

DOĐAN ŐİRKETLER GRUBU HOLDİNG A.Ő.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010
TOGETHER WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

**CONVENIENCE TRANSLATION OF THE REVIEW REPORT AND THE FINANCIAL
STATEMENTS ORIGINALLY ISSUED IN TURKISH**

REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Board of Directors of
Dođan Őirketler Grubu Holding A.Ő.

Introduction

1. We have reviewed the accompanying condensed consolidated balance sheet of Dođan Őirketler Grubu Holding A.Ő. (the ‘‘Company’’), its subsidiaries, its joint ventures (together the ‘‘Group’’) as of 30 June 2010 and the related condensed consolidated statements of income, condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Group management is responsible for the preparation and fair presentation of this interim financial information in accordance with financial reporting standards published by Capital Markets Board. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Basis for Qualified Conclusion

3. Further to the matter related to the interim condensed consolidated financial statements as of 30 June 2009 which is included to the accompanying interim condensed consolidated financial statements as comparative figures;

Petrol Ofisi A.Ő. (‘‘POAŐ’’), a joint venture of the Company became a party of an agreement as a result of obtaining the contract in a public tender by Elektrik Üretim A.Ő. Subsequently, Elektrik Üretim A.Ő. has converted the letter of guarantee amounting to TL 11,3 Million, calculated using the Company’s total proportion of ownership interest of 54,17% in POAŐ, into cash, claiming the violation of agreement clauses. The Company accounted for the letter of guarantee converted into cash as receivable from Elektrik Üretim A.Ő. in other current receivables and applied for legal action for the annulment of the transaction in the amount of TL 11,3 Million, the uncertainty over the outcome of the judicial process continued as of this report date, this application constituted the basis for the qualified conclusion in the independent auditor review report of POAŐ dated 4 August 2009. In this context, matter, which constitutes basis for qualified conclusion in review report of POAŐ, is also valid for the consolidated financial statements of Dođan Őirketler Grubu A.Ő., that includes publicly available consolidated financial statements of POAŐ. Had the other current asset been derecognized, other current assets and deferred tax liabilities as of 30 June 2009 would have been decreased by TL 11,3 Million and TL 2,3 Million respectively and net income and earnings per share would have been decreased by TL 9,1 Million for the six-month period ended 30 June 2009.

Based on the matter explained above, on 26 August 2009, upon the ultimate decision made in favor of the Company, the related letter of guarantee amount has been reimbursed to the Company by the related public authority, the related contingent asset became a financial asset to be recognized in the financial statements at that date as a consequence of the finalization of all legal and financial actions.

Consequently, the basis for the qualified conclusion in the interim review report in connection with 30 June 2009 financial statements dated 4 August 2009 was resolved as of 26 August 2009.

4. As explained in Note 15, Hürriyet Gazetecilik ve Matbaacılık A.Ş., one of the subsidiaries of the Company, has recognized its liability arising from the put option of having 3,84% of “non-controlling interests” attributable to a subsidiary, Trader Media East Limited, through a “protocol” signed with Hürriyet in the current period by increasing other financial liabilities by TL 39,3 Million, decreasing non-controlling interests by TL 8,4 Million and also decreasing retained earnings/accumulated loss by TL 30,9 Million in the accompanying consolidated financial statements as of and for the six-month period ended 30 June 2010.

However, as explained in the protocol, such put option liability in connection with the “non-controlling interests” amends the relevant provisions of the contract signed in 28 December 2006 which became effective as of 31 March 2007 as a consequence of acquisition of Trader Media East Limited’s majority shares and which has not been accounted by the Group in the accompanying financial statements until the current period. Therefore, these contracts, which are recorded in the Group’s accounts for the first time in the current period, should be recognized as a put option liability of “non-controlling interests” during acquisition of Trader Media East Limited’s shares by the Group in 2007, and the accompanying consolidated financial statements should be restated retrospectively.

If the said put option liability of “non-controlling interests” had been recognized retrospectively in the the accompanying consolidated financial statements, goodwill, equity and other current assets would have increased by TRY 0,9 million, TRY 2,4 million and TRY 1,5 million, respectively and net profit for the period would have decreased by TRY 0,2 million in the accompanying consolidated financial statements as of and for the six-month interim period ended 30 June 2010; goodwill, other financial liabilities and net loss for the period would have increased by TRY 0,5 million, TRY 37,6 million and TRY 14,7 million, respectively and equity would have decreased by TRY 37,1 million in the accompanying consolidated financial statements as of and for the year ended 31 December 2009; and goodwill, other financial liabilities and net loss for the period would have increased by TRY 14,8 million, TRY 37,8 million and TRY 10,8 million, respectively and equity would have decreased by TRY 23,0 million in the accompanying consolidated financial statements as of and for the year ended 31 December 2008.

Qualified Conclusion

5. Based on our review, except for the possible effects of the matters described in the basis for qualified conclusion paragraph 3 and 4 above, to the interim condensed consolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements have not been prepared in accordance with the financial reporting standards issued by the Capital Market Board.

Other matters:

6. As explained in Note 15, the Group's direct and indirect subsidiaries, Doğan TV Holding A.Ş., D Yapım ve Reklamcılık ve Dağıtım A.Ş., Doğan Produksiyon Hizmetleri A.Ş. and Alp Görsel İletişim Hizmetleri A.Ş., have gone through tax assessments for the prior accounting periods. In the tax assessment reports, the Group was imposed to a total of TL 3.980 Million of tax assessments and tax fines. Following the tax assessment reports, the Group appealed for a settlement in relation to the related tax assessments, fines and notifications; however; parties could not reach for a settlement and accordingly, the Group has filed lawsuits against the respective Tax Offices for the cancellation of the related tax assessments and fines, and notifications. As of the date of our review report, some of the lawsuits filed in relation to the tax assessment reports prepared for the 2005, 2006, 2007 and 2008 periods have been ruled by the tax court of first instance. In accordance with the court's ruling, the lawsuits amounting to TL 865 Million have been concluded in favor of the Group, the lawsuits totaling to TL 2 Million have been concluded against the Group, whereas TL 2.246 Million of the lawsuits have been finalized partially against and partially in favor of the Group. In addition to these decisions, interlocutory decisions have been made for the lawsuits amounting to TL 833 Million, and for the lawsuits amounting to TL 43 Million, no court hearings have been made. Included in the lawsuits amounting to TL 2.246 Million that have been finalized partially against and partially in favor of the Group, TL 713 Million of total tax assessments consisting TL 356,6 Million of tax base in connection with the 2006 Corporate Tax and TL 356,5 Million of tax fine have been concluded against Doğan TV Holding and a total tax notification amounting to TL 1.048 Million (including the respective TL 334,6 Million of overdue interest) was served to the Group. As of the date of our review report, no further notifications have been served to the Group in relation to the other lawsuits that have been finalized partially against and partially in favor of the Group. The Group has filed for appeal for all of tax lawsuits concluded against the Group, including the file for stay of execution.
7. Based on the assessments of its legal counsel and tax advisors, the Group management has not provided any provision in its interim condensed consolidated financial statements as of 30 June 2010 and its six month interim period then ended; since, the outcome of those lawsuits is uncertain and legal proceedings have not been finalized yet in connection with; the notifications that are served for the lawsuits concluded in the tax court of first instance against the Group, including the cases already concluded but not yet served to the Group and for the lawsuits that are still pending.

As explained in Note 15, as of the date of our review report, the Group has filed an appeal, including the file for stay of execution at the Council of State, in relation to the tax notification served on 20 August 2010 for the above-mentioned lawsuit amounting to TL 1.048 Million, including the respective overdue interest after the verdict against the Group at the tax court of first instance. As per the expert assessments obtained, the Group management anticipates that the file for stay of execution will be accepted. If the file for stay of execution is not accepted, the Group has to pay the charged amount within 30 days, or otherwise the related tax assessments shall be paid within 7 days upon the payment order given by the Tax Office. Although the legal proceedings for the related lawsuits are ongoing, if the Council of State will not rule in favor of the stay of execution and the Group will not pay the officially charged amount within the prescribed legal time frame, the liens already imposed over the Group by the Tax Office as explained in Note 15 shall be conclusive and accordingly certain administrative acts, including the disposal of the assets which constitutes significant portion of the Group's main operations are undertaken, will likely be put into process. This fact indicates the existence of material uncertainties that may cast significant doubt about the media segment of the Group's ability to continue as a going concern.

8. The review of the Group's interim condensed consolidated financial statements for the six-month period ended as of 30 June 2009 and audit of the consolidated financial statements for the year ended 31 December 2009 have been executed by another independent audit firm. Previous auditor stated in its review conclusion on the consolidated interim financial statements for the six-month period ended 30 June 2009 dated 28 August 2009, that, nothing has come to their attention that causes them to believe that the accompanying consolidated interim financial statements do not present fairly, in all material aspects, the financial position of the Group as at 30 June 2010, and its financial performance and cash flows for the six-month interim period then ended in accordance with the financial reporting standards issued by the Capital Market Board, except for the possible effects on the interim condensed consolidated financial statements of the matters described in paragraph 3 above; and stated and unqualified opinion in its audit report, dated 9 April 2010, for the interim condensed consolidated financial statements for the year ended 31 December 2009.

İstanbul, 27 August 2010

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Saim Üstündağ
Partner

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 30 JUNE 2010

CONTENTS	PAGE
CONSOLIDATED BALANCE SHEETS	1-2
CONSOLIDATED STATEMENTS OF INCOME.....	3
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	4
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY	5
CONSOLIDATED STATEMENTS OF CASH FLOW	6
SELECTED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS.....	7-85
NOTE 1 ORGANIZATION AND NATURE OF OPERATIONS	7-11
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	12-21
NOTE 3 BUSINESS COMBINATIONS.....	22
NOTE 4 JOINT VENTURES	23-25
NOTE 5 SEGMENT REPORTING.....	25-31
NOTE 6 CASH AND CASH EQUIVALENTS	32
NOTE 7 FINANCIAL INVESTMENTS.....	33-34
NOTE 8 FINANCIAL LIABILITIES.....	34-38
NOTE 9 TRADE RECEIVABLES AND PAYABLES.....	38-39
NOTE 10 INVESTMENT PROPERTY	40
NOTE 11 PROPERTY, PLANT AND EQUIPMENT	40
NOTE 12 INTANGIBLE ASSETS	41
NOTE 13 GOODWILL	41
NOTE 14 GOVERNMENT GRANTS	41
NOTE 15 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	42-56
NOTE 16 COMMITMENTS	57-58
NOTE 17 OTHER ASSETS AND LIABILITIES	58-59
NOTE 18 EQUITY	59-62
NOTE 19 SALES AND COST OF SALES.....	63
NOTE 20 RESEARCH AND DEVELOPMENT, MARKETING, SELLING AND DISTRIBUTION AND GENERAL ADMINISTRATIVE EXPENSES	64
NOTE 21 EXPENSES BY NATURE	64
NOTE 22 OTHER INCOME AND EXPENSES.....	65
NOTE 23 FINANCIAL INCOME.....	66
NOTE 24 FINANCIAL EXPENSES.....	66
NOTE 25 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	66
NOTE 26 TAX ASSETS AND LIABILITIES	67-72
NOTE 27 RELATED PARTY DISCLOSURES	73-74
NOTE 28 FINANCIAL RISK MANAGEMENT.....	75-87
NOTE 29 FINANCIAL INSTRUMENTS.....	87-88
NOTE 30 SUBSEQUENT EVENTS.....	88-89
NOTE 31 DISCLOSURE OF OTHER MATTERS	89
NOTE 32 CONSOLIDATED CASH FLOW STATEMENTS - CASH USED IN OPERATIONS	90

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED BALANCE SHEETS
AT 30 JUNE 2010 AND 31 DECEMBER 2009**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	USD (*) 30 June 2010	Reviewed 30 June 2010	Audited 31 December 2009
ASSETS				
Current assets		2.824.529	4.447.785	4.295.457
Cash and cash equivalents	6	1.276.818	2.010.605	2.055.639
Financial investments	7	78.257	123.231	215.899
Trade receivables				
- Due from related parties	27	9.956	15.677	13.415
- Other trade receivables	9	828.061	1.303.948	1.085.432
Other receivables		21.637	34.072	16.332
Inventories		460.610	725.323	637.148
Biological assets		3	5	40
Other current assets	17	149.187	234.924	271.552
Non-current assets		3.333.522	5.249.298	5.249.370
Trade receivables	9	45.024	70.900	68.343
Other receivables		1.626	2.560	2.546
Inventories		63.106	99.373	110.713
Financial investments	7	19.917	31.363	27.567
Investment properties	10	55.635	87.609	92.583
Property, plant and equipment	11	1.035.846	1.631.147	1.610.907
Intangible assets	12	782.487	1.232.183	1.311.453
Goodwill	13	1.090.906	1.717.850	1.715.569
Deferred income tax assets	26	49.856	78.508	71.248
Other non-current assets	17	189.119	297.805	238.441
TOTAL ASSETS		6.158.051	9.697.083	9.544.827

The consolidated financial statements for the six-month period ended 30 June 2010 have been approved by the Board of Directors at 27 August 2010.

(*) As explained in the Note 2.1.3 to the condensed consolidated financial statements, USD amounts shown in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board ("CMB") as at 30 June 2010.

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED BALANCE SHEETS
AT 30 JUNE 2010 AND 31 DECEMBER 2009**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	USD (*) 30 June 2010	Reviewed 30 June 2010	Audited 31 December 2009
LIABILITIES				
Current liabilities		1.808.167	2.847.321	3.177.455
Financial liabilities	8	666.352	1.049.305	1.354.585
Other financial liabilities		35.044	55.183	17.820
Trade payables				
- Due to related parties	27	1.159	1.825	442
- Other trade payables	9	677.637	1.067.075	1.256.967
Other payables		213.190	335.711	260.879
Current income tax liabilities	26	31.369	49.397	10.699
Provisions	15	87.540	137.849	134.760
Other current liabilities	17	95.876	150.976	141.303
Non-current liabilities		1.827.239	2.877.354	2.126.120
Financial liabilities	8	1.112.621	1.752.044	1.473.323
Other financial liabilities	15	128.102	201.722	742
Trade payables	9	375.740	591.677	316.844
Other payables		50.599	79.679	71.376
Provisions	15	984	1.550	1.406
Provisions for employment benefits		24.610	38.753	36.399
Deferred income tax liabilities	26	134.583	211.929	226.030
SHAREHOLDERS’ EQUITY		2.522.645	3.972.408	4.241.252
Parent Company Shareholders’ Equity	18	2.010.388	3.165.757	3.474.105
Share capital	18	1.555.852	2.450.000	2.450.000
Adjustment to shareholders’ equity	18	91.145	143.526	143.526
Share premium	18	400	630	630
Revaluation fund	18	73.973	116.485	126.398
Translation reserve	18	(16.843)	(26.523)	(7.063)
Restricted reserves assorted from profit	18	24.746	38.967	37.451
Retained earnings	18	290.112	456.840	837.276
Loss for the period		(8.997)	(14.168)	(114.113)
Non-controlling interests		512.257	806.651	767.147
TOTAL LIABILITIES		6.158.051	9.697.083	9.544.827
Commitments	16			

(*) As explained in the Note 2.1.3 to the consolidated financial statements, USD amounts shown in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board (“CMB”) as at 30 June 2010.

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENTS OF INCOME
FOR 1 JANUARY – 30 JUNE 2010 AND 2009 INTERIM PERIODS**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	2010 USD	Reviewed 1 January - 30 June 2010	Unaudited 1 April - 30 June 2010	Reviewed 1 January - 30 June 2009	Unaudited 1 April - 30 June 2009
Continued operations						
Sales	19	3.501.640	5.514.033	3.108.318	4.717.179	2.548.284
Cost of sales (-)	19-21	(3.120.559)	(4.913.945)	(2.759.365)	(4.236.646)	(2.255.101)
Gross operating profit	20	381.081	600.088	348.953	480.533	293.183
Marketing, selling and distribution expenses (-)	20-21	(176.389)	(277.760)	(144.091)	(218.083)	(111.339)
General and administrative expenses (-)	20-21	(131.446)	(206.988)	(109.822)	(217.185)	(117.297)
Research and development expenses (-)	20-21	(168)	(264)	(50)	-	-
Other income and profits	22	25.445	40.068	25.296	67.382	24.366
Other expenses and losses (-)	22	(39.180)	(61.697)	(41.619)	(83.301)	(50.288)
Operating profit		59.343	93.447	78.667	29.346	38.625
Share of (loss)/profit investments accounted for by the equity method		-	-	-	(2.268)	613
Financial income	23	246.041	387.441	216.898	631.233	251.842
Financial expenses	24	(294.355)	(463.521)	(259.785)	(699.949)	(200.441)
Profit/(loss) before taxation from continued operations		11.029	17.367	35.780	(41.638)	90.639
Tax income/expenses from continued operations	26	(30.465)	(47.974)	(31.311)	(29.098)	(33.232)
- Current Tax Income/Expense		(42.694)	(67.231)	(44.592)	(49.427)	(6.928)
- Deferred Tax Income/Expense		12.229	19.257	13.281	20.329	(26.304)
Net (Loss)/profit for the period		(19.436)	(30.607)	4.469	(70.736)	57.407
Distribution of (loss)/profit for the period						
Attributable to non-controlling interests		(10.439)	(16.439)	8.771	(91.407)	25.471
Attributable to equity holders of the Company		(8.997)	(14.168)	(4.302)	20.671	31.936
(Loss)/earnings per share for parent company share		(0,004)	(0,006)	(0,002)	0,008	0,013

(*) As explained in the Note 2.1.3 to the consolidated interim financial statements, USD amounts shown in these consolidated interim financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated interim financial statements prepared in accordance with generally accepted accounting standards issued by the CMB as at 30 June 2010.

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR 1 JANUARY – 30 JUNE 2010 AND 2009 INTERIM PERIODS**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	2010 USD	Reviewed 1 January - 30 June 2010	Unaudited 1 April - 30 June 2010	Reviewed 1 January - 30 June 2009	Unaudited 1 April - 30 June 2009
(Loss)/profit for the period	(19.436)	(30.607)	4.469	(70.736)	57.407
<u>Other comprehensive (expense)/income:</u>					
Change in financial assets fair value reserve	2.106	3.317	4.240	-	-
Change in translation reserves	(11.536)	(18.166)	(28.679)	(18.568)	(24.959)
Other comprehensive (expense)/income (after income tax)	(9.430)	(14.849)	(24.439)	(18.568)	(24.959)
Total comprehensive (expense)/income	(28.867)	(45.456)	(19.970)	(89.304)	32.448
Allocation of total comprehensive (expense)/income					
Attributable to non-controlling interests	(9.618)	(15.145)	208	(99.278)	14.678
Attributable to equity holders of the Company	(19.249)	(30.311)	(20.178)	9.974	17.770

(*) As explained in the Note 2.1.3 to the consolidated financial statements, USD amounts shown in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board (“CMB”) as at 30 June 2010.

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR 1 JANUARY – 30 JUNE 2010 AND 2009 INTERIM PERIODS**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Note references	Share capital	Adjustment to share capital	Share premium	Financial assets fair value reserve	Non-current assets revaluation fund	Translation reserve	Restricted reserves	Retained earnings	Net profit / (loss) for the period	Equity attributable to equity holders of the company	Non-controlling interests	Total shareholders' equity
Balances at 1 January 2009	18	2.450.000	143.526	630	-	146.218	3.807	15.762	1.022.944	68.145	3.851.032	852.322	4.703.354
Transfers		-	-	-	-	(16.138)	-	-	84.283	(68.145)	-	-	-
Capital increase		-	-	-	-	-	-	-	-	-	-	2.800	2.800
Business combinations and consolidation rate change effect		-	-	-	-	-	-	-	-	-	-	(61.360)	(61.360)
Dividend payment		-	-	-	-	-	-	-	-	-	-	(264)	(264)
Total comprehensive income /(loss)		-	-	-	-	-	(10.697)	-	-	20.671	9.974	(99.278)	(89.304)
<i>Currency translation differences</i>		-	-	-	-	-	(10.697)	-	-	-	(10.697)	(7.871)	(18.568)
<i>Net loss for the period</i>		-	-	-	-	-	-	-	-	20.671	20.671	(91.407)	(70.736)
Balances at 30 June 2009	18	2.450.000	143.526	630	-	130.080	(6.890)	15.762	1.107.227	20.671	3.861.006	694.220	4.555.226
Balances at 1 January 2010	18	2.450.000	143.526	630	12.456	113.942	(7.063)	37.451	837.276	(114.113)	3.474.105	767.147	4.241.252
Transfers		-	-	-	-	(13.230)	-	1.516	(102.399)	114.113	-	-	-
Capital increase		-	-	-	-	-	-	-	-	-	-	50.430	50.430
Dividend payment		-	-	-	-	-	-	-	-	-	-	(20.074)	(20.074)
Business combinations and consolidation rate change effect		-	-	-	-	-	-	-	-	-	-	(442)	(442)
Financial liabilities subject to put option of non-controlling interest		-	-	-	-	-	-	-	(223.144)	-	(223.144)	(30.158)	(253.302)
Effective rate change of subsidiaries		-	-	-	-	-	-	-	(54.893)	-	(54.893)	54.893	-
Total comprehensive income/(loss)		-	-	-	3.317	-	(19.460)	-	-	(14.168)	(30.311)	(15.145)	(45.456)
<i>Change in financial asset fair value reserve (net)</i>		-	-	-	3.317	-	-	-	-	-	3.317	-	3.317
<i>Currency translation differences</i>		-	-	-	-	-	(19.460)	-	-	-	(19.460)	1.294	(18.166)
<i>Net loss for the period</i>		-	-	-	-	-	-	-	-	(14.168)	(14.168)	(16.439)	(30.607)
Balances at 30 June 2010	18	2.450.000	143.526	630	15.773	100.712	(26.523)	38.967	456.840	(14.168)	3.165.757	806.651	3.972.408

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR 1 JANUARY- 30 JUNE 2010 AND 2009 INTERIM PERIODS**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	2010 USD (*)	Reviewed 30 June 2010	Reviewed 30 June 2009
Operating activities:				
Cash provided/(used) in operations	32	146.268	230.328	249.620
Taxes paid		(28.876)	(45.471)	(95.850)
Employment termination benefit paid		(2.381)	(3.749)	(6.398)
Net cash provided by operating activities		115.011	181.108	147.372
Investing activities:				
Purchase of investment property	10	(4.873)	(7.674)	(9.734)
Purchase of property, plant and equipment	11	(88.699)	(139.674)	(138.575)
Purchase of intangible assets	12	(27.350)	(43.068)	(121.255)
Proceeds from sale of investment property, property, plant and equipment and intangible assets		37.410	58.909	33.343
Cash out flow for acquisition of subsidiaries		(270)	(425)	(22.400)
Change in other non-current assets and long-term liabilities		(37.699)	(59.364)	(44.476)
Net cash used in investing activities		(121.481)	(191.296)	(303.097)
Financing activities:				
Proceeds of issuance of share capital to minority interests		32.025	50.430	2.800
Dividends paid to minority interests		(12.748)	(20.074)	(264)
Change in borrowings, net		(29.345)	(46.210)	(391.995)
Letter of credits paid in trade payables		-	-	(54.972)
Interest paid		(44.889)	(70.687)	(162.768)
Interest received		44.234	69.656	96.215
Net cash used in financing activities		(10.723)	(16.885)	(510.984)
Net decrease in cash and cash equivalents		(17.193)	(27.073)	(666.709)
Cash and cash equivalents at the beginning of the period	6	1.292.129	2.034.716	3.348.634
Cash and cash equivalents at the end of the period	6	1.274.936	2.007.643	2.681.925

(*) As explained in the Note 2.1.3 to the consolidated financial statements, USD amounts shown in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board ("CMB") as 30 June 2010.

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Doğan Şirketler Grubu Holding A.Ş. (“Doğan Holding”, “Holding” or the “Company”) was established on 22 September 1980 as a corporation to coordinate the activities of and liaise between companies operating in different fields including media, energy, telecommunications, tourism, insurance, manufacturing and marketing and is registered in Turkey. Doğan Holding also provides financial and managerial advisory and internal audit services to its subsidiaries and joint ventures operating in these fields.

