**	**6,829,951**	**417,896**
Outstanding balance of cash and cash equivalents at the end of the period (D+E)	**6**	**6,068,379**	**6,829,951**

The accompanying footnotes form an integral part of the consolidated financial statements.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Note 1 - Organization and Line of Activity of the Company

The Company's line of activity consists of publishing and printing newspapers, magazines, books, encyclopedias, pamphlets and journals that are daily, weekly, monthly, shorter term, longer term or of uncertain frequency in Turkish and in foreign languages in addition to distributing, selling, delivering and marketing of these products.

The Company's number of personnel as of the dates indicated below is as follows;

December 31, 2010 : 486 personnel
December 31, 2009 : 480 personnel

The Company's headquarters is located at the address "29 Ekim Cad. No: 23 C Blok Kat: 4, Bahçelievler - Yenibosna / Istanbul". Information regarding the printing plants of the Company is as follows:

- Central Printing Facility: 29 Ekim Cad. No: 23 B4, Bahçelievler - Yenibosna - Istanbul
- Ankara Printing Facility: Samsun Yolu Demirciler Sitesi No: 68 Siteler Altındağ - Ankara
- Antalya Printing Facility: Yenigöl Mah. Serik Cad. No: 38 Altınova - Antalya
- Izmir Printing Facility: 1397 Sokak No: 3 Kahramanlar Konak - Izmir
- Adana Printing Facility: Ceyhan Yolu Üzeri 4 Km. No: 158 Yüreğir - Adana
- Trabzon Printing Facility: Organize Sanayi Bölgesi Arsin - Trabzon

The Company's partnership structure as of 31/12/2010 and 31/12/2009 is as follows:

	31.12.2010		31.12.2009	
Name / Title	**Share Ratio %**	**Share Amount (TL)**	**Share Ratio %**	**Share Amount (TL)**
İhlas Yayın Holding A.Ş.	56.55	45,239,706	59.55	47,639,706
Free Float	33.00	26,400,000	-	-
İhlas Holding A.Ş.	6.92	5,536,050	36.92	29,536,050
Enver Ören	2.02	1,615,514	2.02	1,615,514
İhlas Ev Aletleri İmalat Sanayi Ticaret A.Ş.	1.03	825,035	1.03	825,035
Other	0.48	383,695	0.48	383,695
Total	**100.00**	**80,000,000**	**100.00**	**80,000,000**
Capital Commitments (-)		-		(479,984)
Distinction from Share Capital Adjustments		78,494,868		78,494,868
Total		**158,494,868**		**158,014,884**

Company partners' application to the Capital Markets Board for the public offering of share stocks was registered with the date 27.05.2010 and number 40/382. In the meeting of the Board of Directors of the Directorate of Istanbul Stock Exchange dated 10.06.2010, it was decided that stock shares representing İhlas Gazetecilik A.Ş.'s capital of TL 80,000,000 would be listed on the Stock Exchange and as of 14/06/2010, their trading on the National Market would be commenced with the code "IHGZT". For the stock shares offered to the public with a nominal value of TL 26,400,000, a base price of TL 1.65 was set for each share with a nominal value of TL 1.

The distribution of the Company's preferential shares (Group A shares) according to the Company's Ordinary General Assembly Decision dated 21.04.2010 is as follows:

Name / Title of Shareholder	Bearer / Registered	Quantity	Amount
İhlas Yayın Holding A.Ş.	Bearer	6,000,000	6,000,000
İhlas Holding A.Ş.	Bearer	1,600,000	1,600,000
Enver Ören	Bearer	400,000	400,000
Total		**8,000,000**	**8,000,000**

Benefits Provided from Preferential Shares
If the General Assembly of the Company decides that the Board of Directors consist of 5 people, at least 4 of the Members of the Board of Directors are selected from among candidates nominated by group (A) shareholders. Similarly, at least 5 of the members are selected among those candidates if a board of 7 people is decided, at least 7 of the members are selected among those candidates if a board of 9 people is decided, and at least 9 of the members are selected among those candidates if a board of 11 people is decided.

If the General Assembly of the Company decides the number of comptrollers as one, this comptroller is selected among the candidates nominated by group (A) shareholders.

Similarly, at least two of the comptrollers are selected among those candidates if a comptroller number of three is decided upon.

(All amounts expressed in Turkish Lira (“TL”) unless mentioned otherwise.)

Note 2 - Principles Regarding the Presentation of Financial Statements

A. Basic Principles Regarding the Presentation

Declaration of Conformity
The Company keeps its accounting records and prepares its legal financial statements according to Uniform Chart of Accounts, Turkish Commercial Code and Turkish Tax Legislation, and in conformity with generally accepted accounting policies.

With the "Communiqué on Principles Regarding Financial Reporting in Capital Markets" Serial: XI, No. 29, the Capital Markets Board specifies the principles, procedures and guidelines regarding financial reports prepared by entities, their preparation methods and their presentation to the interested parties. This Communiqué was put into effect to cover the financial statements of the first interim that ends on January 1, 2008 and it was repealed with the Capital Markets Board's "Communiqué on Accounting Standards in Capital Markets" Serial: XI No. 25. Pursuant to Communiqué Serial: XI, No: 29, businesses apply International Accounting / Financial Reporting Standards (IAS / IFRS) endorsed by the European Union and they include the provision endorsed by the European Union for IAS / IFRS in the footnotes of their financial statements. Within this context, Turkish Accounting / Financial Reporting Standards (TAS / TFRS), which is not contrary to the adopted standards, published by the Turkish Accounting Standards Board (TASB) shall prevail. However, the IAS / IFRS will be in effect until the differences between the IAS / IFRS adopted by the European Union and those published by the International Accounting Standards Board (IASB) are announced by TASB.

The Company's financial statements and their attachments were prepared according to CMB's communiqué Serial: XI, No: 29; the financial statements and their footnotes were presented in compliance with the formats which were imposed as mandatory for implementation in CMB's announcement dated April 14, 2008.

In order to make fair measurements and presentations in accordance with IFRS, the financial statements of the Company are prepared to include revisions on legal records and re-classifications.

Comparative Information and Correction of Previous Year’s Financial Tables
In order to provide the opportunity to detect the financial status and performance trends, the Company's financial statements are prepared by including comparison with the previous period. When the representation or the classification of financial statement items are changed, financial statements of the prior period are re-classified accordingly to provide comparability.

In the event of the Company applying an accounting policy in a retrospective manner, a business adjusting the items of its financial statements in a retrospective manner, or making a re-classification on the items of its financial statements, it is required to present a minimum of a 3 period financial status statement (balance sheet), 2 period of statements for each of the other statements (comprehensive income statement, cash flow statement, changes in shareholders' equity statement), in addition to their related footnotes.

The Company makes the presentation of its financial status statements in the frequency defined by the periods below:

- as of the end of the current period,
- as of the end of the previous period, and
- as of the beginning of the earliest comparative period.

Explanation Regarding Inflation Accounting and the Currency Unit of Reporting
With the decision taken by the Capital Markets Board on March 17, 2005, it was announced that implementation of inflation accounting is no longer required for companies that operate in Turkey and prepare their financial statements in accordance with the CMB Financial Reporting Standards, as of January 1, 2005. Therefore, the IAS 29 "Financial Reporting in Hyper Inflationary Economies" published by the IASB was not implemented in the financial statements dated 31.12.2010 as of January 1, 2005.

The attached financial statements, including the financial statements dated December 31, 2010 and the financial data of the prior period to be used for comparative purposes, are prepared by using the currency unit Turkish Lira "TL".

As required by the standard IAS 21 "Effects of Changes in Foreign Exchange Rates", the Company records its foreign currency transactions in the functional currency unit with the amount that is calculated by applying the spot exchange rate between the foreign currency and the functional currency unit on the transaction date.

Closing exchange rates of foreign currencies published by the Central Bank of Turkey (CBT) on the dates December 31, 2010, and December 31, 2009, are listed below.

	Foreign Exchange Rates (TL / Foreign Exchange Unit Value)	
Foreign Exchange Type	**31.12.2010**	**31.12.2009**
US$	1.5460	1.5057
EURO	2.0491	2.1603
GBP	2.3886	2.3892
CHF	1.6438	1.4492
SEK	0.2262	0.2082

Net Settlement
Assets - liabilities and revenues - expenses are not deducted unless anticipated or allowed by the Standards or Comments. Assets and liabilities are displayed on a net basis in cases where a legal right is present, an intention to evaluate those assets and liabilities in question on a net basis is present, an acquisition of assets is subjected and where fulfillment of liabilities is taking place simultaneously. Presenting the assets in their net amounts, which is calculated after being deducted by the regulatory accounts such as provision for decrease in value of inventories and provision for doubtful receivables, is not a net settlement.

Explanation Concerning Individual Financial Statements
The Company's financial statements include a single company. Therefore, the attached financial statements include the individual financial statements.

B. Changes in Accounting Policies

Financial statement users should have the opportunity to compare an entity's financial statements over time, so that they can determine the entity's financial situation, performance and cash flow trends. Therefore, the same accounting policies are applied on each interim period and each accounting period.

The following conditions are not considered as changes in accounting policies:

- Implementation of an accounting policy on transactions or events which are different by nature when compared to previous transactions or events,
- Implementation of a new accounting policy on transactions or events which have not occurred before or were not of significance before.

As required by the principle of consistency, the Company implements the same accounting policies on all of the periods.

Implementation of International Financial Reporting Standards which are new and revised:
New standards, amendments and comments effective as of January 1, 2010:
New standards and amendments which do not have any effect on the Company's financial situation or its performance are as follows;

IFRS 1 (Amendment) "First time Implementation of IFRS" - Additional exclusions concerning the first implementation: The amendment has no effect on the Company's financial performance.

IFRS 2 (Amendment) "Share Based Payments" - Share based payment transactions that are paid in cash: The amendment has no effect on the Company's financial performance.

IFRS 3 (Amendment), "Entity Mergers" and IAS 27 (Amendment), "Consolidated and Unconsolidated Financial Statements"

IAS 39 (Amendment), "Financial Instruments: Recognition and Measurement" - Instruments with proper protection: The amendment has no effect on the Company's financial performance.

IFRIC 17, "Distribution of Non-Cash Assets to Shareholders": The amendment has no effect on the Company's financial performance.

Improvements in IFRS (published in 2008): The improvements have no effect on the Company's financial performance.

Improvements in IFRS (published in 2009): The improvements have no effect on the Company's financial performance.

The new standard, amendment and comments which will be valid after the date of December 31, 2010 (these changes have not yet been accepted by the European Union):
IFRIC 9 "Reassessment of Embedded Derivatives" (to be valid for accounting periods which begin on January 1, 2013, or later): The amendment has no effect on the Company's financial performance.

IFRS 9 'Brings new conditions related to the classification and measurement of financial assets. The Company is in a process of evaluation regarding the effect of the comment in question.

IAS 24 (Revision) "Related Party Explanations" (to be valid for the accounting periods which begin on January 1, 2011, or later): The Company will implement the revision in question on the footnotes of the accounting period which begins on January 1, 2011.

IAS 32 (Amendment) "Classification of Share Issues"
The amendment made on IAS 32 is applied for recognition of an issuer's shares that are denominated in a currency unit other than the functional currency unit. The amendment has no effect on the Company's financial performance.

IFRIC 14 (Amendment) "Reimbursement of Minimum Funding Conditions" (to be valid for accounting periods which begin on January 1, 2011, or later. An early implementation is permitted); this amendment solves the problem of entities not being able to perform recognition of some payments, which they perform voluntarily in advance to provide minimum funding requirements, as assets. The amendment has no effect on the Company's financial performance.

IFRIC 19 "Elimination of Financial Liabilities through Capital Instruments"
IFRIC 19 only indicates the recognition to be implemented by entities which issue capital instruments to eliminate a financial liability completely or partially. The comment has no effect on the Company's financial performance.

IFRS 1 (Amendment) - Limited exemption for the comparative IFRS 7 notes (to be valid for the accounting periods which begin on July 1, 2010, or later. However, an early implementation is permitted): The amendment does not affect the Company's financial statements.

Improvements in IFRS (published in May 2010):
The International Accounting Standards Board has published 11 amendments concerning 7 standards in May 2010.
Revised standards are as follows:

IFRS 1: Changes in accounting policies during the first years of implementation
IFRS 1: Basis of revaluation as an estimated cost
IFRS 1: The estimated use of cost for operations subjected to rate regulation
IFRS 3: Transitional provisions regarding conditional fees arising from entity mergers that have occurred before the date on which the revised IFRS was put into effect.
IFRS 3: The measurement of shares without any control power
IFRS 3: Awards regarding share based payments that are either unchangeable or voluntarily changeable
IFRS 7: Clarification in the footnotes
IAS 1: Clarification in the statement of changes in equity
IAS 27: Transitional provisions for the improvements in the standard IAS 27 "Consolidated and Solo Financial Statements"
IAS 34: Important events and transactions
IFRIC 13: The fair value of gift points

The Company is of the opinion that implementation of the Standards and Comments above will not constitute a significant impact on the Company's financial statements in the future periods.

C. Revisions and Errors in the Accounting Estimates

Revisions and errors in the accounting estimates refer to corrections that are required due to changes in the amount of periodical usage which is caused by the determination of the book value of an asset, a foreign source or their current status and the evaluation of their benefits or liabilities expected in the future. Revisions in the accounting estimates are caused by new information or a new development. Therefore, it does not mean the correction of errors.

During the preparation of financial statements according to IFRS, the Company management is required to make some estimates and assumptions which would affect the reported active and passive amounts, and the explanations concerning possible assets and liabilities as of the date of the balance sheet. Actual results may vary from the estimates and assumptions.

Significant changes in accounting policies, and significant accounting errors detected, are applied in a retrospective manner and financial statements of the prior period are re-issued. If the revisions in the accounting estimates relate to a single period, they are applied on the current period in which the change occurs. However, if the revisions in the accounting estimates relate to future periods, they are applied both on the current period in which the change occurs and on the subsequent period in a prospective manner.

D. Summary of Significant Accounting Policies

Cash and Cash Equivalents
Cash and cash equivalents include cash assets in the cash account as well as cash money and time deposits in the banks, to be presented in the cash flow statement. Cash and cash equivalent values are shown with the sum of acquisition costs and their accrued interests. As required by the communiqué with Serial: XI, No. 29, financial investments with a maturity of less than three months are reported in the cash and cash equivalents group.

Financial Investments
Financial investments are classified into three groups which are financial assets with trading purposes (their fair value difference is recognized in the income statement), financial investments to be held until maturity, and financial investments that are available for sale.

During the initial recognition of financial investments, which have a fair value difference that has not been reflected to the profit or the loss, the transaction costs, which can be directly linked to the acquisition of the related financial asset, are added to the fair value in question.

Financial assets with trading purposes are composed of banks with a maturity longer than three months, and marketable securities which are either obtained for generating profit from short-term market fluctuations in prices or similar elements, or are part of a portfolio that is for generating profit in a short period of time regardless of the cause of acquisition. During their initial recognition, the financial assets with trading purposes are measured by their fair values. Transaction costs regarding the acquisition of the related financial asset are added to its fair value and they are subjected to valuation with their fair values in the periods following their recognition. Gains and losses calculated as a result of the valuation are included in the profit / loss accounts. Trading purpose financial investments without an active market are shown by their cost price in the subsequent periods. Interests earned during the possession of marketable securities with trading purposes are firstly shown in the interest income and the dividend income derived from received profit shares. The purchasing and sales transactions of marketable securities with trading purposes are included to and excluded from the records according to their "delivery date".

Investments to be held until maturity are the financial investments which the entity has the intention and opportunity to hold onto until their maturity. These investments include payments of fixed or determinable nature and a fixed maturity date. Financial investments to be held until maturity are shown from their amortized cost price calculated by using the effective interest method in the periods following their recognition. Gains and losses calculated as a result of the valuation are included in the profit / loss accounts.

The effective interest method is a method which includes calculating the amortized costs of financial assets (or a group of financial assets) and distributing the related interest income or expenses to the associated period. The effective interest rate is the rate that exactly reduces the financial instruments' estimated cash payments and collections in the future (through the expected life or for a shorter period of time if applicable) to the net book value of the associated financial asset or liability.

Financial investments available for sale are financial investments which are defined as available for sale and are not classified as financial investments to be held until maturity or financial investments that are reflected on the profit or loss. If an active market is present, the financial investments available for sale are evaluated over their fair value. All the gains and losses that result from the performed evaluation are shown as part of the equity, until the time the asset in question is sold. However, if an active market is not present, it is evaluated over its cost price.

Trade Receivables
Trade receivables arising from forward sales are evaluated from their amortized costs by using the effective interest method. If the effect of the interest accrued is insignificant, trade receivables without a specified interest rate are evaluated by regarding the invoice amount as a basis.

If the effective interest rates of trade receivables are unknown, a precedent interest rate is taken as a basis. A precedent interest rate is determined depending on the maturity of the trade receivable, which is followed by calculating an effective interest rate and the effective interest rate is used in the discounting process.

Promissory notes and post-dated checks are classified as trade receivables. They are subjected to re-discounting and their reduced value (amortized cost values), which is calculated through the use of the effective interest rate method, is used when reporting.

According to the standard "IAS 39 Financial Instruments: Recognition and Measurement", the difference between the nominal amount of trade receivables and their amortized value is recognized as an interest expense.

Provisions for doubtful receivables are recognized as expenses. The provision is the amount that is reckoned to compensate possible losses estimated by the Company management. These losses may arise from either economic conditions or the risk carried by the account due to its nature. There are various indicators when evaluating whether or not a receivable is a doubtful receivable. These indicators are as follows:

a) Data regarding the presence of receivables in previous years which could not be collected,
b) The debtor's ability to pay,
c) Extraordinary circumstances arising in the sector in which the Company operates, and in the current economic environment.

As a requirement of the standard IAS 1 "Presentation of Financial Statements", trade receivables are classified as short-term, even if they are going to be collected in a period of time that is longer than twelve months from the balance sheet date. This is because they are a part of the business capital used by the entity within the normal operating period.

Inventories
When evaluating the inventories either the cost or the net realizable value is taken as a basis, depending on which of the two is the lower. The cost of inventories includes all purchasing costs, conversion costs and other costs incurred for bringing the inventories to their current condition and location. Unit cost of inventories is determined by the moving weighted average method. The distribution of fixed production overheads over the conversion costs are based on the assumption that production activities would be at the normal capacity. Normal capacity is the average amount of production which is expected to be obtained under normal conditions in a period, more than one period, or seasons. It is determined by taking into consideration capacity reductions arising from planned maintenance and repair work. If actual production levels are close to the normal capacity, then this capacity is accepted as the normal capacity.

The net realizable value is the amount calculated by adding the estimated cost of completion and the estimated cost of sales required to perform the sale, and then deducting this sum from the estimated selling price in the ordinary course of business. The renovation costs of raw materials and supplies might be the best measure that reflects the net realizable value.

The acquisition costs of inventories are reduced to their net realizable values on the basis of each inventory item. This reduction is performed by allocating an allowance for the decline in the value of inventories. This means that if the cost prices of the inventories are greater than their net realizable value, then they are reduced to their net realizable value by allocating a provision for impairment. Otherwise, no action needs to be taken.

If the acquisition of the inventories was performed with a deferred payment condition or includes a financing element, the difference between the cash purchase price and the price that was actually paid for these elements, is recognized as interest expenses within the financing period.

Tangible and Intangible Fixed Assets
The cost of a tangible or an intangible fixed asset item is reflected in the financial statements as an asset only in the event of the following conditions:

a) If it is probable that the future economic benefit regarding this item is going to be reflected to the entity, and
b) If the cost of the item in question can be measured reliably.

A tangible or an intangible fixed asset item, which meets the conditions of its recognition as an asset, is measured with its cost price during its initial recognition. In subsequent periods, these assets are evaluated by using either their cost or revaluation method.

The initial costs of fixed assets consist of the purchase price including customs duties, non-refundable purchase taxes and all direct costs until the asset is brought to its operating location, and until it is in running condition.

The cost model is to present a tangible or an intangible fixed asset by deducting the accumulated depreciation and impairments (if there are any) from its cost values.

The revaluation model requires a tangible or an intangible fixed asset item, which has a fair value that can be measured reliably, to be shown at its revalued amount after being recognized as an asset. The revalued amount is the value obtained by deducting the losses of subsequent accumulated depreciation and subsequent accumulated impairment from the asset's fair value on its date of revaluation. Revaluations are done on a regular basis as of the date of the balance sheet, so that there will not be a significant difference between the amount calculated by using the fair value and the book value. The Company uses the revaluation model for its tangible fixed assets if there are symptoms indicating significant differences. And the Company uses the cost model for its intangible fixed assets due to lack of an active market.

When a tangible fixed asset is revalued, the accumulated depreciation on the date of the revaluation is corrected in proportion with the changes in the asset's gross book value, and by doing so, the asset's book value after the revaluation becomes equal to the revalued amount.

Depreciation is calculated according to straight-line method and the following useful life and methods by taking the pro rata basis into consideration:

	Useful Life (Years)	Method
Buildings	50	Straight-line
Machinery, plant and equipments	10	Straight-line
Vehicles, tools and instruments	5-10	Straight-line
Fixtures and fittings	3-10	Straight-line
Other intangible fixed assets (computer software)	5	Straight-line

The useful life and depreciation method is reviewed on a regular basis, and accordingly, it is carefully examined to observe whether the method and the depreciation time are compatible with the economic benefits to be obtained from the asset in question.

Even when bought together, lands and buildings are separable tangible assets and they are recognized as separate assets. There are no depreciations allocated for assets such as lands and buildings as they have an undetectable useful life span, In other words, their useful life is considered as indefinite.

In case of events and changes in current conditions regarding impossibility of recovery in the carrying amount of tangible fixed assets, it is examined whether there is a decrease in the values of the tangible fixed assets in question. In the events of these kinds of symptoms, or if the carrying values exceed the realizable value, the related assets are reduced to their realizable values. Realizable value is either the net selling price or the use value of an asset, depending on which is the higher. When calculating the use value, estimated future cash flows are reduced to their present day value by using the pre-tax discount rate which reflects the asset-specific risks. For assets that do not form large amounts of cash flow by themselves and independently, the realizable value is calculated for the cash forming units to which that asset belongs. The tangible fixed asset in question is depreciated from its estimated remaining useful life. In the income statement, the depreciation amounts of tangible fixed assets are recorded under General Management Expenses and Cost of Sales, whereas impairment losses are recorded under Cost of Sales.

The Company has performed an impairment test for its assets and has determined their net selling prices by considering the assets' "second hand market values". For those assets without a second hand market, the Company took the assets' "redeemed renovation costs" into consideration. Net selling prices were either equal to or more than the assets' net book values. Therefore, it was deemed unnecessary to calculate their use values, and no impairment provisions were allocated.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Intangible fixed assets are used to represent brands and other intangible items (such as computer software). For items purchased before January 1, 2005, intangible fixed assets are reflected by use of their corrected cost values due to the effects of inflation as of December 31, 2004. For items bought after December 31, 2004 intangible fixed assets are reflected by deducting the permanent impairment and the accumulated amortizations of their acquisition cost. Amortization regarding intangible fixed assets is allocated by using the straight line amortization method, as of the date of purchase, over the useful life time of the related assets, provided that their economic life is not exceeded. The amortization of intangible fixed assets is recorded in the income statement under general management expenses.

The brand "Türkiye" was purchased by the Company in the year 2000, and is used as the brand of the newspaper published by the Company. Due to the continuity of the entity, the brand is considered to have an indefinite useful life. Therefore, it was not subjected to amortization. As required by IAS 36, "Impairment of Assets", an impairment test was performed. To this end, a brand valuation service was hired from an expert valuation provider company and the amount of impairment has been determined. During the initial public offering, in May and June of 2010, the Company conducted much image advertising in both written and visual media platforms. In addition, as April 22, 2010 was the 40th anniversary of Türkiye Newspaper's publishing career, the Company conducted many advertising programs both in written and visual media. Based on these two heavy advertising schedules, brand recognition progressed, and this change caused an adjustment in the brand value. Therefore, an expert valuation company was hired for a new brand evaluation and the findings of the report were reflected in the current period's financial statements as a value difference in comparison with the previous valuation report (See: Note 19 and Note 31).

Information regarding the remaining useful lives of the Company's tangible and intangible fixed assets that are of significance to the Company's financial statements is as follows:

Type of Asset	Date of Entry	Balance Sheet Value	Useful Life (Years)	Remaining Life
Land, Building (Konak - Izmir)(*)	2010	TL 6,675,000	50	50
Land, Building (Konak - Izmir)(*)	2010	TL 5,275,000	50	50
Land, Building (Kepez - Antalya)(*)	2010	TL 5,050,000	50	50
Land, Building (Tekkeköy - Samsun)(*)	2010	TL 1,075,000	50	50
Land, Building (Yüreğir - Adana)(*)	2010	TL 850,000	50	50
Brand	2000	TL 56,125,860	-	-

(*) These assets are acquired by considering the valuation reports prepared by independent authorized appraisal companies. (See: Note 18).

Any profits or losses occurring when selling off tangible and intangible fixed assets are determined by comparing their net book value to the sales amounts, and in the current period they are reflected in the related other operating income and expenses accounts.

Investment Purpose Real Estate Properties

Rather than the following purposes, investment purpose real estate properties are real estate properties that are kept in order to obtain a rental income, a gain from an increase in value, or both. These real estate properties are held by either the owner or the tenant, depending on the financial lease agreement. They can consist of land, a building, a part of a building, or both.

a) To be used for administrative purposes or in the production or supplying of goods or services; or
b) To be sold in the normal course of business.

Investment purpose real estate properties are held for obtaining rental income, capital gain (capital appreciation) or both.

If the following conditions are met, the Company records an investment purpose real estate property as an asset:

a) If it is probable that the future economic benefits regarding this real estate property are going to be earned by the entity, and
b) If the cost of the real estate property in question can be measured reliably.

An investment purpose real estate's initial measurement is performed according to its cost. Operation costs are also included in its initial measurement. However, investment purpose real estate properties purchased through financial leasing are recognized by either their fair values, or by the present value of the minimum lease payments, depending on which of the two is the lower.

Investment purpose real estate properties are valued in subsequent periods by electing to use either the fair value method or the cost method. In the valuation of its investment purpose real estate properties, the Company has chosen to use the fair value method.

When a tangible fixed asset is revalued, the accumulated depreciation on the date of the revaluation is corrected in proportion with the changes in the asset's gross book value; and by doing so, the asset's book value after the revaluation becomes equal to the revalued amount.

Gains or losses arising from the changes of the fair value of an investment purpose real estate property are included in the profit or loss of the period in which they occur, and they are recognized in the other operating income / expenses accounts.

Depreciation is calculated according to straight-line method and the following useful life and methods by taking the pro rata basis into consideration:

	Useful Life (Years)	Method
Buildings	50	Straight-line

Even when bought together, lands and buildings are separable tangible assets and they are recognized as separate assets. Land shares are reported as separate assets because plots and land which were bought together are considered as a complimentary part of the building. However, the share of land was not shown separately in the Company's appraisal reports. Instead, the land share rate provided separately in the real estate property appraisal report of another independent section was used. The section in question belongs to one of the Company's associated companies within the building in which the Company has some of its investment purpose real estate properties. There are no depreciations allocated for assets such as lands and buildings as they have an undetectable useful life span. In other words, their useful life is considered as indefinite.

Taxation and Deferred Taxes
The Company's tax expense / income consist of the sum of its current tax expense and deferred tax expense / income.

Current year tax liability is calculated over the taxable portion of the profit for the period. Taxable profit excludes income or expense items which can be taxed or deducted in other years and items which are un-taxable or non deductible. Therefore, it may vary from the profit presented in the income statement. The Company's current tax liability was calculated by using the tax rate which is either already enacted or certain to be enacted as of the date of the balance sheet.

If the current tax amounts to be paid are already paid or are going to be paid to the same tax authority, they are netted off with the prepaid tax amounts. Deferred tax assets and liabilities are also netted off in the same way.

Deferred taxes are calculated by using the temporary differences between the book values of the assets and liabilities that are included in the financial statements, and the related tax values (balance sheet method / balance sheet liability method). These temporary differences are classified into two categories, which are deductible and taxable. All temporary differences that have a deductible expense nature in tax aspects, are recognized as a deferred tax asset under the following conditions: it should be highly probable that there will be taxable income in future periods sufficient to deduct these expenses; the operation should not be part of a company merger; and the debt should not be arising from its initial recognition. All taxable temporary differences are recognized as a deferred tax liability. However, a deferred tax liability is not recognized for the temporary differences if they are occurring during the initial recognition of goodwill, if they arise during the initial recognition of an asset or a liability, or if they are caused by operations which are not of a company merger nature.

According to the tax laws, financial losses and tax advantages of the past year which have not yet been used, are recognized as deferred tax assets if it is probable that a taxable income will be obtained in the subsequent period by an amount that is enough to make them deductible.

According to the tax legislation in force, the valid and enacted tax rates as of the date of the balance sheet are used for calculating the deferred income tax.

Deferred tax liabilities are calculated for all taxable temporary differences. However deferred tax assets arising from deductible temporary differences are calculated only if it is highly probable that a benefit from these differences will be obtained by generating taxable profit in the future (Note 35).

Regarding the deduction of current tax assets from current tax liabilities, tax assets and tax liabilities deferred because of a legally enforceable right shall be mutually deducted from each other, provided that all of these operations are subjected to the same country's tax legislation.

A 75% portion of the gains occurring from sales of the following are exempt from corporate tax: all real estate properties and participation stocks that were among the entities' assets for at least two full years; founder's shares; dividend right certificates and pre emption rights. In order to benefit from the exemption, the gain in question is required to be kept in a fund account under the liabilities section of the balance sheet, and they should not be withdrawn for 5 years. It is also required that the selling price should be collected, at the latest, by the end of the second calendar year following the year in which the sale occurs. Therefore, 25% of the differences regarding these assets are considered as temporary differences.

The brand "Türkiye" was acquired by the Company through purchase and it is a part of the goodwill. The standard IAS 12 "Income Taxes" indicate that brands are subjected to amortization by the legal authorities, in other words, they are considered as a deductible item when calculating the financial profit. Therefore, the brand was evaluated as a temporary difference and it was subjected to deferred tax as a deferred tax liability.

Leases
Financial Lease:
Financial leases envisioning the transfer of all the risks and benefits related to the ownership of the asset that was leased to the Company, shall be recognized by reflecting one of the following as a basis, depending on which of the two is the lesser amount; the fair value of the asset subjected to leasing, or the present value of lease payments. Financial lease payments are allocated as capital and finance expenses all through the lease term, so that they would generate a constant periodic rate of interest over the remaining debt balance. Financing

expenses are directly reflected to the income statement in the respective periods. Capitalized leased assets are subjected to depreciation over the asset's estimated useful life.

Operational Lease:
The form of leasing in which the lessor party holds all the risks and benefits of the leased asset to themselves is classified as operational leasing. All through the lease term, the operating lease payments are recognized as expenses in the income statement, using the straight line method.

Provision for Termination Indemnities
Provision for severance pay indicates the reduction of the estimated total provisions for possible future liabilities to the value of the balance sheet date for the following conditions or terms: if the employee of the Company becomes retired in conformity with the "Law on Arrangement of the Relationships Between Employees Working In Press and Turkish Labor Law", or if the employee's employment relationship is discontinued after completing at least one year of service (at least five years of service for Press employees), if the employee is called to duty for his military services, or in case of the employee's death (Note 24). The actuarial valuation method is used for the reduction of liabilities for employee termination benefits. In order to do this, actuarial assumptions were made. The most important of these is the discount rate used in performing the termination.

The ratio used for discounting benefit obligations (provisions for employee termination benefits) after the release of the employee is determined by observing the market returns regarding high quality corporate bonds on the date of the balance sheet. Due to the lack of a deep market for such bonds, the real interest rate was used by taking the market returns (compound interest rates) of state bonds (on the date of the balance sheet) into consideration. In other words an interest rate (real interest rate) which was net of the effects of inflation is used (Note 24).

Within this context, as an institution subject to business law, a provision for severance pay was calculated in accordance with the "International Accounting Standard Regarding Benefits Provided to Employees" (IAS 19), and by using the actuarial method for future liability amounts which may arise if the entire personnel were to become retired, discontinued their working relations with the Company after completing a minimum of one year of service, if they were all called to duty for their military service, or in case of death; the calculated severance pay is recognized in the attached financial statements.

The assumptions used in the calculation of the provisions for employee termination benefits are described in Note 24.

Provisions, Contingent Assets and Liabilities
Provisions are recognized only if the Company has a liability (legal or structural) that has been carried over from the past, if there is a probability that the Company's benefit generating sources might have to be sold because of this liability, and if the amount of the liability can be determined in a reliable manner.

If another party is expected to partially or entirely compensate the expenditure required for fulfilling the obligations of the liability, the related compensation is also included in the financial statements. However, in this scenario, it must be highly probable that if the Company was to fulfill the obligations of the liability, the related compensation would be acquired by the Company.

When allocating a provision, one of the three methods is applied. The first of these methods is applied when the time value of money is important. When the loss of value encountered by money over time gains importance, provisions are reflected by the reduced value (on the date of the balance sheet) of the expenses likely to occur in the future. When the reduced value is used, the increases that are going to occur in the provisions, due to the passage of time, are recognized as interest expenses. For the provisions in which the time value of the money is of importance, it is assumed that there are no risks or uncertainties when determining the estimated cash flows. The reduction of these provisions is performed by using the estimated cash flow and the risk free discount rate, which is based on similar term government bonds. The second method is the expected value method. This method is applied when the provision is related to a large batch or a large number of incidents. With this method, the liability is estimated by taking all possible results into consideration. Meanwhile, the third method is applied when there is only a single liability or an incident. The application of this method involves reflecting the provision to the financial statements by estimating the most likely outcome.

If a liability or an asset is of uncertain nature, they are not included in the financial statements and they are considered as contingent liabilities and assets. Therefore, they are explained in the footnotes. This uncertain nature might be caused by past events, the asset's or liability's existence within the structure of the Company might be dependent on a condition over which the Company does not have full control, or it might be dependent on an event in the future which is not certain at the reporting date (See: Note 22 - 23).

Revenue
Revenue occurs when it is probable that an economic benefit is going to be received by an entity and it is recognized when the amount of income can be measured in a reliable manner. Revenues are shown in their net forms, which are obtained after deducting discounts, value added tax and sales taxes. For the formation of a revenue, the following criteria are required to be fulfilled.

Sales of Goods (Newspaper, Magazine, Other Publications and Time Share Sales):
Revenue is considered as occurring when the risks and the benefits of the goods sold are transferred to the buyer, and when the amount of revenue can be calculated in a reliable manner. Net sales consist of the invoiced selling price, after the deduction of discounts and commissions is performed.

The Company does not have a progress price within its construction activities. Therefore, the provisions of IAS 11 are not applied and the Company's income regarding its construction activities is measured by the standard IAS 18 "Revenue". The terms of reflecting sales of goods and services in financial statements are indicated in IAS 18, and the Company's construction proceeds are reflected in the financial statements in accordance with these terms. For sales that are performed in return for receiving advance payments, the Company holds the risk until the product has been delivered and invoiced. The Company does not have any revenues until the delivery and invoice time.

Sales of Services:
When an income from the sale of a service achieves a measurable completion level, it is considered as having occurred. In cases where a gain obtained from an agreement made cannot be measured reliably, the income is accepted by the recoverable amount of the expenses incurred.

Interest:
In cases where the collection is not classified as doubtful, the income is considered to be earned on an accrual basis.

Dividend:
Revenue is considered to be earned when the right to receive a dividend is provided to the partners.

The revenue is measured by the fair value of a fee which is either obtained or will be obtained. If the sales are performed with a maturity, according to the standard "IAS 39 Financial Instruments: Recognition and Measurement", the difference between the nominal amount of the sales price and the fair value (the discounted value) is recognized as an interest income.

In cases where the result of a transaction related to a sale of services can be estimated in a reliable manner, the revenue regarding the transaction is recognized by taking into consideration the level of completion of the procedure on the date of the balance sheet.

Level of completion regarding the service transaction is determined by using various methods. Depending on the nature of the transaction, the preference made is based on which method provides a reliable measurement. Depending on the nature of transaction, these methods are as follows:

a) Investigations related to the work done,
b) The ratio of the services to be provided until the date of the balance sheet, to the total of the services provided, and
c) The ratio of total costs incurred until the present day within the estimated total costs.

Unaccrued Financial Income / Expenses
Financial income / expenses which have not been accrued, represent financial income and expenses regarding sales and purchases with terms. During the period of the credit sales and purchases, these revenues and expenses are calculated with the use of the effective interest method and they are shown under the item titled financial income and expenses.

Borrowing Costs
Borrowing costs which can be directly linked to the acquisition, construction or production of a qualifying asset, are capitalized as an element of the cost of the qualifying asset in question. If these types of costs can be measured in a reliable manner and if it is probable that the future economic benefits deriving from them can be of benefit to the entity, they are included in the cost of the related qualifying asset. Borrowing costs other than those mentioned above, are recognized as an expense in the period in which they occur.

In the following periods, these borrowing costs are presented in the financial statements at a discounted value. The difference between the provided cash entry and the repayment value is written off in the income statement throughout the borrowing period.

Earnings per Share
Earnings per share is calculated through dividing the part of the net profit or loss for the period that corresponds with the holders of ordinary shares, by the weighted average number of ordinary shares within the period. The weighted average of the total number of shares in circulation during the period is calculated by also taking into consideration the shares issued without causing an increase in the sources (free shares).

Financial Instruments
Recognition and De-recognition of the Financial Instruments:
The Company reflects financial assets or financial liabilities in its balance sheet only and only if the Company is defined as a party in the agreement of the financial instrument. The Company removes the financial asset or a portion of the financial asset from its books only and only if the Company cedes control over its contractual rights regarding the assets in question. The Company removes a financial liability from its books, only and only if the Company's liability as defined in the contract or agreement is eliminated, is cancelled or is subjected to expiry.

The Fair Value of Financial Instruments:
The fair value of a financial instrument represents the amount for which the financial instrument in question can be exchanged between informed and willing parties through a current transaction under circumstances that the amount would not be affected by any relationship between the parties. If applicable, the fair value of a financial instrument is best determined by using a market price.

The estimated fair values of financial instruments are determined by the Company through the use of existing market information and the appropriate valuation methods. However, when estimating a fair value, the interpretation of the market data is left to the Company's decisions. As a result, the estimates presented herein, may not be an indication of the actual values which may be obtained by the Company in a current market transaction.

The following methods and assumptions were used while estimating the fair values of the financial instruments with a determinable fair value:

Financial Assets:
Balances denominated in foreign currencies which are traded at the exchange rates at the end of the periods, are considered as an approximate for their book values. The foreign exchange rate expenses / income deriving from these types of financial instruments are reported within the financial expense / income account.

Financial assets presented with their cost price, including cash in hand, bank and bank deposits, are of short-term nature and losses of receivables regarding these assets are negligible. Therefore, they are considered as an approximate for their book value.

Foreign exchange rate expenses / income deriving from the appreciation of foreign currency balances, which are included in the cash and demand deposits accounts, are reported within the financial expense / income account. The amount of the term deposit (restricted and unrestricted) is valued according to the effective interest method; and the gains and losses regarding the term deposit are reported within the financial expense / income accounts. Gains and losses regarding investment funds are reported within the financial expense / income accounts as a sales profit / loss of marketable securities.

The fair values of marketable security investments have been estimated on the basis of market price on the date of the balance sheet.

Trade receivables are valued according to the effective interest method. All gains and losses which may derive from these trade receivables are associated with the sales account and the financial expense / income accounts.

Financial Liabilities:
Short-term and long-term bank loans are presented with their amortized cost values. Long-term loans with foreign currencies as their currency unit are exchanged by using the foreign exchange rates available at the ends of the respective periods. Thus by doing so, their fair values become closer to their book values.

Trade payables are presented at their amortized cost values. As a requirement of the standard IAS 1, trade payables are classified as short-term, even if they are going to be paid in a period of time that is longer than twelve months away from the balance sheet date. This is because they are a part of the business capital used by the entity within the normal operating period.