Doğan Holding is registered with the Capital Markets Board (“CMB”) and its shares have been quoted on the Istanbul Stock Exchange (“ISE”) since 21 June 1993. At 30 June 2010, the shares quoted on the ISE represent 34,29% of the total shares (31 December 2009: 34,29%). At 30 June 2010, the principal shareholders and their respective shareholdings in Doğan Holding are as follows (Note 18):

	%
Doğan family and companies owned by Doğan family	65,52
Listed on ISE	34,29
Aydın Doğan Vakfı	0,19
	100,00

The address of the registered office is as follows:

Altunizade, Oymacı Sokak No: 15/1
Üsküdar 34662 İstanbul

The majority of Doğan Holding is organized in Turkey, and its continuing operations are in three main business segments:

- Media
- Energy
- Other

Other operations mainly comprise of trade, tourism, telecommunications, manufacturing and construction, none of which is of a sufficient size to be reported separately.

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**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Doğan Holding has the following subsidiaries (the “Subsidiaries”). The natures of the business of the subsidiaries are as follows:

Subsidiaries	Country	Nature of business	Segment
Hürriyet Gazetecilik ve Matbaacılık A.Ş. (“Hürriyet”)	Turkey	Newspaper publishing	Media
Hürriyet Medya Basım Hizmetleri ve Ticaret A.Ş. (“Hürriyet Medya Basım”)	Turkey	Publishing and administrative services	Media
Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. (“Doğan Ofset”)	Turkey	Printing services	Media
DYG İlan ve Reklam Hizmetleri A.Ş. (“DYG İlan”)	Turkey	Advertising	Media
Milliyet Haber Ajansı A.Ş. (“Milha”)	Turkey	News agency	Media
Doğan Gazetecilik A.Ş. (“Doğan Gazetecilik”)	Turkey	Newspaper publishing	Media
Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş. (“Doğan Dağıtım”) (1)	Turkey	Distribution	Media
Doğan Dış Ticaret ve Mümessillik A.Ş. (“Doğan Dış Ticaret”)	Turkey	Import and export	Media
İşıl İthalat İhracat Mümessillik A.Ş. (“İşıl İthalat İhracat”)	Turkey	Import and export	Media
Refeks Dağıtım ve Kurye Hizmetleri A.Ş. (“Refeks”)	Turkey	Distribution and courier services	Media
Doğan Haber Ajansı A.Ş. (“DHA”)	Turkey	News agency	Media
Doğan Daily News Gazetecilik ve Matbaacılık A.Ş. (“Doğan Daily News”)	Turkey	Newspaper publishing	Media
E Tüketici İnternet ve Danışmanlık Hizmetleri Elektronik Yayıncılık A.Ş. (“E Tüketici”)	Turkey	Internet services	Media
Milliyet İnternet Hizmet ve Ticaret A.Ş. (“Milliyet İnternet”)	Turkey	Internet services	Media
Yenibirış İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. (“Yenibir”)	Turkey	Internet services	Media
Bağımsız Gazeteciler Yayıncılık A.Ş. (“Bağımsız Gazeteciler”)	Turkey	Newspaper publishing	Media
Kemer Yayıncılık ve Gazetecilik A.Ş. (“Kemer Yayıncılık”)	Turkey	Newspaper publishing	Media
Kemer Yayıncılık Pazarlama, Sanayi ve Ticaret A.Ş. (“Kemer Pazarlama”)	Turkey	Internet services	Media
TME Teknoloji Proje Geliştirme ve Yazılım A.Ş. (“TME Teknoloji”)	Turkey	Software services	Media
Hürriyet Zweigniederlassung GmbH (“Hürriyet Zweigniederlassung”)	Germany	Newspaper printing	Media
Milliyet Verlags und Handels GmbH (“Milliyet Verlags”)(2)	Germany	Newspaper publishing	Media
Doğan Media International GmbH (“DMI”)	Germany	Newspaper publishing	Media
Hürriyet Invest B.V. (“Hürriyet Invest”)	The Netherlands	Investment	Media
Fairworld International Limited (“Fairworld”)	England	Foreign Trade	Media
Falcon Purchasing Services Ltd. (“Falcon”)	England	Foreign Trade	Media
Marchant Resources Ltd. (“Marchant”)	British Virgin Islands	Charity	Media
Trader Media East Ltd. (“TME”)	Jersey	Investment	Media
Oglasnik d.o.o.	Croatia	Newspaper and internet publishing	Media
Oglasnik Nekretnine d.o.o.	Croatia	Newspaper publishing	Media
TCM Adria d.o.o.	Croatia	Investment	Media
Internet Posao d.o.o.	Croatia	Internet publishing	Media
Expressz Magyarorszag Rt	Hungary	Newspaper and internet publishing	Media
International Ssuarts Holding B.V.	The Netherlands	Investment	Media
Mirabridge International B.V.	The Netherlands	Investment	Media
Pronto Invest B.V.	The Netherlands	Investment	Media
Trader Classified Media Croatia Holdings B.V.	The Netherlands	Investment	Media
Trader East Holdings B.V.	The Netherlands	Investment	Media
Moje Delo spletni marketing d.o.o.	Slovenia	Internet publishing	Media
Bolji Posao d.o.o. Serbia	Serbia	Internet publishing	Media
Bolji Posao d.o.o. Bosnia	Bosnia Herzegovania	Internet publishing	Media
OOO Optoprint	Russia	Printing services	Media
RU.com OOO	Russia	Internet publishing	Media
SP Bel Pronto OOO BYR	Russia	Newspaper and internet publishing	Media
OOO Pronto Aktobe	Russia	Newspaper and internet publishing	Media
ZAO Avtotehsnab	Russia	Newspaper and internet publishing	Media
OOO Novoprint	Russia	Newspaper and internet publishing	Media

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
OOO Balt-Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Delta-M	Russia	Newspaper and internet publishing	Media
OOO Pronto Baikal	Russia	Newspaper and internet publishing	Media
OOO Pronto DV	Russia	Newspaper and internet publishing	Media
OOO Pronto Ivanovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Pronto Kazan	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnodar	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnojarsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Nizhnij Novgorod	Russia	Newspaper and internet publishing	Media
OOO Pronto Novosibirsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Oka	Russia	Newspaper and internet publishing	Media
OOO Pronto Petersburg	Russia	Newspaper and internet publishing	Media
OOO Pronto Samara	Russia	Newspaper and internet publishing	Media
OOO Pronto Stavropol	Russia	Newspaper and internet publishing	Media
OOO Pronto UlanUde	Russia	Newspaper and internet publishing	Media
OOO Pronto Vladivostok	Russia	Newspaper and internet publishing	Media
OOO Pronto Volgograd	Russia	Newspaper and internet publishing	Media
OOO Pronto Moscow	Russia	Newspaper and internet publishing	Media
OOO Tambukan	Russia	Newspaper and internet publishing	Media
OOO Utro Peterburga	Russia	Newspaper and internet publishing	Media
OOO Pronto Astrakhan	Russia	Newspaper and internet publishing	Media
OOO Pronto Kemerovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Sever	Russia	Newspaper and internet publishing	Media
OOO Pronto Smolensk	Russia	Newspaper and internet publishing	Media
OOO Pronto Tula	Russia	Newspaper and internet publishing	Media
OOO Pronto Voronezh	Russia	Newspaper and internet publishing	Media
OOO Tambov-Info	Russia	Newspaper and internet publishing	Media
OOO Pronto Obninsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Komi	Russia	Newspaper and internet publishing	Media
SP Belpronto OOO	Belarus	Newspaper and internet publishing	Media
OOO Pronto Rostov	Belarus	Newspaper and internet publishing	Media
Informatcia Vilnusa	Lithuania	Newspaper and internet publishing	Media
ZAO Pronto Akzhol	Kazakhstan	Newspaper and internet publishing	Media
OOO Pronto-Akmola	Kazakhstan	Newspaper and internet publishing	Media
OOO Pronto Atyrau	Kazakhstan	Newspaper and internet publishing	Media
OOO Pronto Aktau	Kazakhstan	Newspaper and internet publishing	Media
SP Pronto Kiev	Ukraine	Newspaper and internet publishing	Media
OOO Pronto Print	Russia	Printing services	Media
OOO Rosprint	Russia	Printing services	Media
OOO Rosprint Samara	Russia	Printing services	Media
OOO Partner-Soft	Russia	Internet publishing	Media
Pronto Soft	Russia	Internet publishing	Media
E-Prostir	Ukraine	Internet publishing	Media
Impress Media Marketing BVI	Russia	Publishing	Media
Impress Media Marketing LLC	Russia	Publishing	Media
OOO Pronto TV	Russia	TV broadcasting	Media
OOO Rektcentr	Russia	Investment	Media
ZAO NPK	Russia	Call center	Media
Publishing House Pennsylvania Inc.	USA	Investment	Media
Tipeez İnternet Hizmetleri A.Ş. (3)	Turkey	Internet publishing	Media
Doğan TV Holding A.Ş. (“Doğan TV”)	Turkey	TV broadcasting	Media
DTV Haber ve Görsel Yayıncılık A.Ş. (“Kanal D”)	Turkey	TV broadcasting	Media
Işıl Televizyon Yayıncılık A.Ş. (“Işıl TV” veya “Star TV”)	Turkey	TV broadcasting	Media
Mozaik İletişim Hizmetleri A.Ş. (“Mozaik” veya “D-smart”)	Turkey	TV broadcasting	Media
Lapis Televizyon ve Radyo Yayıncılık A.Ş. (“Lapis Televizyon” veya “CNN Türk”)	Turkey	TV broadcasting	Media

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
Doğan TV Dijital Platform İşletmeciliği A.Ş. (“Doğan TV Dijital”)	Turkey	TV broadcasting	Media
Alp Görsel İletişim Hizmetleri A.Ş. (“Alp Görsel”)	Turkey	TV broadcasting	Media
Fun Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“Fun TV”)	Turkey	TV broadcasting	Media
Tempo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“Tempo TV”)	Turkey	TV broadcasting	Media
Kanalspor Televizyon ve Radyo Yayıncılık A.Ş. (“Kanalspor”)	Turkey	TV broadcasting	Media
Milenyum Televizyon Yayıncılık ve Yapımcılık A.Ş. (“Milenyum TV”)	Turkey	TV broadcasting	Media
TV 2000 Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“TV 2000”)	Turkey	TV broadcasting	Media
Moda Radyo ve Televizyon Yayıncılık Ticaret A.Ş. (“Moda Radyo”)	Turkey	TV broadcasting	Media
Popüler Televizyon ve Radyo Yayıncılık A.Ş. (“Popüler TV”)	Turkey	TV broadcasting	Media
D Yapım Reklamcılık ve Dağıtım A.Ş. (“D Yapım Reklamcılık”)	Turkey	TV broadcasting	Media
Bravo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“Bravo TV”)	Turkey	TV broadcasting	Media
Doğa Televizyon ve Radyo Yayıncılık A.Ş. (“Doğa TV”)	Turkey	TV broadcasting	Media
Altın Kanal Televizyon ve Radyo Yayıncılık A.Ş. (“Altın Kanal”)	Turkey	TV broadcasting	Media
Stil Televizyon ve Radyo Yayıncılık A.Ş. (“Stil TV”)	Turkey	TV broadcasting	Media
Selenit Televizyon ve Radyo Yayıncılık A.Ş. (“Selenit TV”)	Turkey	TV broadcasting	Media
Elit Televizyon ve Radyo Yayıncılık A.Ş. (“Elit TV”)	Turkey	TV broadcasting	Media
Trend Televizyon ve Radyo Yayıncılık A.Ş. (“D Çocuk”)	Turkey	TV broadcasting	Media
Ekinoks Televizyon ve Radyo Yayıncılık A.Ş. (“Ekinoks TV”)	Turkey	TV broadcasting	Media
Dönence Televizyon ve Radyo Yayıncılık A.Ş. (“Dönence TV”)	Turkey	TV broadcasting	Media
Fleks Televizyon ve Radyo Yayıncılık A.Ş. (“Fleks TV”)	Turkey	TV broadcasting	Media
Meridyen Televizyon ve Radyo Yayıncılık A.Ş. (“Meridyen TV”)	Turkey	TV broadcasting	Media
Planet Televizyon ve Radyo Yayıncılık A.Ş. (“Planet TV”)	Turkey	TV broadcasting	Media
Deniz Televizyon ve Radyo Yayıncılık A.Ş. (“HD TV”)	Turkey	TV broadcasting	Media
Doğan Prodüksiyon Hizmetleri A.Ş. (“Doğan Prodüksiyon”)	Turkey	TV broadcasting	Media
Kutup Televizyon ve Radyo Yayıncılık A.Ş. (“Kutup TV”)	Turkey	TV broadcasting	Media
Galaksi Radyo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“Galaksi TV”)	Turkey	TV broadcasting	Media
Opal İletişim Hizmetleri A.Ş. (“Opal İletişim”)	Turkey	TV broadcasting	Media
Koloni Televizyon ve Radyo Yayıncılık A.Ş. (“Koloni TV”)	Turkey	TV broadcasting	Media
Atılğan Televizyon ve Radyo Yayıncılık A.Ş. (“Atılğan TV”)	Turkey	TV broadcasting	Media
Atmosfer Televizyon ve Radyo Yayıncılık A.Ş. (“Atmosfer TV”)	Turkey	TV broadcasting	Media
Gümüş Televizyon ve Radyo Yayıncılık A.Ş. (“Gümüş TV”)	Turkey	TV broadcasting	Media
Platin Televizyon ve Radyo Yayıncılık A.Ş. (“Platin TV”)	Turkey	TV broadcasting	Media
Yörünge Televizyon ve Radyo Yayıncılık A.Ş. (“Yörünge TV”)	Turkey	TV broadcasting	Media
Safir Televizyon ve Radyo Yayıncılık A.Ş. (“Safir Televizyon”)	Turkey	TV broadcasting	Media
Tematik Televizyon ve Radyo Yayıncılık A.Ş. (“Tematik TV”)	Turkey	TV broadcasting	Media
Akustik Televizyon ve Radyo Yayıncılık A.Ş. (“Akustik TV”)	Turkey	TV broadcasting	Media
Ametist Televizyon ve Radyo Yayıncılık A.Ş. (“Ametist TV”)	Turkey	TV broadcasting	Media
Süper Kanal Uydu TV Video Radyo Basın Yayın Tanıtım ve Haber Hizmetleri A.Ş. (“Süperkanal”)	Turkey	TV broadcasting	Media
Uydu İletişim Basın Yayın A.Ş. (“Uydu”)	Turkey	TV broadcasting	Media
Mobil Teknolojileri Araştırma Geliştirme A.Ş. (“Mobil”)	Turkey	TV broadcasting	Media
Matis Reklam ve Pazarlama A.Ş. (“Matis TV”)	Turkey	TV broadcasting	Media
Yonca Reklam ve Pazarlama A.Ş. (“Yonca TV”)	Turkey	TV broadcasting	Media
İnci Televizyon ve Radyo Yayıncılık A.Ş. (“İnci TV”)	Turkey	TV broadcasting	Media
Kuvars Televizyon ve Radyo Yayıncılık A.Ş. (“Kuvars TV”)	Turkey	TV broadcasting	Media
Lal Televizyon ve Radyo Yayıncılık A.Ş. (“Lal TV”)	Turkey	TV broadcasting	Media
Truva Televizyon ve Radyo Yayıncılık A.Ş. (“Truva TV”)	Turkey	TV broadcasting	Media
Kayra Televizyon ve Radyo Yayıncılık A.Ş. (“Kayra TV”)	Turkey	TV broadcasting	Media
Milas Televizyon ve Radyo Yayıncılık A.Ş. (“Milas TV”)	Turkey	TV broadcasting	Media

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
Anemon İletişim Hizmetleri A.Ş. (“Anemon”)	Turkey	TV broadcasting	Media
Yosun İletişim Hizmetleri A.Ş. (“Yosun”)	Turkey	TV broadcasting	Media
Denizatı İletişim Hizmetleri A.Ş.	Turkey	TV broadcasting	Media
Protema Yapım Reklam ve Dağıtım A.Ş.	Turkey	TV broadcasting	Media
Doğan Teleshopping Pazarlama ve Ticaret A.Ş. (“Doğan Teleshopping”)	Turkey	TV broadcasting	Media
Radio Kulübü Uluslararası Programlar A.Ş. (“D Radyo”)	Turkey	Radio broadcasting	Media
Hürriyet Radyo ve Televizyon Yayıncılık A.Ş. (“Hürriyet Radyo”)	Turkey	Radio broadcasting	Media
Foreks Yayıncılık ve Reklamcılık A.Ş. (“CNN Türk Radyo”)	Turkey	Radio broadcasting	Media
Doğan Müzik Yapım ve Ticaret A.Ş. (“DMC”)	Turkey	Music and entertainment	Media
İnteraktif Medya Hizmetleri Geliştirme Paz. ve Tic. A.Ş. (“İnteraktif Medya”)	Turkey	Interactive services	Media
Ekin Radyo TV	Turkey	Radio broadcasting	Media
Prime Türk GmbH (“Prime Türk”)	Germany	Marketing	Media
Osmose Media S.A (“Osmose Media”)	Luxembourg	Marketing	Media
Doğan Media International S.A. (“Kanal D Romanya”)	Romania	TV broadcasting	Media
Doğan Müzik Kitap Mağazacılık Pazarlama A.Ş. (“DMK”)	Turkey	Retail	Media
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. (“Hürservis”)	Turkey	Retail	Media
Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş. (“Doğan Dağıtım”) (1)	Turkey	Distribution	Media
Birpa Müşteri Hizmetleri ve Pazarlama A.Ş. (“Birpa”)	Turkey	Customer services	Other
Doğan İletişim Elektronik Servis Hizmetleri ve Yayıncılık A.Ş. (“Doğan İletişim”)	Turkey	Internet service provider	Other
Doğan Factoring Hizmetleri A.Ş. (“Doğan Factoring”)	Turkey	Factoring	Other
Doğan Platform Yatırımları A.Ş. (“Doğan Platform”)	Turkey	Investment	Other
Milpa Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. (“Milpa”)	Turkey	Trade	Other
Hürriyet Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. (“Hürriyet Pazarlama”)	Turkey	Marketing	Other
Milanur İnşaat Pazarlama Turizm Sanayi ve Ticaret Limited Şirketi (“Milanur”) (4)	Turkey	Construction	Other
Doğan Otomobilcilik Ticaret ve Sanayi A.Ş. (“Doğan Oto”)	Turkey	Trade	Other
Enteralle Handels GmbH (“Enteralle Handels”)	Germany	Trade	Other
Orta Anadolu Otomotiv Ticaret ve Sanayi A.Ş. (“Orta Anadolu Otomotiv”)	Turkey	Trade	Other
Doğan Havacılık Sanayi ve Ticaret A.Ş. (“Doğan Havacılık”)	Turkey	Aviation	Other
Çelik Halat ve Tel Sanayi A.Ş. (“Çelik Halat”)	Turkey	Production	Other
Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş. (“Ditaş Doğan”)	Turkey	Production	Other
Milta Turizm İşletmeleri A.Ş. (“Milta Turizm”)	Turkey	Tourism	Other
Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. (“Doğan Organik”)	Turkey	Agriculture	Other
Zigana Elektrik Dağıtım Sanayi ve Ticaret A.Ş. (“Zigana”)	Turkey	Energy	Other
Çelik Enerji Üretim A.Ş. (“Çelik Enerji”)	Turkey	Energy	Other
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. (“Doğan Enerji”)	Turkey	Energy	Other
SC D-Yapı Real Estate, Investment and Construction S.A. (“D Yapı Romanya”)	Romania	Real Estate	Other
TOV D-Yapı Real Estate Investment and Construction (“TOV D-Yapı”)	Ukraine	Real Estate	Other
D Stroy Limited Şirketi (“D Stroy”)	Russia	Real Estate	Other
SC Doğan Hospitals Investments and Management SRL (“SC Doğan Hospitals”)	Romania	Real Estate	Other
DHI Investment B.V. (“DHI Investment”)	The Netherlands	Investment	Other

- (1) Yaysat merged with Doğan Dağıtım through devolution in accordance with the directions of relevant law. After the merger, Doğan Dağıtım continues to operate under the name of Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş.
- (2) The entity ceased operations on May 2010.
- (3) Group is participated in Tipeez İnternet Hizmetleri A.Ş. (“Tipeez”) as of 30 April 2010. Volume of operation of Tipeez is below the materiality level, therefore it is not consolidated in the accompanying financial statements.
- (4) According to the Board of Directors Resolution dated 1 March 2010, Milanur has been merged with Doğan Oto with all its assets and liabilities as a whole.

For the purposes of the segmental information in these condensed consolidated financial statements, Doğan Holding’s separate financial statements have been included in the “other” segment (Note 5).

As the sales and the purchases of the Group are made and the assets of the Group are located mainly in Turkey, no geographic segmental information is considered necessary.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial Reporting Standards

The Capital Markets Board of Turkey (“CMB”) regulates the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”). This Communiqué is effective for the annual periods starting from 1 January 2008 and supersedes the Communiqué No: XI-25 “The Financial Reporting Standards in the Capital Markets”. According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards (“IAS/IFRS”) endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board (“IASB”) are announced by Turkish Accounting Standards Board (“TASB”), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS/TFRS”) issued by the TASB which are in line with the aforementioned standards shall be considered.

With the decision taken on 17 March 2005, the CMB has announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards, the application of inflation accounting is no longer required. Accordingly, the Group did not apply IAS 29 “Financial Reporting in Hyperinflationary Economies” issued by IASB in its financial statements for the accounting periods starting from 1 January 2005.

According to CMB’s Communiqué No: XI-29, entities are allowed to prepare their interim financial statements as complete set or condensed in compliance with IAS 34 “Interim Financial Reporting” standard. In this context, the Group has preferred to prepare condensed consolidated report which includes selected notes to the interim financial statements.

Within the scope of CMB’s Communiqué No: XI-29 and its announcements clarifying this communiqué the consolidated financial statements have been prepared in accordance with the CMB’s Financial Reporting Standards which are based on IAS/IFRS, as the differences of IAS/IFRS, adopted by the European, from those published by IASB have not yet been announced by TASB as of the date of these financial statements. The consolidated financial statements and accompanying notes to them have been presented in accordance with the CMB’s Communiqué No: XI-29 and its regulations with regard to preparation of financial statements by including the mandatory information. In this regard, necessary reclassifications have been made in the consolidated financial statements of previous periods.

Doğan Holding and its subsidiaries, joint ventures and associates registered in Turkey maintain their books of account and prepare their statutory financial statements (“Statutory Financial Statements”) in TL in accordance with the Turkish Commercial Code (the “TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries prepare their statutory financial statements in accordance with the laws and regulations in force in the countries in which they are registered.

These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the CMB Financial Reporting Standards.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.2 Financial statements of subsidiaries and joint ventures operating in foreign countries

Financial statements of subsidiaries that are operating in foreign countries are prepared in accordance with the laws and regulations in force in the countries in which they are registered in and required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the Group's accounting policies.

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates; and all resulting exchange differences are recognised as a separate component of equity and statements of comprehensive income.

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.1.3 US dollar convenience translation

US dollar ("USD") amounts shown in the consolidated financial statements have been included solely for the convenience of the reader and are translated from Turkish lira ("TL"), as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate of TL 1,5747 = USD 1,00 on 30 June 2010. Thus, US dollar amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the CMB. Such translations should not be construed as a representation that the TL amounts have been or could be converted into USD at this or any other rate.