In case of the Company planning or preferring to re finance or rotate its financial liability within at least twelve moths after the reporting period, this liability is classified as a long-term liability, even if the new payment program is short-termed. However, if the re financing or the rotation of the liability is not subject to the Company's preference or choice (for example, if a re financing agreement is not present), the probability of a re financing is not taken into consideration and the liability is classified as a short-term liability.

Trade payables and financial payables are valued according to the effective interest method; and all gains and losses which may derive from these trade payables and financial payables are associated with the cost of sales account and the financing expense / income accounts.

According to the standards, IAS 39 "Financial Instruments: Recognition and Measurement", financial assets are classified into four groups and financial liabilities are classified into two groups. Financial assets consist of those with a fair value (FV) difference that is reflected in the income statement, those which will be held until maturity, loans and receivables, and values that are available for sale. Financial liabilities are classified into two groups, which are those with a fair value difference that is reflected in the income statement and other financial liabilities.

Fair value measurements are explained in the accounting policies regarding each and every financial asset and liability. There are no other incidents or events that require any valuation process. The book value of the cash and bank accounts are considered as an approximate for their fair value.

Financial Risk Management
Risk in Collection:
A collection risk might be an issue for the Company, due to the Company's trade receivables in general. Trade receivables are evaluated by the Company management in light of market conditions and by taking past experiences into consideration. After this evaluation, a provision for doubtful receivables is allocated accordingly. A provision is allocated for doubtful receivables which will occur until the date of the report (Note 39).

Foreign Currency Risk:
Foreign currency risk occurs due to changes in the value of a financial instrument which depend on changes in foreign currency exchange rates. As of the date of the report, the balances of the Company's transactions in foreign currencies resulting from its operations, investments and financial activities are described in Note 38. A foreign currency risk occurs when the foreign currency exchange rate rises in a manner that favors TL currency (when TL currency loses its value against foreign currencies). (Note 39).

Liquidity Risk:
The liquidity risk refers to the risk of encountering difficulties in providing funds to fulfill an entity's commitments regarding its financial instruments. The Company has been managing its liquidity risk by balancing the distribution of its assets and liabilities over time. (Note 39)

Related Parties
IAS 24 "Related Party Disclosures Standard" identifies an organization as an associated organization if the organization in question may directly or indirectly control, or significantly affect the other party through a relationship such as partnership, contractual rights, family relations or by similar means. The related parties also include the capital holders and the Company management. Related party operations consist of the resources and liabilities being transferred among the related parties with or without a fee.

In these financial statements, the parties identified as "related parties" include the Company's partners, companies that have an indirect capital relationship with the Company, members of the Board of Directors, senior managers and other key management personnel. The key management personnel consist of the people who directly or indirectly have the authority and responsibility of planning, managing and controlling the Company's activities and also include any of the directors in the Company. (Note 37)

In general, transactions with related parties, which occur as a result of ordinary activities of the Company, are performed with prices that are in accordance with market conditions. The companies and real people who have a direct or indirect relationship with the Company are as follows:

Related Company Titles
1) İhlas Holding A.Ş.
2) İhlas Ev Aletleri İmalat San. Tic. A.Ş.
3) İhlas Pazarlama A.Ş.
4) İhlas Haber Ajansı A.Ş.
5) İhlas Yayın Holding A.Ş.
6) Kristal Kola ve Meşrubat Sanayi Ticaret A.Ş.
7) İhlas Madencilik A.Ş.
8) İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture
9) Promaş Profesyonel Medya Reklam ve Film Hizm. A.Ş.
10) Kuzuluk Kapl. İnş. Tur. Sağ. Petr. Ür. Tic. A.Ş.
11) İhlas Net A.Ş.
12) İhlas Motor A.Ş.
13) TGRT Haber TV A.Ş.
14) TGRT Dijital TV Hizmetleri A.Ş.
15) Bisan Bisiklet Moped Oto. San. Tic. A.Ş.
16) Bisiklet Pazarlama ve Tic. A.Ş.
17) İletişim Magazin Gazt. Yayın San. ve Tic. A.Ş.
18) İhlas Yapı Turizm ve Sağlık A.Ş.
19) Cyprus Office
20) İhlas Reklam Ajans Hizmetleri Ltd. Şti.
21) Mir İç ve Dış Tic. Maden San. Ltd. Şti.
22) İhlas Gelişim Yayıncılık A.Ş.
23) İhlas Fuar Hizmetleri A.Ş.
24) Detes Enerji Üretim A.Ş.
25) Armutlu Tatil ve Turizm İşletmeleri A.Ş.
26) Bayındır Madencilik ve Ticaret A.Ş. (former title: Okan Tekstil Sanayi ve Ticaret A.Ş.)
27) İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture 2
28) İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture 3
29) İhlas Holding A.Ş. - İhlas Yayın Holding A.Ş. ve İhlas Pazarlama A.Ş. Joint Venture
30) İhlas Genel Antrepo Nakliyat ve Tic. A.Ş.
31) Buryal Bursa Yalova Enerji Dağıtım Ltd. Şti.
32) Tasfiye Halinde İhlas Finans Kurumu A.Ş.
33) Kia İhlas Motor San ve Tic. A.Ş.
34) İhlas Dış Ticaret A.Ş. (former title: İhlas İnşaat Yapı Taahhüt ve Tic. A.Ş.)
35) İhlas İnşaat Proje Taahhüt Turizm ve Tic. A.Ş.
36) Alternatif Medya Görsel İletişim Sis. Ltd. Şti.
37) İhlas Enerji Üretim Dağıtım ve Tic. A.Ş.
38) İhlas Net Ltd. Şti.
39) İhlas Mining Ltd. Şti.
40) İhlas Kimya San. Ltd. Şti.
41) İhlas İletişim Hiz. A.Ş.
42) İhlas Oxford Mortgage İnş. ve Tic. A.Ş.
43) Detes Maden Enerji ve Çevre Tek. Sis. Ltd. Şti.
44) Doğu Yatırım Holding A.Ş.
45) Swiss PB AG
46) Kristal Gıda Dağıtım Pazarlama ve Ticaret A.Ş.
47) İhlas Meşrubat Üretim ve Pazarlama A.Ş. (former title: Atmaca Gıda Üretim ve Ticaret A.Ş.)
48) İhlas İnşaat Holding A.Ş.
49) İhlas Pazarlama Yatırım Holding A.Ş.
50) İhlas Zahav Otomotiv A.Ş.
51) İhlas Kuzu Ulubol Ordinary Partnership

Real Persons (Shareholders)
1) Enver Ören
2) Ahmet Mücahid Ören
3) M. Muammer Gürbüz
4) Nuh Albayrak
5) Sinan Yılmaz

Events After the Date of the Balance Sheet
Events after the date of the balance sheet refer to those events occurring between the date of the balance sheet and the date of authorization for the distribution of the balance sheet. These events may be in favor of or against the Company. In accordance with the provisions of IAS 10 "International Accounting Standard Regarding Events After the Date of the Balance Sheet", the Company corrects its financial statements to comply with the requirements of a new situation if the following conditions for a correction are present: if there are new evidences indicating that the events in question are in fact present, or if the events in question are revealed after the date of the balance sheet, and if these events require the correction of the financial statements. If the events in question do not require the correction of the financial statements, the Company explains these aforementioned issues in its related footnotes (See: Note 40).

Statement of Cash Flows
In terms of a cash flow statement, cash consists of the cash within the entity and the demand deposits of the entity. Whereas cash equivalents stand for investments which have an amount that can be easily converted into a certain amount of cash, these are short-term investments with high liquidity and the risk derived from changes occurring in their conversion is insignificant. Cash equivalents are assets that are retained for short-term cash liabilities and they are not used for investment purposes or other similar purposes. In order to consider an asset as a cash equivalent, it must be easily converted to a cash amount with a precisely detectable value and it is essential that the risk of changes in its value should be insignificant. Accordingly, investments with a maturity of 3 months or less are considered as cash equivalent investments. Investments done on marketable securities which represent shareholders' equity are not considered to be cash equivalents, unless they are fundamentally cash equivalents to begin with (for example, preferential stock shares which have a certain date of amortization written on them and which are acquired in a short period of time before their maturities).

The Company prepares its cash flow statements in order to inform the financial statement users about its ability to orient changes in its net assets, its financial structure, the amount of its cash flows, and the timing of its cash flows, in accordance with the changing conditions.

In the cash flow statement, the cash flow for the period is reported according to the classification made on the basis of its business, investment and financing activities. Cash flows derived from operating activities, represent the cash flows which are derived from issues included in the Company's field of activity. Cash flows related to investment activities indicate the cash flows obtained by the Company through the investing activities (fixed investments and financial investments). Cash flows related to financing activities indicate the sources used by the Company in its financing activities, and the reimbursement of these sources.

Reporting According to Operation Departments
Within the structure of an entity, an operation department can be defined as follows:
(a) An operation department is engaged in the business activities from which the entity is able to obtain revenues and perform payments (including revenues and expenses related to transactions performed with other parts of the same entity),
(b) An operation department is reviewed on a regular basis by the authority assigned by the entity, who is authorized to make decisions in the related activities. The purpose of this review is decision making regarding the resources to be provided for the department, evaluating the operating results and assessing the performance of the department, and
(c) An operation department represents a part of an entity with separate financial information.

Reportable Departments:
The Company reports the following information regarding each and every operation department with a separate report:
(i) Those determined as in compliance with the above mentioned paragraphs (paragraphs a, b and c) or the results obtained from combining two or more related departments together, and
(ii) Those exceeding the threshold values presented in the following article consisting of the numerical lower limits, are reported separately.

Numerical Lower Limits:
The Company prepares a separate report containing information about an operation department that meets any of the following numerical lower limits:
(a) If the reported revenues obtained by the operation department, including sales to non-business customers and interdepartmental sales or transfers, constitute 10 percent or more of the total value of all operation departments both inside the entity and outside the entity,
(b) If the absolute amount of the profit or loss reported by an operation department is 10 percent or more than the absolute figures of the profit report prepared by combining all of the operation departments that have not declared a loss, or 10 percent or more than the absolute figures of the loss report prepared by combining all of the operation departments that have declared a loss,
(c) If the assets of an operation department is 10 percent or more than the total assets of all the operation departments.

E. Significant Accounting Assessments, Estimates and Assumptions, and Sources of Uncertainties

Preparation of financial statements involves the amounts of assets and liabilities reported as of the date of the balance sheet, the disclosure of contingent assets and liabilities, and the use of estimates and assumptions which may have an affect over the amounts of income and expenses that are reported throughout the accounting period. Accounting assessments, estimates and assumptions are continuously evaluated by taking reasonable expectations into account. These reasonable accounts involve past experience, other factors and future events based on conditions of the present day. Although these estimates and assumptions are based on the managements' best information regarding current events and transactions, the actual results may vary from the assumptions.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

The important estimates and assumptions used by the Company while preparing its financial statements are included in the following footnotes:

Note 2 / D	Determination of fair values
Note 35 / B	Deferred tax assets and liabilities
Note 22 - 23	Provisions for lawsuits
Note 24	Provision for employee termination benefits
Note 2 / D	Useful lives and provision for impairment of tangible and intangible fixed assets
Note 10 ve 39 / E	Provision for impairment of trade receivables
Note 13	Provision for impairment of inventories

The descriptions provided below include assumptions regarding the upcoming period which carry a particular risk that may lead to significant alterations on the assets and liabilities of the balance sheet in the next reporting period. The descriptions also include the sources of uncertainty in the calculations.

a) In case of a symptom indicating an impairment, the Company determines whether there is a reduction of values in its tangible fixed assets by calculating the recoverable amount. To this end, a net selling price (the fair values obtained after the deduction of sales costs) was calculated, and as these values were greater than the assets' book values, a calculation regarding the use value became unnecessary.

b) Deferred taxes are recognized in the books only in the case of a detection indicating the probability of a taxable income in the years to come. If a taxable income is considered to be probable, the calculation regarding deferred tax assets is based on the unused accumulated losses and all deductible temporary differences.

c) The management has also used some assumptions and projections during the determination of useful lives, determining the provision for doubtful receivables (Note 10 and 39), the calculation of provisions for litigation (Note 22 - 23), and the calculation of the provision for severance payments (Note 24).

Note 3 - Enterprise Mergers

31.12.2010: None (31.12.2009: None).

Note 4 - Joint Ventures

31.12.2010: None (31.12.2009: None).

Note 5 - Reporting on the Basis of Department of Activity

The only alternative activity of the Company is time share sales activity. The Company's time share activity in question is not one of the main fields of activity of the Company, and it is related to the sales of time share stocks derived from the merger with Medya Reklam in the year 2008. As of the end of the current period, the remaining time share stock amounts to TL 284,098 (31.12.2009: TL 425,141). Time share sales activity will be terminated after completion of the sales of these stocks.

As the revenue obtained from time share sales was less than 10% of the total revenue as of the current period and in the previous period, reporting according to operation departments was limited to the department's sales revenue data and the presentation of the department's costs, in accordance with IFRS 8, as follows:

Media Activities	**01.01-31.12.2010**	**01.01-31.12.2009**
Türkiye Gazetesi Sales Revenues (net)	19,276,504	23,322,480
Advertising Sales Revenues (net)	10,267,286	9,681,930
Outsourcing and Other Sales Revenues (net)	40,854,409	49,528,954
Total Media Sales Revenues (net)	**70,398,199**	**82,533,364**
Cost of Türkiye Gazetesi Sales	(22,527,926)	(24,677,517)
Cost of Outsourced and Other Sales	(35,986,569)	(42,620,072)
Cost of Total Media Sales	**(58,514,495)**	**(67,297,589)**
Gross Profit of Media Activities	**11,883,704**	**15,235,775**

Time Share Activity	**01.01-31.12.2010**	**01.01-31.12.2009**
Time Share Sales Revenue (net)	345,885	4,494,696
Cost of Time Share Sales (-)	(141,043)	(1,998,230)
Total	**204,842**	**2,496,466**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Note 6 - Cash and Cash Equivalents

	31.12.2010	31.12.2009
Cash	**89,913**	**95,539**
- Turkish lira	89,913	93,760
- Foreign currency	-	1,779
Bank	**5,754,571**	**6,220,009**
- Demand Deposits	**787,984**	**1,224.674**
- Turkish lira	560,369	967,092
- Foreign currency	227,615	257,582
- Time Deposits	**4,966,587**	**4,995,335**
- Repo	4,661,402	4,994,969
- Liquid funds	305,185	366
Other cash equivalents	**1,947**	**8,418**
Checks to be expired on the day of balance sheet	**221,948**	**505,985**
Total	**6,068,379**	**6,829,951**

Note 7 - Financial Investments

Short and Long-Term Financial Investments
31.12.2010: None (31.12.2009: None).

Note 8 - Financial Liabilities

	31.12.2010	31.12.2009
Short-Term Financial Liabilities	**2,456,101**	**2,341,189**
Bank loans	-	1,715,780
Financial leasing operations	2,456,101	625,409
Long-Term Financial Liabilities	**1,760,230**	**665,500**
Bank loans	-	-
Financial leasing operations	1,760,230	665,500

a) Bank Loans
31.12.2010: None.

31.12.2009:

		Applied Interest Rate			Equivalent
	Currency Unit	Minimum	Maximum	Maturity	Amount in TL
Short-term loans	**TL**	**12%**	**17%**	**up to 3 months**	**3,745**
	TL	**12%**	**17%**	**Between 3 and 12 months**	**1,712,035**
Total Short-Term Loans					**1,715,780**
Long-term loans	TL	-	-	Between 1 - 5 years	-
Total Long-Term Loans					**-**

The amortized values and the contract values of bank loans are presented in Note 39-F.

The maturity analyses as of December 31, 2010 and December 31, 2009, are shown below:

	31.12.2010	31.12.2009
up to 3 months	-	3,745
Between 3 and 12 months	-	1,712,035
Total	**-**	**1,715,780**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

b) Financial Leasing Operations

	Currency	Maturity	31.12.2010 Equivalent Amount in TL	31.12.2009 Equivalent Amount in TL
Short-Term Leasing Payables	EURO	up to 3 months	664,405	96,723
	EURO	Between 3 and 12 months	1,791,696	528,686
Total Short-Term Leasing Payables			**2,456,101**	**625,409**
Long-Term Leasing Payables	EURO	Between 1 and 5 months	1,760,230	665,500
Total Long-Term Leasing Payables			**1,760,230**	**665,500**

The maturity analyses of long-term financial leasing debts as of December 31, 2010 and December 31, 2009, are shown below:

	31.12.2010	31.12.2009
2011	-	665,500
2012	1,760,230	-
Total	**1,760,230**	**665,500**

Financial leasing transactions are reported with either the minimum lease payments or their present day values, depending on which of the two is the lower. The calculations performed indicated that the fair values (purchasing prices - capital payments) of the financial leasing transactions are lower than the present day values of the minimum lease payments. Financial leases are reported based on their fair values and as of the date of the balance sheet.

Note 9 - Other Financial Liabilities

The unamortized bank loans as of December 31, 2010 and December 31, 2009, are shown below:

	31.12.2010	31.12.2009
Other Short-Term Financial Liabilities	**969,000**	**3,060,828**
Unamortized Bank Loans	969,000	3,060,828
- Turkish Lira	969,000	2,290,000
- Foreign Currency	-	770,828
Other Long-Term Financial Liabilities	**-**	**-**
Total	**969,000**	**3,060,828**

Bank loans with the Turkish Lira as currency unit and which have not been depreciated are called revolving loans. Loans denominated in foreign currencies are the accrued interest of the loans which were pushed into default in previous periods. Loans denominated in foreign currencies consist of the Company's debt to the Export - Import Bank of the United States.

The bank loan used from foreign countries was not directly used from the Export - Import Bank of the United States. Instead, this bank was the loan guarantor. As payments were not made to the other banks from which the loan was granted, the related banks took recourse to the Export - Import Bank of the United States, and they have all collected their payments. The Export - Import Bank of the United States has taken recourse to İhlas Gazetecilik A.Ş. and İhlas Holding because of this debt. The principle payments of the debt were made in full in 2008, and a payment plan was prepared on June 13, 2008, covering the interests for the years 2009 and 2010. All payments were made according to this payment plan, and as of 31/12/2010, the Company does not have any debt remaining.

Note 10 - Trade Receivables and Payables

	31.12.2010	31.12.2009
Trade receivables from related parties[(1)]	**8,026,380**	**8,993,499**
- Gross amounts of trade receivables without a promissory note	8,644,803	9,344,011
- Gross amount of postdated checks and notes payable	-	287,638
- Minus: Trade receivables accrual from related parties	(618,423)	(638,150)
Other trade receivables	**43,611,890**	**58,827,784**
- Buyers	22,718,919	34,154,894
- Postdated checks and notes receivables	22,185,270	25,437,792
- Doubtful trade receivables	6,398,521	5,876,448
- Minus: Trade receivables accrual	(1,868,719)	(2,603,565)
- Minus: Provision for doubtful receivables[(2)]	(5,822,101)	(4,037,785)
Total	**51,638,270**	**67,821,283**

[(1)] Related details are described in Note 37.
[(2)] Reconciliation regarding the provision for doubtful trade receivables as of the beginning and end of the period is as follows:

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	31.12.2010	31.12.2009
Balance as of January 1	**(4,037,785)**	**(3,856,125)**
Provisions no longer required in the current period	377,117	731,845
Provision amount of the current period	(2,161,433)	(913,505)
Balance as of the end of the period	**(5,822,101)**	**(4,037,785)**

In addition to the allocated provisions, the ageing analysis for those without an allocated provision for impairment, even though they are past due, and for those that are overdue and a provision for impairment was allocated, are described in detail in Note 39-E.

The maturity analysis of (net) trade receivables which are not past due as of the dates 31.12.2010 and 31.12.2009 are presented in Note 39-E.