2.1.4 Consolidation principles

- (a) These consolidated financial statements include the accounts of the parent company, Doğan Holding, its subsidiaries and its joint ventures. The financial statements of the companies included in the consolidation are based on the accounting principles and presentation basis applied by the Group in accordance with CMB Financial Reporting Standards. The result of operations of subsidiaries and joint ventures are included or excluded in these consolidated financial statements subsequent to the date of acquisition or date of disposal respectively. Where necessary, accounting policies for subsidiaries and joint ventures have been changed to ensure consistency with the policies adopted by the Group.
- (b) Subsidiaries are companies in which Doğan Holding has the power to control the financial and operating policies for the benefit of Doğan Holding either (1) through the power to exercise more than 50% of voting rights related to shares in the companies as a result of shares owned directly and indirectly by itself and/or by certain Doğan family members and companies whereby Doğan Holding exercises control over the voting rights of (but does not have the economic benefit of) the shares held by them; or (2) although not having the power to exercise more than 50% of the voting rights, through the exercise of actual dominant influence over the financial and operating policies. Proportion of ownership interest represents the effective shareholding of the Group through the shares held directly by Doğan Holding and indirectly by its Subsidiaries.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.4 Consolidation principles (Continued)

The table below sets out all Subsidiaries included in the scope of consolidation and shows voting power and effective ownership proportions held by Doğan Holding and its Subsidiaries and Doğan Family at 30 June 2010 and 31 December 2009 is as follows:

Subsidiaries	Proportion of voting power held by Doğan Holding and its Subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Total proportion of effective ownership interest (%)	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
Hürriyet	77,65	77,65	-	-	77,65	77,65	60,70	60,70
Doğan Daily News	94,25	94,25	-	-	94,25	94,25	57,20	57,20
Doğan Gazetecilik (1)	92,76	70,76	0,52	0,52	93,28	71,28	69,13	52,74
Bağımsız Gazeteciler	100,00	100,00	-	-	100,00	100,00	69,13	52,74
Kemer Yayıncılık	99,98	99,98	-	-	99,99	99,98	69,12	52,73
Milliyet Verlags	99,72	99,77	0,28	0,23	100,00	100,00	76,50	73,57
DMI	100,00	100,00	-	-	100,00	100,00	68,84	68,66
Hürriyet Medya Basım Oglasnik	100,00	100,00	-	-	100,00	100,00	60,69	60,69
Nekretnine d.o.o.	100,00	100,00	-	-	100,00	100,00	40,85	40,85
Doğan Ofset	99,93	99,93	-	-	99,93	99,93	60,65	60,65
DYG İlan	100,00	100,00	-	-	100,00	100,00	69,06	60,86
Mozaik	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Milha	100,00	100,00	-	-	100,00	100,00	72,38	61,39
DHA	99,69	99,69	-	-	99,69	99,69	66,87	66,69
Yaysat (2)	-	100,00	-	-	-	100,00	-	71,07
Doğan Dağıtım (2)	100,00	100,00	-	-	100,00	100,00	74,41	74,53
Doğan Dış Ticaret	100,00	100,00	-	-	100,00	100,00	74,29	74,29
Işıl İthalat İhracat	96,70	96,70	-	-	96,70	96,70	71,84	71,84
Refeks	100,00	100,00	-	-	100,00	100,00	60,69	60,70
Emlaksimum	99,80	99,80	0,10	0,10	99,90	99,90	60,56	60,53
Milliyet İnternet	100,00	100,00	-	-	100,00	100,00	69,14	52,76
Yenibir	100,00	100,00	-	-	100,00	100,00	60,70	60,70
Kemer Pazarlama	99,96	99,96	-	-	99,96	99,96	69,11	52,72
TME Teknoloji	100,00	100,00	-	-	100,00	100,00	60,69	60,69
Hürriyet Zweigniederlassung	100,00	100,00	-	-	100,00	100,00	60,70	60,70
Hürriyet Invest	100,00	100,00	-	-	100,00	100,00	60,70	60,70
TME	67,30	67,30	-	-	67,30	67,30	40,85	40,85
International Ssuarts Holding B.V.	-	100,00	-	-	-	100,00	-	40,85
Mirabridge International B.V.	100,00	100,00	-	-	100,00	100,00	40,85	40,85
Trader Classified Media Croatia Holdings B.V.	-	100,00	-	-	-	100,00	-	40,85
Trader East Holdings B.V.	100,00	100,00	-	-	100,00	100,00	40,85	40,85
Pronto Invest B.V.	100,00	100,00	-	-	100,00	100,00	40,85	40,85
TCM Adria d.o.o.	100,00	100,00	-	-	100,00	100,00	40,85	40,85
OOO Rektcentr	100,00	100,00	-	-	100,00	100,00	40,85	40,85
Pennsylvania Publishing House Inc.	100,00	100,00	-	-	100,00	100,00	40,85	40,85
Doğan Platform	100,00	100,00	-	-	100,00	100,00	74,53	74,53

(1) According to the statutory accounts of Doğan Gazetecilik, proportion of effective ownership interest of Doğan Yayın is %70,76. Nevertheless, because of the option explained in not 8, the operational results of Doğan Gazetecilik and its subsidiaries are included into the consolidation with the rate of %92,76 by considering the additional share proportion in accordance with IAS 32 “Financial Instruments: Presentation”

(2) Yaysat merged with Doğan Dağıtım through devolution in accordance with the directions of relevant law. After the merger, Doğan Dağıtım continues to operate under the name of Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.4 Consolidation principles (Continued)

Subsidiaries	Proportion of voting power held by Doğan Holding and its Subsidiaries (%)		Proportion of voting power held by Doğan family members (%)			Total proportion of voting power held (%)			Total proportion of effective ownership interest (%)		
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	
Doğan Yayın	74,53	74,53	2,97	2,97	77,50	77,50	74,53	74,53			
Fairworld	100,00	100,00	-	-	100,00	100,00	74,29	74,29			
Falcon	100,00	100,00	-	-	100,00	100,00	74,29	74,29			
Marchant	100,00	100,00	-	-	100,00	100,00	71,84	71,84			
Oglasnik d.o.o.	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
Expressz Magyarorszag	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
SP Belpronto OOO	60,00	60,00	-	-	60,00	60,00	24,51	24,51			
OOO Pronto Rostov	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
SP Belpronto OOO BYR	60,00	60,00	-	-	60,00	60,00	24,51	24,51			
OOO Pronto Aktobe	80,00	80,00	-	-	80,00	80,00	26,14	26,14			
ZAO Avtotehsnab	85,00	85,00	-	-	85,00	85,00	34,72	34,72			
OOO Novoprint	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Balt-Pronto Kaliningrad	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Delta-M	55,00	55,00	-	-	55,00	55,00	22,47	22,47			
OOO Pronto Baikal	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto DV	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Ivanovo	86,00	86,00	-	-	86,00	86,00	35,13	35,13			
OOO Pronto Kaliningrad	95,00	95,00	-	-	95,00	95,00	38,81	38,81			
OOO Pronto Kazan	72,00	72,00	-	-	72,00	72,00	29,41	29,41			
OOO Pronto Krasnodar	80,00	80,00	-	-	80,00	80,00	32,68	32,68			
OOO Pronto Krasnojarsk	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Nizhnij Novgorod	90,00	90,00	-	-	90,00	90,00	36,76	36,76			
OOO Pronto Novosibirsk	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Oka	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Petersburg	51,00	51,00	-	-	51,00	51,00	20,83	20,83			
OOO Pronto Samara	89,90	89,90	-	-	89,90	89,90	36,72	36,72			
OOO Pronto Stavropol	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto UlanUde	90,00	90,00	-	-	90,00	90,00	36,76	36,76			
OOO Pronto Vladivostok	90,00	90,00	-	-	90,00	90,00	36,76	36,76			
OOO Pronto Volgograd	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto-Moscow	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Tambukan	85,00	85,00	-	-	85,00	85,00	34,72	34,72			
OOO Utro Peterburga	55,00	55,00	-	-	55,00	55,00	22,47	22,47			
OOO Pronto Astrakhan	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Kemerovo	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Sever	90,00	90,00	-	-	90,00	90,00	36,76	36,76			
OOO Pronto Smolensk	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Tula	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Voronezh	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Tambov-Info	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Obninsk	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Komi	-	70,00	-	-	-	70,00	-	28,59			
OOO Pronto-Akmola	100,00	100,00	-	-	100,00	100,00	40,85	40,85			
OOO Pronto Atyrau	100,00	100,00	-	-	100,00	100,00	32,68	32,68			
OOO Pronto Aktau	100,00	100,00	-	-	100,00	100,00	32,68	32,68			
Informacia Vilnusa	-	100,00	-	-	-	100,00	-	40,85			
ZAO Pronto Akzhol	80,00	80,00	-	-	80,00	80,00	32,68	32,68			
SP Pronto Kiev	50,00	50,00	-	-	50,00	50,00	20,42	20,42			
Internet Posao d.o.o.	100,00	100,00	-	-	100,00	100,00	28,59	28,59			
Moje Delo spletni Marketing d.o.o.	100,00	100,00	-	-	100,00	100,00	40,85	40,85			

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.4 Consolidation principles (Continued)

Subsidiaries	Proportion of voting power held by Doğan Holding and its Subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Total proportion of effective ownership interest (%)	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	Bolji Posao d.o.o. Serbia	100,00	100,00	-	-	100,00	100,00	22,47
Bolji Posao d.o.o. Bosnia	100,00	100,00	-	-	100,00	100,00	22,47	22,47
RU.com OOO	100,00	100,00	-	-	100,00	100,00	40,85	40,85
OOO Partner-Soft	100,00	100,00	-	-	100,00	100,00	40,85	40,85
Pronto soft	90,00	90,00	-	-	90,00	90,00	36,76	36,76
E-Prostir	50,00	50,00	-	-	50,00	50,00	20,42	20,42
Prime Türk	100,00	100,00	-	-	100,00	100,00	59,41	57,73
Osmose Media	100,00	100,00	-	-	100,00	100,00	59,41	57,73
OOO Optoprint	-	100,00	-	-	-	100,00	-	40,85
OOO Pronto Print	54,00	54,00	-	-	54,00	54,00	22,06	22,06
OOO Rosprint	100,00	100,00	-	-	100,00	100,00	40,85	40,85
OOO Rosprint Samara	99,50	99,50	-	-	99,50	99,50	40,85	40,85
Impress Media								
Marketing BVI	100,00	100,00	-	-	100,00	100,00	40,85	40,85
Impress Media								
Marketing LLC	100,00	100,00	-	-	100,00	100,00	40,85	40,85
OOO Pronto TV	70,00	70,00	-	-	70,00	70,00	28,59	28,59
Doğan TV	79,71	74,51	-	-	79,71	74,51	59,41	55,54
Kanal D	94,81	94,81	-	-	94,81	94,81	56,32	52,65
Işıl TV	100,00	100,00	-	-	100,00	100,00	59,41	55,53
Alp Görsel	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Fun TV	97,12	95,25	-	-	97,12	95,25	57,70	52,90
Tempo TV	96,83	95,25	-	-	96,83	95,25	57,47	52,85
Kanalspor	99,75	99,63	0,12	0,12	99,88	99,75	59,21	55,28
Milenyum TV	99,94	99,94	-	-	99,94	99,94	59,37	55,50
TV 2000	99,07	98,61	0,46	0,46	99,54	99,07	58,80	54,71
Moda Radyo	99,67	99,56	0,22	0,22	99,89	99,78	59,21	55,29
Popüler TV	96,00	96,00	1,33	1,33	97,33	97,33	56,98	53,26
D Yapım Reklamcılık	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Bravo TV	99,73	99,60	-	-	99,73	99,60	59,19	55,26
Doğa TV	98,12	98,12	0,63	0,63	98,75	98,75	58,25	54,45
Altın Kanal	99,35	99,35	0,22	0,22	99,57	99,57	58,97	55,12
Stil TV	99,08	99,08	0,61	0,61	99,69	99,69	58,81	54,97
Selenit TV	99,81	99,74	0,13	0,13	99,94	99,87	59,24	55,34
Elit TV	98,73	98,73	0,64	0,64	99,36	99,37	58,60	54,78
D Çocuk	99,70	99,12	0,30	0,59	100,00	99,71	59,18	54,99
Ekinoks TV	99,87	99,80	0,13	0,13	100,00	99,93	59,27	55,37
Dönence TV	97,87	96,80	1,07	2,13	98,93	98,93	58,09	53,71
Fleks TV	98,79	98,18	0,61	1,21	99,39	99,39	58,63	54,47
Meridyen TV	99,98	99,98	0,01	0,01	99,99	99,99	59,35	55,48
Planet TV	99,65	99,47	0,18	0,35	99,82	99,82	59,14	55,19
HD TV	99,81	99,72	0,09	0,19	99,91	99,91	59,24	55,32
E Tüketici	30,00	-	-	-	30,00	-	18,21	-
Ekin Radyo TV	100,00	-	-	-	100,00	-	59,40	-
Doğan Prodüksiyon	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Doğan TV Dijital	99,80	99,70	0,10	0,20	99,90	99,90	59,24	55,32
Kutup TV	99,79	99,69	0,10	0,21	99,90	99,90	59,23	55,31
Galaksi TV	99,20	99,07	-	-	99,20	99,07	58,88	54,97
Opal İletişim	99,92	99,92	-	-	99,92	99,92	59,36	55,49
Koloni TV	90,00	86,67	6,67	6,67	96,67	93,34	53,47	48,13
Atılğan TV	90,00	86,67	6,67	6,67	96,67	93,34	53,47	48,13
Atmosfer TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	48,08
Gümüş TV	92,86	92,86	1,79	1,79	94,64	94,65	55,11	51,52
Platin TV	91,30	91,30	2,17	2,17	93,48	93,47	54,19	50,66

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.4 Consolidation principles (Continued)

Subsidiaries	Proportion of voting power held by Doğan Holding and its Subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Total proportion of effective ownership interest (%)	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
Yörünge TV	98,39	98,39	0,40	0,40	98,79	98,79	58,39	54,59
Lapis Televizyon	99,89	99,65	0,04	0,12	99,93	99,77	59,34	55,34
Safir Televizyon	90,00	90,00	3,33	3,33	93,33	93,33	53,42	49,93
Tematik TV	90,00	90,00	3,33	3,33	93,33	93,33	53,47	49,98
Akustik TV	99,96	99,96	0,01	0,01	99,97	99,97	59,36	55,49
Ametist TV	99,96	99,96	0,01	0,01	99,97	99,97	59,39	55,51
Süper Kanal	99,65	99,53	0,23	0,23	99,88	99,76	59,14	55,22
Uydu	58,67	52,00	32,00	38,67	90,67	90,67	34,82	28,85
Mobil	99,99	75,00	-	-	100,00	75,00	59,41	41,65
Matis TV	100,00	100,00	-	-	100,00	100,00	59,41	55,53
Yonca TV	100,00	100,00	-	-	100,00	100,00	59,41	55,53
İnci TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	48,08
Kuvars TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Lal TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Truva TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Kayra TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Milas TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Kanal D Romanya	77,38	74,90	-	-	77,38	74,90	53,27	51,43
Anemon	99,99	99,99	-	-	99,99	99,99	59,40	55,53
Yosun	99,99	99,99	-	-	99,99	99,99	59,41	55,53
Denizati	99,99	99,99	-	-	99,99	99,99	59,40	55,52
Protema Yapım	99,99	99,99	0,01	0,01	100,00	100,00	59,41	55,53
Doğan Teleshopping	99,99	99,99	-	-	99,99	99,99	59,38	55,49
ZAO NPK	100,00	100,00	-	-	100,00	100,00	40,85	40,85
D Radyo	98,79	98,18	-	-	98,79	98,18	58,69	54,53
Hürriyet Radyo	98,14	97,22	-	-	98,14	97,22	58,31	53,99
CNN Türk Radyo	95,76	95,60	-	-	95,76	95,60	56,89	53,09
DMC	99,96	99,96	0,01	0,01	99,97	99,97	64,22	61,60
İnteraktif Medya	99,99	75,00	-	-	100,00	75,00	59,41	41,65
DMK	100,00	100,00	-	-	100,00	100,00	74,53	74,53
Hürservis	100,00	100,00	-	-	100,00	100,00	72,95	72,95
Birpa	99,98	99,98	0,01	0,01	99,99	99,99	74,52	74,52
Doğan Online	100,00	100,00	-	-	100,00	100,00	74,53	74,53
Doğan Factoring	100,00	100,00	-	-	100,00	100,00	74,08	74,08
Milpa	65,00	65,00	0,50	0,50	65,50	65,50	65,00	65,00
Hürriyet Pazarlama	99,95	99,94	0,05	0,05	100,00	99,99	99,94	99,94
Milanur	-	100,00	-	-	-	100,00	-	65,01
Doğan Oto	99,76	99,76	0,24	0,24	100,00	100,00	99,76	99,76
Enteralle Handels	100,00	95,48	0,00	4,52	100,00	100,00	66,58	62,06
Orta Anadolu Otomotiv	85,00	85,00	-	-	85,00	85,00	84,80	84,80
Doğan Havacılık	100,00	100,00	-	-	100,00	100,00	91,34	91,34
Çelik Halat	78,69	78,69	-	-	78,69	78,69	78,69	78,69
Ditaş Doğan	73,59	73,59	-	-	73,59	73,59	73,59	73,59
Milta Turizm	98,68	98,68	1,32	1,32	100,00	100,00	98,68	98,68
Doğan Organik	100,00	100,00	-	-	100,00	100,00	98,57	98,57
Zigana	84,91	84,91	-	-	84,91	84,91	84,91	84,91
Çelik Enerji	100,00	100,00	-	-	100,00	100,00	99,88	99,88
Doğan Enerji	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D-Yapı Romanya	100,00	100,00	-	-	100,00	100,00	100,00	100,00
TOV D-Yapı	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D Stroy	100,00	100,00	-	-	100,00	100,00	100,00	100,00
SC Doğan Hospitals	100,00	100,00	-	-	100,00	100,00	100,00	100,00
DHI Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.4 Consolidation principles (Continued)

The balance sheets and the statements of income of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by Doğan Holding and its Subsidiaries is eliminated against the related shareholders' equity. Intercompany transactions and balances between Doğan Holding and its Subsidiaries are eliminated on consolidation. The cost of, and the dividends arising from, shares held by Doğan Holding in its Subsidiaries are eliminated from shareholders' equity and income for the period, respectively.

- (c) Joint Ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Doğan Holding and one or more other parties. Doğan Holding exercises such joint control through the power to exercise voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself or by certain Doğan family members and companies whereby Doğan Holding exercises control over the voting rights of (but does not have the economic benefit of) the shares held by them. The Group's interest in Joint Ventures is accounted for by the way of proportionate consolidation. Through this method, the Group includes its share of assets, liabilities, shareholders' equity, income and expenditure of each Joint Venture in the relevant components of the financial statements.
- (d) Available-for-sale equity investments in which the Group, together with Doğan family members, has an interest below 20%, or above 20% over which the Group does not exercise a significant influence, or which are immaterial and that do not have quoted market price in active markets and whose fair values cannot be measured reliably, are carried at cost less any provision for diminution in value (Note 7).

Available-for-sale equity investments in which the Group, together with Doğan Family members, has an interest below 20% or over which the Holding does not exercise a significant influence and that have quoted market prices in active markets and whose fair values can be measured reliably are carried at fair value.

- (e) The non-controlling shareholders' share in the net assets and results for the period for Subsidiaries are separately classified in the consolidated balance sheets and statements of income as "non-controlling interest".

Certain Doğan family members and companies controlled by them who are shareholders of Doğan Holding have interests in the share capital of certain Subsidiaries. In the consolidated financial statements, their interests are treated as non-controlling interest and are not included in the Group's net assets and profits attributable to shareholders of Doğan Holding.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.5 Comparative information, changes in accounting policies and restatement of prior period financial statements

The consolidated financial statements of the Group are prepared comparatively to enable the determination of the trends of the financial position and performance. The Group presented the balance sheet at 30 June 2010 comparatively with the balance sheet at 31 December 2009, the consolidated statement of income for six-month period ended 30 June 2010 comparatively with the consolidated statement of income for six-month period ended 30 June 2009, consolidated statement of cash flow and consolidated statement of changes in shareholders' equity for the period 1 January - 30 June 2010 comparatively with the related financial statements for the period 1 January - 30 June 2009.

Where necessary comparative figures have been reclassified to conform to the changes in presentation in the current period.

In the consolidated statement of cash flows for the six month interim period ended as of 30 June 2009, "Change in long term trade payables" amounting to TL 256.667 presented under financing activities is reassessed by the management in the current year and reclassified under operating activities. As a result of this reclassification, Group's net cash provided by operating activities decreased from TL 404.039 to TL 147.372 and net cash used in financing activities decreased from TL 767.652 to TL 510.985.

2.1.6 Significant accounting estimates

The preparation of the consolidated financial statements requires the use of judgments and estimates which might affect the amounts of assets and liabilities, explanation of commitments and contingent liabilities which were reported as of the balance sheet date and the revenues and expenses which were reported throughout the period. Even though, these judgments and estimates are based on the best estimates of the Company's management, the actual results might differ from them.

2.1.7 Offsetting

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

2.2 Summary of significant accounting policies

Accounting policies for Subsidiaries and Joint Ventures have been changed to ensure consistency with the policies adopted by the Group, where necessary. Significant accounting policies of the Group applied for the condensed consolidated financial statements for the six-month interim period ended as of 30 June 2010 are same with the policies declared in consolidated financial statements as of 31 December 2009, these policies are applied consistently, except the items explained below.

Gains or losses resulted from the sale or share acquisition of subsidiaries under the control of the Group (for transactions where the control is retained) are recognized in equity. IAS 27 (Revised) requires that any increases or decreases in ownership that do not result in change in control to be recorded in equity for accounting periods beginning as of 1 July 2009. For accounting periods beginning prior to 1 June 2009, differences in favor of acquisition cost from the sale or share acquisition of subsidiaries under the control of the Group (for transactions where the control is retained) are recognized as goodwill.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Amendments in International Financial Reporting Standards

a) Standards, amendments and interpretations to existing standards that are effective in beginning on and after 1 January 2010 and are relevant to the Group’s operations

IFRS 3 (revised), “Business Combinations” and consequential amendments to IAS 27, “Consolidated and separate financial statements”, IAS 28, “Investments in associates”, and IAS 31, “Interests in joint ventures”, are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The main impact of the adoption is as follows:

- a) to allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as ‘minority’ interests) either at fair value or at the non-controlling interests’ share of the fair value of the identifiable net assets of the acquiree.
- b) to change the recognition and subsequent accounting requirements for contingent consideration.
- c) to require that acquisition-related costs be accounted for separately from the business combination, generally leading to those costs being recognized as an expense in profit or loss as incurred.
- d) in step acquisitions, previously held interests are to be remeasured to fair value at the date of the subsequent acquisition with the value included in goodwill calculation. Gain or loss arising from the re-measurement shall be recognized as part of profit or loss.

As the Group has adopted IFRS 3 (revised), it is required to adopt IAS 27 (revised), “consolidated and separate financial statements”, at the same time. IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in profit or loss.

(b) Standards, amendments and interpretations to existing standards that are effective as at 1 January 2010, are not relevant to the Group’s operations:

- IFRS 1 First-time Adoption of IFRS – Additional Exemptions
- IFRS 2 (Amendments) “Share-based Payments”
- IFRS 5 (Amendments) “Non-current Assets Held for Sale and Discontinued Operations”
- IFRS 8 “Operating Segments”
- IAS 1 “Presentation of Financial Statements”
- IAS 7 “Statement of Cash Flows”
- IAS 17 “Leases”
- IAS 18 “Revenue”
- IAS 36 “Impairment of Assets”
- IAS 38 “Intangible Assets”
- IAS 39 “Financial Instruments: Recognition and Measurement”
- IFRIC 9 “Reassessment of Embedded Derivatives”

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Amendments in International Financial Reporting Standards (Continued)

(b) Standards, amendments and interpretations to existing standards that are effective as at 1 January 2010, are not relevant to the Group's operations (Continued):

- IFRIC 16 "Hedges of Net Investment in a Foreign Operation"
- IFRIC 17 "Distributions of non-cash assets to owners"
- IFRIC 18 "Transfers of Assets from Customers"

(c) Standards, amendments and interpretations to existing standards that are not effective as at 30 June 2010, and not adopted by the Group:

- IFRS 1 (Amendments) First-time Adoption of IFRS – Additional Exemptions
- IFRS 9 Financial Instruments: Classification and Measurement
- IAS 24 (2009) Related Party Disclosures
- IAS 32(Amendments) Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements
- IFRIC 14 (Amendments) Pre-payment of a Minimum Funding Requirement
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- Annual Improvements May 2010: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 3 Business Combinations; IFRS 7 Financial Instruments: Disclosures; IAS 1 Presentation of Financial Statements; IAS 27 Consolidated and Separate Financial Statements; IAS 34 Interim Financial Reporting and IFRIC 13 Customer Loyalty Programmes.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 3 - BUSINESS COMBINATIONS

The details of the business combinations during the periods ended 30 June 2010 and 30 June 2009 are as follows:

1 January – 30 June 2010

As of the balance sheet date, the acquisition of some portion of shares of the subsidiaries under the control of the Group, through non-controlling interests is accounted for under equity and no goodwill is recognized in accordance with IAS 27 effective for accounting periods beginning after 1 July 2009, related to the scheduled capital increase of EUR 385 million which is realized in May 2010. Accordingly, as a result of the above-mentioned accounting treatment, there has been an increase by TL 54.893 in the non-controlling interests and a decrease by the same amount in the equity attributable to equity holders of the company.

1 January – 30 June 2009

Group purchased and consolidated 6,01%, 0,14%, 1,77%, 0,23% and 6,92% of the shares of Hürriyet, Doğan Gazetecilik, Doğan Yayın, Çelik Halat and Ditaş Doğan respectively during the six-month period ended 30 June 2009. Since the Group has chosen "Parent Company Model" accounting policy for business combinations, negative goodwill amount of TL 38.953 as a result of these transactions. This negative goodwill amount was accounted in "Other Income" (Note 22).

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 4 - JOINT VENTURES

Doğan Holding has the following joint ventures (the “Joint Ventures”). The countries the Joint Ventures are registered in, the nature of their businesses and the respective business segments of the Joint Ventures and Joint Venture Partners are as follows:

Joint Ventures	Country	Nature of business	Segment	Joint venture partner
Petrol Ofisi A.Ş. (“POAŞ”)	Turkey	Distribution of petroleum products	Energy	OMV Aktiengesellschaft (“OMV”)
Kıbrıs Türk Petrolleri Ltd. (“KIPET”)	Turkish Republic of Northern Cyprus	Distribution of petroleum products	Energy	OMV
PO Petrofinance N.V. (“Petrofinance”)	The Netherlands	Finance	Energy	OMV
PO Oil Financing Ltd. (“PO Oil Financing”)	Cayman Islands	Finance	Energy	OMV
Erk Petrol Yatırımları A.Ş. (“Erk Petrol”)	Turkey	Distribution of petroleum products	Energy	OMV
Petrol Ofisi Alternatif Yakıtlar Toptan Satış A.Ş.	Turkey	Distribution of petroleum products	Energy	OMV
PO Georgia LLC (“PO Georgia”)	Georgia	Distribution of petroleum products	Energy	OMV
Petrol Ofisi Akdeniz Rafinerisi Sanayi ve Ticaret A.Ş.	Turkey	Petroleum products	Energy	OMV
Petrol Ofisi Gaz İletim A.Ş. (“PO Gaz İletim”)	Turkey	Distribution of natural gas	Energy	OMV
Petrol Ofisi Arama Üretim Sanayi ve Ticaret A.Ş.	Turkey	Establishing and operating refinery	Energy	OMV
Marmara Depoculuk Hizmetleri Sanayi ve Ticaret A.Ş. (“Marmara Depoculuk”)	Turkey	Warehousing	Energy	OMV
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. (“DB”)	Turkey	Magazine publishing	Media	Burda GmbH
DB Popüler Dergiler Yayıncılık A.Ş. (“DB Popüler”)	Turkey	Magazine publishing	Media	Burda GmbH
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. (“Doğan Egmont”)	Turkey	Magazine publishing	Media	Egmont
Dergi Pazarlama Planlama ve Ticaret A.Ş. (“DPP”)	Turkey	Planning	Media	Burda RCS Int. GmbH
Ultra Kablolu Televizyon ve Telekomünikasyon Sanayi ve Ticaret A.Ş. (“Ultra Kablolu”)	Turkey	Telecommunication	Media	Koç Holding A.Ş.
Eko TV Televizyon Yayıncılık A.Ş. (“TNT”)	Turkey	TV broadcasting	Media	Turner Broadcasting Inc.
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti. (“Birey İK”)	Turkey	Internet services	Media	Doğan Portal
Katalog Yayın ve Tanıtım Hizmetleri A.Ş. (“Katalog”)	Turkey	Guide publishing	Media	Elektronik Ticaret A.Ş.
Turner Doğan Prodüksiyon ve Satış A.Ş. (“Turner Doğan”)	Turkey	Radio broadcasting	Media	Seat Pagine Gialle SPA
DD Konut Finansman A.Ş. (“DD Konut Finansman”)	Turkey	Housing finance	Other	Turner Broadcasting Inc.
Aslancık Elektrik Üretim ve Ticaret Ltd. Şti. (“Aslancık Elektrik”)	Turkey	Energy	Other	Deutsche Bank AG
D-Tes Elektrik Enerjisi Toptan Satış A.Ş. (“D Tes”)	Turkey	Energy	Other	Doğuş Holding A.Ş.
Boyabat Elektrik Üretim ve Ticaret Ltd. Şti. (“Boyabat Elektrik”)	Turkey	Energy	Other	Unit Investment N.V. and Anadolu Endüstri Holding A.Ş.
İsedaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. (“İsedaş”)	Turkey	Energy	Other	Doğuş Holding A.Ş.
Gas Plus Khalakan Ltd. (“Gas Plus Khalakan”)	Turkey	Energy	Other	Unit Investment N.V.
Gas Plus Erbil Ltd. (“Gas Plus Erbil”)	Turkey	Energy	Other	Tekfen İnşaat A.Ş.
				Çukurova Holding A.Ş.
				Newage Alzarooni Limited
				Newage Alzarooni Limited

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 4 - JOINT VENTURES (Continued)

The table below sets out the Joint Ventures, the proportion of voting power held by Doğan Holding, its subsidiaries and Doğan family and effective ownership interests at 30 June 2010 and 31 December 2009:

Company Name	Proportion of voting power held by Doğan Holding and its Subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Total proportion of ownership interest (%)	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
POAŞ	54,17	54,17	-	-	54,17	54,17	54,17	54,17
KIPET	28,17	28,17	-	-	28,17	28,17	28,17	28,17
Petrofinance (1)	-	54,17	-	-	-	54,17	-	54,17
PO Oil Financing (1)	-	54,17	-	-	-	54,17	-	54,17
Erk Petrol	54,15	54,15	-	-	54,15	54,15	54,15	54,15
PO Alternatif Yakıt	54,12	54,15	-	-	54,12	54,15	54,12	54,12
PO Georgia	54,17	54,17	-	-	54,17	54,17	54,17	54,17
Akdeniz Rafinerisi	54,17	54,17	-	-	54,17	54,17	54,17	54,17
PO Gaz İletim	54,04	54,04	-	-	54,04	54,04	54,04	54,04
PO Arama Üretim	54,15	54,15	-	-	54,15	54,15	54,15	54,15
Marmara Depoculuk	48,74	48,74	-	-	48,74	48,74	48,74	48,74
DB	44,89	44,89	-	-	44,89	44,89	33,46	33,46
DB Popüler	44,87	44,87	-	-	44,87	44,87	33,44	33,44
Doğan Egmont	50,00	50,00	-	-	50,00	50,00	37,27	37,27
DPP	46,00	46,00	10,00	10,00	56,00	56,00	34,24	34,28
Ultra Kablolu	50,00	50,00	-	-	50,00	50,00	37,27	37,27
TNT	75,04	75,04	-	-	75,04	75,04	43,33	41,68
Birey İK	50,00	50,00	50,00	50,00	100,00	100,00	34,57	34,57
Katalog (3)	50,00	50,00	-	-	50,00	50,00	37,27	37,27
Turner Doğan	49,99	49,99	-	-	49,99	49,99	28,86	27,76
DD Konut Finansman	47,00	47,00	4,00	4,00	51,00	51,00	47,00	47,00
Aslancık Elektrik	33,33	25,00	-	-	33,33	25,00	33,33	25,00
D Tes	25,00	25,00	-	-	25,00	25,00	25,00	25,00
Boyabat Elektrik	33,12	33,12	-	-	33,12	33,12	33,12	33,12
İsedaş	40,00	40,00	-	-	40,00	40,00	40,00	40,00
Gas Plus Khalakan (2)	-	50,00	-	-	-	50,00	-	50,00
Gas Plus Erbil	50,00	50,00	-	-	50,00	50,00	50,00	50,00

(1) The operations of companies have been ceased on January 2010.

(2) Stage related to the transfer of shares regarding the change of entity model from joint venture to project partnership is completed, the legal approval is anticipated.

(3) The operations of the company have been ceased on September 2009.

The aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities and net revenues of joint ventures included in the consolidated financial statements by using the proportionate consolidation method are as follows:

	30 June 2010	31 December 2009
Current assets	2.041.799	1.903.123
Non-current assets	2.331.806	2.402.102
Total assets	4.373.605	4.305.225
Current liabilities	1.168.022	1.637.417
Non-current liabilities	1.439.223	867.605
Equity	1.766.360	1.800.203
Total liabilities and equity	4.373.605	4.305.225

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 4 - JOINT VENTURES (Continued)

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Revenues	4.118.798	2.329.493	3.467.018	1.872.540
Gross profit	267.206	133.289	296.123	151.748
Net profit for the period	4.868	(14.753)	66.656	92.375

NOTE 5 - SEGMENT REPORTING

a) External revenues

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Media	1.321.077	719.176	1.170.062	624.292
Energy	4.105.802	2.342.923	3.434.971	1.854.616
Other	87.154	46.219	112.146	69.376
	5.514.033	3.108.318	4.717.179	2.548.284

b) (Loss)/profit before income taxes

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Media	(52.195)	(696)	(175.726)	86.532
Energy	12.464	(7.490)	71.387	106.530
Other	57.098	43.966	62.701	(102.423)
	17.367	35.780	(41.638)	90.639

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the six-month period ended 30 June 2010

	Media (*)	Energy	Other (*)	Inter segment elimination	Total
External revenues	1.321.077	4.105.802	87.154	-	5.514.033
Intra segment revenues	795.785	-	22.118	-	817.903
Inter segment revenues	1.671	4.290	9.187	-	15.148
Total revenues	2.118.533	4.110.092	118.459	-	6.347.084
Total cost of sales	(1.607.539)	(3.844.494)	(113.010)	-	(5.565.043)
Revenues	1.322.748	4.110.092	96.341	(15.148)	5.514.033
Cost of sales	(958.669)	(3.844.494)	(111.920)	1.138	(4.913.945)
Gross profit	364.079	265.598	(15.579)	(14.010)	600.088
Marketing, selling and distribution expenses	(183.890)	(88.870)	(6.562)	1.562	(277.760)
General administrative expenses	(150.120)	(45.199)	(22.780)	11.111	(206.988)
Research and development expenses	-	(264)	-	-	(264)
Other income/(expenses), net	(18.762)	(32.552)	28.267	1.418	(21.629)
Share of profit of investments accounted for by the equity method	-	-	-	-	-
Financial income	59.217	198.351	129.995	(122)	387.441
Financial expenses	(122.719)	(284.600)	(56.243)	41	(463.521)
(Loss)/profit before income taxes -before inter segment elimination	(52.195)	12.464	57.098	-	17.367

(*) Doğan Havaçılık, which is accounted for using the equity method by Doğan Yayın, parent company of Media Segment, is consolidated on a line-by-line basis by the Group since it is controlled by the Group and it is reported in "Other" segment.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the three- month period between 1 April and 30 June 2010

	Media (*)	Energy	Other (*)	Inter segment elimination	Total
External revenues	719.176	2.342.923	46.219	-	3.108.318
Intra segment revenues	387.000	-	20.911	-	407.911
Inter segment revenues	1.360	3.269	2.129	-	6.758
Total revenues	1.107.536	2.346.192	69.259	-	3.522.987
Total cost of sales	(795.786)	(2.206.726)	(65.506)	-	(3.068.018)
Revenues	720.536	2.346.192	48.348	(6.758)	3.108.318
Cost of sales	(489.207)	(2.206.726)	(64.418)	986	(2.759.365)
Gross profit	231.329	139.466	(16.070)	(5.772)	348.953
Marketing, selling and distribution expenses	(95.800)	(45.175)	(4.315)	1.199	(144.091)
General administrative expenses	(77.130)	(23.077)	(12.890)	3.275	(109.822)
Research and development expenses	-	(50)	-	-	(50)
Other income/(expenses), net	(15.986)	(28.632)	26.988	1.307	(16.323)
Share of loss of investments accounted for by the equity method	-	-	-	-	-
Financial income	28.667	111.621	76.810	(200)	216.898
Financial expenses	(71.776)	(161.643)	(26.557)	191	(259.785)
(Loss)/profit before income taxes -before inter segment elimination	(696)	(7.490)	43.966	-	35.780

(*) Doğan Havacılık, which is accounted for using the equity method by Doğan Yayın, parent company of Media Segment, is consolidated on a line-by-line basis by the Group since it is controlled by the Group and it is reported in “Other” segment.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 5 - SEGMENT REPORTING (Continued)

d) Segmental analysis for the six-month period as of 30 June 2009

	Media (*)	Energy	Other (*)	Inter segment elimination	Total
External revenues	1.170.062	3.434.971	112.146	-	4.717.179
Intra segment revenues	1.019.673	-	1.919	-	1.021.592
Inter segment revenues	1.576	2.320	9.442	-	13.338
Total revenues	2.191.311	3.437.291	123.507	-	5.752.109
Total cost of sales	(1.876.317)	(3.144.846)	(123.466)	-	(5.144.629)
Revenues	1.171.638	3.437.291	121.588	(13.338)	4.717.179
Cost of sales	(969.873)	(3.144.846)	(123.349)	1.422	(4.236.646)
Gross profit	201.765	292.445	(1.761)	(11.916)	480.533
Marketing, selling and distribution expenses	(133.360)	(80.773)	(4.523)	573	(218.083)
General administrative expenses	(150.405)	(52.739)	(25.384)	11.343	(217.185)
Other (expenses)/income, net	(43.647)	(7.888)	35.616	-	(15.919)
Share of loss of investments accounted for by the equity method	-	-	(2.268)	-	(2.268)
Financial income	61.894	324.540	245.279	(480)	631.233
Financial expenses	(111.973)	(404.198)	(184.258)	480	(699.949)
(Loss)/profit before income taxes -before inter segment elimination	(175.726)	71.387	62.701	-	(41.638)

(*) Doğan Havacılık, which is accounted for using the equity method by Doğan Yayın, parent company of Media Segment, is consolidated on a line-by-line basis by the Group since it is controlled by the Group and it is reported in “Other” segment.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 5 - SEGMENT REPORTING (Continued)

d) Segmental analysis for the three-month period between 1 April and 30 June 2009

	Media(*)	Energy	Other(*)	Inter segment elimination	Total
External revenues	624.292	1.854.616	69.376	-	2.548.284
Intra segment revenues	542.353	-	1.112	-	543.465
Inter segment revenues	748	580	3.737	-	5.065
Total revenues	1.167.393	1.855.196	74.225	-	3.096.814
Total cost of sales	(961.174)	(1.707.065)	(72.566)	-	(2.740.805)
Revenues	625.040	1.855.196	73.113	(5.065)	2.548.284
Cost of sales	(476.980)	(1.707.065)	(72.449)	1.393	(2.255.101)
Gross profit	148.060	148.131	664	(3.672)	293.183
Marketing, selling and distribution expenses	(69.581)	(40.768)	(1.559)	569	(111.339)
General administrative expenses	(80.442)	(26.411)	(13.978)	3.534	(117.297)
Other operating (expenses)/income, net	(38.063)	2.554	9.976	(389)	(25.922)
Share of profit of investments accounted for by the equity method	-	-	613	-	613
Financial incomes	13.884	184.034	53.418	506	251.842
Financial expenses	112.674	(161.010)	(151.557)	(548)	(200.441)
Profit/(loss) before income taxes -before inter segment elimination	86.532	106.530	(102.423)	-	90.639

(*) Doğan Havacılık, which is accounted for using the equity method by Doğan Yayın, parent company of Media Segment, is consolidated on a line-by-line basis by the Group since it is controlled by the Group and it is reported in “Other” segment

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 5 - SEGMENT REPORTING (Continued)

e) Segment assets

	30 June 2010	31 December 2009
<u>Total assets</u>		
Media	4.119.110	4.188.931
Energy	4.004.545	3.698.331
Other	1.582.766	1.673.395
Total	9.706.421	9.560.657
Less: segment elimination	(9.338)	(15.830)
Total assets per consolidated financial statements	9.697.083	9.544.827
<u>Shareholder's Equity</u>		
Media	1.430.715	1.378.965
Energy	1.636.384	1.575.562
Other	1.159.243	1.343.354
Total	4.226.342	4.297.881
Less: segment elimination	(1.060.585)	(823.776)
Shareholders' equity	3.165.757	3.474.105
Non-controlling interests	806.651	767.147
Total net shareholder's equity per consolidated financial statements	3.972.408	4.241.252

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 5 - SEGMENT REPORTING (Continued)

f) Capital expenditures for property, plant and equipment, intangible assets and investment properties with depreciation and amortization charge

	1 January - 30 June 2010	1 April - 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
<u>Capital expenditures</u>				
Media	75.878	39.550	99.519	54.041
Energy	43.597	27.331	86.808	15.741
Other	70.941	61.415	83.237	57.246
Total	190.416	128.296	269.564	127.028

Depreciation and amortization charge

Media	108.578	53.423	102.986	52.392
Energy	68.628	34.492	65.673	33.093
Other	12.698	7.217	11.719	9.755
Total	189.904	95.132	180.378	95.240

g) Non-controlling interests

	30 June 2010			31 December 2009		
	Doğan Family	Other	Total	Doğan Family	Other	Total
Media	94.009	647.222	741.231	93.377	607.690	701.067
Energy	-	7.850	7.850	-	6.544	6.544
Other	6.861	50.709	57.570	6.900	52.636	59.536
	100.870	705.781	806.651	100.277	666.870	767.147

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 6 - CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents at 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010	31 December 2009
Cash	2.222	1.997
Banks		
- demand deposits	78.300	85.475
- time deposits	1.863.312	1.825.772
Blocked bank deposits	64.413	56.452
Reverse repurchase agreements	2.358	685
Liquid funds	-	84.804
Government bonds and treasury bills	-	454
	2.010.605	2.055.639

At 30 June 2010, interest rates for TL time deposits are between 2,5% and 12% (31 December 2009: 0,50%-12%) and interest rates for foreign currency time deposits are between 0,09% and 4,5% (31 December 2009: 0,11%-5,25%).

All of the blocked bank deposits at 30 June 2010 and 31 December 2009 consist of credit card slip receivables. The average maturity of the related credit card slip receivables is less than one month.

Cash and cash equivalents included in the consolidated statements of cash flows at 30 June 2010 and 31 December 2009 are disclosed below.

	30 June 2010	31 December 2009	30 June 2009	31 December 2008
Cash and cash equivalents	2.010.605	2.055.639	2.693.280	3.363.082
Accrued interest (-)	(2.962)	(20.923)	(11.355)	(14.448)
Cash and cash equivalents	2.007.643	2.034.716	2.681.925	3.348.634

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 7 - FINANCIAL INVESTMENTS

a) Current financial investments

	30 June 2010	31 December 2009
Time deposits	89.318	113.963
Government bonds and treasury bills	19.854	18.363
Guarantee deposits for derivative transactions	12.137	8.456
Valuation of derivative transactions (*)	1.922	-
Eurobond	-	37.651
Valuation of swap transactions (**)	-	22.346
Corporate bonds	-	15.098
Hedge foreign currency derivative instruments	-	22
	123.231	215.899

(*) The Group has used derivative instruments for the purpose of regular gross profit margin and avoiding loss in value of inventories. Financial instruments whose maturities are 1 or 2 months are used for the import cargos, for oil inventories contracts with longer maturities are used. The maturities of all contracts are less than 1 year. Any gains/losses arising from these transactions are included in cost of goods sold.

	<u>30 June 2010</u>		<u>31 December 2009</u>	
	Nominal	Change in fair Value	Nominal	Change in fair value
Inventory	129.795	1.922	113.243	(2.631)
	129.795	1.922	113.243	(2.631)

(**) As of 31 December 2010, Group entered into swap contracts in order to be protected from the changes in foreign exchange (TL / US Dollar) of the loan amounting to USD 165.000 and changes in interest rates of the loans amounting to USD 165.000 and EUR 795. As of 30 June 2010, Group entered into swap contracts in order to be protected from the changes in interest rates of the loans amounting to USD 60.000, USD 25.000 and EUR 795. Financial liability amounting to TL 244 is recorded in the accompanying financial statements.

Government bonds and treasury bills dominated in US Dollar and effective interest rate of government bonds and treasury bills is 7,50% (31 December 2009: 3,80%). Average annual effective interest rate of US Dollar denominated time deposits ranged from 1% to 4% (31 December 2009: %1-%5,35). As of 30 June 2010 average annual effective interest rate of TL denominated time deposits is 8,40% (31 December 2009: 7%).

b) Non-current financial investments

	30 June 2010	31 December 2009
Available-for-sale financial assets	31.363	27.567
	31.363	27.567

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 7 - FINANCIAL INVESTMENTS (Continued)

Available-for-sale financial investments

	30 June 2010		31 December 2009	
	TL	%	TL	%
Ray Sigorta	23.576	10	20.083	10
Marbleton Property Fund L.P ("Marbleton")	15.443	9	14.908	9
Aks Televizyon Reklamcılık ve Filmcilik Sanayi ve Ticaret A.Ş. ("Aks TV")	2.923	9	2.923	9
Other	437		669	
Less: provision for impairment (*)	(11.016)		(11.016)	
	31.363		27.567	

(*) Available for sale financial assets other than Ray Sigorta as of 30 June 2010 are initially recognized at cost and there is impairment on Marbleton amounted to TL 8.093 and on Aks TV amounted to TL 2.923 (31 December 2009: TL 8.093 and TL 2.923).

NOTE 8 – FINANCIAL LIABILITIES

Short term financial liabilities:	30 June 2010	31 December 2009
Short-term bank borrowings	593.363	395.178
Short-term portion of long-term borrowings	421.629	921.184
Interest bearing payables to suppliers	24.662	25.787
Financial lease liabilities	9.651	12.436
	1.049.305	1.354.585

Long term financial liabilities:	30 June 2010	31 December 2009
Long-term bank borrowings	1.518.087	1.230.967
Financial liabilities related with options	161.986	151.300
Interest bearing payables to suppliers	62.396	77.615
Financial lease liabilities	9.575	13.441
	1.752.044	1.473.323

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 8 - FINANCIAL LIABILITIES (Continued)

i) Borrowings

Breakdown of borrowings at 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010			31 December 2009		
	TL	Foreign currency	Total	TL	Foreign currency	Total
Short-term borrowings						
Short-term borrowings	336.452	256.911	593.363	231.105	164.073	395.178
Short-term portion of long-term borrowings	72.860	348.768	421.629	69.002	852.182	921.184
Total short-term borrowings	409.313	605.679	1.014.992	300.107	1.016.255	1.316.362

	30 June 2010			31 December 2009		
	TL	Foreign currency	Total	TL	Foreign currency	Total
Long-term borrowings						
Long-term borrowings	302.589	1.215.498	1.518.087	231.654	999.313	1.230.967
Total long-term borrowings	302.589	1.215.498	1.518.087	231.654	999.313	1.230.967

The redemption schedules of long-term borrowings at 30 June 2010 and 31 December 2009 are summarized below:

Years	30 June 2010	31 December 2009
2011	231.954	513.664
2012	214.709	515.936
2013	408.326	152.420
2014 and after	663.098	48.947
	1.518.087	1.230.967

Weighted average of effective interest rates for TL, USD and EUR short-term borrowings are 12%, 6% and 4%, respectively (31 December 2009: 13%, 5% and 4%).

Weighted average of effective interest rates for TL, USD and EUR long-term borrowings are 13%, 4% and 3%, respectively (31 December 2009: 13%, 5% and 3%).