	31.12.2010	31.12.2009
Trade payables to related parties[3]	**113,674**	**2,057,496**
- Gross amounts of trade payables without a promissory note	115,118	2,126,239
- Minus: Accrued trade payables to related parties	(1,444)	(68,743)
Other trade payables	**3,430,635**	**11,008,057**
- Gross amount of vendors	3,474,123	4,347,698
- Postdated checks and the gross amount of notes payable	-	6,839,000
- Minus: Accrued trade payables	(43,488)	(178,641)
Total	**3,544,309**	**13,065,553**

[3] Related details are described in Note 37.

Note 11 - Other Receivables and Payables

	31.12.2010	31.12.2009
Deposits and guarantees given	5,200	5,200
Other Receivables (Short-Term)	**5,200**	**5,200**
Deposits and guarantees given	1,728	1,728
Other Receivables (Long-Term)	**1,728**	**1,728**

	31.12.2010	31.12.2009
Payables to personnel	942,426	743,432
- Payables to key personnel[*]	18,089	6,272
- Payables to other personnel	924,337	737,160
Payables to the directorate of Yenibosna tax office	-	88,621
Other various payables	27,353	10,969
Other Payables	**969,779**	**843,022**

[*] Described in Note 37.

Note 12 - Receivables and Payables Resulting from Financial Sector Operations

31.12.2010: None (31.12.2009: None).

Note 13 - Inventories

	31.12.2010	31.12.2009
Starting materials and supplies	6,150,917	2,252,881
Finished goods	115,474	327,086
Goods	234,076	946,652
Provision for inventory impairment (-)	(75,640)	(47,250)
Total	**6,424,827**	**3,479,369**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Reconciliation regarding the provision for inventory impairment as of the beginning and end of the period is as follows:

	31.12.2010	31.12.2009
Balance as of the beginning of the period	**(47,250)**	**(89,646)**
Provision for impairment (-) / provisions that are no longer required	(28,390)	42,396
Balance as of the end of the period	**(75,640)**	**(47,250)**

There are no inventories presented as guarantee for the Company's liabilities (Previous period: None).

As inventories are not covered by the qualifying asset definition in the standard IAS 23 "Borrowing Costs", financing expenses regarding the inventories are associated with the income statement and they are not capitalized.

Note 14 - Biological Assets

31.12.2010: None (31.12.2009: None).

Note 15 - Balances Related to Construction Contracts in Progress

31.12.2010: None (31.12.2009: None).

Note 16 - Investments Evaluated with the Equity Method

31.12.2010: None (31.12.2009: None).

Note 17 - Investment Property

January 01 - December 31, 2010

	01.01.2010	Inputs	Outputs	Transfers	31.12.2010
Investment Property					
Lands	32,638,569	9,753,657	-	-	42,392,226
Buildings	27,193,963	7,062,993	-	-	34,256,956
Total	**59,832,532**	**16,816,650**	**-**	**-**	**76,649,182**
Minus: Accumulated Depreciation					
Buildings	(3,604,243)	(626,281)	-	-	(4,230,524)
Total	**(3,604,243)**	**(626,281)**	**-**	**-**	**(4,230,524)**
Investment Property (net)	**56,228,289**				**72,418,658**

The investment purpose real estates received by the Company through financial leasing are as follows:

	01.01.2010	Inputs	Outputs	Transfers	31.12.2010
Investment Property					
Lands	17,415,321	-	-	-	17,415,321
Buildings	13,252,607	-	-	-	13,252,607
Total	**30,667,928**	**-**	**-**	**-**	**30,667,928**
Minus: Accumulated Depreciation					
Buildings	(2,530,408)	(300,643)	-	-	(2,831,051)
Toplam	**(2,530,408)**	**(300,643)**	**-**	**-**	**(2,831,051)**
Investment Property (net)	**28,137,519**				**27,836,877**

January 01 - December 31, 2009

	01.01.2009	Inputs	Outputs	Transfers	31.12.2009
Investment Property					
Lands	32,579,276	59,293	-	-	32,638,569
Buildings	27,193,963	-	-	-	27,193,963
Toplam	**59,773,239**	**59,293**	**-**	**-**	**59,832,532**
Minus: Accumulated Depreciation					
Buildings	(3,060,364)	(543,879)	-	-	(3,604,243)
Total	**(3,060,364)**	**(543,879)**	**-**	**-**	**(3,604,243)**
Investment Property (net)	**56,712,875**				**56,228,289**

(All amounts expressed in Turkish Lira (“TL”) unless mentioned otherwise.)

The investment purpose real estates received by the Company through financial leasing are as follows:

	01.01.2009	Inputs	Outputs	Transfers	31.12.2009
Investment Property					
Lands	17,415,321	-	-	-	17,415,321
Buildings	13,252,607	-	-	-	13,252,607
Toplam	**30,667,928**	**-**	**-**	**-**	**30,667,928**
Minus: Accumulated Depreciation					
Buildings	(2,229,766)	(300,643)	-	-	(2,530,408)
Total	**(2,229,766)**	**(300,643)**	**-**	**-**	**(2,530,408)**
Investment Property (net)	**28,438,162**				**28,137,519**

The total amounts of pledges, restrictions or mortgages on the Company's real estate properties with investment purposes are TL 107,400,000 and US$ 25,000,000. (31.12.2009: TL 67,400,000 and US$ 25,000,000)

The Company has no investment purpose real estate properties that are already being used and have been fully amortized.

As investment purpose real estate properties are not covered by the qualifying asset definition in the standard IAS 23 "Borrowing Costs", financing expenses regarding investment purpose real estate properties are associated with the income statement and they are not capitalized.

Details regarding upward and downward trends in the value of lands, lots and buildings that are investment purpose real estate properties, are as follows: (According to the gross value method)

	31.12.2010	31.12.2009
Fair values (a)	**13,498,805**	**13,498,805**
- Revalued cost value	13,600,265	13,600,265
- Revalued accumulated depreciation (-)	(101,460)	(101,460)
Book values (b)	**11,016,630**	**11,016,630**
- Cost value	11,100,000	11,100,000
- Accumulated depreciation (-)	(83,370)	(83,370)
Increases in value (a-b)	**2,482,175**	**2,482,175**
Fair vales (a)	**44,240,982**	**44,240,982**
- Revalued cost value	46,169,978	46,169,978
- Revalued accumulated depreciation (-)	(1,928,996)	(1,928,996)
Book values (b)	**64,299,408**	**64,299,408**
- Cost value	66,691,900	66,691,900
- Accumulated depreciation (-)	(2,392,492)	(2,392,492)
Decreases in value (-) (a-b)	**(20,058,426)**	**(20,058,426)**

The Company has hired an expertise service for its lands, lots and buildings, and the calculations for impairment and revaluation increases were performed in accordance with the appraisal reports (The fair value method).

The fair value of all the investment purpose real estate properties was determined by an independent and expert institution (expert). Information regarding the valuation process is as follows:

Fixed Assets(*)	Date of Entry	Appraisal Values	The Company Performing the Valuation	The Date of the Valuation	Methods Used in the Valuation
Independent Sections No. 8 - 9 - 10 - 11 - 12	16.08.2001	29,766,000	Vektör Gayrimenkul Değerleme A.Ş.	02.12.2009	Cost Method Peer Comparison Method Income Capitalization Method
Independent Section No. 5	05.08.2004	6,600,000	Vektör Gayrimenkul Değerleme A.Ş.	21.10.2009	Cost Method Peer Comparison Method Income Capitalization Method
Independent Section No. 3	05.08.2004	6,600,000	Vektör Gayrimenkul Değerleme A.Ş.	02.12.2009	Cost Method Peer Comparison Method Income Capitalization Method
Independent Section No. 2	02.06.2005	6,600,000	Vektör Gayrimenkul Değerleme A.Ş.	02.12.2009	Cost Method Peer Comparison Method Income Capitalization Method
Independent Section No. 4	26.12.2007	6,600,000	Vektör Gayrimenkul Değerleme A.Ş.	02.12.2009	Cost Method Peer Comparison Method Income Capitalization Method

(*) These are the independent sections located within Istanbul City, Bahçelievler District, Yenibosna Mah. Plot 24, Parcel No. 10913.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Note 18 - Tangible Fixed Assets

January 01 - December 31, 2010

	01.01.2010	Inputs	Outputs	Transfers	31.12.2010
Cost					
Land and land improvements	151,041	12,754,098	-	-	12,905,139
Buildings	109,374	6,170,902	-	-	6,280,276
Plant, machinery and equipment	80,254,779	6,501,784	(360,484)	-	86,396,079
Vehicles	745,806	242,907	(51,685)	-	937,028
Fixtures	6,915,845	322,787	-	-	7,238,632
Total	**88,176,845**	**25,992,478**	**(412,169)**	**-**	**113,757,154**
Minus: Accumulated Depreciation					
Buildings	(14,219)	(83,431)	-	-	(97,650)
Plant, machinery and equipment	(66,617,146)	(5,584,652)	155,437	-	(72,046,361)
Vehicles	(498,204)	(142,690)	43,263	-	(597,631)
Fixtures	(5,938,280)	(476,251)	-	-	(6,414,531)
Total	**(73,067,849)**	**(6,287,024)**	**198,700**	**-**	**(79,156,173)**
Tangible Fixed Assets (net)	**15,108,996**				**34,600,981**

The tangible fixed assets received by the Company through financial leasing are as follows:

	01.01.2010	Inputs	Outputs	Transfers	31.12.2010
Cost					
Plant, machinery and equipment	2,914,934	4,791,342	(173,611)	-	7,532,665
Total	**2,914,934**	**4,791,342**	**(173,611)**	**-**	**7,532,665**
Minus: Accumulated Depreciation					
Plant, machinery and equipment	(874,483)	(376,910)	85,359	-	(1,166,034)
Total	**(874,483)**	**(376,910)**	**85,359**	**-**	**(1,166,034)**
Tangible Fixed Assets (net)	**2,040,451**				**6,366,631**

January 01 - December 31, 2009

	01.01.2009	Inputs	Outputs	Transfers	31.12.2009
Cost					
Land and land improvements	2,761,041	-	(2,610,000)	-	151,041
Buildings	2,091,891	-	(1,982,517)	-	109,374
Plant, machinery and equipment	79,485,480	772,423	(3,124)	-	80,254,779
Vehicles	699,956	67,954	(22,104)	-	745,806
Fixtures	6,858,716	57,129	-	-	6,915,845
Total	**91,897,084**	**897,506**	**(4,617,745)**	**-**	**88,176,845**
Minus: Accumulated Depreciation					
Buildings	(64,898)	(41,838)	92,517	-	(14,219)
Plant, machinery and equipment	(58,659,586)	(7,959,356)	1,796	-	(66,617,146)
Vehicles	(381,361)	(138,947)	22,104	-	(498,204)
Fixtures	(5,299,787)	(638,493)	-	-	(5,938,280)
Total	**(64,405,632)**	**(8,778,634)**	**116,417**	**-**	**(73,067,849)**
Tangible Fixed Assets (net)	**27,491,452**				**15,108,996**

The tangible fixed assets received by the Company through financial leasing are as follows:

	01.01.2009	Inputs	Outputs	Transfers	31.12.2009
Cost					
Plant, machinery and equipment	2,914,934	-	-	-	2,914,934
Total	**2,914,934**	**-**	**-**	**-**	**2,914,934**
Minus: Accumulated Depreciation					
Plant, machinery and equipment	(582,990)	(291,493)	-	-	(874,483)
Total	**(582,990)**	**(291,493)**	**-**	**-**	**(874,483)**
Tangible Fixed Assets (net)	**2,331,944**				**2,040,451**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

The details regarding real estate properties that have been acquired within the current period, by considering the valuation reports conducted by independent valuation companies, and the details regarding the valuation reports, are as follows:

Real Estate Properties	Appraisal Values	Acquisition Cost	The Company Performing the Valuation	The Date of the Valuation Report	Methods Used in the Valuation
1397 Sok., No: 3 Kahramanlar, Konak / Izmir	6,675,000	6,675,000	Elit Gayrimenkul Değerleme A.Ş.	10.12.2009	Cost Method, Peer Comparison Method, Income Capitalization Method
Mürselpaşa Bulvarı, No:161 Kahramanlar, Konak / Izmir	5,275,000	5,275,000	Elit Gayrimenkul Değerleme A.Ş.	10.12.2009	Cost Method, Peer Comparison Method, Income Capitalization Method
12553 Ada, 11 Parsel, Koyunlar Köyü, Kepez / Antalya	4,880,000	5,050,000	Epos Gayrimenkul Danışmanlık ve Değerleme A.Ş.	20.01.2010	Cost Method, Peer Comparison Method,
Samsun-Ordu Karayolu 13. km, 19 Mayıs Mah., 719 Ada, 2 ve 3 no.lu parseller Tekkeköy / Samsun	1,075,000	1,075,000	Elit Gayrimenkul Değerleme A.Ş.	10.12.2009	Cost Method, Peer Comparison Method, Income Capitalization Method
Levent Mah., Girne Bulvarı, No: 200 / A, (1927 Ada, parcel No. 187) Yüreğir / Adana	850,000	850,000	Elit Gayrimenkul Değerleme A.Ş.	09.12.2009	Cost Method, Peer Comparison Method, Income Capitalization Method
	18,755,000	**18,925,000**			

The total amount of pledges, restrictions or mortgages on the Company's tangible fixed assets is TL 28,830,000 and US$ 6,400,000. (31/12/2009: US$ 1,300,000)

The Company's tangible fixed assets that are already being used and have been fully amortized are as follows:

	31.12.2010	31.12.2009
Plant, machinery and equipment	63,595,563	-
Vehicles	215,647	-
Fixtures	5,428,243	1,785,577
Total	**69,239,453**	**1,785,577**

As tangible fixed assets are not covered by the qualifying asset definition in the standard IAS 23 "Borrowing Costs", financing expenses regarding tangible fixed assets are associated with the income statement and they are not capitalized.

The Company does not possess any tangible fixed assets that are temporarily in an inactive condition.

As required by the standard IAS 36 "Impairment of Assets", the Company has performed an impairment test on its tangible fixed assets. The results of the impairment test indicated that the net selling prices of the assets (their fair value after deduction of the related sales costs) are greater than the book value of the assets. Therefore, it was deemed unnecessary to calculate their use values and no impairment provisions were allocated.

Not 19 - Intangible Fixed Assets

January 01 - December 31, 2010

	01.01.2010	Inputs	Outputs	Cancellation of Impairment Provision	31.12.2010
Cost					
Brand	51,876,000	-	-	4,249,860	56,125,860
Computer software	117,181	-	-	-	117,181
Total	**51,993,181**	**-**	**-**	**4,249,860**	**56,243,041**
Minus: Accumulated Depreciation					
Computer software	(117,016)	(165)	-	-	(117,181)
Total	**(117,016)**	**(165)**	**-**	**-**	**(117,181)**
Intangible Fixed Assets (net)	**51,876,165**				**56,125,860**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

January 01 - December 31, 2009

	01.01.2009	Inputs	Outputs	31.12.2009
Cost				
Brand	51,876,000	-	-	51,876,000
Computer software	117,181	-	-	117,181
Total	**51,993,181**	**-**	**-**	**51,993,181**
Minus: Accumulated Depreciation				
Computer software	(108,151)	(8,865)	-	(117,016)
Total	**(108,151)**	**(8,865)**	**-**	**(117,016)**
Intangible Fixed Assets (net)	**51,885,030**			**51,876,165**

Gross book values of the Company's intangible fixed assets that are already being used and have been fully amortized are as follows:

	31.12.2010	31.12.2009
Other intangible fixed assets	117,181	117,016
Total	**117,181**	**117,016**

There are no pledges, restrictions or mortgages over the intangible fixed assets that belong to the Company.

The Company has conducted an impairment test on its intangible fixed assets as of the dates December 31, 2010, and December 31, 2009. Due to the results of the impairment test, it was decided that there were no impairments for the Company's intangible fixed assets which have a limited useful life. During the evaluation on whether the brand value has an unlimited useful life, the concept of continuity was taken into account.

During the applications regarding the Company's initial transition to IFRS, a brand valuation was conducted by AGD Bağımsız Denetim ve Danışmanlık SMMM A.Ş on March 15, 2010 for the opening financial statements dated 01/01/2007. In the course of this brand valuation, the Company-owned brand, "Türkiye", was subjected to an impairment test. During the initial public offering, the Company conducted much image advertising in both written and visual media platforms in May and June of 2010. In addition, as April 22, 2010, was the 40th anniversary of Türkiye Newspaper' publishing career, the Company conducted many advertising programs both in the written and visual media. Based on these two heavy advertising schedules, brand recognition progressed, and this change caused an adjustment in the brand value. Therefore, Güreli Yeminli Mali Müşavirlik ve Bağımsız Denetim Hizmetleri A.Ş. was hired for a new brand evaluation and, after another impairment test, the Company was presented with a new brand valuation report on August 27, 2010. Summarized information, assumptions and methods regarding the aforementioned new brand valuation report, which was conducted by Güreli Yeminli Mali Müşavirlik ve Bağımsız Denetim Hizmetleri A.Ş. on August 27, 2010, are as follows:

- During the brand valuation, the factors taken into consideration by the valuation company were the macroeconomic factors (economic indicators (the gross national product, inflation rates)), data regarding the media and printing industries (newspaper circulations, advertising revenues, etc.)), in addition to the financial statements and projections regarding İhlas Gazetecilik.

- The methods used for the valuation: During the brand valuation works, the methods that were the most useful included The Method of Determining the Brand by Separating Goodwill from the Brand, The Method of Freeing from Name Rights, and the method which is used most by the OECD and Financial Institutions - the Profit Sharing Method.

- In the valuation conducted in accordance with the Method of Freeing from Name Rights, the value of the brand was calculated as TL 33,419,268. In the valuation conducted in accordance with the Method of Determining the Brand by Separating Goodwill from the Brand, the value of the brand was calculated as TL 56,125,860. In the valuation conducted in accordance with the Profit Sharing Method, the value of the brand was calculated as TL 38,637,511 for 25% of the reduced income, and as TL 77,275,022 for 50% of the reduced income.

- Among the above methods, the appraisal company has chosen TL 56,125,860, which was determined by using the Method of Determining the Brand by Separating Goodwill from the Brand, as the amount that represents the value of the brand "Türkiye" in a realistic manner.

(Summarized information, assumptions and methods regarding the brand valuation for the brand in question, which was conducted by AGD Bağımsız Denetim ve Danışmanlık SMMM A.Ş on March 15, 2010 for the opening financial statements dated 01/01/2007, are as follows:

- During the brand valuation, the factors taken into consideration by the valuation company were the macroeconomic factors (economic indicators (the gross national product, inflation rates)), data regarding the media industry (newspaper circulations, advertising revenues, etc.)), in addition to financial statements and projections regarding İhlas Gazetecilik.

- The methods used for the valuation: During the brand valuation works, the methods that were the most useful included The Method of Determining the Brand by Separating Goodwill from the Brand, The Method of Freeing from Name Rights, and the method which is used most by the OECD and Financial Institutions - the Profit Sharing Method.

- In the valuation conducted in accordance with the Method of Freeing from Name Rights, the value of the brand was calculated as TL 44,397,011. In the valuation conducted in accordance with the Method of Determining the Brand by Separating Goodwill from the Brand, the value of the brand was calculated as TL 51,876,000. In the valuation conducted in accordance with the Profit Sharing Method, the value of the brand was calculated as TL 44,667,151 for 25% of the reduced income, and as TL 89,334,303 for 50% of the reduced income.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

- Among the above methods, the appraisal company has chosen TL 51,876,000, which was determined by using the Method of Determining the Brand by Separating Goodwill from the Brand, as the amount that represents the value of the brand "Türkiye" in a realistic manner.)

According to the expertise reports, the provisions for impairment regarding the brand are as follows:

	31.12.2010	**31.12.2009**
Book value of the brand (a)	79,875,083	79,875,083
Appraisal value (b)	56,125,860	51,876,000
Provision for impairment (b-a)	**(23,749,223)**	**(27,999,083)**

TL 56,125,860 is presented by the recent valuation report conducted by Güreli Yeminli Mali Müşavirlik ve Bağımsız Denetim Hizmetleri A.Ş., dated August 27, 2010. TL 51,876,000 is presented by the previous valuation report. In the attached summarized financial statements, the Company has reflected the TL 4,249,860 difference between the two on its other operating income account as provisions are no longer required for impairment of the brand (See: Note 31).