At 30 June 2010, the amount of borrowings with floating interest rates is TL 1.256.843 (31 December 2009: TL 1.543.285).

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 8 – FINANCIAL LIABILITIES (Continued)

i) Borrowings (Continued)

The floating rate bank borrowings denominated in USD which represents a significant portion of total bank borrowings of the Group, have interest rates fluctuating between Libor + 0,2% and Libor + 7,75% (London Interbank Offered Rate).

Hürriyet, a subsidiary of the Group, obtained a long-term bank borrowing in order to partially finance the acquisition of TME shares in 2007. Hürriyet has to meet general commitments and financial covenants with respect to these long-term borrowings. The Group has a financial liability to the bank that includes the Group's net borrowing cannot exceed the EBITDA rate calculated by the bank using the last twelve month period's consolidated financial statements .

In connection with the long term loan used by TME, Group has several financial and operational covenants. As part of the same loan agreement, TME pledged royalty named "IZ RUK V RUKI" ("Из рук в руки")

Hürriyet committed not to enter any merger, split, restructuring process to change the partnership structure and activity of the TME. New mergers and the purchase of new shares, making new joint ventures contract of Hürriyet except permissible mergers and transactions have been restricted.

Loan agreement is terminated and loan is redeemed in case of any control change(s) in TME or any violations/illegal conducts of the contract terms.

The loan agreement is terminated and TME is obligated to repay the loan if TME sells or disposes more than 10% of its consolidated net assets or change in shareholder's equity related to 10% of consolidated net assets.

Share pledges:

11,3% shares of Doğan Yayın (113.169.526 shares), 13,3% shares of Hürriyet (73.200.000 shares), 49% shares of Kanal D (24.500.000 shares) and 67,3% shares of TME (33.649.091 shares) were pledged to financial institutions in respect of the long-term borrowings of the Group.

ii) Financial liabilities related with options:

At 19 November 2007 during the capital increase of Doğan Gazetecilik to TL 100.000, the Group sold 22.000.000 shares each having face value of TL 1 and corresponding to 28% of Doğan Gazetecilik's share capital amounting to TL 78.000, to Deutsche Bank AG in ISE Wholesale Market in consideration of USD 4 per share (initial price) (TL 4,73), by limiting the existing shareholders' share purchase rights.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 8 - FINANCIAL LIABILITIES (Continued)

ii) Financial liabilities related with options (Continued):

There are put and call option agreements between Doğan Yayın and Deutsche Bank AG upon the shares of Doğan Gazetecilik. According to call option agreement; Doğan Yayın has call option of 21.945.000 shares of Doğan Gazetecilik from Deutsche Bank AG; according to put option agreement, Deutsche Bank AG has put option of 23.100.000 shares of Doğan Gazetecilik to Doğan Yayın. Maturities of both agreements are 5 years 3 months and end at 19 February 2013. "Call" option can be exercised on any day after the date 19 November 2010. In this case, the values of shares that are subject to the call option at the exercise date will be determined according to calculations.

According to the put option agreement mentioned above, since Doğan Yayın has a liability of giving another entity cash or another financial asset (in the case the put option is exercised by Deutsche Bank AG), USD 88.000 is presented as a financial liability in the consolidated financial statements. According to put option contract, put option price will be calculated by taking into consideration of initial price and 6,46% interest rate.

iii) Financial leasing payables

The Group acquired property, plant and equipment through finance leases.

The redemption schedules of long-term leasing payables at 30 June 2010 and 31 December 2009 are summarized below:

Years	30 June 2010	31 December 2009
2011	4.671	7.060
2012	2.816	3.359
2013	1.612	1.923
2014 and after	477	1.099
	9.576	13.441

iv) Interest bearing payables to suppliers:

Interest bearing payables to suppliers are related to the machinery and equipment purchases of Hürriyet, a subsidiary of the Group. Effective interest rates of short and long-term trade payables in USD, EUR, CHF are 1,0%, 1,4% and 1,4%, respectively (31 December 2009: USD 1,3%, EUR 1,5%, CHF 1,4%).

The maturity analysis of long-term interest bearing payables to suppliers at 30 June 2010 and 31 December 2009 is as follows:

Years	30 June 2010	31 December 2009
2011	12.052	24.973
2012	23.890	24.650
2013	20.792	21.626
2014 and after	5.662	6.366
	62.396	77.615

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 8 – FINANCIAL LIABILITIES (Continued)

Interest bearing payables to suppliers have floating interest rates. Changes in interest rate risk of financial obligations to suppliers and contractual repricing dates are as follows:

	30 June 2010	31 December 2009
Up to 6 months	86.333	103.121
6-12 months	725	281
Total	87.058	103.402

NOTE 9 - TRADE RECEIVABLES AND PAYABLES

<u>Short-term trade receivables</u>	30 June 2010	31 December 2009
Trade receivables, net of unearned finance income	1.225.420	1.033.948
Notes receivables and cheques, net of unearned finance income	304.804	273.603
	1.530.224	1.307.551
Less: provision for doubtful receivables (-)	(226.276)	(222.119)
	1.303.948	1.085.432
<u>Long-term trade receivables</u>	30 June 2010	31 December 2009
Trade receivables, net of unearned finance income	69.202	66.353
Notes receivables and cheques, net of unearned finance income	1.698	1.990
	70.900	68.343

Movement of the provisions for doubtful receivables is as follows:

	2010	2009
1 January	222.119	176.879
Increase in provision (Note 22)	21.337	29.642
Collections and cancelled provision	(15.797)	(12.310)
Currency translation differences	(1.383)	(265)
30 June	226.276	193.946

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

<u>Short-term trade payables</u>	30 June 2010	31 December 2009
Trade payables, net of unincurred credit finance charges (*)	1.009.218	1.251.302
Notes payable, net of unincurred credit finance charges	56.110	4.921
Other	1.747	744
	1.067.075	1.256.967

<u>Long-term trade payables</u>	30 June 2010	31 December 2009
Trade payables, net of unincurred credit finance charges (*)	591.677	316.844
	591.677	316.844

(*) There are letter of credits, purchased from several banks, of POAŞ, joint venture of the Group, in short and long-term trade payables due to fuel purchases.

The non-interest bearing letters of credit amounts to TL 355.723 (USD 225.899) (31 December 2009: TL 593.982 (USD 394.489)). There are no interests bearing long-term letters of credits as of 30 June 2010 and 31 December 2009.

The long-term USD letters of credit (non-interest bearing) amounts to 571.755 TL (USD 363.088) (31 December 2009: 316.562 TL (USD 210.242)). There are no interests bearing long-term letters of credits as of 30 June 2010 and 31 December 2009.

Non-interest bearing letter of credits are recognized at fair value at initial recognition. In subsequent periods these letter of credits are measured at amortized cost, using the effective interest rate method. Effective interest rates used for long-term and short-term non-interest bearing letters of credit are 2,82% and 3,71% respectively (31 December 2009: 2,97% and 3,87%)

The redemption schedules of long-term trade payables are summarized below:

Year	30 June 2010	31 December 2009
2012	590.836	316.562
2013 and over	841	282
	591.677	316.844

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 10 - INVESTMENT PROPERTY

Movement of the investment properties for the six-month periods ended as of 30 June 2010 and 2009 is as follows:

	2010	2009
1 January	92.583	78.383
Additions	7.674	9.734
Depreciation charge	(932)	(615)
Disposals	(14.262)	(14.605)
Transfers	-	2.091
Impairment provisions	-	(326)
Reversal of impairment provisions	2.546	190
30 June	87.609	74.852

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

Movement of the property, plant and equipment for the six-month periods ended as of 30 June 2010 and 2009 is as follows:

	2010	2009
1 January	1.610.907	1.544.739
Additions	139.674	138.575
Depreciation charge	(100.502)	(95.971)
Disposals	(13.413)	(18.070)
Transfers	(1.741)	(2.892)
Change in scope of consolidation	1.236	-
Currency translation differences	(5.014)	(445)
Impairment provisions	-	(3.192)
30 June	1.631.147	1.562.744

As of 30 June 2010, depreciation charge of TL 226 is booked on inventory.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 12 - INTANGIBLE ASSETS

Movement of the intangible assets for the six-month periods ended as of 30 June 2010 and 2009 is as follows:

	2010	2009
1 January	1.311.453	1.317.761
Additions	43.068	121.255
Amortization charge	(88.470)	(83.792)
Disposals	(5.342)	(783)
Transfers	1.741	801
Impairments	-	(1.185)
Change in scope of consolidation	(7.603)	-
Disposals from business combinations	(16.377)	-
Currency translation differences	(6.287)	(19.243)
30 June	1.232.183	1.334.814

NOTE 13 - GOODWILL

Movement of the goodwill for the six-month periods ended as of 30 June 2010 and 2009 is as follows:

	2010	2009
1 January	1.715.569	1.612.165
Additions	425	-
Currency translation differences	1.856	(8.105)
Other (*)	-	(659)
30 June	1.717.850	1.603.401

(*) The changes in fair value of put options are shown as other.

NOTE 14 - GOVERNMENT GRANTS

None (2009: None).

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

<u>Short-term Provision</u>	30 June 2010	31 December 2009
Provision for lawsuits	57.543	45.260
Provision for tax penalty	32.460	32.447
Provision for withholding tax	26.929	24.995
Provision for unused vacations	19.660	24.389
Advertisement expense accruals	1.257	7.669
	137.849	134.760

<u>Long-term Provision</u>	30 June 2010	31 December 2009
Other provisions	1.550	1.406
	1.550	1.406

a. Court cases:

Law cases against the Group amounting to TL 101.471 as of 30 June 2010 (31 December 2009: TL 72.292).

Provision in the amount of TL 57.543 (31 December 2009: TL 45.260) was recorded after consideration of the legal consultations and past experiences regarding the legal, labor, trade and administrative lawsuits against the Group.

b. Derivatives, future contracts, and options of share purchases

i) Share purchase options

Axel Springer Group has the sales options for representing 3,3% of its shares in Doğan TV amounting to EUR 50.000 after January 2013 and the other 3,3% of its shares amounting to EUR 50.000 after January 2014 to Doğan Holding and Doğan Holding has the commitment to purchase these shares. Axel Springer Group may exercise the sales options fully or partially. In regards to the purchase commitment of Axel Springer Group which amounts to EUR 100.000, IAS 32 "*Financial Instruments: Disclosure and Presentation*" requires the presentation of a liability at amortized cost as a financial liability in the balance sheet, irrespective of the Group's ability to settle some of the portion of the liability in the Group's own equity instruments instead of cash. In this respect, as of 30 June 2010, non-controlling interests that are subject to call options are carried at amortized cost amounting to TL 200.961 under the "other long term financial liabilities" account rather than "non-controlling interests" account in the consolidated balance sheet. At initial recognition, the Group recognized TL 192.213 of difference resulting from the estimated fair value of call option and non-controlling interests under equity.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

b. Derivatives, future contracts, and options of share purchases (Continued)

i) Options of share purchases (Continued)

Based on one of the protocols signed by Hürriyet in the current period, the other party's put option in relation to the 3,84% of non-controlling interests in Trader Media East Limited's capital is exercisable until 2013. Per share "put option" exercise price is USD 0,013. The other party shall receive an additional payment of USD 1.000 to the extent that the put option will not be exercised for each year until 2013. Considering the fact that the protocol signed in the current period has not derived any cash outflows and has not assumed any liabilities in prior periods and in connection with the prior periods in the current period and probable cash outflows will likely occur in 2013, the Group has presented TL 39.367 of put option liability under the "Other Financial Liabilities" account in the accompanying consolidated financial statements as of and for the period then ended 30 June 2010; and accordingly has decreased its non-controlling interest and retained earnings/accumulated losses by decreasing TL 8.436 and TL 30.931, respectively.

In January 2007, OOO Pronto Moscow, a subsidiary of the Hürriyet, finalised the acquisition of Impress Media Marketing LLC. Accordingly, Hürriyet has the right to purchase non-controlling shares of 20,7% from owners without a time constraint, provided that certain conditions are met. Hürriyet exercised 10,7% of put option in 2010 and classified that portion under other short term financial liabilities. For the remaining minority shares of 10%, the Hürriyet has signed a new put option agreement valid between August 2011 and August 2015. As of 30 June 2010, the short term portion of the fair value of the put option is TL 375 (2009: TL 2.359), long term portion is TL 761 (2009: TL 742) according to various valuation techniques and assumptions.

Hürriyet has a put option, on the remainder of 30% shares during the acquisition of 70% interest of the shares in its subsidiary Oglasnik d.o.o. As of 30 June 2010, the fair value of this option is TL 12.596 according to various valuation techniques and assumptions and classified in "other short-term financial liabilities" (2009: TL 12.044). The negotiations about the exercise of these options are in progress as of issuing date of these financial statements.

Hürriyet has acquired a 55% interest in Moje Delo d.o.o. ("Moje Delo") in Slovenia. Hürriyet paid an earn-out amounting to EUR 1 million during the period. Hürriyet has granted to the selling shareholders a put option on the remainder of the shares exercisable from January 2009 to January 2012 and has a call option exercisable from January 2011 to January 2014. Exercise price shall be calculated based on EBITDA and the net financial debt of Moje Delo. The fair value of the put option is TL 705 as of 30 June 2010 (2009: TL 719) and classified in "other short-term financial liabilities".

The pricing of purchase commitments (call options for non-controlling interests) will be based on sale proceeds or EBITDA amounts of the related companies.

The above-mentioned purchase commitments are presented under the "Other short term and long term financial liabilities" account in the consolidated balance sheets prepared for the periods as of 30 June 2010 and 31 December 2009.

1) Derivatives against interest rate risk

As of 30 June 2010, Hürriyet, a subsidiary of the Group, has purchased 8 collars and a CAP in consideration of USD 46.000 and USD 37.000, respectively for hedging of interest rate risk. Fixed interest rate caps and bases are identified in the agreement. In accordance with the agreement, if LIBOR rates on US Dollars do not exceed the interest rate base at the beginning and end of the maturity term, the Group will compensate the difference between the interest rate basis and the current rate to the banks. If LIBOR rates are above the ceiling rate, the counter banks should compensate the resulting difference to the Group.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

b. Derivatives, future contracts, and options of share purchases (Continued)

i) Options of Share Purchases (Continued)

1) Derivatives against interest rate risk (Continued)

As of 30 June 2010, fixed interest rate caps and bases vary in-between 3,0% and 5,6% (31 December 2009: 3,0% -5,6%) and primary variable interest rate is based on LIBOR rates. With respect to the related agreements, the Group has recognized TL 67 of finance expenses in the current period (30 June 2009: TL 287).

2) Interest rate swaps

Hürriyet, a subsidiary of the Group, has entered into an interest rate swap agreement to change the variable interest rate (LIBOR) of its loan amounting to USD 80.283 into a fixed rate. Based on the related agreement, interest rate of the related loan's 6 month-Libor rate is fixed until 5 July 2011.

c. Other:

i) Contingent liabilities regarding the sale of Türk Dış Ticaret Bankası A.Ş.:

Doğan Holding entered into share sale-purchase agreement with Fortis Bank regarding its subsidiary Türk Dış Ticaret Bankası A.Ş. ("Dışbank") on 11 April 2005. On the completion of the terms of the sale-purchase agreement and achievement of required permissions within the related legislations framework, 277.828.946.000 shares representing 62,6% of Dışbank's capital is handed over to Fortis Bank on 4 July 2005.

The responsibilities of the Holding have ended as of 30 September 2007 except for the issues related with tax, and its responsibilities related with tax will come to an end as of 1 January 2011.

Fortis Bank does not accept any responsibility due to grounds of materiality for tax lawsuits some of which are previously announced to public and for amounts related to loans under legal follow-up amounting to USD 6.000 and TL 4.178 at the closing date of agreement.

ii) Penalty imposed by the Energy Market Regulatory Authority:

With its Notifications No: 25049 and 25057, both dated 31 August 2006, the Energy Market Regulatory Authority (EMRA) imposed administrative fines on POAŞ and ERK, Joint Ventures of the Group, amounting to TL 498.693 and TL 100.739 (with Doğan Holding's ownership interest TL 270.165 and TL 54.775) respectively for deliveries made to unlicensed dealers. Tax Office of Boğaziçi Kurumlar sent payment orders to POAŞ and Erk in connection with collecting the administrative fines which are brought to the attention of the Tax Office by EMRA. POAŞ and Erk have taken judicial actions in order to exercise their legal rights for the cancellation of the fines and removal of payment orders.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

ii) Penalty imposed by the Energy Market Regulatory Authority: (Continued)

İstanbul 13th Division of Council, 7th and 8th Tax Courts denied the motion of the POAŞ and Erk for cancellation of the stay of execution of the fines. POAŞ and Erk appealed the ruling of the 13th Division of Council of State to the Plenary Session of Administrative Divisions of Council of State, denying motion for stay of execution for administrative fines imposed on POAŞ and Erk. Plenary Session of Administrative Divisions of Council of State suspended the execution of all of the fines imposed against POAŞ and Erk.

Following the decision for stay of execution the cancellation of the fines and removal of payment orders have been decided. EMRA and Tax Court appealed the decision. Council of State approved the stay of execution of the administrative fines which are imposed on POAŞ and Erk and served to the companies. These decisions are open to amendment by legal course.

Installment payments amounting to TL 1.137 (TL 616 with Doğan Holding's effective shareholding interest), which were made by Erk until the ceasement of the payment orders are reimbursement, and pledges on the properties of POAŞ are released. Reimbursement of the installment payments that were made by POAŞ until the ceasement of the payment orders, and the release of pledges that were given to the tax office are still in progress.

iii) Commitments and contingent liabilities related to the Doğan TV shares sales agreement:

The Group sold 90.854.185 shares, 25% of the share capital of Doğan TV, to Commerz-Film GmbH (formerly registered as Dreiundvierzigste Media Vermögensverwaltungsgesellschaft GmbH), a 100% subsidiary of Axel Springer A.Ş., for EUR 375.000 (TL 694.312) (this amount is defined as "initial sales price") on 2 January 2007. According to the agreement the initial sales price will be revised based on whether the "initial public offering" ("IPO") of the shares of Doğan TV or "not".

With the agreement signed on 19 November 2009 between Doğan Holding, Doğan Yayın, Doğan TV and Commerz-Film GmbH; the dates that the recalculation of the initial sales prices will be based on are postponed for a four-year period without reservations.

Certain conditions at the agreement dated 19 November 2009 mentioned below were effective after 19 February 2010.

- Axel Springer Group has the sales options for representing 3,3% of its shares in Doğan TV amounting to EUR 50.000 after January 2013 and the other 3,3% of its shares amounting to EUR 50.000 after January 2014 to Doğan Holding and Doğan Holding has the commitment to purchase these shares. Axel Springer Group may exercise the sales options fully or partially.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

iv) Commitments and contingent liabilities related to the Doğan TV shares sales agreement (Continued):

- Axel Springer Group has option to sell some or all of its shares in Doğan TV with the higher of EUR 4,1275 per share or a fair value to be determined by specific valuation techniques and Doğan Holding has a commitment to purchase these shares. In order to exercise this option the following conditions must be met.
 - Doğan TV shares are not offered to the public until 30 June 2017,
 - Change of direct or indirect control over Doğan Holding, Doğan Yayın or Doğan TV,
 - Additions to the existing guarantees on Doğan Yayın's assets or sequestration to the relevant assets that have significant unfavorable effects on the operations of Doğan Yayın.

The initial price of EUR 375.000 defined in the agreement mentioned below will be adjusted depending on whether the "initial public offering" ("IPO") of the shares of Doğan TV or "not".

In the event that shares of Doğan TV are offered to public by 30 June 2017, if the fair value of 19,9% of shares held by Axel Springer Group determined by the public offering price (which will be determined using the three-month average share price after the offering) is higher than the initial sales price including interest calculated from this difference (it will be calculated using 12 month Euro Libor rates on annual compound basis effective from 2 January 2007), the difference will be equally shared between Doğan Yayın and Axel Springer. If the fair value is lower, the difference will be paid to Axel Springer Group by Doğan Yayın.

In the event that shares of Doğan TV are not offered to the public by 30 June 2017, if the fair value of Doğan TV, as determined by specific valuation techniques as of 31 December 2015, is less than the initial sales price including interest calculated from this difference (it will be calculated using 12 month Euro Libor rates on annual compound basis effective from 2 January 2007), the difference will be paid to Axel Springer Group by Doğan Yayın.

In the event that Doğan TV shares are offered to the public between 30 June 2017 and 30 June 2020, any positive difference between the net initial public offering value and the initial sales price remeasured as of 31 December 2015 (it will be remeasured using a 12 month EUR Libor rates on annual compound basis effective from 2 January 2007) including interest calculated from the difference (it will be calculated using 12 month EUR Libor rates on annual compound basis effective from 1 July 2017) will be shared equally, whereas no transaction will take place for any negative difference.

The Group has determined the current fair value of Doğan TV as of the balance sheet date in order to identify whether it has any future financial liability. No financial liability has been identified in connection with the sale of Doğan TV shares which hits 25% to Axel Springer AG.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

iv) Vatan Newspaper

Doğan Gazetecilik, a subsidiary of Doğan Holding, acquired 40,16% shares of Bağımsız Gazeteciler, which owns Vatan Gazetesi brand and its franchise right, in consideration of TL 8.534 (USD 7.200) on 13 March 2008; and 100% shares representing the capital of Kemer Yayıncılık, which has a 59,84% shareholding in the share capital of Bağımsız Gazeteciler, taking into account the fact that almost all of Kemer Yayıncılık's assets are composed of its participation in Bağımsız Gazeteciler, in consideration of TL 12.719 (USD 10.800). The Competition Authority permitted the transaction via its decision taken on 10 March 2008 following the application made to the Competition Board regarding the above mentioned transactions, provided that:

- Following two years after obtainment of permission, brand name Vatan Gazetesi and franchise rights will be transferred by releasing them of any obligations and debts, to persons or entities excluding Doğan Group, or an enterprise controlled by Doğan Group directly or indirectly (which has already been established, or which is to be established), and the relevant transfer is subject to approval of Competition Authority regardless of the deficiencies in the Communiqué No.1997/1.
- If the brand Vatan Gazetesi and its franchise right cannot be sold under the above-mentioned conditions within two years from the date on which the permission is given, the brand and franchise right will be sold via tender under the supervision of Competition Authority within two months from the end of the second year.
- If the brand and franchise right cannot be sold during this tender process, Doğan Group continues to own the brand Vatan Gazetesi and its franchise right for three years following the tender; Doğan Group meets the liabilities necessary for the brand's legal existence; Doğan Group does not use the mentioned brand name and franchise on any periodicals; Doğan Group evaluates any demands or requests as being subject to the approval of Competition Board in the case of any demand towards the said brand and franchise right during the relevant period; and Doğan Group possesses all kinds of usage rights on the brand, if the brand and franchise right cannot be still sold after this period expires.

Subsequent to the decision of the Competition Authority dated 26 September 2008 a lawsuit has been filed with the Council of State for the cancellation of the conditions of the decision applied to the Company and a stay of execution. In its decision dated 13 February 2009, the Council of State ruled for a stay of execution of the conditions in the decision of the Competition Authority dated 10 March 2008. Accordingly, the decision of the Competition Authority related to the share purchase of Bağımsız Gazeteciler and Kemer Yayıncılık by Doğan Gazetecilik is valid however the execution of case-related conditions in the decision has been stopped. On 16 September 2009, the objection of Competition Authority to the mentioned stay of execution decision has been declined by Administrative Divisions of Council of State. 13th Circle of Council of State, with the main decision dated 13 March 2010, decided to the cancellation of the conditions, which are in accordance with the stay execution taking place in the decision of the Competition Authority dated 10 March 2008. Competition Authority appealed for the decision to the Administrative Divisions of Council of State.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits

Media segment:

Regarding the tax inspection of the 2004, 2005 and 2006 fiscal years, tax inspection reports which comprise TL 12.292 tax base and TL 18.438 tax penalty have been served to Hürriyet, one of the subsidiaries of the Group.

Request for negotiation was raised for tax penalty and notification was served to Hürriyet, subsidiary of the Group after tax assessment. Settlement negotiations about tax penalty were concluded in disagreement.

Regarding the tax inspections related to the same periods, the revenue controllers of the Revenue Administration Department of the Ministry of Finance issued an additional tax inspection report on 15 March 2010 in which Hürriyet is imposed to pay income taxes amounting to TL 12.155 and temporary income tax amounting to TL 10.413 temporary tax (in total TL 22.569) and tax loss penalty amounting to TL 22.569. The Company has made a settlement with the Tax Office. According to the settlement, the income tax base and tax loss penalty was determined as TL 8.000. Total accrued amount, including interest, is TL 16.974 and was paid at 6 May 2010 (31 December 2009: TL 17.200).

Hürriyet, subsidiary of the Group believes that the practices subject to criticism in the tax inspection reports were in fact in conformity with legal requirements and the communiqués, circulars and tax rulings of Republic of Turkey Ministry of Finance, and all kind of legal rights, including settlement negotiations, shall be utilised against the claims contained in the mentioned reports.

Some of the lawsuits filed for the cancellation of tax charges/notifications regarding 2004, 2005 and 2006 fiscal years served totaling to TL 30.895 (TL 12.292 of tax charge and TL 18.603 of tax fine) were concluded against Hürriyet amounting to a total of TL 4.436 (TL 1.774 of tax charge and TL 2.661 of tax fine), and Hürriyet has been served with a tax notification of TL 7.311, including the overdue interest and verdict fee. The related tax fine (TL 7.311) will be paid until 3 September 2010 and legal objections related to the appeal in a superior court will be made within the prescribed legal time frame.

About the lawsuits amounting to TL 30.895: For the remaining lawsuits amounting to TL 26.460, other than those explained above that are concluded against Hürriyet totaling to TL 4.436, lawsuits amounting to TL 10.094 which consist of TL 4.038 of tax charge and TL 6.057 of tax fine were concluded partially against and partially in favor of Hürriyet. Hürriyet has not yet been served with a full decision in relation to these lawsuits and an announcement will be made when a written notice is delivered to Hürriyet. Hürriyet will file for appeal in a superior court in connection with these court verdicts within the prescribed legal time frame.

No trial has been made for the appeal filed against the Tax Offices with regards to the tax notifications being served to Hürriyet by the respective Tax Office for total of TL 16.365 of tax notification, consisting TL 6.480 of tax charge and TL 9.885 of tax fine.

Hürriyet has provided TL 17.602 of total provision with regards to the tax charges, fines and their estimated overdue interests based on the assessments of its legal counsel and tax advisors (31 December 2009: TL 15.555).

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits (Continued)

Media segment (Continued):

The financial periods of 2003, 2004, 2005 and 2006 for Doğan Yayın, a subsidiary of the Group, have been inspected. According to the tax inspection reports, a tax penalty was calculated as TL 861.500 in total, of which TL 148.700 was the tax base and TL 712.800 was the tax penalty; this was levied against Doğan Yayın in December 2008 and February 2009.

In the tax inspection reports, the following subjects were criticised according to corporate tax, value added tax and stamp tax.

- Although Doğan TV, a subsidiary of Doğan Yayın, sold shares representing 25% of its capital to Dreiundvierzigste Media Vermögensverwaltungsgesellschaft GmbH (new name Commerz-Film GmbH), a 100% subsidiary of Axel Springer AG, and the transfer of the shares was completed on 2 January 2007 and accounted for accordingly, it was argued that the "exemption on the sales revenue of participation shares", as specified by Article 5/1-e of the Corporate Tax Law, could not be benefited from, based on the argument that the sales transaction was performed in the year 2006 and should had been accounted in the records at the year 2006. The levied tax penalty charges are TL 772.500 in total, of which TL 115.300 is tax charges, TL 345.900 is tax penalty charges calculated as triple the corporate tax, and TL 311.300 is tax penalty charges calculated as triple the temporary tax, due to the deduction period being overdue.
- Furthermore, in the period subject to tax inspection, total of TL 89.000 in total tax base and tax penalty has been requested, representing: TL 30.900, related to the rejection of the deduction from the corporate income of interest and foreign exchange expenses (financial expenses) related to loans used for the purchase of subsidiary shares, all of which, it is claimed, should be added to the corporate income in accordance with the last paragraph of Article 8 of Corporate Tax Law No. 5422; TL 13.700, related to the loss resulting from the sale of shares of Doğan Raks Satış Pazarlama ve Dağıtım A.Ş., which it is claimed should not have been deducted from corporate income; TL 28.300, related to the rejection of the application of value added tax exemption for subsidiary shares sale; and TL 16.100, related to other miscellaneous corporate, value added and stamp tax issues.

Doğan Yayın has taken legal action for the cancellation/release of the tax penalties charged and tax notices given and filed a lawsuit against the respective Tax Administration Department ("Tax Office").

The Tax Administration has asked for collateral in the amount of TL 914.800 against the significant portion of the tax charges and their default interest. As a result of this, shares representing the 36,14% of the capital of Doğan TV, a subsidiary of the Group, delivered to Tax Office by binding to confiscation minute.

Furthermore, in addition to the bank accounts of Doğan Yayın, the Tax Administration has put shares of the Group's subsidiaries representing 66,56% of capital in Hürriyet, 70,76% in Doğan Gazetecilik and the Group's joint venture representing 44,89% of the capital of Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. and 36,14% of the capital of Doğan TV under sequestration.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits (Continued)

Media segment (Continued):

The legal cases opened by Doğan Yayın against the request of collateral and the sequestrations of the Tax Administration at the first tax court concluded against Doğan Yayın (the stay of execution for the request of collateral does not produce legal effect as a result of sequestration applications). The objections are made to the Council of State in January 2010 by Doğan Yayın and the legal case closed in favor of Doğan Yayın and the execution of the sequestration was suspended.

The court trial in connection with the lawsuit brought against the Tax Administration in an attempt to cancel the income tax and tax penalty declarations regarding 2003, 2004, 2005 and 2006 financial periods submitted to Doğan Yayın (TL 826.100 without interest as of declaration date) was made on 22 January 2010 whereas it was originally scheduled on 10 November 2009 however could not be made due to rejection of the judge by the Tax Administration.

The significant amount of the related lawsuits was concluded in favor of Doğan Yayın.

Accordingly, the legal case related to the cancellation of the tax assessments comprising the income tax amounting to TL 115.300 and tax penalty amounting to TL 657.200, TL 772.500 in total in connection with the sale of Doğan TV shares to a subsidiary of Axel Springer AG (Commerz-Film GmbH) concluded in favor of Doğan Yayın.

The Tax Administration concluded against Doğan Yayın or in favor of Doğan Yayın for some legal cases whereas some other cases were suspended. Doğan Yayın has appealed the cases concluded unfavorably.

Doğan Yayın has initiated legal proceedings and filed lawsuits for the cancellation of the tax assessments in connection with 2003 financial period (TL 15.700 income tax and TL 19.500 tax penalty).

As of the issue date of this report, the latest details of the litigations and pending lawsuits which are delivered to Doğan Yayın, including court verdicts and payment notices are summarized below:

<u>Result of Case</u>	<u>Amount (TL)</u>
In favor of Doğan Yayın	792.481
Against the Doğan Yayın	3.150
Pending	66.756
Total	862.387

Majority of the cases resulted in favor of Doğan Yayın, as stated in the Material Disclosures dated 20 February 2009, are about assessment of Corporate Tax and VAT and are appealed by the tax office. Doğan Yayın appealed to the cases resulted against and including the stay of execution. A tax fine and overdue interest of TL 5.055 has been paid in connection with the cases finalized against Doğan Yayın.

Meanwhile, Doğan Yayın accounted for a provision amounting to TRY 14.859 (31 December 2009: 16.895 TL) in the consolidated financial statements as of 30 June 2010 for cases concluded at the tax court of first instance, based on the advices given by its tax experts and legal advisors considering the conservatism principle of accounting.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits (Continued)

Media segment (Continued):

Doğan TV

As an outcome of tax inspections held in the Group's subsidiaries Doğan TV, D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel for 2005, 2006 and 2007 financial periods, tax penalty notification by TL 3.980.026 where TL 1.878.439 is considered as the tax base and TL 2.101.586 is considered as the tax penalty, has been calculated and declared to the related subsidiaries in September 2009.

In brief, the following subjects were criticised on the basis of corporate income taxes and value added taxes ("VAT") in tax assessments:

- i) Claiming that the management control did not change with the share transfers among Doğan TV, D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel; it has been argued that such share transfers were not in accordance with the 19th and 20th amendments to the Corporate Tax Law; and accordingly such share transfers are regular share sales. In this context, it is claimed that the transfers should have been made using the fair value rather than the book value, and as a matter of fact, an income tax for the difference between the fair value determined in the tax assessment report and the book value is calculated. Income taxes amounting to TL 705.000 and tax penalties amounting to TL 705.000 (TL 1.410.000 in aggregate) have been claimed as a result of this assessment.
- ii) Claiming that the share transfers should be treated as regular share sales, a VAT penalty in accordance with the fair value determined in the tax assessment report has been calculated. According to this claim, TL 1.174.000 VAT and TL 1.396.000 tax loss are due for total of TL 2.570.000.

In connection with the income tax and tax loss penalties mentioned above, the tax authorities have requested TL 4.824.000 collateral; considering the interest for delay of TL 1.174.000.

Doğan TV, D Yapım Reklamcılık, Doğan Prodüksiyon, subsidiaries of the Group, have filed the demand for collaterals by the Tax Administration with a stay of execution request. Within this period, D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel shares and 44 properties belonging to third parties have been given as collateral.

Meanwhile the Tax Administration put sequestration on all of the shares of D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel.

Doğan TV, D Yapım Reklamcılık and Doğan Prodüksiyon, subsidiaries of the Group, filed a court case for the annulment of the Tax Administration sequestrations.

Doğan TV, D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel subsidiaries of the Group, requested settlement negotiations for the declared tax assessments. Settlement negotiations made in November 2009 concluded with disagreement.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits (Continued)

Media segment (Continued):

Doğan TV (Continued)

Doğan TV, D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel have initiated legal proceedings with the purpose of cancellation of the income taxes and penalties notifications and have filed lawsuits for 2005, 2006 and 2007 financial periods.

The cases opened against the requests of collateral and the sequestrations of the Tax Administration by the related companies at the first tax court concluded against Doğan TV, D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel. The related companies made objections to the Council of State about decisions of the tax courts of the first instance.

Some of the above lawsuits filed in relation to the tax assessment reports prepared for the 2005, 2006, 2007 and 2008 periods have been ruled by the tax court of first instance and they were disclosed to public on 18 August 2010. In accordance with the court's ruling, the lawsuits amounting to TL 865.000 have been concluded in favor of the Group, the lawsuits totaling to TL 2.000 have been concluded against the Group, whereas TL 2.246.000 of the lawsuits have been finalized partially against and partially in favor of the Group. In addition to these decisions, preceding judgments have been made for the lawsuits amounting to TL 833.000, and for the lawsuits amounting to TL 43.000, no court hearings have been made. Included in the lawsuits amounting to TL 2.246.000 that have been finalized partially against and partially in favor of the Group, TL 713.000 of total tax assessments consisting TL 356.500 of tax base in connection with the 2006 Corporate Tax and TL 356.500 of tax fine have been concluded against Doğan TV Holding and a total tax notification amounting to TL 1.048.000 (including the respective TL 334.600 of overdue interest) was served to the Group. As of the date of our review report, no further notifications have been served to the Group in relation to the other lawsuits that have been finalized partially against and partially in favor of the Group. The Group has filed for appeal for all of tax lawsuits concluded against the Group, including the file for stay for execution.

Based on the assessments of its legal counsel and tax advisors, the Group management has not provided any provisions in its consolidated financial statements as of and for the period ended 30 June 2010 since, the outcome of those lawsuits is uncertain and legal proceedings have not been finalized yet in connection with; the notifications that are served for the lawsuits concluded in the tax court of first instance against the Group; including the cases already concluded but not yet served to the Group; and for the lawsuits that are still pending.

If the file for stay of execution is not accepted, the Group has to pay the charged amount within 30 days, or otherwise the related tax assessments shall be paid within 7 days upon the payment order given by the Tax Office. Although the legal proceedings for the related lawsuits are ongoing, if the Council of State will not rule in favor of the stay of execution and the Group will not pay the officially charged amount within the prescribed legal time frame, the liens already imposed over the Group by the Tax Office shall be conclusive and accordingly certain administrative acts including disposal of the assets related with media operations which constitute significant proportion of the Group will likely be put into process. This fact indicates the existence of material uncertainties that may cast significant doubts over the Group's media segment on the ability to continue as a going concern.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits (Continued)

Media segment (Continued):

Doğan TV Digital Platform İşletmeciliği A.Ş.

Income tax and tax penalty amounting to TL 4.674 with respect to the 2007 Special Communication Tax Investigation Report was declared to Doğan TV Digital, an indirect subsidiary of Doğan Yayın.

The Group has brought 12 actions for rescission against the related administrative act by the Tax Courts of İstanbul. Three of the related lawsuits were dismissed, one of them is cancelled and the other eight of them are still pending for conclusion. Dismissed lawsuits amount to a total of TL 159, including the tax charges and fines. Cancelled lawsuit amounted to TL 639, including the tax charge and fine.

In accordance with the opinions of legal advisors and tax specialists and parallel with the conviction of Council of State, the Group management did not account for any provision for this tax penalty in the consolidated financial statements as of 30 June 2010 (31 December 2009: None).

Doğan Dış Ticaret ve Mümessillik A.Ş. and Işıl İthalat İhracat ve Mümessillik A.Ş.

Doğan Dış Ticaret and Işıl İthalat İhracat, direct and indirect subsidiaries of Doğan Yayın, have been inspected for the 2004, 2005, 2006 and 2007 financial periods by the Revenue Controllers of the Ministry of Finance.

According to the tax inspection reports, TL 14.200 tax base and TL 42.600 tax loss fines, triple the tax base, were declared to Doğan Dış Ticaret and Işıl İthalat İhracat.

Doğan Dış Ticaret and Işıl İthalat İhracat have initiated legal proceedings against the Tax Administration Office with the purpose of cancellation of the income tax and penalty notifications and have filed lawsuits.

In accordance with the views of legal advisors and tax specialists, the Group management did not account for any provision in the consolidated financial statements for the periods ended 30 June 2010 and 31 December 2009.

Doğan Gazetecilik

As a result of the tax inspection of Doğan Gazetecilik, a subsidiary of the Group, related to fiscal year 2004, 2005, 2006 and 2007, the revenue controllers of the Revenue Administration Department of the Ministry of Finance issued a tax inspection report including to TL 10.100 income tax and TL 11.200 tax penalty. Settlement negotiation about related tax inspection report has been concluded with agreement with the tax authority.

According to this settlement at 11 December 2009, TL 4.400 income tax and tax penalty and TL 4.400 interest for delay has been determined. Since such amount was paid on 11 January 2010, no provision is accounted in consolidated financial statements as of 30 June 2010. (31 December 2009: TL 8.800)

Doğan Gazetecilik A.Ş. was served with a tax notification of TL 948.000, including the tax charge and tax fine due to the recognition of interest costs associated with the acquisition of participation shares as expense and the VAT deduction of interest invoices issued for future purchases in the 2003 accounting period. The Group management filed an appeal against the Tax Office for the related tax charge and fine. The Group management did not account for any provision for the related tax charge in the consolidated financial statements based on the opinion of the Group's legal counsel.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits (Continued)

Media segment (Continued):

Developments at the Radio and Television Supreme Council (“RTSC”)

As of 13 October 2009, the Radio and Television Supreme Council declared a notification to the broadcasting companies that are embodied in the Group. Accordingly, RTSC has decided to notify:

- The provision of three months to companies that have already acquired a licence from the Radio and Television Supreme Council, in accordance with Act No. 3984, 29th clause, article (j), for them to adjust their capital structure consistent with “Law on the Establishment of Radio and Television Enterprises and Their Broadcasts” Law No.3984, 29th clause, articles (h) and (ı), otherwise the cancellation of their broadcast licences,
- Notification that companies which have already applied to the Radio and Television Supreme Council for permission and for licence, where the related procedures have not yet been concluded, are to make their capital structure consistent with Act No. 3984, 29th clause, articles (h) and (ı), and renew their application to the Radio and Television Supreme Council; otherwise their previous applications will become invalid.

Based on written objection of the Doğan Yayın to the decision and by taking into account of the assessments of the Doğan Yayın as well, RTSC declared a new written decision at 10 February 2010 about delaying the enforcement of the above mentioned decision, dated 13 October 2009, until a revised decision will be declared.

Developments at Competition Authority

Upon the Competitive Board’s notification issued on 17 September 2009, Doğan Yayın Holding A.Ş., Hürriyet Gazetecilik ve Matbaacılık A.Ş., Doğan Gazetecilik A.Ş., Bağımsız Gazeteciler Yayıncılık A.Ş. and Doğan Daily News Gazetecilik ve Matbaacılık A.Ş. were informed that they are subject to an investigation in order to determine whether these companies has violated any provisions of Law 4054 in relation to “Advertisement area sales” in the printed media. The Group has made an objection to the initial response session of the ongoing investigation claiming that Doğan Yayın Holding A.Ş.’s operations are not in the form of “Advertisement area sales” in the printed media and Doğan Daily News Gazetecilik ve Matbaacılık A.Ş. is not an operating company. The investigation is still in progress and all documents and information required for the related companies by the Competitive Board experts are presented in a timely manner.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

v) Tax penalty and law suits (Continued)

Energy segment:

As a result of the tax inspection conducted on the accounts of POAŞ, a joint venture of the Group, for the year 2003, tax/penalty notifications including TL 12.828 (with Doğan Holding's ownership interest TL 6.949) of original tax liability and a TL 30.093 (with Doğan Holding's ownership interest TL 16.303) of tax penalty have been communicated to the Group on 25 December 2008 by the Bogaziçi Corporate Tax Office. Settlement negotiations about related income tax and tax penalty with Ministry of Finance Revenue Administration realised on 24 November 2009 based on Tax Procedure Law and concluded in disagreement, therefore lawsuit has been filed as of 9 December 2009. Legal proceeding about income tax and penalty continues.

Tax/penalty notifications for the years 2003-2007 including a TL 9.917 (with Doğan Holding's ownership interest TL 5.372) of original tax liability and TL 13.810 of tax penalty (with Doğan Holding's ownership interest TL 7.482), which are sent out by Bogaziçi Corporate Tax Office and Large Taxpayers Tax Office with respect to the inspection reports prepared in relation to the investigation carried out by the tax inspectors of the Ministry of Finance, have been communicated to POAŞ on 22-23 July 2008. A lawsuit was filed at the Istanbul Tax Court with respect to the mentioned inspection reports and tax/penalty notifications on 11 September 2008. The tax court ruled in favor of POAŞ in all cases, assessed tax and penalty were annulled by Tax Court. Related rules appealed by Boğaziçi Corporate Tax Office and Large Taxpayers Tax Office.

As of 1 June 2010 Boğaziçi Corporate Tax Office and the Company has reached an arbitration about tax/penalty notifications for the year 2004 including a TL 6.353 (with Doğan Holding's ownership interest TL 3.442) of original tax liability and a TL 13.940 (with Doğan Holding's ownership interest TL 7.552) of tax penalty. Upon the arbitration of the judicial process of premier tax fine amounting to TL 3.500 (with Doğan Holding's ownership interest TL 1.896) and penalty amounting to TL 5.893 (with Doğan Holding's ownership interest TL 3.193) has been paid at 27 July 2010. The amount mentioned is recorded under provisions in the consolidated financial statements.

As of 1 June 2010 the Ministry of Finance Revenue Administration and the Company has reached an arbitration about the tax inspection conducted on the Company's accounts for the years 2005, 2006, 2007 tax/penalty notifications including TL 7.290 (with Doğan Holding's ownership interest TL 3.949) of original tax liability and a TL 12.564 (with Doğan Holding's ownership interest TL 6.806) of tax penalty. Upon the arbitration of the judicial process of premier tax fine amounting to TL 3.900 (with Doğan Holding's ownership interest TL 2.113) and penalty amounting to TL 3.665 (with Doğan Holding's ownership interest TL 1.985) has been paid at 27 July 2010. The amount mentioned is recorded under provisions in the consolidated financial statements.

As of the announcement date of the consolidated financial statements for the period ended 30 June 2010, POAŞ evaluates that all the above cases will finalise in favor the company and therefore, forecasts that no cash outflow regarding the above tax fines and legal matters within Energy segment excluding the ones that are subject to arbitration. Accordingly, no provision has been provided for the above matters in the accompanying consolidated financial statements.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c. Other (Continued):

vi) Competition authority decisions

The Turkish Competition Authority ("Authority") announced in March 2009 that the terms of the loan agreements, equipment agreements, long-term rent agreements or long-term usufruct agreements performed with the dealers aside the dealership agreements must be limited to a period of 5 years within the scope of the Block Exemption Communiqué on Vertical Agreements (Communiqué) dated 14 July 2002. In accordance with the Communiqué, the authority also stated that the exemption period for agreements dated prior to 18 September 2005 will expire on 18 September 2010 whereas total effective period for agreements dated after 18 September 2005 will be limited to 5 years.

According to the aforementioned announcement, long-term rental agreements and agreements granting long-term usufruct rights that are related to dealership agreements shall not be used to expand the duration of the non-competition obligation in such agreements.

Accordingly, the Company continues negotiations with its dealers whose agreements shall be shortened in accordance with the Authority's decision mentioned above. On the other hand since the judicial process continues at the State Council, the Group has not made any change in its books about previously paid usufructus, rents and other related amounts.

vii) Other

Other:

The land owned by Milpa, a subsidiary of the Group, located in Kurtdoğan village, Pendik district, İstanbul province, classified as investment property in the consolidated financial statements, 144.266 m² of the land was removed from forestry land with a court decision taken in 2005. The Forestry Directorate appealed the decision at the 20th Chamber of the High Court and the objection was accepted on 24 June 2008 and these decisions (removing from forestry land) are sent to the Pendik Court of First Instance for re-evaluation. The Court reiterated its initial decision on 8 October 2009. The Forestry Directorate reappealed the decision and the file sent back to the 20th Chamber of the High Court. The decision of the High Court is still pending.

With the 1/100.000 scale environmental plan released on 17 July 2009, the related land was classified as a habitat and recreation area. Milpa appealed this plan with the İstanbul Metropolitan Municipality within the legal deadline and is waiting for related responses. In case of an adverse decision taken by the İstanbul Metropolitan Municipality against Milpa, legal proceedings will be taken contrary to decision.

According to the expert report, made in compliance with the Communiqué No IV-1 of Capital Market Board, by Taksim Kurumsal Değerleme ve Danışmanlık A.Ş. as of 3 February 2010, taking into account that the land was classified in the habitat and recreation area, the sales price of the related property was determined by TL 44.765 (16 January 2009: TL 59.310). This amount has been determined for the entire land and the share of Milpa is 54,79% in the land.

The change of the construction plan for the related land and the appeal against this change is still pending as of the date of these consolidated financial statements and the uncertainty about the fair value of the land will be reconsidered in the following periods in the context of developments regarding the legal proceedings.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 16 - COMMITMENTS

Commitments and contingencies, from which the management does not anticipate any significant losses or liabilities, are summarized below.

Commitments given

	30 June 2010	31 December 2009
Letters of guarantee (*)	483.718	547.246
Subsidiary shares given as a guarantee	146.826	103.649
Guarantee notes	726	479
	631.270	651.374

The Group provided bail and mortgages to third parties for financial liabilities and trade payables of its subsidiaries, joint ventures and related parties in the amounts of TL 881.575 (31 December 2009: TL 388.485) and TL 18.379 (31 December 2009: TL 20.661) respectively.

(*) Doğan TV, a subsidiary of Group, has given letter of guarantee amounting to EUR 111.000 in 2008 to Union Européenne de Football Association or Union of European Football Associations ("UEFA") for broadcasting rights of UEFA Champions League, UEFA Super Cup and UEFA Cup matches for the years between 2009 and 2012.