Note 20 - Goodwill

31.12.2010: None (31.12.2009: None).

Note 21 - Government Grants and Incentives

31.12.2010: None (31.12.2009: None).

Note 22 - 23 - Provisions, Contingent Assets and Liabilities, Commitments

a) Guarantees, mortgages and pledges given by the Company:

The Company's charts regarding its position on guarantees, pledges and mortgages (GPM) are as follows:

GPMs Given by the Company (31.12.2010)	**US$ Balance**	**EURO Balance**	**TL Balance**	**Total (TL Equivalent)**
A. The Total Amount of GPMs Given by the Company on Behalf of Its Own Legal Entity (See: articles b and d)	6,550,000	88,851	903,001	11,211,365
B. The Total Amount of GPMs Given by the Company in Favor of Its Partnerships Which are Included in the Scope of Full Consolidation	-	-	-	-
C. The Total Amount of GPMs Given by the Company to Guarantee the Debts of Other 3rd Parties in Order to Execute Ordinary Business Activities	-	-	--	
D. The Total Amount of Other GPMs Given by the Company	33,432,847	225,000	141,822,769	193,970,998
i. The Total Amount of GPMs Given by the Company in Favor of the Main Partnership	-	-	-	-
ii. The Total Amount of GPMs Given by the Company in Favor of Other Related Companies Which are not Included in the Scopes of Articles B and C (See: articles b, d and e)	33,432,847	225,000	141,822,769	193,970,998
iii. The Total Amount of GPMs Given by the Company in Favor of Third Parties Which are Included in the Scope of Article C	-	-	-	-
Total	**39,982,847**	**313,851**	**142,725,770**	**205,182,363**
Total Shareholders' Equity of the Company (Note 27)				207,427,865
The ratio of the other GPMs given by the Company over the Company's shareholders' equity				**94%**

GPMs Given by the Company (31.12.2009)	**US$ Balance**	**EURO Balance**	**Total TL Balance**	**(TL Equivalent)**
A. The Total Amount of GPMs Given by the Company on Behalf of Its Own Legal Entity (See: articles b and d)	1,450,658	-	887,206	3,071,461
B. The Total Amount of GPMs Given by the Company in Favor of Its Partnerships Which are Included in the Scope of Full Consolidation	-	-	-	-
C. The Total Amount of GPMs Given by the Company to Guarantee the Debts of Other 3rd Parties in Order to Execute Ordinary Business Activities	-	-	-	-
D. The Total Amount of Other GPMs Given by the Company	34,949,591	342,812	95,227,419	148,591,595
i. The Total Amount of GPMs Given by the Company in Favor of the Main Partnership	-	-	-	-
ii. The Total Amount of GPMs Given by the Company in Favor of Other Related Companies Which are not Included in the Scopes of Articles B and C (See: articles b, d and e)	34,949,591	342,812	95,227,419	148,591,595
iii. The Total Amount of GPMs Given by the Company in Favor of Third Parties Which are Included in the Scope of Article C	-	-	-	-
Total	**36,400,249**	**342,812**	**96,114,625**	**151,663,056**
Total Shareholders' Equity of the Company (Note 27)				200,811,444
The Ratio of Other GPMs Given by the Company over the Company's Shareholders' Equity				**74%**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

b) Existing mortgages on the active values of the Company:

As of the date 31.12.2010:

Description	Payee	Province	Mortgage Date	Mortgage Amount	Degree	Client Code	Beneficiary
Independent section No. 9(*)	Creditwest Faktoring	Istanbul	02.07.2009	TL 3,000,000	1		Given in favor of associated companies
Independent section No. 4(*)	Halkbank	Istanbul	15.06.2009	US$ 4,500,000	1		Given in favor of associated companies
Independent section No. 4(*)	Halkbank	Istanbul	15.06.2009	TL 9,000,000	2		Given in favor of associated companies
Independent section No. 10(*)	Halkbank	Istanbul	18.06.2009	TL 3,500,000	1		Given in favor of associated companies
Independent section No. 10(*)	Halkbank	Istanbul	18.06.2009	TL 7,000,000	2		Given in favor of associated companies
Independent section No. 11(*)	Halkbank	Istanbul	18.06.2009	US$ 3,500,000	1		Given in favor of associated companies
Independent section No. 11(*)	Halkbank	Istanbul	18.06.2009	TL 7,000,000	2		Given in favor of associated companies
Independent sections No. 2, 3 and 5(*)	Halkbank	Istanbul	19.06.2009	US$ 13,500,000	1	Mutual	Given in favor of associated companies
Independent sections No. 2, 3 and 5(*)	Halkbank	Istanbul	19.06.2009	TL 27,000,000	2	Mutual	Given in favor of associated companies
Independent section No. 8(*)	Türkiye Finans	Istanbul	09.01.2009	TL 6,700,000	1		Given in favor of associated companies
Independent section No. 12(*)	Türkiye Finans	Istanbul	27.02.2009	TL 7,700,000	1		Given in favor of associated companies
Independent section No. 13(*)	Denizbank	Istanbul	12.02.2010	TL 40,000,000	1		Given in favor of associated companies
Izmir Konak Building Parcel 32	İş Bankası	Izmir	27.09.1993	TL 30,000	1	Mutual	Given in favor of associated companies
Izmir Konak Building Parcel 32	İş Bankası	Izmir	12.09.1994	TL 200,000	2	Mutual	Given in favor of associated companies
Izmir Konak Building Parcel 35	İş Bankası	Izmir	22.07.1996	TL 500,000	3	Mutual	Given in favor of associated companies
Izmir Konak Building Parcel 32	İş Bankası	Izmir	21.07.2000	TL 2,500,000	4	Mutual	Given in favor of associated companies
Izmir Konak Building Parcel 32	İş Bankası	Izmir	13.08.2001	TL 2,000,000	5	Mutual	Given in favor of associated companies
Izmir Konak Building Parcel 32	İş Bankası	Izmir	08.02.2002	TL 15,000,000	6,7	Mutual	Given in favor of associated companies
Izmir Konak Building Parcel 32	İş Bankası	Izmir	28.06.2002	TL 8,000,000	7	Mutual	Given in favor of associated companies
Adana Printing House Building Parcel 187	İş Bankası	Adana	03.10.1995	TL 150,000	1		Given in favor of associated companies
Adana Printing House Building Parcel 187	İş Bankası	Adana	21.07.2000	TL 450,000	2		Given in favor of associated companies
Antalya Printing House Building	İng Bank	Antalya	10.07.2009	US$ 5,100,000	1		Given in favor of its own legal entity
Adana Printing House Building	İng Bank	Adana	10.07.2009	US$ 1,300,000	1		Given in favor of its own legal entity
Total TL				**TL 136,230,000**			
Total US$				**US$ 31,400,000**			

(*) These are the independent sections located within Istanbul City, Bahçelievler District, Yenibosna Mah. Plot 24, Parcel No. 10913.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

As of the date 31.12.2009:

Description	Payee	Province	Mortgage Date	Mortgage Amount	Degree	Client Code	Beneficiary
Independent section No. 9(*)	Creditwest Faktoring	İstanbul	02.07.2009	TL 3,000,000	1		Given in favor of associated companies
Independent section No. 4(*)	Halkbank	İstanbul	15.06.2009	US$ 4,500,000	1		Given in favor of associated companies
Independent section No. 4(*)	Halkbank	İstanbul	15.06.2009	TL 9,000,000	2		Given in favor of associated companies
Independent section No. 10(*)	Halkbank	İstanbul	18.06.2009	US$ 3,500,000	1		Given in favor of associated companies
Independent section No. 10(*)	Halkbank	İstanbul	18.06.2009	TL 7,000,000	2		Given in favor of associated companies
Independent section No. 11(*)	Halkbank	İstanbul	18.06.2009	US$ 3,500,000	1		Given in favor of associated companies
Independent section No. 11(*)	Halkbank	İstanbul	18.06.2009	TL 7,000,000	2		Given in favor of associated companies
Independent sections No. 2, 3 and 5(*)	Halkbank	İstanbul	19.06.2009	US$ 13,500,000	1	Mutual	Given in favor of associated companies
Independent sections No. 2, 3 and 5(*)	Halkbank	İstanbul	19.06.2009	TL 27,000,000	2	Mutual	Given in favor of associated companies
Independent section No. 8(*)	Türkiye Finans	İstanbul	09.01.2009	TL 6,700,000	1		Given in favor of associated companies
Independent section No. 12(*)	Türkiye Finans	İstanbul	27.02.2009	TL 7,700,000	1		Given in favor of associated companies
Adana Printing House Building	Ing Bank	Adana	10.07.2009	US$ 1,300,000	1		Given in favor of its own legal entity
Total TL				**TL 67,400,000**			
Total US$				**US$ 26,300,000**			

c) The total amount of mortgages and other guarantees received by the Company in return for its receivables is as follows:

31.12.2010: None (31.12.2009: None).

(All amounts expressed in Turkish Lira (“TL”) unless mentioned otherwise.)

d) Commitments that are not included in the balance sheet, which are given by the Company in favor of its own legal entity:

As of the date 31.12.2010:

Type of Commitment	Starting Date	Commitment's Termination Date	Commitment's Granting Reason	To Whom It Was Given	Currency Unit	Amounts in TL Currency
Letter of Guarantee	09.11.1998	Indefinite	Aircraft Hangar Construction	Devlet Hava Meydanları İşl. Gen. Müd.	US$	231,900
Letter of Guarantee	07.11.2003	Indefinite	Electricity	Adana Elektrik Dağ. Müesse. Müd.	TL	7,371
Letter of Guarantee	01.03.2006	Indefinite	Execution	Directorate of Tokat 2nd Execution Office	TL	18,000
Letter of Guarantee	14.04.2006	Indefinite	Gas	İgdaş	TL	12,350
Letter of Guarantee	01.06.2007	Indefinite	Electricity	Tedaş Adana	TL	2,629
Letter of Guarantee	08.06.2007	Indefinite	Electricity	Akdeniz Elektrik Antalya	TL	910
Letter of Guarantee	08.10.2008	Indefinite	Electricity	Akdeniz Elektrik Antalya	TL	678
Letter of Guarantee	03.11.2008	Indefinite	Gas	İgdaş	TL	14,840
Letter of Guarantee	09.03.2009	Indefinite	Electricity	Akdeniz Elektrik Antalya	TL	1,134
Letter of Guarantee	02.05.2009	Indefinite	Electricity	Gediz Elektrik Dağıtım	TL	15,360
Letter of Guarantee	07.08.2009	Indefinite	Petrol	Shell & Turcas Petrol A.Ş.	TL	45,000
Letter of Guarantee	26.01.2010	Indefinite	Electricity	T.C. Gediz Elektrik Dağıtım A.Ş. İzmir	TL	960
Letter of Guarantee	26.01.2010	Indefinite	Electricity	T.C. Akdeniz Elektrik Dağıtım A.Ş. Antalya	TL	605
Letter of Guarantee	23.02.2010	Indefinite	Bid	T.C M.E.B Devlet Kitapları	TL	26,000
Letter of Guarantee	01.03.2010	14.02.2011	Newspaper Printing	Istanbul Chamber of Commerce	TL	160,000
Letter of Guarantee	01.04.2010	Indefinite	Electricity	Gediz Elektrik Dağıtım	TL	2,880
Letter of Guarantee	26.04.2010	Indefinite	Electricity	Başkent Elektrik Dağıtım A.Ş. İzmir	TL	4.015
Letter of Guarantee	27.05.2010	Indefinite	Natural Gas	İgdaş	TL	7,402
Letter of Guarantee	14.06.2010	Indefinite	Court	Directorate of Istanbul 14th Execution Office	TL	23,050
Letter of Guarantee	10.08.2010	Indefinite	Electricity	Trabzon Arsin Org. San. Bölgesi	TL	15,000
Letter of Guarantee	20.07.2010	Indefinite	Bid	T.C. M.E.B Devlet Kitapları	TL	324,240
Letter of Guarantee	20.10.2010 20.10.2010	30.06.2012 30.06.2012	Bid	Tübitak	TL	64,074
Letter of Guarantee	11.11.2010, 27.12.2010	27.03.2011, 30.11.2013	Bid	Tübitak	EURO	182,064
Letter of Guarantee	23.11.2010,	14.02.2011,	Bid	Department of Religious Affairs	TL	49,620
Letter of Guarantee	15.12.2010	31.12.2012	Bid	T.C. Kadıköy Belediye Başkanlığı Destek Hiz. Müd.	TL	25,763
Letter of Guarantee	17.12.2010	31.12.2011	Bid	Belya Ankara Metropolitan Municipality	TL	81,120
Total TL						**1,316,965**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

As of the date 31.12.2009:

Type of Commitment	Starting Date	Commitment's Termination Date	Commitment's Granting Reason	To Whom It Was Given	Currency Unit	Amounts in TL Currency
Letter of Guarantee	09.11.1998	Indefinite	Aircraft Hangar Construction	Devlet Hava Meydanları İşl. Gen. Müd.	US$	226,845
Letter of Guarantee	07.11.2003	Indefinite	Electricity	Adana Elektrik Dağ. Müesse. Müd.	TL	7,371
Letter of Guarantee	01.03.2006	Indefinite	Execution	Directorate of Tokat 2nd Execution Office	TL	18,000
Letter of Guarantee	14.04.2006	Indefinite	Gas	İgdaş	TL	12,350
Letter of Guarantee	02.05.2009	Indefinite	Electricity	Gediz Elektrik Dağıtım	TL	15,360
Letter of Guarantee	01.06.2007	Indefinite	Electricity	Tedaş Adana	TL	2,629
Letter of Guarantee	08.06.2007	Indefinite	Electricity	Akdeniz Elektrik Antalya	TL	910
Letter of Guarantee	11.06.2007	Indefinite	Electricity	Bedaş Elektrik Dağ. Ankara	TL	3,250
Letter of Guarantee	28.03.2008	01.03.2010	Research Consultancy	Taylor Nelson Sofres Piar Araş. Dan.	TL	25,826
Letter of Guarantee	08.10.2008	Indefinite	Electricity	Akdeniz Elektrik Antalya	TL	678
Letter of Guarantee	03.11.2008	Indefinite	Gas	İgdaş	TL	14,840
Letter of Guarantee	24.12.2008	31.01.2010	Bid	T.C. Kadıköy Belediyesi	TL	24,570
Letter of Guarantee	28.01.2009	28.01.2010	Newspaper printing	Istanbul Chamber of Commerce	TL	24,000
Letter of Guarantee	28.01.2009	28.01.2010	Tag packaging	Istanbul Chamber of Commerce	TL	34,000
Letter of Guarantee	09.03.2009	Indefinite	Electricity	Akdeniz Elektrik Antalya	TL	1,134
Letter of Guarantee	07.05.2009	Indefinite	Book publishing	Republic of Turkey Ministry of National Education	TL	500,000
Letter of Guarantee	07.08.2009	Indefinite	Petrol	Shell & Turcas Petrol A.Ş.	TL	45,000
Letter of Guarantee	28.07.2009	01.02.2010	Paper purchasing	Istanbul Chamber of Commerce	TL	22,000
Letter of Guarantee	22.10.2009	20.01.2010	Bid	Department of Religious Affairs	TL	30,000
Letter of Guarantee	20.10.2009	18.01.2010	Bid	Department of Religious Affairs	TL	30,000
Letter of Guarantee	16.12.2009	31.12.2010	Bid	T.C. Kadıköy Belediyesi	TL	15,288
Letter of Guarantee	21.12.2009	20.04.2010	Bid	Republic of Turkey Ministry of National Education	TL	60,000
Total TL						**1,114,051**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

e) Liabilities such as guarantees, commitments, securities, advance payments and endorsements, granted by the Company in favor of its partners and / or other related companies:

As of the date 31.12.2010:

Type of Commitment	Starting Date	Commitment's Termination Date	Commitment's Granting Reason	Beneficiary	Currency Unit	Amounts in TL Currency
Non Cash Security Guarantee	19.01.2007	Indefinite	Purchase of Service	İhlas Holding A.Ş.	US$	154,600
Non Cash Security Guarantee	22.02.2007	Indefinite	Purchase of Service	TGRT Haber TV A.Ş.	US$	405,408
Non Cash Security Guarantee	14.07.2009	07.11.2011	Contract Assurance	İhlas Yayın Holding A.Ş.	US$	9,385,174
Cash Guarantee	-	-	Bank loan	İhlas Pazarlama A.Ş.	US$	3,092,000
Non Cash Security Guarantee	04.11.2008	Indefinite	ATK-1 geothermal well	İhlas Holding A.Ş.	TL	16,080
Non Cash Security Guarantee	22.01.2009	22.01.2011	Armutlu holiday camp electricity	İhlas Holding A.Ş.	TL	66,000
Non Cash Security Guarantee	23.02.2007	Süresiz	Execution Vildan Küçükali	İhlas Holding A.Ş.	TL	17,500
Non Cash Security Guarantee	14.05.2009	Süresiz	For Construction Excavation	İhlas Holding A.Ş.	TL	50,000
Non Cash Security Guarantee	22.01.2009, 26.02.2010	22.01.2011, 26.02.2011	Electricity Assurance	İhlas Holding A.Ş.	TL	356,600
Non Cash Security Guarantee	04.12.2008, 17.04.1992, 06.09-24.10.1996	Indefinite	Customs Assurance	İhlas Holding A.Ş.	TL	55,029
Non Cash Security Guarantee	31.10.2007	Indefinite	Bid	İhlas Enerji Üret. Dağ. Tic. A.Ş.	TL	180,000
Non Cash Security Guarantee	17.05.2005	Indefinite	Training Assurance	İhlas Motor A.Ş.	TL	5,500
Non Cash Security Guarantee	18.11.2009	Indefinite	Construction	İhlas Holding A.Ş.	TL	3,620,000
Non Cash Security Guarantee	10.01.2005	Indefinite	Rent	İhlas Holding A.Ş.	TL	12,000
Non Cash Security Guarantee	08.01-04.11.2008	Indefinite	License Assurance	İhlas Holding A.Ş.	TL	92,160
Non Cash Security Guarantee	15.10.1997, 19.07.2007, 22.06.2006, 12.03.2009, 06.08.2009	Indefinite	Court	İhlas Holding A.Ş.	TL	781,950
Non Cash Security Guarantee	13.03.2009	Indefinite	Court	İhlas Ev Aletleri İmalat San. Tic. A.Ş.	TL	264,000
Non Cash Security Guarantee	-	-	Court	TGRT Haber TV A.Ş.	TL	75,950
Non Cash Security Guarantee	17.03.2004, 10.04.2007, 15.06.2009	Indefinite	Customs Assurance	İhlas Genel Antrepo Nakliyat ve Tic. A.Ş.	EURO	461,047
Total TL						**19,090,998**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

As of the date 31.12.2009:

Type of Commitment	Starting Date	Commitment's Termination Date	Commitment's Granting Reason	Beneficiary	Currency Unit	Amounts in TL Currency
Letter of Undertaking	13.06.2007	Indefinite	Cheques and notes	İhlas Ev Aletleri İmalat San. Tic. A.Ş.	EURO	254,509
Non Cash Security	04.11.2008	Indefinite	ATK-1 geothermal	İhlas Holding A.Ş.	TL	16,080
Non Cash Security	22.01.2009	22.01.2011	Armutlu holiday camp electricity	İhlas Holding A.Ş.	TL	66,000
Non Cash Security	23.02.2007	Indefinite	Execution Vildan Küçükali	İhlas Holding A.Ş.	TL	17,500
Non Cash Security	12.03.2009	Indefinite	Execution	İhlas Holding A.Ş.	TL	17,900
Non Cash Security	14.05.2009	Indefinite	For Construction Excavation	İhlas Holding A.Ş.	TL	50,000
Non Cash Security	22.01.2009	22.01.2011	Electricity Assurance	İhlas Holding A.Ş.	TL	174,000
Non Cash Security	17.03.2004, 10.04.2007, 15.06.2009	Indefinite	Customs Assurance	İhlas Genel Antrepo Nakliyat ve Tic. A.Ş.	EURO	486,068
Non Cash Security	04.12.2008, 17.04.1992, 06.09-24.10.1996	Indefinite	Customs Assurance	İhlas Holding A.Ş.	TL	55,029
Non Cash Security	13.08.2009	18.02.2010	Bid	İhlas Net A.Ş.	TL	50,000
Non Cash Security	31.10.2007	Indefinite	Bid	İhlas Enerji Üret. Dağ. Tic. A.Ş.	TL	180,000
Non Cash Security	17.05.2005	Indefinite	Training Assurance	İhlas Motor A.Ş.	TL	5,500
Non Cash Security	18.11.2009	Indefinite	Construction	İhlas Holding A.Ş.	TL	3,620,000
Non Cash Security	10.01.2005	Indefinite	Rent	İhlas Holding A.Ş.	TL	12,000
Non Cash Security	08.01-04.11.2008	Indefinite	License Assurance	İhlas Holding A.Ş.	TL	92,160
Non Cash Security	19.07-15.10.2007, 22.06.2006, 12.03-06.08.2009	Indefinite	Court	İhlas Holding A.Ş.	TL	770,350
Non Cash Security	13.03.2009	Indefinite	Court	İhlas Ev Aletleri İmalat San. Tic. A.Ş.	TL	264,000
Non Cash Security	19.01.2007	Indefinite	Purchase of Service	İhlas Holding A.Ş.	US$	150,570
Non Cash Security	22.02.2007	Indefinite	Purchase of Service	TGRT Haber TV A.Ş.	US$	394,840
Non Cash Security	14.07.2009	07.11.2010, 07.11.2011	Contract Assurance	İhlas Yayın Holding A.Ş.	US$	11,424,289
Cash Guarantee	-	-	Factoring	İhlas Pazarlama A.Ş.	TL	2,499,900
Cash Guarantee	-	-	Bank loan	İhlas Pazarlama A.Ş.	TL	1,492,000
Cash Guarantee	-	-	Bank loan	İhlas Pazarlama A.Ş.	US$	3,011,400
Cash Guarantee	-	-	Bank loan	İhlas Holding A.Ş.	TL	18,000,000
Cash Guarantee	-	-	Bank loan	TGRT Haber TV A.Ş.	TL	445,000
Total TL						**43,549,095**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

f) Details regarding lawsuits of the Company as of the dates December 31, 2010, and December 31, 2009, are as follows:

	31.12.2010	31.12.2009
Provisions for lawsuits	57,700	5,000
Debt Provisions (Short-Term)	**-**	**5,000**
Provisions for lawsuits	236,180	201,480
Debt Provisions (Long-Term)	**236,180**	**201,480**

The transaction information regarding provisions allocated for lawsuits against the Company as of the dates December 31, 2010, and December 31, 2009, are as follows:

	31.12.2010	31.12.2009
Balance at the beginning of the period	**206,480**	**151,480**
Payments	(5,000)	-
Provisions for no longer valid lawsuits	(40,000)	
Provision expense	132,400	55,000
Balance at the end of the period	**293,880**	**206,480**

The Company did not allocate provision for lawsuits against the Company with high probability of winning. However, the Company has allocated provisions for those lawsuits which might be lost, or in other words, which might lead to the loss of economic resources.

The summarized information regarding the Company's ongoing lawsuits as of December 31, 2010, is provided in the chart below:

	Quantity	Amount
Enforcement proceedings conducted in favor of the Company	79	2,069,946
Enforcement proceedings conducted against the Company	3	101,420
Ongoing lawsuits that were commenced in favor of the Company	5	232,307
Ongoing lawsuits that were commenced against the Company	29	553,180

Note 24 - Benefits Provided to the Personnel

	31.12.2010	31.12.2009
Long-Term Liabilities		
Provision for severance pay	5,619,625	2,789,663
Total	**5,619,625**	**2,789,663**

According to Labor Law, the Company is obliged to pay severance pay to its personnel in case of the presence of the following situations, provided that the employee has completed at least one full year of service: if the employment of an employee is terminated without any valid reasons, if the employee is called to duty by the military, if the employee dies. The severance pay which the Company is obliged to pay also applies to staff who have retired after completing the required service time, which is 25 years for men and 20 years for women, provided that they have reached their retirement age, which is 58 years of age for women and 60 years of age for men. The amount to be paid is capped at the following amounts and is equal to one month's salary.

- 31.12.2010: TL 2,517
- 31.12.2009: TL 2,365

On the other hand, the Company is subjected to the "Law on Arrangement of the Relationships between Employees Working in the Press". Therefore, the Company is obliged to pay severance pay to each of its personnel whose employment is terminated after having worked in the Press sector for a minimum of five years, regardless of the grounds of termination. The compensation to be paid is limited to an amount worth 30 days' salary for each year that the employee worked. There are no maximum limit applications when calculating severance pay for press staff.

The right to early retirement for those working in the press, publishing, packaging and printing jobs have been removed as of October 1, 2008.

There are no regulations regarding pension commitments, apart from the legal regulations explained above.
As it is not required to allocate a fund, no funds were allocated regarding this liability.

Provision for severance pay is calculated at an estimated value that represents the Company's possible liability in the future, which may arise from the retirement of its employees, on the date of the balance sheet.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

IAS 19 "Benefits to the Employees" requires companies to use actuarial valuation methods when estimating the companies' liabilities within the scope of certain social benefit plans. Accordingly, actuarial assumptions and existing legal obligations were used during calculations regarding the total liability. The main actuarial estimates and assumptions used are as follows:

	31.12.2010	31.12.2009
Discount rate	4.66%	5.92%
Estimated interest rate	10%	11%
Estimated inflation rate (the expected rate of raises in salary)	5.10%	4.80%
Rate of unpaid severance pay liability (average)	4%	3%

	31.12.2010	31.12.2009
Balance on January 1	2,789,663	1,964,887
Payments	(629,864)	(603,631)
Provisions allocated within the period	3,459,826	1,428,407
Balance at the End of the Period	**5,619,625**	**2,789,663**

Note 25 - Pension Plans

There are no regulations regarding pension commitments, except for the legal regulations explained in Note 24.

Note 26 - Other Assets and Liabilities

	31.12.2010	31.12.2009
Business advances	5,515,574	13,986,833
Advances given for purchase orders	676,429	411,483
Prepaid tax claims	17,596	21,686
Expenses for future months	7,236	-
Other Current / Floating Assets	**6,216,835**	**14,420,002**
Advances paid (for the fixed assets)	25,798	(*)18,375,000
Expenses for future years	-	14,380
Other Intangible / Fixed Assets	**25,798**	**18,389,380**

(*) See: Note 37

	31.12.2010	31.12.2009
Advances received for purchase orders	1,585,017	1,364,237
Taxes, fees and other deductions to be paid	876,458	764,067
Other Short-Term Liabilities	**2,461,475**	**2,128,304**
Deferred and Installed Public Receivables	-	2,882
Other Long-Term Liabilities	**-**	**2.882**

Note 27 - Shareholders' Equity

A. Paid-in Capital

The Company's approved and issued share capital consists of shares and each of these shares has a registered nominal value of TL 1.

As of December 31, 2010, the registered capital ceiling of the Company is TL 240,000,000.

As of December 31, 2010, and December 31, 2009, the Company's approved and issued share capital, and its capital structure, are as follows:

	31.12.2010		31.12.2009	
Name / Title	**Share Rate %**	**Share Amount (TL)**	**Share Rate %**	**Share Amount (TL)**
İhlas Yayın Holding A.Ş.	56.55	45,239,706	59.55	47,639,706
Free Float	33.00	26,400,000	-	-
İhlas Holding A.Ş.	6.92	5,536,050	36.92	29,536,050
Enver Ören	2.02	1,615,514	2.02	1,615,514
İhlas Ev Aletleri İmalat Sanayi Ticaret A.Ş.	1.03	825,035	1.03	825,035
Other	0.48	383,695	0.48	383,695
Total	**100.00**	**80,000,000**	**100.00**	**80,000,000**
Capital Commitments (-)		-		(479,984)
Capital Adjustment Account		78,494,868		78,494,868
Total		**158,494,868**		**158,014,884**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Company partners' application to the Capital Markets Board for the public offering of share stocks was registered with the date 27.05.2010 and number 40/382. In the meeting of the Board of Directors of the Directorate of Istanbul Stock Exchange dated 10.06.2010, it was decided that stock shares representing İhlas Gazetecilik A.Ş.'s capital of TL 80,000,000 would be listed in the Stock Exchange and as of 14.06.2010, their trading on the National Market would be commenced with the code "IHGZT". For stock shares offered to the public with a nominal value of TL 26,400,000, a base price of TL 1.65 was set for each share with a nominal value of TL 1.

The distribution of the Company's preferential shares (Group A shares), according to the Company's Ordinary General Assembly Decision dated 21/04/2010, is as follows:

Partner's Name / Title	Bearer / Registered	Quantity	Amount
İhlas Yayın Holding A.Ş.	Registered	6,000,000	6,000,000
İhlas Holding A.Ş.	Registered	1,600,000	1,600,000
Enver Ören	Registered	400,000	400,000
Total		**8,000,000**	**8,000,000**

Benefits Provided from Preferential Shares
If the General Assembly of the Company decides that the Board of Directors consist of 5 people, at least 4 of the Members of the Board of Directors are selected among candidates nominated by group (A) shareholders. Similarly, at least 5 of the members are selected among those candidates if a board of 7 people is decided, at least 7 of the members are selected among those candidates if a board of 9 people is decided, and at least 9 of the members are selected among those candidates if a board of 11 people is decided.

If the General Assembly of the Company decides the number of comptrollers as one, this comptroller is selected among the candidates nominated by group (A) shareholders. Similarly, at least two of the comptrollers are selected among those candidates if a comptroller number of three is decided.

In the ordinary and extraordinary General Assembly Meetings of the Company, each group A shareholder has 100 (one hundred) vote rights for each share they possess.

B. Restricted Reserves That Are Allocated from Profit
According to the Turkish Commercial Code, legal reserves are classified into two, which are the primary and the secondary legal reserves. Until the primary legal reserves reach 20% of the sum of revalued paid-in capital, they are allocated by an amount that corresponds to 5% of the net profit in the legal financial statements. The secondary legal reserves are allocated as 10% of the sum of dividend distributions exceeding 5% of the revalued capital. Within the framework of TCC provisions, legal reserves are only used for netting the losses; and they are not allowed to be used for any other purpose unless they exceed 50% of the paid-in capital.

	31.12.2010	31.12.2009
Legal reserves	83,901	83,901
Special reserves	873,284	873,284
Total	**957,185**	**957,185**

C. Revaluation Fund
None (31.12.2009: None).

D. Profit / Loss for the Previous Years
According to CMB's communiqué Serial: XI, No: 29, which entered into force as of January 1, 2008, "Paid-in Capital" is required to be presented from the amounts that represent "Restricted Reserves That Are Allocated from Profit" and "Premiums on Sale of Share Certificates" in the legal records. The differences occurring in the valuation during the implementation of the aforementioned communiqué are processed as follows:

- If the difference is derived from "Paid-in Capital", and if the difference has not yet been added to the capital, then the difference is associated with the item "Capital Adjustment Difference" coming right after the item "Paid-in Capital",

- If the difference is derived from "Restricted Reserves That Are Allocated from Profit" and "Premiums on Sale of Share Certificates", and if is not subjected to profit sharing or share capital increase, it is associated with the "Accumulated Profit/Loss of previous years".

Profit / Loss for the Previous Years consists of the following items;

	31.12.2010	31.12.2009
Balance on January 1	**25,712,098**	**(4,027,372)**
Profit / (loss) for the previous period	16,127,277	29,415,329
Transfer of the value increase fund	-	324,141
Balance at the end of the period	**41,839,375**	**25,712,098**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Note 28 - Sales Revenues and Costs

A. Gross Profit / Loss from Commercial Activities

	01.01-31.12.2010	01.01-31.12.2009
Domestic sales	73,960,079	87,325,152
International sales	1,169,618	1,290,477
Total Gross Sales	**75,129,697**	**88,615,629**
Sales discounts (-)	(4,385,613)	(1,587,569)
Net Sales	**70,744,084**	**87,028,060**
Cost of sales (-)	(58,655,538)	(69,295,819)
Gross Sales Profit	**12,088,546**	**17,732,241**

B. Gross Profit / Loss from Activities in the Finance Sector

31.12.2010: None (31.12.2009: None).

Note 29 - Operating Costs

	01.01-31.12.2010	01.01-31.12.2009
Marketing, selling and distribution expenses	(5,037,280)	(2,951,895)
General management expenses	(12,066,527)	(6,733,413)
Research and development expenses	-	-
Total	**(17,103,807)**	**(9,685,308)**

Note 30 - Qualitative Distribution of Expenses

The details regarding expenses according to their nature for the periods 01.01 - 31.12.2010 and 01.01 - 31.12.2009 are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Advertising commission and bonus expenses	(2,465,505)	(1,263,939)
Promotion expenses	(1,517,945)	(701,568)
Advertising and advertising expenses	(539,835)	(516,762)
Distribution and shipping expenses	(406,595)	(345,145)
Market research expenses	(107,400)	(124,481)
Marketing, Sales and Distribution Expenses	**(5,037,280)**	**(2,951,895)**

	01.01-31.12.2010	01.01-31.12.2009
Expenses regarding the public offering[a]	(2,320,714)	-
Provision expenses for doubtful trade receivables	(2,161,433)	(913,505)
Personnel wages expenses[b]	(1,875,978)	(1,457,414)
Outsourced benefits and services	(1,343,974)	(1,148,597)
Expense for the provision for employee termination benefits[c]	(1,150,583)	(727,347)
Rent Expenses	(719,816)	(832,206)
Court, notary, land registry and membership fees expenses	(684,676)	(109,743)
Depreciation and amortization expenses[d]	(485,849)	(507,164)
Maintenance and insurance expenses	(355,752)	(357,765)
Taxes, duties and charges	(251,041)	(113,599)
Consultancy and auditing expenses	(31,700)	(22,958)
Other general management expenses	(685,011)	(543,115)
General Management Expenses	**(12,066,527)**	**(6,733,413)**

[a] The Company has incurred expenses regarding the initial public offering. A part of these expenses, corresponding to TL 1,004,837, was reflected to the Company's partners who have offered their shares to the public. (See: Note 31 and Note 37).

[b] Details regarding personnel fee expenses, which is included in the operating expenses, are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Gross wage expenses	(1,560,270)	(1,202,975)
Social Security deductions (employee and employer)	(315,708)	(254,439)
Total	**(1,875,978)**	**(1,457,414)**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

(c) Details regarding the Company's provision expenses of severance pay are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Cost of sales	(2,309,243)	(701,060)
General management expense	(1,150,583)	(727,347)
Total	**(3,459,826)**	**(1,428,407)**

(d) Details regarding the Company's expenses on depreciation and amortization are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Cost of sales	(6,427,621)	(8,824,214)
General management expense	(485,849)	(507,164)
Total	**(6,913,470)**	**(9,331,378)**

Note 31 - Other Operating Incomes / Expenses

Details regarding other income / expenses for the periods 01.01 - 31.12.2010 and 01.01 - 31.12.2009 are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Provisions that are no longer required (loss of value of the brand)	4,249,860	-
Provisions that are no longer required (other)	425,067	893,774
The part of the expenses incurred regarding the initial public offering that is reflected to the partners	1,004,837	-
Rental income	762,119	536,403
Financial aids	412,082	340,873
Profit from the sale of fixed assets	38,749	24,749
Income derived from reconciliation differences	-	27,517
Other income	35,583	96,982
Total Other Income	**6,928,297**	**1,920,298**

	01.01-31.12.2010	01.01-31.12.2009
Provision expenses for lawsuits	(132,400)	(55,000)
Private communication tax and latency amounts	(117,700)	(319,371)
Loss from the sale of fixed assets	(34,256)	-
Tax penalties	(4,584)	(135,352)
Other expenses	-	(37,829)
Total Other Expenses	**(288,940)**	**(547,552)**

Note 32 - Financial Revenues

Details regarding financial income for the periods 01.01 - 31.12.2010 and 01.01 - 31.12.2009 are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Revenues from maturity gaps (including re discount interest income)	6,219,595	8,025,199
Interest income	1,257,111	1,122,880
Foreign exchange profits	1,213,274	5,390,392
Profit from sales of financial investments	121,009	151,012
Other financial income	396,395	36,379
Total	**9,207,384**	**14,725,862**

Note 33 - Financial Expenses

Details regarding financial expenses for the periods 01/01 - 31/12/2010 and 01/01 - 31/12/2009 are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Foreign exchange losses	(1,323,050)	(1,608,432)
Expenses from maturity gaps (including re discount interest expenses)	(953,344)	(864,920)
Interest expenses	(639,230)	(1,936,297)
Other financial expenses	(326,631)	-
Total	**(3,242,255)**	**(4,409,649)**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Note 34 - Non-Current Assets Held-for-Sale and Discontinued Operations

A. Fixed Assets Held-for-Sale
31.12.2010: None.
31.12.2009: None.

B. Discontinued Operations
31.12.2010: None.
31.12.2009: None.

Note 35 - Tax Assets and Liabilities

A. Tax Assets and Liabilities of the Current Period
Corporate tax rate is 20%. Profit shares (dividends) paid to institutions which obtain a revenue through an office in Turkey, or through its permanent representative and institutions which are established in Turkey, are not subjected to withholding tax. Apart from the above mentioned institutions, all paid dividends are subject to a withholding tax at a rate of 15%. Adding the profit to the capital is not considered as a profit distribution. Therefore, it is not subjected to a withholding tax. Advance tax paid during the year belongs to that year and is deducted from corporate tax, which is to be calculated according to the corporate tax return to be presented in the following year.

A 75% portion of the gains occurring from sales of the following are exempt from corporate tax: all real estate properties and participation stocks that were among the entities' assets for at least two full years, founder's shares, dividend right certificates and pre emption rights. In order to benefit from the exemption, the gain in question is required to be kept in a fund account under the liabilities section of the balance sheet and they should not be withdrawn for 5 years. It is also required that the sales price should be collected, at the latest, by the end of the second calendar year following the year in which the sale occurs.

According to Corporate Tax Law, all financial losses declared on the returns can be deducted from the corporate tax base of the period, unless they exceed a 5 year period. Returns and related accounting records can be reviewed by the tax authorities for five years in a retrospective manner and tax accounts can be revised.

The main components of the tax expenses as of the dates December 31, 2010, and December 31, 2009, are as follows:

	31.12.2010	31.12.2009
Tax provisions for the current period	1,897,636	199,746
Prepaid taxes (-)	(1,474,268)	-
Total	**423,368**	**199,746**

Reconciliation for the tax provisions for the current period and the accounting profit as of the dates December 31, 2010, and December 31, 2009, are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Accounting Profit / Loss	**6,643,789**	**18,810,160**
Additions (+)	3,081,527	776,905
Discounts (-)	(237,138)	(158,402)
Financial losses used (-)	-	(18,429,931)
Financial Profit / Loss	**9,488,178**	**998,732**
Tax rate	20%	20%
Tax Provision Amount	**1,897,636**	**199,746**

The main components of the tax expenses which are reflected to the income statement as of the dates 01.01 - 31.12.2010, and 01.01 - 31.12.2010, are as follows:

	01.01-31.12.2010	01.01-31.12.2009
Current period corporate tax	(1,897,636)	(199,746)
Deferred tax income / (expense)	444,848	(3,408,869)
Balance at the end of the period	**(1,452,788)**	**(3,608,615)**

Reconciliation regarding the tax expenses, which are calculated by multiplying tax expense and the pre-tax profit by the tax rate, is as follows:

	01.01-31.12.2010	01.01-31.12.2009
Profit / (Loss) Before Tax	**7,589,225**	**19,735,892**
Calculated tax expense (20%)	(1,517,845)	(3,947,178)
- The effect of expenses which are legally disallowed	(616,306)	(155,381)
- The recognition of deferred tax assets which are caused by the Company's financial losses	-	3,685,986
- The Company's tax loss which is not subjected to statutory tax or deferred tax, and the effect of correction records	681,363	(3,192,042)
Tax Expense	**(1,452,788)**	**(3,608,615)**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

B. Deferred Tax Assets and Liabilities
The Company calculates the assets and liabilities of the income tax, by taking into consideration the effects of the temporary differences between the evaluations of the items in the balance sheet IFRS and the legal tables. The temporary differences in question are generally caused by the recognition of income and expenses according to IFRS and tax laws in different reporting periods.