POAŞ, a joint venture of the Group, signed an agreement with Gümrük ve Turizm İşletmeleri ("GTİ") in May 2008 to make sales of fuel and lubricants at border gates for 20 years. As part of this agreement, the Group committed to pay commissions to GTİ over sales revenue, after the commencement of sales at assigned areas.

Barter agreements:

The Group, as a common practice in the media sector, entered into barter agreements which involve the exchange of goods or services without cash collections or payments. As of 30 June 2010, the Group has an advertisement commitment of TL 11.126 (2009: TL 13.382), and a right to obtain service and goods in the amount of TL 14.094 (2009: TL 12.119).

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 16 - COMMITMENTS (Continued)

Collateral, pledge and mortgages given:

Collateral, pledges and mortgages “CPM” given by Parent Company, Doğan Holding, as of 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010	31 December 2009
A. CPM’s given in the name of its own legal personality	26	24
B. CPM’s given on behalf of the fully consolidated Companies	851.216	364.114
C. CPM’s given on behalf of third parties for ordinary course of business	-	-
D. Total amount of other CPM’s given	-	-
i) Total amount of CPM’s given on behalf of the majority shareholder	-	-
ii) Total amount of CPM’s given to on behalf of other Group companies which are not in scope of B and C (*)	-	-
iii) Total amount of CPM’s given to on behalf of third parties which are not in scope of C	-	-
Total	851.242	364.138

(*) Under the hydroelectric power plant project undertaken by Boyabat Elektrik, which is expected to be finalized in 2012, the amount is related to USD 750.000 of long term project finance loan which was jointly and severally guaranteed by other shareholders (Note 4) and the guarantee term is limited to the completion date of the project.

NOTE 17 - OTHER ASSETS AND LIABILITIES

	30 June 2010	31 December 2009
Other current assets		
Value Added Tax (“VAT”) receivable	64.629	81.643
Advances given	51.098	42.920
Programme stocks	49.470	55.437
Prepaid expenses	40.030	33.038
Income accruals	11.098	15.312
Prepaid taxes and funds	7.377	31.963
Special Consumption Tax to be offset	4.968	3.708
Tax receivables	1.610	2.240
Other current assets	7.144	7.791
	237.424	274.052
Impairment for programme stocks	(2.500)	(2.500)
	234.924	271.552

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 17 - OTHER ASSETS AND LIABILITIES (Continued)

	30 June 2010	31 December 2009
Other non-current assets		
Value Added Tax (“VAT”) receivables	95.930	65.860
Advances given and prepayments ⁽¹⁾	90.992	122.005
Prepaid expenses ⁽²⁾	47.590	47.763
Time deposits – over 1 year to maturity	15.747	-
Other non-current assets	47.546	2.813
	297.805	238.441

- (1) Advances given and prepayments amounting to TL 32.866 (31 December 2009: TL 32.865) consists of the prepayments made by Doğan TV, a subsidiary of the Group, for UEFA Championship qualifying matches, UEFA Cup qualifying matches and UEFA Cup home matches of certain Spor Toto Super League teams between 2008 and 2020. According to the agreements, unless the mentioned games are played, the prepayments will be paid back to Doğan TV.

Advances given and prepayments amounting to TL 14.562 (31 December 2009: TL 14.564) consists of the prepayments made by Doğan TV to certain Spor Toto Super League teams’ for multiple media broadcasting rights (internet, IPTV (internet protocol TV), etc), broadcasting rights of amateur branches between 2008 and 2013, and preferential right of sales of season tickets between 2010 and 2012 and payments made to a Spor Toto Super League team with respect to the agreement on TV advertisement revenue sharing between 2008 and 2013.

- (2) POAŞ, a Joint Venture of the Group, signed an agreement with Gümrük ve Turizm İşletmeleri (“GTİ”) in May 2008 to make sales of fuel and lubricants at border gates for 20 years. The payment of TL 53.782 (TL 29.136 with Doğan Holding’s ownership interest) which was made as part of this agreement is presented as prepaid expenses. (31 December 2009: 55.000 TL (TL 29.796 with Doğan Holding’s effective shareholding interest)).
- (3) As of 30 June 2010, the time deposit amounting to USD 10.000.000 has been blocked as collateral until the maturity of the loans used by the Company’s subsidiaries. The maturity of the loans is 2013.

	30 June 2010	31 December 2009
Other current liabilities		
Expense accruals	98.316	46.389
Deferred income	44.676	51.502
Provision for broadcasted programs	7.984	17.379
Provision for tax penalties	-	26.033
	150.976	141.303

NOTE 18 - EQUITY

Doğan Holding adopted the registered share capital system available to companies registered with the CMB and set a limit on its registered share capital representing registered type shares with a nominal value of TL 1 Doğan Holding’s authorized, historical and paid-in share capitals at 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010	31 December 2009
Limit on registered share capital (historical)	4.000.000	4.000.000
Issued share capital	2.450.000	2.450.000

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 18 - EQUITY (Continued)

The ultimate shareholder of Doğan Holding is Doğan Family. The shareholder structures of the Holding at 30 June 2010 and 31 December 2009 are summarized as follows:

	Share %	30 June 2010	Share %	31 December 2009
Adilbey Holding	52,00	1.274.000	52,00	1.274.000
Aydın Doğan	7,72	188.907	7,72	188.907
Işıl Doğan	1,64	40.292	1,64	40.292
Arzuhan Doğan Yalçındağ	1,04	25.503	1,04	25.503
Vuslat Doğan Sabancı	1,04	25.503	1,04	25.503
Hanzade V. Doğan Boyner	1,04	25.503	1,04	25.503
Y. Begümhan Doğan Faralyalı	1,04	25.503	1,04	25.503
Total Doğan family and companies owned by Doğan family	65,52	1.605.211	65,52	1.605.211
Istanbul Stock Exchange	34,29	840.110	34,29	840.110
Aydın Doğan Vakfı	0,19	4.679	0,19	4.679
Total share capital	100	2.450.000	100	2.450.000
Adjustment to share capital		143.526		143.526
Total		2.593.526		2.593.526

Adjustment to share capital represents the restatement effect of cash contributions to share capital at year-end equivalent purchasing power.

There are no privileged shares.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the Turkish Commercial Code, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

In addition, "Capital, Share Premiums, Legal Reserves, Special Reserves and Extraordinary Reserves" were recorded at their statutory carrying amounts and the inflation adjustment differences related to such accounts were recorded under inflation adjustment differences at the initial application of inflation accounting. Equity inflation adjustment differences could have been utilised only in issuing bonus shares and offsetting accumulated losses, carrying amount of extraordinary reserves could have been utilised in issuing bonus shares, cash dividend distribution and offsetting accumulated losses.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 18 - EQUITY (Continued)

In accordance with the Communiqué No:XI-29 and related announcements of CMB, effective from 1 January 2008, "Share capital", "Restricted Reserves" and "Share Premiums" shall be carried at their statutory amounts. The valuation differences arise due to implementing the communiqué (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising due to the adjustment of "Paid-in Capital" and not yet been transferred to capital should be classified under the "Adjustment To Share Capital";
- if the difference is due to the adjustment of "Restricted Reserves" and "Share Premium" and the amount has not been utilised in dividend distribution or capital increase yet, it shall be classified under "Retained Earnings".

Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

Following the capital increase, the Company's restricted reserves amount to TL 38.967 (31 December 2009: TL 37.451) and is composed of legal reserves in total as of 30 June 2010.

Financial assets fair value reserves

Financial assets fair value reserve is derived from unrealised gains and losses arising from net changes in fair value of securities classified as available – for – sale with deferred tax effect.

Dividend Distribution

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

Based on CMB Decree No. 02/51, dated 27 January 2010, there is no mandatory minimum profit distribution requirement for the quoted entities at the stock exchange for profits arising from operations in 2009. In this context, the entities are to distribute their profits under the scope of CMB Communiqué No. IV-27, their articles of association and their previously publicly declared profit distribution policies.

In case of deciding to distribute dividends from the profit, regarding allocation basis of profit of publicly owned companies, the distribution of the relevant amount may be realised as cash or as bonus shares or partly as cash and bonus shares; and in the event that the first dividend amount to be specified is less than 5% of the paid-up capital, the relevant amount can be retained within the company. However, companies that made capital increases before distributing dividends related to the prior period and whose shares are therefore classified as "old" and "new" and that will distribute dividends from the profit are required to distribute the initial amount in cash.

Board of Directors of Doğan Holding has made the following resolutions in its meeting considering the current tax expense, deferred tax expense and non-controlling interests presented in the consolidated financial statements prepared for the accounting period ended as of 31 December 2009.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 18 - EQUITY (Continued)

Dividend Distribution (Continued)

Shareholders will be communicated that there will be no profit distribution for the 1 January – 31 December 2009 period since the Company has recognized TL 114.113 of consolidated loss for the period, and the transfer of the resulting amount of TL 28.791 (which is calculated by offsetting TL 38.205 of profit period recorded under TCC (Turkish Commercial Code) and TPL (Tax Procedure Law) against corporate tax and booked TL 1.516 of first legal reserves over the remaining amount of TL 30.307) to extraordinary reserves is approved in General Shareholder Assembly dated 23 June 2010.

As of 30 June 2010 and 31 December 2009, Doğan Holding has no accumulated losses; besides Doğan Holding has net loss for the period at the consolidated financial statements which are prepared according to financial reporting standards of CMB.

In accordance with the abovementioned factors, the shareholders equity of the Group is as below:

	30 June 2010	31 December 2009
Share capital	2.450.000	2.450.000
Adjustment to share capital	143.526	143.526
Share premium	630	630
Revaluation fund	100.712	113.942
Increase in fair value of available for sale financial assets, net	15.773	12.456
Translation reserve	(26.523)	(7.063)
Restricted reserves assorted from profit	38.967	37.451
- <i>Legal reserves</i>	38.967	37.451
Retained earnings	456.840	837.276
- <i>Extraordinary reserves</i>	178.836	11.748
- <i>Other reserves</i>	2.361	2.361
- <i>Inflation adjustment differences to legal, extraordinary and other reserves, share premiums</i>	323.465	323.465
- <i>Retained earnings</i>	(47.822)	499.702
Net loss for the period	(14.168)	(114.113)
Total shareholders' equity	3.165.757	3.474.105

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 19 - SALES AND COST OF SALES

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Domestic sales	5.322.157	2.988.476	4.644.599	2.494.195
Foreign sales	605.500	343.841	467.334	266.482
Sales returns	(203.414)	(101.569)	(196.366)	(102.683)
Sales discounts	(210.210)	(122.430)	(198.388)	(109.710)
Net sales	5.514.033	3.108.318	4.717.179	2.548.284
Cost of sales (-)	(4.913.945)	(2.759.365)	(4.236.646)	(2.255.101)
Gross profit	600.088	348.953	480.533	293.183

Revenue and cost of sales

The segment details of revenue and cost of sales for the six month interim periods ended as of 30 June 2010 and 2009 is disclosed in Note 5 - "Segment Reporting".

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

**NOTE 20 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND
DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES**

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Sales, marketing and distribution expenses	277.760	144.091	218.083	111.339
General administrative expenses	206.988	109.822	217.185	117.297
Research and development expenses	264	50	-	-
Operating expenses	485.012	253.963	435.268	228.636

NOTE 21 - EXPENSES BY NATURE

The details of cost of sales, marketing, selling and distribution expenses and general administrative expenses for the six-month interim periods ended as at 30 June 2010 and 2009 are as follows:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Cost of trade goods sold	4.025.789	2.292.171	3.396.999	1.836.796
Personnel expenses	296.307	157.792	272.585	131.621
General production overhead	269.374	137.391	266.030	184.246
Raw material and supplies	206.563	102.694	213.086	106.604
Depreciation expense	189.678	94.906	180.378	95.240
Advertising expenses	45.081	21.583	31.231	16.356
Other	366.165	206.791	311.605	112.874
	5.398.957	3.013.328	4.671.914	2.483.737

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 22 - OTHER INCOME/EXPENSES

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Other income:				
Reversed provisions	16.520	10.470	10.093	3.285
Gain on sales of property, plant and equipment and intangible assets	3.155	2.124	1.492	715
Profit from purchase of subsidiary and joint venture share (*)	-	-	38.953	12.927
Other income	20.393	12.702	16.844	7.439
	40.068	25.296	67.382	24.366

(*) Increase in Hürriyet, Doğan Gazetecilik, Doğan Yayın, Çelik Halat and Ditaş Doğan shares of the Group resulted negative goodwill amounting to TL 38.953 for the period ended with 30 June 2009.

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Other expenses:				
Provision for doubtful receivables (note 9)	(21.337)	(16.567)	(29.642)	(11.740)
Fines and penalties paid	(16.329)	(15.897)	(3.302)	(1.257)
Provision for lawsuits	(7.234)	(5.953)	(6.623)	(6.369)
Loss on sales of fixed asset	(1.243)	(930)	-	-
Commission expenses	(377)	(151)	(1.294)	(802)
Provision for tax penalties	-	-	(15.209)	(15.209)
Other provision expenses	-	-	(5.609)	(2.585)
Other expenses	(15.177)	(2.121)	(21.622)	(12.326)
	(61.697)	(41.619)	(83.301)	(50.288)

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 23 - FINANCIAL INCOME

Financial income for the six-month interim periods ended as at 30 June 2010 and 2009 are as follows:

Financial income:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Foreign exchange gain	304.139	176.818	500.693	203.609
Interest income on bank deposits	51.695	27.014	93.125	33.698
Amortized cost valuation income	28.896	12.125	5.202	1.859
Due date difference on credit sales	1.536	1.124	25.843	8.941
Other interest and commissions	1.175	(183)	6.370	3.735
	387.441	216.898	631.233	251.842

NOTE 24 - FINANCIAL EXPENSE

Financial expense for the six-month periods ended as at 30 June 2010 and 2009 is as follows:

Financial expense:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Foreign exchange loss	(317.107)	(192.182)	(527.365)	(123.781)
Interest expense on current and non-current borrowings	(90.978)	(41.251)	(147.579)	(69.002)
Due date difference on credit purchases	(43.710)	(30.764)	(14.722)	(4.825)
Other	(11.726)	4.412	(10.283)	(2.833)
	(463.521)	(259.785)	(699.949)	(200.441)

NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None (2009: None).

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 26 - TAX ASSETS AND LIABILITIES

	30 June 2010	31 December 2009
Corporate and income taxes payable	49.397	10.699
Deferred tax liabilities, net	133.421	154.782
Total	182.818	165.481

Doğan Holding, Subsidiaries and Joint Ventures recognize deferred income tax assets and liabilities based upon temporary differences arising between their financial statements as reported under CMB Financial Reporting Standards and their statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for CMB Financial Reporting Standards and tax purposes.

The composition of cumulative temporary differences and the related deferred income tax assets and liabilities in respect of items for which deferred tax has been provided at 30 June 2010 and 31 December 2009 using the enacted tax rates, is as follows:

	Cumulative temporary differences		Deferred Tax assets/(liabilities)	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	(1.345.639)	(1.294.052)	(234.124)	(248.763)
Fair value protection ve Swap (income)/expense accrual	(1.848)	-	(302)	-
Other	(14.128)	(40.760)	(1.958)	(997)
Deferred tax liabilities			(236.384)	(249.760)
Carry forward tax losses	300.565	294.213	60.113	58.842
Provision for doubtful receivables	79.241	91.936	15.841	18.319
Provision for employment termination benefits	35.161	36.399	7.665	7.099
Deferred financial income of trade receivables	7.776	7.178	1.547	1.474
Lease payables	2.740	4.306	795	1.206
Other	82.726	81.738	17.002	8.038
Deferred tax assets			102.963	94.978
Deferred tax liabilities, net			(133.421)	(154.782)

Due to the fact that Doğan Holding, subsidiaries and joint ventures, which are independent taxpayers, have represented the net amount of deferred tax assets and liabilities in their financial statements in accordance with CMB Accounting Standards; the effects of the mentioned net-offs have been reflected to the consolidated financial statements of the Group. Temporary differences and deferred tax assets and liabilities mentioned above have been prepared according to their gross amounts.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

The Group recognized deferred tax assets of TL 300.565 for the period ended 30 June 2010 (31 December 2009: TL 294.213) over carry forward tax losses in the consolidated financial statements prepared in accordance with CMB Financial Reporting Standards. The maturities of these losses at 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010	31 December 2009
2011	29.655	28.498
2012	50.945	46.456
2013 and after	219.965	219.259
	300.565	294.213

As of 30 June 2010, deferred tax rate is 20% for corporations operating in Turkey (2009: 20%).

Deferred tax assets are reflected into records for all deductible temporary differences to the extent of possibility of tax profit to be formed at profitable level. As of 30 June 2010, carry forward tax losses for which no deferred tax asset is recognized are with an amount of TL 1.416.778 (31 December 2009: TL 1.279.598).

As of 30 June 2010, tax rates (%) used on tax computations regarding the tax regulations per countries are as follows:

Country	Tax rates (%)	Country	Tax rates (%)
Germany	28,0	Ukraine	25,0
Romania	16,0	Hungary	19,0
England	30,0	Russia	20,0
Croatia	20,0	Belarus	24,0
Kazakhstan	20,0	The Netherlands	25,5

Movements for net deferred taxes for the periods ended at 30 June 2010 and 2009 are as follows:

	2010	2009
1 January	(154.782)	(138.569)
Income for the period	19.257	20.329
Currency translation differences	2.949	4.764
Temporary differences included and paid in corporate tax calculation	(845)	1.137
30 June	(133.421)	(112.339)

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

Turkey

Turkish tax legislation does not permit a parent company, its subsidiaries and joint ventures to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the consolidated financial statements, have been calculated on a separate-entity basis.

Turkish Corporate Tax Law has been amended by Law No.5520 dated 13 June 2006. Most of the articles of this new Law No.5520 have come into force effective from 1 January 2006. Accordingly, the corporation tax rate of the fiscal year 2010 is 20% (2009: 20%). Corporation tax is payable at a rate of 20% on the total income of the companies after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption) and corporate income tax deductions (like research and development expenses deduction). (Except for withholding tax at the rate of 19,8% on the investment incentive allowance utilized within the scope of the Income Tax Law transitional article 61).

The Group classified the statutory goodwill arising from the legal mergers in POAŞ and Doğan Gazetecilik as a balancing account, which is neither an asset nor liability in nature and did not apply inflation accounting in accordance with Circular No.17 of Tax Procedural Law dated 24 March 2005, related to the inflation adjustment application.

Dividends paid to non-resident corporations, which have a place of business in Turkey, or resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% on their corporate income. Advance tax is to be declared by the 14th day of the second month following each calendar quarter end and is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

In accordance with Tax Law No.5024 "Law Related to Changes in Tax Procedural Law, Income Tax Law and Corporate Tax Law" that was published in the Official Gazette on 30 December 2003 to amend the tax base for non-monetary assets and liabilities, effective from 1 January 2004, income and corporate taxpayers will prepare the statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish Lira. In accordance with the aforementioned law's provisions, in order to apply inflation adjustment, the cumulative inflation rate (SIS-WPI) over the last 36 months and 12 months must exceed 100% and 10%, respectively. Inflation adjustment has not been applied as these conditions were not fulfilled after 2005.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

Turkey (Continued)

Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

There are numerous exemptions in the Corporate Tax Law concerning the corporations. Those related to the Group are as follows:

Exemption for participation in subsidiaries

Dividend income from participation in the shares of capital of another full fledged taxpayer corporation (except for dividends from investment funds participation certificates and investment partnerships shares) are exempt from corporate tax.

Exemption for participation in foreign subsidiaries

The participation income of corporations participating in 10% or more of the capital of a limited liability or joint stock company which does not have its legal or business centre in Turkey (except for corporations whose principal activity is financial leasing or investment of marketable securities) for at least one year until the date of the income is generated and transferred to Turkey until the date of the filing of the corporate income tax return of the fiscal year in which the income is generated is exempt from corporation tax subject to those subsidiaries being subject to corporate income tax, or alike, in their country of legal or business centre at the rate of at least 15% (at the corporate income tax rate applicable in Turkey for those companies whose principal activity is financial assurance or insurance).

Exemption for sale of participation shares and property

A 75% portion of the gains derived from the sale of preferential rights, usufruct shares and founding shares from investment equity and real property which has remained in assets for more than two full years is exempt from corporate tax. To be entitled to the exemption, the relevant gain is required to be held in a fund account in the liabilities and it must not be withdrawn from the entity for a period of five years. The sales consideration has to be collected up until the end of the second calendar year following the year the sale was realized.

Brokerage houses and real estate companies who are dealing with the trading and leasing of real estate cannot benefit from this exemption.

Exemption for investment allowance

The investment allowance application which is calculated as 40% for excess of certain amounts of fixed asset purchases and had been in force for a significant period of time was abolished by Law No.5479 dated 30 March 2006. However, in accordance with temporary article 69 of the Income Tax Law, income and corporate taxpayers can deduct the following amounts from their income related to the years 2006, 2007 and 2008 as well as the investment allowance amounts they could not offset against 2005 gains which were present as of 31 December 2005, in accordance with the legislation (including the provisions related to tax rates) in force as of 31 December 2005:

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

Exemption for investment allowance (Continued)

- a) In the scope of the investment incentive certificates prepared related to the applications before 24 April 2003, investments to be made after 1 January 2006 in the scope of the certificate for the investments started in accordance with the additional 1st, 2nd, 3rd, 4th, 5th and 6th articles prior to the abrogation of Income Tax Law No.193, with Law No. 4842.
- b) In the scope of the abolished 19th article of Income Tax Law No.193, the investment allowance amounts to be calculated in accordance with the legislation in force at 31 December 2005 for investments which were started before 1 January 2006 and which display an economic and technical integrity may deduct from income for only 2006, 2007 and 2008 fiscal years. The effective tax rate will be 30% in the case of applying the investment allowance exemption. The Group calculated the tax provision using the rate 30% for its Subsidiaries and Joint Ventures that applied this exemption.
- c) The expression of "just belongs to 2006, 2007 and 2008" in the 193 numbered Income Tax Law's temporary 69th clause is cancelled due to the Supreme Court's 2009/ 144 numbered decision, published in the official journal at 8 January 2010. The 6009 numbered laws 5. Clause and use of investment allowance exemption is restated which was published and effectuated at 1 August 2010 and 27659 numbered official journal. With the new regulation, the discounted amount of investment allowance exemption that will be used in tax base determination is anticipated as not to exceed 25% profit of the related year. Corporation tax will be calculated from the remaining earnings by the tax ratio in force.

Accordingly, the abovementioned profits within trade income/loss are considered in the calculation of corporate income tax.

In additions to the exemptions explained above, tax deductions specified in Corporation Tax Law articles 8., 9., 10., and Income Tax Law article 40, are also considered in the assessment of the corporation tax base.

Russian Federation

The effective corporate tax rate effective in Russian Federation is 20% (2009: 20%).

Russian tax legislation is subject to different interpretations and changed over frequently. The interpretation of tax legislation by tax authorities with regard to operations of TME may not be similar with management.

Russian tax year is legal year and fiscal year ends other than the legal year end are not permitted. The income taxes over gains are calculated annually. Tax payments are made monthly or depending on tax payer's choice, it can be made monthly or quarterly by using different calculation methods. Corporate tax declarations are given until 28th of March following the fiscal year closing.

According to Russian Federation's tax system, financial losses can be carried forward for 10 years to be deducted from future taxable income. After the year 2007, restriction related with deductible financial tax losses are removed. Maximum amount that can be deducted in any year is limited to 30% of the taxable income (2009: 30%). Rights related to tax losses that have not been utilized in the related periods will be lost.