Corporate tax rate for the year 2010 is 20% (31.12.2009: 20%). Therefore the tax rate applied to the deferred tax assets and liabilities, which are calculated according to the Liability Over Temporary Differences Method, is 20%.

The detailed list prepared by using the enacted tax rates of the accumulated temporary differences, deferred tax assets and liabilities as of the dates December 31, 2010, and December 31, 2009, is as follows:

	31.12.2010		**31.12.2009**	
Deferred Tax Associated with the Income Statement	**Total Temporary Differences**	**Deferred Tax Assets / (Liabilities)**	**Total Temporary Differences**	**Deferred Tax Assets / (Liabilities)**
Provisions for impairment on the intangible fixed asset (the brand)	23,749,223	4,749,845	27,999,083	5,599,817
Expense from reduction of value on investment purpose real estate properties	20,058,426	4,011,685	20,058,426	4,011,685
Provisions for employee termination benefits	5,619,625	1,123,925	2,789,663	557,933
Provisions for doubtful receivables	3,296,016	659,203	1,965,953	393,191
Accrual expenses for trade receivables	1,868,719	373,744	2,603,565	520,713
Accrual expenses for receivables from the related parties	618,423	123,685	638,150	127,630
Provision expenses for lawsuits	293,880	58,776	201,480	40,296
Provisions for impairment of inventories	75,640	15,128	47,250	9,450
The amount of maturity differences in inventories	47,543	9,507	40,291	8,058
The accrued interest expense regarding bank loan	-	-	69,764	13,953
The amount of accumulated appreciation difference regarding intangible fixed assets	(81,600,894)	(16,320,179)	(80,847,793)	(16,169,559)
The capitalization of the building that was purchased through leasing (land share included - cancellation of expenses)	(10,303,996)	(2,060,799)	(10,303,996)	(2,060,799)
The amount of accumulated depreciation difference regarding tangible fixed assets (those with investment purposes included)	(1,061,351)	(212,270)	(4,526,287)	(905,257)
Income from increase of value on investment purpose real estate properties	(620,544)	(124,109)	(620,544)	(124,109)
Re discount income from trade liabilities	(43,488)	(8,698)	(178,641)	(35,728)
Re discount income from related party payables	(1,444)	(289)	(68,743)	(13,749)
Foreign exchange difference income / expense (derived from differences between foreign exchange rates)	(294)	(58)	356	70
Re discount income from financial liabilities	-	-	(96,736)	(19,347)
Gross deferred tax asset	**55,627,495**	**11,125,498**	**56,413,981**	**11,282,796**
Gross deferred tax liability	**(93,632,011)**	**(18,726,402)**	**(96,642,740)**	**(19,328,548)**
Net deferred tax assets / (liabilities)	**(38,004,516)**	**(7,600,904)**	**(40,228,759)**	**(8,045,752)**

Behavior chart of the net deferred tax assets is as follows:

	01.01-31.12.2010	**01.01-31.12.2009**
Balance on January 1	**(8,045,752)**	**(4,653,943)**
Deferred tax income / (expense)	444,848	(3,408,869)
Deferred tax income / (expense) associated with shareholders' equity	-	17,060
Balance at the end of the period	**(7,600,904)**	**(8,045,752)**

Note 36 - Earnings Per Share

The weighted average shares and the profit calculation per share of the Company, as of the periods 01.01 - 31.12.2010 and 01.01 - 31.12.2009, are as follows:

	01.01-31.12.2010	**01.01-31.12.2009**
Earning / (loss) obtained from ongoing activities, per share:		
The main partnership's net profit / (loss) for the period, regarding ongoing activities	6,136,437	16,127,277
The weighted average number of shares with a value of TL 1, each	80,000,000	80,000,000
Earning / (loss) obtained from ongoing activities, per share (TL)	**0.08**	**0.20**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	01.01-31.12.2010	01.01-31.12.2009
Earning / (loss) per share:		
Profit / (loss) for the period	6,136,437	16,127,277
Net profit / (loss) of minority shareholders for the period	-	-
Net profit / (loss) of main partnership for the period	6,136,437	16,127,277
The weighted average number of shares with a value of TL 1, each	80,000,000	80,000,000
Earning / (loss) per share (TL)	**0.08**	**0.20**

The reconciliation of the number of stock shares of the Company at the beginning and by the end of the period is as follows:

	31.12.2010	31.12.2009
The number of weighted stock shares at the beginning of the period	80,000,000	74,773,500
The number of issued stock shares within the period	-	5,226,500
The number of weighted stock shares at the end of the period	**80,000,000**	**80,000,000**

No income per dilutive share has been calculated as the Company has no dilutive potential ordinary shares. (Previous period: None.)

There is no accrued dividends in the current period. (Previous period: None.)

Note 37 - Related Party Disclosures

A. The Company's existing account balances (net book value) with its partners, indirect capital through its partners, the management, the major companies with whom the Company has a business relationship, and with its key personnel, as of 31/12/2010 and 31/12/2009 are as follows:

	31.12.2010	31.12.2009
Receivables from Shareholders and Parties Associated with Shareholders		
İhlas Pazarlama A.Ş.	5,653,284	1,078,216
İhlas Holding A.Ş.	903,713	6,244,091
İhlas Haber Ajansı A.Ş.	673,376	733,052
İhlas Ev Aletleri İmalat Sanayi Ticaret A.Ş.	335,985	167,519
İhlas Fuar Hizmetleri A.Ş.	92,096	116,473
İletişim Magazin Gazt. Yayın San. ve Tic. A.Ş.	83,852	-
İhlas Reklam Ajans Hizmetleri Ltd. Şti.	58,712	41,010
İhlas Dış Ticaret A.Ş.	45,533	-
Alternatif Medya Görsel İletişim Sis. Ltd. Şti.	44,292	-
İhlas Yapı Turizm A.Ş	36,617	-
Armutlu Tatil ve Turizm İşletmeleri A.Ş.	32,032	603,014
İhlas Kimya Sanayi Ltd. Şti.	16,350	-
İhlas Enerji Üretim Dağ. ve Tic. A.Ş.	10,638	-
İhlas Oxford Mortgage İnş. ve Tic. A.Ş.	7,353	-
Detes Enerji Üretim A.Ş.	5,216	-
İhlas Motor A.Ş.	4,614	-
İhlas İnşaat Holding A.Ş.	3,706	-
İhlas Pazarlama Yatırım Holding A.Ş.	3,369	-
İhlas İnşaat Proje Taahhüt Turizm ve Tic. A.Ş.	3,234	-
TGRT Dijital TV A.Ş.	2,352	10,124
Kuzuluk Kaplıca İn. Tur. Sağlık Tic. A.Ş.	2,312	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture	1,664	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture 2	1,664	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture 3	1,664	-
İhlas Holding A.Ş. - İhlas Yayın Holding A.Ş. ve İhlas Pazarlama A.Ş. Joint Venture	1,664	-
Mir İç Dış Ticaret ve Maden San. Ltd. Şti.	1,088	-
Total	**8,026,380**	**8,993,499**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

	31.12.2010	31.12.2009
Payables to Shareholders and Parties Associated with Shareholders		
İhlas Net A.Ş.	74,747	55,966
Promaş Pro. Medya Rek. ve Film Paz. Hiz. A.Ş.	36,633	-
İhlas İletişim Hiz. A.Ş.	1,423	-
İhlas Net Ltd. Şti.	607	-
İhlas Genel Antrepo Nakliyat ve Tic. A.Ş.	264	3,921
İhlas Madencilik A.Ş.	-	1,720,061
İhlas Yayın Holding A.Ş.	-	276,000
Kuzuluk Kaplıca İnş. Tur. Sağlık Tic. A.Ş.	-	1,548
Payables to Other Associated Parties (Key Personnel)	18,089	6,272
Total	**131,763**	**2,063,768**

	31.12.2010	31.12.2009
Advance Payments Given		
İhlas Pazarlama A.Ş.(*)	-	18,375,000
İhlas Madencilik A.Ş.	402,177	-
İhlas Yayın Holding A.Ş.	24,939	-
Total	**427,116**	**18,375,000**

(*) In the decision taken by the Company's Board of Directors on 30.12.2009, it was decided for İhlas Pazarlama A.Ş. to purchase its buildings located in the cities of Adana, Antalya, Izmir and Samsun. For this purpose, the Company included the updated appraisal reports prepared for the buildings, and gave İhlas Pazarlama A.Ş., as consideration, an advance payment of TL 18,375,000.

Conveyance of title regarding the aforementioned buildings was transferred to İhlas Gazetecilik A.Ş. on 31.12.2010; therefore, the advance payment account was closed.

	31.12.2010	31.12.2009
Advances Received		
TGRT Haber TV A.Ş.	372,667	-
Total	**372,667**	**-**

B. The Company's sales to and purchases from its partners, indirect capital through its partners, the management and the major companies with whom the Company has a business relationship, within the periods 01.01. - 31.12.2010 and 01.01. - 31.12.2009, are as follows:

01.01 - 31.12.2010	Service Sales	Advertising Sales	Merchandise Sales	Service Purchases	Advertising Purchases	Merchandise Purchases
İhlas Fuar Hizmetleri A.Ş.	629,487	19,944	-	-	43,692	-
İhlas Ev Aletleri İmalat San. Tic. A.Ş.	521,715	129,948	-	54	-	-
İhlas Pazarlama A.Ş.	449,979	367,423	-	1,939,008	617,810	547,250
İhlas Holding A.Ş.	217,726	(*)920,521	-	348,048	-	-
İletişim Magazin Gazetecilik A.Ş.	209,811	42,089	-	-	40,000	-
İhlas Yayın Holding A.Ş.	39,416	(**)90,706	3,901	-	-	-
İhlas Motor A.Ş.	9,975	-	-	-	-	-
İhlas Haber Ajansı A.Ş.	9,190	270	-	342,000	-	-
Armutlu Tatil ve Turizm İşletmeleri A.Ş.	6,935	-	-	1,815	-	-
Kuzuluk Kapl. Sağ. ve Petr. Ür. Tic. A.Ş.	2,405	3,750	-	6,896	-	-
Alternatif Medya Görsel İletişim Sis. Ltd. Şti.	2,020	-	-	-	-	-
İhlas Net A.Ş.	910	3,360	-	38,974	-	-
Promaş Pro. Medya Rek.ve Film Paz. Hiz.A.Ş.	720	27,756	-	42	268,190	-
TGRT Haber TV A.Ş.	706	-	-	-	-	-
Tasfiye Halinde İhlas Finans Kurumu A.Ş.	630	-	-	-	-	-
İhlas Madencilik A.Ş.	524	-	-	-	-	-
Kristal Gıda Dağ. Paz. San. ve Tic A.Ş.	500	-	-	-	-	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture - 2	370	-	-	-	-	-
İhlas Reklam Ajans Hizmetleri Ltd. Şti.	250	391,358	-	-	33,000	-
Bayındır Madencilik ve Ticaret A.Ş. (Okan Tekstil Sanayi ve Ticaret A.Ş.)	200	-	-	-	-	-
Kristal Kola ve Meşrubat San. Tic. A.Ş.	-	6,219	-	-	-	-
İhlas Net Ltd. Şti.	-	-	-	41,823	-	-
İhlas Genel Antrepo Nakliyat ve Tic. A.Ş.	-	-	-	1,313	-	-
Total	**2,103,469**	**2,003,344**	**3,901**	**2,719,973**	**1,002,692**	**547,250**

(*) A part of this amount regarding the advertising expenses for the initial public offering, corresponding to TL 914,131, is reflected to the Company's related partner.
(**) All of this amount regarding the advertising expenses for the initial public offering, is reflected to the Company's related partner.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

01.01 - 31.12.2009	Service Sales	Advertising Sales	Merchandise Sales	Service Purchases	Advertising Purchases	Merchandise Purchases
İhlas Fuar Hizmetleri A.Ş.	568,530	98,610	-	668	42,500	-
İhlas Pazarlama A.Ş.	497,024	177,030	15,760	1,816,058	395,472	1,734,791
İhlas Ev Aletleri İmalat San. Tic. A.Ş.	390,754	146,181	-	798	-	-
İhlas Holding A.Ş.	205,875	267	1,497,913	915,360	-	-
İletişim Magazin Gazetecilik A.Ş.	60,605	64,660	-	-	40,551	-
İhlas Yayın Holding A.Ş.	29,073	180	-	-	90,711	-
İhlas Motor A.Ş.	16,377	3,000	-	-	-	-
İhlas Reklam Ajans Hizmetleri Ltd. Şti.	10,616	203,901	-	-	39,339	-
İhlas Haber Ajansı A.Ş	7,931	-	-	342,000	-	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture	6,290	26	-	-	-	-
Kuzuluk Kapl.Sağ. ve Petr. Ür. Tic. A.Ş.	3,070	2,100	-	2,627	-	-
İhlas Net A.Ş	3,070	120	-	42,852	-	-
Alternatif Medya Görsel İletişim Sis. Ltd. Şti.	1,330	356	-	-	-	-
İhlas Finans Kurumu A.Ş.	1,210	-	-	-	-	-
TGRT Haber TV A.Ş.	1,055	-	-	-	-	-
Armutlu Tatil ve Turizm İşletmeleri A.Ş.	-	614,214	115,254	-	-	-
Okan Tekstil A.Ş.	-	720	-	-	-	-
İhlas Holding A.Ş. - İhlas Yayın Holding A.Ş. and İhlas Pazarlama A.Ş. Joint Venture	-	720	-	-	-	-
İhlas Genel Antrepo Nakliyat ve Tic. A.Ş.	-	-	-	6,688	-	-
İhlas Net Ltd. Şti.	-	-	-	537	-	-
İhlas Yapı Turizm A.Ş	-	-	-	72	-	-
Promaş Pro. Medya Rek. ve Film Paz. Hiz. A.Ş.	-	-	-	-	76	-
Total	**1,802,810**	**1,312,085**	**1,628,927**	**3,127,660**	**608,649**	**1,734,791**

C. Interest, rent and other income / expense paid and received by the Company to and from its partners, indirect capital through its partners, the management and the major companies with whom the Company has a business relationship, within the periods 01.01. - 31.12.2010 and 01.01. - 31.12.2009, are as follows:

01.01 - 31.12.2010	Interest Revenues	Rent Revenues	Interest Expenses	Rent Expenses	Fixed Asset Purchases
İhlas Pazarlama A.Ş.	666,627	106,385	-	508,568	18,925,000
İhlas Holding A.Ş.	433,641	201,915	-	253,100	-
İhlas Haber Ajansı A.Ş.	67,997	1,572	-	-	-
Armutlu Tatil ve Turizm İşletmeleri A.Ş.	29,237	3,661	-	-	-
İhlas Ev Aletleri İmalat San. Tic. A.Ş.	27,886	1,475	-	211,248	-
İhlas Fuar Hizmetleri A.Ş.	13,470	-	-	-	-
İhlas Reklam Ajans Hizmetleri Ltd. Şti.	7,316	10,128	-	-	-
İhlas Dış Ticaret A.Ş. (former title İhlas İnşaat Yapı Taah. ve İnş. A.Ş.)	4,327	5,898	-	-	-
TGRT Dijital TV A.Ş.	1,171	5,898	-	-	-
Promaş Pro. Medya Rek. ve Film Paz. Hiz. A.Ş.	-	45,000	-	-	-
Tasfiye Halinde İhlas Finans Kurumu A.Ş.	-	43,932	-	-	-
İhlas Yapı Turizm ve Sağlık A.Ş.	-	33,422	-	-	-
İhlas Yayın Holding A.Ş.	-	29,441	21,621	-	-
İhlas Oxford Mortgage İnşaat ve Ticaret A.Ş.	-	6,712	-	-	-
Kuzuluk Kapl. Sağ. ve Petr. Ür. Tic. A.Ş.	-	4,424	-	-	-
İhlas Kimya Ltd. Şti.	-	4,424	-	-	-
İhlas Motor A.Ş.	-	3,661	-	-	-
Detes Enerji Üretim A.Ş.	-	3,661	-	-	-
Buryal Bursa Yalova Enerji Dağıtım Ltd. Şti.	-	3,661	-	-	-
İhlas İnşaat Holding A.Ş.	-	3,383	-	-	-
Alternatif Medya Görsel İletişim Sis. Ltd. Şti.	-	3,140	-	-	-
İhlas Madencilik A.Ş.	-	3,076	76,372	-	-
İhlas Pazarlama Yatırım Holding A.Ş.	-	3,075	-	-	-
İhlas Enerji Üretim Dağıtım ve Tic. A.Ş.	-	2,949	-	-	-
İhlas İnşaat Proje Taahhüt Turizm ve Tic. A.Ş.	-	2,214	-	-	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture	-	1,519	-	-	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture 2	-	1,519	-	-	-
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture 3	-	1,519	-	-	-
İhlas Holding A.Ş. - İhlas Yayın Holding A.Ş. ve İhlas Pazarlama A.Ş. Joint Venture	-	1,519	-	-	-
Mir İç ve Dış Tic. Maden San. Ltd. Şti.	-	993	-	-	-
İhlas Net A.Ş.	-	-	5,302	-	-
İhlas İletişim Hiz. A.Ş.	-	-	-	-	1,220
Total	**1,251,672**	**540,176**	**103,295**	**972,916**	**18,926,220**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

01.01 - 31.12.2009

	Interest Revenues	Rent Revenues	Revenues from Foreign Exchange Differences	Interest Expenses	Rent Expenses
İhlas Holding A.Ş.	1,021,006	201,915	-	-	308,100
Armutlu Tatil ve Turizm İşletmeleri A.Ş.	101,873	3,661	-	-	-
İhlas Pazarlama A.Ş	-	93,051	-	-	643,527
Promaş Pro. Medya Rek. ve Film Paz. Hiz. A.Ş.	-	45,000	-	-	-
İhlas Finans Kurumu A.Ş.	-	43,932	-	-	-
İhlas Yayın Holding A.Ş.	-	29,441	858,380	846,613	-
İhlas Oxford Mortgage İnşaat ve Ticaret A.Ş.	-	6,712	-	-	-
TGRT Dijital TV A.Ş.	-	5,898	-	-	-
İhlas İnşaat Yapı Taahhüt ve İnşaat A.Ş.	-	5,898	-	-	-
Kuzuluk Kapl. Sağ. ve Petr. Ür. Tic. A.Ş.	-	4,424	-	-	-
İhlas Kimya Ltd. Şti.	-	4,424	-	-	-
İhlas Motor A.Ş.	-	3,661	-	-	-
Detes Enerji Üretim A.Ş.	-	3,661	-	-	-
Bursa Yalova Enerji Dağıtım Ltd. Şti.	-	3,661	-	-	-
İhlas Enerji Üretim Dağıtım ve Tic. A.Ş.	-	2,820	-	-	-
İhlas Madencilik A.Ş.	-	2,517	-	-	-
İhlas Ev Aletleri İmalat San. Tic. A.Ş.	-	1,475	-	-	186,831
İhlas Holding A.Ş. - İhlas Yapı Turizm ve Sağlık A.Ş. Joint Venture	-	839	-	-	-
İhlas İnşaat Proje Taahhüt Turizm ve Tic. A.Ş.	-	185	-	-	-
Total	**1,122,879**	**463,175**	**858,380**	**846,613**	**1,138,458**

D. Short-term benefits provided to the Company's key management personnel in the periods January 1 - December 31, 2010 and January 1 - December 31, 2009 are as follows:

01.01 - 31.12.2010: TL 245,529
01.01 - 31.12.2009: TL 121,842

Redundancy compensation for the Company's top level (key) management personnel is as follows:

01.01 - 31.12.2010: TL 153,250
01.01 - 31.12.2009: TL 63,463

E. Long-term benefits provided to the Company's key management personnel in the periods January 1 - December 31, 2010 and January 1 - December 31, 2009 are as follows:

None.

Note 38 - Nature and Extent of Risks Arising from Financial Instruments

The (net) book values of the financial assets and liabilities that are denominated in foreign currencies as of the dates December 31, 2010 and December 31, 2009 are as follows:

	31.12.2010	31.12.2009
A. Foreign currency assets	2,140,934	2,864,752
B. Foreign currency liabilities	4,226,625	2,914,533
Net Foreign Exchange Position (A-B)	**(2,085,691)**	**(49,781)**

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

FOREIGN EXCHANGE POSITION TABLE

	31.12.2010				31.12.2009			
	TL Equivalent	US$	EURO	Other	TL Equivalent	US$	EURO	Other
1. Trade Receivables	1,887,521	1,113,278	81,203	-	2,605,391	1,237,601	72,397	245,076
2a. Monetary financial assets (including Cash and Bank accounts)	227,615	1	111,079	-	259,361	166,996	3,664	-
2b. Non-Monetary Financial Assets	-	-	-	-	-	-	-	-
3. Other	-	-	-	-	-	-	-	-
4. Current Assets (1+2+3)	**2,115,136**	**1,113,279**	**192,282**	**-**	**2,864,752**	**1,404,597**	**76,061**	**245,076**
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-	-	-	-
7. Other	25,798	-	12,590	-	-	-	-	-
8. Fixed Assets (5+6+7)	**25,798**	**-**	**12,590**	**-**	**-**	**-**	**-**	**-**
9. Total Assets (4+8)	**2,140,934**	**1,113,279**	**204,872**	**-**	**2,864,752**	**1,404,597**	**76,061**	**245,076**
10. Accounts Payable	10,294	1,256	4,076	-	852,796	98,547	160,602	149,617
11. Financial Liabilities	2,456,101	-	1,198,624	-	1,396,237	511,940	289,501	-
12a. Other Monetary Liabilities	-	-	-	-	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-	-	-	-	-
13. Short-Term Liabilities (10+11+12)	**2,466,395**	**1,256**	**1,202,700**	**-**	**2,249,033**	**610,487**	**450,103**	**149,617**
14. Accounts Payable	-	-	-	-	-	-	-	-
15. Financial Liabilities	1,760,230	-	859,026	-	665,500	-	308,059	-
16a. Other Monetary Liabilities	-	-	-	-	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-	-	-	-	-
17. Long-Term Liabilities (14+15+16)	**1,760,230**	**-**	**859,026**	**-**	**665,500**	**-**	**308,059**	**-**
18. Total Liabilities (13+17)	**4,226,625**	**1,256**	**2,061,726**	**-**	**2,914,533**	**610,487**	**758,162**	**149,617**
19. Net Asset / (Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
19a. Amount of Off-Balance Sheet Derivative Instruments of an Active Nature, Denominated in Foreign Exchange	-	-	-	-	-	-	-	-
19b. Amount of Off-Balance Sheet Derivative Instruments of a Passive Nature, Denominated in Foreign Exchange	-	-	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	**(2,085,691)**	**1,112,023**	**(1,856,854)**	**-**	**(49,781)**	**794,110**	**(682,101)**	**95,459**
21. Net Foreign Asset / (Liability) Position of Monetary Items (I+2a+5+6a-10-II-12a-14-15-16a)	**(2,111,489)**	**1,112,023**	**(1,869,444)**	**-**	**(49,781)**	**794,110**	**(682,101)**	**95,459**
22. Total Fair Value of Financial Instruments used for Foreign Exchange Hedge	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
23. Amount of Hedged Portion of Foreign Exchange Assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
24. Amount of Hedged Portion of Foreign Exchange Liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25. Exports	**1,259,735**	**181,350**	**491,381**	**-**	**1,381,221**	**256,865**	**452,012**	**-**
26. Imports	**19,501,873**	**7,316,592**	**4,354,767**	**64,000**	**21,456,175**	**11,500,461**	**1,749,619**	**150,774**

The hedging rate of total foreign exchange liabilities deriving from total imports is the rate of comparing total foreign exchange liability by using a derivative instrument. As of the dates December 31, 2010, and December 31, 2009, the Company does not have any hedging rates regarding its total foreign exchange liabilities, due to the fact that the Company does not have any forward transactions.

Note 39 - Financial Instruments

A) Capital risk management

The Company aims to enhance its profit and market value by providing an efficient debt and equity balance while trying to ensure continuity of operations in capital management.

The Company's capital structure, formed by debts and loans which are described in Notes 8 and 9, and the paid-in capital, capital reserves, restricted profit reserves and equity components including prior years' profits/losses is explained in Note 27.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Risks associated with each class of capital and the Company's cost of capital is evaluated by the senior management of the Company. During this evaluation, senior management evaluates the risks associated with each class of capital and cost of capital, and presents those dependent on the decision of the Board of Directors for the evaluation of the Board of Directors. The Company optimizes diversification of capital, based on the evaluation of the senior management and the Board of Directors by acquisition of new debt, repayment of existing debt and / or capital increase. The Company's overall strategy is not different from the previous period.

The Company monitors capital adequacy by using the debt/equity ratio. The calculation of this ratio is performed through dividing the net debt by total shareholders' equity. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (short-and long-term loans in the balance sheet, include trade and other payables).

	31.12.2010	**31.12.2009**
Total liabilities	37,224,169	44,631,715
Minus: Cash and Cash Equivalent Values (Note 6)	(6,068,379)	(6,829,951)
Net liability	31,155,790	37,801,764
Total shareholders' equity (Note 27)	207,427,865	200,811,444
The ratio of net liability /shareholders' equity	**15.02%**	**18.82%**

B) Significant accounting policies
The important accounting policies of the Company regarding financial instruments are described in detail in the "Financial Instruments" section within footnote No: 2 "Summary of Significant Accounting Policies".

C) Financial risk management objectives
Currently, a Company wide defined risk management model or its active applications are not present. Exchange rate risk, interest rate risk and liquidity risk are among the significant financial risks of the Company.

Although, there is not a defined risk management model, the Company manages its risks through decisions it takes, and through the implementation of these decisions. Forming a corporate risk management model is targeted and this aim is currently a work in progress.

D) The Market Risk
Due to its activities, the Company is exposed to financial risks regarding fluctuations in currency exchange rates and interest rates. Distribution of revenue and expenses according to foreign exchange types and distribution of debts according to foreign exchange rates and varying / fixed interest rates are monitored by the Company's management.

The changes in market conditions leading to market risk include benchmark interest rate, price of financial instrument of another company, commodity price, exchange rate or price or differences in the rate index.

Management of changes in inventory prices (price risk)
The Company is subjected to a price risk because of the sales prices being affected by price changes of stocked raw materials. There is no derivative instrument that can be used to avoid the negative effects of price movements on sales price margins. The Company tries to reflect raw material price changes by taking the balances of production-order-purchase according to future price movements for raw materials.

Risk management for foreign currency ratio
The Company becomes indebted through fixed interest rates. The interest rates regarding the Company's liabilities are described in detail in footnote No: 8.

Interest Position Table

		31.12.2010	**31.12.2009**
	Financial instruments with fixed rate		
Financial assets	Financial assets to be kept until maturity	4,966,587	4,995,335
	Financial assets that are ready for sale	-	-
Financial liabilities (bank loans)		-	1,715,780
	Financial instruments with variable interest rate		
Financial assets		-	-
Financial liabilities		-	-

As of the dates December 31, 2010 and December 31, 2009, if the base point of interest were to be changed by 100 points, which means if interest rates were changed by 1%, and if all other variables could be held constant, a net interest expense / income would have emerged due to the interest change applied on the financial instruments with fixed interests. In this case the pre-tax net profit / loss;

31.12/.010: 0
31.12.2009: would be TL 5,366 lower / higher.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

The Company's interest rate sensitivity is as follows:

	Interest Rate Sensitivity Analysis Table			
	31 December 2010		31 December 2009	
	Profit / Loss		Profit / Loss	
	Increase of basis point	Decrease of basis point	Increase of basis point	Decrease of basis point
	In case basis point is 100 (1%):			
Resulting Impact in TL Currency	-	-	(5,366)	5,366
Total Effect of Financial Instruments with Fixed Rate	**-**	**-**	**(5,366)**	**5,366**
	In case basis point is 100 (1%):			
Effect of Financial Instruments with Variable Interest Rate	**-**	**-**	**-**	**-**
Total	**-**	**-**	**(5,366)**	**5,366**

Foreign currency risk management:
There is a natural balance between the income and expenses of the company in terms of exchange rate risk. It is attempted to protect the balance by including predictions for the future and the market conditions into consideration.

As of the dates December 31, 2010 and December 31, 2009, if the currency unit TL were to change by 10% against US$, EURO and other foreign currency units, and if all other variables could be held constant, the pre-tax net profit / loss derived from net foreign exchange profit / loss of the assets and liabilities denominated by these currency units;

31.12.2010: would be TL 208,569 lower / higher.
31.12.2009: would be TL 4,978 lower / higher.

The exchange rate sensitivity analysis table regarding the Company's foreign exchange position is as follows:

	Exchange Rate Sensitivity Analysis Table			
	31 December 2010		31 December 2009	
	Profit / Loss		Profit / Loss	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
	In case of a 10% change in US$ currency:			
1- Net US$ assets / (liabilities)	171,919	(171,919)	119,569	(119,569)
2- Part protected from US$ risk (-)	-	-	-	-
3- US$ Net Impact (1+2)	**171,919**	**(171,919)**	**119,569**	**(119,569)**
	In case of a 10% change in EURO currency:			
4- Net EURO assets / (liabilities)	(380,488)	380,488	(147,354)	147,354
5- Part protected from EURO risk (-)	-	-	-	-
6- EURO Net Impact (4+5)	**(380,488)**	**380,488**	**(147,354)**	**147,354**
	In case of a 10% change in other currencies:			
7- Net assets in other foreign currency / (liabilities)	-	-	22,807	(22,807)
8- Part protected from other foreign currency risk (-)	-	-	-	-
9- Other Currency Assets Net Impact (7+8)	**-**	**-**	**22,807**	**(22,807)**
Total (3+6+9)	**(208,569)**	**208,569**	**(4,978)**	**4,978**

E) Credits and collection risk management
The credits and collection risk of the Company is basically related to its trade receivables. The amount shown in the balance sheet consists of the net amount which is obtained after the deduction of doubtful receivables predicted by the Company, due to its past experiences and current economic conditions. The Company's credit risk has been distributed as the Company has been working with a large number of customers and there is no significant concentration of credit risk.

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

Exposed credit risks in terms of financial instrument types:

December 31, 2010	Receivables					
	Trade Receivables		Other Receivables			
	Related Party	Other Party	Related Party	Other Party	Bank Deposits	Cash and Other
Maximum credit risk exposed as of the reporting date (A+B+C+D+E)[1]	**8,026,380**	**43,611,890**	**-**	**6,928**	**5,754,571**	**313,808**
Part of maximum risk secured by Guarantee etc.	-	-	-	-	-	-
A. Net book value of financial assets which are neither overdue nor subjected to impairment[2]	8,026,380	43,035,470	-	6,928	5,754,571	313,808
B. Book value of financial assets with renegotiated conditions, which would have been overdue or considered to be subjected to impairment	-	-	-	-	-	-
C. Net book value of assets which are overdue but not subjected to impairment[3]	-	-	-	-	-	-
- Part secured by Guarantee etc.	-	-	-	-	-	-
D. Net book value of assets subjected to impairment[4]	-	576,420	-	-	-	-
- Overdue (gross book value)	-	6,398,521	-	-	-	-
- Impairment (-)	-	(5,822,101)	-	-	-	-
- Part of the net value secured by Guarantee etc.	-	-	-	-	-	-
- Undue (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Part of the net value secured by Guarantee etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

[1] Factors that increase the reliability of credit, such as received guarantees, were not taken into account when determining the amount.
[2] An impairment and credit risk is expected for financial assets which are neither overdue nor impaired in their present condition.
[3] For financial assets which are overdue but have not been subjected to impairment, an impairment is not expected in the future either, as the guarantees and / or maturities regarding these financial assets are short-term.

The ageing analysis for financial assets which are overdue but not impaired as of 31.12.2010 is as follows:

	Receivables				
	Trade Receivables	Other Receivables	Bank Deposits	Derivative Instruments	Other
1 - 30 days overdue	-	-	-	-	-
1 - 3 months overdue	-	-	-	-	-
3 - 12 months overdue	-	-	-	-	-
1 - 5 years overdue	-	-	-	-	-
More than 5 years overdue	-	-	-	-	-
Part secured by guarantee etc.	-	-	-	-	-

[4] The ageing analysis for financial assets which are overdue and impaired as of 31.12.2010 is as follows:

	Receivables	
	Overdue Amount	Doubtful Receivables Provisions
1 - 30 days overdue	17,041	(1,704)
1 - 3 months overdue	41,082	(14,379)
3 - 12 months overdue	1,335,950	(801,570)
1 - 5 years overdue	5,004,448	(5,004,448)
More than 5 years overdue	-	-
Total	**6,398,521**	**(5,822,101)**
Part secured by guarantee etc.	-	-

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

There are various indicators when evaluating whether or not a receivable is a doubtful receivable. These indicators are as follows:

a) Data regarding the presence of receivables in previous years which could not be collected,
b) The debtor's ability to pay,
c) Extraordinary circumstances arising in the sector in which the Company operates, and in the current economic environment.

December 31, 2009	**Receivables**					
	Trade Receivables		**Other Receivables**			
	Related Party	**Other Party**	**Related Party**	**Other Party**	**Bank Deposits**	**Cash and Other**
Maximum credit risk exposed as of the reporting date (A+B+C+D+E)[1]	**8,993,499**	**58,827,784**	**-**	**6,928**	**6,220,009**	**609,942**
Part of maximum risk secured by Guarantee etc.	-	-	-	-	-	-
A. Net book value of financial assets which are neither overdue nor subjected to impairment[2]	8,993,499	56,989,121	-	6,928	6,220,009	609,942
B. Book value of financial assets with renegotiated conditions, which would have been overdue or considered to be subjected to impairment	-	-	-	-	-	-
C. Net book value of assets which are overdue but not subjected to impairment[3]	-	-	-	-	-	-
- Part secured by Guarantee etc.	-	-	-	-	-	-
D. Net book value of assets subjected to impairment([4]	-	1,838,663	-	-	-	-
- Overdue (gross book value)	-	5,876,448	-	-	-	-
- Impairment (-)	-	(4,037,785)	-	-	-	-
- Part of the net value secured by Guarantee etc.	-	-	-	-	-	-
- Undue (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Part of the net value secured by Guarantee etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

[1] Factors that increase the reliability of credit, such as received guarantees, were not taken into account when determining the amount.
[2] An impairment and credit risk is expected for financial assets which are neither overdue nor impaired in their present condition.
[3] For financial assets which are overdue but have not been subjected to impairment, an impairment is not expected in future either, as the guarantees and / or maturities regarding these financial assets are short-term. The ageing analysis for financial assets which are overdue but not impaired as of 31/12/2009 is as follows:

	Receivables				
	Trade Receivables	**Other Receivables**	**Bank Deposits**	**Derivative Instruments**	**Other**
1 - 30 days overdue	-	-	-	-	-
1 - 3 months overdue	-	-	-	-	-
3 - 12 months overdue	-	-	-	-	-
1 - 5 years overdue	-	-	-	-	-
More than 5 years overdue	-	-	-	-	-
Part secured by guarantee etc.	-	-	-	-	-

[4] The ageing analysis for financial assets which are overdue and impaired as of 31.12.2009 is as follows:

	Receivables	
	Overdue Amount	**Doubtful Receivables Provisions**
1 - 30 days overdue	765,605	(7,656)
1 - 3 months overdue	952,930	(203,657)
3 - 12 months overdue	525,079	(228,870)
1 - 5 years overdue	3,478,218	(3,442,986)
More than 5 years overdue	154,616	(154,616)
Total	**5,876,448**	**(4,037,785)**
Part secured by guarantee etc.	-	-

(All amounts expressed in Turkish Lira ("TL") unless mentioned otherwise.)

There are various indicators when evaluating whether or not a receivable is a doubtful receivable. These indicators are as follows:

a) Data regarding the presence of receivables in previous years which could not be collected,
b) The debtor's ability to pay,
c) Extraordinary circumstances arising in the sector in which the Company operates, and in the current economic environment.

F) Liquidity risk management
The Company manages liquidity risk by following the estimated and actual cash flows regularly while supplying sufficient funds and maintaining continuity of debt reserves by matching their maturities and liabilities.

31.12.2010

Maturities as per the terms of agreement	Book Value	Total Cash Outflows as per the terms of agreement	Less than 3 months	Between 3 - 12 months	Between 1 - 5 years
Non-Derivative Financial Liabilities	**5,516,157**	**5,516,157**	**1,540,863**	**2,215,064**	**1,760,230**
Bank Loans	-	-	-	-	-
Finance Lease Obligations	4,216,331	4,216,331	664,405	1,791,696	1,760,230
Accounts Payable(*)	-	-	-	-	-
Other Debts and Liabilities(**)	1,299,826	1,299,826	876,458	423,368	-

Expected Maturities	Book Value	Total Expected Cash Outflows	Less than 3 months	Between 3 - 12 months	Between 1 - 5 years
Non-Derivative Financial Liabilities	**7,361,985**	**7,406,918**	**1,969,126**	**5,201,612**	**236,180**
Bank Loans	969,000	969,000	969,000	-	-
Accounts Payable(***)	3,544,309	3,589,242	-	3,589,242	-
Other Debts and Liabilities	2,848,676	2,848,676	1,000,126	1,612,370	236,180

Maturities Expected (or as per the terms of agreement)	Book Value	Total Cash Outflows Expected / as per the terms of agreement	Less than 3 months	Between 3 - 12 months	Between 1 - 5 years
Derivative Cash Inflows	-	-	-	-	-
Derivative Cash Outflows	-	-	-	-	-

(*) As indicated by TCC, promissory notes are contracts between two parties. Therefore, notes payable are observed in this group.
(**) Liabilities with legal payment periods, such as tax provisions, tax installments, taxes payable and social security premiums, are observed in this group.
(***) Suppliers and other trade payables are observed within this group.

31.12.2009

Maturities as per the terms of agreement	Book Value	Total Cash Outflows as per the terms of agreement	Less than 3 months	Between 3 - 12 months	Between 1 - 5 years
Non-Derivative Financial Liabilities	**10,753,274**	**10,910,159**	**7,776,304**	**2,468,354**	**665,500**
Bank Loans	1,715,780	1,813,436	73,514	1,739,922	-
Finance Lease Obligations	1,290,909	1,290,909	96,723	528,686	665,500
Accounts Payable(*)	6,779,771	6,839,000	6,839,000	-	-
Other Debts and Liabilities(**)	966,814	966,814	767,067	199,746	-

Expected Maturities	Book Value	Total Expected Cash Outflows	Less than 3 months	Between 3 - 12 months	Between 1 - 5 years
Non-Derivative Financial Liabilities	**11,763,230**	**11,951,385**	**3,146,360**	**8,600,663**	**204,362**
Bank Loans	3,060,828	3,060,828	2,402,928	657,900	-
Accounts Payable(***)	6,288,782	6,476,937	-	6,476,937	-
Other Debt and Liabilities	2,413,620	2,413,620	743,432	1,465,826	204,362

(*) As indicated by TCC, promissory notes are contracts between two parties. Therefore, notes payable are observed in this group.
(**) Liabilities with legal payment periods, such as tax provisions, tax installments, taxes payable and social security premiums, are observed in this group.
(***) Suppliers and other trade payables are observed within this group.

G) Hedge Accounting
In order to protect derivative products from the buying and selling process and from foreign currencies and / or interest rates (fixed and changeable), the Company performs forward, future, option and swap transactions.

Note 40 - Subsequent Events (Events After the Balance Sheet Date)

Endorsement of the financial statements
The Company's financial statements dated 31.12.2010 were endorsed by the Company's Board of Directors on February 22, 2011. The only authority with the power to make changes on the financial statements endorsed by the Company's Board of Directors is the Company's General Assembly.

Note 41 - Other Matters That may Affect the Financial Statements to a Significant Extent or Matters Which are Required to be Explained in Order the Financial statements to be Clear, Interpretable and Understandable

None.

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