Technically, tax refund is applicable; however a refund is generally obtained following a legal procedure result. Consolidated tax reporting or tax payment of parent companies or subsidiaries is not allowed. In general, dividend payments that are paid to foreign shareholders are subject to 15% withholding tax. Based on bilateral tax agreements, this rate can be decreased.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

The taxes on income reflected to the consolidated income statement for the six-month interim periods ended at 30 June 2010 and 2009 are summarized below:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April- 30 June 2009
Current	(67.231)	(44.592)	(49.427)	(6.928)
Deferred	19.257	13.281	20.329	(26.304)
Taxes on income	(47.974)	(31.311)	(29.098)	(33.232)

The reconciliation of the taxation on income in the consolidated income statement for interim periods ended 30 June 2010 and 2009 and the tax calculated at the corporate tax rate based on the income before minority interests and taxation on income are as follows:

Profit / (Loss)	30 June 2010	30 June 2009
(Loss)/profit before taxation from continued operations	17.367	(41.638)
Tax calculated at 20% tax rate	(3.473)	8.328
Difference due to the different tax rates applicable in different countries	(428)	254
Expenses not deductible for tax purposes	(21.732)	(14.833)
Income not subject to tax	6.597	9.189
Utilization of previously unrecognized tax losses	2.772	1.501
Tax losses for which no deferred income tax asset was recognized	(27.436)	(25.820)
Adjustment effects	2.784	(431)
Withholding tax related to the dividend payment in Russia	(2.204)	(62)
Other	(4.854)	(7.224)
Current year tax expense	(47.974)	(29.098)

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 27 - RELATED PARTY DISCLOSURES

i) Amounts due from and due to related parties:

	30 June 2010	31 December 2009
<u>Current trade receivables - Due from related parties:</u>		
Medyanet İletişim Reklam		
Pazarlama ve Turizm A.Ş. ("Medyanet")	10.078	8.232
D Elektronik Şans Oyunları ve		
Yayıncılık A.Ş. ("D Elektronik Şans Oyunları")	2.095	788
Çankaya Bel Pet Limited Şirketi	810	914
Alo Teledünya	345	345
Doğan Portal ve Elektronik Ticaret A.Ş.	336	753
Ray Sigorta	95	70
Doğan Elektronik Turizm Satış Pazarlama Hizmetleri ve Yayıncılık A.Ş.	22	113
D Market Elektronik Hizmetler ve Ticaret A.Ş. ("D Market")	3	1.016
Yeni Ortadoğu Otomotiv Ticaret A.Ş. ("Yeni Ortadoğu Otomotiv")	-	577
D Yapı ve İnşaat Sanayi ve Ticaret A.Ş. ("D Yapı")	-	110
Other	1.893	497
	15.677	13.415

	30 June 2010	31 December 2009
<u>Current trade payables - Due to related parties:</u>		
Ray Sigorta	330	106
Yeni Ortadoğu Otomotiv	192	219
Other	1.303	117
	1.825	442

ii) Transactions with related parties:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
<u>Service and product purchases:</u>				
Other product and service purchases	7.231	6.018	6.277	4.830
	7.231	6.018	6.277	4.830
<u>Service and product sales:</u>				
Service and product sales	18.048	12.535	13.538	7.023
	18.048	12.535	13.538	7.023

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 27 - RELATED PARTY DISCLOSURES (Continued)

<u>Financial income and expense:</u>	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Financial income	(357)	(220)	(167)	(342)
Financial expense	8	8	166	167
	(349)	(212)	(1)	(175)

Purchases of property, plant and equipment and intangible assets:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
D Market	459	304	990	701
Medyanet A.Ş.	-	-	306	213
Yeni Ortadoğu Otomotiv	-	-	231	98
	459	304	1.527	1.012

Benefits provided to board members and key management personnel

Group determined member of the board of the directors and member of the executive council as board members and key management personnel. Benefits provided to board members and key management personnel are wage, premium, health insurance and transportation. Total of the benefits provided to board members and key management personnel is as below;

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
To the Board members and key management personnel	10.649	4.017	11.564	6.282

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT

Financial instruments and financial risk management

The Group's activities expose it to a variety of financial risks. These risks are interest rate risk, funding risk, credit risk, liquidity risk, foreign currency exchange rates and price risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Financial risk management is carried out by each segment (Media, Energy and Other) and individual joint ventures, subsidiaries and associates operating in these segments, within the limits of general principles approved by their Board of Directors.

a) Market Risk

a.1) Foreign currency risk

The Group is exposed to the foreign exchange risk through the impact of rate changes in the translation of foreign currency denominated liabilities to the local currency. These risks are monitored and limited by analyzing foreign currency position.

The Group is mainly exposed to foreign currency risk in USD and EUR, and the effect of other currencies is not material.

	30 June 2010	31 December 2009
Foreign currency assets	1.977.387	2.093.995
Foreign currency liabilities	(3.224.696)	(3.509.234)
Net asset position of off-balance sheet derivatives	130	133.804
Net foreign currency position	(1.247.179)	(1.281.435)

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

Net foreign currency position

Below table summarizes the Group's foreign currency position risk as of 30 June 2010 and 31 December 2009. The carrying amount of foreign currency denominated assets and liabilities are as follows.

30 June 2010	TL Equivalent	US Dollar	Euro	Other
1. Trade Receivables	163.611	112	41.756	9.761
2a. Monetary Financial Assets (Cash, Banks included)	1.606.881	1.542.840	41.492	22.549
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	62.328	4.356	44.527	13.445
4. Current Assets (1+2+3)	1.832.820	1.659.290	127.775	45.755
5. Trade Receivables	15.245	7.006	4.697	3.542
6a. Monetary Financial Assets	122.486	38.643	83.675	168
6b. Non-Monetary Financial Assets	2	-	2	-
7. Other	6.834	6.771	63	-
8. Non-Current Assets (5+6+7)	144.567	52.420	88.437	3.710
9. Total Assets (4+8)	1.977.387	1.711.710	216.212	49.465
10. Trade Payables	570.918	457.754	104.437	8.727
11. Financial Liabilities	743.678	554.067	172.757	16.854
12a. Other Monetary Financial Liabilities	83.555	53.885	4.935	24.735
12b. Other Non-Monetary Financial Liabilities	159	8	149	2
13. Current Liabilities (10+11+12)	1.398.310	1.065.714	282.278	50.318
14. Trade Payables	589.315	589.315	-	-
15. Financial Liabilities	1.195.995	1.086.107	78.418	31.470
16a. Other Monetary Financial Liabilities	1.709	878	-	831
16b. Other Non-Monetary Financial Liabilities	39.367	39.367	-	-
17. Non-Current Liabilities (14+15+16)	1.826.386	1.715.667	78.418	32.301
18. Total Liabilities (13+17)	3.224.696	2.781.381	360.696	82.619
19. Net asset / liability position of Off-balance sheet derivatives (19a-19b)	130	(3.335)	7.011	(3.546)
19.a Off-balance sheet foreign currency derivative assets	7.122	111	7.011	-
19.b. Off-balance sheet foreign currency derivative liabilities	6.992	3.446	-	3.546
20. Net foreign currency asset liability position (9-18+19)	(1.247.179)	(1.073.006)	(137.473)	(36.700)
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(1.276.947)	(1.041.423)	(188.927)	(46.597)
22. Fair value of foreign currency hedged financial instruments	-	-	-	-
23. Exports	605.500	605.500	-	-
24. Imports	766.619	733.760	32.828	31

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2009	TL Equivalent	US Dollar	Euro	Other
1. Trade Receivables	249.063	188.509	39.196	21.358
2a. Monetary Financial Assets (Cash, Banks included)	1.741.240	1.619.976	90.289	30.975
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	3.278	91	2.849	338
4. Current Assets (1+2+3)	1.993.581	1.808.576	132.334	52.671
5. Trade Receivables	13.520	7.041	1.439	5.040
6a. Monetary Financial Assets	76.748	908	75.730	110
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	10.146	10.146	-	-
8. Non-Current Assets (5+6+7)	100.414	18.095	77.169	5.150
9. Total Assets (4+8)	2.093.995	1.826.671	209.503	57.821
10. Trade Payables	821.885	707.838	100.195	13.852
11. Financial Liabilities	1.049.870	919.996	112.697	17.177
12a. Other Monetary Financial Liabilities	4.311	3.856	258	197
12b. Other Non-Monetary Financial Liabilities	373	140	233	-
13. Current Liabilities (10+11+12)	1.876.439	1.631.830	213.383	31.226
14. Trade Payables	316.744	316.744	-	-
15. Financial Liabilities	1.233.008	1.012.047	181.505	39.456
16a. Other Monetary Financial Liabilities	38.542	38.315	227	-
16b. Other Non-Monetary Financial Liabilities	44.501	43.716	-	785
17. Non-Current Liabilities (14+15+16)	1.632.795	1.410.822	181.732	40.241
18. Total Liabilities (13+17)	3.509.234	3.042.652	395.115	71.467
19. Net asset / liability position of				
Off-balance sheet derivatives (19a-19b)	133.804	134.001	3.601	(3.798)
19.a Off-balance sheet foreign				
currency derivative assets	149.129	140.173	6.637	2.319
19.b. Off-balance sheet foreign				
currency derivative liabilities	15.325	6.172	3.036	6.117
20. Net foreign currency				
asset liability position (9-18+19)	(1.281.435)	(1.081.980)	(182.011)	(17.444)
21. Net foreign currency asset / liability				
position of monetary items				
(1+2a+5+6a-10-11-12a-14-15-16a)	(1.383.789)	(1.182.362)	(188.228)	(13.199)
22. Fair value of foreign currency				
hedged financial instruments	22.335	22.335	-	-
23. Exports	821.368	768.703	-	-
24. Imports	1.311.181	1.019.468	10.866	-

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

As of 30 June 2010 and 31 December 2009 foreign currency denominated asset and liability balances were converted with the following exchange rates; TL 1,5747 = USD 1 and TL 1,9217 = EURO 1 (2009: TL 1,5057 = USD 1 and TL 2,1603 = EURO 1)

30 June 2010	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
	If USD changed against TL by 10%	
1- US Dollar net asset/(liability)	(107.301)	107.301
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect-gain/(loss) (1+2)	(107.301)	107.301
	If Euro changed against TL by 10%	
4- Euro net asset/(liability)	(13.747)	13.747
5- Part of hedged from Euro risk (-)	-	-
6- Euro net effect-gain/(loss) (4+5)	(13.747)	13.747
	If other foreign currency changed against TL by 10%	
7- Other foreign currency net asset/(liability)	(3.670)	3.670
8- Part of hedged other foreign currency risk (-)	-	-
9- Other foreign currency net effect-gain/(loss) (7+8)	(3.670)	3.670
Total (3+ 6+9)	(124.718)	124.718

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2009

	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
	If USD changed against TL by 10%	
1- US Dollar net asset/(liability)	(108.198)	108.198
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect-gain/(loss) (1+2)	(108.198)	108.198
	If Euro changed against TL by 10%	
4- Euro net asset/(liability)	(18.201)	18.201
5- Part of hedged from Euro risk (-)	-	-
6- Euro net effect-gain/(loss) (4+5)	(18.201)	18.201
	If other foreign currency changed against TL by 10%	
7- Other foreign currency net asset/(liability)	(1.744)	1.744
8- Part of hedged other foreign currency risk (-)	-	-
9- Other foreign currency net effect-gain/(loss) (7+8)	(1.744)	1.744
Total (3+ 6+9)	(128.143)	128.143

a.2) Interest rate risk

- Media

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing financial liabilities and long term trade payables. These exposures are managed using natural hedges that arise from offsetting interest rate sensitive assets and liabilities and by limited use of derivative instruments.

- Energy and Other

Financial liabilities of energy and other segments expose them into interest rate risk. Financial liabilities on these segments are mainly borrowings at fixed rates.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's financial instruments, that are sensitive to interest rate, are as follows:

	30 June 2010	31 December 2009
Financial instruments with fixed interest rate		
Financial assets at fair value through profit or loss	2.020.264	2.652.503
Financial liabilities	1.184.805	916.846
Financial instruments with floating interest rate		
Financial liabilities	1.616.544	1.736.425

Based on the current balance sheet as of 30 June 2010, if there is 1% decrease/ increase in the floating interest rates of financial liabilities for the Media, Energy and other segments of the Group and if the other variables are kept constant; the net loss before minority and taxation of the Group is going to increase/decrease by TL 8.082 (2009: the net loss before minority and taxation of the Group is going to increase/decrease by TL 17.364).

a.3) Price Risk

- Energy

The Group is exposed to price risk due to the differences between petroleum product stocks value and the product prices traded in international commodity market which subsequently affects sales price adversely. In order to avoid the negative price fluctuations on sales price, the Group entered into fair value hedge contracts. Gain/loss arising from fair value hedging transactions is added to cost of goods sold. TL 3.527 of gain on these transactions is included in cost of goods sold at 30 June 2010 (30 June 2009: TL 24.161 loss).

b) Funding risk

The Group's ability to fund the existing and prospective debt requirements for each segment is managed by maintaining the availability of adequate committed funding lines from high quality lenders.

c) Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements.

- Media

Credit risk, is the risk of inability to meet the terms of agreements of counterparties of the Group. Risks are monitored by credit ratings and by limiting the aggregate risk to any individual counterparty. As the entities comprising customer base are numerous and spread on different business areas, credit risk is diversified.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

c) Credit Risk (Continued)

- Energy

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit risk mainly arises from trade receivables. The risk is managed through the credit limits up to the guarantees received from the dealers. The Group monitors the usage of the credit limits and evaluates customer credibility continuously through taking financial position of the customers with their past experiences and other aspects into consideration. Trade receivables are evaluated based on the Energy segment policies and procedures and presented net-off of provision for doubtful receivables accordingly.

Credit valuation is continuously performed from trade receivable account of the customers; receivables are insured if necessary.

- Other

The Group has adopted a policy of only dealing with creditworthy counterparties (excluding related parties) and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 30 June 2010 is as follows:

30 June 2010	Trade Receivables		Other Receivables		Cash and cash equivalents	Derivative Instruments
	Related Party	Other	Related Party	Other		
Maximum net credit risk as of balance sheet date	15.677	1.374.848	-	36.632	2.008.383	1.922
<i>- The part of maximum risk under guarantee with collateral</i>	-	244.430	-	683	-	-
A. Net book value of financial assets that are not past due/impaired	15.677	1.143.565	-	36.632	2.008.383	1.922
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	11.060	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	220.223	-	-	-	-
- The part under guarantee with collateral etc.	-	79.027	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	226.276	-	2.319	-	-
- Impairment (-)	-	(226.276)	-	(2.319)	-	-
- The part of net value under guarantee with collateral	-	-	-	-	-	-
- Not over due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- The part of net value under guarantee with collateral	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 31 December 2009 is as follows:

31 December 2009	Trade Receivables		Other Receivables		Cash and cash equivalents	Derivative Instruments
	Related Party	Other	Related Party	Other		
Maximum net credit risk as of balance sheet date	13.415	1.153.775	-	-	1.968.384	30.802
<i>- The part of maximum risk under guarantee with collateral</i>	<i>13.415</i>	<i>230.965</i>	-	-	-	-
A. Net book value of financial assets that are not past due/impaired	13.415	905.774	-	-	1.968.384	30.802
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	9.947	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	211.239	-	-	-	-
- The part under guarantee with collateral etc.	-	65.190	-	-	-	-
D. Net book value of impaired assets	-	26.815	-	-	-	-
- Past due (gross carrying amount)	-	248.934	-	-	-	-
- Impairment (-)	-	(222.119)	-	-	-	-
- The part of net value under guarantee with collateral	-	31.287	-	-	-	-
- Not over due (gross carrying amount)	-	(380)	-	-	-	-
- Impairment (-)	-	(380)	-	-	-	-
- The part of net value under guarantee with collateral	-	(760)	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

Based on industry dynamics and characteristics, the Group does not foresee any collection risk for overdue amounts up to 30 days. Interest is charged for trade receivables which are overdue more than 1 month for media and other segments and 90 days for Energy segment and these receivables are restructured and considered recoverable because there are letter of guarantees, mortgages and other guarantees obtained. Overdue trade receivables is a result of the industry characteristic as mentioned above and is not significantly different from previous periods.

The aging of the receivables of the Group that are past due but not impaired including related party balances by taking into consideration past due dates are as follows:

	<u>30 June 2010</u>		<u>31 December 2009</u>	
	Trade Receivables	Other Receivables	Trade Receivables	Other Receivables
From due date				
Past due 1-30 days	90.988	-	93.233	-
Past due 1-3 months	42.733	-	52.243	-
Past due 3-12 months	39.950	-	49.106	-
Past due 1-5 years	46.552	-	16.247	-
Past due more than 5 years	-	-	410	-
The part under guarantee with collateral	79.027	-	65.190	-

d) *Liquidity risk*

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by maintaining availability under committed credit lines for each segment of the Group.

The following table presents the maturity of Group's derivative and non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The table includes interest to be paid on stated liabilities. Derivative financial liabilities are presented according to undiscounted net cash inflow and cash outflow. The table has been drawn up based on the undiscounted net cash inflows/outflows on the derivative instrument that settle on a net basis and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

d) Liquidity risk (Continued)

30 June 2010	Carrying value	Total cash outflow according to contract	Less than 3 Months	3-12 Months	1-5 Years	More than 5 years
Non-derivative financial liabilities						
Financial liabilities (Note 8)	2.801.349	2.953.275	432.938	695.821	1.823.741	775
Trade payables (Note 9)	1.658.752	1.692.957	755.980	338.368	598.609	-
Other financial liabilities	256.905	264.806	2.140	53.044	209.622	-
	4.717.006	4.911.038	1.191.058	1.087.233	2.631.972	775
Derivative financial liabilities						
Derivative cash inflow	1.922	187.504	134.012	2.307	51.185	-
Derivative cash outflow	(244)	(182.910)	(130.758)	(967)	(51.185)	-
Derivative cash inflow/outflow, net	1.678	4.594	3.254	1.340	-	-
31 December 2009	Carrying value	Total cash outflow according to contract	Less than 3 Months	3-12 Months	1-5 Years	More than 5 years
Non-derivative financial liabilities						
Financial liabilities (Note 8)	2.827.908	2.998.519	460.406	852.863	1.682.455	2.795
Trade payables (Note 9)	1.573.811	1.598.232	523.685	740.803	333.744	-
Other financial liabilities	18.562	19.790	3.708	15.340	742	-
	4.420.281	4.616.541	987.799	1.609.006	2.016.941	2.795
Derivative financial liabilities						
Derivative cash inflow	22.337	253.142	115.943	137.199	-	-
Derivative cash outflow	(2.631)	(248.577)	(124.663)	(123.914)	-	-
Derivative cash inflow/outflow, net	19.706	4.565	(8.720)	13.285	-	-

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

e) Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments are determined by the Group, using available market information and appropriate valuation methodologies for each segment of the Group. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions are used in the estimation of the fair value of the financial instruments for which it is practicable to estimate fair value:

Monetary assets

The fair values of balances denominated in foreign currencies, which are translated at the period end exchange rates, are considered to approximate carrying value.

The fair values of certain financial assets carried at cost, including fair values of cash and due from banks are considered to approximate their respective carrying values due to their short-term nature.

The carrying values of trade receivables along with the related allowances for uncollectibility are estimated to be at their fair values.

Monetary liabilities

The fair value of bank borrowings and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Long-term borrowings, which are principally at variable rates, and denominated in foreign currencies, are translated at the period-end exchange rates and accordingly, their fair values approximate their carrying values.

Trade payables are disclosed at their fair values.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

f) *Capital risk management*

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. On the calculation of the total debt, the Group management takes short and long-term borrowings and trade payables into consideration. Cash and cash equivalents are calculated as liquid assets less than 3 months and marketable securities less interest rediscount (Note 6).

	30 June 2010	31 December 2009
Total debts	4.461.926	4.402.161
Less: Cash and cash equivalents (Note 6)	(2.007.643)	(2.034.716)
Net debt	2.454.283	2.367.445
Equity	3.165.757	3.474.105
Total equity	5.620.040	5.841.550
Gearing ratio	44%	41%

NOTE 29 - FINANCIAL INSTRUMENTS

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Group and its subsidiaries and joint ventures, using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 29 - FINANCIAL INSTRUMENTS (Continued)

Financial assets

The fair value of the foreign currency denominated amounts, which are translated by using the Exchange rates prevailing at period-end, is considered to approximate their fair value.

The fair values of certain financial assets carried at cost including cash and due from banks, deposits with banks and other financial assets are considered to approximate their respective carrying values due to their short-term nature. The fair value of investment securities has been estimated based on the market prices at balance sheet dates.

The trade receivables are carried at amortized cost using the effective yield method less provision for doubtful receivables, and hence are considered to approximate their fair values.

Financial liabilities

The fair value of short-term funds borrowed and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Long-term borrowings, which are principally at variable rates and denominated in foreign currencies, are translated at period-end exchange rates and accordingly their carrying amounts approximate their fair values.

Trade payables are stated at their fair values and accordingly their carrying amounts approximate their fair values.

NOTE 30 – SUBSEQUENT EVENTS

- As explained in detail in note 15 , the outcome of the lawsuits concluded against the Group’s direct and indirect subsidiaries, Doğan TV, D Yapım Reklamcılık, Doğan Prodüksiyon and Alp Görsel , which were filed in relation to the tax assessment reports prepared for the 2005, 2006, 2007 and 2008 period, were disclosed in the “Statement of Material Disclosures” issued as at 2 August 2010 and it is reported as in the National Judiciary Informatics System (“UYAP”) that some of the lawsuits were concluded partially in favor of and some of the lawsuits were concluded partially against the Group.

As of 18 August 2010, total of TL 713.304 of lawsuits (TL 356.652 of tax charge and TL 356.652 of tax fine) concluded against Doğan TV in relation to 2006’s corporate taxation of which is a part of TL 2.245.548 of total of lawsuits (TL 1.094.624 of tax charge and TL 1.150.924 of tax fine) that were concluded partially in favor of and partially against the Group as stated in the “Statement of Material Disclosures” issued as at 2 August 2010 was disclosed to public. A tax notification (no:2) was served to the Group amounting to TL 1.047.915, including TL 713.304 of the related corporate tax charge and TL 334.611 of its overdue interest. Lawsuits concluded against the Group are filed for appeal, including the stay of execution. No further notifications have been served to the Group in relation to the other lawsuits that have been finalized partially against or partially in favor of the Group.

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 30 – SUBSEQUENT EVENTS (Continued)

- Merger of Milpa by taking over Hürriyet Pazarlama according to the decrees of article numbered 451 of Turkish Commercial Code and articles numbered 18 – 20 of Corporate Tax Law and the amendment of the 8th article which is entitled as “Capital” of the Basic Contract of the Company, which is related with the increase of the company’s registered capital ceiling from TL 50.000.000 to TL 100.000.000 are approved by the decision of Capital Markets Board dated 23 July 2010 and numbered 21/626. Merger Announcement about the related transaction is published at 29 June 2010 by Milpa.
- The condensed consolidated interim financial statements for the six month period ended as of 30 June 2010 have been approved by the Board of Directors on 27 August 2010. No authority other than the Board of Directors has the right to change the financial statements.

NOTE 31 - DISCLOSURE OF OTHER MATTERS

None (2009: None)

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2010**

(Amounts expressed in thousands of Turkish lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 32 - CONSOLIDATED CASH FLOWS STATEMENT - CASH USED IN OPERATIONS

	Notes	30 June 2010	30 June 2009
Profit /(loss) before taxation from continued operations		17.367	(41.638)
Adjustments:			
Depreciation and amortization	10-11-12	189.904	180.378
Provision for employment termination benefits		6.103	6.146
Interest expenses, net	23-24	39.283	54.454
Currency translation differences		(12.061)	4.462
Profit/(loss) on sale of property, plant and equipment	22	(1.912)	115
Impairment of investment property, property, plant and equipment and intangible assets	10-11-12	(2.546)	4.513
Provision/(reversal) of net realizable value		2.497	-
Provision for doubtful receivables	9	21.337	29.642
Foreign exchange loss from loans and letter of credits		-	182.731
Foreign exchange gain from put option liability		(13.614)	-
Other provisions		20.027	24.356
		266.385	445.159
Changes in working capital (excluding the effects of acquisitions and disposals):			
Change in financial investments and investments accounted for by the equity method		91.747	(193.775)
Change in trade receivables, net		(244.672)	(114.938)
Change in inventories, net		(79.297)	(32.048)
Change in trade payables, net		(188.509)	324.445
Change in long-term trade payables, net		274.833	(256.667)
Change in other payables/receivables, net		109.841	77.444
		(36.057)	(195.539)
Net cash provided in operating activities		230.328	249.620

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